

Ann Cole

010503

From: Ann Cole
Sent: Wednesday, April 08, 2009 1:19 PM
To: Bill McNulty
Cc: Cristina Slaton; Larry Harris; Roberta Bass; William C. Garner; Lorena Holley
Subject: RE: From an Aloha customer - SPTimes 4/1/09-Escrow?

Sure thing. This information will be placed in *Docket Correspondence - Consumers and their representatives*, Docket Nos. 010503-WU, 060606-WS, 060122-WU, and 090120-WS.

From: Bill McNulty
Sent: Wednesday, April 08, 2009 9:44 AM
To: Ann Cole
Cc: Cristina Slaton; Larry Harris; Roberta Bass; William C. Garner; Lorena Holley
Subject: FW: From an Aloha customer - SPTimes 4/1/09-Escrow?

Ann,

Please place this in the correspondence side of the docket file for the following dockets:
Docket Nos. 010503-WU, 060606-WS, 060122-WU, and 090120-WS.

Thank You,

Bill

*Bill McNulty
Chief Advisor to Commissioner Skop
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0855
(850) 413-6028 (office)
(850) 413-6029 (fax)
bmcnulty@psc.state.fl.us*

FPSC, CLK - CORRESPONDENCE
Administrative Parties Consumer
DOCUMENT NO. 09792-07
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From: Nathan A. Skop
Sent: Wednesday, April 01, 2009 12:22 PM
To: Bill McNulty
Subject: FW: From an Aloha customer - SPTimes 4/1/09-Escrow?

Please request the clerk to add this to the correspondence side of the appropriate Aloha dockets.

From: wayne forehand [mailto:wayneforehand@verizon.net]
Sent: Wednesday, April 01, 2009 8:30 AM
To: Katrina McMurrian; Lisa Edgar; Matthew Carter; Nancy Argenziano; Nathan A. Skop

4/8/2009

Cc: Senator Mike Fasano; Jean Hartman; Governor Crist; John Andrews Chairman BWN; Steve Reilly OPC; Brian Armstrong FGUA

Subject: From an Aloha customer - SPTimes 4/1/09-Escrow?

The following article appears in the St. Petersburg Times, 4/1/09, Pasco Times section, p1.

The Rose Sundstrom Law firm and very greedy Aloha Utilities is still at it. For 14 years customers have been forced to tolerate the abuse of this law firm and private water utility, now they have improperly walked away with the customers PSC ordered refund. The removal of the customers escrow fund was at very unethical action by professional attorneys, and as I see it completely illegal.

We are looking for PSC action to have funds returned to the joint escrow account for proper disposition and strong civil action on the parties involved.

From: Wayne Forehand

Attorney: Aloha Money Move Legal

But one legislator wants the state to investigate the transfer of funds.

By Lisa Buie, Times Staff Writer

In print: Wednesday, April 1, 2009

TRINITY — The lawyer for Aloha Utilities says his clients did nothing improper by putting the \$375,000 in disputed escrow money in a separate account. The former utility merely wants a fair decision about who gets what, he said.

"The point of this is it's obvious to us that this matter is going to be resolved by a judge," said William Sundstrom, the attorney for the now defunct Aloha. "Customers have demanded a solution that is not acceptable to us and we have demanded a solution that is not acceptable to them. At the end of the day, a judge is going to have to resolve this issue. We want to do the right thing here."

4/8/2009

At issue is whether the money belongs to Aloha's shareholders or its 25,000 former customers in the Seven Springs and Trinity area.

The money came from customers who paid temporary rate hikes that ultimately weren't approved. Instead of getting a refund, however, the customers agreed to let Aloha put the money toward system upgrades — but those improvements were scrapped when Aloha sold its water and wastewater systems earlier this year to the Florida Governmental Utility Authority.

The money was being held in an escrow account at a Regions Bank branch in Holiday. The dispute was set to be heard by the Florida Public Service Commission.

Aloha revealed in a lawsuit filed Friday against the PSC that it had been holding the money in a "separate, segregated account" since March 23.

The company filed a motion Tuesday and express mailed it to Pasco County Circuit Court asking for an order to put the money into the court registry until a judge can hear the case.

Officials have questioned how Aloha could move the funds out of the escrow account without the PSC's blessing. Sundstrom said the recent Bank Rescue Act abolished the two-party check rule, which required two signatures for money to be released from joint accounts.

The lawsuit argues that the PSC has no authority to decide the matter

as Aloha ceased being a utility when its assets were sold.

It also says the PSC is a politically appointed body and would be pressured to side with former customers.

The news that Aloha had possession of the money drew outrage from critics, including state Sen. Mike Fasano. He sent letters Tuesday to Florida's Attorney General Bill McCollum and Chief Financial Office Alex Sink asking them to investigate.

"In my opinion an escrow account that is created to hold funds in trust, and was created with two signatories, cannot be emptied without the permission of both parties," the letters said. "I believe that the bank mentioned in the article, Regions Bank of Holiday, may have broken the law. I would appreciate it if you would investigate the actions taken by Regions Bank in this situation."

Fasano, who is also a former Aloha customer, called Sundstrom's explanations "farfetched" and said even if it was legal, bankers should have had the sense to notify a second party if that party is a government agency.

Tim Dayton, a spokesman for the Alabama-based bank, said Tuesday that laws prohibited him from commenting on details of client relationships but that the bank was aware of the situation.

"We're working with the organizations to resolve the issue," he said.

Lisa Buie can be reached at buie@sptimes.com or (813) 909-4604.

Ann Cole

010503

From: Ann Cole
Sent: Friday, March 27, 2009 11:22 AM
To: Bill McNulty
Cc: Jean Hartman; Lorena Holley; Roberta Bass; William C. Garner; Larry Harris; Cristina Slaton
Subject: RE: Latest Aloha Complaints

Thanks, Bill. The six attachments were printed and this information will be placed in *Docket Correspondence - Consumers and their representatives*, Docket Nos. 010503-WU, 060606-WS, 060122-WU, and 090120-WS.

From: Bill McNulty
Sent: Thursday, March 26, 2009 4:31 PM
To: Ann Cole
Cc: Jean Hartman; Lorena Holley; Roberta Bass; William C. Garner; Larry Harris; Cristina Slaton
Subject: Latest Aloha Complaints

Ann,

Please place these in the correspondence side of the docket file for the following dockets:
Docket Nos. 010503-WU, 060606-WS, 060122-WU, and 090120-WS.

Thank You,

Bill

*Bill McNulty
Chief Advisor to Commissioner Skop
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0855
(850) 413-6028 (office)
(850) 413-6029 (fax)
bmcnulty@psc.state.fl.us*

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DOCUMENT NO. 09792-07
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ce the attached correspondence i

Ann Cole

010503

From: Nathan A. Skop
Sent: Thursday, March 26, 2009 3:45 PM
To: Bill McNulty
Subject: FW: From a customer of Aloha Utilities

Please request the clerk to add this to the correspondence side of the appropriate Aloha dockets.

From: Mary Mahon [mailto:nomor425@tampabay.rr.com]
Sent: Wednesday, March 25, 2009 5:48 PM
To: Nathan A. Skop
Subject: From a customer of Aloha Utilities

To: PSC Commissioners

I am writing to say that as a customer, I am delighted to finally be relieved of the unresponsive and negligent management of the Old Aloha Utilities. However, after the closing of the sale, I'm appalled to read that Aloha has requested and demanded that the Public Service Commission agree, "forthwith, to execute and transmit such documentation as is necessary and required to release" the customers' refund currently maintained in Account No. 3720776209 at AmSouth Bank to the old stockholders of Aloha Utilities. This request is totally bizarre and improper.

These funds are the customers' funds awarded as a refund of overpayment. On April 30, 2002 (7 years ago), the Commission issued Order # PSC-02-0593-FOF-WU, which denied Aloha's request for a rate increase and ordered a refund of the interim rates. Of course Aloha appealed the Final Order as they did almost every action by the PSC over the past 10 years.

On May 6, 2003, the First DCA affirmed the Commission's Final Order No. PSC-02-0593-FOF-WU, including the Commission's requirement of a complete refund of the interim rate increase. The customers have been waiting a long time. In 2006, a Settlement Agreement was implemented under the direction of, and facilitated by, the PSC General Counsel. Paragraph 3 (d) of this Settlement agreed that the customers were willing to apply the net refund monies (unpaid refunds plus interest less agreed \$45,000) to pay for the permanent and effective solution to the long-standing black water problems in the Aloha Utilities system. The customers never agreed that these refund monies would ever be given to the shareholders of Aloha. Quite to the contrary, they would only be considered contributions-in-aid-of-construction (CIAC) Of the facilities built to solve the black water problems, and would only be applied as CIAC if and when the facilities were completely constructed, and after the facilities were fully operational. Pursuant to the expressed terms of the Settlement Agreement, not one penny of the customers' refund monies was to be applied as CIAC until the Commission issued its Final Order establishing Phase III rates, and the Order was final and non-appealable. I remind the PSC staff and Commissioners that Aloha never even had approval of a full Phase I increase, much less the required Phase II or Phase III. Aloha did not install the promised improvements to resolve the "Black Water" problems. This escrow remains the customers' refund. The intent of the Settlement Agreement was based on the good faith of the implementation of the improvements within a two-year time period as promised to the customers at signing. Aloha has now sold at an extravagant profit. I as a customer suggest that the customers' refund held in escrow be released to a "rate stabilization escrow fund" to cover future rate increases required to improve the black water condition, not to be released to the obsessive stockholders.

Jack & Mary Mahon
 1035 Maravista Drive
 Trinity, FL 34655

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3/27/2009

Ann Cole

010503

From: Nathan A. Skop
Sent: Thursday, March 26, 2009 3:43 PM
To: Bill McNulty
Subject: FW: Aloha Escrow Account Refund Request

Please request the clerk to add this to the correspondence side of the appropriate Aloha docket.

From: Wayne and Judy Studebaker [mailto:wjstudie@verizon.net]
Sent: Tuesday, March 24, 2009 1:07 PM
To: Nathan A. Skop; Nancy Argenziano; Katrina McMurrian; Lisa Edgar; Matthew Carter
Cc: Jean Hartman
Subject: Aloha Escrow Account Refund Request

To: PSC Commissioners

We are strongly opposed to the Aloha Utilities request to release to them the more than \$350,000 that was placed in escrow to help pay for an anion exchange treatment system. This treatment system, intended to help solve the poor quality of water delivered to customers, was never built. The Florida Government Utility Authority, having paid more than \$90 million for the water and wastewater assets, has more than adequately compensated Aloha Utilities for a system which still needs significant improvements. The escrowed funds should be made available to the Florida Government Utility Authority to reduce the cost to be incurred as they work to improve the quality of water provided to their customers.

Wayne and Judy Studebaker
 1940 Winsloe Drive
 Trinity, FL 34655-4940

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3/27/2009

Ann Cole

010503

From: Nathan A. Skop
 Sent: Thursday, March 26, 2009 3:43 PM
 To: Bill McNulty
 Subject: FW: (no subject)

FPSC, CLK - CORRESPONDENCE
 Administrative Parties Consumer
 DOCUMENT NO. 09792-07
 DISTRIBUTION: _____

Please request the clerk to add this to the correspondence side of the appropriate Aloha dockets.

From: Jtomsuden@cs.com [mailto:Jtomsuden@cs.com]
 Sent: Tuesday, March 24, 2009 4:15 PM
 To: Nathan A. Skop; Nancy Argenziano; Katrina McMurrian; Lisa Edgar; Matthew Carter
 Cc: Jean Hartman
 Subject: (no subject)

To: PSC Commissioners

I am writing to say that as a customer, I am delighted to finally be relieved of the **unresponsive and negligent management** of the old Aloha Utilities. However, after the closing of the sale, *I'm appalled to read that Aloha has requested and demanded that the Public Service Commission agree, "forthwith, to execute and transmit such documentation as is necessary and required to release" the customers' refund currently maintained in Account No. 3720776209 at AmSouth Bank to the old stockholders of Aloha Utilities.** ***This request is totally bizarre and improper.**

These funds are the customers' funds awarded as a refund of overpayment. On April 30, 2002 (7 years ago), the Commission issued Order # PSC-02-0593-FOF-WU, which denied Aloha's request for a rate increase and ordered a refund of the interim rates. Of course Aloha appealed the Final Order as they did almost every action by the PSC over the past 10 years. On May 6, 2003, the First DCA affirmed the Commission's Final Order No. PSC-02-0593-FOF-WU, including the Commission's requirement of a complete refund of the interim rate increase. **The customers have been waiting a long time.**

In 2006, a Settlement Agreement was implemented under the direction of, and facilitated by, the PSC General Counsel. Paragraph 3 (d) of this Settlement agreed that the customers were willing to apply the net refund monies (unpaid refunds plus interest less* *agreed \$45,000) to pay for the permanent and effective solution to the long-standing black water problems in the Aloha Utilities system.

The customers never agreed that these refund monies

3/27/2009

would ever be given to the shareholders of Aloha. Quite to the contrary, they would only be considered contributions-in-aid-of-construction (CIAC) of the facilities built to solve the black water problems, and would only be applied as CIAC if and when the facilities were completely constructed, and after the facilities were fully operational. Pursuant to the expressed terms of the Settlement Agreement, not one penny of the customers' refund monies was to be applied as CIAC until the Commission issued its Final Order establishing Phase III* *rates, and the Order was final and non-appealable. I remind the PSC staff and Commissioners that Aloha never even had approval of a full Phase I increase, much less the required Phase II or Phase III.

Aloha did not install the promised improvements to resolve the "Black Water" problems. This escrow remains the customers' refund.The intent of the Settlement Agreement was based on the good faith of the implementation of the improvements within a two-year time period as promised to the customers at signing.

Aloha has now sold out at an extravagant profit to themselves.

I, as a customer, suggest that the customers' refund held in escrow be released to a "rate stabilization escrow fund" to cover future rate increases required to improve the black water condition, **not be released to the obsessive stockholders of Aloha.**

Yours truly,

John & Barbara Tomsuden
1719 Cortleigh Drive
Trinity, FL 34655

Ann Cole

010503

From: Nathan A. Skop
Sent: Thursday, March 26, 2009 3:42 PM
To: Bill McNulty
Subject: FW: From a customer of the former Aloha Utilities

Please request the clerk to add this to the correspondence side of the appropriate Aloha dockets.

From: Kevin Gallagher [mailto:doctorg@tampabay.rr.com]
Sent: Monday, March 23, 2009 6:05 PM
To: Nathan A. Skop; Nancy Argenziano; Katrina McMurrian; Lisa Edgar; Matthew Carter
Subject: From a customer of the former Aloha Utilities

Dear PSC Commissioners,

I agree with the below letter.

Thank you,

Dr. Kevin M. Gallagher

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Administrative Parties X Consumer
DOCUMENT NO. 09792-07
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To: PSC Commissioners

I am writing to say that as a customer, I am delighted to finally be relieved of the unresponsive and negligent management of the Old Aloha Utilities. However, after the closing of the sale, I'm appalled to read that Aloha has requested and demanded that the Public Service Commission agree, "forthwith, to execute and transmit such documentation as is necessary and required to release" the customers' refund currently maintained in Account No. 3720776209 at AmSouth Bank to the old stockholders of Aloha Utilities. This request is totally bizarre and improper.

These funds are the customers' funds awarded as a refund of overpayment. On April 30, 2002 (7 years ago), the Commission issued Order # PSC-02-0593-FOF-WU, which denied Aloha's request for a rate increase and ordered a refund of the interim rates. Of course Aloha appealed the Final Order as they did almost every action by the PSC over the past 10 years.

On May 6, 2003, the First DCA affirmed the Commission's Final Order No. PSC-02-0593-FOF-WU, including the Commission's requirement of a complete refund of the interim rate increase. The customers have been waiting a long time.

In 2006, a Settlement Agreement was implemented under the direction of, and facilitated by, the PSC General Counsel. Paragraph 3 (d) of this Settlement agreed that the customers were willing to apply the net refund monies (unpaid refunds plus interest less agreed \$45,000) to pay for the permanent and effective solution to the long-standing black water problems in the Aloha Utilities system. The customers never agreed that these refund monies would ever be given to the shareholders of Aloha. Quite to the contrary, they would only be considered contributions-in-aid-of-construction (CIAC) of the facilities built to solve the black water problems, and would only be applied as CIAC if and when the facilities were completely constructed, and after the facilities were fully operational. Pursuant to the expressed terms of the Settlement Agreement, not one

3/27/2009

penny of the customers' refund monies was to be applied as CIAC until the Commission issued its Final Order establishing Phase III rates, and the Order was final and non-appealable. I remind the PSC staff and Commissioners that Aloha never even had approval of a full Phase I increase, much less the required Phase II or Phase III. Aloha did not install the promised improvements to resolve the "Black Water" problems. This escrow remains the customers' refund.

The intent of the Settlement Agreement was based on the good faith of the implementation of the improvements within a two-year time period as promised to the customers at signing. Aloha has now sold at an extravagant profit. I as a customer suggest that the customers' refund held in escrow be released to a "rate stabilization escrow fund" to cover future rate increases required to improve the black water condition, not to be released to the obsessive stockholders.

Wayne Forehand
1216 Arlinbrook Drive
Trinity, FL 34655

Kevin M. Gallagher D.C.
Palm Harbor Chiropractic &
Wellness Center
550 Alt. 19 North
Palm Harbor, FL. 34683
(727) 789-0800

Ann Cole

010503

From: Nathan A. Skop
Sent: Thursday, March 26, 2009 3:42 PM
To: Bill McNulty
Subject: FW: From an Aloha Utilities customer

Please request the clerk to add this to the correspondence side of the appropriate Aloha dockets.

From: wayne forehand [mailto:wayneforehand@verizon.net]
Sent: Tuesday, March 24, 2009 7:50 AM
To: Katrina McMurrian; Lisa Edgar; Matthew Carter; Nancy Argenziano; Nathan A. Skop
Cc: Jean Hartman; Tom Walden; Tom Anderson Representative; Ryder Rudd; Marshall Willis; Bart Fletcher; Senator Mike Fasano; Brian Armstrong FGUA; Steve Reilly OPC
Subject: From an Aloha Utilities customer

The following **editorial** appears in the St. Petersburg Times,
 3/24/09, Pasco Times section, p2, Opinion/Times Editorial.

From: Wayne Forehand in Trinity, Florida

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 _Administrative Parties X Consumer
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State Should Deny Aloha Bid for Escrow

There is no end to Aloha Utilities' greed and arrogance, even now
 that the water and sewer company is no longer in business.

After closing on a \$90.5 million sale of the utility's assets to the
 Florida Governmental Utility Authority last month, the company's
 shareholders claimed entitlement to more than \$375,000 sitting in
 escrow from a disputed rate increase eight years ago.

It's an absurd money grab, akin to cashing in a winning lottery
 ticket at a convenience store then grabbing pennies from the
 countertop change cup on the way out the door.

The Public Service Commission should ignore this request. Aloha

3/27/2009

already has been compensated handsomely for its inability to solve more than a dozen years of customer complaints about dark, smelly water coming from household taps in Wyndtree, Chelsea Place and other Trinity area locations in southwest Pasco.

The escrowed money stems from \$473,000 paid by customers for a 15 percent temporary rate increase that began November 2001 but later was invalidated by the PSC. Aloha refunded \$142,000, about \$7 per customer, but the balance remained in dispute.

In 2006, Aloha dropped its appeal of the rate case and put the refund into an interest-bearing account to help finance a new treatment system to improve the quality of the water. The sale to Florida Governmental Utility Authority negated that planned improvement, which led Aloha to claim the refund as its own.

We disagree. Twice the PSC has indicated the money should benefit the customers either through a refund or through better water. Neither happened under Aloha's watch. So, the state should order the money be used to offset the customers' costs of underwriting the FGUA purchase of Aloha.

At a PSC hearing five years ago, Sen. Mike Fasano asked Aloha to refund the escrow account to customers as an act of good faith as it supposedly worked toward a solution to customer complaints.

Obviously, that didn't happen. The PSC now has the opportunity to demonstrate to customers it has a better understanding than Aloha of acting in good faith.

3/27/2009

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Feeling the pinch at the grocery store? Make dinner for \$10
or less.
(<http://food.aol.com/frugal-feasts?ncid=emlcntusfood00000001>)</HTML>

From: Nathan A. Skop
Sent: Thursday, March 26, 2009 3:41 PM
To: Bill McNulty
Subject: FW: Florida Resident - SOLAR ENERGY POLICY - REC system vs Feed-in-Tariff

Attachments: As Florida shifts to solar, a fight looms - HeraldTribune.com -March 23 2009.pdf



As Florida
ifts to solar, a

Please request the clerk to add this to the correspondence side of the RPS docket.

-----Original Message-----

From: Hubert Fladung [mailto:hubert.fladung@gmail.com]
Sent: Monday, March 23, 2009 9:39 AM
To: Nathan A. Skop
Cc: FASANO MICHAEL B & Joan; Nancy Argenziano; Lisa Edgar; zac.anderson@heraldtribune.com
Subject: Florida Resident - SOLAR ENERGY POLICY - REC system vs Feed-in-Tariff

Honorable Commissioner Skop,

About a year ago we spoke on the phone about this, and here we go - Florida again goes with the 'big company approach'. Why is it, that it seems that there are always other things going on in the background, that don't seem logical or do they?

The attached article (HeraldTribune.com) sums it up pretty well.

A federally funded research study shows the REC system is less cost effective in the long term, but Florida still goes the other way - why? 'Big money' from big companies prevails.

The last 6-12 month should be proof enough that the so called 'free-market' systems do NOT necessarily work. One big company (AIG) and the banking systems dependency on it's insurance contracts has brought this countries economy to it's knees.

Florida's legislature should make better decisions for our future and rely less on the 'big company approach' but on it's residents and small business owners.

Hubert J Fladung
1214 Trafalgar Dr
New Port Richey, FL 34655
Tel (727) 375-0879

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Printed on page 1A

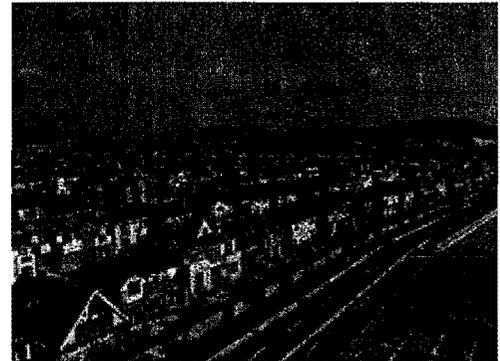
As Florida shifts to solar, a fight looms

By [Zac Anderson](#)

Published: Sunday, March 22, 2009 at 1:00 a.m.

Billions of dollars are at stake in a battle under way in Florida over who profits from the pending expansion of solar energy: Big energy companies or individuals and businesses with extra roof space.

Solar power is poised to hit the big time in Florida with the expected passage next month of a new energy law requiring power companies to generate 20 percent of their electricity from renewable sources, including the sun, by 2020. The mandate should provide a huge boost to Florida's nascent renewable energy industry.



While there are many ways to reach the goal, some business and environmental groups say lawmakers favor a system that would give windfall profits to large energy companies, cost consumers more and generate fewer local jobs and less clean energy.

The system is known as "renewable energy credits," or RECs, which would allow utilities to decide who can sell them solar energy based on a bidding process, resulting primarily in large, centralized solar developments.

Opponents of the REC system say an alternative program, called a "feed-in tariff," encourages more small-scale solar development on homes and businesses by setting a price for solar energy that makes it profitable for anyone with open land or roof space. The system also forces electric utilities to buy energy from everyone.

Few Floridians know much about these obscure energy policies. Incentives for clean energy are just starting to gain momentum in the United States.

Yet the direction Florida takes could profoundly affect the state's energy future and every state resident.

Both policies would initially increase electricity prices because solar energy is more expensive than coal, oil and natural gas -- Florida's main energy sources.

But data compiled by the National Renewable Energy Laboratory, a federal research center, shows that countries with feed-in tariffs have cheaper renewable electricity than those with RECs. The tariff system is less risky, and investors are willing to accept lower profits for long-term stability.

"We deal with data and the evidence is very clear," said Toby Couture, a researcher with the lab. "Feed-in tariffs have consistently proven to be cheaper for consumers. That's the bottom line."

Despite these studies, Florida's top energy regulators have recommended the REC system over feed-in tariffs, and lawmakers have been slow to embrace the feed-in concept, characterized by opponents as too "European" and less free-market.

Florida Power & Light, the state's largest energy provider, criticizes feed-in tariffs as expensive and anti-competitive. So do representatives for large solar companies such as Maryland-based SunEdison, which has begun contracting with utilities to build big solar power plants in Florida.

The deals have stirred intense infighting in the solar industry nationwide as small local businesses are pushed aside by larger corporations.

Dismissing the Renewable Energy Lab's conclusions, FPL's vice president and chief development officer, Eric Silagy, said, "Any time you get into prescriptive government-set rates, you chill innovation."

The REC system has resulted in substantially higher energy profits in places like New Jersey and the United Kingdom and much higher electricity prices for consumers than the more simplified feed-in tariff policy. Feed-ins have been adopted by 46 countries and Gainesville's municipal electric provider.

But energy reform advocates are worried that electric utilities are blocking a fair hearing on feed-in tariffs in Tallahassee this year.

"There are real concerns right now that this idea won't even get a proper discussion," said Jerry Karnas, who monitors energy issues in the Legislature for the group Environmental Defense.

Rep. Paige Kreegel, R-Punta Gorda, who heads the House Energy and Utilities Policy Committee and wants to allow discussion of the feed-in approach along with the REC system, said last week that House leaders have not yet permitted him to file an energy bill and begin hearings.

Kreegel said that legislative leaders are overwhelmed with the state budget crisis. But he acknowledged that there has also been opposition from utilities over his plan to allow a feed-in tariff debate.

"It would be a threat to their core business model," Kreegel said. "Their feeling is, 'Things are good so shut up and leave us alone,' and you can't blame them."

Jerry Paul, a former Florida lawmaker from Charlotte County and a lobbyist for Maryland's SunEdison, said RECs drive down solar prices because they require competitive bidding.

"Government is not very good about picking an artificial price," said Paul, who said he was speaking for himself and not SunEdison. "The marketplace is."

But Couture said there is an obvious reason why big energy companies support the REC system. "The research shows there is the potential to make much higher profits," he said.

Some people say the systems can coexist. Legislators could decide within a few weeks.

When Gov. Charlie Crist took office in 2006 he made it clear he would push for more renewable energy in Florida, which still has no major sources of solar or wind power. In 2007, Crist vetoed the Legislature's energy bill for not sufficiently promoting solar and other renewable sources.

Crist began pushing for a strict quota -- known as a "renewable portfolio standard" -- setting deadlines for power companies to generate or purchase a certain amount of electricity from renewable sources.

One Crist goal was diversifying Florida's economy and developing high-wage "green tech" businesses.

Legislators approved the concept last year and Florida's big electricity companies saw the writing on the wall.

Since then, electric utilities have announced plans for large-scale solar energy projects. But they have largely contracted with big out-of-state companies for their solar energy production fields.

Early last year, FPL signed a deal with one of the largest solar companies in the United States, SunPower Corp., to build two solar power plants.

The company, based in San Jose, Calif., has about 5,000 employees and global revenues of \$1.43 billion, up 85 percent from 2007. The company does not have an office in Florida.

One of SunPower's main rivals, SunEdison, announced deals last year for a solar plant in Lakeland, and other plants that would be spread out across the state for the Florida Municipal Power Agency.

SunEdison bills itself as "North America's largest solar services provider" and has contracts in several states, though no Florida office.

"The genius of these two companies is, they've hired more lobbyists and lawyers than the rest of the industry combined and they were smart enough to realize the money they spent on those people is tiny compared to the billions they can reap," said Lyle Rawlings, president of the New Jersey Solar Energy Industry Association, whose members engaged in a bitter battle over RECs and feed-in tariffs.

SunPower representatives did not return calls last week.

Rawlings says Florida is at a crossroads. A similar battle played out in New Jersey in 2007, with the REC system prevailing.

The same solar companies seeking to prevail in Florida now dominate solar markets in Maryland, Colorado and other places with REC systems. No state has yet adopted a full scale feed-in tariff model, but Hawaii and a few others are on the verge of doing so.

Small-scale solar developers such as Sarasota engineer Raymond Kaiser say big utilities oppose feed-in tariffs because they are less profitable and threaten the utility business model.

"Their bias is towards centralized power generation," Kaiser said. "They feel very comfortable about solar power if you put it in a field somewhere in DeSoto County, but they don't want it on everybody's house."

Solar producers in states that have adopted REC policies say they have seen many small and medium-size businesses fold and fewer overall jobs, in part because of the complexity. Rawlings said New Jersey has lost perhaps three or four dozen companies in the last few years.

In Maryland, SunEdison dominates the solar market, signing a deal with the state's big electric utility to provide 60 percent of all solar energy this year.

In contrast, Germany's feed-in tariff system allows citizens to profitably develop small solar systems on homes, churches, businesses and schools because power companies are required to buy the energy back at a set rate -- calculated to cover expenses with a small profit added in -- that is well above the price for fossil fuel energy.

But REC advocates say that with credits that are traded on a commodities market, the price fluctuates based on supply and demand. If electric companies miss their solar quotas, demand for credits will rise and solar developers will respond to cash in on high prices.

The key, Paul said, is solar developers "have to compete with each other, and the utility selects the proposal with the cheapest price to the ratepayers."

That sounds good in theory, said the Renewable Energy Lab's Couture, but does not reflect reality.

"All the research shows feed-in tariffs have demonstrated a higher degree of cost efficiency than REC trading models," he said. "That's not a controversial conclusion. All the evidence points to that."

This story appeared in print on page 1A

Ann Cole

010503

From: Ann Cole
Sent: Monday, March 23, 2009 8:48 AM
To: Bill McNulty
Cc: Commissioners Advisors; Administrative Assistants - Commission Suite
Subject: RE: From a customer of the former Aloha Utilities in New Port Richey, Florida

Thanks Bill. This information will be placed in *Docket Correspondence - Consumers and their representatives*, Docket Nos. 010503-WU, 060606-WS, 060122-WU, and 090120-WS.

From: Bill McNulty
Sent: Monday, March 23, 2009 8:03 AM
To: Ann Cole
Cc: Jean Hartman; Larry Harris; Lorena Holley; Roberta Bass; William C. Garner; Cristina Slaton
Subject: FW: From a customer of the former Aloha Utilities in New Port Richey, Florida

Ann,

Please place this in the correspondence side of the docket file for the following dockets:
Docket Nos. 010503-WU, 060606-WS, 060122-WU, and 090120-WS.

Thank You,

Bill

*Bill McNulty
Chief Advisor to Commissioner Skop
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0855
(850) 413-6028 (office)
(850) 413-6029 (fax)
bmcnulty@psc.state.fl.us*

FPSC, CLK - CORRESPONDENCE
Administrative Parties Consumer
DOCUMENT NO. 09792.07
DISTRIBUTION: _____

From: Nathan A. Skop
Sent: Friday, March 20, 2009 6:51 PM
To: Bill McNulty
Subject: Fw: From a customer of the former Aloha Utilities in New Port Richey, Florida

Please ask the clerk to add this to the correspondence side of the appropriate Aloha dockets.

From: David Rowan <davidrowan2@gmail.com>
To: Nathan A. Skop
Cc: David Rowan <davidrowan2@gmail.com>

3/23/2009

Sent: Fri Mar 20 17:03:50 2009

Subject: From a customer of the former Aloha Utilities in New Port Richey, Florida

Dear Commissioner Skop:

As you know, Aloha Utilities in New Port Richey was purchased by the Florida Governmental Utility Authority (FGUA). However, the three stockholders of Aloha Utilities have demanded that the Florida Public Service Commission release \$375,000 worth of customers refunds to them—not the customers. This self-serving and erroneous request by Aloha stockholders, and lawyers, for the release of customer funds would be totally wrong. In 2006 Aloha agreed with its customers to use this refund money to build an anion exchange treatment system. This system was never built. We former Aloha customers would like to ask the Florida Public Service Commission to keep the money in escrow to pay for future needed improvements by the FGUA.

The chronology of events are as follows:

--On April 30, 2002 (almost 7 years ago), the Florida Public Service Commission issued Order # PSC-02-0593-FOF-WU, which denied Aloha's request for a rate increase and **ordered a refund of the interim rates**. [Of course Aloha appealed the Final Order as they did almost every action by the PSC over the past 10 years.]

--On May 6, 2003, the **First DCA affirmed the Commission's Final Order** No. PSC-02-0593-FOF-WU, including the Commission's requirement of a complete refund of the interim rate increase.

--In 2006, a *Settlement Agreement* was implemented under the direction of, and facilitated by, the PSC General Counsel. Paragraph 3 (d) of this Settlement agreed that **the customers were willing to apply the net refund monies to pay for the permanent and effective solution to the long-standing black water problems in the Aloha Utilities system**. The customers never agreed that these refund monies would ever be given to the shareholders of Aloha. Quite to the contrary, they would only be considered contributions-in-aid-of-construction (CIAC) of the facilities built to solve the black water problems, and would only be applied as CIAC if and when the facilities were completely constructed, and after the facilities were fully operational. Pursuant to the expressed terms of the *Settlement Agreement*, not one penny of the customers' refund monies was to be applied as CIAC until the Commission issued its Final Order establishing Phase III rates, and the Order was final and non-appealable.

Aloha Utilities did not install the promised improvements to resolve the "Black Water" problems. This escrow remains the customers' refund.

I as a former Aloha customer I respectfully suggest that the Florida Public Service Commission rule that customers refund held in escrow be released to a "rate stabilization escrow fund" to cover future rate increases required to improve the black water condition. **Aloha's greedy and immoral stockholders have no right to the customers**

3/23/2009

money.

Very respectfully,

David W. Rowan, BS, MA, MA

10338 Tecoma Drive

Trinity, Florida 34655

Ann Cole

010503

From: Ann Cole
Sent: Monday, March 23, 2009 8:18 AM
To: Bill McNulty
Cc: Jean Hartman; Larry Harris; Roberta Bass; William C. Garner; Lorena Holley; Cristina Slaton
Subject: RE: Additional Aqua Complaints

Tracking:

Recipient	Read
Bill McNulty	
Jean Hartman	
Larry Harris	
Roberta Bass	Read: 3/23/2009 8:29 AM
William C. Garner	Read: 3/23/2009 8:32 AM
Lorena Holley	
Cristina Slaton	

Thank you for this information. The 4 email attachments have been printed and will be placed in *Docket Correspondence - Consumers and their representatives*, Docket Nos. 010503-WU, 060606-WS, 060122-WU, and 090120-WS.

From: Bill McNulty
Sent: Friday, March 20, 2009 5:19 PM
To: Ann Cole
Cc: Jean Hartman; Larry Harris; Roberta Bass; William C. Garner; Lorena Holley; Cristina Slaton
Subject: Additional Aqua Complaints

Ann,

Please place these in the correspondence side of the docket file for the following dockets:
Docket Nos. 010503-WU, 060606-WS, 060122-WU, and 090120-WS.

Thank You,

Bill

Bill McNulty
Chief Advisor to Commissioner Skop
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0855
(850) 413-6028 (office)
(850) 413-6029 (fax)
bmcnulty@psc.state.fl.us

FPSC, CLK - CORRESPONDENCE
Administrative Parties Consumers
DOCUMENT NO. 09792-07
DISTRIBUTION: _____

3/23/2009

Ann Cole

From: Nathan A. Skop
Sent: Thursday, March 19, 2009 11:59 AM
To: Bill McNulty
Subject: FW: FPL Base Rate Increase

Please request the clerk to add this to the correspondence side of the record for the appropriate FPL dockets.

From: John Hernandez [mailto:johnhern99@gmail.com]
Sent: Wednesday, March 18, 2009 8:34 PM
To: jdorschner@MiamiHerald.com; eve_samples@pbpost.com; Matthew Carter; Nancy Argenziano; Lisa Edgar; Katrina McMurrian; Nathan A. Skop; Mary Bane; Judy Harlow; Bev DeMello; Bob Trapp
Subject: FPL Base Rate Increase

To Whom It May Concern:

The article in the Miami Herald about FPL's base rate increase proposal is ridiculous. We all saw how fast prices went up last summer in our fuel / oil, etc. If FPL wants a 12+% return on investment for their shareholders, their CEO and executives should consider the sale of the \$150 + million corporate jet / helicopter holdings. The 3 jets they have are overboard in the price tags, as well as the mileage range these jets have. There is no need for Lew Hay to be picked up via helicopter / rooftop at headquarters and transported to the \$40 million Falcon that has a range of NY to Tokyo to fly to Orlando. There is no justification for the use of a jet fleet that is used by a mid sized international corporation with offices and execs overseas.

I certainly hope that the Public Service Commission takes this lavish spending, the state of the economy, the press that corporations are getting on use of corporate jets and improper use of funds, and look at this rate proposal seriously. It is time for someone to step in and take control, rather than let FPL dictate.

Ann Cole

From: Nathan A. Skop
Sent: Friday, March 20, 2009 12:00 AM
To: Bill McNulty
Subject: Fw: Aloha Customer Refund Escrow Account

Please ask the clerk to add this to the correspondence side of the appropriate Aloha dockets.

From: Jim Colegrove <jimcolegrove10@yahoo.com>
To: 'Karen Vaughn-Kerns' <kkerns1@tampabay.rr.com>; 'shirley sturgeon' <sturgeonshirley@verizon.net>; 'lsilverlcsw' <lsilverlcsw@tampabay.rr.com>; 'Holly' <hlsilver@tampabay.rr.com>; 'Marge Lurz' <margelurz@hotmail.com>; 'George Valdes' <jvaldes4167@yahoo.com>; 'Ron Jackson' <RonJackson@YourTampaBayMove.com>; 'Karen Lane' <klane@pasco.k12.fl.us>; LERains@aol.com <LERains@aol.com>; 'Krissy Vaughn' <krissyvaughn@verizon.net>; 'Jim Colegrove' <jim@jimcolegrove.com>; 'Susan Colegrove' <susancolegrove@yahoo.com>; Franintrinity@aol.com <Franintrinity@aol.com>; 'WAYNE STUDEBAKER' <wjstudie@verizon.net>; 'Gus and Jennifer Hatzistefanou' <gus13letter@tampabay.rr.com>; 'Jesse and Shannon Erickson' <shannonA73@hotmail.com>; 'Harold and Joyce Hatcher' <harjoy10@aol.com>; 'Stacy Romano' <stacylromano@yahoo.com>; 'Mark Romano' <pastormarkromano@yahoo.com>; 'Toni and Paul Remek' <tonic777@msn.com>; 'Vonda Hudson' <dHUDSON11@tampabay.rr.com>; 'Darrell Triggs' <darrellt@iegllc.com>; 'Bryan Vaughn' <bv99@verizon.net>; 'Bob and Bea Steer' <rsteer@tampabay.rr.com>; 'Becky Jackson' <beck98@verizon.net>; 'wilbert vaughn' <whvmv@frontiernet.net>
Cc: Nathan A. Skop; Nancy Argenziano; Katrina McMurrian; Lisa Edgar; Matthew Carter; Jean Hartman
Sent: Thu Mar 19 21:30:48 2009
Subject: RE: Aloha Customer Refund Escrow Account

Dear PSC Commissioners:

Aloha being able to wrongfully keep escrow monies is equivalent to **AIG Executives** being awarded bonus money for running their company into the ground.

PSC Commissioners allowing this to happen without a fight would be equivalent to **Congress** awarding taxpayer money to mismanaged companies that don't deserve it.

Don't be Congress. Don't support Aloha, a losing cause. Don't ignore this situation thinking it will just go away, we won't.

Respectfully,

Jim Colegrove
 1953 Winsloe Drive
 Trinity, FL 34655

----- Original Message -----

From: bill.humphrey
To: bill.humphrey@earthlink.net
Sent: Wednesday, March 18, 2009 9:10 PM
Subject: Aloha Customer Refund Escrow Account

For Fox Wood customers of the former ALOHA UTILITIES:

3/23/2009

You may have read in the paper how Aloha Utilities is now trying to get to keep the \$350,000 that was placed in escrow by the PSC and later agreed by all parties to be used to fund improvements in Aloha's system so we would have better water (if you didn't the article is at the end of this message). Those improvements were never completed, but Aloha wants to keep the money.

It is essential that we write to the PSC to protest this latest attempt by Aloha to extort money from their former customers

We know that Commissioner Nancy Argenziano supports our efforts (see her email below), but she only one of five – we need for the others to hear from us loud and clear – we want that escrowed money to go to improving the water treatment facilities as originally agreed.

The email addresses of the commissioners are below. Be sure the subject line of your message says **From a customer of the former Aloha Utilities** since the commissioners can not read mail from utilities.

Bill

Addresses for the PSC commissioners are as follow:

nskop@PSC.state.fl.us
nargenziano@PSC.state.fl.us
Katrina.McMurrian@psc.state.fl.us
ledgar@PSC.state.fl.us
mcarter@PSC.state.fl.us

CC; Attorney JHARTMAN@PSC.STATE.FL.US

To: PSC Commissioners

I am writing to say that as a customer, I am delighted to finally be relieved of the unresponsive and negligent management of the Old Aloha Utilities. However, after the closing of the sale, I'm appalled to read that Aloha has requested and demanded that the Public Service Commission agree, "forthwith, to execute and transmit such documentation as is necessary and required to release" the customers' refund currently maintained in Account No. 3720776209 at AmSouth Bank to the old stockholders of Aloha Utilities. This request is totally bizarre and improper.

These funds are the customers' funds awarded as a refund of overpayment. On April 30, 2002 (7 years ago), the Commission issued Order # PSC-02-0593-FOF-WU, which denied Aloha's request for a rate increase and ordered a refund of the interim rates. Of course Aloha appealed the Final Order as they did almost every action by the PSC over the past 10 years.

On May 6, 2003, the First DCA affirmed the Commission's Final Order No. PSC-02-0593-FOF-WU, including the Commission's requirement of a complete refund of the interim rate increase. The customers have been waiting a long time.

In 2006, a Settlement Agreement was implemented under the direction of, and facilitated by, the PSC General Counsel. Paragraph 3 (d) of this Settlement agreed that the customers were willing to apply the

3/23/2009

net refund monies (unpaid refunds plus interest less agreed \$45,000) to pay for the permanent and effective solution to the long-standing black water problems in the Aloha Utilities system. The customers never agreed that these refund monies would ever be given to the shareholders of Aloha. Quite to the contrary, they would only be considered contributions-in-aid-of-construction (CIAC) of the facilities built to solve the black water problems, and would only be applied as CIAC if and when the facilities were completely constructed, and after the facilities were fully operational. Pursuant to the expressed terms of the Settlement Agreement, not one penny of the customers' refund monies was to be applied as CIAC until the Commission issued its Final Order establishing Phase III rates, and the Order was final and non-appealable. I remind the PSC staff and Commissioners that Aloha never even had approval of a full Phase I increase, much less the required Phase II or Phase III. Aloha did not install the promised improvements to resolve the "Black Water" problems. This escrow remains the customers' refund.

The intent of the Settlement Agreement was based on the good faith of the implementation of the improvements within a two-year time period as promised to the customers at signing. Aloha has now sold at an extravagant profit. I as a customer suggest that the customers' refund held in escrow be released to a "rate stabilization escrow fund" to cover future rate increases required to improve the black water condition, not to be released to the obsessive stockholders.

Wayne Forehand
1216 Arlinbrook Drive
Trinity, FL 34655

Reply to above letter from Commissioner Argenziano to Wayne Forehand:

----- Original Message -----

From: Nancy Argenziano

To: wayneforehand@verizon.net

Sent: Wednesday, March 18, 2009 6:26 PM

Subject: Fw: From a customer of the OLD ALOHA Utilities

I am getting many e mails from aloha customers and I commend them for doing so. I wonder if there is a way that you may help me let them know I am working on the issue and that I believe that money belongs to them. I am having difficulty trying to answer them. I would appreciate any help you can give. \

Thanks.

Nancy

The following is the article from the SPTimes.

Aloha, Pasco customers clash over escrow cash

By Jodie Tillman, Times Staff Writer

In Print: Wednesday, March 18, 2009

3/23/2009

TRINITY — Like a lot of bad break-ups, the split between Aloha Utilities and its former customers is ending in a fight over who owns what.

At issue: More than \$375,000 left in an escrow account.

Less than three weeks after Aloha sold its water and wastewater assets for \$90.5 million to the Florida Governmental Utility Authority, the company's shareholders say that the escrow money is theirs and they want state regulators to release it.

Customers and their representative say: Not so fast. That's our refund money from 2002-03.

The Florida Public Service Commission has not made a decision, said spokeswoman Kirsten Olsen.

Here's how the money ended up in the escrow account:

Back in March 2006, Aloha and representatives of its 25,000 customers in the Seven Springs and Trinity area entered into a settlement agreement to resolve a number of outstanding issues.

One of those issues: Aloha's appeal of a 2004 commission order to refund nearly \$300,000 to customers who had been paying temporary rate hikes that were ultimately not approved.

As part of the 2006 settlement, Aloha agreed to drop its appeal of the rate case and put the refund money into an interest-bearing account to help pay for an "anion exchange" treatment system intended to solve long-standing water quality problems.

The agreement says that once a third series of rate increases to pay for the system got approved, Aloha could record the escrow money as its contribution to the construction, and then the money would be released to the utility.

The treatment system never got built, of course. And when the Florida Governmental Utility Authority bought Aloha's assets this year, that group scrapped the anion exchange treatment system, saying it had other plans for improving the water quality.

Lawyers for Aloha say that since the treatment system was abandoned, Aloha should get the escrow money, in part to defray what it had spent already on plans for the system. The company also says it would use the money to finish paying off commission fees and fines as well as Pasco County for work it did at Aloha's request.

"Aloha is legally entitled to the money," said lawyer William Sundstrom, who estimates his client spent roughly \$1 million on the plans. "It's not the customers' money, it's Aloha's."

Not so, say customers and Stephen Reilly, a lawyer from the Office of Public Counsel working on their behalf.

Reilly wrote in filings to the commission that customers agreed that Aloha would get the money only if and when construction of the treatment system was finished. He wrote that Aloha's investment "will be fully compensated" by the \$90.5 million sales price.

Trinity resident Wayne Forehand said he was "appalled" by Aloha's request. He said customers will ask the commission to keep the money in escrow to help cover other improvements. Their goal is to defray

future rate increases that come with the authority's purchase of Aloha's assets.

"Let's use it for the good of the community," he said.

State Sen. Mike Fasano, R-New Port Richey, a customer and longtime critic of Aloha, said Tuesday that he would also fight the utility's request.

"It seems like Aloha just wants to stick their finger in the customers' eye," he said, "one more time, as they leave."

No virus found in this incoming message.

Checked by AVG - www.avg.com

Version: 8.0.238 / Virus Database: 270.11.15/2004 - Release Date: 03/18/09 07:17:00

No virus found in this incoming message.

Checked by AVG - www.avg.com

Version: 8.0.238 / Virus Database: 270.11.18/2009 - Release Date: 03/18/09 07:17:00

Ann Cole

From: Nathan A. Skop
Sent: Friday, March 20, 2009 12:01 AM
To: Bill McNulty
Subject: Fw: from a customer of Aloha utilities

Please ask the clerk to add this to the correspondence side of the appropriate Aloha dockets.

From: JOHN DI PRIMA <johnd151@verizon.net>
To: Nathan A. Skop
Sent: Thu Mar 19 22:32:40 2009
Subject: Fw: from a customer of Aloha utilities

Dear PSC Commissioners,

can you please tell me what your position is in regards to the below letter sent to you from Mr. Wayne Forhand.

Sincerely

John Di Prima

> To: PSC Commissioners

>

> I am writing to say that as a customer, I am delighted to finally be relieved of the unresponsive and negligent management of the Old Aloha Utilities. However, after the closing of the sale, I'm appalled to read that Aloha has requested and demanded that the Public Service Commission agree, "forthwith, to execute and transmit such documentation as is necessary and required to release" the customers' refund currently maintained in Account No. 3720776209 at AmSouth Bank to the old stockholders of Aloha Utilities.* *This request is totally bizarre and improper.

> These funds are the customers' funds awarded as a refund of overpayment. On April 30, 2002 (7 years ago), the Commission issued Order # PSC-02-0593-FOF-WU, which denied Aloha's request for a rate increase and ordered a refund of the interim rates. Of course Aloha appealed the Final Order as they did almost every action by the PSC over the past 10 years.

> On May 6, 2003, the First DCA affirmed the Commission's Final Order No. PSC-02-0593-FOF-WU, including the Commission's requirement of a complete refund of the interim rate increase. The customers have been waiting a long time.

> In 2006, a Settlement Agreement was implemented under the direction of, and facilitated by, the PSC General Counsel. Paragraph 3 (d) of this Settlement agreed that the customers were willing to apply the net refund monies (unpaid refunds plus interest less* *agreed \$45,000) to pay for the permanent and effective solution to the long-standing black water problems in the Aloha Utilities system. The customers never agreed that these refund monies would ever be given to the shareholders of Aloha. Quite to the contrary, they would only be considered contributions-in-aid-of-construction (CIAC) of the facilities built to solve the black water problems, and would only be applied as CIAC if and when the facilities were completely constructed, and after the facilities were fully operational. Pursuant to the expressed terms of the Settlement Agreement, not one penny of the customers' refund monies was to be applied as CIAC until the Commission issued its Final Order establishing Phase III* *rates, and the Order was final and non-appealable. I remind the PSC staff and Commissioners that Aloha never even had approval of a full Phase I increase, much less the required Phase II or Phase III. Aloha did not install the promised improvements to resolve the "Black Water" problems. This escrow remains the customers' refund.

> The intent of the Settlement Agreement was based on the good faith of the implementation of the improvements within a two-year time period as promised to the customers at signing. Aloha has now sold at an extravagant profit. I as a customer suggest that the customers' refund held in escrow be released to a "rate stabilization escrow fund" to cover future rate increases required to improve the black water condition, not to be released to the obsessive stockholders.

> Wayne Forehand

> 1216 Arlinbrook Drive

> Trinity, FL 34655

> The following is the article from Today's SPTimes.

3/23/2009

Aloha, Pasco customers clash over escrow cash

By Jodie Tillman <mailto://Users/joelaza/Library/Thunderbird/Profiles/da2jjch.default/Mail/Local%20Folders/Inbox?number=676213940>, Times Staff Writer
In Print: Wednesday, March 18, 2009

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Ann Cole

From: Nathan A. Skop
Sent: Friday, March 20, 2009 10:50 AM
To: Bill McNulty
Subject: Fw: FROM A CUSTOMER OF THE FORMER ALOHA UTILITIES

Please ask the clerk to add this to the correspondence side of the appropriate Aloha dockets.

From: aloharmb@aol.com <aloharmb@aol.com>
To: Nathan A. Skop; Nancy Argenziano; Katrina McMurrian; Lisa Edgar; Matthew Carter
Cc: JHARTMEN@pPSC.STATE.FL.US <JHARTMEN@pPSC.STATE.FL.US>
Sent: Fri Mar 20 10:42:07 2009
Subject: FROM A CUSTOMER OF THE FORMER ALOHA UTILITIES

To: PSC Commissioners

I am writing to say that as a customer, I am delighted to finally be relieved of the unresponsive and negligent management of the Old Aloha Utilities. However, after the closing of the sale, I'm appalled to read that Aloha has requested and demanded that the Public Service Commission agree, "forthwith, to execute and transmit such documentation as is necessary and required to release" the customers' refund currently maintained in Account No. 3720776209 at AmSouth Bank to the old stockholders of Aloha Utilities. This request is totally bizarre and improper.

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3/23/2009

Joseph & RoseMarie Beraducci
10110 Green Ivy Drive
Trinity, FL 34655

Live traffic, local info, maps, directions and more with the NEW MapQuest Toolbar. [Get it now!](#)

Ann Cole

010503

From: Ann Cole
Sent: Thursday, March 19, 2009 3:38 PM
To: Bill McNulty
Cc: Jean Hartman; Larry Harris; Roberta Bass; Lorena Holley; William C. Garner; Cristina Slaton
Subject: RE: Aloha Correspondence

Thank you for this information. The 11 email attachments have been printed and will be placed in *Docket Correspondence - Consumers and their representatives*, Docket Nos. 010503-WU, 060606-WS, 060122-WU, and 090120-WS.

From: Bill McNulty
Sent: Thursday, March 19, 2009 2:12 PM
To: Ann Cole
Cc: Jean Hartman; Larry Harris; Roberta Bass; Lorena Holley; William C. Garner; Cristina Slaton
Subject: Aloha Correspondence

Ann,

Please place these in the correspondence side of the docket file for the following dockets: Docket Nos. 010503-WU, 060606-WS, 060122-WU, and 090120-WS.

Thank You,

Bill

*Bill McNulty
 Chief Advisor to Commissioner Skop
 Florida Public Service Commission
 2540 Shumard Oak Boulevard
 Tallahassee, FL 32399-0855
 (850) 413-6028 (office)
 (850) 413-6029 (fax)
 bmcnulty@psc.state.fl.us*

FPSC, CLK - CORRESPONDENCE
Administrative Parties Consumer
 DOCUMENT NO. 09792-07
 DISTRIBUTION: _____

Ann Cole

From: Nathan A. Skop
Sent: Thursday, March 19, 2009 12:00 PM
To: Bill McNulty
Subject: FW: From a customer of the former Aloha Utilities

From: rowe [mailto:microvent7@tampabay.rr.com]
Sent: Wednesday, March 18, 2009 9:33 PM
To: Nathan A. Skop
Subject: From a customer of the former Aloha Utilities

It is ridiculous that Aloha is trying to keep that money for it's shareholders!!! Here we go again...Helping Wall Street and Screwing Main Street! That money either needs to be returned or be put in a different escrow account for future rate increases. Aloha has some nerve...collecting money, never using it for the intended purpose, and then trying to keep it!? Are they serious?

Sincerely,
Former Aloha customer, thank goodness!

Ann Cole

From: Nathan A. Skop
Sent: Thursday, March 19, 2009 11:56 AM
To: Bill McNulty
Subject: FW: From a customer of the former Aloha Utilities

From: bill.humphrey [mailto:bill.humphrey@earthlink.net]
Sent: Wednesday, March 18, 2009 12:44 PM
To: Nathan A. Skop; Nancy Argenziano; Katrina McMurrian; Lisa Edgar; Matthew Carter
Cc: Jean Hartman
Subject: From a customer of the former Aloha Utilities

I have read that Aloha Utilities, Inc is trying to get their hands on the \$350 thousand escrow account that was supposed to be refunded to customers when their rate increase was not approved. The customers had later agreed under duress that the money could be used by Aloha to fund the anion exchange installation, which they did not complete. Our agreement was they got the money when the job was done. It was never completed, the water quality was never improved and they should not get the money.

The money should be released to FGUA, the new owners, to use to help fund the improvements needed to improve the infrastructure so we get acceptable water!

The \$90.5 million sale price more than compensates the owners of Aloha for the costs incurred in preliminary engineering for the anion process installation.

William F. Humphrey
2120 Larchwood Court
Trinity, FL 34655

727-808-4483

Ann Cole

From: Nathan A. Skop
Sent: Thursday, March 19, 2009 11:57 AM
To: Bill McNulty
Subject: FW: From An Aloha Customer

From: Gary Franck [mailto:g.franck@verizon.net]
Sent: Wednesday, March 18, 2009 3:13 PM
To: Matthew Carter; Lisa Edgar; Katrina McMurrin; Nancy Argenziano; Nathan A. Skop
Cc: Jean Hartman
Subject: From An Aloha Customer

Where is the outrage?

I read in this morning's St Pete Times, the PSC has received a request from the former owners of Aloha Water to liquidate an escrow account in their favor.. It is beyond my belief that this request is not rejected out of hand as some kind of bad joke. Well, the joke has been on us as residents of Trinity for the past 12 years. We have had to put up with a company that cared only to line their pockets with our cash and not give a hoot about the quality of their product or customer service. Now they want money drawn from an escrow account that belongs to us and was set up to assure they completed a project as demanded by your organization. Although it shouldn't surprise you (it surely doesn't me), now that the sale has been completed and the former owners did not perform as required, I must ask; why would they be entitled to these funds?

You folks know the details of the agreement to place customer funds in escrow better than I. However, I do know these funds belong to the customers of Aloha. They should either be refunded to us or continue to be held in escrow to offset some of the anticipated rate increases that are the result of making system improvements that should have been made years ago.

Thank you kindly for your consideration in addressing this "outrage".

Respectfully submitted.

Gary Franck
1118 Hominy Hill Dr
Trinity, Fl.

3/19/2009

Ann Cole

From: Nathan A. Skop
Sent: Thursday, March 19, 2009 11:57 AM
To: Bill McNulty
Subject: FW: Aloha Customer Refund Escrow Account

From: MidgenBill [mailto:wscudero@tampabay.rr.com]
Sent: Wednesday, March 18, 2009 7:18 PM
To: Nathan A. Skop; Nancy Argenziano; Katrina McMurrian; Lisa Edgar; Matthew Carter
Cc: Jean Hartman
Subject: Aloha Customer Refund Escrow Account

To: PSC Commissioners;

I am writing to say that as a customer, I am delighted to finally not have to try to work with the unresponsive and negligent management of the Old Aloha Utilities. However, after the closing of the sale, I'm appalled to read that Aloha has requested, and demanded that the Public Service Commission agree, "forthwith, to execute and transmit such documentation as is necessary and required to release" the customers' refund currently maintained in Account No. 3720776209 at AmSouth Bank to the old stockholders of Aloha Utilities. This request is totally improper.

These funds are the customers' funds awarded as a refund of overpayment. On April 30, 2002 (7 years ago), the Commission issued Order # PSC-02-0593-FOF-WU, which denied Aloha's request for a rate increase, and ordered a refund of the interim rates. Of course Aloha appealed the Final Order as they did almost every action by the PSC over the past 10 years.

On May 6, 2003, the First DCA affirmed the Commission's Final Order NO. PSC-02-0593-FOF-WU, including the Commission's requirement of a complete refund of the interim rate increase. The customers, of then Aloha, have been waiting a long time. In 2006, a Settlement Agreement was implemented under the direction of, and facilitated by, the PSC General Counsel. Paragraph 3 (d) of this Settlement agreed that the customers were willing to apply the net refund monies (unpaid refunds plus interest less agreed \$45,000) to pay for the permanent and effective solution to the long-standing black water problems in the Aloha Utilities system. The customers never agreed that these refund monies would ever be given to the shareholders of Aloha. Quite to the contrary, they would only be considered contributions-in-aid-of-construction (CIAC) of the facilities built to solve the black water problems, and would only be applied as CIAC if and when the facilities were completely constructed, and after the facilities were fully operational. Pursuant to the expressed terms of the Settlement Agreement, not one penny of the customers' refund monies was to be applied as CIAC until the Commission issued its Final Order establishing Phase III rates, and the Order was final and non-appealable. I remind the PSC staff and Commissioners that Aloha never even had approval of a full Phase I increase, much less the required Phase II or Phase III. Aloha did not install the promised improvements to resolve the "Black Water" problems. This escrow remains the customers' refund.

The intent of the Settlement Agreement was based on the good faith of the implementation of the improvements within a two-year time period as promised to the customers at signing. Aloha has now sold at an extravagant profit. I as a customer suggest that the customers' refund held in escrow be released to a "rate stabilization escrow fund" to cover future rate increases required to improve the black water condition, not to be released to the obsessive stockholders.

Margaret Scudero
 1430 Jutland Drive
 Trinity, FL 34655

cc: JHARTMAN@PSC.STATE.FL.US

Aloha Customer Refund Escrow Account Letter to PSC Commissioners

3/19/2009

Ann Cole

From: Nathan A. Skop
Sent: Thursday, March 19, 2009 12:00 PM
To: Bill McNulty
Subject: FW: From a customer of the former Aloha Utilities

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Sent: Wednesday, March 18, 2009 9:33 PM
To: Nathan A. Skop
Subject: From a customer of the former Aloha Utilities

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Sincerely,
Former Aloha customer, thank goodness!

Ann Cole

From: Nathan A. Skop
Sent: Thursday, March 19, 2009 12:00 PM
To: Bill McNulty
Subject: FW: From a customer of the former Aloha Utilities

From: Andrea Nazzaro [mailto:babygirlnazz@tampabay.rr.com]
Sent: Wednesday, March 18, 2009 10:24 PM
To: Nathan A. Skop
Subject: From a customer of the former Aloha Utilities

As a former Aloha Utilities customer, I want the escrowed money (\$350,000) to go to improving the water treatment facilities as originally agreed upon.

Thank you in advance.

Andrea Nazzaro
1751 Winsloe Dr.
Trinity, FL 34655
babygirlnazz@tampabay.rr.com

Ann Cole

From: Nathan A. Skop
Sent: Thursday, March 19, 2009 12:00 PM
To: Bill McNulty
Subject: FW: Aloha Escrow Account

From: Ravensmom4@aol.com [mailto:Ravensmom4@aol.com]
Sent: Wednesday, March 18, 2009 10:31 PM
To: Nathan A. Skop
Subject: Re: Aloha Escrow Account

I am a former Aloha customer and I want to protest Aloha's refusal to release the escrow monies that was set aside to improve the water. This is our money and should be released to clean up the problems we have with our water.

Patricia Cusumano
1746 Citron Ct
Trinity, FI 34655

Feeling the pinch at the grocery store? [Make dinner for \\$10 or less.](#)

Ann Cole

From: Nathan A. Skop
Sent: Thursday, March 19, 2009 12:00 PM
To: Bill McNulty
Subject: FW: From a customer of the former Aloha Utilities

From: Steven Beisner [mailto:SBeisner@medquist.com]
Sent: Thursday, March 19, 2009 7:46 AM
To: Nathan A. Skop
Subject: From a customer of the former Aloha Utilities

I am writing to say that as a customer, I am delighted to finally be relieved of the unresponsive and negligent management of the Old Aloha Utilities. However, after the closing of the sale, I'm appalled to read that Aloha has requested and demanded that the Public Service Commission agree, "forthwith, to execute and transmit such documentation as is necessary and required to release" the customers' refund currently maintained in Account No. 3720776209 at AmSouth Bank to the old stockholders of Aloha Utilities. This request is totally bizarre and improper.

These funds are the customers' funds awarded as a refund of overpayment. On April 30, 2002 (7 years ago), the Commission issued Order # PSC-02-0593-FOF-WU, which denied Aloha's request for a rate increase and ordered a refund of the interim rates. Of course Aloha appealed the Final Order as they did almost every action by the PSC over the past 10 years. On May 6, 2003, the First DCA affirmed the Commission's Final Order No. PSC-02-0593-FOF-WU, including the Commission's requirement of a complete refund of the interim rate increase. The customers have been waiting a long time.

In 2006, a Settlement Agreement was implemented under the direction of, and facilitated by, the PSC General Counsel. Paragraph 3 (d) of this Settlement agreed that the customers were willing to apply the net refund monies (unpaid refunds plus interest less agreed \$45,000) to pay for the permanent and effective solution to the long-standing black water problems in the Aloha Utilities system. The customers never agreed that these refund monies would ever be given to the shareholders of Aloha. Quite to the contrary, they would only be considered contributions-in-aid-of-construction (CIAC) of the facilities built to solve the black water problems, and would only be applied as CIAC if and when the facilities were completely constructed, and after the facilities were fully operational. Pursuant to the expressed terms of the Settlement Agreement, not one penny of the customers' refund monies was to be applied as CIAC until the Commission issued its Final Order establishing Phase III rates, and the Order was final and non-appealable. I remind the PSC staff and Commissioners that Aloha never even had approval of a full Phase I increase, much less the required Phase II or Phase III. Aloha did not install the promised improvements to resolve the "Black Water" problems. This escrow remains the customers' refund.

The intent of the Settlement Agreement was based on the good faith of the implementation of the improvements within a two-year time period as promised to the customers at signing. Aloha has now sold at an extravagant profit. I as a customer suggest that the customers'

refund held in escrow be released to a “rate stabilization escrow fund” to cover future rate increases required to improve the black water condition, not to be released to the obsessive stockholders.

Steve Beisner

Project Manager
Customer Support Services
5430 Metric Place
Suite 200
Norcross, GA 30092
Phone: 678.826.5692
Fax: 856.879.6704
Cell: 727.992.1713
sbeisner@medquist.com
www.medquist.com



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If you are not the intended recipient of this e-mail, promptly delete it and all attachments.

Ann Cole

From: Nathan A. Skop
Sent: Thursday, March 19, 2009 12:01 PM
To: Bill McNulty
Subject: FW: from a customer of Aloha utilities

From: Joe Abelleira [mailto:abelleira@msn.com]
Sent: Thursday, March 19, 2009 9:12 AM
To: Nathan A. Skop; Nancy Argenziano; Katrina McMurrian; Lisa Edgar; Matthew Carter
Subject: from a customer of Aloha utilities

To: PSC Commissioners

>
> I am writing to say that as a customer, I am delighted to finally be
> relieved of the unresponsive and negligent management of the Old Aloha
> Utilities. However, after the closing of the sale, I'm appalled to
> read that Aloha has requested and demanded that the Public Service
> Commission agree, "forthwith, to execute and transmit such
> documentation as is necessary and required to release" the customers'
> refund currently maintained in Account No. 3720776209 at AmSouth Bank
> to the old stockholders of Aloha Utilities.* *This request is totally
> bizarre and improper.
> These funds are the customers' funds awarded as a refund of
> overpayment. On April 30, 2002 (7 years ago), the Commission issued
> Order # PSC-02-0593-FOF-WU, which denied Aloha's request for a rate
> increase and ordered a refund of the interim rates. Of course Aloha
> appealed the Final Order as they did almost every action by the PSC
> over the past 10 years.
> On May 6, 2003, the First DCA affirmed the Commission's Final Order
> No. PSC-02-0593-FOF-WU, including the Commission's requirement of a
> complete refund of the interim rate increase. The customers have been
> waiting a long time.
> In 2006, a Settlement Agreement was implemented under the direction
> of, and facilitated by, the PSC General Counsel. Paragraph 3 (d) of
> this Settlement agreed that the customers were willing to apply the
> net refund monies (unpaid refunds plus interest less* *agreed \$45,000)
> to pay for the permanent and effective solution to the long-standing
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> shareholders of Aloha. Quite to the contrary, they would only be
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> Commissioners that Aloha never even had approval of a full Phase I
> increase, much less the required Phase II or Phase III. Aloha did not

3/19/2009

- > install the promised improvements to resolve the "Black Water"
- > problems. This escrow remains the customers' refund.
- > The intent of the Settlement Agreement was based on the good faith of
- > the implementation of the improvements within a two-year time period
- > as promised to the customers at signing. Aloha has now sold at an
- > extravagant profit. I as a customer suggest that the customers' refund
- > held in escrow be released to a "rate stabilization escrow fund" to
- > cover future rate increases required to improve the black water
- > condition, not to be released to the obsessive stockholders.

Sincerely,

Joe Abelleira
7532 Cheltnam Ct.
New Port Richey, FL 34655

Ann Cole

From: Nathan A. Skop
Sent: Thursday, March 19, 2009 12:01 PM
To: Bill McNulty
Subject: FW: From a customer of the former Aloha Utilities

From: CARLEEN NARY [mailto:MsTabasco@verizon.net]
Sent: Thursday, March 19, 2009 9:13 AM
To: Nathan A. Skop; Nancy Argenziano; Katrina McMurrian; Lisa Edgar; Matthew Carter
Cc: Jean Hartman
Subject: From a customer of the former Aloha Utilities

To: PSC Commissioners

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3/19/2009

Carleen Nary
1906 Terralyn Ln
Trinity, FL 34655

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Version: 8.0.238 / Virus Database: 270.11.15/2004 - Release Date: 03/18/09 07:17:00

3/19/2009

Ann Cole

From: Nathan A. Skop
Sent: Thursday, March 19, 2009 1:25 PM
To: Bill McNulty
Subject: FW: from a customer of Aloha Utilitie

From: John Simmons [mailto:js-ss@hotmail.com]
Sent: Thursday, March 19, 2009 1:02 PM
To: Nathan A. Skop; Nancy Argenziano; Katrina McMurrian; Lisa Edgar; Matthew Carter
Subject: from a customer of Aloha Utilitie

To: PSC Commissioners

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John Simmons
8144 Brumby Ct
Trinity, FL 34655

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3/19/2009

Katie Ely

010503

From: Ellen Plendl
Sent: Thursday, March 19, 2009 9:24 AM
To: Katie Ely
Cc: Dorothy Menasco; Ann Cole
Subject: emails

Attachments: FW: From a customer of the former Aloha Utilities; FW: From a customer of the former Aloha Utilities; FW: Aloha Customer Refund Escrow Account; RE: From a customer of the former Aloha Utilities; RE: From a customer of the former Aloha Utilities; RE: Aloha Customer Refund Escrow Account



FW: From a customer of the former Aloha Utilities; FW: From a customer of the former Aloha Utilities; FW: Aloha Customer Refund Escrow Account; RE: From a customer of the former Aloha Utilities; RE: From a customer of the former Aloha Utilities; RE: Aloha Customer Refund Escrow Account

Dockets 010503-WU, 060606-WS,

060122-WU, 090120-WS.

Emails received and responses sent.

FPSC, CLK - CORRESPONDENCE
Administrative Parties ~~Consumer~~
DOCUMENT NO. 09792-07
DISTRIBUTION: _____

Katie Ely

From: Lois Graham
Sent: Thursday, March 19, 2009 8:11 AM
To: Ellen Plendl
Subject: FW: From a customer of the former Aloha Utilities

From: Matthew Carter
Sent: Thursday, March 19, 2009 7:36 AM
To: William C. Garner; Lois Graham
Subject: Fw: From a customer of the former Aloha Utilities

From: rowe <microvent7@tampabay.rr.com>
To: Matthew Carter
Sent: Wed Mar 18 21:33:09 2009
Subject: From a customer of the former Aloha Utilities

It is ridiculous that Aloha is trying to keep that money for it's shareholders!!! Here we go again...Helping Wall Street and Screwing Main Street! That money either needs to be returned or be put in a different escrow account for future rate increases. Aloha has some nerve...collecting money, never using it for the intended purpose, and then trying to keep it!? Are they serious?

Sincerely,
Former Aloha customer, thank goodness!

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From: Matthew Carter
Sent: Thursday, March 19, 2009 7:36 AM
To: Lois Graham
Subject: Fw: From a customer of the former Aloha Utilities

From: Andrea Nazzaro <babygirlnazz@tampabay.rr.com>
To: Matthew Carter
Sent: Wed Mar 18 22:25:29 2009
Subject: From a customer of the former Aloha Utilities

As a former Aloha Utilities customer, I want the escrowed money (\$350,000) to go to improving the water treatment facilities as originally agreed upon.

Thank you in advance.

Andrea Nazzaro
1751 Winsloe Dr.
Trinity, FL 34655
babygirlnazz@tampabay.rr.com

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From: Matthew Carter
Sent: Thursday, March 19, 2009 7:37 AM
To: William C. Garner; Lois Graham
Subject: Fw: Aloha Customer Refund Escrow Account

From: MidgeBill <wscudero@tampabay.rr.com>
To: Jean Hartman
Cc: Nathan A. Skop; Nancy Argenziano; Katrina McMurrian; Lisa Edgar; Matthew Carter
Sent: Wed Mar 18 21:24:41 2009
Subject: Aloha Customer Refund Escrow Account

To: PSC Commissioners;

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Margaret Scudero
 1430 Jutland Drive
 Trinity, FL 34655

cc: nskop@PSC.state.fl.us; nargenziano@PSC.state.fl.us; Katrina.McMurrian@psc.state.fl.us; ledgar@PSC.state.fl.us; mcarter@PSC.state.fl.us

3/19/2009

Katie Ely

From: Ellen Plendl
Sent: Thursday, March 19, 2009 9:08 AM
To: 'microvent7@tampabay.rr.com'
Subject: RE: From a customer of the former Aloha Utilities

microvent7@tampabay.rr.com

Dear Sir/Madam:

This is in response to your letter to Chairman Matthew M. Carter II, Florida Public Service Commission, regarding Aloha Utilities (Aloha). Given the nature of your concerns, Chairman Carter feels it would be appropriate for specialized staff of the Division of Service, Safety and Consumer Assistance to respond directly to you.

You expressed a concern about the disposition of Aloha's escrow account. We appreciate your comments regarding this matter and will add your correspondence to Docket Nos. 010503-WU, 060606-WS, 060122-WU, 090120-WS.

If you have any questions or concerns please contact me at 1-800-342-3552 or by fax at 1-800-511-0809.

Sincerely,

Ellen Plendl
Regulatory Specialist
Florida Public Service Commission
Division of Service, Safety, & Consumer Assistance
1-800-342-3552 (phone)
1-800-511-0809 (fax)

Katie Ely

From: Ellen Plendl
Sent: Thursday, March 19, 2009 9:08 AM
To: 'babygirlnazz@tampabay.rr.com'
Subject: RE: From a customer of the former Aloha Utilities

Ms. Andrea Nazzaro
babygirlnazz@tampabay.rr.com

Dear Ms. Nazzaro:

This is in response to your letter to Chairman Matthew M. Carter II, Florida Public Service Commission, regarding Aloha Utilities (Aloha). Given the nature of your concerns, Chairman Carter feels it would be appropriate for specialized staff of the Division of Service, Safety and Consumer Assistance to respond directly to you.

You expressed a concern about the disposition of Aloha's escrow account. We appreciate your comments regarding this matter and will add your correspondence to Docket Nos. 010503-WU, 060606-WS, 060122-WU, 090120-WS.

If you have any questions or concerns please contact me at 1-800-342-3552 or by fax at 1-800-511-0809.

Sincerely,

Ellen Plendl
Regulatory Specialist
Florida Public Service Commission
Division of Service, Safety, & Consumer Assistance
1-800-342-3552 (phone)
1-800-511-0809 (fax)

Katie Ely

From: Ellen Plendl
Sent: Thursday, March 19, 2009 9:09 AM
To: 'wscudero@tampabay.rr.com'
Subject: RE: Aloha Customer Refund Escrow Account

Ms. Margaret Scudero
wscudero@tampabay.rr.com

Dear Ms. Scudero:

This is in response to your letter to Chairman Matthew M. Carter II, Florida Public Service Commission, regarding Aloha Utilities (Aloha). Given the nature of your concerns, Chairman Carter feels it would be appropriate for specialized staff of the Division of Service, Safety and Consumer Assistance to respond directly to you.

You expressed a concern about the disposition of Aloha's escrow account. We appreciate your comments regarding this matter and will add your correspondence to Docket Nos. 010503-WU, 060606-WS, 060122-WU, 090120-WS.

If you have any questions or concerns please contact me at 1-800-342-3552 or by fax at 1-800-511-0809.

Sincerely,

Ellen Plendl
Regulatory Specialist
Florida Public Service Commission
Division of Service, Safety, & Consumer Assistance
1-800-342-3552 (phone)
1-800-511-0809 (fax)

Ann Cole

010503

From: Ann Cole
Sent: Wednesday, March 18, 2009 4:29 PM
To: Bill McNulty
Cc: Cristina Slaton; Larry Harris; William C. Garner; Roberta Bass; Lorena Holley; Jean Hartman
Subject: RE: A customer of Aloha utilities: Aloha request for escrow money

Thank you for this information, which will be placed in *Docket Correspondence - Consumers and their representatives*, Docket Nos. 010503-WU, 060606-WS, 060122-WU, and 090120-WS.

From: Bill McNulty
Sent: Wednesday, March 18, 2009 3:41 PM
To: Ann Cole
Cc: Cristina Slaton; Larry Harris; William C. Garner; Roberta Bass; Lorena Holley; Jean Hartman
Subject: FW: A customer of Aloha utilities: Aloha request for escrow money

Ann,
Please place this in the correspondence side of the docket file for the following dockets:
Docket Nos. 010503-WU, 060606-WS, 060122-WU, and 090120-WS.
Thank You,
Bill

Bill McNulty
Chief Advisor to Commissioner Skop
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0855
(850) 413-6028 (office)
(850) 413-6029 (fax)
bmcnulty@psc.state.fl.us

FPSC, CLK - CORRESPONDENCE
Administrative Parties Consumer
DOCUMENT NO. 09-192-07
DISTRIBUTION: _____

From: HOWARD LEDDER <howlaine210@msn.com>
To: Nathan A. Skop; Nancy Argenziano; Katrina McMurrian; Lisa Edgar; Matthew Carter
Cc: wayneforehand@verizon.net <wayneforehand@verizon.net>
Sent: Wed Mar 18 11:58:43 2009
Subject: A customer of Aloha utilities: Aloha request for escrow money
Dear PSC members:

Aloha has supplied absolutely horrible water water to Trinity customers for 14 years. We may still have thousands of dollars in expenses if we develop leaks caused by their water. After all this heartache, insult & inconvenience (I'd LOVE to be able to use my jacuzzi to help my arthritis!!) **now** they want the escrow money on top of the millions they just got for treating their customers like dirt for the last 14 years? If this is allowed it will be just one more terrible injustice to the customers. PLEASE do NOT allow this to occur.

Respectfully,
Howard & Elaine Ledder
1202 Arlinbrook Dr.
Trinity Oaks

3/18/2009

Ann Cole

010503

From: Ann Cole
Sent: Wednesday, March 18, 2009 4:28 PM
To: Bill McNulty
Cc: Cristina Slaton; Larry Harris; Lorena Holley; Roberta Bass; William C. Garner; Jean Hartman
Subject: RE: From An Aloha Customer

Thank you for this information, which will be placed in *Docket Correspondence - Consumers and their representatives*, Docket Nos. 010503-WU, 060606-WS, 060122-WU, and 090120-WS.

From: Bill McNulty
Sent: Wednesday, March 18, 2009 3:40 PM
To: Ann Cole
Cc: Cristina Slaton; Larry Harris; Lorena Holley; Roberta Bass; William C. Garner; Jean Hartman
Subject: FW: From An Aloha Customer

Ann,

Please place this in the correspondence side of the docket file for the following dockets:
Docket Nos. 010503-WU, 060606-WS, 060122-WU, and 090120-WS.

Thank You,

Bill

FPSC, CLK - CORRESPONDENCE
Administrative Parties / Consumer
DOCUMENT NO. 09792-07
DISTRIBUTION: _____

From: Gary Franck [mailto:g.franck@verizon.net]
Sent: Wednesday, March 18, 2009 3:13 PM
To: Matthew Carter; Lisa Edgar; Katrina McMurrian; Nancy Argenziano; Nathan A. Skop
Cc: Jean Hartman
Subject: From An Aloha Customer

Where is the outrage?

I read in this morning's St Pete Times, the PSC has received a request from the former owners of Aloha Water to liquidate an escrow account in their favor.. It is beyond my belief that this request is not rejected out of hand as some kind of bad joke. Well, the joke has been on us as residents of Trinity for the past 12 years. We have had to put up with a company that cared only to line their pockets with our cash and not give a hoot about the quality of their product or customer service. Now they want money drawn from an escrow account that belongs to us and was set up to assure they completed a project as demanded by your organization. Although it shouldn't surprise you (it surely doesn't me), now that the sale has been completed and the former owners did not perform as required, I must ask; why would they be entitled to these funds?

You folks know the details of the agreement to place customer funds in escrow better than I. However, I do know these funds belong to the customers of Aloha. They should either be refunded to us or continue to be held in escrow to offset some of the anticipated rate increases that are the result of making system improvements that should have been made years ago.

Thank you kindly for your consideration in addressing this "outrage".

3/18/2009

Respectfully submitted.

Gary Franck
1118 Hominy Hill Dr
Trinity, Fl.

3/18/2009

Ann Cole

010503

From: Ann Cole
Sent: Wednesday, March 18, 2009 3:55 PM
To: Bill McNulty
Cc: Cristina Slaton; Larry Harris; Roberta Bass; Lorena Holley; William C. Garner; Jean Hartman
Subject: RE: From a customer of the former Aloha Utilities

Thank you for this information, which will be placed in *Docket Correspondence - Consumers and their representatives*, Docket Nos. 010503-WU, 060606-WS, 060122-WU, and 090120-WS.

From: Bill McNulty
Sent: Wednesday, March 18, 2009 3:16 PM
To: Ann Cole
Cc: Cristina Slaton; Larry Harris; Roberta Bass; Lorena Holley; William C. Garner; Jean Hartman
Subject: FW: From a customer of the former Aloha Utilities

Ann,

Please place this in the correspondence side of the docket file for the following dockets:
Docket Nos. 010503-WU, 060606-WS, 060122-WU, and 090120-WS.

Thank You,

Bill

FPSC, CLK - CORRESPONDENCE
Administrative Parties X Consumer
DOCUMENT NO. 09702-07
DISTRIBUTION:

From: bill.humphrey [mailto:bill.humphrey@earthlink.net]
Sent: Wednesday, March 18, 2009 12:44 PM
To: Nathan A. Skop; Nancy Argenziano; Katrina McMurrian; Lisa Edgar; Matthew Carter
Cc: Jean Hartman
Subject: From a customer of the former Aloha Utilities

I have read that Aloha Utilities, Inc is trying to get their hands on the \$350 thousand escrow account that was supposed to be refunded to customers when their rate increase was not approved. The customers had later agreed under duress that the money could be used by Aloha to fund the anion exchange installation, which they did not complete. Our agreement was they got the money when the job was done. It was never completed, the water quality was never improved and they should not get the money.

The money should be released to FGUA, the new owners, to use to help fund the improvements needed to improve the infrastructure so we get acceptable water!

The \$90.5 million sale price more than compensates the owners of Aloha for the costs incurred in preliminary engineering for the anion process installation.

William F. Humphrey
2120 Larchwood Court
Trinity, FL 34655

727-808-4483

3/18/2009

Ann Cole

10503

From: Ann Cole
Sent: Wednesday, March 18, 2009 3:14 PM
To: Bill McNulty
Cc: Cristina Slaton; Larry Harris; Lorena Holley; William C. Garner; Roberta Bass; Jean Hartman
Subject: RE: Aloha Wants Escrow Cash - SPTimes 3/18/09

Thanks, Bill. This information will be placed in *Docket Correspondence - Consumers and their representatives*, Docket Nos. 010503-WU, 060606-WS, 060122-WU, and 090120-WS.

-----Original Message-----

From: Bill McNulty
Sent: Wednesday, March 18, 2009 11:54 AM
To: Ann Cole
Cc: Cristina Slaton; Larry Harris; Lorena Holley; William C. Garner; Roberta Bass; Jean Hartman
Subject: FW: Aloha Wants Escrow Cash - SPTimes 3/18/09

Ann,

Please place this in the correspondence side of the docket file for the following dockets: Docket Nos. 010503-WU, 060606-WS, 060122-WU, and 090120-WS.

Thank You,
 Bill

Bill McNulty
 Chief Advisor to Commissioner Skop
 Florida Public Service Commission
 2540 Shumard Oak Boulevard
 Tallahassee, FL 32399-0855
 (850) 413-6028 (office)
 (850) 413-6029 (fax)
 bmcnulty@psc.state.fl.us

FPSC, CLK - CORRESPONDENCE
Administrative Parties ~~X~~ Consumer
 DOCUMENT NO. 09792-07
 DISTRIBUTION: _____

-----Original Message-----

From: Hubert Fladung [<mailto:hubert.fladung@gmail.com>]
Sent: Wednesday, March 18, 2009 8:10 AM
To: Nancy Argenziano; Nathan A. Skop
Cc: John - Chairman BWN Andrews; wayne forehand
Subject: Aloha Wants Escrow Cash - SPTimes 3/18/09

Honorable Commissioners N. Kop, N. Argenziano,

Please make the right decision here. I think it is quite obvious who's money it is, otherwise you would have never held it in the escrow account.

3/18/2009

It is NOT Aloha's money, but to be used for the customers benefits.

Hubertus J Fladung
1214 Trafalgar Dr
New Port Richey, FL
(727) 375-0879

The following article appears in the St. Petersburg Times,
3/18/09, Pasco Times section, p1.

John Andrews
CBWN Chairman

Aloha Wants Escrow Cash

The utility wants the \$375,000 it collected but did not use.
Not so fast, say customers.

By Jodie Tillman, Times Staff Writer

In print: Wednesday, March 18, 2009

TRINITY — Like a lot of bad break-ups, the split between Aloha Utilities and its former customers is ending in a fight over who owns what.

At issue: More than \$375,000 left in an escrow account.

Less than three weeks after Aloha sold its water and wastewater

3/18/2009

assets for \$90.5 million to the Florida Governmental Utility Authority, the company's shareholders say that the escrow money is theirs and they want state regulators to release it.

Customers and their representative say: Not so fast. That's our refund money from 2002-03.

The Florida Public Service Commission has not made a decision, said spokeswoman Kirsten Olsen.

Here's how the money ended up in the escrow account:

Back in March 2006, Aloha and representatives of its 25,000 customers in the Seven Springs and Trinity area entered into a settlement agreement to resolve a number of outstanding issues.

One of those issues: Aloha's appeal of a 2004 commission order to refund nearly \$300,000 to customers who had been paying temporary rate hikes that were ultimately not approved.

As part of the 2006 settlement, Aloha agreed to drop its appeal of the rate case and put the refund money into an interest-bearing account to help pay for an "anion exchange" treatment system intended to solve long-standing water quality problems.

The agreement says that once a third series of rate increases to pay for the system got approved, Aloha could record the escrow money as its contribution to the construction, and then the money would be released to the utility.

The treatment system never got built, of course. And when the Florida Governmental Utility Authority bought Aloha's assets this year, that group scrapped the anion exchange treatment system, saying it had other plans for improving the water quality.

Lawyers for Aloha say that since the treatment system was abandoned, Aloha should get the escrow money, in part to defray what it had spent already on plans for the system. The company also says it would use the money to finish paying off commission fees and fines as well as Pasco County for work it did at Aloha's request.

"Aloha is legally entitled to the money," said lawyer William Sundstrom, who estimates his client spent roughly \$1 million on the plans. "It's not the customers' money, it's Aloha's."

Not so, say customers and Stephen Reilly, a lawyer from the Office of Public Counsel working on their behalf.

Reilly wrote in filings to the commission that customers agreed that Aloha would get the money only if and when construction of the treatment system was finished. He wrote that Aloha's investment "will be fully compensated" by the \$90.5 million sales price.

Trinity resident Wayne Forehand said he was "appalled" by Aloha's request. He said customers will ask the commission to keep the money in escrow to help cover other improvements. Their goal is to defray future rate increases that come with the authority's purchase of Aloha's assets.

"Let's use it for the good of the community," he said.

State Sen. Mike Fasano, R-New Port Richey, a customer and longtime critic of Aloha, said Tuesday that he would also fight the utility's request.

"It seems like Aloha just wants to stick their finger in the customers' eye," he said, "one more time, as they leave."

Jodie Tillman can be reached at jtillman@sptimes.com or (727) 869-6247.

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490 First Avenue South • St. Petersburg, FL 33701 • 727-893-8111

=====

Feeling the pinch at the grocery store? Make dinner for \$10 or less.

(<http://food.aol.com/frugal-feasts?ncid=emlcntusfood00000001>)</HTML>

Ann Cole

010503

From: Ann Cole
Sent: Tuesday, March 17, 2009 5:38 PM
To: Jean Hartman
Subject: RE: From a customer of the OLD ALOHA Utilities

Thank you for this information. Unless otherwise instructed, I will place this in *Docket Correspondence - Consumers and their Representatives* for Docket Nos. 010503-WU, 060606-WS, 060122-WU, and 090120-WS.

From: Jean Hartman
Sent: Tuesday, March 17, 2009 5:22 PM
To: Ann Cole
Subject: FW: From a customer of the OLD ALOHA Utilities

Ann - Could you please file a copy of Mr. Forehand's email in the Aloha dockets: 010503-WU, 060606-WS, 060122-WU, and 090120-WS. Thanks. Jean

From: wayne forehand [mailto:wayneforehand@verizon.net]
Sent: Tuesday, March 17, 2009 4:24 PM
To: Jean Hartman
Cc: Steve Reilly OPC
Subject: Fw: From a customer of the OLD ALOHA Utilities

FPSC, CLK - CORRESPONDENCE
Administrative Parties ~~Consumer~~
DOCUMENT NO. 09792-07
DISTRIBUTION: _____

Forwarded as information.

From: Wayne Forehand in Trinity, Florida where we have 361 days with sunshine!

----- Original Message -----

From: wayne forehand
To: Katrina McMurrian PSC Commissioner ; L Edgar PSC Commissioner ; Matthew Carter PSC Commissioner ; Nancy Argenziano PSC Commissioner ; Nathan Skop PSC Commissioner
Cc: Senator Mike Fasano ; Steve Reilly OPC
Sent: Tuesday, March 17, 2009 4:20 PM
Subject: From a customer of the OLD ALOHA Utilities

To: PSC Commissioners

I am writing to say that as a customer, I am delighted to finally be relieved of the unresponsive and negligent management of the Old Aloha Utilities. However after the closing of the sale, I'm appalled to read that Aloha has requested and demanded that the Public Service Commission agree, "forthwith, to execute and transmit such documentation as is necessary and required to release" the customers refund currently maintained in Account No. 3720776209 at AmSouth Bank to the old stock holders of Aloha Utilities. This request is totally bizarre and improper.

These funds are the customers funds awarded as a refund of overpayment. On April 30, 2002 (7 years ago) the Commission issued Order # PSC-02-0593-FOF-WU, which denied Aloha's request for a rate increase and ordered a refund of the interim rates. Of course Aloha appealed the Final Order as they did almost every action by the PSC over the past 10 years.

On May 6, 2003, the First DCA affirmed the Commission's Final Order No. PSC-02-0593-FOF-WU,

3/18/2009

including the Commission's requirement of a complete refund of the interim rate increase. The customers have been waiting a long time.

In 2006, a Settlement Agreement was implemented under the direction of and facilitated by the PSC General Council. Paragraph 3 (d) of this Settlement agreed the customers were willing to apply the net refund monies (unpaid refunds plus interest less agreed \$45,000) to pay for the permanent and effective solution to the long-standing black water problems in the Aloha utilities system. The customers never agreed that these refund monies would ever be given to the shareholders of Aloha. Quite to the contrary, they would only be considered contributions-in-aid-of-construction (CIAC) of the facilities built to solve the black water problems, and would only be applied as CIAC if and when the facilities were completely constructed, and after the facilities were fully operational. Pursuant to the expressed terms of the Settlement Agreement, not one penny of the customers refund monies were to be applied as CIAC until the Commission Issued its Final Order establishing Phase III rates and the Order was final and non-appealable. I remind the PSC staff and Commissioners that Aloha never even had approval of a full Phase I increase, much less the required Phase II or Phase III. Aloha did not install the promised improvements to resolve the "Black Water" problems. This escrow remains the customers refund.

The intent of the Settlement Agreement was based on the good faith of the implementation of the improvements with in a 2 year time period as promised to the customers at signing. Aloha has now sold at an extravagant profit. I as a customer suggest that the customers refund held in escrow be released to a "rate stabilization escrow fund" to cover future rate increases required to improve the Black water condition, not to be released to the obsessive stock holders.

Wayne Forehand
1216 Arlinbrook Drive
Trinity, FL 34655

3/18/2009

ORIGINAL

Timolyn Henry

From: Ruth McHargue
Sent: Tuesday, March 08, 2005 3:11 PM
To: Timolyn Henry
Cc: Matilda Sanders
Subject: FW: E-Form Other Complaints - 17252

CONSUMER

Please add to docket file. Thanks

From: Consumer Contact
Sent: Tuesday, March 08, 2005 2:29 PM
To: Ruth McHargue
Subject: FW: E-Form Other Complaints - 17252

FPSC, CLK - CORRESPONDENCE		
<input type="checkbox"/> Administrative	<input type="checkbox"/> Parties	<input checked="" type="checkbox"/> Consumer
DOCUMENT NO. <u>09792-07</u>		
DISTRIBUTION: _____		

To CCA re: Docket 010503-WU

From: Consumer Contact
Sent: Tuesday, March 08, 2005 11:31 AM
To: Consumer Contact
Subject: E-Form Other Complaints - 17252

TRACKING NUMBER - 0017252 March 08, 2005

SERVICE ADDRESS

Account Number:
Business Account Name:
Name: Ernest Lane
Address: 1145 Hominy Hill Drive
City: Trinity
Zip: 34655
County: PASCO

CUSTOMER INFORMATION

Name: Ernest Lane
Address: 1145 Hominy Hill Drive
City: Trinity
State: FL
Zip: 34655
Primary Phone: 727-375-8098
Secondary Phone: 727-375-8098
E-mail: elanel@tampabay.rr.com
Contact By: E-mail Address

COMPLAINT INFORMATION

CMP _____
COM _____
CTR _____
ECR |
GCL |
OPC _____
MMS _____
RCA _____
SCR _____
SEC _____
OTH _____

Utility Name: WS001 Aloha Utilities, Inc.

Did customer previously contact the utility?:

Did customer previously contact the PSC?: Re 010503-WU. I'm listening to the hearing right now. Look, our service sucks. As a consumer and citizen of the State of Florida, I am offended by Aloha's attempt to shut him up. I don't care where he's moved to. He is aware of the "Aloha issue." Look out for us.

PROBLEM INFORMATION

Problem Type: Other Complaints

Complaint Detail: Re 010503-WU. I'm listening to the hearing right now. Look, our service sucks. As a consumer and citizen of the State of Florida, I am offended by Aloha's attempt to shut him up. I don't care where he's moved to. He is aware of the "Aloha issue." Look out for us.

For PSC Webmaster Use Only:

Mozilla/5.0 (Windows; U; Windows NT 5.1; en-US; rv:1.7.6) Gecko/20050225 Firefox/1.0.1

<http://www.psc.state.fl.us/consumers/complaint/review.cfm>

www.psc.state.fl.us

BRAULIO L. BAEZ
CHAIRMAN

STATE OF FLORIDA



● ORIGINAL

CAPITAL CIRCLE OFFICE CENTER
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0859
(850) 413-6042

RECEIVED-PPSC

AUG -9 PM 12: 35

Public Service Commission

COMMISSION
CLERK

MEMORANDUM

TO: Blanca Bayó, Commission Clerk

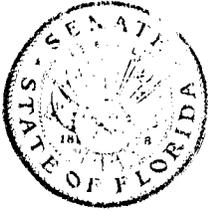
FROM: Manuel Arisso, Advisor to Chairman Baez 

RE: Docket No. 020896-WS, 010503-WU

DATE: August 9, 2004

Chairman Baez received the attached letter in connection with the above referenced docket. However, he has not seen the correspondence; no *ex parte* communication has taken place.

Please place this in the correspondence side of the docket file.



THE FLORIDA SENATE

Tallahassee, Florida 32399-1100

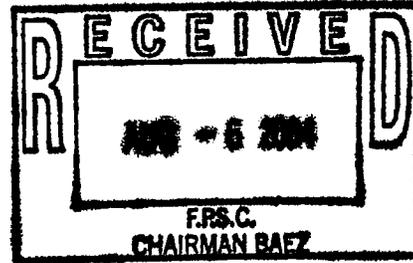
COMMITTEES:
Military and Veterans' Affairs, Base Protection, and Spaceports, *Chair*
Appropriations - Subcommittee on Criminal Justice
Criminal Justice
Ethics and Elections
Governmental Oversight and Productivity
Health, Aging, and Long-Term Care

SELECT SUBCOMMITTEE:
Medicaid Prescription Drug Over-Prescribing

SENATOR MIKE FASANO
11th District

August 4, 2004

The Honorable Braulio Baez, Chairman
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399



Dear Chairman Baez:

Attached is a letter I recently received from a constituent, Ms. Marguerite Clarke of New Port Richey, regarding Aloha Utilities. I would appreciate it very much if you would not only include this correspondence in the official Aloha file but also provide any sort of guidance that may be of assistance to Ms. Clarke.

Thank you in advance for your attention to this request. As always, if there is ever anything I can do for you please do not hesitate to call on me.

Yours truly,

Mike Fasano
State Senator, District 11

MF/gg

Cc: Marguerite Clarke

REPLY TO:

- 8217 Massachusetts Avenue, New Port Richey, Florida 34653-3111 (727) 848-5885
- 310 Senate Office Building, 404 South Monroe Street, Tallahassee, Florida 32399-1100 (850) 487-5062

Senate's Website: www.flsenate.gov

JAMES E. "JIM" KING, JR.
President

ALEX DIAZ DE LA PORTILLA
President Pro Tempore

MARGUERITE CLARKE
4412 SAWGRASS BLVD
NEW PORT RICHEY, FL 34653-

Re: Aloha Utilities

Dear Sen Fasano,

Above you will find material that came out of my Bathroom faucet as I attempting to draw myself a bath. My water is so bad that my cats will not drink it.

Thank you
Marguerite Clarke
(727) 375-5098 HOME
(727) 267-0756 CELL

ORIGINAL

BRAULIO L. BAEZ
CHAIRMAN

STATE OF FLORIDA



CAPITAL CIRCLE OFFICE CENTER
2540 Shumard Oak
Boulevard
Tallahassee, FL 32399-0850
(850) 413-6042

Public Service Commission

COMMISSION
CLERK

04 JUL 19 PM 3:00

RECEIVED-PSC

MEMORANDUM

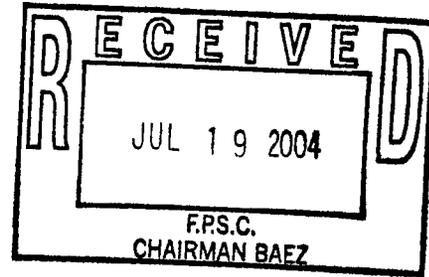
TO: Blanca Bayó, Commission Clerk
FROM: Manuel Arisso, Advisor to Chairman Baez
RE: Docket No. 020896-WS, 010503-WU
DATE: July 19, 2004

Chairman Baez received the attached letter in connection with the above referenced docket. However, he has not seen the correspondence; no *ex parte* communication has taken place.

Please place this in the correspondence side of the docket file.

V. Abraham Kurien, M.D.
1822 Orchardgrove Avenue,
NEW PORT RICHEY,
FL 34655

Chairman Braulio Baez
PUBLIC SERVICE COMMISSION
2540 Shumard Oak Blvd
TALLAHASSEE, FL 32399-0850



July 15, 2004

Dear Chairman Baez,

DOCKET NO 020896
DELETION HEARING

At the Agenda Conference on the above Docket, the Commissioners passed a unanimous motion to proceed to "deletion proceedings and set the matter for hearing".

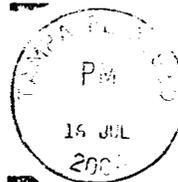
As everyone concerned with this Docket knows we face a number of critical timelines in this matter. Aloha Utilities are under constraint to meet a disinfectant change from chlorine to chloramines by January 2005. The 20-month period granted to the Utility to attain "98% removal of hydrogen sulfide from raw water" or conform to an amended Order is February 12, 2005.

Since both of these timelines are associated with significant expenditures of financial resources by the Utilities and the customers are more than likely to be ultimately responsible for the cost of these through increased water rates, it seems appropriate that the decision of the Commissioners to proceed to deletion hearings be implemented without further delay.

It seems legitimate to set a definite timetable for the discovery process that will be associated with the deletion hearing. At the April 8 hearing the customers presented their case for deletion and provided "material facts" on the basis of which the matter should be considered. These facts are not based on unsubstantiated allegations, but rather on the findings of the Commission itself during the last ten years, evidence that Aloha has submitted to the Commission during hearings and to the District Court of Appeals in its pleadings, and data obtained during the audit reports submitted in August 2003 and February 2004.

As the Commission promised during its April 8 hearing Aloha should be given an opportunity, as early as possible, to defend itself against these facts, so that a considered judgement can be issued. Then both the customers and Aloha Utility can proceed to attend to their needs and obligations without being in "suspended animation".

V. Abraham Kurien, M.D
1822 Orchardgrove Avenue,
NEW PORT RICHEY, FL 34655



COMMISSIONER BRAULIO BAEZ,
Chairman, FPSC
2540 Shumard Oak Blvd
TALLAHASSEE, FL 32399-0850

32399-0850



BRAULIO L. BAEZ
CHAIRMAN

STATE OF FLORIDA



CAPITAL CIRCLE OFFICE CENTER
2540 Shumard Oak
Boulevard
Tallahassee, FL 32399-0850
(850) 413-6042

Public Service Commission

MEMORANDUM

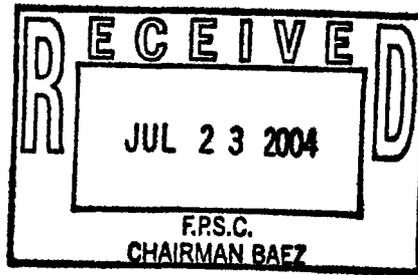
RECEIVED PSC
JUL 23 PM 3:58
COMMISSION
CLERK

TO: Blanca Bayó, Commission Clerk
FROM: Manuel Arisso, Advisor to Chairman Baez
RE: Docket No. 020896-WS, 010503-WU
DATE: July 23, 2004

Chairman Baez received the attached letter in connection with the above referenced docket. However, he has not seen the correspondence; no *ex parte* communication has taken place.

Please place this in the correspondence side of the docket file.

V. Abraham Kurien, M.D.
1822 Orchardgrove Avenue,
NEW PORT RICHEY, FL 34655



Chairman Braulio Baez and
Public Service Commissioners
2540 Shumard Oak Blvd
TALLAHASSEE, FL 32399-0850

July 20, 2004

Dear Commissioners,

Docket No 020896-WS
UNANIMOUS VOTE FOR DELETION HEARING
JUNE 29, 2004

On June 29 2004, you unanimously decided to "move forward with the deletion proceedings" requested by citizens to be held in July 2003 for relief from being "captive customers" of Aloha. Yet, now we are told that you do not plan to hold hearings until January – March 2005.

Customers of Aloha who have suffered from poor quality water for a very long time find this delay extremely troubling and do not understand this postponement after you expressed your commitment just 3 weeks ago to "move forward" and saw "no need in waiting". You expected Senator Fasano to "go back and work with Pasco County to figure up some options".

Pasco County and the petitioners cannot meaningfully discuss their options, unless you indicate urgently whether and when deletion will be granted. You raised the hopes of petitioners for better water only to dash it by delaying a hearing until next year! **We have already waited 10 years for your effective action. We cannot wait any longer. If you were in our situation, you would not either!**

As a regulatory agency, you owe the customers an expeditious hearing. We are tired of a "moving time horizon" for the provision of better quality water. **It is always, next year! We want better water NOW!**

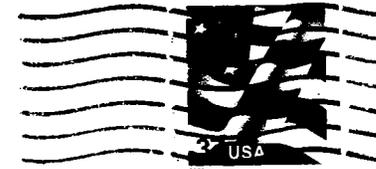
If you do not hold hearings for deletion within the next 6 weeks, the customers will consider your unanimous vote on June 29, a meaningless and empty promise, a shell game. **It will be an abdication of your responsibility to the citizens, a violation of your mandate to protect "public health, safety and welfare".**

I look forward to your prompt response.

Yours sincerely,

V. Abraham Kurien
V. Abraham Kurien, M.D.

V. Abraham Kurien, M.D
1822 Orchardgrove Avenue,
NEW PORT RICHEY, FL 34655



COMMISSIONER BRAULIO BAEZ
Florida Public Service Commission
2540 SHUMARD OAK BLVD
TALLAHASSEE, FL 32399-0850

32399-0850



STATE OF FLORIDA

COMMISSIONERS:
LILA A. JABER, CHAIRMAN
J. TERRY DEASON
BRAULIO L. BAEZ
MICHAEL A. PALECKI
RUDOLPH "RUDY" BRADLEY



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ADMINISTRATIVE SERVICES
BLANCA S. BAYÓ
DIRECTOR
(850) 413-6770 (CLERK)
(850) 413-6330 (ADMIN)

Public Service Commission

July 16, 2002

F. Marshall Deterding, Esquire
John L. Wharton, Esquire
Rose, Sundstrom & Bentley, LLP
2548 Blairstone Pines Drive
Tallahassee, Florida 32301

**Re: First District Court Case No. 1D02-2147 - Aloha Utilities, Inc.
vs. Lila A. Jaber, Chairman, et al. (Docket No. 010503-WU)**

Dear Mr. Deterding:

Enclosed is an index to the above-referenced docket on appeal. Please look the index over and let me know if you have any questions concerning the contents of the record.

It is our understanding that the record is due to be filed with the court on or before September 13, 2002.

Sincerely,

A handwritten signature in cursive script that reads "Kay Flynn".

Kay Flynn, Chief
Bureau of Records and Hearing Services

KF:mhl

cc: Samantha Cibula, Esquire



I N D E X

Aloha Utilities, Inc.
vs.
Lila A. Jaber, Chairman, et al.
PSC Docket No. 010503-WU

1st District Court of Florida
Case No. 1D02-2147

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Letter dated September 13, 2001 from Bart Fletcher, Commission, to Parker Clemmons responding to July 26, 2001 letter forwarded to Commission from Representative Mike Fasano, filed September 13, 2001 985

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Memorandum from Commission’s Division of Legal Services to Division of the Commission Clerk and Administrative Services with attached notice of depositions duces tecum, filed September 19, 2001 990

Memorandum from Commission’s Division of Legal Services to Division of the Commission Clerk and Administrative Services with attached September 20, 2001 letter from F. Marshall Deterding, filed September 26, 2001 995

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Memorandum from Commission’s Divisions of Economic Regulation and Legal Services to Division of the Commission Clerk and Administrative Services, filed October 4, 2001 1015

Letter dated October 4, 2001 from F. Marshall Deterding to Ralph Jaeger, Commission, regarding Commission responses to customer concerns, filed October 4, 2001 1031

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Letter dated October 9, 2001 from F. Marshall Deterding to Ralph Jaeger, Commission, outlining three major issues needing to be addressed, filed October 9, 2001 1035

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Letter dated October 10, 2001 from F. Marshall Deterding to Ralph Jaeger with attached corrected letter to replace letter received at Commission on October 9, 2001, filed October 10, 2001 1045

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Revised memorandum from Commission’s Divisions of Economic Regulation and Legal Services to Division of the Commission Clerk and Administrative Services, filed October 25, 2001 1056

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Letter dated November 5, 2001 from F. Marshall Deterding to the Commission with attached response of Aloha and its outside accountant to staff’s audit report, filed November 5, 2001 1093

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Letter dated November 13, 2001 from Kay Flynn, Commission, to F. Marshall Deterding with attached escrow agreement obtained by Aloha, approved by the Commission at the November 6, 2001 agenda conference, filed November 13, 2001 1110

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Notice of taking deposition duces tecum, on behalf of Aloha, filed December 28, 2001 1269

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Letter dated January 4, 2002 from F. Marshall Deterding to Lorena Espinoza, Commission, providing information regarding witness depositions, filed January 4, 2002 . . 1311

Motion to extend time to file late-filed exhibit, on behalf of Aloha, filed January 22, 2002 1313

Order PSC-02-0111-PCO-WU granting motion for extension of time to file late-filed Exhibit No. 37, issued January 24, 2002 1316

Memorandum from Commission’s Office of the General Counsel to Division of the Commission Clerk and Administrative Services with attached January 24, 2002 letter from John L. Wharton regarding consent order, filed January 28, 2002 1319

Motion for extension of time, on behalf of Aloha, filed February 1, 2002 1321

Post-hearing statement of Edward O. Wood, filed February 6, 2002 1324

Order PSC-02-0171-PCO-WU granting motion for extension of time to file post-hearing briefs, issued February 6, 2002 1330

SWFWMD’s post-hearing statement, filed February 11, 2002 1333

Citizens’ statement of issues and positions and brief, filed February 12, 2002 1341

Post-hearing memorandum, on behalf of Aloha, filed February 12, 2002 1374

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Letter dated February 12, 2002 from Aloha to the Commission advising of revenue refund as of January 31, 2002, filed February 18, 2002 1416

Letter dated February 20, 2002 from F. Marshall Deterding to the Commission with attached executed signature sheet for consent agreement and compliance plan between Aloha and SWFWMD, filed February 20, 2002 1417

Letter dated February 28, 2002 from F. Marshall Deterding to the Commission advising consent agreement and compliance plan is now final, filed February 28, 2002 1419

Letter dated March 8, 2002 from Aloha to the Commission advising of revenue refund as of February 28, 2002, filed March 13, 2002 1420

Memorandum from Commission’s Divisions of Economic Regulation, Consumer Affairs, and Office of the General Counsel to Division of the Commission Clerk and Administrative Services, filed March 21, 2002 1422

Letter dated April 15, 2002 from Aloha to the Commission advising of revenue refund as of March 31, 2002, filed April 18, 2002 1561

Final Order PSC-02-0593-FOF-WU denying water rate increase, requiring refunds, approving new rate structure and charges, increasing temporary service availability charges subject to refund, approving conservation measures, and requiring implementation of customer service measures, issued April 30, 2002 1562

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Letter dated May 13, 2002 from Aloha to the Commission advising of revenue refund as of April 30, 2002, filed May 17, 2002 1667

Notice of administrative appeal, on behalf of Aloha, filed May 29, 2002 1668

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Letter dated June 6, 2002 from Aloha to the Commission advising of revenue refund as of May 31, 2002, filed June 10, 2002 1777

Aloha’s request for oral argument, filed June 14, 2002 1778

Motion for stay, on behalf of Aloha, filed June 14, 2002 1780

Letter dated June 20, 2002 from F. Marshall Deterding to Jon S. Wheeler with attached completed docketing statement, filed June 20, 2002 1788

Response to motion for stay, on behalf of Citizens, filed June 21, 2002 1795

Notice of filing agenda conference transcript with attached transcript of agenda conference, Item No. 11, held April 2, 2002 in Tallahassee, on behalf of Aloha, filed July 1, 2002 1800

Memorandum from Commission’s Divisions of Economic Regulation, Consumer Affairs, and Office of the General Counsel to Division of the Commission Clerk and Administrative Services, filed July 11, 2002 1834

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(reference court reporter’s original page numbers in this and all succeeding volumes)

Transcript of hearing held January 9, 2002, Volume 2, pages 197 through 253

Transcript of hearing held January 9, 2002, Volume 3, pages 254 through 349

Transcript of hearing held January 10, 2002, Volume 4, pages 350 through 535

Transcript of hearing held January 10, 2002, Volume 5, pages 536 through 693

Transcript of hearing held January 10, 2002, Volume 6, pages 694 through 862

Transcript of hearing held January 10, 2002, Volume 7, pages 863 through 948

Transcript of hearing held January 11, 2002, Volume 8, pages 949 through 1131

Transcript of hearing held January 11, 2002, Volume 9, pages 1132 through 1335

Transcript of hearing held January 11, 2002, Volume 10, pages 1336 through 1446

Hearing Exhibits 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, and 37 from January 9-11, 2002 Hearing

BRAULIO L. BAEZ
CHAIRMAN

STATE OF FLORIDA



CAPITAL CIRCLE OFFICE CENTER
2540 Shumard Oak
Boulevard
Tallahassee, FL 32399-0850
(850) 413-6042

Public Service Commission

MEMORANDUM

TO: Blanca Bayó, Commission Clerk
FROM: Manuel Arisso, Advisor to Chairman Baez
RE: Docket No. 020896-WS, ~~010500-WS~~
DATE: July 8, 2004

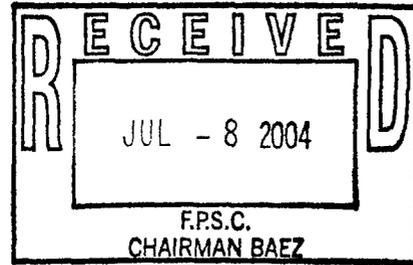
RECEIVED - PSC
01 JUL - 8 PM 4: 15
COMMISSION
CLERK

Chairman Baez received the attached letter in connection with the above referenced docket. However, he has not seen the correspondence; no *ex parte* communication has taken place.

Please place this in the correspondence side of the docket file.

V. Abraham Kurien, M.D.
1822 Orchardgrove Ave
NEW PORT RICHEY, FL 34655

Commissioner Braulio Baez
Chairman,
Public Service Commission
2540 Shumard Oak Blvd
TALLAHASSEE, FL 32399-0850



July 6, 2004

Dear Chairman Braulio Baez,

RE: VOTE ON ISSUE 4
PSC STAFF'S REVISED RECOMMENDATIONS
JUNE 29, 2004
DOCKETS 020896-WS
DOCKET No. 010503-WU

As you are aware, on June 29, 2004, the day of the Agenda Conference, the PSC Staff revised its recommendations of June 17 on Issue 4 relating to the site and frequency for sampling of sulfide levels, leaving the customers with very little time to review the reasons for the alterations and their significance. Prior to the Agenda conference, the customers were not provided with the memorandum from Mr. T. Devlin, Director Division of Economic Regulation to Executive Director Dr Mary Bane that attempted to explain *his* reasons for reverting to the draft version of the recommendations approved and distributed among the PSC Staff on June 14.

After a lengthy and somewhat confused discussion of the issues involved, the Commissioners unanimously voted to accept the recommendation of the Staff as revised on June 29th.

From my subsequent correspondence with General Counsel of the PSC, Atty. Richard Melson, I understand that the revisions were made after receiving a letter on June 24 from Atty. Deterding who represents Aloha Utilities. I received a copy of that letter only on June 26 and sent my reply to Atty. Gervasi on June 28.

I am not sure whether before revising the June 17th recommendations Mr. Devlin reviewed my reply to Atty. Deterding's concerns about the appropriateness of two of the qualifiers, which were included in PSC Staff recommendations of June 17. It is also not clear whether the Commissioners had an *adequate* opportunity to review my reply before the Agenda Conference took place.

Such being the case, I feel that the Commissioners should reconsider their vote on Issue 4 for the following reasons.

The memorandum submitted on June 29 by Mr. Devlin, which explains his reasons for revising the Recommendations on Issue 4, says "The June 14 draft recommended that the hydrogen sulfide standard should be consistent with the TBW standard which involves testing at the well site".

This statement misrepresents the sampling site for TBW standard. The only reference I could find in Exhibit D of the Supplemental Water Quality Parameters of Tampa Bay Water included as Exhibit B in Aloha Utilities' initial request of June 9, 2004 says, "Water supplied from the Authority's system shall be sampled annually at a minimum at the Point(s) of Connection". There is no mention of testing at the well site. This alternate identification of location for sampling as the well site is part of Aloha's proposal of June 9, 2004 and is not part of TBW standard as Mr. Devlin implies in his memo of June 29th.

To represent Aloha's proposal as an accurate rendition of TBW standard is not legitimate and will be considered as an attempt to bias the judgement of the Commissioners. I pointed this out to Mr. Devlin in an e-mail dated July 1. He replied me on July 2 by e-mail. "They [TBW] test water at the point of entry (metered point of connection) with the distribution system for various public entities. Similarly we recommend that Aloha test its water at the treatment facility as its treated water enters its retail distribution system".

There is a failure of logic between the two sentences quoted above. There is no similarity between the ideas expressed in these two sentences. Instead there is an inaccurate statement about where Aloha's retail distribution system begins. The outlet of the domestic meter is the point at which Aloha's water enters the domestic system and that is the retail connection point. That is the point at which the TBW standard has to be met, if a claim is made that Aloha is accepting the TBW standard for the processed water it delivers to its customers. Any earlier point is a part of and legally remains as part of Aloha's transmission system. Like TBW, Aloha must be responsible for delivering water to its customers at the point of entry (metered point of connection) where it should meet the 0.1mg of total sulfide per liter of delivered water.

In my response to the PSC via the OPC (June 13-June 16) to Aloha's request of June 9, I had made a very clear statement of this logical foundation for qualifier No 1. The 3 members of the staff who amended the June 14 draft of the PSC Staff recommendation to the June 17 version (Walden, Daniel and Gervasi) found this qualifier to be reasonable. The recent correspondence between Mr. Devlin and myself shows that now even Mr. Devlin has come to the conclusion that TBW tests the water at the metered point of connection to the customer and not at its well site or treatment facility.

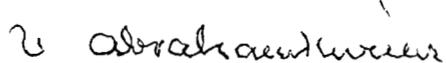
Therefore I would request that the Commissioners reconsider their decision on Issue 4 (revised version of PSC staff Recommendation dated June 29, 2004) and vote for

a site of sampling that is consistent with the TBW procedure instead of accepting Aloha's proposal of June 9, 2004. For the TBW standard to have any meaning for Aloha customers, it should be shown to be maintained at the metered point of connection with the domestic system, not at the treatment facility.

The content of this letter and my reply of June 28, 2004 to Atty. Deterding's letter to the PSC of June 24, 2004 will provide persuasive arguments for a reconsideration of your decision when Aloha submits its "comments within 60 days from the date of the commission's vote on this item".

I look forward to your action in this matter.

Yours truly,

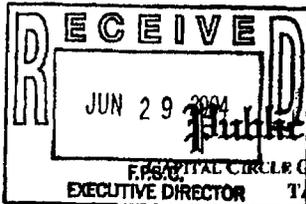

V. Abraham Kurien, M.D.

- Encl. 1. Memo from Mr Devlin to Dr Bane
2. Correspondence between Mr Devlin and Dr Kurien

Electronic copies to:

Commissioner Davidson
Commissioner Jaber
Commissioner Bradley
Commissioner Deason
General Counsel of PSC, Atty Richard Melson
Atty. Gervasi, PSC
Atty. Burgess, OPC
Atty. Marty Deterding, Aloha Utilities
Dr John Gaul
Mr. Harry Hawcroft
Mr. Ed wood
Senator Mike Fasano
Rep. Tom Anderson

State of Florida



ORIGINAL

Public Service Commission

F.P.S.C. CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

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

DATE: June 29, 2004

TO: Mary Andrews Banc, Executive Director

FROM: Timothy J. Devlin, Director, Division of Economic Regulation *TD*

RE: Change to Staff Recommendation (Issue 4) in Docket No. 010503-WU regarding Item No. 5 on the June 29, 2004 Agenda Conference

Staff is requesting approval to make changes to the above mentioned recommendation. These changes are substantial in nature and therefore, a written type and strike modification will be presented. Although these changes are substantial, we do not recommend deferral because timing, resolution of the black water issue, is critical. Aloha plans to purchase water from the Tampa Bay Water Authority (TBW) in January of 2005 and this water will include the use of chloramines. Unless measures are taken, the blending of TBW water will exasperate the black water problem. It is very important that the process to remove hydrogen sulfide be coincident with this change to chloramines.

On June 16, 2004, OPC filed a letter written by Dr. Kurien dated June 13, 2004, outlining three modifications to the rate case order. This was in response to Aloha's June 9, 2004, petition to modify the rate case order. In response to this filing by OPC on the day before the recommendation was due, certain staff revised the draft to recommend, among other things, testing for hydrogen sulfide at point of delivery as opposed to the well site. This change to the draft was not brought to the attention of Division of Economic Regulation management and differed from the agreed upon position that was reflected in the June 14, 2004, draft that was circulated for review. The June 14, 2004, draft recommended that the hydrogen sulfide standard should be consistent with the TBW standard which involves testing at the well site.

- CMP _____ While some testing at the point of delivery may have merit, we do not have information
- COM _____ at this time on whether testing for hydrogen sulfide at that point is feasible or what associated
- CTR _____ costs may be incurred. This revision includes a recommendation that Aloha be required to file
- ECR _____ comments within 60 days from the date of the Commission's vote on this item regarding the
- ECR _____ feasibility of collecting and testing monthly samples at domestic meters.
- GCL _____
- OPC _____ C: Charles Hill, Deputy Executive Director
- OPC _____ Rick Melson, General Counsel
- MMS _____
- RCA _____
- SCR _____
- SEC 1
- OTH _____

Approved
6/29/04
DOCUMENT NUMBER-DATE
07076 JUN 29 04
FPSC-COMMISSION CLERK

Subject: Re: Your memo on Docket 020896
From: "V. Abraham Kurien" <akurien@attglobal.net>
Date: Fri, 02 Jul 2004 16:49:53 -0400
To: Tim Devlin <TDevlin@PSC.STATE.FL.US>

Hi Mr Devlin,

In your reply you are emphasizing the very point I made, that the TBW samples its water at the point of its **METERED CONNECTION WITH ITS CUSTOMERS**. By correspondence, Aloha should test its water at its point of connection with its customers at **THEIR METER**- the point of retail distribution.

For example TBW does not expect Pasco to accept water standards as they are found at its processing plant. In fact TBW pays Pasco the cost of processing the water to the declared standards when Pasco receives water that does not meet the standard.

I am not trying to make it difficult for Aloha; I am just indicating that what happens in Aloha's transmission system to the customer's meter cannot be declared to be the customer's bad luck! Aloha must take responsibility for it. I realize it is an awesome and costly responsibility. Some utilities install additional booster chemical pumps when deterioration occurs within the transmission system to correct deficiencies that creep in due to the long distances that water has to travel. Similarly when a reversible oxidation system predisposes to re-generation of hydrogen sulfide in the transmission system, it should be the responsibility of Aloha to deal with it, not that of customers. This becomes critical when hydrogen sulfide is present in raw water and reversible oxidative methods are used for processing, and may not be significant in surface waters which contain higher quantities of oxygen.

My recommendations were my attempt to be helpful!

Abe Kurien

Tim Devlin wrote:
 Dr. Kurien

As I understand, TBW does not provide water to retail end use customers. TBW is a wholesale provider. They test water at the point of entry (metered point of connection) with the distribution systems for various public entities. Similarly, we recommended that Aloha test at the treatment facility as its treated water enters its retail distribution system.

That said, I agree that the extent of testing by Aloha needs to be further explored. We will be asking questions of Aloha to help determine the costs and benefits of testing in the distribution system. This is why we recommended that the Commission order Aloha to provide additional information on this matter.

-----Original Message-----

From: V. Abraham Kurien [mailto:akurien@attglobal.net]
 Sent: Thursday, July 01, 2004 10:03 AM
 To: Tim Devlin; Steve Burgess
 Subject: Your memo on Docket 020896

Dear Mr Devlin,

In your memo dated June 29, to Ms Bane the Executive Director which is posted on the PSC website, you say " The June 14, 2004 draft recommended

that the hydrogen sulfide standard should be consistent with the TBW standard which involves testing at the well site".

This is an incorrect conclusion, because TBW water standard is to deliver water at the point of connection to its customers which contains

no more than 0.1 mg of total sulfide per liter of water.

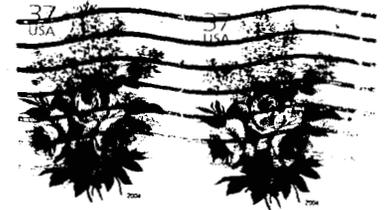
If the TBW standard is accepted, then Aloha must deliver water to its customers with the 0.1 mg total sulfide standard at the utility's connection with the customer's pipes. That by Florida statutes is at the

outlet of the meter on the domestic side. That was the position I took and included as qualifier 1 in my letter to OPC which was submitted to PSC on June 16.

I think my reading is more correct. I would appreciate hearing from you.

V. Abraham Kurien

V. Abraham Kurien, M.D
1822 Orchardgrove Avenue,
NEW PORT RICHEY, FL 34655



COMMISSIONER BRAULIO BAEZ
CHAIRMAN, FPSC
2540 SHUMARD OAK BLVD
TALLAHASSEE, FL 32399-0850

32399+0850 01



State of Florida

Braulio L. Baez
Chairman



Capital Circle Office Center
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0855
(850) 413-6042
Fax: (850) 413-6395

Public Service Commission

MEMORANDUM

RECEIVED-PPSC
JAN 27 AM 8:25
COMMISSION
CLERK

TO: Blanca Bayó, Commission Clerk

FROM: Jorge Chamizo, Assistant to Commissioner Baez

RE: ~~DOCKET NO. 010505-VTS~~

DATE: January 23, 2004

A large, stylized handwritten signature in black ink, likely belonging to Jorge Chamizo.

Chairman Baez received the attached email in connection with the above referenced docket. However, he has not seen the attachments to the email; no *ex parte* communication has taken place.

Chairman Baez has requested that you place this in the correspondence side of the docket file.

Thank you.

Lorena Holley

From: Braulio Baez
Sent: Wednesday, January 14, 2004 8:12 AM
To: Rick Melson
Cc: Lorena Holley; Jorge Chamizo
Subject: FW: Letter to the PSC

Need a legal call on this... also consider whether a response from chairman is appropriate. Thanks.

-----Original Message-----

From: Wayne Forehand [mailto:wwwtf@worldnet.att.net]
Sent: Wednesday, January 14, 2004 7:32 AM
To: Braulio Baez PSC Chairman
Subject: Fw: Letter to the PSC

Chairman Baez,

The attached letter is sent as a request to the PSC. We are asking Senior Attorney Holley if it is it appropriate for the PSC to contact Aloha and suggest that Mr. Watford initiate efforts to repair the ill will with the Aloha Utilities customers and begin to demonstrate that Aloha can be helpful and supportive to the very discouraged CAC members and Aloha customers?

The attachment is 7 pages long, including the letter and two attachments.

Wayne Forehand

Chairman - Aloha Utilities - Citizens' Advisory Committee

Wayne T Forehand

1216 Arlinbrook Drive
Trinity, FL 34655-4556
Telephone 727-372-2104
E-mail: wwwtf@att.net

January 14, 2003

Senior Attorney Lorena Holley
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850
Fax: 1-800-511-0809

Dear Ms. Holley,

Re: Aloha Utilities

Thank you for your December 18th response to our inquiry. You advised, "It is staff's sincere hope that the CAC and Aloha Utilities will continue to work together to further the communications link between the two groups". To help meet your expectations, the CAC wrote the attached letter to Mr. Watford (Attachment I) advising that we planned to sit at the table and review the CAC activities over the past year. We stated that, we believe it would be most appropriate if he would sit at the table with us at this time and participate in the discussion. The CAC decided that it would be an appropriate tool of management for the committee to evaluate its function and to determine whether it has met the mandate given to it by the PSC.

It appears that Aloha perhaps has an entirely different expectation of what the CAC activities should be. However, in view of the fact that the First District Court of Appeals has sustained the authority of PSC to issue the Orders of April 2002, the CAC felt that it should work with Aloha to improve quality of service and product. It is regrettable that the efforts of CAC seem to have failed in a large measure because of the unwillingness of Aloha to respond meaningfully and in good faith to establish a creative and remedial dialogue.

The CAC went through each of the 29 points, one at a time as summarized in Attachment II. The CAC members expressed their disappointment with lack of Aloha's participation and its refusal to answer questions unless they are submitted in writing.

We believe this summary will show that the CAC volunteers have worked diligently and have made great efforts in establishing the CAC, implementing recommendations of the PSC order and coordinating the educational process on water chemistry and regulation. We have gotten many customers involved and we clearly have been willing to be fair and listen to Aloha.

At this time I ask, is it appropriate for the PSC to contact Aloha and suggest that Mr. Watford initiate efforts to repair this ill will with the it's customers and begin to demonstrate that Aloha can be helpful and supportive to the very discouraged CAC members and Aloha customers? I will look for a response to this question.

Yours sincerely,

Wayne Forehand

Chairman - Aloha Utilities Citizens' Advisory Committee

Attachments (2)

cc: Braulio Baez - Chairman PSC
Tim Devlin - Director of Division of Economic Regulation
Mr. Steve Burgess - OPC
State Senator Mike Fasano
State Representative Tom Anderson
Citizens' Advisory Committee.

Wayne T. Forehand

1216 Arlinbrook Drive
Trinity, FL 34655-4556

Telephone 727-372-2104

E-mail: wwwt1@att.net

January 5, 2004

Mr. Stephen G. Watford, President
Aloha Utilities Inc.
6915 Perrine Ranch Road
New Port Richey, 34655
Fax: 372-2677

Dear Mr. Watford,

The next meeting of the Aloha Utilities Citizens' Advisory Committee will be at 6:30 PM on Monday January 12. The meeting will be held in the Boardroom of Morton Plant Mease Trinity Outpatient Center facility.

In addition to the usual business meeting, we plan to sit at the table and review the CAC activities over the past year, based on the recommendations in the PSC Order No. PSC-02--FOF-WU. We will go through each item and document how they have been implemented and where we might focus future efforts.

I believe it would be most appropriate if you will sit at the table with us at this time and participate in the discussion.

Respectfully,

Wayne Forehand

Chairman, Citizens Advisory Committee

cc: Citizens' Advisory Committee Members
Jennifer Wilkowski
Lila Jaber - Chairman Public service Commission

PSC Order No. PSC-02-0593-FOF-WU

Item. 4. Citizens' Advisory Committee (CAC)

The following are the 29 points noted in item 4 followed by comments from the 1-12-2004 CAC meeting indicating what has and what has not been accomplished.

1. Aloha shall form a Citizens' Advisory Committee.
 - *In March 2003 the CAC was organized and interim officers elected*
2. The Committee would be comprised of 15-20 citizens representing a cross section of individual customers and various homeowners associations.
 - *The CAC is comprised of 15 members representing various associations.*
3. Members would probably serve a two-year term
 - *The CAC bylaws establish a two year term*
4. The CAC would be formed to assist Aloha in making critical decisions that impact the level of service that impact the community
 - *Has not been possible to implement this due to lack of support from Aloha to deal with issues related to customers' complaints and continued unwillingness of Aloha to admit that a problem exists.*
 - *Aloha continues to insist the water is 'clean, clear and safe' and refuses to address the problem on a scientific basis.*
 - *In July, Aloha management advised they would allow the second phase of the water quality audit but then the sampling was delayed for several months. Now 7 months later the audit is still not complete.*
5. The group would research, study and discuss specific issues with both short and long term implications, forwarding their recommendations to Aloha.
 - *The CAC has diligently recruited experts in water chemistry, provided opportunities for Aloha, FDEP, FPSC, SWFWMD to discuss issues with customers, but has had little success in getting relevant information or cooperation from Aloha.*
 - *Aloha refused to allow the CAC members to tour and see first hand the Aloha water processing operation.*
 - *A number of recommendations were made in the first phase of the audit report by Dr Levine but Aloha's consulting Engineer has advised CAC that Aloha will not be implementing any of them in the short term*
6. The President of Aloha or his designate would attend all meetings.
 - *Yes, the President or an Aloha designate has been at each meeting but CAC was advised that **he is only there to "monitor"** the CAC activity, not to answer questions nor participate in constructive discussion. All questions asked of Aloha and clarifications needed must be undertaken in writing, according to Aloha representative and this has significantly impaired ability to conduct meaningful discussions.*
 - *The CAC has explained that the Aloha's written answers are often not clear and appear to avoid the questions asked and clarification is necessary. We feel certain that this mode of dialogue does not meet the expectations of the PSC.*
7. Any Aloha customer could attend or contact a CAC member to pass along any concerns, questions or comments.
 - *This has been done and sometimes the customers' complaints have been expressed with great enthusiasm and concern that effective solutions have not been sought by Aloha*
8. Notification of the advisory committee meetings would be made in Aloha's existing newsletter and other publications.

- NO, Aloha has not done this by claiming that it has no 'newsletter' and that the bill inserts cannot be used for this purpose
9. The CAC would meet at a minimum of once a month.
 - Yes, monthly meetings have been scheduled and conducted by the CAC!
 10. The CAC would provide a mechanism for citizen involvement.
 - The CAC conducted educational sessions on water related subjects and provided time for community input at each meeting. We handed out forms for customers to provide further input on problem items.
 11. The CAC activities would be promoted through the publication of reports published in Aloha's current newsletter and on Aloha's web site.
 - No, CAC activities have not been promoted in Aloha monthly news flyer. Aloha refused.
 - The CAC meetings are mentioned but not promoted on the web site.
 - Aloha stated that they are only required to communicate with the CAC, not the community.
 12. The CAC would conduct Citizen meetings in each of the target areas, meet with representatives of neighborhood organizations, disseminate information through out Aloha's community and go door to door to insure that citizens are aware of CAC activities.
 - Members of the CAC have made presentations at HOA meetings, Men's associations meetings, computer group meetings, etc. Articles have been put into a number of the HOA newsletters. A CAC member Sandy Mitchell has the assignment to contact the local newspapers each month and ask to have information about CAC and CAC meetings published. Some door-to-door efforts were made to recruit new participation and spread the word.
 - Aloha has continued to accuse that CAC has been politicizing the issues. Accordingly, CAC has been reluctant to go further with these efforts for fear of further accusations from Aloha.
 13. Meeting summaries would be prepared after each meeting.
 - The CAC consensus is that the meeting summaries are sanitized by Aloha management and are not adequate.
 14. Summaries would be available for citizen inspection.
 - Aloha has refused to add names to the mailing list as new citizens and interested persons called the Aloha office to be added to the mailing list. Aloha says this is not required by the PSC order and has refused all requests.
 - Aloha said meeting summaries are not available at its office for citizen inspection.
 15. Key issues addressed during the advisory committee process would be highlighted in the meeting notes.
 - The CAC consensus is that the meeting summaries are sanitized by Aloha management and the Executive Secretary, provided by Aloha is not in a position to report meeting notes as required by PSC
 16. A CAC mailing list would be developed by members of the CAC and Aloha, and it would continue to evolve as new citizens and interested persons call to get on the mailing list.
 - Members of the CAC developed the original mailing list.
 - Aloha has refused to add names to the list as new citizens and interested persons called to get on the mailing list. This refusal by Aloha has continued even after repeated requests by the CAC.
 17. In it's initial meeting, the CAC would have to elect at least a chairman and a vice-chairman.
 - This was accomplished in March 2003

18. Both a chairman and vice-chairman would be elected by majority vote of the CAC members with a quorum present.
 - *This was done in April 2003*

19. The Executive Secretary of the CAC would be a designated Aloha staff person.
 - *Yes, this was done*

20. The Executive Secretary would be responsible for recording the minutes of all CAC meetings, transmitting notices and agendas to the membership, and would transmit a copy of the minutes of each CAC meeting, prior to the next regular meeting.
 - *Yes, this is done*

21. The Executive Secretary would also insure that consensus, majority, and dissenting views on all matters and issues were recorded, and upon request, were reported.
 - *The CAC consensus is that the meeting summaries are sanitized by Aloha management and are not adequate. Hence the CAC now considers auditory tape recordings as part of the minutes of each meeting*

22. He or she would assist the task forces as needed.
 - *The CAC asked that Aloha add to the mailing list, new citizens and interested persons who call to get on the mailing list. Aloha refused.*

23. Robert's Rules of order Newly revised would be the parliamentary authority for conduct of the meetings, except where it may conflict with the bylaws to be adopted by the CAC.
 - *Meetings have been established and conducted on the basis of Robert's Rules of order.*

24. The CAC would adopt some guiding "principles" for conduct and actions at all future meetings.
 - *Guiding principles are documented in the CAC bylaws*

25. At the initial meeting, the CAC could begin formulating its mission statement as well as goals and objectives.
 - *The mission statement and goals and objectives were prepared and approved at the second meeting of the CAC in April 2003*

26. At the first meeting the CAC and Aloha could place on the record items that each party considers appropriate for the advisory committee to discuss.
 - *This has not been done. The CAC did suggest to Mr. Watford in a letter last July that perhaps he would discuss with the CAC his expectations and what he would like to see the CAC do.*
 - *Aloha has continued to deny a PSC mandated participatory role in meeting discussions and claim to be present only to monitor the CAC meetings. This approach by Aloha does not meet the expectation of the CAC and we feel it does not meet the expectations of the PSC either.*
 - *CAC expected that Aloha would come to our meetings and inform the CAC about the rate increase notice about to be mailed out before the customers receive the mailing and before the customers ask CAC members if the increase is legitimate. CAC expected that Aloha would have shared the information about the plan that Aloha has submitted to the PSC to address water quality concerns. Even on January 12, 2004 when CAC asked Aloha representative to inform the CAC about the plan submitted to the PSC, it was told to put the request in writing.*

27. The CAC could designate sub committees to study issues of concern and present recommendations to the full CAC.
 - *The sub-committee to compare home water systems prepared an excellent report, which was provided to Aloha customers at the meetings and others upon request.*

28. Task forces could also be appointed to study or deal with issues that are generally of short duration and very specific in responsibility.

- *A task force subcommittee was established to study and better understand home water systems. Various members have taken on other projects such as to answer customers' questions about responsibilities for fire hydrant flushing, whether the rate increase is legitimate, etc.*

29. Statement from the PSC: We find that the formation of the CAC will improve communications between the utility and its customers, and thus improve customer service.

- *Communications improvements expected by CAC and PSC clearly have not materialized*
- *Aloha said since the CAC is not a regulatory agency and its members are not stockholders, it does not have to work with the PSC mandated CAC.*
- *Aloha has accused the CAC of "politicizing" the issues and of discussing of deletion of territory. The CAC does not consider discussion of customers' problems "politicization" of discussions. The CAC has carefully avoided discussion of deletion of territory at its meeting and it has never been a part of its meeting agenda.*

CONCLUSION: The consensus of the CAC is that its efforts to work with Aloha have been a dismal failure because of Aloha's poor cooperation and complete denial of any problems with need for improvement. But CAC will continue to meet if the PSC perceives that there it serves a useful function.

ORIGINAL

Richard L. Power

010503 WU

1534 Haverhill Drive - New Port Richey, FL 34655 - (727) 376-7006
email db_design@juno.com

June 27, 2003

ORIGINAL

Florida Public Service Commission
Attn: Complaint Department
2040 Shumard Oak Road
Tallahassee, FL 32399-0850

JUN 30 2003

COMMISSION
CLERK

JUL - 8 PM 2:02

20030701150

RE: Aloha Utilities Rate Increase

To Whom It May Concern,

I received a notice in our monthly bill from Aloha Utilities that they have applied for a rate increase. I am STRONGLY AGAINST Aloha Utilities of getting any rate increase.

Aloha has done NOTHING to improve the quality of water. They have not done anything to meet your last demands spelled out in your letter to Aloha Utilities. We still have black water in our home.

I still encourage the purchase of Aloha Utilities by Pasco County Utilities providing that their water and service is of better quality.

Sincerely,



Richard L. Power

cc: Bill Coogan, C... Place Pres

AUS _____
CAF _____
CMP _____
COM _____
CTR _____
ECR I
GCL I
OPC _____
MMS _____
SEC _____
OTH _____

ORIGINAL

ORIGINAL

V. Abraham Kurien, M. D.
1822 Orchardgrove Avenue
NEW PORT RICHEY, FL 34655
Tel: 727 376-9747

JUL - 1 2002

PUBLIC SERVICE COMMISSION
STATE OF FLORIDA
2540 SHUMARD OAK BOULEVARD,
TALLAHASSEE, FL 32399-0850

010503-WU

June 27, 2002

Gentlemen,

I have heard from Mr Charles Wood that Aloha Utilities has filed a motion to appeal in First District Court the PSC Order No 02-593-FOF-WU issued on April 30, 2002. Further, I understand that Aloha has requested PSC for a stay of the same Order, till the Court has disposed of its appeal.

The Citizens' Advisory Committee, which Aloha had indicated it would form to give customers an opportunity to address issues of concern to them about Aloha's potable water supply, has thus suffered a 'still birth'! As an advocate of that proposal during the PSC hearing of January 2002, I must admit that I am disappointed, but not surprised.

In the absence of such a platform for creative discussions, it seems appropriate that I communicate my concerns about Aloha's water processing methodology and physical plant directly with you. I have not been able to get all the information that I would have liked to make this a more comprehensive review, but I have pieced together a picture, which I would like to offer as an explanation of why Aloha has not been able to deal with the problems that the citizens of Seven Springs area are continuing to experience.

I am sending a copy of this review to the Office of Public Counsel as it also prepares to defend the interests of the citizens in court. You may forward a copy of this document to Aloha if you would like to do so. If Aloha Utilities is willing to share other information that it may have with you, you may be able to create a more revealing and more accurate review.

Thank you for the opportunities you have given me to communicate with you and try to solve the problems the customers have been experiencing for many years.

Yours sincerely,

V. Abraham Kurien
V. Abraham Kurien

AUS _____
CAF _____
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OPC _____
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SEC _____
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A REVIEW OF ALOHA'S WATER PROCESSING METHOD AND PROCESSING PLANT

INTRODUCTION: *Whenever concerns are raised about the quality of potable water, the characteristics of raw water, the processing methods used, the physical plant of the Utility and standards established for the finished product must **all** be carefully reviewed.*

Normally this is done in co-operation with the Utilities concerned, the Bureau of Water Quality Regulation of the Department of Environmental Protection and using the basic data available about the nature of raw water that undergoes processing. Unfortunately, the unwillingness of Aloha Utilities to answer queries concerning its methods of processing, its physical plant and to share essential data about raw water characteristics have necessitated some assumptions in this review. Data have been pieced together from a variety of sources, but they are individually acknowledged.

RAW WATER: ITS SOURCE AND ITS CHEMISTRY

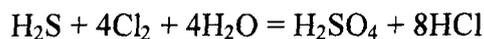
Underground Florida Aquifer is the source of Aloha's raw water supply. A number of wells in different fields contribute towards the total volume of extracted water. Since the wells that have been considered to supply most of the water that is delivered to the Seven Springs Area comes from Wells 8 and 9, detailed discussion is limited to this source.

Underground water in many areas of Florida contain hydrogen sulfide and this has been acknowledged by DEP, Aloha Utilities and the many studies undertaken to try to solve the 'black water' problem and complaints of rotten egg smell in domestic water. Wells 8 and 9 are not known to be an exception to this fact, though as far as I could discover, a test well was not drilled to assess the suitability of these wells to act as sources for potable water prior to bringing them on line in late 1995. According to Mr Gerald Frost of the Tampa Office of the DEP the only data available in DEP records of any attempt to determine the concentration of hydrogen sulfide in these wells was in 1996. An 'odor test' was recorded at a level of '0', using the limited capacities of a human nose!. Since the DEP at the State and Federal levels have no mandatory requirement for sulfide measurement, it is not surprising that no chemical measurements were made at that time or have been recorded subsequently. At least according to Mr David Porter, the Water Engineering consultant for Aloha, Aloha Utilities does not measure sulfide concentrations in raw water. But Southern Analytical Laboratories reported to PSC in 1999 values as high as 1.8mg/l in raw water from **well 8** and 2.6mg/l in raw water from **well 9**.

PROCESSING METHOD

The only processing that Aloha undertakes of the raw water that it extracts is the addition of chlorine. The purpose of chlorination is two fold: to convert sulfides into sulfate and to disinfect water. The desire to eliminate sulfide radicals from water is based on the knowledge that sulfide is corrosive to copper pipes and because hydrogen sulfide has a rotten egg smell and imparts an unpleasant taste to water.

Chlorination has been used by Aloha as a bactericidal agent to prevent multiplication in drinking water of bacteria pathogenic for humans. An effective chlorine residual of at least 0.2mg/l must be present at all times even at the most distant periphery of a delivery system to meet Federal DEP standards. *Chlorination is also used by Aloha Utilities as its sole method for removing hydrogen sulfide from the raw water.* According to Mr Porter the following is considered to be the relevant equation that describes this chemical reaction.



It has been reported that Aloha considers a constant injection rate of 5 parts of chlorine per million (5mg/L) as adequate for the conversion of the hydrogen sulfide present in water from wells 8 and 9. Levels of TTHM in processed water place a limit on the maximum amount of chlorine that can be used. Chlorination as a method for converting sulfide to sulfate is associated with a significant decrease in pH values because both sulfuric acid and hydrochloric acid ionize very strongly. However, there is no provision in Aloha's processing methodology for adjustment of pH by adding sodium hydroxide (NaOH) or any other alkalizing agent. No significant buffering system is known to exist in the underground water.

Aloha Utilities has been adding a corrosion-inhibiting agent (an orthophosphate) since 1996 to its processed water in an attempt to reduce the formation of copper sulfide. The Copper Corrosion Project Report of May 2001 concluded, "*The water conditioning units did not remove the orthophosphate added by the utility to inhibit copper corrosion*". Using copper levels in domestic water as an indicator of effectiveness, there seems to be some benefit to the use of this additive. But the degree of this has not been extensively quantified because copper level measurements are restricted to homes without water softening systems. Where intense 'black water' formation has been reported, obviously the additive has not been very effective. Increases in sulfide concentration secondary to its *de novo* formation in domestic plumbing may be rendering the orthophosphate less effective.

WATER CHEMISTRY OF PROCESSED & DELIVERED WATER

For drinking water standards, there exists an elaborate list of chemicals, contaminants, and bacteria that must be measured and/or monitored according to the DEP regulations. Unfortunately, a major deficiency in these standards is the lack of MCL for hydrogen sulfide.

It has already been noted that a significant pH change occurs when chlorination is used as the *sole* method for removing hydrogen sulfide from raw water by conversion to sulfate. pH levels of raw water are measured regularly, but no paired measurements of raw water and processed water pH are available to me, to assess the degree of change in pH that occurs as a result of chlorination. The only information that I have of the pH of processed water is a report provided to me by Mr Hoofnagle, Administrator of the Drinking Water Program of the DEP office in Tallahassee. According to him, pH of delivered water was between 7.2-7.4 in 1999. pH of delivered water was noted to have fallen to 6.9 in March 2002. Values as low as 6.5 were reported in April/May 2002 at certain sites. If there was no change in the pH of raw water between 1999 and 2002, then the recent lowering could be an indicator of a higher degree of chlorination since 1999, necessitated perhaps by an increased concentration of sulfide in raw water. Since Aloha had been extracting more water than permitted by SWFWMD in 2000 and

2001, it is likely that the extracted water could have contained a higher concentration of hydrogen sulfide. This may explain why there was a drop in pH values in delivered water.

Mr David Porter has maintained that Aloha does not measure sulfide concentration in delivered water, but in spite of that argues very vehemently that there are no sulfide residuals in its delivered water. Recent measurements by FRWA in the presence of Mr Hoofnagle have demonstrated that Mr Porter's claim is unfounded. There was a small amount of sulfide in the range of 0.0 - 0.04 mg/l present when measurements were taken on March 25, 2002. Of course the concentrations of hydrogen sulfide is reduced in proportion to the concentration of chlorine residual, which is a strong oxidizing agent and would convert any hydrogen sulfide present to sulfate if adequate mixing occurs. *In the presence of adequate concentrations of chlorine, any sulfide detected may be an indication of inadequate mixing of chlorine and raw water prior to distribution.* The daily flushing of fire hydrants in one subdivision, wasting as much as 7,500 gallons per day, may be an indirect indicator of Aloha's inability to maintain satisfactory chlorine residuals and/or to obtain complete elimination of hydrogen sulfide at all times.

PROCESSING PLANT:

As far as I could gather, Wells 8 and 9 each have a small mixing/storage tank with a capacity of 10,000 gallons. Each well processes approximately 8 million gallons of water every month. At a well that extracts 300,000 gallons of water in 24 hours, if peak flows occasionally exceed 75,000 gallons per hour, a mixing tank of 10,000 gallons may provide only a mixing time of 8 minutes. This is only 50% of the *minimum* mixing time of 15 minutes recommended for chlorine to exert its optimum effect. If chlorine does not have enough time to convert all the sulfides present in raw water to sulfates, it is entirely possible that at least during peak flows small quantities of sulfide present in raw water may reach the copper pipes that are present after domestic meters. Sulfide radicals will combine with copper ions in those pipes to form copper sulfide, and cause mild grayish discoloration of water.

In the absence of adequate mixing time, it is also probable that processed water may reach domestic plumbing before chlorine has had a chance to be effective as a bactericidal agent. Live sulfate-reducing bacteria *Divibrio sulfuricans* were detected at the point of entry (POE) into domestic plumbing system during the DEP study of 'black water' in 1998. Mr David Porter in a letter to me dated June 5 2002, has indicated "*Sulfur reducing organisms are plentiful in nature and found naturally in water supplies. The relative number of these organisms is reduced by chlorination, however, it is not possible to kill all such organisms in a water system*". If the injection rate of chlorine is held constant at 5 parts per million, all the chlorine will be used up in the conversion of sulfides to sulfate if the hydrogen sulfide concentration is greater than 0.6mg/l. When higher levels are present (values as high as 2.6mg/l have been reported - see above), this will result in low or no chlorine residuals in delivered water and live bacteria may not be eliminated from the processed water. In this scenario, live SRB may be present in delivered water and can cause colonization of domestic plumbing. Re-conversion of varying amounts of sulfate present in delivered water to hydrogen sulfide will now occur and both 'black water' and rotten egg smell will manifest depending on the type of material used in domestic plumbing. Colonization by SRB documented in the DEP study of 1998 showed equal incidence of live bacteria irrespective of the presence or absence of domestic processing systems. On the other hand, if domestic water conditioning systems contain *activated charcoal filters that remove chlorine*, bacteria such as *Divibrio sulfuricans* that enter the domestic plumbing in a live state

may be expected to become established as colonizing agents, even in the presence of adequate chlorine residuals in delivered water.

Thus in wells where variability of hydrogen sulfide levels is a likely scenario, a chlorine injection system of constant concentration as the *sole method of processing of raw water exposes the customers to a greater likelihood of the consequences of incomplete elimination of hydrogen sulfide, and a higher count than the unavoidable minimum of live SRB that convert sulfate to sulfide. Most likely this state of affairs is what predisposes to the occurrence of black water, copper corrosion and rotten egg smell in domestic water.* **Appendix D, "Sulfides in Potable Groundwater Sources" of the Interagency Copper Pipe Corrosion Project's Final Report recommends direct chlorination only for raw water with a sulfide level of <0.3 mg/l.**

CONCLUSION:

I have pieced together a probable picture of Aloha's processing methodology and its processing plant, which may explain why the Utility is not able to effectively solve copper corrosion, 'black water' problems and complaints of rotten egg smell in domestic plumbing. *This is only a hypothesis, but it is based on facts already known, as well as data recently obtained by the Bureau of Water Facilities Regulation.* Instead of admitting inadequacies that can be solved with a better understanding of water chemistry, more appropriate processing methods and more adequate equipment, Aloha seems to have chosen to deny legitimate information to its customers and use legalistic maneuvers to prevent exposure of possible deficiencies. Having started along the legal route it may have found itself mired in a situation from which it cannot escape without fear of legal liability. Therefore Aloha may have been forced to harden its heart against any scientific solution. Hence the impasse in which we find ourselves.

There is an urgent need to establish whether this *scientifically testable hypothesis* has validity. It seems to account for all the data we now have. Its *verification* by an unannounced audit of Aloha Utility can convert it from a testable hypothesis to a sound basis for a scientific solution of the problems encountered. DEP staff may not have the mandate or the specialized knowledge in the field of water chemistry to be able to put this hypothesis to test. *To depend for an evaluation of Aloha Utilities on Mr. Porter who claims such special knowledge would be a major conflict of interest.* **Only an INDEPENDENT AUDIT can determine the appropriateness as well as the adequacy or otherwise of Aloha's water processing method and its physical plant.**

The customers of Aloha are *entitled* to such an audit. If Aloha will choose to be transparent even at this late stage, further damage to domestic plumbing can be ameliorated as shown by the experience of reduced incidence of 'black water' reported by Mr Powell of Pasco County Utility at a Copper Corrosion Project meeting in 2000/2001.

'Black water' and associated complaints should be matters for scientific investigations to resolve and not for politicians or attorneys to debate endlessly.

New Port Richey
June 27, 2002

V. Abraham Kurien
V. Abraham Kurien, M.D.

State of Florida



Public Service Commission

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

RECEIVED PSC
25 APR 25 AM 11:53
COMMISSION
CLERK

DATE: April 24, 2002
TO: Joe Jenkins, Division of Economic Regulation
Division of Commission Clerk and Administrative Services
FROM: Ralph R. Jaeger, Senior Attorney
RE: Customer Complaint Against Aloha Utilities, Inc.

Please place the attached two letters, Rep. Fasano's letter dated April 15, 2002, forwarding Mr. Rose's complaint letter dated April 2, 2002, in the correspondence side of the docket file for Docket No. 010503-WU. I have forwarded copies of the two letters to Joe Jenkins for the Division of Economic Regulation's response to this complaint on a bill submitted by Aloha Utilities, Inc.

RRJ/jb

cc: F. Marshall Deterding, Esq.
Stephen Burgess, Esq. (Office of Public Counsel)
Representative Mike Fasano



Florida House of Representatives
Representative Mike Fasano
Representative, District 45

Reply to:

☒ 8217 Massachusetts Avenue
New Port Richey, FL 34653-3111
Telephone: (727) 848-5885
Fax: 1-888-635-4615
E-mail: fasano.mike@leg.state.fl.us
402 South Monroe Street
1102 The Capitol
Tallahassee, Florida 32399-1300
(850) 488-8528

Committees:

Chairman, Council for Healthy Communities
Vice-Chairman, Fiscal Responsibility Council
Procedural and Redistricting Council

April 15, 2002

Ralph Jaeger, Senior Attorney
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Ralph
Dear Mr. Jaeger,

I received the attached correspondence from a customer of Aloha Utilities who is having a problem with his billing. I would appreciate it very much if you would forward this material to the appropriate individual who may be able to address the constituent's concerns.

Thank you in advance for your assistance with this matter. As always, if there is ever anything I can do for you please do not hesitate to call on me.

Yours truly,

Mike

Mike Fasano
State Representative, District 45

MF/gg

Attachment



ACCT#
24136

4-2-02

DEAR REP FASANO,

THIS IS ANOTHER COMPLAINT
ABOUT ALBANY UTILITIES.

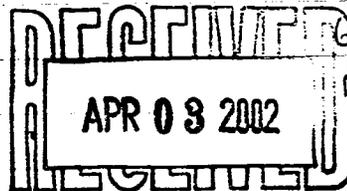
I AM ON A FIXED INCOME ON
SOCIAL SECURITY AND I LIVE ALONE
AND TRY HARD TO SAVE ON WATER.

THE BILL ENCLOSED IS REALLY A JOKE
PLEASE NOTE MY WATER USAGE - 1800
GALLONS AT \$8.31 NOW MY SEWER BILL
IS \$20.13. THIS IS REALLY STUPID,
THAT THEY GOT AWAY WITH THIS RIPOFF.
I TRY TO SAVE OUR WATER SUPPLY
AND GET RIPPED OFF ON THE SEWER
CHARGES. ALSO THE WATER STINKS!

THAT IS TOTALLY UNFAIR!

THANK YOU AND GOOD LUCK!

SHELDON ROSE



6746 LASSON AVE
NEW PORT RICHEY FL, 34655
727-376-7911

PLEASE TEAR HERE AND RETURN TOP PORTION OF BILL WITH YOUR PAYMENT.

MAKE CHECKS PAYABLE IN U.S. FUNDS TO: Aloha Utilities, Inc.
 6915 Perrine Ranch Road
 New Port Richey, FL 34655

Office Hours:
 Monday - Friday 8:30 - 4:00
 Telephone (727) 372-0115
 24 Hour Emergency (727) 372-0115

ACCOUNT NUMBER		SERVICE ADDRESS			STATEMENT DATE	DUE DATE	
24136		LASSEN AVENUE, 6746			03/31/02	04/21/02	
METER NUMBER	CLASS	SERVICE USED			METER READING		USAGE
		FROM	TO	# OF DAYS	CURRENT	PREVIOUS	
58738486	SR0	02/15/02	03/15/02	28	8120	6320	1800

Last payment received on 03/18/02 for \$38.70 - Thank you

PREVIOUS BALANCE	0.00
WATER	38.31
SEWER	20.13
GARBAGE	8.77
STREET LIGHTS	2.00

PAY THIS AMOUNT ►

39.21

Bills are due when rendered, and delinquent if not paid within 20 days. Water service may then, after five (5) days written notice, be discontinued for non-payment of either the water or sewer service. Service will be resumed only upon payment of all past due water and sewer bills and penalties together with a reconnect charge.

M E M O R A N D U M

February 12, 2002

RECEIVED-FPSC

FEB 12 AM 10:44

COMMISSION
CLERK

TO: DIVISION OF THE COMMISSION CLERK AND ADMINISTRATIVE SERVICES

FROM: OFFICE OF THE GENERAL COUNSEL (ESPINOZA) *JAE*

RE: DOCKET NO. 010503-WU - APPLICATION FOR INCREASE IN WATER RATES FOR SEVEN SPRINGS SYSTEM IN PASCO COUNTY BY ALOHA UTILITIES, INC.

Please place the attached customer complaint of Mr. Edward Wood (Tracking No. 0002365), in the correspondence section of the above-referenced docket.

LAE/lw
Attachment

Lorena Espinoza

From: Lorena Espinoza
Sent: Monday, February 11, 2002 10:33 AM
To: Lorena Espinoza
Subject: FW: Other Complaints - 0002365

-----Original Message-----

From: contact@psc.state.fl.us [mailto:contact@psc.state.fl.us]
Sent: Sunday, February 03, 2002 3:41 PM
To: contact@psc.state.fl.us
Cc: cgarfiel@psc.state.fl.us; agilliam@psc.state.fl.us
Subject: Other Complaints - 0002365

TRACKING NUMBER - 0002365 February 03, 2002

CUSTOMER INFORMATION

Account Number: 23858
Business Account Name:
Name: Edward Wood
Address: 1043 Daleside Lane
City: New Port Richey
State: FL
Zip: 34655
County: Pasco
Evening Phone: (727) 376-0380 ext.
Daytime Phone: (727) 376-0380 ext.
E-mail: eow3rd@gte.net
Contact By: Telephone

SERVICE ADDRESS

Business Account Name:
Name: Edward Wood
Address: 1043 Daleside Lane
City: New Port Richey
Zip: 34655
County: Pasco
Evening Phone: (727) 376-0380 ext.
Daytime Phone: (727) 376-0380 ext.
E-mail: eow3rd@gte.net

COMPLAINT INFORMATION

Utility Name: Aloha Utilities, Inc.
Utility Type: Water and Wastewater

Did customer previously contact the utility?: Yes
If Yes, the customer spoke with:
Date the customer contacted utility: //

Did customer previously contact the PSC?: Yes
If Yes, the customer spoke with: E mail
Date the customer contacted PSC: //

PROBLEM INFORMATION

Problem Type: Other Complaints

Comments: Today @ February 3, 2002 At 9:30 AM I had filthy Black Water running from the taps in my home. I have complained to both the utility and the PSC on many occasions about this problem. I have also complained to other State Agencies in the past but no one is willing to stand up and take this Utility to task for supplying corrosive water to the customer. This is an outrageous display of disregard for the customer when a state regulated utility can supply such a product that is not useable and is destroying the piping in the customer's home. Yet the State of Florida is turning its back on the problem and telling the utility it is all right to supply such products. It can only mean that something is not on the up and up.

I expect a correction to the problem before I suffer any damage to my water system and not the usual footdragging.

Sincerely

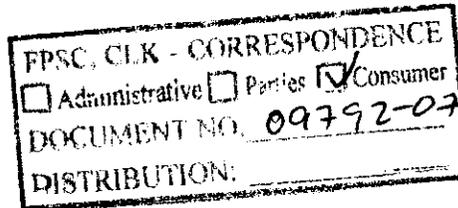
E.O. Wood

Mr. & Mrs. E.O. Wood

1043 Daleside Lane
New Port Richey, Fl. 34655-4293
727-376-0380
February 04, 2002

RECEIVED-FPSC
02 FEB - 7 AM 10: 10
COMMISSION
CLERK

Ms. Blanca S. Bayo, Director
Division of the Commission Clerk
And Administrative Services
2540 Shumard Blvd.
Tallahassee, Florida 32399-0850.



Dear Ms. Bayo:

Re PSC Dockets 010503, Regarding Aloha Utilities Inc. request for rate increase.

I have scanned the Aloha's rebuttal to the customers testimony, that was filed with commission on January 29, 2002. Since there was a rebuttal to some of the things that I pointed out in my testimony, I wish to rebut some of the rebuttal statements.

Aloha talks of the water being clean, and clear at the meter, but it fails to mention that the "great" water that Aloha supplies is corrosive. This is the water that is causing customers' plumbing to generate leaks. Aloha has admitted in past hearings that the hydrogen sulfite is in the water flowing through the system. This is a corrosive element in the water. If the water were not corrosive, I could run water through the copper pipes for a extra long time, and would not see the reaction that is present with Aloha water. Copper does not cause a reaction, but sulfites will cause the copper to react. The basic problem is they have a substandard treatment system.

Aloha would not have received as many complaints from me and others if they were supplying a product that was up to what the standard is in other parts of the country. This I blame the State of Florida for not setting standards that protect its citizens. It is ludicrous to think that we don't have to test in the area that has the biggest problem because the houses are too new.

In reference to Aloha's statement that Aloha has been in compliance is false. Until the December 1997 tests, Aloha was out of compliance with the copper requirements. From June of 1993 until December of 1997 Aloha did not meet the copper requirements. This is public record at the DEP Office in Tampa. These Lab records were submitted by Aloha to the DEP. During that period of time there was a citation issue by the Federal EPA, and later turned over to the Florida DEP to follow. I don't think it has to get any more credible if someone wants to look into the public records.

- AUS _____
- CAF _____
- CMP _____
- COM _____
- CTR _____
- ECR _____
- GCL _____
- OPC _____
- MMS _____
- SEC _____
- OTH _____

The Water ran Black from the hydrant just as the picture told the story. The hydrant in the picture is only a sample. I am sure other hydrants will also run black. Mr. Van Hoofnagle doesn't know if the hydrant involved was at the end of a line or not.

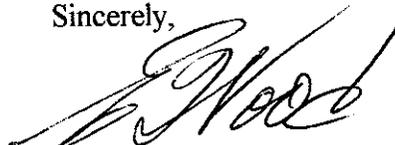
I don't believe the rationale for flushing hydrants should take on much weight in the crisis drought that SWFWMD portrays. It seems we have to buy water from Pasco County to run it down the sewer. If this is the only water treatment that Aloha has then no wonder we have the problems we do.

Lastly, I wish to comment on Aloha's visit to my home on November 20, 1997. At the time Mr. Watford and Porter came to my home they told me they were in the neighborhood checking on homes that have had problems. Never was anything mentioned that they were following up on a complaint that had been filed. They in their correspondence failed to mention that they were told prior to entering my home, "I have just finished flushing the line so you won't see anything." They said, "they would like to look." Three years later at a PSC hearing, during the cross examination is the first time I had seen the letter to Ms. Pena. Is this customer relations?

Of course they failed to discuss their call that was recorded on my answering machine from two years ago that contained a number of lies so as to pressure me to let Mr. Porter into my home. Again I am amazed that since Aloha couldn't proceed with the rebuttal until the transcript were available. If that is so, why didn't Ms. Kurish know that I had refused Aloha's access to my home while being cross examined.

I state once again, that if the product that Aloha supplies is acceptable to the State of Florida then, the Statutes and Rules need some serious looking into.

Sincerely,



Edward O. Wood

CC Representative Mike Fasano
Mr. Steve Burgess

FEB02_001

CCA Official Filing:
2/6/02*****2:00 PM*****Kay Flynn*****1

ORIGINAL

Kay Flynn

From: Leroy Rasberry
Sent: Wednesday, February 06, 2002 1:18 PM
To: Kay Flynn
Cc: Pamela Johnson
Subject: FW: Aloha Water Utilities : Docket 010503-WU

RECEIVED FPSC
FEB - 6 PM 4:11
COMMISSION
CLERK



Harry Hawcroft.doc

Kay,

This relates to the Aloha Utilities Docket.

Thanks

-----Original Message-----

From: Randy Roland
Sent: Tuesday, February 05, 2002 4:44 PM
To: Leroy Rasberry
Subject: FW: Aloha Water Utilities : Docket 010503-WU

Customer is asking that we forward this to Chairman Jaber and Commissioner Palecki.

-----Original Message-----

From: Nekey Chester
Sent: Tuesday, February 05, 2002 4:24 PM
To: Randy Roland
Subject: FW: Aloha Water Utilities : Docket 010503-WU

-----Original Message-----

From: V. Abraham Kurien [mailto:akurien@attglobal.net]
Sent: Tuesday, February 05, 2002 3:16 PM
To: contact@psc.state.fl.us
Subject: Aloha Water Utilities : Docket 010503-WU

Harry Hawcroft
1612 Boswell Lane,
New Port Richey, FL 34655

PSC Staff 2540 Shumard Oak Blvd
Tallahassee, FL 32399-0850

Please distribute the attached letter to the Commissioners.

Thank you.

Harry Hawcroft

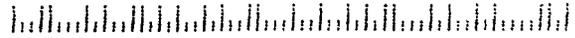
AUS
CAF
CMP
COM
CTR
ECR
GCL
OPC
MMS
SEC
OTH

Frank T. Sepanski
4340 Genesee Ln.
New Port Richey, FL 34655



Florida Public Service Commission
Division of the Commission Clerk and Administrative Services
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

32399-0850 01



Fold Here

Tape

Fold Here



Public Service Commission
-M-E-M-O-R-A-N-D-U-M-

DATE: January 17, 2002
TO: Division of the Commission Clerk and Administrative Services
FROM: Office of General Counsel (Espinoza) *JAE*
RE: Docket No. 010503-WU - Application for increase in water rates for Seven Springs System in Pasco County by Aloha Utilities, Inc.

Attached is a customer letter that was received during the service hearing for the above-referenced docket. All parties were provided a copy of the letter at the hearing. Please place the letter in the correspondence portion of the docket.

RECEIVED - PSC
02 JAN 17 PM 1:49
COMMISSION
CLERK

LAE/dm

cc: Division of Auditing and Safety (McPherson, Vandiver)
Division of Economic Regulation (Fletcher, Crouch, Jones, Lingo,
Merchant, Stallcup, Wetherington, Willis)
Office of General Counsel (Jaeger)

January 7, 2002

Florida Public Service Commission

Subject: Application for Increase in Water Rates for the Seven Springs System in Pasco County by the Aloha Utilities, INC.

Dear Sir,

I am firmly opposed to any increase in the above subject water rates and provide the following comments as to the reasons:

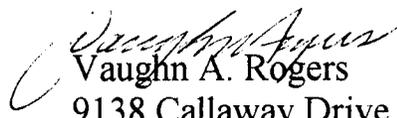
- A. The water currently provided for home consumption by the Aloha Utilities INC. is unsatisfactory for use without treatment by each family due to the strong odor similar to a sewage plant. The Aloha Utilities INC. should correct this problem without special treatment actions being required by the Customers or increase in cost to the Customers.
- B. The water rates were recently increased and another rate at this time is absolutely not warranted. The request leads one to think of mismanagement or greed.
- C. The Aloha Utilities, INC. should concentrate on improving the water products without cost to the Customers.
- D. The Aloha Utilities INC. should increase the management efficiency by personnel training programs, streamlining procedures, reductions of personnel working hours, personnel replacements, eliminating personnel, or a combination of these actions to improve the water products and remain within their current or reduced budget resources .
- E. The Aloha Utilities INC. must recognize that they have an obligation to the Customers to provide a satisfactory acceptable water product without frequent increase in rates. They must do what every other business does to minimize operating costs by the factors outlined in paragraph D above to remain competitive and to satisfy Customers with their services and products

The economic status of the County, State and U.S.A. will not permit an increase in the water rates at this time. Many people are faced with layoffs due to the situation and the Aloha Utilities INC. must improve their service and increase their efficiency to remain within forecasted budget assets or possibly to reduce the current water rates.

My family and I will be out of the U.S.A. on the scheduled hearing date on the above subject. Otherwise, we would attend the hearing and voice strongly the comments provided in this letter.

Request this requested increase in the water rates be denied because it can not be justified at this time.

Sincerely,


Vaughn A. Rogers
9138 Callaway Drive
New Port Richey, FL 34655

Docket # 010503 -W U

Jan.14, 2002

Dear Chairman Jaber and Commissioners,

Thank you Chairman Jaber for taking the time to speak to us at the hearing on Jan.9, 2002 in New Port Richey regarding Aloha Utilities. It's gratifying to know that some one cares. This has been an on going problem for many years and your genuine interest gives us hope that some day we will have clean, drinkable water in our homes. I'm a retired Pasco County Utility Inspector, and I have some additional information you may be interested in. Aloha blames its corrosion and black water problems on copper plumbing, but fails to mention that it uses copper pipe in it's water distribution system. Aloha uses a meter yolk at the point where it installs its water meters. This yolk consists of about 3 feet of copper pipe before and after the meter. This 6 feet of copper pipe multiplied by 9,000 customers amounts to 54,000 feet. Thats more than ten miles of copper pipe, which was not installed by the builders or the customers, but by Aloha. While they claim the corrosion and black water are caused by copper pipe, they have never made any attempt to rectify this by changing the copper pipe to polytubing that most utilities use to connect their water meters. Polytubing does not chemically react with water. Mr. Watford of Aloha testified that the problems were caused by the copper plumbing inside the customers homes when the free chlorine residual disappears and the sulfate changes back to sulfite and reacts with the copper to cause corrosion and black water. I submit that additional chlorination stations in Aloha's system would increase and stabilize the free chlorine residual, thereby increasing the contact time with the interior plumbing and reducing the incidence of corrosion and black water. To my knowledge this also has never been suggested by Aloha. I believe that if these two problems were corrected, the complaints would be vastly reduced and maybe even eliminated. You should not grant any rate increase untill these things have been studied and acted upon. If my background and experience in water and wastewater can be usefull, I stand ready to help. I would also be interested in joining the Citizens Committee that was discussed at the hearing.

Sincerely,

Vincent Corelli
 7644 Albacore Dr.
 New Port Richey, FL 34655

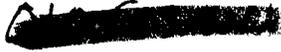
AUS _____
 CAF _____
 CMP _____
 COM _____
 CTR _____
 ECR _____
 GCL _____
 OPC _____
 MMS _____
 SEC _____
 OTH _____

CCA Official Filing:

1/14/02*****7:41 AM*****Matilda Sanders*****1

ORIGINAL

Matilda Sanders



COMMISSION
CLERK

02 JAN 14 AM 8:28

RECEIVED FPSC

From: Ruth McHargue
Sent: Friday, January 11, 2002 4:54 PM
To: Matilda Sanders
Subject: FW: Other Complaints - 0002118

Hi Matilda,
The customer is protesting a docket matter.

-----Original Message-----

From: Nekey Chester
Sent: Friday, January 11, 2002 3:55 PM
To: Ruth McHargue
Subject: FW: Other Complaints - 0002118

Protest, Aloha

-----Original Message-----

From: contact@psc.state.fl.us [mailto:contact@psc.state.fl.us]
Sent: Friday, January 11, 2002 11:58 AM
To: contact@psc.state.fl.us
Cc: cgarfiel@psc.state.fl.us; agilliam@psc.state.fl.us
Subject: Other Complaints - 0002118

TRACKING NUMBER - 0002118 January 11, 2002

CUSTOMER INFORMATION

Account Number: 32559
Business Account Name:
Name: Joseph Kocienda
Address: 1728 Broadleaf Ct.
City: Trinity
State: FL
Zip: 34655
County: Pasco
Evening Phone: () - ext.

APP _____
CAF _____
CMP _____
COM _____
CTR _____
ECR _____
LEG _____
OPC _____
PAI _____
RGO _____
SEC _____
SER _____
TTH _____

CCA Official Filing:

1/14/02***7:41 AM*****Matilda Sanders*****2**

Daytime Phone: (727) 372-2153 ext.

E-mail: dtkocienda@msn.com

Contact By: E-Mail

SERVICE ADDRESS

Business Account Name:

Name: Joseph Kocienda

Address: 1728 Broadleaf Ct.

City: Trinity

Zip: 34655

County: Pasco

Evening Phone: () - ext.

Daytime Phone: (727) 372-2153 ext.

E-mail: dtkocienda@msn.com

COMPLAINT INFORMATION

Utility Name: Aloha Utilities, Inc.

Utility Type: Water and Wastewater

Did customer previously contact the utility?: No

If Yes, the customer spoke with:

Date the customer contacted utility:

Did customer previously contact the PSC?: No

If Yes, the customer spoke with:

Date the customer contacted PSC:

PROBLEM INFORMATION

Problem Type: Other Complaints

Comments: re:docket # 010503-wu

This is to let the PSC that I strongly object to Aloha Utilities latest rate request for water. Is there no end to this utility requesting a rate increase that is far and above any cost of living index that I know of. Recently I spoke to someone at Aloha who told me they were guaranteed a profit of 6% with this increase requested it will go up to 9.07%, what is their minimum guaranteed rate of return?. This rate increase for a typical residential customer is 118% for 3,000 gallons, which is outrageous. I want to know how we customers can get out of Alohas territory and shop around for a better deal. Maybe it's time to deregulate water and sewer rates for customers who are stuck with these out of control private utilities. I understand that Aloha was fined 500,000 dollars for over

CCA Official Filing:

1/14/02*****7:41 AM*****Matilda Sanders*****3

pumping at their well's and now has to buy water from Pasco County. Are Alohas customers being asked to pay this fine with this rate request, and why is Pasco County allowing more homes to be built in their territory if they have exceeded their allotment of water?. Right now I'm thinking of selling my house before my retirement income is all going to future rate request's from Aloha. Please don't give out any brochures to future home buyer's in Alohas territory, as suggested at your hearing on Jan. 9th. this will only prevent us homeowner's who are stuck with Aloha from selling our homes to prospective buyers. My builder didn't tell me what I was getting into with this utility, in fear of not making a sale, being new to this area I didn't fully investigate the utilities who service this area. If I only knew.

9811 Culver St
Kensington MD 20895

9128 Via Rocco
New Port Richey, FL 34655

Director, Division of Commission,

Dear Director,

Reference to Docket No. 010503-WU

This letter is to register a complaint against the Alcoa Utilites Co. of New Port Richey, FL.

My wife and I left our winter home early on 18 April 2001. We had our water meter removed on 19 April. The April bill, copy enclosed, was for 0 water used. The May bill, copy enclosed, showed 6490 gals used. This permitted the company to collect an extra month of service. Please note our March bill was for only 4930 gals used for 31 days.

I've called long distance twice to complain, but no response received except for

ALCOA UTILITIES
CORPORATION

The attached notice that we were delinquent and our water would be shut off, already off, and \$20.00 would be charged to reconnect. I've paid all vacation charges and the May bill less the April bill which should have showed water used in that month.

This practice has been on-going for years, but if you don't pay their enormous bills, they won't reconnect your water for the winter.

Since we are unable to return this winter, I can continue to assist their blackmail.

I thank you for this opportunity to complain.

Respectfully

Lynn H. Howard

PS Please excuse my written frustration

LOMA UTILITIES, INC.
6415 PERRINE RANCH ROAD
NEW PORT RICHEY, FL 34655

Our records indicate that your account has become delinquent. Please pay the amount due in full. Service will be discontinued if payment is not received within 5 days. If payment is made with a check that is dishonored, your service may be discontinued without further notice. A reconnection charge during normal working hours of \$20.00 together with past due amounts must be paid before service can be re-established.
Please notify this office if you have made payment.

Account #: 5475

Service Address:

VIA RECREATION 9128

Delinquent Amount: \$28.14

Today's Date: 3/16/74

Balance: \$47.81

HOWARD, LYNN H
7811 CULVER STREET
KENSINGTON MD 20875-5555

PLEASE TEAR HERE AND RETURN TOP PORTION OF BILL WITH YOUR PAYMENT.

MAKE CHECKS PAYABLE IN U.S. FUNDS TO: *May*
 oha Utilities, Inc.
 3915 Perrine Ranch Road
 New Port Richey, FL 34655

Office hours:
 Monday - Friday 8:30 - 4:00
 Telephone (727) 372-0115
 24 Hour Emergency (727) 372-0115

ACCOUNT NUMBER		SERVICE ADDRESS			STATEMENT DATE	DUE DATE	
6475		VIA RECREO, 9128			06/15/01	07/07/01	
METER NUMBER	CLASS	SERVICE USED		# OF DAYS	METER READING		USAGE
		FROM	TO		CURRENT	PREVIOUS	
44120181	SR0	05/01/01	06/01/01	31	253840	247350	6490

Last payment received on 06/01/01 for \$32.48 - Thank you

PREVIOUS BALANCE	0.00
WATER	11.64
SEWER	38.23
GARBAGE	8.77
STREET LIGHTS	2.00
	<u>60.64</u>

Handwritten calculation:
 253840
 247350

 6490

PAY THIS AMOUNT ▶

Handwritten: pd.
 \$ 39.48
~~60.64~~

Bills are due when rendered, and delinquent if not paid within 20 days. Water service may then, after five (5) days written notice, be discontinued for non-payment of either the water or sewer service. Service will be resumed only upon payment of all past due water and sewer bills and penalties together with a reconnect charge.

PLEASE READ REVERSE AND RETURN TOP PORTION OF BILL WITH YOUR PAYMENT.

MAKE CHECKS PAYABLE IN U.S. FUNDS TO
 Florida Utilities, Inc.
 6915 Perrine Ranch Road
 New Port Richey, FL 34655

Office Hours:
 Monday - Friday 8:30 - 4:00
 Telephone (727) 372-0115
 24 Hour Emergency (727) 372-0115

April

ACCOUNT NUMBER		SERVICE ADDRESS			STATEMENT DATE	DUE DATE	
6475		VIA RECREO, 9128			05/15/01	06/06/01	
METER NUMBER	CLASS	SERVICE USED		# OF DAYS	METER READING		USAGE
		FROM	TO		CURRENT	PREVIOUS	
44120181	SR0	04/01/01	05/01/01	30*	247350	247350	0

Last payment received on 05/03/01 for \$52.94 - Thank you

meter removed 4/19/01
18 Days

PREVIOUS BALANCE	0.00
WATER	7.17
SEWER	14.54
GARBAGE	8.77
STREET LIGHTS	2.00

PL
** 17 1/2 days*
ck 1986
\$ 32.48

PAY THIS AMOUNT ▶	32.48
--------------------------	-------

Bills are due when rendered, and delinquent if not paid within 20 days. Water service may then, after five (5) days written notice, be discontinued for non-payment of either the water or sewer service. Service will be resumed only upon payment of all past due water and sewer bills and penalties together with a reconnect charge.

March

PLEASE TEAR HERE AND RETURN TOP PORTION OF BILL WITH YOUR PAYMENT.

MAKE CHECKS PAYABLE IN U.S. FUNDS TO: Aloha Utilities, Inc.
6915 Perrine Ranch Road
New Port Richey, FL 34655

Office Hours:
Monday - Friday 8:30 - 4:00
Telephone (727) 372-0115
24 Hour Emergency (727) 372-0115

ACCOUNT NUMBER		SERVICE ADDRESS			STATEMENT DATE	DUE DATE	
6475		VIA RECREO, 9128			04/15/01	05/06/01	
METER NUMBER	CLASS	SERVICE USED		# OF DAYS	METER READING		USAGE
		FROM	TO		CURRENT	PREVIOUS	
44120181	SR0	03/01/01	04/01/01	31	247350	242420	4930

Last payment received on 03/29/01 for \$76.56 - Thank you

PREVIOUS BALANCE	0.00
WATER	9.64
SEWER	32.53
GARBAGE	8.77
STREET LIGHTS	2.00

247350
242420

4930

rd
ck *H 1975*

PAY THIS AMOUNT ▶ *rd* 52.94

Bills are due when rendered, and delinquent if not paid within 20 days. Water service may then, after five (5) days written notice, be discontinued for non-payment of either the water or sewer service. Service will be resumed only upon payment of all past due water and sewer bills and penalties together with a reconnect charge.

ORIGINAL

DISTRIBUTION CENTER

01 NOV 27 AM 9:05

November 20, 2001

COMMISSION
CLERK

01 NOV 27 AM 10:06

RECEIVED-FPSC

Members of the Commission:

Please refer to Docket No. 010503-WU, which is a proposal by Aloha Utilities, Inc., to increase water rates for the Seven Springs division of Aloha Utilities, Inc., in Pasco County.

We have received a copy of "Notice of Interim Rate Increase" by Aloha which was apparently approved by the Commission pending your consideration of the main proposal at your April 2, 2002 agenda conference.

I am not familiar with the evidence submitted to you by Aloha in justification for this increase but in looking at the proposed increased rates it appears to me that this increase is exhorbitant and totally out of line. The interim increase itself would appear to be more than can be justified.

Another part of this proposal which I don't see mentioned and which is very vital to all Aloha customers is the sewer rate. It is my understanding that any increase in water rates automatically carries with it a corresponding increase in the sewer rate. At the present time the sewer rate is completely out of proportion to the water rate. For example on my last bill the water portion was \$14.12 (for about 25 days), while the sewer portion was \$41.78. I really don't understand this but it is a fact.

I strongly object to any approval of an increase to Aloha for the reasons stated above. If it is the Commission's judgement that some increase is in order, such increase should only be granted based on a full investigation of the evidence submitted in support of the proposal and only to the extent that an increase may be justified.

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Yours Truly,



G.J. Robinson
2702 Brynwood Drive
New Port Richey, FL 34655

ORIGINAL
DISTRIBUTION CENTER
01 NOV 27 AM 9:05

Bob & Janet Cahill

1822 Arturus Lane
New Port Richey, FL 34655
Phone: (727) 372-8422
Fax: (727) 372-5962
bjcahill@earthlink.net

RECEIVED-FPSC
01 NOV 27 AM 10:11
COMMISSION
CLERK

November 21, 2001

Director, Division of Commission
Clerk and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Dear Director:

This letter is in reference to Docket #010503-WU regarding Aloha Utilities wish to increase water rates.

Aloha should not be permitted to raise water rates. They provide poor service, our water smells like spoiled eggs some days and bleach on other days but it always smells. Residents of this area refer to Aloha water as sludge because the water Aloha sends to our homes is not clear or clean in appearance. The water pressure is so low most of the time our irrigation pop ups won't work properly.

Aloha should not be permitted to raise their rates. I request the Commission deny their request to increase rates.

Sincerely,

Janet G. Cahill
Janet G. Cahill

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Ms. Karen Bardelcik
7525 Salamander Drive
New Port Richey, Fl 34655

November 19, 2001

Aloha Utilities, Inc.
6915 Perrine Ranch Road
New Port Richey, Fl. 34655

To Whom It May Concern:

I phoned you in July 1999, when I was preparing to move from Pa. to my new home in Fl. My house was under construction, and I asked you to turn my water on. I said that I would move into my house the first of September 1999. You told me that I needed to send you a deposit check. You were the only utility that requested a deposit from me, as the other companies told me that I had always had wonderful credit.

You told me that you would not turn on my water without the deposit. I, of course, mailed you the deposit check in July, 1999. I believed that you told me that you would refund my deposit after one year. I moved into my house Sept 3, 1999. After one year, I called about my deposit. You told me that I would receive it at the end of the second year.

I phoned you the first of October, 2001. I told you that it had been over two years. You said that my two years were up Oct 6. You said that it might not be real prompt because I had once been two days late on a payment. I told you that I had consistently had problems with the mail here. I had made several complaints to the Postal Service. Some of my mail had been sent to Pa. Some mail was sent to Chicago. I had certified mail lost.

I, also, told you that there was probably another time that it was late. That was because you were always changing the date that the bills were due. I finally became used to paying the bill on a certain date, and you moved the due date up by two weeks. It has been consistent since then.

I must tell you that my late husband was in the military and that we lived many places all over the country. I have never had such horrible water, nor have I had such expensive water.

I have complained to you about the water quality. Many many times I cannot take a bath, because the water is brown and black. The last month and a half, the hot water smell gags me. It smells like a baby's dirty diaper.

If I go away for just a few days, the water smell is extremely offensive, and the water is so black that I have to drain the whole hot water tank. Last month, I went to Baltimore for 4 days. On the way home, I was looking forward to soaking in a hot tub. What a joke! Of course, I had to drain the tank. Then, I had to wait until morning to take my bath.

I have lived places that I would go away for 2 and 3 months, and I never had an offensive smell or a discoloration of the water. I never had to drain my hot water tank. Considering the cost of your water, it is pretty expensive to drain the tank.

I still have not received my deposit, and I would appreciate receiving it immediately

Karen E. Bardelcik

Copy to: Florida Public Service Commission

re: Docket No 010503-6

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ORIGINAL

Harlan Wells Meeker
7214 Arboretum Way
New Port Richey, FL 34655
727-372-5749

November 17, 2001

RECEIVED-PPSC
01 NOV 21 PM 2:29
COMMISSION
CLERK

Florida Public Service Commission
2540 Shumard Oak Blvd
Tallahassee, FL 32399-0850

RE: Docket Number 010503-WU
Aloha Utilities Rate Increase

I respectfully request that the water rates for the Seven Springs division of Aloha Utilities, Inc. be reduced to the rates in effect prior to the November 6th commission meeting until such time as Aloha can provide satisfactory service to this area.

As you may be aware, water supplied by Aloha is frequently black, oily and contains sediment. This occurs most frequently on outlets that are not used every day such as our garden tub. As in the case of our tub, by the time the water runs clear the hot water supply is exhausted.

Talking to our neighbors this is a common problem in this area. I have lived or worked in virtually every part of Pinellas, Pasco, Hillsborough, Hernando, and Citrus counties and I am able to report that I have never before encountered this water quality issue.

I reverently request that the Commission intercede on my behalf on this issue.

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Sincerely,

Harlan Meeker
Harlan Meeker

RECEIVED
NOV 21 2001
COMMISSION CLERK

ORIGINAL



Mr. & Mrs. Robert H. MacFarland
4404 Olin St.
New Port Richey, FL 34653

Florida Public Service Com:
2540 Shumard Oak Blvd.
Tallahassee Florida 32399-0850

To Whom it may Concern:

In response to Interim Rate Increase
PSC Docket No 010503-WU

I strongly disapprove of the rate
increase of water rates to Aloha
Utilities Inc. for the Peace Seven
springs Area

I left the north and came to
Florida because I felt we could live
a good life style on a fixed income and
for a while we did; we have been here in
Florida for fifteen years but now I
find I am paying more for taxes than
up north and water and sewer are
out of sight. Aloha uses water to
pay sewer rate so high that we
are considering moving out of state
where we can use our fixed income
to better use. Aloha uses low water
rates to inflate sewer rates to increase
the water would put a strain on all
people living in the Peace Seven springs
Area I hope you listen to the people
and decline the interim rate increase
(over)

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ORIGINAL

I pay a bill of this month
 \$ 18.36 Water a month
 \$ 48.09 Sewer "
 \$ 8.77 Garbage
 \$ 2.00 Street Lights
 \$ 77.22 a month

This is using a water restriction measure. This is three times as much as I paid up month

Please help us if you want us to stay in Florida

Sincerely
 Mrs Robert H. MacFarland

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 21 NOV 21 AM 11:54

COMMISSION
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Notice of Interim Rate Increase
 Aloha Utilities, Inc.
 PSC Docket No. 010503-WU

RECEIVED-FPSC
 01 NOV 16 AM 9:40
 COMMISSION CLERK

By vote of the Florida Public Service Commission taken on November 6, 2001, and the Order of the Commission issued thereafter, interim water rates for the Seven Springs division of Aloha Utilities, Inc., in Duval County were approved. The interim rates will be collected subject to refund, pending the Florida Public Service Commission's final decision regarding final rates. If a refund is ordered, it will include interest based upon the Commission determined factors. The Commission is scheduled to take final action on this case at its April 2, 2002 agenda conference.

A listing of the approved interim rates on a monthly basis for the Seven Springs service area are outlined below.

Residential and General Service

	<u>Previously Approved</u>	<u>Currently Approved Interim</u>			<u>Final(*) Requested</u>
5/8" x 3/4"	\$ 7.32	\$ 8.31	Minimum	3,000 gallons	\$ 9.23
1"	19.46	22.10	Minimum	8,000 gallons	23.08
1-1/2"	36.49	41.45	Minimum	15,000 gallons	46.15
2"	58.80	66.80	Minimum	24,000 gallons	73.84
3"	116.83	132.72	Minimum	48,000 gallons	147.68
4"	182.85	207.72	Minimum	75,000 gallons	230.75
6"	282.76	321.23	Minimum	150,000 gallons	461.50
8"	577.67	656.25	Minimum	240,000 gallons	738.40
10"	841.62	956.09	Minimum	345,000 gallons	1,338.35
Gallage Charge per 1,000 Gallons	1.32	1.48			2.24
				Over 10,000 Gallons	2.81

*Base Facility Charge Rate with no minimum

Written comments regarding the Utility's service or the requested final rate increases may be sent to the Commission at the following address:

To: Director, Division of Commission
 Clerk and Administrative Services
 Florida Public Service Commission
 2540 Shumard Oak Boulevard
 Tallahassee, Florida 32399-0850

Aloha Service is good - but quality of water is poor. I never drink the water. I don't like to pay for something I do not get.

All comments should refer to Docket No. 010503-WU, which is the docket number that has been assigned to this case.

The interim rates will be effective for meter readings on or after the Commission's stamped approval date on the tariff sheets. If you have any questions, please call the Utility's office at (727) 372-0115. Be sure to have your account number on hand for quick reference.

I object to the increase.

Acc. No. 3642

Aloha Utilities, Inc.

Mr. Charles Graff
 3623 Gorman Dr.
 New Port Richey, FL 34655

*C. H. Graff
 3623 Gorman Dr.
 New Port Richey, FL
 34655*

RECEIVED
 NOV 16 2001
 TUDAN

GRAFF, C. H.
3623 GORMAN DRIVE
NEW PORT RICHEY FL 34655

Liz Marinelli
1461 Davenport Drive
New Port Richey, Florida 34655
727-376-8852
zilral@aol.com

RECEIVED-PPSC

01 NOV 16 AM 9:44

COMMISSION
CLERK

01 NOV 16 AM 9:10
DISTRIBUTION CENTER

**Director, Division of Commission Clerk
and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850**

Docket No. 010503-WU

Dear Sir or Madam:

Aloha water should NOT be allowed any increase for any reason. The service they provide is far below acceptable.

I have lived in my home which was built in 1992 for four years now. The water is BLACK. The water may pass testing but it is still running black and is unconsumable. I have offered Aloha officials a drink from my home and they have refused it. The water has a residue when you cook with it. We drink bottled water and when available I cook with bottled water (it costs me more for the water to cook a pound of pasta in than the pasta itself).

Aloha has abused the consumer with its monopoly on our water supply.

Please do not allow them to become rich on our misery.

Sincerely,

Stephanie
Ralph J. Marinelli *Stephanie*

RALPH, LIZ, STEPHANIE AND RALPH JR. MARINELLI

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RECEIVED-FPSC

01 NOV 14 AM 10:36

COMMISSION
CLERK

KOCH, ROBERT
4493 SUMMERLAKE DRIVE
NEW PORT RICHEY FL 34653

Aloha acct # 6719

Nov. 10, 2001

Florida Public Sew. Comm.

RE: Docket # 010503 WU

Letter on opposite side received by me this date. Please explain to me why Aloha Utilities has been given ~~permission~~ for an interim rate increase before the final decision by the Commission on April 2, 2002. It seems that all decisions have been in favor of Aloha even though the product that we have to buy from them is smelly, dirty water. If I had a choice of another company to use for water and sewer, I wouldn't be an Aloha customer. Please consider giving this interim increase back to us plus interest. Thank you.

Robert L. Koch

01 NOV 14 AM 9:11

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Notice of Interim Rate Increase
Aloha Utilities, Inc.
PSC Docket No. 010503-WU

By vote of the Florida Public Service Commission taken on November 6, 2001, and the Order of the Commission issued thereafter, interim water rates for the Seven Springs division of Aloha Utilities, Inc. in Pasco County were approved. The interim rates will be collected subject to refund, pending the Florida Public Service Commission's final decision regarding final rates. If a refund is ordered, it will include interest based upon the Commission determined factors. The Commission is scheduled to take final action on this case at its April 2, 2002 agenda conference.

A listing of the approved interim rates on a monthly basis for the Seven Springs service area are outlined below.

Residential and General Service

	<u>Previously Approved</u>	<u>Currently Approved Interim</u>		<u>Final(*) Requested</u>
5/8" x 3/4"	\$ 7.32	\$ 8.31	Minimum 3,000 gallons	\$ 9.23
1"	19.46	22.10	Minimum 8,000 gallons	23.08
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4"	182.85	207.72	Minimum 75,000 gallons	230.75
6"	282.76	321.23	Minimum 150,000 gallons	461.50
8"	577.67	656.25	Minimum 240,000 gallons	738.40
10"	841.62	956.09	Minimum 345,000 gallons	1,338.35
Gallonge Charge per 1,000 Gallons	1.32	1.48		2.24
			Over 10,000 Gallons	2.81

*Base Facility Charge Rate with no minimum

Written comments regarding the Utility's service or the requested final rate increases may be sent to the Commission at the following address:

Director, Division of Commission
Clerk and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

All comments should refer to Docket No. 010503-WU, which is the docket number that has been assigned to this case.

The interim rates will be effective for meter readings on or after the Commission's stamped approval date on the tariff sheets. If you have any questions, please call the Utility's office at (727) 372-0115. Be sure to have your account number on hand for quick reference.

Aloha Utilities, Inc.



Public Service Commission
-M-E-M-O-R-A-N-D-U-M-

RECEIVED - PPS
COMMISSION CLERK
NOV 14 3:00 PM

DATE: November 14, 2001
TO: Richard Taylor, Assistant Director, Division of Economic Regulation
FROM: Ralph R. Jaeger, Senior Attorney, Division of Legal Services
RE: Letter dated November 2, 2001 of Representative Michael Fasano concerning complaint of Ms. Arlene Houwen on quality of water service received from Aloha Utilities, Inc.

Please review the attached letter from Representative Fasano concerning the complaint of Ms. Arlene Houwen about the quality of water service provided by Aloha Utilities, Inc., and take any appropriate action. Apparently, this was a verbal complaint and there was no accompanying letter from Ms. Houwen.

RRJ/lw

cc: Division of the Commission Clerk and Administrative Services (correspondence side of Docket No. 010503-WU)
F. Marshall Deterding, Esquire
Office of Public Counsel (Burgess)



Florida House of Representatives

Mike Fasano
Representative, 45th District

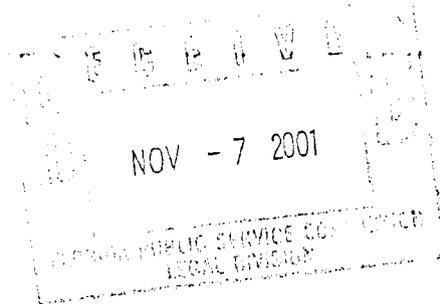
Reply to:

- 8217 Massachusetts Avenue
New Port Richey, FL 34653-3111
(727) 848-5885
fasano.mike@leg.state.fl.us
- 1102 The Capitol
402 South Monroe Street
Tallahassee, FL 32399-1300
(850) 488-8528

November 2, 2001

Ralph Jaeger, Senior Attorney
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Committees:
Chairman, Healthy Communities Council
Vice-Chairman, Fiscal Responsibility Council
Procedural and Redistricting Council



Dear Mr. Jaeger:

A constituent, Ms. Arlene Houwen of 9404 Rockbridge Circle, New Port Richey 34655, has contacted my office to share her concerns with the poor quality of water she receives from Aloha Utilities. I would appreciate it very much if you would pass this letter to the appropriate individual who may be able to follow up with Ms. Houwen regarding her situation.

Thank you in advance for your assistance with this matter. As always, if there is ever anything I can do for you please do not hesitate to contact me.

Yours truly,

Mike Fasano
State Representative, District 45

MF/gg

cc: Arlene Houwen



RECEIVED--FPSC

01 NOV 15 AM 11:47

Docket # 010503-WU

COMMISSION
CLERK

11/12/01

Well here we go again with the new math:

The article that was printed in the Suncoast paper on Nov.7, 01.
ALOHA UTILITIES GETS INTERIM WATER RATE RISE.

Written by Suncoast News Bureau Chief, Carl Orth.

My answer to the whole idea that Aloha should get a increase is "NUTS"
What's it for? Is it to pay the fine of \$430,000 that Southwest Florida
Management has hit them with?

To me, they should get out of the water business, and just stay in the sewer
business. Example below my bills:

WATER Vs Sewer

11/13/00-12/12/00	8.37-----	17.64
12/12/00-1/8/01	7.17-----	25.23
1/8/01----2/1/01	7.17-----	24.18
2/1/01----3/1/01	8.18-----	28.37
3/1/01----4/1/01	7.18-----	25.53
4/1/01----5/1/01	8.42-----	29.07
5/1/01----6/1/01	8.14-----	28.26
6/1/01----7/1/01	8.65-----	28.18
7/1/01----8/1/01	9.29-----	29.88
8/1/01----9/1/01	7.85-----	25.58
9/1/01-10/01/01	<u>8.15-----</u>	<u>26.37</u>

Total 80.42 288.29 \$200.00 over my water bill "WHY"

will someone take the time out to explain it too me, when 1/3 of my water
goes into the ground and not the sewer. Also explain why they need another
rate,raise, and who are the idiots that give it to them.

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From the desk of Edward Harrison
4408 Whitton Way New Port Richey FL. 34653
(727) 376-6068

1717 Kinsmere Dr.
New Port Richey
Fl. 34655

RECEIVED FPSC

11-12-01

01 NOV 15 AM 11:46

ref. to Docket

Dear Director
COMMISSION
CLERK

NO. 010503-W4

AS a customer for 9 1/2 years of Aloha Utilities's water, I can assure you that my water bill is ridiculous.

The water that comes into my home is unfit to take a shower or bath in much less drink.

I live in Trinity Oaks & for years the residents of this community have complained about our water.

I had a filtering system for our drinking water & it became so clogged with filth it had to be discarded after 6 months & was suppose to last for 3 years. Black or brown water comes out & Aloha blames it on our copper pipes. We have owned many homes with copper pipes & did not have black water. Homes that have Pasco Co. utilities do not have black water.

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I am sure you must have many complaints, but yet Aloha is allowed to keep raising their rates. Something needs to be done.

We were told our sewage rate is so high because it helps pay for reclaimed water systems for new communities. I do not have reclaimed water in Trinity Oaks, although reclaimed water would probably be better than what comes into my home.

There needs to be a solution for this problem. Aloha utilities will continue to stay in business as long as they keep getting rate increases. Pasco Co. utilities should be taken ^{over} this company. There is already \$430,000.00 owed by Aloha to Pasco.

Sincerely,
Marlene Arnold



HOMEBUILDERS, INC.
MARLENE J. ARNOLD
DANNY ARNOLD
In-Sales Representatives
Mobile Home Sales Office
P.O. Box 991-4761
Tallahassee, FL 32309
Phone: 904-813-9911-4792
Fax: 904-813-376-8476
2239 Little Road
New Port Richey, FL 34654

Director, Division of Commission
Clerk and Administrative Services
Florida Public Service Commission
2540-Shumard Oak Blvd.
Tallahassee, Fl. 32399-0850
Re: Docket Number: 010503-WU

RECEIVED-FPSC November 11, 2001

01 NOV 15 AM 11:48

COMMISSION
CLERK

To whom it may concern:

I am in receipt of the most recent Notice of Interim Rate Increase, from Aloha Utilities. My comments herein are addressed to the content of said notice.

I am distressed at the content of said notice and disappointed that the "Commission" would even entertain such an increase as is proposed by the utility. The actions of the utility in light of their over-pumping and their continued refusal to accept responsibility for the poor quality of their water is abominable.

Recently, a field worker from the utility visited my home, unannounced, to check the water quality at the meter. I engaged this young man in conversation regarding the dis-service provided by his employer. The man said the water arriving at the meter meets all current standards and the problem is with the copper pipes in our homes. I asked him to explain why with copper having been the primary piping system used in Florida for at least the past 60-70 years, that only Aloha water seems to react negatively with copper? Naturally, this young man had no answer...nor could he account for the fact that no other Pasco utility company, public or private, has such problems with their water. In addition, current building practises, even in Aloha's service area, continue to use copper piping in new-home construction...if Aloha's claims are correct, why is the county allowing builders to use pipe which will fail after a few years of use?? The obvious answer is that this problem is unique to Aloha!!

Years ago, while the public's discontent with Aloha was still growing, I spoke with Mr. John Gallagher regarding the poor quality of Aloha's water. I specifically asked why the county did not just buy them out and correct the problems?? Mr. Gallagher replied that the reason was the "pipes" owned by Aloha and used to deliver the water, were in such poor condition the county would have to replace them to upgrade the system...this was why the county did not offer to buy Aloha.

I have suffered through 14 years of Aloha water...water that has blackened my sinks and toilets, ruined two reverse osmosis water filters, stained and corroded numerous fixtures, and required constant conditioning/filtering to be useable. Recently, I developed a leak in an outside pipe near where the water enters my home...while repairing same, I had to cut the defective portion of the copper pipe out...this pipe was corroded so badly that the pipe had been rendered wafer thin. It is only a matter of time before my home will have to be re-plumbed, using overhead plastic piping. The cost of this job will probably be significant, and a direct result of the poor quality of Aloha water...but one can be assured, there will not be any offers to reimburse me, or the thousands of other like me, in any way, by Aloha.

In closing let me say that you in the Commission are aware of the problems...you have received hundreds if not thousands of letters like mine...you have seen the overwhelming public outcry at the public hearings on these issues...and you have the protests and comments from Rep. Fasano...who is no shrinking violet, but speaks up for his constituents. The time has come to address these problems once and for all...to force this arrogant (un-public) utility to either improve the quality of their product, or somehow reimburse those of us faced with expensive repairs...repairs necessitated only by their negligence and refusal to accept responsibility.

I encourage you to disallow even the thought of a rate increase until such time as Aloha addresses the concerns expressed above

Sincerely,


Donn E. Gallahue
7300-Hideaway Trail (Natures Hideaway)
New Port Richey, Fl. 34655

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Public Service Commission

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RECEIVED-PPSC
01 SEP 24 AM 11:32

COMMISSION
CLERK

DATE: September 18, 2001
TO: Richard Tudor, Assistant Director, Division of Economic Regulation
FROM: Ralph R. Jaeger, Senior Attorney, Division of Legal Services
RE: Letter of Representative Mike Fasano dated September 10, 2001 forwarding Ms. Susan Nowack's complaint letter dated August 27, 2001

Attached are the above-noted letters for your appropriate response. Please note that because Ms. Nowack's letter expressed concern about the quality of the water and its possible affect on her health, I have forwarded the above-noted letters to Mr. Van Hoofnagle, Administrator, in the Drinking Water Section of the Department of Environmental Protection, and to Edward Bettinger, Environmental Specialist III in the Bureau of Water, Department of Health. If you have any questions, or if I can be of any further assistance, please contact me at (850) 413-6234.

RRJ/lw

cc: Mr. Van Hoofnagle (Department of Environmental Protection)
Mr. Edward Bettinger (Department of Health)
Steve Burgess, Esquire (Office of Public Counsel)
F. Marshall Deterding, Esquire
Representative Mike Fasano
Division of CCA (Correspondence Side of Docket No. 010503-WU)

Edward Bettinger, Environmental Specialist III
Bureau of Water
Department of Health
4052 Bald Cypress Way
Bin No. C-22
Tallahassee, FL 32399
(850) 245-4444 ext. 2696

Van Hoofnagle, Administrator
Drinking Water Section
Department of Environmental Protection
2600 Blair Stone Road
Tallahassee, FL 32399-2400 MS 3520
Van.Hoofnagle@dep.state.fl.us



Florida House of Representatives
Majority Leader

Mike Fasano
Representative, 45th District

Reply to:

- 8217 Massachusetts Avenue
New Port Richey, FL 34653-3111
(727) 848-5885
fasano.mike@leg.state.fl.us
- 322 The Capitol
402 South Monroe Street
Tallahassee, FL 32399-1300
(850) 488-8528

September 10, 2001

Ralph Jaeger, Senior Attorney
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

SEP 13 2001

PUBLIC SERVICE CO
LEGAL DIVISION


Dear Mr. Jaeger

I received the attached correspondence from Susan Nowack, 4420 Sawgrass Blvd., New Port Richey, which details laboratory tests indicating the presence of certain chemicals in her body. Ms. Nowack alleges that the drinking water supplied by Aloha Utilities may be the cause of these high levels. I would appreciate it very much if you would forward these test results to the appropriate individuals both within and outside of the Commission who may be able to address Ms. Nowack's concerns.

Thank you in advance for your help. As always, if there is anything I can ever do for you please do not hesitate to contact me.

Yours truly,



Mike Fasano
State Representative, District 45
Majority Leader

MF/gg

Attachment

cc: Susan Nowack

RECEIVED
SEP 05 2001

New Port Richey FL, 34653

8/27/01

Dear Mike,

The enclosed copies are from Aloha Utilities. This new hike in rates is outrageous. Enclosed also is the results of a test taken of me using hair samples which shows high levels of certain trace elements which could have come from the drinking water. I am having to go thru cleausos to kidney body of toxins etc. which never were a problem before I moved to Fla. and started drinking Aloha Ut. water from the tap.

I really want to have an alternative to this poor and inefficient utility - I want them out of business. They are rude to customers - FD you are a way for any period of time and pay them ahead say \$ 50.00 towards the next bill and inform them ahead of time. They act like you haven't paid the bill and threaten to shut off your water. This happened in 1997 and I had talked to them explaining that I would pay the balance over \$ 50.00 when I returned. At least Fla. Power listens to you and goes along with these occurrences. I'm not happy with the latest price increase.

I want it stopped. Their service is
terrible and the customer is always wrong in
their eyes.

Sincerely,

Juan D. Nowak



TRACE ELEMENTS, INC.

4501 Sunbelt Drive • Addison, TX 75001 • USA

LABORATORY NO:

332054

PROFILE NO:

2

SAMPLE TYPE:

SCALP

PATIENT:

NOWACK, SUE

AGE:

64

SEX:

F

METABOLIC TYPE:

SLOW 2

REQUESTED BY:

STRICKLAND, J.

ACCOUNT NO:

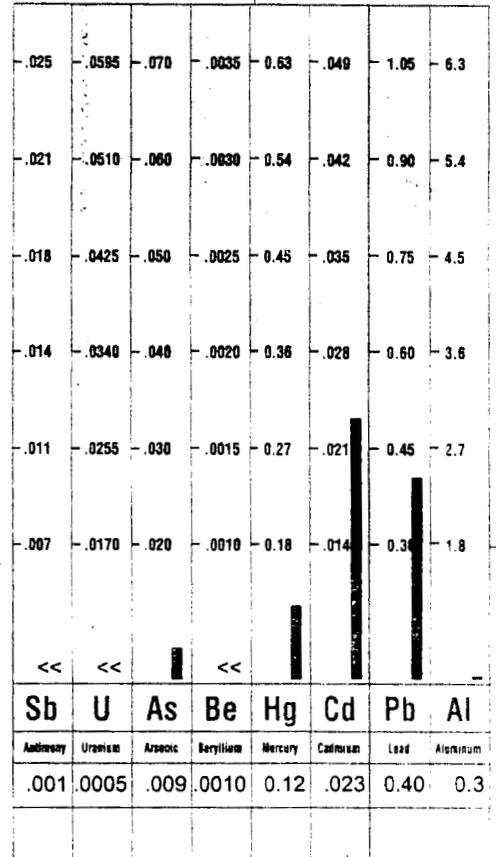
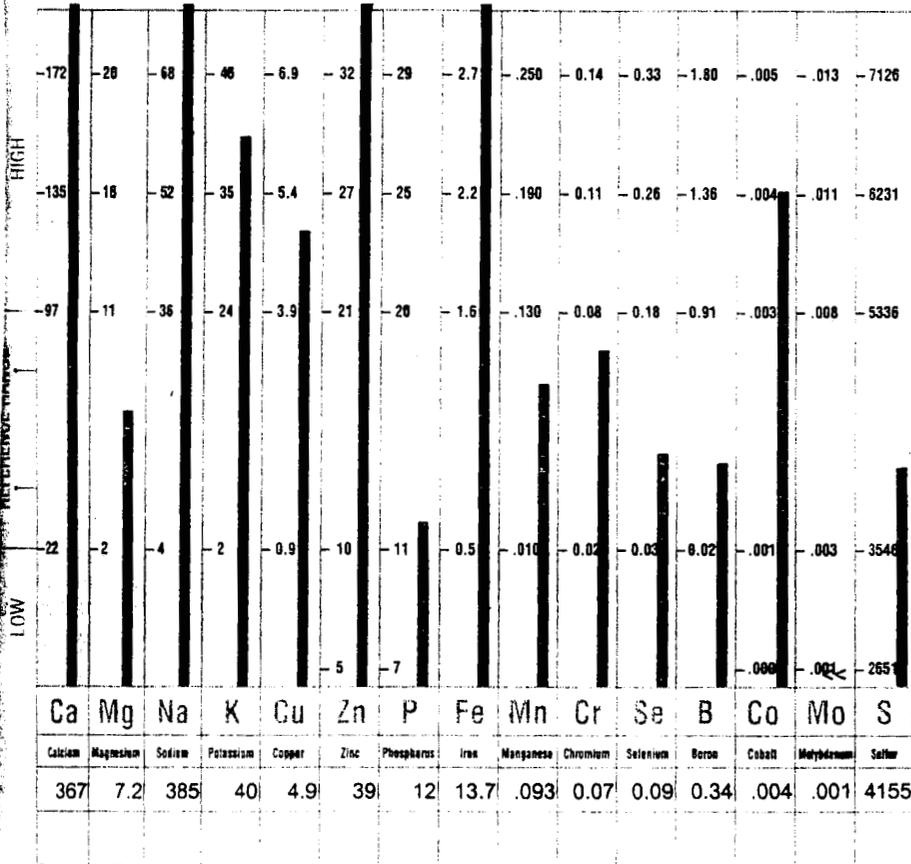
4952

DATE:

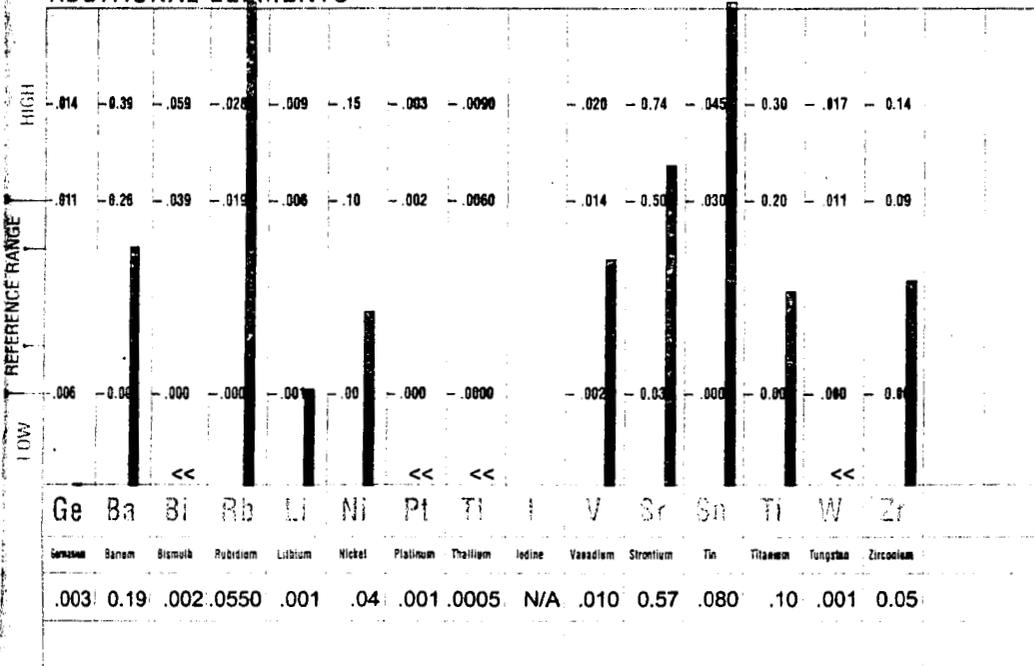
8/14/01

NUTRITIONAL ELEMENTS

TOXIC ELEMENTS



ADDITIONAL ELEMENTS



"<<": Below Calibration Limit:
Value Given Is Calibration Limit.

"QNS": Sample Size Was Inadequate For Analysis.

"N/A": Currently Not Available

Ideal Levels And Interpretation Have Been Based On
Hair Samples Obtained From The Mid-Parietal To The
Occipital Region Of The Scalp.

Laboratory Analysis Provided by
Trace Elements, Inc., an H.H.S. Licensed Clinical
Laboratory. No. 45 00481787

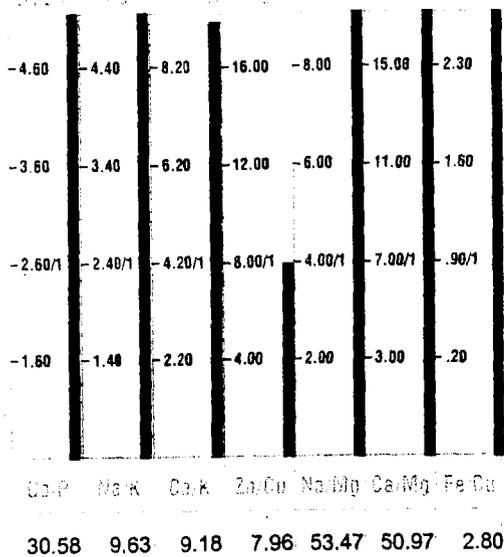
8/14/01

CURRENT TEST RESULTS

10/2/01

LEVELS

All mineral levels are reported in milligrams percent (milligram per one-hundred grams of hair). One milligram percent (mg%) is equal to ten parts per million (ppm).



NUTRITIONAL ELEMENTS

Extensively studied, the nutrient minerals have been well defined and are considered essential for many biological functions in the human body. They play key roles in such metabolic processes as muscular activity, endocrine function, reproduction, skeletal integrity and overall development.

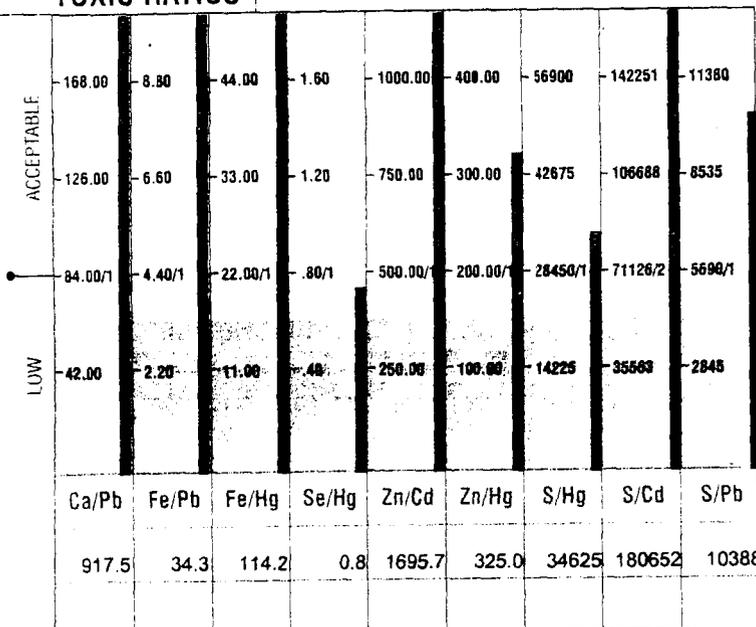
TOXIC ELEMENTS

The toxic minerals or "heavy metals" are well-known for their interference upon normal biochemical function. They are commonly found in the environment and therefore are present to some degree, in all biological systems. However, these metals clearly pose a concern for toxicity when accumulation occurs in excess.

ADDITIONAL ELEMENTS

These minerals are considered as possibly essential by the human body. Additional studies are being conducted to better define their requirements and amounts needed.

TOXIC RATIOS



ADDITIONAL RATIOS

Ca/Sr	643.86	222/1
Cr/V	7.00	6.25/1
Cu/Mo	4900.00	400/1
Fe/Co	3425.00	550/1
K/Co	10000.00	6500/1
K/Li	40000.00	3250/1
Mg/B	21.18	14.8/1
S/Cu	847.96	1850/1
Se/Tl	180.00	36.6/1
Se/Sn	1.13	7.3/1
Zn/Sn	487.50	1066/1

RATIOS

A calculated comparison of two minerals to each other is called a ratio. To calculate a ratio value, the first mineral level is divided by the second mineral level.

EXAMPLE: A sodium (Na) test level of 24 mg% divided by potassium (K) level of 10 mg% equals a Na/K ratio of 2.4 to 1.

SIGNIFICANT RATIOS

If the synergistic relationship (or ratio) between certain minerals in the body is disturbed, studies show that normal biological functions and metabolic activity can be adversely affected. Even at extremely low concentrations, the synergistic and/or antagonistic relationships between minerals still exist, which can indirectly affect metabolism.

TOXIC RATIOS

It is important to note that individuals with elevated toxic levels may not always exhibit clinical symptoms associated with those particular toxic minerals. However, research has shown that toxic minerals can also produce an antagonistic effect on various essential minerals eventually leading to disturbances in their metabolic utilization.

ADDITIONAL RATIOS

These ratios are being reported solely for the purpose of gathering research data. This information will then be used to help the attending health-care professional in evaluating their impact upon health.

REFERENCE RANGES

Generally, reference ranges should be considered as guideline for comparison with the reported test values. These reference ranges have been statistically established from studying an international population of "healthy" individuals.

Important Note: The reference ranges should not be considered as absolute limits for determining deficiency, toxicity or acceptance.

ALOHA UTILITIES, INC.

CUSTOMER NOTICE

Issued: May 23, 2001

On April 4, 2000, Aloha Utilities, Inc. (Aloha), completed its application to the Florida Public Service Commission (PSC) for increased wastewater service rates resulting from construction of the new treatment components related to its reuse system required by the Florida Department of Environmental Protection (DEP) and applicable to service provided to its customers in the Seven Springs area in Pasco County, Florida.

At its regularly scheduled Agenda Conference held on January 16, 2001, the Florida Public Service Commission took final action on Aloha's application and by Order No. PSC-01-0326-FOF-SU, issued February 6, 2001, authorized a portion of the requested increases in wastewater rates designed to allow Aloha Utilities, Inc. the opportunity to recover costs for providing service and a reasonable rate of return on its investment in facilities necessary to provide such wastewater service. That Order specifically required Aloha to reduce the rates it implemented on December 8, 2000 by 6.5% and refund the difference. However, petitions for reconsideration were filed, and Order No. PSC-01-0326-FOF-SU was not finalized until April 18, 2001.

The increased rates approved by the Commission are effective on May 23, 2001.

The original rates, the implemented rates, and the new approved rates for wastewater service are listed on the back of this customer notice.

Because Aloha implemented rates effective in December of 2000 which were above those ultimately determined to be appropriate by the Commission, all customers receiving service during this period of time will be receiving a small credit in the near future. The Utility is working with the Public Service Commission staff to calculate the exact amount of that credit, and that credit will be calculated into your bill by July 17, 2001.

Sincerely,

ALOHA UTILITIES, INC.

ALOHA UTILITIES, INC.
Schedule of Approved Rates

WASTEWATER

	Original Rates	Implemented Rates	Approved Rates
<u>Residential</u>			
Base Facility Charge:			
Meter Size 5/8" x 3/4"	\$8.99	\$14.54	\$13.99
Gallonge Charge – Per 1,000 Gallons (10,000 gallon cap)	2.32	3.65	3.41
<u>General Service</u>			
<u>Meter Size</u>			
5/8" x 3/4"	\$ 8.99	\$ 14.54	\$ 13.99
1"	22.48	36.35	34.97
1 1/2"	44.96	72.70	69.93
2"	71.94	116.32	111.89
3"	143.88	218.10	223.79
4"	224.75	363.50	349.66
6"	449.62	727.00	699.33
8"	719.39	1,163.20	1,118.93
10"	1,005.10	1,672.10	1,608.85
Gallonge Charge – Per 1,000 Gallons	2.78	4.26	4.10
<u>Reclaimed Water</u>			
Mitchell Property	0.00	0.00	0.00
Fox Hollow Golf Course	N/A	N/A	0.00
All Others	0.25	0.25	0.29

ALOHA UTILITIES, INC.
 Schedule of Present and Proposed Rates

WATER

Residential and General Service - Seven Springs (.73%) (1.33%)

<u>Meter Size</u>	<u>Present Rates</u>	<u>2000 Index & Pass Through</u>	<u>2001 Rates</u>
5/8" x 3/4" (3m gals)	\$ 7.17	\$ 7.22	\$ 7.32
1" (8m gals)	19.06	19.20	19.46
1-1/2" (15m gals)	35.75	36.01	36.49
2" (24m gals)	57.61	58.03	58.80
3" (48m gals)	114.46	115.30	116.83
4" (75m gals)	179.14	180.45	182.85
6" (150m gals)	277.03	279.05	282.76
8" (240m gals)	565.96	570.09	577.67
10" (345m gals)	824.55	830.57	841.62
Gallonage charge per 1,000 gallons	1.28	1.30	1.32

NOTICE TO SEVEN SPRINGS WATER CUSTOMERS

Pursuant to Section 367.081(4)(b), Florida Statutes, water and wastewater utilities are permitted to "pass through," without a public hearing, a change in rates resulting from an increase or decrease in rates charged for utility services received from a governmental agency, and which services were redistributed by the utility to its customers. Aloha Utilities' purchases bulk water and wastewater service from Pasco County. Pasco County has recently increased their rates charged to Aloha.

Under the provisions of Sections 367.081(4)(a), Florida Statutes, and Public Service Commission Rule 25-30.420, Florida Administrative Code, investor-owned water and sewer utilities, such as Aloha Utilities, Inc., are allowed to increase their rates annually based on inflation. Rule 25-30.420 allows for an inflation index increase in rates based on the change in Gross Domestic Product Implicit Price Deflator (GDP-IPD), which is applied to most operation and maintenance expenses. On March 21, 2001, the Utility filed for the pass-through adjustment and the inflationary adjustment for the year 2000. Also, on May 25, 2001, the utility filed for the 2001 price index increase. The Commission staff has reviewed the filing for accuracy and completeness. The 2000 price index increase would increase water rates by .73%. The 2001 price index would increase water rates by another 1.33%.

Because of the other ongoing matters, and a desire of the Utility to consolidate the two inflationary increases outlined above, and the increased purchased bulk water charges from Pasco County into one combined increase, the Utility is implementing all of these rate adjustments at one time.

The actual across-the-board combined rate increase is 2.07% for water service for the two inflationary adjustments. In addition, due to the pass-through adjustment, the gallonage charge will increase by \$0.01 per thousand gallons for the Seven Springs water system. These new rates will go into effect for service rendered on or after July 24, 2001.

Note: The result in the Level Detected column for TTHMs is the average of the four quarterly annual averages of results from all sampling sites. The quarterly annual averages were calculated during the first, second, third, and fourth quarters of 2000.							
Contaminant and Unit of Measurement	Dates of sampling (mo./yr.)	MCL Violation Y/N	Level Detected	Range of Results	MCLG	MCL	Likely Source of Contamination
Total Trihalomethanes (TTHMs)							
TTHM [Total trihalomethanes] (ppb)	1/00 – 12/00	N	23.3	6.9-56.3	N/A	100	By-product of drinking water chlorination

Contaminant and Unit of Measurement	Dates of sampling (mo./yr.)	AL Violation Y/N	90th Percentile Result	No. of sampling sites exceeding the AL	MCLG	AL (Action Level)	Likely Source of Contamination
Lead and Copper (Tap Water)							
Copper (tap water) (ppm)	8&9/00	N	1.03	0	1.3	1.3	Corrosion of household plumbing systems; erosion of natural deposits; leaching from wood preservatives
Lead (tap water) (ppb)	8&9/00	N	2	2	0	15	Corrosion of household plumbing systems, erosion of natural deposits

The sources of drinking water (both tap water and bottled water) include rivers, lakes, streams, ponds, reservoirs, springs, and wells. As water travels over the surface of the land or through the ground, it dissolves naturally-occurring minerals and, in some cases, radioactive material, and can pick up substances resulting from the presence of animals or from human activity.

Contaminants that may be present in source water include:

- (A) *Microbial contaminants*, such as viruses and bacteria, which may come from sewage treatment plants, septic systems, agricultural livestock operations, and wildlife.
- (B) *Inorganic contaminants*, such as salts and metals, which can be naturally-occurring or result from urban stormwater runoff, industrial or domestic wastewater discharges, oil and gas production, mining, or farming.
- (C) *Pesticides and herbicides*, which may come from a variety of sources such as agriculture, urban stormwater runoff, and residential uses.
- (D) *Organic chemical contaminants*, including synthetic and volatile organic chemicals, which are by-products of industrial processes and petroleum production, and can also come from gas stations, urban stormwater runoff, and septic systems.
- (E) *Radioactive contaminants*, which can be naturally-occurring or be the result of oil and gas production and mining activities.

In order to ensure that tap water is safe to drink, EPA prescribes regulations which limit the amount of certain contaminants in water provided by public water systems. FDA regulations establish limits for contaminants in bottled water which must provide the same protection for public health.

Drinking water, including bottled water, may reasonably be expected to contain at least small amounts of some contaminants. The presence of contaminants does not necessarily indicate that the water poses a health risk. More information about contaminants and potential health effects can be obtained by calling the Environmental Protection Agency's Safe Drinking Water Hotline at 1-800-426-4791.

MCLs are set at very stringent levels. To understand the possible health effects described for many regulated contaminants, a person would have to drink 2 liters of water every day at the MCL level for a lifetime to have a one-in-a-million chance of having the described health effect.

In our continuing efforts to maintain a safe and dependable water supply it may be necessary to make improvements in your water system. The costs of these improvements may be reflected in the rate structure. Rate adjustments may be necessary in order to address these improvements.

Thank you for allowing us to continue providing your family with clean, quality water this year. In order to maintain a safe and dependable water supply we sometimes need to make improvements that will benefit all of our customers. These improvements are sometimes reflected as rate structure adjustments. Thank you for understanding.

Some people may be more vulnerable to contaminants in drinking water than the general population. Immuno-compromised persons such as persons with cancer undergoing chemotherapy, persons who have undergone organ transplants, people with HIV/AIDS or other immune system disorders, some elderly, and infants can be particularly at risk from infections. These people should seek advice about drinking water from their health care providers. EPA/CDC guidelines on appropriate means to lessen the risk of infection by *Cryptosporidium* and other microbiological contaminants are available from the Safe Drinking Water Hotline (800-426-4791).

We at Aloha Utilities would like for you to understand the efforts we make to continually improve the water treatment process and protect our water resources. We are committed to insuring the quality of your water. If you have any questions or concerns about the information provided, please feel free to call (727) 372-0115.

The Consumer Confidence Reports that follow were provided by Pasco County Utilities and Tampa Bay Water. These reports provide detailed information about the water produced by their water systems and do not represent any water produced by Aloha Utilities. However, water from Pasco County and Tampa Bay Water is purchased from Pasco County by Aloha Utilities to supplement our supply and this water makes up a portion of the water supplied to you.

2000 Quality Water Report

Aloha Utilities, Inc.

Seven Springs Water System

We're pleased to present to you this year's Annual Water Quality Report. This report is designed to inform you about the quality water and services we deliver to you every day. Our constant goal is to provide you with a safe and dependable supply of drinking water. We want you to understand the efforts we make to continually improve the water treatment process and protect our water resources. We are committed to ensuring the quality of your water. Our water sources are wells controlled by our utility and water which we purchase from Pasco County Utilities. Our wells pump raw water from the Floridan Aquifer. During times of the year when the demand for water is high, we purchase water from Pasco County Utilities to supplement our own supplies. Pasco County's water also comes from wells which pump water from the Floridan Aquifer and from Tampa Bay Water. However, Pasco County and Aloha Utilities provide separate treatment, at independent facilities, for each water supply.

This report shows our water quality results and what they mean. The following table shows the quality of the water provided to you from our wells. Data tables which show the quality of the water provided by Pasco County Utilities and Tampa Bay Water are presented in their consumer confidence reports which can be found at the end of this report.

If you have any questions about this report or concerning your water utility, please write our Water Quality Manager at the following address or call us at the number listed:

Aloha Utilities, Inc.
6915 Perrine Ranch Road
New Port Richey, FL 34655
(727) 372-0115

Aloha Utilities routinely monitors for contaminants in your drinking water according to Federal and State laws. This table shows the results of our monitoring for the period, of January 1st to December 31st 1999. Also included in the table are the results of water quality monitoring completed in 1999 for parameters to be monitored every three years only.

In this table you will find many terms and abbreviations you might not be familiar with. To help you better understand these terms we've provided the following definitions:

Non-Detects (ND) - laboratory analysis indicates that the constituent is not present.

Parts per million (ppm) or Milligrams per liter (mg/l) - one part per million corresponds to one minute in two years or a single penny in \$10,000.

Parts per billion (ppb) or Micrograms per liter - one part per billion corresponds to one minute in 2,000 years, or a single penny in \$10,000,000.

Picocuries per liter (pCi/L) - picocuries per liter is a measure of the radioactivity in water.

Action Level (AL) - the concentration of a contaminant which, if exceeded, triggers treatment or other requirements which a water system must follow.

Maximum Contaminant Level - The "Maximum Allowed" (MCL) is the highest level of a contaminant that is allowed in drinking water. MCLs are set as close to the MCLGs as feasible using the best available

treatment technology.

Maximum Contaminant Level Goal - The "Goal" (MCLG) is the level of a contaminant in drinking water below which there is no known or expected risk to health. MCLGs allow for a margin of safety.

Not Applicable (N/A) or No Goal Established (NGE) – Not applicable and/or no MCLG has been set.

TEST RESULTS TABLE –SEVEN SPRINGS WATER SYSTEM

Microbiological Contaminants

Contaminant and Unit of Measurement	Dates of sampling (mo./yr.)	MCL Violation Y/N	Highest Monthly Number of Positive Samples	MCLG	MCL	Likely Source of Contamination
Total Coliform Bacteria	9/00	N	1	0	For systems collecting fewer than 40 samples per month: presence of coliform bacteria in more than 1 sample collected during a month.	Naturally present in the environment

Contaminant and Unit of Measurement	Dates of sampling (mo./yr.)	MCL Violation Y/N	Level Detected	Range of Results	MCLG	MCL	Likely Source of Contamination
Radiological Contaminants							
Gross Alpha (pCi/l)	3/99	N	3.8	2.3-3.8	0	15	Erosion of natural deposits

Inorganic Contaminants

Barium (ppm)	6/99	N	0.04	0.03-0.04	2	2	Discharge of drilling wastes; discharge from metal refineries; erosion of natural deposits
Cadmium (ppb)	6/99	N	0.4	0-0.4	5	5	Corrosion of galvanized pipes; erosion of natural deposits; discharge from metal refineries; runoff from waste batteries and paints
Fluoride (ppm)	6/99	N	0.22	0.13-0.22	4	4	Erosion of natural deposits; water additive which promotes strong teeth; discharge from fertilizer and aluminum factories
Nitrate (as Nitrogen) (ppm)	6/00	N	0.41	0.02-0.41	10	10	Runoff from fertilizer use; leaching from septic tanks, sewage; erosion of natural deposits
Total Nitrate + Nitrite (as Nitrogen) (ppm)	6/00	N	0.45	0.02-0.41	N/A	10	Runoff from fertilizer use; leaching from septic tanks, sewage; erosion of natural deposits
Sodium (ppm)	6/99	N	8.5	6.1-8.5	N/A	160	Salt water intrusion, leaching from soil

2000 Annual Drinking Water Quality Report
Pasco County Utilities – West Pasco Water System
PWS ID # 6511361

We're pleased to present to you this year's Annual Water Quality Report. This report is designed to inform you about the quality water and services we deliver to you every day. Our constant goal is to provide you with a safe and dependable supply of drinking water. We want you to understand the efforts we make to continually improve the water treatment process and protect our water resources. We are committed to ensuring the quality of your water. Our water source is currently ground water from a number of deep wells located in various well fields throughout the county. The wells draw from the Floridan Aquifer. The West Pasco Water System supplies an estimated 5% of the water, while Tampa Bay Water, a regional water supplier of which Pasco County is a member, augments an estimated 95%. For more information or questions concerning Tampa Bay Water's water quality, please call (813) 910-3297.

Pasco County routinely monitors for contaminants in your drinking water according to Federal and State laws, rules, and regulations. Except where indicated otherwise, this report is based on the results of our monitoring for the period of January 1st to December 31st 2000. As authorized and approved by EPA, the State has reduced monitoring requirements for certain contaminants to less often than once per year because the concentrations of these contaminants are not expected to vary significantly from year to year. Since certain parameters are only required to be sampled once every 3 years, some of our data [e.g., for organic contaminants], though representative, is more than one year old.

In the table below you will find terms and abbreviations you might not be familiar with. To help you better understand these terms we've provided the following definitions:

Maximum Contaminant Level or MCL: The highest level of a contaminant that is allowed in drinking water. MCLs are set as close to the MCLGs as feasible using the best available treatment technology.

Maximum Contaminant Level Goal or MCLG: The level of a contaminant in drinking water below which there is no known or expected risk to health. MCLGs allow for a margin of safety.

Action Level (AL): The concentration of a contaminant which, if exceeded, triggers treatment or other requirements which a water system must follow.

Treatment Technique (TT): A required process intended to reduce the level of a contaminant in drinking water.

"ND" means not detected and indicates that the substance was not found by laboratory analysis.

Parts per million (ppm) or Milligrams per liter (mg/l) – one part by weight of analyte to 1 million parts by weight of the water sample.

Parts per billion (ppb) or Micrograms per liter (µg/l) – one part by weight of analyte to 1 billion parts by weight of the water sample.

Picocurie per liter (pCi/L) - measure of the radioactivity in water.

N/A- not applicable.

TEST RESULTS TABLE

Microbiological Contaminants						
Contaminant and Unit of Measurement	Dates of sampling (mo./yr.)	MCL Violation Y/N	Highest Monthly Number of Positive Samples	MCLG	MCL	Likely Source of Contamination
Total Coliform Bacteria	12/00	N	3	0	For systems collecting at least 40 samples per month: presence of coliform bacteria in more than 5% of monthly samples.	Naturally present in the environment

** Results in the Level Detected column for the following radiological contaminants, inorganic contaminants, synthetic organic contaminants including pesticides and herbicides, and volatile organic contaminants are the highest average at any of the sampling points or the highest detected level at any sampling point, depending on the sampling frequency.*

Radiological Contaminants							
Contaminant and Unit of Measurement	Dates of sampling (mo./yr.)	MCL Violation Y/N	Level Detected*	Range of Results	MCLG	MCL	Likely Source of Contamination
Alpha (pCi/l)	**3/99	N	12.8	0.8-12.8	0	15	Erosion of natural deposits
Radium226 or combined radium (pCi/l)	***2000	N	2.2 (annual average)	1.8-2.4	0	5	Erosion of natural deposits

Inorganic Contaminants							
Contaminant and Unit of Measurement	Dates of sampling (mo./yr.)	MCL Violation Y/N	Level Detected*	Range of Results	MCLG	MCL	Likely Source of Contamination
Antimony (ppb)	**2/99	N	0.0045	ND-0.0045	6	6	Discharge from petroleum refineries; fire retardants; ceramics; electronics; solder
Arsenic (ppb)	**7/99	N	0.109	N/A	N/A	50	Erosion of natural deposits; runoff from orchards; runoff from glass and electronics production wastes
Barium (ppm)	**2/99	N	0.0244	0.0082-.0244	2	2	Discharge of drilling wastes; discharge from metal refineries; erosion of natural deposits
Cadmium (ppb)	**7/99	N	0.0646	N/A	5	5	Corrosion of galvanized pipes; erosion of natural deposits; discharge from metal refineries; runoff from waste batteries and paints
Chromium (ppb)	**7/99	N	4.12	N/A	100	100	Discharge from steel and pulp mills; erosion of natural deposits
Cyanide (ppb)	**2/99	N	0.0085	ND-0.0085	200	200	Discharge from steel/metal factories; discharge from plastic and fertilizer factories
Sodium (ppm)	**2/99	N	51.0	3.0-51.0	N/A	160	Salt water intrusion, leaching from soil

Contaminant and Unit of Measurement	Dates of sampling (mo./yr.)	MCL Violation Y/N	Level Detected*	Range of Results	MCLG	MCL	Likely Source of Contamination
Fluoride(ppm)	**2/99	N	0.2	0.068-0.2	4	4	Erosion of natural deposits; water additive which promotes strong teeth; discharge from fertilizer and aluminum factories
Lead (ppb) point of entry	**7/99	N	1.42	N/A	N/A	15	Residue from man-made pollution such as auto emissions and paint.; lead pipe, casing, and solder
Mercury (ppb)	**2/99	N	0.39	0.36-0.39	2	2	Erosion of natural deposits; discharge from refineries and factories; runoff from landfills, runoff from cropland
Nickel(ppb)	**7/99	N	2.44	N/A	N/A	100	Pollution from electroplating operations
Nitrate (as Nitrogen) (ppm)	***2000	N	6.28 (annual average)	2.12-8.2	10	10	Runoff from fertilizer use; leaching from septic tanks, sewage; erosion of natural deposits
Thallium (ppb)	***2000	N	0.0015 (annual average)	ND-0.005	0.5	2	Leaching from ore-processing sites; discharge from electronics, glass, and drug factories

Note: The result in the Level Detected column for TTHMs is the highest of the four quarterly running annual averages of results from all sampling sites. The quarterly running annual averages were calculated during the first, second, third, and fourth quarters of 2000.

Total Trihalomethanes (TTHMs)							
Contaminant and Unit of Measurement	Dates of sampling (mo./yr.)	MCL Violation Y/N	Level Detected	Range of Results	MCLG	MCL	Likely Source of Contamination
TTHM [Total trihalomethanes] (ppb)	*2000	N	67.3 (annual average)	ND-146.0	N/A	100	By-product of drinking water chlorination

TTHMs [Total Trihalomethanes]. Some people who drink water containing trihalomethanes in excess of the MCL over many years may experience problems with their liver, kidneys, or central nervous systems, and may have an increased risk of getting cancer.

Lead and Copper (Tap Water)							
Contaminant and Unit of Measurement	Dates of sampling (mo./yr.)	AL Violation Y/N	90th Percentile Result	No. of sampling sites exceeding the AL	MCLG	AL (Action Level)	Likely Source of Contamination
Copper (tap water) (ppm)	8/00	N	1.13	2	1.3	1.3	Corrosion of household plumbing systems; erosion of natural deposits; leaching from wood preservatives
Lead (tap water) (ppb)	8/00	N	5	0	0	15	Corrosion of household plumbing systems, erosion of natural deposits

Synthetic Organic Contaminants Including Pesticides and Herbicides

Contaminant and Unit of Measurement	Dates of sampling (mo./yr.)	MCL Violation Y/N	Level Detected	Range of Results	MCLG	MCL	Likely Source of Contamination
Di (2-ethylhexyl) phthalate (ppb)	**3/99	Y	9.7*	ND-9.7*	0	6	Discharge from rubber and chemical factories

* Note: This result was due to improper sample collection by a contract laboratory. Follow-up sampling was performed and the results were below the limit of detection. No monitoring was required during year 2000.

Secondary Contaminants

Contaminant and Unit of Measurement	Dates of sampling (mo./yr.)	MCL Violation Y/N	Highest Result	Range of Results	MCLG	MCL	Likely Source of Contamination
Copper (ppm)	**4/99	N	0.0194	ND-0.0194	N/A	1	Natural occurrence from soil leaching
Iron (ppm)	***2000	Y	0.21 (annual average)	ND-0.64	N/A	0.3	Natural occurrence from soil leaching
Manganese (ppm)	***2000	Y	0.021 (annual average)	0.002-0.06	N/A	0.05	Natural occurrence from soil leaching

We had MCL Violations for Iron and Manganese, respectively, during the 2000 testing year. The system subsequently performed quarterly monitoring per state regulations. Please note that these contaminants are not associated with serious health risks.

** Samples collected in beginning of three-year sampling cycle, 1999.

*** Samples collected quarterly (4 times) during the year 2000.

The sources of drinking water (both tap water and bottled water) include rivers, lakes, streams, ponds, reservoirs, springs, and wells. As water travels over the surface of the land or through the ground, it dissolves naturally-occurring minerals and, in some cases, radioactive material, and can pick up substances resulting from the presence of animals or from human activity.

Contaminants that may be present in source water include:

- (A) *Microbial contaminants*, such as viruses and bacteria, which may come from sewage treatment plants, septic systems, agricultural livestock operations, and wildlife.
- (B) *Inorganic contaminants*, such as salts and metals, which can be naturally-occurring or result from urban stormwater runoff, industrial or domestic wastewater discharges, oil and gas production, mining, or farming.
- (C) *Pesticides and herbicides*, which may come from a variety of sources such as agriculture, urban stormwater runoff, and residential uses.
- (D) *Organic chemical contaminants*, including synthetic and volatile organic chemicals, which are by-products of industrial processes and petroleum production, and can also come from gas stations, urban stormwater runoff, and septic systems.
- (E) *Radioactive contaminants*, which can be naturally-occurring or be the result of oil and gas production and mining activities.

In order to ensure that tap water is safe to drink, EPA prescribes regulations which limit the amount of certain contaminants in water provided by public water systems. FDA regulations establish limits for contaminants in bottled water which must provide the same protection for public health.

Drinking water, including bottled water, may reasonably be expected to contain at least small amounts of some contaminants. **The presence of contaminants does not necessarily indicate that the water poses a health risk. More information about contaminants and potential health effects can be obtained by calling the Environmental Protection Agency's Safe Drinking Water Hotline at 1-800-426-4791.**

MCLs are set at very stringent levels. To understand the possible health effects described for many regulated contaminants, a person would have to drink 2 liters of water every day at the MCL level for a lifetime to have a one-in-a-million chance of having the described health effect.

Some people may be more vulnerable to contaminants in drinking water than the general population. Immuno-compromised persons such as persons with cancer undergoing chemotherapy, persons who have undergone organ transplants, people with HIV/AIDS or other immune system disorders, some elderly, and infants can be particularly at risk from infections. These people should seek advice about drinking water from their health care providers. EPA/CDC guidelines on appropriate means to lessen the risk of infection by *Cryptosporidium* and other microbiological contaminants are available from the Safe Drinking Water Hotline (800-426-4791).

We at Pasco County Utilities would like for you to understand the efforts we make to continually improve the water treatment process and protect our water resources. We are committed to insuring the quality of your water. If you have any questions or concerns about the information provided, please feel free to call any of the numbers listed, or the Pasco County Utilities Department at (727) 847-8145. We encourage public participation in our community's decision affecting drinking water.

Regular Pasco County Commission meetings are held four (4) times a month either at 9:30 am or 6:30 pm. The meetings are held at one of the following locations:

West Pasco Government Center
Board Room
7530 Little Road
New Port Richey, FL 34654

Historic Pasco County Courthouse
Board Room
37918 Meridian Avenue
Dade City, FL 33525

Please call Public Information at (727) 847-8110 for date, time, and location of the meetings.

Attached, please find the monitoring requirements from Tampa Bay Water. For more information or questions concerning Tampa Bay Water's water quality, please call (813) 910-3297.



TAMPA BAY WATER
Wholesale Provider to Pasco, Hillsborough & Pinellas
2000 Report to Consumers on Water Quality
CYPRESS CREEK WATER TREATMENT PLANT

Dear Customer: We are pleased to present a summary of the quality of the water provided to you during the past year. The Safe Drinking Water Act (SDWA) requires that utilities issue an annual "Consumer Confidence" report to customers in addition to other notices that may be required by law. This report details where our water comes from, what it contains, and the risks our water testing and treatment are designed to prevent. Tampa Bay Water is committed to providing you with the safest and most reliable water supply. Informed consumers are our best allies in maintaining safe drinking water.

We encourage public interest and participation in our community's decisions affecting drinking water. Tampa Bay Water's Board of Director's meetings occur on the third Monday of each month, at 10:00 am at 2535 Landmark Drive Suite 211, Clearwater, FL 33761-3930. The public is welcome. Find out more about Tampa Bay Water on the Internet at www.tampabaywater.org.

Overview

Water Source

Tampa Bay Water's Cypress Creek Water Treatment Plant is supplied by groundwater pumped from 4 wellfields in the Tampa Bay area. All of our production wells take water from the Floridan Aquifer.

How to Read This Table

The table shows the results of our water-quality analyses. Every regulated contaminant that we detected in the water, even in the most minute traces, is listed here. The table contains the name of each substance, the highest level allowed by regulation (MCL); the ideal goals for public health, the amount detected, the usual sources of such contamination, footnotes explaining our findings, and a key to units of measurement. Definitions of MCL and MCLG are important.

Maximum Contaminant Level or MCL: The highest level of a contaminant that is allowed in drinking water. MCLs are set as close to the MCLGs as feasible using the best available treatment technology.

Maximum Contaminant Level Goal or MCLG: The level of a contaminant in drinking water below which there is no known or expected risk to health. MCLGs allow for a margin of safety.

Contaminant	Date Tested	Unit	MCL	PLG	Detected Level	Range	Major Sources	Violation
Inorganic Contaminants								
Lead (TAP)	8-30-00	ppb	AL= 15	0	10	No sample exceeded action level	Corrosion of household plumbing systems; Erosion of natural deposits	NO
Barium	2-22-00	ppb	2000	2000	18	0 - 18	Discharge of drilling wastes; Discharge from metal refineries; Erosion of natural deposits	NO
Arsenic	2-22-00	ppb	50		0.62	0 - 0.62	Erosion of natural deposits	NO
Cadmium	2-22-00	ppb	5		0.2	0 - 0.2	Discharge from metal refineries; Erosion of natural deposits	NO
Chromium	2-22-00	ppb	100		3.74	0 - 3.74	Discharge from metal refineries; Erosion of natural deposits	NO
Copper	2-22-00	ppb	100		2.17	0 - 2.17	Discharge from metal refineries; Erosion of natural deposits	NO
Selenium	2-22-00	ppb	50		0.54	0 - 0.54	Discharge from metal refineries; Erosion of natural deposits	NO
Thallium	2-22-00	ppb	2		0.39	0 - 0.39	Erosion of natural deposits	NO
Nitrate	2-22-00	ppm	10		0.06	0 - 0.06	Run-off from fertilizer use; Leaching from septic tanks, sewage; Erosion of natural deposits	NO
Copper (TAP)	8-30-00	ppm	AL= 1.3	NGE	0.904	No sample exceeded action level	Corrosion of household plumbing systems; Erosion of natural deposits; Leaching from wood preservations	NO
Fluoride	2-22-00	ppm	4	4	0.123	0 - 0.123	Erosions of natural deposits; Water additive which promotes strong teeth; Discharge from fertilizer and aluminum factories	NO
Sulfate	2-22-00	ppm	250	NGE	20.5	0 - 20.5	Erosion of natural deposits	NO
Disinfectant residual	11-23-00	ppm	NR	NGE	1.6	1.0 - 2.5	By-product of drinking water disinfection.	NO
Sodium	2-22-00	ppm	160	160	11.8	0 - 11.8	Erosion of natural deposits	NO
Total Dissolved Solids	2-22-00	ppm	500	NGE	262	0 - 262	Erosion of natural deposits	NO
Chloride	2-22-00	ppm	250	NGE	15.3	0 - 15.3	Erosion of natural deposits; Saltwater Intrusion	NO
Hardness	2-22-00	STD Units	6.5-8.5	NGE	7.91	7.4-8.4	Erosion of Natural Deposits	NO
Aluminum	2-22-00	ppm	0.2	NGE	0.00398	0 - 0.00398	Erosion of natural deposits	NO
Iron	2-22-00	ppm	0.3	NGE	0.0956	0 - 0.0956	Erosion of natural deposits	NO
Zinc	2-22-00	ppm	5	NGE	0.00217	0 - 0.00217	Erosion of natural deposits	NO
Manganese	2-22-00	ppm	0.050	NGE	0.0077	0 - 0.0077	Erosion of natural deposits; Saltwater Intrusion	NO
Silver	2-22-00	ppm	0.100	NGE	0.00008	0 - 0.00008	Erosion of Natural Deposits	NO
Radioactive Contaminants								
Alpha emitters	2-22-00	pCi/l	15	0	2.80	0 - 2.80	Erosion of natural deposits	NO
Volatile Organic Contaminants								
THMs Total	10-27-00	ppb	100	0	34.6	<0.5-34.6	By-product of drinking water chlorination	NO
Chloroform	2-22-00	ppb	NR	NGE	8.55	0 - 8.55	By-product of drinking water chlorination	NO
Dichlorobromomethane	2-22-00	ppb	NR	NGE	1.86	0 - 1.86	By-product of drinking water chlorination	NO

Key to Table:

"ND": means not detected and indicates that the substance was not found by laboratory analysis.

Action Level (AL): The concentration of a contaminant which, if exceeded, triggers treatment or other requirements which a water system must follow.

Parts per million (ppm) or Milligrams per liter (mg/l): one part by weight of analyte to 1 million parts by weight of the water sample.

Parts per billion (ppb) or Micrograms per liter (ug/l): one part by weight of analyte to 1 billion parts by weight of the water sample.

NGE: No Goal Established

mrem/year: millirems per year (a measure of radiation absorbed by the body)

pCi/l: picocuries per liter (a measure of radioactivity in the water)

NR: Not Regulated

PCU: platinum color units, a standard measure of color

Unregulated Contaminants

Tampa Bay Water tested for and did not detect *Cryptosporidium*.

Tampa Bay Water did not test for Radon

Required Additional Health Information

To ensure that tap water is safe to drink, EPA prescribes limits on the amount of certain contaminants in water provided by public water systems. FDA regulations establish limits for contaminants in bottled water.

Drinking water, including bottled water, may reasonably be expected to contain at least some small amounts of contaminants. The presence of these contaminants does not necessarily indicate that the water poses a health risk. More information about contaminants and potential health effects can be obtained by calling the Environmental Protection Agency's Safe Drinking Water Hotline (800-426-4791).

The sources of drinking water (both tap water and bottled water) include rivers, lakes, streams, ponds, reservoirs, springs and wells. As water travels over the surface of the land or through the ground, it dissolves naturally occurring minerals and radioactive material, and can pick-up substances resulting from the presence of animals or from human activity. Contaminants that may be present in source water include:

- (A) Microbial contaminants, such as viruses and bacteria, which may come from sewage treatment plants, septic systems, agricultural livestock operations, and wildlife.
- (B) Inorganic contaminants, such as salts and metals, which can be naturally-occurring or result from urban storm runoff, industrial or domestic wastewater discharges, oil and gas production, mining, or farming.
- (C) Pesticides and herbicides, which may come from a variety of sources such as agriculture, stormwater runoff, and residential uses.
- (D) Organic chemical contaminants, including synthetic and volatile organics, which are by-products of industrial processes and petroleum production, and can also come from gas stations, urban stormwater runoff and septic systems.
- (E) Radioactive contaminants, which can be naturally occurring or be the result of oil and gas production and mining activities. In order to ensure that tap water is safe to drink, EPA prescribes regulations that limit the amount of certain contaminants in water provided by public water systems. FDA regulations establish limits for contaminants in bottled water that must provide the same protection for public health.

Some people may be more vulnerable to contaminants in drinking water than is the general population. Immuno-compromised persons, such as persons with cancer undergoing chemotherapy, persons who have undergone organ transplants, people with HIV/AIDS or other immune system disorders, some elderly, and infants can be particularly at risk from infections. These people should seek advice regarding drinking water from their health care providers. EPA/CDC guidelines on appropriate means to lessen the risk of infection *Cryptosporidium* are available from the Safe Drinking Water Hotline (800-426-4791).

National Primary Drinking Water Regulation Compliance

This report was prepared by Tampa Bay Water. For more information, call Tampa Bay Water at (813) 910-3297.



Public Service Commission
-M-E-M-O-R-A-N-D-U-M-

DATE: August 8, 2001
TO: Richard T. Tucker, Assistant Director, Division of Economic Regulation
FROM: Ralph R. Jaeger, Senior Attorney, Division of Legal Services
RE: Letters of Parker Clemmons (dated July 26, 2001) and Vincent A. Krasinski (dated July 29, 2001) to Representative Mike Fasano, forwarded by his letter dated August 2, 2001

Attached are the three letters referenced above. Mr. Clemmons apparently had his water meter removed by Aloha Utilities, Inc., and was without service for approximately 24 hours. Could you please have your staff investigate and respond to both Mr. Clemmons and Mr. Krasinski, and copy Representative Fasano and Aloha Utilities, Inc. with your response?

cc: Parker Clemmons
Vincent A. Krasinski
Representative Mike Fasano
F. Marshall Deterding, Esquire
Office of Public Counsel (Burgess)
Division of CCA (Docket No. 010503-WU)

I:\memo-rt2rj

RECEIVED PSC
01 AUG - 8 PM 5:00
COMMISSION
CLERK



Florida House of Representatives

Majority Leader

Mike Fasano
Representative, 45th District

Reply to:

- 8217 Massachusetts Avenue
New Port Richey, FL 34653-3111
(727) 848-5885
fasano.mike@leg.state.fl.us
- 322 The Capitol
402 South Monroe Street
Tallahassee, FL 32399-1300
(850) 488-8528

August 2, 2001

Ralph Jaeger, Senior Attorney
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Dear Mr. Jaeger,

I received the attached correspondence from a constituent and his neighbor regarding Aloha Utilities. I would appreciate it very much if you would review these two letters and provide any assistance that may be possible.

Thank you in advance for your help. As always, if there is anything I can ever do for you please do not hesitate to contact me.

Yours truly,

A handwritten signature in black ink, appearing to read "Mike Fasano".

Mike Fasano
State Representative, District 45
Majority Leader

MF/gg

Attachments

cc: Parker Clemmons
Vincent Krasinski

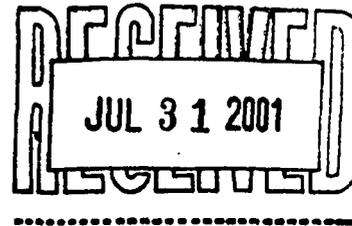
AUG - 8 2001

VINCENT A. KRASINSKI

**1801 Daylily Drive
New Port Richey, FL 34655
(727) 376-3547**

July 29, 2001

Mr. Mike Fasano, Representative
District 45
8217 Massachusetts Avenue
New Port Richey, FL 34653



Dear Mr. Fasano:

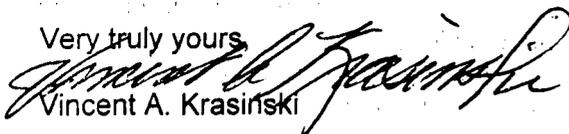
I am writing to you regarding an incident that occurred to my neighbor, Mr. Parker Clemmons. He resides at 1807 Daylily Drive, New Port Richey 34655. The incident took place on July 25th.

His water supply had been terminated my removal of the meter by Aloha Utilities, Inc. In my discussions with Mr. Clemmons, he related to me that he had overlooked paying his water bill for the previous month. When he was billed for the current billing period, the previous month's amount was combined to what he used this month. His bill for the combined amount was due on August 6th. Receipt of a bill like this would certainly indicate and imply that the customer would have until the 6th of August to pay the amount due. It would not indicate to me that my water supply could be terminated prior to that date. Mr. Clemmons called me around 6pm on the 25th to ask if I had an emergency phone number for Aloha Utilities. I looked at our bill and gave him the one listed as a 24 hour emergency number. It turned out to be the same number that he had been trying to reach and it is the same as their regular number. His only response to dialing that number was to hear a recorded message detailing Aloha's regular office hours. You can see that there is a misleading format to Aloha's bills. They first indicate that you have until August 6th to pay the amount due and then list an emergency phone number that simply gives you information relative to their office hours. Hardly responsive to Pasco County's residents. The following day, he was told by Aloha that they have no obligation to notify him that they will be terminating his water supply!

Mr. Clemmons has been my neighbor for the past two years. In that time, he has proven to me to be an honorable, hard working and trustworthy person. Moreover, he demonstrates strong family values and a generosity to all his neighbors. He and his family deserved better than what they received from Aloha. We all do! Mr. Clemmons has two small children living in the household. Water is a basic necessity of life. To be without it for a short time is an inconvenience to adults but it poses a real hardship when small children are involved. Failing to pay for the previous month's water bill was an oversight on Mr. Clemmons behalf. Curtailing his water supply was a calculated, insensitive action on behalf of Aloha Utilities.

As residents of this area, we have no choice other than to purchase our water from Aloha Utilities. We deserve better treatment than they provide. We deserve a better quality of water as well! I hope that there is something you can do to insure that this practice is changed and that we receive better service from our lone source of water. Thank you.

Very truly yours,


Vincent A. Krasinski

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

July 26, 2001

Dear Representative Fasano

I know you have had many concerns about the quality of service provided by Aloha Utilities to their customers. Here is another example of their total lack of concern for the people who must buy water from them.

On July 25th, we realized that we had no water in our house when we returned home from work. After checking out several things and making sure our neighbors had water, we discovered that the water meter to our home had been removed and the water shut off. We called Aloha, but they close at 4 PM and do not have any number for emergencies. Since we have two young children in the house, no water is an emergency.

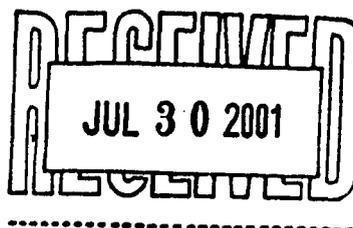
On July 26th I visited Aloha and they stated that the water was shut off, due to the fact that I had not paid the previous month's invoice. At no time did they attempt to call me or write stating that my water would be shut off if I did not pay by a certain date. They stated that they have no obligation to do this prior to shutting off service. My current invoice is due around August 6th and again there was no mention of a possible disruption in service.

Normally I do not like a lot of government involvement in business, With utilities however, customers have no choice who they receive service from. Something has to be done to keep this type of action from happening to other people. My current invoice has now been paid and they stated that the meter would be back in on the afternoon of August 26th meaning we will go without water for close to 24 hours.

Please feel free to contact me if you require additional information.

Thank You

Parker Clemmons
1807 Daylily Drive
New Port Richey, FL. 34655
727-372-5482





Public Service Commission

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

DATE: July 16, 2001
TO: Richard Tudor, Assistant Director, Division of Economic Regulation
FROM: Ralph Jaeger, Senior Attorney, Division of Legal Services
RE: June 23, 2001 letter of George F. Sedlacek forwarded by Representative Mike Fasano by letter dated July 9, 2001

Attached is the above-noted letter dated June 23, 2001 of Mr. Sedlacek for your appropriate action. I have also copied the Division of the Commission Clerk and Administrative Services for them to place in the correspondence side of Docket No. 010503-WU.

RRJ/lw

Attachment

cc: Division of the Commission Clerk and Administrative Services

i:\ecrmemo.rj



Florida House of Representatives
Majority Leader

Mike Fasano
Representative, 45th District

Reply to:

8217 Massachusetts Avenue
New Port Richey, FL 34653-3111
(727) 848-5885
fasano.mike@leg.state.fl.us

322 The Capitol
402 South Monroe Street
Tallahassee, FL 32399-1300
(850) 488-8528

July 9, 2001

Ralph Jaeger, Senior Attorney
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Dear Mr. Jaeger:

I received the attached correspondence from a constituent regarding Aloha Utilities. I would appreciate it very much if you would review this letter and provide any assistance that may be possible.

Thank you in advance for your help. As always, if there is anything I can ever do for you please do not hesitate to contact me.

Yours truly,

A handwritten signature in black ink, appearing to read "Mike Fasano".

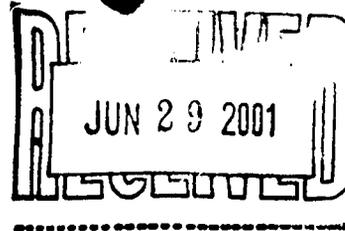
Mike Fasano
State Representative, District 45
Majority Leader

MF/gg

Attachment

cc: George Sedlacek

6/23/01



Dear Mike Fasano,

I'm with you. Someone is trying to hide something at Aloha Utilities. I can't believe someone is trying to blame their water problems on copper pipe. Copper for water service is the best you can buy. What or who are they trying to blame the build up of crud on the inside of the pipe on? It's their poor quality water running thru the pipes building up crud then finally breaking off when it gets too thick. I've only lived in Florida 8 months but I'm getting used to the smell of their water. When people come to visit they really notice the smell. I've drained my water heater 3 times so far and I can't believe the color and smell of the water coming out of it. Try to take a bath and the smell almost knocks you over, besides the particles of black that are collecting on the bottom of the tub. This home is only 6 years old and the water only runs 50 ft. thru copper pipe from the meter to the heater. Watford should have the spotlight put on his company. We used to be able to drink the water out of our tap in Illinois, no way here, which by the way, only cost 1/3 as much. Another expense for the water consumer, a filtering system that constantly needs filters or bottled water. And another thing about their water, unless it's softened, forget about using your automatic dish washer. I thought something was wrong with our dishwasher, until I realized the water softener wasn't working. Once repaired the dishes were clean again compared to the white haze they had on them before.

I'm glad I seen the article in the Suncoast News about this. I still can't believe someone is trying to gouge the consumers into thinking their copper pipes might be the problem. My sympathy to you for also being a Aloha customer.

May the force be with you,
George F. Sedlacek
Retired, Ameritech Telephone Co.
1464 Haverhill Dr.
New Port Richey, Fla. 34655

geovic2@juno.com



Department of Environmental Protection

ORIGINAL

Jeb Bush
Governor

Southwest District
3804 Coconut Palm Drive
Tampa, Florida 33619

David B. Struhs
Secretary

April 26, 2001

CONSUMER

Blanca S. Bayo, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0862

RECEIVED-FPSC
01 APR 30 PM 3:33
RECORDS AND REPORTING

010503-ww

RE: Aloha Utilities, Inc.
Establishing Residential Reuse Rate

Dear Ms. Bayo:

It is my understanding that Aloha Utilities, Inc. has recently requested that a flat rate be established for residential reuse service to its customers. The proposed rate is the same as the rate charged by Pasco County for this same service. Aloha Utilities has requested that the Department inform you that the great majority of systems within our Southwest District utilize a flat charge for residential reuse water service. Utilizing such a flat rate has worked well as, by its nature, it serves to encourage connection and unrestricted use, and because there are no meter installation costs imposed upon the residential customers. I believe that, until such time as the demand for reuse water exceeds available supply, a flat charge, rather than a consumption based charge, actually encourages the utilization of reuse services. This furthers the goals of the Department, the Utility and Commission, especially in these early stages of development of a reuse customer base.

If you have any questions, please contact Mr. Thomas Gucciardo or me at 813-744-6100, extensions 392 or 352, respectively.

Sincerely yours,

Deborah A. Getzoff
Director of District Management
Southwest District

DAG/tg

Cc: Steve Watford, Aloha Utilities
John Jenkins, Aloha Utilities, attorney
David York, DEP Reuse Coordinator
Thomas Gucciardo, DEP

- APP _____
- CAF _____
- CMP _____
- COM _____
- CTR _____
- ECR Truett
- LEG +
- OPC _____
- PAI _____
- RGO _____
- SEC _____
- SER _____
- OTH _____

DOCUMENT NUMBER-DATE
09792 OCT 26 01
FPSC-COMMISSION CLERK

00 DEC -8 AM 9:04

December 13, 2000

MAIL ROOM

Director
Division of Records & Reporting
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

RECEIVED-FPSC
00 DEC -8 AM 10:22
RECORDS AND
REPORTING

Dear Sirs:

The notice we received in our water bill is informing us that the water company is asking for extension of its service area.

There is a lot of people already unhappy with our water service. Especially with the water pressure. My understanding was that when the water company was sold to the present owners, they were going to enlarge the water main lines to give us better water pressure.

If you are going to approve any extension of service area, I would hope you would consider the plight of the people already getting bad service, and include enlarging the water mains to us.

Thank you for considering us in your decision.

I would also appreciate any information you can give us regarding this application and also any information about agreements to the prior sale of the Water company to Aquasource.

Thank You

Sincerely

Larry Truckermiller
11200 U. S. 27 South, #31
Sebring, FL 33876

Director _____
Asst. Dir. _____
G.M. _____
C.O. _____
C.R. _____
E.C.R. *Truckermiller*
L.E.G. _____
O.P.C. _____
P.A.I. _____
R.G.O. _____
S.E.C. _____
S.E.R. _____
O.T.H. _____

010503

RECEIVED - FPSC
00 DEC - 6 AM 10: 00

RECORDS AND
REPORTING
DEC 6 1998

TO : PSC COMMISSIONERS
RE: ALOHA UTILITIES

IT WOULD BE A GROSS MISCARRIAGE OF JUSTICE, IF ALOHA UTILITIES ARE ALLOWED TO RAISE THEIR RATES, IN ANY WAY, UNTIL THEY PROVIDE A SERVICE THAT IS FIT FOR HUMAN CONSUMPTION.

I HAVE HAD THE MISFORTUNE TO HAVE TO ACCEPT THEIR WATER SINCE JUNE OF 1993. AT THIS TIME, I HAD A HOUSE BUILT, AND FROM THE FIRST DAY, MY FAMILY AND I WERE SUBJECTED TO GETTING DIRTY WATER, AND ON NUMEROUS OCCASIONS, THE ODOR EMANATING FROM THE WATER WAS SICKENING.

WHEN WE TOOK SHOWERS, AND DRIED OFF, OUR TOWELS WOULD BE STAINED BROWN AND BLACK. OUR COMPLAINTS TO ALOHA WERE IGNORED.

I SOLD THIS HOUSE AND HAD ANOTHER HOME BUILT, ABOUT A MILE AWAY (IN AUGUST 1998), AFTER BEING TOLD THAT THE PROBLEMS ASSOCIATED WITH THE WATER WERE BEING RESOLVED.

MUCH TO MY DISMAY, THIS WAS AN OUTRIGHT LIE.

APP THE WATER SUPPLY AT THIS POINT IS EVEN WORSE
 CAF THAN IN MY PRIOR HOME. THE WATER COMES OUT
 CMP BLACK, SMELLY, DIRTYING THE GROUT ON MY TILES,
 COM OUR CLOTHING HAS TO BE WASHED 2 AND 3 TIMES TO
 CTR GET THEM CLEANED, THE WATER STILL SMELLS AND
 ECR IS NOT FIT TO DRINK, (WE PURCHASE BOTTLED WATER
 LEG FOR DRINKING AND COOKING), AND IS A HUGE EXPENSE
 OPC FOR SOMETHING NOT BEING USED.
 PAI
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 SEC
 SER
 OTH

WE ARE IN THE PROCESS OF SHOWERING, AND JUST AS YOU THINK YOU ARE DONE, YOU GET BLACK WATER, CAUSING YOU TO SHOWER AGAIN, TO REMOVE THE DIRT AND SMELL FROM YOUR HAIR AND BODY. THIS ALSO OCCURS WHEN DOING THE LAUNDRY.

THIS MEANS WE ARE PAYING 2 AND 3 TIMES FOR WATER NOT DOING THE JOB FOR US, AND IN THE PROCESS, PAYING FOR 2 AND 3 TIMES AN AMOUNT FOR WASTE-WATER THROUGH NO FAULT OF OURS. THIS IS A VERY EXPENSIVE PROCEDURE.

IF A COMPANY IS PROVIDING A SERVICE OR SUPPLYING A PRODUCT, THEY MUST BE MADE ACCOUNTABLE TO MAKING SURE THE PRODUCT IS PROPERLY ADMINISTERED OR PERFORMING, OR BEING DENIED A LICENSE OR THE RIGHT TO STAY IN BUSINESS.

ALOHA'S CONTENTION THAT THE CAUSE OF THE PROBLEM IS COPPER PIPING, IS AN OUTRAGE. I CAME HERE FROM N.J., AND ALWAYS HAD COPPER PIPING WITHOUT ANY PROBLEMS, AND I HAD PVC IN MY OTHER HOUSE, NOT WITHSTANDING THE FACT THAT THE PROBLEM WAS THERE FROM DAY ONE, IN 2 NEW HOMES.

ALSO, MY SON WHO IS LIVING IN N.J., AND WORKS FOR THE TOWN'S WATER DEPT., HANDLING THERE OWN RESERVOIR, HAS NO PROBLEMS WITH THE WATER SUPPLY.

ALSO, REGARDING ALOHA'S CONTENTION THAT US CONSUMERS SHOULD PAY MORE FOR WATER TO HELP PAY FOR THEIR MOVE, IS ASININE. NOBODY HAS GIVEN ME ANY MONETARY HELP FOR MY MOVES, NOR ANY RETURN FOR MY PAYMENTS ON THE WATER THAT IS WASTED BECAUSE IT IS UNFIT.

THEY OWN THE BUSINESS, AND SHOULD NOT EXPECT US CONSUMERS TO PAY FOR THEIR MISDEEDS, POOR MANAGEMENT, AND THE FACT THAT THEY WANT TO PURCHASE A BUILDING FOR THEIR BUSINESS.

THESE PEOPLE HAVE NOT BEEN HONEST WITH THE CONSUMERS OR THE COMMISSION, AND SHOULD BE HELD ACCOUNTABLE.

PLEASE THINK ABOUT HOW MANY CONSUMERS HAVE BEEN HURT BY ACOHA'S NEGLIGENCE, POOR SERVICE AND ATTITUDE, AND RELUCTANCE TO COOPERATE.

THANK YOU!

SINCERELY,

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