

State of Florida



# Public Service Commission

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

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**DATE:** June 18, 2002  
**TO:** Division of the Commission Clerk and Administrative Services  
**FROM:** Office of the General Counsel (Gervasi) *RG*  
**RE:** Docket No. 020413-SU - Initiation of show cause proceedings against Aloha Utilities, Inc. in Pasco County for failure to charge approved service availability charges, in violation of Order No. PSC-01-0326-FOF-SU and Section 367.091, Florida Statutes.

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Please file the attached letter from Suzanne Brownless, Esquire, dated May 30, 2002, in the docket file for the above-referenced docket.

RG/dm

cc: Division of Economic Regulation (Fletcher, Merchant, Willis)

I:\020413fm rg

DOCUMENT NUMBER DATE

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FPSC - COMMISSION CLERK

SUZANNE BROWNLESS, P. A.

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ATTORNEY AT LAW  
1975 Buford Boulevard  
Tallahassee, Florida 32308

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ADMINISTRATIVE LAW  
GOVERNMENTAL LAW  
PUBLIC UTILITY LAW

FLA PUBLIC SERVICE COMM.  
OFFICE OF THE  
GENERAL COUNSEL

TELEPHONE (850) 877-5200  
TELECOPIER (850) 878-0090

May 30, 2002

VIA HAND DELIVERY

Harold McLean, General Counsel  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, Florida 32399-0850

RE: Docket No. 020413-SU  
Initiation of Show Cause proceedings against Aloha  
Utilities, Inc. for failure to charge approved service  
availability charges in violation of Order No. PSC-01-  
0326-FOF-SU and Section 367.091, Florida Statutes

Dear Harold:

As we discussed yesterday, Aloha Utilities, Inc. has spoken with its largest developers, Trinity Communities and Thousand Oaks Development regarding a settlement of the show cause involving Aloha's failure to charge the wastewater service availability charges set in Order No. PSC-01-0326-FOF-SU.

Based upon these discussions Aloha offers the following settlement terms:

1. The service availability tariff will be effective April 16, 2002 the date that developers received notice of the increased service availability charge in accord with Staff's position in its May 15th recommendation.
2. Developers and builders requesting connection to Aloha's wastewater system will not be required to pay the new service availability charges for connections made before April 16, 2002. For all connections made after April 16, 2002, the new service availability charges will be in effect.
3. Aloha will agree to pay a fine of \$2,500.00, pursuant to Section 367.161, Florida Statutes, for failure to file the appropriate service availability tariff on May 23, 2001 due to an oversight on behalf of the utility.
4. No further penalties or adjustments to rate base or CIAC will be assessed or made associated with this matter.

Harold McLean, General Counsel  
May 30, 2002  
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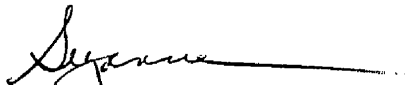
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5. The major developers listed above, which comprise a majority of the homes being developed in Aloha's service territory, will be signatories to this settlement agreement.
6. The settlement agreement will become effective only upon approval of the settlement agreement, without any modifications, by the Florida Public Service Commission.

Given the unusual facts of this case, Aloha believes that the foregoing terms represent a fair and equitable resolution to this case.

I look forward to discussing this settlement offer, and the facts that support it, Thursday, May 30, 2002 at 3:30 p.m. in your office. Should you have any questions prior to that time, please contact me.

Very truly yours,



Suzanne Brownless  
Attorney for Aloha Utilities, Inc.

c: 3589  
cc: Stephen Watford