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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Initials of person who forwarded check: *CLM/SM*

In re: Application of Aloha Utilities, Inc. for increase in service availability charges for its water customers in the Seven Springs service area in Pasco County, Florida.

Docket No.

010156-WU

RECORDS AND REPORTING

APPLICATION FOR INCREASE IN WATER SERVICE AVAILABILITY CHARGES

Applicant, Aloha Utilities, Inc. (hereinafter "Aloha", "Applicant" or "Utility"), pursuant to Sections 367.101, Florida Statutes and Rule 25-30.565, Florida Administrative Code ("F.A.C."), files this Application for Increase in Water Service Availability Charges for its water service customers in its Seven Springs system in Pasco County, Florida, as required pursuant to Commission Order No. PSC-00-1285-FOF-WS issued on July 14, 2000, and in support thereof states as follows:

I.

As part of Order No. PSC-00-1285-FOF-WS issued on July 14, 2000, the Florida Public Service Commission required Aloha Utilities, Inc. to file an application for increase in its service availability charges imposed upon new customers in its Seven Springs water system by February 1, 2001. The purpose of this application is to comply with that Order's requirements, under the provisions of applicable statutes and rules.

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FPSC-RECORDS/REPORTING

II.

Attached as **Exhibit "A"** hereto is a notice which has been provided this day in accordance with the provisions of Rule 25-30.434(5). This notice, along with the application, is on file at the official headquarters of the Utility, which is located within the service area to which the proposed increase applies. Such copies are available for public inspection during the Utility's regular business hours.

III.

A copy of the notice contained in **Exhibit "A"** is being published in a newspaper of general circulation in the service area. The notice includes the date of issuance; a statement that the Utility has filed a petition for revised service availability charges with the Commission; a statement that the requested service availability charges are to pay for growth in the Utility's system; and the requested charges are to be paid by new, not existing, customers; a statement of the location where copies of the application are available for public inspection; and the times during which inspection may be made; a comparison of the present and proposed policy and charges; the Utility's address, telephone number, and business address; a statement that any comments concerning the policy or charges should be addressed to the

Director of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0870. A copy of the proof of publication will be provided as late filed **Exhibit "B"**.

IV.

A copy of the notice attached hereto as **Exhibit "A"** has been mailed to all persons in the service area included in the application who have filed a written request for service, or who have been provided a written estimate for service within the twelve calendar months prior to the month of filing this application. A listing of these entities and persons is attached hereto as **Exhibit "C"**. Also included as part of **Exhibit "C"** is an Affidavit of Mailing.

V.

The name and address of the Applicant is:

Aloha Utilities, Inc.
6915 Perrine Ranch Road
New Port Richey, FL 34655

This is also the address of the only local office from which the Utility operations are conducted.

VI.

The charges for service availability for Aloha's Seven Springs water system were last considered in Commission Order No. 9711 issued on December 16, 1980 as amending Order No. 9064 issued on September 19, 1979, which also amended Final Order No. 8749 issued

on March 7, 1979, all in Docket No. 780419-WS. The service availability charges for the Seven Springs water system have not been reconsidered since that time, with the exception of the Commission's decision in Order No. PSC-00-1285-FOF-WS issued on July 14, 2000, requiring a temporary increase in such charges to \$500 per ERC as an interim measure prior to the filing of this application.

VII.

The basis for the requested changes, charges and conditions is in order to comply with the requirements of Commission Order No. PSC-00-1285-FOF-WS which required this application. Justification for those charges as contained in Schedules 1 through 11 attached hereto as part of **Exhibit "D"**.

VIII.

The schedules showing the original cost of the existing treatment plants, the water transmission and distribution system, and sewage collection system by Uniform System of Accounting account numbers, as required by Rule 25-30.115, F.A.C. and the related capacity of each system as of ninety days prior to the application, is contained in Schedule 4, 7, and 9 of **Exhibit "D"**.

IX.

A detailed statement of the accumulated depreciation of the plant listed in Schedule 4 and 7 of **Exhibit "B"** as of ninety days prior to the application, is contained in Schedule 4 and 7 of **Exhibit "D"**.

X.

A schedule showing the number of active customers on line ninety days prior to the time of the application by meter size, by customer class, and the related Equivalent Residential Connections (ERC) as defined in Rule 25-30.515(8), including a description of the method by which an ERC is defined is attached hereto as Schedule 6 of **Exhibit "D"**.

XI.

A detailed statement defining the capacity of the treatment facilities in terms of ERCs is used in developing the proposed service availability charges, and is contained as Schedules 2, 3, and 9 to **Exhibit "D"**.

XII.

A detailed statement defining the capacity of the distribution or collection system in terms of ERCs as used in developing the proposed service availability charges is included as Schedules 2, 3, and 9 to **Exhibit "D"**.

XIII.

A list of outstanding developer agreements is attached as **Exhibit "E"**.

XIV.

Attached hereto as **Exhibit "F"** is a schedule showing for each developer agreement, whether the agreement is designed to result in contributed property, other than the approved system capacity charge, within the next twenty-four months; and an estimate of the value of the contributed property to be added to the Utility's books; and a description of the property.

XV.

A schedule showing the total collections of Contributions in Aid of Construction (CIAC) as of ninety days prior to the date of application is included as Schedule 5 of **Exhibit "D"**. The Utility does not book any prepaid CIAC.

XVI.

A detailed statement of accumulated amortization of CIAC is listed in Schedule 5 of **Exhibit "D"** above as of ninety days prior to the application.

XVII.

There are no copies of approvals and permits for construction and operation of treatment facilities, as no additional water

treatment facilities have been permitted for construction at this time. Those plans for construction, as well as permitting and approvals will be obtained after the facilities are required by the PSC, the DEP, or other regulatory body.

XVIII.

A detailed statement by a registered professional engineer showing the costs by Uniform System of Account numbers, capacity of proposed plant expansion, and a timetable showing proposed construction time, is included as Schedule 7 and Schedule 9 of **Exhibit "D"**.

XIX.

A detailed statement by a registered professional engineer showing how the proposed construction will affect the capacity of the existing system, is included as Schedule 9 of **Exhibit "D"**. The expansion and plant upgrading will only be undertaken once it is required as part of a mandate by either a local, state, or federal regulatory authority. To date, no such orders have been received. However, once such requirements are received, plant design construction will begin immediately. The Utility is in the process of pilot testing the appropriate plant improvements to prepare for that eventuality and in accordance with an Order of the Florida Public Service Commission.

XX.

A schedule showing the projected growth rate for the utilization of the existing plant and line capacity and future plant and line capacity is discussed in detail on Schedule 9 of **Exhibit "D"**.

XXI.

A summary schedule showing how the proposed service availability charge was calculated, is included as part of Schedules 1, 2, and 3 of **Exhibit "D"**.

XXII.

A schedule showing by meter size, the cost of meters, connection fittings, meter boxes or enclosures, and also showing sufficient data for labor or any other applicable costs to allow determination of the average costs for meter installation by time, has not been included since the Utility was not ordered to file for such a change, nor does the Utility propose to make such a change in meter installation fees. The current fees as approved by the Commission are sufficient to allow appropriate recovery of costs without further modification.

XXIII.

No statement of existing and proposed onsite and offsite main installation charges and policy is necessary, as this modification

to that policy was not required as a result of the Commission's Order which necessitated this filing.

The Utility's current policy requires the construction and contribution of all sewer collection and water distribution facilities, and it is the Utility's intent, as recognized elsewhere in this filing, that that policy should continue as it currently exists without modification.

XXIV.

A schedule showing the Utility's present capital structure, including cost of debt in the present capitalization, availability and cost of other sources of financing the proposed expansion and upgrading of the system, is included as Schedule 8 to **Exhibit "D"**.

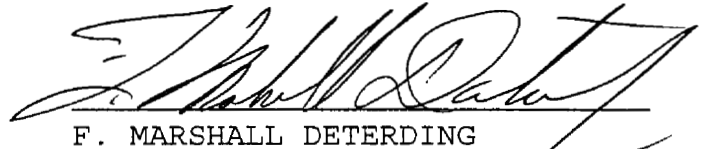
XXV.

Attached hereto as **Exhibit "G"** are three copies of proposed tariff sheet number 26.7 proposed for approval in order to implement the change in the water service availability charge for Aloha's Seven Springs system. Therefore, Aloha believes that it has complied with the requirements of Commission's Order No. PSC-00-1285-FOF-WS issued on July 14, 2000, and the provisions of Section 367.101, Florida Statutes and 25-30.565 and 25-30.434(5), F.A.C. and have demonstrated the appropriateness of the proposed change in service availability charges contained herein, and request that the

Commission approve the proposed charge of \$690 per ERC as outlined herein and in the exhibits hereto.

Respectfully submitted this
15th day of February, 2000, by:

ROSE, SUNDSTROM & BENTLEY, LLP
2548 Blairstone Pines Drive
Tallahassee, Florida 32301
(850) 877-6555



F. MARSHALL DETERDING

aloha\32\serviceavailability.app

ALOHA UTILITIES, INC.

Notice

EXHIBIT A

NOTICE OF APPLICATION FOR INCREASE IN SERVICE AVAILABILITY CHARGES

Pursuant to the provisions of Section 367.101, Florida Statutes, and the provisions of Florida Public Service Commission Rules 25-30.434(5) and 25-30.565, Notice is hereby given this 1st day of February, 2001 by Aloha Utilities, Inc., 6915 Perrine Ranch Road, New Port Richey, Florida 34655 (Phone No. 727/372-0115), of its Application to increase its service availability charges to the new water customers in its Seven Springs water service area. The Utility has filed a petition for revised service availability charges with the Florida Public Service Commission. The requested service availability charge is to pay for growth in the Utility's system, and the requested charges are to be paid by new, not existing customers. Copies of the application are available for public inspection during normal Utility office hours, which are 8:30 a.m. to 4:00 p.m. Monday through Friday. Outlined below are the prior approved service availability charges for the Seven Springs water system; the temporary charge approved by the Florida Public Service Commission last July on a temporary basis, pending the filing of this application; and the charge proposed to be made permanent in the application:

	<u>Prior Charge</u>	<u>Temporary Charge</u>	<u>Proposed Charge</u>
Water Plant Capacity Charge	\$ 163.80	\$ 500.00	\$ 690.00

Any comments concerning the charges, should be addressed to the Florida Public Service Commission Director of the Division of Records and Reporting at 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0870, with a copy to F. Marshall Deterding, Rose, Sundstrom & Bentley, 2548 Blairstone Pines Drive, Tallahassee, Florida 32301.

ALOHA UTILITIES, INC.

Proof of Publication

LATE-FILED EXHIBIT "B"

ALOHA UTILITIES, INC.

List of Developers
Affidavit of Noticing

EXHIBIT C

DEVELOPERS

Blackwell Properties
Mr. Gary Blackwell
P. O. Box 1085
New Port Richey, Fl 34656

Country Place Village
2535 Country Place Blvd.
New Port Richey, Fl 34655

Mr. Mike Ryan
P.O. Box 1119
Elfers, Fl 34680

Mr. Richard Baker
Allens Creek Properties
2535 Success Drive
Odessa, Fl 33556

Dunkin Donuts
Mr. Norman Botelho
6920 Collinswood Court
New Port Richey, Fl 34655

Suntech Homes
Ms. Patricia Orsi
8105 S.R. 54
New Port Richey, Fl 34655

Adam Smith Enterprises
Mr. Daniel Aldridge
P.O. Box 1608
Tarpon Springs, Fl 34688

Mr. Dave Greene
Grove Park Homes
P.O. Box 959
Elfers, Fl 34680

U.S. Homes Corporation
Mr. Robert Friedman
11509 Hidden Cove Court
New Port Richey, Fl 34655

Coastal Development
Mr. Curtis Crenshaw
19321 U.S. 19 N.
Bldg. C, Suite 303
Clearwater, Fl 33759

Chang Medical Clinic
Dr. Fong Mei Chang
6317 Sunhigh Drive
New Port Richey, FL 34653

Wal-Mart Stores East
2001 South East 10th Street
Bentonsville, AR 72716-0550

CFW Financial
Mr. Chuck Walker
5128 U.S. Highway 19
New Port Richey, FL 34652

Prestige Gunitite, Inc.
Mr. Brian Mahoney
7228 C. West Port Place
West Palm Beach, FL 33413

Storage Ventures LLC
Mr. Dwight M. Rose
105 87 Avenue North
St. Petersburg, Fl 33702

Seneca Development
Mr. Anthony Gigliotti
7619 Little Road
Suite 310
New Port Richey, Fl 34654

RKM Development
Mr. William Lloyd
100 2nd Avenue South
Suite 204N
St. Petersburg, Fl 33701

Wendy's International, Inc.
Mr. Paul Meek
2600 McCormick Drive
Suite 370
Clearwater, Fl 34619

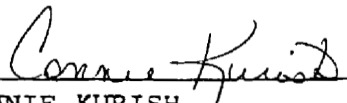
AFFIDAVIT OF MAILING

STATE OF FLORIDA

COUNTY OF

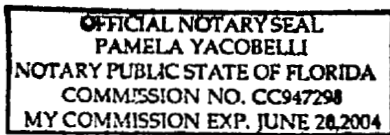
Before me, the undersigned authority, authorized to administer oaths and take acknowledgments, personally appeared CONNIE KURISH, who, after being duly sworn on oath, did depose an oath and say that she is the General Manager of Aloha Utilities, Inc. and that on February 1, 2001, she did send by regular mail, a copy of the notice attached hereto to each of the persons or entities on the attached list in accordance with the rules of the Florida Public Service Commission.

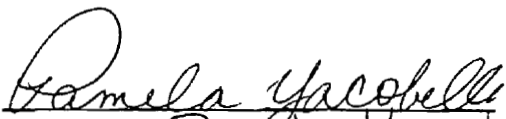
FURTHER AFFIANT SAYETH NAUGHT.



CONNIE KURISH

Sworn to and subscribed before me this 1st day of February, 2001, by Connie Kurish, who is personally known to me.




Print Name Pamela Yacobelli
NOTARY PUBLIC
My Commission Expires:

ALOHA UTILITIES, INC.

Special Report

EXHIBIT D

Cronin, Jackson, Nixon & Wilson

CERTIFIED PUBLIC ACCOUNTANTS, P.A.

JAMES L. CARLSTEDT, C.P.A.
CHRISTINE R. CHRISTIAN, C.P.A.
JOHN H. CRONIN, JR., C.P.A.
ROBERT H. JACKSON, C.P.A.
ROBERT C. NIXON, C.P.A.
HOLLY M. TOWNER, C.P.A.
JAMES L. WILSON, C.P.A.

2560 GULF-TO-BAY BOULEVARD
SUITE 200
CLEARWATER, FLORIDA 33765-4419
(727) 791-4020
FACSIMILE
(727) 797-3602
e-Mail
cpas@cjnw.net

January 31, 2001

Officers and Directors
Aloha Utilities, Inc.

In accordance with your request, we have prepared the accompanying Special Report consisting of Schedules No. 1 through Schedule No. 11. This report is intended solely for use as part of an application for increased service availability charges for the Seven Spring Water System, to be filed with the Florida Public Service Commission and should not be used for any other purpose.

Because this Special Report was not audited by us, we do not express an opinion or any other form of assurance on it.

Cronin, Jackson, Nixon & Wilson

CRONIN, JACKSON, NIXON & WILSON

ALOHA UTILITIES, INC.

SPECIAL REPORT

SEVEN SPRINGS WATER SERVICE AVAILABILITY CASE

January 31, 2001

ALOHA UTILITIES, INC.
SEVEN SPRINGS WATER DIVISION
ANALYSIS of EXISTING CIAC LEVEL AND PROJECTED LEVEL AT BUILDOUT
ASSUMING PROPOSED CHANGE IN SERVICE AVAILABILITY CHARGES
NOVEMBER 30, 2000 AND NOVEMBER 30, 2015

	BALANCE 9/30/00	ADJUSTMENTS	ADJUSTED BALANCE
WATER			
UTILITY PLANT in SERVICE	\$8,938,892	\$19,795,789 (A)	28,734,681
ACCUMULATED DEPRECIATION	(2,126,664)	(11,317,956) (B)	(13,444,620)
DEFERRED TAX ASSET (1)	1,361,019	178,130 (E)	1,539,149
ACCUMULATED AMORTIZATION OF DEFERRED TAX ASSET (1)	(358,811)	(686,173) (F)	(1,044,984)
DEFERRED TAX LIABILITY (1)	(166,106)	(328,059) (G)	(494,165)
NET UTILITY PLANT	\$7,648,330	\$7,641,731	\$15,290,061
CONTRIBUTUONS IN AID of CONSTRUCTION (CIAC)			
ACCUMULATED AMORTIZATION of CIAC	(1,808,311)	(5,912,465) (D)	(7,720,776)
CONTRIBUTED TAXES (1)	(1,175,890)		(1,175,890)
ACCUMULATED AMORTIZATION OF CONTRIBUTED TAXES (1)	193,419	551,257 (H)	744,676
NET CIAC	\$4,838,801	\$6,618,264	\$11,457,065
NET UTILITY PLANT INVESTMENT	\$2,809,529	\$1,023,467	\$3,832,996
PERCENT CIAC	63.27%		74.93%
PERCENT INVESTMENT	36.73%		25.07%

NOTES. (1) CONSISTENT WITH COMMISSION TREATMENT IN DOCKET NO 991643-SU, DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES ARE INCLUDED IN RATE BASE AND UTILITY INVESTMENT UNTIL DEFERRED TAX LIABILITIES EXCEED NET DEFERRED TAX LIABILITIES, AFTER WHICH THE NET LIABILITY RECEIVES CAPITAL STRUCTURE TREATMENT AT ZERO COST. IN ADDITION, CONTRIBUTED TAXES NET OF ACCUMULATED AMORTIZATION ARE NOW CLASSIFIED AS CIAC.

ALOHA UTILITIES, INC
SEVEN SPRINGS WATER DIVISION
ADJUSTMENTS TO PRESENT CIAC LEVEL THROUGH BUILDOUT
NOVEMBER 30, 2000 TO DECEMBER 31, 2015

(A) <u>WATER UTILITY PLANT</u>	
(1) ESTIMATED COST OF PLANT UPGRADES TO REMOVE HYDROGEN SULFIDE PER ENGINEERING STUDY& WHICH WILL SERVE BUILD-OUT POPULATION (2015)	\$11,244,717
COST OF CONTRIBUTED PROPERTY RECEIVED IN DECEMBER, 2000	714,911
ESTIMATED COST OF FUTURE CONTRIBUTIONS OF ON-SITE & OFF-SITE FACILITIES	7,399,630
ESTIMATED COST OF METERS (5714 ERC'S X \$75.80 PLUS \$3410 RECEIVED IN DECEMBER)	<u>436,531</u>
 TOTAL ADDITIONS & ADJUSTMENTS TO PLANT THROUGH BUILDOUT	 <u><u>\$19,795,789</u></u>
(B) <u>ACCUMULATED DEPRECIATION - WATER</u>	
TOTAL ESTIMATED ADDITIONS TO ACCUMULATED DEPRECIATION THROUGH BUILDOUT	<u><u>(\$10,856,922)</u></u>
(C) <u>CIAC - WATER</u>	
(1) ESTIMATED FUTURE PROPERTY CONTRIBUTIONS (\$1295 X 5714 ERC'S)	\$7,399,630
DECEMBER, 2000 PROPERTY CONTRIBUTIONS	714,911
ESTIMATED FUTURE METER FEES (\$78.80 X 5714 ERC'S)	433,121
DECEMBER, 2000 METER FEES COLLECTED	3,410
FUTURE SERVICE AVAILABILITY CHARGES TO RESULT IN A 75% LEVEL OF NET CIAC WHEN SERVICE AREA IS BUILTOUT (PROPOSED CHARGE OF \$ 690 PER ERC)	<u>3,942,660</u>
 TOTAL FUTURE CIAC AND ADJUSTMENTS THROUGH BUILDOUT (2015)	 <u><u>\$12,493,732</u></u>
(D) <u>ACCUMULATED AMORTIZATION OF CIAC - WATER</u>	
(1) FUTURE AMORTIZATION OF EXISTING CIAC TO BUILDOUT (2015)	\$3,200,633
FUTURE AMORTIZATION OF PROPERTY CIAC RECEIVED IN DECEMBER, 2000	249,361
AMORTIZATION OF FUTURE PROPERTY CIAC	1,248,318
AMORTIZATION OF FUTURE METER FEES	162,420
FUTURE AMORTIZATION OF METER FEES RECEIVED IN DECEMBER, 2000	2,643
AMORTIZATION OF PROPOSED CASH SERVICE AVAILABILITY CHARGES	<u>1,206,454</u>
 TOTAL FUTURE ACCUMULATED AMORTIZATION OF CIAC THROUGH BUILDOUT (2015)	 <u><u>6,069,829</u></u>
(E) <u>DEFERRED TAX ASSET</u>	
TAXIBLE METER FEES TO BE RECEIVED THROUGH BUILDOUT (5714 ERC'S X \$75.80)	\$433,121
TAXIBLE METER FEES RECEIVED IN 2000, INCLUDING DECEMBER ADDITIONS	<u>40,251</u>
	473,372
COMBINED EFFECTIVE TAX RATE	<u>37.63%</u>
 TOTAL ADDITIONS TO DEFERRED TAX ASSET THROUGH BUILDOUT	 <u><u>\$178,130</u></u>

ALOHA UTILITIES, INC.
SEVEN SPRINGS WATER DIVISION
ADJUSTMENTS TO PRESENT CIAC LEVEL THROUGH BUILDOUT
NOVEMBER 30, 2000 TO DECEMBER 31, 2000

(F) ACCUMULATED AMORTIZATION OF DEFERRED TAX ASSET	
EXISTING DEFERRED TAX ASSET NOVEMBER 30, 2000	\$1,361,019
DEFERRED TAX ON METER FEES COLLECTED IN 2000 (\$40,251 X 37.63%)	15,146
	<u>1,376,165</u>
AMORTIZATION RATE OF 2.93% FOR 15.5 YEARS (1/2 YEAR IN 2000)	<u>45 42%</u>
ACCUMULATED AMORTIZATION OF EXISTING DEFERRED TAX ASSETS	<u>625,054</u>
FUTURE TAXIBLE METER FEES (5714 X \$75.80)	433,121
COMBINED EFFECTIVE TAX RATE	<u>37 63%</u>
	162,983
COMPOUND AMORTIZATION RATE OF 5% FOR 15 YEARS ASSUMING EQUAL ANNUAL ADDITIONS AND 1/2 YEAR CONVENTION	<u>37 50%</u>
ACCUMULATED AMORTIZATION ON FUTURE DEFERRED TAXES ON METER FEES	<u>61,119</u>
TOTAL ADDITIONAL AMORTIZATION OF DEFERRED TAX ASSETS	<u><u>\$686,173</u></u>
(G) DEFERRED TAX LIABILITY	
(1) TOTAL NET DEFERRED TAX LIABILITY AT BUILDOUT:	
TOTAL ESTIMATED TAX DEPRECIATION ON EXISTING PLANT TO BUILDOUT (2015)	\$3,246,143
TOTAL ESTIMATED BOOK DEPRECIATION ON EXISTING PLANT TO BUILDOUT	(1,123,644)
ESTIMATED BOOK/TAX DEPRECIATION TIMING DIFFERENCE AT BUILDOUT (EXISTING PLANT)	<u>2,122,499</u>
COMBINED EFFECTIVE TAX RATE	<u>-37.63%</u>
FUTURE ADDITIONAL DEFERRED TAX LIABILITY AT BUILDOUT ON EXISTING PLANT	(798,696)
EXISTING DEFERRED TAX LIABILITY	<u>(166,106)</u>
TOTAL ESTIMATED DEFERRED TAX LIABILITY AT BUILDOUT (2015) - EXISTING PLANT	(964,802)
ESTIMATED NET DEFERRED TAX ASSET AT BUILDOUT (\$1,539,149 - \$1,044,984)	<u>494,165</u>
ESTIMATED NET DEFERRED TAX LIABILITY AT BUILDOUT (CREDIT)	<u><u>(\$470,637)</u></u>
(2) ADJUSTMENT REQUIRED TO ESTIMATED BUILDOUT BALANCE.	
BECAUSE NET PROJECTED DEFERRED TAXES WILL HAVE A CREDIT BALANCE AT BUILDOUT, THEY WILL RECEIVE CAPITAL STRUCTURE TREATMENT AND ARE REMOVED AS FOLLOWS.	
NET DEFERRED TAX ASSET AT BUILDOUT	\$494,165
EXISTING DEFERRED TAX LIABILITY	<u>(166,106)</u>
ADJUSTMENT TO MAKE NET DEFERRED TAX ASSET & LIABILITY EQUAL TO ZERO	<u><u>(\$328,059)</u></u>
NOTE: DEFERRED TAX LIABILITIES ON PLANT ADDITIONS WERE IGNORED SINCE THEY WILL ONLY INCREASE THE NET DEFERRED TAX CREDIT BALANCE RECEIVING CAPITAL STRUCTURE TREATMENT.	
(H) ACCUMULATED AMORTIZATION OF CONTRIBUTED TAXES	
CONTRIBUTED TAXES BALANCE	\$1,175,890
AMORTIZATION RATE OF 2.93% FOR 16 YEARS, CONSISTENT WITH TREATMENT IN DOCKET NO. 991643 - SU	<u>46 88%</u>
ADDITIONAL AMORTIZATION AT BUILDOUT (2015)	<u><u>\$551,257</u></u>

ALOHA UTILITIES, INC.
SEVEN SPRINGS WATER DIVISION SERVICE AVAILABILITY CASE
CALCULATION WORKSHEET

(A) FUTURE PROPERTY CONTRIBUTIONS - WATER	
(1) TOTAL NO OF ERC'S TO BE SERVED AT BUILDOUT (2015)	15,044
EXISTING NO. OF ERC'S SERVED	(9,330)
FUTURE ERC'S FOR WHICH FACILITIES WILL BE CONTRIBUTED	<u>5,714</u>
AVERAGE COST PER ERC	<u>\$1,295</u>
 TOTAL FUTURE PROPERTY CONTRIBUTIONS THROUGH BUILDOUT	 <u>7,399,630</u>
 (2) PROPERTY CIAC RECEIVED IN 2000, BOOKED IN DECEMBER, 2000	 <u>714,911</u>
 TOTAL PROPERTY CONTRIBUTIONS TO BE RECEIVED THROUGH BUILDOUT (2015)	 <u><u>\$8,114,541</u></u>
(B) ACCUMULATED DEPRECIATION - WATER	
(1) EXISTING DEPRECIABLE PLANT BALANCE	\$8,917,329
COMPOSITE DEPRECIATION RATE	2.92%
ANNUAL DEPRECIATION ON EXISTING PLANT	<u>260,386</u>
NUMBER OF YEARS TO BUILDOUT	<u>15</u>
ACCUM. DEPRECIATION OF EXISTING PLANT AT BUILDOUT (2015)	<u>3,905,790</u>
 (2) EST. COST OF FUTURE CONTRIBUTED PLANT TO BUILDOUT (2015)	 7,399,630
COMPOUND COMPOSITE DEPRECIATION RATE OF 2.25% ASSUMING EQUAL	
ANNUAL ADDITIONS FOR 15 YEARS TO REACH BUILDOUT AND 1/2 YEAR CONVENTION	<u>16.87%</u>
ACCUM. DEPRECIATION OF FUTURE CONTRIBUTED PLANT AT BUILDOUT	<u>1,248,318</u>
 (3) PROPERTY CONTRIBUTIONS RECEIVED IN DECEMBER, 2000	 714,911
COMPOSITE DEPRECIATION RATE OF 2.25% FOR 15.5 YEARS (1/2 YEAR FOR 2000)	<u>34.88%</u>
 ACCUM. DEPRECIATION OF PROPERTY CIAC RECEIVED IN DECEMBER, 2000 AT BUILDOUT	 <u>249,361</u>
 (4) ESTIMATED COST OF PLANT IMPROVEMENTS TO REMOVE HYDROGEN SULFIDE	 11,244,717
COMPOSITE DEPRECIATION RATE OF 4.09% FOR 12.5 YEARS (1/2 YEAR CONVENTION)	
ASSUMING IMPROVEMENTS COMPLETED IN 2003	<u>51.13%</u>
	<u>5,749,424</u>
 (5) ESTIMATED COST OF METERS TO BE RECEIVED TO BUILDOUT (2015)	 433,121
COMPOUND COMPOSITE DEPRECIATION RATE OF 5.00% ASSUMING EQUAL	
ANNUAL ADDITIONS FOR 15 YEARS TO REACH BUILDOUT AND 1/2 YEAR CONVENTION	<u>37.50%</u>
	<u>162,420</u>
 (6) METER FEES RECEIVED IN DECEMBER, 2000	 3,410
COMPOSITE DEPRECIATION RATE OF 5.00% FOR 15.5 YEARS (1/2 YEAR FOR 2000)	<u>77.50%</u>
	<u>2,643</u>
 TOTAL ACCUMULATED DEPRECIATION ADDITIONS ON METER FEES	 <u>165,063</u>
 TOTAL ADDITIONS AND ADJUSTMENTS TO ACCUMULATED DEPRECIATION TO BUILDOUT (2015)	 <u><u>\$11,317,956</u></u>

ALOHA UTILITIES, INC.
SEVEN SPRINGS WATER DIVISION SERVICE AVAILABILITY CASE
CALCULATION WORKSHEET

(C) ACCUMULATED AMORTIZATION OF CIAC - WATER	
(1) EXISTING PLANT CAPACITY CHARGE BALANCE - NOVEMBER 30, 2000	\$1,552,943
COMPOSITE AMORTIZATION RATE OF 4.08% FOR 15 YEARS (BUILDOUT)	61.20%
	<u>950,401</u>
(2) EXISTING CONTRIBUTED PROPERTY BALANCE - NOVEMBER 30, 2000	5,321,593
COMPOSITE AMORTIZATION RATE OF 2.25% FOR 15 YEARS (BUILDOUT)	33.75%
	<u>1,796,038</u>
(3) EXISTING METER FEES BALANCE - NOVEMBER 30, 2000	755,047
COMPOSITE AMORTIZATION RATE OF 5.00% FOR 12.03 YEARS (FULLY DEPRECIATED)	60.15%
	<u>454,194</u>
(4) CONTRIBUTED PROPERTY RECEIVED DECEMBER, 2000	714,911
COMPOSITE AMORTIZATION RATE OF 2.25% FOR 15.5 YEARS (1/2 YEAR IN 2000)	34.88%
	<u>249,361</u>
(5) FUTURE CONTRIBUTED PROPERTY TO BE RECEIVED THROUGH BUILDOUT (2015)	7,399,630
COMPOUND COMPOSITE DEPRECIATION RATE OF 2.25% ASSUMING EQUAL ANNUAL ADDITIONS FOR 15 YEARS TO REACH BUILDOUT AND 1/2 YEAR CONVENTION	16.87%
	<u>1,248,318</u>
(6) ESTIMATED COST OF METERS TO BE RECEIVED TO BUILDOUT (2015)	433,121
COMPOUND COMPOSITE DEPRECIATION RATE OF 5.00% FOR 15 YEARS ASSUMING EQUAL ANNUAL ADDITIONS TO REACH BUILDOUT AND HALF YEAR CONVENTION	37.50%
	<u>162,420</u>
(7) COST OF METERS RECEIVED IN DECEMBER 2000	3,410
COMPOSITE DEPRECIATION RATE OF 5.00% FOR 15.5 YEARS (1/2 YEAR FOR 2000)	77.50%
	<u>2,643</u>
 SUBTOTAL BEFORE AMORTIZATION OF FUTURE PROPOSED CASH SERVICE AVAILABILITY CHARGES	 4,863,375
(8) AMORTIZATION OF PROPOSED CASH SERVICE AVAILABILITY CHARGES.	
NUMBER OF FUTURE ERC'S TO REACH BUILDOUT	5,714
PROPOSED CHARGE TO RESULT IN 75% LEVEL OF NET CIAC AT BUILDOUT (2015)	600
FUTURE CASH SERVICE AVAILABILITY CHARGES	<u>3,428,400</u>
FACTOR FOR ACCUM. AMORT. @ COMPOSITE RATE OF 4.08% FOR 15 YEARS ASSUMING EQUAL ANNUAL ADDITIONS THROUGH BUILDOUT AND 1/2 YEAR CONVENTION	30.60%
	<u>1,049,090</u>
 ACCUMULATED AMORTIZATION OF CASH SERVICE AVAILABILITY CHARGES	 <u>1,049,090</u>
 TOTAL ADDITIONAL ACCUMULATED AMORTIZATION OF CIAC TO BUILDOUT	 <u><u>\$5,912,465</u></u>

ALOHA UTILITIES, INC
SEVEN SPRINGS WATER SERVICE AVAILABILITY CASE
SCHEDULE OF UTILITY PLANT IN SERVICE BY PRIMARY ACCOUNT
November 30, 2000

NARUC ACCOUNT	DESCRIPTION	COST	11/30/00 ACCUMULATED DEPRECIATION	12/31/99 ACCUMULATED DEPRECIATION	12 MONTHS EXPENSE
301	ORGANIZATION	\$161,503	\$53,161	\$49,459	\$4,037
302	FRANCHISES	0	0	1,064	0
303	LAND	21,563	0	0	0
304	STRUCTURES & IMPROVEMENTS	417,245	202,944	192,158	12,642
307	WELLS & SPRINGS	738,041	159,692	140,705	24,576
309	SUPPLY MAINS	51,633	14,553	15,137	1,476
310	POWER GENERATION EQUIPMENT	2,195	650	549	101
311	PUMPING EQUIPMENT	70,770	25,182	24,696	3,034
320	WATER TREATMENT EQUIPMENT	51,724	20,934	18,563	2,586
330	DISTRIBUTION RESERVOIRS	1,580	274	10,852	43
331	TRANSMISSION & DISTRIBUTION MAINS	5,466,454	852,421	744,144	123,636
333	SERVICES	189,659	13,237	9,678	3,883
334	METERS & METER INSTALLATIONS	974,694	472,244	434,005	46,725
335	HYDRANTS	374,457	50,657	43,341	7,981
339	OTHER PLANT & MISCELLANEOUS EQ	7,162	3,711	3,449	286
340	OFFICE FURNITURE & EQUIPMENT	113,948	53,569	46,659	7,538
341	TRANSPORTATION EQUIPMENT	195,573	143,312	127,894	16,820
343	TOOLS, SHOP & GARAGE EQUIPMENT	37,423	11,371	10,935	2,339
344	LABORATORY EQUIPMENT	11,273	5,856	5,167	752
345	POWER OPERATED EQUIPMENT	18,034	13,551	12,448	1,202
346	COMMUNICATION EQUIPMENT	29,397	28,585	28,321	264
347	MISCELLANEOUS GENERAL EQUIPMENT	4,564	760	456	304
TOTAL		<u>\$8,938,892</u>	<u>\$2,126,664</u>	<u>\$1,919,680</u>	<u>\$260,225</u>

NOTE: UTILITY PLANT AND ACCUMULATED DEPRECIATION BALANCES WERE ADJUSTED TO REMOVE UTILITY PLANT PREVIOUSLY EXPENSED CONSISTENT WITH COMMISSION TREATMENT IN DOCKET NO. 991643 - SU

ALOHA UTILITIES, INC.
 SEVEN SPRINGS WATER SERVICE AVAILABILITY CASE
 SCHEDULE OF CIAC AND ACCUMULATED AMORTIZATION
 November 30, 2000

NARUC ACCOUNT	DESCRIPTION	CIAC BALANCE	ACCUMULATED AMORTIZATION
271.1	PLANT CAPACITY CHARGES	\$1,552,943	\$400,637
271.2	METER FEES	755,047	300,853
271.3	TRANSMISSION & DISTRIBUTION PLANT	5,321,593	1,106,821
	TOTAL	<u>\$7,629,583</u>	<u>\$1,808,311</u>

NOTE: ALOHA DOES NOT HAVE ANY PREPAID CIAC.

ALOHA UTILITIES, INC.
 SCHEDULE OF ACTIVE CUSTOMERS ON LINE AND
 EQUALIVANT ERC'S BY METER SIZE AND CUSTOMER CLASS
 November 30, 2000

	<u>NO. OF CUSTOMERS</u>	<u>METER SIZE</u>	<u>ERC FACTOR</u>	<u>FACTORED ERC'S</u>
RESIDENTIAL	<u>9,136</u>	5/8 X 3/4	1.0	<u>9,136</u>
GENERAL SERVICE:				
	147	5/8 X 3/4	1.0	147
	52	1.0	2.5	130
	15	1.5	5.0	75
	25	2.0	8.0	200
	1	3.0	16.0	16
	4	4.0	25.0	100
	6	6.0	50.0	300
TOTAL GENERAL SERVICE	<u>250</u>			<u>968</u>
TOTAL	<u><u>9,386</u></u>			<u><u>10,104</u></u>

Aloha Utilities, Inc.
 Cost of Water Facilities Upgrade By Primary Account and Annual Depreciation
 Seven Springs Water System

NARUC Account	Description	Estimated Capitalized Cost	Guideline Depreciation Rate	1st Year Depreciation (1/2 year)	Estimated Annual Depreciation	Total for NARUC Account
Facilities Upgrade - Seven Springs Water System						
303.3	Land and Land Rights	\$ 99,079	- %	\$ -	\$ -	\$ -
	Land					
304.3	Structures and improvements	1,758,209	3.0000	26,373	52,746	52,746
307.2	Wells and Springs					
	Well improvements	1,039,735	3.3000	17,156	34,311	34,311
310.3	Power Generation Equipment					
	Electric generator	242,891	5.0000	6,072	12,145	12,145
311.2	Pumping Equipment					
	Pump stations	489,221	5.0000	12,231	24,461	24,461
	High service pumping equipment	883,633	5.0000	22,091	44,182	68,643
320.3	Water Treatment Equipment					
	Chemical storage and feed equipment	1,186,674	4.5000	26,700	53,400	53,400
	Unit process equipment	2,740,842	4.5000	61,669	123,338	123,338
	Chlorination system and scrubber	277,897	10.0000	13,895	27,790	27,790
	Flow meters and recorders	75,675	5.0000	1,892	3,784	208,312
330.4	Distribution Reservoirs and Standpipes					
	Storage tanks	823,484	2.7000	11,117	22,234	22,234
331.4	Transmission and distribution mains					
	Pressure relief valves and assemblies	60,325	4.0000	1,207	2,413	2,413
	Transmission and distribution mains	1,404,073	2.3000	16,147	32,294	34,707
339.3	Other plant and Miscellaneous Equipment					
	SCADA system	162,979	16.7000	13,609	27,217	27,217
		<u>\$ 11,244,717</u>		<u>\$ 230,159</u>	<u>\$ 460,315</u>	<u>\$ 460,315</u>

9.

Aloha Utilities, Inc.
Allocation of Construction Costs For Seven Springs Water Facilities Upgrade
to NARUC Accounts

NARUC Account	Description	Total Estimated Cost	Prorata Percent	AFUDC Allocated	Estimated Capitalized Cost	Total for NARUC Account
Facilities Upgrade - Seven Springs Water System						
303.3	Land and Land Rights	\$ 90,000	0.8810 %	\$ 9,079	\$ 99,079	\$ 99,079
	Land					
304.3	Structures and improvements	1,597,081	15.6359	161,128	1,758,209	1,758,209
307.2	Wells and Springs					
	Well improvements	944,451	9.2464	95,284	1,039,735	1,039,735
310.3	Power Generation Equipment					
	Electric generator	220,632	2.1600	22,259	242,891	242,891
311.2	Pumping Equipment					
	Pump stations	444,387	4.3507	44,834	489,221	489,221
	High service pumping equipment	802,654	7.8582	80,979	883,633	1,372,854
320.3	Water Treatment Equipment					
	Chemical storage and feed equipment	1,077,923	10.5532	108,751	1,186,674	1,186,674
	Unit process equipment	2,489,662	24.3745	251,180	2,740,842	2,740,842
	Chlorination system and scrubber	252,429	2.4714	25,468	277,897	277,897
	Flow meters and recorders	68,740	0.6730	6,935	75,675	4,281,088
330.4	Distribution Reservoirs and Standpipes					
	Storage tanks	748,017	7.3233	75,467	823,484	823,484
331.4	Transmission and distribution mains					
	Pressure relief valves and assemblies	54,796	0.5365	5,529	60,325	60,325
	Transmission and distribution mains	1,275,399	12.4865	128,674	1,404,073	1,464,398
339.3	Other plant and Miscellaneous Equipment					
	SCADA system	148,043	1.4494	14,936	162,979	162,979
		<u>\$ 10,214,214</u>	<u>100.0000 %</u>	<u>\$ 1,030,503</u>	<u>\$ 11,244,717</u>	<u>\$ 11,244,717</u>
			10.			

Aloha Utilities, Inc.
 Calculation of Allowance for Funds Used During Construction
 Seven Springs Water System Facilities Upgrade

Month	Accumulated CWIP - Beginning of Month	Monthly Increase in Direct & Indirect Construction and CIAC		Accumulated CWIP - End of Month	Average CWIP Balance	Monthly AFUDC (1)	Total Capitalized
		Direct Construction	Aloha Overhead				
1 Balance Forward	\$ -						
2 May	445,931	382,183	61,913	444,096	222,048	1,835	445,931
3 June	895,546	382,183	61,913	890,027	667,979	5,519	895,546
4 July	1,348,875	382,183	61,913	1,339,642	1,117,594	9,233	1,348,875
5 August	1,805,950	382,183	61,913	1,792,971	1,570,923	12,979	1,805,950
6 September	2,266,801	382,183	61,913	2,250,046	2,027,998	16,755	2,266,801
7 October	2,731,459	382,183	61,913	2,710,897	2,488,849	20,562	2,731,459
8 November	3,199,956	382,183	61,913	3,175,555	2,953,507	24,401	3,199,956
9 December	3,672,324	382,183	61,913	3,644,052	3,422,004	28,272	3,672,324
10 January	4,148,595	382,183	61,913	4,116,420	3,894,372	32,175	4,148,595
11 February	4,628,801	382,183	61,913	4,592,691	4,370,643	36,110	4,628,801
12 March	5,112,974	382,183	61,913	5,072,897	4,850,849	40,077	5,112,974
13 April	5,601,147	382,183	61,913	5,557,070	5,335,022	44,077	5,601,147
14 May	6,093,353	382,183	61,913	6,045,243	5,823,195	48,110	6,093,353
15 June	6,589,626	382,183	61,913	6,537,449	6,315,401	52,177	6,589,626
16 July	7,089,999	382,183	61,913	7,033,722	6,811,674	56,277	7,089,999
17 August	7,594,506	382,183	61,913	7,534,095	7,312,047	60,411	7,594,506
18 September	8,103,181	382,183	61,913	8,038,602	7,816,554	64,579	8,103,181
19 October	8,616,059	382,183	61,913	8,547,277	8,325,229	68,782	8,616,059
20 November	9,133,174	382,183	61,913	9,060,155	8,838,107	73,019	9,133,174
21 December	9,654,561	382,183	61,913	9,577,270	9,355,222	77,291	9,654,561
22 January	10,180,256	382,183	61,913	10,098,657	9,876,609	81,599	10,180,256
23 February	10,710,294	382,183	61,913	10,624,352	10,402,304	85,942	10,710,294
24 March	11,244,717	382,188	61,914	11,154,396	10,932,345	90,321	11,244,717
		<u>\$ 8,790,214</u>	<u>\$ 1,424,000</u>			<u>\$ 1,030,503</u>	<u>\$ 11,244,717</u>

Notes: (1) Beginning January 1, 1999, the AFUDC rate is decreased to 9.92%, per Docket No. 99-1643-SU and discounted to a monthly rate of 0.826185%

(2) The estimated costs of the future plant upgrade are based on the estimates in Volumes I & II of the engineering report prepared by David W. Porter, P.E., C.O. and filed with the Commission pursuant to Order No. PSC-97-0280-FOF-WS. 11. SCHEDULE NO. 7 PAGE 3 OF 3

AHOHA UTILITIES, INC.
SCHEDULE OF CAPITAL STRUCTURE
November 30, 2000

	BALANCE 11/30/00	PERCENT RATIO	COST	WEIGHTED COST
EQUITY CAPITAL:				
COMMON STOCK	\$500	0.00%	9.93%	0.00%
ADDITIONAL PAID IN CAPITAL	41,600	0.35%	9.93%	0.04%
PREFERRED STOCK	600,000	5.09%	9.93%	0.51%
RETAINED EARNINGS	1,832,377	15.54%	9.93%	1.54%
	<u>2,474,477</u>	<u>20.98%</u>	<u>9.93%</u>	<u>2.09%</u>
DEBT:				
NOTE PAYABLE - LL SPEER	2,994,139	25.39%	11.50%	2.92%
NOTE PAYABLE - LL SPEER	543,872	4.61%	11.50%	0.53%
NOTE PAYABLE - BANK OF AMERICA	4,548,821	38.57%	9.00%	3.47%
MORTGAGE PAYABLE - BANK OF AMERICA	612,000	5.19%	9.00%	0.47%
NOTE PAYABLE - VEHICLE	8,966	0.08%	4.90%	0.00%
NOTE PAYABLE - VEHICLE	8,580	0.07%	4.90%	0.00%
NOTE PAYABLE - VEHICLE	8,153	0.07%	4.90%	0.00%
NOTE PAYABLE - VEHICLE	8,154	0.07%	4.90%	0.00%
NOTE PAYABLE - VEHICLE	10,650	0.09%	9.25%	0.01%
	<u>8,743,335</u>	<u>74.14%</u>	<u>--</u>	<u>7.40%</u>
CUSTOMER DEPOSITS	<u>575,712</u>	<u>4.88%</u>	<u>6.00%</u>	<u>0.29%</u>
TOTAL CAPITAL	<u>\$11,793,524</u>	<u>100.00%</u>	<u>--</u>	<u>9.78%</u>

ALOHA UTILITIES, INC
SEVEN SPRINGS WATER SERVICE AVAILABILITY CASE
DETAILED STATEMENTS CONCERNING COSTS AND CAPACITIES
DAVID W. PORTER, P.E., C.O.

(A) TRANSMISSION & DISTRIBUTION SYSTEM

ALL OF THE ON-SITE AND OFF-SITE FACILITIES ARE CONTRIBUTED TO ALOHA BY DEVELOPERS, EXCEPT FOR MINOR RELOCATION COSTS OF LINES ON S.R.54 AND LITTLE ROAD. AS A RESULT, THE CAPACITIES OF THESE FACILITIES WERE NOT APPLICABLE TO COMPUTATION OF REVISED SERVICE AVAILABILITY CHARGES

(B) COST, ACCOUNT NOS., CAPACITY & TIMETABLE OF PROPOSED PLANT EXPANSION

THE COST AND UNIFORM SYSTEM OF ACCOUNT NUMBERS FOR THE PROPOSED PLANT UPGRADE AND EXPANSION (INCLUDING AFUDC) ARE SHOWN ON SCHEDULE NO. 7. THESE ESTIMATES ARE BASED ON THE ENGINEERING REPORT PREPARED BY MR. PORTER AND FILED WITH THE COMMISSION AS DIRECTED IN ORDER NO PSC-97-0280-FOF-WS ON JUNE 3, 1997. THE COSTS SHOWN ON SCHEDULE NO. 7 DO NOT INCLUDE THE ESTIMATED COSTS OF THE PILOT PROJECT (\$371,527) SINCE THE COMPANY HAS REQUESTED AMORTIZATION OF THESE COSTS IN RATES OVER 5 YEARS

AS SHOWN IN THE REPORT FILED WITH THE COMMISSION, THE CAPACITY OF THE UPGRADED SYSTEM (3 NEW PLANTS, NEW WELLS & SUPPLY MAINS) WILL BE 4.52 MGD, DESIGNED TO SERVE 15,044 ERC'S ON AN AVERAGE DAILY FLOW BASIS. THE AVERAGE DAILY DEMAND PER ERC IS 310 GPD.

THE TIMETABLE FOR CONSTRUCTION IS DEPENDENT ON SATISFACTORY COMPLETION OF THE PILOT STUDY THAT STUDY IS EXPECTED TO BE COMPLETED BY THE END OF 2001 ASSUMING FEASIBILITY OF THE PROJECT IS DEMONSTRATED, AND THE PSC OR OTHER AGENCY REQUIRES CONSTRUCTION TO PROCEED, TOGETHER WITH RECOGNITION OF THE PROJECT COST IN RATES, PERMITTING AND CONSTRUCTION COULD BEGIN IN EARLY 2003 IF PERMITTING PROCEEDS WITHOUT MAJOR DELAYS OR LITIGATION WITH THE WATER MANAGEMENT OVER WELL PERMITS, THE PROJECT IS EXPECTED TO BE COMPLETE BY THE END OF 2004.

(C) HOW PROPOSED EXPANSION & UPGRADE WILL AFFECT CAPACITY OF THE EXISTING PLANT

THE EXISTING TREATMENT PLANTS HAVE AN AVERAGE DAILY CAPACITY OF 2.04 MGD THE EXPANSION AND UPGRADE TO REMOVE HYDROGEN SULFIDE WILL INCREASE AVERAGE DAILY TO 4.52 MGD

(D)

PROJECTED GROWTH RATE FOR UTILIZATION OF EXISTING & PROPOSED CAPACITY

THE PROPOSED PLANT UPGRADE & EXPANSION IS DESIGNED TO MEET THE BUILDOUT DEMANDS OF THE SEVEN SPRINGS WATER SERVICE AREA IN 2015. AS NOTED ABOVE, APPROXIMATELY 15,044 ERC'S WILL BE SERVED AT THAT TIME CURRENTLY, ALOHA SERVES 9,330 ERC'S. GROWTH IS EXPECTED TO OCCUR EVENLY EACH YEAR THROUGH BUILDOUT IN 2015. THIS EQUATES TO AN AVERAGE OF 381 NEW CONNECTIONS EACH YEAR THE PROJECTIONS THROUGH 2015 ARE CONTAINED IN THE ENGINEERING REPORT ON FILE WITH THE COMMISSION.

THE EXISTING TREATMENT PLANTS ARE AT CAPACITY. ALOHA MEETS THE EXCESS DEMANDS OF ITS CUSTOMERS BY PURCHASING WATER FROM PASCO COUNTY. ALOHA IS IN THE PROCESS OF INCREASING PURCHASED WATER TO REDUCE PUMPAGE FROM ITS SUPPLY WELLS TO LIMITS IMPOSED BY THE SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT.

ALOHA UTILITIES, INC.
SEVEN SPRINGS WATER SERVICE AVAILABILITY CASE
STATEMENT REGARDING METER AND INSTALLATION FEES
NOVEMBER 30,2000

ALOHA DOES NOT PROPOSE ANY CHANGE TO ITS EXISTING TARIFFS FOR METER AND INSTALLATION FEES.

ALOHA UTILITIES, INC.
SEVEN SPRINGS SERVICE AVAILABILITY CASE
STATEMENT REGARDING EXISTING AND PROPOSED ON-SITE AND
OFF-SITE MAIN INSTALLATION POLICY
November 30, 2000

UNDER ALOHA'S EXISTING MAIN EXTENSION POLICY, DEVELOPERS ARE REQUIRED TO CONTRIBUTE ALL ON-SITE AND OFF-SITE FACILITIES NECESSARY TO PROVIDE SERVICE. THIS POLICY HAS BENEFITTED ALOHA'S CUSTOMERS. NO CHANGE TO THIS POLICY IS PROPOSED.

Exhibit "E"

Listing of Outstanding Developer Agreements

Hunting Creek Multi Family	Hunting Creek
Reserve at Oakridge	Mitchell Crossing
Fox Hollow Phase 3	Foxwood Phase 3
Fox Hollow Phase 4	Foxwood Phase 5
Thousand Oaks Multi Family	Thousand Oaks Phase 2-5
Thousand Oaks Phases 6-9	Country Place Village
Village Subdivision	Dunkin Donuts
Riverside Villas	Emerald Lake Apartments
Park Lake Estates Unit 8 Phase 2A	Park Lake Estates Unit 8 Phases 1A, 1B, 2B
Heritage Springs Village 1 Units 1, 2, 1A	West Pasco Industrial Park Unit 1 Phase2

Exhibit "F"

Developer Agreement Schedule

1. Hunting Creek Multi Family - The agreement is anticipated to result in contributed property within the next 24 months. Contributions will include all onsite water, sewer and reuse systems anticipated. As of this date, no estimate of the value of the contributed property specifically related to this development has been provided, nor have final plans or exact specifications of such construction been provided. All estimates of contributed property to be provided in the future, have been based upon historical experience of the Utility, as outlined in Schedules 2, 3, 5, 7, 9, and 11 of Exhibit "D."
2. Reserve at Oakridge - The agreement is anticipated to result in contributed property within the next 24 months. Since this will be a water service only development, contributions will include all onsite water system improvements. As of this date, no estimate of the value of the contributed property specifically related to this development has been provided, nor have final plans or exact specifications of such construction been provided. All estimates of contributed property to be provided in the future, have been based upon historical experience of the Utility, as outlined in Schedules 2, 3, 5, 7, 9, and 11 of Exhibit "D." This development will receive water-only service.
3. Fox Hollow Phase 3 - The agreement is anticipated to result in contributed property at some point in the future. We do not anticipate contribution of onsite facilities within 24 months. Contributions when made, will include all onsite water and wastewater systems. As of this date, no estimate of the value of the contributed property specifically related to this development has been provided, nor have final plans for exact specification of such construction been provided. All estimates of contributed property to be provided in the future, have been based upon historical experience of the Utility, as outlined in Schedules 2, 3, 5, 7, 9, and 11 of Exhibit "D." This development will receive water and sewer service.
4. Fox Hollow Phase 4 - We have already received a contribution of all onsite water and wastewater facilities under this agreement, including reuse. As of this date, the value of the contributed property specifically related to this development has been provided, and has been booked as plant and CIAC.
5. Thousand Oaks Multi Family - The agreement is anticipated to result in contributed property within the next 24 months. Contributions will include all onsite water, sewer and reuse systems anticipated. As of this date, no estimate of the value of the contributed property specifically related to this development has been provided, nor have final plans or exact specifications of such construction been provided. All estimates of contributed property to be provided in the future, have been based upon historical experience of the Utility, as outlined in Schedules 2, 3, 5, 7, 9, and 11 of Exhibit "D."
6. Thousand Oaks Phases 6-9 - The agreement is anticipated to result in contributed property within the next 24 months. Contributions will include all onsite water, sewer and reuse

systems anticipated. As of this date, no estimate of the value of the contributed property specifically related to this development has been provided, nor have final plans or exact specifications of such construction been provided. All estimates of contributed property to be provided in the future, have been based upon historical experience of the Utility, as outlined in Schedules 2, 3, 5, 7, 9, and 11 of Exhibit "D."

7. Riverside Villas - We already have a contribution of all onsite water and sewer facilities which constitute the contributed property required under this agreement. We do not anticipate the provision of reuse service. As of this date, the value of the contributed property specifically related to this development has been provided, and has been booked as plant and CIAC.
8. Hunting Creek - The agreement is not anticipated to result in contributed property within the next 24 months. Contributions when received, will include all onsite water, wastewater, and reuse systems. As of this date, no estimate of the value of the contributed property specifically related to this development has been provided, nor have final plans or exact specifications of such construction been provided. All estimates of contributed property to be provided in the future, have been based upon historical experience of the Utility, as outlined in Schedules 2, 3, 5, 7, 9, and 11 of Exhibit "D."
9. Mitchell Crossing - The agreement is anticipated to result in contributed property within the next 24 months. Contributions will include all onsite water, sewer and reuse systems anticipated. As of this date, no estimate of the value of the contributed property specifically related to this development has been provided, nor have final plans or exact specifications of such construction been provided. All estimates of contributed property to be provided in the future, have been based upon historical experience of the Utility, as outlined in Schedules 2, 3, 5, 7, 9, and 11 of Exhibit "D."
10. Foxwood Phase 3 - We already have a contribution of all onsite water and sewer facilities which constitute the contributed property required under this agreement. We do not anticipate the provision of reuse service. As of this date, the value of the contributed property specifically related to this development has been provided, and has been booked as plant and CIAC.
11. Foxwood Phase 5 - We already have a contribution of all onsite water and sewer facilities which constitute the contributed property required under this agreement. We do not anticipate the provision of reuse service. As of this date, the value of the contributed property specifically related to this development has been provided, and has been booked as plant and CIAC.
12. Thousand Oaks Phase 2-5 - We already have a contribution of all onsite water, sewer, and reuse facilities which constitute the contributed property required under this agreement. As of this date, the value of the contributed property specifically related to this development has

been provided, and has been booked as plant and CIAC.

13. Country Place Village - We already have a contribution of all onsite water and sewer facilities which constitute the contributed property required under this agreement. We do not anticipate the provision of reuse service. As of this date, the value of the contributed property specifically related to this development has been provided, and has been booked as plant and CIAC.
14. Dunkin Donuts - The agreement is anticipated to result in contributed property within the next 24 months. Contributions will include all onsite water and sewer systems. As of this date, no estimate of the value of the contributed property specifically related to this development has been provided, nor have final plans or exact specifications of such construction been provided. All estimates of contributed property to be provided in the future, have been based upon historical experience of the Utility, as outlined in Schedules 2, 3, 5, 7, 9, and 11 of Exhibit "D."
15. Emerald Lake Apartments - The agreement is not anticipated to result in contributed property within the next 24 months. Contributions when received, will include all onsite water and sewer systems anticipated. As of this date, no estimate of the value of the contributed property specifically related to this development has been provided, nor have final plans or exact specifications of such construction been provided. All estimates of contributed property to be provided in the future, have been based upon historical experience of the Utility, as outlined in Schedules 2, 3, 5, 7, 9, and 11 of Exhibit "D."
16. Park Lake Estates Unit 8 Phase 2A - We already have a contribution of all onsite water and sewer facilities which constitute the contributed property required under this agreement. We do not anticipate the provision of reuse service. As of this date, the value of the contributed property specifically related to this development has been provided, and has been booked as plant and CIAC.
17. Park Lake Estates Unit 8 Phases 1A, 1B, 2B - The agreement is anticipated to result in contributed property within the next 24 months. Contributions will include all onsite water and sewer systems. As of this date, no estimate of the value of the contributed property specifically related to this development has been provided, nor have final plans or exact specifications of such construction been provided. All estimates of contributed property to be provided in the future, have been based upon historical experience of the Utility, as outlined in Schedules 2, 3, 5, 7, 9, and 11 of Exhibit "D."
18. Heritage Springs Village 1 Units 1, 2, 1A - The agreement may or may not result in contributed property within the next 24 months. Contributions will include all onsite water, sewer and reuse systems. As of this date, no estimate of the value of the contributed property specifically related to this development has been provided, nor have final plans or exact specifications of such construction been provided. All estimates of contributed property to

be provided in the future, have been based upon historical experience of the Utility, as outlined in Schedules 2, 3, 5, 7, 9, and 11 of Exhibit "D."

19. West Pasco Industrial Park Unit 1 Phase2 - We already have a contribution of all onsite water and sewer facilities which constitute the contributed property required under this agreement. We do not anticipate the provision of reuse service. As of this date, the value of the contributed property specifically related to this development has been provided, and has been booked as plant and CIAC.
20. Village Subdivision - The agreement is anticipated to result in contributed property within the next 24 months. Contributions will include all onsite water and sewer systems. No reuse service is anticipated. As of this date, no estimate of the value of the contributed property specifically related to this development has been provided, nor have final plans or exact specifications of such construction been provided. All estimates of contributed property to be provided in the future, have been based upon historical experience of the Utility, as outlined in Schedules 2, 3, 5, 7, 9, and 11 of Exhibit "D."

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ALOHA UTILITIES, INC.

Revised Tariff Sheets

EXHIBIT G

For the purpose of this Policy, the term contributions-in-aid-of-construction shall include the on-site water distribution and sewage collection system contributed in cash or in kind; payments to defray, in part or in total, the cost of the off-site lines and related facilities; and payments to defray in part the cost of the treatment facilities. (See Appendix "A").

7.0 CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION--TREATMENT FACILITIES

Utility requires that all Contributors pay contributions based in part on a pro rata share of the cost of treatment plant facilities, whether or not the facilities have been constructed or may be constructed to continue to render service. Such payments are herein defined as contributions-in-aid-of-construction and shall be made to all Contributors upon approval of the governmental agency having jurisdiction of this Policy, where water or sewer service is available or agreed to be made available in the territory.

Utility further declares that these contributions shall be uniform among Contributors notwithstanding provisions of prior developers agreements or the practices and procedures pertaining to such charges as established prior to the adopting of part IX, Chapter 25-10, F.A.C.

It is the further purpose of this Section to resolve the inequities and discriminatory practices regarding contributions by placing all owners, builders, and developers on parity with regard to such charges.

7.1 SCHEDULE FOR "CIAC" FOR TREATMENT FACILITIES

The following is a schedule of "CIAC" for treatment facilities to be paid prior to commencement of water and/or sewer services as a prerequisite for such service. The amounts are based on an equivalent on a residential connection of 270 gallons per day.

	<u>East of US 19</u>	<u>West of US 19</u>
Water Plant Capacity	\$690.00 per ERC	\$126.86 per ERC
Sewage Plant Capacity	\$206.75 per ERC	\$117.06 per ERC

Daily Rated-Gallonage of Demand:

Water	\$2.556 per gallon	\$.470 per gallon
Sewer	\$.766 per gallon	\$.434 per gallon

STEPHEN G. WATFORD
ISSUING OFFICER

PRESIDENT
TITLE

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