

State of Florida



Public Service Commission

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TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: May 8, 2007
TO: Ann Cole, Commission Clerk - PSC, Office of Commission Clerk
FROM: Lawrence D. Harris, Senior Attorney, Office of the General Counsel
RE: Docket No. 070183-WS

Please file the attached comments received from the Office of Public Counsel, in the above-referenced docket file.

LDH
Attachments

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DOCUMENT NUMBER - DATE

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FPSC-COMMISSION CLERK

1 **25-30.4325 Water Treatment and Storage and High Service Pumping Used and Useful**

2 **Calculations**

3 (1) Definitions.

4 (a) A water treatment system includes all facilities, such as wells and treatment
5 facilities, ~~excluding storage and high service pumping,~~ necessary to produce, treat, and deliver
6 potable water to a transmission and distribution system.

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7 (b) Storage facilities include ground or elevated storage tanks.

8 ~~(c) High service pumping includes those pumps after storage that deliver potable water~~
9 ~~to a transmission and distribution system.~~

10 ~~(e) Peak demand for a water treatment system includes the utility's maximum hour or~~
11 ~~day demand, excluding excessive unaccounted for water, plus a growth allowance based on~~
12 ~~the requirements in Rule 25-30.431, FAC, and any fire flow required by local governmental~~
13 ~~authority that exceeds the storage capacity.~~

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14 (d) Peak demand for a water treatment system includes:

15 1. For utilities without storage, the utility's maximum hour demand, excluding
16 excessive unaccounted for water, plus a growth allowance based on the
17 requirements in Rule 25-30.431, FAC, or

18 2. For utilities with storage, the utility's maximum day demand, excluding
19 excessive unaccounted for water plus a growth allowance based on the
20 requirements in Rule 25-30.431, FAC, and if provided, any fire flow required
21 by local government authority that exceeds the storage capacity.

22 ~~(e) Peak demand for storage includes 25% of the utility's maximum day demand,~~
23 ~~excluding excessive unaccounted for water, plus an allowance for fire flow, if provided, based~~
24 ~~on the local governmental authority requirement, and a growth allowance based on the~~
25 ~~requirements in Rule 25-30.431, FAC.~~

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- 1 (f) Peak demand for high service pumping includes the greater of:
- 2 1. The utility's maximum hour demand, excluding excessive unaccounted for
- 3 water, plus a growth allowance based on the requirements in Rule 25-30.431,
- 4 FAC, or
- 5 2. The utility's maximum day demand, excluding excessive unaccounted for
- 6 water plus a growth allowance based on the requirements in Rule 25-30.431,
- 7 FAC, and if provided, any fire flow required by local government authority.

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8 (g) Excessive unaccounted for water (EUW) is potable water produced in excess of

9 110 percent of the accounted for usage, including water sold, water used for flushing or fire

10 fighting, and water lost through line breaks. Any water claimed as accounted for that was

11 used for flushing, fire fighting and water lost through line breaks must be documented by

12 complete records of these flow losses.

13

14 ~~(2) The used and usefulness evaluation of water treatment systems and storage~~

15 ~~facilities shall include a determination as to the prudence of the investment and consideration~~

16 ~~of economies of scale.~~

17 (3) (2) The used and usefulness of a water treatment system shall be calculated

18 separately from the storage facilities. ~~If the utility believes an alternative calculation is~~

19 ~~appropriate, such calculation may also be provided, along with supporting documentation.~~

20 If any party believes a used and useful calculation should be utilized in a specific case which

21 differs from the provisions of this rule, such calculation may be provided along with

22 supporting documentation. The party proposing the alternative calculation shall have the

23 burden to prove that the alternative calculation is more appropriate for the specific case than

24 application of the calculation provide by this rule.

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1 (4) (3) A water treatment system is considered 100 percent used and useful if:
2 (a) ~~The system is the minimum size necessary to adequately serve existing customers~~
3 ~~plus an allowance for growth, and fire flow if no storage; or~~
4 (b) ~~the service territory the system is designed to serve is mature or built out and there~~
5 ~~is no potential for expansion of the service territory; or~~
6 (c) ~~The system is served by a single well.~~

7 (5) (4) The used and usefulness of a water treatment system is determined by dividing
8 the peak demand by the firm reliable capacity of the water treatment system.

9 (6) (5) The firm reliable capacity of a water treatment system is equivalent to the
10 pumping capacity of the wells, excluding the largest well for those systems with more than
11 one well. ~~In a system with multiple wells, if a utility believes there is justification to consider~~
12 ~~more than one well out of service in determining firm reliable capacity, such circumstance will~~
13 ~~be considered. The utility must provide support for its position, in addition to the analysis~~
14 ~~excluding only the largest well.~~

Deleted: , unless the pumping capacity is restricted by a limiting factor such as the treatment capacity, or draw down limitations, in which case, the firm reliable capacity is the capacity of the limiting component or restriction of the water treatment system.

15 (a) ~~Firm reliable capacity is expressed in gallons per minute for systems with no~~
16 ~~storage capacity.~~

17 (b) ~~Firm reliable capacity is expressed in gallons per day, based on 12 hours of~~
18 ~~pumping, for systems with storage capacity.~~

19 (a) For systems with no storage, the firm reliable capacity shall be expressed in
20 gallons per minute.

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21 (b) For systems with storage, the firm reliable capacity shall be expressed as gallons
22 per day, based upon 24 hours of pumping, unless there is a documented restriction in the hours
23 of pumping as required by the water management district, in which case the required
24 limitation shall apply.

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1 ~~(7)~~ (6) Peak demand ~~includes peak hour demand~~ for a water treatment system with no
2 storage capacity and a peak day demand for a water treatment system with storage capacity.

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3 (a) Peak hour demand, expressed in gallons per minute, shall be calculated as follows:

4 1. The single maximum day (SMD) in the test year where there is no unusual
5 occurrence on that day, such as a fire or line break, less excessive unaccounted for water
6 divided by 1440 minutes in a day times a peaking factor ranging between 1.5 to 2, [~~((SMD-~~
7 ~~EUW)/1,440) x 1.5 to 2], or~~

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8 2. The average of the 5 highest days (AFD) within a 30-day period in the test year less
9 excessive unaccounted for water divided by 1440 minutes in a day times a peaking factor
10 ranging between 1.5 to 2, [~~((AFD-EUW)/1,440) x 1.5 to 2], ~~or and~~~~

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11 3. In determining an appropriate peaking factor in the range for a specific system,
12 consideration shall be given to the size and character of the system service area. For larger
13 systems with a diverse customer base a lower peaking factor shall be used and conversely for
14 smaller systems with a uniform customer base a higher peaking factor shall be used.

15 ~~3. If the actual maximum day flow data is not available, 1.1 gallons per minute per~~
16 ~~equivalent residential connection (1.1 x ERC).~~

17 (b) Peak day demand, expressed in gallons per day, shall be calculated as follows:

18 1. The single maximum day in the test year, if there is no unusual occurrence on that
19 day, such as a fire or line break, less excessive unaccounted for water (SMD-EUW), or

20 2. The average of the 5 highest days within a 30-day period in the test year less
21 excessive unaccounted for water (AFD-EUW),

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22 ~~3. If the actual maximum day flow data is not available, 787.5 gallons per day per~~
23 ~~equivalent residential connection (787.5 x ERC).~~

24 ~~(8)~~ (7) The used and usefulness of storage is determined by dividing the peak demand
25 for storage as defined in this rule plus demand fire flow by the usable storage of the storage

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1 tank. Usable storage capacity less than or equal to the peak ~~day~~ demand shall be considered
2 100 percent used and useful. A hydropneumatic tank is not considered usable storage.

3 ~~(9)~~ (8) Usable storage determination shall be as follows:

4 (a) An elevated storage tank shall be considered 100 percent usable.

5 (b) A ground storage tank shall be considered 90 percent usable if the bottom of the
6 tank is below the centerline of the pumping unit.

7 (c) A ground storage tank constructed with a bottom drain shall be considered 100
8 percent usable, unless there is a documented limiting factor, in which case the limiting factor
9 will be taken into consideration.

10 ~~(9) The used and usefulness of high service pumping is determined by dividing the~~
11 ~~peak demand for high service pumping as defined in this rule by the firm reliable capacity of~~
12 ~~the high service pumps.~~

13 ~~(10) The firm reliable capacity of high service pumping is equivalent to the pumping~~
14 ~~capacity of the high service pumps, excluding the largest high service pump for those systems~~
15 ~~with more than one high service pump.~~

16 ~~(10) To determine whether an adjustment to plant and operating expenses for~~
17 ~~excessive unaccounted for water will be included in the used and useful calculation, the~~
18 ~~Commission will consider all relevant factors, including whether the reason for excessive~~
19 ~~unaccounted for water during the test period has been identified, whether a solution to correct~~
20 ~~the problem has been implemented, or whether a proposed solution is economically feasible.~~

21 ~~(11) To determine the used and usefulness of water treatment systems and storage~~
22 ~~facilities, the Commission will consider other relevant factors, such as whether flows have~~
23 ~~decreased due to conservation or a reduction in the number of customers.~~

24 Specific Authority: 350.127(2), 367.121(1)(f) FS.

25 Law Implemented: 367.081(2), (3) FS.

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from existing law.

1 History: New

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3 Rule 25-30-4325.lnh.doc

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1 **25-30.4325 Water Treatment, Storage and High Service Pumping Used and Useful**
2 **Calculations**

3 (1) Definitions.

4 (a) A water treatment system includes all facilities, such as wells and treatment
5 facilities, excluding storage and high service pumping, necessary to produce,
6 treat, and deliver potable water to a transmission and distribution system.

7 (b) Storage facilities include ground or elevated storage tanks.

8 (c) High service pumping includes those pumps after storage that deliver
9 potable water to a transmission and distribution system.

10 (d) Peak demand for a water treatment system includes:

11 1. For utilities without storage, the utility's maximum hour demand,
12 excluding excessive unaccounted for water, plus a growth allowance
13 based on the requirements in Rule 25-30.431, FAC, or

14 2. For utilities with storage, the utility's maximum day demand,
15 excluding excessive unaccounted for water plus a growth allowance
16 based on the requirements in Rule 25-30.431, FAC, and if provided, any
17 fire flow required by local government authority that exceeds the
18 storage capacity.

19 (e) Peak demand for storage includes 25% of the utility's maximum day
20 demand, excluding excessive unaccounted for water, plus an allowance for fire
21 flow, if provided, based on the local governmental authority requirement, and a
22 growth allowance based on the requirements in Rule 25-30.431, FAC.

23 (f) Peak demand for high service pumping includes the greater of:

24 1. The utility's maximum hour demand, excluding excessive
25 unaccounted for water, plus a growth allowance based on the
requirements in Rule 25-30.431, FAC, or

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2. The utility's maximum day demand, excluding excessive unaccounted for water plus a growth allowance based on the requirements in Rule 25-30.431, FAC, and if provided, any fire flow required by local government authority.

(g) Excessive unaccounted for water (EUW) is potable water produced in excess of 110 percent of the accounted for usage, including water sold, water used for flushing or fire fighting, and water lost through line breaks. Any water claimed as accounted for that was used for flushing, fire fighting and water lost through line breaks must be documented by complete records of these flow losses.

(2) The used and usefulness of a water treatment system shall be calculated separately from the storage facilities. If any party believes a used and useful calculation should be utilized in a specific case which differs from the provisions of this rule, such calculation may be provided along with supporting documentation. The party proposing the alternative calculation shall have the burden to prove that the alternative calculation is more appropriate for the specific case than application of the calculation provide by this rule.

(3) A water treatment system is considered 100 percent used and useful if the service territory the system is designed to serve is built out and there is no potential for expansion of the service territory .

(4) The used and usefulness of a water treatment system is determined by dividing the peak demand by the firm reliable capacity of the water treatment system.

(5) The firm reliable capacity of a water treatment system is equivalent to the pumping capacity of the wells, excluding the largest well for those systems with more than one well.

(a) For systems with no storage, the firm reliable capacity shall be expressed in

1 gallons per minute.

2 (b) For systems with storage, the firm reliable capacity shall be expressed as
3 gallons per day, based upon 24 hours of pumping, unless there is a documented
4 restriction in the hours of pumping as required by the water management
5 district, in which case the required limitation shall apply.

6 (6) Peak demand includes peak hour demand for a water treatment system with no
7 storage capacity and a peak day demand for a water treatment system with storage
8 capacity.

9 (a) Peak hour demand, expressed in gallons per minute, shall be calculated as
10 follows:

11 1. The single maximum day (SMD) in the test year where there is no
12 unusual occurrence on that day, such as a fire or line break, less
13 excessive unaccounted for water divided by 1440 minutes in a day
14 times a peaking factor ranging between 1.5 to 2 $[\frac{SMD-EUW}{1,440}$
15 $\times 1.5$ to 2], or

16 2. The average of the 5 highest days (AFD) within a 30-day period in
17 the test year less excessive unaccounted for water divided by 1440
18 minutes in a day times a peaking factor ranging between 1.5 to 2
19 $[\frac{AFD-EUW}{1,440} \times 1.5$ to 2], and

20 3. In determining an appropriate peaking factor in the range for a
21 specific system, consideration shall be given to the size and character of
22 the system service area. For larger systems with a diverse customer base
23 a lower peaking factor shall be used and conversely for smaller systems
24 with a uniform customer base a higher peaking factor shall be used.

25 (b) Peak day demand, expressed in gallons per day, shall be calculated as
follows:

- 1 1. The single maximum day in the test year, if there is no unusual
- 2 occurrence on that day, such as a fire or line break, less excessive
- 3 unaccounted for water (SMD-EUW), or
- 4 2. The average of the 5 highest days within a 30-day period in the test
- 5 year less excessive unaccounted for water (AFD-EUW).

6 (7) The used and usefulness of storage is determined by dividing the peak demand for
7 storage as defined in this rule by the usable storage of the storage tank. Usable storage
8 capacity less than or equal to the peak demand shall be considered 100 percent used
9 and useful. A hydropneumatic tank is not considered usable storage.

10 (8) Usable storage determination shall be as follows:

- 11 (a) An elevated storage tank shall be considered 100 percent usable.
- 12 (b) A ground storage tank shall be considered 90 percent usable if the bottom
- 13 of the tank is below the centerline of the pumping unit.
- 14 (c) A ground storage tank constructed with a bottom drain shall be considered
- 15 100 percent usable, unless there is a documented limiting factor, in which case
- 16 the limiting factor will be taken into consideration.

17 (9) The used and usefulness of high service pumping is determined by dividing the
18 peak demand for high service pumping as defined in this rule by the firm reliable
19 capacity of the high service pumps.

20 (10) The firm reliable capacity of high service pumping is equivalent to the pumping
21 capacity of the high service pumps, excluding the largest high service pump for those
22 systems with more than one high service pump.

24 Specific Authority: 350.127(2), 367.121(1)(f) FS.

25 Law Implemented: 367.081(2), (3) FS.

History: New

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