

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

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In the Matter of : DOCKET NO. 960545-WS
:
INVESTIGATION OF UTILITY :
RATES OF ALOHA UTILITIES, :
INC. IN PASCO COUNTY. :

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VOLUME 1

Pages 1 through 98

PROCEEDINGS: HEARING
BEFORE: COMMISSIONER SUSAN F. CLARK
COMMISSIONER E. LEON JACOBS, JR.
COMMISSIONER LILA A. JABER
DATE: Wednesday, March 29, 2000
TIME: Commenced at 10:00 a.m.
PLACE: Clarion Hotel Ballroom
5316 U.S. Highway 19 North
New Port Richey, Florida
REPORTED BY: JANE FAUROT, RPR
FPSC Division of Records & Reporting
Chief, Bureau of Reporting



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1 APPEARANCES:

2 F. MARSHALL DETERDING and JOHN WHARTON,
3 Rose, Sundstrom & Bentley, 2548 Blairstone Pines
4 Drive Tallahassee, Florida 32301, appearing on
5 behalf of Aloha Utilities, Inc.

6 HAROLD McLEAN, Associate Public Counsel,
7 Office of Public Counsel, 111 West Madison Street,
8 Room 812, Tallahassee, Florida 32399-1400, appearing
9 on behalf of the Citizens of the State of Florida.

10 RALPH R. JAEGER, and JASON FUDGE, Florida
11 Public Service Commission, Division of Legal
12 Services, 2540 Shumard Oak Boulevard, Tallahassee,
13 Florida 32399-0870, appearing on behalf of the
14 Commission Staff.

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P R O C E E D I N G S

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2 COMMISSIONER CLARK: We will call this hearing
3 to order.

4 I would like to ask Mr. Jaeger to please read
5 the notice.

6 MR. JAEGER: Yes, Commissioner Clark.

7 Pursuant to notice, this time and place was set
8 aside for formal hearing in Docket Number 960545-WS,
9 investigation of utility rates and quality of service to
10 the Seven Springs Division of Aloha Utilities, Inc. in
11 Pasco County; 10:00 a.m. and 6:00 p.m. have been set aside
12 as the time for customer testimony. The notice was issued
13 March 10th, 2000.

14 COMMISSIONER CLARK: Thank you.

15 We are going to take appearances, and I would
16 like to request the parties to stand so that the people in
17 the room can see who you are. And let's start with you,
18 Mr. Deterding.

19 MR. DETERDING: I am F Marshall Deterding, and
20 with me is John L wharton, both of the law firm of Rose,
21 Sundstrom, and Bentley in Tallahassee, Florida here on
22 behalf of Aloha Utilities. And this is Steve Watford, the
23 President of Aloha Utilities, and David Porter, their
24 engineer.

25 (Audience response.)

1 COMMISSIONER CLARK: Ladies and gentlemen.

2 UNIDENTIFIED SPEAKER: Turn around so we can see
3 you.

4 COMMISSIONER CLARK: I think he needed to lean
5 over so he could use the microphone.

6 UNIDENTIFIED SPEAKER: You're hiding; you have
7 got your backs to us. You should be.

8 COMMISSIONER CLARK: If I can have quiet for
9 just a minute. We have to record all of these
10 proceedings. We will not hear anything from the
11 audience -- the court reporter will not be able to
12 transcribe them. Also, we are putting this out over the
13 Internet, and anything that doesn't take place at a
14 microphone will not be heard.

15 I also ask that we be courteous to each other.
16 We are going to have a long day here. I expect a lot of
17 testimony, and I would ask that you respect each other,
18 respect your fellow witnesses that are going to come up so
19 that we may conduct this proceeding as quickly and
20 efficiently as possible so we can hear from all of you.

21 With that I would like Mr. McLean, representing
22 the citizens, to introduce himself.

23 MR. McLEAN: Can you all hear pretty well?
24 Great. My name is Harold McLean, I work for the Office of
25 Public Counsel in Tallahassee, Florida. Our office was

1 established by the Florida Legislature to represent you
2 folks. I'm going to tell you a little bit more about that
3 in a few minutes, but right now I'm just giving my
4 appearance. Essentially this side of the table is on your
5 side. My name is, again, Harold McLean, 111 West Madison
6 Street, Tallahassee, Florida 32399, representing the
7 Citizens of the State of Florida. Thanks.

8 COMMISSIONER CLARK: Thank you. My name is
9 Susan Clark, I am a Commissioner with the Florida Public
10 Service Commission. I will chair this meeting, because I
11 am the most senior Commissioner at this table. I guess
12 that is in years on the Commission and in years total. To
13 my right is Commissioner Jacobs, and to my left is our
14 newest Commissioner, Commissioner Lila Jaber.

15 I'm sorry, I have skipped over our attorney
16 because he read the notice. Ralph, would you make an
17 appearance for you and Mr. Fudge.

18 MR. JAEGER: Yes. I'm Ralph Jaeger, and with me
19 today is Jason Fudge, we are representing staff, address
20 2540 Shumard Oak Boulevard appearing on behalf of
21 Commission Staff.

22 COMMISSIONER CLARK: I think, as Mr. Jaeger
23 indicated, we will be hearing from you this morning and
24 again this evening at 6:00 o'clock. In between that time
25 we will take technical testimony that has been prefiled in

1 this docket. You are, of course, welcome to stay for that
2 portion of the hearing. It is scheduled for today after
3 the customer hearing and then again tomorrow. I believe
4 it is beginning at 10:00, again, tomorrow.

5 MR. JAEGER: It can be announced from the bench
6 if you wanted to start earlier. It depends on how far we
7 get along, but sometimes you would like to start it
8 earlier if we are not moving along very fast.

9 COMMISSIONER CLARK: Okay. I guess what I want
10 you to know is it is going to be today and tomorrow. We
11 at least have one witness we have to take up tomorrow, is
12 that correct?

13 MR. JAEGER: That's right. Michael D. LeRoy and
14 Pete Screnock.

15 COMMISSIONER CLARK: Several of you have
16 commented on the fact that this room is smaller than, I
17 believe it was the Sparton Manor where we have had it
18 before. When this hearing was scheduled in December, we
19 did have that facility scheduled.

20 Due to other activities at the Commission, we
21 had to reschedule that hearing and this was the largest
22 room, as I understand it, available at this time. So we
23 did try and get a larger room. And I do apologize for the
24 fact that we haven't at this point gotten enough chairs
25 for everyone. Dan Hoppe, who is director of our Water and

1 Wastewater Division, is in the center kind of scoping out
2 chairs so that those of you standing can find a seat.

3 Just to reiterate, we are here today to hear
4 from you. Your comments will be recorded by the official
5 court reporter and they will be become part of the record,
6 and we will rely on your comments in making our decision.
7 You have two options; you can provide live testimony
8 today, or you can fill out the comment sheet that is
9 attached to that blue, the blue special report you got
10 when you came in.

11 I would like to give you some background
12 information, though I am sure a number of you are familiar
13 with what we have been doing with respect to Aloha
14 Utilities. But to give you some background, you probably
15 remember that we held a hearing on the quality of service
16 provided by Aloha in September and October of 1997. As a
17 result of that hearing we found that the quality of
18 service provided by Aloha Water System was unsatisfactory.

19 In addition, the Commission found that the
20 utility's attempts to address customer satisfaction and
21 its responses to customer complaints were also
22 unsatisfactory. We, therefore, ordered Aloha to prepare a
23 report that evaluated different costs and efficiencies for
24 the removal of hydrogen sulfide from its source of water.

25 After Aloha filed the report, the Commission by

1 order required a survey to be sent to all of Aloha's Seven
2 Springs customers to determine the extent of the water
3 quality problems and the extent to which the customers
4 were willing to pay higher rates for new treatment
5 facilities that would not be required by the Department of
6 Environmental Protection. Some of you may recall that
7 Commissioner Johnson and I also conducted a site survey.
8 We came down here and went to several residences and to
9 wells to look at the water quality.

10 After considering Aloha's report, the survey,
11 and our own site visit, we issued what we called a
12 Proposed Agency Action. And in that order the Commission
13 proposed to take no further action and closed the docket.
14 The order also denied Aloha's request that the Commission
15 issue an order declaring that it would be prudent to begin
16 construction of three central packed tower aeration water
17 treatment facilities to remove the hydrogen sulfide. We
18 did not say that it was prudent, we merely said that at
19 the time we were declining to say it was prudent.

20 That order was protested. And we are here today
21 as a result of the protest to again take up the issue of
22 the quality of water and what further actions, if any,
23 Aloha should be required to take.

24 During these proceedings all parties are
25 represented, and the people who have stood up and

1 introduced themselves are those individuals representing
2 the parties. Just to reiterate, Mr. Deterding and
3 Mr. Wharton are representing the utility, Mr. McLean is
4 representing Public Counsel and the citizens, and Ralph
5 Jaeger and Jason Fudge are attorneys for the Commission.

6 Our attorneys and staff are here to make sure
7 that the record is thoroughly developed and all facts are
8 investigated. Beyond the two attorneys that introduced
9 themselves, I would like to introduce other members of our
10 staff. You may want to talk to them individually or you
11 may have other questions you don't wish to tell us about
12 here as part of the testimony, but all of them are
13 available for you to talk to, and I would like to
14 introduce them to you.

15 First of all is Mr. Dan Hoppe, he is in the
16 back. As I indicated, he is the head of our Water and
17 Wastewater Department. I would also like to introduce
18 Marshall Willis, who is a Bureau Chief; Sally Moniz, an
19 accountant with our staff; Tom Walden and Bob Crouch and
20 Mike Wetherington, who are all engineers with the
21 Commission, and James McRoy, who is also an engineer with
22 the Commission; Connie McCaskill, a supervisor in the
23 Department of Water and Wastewater. Also, Joann Chase is
24 here, she is Commissioner Jaber's assistant. And then I
25 would like to introduce Sandy Simmons, who is with our

1 Clerk's Office. The lady you have met outside is Thelma
2 Crump. I'm just realizing I gave Sandy Simmons -- her
3 name is now Sandy Moses. I apologize, excuse me. The
4 lady you met outside is Thelma Crump from our Consumer
5 Affairs. And our court reporter today is Jane Faurot.
6 And from time to time we will have to take a break to
7 allow her to rest her fingers.

8 At this time let me just tell you that I want --
9 you probably know, but there are certain formalities we
10 need to follow in this proceeding so that we may rely on
11 your testimony. You will be asked -- I will swear you in
12 in just a minute and then you will be asked to come up
13 here. When you sit down, I would ask that you state your
14 name and address for the record, and also if you would
15 spell your last name, that is very helpful for the court
16 reporter and for the Commissioners.

17 Please don't let it intimidate you that you are
18 being sworn in or that you have to come up here. We need
19 to hear from you, and we want to hear whatever you have to
20 say about the quality of water. So please don't be
21 intimidated by these formalities.

22 We will take the customers up in the order that
23 they signed up, however, I think we will take
24 Representative Fasano up first because I am informed that
25 he has to be back in Tallahassee, and he has only been

1 given a short time frame to be here before he needs to be
2 back here. I guess he is excused for a little while by
3 the Speaker, so we will take him up first.

4 I don't think there is anything else by way of
5 telling you about our process or the formalities that I
6 need to cover, so I would like to ask everything who
7 intends to testify to stand and raise their right hand.

8 (Witnesses sworn collectively.)

9 COMMISSIONER CLARK: Thank you all very much.

10 Well, I, too, noted we had a number of people
11 stand up to take the oath. What I want you to know is if
12 somebody has said something that you want to say, you can
13 simply come up and say I adopt the testimony of whoever
14 that witness is.

15 We don't set a time limit on people. But we ask
16 you to remember that there are a number of people behind
17 you who want to testify, so if you could keep it short and
18 to the point I'm sure they would appreciate it. But we
19 will be here for as long as it takes to hear from you.

20 With that I am going to turn it over to you, Mr.
21 McLean.

22 MR. McLEAN: Yes, ma'am.

23 May I make a brief opening statement just to
24 more or less let people know who I am.

25 COMMISSIONER CLARK: If you would stand up and

1 turn around. I will let you take two to three minutes to
2 do that, and I will provide you, Mr. Deterding, with the
3 same opportunity if you choose to do that.

4 MR. McLEAN: Ladies and gentlemen, can you hear?
5 I went to my first Public Service Commission hearing in
6 1974 in a little town called Chattahoochee, Florida. St.
7 Joe Telephone Company wanted a little bit more money, and
8 I went there as a customer just like you all. When I went
9 to that hearing it took me years to figure out what
10 happened because it all happened so fast. I couldn't tell
11 who was who, who the players were, and no one at that
12 hearing gave a splendid summary of what was going on as
13 Commissioner Clark just did. I want to summarize just for
14 a second what she said and make sure you all understand
15 who is who.

16 The Commissioners up here are going to make the
17 decision in this case. The people over here are going to
18 help them make the decision, give them neutral advice.
19 Those folks don't have a dog in this hunt, they are just
20 here to help the Commissioners with their thing. These
21 folks here -- can you not hear?

22 UNIDENTIFIED SPEAKER: We can't hear you back
23 here.

24 MR. McLEAN: Okay, I'll holler. I'll try to do
25 a little better. The Commissioners are the judges; they

1 are going to make the decision.

2 The folks over here are going to help them make
3 it. They are neutral, they don't have a dog in the hunt.
4 They don't care how it comes out except they want the
5 right decision to come out. They advise the Commission.

6 These folks here at this table from here on
7 over, they represent the utility. They are going to give
8 their story to the Commission in a light most favorable to
9 the utility, and I'm going to tell the Commission the
10 story which is most favorable to you folks.

11 Does everybody understand who the players are
12 and what we are doing here? Now, I'm going to call you
13 all up one at a time. The ones who have signed up to
14 testify, I'm going to call you up here to testify. It
15 could happen that I will call your name by accident, and
16 maybe you don't want to testify. Just stand up and say I
17 don't want to testify, I agree, or whatever you want to
18 say. Don't be alarmed if I call your name and you didn't
19 sign to testify. Just tell me that you don't want to
20 testify.

21 When I do call your name, come on up and you
22 will sit right here at this table, you get your own
23 microphone and you can address the Commission. Please
24 tell the Commission who you are, and spell your name for
25 the poor court reporter. Ms. Clark mentioned that, but a

1 lot of folks forget to do that when they come up. So you
2 all please try to remember to do that. I may ask you a
3 question or two for points of clarification. Don't be
4 alarmed.

5 When you are done saying what you want to do,
6 don't cut and run, because the utility has a right to ask
7 you all some questions, too. They might want to ask you
8 some point of clarification or whatever. They have the
9 right to ask you. So when you are done with your
10 testimony, don't go just yet, keep your seat a little bit
11 and see if the utility wants a question, and then the
12 Commissioner, Commissioner Clark, will turn you loose.
13 Okay?

14 We are going to start here pretty quick. I want
15 to tell you all that my office, I work for a man named
16 Mr. Jack Shreve, he was appointed by the legislature some
17 years ago to represent your interest. When I went to that
18 hearing in 1974 that I mentioned, the judges were here and
19 the utility was here and the judges' helpers were there,
20 but there wasn't anybody sitting over here.

21 And the legislature got tired of that situation
22 and decided to put someone over here to argue your point
23 before the Commission. Now, that is me today. With me is
24 Mr. Bidy, he is an expert, and we will hear from him
25 later on. I work for the legislature. There is a member

1 of the legislature here who you are going to here from
2 very soon, Mr. Fasano. I work for Mr. Shreve and Mr.
3 Shreve works for all of the legislature, but Mr. Fasano,
4 too. Now, the point is that the legislature has kept us
5 in charge of presenting customers' points of view to the
6 Commission and we are going to do it.

7 One last thing. If you all can find it in your
8 schedule to come here and listen to the technical
9 testimony, by all means do so. Don't leave when your
10 testimony is over. Don't go home. This is some pretty
11 interesting stuff. I never would have thought so back
12 there in 1974, but it turned out to be fascinating. So if
13 you can find it in your heart and in your schedule to stay
14 around to listen to what the folks have to say, by all
15 means do so.

16 If you have any questions of me, check me out
17 during a break or something like that and I will be happy
18 to help you in any way. And with that we will start up as
19 soon as Ms. Clark says so. Thank you.

20 COMMISSIONER CLARK: Mr. McLean, Mr. Deterding
21 has indicated he has no preliminary statements, so you can
22 call your first witness.

23 MR. McLEAN: The Citizens call Mr. Mike Fasano,
24 please.

25 COMMISSIONER CLARK: Ladies and gentlemen, we

1 are going to allow the witnesses to sit down. I know that
2 means you can't see them in the back. We will remind them
3 to speak right into the microphone and speak loudly. But
4 if at any time you can't hear us, let us know.

5 REPRESENTATIVE MIKE FASANO

6 was called as a witness on behalf of the Citizens of the
7 State of Florida and, having been duly sworn, testified as
8 follows:

9 DIRECT STATEMENT

10 REPRESENTATIVE FASANO: Good morning. My name
11 is Mike Fasano, F as in Frank, A-S-A-N-O, 4705 Tibaron
12 Drive (phonetic), New Port Richey, Florida 34655.

13 Madam Chairman, I thank you very much for
14 allowing me to come first. The Speaker of the Florida
15 House has given me an opportunity to come down here for a
16 couple of hours. But as we all know, according to the
17 Constitution when session is in I need to be in
18 Tallahassee. And today session is definitely in.

19 Members of the Commission, I have been a
20 customer of Aloha Utilities since 1993. And I thank you
21 and your staff for taking the time to come to Pasco County
22 to once again hear firsthand just how difficult it has
23 been to deal with Aloha Utilities and how its customers
24 have had such a hard time these past several years. You,
25 the Commissioners who make the sacrifice truly are

1 appreciated by the citizens of the State of Florida.

2 Although I'm a customer of Aloha Utilities, I'm
3 also in a unique position of being a state legislator who
4 represents most of the geographic area served by Aloha in
5 its Seven Springs service delivery area. During my time
6 in office, finding a solution to the on-going problems
7 facing Aloha's customers, my constituents has become a top
8 priority not only to mine, but also my staff. And today,
9 Commissioners, is yet another step in that process. And
10 I, like the customers assembled here today, am quite aware
11 of how important this step is.

12 Shortly after my election to the state
13 representative, I began to receive phone calls from
14 constituents who are customers of Aloha Utilities. I
15 learned very quickly that the problems with this utility
16 company was not isolated to just a few homes scattered
17 around the service delivery area. And what struck me was
18 not only the number of complaints I began to receive, but
19 the severity of problems the people were experiencing.
20 Those problems were many and varied. From relatively
21 simple complaints of low water pressure to horrendous
22 reports of black foul-smelling water gushing from taps.

23 My office was inundated with calls and letters
24 from unhappy Aloha customers. Of course, there is no
25 rhyme or reason to the black water incidence according to

1 many. Day or night, summer or winter, the black water
2 appears. The reoccurring theme of a defensive attitude
3 and lack of helpfulness from Aloha's staff only
4 exasperated by constituents' concerns.

5 Despite the passage of several years as a
6 legislator, neither the volume of calls nor letters sent
7 to my district office have eased. The reason for that is
8 simple. Nothing has been done to force Aloha to do
9 anything to correct whatever is causing the black water
10 problem. Aloha may say that things are getting better,
11 but I will bet that the people sitting here today will
12 have a different story to tell you very shortly.

13 Since Aloha has had the sole privilege of
14 providing water service to these customers, there appears
15 to be little incentive other than common decency which is
16 surly lacking for the utility to clean up its act. That
17 is why we come to you today, Commissioners. You and you
18 alone have the power to intervene and make things right
19 for the customers here in West Pasco.

20 I want recount all the events of the past
21 several years regarding this utility. If I did we would
22 be here all day and for quite sometime, and I know that
23 there are others who wish to speak, but I do feel that it
24 is important to mention just a few highlights of this sad
25 and seemingly never-ending problem. The members of the

1 Commission, more than anyone else in government, should be
2 aware of the problems facing Aloha customers.

3 In September of 1996, you, the Commissioners,
4 saw the physical presence of over 1,000 customers
5 throughout the day who personally came out to protest a
6 rate increase requested by Aloha. The testimony of many
7 people who spoke and the dozens of jugs of black
8 discolored water spoke for all who came out to make their
9 opposition known. I believed at that time, as did most
10 people in attendance, that the evidence spoke for itself.

11 It has now been nearly four years since that
12 public hearing, and one can only ask what has happened.
13 In the end, nothing. Aloha eventually submitted a
14 proposal to fix the black water problem, but only because
15 it was ordered to do so by the Commission. And may I add
16 that they only started dealing with the situation after
17 years, after years, after years that DEP ordered them to
18 do so.

19 The proposal by Aloha came with a price of \$10
20 million. And may I say a \$10 million price tag hoping
21 that the people in this audience would be scared enough
22 not to come out here today because they don't want to have
23 a \$10 million price tag. And Aloha knows that will never
24 ever happen. The scare tactic apparently, Commissioners,
25 didn't work. Thank goodness.

1 The \$10 million translates into a nearly 400
2 percent increase in rates for each and every customer in
3 the Seven Springs service delivery area. This was and
4 still is an absurd burden that no customer should ever
5 have to bear. With great wisdom, the Commission chose to
6 heed the protest of Aloha's customers and continue to
7 investigate the black water problem. And as you know, the
8 survey that was developed and sent to Aloha customers
9 resulted in an unprecedented response of 3700 customers.

10 I don't need to list the complaints expressed in
11 those survey responses, the customers were very eloquent
12 in expressing their displeasure with the rotten egg
13 smelling water, the black, brown, and other strange colors
14 of the water, the poor service, and the other problems
15 communicated in dealing with Aloha Utilities.

16 As a follow up to the survey, I had the horror
17 two years ago of accompanying Commissioner Clark and
18 former Commissioner Johnson on a tour of several
19 customers' homes. You alluded to that earlier,
20 Commissioner Clark. And we saw firsthand the disgusting
21 water and its aftermath that it received to the people and
22 by the people who paid their good hard-earned money for a
23 product that is bad and is one of no value to the
24 customer.

25 The stories of black water spewing forth when

1 babies were being washed in the sink, shower water turning
2 black in the middle of bathing, and the other equally
3 disturbing accounts shared were enough to turn our
4 collected stomachs. But to me, the entire tour was
5 summarized by a picture that was snapped by a news
6 reporter. The photograph of Mr. Watford opening up a fire
7 hydrant which subsequently spewed discolored water for
8 several minutes made the front page of the St. Petersburg
9 Times, and became a symbol of all that is wrong with the
10 utility company. Nothing to me could communicate the
11 repeated denials of Aloha and the stark reality of life
12 for thousands of Aloha customers than that photo did that
13 morning.

14 The public hearing in 1996, the survey, the site
15 visits by the Commissioners all led me to believe that the
16 problems faced by Aloha's customers were being taken
17 seriously by the Public Service Commission. After all
18 this very promising action had taken place, I was stunned
19 that it ultimately was recommended that no further action
20 take place and that the Aloha docket be closed.

21 This unexpected, inexplicable decision by the
22 Commission led me and others to file the protest that has
23 resulted in the hearing today. And what is disturbing is
24 that the problem hasn't been solved, Commissioners. And
25 400 people plus sitting here and standing here today is an

1 example that the problem hasn't been solved.

2 It was mind boggling that the Commission could
3 on one hand acknowledge that there are water quality
4 problems, and then on the other hand refuse to order Aloha
5 to take any specific action to rectify those very same
6 problems. While I have no idea how many people will
7 appear before this day and tomorrow is over, I imagine
8 that you will have the opportunity to see and hear for
9 yourself that the water quality issue with Aloha
10 Utilities, despite whatever the company says, has not been
11 resolved.

12 Oh, yes, in many areas this past week and the
13 last couple of weeks, day in and out they have been out
14 there opening up the fire hydrants trying to clear the
15 water so people couldn't bring their dirty, smelly, rotten
16 water today, but it hasn't worked. And what is amazing is
17 we have a water shortage problem in this county and
18 throughout the state, and they are wasting thousands and
19 thousands of gallons each day when they go out there and
20 open up those hydrants.

21 Commissioners, I can only look at the crowd
22 assembled here before you and suggest that you should
23 expect to hear many complaints that are well-founded and
24 documented. Undoubtedly, jugs of dirty water will be
25 presented, perhaps clogged water filters, and other

1 physical evidence of Aloha's product will be brought
2 forth. Do not discount anything that you see. I, like
3 those of you who visited these peoples' homes, have seen
4 with my own eyes the horrendous water that is delivered by
5 Aloha Utilities. Water that can come from no company
6 other than Aloha Utilities. And why I say that is if you
7 check with our local county staff, the City of New Port
8 Richey, and the City of Port Richey, they don't even come
9 close to the number of complaints as far as dirty water is
10 concerned. And they can continue to use the argument of
11 the copper piping; but why are we not getting the same
12 problem throughout this county, but only in the Aloha
13 servicing area?

14 Commissioners, I could come before you with
15 copies of all the correspondence my office has received
16 complaining about Aloha Utilities. I could tote the boxes
17 of case notes and documents I and my staff have collected
18 over the past few years and dump them on the table before
19 you. I have chosen not to because I believe the words of
20 the people themselves will impress you more than reams and
21 reams of paper. But I have selected, Commissioners, one
22 letter one that was recently sent to me by a customer who
23 because of a disability was not able to be here in person
24 today.

25 In a letter dated March 14, 2000, James Finnegan

1 writes, "Mr. Fasano, my name is James C. Finnegan, and I
2 reside at 1044 Trafalgar Drive, New Port Richey, Florida
3 34655. Being a disabled person, I was unable to attend
4 the March 29, 2000 Public Service Commission meeting
5 regarding Aloha Utilities poor quality of water. I have
6 lived in my residence since October of 1995 and have had
7 problems with the water from Aloha since day one. The
8 water comes out from the faucet black with the smell of
9 rotten eggs. You have to let the water run several
10 minutes and sometimes even longer to get at least a
11 passable color to take a bath, do dishes, or wash clothes.
12 I wouldn't think of using this water for drinking
13 purposes. I have complained to Aloha time after time and
14 they have the excuse after excuse. They say the problem
15 is due to copper pipes. I don't have copper pipes in my
16 house." Another excuse, Mr. Finnegan says as an example,
17 "this is the type of water in Florida. I have lived here
18 eight years in Port Richey and had a great quality of
19 water. Mr. Fasano, please have my name included in your
20 list of unhappy Aloha customers due to the poor quality of
21 water. Thanking you, I remain James C. Finnegan."

22 Commissioners, Mr. Finnegan's letter is
23 representative of the types of complaints I receive almost
24 daily about Aloha Utilities. Some stories are worse.
25 Through the hearing process, through correspondence with

1 the Commission, through the involvement of as many
2 agencies as possible, I have tried to not only bring these
3 problems to your attention, I have tried to find
4 solutions.

5 By the Commission's own admission, there are
6 unresolved problems with Aloha Utilities. The people
7 gathered here today will attempt to share their individual
8 situation, as well. Please listen to them, and I know you
9 will, and recall that day three-and-one-half years ago
10 when they first shared their stories. And for the two
11 Commissioner who weren't there, please go back and look at
12 those notes. Because I'm sure you will see that nothing
13 much has changed in those three-and-a-half years.

14 Instead of investing in the upgrading of its
15 water system years ago, Aloha Utilities has chosen to
16 stall and continue to provide poor water to its customers.
17 We might not be here today if Aloha had taken its
18 responsibility seriously and done something that it should
19 have done long ago.

20 Back in 1966 I came before the Commission in
21 Tallahassee and suggested to the body that the Aloha
22 Utilities need to increase its impact fees to make them
23 competitive with what Pasco County Utility Department
24 charges. Why is it that they have an impact fee, unless
25 they have raised it, of between 300 and \$400, and Pasco

1 County has about \$3,000. And the purpose of that impact
2 fee would have been used to solve the problems. The
3 burden of what is happening today shouldn't be beared by
4 the people who have already been Aloha customers for years
5 and years.

6 Commissioners, over many years the revenue
7 generated by increased fees would surely offset the cost
8 of much of the required improvements to Aloha's system.
9 Instead, to the best of my knowledge, Aloha has not
10 increased its impact fees on new buildings. The revenue
11 lost over those years would never be regained, yet Aloha
12 still wants to charge its existing customers a 400 percent
13 increase to pay for its grandiose water treatment plant.

14 I will not speak to specific ways to solve this
15 problem. The experts in water engineering will do that
16 tomorrow if not before. I will encourage you,
17 Commissioners, however, to look at alternatives to Aloha's
18 scheme of building a new facility at the expense of
19 families and seniors, many of whom are on fixed incomes.
20 Any decent corporate citizen would not expect its costs to
21 repair and maintain its physical plant to be borne solely
22 by its customers. It is unconscionable.

23 And before I go on, let me add, remember in that
24 first public hearing how it was determined by Public
25 Counsel that Aloha was doing things as far as the

1 contractors and loans and interest on those loans. It is
2 unconscionable that a public funded agency can acknowledge
3 that there is a problem and yet take no action to address
4 that problem.

5 Commissioners, please listen to the people who
6 follow me and I know you will. Please do not accept Aloha
7 Utilities' endless arguments of innocence. Commissioners,
8 like you and I, we are public servants. I have committed
9 myself to being a bridge between my constituents and their
10 state government. You are a part of that government.
11 Please don't turn your back on these people today. You
12 are their last hope.

13 And, Commissioners, when you come to the point
14 of making a decision on this matter, please remember one
15 thing. A short time ago I read you a letter from
16 Mr. James Finnegan, and Mr. Finnegan's letter was not
17 written three years ago, or even last year, Mr. Finnegan's
18 letter was written just two weeks ago. Two weeks ago.
19 For Mr. Finnegan the water problems continue. And I have
20 to wonder, Commissioners, how many Mr. Finnegans there are
21 out there.

22 Thank you very much.

23 COMMISSIONER CLARK: Thank you, Representative
24 Fasano. Are there any questions of Representative Fasano?

25 MR. DETERDING: I'm going to have some.

1 COMMISSIONER CLARK: Go ahead, Mr. Deterding.

2 MR. DETERDING: Representative Fasano, you
3 stated that Aloha Utilities only did the study or analysis
4 of its water quality after DEP had ordered them for years
5 to do so.

6 REPRESENTATIVE FASANO: Not a study. No, sir, I
7 never said study.

8 MR. DETERDING: All right. What is it you did
9 say about the analysis performed by Aloha only after
10 ordered to do so by DEP?

11 REPRESENTATIVE FASANO: I didn't say that Aloha
12 did analysis. I said that Aloha finally did what they
13 were ordered to do by DEP with their perc ponds.

14 MR. DETERDING: And what has that got do with
15 water quality?

16 REPRESENTATIVE FASANO: Well, what I'm trying to
17 impress is that the water quality that you have today is
18 no different than in the past, but yet you continue to
19 tell everyone you have good water quality. I think past
20 performance shows that you are not telling the truth
21 today.

22 MR. DETERDING: Are you aware of any DEP
23 regulation which Aloha is in violation of today as far as
24 water quality?

25 REPRESENTATIVE FASANO: I'm not aware of any.

1 MR. DETERDING: Are you aware of any that have
2 occurred during the pendency of this docket?

3 REPRESENTATIVE FASANO: We may have some back at
4 at our office, but I don't have anything in front of me to
5 --

6 MR. DETERDING: So you don't know of any?

7 REPRESENTATIVE FASANO: I don't know of any, no.
8 I do know that Aloha, though, was ordered by DEP and
9 finally forced by court order practically to do what DEP
10 was ordering them to do for many, many years. And you
11 know that.

12 MR. DETERDING: Are you referring to a water
13 quality issue, Representative Fasano?

14 REPRESENTATIVE FASANO: I believe so. That is
15 correct, yes.

16 MR. DETERDING: Do you know what item Aloha was
17 ordered to do by DEP with relation to water quality?

18 REPRESENTATIVE FASANO: It dealt with your perc
19 ponds. Because Mr. Watford came into my office shortly
20 after I got elected to try to explain it to me.

21 MR. DETERDING: Are perc ponds related to water
22 quality?

23 REPRESENTATIVE FASANO: I have no idea if they
24 are or not. I just know the quality of water and service
25 that you provide these customers is not good.

1 MR. DETERDING: You referenced the survey of
2 customers that was done by the Commission -- done by Aloha
3 at the Commission's direction. Isn't it true that that
4 survey, which you received a copy of as a customer of this
5 utility, stated in bold that if a customer did not have a
6 water quality problem they did not need to respond to that
7 survey?

8 REPRESENTATIVE FASANO: It is true, but --

9 MR. DETERDING: And was the only --

10 REPRESENTATIVE FASANO: But -- may I continue,
11 Commissioner?

12 COMMISSIONER CLARK: Mr. Deterding, you are
13 aware of the fact that we let the witness their answers.

14 MR. DETERDING: Certainly.

15 REPRESENTATIVE FASANO: If you, as an attorney,
16 sitting there today thinks that individuals who didn't
17 return that survey did not have a problem with Aloha
18 Utilities, you are thinking wrong. There are many people
19 in the servicing area who have given up hope because they
20 have fought Aloha so long that they feel it is useless any
21 longer.

22 MR. DETERDING: Isn't it true, Mr. Fasano, that
23 the language in bold on the front of the survey that
24 stated that customers need not respond if they were
25 satisfied with their water service was the only bold

1 language on that front page?

2 REPRESENTATIVE FASANO: I have no idea. That
3 survey was sent out a couple of years ago, I believe.

4 MR. DETERDING: Isn't it --

5 (Audience response.)

6 COMMISSIONER CLARK: Ladies and gentlemen, I
7 appreciate you wanting to participate in this, but it is
8 going to take us a long time if we have to pause for
9 comments from the audience. Each one of you will have an
10 opportunity to come up here and provide us with your
11 comments. And I would ask that in the interest of getting
12 through everybody who wants to speak that you keep your
13 comments from the audience at a minimum. Thank you.

14 REPRESENTATIVE FASANO: Commissioner, if I may
15 continue. Whether all replied or not, wouldn't it be
16 suspect and a concern to Aloha that 3700 homes did
17 respond? I mean, you would be concerned. I would think,
18 and hope, and pray that if you had one complaint you would
19 look after it; 3700 and you are questioning the others who
20 didn't? You should be more concerned about the 3700 that
21 did.

22 MR. DETERDING: Isn't it true that the majority
23 of the customers of Aloha did not, in fact, respond to
24 that survey?

25 REPRESENTATIVE FASANO: Yes.

1 (Audience response.)

2 COMMISSIONER CLARK: Ladies and gentlemen, I can
3 assure you we will hear from you when you come up here.
4 Please extend the courtesy of the person asking the
5 question and the person answering the question. You will
6 have your opportunity. Thank you.

7 Go ahead.

8 MR. DETERDING: Mr. Fasano, isn't it true that
9 the -- less than one-half of one percent of the customers
10 of Aloha Utilities in responding to that survey indicated
11 they were willing to recognize additional improvements by
12 the utility in order to improve that water quality?

13 REPRESENTATIVE FASANO: You would have to
14 address that question with staff. I have no idea what the
15 results are. I don't have them in front of me. All I
16 know is that 3700 did respond.

17 MR. DETERDING: Okay. You talked about a fire
18 hydrant --

19 REPRESENTATIVE FASANO: Yes.

20 MR. DETERDING: -- that was viewed by the
21 Commissioners and opened. Are you an engineer?

22 REPRESENTATIVE FASANO: No.

23 MR. DETERDING: Are you --

24 (Audience response.)

25 COMMISSIONER CLARK: Go ahead, Mr. Deterding.

1 MR. DETERDING: Are you an expert in water
2 system construction?

3 (Audience response.)

4 COMMISSIONER CLARK: Ladies and gentlemen, the
5 court reporter cannot hear the answers or the questions.
6 We need to conduct this in an orderly manner.

7 REPRESENTATIVE FASANO: Could you repeat the
8 question, Mr. Deterding.

9 COMMISSIONER CLARK: Just a minute. I really
10 need you to keep your voices down so that the court
11 reporter can hear what is said. We are going to be here
12 all day, we are going to hear from every one of you on
13 this issue. Thank you.

14 MR. DETERDING: Do you have any knowledge of
15 construction of fire hydrants and what is involved in the
16 construction of a fire hydrant from a main?

17 REPRESENTATIVE FASANO: No.

18 MR. DETERDING: Do have you any knowledge of the
19 system as it exists adjacent to that fire hydrant?

20 REPRESENTATIVE FASANO: No, and I don't think
21 Aloha has, either. Because I know at one time they had
22 difficulty finding their plans.

23 MR. DETERDING: Do you know whether or not that
24 hydrant that you viewed and that you mentioned is at the
25 end of a deadend line?

1 REPRESENTATIVE FASANO: I'm not aware. It was
2 in the middle of the street, I know that.

3 MR. DETERDING: Do you know what effect that
4 might have on the water that is in that hydrant?

5 REPRESENTATIVE FASANO: No, I don't.

6 MR. DETERDING: So you don't know whether or not
7 there is, in fact, a dirt floor underneath the bottom of
8 that hydrant that might effect the water quality coming
9 out of it when first opened?

10 (Audience response.)

11 COMMISSIONER CLARK: Ladies and gentlemen, I
12 have to tell you again, we need to have you be quiet so
13 the court reporter can hear both the questions and the
14 answers. This is a hearing. Thank you.

15 REPRESENTATIVE FASANO: I am not aware of that.
16 However, that being said, the concerns of many of the
17 people that were there that day, including myself, was
18 this was dirty water coming out of a fire hydrant. Water
19 that also goes into the same homes in is vicinity.

20 MR. DETERDING: Well, do you know whether or not
21 it is possible for the water that is at that hydrant and
22 in that area of just below the hydrant can go into the
23 system of those customers?

24 REPRESENTATIVE FASANO: I would suspect that
25 when there is dirt of that volume, and you can see by the

1 picture, that some of that is going to creep into
2 someone's home.

3 MR. DETERDING: Do you know whether or not that
4 can go into the customer's home under those circumstances?

5 REPRESENTATIVE FASANO: Well, I think by the
6 surveys, I think by the dirty water that you are going to
7 receive today, and I think by the comments of the
8 citizens, yes, I have a feeling it does go into those
9 homes.

10 MR. DETERDING: I don't -- I still don't think
11 you have answered my question, Mr. Fasano. Do you know
12 whether or not the water that came out of that hydrant can
13 go into the customers' homes adjacent to that?

14 REPRESENTATIVE FASANO: Do I know?

15 MR. DETERDING: Yes, do you know. And if so, on
16 what basis do you know?

17 REPRESENTATIVE FASANO: I am basing it on the
18 complaints that I get in my office, the jugs of water that
19 I see here today, and the water that I have seen coming
20 out of peoples' homes, out of the faucets in their homes.

21 MR. DETERDING: So you have no knowledge of the
22 system itself, nor of the hydrology, nor of the
23 engineering and whether or not it could actually go into
24 those customers' homes?

25 REPRESENTATIVE FASANO: No, I do not.

1 MR. DETERDING: Okay. Thank you.

2 You mentioned the flushing of lines in Aloha's
3 service territory in recent days?

4 REPRESENTATIVE FASANO: Yes.

5 MR. DETERDING: Do you know whether or not the
6 utility has an approved flushing plan with the Department
7 of Environmental Protection?

8 REPRESENTATIVE FASANO: I believe that they
9 finally do have one, yes.

10 MR. DETERDING: You say finally, are you aware
11 of any time at which they did not have such an approved
12 plan?

13 REPRESENTATIVE FASANO: I would have to check
14 with DEP on that, I'm not sure.

15 MR. DETERDING: So you don't know whether they
16 have ever not had an approved plan?

17 REPRESENTATIVE FASANO: Apparently they do have
18 one now.

19 MR. DETERDING: And you don't know whether they
20 have ever been in a position where they didn't have one?

21 REPRESENTATIVE FASANO: Well, they do a pretty
22 good job in flushing, so I would imagine they must have a
23 plan.

24 MR. DETERDING: So you don't know whether they
25 have ever not had an approved plan?

1 REPRESENTATIVE FASANO: I'm not familiar with
2 it, no.

3 MR. DETERDING: Okay, thank you. Are you aware
4 of whether or not the flushing that Aloha has undertaken
5 in recent days is in conformance with that plan?

6 REPRESENTATIVE FASANO: That I am not aware of.
7 However, the calls that we have gotten, if flushing a line
8 every day according to the calls that we have gotten, or
9 once a week in that same particular area is part of your
10 plan, I think maybe DEP needs to review that plan.

11 MR. DETERDING: Have you contacted DEP to ask
12 that they review that plan?

13 REPRESENTATIVE FASANO: Not as of yet, because I
14 wanted to wait for the testimony to hear what else we had
15 to contact them about.

16 MR. DETERDING: Have you reviewed the flushing
17 of lines in Aloha's service territory in recent days?

18 REPRESENTATIVE FASANO: Have I?

19 MR. DETERDING: Yes, have you witnessed it?

20 REPRESENTATIVE FASANO: I have been in
21 Tallahassee. I have not witnessed it.

22 MR. DETERDING: So you haven't witnessed it at
23 all?

24 REPRESENTATIVE FASANO: No. But I have a
25 feeling you're going to hear from some people today who

1 have. And I think even just a letter to the St. Petesburg
2 Times in yesterday's paper from a person who said that, I
3 think it was from a woman who wrote the letter says that
4 she has witnessed it often.

5 You understand this is not the first time, that
6 every time we get close to the Commissioners coming to
7 people's homes, you coming here for a public hearing, that
8 the calls start to increase, the letters to the editors
9 increase of the large amounts of time Aloha is spending in
10 flushing the lines.

11 MR. DETERDING: And are you suggesting that
12 every time that there has been a public hearing that Aloha
13 has increased its flushing of lines?

14 REPRESENTATIVE FASANO: I am very much so.

15 MR. DETERDING: And you have witnessed --

16 REPRESENTATIVE FASANO: And you know something,
17 Aloha will probably say it is not. But you want to
18 something, they will not be telling the truth, just as
19 they have not told the truth in the past.

20 I mean, Aloha made it very clear early on there
21 wasn't a problem in the servicing area. Then they finally
22 admitted that there was a problem, but it wasn't their
23 problem. I mean, where do we begin? Aloha told us early
24 on that they were just getting a few complaints. Do you
25 think that is a few complaints sitting behind you right

1 now? No, I don't think so.

2 MR. DETERDING: Have you witnessed the flushing
3 in Aloha's service territory being higher than --

4 (Audience response.)

5 REPRESENTATIVE FASANO: No, I have not.

6 MR. DETERDING: Have you witnessed the flushing
7 in Aloha's service territory being higher around periods
8 close to hearings that you mentioned?

9 REPRESENTATIVE FASANO: I have not personally.

10 MR. DETERDING: So what do you base that
11 allegation on?

12 REPRESENTATIVE FASANO: By the honest people who
13 live in my district.

14 MR. DETERDING: So you have no personal
15 knowledge of that?

16 REPRESENTATIVE FASANO: I have no personal
17 knowledge of it, no.

18 MR. DETERDING: Okay. Thank you. During this
19 visit --

20 REPRESENTATIVE FASANO: I will add to that. We
21 have had a call or two that flushing was being done in the
22 middle of the night. So I don't travel through the
23 streets at 3:00 or 4:00 in the morning, so I would not be
24 able to witness that.

25 MR. DETERDING: Do you have personal knowledge

1 of the utility flushing lines --

2 REPRESENTATIVE FASANO: I have personal
3 knowledge of people calling my office and telling us that
4 Aloha was flushing in the middle of the night, yes.

5 MR. DETERDING: But you have no personal
6 knowledge of Aloha --

7 REPRESENTATIVE FASANO: No, I don't have
8 personal knowledge. I don't travel the streets at 3:00 in
9 the morning.

10 (Audience response.)

11 COMMISSIONER CLARK: Go ahead, Mr. Deterding.

12 MR. DETERDING: During the visit of the
13 Commissioners that you discussed at the -- sometime during
14 your direct testimony, isn't it true that you were in
15 attendance at that, during that tour?

16 REPRESENTATIVE FASANO: Yes, I was.

17 MR. DETERDING: Okay. And isn't it true that
18 Aloha took samples of water from each and every customer's
19 meter at the point of delivery by Aloha to the customer's
20 system?

21 REPRESENTATIVE FASANO: Yes. They also, in
22 fact, went ahead and went into people's properties and cut
23 into their pipes and put a valve on there without getting
24 permission from the people who live in the home.

25 MR. DETERDING: Did you see the samples taken by

1 Aloha from the customers' homes?

2 REPRESENTATIVE FASANO: Yes.

3 MR. DETERDING: Isn't it true that every one of
4 them was clean and clear?

5 REPRESENTATIVE FASANO: I could not tell you
6 that, no.

7 MR. DETERDING: Okay. Did you see the samples?

8 REPRESENTATIVE FASANO: I didn't see them all,
9 no.

10 MR. DETERDING: All the ones you did see, were
11 any of them other than clean and clear?

12 REPRESENTATIVE FASANO: I recollect maybe one or
13 two were not totally clear.

14 MR. DETERDING: What did you see?

15 REPRESENTATIVE FASANO: I saw some cloudiness in
16 the water.

17 MR. DETERDING: Do you know what that cloudiness
18 was?

19 REPRESENTATIVE FASANO: Don't have a clue, no.

20 MR. DETERDING: You have indicated that Pasco
21 County has no problem with their water as far as this
22 copper sulfide or black water?

23 REPRESENTATIVE FASANO: I indicated that they do
24 not get the number of calls of complaints that Aloha
25 utility gets.

1 MR. DETERDING: Do you have an analysis of the
2 county's black water or copper sulfide complaints?

3 REPRESENTATIVE FASANO: No, but I will be glad
4 to ask, and if we have time maybe -- I have to head back
5 to Tallahassee, but this was brought up earlier on. And I
6 think when DEP was having a small gathering at the library
7 over in New Port Richey this was brought up. It was later
8 told by both Doug Gramlets (phonetic), the utilities
9 director of Pasco County, that they don't have near the
10 complaints. And they have a larger area of service area
11 than does Aloha with dirty black water. I can assure you
12 that if they had that many complaints, those same people
13 would be showing up at those county commission meetings
14 every Tuesday with jars in hand.

15 MR. DETERDING: Have you viewed any results or
16 analysis of the complaints of the county with regard to
17 this issue?

18 REPRESENTATIVE FASANO: No, only speaking to the
19 utilities director.

20 MR. DETERDING: So you have no personal
21 knowledge of what their complaint history is with regard
22 to this issue?

23 REPRESENTATIVE FASANO: I have to go by what the
24 utility director of the county has told me and what the
25 utility director of the City of New Port Richey had told

1 me.

2 MR. DETERDING: So you have no personal
3 knowledge?

4 REPRESENTATIVE FASANO: Only from the directors
5 themselves.

6 MR. DETERDING: I understand. That is what you
7 have based your comments on?

8 REPRESENTATIVE FASANO: I would hope that they
9 are telling me the truth.

10 MR. DETERDING: Okay. You also -- you stated in
11 your initial comments that they had no problems. Now you
12 are telling me now that they don't have near the problems
13 Aloha, according to what the --

14 REPRESENTATIVE FASANO: I don't think I said no
15 problems. I mean, every utility company is going to have
16 problems.

17 MR. DETERDING: Okay. And all of your comments
18 with relation to that are based upon conversations with
19 the utility director?

20 REPRESENTATIVE FASANO: Yes. I would suspect
21 that if you were to start charging that they have black
22 water in their lines, you are going to get five county
23 commissioners out here real quick telling you that is not
24 true.

25 MR. DETERDING: You mentioned a -- is it

1 Mr. Finnegan?

2 REPRESENTATIVE FASANO: Finnegan, yes.

3 MR. DETERDING: Have you personally viewed the
4 water at Mr. Finnegan's home?

5 REPRESENTATIVE FASANO: No, I have not.

6 MR. DETERDING: So you have no personal
7 knowledge of the comments made in Mr. Finnegan's letter?

8 REPRESENTATIVE FASANO: It is a letter, one of
9 probably hundreds and maybe a thousand or so that we
10 received. This one I wanted to point out because there
11 has been comments from certain people that there is no
12 longer a problem in the servicing area. I wanted to
13 indicate to the Commissioners and to you and to Mr.
14 Watford that this gentleman's letter was written only two
15 weeks ago.

16 MR. DETERDING: I understand your desire to pass
17 on the comments of your constituents --

18 REPRESENTATIVE FASANO: Right. And he asked me
19 to, and I think I have an obligation to do that.

20 MR. DETERDING: Absolutely. Have you passed
21 that letter on to Aloha Utilities in order for them to
22 address the issue?

23 REPRESENTATIVE FASANO: We only received the
24 letter a couple of weeks ago. I have been in Tallahassee.
25 Let's be realistic here, Mr. Deterding. We used to send

1 letters to Aloha. We used to -- in fact, I think we still
2 do at times. But, you know, at a point in time when they
3 don't respond, when they don't do anything, when they say
4 it is not their problem, not their fault, at what point in
5 time do you just figure what -- you know, what do you do
6 next? So that's why we are here today.

7 MR. DETERDING: Are you saying that you do not
8 send complaints concerning --

9 (Audience response.)

10 REPRESENTATIVE FASANO: I will tell you that I
11 do my best, and so does my staff, to forward any
12 complaints to the appropriate agencies for them to take
13 under consideration.

14 MR. DETERDING: Do you forward all complaints
15 that you get --

16 (Audience response.)

17 COMMISSIONER CLARK: Go ahead, Mr. Deterding.
18 But I would remind you that time is getting short.

19 MR. DETERDING: I'm just trying to ask Mr.
20 Fasano's knowledge of the issues on what he testified to.
21 I'm getting close to being through.

22 (Audience response.)

23 COMMISSIONER CLARK: Go ahead, Mr. Deterding.

24 MR. DETERDING: So you do not forward all of the
25 --

1 (Audience response.)

2 REPRESENTATIVE FASANO: I would have to check
3 with my staff.

4 COMMISSIONER CLARK: Ladies and gentlemen, if
5 you would keep your comments to a minimum, I think we can
6 get through here quickly.

7 (Audience response.)

8 COMMISSIONER CLARK: Mr. Deterding, as a
9 representative of the utility, has the opportunity to ask
10 questions of each witness.

11 MR. MCLEAN: Commissioner Clark, Harold McLean
12 on behalf of the citizens. I believe the customers are
13 giving voice to that well-known maxim of the evidence code
14 known as cumulative evidence. Mr. Fasano is relating many
15 of the things which have been told to him by his
16 constituents. I don't know if there is a hearsay
17 objection, I haven't heard one. Hearsay is perfectly
18 admissible in this hearing, as we all know, so long as it
19 is corroborated by other testimony. And we are certainly
20 going to hear it corroborated.

21 But I have sat here quietly listening to the
22 same question being asked time, after time, after time
23 again. It ought to be clear, even to Mr. Deterding at
24 this point, that Mr. Fasano is giving the Commission
25 information that he has received from his constituents.

1 MR. DETERDING: Commissioner, I don't believe my
2 questions are cumulative at all. I'm trying to hit on a
3 few major --

4 COMMISSIONER CLARK: I understand that, Mr.
5 Deterding. But, quite frankly, I do think I agree with
6 Mr. McLean. He has indicated he is here both as a
7 customer and as a Representative. And as I understood his
8 testimony, it was pretty clear when he was relying on
9 things told to him.

10 MR. DETERDING: Okay. That's all I'm trying to
11 get from him, Commissioner, as to that issue.

12 COMMISSIONER CLARK: Go ahead, Mr. Deterding.
13 Let's move on.

14 MR. DETERDING: Will the Office of Public
15 Counsel stipulate that Mr. Fasano's comments are all not
16 of his personal knowledge, but rather second-hand?

17 MR. McLEAN: Of course not. Mr. Fasano saw this
18 picture taken right here.

19 COMMISSIONER CLARK: Let me tell you this, I am
20 concerned about the customers being able to testify. Mr.
21 Fasano, you are in Tallahassee. And if we need to
22 continue this cross-examination, you will be available,
23 won't you?

24 REPRESENTATIVE FASANO: Any day of the week, any
25 time I will be glad to --

1 MR. DETERDING: I just have a few more
2 questions.

3 COMMISSIONER CLARK: I am beginning to share
4 some frustration with this. You have a couple of more
5 questions, and then we are going to move on. And I would
6 also ask those in the audience to please, please show some
7 courtesy to the people up here.

8 I realize you don't necessarily agree with all
9 the opinions and what is being stated up here. But this
10 is a hearing, people are entitled to courtesy, and we will
11 get through this as soon as we can. Thank you.

12 Go ahead.

13 MR. DETERDING: Mr. Fasano, do you know -- are
14 you familiar with the Public Service Commission's rule
15 setting limits on the level of service availability
16 charges?

17 REPRESENTATIVE FASANO: Briefly, I am. Working
18 through this process, just briefly.

19 MR. DETERDING: Isn't it true that Aloha's
20 current service availability charges are at or near the
21 maximum authorized under that rule?

22 REPRESENTATIVE FASANO: I believe so, yes.

23 MR. McLEAN: Objection. There is no foundation
24 to show that Mr. Fasano knows anything about those kinds
25 of things.

1 MR. DETERDING: Mr. Fasano testified that the
2 utility needed to have its impact fees increased. And all
3 I'm trying to get to is his knowledge of the issue.

4 MR. McLEAN: I disagree. I believe that Mr.
5 Fasano has argued that someone other than present
6 customers ought to pay your costs of improving the system
7 to get your water to the point where it is at least
8 drinkable.

9 COMMISSIONER CLARK: Mr. McLean, I'm going to
10 allow the question; and I think it has been answered.

11 REPRESENTATIVE FASANO: Yes, ma'am. Thank you.

12 COMMISSIONER CLARK: Anything else, Mr.
13 Deterding?

14 MR. DETERDING: You are a customer of Aloha
15 Utilities, correct?

16 REPRESENTATIVE FASANO: Yes, I am.

17 MR. DETERDING: Have you ever filed a water
18 quality complaint with Aloha in your years of being a
19 customer?

20 REPRESENTATIVE FASANO: No, I did not, have not.

21 MR. DETERDING: Have you ever experienced black
22 water in your home?

23 REPRESENTATIVE FASANO: Once in awhile, yes.

24 MR. DETERDING: And you did not report it to
25 Aloha?

1 REPRESENTATIVE FASANO: No, I have not.

2 MR. DETERDING: Have you reported it to anyone?

3 REPRESENTATIVE FASANO: Being a state
4 legislator, and being a member of the state legislature,
5 and being here as a customer, I am voicing my opinion
6 right now as to the quality of service and water that we
7 all get --

8 (Audience response.)

9 MR. DETERDING: But you have never reported it
10 to DEP, or the utility, or the PSC, or the health
11 department?

12 REPRESENTATIVE FASANO: No.

13 MR. DETERDING: That's all I have.

14 COMMISSIONER CLARK: Thank you, Representative
15 Fasano.

16 REPRESENTATIVE FASANO: Thank you very much.
17 And it would save me a stamp if I can go ahead and deliver
18 Mr. Finnegan's letter now to Mr. Watford.

19 MR. DETERDING: We would certainly be glad to
20 respond to it.

21 MR. McLEAN: Commissioner, I have a question.

22 Mr. Fasano, I have just handed you a piece of
23 paper. Can you tell what it is?

24 REPRESENTATIVE FASANO: This is a photograph
25 that was taken by the St. Petersburg Times of Mr. Watford

1 opening up the fire hydrants when Commissioner Clark,
2 former Commissioner Johnson, and myself were out looking
3 at the water situation and problems throughout the service
4 area.

5 MR. McLEAN: Can you tell if the gentleman on my
6 left is the same as the one sitting over here on my right,
7 Mr. Crouch?

8 REPRESENTATIVE FASANO: Yes, he is, without the
9 mustache.

10 MR. McLEAN: And how about the gentleman turning
11 the valve, is that Mr. Watford?

12 REPRESENTATIVE FASANO: That is Mr. Steve
13 Watford from Aloha Utilities.

14 MR. McLEAN: And the lady in the middle, who is
15 that?

16 REPRESENTATIVE FASANO: Former Commission
17 Johnson.

18 MR. McLEAN: Is this the picture that you
19 mentioned in your direct testimony?

20 REPRESENTATIVE FASANO: Yes, it is, sir.

21 MR. McLEAN: Is it the picture that Mr.
22 Deterding cross-examined you about?

23 REPRESENTATIVE FASANO: Yes, it is.

24 MR. DETERDING: Were you there when the picture
25 was taken?

1 REPRESENTATIVE FASANO: I certainly was.

2 MR. McLEAN: Commissioner Clark, I would like to
3 have this picture marked as an exhibit. I'm not sure what
4 the next exhibit is.

5 MR. JAEGER: I think we were starting over. We
6 weren't going to keep numbering from the other hearing, so
7 this is the first exhibit.

8 COMMISSIONER CLARK: We will mark it as Exhibit
9 1.

10 (Exhibit 1 marked for identification.)

11 MR. McLEAN: Thank you very much, Commissioner
12 Clark.

13 REPRESENTATIVE FASANO: Commissioners, thank you
14 very much. Have a great day. God bless you.

15 COMMISSIONER CLARK: Mr. Fasano, I have been in
16 error. Our staff attorney needs to ask you one question.

17 REPRESENTATIVE FASANO: Oh, I'm sorry.

18 MR. JAEGER: I just have one question. What
19 subdivision are you in?

20 REPRESENTATIVE FASANO: Heritage Lake.

21 MR. JAEGER: Heritage Lake?

22 REPRESENTATIVE FASANO: Yes.

23 MR. JAEGER: One other question. The utility is
24 saying that part of this problem may be copper pipes. Do
25 you know if you have copper pipes?

1 COMMISSIONER JABER: I believe I do have copper
2 pipes, yes.

3 MR. JAEGER: No further questions. Thank you
4 for appearing here today.

5 COMMISSIONER CLARK: Representative Fasano, now
6 I am in error again. Commissioner Jaber would like to ask
7 you a question.

8 REPRESENTATIVE FASANO: Welcome and
9 congratulations.

10 COMMISSIONER JABER: Thank you, Representative,
11 and thank you for being here.

12 Let me tap into your legislative knowledge, and
13 you may not be able to answer this because of your
14 responsibilities at the Legislature. In dealing with this
15 session or in talking about the next session, are you
16 aware of any changes that might be proposed by DEP that
17 perhaps we need to know about in this record?

18 REPRESENTATIVE FASANO: I am not familiar with
19 any. I would be glad to check with the chairmans of the
20 three appropriate committees that it would come under and
21 get back to you, but I'm not aware of any.

22 COMMISSIONER JABER: Let me just tell you that
23 one of my concerns has been that we have heard from DEP on
24 several occasions that this service provided by the
25 utility meets DEP standards, and I've got two concerns.

1 One is in looking for alternatives for funding solutions
2 to the problem so that the customers don't have to pay,
3 I'm wondering if there are any legislative fixes.

4 REPRESENTATIVE FASANO: I believe -- I'm sorry.

5 COMMISSIONER JABER: And then, secondly, if
6 there is any sort of movement to change DEP's standards so
7 that this kind of problem -- you know, raises the niche a
8 little bit so this sort of problem is included in DEP's
9 requirements.

10 REPRESENTATIVE FASANO: As far as fixes are
11 concerned, I know that there is always the availability,
12 and I think that Aloha has done something with SWFWMD in
13 the past. And correct me if I'm wrong, Mr. Watford, but I
14 know there are areas out there that private utilities
15 companies can get some assistance, not to a great extent.
16 However, I have a great concern that when you have a
17 utility company who is charging, I believe, a \$350 to \$400
18 impact fee on water and sewer hook-up on new homes, and
19 the county, itself, is charging almost ten times that
20 amount, I believe that many of the problems that we are
21 seeing in the Aloha servicing area, especially in the
22 newer areas, out in the Wyndtree, and Chelsea Place, and
23 Trinity areas are caused because of the growth out there,
24 and Aloha has not done their job in keeping up properly
25 with that growth. And I believe that those who are

1 building homes today should have to take care of that
2 problem and not put that burden on the existing customer.
3 And that is why I had requested years ago that the
4 Commission consider forcing Aloha to increase their impact
5 fees and not putting the burden on the existing customer
6 and scaring them with a rate increase of 400 percent.

7 COMMISSIONER JABER: Thank you.

8 REPRESENTATIVE FASANO: Thank you. God bless
9 you. Have a good day.

10 COMMISSIONER CLARK: Thank you, Representative
11 Fasano.

12 Mr. McLean.

13 MR. McLEAN: Commissioner Clark, Citizens move
14 Exhibit 1 into evidence, please.

15 COMMISSIONER CLARK: Without objection, Exhibit
16 1 is admitted into the record.

17 (Exhibit 1 entered into the record.)

18 MR. McLEAN: The Citizens call Mr. Day, please.

19 COMMISSIONER CLARK: Mr. Day?

20 MR. JAEGER: I'm sorry, Day, D-A-Y. I think it
21 is William Day.

22 WILLIAM DAY

23 was called as a witness on behalf of Citizens of the State
24 of Florida and, having been duly sworn, testified as
25 follows:

DIRECT EXAMINATION

1
2 MR. DAY: Good morning. I have a few notes
3 here. I sure wish I had met Mr. Fasano before our company
4 moved into the area.

5 I want to thank you all for giving me this
6 opportunity.

7 MR. DETERDING: Excuse me, Mr. Day. Pardon me
8 for interrupting you. Can you give us your address,
9 please.

10 MR. DAY: Oh, I'm sorry. I'm with Welbilt
11 Technology Center, it's 2227 Welbilt Boulevard. And I'm
12 also a private user of Aloha, and my private home is 1013
13 Hagan Drive in Trinity.

14 MR. DETERDING: Thank you.

15 MR. DAY: And, again, I wish to thank you all
16 for letting me come up here today, because I have both a
17 professional and a personal concern about the Aloha
18 Utilities quality of service. As I said, my name is Bill
19 Day, I'm operations manager for Welbilt Technology Center
20 located in Pasco County in Trinity Commerce Park at --
21 just off of Mitchell Boulevard. We presently have a
22 25,000 square foot state of the art facility for research
23 and development of the commercial food service equipment
24 industry.

25 Welbilt Corporation is located in Stanford,

1 Connecticut. And Welbilt is a one-and-a-half billion
2 dollar corporation with 39 facilities in 12 countries
3 throughout the world. Some of our major customers are
4 McDonald's, Burger King, Kentucky Fried Chicken, Taco
5 Bell, Wendy's, Checkers in the fast food business. And a
6 good example of our traditional marketplace is Disney
7 World in Orlando. We have major pieces of equipment over
8 there. And the purpose of identifying my employer is to
9 help you to understand the present situation that we are
10 confronted with due to Aloha Utilities poor service.

11 It is my intention to cover these major issues
12 as briefly and concisely as I possibly can. And after
13 that I will be happy to answer any questions. The
14 technology center is the showplace for Welbilt Corporation
15 and all of our customers. You can imagine our
16 embarrassment with the foul odor caused by the hydrogen
17 sulfide levels in the water supplied by Aloha.

18 We notified Aloha, they came out to the site.
19 We talked about copper pipes, we talked about different
20 things that cause the odor. In order to solve the
21 problem, they did drain some of our water supply lines and
22 then they left. At this point we realized that the only
23 way to solve this problem would be without Aloha, so we
24 figured that in our best interest to try to find out where
25 we can get other water, and we found out that Aloha is the

1 only place you can get water.

2 In addition to the odor, we have experienced
3 milky water and now the water softener and the water
4 heaters don't work normally, so we contacted Specialty
5 Exports, Incorporated, and had a scientific water
6 treatment analysis made. This company is located in
7 Gibsonton, Florida. You have to excuse me, I'm new to the
8 Florida area, so some of these places are not fresh for
9 me.

10 But they confirmed our problem and they also
11 helped us, including myself personally to understand what
12 the situation is. And I think most people in this room
13 understand it, but I sure didn't. The hydrogen sulfide,
14 H₂S, causes odor. To mitigate the odor you increase the
15 chlorine level. Both hydrogen sulfide and chlorine are
16 harmful to water softeners and other components like
17 toilets, dishwashers, clothes washers, just about anything
18 that comes in contact with the water doesn't like either
19 one of them. And we understand that other utilities
20 aerate the water as part of the treatment process to
21 eliminate the odor and the need for the high chlorine
22 content.

23 And just recently I learned personally that
24 Aloha had offered to do this by raising their rates, as
25 Mr. Fasano suggested, four times. And I don't think their

1 current rates are four times below their competitors in
2 the area. I'm sorry, I used the word competitor, there is
3 no such thing. I don't mean to be funny.

4 But Specialty Exports conducted the formal
5 chemical analysis of our water and hydrogen sulfide was
6 zero the day they were. There was no odor. No odor.
7 However, the free chlorine that was analyzed by them was
8 1.51 parts per million. This very high chlorine level
9 overcame the odor positively. You couldn't smell
10 anything. But, that quantity, 1.51 parts per million is
11 equivalent to what you might find in a swimming pool, all
12 right? The normal chlorine content I'm told is .1 or .2.
13 This was 1.51.

14 Cooking, which is our business with our
15 customers, or drinking, which is usually what you do in an
16 office place, of that quality of water, the pool water is
17 totally unacceptable. And it may be harmful. I'm not an
18 expert on that, but we may become one. We intend to talk
19 to EPA directly. We intend to talk to SWFWMD. We intend
20 to talk to the National Sanitation Foundation, who is a
21 group that we have to get all of our equipment approved
22 through and find out what their understanding of all of
23 this is. Just so you understand, it is very commonplace
24 in our business, which is research and development, to
25 have outside experts come in and give us their take on

1 what is going on. And we intend to do that here because
2 it is very important to us.

3 So in addition to that, we took that analysis
4 and we went to an environment company over in West Palm
5 Beach and asked them to quote an on-site water treatment
6 plant, honestly, and it was about \$37,000 or \$40,000. And
7 in an effort to reduce that cost, we went back to Aloha
8 and said please tell us what the minimum and maximums are
9 for your chlorine, your hydrogen sulfide, and iron is a
10 big thing, too. Nobody has talked about that yet. But we
11 asked that question, and Aloha's answer was they didn't
12 have to control these chemicals, and therefore they
13 weren't going to give us anything, or didn't have it, I
14 don't know.

15 So earlier -- that whole process is on hold
16 right now. But a little bit earlier I mentioned that I
17 not only have a professional reason for being here but
18 also a personal reason. And my personal experiences with
19 Aloha is just as frustrating and potentially hazardous,
20 I'm afraid. You heard Mr. Finnegan, and you have heard a
21 number of people talk about people that are disabled, or
22 can't get around, or whatever it might be, and on fixed
23 incomes and that sort of thing. I think that is only part
24 of your problem. The biggest part I will cover at the end
25 of my statement is financial for Pasco County. But anyway

1 getting back to my personal issues.

2 Frequently in the morning I will go out to get
3 the paper. And when I get out and check around, my water
4 sprinkler is on, hasn't popped up, I go over and check and
5 the pressure is low. I mean, really low. Neighbors have
6 commented on it in their showers. I have personally
7 experienced it. And heaven forbid if there were a fire in
8 my neighbor's home or my home it would be an absolute
9 disaster at that particular time when the water pressure
10 is that low. It is unconscionable in my mind.

11 I actually hope that some people from the
12 Commission would visit Mitchell Boulevard in Trinity and
13 see the new growth in this area. Hundreds, even thousands
14 of new homes, shopping centers, commercial businesses, and
15 they are required to use inferior water and experience the
16 franchise monopolistic attitude of Aloha.

17 To expand on Aloha's unethical attitude is best
18 explained as follows: Actually the Aloha problem for my
19 company started before we moved into our building. We
20 moved in in February of 1999. Our civil engineers, King
21 Engineering, were advised by Aloha through their engineer,
22 Dave Ernsberger, (phonetic), that the previously approved
23 plans would require a 6-inch water metering system. Dale
24 Ernsberger assured us that there would be no cost increase
25 for parts or service, and it was strictly to assure fire

1 protection.

2 As it turned out, Aloha is billing over \$750 per
3 month based on a 6-inch water main. The charges are for
4 the minimum usage of 150,000 gallons per month. Our
5 actual usage as planned is less than \$10,000 per month, or
6 10,000 gallons per month. However, Aloha insists on
7 billing at 15 times the actual usage.

8 But the story gets better. Once we discovered
9 the charges, we contacted King Engineering and their
10 engineer, Greg Wigener (phonetic), contacted Dale
11 Ernsberger again, who is with Aloha, and questioned the
12 billing. Dale advised that he contacted Steve Watford of
13 Aloha and was told that Aloha does not have a fee schedule
14 set up to handle the promised system.

15 We then tried to work directly with Aloha
16 instead of through the civil engineer. I figured he is a
17 businessman -- I didn't know any better, so I called him
18 up. I could never get to Steve Watford, he was totally
19 inaccessible. But I did discuss the issue with Connie
20 Kirsch (phonetic) of Aloha, and she was very nice and she
21 asked for a formal letter so that she would understand the
22 problem. So we complied. I sent her a letter on November
23 the 8th. Aloha responded January the 27th, two months
24 later. And their option was to reduce the charges they
25 would give us a 4-inch main which would be less expensive,

1 not as good as what we had planned to do, but it would be
2 less expensive.

3 My question is what happened to the need for the
4 6-inch water main for fire protection? I don't
5 understand. I mean that is not -- I'm concerned. As
6 strange as it sounds, our positive experiences with Pasco
7 County administrator, John Gallagher, Doctor Gills'
8 Adams-Smith Enterprise Group (phonetic), which persuaded
9 us to locate in Pasco County instead of Hillsborough
10 turned out to be a very negative experience. We were
11 naive. We had no idea that a public utility would act as
12 Aloha has acted. Now we are paying for it.

13 I have read in the paper recently that the
14 Public Service Commission has taken steps and reacted to
15 quality water problems with other utilities. I can only
16 hope that the Aloha problem will get similar attention.
17 The franchise monopoly situation totally eliminates
18 customer service, and Aloha is particularly arrogant when
19 it comes to this issue.

20 In summary, Welbilt Technology Center is
21 currently located in Trinity. Welbilt corporate offices
22 are planning to relocate to Trinity. In fact, Welbilt
23 corporate called our offices about three weeks ago and
24 asked that we investigate the availability of additional
25 property in the Trinity Commerce Park. And I have since

1 contacted Adams-Smith for future growth. But I have to
2 say in all clear conscience, I cannot recommend this area
3 for relocation until Aloha Utilities is required to
4 provide adequate service or an alternate water source is
5 made available to us.

6 After hearing the testimony this morning that
7 this all started so long ago and these folks out here have
8 been complaining for so long, we are relatively new to
9 this area, and we love it except for this issue. But I
10 can tell you right in now in my past experience, the one
11 way to solve these kinds of issues is with a class action
12 suit. And I will tell you, we are ready.

13 COMMISSIONER CLARK: Thank you, Mr. Day.

14 Are there any questions of Mr. Day?

15 MR. DETERDING: I have a few.

16 COMMISSIONER CLARK: Go ahead, Mr. Deterding.

17 MR. DETERDING: Thank you. You mentioned that a
18 company called Specialty Exports in Gibsonton, did you
19 say, Florida, did an analysis of the water?

20 MR. DAY: That's correct.

21 MR. DETERDING: Are they a certified laboratory,
22 do you know?

23 MR. DAY: Yes.

24 MR. DETERDING: By the Department of Health?

25 MR. DAY: Yes.

1 MR. DETERDING: Did you submit their results to
2 Aloha Utilities?

3 MR. DAY: Actually what we are going to do in
4 this whole issue is as I stated earlier, we have always
5 used third-party outside experts for this kind of thing in
6 research and development. There is one thing we are very
7 proud of, we know what we know and we know what we don't
8 know. We don't know a whole lot about this, but I can
9 tell you right now that Bitell Industries (phonetic) and
10 A.D. Little, who are normal consultants for us are very
11 competent in this area. And we plan to solicit them, pay
12 for them to put together a full report to submit on this
13 subject.

14 MR. DETERDING: So have you supplied these test
15 results to Aloha Utilities?

16 MR. DAY: No. We sent them a letter explaining
17 that we knew they were high, and we just asked for the
18 details on how high they might be and how low they might
19 be. And we did do that in writing to Aloha.

20 MR. DETERDING: You knew that what was high in
21 this letter, I'm not sure I know what you are talking
22 about?

23 MR. DAY: That the hydrogen sulfide and chlorine
24 content are high at Aloha, out of control.

25 MR. DETERDING: Well, you say high and out of

1 control, do you know whether or not their water is in
2 compliance with the Florida and federal standards on those
3 issues?

4 MR. DAY: I am told that it is in compliance
5 with that.

6 MR. DETERDING: You mentioned a softener at some
7 point in your discussion. Does your business have a
8 softener on the water system there?

9 MR. DAY: Absolutely.

10 MR. DETERDING: Are you familiar with the
11 requirement that public central water systems are required
12 to maintain a chlorine level in their water at the
13 furthest point in their distribution system?

14 MR. DAY: No, I'm not.

15 MR. DETERDING: So do you know whether or not
16 the amount of chlorine that you or this lab measured is at
17 or near that required minimum?

18 MR. DAY: I have no idea. But it seems
19 unconscionable that you would be putting pool water into a
20 building.

21 MR. DETERDING: Well, do you know what the
22 concentration of chlorine is in a swimming pool?

23 MR. DAY: Yes, it is about 2.

24 MR. DETERDING: Two what?

25 MR. DAY: Parts per million, or 2.00 parts per

1 million.

2 MR. DETERDING: And where did you obtain the
3 knowledge as to the amount that is in a swimming pool?

4 MR. DAY: At the expert. What is the name of
5 it, Pinch-a-Penny. I took my water up to the
6 Pinch-a-Penny for analysis. And they said, "What kind of
7 water is this?" So I said, "I just want to know what the
8 chlorine content is."

9 MR. DETERDING: So it is the pool people who
10 determined the amount of --

11 MR. DAY: We will give you a formal professional
12 report on all of this from the third party.

13 MR. DETERDING: Excellent. But the
14 information --

15 MR. DAY: Trust me, all the information -- you
16 are doing the same thing that we did with Fasano, and I
17 understand your position. All I can tell you is that I
18 guarantee you that when with we are finished you won't be
19 able to challenge the source.

20 COMMISSIONER CLARK: Mr. Deterding, he has
21 indicated he will give you that report.

22 MR. DETERDING: I'm just trying to find out
23 where he got his numbers --

24 COMMISSIONER CLARK: I think he is going to
25 provide all of that to you. I would remind you we have a

1 lot of customer testimony to get to.

2 MR. DETERDING: I understand, Commissioner. I'm
3 just trying to clarify.

4 COMMISSIONER JACOBS: Mr. Day, do have you a
5 timing on that?

6 MR. DAY: A timing on the report?

7 COMMISSIONER JACOBS: Yes.

8 MR. DAY: I would hope to have it within the
9 next couple of months. We still have to solicit
10 everybody. Quite frankly, we were debating whether to
11 even come here because of the details. We have had
12 excellent relationships with the county. And I personally
13 called John Gallagher. And I said, "Look, it is going to
14 take a lot of my time" -- as a matter of fact, the vice
15 president of our group is here with me today. And it is
16 going to take a lot of our time away from our business to
17 do this. Is it worthwhile? At first he said no. The
18 second thing he said was, "Is Fasano going to be there?"

19 COMMISSIONER CLARK: Uh-huh.

20 MR. DAY: And I said, "Yes." He said, "Then it
21 may be worthwhile." And I said, well -- I was totally
22 flabbergasted. So to answer your question on the timing,
23 the issue will be taken -- as I leave here today, we will
24 start making the contacts as we normally do and pull all
25 of this together and put together a formal report. So I

1 would hope that we would have it within the next two
2 months. That would be my goal.

3 COMMISSIONER CLARK: Mr. Deterding.

4 MR. DETERDING: Just to clarify that last issue.
5 Your analysis of the chlorine in your water was taken by
6 your pool supply company, is that correct?

7 MR. DAY: Yes. And the guy that gave it to me
8 from Specialty's, when he gave it to me he told me the
9 same thing. He said, "My goodness, that is high. No
10 wonder you don't have any odor." So that was from the
11 expert.

12 COMMISSIONER JACOBS: So let me be clear.
13 Specialty did an analysis of your water, and they gave you
14 a report of what the chlorine level was, and then you took
15 it to the pool store and they gave you an additional
16 analysis; is that what your statement is?

17 MR. DAY: What I did is I took my pool water to
18 the pool company, and they analyzed it for me. Because he
19 mentioned to me that it was high and like a pool, and I
20 thought, geez, I can't believe it.

21 COMMISSIONER JACOBS: Oh, so Specialty did from
22 your tap, and then you just confirmed what the relative
23 level was from your pool water?

24 MR. DAY: Exactly.

25 MR. DETERDING: So the test that determined 1.51

1 parts from million was from your water at your business?

2 MR. DAY: Oh, absolutely.

3 MR. DETERDING: And was done by this Specialty
4 Exports company?

5 MR. DAY: Right, exactly.

6 MR. DETERDING: Okay. Did you provide that
7 analysis -- you have not provided that analysis to Aloha,
8 correct?

9 MR. DAY: No.

10 MR. DETERDING: Thank you. You mentioned some
11 other concerns that you had. Were those samples that you
12 have taken and/or those experiences that you have had with
13 water quality taken before or after the water goes through
14 the softening system in your business?

15 MR. DAY: Both. In fact, the 1.51 was before it
16 entered the water softener. And the reason that he did
17 that, as was explained to me, is that the chlorine and/or
18 hydrogen sulfide attack the resin in the water softeners
19 and causes it to get milky and everything and lose its --
20 in fact, it shortens the life by about five or six-fold,
21 is what he explained to me. He gave me -- and I bought a
22 35-gallon drum of this special cleaner to try to keep it
23 under control until I could get the water treatment system
24 put in. And I ran into the issue of the expense of it. I
25 wasn't sure it was correct, because I couldn't find out

1 what it had to control.

2 COMMISSIONER CLARK: Mr. Deterding, this witness
3 has indicated he is going to provide you all of that
4 information.

5 MR. DETERDING: I understand. I've only got a
6 couple of other questions and they are not on that.

7 COMMISSIONER CLARK: We need to get to our other
8 witnesses. What are your questions on, tell me first?

9 MR. DETERDING: Well, first of all, he talked
10 about frequent low pressure, and I wanted to find out
11 about that.

12 COMMISSIONER CLARK: I will allow you to ask
13 about the pressure at his residence. Go ahead.

14 MR. DETERDING: You mentioned that you had
15 experienced some low pressure at your home in the morning?

16 MR. DAY: Correct.

17 MR. DETERDING: Did you report that to Aloha
18 Utilities?

19 MR. DAY: Many times. The whole neighborhood
20 does. As a matter of fact, one of my neighbors up the
21 street had an extremely bad situation. And the only way
22 she got a response from Aloha was to call the Pasco County
23 Fire Department. She was afraid it was a fire hydrant.

24 MR. DETERDING: Well, you mentioned that you had
25 low pressure at your home. Now, you have asked -- you

1 have complained to Aloha about that low pressure?

2 MR. DAY: Oh, yes.

3 MR. DETERDING: And how many time have you done
4 that?

5 MR. DAY: Just about every time the guy comes
6 around that drains the water. The guy comes down at the
7 end of the cul-de-sac and turns on this meter and sprays
8 the water all over -- not all over, but he sprays it in
9 the street.

10 MR. DETERDING: Have you called the utilities
11 office to complain about the low pressure?

12 MR. DAY: No. Out of frustration I have not,
13 no.

14 MR. DETERDING: I have nothing further. Thank
15 you.

16 COMMISSIONER CLARK: Mr. Day, just a minute.
17 Let me see if there are any other questions.

18 MR. JAEGER: Commissioner Clark, I'm a little
19 confused about what he is going to be providing. Staff
20 would like a late-filed exhibit of the Specialty Exports
21 report. I think that is available now, isn't it?

22 MR. DAY: Absolutely.

23 MR. JAEGER: Could we get that as a Late-filed
24 Exhibit 2?

25 MR. DAY: Yes.

1 COMMISSIONER CLARK: Would you be willing to
2 provide that?

3 MR. DAY: Absolutely. I have a number of
4 exhibits that I will be glad to furnish for you.

5 COMMISSIONER CLARK: What I would like to do
6 is -- we will label that as Late-filed Exhibit 2. And,
7 Staff, you can get with Mr. Day. We have his business
8 address as well as his home address, and we can contact
9 him to get any other information we may need.

10 (Late-Filed Exhibit 2 identified.)

11 MR. JAEGER: Okay. If it goes much over two
12 months, we are trying to come back to the Commission in
13 June.

14 COMMISSIONER CLARK: I realize that. But I
15 think we can talk with him and find out what the time
16 frame is. And if we need to adjust the schedule, we will.

17 MR. JAEGER: Okay. Do we want to get a
18 late-filed exhibit, then, of all these other reports in
19 addition?

20 COMMISSIONER CLARK: No, I think we'll wait
21 until you have an opportunity to look at them and the
22 parties have an opportunity to look at them. Okay?

23 MR. JAEGER: Okay. But the late-filed exhibit
24 right now is Specialty Exports report?

25 COMMISSIONER CLARK: Yes.

1 MR. JAEGER: Okay.

2 MR. DAY: To help with this issue, I have a copy
3 of them with me, you're welcome to have them.

4 COMMISSIONER CLARK: We would appreciate that.
5 If you could give it to staff, then we could get it copied
6 and we could enter it in the record without waiting to get
7 copies.

8 MR. DAY: Sure. Yes, I will do that. I've got
9 it in my briefcase.

10 MR. JAEGER: Thank you, Mr. Day.

11 COMMISSIONER CLARK: Do you have any questions?
12 Thank you very much, Mr. Day, for being here.

13 MR. DAY: Thank you very much. I hope it does
14 some good.

15 MR. DETERDING: Commissioner Clark, if I may, it
16 will help me to be sure that we do this as quickly as
17 possible, if we can go ahead and state on the record that
18 the utility will provide a late-filed exhibit responding
19 to each of these customer concerns in a late-filed exhibit
20 at the normal time in a couple of weeks after the --

21 COMMISSIONER CLARK: Yes. I would expect that
22 you will respond to the complaints. And the Public
23 Counsel will have an opportunity to look at it, as well.
24 I want to indicate because the utility has asked about
25 filing complaints, I want all of you to know there is a

1 1-800 number that you can call the Commission. You can
2 also file a complaint on-line, and I'm going to make sure
3 we have that information for you before the close of the
4 hearing.

5 And I encourage every one of you, if you have a
6 complaint, you cannot only complain to the utility, but
7 you can also complain to us. And I think it would be
8 appropriate for -- and we would appreciate knowing that.
9 The complaint numbers and the way to contact us by the
10 Internet is one this special report. Mr. McLean.

11 MR. McLEAN: Yes, ma'am. Citizens call Joseph
12 Sharkey. Joseph Sharkey, please.

13 COMMISSIONER CLARK: I don't see anyone coming
14 forward.

15 MR. McLEAN: Okay. I'll keep that one. Debbie
16 Avery.

17 COMMISSIONER CLARK: Debby Avery.

18 MS. AVERY: Yes.

19 COMMISSIONER CLARK: She is coming. If you will
20 give us your name and address, please, and spell your last
21 name.

22

23

24

25

1 DEBBY AVERY

2 was called as a witness on behalf of the Citizens of the
3 State of Florida and, having been duly sworn, testified as
4 follows:

5 DIRECT STATEMENT

6 MS. AVERY: My name is spelled D-E-B-B-Y, last
7 name A, V for Victor, E-R-Y. Address, 1050 Trafalgar
8 Drive, New Port Richey. I'm in the Wyndtree, the
9 Edenbrook (phonetic) subdivision. Now, talking about --
10 this was my dream home. And I'm also a professional, I
11 work in sales. But we bought this home. And we thought
12 we, you know, would have an enjoyable home that we could
13 enjoy with friends. Since we have been here my husband
14 has had to have a liver transplant. Now, I don't know if
15 this has got anything to do with the water or not, but I'm
16 just mentioning the fact, because we were in Miami in
17 November.

18 And while we were there for his transplant, the
19 outside water line we had to have it repaired. And this
20 is the water coming from Aloha's line into the house. We
21 have replaced numerous water flippers in each bathroom. I
22 don't even serve this water to my friends. I buy bottled
23 water. I don't cook with it. It stinks. And we didn't
24 think to save how many times we have had to change the
25 flippers in the bathrooms. The water in the water tanks

1 in the bathroom, they are gritted with black stuff. And
2 my son-in-law had to have the outside water fixed with Tom
3 Shaw (phonetic) Plumbing. And he didn't save those water
4 pipes, or I would them here.

5 Now, a brand new house, I bought it in August of
6 '95, and you cannot drink the water? Come on, give me a
7 break. It's ridiculous. And what health problems is it
8 causing? I have to be very careful with my husband now.
9 And he is also on another transplant list. I'm suffering
10 some health problems, I don't know if it is due to the
11 water or not, but I'm going to check into it. And I did
12 fill out those complaints about the water.

13 COMMISSIONER CLARK: Do you have anything else?
14 Are there any questions?

15 MS. AVERY: No, I'm just sorry I was stuck in
16 Miami when we had the damage water coming into the house
17 and had to have the plumber replace that or I would have
18 saved that and brought that in.

19 COMMISSIONER CLARK: Okay. Thank you,
20 Ms. Avery. Are there any questions?

21 MR. McLEAN: Yes, I have one. Ms. Avery, I
22 noticed you have brought something with you there. Will
23 you tell the Commission what that is.

24 MS. AVERY: It is water that came out of the
25 water tap. And if you would look at the bottom of it, it

1 is black. And I won't drink it. Would you like a drink
2 of it? And we have had blacker water than that.

3 MR. McLEAN: No, ma'am, I wouldn't. Thank you.
4 I have no further questions.

5 MR. DETERDING: I have a couple.

6 MS. AVERY: Yes, sir.

7 MR. DETERDING: You mentioned a line that had to
8 be replaced.

9 MS. AVERY: It was the water line coming from
10 the outside, from Aloha into our house.

11 MR. DETERDING: So this is the line on your
12 property, is that correct?

13 MS. AVERY: Well, it is Aloha's line that was
14 put in there. It is the water line that they said was
15 damaged.

16 MR. DETERDING: Is it on your property?

17 MS. AVERY: Yes.

18 MR. DETERDING: So it is the line after --

19 MS. AVERY: Is the main line that comes into the
20 house for the water.

21 MR. DETERDING: But after the meter out --
22 before or after the meter, do you know?

23 MS. AVERY: Right at the house. It was replaced
24 there.

25 MR. DETERDING: Do you have a water softener or

1 treatment system?

2 MS. AVERY: No, I do not. I didn't expect to
3 have to do that in this community.

4 MR. DETERDING: You mentioned something about
5 filters or did I miss that?

6 MS. AVERY: No, I do not have filters at all. I
7 buy bottled water. And I cook with bottled water. And I
8 have even rinsed off with bottled water when the water
9 came out so black in the shower and the bathtub. I have
10 taken bottled water and rinsed it off myself because that
11 water is so rotten and stinking. And, like I said, I have
12 to be very careful now with my husband, because he does
13 need another liver transplant.

14 MR. DETERDING: I have nothing further.

15 COMMISSIONER CLARK: Thank you, Mr. Deterding.
16 Thank you, Ms. Avery.

17 MS. AVERY: You're welcome.

18 COMMISSIONER CLARK: Mr. McLean.

19 MR. McLEAN: Madam Chairman, the Citizens call
20 Corelli, C-O-R-E-L-L-I, both Mr. and Mrs. have signed up,
21 so I don't know which, whether I should call both. Mr.
22 and Mrs. Vincent Corelli.

23

24

25

1 VINCENT CORELLI

2 was called as a witness on behalf of the Citizens of the
3 State of Florida and, having been duly sworn, testified as
4 follows:

5 DIRECT STATEMENT

6 MR. CORELLI: I'm Vincent Corelli,
7 C-O-R-E-L-L-I. I live at 7644 Albacore Drive, New Port
8 Richey 34655. I would like to address for a moment this
9 fire hydrant that we have heard so much about today. I am
10 a retired New York City firefighter and a retired Pasco
11 County Utility Inspector. So I think I'm qualified to
12 talk about fire hydrants.

13 Now, this fire hydrant that Mr. Deterding
14 questioned Mr. Fasano at length about, when it was opened
15 a tremendous amount of dirty water came out. Now, I have
16 opened many, many fire hydrants. The amount of water that
17 came out of that fire hydrant that was so dirty, if a fire
18 engine had to connect to it to put out a fire it very
19 possibly would have fouled up the pumps, that is how bad
20 it was.

21 Now, most hydrants, when you open them, will
22 discharge a small amount of rusty water because the
23 hydrant is made of iron. But black dirty water, no. That
24 only shows me that the water main that the hydrant is
25 attached to is contaminated. You cannot separate good

1 water from bad water in a water main. That contamination
2 is mixed throughout the distribution system. And, yes, it
3 goes into people's homes. It is the same water that comes
4 out of the hydrant that we drink supposedly in our homes.
5 So much for that hydrant.

6 Now, I would like to say that in my opinion
7 everybody that is here, attorneys, Commissioners, staff,
8 engineers should be all working together to clean up our
9 water. This should be your primary concern. Now, I
10 understand that the utility's attorneys have a job to do.
11 That is very good. But they should also be working with
12 the Commission to get the water clean. The utility
13 company has tried and lost.

14 This question about the copper pipes, that is
15 another thing that, you know, it is just a complete
16 fabrication. Copper pipes in a home, if they did cause
17 the water to become contaminated, the utility would almost
18 certainly require these homes to install backflow
19 preventers like all businesses must have today. Because a
20 water distribution system is a closed, sealed, protected
21 system. There are no questionable connections allowed on
22 a water distribution system without a backflow prevention
23 device.

24 Now, we have thousands of homes supposedly
25 contaminating Aloha's water with our copper pipes. And

1 yet we are allowed to continue to maintain open
2 connections to the water main. The reason being that the
3 water is contaminated before it reaches our homes. Now, I
4 really think we don't need any more delays. We don't need
5 any more smoke screens. What we need is everyone working
6 together to get the water cleaned up, to get the equipment
7 installed that it is going to take and get the water
8 cleaned up so we will all be happy.

9 COMMISSIONER CLARK: Thank you, Mr. Corelli.

10 Any questions?

11 MR. McLEAN: Yes, I have a couple. Mr. Corelli,
12 you gave your address as 7644 Albacore Drive, is that
13 correct?

14 MR. CORELLI: Yes.

15 MR. McLEAN: Are you the same Mr. Corelli who
16 may have participated in some sort of survey by the
17 Department of Environmental Protection?

18 MR. CORELLI: Yes.

19 MR. McLEAN: I want to ask you a question or two
20 about that. Madam Commissioner, Chairman, I need an
21 exhibit marked just for discussion. I don't know whether
22 we will try to get it into evidence or not, but I just
23 need a number. I understand Mr. Jaeger has a number of
24 copies of that particular document.

25 COMMISSIONER CLARK: We will mark the document

1 as Exhibit 3, we will identify it as Exhibit 3.

2 (Exhibit 3 marked for identification.)

3

4 MR. McLEAN: Mr. Corelli, I'm not going to grill
5 you about that study and ask you if you got any special
6 expertise about interpreting it. All I would like you to
7 tell me is that page that I turned it to and I'm showing
8 it to you there, is that the page you prepared, is that
9 your handwriting on there?

10 MR. CORELLI: Yes, sir, it sure is.

11 MR. McLEAN: And how long ago did you do that?

12 MR. CORELLI: That appears to be --

13 COMMISSIONER CLARK: Mr. McLean, could you give
14 us an idea of where it might be.

15 MR. McLEAN: The best I can do is to tell you it
16 is toward the back. They are arranged in alphabetical
17 order, and it is roughly halfway through the exhibit. I
18 didn't know this was going to be my exhibit, I thought it
19 was going to be your staff's exhibit.

20 COMMISSIONER CLARK: You mean so I should get
21 after them for not numbering it consecutively, is that
22 what you're saying?

23 MR. McLEAN: No exactly, Madam Chairman. If you
24 are going to get after anybody it probably ought to be me.
25 Bate stamped turned out to be a real worry, too.

1 COMMISSIONER CLARK: Actually, look at the top.

2 MR. JAEGER: Mr. Corelli, Page 30 of 99.

3 COMMISSIONER CLARK: Thanks.

4 MR. McLEAN: You can give me credit for that if
5 you want to.

6 COMMISSIONER CLARK: Thank you, Ralph.

7 MR. McLEAN: Anyway, sir, the point is that was
8 your handwriting on it. Let me ask you about that. Can
9 you tell me basically what your experience was with that
10 survey?

11 MR. CORELLI: Yes. They sent the technician to
12 the house and -- two of them actually. I believe they are
13 on here, Mr. Gustafson and Mr --

14 MR. McLEAN: Tom Gustafson?

15 MR. CORELLI: Yes. They took several water
16 samples from different -- all the different taps in the
17 house. That was the first time they were there. Then
18 another man showed up who drained the hot water tank,
19 loaded it with chlorine, disinfected it with chlorine, and
20 drained it again and then he left. He returned several
21 months later and checked the hot water tank and whatever
22 he did. And these men then returned, I guess about six
23 months later, and took a whole bunch of samples again.

24 Now, strangely enough, I called, I put in a call
25 to them about two weeks ago, and I was interested to know

1 what the results of all of these tests were. But I was
2 told that they didn't really know, they didn't have the
3 final results. All they did was collect the samples and I
4 guess send it out for testing.

5 MR. McLEAN: Yes, sir. Do have you a home water
6 softener or a home water treatment unit of any sort?

7 MR. CORELLI: I have a home water softener. I
8 have a reverse osmosis unit.

9 MR. McLEAN: Did those people that came around
10 to take tests, was any activity associated with that home
11 treatment unit, did they disconnect it, anything like
12 that?

13 MR. CORELLI: No, they just took samples before
14 it and after it. There is only one specific faucet that
15 it controls, and they didn't really use that.

16 MR. McLEAN: I see. So during the whole time it
17 was never disconnected or disabled in any way?

18 MR. CORELLI: No.

19 MR. McLEAN: Did they do anything to your hot
20 water heater other than disinfect it or put chlorine in
21 it?

22 MR. CORELLI: No.

23 MR. McLEAN: You don't know whether they changed
24 the anode out or anything like that?

25 MR. CORELLI: Changed the what?

1 MR. McLEAN: The sacrificial anode, does that
2 ring a bell?

3 MR. CORELLI: I don't think so, no.

4 MR. McLEAN: Me neither. All right. I have no
5 further questions. Thank you, sir.

6 COMMISSIONER CLARK: Thank you, Mr. Corelli.
7 Mr. Deterding.

8 MR. DETERDING: Yes.

9 MR. McLEAN: Just a second, sir.

10 COMMISSIONER CLARK: Mr. Corelli.

11 MR. DETERDING: I've got a couple of questions
12 for you. Thank you.

13 You talked about the hydrant issue in the
14 photograph. Were you there at the time they were flushing
15 that hydrant?

16 MR. CORELLI: No.

17 MR. DETERDING: Okay. So you don't know how
18 long it was open or when that picture was taken in
19 relation to that?

20 MR. CORELLI: Just second-handedly of some
21 people that were there, yes.

22 COMMISSIONER CLARK: While he is conferring, Mr.
23 Jaeger, do you have a question?

24 MR. JAEGER: I just wanted to make for
25 clarification that that was Exhibit 3, and I think we will

1 call it Pasco County Black Water Study.

2 MR. DETERDING: That's all I have. Thank you.

3 COMMISSIONER CLARK: Okay. Thank you.

4 Mr. McLean.

5 MR. McLEAN: Sanon Mitchell. The Mitchells live
6 at 5957 Riviera Lane.

7 SANDY MITCHELL

8 was called as a witness on behalf of the Citizens of the
9 State of Florida and, having been duly sworn, testified as
10 follows:

11 DIRECT STATEMENT

12 MR. MITCHELL: My name is Sandy Mitchell, I live
13 at 5957 Riviera Lane, New Port Richey. It's in the
14 Riviera Subdivision.

15 COMMISSIONER CLARK: Mr. Mitchell, will you
16 spell your last name?

17 MR. MITCHELL: M-I-T-C-H-E-L-L.

18 COMMISSIONER CLARK: Thank you.

19 MR. MITCHELL: I bought this house April of '98
20 in Riviera, and right away started having water problems.
21 And I called Aloha several times to come out. And they
22 came out and told me it was the copper water tubes in my
23 house causing the black water.

24 Well, I have been in the plumbing business all
25 my life for 40 years in the wholesale business, and I know

1 for a fact that copper has been the standard of the
2 industry for 60 years. I have an E-mail here I would like
3 to read part of. This was sent from me to Halstead Copper
4 Metal Products, Incorporated in Falls Boulevard, Wynn,
5 Arkansas. "Gentleman, I am having problems with black
6 water coming from all my fixtures. The water utility
7 company tells me my problem is because my house has copper
8 water pipes. They claim if I replace all the copper with
9 CPVC my problem is solved. I know for a fact that copper
10 has been the standard of the industry for years. Do you
11 have any other complaints from black water caused by
12 copper tubing or is the utility company not regulating
13 their chemicals correctly? They are also blaming the hot
14 water heater for coming from the factory with a preset
15 thermostat. I know this is not my problem because the
16 Rheem water heater I have has adjustable thermostats and
17 they are set up to 150 degrees. A favorable response
18 would be greatly appreciated."

19 They did, they responded right back. It says,
20 "Sir, Halstead Metal Products has not encountered the
21 problem described below and consequently does not feel it
22 is related to the copper tubing. It would appear to be
23 more related to the water chemistry itself based on the
24 information provided. A definite answer cannot be
25 provided. If a water sample could be provided, Halstead

1 would be more than happy to perform some analysis free of
2 charge to assist in the determination of the root cause.
3 If this would be something that would interest you, please
4 submit a sample of the water to me at the address below."

5 I did send them a sample, and they did reply
6 that it was the water chemistry in the water itself coming
7 into the house that caused the black water problems in the
8 copper water tube.

9 Being in the plumbing industry for my complete
10 working career, I also have access to different water
11 filters and water kits. And I do have some of my own
12 chlorine test kits that are not swimming pool test kits,
13 they are commercial type. And I have tested my water
14 several different times. Sometimes it tests like it is
15 safe to swim in. Sometimes, again, it has zero chlorine.

16 That's about all I have. I appreciate the
17 opportunity to come here, and I thank everybody else for
18 showing up, too.

19 COMMISSIONER CLARK: Thank you, Mr. Mitchell.
20 Mr. McLean.

21 MR. McLEAN: Yes, ma'am. Mr. Mitchell, I notice
22 you brought something with you up there in a bag or in a
23 jar, what is that?

24 MR. MITCHELL: That is the water that came out
25 of my lavatory this morning in the bathroom.

1 MR. McLEAN: Will you describe what you see?

2 MR. MITCHELL: It's just black dirty water.

3 MR. McLEAN: Thank you, sir. No further
4 questions.

5 COMMISSIONER CLARK: Mr. Deterding.

6 MR. DETERDING: Yes, sir.

7 Mr. Mitchell, you mentioned the analysis done by
8 the copper products company. Do you have that with you?

9 MR. MITCHELL: No, sir, I don't have it with me
10 it's on my E-mail at home. I could probably pull it back
11 off the computer.

12 MR. DETERDING: Did you provide it to the
13 utility company by chance?

14 MR. MITCHELL: No, I did not.

15 MR. DETERDING: Would you mind --

16 MR. MITCHELL: No, I will be glad to.

17 MR. DETERDING: Thank you.

18 MR. MITCHELL: And if you will check my records,
19 I have called numerous times complaining about the black
20 water.

21 MR. DETERDING: Okay. The water samples that
22 you have up there, where did you take that sample from?

23 MR. MITCHELL: From the lavatory in the bathroom
24 this morning.

25 MR. DETERDING: Okay. Hot or cold?

1 MR. MITCHELL: Cold.

2 MR. DETERDING: How about the water sample you
3 sent to Halstead or whoever the copper company was?

4 MR. MITCHELL: I think the Halstead sample came
5 out of the kitchen sink.

6 MR. DETERDING: And cold, as well?

7 MR. MITCHELL: I sent one of each, cold and hot.

8 MR. DETERDING: Okay. You mentioned that you
9 tested for chlorine in your water several times and
10 sometimes it is present and sometimes not at all?

11 MR. MITCHELL: That's correct. And sometimes
12 when Aloha's technicians came out and tested it they found
13 the same thing. Sometimes they found zero chlorine and
14 sometimes it was almost 2 parts per million.

15 MR. DETERDING: Okay. And when you tested this,
16 you used a pool test kit, is that what you used?

17 MR. MITCHELL: No, not a pool test kit.

18 MR. DETERDING: What did you use?

19 MR. MITCHELL: It's a test kit that comes with
20 Calgon water filter systems.

21 MR. DETERDING: That you personally performed
22 the test?

23 MR. MITCHELL: No. Being in the wholesale
24 business, I have access to different manufacturers' parts
25 and supplies and stuff to test water with, that's what

1 they use it for.

2 MR. DETERDING: Yes, I understand. But you --

3 MR. MITCHELL: Because a different type filter
4 goes with different type water conditions. So you need to
5 test your water first to find out what condition you have
6 before you can recommend a filter to take care of the
7 problem.

8 MR. DETERDING: No. I mean, you personally were
9 the one who performed these tests?

10 MR. MITCHELL: Yes, sir.

11 MR. DETERDING: Do you have a home treatment
12 unit of any type?

13 MR. MITCHELL: No, sir.

14 MR. DETERDING: None at all, no softener?

15 MR. MITCHELL: No.

16 MR. DETERDING: Nothing under your sink like a
17 carbon filter or anything like that?

18 MR. MITCHELL: No.

19 MR. DETERDING: Okay.

20 MR. MITCHELL: The question came up a few
21 minutes ago about an anode rod in the hot water heater.
22 Aloha's technician did ask me what kind of rod I had, and
23 it's the magnesium anode rod that comes standard with a
24 Rheem water heater.

25 Now, there is available an aluminum anode rod

1 that sometimes will take care of a sulfur problem, but
2 that shouldn't be my problem to have to change my own
3 anode rod for your water problem.

4 MR. DETERDING: Well, you mentioned also as to
5 these chlorine tests or analysis that you have done, these
6 were taken inside your home as opposed to at the utility's
7 point of access?

8 MR. MITCHELL: Yes, inside. But now the ones
9 that the technician for Aloha took, he took outside before
10 it goes into the house. And there he was still getting
11 high and low readings.

12 MR. DETERDING: At the same time? I don't
13 understand.

14 MR. MITCHELL: No. When Aloha's technicians
15 came out, they tested outside the house right there at the
16 spigot where the water comes into the house. And also
17 there he was getting high and low readings.

18 MR. DETERDING: On different days?

19 MR. MITCHELL: On different days, yes, sir.

20 MR. DETERDING: Do you know what those readings
21 were, do you have any --

22 MR. MITCHELL: Well, it went from zero to 1.6,
23 1.7, I believe. I've got it written down somewhere in all
24 of my notes, so I could get it for you.

25 MR. DETERDING: If it was taken by the

1 technicians, I'm sure we have it. Thank you very much.

2 MR. MITCHELL: Thank you.

3 MR. JAEGER: Mr. Mitchell, could I ask you just
4 -- I'm sorry, did you say you were a plumber?

5 MR. MITCHELL: I have a wholesale plumbing
6 supply house.

7 MR. JAEGER: Okay. And do you have any
8 knowledge of whether copper has been banned in like any
9 counties in Florida or have you heard of anything to that
10 effect?

11 MR. MITCHELL: No, sir, I have not. And I have
12 got a list of all the major copper manufacturers here,
13 Elkhart (phonetic), Mueller (phonetic), Halstead, Sharrow
14 (phonetic), all the major industries. And, you know,
15 copper is still the standard of the industry as far as
16 they are concerned.

17 MR. JAEGER: Okay. And you got a report from
18 Halstead Copper where you sent them both cold and hot
19 water samples?

20 MR. MITCHELL: Yes, sir.

21 MR. JAEGER: Did we want to make that -- if you
22 have that report, could we make that a --

23 MR. MITCHELL: I don't have it with me. I can
24 get it for you.

25 COMMISSIONER CLARK: I do want to indicate that

1 we should make the E-mail from Halstead, we should
2 identify that as Exhibit 4. I think you have asked for
3 that, Mr. Deterding, is that correct?

4 MR. DETERDING: (Indicating yes.)

5 COMMISSIONER CLARK: I would ask, Mr. Mitchell,
6 that you provide information on the report back on the
7 chlorine content.

8 MR. MITCHELL: Yes, ma'am.

9 COMMISSIONER CLARK: Would you provide that to
10 our staff, and they will get it to the other parties?

11 MR. JAEGER: As a Late-filed Exhibit 5?

12 COMMISSIONER CLARK: Yes, we can make that
13 Late-filed Exhibit 5.

14 MR. JAEGER: He has the E-mail today, so we can
15 do that.

16 MR. MITCHELL: Yes, I could give you the E-mail
17 today.

18 MR. JAEGER: The E-mail is Exhibit 4 and
19 Late-filed Exhibit 5 would be the Halstead Copper Report.
20 That is all I have, Commissioner Clark.

21 COMMISSIONER CLARK: Thank you, Mr. Mitchell.

22 MR. MITCHELL: Thank you, ma'am.

23 (Exhibit 4 and Late-Filed Exhibit 5 marked for
24 identification and entered into the record.)

25 COMMISSIONER CLARK: Ladies and gentlemen, we

1 have had our court reporter going for two hours now. I
2 don't propose to take a long lunch break, I think we
3 should take about half an hour and we will be back and
4 continue with the customer testimony at 12:30.

5 (Lunch recess.)

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7 (Transcript continues in sequence in Volume 2.)

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1
2 STATE OF FLORIDA)

3 : CERTIFICATE OF REPORTER

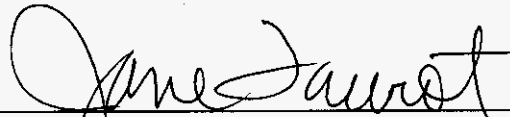
4 COUNTY OF LEON)

5
6 I, JANE FAUROT, RPR, Chief, FPSC Bureau of
7 Reporting Official Commission Reporter, do hereby certify
8 that the Hearing in Docket No. 960545-WS was heard by the
9 Florida Public Service Commission at the time and place
10 herein stated.

11
12 It is further certified that I stenographically
13 reported the said proceedings; that the same has been
14 transcribed under my direct supervision; and that this
15 transcript, consisting of 97 pages, Volume 1 constitutes a
16 true transcription of my notes of said proceedings.

17
18 I FURTHER CERTIFY that I am not a relative,
19 employee, attorney or counsel of any of the parties, nor
20 am I a relative or employee of any of the parties'
21 attorneys or counsel connected with the action, nor am I
22 financially interested in the action.

23
24 DATED this THIS 10TH DAY OF APRIL, 2000.

25


26
27 JANE FAUROT, RPR
28 FPSC Division of Records & Reporting
29 Chief, Bureau of Reporting
30 (850) 413-6732