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

DATE: July 7, 2016

TO: Carlotta S. Stauffer, Commission Clerk, Office of Commission Clerk

FROM: Kelley F. Corbari, Senior Attorney, Office of the General Counsel

RE: Docket No. 140217-WU – Application of Cedar Acres, Inc. for Staff Assisted Rate Case in Sumter County.

Attached please find a copy of Staff's correspondence to Mr. Kroll in regard to his complaint against Cedar Acres, Inc. (CATS # 1214002W). Please file the attached in the <u>documents</u> tab of the above-referenced docket file and reference Document # 04226-16.

Thank you for your assistance in this matter. Should you have any questions, please do not hesitate to contact me.

KFC

Kelley Corbari

From:	Kelley Corbari
Sent:	Thursday, July 07, 2016 2:26 PM
То:	'jjkllfl@aol.com'; 'davidjsimons@aol.com' (davidjsimons@aol.com)
Cc:	'carolee.mcreynolds'; 'cmihoff'; 'JDRNCCM0'; 'jason.seyfert'; 'jb524'; 'sajakg';
	'lauradiscala'; 'manuel.cardona'; 'mikemanninglmt'; 'miltandbeth'; 'norconcolburn';
	merchant.tricia@leg.state.fl.us; Stephanie A. Morse - OPC; Randy Roland
Subject:	Cedar Acres - Customer Complaint 1214002W
Attachments:	Cedar Acres - DEP Notice 2.pdf; Cedar Acres - DEP Notice.pdf

Dear Mr. Kroll,

Commission Staff reviewed your complaint regarding the Cedar Acres outage on June 6, 2016. After looking into the incident and reviewing all the information, Staff believes the explanation given by the Utility for the cause of the outage to be sufficient and believes the Utility's response and actions following the incident were proper. In addition, I have attached correspondence from the Department of Environmental Protection stating the Utility's response was proper. (*See DEP correspondence attached*)

Pending no further objection, your complaint will be closed on July 11, 2016. Should you have any questions, please do not hesitate to contact me.

Thank you, Kelley Corbari

cc: Docket File (140217-WU)

Kelley F. Corbari,

Senior Attorney – Regulatory Analysis Section Office of the General Counsel FLORIDA PUBLIC SERVICE COMMISSION Email: <u>KCorbari@psc.state.fl.us</u> Direct Phone: (850) 413-6234 Direct Fax: (850) 413-6235

PLEASE NOTE: Florida has a very broad public records law. Most written communications to or from state officials regarding state business are considered to be public records and will be made available to the public and the media upon request. Therefore, your e-mail message may be subject to public disclosure.

From: Angela Charles On Behalf Of Records Clerk Sent: Tuesday, July 05, 2016 9:18 AM To: Cissy Galloway; Amber Norris Subject: FW: Customer Complaint1214002W From: jjkllfl@aol.com [mailto:jjkllfl@aol.com]
Sent: Monday, July 04, 2016 8:19 PM
To: davidjsimons@aol.com
Cc: carolee.mcreynolds@gmail.com; carolee.mcreynolds@gmail.com; Records Clerk; JDRNCCM0@gmail.com; jason.seyfert@dep.state.fl.us; jb524@live.com; Jerry Hallenstein; lames@psc.state.fl.us; lauradiscala@yahoo.com; manuel.cardona@dep.state.fl.us; merchant.tricia@leg.state.fl.us; mikemanninglmt@aol.com; miltandbeth@gmail.com; norconcolburn@aol.com; woods.monica@leg.state.fl.us

Subject: Re: Customer Complaint1214002W

Mr. Simons, your correspondence does not clearly address the 4 questions presented in our 6-27-16 correspondence to you. Specific descriptions as to the function of the primary well, the generator, the secondary well (back up) and emergency procedures when shared with the residents may assist in establishing improved community relations with the residents. A better understanding of the water system and how it is supposed to work certainly will clear up questions being asked.

I have not received the email you claim the DEP sent me indicating you went "buy the book " regarding the 6-6-16 incident...could you please forward me a copy ? Thanks.....

-----Original Message-----

From: davidjsimons <<u>davidjsimons@aol.com</u>>

To: jjkllfl <jjkllfl@aol.com>

Cc: carolee.mcreynolds <<u>carolee.mcreynolds@gmail.com</u>>; clerk <<u>clerk@psc.state.fl.us</u>>; cmihoff <<u>cmihoff@aol.com</u>>; JDRNCCM0 <<u>JDRNCCM0@gmail.com</u>>; jason.seyfert <<u>jason.seyfert@dep.state.fl.us</u>>; jb524 <<u>jb524@live.com</u>>; jhallens <<u>jhallens@psc.state.fl.us</u>>; sajakg <<u>sajakg@aol.com</u>>; lames <<u>lames@psc.state.fl.us</u>>; lauradiscala <<u>lauradiscala@yahoo.com</u>>; manuel.cardona <<u>manuel.cardona@dep.state.fl.us</u>>; merchant.tricia <<u>merchant.tricia@leg.state.fl.us</u>>; mikemanningImt <<u>mikemanningImt@aol.com</u>>; miltandbeth@gmail.com>; norconcolburn <<u>norconcolburn@aol.com</u>>; woods.monica <<u>woods.monica@leg.state.fl.us</u>>; pscreply <<u>pscreply@psc.state.fl.us</u>> Sent: Thu, Jun 30, 2016 11:30 am Subject: Re: Customer Complaint1214002W

Dear Mr. Kroll,

As I have explained in my last two responses, the problem was the Duke Power transformer blowing and tripping the

circuit breakers on the primary pump and the back up pump. The circuit breakers are there to protect the system from

a power surge overload. When a power surge is strong enough to blow a transformer, the breakers did there job. The generator

is a back up power system, if the electric goes out. Again, the generator worked fine. The problem was that the breakers

needed to be reset, but only after a system inspection to determine the problem and that there were no other problems.

The system has an auto dialer that calls myself and the plant operator in the event of a system problem. The auto dialer

has its own battery. This does not tell us what the problem is, but allows us to send a technician to identify and correct

the problem. The residents were told by message blast, once the problem was identified. The entire process took about

2 hours, from transformer blowing out to the return of the water supply. A boil water notice was issued as required by

D.E.P. The notice was rescinded, after the water was tested and cleared as required by D.E.P.

Lastly, the D.E.P. e-mail I mentioned was sent to you on June 16, 2016 at 1:56 p.m.. It was also sent to mbermude@psc.state.fl.us

and bjoiner@psc.state.fl.us.

Yours truly,

David J. Simons Cedar Acres, Inc.

-----Original Message-----From: jjkllfl <jjkllfl@aol.com> To: davidjsimons <<u>davidjsimons@aol.com</u>> Cc: carolee.mcreynolds <<u>carolee.mcreynolds@gmail.com</u>>; carolee.mcreynolds <<u>carolee.mcreynolds@gmail.com</u>>; clerk <<u>clerk@psc.state.fl.us</u>>; cmihoff <<u>cmihoff@aol.com</u>>; cmihoff <<u>cmihoff@aol.com</u>>; JDRNCCM0 <<u>JDRNCCM0@gmail.com</u>>; jason.seyfert <<u>jason.seyfert@dep.state.fl.us</u>>; jb524 <jb524@live.com>; jhallens <<u>jhallens@psc.state.fl.us</u>>; sajakg <<u>sajakg@aol.com</u>>; lames <<u>lames@psc.state.fl.us</u>>; lauradiscala <<u>lauradiscala@yahoo.com</u>>; manuel.cardona <<u>manuel.cardona@dep.state.fl.us</u>>; merchant.tricia <<u>merchant.tricia@leg.state.fl.us</u>>; mikemanningImt <<u>mikemanningImt@aol.com</u>>; miltandbeth@gmail.com>; norconcolburn <<u>norconcolburn@aol.com</u>>; woods.monica <<u>woods.monica@leg.state.fl.us</u>> Sent: Mon, Jun 27, 2016 12:49 pm Subject: Re: Customer Complaint1214002W

Perhaps there is some confusion as to the roles the well, the generator, the back up well & the emergency notification system (not the boil water program). Specifically, can you describe the sequence of events which is supposed to happen when

1. The primary well is not functioning properly and/or there is no power to the primary well.

2. The role of the generator once the primary well has no power or is not functioning properly.

3. The role of the back up well in the event the primary & generator are disabled (as happened 6-6-16).

4. How are Cedar Acres & the Oakland Hills residents being made aware of all of the aforementioned emergencies in order to minimize any safety concerns & return service in an expeditious manner.

Clarification of these issues when shared with the residents may help alleviate some concerns of the residents.......Thanks....

I have not received any information from the DEP indicating Cedar Acres did things by the book during this past incident.....Maybe you could forward your copy for our files....Thanks again....

-----Original Message-----

From: davidjsimons < davidjsimons@aol.com >

To: jjkllfl <jjkllfl@aol.com>; carolee.mcreynolds <<u>carolee.mcreynolds@gmail.com</u>>; clerk <<u>clerk@psc.state.fl.us</u>>; cmihoff <<u>cmihoff@aol.com</u>>; JDRNCCM0 <<u>JDRNCCM0@gmail.com</u>>; jason.seyfert <<u>jason.seyfert@dep.state.fl.us</u>>; jhallens <<u>jhallens@psc.state.fl.us</u>>; sajakg <<u>sajakg@aol.com</u>>; lauradiscala <<u>lauradiscala@yahoo.com</u>>; manuel.cardona <<u>manuel.cardona@dep.state.fl.us</u>>; merchant.tricia <<u>merchant.tricia@leg.state.fl.us</u>>; mikemanningImt <<u>mikemanningImt@aol.com</u>>; miltandbeth <<u>miltandbeth@gmail.com</u>>; norconcolburn@aol.com>; woods.monica <<u>woods.monica@leg.state.fl.us</u>>; pscreply <<u>pscreply@psc.state.fl.us</u>>; davidjsimons <<u>davidjsimons@aol.com</u>>; cedaracreswater <<u>cedaracreswater@gmail.com</u>> Sent: Wed, Jun 22, 2016 1:32 pm Subject: Re: Customer Complaint1214002W

Dear Mr. Kroll,

The generator did not fail. The Duke Power transformer blew and caused a surge through the system. The surge tripped the breakers on the primary

and secondary pumps. That is what they are supposed to do, to save the system. The generator worked fine, and the power came on after it was

rerouted. However, the breakers needed to be reset after the technician inspected the system. Residents were contacted by message blast and

messages and calls were returned (yours included), once the problem was identified. This was explained in my last reply.

Additionally, as you have read the March report, you are aware that Cedar Acres, Inc. has an auto-dialer on the system. The auto-dialer alerts

us to a problem in the system. While many residents did call, and I returned these calls, this is NOT only way we know there is a problem. The technician

still needs to check the system and identify and correct any problems.

Lastly, you personally were sent a copy of the D.E.P. supervisors e-mail that stated we did everything "by the book".

Yours truly,

David J. Simons

Cedar Acres, Inc.

-----Original Message-----

From: jjkllfl <<u>jjkllfl@aol.com</u>> To: davidjsimons <<u>davidjsimons@aol.com</u>>; carolee.mcreynolds <<u>carolee.mcreynolds@gmail.com</u>>; clerk <<u>clerk@psc.state.fl.us</u>>; cmihoff <<u>cmihoff@aol.com</u>>; JDRNCCM0 <<u>JDRNCCM0@gmail.com</u>>; jason.seyfert <<u>jason.seyfert@dep.state.fl.us</u>>; jhallens <<u>jhallens@psc.state.fl.us</u>>; sajakg <<u>sajakg@aol.com</u>>; lauradiscala <<u>lauradiscala@yahoo.com</u>>; manuel.cardona <<u>manuel.cardona@dep.state.fl.us</u>>; merchant.tricia <<u>merchant.tricia@leg.state.fl.us</u>>; mikemanningImt <<u>mikemanningImt@aol.com</u>>; miltandbeth@gmail.com>; norconcolburn <<u>norconcolburn@aol.com</u>>; woods.monica <<u>woods.monica@leg.state.fl.us</u>> Sent: Fri, Jun 17, 2016 2:23 pm Subject: Re: Customer Complaint1214002W

Thanks for getting back to us.....It is our understanding one of the functions of the generator was to provide back up service in case of a power loss to the well and the generator is to function on it's own power source independent of the main power source (ie battery or gas powered). If this is accurate, then how did both the main power & alternate power fail simultaneaously? No alarms went off at the site indicating any failures & why were no residents contacted once Cedar Acres was made aware of the emergency. We believe Cedar Acres was only aware of a problem once notified by residents who had no water. If both the main power failed & the generator failed, why didn't the second back up well start providing water?

-----Original Message-----From: davidjsimons <<u>davidjsimons@aol.com</u>> To: pscreply <<u>pscreply@psc.state.fl.us</u>>; bjoiner <<u>bjoiner@psc.state.fl.us</u>>; mbermude <<u>mbermude@psc.state.fl.us</u>>; jjkllfl <jjkllfl@aol.com>; davidjsimons <<u>davidjsimons@aol.com</u>>; cedaracresinc <<u>cedaracresinc@gmail.com</u>> Sent: Thu, Jun 16, 2016 10:50 am Subject: Customer Complaint1214002W

Dear Mr. Kroll,

On June 6, 2016, Duke power had a transformer blow out near the Oakland Hills sub-division. Many of

your fellow residents heard the loud explosion that caused a power outage in Oakland Hills. The surge from

the transformer caused the circuit breakers from the pump and generator to trip at about 11:00 a.m.

Immediately after this happened, Cedar Acres called the plant operator and a technician was sent to

identify and correct the problem. During this time many calls were received by Cedar Acres, including your

call. All calls were answered or returned, (including yours) once the problem was identified and corrected.

Be aware we only have two employees, (including one unpaid slave), to answer and return all calls. Many of these calls (including yours) went to voice-mail and were returned later in the day.

The message blast system was also used to advise the residents of the boil water notice and it's later rescission.

The water pressure was returned about 1:00 p.m. the same day, although the required boil water notice was issued as required by D.E.P. Please note the circuit breakers performed as required to protect the over-all system. This was not just a power outage, but a transformer blow out.

Yours truly,

David J. Simons Cedar Acres, Inc.

140217-WUL

DEP Notice Z

 From:
 Kelley Corbari

 To:
 Kelley Corbari

 Subject:
 FW: Oakland Hills Water Plant

 Date:
 Thursday, July 07, 2016 10:25:55 AM

 Attachments:
 image001.png image002.png image003.png

From: Cissy Galloway Sent: Wednesday, July 06, 2016 3:59 PM To: Amber Norris; Kelley Corbari; Bart Fletcher Subject: FW: Oakland Hills Water Plant

Fyi

From: <u>davidjsimons@aol.com</u> [<u>mailto:davidjsimons@aol.com</u>] Sent: Wednesday, July 06, 2016 3:07 PM To: Moni Mtenga; Cissy Galloway; <u>universalwaters94@yahoo.com</u>; <u>artesianwaterflorida@yahoo.com</u>; Jerry Hallenstein Subject: Fwd: Oakland Hills Water Plant

-----Original Message-----From: davidjsimons <<u>davidjsimons@aol.com</u>> To: bjoiner <<u>bjoiner@psc.state.fl.us</u>>; jjkllfl <<u>jjkllfl@aol.com</u>>; mbermude <<u>mbermude@psc.state.fl.us</u>>; Davidjsimons <<u>Davidjsimons@aol.com</u>> Sent: Thu, Jun 16, 2016 1:56 pm Subject: Fwd: Oakland Hills Water Plant

-----Original Message-----From: Hesser, William <<u>William.Hesser@dep.state.fl.us</u>> To: davidjsimons <<u>davidjsimons@aol.com</u>> Sent: Fri, Jun 10, 2016 10:28 am Subject: RE: Oakland Hills Water Plant

Thank you, David. It looks like your operator did everything according to the book; we had numerous people out for training today, so I wasn't able to track down the info internally.

Bill

From: <u>davidjsimons@aol.com</u> [mailto:davidjsimons@aol.com] Sent: Thursday, June 09, 2016 6:57 PM To: Hesser, William <<u>William.Hesser@dep.state.fl.us</u>> Subject: Re: Oakland Hills Water Plant

Mr. Hesser,

Boil water notice was rescinded last night. A message blast was sent, sign removed, H.o.a. Called and resident calls returned advising them boil water notice was over.

David

Sent from AOL Mobile Mail

-----Original Message-----From: Hesser, William <<u>William.Hesser@dep.state.fl.us</u>> To: DAVIDJSIMONS <<u>DAVIDJSIMONS@AOL.COM</u>> Sent: Thu, Jun 9, 2016 02:59 PM Subject: Oakland Hills Water Plant

Hello David -

Do you have any information regarding a boil water notice for the Oakland Hills water system from earlier this week?

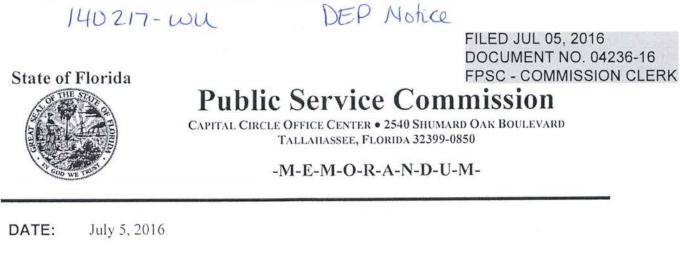
Thank you,

Bill Hesser



William Hesser Water Resources Compliance Assurance Central District – Orlando William.Hesser@dep.state.fl.us Office: 407-897-4170





DATE:	July 5, 2016
TO:	Carlotta S. Stauffer, Commission Clerk, Office of Commission Clerk
FROM:	MMM PoE Moniaishi Mtenga, Engineering Specialist I, Division of Engineering
RE:	Docket No. 140217-WU Application for staff-assisted rate case in Sumter County by Cedar Acres Inc.

Please place the following documents in the docket file. This document is an email from DEP stating that Cedar Acres is in compliance with DEP.

Moni Mtenga

From: Sent: To: Subject: Cardona, Manuel <Manuel.Cardona@dep.state.fl.us> Friday, July 01, 2016 2:56 PM Moni Mtenga 6604824 OAKLAND HILLS

Good Afternoon Ms. Mtenga,

The deficiencies that were listed in the sanitary survey dated May 21, 2015, have been corrected. The system is currently in compliance with Department rules and regulations. There was an outage incident that occurred on June 6, 2016 that necessitated the issuance of a precautionary boil water notice however, residents were notified via telephone in accordance with DOH Guidelines.

Any questions please feel free to call me.

Regards, Manny



Manuel F. Cardona Environmental Specialist Central District – Orlando <u>Manuel.Cardona@dep.state.fl.us</u> Office: 407-897-4134

