Commissioners; Art Graham, Chairman Lisa Polak Edgar Ronald A. Brisé Eduardo E. Balbis Julie I. Brown



MARSHALL WILLIS, DIRECTOR DIVISION OF ECONOMIC REGULATION (850) 413-6900

# Hublic Service Commission

September 13, 2011

All Florida Public Service Commission Regulated Water and Wastewater Utilities

#### Re: Staff Workshop on Challenges Facing the Water and Wastewater Industry

Dear Industry Stakeholder:

As you are well aware, many water and wastewater utilities, particularly the small systems, struggle to achieve economies of scale, financial stability, and technical proficiency. As a result, many utilities have difficulty operating effectively and efficiently, maintaining equipment and infrastructure, complying with federal and state regulations, and providing adequate customer service at reasonable rates. This situation is likely only to worsen as infrastructure replacement needs increase and as new regulatory requirements demand increased investment in water and wastewater systems.

In an effort to explore methods to meet these challenges, the staff of the Florida Public Service Commission will be conducting a workshop in Orlando on September 29, 2011. An Agenda for the staff workshop is enclosed. The informal workshop will provide an open forum to look at probable solutions to the many financial and environmental challenges facing utilities at this time. We would like to address options that are available today, and discuss how best to take advantage of them. However, we do not intend to limit the discussion to currently available tools. We would also like to identify solutions that may require regulatory or statutory changes.

The success of this workshop will depend on the participation of those in the industry that face these challenges on a daily basis. To that end, we encourage you to join us in Orlando on September 29. The time and place of the workshop is:

10:00 a.m., Thursday, September 29, 2011 Orlando City Council Chambers 2<sup>nd</sup> Floor 400 South Orange Avenue Orlando, Florida 32801

Parking will be available on the street and in the parking garage.

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD • TALLAHASSEE, FL 32399-0850 An Affirmative Action / Equal Opportunity Employer PSC Website: http://www.floridapsc.com Internet E-mail: contact@psc.state.fl.us

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If you have any questions or would like to discuss the staff workshop further, please feel free to contact JoAnn Chase with the PSC staff at 850-413-6978 or <u>jchase@psc.state.fl.us</u>.

Sincerely, May half Willis (Risis) Marshall Willis Director

MW/JC:dr Enclosure

## **STAFF WORKSHOP**

## CHALLENGES FACING THE WATER AND WASTEWATER INDUSTRY AND POSSIBLE SOLUTIONS

## September 29, 2011

## AGENDA

## **Opening Remarks**

Challenges Common to Most Water and Wastewater Utilities

Aging Infrastructure Achieving economies of scale Access to Reasonable Financing Compliance with regulatory requirements Regulatory process Inadequate rates and charges Other

Tools Available for Achieving Solutions to Challenges

Managerial tools Operational tools Regulatory changes Legislative ideas

Closing Remarks