

Antonia Hover

From: Antonia Hover on behalf of Records Clerk
Sent: Monday, March 24, 2025 1:43 PM
To: 'Mike Riley'
Cc: Consumer Contact
Subject: RE: RE. Docket #20240032-SU

Good Afternoon, Michael Riley.

We will be placing your comments below in consumer correspondence in Docket No. 20240032, and forwarding them to the Office of Consumer Assistance and Outreach.

Thank you!

Toni Hover
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From: Mike Riley <mikenriley@comcast.net>
Sent: Monday, March 24, 2025 1:35 PM
To: Records Clerk <CLERK@PSC.STATE.FL.US>; Office of Commissioner Clark <Commissioner.Clark@psc.state.fl.us>; Office of Commissioner Passidomo Smith <Commissioner.Passidomo.Smith@psc.state.fl.us>
Subject: RE. Docket #20240032-SU

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Regarding EU's application for sewer service for Don Pedro, Knight, and Little Gasparilla Island,

I AM AGAINST APPROVAL OF THIS APPLICATION AND REQUEST YOU DENY THE APPLICATION!

Being a former CPA involved, evaluated, and testified in regulated Industries rate cases before the ICC (Federal Dept. of Transportation) and the State of Colorado PUC [before deregulation], I understand the legality issues reviewed by the Staff in their suggested approval of this application. Yes, according to the basic 'PSC Rules', Staff considers Environmental Utilities (EU) has met the minimum requirements. Legality issues are one thing, but other items need to be evaluated before voting. The island residents from all 3 islands, were heard loud and clear that this is wrong for the islands, not necessary, and only a 'money grab' by EU and its owners.

However, these PSC rules (including minimums) have many weaknesses like - to prove a need for sewer, “you only need ONE resident requesting service”, and there is no restriction on who that person can be, including the applicant – or developer who owns and wants to develop multiple lots on Little Gasparilla and is funding three quarters of the construction for EU. Other apparent weaknesses are (1) the use of estimated costs, most of which are significantly understated, (2) the type of the system, which Charlotte County now is against this type of waste water system because of the excessive costs involved in maintenance, and (3) the design of this system which includes a 10 inch main ending at the gates of the Resort, etc.

These issues all came up in the hearings held in Englewood. Thank you for making it easy for the Islands stakeholders to voice their opinions.

To discuss these issues in more depth the need of service is beyond the reality of common sense. There have been no tests of the water quality by the applicant at all, or maybe they have tested and the water results were good so they could not bring up in the application. Cape Haze basin is known for clean water as testified to by several expert witnesses in the hearings. Charlotte County’s continuing water testing has shown no significant water quality issues around our islands (maps posted on their website showing the test sites and results). If there is NOT a problem, why offer a costly, inefficient solution.

MAKE SURE A PROBLEM EXISTS FIRST, THEN EVALUATE SOLUTIONS.

You heard repeatedly from island residents that even after Hurricanes Helene and Milton, which was 4.6 feet deep under my house, ‘septic systems worked fine and there was no spillage or contamination’. To be sure about mine, I had SOS Septic come out and inspect my septic and remove the sludge (as it had been 4 years since I last removed sludge). Why is the PSC need for service level so low that only the applicant needs to say “I request sewer at my residence” to prove a need.

Another wrong against the island residents was the Charlotte County Commissioners unanimous support of this application. In testimony, you heard that the opposing Counsel sent a political based email with an attached resolution draft to the Charlotte County Commissioners and asked it be approved. It was placed on the agenda exactly as counsel drafted it and It was approved, but there was no review by any Charlotte County Staff or departments, only resolution approval. In addition, if you remember, NO Charlotte County Commissioners or staff or department heads came to the hearings, testified, or even sent a communication explaining why they voted as they did. I feel their support for this application was merely a political favor and did not have any meaningful evaluation or discussion. In as much it should be discounted significantly in your vote to approve or disapprove this application

The estimated costs in item (1) above are ridiculous. Too many residents discussed the additional cost and time involved in the having to use the ferry access. EU’s expert construction witness claims a minor amount for the ferry and justified it NOT BY the number of trips and cost per trip, not by having to use a private ferry to move equipment on and off Little Gasparilla [no access from Don Pedro Island because of the state park and the ‘Beach to Bay’ community HOA not allowing equipment move across their private community roads], not by taking into account the morning one hour+ average wait time to get on the island and the afternoon 1 hour+ average wait time to get off. Many residents testified about the real cost of the ferry in fees as well as lost time. The cost to build on Don Pedro and Knight Islands carries approximately a 40% - 50% excess as compared to the mainland. The costs used were mildly updated from the denied application 2 years ago and in the last year and a half the US has seen significant inflation. Hard to understand how these costs did not increase accordingly. The Trump administration tariffs will also add a new layer of cost on top of the inflation. Maybe you should consider approval of this application subject to a rate base cost limit equal to 5% +/- variance from the estimated costs in the application. Put the pressure on EU to build and operate

efficiently instead of an open checkbook to build and operate as they want With the residents paying the continuing bill. This would also force EU to reevaluate the costs in the application and be more realistic in the related costs in this application – they are not even close to reality.

The type of system is wrong for our islands. This gravity flow type system is always full of waste water slowly moving off the island, now updated with two crossings of the Intracoastal waterway instead of only one. In the case of a power outage there is a potential of a major contamination spill and a backup at each island home. As Charlotte County has stated many times, they will no longer approve or implement this type of system on the mainland because of excessive maintenance costs and potential contamination spills. They suggest a more appropriate vacuum system which whisks the waste off the island rapidly, not allowing it to be hanging in the lines. The vacuum system has been used successfully in the Keys and various other barrier islands.

The design of this system includes a 10 inch main that dead ends at the gates to the Resort. It is common knowledge that the Resort has a cracked septic storage unit and can only safely hold about 50% of their capacity. The cost to repair this holding tank is significant. This 10 in main is paid for by the residents other than the Resort [Knight Island Utilities (KIU) a non-profit utility]. In testimony EU stated that once approved by the PSC, they would approach Knight Island Utilities about buying them out or letting them use the 10 inch main to remove their waste off island. This is not discussed in the application and has a significant cost to the proposed system users, yet the residents get no reduction in calculation of the base rate, etc., only the actual costs to overbuild. There are no bulk rates offered by EU in their rates, so they should not be able to offer a bulk use agreement. Again, this is all planned to put the Resort's cost of waste removal on the non-Resort residents back. Unfair costs and unfair rates. There is also the fact that residents on Lemon Bay Lane are currently hooked up to KIU, but are not in the service area of KIU. They are in the service area of EU, so they will have to pay a hookup fee to EU even though they have already paid one to KIU.

In reality, this application is NOT IN THE BEST INTEREST OF THE ISLANDS.

The testimony by EU that there was raw waste laying on the beach and the septic tanks standing around was limited to Little Gasparilla Island and I suggest it was not that bad or the State of Florida Environmental agency would have been out there testing and shutting down the island because of contamination. Statements like this are absurd and have not documented support. None of these supposedly described situations existed on Don Pedro or Knight Island as testified to by many residents.

In closing, I would remind you that you denied the prior application because of lack of support from Charlotte County and opposition by a significant population of residents. EU did get a support referendum from Charlotte County Commissioners, which should carry only limited weight in your decision because it was merely political motivated and not properly evaluated or discussed by the County, as well as the fact that no one from the County testified or even showed up at your hearings – in support. Hard to say they support it when they do nothing but a vote. On the other hand, when Island residents form action committees and non-profits to fight this application it should be apparent that it is not a few vocal residents against it, but the majority of residents in the service area. Little Gasparilla came with a majority of residents against this proposal. Palm Island Estates HOA (PIE) has fought against the prior sewer applications, and will continue to fight against this “re-filed” application with a majority of the island residents each time willing to donate money for lawyers and testify in front of the PSC.

Remind yourself of the crowd that showed up at the hearings against this application and all the information they gave you about the applicant and the other problems with approval of this application.

Thank you

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