

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-**

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**DATE:** April 7, 2020

**TO:** Docket File

**FROM:** Adam J. Teitzman, Commission Clerk, Office of Commission Clerk AT

**RE:** Docket No. 20190166-WU - Application for increase in water rates in Highlands County by HC Waterworks, Inc.

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Please place the attached email in the correspondence file for Docket No. 20190166-WU.

## Adam Teitzman

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**From:** Durbin, Carolyn <cdurbin@highlandsfl.gov>  
**Sent:** Monday, April 06, 2020 3:30 PM  
**To:** Adam Teitzman  
**Subject:** FW: Docket No. 20190166-WU, HC Waterworks  
**Attachments:** ltr to Florida Public Service Commission-040620.pdf

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**From:** Durbin, Carolyn  
**Sent:** Monday, April 6, 2020 3:10 PM  
**To:** ateitzman@psc.state.fl.us  
**Cc:** kherrick@psc.state.fl.us; Randal E. Vosburg (Rvosburg@hcbcc.org) <Rvosburg@hcbcc.org>; Carmichael, Joy <jcarmichael@highlandsfl.gov>; kelly.jr@leg.state.fl.us; trendell@uswatercorp.net  
**Subject:** Docket No. 20190166-WU, HC Waterworks

Mr. Teitzman

Please see attached letter from Ms. Carmichael, County Attorney for Highlands County, Florida with regards to the above-referenced matter.

Sincerely,



**Carolyn G. Durbin**  
Paralegal  
Highlands County Board of County Commissioners  
Direct: 863-402-6501  
Online: <http://www.highlandsfl.gov>  
Physical: [600 S Commerce Ave, Sebring, FL 33870](http://www.highlandsfl.gov)



**HIGHLANDS COUNTY ATTORNEY'S OFFICE**  
600 South Commerce Avenue  
Sebring, Florida 33870  
Tel: (863) 402-6501

Joy Cook Carmichael, County Attorney  
Carolyn Durbin, Paralegal

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April 6, 2020

VIA ELECTRONIC MAIL DELIVERY

FLORIDA PUBLIC SERVICE COMMISSION  
c/o Adam Teitzman, Clerk  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0870

Re: Docket No. 20190166-WU, HC Waterworks

Dear Mr. Teitzman:

This letter is provided on behalf of the Board of County Commissioners of Highlands County ("Board") in response to the Application of HC Waterworks, Inc. for Increased Interim and Final Water Rates in Highlands County, dated December 13, 2019 ("Application"), and the subsequent letter provided to the County Administrator of Highlands County, dated January 15, 2020, pursuant to Section 367.091(2), Florida Statutes. Following receipt of the letter to the County Administrator, the Board decided to wait until the Customer Meeting, prior to making a determination on whether the Board would provide any response to the Public Service Commission ("Commission") on HC Waterworks' Application. The Customer Meeting was held on February 20, 2020, and approximately 20 customers spoke at the Customer Meeting. Many of the customers' comments are summarized in the list below:

1<sup>st</sup> speaker – black water

2<sup>nd</sup> speaker – black water after flushing toilet; odor like sewage

3<sup>rd</sup> speaker – water in every color; white like milk and thickens with a film on top; no notification of boil water notices until after cancellation of notice; white clothes are ruined in two washes; water is shut-off without notice; \$85 monthly bill for family of three with a newborn without using water for drinking or cooking; presented picture of a sink stained brown

4<sup>th</sup> speaker – no rate hike should be permitted until problem is solved

5<sup>th</sup> speaker – black water; \$95.00 water bill for 3,000 gallons

6<sup>th</sup> speaker – billed for thousands of gallons while he was absent during the summer

7<sup>th</sup> speaker – sand in the bottom of the shower; dirt coming through water

8<sup>th</sup> speaker – suggested giving neighboring municipalities the right to provide service

9<sup>th</sup> speaker - water contains clumps of clay, sand and pieces of metal in bathtub; the house has new pipes; odor of boiled eggs; yellow tan color; in January 2020 shower caused a chemical bath sensation and caused lungs to burn; did not receive “No Boil Notice”, but received “Cancellation of No Boil Notice”

10<sup>th</sup> speaker – water quality reports have not been received from HC, are those reports required?

11<sup>th</sup> speaker – described an experience with HC due to a leak in his yard and an old service line that was uncovered;

12<sup>th</sup> speaker – commented on the performance of the Public Service Commission

13<sup>th</sup> speaker – only able to brush teeth 3 days without gagging during this season

14<sup>th</sup> speaker – experienced burning on skin from time to time; wrote to HC and complained about being required to buy bottled water; received a letter from HC that the water was not of drinking quality until further notice

15<sup>th</sup> speaker – water burning on skin; smell of chlorine; children complain about burning; dirt at end of bath; new water heater required because of dirt; every fish dies in fish tank; fish tank and sippie cups covered with white stuff

16<sup>th</sup> speaker – [comments not noted]

17<sup>th</sup> speaker – went to ER because of a chemical sensation; sores and scabs on husband’ legs; workers of HC will not drink the water

Upon learning of the customers’ comments and complaints, the Board decided to send this letter to request that the Commission conduct an investigation of the quality of the water provided to HC Waterworks’ customers. The Board also requests that the Commission require HC Waterworks to remedy deficiencies in the quality of water, prior to entering a Final Order to approve the rate increase requested in the Application.

In every rate case proceeding, the Commission is required, pursuant to Rule 25-30.433, Florida Administrative Code, to, “make a determination of the quality of service provided by the utility by evaluating the quality of the utility’s product (water) and the utility’s attempt to address customer satisfaction (water and wastewater)”. Among other requirements for ensuring the

quality of service by a water utility, Rule 25-30.433(1), Florida Administrative Code, mandates that the Commission consider, "any testimony, complaints and comments of the utility's customers and others with knowledge of the utility's quality of service." In addition, Rule 25-30.433(2), Florida Administrative Code, requires the Commission to consider, "any testimony, complaints, and comments of the utility's customers and others with knowledge of the infrastructure and operational conditions of the utility's plan and facilities", in determining whether the infrastructure and operational conditions of the plant and facilities are in compliance with applicable rules.

At this time, the Board has not conducted an independent investigation and has not determined whether the Board will intervene in this case. However, in the event that the Board learns of any additional information that is relevant to the rate case proceeding involving HC Waterworks, the Board will provide additional information to the Commission.

Thank you for your consideration of this matter. Please file this letter with the docket.

Sincerely,

*Joy T. Carmichael*

Joy Cook Carmichael

cc: Randy Vosburg, County Administrator  
Chairman and Members of the Board of County Commissioners of Highlands County  
Keith Hetrick, General Counsel, Office of the General Counsel, Public Service Commission  
J.R. Kelly, General Counsel, Office of the Public Counsel  
Troy Rendell, Vice President, Investor Owned Utilities for HC Waterworks, Inc.