

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

DOCKET NO. 20240032-SU

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PREHEARING STATEMENT OF ENVIRONMENTAL UTILITIES, LLC

Pursuant to the Order Establishing Procedure issued August 12, 2024, Environmental Utilities, LLC (“EU”), by and through its undersigned counsel, files its Prehearing Statement as follows:

(1). All Known Witnesses

EU relies on the prefiled testimony of and intends to call the following witnesses in its direct and rebuttal case (not necessarily in this order):

<u>Direct</u>	<u>Subject</u>	<u>Issues</u>
John R. Boyer	All technical and financial matters	1 - 9
Brian E. Lapointe, PhD	Environmental	2, 9
Jonathan H. Cole, P.E.	Construction & project costs	1, 9, 11, 14
Deborah D. Swain	Financial and ratemaking	1,10 - 14
Dave Watson	County Support	2, 3, 9, 14
Randy Bell	Technical Process	9
<u>Rebuttal</u>	<u>Subject</u>	<u>Issues</u>
John R. Boyer	All technical and financial matters	1 - 9
Brian E. Lapointe, PhD	Environmental	2, 9
Jonathan H. Cole, P.E.	Construction & project costs	1, 9, 11, 14

Deborah D. Swain	Financial and ratemaking	1, 10 - 14
Dave Watson	County Support	2, 3, 9
Randy Bell	Technical Process	9

EU reserves the right to present additional witnesses to address issues which have not been previously raised by the parties, the Commission Staff, or the Commissioners.

(2) All Known Exhibits

EU has identified and intends to sponsor the following exhibits in its direct and rebuttal case:

<u>Witness</u>	<u>Proffered By</u>	<u>Exhibit No.</u>	<u>Description</u>	<u>Issue #</u>
Direct				
John R. Boyer	EU	JRB-1	Application and Exhibits	1-14
John R. Boyer	EU	JRB-2	Tariff Changes	1, 11-14
John R. Boyer	EU	JRB-3	Aftermath of Hurricane Debbie Photos	2, 9
Brian E. Lapointe, PhD	EU	BEL-1	Environmental Report	2, 9
Jonathan H. Cole, P.E.	EU	JHC-1	Technical Memorandum	9, 11, 14
Jonathan H. Cole, P.E.	EU	JHC-2	System Maps	1
Jonathan H. Cole, P.E.	EU	JHC-3	Legal Description	1
Jonathon H. Cole, P.E.	EU	JHC-4	Line Capacities	1
Jonathan H. Cole, P.E.	EU	Supplemental Responses to Staff PODs 6, 7	Revised Map and Legal Description	1

Deborah D. Swain	EU	DDS-1	Financial Schedules	1, 10-14
Dave Watson	EU	DW-1	County Resolution 2023-155 supporting Application	2, 9
Dave Watson	EU	DW-2	Bulk Sewer Treatment Agreement	7, 9
Randy Bell	EU	RB-1	Schematic of Grinder Pump Installation	9
Randy Bell	EU	RB-2	Photos of Grinder Pump Installation	9
Randy Bell	EU	RB-3	Photos of Grinder Pumps After Installation	9
<u>Witness Rebuttal</u>	<u>Proffered by</u>	<u>Exhibit No.</u>	<u>Description</u>	<u>Issue #</u>
John R. Boyer	EU	JRB-4	Responses to Cotherman	1-14
John R. Boyer	EU	JRB-5	Aftermath of Hurricane Milton Photos	2, 9
John R. Boyer	EU	JRB-6	Department of Health Septic Tank Inspection Report	2, 9
Brian E. Lapointe, PhD	EU	BEL-2	Brewton et al Research Paper: Septic System-groundwater-surface water couplings in waterfront communities contribute to harmful algal blooms in Southwest Florida	2, 9
Brian E. Lapointe, PhD	EU	BEL-3	Tyre et al Research Paper: Widespread human waste pollution in surface waters observed throughout the urbanized, coastal communities of Lee County, Florida, USA	2, 9
Brian E. Lapointe, PhD	EU	BEL-4	Lapointe et al Research Paper: Fertilizer restrictions are not sufficient to mitigate nutrient pollution and harmful algal blooms in the Indian River Lagoon, Florida	2, 9

Brian E. Lapointe, PhD	EU	BEL-5	University of Florida Fertilizer Report	2, 9
Brian E. Lapointe, PhD	EU	BEL-6	Cabaco et al Research Paper: Effects of nutrient enrichment on seagrass population dynamics	2, 9
Jonathan H. Cole, P.E.	EU	JHC-5	Response to Cotherman	1-14
Jonathan H. Cole, P.E.	EU	JHC-6	Addendum to Technical Report	9, 11, 14
Deborah D. Swain	EU	DDS-2	Revised Financial Schedules	10-14
Randy Bell	EU	RB-4	EPA New Homebuyer's Guide to Septic Systems	2, 9

EU may utilize other documents as exhibits at the time of hearing, either during cross examination or as further impeachment or rebuttal exhibits, and the precise identification of such documents cannot be determined at this time.

(3) Statement of EU's Basic Position

The removal of septic tanks from the bridgeless barrier islands and diverting the wastewater flows to a central wastewater treatment plant on the mainland is a priority of Charlotte County as articulated by the County in the Bulk Wastewater Service Agreement entered into with EU, the Sewer Master Plan adopted by the County, Charlotte County Resolution 2023-155, and various State laws; and thus this septic-to-sewer project is in the public interest. EU has both the financial and technical ability to construct and operate the wastewater system and has otherwise met all Commission requirements for issuance of a wastewater certificate. The rates and charges proposed by EU are just, reasonable, compensatory and not unfairly discriminatory, and are in accordance with Commission practice.

(4) Questions of Fact that EU Considers at Issue, the Position on Each, and the Witness Testifying on Each Issue

ISSUE 1 Has Environmental Utilities met the filing and noticing requirements pursuant to Rules 25-30.030 and 25-30.033, Florida Administrative Code?
Position: Yes. (Boyer)

- ISSUE 2** Is there a need for service in EU' proposed service territory?
Position: Yes. Central wastewater service is needed at this time and the Charlotte County Master Sewer Plan identifies the islands as a priority for central wastewater service by 2022. EU expects to have the wastewater system operational by the end of 2026 (Boyer, Lapointe, Watson)
- ISSUE 3** Is EUs' application consistent with Charlotte County's Comprehensive Plan and/or Sewer Master Plan?
Position: Yes. (Boyer, Watson)
- ISSUE 4** Will the certification of EU result in the creation of a utility which will be in competition with, or duplication of, any other system?
Position: No. (Boyer, Watson)
- ISSUE 5** Does EU have the financial ability to serve the requested territory?
Position: Yes (Boyer)
- ISSUE 6** Does EU have the technical ability to serve the requested territory?
Position: Yes. (Boyer)
- ISSUE 7** Will EU have sufficient plant capacity to serve the requested territory?
Position: Yes, by virtue of the Bulk Sewer Treatment Agreement entered into with Charlotte County. (Boyer, Watson)
- ISSUE 8** Has EU provided evidence that it has continued use of the land upon which the utility treatment facilities are or will be located?
Position: N/A. This requirement is effectively satisfied through the Bulk Sewer Treatment Agreement entered into between EU and Charlotte County. (Boyer, Watson)
- ISSUE 9** Is it in the public interest for EU to be granted a wastewater certificate for the territory proposed in its application?
Position: Yes. The County has identified these islands as a priority for the removal of septic tanks which the Charlotte County Master Sewer Plan and environmental studies identify as a major contributor to the degradation of water quality in the waters adjacent to the County. (Boyer, Lapointe, Cole, Watson, Bell)
- ISSUE 10** What is the appropriate rate of return on equity for EU?
Position: 8.67%, which is based upon Order No. 2024-0165-PAA-WS (Swain)

ISSUE 11 What are the appropriate rates and rate structures for EU?

Position:

Base Facility Charge: 5/8" x 3/4" \$ 109.29
[all other meter sizes to be increased pursuant to Rule 25-30.055(1)(b), F.A.C.]
Residential Gallonage Charge (10,000 cap) \$ 18.82
General Service Gallonage Charge \$ 22.59
(Swain)

ISSUE 12 What are the appropriate initial customer deposits for EU?

Position: The customer deposit should be equal to the average charge for wastewater service for two months, based upon the approved final rates. (Swain)

ISSUE 13 What are the appropriate miscellaneous service charges for EU?

Position:

Premises Visit\$30.00
Violation Reconnection Charge Actual Cost
Late Payment Fee\$ 7.50
Bad Check ChargePursuant to §68.065, F. S.
(Swain)

ISSUE 14 What are the appropriate service availability charges for EU?

Position:

Main Capacity Charge
Residential per ERC \$ 15,587.00
All others per gallon \$ 72.16
Sewer Lateral Installation Fee \$ 1,414.25
(Swain)

ISSUE 15 Should this docket be closed?

Position: Yes.

Questions of Law that EU Considers at Issue, the Position on Each, and the Witness Testifying on Each Issue

EU is not aware of any questions of law not subsumed in the issues above.

Questions of Policy that EU Considers at Issue, the Position on Each, and the Witness Testifying on Each Issue

EU is not aware of any questions of policy not subsumed in the issues above.

(5). **Stipulated Issues**

The following issues are stipulated: None at this time.

(6). **Pending Motions and Other Open Matters**

EU is not aware of any pending Motions or open Matters

(7) **Statement Identifying Pending Requests for Confidentiality**

EU knows of no confidential documents to be introduced in this proceeding. However, should another party be allowed to introduce any documents not yet identified, EU reserves the right to assert a claim of confidentiality.

(8) **Objections to Qualifications of Witnesses**

EU objects to the qualifications of Robert J. Robbins as to the impacts of septic tanks on the environment, and nutrient concentrations on surface and ground water. EU also reserves the right to object to any opinions rendered that are beyond the expertise of any other witnesses.

(9) **Sequestration of Witnesses**

EU does not seek the sequestration of witnesses.

(10) **Reasons For Non-Compliance With Order (if any)**

None known at this time.

Respectfully submitted this 6th day of January, 2025,
by:

/s/ Martin S. Friedman

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by electronic mail to the following parties this 6th day of January, 2025:

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