

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for staff-assisted rate case in
Sumter County by The Woods Utility
Company.

DOCKET NO. 20190125-WS
ORDER NO. PSC-2020-0362-PAA-WS
ISSUED: October 13, 2020

The following Commissioners participated in the disposition of this matter:

GARY F. CLARK, Chairman
ART GRAHAM
JULIE I. BROWN
DONALD J. POLMANN
ANDREW GILES FAY

NOTICE OF PROPOSED AGENCY ACTION
ORDER GRANTING REQUEST FOR EXTENSION OF TIME

BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service Commission (Commission) that the action discussed herein is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code (F.A.C.).

Case Background

The Woods Utility Company (The Woods or Utility) is a Class C utility serving approximately 58 residential water customers, one general service water customer, and 52 residential wastewater customers in Sumter County. On June 6, 2019, The Woods filed a request for a staff-assisted rate case. On January 6, 2020, the Utility was notified by the Florida Department of Environmental Protection (DEP) that tap water samples taken from customers' premises exceeded the allowable lead action level twice in 2019. In the first half of 2019, three samples exceeded lead levels, and in the second half of 2019, six samples exceeded lead levels and three exceeded copper levels. As a result, the DEP has mandated that additional actions are required to address lead and copper levels.

On March 25, 2020, we issued Order No. PSC-2020-0087-PAA-WS (PAA Order), which found the quality of the Utility's service to be unsatisfactory and imposed a 100 basis point penalty.¹ The PAA Order requires the Utility to file status reports every six months detailing the actions it has taken to address the DEP's concerns, engage with customers and the Office of Public Counsel (OPC), and also to submit an action plan detailing how it will address the lead

¹ Order No. PSC-2020-0087-PAA-WS, issued on March 25, 2020, in Docket No 20190125-WS, *In re: Application for staff-assisted rate care in Sumter Country by The Woods Utility*.

and copper levels. Both the status report and action plan are due six months after the issuance of the Final Order. The Final Order, issued on May 14, 2020,² set November 14, 2020, as the due date for the Utility's action plan and first status report. On July 24, 2020, the Utility filed a request for an extension of time to comply with the reporting requirements of the PAA Order.

We have jurisdiction in this case pursuant to Sections 367.011, 367.081, 367.0812, 367.0814, 367.091, and 367.121, Florida Statutes (F.S.).

Analysis & Decision

In relevant part, our PAA Order states:

The DEP has mandated that the Utility take action to address lead and copper exceedances. We therefore find that the quality of the Utility's product is unsatisfactory. Accordingly, a 100 basis point reduction shall be applied, as further discussed in Section 5. The Utility shall file an action plan with this Commission detailing how it will address excessive lead and copper levels six months after the Final Order is issued in this docket. Additionally, the Utility shall engage with its customers and with the Office of Public Counsel on its efforts to ameliorate the quality of its product. The Utility shall file status reports with this Commission detailing the actions it has taken to meet the DEP's requirements and its engagement efforts with its customers and with the Office of Public Counsel. The first status report shall be filed six months after the Final Order is issued in this Docket and every six months thereafter, until the additional monitoring is rescinded by the DEP.³

As the PAA Order was made final on May 14, 2020, the required filing date for the action plan and the first status report is November 14, 2020.

On July 24, 2020, the Utility filed a request requesting, at a minimum, an additional six months to comply with the PAA Order's reporting requirements. This would move the required filing date to May 14, 2021. The request states that the Utility had planned to begin to collect lead and copper water samples from inside customers' homes as required by the DEP, conduct surveys of customer plumbing, and further distribution sampling. Per the Utility, the DEP has granted permission to delay these activities due to the COVID-19 pandemic to reduce in-person contact with customers.

We note that although the Utility has requested a delay in filing its action plan and status report, its operator has met with a representative of their chemical supplier on site to assist in finding an appropriate dosage of the sequestrant (Aquagold) used in the water system. The Utility also advised that a decline in the lead exceedances has occurred. In August 2019, there were six lead exceedances and in samples taken in June 2020 there were two lead exceedances.

² Order No. PSC-2020-0151-CO-WS, issued on May 14, 2020, in Docket No 20190125-WS, *In re: Application for staff-assisted rate care in Sumter Country by The Woods Utility*.

³ Order No. PSC-2020-0087-PAA-WS, issued on March 25, 2020, in Docket No 20190125-WS, *In re: Application for staff-assisted rate care in Sumter Country by The Woods Utility*.

Of the six residences that exceeded allowable lead levels in August 2019, four were re-tested in June 2020 and none exceeded allowable levels.

It appears that the Utility is working toward resolving the lead and copper exceedances; but, due to the pandemic, it cannot meet all requirements of our PAA Order at this time. We believe that the proposed delay in the action plan filing and status reporting appears reasonable and is consistent with the DEP's approval of a delay to minimize in-person contact.

We hereby find that The Woods' request for an additional six months to comply with the PAA Order's filing requirements, including an action plan and first status report, shall be granted due to the impacts of the COVID-19 pandemic. Furthermore, our staff is permitted administrative authority to grant one additional time extension if good cause is shown.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that The Woods Utility Company's Motion for Extension of Time to comply with Order No. PSC-2020-0087-PAA-WS is hereby approved. It is further

ORDERED that The Woods Utility Company is hereby granted an additional six months to comply with the filing requirements of Order No. PSC-2020-0087-PAA-WS, including an action plan and first status report. It is further

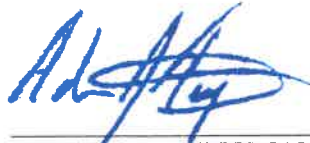
ORDERED that Commission staff is permitted administrative authority to grant one additional time extension if good cause is shown. It is further

ORDERED that all other requirements established in Order No. PSC-2020-0087-PAA-WS that are not inconsistent with this Order shall remain in full force and effect.

ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective upon the issuance of a Consummating Order unless an appropriate petition, in the form provided by Rule 28-106.201, Florida Administrative Code, is received by the Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth in the "Notice of Further Proceedings" attached hereto. It is further

ORDERED that if no person whose substantial interests are affected by the proposed agency action files a protest within 21 days of the issuance of the Proposed Agency Action Order, a Consummating Order shall be issued. The docket shall remain open for Commission staff's verification of The Woods Utility Company's required biannual status reports until additional monitoring is rescinded by the Florida Department of Environmental Protection. Once these actions are complete, this docket shall be closed administratively if no adjustments are necessary.

By ORDER of the Florida Public Service Commission this 13th day of October, 2020.



ADAM J. TEITZMAN
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399
(850) 413-6770
www.floridapsc.com

Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

AJW

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

The action proposed herein is preliminary in nature. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on November 3, 2020.

In the absence of such a petition, this Order shall become final and effective upon the issuance of a Consummating Order.

Any objection or protest filed in this/these docket(s) before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.