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STATE OF FLORIDA



OFFICE OF COMMISSION CLERK
ANN COLE
COMMISSION CLERK
(850) 413-6770

Public Service Commission

April 7, 2008

Transmitted via electronic mail to:

Martin S. Friedman
Email address of record: mfriedman@rsbattorneys.com

Ken A. Hoffman
Email address of record: Ken@reuphlaw.com

Stephen C. Reilly
Email address of record: reilly.steve@leg.state.fl.us

To: Interested Persons in Docket No. 070183-WS

Re: Proposed adoption of Rule 25-30.4325, F.A.C., Water Treatment Plant Used and Useful Calculations.

To Whom It May Concern:

This is to inform you that the Commission is reporting the attached ex parte communication in the above-referenced docket, which will be made a part of the record in this proceeding:

Letter dated April 3, 2008, from Senator Mike Fasano.

Because staff's recommendation concerning the proposed adoption of Rule 25-20.4325, F.A.C., is scheduled for Tuesday, April 8, 2008, if you plan to respond to this ex parte communication, please do so in writing, prior to the April 8, 2008, Agenda Conference or preferably by the close of business today.

Sincerely,

A handwritten signature in cursive script that reads "Ann Cole".

Ann Cole
Clerk of the Commission

/ac

Enclosure

cc: Michael Cooke, General Counsel

DOCUMENT NUMBER DATE

02638 APR-7 08

FPSC-COMMISSION CLERK

State of Florida



RECEIVED-FPS

Public Service Commission

08 APR -7 AM 9:30

CAPITOL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

COMMISSION
CLERK

-M-E-M-O-R-A-N-D-U-M-

DATE: April 7, 2008

TO: Ann Cole, Commission Clerk - RSC, Office of Commission Clerk

FROM: Nancy Argenziano, Commissioner *NA*

RE: Ex Parte Communication in Docket No. 070183-WS

Pursuant to the requirements of Section 350.042, Florida Statutes, I am reporting an *ex parte* communication received in Docket No. 070183-WS, Proposed Adoption of Rule 25-30.4325, F.A.C., Water Treatment Plant Used and Useful Calculations. The communication consists of a letter from Senator Mike Fasano, addressed to the Chair of the Commission, which I received as a carbon copy by Fax.

DOCUMENT NUMBER-DATE
02638 APR-7 08
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THE FLORIDA SENATE

Tallahassee, Florida 32399-1100

COMMITTEES:
Transportation and Economic Development
Appropriations, *Chair*
Communications and Public Utilities
Fiscal Policy and Calendar
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Property Insurance Accountability

JOINT COMMITTEE:
Legislative Budget Commission

SENATOR MIKE FASANO

Majority Whip
11th District

FAX TRANSMISSION COVER SHEET

To: The Honorable Nancy Argenziano
Fax#: 850-413-6395
From: Senator Mike Fasano
Subject: Water Treatment and Storage Used and Useful Calculations
Date: April 4, 2008
Pages: 2

COMMENTS:

DOCUMENT NUMBER - DATE

02638 APR -7 08

FPSC-COMMISSION CLERK

REPLY TO:

- 8217 Massachusetts Avenue, New Port Richey, Florida 34653-3111 (727) 848-5885
- 302 Senate Office Building, 404 South Monroe Street, Tallahassee, Florida 32399-1100 (850) 487-5062

Senate's Website: www.flsenate.gov

KEN PRUITT
President of the Senate

LISA CARLTON
President Pro Tempore



THE FLORIDA SENATE

Tallahassee, Florida 32399-1100

COMMITTEES:
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 Judiciary
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SELECT COMMITTEE:
 Property Insurance Accountability

JOINT COMMITTEE:
 Legislative Budget Commission

SENATOR MIKE FASANO

Majority Whip
 11th District

April 3, 2008

The Honorable Matthew Carter, Chairman
 Florida Public Service Commission
 2540 Shumard Oak Boulevard
 Tallahassee, FL 32399-0850

Dear Chairman Carter:

On April 8, 2008 the Commission will consider a staff recommendation to adopt proposed Rule 25-30.4325, F.A.C. titled Water Treatment and Storage Used and Useful Calculations. I am concerned about this rule, particularly the provision of the rule found in (6)(b).

This provision will have a great negative impact on the very consumers I represent in my district, and that you serve all throughout the state. The provision provides that the "firm reliable capacity is expressed in gallons per day, based upon 12 hours of pumping, for systems with storage capacity." When calculating the used and useful percentage of water treatment the Commission should not automatically eliminate one-half of the capacity of the remaining wells, by reducing pumping time from 24 hours to 12 hours, after the capacity of the largest well has been removed, on the single highest demand day of the year.

A statewide automatic elimination of one-half of the remaining capacity of the wells would unfairly overstate the used and useful percentage of water treatment plants in future rate cases, and unfairly increase water rates paid by Florida's citizens. At this time when the cost of producing potable water is increasing every day, this provision will unfairly and unnecessarily increase the cost even more, jeopardizing the availability of this vital resource to our most vulnerable citizens, particularly seniors on limited or fixed incomes.

I respectfully request that the Commission adopt language for (6)(b) that recognizes the full rated capacity of the remaining wells, based upon 24 hours of pumping, not 12 hours of pumping, unless the water management district believes it is appropriate in a specific case to limit pumping in order to protect Florida's water resources. To do otherwise would be unfair to everyone who purchases water in the state of Florida.

Yours truly,

Mike Fasano
 State Senator, District 11

MF/gg

Cc: The Honorable Lisa Edgar
 The Honorable Nathan Skop
 The Honorable Nancy Argenziano
 The Honorable Katrina McMurrian

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KEN PRUITT
 President of the Senate

LISA CARLTON
 President Pro Tempore

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