STATE OF FLORIDA PUBLIC SERVICE COMMISSION

IN RE:

Petition of SANLANDO UTILITIES CORPORATION For a Limited Proceeding to Implement Water Conservation Plan in Seminole County

) DOCKET NO.: 930256-WS

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that the original and fifteen (15) copies of each of the Testimonies of Bernard J. Yokel, Ph.D., Nancy Prine, and Henry H. Fishkind, Ph.D. were filed with the Division of Records and Reporting, Florida Public Service Commission, and one (1) true and correct copy of each Testimony was forwarded by United States Mail this 220 day of July, 1994 to the following parties of record:

> Nancy B. Barnard, Esq. and Jennifer L. Burdick, Esq. Assistant General Counsel St. Johns River Water Mgt. Dist. P.O.B. 1429 Palatka, Fl. 32178-1429

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Respectfully Submitted,

Charles Lee Senior Vice President Florida Audubon Society 460 Highway 436, Suite 200 Casselberry, Fl. 32707 (407) 260-8300

Representative of Florida Audubon Society and Friends of the Wekiva River, Inc.



FLORIDA AUDUBON SOCIETY

July 22, 1994

Florida Public Service Commission Division of Records & Reporting 101 E. Gaines Street Tallahassee, FL 32399

> RE: Petition of Sanlando Utilities Corp. Docket No. 930256-WS

Dear Madam:

In response to your telephone call, I am enclosing the original and 15 copies of the Testimonies of Bernard J. Yokel, Ph.D., Nancy Prine and Henry H. Fishkind, Ph.D. incorporating the <u>format</u> changes that you requested on Friday, July 22, 1994.

If you have any questions, please do not hesitate to call me.

Respectfully yours Charles Lee 8r. Vice President

Encls.

cc: Parties of Record

The Voice of Conservation Since Nineteen Hundred

1 BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION 2 PREPARED DIRECT TESTIMONY OF BERNARD J. YOKEL PH. D 3 ON BEHALF OF THE FLORIDA AUDUBON SOCIETY 4 AND FRIENDS OF THE WEKIVA RIVER, INC. DOCKET NO. 930256-WS 5 6 JULY 21, 1994 7 8 Q1: Please state your name, business address, and 9 occupation. 10 I am Bernard J. Yokel. My Business address is 460, 11 A1: 12 Highway 436, Suite 200 Casselberry, Fl. 32707. I am the 13 President of the Florida Audubon Society. 14 15 Q2: Please describe your current position with The Florida 16 Audubon Society and your duties and responsibilities in 17 that position. 18 As President, I am the chief executive officer of the 19 A2: 20 organization. I am responsible for the day to day 21 management of the organization, and the implementation of the policies, goals, and projects authorized by its 22 board of directors. I manage and direct the activities 23 of all of the other employees of the organization, and 24 make decisions relative to public policy advocacy that 25

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1 the organizaton may be engaged in concerning various 2 issues. 3 Please describe, in general, the objects and purposes 4 03: 5 of the Florida Audubon Society. 6 To promote protection of: native flora & fauna; air and 7 A3: 8 water quality; to encourage conservation of natural 9 resources, and preservation of beneficial environmental 10 conditions; promote the preservation of ecosystems and 11 tracts of natural lands. 12 Please summarize your education and work background. 13 04: 14 15 A4: See attached resume. 16 What is the purpose of your testimony? 17 05: 18 19 A5: The purpose of my testimony is to explain How this 20 proceeding affects the substantial interests of the 21 Florida Audubon Society and to offer my opinions concerning 1) Whether the projected costs are prudent 22 23 from an environmental standpoint and 2) whether the proposed rates are a) reasonable and b) in the public 24 25 interest, from an environmental standpoint.

1 Q6: What information have you studied and evaluated in the 2 preparation of your testimony?

3

4 A6: I have reviewed the Final Order of the Department of 5 Environmental Regulation concerning the Operating 6 Permit Case that Florida Audubon was a party in several 7 years ago, the stipulation we entered into with the 8 Department of Environmental Regulation (now called 9 Department of Environmental Protection) and Sanlando 10 Utilities in that proceeding, the testimony of Yaping 11 Wang, George H. Billings Jr, Hampton P. Conley, and 12 William R. Holmes, the Decision of the Public Service 13 Commission in this case dated December 10, 1993, and 14 the petitions filed in this matter by the petitioners, 15 and office of Public Counsel. Finally, I have reviewed 16 the recently passed legislation, House Bill 1305, 17 Chapter 94-243, laws of Florida, which was approved by 18the Legislature to encourage and facilitate the 19 construction of water reuse systems.

20

21 Q7: Do you agree or disagree with the testimony, as it 22 relates to environmental matters, offered by Yaping 23 Wang on behalf of Sanlando Utilities? Please explain 24 the reasons for your response.

25

I generally agree with Mr. Wang's testimony. I believe 1 A7: 2 that it presents a good analysis of the likely impacts 3 of the rate structure on water conservation. While the 4 precise results of the "inverted" rate structure will 5 not be known for certain until after it is implemented, 6 our organization has advocated "inverted" rate 7 structures for a considerable length of time as a means 8 of using market forces to encourage conservation of 9 water and other natural resources to which rate 10 structures may be applied. Mr. Wang's testimony 11 supports this approach, and I am in agreement with it. 12

13 Q8: Do you agree or disagree with the testimony, as it 14 relates to environmental matters, offered by George H. 15 Billings Jr. on behalf of Sanlando Utilities? Please 16 explain the reasons for your response.

17

I generally agree with Mr. Billings' testimony. It 18 A8: 19 provides a good explanation of their conservation rate 20 structure, and how these rates will impact the 21 consumers. Of particular interest to me is the fact 22 that while the proposal Sanlando is making to the PSC 23 for a rate change to implement this program will result 24 in an increase in rates for some customers, it will 25 have no effect on customers who are conserving water,

and are using 10,000 gallons per month or less. 1 2 Further, when one compares the rates that Sanlando 3 utilities customers will be paying with the rates 4 charged by other utilities in surrounding communities, 5 such as Altamonte Springs, Longwood, Seminole County, 6 Winter Springs, Casselberry, and Apopka, it is apparent 7 that Sanlando will be able to build its reclaimed water system, and implement an "inverted rate structure" 8 9 while maintaining rates that are considerably lower 10 that those that prevail generally in Central Florida. This is clearly shown in Exhibit VI, which is presented 11 12 in Mr. Billings' testimony. It is important to be able 13 to make progress in protecting the environment in a way that keeps the monthly utility bills of customers in 14 15 Sanlando's service area lower than rates in surrounding 16 communities.

17

18 Q9: Do you agree or disagree with the testimony offered by 19 Hampton P. Conley, as it relates to environmental 20 matters on behalf of Sanlando Utilities Corporation? 21 Please explain the reasons for your response.

22

23 A9: I generally agree with his testimony. He in part 24 describes Sanlando's corporate position with regard to 25 the method of funding the water reuse project. We

1 believe that state regulators should grant a maximum 2 amount of flexibility to utilities such as Sanlando, to allow them to implement water reuse projects. Some 3 4 utilities may prefer a different financing method. So 5 long as the financing method achieves the water reuse 6 goals necessary to protect the environment, and does so 7 without charging unreasonably high rates to the customers, we encourage state regulators to be open to 8 9 a wide variety of methods to pursue water reuse that 10 may be proposed by utilities.

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12 Q10: Do you agree or disagree with the testimony, as it relates to environmental matters, offered by William R. Holmes on behalf of Sanlando Utilities Corporation? Please explain the reasons for your response.

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17 AlO: I agree with his testimony. He describes the design of 18 the water reuse system, and it demonstrates that the 19 system Sanlando proposes to build will meet the terms 20 of our stipulation with the Department of Environmental 21 Regulation and Sanlando Utilities in the operating 22 permit case. In fact, the system that Mr. Holmes 23 describes is actually somewhat better than required by 24 the stipulation in the DER operating permit case, because it will make reuse water available to some 25

additional users beyond the three golf courses
originally contemplated to be the recipients of the
water.

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5 Q11: Based on your evaluation of the Sanlando Utilities 6 Corporation water reuse plan and rate proposal to 7 Florida Public Service Commission, do you have an 8 opinion whether or not the costs and proposed rates are 9 in the public interest from an environmental 10 standpoint? Please state and explain your opinion. 11

12 All: Yes. My opinion is that Sanlando Utilities will be building its water reuse system and will produce 13 14 meaningful water conservation results, while at the 15 same time keeping rates much lower than utilities in 16 surrounding communities. During the 1994 legislative 17 session, the Legislature passed an important bill that 18 has a direct bearing upon this issue. House Bill 1350, 19 Chapter 94-243, Laws of Florida makes a legislative 20 declaration that the reuse of reclaimed water is 21 considered to be in the public interest, and that reuse 22 benefits water, wastewater, and reuse customers. This 23 new statute also makes clear that it is appropriate to 24 approve rates based on the projected cost of reuse projects, and to escrow funds for the construction of 25

1 such projects precisely as Sanlando Utilities is 2 proposing. I believe that what Sanlando Utilities is 3 proposing is clearly in the public interest from an 4 environmental standpoint. This has been confirmed by the recent passage of Chapter 94-243, Laws of Florida. 5 6 7 Q12: Do members of the Florida Audubon Society reside within 8 the service area of Sanlando Utilities? 9 10 A12: Yes. Approximately 75 members live in this area. 11 12 Q13: Does the Florida Audubon Society own any property 13 within or adjacent to the Sanlando Utilities service 14 area? 15 16 A13: Yes. We own over 350 acres that is known as the "Sabal Point Wildlife Sanctuary", which is adjacent to the 17 Sabal Point community, that is served by Sanlando 18 Utilities. We manage this land for preservation of the 19 20 natural resources there. Part of our property is 21 bordered by one of the golf courses that will receive 22 reclaimed water under Sanlando's plan. 23 24 Q14: How will implementation of Sanlando's plan affect the 25 property owned by the Florida Audubon Society?

1 A14: Reduced groundwater pumping to provide irrigation to 2 the golf courses nearby will aid in maintaining 3 groundwater levels. Because springs that feed the 4 Wekiva River and Little Wekiva River are responsive to 5 groundwater levels, any reduction in pumping from the 6 groundwater in the vicinity of these springs will help 7 preserve the flow of the springs. The flow of these 8 springs is what makes up a large part of the volume of 9 flow in the Wekiva and Little Wekiva Rivers, which 10 boarder our sanctuary property. It is well known that 11 the rate of flow of springs that are the headwaters of 12 the streams in the Wekiva River system has been 13 declining in recent decades. It is highly likely that 14 this decline in the springs is a result of overuse of 15 groundwater in the vicinity. 16 17 Q15: Why does the Florida Audubon Society support the

18 proposal Sanlando Utilities has submitted to the Public 19 Service Commission?

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21 A15: Because it achieves important water reuse and water 22 conservation objectives, and does so in a manner that 23 does not unreasonably burden the ratepayers in 24 Sanlando's service area.

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FLORIDA AUDUBON SOCIETY

BIOGRAPHICAL INFORMATION BERNARD J. YOKEL, Ph.D. President

Bernard J. Yokel was born in Cleveland, Ohio and educated through high school in Cleveland Heights, Ohio. He graduated with a B.S. degree in Education from Miami University at Oxford, Ohio. He served as a teacher on Guam in the Marianas Islands from 1952 to 1956 and as principal of the Saipan Intermediate School at Saipan, Marianas Island, from 1956 to 1958. At that time, he left the field of education and entered a preparatory phase in biological science. Subsequently, he received a Master's and a Doctorate Degree in Marine Science and Estuarine Ecology from the University of Miami at Coral Gables, Florida.

From 1962-70 he worked full time at the University of Miami researching the biology and life history of game fish, pink shrimp and ecological problems in Everglades National Park. In 1970 he opened the Rookery Bay Marine Research Station and initiated studies leading to baseline descriptions of the hydrography, water quality and animal abundance and distribution in the Rookery Bay ecosystem and in Collier County and Southwest Florida in general. Subsequently the Rookery Bay ecosystem was designated a National Estuarine Sanctuary by the federal government. This was followed in 1975 by a comprehensive study of Naples Bay with recommendations for the relief of many environmental problems. In this effort, he participated as the principal investigator for the biological studies and coordinator of the other technical studies.

His experience in mangrove wetland research led to an appointment by the National Academy of Sciences to the scientific team researching the effects of Agent Orange and the resulting extensive mangrove defoliation in Vietnam. In this connection, he spent a month in Vietnam in late 1972.

While in southwest Florida, Dr. Yokel served as Director of Research at The Conservancy, Inc.. in Naples from 1975 to 1984. Within the Collier County community, he participated as a board member and as Chairman of the Water Management Advisory Board. In 1977 he was appointed by Governor Askew to serve on the Big Cypress Basin Board within the South Florida Water Management District and was reappointed to this board twice by Governor Graham. In 1978 he was elected to the Board of Directors of Florida Audubon Society; in 1980 the Directors of Defenders of Wildlife in Washington, D.C. elected him to their Board.

In the Fall of 1984, the Board of Directors of Florida Audubon Society elected him President of the Society. He currently serves in that position.

(Continued)

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460 HWY. 436 • SUITE 200 • CASSELBERRY, FL 32707-4939 • (407) 260-8300 • FAX (407) 260-9652 RECYCLED PAPER Dr. Yokel Page 2.

Since 1984, Dr. Yokel has participated in the following State and community programs:

1985 Governor Graham appointed him to the Governor's Growth Management Advisory Committee.

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- 1987 Appointed to the Growth Management Conflict Resolution Consortium where he continues to serve.
- 1988 Appointment from Governor Martinez to the Lake Okeechobee Technical Advisory Council.
- 1989 Appointment from Governor Martinez to the Florida Advisory Council on Environmental Education where he continues to serve.
- 1993 Governor Chiles appointed him to serve on the Florida Greenways Commission.
- 1994 Appointment by Governor Chiles to the Governor's Commission for a Sustainable South Florida.

June 1994