

ORIGINAL

DOCKET NO. 981637-WS

DIRECT TESTIMONY OF  
GARY R. MOSELEY  
ON BEHALF OF  
UNITED WATER FLORIDA INC.

DOCUMENT NUMBER-DATE

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FPSC RECORDS/REPORTING

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2                   **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**3  
4       In re: Application by United       )  
5       Water Florida Inc. For an        )  
6       Extension of Service Area in     )       DOCKET NO.: 981637-WS  
7       St. Johns County, Florida       )  
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10                                   **TESTIMONY**  
11                                   **OF GARY R. MOSELEY**  
12                                   **ON BEHALF OF UNITED WATER FLORIDA INC.**13  
14       Q:     Please state your name and business address.15       A:     My name is Gary R. Moseley.   My business address is  
16             1400 Millcoe Road, Post Office Box 8004, Jacksonville,  
17             Florida 32239-8004.18       Q:     Did you prepare, or have prepared at your direction and  
19             under your supervision, the testimony you are about to  
20             give in this matter?

21       A:     Yes.

22       Q:     By whom are you employed?

23       A:     United Water Florida Inc. ("United Water Florida").

24       Q:     What is your position with United Water Florida?

25       A:     I am Vice President and General Manager of United Water  
              Florida.          Q:     What is the nature of your work for United Water  
              Florida?

1 A: I am responsible for the day-to-day operations and  
2 management of United Water Florida, as well as  
3 overseeing the long range planning, growth, expansion  
4 and overall success of United Water Florida.

5 Q: For the purpose of having you qualified as an expert in  
6 the field of utility operations and management, I would  
7 like to investigate your formal education and prior  
8 employment. Please identify where you received your  
9 undergraduate degree and the area of concentration of  
10 your studies?

11 A: I attended San Bernardino Valley College in California  
12 and received an Associate of the Arts degree in  
13 Engineering in 1973. I attended the University of  
14 Phoenix in Arizona and received a Bachelor of Science  
15 degree in Business Administration in 1989.

16 Q: Please describe your previous experience and  
17 employment.

18 A: I was Operations Manager for the Hesperia Water  
19 District in southern California from 1977 through 1985.  
20 From 1985 through 1996, I worked for Citizens Utility  
21 Company ("Citizens"), first serving as an Operations  
22 Manager of water and wastewater for its Mohave District  
23 for nine (9) years and then as District Manager for  
24 water, wastewater, and telephone for its Mohave  
25 District.

1 Q: How long have you practiced in the area of utility  
2 operations and management?

3 A: Over twenty (20) years.

4 Q: Are you a member of any professional associations?

5 A: I am a Board Member of the Florida Water Association.

6 Q: I show you a document labeled Exhibit GRM-1. Can you  
7 identify it?

8 A: Yes. It is my resume.

9 Q: Have you ever been previously qualified to testify in  
10 trial and administrative agency proceedings as an  
11 expert in utility operations and management?

12 A: Yes, I have been qualified as an expert in utility  
13 operations and management and have in fact testified  
14 such as an expert in several cases before the Arizona  
15 Public Service Commission and before Arizona and  
16 California state courts.

17 Q: Are you familiar with United Water Florida's  
18 certificated service area?

19 A: Yes. I am familiar with United Water Florida's  
20 certificated service area, including its certificated  
21 service area in St. Johns County.

22 Q: Are you familiar with the additional service area  
23 sought by United Water Florida in this docket  
24 ("Requested Area")?

25

1 A: Yes. It is about 3 1/2 sections of land in the  
2 vicinity of the intersection of U.S. Highway No. 1 and  
3 County Road 210 and it is immediately adjacent to  
4 United Water Florida's existing service area.

5 Q: Are you familiar with United Water Florida's water and  
6 wastewater facilities?

7 A: Yes, including the facilities in St. Johns County.

8 Q: How did you acquire such knowledge?

9 A: I have been with United Water Florida since June 1998.  
10 I been involved in most of the development processes  
11 that have taken place since my tenure. I also rely on  
12 information from my professional staff. I also make  
13 site visits of all of United Water Florida's facilities  
14 on a regular basis.

15 Q: I show you a document labeled Exhibit RWC-2. Can you  
16 identify it?

17 A: Yes. It is the Application by United Water Florida for  
18 an Extension of Service Area in St. Johns County filed  
19 in this docket ("Application").

20 Q: Are you familiar with the Application?

21 A: Yes. I oversaw the preparation of the Application and  
22 executed it on behalf of United Water Florida. I have  
23 also reviewed the testimony of Randall W. Corbin, David  
24 B. deNagy, and Todd D. Mackey filed in this matter.

25

1 Q: What would happen if United Water Florida could not  
2 provide service from its existing plant facilities?

3 A: While it is not the case, United Water Florida would  
4 expand its capacity. It would plan and have the  
5 additional capacity constructed in a timely fashion.  
6 It is my experience that United Water Florida expands  
7 its facilities in a manner which insures that they will  
8 be able to provide all needed service when such service  
9 is needed and that the expansions are performed in a  
10 prudent manner. Furthermore, United Water Florida is  
11 in the business of providing water and wastewater  
12 services and expanding its customer base and United  
13 Water Florida will provide service within our own  
14 service territory and intends to seek additional  
15 service areas which are adjacent to its service  
16 territory.

17 Q: Are the Jacksonville Electric Authority ("JEA") and St.  
18 Johns County negotiating a bulk service agreement for  
19 the Requested Area?

20 A: Yes. It is my understanding the St. Johns County and  
21 the JEA are currently negotiating a possible contract  
22 in which St. Johns County would serve the Requested  
23 Area at St. Johns County's rates and connection charges  
24 and JEA would provide wholesale water and wastewater  
25 service to St. Johns County at the border between Duval

1 and St. Johns counties. I attended a County Commission  
2 meeting where Bill Young, an officer of the St. Johns  
3 County Utility Department, presented to the County  
4 Commission such a proposal for bulk water and  
5 wastewater services. The County Commission meeting was  
6 on or about February 8, 1999.

7 Q: I would like to ask you a few questions concerning the  
8 public interest in United Water Florida serving the  
9 Requested Area and the Commission's granting of the  
10 Application. Is it in the public interest for United  
11 Water Florida to serve the Requested Area?

12 A: Yes. For the reasons set forth in my testimony and the  
13 testimonies of Randall W. Corbin, David B. deNagy, and  
14 Todd D. Mackey, United Water Florida is the best choice  
15 for providing water and wastewater service. United  
16 Water Florida is the most qualified and has the  
17 financial capability to service the Requested Area.  
18 United Water Florida has excellent and long history of  
19 providing quality service to its customers, expanding  
20 its service area and facilities in a prudent manner,  
21 and being an innovator in many areas. United Water  
22 Florida is the most cost efficient provider for this  
23 area. United Water Florida provides excellent service  
24 which furthers the protection of the environment.  
25 There is a need for service in the Requested Area.

1 Requested Area. United Water Florida has lines nearest  
2 to the Requested Area and the Florida First Coast  
3 Development Corporation ("FFCDC") project and,  
4 therefore, United Water Florida can install the  
5 extensions in a timely manner and with the most  
6 economical value. United Water Florida has the plant  
7 capacity to serve the immediate need for service in the  
8 Requested Area, and, in the event that a plant  
9 expansion is ever required, United Water Florida has  
10 the financial support and determination to complete  
11 such an expansion in time to provide the service  
12 needed. United Water Florida has the financial,  
13 operational, and technical abilities to provide service  
14 in the Requested Area, and United Water Florida  
15 provides excellent service.

16 Q: Is granting the Application in the public interest of  
17 the citizens of the State of Florida and St. Johns  
18 County?

19 A: Yes. As I have already said above, there is a need for  
20 service in the Requested Area and United Water Florida  
21 will have the capacity and the ability to serve the  
22 area. Granting the Application will allow United  
23 Water Florida to begin the process of providing such  
24 service, allow for the development of the area, and  
25 encourage the development of neighboring properties.



1 Promoting such development is in the public interest of  
2 the citizens of the State of Florida and St. Johns  
3 County.

4 United Water Florida has a centralized and  
5 regionalized water and wastewater system which will be  
6 adequate to serve the need for service in the Requested  
7 Area. The use of such facilities is in the public  
8 interest of the citizens of the State of Florida and  
9 the citizens of St. Johns County, Florida.

10 United Water Florida is a good corporate citizen  
11 dedicated to serving the community. The citizens of  
12 the State of Florida and St. Johns County have an  
13 interest in having a good corporate citizen like United  
14 Water Florida servicing the Requested Area.  
15 Furthermore, United Water Florida generates funds for  
16 governmental entities through the payment of regulatory  
17 fees and taxes. In addition, by granting the Requested  
18 Area to United Water Florida, JEA and St. Johns County  
19 will not need to expend public funds to service the  
20 Requested Area.

21 Q: Is granting the Application in the public interest of  
22 the owners of the FFCD property and future customers  
23 in the Requested Area?

24 A: Yes. For many reasons, including the reasons above.  
25 Service is needed in the area and United Water Florida

1 with its adjacent lines and quick construction time can  
2 provide that service quickly, efficiently, and  
3 economically. The developers and future customers will  
4 be served by the second largest, investor-owned utility  
5 company in the United States and which has the  
6 financial, technical and operational ability to provide  
7 excellent service to customers.

8 By having United Water Florida provide service to  
9 the Requested Area, the owners and future customers in  
10 the area will have available to them the protection of  
11 the Commission and be afforded the customer  
12 protections provided by the Commission. If the area  
13 were served by a city, then the owners and future  
14 customers in the Requested Area would not have  
15 available to them the protection of the Commission. In  
16 fact, if the service area were not within the city  
17 limits of the city providing service, the owners and  
18 future customers in the area could not even express  
19 their disapproval of the city's operation of the  
20 utility system or the rates charged by the utility by  
21 voting.

22 Q: Is granting the Application in the public interest of  
23 United Water Florida?

24 A: Yes. By having United Water Florida serve the  
25 Requested Area, United Water Florida will be able to

1 expand its customer base, spread its costs, and  
2 continue to grow and operate its utility system in a  
3 planned, orderly manner consistent with its master plan  
4 as developed by its consulting engineer.

5 Q: Do you have any further comments that you would like to  
6 make?

7 A: No. However, I will be glad to answer any questions  
8 that anyone would like to ask.

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**RESUME OF GARY R. MOSELEY**  
2912 Eastwind Drive  
Fernandina Beach, Florida 32034-8959  
(904) 491-3210

**PERSONAL STATISTICS**      DOB: June 20, 1950      Married with 3 Children

**EDUCATION**      BSBA – University of Phoenix, Arizona  
AA – San Bernardino Valley College, California  
P.U.R. Guide Course – Public Utilities Report, Inc.

**EMPLOYEMENT HISTORY**

- 1998 – Present      *United Water Florida (Vice President/General Manager)*
- 29,000 Water Customers/23,000 Sewer Customers generating over \$30 m in revenues
  - 107 Employees - \$4.5 m Payroll – Capital Budget of \$12 m
  - District includes 4 separate fast-growing counties, increased by 1,700 new customers this year
- 1996 – 1998      *United Water Arkansas (General Manager)*
- 20,000 Water Customers generating \$8 m in revenues
  - 48 Employees - \$2 m Payroll – Capital Budget of \$3 m
  - District included the City of Pine Bluff, Arkansas
- 1985 – 1996      *Citizens Utilities Company (Operations Manager of Water & Wastewater '85 – '94; District Manager of Telephone, Water, & Wastewater '94-'96)*
- 26,000 Telephone Customers/15,000 Water Customers/3,500 Sewer Customers
  - 52 Telephone Employees/42 Water & Wastewater Employees
  - District included Bullhead City, Lake Havasu, City, Mohave Valley, Arizona
  - During my tenure, the Telephone Division & Water/Wastewater Divisions merged into 1 entity (Telephone was unionized, Water/Wastewater was not) – successfully united these 2 Divisions into a strong team
- 1977 – 1985      *Hesperia Water District (Operations Manager)*
- 18,000 Water Customers – included 58 square miles in Southern California
  - 32 Employees – Capital Budget of \$2.5 m
  - General Contractor for new office complex
  - Researched/mapped system (no maps existed before this)
  - Initiated pipe system replacement program
- 1972 – 1977      *Riverside County Road and Survey Department in Southern California*
- Acting Supervisor for 5 solid waste disposal sites
  - Engineering Technician for the Traffic Division
  - Member of the survey crew in the Survey Division
- 1969 – 1972      *United States Forest Service, San Bernardino, California*
- Laborer in the Automotive Section
  - "Hot Shot" firefighter

**AFFILIATIONS**

<i>Florida Water Association</i>	<i>Board Member</i>
<i>Economic Development Authority of Nassau County, Florida</i>	<i>Member</i>
<i>Jacksonville University Advisory Council, Jacksonville, Florida</i>	<i>Member</i>
<i>Chamber of Commerce, Jacksonville, Florida</i>	<i>Member</i>
<i>First Baptist Church of Fernandina Beach, Florida</i>	<i>Member</i>
<i>National Rifle Association</i>	<i>Life Member &amp; Hunter Safety Instructor</i>
<i>Chamber of Commerce, Pine Bluff, Arkansas</i>	<i>Past Member</i>
<i>Rotary Club, Pine Bluff, Arkansas</i>	<i>Past Member</i>
<i>Arizona Water &amp; Pollution Control Association</i>	<i>Past Member/Board Member</i>
<i>Chamber of Commerce, Bullhead City, Arizona</i>	<i>Past Member</i>
<i>Bullhead City Fire Department, Board of Appeals</i>	<i>Past Member</i>
<i>Colorado River Union High School #2</i>	<i>Past Board Member/Clerk</i>
<i>Colorado River Kiwanis Club</i>	<i>Past President/Member</i>
<i>Mohave County Contractors' Association</i>	<i>Past Member</i>
<i>Mohave County Local Emergency Planning Committee</i>	<i>Past Member</i>
<i>Economic Development Authority of Bullhead City, Arizona</i>	<i>Past Member</i>
<i>Bullhead City Utility Commission</i>	<i>Past Commissioner</i>
<i>Los Matadors de Bullhead City</i>	<i>Past Member</i>

**REFERENCES AVAILABLE UPON REQUEST**