

**MEMORANDUM OF UNDERSTANDING
SOUTH FLORIDA WATER MANAGEMENT DISTRICT
AND FLORIDA PUBLIC SERVICE COMMISSION**

The South Florida Water Management District (SFWMD) and Florida Public Service Commission (FPSC) recognize that water conservation and reuse of reclaimed water are key elements of Florida's long-term water management strategy. It is our goal to ensure the efficient and conservative utilization of water resources in Florida. This Memorandum of Understanding (MOU) formally outlines the responsibilities and duties of the SFWMD and FPSC in regard to water conservation and water reuse and describes how the SFWMD and FPSC will coordinate on these issues.

BACKGROUND

The SFWMD

The SFWMD was created by the Florida Legislature and given those powers and responsibilities enumerated in Chapter 373, Florida Statutes (F.S.). Within its jurisdiction, the SFWMD's mission is to manage and protect water resources of the region by balancing and improving water quality, flood control, natural systems and water supply. The SFWMD administers flood protection programs, performs technical investigations into water resources, develops water shortage plans for times of drought, and acquires and manages lands for water management and conservation purposes, among others. The SFWMD implements permitting programs for the regulation of the consumptive use of water, well construction, and surface water management. The SFWMD is empowered to enter into contracts with public agencies, private corporations, or other persons, pursuant to Section 373.083, F.S.

The Florida Public Service Commission

The FPSC is an agency of the State of Florida created by the Florida Legislature and given the powers and responsibilities enumerated in Chapter 367, F.S. The FPSC's jurisdiction is limited to economic regulation of investor-owned water and wastewater utilities in counties that have designated the FPSC as the regulatory entity. A county may by resolution, pursuant to Section 367.171, F.S., designate the FPSC as the economic regulator of investor-owned water and wastewater utilities.¹ For those utilities subject to its jurisdiction, the FPSC establishes authorized rates and rates of return for investor-owned water and wastewater utilities pursuant to Chapter 367, F.S., and Chapter 25-30, Florida Administrative Code (F.A.C.).

COMMON OBJECTIVES

The common objectives, as they relate to public water systems, are as follows:

1. To encourage and promote the efficient use of ground and surface water resources through, among other measures, employment of conservation

¹ As of June 1, 2014, the FPSC regulates investor-owned water and wastewater utilities in 37 Florida counties.

promoting rate structures, promotion of reuse and use of reclaimed water, and through consumer education programs.

2. To effectively employ the technical expertise of the SFWMD regarding water source development and water resource management and of the FPSC regarding economic regulation and rate design of jurisdictional utilities for the promotion of efficient water consumption.

FPSC RESPONSIBILITIES

The following represents a general description of the roles and responsibilities of the FPSC related to water service providers. The FPSC's jurisdiction is limited to investor-owned utilities and is effective in Florida counties that have designated the FPSC as the regulatory authority for economic regulation. The FPSC agrees to implement policies and procedures necessary to administer the following duties when applicable:

1. Determine the type of rate structure needed to encourage conservation in association with water use planning or permitting requirements.
2. Timely notify the SFWMD of the FPSC public meetings with customers where conservation efforts, water use planning, or permitting criteria will be discussed.
3. Recognize and may allow recovery of prudently incurred expenses and investment necessary to address and correct unaccounted for water that exceeds limits set in SFWMD rule or in a utility's Consumptive Use Permit or, in the alternative, adjust expense levels to discourage higher than allowable unaccounted for water. Established rates will be set in a way that recognize the impact of conservation on a utility's revenues. Recognize and may allow recovery of prudently incurred expenses which may include meter accuracy testing, meter replacement and leak detection, and other reasonable conservation programs.
4. Provide technical input to the SFWMD as requested with regard to service territories.

The FPSC staff will assist the SFWMD to the extent provided by law and agency workload.

SFWMD RESPONSIBILITIES

The following represents a general description of the roles and responsibilities of the SFWMD related to water service providers. The SFWMD agrees to implement policies and procedures necessary to administer the following duties:

1. Evaluate public water supply needs to determine beneficial demands and identify future deficiencies.

2. Identify demand management (conservation) strategies and alternative water supply sources necessary to meet reasonable demands.
3. Evaluate water resource availability.
4. Evaluate and monitor cumulative water withdrawal rates and identify and recommend potential options for resource management protection.
5. When requested by the FPSC, participate at FPSC public meetings and evidentiary hearings where water use planning or permitting matters are to be discussed.
6. Provide technical input to the FPSC as necessary and appropriate in FPSC proceedings. This may include, but not be limited to, testimony from expert witnesses.

The SFWMD staff will assist the FPSC to the extent provided by law and agency workload.

PROJECT COORDINATION

1. The SFWMD and the FPSC will each designate a liaison to coordinate communication between the agencies. The liaison of the respective agencies will be the principal contact persons for the technical staff on a particular project.
2. The designated representative of the SFWMD and the FPSC representative, with designated members of their staffs, shall communicate as necessary.
3. The SFWMD and the FPSC shall endeavor to provide appropriate technical assistance in necessary enforcement actions taken against individual water systems subject to FPSC jurisdiction for failure to implement recommended water conservation and reuse measures.

AMENDMENTS

This MOU may be amended by mutual agreement of the SFWMD and the FPSC. Either party may terminate its participation in this Memorandum of Understanding by providing 180 days written notice to the other party.

PREVIOUS MOU

This MOU supersedes the previous MOU dated July 27, 1991 between the WMDs and the FPSC. Upon execution of this MOU by the SFWMD and the FPSC, the MOU dated July 27, 1991 shall be null and void between the SFWMD and the FPSC.

EFFECTIVE DATE AND SIGNATURES

This MOU will become effective on the date of the last signature. The parties, or their authorized representative, are duly authorized to execute this agreement.



SOUTH FLORIDA WATER
MANAGEMENT DISTRICT
By its Governing Board

Dan O'Keefe

Daniel O'Keefe, Chairman

Attest:

Jackie McGarity

District Clerk/Asst. Secretary

Legal Form Approved:

Jennifer Bokankowitz

Jennifer Bokankowitz, Esq.

Approved:
Florida Public Service Commission

G.A.

Chairman

Date: 10/29/14