I. Meeting Packet



State of Florida

Public Service Commission INTERNAL AFFAIRS AGENDA

Tuesday – August 16, 2022 Immediately Following Hearing Room 148 - Betty Easley Conference Center

- 1. Presentation by Gary Williams, Executive Director of the Florida Rural Water Association
- 2. General Counsel's Report
- 3. Executive Director's report
- 4. Other Matters

BB/aml

OUTSIDE PERSONS WISHING TO ADDRESS THE COMMISSION ON ANY OF THE AGENDAED ITEMS SHOULD CONTACT THE OFFICE OF THE EXECUTIVE DIRECTOR AT (850) 413-6463.

III.Supplemental Materials for Internal Affairs

<u>Note</u>: The following material pertains to Item 1 of this agenda.

Low-Income Household Water Assistance Program (LIHWAP)



The Low-Income Household Water Assistance Program (LIHWAP) will provide relief to low-income families in Florida that spend a high proportion of their household income on water utility services. The purpose of the program is to retain continuity of water services to low-income households in Florida with an emphasis on prevention of disconnection and restoration of water services to households whose water services were previously disconnected.

Approximately \$75 million through the Consolidated Appropriations Act of 2021 and the American Rescue Plan Act of 2021 was appropriated to Florida to assist low-income households with water and wastewater bills. This funding is federally administered by the United States Department of Health and Human Services (HHS) and will be state administered by the Florida Department of Economic Opportunity (DEO).

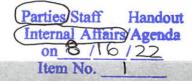
Benefits & Allowable Costs:

- Per guidance provided by HHS, Florida's LIHWAP will serve low-income Florida families at or below 60 percent of the State Median Income (SMI), which will be adjusted based on the household size.
- Maximum benefit is up to \$1,000 per household for any combination of water and wastewater utilities. Allowable costs include:
 - Arrearages
 - Fees/Fines
 - Prepayment (Current Due Bills)

LIHWAP Partnerships:

- DEO will utilize its network of Community Action Agencies across the state to administer the application intake and data verification process.
- Water Utility providers may also identify a potential LIHWAP applicant and refer the applicant to the Community Action Agency that serves their county to complete the application process to receive LIHWAP assistance.
- Community Action Agencies will administer payments directly to water and wastewater providers on behalf of the Florida Department of Economic Opportunity for obligations made to LIHWAP households, and will then be reimbursed for obligations on a monthly basis.

For more information about the LIHWAP Program, please visit <u>www.FloridaJobs.org/LIHWAP</u> or you may email specific questions regarding the program to <u>LIHWAP@DEO.MvFlorida.com</u>.





Low-Income Household Water Assistance Program



Division of Community Development Bureau of Economic Self-Sufficiency

Vendor Identification Form	
Water/Wastewater Entity Name:	
Company Contact (Name and Title):	
FEID:	
Phone: Email:	
Community Action Agency in Your Service Area (If known):	
Primary Low-Income Home Energy Assistance Program Contact (if kn	
What region/areas does your company service? (*If population served is approximation).	
Counties/Regions	Population Served
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^{*} Please send this completed form to <u>LIHWAP@DEO.MyFlorida.com</u>. You may also contact <u>LIWHAP@DEO.MyFlorida.com</u> if you have questions about how to fill out this form.

Public	
Private	
Please select the services your c	ompany provides. Check all that apply:
Water	
Wastewater	
Groundwater	
Stormwater	
Other	
program below:	ners/clients any other programs/resources? (Example: LIHEAP)
Does your company have a set b dates:	illing schedule? If yes, please provide the
Please provide your company's t refunds:	imeframe on
applies to the Convicted Vendor	e ability to conduct business with the state of Florida (*As it List identified in section 287.133(2), Florida Statutes (F.S.), or lentified in section 287.134(2), F.S.)?

Is your water/wastewater utility Publicly-Owned (*managed by local or state governments) or

Privately-Owned (*managed by investors or shareholders)?

^{*} Please send this completed form to LIHWAP@DEO.MyFlorida.com. You may also contact LIWHAP@DEO.MyFlorida.com if you have questions about how to fill out this form.

LIHWAP DCL-2021-12 Introduction to LIHWAP Invitation for Water Utility Vendors FY2021

Publication Date: July 29, 2021

Low Income Household Water Assistance Program

Dear Colleague Letter

DCL#:

LIHWAP-DCL-2021-12

DATE:

July 29, 2021

TO:

Water Utility Vendors

SUBJECT:

LIHWAP Introduction Webinar Invitation

ATTACHMENT(S):

N/A

Dear Colleagues,

The purpose of this message is to invite Water and Wastewater Utility Vendors to the upcoming *Low Income Household Water Assistance Program (LIHWAP) Introduction webinar* on Thursday, August 12 from 3:00 — 4:00pm (ET). Registration information is provided at the end of this letter.

The Low Income Household Water Assistance Program (LIHWAP) provides funds for assisting low-income households with water and wastewater bills. LIHWAP grants are available to States, the District of Columbia, U.S. Territories, and federally and state-recognized Indian Tribes and tribal organizations that received fiscal year 2021 Low Income Household Energy Assistance Program (LIHEAP) grants. The Consolidated Appropriations Act, 2021 (Public Law No.: 116-260) signed on December 27, 2020, included \$638 million in funding with instructions for the U.S. Department of Health and Human Services (HHS) to administer these grants. Additionally, on March 11, 2021, the American Rescue Plan Act of 2021 (Public Law No.: 117-2) appropriated an additional \$500 million to the new LIHWAP effort. The full appropriations language from both the Consolidated Appropriations Act of 2021 and the American Rescue Plan Act are available on our office's website through the following weblink:

https://www.acf.hhs.gov/ocs/law-regulation/lihwap-laws-and-regulations

LIHWAP Introduction Webinar

Date: Thursday, August 12, 2021

Time: 3:00 p.m. to 4:00 p.m. Eastern Time (ET)

Audience: All water and wastewater providers

Co-hosts: The webinar is being co-hosted by the National Association of Clean Water Agencies (NACWA) and the National Energy and Utility Affordability Coalition (NEUAC).

Purpose: This webinar will include an overview of the structure of the program at all levels, coordination of assistance for households, federal requirements of the program, and address water provider questions.

Registration Information

We ask Water Utility Vendors to pre-register and to submit with your registration questions you would like to be addressed by the federal staff. Register in advance for this webinar using this link: https://acf-hhs-gov.zoomgov.com/webinar/register/WN_vEKHHei4TPeP74NkS9Aclw

We look forward to working with you.

/s/
Lauren Christopher
Director, Division of Energy Assistance
Office of Community Services

Files

COMM_LIHWAP_DCL-2021-12 Introduction Webinar Invitation_FY2021 (260.38 KB)

IV. Transcript

1	TT 05 T5	BEFORE THE
2	FLORIDA	A PUBLIC SERVICE COMMISSION
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6		
7	PROCEEDINGS:	INTERNAL AFFAIRS
8 9	COMMISSIONERS PARTICIPATING:	CHAIRMAN ANDREW GILES FAY COMMISSIONER ART GRAHAM
10		COMMISSIONER GARY CLARK COMMISSIONER MIKE LA ROSA COMMISSIONER GABRIELLA PASSIDOMO
11	DATE:	Tuesday, August 16, 2022
12	TIME:	Commenced: 9:55 a.m.
13		Concluded: 10:49 a.m.
14	PLACE:	Betty Easley Conference Center
15		Room 148 4075 Esplanade Way
16		Tallahassee, Florida
17	REPORTED BY:	DEBRA R. KRICK Court Reporter and
18		Notary Public in and for the State of Florida at Large
19		che beate of Fiorida at Large
20		
21		PREMIER REPORTING 114 W. 5TH AVENUE
22		TALLAHASSEE, FLORIDA (850) 894-0828
23		(030) 024 0020
24		
25		

1	PROCEEDINGS
2	CHAIRMAN FAY: All right. I have 9:55 a.m.
3	We will start Internal Affairs.
4	As usual, Commissioners, I would like to
5	recognize our Employee of the Month, Sevini Guffey,
6	who is a Public Utility Analyst III in the Economic
7	Impact section.
8	Sevini does a lot, so I'm going to try not to
9	miss anything here in my talking points, but she
10	works in all the CERCs, the statements of economic
11	regulatory costs for the Commission. She's involved
12	in the electric and gas approval and territorial
13	agreements. She's been the lead analyst on numerous
14	dockets, including the territorial agreements and
15	purchased gas cost recovery.
16	She constantly, I would say sun like me, she
17	gets her drafts in early, which is very impressive,
18	Sevini. She has demonstrated commitment to working
19	collaboratively, which we always appreciate at the
20	Commission. And her members of her team are big
21	supporters of her. She's always eager to learn
22	something new. And most importantly, just
23	constantly adds a positive attitude. Is just really
24	a pleasure to talk with and meet with. And
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1	so with her heavy workload and working with her
2	colleagues, she still manages to keep that positive
3	attitude for everyone.
4	So with that, Commissioners, if you could just
5	join me in a round of applause of commending Sevini
6	Guffey for our Employee of the Month.
7	(Applause from the audience.)
8	CHAIRMAN FAY: And thank you for taking the time to
9	be here, Sevini. I appreciate it.
10	With that, Commissioners, we will move into
11	our presentation for today by Gary Williams, the
12	Executive Director for the Florida Rural Water
13	Association. I know we've had information
14	presented by the Rural Water Association before,
15	but post-pandemic we wanted to have Mr. Williams
16	back and see if he could provide some updates on
17	some of the things they are working on, and then
18	maybe questions and comments from the Commission.
19	So with that, Mr. Williams, I appreciate you
20	being here, and you are recognized. And just make
21	sure your mic is on there. We got you.
22	MR. WILLIAMS: Can you hear me?
23	CHAIRMAN FAY: Yes, we can. Thank you.
24	MR. WILLIAMS: Thank you, Mr. Chairman.
25	So I appreciate the opportunity to meet. I

would like to make this as conversational as

possible, so I will probably touch on a few points.

If you have questions or comments, you know, please interrupt me and we can have a discussion.

So the Florida Rural Water Association, as most of you know, is trade association for water and wastewater utilities in Florida. We work very closely with all of the water utilities, and we currently have 2,300 water and wastewater utility members throughout the state. So the association has grown from just representing the smaller systems to essentially representing all size So all different types, the types systems. for-profit, investor-owned, nonprofits, municipal, any of the governmental types of entities, special districts. So there is many types, and we work with all of them.

What I kind of like to do is start out with some issues that have been brought to our board of directors by our membership.

So last year at our annual conference 14 points of interest were brought to our board of directors related to things that water utilities thought we needed to work on more for them. And you will probably find many of those interesting

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and may have input and comments on that.

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The highest priority that was brought to us is workforce concerns. Water utilities are struggling to hire certified operators, keep certified operators, and essentially all of their different staff depending on size of the system, engineers, all of those people are in a short supply, and it's become very, very, very competitive to find those people and to find operators that are required by the Department of Environmental Protection to be certified and operate every system.

So there is a real shortage in that area, and I am sure you hear it too. Not only are we seeing the shortage, but we are seeing the sharp increase in compensation needed to hire and keep these employees.

Florida Rural Water, we have 44 employees now, and we've had some turnover. And so in the last six months, I have seen starting salary for people that we hire have to go up \$10,000 just to bring people into the association. So that's just kind of indicative of the type of thing that we are seeing in the industry and that we are seeing on the workforce standpoint.

We do expect to move forward this year with

asking the State Legislature to look at the
workforce issue and help us a little bit. And
those issues that we are going to try to bring
forward are trying to get statutory authority to
allow reciprocity in the state of Florida.

Interestingly, Florida and the drinking water side of Nebraska are the only two states that don't have reciprocity for operators from one state, you know, to move and join the workforce in another state. So regulatorily, we don't have really a lot of options unless we address the statutory issue to allow it. So we are going to go forward and try to did that. It would still be that there would be a regulatory determination of level of operator, you know, and their classification to move to Florida.

Another thing we are going to try to do is get water and wastewater workforce clearly established as critical and essential. It hasn't really been established as that. Obviously they are clearly, you know, critical and essential because it's critical infrastructure. So we want to get the workforce, you know, established as that also.

We also want to have, in an emergency, out-of-state people that come to Florida to help water utilities for their credentials to be

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recognized so that they can move in, operate
facilities. That will allow the employees of that
system to take care of family and take care of
there home issues if we can bring home people in to
back-stop them.

ask for additional credit for military and veterans coming into our industry. We've noticed that that's a large number of people available in coming in. We want to make it easier for them to transition into the water and wastewater industry and get credit for their military experience, even if it's not directly related to environmental to water and wastewater, because they come in with a lot of credentials that we need in the industry, even if they are not going to be the operator for water and wastewater.

So those are the four things that we are going to approach the Legislature with related to getting authority to be able to expand the workforce. So I wanted to let you know that, that we are moving forward with the other water utility associations, American Water Works Association for Florida and the Florida Water Environment Association.

I want to mention also we've -- a couple of

1	years ago we started an apprenticeship program,
2	which is an official two-year program, to train
3	people coming into our industry. We've held two
4	successful rounds of that. It's really taking off,
5	and we are getting a number of people interested.
6	And so starting in October, we plan to have four
7	starting in the state. We will have one in the
8	southeast, another one in the southwest. We will
9	have one in the northeast, and we are going to have
10	one in the Panhandle. We've been hearing from our
11	members that that's a very good program, and we
12	want to increase the amount of apprenticeship
13	courses we can hold.
14	How that really works is the water utility
15	commits to have some people in the apprenticeship
16	program, and then we get them certified and train
17	them to be the best employee, not only in
18	operations, but management, you know, finance and
19	all of that. So it's more in it's a real
20	beneficial two-year program recognized by the
21	Department of Labor so they can get a credential
22	that is actually nationwide.
23	So that's kind of the first thing we heard
24	from water utilities.
25	The other thing we heard loud and clear was

that they need help on project completion. And what that essentially is, is that there is a lot of projects teed up. As you know, there is a lot of infrastructure money coming down through various programs, but many of the small systems needed help in making sure that they could apply for those monies, that they had the necessary information on the project to be able to be successfully awarded those loans and grants that are coming down.

So we've added and expanded, like, five of our staff to actually help them fill out USDA rule development apply -- applications. SRF request for inclusion, and any other program for the application process to get started.

We also have engineers on staff, and that's interesting. We have two on staff, but we are doing so many engineering projects, we are managing hundreds that we actually currently have 24 what I will call subengineers that work for the association that we ask to do work for small systems for a small contribution, so, like, 3,000 or 4,000 to get some project moved forward and permitting accomplished.

And so it's been a very good program. We keep adding engineers to it, because what happens is we

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give them projects, they do a great job for the utility, and then they become, like, the preferred consultant for that utility, and they do more jobs for them, and so they don't have capacity to take on a bunch of additional ones. So it's been good for everybody. We keep adding people to it.

Typically, if we are not involved, they are probably going to have \$50,000 consulting fee. And so we tried to negotiate something, you know, in the \$3,000 to \$5,000 range so that the utility can afford it and move forward and get their project permitted and completed, and get it into the queue. So it's been very good, and very good for the water utilities too.

On that, I think I told you the last time we talked -- actually it's been a few years since I have been here in person. I think the last two times we talked was virtually, so it's good to be back. But we have this asset management program where we are doing extensive asset management programs for systems. We've done probably 250. We've actually teed up almost 500 million of needed water and wastewater projects based upon those asset management plans.

So what that means is we go in and we

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determine the condition of their assets, the remaining useful life, when they need to move forward on replacement, repair, rehab, and that tees up projects that we then try to develop and move forward for funding. So we are trying to increase the reliability and sustainability of these systems and identify the projects and move them for funding.

So that's been a very good program, and that's why after we identified all these projects, that's when the systems came back and said, hey, we need help on the next step. We've identified the project we need, but we need help on moving them forward to get funded and get them, the projects needed.

So the other thing that we are dealing with on projects is there has been supply chain delays.

And I will just, you know, kind of mention some of that. So it's been very tough to get materials needed for emergencies, and also to keep construction projects on, you know, moving forward.

We have used the utility helping utility method to try to keep those on point. So what that means is if somebody needs a special part, and we can't get it from a vendor, we've reached out

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through the network to ask if any water utility
would have that available in inventory, okay.

So we did that on emergencies, and then we started doing it on construction projects that were delayed. It works very effectively, but I have got some concerns going forward, because normally we are asking large utilities to look in their inventory and get stuff. They haven't been able to replace those by their vendors either, so we are depleting their inventories. And they are telling me now that they don't have a lot more stuff to tap to help this process move forward.

That gives me concern on the fact that, you know, the emergency and the construction projects. I will tell you what really gets me concerned is if we have a hurricane, typically the response from our utilities is what I call the baling wire and duct tape phase. We try to put it back together to work, and then we lean on some of the water utilities to find something in inventory so we can put new parts in and recover, but they are telling me they don't really have a lot to give. And if they can't get the stuff from vendors, the baling wire and duct tape phase is going to have to last a lot longer, and we may have to reapply the duct

1	tape and baling wire. And I am just really
2	concerned about that in the fact for sustainability
3	and reliability for these impacted water utilities,
4	and so I have my fingers crossed that Florida
5	continues to be lucky and not have impacts, but I
6	am really concerned about it. And I wanted to
7	mention it to you, because if it happens, you are
8	going to hear about it too, I am sure.
9	COURT REPORTER: Excuse me. Mr. Williams,
10	could you please just move a little closer to the
11	mic? Thanks.
12	MR. WILLIAMS: Move closer?
13	COURT REPORTER: That's much better. You are
14	just cutting in and out.
15	MR. WILLIAMS: I'm cutting in and out?
16	COURT REPORTER: Yes.
17	MR. WILLIAMS: Are you hearing the good words
18	or the ones that you want to hear?
19	COURT REPORTER: I am just struggling to hear
20	them all.
21	MR. WILLIAMS: Oh, okay.
22	COURT REPORTER: Sorry. Thank you.
23	MR. WILLIAMS: But anyway, the other thing
24	that's happening on projects that I wanted to
25	mention is currently most all projects have to meet

1 American Iron and Steel requirements. They also 2. have to meet Davis Bacon. 3 There is a new requirement coming down that's called Buy American, Build American, okay. 4 5 requirement is going to take American Iron and Steel and make it more specific for all products. 6 7 And right now, we are having quite an issue with 8 getting American Iron and Steel, and we are going 9 to have even more problem getting the Buy American 10 products because they are not widely available. 11 So again, it's probably going to delay 12 projects. I hope not too long. There is some 13 waiver processes that are being considered 14 federally, but none of them have been approved yet. 15 So it's going to be an issue for all water 16 utilities dealing with that supply concern, you 17 know, based on that. 18 And we highly support the idea of, you know, 19 buying American products, but we also know that

And we highly support the idea of, you know, buying American products, but we also know that there is going to have to be some kind of realization that if we can't get those, we still got to finish the project and improve the reliability and sustainability, so...

The other thing we heard from water utilities is they wanted more access to emergency response

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equipment. Florida Rural Water, we use membership
monies to buy a lot of equipment for water

utilities. We try to buy stuff that they don't use
every day that they may need access to, you know,
once a year. It makes more sense to have community
equipment on that than it does for them to buy it.

So we have -- we have, like, \$3 million worth of equipment that we lend and let water utilities use. And we have a huge warehouse in this area, but it's not very convenient for a lot of our members, so we are starting to add warehousing around the state so it's easier for people to come and get generators, bypass pumps, you know, whatever equipment that they might need in an emergency.

So we've got a place now in Gainesville, and we expect to try to put one in either south central or central Florida next so we can keep, you know, resources closer. We heard them strong -- loud and clear on that, and wanted to do that also.

Another thing that we heard is they needed help on utility customer relations and messaging. So we are going to try to provide a little bit more information on education, bill stuffers, you know, those types of things. And specifically I will use

1 an example.

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So we continue to have sanitary sewer overflows, okay. The perception is, I think, that that is occurring because of failure of equipment.

Now, that probably does happen, but more of the spills that we see are caused by customer behavior and what they are flushing. They are flushing disposable wipes, grease, oils and all of those types of things that then clog up the mechanisms, you know, the pumps and cause the spills.

So we got to do a better job at getting the message out to the customer base that their activities are causing environmental concerns. And the fines now on sanitary sewer overflows have tripled. So we are seeing immediate, you know, penalties on the systems, which unfortunately, you know, ultimately will be reflected in rates that we don't want the customers to have to pay for stuff if think can change behavior. So we expect to have a lot of information out about that.

The fifth one we heard was more legislative advocacy, issue updates coming to water utilities, advocacy requests for engagement with on the legislative issues. So we are trying to get more involved in that.

They asked for specific help related to legal, and it was somewhat interesting to me. They want more help on limited issues like updating bylaws, operating agreements, customer agreements, documents, that type of thing.

I don't think we are probably hearing that from the groups that you regulate because you help them, but I think we are hearing it more from the nonprofits, the governmental entities and all of that, that essentially have let some of their governing documents get old and not appropriate.

So probably, if we do something there, we will probably provide, you know, limited legal assistance to help them update those documents. So probably not long cases, any of that. It would be some kind of way we just could help them in a limited scope.

Another one that we heard was critical asset protection. Many of these assets that we are going to have to have to pardon and we are going to have to replace need to be elevated and protected from flooding, storm surge, weather issues. We've added a couple of people on staff that are right now actually writing mitigation grant proposals for water utilities.

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1	And that's interesting, the main program has
2	been FEMA because they put more money into
3	mitigation than they do emergency response. But
4	EPA now has specifically water grant utility
5	programs. Of course the State of Florida has put a
6	lot more money into coastal resiliency and
7	sustainability.
8	So there is a lot more programs out there if
9	we can bring these projects forward so that we
10	protect the assets. And we really want to do that,
11	because that's a heck of a lot better to elevate
12	and harden them so that they continue to work, than
13	have to replace them after an event.
14	So if we can get the water utilities more
15	engaged in supporting that, we can write the
16	mitigation grant agreements, and everybody
17	qualifies for those, so we really want to move
18	those forward.
19	Any questions or input on all of that?
20	CHAIRMAN FAY: I have some questions for you,
21	Mr. Williams
22	MR. WILLIAMS: Sure.
23	CHAIRMAN FAY: but I didn't know if you had
24	other I know you said we could interrupt you,
25	but I don't know how many more points you had so
i e	

1 MR. WILLIAMS: Yeah. I have got a bunch more, 2. but I really want this to be conversational, so I 3 hope you will jump in. 4 CHAIRMAN FAY: Perfect. No problem. So then 5 maybe I will start backwards. So on the critical assets, it sounds like you 6 7 are looking at some federal funding mechanisms, or 8 some state funding mechanisms to potentially help on the front end with mitigation, or protection, 9 10 instead of mitigation on the back end, is that kind 11 of what you are saying? 12 Yeah, that's -- we want MR. WILLIAMS: Yes. 13 to promote hardening those critical assets. 14 what that kind of means is if you are coastal, many 15 of our lift station control panels and all of that 16 are not elevated. And so if we have flooding or 17 storm surge, you know, they are damaged and 18 destroyed. If we can elevate them, put them on 19 some kind of platform, where they won't get flooded 20 out, we are going to be in much better shape. 21 CHAIRMAN FAY: Okay. And then -- I am going 22 to jump around a little bit on your points, but on -- as it relates to that, if those -- if there 23 24 are financial resources that are available from 25 either a federal or a state level, do you feel

1	like, with some of these other issues you
2	mentioned, do you feel like you have the resources
3	to be able to at least pursue those?
4	I mean issues, know there is no guarantee when
5	it comes to grants, that you will recover based on
6	the time you are putting into them, but do you feel
7	that you are at least able to compete with maybe a
8	hypothetically what another state's equivalent
9	smaller water utilities would be competing for?
10	MR. WILLIAMS: Yes. I mainly because I
11	don't think the other states are focusing on trying
12	to help move these projects forward. So what we
13	hear more is some of the mitigation dollars that
14	FEMA has go unused because they don't have enough
15	projects to consider. And we had five that we
16	that didn't meet the FEMA requirement. We just
17	forwarded them to EPA region in Atlanta for
18	consideration, and I think they are going to fund
19	those. So there is options if we can tee up these
20	projects.
21	CHAIRMAN FAY: Okay. Good.
22	And then when you were talking about the
23	assistance as it relates to folks under our
24	regulatory structure typically have the assistance
25	of our staff and the Commission operation to do

1	certain things those munici some municipality run
2	entities don't have that equivalent for them. Is
3	there documentation, or is there something that the
4	Commission either currently puts out, or could put
5	out, that would then also be assistance for those
6	municipalities; or do you think it's just more that
7	we have the right people that can help the water
8	utilities under our regulation submit what they
9	need to?
10	MR. WILLIAMS: I think your staff helped
11	provide them keep their documentation and governing
12	documents, for lack of a better term, up to date.
13	Some of the other types of systems don't
14	necessarily look at that. So is there stuff that
15	you do that could be beneficial? Yes. And I am
16	sure we will use some of that.
17	I will tell you that your index issues widely
18	across the state related to rate stuff for
19	non-Public Service Commission utilities. So, you
20	know, you establishing it becomes a benchmark for
21	people to at least look at, trying to meet the cost
22	of living increase, or the CPI, in keeping their
23	rates, you know, current.
24	Because obviously, one of the things that
25	bothers customers the most is not having periodic

1	rate adjustments, and then after 10 years, you have
2	to have a 75-percent increase. And so we really
3	try to encourage them, you know, to keep current
4	with their rates. And we use information that you
5	use to show them, you know, the justification, or
6	the information that they could use to show the
7	customers why the costs are going up.
8	CHAIRMAN FAY: Okay. Great.
9	MR. WILLIAMS: I will do one example of how we
10	use stuff from the Commission.
11	CHAIRMAN FAY: Okay. And do you know of other
12	bylaw components, are those proprietary, or I mean,
13	are those something that could be shared with the
14	if you are talking about legal resources, I
15	mean, I am just wondering if there is sort of a
16	generalized template of, you know, what a utility
17	could use that then could be provided to these
18	other entities that may not have the financials to
19	hire, you know, additional legal services.
20	MR. WILLIAMS: Yeah, and bylaws, we typically
21	see those as governing documents and nonprofits,
22	special districts, you know, some of those types.
23	On the governmental side, typically we see
24	ordinances that are not kept up to date. So there
25	is different governing documents for each type, and

1 we just want to make sure that those are kept up to 2. date, because that's where a lot of the challenges 3 come --4 CHAIRMAN FAY: Sure. 5 MR. WILLIAMS: -- from. When things aren't kept up to date, decisions are made, and then all 6 7 of a sudden they find out they don't even have the 8 documentation to be able to support the decision 9 that's made. So we are just trying to, you know, 10 keep that up to date. 11 CHAIRMAN FAY: And you typically see these 12 issues as the smaller the utility the more these 13 issues arise, and that they don't have the 14 resources, or is that not a correlation? 15 MR. WILLIAMS: Yeah, I would say for sure, the 16 smaller they are, you know, it may be a one person 17 operation, you know, that's operating the system, that's managing the system, you know, they don't 18 19 necessarily have what I would call the legal 20 background or, you know, that type of information. 21 So the smaller the system, the more limited the 22 number of staff, the more hats that staff person 23 has to wear that may not be in their wheelhouse. 24 CHAIRMAN FAY: Yeah. I know we've heard from 25 some of the co-ops and the rural electric folks

1	that some people do eight jobs essentially that
2	would be divided out on other company structures.
3	So I am guessing you have the same type of
4	cross-training for resources?
5	MR. WILLIAMS: Yeah. I am happy to hear that
6	they are doing eight jobs. It's better than them
7	doing six and two not even being considered.
8	CHAIRMAN FAY: Fair enough.
9	And then I have one more question for you, and
10	I want to make sure my colleagues have the
11	opportunity if they have any questions.
12	So on the federal programs on the customer
13	side, I don't know how much you have looked into
14	this, but I know there is a lot of discussion about
15	funding packages that come out of Congress pretty
16	much every day at this point, and so we are
17	constantly trying to figure out what those entail
18	states.
19	It's my understanding that there is some
20	implementation from health and human services
21	through our Department of Economic Opportunity that
22	is implementing a program that's kind of similar to
23	LIHEAP, but essentially I think it's LIHWAP, and
24	I don't know what WAP stands for, but whatever the
25	program essentially includes. Can you talk about

that? Is that something you are working on or you are aware of?

MR. WILLIAMS: Yeah, we are aware of that. In fact, the DEO program folks were just at our annual conference last week and had a table, so that they could educate the water utilities about that program.

So that program is essentially a Low-Income Household Water Assistance Program. So what that means is low-income people can get rate help for paying their water utility bill. It requires the water utility and the customer to work together, and the money is distributed through whatever entity, through a community agent -- community action programs locally. So all the water utilities are eligible to be involved in this program. So we have been promoting the program and providing information to our members.

And, you know, the -- right now, it's for essentially catching up. And that's kind of is one of the -- I know when we talked a couple of years ago, the issue related to the pandemic was many people fell behind in their water bills and couldn't really may what was in arrears, or pay going forward to get current.

Most of the water utilities went to a
non-shutoff policy during the pandemic, so they
don't shut people off. But at some point, they had
to convert back to collecting that money and having
a shutoff policy to get the revenue to cover their
expenses.

So this program was kind of designed to be a

So this program was kind of designed to be a bridge for that. So if somebody fell behind, couldn't catch up, this was a program where you could actually, water utility and the customer, go forward to DEO and get money to pay the rates -- or the water bills in arrears, catch up and help pay going forward if you met the income, you know, requirements.

CHAIRMAN FAY: But you --

MR. WILLIAMS: Does that help?

CHAIRMAN FAY: Yeah, but you would need -- in other words, the utility and the customer couldn't, on their own, go and do that. You would need some sort of community action agency -- you need some entity in the community that would be able to qualify for the funds to then pay those bills, is that what you are saying? And we can always go to DEO to get more information.

MR. WILLIAMS: Yeah, it's my understanding

1 that the money is not sent directly to the 2. customer. It's not sent directly to the water 3 utility. They have to cooperate. But there is a 4 distribution method, some community action agency 5 that would get the money from DEO and use it for the purpose intended. So they would be the people 6 7 that would probably distribute it to the water to 8 pay off the bill. 9 CHAIRMAN FAY: Okay. Yeah, I know with larger

utilities in all different areas, water, gas, electric, there are different regulatory functions and structures when it comes to those arrears; but it seems like for small water, a lot of times the operating income can be in the red, and so if you then have customers with arrears, it's just sort of piling on to the issue. And so if there is, like, there is a program out there that is intended to do this, I just want to make sure from a Commission perspective that there isn't something within our capacity that, you know, would be able to assist with that. We typically don't do anything granulated because we are a regulatory agency, but --

MR. WILLIAMS: I would think you guys could, you know, promote that, support that.

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1	What we have tried to suggest is that the
2	water utilities have promotional material and
3	essentially, for lack of a better term, like an
4	application at the water utility, so when people
5	come in, they can fill that out and move forward.
6	So I think, you know, that's what we have
7	provided them to try to encourage this. And we
8	really want them to do that, because unfortunately,
9	if people fall behind, we don't want to turn them
10	off, but somebody is going to have to pay the
11	additional, you know, costs. So the paying
12	customers are going to have to pay for the ones
13	that didn't pay, you know, to generate the revenue
14	to meet the expenses of the water utility. So we
15	really want these people to get current and help
16	them going forward.
17	CHAIRMAN FAY: Sure. And I think we can
18	probably direct people to the appropriate
19	information on our end, so we will do that.
20	And I know I said last question, but I do have
21	one more for you.
22	MR. WILLIAMS: I will leave this for you.
23	CHAIRMAN FAY: Okay.
24	MR. WILLIAMS: Is that okay?
25	CHAIRMAN FAY: Yeah, that's fine. We can

leave it with the staff and make sure the Commission offices get it.

Last issue, just I want to know if you had any thoughts. I know the operations, since they are rural based are typically very community oriented and community-based. We see a lot of discussion about acquisition of water utilities just in general, and if they are being scaled, does that improve services and that type of thing. Is that something that your association talks about, or is it something that people present to you, or is it viewed as not maybe a great mechanism to improve?

MR. WILLIAMS: No, I think it's -- I think it's worked very effectively. We are currently, in Florida, down to about 5,000 water utilities. When I started, I don't know, 25 years ago, there were 7,500 water utilities.

So a lot of consolidation and regionalization has occurred for the benefit, you know, economies of scale and, you know, combining and getting larger revenue base to support the expenses and all of that. So I think it's worked very effectively.

The only problem I see now is most of what I will call the low hanging fruit for consolidation and regionalization has occurred. Most of the

systems are now quite aways apart, you know, from a distance standpoint, to combine them and do that.

We still promote it.

From our engineering side, it's one of the alternatives at all times. Instead of, you know, building a bunch of new facilities, is there a possibility that combining a couple of systems would reduce that burden. So we still look at it, but it's just not as prevalent.

Now, as far as acquiring systems, we still see that occurring, but the one thing we've seen in the last year, and I don't know, probably you too, we've seen a lot of sales and a lot of ownership change in what I will call the more small private Specifically, like the mobile home parks, systems. we are seeing a lot of ownership change that's occurred in the last 12 months, and the reason we know that is because they are a member of ours, and we will, you know, ask them to renew, and then we will find out that the current owner sold it, and that, you know, we are given the new owner's name, And typically, the operators you know, to contact. stay the same, so they are the ones that typically let us know about those transactions.

Are you seeing the same thing, a lot of that?

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1	CHAIRMAN FAY: From a quantified standpoint, I
2	don't know if we've really seen that much more than
3	in the past few years, but there are certain
4	exemptions for those functions that, depending on
5	what's filed, we may not see or not if it meets one
6	of those exemptions, so, yeah, I am not sure we
7	could speak to the total number.
8	MR. WILLIAMS: Yeah.
9	COMMISSIONER GRAHAM: I appreciate the
10	feedback.
11	I did want to make sure, Commissioners, if you
12	had any other questions.
13	Commissioner La Rosa, you recognized.
14	COMMISSIONER LA ROSA: Thank you, Chairman.
15	In fact, that was kind of my leading question,
16	I was thinking about that as we were talk walking
17	in here today, you know, what else can be done to
18	really encourage the sale of water systems that
19	would benefit the customer? Obviously, we talked
20	about economies of scale and so forth. I guess
21	I know you answered part of that question already.
22	What benefits do you see, if any, of the
23	acquisitions happening with, you know, mobile home
24	parks and such, with new owners coming in? Are
25	they making upgrades? Are they operating more

professionally? I am kind of curious to get your input on that.

MR. WILLIAMS: I think, to be honest with you, it's somewhat shocking to the new owners, the complexity of what they have bought.

You know, we see a lot of them buy it thinking, okay, this is going to be a good retirement income and, you know, something for me to do. And then they find out all the, you know, things that go along with a water and wastewater utility.

And when I say a mobile home park type of thing, they are typically buying the whole mobile home park, and they get the water and wastewater as part of that, and that part is somewhat shocking to them. You know, they are looking at, wow, I am going to collect lot rent, and I am going to be a neighbor to my, you know, people and all of that type of stuff, and they look at it like, you know, it's something to do, and then they find out the regulatory aspects of the water and wastewater.

They may find out that they have a lot of investment to make because the infrastructure has deteriorated and that there is going to be a whole lot more costs than they thought.

1	So I would say more generally it's shocking,
2	but most of them that are buying it have enough
3	resources to invest back in to the water and
4	wastewater system.
5	It's interesting, when people the way I
6	look at when people buy a mobile home park,
7	typically that's the community that they live in,
8	and they are, like, buying it, you know, to try to
9	give back to their community. And so many of those
10	are resistant to raise water rates and do stuff
11	like that because they don't want to pass the
12	charge on to the people in their community where
13	they live and their friends live. So they don't
14	necessarily operate it like a business. They
15	operate it more like a, oh, I bought this and I
16	want to keep all my friends and customers happy.
17	COMMISSIONER LA ROSA: Do you find those
18	situations happening often to where they are coming
19	to you guys faux assistance or help?
20	MR. WILLIAMS: They definitely come to us
21	related to, you know, technical, you know,
22	concerns, regulatory compliance, and all of that
23	type of thing. And we try to encourage them to
24	make contact with you, ask for some, you know, of
25	your services and that type of thing, because they

are definitely going to qualify.

2.

But, again, philosophically, a lot of them will say, I really don't want to go down that path and raise rates. And so that gives me a concern related to reliability and sustainability of that utility if they don't invest back.

COMMISSIONER LA ROSA: You also mentioned when you started workforce, which I think we are seeing that across all industries. Where do you generally -- where does the industry generally pull its workforce from? And I am going to kind of give you an example to better clarify my question.

So I am, you know, my previous life, I'm in the real estate business. So a lot of folks that get into the commercial side of real estate typically come from finance, or from banking, or from, you know, from accounting. Do you have a source of industry that maybe kind of transitions into operations? What do you guys see, kind of just where is the job forcing going?

MR. WILLIAMS: Yeah, we have not been very good at recruiting real young people. For some reason, water and wastewater is not very appealing to kids in high school and college.

So the average -- last I knew, the average age

1	of the person entering our profession is, like, 42
2	years old. So it's a second career where people
3	are coming from. And that's we are seeing it
4	from the military, as I mentioned. We are seeing
5	law enforcement. We are seeing a lot of what I
6	would call the more strenuous trades people are
7	like, hey, I can't continue to climb this pole if I
8	am a lineman. I got to find something else that I
9	can do.
10	So that's where we are seeing people coming in
11	from second professions. And, you know, they are
12	good people because they already have a work ethic
13	and they, you know, have been successful, but they
14	don't come in with the environmental side a lot of
15	times.
16	COMMISSIONER LA ROSA: Sure. Sure.
17	Last question, and I would be reluctant if I
18	didn't ask.
19	So reading on your website, and I am looking
20	at it now, you guys have started, looks like
21	recently, the Public Service Commission Study
22	Committee. Have you guys found that useful, and
23	has there been any findings working with staff?
24	MR. WILLIAMS: Excuse me?
25	COMMISSIONER LA ROSA: Yeah, sure. So you

1	guys have started, it looks like, the Public
2	Service Commission Study Committee. I am assuming
3	that's within your organization?
4	MR. WILLIAMS: The Public Service Study
5	Commission?
6	COMMISSIONER LA ROSA: Yep. That's what it
7	says on your website.
8	MR. WILLIAMS: I think our website may have
9	some dated information.
10	COMMISSIONER LA ROSA: Got you. Okay. Okay.
11	That's fair enough.
12	MR. WILLIAMS: So back in, I think it was
13	2014, when the State Legislature had an effort
14	related to the study commission, and we were
15	involved in that. So it's probably information
16	related back to then, and different things that
17	were discussed by the study commission that were
18	then brought, you know, forward.
19	COMMISSIONER LA ROSA: Sure. And you have
20	already noted in the conversation back and forth a
21	lot that you have done, of course, with our staff.
22	I was kind of curious to see if any of that came
23	out of that, but it looks like there is a pretty
24	good working relationship among
25	MR. WILLIAMS: Yeah, your Commissioner that

1	was involved in that study commission was Julie
2	Brown.
3	COMMISSIONER LA ROSA: Sure.
4	MR. WILLIAMS: So she was highly involved in
5	that whole activity. It lasted a couple of years.
6	A lot of good discussion out of it, and a lot of
7	points brought forward, and the Legislature acted
8	on some of those on your behalf, so
9	COMMISSIONER LA ROSA: Thank you. I
10	appreciate it, Chairman.
11	CHAIRMAN FAY: Great. Thank you.
12	Mr. Williams, I think we have gone a little
13	bit over our time allotted. That's in part because
14	I hogged all the questioning, but I did want to
15	give you a chance, just if there was any sort of
16	last component that you wanted to get to on your
17	list, or final closing remarks you wanted to give
18	to the Commission going forward. We will take the
19	information that you provide us, and obviously
20	present that to the offices too, the written
21	documentation.
22	MR. WILLIAMS: Okay.
23	CHAIRMAN FAY: If there is anything else you
24	wanted to add before we moved on to our other
25	business, I want to give you the opportunity.

1	MR. WILLIAMS: Yeah, if I can touch just I
2	won't go into depth. I will touch on a couple of
3	things that are coming up.
4	CHAIRMAN FAY: Okay.
5	MR. WILLIAMS: So supply chain issues. We've
6	seen chemical prices almost triple. And it gives
7	me great concern, especially on chlorine, that that
8	has a disproportionate impact on the smaller
9	systems since it's a high cost and a high increase.
10	I am also hearing from the chemical
11	manufacturers that supply may get worse, because
12	there is some regulation related to removing some
13	of the components out of the manufacturing process.
14	And also the manufacturers are telling us that
15	their union is possibly going to go on strike. And
16	if those two things occur, we are going to have
17	quite a supply issue on chlorine.
18	Proactively, we have went and asked for, if
19	there is not enough chlorine, that the pool
20	industry chlorine could be redirected to the public
21	water supply industry. It's just it has a
22	different NSF regulatory number, but it's the same
23	product.
24	So if that happens, we've tried to take some
25	proactive action to be able to get the supply

that's needed. We won't be very popular with the pool owners, but at least the drinking water will stay disinfected.

So I wanted to point that out to you, because if you have got people coming in saying, mane, these chemical costs are sharply increasing, you know, it's probably them asking to consider that as a pass-through cost, you know, from your standpoint.

Cybersecurity, big issue. I will give you an assurance that I do not think that we have a lot of operational risk, but we are seeing a lot of ransomware attacks on water utilities. And not all of them are making the news because people are embarrassed when they lose their customer accounts and have to, you know, recover them somehow.

So it's a main concern for me on the cyber area is, you know, they end up having -- they don't have good backups. They lose their customer data. They have to get it back somehow or they can't even bill. But what concerns me more is now that sensitive customer data is out, and identity theft would then be a big concern I would think for customers.

25 So very concerned about that. I am not sure

1 what we can do other than just encourage 2. cybersecurity protections, backup, you know, being 3 more diligent, you know, related to that, so bring 4 that up. 5 Another one PFAS. You probably have heard Recently the EPA came out with a health 6 7 advisory level at almost zero. I expect the 8 maximum contaminant level goal to be zero. expect the maximum contaminant level to probably be 9 10 less than five parts per trillion. And if that's 11 the case, every water utility in Florida is going 12 to have PFAS. So it's a concern of mine that I 13 wanted to bring up. 14 You can treat for it. But I am also concerned 15 the treatment is an absorption media, okay. 16 the media has the PFAS absorbed, it's going to be 17 classified as a hazardous waste, and then disposal 18 of it is going to be very expensive and tough. 19 Right now, the closest place to dispose of 20 that media is in Port Arthur, Texas. They are the 21 only once that have the incinerator with the air 22 scrubber to be able to deal with that. 23 So just giving you the heads-up that PFAS is 24 going to be problematic for all the water 25 utilities, I think, in Florida. And when I say

1	waters utilities, if we don't remove it out of the
2	water, it's passing through the water going into
3	the wastewater process. It's not being removed by
4	biologically there. It's ending up in the sludge.
5	And so now we can't dispose of the sludge and the
6	biosolids. So I look at regulation on both sides
7	impacting water and wastewater utilities.
8	CHAIRMAN FAY: Mr. Williams, I am going to ask
9	you just, if you could, close up, because I want to
10	make sure we get to our other business
11	MR. WILLIAMS: Yeah
12	CHAIRMAN FAY: in our timeframe.
13	MR. WILLIAMS: I wanted to make sure I was
14	okay. I think I have covered it all.
15	CHAIRMAN FAY: Okay. Great. And we know
16	where to find you if we
17	MR. WILLIAMS: What's that?
18	CHAIRMAN FAY: I said, we know where to find
19	you too if we need anything. We appreciate you
20	being responsive
21	MR. WILLIAMS: Any time I can help. I see us
22	as all helping water utilities.
23	CHAIRMAN FAY: Agreed. Agreed. I think it's
24	a shared mission by the Commission and your entity,
25	and everyone involved, so I appreciate that.

1	And as I have heard a wise Commissioner say,
2	it's the only thing we do where the product is
3	ingested, and so I think the significance of it is
4	not lost on us as we take up those dockets, so I
5	appreciate your help.
6	MR. WILLIAMS: Well, thank you, and I am sorry
7	I ran over.
8	CHAIRMAN FAY: No, absolutely not. We
9	appreciate the information. That's why we wanted
10	you here.
11	With that, Commissioners, we will move on to
12	our and thank you again, Mr. Williams we will
13	move on to our General Counsel's report.
14	MS. HELTON: We have no report. Thank you,
15	Mr. Chairman.
16	CHAIRMAN FAY: Okay. Great. Thank you, Ms.
17	Helton, and you are in charge this week, so
18	hopefully we won't have anything come up.
19	Mr. Baez, you are recognized for the Executive
20	Director report.
21	MR. BAEZ: Thank you, Mr. Chairman. I was
22	tempted to yield my time because just as a way of
23	thanking Mr. Williams, you can see all the things
24	that he does for his membership, but he is also a
25	golden resource for us and the rest of staff, so I

1	think any comments on our good working relationship
2	I think is an understatement, and I truly mean
3	that.
4	I know I have got and I wrote it in red so
5	I could actually read it. I have got a ton of
6	factoids and actually good questions that I think
7	might become action items at some point, but
8	definitely a good discussion. So thank you for
9	that, Mr. Williams.
10	Beyond that, I don't have a substantive report
11	for today. Just know that looking down the road,
12	our next IA in September, we do have lined up the
13	draft report for the 10-year site plans no, I am
14	sorry, the status on the staff assisted rate cases,
15	so I misspoke. So that's sort of a follow-on to
16	this, as well as the draft regulatory plan, which
17	may have some poor-in issues off of the discussion,
18	so I would keep a close eye on that.
19	Unless there is any questions, that's the end
20	of my comment.
21	CHAIRMAN FAY: Okay. Great. Thank you, Mr.
22	Baez.
23	Any questions for Mr. Baez? Nope.
24	Seeing none. Thank you for the update.
25	With that, Commissioners, make sure there

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1
          aren't any other matters on our end.
                                                    With that,
          seeing no other matters, this Internal Affairs
 2
          meeting is adjourned.
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                Thank you so much.
                (Proceedings concluded.)
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1	CERTIFICATE OF REPORTER
2	STATE OF FLORIDA)
3	COUNTY OF LEON)
4	
5	I, DEBRA KRICK, Court Reporter, do hereby
6	certify that the foregoing proceeding was heard at the
7	time and place herein stated.
8	IT IS FURTHER CERTIFIED that I
9	stenographically reported the said proceedings; that the
10	same has been transcribed under my direct supervision;
11	and that this transcript constitutes a true
12	transcription of my notes of said proceedings.
13	I FURTHER CERTIFY that I am not a relative,
14	employee, attorney or counsel of any of the parties, nor
15	am I a relative or employee of any of the parties'
16	attorney or counsel connected with the action, nor am I
17	financially interested in the action.
18	DATED this 29th day of August, 2022.
19	
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22	Debli R Luci
23	DEBRA R. KRICK
24	NOTARY PUBLIC COMMISSION #HH31926
25	EXPIRES AUGUST 13, 2024