BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO: 070183-WS

IN RE: PROPOSED ADOPTION OF RULE 25-30.4325, F.A.C., WATER TREATMENT PLANT USED AND USEFUL CALCULATION

NOTICE OF CHANGE

TO

ALL INTERESTED PERSONS

ISSUED: <u>April 17, 2008</u>

NOTICE is hereby given pursuant to Section 120.54, Florida Statutes, that the Florida Public Service Commission has approved changes to proposed Rule 25-30.4325, Florida Administrative Code.

The attached Notice of Change will appear in the April 25, 2008, edition of the Florida Administrative Weekly.

By DIRECTION of the Florida Public Service Commission, this 17th day of April, 2008.

ANN COLE

Commission Clerk

(SEAL)

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Notice of Change/Withdrawal

PUBLIC SERVICE COMMISSION

RULE NO: RULE TITLE

25-30.4325: Water Treatment Plant Used and Useful Calculation

NOTICE OF CHANGE

Notice is hereby given that the following changes have been made to the proposed rule in accordance with subparagraph 120.54(3)(d)1., F.S., published in Vol. 33, No. 23, June 8, 2007 issue of the Florida Administrative Weekly.

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Strike the rule text as published and replace with the following:

25-30.4325 Water Treatment and Storage Used and Useful Calculations

- (1) Definitions.
- (a) A water treatment system includes all facilities, such as wells and treatment facilities, excluding storage, and high service pumping, necessary to produce, pump and treat, and deliver potable water to a transmission and distribution system.
 - (b) through (d) No change.
- (e) Excessive unaccounted for water (EUW) is finished potable unaccounted for water produced in excess of 110 10 percent of the accounted for usage, including water sold; other water used, such as for flushing or fire fighting; and water lost through line breaks amount produced.
- (2) The Commission's used and useful evaluation of water treatment system and storage facilities shall include a determination as to will consider the prudence of the investment, and consideration of economies of scale, and other relevant factors including whether flows have decreased due to conservation or to a reduction in the number of customers.
- (3) Separate used and useful calculations shall be made for the water treatment system and storage facilities. However, if the utility believes an An alternative calculation is appropriate, such calculation may also be provided, along with supporting documentation-and justification, including service area restrictions, factors involving treatment capacity, well drawdown limitations, changes in flow due to conservation or to a reduction in the number of customers, and alternative peaking factors.
 - (4) A water treatment system is considered 100 percent used and useful if:

- (a) The system is the minimum size necessary to adequately serve existing customers plus an allowance for growth and fire flow; or
- (b) The the service territory the system is designed to serve is mature or built out and there is no apparent potential for expansion of the service territory; or
 - (e) The the system is served by a single well.
 - (5) No change.
- (6) The firm reliable capacity of a water treatment system is equivalent to the pumping capacity of the wells, excluding the largest well for those systems with more than one well. However, if the pumping capacity is restricted by a limiting factor such as the treatment capacity or draw down limitations, then the firm reliable capacity is the capacity of the limiting component or restriction of the water treatment system. In a system with multiple wells, if a utility believes there is justification to consider more than one well out of service in determining firm reliable capacity, such circumstance will be considered. The utility must provide support for its position, in addition to the analysis excluding only the largest well.
 - (a) No change.
- (b) Firm reliable capacity is expressed in gallons per day, based on 12 16 hours of pumping, for systems with storage capacity.
 - (7) No change.
 - (a) Peak hour demand, expressed in gallons per minute, shall be calculated as follows:
- 1. The single maximum day (SMD) in the test year unless there is an where there is no unusual occurrence on that day, such as a fire or line break, less excessive unaccounted for water, divided by 1440 minutes in a day, times 2 [((SMD-EUW)/1,440) x 2], or
- 2. The average of the 5 highest days (AFD) within a 30 day period in the test year, excluding any day with an unusual occurrence, less excessive unaccounted for water, divided by 1440 minutes in a day, times 2 [((AFD-EUW)/1,440) x 2], or
- 32. If the actual maximum day flow data is not available, 1.1 gallons per minute per equivalent residential connection (1.1 x ERC).
 - (b) Peak day demand, expressed in gallons per day, shall be calculated as follows:
- 1. The single maximum day in the test year, if where there is no unusual occurrence on that day, such as a fire or line break, less excessive unaccounted for water (SMD-EUW), or
- 2. The average of the 5 highest days within a 30-day period in the test year, excluding any day with an unusual occurrence, less excessive unaccounted for water (AFD-EUW), or
 - 32. If the actual maximum day flow data is not available, 787.5 gallons per day per

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equivalent residential connection (787.5 x ERC).

- (8) through (10) No change.
- (11) In its used and useful evaluation, the Commission will consider other relevant factors, such as whether flows have decreased due to conservation or a reduction in the number of customers.

Specific Authority: 350.127(2), 367.121(1)(f) FS.

Law Implemented: 367.081(2), (3) FS.

History: New