VOTE SHEET

JUNE 29, 2004

RE: Docket No. 020896-WS - Petition by customers of Aloha Utilities, Inc. for deletion of portion of territory in Seven Springs area in Pasco County.

Docket No. 010503-WU - Application for increase in water rates for Seven Springs System in Pasco County by Aloha Utilities, Inc.

<u>Issue 1</u>: Should the Commission grant Aloha's Request for Oral Argument on its Motion to Dismiss (Issue 3)? <u>Recommendation</u>: Yes. Because oral argument may aid the Commission in comprehending and evaluating Issue 3, staff recommends that oral argument be granted. Staff notes that interested persons are permitted to participate on Issues 4-7 in any event. Combined presentations on all issues should be limited to fifteen minutes per side.

APPROVED

COMMISSIONERS ASSIGNED: All Commissioners

COMMISSIONERS' SIGNATURES	
MAJORITY Mailed Dan	DISSENTING
Max que	
Mentro	
J. Jamy kreason	
Judgbrackley	
REMARKS/DISSENTING COMMENTS:	
	DOCUMENT NUMBER-DATE
	07126 JUN 29 3
PSC/CCA033-C (Rev 12/01)	

FPSC-COMMISSION CLERK

5

VOTE SHEET JUNE 29, 2004 Docket No. 020896-WS - Petition by customers of Aloha Utilities, Inc. for deletion of portion of territory in Seven Springs area in Pasco County. Docket No. 010503-WU - Application for increase in water rates for Seven Springs System in Pasco County by Aloha Utilities, Inc.

(Continued from previous page)

<u>Issue 2</u>: Should the Commission grant Aloha's Motion to Strike the supplemental response filed by Dr. Kurien to Aloha's motion to dismiss? <u>Recommendation</u>: Yes. The Commission should grant Aloha's Motion to Strike.

APPROVED

<u>Issue 3</u>: What action should the Commission take on Aloha's Motion to Dismiss the First Deletion Petition and its Supplemental Motion to Dismiss the Second Deletion Petition?

<u>Recommendation</u>: The Commission should dismiss for lack of jurisdiction the portion of the First Deletion Petition that requests that the Seven Springs territory be made part of the service area of the Pasco County water utility system. The Commission should deny the motions to dismiss the remaining portions of the two deletion petitions.

APPROVED

VOTE SHEET JUNE 29, 2004 Docket No. 020896-WS - Petition by customers of Aloha Utilities, Inc. for deletion of portion of territory in Seven Springs area in Pasco County. Docket No. 010503-WU - Application for increase in water rates for Seven Springs System in Pasco County by Aloha Utilities, Inc.

(Continued from previous page)

<u>Issue 4</u>: Should the Commission grant Aloha's motion to modify the rate case order, to change the 98% standard for removal of hydrogen sulfide contained therein to agree with the Tampa Bay Water Standard of 0.1 mg/L?

Recommendation: Yes, Aloha's motion to modify the rate case order should be granted in part and denied in part. The fourth ordering paragraph of the rate case order should be modified to read that "Aloha shall make improvements to its wells 8 and 9 and then to all of its wells as needed to meet a goal of 0.1 mg/L of sulfides in its finished water at the point of delivery with the customer's piping. Compliance with such requirement shall be determined based upon samples taken monthly at a minimum of two sites at domestic meters most distant from the multiple treatment facilities. Such sites shall be rotated to provide the greatest likelihood of detecting any departure from the maximum levels permitted. as that water leaves the treatment facilities of the utility. Compliance with such requirement shall be determined based upon samples taken at least annually from a point of connection just after all treatment systems and before entry of such water into the transmission and distribution system of the utility. Aloha shall implement this standard no later than February 12, 2005." The Commission should direct Aloha to use the treatment process that Aloha concludes will achieve this level of treatment in the most cost-effective manner. Additionally, Aloha should be required to file comments within 60 days from the date of the Commission's vote on this item regarding the feasibility of collecting and testing monthly samples at domestic meters as proposed by Dr. Kurien. Finally, the Commission should require monthly progress reports, as set forth in the staff analysis.



VOTE SHEET JUNE 29, 2004 Docket No. 020896-WS - Petition by customers of Aloha Utilities, Inc. for deletion of portion of territory in Seven Springs area in Pasco County. Docket No. 010503-WU - Application for increase in water rates for Seven Springs System in Pasco County by Aloha Utilities, Inc.

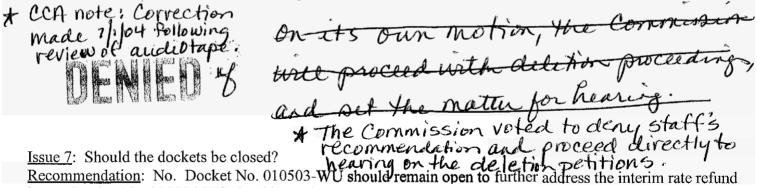
(Continued from previous page)

Issue 5: What additional steps should Aloha take to address the black water problem occurring in customers' homes?

<u>Recommendation</u>: To assist customers who have experienced damage due to the water's high hydrogen sulfide content, staff recommends that Aloha should be strongly encouraged to implement a low interest loan or a rebate program to assist customers in the Seven Springs service territory who wish to replace their existing copper pipes. The details of two such program proposals are discussed in the staff analysis for the utility's consideration.

NO VOTE

<u>Issue 6</u>: What further action should the Commission take at this time on the deletion petitions? <u>Recommendation</u>: The Commission should decline to take further action on the customers' requests to delete the Seven Springs area until after Aloha has had an opportunity to implement the new treatment process required by Issue 4. Staff will bring a recommendation for further action on the deletion petitions as soon as practicable after the February 12, 2005 implementation deadline.



<u>Recommendation</u>: No. Docket No. 010503-WU should remain open to further address the interim rate refund issue. Docket No. 020896-WS should remain open to monitor compliance with the applicable treatment and reporting requirements and to take further action on the request to delete the Seven Springs area from Aloha's certificated territory.

APPROVED