

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Application for certificate to provide
wastewater service in Charlotte County, by
Environmental Utilities, LLC

DOCKET NO. 20200226-SU

PALM ISLAND ESTATES ASSOCIATION, INC.’S PREHEARING STATEMENT

PALM ISLAND ESTATES ASSOCIATION, INC. (“PIE”), pursuant to the September 2, 2021 Order Establishing Procedures, submits this Prehearing Statement as follows:

1. Witnesses whose testimony has been prefiled along with the subject matter of each witness’ testimony and the corresponding issue numbers:

| Witness | Subject Matter | Issue # |
|----------------------------|--|-------------------|
| Meryl Schaffer | Palm Island Estates Association, Inc. as an organization; absence of water quality testing and results; and lack of request for sewers | 2, 3, 9 and 14 |
| Ellen Hardgrove, AICP | Need for service, consistency with Charlotte County comprehensive plan, public interest | 2, 3, 8, 9 and 14 |
| Robert Weisberg, Ph.D. | Need for service, causes of algae blooms, lack of scientific data to support Environmental Utilities’s need for service, public interest | 2, 3, 9 and 14 |
| Sheri Schultz, CPA/ABV/CFF | Financial ability to serve requested territory, public interest | 5, 9 and 14 |
| Stephen J. Suggs, P.E. | Cost of various systems and whether same is feasible, technical ability and public interest | 6, 7, 9 and 14 |

2. All known exhibits:

| Witness | Proffered By | Exhibit No. | Description | Issue # |
|----------------------------|---------------------|--------------------|--|-------------------|
| Ellen Hardgrove | PIE | EH-1 | Affidavit of Ellen Hardgrove, with curriculum vitae | 2, 3, 8, 9 and 14 |
| Ellen Hardgrove | PIE | EH-2 | Rebuttal to Charlotte County Utilities 9/27/2021 correspondence to PSC | 2, 3, 8, 9 and 14 |
| Ellen Hardgrove | PIE | EH-3 | Charlotte County Comprehensive Plan sections | 2, 3, 8, 9 and 14 |
| Ellen Hardgrove | PIE | EH-3(a) | 5-year Capital Improvement Schedule for Charlotte County | 2, 3, 8, 9 and 14 |
| Robert H. Weisberg, Ph.D. | PIE | RW-1 | Affidavit of Robert H. Weisberg, Ph.D., with curriculum vitae | 2, 3, 9 and 14 |
| Sheri Schultz, CPA/ABV/CFP | PIE | SFS-1 | Memorandum dated 11/19/2021, with schedules | 5, 9 and 14 |
| Stephen J. Suggs, P.E. | PIE | SS-1 | Sewer Connection Memo | 6, 7, 9 and 14 |

3. Statement of PIE's basic position in the proceeding: PIE contends that there is a lack of demonstrable need for sewer services to the Charlotte County bridgeless barrier islands and that the imposition of such service would be contrary to Charlotte County's development scheme. PIE further contends that the applicant, Environmental Utilities, LLC, lacks the financial

wherewithal and technical ability to be able to operate the utility in accordance with the Florida Statutes and Florida Administrative Code.

4. Statement of each question of fact, question of law, and policy question that PIE considers at issue, along with the party's position on each issue, and, where applicable, the names of the party's witness(es) who will address each issue:

A. Whether there is a need for sewer service in the proposed service area? PIE's position on this issue is that the applicant has not established a need for service on the bridgeless barrier islands of Charlotte County. Ellen Hardgrove, AICP and Robert H. Weisberg, Ph.D., are expected to testify on this issue and have set forth, in their prefiled testimony and exhibits, that there is a lack of need (per the comprehensive plan and a lack of scientific data) to justify Environmental Utilities, LLC's receipt of a Certificate of Authorization. It is expected that Ms. Hardgrove will also testify that a comprehensive plan amendment will be needed to effectuate the Certificate of Authorization if approved.

B. Whether Environmental Utilities, LLC's application is consistent with Charlotte County's Sewer Master Plan? PIE's position on this issue is that the proposed utility service application is inconsistent with the Sewer Master Plan, that the Sewer Master Plan is inconsistent with the Charlotte County Comprehensive Plan and that, therefore, the Sewer Master Plan is not controlling and does not establish a need for service. Ellen Hardgrove, AICP and Robert H. Weisberg, Ph.D., are expected to testify on this issue and their testimony has been prefiled along with the exhibits they intend to use.

C. Whether the Charlotte County Sewer Master Plan is consistent with the Charlotte County Comprehensive Plan? PIE's position on this issue is that the proposed utility service is inconsistent with the Charlotte County Comprehensive Plan and that the Sewer Master

Plan has been extrapolated to apply to the bridgeless barrier islands based upon inapplicable data. Ellen Hardgrove, AICP and Robert Weisberg, Ph.D., are expected to testify on this issue. It is expected that Ms. Hardgrove will also testify that a comprehensive plan amendment will be needed to effectuate the Certificate of Authorization if approved.

D. Does Environmental Utilities have the financial ability to serve the requested territory? PIE's position on this issue is that, no, Environmental Utilities does not have the financial wherewithal to ably serve the requested territory. Sheri Schultz, CPA/ABV/CFF is expected to testify as to this issue and has submitted prefiled testimony and a memorandum in support of this position.

E. Has Environmental Utilities met the filing and noticing requirements pursuant to Rules 25-30.030 and 25-30.033, Florida Administrative Code? PIE has no position on this issue of compliance with F.A.C. 25-30.030 but believes the application is not in compliance with Section 25-30.033, Florida Administrative Code, as the application lacks mandatory information (e.g., no tariffs and rates included in the application). It is expected that Jack Boyer and/or the Corporate Representative of Environmental Utilities, LLC will testify on this topic area.

F. Will the certification of Environmental Utilities result in the creation of a utility which will be in competition with, or duplication of, any other system? PIE has no position on this issue.

G. Does Environmental Utilities have the technical ability to serve the requested territory? PIE's position on this issue is that the applicant does not have the technical ability to serve the requested territory. It is expected that Stephen Suggs, P.E., will testify on this issue.

H. Whether Environmental Utilities will have sufficient plant capacity to serve the requested territory? PIE's position is that Environmental Utilities does not have sufficient plant capacity to serve the requested territory. It is anticipated that Stephen Suggs, P.E., will testify as to this issue.

I. Has Environmental Utilities provided evidence that it has continued use of the land upon which the utility treatment facilities are or will be located? PIE's position is that the applicant does not have continued use of the land upon which the utility treatment facilities are or will be located. For example, the applicant does not have or maintain the necessary easements to allow for construction. Jack Boyer and/or the Corporate Representative of Environmental Utilities, LLC, are expected to give testimony on this issue.

J. Is it in the public interest for Environmental Utilities to be granted a wastewater certificate for the territory proposed in its application? PIE's position on this issue is that the public interest will not be served if Environmental Utilities is granted a wastewater certificate for the territory proposed in the application. It is expected that Ellen Hardgrove, AICP, Robert H. Weisberg, Ph.D., Sheri Schultz, CPA/ABV/CFF and Meryl Schaffer will give testimony on this topic to establish that the proposed application is inconsistent with the comprehensive plan, that there is no scientific evidence to establish degraded water quality on the bridgeless barrier islands, that the applicant lacks the financial and technical wherewithal to operate the utility and that service has not been requested by the residents on the bridgeless barrier islands.

K. What are the appropriate rate structures and rates for the wastewater system for Environmental Utilities? PIE has no position on this issue.

L. What are the appropriate service availability charges? PIE has no position on this issue.

M. What are the appropriate miscellaneous service charges for Environmental Utilities? PIE has no position on this issue.

N. What are the appropriate initial customer deposits for Environmental Utilities? PIE has no position on this issue.

O. Should this docket be closed? PIE's position on this issue is that, yes, the docket should be closed as Environmental Utilities has not established a need for service or that it is financially capable of and/or possesses the technical ability to operate the utility. It is expected that Ellen Hardgrove, AICP, Robert H. Weisberg, Ph.D., Sheri Schultz, CPA/ABV/CFF, Stephen Suggs, P.E. and Meryl Schaffer will give testimony on this topic.

5. Stipulations: None at this time.

6. Statement of all pending motions or other matters the party seeks action upon:
None at this time.

7. Requests for confidentiality: none at this time.

8. Objections to a witness' qualification as an expert: none.

9. Request for sequestration: PIE requests the sequestration of witnesses.

10. Statement as to any requirement of the Order Establishing Procedures that cannot be complied with: none at this time.

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing was emailed this 12th

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