

4.4 CITY/COUNTY RATE DIFFERENTIAL – DON

BACKGROUND: The State of Florida allows a municipal utility to impose a surcharge on the base rate plus usage for delivery of electricity and water services limited to a multiple of the Public Service Fee charged on those services delivered within the boundaries of the municipality. The State of Florida further limits the imposition of a surcharge on electricity to a maximum of 10% of the base rate plus usage. Each municipal utility must submit its surcharge plan to the Public Service Commission for approval.

GOAL: The goal of the City of Gainesville is to support growth outside the city's boundaries subject to recognizing and recovering the higher cost to install and deliver services outside the city's boundaries.

POLICY: The City of Gainesville should continue to recognize and recover the higher cost of delivering utility services by imposing a surtax outside of its boundaries.