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DOCKET NO.: 060368-WS - Application for increase in water and wastewater rates in Alachua, Brevard, Highlands, Lake, Lee, Marion, Orange, Palm Beach, Pasco, Polk, Putnam, Seminole, Sumter, Volusia and Washington Counties by Aqua Utilities Florida, Inc.

WITNESS: Direct Testimony of Richard Lott, P.G., P.E.
Appearing on Behalf of the Staff of the Florida Public Service Commission.

DATE FILED: August 21, 2007

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1 DIRECT TESTIMONY OF RICHARD LOTT, P.G., P.E.

2 Q. Please state your name and business address.

3 A. Richard Shackford Lott, Florida Department of Environmental Protection, 3319
4 Maguire Boulevard, Orlando, Florida 32803.

5 Q. Please state a brief description of your educational background and experience.

6 A. I received a B.A. in Geology from the University of South Florida in 1979. I received a
7 M.S. in Environmental Science (Engineering) from the University of Central Florida in
8 1990.

9 Q. By whom are you presently employed?

10 A. Florida Department of Environmental Protection (FDEP)

11 Q. How long have you been employed with the FDEP and in what capacity?

12 A. I have worked for the FDEP for 8 year, since September 1998. From December 1993
13 through September 1998 I was a permit reviewer for stormwater applications. From
14 September 1998 through the present I have been the program manager for the drinking
15 water program.

16 Q. What are your general responsibilities at the FDEP?

17 A. I am responsible for administering the Drinking Water Program in accordance with the
18 Clean Water Act and Florida Statutes for the Central District; reviewing and
19 authorizing permits for water main extensions and connections; supervising the
20 preparation of consent orders and other compliance violation documents, representing
21 FDEP at public meetings, and overseeing the supervision of the monitoring of all
22 potable water systems.

23 Q. Are you familiar with Aqua Utilities Florida, Inc. (utility) water systems in Brevard,
24 Lake, Marion, Orange, Seminole and Volusia Counties, particularly the water
25 treatment systems in Brevard County, including Kingswood and Oakwood, the water

1 treatment systems in Lake County, including 48 Estates, Carlton Village, East Lake
2 Harris, Fern Terrace, Friendly Center, Grand Terrace, Haines Creek, Hobby Hills,
3 Holiday Haven, Imperial Terrace, Kings Cove, Morningview, Palms MHP, Picciola
4 Island, Piney Woods/Spring Lake, Quail Ridge, Ravenswood, Silver Lake Estates,
5 Skycrest, Stone Mountain, Summit Chase, Valencia Terrace and Western Shores, the
6 water treatment systems in Marion County, including 49th Street, Belleair, Belleview
7 Hills Estates, Belleview Hills, Chappell Hills, Fairfax Hills, Hawks Point, Marion
8 Hills, Ocala Oaks, West View, Woodberry Forest, and Venetian Village, the Tangerine
9 water treatment system in Orange County and the water treatment systems in Seminole
10 County, including Chuluota and Harmony Homes?

11 A. Yes. I am familiar with these water systems via review of permit applications and
12 other Department records.

13 Q. Does the utility have any current construction permits from the FDEP?

14 A. Yes. The following Water Construction permits have been issued to Florida Water
15 Services or Aqua Utilities of Florida, Inc. since May 2002:

16 80519-003 Piney Woods Subdivision – issued January 24, 2007 (chlorine
17 conversion)

18 80853-016 Chuluota WTP - issued October 27, 2003

19 80853-022 Chuluota WTP - issued March 12, 2007 (chlorine conversion)

20 80853-017 Chuluota WTP - Chuluota WTP – issued October 27, 2003

21 80853-023 Chuluota WTP - issued March 12, 2007 (chlorine conversion)

22 80853-012 Chuluota WTP #2 Well #5 - issued September 18, 2003

23 80853-008 Chuluota WTP #2 Modifications - issued March 22, 2002

24 The following Water Distribution permits have been issued to Florida Water Services
25 or Aqua Utilities of Florida, Inc. since May 2002:

- 1 80464-001 DSGP Carlton Village - issued March 15, 2006 (Palm Street water main)
- 2 80523-007 DSGP Silver Lake Estates – issued December 28, 2005 (Silver Lake)
- 3 808523-006 DS Silver Lake Estates (Western Shores Interconnect) – issued July 30,
- 4 2004
- 5 80457-002 DSGP Forty-Eight Estates – issued September 9, 2005
- 6 (Lockabee/Townsend Street)
- 7 80464-004 DSGP Carlton Village – issued April 25, 2007 (Lake Griffin Road)
- 8 80464-003 DSGP Carlton Village – issued October 3, 2006 (Lemon Street and
- 9 Oakridge Drive)
- 10 161019-003 DS Western Shores – issued July 7, 2004 (Linda Lane)
- 11 80464-002 DSGP Carlton Village – issued August 4, 2006 (Carlton Village water
- 12 main)
- 13 22006-001 DSGP Venetian Village SD – issued February 7, 2006 (Lois Drive)
- 14 80780-001 DS Belleview Hill Estates – issued July 30, 2003 (Phase 4)
- 15 80758-005 DSGP Tangerine Water Company – issued October 12, 2006 (Tangerine-
- 16 Earlwood)
- 17 80758-004 DSGP Tangerine Water Company – issued November 30, 2005 (Tangerine
- 18 water main extension)
- 19 80853-006 DS Chuluota WTP – issued October 3, 2001 (Chuluota Plaza)
- 20 80853-024 DSGP Chuluota WTP- issued January 19, 2007 (Jefferson Avenue Water
- 21 Main)
- 22 80853-021 DSGP Chuluota WTP – issued May 23, 2007 (Tenth Street Water main)
- 23 Notes: DSGP = Distribution System General Permit
- 24 DS = Distribution System Specific Permit
- 25 Water Construction permits are primarily processes of water treatment plants. Water

1 distribution system permits are water main extensions.

2 Q. Are the utility's treatment facilities and distribution systems sufficient to serve its
3 present customers?

4 A. Yes; however, several water treatment plants have had at least one event that has
5 exceeded the 75 percent of the capacity of the water treatment plants during the 2006
6 calendar year and are required to perform a Capacity Analysis Report in accordance
7 with Rule 62-555.348(3), Florida Administrative Code, and submit to the Department
8 within 6 months of the exceedance. A list of the water treatment plants and the month
9 of the 75% capacity exceedance threshold are as follows:

- 10 a. 3350481 Haines Creek Mobile Home SD – April 2006;
- 11 b. 3350005 Forty-Eight Estates – April 2006, May 2006, June 2006, July 2006;
- 12 c. 3424000 Belleair SD – March through June 2006, August through October 2006;
- 13 d. 3481329 Tangerine Water Company – May 2006.

14 These reports are not necessarily indicative of existing problems but require planning
15 for capacity needs for the future.

16 Q. Do you have anything further to add?

17 A. No, I do not.

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BEFORE THE PUBLIC SERVICE COMMISSION

In re: Application for increase in water and wastewater rates in Alachua, Brevard, Highlands, Lake, Lee, Marion, Orange, Palm Beach, Pasco, Polk, Putnam, Seminole, Sumter, Volusia, and Washington Counties by Aqua Utilities Florida, Inc.

DOCKET NO. 060368-WS

DATED: AUGUST 21, 2007

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the DIRECT TESTIMONY OF RICHARD LOTT has been served by U.S. Mail to Kenneth A. Hoffman and Marsha E. Rule, Esquires, Rutledge, Ecenia, Purnell & Hoffman, P. A., P.O. Box 551, Tallahassee, FL 32302-0551, on behalf of AQUA UTILITIES FLORIDA, INC., and that a true and correct copy thereof has been furnished to the following by U. S. Mail, this 21st day of August, 2007:

Stephen Burgess & Stephen Reilly, Esquires
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