

DOCKET NO.: 991437-WU - APPLICATION FOR INCREASE IN WATER RATES
IN ORANGE COUNTY BY WEDGEFIELD UTILITIES, INC.

WITNESS: DIRECT TESTIMONY OF DWIGHT T. JENKINS, APPEARING ON
BEHALF OF THE STAFF OF THE FLORIDA PUBLIC SERVICE COMMISSION

DATE FILED: MAY 31, 2001

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FPSC-RECORDS/REPORTING

DIRECT TESTIMONY OF DWIGHT T. JENKINS

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2 | Q. Please state your name, occupation and business address for the record.

3 | A. My name is Dwight T. Jenkins. I am the Director of the Division of
4 | Water Use Regulation for the St. Johns River Water Management District. My
5 | business address is P.O. Box 1429, Palatka, Florida 32178-1429.

6 | Q. Please state your professional and educational background and
7 | experience.

8 | A. I received an Associate of Arts degree from the University of Central
9 | Florida in 1979, a Bachelor of Science and a Master of Science degree in
10 | geology from the University of Florida in 1981 and 1983, and a Juris Doctor
11 | degree from the University of Florida's College of Law in 1994. I am a
12 | licensed Professional Geologist and a member of the Florida Bar, and for the
13 | last 16 years I have worked in the fields of geology, karst hydrogeology,
14 | natural resource management, Florida water resource management, and
15 | environmental and administrative law. I currently hold the position as the
16 | Director of the Division of Water Use Regulation at the St. Johns River Water
17 | Management District.

18 | Q. Please explain your job responsibilities at the St. Johns River Water
19 | Management District.

20 | A. I am responsible for the implementation and management of the District's
21 | water use regulatory program. This includes consumptive use permitting, water
22 | use compliance and enforcement, and water well construction.

23 | Q. What is the purpose of your testimony?

24 | A. The purpose of my testimony is to ensure that the requirements of the
25 | St. Johns River Water Management District regarding conservation of water

1 resources through implementation of water conservation measures, particularly
2 implementation of a water conserving rate structure, is addressed as part of
3 the pending rate case for Wedgefield Utilities, Inc.

4 Q. Does the District believe that water conservation is important for
5 Wedgefield Utilities, Inc.?

6 A. Yes. Water conservation is vitally important for Wedgefield Utilities.
7 Wedgefield Utilities is located in an area that the District has designated
8 as a Priority Water Resource Caution Area. Priority Water Resource Caution
9 Areas are areas where the District has identified that traditional ground
10 water resources will not be adequate to supply all water demands up to and
11 past the year 2020. In these areas, utilities will need to develop
12 alternative water resources in order to meet anticipated demands. The
13 alternative resources will require new infrastructure and will cost more to
14 the consumer. In order to preserve as much of the less expensive potable
15 ground water as possible, it is important that existing users of ground water
16 implement all feasible conservation measures including adopting a water
17 conserving rate structure.

18 In addition to the above concern, Wedgefield Utilities' wells are
19 located very close to the saline water/fresh water interface in the Florida
20 aquifer. Because of the utilities' wells locations, there is a heightened
21 potential for saline water intrusion (mainly upcoming) due to ground water
22 withdrawals. Because of this, it is also important that Wedgefield Utilities
23 implement all feasible water conservation measures so as to reduce ground
24 water withdrawals as much as possible in order to prevent the possibility of
25 saline water intrusion.

1 Q. Do you have an opinion as to the appropriate percentage of revenue
2 requirement to be recovered through the base facility charge and gallonage
3 charge, respectively?

4 A. Generally, the St. Johns River Water Management District discourages a
5 BFC over 40%. The District advocates higher recovery in the gallonage charge
6 (BFC) since higher recovery in the gallonage charge promotes water
7 conservation.

8 Q. Does the St. Johns River Water Management District believe there should
9 be a different allocation between the BFC and the gallonage charge than
10 proposed by staff witness Lingo?

11 A. No. The St. Johns River Water Management District supports the
12 allocation proposed by PSC staff witness Lingo since the proposed allocation
13 will result in water conservation.

14 Q. Is the St. Johns River Water Management District concerned that the
15 allocation proposed by staff witness Lingo unfairly penalizes larger families
16 within the Wedgefield community?

17 A. No. While there is a potential that larger families may be charged for
18 some of their nondiscretionary water use based on a higher gallonage rate, the
19 impact to larger families due to such charge is generally small and the
20 implementation of a water conserving rate structure that creates such
21 potential is necessary to ensure water conservation by the majority of
22 families in this community.

23 Q. Do you believe that the BFC/gallonage charge allocation proposed by
24 Wedgefield will promote the level of conservation the District believes is
25 necessary?

1 A. No. District rules require that a water user implement all available
2 water conservation measures that are technically, environmentally and
3 economically feasible. The District has concluded that it is feasible for
4 Wedgefield Utilities to adopt a BFC/gallonage charge allocation that will
5 achieve greater conservation than the one proposed.

6 Q. Does this conclude your testimony?

7 A. Yes.

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

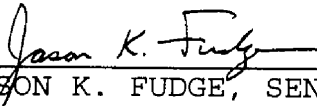
In re: Application for increase
in water rates in Orange County
by Wedgefield Utilities, Inc.

DOCKET NO. 991437-WU

FILED: May 31, 2001

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the Direct Testimony of Dwight T. Jenkins has been furnished to **Ben Girtman, Esquire**, 1020 East Lafayette Street, #207, Tallahassee, Florida 32301-4552, and **Charlie Beck, Esquire**, Office of Public Counsel, c/o The Florida Legislature, 111 West Madison Street, Room 812, Tallahassee, Florida 32399-1400, by U.S. Mail, this 31st day of May, 2001.



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