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**DATE:** August 17, 2004  
**TO:** Blanca S. Bayó, Commission Clerk and Administrative Services Director  
**FROM:** Rosanne Gervasi, Senior Attorney, Office of the General Counsel *RG*  
**RE:** Docket No. 020896-WS

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Please file the attached correspondence in the above-referenced docket file.

RG/mrd  
Attachment

- CMP \_\_\_\_\_
- COM \_\_\_\_\_
- CTR \_\_\_\_\_
- ECR \_\_\_\_\_
- GCL \_\_\_\_\_
- OPC \_\_\_\_\_
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- OTH \_\_\_\_\_

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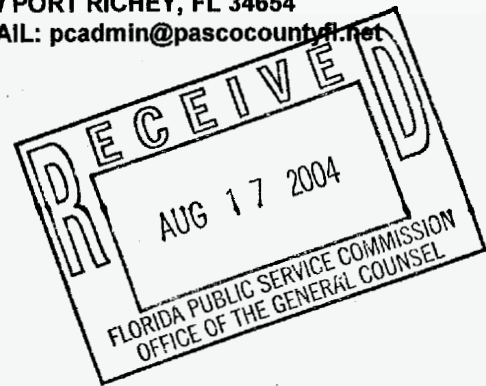
# PASCO COUNTY, FLORIDA

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COUNTY ADMINISTRATOR'S OFFICE  
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NEW PORT RICHEY, FL 34654  
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August 10, 2004

Roseanne Gervasi, Senior Attorney, and  
John Williams, Senior Analyst  
Office of the General Council  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, FL 32399-0863



RE: Docket #020896-WS–Petition by customers of Aloha Utilities, Inc. for deletion of portion of territory in Seven Springs area in Pasco County–Response to Second Data Request

Dear Ms. Gervasi:

Please accept this letter as Pasco County's response to your July 21, 2004, letter. We are pleased to be able to provide information that may assist the Florida Public Service Commission (FPSC) in a resolving a matter important to the citizens of Pasco County.

For clarity, we have quoted your questions in italics below, followed by our response.

*Question 1: Does the County intend to seek to intervene in the Commission's deletion proceeding for the purpose of putting on evidence concerning the feasibility of, and costs involved in, the County providing service to the portion of Aloha's service territory in question in the event that a court ordered sale or lease to the County results from a Commission order granting the deletion petitions?*

Answer: No. Although this matter is important to the County and its citizens, the County must remain sensitive to the fact that if any other utility provider participated in the PSC's proceedings such participation could be construed as competing for Aloha's customers. Accordingly, intervening in the FPSC's deletion proceeding would not be appropriate and may subject the County to liability. That being said, we recognize that Pasco County Utilities is the only water utility service provider that is adjacent to, and has infrastructure in place near Aloha's Seven Springs water service area. Further, we understand that the FPSC in connection with the deletion proceeding needs to determine the feasibility of and costs involved, if the County were to provide service to the portion of Aloha's service territory in question. However, for the reasons stated above, it would not be appropriate for the County to do such an

investigation unless it was in connection with negotiations with Aloha to purchase the system or portions of its system or in connection with a potential bid to purchase by the County pursuant to a court ordered sale by a receiver. However, Pasco County will provide the PSC any information it needs regarding the County's system so that the PSC or its consultants can determine the feasibility and costs involved.

*Question 2: If the County chooses not to seek to intervene as a full party to the Commission's deletion proceeding, would the County be willing to respond to interrogatories propounded by parties to the case concerning the feasibility of, and costs involved in, the customers at issue receiving service from the County in the event that a court ordered sale to the County results from a Commission order granting the deletion petitions? (Under the Commission's discovery rules, non-parties can be deposed and can be required to respond to document production requests.)*

Answer: No, for the reasons set forth in our answer to Question 1. However, Pasco County will provide the PSC any information it needs regarding the County's system so that the PSC or its consultants can determine the feasibility and costs involved.

*Question 3: Section 367.165(2), Florida Statutes, requires a county to petition the circuit court for the appointment of a receiver in the event of an abandonment or placement into receivership of a utility. Does the County have an ordinance or charter in place authorizing or obligating the County to provide water service when another water utility located within the County limits abandons the utility or ceases to provide adequate service to its customers?*

Answer: No. However, the County would comply with Section 367.165(2), Florida Statutes, and petition the circuit court for the appointment of a receiver in the event that a utility in the county is abandoned or placed into receivership.

*Question 4: Is such authorization or obligation contained in the County Comprehensive Plan?*

Answer: No.

*Question 5: Upon receipt of information delineating the specific service area in question, will the County be willing to undertake a hydraulic modeling analysis to determine line capacities and prepare a preliminary design of line extensions or any necessary upgrades of its existing lines to the service area in question so that the Commission can consider this information in determining whether to grant the deletion petitions?*

Answer: No, for the reasons set forth in our answer to Question 1, and because the County has no right to provide service to Aloha's customers and to take any action that could be construed as planning to serve its customers would be improper and may subject the County to liability. However, Pasco County will provide the PSC any information it needs regarding the County's system so that the PSC or its consultants can undertake a hydraulic modeling analysis and prepare a preliminary design.

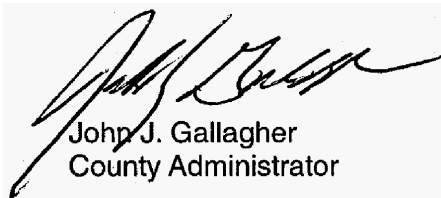
Roseanne Gervasi, Senior Attorney, and  
John Williams, Senior Analyst  
August 10, 2004  
Page 3

Question 6: *If so, what information would the County need from Aloha in order to perform such a hydraulic modeling analysis?*

Answer: N/A.

If you have any comments or additional questions, please contact us.

Sincerely,



John J. Gallagher  
County Administrator

JJG/ab

cc: Pasco County Board of County Commissioners  
The Honorable Michael Fasano, Senator, Florida Senate, 8217 Massachusetts Avenue,  
**New Port Richey, FL 34653**  
Steve Watford, Aloha Utilities, Inc., 6915 Perrine Ranch Road, New Port Richey, FL 34655  
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Robert D. Sumner, County Attorney