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Charles J. Beck
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ORIGINAL

November 18, 2004

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

Re: Docket Nos. 020896-WS & 010503-WU

Dear Ms. Bayo:

Enclosed for filing, on behalf of the Petitioners, are the original and 15 copies of the Direct Testimony of Richard Power.

Please indicate the time and date of receipt on the enclosed duplicate of this letter and return it to our office.

RECEIVED-FPSC
NOV 18 PM 1:47
COMMISSION CLERK

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CJB:bsr

Enclosure

Sincerely,

Charles J. Beck
Deputy Public Counsel

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R.V.N.

FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE

12392 NOV 18 04

FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition by customers of Aloha)
Utilities, Inc. for deletion of portion)
of territory in Seven Springs area in)
Pasco County)

Docket No. 020896-WS

In re: Application for Increase in)
Water Rates for Seven Springs)
System in Pasco County by Aloha)
Utilities, Inc.)

Docket No. 010503-WU

Filed: November 18, 2004

DIRECT TESTIMONY

OF

RICHARD POWER

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DIRECT TESTIMONY

OF

RICHARD POWER

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Dockets Nos. 020896-WS & 010503-WU

DIRECT TESTIMONY

OF

RICHARD POWER

Q. PLEASE STATE YOUR NAME AND ADDRESS.

A. My name is Richard Power. I reside at 1534 Haverhill Drive, New Port Richey, FL 34655.

Q. WHICH UTILITY SUPPLIES YOUR DRINKING WATER AND SEWER SERVICE AND FOR HOW LONG HAVE YOU BEEN A CUSTOMER OF THE UTILITY?

A. Aloha Utilities Inc. supplies my drinking water and sewer services. I have been a customer since January 2000.

Q. ARE YOU SATISFIED WITH THE QUALITY OF WATER IN YOUR DOMESTIC PLUMBING?

A. No.

Q. WHY?

A. There is an intense gray-black discoloration of water. This happens from both the cold and hot water taps. I find that I have to run the water from all taps in

1 the house at least once a week to try and remove the gray-black and smelly
2 sediment from the pipes. But running the water from the tabs does not
3 improve the quality of water.

4

5 **Q. DO YOU DRINK ALOHA WATER FROM YOUR TAPS?**

6 A. No, we do not drink the water directly from the taps. We use a RO system
7 with another filter coming from the RO system before drinking or cooking
8 with the water. And sometimes we boil the water before drinking and cooking
9 with the water. I have to change the filters on these systems every 4 to 6
10 months because the filters are plugged with the back sediment in the water
11 lines.

12

13 **Q. WHAT ELSE DISTRESSES YOU ABOUT THE QUALITY OF**
14 **WATER?**

15 A. I had a very expensive water softener installed that was supposed to remove
16 the black water in the lines. This new softener did not solve the problem of
17 the black and smelly water. The reason I installed the new more expensive
18 softener was because the previous softener had become inoperable due to the
19 water it had to process. I have spent a lot of money to solve a problem, which
20 I think can only be solved at the source.

21

22 **Q. HOW FREQUENTLY DO YOU EXPERIENCE POOR WATER**
23 **QUALITY?**

1 A. As far as the discoloration and smell is concerned, it is present all of the time.
2 I can open any faucet in the house and have black water appear. Sometimes
3 large chunks of black stuff come out of the faucets.

4

5 **Q. DO YOU EXPERIENCE POOR QUALITY FROM BOTH THE HOT**
6 **WATER AND COLD WATER FAUCETS?**

7 A. Yes ... we experience black water problems from both the cold and hot water
8 faucets at any time of the day.

9

10 **Q. UNDER WHAT CIRCUMSTANCES OF USE HAVE YOU**
11 **EXPERIENCED POOR QUALITY?**

12 A. Almost always while we are at home and using all faucets in the house,
13 including the kitchen, laundry room sink, and two bathrooms. We make sure
14 that both toilets are flushed at least once each day. Showers are used regularly
15 every day. We have noticed black water more often in the master bathroom
16 and the laundry-room sink. I turn off the main water valve coming into the
17 house before we go on vacation. Before, we did not turn off the main valve
18 before going on vacation. We came home two different times and had pinhole
19 leaks in the pipes, thus causing substantial expense and loss of household
20 items. When we get back from a vacation and turn the water back on, the
21 smell and black water is almost too much to handle. We have to leave the
22 water running for several minutes before we can use the water.

23

24 **Q. WHAT KIND OF PIPES DO YOU HAVE?**

1 A. We have copper pipes.

2

3 **Q. DO YOU USE ANY OTHER FORM OF WATER CONDITIONING OR**
4 **FILTERS?**

5 A. We have a whole house sediment filter where the water comes into the house,
6 which we change every 2-4 months depending on water usage. It is a 15
7 micron filter. The filter is completely black when it is changed. We no longer
8 use the expensive water softener since it is not effective in improving the
9 black smelly water.

10

11 **Q. HOW DOES POOR WATER QUALITY AFFECT YOU AND YOUR**
12 **FAMILY?**

13 A. First of all it affects us because of our concern about what it will do to our
14 pipes in the long run. Secondly, it has made it necessary for us to spend
15 additional money in filters and water testing to make sure the drinking water
16 is safe. Thirdly, we are concerned about our HEALTH by being exposed to
17 the water when we take showers and brush our teeth. There is a cost and labor
18 involved in changing filters and cleaning out the hot water heater frequently.
19 Yet Aloha sends out brochures telling us to conserve water, but then in their
20 customer meetings Aloha tells us to drain our water heaters and flush the
21 pipes to remove black water.

1 Q. HAVE YOU SOUGHT THE HELP OF ALOHA UTILITY IN
2 UNDERSTANDING WHY THE WATER QUALITY IS
3 INTERMITTANTLY POOR IN YOUR HOME AND IN
4 IMPROVING IT?

5 A. I had sent a written letter stating that the water was black and not fit to use.
6 They sent two technicians out to test my water at the meter. The technicians
7 would not tell me the results of the test. I questioned them on why the water
8 was black and smelly. They stated they met the DEP standards for providing
9 water. I asked them why Pinellas and Pasco County utilities did not have the
10 same problem. They indicated that these County Utilities had better water
11 processing facilities and removed contaminates which caused the black water.
12 I indicated to them that maybe the DEP needed to change the standards to be
13 compatible with the county utilities and to protect the citizens from Aloha
14 Utilities.

15

16 Q. DO YOU FEEL THAT THE UTILITY GAVE YOU A SATISFACTORY
17 EXPLANATION?

18 A. Aloha Utilities has never given me a good answer or solution for the problem
19 with black-smelly water. They seem to want to ignore that there is a problem.

20

21 Q. WHAT HAS BEEN YOUR EXPERIENCE OF THE QUALITY OF
22 WATER IN DOMESTIC PIPES, IF YOU HAVE LIVED IN OTHER
23 PARTS OF OUR STATE OR OTHER STATES?

1 A. I have lived for many years in Hillsborough and Pinellas counties in homes
2 with copper piping and I did not experience any black or smelly water. I did
3 not have water softeners or filters in these homes. The water was great.
4 When I lived in Indiana, I lived in homes which had copper pipes and I never
5 had black or smelly water.

6

7 **Q. HAVE YOU ATTENDED THE RECENT CUSTOMER WORKSHOPS**
8 **OF ALOHA UTILITY?**

9 A. Yes. I have attended both meetings that Aloha has put on. Many complaints
10 were voiced by the Aloha attendees. However, when Aloha management was
11 asked to answer questions as to improving the water quality all they would say
12 was maybe, we hope, we think that the quality of water will improve with the
13 new equipment being installed. However, no factual or scientific facts were
14 presented that would convince me that the black-smelly water would be
15 improved.

16

17 **Q. WHY ARE THE CUSTOMERS PRESSING FOR DELETION OF**
18 **TERRITORY NOW AFTER THE AUDIT IS COMPLETED AND**
19 **ALOHA HAS OFFERED TO INSTALL NEW METHOD FOR WATER**
20 **PROCESSING?**

21 A. It has become apparent over the last 4 years of my experience with Aloha that
22 the utility is not interested in providing quality water, but would rather spend
23 money in legal fees to persuade the PSC and other government officials to
24 ignore complaints of Aloha customers. Myself and the other petitioners have

1 lost confidence in Aloha Utility as having the credentials to function as a
2 customer oriented water utility that regards the quality of its product and its
3 customer service as its primary concerns. The customers have come to the
4 conclusion that Aloha is only interested in holding on to its service area, and
5 does not care whether the water it provides remains drinkable.

6

7 **Q. DO YOU THINK THAT ALOHA OWNS THE WATER AND SEWER**
8 **INFRASTRUCTURE?**

9 A. Aloha has received a lot of donations of infrastructure paid for by customers
10 in lot and home prices which Aloha now wants to claim as its own property. I
11 believe the property should be considered as held in trust since in my way of
12 thinking I still own the water and sewer pipes, because I paid for it.

13

14 **Q. DO YOU KNOW IF ALOHA HAS IMPROVED THEIR PROCESSING**
15 **OF WATER AT THE WELL HEADS?**

16 A. To my knowledge and research by the Better Water for Now Committee
17 Aloha has not spent any money to improve its processing system or
18 monitoring system to ensure that process control for the production of
19 drinking water is adequate. Even now while it is considering the installation
20 of a new processing method, it has not taken its customers into confidence
21 about the adequacy of its method to improve the quality of drinking water.
22 Aloha has not provided any scientific evidence to prove the new equipment
23 will get rid of the black-smelly water. The installation of the new equipment
24 is to meet the new chloramine disinfection requirement being set by the

1 surrounding utilities so Aloha can continue to buy water from the other
2 utilities. And as I drive by well # 9 I have not seen any new construction for
3 installation of new equipment. Aloha's deadline for meeting the new
4 standards is February 2005.

5

6 **Q. WHAT THEN IS YOUR REQUEST TO THE PSC AT THIS TIME?**

7 A. My request to the PSC is to honor the customers of Aloha who have signed
8 the petition submitted on July 15, 2002 requesting a deletion of the service
9 territory in which they live contingent on their ability to become retail
10 customers of Pasco County Utility. In making this switch, the petitioners are
11 confident that they will have a utility with a customer oriented management,
12 which will provide higher quality water than they have received in the past
13 from Aloha or will receive even with the new method that Aloha is
14 considering for installation. They are prepared to take the risk of transferring
15 to another provider of drinking water and wastewater, because through their
16 county commissioners they will always have a voice in the management of the
17 Utility unlike with a private company like Aloha who does not care. They
18 will also have a management team committed to solving technical issues on a
19 scientific basis rather than by appeal to the minimum standards that Aloha has
20 used as its benchmark for quality.

21

22 **Q. IF A REASONABLE INCREASE IN COST IS NECESSARY TO**
23 **IMPROVE WATER QUALITY, WILL YOU BE WILLING TO**

1 **ACCEPT AN INCREASE IN WATER RATES SIMILAR TO WHAT**
2 **NEIGHBORING UTILITIES CHARGE?**

3 A. No! Based on Aloha's past performance of not caring about the customer or
4 the quality of its product, Aloha will have to prove to me that any new
5 equipment installed will solve the black-smelly water problem. Then I would
6 be more willing to accept a reasonable rate increase.

7

8 **Q. IF YOU HAD A CHOICE IN RECEIVING WATER FROM ANOTHER**
9 **UTILITY AT REASONABLE RATES WOULD YOU CONTINUE TO**
10 **BUY WATER FROM ALOHA UTILITY?**

11 A. Absolutely not! Our country was built on competitive business practices.
12 Companies who provide a poor quality of service or product will not be in
13 business for very long. But because Aloha is a monopolistic company they
14 think they do not need to provide a quality product. And I believe the State of
15 Florida and the PSC has not protected the citizens of Florida from this
16 unworthy Aloha Utility Company.

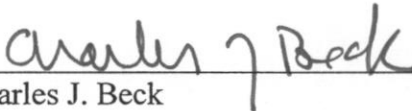
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18 **Q. IS THAT THE END OF YOUR TESTIMONIAL?**

19 A. Yes.

**DOCKET NOS. 001503-TP and 020896-WU
CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a copy of the foregoing has been furnished by U.S. Mail
or hand-delivery to the following parties on this 18th day of November, 2004.


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