# BEFORE THE FLORIDA PUBLIC SERVICE COM

In Re: Application by Nocatee Utility Corporation for Original Certificates for Water & Wastewater Service in Duval and St. Johns Counties, Florida	) ) ) Docket No. 990696-WS )		<u> </u>	
In Re: Application for certificates to operate water & wastewater utility in Duval and St. Johns Counties by Intercoastal Utilities, Inc.		RECORDS AND REPORTING	APR 30 PH 2:5	ECEVED-FPS(

### **INTERCOASTAL'S** FIRST REQUEST FOR OFFICIAL RECOGNITION

INTERCOASTAL UTILITIES, INC. ("Intercoastal"), by and through its undersigned counsel, and pursuant to Section 120.569(2)(i), Florida Statutes, and Sections 90.202(5), 90.202(12), 90.203(1) and 90.203(2), Florida Evidence Code, hereby requests that the Commission take official recognition of the following documents:

1. Proposal of JEA to Provide Additional Water, Wastewater and Reclaimed Water Utility Services in St. Johns County, dated February 20, 2001.

Dated this 30<sup>th</sup> day of April, 2001.

YOHN L WHARTON, ESO.

JOSEPH P. PATTON, ESQ.

Rase, Sundstrom & Bentley, LLP 2548 Blairstone Pines Drive

Tallahassee, FL 32301

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#### **CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and accurate copy of the foregoing has been furnished by Facsimile and U.S. Mail to the following this 30<sup>th</sup> day of April, 2001.

Samantha Cibula, Esq.
Division of Legal Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

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# Proposal of



To Provide Additional
Water, Wastewater and Reclaimed Water
Utility Services
In
St. Johns County

February 20, 2001

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CO UTILITIES

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Year		2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Nocatee	\$	9,163	\$ 18,326	\$ 27,490	\$ 38,653	\$ 45,816	\$ 59,818	\$ 73,819	\$ 87,891	\$ 101,893	\$ 115,895
JCP	\$	89,521	\$ 99,548	\$ 109,572	\$ 119,597	\$ 129,622	\$ 139,648	\$149,673	\$ 159,699	\$ 189,697	\$ 189,697
Northern St Johns Sty	#	28,025	\$ 45,706	\$ 68,355	\$ 54,015	\$106,328	\$ 129,369	\$ 145,577	<u>\$ 159,575</u>	\$1/3,572	\$ 187,570
Total	\$	126,709	\$ 163,579	\$ 203,396	\$ 240,266	S 283,787	\$ 328,834	\$ 369,089	\$ 407, 165	\$445,182	\$ 473,162
Nel Present Value @ 5%		\$120,875	\$148,371	<b>\$</b> 175,701	\$197,887	\$222,139	\$245,381	\$262,291	\$275,585	\$286,956	\$290,480
10 Year Total	<u>\$</u>	3,041,109	ŧ								
10 Year Total NPV	\$	2,225,446	<del>.</del>								
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February 20, 2001

Dr. Mary F. Kohnke, Chairperson Board of County Commissioners St. Johns County P.O. Box 349 St. Augustine, FL 32085

Mr. Ben W. Adams II County Administrator St. Johns County P.O. Box 349 St. Augustine, FL 32085

Dear Dr. Kohnke and Mr. Adams:

In response to your request, IEA is pleased to submit a proposal to provide additional water, wastewater and reclaimed water utility services in St. Johns County. As you know, IEA has recently entered into a long-term agreement to provide certain limited wholesale water and wastewater services to St. Johns County's Water and Sewer Utility Department as well as a long-term Interlocal Agreement with St. Johns County to provide retail water, wastewater and reclaimed water services to Julington Creek Plantation (JCP). As one of the largest and most progressive consolidated locally owned utilities in the nation, JEA is committed to providing the same high quality, low cost utility services in St. Johns County as we do for all our other customers in Florida's First Coast.

To summarize our detailed proposal below, JEA is prepared to: 1) adjust the affected St. Johns County residents' water and sewer bills to JEA's uniform retail rates; 2) pay St. Johns County at least \$6.2 million in an up-front, lump sum payment for use as the County Commission chooses; 3) commit not to build any new, or expand any existing, water or wastewater plants in the areas in St. Johns County described in this proposal; 4) appropriately structure arrangements whereby JEA will provide future payments to the St. Johns County General Fund; and 5) serve St. Johns County residents in Nocatee, and other areas as directed by the County Commission, at JEA's uniform retail rates and service level.

This proposal consists of four components: 1) Purchase by JEA of the assets and service territories of one or more private, non-PSC regulated water and wastewater utilities in Northern St. Johns County; 2) Payment by JEA to St. Johns County for served and unserved areas in Northern St. Johns County; 3) Provision of retail water, wastewater and reclaimed water services to the proposed Nocatee development; and 4) Financial and environmental considerations. We believe that this proposal will be viable for both St. Johns County and JEA only if it is agreed to in its ontirety.

1. Purchase by JEA of the assets and service territories of one or more private, non-PSC regulated water and wastewater utilities in Northern St. Johns County

JEA will make its best effort to purchase the assets and corresponding service territories of the existing private, non-Public Service Commission regulated (non-PSC regulated) water and

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wastewater utilities in Northern St. Johns County. This assumes that the owners of these utilities are willing sellers and that JEA will be able to negotiate a fair market value purchase price with acceptable terms and conditions for each of these utilities. It also assumes that JEA will own and operate these utilities under the general terms and conditions specified in the existing Interlocal Agreement between JEA and St. Johns County, which was developed in connection with JEA's purchase of the Julington Creek Plantation utility.

We believe that the purchase of these utilities by JEA will provide many advantages to St. Johns County and to its residents who are currently the customers of there utilities. Among these benefits are: 1) low, stable rates (JEA expects to hold its water and wastewater rates at current levels at least another two years, and likely much longer); 2) access to low cost capital (JEA's bond ratings are among the best in the nation for water and wastewater utilities which allows JEA to finance its capital needs at very low not interest rates — a benefit passed on to our customers in the form of low water and wastewater rates); 3) a commitment to environmentally sound operating practices (as evidenced by JEA's continuing commitment to solving the odor problem at the former JCP Utility wastewater plant site); and 4) cost savings and service benefits from the integration of our large electric, water and wastewater operation (for example, completely automated motor reading systems which climinate almost all need for utility employees to enter oustomers' property). A copy of JEA's current low water, wastewater and reclaimed water rates is attached. The last water and wastewater rate increase was in May, 1996. Since JEA took over operations of the City of Jacksonville's water and wastewater system in June, 1997, there have been no rate increases and none are planned in the foreseeable future.

If JEA is successful in purchasing one or more of the non-PSC regulated private utilities in Northern St. Johns County, JEA is prepared to include these customers under its existing Interlocal Agreement with St. Johns County to ensure that the customers of such utility(ies) will benefit from our commitment to uniform rates and high quality service. Consistent with the treatment of the JCP Utility assets, St. Johns County will have the right in the future to purchase the water and wastewater utility assets acquired by JEA in St. Johns County at their amortized value in accordance with the terms of the existing Interlocal Agreement.

# 2. Payment by JEA to St. Johns County for served and unserved areas in Northern St. Johns County

JEA proposes to purchase St. Johns County's served and unserved areas in Northern St. Johns County. For purposes of this proposal, the Northern St. Johns County Area consists of Nease High School, Walden Chase, Marshall Creek and other potential developments along the U.S. I comidor in Northern St. Johns County (excluding the World Golf Village). JEA hereby offers St. Johns County a purchase price of \$4 million to assume retail service in this area. As in the case of JEA's acquisition of private, non-PSC regulated utilities in Northern St. Johns County, all existing and future St. Johns County residents served by JEA in this area will benefit from JEA's low, stable, uniform rates and high quality service. St. Johns County will also have the right to purchase this service area and the associated utility assets back from JEA in the future at their amortized value in accordance with the terms of the existing Interlocal Agreement.

An important advantage of this component is that the residents of Northern St. Johns County will benefit from interconnection with JEA's regional water and wastewater grid. This interconnection will provide redundant capabilities to ensure that all customers will receive greater reliability and a higher level of service than would otherwise be available, we believe, in this Northern St. Johns County Area. The proposed interconnection will also enable JEA to sharply reduce the future level of water withdrawals from Northern St. Johns County which is included in the St. Johns River Water Management District water use coution area. An additional advantage of this component is that JEA will totally relieve St. Johns County of its existing financial liability of \$5.2 million to JEA for the capital investment JEA has made in the construction of the U.S. 1 water and wastewater transmission lines.

# 3. Provision of retail water, wastewater and reclaimed water services to the proposed Nocatee development

As you know, JEA has committed to provide wholesale services to the Nocatee development by contract with Nocatee Utility Corporation, pending approval of Nocatee Utility Corporation's PSC certificate. Depending on the needs and preferences of both the principals of Nocatee and St. Johns County, JEA is prepared to seek the provision of water, wastewater, and reclaimed water needs of the proposed Nocatee development on a retail basis, with the same low, stable rates and high quality service as in the other parts of St. Johns County currently served by JEA.

#### 4. Financial and environmental considerations

In addition to the payment by IEA to St. Johns County for the Northern St. Johns County Area described in component 2, above, JEA is prepared to pay an additional lump sum amount to St. Johns County. This amount is based on 5% of the net present value of all gross revenues from the retail sale of water and wastewater (excluding reclaimed water) which JEA expects to realize during the next ten years in providing service to Nocatee, Julington Creek Planta ion, and other areas in the Northern St. Johns County Area. This additional lump sum amount is currently estimated to be \$2.2 million. At the end of the ten year period, JEA will calculate a "true-up" to adjust for the actual revenue realized. This amount does not include any revenue from the acquisition of private, non-PSC regulated utilities. If JEA were to purchase such utilities, these amounts would be added to and included in the lump sum amount, or an additional lump sum payment would be made shortly after the purchase of such utilities. After the expiration of the ten year period, JEA will appropriately structure arrangements whereby JEA will provide future payments to the St. Johns County General Fund.

With regard to environmental considerations and resource conservation issues, JEA is dedicated to providing services which are based on environmentally sound, resource efficient operating practices. JEA commits not to build any new water treatment plants or wastewater plants in St. Johns County. Also, JEA commits not to expand the capacity of any existing water treatment or wastewater treatment plants in the areas in St. Johns County described in this proposal. Finally, JEA commits to phase out, when feasible, existing water treatment plants and wastewater treatment plants in St. Johns County. JEA is also committed to providing an extensive reclaimed water system to serve the needs of future development in Northern St. Johns County. A major reclaimed water transmission line is currently under construction in the Mandaria area and there

are plans to extend this line to Northern St. Johns County. As previously discussed, JEA has a track record of controlling oder problems at wastewater treatment plants (e.g., ICP Utility — investment by JEA of \$1.2 million to date) and, more importantly, JEA is committed to phasing out in the future small ineffective package plants (e.g., the existing package plant at Nease High School).

In conclusion, acceptance of this proposal will not result in any costs to St. Johns County (all operating costs, capital costs, acquisition costs and employee costs will be born by JRA) and may result in a total lump sum payment of \$6.2 million or more to St. Johns County, with a "truo-up" at the end of ten years. JEA is prepared to quickly act on this proposal if approved by the St. Johns County Board of County Commissioners. JEA staff will expeditiously seek the final approval of JEA's Board of Directors.

We wish to thank you for this opportunity to submit this proposal to provide additional water, wastewater and reclaimed water utility services in St. Johns County for the Commission's consideration. Please feel free to call me at any time to discuss this proposal, or if JEA can be of assistance in any other matter. I can be reached as follows: Phone 904-665-6441, e-mail: bussup@les com, and Fax 904-665-7569.

Sincerely.

Walt Bussells

JEA Managing Director/CEO

21 West Church St. Jacksonville, FL 32202 (904) 665-5200

#### DESCRIPTION OF TERRITORY SERVED

IEA furnishes retail water and sewer services to major portions of Duval County and some portions of St. Johns and Clay Counties.

Approved by JEA Board

November 16, 1999

Richard Vandor Mass, Senior Rate Analyst Rates and Regulatory Affairs Department

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Richard Vander Maas, Senior Rate Analyst Rates and Regulatory Affairs Department

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### Fees for Connection to and Maintenance of JEA Water and Sewer System

#### 101 - Backflow Prevention Devices

(a) Backflow prevention devices are required by JEA's Cross-Connection Control Policy Manual and must be registered annually. A backflow prevention device annual registration fee of \$35.00 will be applied to all testable backflow prevention devices, with the exception of residential devices. An annual backflow assembly tester license registration fee of \$25.00 is also imposed. The backflow device annual registration fee will be due upon notification of the annual testing requirements for water customers. The annual backflow assembly tester registration fee shall be due upon renewal of the backflow assembly tester license.

#### 102 - Water meter tap fees and meter set fees.

(a) JEA shall have the right to connect or set meters of the sizes as JEA may determine after a consideration of the minimum and maximum quantities of water to be delivered to any and all connections served by JEA's water system and shall charge and collect in advance, at the time application is made or a plumbing permit, installation costs according to the following charge schedule:

Tap Size (inches)	Size of Motor Service (inches)	Size (inches)	Tap Fee	Meter Set Fee
3/4 1 3/4 1 1-1/2	3/4 3/4 3/4 1 1-1/2	5/8 5/8 3/4 1 1-1/2	\$427 \$427 \$444 \$475 \$776 whichever is	\$ 73 \$ 73 \$ 90 \$106 \$279 or cost.
2	2	2 .	greater \$929	\$354 or cost, whichever is greater

Tap fees for new service connections larger than two inches in diameter shall be based upon the average cost by meter size of the installation to JEA but not less than \$929.00. Meter set fee for connections larger than one inch in diameter shall be (1) based upon the average cost by meter size of the installation to JEA or (2) \$354.00, Whichever is greater. Meters so installed shall be and remain the property of JEA and shall be maintained and kept in repair by the

Richard Vander Maas, Senior Rate Analyst Rates and Regulatory Affairs Department

Pg. 3 Effective October 1, 2000 JEA without cost to the user. When evidence exists of tampering with or, of damage to motors or associated equipment by the customer, the customer is subject to prosecution, adjustment of bills, and reimbursement to JEA for expenses as defined in Management Directive 101. Temporary water service shall be metered and charges imposed by this part shall apply.

- (b) Charges for changing an existing meter size shall be the same as the water meter set fee based on the size of the new meter installed.
- (c) JEA may waive the meter set fee imposed by subsection (a) in those cases where a special meter set permit has been issued for a specific location for installation of a water meter. The waiver shall only apply to 5/8-, 3/4- and 1-inch meters and only after a special meter set permit fee has been paid as follows:

	Special Meter Set
Meter Size	Permit Fcc
5/8 inch	\$ 58.00
3/4 inch	\$ 73.00
1 inch	\$ 90.00

- (d) The fee for inspecting the installation of a sewer flow meter shall be \$50.00.
- (c) JEA shall promulgate rules to implement the provisions of this subsection. To the extent this subsection conflicts with the provisions of JEA Water and Sewer Rules and Regulations, this section shall control.

#### 103 - Sewer tap charges.

A charge for all connections to JEA's sewerage system shall be paid in advance by the user in an amount according to the following schedule:

- (a) For sewer connections in unpaved streets, alleys and easements held by IEA \$740.00.
- (b) For sewer connections in paved streets \$1,373.00.
- (c) For pre-paved connection, previously installed in anticipation of future uso, \$422.00.
- (d) For all sewer connections where there is no unpaved parkway or where other than a standard four-inch or six-inch "Y" connection to the sewer is used an amount equal to (1) the average cost by installation size to JEA or (2) \$740.00, whichever is greater. In these cases, the user shall deposit with JEA, in advance, the estimated cost of the connections as determined by JEA.
- (c) To physically locate a sewer connection, the charge is \$491.00.

Richard Vander Mass, Scnior Rate Analyst Rates and Regulatory Affairs Department

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#### 104 - Special connections.

In the event an application for water or sewer connection is received and the cost of installation, due to unusual circumstances, is determined by JEA to be substantially more than the charges set forth in this part, the installation charge shall be at actual cost to JEA or the standard cost, whichever is greater.

#### 105 - Water and sewer capacity charges

(a) Imposition of charges; surcharges. Except as otherwise provided, every property owner whose property initially connects with JEA's water and/or sewcrage system shall pay to JEA at the time the building permit application is approved or, if no building permit application is required, at the time the plumbing permit is approved by JEA, a water and/or sewer capacity charge. Effective July 1, 1996, subsequent to the payment of said water or sewer capacity charges, should there be a delay in the connection to JEA's water/sewer system(s) attributable to the property owner's lack of need for JEA water/sewer or for any other reason other than JEA's inability to deliver water/sewer to the appropriate location for connection, then the property owner shall be required to pay both any "postpayment" increase in said water/sewer capacity charges and any "post-payment" new charges attributable to said connection to JEA water/sewer if connection is not made within one year subsequent to said payments. The property owner may, at any time subsequent to payment of a water/sewer capacity charge(s), and JEA shall, subsequent to one (1) year from said payment, initiate action resulting in the refund of any water or sewer capacity charge in situations wherein there has been no connection to JEA's water/sower system(s). These charges shall be calculated as follows:

#### (1) Domestio waste.

- (i) Water. The minimum charge for a new water connection shall be \$140.00, or a charge of \$0.40 for each gallon of average daily water capacity as estimated and approved by JEA, whichever is greater. For existing water connections, there will be a charge of \$0.40 per gallon of additional average daily water capacity as estimated and approved by JEA.
- (ii) Sower. The minimum charge for a new sewer connection shall be \$1,025.50, or a charge of \$2.93 for each gallon of average daily sewer capacity, as estimated and approved by JEA, whichever is greater. For existing sewer connections, there will be a charge of \$2.93 per gallon of additional average daily sewer capacity, as estimated and approved by JEA.

Richard Vander Maas, Senior Rate Analyst Rates and Regulatory Affairs Department

Deferment of water and/or sewer capacity charges. If the water and/or sewer capacity (iii)charges, calculated as provided in paragraphs (i) and/or (ii), exceeds \$1,000.00 then, in lieu of paying the capacity charge(s) as required by this section, the property owner of a single family residential dwelling shall have the option of entering into a written agreement to defer up to 80% of the water and/or sewer capacity chargo(s) with IEA in a form approved by the Office of General Counsel. The agreement shall be executed by the property owner, or by a person or agent authorized to enter into binding agreements on behalf of the property owner. The agreement shall be promptly recorded in the public records of Duval County by JEA as an encumbrance upon the real property, and the applicable recording fee costs shall be collected from the property owner at the time the agreement is executed. The agreement shall provide for payment of the capacity charge(s) in not more than 240 equal monthly installments, including interest due on the remaining balance, at an annual percentage rate of 4%. The installment payments shall commence within 60 days after execution of the agreement or with the first billing for water and/or sewer service, whichever shall first occur. Each monthly billing shall indicate the romaining balance, including interest, on the deferred capacity charges and shall be subject to a late payment penalty of \$25.00 if not received by the 15th of the following month. The property owner shall have the right to pay off the remaining balance, including accrued interest, without penalty. When the installment agreement has been paid in full, JEA shall prepare and deliver to the property owner a recoipt for full payment of the capacity charge(s) and a satisfaction of agreement in a form sufficient for recording in the public records of Duval County. The property owner shall be solely responsible for recording the document, at his cost, in the public records. JEA shall promulgate rules to implement this section.

In the case of a user desiring to connect to JEA's water and/cr sewcrage system JEA may authorize the use of the aforementioned deferred payment process for all capacity and connection fees.

### (2) Industrial or process waste.

For industrial or process waste there shall be a charge of \$2.93 for each gallon of daily production flow or the average of all production shift flows (whichever presents the greater requirement for volumetric capacity of the treatment unit), as estimated to the satisfaction of JEA where the character of the waste does not exceed 300 parts per million, by weight, of suspended solids, or chemical exygen demand not exceeding 600 parts per million, by weight. In the case of a user desiring to discharge sewage into JEA's sewerage system, when the purchased capacity will be used to phase out a treatment facility that is not capable of meeting state water quality standards (as determined by JEA from adequate documentation), JEA may authorize the user to enter into an agreement in writing and in a form approved by the Office of the General Counsel, with JEA to defer up to 80% of the sewer capacity charge [and any surcharge imposed under paragraph (3)]. The agreement shall be executed by the user or by a person or agent authorized to enter into binding agreements on behalf of the user.

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The agreement shall be promptly recorded in the public records of Duval County by JEA as an encumbrance upon the real property and the applicable recording fee costs shall be collected from the user at the time the agreement is executed. The agreement shall provide for payment of the sewer capacity charge [and any surcharge imposed under paragraph (3)] in not more than 240 monthly installments, including interest on the remaining balance due at an annual percentage rate of 4%. The installment payments shall commence beginning within 60 days after execution of the agreement or with the first billing for sewer service, whichever shall first occur. Each monthly billing shall indicate the remaining balance, including interest, on the deferred sewer capacity charge [and any surcharge imposed under paragraph (3)]. A late payment penalty of \$25.00 shall be payable on any payment not received by the 15th of the following month. The user shall have the right at any time to pay off the remaining balance, including accrued interest, without penalty. When the installment agreement has been paid in full, JEA shall prepare and deliver to the user a receipt for full payment of the sewer capacity charge [and any surcharge imposed under paragraph (3)] and a satisfaction of agreement in a form sufficient for recording in the public records of Duval (Lounty. The user shall be solely responsible for recording the documents, at the users cost, in the public records. JEA shall promulgate rules to implement this paragraph.

#### (3) Sewer capacity surcharge.

In addition to the basic quantity charge as fixed by paragraph (2), there is an additional surcharge when the character of the sewage, waters or wastes from a manufacturing or industrial plant, business or commercial location or building or premises proposing to connect to JEA's sewerage system has a five-day chemical oxygen demand of greater than 600 parts per million, by weight, or contains more than 500 parts per million, by weight, or suspended solids, or both, as determined from the application of the owner, which shall fully disclose to the satisfaction of JEA the character of the waste to be accepted. This additional surcharge shall be computed as follows:

SCS = ((COD-600) x Qmgd x 8.34#/gallons x \$188/pound) + ((SS-300) x Qmgd x 8.34#/gallons x \$82/pounds)

Where:

SCS. = sewer capacity surcharge,

Qmgd = daily production flow or the average of all production shift flows (whichever presents the greatest requirement for volumetric and/or organic capacity) in million gallons a day.

COD = chemical oxygen demand in parts per million

SS = suspended solids in parts per million

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- (b) Exception. No water or sewer capacity charges, other than any additional charges under subsection (c), if applicable, shall be due at the time of connection with respect to property:
  - (1) as to which there has been paid to JEA a water and/or sewer capazity charge.
  - (2) previously served by an investor/community-owned public utility company which has been acquired by JEA.
  - (3) located in the First Urban Services District which was connected to JEA's sewerage system on or before September 30, 1968, but only with respect to the charge which would be otherwise imposed by reason of the actual use to which the property was devoted on that date.
- (c) Additional charge(s). If:
  - (1) JEA shall determine that the estimated average daily flow(s) of a user made at the time of initial connection to JEA's water and/or sewerage system was erroneous, or that the description of the character of the waste in the application was erroneous; or
  - the use of the property served by JEA's water and/or sewerage system changes because of the construction of new dwellings, commercial or industrial facilities, because of additions to existing dwellings, commercial or industrial facilities, or because of increased, expanded or changed operations:
    - (i) so as to increase the number of gallons of sewage discharge by more than 20% over the number of the unit values or gallons of discharge at either the time of payment of the last sewer capacity charge or September 30, 1968;
    - (ii) so as to increase by more than ten percent its COD or suspended solids loading, measured in pounds a day;
    - (iii) so as to increase the number of gallons of water usage by more than 20% over the number of unit values or gallons of usage at either the time of payment of the last water capacity charge or July 1, 1993, whichever is later,

Then an additional charge resulting from the erroneous estimates or change in property use shall be due and payable at the time IEA shall determine that an erroneous estimate was made or at the time of the change in property use, regardless of whether a water and/or sewer capacity charge was ever imposed or paid at the time of initial connection to the system. The additional charge shall be calculated according to the same rates as described in subsection (a) and shall be based on flow or on the excess COD or suspended solids loading as applicable, over that on which the previous sewer capacity charge was based.

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(d) Use of funds. Revenues derived from the water and/or sewer capacity charges imposed by this section shall be paid as identified in subsection (a) and placed in separate capital improvement funds to be known and designated as the Water Treatment Capital Improvement Fund and the Sewerage Treatment Capital Improvement Fund. The Water Treatment Capital Improvement Fund shall be used only for the expansion of water production plant capacity and the Sewerage Treatment Capital Improvement Fund shall be used only for the regional sewerage treatment plant capacity expansion, configuration and for the reuse distribution system.

Richard Vander Mass, Senior Rate Analyst Rates and Regulatory Affairs Department

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# Rates for Water Service

201 - Water Rates.

The rates, fees and charges for water services furnished by JEA's water system, referred to in this section as water charge, shall be based upon the quantity of water, determined by metering, furnished to each user's premises each month. These rates shall be effective for the first billing cycle for May 1996. The owner, occupant or tenant of each lot or parcel of land which may be connected with or use the water system shall pay for the use thereof and for the services and facilities furnished by the system a water charge according to the following schedules:

(a) A water non-residential user shall be charged a monthly base rare according to the water meter size, plus a unit rate per 100 cubic feet (ccf) according to the following rate schedule:

Meter Size	Monthly Base	Unit Rate per ccf
(inches)	Rate	of Water Used
5/8	\$ 8.45	\$0.63
3/4	10.65	0.63
1	15.20	0.63
1-1/2	26.35	0.63
2	39.70	0.63
3	75.35	0.63
4	115.3 <i>5</i>	0.63
6	226.85	0.63
8	360.35	0.63
10	516.25	0.47
12	961.60	0.47
20	2,009.30	0.47

(b) A residential user shall be charged a monthly base rate according to the water meter size per the schedules in section (a), plus a unit rate per ccf of water used:

1-15 ccf		\$0.58 per	ccf
16-30 ccf		\$0.73 ptr	ccſ
greater than 30	ccf	\$0.96 per	ccf

(c) A water irrigation user shall be charged a monthly base rate according to the water meter size per the schedules in section (a), plus a unit rate per cef of water used:

1-30 ccf greater than 30 ccf \$0.73 per ccf

\$0.96 pcr cof

(d) There shall be a monthly base rate for JEA owned meters as described in section 401(c). The monthly base rate shall be the monthly base rate for the same size meter as prescribed in paragraph (a) of this section.

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# Charges for Fire Protection Water Service

## 301 - Fire protection charges.

(a) For an unmetered connection to JEA's water system for the purpose of providing service on a standby basis for fire protection, there shall be a charge according to the following schedule for each year or portion thereof of the services provided:

Size of Branch (inches)	Annual Charge
4 or less 6 8 10 or greater	\$ 49.00 \$ 97.00 \$200.00 \$356.00

Use shall be limited to the interior of buildings only. The charge shall be billed on a monthly basis. Other water and sewer services to a fire protection customer may be terminated because of nonpayment of fire protection charges. No connection shall be made to the system for a use other than fire protection. The requesting party shall be responsible for all costs incurred in the construction of the connection to JEA's water main. There shall be no connection of the system with another water source, unless a backflow prevention device, approved pursuant to this document, is installed. No suction of a pump may be attached to a connection of JEA except for health or safety reasons and with the written approval of the JEA. In the event that hose racks or hydrant devices for the purpose of fire protection are installed on the interior of the buildings that are to be served by the unmetered connection, the owner will, at his own expense, install and maintain continuously a monitoring system, to be approved by JEA, which will record a pressure drop in the system and provide to IEA, on a quarterly basis, an affidavit that no pressure drop was encountered or, in cases where pressure drops are encountered, that water was used for the extinguishment or control of fires within the building. In the event of noncompliance by the customer with a provision of this section, JEA shall cause the discontinuance of service until the customer makes application and payment for installation of the proper size meter and applicable rate for metered services.

Richard Vander Mass, Senior Rate Analyst Rates and Regulatory Affairs Department Pg. 12 Effective October 1, 2000 (b) For a connection to JEA's water system for the purpose of providing service on a standby basis for fire protection on which the customer has purchased and installed a detector-check meter, there shall be a monthly charge according to the following schedule:

Size of Branch (inches)	Monthly Charge
4 or less	\$15.00 \$20.00
6 8	\$30.00
10 or greater	\$40.00

Other water and sewer service to a fire protection customer may be terminated because of non-payment of fire protection charges. Customers who use water provided by the standby system for other than fire protection or testing purposes, shall be charged \$100,00 and be billed for the volume of water consumed, as estimated by JEA, at 150% of the provailing rates as established in Section 201. The volume of water, used in fire protection or testing purposes, as estimated by JEA, shall be billed at prevailing rates as established in Section 201. The requesting party shall be responsible for all costs, including costs of meter removal and installation of a detector-check, incurred in the construction of the connection to JBA's water main. There shall be no connection of the system with another water source, unless a backflow prevention device, approved pursuant to appropriate sections of JEA Rules and Regulations for Water and Sewer Service, is installed. No suction of a pump may be attached to a connection of JEA except for health or safety reasons and with the written approval of IEA. In the event of non-compliance by the customer with a provision of this subsection, IEA shall cause the discontinuance of service until the customer makes application and payment for installation of the proper size meter and applicable rate for meter service.

- (c) Water used by JEA for municipal purposes other than the extinguishment of fires and all water used by another political subdivision or political agencies, state and federal, shall be subject to the rate schedule set forth in this document.
- (d) JEA will conduct fire hydrant flow tests when requested. The fee for this service will be \$ 82.00.

#### Rates For Sewer Service

### 401 - Imposition of sewer service charges.

- (a) The charges for the services and facilities of JEA's water and sewer system, raferred to as sewer service charge, shall be based upon the quantity of water used upon the customer's premises, including water from public and private suppliers, as determined by metering. These rates shall be effective for the first billing cycle for May 1996. The charge for single-family residential use shall be based upon actual water usage up to a maximum of 30 ccf a month on all billings rendered covering moter readings made during the months of October through March and shall be based upon 90% of actual water usage up to a maximum of 30 ccf a month on all billings rendered covering meter readings made during the months of April through September; provided that the single-family residence does not have a meter billed as a water only meter. Charges for nonresidential uses shall be based upon actual water usage. The owner, tenant or occupant of each lot or parcel of land which is connected with or uses JEA sewer system shall pay for the use thereof and for the services and facilities furnished by the system a sewer service charge according to the following schedules:
- (1) The monthly sewer charge shall be as follows:
  - (I) A full service user shall be charged a monthly base rate, plus a unit rate according to the following rate schedule. The unit charge shall be determined by multiplying each ccf of water furnished or metered by the unit rate:

Meter Size	Monthly Base	Unit Rate per ccf of Water
(inches)	Rate	· <u>Used</u>
5/8	<b>\$</b> 3.40 .	\$ 2.90
3/4	5.15	. 2.90
1	8.55	2.90
1-1/2	17.10	2.90
2	27.30	2.90
3	54.50 .	2.90
4	85.15	2.90
6	170.45	2.90
8	272.60	2.90
10	391.90	2.90
12	732.55	2.90
20	1,533.20	2.90

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### IEA

- A limited service sewer user shall be charged the same monthly base rate and the effective date shall be the same as delineated in the above schedules based upon meter or sewer connection size [as appropriate], plus a unit rate of \$ 1.74 per cef of water, discharged into JEA's sewer system.
- (a) Each applicant for a sewer connection between JEA's sewerage system and a lot or parcel of land which is supplied water by a private system or well shall have a meter, approved by JEA, installed and maintained at the expense of the applicant and his successors in interest. The meter shall be located in the water line at a convenient location for reading and for measuring the water which enters the sewerage system. In these cases the sewer service charge shall be based upon the reading of the meter made by JEA's meter readers. Each sewer only customer class with unmetered water or inoperative meter shall be charged at the average monthly water usage rate for the prior calendar year for that customer class as the consumption amount.
- (b) On sower credit accounts, the water meter shall be JEA-owned and installed by the owner, tenant, occupant or his agent under the direct supervision of IEA, and the owner, tenant or occupant shall pay those inspection, delivery, material and administrative costs as determined by JEA or which are required by, and shall be subject to, the terms and requirements of sections 102(a) and (b). This paragraph does not apply to owners, tenants or occupants of lots or parcels of land which are connected to JEA water and sewer system and also have a cross-connection to another water supply. The maximum credit that can be given for an existing sewer credit account is 75% of the total water billed for the account on which the credit is to be given. No new sewer credit accounts shall be allowed.
- (c) Effective October 1, 1988, all owners, tenants, and occupants shall be required to provide for the installation and use of JEA-owned water meters in all water systems, regardless of whether the meter is or was installed for the purposes of establishing a charge or a credit.
- (d) The fee for processing an industrial user discharge permit application shall be \$250.00.

### 402 - Sewer surcharge.

In all cases where the character of the sewage, waters or waste from a manufacturing or industrial plant, business or commercial location, building or premises has a chemical oxygen demand of more than 600 parts per million by weight or contains more than 300 parts per million by weight of suspended solids, or both, and the sewage, waters or waste are accepted into the sewage system for treatment, the dischargor shall pay to JEA a rate, fee or charge, designated as a surcharge. Surcharge shall be in addition to any sewer service charge which might be based upon the customer's premises as set forth in this Water and Sewer Rates Document. JEA reserves

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the right to deny any discharger treatment capacity based on his determination that additional organic loading above 600/ppm COD, 300/ppm suspended solids or additional hydraulic load, or any combination of the above, will hamper or reduce the effective operations of the treatment facility.

The surcharge shall consist of an amount calculated according to the following formula:

 $Vs \times \{\$0.000577 (COD - 600) + \$0.000705 (\$\$ - 300)\}$ Where: S surcharge in dollars; ٧s sewage volume in ccf; \$0.000577 =unit charge factor for COD based on 9.25 cents per pound of COD; chemical oxygen demand strength index in parts per COD million by weight: 600 allowable COD strength under normal volume charges in parts per million by weight; \$0,000705 = unit charge factor for suspended solids based upon 11.3 cents per pound of suspended solids; and SS suspended solids strength index.

The amount of the surcharge for the use of JEA's sewerage system shall be separately stated as a part of the total sewer service charge for the billing period and shall be payable, collectible and enforceable in the manner provided for sewer service charges. Unless otherwise required by JEA for compliance with local, State and federal law or regulations, each customer to which this surcharge applies shall submit, on a monthly basis, a laboratory analysis of such scope as to permit JEA to render an accurate billing of this charge as provided herein.

Each sewer customer to which this surcharge could apply that does not submit a laboratory analysis shall be charged a sewer surcharge based upon the average surcharge factors of other customers who have the same property use code as assigned by the Duval County Property Appraiser's Office or based upon factors assigned by JEA until reporting of actual surcharge factors are provided by the sewer customer.

#### 403 - Scavenger waste charges.

(a) Scavenger wastes, as described in JEA Rules and Regulations for Water and Sewer Service, may be disposed of at a JEA sewage treatment plant after approval of JEA and with prior payment of a charge of \$4.49 for each 100 gallons of waste based on the full capacity of each vehicle for each discharge. There shall be a minimum fee of \$30.00 for each discharge.

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