Ruth Nettles

DAVIS.PHYLLIS [DAVIS.PHYLLIS@leg.state.fl.us] From: Sent: Monday, April 07, 2008 5:24 PM Filings@psc.state.fl.us To: Cc: Rosanne Gervasi; mfriedman@rsbattorneys.com; Ken Hoffman Filing in Docket No.: 070183-WS; Utilities, Inc., In re: Proposed adoption of Rule 25-30.4325, F.A.C., Water Subject: Treatment Plant Used and Useful Calculations Importance: High Attachments: OPC Response to Sen. Fasano letter 04-07-08.pdf Stephen C. Reilly, Esquire Office of Public Counsel 111 W. Madison Street, Room 812 Tallahassee, FL 32399 Phone: (850) 488-9330 Fax: (850) 488-4491 Email: reilly.steve@leg.state.fl.us b. Docket No.: 070183-WS; In re: Proposed adoption of Rule 25-30.4325, F.A.C., Water Treatment Plant Used and Useful Calculations - Filing letter in response to Senator Mike Fasano's April 3, 2008 correspondence to Chairman Matthew Carter. Office of Public Counsel d. 1 page. e. Letter to Commission Clerk CMP _____ COM <u>5</u>___ CTR _____ ECR GCL _/ OPC ____ RCA _____ SCR ____ SGA _____ SEC ____ OTH ____

DOCUMENT NUMBER-DATE

02667 APR-88

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Public Counsel

April 7, 2008

Ann Cole Clerk of the Commission Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850

Response to Senator Fasano's letter Re:

Dear Ms. Cole:

The following letter is offered in response to your April 7, 2008 letter.

The Office of Public Counsel agrees with Senator Fasano that the proposed language of subsection (6)(b) of proposed rule 25-30.4325, F.A.C., should be amended. The firm reliable capacity defined in this subsection should be based upon 24 hours of pumping for systems with storage capacity.

A used and useful percentage based upon a fraction, with the numerator being the single maximum day demand of the year and the denominator being the capacity of the remaining wells (excluding the capacity of the largest well), for only 12 hours of the single maximum day, produces a mismatched used and useful fraction which is unfair to customers. Maximum day demand should be compared to maximum day capacity of the remaining wells (after excluding the capacity of the largest well), to produce a fair and properly matched used and useful fraction.

Associate Public Counsel

SCR/ppg

cc:

Rosanne Gervasi Martin S. Friedman Ken A. Hoffman

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