



Public Service Commission

-M-E-M-O-R-A-N-D-U-M-

DATE: August 7, 1996
TO: Division of Records and Reporting
 Division of Legal Services (Crosby)
FROM: Division of Water & Wastewater (Walker) *bsm New [Signature]*
RE: Docket No. 960222-WS; Request for exemption from Florida Public Service Commission regulation for provision of water and wastewater service in Duval County by Coopers Hawk Apartments

On February 22, 1996, this Commission received an application from Coopers Hawk Apartments (Coopers or reseller) for a reseller exemption pursuant to Section 367.022(8), Florida Statutes, (F.S.). Our review indicates that Coopers Hawk Apartments meets the requirements for status as an entity that resells water and wastewater service at a rate or charge that does not exceed the actual purchase price thereof, as provided in Section 367.022(8), Florida Statutes.

The application was filed in accordance with Section 367.022(8), F.S., and Rule 25-30.060(3)(h), Florida Administrative Code (F.A.C.). Acting as the authorized agent for Mid America Apartment Communities (a corporation), Mr. John S. Ranney described why The Coopers Hawk Apartments qualifies for reseller exemption. Coopers Hawk Apartments, the applicant for this proceeding, is an apartment community located in Duval County. The applicant intends to render service at or below cost. The application indicates that 208 individually metered apartments will be served.

ACK _____ The applicant, through its authorized agent, acknowledged being aware of the
 AFA _____ requirements of Rule 25-30.111, F.A.C., regarding submission of an annual report. Likewise,
 APP _____ the applicant also acknowledged being aware of the requirements of Chapter 367.122, F.S.,
 DAF _____ regarding examination and testing of meters, and Rules 25-30.262 through 25-30.267, F.A.C.,
 HMU _____ regarding the utility owner's responsibility for insuring the accuracy of meters.

_____ According to the application and supplemental information filed by Mr. Ranney, the
 City of Jacksonville Public Utilities will provide service to Woodbridge under the following
 terms: the initial base facility charge shall be \$238.20 for water service and \$163.80 for
 wastewater service, and the concurrent usage rates (per hundred cubic foot (CCF)) would
 be \$.63 and \$2.90, respectively. A 10% service tax is imposed on the water service portion
 of the bill. The reseller's proposed rates and billing method were also reported: dividing
 the seller's base facility charge equally among 208 apartment units, the reseller's proposed
 base charges are \$1.15 for water service and \$.79 for wastewater service. An exact
 duplication of the seller's gallonage rates was proposed: \$.63 for water service and \$2.90 for
 wastewater service.

_____ Coopers Hawk Apartments will collect a \$30.00 refundable deposit. Residents will
 be billed monthly, miscellaneous fees will not be collected, and usage in common areas will
 not be charged to residents. Further, the applicant asserts that it will absorb the cost of the

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billing service. The office area is located at 10275 St. Augustine Road, Jacksonville, Florida, 32257. As authorized agent for the applicant, Mr. John S. Ranney signed the application for reseller exemption and acknowledged that he was aware that pursuant to Section 837.06, Florida Statutes, penalties may be imposed for false statements.

A sample billing for a typical resident in the Coopers Hawk Apartments complex, assuming 6 CCF used:

Base water charge	(\$1.15)	\$ 1.15
Water charges	(6 CCF x \$.63)	\$ 3.78
10% Tax on Water		\$ 0.49
Base wastewater charge	(\$0.79)	\$ 0.79
Wastewater charges	(6 CCF x \$2.90)	<u>\$17.40</u>
	Total	\$26.61

In summary, staff has determined that Coopers Hawk Apartments meets the necessary qualifications for a nonprofit reseller exemption pursuant to Section 367.022(8), Florida Statutes and Rule 25-30.060(3)(h), Florida Administrative Code. Staff recommends that an administrative order be issued that declares that Coopers Hawk Apartments is exempt from Commission regulation pursuant to Section 367.022(8), Florida Statutes. Staff further recommends that the order require Coopers Hawk Apartments to notify this Commission in the event of any change of circumstances or method of operation of its water and wastewater systems. Furthermore, staff recommends that this docket be closed.

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