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GATLIN, WOODS & CARLSON
Attorneys at Law
a partnership including a professional association

The Mahan Station
1709 D Mahan Drive
Tallahassee, Florida 32308

B. KENNETH GATLIN, P.A.
THOMAS F. WOODS
JOHN D. CARLSON
WAYNE L. SCHIEFELBEIN

TELEPHONE (904) 877-7191
TELETYPE (904) 877-0643

September 27, 1996

HAND DELIVERY

Ms. Blanca S. Bayo, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850

RE: Docket No. ~~96000~~-WS
Application of GULF UTILITY COMPANY for
an increase in Wastewater Rates, approval of a decrease in
Water Rates and approval of Service Availability Charges in Lee
County, Florida

Dear Ms. Bayo:

Please find enclosed sixteen copies of this letter and the following:

- 1 Exhibits JWM 1, 2, 3, and 4. These exhibits are furnished because of a binding error they were not attached to James W. Moore's testimony. These exhibits are referenced in witness Moore's testimony filed earlier.
- 2 Corrected pages 10 and 11 of James W. Moore's testimony. The question and answer beginning on line 6 of page 10 was erroneously omitted from witness Moore's original testimony now on file in this docket.

Please distribute these documents to Commissioners and staff as you deem appropriate.

ACK _____
AIA 1 _____ Please also acknowledge receipt of the foregoing by stamping the enclosed extra copy of this letter
A and return same to my attention

Thank you

Very truly yours,

B. Kenneth Gatlin

2
3 + orig
BRG/met
Enclosures

1

10428 SEP 27 1996
FPSC-RECORDS/REPORTING

GULF UTILITY COMPANY
CASH FLOW ANALYSIS

EXHIBIT JWM **FILE COPY**

	1996	1997	1998	1999	2000
BEGINNING CASH RESERVES	\$ 3,218,033	\$120,537	(9979,560)	(8528,044)	8845,395
WATER SAC (ASSUMES 40 CONN. PER MO @ \$400 PER ERC)	284,000	284,000	284,000	284,000	284,000
WW SAC (ASSUMES 30 CONN. PER MO. AT \$800 PER ERC)	288,000	288,000	288,000	288,000	288,000
NET OPERATING REVENUE PLUS NET DEPREC. AND AMORT	1,211,688	1,332,857	1,454,028	1,608,283	1,817,532
INTEREST INCOME - IDRB & APPROPRIATED MONIES	170,823	88,000	88,000	88,000	88,000
CASH AVAILABLE FOR CAPITAL BUDGET	\$ 4,981,721	\$2,005,393	\$1,028,468	\$1,720,320	\$8,014,827
CASH DISBURSEMENTS:					
CAPITAL BUDGET	(3,823,722)	(1,847,500)	(518,000)	(38,900)	(3,000,000)
DEBT SERVICE - SERIES A	(638,908)	(633,391)	(638,297)	(631,300)	(631,434)
DEBT SERVICE - SERIES B	(401,558)	(404,083)	(401,213)	(408,128)	(408,808)
AVAILABLE CASH RESERVES	\$ 120,537	(978,560)	(528,044)	645,395	(1,028,714)

(a) Assumed 10% growth in revenues annually

DOCUMENT ID: 14 DATE

10428 SEP 27 8

FPSC-RECORDS/REPORTING

**GULF UTILITY COMPANY
SHAREHOLDER INVESTMENT ANALYSIS
1982 THRU 1995**

YEAR	SHAREHOLDER EQUITY	NET INCOME	CUMULATIVE RETAINED EARNINGS	RETURN ON EQUITY
1982	\$121,541	(\$28,459)	(\$28,459)	-23.4%
1983	(\$92,290)	(\$213,830)	(\$242,289)	0.0%
1984	(\$105,945)	(\$3,829)	(\$255,945)	0.0%
1985	(\$111,965)	(\$6,020)	(\$261,965)	0.0%
1986	(\$91,879)	\$20,086	(\$241,879)	0.0%
1987	(\$179,788)	(\$87,909)	(\$329,788)	0.0%
1988	(a) \$580,821	\$106,077	(\$195,879)	18.3%
1989	\$703,223	\$125,301	(\$73,578)	17.8%
1990	\$933,371	\$53,822	(\$19,756)	5.8%
1991	\$665,444	(\$267,927)	(\$287,683)	-40.3%
1992	\$634,700	(\$30,744)	(\$318,427)	-4.8%
1993	\$721,700	\$87,000	(\$231,427)	12.1%
1994	\$834,025	\$112,324	(\$119,103)	13.5%
1995	\$939,701	\$105,676	(\$13,427)	11.2%
AVERAGES		(\$2,038)		-0.2%

(a) ADDITIONAL SHARES IN THE AMOUNT OF \$250.00 WERE PURCHASED BY THE EXISTING SHAREHOLDERS. PLUS PAID IN CAPITAL WAS INVESTED BY THE EXISTING SHAREHOLDERS IN THE AMOUNT OF \$ 626,550.

GULF UTILITY COMPANY
FIVE YEAR CAPITAL BUDGET
1994-2000

EXHIBIT JAW-3

PAGE 1 OF 3

	1996	1997	1998	1999	2000	TOTAL
CORKSCREW WATER TREATMENT PLANT						

CORKSCREW WTP PH III - NOTES1	\$ 1,094,444					\$1,094,444
CORKSCREW REJECT HOLDING TANKAGE	700,000					\$700,000
CORKSCREW DEEP INJECTION WELL - NOTES2					2,500,000	\$2,500,000
CORKSCREW NEW WELL AND TELEMETRY	84,000					\$84,000
CORKSCREW PUMP UPGRADE	31,000					\$31,000
CORKSCREW UPGRADE TO TELEMETRY SYSTEM	12,500					\$12,500
CORKSCREW WTP RETROFIT SKID #1 AND #2 - NOTE #3					500,000	\$500,000
CORKSCREW LOOP	32,000					\$32,000
CORKSCREW ROAD/TREELINE RELOCATION OF WTR LINES	222,969					\$222,969
EFFLUENT DISPOSAL LINE-RIVERS RIDGE	64,647					\$64,647
CHEMICAL FEED PUMPS	2,500			7,500		\$10,000
LAB EQUIP (REPLACEMENT)		1,000	1,000	1,000		\$3,000
SHOWS BUGGY REPLACEMENT	5,000					\$5,000
LAMPSOWER/WELDERATER (REPLACEMENT)	500					\$500
SAN CARLOS WATER TREATMENT PLANT						

LAB EQUIPMENT	2,800	7,500				\$11,000
CHLORINE FEED PUMP						
CHLORINATOR AUTO. FEED	3,500					\$3,500
ROOF ON MAINT BLDG	2,000					\$2,000
CHEMICAL PUMPS (REPLACEMENT)	3,000		3,000			\$6,000
HIGH SERVICE PUMP, CONTROL SYSTEM		10,000		20,000		\$30,000
FLOW METER (REPLACEMENT)	2,500					\$2,500
LAMP MONER/WELDEATER (REPLACEMENT)	1,000		1,500			\$2,500
TRASH PUMP .6 HP (REPLACEMENT)			1,500			\$1,500
THREE OAKS WTP						

THREE OAKS WTP PHASE 4 - NOTE #4		1,075,000				\$1,075,000
EFFLUENT DISPOSAL LINE-RIVER RIDGE	133,333					\$133,333
CORKSCREW ROAD/TREELINE AVE RELOCATION FORCE MAIN	110,610					\$110,610
SAN CARLOS WTP						

US 41 FORCE MAIN			476,000			\$476,000
RELOCATION OF FORCE MAIN/US 41 & ALJCO	38,170					\$38,170
LAB EQUIPMENT	3,000		1,000			\$4,000
TRASH PUMP	1,800	1,500				\$3,300
STORAGE/LAB/INVENTORY BLDG	5,000					\$5,000
REPLACEMENT BLOWER	1,500					\$1,500
REFRIGERATOR	150					\$150
ISCO AUTO SAMPLER	2,000					\$2,000
FLORIDA GULF COAST UNIVERSITY						

WATER/SEWER LINES	1,142,837					\$1,142,837

SUBTOTAL	\$ 2,716,873	\$1,095,000	\$476,000	\$20,500	\$3,000,000	\$9,116,473

GULF UTILITY COMPANY
FIVE YEAR CAPITAL BUDGET

EXHIBIT JWM-3

PAGE 2 OF 3

	1996	1997	1998	1999	2000	TOTAL
BALANCE FORWARD	\$ 3,718,872	\$1,895,000	\$476,000	\$28,500	\$3,000,000	\$9,118,472
MAINTENANCE						

SAN CARLOS WTP:						
*A*FRAME WELDER	1,000					1,000
AIR COMPRESSOR		1,300				1,300
WELDER	750					750
WEEDEATER	200					200
VALVE BOX FOR BARRAGAN LIFTSTATION	1,300					1,300
LIFTSTATION FLYGT PUMPS	24,000					24,000
CORKSCREW WTP:						
WEEDEATER						
	200					200
SAN CARLOS WWTP:						
LIFTSTATION AT SCWWTP	20,000					20,000
LIFTSTATION AT WBNN DOGE	15,000					15,000
THREE OAKS WWTP:						
LIFTSTATIONS, EASTGATE 1 & 2	30,000					30,000
ADMINISTRATION						

HANDHELD METER READING SYSTEM		30,000				30,000
CUSTOMER FILING CABINETS	2,000					2,000
COMPUTER HARDWARE UPGRADE			25,000			25,000
AUTO. CUSTOMER NOTIFICATION SYSTEM		3,000				3,000
AS400 DASD, MEMORY AND CUST. SVC. PRINTER, MODEM	7,000					7,000
PC FOR NEW ACCOUNTING ASSISTANT		3,000				3,000
COPIER				7,000		7,000
COMPUTER OPERATING SYSTEM UPGRADE	5,100					5,100
TRANSPORTATION EQUIPMENT:						

REPLACE #1, RANGER & #4 F150		15,000	13,000			30,000
TOTALS						
	\$ 3,823,722	\$1,947,300	\$518,000	\$35,500	\$3,000,000	\$9,324,722

GULF UTILITY COMPANY
FIVE YEAR CAPITAL BUDGETS-FOOTNOTES
1986-2000

PAGE 3 OF 3

EXHIBIT J-4-3

NOTE#1: NEW .800 MGD SKID TO MEET PROJECTED DEMANDS.

1986:

.GENERAL GROWTH	(600 ERC'S)	160,000 GPD
.P&O-CONSTRUCTION + REGULAR	(100 ERC'S)	60,000 GPD
.SAN CARLOS W.L. PROJECT	(1,000 ERC'S)	520,000 GPD

NOTE#2: INJECTION WELL REQUIRED NO LATER THAN INSTALLATION OF FIRST R.O. SKID,
MAY BE REQUIRED AT ANY TIME MIXING OF HERRING REJECT WATER AND WASTEWATER
EFFLUENT FOR DISPOSAL BY SPRAY IRRIGATION IS DISALLOWED BY F.D.E.P.

NOTE#3: .800 MGD SKID COMPLETION SCHEDULED FOR DECEMBER 1986.

NOTE#4: DESIGN AND BIDDING COMPLETE, JUNE 1986, CONSTRUCTION COMPLETE DECEMBER 1987.
CURRENT FLOW: .820 MGD; CURRENT CAPACITY: 750 MGD; EXPANDED CAPACITY WILL BE 1.8 MGD

**INVESTMENTS MADE
IN THE PUBLIC INTEREST**

1996-1997

Corkscrew Water Treatment Plant

Corkscrew WTP - Phase III	\$1,094,445
New Well & Telemetry	84,000
Reject Holding Tankage	700,000
Pump Upgrade	31,000
Telemetry Upgrade	12,500
Effluent Disposal Line - River Ridge	66,667
Corkscrew Rd/Treeline Wtr. Line Relocate	<u>232,960</u>
	2,221,572

Three Oaks Wastewater Treatment Plant

Three Oaks WWTP - Phase IV	\$1,875,000
Effluent Disposal Line - River Ridge	133,333
Corkscrew Rd/Treeline WW.Line Relocate	<u>110,610</u>
	2,118,943

San Carlos Wastewater Treatment Plant

U.S.41/Alico Rd. Forcemain Relocate	<u>\$ 38,170</u>
	\$ 38,170

TOTAL

\$4,378,685

(a) Provisions shall be made in the design for easy access points for the purpose of obtaining representative influent and effluent samples. These access points shall be dry points which can be reached safely.

(b) Provisions for flow measurements shall be in accordance with Chapter 17-601, F.A.C.
 Specific Authority: 403.061, 403.067, F.S.
 Law Implemented: 403.031, 403.061, 403.062, 403.064, 403.067, 403.068, F.S.
 History: ssv 11-17-89; Amended 1-28-91, 6-6-93.

17-600.403 Planning for Wastewater Facilities

Expansion.

(1) The permittee shall provide for the timely planning, design, and construction of wastewater facilities necessary to provide proper treatment and reuse or disposal of domestic wastewater and management of domestic wastewater residuals.

(2) The permittee shall routinely compare flows being treated at the wastewater facilities with the permitted capacities of the treatment, residuals, reuse, and disposal facilities.

(3) When the three-month average daily flow for the most recent three consecutive months exceeds 90 percent of the permitted capacity of the treatment plant or reuse and disposal systems, the permittee shall submit to the Department a capacity analysis report.

(4) The initial capacity analysis report shall be submitted according to the following:

(a) For new or expanded wastewater facilities for which the Department received a complete construction permit application after July 1, 1991, the initial capacity analysis report shall be submitted within 180 days after the last day of the last month in the three-month period referenced in Rule 17-600.403(3), F.A.C.

(b) For wastewater facilities for which the Department received a complete construction permit application on or before July 1, 1991, the initial capacity analysis report shall be submitted when the next application for a permit to construct or operate wastewater facilities is submitted to the Department unless:

1. The three-month average daily flow for any three consecutive months during the period July 1, 1990 to June 30, 1991 exceeds 90 percent of the permitted capacity. In such cases, the initial capacity analysis report shall be submitted to the Department no later than January 1, 1992.

17-600.400(4)(c) - 17-600.403(4)(b)1.

1. The three-month average daily flow for any three consecutive months during the period July 1, 1990 to June 30, 1991 exceeds 75 percent of the permitted capacity. In such cases, the initial capacity analysis report shall be submitted to the Department no later than July 1, 1992.

(c) In no case shall the initial capacity analysis report be required to be submitted before July 1, 1991 or before the three-month average daily flow exceeds 90 percent of the permitted capacity of the treatment plant or reuse or disposal systems, as described in Rule 17-600.403(3), F.A.C.

(5) The permittee shall submit updated capacity analysis reports to the Department according to the following:

(a) If the initial capacity analysis report or an update of the capacity analysis report documents that the permitted capacity will not be equaled or exceeded for at least 10 years, an updated capacity analysis report shall be submitted to the Department at five-year intervals or at each time the permittee applies for an operation permit or renewal of an operation permit, whichever occurs first.

(b) If the initial capacity analysis report or an update of the capacity analysis report documents that the permitted capacity will be equaled or exceeded within the next 10 years, an updated capacity analysis shall be submitted to the Department annually.

(6) The capacity analysis report or an update of the capacity analysis report shall evaluate the capacity of the plant and contain data showing the permitted capacity; monthly average daily flows, three-month average daily flows, and annual average daily flows for the past 10 years or for the length of time the facility has been in operation, whichever is less; seasonal variations in flow; flow projections based on local population growth rates and water usage rates for at least the next 10 years; an estimate of the time required for the three-month average daily flow to reach the permitted capacity; recommendations for expansions; and a detailed schedule showing dates for planning, design, permit application submittal, start of construction, and placing new or expanded facilities into operation. The report shall update the flow-related and loading information contained in the preliminary design report submitted as part of the most recent permit application for the wastewater facilities pursuant to Rules 17-600.710 and 17-600.713, F.A.C.

(7) The capacity analysis report shall be signed by the permittee and shall be signed and sealed by a professional engineer registered in Florida.

17-600.403(4)(b)2. - 17-600.403(7)

(8) Documentation of timely planning, design, and construction of needed expansions shall be submitted according to the following schedule:

(a) If the initial capacity analysis report or an update of the capacity analysis report documents that the permitted capacity will be equaled or exceeded within the next five years, the report shall include a statement, signed and sealed by a professional engineer registered in Florida, that planning and preliminary design of the necessary expansion have been initiated.

(b) If the initial capacity analysis report or an update of the capacity analysis report documents that the permitted capacity will be equaled or exceeded within the next four years, the report shall include a statement, signed and sealed by an engineer registered in Florida, that plans and specifications for the necessary expansion are being prepared.

(c) If the initial capacity analysis report or an update of the capacity analysis report documents that the permitted capacity will be equaled or exceeded within the next three years, the permittee shall submit a complete construction permit application to the Department within 10 days of submittal of the initial capacity analysis report or the update of the capacity analysis report.

(d) If the initial capacity analysis report or an update of the capacity analysis report documents that the permitted capacity will be equaled or exceeded within the next six months, the permittee shall submit to the Department an application for an operation permit for the expanded facility. The operation permit application shall be submitted no later than the submittal of the initial capacity analysis report or the update of the capacity analysis report.

(9) If requested by the permittee, and if justified in the initial capacity analysis report or an update to the capacity analysis report based on design and construction schedules, population growth rates, flow projections, and the timing of new connections to the sewerage system such that adequate capacity will be available at the wastewater facility, the Secretary or Secretary's designee shall adjust the schedule specified in Rule 17-600.405(8), F.A.C.
 Specific Authority: 403.061, 403.087, F.S.
 Law Implemented: 403.021, 403.061, 403.066, 403.087, 403.088, 403.0881, 403.101, F.S.
 History: New 1-30-91.

17-600.405(8) - 17-600.405(History)

17-600.410 Operation and Maintenance Requirements.

(1) All domestic wastewater treatment plants shall be operated and maintained in accordance with the applicable provisions of this chapter and so as to attain, at a minimum, the reclaimed water or effluent quality required by the operational criteria specified in this chapter, and to meet the appropriate domestic wastewater residuals management criteria specified in Chapters 17-2, 17-7, 17-440, and 17-701, F.A.C.

(2) All reuse and land application systems shall be operated and maintained in accordance with the applicable provisions of this chapter and the provisions of Chapter 17-610, F.A.C.

(3) All underground injection effluent disposal systems shall be operated and maintained in accordance with the applicable provisions of this chapter and the provisions of Chapter 17-28, F.A.C.

(4) Wetlands application systems shall be operated and maintained in accordance with the applicable provisions of this chapter and provisions of Chapter 17-611, F.A.C.

(5) The operation of all treatment plants shall be under the supervision of an operator certified in accordance with Chapter 17-602, F.A.C. All facility operations shall provide for the minimum care and maintenance of the facility in accordance with Chapter 17-602, F.A.C.

(6) All facilities and equipment necessary for the treatment, reuse, and disposal of domestic wastewater and domestic wastewater residuals shall be maintained, at a minimum, so as to function as intended.

(7) All treatment plant permittees shall be responsible for making all facilities safe in terms of public health and safety at all times, including periods of inactivation or abandonment. The permittee shall give the Department written notice at least 60 days before inactivation or abandonment of a treatment plant and shall specify what steps will be taken to safeguard public health and safety.

(8) In the event that the treatment facilities or equipment no longer function as intended, are no longer safe in terms of public health and safety, or odor, noise, aerosol drift, or lighting adversely affect neighboring developed areas at the levels prohibited by Rule 17-600.400(2)(a), F.A.C., corrective action (which may include additional maintenance or modifications of the treatment plant) shall be taken by the permittee. Other corrective action may be required to ensure compliance with rules of the Department.

(9) After July 1, 1991, all applications to renew permits for a treatment and reuse or disposal facility shall include an operation and maintenance performance report in accordance with Rule 17-600.733, F.A.C.

17-600.410(1) - 17-600.410(9)



STATE OF FLORIDA
DEPARTMENT OF HEALTH AND REHABILITATIVE SERVICES

REPLY TO: ENVIRONMENTAL ENGINEERING
HRS Lee County Public Health Unit
60 Danley Drive, Unit #1
Fort Myers, Florida 33907
Telephone: (941) 939-4245
FAX: (941) 939-4038

April 2, 1996

Mr. Steve Messner
Gulf Utility Company
18513 Bartow Boulevard, S.E.
Fort Myers, Florida 33912

Reference: Water Treatment Plant Capacity Guidelines
PWS ID No. 5360243

Dear Steve:

The current D.E.P. guideline for requiring additional capacity at a water treatment plant is as follows:

If actual flow indicates the facility is at or above 80 percent of capacity, we would require the utility to use the long form on all applications for distribution extensions. The utility would then be required to submit a schedule for plant expansion.

As you know, we very seldom get in this position as most utilities have a long range plan which includes needed expansion before any agency has to tell them.

Sincerely,

William D. Allen, P.E.
Director
Environmental Engineering

WDA/clc
Enclosures

- | | | |
|--|---|--|
| <ul style="list-style-type: none"> 3. telemetry/
electrical | <ul style="list-style-type: none"> 3. chemical facil. for
<350 Pop. systems
except to meet Pb
& Cu requirements | <ul style="list-style-type: none"> rated capacity
due to
inc.storage,
tankage, Pumps,
land-etc. |
| <ul style="list-style-type: none"> 4. structures,
roads,
scaping, fencing | | |
| <ul style="list-style-type: none"> 5. Like for Like | | |
| <ul style="list-style-type: none"> 6. Maintenance and repair | | |
| <ul style="list-style-type: none"> 7. Liq. Chlorine Enclosures | | |
| <ul style="list-style-type: none"> 8. Hypochlorination | | |
| <ul style="list-style-type: none"> 9. Tanks/storage < 1000 gal | | |
| <ul style="list-style-type: none"> 10. Well aprons and above
ground well improvements | | |
| <ul style="list-style-type: none"> 11. aux. power <350 pop. | | |

3. Attached please find the department's final legal opinion as it relates to the NW District's concern for fire hydrants on undersized lines. Pam asked if the same strategy offered in the opinion would hold true if the lines and hydrants were fine, but the plant was undersized or its pumps too small. The answer is also yes, you can require that they upgrade the plant to account for existing fire flow demands.

4. We quickly restated our position on plant capacity being based on maximum daily flow taken from actual flow records from the preceding 12 months. While we are working on a rule revision to incorporate this concept, one is not to use committed flow nor expected flow from the proposed project or previous committed permitted flow in determining if the facility is at or above the 80 percent criterion. Once actual flow indicates the facility is at or above 80 percent then one should require the utility to use the long form and submit a schedule for plant expansion.

5. This item is the same as item C.2.

6. Auxiliary power permitting requirements were not

4-2-96
DEP
GUIDELINES

C. Permitting Session

1. We briefly discussed the Water Plant capacity issue as it relates to permitting of distribution systems. Some of the districts send out warning notices that the system has exceeded 80 percent capacity and needs to start planning a plant expansion unless they are at or approaching build-out. Other districts make the system convert to the long-form so as to ensure that the system does not exceed 100 percent. You can not deny a water distribution permit unless they exceed or would exceed actual flows with their new project. As you are aware we are addressing this issue in our 17-555 rule revisions and will model 555 after what waste water permitting does.
2. We discussed the requirement for a Florida P.E. to sign off on a federal or state agency project. **UNLESS OGC TELLS US DIFFERENTLY, WE REQUIRE A P.E. FOR ALL WATER PROJECTS/PERMITS IN FLORIDA.** However, no fee is required for any Florida State Agency on the attached list (Appendix C.2), Water Management Districts, and the U.S. Corps of Engineers. Tim Banks will develop a standard language statement that he will place on all of his projects that come in to you from the Water Supply Section so that you will know that DEP is the Applicant even though we are not the owner of the system.
3. Duval and Jacksonville asked if lift stations can be covered in a GP for water distribution projects. The answer is no. They must use a long form. Also it was pointed out that a RPZ is the preferred backflow prevention assembly for lift stations and these devices can be connected under a general permit.
4. The group worked on revising the Criteria Table (Appendix C.4.) on facilities requiring a GP, Minor/Major modification, and no permit. This table is a dynamic one and will be revised and added to as issues come up each bimonthly meeting. Please review this and bring up any new issues or problems with the table as it now stands at the next meeting.
5. The issue as to what constitutes two **INDEPENDENT POWER LINES** in our rules regarding auxiliary power and alternatives to a generator were discussed. By far the best possible solution is to encourage the use of an auxiliary generator rather than independent lines. However, in the event that the system demands to use an alternative, then two independent lines is interpreted as it is in the waste water area to mean two independent power stations, and not two lines from the same station or on the other extreme, two independent power companies or sources. Each office needs to request documentation from the power company to evaluate the reliability of the alternative and review the probability of different types of power loss and down time.
6. Please review the attached policy memo from Tim Banks (C.6.) on coordination on Water Supply Section projects. Forward your comments ASAP to Tim and me.

was responsible for overseeing construction shall submit a certification of completion letter to the Department. When the letter of certification and a copy of satisfactory bacteriological results (absence of total coliform in two consecutive daily water samples) and analyses to demonstrate compliance with Chapter 62-550 and, if applicable, Chapter 62-524, F.A.C., are received, a letter of clearance to place the facility(ies) into service shall be issued.
Specific Authority: 403.853(3), 403.861(9), P.S.
Law Implemented: 403.0877, 403.853(1), (3), P.S.
History: New 11-19-87; Formerly 17-22.645; Amended 1-18-89, 5-7-90, 1-1-91, 1-1-93, Formerly 17-555.345.

62-555.350 Operation and Maintenance of Equipment.

(1) The supplier of water shall maintain all equipment in good operating condition and shall keep in operation all equipment designed for the purification of the water supply. The supplier shall maintain a minimum free chlorine residual of 0.2 mg/l or its equivalent throughout the distribution system at all times. The capacity of the treatment plant and distribution facilities including pumps and pipes shall be increased as system demand is increased to maintain a minimum pressure of 20 psi throughout the distribution system except in extenuating circumstances. The system shall be maintained and operated in accordance with the rules of the Department and the approved plans.

(2) The supplier of water shall provide responsible operation personnel in accordance with Chapters 62-602 and 62-699, F.A.C., and the permit.

(3) No new source of water shall be introduced into the system and no purification process or protection provision shall be altered or discontinued unless the operator secures written approval from the Department. In case of a breakdown in purification or protective works, a break in a main transmission line causing a major interruption in service, or any suspicious circumstance, abnormal taste, or abnormal odor occurring in connection with a public water supply, the person responsible for the operation of the works or the treatment plant operator shall notify the Department or the Approved County Public Health Unit, if applicable, by wire or telephone within 24 hours of the occurrence. The Department shall notify the appropriate local public health unit(s), or the Approved County Public Health Unit shall notify the Department.

(4) A maintenance log of all water plant equipment which directly affects the quality of treatment shall be maintained on-site by the plant's lead operator and shall be

INSERT AT PAGE 10, LINE 6

Q Please identify the projects that are driven by regulatory considerations

A Exhibit JWM-4 lists the line item expenditures from our capital budget that are required by rule, regulation or directive. The water and sewer line relocations are the result of Lee County and Florida D.O.T. road widening projects. The Corkscrew Reject Holding Tank, Pump Upgrades, Telemetry and effluent reuse line will be constructed as the result of administrative directive related to effluent disposal. The expansion of the Three Oaks Wastewater Treatment Plant is required to meet F.D.E.P. regulations. The water plant expansion is consistent with HRS guidelines. Included as a part of Exhibit JWM-4 are copies of FDEP rules regarding wastewater plant requirements and HRS's requirements regarding water plants.