

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

**ALOHA UTILITIES, INC.,**

**Petitioner,**

**PSC Docket No. 010503-WU**

**v.**

**FLORIDA PUBLIC SERVICE  
COMMISSION,**

**Respondent.**

---

**MOTION TO MODIFY REQUIREMENTS  
OF ORDER NUMBER PSC-02-0593-FOF-WU**

COMES NOW, ALOHA UTILITIES, INC., (“Aloha,” or the “Utility”) and files this Petition pursuant to the provisions of Rule 28-106.204 to Modify the Requirements of Order No. PSC-02-0593-FOF-WU issued on April 30, 2002 and in support thereof states as follows:

1. The fourth ordering paragraph of Order No. PSC-02-0593-FOF-WU provided as follows:

“Ordered that Aloha Utilities, Inc. shall make improvements to wells 8 and 9, and then to all of its wells, to implement a treatment process designed to remove at least 98% of the hydrogen sulfide in its raw water. Such improvements to all of Aloha’s Seven Springs water system shall be placed in service by no later than December 31, 2003.”

2. Order No. PSC-02-0593-FOF-WU also required in the fifth ordering paragraph that:

“Ordered that Aloha Utilities, Inc. shall submit a plan within ninety days of the date of this Final Order showing how it intends to comply with our requirement to remove hydrogen sulfide.”

3. Aloha submitted the report required by the fifth ordering paragraph of Order No.

PSC-02-0593-FOF-WU on October 18, 2002.

4. It was noted in that report that achieving the “98% removal” standard set within the Order is at best very expensive, and at worst, impossible, depending upon interpretation of those requirements.

By letter dated July 23, 2003 (attached hereto as **Exhibit “A”**), the Office of Public Counsel submitted a letter to the Public Service Commission stating that the Citizens agree that the 98% removal requirement should be removed and replaced with other standards. That letter specifically notes that the maximum total sulfide standard of 0.1 mg/l in the finished water, which is the standard utilized by the Tampa Bay Water Authority (f/k/a West Coast Regional Water Supply Authority) for its water supplies to its member governments.

5. While Aloha continues to work with the expert originally hired by the Citizens to review possible additional treatment alternatives and intends to move forward with the recommendation of Dr. Levine to implement one of these appropriate additional treatment options, the Utility believes that the Commission should simply modify Order No. PSC-02-0593-FOF-WU to eliminate the 98% removal requirement as unreasonable and/or inappropriate, and that the standard provided by the Tampa Bay Water Authority (f/k/a West Count Regional Water Supply Authority) should be adopted in its place, including the testing requirements required to maintain such compliance. Attached hereto as “Exhibit B” is the supplemental water quality parameters implemented by that entity for the provision of water to its member governments. All such modified requirements should be effective by the revised deadline imposed by Order No. PSC-03-1157-PCO-WU issued on October 20, 2003 in this docket.

WHEREFORE, Aloha proposes that the language in the fourth ordering paragraph of Order No. PSC-02-0593-FOF-WU should be revised to read as follows:

“Ordered that Aloha Utilities, Inc. shall make improvements to its wells 8 and 9 and then to all of its wells as needed to meet a goal of 0.1 mg/l of sulfides in its finished water as that water leaves the treatment facilities of the Utility. Compliance with such requirement shall be determined based upon samples taken at least annually from a point of connection just after all treatment systems and before entry of such water into the transmission and distribution system of the Utility. Aloha should implement this standard no later than February 12, 2005.”

Respectfully submitted this 9<sup>th</sup> day of June, 2004.



F. MARSHALL DETERDING  
Rose, Sundstrom, & Bentley, LLP  
2548 Blirstone Pines Drive  
Tallahassee, FL 32301  
(850) 877-6555

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished via facsimile or (\*) U.S. Mail to the following on this 9<sup>th</sup> day of June, 2004:

Ralph Jaeger, Esquire\*  
Division of Legal Services  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0873

Edward O. Wood (Via U.S. Mail)  
1043 Daleside Lane  
New Port Richey, FL 34655-4293

Margaret Lytle, Esquire\*  
S.W. Florida Water Management District  
2379 Broad Street  
Brooksville, FL 34604-6899

Stephen C. Burgess, Esq.\*  
Deputy Public Counsel  
Office of Public Counsel  
111 Madison Street  
Tallahassee, FL 32399-1400

Representative Mike Fasano\*  
8217 Massachusetts Ave.  
New Port Richey, FL 34653



F. MARSHALL DETERDING





JACK SHREVE  
PUBLIC COUNSEL

**STATE OF FLORIDA**  
**OFFICE OF THE PUBLIC COUNSEL**

c/o The Florida Legislature  
111 West Madison St.  
Room 812  
Tallahassee, Florida 32399-1400  
850-488-9330

July 23, 2003

Marshall Willis  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0350

Dear Marshall:

It is my understanding that for practical reasons, Aloha Utilities is seeking to have the Commission amend some of the requirements of Order No. PSC-02-0593-FOF-WU. Specifically, Aloha seeks to change: (1) the current deadline for completion of the removal projects for wells 8 and 9; (2) the requirement that the utility begin planning removal projects for wells 1-7; and (3) the requirement that 98% of the hydrogen sulfide be removed from all sources of raw water. I have been in touch with Aloha's Citizens' Advisory Committee and can report their position on these three issues.

As to the deadline for completing all remedial additions to wells 8 and 9, the customers want and expect to have a voice in the determination of which changes should be made. As the Commission is aware, the Advisory Committee is involved in an audit being performed by Dr. Levine of the University of South Florida. Until Dr. Levine's audit findings have been completed, the Advisory Committee cannot reach a conclusion as to the proper remedial actions for wells 8 and 9. As a result, the Advisory Committee strongly advises that Aloha refrain from expending any significant amount of funds to reduce hydrogen sulfide levels at wells 8 and 9, until the Citizens' audit is complete. The Advisory Committee is aware that this position may require that the current deadline be adjusted. The Advisory Committee does not object to an appropriate adjustment of the deadline date.

The Advisory Committee also believes that any remedial actions should first be implemented on wells 8 and 9 only. After an analysis of the results on those two wells, a decision on the remaining seven wells would be in order. This approach means that, for the present, Aloha should not expend any money for changes to wells 1 through 7.

As to the 98% removal requirement, the Advisory Committee agrees that this standard should be removed, and replaced with other standards. Rather than a percentage removal, the standard(s) should focus on the level to be attained. One such standard is a maximum total sulfide level of 0.1

03 JUL 21 9:59  
CALIFORNIA



Marshall Willis  
July 23, 2003  
Page 2

mg/L in the "finished water." This performance standard is applied by the West Coast Regional Water Supply Authority for the water it supplies to its member governments. Additional standards may also be appropriate, depending on the final audit findings. Until the final audit report, however, no other measurable standards can be specified.

One further concern needs to be discussed and clarified. It is Aloha that is seeking to amend these three areas which have withstood an appellate challenge to their legitimacy. The Citizens successfully fought alongside the PSC to assure that Order No. 0593 was upheld. The customers' current willingness to join Aloha in requesting these three amendments, therefore, demonstrates a spirit of extreme cooperation. In return, the customers expect Aloha's full cooperation with Dr. Levine in any sampling or data gathering she may need to undertake. I am sure you agree that with their show of good faith, the customers are entitled to reciprocation.

I hope this letter clarifies our position on the three areas in which Aloha seeks to amend Order No. 0593.

Sincerely,



Stephen C. Burgess  
Deputy Public Counsel

SCB/dsb

cc: Marty Deterding, Esquire

**EXHIBIT D**

**SUPPLEMENTAL WATER QUALITY PARAMETERS**

Water supplied from the Authority's System shall be sampled annually at a minimum, at the Point(s) of Connection for the following parameters. The Quality Water definition and the supplemental parameters listed below define the water quality to be provided by the Authority:

| <u>Contaminant</u> | <u>Goal</u>                                  |
|--------------------|--|
| Sulfides           | 0.1 mg/l                                     |
| Total Hardness     | 300 mg/l as CaCO <sub>3</sub>                |
| Alkalinity         | 40 mg/l as CaCO <sub>3</sub> (minimum value) |

Note: Supplemental parameters are not currently included in S.F.D.E.P. 62-550.

The results of the annual sampling program shall be provided to all the Member Governments in a report format. The cost of the annual sampling program shall be borne by the Authority as an Operation, Maintenance and Administrative Cost to be shared equitably among its Members. In the event that the annual sampling program indicates the maximum contaminant level from the table is exceeded for one or more parameter, the Authority shall follow the retesting and mitigative measures currently defined in State and Federal regulations.

Within 60 days of February 23, 1998, or the next following regularly scheduled meeting of the Authority's Board of Directors, the Authority and Member Governments shall propose a list of a minimum of 19 Supplemental Water Quality parameters and assigned levels for Board approval. Such list, when approved by the Board, shall supplement this Exhibit D. Any Member Government that does not concur with the amended list of parameters or their assigned levels, shall be entitled to seek relief by the arbitration process established in Section 19 of the Contract. The standards for the arbitration process shall be:

1. Whether cost-effective alternative water supplies can be developed consistent with Master Water Plan objectives, including diversity of supply sources, and
2. Whether Quality Water delivered by the Authority would not cause a particular Member Government utility to adopt new treatment techniques beyond modified chemical dosages and/or optimization of existing unit processes, to meet a moderately altered source of Quality Water.



In the event that a Member Government requests sampling for additional parameters or an increase in sampling frequency, the cost associated with the sampling will be borne solely by that Member Government and not by the Authority. If scheduling permits, the Authority may provide the sampling services at cost to the Member Government, or the Member Government may perform the additional testing.

Sampling shall be conducted in accordance with the procedures defined in the current regulations for the Primary and Secondary Drinking Water Standards and/or according to Standard Methods, latest edition, for those parameters for which testing procedures are not defined in the regulations.

The Authority shall evaluate each new supply element to ensure that:

1. Quality Water is provided that at a minimum, meets all Federal and State drinking water quality standards with the exception of corrosion control and disinfection so as to protect public health and safety and provide water as aesthetically-pleasing as is currently supplied.
2. Individual Member Governments will continue to provide additional treatment to meet their individual utility-specific water quality goals and customer expectations for level of service.
3. Member Governments, acting through the Authority, may provide for common water quality goal-related elective standards more stringent than Federal and State drinking water standards, and.
4. Cost-effective alternative water supplies are developed consistent with Master Water Plan objectives, including diversity of supply sources, and
5. Quality Water delivered by the Authority would not cause a particular Member Government utility to adopt new treatment techniques beyond modified chemical dosages and/or optimization of existing unit processes, to meet a moderately altered source of Quality Water.

Prior to the initiation of any new supply element, a formal review against the criteria set forth above shall be performed by the Authority to evaluate anticipated finished water quality, impacts to existing system water supply quality, and impacts to current member government-specific water treatment practices and costs. This review shall include the presentation of an anticipated raw water operating schedule that defines for each individual Member Government the predominant raw water source, potential significant additional raw water sources, water quality parameters and anticipated levels, and frequency of significant water quality changes.