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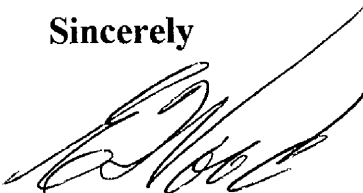
Mr. & Mrs. E. O. Wood  
1043 Daleside Lane  
New Port Richey, FL. 34655-4293  
February 04, 2002

Ms. Blanca S. Bayo. Director  
Division of the Commission Clerk  
and Administrative Services  
2540 Shumard Blvd.  
Tallahassee, Florida 32399-0850.

Dear Ms. Bayo:

In the open Aloha Utilities Docket 010503, of which I am an Intervener, I am submitting my post-hearing statement.

Sincerely



Edward O. Wood

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CAF \_\_\_\_\_  
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**Post hearing statement of Edward O. Wood in Docket 010503 - WU  
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**Issue # 1: Is the quality of service Satisfactory?**

**No.** The quality of service and product supplied by Aloha Utilities Inc. is of the poorest magnitude that one could conceive. The product is smelly, corrosive, and unfit for household use. This is a State of Florida created monopoly. The State must protect the customers from this unscrupulous monopoly.

**Issue # 2: Should the utility's rate increase request be denied due to poor quality of service?**

**Yes.** The utility should be denied this increase and all subsequent increases until they can deliver a product that is considered satisfactory to the customer. It should be a product that the customer would buy in the open market.

**Issue # 3: What is the appropriate cost of the Commission ordered pilot project to include in working capital for the Seven Springs water system?**

**Nothing!** The pilot project has never gotten off the ground. With one year of stumbling the project has attained the usual Aloha results, no progress toward solving the problem.

**Issue # 4: What is the appropriate working capital allowance?**

I adopt the OPC's position.

**Issue # 5: What is the appropriate rate base?**

I adopt the OPC's position.

**Issue # 6: What is the appropriate projected cost rate for variable-cost related party debt?**

I adopt the OPC's position.

**Issue # 7: What is the appropriate weighted average cost of capital for the projected test year ending December 31,2001?**

I adopt the OPC's position.

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**Issue # 8: What are the appropriate number of gallons sold for the projected 2001 test year?**

I adopt the OPC's position.

**Issue # 9a: What is the projected number of purchased water gallons from Pasco County, and what is the resulting expense?**

Aloha should not be compensated for water purchased from Pasco County. If Aloha cannot meet customer demand or expansion with the current pumping permits, then their allocated district should be reduced in size, restrict the building permits issued, or transfer pumping rights from Pasco County and Tampa Bay Water.

**Issue # 9b: Should a provision be made to monitor whether the gallons pumped from Aloha's differs from the maximum permitted quantity on an annual average basis under the Water Use Permit (WUP)?**

I Adopt the OPC's position.

**Issue # 9c: What Provision should the Commission make within rate setting for the potential shortfall or excess if usage by customers differs from that included in the rate setting?**

I adopt the OPC's position

**Issue # 10: Should projected chemicals and purchase power be adjusted?**

I adopt the OPC's position.

**Issue # 11: Should an adjustment be made to employee salaries and wages for open positions?**

I adopt the OPC's position.

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**Issue # 12: Should an adjustment be made to correct the annulized salary of the utility operations supervisor?**

I adopt the OPC's position.

**Issue # 13: What Adjustments should be made to pension expense?**

I adopt the OPC's position.

**Issue # 14: Does the utility have excessive unaccounted for water, and if so what adjustment should be made?**

**Yes.** A business in a competitive marketplace couldn't survive with a 10% unaccounted for loss. This utility and others like it should be held to more rigorous standard and not be allowed to pass everything on to the customer.

**Issue # 15: Should an adjustment be made for related-party purchased water transactions?**

I adopt the OPC's position.

**Issue # 16: What is the appropriate amount of rate case expense?**

**Zero!!** With the expense projected in this case, and the two (2) previous cases the customers will be burdened with 1.5 million dollars of rate case expense. What have they gotten for this expense? Nothing but excuses, and the same water, unfit for human consumption or any other use.

**Issue # 17: What conservation programs, and associated expenses, are Appropriate for this Utility at this time?**

**None!!** Let Aloha get its house in order. Determine where the 10% unaccounted loss is taking place and correct the situation. This is just good management practice. When Aloha starts supplying good water there will be less flushing, and the customers will be able to conserve water.

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**Issue # 18: What is the test year operating income before any revenue increase?**

I adopt the OPC's position. I question why any estimates were projected in the test year? If there are any projected items supported by facts they should be added to the test year numbers. The numbers and theories that have no sound basis in fact, shouldn't be considered.

**Issue # 19: What is the appropriate revenue requirement?**

I adopt the OPC's position.

**Issue # 20: What is the appropriate rate structure for this utility?**

Because of the substandard quality of service, no change should be made to the current rate structure should be made.

**Issue # 21: Is repression of consumption likely to occur, and, if so what is the appropriate adjustment, and the resulting consumption to be used to calculate consumption charges?**

I believe that consumption will not be reduced based on a rate increase. I further believe that a rate increase is inflationary. The price of water will go up, but it will be the same "crappy" water. There isn't any value added to off set the price increase.

**Issue # 22: What are the appropriate monthly rates for service?**

The current monthly rate is in excess of what should be needed to keep the "Black Water" flowing. Don't talk increase until you improve the final product. I think it is questionable whether the water supplied today is properly treated.

**Issue # 23: What are the appropriate service availability charges for the Seven Springs water system?**

I adopt the OPC's position.

**Issue # 24: Should this docket be closed?**

After **denying any increase** to the utility this docket should be closed. A restriction should be initiated on how many rate cases any utility can file over a given period of time.

**Summary: I Firmly believe that the state of Florida has let its citizens down by permitting the situation involving Aloha Utilities to continue to exist. This situation continues based on the allegations that they are in compliance with all the rules. If these are the statues on the books, and the rules in effect, then the State should be taking measures to get them corrected. The constant filing of rate cases, the ineffective planning by Aloha, and the Aloha "I won't do anything unless ordered to do so" Attitude, has led to an ineffective utility that is "ripping" off its customers. The customers, while bearing all the cost of the rate hearings (the State's cost and the Utility's cost), and the other frivolous costs generated by the Utility, is getting nothing in return except the continued flow of "Black Water". For a state agency to demand a "conservation rate" to be applied to the customer, when 100 million gallons of water can not be accounted for by the Utility, is ludicrous. If the rules or statutes permit this type of business operation, then initiate the necessary changes to the rules and regulations, but don't penalize the customer. There is no reason that the customers of Aloha Utilities should be forced to live as if they were in a third world country while living in the state of Florida.**