



Public Service Commission

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FEB 28 PM 12:01
REG. DIVISION AND REPORTING

DATE: MARCH 1, 2001

TO: DIRECTOR, DIVISION OF RECORDS AND REPORTING (BAYÓ)

FROM: DIVISION OF ECONOMIC REGULATION (FLETCHER, MERCHANT)
DIVISION OF LEGAL SERVICES (JAEGER)

RE: DOCKET NO. 010156-WU - APPLICATION FOR INCREASE IN SERVICE
AVAILABILITY CHARGES FOR WATER CUSTOMERS IN THE SEVEN
SPRINGS SERVICE AREA IN PASCO COUNTY BY ALOHA UTILITIES,
INC.
COUNTY: PASCO

AGENDA: MARCH 13, 2001 - REGULAR AGENDA - TARIFF FILING -
INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: 60-DAY SUSPENSION DATE: APRIL 1, 2001

SPECIAL INSTRUCTIONS: NONE

FILE NAME AND LOCATION: S:\PSC\ECR\WP\010156.RCM

CASE BACKGROUND

Aloha Utilities, Inc. (Aloha or utility), is a Class A water and wastewater utility in Pasco County. The utility consists of two distinct service areas, Aloha Gardens and Seven Springs. The utility's service area is located within the Northern Tampa Bay Water Use Caution Area as designated by the Southwest Florida Water Management District (SWFWMD). Critical water supply concerns have been identified by SWFWMD within this area.

On February 1, 2001, the utility filed this application to increase its plant capacity charge for its Seven Springs water system to \$650 per equivalent residential connection (ERC). Aloha filed this request pursuant to Order No. PSC-00-1285-FOF-WS, issued July 14, 2000, in Docket No. 960545-WS. By that order, the Commission approved a temporary \$500 per ERC charge, subject to

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refund, pending the filing of the instant application and approval of a final charge by this Commission.

This recommendation addresses the suspension of the utility's proposed tariff sheets. The Commission has jurisdiction pursuant to Section 367.101, Florida Statutes.

DISCUSSION OF ISSUES

ISSUE 1: Should Aloha's proposed tariff sheets to increase its plant capacity charge for its Seven Springs water system be suspended?

RECOMMENDATION: Yes, Aloha's proposed tariff sheets to increase its plant capacity charge for its Seven Springs water system should be suspended pending further investigation by staff. This docket should remain open pending the completion of the service availability case. (FLETCHER)

STAFF ANALYSIS: Pursuant to Section 367.091(6), Florida Statutes, the tariff sheets proposed by the utility shall become effective within sixty (60) days after filing, unless the Commission votes to withhold consent of the request. Further, the Commission may withhold consent to the operation of any or all portions of new rate schedules, by a vote that effect within 60 days giving a reason or statement of good cause for withholding that consent.

Staff has reviewed the filing and has considered the utility's proposed charge, and the information filed in support of the application. We believe it is reasonable and necessary to require further amplification and explanation of this data and to require production of corroborative information, if necessary. Our review of the application will include further examination by staff engineers and rate analysts. Therefore, staff recommends that the proposed tariff sheets to increase the plant capacity charges for the Seven Springs water system should be suspended pending further investigation by staff. This docket should remain open pending the completion of the service availability case.