

EU's Responses to Staff's First Set of
Interrogatories, Nos. 1-6

(Including Attachments)

9. All interrogatory responses are made subject to and without waiver of these General Objections. Where specific objections are raised, those specific objections are raised in addition to these General Objections.

RESPONSES TO STAFF'S FIRST INTERROGATORIES

1. Please refer to EU witness Boyer's direct testimony, pages 2-4, for the following questions.

- a. Please identify, by page and line numbers, what portions of EU witness Cole's direct testimony and exhibits, if any, need to be revised due to the modifications described in witness Boyer's testimony? As part of your response, please identify the page(s) affected, and the value(s) or chart(s) that are now incorrect.

*RESPONSE: The graphic on page 27 and page 28 of the technical memorandum Evaluation of Wastewater Collection Technologies (JHC -1) dated April 2, 2021 has been modified to eliminate the reference to an ERC number, in order to avoid assumptions and draw incorrect conclusions as to the purpose of the estimated ERC number for main sizing exhibits.
Please refer to response to question 3 for additional explanation.*

- b. Please identify, by page and line numbers, what portions of EU witness Swain's direct testimony and exhibits, if any, need to be revised due to the modifications described in witness Boyer's testimony? As part of your response, please identify the page(s) affected, and the value(s) or chart(s) that are now incorrect.

RESPONSE: No modifications are necessary as witness Swain's direct testimony and exhibits are consistent with witness Boyer's testimony.

2. Please refer to EU witness Cole's direct testimony, Exhibit JHC-1, pages 25-26 and EU witness Boyer's direct testimony, Exhibit JRB-1, pages 21-22. Does the layout of the LPS system shown in Exhibit JHC-1 fulfill section 4B of the bulk sewer treatment agreement included in Exhibit JRB-1? If not, why not?

RESPONSE: The layout shown on Exhibit JHC-1 page 25 is a conceptual layout of low pressure mains and their associated sizing for the north portion of the island or Don Pedro/Knight Island. The LPS Base Cost Estimate shown on JHC-1 page 26 is a preliminary cost estimate for Little Gasparilla Island /Don Pedro/Knight Island.

Section 4B of the Bulk Service Agreement states: "EU shall construct, at its sole cost and expense a transmission main from the location of the bulk meter to the connection point with COUNTY'S existing sewer transmission main. The route for the transmission main shall be one of the two proposed routes contained in the "Preliminary Engineering Report for Sewer Interconnection to Mainland from Knight Island Don Pedro/Gasparilla Island" prepared by Giffels Webster Engineers, Inc dated April 10th 2019. The transmission main shall be designed, permitted and constructed in accordance with Charlotte County Utilities Department Design Compliance Standards dated November 1, 2011 and all subsequent revisions/addendums together with the latest Charlotte County Utilities Department Approved Product List. The final plans and specifications shall be approved by the Charlotte County Utilities Department prior to FDEP permitting and construction. COUNTY reserves the right to complete intermittent observations of the construction and testing activities to ensure compliance with the requirements. Any discrepancies shall be corrected by EU. The transmission main shall be transferred to COUNTY upon final completion of all items required in the close-out document".

The conceptual layout shown on page 25 is intended to fulfill the intent of the Bulk Service Agreement section 4B showing the alignment of the mains for the northern portion of the project and a force main route heading toward the option 2 crossing point.

However, Page 25 and 26 does not include the routing of the force main for the crossing nor the layout of the southerly portion of the project for Little Gasparilla Island. That crossing is shown on page 24, and if that exhibit is included, then the layout is intended to fulfill the intent of Section 4B of the Bulk Service Agreement.

3. Please refer to EU witness Cole's direct testimony, Exhibit JHC-1, page 27, and EU witness Boyer's direct testimony, page 3, lines 9-10. Please explain the discrepancy between the number of ERCs shown in the table and the number stated in witness Boyer's direct testimony.

RESPONSE:

The purpose of the Technical memorandum prepared by GWE (Cole) was an evaluation of two different collection technologies (Low Pressure and Vacuum) for the subject area. It was not intended to be relied on as an Equivalent Residential Connection (ERC) study for the project area.

As part of the Engineering Economic Analysis (Section 8) for the evaluation of collection systems, a conceptual layout of each system was conducted. The primary pipe sizes for the main lines were estimated based on the approximated ERCs at future buildout for the comparative analysis.

Section 8.2 graphically indicated the LPS main line sizes with no reference to ERC's.

Section 8.4 graphically indicated Vacuum main sizes and included a buildout estimate of "785 ERC's". The "785 ERC's" was a future planning/sizing number intended only to preliminary size the main vacuum mains but not intended to be a precise ERC quantification. Precise numbers of ERC's are not absolutely necessary for sizing main lines; only an approximation at this planning level of system evaluation is necessary. The Vacuum concept as indicated on page 27 was not selected to be utilized as the collection system for this area.

Since this report is an evaluation of two systems only and not an ERC study, any reference to ERC's should not be relied on as an exact quantification of ERC's. The determination of precise ERC' and any reference to ERC's should be found elsewhere.

The graphic on page 27 has been modified to eliminate the ERC number so as to avoid assumptions and draw incorrect conclusions as to the purpose of the ERC number and is attached hereto as Staff Irog 1, Response 3.

Attached are two revised graphics (page 27 and page 28) eliminating reference to ERC's so this confusion is eliminated.

4. Please refer to EU witness Cole's direct testimony, Exhibit JHC-2, pages 2-5. Is it correct that within the Charlotte County Sewer Master Plan, Don Pedro Island State Park was not given an impact score or a capital improvement project?

RESPONSE: *That is correct to the best of Mr. Cole's knowledge.*

- a. If so, why has the Utility decided that it is prudent to build a main that connects the "Bocilla area" and "LGWU area" to the "Cape Haze area" in this state park, given that Cape Haze is no longer in the utility's proposed service area?

RESPONSE: *The force main routing and crossing is the single most economical crossing point for transmitting flows from the entire island. Moreover this location is consistent with the Option 2 recommendation as outlined in the "Preliminary Engineering Report for Sewer Interconnection to Mainland from Knight Island Don Pedro/Gasparilla Island" prepared by Giffels Webster Engineers, Inc dated April 10th 2019. Finally this crossing location is also consistent with Section 4B of the Bulk Sewer Agreement with Charlotte County.*

- b. If not, please identify the associated impact score or capital improvement project.

RESPONSE: *The impact score of the State Park is irrelevant to the location of the crossing for a proposed force main.*

- c. Have other connection points to the mainland been considered? If so, please identify them and explain why they were not selected. If not, why not?

RESPONSE: *Yes other crossings to the mainland were considered. Please refer to the "Preliminary Engineering Report for Sewer Interconnection to Mainland from Knight Island Don Pedro/Gasparilla Island" prepared by Giffels Webster Engineers, Inc dated April 10th 2019.*

5. Please refer to EU witness Boyer's direct testimony, page 3, lines 9-10, and Exhibit JRB-1, page 21. Explain the discrepancy between the total potential ERCs and the reserved capacity from the County. As part of your response, explain what costs, if any, are associated with the difference between the total potential ERCs and the reserved capacity. If there are none, please explain why not.

RESPONSE: The reservation of 2200 ERC's was an estimate when the Utility and County began negotiations and was intended to include more ERC's than the Utility actually needed. Since the capacity is not paid for until a connection is made there is no detriment to reserving more capacity than needed. As explained by Mr. Cole, the system design is not tied to a specific number of ERC's.

- a. What payments, if any, has the Utility made to the County for reserved capacity?

RESPONSE: Payments are due to the County as connections are made. See Section Five C. of the Bulk Sewer Treatment Agreement.

6. Please refer to EU witness Boyer's direct testimony, Exhibit JRB-1, page 23, Section 5A.

What is the current fee for Charlotte County's bulk sewer treatment per thousand gallons of sewage?

RESPONSE: *The base rate is \$26.89 per month, and the usage fee is \$4.59 per 1000 gallons.*

- a. How is the Utility expecting this fee to change over time?

RESPONSE: *The Utility incorporated the rate in affect at the time of the preparation of the financial application for the year 2023. An annual inflation factor of 2% was applied to all operating expenses beyond 2023.*

- b. Please refer to EU witness Swain's direct testimony, Exhibit DDS-1, page 6, lines 4-5. Are the projected costs listed all-inclusive of the estimated payments to the County for bulk sewer treatment in 2023 assuming an 80% capacity?

RESPONSE: *Yes*

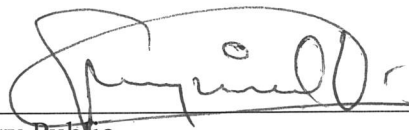
<p>DEAN, MEAD & DUNBAR 106 East College Avenue, Suite 1200 Tallahassee, Florida 32301 Telephone: (850) 999-4100 Fax: (850) 577-0095 jwharton@deanmead.com</p> <p><u>/s/ John L. Wharton</u> John L. Wharton, Esquire</p>	<p>DEAN MEAD 420 South Orange Ave., Suite 700 Orlando, FL 32801 Direct Telephone: (407) 310-2077 Fax: (407) 423-1831 mfriedman@deanmead.com</p> <p><u>/s/ Martin S. Friedman</u> Martin S. Friedman, Esquire</p>
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AFFIDAVIT

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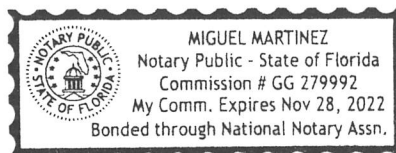
I hereby certify that on this 8 day of November, 2021, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared Debbie Swain, who is personally known to me, and she acknowledged before me that she provided the answer to interrogatory number 1 b and 6 from STAFF'S FIRST SET OF INTERROGATORIES TO ENVIRONMENTAL UTILITIES, LLC (Nos. 1 - 6) in Docket No. 20200226-SU, and that the responses are true and correct based on her personal knowledge.

In Witness Whereof, I have hereunto set my hand and seal in the State and County aforesaid as of this 8 day of November, 2021.



Notary Public
State of Florida, at Large

My Commission Expires:

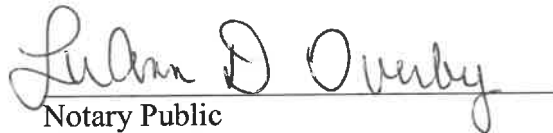


AFFIDAVIT

STATE OF FLORIDA)
COUNTY OF CHARLOTTE)

I hereby certify that on this 8 day of November, 2021, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared Jonathan H. Cole, P.E. who is personally known to me, and he acknowledged before me that he provided the answers to interrogatory number(s): 1 a, 2, 3 & 4 from STAFF'S FIRST SET OF INTERROGATORIES TO ENVIRONMENTAL UTILITIES, LLC (Nos. 1 through 6) in Docket No. 20200226-SU, and that the responses are true and correct based on his personal knowledge.

In Witness Whereof, I have hereunto set my hand and seal in the State and County aforesaid as of this 8 day of November, 2021.



Notary Public
State of Florida, at Large

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My Commission Expires:

09-17-2023

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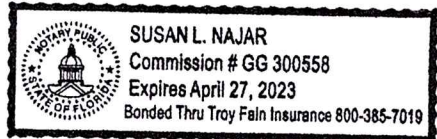


AFFIDAVIT

STATE OF FLORIDA)
COUNTY OF CHARLOTTE)

I hereby certify that on this 8 day of November, 2021, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared Jack Boyer, who is personally known to me, and he acknowledged before me that he provided the answers to interrogatory number(s): 5 & 6 from STAFF'S FIRST SET OF INTERROGATORIES TO ENVIRONMENTAL UTILITIES, LLC (Nos. 1 through 6) in Docket No. 20200226-SU, and that the responses are true and correct based on his personal knowledge.

In Witness Whereof, I have hereunto set my hand and seal in the State and County aforesaid as of this 8 day of November, 2021.



S. Najjar
Notary Public
State of Florida, at Large

My Commission Expires:

4/27/2023