BEFORE THE PUBLIC SERVICE COMMISSION

| In re: Petition by customers of Aloha Utilities, | |
|---|---|
| Inc. for deletion of portion of territory in Seven | |
| Springs area in Pasco County. | |
| In re: Application for increase in water rates for Seven Springs System in Pasco County by | DOCKET NO. 010503-WU ORDER NO. PSC-04-0831-CO-WS |
| for Seven Springs System in Pasco County by Aloha Utilities, Inc. | ISSUED: August 25, 2004 |

CONSUMMATING ORDER

BY THE COMMISSION:

By Order No. PSC-04-0712-PAA-WS, issued July 20, 2004, this Commission, among other things, proposed to modify the fourth ordering paragraph of Order No. PSC-02-0593-FOF-WU, issued April 30, 2002, in Docket No. 010503-WU (rate case order), to require Aloha Utilities, Inc. (Aloha or utility) to

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 in to the transmission and distribution system of the utility. Aloha shall implement this standard no later than February 12, 2005.¹

The proposed action to modify Order No. PSC-02-0593-FOF-WU was made subject to a Petition for Formal Proceeding as provided in Rule 25-22.029, Florida Administrative Code.

On August 9, 2004, V. Abraham Kurien, M.D., Harry Hawcroft, and Ed Wood, individually and collectively filed a Petition Requesting Hearing Pursuant to Section 120.57(1), Florida Statutes, and Protest of Proposed Agency Action (Petition), pursuant to Rules 25-22.029 and 28-106.201, Florida Administrative Code. The Petition does not protest the proposed decision to modify the rate case order to the extent that Aloha is thereby required to 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, which is the standard used by the Tampa Bay Water Authority (TBW), a wholesale water supplier in the area. Nor does the Petition protest the

¹ The fourth ordering paragraph of Order No. PSC-02-0593-FOF-WU requires that Aloha "make improvements to Wells Nos. 8 and 9, and then to all its wells, to implement a treatment process designed to remove at least 98 percent of the hydrogen sulfide in its raw water. Such improvements to all of Aloha's Seven Springs water system shall be placed into service by no later than December 31, 2003." As a result of a stay pending appeal, this date was extended to February 12, 2005.

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proposed deadline of February 12, 2005, by which the TBW standard shall be implemented. The Petition does protest the proposed requirement of Order No. PSC-04-0712-PAA-WS that Aloha meet the TBW standard as that water leaves the treatment facilities of the utility. Moreover, the Petition protests the methodology upon which compliance with the TBW standard shall be determined.

Accordingly, Order No. PSC-04-0712-PAA-WS can become final as to the modification of the fourth ordering paragraph of the rate case order to the extent that such modification eliminates the 98% removal requirement and requires Aloha to 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, and requires Aloha to implement this standard by no later than February 12, 2005.

It is therefore,

ORDERED by the Florida Public Service Commission that Order No. PSC-04-0712-PAA-WS has become final and effective to the extent that it eliminates the 98% removal requirement and modifies the fourth ordering paragraph of Order No. PSC-02-0593-FOF-WS to read 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. Aloha shall implement this standard no later than February 12, 2005." It is further

ORDERED that Docket No. 010503-WU shall remain open pending resolution of the Protest to portions of Order No. PSC-04-0712-PAA-WS, including the methodologies for determining compliance with the revised standard and the location at which compliance is measured. It is further

ORDERED that Docket No. 020896-WS shall remain open pending resolution of the Petitions for deletion of territory.

By ORDER of the Florida Public Service Commission this 25th day of August, 2004.

BLANCA S. BAYÓ, Director Division of the Commission Clerk and Administrative Services

By:

Kay Jup Kay Flynn, Chief

Kay Flynh, Chief Bureau of Records

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any judicial review of Commission orders that is available pursuant to Section 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water and/or wastewater utility by filing a notice of appeal with the Director, Division of the Commission Clerk and Administrative Services and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.