

# ORIGINAL

LAW OFFICES

## ROSE, SUNDSTROM & BENTLEY, LLP

2548 BLAIRSTONE PINES DRIVE  
TALLAHASSEE, FLORIDA 32301

CHRIS H. BENTLEY, P.A.  
ROBERT C. BRANNAN  
DAVID F. CHESTER  
F. MARSHALL DETERDING  
JOHN R. JENKINS, P.A.  
STEVEN T. MINDLIN, P.A.  
DAREN L. SHIPPY  
WILLIAM E. SUNDSTROM, P.A.  
DIANE D. TREMOR, P.A.  
JOHN L. WHARTON  
ROBERT M. C. ROSE, OF COUNSEL  
WAYNE L. SCHIEFELBEIN, OF COUNSEL

(850) 877-6555  
FAX (850) 656-4029  
www.rsattorneys.com

CENTRAL FLORIDA OFFICE  
600 S. NORTH LAKE BLVD., SUITE 160  
ALTAMONTE SPRINGS, FLORIDA 32701  
(407) 830-6331  
FAX (407) 830-8522

MARTIN S. FRIEDMAN, P.A.  
VALERIE L. LORD, OF COUNSEL  
(LICENSED IN TEXAS ONLY)

June 26, 2003  
VIA HAND DELIVERY

Tim Devlin  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0873

Re: Aloha Utilities, Inc.; PSC Docket No. 010503-WU  
Application for Increased Water Rates in Seven Springs System  
Our File No. 26038.35

Dear Mr. Devlin:

The Florida Public Service Commission's Order No. PSC-02-0593-FOF-WU has now become final. As such, the Utility needs to immediately begin the process of implementing the final rates approved (as adjusted for the recently filed index), and to begin the process of refunds through credits.

Both the implementation of the appropriate rates, adjusted for the index, and the issue of credits have previously been discussed with members of the staff several weeks ago. Therefore, I believe that the approval process for the customer notice and the appropriate rates should be relatively simple, given those prior discussions.

I am attaching hereto a proposed customer notice with a schedule of proposed rates to forward to the customers and proposed tariffs so that the new rates can be implemented as soon as possible. I would appreciate your having someone with the staff contact me immediately after review of these, and let me know when they are ready for distribution.

If you have any questions in this regard or need any further information, please let me know.

Sincerely,

ROSE, SUNDSTROM & BENTLEY

F. Marshall Deterding  
For The Firm

FMD/tms

cc: Blanca S. Bayo, Esq.  
Bart Fletcher  
Ralph Jaeger, Esq.  
Marshall Willis, CPA  
Jennifer Rodan, Esq.  
Stephen Watford  
Robert Nixon, CPA

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JUN 26 PM 3:50

DOCUMENT NO.  
6-26-03  
05703-03

CUSTOMER NOTICE

July \_\_, 2003

On August 10, 2001 Aloha Utilities, Inc. applied to the Florida Public Service Commission (PSC) for increased water service rates to its customers in its Seven Springs system. By Order No. PSC-01-2199-FOF-WU the PSC authorized the collection of interim rates for that system effective November 8, 2001. By Order No. PSC-02-0593-FOF-WU the PSC took final action on Aloha's application and authorized no increase in rates. In addition, the Commission required a 4.87% refund of the interim rates collected since November of 2001. The Order also required a rate structure change. With the final decision on appeal issued by the First District Court of Appeal on June 19, 2003, the Commission's Order has now become final.

The Utility has implemented an index increase authorized by Section 367.081(4)(a), Florida Statutes since the issuance of the Commission's Final Order in the above rate case. As such, the new rates being implemented are the rates authorized by the Commission in the rate case, adjusted for the annual inflation index. These new rates should be reflected for service rendered on or after \_\_\_\_\_, 2003. The prior approved rates and the new rate case approved rates, adjusted for inflation, are reflected on the back of this notice.

Because Aloha implemented interim rates effective in November of 2001 which were above those ultimately determined to be appropriate by the Commission, all customers receiving service during that period of time will be receiving a credit in the near future. The Utility is working with the PSC staff to calculate the exact amount of the credit, and the credit will be calculated into your bill within the next 90 days.

If you should have any questions, please contact the utility office. Be sure to have your account number handy for quick reference.

Sincerely,

Aloha Utilities, Inc.

ALOHA UTILITIES, INC.  
Schedule of Present and Proposed Water Rates

	Existing Rates*	Inflation Adjusted Commission Approved Final
<u>Residential Service</u>		
Base Facility Charge (BFC):		
<u>Meter Size:</u>		
5/8" x 3/4"	\$8.41	\$ 4.07
3/4"	\$ ----	\$ 6.11
1"	\$22.37	\$10.18
1-1/2"	\$41.95	\$20.37
Usage Charges Per 1,000 Gallons:		
0 - 3,000 Gallons	\$0.00	\$1.40
3,000 - 10,000 Gallons	\$1.34	\$1.40
Over 10,000 Gallons	\$1.34	\$1.74
<u>General Service</u>		
Base Facility Charge:		
<u>Meter Size:</u>		
5/8" x 3/4"	\$8.41	\$4.07
1"	\$22.37	\$10.18
1-1/2"	\$41.95	\$20.37
2"	\$67.61	\$32.58
3"	\$134.33	\$65.17
4"	\$210.24	\$101.83
6"	\$325.78	\$203.65
8"	\$664.22	\$325.85
10"	\$967.70	\$468.40
Usage Charges:		
All Usage Per 1,000 Gallons	\$1.34	\$1.51

\* Previous Rates BFC includes minimum gallonage allowances, which vary depending on meter size.

RESIDENTIAL SERVICE

RATE SCHEDULE RS

AVAILABILITY - Available in Seven Springs.

APPLICABILITY - For water service for all purposes in private residences and individually metered apartment units.

LIMITATIONS - Subject to all the rules and regulations of this tariff and general rules and regulations of the Commission.

RATES - (Monthly)

<u>Meter Size</u>	<u>Base Facility Charge</u>
5/8" x 3/4"	\$ 4.07
3/4"	6.11
1"	10.18
1-1/2"	20.37

<u>GALLONAGE CHARGE</u> -	0 - 3,000 Gallons	\$ 1.40
	3,000 - 10,000 Gallons	1.40
	Over 10,000 Gallons	1.74

TERMS OF PAYMENT - Bills are due and payable when rendered and become delinquent if not paid within twenty (20) days. After five (5) working days written notice is mailed to the customer separate and apart from any other bill, service may then be discontinued.

EFFECTIVE DATE: May 27, 2003  
TYPE OF FILING: 2002 Index

Stephen G. Watford  
ISSUING OFFICER

President  
TITLE

ALOHA UTILITIES, INC.  
Water Tariff

TWENTY FOURTH REVISED SHEET NO. 17.0  
Cancels Twenty Third Revised Sheet No. 17.0

GENERAL SERVICE

RATE SCHEDULE GS

AVAILABILITY - Available in Seven Springs.

APPLICABILITY - For water service to any customer for which no other schedule applies.

LIMITATIONS - Subject to all the rules and regulations of this tariff and general rules and regulations of the Commission.

RATES - (Monthly)

<u>Meter Size</u>	<u>Base Facility Charge</u>
5/8" x 3/4"	\$ 4.07
1"	10.18
1-1/2"	20.37
2"	32.58
3"	65.17
4"	101.83
6"	203.65
8"	325.85
10"	468.40

GALLONAGE CHARGE - \$1.51 per 1,000 gallons

TERMS OF PAYMENT - Bills are due and payable when rendered and become delinquent if not paid within twenty (20) days. After five (5) working days written notice is mailed to the customer separate and apart from any other bill, service may then be discontinued.

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