



Public Service Commission

-M-E-M-O-R-A-N-D-U-M-

DATE: December 11, 1996

TO: Blanca Bayó, Director of Records and Reporting

FROM: Wilbur Stiles, Assistant to Chairman Clark *WJS*

RE: Communication Received in Docket No. 960258-WS

Attached is a copy of a letter of December 11, 1996, from Mr. Jorge S. Rodriguez regarding the above docket. Please place this memorandum and attachment in docket file. Because this correspondence relates to a rulemaking proceeding, it is not necessary to disseminate this letter to the parties.

- ACK _____
- AFA _____
- APP _____
- CAF _____
- CMU _____
- CTR _____
- EAG _____
- LEG _____
- LIN _____
- OPC _____
- RCH _____
- SEC 1
- WAS _____
- OTH _____

DOCUMENT NUMBER-DATE

13274 DEC 13 96

FPSC-RECORDS/REPORTING

FAX TRANSMISSION

MIAMI-DADE WATER & SEWER DEPARTMENT

4200 Salzedo Street, Suite 311

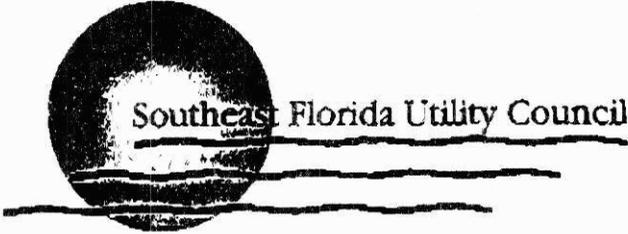
Coral Gables, Florida 33146

(305) 669-7802

Fax: (305) 669-5796

To: Susan F. Clark, Chairman **Date:** December 11, 1996
Fax #: ~~904-413-6944~~ 904-413-6395 **Pages:** 4, including this cover sheet.
From: Jorge S. Rodriguez, P.E.
Subject: Southeast Florida Utility Council Resolution

COMMENTS:



Southeast Florida Utility Council

4200 Salzedo Street
Room 311
Coral Gables, FL 33146
(305) 669-7602
Fax: (305) 669-5796

December 11, 1996

Susan F. Clark, Chairman
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

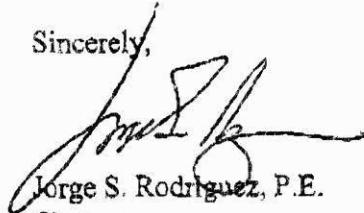
Reference: Southeast Florida Utility Council Resolution

Dear Chairman Clark:

Following please find a copy of a Resolution recently adopted by the Southeast Florida Utility Council that I would ask you to consider with regard to the Hearing on proposed Rule 25-30.431, Florida Administrative Code (Docket #960258-WS).

I appreciate your consideration of this Resolution for this Hearing and if you should have any questions regarding these statements adopted by the Council, please do not hesitate to contact me at (305) 669-7602 or Mr. Whit Vancott, Vice-Chairman at (954) 921-3301.

Sincerely,



Jorge S. Rodriguez, P.E.
Chairman

Providing and preserving your water resources.

NO. 2098 P. 2/4

MIAMI DADE WATER & SEWER

4:03PM

Dec. 11. 1996

RESOLUTION NO. 96-1

WHEREAS, The Southeast Florida Utility Council was created in 1992 to provide a communications, networking and support structure for member utilities to continue to provide in a cost effective manner superior quality water supply and wastewater management services to its customers; and

WHEREAS, The Council membership includes water and wastewater utilities from Palm Beach, Broward and Dade Counties which provide potable water and wastewater management services to approximately 4.5 million southeast Florida residents; and

WHEREAS, All water and wastewater utilities serve the public interest and are committed to protecting the environment and the public health and safety; and

WHEREAS, It is important that utilities have sufficient capital to meet the requirements of federal, state and local environmental agencies; and

The member utilities of this organization design and construct facilities which will meet the needs of customers for the next 20 years and which maximize economies of scale to the greatest extent possible; and

WHEREAS, Utility customers can benefit from economies of scale achieved by constructing facilities with large capacity; and

WHEREAS, Under current Florida Public Service Commission (FPSC) policy, investor-owned utilities are allowed to recover only that portion of their investment that is "used and useful" by utility customers within 18 months; and

WHEREAS, This FPSC policy promotes smaller plants which may not be as efficient, typically provide lower levels of treatment and are more sensitive to operate;

NOW, THEREFORE, be it resolved that the Southeast Florida Utility Council hereby recommends that investor-owned utilities be permitted to:

Resolution No. 96-1

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- 1) recover from current customers the full cost of facilities needed for a minimum 5 year planning horizon, and
- 2) recover from current customers the full cost of all facilities needed to meet the requirements of environmental agencies.

The Council further supports the utility industry in its efforts to ensure full cost recovery for facilities needed to serve customers for a minimum of 5 years into the future, either through agency rulemaking or statutory changes, whichever is appropriate.

This Resolution was unanimously approved and adopted by the Council Board of Directors at its meeting of December 9, 1996.