

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for increase in water and)
wastewater rates in Brevard, Citrus, Duval,) DOCKET NO. 20250052-WS
Highlands, Marion, and Volusia Counties by)
CSWR-Florida Utility Operating Company, LLC.)

REBUTTAL TESTIMONY OF

TODD THOMAS

on behalf of

CSWR-Florida Utility Operating Company, LLC

April 17, 2026

1 I. INTRODUCTION

2 Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

3 A. My name is Todd Thomas, and my business address is 1630 Des Peres Rd., Suite
4 140, St. Louis, Missouri 63131.

5 Q. HAVE YOU PREVIOUSLY PRESENTED TESTIMONY IN THIS CASE?

6 A. Yes. I have previously presented direct testimony on behalf of the application,
7 CSWR-Florida Utility Operating Company, LLC. (“CSWR-Florida” or
8 “Company”).

9 Q. WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY?

10 A. My rebuttal testimony addresses Attachments A and B to the Complaint and
11 Compliance Data provided by the Florida Department of Environmental
12 Protection (“DEP Report”), which report was submitted into the docket file by
13 the Staff of the Florida Public Service Commission (“Staff”) on March 10, 2026.
14 Attachment A to the DEP Report consists of a drinking water and wastewater
15 complaint summary. Attachment B consists of a drinking water and wastewater
16 compliance summary. Then, also attached to the DEP Report, are approximately
17 370 pages of various records from DEP regarding wastewater compliance
18 matters. Mr. Freeman will provide rebuttal testimony regarding the
19 approximately 370 pages of compliance documents related to the wastewater
20 systems now owned by CSWR-Florida.

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1 **Q. WHAT IS YOUR UNDERSTANDING AS TO THE BASIS FOR THE DEP**
2 **REPORT?**

3 A. It is my understanding that the DEP Report was submitted pursuant to Section
4 367.0812(1)(b) and (c), Florida Statutes (F.S.) which requires that the
5 Commission consider the extent to which the Company “meets secondary water
6 quality standards as established by the Department of Environmental
7 Protection.” This determination not only includes testimony and evidence
8 provided by customers and the utility, but also “the results of past tests” and
9 “complaints. . . filed by customers. . . during the past 5 years.”

10 **Q. WHAT ARE “SECONDARY WATER QUALITY STANDARDS?”**

11 A. In Chapter 62-550, Florida Administrative Code (F.A.C.) the DEP has
12 promulgated its various drinking water standards, monitoring, and reporting
13 rules. Rule 62-550.200(107), F.A.C. defines “secondary drinking water
14 standards” as a “set of non-mandatory water quality standards for contaminants
15 (not federally enforceable) that are established as guidelines to assist public
16 water systems in managing their drinking water for aesthetic considerations,
17 such as taste, color and odor.” Rule 62-550.320, F.A.C provides specific
18 secondary drinking water standards: maximum contaminant levels. Those
19 maximum contaminant levels are then set forth in a table attached to the chapter
20 which is recreated in the following table:

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SECONDARY DRINKING WATER STANDARDS

Federal Contaminant ID Number	Contaminant	SMCL (mg/L)*
1002	Aluminum	0.2
1017	Chloride	250
1022	Copper	1
1025	Fluoride	2.0
1028	Iron	0.3
1032	Manganese	0.05
1050	Silver	0.1
1055	Sulfate	250
1095	Zinc	5
1905	Color	15 color units
1920	Odor**	3 (threshold odor number)
1925	pH	6.5 - 8.5
1930	Total Dissolved Solids	500
2905	Foaming Agents	0.5

2

Abbreviations Used:

3

SMCL = maximum contaminant level;

4

mg/L = milligrams per liter.

5

* Except color, odor, and pH.

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** For purpose of compliance with ground water quality secondary standards, as referenced in Chapter 62-520, F.A.C., levels of ethylbenzene exceeding 30 micrograms per liter, toluene exceeding 40 micrograms per liter, or xylenes exceeding 20 micrograms per liter shall be considered equivalent to exceeding the drinking water secondary standard for odor.

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Q. DO YOU HAVE ANY GENERAL COMMENTS REGARDING THE SCOPE OF THE DEP REPORT?

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A. As set forth in the above referenced statute, the Commission is required to consider the extent to which a water / wastewater utility meets secondary water quality standards “during the past 5 years.” As the Commission is aware, CSWR-Florida’s mission is to acquire distressed water and wastewater utilities

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1 and to rehabilitate them such that they can now provide “safe, reliable, and
2 environmentally responsible water resources” to its customers.

3 Consistent with this mission, the Company has acquired a total of thirty-
4 eight separate water and wastewater systems through eleven separate
5 transactions. Relevant to the application of the current statutory requirement,
6 however, the Company has not owned any of its systems for the five-year period
7 set forth in the statute. Therefore, much of the information contained in the DEP
8 Report predates the Company’s ownership.

9 **Q. WOULD YOU PROVIDE THE DATE ON WHICH CSWR-FLORIDA**
10 **ACQUIRED EACH OF ITS SYSTEMS?**

11 A. The dates on which the Company closed on each acquisition are as follows:

System	Types	Acquisition Date
Aquarina	Water and Wastewater	May 16, 2022
Sunshine Utilities	Water	May 24, 2022
North Peninsula	Wastewater	May 26, 2022
Neighborhood	Water	November 17, 2022
Rolling Oaks	Water and Wastewater	November 30, 2022
Sebring Ridge	Wastewater	August 31, 2023
CFAT	Water and Wastewater	November 30, 2023
BFF	Wastewater	November 30, 2023
Tradewinds	Water and Wastewater	November 30, 2023
TKCB	Wastewater	December 27, 2023
Tymer Creek	Water and Wastewater	May 31, 2024

12

13 **Q. THERE ARE SEVERAL BOIL WATER NOTICES LISTED IN**
14 **ATTACHMENT A. WHAT IS A BOIL WATER NOTICE?**

15 A. A Boil Water Notice (“BWN”) is a public notification advising customers to boil tap
16 water before consuming it. These notices are issued when an event has occurred that
17 has caused a known degradation to water quality, or that has the potential to adversely

1 affect water quality. A BWN can be triggered for multiple reasons and can vary
2 depending on the severity of the reason. Examples of events triggering a BWN
3 are water main line breaks, water treatment failures, and extreme weather/natural
4 disasters. BWNs are required when the pressure in the water distribution system
5 has dropped below 20 pounds per square inch (“psi”) which does not necessarily
6 constitute an imminent health hazard.

7 While BWNs can be triggered by different events, the underlying cause
8 of an event may also vary. Given the distressed nature of some of the Company’s
9 water systems, system pressure may fall below 20 psi simply because of a main
10 line break caused by the age of the system. Water main line breaks can also be
11 caused by external contractors such as fiber optic installers, breaking the water
12 main lines.

13 Importantly though, BWNs and the underlying problem (i.e., low
14 distribution system pressure) are not, in and of themselves, an indication of
15 unsafe drinking water. Rather, especially in the case of a low system pressure,
16 they are simply meant to notify customers of conditions that may cause unsafe
17 drinking water. The extent of the unsafe condition must then be verified through
18 follow-up sampling.

19 **Q. DO YOU HAVE ANY COMMENTS ON THE BOIL WATER NOTICES**
20 **REFLECTED IN ATTACHMENT A OF THE DEP REPORT?**

21 A. Yes.¹

¹ While the Company can replicate the data contained in the DEP Report for seven of the boil water notices, it has no record of the August 2023 boil water notice for Sunshine – Ocala Garden.

- 1 1. Company records indicate that the April 2024 boil water notice for
2 Sunshine – Florida Heights was caused by an infrastructure failure
3 and lasted for three days.
- 4
- 5 2. In November 2025, customers at Sunshine – Little Lake Weir were
6 notified of a boil water noticed that was caused by a main line
7 break.
- 8
- 9 3. In August and September 2023, a BWN was issued when the
10 Company was informed that, while distribution system water
11 samples complied with applicable standards, well samples from
12 naturally occurring groundwater prior to disinfection failed to
13 meet certain DEP standards. As a result of these failed samples,
14 the Company sanitized the drinking water well and resampled with
15 subsequent samples found to be in compliance.
- 16
- 17 4. In June 2023, the Company notified customers of a boil water
18 notice at the Sunshine – Ocala Heights system. This boil water
19 notice was caused by a low-pressure event resulting from a power
20 failure from the electrical supplier and where the automatic
21 transfer switch leads for the backup generator burned up.
- 22
- 23 5. On August 25, 2023, the Company was notified that, while all
24 samples from the distribution system were in compliance, a well
25 sample from naturally occurring ground water prior to disinfection
26 failed. The Company immediately issued a boil water notice and
27 was required to show that five consecutive samples were in
28 compliance. The Company was informed on August 29 that it had
29 met this standard.
- 30
- 31 6. On July 7, 2025, the Company issued a boil water notice resulting
32 from a power outage at the Tradewinds system.
- 33

34 Importantly, while the Company had events that caused a BWN, the Company
35 complied with DEP regulations and informed the Department of such events.
36 Additionally, every time a BWN was issued, the Company pulled samples and
37 had the water tested and confirmed safe prior to lifting the notice. Finally, the
38 Company has had no samples fail following a BWN. This indicates that in all
39 the Company’s BWNs, water was deemed safe to drink.

1 **Q. DO YOU HAVE ANY COMMENTS ON THE WASTEWATER**
2 **COMPLAINT SUMMARY INCLUDED IN ATTACHMENT A?**

3 A. The wastewater complaint summary in Attachment A includes thirteen
4 complaints associated with odors. Twelve of those complaints predated the
5 ownership of the system by CSWR-Florida. Only one, the 2024 odor complaint
6 at Rolling Oaks occurred since the Company acquisition.

7 Importantly, an odor complaint at a wastewater plant is not necessarily
8 indicative of an underlying operational issue at the plant. For instance, a
9 customer noticing an odor emanating from a treatment facility may be caused by
10 something as innocuous as a shift in the wind.

11 Relative to the Rolling Oaks plant specifically, however, the influent runs
12 through a screen before entering the treatment process. The screen is designed
13 to remove rags, wipes, and other items that cannot be treated through the
14 treatment process. The screen then drops these items into a dumpster which is
15 eventually dumped. The odor complaint may have been related to the odor from
16 the dumpster.

17 Bottom line, odor complaints are not necessarily symptomatic of a
18 wastewater plant that is not being operated correctly. To put in perspective, as
19 of April 14, 2026, the Company has owned eight wastewater facilities for a total
20 of 7,727 days and has one odor complaint.

21 **Q. THE WASTEWATER COMPLAINT SUMMARY IN ATTACHMENT A**
22 **ALSO IDENTIFIES THREE SANITARY SEWER OVERFLOWS. DO**
23 **YOU HAVE ANY COMMENTS?**

1 A. A sanitary sewer overflow (“SSO”) is a release of untreated or partially treated
2 sewage from a wastewater system. As the EPA recognizes, “SSOs occasionally
3 occur in almost every sewer system, even though systems are intended to collect
4 and contain all the sewage that flows into them. When SSOs happen frequently,
5 it means something is wrong with the system.”² SSOs can be caused by a
6 multitude of reasons including the introduction of inappropriate materials
7 including wipes and pads, tree roots, leaky sewers, inadequate maintenance,
8 undersized sewers and pumps, or equipment failures.³

9 Relative to Attachment A, each of the SSOs listed occurred prior to
10 acquisition by the Company. As indicated in Mr. Freeman’s direct testimony,
11 the Company works diligently to maintain its wastewater facilities and minimize
12 the chance of an SSO.

13 **Q. HAS THE COMPANY REVIEWED ATTACHMENT B TO THE DEP**
14 **REPORT?**

15 A. Yes. Attachment A contains a listing of “complaints” associated with the
16 Company’s water and wastewater facilities. Attachment B is a list of
17 “compliance” issues with those facilities that, given the distressed nature of the
18 assets acquired, is lengthier than Attachment A.

19 **Q. PLEASE DISCUSS.**

20 A. As Mr. Freeman discusses in his direct testimony, and updates in his rebuttal
21 testimony, the Company has acquired several small, distressed, water and

² [Sanitary Sewer Overflow \(SSO\) Frequent Questions | US EPA](#)

³ *Id.*

1 wastewater facilities. These systems suffer from a chronic history of under-
2 investment and poor operational and maintenance practices. For this reason, the
3 systems also display a history of compliance issues. Given this, at the time the
4 systems were acquired, most had been labeled as “out of compliance” by DEP.

5 While some systems can be rehabilitated in the short-term through the
6 dedication of the Company’s professional operation practices or other basic
7 remedies, most require long-term capital investment involving design,
8 permitting, bidding, and construction activities undertaken in coordination with
9 DEP. Given the long-term nature of these capital investment solutions, the
10 Company will typically execute a Consent Agreement with DEP to provide the
11 time necessary to implement these long-term solutions. However, DEP will, in
12 the interim, typically refer to such systems as “out of compliance.”

13 I mention this, not to dispute the fact that these systems should be
14 included in the DEP Report, but rather to explain that the reference to these
15 systems are a direct result of the inaction by previous ownership and that, given
16 the long-term nature of the solutions involved, they may remain on this list for
17 an extended period of time.

18 **Q. WOULD YOU GIVE AN EXAMPLE OF SUCH A SITUATION FROM**
19 **THE WASTEWATER COMPLIANCE PORTION OF ATTACHMENT**
20 **B?**

21 A. Yes. The wastewater compliance summary in Attachment B identifies five
22 CSWR-Florida wastewater facilities that are currently “out of compliance”: (1)
23 Rolling Oaks, (2) Sebring Ridge, (3) CFAT – Landfair, (4) North Peninsula, and

1 (5) Tymber Creek. As detailed in Mr. Freeman’s direct testimony, each system
2 suffers from complicated process issues that have their genesis in the failure of
3 previous owners to maintain and invest in those systems.

4 For instance, CSWR-Florida acquired the Tymber Creek wastewater
5 facility on May 31, 2024. At the time, the system suffered from recurring SSOs
6 because one of the lift stations that pumps wastewater into the facility was
7 located below flood elevation.

8 After the acquisition, the Company executed a Consent Order with DEP
9 providing it with an opportunity to analyze and resolve the problem associated
10 with the recurring SSOs. As Mr. Freeman explains in his rebuttal testimony,
11 CSWR-Florida is actively working on this issue. An engineering project is
12 underway to decommission the existing lift station and construct a new one out
13 of the area where the flood plain and protected wetlands are located. While the
14 existence of the Consent Order is referenced in Attachment B, the DEP Report
15 continues to indicate that the system is “out of compliance.”

16 **Q. ARE THE ISSUES WITH ROLLING OAKS, SEBRING RIDGE, CFAT –**
17 **LANDFAIR, AND NORTH PENINSULA SIMILAR?**

18 **A.** Yes. While the exact nature of the issues may differ, the basic fact pattern still
19 exists with all the systems: past maintenance and investment inactivity by
20 previous owners has evolved into a long-term compliance issue that has
21 mandated a designation of “out of compliance” and will necessitate the long-
22 term coordination of the Company and DEP. Mr. Freeman’s direct and rebuttal

1 testimony provides a discussion of these compliance issues as well as the
2 envisioned solution to these problems.

3 **Q. HAVE YOU REVIEWED THE DRINKING WATER COMPLIANCE**
4 **SUMMARY OF ATTACHMENT B?**

5 A. Yes. As with the other aspects of the DEP Report, it is important to recognize
6 that a significant number of the deficiencies occurred under previous ownership.
7 Moreover, many of the drinking water systems exhibit the same basic fact
8 pattern as the wastewater systems (lack of operational and investment attention
9 by previous owners evolving into bigger system problems).⁴ However, the
10 drinking water compliance summary also details a few unfortunate problems on
11 the Company's part. Specifically, the drinking water summary itemizes on a
12 system specific basis, some missed or late samples items. For instance, among
13 others, the Company missed a bacteriological sample at the Aquarina system
14 shortly after it was acquired. Additionally, the Company missed an E coli
15 sample at Sunshine – Ashley Heights, and the Company missed a report for the
16 Sunshine – Country Walk facility.

17 **Q. DO YOU HAVE ANY COMMENTS ON THESE MISSED SAMPLES /**
18 **REPORTS?**

19 A. Yes. While some of the missed items were the result of the transition in the
20 ownership and operation of the systems shortly following an acquisition, other
21 items were the result of the Company not extending its tracking mechanisms to

⁴ See, e.g., hydropneumatic tank replacements at Sunshine – Ashley Heights; Sunshine – Belleview Oaks; and Sunshine – Country Walk (Freeman Direct, page 57).

1 include necessary samples / reports. Where possible, missed samples were
2 rectified with DEP. Specifically, while the Company may have initially missed
3 the scheduled sample date, it is my understanding that it resolved the situation
4 through a late-filed sample. Still again, errors in tracking mechanisms have been
5 corrected to avoid the problem in the future.

6 **Q. WOULD YOU PUT INTO CONTEXT THE NUMBER OF MISSED**
7 **SAMPLES RELATIVE TO THE NUMBER OF SAMPLES ACTUALLY**
8 **TAKEN AND SUBMITTED BY THE COMPANY?**

9 A. Yes. The attached tables show the number of samples taken and missed, by year
10 and by drinking water and wastewater.

11 Drinking water totals only:

Year	Total Samples Required⁵	Samples Missed
2022	396	1
2023	539	9
2024	758	10
2025	567	7
TOTAL	2,260	27

12 Including 914 annual wastewater samples:

Year	Total Samples Required	Samples Missed
2022	1,283	1
2023	1,453	9
2024	1,672	10
2025	1,481	7
TOTAL	5,889	27

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⁵ Drinking water samples showed a spike in 2024 as the result of the Company completing necessary triennial sampling.

1 The previous tables are not intended to minimize the errors that have been
2 made, but to put those errors into perspective and to demonstrate the overall
3 success the Company has had in meeting DEP sampling and reporting
4 requirements.

5 **Q. DOES THIS CONCLUDE YOUR REBUTTAL TESTIMONY?**

6 A. Yes.

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DOCKET NO. 20250052-WS

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing rebuttal testimony of

Todd Thomas has been served via e-mail on this 17th day of April, 2026, to the following:

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