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REPLY TO CENTRAL FLORIDA OFFICE

October 24, 2008

CENTRAL FLORIDA OFFICE
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(LICENSED IN NEW YORK ONLY)

E-FILING

Ann Cole, Commission Clerk
Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399

RE: Docket No. 080606-WU; Application for amendment of water tariff to implement Florida DEP's requirement under Rule 62-555.360, F.A.C., that backflow prevention devices be tested on an annual basis by O&S Water Company; Inc.
Our File No.: 35012.07

Dear Ms. Cole:

Enclosed for filing are O&S Water Company, Inc.'s (the "Utility") responses to Staff's letter dated October 16, 2008. As an initial matter, it should be noted that neither Rule 62-555.360, F.A.C., nor the Department of Environmental Protection's ("DEP") interpretation of that rule require the Utility to test backflow prevention devices. As such, the above caption is not entirely accurate. The Utility is merely requesting authority to implement a policy whereby the Utility may terminate a customer's service for failure of the customer to comply with DEP regulations. As set forth in the responses to Staff's queries, the Utility does not perform or pay for any of the required testing.

The Utility's responses to Staff's queries are as follows:

1. Why were backflow prevention devices installed at any customer connection?
Please explain the reasons for installation.

RESPONSE: In compliance with DEP regulations, the Utility has an approved Cross-Connection Control Program, a copy of which is attached hereto, requiring backflow prevention devices on all connections which may have a source of contamination such as an irrigation system. It is the Utility's understanding the Florida Building Code requires installation and maintenance of such backflow devices, and that the DEP requires

installation of such devices prior to connecting to O&S's water system. The Utility assumes that developers, contractors and individual customers have complied with all state and local regulations regarding backflow devices.

2. Why do 423 customers have backflow prevention devices and the other 2300 customers apparently do not.

RESPONSE: The Utility does not have information as to why the DEP letter claims that only 423 devices are installed. The Utility sent notices to all customers of its water system advising them of DEP's backflow prevention device requirement and believes that its customers have nearly universally complied, with the vast majority having their devices installed during the construction of their homes. However, the Utility does not keep records with respect to which owners currently have backflow prevention devices installed.

3. How long have these 423 devices been installed?

RESPONSE: Because it is the customer's responsibility to arrange for installation of backflow prevention devices, the Utility does not have exact dates for installations. The neighborhood of Pleasantville Lakes is a neighborhood of 202 connections that was in existence when DEP started the backflow prevention device requirement. The Utility believes that all customers in this area were retrofitted in 2002-2003. All other customers installed the devices when their houses were built.

4. Are the devices owned by the customer or the utility?

RESPONSE: The devices are owned by the customer.

5. Who paid the purchase price and installation of these devices?

RESPONSE: The customers paid the purchase and installation costs of these devices.

6. The DEP's letter dated February 19, 2008 states that 297 of the devices were tested in 2007. Why were some devices not tested, and how was the determination made which devices were tested?

RESPONSE: The Utility sent a letter to all customers advising them of the testing requirement and providing names of certified plumbers authorized to inspect the

devices. An example of such a letter is attached hereto. The authorized plumbers generally send a copy of the inspection report to the Utility. Since there is no Commission-approved enforcement mechanism, each customer is responsible for testing of the devices and, according to the DEP letter, 297 customers complied voluntarily. According to the Utility's records (based on inspection reports submitted by plumbers), at least 2,014 customers have had their devices inspected as of December 2007.

7. What has been O&S's practice in the past regarding inspections and testing of these devices?

RESPONSE: The Utility did not have any practice or policy concerning inspections or testing of backflow prevention devices and only recently became aware that the DEP had begun enforcing the annual inspection requirement. Such inspections have been the customer's responsibility. Further, there is no Commission-approved mechanism by which the Utility could implement or enforce a policy of inspections. Thus, the Utility is in the untenable position of being subject to a DEP requirement for which it has no procedure for enforcement.

8. Were costs incurred for past inspections, and if so, who paid those costs?

RESPONSE: The customers have always been responsible for the cost of inspections, and will continue to be. The Utility's costs are limited to the amount of postage to notify or remind each customer of the annual requirement.

9. What was the frequency of past inspections?

RESPONSE: While the Utility is not responsible for inspecting the devices, it is the Utility's understanding that the inspections are required on an annual basis.

10. DEP's Rule 62-555.360(2), Florida Administrative Code, does not appear to require inspection or testing. It appears that the basis for the utility's proposal to begin inspecting and testing these devices is the February 18th DEP letter. If there is other documentation, please provide a copy.

RESPONSE: The Utility is merely attempting to comply with DEP directives and PSC tariff requirements. As the February 18th DEP letter states, the lack of annual testing of backflow prevention devices is a deficiency that must be remedied in order to comply with DEP rules and regulations. The Utility is not in a position to second guess DEP's

legal judgment. It merely requests Commission approval of a policy to comply with DEP's rules and regulations.

11. Can the utility provide staff with an estimated cost of the annual inspection and testing for each device?

RESPONSE: Each customer will likely spend approximately \$30 to \$60 dollars for annual inspection, per back flow prevention device.

12. If the customer has difficulty in arranging for the device to be tested by a certified technician, can O&S assist the customer in locating such a technician?

RESPONSE: In addition to notice and reminder of the annual inspection requirement, the Utility provides the names and business numbers of several certified and authorized plumbers who can perform the inspections.

13. Has the utility provided any information to customers regarding maintenance and associated costs for these devices? If so, please provide a copy.

RESPONSE: Attached hereto is a sample of the documents the Utility has sent to its customers. For ease of reference, an example of similar letters sent by Toho Water Authority to its own customers is also attached hereto.

Should you have any questions or concerns regarding this filing, please do not hesitate to give me a call.

Very truly yours,



CHRISTIAN W. MARCELLI
Of Counsel

CWM/tlc
Enclosures

cc: Mr. Jack Olsen (w/enclosures) (via U.S. Mail)

M:\1 ALTAMONTE\O&S WATER CO\BACKFLOW PREVENTION DEVICE TARIFF APPLICATION\PSC Clerk 02 (Response First Data Request).Jtr.doc

O&S Water Company, Inc.

CROSS CONNECTION CONTROL POLICY

A. BACKFLOW PREVENTION POLICY:

1. O&S will not install or maintain a water service connection to any premise where as actual or potential cross connection may exist unless actual or potential cross connections are removed or controlled to the satisfaction of O&S Water Co.
2. Should any water service, supplied by O&S Water Co., be operated in violation of any provision of this policy it shall be the responsibility of O&S to completely disconnect all service lines serving such service connection until the policy is properly complied with. The consumer prior to the restoration of water service must pay the cost of such disconnection and reconnection.

B. BACKFLOW PREVENTION ENFORCEMENT

1. New services

All requests for service submitted to O&S Water Co. will be reviewed for potential cross connections. In the opinion of O&S water system operator, if potential cross connections exist the applicable requirements for backflow prevention will be complied with prior to service connection.

2. Existing facilities

O&S Water Co. shall inspect all existing facilities suspected of having actual or potential cross connections. If the inspection by O&S Water Co., indicates that cross connection control device, approved by the American Water Works Association be installed. This installation shall be done at the consumer's expense.

3. Testing and Inspection

Testing and inspection of reduced pressure, double check, and pressure vacuum breaker devices will be done by a certified backflow preventer tester. The owner of the backflow preventer assembly will assume the cost of the testing and the maintenance of their backflow preventer. The testing of the device will be done upon installation of

device and then an annual inspection/testing will be required to assure continuous satisfactory operation. A copy of test results shall be submitted to O&S Water Co. for review.

4. Repair and Replacement

Repair or replacement of a device that is defective is the sole responsibility of the consumer. If a defective device is found and immediate action is not taken to restore the device to normal operation, water service to that connection shall be discontinued until repairs are made.

5. Emergency Situations

O&S Water Co. water system operators are authorized to take immediate steps to prevent backflow, a hazardous situation, where contaminants are suspected or actually enter the potable water line.

6. Backflow Prevention Devices

All backflow prevention devices installed for the purpose of protecting the distribution system shall be USC and AWWA approved. O&S Water Co. shall, after investigation determine the potential hazard and specify the approved type backflow prevention device appropriate for that particular installation.

O&S Water Co.
P.O. Box 422364
Kissimmee, FL 34742-2364
Ph: 407-846-2650

February 2003

Dear Homeowner:

At this time we are implementing the cross-connection program. A cross-connection program has been mandated by the Environmental Health Authority and requirements of the Section 1010.141; subpart "J" of the OSHA rules and regulations entitled "General Environmental Controls" a specific statement exists as follows: "there shall be no cross-connections, open or potential, between a system furnishing potable water and a system furnishing nonpotable water. Construction shall be such as to prevent backflow of contaminated water into potable water system."

Below you will find some frequently asked questions and answers.

What is a cross-connection program?

This is a combined cooperative effort between plumbing and health officials, water works companies, property owners and certified testers to establish and administer guidelines for controlling cross-connections and implementing means to ensure their enforcement so that the public potable water supply will be protected both in the public main and within buildings. The elements of a program define the type of protection required and responsibility for the administration and enforcement.

What is a "cross-connection"?

A cross connection is defined by the American Water Works Association as a "permanent or temporary piping arrangement, which can allow your drinking water to be contaminated if a backflow condition occurs".

What is "backflow"?

It's just what it sounds like; the water is flowing in the opposite direction from its normal flow. With the direction of flow reversed, due to a change in pressures, backflow can allow contaminants to enter the drinking water system through cross-connection.

What are possible or potential cross-connections?

Any time you use an outside garden hose to distribute a chemical feeding on gardens or lawns, you risk a possible cross-connection. Swimming pools, hot tubs and spas are also potential cross-connections. Lawn irrigation systems are also included in possible cross-connections.

What can I do to protect my home?

The first thing you should do is to install hose bib vacuum breakers on ALL outside hose bibs. These will isolate garden hose applications from back-siphonage into the home. These are inexpensive and can be found at plumbing stores or home improvement centers. While this is a preventative measure, in no way should vacuum breakers be considered 100% effective. There is no way to test them for accuracy.

What if I have a swimming pool, hot tub, spa, ground well or lawn irrigation system?

If you have any or all of these amenities at your home you will need to have an RPZ backflow preventer installed at your expense.

O&S Water Co. is requiring that a "Reduced Pressure Zone Device" (RPZ) be installed by a certified and licensed backflow preventer specialist.

The ONLY ACCEPTABLE RPZ's are: Combraco ¾" or Wilkins 975XL.

They will be installed no less than 18" above the ground grade and MUST have galvanized or copper piping. Absolutely NO PVC piping will be accepted.

Upon completion of installation you will contact O&S Water Co. and a representative will inspect the installation. As water purveyor we have the right to accept or reject the installation.

What is a Reduced Pressure Zone backflow device?

This device includes two or more approved spring loaded check valves with an automatically operated pressure differential relief valve located between the two check valves. This device will prevent any contaminants from back-siphonage into the potable water system from a possible cross-connection.

We have compiled the following list of plumbers that specialize in back-flow installation and testing. We are not recommending any one of these plumbers; we are simply trying to help you find a plumber.

A-Z Backflow- Kissimmee- 407-396-7748

Bill Schaeffer- Orlando- day 407-824-1572
night 407-273-0654

Andy Gaines- St. Cloud- 407-908-8650

Constantine Plumbing- Orlando- 407-856-8982

Reliance Plumbing- Kissimmee- 407-944-4644

Donnie Daniels Plumbing- Kissimmee- 407-847-0339
407-933-1448

If you have any questions about this information, please contact the office.

**O&S
WATER COMPANY
INC.**

501 E. Oak Street
Suite F
Kissimmee, FL 34744

Phone: 407 846 2650
Fax: 407 935 0231

February 15, 2007

To all O&S Water Company, Inc. customers

SUBJECT: Required Annual Testing of Backflow Preventers

Dear Customer:

In order to continue to maintain the quality of O&S Water Company's water supply at the highest level possible, backflow preventers are required on all services where the water may come in contact with a contaminant.

Connected to your water system is a backflow preventer, which, according to Florida Building Code – Plumbing section 312.9, is required to be tested and maintained (recertified) annually by a certified tester. It should be noted that failure to comply with this ordinance will eventually result in discontinuance of water service.

I encourage you to have the tests performed as soon as possible. If any of your devices should need repair, the parts may take a few weeks to arrive. Note that if you have two meters (an irrigation meter and a house meter) you have two backflow preventer devices. Both devices will need to be recertified and maintained.

The Backflow Prevention Specialist will be responsible for returning your recertification paperwork to O&S Water Company once the recertification is completed. Please call the O&S Water Company office for a recommended Backflow Prevention Specialist.

If you have any questions, please feel free to contact us.

Sincerely,

Elissa Olsen
Field Administrator.

O&S WATER COMPANY, Inc.

February 15, 2008

It's is now time to schedule your required annual backflow preventer test. The Department of Environmental Protection requires that all water systems have backflow preventers, and each backflow must be tested and maintained annually by a certified tester. It is the responsibility of the homeowner to insure that the backflow preventer is recertified each year. Note that if you have two meters (an irrigation meter and a house meter) you also have two backflow preventer devices and both will need to be recertified. The Backflow Prevention Specialist is responsible for returning your certification paperwork to O&S once the recertification is complete. For your convenience we have provided the numbers for two Backflow Prevention Specialists. It is recommended that you do a price comparison and find the company that best suits your backflow needs.

Distinction Backflows 407-361-3338

Roto Rooter 407-846-0704

O&S WATER COMPANY, Inc.

February 15, 2008

It's is now time to schedule your required annual backflow preventer test. The Department of Environmental Protection requires that all water systems have backflow preventers, and each backflow must be tested and maintained annually by a certified tester. It is the responsibility of the homeowner to insure that the backflow preventer is recertified each year. Note that if you have two meters (an irrigation meter and a house meter) you also have two backflow preventer devices and both will need to be recertified. The Backflow Prevention Specialist is responsible for returning your certification paperwork to O&S once the recertification is complete. For your convenience we have provided the numbers for two Backflow Prevention Specialists. It is recommended that you do a price comparison and find the company that best suits your backflow needs.

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Distinction Backflows 407-361-3338

Roto Rooter 407-846-0704

May 14, 2007

To all O&S Water Company, Inc customers

RE: Required Annual Testing of Backflow Preventers

O&S Water Company has received permission to extend the backflow recertification period until September 1st, 2007. All backflows over one year old must be recertified by this date in accordance with the Florida Department of Environmental Protection and the Florida Building Code – Plumbing Section 312.9. Homeowners are responsible for ensuring that the backflow preventers at all of their properties have been recertified. Please feel free to call the office for a recommended certified Backflow Prevention Specialist. If you have already had your backflow recertified please disregard this notice.

May 14, 2007

To all O&S Water Company, Inc customers

RE: Required Annual Testing of Backflow Preventers

O&S Water Company has received permission to extend the backflow recertification period until September 1st, 2007. All backflows over one year old must be recertified by this date in accordance with the Florida Department of Environmental Protection and the Florida Building Code – Plumbing Section 312.9. Homeowners are responsible for ensuring that the backflow preventers at all of their properties have been recertified. Please feel free to call the office for a recommended certified Backflow Prevention Specialist. If you have already had your backflow recertified please disregard this notice.

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LTR

BACKFLOW PREVENTION CROSS CONNECTION CONTROLS

June 24, 2008

ANNUAL TESTING NOTICE : BACKFLOW ASSEMBLY

Customer Name	POC:	Customer Name
Customer Address	PHONE:	407-123-4567
Kissimmee, FL 34741	TEST BY:	<u>07/24/2008</u>

IRRIGATION

TYPE	MANUF	MODEL #	SERIAL #	SIZE
PVB	WATTS	800M4	615290	1.0"

Dear Customer:

The above listed Backflow Prevention Assembly(s) is/are due for annual testing as required by The Department of Environmental Protection (DEP) and The Authority's Cross-Connection Control Program.

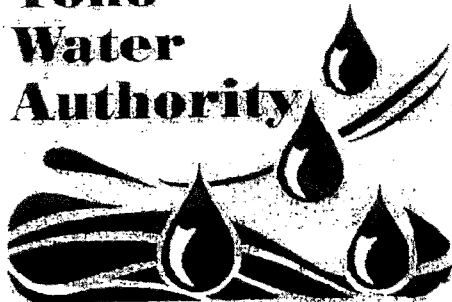
Please have a backflow prevention assembly tester possessing a valid Certification recognized by the American Water Works Association (AWWA) complete this test(s) by the date indicated above. Attached is a list of certified testers on file with The Authority. If the test discloses that the assembly is not operation satisfactorily, have the necessary repairs made and the assembly retested. On completion of a test showing that the assembly is operating satisfactory, you are to have a legible copy of the enclosed Test & Maintenance Report completed and forwarded to this office.

Please contact me at (407) 518-2502 if you have any questions.

Jim Stone

Jim Stone
Backflow Prevention Tech.
Cross-Connection Controls

Toho Water Authority



Field Operations Division
102 North Alaska Avenue • Kissimmee FL 34741-5973
407-518-2502 • Fax 407-938-7602 • www.tohowater.com

v

TOHO WATER AUTHORITY
 Cross-Connection Control
 102 North Alaska Ave.
 Kissimmee, Fl. 34741-5973

June 23, 2008

VIOLATION NOTICE : BACKFLOW ASSEMBLY TESTING

Customer Name	POC:	Customer Name
Customer Address	PHONE:	407-123-4567
Kissimmee, Fl 34741	TEST BY:	<u>7/23/2008</u>

IRRIGATION

TYPE	MANUF	MODEL #	SERIAL #	SIZE
RP	WILKINS	975XL	1264567	1.0"

Dear Customer:

The annual testing of the above listed Backflow Prevention Assembly(s), as required by The Department of Environmental Protection (DEP) and The Authority's Cross-Connection Control Program is/are past due. If a satisfactory test has already been performed, please forward a copy of the test results. If not, please have this test completed by the date indicated above.

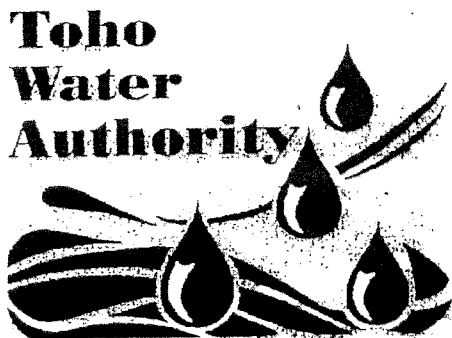
Please have this test performed by a backflow prevention assembly tester possessing a valid Certification recognized by the American Water Works Association (AWWA). Attached is a list of certified testers on file with The Authority.

If the test discloses that the assembly is not operating satisfactorily, have the necessary repairs made and the assembly retested by the certified tester. On completion of a test showing that the assembly is operating satisfactory, you are to have the Test & Maintenance Report completed and forwarded to this office.

Please contact me at (407) 518-2502 if you have any questions.

Jim Stone

Jim Stone
 Backflow Prevention Tech.
 Cross-Connection Controls



Field Operations Division
 102 North Alaska Avenue • Kissimmee FL 34741-5973
 407-518-2502 • Fax 407-933-7662 • www.tohowater.com

3

TERMINATION OF WATER SERVICE

June 23, 2008

**WATER SERVICE WILL BE TERMINATED
ON: JULY 08, 2008**

Customer Name
Customer Address
Kissimmee, FL 34741

IRRIGATION

TYPE	MANUF	MODEL #	SERIAL #	SIZE
PVB	WATTS	800M4	145456	1.0"

Dear Customer:

The annual testing of the above listed Backflow Prevention Assembly(s), as required by The Department of Environmental Protection (DEP) and The Authority's Cross-Connection Control Program has/have not been received. Numerous notifications have been sent with no response. If a satisfactory test has already been performed, during the last twelve (12) months, please forward a copy of the test results. If not, please have this test completed by the date indicated above. **Failure to comply will result in termination of water service on the date indicated above.**

If the test discloses that the assembly is not operating satisfactorily, have the necessary repairs made and the assembly retested by a certified tester. On completion of a test showing that the assembly is operating satisfactory, you are to have the Test & Maintenance Report completed and forwarded to this office.

An alphabetical listing of backflow testing companies on file with Toho Water Authority is enclosed for your convenience.

Please contact me at (407) 518-2502 if you have any questions.

Jim Stone
Jim Stone
Backflow Prevention Tech.
Cross-Connection Controls



Field Operations Division
102 North Alaska Avenue · Kissimmee FL 34741-5923
407-518-2502 · Fax 407-933-7082 · www.tohowater.com

3 X

June 23, 2008

FINAL NOTICE

Customer Name
Customer Address
Kissimmee, FL 34741

RE: Testing of Backflow Preventer on: **IRRIGATION SYSTEM**

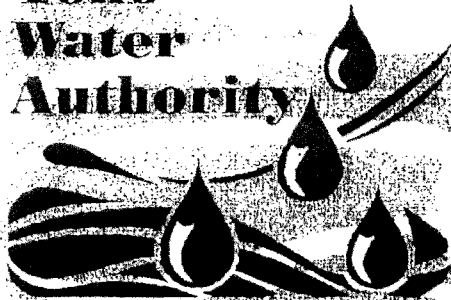
Dear Customer:

Cross Connection Control is a program mandated by the Department of Environmental Protection Agency on utilities to safeguard public drinking water supplies. The program was enacted as part of the Federal Safe Drinking Water to ensure all residents of the United States receive safe drinking water. The Safe Drinking Water Act states, "Public drinking water supply must be protected from present or possible future contamination from all sources". The Florida Plumbing Codes require the installation of a backflow device on irrigation systems to prevent water from back siphoning from a property into the public drinking water supply.

A backflow device is connected between the meter and the beginning of your irrigation system. A backflow device must be tested annually to ensure proper working order. Ordinance 10-4-43 states "the consumer shall bear all expenses of installing, testing and maintaining the protection devices required by the Cross Connection Control Manual to ensure proper operation on a continuing basis". The purpose of a backflow device is to ensure the public drinking water system is not contaminated with organic substances or contaminants.

Our records indicate the backflow device at the above location has not been tested this year. Multiple notices advising you that testing of your backflow device is past due have been mailed with no response. As you can see from the above, not testing a backflow is a serious health violation.

**Toho
Water
Authority**



Field Operations Division
102 North Alafaya Avenue - Kissimmee FL 34741-5873
407-518-2500 Fax 407-913-2502 www.tohowater.com

Because you have neglected to have the testing of your backflow performed; Toho Water can have the backflow tested for you. Toho Water will provide for a certified tester to perform this test at a cost of \$50.00. The cost of completing the test will be placed on your monthly water bill through Kissimmee Utility Authority. A commitment form agreeing to this service is enclosed for your signature. By completing the commitment form you are agreeing to the charges to be placed against your monthly water bill through Kissimmee Utility Authority. The commitment form or a satisfactory test from a private company must be returned no later than JULY 23, 2008 to avoid termination of your water service.

For your convenience as alphabetical listing of backflow testing companies, on file with Toho Water Authority, is enclosed along with a self-addressed envelope for the commitment form. I urge you to have this device tested either by Toho Water or a private company to avoid the termination of the water service to your home. If you have any questions, please feel free to contact me at 407-518-2502 or by e-mail jstone@kissimmee.org

Sincerely,
TOHO WATER AUTHORITY

Jim Stone

Jim Stone
Backflow Prevention Tech.
Cross-Connection Controls