



Public Service Commission

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

DATE: August 29, 1996
TO: Division of Records and Reporting
Division of Legal Services, Alice Crosby
FROM: Division of Water & Wastewater, J. Travis Coker *JTC ASM GMM*
RE: Docket No. 960505-WS; Request for exemption from Florida Public Service Commission regulation for provision of water and wastewater service in Duval County by The Senate Apartments.

On April 18, 1996, this Commission received an application from The Senate Apartments (The Senate or reseller) for a reseller exemption pursuant to Section 367.022(8), Florida Statutes, (F.S.). Staff has determined that The Senate meets the requirements for status as a service entity that will resell water and wastewater at a rate that will not exceed the actual purchase price thereof provided in Section 367.022(8), F.S.

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.). Included with exemption application was a statement from the agent of the system describing the statutory and factual basis for the exemption. The applicant stated this function is only to provide non-profit utility service. The Senate is owned and managed by Property Asset Management Company. Ms. Patti J. McDonald, Vice President of Property Asset Management Company submitted a letter of authorization giving Mr. John S. Ranney legal authority to act on behalf of the apartment complex. Mr. Ranney, of Envirotech Utility Management Systems, signed the application on behalf of The Senate. In addition, Mr. Ranney acknowledged Section 837.06, Florida Statutes, regarding false statements. The applicant acknowledged the requirements of Rule 25-30.111, F.A.C., regarding annual reporting requirements. The applicant also acknowledged Chapter 367.122, F.S., which deals with the examination and testing of meters; and Rules 25-30.262 through 25-30.267, F.A.C., which explains the responsibilities of the utility owner for insuring the accuracy of the meters.

The Senate has named the City of Jacksonville as the entity providing service to the apartment complex and has submitted that company's rates and charges. The Senate has contracted the services of Envirotech to install 140 individual meters. The reseller has also provided its proposed rates and charges and an explanation of its proposed method of billing. The actual rates billed to the tenants are identical to the rates charged by the City of Jacksonville. This demonstrates that the rates charged will not exceed the amount paid for water or wastewater by the reseller entity. The Senate states it does require a \$30.00 deposit and will notify this Commission of any change in this policy. The Senate also stated in its application that tenants will be billed monthly, no miscellaneous charges or water charges for common areas will be levied and that the service territory will be limited to the apartment complex only. The service area is identified by the following address: 7211 Crane Avenue, Jacksonville, Florida, 32216.

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For informational purposes, the City of Jacksonville's rates and charges for general metered water and wastewater service, charged monthly are as follows:

WATER RATES

Base Rate

<u>Meter Size</u>	
5/8"	\$ 8.45
3/4"	10.65
1.0"	15.20
1.5"	26.35
2.0"	39.70
3.0"	75.35
4.0"	115.35
6.0"	226.85
8.0"	360.35
10.0"	516.25
12.0"	961.60

Consumption Rate

0-15 ccf	per 100 cubic feet	\$ 0.58
16-30 ccf	per 100 cubic feet	\$ 0.73
30+ ccf	per 100 cubic feet	\$ 0.96

1 ccf = 100 cubic feet = 748 gallons

WASTEWATER RATES

Base Rate

<u>Meter Size</u>	
5/8"	\$ 3.40
3/4"	5.15
1.0"	8.55
1.5"	17.10
2.0"	27.30
3.0"	54.50
4.0"	85.15
6.0"	170.45
8.0"	272.60
10.0"	391.90
12.0"	732.55

Consumption Rate

per 100 cubic feet	\$ 2.90
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1 ccf = 100 cubic feet = 748 gallons

The City of Jacksonville also levies a 10.0% tax on water usage. These rates became effective May 1996.

The Senate has two 4.0" meters. The proposed rates for water and wastewater service for The Senate, charged monthly are as follows:

WATER RATES

Base Rate	(2) 4.0" Meters	2 x \$115.35	\$230.70 / 140 = \$ 1.65
Consumption Rate	per 100 cubic feet	\$.68	
	1 ccf = 100 cubic feet = 748 gallons		

WASTEWATER RATES

Base Rate	(2) 4.0" Meters	2 x \$85.15	\$170.30 / 140 = \$1.22
Consumption Rate	per 100 cubic feet	\$ 2.81	
	1 ccf = 100 cubic feet = 748 gallons		

The 140 units at The Senate will be billed for consumption based on these rates. An example of a The Senate tenant with 6 ccf (approx. 4,503 gallons) usage would be calculated as follows:

Base water charge	(\$1.65)	\$ 1.65
Water charges	(6 x .58)	\$ 3.48
Public Service Tax	(10% x 5.13)	\$.51
Base wastewater charge	(\$1.22)	\$ 1.22
Wastewater charges	(6 x 2.90)	<u>\$17.40</u>
	Total	\$24.26

In summary, staff has determined that The Senate 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 finding The Senate exempt from Commission regulation pursuant to Section 367.022(8), Florida Statutes. Staff further recommends that the order require The Senate to notify this Commission in the event of any change of circumstances or method of operation of its water system. Furthermore, staff recommends that this docket be closed.