

Antonia Hover

From: Betty Leland on behalf of Office of Commissioner Graham
Sent: Thursday, October 15, 2020 9:13 AM
To: Commissioner Correspondence
Subject: FW: Secondary Standard Workshop
Attachments: Submitted PSC comments.docx

Good Morning:

Please place this email in Docket #20200000.

Thanks.

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Commissioner Art Graham
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From: Gary Williams [mailto:Gary.Williams@frwa.net]
Sent: Thursday, October 15, 2020 7:40 AM
To: Troy Rendell; Joe Kuhns; Marissa Ramos; Office of Commissioner Polmann; Office of Commissioner Graham
Cc: mike@fus1llc.com; JR Kelly; chris.snow@uiwater.com; Patrick.Flynn@uiwater.com; Tom Ballinger; mfriedman@deanmead.com; Kathryn Cowdery
Subject: Secondary Standard Workshop

Thank you for opportunity to participate and submit comments related to last week workshop. Best Regards, Gary

Thank you for accepting comments related to secondary constituents and water utility customer concerns with these non-health related Florida regulations. Although Florida DEP has established regulatory levels for these secondaries, we have not seen them take regulatory action against water utilities who have exceedances. On a federal level, these aesthetic concerns are not regulated and most states do not regulate them. Compliance with Federal/EPA Safe Drinking Water Act (SDWA) requires states to be at least as stringent as the Federal SDWA, but can choose to be more stringent. As such, both EPA and DEP realize with non-health based standards, it is the consumer, customers, and public that determine tolerance and costs they are willing to occur to address these type of issues. As you are fully aware, this can be an unpredictable situation as everyone has different tolerances and reactions to water rate increases even for health based standards. The smaller the water utility the smaller the customer base to spread treatment and water quality improvement cost out which results in a higher percent rate increase. Most of the time we see a vocal minority of the customers having very low tolerances for these aesthetic concerns and expressing their willingness to pay increased rates to address their concerns. These become even more unpredictable as many times the issue brought up is not related to drinking the water, but because of the other 95% use of their public water supply for non-dermal contact uses.

We think the Secondary Legislation you referred to in the recent workshop was from the 2014 State legislation that was developed through the IOU Study Commission established a couple year earlier by the State Legislature. We do know the language of that legislation discussed secondaries as described above, but did not mention testing/sampling/additional distribution requirements. It did mention the issue related to customer meetings where the customer concerns and cost to address secondary constituents could be discussed. We do know and support this as it was FRWA that brought it up and suggested it as an action to better inform all customers on both sides of each issue and let them decide action. The meetings FRWA has been asked to attend and be available to answer questions has found these to be productive and an action determined to be supported by the majority.

From the smallest Class C systems, I am concerned about the cost of secondary testing and cost coverage. If the battery of secondary sampling cost is around \$275 per location not counting labor, travel, other sampling related cost and could need to occur at multiple locations in the distribution system, it could increase water rates at some communities substantially and just the sampling does not even start to address treatment and related issues. Even as some of my colleagues have suggested possibly setting a response trigger for concerns over a certain percent of the customer base, multiple sample locations could be needed if 5% to 10% of the concerns are scattered throughout the system and are not in one area. For smaller systems, 5% of the customers would be a small number in a population of 100 customers or 35 service connection system to trigger action and cost. In fact, if the PSC thinks action on this issue is needed, FRWA might suggest it be phased in and different percent levels be considered for Class C systems. Maybe before rate cases occur, the larger Class A and B water utilities could do sampling like has been suggested in other comments submitted and we see how that goes before requiring for the Class C systems?

It may also be helpful if, in expressed customer concerns, the customer can be as specific as possible on their concerns so the whole battery of secondary sampling would not need to be performed, as individual water quality parameters can be performed with test kits or for only maybe \$15 dollars at a lab.