

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 050183-WU

In the Matter of:

REQUEST BY HOMEOWNERS FOR THE
COMMISSION TO INITIATE DELETION
PROCEEDINGS AGAINST ALOHA UTILITIES,
INC. FOR FAILURE TO PROVIDE
SUFFICIENT WATER SERVICE CONSISTENT
WITH THE REASONABLE AND PROPER
OPERATION OF THE UTILITY SYSTEM
IN THE PUBLIC INTEREST, IN VIOLATION
OF SECTION 367.111(2), FLORIDA
STATUTES.



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PROCEEDINGS: AGENDA CONFERENCE
ITEM NO. 4

BEFORE: CHAIRMAN BRAULIO L. BAEZ
COMMISSIONER J. TERRY DEASON
COMMISSIONER RUDOLPH "RUDY" BRADLEY
COMMISSIONER CHARLES M. DAVIDSON
COMMISSIONER LISA POLAK EDGAR

DATE: Tuesday, May 17, 2005

PLACE: Betty Easley Conference Center
Room 148
4075 Esplanade Way
Tallahassee, Florida

REPORTED BY: LINDA BOLES, RPR
Official FPSC Reporter
(850) 413-6734

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FLORIDA PUBLIC SERVICE COMMISSION 04936 MAY 20 05

FPSC-COMMISSION CLEAR

1 APPEARANCES:

2 F. MARSHALL DETERDING, ESQUIRE, representing Aloha
3 Utilities, Inc.

4 CHARLIE BECK, ESQUIRE, representing the Office of
5 Public Counsel.

6 ROSANNE GERVASI, ESQUIRE, representing the Florida
7 Public Service Commission Staff.

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P R O C E E D I N G S

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2 CHAIRMAN BAEZ: Commissioners, we're on Item 4.

3 MS. GERVASI: Commissioners, Item 4 is staff's
4 recommendation concerning what action the Commission should
5 take with respect to the requests by homeowners in various
6 subdivisions of Aloha Utilities' service territory for deletion
7 of those areas. The utility and Public Counsel are represented
8 and I believe wish to address the Commission.

9 CHAIRMAN BAEZ: You know, if there was ever, if there
10 was ever a telling sign of what a staff recommendation was
11 going to be like, the fact that it has a different docket
12 number would have been, would have been a sure tell. Anyway,
13 Mr. Deterding.

14 MR. DETERDING: Commissioners, I just wanted to note
15 that we are in agreement with the bottom line of the staff
16 recommendation that a proceeding should not be separately
17 initiated at this time. There is, I assume, investigation
18 necessary if there is to be a basis there for any such proposal
19 by these new subdivisions. And, in addition, it doesn't
20 properly belong with the existing proceeding that was initiated
21 by the Commission a few months ago. So with that, we are in
22 support of the bottom line not to initiate it at this time.

23 CHAIRMAN BAEZ: Mr. Beck.

24 MR. BECK: Thank you, Mr. Chairman. Charlie Beck,
25 Office of the Public Counsel. We are in support also of the

1 staff recommendation, but would urge the Commission to, to
2 proceed quickly with a survey of the customers in the remaining
3 areas of the Seven Springs area other than the four
4 subdivisions where there currently is a deletion proceeding
5 going forward. I think it's appropriate to survey those
6 customers, but you can see that the discontent with the product
7 and service of Aloha is very widespread. You know, not only do
8 you have the four areas for the original deletion, but now
9 there's quite a few more areas and it's interspersed throughout
10 their area.

11 The survey that staff proposes to take I think is
appropriate, but it's not the first time that you've surveyed
the entire Seven Springs area. You did so in 1999. And in
that case, 73 percent of the people responding in Seven Springs
observed discolored water in the past two years at that time
16 and 71 percent indicated that the odor and taste was
17 unacceptable. Those results are consistent with the recent
18 survey that you did of the four subdivisions where you're
19 proceeding with deletion.

20 So we urge the Commission to go forward with the
21 deletion proceeding on the four subdivisions, but at the same
22 time to get this additional evidence from the other areas and
23 proceed then to deletion on the remaining areas of the Seven
24 Springs area. Thank you.

25 CHAIRMAN BAEZ: Commissioners, questions?

1 I have one question. There's some, there's some lack
2 of clarity as to whether a couple of the subdivisions that are
3 the subject of the new petitions, for lack of a better word,
4 are actually part of the 018 docket. Have we been able to
5 determine that?

6 MS. GERVASI: Not yet, Commissioner, but it's
7 something we're looking into. There's also a possibility that
8 one, one area is not in Seven Springs but could be in Aloha
9 Gardens. We need to look into that as well.

10 CHAIRMAN BAEZ: All right. Well, and I don't know
11 what, what effect this has on certainly this docket number
12 moving forward, but I think it -- at the end of the day I
13 always like to know what I voted on once upon a time. So if
14 you -- if staff can clarify, I'm assuming it doesn't really
15 have an effect on, merely on what we're considering as an
16 issue, but certainly we'll fix the area a little clearer, if we
17 can follow up with that.

18 MS. GERVASI: Yes, sir. I think that's right. What
19 we're recommending is that the rest of Seven Springs be
20 surveyed, including all of the subdivisions that we have heard
21 from and all of the other remaining areas within Seven Springs.

22 CHAIRMAN BAEZ: And I, and I don't have a problem
23 with that. But there's, I guess it's Heritage and Foxwood that
24 we need to have some clarification, and certainly the customers
25 in those subdivisions need some clarification as to whether

1 they're part of one proceeding or potentially another on down
2 the line. Again, I don't think that procedurally that creates
3 any, any problems that I know of, but we do need to deal with
4 that. I don't have any other questions.

5 Commissioners, we can entertain a motion if you all
6 don't have questions.

7 COMMISSIONER DEASON: I can move staff's
8 recommendation.

9 COMMISSIONER DAVIDSON: Second.

10 CHAIRMAN BAEZ: There's a motion and a second. All
11 those in favor, say aye.

12 (Unanimous affirmative vote.)

13 CHAIRMAN BAEZ: Thank you all.

14 (Agenda Item 4 concluded.)

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1 STATE OF FLORIDA)
2 COUNTY OF LEON)

CERTIFICATE OF REPORTER

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4 I, LINDA BOLES, RPR, Official Commission
5 Reporter, do hereby certify that the foregoing proceeding was
6 heard at the time and place herein stated.

7 IT IS FURTHER CERTIFIED that I stenographically
8 reported the said proceedings; that the same has been
9 transcribed under my direct supervision; and that this
10 transcript constitutes a true transcription of my notes of said
11 proceedings.

12 I FURTHER CERTIFY that I am not a relative, employee,
13 attorney or counsel of any of the parties, nor am I a relative
14 or employee of any of the parties' attorneys or counsel
15 connected with the action, nor am I financially interested in
16 the action.

17 DATED THIS 20th DAY OF MAY, 2005.

18
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