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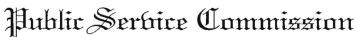
STATE OF FLORIDA



TIMOTHY DEVLIN, DIRECTOR DIVISION OF ECONOMIC REGULATION (850) 413-6900

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September 1, 2004

Dr. Christine Owen Tampa Bay Water Authority 2535 Landmark Drive, Suite 211 Clearwater, FL 33761

Re: Docket No. 020896-WS; Petition by customers of Aloha Utilities, Inc. for deletion of territory in the Seven Springs area in Pasco County

Docket No. 010503-WU; Application for increase in water rates for Seven Springs system in Pasco County by Aloha Utilities

Dear Dr. Owen:

CMP

Thank you for speaking with me last month about Tampa Bay Water's source water, specifically the source water that might be provided to Pasco County, and ultimately to the private utility Aloha Utilities, Inc. (Aloha) through a bulk sale agreement in that County. My understanding is that treated water, rather than raw water, will be provided to Aloha by Pasco County to help meet the demands of Aloha's customers. As we had discussed, Aloha has experienced elevations in hydrogen sulfide concentrations in its wells which have contributed to incidences of black water in customers' homes.

We are interested in knowing the level of hydrogen sulfide that might be contained in the bulk water sales to Aloha Utilities. It is our understanding that it is Tampa Bay Water's goal that treated water provided by Tampa Bay Water meet a goal (not a standard) of not more than 0.1 mg/L of hydrogen sulfide. We have several questions related to that goal.

COM		1.	What treatment technology does Tampa Bay Water use, and does it prevent the occurrence of black water?
CTR			
ECR		2.	Why did Tampa Bay Water choose the methodology now being used?
GCL		3.	What other treatment methodologies were considered?
OPC		4	
MMS		4.	What caused Tampa Bay Water to set this 0.1 mg/L of hydrogen sulfide as a goal?
RCA		5.	How long has this goal been in effect?
SCR		6.	Has Tampa Bay Water been successful in achieving this goal on a consistent basis? If not, at what locations has this goal not been met? Approximately how many times has the goal not been met?
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- 7. What events have, or might cause this goal not to be met?
- 8. What steps would Tampa Bay take to achieve the goal should the water provided fail to meet 0.1 mg/L hydrogen sulfide goal?
- 9. At what point(s) in the transmission system does Tampa Bay gather samples to measure conformance with this goal?
- 10. Does Tampa Bay Water serve any non-governmental customers? For Tampa Bay Water's end-use customers, at what point is the 0.1 mg/L goal measured?
- 11. Is the goal of 0.1 mg/L stated in wholesale contracts?
- 12. If the goal is not met, are there penalties associated with failure to meet the goal such as rebates to customers?
- 13. Would Tampa Bay Water's obligation be different for a private utility like Aloha, as opposed to another governmental entity?
- 14. Does Tampa Bay Water notify the DEP if it fails to meet the 0.1 mg/L goal? If so, what has been the DEP's response to those notifications?
- 15. Did Tampa Bay Water consider treating its source water with hydrogen peroxide for hydrogen sulfide reduction? If so, please explain why this methodology was chosen or rejected.

A response to these questions will assist the Public Service Commission staff in our evaluation of customer concerns about the quality of water service in the Aloha service area. Again, thank you for taking the time to speaking with me, and for your response to this letter.

Sincerely,

Tuomas Muean

Thomas Walden Engineer

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Commission Clerk and Administrative Services u cc: Aloha Utilities, Inc. Mr. Harry Hawcroft John H. Gaul, Ph.D. V. Abraham Kurien, M.D. Mr. Edward O. Wood Representative Mike Fasano F. Marshall Deterding, Esquire Charles Beck, Esquire Office of the Attorney General Southwest Florida Water Management District