

FLORIDA PUBLIC SERVICE COMMISSION

VOTE SHEET

MAY 31, 2005

RE: Docket No. 010503-WU - Application for increase in water rates for Seven Springs System in Pasco County by Aloha Utilities, Inc.

Issue 1: Should the reference to sulfide in "finished water" in the proposed agency action order be stated as a maximum contaminant level for total sulfides of 0.1 mg per liter of delivered water at the point of its entry into the domestic system at the domestic meter?

Recommendation: No. The reference to sulfide in the "finished water" of 0.1 mg/L should be stated as a goal with specific actions to be taken if that goal is not consistently reached. Attainment of the goal should be determined by testing Aloha's water for total sulfides at the utility's plant sites and at the selected bacteriological test sites (field sites). The goal for the plant sites should be 0.1 mg/L of total sulfides. When Aloha begins to purchase water from the County, the County water should be tested for total sulfides in the same manner as all test sites, and the goal for the bacteriological field test sites should be the higher of the total sulfides level in the County water or 0.1 mg/L of total sulfides in the water. By Order No. PSC-02-0593-FOF-WU, issued April 30, 2002, in this docket, Aloha's quality of service was found to be unsatisfactory. Staff recommends that failure to substantially obtain the goal of 0.1 mg/L of total sulfides in the finished water (or the higher level of the County if the purchased County water has a higher level) should constitute continued provision of unsatisfactory quality of service which is not in the public interest. Staff also recommends that the Commission put Aloha on notice that meeting the goal does not relieve Aloha from ultimately addressing the black and smelly water complaints. In addition, the Commission should retain the option to take additional action as appropriate in the future to address customer complaints, even if Aloha is meeting the 0.1 mg/L goal.

APPROVED

Commissioner Edgar dissented.

COMMISSIONERS ASSIGNED: All Commissioners

COMMISSIONERS' SIGNATURES

MAJORITY

DISSENTING

Handwritten signatures of majority commissioners: Chuck W. Dord, Rodney Bradley, [unclear], Terry [unclear], and Lisa Edgar (issues 2+4).

Handwritten signature of dissenting commissioner: Lisa Edgar (issues 1+3).

REMARKS/DISSENTING COMMENTS:

DOCUMENT NUMBER-DATE

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Issue 2: Should the improvements be such that sulfide present in raw water or generated during treatment and transmission be removed, not converted, to a level not to exceed 0.1 mg/L in finished water delivered at the point of entry into the domestic system?

Primary Recommendation: No. Consistent with past Commission decisions, the Commission should not order a specific treatment methodology, including specifying removal versus conversion. The hydrogen peroxide treatment or other upgrade proposed by Aloha should be given a chance to work. However, if the utility opts for a treatment which converts rather than removes total sulfides, it should provide to the PSC within 60 days of issuance of the final order on this recommendation, an analysis on elemental sulfur filtration options as described in the Primary Analysis in staff's May 19, 2005 memorandum.

APPROVED

Alternate Recommendation: No. Removal (versus conversion) of total sulfides should not be required immediately. The hydrogen peroxide or other conversion methodology should be given a chance to work. However, by November 1, 2006, Aloha should be required to complete the engineering design and permitting for a process to remove hydrogen sulfides at Wells 8 and 9 so that construction can begin expeditiously, if needed. If the oxidation method chosen by Aloha does not reduce the level of verifiable about smelly or black water occurrences to an uncommon occurrence by November 1, 2006, Aloha should be required to initiate the construction needed to have a hydrogen sulfide removal process placed in service by November 1, 2007.

Aloha should be required to file monthly reports beginning in October 2005, on: (1) The use of hydrogen peroxide, (2) The number of customer smelly or black water complaints and any verification of those complaints by Aloha, and (3) a timetable for the engineering design, permitting, and, if to be built, construction of a hydrogen sulfide removal process for Wells 8 and 9.

DENIED

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Issue 3: Should compliance with such requirements be determined based upon samples taken at least once a month at a minimum of two sites at domestic meters most distant from each of the multiple treatment facilities with such sites rotated to provide the greatest likelihood of detecting any departure from the maximum levels permitted?

Recommendation: No. As recommended in Issue 2, Aloha should test the finished water for compliance with the goal as it first enters the distribution system after it has been treated at the plant sites, and at field (bacteriological) sites which are distributed throughout the utility's service area. Aloha should also test at the point of interconnection with Pasco County for benchmarking purposes.

Monthly testing should be required for all plant sites and field sites as described in Issue 1, for three months, beginning November 2005. Quarterly testing should then be required for the plant and field sites, beginning February 2006, unless a plant or field site test exceeds the goal. If a plant or field site test exceeds the goal, it should be retested monthly until the site achieves the goal for three consecutive months. When Aloha begins purchasing water from Pasco County, the interconnection site should be tested monthly. All field tests should be performed by a commercial laboratory during the first five business days of each testing period. All field tests for total sulfides should be conducted prior to any flushing that is to be conducted for that day.

All of the plant sites should be tested during each testing period. The field test sites should be divided into three groups of ten, and one group of ten sites should be tested during each testing period. Any retesting of a field site, resulting from the site exceeding the goal, will not count in the requirement to test ten field sites unless it is in its normal rotation. At least six of the ten field site tests should be taken south of the intersection of Mitchell Ranch Road and State Road 54. No field site should be used more than twice in any three consecutive testing periods (unless it is a retest for a prior failure).

By October 1, 2005, Aloha should be required to provide a list identifying the field sites to be included in each of the three groups of 10 field sites and a map identifying the field sites by test group. By the last business day of November and December 2005, January and February 2006, and each subsequent quarter (May, August, November, etc.), Aloha should file a report on the results of all tests performed during that testing period, including retests. The report should include the dates, specific location of each test site, and total sulfide levels found for each test site. For all quarterly reports beginning May 2006, Aloha should also provide the same information for any retest sites that may have occurred in the intervening two months since the last quarterly report. In addition, if a plant or field site test exceeded the goal, the report should include an analysis of the possible causes for exceeding the goal at each site, and any remedial action taken or proposed to be taken by Aloha to reduce the level of total sulfides at that site to the level prescribed by the goal. All reports should be filed with the Commission's Division of Commission Clerk and Administrative Services in this docket.

APPROVED

Commissioner Edgar dissented.

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Issue 4: Does the Commission have the authority to regulate, impose, or establish drinking water standards, maximum contaminant levels, action levels, or treatment technique requirements?

Recommendation: The Commission has the authority to approve the actions recommended by staff in Issues 1-3. While there may be some question about whether the Commission can or should establish drinking water standards or maximum contaminant levels, staff believes that there is no question but that the Commission has jurisdiction over the quality of service provided by a utility and can require the utility to take specific actions to improve the quality of service. See, Sections 367.011, 367.081(2), 367.111(2), and 367.121(1)(a), (c) and (d), Florida Statutes. Also, Staff notes that the Commission has already ordered the utility to take specific actions to improve the quality of service when it issued the Final Order in this case, and that Final Order was per curiam affirmed.

APPROVED

Additionally, the Commissioners voted to approve the parties' stipulation that the docket remain open.