

BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of:

DOCKET NO. 160101-WS

APPLICATION FOR INCREASE IN  
WATER AND WASTEWATER RATES IN  
CHARLOTTE, HIGHLANDS, LAKE,  
LEE, MARION, ORANGE, PASCO,  
PINELLAS, POLK, AND SEMINOLE  
COUNTIES BY UTILITIES, INC. OF  
FLORIDA.

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PROCEEDINGS: SERVICE HEARING

COMMISSIONERS  
PARTICIPATING: CHAIRMAN JULIE I. BROWN  
COMMISSIONER RONALD A. BRISÉ  
COMMISSIONER DONALD J. POLMANN

DATE: Monday, May 8, 2017

TIME: Commenced at 9:30 a.m.  
Concluded at 10:51 a.m.

PLACE: Betty Easley Conference Center  
Room 148  
4075 Esplanade Way  
Tallahassee, Florida at

REPORTED BY: LINDA BOLES, CRR, RPR  
Official FPSC Reporter  
(850) 413-6734

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4 Mary, Florida 32746, appearing on behalf of Utilities  
5 Inc. of Florida.

6 J.R. KELLY, PUBLIC COUNSEL; ERIK L. SAYLER;  
7 PATRICIA A. CHRISTENSEN; and VIRGINIA PONDER, ESQUIRES,  
8 Office of Public Counsel, c/o the Florida Legislature,  
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10 32399-1400, appearing on behalf of the Citizens of the  
11 State of Florida.

12 BRIAN ARMSTRONG, ESQUIRE, Law Office of Brian  
13 Armstrong, PLLC, P.O. Box 5055, Tallahassee, Florida  
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15 Alliance.

16 WILLIAM BILENKY, ESQUIRE, Manson, Bolves,  
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18 Florida 33606, appearing on behalf of Seminole County.

19 WALTER TRIERWEILER, ESQUIRE, FPSC General  
20 Counsel's Office, 2540 Shumard Oak Boulevard,  
21 Tallahassee, Florida 32399-0850, appearing on behalf of  
22 the Florida Public Service Commission Staff.

1 APPEARANCES (Continued):

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3 HELTON, DEPUTY GENERAL COUNSEL; and JENNIFER CRAWFORD,  
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6 Advisor to the Florida Public Service Commission.

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**P R O C E E D I N G S**

1  
2           **CHAIRMAN BROWN:** All right. Good morning,  
3 everyone, and welcome to the service hearing in the  
4 Utilities, Inc. of Florida rate case. Today is May 8th.  
5 The time is slightly after 9:30. And I'd like to first  
6 welcome you all here, for taking the time to come out to  
7 this customer service hearing. It is very, very  
8 important. We've had eight service hearings around the  
9 state in Central Florida on this rate case, and your  
10 customer input is absolutely essential to the overall  
11 process.

12           My name is Julie Brown, and I have the  
13 pleasure of serving as Chairman of the Public Service  
14 Commission. With me today are Commissioner Ron Brisé  
15 and Commissioner Don Polmann. I'd like to give them  
16 each an opportunity to introduce themselves to you,  
17 starting with my left, Commissioner Brisé.

18           **COMMISSIONER BRISÉ:** Good morning, and welcome  
19 to Tallahassee. And as was stated, I am Ron Brisé. And  
20 we're here to hear from you in this section of the  
21 hearing.

22           **COMMISSIONER POLMANN:** Good morning.  
23 Commissioner Don Polmann. I also welcome you to  
24 Tallahassee, and I'm appreciative of you folks traveling  
25 here to be with us. I look forward to receiving the

1 information that you have for us, and we certainly will  
2 consider everything that we do hear. We've, as the  
3 Chairman indicated, participated in a variety of public  
4 customer service hearings around the state, but an  
5 additional opportunity here, and we'd like to receive  
6 new information from you. So thank you very much for  
7 being here.

8 **CHAIRMAN BROWN:** Thank you.

9 Staff counsel, will you please read the  
10 notice.

11 **MR. TRIERWEILER:** By notice issued on  
12 April 10, 2017, this time and place was set for a  
13 customer service hearing in Docket 160101-WS, the  
14 consolidated UIF rate proceeding.

15 According to the notice, this customer service  
16 hearing will end promptly at 11:30 a.m., or earlier if  
17 all testimony is received prior to 11:30 a.m.

18 **CHAIRMAN BROWN:** Thank you, Mr. Trierweiler.

19 And at this time, we'll take notices of  
20 appearance of counsel, starting with Utilities, Inc. of  
21 Florida.

22 **MR. FRIEDMAN:** Thank you, Madam Chairman and  
23 Commissioners. My name is Marty Friedman of Friedman &  
24 Friedman on behalf of Utilities, Inc. of Florida.

25 **CHAIRMAN BROWN:** Thank you. Public Counsel.

1           **MR. SAYLER:** My name is Erik Sayler with the  
2 Office of Public Counsel. With me today is J. R. Kelly,  
3 the Public Counsel. Also we have Patty -- I'd like to  
4 do appearances for Ms. Patty Christensen and Virginia  
5 Ponder.

6           **CHAIRMAN BROWN:** Thank you.  
7 Summertree/Ann Marie Ryan.

8           **MR. ARMSTRONG:** Right. Good morning, Madam  
9 Chair and Commissioners. My name is Brian Armstrong.  
10 I'm with the Law Office of Brian Armstrong, and I  
11 represent the Summertree Water Alliance and Mrs. Ann  
12 Marie Ryan.

13          **CHAIRMAN BROWN:** Thank you.

14          **MR. ARMSTRONG:** Thank you.

15          **CHAIRMAN BROWN:** Seminole County.

16          **MR. BILENKY:** Thank you, Madam Chairman. I am  
17 Bill Bilenky with the law firm of Manson, Donaldson,  
18 Bolves & Varn. And with me today is Senator  
19 Constantine -- Commissioner Constantine, who will be  
20 speaking -- who will be doing the opening, and Ralph  
21 Terrero also from Seminole County. He'll be the  
22 corporate representative.

23          **CHAIRMAN BROWN:** Thank you.

24                   Staff, notice of appearance of counsel.

25          **MR. TRIERWEILER:** Oh, Walt Trierweiler will be



1 appearing on behalf of the Public Service Commission as  
2 the staff attorney.

3 **MS. HELTON:** And Mary Anne Helton, I'm here as  
4 your advisor. And also here today is your General  
5 Counsel, Keith Hetrick.

6 **MR. HETRICK:** We also have Jennifer.

7 **CHAIRMAN BROWN:** Can't forget about Jennifer.

8 **MR. HETRICK:** Jennifer Crawford here on behalf  
9 of staff counsel too.

10 **CHAIRMAN BROWN:** Thank you. And, again, I  
11 wanted to take this opportunity to thank you all for  
12 driving up from wherever you came to Tallahassee. I  
13 know I drove up last night from around the Tampa Bay  
14 area and passed through a bunch of smoke and fires in  
15 Pasco County. So for those of you who are going through  
16 that, my thoughts go out to you, and I hope that the  
17 firefighters have that taken care of. But I want to  
18 take this opportunity again to thank you.

19 At 1:30 p.m. this afternoon we will be  
20 convening the technical hearing. And it is open to the  
21 public, and we'll take the evidence concerning the  
22 Utilities, Inc. of Florida's petition. At this  
23 particular service hearing I see some folks that I've  
24 seen at other service hearings, so you know it is very  
25 important for you to address the Commission about any

1 concerns you have about the rate case, and we will take  
2 all of that into consideration.

3 We have utility representatives here today as  
4 well as Public Service Commission staff, who are here  
5 and available to discuss any billing or service issues  
6 you may have. If you have a specific question  
7 concerning one of those items or any area, please  
8 reserve those for after, and we'll have staff or utility  
9 representatives there to assist you.

10 I'd like to introduce our staff who is here to  
11 assist us with the service hearing. From accounting,  
12 we've got Andrew Maurey, Bart Fletcher, Amber Norris;  
13 Economics, Shannon Hudson; Engineering, Tom Ballinger,  
14 Robert Graves. General Counsel you heard from already.  
15 From our CAO office, Cindy Muir, Bev DeMello, Kelly  
16 Thompson, who helped organize this service hearing. I  
17 want to thank them for that. Our Clerk's Office, Rachel  
18 Arnold and Linda Boles. And from our executive office,  
19 Mark Futrell is here too.

20 This is an official hearing that will be  
21 transcribed and become part of the record. As such, you  
22 will need to be sworn in, and we'll do that in just a  
23 few moments. Please note that your comments will be  
24 subject to cross-examination. That means any of the  
25 parties can ask you questions as well as the

1 Commissioners.

2 I'd like to ask you all to please silence your  
3 phones at this time, or electronic devices. I'd also  
4 like to remind you all that clapping, shouting,  
5 screaming, using props, none of that will be allowed in  
6 this proceeding. We appreciate the professional nature  
7 of these proceedings and ask you to abide by these  
8 guidelines too.

9 So you may have noticed the speaker sign-up  
10 sheets when you came in.

11 (Interruption.)

12 Senator Constantine -- Commissioner  
13 Constantine.

14 **COMMISSIONER CONSTANTINE:** I don't know what  
15 happened. I turned it off.

16 **CHAIRMAN BROWN:** Siri, she doesn't really  
17 respond.

18 So you may have noticed the sign-up sheets.  
19 If you do intend to speak, please go outside and sign  
20 up. If you don't want to speak and you just would  
21 rather provide us written comments, you can also do that  
22 too and leave those with us today. Whether your  
23 comments are made verbally or in writing, they will all  
24 be considered as part of this proceeding.

25 And now I'd like to invite the attorneys for

1 the parties to present brief opening statements. Each  
2 party will have four minutes to proceed. Summertree and  
3 Ann Marie Ryan will have a combined four. And we're  
4 going to start with Utilities, Inc., the petitioning  
5 party. If you'd like, you can stay seated, or you can  
6 go to the podium. It's at your discretion.

7 **MR. FRIEDMAN:** Thank you, Madam Chair. We're  
8 going to waive the opening statement for the customer  
9 portion of this.

10 **CHAIRMAN BROWN:** Thank you.

11 **MR. FRIEDMAN:** We will have one for the  
12 technical portion.

13 **CHAIRMAN BROWN:** Thank you.

14 Public Counsel.

15 **MR. SAYLER:** Madam Chairman, on behalf of the  
16 Office of Public Counsel, thank you for scheduling this  
17 meeting today. I know it's very important to the  
18 customers, so thank you very much. And we waive opening  
19 as well.

20 **CHAIRMAN BROWN:** Thank you.

21 **MR. ARMSTRONG:** Summertree Water Alliance and  
22 Ms. Ann Marie Ryan, we waive opening. We'll just have  
23 our ten minutes for the technical hearing, please.

24 **CHAIRMAN BROWN:** Thank you.

25 Seminole.

1           **MR. BILENKY:** We would like to do a brief  
2 opening, and Commissioner Constantine, I have agreed to  
3 let him use my time, if that's acceptable to the Chair.

4           **CHAIRMAN BROWN:** Absolutely.

5           Senator Constantine, welcome.

6           **COMMISSIONER CONSTANTINE:** Thank you, Madam  
7 Chair and Commissioners.

8           **CHAIRMAN BROWN:** Commissioner Constantine.

9           **COMMISSIONER CONSTANTINE:** Madam Chair,  
10 whatever you want to call me, you know. And that was  
11 my -- I still don't know. I'm technologically  
12 challenged, so please forgive me. I guess the -- she  
13 was asking me and she said, "I don't understand," and  
14 I'm trying to understand this myself.

15           In my remarks today, I just want to hit on a  
16 couple of very important points that I think should be  
17 considered as you go through this.

18           A consolidated rate in this case means  
19 subsidies, unfair subsidies. Utilities, Inc. is making  
20 winners and losers with this consolidation. It's a  
21 smart move on their part because it divides and conquers  
22 those customers that are in these 12 different services,  
23 but it's decidedly unfairly discriminatory to many of  
24 the customers.

25           One group of customers, my constituents,

1 Sanlando, will be subsidizing the 11 other utilities,  
2 and in cases there's over a 200 percent increase.  
3 Obviously this is inherently unfair. Breaking this  
4 consolidation rate into silos of service would be a much  
5 more just and reasonable approach in establishing rates.

6 Please, I'm just asking you to do the right  
7 thing, and the right thing, as statutorily mandated, is  
8 establish a rate fair, just, reasonable, and not  
9 unfairly discriminatory. I think that would be the  
10 right approach and one which all of the constituents and  
11 all the citizens that are represented would understand.

12 **CHAIRMAN BROWN:** Thank you, sir.

13 All right. Now we're going to be moving into  
14 the public comment portion, and I'm just going to  
15 provide you some brief instructions on how this morning  
16 is going to go.

17 We want to give every customer an opportunity  
18 who signed up to speak. To that end, each customer will  
19 have three minutes, although my understanding is we only  
20 have 11 customers, so I'll be a little lenient on the  
21 time. And I appreciate you all coming up here today.  
22 When the light -- you can ignore the lights. I'll be  
23 timing you, and when you get to four minutes, I'll  
24 absolutely have to encourage you to stop.

25 Mr. Kelly has deferred calling the names and

1 given them to me, graciously, so I will be reading your  
2 names since we only have 11 today. When you come to the  
3 microphone, you will need to state your name, telephone  
4 number, and address for the record. Can you please also  
5 provide whether you have provided testimony in a  
6 previous service hearing as well. We do have limited  
7 time this morning, so we appreciate you -- thank you --  
8 keeping your statements to things that are new, some  
9 things that haven't been stated by previous customers,  
10 if you've made comments previously.

11 And now I will be swearing you all in together  
12 at the same time. If you will stand and raise your  
13 right hand with me.

14 Do you swear or affirm to provide the truth in  
15 this proceeding?

16 (Chorus of affirmative responses.)

17 (Witnesses sworn.)

18 Thank you. Please be seated.

19 We have a few elected officials here today.  
20 One -- and I know one is pretty busy, and she just, just  
21 came in to grace us with her presence. Representative  
22 Mariano, if you would, please come up to the podium.  
23 And, Representative Mariano, I've met your father on  
24 numerous occasions, and I've never had an opportunity to  
25 meet you in person. So, first of all, congratulations.

1                   **REPRESENTATIVE MARIANO:** Well, thank you.

2                   It's great to meet you as well.

3                   **CHAIRMAN BROWN:** Welcome to the Commission.

4                   **REPRESENTATIVE MARIANO:** Thank you, Madam  
5                   Chair. I just came today to support these great people  
6                   and what they've been working so hard on. As recently  
7                   elected, I haven't had the opportunity to delve into  
8                   these issues, which a lot of these people here have, but  
9                   I'm really impressed with the fortitude that they've had  
10                  in this issue, and anything I can do to help, and that's  
11                  why I'm here today.

12                  I would really encourage the PSC to maintain  
13                  the prior unsatisfactory finding pertaining to water  
14                  quality standards within Summertree and a penalty of a  
15                  100 basis point reduction to return on quality, to order  
16                  and compel all stakeholders involved to work  
17                  cooperatively and collaboratively to solve these issues,  
18                  and to open a new docket to investigate and resolve  
19                  these new water issues. And thank you for your time,  
20                  and anything I can do to help. And please help these  
21                  great people get these issues resolved.

22                  **CHAIRMAN BROWN:** Thank you, Representative  
23                  Mariano.

24                  Commissioners, any questions?

25                  Seeing none, thank you again, and for the work



1 that you do for our state.

2 We do have Commissioner Mariano, but my  
3 understanding is he's going to hold off until the end.

4 **COMMISSIONER MARIANO:** Yes, please.

5 **CHAIRMAN BROWN:** Thank you.

6 All right. So we're going to get to  
7 Dr. Robert M. Halleen. Dr. Halleen, welcome to the  
8 Commission.

9 **DR. HALLEEN:** Thank you, Commissioner Brown.  
10 I'm Dr. Robert Halleen. I represent Cypress Lakes, and  
11 I've been -- this is now my fourth or fifth appearance  
12 before these on our four rate cases with Utilities, Inc.

13 We thank you very much for this opportunity to  
14 again express some concerns we have over the filing. We  
15 are definitely concerned with the requested consolidated  
16 rate structure. This is a major change from the  
17 long-standing standalone thing that we've had in the  
18 four rate cases, and it moves the rate sharing from  
19 strictly the company's customers at each facility to a  
20 uniform type of structure.

21 Unfortunately in the filing what was not  
22 presented but which appeared in the docket later, in  
23 fact, in April, is the fact that UIF is pursuing  
24 \$36.85 million worth of capital expenses. The current  
25 filing contains no reference to these. Again, another

1 instance, as we've said, that there is no customer  
2 oversight in these filings.

3 Your -- it would appear that consolidated rate  
4 structure is going to be how UIF will handle these  
5 projects, and your Patti Daniel, in another report in  
6 the docket, gave -- implied some support for this "share  
7 of the shock," as she called it, approach.

8 So this type of rate structure is very painful  
9 to customers who have little stake in what's proposed.  
10 And if you look through the rate structure for Cypress  
11 Lakes and the projects even that come into it, we have  
12 virtually nothing. We have two little projects that  
13 total \$76,000 out of the 36.85 million.

14 And, for example, in our past history, we've  
15 accepted a million dollars approximately for management  
16 requested expansion of the waste treatment. The  
17 expansion of the park, the piping and all that, was paid  
18 for by the management and transferred over to Utilities,  
19 Inc. So we recommend that in case -- in this case that  
20 certainly an addendum report be made by UIF of the  
21 impact of the 36.8 million on whatever rate structure is  
22 chosen, and we also request that the Commission prepare  
23 a list of options that are available to any individual  
24 wastewater or water system that wishes to pursue a  
25 standalone rate structure.

1           The second major issue that we have is with  
2 the wastewater charges. They don't make sense. If you  
3 look at it, the metered rate, base rate is \$25-plus, the  
4 charge consumption is \$5 per thousand gallons, and the  
5 flat rate monthly is \$35 plus. That means that any  
6 person consuming more than 2,000 gallons per month would  
7 be paying part of somebody else's, namely the flat rate,  
8 people's cost of wastewater.

9           If you read Patti Daniel's report, you quickly  
10 come to the opinion that 32,000 wastewater customers  
11 will be consuming over 2,000 gallons. So 5,000 flat  
12 rate customers are gaining for 32,000.

13           Now we have no justification for --

14           **CHAIRMAN BROWN:** Thank you, sir, for your, for  
15 your testimony. We do have a presentation that has been  
16 distributed to the Commissioners.

17           **DR. HALLEEN:** That's right.

18           **CHAIRMAN BROWN:** Would you like it marked as  
19 an exhibit for the record?

20           **DR. HALLEEN:** Yes, I would, very definitely,  
21 because we added to it an addendum, knowing we were  
22 going to be limited in time.

23           **CHAIRMAN BROWN:** So I'm going to mark that --  
24 we're at Exhibit 251. I'm going to mark that as  
25 Dr. Halleen -- is that the way to pronounce --

1           **DR. HALLEEN:** Halleen.

2           **CHAIRMAN BROWN:** Halleen --

3           **DR. HALLEEN:** Yeah.

4           **CHAIRMAN BROWN:** -- public comments.

5           **MR. FRIEDMAN:** What number was that?

6           **CHAIRMAN BROWN:** 251.

7           **DR. HALLEEN:** 251.

8           (Exhibit 251 marked for identification.)

9           **CHAIRMAN BROWN:** And we will not be moving any  
10 exhibits into the record during this proceeding at this  
11 time.

12           Thank you for your testimony, Dr. Halleen.

13           **DR. HALLEEN:** Thank you.

14           **CHAIRMAN BROWN:** Commissioners, do you have  
15 any questions for Dr. Halleen?

16           Yes, Commissioner Polmann.

17           **COMMISSIONER POLMANN:** Sir, could you -- I  
18 think you made reference to an additional report that  
19 you were looking for in your comments.

20           **DR. HALLEEN:** Yeah. The -- there is an  
21 addendum to the back of it, it should be.

22           **COMMISSIONER POLMANN:** Okay. That's in your  
23 written materials; is that correct?

24           **DR. HALLEEN:** It should be, yes, dated --

25           **COMMISSIONER POLMANN:** Okay. I just wanted to

1 confirm that. So it's in the written material?

2 **DR. HALLEEN:** Yes.

3 **COMMISSIONER POLMANN:** All right. Thank you,  
4 sir.

5 **CHAIRMAN BROWN:** Thank you for your testimony.

6 **DR. HALLEEN:** You bet.

7 **CHAIRMAN BROWN:** All right. Next up is  
8 Mr. James Dill.

9 You had fire in your backyard.

10 **MR. DILL:** Yes, ma'am.

11 How are you this morning, Ms. Brown?

12 **CHAIRMAN BROWN:** Good. How are you?

13 **MR. DILL:** Commissioners, my name is Jim Dill,  
14 and I currently live in 5903 Jessup Drive, which is in  
15 Zephyrhills, Florida. My phone number is (719)339-5261.  
16 And this is my third time to come testify or talk before  
17 the PSC. And in the past, I've always been against rate  
18 hikes, but this time you're going to hear a little  
19 different from me because we have the highest water  
20 rates within Utilities, Inc. So what I want to talk to  
21 you about today is our current rate structure and the  
22 current quality of water.

23 First of all, I spent 30 years in the Air  
24 Force, and I retired in 2001 as a colonel and a base  
25 commander. And I've traveled around the world and

1 traveled around the country, I've been to all the  
2 states, and I can tell you that the rates for our water  
3 and wastewater that we're paying today are the highest  
4 I've ever seen anywhere around the country, and the  
5 quality of the water that we're drinking is questionable  
6 at best.

7 I was here a couple of years ago and I talked  
8 about the huge 67 percent increase, and since then  
9 nothing has really changed. The rates continue to rise  
10 and the water quality is still pretty bad. Our  
11 community just received a 4 percent increase in our  
12 rent. As part of the negotiations, which I was part of  
13 it -- excuse me. I am the president of the HOA, so I  
14 participated in those negotiations. We did a survey of  
15 Zephyrhills' rates, and Utilities, Inc.'s current rates  
16 are 300 percent higher than what our neighbors in  
17 Zephyrhills are paying for both water and wastewater.

18 The analysis that we did as part of our  
19 negotiations, for 3,000 gallons of water, we're paying  
20 around 130,000 -- \$130 a month. The same amount of  
21 water and wastewater in the City of Zephyrhills costs  
22 under \$50 per month for out-of-city rates and under 40  
23 for in-city rates, you know. And then our residents  
24 have to pay almost \$50 when they're not even here during  
25 the summertime, if they've gone back north.

1           We have a lot of residents who are on social  
2 security, we haven't received an increase in several  
3 years, and they've got to pay more and more for a  
4 product that no one wants to drink or use. We have new  
5 residents who are looking to come to our park, but  
6 because of the cost of water and the rent, it's  
7 unacceptable when they can go downtown and get water and  
8 sewage for 300 percent less.

9           The quality of the water, we have many who  
10 don't want to drink it, they don't want to bathe in it,  
11 they don't want to cook with it. They spend extra money  
12 every month just to get fresh water delivered out of  
13 machines and bottled water, and then they also purchase  
14 and we've installed expensive filtration systems at our  
15 house, a lot of them.

16           You were all at our place in February 2015,  
17 and you asked the question, "How many of you get water  
18 elsewhere or have bought expensive systems?" and almost  
19 every hand went up. Nothing has changed since 2015, and  
20 more and more people are doing that. We have residents  
21 who have lived with us for five, ten, 15 years. And 15  
22 years ago they were paying \$15, and now we're paying  
23 \$130.

24           So this is my third time here, and every time  
25 you've approved a rate case. This is the first time

1 you're going to hear me say we like the rate case, and  
2 the reason for that is our rates are going from \$181 for  
3 5,000 gallons down to \$71, which is a significant  
4 decrease and then kind of in constant with what the area  
5 is paying. So this is the first time we've seen a  
6 decrease --

7 **CHAIRMAN BROWN:** Mr. Dill, if you could  
8 wrap --

9 **MR. DILL:** -- and we highly encourage you and  
10 are hopeful that you will approve it because it is in  
11 favor of us this time.

12 **CHAIRMAN BROWN:** Thank you, Mr. Dill. Do you  
13 have any written comments that you'd like to submit?

14 **MR. DILL:** I have -- can I, I -- can I email  
15 them or forward them to you?

16 **CHAIRMAN BROWN:** You could provide --

17 **MR. DILL:** Because I had -- I made some  
18 changes and handwrote on them.

19 **CHAIRMAN BROWN:** Would you like them submitted  
20 to us?

21 **MR. DILL:** Yes.

22 **CHAIRMAN BROWN:** Okay. Well, we're going to  
23 go ahead first and mark it as Exhibit 252.

24 (Exhibit 252 marked for identification.)

25 **MR. DILL:** Okay.



1           **CHAIRMAN BROWN:** And we're going to title it  
2 Mr. Jim Dill Public Comments. Seeing no objection from  
3 the parties, we'll have your comments -- if you can, the  
4 court reporter afterwards will coordinate with you on  
5 having them emailed.

6           **MR. DILL:** Okay. Thank you very much for your  
7 time. Any questions?

8           **CHAIRMAN BROWN:** We -- yes, actually,  
9 Commissioner Brisé, do you have a question?

10          **COMMISSIONER BRISÉ:** Sure. What community is  
11 it?

12          **MR. DILL:** This is Forest Lake Estates.

13          **COMMISSIONER BRISÉ:** Forest Lake Estates.  
14 Thank you.

15          **CHAIRMAN BROWN:** Thank you for your testimony  
16 and for coming up here again.

17          **MR. DILL:** Thank you, Ms. Brown.

18          **CHAIRMAN BROWN:** All right. Mr. Flip  
19 Mellinger. Good morning.

20          **MR. MELLINGER:** Good morning, Madam Chair,  
21 Commissioners. I'm Flip Mellinger, the assistant county  
22 administrator for utility services in Pasco County.

23                 Upon arrival in Pasco County, it was explained  
24 to me that Utilities, Inc. of Florida owned a system for  
25 20 years and failed to continue to provide quality

1 water to their customers. I was also told of a CPH  
2 report that identified the interconnect the most  
3 economical solution for the water quality issues. In  
4 that report, CPH identified elevated color  
5 concentrations in the distribution system most likely  
6 due to a buildup of biomass. They recommended a  
7 thorough flush of the distribution system. They also  
8 ultimately recommended that Utilities, Inc. of Florida  
9 pursue the potable water interconnection with Pasco  
10 County, including a thorough cleansing of the  
11 distribution system.

12 I testified before you in October of 2016 that  
13 I was concerned with what was inside the pipe when you  
14 asked me if the interconnect would solve the water  
15 quality issues. On December 21st, 2016, that  
16 interconnect occurred. As a result of the interconnect,  
17 we have seen declining chlorine levels within the  
18 Summertree water system. Often times UIF has failed to  
19 meet the minimum disinfectant levels. They continue to  
20 ask us for higher levels of chlorine. We believe, in  
21 fact, that the -- that the dissolving -- or disinfectant  
22 reductions are occurring because of the biomass that was  
23 identified in the CPH report. It's called the  
24 tuberculation. Even though it doesn't have a -- it  
25 wouldn't show up in the coliform bacteria test required

1 by the DEP, there are likely bacteria living inside that  
2 tuberculation or tuberculation that causes it to eat the  
3 disinfectant.

4 As they continue to dump millions of gallons  
5 of water on the ground, the ammonia that's in our  
6 chloramine disinfectant literally fed the bacteria and  
7 it continued to nitrify and dissolve the disinfectant.

8 The results of the water testing have shown  
9 that while Pasco County continues to meet the standards,  
10 UIF doesn't. We know that there's bacteria in there.  
11 It seems adequately demonstrated that the complex  
12 conditions now within the Summertree water distribution  
13 system and developed as decades of UIF's failed  
14 operations are beyond the capabilities of UIF to manage,  
15 and I would ask the Public Service Commission if -- the  
16 level of competence that you want operating the utility  
17 systems within the state of Florida. UIF has repeatedly  
18 demonstrated their incompetence by failing to perform  
19 what properly functioning utilities have accepted as  
20 normal practice for entirely too long.

21 While we remain certain that the bacteria  
22 within the Summertree distribution system has continued  
23 to feed their continuous low-level flushing since the  
24 interconnect, we know that a proper chlorine burn  
25 exceeding five parts per million, or milligrams per

1 liter, likely would be necessary to kill it.

2 What's truly disappointing to me is that no  
3 matter how many professionals are required to come in  
4 and assist UIF, UIF will pay them, they'll return to  
5 you, ask for a rate increase to correct the condition  
6 brought on by the profiteering-based operations, and the  
7 customers are the ones who end up suffering for that. I  
8 believe that UIF's decades of profit-absorbing protocols  
9 within Summertree water --

10 **CHAIRMAN BROWN:** Mr. Mellinger, could you  
11 please wrap up your comments, please?

12 **MR. MELLINGER:** Yes -- should be sufficient to  
13 have them remedy the existing conditions even if it  
14 requires replacing the distribution at no extra cost to  
15 the residents. I remain available to answer questions.

16 **CHAIRMAN BROWN:** Thank you, Mr. Mellinger.

17 Do any of the parties have questions?

18 Mr. Friedman?

19 Mr. Mellinger, could you please return to the  
20 podium?

21 **MR. MELLINGER:** Yes.

22 **CHAIRMAN BROWN:** We have Utilities, Inc. that  
23 has questions for you.

24 **EXAMINATION**

1 **BY MR. FRIEDMAN:**

2 **Q** Mr. Mellinger, isn't it true that Pasco County  
3 Utilities hasn't always met its chlorine residuals?

4 **A** Yes.

5 **Q** And what do you do in those cases?

6 **A** I'm -- you asked if we had met our chlorine  
7 residuals.

8 **Q** There are instances where Pasco County  
9 Utilities has not met the minimum chlorine residual;  
10 isn't that correct?

11 **A** In the back of Colony Lakes, we do sometimes  
12 have a dip in the chlorine residuals, and we flush the  
13 water and it returns.

14 **Q** So the typical protocol, when you don't have  
15 your chlorine residuals, is to flush?

16 **A** Not for four months continuously.

17 **Q** What steps have you taken to cooperate with  
18 Utilities, Inc. of Florida on the chlorine residual  
19 issue?

20 **A** When we initially started the interconnect, we  
21 had levels of about 1.5 milligrams per liter of  
22 chloramines at the point of entry, and Utilities, Inc.  
23 was unable to meet their minimum disinfectant levels in  
24 the back of the subdivision. They notified us. We  
25 began an aggressive flushing protocol, which allowed us

1 to increase our chlorine -- our chloramine disinfectant  
2 levels at the point of entry up to two, and yet they  
3 were still failing to meet the minimum levels in the  
4 back of their subdivision while we did meet our levels  
5 in the back of Colony Lakes, the adjacent subdivision.

6 Utilities, Inc. then asked us to raise our  
7 chloramine levels, our disinfectant levels to 2.5 and  
8 then up to 3 parts per million, and then we realized  
9 that there's bigger issues within Summertree. And that  
10 caused me to write a letter to the Public Service  
11 Commission and DEP asking for enforcement action.

12 **Q** You're aware, are you not, that Utilities,  
13 Inc. of Florida has installed equipment to perform a  
14 chlorine burn?

15 **A** I know that that was supposed to happen on  
16 last Friday. While I'm not certain of what level of  
17 chlorine burn they anticipate using, I know that it'll  
18 require five parts per million or greater. The chlorine  
19 burn, seven weeks of chlorine burn that Mr. Flynn has  
20 told me repeatedly that he conducted before the  
21 interconnect, did not meet the requirements in the CPH  
22 report. And the customers, quite frankly, didn't  
23 recognize any additional chlorine smell or taste, which  
24 tells me it was ineffective.

25

1           Q     Does the county ever do chlorine burns?

2           A     We have not had the need to do a chlorine  
3 burn. We don't have the tuberculation inside our pipe.

4           Q     Okay. When you talked about bacteria in the  
5 system, are you saying that the water is not safe to  
6 drink?

7           A     I'm concerned. There's not been an HCL test  
8 done on that Summertree system. And with the mineral  
9 deposits that we get out of the customer's sink, we  
10 believe that there's serious tuberculation inside the  
11 pipe, and that tuberculation has the possibility of  
12 having other bacteria in it and it may not be safe to  
13 drink. Without an HCL slide test, you won't be able to  
14 tell.

15          Q     Do you know whether the DEP has, in fact, done  
16 that test already?

17          A     I do not believe that the DEP has tested --  
18 they've tested for chlorine residuals, and that's the  
19 only thing that's in their protocol. As a member of the  
20 American Water Works Association Utility Council, I'll  
21 be addressing that issue in future rulemaking.

22          Q     But as we sit here today, you don't know  
23 whether they've done that or not, do you?

24          A     I do not.

25                **CHAIRMAN BROWN:** Thank you.

1 Commissioners, any questions?

2 Yes, Commissioner Polmann.

3 **COMMISSIONER POLMANN:** Mr. Mellinger, in Pasco  
4 County you deliver water to Summertree as a wholesale  
5 provider; is that correct?

6 **MR. MELLINGER:** That's correct.

7 **COMMISSIONER POLMANN:** The water that you  
8 deliver, is that -- the disinfectant, is that chloramine  
9 or free chlorine?

10 **MR. MELLINGER:** It's chloramine.

11 **COMMISSIONER POLMANN:** Chloramine?

12 **MR. MELLINGER:** Chloramine.

13 **COMMISSIONER POLMANN:** Thank you. And then  
14 the distribution system in Summertree, is that also  
15 chloramine?

16 **MR. MELLINGER:** It has been chloramine. I  
17 believe that they, last Friday, installed some chlorine  
18 injection equipment, and I would hope that they would  
19 move toward free chlorine for at least a while.

20 **COMMISSIONER POLMANN:** It has been chloramine.  
21 Do you know if it's currently chloramine, or you're not  
22 aware?

23 **MR. MELLINGER:** Like I said, they installed  
24 some equipment on Friday, and I'm not sure what they've  
25 done since then.



1                   **COMMISSIONER POLMANN:** Okay. Okay. Thank  
2 you, sir.

3                   Does Pasco County collect water samples within  
4 the Summertree retail distribution system?

5                   **MR. MELLINGER:** Yes, we do.

6                   **COMMISSIONER POLMANN:** You indicate -- I think  
7 you've said, and correct me if I'm wrong, that UIF was  
8 failing residual disinfectant within the retail  
9 distribution system.

10                  **MR. MELLINGER:** That's correct, on numerous  
11 occasions.

12                  **COMMISSIONER POLMANN:** And that's based on  
13 samples that Pasco County had collected?

14                  **MR. MELLINGER:** And Utilities, Inc. has  
15 collected.

16                  **COMMISSIONER POLMANN:** Okay. And here today,  
17 can you please tell me, are you speaking as a public  
18 employee of the county or as a private citizen?

19                  **MR. MELLINGER:** As a public employee of the  
20 county.

21                  **COMMISSIONER POLMANN:** Thank you, sir.

22                  That's all I have, Madam Chair.

23                  **CHAIRMAN BROWN:** Thank you, Commissioner  
24 Polmann.

25                  Any other questions?

1 Thank you for your testimony.

2 **MR. SAYLER:** Madam Chair?

3 **CHAIRMAN BROWN:** Yes, Mr. Sayler.

4 **MR. SAYLER:** I did have one question. I don't  
5 know what an HCL test is --

6 **CHAIRMAN BROWN:** Oh, sure.

7 **MR. SAYLER:** -- and why that is important. I  
8 think --

9 **CHAIRMAN BROWN:** That is not friendly cross.

10 **MR. SAYLER:** Thank you for the indulgence.  
11 It's a new term that I haven't heard before.

12 **CHAIRMAN BROWN:** Mr. Mellinger -- do you want  
13 to re-ask the question, Mr. Sayler?

14 **EXAMINATION**

15 **BY MR. SAYLER:**

16 **Q** Mr. Mellinger, you had mentioned an HCL test  
17 or something like --

18 **A** That's correct. That would identify bacteria  
19 that is not coliform bacteria. Currently the testing  
20 protocol they have in place tests for coliform bacteria  
21 or E.coli. This other bacteria that could be living  
22 within the pipe can be identified through an HCL test.

23 **MR. SAYLER:** Thank you.

24 **CHAIRMAN BROWN:** Thank you.

25 Next up we have the Copenhafers.

1 Ms. Copenhafer first, and then -- followed by  
2 Mr. Copenhafer.

3 Good morning.

4 **MS. COPENHAFER:** Good morning, Madam Chair.

5 **CHAIRMAN BROWN:** Do you want -- could you  
6 please move the -- thank you -- down a little bit?  
7 Thank you.

8 **MS. COPENHAFER:** Madam Chair, Commissioners,  
9 staff, and guests, my name is Terry Copenhafer, 12137  
10 Loblolly Pine Drive, New Port Richey, Florida 34654, in  
11 Pasco County. I am testifying as an individual customer  
12 of Utilities, Inc. of Florida.

13 I want to make my statements brief and clear  
14 to raise awareness about our current serious water  
15 quality concerns, low water pressure problems, and  
16 Utilities, Inc. of Florida's continued lack of  
17 transparency and failed customer service addressing our  
18 issues.

19 Since 2013, the Summertree Water Alliance and  
20 our residents and the task force committee members'  
21 united efforts and the task force initiatives to seek  
22 the help and guidance of our state legislators, county  
23 officials, the public of -- the Office of Public  
24 Counsel, and the PSC Commission develop a permanent  
25 solution resulting in the successful completion of our

1 UF -- UIF/Summertree/Pasco utility interconnect on  
2 December 21st, 2016.

3 Summertree residents were ecstatic. Our water  
4 problems were over; right? Unfortunately our enthusiasm  
5 was short-lived. After only a few weeks, by  
6 mid-January, UIF began to have problems maintaining our  
7 chlorine residuals, resulting in excessive flushing  
8 which continued month after month, eventually causing  
9 the pond on Merganser Way to overflow into the preserve  
10 and flushing hydrants down our streets -- see attached  
11 photos, please -- and to storm drains countywide  
12 resulting in low water pressure problems in the  
13 Summertree Recreational Facility and throughout the  
14 community.

15 As you know, our legislators, Speaker Richard  
16 Corcoran and Majority Leader Senator Wilton Simpson,  
17 frequently attended PSC meetings, PSC community  
18 hearings, conference agendas, and sent letters to the  
19 PSC indicating their lack of confidence support for UIF.

20 I will quote a statement from Senator  
21 Simpson's transcript in the Commission Conference agenda  
22 October 11th, page 9, 11. Quote, It would be  
23 unconscionable to think that any of us would have lived  
24 in that neighborhood and drank the water ourselves and  
25 our families; right? We just would not have done that,

1 but that's been proven over and over. And then in  
2 addition to that, the service that has been received  
3 from my constituents has been less than desirable. So  
4 when you couple this together, you can think, well, you  
5 know, private industry can do some things right, better  
6 than the government. This may not be one of them;  
7 right? End quote.

8 One would have thought, after 25 years of  
9 failed service, UIF would have worked to find a  
10 permanent solution instead of just finding a massive  
11 flushing protocol to resolve the issues. Instead, their  
12 maintenance put it at risk for a potentially serious  
13 bacteria problem. It was the Summertree Recreational  
14 Facility, the Summertree Water Alliance Task Force who  
15 took the initiative to independently investigate UIF's  
16 unresolved and ongoing four-month low chlorine residuals  
17 and low water pressure issues.

18 On April 26, 2017, received a copy from -- of  
19 a letter to PSC Chairman Brown and Mary Yeargan, Florida  
20 director of DEP, from John Hoy, president of UIF,  
21 stating that they were in compliance. It took eight  
22 days to get John's letter. It took an additional -- it  
23 took 12 additional days to get the test results, which  
24 we believe are suspect.

25 I would like to quote another statement from

1 Senator Simpson, page 10, line 17. "To my knowledge,  
2 none of the rate increases that have been -- that dealt  
3 with water quality have actually performed the water  
4 quality. Name an industry in the state of Florida that  
5 can say, 'I am going to do a job, whatever the job is,  
6 not perform the job, expect to get paid for the full  
7 amount, and then get a rate of return that's  
8 guaranteed.' That should not be. That should not be  
9 legal in any state for any monopoly or for any utility.  
10 You have to deliver what you promise to deliver." End  
11 quote.

12 **CHAIRMAN BROWN:** Thank you. Thank you,  
13 Ms. Copenhafer.

14 So we have a copy of your verbal public  
15 comments here, and we're going to go ahead and mark  
16 those as Exhibit 253, and title it Ms. Terry  
17 Copenhafer's public comments.

18 **MS. COPENHAFER:** Okay. I have copies that  
19 went with this letter that are just photos.

20 **CHAIRMAN BROWN:** I do not have those attached  
21 to mine.

22 **MS. COPENHAFER:** No, you don't. Could I  
23 submit those as well?

24 **CHAIRMAN BROWN:** Staff?

25 **MS. HELTON:** Yes, ma'am. Does she have them,

1 have them there that she could give to the court  
2 reporter, or do you have multiple copies of them so that  
3 everyone could look at them?

4 **MS. COPENHAFER:** No, I just have them to give  
5 to someone to make the 20 copies or just copies into the  
6 docket.

7 **MS. HELTON:** I guess maybe we should let  
8 Mr. Friedman look at them to make sure he has no problem  
9 with her giving them to the court reporter.

10 **CHAIRMAN BROWN:** Okay. Mr. Friedman, could  
11 you collect them from Ms. Copenhafer, please?

12 **MS. COPENHAFER:** And then I also have a photo  
13 on my iPad that I would like to show the Commissioners.  
14 May I approach?

15 **CHAIRMAN BROWN:** We -- Ms. Helton?

16 **MS. COPENHAFER:** Could you approach?

17 **MS. HELTON:** I'm sorry. A photo on your iPad?

18 **MS. COPENHAFER:** Yes. It couldn't be copied.  
19 It's called "Tuberculation."

20 **MS. HELTON:** I can't see that far.

21 **CHAIRMAN BROWN:** I have a suggestion.  
22 Ms. Copenhafer, you may want to just go ahead and email  
23 the Commission office. And the docket is open right  
24 now, so those can be part of the record here or the  
25 docket. Pardon me.

1           **MS. COPENHAFER:** Okay.

2           **CHAIRMAN BROWN:** We will -- I'll turn to  
3 Mr. Friedman right now regarding the photos.

4           **MS. COPENHAFER:** All right.

5           **MR. FRIEDMAN:** I mean, they're photos she  
6 took. I don't know what probative value any of them  
7 have. One of them is a test result from one of those  
8 water testing companies, and I think we all know how  
9 those tests are going to come out anyway. So, I mean,  
10 they're just -- I don't know what probative value they  
11 have. They're pictures showing water being flushed down  
12 a --

13           **CHAIRMAN BROWN:** Okay. Thank you.

14           Staff, could someone please get the copies,  
15 please, from Ms. Copenhafer, and we will attach those to  
16 her testimony as Exhibit 253 and give them the weight  
17 that that is due. Thank you.

18           (Exhibit 253 marked for identification.)

19           **MS. COPENHAFER:** Thank you very much. I  
20 appreciate your time and your patience.

21           **CHAIRMAN BROWN:** You're welcome.

22           Mr. Wilber Copenhafer. And we do have your  
23 prepared statements as well -- statement.

24           **MR. COPENHAFER:** Thank you. My name is Wilber  
25 Copenhafer. I live at 12137 Loblolly Pine Lane Drive --



1 Pine Lane, New Port Richey, Florida 34654. I'm a  
2 resident of Summertree and a UIF customer.

3 I would like to refer to an attached letter to  
4 the public -- Florida Public Service Commission from  
5 Senator Wilton Simpson and Speaker of the House Richard  
6 Corcoran dated September 13th, 2016, which was read into  
7 Docket No. 150269 and 160101 by Rachel Perrin Rogers,  
8 Senator Simpson's legislative assistant. It shows a  
9 concern by our legislators for the Summertree  
10 constituents.

11 Paragraph 2, page 2, states, "A private  
12 for-profit corporation with a guaranteed rate of return,  
13 regardless of the effectiveness of the actions taken,  
14 has demonstrated time and time again that it is not  
15 concerned about customers."

16 The second statement by our legislator  
17 addresses how UIF's inaction has impacted our community.  
18 Paragraph 4, page 2, states, "We have been informed that  
19 UIF is moving forward with a request for Summertree's  
20 system to be rolled into a consortium that includes  
21 several other UIF systems around Florida. This request  
22 could have negative impacts on many UIF customers and  
23 should be scrutinized. Our constituents have already  
24 paid a heavy price for the inaction of this company.  
25 Simply put, this is unacceptable." End of quote.

1           On the second item, "After being served four  
2 months by Pasco County, UIF has had difficulty  
3 sustaining chlorine residuals in the Summertree system  
4 with excessive flushing resulting in the loss of  
5 millions of gallons of treated water. This inability of  
6 UIF to maintain the chlorine residuals greatly troubles  
7 the Summertree community."

8           Lastly, the enclosed email from Patrick Flynn,  
9 vice president of operations, to Gary Deremer, president  
10 of US Water Systems Corporation, dated Friday,  
11 April 21st, 2017, reinforces our doubt as to UIF's  
12 ability to manage our system. I am quoting from the  
13 attached letter.

14           "Gary, after talking with you on Wednesday, I  
15 talked with Terry Copenhafer, chair of the Pointe West  
16 Recreational Facility, who fully supports our intent to  
17 engage you in addressing our concerns and the  
18 operational challenges with water quality at Summertree.  
19 Please generate a quote describing what is needed to  
20 execute a successful burn inclusive of the monitoring  
21 efforts. Also, I will direct my staff to acquire the  
22 ammonia field test kits that you indicated are needed to  
23 monitor the water quality." And then, "Regards,  
24 Patrick."

25           This letter shows that Utilities, Inc. of

1 Florida is searching for answers and that there is a  
2 lack of transparency with UIF and their customers.  
3 Thank you.

4 **CHAIRMAN BROWN:** Thank you, Mr. Copenhafer.  
5 Would you like this marked as an exhibit?

6 **MS. COPENHAFER:** Yes, I would.

7 **CHAIRMAN BROWN:** All right. We're going to go  
8 ahead and mark as Exhibit 254 Mr. Wilber Copenhafer's  
9 public comments.

10 (Exhibit 254 marked for identification.)

11 Thank you for your testimony.

12 **MR. COPENHAFER:** Thank you.

13 **CHAIRMAN BROWN:** All right. Moving on to  
14 Mr. Joseph Mitchell.

15 **MR. ARMSTRONG:** Madam Chair?

16 **CHAIRMAN BROWN:** Yes.

17 **MR. ARMSTRONG:** While Mr. Mitchell is coming  
18 up, Mr. Mellinger just asked me, in order to avoid any  
19 confusion of anybody here listening to his testimony, he  
20 misspoke. It's not HCL. It's actually HPC,  
21 heterotrophic plate count bacteriological sampling.

22 **CHAIRMAN BROWN:** Okay.

23 **MR. ARMSTRONG:** He doesn't want y'all looking  
24 for HCL when it's HPC. Okay?

25 **CHAIRMAN BROWN:** Okay. Thank you for that

1 clarification.

2 All right. Mr. Mitchell.

3 **MR. MITCHELL:** Good morning, Commissioner  
4 Brown -- Chairman Brown, excuse me, and Commissioner  
5 Brisé and Commissioner Polmann. My name is Joe  
6 Mitchell, and I live at 11737 Boynton Lane, New Port  
7 Richey, Florida. I am a resident of Summertree. I also  
8 am a customer of Utilities, Inc. of Florida. And I just  
9 have a short, a short, brief message that I'd like to  
10 read into the record. You already have a copy of that,  
11 and you have a copy of letters from Senator Simpson and  
12 Representative Corcoran that are attached to that, to  
13 that statement.

14 Okay. It took Summertree over 25 years to  
15 attain the Pasco/Summertree interconnect thanks to state  
16 and county assistance, legislation, grants, engineering,  
17 and construction of the interconnect system. Instead of  
18 being proactive, Utilities, Inc. of Florida is a  
19 reactive utility company.

20 Utilities, Inc. of Florida has had two years  
21 to identify potential problems of the interconnect with  
22 Pasco County in providing clean, potable water to  
23 residents of Summertree. The only measure that UIF  
24 planned for the maintenance of the interconnection was a  
25 flushing protocol. UIF is flushing approximately

1 2 million gallons a day into Summertree -- of drinking  
2 water into Summertree drainage ponds and drainage  
3 systems. Although the state of Florida is experiencing  
4 a significant drought since 1997, 1998, the flushing is  
5 continuing. It's unconscionable that UIF is wasting  
6 such a valuable resource. Who has the responsibility to  
7 pay for this excessive flushing?

8 UIF also has significant issues with providing  
9 adequate water pressure to their customers, low flow.  
10 The residents of Summertree request the Florida Public  
11 Service Commission to follow the recommendations as  
12 stated by Speaker Corcoran and Senator Simpson to  
13 implement the following actions until quality of service  
14 issues have been resolved. See the attached letter  
15 signed by Representative Corcoran and Senator Simpson  
16 dated April 28th, 2017.

17 In those recommendations, number one, maintain  
18 the prior unsatisfactory finding pertaining to water  
19 quality standards within Summertree and a penalty of  
20 100 basis point reduction to return on its equity.

21 Number two, order and compel all stakeholders  
22 involved to work cooperatively and collaboratively to  
23 expediently solve the issues.

24 Number three, open a new docket to investigate  
25 and resolve these new water issues. Make no mistake

1 about it, we are committed to assisting all stakeholders  
2 to ensure these residents are provided quality water at  
3 affordable rates.

4 In conclusion, the Public Service Commission  
5 found Utilities, Inc. of Florida unsatisfactory in 2013.  
6 Since then, Utilities, Inc. hasn't made any improvement  
7 in the quality of water or customer service. Any rate  
8 increase for UIF would reward them for inferior business  
9 practices and failure to properly manage and operate the  
10 Summertree water and wastewater systems.

11 **CHAIRMAN BROWN:** Thank you, Mr. Mitchell.

12 **MR. MITCHELL:** Thank you.

13 **CHAIRMAN BROWN:** Would you like your written  
14 comments to be part of -- marked as an exhibit?

15 **MR. MITCHELL:** I would, please, yes.

16 **CHAIRMAN BROWN:** Okay. We're going to go  
17 ahead and mark your comments, Mr. Joe Mitchell public  
18 comments, as Exhibit 255.

19 (Exhibit 255 marked for identification.)

20 Commissioners, any questions?

21 Thank you.

22 Oh, pardon me. Commissioner Polmann.

23 **MR. MITCHELL:** Yes, sir.

24 **COMMISSIONER POLMANN:** Mr. Mitchell, your  
25 comments you just made and also in writing, you have a

1 statement here, "The state of Florida is experiencing a  
2 significant drought since 1998."

3 **MR. MITCHELL:** Yes, sir.

4 **COMMISSIONER POLMANN:** Can you tell us what is  
5 the basis for that statement?

6 **MR. MITCHELL:** It's something that I come upon  
7 recently. I don't -- I know it's been a long time, but  
8 I know it's -- we -- it's been a long time since we've  
9 had that significant drought. I've lived here ever  
10 since 1970, sir.

11 **COMMISSIONER POLMANN:** Okay. Is that a  
12 personal opinion?

13 **MR. MITCHELL:** Personal belief, yes, sir.

14 **COMMISSIONER POLMANN:** All right. Do you have  
15 any references on that?

16 **MR. MITCHELL:** No, sir.

17 **COMMISSIONER POLMANN:** All right. Thank you,  
18 sir.

19 **CHAIRMAN BROWN:** Thank you. Thank you for  
20 your testimony.

21 **MR. MITCHELL:** Thank you.

22 **CHAIRMAN BROWN:** Next up is Ms. Lorraine Mack.  
23 And we also have written comments in front of each  
24 Commissioner. Good morning.

25 **MS. MACK:** Good morning. My name is Lorraine

1 Mack, 11913 Bayonet Lane, New Port Richey, Florida.

2 Good morning, Commissioners. I am testifying  
3 as an individual customer of UIF. I am going to  
4 reference a letter from Speaker Corcoran and Senator  
5 Simpson dated March 31st, 2016, in which they state, and  
6 I quote, The legislative intent of the Consumer Water  
7 Protection Act of 2014 was clear: Protect Florida's  
8 consumers from paying high prices for substandard water.  
9 This utility's complete disregard for these consumers is  
10 very upsetting and not altogether surprising. End  
11 quote.

12 As you are aware, I have been here many times  
13 discussing UIF's appalling customer service, which has  
14 heightened in the past several weeks with low water  
15 pressure, excessive flushing, and creating customer  
16 stress.

17 I would like to comment on the document titled  
18 UIF's Responses to OPC's First Request for Admissions,  
19 Nos. 1 through 29. Out of the 29 questions plus  
20 subquestions, I find that: UIF has responded to admit  
21 14 times, see No. 8 where they admit to ten systems with  
22 secondary water issues; unable to respond to admit or  
23 deny twice; responded to deny 27 times, one of which  
24 states that there are ten systems out of compliance with  
25 DEP secondary water quality, see No. 9.



1           After reading this document, it is evident  
2 that UIF fits into a four-letter category: Deny, deny,  
3 deny. In conclusion, Commissioners, I ask you to deny,  
4 deny, deny UIF any rate increases, and I request that  
5 you appoint an oversight committee with one consumer  
6 representative from each county to work with OPC. Thank  
7 you.

8           **CHAIRMAN BROWN:** Thank you, Ms. Mack, for your  
9 testimony. Would you like your written comments marked?

10          **MS. MACK:** Yes, please.

11          **CHAIRMAN BROWN:** Okay. We're going to mark as  
12 Exhibit 256 Ms. Lorraine Mack's public comments.

13           (Exhibit 256 marked for identification.)

14          **CHAIRMAN BROWN:** Commissioners, any questions?  
15 Thank you.

16          **MS. MACK:** Thank you.

17          **CHAIRMAN BROWN:** All right. Now we've got --  
18 next up, I think, is Commissioner Mariano, Commissioner  
19 Jack Mariano, followed by our last speaker, Marilyn  
20 Horne.

21          **COMMISSIONER MARIANO:** Thank you, Madam  
22 Chairman. Before I get started, I've got a -- I've got  
23 a letter from Senator Mike Fasano that he wanted to have  
24 submitted. So if I could hand that to maybe  
25 Mr. Friedman and let him take a look at it as we get

1 going.

2 **CHAIRMAN BROWN:** Staff?

3 **MS. HELTON:** If that's the letter that he sent  
4 last week, that's already in the correspondence side of  
5 the docket file.

6 **CHAIRMAN BROWN:** Is that the letter, same  
7 letter, Commissioner?

8 **COMMISSIONER MARIANO:** You could look and  
9 verify, and if it is --

10 **MR. SAYLER:** But it's not going to be part of  
11 the hearing record if it's simply in the docket file; is  
12 that correct?

13 **CHAIRMAN BROWN:** Mr. Futrell, could you do me  
14 a favor and please hand that over to Mary Anne? Thank  
15 you.

16 Did you give also a copy to Mr. Friedman? Do  
17 you have a copy of it?

18 Okay. I do want to note also for those here  
19 who have referenced Speaker Corcoran and Senator  
20 Simpson's letter, that is also -- that has been -- that  
21 is in the docket file. So I know that it's attached to  
22 several exhibits here, but it is in the docket file.

23 Mary Anne?

24 **MS. HELTON:** Madam Chairman, it looks to me  
25 like it's the same letter that was sent last week to

1 which a response was provided on Friday.

2 **CHAIRMAN BROWN:** Thank you. All right.

3 **COMMISSIONER MARIANO:** Okay. I just wanted to  
4 make -- that was given to me, so I just wanted to make  
5 sure it -- his will was enforced -- brought up. Thank  
6 you very much, Madam Chair.

7 **CHAIRMAN BROWN:** Good morning.

8 **COMMISSIONER MARIANO:** Thank you. Good  
9 morning. It's been a long time coming back up here. I  
10 want you to know that we could have brought a full  
11 busload of people, but we appreciate the time for the  
12 extra hearing. If you give me just maybe -- I might  
13 need a little bit of extra time to kind of go through  
14 the points I want to make with you, but they'll be  
15 concise but to the point, every single one of them.

16 **CHAIRMAN BROWN:** Okay, Commissioner Mariano.

17 **COMMISSIONER MARIANO:** All right. First of  
18 all --

19 **CHAIRMAN BROWN:** Can you state your name,  
20 please, also for the record?

21 **COMMISSIONER MARIANO:** Pasco County  
22 Commissioner Jack Mariano.

23 One of the big things was the refusal to allow  
24 Pasco County Utilities to inspect the utility's pipes  
25 and distribution system before the interconnect was

1 completed. Pasco offered to even help with the chlorine  
2 burn. You've heard from evidence from the people that  
3 they didn't notice any change in chlorine smell in their  
4 pipes before this interconnect was done, which leads us  
5 to believe that this was not done, and no proof has been  
6 shown otherwise.

7 Number two, their failure to test and detect  
8 low free ammonia levels in the Summertree system. An  
9 email from Patrick Flynn, you've had it twice in your  
10 thing, it just clearly shows that the lack of having  
11 these test kits shows that they weren't doing the  
12 testing, and they want them to be provided.

13 When they're asking to please generate a  
14 quote, that is, Utilities, Inc. asked to generate a  
15 quote describing what is needed to execute a successful  
16 burn inclusive of the monitoring efforts, that's very  
17 scary to me and scary to my people. They were so scared  
18 about what was going on when they did their own testing  
19 out there that they didn't know what was in the water,  
20 what was coming on, they acted and they responded to  
21 bring US Water in, which led to the extra testing, which  
22 I'll talk about later on. They clearly show they  
23 haven't tested for free ammonia and don't know how to do  
24 a chlorine burn. The residents have stated, you know,  
25 they are just scared of what's going on.

1           Number three, failure to provide typical  
2 monitor routinely conducted by neighboring utilities for  
3 bacteriological growth densities in the water, which  
4 means they're not following what everyone else is doing  
5 in the industry to protect their water quality.

6           The management and the lack of knowledge of  
7 problems indicated in Utilities, Inc. water, clearly  
8 they don't show what they need to go do, and I'll have  
9 some other proof at the end.

10           Utilities, Inc.'s failure to own equipment  
11 necessary for the measurement of free ammonia in the  
12 water.

13           Number six, UIF testing since January 27 only  
14 for chlorine residuals in Summertree, no free ammonia  
15 testing. It may seem like I'm a little redundant, but  
16 each one of these points is all separate but very, very  
17 important. I will supply these comments. I'll have to  
18 type them up for you to give them to you to put in the  
19 record.

20           March 2017, Utilities, Inc. is notified by  
21 Pasco County of low free ammonia in UF -- in their water  
22 and the low chlorine residuals. UIF -- Utilities, Inc.  
23 Failed to respond to this notification for 12 days. The  
24 Summertree Water Alliance secured a water expert, US  
25 Water, to test Utilities, Inc. water on April 18th,

1 2017. No chlorine residuals in four out of the six  
2 locations tested. Low or no free ammonia detected.  
3 Nitrification is now taking place.

4 Chlorine levels above the minimum level  
5 protects against carcinogens. As the free ammonia is  
6 eaten by bacteria because of the biofilms in the pipes,  
7 the bacteria can't be flushed out. Only a chlorine burn  
8 will remove the bacteria.

9 Utilities, Inc. removed their chlorine burn  
10 apparatus. Now they're supposed to do things in a  
11 prudent manner. When you take away the apparatus that  
12 can do a burn and then you've got to go spend more money  
13 to go put the apparatus back in place, these people from  
14 Summertree should not be responsible. It's not a  
15 prudent investment to have to reinvest what you already  
16 just took out. They did remove it.

17 John Hoy, president of UIF, reminded Ann Marie  
18 Ryan at one of the hearings, so it's on your records,  
19 that the only way to maintain a chlorine residual is  
20 flushing the system. That was at the February 27th PSC  
21 meeting at Cypress Lakes community hearing. Clearly  
22 it's not prudent and the residents should not have to  
23 pay.

24 Number ten, the Summertree Water Alliance  
25 notifies UF of low chlorine residuals and no or low free

1 ammonia levels. UIF -- Utilities, Inc. admits the  
2 problem. Utilities, Inc. rushed to implement higher  
3 rates to the Summertree community despite knowing water  
4 issues were occurring with their testing. And if you go  
5 look at the tests that are submitted, you'll see there's  
6 a lot of different things going on. They have excessive  
7 flushing with ponds overflowing during a drought, which  
8 obviously is not good for the aquifer. It's not good  
9 for anything.

10 No chlorine was noticed by the customers, and  
11 improper use of a storm drain. We worry about the  
12 backflow preventer the county has got in there. We're  
13 worried about what's going to happen if they keep on  
14 flushing that way. We need to solve that, and we  
15 actually have just ordered a new one, which is going to  
16 actually increase their psi a little bit coming up.

17 They have inadequate flushing velocity. This  
18 was pointed out by Gary Deremer from US Water.

19 **CHAIRMAN BROWN:** I'm giving you an extra  
20 minute, sir.

21 **COMMISSIONER MARIANO:** I need just a little  
22 bit more time. Please, I had -- I could have had a  
23 whole busload of people here and I could have had them  
24 all lined up. Please, give me a little time.

25 **CHAIRMAN BROWN:** You -- and --

1                   **COMMISSIONER MARIANO:** I'm almost done, but  
2 I've just got to make these couple of points. I'm on  
3 point number 12 I've got here, and I've just got to do a  
4 wrap-up.

5                   **CHAIRMAN BROWN:** Go ahead.

6                   **COMMISSIONER MARIANO:** Thank you. Inadequate  
7 flushing velocity. Picture you've got a 12-inch pipe.  
8 They're going to run a 2-inch pipe of chlorine to run  
9 through that pipe. It's inadequate. It's not going to  
10 flush out what's in the system.

11                   They refuse to notify Summertree Alliance  
12 people that water was safe for more than a week. Not  
13 good customer notification, not good service.

14                   UIF information is suspect. On the testing  
15 that they submitted to the DEP, this is very critical,  
16 the testing for DEP that's submitted, it shows some of  
17 the streets that they test. They test in the higher  
18 levels up, closer to 52. We need it down to the lower  
19 system. They never test by Merganser or show those  
20 tests to DEP on all the reports that DEP gave me. That  
21 tells me when -- those levels were are failing all the  
22 way through. So that chlorine is dissipating by the  
23 time it gets to the end, but DEP doesn't have that  
24 information and it didn't show up. They've got it,  
25 they've got the records. Gary Deremer has had it,



1 showed it to me. Why would anyone pick the readings  
2 that are the worst? Well, I'll let you guys make your  
3 own decision with that.

4 Now for expert testimony, Kimley-Horn from  
5 Lake Rose Improvement (phonetic) said, technical  
6 expertise comment, "Your staff does not currently  
7 understand the process well," and it's in your records.  
8 I can ensure our staff will be standing side by side  
9 with your staff to work through any challenges or bugs  
10 that surface from this expansion. That tells you that  
11 even their consultant that they're hiring to do the work  
12 doesn't trust what they're going to go do, and they  
13 don't want to be responsible for those carcinogens that  
14 could be in the water, that could actually be in the  
15 Summertree system as well.

16 **CHAIRMAN BROWN:** Commissioner Mariano, I've  
17 been very generous with my -- with your time. Are you  
18 wrapping it up?

19 **COMMISSIONER MARIANO:** I'm just -- I'll just  
20 wrap up with a statement saying these people here all  
21 around the state are expecting to have good water  
22 quality and good service. These people have continually  
23 shown you that they cannot do it. And not only do I  
24 think they should not get the rate increases they're  
25 looking for or combine this stuff where they can hide

1 even more information, which, as you know, we've had  
2 with communication back and forth, I've asked you for  
3 the data, it goes back and forth -- Where did they make  
4 their investments? When did they do it? -- nobody from  
5 the PSC can actually show it to me to clearly go through  
6 it, and they say they don't keep those type of records.  
7 Clearly if you put this through, you're going to hurt  
8 the people of this state.

9 **CHAIRMAN BROWN:** Thank you, Commissioner  
10 Mariano.

11 **COMMISSIONER MARIANO:** Thank you.

12 **CHAIRMAN BROWN:** Counsel, any questions?

13 **MR. FRIEDMAN:** Thank you. I have one or two.

14 **EXAMINATION**

15 **BY MR. FRIEDMAN:**

16 **Q** Didn't the US Water report blame the low water  
17 pressure on the Pasco County meter and backflow  
18 prevention?

19 **A** That was part of it. And that backflow  
20 preventer is being -- was going to be replaced. Because  
21 of the problems with the pipe or the water quality  
22 that's in there that's being replaced, it's going to  
23 move the psi about seven more psi up.

24 **Q** All right. So the county is doing something  
25 about that, I presume.

1           **A**     We have already put ourselves in action to fix  
2 that problem that your bad water has caused.

3           **Q**     Okay. And did you receive a response to --  
4 from Mary Yeargan at DEP about the letter you wrote her  
5 about water quality problems and Summertree?

6           **A**     Yes, I did.

7           **Q**     You did get a response?

8           **A**     I've got the letter right here.

9           **Q**     All right. So you've got a copy of it?

10          **A**     I've got the copy.

11          **Q**     All right.

12                   **CHAIRMAN BROWN:** Mr. -- can we please have  
13 someone assist Mr. Friedman?

14                   **COMMISSIONER MARIANO:** Madam Chair, in that  
15 letter it says that they test for chlorine residual.  
16 They do not test for free ammonia.

17                   Is that all?

18                   **CHAIRMAN BROWN:** Just one second.

19                   **COMMISSIONER MARIANO:** Okay.

20                   **CHAIRMAN BROWN:** Thank you. Okay. We are  
21 going to go ahead right now and mark as Exhibit 257 a  
22 letter from Ms. Yeargan to Commissioner Mariano dated  
23 May 1st, 2017, and that is going to be the title as  
24 well.

25                   (Exhibit 257 marked for identification.)

1 All right. Mr. Friedman.

2 **COMMISSIONER MARIANO:** Can I get a copy of  
3 that too, please? I just want to make sure it's the  
4 exact same one.

5 **CHAIRMAN BROWN:** Mr. Ballinger, can you give  
6 the witness a copy, please? It's 257.

7 All right. Commissioner Mariano, you have a  
8 copy?

9 **COMMISSIONER MARIANO:** I do.

10 **CHAIRMAN BROWN:** All right. Mr. Friedman, you  
11 may proceed.

12 **MR. FRIEDMAN:** Thank you.

13 **BY MR. FRIEDMAN:**

14 **Q** Mr. Mariano, on the second paragraph in this  
15 letter from DEP dated May 1 of this year, am I correct  
16 it says, "Although Utilities, Inc. and Pasco County  
17 Utilities have had intermittent test results that  
18 indicated low chlorine levels," do you see that  
19 sentence?

20 **A** Yes, I do.

21 **Q** All right. So does that indicate to you that  
22 DEP believes that Pasco County has also had chlorine  
23 residual issues?

24 **A** When we had those chlorine residuals --

25 **MR. FRIEDMAN:** Could you ask him to answer yes

1 or no and then let him explain?

2 **COMMISSIONER MARIANO:** I'm answering.

3 **CHAIRMAN BROWN:** Commissioner Mariano,  
4 typically we have the witnesses, or customers here,  
5 answer yes or no for clarity for the record, followed by  
6 a brief description or elaboration of your answer. So  
7 if you could answer the question. If you don't know it,  
8 you can say, "I don't know."

9 **COMMISSIONER MARIANO:** Oh, I know it.

10 Yes, we did have troubles. We adjusted, we  
11 flushed, and we no longer have any troubles.

12 **BY MR. FRIEDMAN:**

13 **Q** Okay. And that letter goes on to say there's  
14 no immediate health risk, does it not?

15 **A** It does. But all they test for is the  
16 bacteria. They don't test for other carcinogens that  
17 could be in there or the free ammonia.

18 **Q** And it also says, in highlighted language --  
19 would you read the part that's highlighted in there?

20 **A** "There is no bacteria in the Summertree water  
21 system, which is why the water is safe for residents to  
22 drink." With a reference to when they test, they test  
23 for E.coli. They don't test, as Flip Mellinger  
24 mentioned, other bacterias that could be in the water.

25 **Q** All right. But as far as DEP is concerned,

1 based upon this letter, they're satisfied with the  
2 safety of the water in Summertree; is that not correct?

3 **A** With what they test for --

4 **Q** Is that not correct?

5 **A** Yes. With what they test for, they're  
6 satisfied with that.

7 **Q** All right. And where does it say in here what  
8 they test for?

9 **A** It's on the charts.

10 **Q** Where in this letter does it say what DEP  
11 tests for?

12 **A** I'm going to give you the attachments I got  
13 from what she sent me.

14 **CHAIRMAN BROWN:** If we could have staff please  
15 assist Commissioner Mariano.

16 **COMMISSIONER MARIANO:** I've got, I've got  
17 three pages of what they test for.

18 **CHAIRMAN BROWN:** Thank you.

19 **COMMISSIONER MARIANO:** And I want you to  
20 notice, as the testing was done there, none of them goes  
21 down as far as Merganser, which is the farthest part of  
22 the system. And all they do with e.coli is is it absent  
23 or is it present, and it does show that it is absent.

24 **CHAIRMAN BROWN:** Mr. Friedman.  
25

1 **BY MR. FRIEDMAN:**

2 Q Does DEP not also acknowledge that flushing  
3 water lines is a normal -- is a key part of distribution  
4 system maintenance?

5 A Yes.

6 Q And is an industry-wide standard?

7 A Yes, it is.

8 Q I have no further questions.

9 A But you must do it in proper standards to make  
10 sure it's effective. Clearly what they're doing, a  
11 2-inch pipe and a 12-inch pipe, is not being effective.  
12 And I don't think DEP likes the fact when they do their  
13 flushing, they actually put the water back in the storm  
14 drain, which causes other bacteria concerns for the  
15 county.

16 Q But DEP doesn't express that concern that you  
17 do, does it -- do they?

18 A They have their own set of rules they follow.

19 **MR. FRIEDMAN:** Thank you.

20 **CHAIRMAN BROWN:** Thank you.

21 Commissioners, any questions? No, no  
22 questions.

23 You know what I would like to do, though? A  
24 letter was provided by Commissioner Mariano from  
25 Mr. Fasano. I would like, for clarity of the record, to

1 mark that as an exhibit, 258, and it will be entitled  
2 letter to PSC from Mike Fasano. And we'll make sure the  
3 clerk has a copy of that as well.

4 (Exhibit 258 marked for identification.)

5 Commissioner Mariano -- oh, yes.

6 **MR. SAYLER:** Madam Chair, Commission Mariano  
7 passed out some test results that I believe are relevant  
8 and maybe should be considered introduced into the  
9 hearing record.

10 **CHAIRMAN BROWN:** Thank you, Mr. Sayler. I do  
11 not have a copy of test results.

12 Mr. Friedman?

13 **MR. FRIEDMAN:** I'm not sure that there's any  
14 way to tie those test results specifically with the  
15 response from DEP. I mean, he's got test results. DEP  
16 wrote a letter. I'm not sure that there's a known  
17 connection between those two things, and so I don't --  
18 if he just wants to throw in test results, I think  
19 that's fine, you know, for whatever they're worth.  
20 They're all hearsay.

21 **CHAIRMAN BROWN:** Commissioner Mariano, would  
22 you like to have those submitted?

23 **COMMISSIONER MARIANO:** I want them submitted  
24 for the record. And I've also got some other UIF data  
25 that actually tests on Merganser showing bad readings as



1 well.

2 **CHAIRMAN BROWN:** Do you have all of that data  
3 here today?

4 **COMMISSIONER MARIANO:** I can give you all that  
5 I've got right here.

6 **CHAIRMAN BROWN:** Mr. Futrell, could you get  
7 the copies right there? You don't have any copies on  
8 you, just your notes here, sir?

9 **COMMISSIONER MARIANO:** No, I've got copies of  
10 the emails that were printed out. And if it needs more  
11 clarity, I can resend the emails to you as sent to me by  
12 US Water to show what they had for data.

13 **CHAIRMAN BROWN:** Yes.

14 **MR. FRIEDMAN:** Except I'm not going to  
15 stipulate to stuff that I haven't had an opportunity to  
16 even look at.

17 **CHAIRMAN BROWN:** I'd like to get a copy of it  
18 first before we rule on this. We're not entering  
19 anything into the record right now, sir. We're just  
20 marking it. So you --

21 **COMMISSIONER MARIANO:** And actually -- I  
22 actually have, I have tests all the way from November  
23 all the way through April from DEP. I've actually got  
24 the other ones right here. And they're actually done by  
25 Advanced Environmental Laboratories, which is --

1           **CHAIRMAN BROWN:** Okay. Commissioner --

2           **COMMISSIONER MARIANO:** As a matter of fact,  
3 there is a stamp on them.

4           **CHAIRMAN BROWN:** Commissioner Mariano --

5           **COMMISSIONER MARIANO:** There is a stamp that  
6 says, "DEP," by the way.

7           **CHAIRMAN BROWN:** Thank you. Could you please  
8 provide those to Mr. Futrell? All we're doing now is  
9 marking them. And what we're going to do is mark as  
10 Exhibit 259 Commissioner Mariano composite exhibit.

11                   (Exhibit 259 marked for identification.)

12           **COMMISSIONER MARIANO:** And I'd like to -- also  
13 like to put in this slide about the nitrification given  
14 to me by my staff as well.

15           **CHAIRMAN BROWN:** All right. Again, we're not  
16 moving anything into the record at this time, and we'll  
17 have an opportunity for all the parties to review it  
18 prior to any consideration.

19           **MR. SAYLER:** Madam Chair, would it be possible  
20 to get a list of all the items for Commissioner  
21 Mariano's composite exhibit? I wasn't taking good  
22 notes.

23           **CHAIRMAN BROWN:** Staff will make copies at the  
24 break and provide them to all the parties so that you'll  
25 have a copy of it.

1           **MR. SAYLER:** That would be perfect. Thank  
2 you.

3           **CHAIRMAN BROWN:** Okay. Great. Commissioner  
4 Mariano, thank you.

5           **COMMISSIONER MARIANO:** Thank you very much.  
6 Appreciate it.

7           **CHAIRMAN BROWN:** All right. Last, but not  
8 least, Ms. Marilyn Horne.

9           **MR. SAYLER:** Madam Chair, was Mariano's  
10 exhibit identified with a number?

11           **CHAIRMAN BROWN:** 259.

12           **MR. SAYLER:** Thank you.

13           **CHAIRMAN BROWN:** You're welcome.

14           **MR. SAYLER:** It's like keeping score at a  
15 baseball game.

16           **CHAIRMAN BROWN:** Good morning.

17           **MS. HORNE:** Oh, good morning everybody, and  
18 thank you for letting us speak.

19           My name is Marilyn Horne. My phone number is  
20 (407)782-2112. I live at 123 Fox Ridge Run, Longwood,  
21 Florida 32750. I am a member of the Florida Consumer  
22 Water and Wastewater Alliance, UIF customer, and  
23 representative of The Woodlands subdivision in Longwood,  
24 Florida.

25           321 of our residents of The Woodlands

1 previously submitted a petition to the PSC, which is  
2 Exhibit 23, in opposition to UIF's excessive rate  
3 increase and rate consolidation request, which we  
4 believe are more about increasing corporate profits than  
5 improving our infrastructure.

6 But today I am here to present customer  
7 comment forms from The Woodlands and several other  
8 communities which address our specific concerns  
9 regarding the decline in our water quality and service  
10 since the UIF took over as our water company. Taste,  
11 smell prevent us from drinking the water, requiring  
12 filtration systems and all bottled water.

13 We also have health concerns with black slime  
14 sediment like this coming out of our faucets. And I did  
15 not know -- may I show the Commission what this looks  
16 like?

17 **CHAIRMAN BROWN:** Sure. Mr. Futrell -- what  
18 we're going to do is probably take a picture of that and  
19 mark that as an exhibit.

20 **MS. HORNE:** It's a little sticky, but it's  
21 clean.

22 **CHAIRMAN BROWN:** You may proceed, though.

23 **MS. HORNE:** Thank you. So you see, our  
24 concerns now go far beyond the excessive rate increase.  
25 We understand that there is no oversight or

1 accountability for UIF as to where or if money is spent  
2 on infrastructure and water quality improvements even  
3 for the proposed 30.1 million in projects outlined in  
4 this docket.

5 Lack of trust in UIF's competency is a major  
6 concern, as we realize that many other communities are  
7 experiencing water quality issues. This is terrifying,  
8 as UIF is responsible for the safe drinking water of  
9 approximately 44,000 households.

10 Since UIF is a monopoly, we can't go elsewhere  
11 for our water. So we ask the Commission to please open  
12 a separate docket to conduct a separate proceeding to  
13 order UIF's entire utility maintenance operations and to  
14 deny this rate increase and rate consolidation request.  
15 I thank you for allowing me to speak and to voice my  
16 concerns.

17 **CHAIRMAN BROWN:** Thank you so much, Ms. Horne,  
18 for coming up here. And if we could have staff please  
19 provide the actual -- the physical thing around so we  
20 can see it in person.

21 What we're going to do now is mark as Exhibit  
22 260 Ms. Marilyn Horne's demonstrative exhibit picture.

23 (Exhibit 260 marked for identification.)

24 **MR. SAYLER:** Madam Chair, Ms. Horne referenced  
25 Exhibit 23. She informed me prior to this proceeding

1 she had copies of that exhibit to provide. This was a  
2 late-filed exhibit that was allowed at the customer  
3 service hearing. They collected the petitions. They  
4 filed it in the online docket file, but it's not been  
5 physically provided to the Commission as part of the  
6 hearing record, and she has extra copies.

7 **MS. HORNE:** I have a copy with me for the  
8 Commission.

9 **CHAIRMAN BROWN:** Any objection?

10 **MR. FRIEDMAN:** I don't know what it is.

11 **CHAIRMAN BROWN:** Could you -- staff, could you  
12 please help pass it out?

13 **MS. HORNE:** I only have a copy of the petition  
14 and one copy of all the customer comment forms, and then  
15 I have some extra copies of the tallies.

16 **CHAIRMAN BROWN:** What would you like to  
17 provide to us?

18 **MS. HORNE:** All of it.

19 **CHAIRMAN BROWN:** Could you speak into --

20 **MS. HORNE:** Shall I give it to you?

21 **CHAIRMAN BROWN:** All right. So what we're  
22 going to go ahead and do, and get -- Mr. Futrell, if you  
23 could show those to Mr. Friedman, but all we're doing  
24 right now is marking as Exhibit 261, just for clarity of  
25 the record, Ms. Horne's composite exhibit.

1 (Exhibit 261 marked for identification.)

2 All right. Thank you, Ms. Horne, for your  
3 testimony.

4 **MS. HORNE:** And did you want -- I'm afraid --

5 **CHAIRMAN BROWN:** Ma'am, you're going to have  
6 to speak into the microphone, please.

7 **MS. HORNE:** It's handwritten. Did you want a  
8 copy of my, my speech?

9 **CHAIRMAN BROWN:** No, not if you don't want to  
10 submit it.

11 All right. Are there any other customers in  
12 the audience today who has not -- who have not addressed  
13 the Commission who would like to address us today?  
14 Seeing none, I want to thank you guys, you all again for  
15 coming out here and taking the time out of your  
16 schedules to present your testimony and evidence.

17 If there are no comments from my fellow  
18 Commissioners and no other matters, this service hearing  
19 is adjourned. Please travel safely.

20 (Service hearing adjourned at 10:51 a.m.)  
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23  
24  
25

1 STATE OF FLORIDA )  
 :  
2 COUNTY OF LEON ) CERTIFICATE OF REPORTER

3  
4 I, LINDA BOLES, CRR, RPR, Official Commission  
5 Reporter, do hereby certify that the foregoing  
6 proceeding was heard at the time and place herein  
7 stated.

8 IT IS FURTHER CERTIFIED that I  
9 stenographically reported the said proceedings; that the  
10 same has been transcribed under my direct supervision;  
11 and that this transcript constitutes a true  
12 transcription of my notes of said proceedings.

13 I FURTHER CERTIFY that I am not a relative,  
14 employee, attorney, or counsel of any of the parties,  
15 nor am I a relative or employee of any of the parties'  
16 attorney or counsel connected with the action, nor am I  
17 financially interested in the action.

18 DATED THIS 11th day of May, 2017.

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LINDA BOLES, CRR, RPR  
Official FPSC Hearings Reporter  
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