

ORIGINAL

MEMORANDUM

December 8, 2006

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06 DEC -8 AM 9:35

COMMISSION  
CLERK

TO: DIVISION OF THE COMMISSION CLERK AND ADMINISTRATIVE SERVICES

FROM: OFFICE OF THE GENERAL COUNSEL (GERVASI) *fe for RG*

RE: DOCKET NO. 060122-WU - PETITION FOR APPROVAL OF REVISED TARIFF SHEETS FOR UNDERGROUND RESIDENTIAL DISTRIBUTION SERVICE, BY TAMPA ELECTRIC COMPANY.

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Attached is a copy of a letter addressed to Mr. Steve Watford and dated November 29, 2006 to be filed in the above-referenced docket.

RG/PE  
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- CMP \_\_\_\_\_
- COM \_\_\_\_\_
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FPSC-COMMISSION CLERK

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## TELECOPY COVER SHEET

DATE: December 1, 2006 OUR FILE NO.: 26038.49 PAGES:     TO: Rosanne Gervasi TELECOPY NUMBER: 413-6225FROM: F. Marshall Deterding CONTACT PERSON: TonyaSUBJECT: Aloha Utilities, Inc.

MESSAGE:

Please notify us immediately if not received properly:  
(850) 877-6555

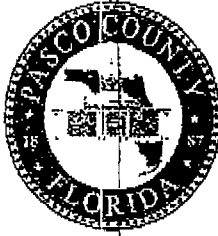
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Nov 29 08 03:17p

BRUCE KENNEDY

727-847-8083

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## PASCO COUNTY, FLORIDA

Via Facsimile (727) 372-2677

November 29, 2006

Steve Watford  
Aloha Utilities, Inc.  
6915 Perrine Ranch Rd  
New Port Richey, FL 34655

Re: Bulk Water Agreement

Dear Mr. Watford:

For 3.1 million gallons (mg) of limited bulk potable water supply, the required impact fee is \$4,924,571, if paid on or before December 19, 2006. This is based on the rates and demand basis set forth in the 2004 Bulk Water Agreement with Aloha Utilities ("Aloha"). Pasco County agrees to refund to Aloha any portion of the impact fees paid to the County to the extent Aloha ultimately does not require the water paid for by that portion of the impact fees. There will be no obligation of the County to make such refund to Aloha of a portion of the impact fees paid unless, and until Aloha provides a written request for such refund, including a release of Pasco County's obligation to provide the water associated with the refunded impact fees and the Board of County Commissioners authorizes payment.

Pasco County commits to supply to Aloha the quantities and phases of water reserved by Aloha upon the payment of the current impact fees on or before December 19, 2006. The various phases of water shall be supplied at the agreed three locations beginning on future dates negotiated and agreed to by the County and Aloha. The County shall supply the quantities reserved for Aloha without additional cost to Aloha as long as the rate of delivery is equal to or less than an average annual daily delivery of 3.1 mg distributed over the three connection points as follows: 1.8 mg at Marathon; 0.9 mg at Little Road; and 0.4 mg at Millpond. To the extent the rate of delivery within a 24 hour period is greater, the County may require additional capital contributions. The County has prepared a preliminary estimate which requires Aloha to pay an additional capital contribution to the county of \$2.72 million to provide the quantities of water on a max day basis and an additional \$9 million for a total of \$11.72 million to provide the water on a peak hour basis.

Nov 29 06 03:17p

BRUCE KENNEDY

727-847-8083

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Please feel free to call me if you have any questions.

Sincerely,



Bruce E. Kennedy, P.E.  
Assistant County Administrator  
Utilities Services Branch

cc: Stephen C. Reilly, Office of Public Counsel