Tom LEE President



Harold McLean Public Counsel

ORIGINAL

STATE OF FLORIDA OFFICE OF PUBLIC COUNSEL

c/o THE FLORIDA LEGISLATURE 111 WEST MADISON ST. ROOM 812 TALLAHASSEE, FLORIDA 32399-1400 850-488-9330

EMAIL: OPC_WEBSITE@LEG.STATE.FL.US WWW.FLORIDAOPC.GOV

March 7, 2005

ALLEN BENSE Speaker



Charles J. Beck Deputy Public Counsel

Blanca S. Bayo, Director Division of Records and Reporting Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850

Re: Docket No. 010503-WU

Dear Ms. Bayo:

Enclosed for filing in the above-referenced dockets are the original and 15 copies of Citizens' Response to Aloha's Motion for Continuance.

Please indicate the time and date of receipt on the enclosed duplicate of this letter and return it to our office.

Sincerely, CMP ___ COM 5 Charles J. Beck CTR ____ Deputy Public Counsel ECR ____ GCL __CJB:bsr Enclosures MMS__ RCA ____ SCR ____ RECEIVED & FILED SEC ___ OTH ____ FPSC-BURGAU OF RECORDS

DOCUMENT NUMBER-CAT

FPSC-COMMISSION CLEE

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for Increase in Water Rates) for Seven Springs System in Pasco County) by Aloha Utilities, Inc.

Docket No. 010503-WU

Filed: March 7, 2005

CITIZENS' RESPONSE TO ALOHA'S MOTION FOR CONTINUANCE

The Citizens of Florida, through Harold McLean, Public Counsel, file this response in opposition to the motion for continuance filed by Aloha Utilities, Inc., on March 1, 2005.

- 1. Aloha begins its motion with the bold claim that no party will be prejudiced from a continuance of this matter. This may be true for Aloha, but it is certainly not true for customers who have been waiting for a decade to see improvements to their water.
- 2. The final order issued in this case almost three years ago recognized the outcry from customers concerning black, smelly water they receive from Aloha. During the hearings held in conjunction with Aloha's rate case, customers cited black or discolored water, odor / taste problems, low pressure, sediment /sludge, and the utility's unresponsiveness to customer complaints or inquiries. Final order at 8. The Commission found that the quality of customer service provided by Aloha was unsatisfactory and that Aloha treats its customers poorly. Final order at 20. The Commission further found that a significant number of customers had been receiving black water from Aloha for over 6 years and that it was time for Aloha to do something about it. In particular, the Commission decided that the

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actions Aloha had taken were slow-moving and ineffective and that it lacked a proactive approach to finding acceptable solutions to these problems. As a consequence the Commission ordered Aloha to remove at least 98% of the hydrogen sulfide from its water.

- 3. This requirement never went into effect. Aloha's unsuccessful appeal of the final order led to a stay of this provision at first, and after the Court denied Aloha's appeal, Aloha filed a motion to change this portion of the final order requiring them to remove at least 98% of the hydrogen sulfide from its water. The Commission issued a proposed agency action order tentatively accepting the changes proposed by Aloha, and three customers of Aloha protested that order. The proposed agency action order never went into effect. This hearing is designed to hear evidence from the customers concerning their protest of the order and to put this matter finally to rest.
- 4. Without providing evidence, Aloha declares it is in compliance with the proposed agency action order which never went into effect, and it is that claimed compliance with an ineffective order which Aloha cites as the basis for its claim that no party will be prejudiced by a continuance of this case. To the contrary, customers remain harmed every day until the Commission hears their evidence and implements standards governing the water Aloha delivers to its customers.
- 5. Aloha next claims that the case should be continued until the completion of the deletion docket because the three persons who protested the order either lived in or are living in areas subject to the deletion proceeding.

6. The standards which the Commission will set in this proceeding will apply to all of Aloha's water operations, not just the areas subject to the deletion proceeding. The complaints the Commission received about Aloha's water are not restricted to the areas proposed for deletion. Moreover, after probable appeals, it will likely be years before there is a final order in the deletion proceedings. Setting standards for Aloha's water simply cannot wait that long.

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- 6. As another basis for a continuance, Aloha cites its objection to the issues in this case which are taken word-for-word from the protest of proposed agency action filed by customers. Aloha claims that the consummating order issued after the protest of proposed agency action implicitly denied two of the three issues raised in the protest. As Aloha well knows, consummating orders simply allow the unprotested portions of a proposed agency action to go into effect pending resolution of the protest. The Commission never voted on the consummating order since it is simply a ministerial action taken by staff. During the prehearing conference, staff explained that the language used in the consummating order was intended to encompass the three issues raised in the protest. Transcript of Prehearing Conference at 21. The consummating order did not and cannot deny any of the issues raised in the protest, and any reliance to the contrary claimed by Aloha is unreasonable.
- 7. Another ground for a continuance put forth by Aloha is that it filed a motion for summary order at the same time as its motion for a continuance, and there hasn't been a ruling on that motion. That motion will be dealt with in due course by the Commission and is not in itself a grounds for a continuance.

Moreover, Aloha's dissatisfaction with the Prehearing Officer's order granting staff's motion for a protective order is not a grounds for a continuance. Finally, the fact that the parties are engaging in mediation is not a grounds for a continuance. Mediation can continue without delaying the hearing in this case.

WHEREFORE, Citizens oppose Aloha's motion for continuance and request the Commission to proceed with the hearing in this case as scheduled.

Respectfully submitted,

Charles J. Beck

Deputy Public Counsel Fla. Bar. No. 217281

Charles Brock

Office of Public Counsel c/o The Florida Legislature 111 West Madison Street Room 812 Tallahassee, FL 32399-1400 (850) 488-9330

DOCKET NO. 010503-WU CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a copy of the foregoing has been furnished by

U.S. Mail or hand-delivery to the following parties on this 7th day of March, 2005.

Charles J. Beck

Rosanne Gervasi, Esquire Division of Legal Services Fla. Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850

Mr. Harry Hawcroft 1612 Boswell Avenue New Port Richey, FL 34655

Edward O. Wood 1043 Daleside Lane New Port Richey, FL 34655

Aloha Utilities, Inc. Mr. Stephen G. Watford 6915 Perrine Ranch Road New Port Richey, FL 34655-3904

Wayne T. Forehand, Chairman Citizens' Advisory Committee 1216 Arlinbrook drive Trinity, FL 34655-4556

Ann Winkler Riverside Village Estates, Unit 4 4417 Harney Court New Port Richey, FL 34655 F. Marshall Deterding, Esquire John Wharton, Esquire Rose, Sundstrom and Bentley, LLP 2548 Blairstone Pines Drive Tallahassee, FL 32301

V. Abraham Kurien, M.D. 7726 Hampton Hills Loop New Port Richey, FL 34654

Senator Mike Fasano 8217 Massachusetts Avenue New Port Richey, FL 34653

John H. Gaul, Ph.D. 7633 Albacore Drive New Port Richey, FL 34655

James Mitchell, Jr. Riviera Home Owners Association 5957 Riviera Lane New Port Richey, FL 34655

John Parese Riverside Villas 4029 Casa del Sol Way New Port Richey, FL 34655