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August 25, 1999

VIA HAND DELIVERY

ROBERT M. C. ROSE
OF COUNSEL

Blanca S. Bayo, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

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RECORDS AND REPORTING

Re: Aloha Utilities, Inc.;
PSC Docket No. 990940-WS; Additional Information for
Application for Amendment of Water and Wastewater Certificates
Our File No. 26038.29

Dear Ms. Bayo:

This letter is in response to the Public Service Commission's ("PSC") request for additional information dated July 23, 1999 regarding the above- referenced Application.

The following is Aloha Utilities, Inc.'s ("Aloha") response to paragraph one of the PSC's letter:

The Seven Springs Water System consists of 8 well/treatment facilities and one 500,000 gallon ground storage and pumping facility. Water is also obtained through an interconnect with Pasco County Utilities. The system maintains the pressure of approximately 52 pounds per square inch. The current limiting factor with regard to the water system is the Southwest Florida Water Management District ("SWFWMD") Water Use Permit capacity of 2.04 million gallons per day. The current water system is nearing full utilization based on the SWFWMD permitted capacity. The current flows at the Seven Springs wastewater plant is approximately 1,150,000 gallons per day. The projected water flows from the additional area is 40,950 gallons per day. The projected wastewater flows from the additional area is 32,175 gallons per day. However, when the territory being deleted from the Aloha service area is also considered, the net effect will result in almost no impact on the water and wastewater systems.

The following is Aloha's response to paragraph two of the PSC's letter:

Aloha anticipates that service will be needed in the proposed additional area by the end of the year.

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August 25, 1999
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The following is Aloha's response to paragraph three of the PSC's letter:

Aloha's engineers are currently preparing a detailed system map showing the proposed lines, treatment facilities, and the territory proposed to be served. The map will be provided under separate cover upon receipt from the engineers.

The following is Aloha's response to paragraph four of the PSC's letter:

Pursuant to the Utility's Tariff and Service Availability Policy, developers of the property subject to this Application will be required to construct all on-site facilities and convey those to the Utility at no cost in exchange for service. The developers will also pay the standard system capacity fees to offset a portion of the cost of transmission, treatment and disposal facilities in order to serve the properties.

The terms of this territory swap between Aloha and Pasco County result in no significant net increase or decrease in the property or number of lots to be serviced by each utility. In addition, the total number of lots involved is only approximately 215, which will not require any particular plant expansion or financing in order to provide service. As to wastewater service, the Utility is in the process of upgrading and expanding its Seven Springs Wastewater Treatment Plant to provide capacity of 1.6 million gallons per day. The improvements will be financed in part through equity capital provided by the Utility, and in part through a \$5,200,000 construction loan from NationsBank. As to water service, no significant capital improvements nor financing will be necessary in order to provide service to the areas addressed in this Application.

Should you or any members of the Commission staff have any questions in this regard, please do not hesitate to contact me.

Sincerely,

ROSE, SUNDSTROM & BENTLEY, LLP



Carol L. Dutra, Esq.
For The Firm

CLD:sn

cc: Mr. John Williams
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Rosanne Gervasi, Esquire
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