

State of Florida



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

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

DATE: October 20, 2014
TO: Carlotta Stauffer, Commission Clerk
FROM: Rosanne Gervasi, Senior Attorney, Office of the General Counsel *RS*
RE: Comments concerning initiation of rulemaking to adopt Rule 25-30.091, Florida Administrative Code, Petition to Revoke Water Certificate of Authorization, and to amend Rule 25-30.440, Florida Administrative Code, Additional Engineering Information Required of Class A and B Water and Wastewater Utilities in an Application for Rate Increase

Please file the attached comments dated October 7, 2014, in the 2014 undocketed file.
Thank you.

Attachment

RECEIVED-FPSC
14 OCT 20 AM 10:38
COMMISSION
CLERK

October 7, 2014

Ms. Rosanne Gervasi
Office of General Counsel
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Re: Proposed Adoption of Rule 25-30.091, Florida Administrative Code – Petition to Revoke Water Certificate of Authorization, and to Amend Rule 25-30.440, F.A.C., Additional Engineering Information Required of Class A and B Water and Wastewater Utilities in an Application for Rate Increase

Dear Ms. Gervasi,

In response to the Staff Workshop for the above mentioned proposed adoption and amendment of Commission rules related to petition to revoke water certificate of authorization, I offer the following information.

I am currently the Manager of Regulated Utilities for several regulated utilities. The listing below illustrates these recently transferred utilities, along with the Docket Numbers of each Commission approved transfer:

<u>Utility</u>	<u>Docket Number</u>	<u>Order Number</u>
Harbor Waterworks, Inc.	120148-WS	PSC-12-0587-PAA-WU
Lakeside Waterworks, Inc.	120317-WS	PSC-13-0425-PAA-WS
LP Waterworks, Inc.	130055-WS	PSC-14-0130-PAA-WS
HC Waterworks, Inc.	130175-WS	PSC-14-0314-PAA-WS
Brevard Waterworks, Inc.	130174-WU	PSC-14-0326-PAA-WS
Sunny Hills Utility Company	130172-WS	PSC-14-0315-PAA-WS
Lake Osborne Waterworks, Inc.	130173-WU	PSC-14-0327-PAA-WS
Jumper Creek Utility Company	130176-WS	PSC-14-0299-PAA-WS
The Woods Utility Company	130171-WS	PSC-14-0300-PAA-WS
Country Walk Utilities, Inc.	130294-WU	PSC-14-0495-PAA-WU

In addition, I am also responsible for three pending dockets related to applications for approval of transfer for:

Raintree Waterworks, Inc. in Docket No. 140121-WU;
Brendenwood Waterworks, Inc. in Docket No. 140120-WU; and,
Lake Idlewild Utility Company in Docket No. 140171-WU.

First, I commend both the Senator sponsor of the Senate Bill, as well as the Commission in the attempts to address customer concerns on water quality throughout the State of Florida.

The issue of quality of water service and customer concerns has long been an ongoing issue in the water industry.

My comments will be brief and specific to provisions in Draft Rule 25-30.091, F.A.C. and Section 367.172, Florida Statutes. My first comment relates to 25-30.091(4), F.A.C. I applaud the Commission in obtaining a complete current customer listing of the water utility in which any such petition may be filed. It is imperative to obtain an accurate listing of actual customers to compare to any alleged customer of the utility. However, I urge the Commission to address the confidential and privilege nature of any such information. It has long been Commission practice to consider and treat customer personal information, such as names and addresses, as confidential information. See Orders PSC-07-0552-CFO-EI (June 29, 2007) and PSC-02-0356-CFO-EI (March 12, 2002).

The strict confidentiality of customer specific personal information should be streamlined to inherently consider any such information confidential in the most expeditious and least costly manner. The majority of the remaining regulated water utilities are Class C and Class B with limited financial and technical expertise to file for a request for the confidential consideration without the use of an outside attorney. The procedures should be made clear in the proposed rule that this information will be treated confidential and proprietary without the need to file any such request and incur any additional expenses to do so.

My next comment relates to 25-30.091(7)(a) of the proposed rule. I would suggest that if possible, the customer also include their actual account number on the petition.

The next comment relates to 25-30.091(7)(b) of the proposed rule. I would suggest that if possible the customer state the date the utility was contacted by the customer on their specific issue.

My final comments are general in nature. In the proposed rule in section 25-30.091(9), it refers to "whether the petition is sufficient for the Commission to act." This has no indication what this "Commission act" may be. The newly enacted statute, 367.072, Florida Statutes, specifically Section 5(b), establishes that the Commission may require the utility to take the necessary steps to correct the quality of water service issues identified, with the establishment of benchmarks and a timeframe, or in the alternative Section 5(c) allows the Commission to revoke the certificate.

There is no indication as to what standards may be established in determining whether the utility will be allowed to address the concerns raised by the petition or the Commission immediately moves forward with revocation. This may be intended as each circumstance must be evaluated on its own merits. Moving forward with a revocation is an extreme measure without an opportunity for the utility to rectify any customer concerns. This consideration should also include a cost factor in that the utility should be allowed the opportunity to not only identify potential solutions, but also to compile the potential costs and potential impacts to its customers. I believe it is imperative that the utility should be allowed to meet with the customers and discuss these potential impacts to rates prior to being directed to undertake any such solution.

A further discussion should be undertaken as to the revocation process in how the subsequent sale of the utility will move forward. Although outside the jurisdiction of this Commission, the subsequent sale of the utility's assets should be further discussed so as to avoid an unconstitutional "taking" of property without just compensation.

Thank you for your consideration, and if you have any questions, please do not hesitate to contact me at (727) 848-8292, ext. 245, or via e-mail at trendell@uswatercorp.net.

Sincerely,

A handwritten signature in cursive script, appearing to read "Troy Rendell". The signature is written in black ink and is positioned above the printed name.

Troy Rendell
Manager of Regulated Utilities