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August 29, 2008

Ms. Ann Cole, Director
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Betty Easley Conference Center, Room 110
Tallahassee, FL 32399-0850

VIA HAND DELIVERY
COMMISSION CLERK
08 AUG 29 PM 4:41
RECEIVED--FPSC

Re: *In Re: Application for increase in water and wastewater rates in Alachua, Brevard, DeSoto, Highlands, Lake, Lee, Marion, Orange, Palm Beach, Pasco, Polk, Putnam, Seminole, Sumter, Volusia, and Washington Counties by Aqua Utilities Florida, Inc., Docket No. 080121-WS*

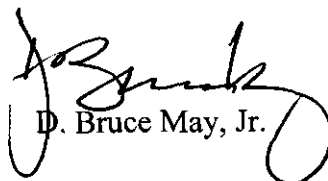
Dear Ms. Cole:

On behalf of Aqua Utilities Florida, Inc., enclosed for filing are the original and 15 copies of the Supplemental Direct Testimony and Exhibits of Christopher H. Franklin.

Please acknowledge receipt of this filing by stamping the extra copy of this letter "filed" and returning the copy to me. Thank you for your assistance.

Sincerely,

HOLLAND & KNIGHT LLP



D. Bruce May, Jr.

:kjg
Encls.

- COM _____
 - ECR** _____
 - GCL _____
 - OPC _____
 - RCP _____
 - SSC _____
 - SGA _____
 - ADM _____
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Kimberly A. Joyce, Esq. (w/encl.)

DOCUMENT NUMBER-DATE
07992 AUG 29 08
FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

**In Re: Application for increase in water and)
wastewater rates in Alachua, Brevard, DeSoto,)
Highlands, Lake, Lee, Marion, Orange,)
Palm Beach, Pasco, Polk, Putnam,)
Seminole, Sumter, Volusia, and Washington)
Counties by Aqua Utilities Florida, Inc.)**

DOCKET NO. 080121-WS

Dated: August 29, 2008

SUPPLEMENTAL DIRECT TESTIMONY

OF

CHRISTOPHER H. FRANKLIN

on behalf of

Aqua Utilities Florida, Inc.

DOCUMENT NUMBER-DATE

07992 AUG 29 8

FPSC-COMMISSION CLERK

1 **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

2 **AQUA UTILITIES FLORIDA, INC.**

3 **SUPPLEMENTAL DIRECT TESTIMONY OF CHRISTOPHER H. FRANKLIN**

4 **DOCKET No. 080121-WS**

5
6 **Q. What is your name and business address?**

7 **A.** My name is Christopher H. Franklin. My business address is 762 W. Lancaster Avenue,
8 Bryn Mawr, PA 19010.

9 **Q. Have you previously submitted testimony in this proceeding?**

10 **A.** Yes. I filed direct testimony as part of AUF's initial filing in this rate case and sponsored
11 Exhibit 1.1.

12 **Q. Why are you now filing supplemental direct testimony?**

13 **A.** AUF requested an opportunity to file supplemental testimony now in order to give the
14 Commission and the parties a prompt report on AUF's efforts to address issues raised at the
15 customer service hearings as soon possible after those hearings were conducted. On August
16 5, 2008, the prehearing officer granted AUF's request to file this supplemental testimony in
17 Order No. PSC- 08-0498-PSC-WS.

18 **Q. What is the purpose of your supplemental direct testimony?**

19 **A.** As stated, I will be addressing issues raised by AUF's customers at the customer service
20 hearings held in Gainesville, Palatka, Sebring, Lakeland, Mt. Dora, Chuluota, and Chipley.

21 **Q. Has AUF reviewed and responded to all of the issues raised at those customer service**
22 **hearings?**

23 **A.** Yes it has. Attached as Composite Exhibit CHF-1 is a matrix identifying each specific
24 customer issue and the follow-up investigation and resolution. AUF is continuing to review
25 customer issues raised at the Greenacres hearing and will address those issues in rebuttal

1 testimony after the transcript is available, along with other customer issues that may be
2 raised at the upcoming service hearing in New Port Richey.

3 **Q. Can you summarize AUF's approach toward the issues raised by customers at the**
4 **various service hearings?**

5 A. Yes. During the service hearings in Gainesville, Palatka, Sebring, Lakeland, Mt. Dora,
6 Oviedo and Chipley, 97 customers gave testimony which covered approximately 194
7 issues. AUF's billing, customer service and operations teams thoroughly investigated each
8 customer issue. Many customers spoke about issues that had already been resolved prior
9 to the service hearing and many customer issues were resolved on-site at the hearings.
10 Other customers were contacted immediately following the hearings to bring final
11 resolution to their issues. At the conclusion of our investigation of each issue, all of the
12 customers will receive an individualized letter summarizing their issue and its resolution.
13 Copies of those customer letters are attached as Composite Exhibit CHF-2.

14 **Q. Did AUF establish a system to track and address all issues raised at the service**
15 **hearings?**

16 A. Yes. In order to ensure that all issues were properly addressed, AUF created a sheet for
17 each hearing. (See Composite Exhibit CHF-1). The summary sheet outlined the issues
18 raised by each customer that testified, and set forth the results of AUF's research and any
19 actions taken by AUF to resolve an issue. We then reviewed the information in the
20 summary sheets and organized the customer issues in 14 categories to identify trends by
21 area. A color-coded chart summarizing those 14 categories of issues is attached as Exhibit
22 CHF-3.

23
24 This color-coded chart was created as a tool to prioritize those issues that AUF needs to
25 correct, and in no way implies that AUF is not addressing all the issues raised at the service

1 hearings. Each and every issue raised by a customer is extremely important to AUF. By
2 using this chart, AUF believed that it was imperative to implement a more formal
3 customer issue evaluation system to allow us to identify areas that need immediate
4 management attention.

5 **Q. Describe how that customer issue evaluation system worked?**

6 **A.** AUF initially evaluated its level of responsibility for each and every issue raised by a
7 customer. Each issue was color-coded for response and tracking purposes depending on
8 AUF's assessment of its level of responsibility. For example, issues for which AUF was
9 fully responsible were coded red, issues for which AUF was moderately responsible were
10 coded yellow, and issues for which AUF was minimally responsible were coded green.
11 AUF first addressed "red" issues for which AUF was fully responsible, then turned to
12 "yellow" and "green" issues for which it was moderately or minimally responsible.

13
14 As is shown on Exhibit CHF-3, AUF determined that 161 or 83% of the 194 issues
15 identified were designated as either green or yellow; while 33 or 17% of the issues were
16 designated as red. Of the 33 issues for which AUF believes it bears full responsibility, 10
17 were attributed to transition issues related to the new meter change out that is underway
18 company-wide. Namely, AUF identified limited situations in 2008 where information
19 associated with newly installed meters had not been properly or timely recorded in the
20 billing system. As I will discuss later in my testimony, AUF believes the post-installation
21 audit that it recently implemented will reduce the incidence of this problem during the one
22 month remaining of the meter installation program.

23 **Q. You mentioned that AUF organized service hearing issues under 14 categories in an**
24 **effort to identify customer service trends by area. What are those 14 categories?**

25 **A.** The fourteen categories of customer issues, listed in order from most discussed to least

1 discussed, are:

- 2
- 3 1) Water Quality
- 4 2) General Billing
- 5 3) Treatment by Customer Service Representative
- 6 4) Boiled Water Notice
- 7 5) Meters
- 8 6) Undocumented Meter Change Information
- 9 7) Supervisor Call Back
- 10 8) Multiple Customer Calls Required for Resolution
- 11 9) Water Pressure
- 12 10) Length of Time to Correct Problems
- 13 11) "Added Zero"
- 14 12) Field Related Issues
- 15 13) Estimated Bills
- 16 14) Sewer Related

17 These categories of issues are depicted on the top line of Exhibit CHF-3.

18 **Q. Can you please describe the category of issues related to water quality?**

19 **A.** Yes. Most of the customer complaints concerning water quality involved secondary
20 standards established under the Federal Safe Drinking Water Act and adopted under the
21 Florida Safe Drinking Water Act (Chapter 403, Part IV, Florida Statutes). Unlike primary
22 drinking water standards that establish the maximum contaminant levels (MCLs) for water
23 delivered by a public water system, secondary standards address aesthetic issues like
24 hardness, odor, and calcification. Secondary standards, unlike primary MCLs, address
25 aesthetic questions, not potability.

1 **Q. What is AUF's policy to address these aesthetic water quality issues?**

2 **A.** AUF operates 120 wells in 84 water systems in Florida. AUF's goal is to maintain a good
3 aesthetic quality of water. However, treating all water used for all purposes by all
4 customers to the highest customer aesthetic expectation can come at a significant cost to
5 customers that is disproportionate to the aesthetic benefits achieved. For small systems with
6 challenging water quality aesthetics, point-of-use filters are often the most cost-effective
7 mechanism to achieve a customer's aesthetic quality objectives. For example, customers
8 with water softeners only on the hot water can control water hardness to a desirable level
9 for washing without incurring the expense of softening water used for other purposes in
10 and outside the home. Aesthetically-related customer issues were coded as green in
11 Exhibit CHF-3 because AUF meets the state and federal drinking water standards for those
12 matters.

13 **Q. Are any of AUF's systems currently out of compliance with primary drinking water
14 standards under the Federal and State Safe Drinking Water Acts?**

15 **A.** Yes. Currently, there are only two systems in AUF that are out of compliance with primary
16 MCLs. These are The Woods and Chuluota systems, both of which are in Seminole
17 County.

18 **Q. What has AUF done to address the water quality issues at The Woods system?**

19 The Woods is a small system with a groundwater source challenged with high levels of iron
20 and total organic carbon. The original treatment system intended to remove iron did not
21 effectively control the formation of Total Trihalomethanes (TTHMs)—a disinfection by-
22 product. After the system exceeded the MCL for TTHMs in 2006, AUF designed and
23 installed a completely new iron removal treatment system that allowed for better control of
24 disinfection by-products. The system was put on line in June 2008. Compliance with the
25 TTHM MCL is based on a Running Annual Average of four quarterly sample results. AUF

1 expects that lower test results will be achieved with the new treatment equipment, and the
2 system will be in compliance with the TTHM MCL by the end of the year.

3 **Q. What has AUF done to address the water quality issues at the Chuluota system?**

4 **A.** First, I would like to note that since the Chuluota customer service hearings, the Florida
5 Department of Environmental Protection (FDEP) sampled the water supply in Chuluota.
6 The results of FDEP's testing are attached as Exhibit CHF-4. Those results demonstrate
7 that the water meets the standards for the parameters tested.

8
9 Second, as a matter of background, treating the natural water in Chuluota has been a
10 challenge for many decades prior to AUF acquiring the Chuluota system. That said,
11 AUF has been persistent in trying to solve the water quality issues in this system. When
12 AUF acquired the Chuluota system from Florida Water Services in July 2004, there were
13 problems with discolored (black) water, taste and odor, and inadequate chlorine residual
14 in the distribution system. AUF converted the system to free chlorine disinfection
15 immediately. This addressed the discolored water, odor and chlorine residual issues.

16
17 Subsequent testing in 2005 and 2006 for disinfection by-products yielded levels of
18 TTHMs that exceeded the applicable MCL. Despite cleaning tanks, flushing, and
19 adjusting chlorine levels, the TTHM levels remained high. AUF's first public notice of an
20 MCL exceedance was mailed to customers early in July 2006.

21
22 In December 2006, the FDEP issued a Consent Order requiring AUF to implement
23 chloramination at Chuluota on a very tight timetable. AUF did not want to return to the
24 problems that had prevailed in July 2004. Anticipating the FDEP order, AUF hired an
25 engineering consulting firm, Boyd Environmental Engineering, Inc., to design a

1 chloramination system that could be carefully controlled, with multiple points of
2 chemical application and continuous monitoring and flow-paced chemical feeds. The
3 design was submitted to FDEP for permitting in December 2006. Because of the very
4 tight time constraints imposed by the FDEP's order, AUF put the work out to bid and pre-
5 ordered equipment while the permit was under review by FDEP. All work was completed
6 in April 2008.

7
8 **Q. What else is AUF doing to help remedy the water quality issues in Chuluota?**

9
10 **A.** AUF believes that regional cooperation is needed to comprehensively correct the water
11 quality problems in this area of Seminole County that has been an issue for many
12 decades. To that end, the Mayor of the City of Oviedo - Mary Lou Andrews - testified at
13 the Chuluota service hearing and formally offered her help to begin the process of
14 exploring an interconnection between City of Oviedo's water system and AUF's Chuluota
15 system:

16 *"The City of Oviedo stands posed to work with and assist Aqua Utilities*

17 *And we will extend our hand again if you need an alternative source, but you need*

18 *to come to the table and we need to negotiate and we need to talk. But if there's*

19 *something that the City can do to be of assistance to Aqua Utilities, please contact*

20 *us and let's see what we can work out, because we don't want our fellow*

21 *community in Chuluota going through this anymore." [Chuluota Hearing*

22 *Transcript @ 63.]*

23 As shown in Exhibit CHF-5, immediately following that service hearing, AUF made
24 several attempts to set up a meeting with the City of Oviedo, including multiple phone
25 calls and correspondence. The first formal meeting of the parties occurred on August 27,

1 2008. During the meeting, the two parties discussed potential interconnection of the AUF
2 and Oviedo systems, and I anticipate a series of several follow-up meetings to discuss
3 issues relative to consumptive use permitting, pipeline construction and permitting,
4 environmental permitting, and associated hydraulic engineering.

5 **Q. While AUF is pursuing regional solutions with the City of Oviedo, is the company**
6 **doing anything else to address water quality issues at the Chuluota system?**

7
8 **A.** Absolutely. AUF has installed new analyzers on its chloramination system, and that
9 equipment appears to be operating well. AUF should be in a position to move back to
10 chloramination in early September 2008. In addition, AUF continues to seek external
11 expertise to treat the water in Chuluota, which as all parties have agreed, is a very
12 challenging water supply. To that end, AUF has retained Dr. James Taylor, P.E., as part
13 of its consulting team. Dr. Taylor is located in the Orlando area, and has been recognized
14 by the FPSC as an expert in water systems and treatment. Importantly, he has expertise
15 in working with water systems exhibiting similar issues to those in Chuluota. In
16 particular, Dr. Taylor has developed an intensive sampling program to monitor the
17 treatment process and distribution system during the return to chloramination.

18
19 To address odor and other aesthetic issues, AUF has contracted for equipment to enhance
20 the removal of hydrogen sulfide (a problem common to groundwater in the area, but
21 uncommon nationwide) in the system aerators. That equipment will be employed in a
22 full-scale test at one of the two water treatment plants.

23
24 Dr. Taylor is also evaluating other treatment processes for testing Chuluota water
25 sources.

1 **Q. Please describe the trends depicted on Exhibit CHF-3 concerning customer billing**
2 **issues and AUF's efforts to resolve those issues.**

3 **A.** Of the 23 issues AUF placed in the billing category, 21 were coded green or yellow, and 2
4 were coded red. One of the 2 issues coded red involved an account where the meter was
5 accidentally set up as a 2-inch meter instead of a 5/8-inch meter. This mistake resulted in a
6 large bill to the customer. Upon investigation, AUF corrected the clerical error and issued
7 a new bill to the customer. The second issue was related to a meter exchange that was not
8 updated on the billing system after the meter was installed. Upon investigation, AUF
9 believes that it took too long to correct this problem.

10 **Q What has AUF done to improve the quality of its customer service representative**
11 **(CSRs), and the ability of CSRs to answer customer questions?**

12 **A.** 22 customers complained about CSR treatment on the telephone. While we take all of
13 these complaints seriously, our research indicated that CSRs acted appropriately in all but
14 four situations with customers. In these four cases, the customer's issues took longer to
15 resolve than expected. In these instances, call center management coached the applicable
16 CSRs on performance concerns and the other two CSRs are no longer with the company.
17 AUF is committed to providing quality water and wastewater service and this includes
18 having responsive and well trained CSRs. A Quality Assurance and Training (QAT) team
19 is charged with monitoring customer calls for both quality of service and accuracy of
20 customer response. Attached as Exhibit CHF-6 is a copy of the form that AUF utilizes to
21 evaluate its CSRs.

22 **Q. Does AUF have a policy on when customers are referred to a call center supervisor?**

23 **A.** Yes. If a customer asks to speak to a supervisor, AUF's CSRs are to take the following
24 steps: a) the CSR offers to help customer and attempts to resolve the issue; b) if a
25 customer wishes to speak with a supervisor, the CSR transfers the customer call to an

1 available call center supervisor or to a lead/senior CSR in their call center; c) if a call
2 center supervisor and lead/senior CSR is not available, the CSR secures contact
3 information from the customer, creates a notification for a supervisor call back, and
4 documents the interaction in the customer information system.

5 **Q. Some customers complained about supervisors in the call center that did not return**
6 **customers calls. Please explain the cause of these complaints and describe what AUF**
7 **has done to ensure call backs are made when promised?**

8 A. Ten customers testified that they did not receive a call back from the AUF call center
9 when they requested it. After researching the issues, AUF determined six of these
10 customers actually did receive a call back when requested. It is AUF's policy to call back
11 all customers upon their request within 48 hours of the initial call. When complaints of this
12 nature are brought to our attention, we investigate the case to discuss the root cause of the
13 process breakdown and follow-up with any employee-related error, if necessary. In the
14 four cases where this process did not work as designed, we found that two of our CSRs did
15 not properly notify their supervisor of the request and in the other two cases, the call center
16 supervisors did not adequately follow up on the customer request.

17
18 To help us understand the nature of customer requested supervisor assistance and track the
19 timeliness of response, we have implemented a log sheet protocol for these cases. All
20 supervisor call backs are now logged in with the following information included: date
21 received, date of promised call back, and date of final resolution.

22 **Q. Please discuss AUF's policy and standard operating procedures relative to water**
23 **quality advisories.**

24 A. Boil water advisory procedures have evolved over the past few years and continue to
25 evolve with new technology, which creates new opportunities and expectations. The

1 regulations require that AUF notify the Florida Department of Health (FDOH) and/or
2 FDEP (depending on the County) as soon as possible in the event of circumstances
3 warranting issuance of precautionary boil water advisories. Rule 62-560.410(1)(a)1,
4 F.A.C. requires that AUF furnish a copy of the Tier 1 notice to the radio and television
5 stations that broadcast in the area served by the utility as soon as possible but in no case
6 later than 24 hours after the utility system learns of the violation, exceedance, situation or
7 failure that may pose an acute risk to human health, unless otherwise directed by the FDEP.
8 The utility system must also initiate consultation with the FDEP as soon as possible, but in
9 no case later than 24 hours after the system learns of the violation, to determine if
10 additional public notice requirements may be necessary to protect the public health.

11
12 It is AUF's policy to go beyond the minimum requirement of the rules. In consultation
13 with the FDEP and FDOH, AUF hand-delivers notices to all affected residences and
14 businesses as soon as possible, but in no case later than 24 hours after the water system
15 learns of a violation, exceedance, situation or failure. AUF's standard procedure is to
16 distribute door hangers or notices to affected homes. In some cases, in consultation with
17 the regulatory agency, notices are provided to newspapers and/or electronic media. AUF
18 then performs follow-up testing after the notice is issued, provides the results to the
19 appropriate regulatory agency, and in consultation with the agency, issues notices to
20 rescind the precautionary Boil Water Advisory. Typically, the follow-up testing shows that
21 water quality was unaffected by the emergency, which is most commonly caused by a
22 power failure or a water main break. Contrary to some customers' testimony, a Boil Water
23 Advisory does not need to be dispatched every time pressure may drop.

24
25 Recently, Aqua contracted with a company to provide automated telephone emergency

1 notifications to customers. The system is being populated with customer addresses and
2 phone numbers and we anticipate the system will be operational in Florida this year.

3 **Q. Please generally describe AUF's meter change out program in Florida?**

4 **A.** First, I would like to note that the systems that AUF acquired in 2003 and 2004 were
5 generally equipped with aged meters that often were sunken and difficult to locate, and in
6 some instances required meter readers to enter a customer's property. The primary goal of
7 AUF's radio frequency (RF) meter exchange program is to replace those aged meters and
8 to increase meter reading accuracy. This meter exchange program is expected to be
9 completed by September of 2008.

10 **Q. Please explain what AUF is doing to address and resolve the meter issues raised**
11 **during the customer service hearings.**

12 **A.** As I have stated, AUF's meter change out program in Florida is underway. Unfortunately,
13 there have been some transition issues and learning processes that have come about as a
14 result of this significant meter exchange initiative. In some instances, the new meter
15 information (e.g., serial number, RF number) did not get uploaded into the billing system
16 after the meter was installed. As a result, even though actual reads were taken, the reads
17 did not match the account in the system and an estimated bill was issued. In order to
18 prevent this issue going forward, AUF has begun auditing all systems where new meters
19 are installed. After meters are installed in a particular area, an AUF employee audits the
20 change out and checks the meter number, address of the customer, and RF number so that
21 there are no inconsistencies. In addition, AUF has a process in place to identify any bills
22 that are estimated two times consecutively in order to review the account and correct the
23 problem.

24 **Q. Some customers testified that after their new meter was installed, they experienced**
25 **particularly higher water bills. Was this primarily due to the "added zero" issue that**

1 **was raised at some of the customer service hearings?**

2
3 A. No. AUF extensively investigated this issue but discovered only one single instance where
4 the “added digit (zero)” actually occurred. Nevertheless, AUF has taken precaution to
5 ensure that the "added zero" issue does not become a problem in the future.

6
7 **Q. Please explain?**

8
9 A. Prior to AUF's RF meter exchange, standard practice was for meter readers to look at the
10 meter and manually record only five digits from the meter. The risk of the “added zero”
11 can occur when an RF meter exchange has taken place in the field but that new information
12 has not yet been uploaded to the billing system. Under that scenario, there is the potential
13 for an extra digit or zero to be automatically added at the billing system level which could
14 cause billed usage to exceed actual consumption by a factor of 10. The solution to this
15 issue is to ensure that all new meter exchanges are inputted into the billing system prior to
16 issuing the first bill after the meter exchange was completed. AUF has instituted audit
17 procedures and other safeguards to reduce this occurrence from happening. Those
18 safeguards are discussed in detail in the section of this testimony concerning AUF's meter
19 change out program.

20
21 Although our investigation into the "added zero" issue did not reveal widespread problems,
22 our research did indicate two other issues that should be mentioned. First, during
23 installation of the new meters, there were occasions where some of the new meter
24 information (serial number, RF number) did not get uploaded into the billing system after
25 the meter was installed. Our investigation found that 10 customers who testified at the

1 hearings experienced this issue. Unfortunately, there were several instances where the
2 diagnosis was done improperly by our CSRs and, as a result, it took a longer time to
3 ultimately resolve the issue than it should have. Second, and consistent with our prior
4 review, we found that many customers did not understand the volume of water they used,
5 particularly when irrigating. Some customers complained about escalated bills, but our
6 research found that those customers had a pattern of spikes and valleys in their water usage.

7 **Q. Please comment on the issues raised by customers in regard to estimated bills.**

8 **A.** Only 5 customers complained about billing estimates at the hearings. In my view, this is a
9 significant improvement. As a result of an effort to reduce the total number of estimated
10 bills and to read the meters every 30 days, the customer bills have become much more
11 predictable. It has been our experience that if customers receive a regular bill based on an
12 actual meter reading, they do not complain about the bill. The installation of RF meter
13 reading will help ensure that meters are read timely and accurately. AUF has a target of
14 estimating fewer than 1 percent of all customer bills each month. We are close to meeting
15 that goal now and fully expect to achieve the goal once the RF devices are fully deployed
16 this fall.

17 **Q. Does this conclude your testimony at this time?**

18 **A.** Yes.

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Overall Order	Hearing Order	Customer Last Name	Customer First Name	Address	Reported Issue	Resolution	1 Sprinkler Call Back	2 Treatm t by CSR	3 Field Issue	4 Billing Issue	5 Meter Issue	5 Unde cume nted Meter Issue	6 Sewer Issue	7 Water Qualit y Issue	8 Adde d Zero	9 Too Long to fix	11 Multi calls to get resolution	12 Boil water notice Problem	13 Billing Estimat e	14 Water Pressu re	
1	G1	Thomas	Charline	5508 SW 69TH TER, GAINESVILLE, FL 32608	1. water quality issues 2. claims meter is making bills "crazy" 3. called > 10 times to company 4. filed PSC complaint - coordinate with that response	1. No water quality issues reported by customer 2. On 06/13/07 per customer's request meter and if device to be checked, 06/17/08, the meter was checked, no leaks on the company side; On a previous w/o FSR came out to read meter, found leak on customer side, left door hanger; 07/09/08, w/o # 3471546 again tech leaves door hanger small leak on customer side, L. Powers spoke to customer asked them to perform leak test on home; 07/09/08 customer spoke to O. Pinkney who asked the customer about the results of the leak test. Customer advised Ossie that he did not do so because he never thought his home had the problem. Over the last 30 days the consumption came back down between 06/03/08 and 07/01/08. While we are unceratin if customer took Aqua's advice but consumption went down. Aqua made several attempts to investigate the meter and what could be the cause, on different service orders all test came back conclusive and that the customer has a leak. 3. Customer contacted Call Center 11 times from 07/05/07 through 06/18/08. Customer requested supervisor call back and CSR did not notify supervisor properly.															
2	G2	Mazzerio	John	7117 SW ARCHER RD UNIT 2802, Gainesville FL 32608	1. Opposes rate increase	1. Noted															

Overall Order	Hearing Order	Customer Last Name	Customer First Name	Address	Reported Issue	Resolution	Sprvs Call Back	Treatm t by CSR	Field Issue	Billing issue	Meter issue	Undoc umented Meter Issue	Sewer Issue	Water Quality Issue	Adde d Zero	Too Long to fix	Multi calls to get resolution	Boil water notice Problem	Billing Estimate	Water Pressu re
3	G3	Day	Melanie	5120 SW 69TH ST, GAINESVILLE FL 32608	1. Supervisor call back issue 2. wrong meter 3. several mos. to fix 4. wtr tastes bad	1. Customer requested supervisor call back and CSR did not notify supervisor properly. 2. Customer contacted Call Center 11 times from 07/05/07 through 06/18/08. Meter exchange in 11/07 and information not updated in database. Changed in 11/07 and updated in 02/08. 3. See above 4. Noted														
4	G4	Goetz	Robert	3125 BAY OAKS DR, SARASOTA FL 34234	1. Water is terrible 2. Opposes rate increase	1. Water quality issue noted. No previous complaints about water quality. 2. Noted														
5	G5	Hurley	Maria	7117 SW ARCHER RD UNIT 2647, GAINESVILLE FL 32608	1. water quality - quotes wtr tests take at her home 2. opposes rate increase	1. Water quality issue noted. No previous complaints about water quality. 2. Noted														
6	G6	McGill (Brown)	Tanya	7117 SW ARCHER RD UNIT 2846, GAINESVILLE FL 32608	1. Sewer back up in 2007. We dispatched and resolved. Gave direct number for operations manager. I noticed no payments made on this account and \$700+ past due. Offered to research for customer when she sends me cancelled checks or confirmation numbers. Gave my business card for direct contact. SLG 2. water quality complaint 3. too long to respond	1. Sewer issue resolved when reported in 09/2007 2. Water quality issue noted. No previous complaints about water quality. 3. No delay in responding to issue found.														
7	G7	(Stevenson) Smith	(Rachel) Shirley	5020 SW 63RD CT, GAINESVILLE FL 32608	1. Water quality - white residue in glasses; 2. billing issues - long bill, very confusing; 3. long term estimated bills 4. questions about rate increase 5. Did not get timely boiled water notice	1. SO created and being investigated 2. Old rates & new rates made bill longer and difficult to understand. Reviewed customer at hearing. 3. The bills were estimated from May 16, 2007 til May 01, 2008. Meter exchange took over a year to complete. Actual bills received from May through August 4. Noted and discussed 5. Discussed with division and reviewed process.														

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8 G8		Pikinton	Jo	7117 SW ARCHER RD UNIT 2202, GAINESVILLE FL 32608	No problems with the company															
9 G9		Caruso	Lawrence	5060 SW 63RD CT, GAINESVILLE FL 32608	<ol style="list-style-type: none"> 1. Claims that he filed complaint and never heard from Aqua 2. Never received initial boil water notice for sewer line break 3. Spinning meter never replaced; made appointment and it was canceled. 4. Water quality - overchlorinated 5. PSC complaint - align answer 	<ol style="list-style-type: none"> 1. Aqua contacted Mr. Caruso five times in 2008 2. The division attempted to contact Mr. Caruso via notice but due to the large number of dogs, this proved to be impossible. 3. Mr Caruso set up illegal work at property which interferred with the lines, causing low pressure. Several service orders one on 06/20/08 Mr Caruso called in a street leak, per notes no leak found, this customer calls in bogus calls, due to rate increase 4. 06/20/08 service orders for discolored water, again due to low pressure 														

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						<p>5. Local personnel are very helpful; corporate customer service, accounting and billing personnel are lacking in customer and professional skills Meter reading/billing – many phone calls to get; Wrong meter number was being used; Could not get it figured out; David – local person – did good job, but could not get results; Eight months to get this straight 6. Should be better way to notify customers when boil water notice is necessary 7. Is there a disaster plan for water system? 8. City of Ormond Beach contact AUF over a month ago re: taking over the system; no response from AUF 9. Does AUF have an improvement plan that will update the aging system and how will it be paid for and how does that flat rate play into all of that? 10. Commissioner Skop suggested having a dedicated consumer advocate with management authority to credit accounts for disputed amounts locally.</p>																		
11 P2		Brand (Privette)	Nancy (Maggie)	55819 KEITH ST, ASTOR FL 32102	HOLIDAY HAVEN	<p>1. Water bill over \$100/month; neighbor's only \$50 (on St. Johns Water Utilities) 2. Rate increase complaint 3. Aqua must have poor management if they can't run the company current rates (which are already higher than St. Johns) already in place</p>	<p>1. Noted 2. Noted 3. Noted</p>																	

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12	P3	Moyer	Russell	55636 LEE ST, ASTOR FL 32102	HOLIDAY HAVEN	<p>1. What capital improvements has Aqua specifically made in Holiday Haven? How much money was spent in Holiday Haven? What improvements will be made if they are given rate increase?</p> <p>2. New meters installed (reads are sporadic; neighbor's reads 820 gallons in 2 days; other neighbor's reads 20 (he turned his off); Mr. Moyer's is at 520; new construction across the street meter was spinning as fast as it could go and then reversed (his meter is up to 2070); called Aqua and was told "meter is fine; you must have a leak" - seems to be standard answer</p> <p>3. Why the large disparity between AUF rates and St. Johns?</p> <p>4. Last year's request was \$7.3 million; this year's request \$8.4 million - why the base increase?</p> <p>5. Meters installed "shoddily"</p> <p>6. Why are interim rates needed? Website indicates that increase in revenue by 6%; earnings by 13% and dividends by 5% (that was without an increase in Florida)</p>	<p>1. Need response</p> <p>2. New meters installed (RF project). Consumption is consistent with prior year usage.</p> <p>3. Need response</p> <p>4. Need response</p> <p>5. Meters installed per manufacturer's standards</p> <p>6. Need response</p>																
13	P4	Poltevent	John (Martha)	269 River Dr, East Palatoka, FL 32131	River Grove	<p>1. What are interim rates?</p> <p>2. What is base rate? Gallonage charge?</p> <p>3. Is AUF losing money in River Grove? How long has Aqua owned River Grove?</p> <p>4. Water quality has improved</p> <p>5. Prior to AUF owning system, water samples used to be collected every 6 months for testing; why isn't that done anymore? Lack of confidence in results?</p> <p>6. Why aren't there fire hydrants in River Grove? What happens if one of their homes catches on fire?</p> <p>7. Customer Service Department not well trained</p> <p>8. Not fair to place a flat rate on everybody when everybody's needs are different</p>	<p>1. This was answered by Mr. Willis at the hearing</p> <p>2. This was answered by Mr. Willis at the hearing</p> <p>3. Need response</p> <p>4. Noted</p> <p>5. Our water is tested in accordance with local and state policies.</p> <p>6. Need response from division</p> <p>7. Improvements are in place to address this issue</p> <p>8. Noted</p>																

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14	P5	Monte	Bobby	124 Magnolia Drive, East Palatoka, FL 32131	Palm Port	<ol style="list-style-type: none"> When you add wastewater charges to water charge, water bill gets enormous (water leaving the house billed at much higher rate than water coming in) Only had to call customer service twice in last year (clothes got bleached in washing machine); CSR was aware of the problem Bill has always been at \$100; confusing because with maximum increase of a month ago, bill goes just above \$100 for two people Shouldn't be a problem for the company to make a profit in Florida with the rates they currently charge Putman County's rates are much lower than AUF 	<ol style="list-style-type: none"> Need response Noted Noted Noted Noted 																
15	P6	Pallone	Mike		Palm Port	<ol style="list-style-type: none"> Ludicrous that they're being asked to swallow enormous rate increase without seeing any demonstration of service increase (no disaster plan - will one be developed if rate increase is awarded?) Water quality-seems to have improved, but most people don't trust their water (high chlorine content); most people have water softeners; he has a UV filter and a reverse osmosis system which costs \$300 to change the filter (change every 9 months because sediment is so bad; should be changed every 2-3 years) Difficult to understand why AUF has a hard time making money in Florida with current rates; would be ok with a reasonable rate increase but not 300% 	<ol style="list-style-type: none"> Noted Noted Noted 																
16	P7	Werkheiser	Ralph			<ol style="list-style-type: none"> Rate increase request is huge; reasonable request would be 3-5% (company should cut back if they're not making a profit) Explain base charge/gallorage charge for water and wastewater People sent to install meters spoke very little English (legal US citizens?); why hire a contractor to install these meters? 	<ol style="list-style-type: none"> Noted Explained at hearing Noted 																

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17	P8	Pautus	Rick		HOLIDAY HAVEN	<ol style="list-style-type: none"> 1. Why not sell to St. Johns? 2. Tried to get info on the hearing and called AUF; spoke to someone in NC who didn't know anything about the hearing 3. Very hard to get through to company in last 12 months 	<ol style="list-style-type: none"> 1. Need response 2. Information sent to customers also communicated to all Call Center CSRs 3. Improvements implemented 															

Sebring

Overall Order	Hearing Order	Customer Last Name	Customer First Name	Address	System Name	Reported Issue	Resolution	Srvrs Call Back	Treatm t by CSR	Field Issue	Billing Issue	Meter issue	Undocume nted meter issue	Sewer Issue	Water Quality Issue	Adde d Zero	Too Long to fix	Multi calls to get resolution	Boil water notice Problem	Billing Estimato e	Water Pressu re	
18 S1		Burns	James	5312 Knight Ave. Sebring, FL 33875	Sebring Lakes	1. Water quality: chlorine, smell, sediment 2. State law prevents well hookup	1.3 water quality issue reported prior to 2007 & conversion. Lines were flushed for these issues															
19 S2		Crooks	NANCY AND CLAYTON	4662 Sebring Blvd., Sebring 33875	Sebring Lakes	1. 4/29/08 called Aqua to report Nancy drank water on 4/26/08 that burned her throat wanted her account to be documented if she had problems in the future. 2. Water pressure	1. No calls to the Call Center on the original date. Noted after the hearing as requested. 2. No water pressure issues reported to the Call Center by customer															
20 S3		Bernard	Floyd	13701 TANGELO ST, Sebring, FL 33875	Sebring Lakes	1. Rate/ meter charge increase 2. Indicates company still owes customer \$160 from interim refund 3. Water pressure 4. No boil notification - if pressure is low, customer believes a boil water notice should be issued. 5. Water quality: undrinkable, chlorine, stains toilet	1. Noted 2. Generated refund check - issued 08/08. 3. No pressure issues reported from customer 4. Company not required to issue boil water notice based on lack of pressure. 5. One water quality issue reported by customer in 2005															
21 S4		Bernard	Jane	13701 TANGELO ST, Sebring, FL 33875	Sebring Lakes	1. Water quality: unfit to drink/ not being tested	1. One water quality issue reported by customer in 2005 - flushing of lines corrected issue															
22 S5		Habel	Violet	1180 JOSEPHINE CT, SEBRING FL 33875	Lake Josephine	1. Reported 7,800 gallons over 6 months x \$3.80 = \$30.40; 21.92 x 6 = \$131.52; \$93 difference; new bill to old bill	1. Last call - 12/7/07 VIOLET CALLED FOR ACCT BALANCE; consumption consistent with previous year usage: 02/08 - 100 gals, 03/08 - 1800 gals, 04/08 - 1400 gals, 05/08 - 2900 gals, 06/08 - 1500 gals, 07/08 - 600 gals															
23 S6		Hinesley	Steve	208 Nature Ln. SEBRING FL 33875	Lake Josephine	1. Rate increase complaint- understands increase but not why so much	1. Noted															
24 S7		Tardiff	David	13705 Tangelo Ave. Sebring, FL 33875	Sebring Lakes	1. Rate increase unfair 2. Didn't get letter about hearing, complained at the time of day/ year that it is held	1. Noted 2. Company not responsible for hearing rate & times															

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25	S8	Panozzo	Elaine	13305 Byrd St, Sebring, FL 33875	Sebring Lakes	1. Called to complain about receiving a yellow (Collections) door tag and received no call back 2. Base rate complaint for Sebring Lakes Estates county	1. Customer called on 04/16/08. CSR indicated a callback would take place. CSR contacted FL HQ for update on door tag. Customer recived no call back. Michelle Davis called back to Elaine (wife), apologized for no one getting back to her and for receiving the yellow door tag (collections). Aqua operations made a mistake in placing tag on door. All of her concerns have been satisfied. 2. Noted															
26	S9	O'Meara	Mike	5225 SEBRING LAKES BLVD, Sebring, FL 33875	Sebring Lakes	1. Rate increase complaint 2. Customer claims to have reported billing issues and it took months to fix	1. Noted 2. Meter exchange took place on 04/07. Information was not updated in database. Once the information was updated on 02/08, bills were cancelled and reissued to customer.															

Lakeland

Overall Order	Hearing Order	Customer Last Name	Customer First Name	Address	System Name	Reported Issue	Resolution	Sprvcr Call Back	Treatm t by CSR	Field Issue	Billing Issue	Meter Issue	Undocume nted Meter Exchange	Sewer Issue	Water Quality Issue	Adde d Zero	Too Long to fix	Multi calls to get resolution	Boil water notice Problem	Billing Estimati e	Water Pressu re	
27	L1	Alexakos	Gus	4625 Windy Lane, Zephyrhills, FL 33541	ZEPHYR SHORES	1. Asked aqua to xray sewer lines and perform water flushing, claims neither were done 2. Water quality: cloudy with sediment 3. Test performed on water with no results	1. Division flushing schedule is 15 minutes intervals/ 3 times each week 2. Noted 3. Tested water on 10/07, lines flushed, and results of water test within requirements.															
28	L2	Hines (Heinze)	L.F.	2 ROSALIE OAKS BLVD. LAKE WALES FL 33898	Rosalie Lakes	1. Three bills in November after meter exchange 2. Charged on both old and new meter at same time 3. Many confusing billing issues 4. Been put on hold by CSR and never come back 5. Requested supervisor callbacks, claims did not get one 6. Rate increase complaint	1. Undocumented meter exchange took place in 07/07 and completed in 02/08. 2. The delay in completing the meter exchange caused the customer to be billed on the old meter only. 3. Agreed 4. Held coaching session with CSR although there is no support of customer claim. 5. Spoke with Compliance team as per customer request in 6/07, Supervisor (K. Brown) spoke with customer multiple times in December, January, and February per request. After rate hearing, M. Davis called Lewis regarding his meter exchange and his bills, he states all his concerns have been satisfied and thanks for calling. 6. Noted															
29	L3	Liebke	William	35107 Danny Dr. Zephyrhills, FL 33541		1. Complaint about base rate increase. 2. Complains about policy to pay BFC while away from home - seasonal	1. Noted 2. As per tariff, seasonal customers must pay BFC and informed customer															
30	L4	Ellis	Janice	4600 CLARICE AVE, ZEPHYRHILLS, FL 33541	ZEPHYR SHORES	1. Water quality: undrinkable; customer claims water was tested and no results shared 2. Sewer interim rate complaint	1. Customer indicates that she brought water sample to last year's hearing to be tested. No customer calls to the company requesting individual water testing. CCR provided to customer on water quality in her community. 2. Noted.															

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31	L5	Ellis	Robert	4600 Clarice Ave, Zephyrhills FL 33541	Zephyr Shores	1. Complains of lack of communication between customers and Aqua 2. Water quality: sediment 3. missing curbbox lid	1. Aqua created a communication vehicle through "Aqua Connects" town hall meetings and will continue to improve communication wit our customers. 2. Noted 3. Completed 07/10/08															
32	L6	McLaurin (McLoren)	Janet	4 ROSALIE OAKS BLVD, LAKE WALES FL 33898	ROSALIE OAKS	1. Complaint about timing of meeting 2. Estimated bill, Billing error 3. Claims to never have received the interim refund 4. Rate increase complaint 5. Water Quality: black toilet rings	1. PSC sets meeting dates and times. 2. Customer received 2 estimated bills since 11/06 all others are actual. Meter exchanged 07/08; 3. Customer received credit on account, account is now even. 4. Noted 5. SO created by Compliance in 02/08 for water quality and division read meter.															
33	L7	Flynn	Michael	5 ROSALIE OAKS BLVD, LAKE WALES FL 33898	ROSALIE OAKS	1. Charged for 9200 gal in one month when total on meter read 5880 after change of meter. 2. Extra 0 error 3. Claims to have called Call Center, spoke with Roger CSR and never got call back 4. collections sent ten-day shutoff notice because he refused to pay bill but was unable to resolve issue. 5. Claims rude CSR on another attempt to resolve 6. Water quality 7. Rate increase complaint Angered that no apology was given Took 6 months to resolve issue	1. Undocumented meter exchange in 07/24/07 and completed in 05/08. At the rate hearing, Chris Franklin abated the account due to inconvenience caused to the customer \$98.74. 2. Yes, there was an extra 0 in his reads. 3. CSR no longer with Aqua. 4. Account was on hold in April while issue was addressed but shutoff notice was issued erroneously. 5. CSR no longer with Aqua. 6. Noted 7. Noted and apology issued by SCC Supervisor often during discussions.															

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34	L8	Pierce	Jim & Mary	67 ROSALIE OAKS BLVD, LAKE WALES FL 33898	ROSALIE OAKS	1. No consumption yet high bill... we believe it is the base facility charge which is high 2. Water quality: dark toilet ring	1. Resolved at hearing - contacting customer - base facility charge updated since interim rates increased. spoke to customer . Upset about rate increase that there monthly bill will be approximately \$68.00 a month , per the customer. Says it would be too high to turn off while away and have water restored when return. Informed customer they would have to be away 12 months in Order not to have to pay the bill. Also set up a HIC work order due to usage on meter and water shut off at valve inside of property. 2. Noted														
35	L9	Beam Jr	Charles	502 Windermere Dr, Lakeland FL 33809		1. Interim rates / Days of service	explained new and old rates and days of service														
36	L10	Webb	William	74 ROSALIE OAKS BLVD, LAKE WALES FL 33898	ROSALIE OAKS	1. Claims did not receive the interim rate refund. 2. Rate increase complaint	1. Customer received credit, did not request a check. Account now even. 2. Noted														
37	L11	Harwell	James	56 Rosalie Oaks Blvd., Lake Wales FL 33898	Roasalie Oaks	1. Water quality: toilet ring 2. Had to call three times to fix a valve issue. 3. Rates complaint	1. Noted 2. There are no notes on the account indicating the customer contacted Aqua. 3. Noted														
38	L12	Bass	Gwen and Charles	78 Rosalie Oaks Blvd. Lake Wales, FL 33898		1. No consumption in Jan. yet billed 2. Water quality 3. Rate increase complaint	1. Customer billed for base rate and no consumption in January. 2 & 3. Noted														
39	L13	Collett	Tareesa	123 Hamlin St. Winter Haven, FL 33880		1. Rate increase complaint	1. Noted														

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40	L14	McKnight	Gary	540 WINDERMERE DR, Lakeland, FL 33809	LAKE GIBSON ESTATES	1. Water pressure- told someone would be there in 2 weeks but no one showed 2. Fire hydrant is 1390 ft away from house 3. Water quality: toilet 4. Rate increase complaint 5. Claims to have made 14 calls to the Call Center and still no resolution	1. Spoke with customer. Upset receiving calls from survey company stating calling for Aqua, Verified with division. Aqua does not hire survey companies. Mr McKnight satisfied with my call , says he did. Not give them any of his information and wanted to confirm.															

Mt. Dora

Overall Order	Hearing Order	Customer Last Name	Customer First Name	Address	System Name	Reported Issue	Resolution	Sprvr Cat Back	Treatm t by CSR	Field Issue	Billing Issue	Meter Issue	Undocume nted Meter Issue	Sewer Issue	Water Quality Issue	Adde d Zero	Too Long to fix	Multi calls to get resolution	Boil water notice Problem	Billing Estimats	Water Pressu re	
41	M1	Tomczak	Walter	33338 Fairway Rd, Leesburg, FL 34778	Silver Lake Estates	<ol style="list-style-type: none"> 1. Reporting high usage 46k/month; called company told may have a leak; hired irrigation engineer to check sprinkler -no problem; he suggested to company the possibility that meter was misread and was told we never make mistake on our meters (but meter was changed 3 times during time period in question). Possible "extra zero" (Argenziano) 2. No consistency in days of service 3. Are meters held to certain standard by a governing body (i.e., ASCM or ANSI)? 4. How often are meters checked or rechecked? 	<ol style="list-style-type: none"> 1. After further review, the conclusion on this account remains unsaid, the usage on this account fluctuates from month to month, in March, April, May, and June of 2007 consumption reached a high of 35000 gallons. Aqua has been in compliance with the customer, we have exchanged his meter 3 times, FSRs visited the property 4 times, our customer service reps and compliance reps all have assisted the customer. 87 year old customer has worked with Customer Service and field operations has taken daily reads of the customer's meter. This was not a case of added "extra zero". 2. There are no meter reads outside of the 28-35 days of service. 3. Meters meet or exceed industry standards prior to leaving the manufacturer. 4. Meters are swapped out due to age every ten years or per tariff rules. 															
42	M2	Haggerty	Jean	31650 Imperial Taveres, FL 32778	Imperial	<ol style="list-style-type: none"> 1. Opposed to rate increase (specifically mention base rate- would like company to keep first 4,000 gallons in base rate so, no charge to customer) 	<ol style="list-style-type: none"> 1. Noted 															
43	M3	Martin	Madalyn	36604 Skycrest Blvd, Fruitland Park, FL 34731	Skycrest	<ol style="list-style-type: none"> 1. Opposed to rate increase, has many neighbors who are complaining 2. Had a leak and we told her to let the water run for we had another emergency. 3. Had asked to speak to supervisor and was told we don't have anyone like that 	<ol style="list-style-type: none"> 1. Noted 2. Leak reported 06/21/07, leak fixed 06/22/07 3. CSR is no longer with company. 															

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44	M4	Barzyk	John	2510 Lock Ness Ct., Leesburg, FL 34788	Silver Lake Estates	1. Opposes rate increase (has 312 opposition letters from residents of Scottish Highlands) 2. Mentioned that when he called call center he "winds up talking to someone in PA" . . . And he's "viewed as just another one of those stupid old Florida seniors, who is not only a great candidate to be scammed, but taken advantage of at every opportunity."	1. Noted 2. Called Call Center in 11/07 for bill explanation and regarding credit due to interim rate refund. Customer called Call Center a total of three - 2 times to the SCC and once to the NCC. Each time, customer had different questions and they were answered accurately.															
45	M5	Mauriel	Theresa	9820 Fore Rd., Leesburg, FL 34788	Silver Lake Estates	1. Complaining about rate increase (uniform rate not fair) 2. Problem w/ meter in 2005; company changed meter replaced with RF; even though customer had no problem with meter, company changed it again after hearings last year and again in March or April of 2008; company gave no explanation why meter was changed;	1. Noted 2. Company has two meter reads on record: 03/08 and 06/07 RF placed on the meter and random check by PSC due to rate case. Customer's bill is based on actual reads.															
46	M6	Spiker	James	34052 Matthews Cove, Leesburg, FL 34788	Silver Lake Estates	1. Usage all over the place (added zero?-Argenziano). Never called the Call Center - does not have time. 2. Opposed to the rate increase. 3. Quality of water is ok (little bit of a chlorine smell to it, hard water stains here and there) 4. Sent in a payment that wasn't posted on time even though it was delivered on time; called company was told it was taken care of, it wasn't; took several phone calls to fix	1. Has irrigation system. No billing issues reported, nor addressed by billing or customer. Consumption history does spike but appears to be consistent from year to year. No evidence of any "added zero". 2. Noted 3. Noted 4. In May 2007, customer's wife called and said she did not know about the billing address change and was resending the payment. 05/23/07 - Bank called due to payment not received. Customer was reissuing new check due to account number change.															

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47	M7	Skipper	Erica	11440 County Road 675, Webster FL 33597	The Woods	<ol style="list-style-type: none"> 1. Concerned that she didn't receive correct refund from interim rates from last case (no explanation provided on how refund was determined) 2. Concerned about water quality (received four boil water notices in one month); water has a terrible odor to it; tastes bad 3. Over the past three months, water has been shut off for repairs in the middle of the day for hours at a time 4. Opposes rate increase 5. Sees a lot of Aqua trucks on the road; customers are paying for gas 	<ol style="list-style-type: none"> 1. Refund was calculated based on increase and interest from old rate to new rate 2. Noted 3. Water was turned off during day in June due to infrastructure improvements. Customers were notified. 4. Noted 5. As a result of cost conscious measures, total miles driven by utility employees are less in 2008 than in the comparable period in 2007. 															
48	M8	Iman	Gigi	11448 County Road 675 W Webster, FL 33597	The Woods	<ol style="list-style-type: none"> 1. Opposes rate case 2. Water quality (smells like chlorine, hard water, stains) 3. Complaining about incorrect high usage 	<ol style="list-style-type: none"> 1. Noted 2. Noted 3. After reviewing the consumption history, it's been determined that her usage fluctuates from 2000 to 6500. This appears to be consistent with normal usage. 															
49	M9	Bowden (Bourden)	Kelly (Kathy)	30150 Sand Bunker Lane, Sorrento, FL 32776	Fairways @ Mt. Plymouth	<ol style="list-style-type: none"> 1. Was told by Aqua in 2007 that rates would not be increased; called Aqua to confirm that Fairways of Mt. Plymouth was included in rate case; was told by CSR that Fairways was included in rate case 2. Concerned about estimated bills and indicates that she was told to pay estimated amount when contacting Call Center. 3. Generally happy with customer service; moming of hearing an Aqua employee was leaving a boil water notice in her mailbox - legal to leave notice in mailbox? She instructed employee that notices should be hanging on doors 4. Boil water notice didn't indicate why it was necessary to boil water; She called Aqua to ask why; CSR indicated no record of any problems, but if she received notice there was obviously a problem 	<ol style="list-style-type: none"> 1. Misinterpretation of rate information by CSR. Coaching took place. 2. Only one estimated bill on account (irrigation meter) and no notes indicating customer was advised on how to pay bill. 3. Advised division to post notices on door not mailboxes 4. Proper boil water notice was followed and communication between field ops and Call Center did not follow proper procedure. Coaching ensued. 															
50	M10	Martin	Don	31629 New India Ave, Taveres, FL 32778	Imperial	<ol style="list-style-type: none"> 1. Thinks rate increase is outrageous 2. Mention AUF hiring Troy Rendell - what is his role? 	<ol style="list-style-type: none"> 1. Noted 2. Chris Franklin described Troy's role in our company during the hearing. 															

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Overall Order	Hearing Order	Customer Last Name	Customer First Name	Address	System Name	Reported Issue	Resolution	Sprvsr Call Back	Treatm t by CSR	Field Issue	Billing Issue	Meter Issue	Unde cume rted Meter Issue	Sewe Issue	Water Quality Issue	Adde Zero	Too Long to fix	Multi calls to get resolution	Boil water notice Problem	Billing Estimate	Water Pressu re
								0	0	0	0	0	0	0	0	0	0	0	1	0	0
								0	0	0	0	0	0	0	0	0	0	0	0	0	0
								1	2	2	1	3	0	0	3	2	0	1	2	0	0

Overall Order	Hearing Order	Customer Last Name	Customer First Name	Address	System Name	Reported Issue	Resolution	Service Call Back	Treated by CSR	Field Issue	Billing Issue	Meter Issue	Undocumented Meter Issue	Sewer Issue	Water Quality Issue	Added Zero	Too Long to fix	Should call to get notification	Did water notice Problem	Billing Estimate	Water Prescans				
51	CA1	Murray	Robert	504 Yellow Ford Pl, Chuluota FL 32766	Chuluota	<ol style="list-style-type: none"> Billing issue \$1,000 bill (224,000 gain) Customer service did call back and say that they should call plumber for leak, customer checked meter and discovered that Aqua had transposed extra 0 from day one. Customer requested supervisor call back did not receive a call at time of hearing Customer also submitted concerns through FLPSC issues email box 	<ol style="list-style-type: none"> 1 & 2. Notes from FSR indicated meter set up incorrectly as 2 inch instead of 5/8 inch On 07/17/08, C. Russell (Billing) updated account information and issued new bill based on 59 DOS. Call made to Robert who expressed satisfaction. 3. CSR requested assistance from Training team and miscommunication occurred. Trainer suggested CSR obtain assistance from immediate supervisor. This never happened. Discussion took place with all individuals involved. 																		
52	CA2	Hess	Mariene	200 W 3rd St, Oviedo FL 32766	Chuluota	<ol style="list-style-type: none"> The customer entered into record the TTHM reports from 2004-2007. The customer who has lived in the area since 1986 has always had lousy water quality but water was much cheaper than (\$18 for 3 months) Customer still has lousy water pressure and water quality and is on dead-end. Because of the water quality issues the customer must change her water filter every 2 weeks; customer brought water filter to hearing. Customer also mentioned having to replace faucets, hoses, etc. do to ongoing water quality issues. Customer also has to buy bottled water at a cost of \$35 each month. Customer complained about water quality effect on laundry, health issues (hair, skin) Customer mentioned that the increase is 1000% over 20 years when quality is getting worse. Called 4/17/08 about low pressure 	<ol style="list-style-type: none"> 1. Noted. Customer has no previous call to Call Center regarding water quality. 2. Noted. 3. Noted. 4. Notes from FSR indicate that problem was due to customer's clogged filter. FSR bought a filter for the customer and replaced it for her. 																		
63	CA3	Mortenson	Susan	430 E 5th St, Chuluota FL 32766	Chuluota	<ol style="list-style-type: none"> Water quality (smell) and health issues (skin, hair). Customer commented about the cost being to high especially for bad quality; thinks water should be nonprofit. Service was out off even though she is a diligent bill payer, called and took 8 hours to get someone to turn the water back on after she cut the lock off. Tried to speak with a supervisor and was unable to; did comment that she spoke with a lot of people in PA and some were very nice. Need to have exhibit #26 filed by company as an explanation to cutoff. 	<ol style="list-style-type: none"> 1. Noted. 2. Noted. 3. Customer's water shut off in error. Supervisor call back did not take place as requested. Division and Call Center management investigated and conducted coaching opportunity with associates 4. Noted 																		
84	CA4	Tuiford	Diane	334 Velveleen Pl, Oviedo FL 32766	Chuluota	<ol style="list-style-type: none"> Husband has had very serious health issues which the customer thinks may be attributed to the water quality. Because of his health issues and her lack of confidence in Aqua to provide safe water for her family they have installed a very elaborate water filtration system (\$4k) to make sure that the TTHMs do not effect his health in the future. When installing system they had several issues with the smell of their house. The company she hired was very responsive unlike her experiences with Aqua. Mrs. Tuiford recieved a notice letter after installing her system that said their was bacteria in her water and she feels she should have been notified sooner. Mrs. Tuiford called Aqua and had a positive experience with customer service in that they called her to warn her when they are doing anything in the water system although she is concerned that other customers with health issues do not receive adequate warning (recieve letter late afternoon the day the service is being completed). Customer claims that she has been stood up by company for two appointments. The customer also thinks that the rate increase is unaffordable. Bacteria in the water/LABC S/O open since 07/7/08. 	<ol style="list-style-type: none"> 1. Noted 2. Noted 3. Our records indicate 1 visit to the property in 12/07 and the meter was exchanged 4. Noted. 5. Bacteria in the water/LABC S/O created. Letter sent to customers explaining issues in 06/08. 																		
85	CA5	Evens	Nancy & Ebbk	319 Velveleen Pl, Oviedo FL 32766	Chuluota	<ol style="list-style-type: none"> Nancy is against the rate case for a variety of reasons, she thinks that the water quality killed her dog and caused health issues for her husband, herself and her son; she also blames the issues with her house and the general housing development on the poor water quality. They have recently vacated the house to avoid any future health issues. Nancy also feels that Aqua can afford to invest enough money in the system to get it fixed given that the company made \$52m in 07. Nancy is frustrated in that she cannot get straight answers, that DEP and the DOH do not do enough make Aqua fix the system and that no one has jurisdiction to either force Aqua to fix the problem or take the system away from Aqua. Nancy would like to see the system sold or condemned and fixed into the Oviedo system although she would think the pipes would all have to be replaced; she does not feel that Aqua acts in the best interests of the customers. Nancy does not feel that the company notices properly and is very concerned about the notices that go out to the local elementary school and those students who do not live in the system and may not know about the d. Nancy has spent a great deal of time researching the history of Aqua and the Chuluota system; Nancy feels Nancy does feel that Patrick Farms has been very helpful 3 s/o's no shows from lache; Bacteria in water. 	<ol style="list-style-type: none"> 1. Customer account closed as of 07/30/08 2. Noted. 3. Noted. 4. Noted. 5. Noted. 7. Customer contacted Aqua twice on 08/07/07 to report brown water. Lines were flushed at that time. 																		

Overall Order	Hearing Order	Customer Last Name	Customer First Name	Address	System Name	Reported Issue	Resolution	Server Call Book	Treated by CSR	Field Issue	Billing Issue	Meter Issue	Undisclosed Meter Issue	Sewer Issue	Water Quality Issue	Added Zero	Top Long to fit	MWR calls to get resolution	Boil water notice Problem	Billing Estimate	Water Pressure	
56	CA6	Witt	Hope	240 E 8th St Chuluota FL 32766	Chuluota	1. Mrs. Witt is against the rate case because the company does not provide safe drinking water. She asks if Aqua employees would feel safe with their families drinking the water. 2. She has to spend money on bottled water and does not feel that the company should get a rate increase for an unsafe product. She thinks the company should be forced to fix the issue. 3. She also noted that she does not receive the boil water notices on her door. 4. Letters for hearing coming into late husband's name, wants all correspondents to come in her name	1. Noted 2. Noted 3. Our boil water notice procedures meet the expectations set by the FL PSC. 4. FL PSC sent the rate hearing letter which was in the deceased husband's name. Ms. Witt was very upset and asked us to speak to the Commission about this								X							
57	CA7	Davis	Melissa	286 Valveleen Pl Oviedo FL 32766	Chuluota	1. Ms. Davis does not feel the company should get a rate increase for its unsafe product. She is tired of hearing about extensions to get the problems fixed. 2. Ms. Davis and her son have had health problems that she thinks are water related. 3. She has put in a shallow well for irrigation and now her plants are growing better. 4. She brought a piece of pipe that was out of her backyard that showed some substance that they were going to have checked.	1. Noted. 2. Noted 3. Noted 4. Check with Division for results								X							
58	CA8	Fishton	Rita	400 E 4th St Chuluota FL 32766	Chuluota	1. Rita is concerned because her cat and her father's cat both passed away from cancer of the mouth. Rita was told that the TTHM's were not a health issue when she called upon first notice. 2. Rita also received a letter from Aqua in May saying that she had not been charged for her sewer service for the last 12 months even though she is on septic. The CSR argued with her that she did not know what she was talking about. An Aqua employee was to come to her house to show her the sewer line but no one has been there. 3. Rita is against the rate hike.	1. Noted 2. AUF associate visited property to confirm septic system. Customer was never billed for sewer usage. 3. Noted								X							
59	CA9	Barnette	Barbara	336 Osprey Lakes Cir Chuluota FL 32766	Chuluota	1. Mrs. Barnette provided a detail log of customer service and billing issues. She has called several times in the last several months related to overbilling and shutoff notices. She has spoken with 10 employees at Aqua and spend 150 minutes on the phone. She has been promised a corrected bill 5 times but had not received one and was promised call backs twice but did not receive them. She has not received a corrected bill but has received shutoff notices even though the CSRs told her not to pay her bill. 2. She has been reading her own meter and feels that Aqua's meter usage is wrong. Her meter was changed out as part of the RF campaign in April and she has had several issues since then. Bills for 20k gals, 30k gals, and 50k gals she calculated that she uses 12k gals. 3. Since Sandy Adams got involved she thinks Aqua has been much better and she has been happier with the service. 4. She does not use the water for some things but did not mention water quality specifically 5. She did not mention the rate case. 6. SO created to bucket test the meter.	1. Waiting response from Compliance due to open FL PSC complaint. 2. Meter exchanged in 04/08. First read was estimated, reads 0508 through 0508 are actual. 3. Noted. 4. Noted. 5. Noted. 6. SO created to bucket test the meter							X								
60	CA10	Looke	Barbara	51 E 2nd St Chuluota FL 32766	Chuluota	1. Ms. Looke is not happy with the service; she did mention that the water quality has been bad for the 20 years that she has lived in Chuluota. She complains of a rotten egg smell, black water after being on vacation and health issues, including the death of a neighbors pet. 2. She is opposed to the rate increase since Aqua cannot do their job. 3. She also complained about being on hold with customer service for too long.	1. Noted. 2. Noted. 3. Customer contacted Call Center once in 2007 due to low pressure and once in 2008 to discuss bill.									X						
61	CA11	Schaffer (Shaffer)	Deborah	11740 Brunley Rd Chuluota FL 32766	Chuluota	1. Ms. Schaffer is a community activist that is not an Aqua customer. She has been dealing with water issues in Florida for 32 years. She thinks that the governor needs to get involved and the problem needs to get fixed but she sees that the price has to go up. 2. She thinks a high price for quality water is understandable.	1. Noted. 2. Noted															
62	CA12	Santomauro	Ron	492 Osprey Lakes Cir Chuluota FL 32766	Chuluota	1. Mr. Santomauro questions why Aqua has not been able to fix the issues and why they ask for a rate increase before the problems are fixed. 2. He also would like to know that since there are known problems why isn't the water tested more often. He complained about the smell, the effect on laundry and faucets. 3. He also mentioned the notice of July 3rd which he did not receive until late in the day even though the work was to start in the morning. 4. He also wanted to know what Chris Franklin meant by Aqua paid a fair price for the system and how that relates to selling it to Oviedo for a price based on premium rates. 5. He does not feel that just because there hasn't been a rate case in 15 years that Aqua deserves one since they have only been there 6 years and have not fixed the issues. 6. He worries about the health of his family and mentioned his grandson whose condition worsened when he visited. 7. He also mentioned how the home values are dropping and no one wants to buy.	1. Noted. 2. We test our water frequently in order to meet local regulations. 3. Notices are distributed to customers in accordance with expectations set by local authorities. 4. Response in letter 5. Noted 6. Noted 7. Noted							X								
63	CA13	Whitman (Whitman)	Cowboy	141 E 2nd St Chuluota FL 32766	Chuluota	1. Mr. Whitman has cancer and his dog died of cancer, he has had to replace the faucets in his house every 4 years and mentioned that the water has been bad for 30 years. 2. He mentioned that when something breaks he has to pay for it alluding to the fact that Aqua's system is broke and its trying to make the customers pay for it.	1. Noted 2. Noted									X						
64	CA14	Ungaro	Simon	559 Granite Cir Chuluota FL 32766	Chuluota	1. Mr. Ungaro has only been on the system since Dec. 2005. He thinks the rates are too high and is concerned with the health of his children. 2. He provided pictures of drains and faucets in his house that were corroded. His toilets needed to be replaced after 2.5 years. 3. He would sell his house if he could to get away from the water company.	1. Noted 2. Noted 3. Noted								X							
65	CA15	Humphrey	Michelle	141 W 4th St Chuluota FL 32766	Chuluota	1. Ms. Humphrey owns a school in Chuluota and has been provided bottle water by Aqua for the past several months. She would like to know why the company felt the need to provide her bottle water but does not provide it to all the residents. 2. She has issues with toilets, faucets and appliances at her school as well 3. She is very concerned about the public safety of the water. 4. She is also confused by the boil water notices as she has been told even boiling the water is not safe. 5. Her test results were entered into record.	1. Response in letter 2. Noted. 3. Noted. 4. Notices are distributed to customers in accordance with local regulations. 5. Noted								X							
66	CA16	Evans	Evans	319 Valveleen Pl Oviedo FL 32766	Chuluota	1. Mr. Evans (husband of Nancy Evans) is also unhappy with water quality and talked about his health problems that he blames on the water. 2. He did mention that it has been going on for many years and hopes that the water quality gets fixed. 3. He entered in his private water test results as an exhibit.	1. Noted 2. Noted. 3. Noted.								X							
67	CA17	Malaspina	Matthew	189 Osprey Lake Circle Chuluota FL 32766	Chuluota	1. Mr. Malaspina is concerned about the water quality and its effect on his kids. 2. He also mentioned that he pays 3-4 times what he used to pay in Riverside FL. He wants to make sure that this gets resolved.	1. Noted. 2. Noted								X							

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68	CP1	Duvall	Mana	203 Velveteen Pl, Chuluota FL 32766	Chuluota	1. Water quality issues: new born baby concerned with health issues due to bacteria in water and chemicals; pediatrician said to "keep him as far away from the water as possible" 2. Rate increase complaint	1. Noted 2. Noted																
69	CP2	Herod	Deborah	501 E 3rd St, Chuluota FL 32766	Chuluota	1. Water quality issue: sediment, black sludge in toilet tanks, corroding water heater pipes, replaced toilets and tub, 2. Billing: added 0 error 3. Poor customer service: 6 calls to resolve 4. Suspects that dog died from water HAS OPEN PUC COMPLAINT!	1. Noted 2. Not an "added zero" issue. Undocumented meter exchange and information was not updated in database. This was completed on 07/16/08. A revised bill was issued for 93 days of service. 3. Issue resolved on 07/16/08. 4. Noted								X								
70	CP3	Sullivan	Kelly	570 Osprey Lake Cir, Chuluota FL 32766	Chuluota	1. Water quality: believes that THM is up again, health issues, coliform bacteria notice, unreliable service 2. Late notices 3. Rate increase complaint	1. Noted 2. Boil water notice process meets the expectations set by local authorities. 3. Noted								X			X					
71	CP4	Burns	Starlene	605 Osprey Lake Cir, Oviedo FL 32766	Chuluota	1. Billing - called CSR to dispute bill, was told not to pay bill, 2 days later received shutoff notice. "I had to call the bank over the phone through customer service, give them my account number so my water wasn't shut off." 2. Water quality: insinuates dogs death and husbands intestinal surgery resulted from water consumption	1. Customer's payment in January received after due date. A notice was sent to customer in accordance with our processes for past due amounts. 2. Noted																
72	CP5	Nicola	Robert	168 Osprey Lake Cir, Chuluota FL 32766	Chuluota	1. Rate complaint: difference in neighborhoods' rates 2. Rate increase complaint: base rate increase 3. Water quality:	1. Noted 2. Noted 3. Noted								X								
73	CP6	Van Wagnen	Heidi	351 E 4th St, Chuluota FL 32766	Chuluota	1. Rate increase complaint senior citizens not able to pay for higher rates 2. Water quality: believes bladder infection might be cause from water, insinuates dog's cancer and cat's ulcer from water.	1. Noted 2. Noted								X								

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74	CP7	Tingle	Michael & Diana	390 Medallion Pl, Chuluota FL 32766	Chuluota	<p>1. Water quality: odor toilets has rings, tubs have stains, had to purchase special equipment to use water properly, faucet corrosion</p> <p>2. Rate increase complaint: built a 10,000 capacity sewer system for 1,400 people</p> <p>3. Billing - water consumption jumped 40% in 1 month, then back down 21%</p>	<p>1. Noted</p> <p>2. Noted</p> <p>3. Undocumented meter exchange took place in 08/07 and information was not updated in database. This was completed in 02/08. Customer estimated bills for 6 months were cancelled and billed properly.</p>																
75	CP8	Herrick	Jennifer & Scott	287 Knot Hole Cir, Chuluota FL 32766	Chuluota	<p>1. Billing - estimated bill, new meter installed then received bill over \$400, called and were told old meter was reading incorrectly. Then told they were going to be back-billed for their consumption in 300 past days b/c meter was wrong. Called and were told bill was 4,800 gal, disconnected, called back and were told bill was 55,000 gal. Claim they go through a cycle where they receive a bill, call about it, told it is wrong and new bill will be sent, then the new bill is higher.</p> <p>2. Claims put on hold by CSR and disconnected multiple times. Claims aqua reps are always rude</p>	<p>1. Meter exchange took place in 05/08 and not updated in Banner until 06/08. Customer received actual bills based on reads from the old meter. In 07/08 a AUF rep visited the property and confirmed the Meter and Radio Frequency (RF) unit at the property is consistent with the meter exchange data that was updated on the account 4/14/2008 and that the meter was functioning as designed. All billing statements issued from 4/14/2008 are based on actual readings. The company has issued a credit in the amount of \$490.43 which cancels all previous billing. This leaves the customer with a balance of \$64.71 for current billing statement (6/13/2008 to 7/15/2008, 32 days of service for 7,600 gallons).</p> <p>2. Reviewing calls to determine if coaching is needed.</p>																

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76	CP9	PRISKE	Kristan	278 Knot hole cir, Chuluota FL 32766	Chuluota	1. Water quality: THM notices, pregnant and worried about miscarriage from THM 2. Poor customer service 3. Billing - Claim to receive 2-3 bills per month and every bill was estimated until recently. Received bill for 161,500 gal in 1 month. Told by CSR estimate based on previous years consumption, but they have not been there for more than 1 year. Being back-billed 4. Rate increase complaint	1. Noted 2. Customer contacted Call Center during months of 02/08 and 03/08. SCC supervisor left several messages for customer to call back to a direct number. Customer did not return call to supervisor. 3. Undocumented meter exchange took place in 09/08. This was not updated in the database until 02/08 resulting in seven months of estimated bills. Issue corrected and customer properly billed. 4. Noted															
77	CP10	Nease	Steven (Mrs Nease appeared)	664 Red Pepper Loop, Oviedo FL 32766	Chuluota	1. Rate increase complaint 2. Water quality: THM causes cancer, claims dog died within year of moving in from cancer caused by water, cat lost all hair, water odor, claims newborn granddaughter's tumor in mouth is from water. very irate, upset	1. Noted 2. Noted								X							X
78	CP11	Toruno	Kristie	412 Empress Ln, Chuluota FL 32766	Chuluota	1. Water quality: health concerns, kids, THM may cause liver, kidney, or cancer, tubs has rust and silks also 2. Claims inadequate customer service 3. Rate increase complaint 4. Billing - usage inconsistency	Open FL PSC complaint Waiting for A. Greene response to be consistent 1. Noted 2. Customer contacted Call Center several times and her questions were addressed 3. Noted 4. Customer has been offered an abatement by Compliance for \$1252 which she accepted. Customer opened another FL PSC complaint on 07/29/08.								X							
79	CP12	Armstrong	Shannon	614 White Crane Ct, Chuluota FL 32766	Chuluota	1. Water quality: Claims ice maker and dishwasher broken due to water; black and white gunk, rust, rings in sink, pets would not drink tap water, water brings down the equity of home 2. Rate increase complaint	1. Noted 2. Noted								X							

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80	CP13	Perry	Laura	657 Red Pepper Loop, Oviedo FL 32766	Chuluota	**Has not resided in Chuluota for last 13 months 1. Water quality: decreased home value 2. Rates: why is Oviedo water cheaper? 3. Poor customer service: Claims no one answers emails or calls. 4. Billing: doesn't live at home but has \$70 bill 5. Rate increase complaint	1. Customer has not contacted Call Center regarding water quality 2. Response in letter 3. Customer contacted Call Center once in 2007 and her account question was answered 4. FBC and very low monthly consumption (less than 300 gallons) 5. Noted														
81	CP14	Dietz	Dan	272 Organza Pl, Chuluota FL 32766	Chuluota	1. Water quality: black water, green stains, clothes stinks after washing 2. Poor customer service: reps disconnect calls	1. One water quality question reported to Call Center in 2008. Local division contacted customer 2. Customer contacted Call Center 6 times in 2007. Notes on account indicate customer's questions were answered to satisfaction.								X						
82	CP15	Arellano	Michelle (Alejandro)	175 Osprey Lakes Cir, Chuluota FL 32766	Chuluota	1. Water quality: black substance in water, sewage smell from faucets and washing machine, gave water sample, makes hair strawlike. 2. Claims contacted Stacey Barnes multiple times, told there was nothing they could do and should buy a filtration system	1. Customer contacted Call Center twice in 05/08 for water quality issue. Lines were flushed by division. 2. Per S. Barnes (AUF Customer Manager) As a result of the S/O her lines were flushed. I called her today and addressed her concerns. She stated she still has a sewage smell and low pressure in her water. I placed a called to the area supervisor advising him of the complaint and created a new LABT S/O (889515). I asked that the customer be given a call prior to completing the S/O so she can be present.								X						
83	CP16	Adkins	Frank(Mrs Adkins appeared)	559 Nutmeg Ct, Oviedo FL 32766	Chuluota	1. Water quality: claims water made her baby girl deformed in the mouth, baby can not eat, needs emergency help 2. Claims water was shut off because she was on maternity leave and couldn't afford bill and Aqua wouldn't accept partial payment	1. No calls to Call Center reporting water quality issues. 2. Customer received 2 payment arrangements from Aqua on account (02/2007 and 07/2007)								X						

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84	CP17	Bennett	Carolyn	141 3rd Ct. Chuluota FL 32766	Chuluota	1. Water quality: over chlorinated 2. Billing: 2 months of high billing, April: unusually high consumption, inconsistent: \$326, next month \$47.61 3. Denied a supervisor by Gloria, no call back from supervisor	1. Noted - customer has no callsto Call Center regarding water quality issues 2. Undocumented meter exchange took place in 03/08. This was not updated in the database until 02408 resulting in two months of estimated bills. Issue corrected and customer properly billed. Customer demanded a refund check for the outstanding amount to her. Check was generated on 08/08/08 and sent to customer. 3. No notes on account indicating customer's request for supervisor call back. Wav files for calls have expired and are no longer available.															
85	CP18	Hoffmann	John & Carolyn	474 Osprey Lakes Cir, Oviedo FL 32766	Chuluota	1. Water quality: ill due to water, hospitalized, inflammation of the stomach lining, enlargement of bladder, water odor; faucet corrosion	1. Customer contacted Call Center on 07/08/08 about water quality. Division flushed lines same day to correct.	X	X						X							
86	CP19	Harris	Ketema	507 Granite Cir, Chuluota FL 32766	Chuluota	1. Water quality: THM concern 2. Billing: inconsistent usage, 20k-90k gal per bill; high bills	1. Customer has not contacted Call Center regarding water quality 2. Customer's usage spiked in 05/2008 and came back down again. This is consistent with prior year usage. Leak abatement was filed on behalf of the customer for \$282.00								X							
87	CP20	Mckay	Ron	624 Red Pepper Loop, Oviedo FL 32766	Chuluota	1. Water quality: corrosion; THM complaint; coliform; odor 2. General complaint: customer service, and billing, reps telling the customers that its always a leak, and they have the problem. 3. Rate increase complaint	1. Mr. McKay has not reported any water quality issues to Call Center. 2. Customer has not called into Call Center since 2007. 3. Noted								X							
88	CP21	Rodriguez	Nelson (Dorley)	475 Granite Cir, Chuluota FL 32766	Chuluota	1. Billing: bill doubled after new meter was installed. 2. Water quality: has to clean appliances constantly, black substance, can not use brand new refrigerator; believes water causing illness to her and her kids Second time to speak see previous	1. Meter exchange took place in 03/08. Usage is consistent with prior year 2. No water quality issues reported to Call Center. Noted								X							
89	CP22	Evans	Nancy					0	7	0	6	0	0	0	0	1	0	0	2	1	0	0
								1	1	0	1	0	0	0	17	0	0	1	0	1	0	0
								0	0	0	0	0	4	0	0	0	0	0	0	0	0	0

Overall Order	Hearing Order	Customer Last Name	Customer First Name	Address	System Name	Reported Issue	Resolution	Sprvsn Call Back	Treatment by CSR	Field Issue	Billing Issue	Meter Issue	Undocumented Meter Issue	Sewer Issue	Water Quality Issue	Added Zero	Too Long to fix	Multi calls to get resolution	Boil water notice Problem	Billing Estimate	Water Pressure
								1	8	0	7	0	4	0	17	1	0	1	2	2	0

Overall Order	Hearing Order	Customer Last Name	Customer First Name	Address	System Name	Reported Issue	Resolution	Sprvrs Call Back	Treatm t by CSR	Field Issue	Billing Issue	Meter Issue	Undocume nted meter issue	Sewer Issue	Water Quality Issue	Adde d Zero	Too Long to fix	Multi calls to get resolution	Boil water notice Problem	Billing Estimate	Water Pressu re	
	Sunny Hills	Wood	Diana	2134 SUNNY HILLS BLVD, CHIPLEY FL 32428	SUNNY HILLS	1. Objects to rate increase. 2. Considering putting in well for personal use. 3. Billing Issues: received a bill in March for \$484 that was supposedly actual read; when she called they had her read the meter and it was wrong. 4. Well number 1 taken offline for exceeding contamination levels; is that well still offline? If not has in been tested? How will the iron levels be tested, and did they analyze any harm caused by the high levels of iron? 5. Fire Protection - What has been done to address issue.	1. Noted 2. Noted. 3. Issue reported in 12/07 and 01/08. Corrected bill and issued new one to customer. 4. Response needed from division 5. Response needed from division					x										
		Vitale	Diane	1685 ROSS CT, CHIPLEY FL 32428	SUNNY HILLS	1. Customer is a realtor and spoke of prospective home buyers afraid of high bills. 2. Thinks rate case is exorbitant. Thinks an increase is fair but not a high one. 3. Thinks the company should tighten belts since they knew when they purchased that the system was not fully built out. 4. Customer suggested billing changes to save money (every other month, etc) and thinks that the money for capital improvements can come from someone besides the customer.	1. Noted 2. Noted 3. Noted 4. Noted															
		Duerbeck	Robert	1754 SALEM DR, CHIPLEY FL 32428	SUNNY HILLS	1. Rates already too high; can't sell house. 2. Complained about meeting location and time. 3. \$60 water bill with very little use. 4. Would like to be able to put in their own well and septic system. 5. Thinks company should not get an increase since they knew the profit level when they bought the system. Comparable water bills are \$20 a month.	1. Noted 2. FL PSC set up meetings 3. FBC (facility base charge) plus consumption 4. Noted. 5. Noted															
		Tracy	Lou	3889 Belmar Place, Chipley, FL 32428	SUNNY HILLS	1. Complained about time of meeting. 2. Thinks nothing has changed since last year when tried to get same increase approved. 3. Water quality - Sulfur smell, chlorine, color, hardness. 4. Thinks increase is too much.	1. FL PSC set up meetings 2. Noted 3. Customer has not reported water quality issues prior to meeting. 4. Noted.															

Overall Order	Hearing Order	Customer Last Name	Customer First Name	Address	System Name	Reported Issue	Resolution	Server Call Back	Treatment by CSR	Field Issue	Billing Issue	Meter Issue	Uncollected meter issue	Sewer Issue	Water Quality Issue	Added Zero	Too Long to fix	Multi calls to get resolution	Boil water notice Problem	Billing Estimate	Water Pressure		
		Rogers	Brandon	3962 Falcon Drive, Chipley FL 32428	SUNNY HILLS	1. Has had billing issues 2. Water quality issues - installed filtration system. 3. Softly critical of rate increase.	1. In read not set up properly. Bill corrected from 10/07 to 08/08. Refund issued to customer on 08/18/08 2. Noted - no previous water quality issues reported 3. Noted																
		Rogers	Isis	3962 Falcon Drive, Chipley FL 32428	SUNNY HILLS	1. Billing issues - have had high bills and gotten resolved. 2. Rate increase complaint 3. Relatives also had meter read wrong. 4. Said customer service was not cooperative	see above (husband and wife)																
		Richards	Lynzee	4091 Waycross Place Chipley, FL 32428	SUNNY HILLS	1. Relative from Rogers issue 2. Billing issue - Just moved in in June and was billed for 17k gals when only use 1700. 3. Rude customer service and took a long time to resolve.	1. Noted 2. Customer took ownership of property on 02/29/08. In read not correct. Issue corrected and resolved in 06/08. 3. SCC Supervisor worked with customer and provided frequent updates to customer.																
		Waller	Lynda	non Aqua customer	SUNNY HILLS	1. Washington County Planner 2. Evaluation and Appraisal Report which looks at infrastructure and identified service problems with Aqua. Submitted for review.																	
								0	2	1	0	3	0	0	3	0	0	0	0	0	0	0	0
								0	0	0	4	0	0	0	0	0	0	0	0	0	0	0	0
								0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
								0	2	1	4	3	0	0	3	0	0	0	0	0	0	0	0



Aqua Utilities Florida, Inc.
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August 27, 2008

Mr. Charles Thomas
5508 Southwest 69th Terrace
Gainesville, FL 32608-4542

Dear Mr. Thomas:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

At the hearing, you expressed concern about higher-than-usual water bills in May and June. Your account indicates that Aqua sent a service technician to your residence to check your meter, which tested properly, but he discovered a small leak on your property.

You also noted that you have called customer service multiple times over the past year and asked for a supervisor to call you back. On behalf of Aqua, I apologize that we did not respond timely with a supervisor's call.

You also asked about the quality of your water. At times, we hear concerns about hardness, calcification (a white residue), manganese (which could leave a purple or black ring in your toilet), and a chlorine taste or smell. Please be assured that water quality is of critical concern to us. Aqua has one of the nation's top water quality laboratories, and we have spent a great deal of time, effort and money to meet state and federal health and environmental standards. In fact, we meet all state and federal standards in your water system. Every year, Aqua tests more than 6,300 water samples throughout Florida. If you have further questions about the water quality in the system where you live, you can visit www.aquaamerica.com and view your annual water quality report, which we publish and distribute before July 1 of every year.

We do realize, however, that meeting health and safety standards does not always provide you with the aesthetic qualities you'd like from your water. Qualities such as taste and smell have a tendency to change based on many different factors, and, as you might imagine, it would be extremely costly for us – and you – to install water filtration at every community well site. But you can rest assured that we test your water to make sure it is safe, and any calls regarding water quality will receive top priority when dispatched.

Mr. Charles Thomas
August 27, 2008
Page 2

The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua acquired our Florida water systems in 2003 and 2004, we have spent about \$30 million for water and sewer infrastructure improvements statewide. Additionally, operating costs such as gasoline and chemicals have continued to climb. Rate increases provide a way for utilities to recover capital and operating dollars so we can continue to maintain and improve our systems. However, none of the systems Aqua has purchased have had base rate increases in about 10 years.

I hope this information addresses your concerns to your satisfaction. If you have additional questions or comments, please call me or Stacey Barnes at 352.435.4043. Thank you for this opportunity to respond.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Lihvarcik", written in a cursive style.

Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America



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August 27, 2008

Mr. John Mazzerale
7117 Southwest Archer Road, Unit 2802
Gainesville FL 32608

Dear Mr. Mazzerale:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua acquired our Florida water systems in 2003 and 2004, we have spent about \$30 million for water and sewer infrastructure improvements statewide. Additionally, operating costs such as gasoline and chemicals have continued to climb. Rate increases provide a way for utilities to recover capital and operating dollars so we can continue to maintain and improve our systems. However, none of the systems Aqua has purchased have had base rate increases in about 10 years.

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Sincerely,

A handwritten signature in black ink, appearing to read "Jack Lihvarcik". The signature is fluid and cursive, written over a white background.

Jack Lihvarcik
Chief Operating Officer

cc: Christopher Franklin



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August 27, 2008

Ms. Melanie Day
5120 Southwest 69th Street
Gainesville, FL 32608

Dear Ms. Day:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

At the hearing, you asked the location of our wastewater treatment plant for Arredondo Estates, which we provided to you immediately; this plant is on Archer Road.

You expressed concern at the hearing about whether your meter was working properly. Your account shows that Aqua installed a new meter at your home in November 2007, but did not update the new meter number in our data base. Although we fixed the problem in February, I apologize for the length of time it took to resolve – and that a supervisor did not return your call as requested. One of our major initiatives this year has been the installation of radio frequency (RF) devices and new meters at our customers' homes. The RF device allows all new meters to be accurately read without entering a customer's property. While any mass installation of meters will produce some errors, Aqua has recently installed an audit process to increase accuracy and reduce errors before they trigger billing problems.

You also asked about the quality of your water. At times, we hear concerns about hardness, calcification (a white residue), manganese (which could leave a purple or black ring in your toilet), and a chlorine taste or smell. Please be assured that water quality is of critical concern to us. Aqua has one of the nation's top water quality laboratories, and we have spent a great deal of time, effort and money to meet state and federal health and environmental standards. In fact, we meet all state and federal standards in your water system. Every year, Aqua tests more than 6,300 water samples throughout Florida. If you have further questions about the water quality in the system where you live, you can visit www.aquaamerica.com and view your annual water quality report, which we publish and distribute before July 1 of every year.

Ms. Melanie Day
August 27, 2008
Page 2

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I hope this information addresses your concerns to your satisfaction. If you have additional questions or comments, please call me or Stacey Barnes at 352.435.4043. Thank you for this opportunity to respond.

Sincerely,



Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America



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August 27, 2008

Mr. Robert Goetze
5021 Southwest 63rd Court
Gainesville, FL 32608

Dear Mr. Goetze:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

At the hearing, you asked about the quality of your water. At times, we hear concerns about hardness, calcification (a white residue), manganese (which could leave a purple or black ring in your toilet), and a chlorine taste or smell. Please be assured that water quality is of critical concern to us. Aqua has one of the nation's top water quality laboratories, and we have spent a great deal of time, effort and money to meet state and federal health and environmental standards. In fact, we meet all state and federal standards in your water system. Every year, Aqua tests more than 6,300 water samples throughout Florida. If you have further questions about the water quality in the system where you live, you can visit www.aquaamerica.com and view your annual water quality report, which we publish and distribute before July 1 of every year.

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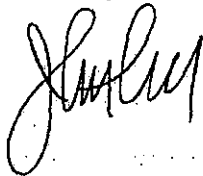
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Mr. Robert Goetze
August 27, 2008
Page 2

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I hope this information addresses your concerns to your satisfaction. If you have additional questions or comments, please call me or Stacey Barnes at 352.435.4043. Thank you for this opportunity to respond.

Sincerely,



Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America



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August 27, 2008

Ms. Maria Hurley
7117 Southwest Archer Road, Unit 2647
Gainesville, FL 32608

Dear Ms. Hurley:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

At the hearing, you asked about the quality of your water. At times, we hear concerns about hardness, calcification (a white residue), manganese (which could leave a purple or black ring in your toilet), and a chlorine taste or smell. Please be assured that water quality is of critical concern to us. Aqua has one of the nation's top water quality laboratories, and we have spent a great deal of time, effort and money to meet state and federal health and environmental standards. In fact, we meet all state and federal standards in your water system. Every year, Aqua tests more than 6,300 water samples throughout Florida. If you have further questions about the water quality in the system where you live, you can visit www.aquaamerica.com and view your annual water quality report, which we publish and distribute before July 1 of every year.

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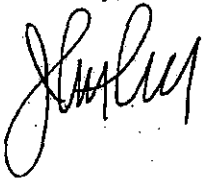
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Ms. Maria Hurley
August 27, 2008
Page 2

and operating dollars so we can continue to maintain and improve our systems. However, none of the systems Aqua has purchased has had a base rate increase in about 10 years.

I hope this information addresses your concerns to your satisfaction. If you have additional questions or comments, please call me or Stacey Barnes at 352.435.4043. Thank you for this opportunity to respond.

Sincerely,



Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America



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August 27, 2008

Ms. Tanya McGill Brown
7117 Southwest Archer Road, Unit 2846
Gainesville, FL 32608

Dear Ms. Brown:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

At the hearing, you reported that your sewer overflowed in September 2007. When we reviewed your account, we confirmed that a service technician had visited your home to resolve the issue after you called customer service. You also reported during your testimony that the sewer backup had recently recurred. Ed Pellenz, Aqua's operational manager, immediately sent a service technician to your home, where he found no sign of an overflow. I understand that Mr. Pellenz gave you his cell phone number so that you could call him immediately if an overflow occurs again.

You also asked about the quality of your water. At times, we hear concerns about hardness, calcification (a white residue), manganese (which could leave a purple or black ring in your toilet), and a chlorine taste or smell. Please be assured that water quality is of critical concern to us. Aqua has one of the nation's top water quality laboratories, and we have spent a great deal of time, effort and money to meet state and federal health and environmental standards. In fact, we meet all state and federal standards in your water system. Every year, Aqua tests more than 6,300 water samples throughout Florida. If you have further questions about the water quality in the system where you live, you can visit www.aquaamerica.com and view your annual water quality report, which we publish and distribute before July 1 of every year.

We do realize, however, that meeting health and safety standards does not always provide you with the aesthetic qualities you'd like from your water. Qualities such as taste and smell have a tendency to change based on many different factors, and, as you might imagine, it would be extremely costly for us – and you – to install water filtration at every community well site. But you can rest assured that we test your water to make sure it is safe, and any calls regarding water quality will receive top priority when dispatched.

Ms. Tanya McGill Brown
August 27, 2008
Page 2

I hope this information addresses your concerns to your satisfaction. If you have additional questions or comments, please call me or Stacey Barnes at 352.435.4043. Thank you for this opportunity to respond.

Sincerely,

A handwritten signature in black ink, appearing to read "Jack Lihvarcik". The signature is written in a cursive style with a large initial "J".

Jack Lihvarcik
Chief Operating Officer

c Christopher Franklin



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F: 352.787.6333
www.aquautilitiesflorida.com

August 27, 2008

Ms. Rachel Stevenson
Ms. Shirley Smith
5020 Southwest 63rd Street
Gainesville, FL 32608

Dear Ms. Stevenson and Ms. Smith:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

At the hearing, Ms. Stevenson, you noted that your sister had received bills based on estimated meter reads for a long period of time. Your sister's account now shows that she has received bills based on actual meter reads since May 2008, and I apologize for our delay in resolving this issue. Aqua continuously works to improve our billing operations, and we want to ensure that all of our customers receive accurate, timely bills for the water they use. In fact, we now estimate fewer than one-and-a-half percent of our Florida bills, down from almost five percent a year ago. We've also installed a procedure that triggers a thorough review of any customer account that is estimated three times in a row. Based on the results of this investigation – both in the field and in the office – a customer service representative will fix the account to ensure it reflects actual meter reads. It is our objective to estimate fewer than one percent of all Florida bills once we have completed our new radio-frequency meter installation program this year.

You expressed some concern about delayed or lack of notice about a water quality emergency. Certain water quality incidents require customer notification, and Florida regulations require Aqua to notify customers through the local media within 24 hours when customers must boil their water as a precaution before consuming it. Aqua is also currently testing a new system that would enable us to notify customers by phone. This system could be operational within the next year.

You also asked about the quality of your sister's water. At times, we hear concerns about hardness, calcification (a white residue), manganese (which could leave a purple or black ring in your toilet), and a chlorine taste or smell. Please be assured that water quality is of critical concern to us. Aqua has one of the nation's top water quality laboratories, and we have spent a

Ms. Rachael Stevenson
Ms. Shirley Smith
August 27, 2008
Page 2

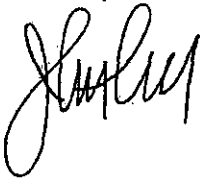
great deal of time, effort and money to meet state and federal health and environmental standards. In fact, we meet all state and federal standards in your sister's water system. Every year, Aqua tests more than 6,300 water samples throughout Florida. If you have further questions about the water quality in the system where she lives, you can visit www.aquaamerica.com and view your annual water quality report, which we publish and distribute before July 1 of every year.

We do realize, however, that meeting health and safety standards does not always provide you with the aesthetic qualities you'd like from your water. Qualities such as taste and smell have a tendency to change based on many different factors, and, as you might imagine, it would be extremely costly for us – and you – to install water filtration at every community well site. But you can rest assured that we test your water to make sure it is safe, and any calls regarding water quality will receive top priority when dispatched.

The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua acquired our Florida water systems in 2003 and 2004, we have spent about \$30 million for water and sewer infrastructure improvements statewide. Additionally, operating costs such as gasoline and chemicals have continued to climb. Rate increases provide a way for utilities to recover capital and operating dollars so we can continue to maintain and improve our systems. However, none of the systems Aqua has purchased have had base rate increases in about 10 years.

I hope this information addresses your concerns to your satisfaction. If you have additional questions or comments, please call me or Stacey Barnes at 352.435.4043. Thank you for this opportunity to respond.

Sincerely,



Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America



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August 27, 2008

Ms. Jo Pilkinton
7117 Southwest Archer Road, Unit 2202
Gainesville, FL 32608

Dear Ms. Pilkinton:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua acquired our Florida water systems in 2003 and 2004, we have spent about \$30 million for water and sewer infrastructure improvements statewide. Additionally, operating costs such as gasoline and chemicals have continued to climb. Rate increases provide a way for utilities to recover capital and operating dollars so we can continue to maintain and improve our systems. However, none of the systems Aqua has purchased have had base rate increases in about 10 years.

I hope this information addresses your concerns to your satisfaction. If you have additional questions or comments, please call me or Stacey Barnes at 352.435.4043. Thank you for this opportunity to respond.

Sincerely,

A handwritten signature in black ink, appearing to read "Jack Lihvarcik", is written over a light blue horizontal line.

Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin



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August 27, 2008

Mr. Lawrence Caruso
5060 Southwest 63rd Court
Gainesville, FL 32608

Dear Mr. Caruso:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

At the hearing, you reported that you had not received return calls from Aqua's customer service representatives. I'm sorry for any confusion, but our records indicate that you have received five calls from customer service representatives in 2008.

You also expressed concern about your water meter. We are now installing brand-new meters that are tested and certified by the manufacturer prior to delivery to Aqua. Other customers have observed the small dial on the meter moving backwards at times. You might infrequently see the small dial move a few turns backwards, which could be caused by a sudden drop in system pressure; rest assured that the meter is manufactured to measure water that moves either toward your home or away from your home. If water passes from your home back through the meter, the dial on the meter would move backward, reducing the gallons for which you're billed. You should know that our meters meet or exceed all industry standards and have a high degree of accuracy. If you have any questions about your meter, please call Stacey Barnes, our customer service manager, at 352.435.4043.

You asked about the quality of your water. At times, we hear concerns about hardness, calcification (a white residue), manganese (which could leave a purple or black ring in your toilet), and a chlorine taste or smell. Please be assured that water quality is of critical concern to us. Aqua has one of the nation's top water quality laboratories, and we have spent a great deal of time, effort and money to meet state and federal health and environmental standards. In fact, we meet all state and federal standards in your water system. Every year, Aqua tests more than 6,300 water samples throughout Florida. If you have further questions about the water quality in the system where you live, you can visit www.aquaamerica.com and view your annual water quality report, which we publish and distribute before July 1 of every year.

Mr. Lawrence Caruso
August 27, 2008
Page 2

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You expressed some concern about delayed or lack of notice about a water quality emergency. Certain water quality incidents require customer notification, and Florida regulations require Aqua to notify customers through the local media within 24 hours when customers must boil their water as a precaution before consuming it. Although your pressure may drop as a result of a main break, flushing or other event, you do not need to boil water unless your water pressure drops below 20 psi at which time the FDEP requires Aqua to notify customers. Aqua is also currently testing a new system that would enable us to notify customers by phone. This system could be operational within the next year.

The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua acquired our Florida water systems in 2003 and 2004, we have spent about \$30 million for water and sewer infrastructure improvements statewide. Additionally, operating costs such as gasoline and chemicals have continued to climb. Rate increases provide a way for utilities to recover capital and operating dollars so we can continue to maintain and improve our systems. However, none of the systems Aqua has purchased have had base rate increases in about 10 years.

I hope this information addresses your concerns to your satisfaction. If you have additional questions or comments, please call me or Stacey Barnes at 352.435.4043. Thank you for this opportunity to respond.

Sincerely,



Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America



Aqua Utilities Florida, Inc.
P.O. Box 490310
Leesburg, FL 34749

T: 352.787.0980
F: 352.787.6333
www.aquautilitiesflorida.com

August 27, 2008

Mr. Harley Hoffman
108 Seminole Drive
Ormond Beach, FL 32174-5820

Dear Mr. Hoffman:

Thank you for attending the Palatka customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

At the hearing, you commented on the quality of your water. At times, we hear concerns about hardness, calcification (a white residue), manganese (which could leave a purple or black ring in your toilet), and a chlorine taste or smell. Please be assured that water quality is of critical concern to us. Aqua has one of the nation's top water quality laboratories, and we have spent a great deal of time, effort and money to meet state and federal health and environmental standards. In fact, we meet all state and federal standards in your water system. Every year, Aqua tests more than 6,300 water samples throughout Florida. Aqua publishes and distributes an annual water quality report for all of our water systems; you can view your report at www.aquaamerica.com.

We do realize, however, that meeting health and safety standards does not always provide you with the aesthetic qualities you'd like from your water. Qualities such as taste and smell have a tendency to change based on many different factors, and, as you might imagine, it would be extremely costly for us – and you – to install water filtration at every community well site. But you can rest assured that we test your water to make sure it is safe, and any calls regarding water quality will receive top priority when dispatched.

Please accept my sincere apologies for Aqua's delay in resolving your billing issues during the past year. One of our major initiatives has been the installation of radio frequency (RF) devices and new meters at our customers' homes. The RF device allows all new meters to be accurately read without entering a customer's property. While any mass installation of meters will produce some errors, Aqua has recently installed an audit process to increase accuracy and reduce errors before they trigger billing problems.

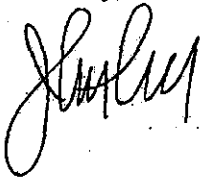
Mr. Harley Hoffman
August 27, 2008
Page 2

I also would like to thank you for your compliments about Aqua field representative David Evans; we have passed those kind words along to Dave.

The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua acquired our Florida water systems in 2003 and 2004, we have spent about \$30 million for water and sewer infrastructure improvements statewide. Additionally, operating costs such as gasoline and chemicals have continued to climb. Rate increases provide a way for utilities to recover capital and operating dollars so we can continue to maintain and improve our systems. However, none of the systems Aqua has purchased has had a base rate increase in about 10 years.

I hope this information addresses your concerns to your satisfaction. If you have additional questions or comments, please call me or Stacey Barnes at 352.435.4043. Thank you for this opportunity to respond.

Sincerely,



Jack Lihvarcik
Chief Operating Officer

c Christopher H. Franklin, Aqua America



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www.aquautilitiesflorida.com

August 27, 2008

Ms. Nancy Brand
c/o Mr. Orville Baldrige
24823 Pearl Street
Astor, FL 32102

Dear Ms. Brand:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views — and Orville Baldrige's views — about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua acquired our Florida water systems in 2003 and 2004, we have spent about \$30 million for water and sewer infrastructure improvements statewide. Additionally, operating costs such as gasoline and chemicals have continued to climb. Rate increases provide a way for utilities to recover capital and operating dollars so we can continue to maintain and improve our systems. However, none of the systems Aqua has purchased has had a base rate increase in about 10 years.

I hope this information addresses your concerns to your satisfaction. If you have additional questions or comments, please call me or Stacey Barnes at 352.435.4043. Thank you for this opportunity to respond.

Sincerely,

A handwritten signature in black ink, appearing to read "Jack Lihvarcik". The signature is written in a cursive, flowing style.

Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America



Aqua Utilities Florida, Inc.
P.O. Box 490310
Leesburg, FL 34749

T: 352.787.0980
F: 352.787.6333
www.aquautilitiesflorida.com

August 28, 2008

Mr. Russell Moyer
55636 Lee Street
Astor, FL 32102

Dear Mr. Moyer:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

At the hearing, you expressed concern about the water meter at your property. We are now installing brand-new meters like yours that are tested and certified by the manufacturer prior to delivery to Aqua. Some customers have observed the small dial on the meter moving backwards at times. You might infrequently see the small dial move a few turns backwards, which could be caused by a sudden drop in system pressure, but rest assured that the meter is manufactured to measure water that moves either toward your home or away from your home. If water passes from your home back through the meter, the dial on the meter would move backwards, reducing the gallons for which you're billed. You should know that our meters meet all industry standards and have a high degree of accuracy. If you have any questions about your meter, please call Stacey Barnes, our customer service manager, at 352.435.4043.

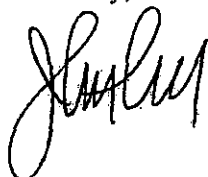
The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua acquired our Florida water systems in 2003 and 2004, we have spent about \$30 million for water and sewer infrastructure improvements statewide. Additionally, operating costs such as gasoline and chemicals have continued to climb. Rate increases provide a way for utilities to recover capital and operating dollars so we can continue to maintain and improve our systems. However, none of the systems Aqua has purchased has had a base rate increase in about 10 years.

You also asked about capital improvements to the Holiday Haven water system. Aqua has spent approximately \$140,000 on the Holiday Haven water and sewer systems in the past several years on projects such as meter replacements and new water mains.

Mr. Russell Moyer
August 28, 2008
Page 2

I hope this information addresses your concerns to your satisfaction. If you have additional questions or comments, please call me or Stacey Barnes at 352.435.4043. Thank you for this opportunity to respond.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Lihvarcik", written in a cursive style.

Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America



Aqua Utilities Florida, Inc.
P.O. Box 490310
Leesburg, FL 34749

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F: 352.787.6333
www.aquautilitiesflorida.com

August 27, 2008

Mr. John Poitevent
269 River Road
East Palatka, FL 32131

Dear Mr. Poitevent:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

At the hearing, you commented about the quality of your water, which you said had improved. At times, we hear concerns about hardness, calcification (a white residue), manganese (which could leave a purple or black ring in your toilet), and a chlorine taste or smell. Please be assured that water quality is of critical concern to us. Aqua has one of the nation's top water quality laboratories, and we have spent a great deal of time, effort and money to meet state and federal health and environmental standards. In fact, we meet all state and federal standards in your water system. Every year, Aqua tests more than 6,300 water samples throughout Florida. If you have further questions about the water quality in the system where you live, you can visit www.aquaamerica.com and view your annual water quality report, which we publish and distribute before July 1 of every year.

We do realize, however, that meeting health and safety standards does not always provide you with the aesthetic qualities you'd like from your water. Qualities such as taste and smell have a tendency to change based on many different factors, and, as you might imagine, it would be extremely costly for us – and you – to install water filtration at every community well site. But you can rest assured that we test your water to make sure it is safe, and any calls regarding water quality will receive top priority when dispatched.

The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua acquired our Florida water systems in 2003 and 2004, we have spent about \$30 million for water and sewer infrastructure improvements statewide. Additionally, operating costs such as gasoline and chemicals have continued to climb. Rate increases provide a way for utilities to recover capital

Mr. John Poitevent
August 27, 2008
Page 2

and operating dollars so we can continue to maintain and improve our systems. However, none of the systems Aqua has purchased has had a base rate increase in about 10 years.

I hope this information addresses your concerns to your satisfaction. If you have additional questions or comments, please call me or Stacey Barnes at 352.435.4043. Thank you for this opportunity to respond.

Sincerely,

A handwritten signature in black ink, appearing to read "Jack Lihvarcik". The signature is written in a cursive, flowing style.

Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America

AQUA.

Aqua Utilities Florida, Inc.
P.O. Box 490310
Leesburg, FL 34749

T: 352.787.0980
F: 352.787.6333
www.aquautilitiesflorida.com

August 27, 2008

Mr. Bobby Morris
124 Magnolia Drive
East Palatka, FL 32131

Dear Mr. Morris:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua acquired our Florida water systems in 2003 and 2004, we have spent about \$30 million for water and sewer infrastructure improvements statewide. Additionally, operating costs such as gasoline and chemicals have continued to climb. Rate increases provide a way for utilities to recover capital and operating dollars so we can continue to maintain and improve our systems. However, none of the systems Aqua has purchased has had a base rate increase in about 10 years.

I hope this information addresses your concerns to your satisfaction. If you have additional questions or comments, please call me or Stacey Barnes at 352.435.4043. Thank you for this opportunity to respond.

Sincerely,



Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America



Aqua Utilities Florida, Inc.
P.O. Box 490310
Leesburg, FL 34749

T: 352.787.0980
F: 352.787.6333
www.aquautilitiesflorida.com

August 27, 2008

Mr. Mike Pallone
128 Orange Dr.
East Palatka, FL 32131

Dear Mr. Pallone:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

At the hearing, you asked if Aqua has in place a disaster recovery plan that describes how we would restore service if, for instance, your area lost power. Aqua does indeed have a statewide disaster plan; if you would like to discuss it, please call Candice McClure at 352.435.4020, and she'll schedule a time for us to talk.

You also commented about the quality of your water. At times, we hear concerns about hardness, calcification (a white residue), manganese (which could leave a purple or black ring in your toilet), and a chlorine taste or smell. Please be assured that water quality is of critical concern to us. Aqua has one of the nation's top water quality laboratories, and we have spent a great deal of time, effort and money to meet state and federal health and environmental standards. In fact, we meet all state and federal standards in your water system. Every year, Aqua tests more than 6,300 water samples throughout Florida. If you have further questions about the water quality in the system where you live, you can visit www.aquaamerica.com and view your annual water quality report, which we publish and distribute before July 1 of every year.

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Mr. Mike Pallone
August 27, 2008
Page 2

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I hope this information addresses your concerns to your satisfaction. If you have additional questions or comments, please call me or Stacey Barnes at 352.435.4043. Thank you for this opportunity to respond.

Sincerely,



Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America



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Leesburg, FL 34749

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F: 352.787.6333
www.aquautilitiesflorida.com

August 27, 2008

Mr. Ralph Werkheiser
7017 Silver Lakes Oaks
Palatka, FL 32177

Dear Mr. Werkheiser:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua acquired our Florida water systems in 2003 and 2004, we have spent about \$30 million for water and sewer infrastructure improvements statewide. Additionally, operating costs such as gasoline and chemicals have continued to climb. Rate increases provide a way for utilities to recover capital and operating dollars so we can continue to maintain and improve our systems. However, none of the systems Aqua has purchased has had a base rate increase in about 10 years.

I hope this information addresses your concerns to your satisfaction. If you have additional questions or comments, please call me or Stacey Barnes at 352.435.4043. Thank you for this opportunity to respond.

Sincerely,

A handwritten signature in black ink, appearing to read "Jack Lihvarcik". The signature is fluid and cursive, with the first letter of each word being capitalized and prominent.

Jack Lihvarcik
Chief Operating Officer

Attachment

cc: Christopher H. Franklin, Aqua America



Aqua Utilities Florida, Inc.
P.O. Box 490310
Leesburg, FL 34749

T: 352.787.0980
F: 352.787.6333
www.aquautilitiesflorida.com

August 27, 2008

Mr. Rick Paulus
24725 Pearl Street
Astor, FL 32102

Dear Mr. Paulus:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua acquired our Florida water systems in 2003 and 2004, we have spent about \$30 million for water and sewer infrastructure improvements statewide. Additionally, operating costs such as gasoline and chemicals have continued to climb. Rate increases provide a way for utilities to recover capital and operating dollars so we can continue to maintain and improve our systems. However, none of the systems Aqua has purchased has had a base rate increase in about 10 years.

I hope this information addresses your concerns to your satisfaction. If you have additional questions or comments, please call me or Stacey Barnes at 352.435.4043. Thank you for this opportunity to respond.

Sincerely,

A handwritten signature in black ink, appearing to read "Jack Lihvarcik".

Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America



Aqua Utilities Florida, Inc.
P.O. Box 490310
Leesburg, FL 34749

T: 352.787.0980
F: 352.787.6333
www.aquautilitiesflorida.com

August 27, 2008

Mr. James Burns
5312 Knight Ave.
Sebring, FL 33875

Dear Mr. Burns:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

At the hearing, you commented on the quality of your water. At times, we hear concerns about hardness, calcification (a white residue), manganese (which could leave a purple or black ring in your toilet), and a chlorine taste or smell. Please be assured that water quality is of critical concern to us. Aqua has one of the nation's top water quality laboratories, and we have spent a great deal of time, effort and money to meet state and federal health and environmental standards. In fact, we meet all state and federal standards in your water system. Every year, Aqua tests more than 6,300 water samples throughout Florida. If you have further questions about the water quality in the system where you live, you can visit www.aquaamerica.com and view your annual water quality report, which we publish and distribute before July 1 of every year.

We do realize, however, that meeting health and safety standards does not always provide you with the aesthetic qualities you'd like from your water. Qualities such as taste and smell have a tendency to change based on many different factors. But you can rest assured that we test your water to make sure it is safe, and any calls regarding water quality will receive top priority when dispatched.

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An Aqua America Company

Mr. James Burns
August 27, 2008
Page 2

I hope this information addresses your concerns to your satisfaction. If you have additional questions or comments, please call me or Stacey Barnes at 352.435.4043. Thank you for this opportunity to respond.

Sincerely,

A handwritten signature in black ink, appearing to read "Jack Lihvarcik". The signature is written in a cursive style with a large initial "J".

Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America

AQUA.

Aqua Utilities Florida, Inc.
P.O. Box 490310
Leesburg, FL 34749

T: 352.787.0980
F: 352.787.6333
www.aquautilitiesflorida.com

August 22, 2008

Mrs. Nancy Crooks
4662 Sebring Boulevard
Sebring, FL 33870

Dear Mrs. Crooks:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua acquired our Florida water systems in 2003 and 2004, we have spent about \$30 million for water and sewer infrastructure improvements statewide. Additionally, operating costs such as gasoline and chemicals have continued to climb. Rate increases provide a way for utilities to recover capital and operating dollars so we can continue to maintain and improve our systems. However, none of the systems Aqua has purchased has had a base rate increase in about 10 years.

I hope this information addresses your concerns to your satisfaction. If you have additional questions or comments, please call me or Stacey Barnes at 352.435.4043. Thank you for this opportunity to respond.

Sincerely,



Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America



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Leesburg, FL 34749

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F: 352.787.6333
www.aquautilitiesflorida.com

August 27, 2008

Mr. Floyd Bernard
Ms. Jane Barnard
13701 Tangelo Street
Sebring, FL 33875-9545

Dear Mr. and Mrs. Bernard:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

At the hearing, you asked Aqua for a check for the remainder of the credit applied to your account as your refund of interim rates put in place during Aqua's rate request of last year, which we later withdrew. Aqua has cut a check for this amount, \$126.89, which you may already have received in the mail. As indicated on the notice we mailed to customers last year, Aqua's policy is to credit customers' accounts for the refund of interim rates unless a customer contacts us to request a check.

You also asked about the quality of your water. At times, we hear concerns about hardness, calcification (a white residue), manganese (which could leave a purple or black ring in your toilet), and a chlorine taste or smell. Please be assured that water quality is of critical concern to us. Aqua has one of the nation's top water quality laboratories, and we have spent a great deal of time, effort and money to meet state and federal health and environmental standards. In fact, we meet all state and federal standards in your water system. Every year, Aqua tests more than 6,300 water samples throughout Florida. If you have further questions about the water quality in the system where you live, you can visit www.aquaamerica.com and view your annual water quality report, which we publish and distribute before July 1 of every year.

We do realize, however, that meeting health and safety standards does not always provide you with the aesthetic qualities you'd like from your water. Qualities such as taste and smell have a tendency to change based on many different factors, and, as you might imagine, it would be extremely costly for us – and you – to install water filtration at every community well site. But you can rest assured that we test your water to make sure it is safe, and any calls regarding water quality will receive top priority when dispatched.

In your testimony, you spoke about low water pressure in your home. Aqua flushes your water system on a routine monthly basis to maintain water quality, and this flushing decreases the

An Aqua America Company

Mr. Floyd Bernard
Ms. Jane Bernard
August 27, 2008
Page 2

pressure slightly — by about five pounds. In late April, a chlorine pump at the treatment plant in Sebring Lakes malfunctioned, which necessitated more extensive flushing to regulate the chlorine levels in your water system. Our records do not show any recent incidents in your system that required a boil-water notice. Although your pressure may drop as a result of a main break, flushing or other event, you do not need to boil water unless your water pressure drops below 20 psi at which time the FDEP requires Aqua to notify customers.

You expressed some concern about delayed or lack of notice about a water quality emergency. Certain water quality incidents require customer notification, and Florida regulations require Aqua to notify customers through the local media within 24 hours when customers must boil their water as a precaution before consuming it. Aqua is also currently testing a new system that would enable us to notify customers by phone. This system could be operational within the next year.

The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua acquired our Florida water systems in 2003 and 2004, we have spent about \$30 million for water and sewer infrastructure improvements statewide. Additionally, operating costs such as gasoline and chemicals have continued to climb. Rate increases provide a way for utilities to recover capital and operating dollars so we can continue to maintain and improve our systems. However, none of the systems Aqua has purchased has had a base rate increase in about 10 years.

I hope this information addresses your concerns to your satisfaction. If you have additional questions or comments, please call me or Stacey Barnes at 352.435.4043. Thank you for this opportunity to respond.

Sincerely,



Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America

September 17, 2007

Dear Customer:

We are writing to notify you that Aqua Utilities Florida, Inc. (Aqua) has withdrawn its petition (Docket No. 060368-WS) for a rate increase with the Florida Public Service Commission. On August, 28, 2007, the Public Service Commission acknowledged Aqua's withdrawal of its request and ordered that the company refund with interest the interim rate increase, which had gone into effect on April 12, 2007.

The schedule below shows your system's previous and interim rates for water service, based on monthly billing. Aqua's customer billing will return to the previous rates, as shown below, effective September 20, 2007, and the refund with interest will appear as a credit by no later than your November bill.

SEBRING LAKES MONTHLY WATER RATES		
Basic Utility Charge		
Meter Size	Previous Rates	Interim Rates
5/8 X 3/4 inch	\$ 9.68	\$ 47.37
3/4 inch	\$ 14.51	\$ 71.03
1 inch	\$ 24.17	\$ 118.34
1 1/2 inch	\$ 48.34	\$ 236.69
2 inch	\$ 77.36	\$ 376.75
3 inch	\$ 154.72	\$ 757.49
4 inch	\$ 241.75	\$ 1,183.61
6 inch	\$ 483.50	\$ 2,367.17
8 inch	\$ -	\$ -
10 inch	\$ -	\$ -
Gallons Charge (per thousand gallons)		
	Previous Rates	Interim Rates
Total consumption	\$ 2.19	\$ 10.73

Although we are disappointed with the outcome of the rate case, Aqua remains committed to its future in Florida. We plan to continue our commitment to customers through a sustained capital improvement program, which has already invested approximately \$22 million to repair and renovate the state's water and wastewater systems since 2003.

Sincerely,

Aqua Utilities Florida, Inc.
 1100 Thomas Avenue
 Leesburg, Florida 34748

AQUA

Aqua Utilities Florida, Inc.
P.O. Box 490310
Leesburg, FL 34749

T: 352.787.0980
F: 352.787.6333
www.aquautilitiesflorida.com

August 27, 2008

Ms. Violet Habel
1180 Josephine Court
Sebring, FL 33875-9771

Dear Ms. Habel:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua acquired our Florida water systems in 2003 and 2004, we have spent about \$30 million for water and sewer infrastructure improvements statewide. Additionally, operating costs such as gasoline and chemicals have continued to climb. Rate increases provide a way for utilities to recover capital and operating dollars so we can continue to maintain and improve our systems. However, none of the systems Aqua has purchased has had a base rate increase in about 10 years.

I hope this information addresses your concerns to your satisfaction. If you have additional questions or comments, please call me or Stacey Barnes at 352.435.4043. Thank you for this opportunity to respond.

Sincerely,



Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America



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Leesburg, FL 34749

T: 352.787.0980
F: 352.787.6333
www.aquautilitiesflorida.com

August 27, 2008

Mr. Steve Hinesley
208 Nature Lane
Sebring, FL 33875

Dear Mr. Hinesley:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

At the hearing, you asked about the quality of your water. At times, we hear concerns about hardness, calcification (a white residue), manganese (which could leave a purple or black ring in your toilet), and a chlorine taste or smell. Please be assured that water quality is of critical concern to us. Aqua has one of the nation's top water quality laboratories, and we have spent a great deal of time, effort and money to meet state and federal health and environmental standards. In fact, we meet all state and federal standards in your water system. Every year, Aqua tests more than 6,300 water samples throughout Florida. If you have further questions about the water quality in the system where you live, you can visit www.aquaamerica.com and view your annual water quality report, which we publish and distribute before July 1 of every year.

We do realize, however, that meeting health and safety standards does not always provide you with the aesthetic qualities you'd like from your water. Qualities such as taste and smell have a tendency to change based on many different factors, and, as you might imagine, it would be extremely costly for us – and you – to install water filtration at every community well site. But you can rest assured that we test your water to make sure it is safe, and any calls regarding water quality will receive top priority when dispatched.

The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua acquired our Florida water systems in 2003 and 2004, we have spent about \$30 million for water and sewer infrastructure improvements statewide. Additionally, operating costs such as gasoline and chemicals have continued to climb. Rate increases provide a way for utilities to recover capital

Mr. Steve Hinesley
August 27, 2008
Page 2

and operating dollars so we can continue to maintain and improve our systems. However, none of the systems Aqua has purchased has had a base rate increase in about 10 years.

I hope this information addresses your concerns to your satisfaction. If you have additional questions or comments, please call me or Stacey Barnes at 352.435.4043. Thank you for this opportunity to respond.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Lihvarcik", written in a cursive style.

Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America

AQUA.

August 27, 2008

Aqua Utilities Florida, Inc.
P.O. Box 490310
Leesburg, FL 34749

T: 352.787.0980
F: 352.787.6333
www.aquautilitiesflorida.com

Dr. David Tardiff
13705 Sebring Avenue
Sebring, FL 33875

Dear Dr. Tardiff:


Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

At the hearing, you expressed your disappointment at the date and time of the customer hearing. Please understand that these hearings are scheduled by the Florida Public Service Commission. According to state requirements, Aqua printed and mailed notices about the hearings to our customers before each hearing, and we purchased ads about the hearings in local newspapers that cover our service areas.

The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua acquired our Florida water systems in 2003 and 2004, we have spent about \$30 million for water and sewer infrastructure improvements statewide. Additionally, operating costs such as gasoline and chemicals have continued to climb. Rate increases provide a way for utilities to recover capital and operating dollars so we can continue to maintain and improve our systems. However, none of the systems Aqua has purchased has had a base rate increase in about 10 years.

I hope this information addresses your concerns to your satisfaction. If you have additional questions or comments, please call me or Stacey Barnes at 352.435.4043. Thank you for this opportunity to respond.

Sincerely,



Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America

AQUA

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August 27, 2008

Ms. Elaine Panozzo
13305 Byrd Street
Sebring, FL 33875-9697

Dear Ms. Panozzo:

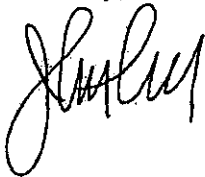
Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

At the hearing, you reported that you received a door tag in April that instructed you to call Aqua's customer service. I understand that you called Aqua, and no one got back to you with an answer. We have reviewed your account and determined that we must have left the door tag by accident. I apologize both for this mistake and for no one returning your call.

The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua acquired our Florida water systems in 2003 and 2004, we have spent about \$30 million for water and sewer infrastructure improvements statewide. Additionally, operating costs such as gasoline and chemicals have continued to climb. Rate increases provide a way for utilities to recover capital and operating dollars so we can continue to maintain and improve our systems. However, none of the systems Aqua has purchased has had a base rate increase in about 10 years.

I hope this information addresses your concerns to your satisfaction. If you have additional questions or comments, please call me or Stacey Barnes at 352.435.4043. Thank you for this opportunity to respond.

Sincerely,



Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America



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August 27, 2008

Mr. Mike O'Meara
5225 Sebring Lakes Boulevard
Sebring, FL 33871

Dear Mr. O'Meara:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

At the hearing, you spoke about your billing problem of last year, and I apologize for the amount of time it took for us to resolve this issue. Aqua installed a new radio frequency (RF) meter at your home in April 2007, but the new meter number was never entered into our database. When we fixed the problem in February 2008, Aqua canceled your bills from April through February and re-billed you using an actual meter read. Thank you for your patience.

One of our major initiatives this year has been the installation of RF devices and new meters at our customers' homes. The RF device allows all new meters to be accurately read without entering a customer's property. While any mass installation of meters will produce some errors, Aqua has recently installed an audit process to increase accuracy and reduce errors before they trigger billing problems.

The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua acquired our Florida water systems in 2003 and 2004, we have spent about \$30 million for water and sewer infrastructure improvements statewide. Additionally, operating costs such as gasoline and chemicals have continued to climb. Rate increases provide a way for utilities to recover capital and operating dollars so we can continue to maintain and improve our systems. However, none of the systems Aqua has purchased has had a base rate increase in about 10 years.

Mr. Mike O'Meara
August 27, 2008
Page 2

I hope this information addresses your concerns to your satisfaction. If you have additional questions or comments, please call me or Stacey Barnes at 352.435.4043. Thank you for this opportunity to respond.

Sincerely,

A handwritten signature in black ink, appearing to read "Jack Lihvarcik". The signature is written in a cursive style with a large initial "J".

Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America



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August 28, 2008

Mr. Gus Alexakos
4625 Windy Lane
Zephyrhills, FL 33541

Dear Mr. Alexakos:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

I am glad that you and your neighbors found my April visit to your homeowners association meeting helpful. Please let me know if you would like to schedule another visit in the future.

At the hearing, you asked about the quality of your water. At times, we hear concerns about hardness, calcification (a white residue), manganese (which could leave a purple or black ring in your toilet), and a chlorine taste or smell. Please be assured that water quality is of critical concern to us. Aqua has one of the nation's top water quality laboratories, and we have spent a great deal of time, effort and money to meet state and federal health and environmental standards. In fact, we meet all state and federal standards in your water system. Every year, Aqua tests more than 6,300 water samples throughout Florida. If you have further questions about the water quality in the system where you live, you can visit www.aquaamerica.com and view your annual water quality report, which we publish and distribute before July 1 of every year.

We do realize, however, that meeting health and safety standards does not always provide you with the aesthetic qualities you'd like from your water. Qualities such as taste and smell have a tendency to change based on many different factors, and, as you might imagine, it would be extremely costly for us – and you – to install water filtration at every community well site. But you can rest assured that we test your water to make sure it is safe, and any calls regarding water quality will receive top priority when dispatched.

Mr. Gus Alexakos
August 28, 2008
Page 2

At the hearing, you also asked about Aqua's flushing schedule. We flush the Zephyrhills system three times a week at 15-minute intervals.

The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua acquired our Florida water systems in 2003 and 2004, we have spent about \$30 million for water and sewer infrastructure improvements statewide. Additionally, operating costs such as gasoline and chemicals have continued to climb. Rate increases provide a way for utilities to recover capital and operating dollars so we can continue to maintain and improve our systems. However, none of the systems Aqua has purchased has had a base rate increase in about 10 years.

I hope this information addresses your concerns to your satisfaction. If you have additional questions or comments, please call me or Stacey Barnes at 352.435.4043. Thank you for this opportunity to respond.

Sincerely,



Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America

AQUA

August 28, 2008

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Mr. L. F. Hines
Two Rosalie Oaks Boulevard
Lake Wales, FL 33898

Dear Mr. Hines:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

At the hearing, you expressed concern about your meter replacement and several billing issues you experienced last year. When we replaced your meter, we did not update the new meter number in our database. After we fixed the problem, Aqua cancelled your incorrect bills and re-billed you based on the appropriate meter reads. Please accept my apologies for this mistake and for the length of time it took to resolve your bills. I also apologize that you did not receive a return call from our Leesburg office, but I understand that Aqua customer service supervisor Kevin Brown spoke with you several times in December, January and February to address your concerns. Aqua constantly strives to improve our call center operations. Our head of training has attended many of the hearings and is using what she learns to further instruct our customer service representatives.

The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua acquired our Florida water systems in 2003 and 2004, we have spent about \$30 million for water and sewer infrastructure improvements statewide. Additionally, operating costs such as gasoline and chemicals have continued to climb. Rate increases provide a way for utilities to recover capital and operating dollars so we can continue to maintain and improve our systems. However, none of the systems Aqua has purchased has had a base rate increase in about 10 years.

I hope this information addresses your concerns to your satisfaction. If you have additional questions or comments, please call me or Stacey Barnes at 352.435.4043. Thank you for this opportunity to respond.

Sincerely,



Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America

An Aqua America Company



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www.aquautilitiesflorida.com

August 28, 2008

Mr. William Liebke
35107 Danny Drive
Zephyrhills, FL 33541

Dear Mr. Liebke:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

At the hearing, you referred to paying monthly basic charges even when you are absent. I understand your concern, and your question is not an uncommon one. I would like to take this opportunity to explain why you are assessed charges even when you are away.

The water and lines that bring water to your home must be continually maintained to ensure they function properly every day. The same is true concerning the wastewater lines that carry sewage from your home. All utilities face fixed costs, to maintain water and wastewater treatment plants, as well as these lines, to ensure service is available whenever you turn on a faucet or flush a toilet. While you may not require service every day of the year, service must be available at your demand. Most utilities — whether water, electric, or natural gas — operate the same way: A bill will be issued to the customer for a base charge that represents the costs necessary to maintain the system and meet its obligation to provide service whenever the customer requires it.

Currently, there is one predominant type of rate structure the Public Service Commission approves for water and wastewater utilities. Pursuant to the Rule 25-30.437(6), Florida Administrative Code, utilities are required to use the base facility and usage charge rate structure, unless an alternative rate structure is adequately supported. The base facility charge incorporates fixed expenses of the utility and is a flat monthly charge. This charge is applicable as long as a person is a customer of the utility, regardless of whether there is any usage. The usage charge incorporates variable expenses and is billed on a per 1,000 gallon or 100-cubic-foot basis in addition to the base facility charge.

This rate structure is the preferred structure for a number of reasons. The base facility charge is based upon the concept of readiness to serve all customers connected to the system. This type of structure allows each customer to pay his or her fair share of the costs, regardless of whether the customer receives residential, commercial, or other type of service. Also, customers that have high consumption levels have higher bills than those with low consumption levels. By using the base facility charge rate structure, a utility recovers its fixed costs through the base charge and its variable costs through the gallonage charge. The base facility charge is applicable to all customers each month, and the gallonage charge is based on each customer's actual consumption during the month.

An Aqua America Company

Mr. William Liebke
August 28, 2008
Page 2

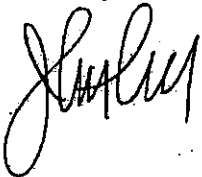
Also, pursuant to Rule 25-30.335(9) of the Florida Administrative Code, if a utility utilizes the base facility and usage charge rate structure and does not have a Commission-authorized vacation rate, the utility *shall* bill the customer the base facility charge regardless of whether there is any usage. This allows the utility to recover its fixed expenses. Further, Aqua currently has a Commission-approved tariff on file. According to Rule 30.0, of its Commission approved tariff:

If service is terminated and resumed at the same address to the same Customer within twelve (12) months or less from the date of termination, a monthly standby charge equivalent to the Base Facility Charge, will be collected by the Company as a condition precedent to restoration of service to that Customer. If the Base Facility rate structure is not in effect, one half of the approved minimum bill will be charged for each billing period. The standby charge will be collected for each month, not to exceed twelve (12) months.

The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua acquired our Florida water systems in 2003 and 2004, we have spent about \$30 million for water and sewer infrastructure improvements statewide. Additionally, operating costs such as gasoline and chemicals have continued to climb. Rate increases provide a way for utilities to recover capital and operating dollars so we can continue to maintain and improve our systems. However, none of the systems Aqua has purchased has had a base rate increase in about 10 years.

I hope this information addresses your concerns to your satisfaction. If you have additional questions or comments, please call me or Stacey Barnes at 352.435.4043. Thank you for this opportunity to respond.

Sincerely,



Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America



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Leesburg, FL 34749

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F: 352.787.6333
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August 28, 2008

Mr. Robert Ellis
Ms. Janice Ellis
4600 Clarice Avenue
Zephyrhills, FL 33541

Dear Mr. and Mr. Ellis:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

You asked about the quality of your water and for the results of water tests from last year's hearing. At times, we hear concerns about hardness, calcification (a white residue), manganese (which could leave a purple or black ring in your toilet), and a chlorine taste or smell. Please be assured that water quality is of critical concern to us. Aqua has one of the nation's top water quality laboratories, and we have spent a great deal of time, effort and money to meet state and federal health and environmental standards. In fact, we meet all state and federal standards in your water system. Every year, Aqua tests more than 6,300 water samples throughout Florida. Although we don't have a record in your account that you requested test results, you can visit www.aquaamerica.com at any time to view your annual water quality report, which we publish and distribute before July 1 of every year.

We do realize, however, that meeting health and safety standards does not always provide you with the aesthetic qualities you'd like from your water. Qualities such as taste and smell have a tendency to change based on many different factors, and, as you might imagine, it would be extremely costly for us – and you – to install water filtration at every community well site. But you can rest assured that we test your water to make sure it is safe, and any calls regarding water quality will receive top priority when dispatched.

In the past year, Aqua has worked to enhance customer communications; one of our new initiatives, "Aqua Connects", is a series of town hall meetings where customers and Aqua

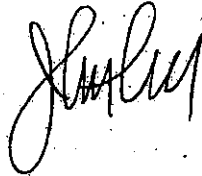
Mr. Robert Ellis
Ms. Janice Ellis
August 28, 2008
Page 2

can talk face to face about a range of issues. Aqua already has conducted a homeowners association meeting in Zephyrhills, and we plan to come back in a few months.

The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua acquired our Florida water systems in 2003 and 2004, we have spent about \$30 million for water and sewer infrastructure improvements statewide. Additionally, operating costs such as gasoline and chemicals have continued to climb. Rate increases provide a way for utilities to recover capital and operating dollars so we can continue to maintain and improve our systems. However, none of the systems Aqua has purchased has had a base rate increase in about 10 years.

I hope this information addresses your concerns to your satisfaction. If you have additional questions or comments, please call me or Stacey Barnes at 352.435.4043. Thank you for this opportunity to respond.

Sincerely,



Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America



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F: 352.787.6333
www.aquautilitiesflorida.com

August 28, 2008

Ms. Janet McLaurin
Four Rosalie Oaks Boulevard
Lake Wales, FL 33898

Dear Ms. McLaurin:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

In your testimony, you expressed concern about the inconvenience of the date and time of your customer service hearing. Please know that the Commission establishes the date, time and location of the hearings, and Aqua's responsibility is to notify our customers.

At the hearing, you also spoke about estimated bills, and a review of your account shows that you received two estimated bills in the past year and a half. Aqua continuously works to improve our billing operations, and we want to ensure that all of our customers receive accurate, timely bills for the water they use. In fact, we now estimate fewer than one-and-a-half percent of our Florida bills, down from almost five percent a year ago. We've also installed a procedure that triggers a thorough review of any customer account that is estimated three times in a row. Based on the results of this investigation – both in the field and in the office – a customer service representative will fix the account to ensure it reflects actual meter reads. It is our objective to estimate fewer than one percent of all Florida bills once we have completed our new radio-frequency meter installation program this year. Aqua installed a new RF meter at your home in July.

You also asked about the quality of your water. At times, we hear concerns about hardness, calcification (a white residue), manganese (which could leave a purple or black ring in your toilet), and a chlorine taste or smell. Please be assured that water quality is of critical concern to us. Aqua has one of the nation's top water quality laboratories, and we have spent a great deal of time, effort and money to meet state and federal health and environmental standards. In fact, we meet all state and federal standards in your water system. Every year, Aqua tests more than 6,300 water samples throughout Florida. If you

Ms. Janet McLaurin
August 28, 2008
Page 2

have further questions about the water quality in the system where you live, you can visit www.aquaamerica.com and view your annual water quality report, which we publish and distribute before July 1 of every year.

We do realize, however, that meeting health and safety standards does not always provide you with the aesthetic qualities you'd like from your water. Qualities such as taste and smell have a tendency to change based on many different factors, and, as you might imagine, it would be extremely costly for us – and you – to install water filtration at every community well site. But you can rest assured that we test your water to make sure it is safe, and any calls regarding water quality will receive top priority when dispatched.

At the hearing, you asked whether Aqua refunded your interim rate increase when we withdrew our rate request last year. Our records show that we credited your account in November 2007. Your account is now even.

The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua acquired our Florida water systems in 2003 and 2004, we have spent about \$30 million for water and sewer infrastructure improvements statewide. Additionally, operating costs such as gasoline and chemicals have continued to climb. Rate increases provide a way for utilities to recover capital and operating dollars so we can continue to maintain and improve our systems. However, none of the systems Aqua has purchased has had a base rate increase in about 10 years.

I hope this information addresses your concerns to your satisfaction. If you have additional questions or comments, please call me or Stacey Barnes at 352.435.4043. Thank you for this opportunity to respond.

Sincerely,



Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America



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August 28, 2008

Mr. Michael Flynn
Five Rosalie Oaks Boulevard
Lake Wales, FL 33898

Dear Mr. Flynn:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

At the hearing, you testified about your billing concerns of last summer. As you now know, Aqua replaced your meter in July 2007, but we did not update our data base properly at the time. Your new meter number did not match the number in our billing system, and that's why you received estimated bills. Chris Franklin, Aqua's regional president, later abated your bill to compensate for your inconvenience.

One of our major initiatives this year has been the installation of radio frequency (RF) devices and new meters at our customers' homes. The RF device allows all new meters to be accurately read without entering a customer's property. While any mass installation of meters will produce some errors, Aqua has recently installed an audit process to increase accuracy and reduce errors before they trigger billing problems.

On behalf of Aqua, I apologize for our delay in resolving this matter and for the miscommunication that resulted in our issuing a shut-off notice while we attempted to correct your account. Aqua constantly strives to improve our call center operations. Our head of training has attended many of the hearings and is using what she learns to further instruct our customer service representatives.

The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua acquired our Florida water systems in 2003 and 2004, we have spent about \$30 million for water and sewer infrastructure improvements statewide. Additionally, operating costs

Mr. Michael Flynn
August 28, 2008
Page 2

such as gasoline and chemicals have continued to climb. Rate increases provide a way for utilities to recover capital and operating dollars so we can continue to maintain and improve our systems. However, none of the systems Aqua has purchased has had a base rate increase in about 10 years.

I hope this information addresses your concerns to your satisfaction. If you have additional questions or comments, please call me or Stacey Barnes at 352.435.4043. Thank you for this opportunity to respond.

Sincerely,



Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America



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August 28, 2008

Mr. and Mrs. Jim Pierce
67 Rosalie Oaks Boulevard
Lake Wales, FL 33898

Dear Mr. and Mrs. Pierce:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

At the hearing, you referred to paying monthly basic charges even when you are absent. I understand your concern, and your question is not an uncommon one. I would like to take this opportunity to explain why you are assessed charges even when you are away.

The water and lines that bring water to your home must be continually maintained to ensure they function properly every day. The same is true concerning the wastewater lines that carry sewage from your home. All utilities face fixed costs to maintain water and wastewater treatment plants, as well as these lines, to ensure service is available whenever you turn on a faucet or flush a toilet. While you may not require service every day of the year, service must be available at your demand. Most utilities — whether water, electric, or natural gas — operate the same way: A bill will be issued to the customer for a base charge that represents the costs necessary to maintain the system and meet its obligation to provide service whenever the customer requires it.

Currently, there is one predominant type of rate structure the Public Service Commission approves for water and wastewater utilities. Pursuant to the Rule 25-30.437(6), Florida Administrative Code, utilities are required to use the base facility and usage charge rate structure, unless an alternative rate structure is adequately supported. The base facility charge incorporates fixed expenses of the utility and is a flat monthly charge. This charge is applicable as long as a person is a customer of the utility, regardless of whether there is any usage. The usage charge incorporates variable expenses and is billed on a per 1,000 gallon or 100-cubic-foot basis in addition to the base facility charge.

Mr. and Mrs. Jim Pierce
August 28, 2008
Page 2

This rate structure is the preferred structure for a number of reasons. The base facility charge is based upon the concept of readiness to serve all customers connected to the system. This type of structure allows each customer to pay his or her fair share of the costs, regardless of whether the customer receives residential, commercial, or other type of service. Also, customers that have high consumption levels have higher bills than those with low consumption levels. By using the base facility charge rate structure, a utility recovers its fixed costs through the base charge and its variable costs through the gallonage charge. The base facility charge is applicable to all customers each month, and the gallonage charge is based on each customer's actual consumption during the month.

Also, pursuant to Rule 25-30.335(9) of the Florida Administrative Code, if a utility utilizes the base facility and usage charge rate structure and does not have a Commission-authorized vacation rate, the utility *shall* bill the customer the base facility charge regardless of whether there is any usage. This allows the utility to recover its fixed expenses. Further, Aqua currently has a Commission-approved tariff on file. According to Rule 30.0, of its Commission approved tariff:

If service is terminated and resumed at the same address to the same Customer within twelve (12) months or less from the date of termination, a monthly standby charge equivalent to the Base Facility Charge, will be collected by the Company as a condition precedent to restoration of service to that Customer. If the Base Facility rate structure is not in effect, one half of the approved minimum bill will be charged for each billing period. The standby charge will be collected for each month, not to exceed twelve (12) months.

You also asked about the quality of your water. At times, we hear concerns about hardness, calcification (a white residue), manganese (which could leave a purple or black ring in your toilet), and a chlorine taste or smell. Please be assured that water quality is of critical concern to us. Aqua has one of the nation's top water quality laboratories, and we have spent a great deal of time, effort and money to meet state and federal health and environmental standards. In fact, we meet all state and federal standards in your water system. Every year, Aqua tests more than 6,300 water samples throughout Florida. If you have further questions about the water quality in the system where you live, you can visit www.aquaamerica.com and view your annual water quality report, which we publish and distribute before July 1 of every year.

We do realize, however, that meeting health and safety standards does not always provide you with the aesthetic qualities you'd like from your water. Qualities such as taste and smell have a tendency to change based on many different factors, and, as you might imagine, it would be extremely costly for us – and you – to install water filtration at every community well site. But

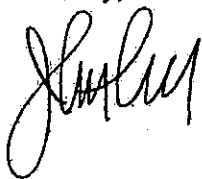
Mr. and Mrs. Jim Pierce
August 28, 2008
Page 3

you can rest assured that we test your water to make sure it is safe, and any calls regarding water quality will receive top priority when dispatched.

The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua acquired our Florida water systems in 2003 and 2004, we have spent about \$30 million for water and sewer infrastructure improvements statewide. Additionally, operating costs such as gasoline and chemicals have continued to climb. Rate increases provide a way for utilities to recover capital and operating dollars so we can continue to maintain and improve our systems. However, none of the systems Aqua has purchased has had a base rate increase in about 10 years.

I hope this information addresses your concerns to your satisfaction. If you have additional questions or comments, please call me or Stacey Barnes at 352.435.4043. Thank you for this opportunity to respond.

Sincerely,



Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America



Aqua Utilities Florida, Inc.
P.O. Box 490310
Leesburg, FL 34749

T: 352.787.0980
F: 352.787.6333
www.aquautilitiesflorida.com

August 28, 2008

Mr. Charles Blead, Jr.
502 Windermere Drive
Lakeland, FL 33809-3361

Dear Mr. Blead:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

At the hearing, you expressed concern about fluctuations in your bills. Your billing cycle can range in length between 28 and 35 days, depending on staff schedules, and this variance can change your bill amount from one month to the next.

You also spoke about interim rates, which are approved by the Florida Public Service Commission. These interim rates enable a utility to begin charging at an increased rate during the review and deliberation period of a pending rate request.

The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua acquired our Florida water systems in 2003 and 2004, we have spent about \$30 million for water and sewer infrastructure improvements statewide. Additionally, operating costs such as gasoline and chemicals have continued to climb. Rate increases provide a way for utilities to recover capital and operating dollars so we can continue to maintain and improve our systems. However, none of the systems Aqua has purchased has had a base rate increase in about 10 years.

I hope this information addresses your concerns to your satisfaction. If you have additional questions or comments, please call me or Stacey Barnes at 352.435.4043. Thank you for this opportunity to respond.

Sincerely,

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Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America

An Aqua America Company

AQUA.

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P.O. Box 490310
Leesburg, FL 34749

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F: 352.787.6333
www.aquautilitiesflorida.com

August 28, 2008

Mr. William Webb
74 Rosalie Oaks Boulevard
Lake Wales, FL 33898

Dear Mr. Webb:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

At the hearing, you reported that you had not received a refund for Aqua's interim rates last year. We reviewed your account and found that you received a credit for \$214.70 last November.

The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua acquired our Florida water systems in 2003 and 2004, we have spent about \$30 million for water and sewer infrastructure improvements statewide. Additionally, operating costs such as gasoline and chemicals have continued to climb. Rate increases provide a way for utilities to recover capital and operating dollars so we can continue to maintain and improve our systems. However, none of the systems Aqua has purchased has had a base rate increase in about 10 years.

I hope this information addresses your concerns to your satisfaction. If you have additional questions or comments, please call me or Stacey Barnes at 352.435.4043. Thank you for this opportunity to respond.

Sincerely,



Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America



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F: 352.787.6333
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August 28, 2008

Mr. James Harwell
56 Rosalie Oaks Boulevard
Lake Wales, FL 33898

Dear Mr. Harwell:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

At the hearing, you asked about the quality of your water. At times, we hear concerns about hardness, calcification (a white residue), manganese (which could leave a purple or black ring in your toilet), and a chlorine taste or smell. Please be assured that water quality is of critical concern to us. Aqua has one of the nation's top water quality laboratories, and we have spent a great deal of time, effort and money to meet state and federal health and environmental standards. In fact, we meet all state and federal standards in your water system. Every year, Aqua tests more than 6,300 water samples throughout Florida. If you have further questions about the water quality in the system where you live, you can visit www.aquaamerica.com and view your annual water quality report, which we publish and distribute before July 1 of every year.

We do realize, however, that meeting health and safety standards does not always provide you with the aesthetic qualities you'd like from your water. Qualities such as taste and smell have a tendency to change based on many different factors, and, as you might imagine, it would be extremely costly for us – and you – to install water filtration at every community well site. But you can rest assured that we test your water to make sure it is safe, and any calls regarding water quality will receive top priority when dispatched.

I am sorry for any misunderstanding regarding your valve replacement, but our records do not show any calls from you about this issue.

The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua acquired our Florida water systems in 2003 and 2004, we have spent about \$30 million for water and

Mr. James Harwell
August 28, 2008
Page 2

sewer infrastructure improvements statewide. Additionally, operating costs such as gasoline and chemicals have continued to climb. Rate increases provide a way for utilities to recover capital and operating dollars so we can continue to maintain and improve our systems. However, none of the systems Aqua has purchased has had a base rate increase in about 10 years.

I hope this information addresses your concerns to your satisfaction. If you have additional questions or comments, please call me or Stacey Barnes at 352.435.4043. Thank you for this opportunity to respond.

Sincerely,



Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America



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F: 352.787.6333
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August 28, 2008

Mr. and Mrs. Charles Bass
78 Rosalie Oaks Boulevard
Lake Wales, FL 33898

Dear Mr. and Mrs. Bass:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

At the hearing, you referred to paying a monthly basic charge even you were absent. I understand your concern, and your question is not an uncommon one. I would like to take this opportunity to explain why you are assessed charges even when you are away.

The water and lines that bring water to your home must be continually maintained to ensure they function properly every day. The same is true concerning the wastewater lines that carry sewage from your home. All utilities face fixed costs to maintain water and wastewater treatment plants, as well as these lines, to ensure service is available whenever you turn on a faucet or flush a toilet. While you may not require service every day of the year, service must be available at your demand. Most utilities — whether water, electric, or natural gas — operate the same way: A bill will be issued to the customer for a base charge that represents the costs necessary to maintain the system and meet its obligation to provide service whenever the customer requires it.

Currently, there is one predominant type of rate structure the Public Service Commission approves for water and wastewater utilities. Pursuant to the Rule 25-30.437(6), Florida Administrative Code, utilities are required to use the base facility and usage charge rate structure, unless an alternative rate structure is adequately supported. The base facility charge incorporates fixed expenses of the utility and is a flat monthly charge. This charge is applicable as long as a person is a customer of the utility, regardless of whether there is any usage. The usage charge incorporates variable expenses and is billed on a per 1,000 gallon or 100-cubic-foot basis in addition to the base facility charge.

Mr. and Mrs. Charles Bass
August 28, 2008
Page 2

This rate structure is the preferred structure for a number of reasons. The base facility charge is based upon the concept of readiness to serve all customers connected to the system. This type of structure allows each customer to pay his or her fair share of the costs, regardless of whether the customer receives residential, commercial, or other type of service. Also, customers that have high consumption levels have higher bills than those with low consumption levels. By using the base facility charge rate structure, a utility recovers its fixed costs through the base charge and its variable costs through the gallonage charge. The base facility charge is applicable to all customers each month, and the gallonage charge is based on each customer's actual consumption during the month.

Also, pursuant to Rule 25-30.335(9) of the Florida Administrative Code, if a utility utilizes the base facility and usage charge rate structure and does not have a Commission-authorized vacation rate, the utility *shall* bill the customer the base facility charge regardless of whether there is any usage. This allows the utility to recover its fixed expenses. Further, Aqua currently has a Commission-approved tariff on file. According to Rule 30.0, of its Commission approved tariff:

If service is terminated and resumed at the same address to the same Customer within twelve (12) months or less from the date of termination, a monthly standby charge equivalent to the Base Facility Charge, will be collected by the Company as a condition precedent to restoration of service to that Customer. If the Base Facility rate structure is not in effect, one half of the approved minimum bill will be charged for each billing period. The standby charge will be collected for each month, not to exceed twelve (12) months.

At the hearing, you also asked about the quality of your water. At times, we hear concerns about hardness, calcification (a white residue), manganese (which could leave a purple or black ring in your toilet), and a chlorine taste or smell. Please be assured that water quality is of critical concern to us. Aqua has one of the nation's top water quality laboratories, and we have spent a great deal of time, effort and money to meet state and federal health and environmental standards. In fact, we meet all state and federal standards in your water system. Every year, Aqua tests more than 6,300 water samples throughout Florida. If you have further questions about the water quality in the system where you live, you can visit www.aquaamerica.com and view your annual water quality report, which we publish and distribute before July 1 of every year.

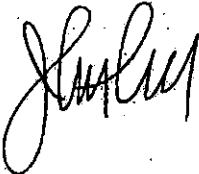
We do realize, however, that meeting health and safety standards does not always provide you with the aesthetic qualities you'd like from your water. Qualities such as taste and smell have a tendency to change based on many different factors, and, as you might imagine, it would be extremely costly for us – and you – to install water filtration at every community well site. But you can rest assured that we test your water to make sure it is safe, and any calls regarding water quality will receive top priority when dispatched.

Mr. and Mrs. Charles Bass
August 28, 2008
Page 3

The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua acquired our Florida water systems in 2003 and 2004, we have spent about \$30 million for water and sewer infrastructure improvements statewide. Additionally, operating costs such as gasoline and chemicals have continued to climb. Rate increases provide a way for utilities to recover capital and operating dollars so we can continue to maintain and improve our systems. However, none of the systems Aqua has purchased has had a base rate increase in about 10 years.

I hope this information addresses your concerns to your satisfaction. If you have additional questions or comments, please call me or Stacey Barnes at 352.435.4043. Thank you for this opportunity to respond.

Sincerely,



Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America



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P.O. Box 490310
Leesburg, FL 34749

T: 352.787.0980
F: 352.787.6333
www.aquautilitiesflorida.com

August 28, 2008

Ms. Tareesa Coletti
123 Hamlin Street
Winter Haven, FL 33880

Dear Ms. Coletti:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua acquired our Florida water systems in 2003 and 2004, we have spent about \$30 million for water and sewer infrastructure improvements statewide. Additionally, operating costs such as gasoline and chemicals have continued to climb. Rate increases provide a way for utilities to recover capital and operating dollars so we can continue to maintain and improve our systems. However, none of the systems Aqua has purchased has had a base rate increase in about 10 years.

I hope this information addresses your concerns to your satisfaction. If you have additional questions or comments, please call me or Stacey Barnes at 352.435.4043. Thank you for this opportunity to respond.

Sincerely,

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Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America

DRAFT

August 28, 2008

Mr. Gary McKnight
540 Windermere Drive
Lakeland, FL 33809

Dear Mr. McKnight:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

At the hearing, you asked about the quality of your water. At times, we hear concerns about hardness, calcification (a white residue), manganese (which could leave a purple or black ring in your toilet), and a chlorine taste or smell. Please be assured that water quality is of critical concern to us. Aqua has one of the nation's top water quality laboratories, and we have spent a great deal of time, effort and money to meet state and federal health and environmental standards. In fact, we meet all state and federal standards in your water system. Every year, Aqua tests more than 6,300 water samples throughout Florida. If you have further questions about the water quality in the system where you live, you can visit www.aquaamerica.com and view your annual water quality report, which we publish and distribute before July 1 of every year.

We do realize, however, that meeting health and safety standards does not always provide you with the aesthetic qualities you'd like from your water. Qualities such as taste and smell have a tendency to change based on many different factors, and, as you might imagine, it would be extremely costly for us – and you – to install water filtration at every community well site. But you can rest assured that we test your water to make sure it is safe, and any calls regarding water quality will receive top priority when dispatched.

The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua

Mr. Gary McKnight
August 28, 2008
Page 2

acquired our Florida water systems in 2003 and 2004, we have spent about \$30 million for water and sewer infrastructure improvements statewide. Additionally, operating costs such as gasoline and chemicals have continued to climb. Rate increases provide a way for utilities to recover capital and operating dollars so we can continue to maintain and improve our systems. However, none of the systems Aqua has purchased has had a base rate increase in about 10 years.

I hope this information addresses your concerns to your satisfaction. If you have additional questions or comments, please call me or Stacey Barnes at 352.435.4043. Thank you for this opportunity to respond.

Sincerely,

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Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America



Aqua Utilities Florida, Inc.
P.O. Box 490310
Leesburg, FL 34749

T: 352.787.0980
F: 352.787.6333
www.aquautilitiesflorida.com

August 28, 2008

Mr. Walter Tomczak
33338 Fairway Road
Leesburg, FL 34788

Dear Mr. Tomczak:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

At the hearing, you expressed concern about fluctuations in your monthly water use during the past year. As you know, Aqua field service representatives have visited your home to review your irrigation use and to take daily meter reads to ensure the accuracy of your meter. Although we could not determine any errors in your meter reads or your billing, Aqua has credited your account for \$40.85 as a courtesy. We also reviewed your consumption history, which indicates significant spikes in your water use in June 2007 and June 2008, perhaps due to heavy irrigation.

You also asked about the quality of our meters, which meet industry standards before they leave the manufacturer. Aqua replaces meters due to age every ten years as required by tariff rules.

The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua acquired our Florida water systems in 2003 and 2004, we have spent about \$30 million for water and sewer infrastructure improvements statewide. Additionally, operating costs such as gasoline and chemicals have continued to climb. Rate increases provide a way for utilities to recover capital and operating dollars so we can continue to maintain and improve our systems. However, none of the systems Aqua has purchased has had a base rate increase in about 10 years.

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Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America

An Aqua America Company



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August 28, 2008

Ms. Jean Haggerty
31650 Imperial Drive
Tavares, FL 32778-4709

Dear Ms. Haggerty:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua acquired our Florida water systems in 2003 and 2004, we have spent about \$30 million for water and sewer infrastructure improvements statewide. Additionally, operating costs such as gasoline and chemicals have continued to climb. Rate increases provide a way for utilities to recover capital and operating dollars so we can continue to maintain and improve our systems. However, none of the systems Aqua has purchased has had a base rate increase in about 10 years.

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August 28, 2008

Ms. Madalyn Martin
36604 Skycrest Boulevard
Fruitland Park, FL 34731-5436

Dear Ms. Martin:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

At the hearing, you described your experience with a water leak. Our records do indicate that you reported the leak on June 21, 2007 and that Aqua repaired the leak the next day. Aqua also abated part of your water bill. I apologize that you did not receive a return call from a customer service supervisor when you asked for one.

The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua acquired our Florida water systems in 2003 and 2004, we have spent about \$30 million for water and sewer infrastructure improvements statewide. Additionally, operating costs such as gasoline and chemicals have continued to climb. Rate increases provide a way for utilities to recover capital and operating dollars so we can continue to maintain and improve our systems. However, none of the systems Aqua has purchased has had a base rate increase in about 10 years.

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Chief Operating Officer

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August 28, 2008

Mr. John Barzyk
2510 Loch Ness Court
Leesburg, FL 34788-7690

Dear Mr. Barzyk:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

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Chief Operating Officer

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August 28, 2008

Ms. Theresa Mauriell
9820 Fore Road
Leesburg, FL 34788-3644

Dear Ms. Mauriell:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

At the hearing, you reported that Aqua recently had replaced your water meter several times. Our records show that we replaced your meter in June 2007, which was likely due to a random quality check as part of last year's rate case. In March 2008, Aqua installed a new, radio-frequency meter at your home. The RF device allows all new meters to be accurately read without entering a customer's property.

The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua acquired our Florida water systems in 2003 and 2004, we have spent about \$30 million for water and sewer infrastructure improvements statewide. Additionally, operating costs such as gasoline and chemicals have continued to climb. Rate increases provide a way for utilities to recover capital and operating dollars so we can continue to maintain and improve our systems. However, none of the systems Aqua has purchased has had a base rate increase in about 10 years.

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Jack Lihvarcik
Chief Operating Officer

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August 28, 2008

Mr. James Spiker
34052 Matthews Cove
Leesburg, FL 34788-3697

Dear Mr. Spiker:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

At the hearing, you expressed concern that your water use fluctuates throughout the year. Our customer service department reviewed your account and found that your consumption spikes at times, but your use appears to follow a consistent pattern from year to year. Should you have any questions, please call us at 352.435.4043.

The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua acquired our Florida water systems in 2003 and 2004, we have spent about \$30 million for water and sewer infrastructure improvements statewide. Additionally, operating costs such as gasoline and chemicals have continued to climb. Rate increases provide a way for utilities to recover capital and operating dollars so we can continue to maintain and improve our systems. However, none of the systems Aqua has purchased has had a base rate increase in about 10 years.

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Chief Operating Officer

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August 28, 2008

Ms. Erica Skipper
11440 County Road 675
Webster FL 33597

Dear Ms. Skipper:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

At the hearing, you commented on the quality of your water. Please be assured that water quality is of critical concern to us. This summer, Aqua installed a brand new water treatment plant and new filters in the Woods to address water quality issues in your area. We believe we're on the path toward resolving these issues soon. Aqua has one of the nation's top water quality laboratories, and, every year, we test more than 6,300 water samples throughout Florida. If you have further questions about the water quality in the system where you live, you can visit www.aquaamerica.com and view your annual water quality report, which we publish and distribute before July 1 of every year.

You also expressed concern about Aqua's gasoline use during this period of higher gas prices. In fact, because of our cost-conscious management, the total number of miles driven by Aqua employees IN FLORIDA this year is lower than the comparable period in 2007. You also asked how Aqua determined the amount of your refund for interim rates last year; we calculated your refund based on the difference between your old and new (interim) rates and added interest.

The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua acquired our Florida water systems in 2003 and 2004, we have spent about \$30 million for water and sewer infrastructure improvements statewide. Additionally, operating costs such as gasoline and chemicals have continued to climb. Rate increases provide a way for utilities to recover capital and operating dollars so we can continue to maintain and improve our systems. However, none of the systems Aqua has purchased has had a base rate increase in about 10 years.

Ms. Erica Skipper
August 28, 2008
Page 2

I hope this information addresses your concerns to your satisfaction. If you have additional questions or comments, please call me or Stacey Barnes at 352.435.4043. Thank you for this opportunity to respond.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Lihvarcik". The signature is fluid and cursive, with the first name being the most prominent.

Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America



August 28, 2008

Aqua Utilities Florida, Inc.
P.O. Box 490310
Leesburg, FL 34749

T: 352.787.0980
F: 352.787.6333
www.aquautilitiesflorida.com

Ms. Gigi Iman
11448 County Road 675 W
Webster, FL 33597

Dear Ms. Iman:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

At the hearing, you commented on the quality of your water. Please be assured that water quality is of critical concern to us. This summer, Aqua installed a brand new water treatment plant and new filters in the Woods to address water quality issues in your area. We believe we're on the path toward resolving these issues soon. Aqua has one of the nation's top water quality laboratories, and, every year, we test more than 6,300 water samples throughout Florida. If you have further questions about the water quality in the system where you live, you can visit www.aquaamerica.com and view your annual water quality report, which we publish and distribute before July 1 of every year.

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I hope this information addresses your concerns to your satisfaction. If you have additional questions or comments, please call me or Stacey Barnes at 352.435.4043. Thank you for this opportunity to respond.

Sincerely,

A handwritten signature in black ink, appearing to read "Jack Lihvarcik". The signature is fluid and cursive, written over a white background.

Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America

An Aqua America Company



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Leesburg, FL 34749

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www.aquautilitiesflorida.com

August 28, 2008

Ms. Kathy Bowden
30150 Sand Bunker Lane
Sorrento, FL 32776

Dear Ms. Bowden:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

As you learned at the hearing, your system - the Fairways - is not included in Aqua's pending rate request. I apologize for the misinformation you received when you called to confirm this matter.

You also expressed some concern that Aqua had placed a boil water notice in your mailbox, and we have instructed our employees to place these types of notices on your door in the future. I also apologize that our customer representative did not adequately respond to your questions about the notice when you called Aqua. Certain water quality incidents require customer notification, and Florida regulations require Aqua to notify customers through the local media within 24 hours when customers must boil their water as a precaution before consuming it. We distributed a notice at your home as an additional effort, beyond what we are required to do, to inform you and your neighbors. Aqua is also currently testing a new system that would enable us to notify customers by phone. This system could be operational within the next year.

I was glad to hear you say that you usually find our customer call center helpful and that you enjoyed our Aqua Connects town hall meeting.

The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua acquired our Florida water systems in 2003 and 2004, we have spent about \$30 million for water and sewer infrastructure improvements statewide. Additionally, operating costs such as gasoline and chemicals have continued to climb. Rate increases provide a way for utilities to recover capital and operating dollars so we can continue to maintain and improve our systems. However, none of the systems Aqua has purchased has had a base rate increase in about 10 years.

Ms. Kathy Bowden
August 28, 2008
Page 2

I hope this information addresses your concerns to your satisfaction. If you have additional questions or comments, please call me or Stacey Barnes at 352.435.4043. Thank you for this opportunity to respond.

Sincerely,

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Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America



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Leesburg, FL 34749

T: 352.787.0980
F: 352.787.6333
www.aquautilitiesflorida.com

August 28, 2008

Mr. Don Martin
31629 New India Avenue
Taveres, FL 32778

Dear Mr. Martin:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua acquired our Florida water systems in 2003 and 2004, we have spent about \$30 million for water and sewer infrastructure improvements statewide. Additionally, operating costs such as gasoline and chemicals have continued to climb. Rate increases provide a way for utilities to recover capital and operating dollars so we can continue to maintain and improve our systems. However, none of the systems Aqua has purchased has had a base rate increase in about 10 years.

At the hearing, you commented on Aqua's employment of Troy Rendell, who previously had worked with the Florida Public Service Commission. Aqua hired Mr. Rendell for his extensive expertise and impeccable ethics - all of which will help us better meet the high standards set forth by the commission.

I hope this information addresses your concerns to your satisfaction. If you have additional questions or comments, please call me or Stacey Barnes at 352.435.4043. Thank you for this opportunity to respond.

Sincerely,

A handwritten signature in black ink, appearing to read "Jack Lihvarcik".

Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America

An Aqua America Company



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Leesburg, FL 34749

T: 352.787.0980
F: 352.787.6333
www.aquautilitiesflorida.com

August 29, 2008

Mr. Robert Murray
504 Yellow Tail Place
Chuluota, FL 32766

Dear Mr. Murray:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

At the hearing, you expressed concern about your bill being too high. Aqua has determined that your service had been set up incorrectly for a two-inch meter instead of a 5/8-inch meter. We corrected this error, cancelled your previous bills and re-billed your account based on the correct meter size. I apologize for this error. I am also sorry that you did not receive a return call from a supervisor as you requested.

The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua acquired our Florida water systems in 2003 and 2004, we have spent about \$30 million for water and sewer infrastructure improvements statewide. Additionally, operating costs such as gasoline and chemicals have continued to climb. Rate increases provide a way for utilities to recover capital and operating dollars so we can continue to maintain and improve our systems. However, none of the systems Aqua has purchased have had base rate increases in about 10 years.

Again, thank you for attending the Oviedo customer service hearing last month. If you have additional questions or comments, please call me or Stacey Barnes at 352.435.4043.

Sincerely,

A handwritten signature in black ink, appearing to read "Jack Lihvarcik".

Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America



Aqua Utilities Florida, Inc.
P.O. Box 490310
Leesburg, FL 34749

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F: 352.787.6333
www.aquautilitiesflorida.com

August 29, 2008

Ms. Marlene Haas
200 West Third Street
Oviedo, FL 32766

Dear Ms. Haas:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

I would like to assure you that Aqua's water quality experts, Florida management team, engineers and consultants are dedicated to solving the water quality challenges that you are experiencing in Chuluota. Many of these challenges result from the general quality of water that we pull from the wells in your area, and several long-term residents have testified that the community has struggled with water quality for as long as 30 years. Regardless, Aqua understands that Chuluota's water challenges are ours to resolve.

Earlier this year, the new treatment process at our Chuluota water treatment plant produced the first sample meeting the federal MCL (maximum contaminant level) of less than 80 parts per million for total trihalomethanes (TTHMs). We must produce an average of four consecutive quarters of samples under the MCL in order to regain environmental compliance with EPA standards, and we believe we're on our way. We are also investigating the construction of a pipeline from Oviedo that could supply water from their new \$16 million water treatment plant. We will continue to update you on our progress.

At the hearing, you also reported low water pressure at your home. An Aqua field technician visited your home in the spring to investigate the cause of this problem, and he determined that your water filter was clogged. He purchased and replaced the filter to solve the problem.

The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua acquired our Florida water systems in 2003 and 2004, we have spent about \$30 million for water and sewer infrastructure improvements statewide. Additionally, operating costs such as gasoline and

Ms. Marlene Haas
August 29, 2008
Page 2

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Please call me or Stacey Barnes at 352.435.4043 if you have additional questions or would like more information. Thank you for this opportunity to respond to your concerns.

Sincerely,

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Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America



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F: 352.787.6333
www.aquautilitiesflorida.com

August 29, 2008

Ms. Susan Mortenson
430 East Fifth Street
Chuluota, FL 32766

Dear Ms. Mortenson:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

At the hearing, you expressed your concern at Aqua's recent inadvertent shut-off of your water service. I understand your frustration, and I apologize for our error and for our delay in restoring service. Aqua constantly strives to improve our call center operations. Our head of training has attended many of the hearings and is using what she learned to further instruct our customer service representatives.

I would like to assure you that Aqua's water quality experts, Florida management team, engineers and consultants are dedicated to solving the water quality challenges that you are experiencing in Chuluota. Many of these challenges result from the general quality of water that we pull from the wells in your area, and several long-term residents have testified that the community has struggled with water quality for as long as 30 years. Regardless, Aqua understands that your water challenges are ours to resolve.

Earlier this year, the new treatment process at our Chuluota water treatment plant produced the first sample meeting the federal MCL (maximum contaminant level) of less than 80 parts per million for total trihalomethanes (TTHMs). We must produce an average of four consecutive quarters of samples under the MCL in order to regain environmental compliance with EPA standards, and we believe we're on our way. We are also investigating the construction of a pipeline from Oviedo that could supply water from their new \$16 million water treatment plant. We will continue to update you on our progress.

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Ms. Susan Mortenson
August 29, 2008
Page 2

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Please call me or Stacey Barnes at 352.435.4043 if you have additional questions or would like more information. Thank you for this opportunity to respond to your concerns.

Sincerely,



Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America



August 29, 2008

Aqua Utilities Florida, Inc.
P.O. Box 490310
Leesburg, FL 34749

T: 352.787.0980
F: 352.787.6333
www.aquautilitiesflorida.com

Mrs. Diane Twiford
334 Velveteen Place
Oviedo, FL 32766

Dear Mrs. Twiford:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

I would like to assure you that Aqua's water quality experts, Florida management team, engineers and consultants are dedicated to solving the water quality challenges that you are experiencing in Chuluota. Many of these challenges result from the general quality of water that we pull from the wells in your area, and several long-term residents have testified that the community has struggled with water quality for as long as 30 years. Regardless, Aqua understands that Chuluota's water challenges are ours to resolve.

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Please call me or Stacey Barnes at 352.435.4043 if you have additional questions or would like more information. Thank you for this opportunity to respond to your concerns.

Sincerely,

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Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America



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P.O. Box 490310
Leesburg, FL 34749

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F: 352.787.6333
www.aquautilitiesflorida.com

August 29, 2008

Mr. and Mrs. Evan Evans
319 Velveteen Place
Oviedo, FL 32766

Dear Mr. and Mrs. Evans:

Thank you for attending the Oviedo customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. Although our records indicate that you are no longer a customer of Aqua, we appreciate the time you took to share your views.

I would like to assure you that Aqua's water quality experts, Florida management team, engineers and consultants are dedicated to solving the water quality challenges that you are experiencing in Chuluota. Many of these challenges result from the general quality of water that we pull from the wells in your area, and several long-term residents have testified that the community has struggled with water quality for as long as 30 years. Regardless, Aqua understands that Chuluota's water challenges are ours to resolve.

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Mr. and Mrs. Evan Evans
August 29, 2008
Page 2

Please call me or Stacey Barnes at 352.435.4043 if you have additional questions or would like more information. Thank you for this opportunity to respond to your concerns.

Sincerely,

A handwritten signature in black ink, appearing to read "Jack Lihvarcik". The signature is stylized with a large initial "J" and a long, sweeping underline.

Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America



Aqua Utilities Florida, Inc.
P.O. Box 490310
Leesburg, FL 34749

T: 352.787.0980
F: 352.787.6333
www.aquautilitiesflorida.com

August 29, 2008

Ms. Hope Witt
240 East Sixth Street
Chuluota, FL 32766

Dear Ms. Witt:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

I would like to assure you that Aqua's water quality experts, Florida management team, engineers and consultants are dedicated to solving the water quality challenges that you are experiencing in Chuluota. Many of these challenges result from the general quality of water that we pull from the wells in your area, and several long-term residents have testified that the community has struggled with water quality for as long as 30 years. Regardless, Aqua understands that Chuluota's water challenges are ours to resolve.

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Please call me or Stacey Barnes at 352.435.4043 if you have additional questions or would like more information. Thank you for this opportunity to respond to your concerns.

Sincerely,

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Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America



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F: 352.787.6333
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August 29, 2008

Ms. Melissa Davis
286 Velveteen Place
Oviedo, FL 32766

Dear Ms. Davis:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

I would like to assure you that Aqua's water quality experts, Florida management team, engineers and consultants are dedicated to solving the water quality challenges that you are experiencing in Chuluota. Many of these challenges result from the general quality of water that we pull from the wells in your area, and several long-term residents have testified that the community has struggled with water quality for as long as 30 years. Regardless, Aqua understands that Chuluota's water challenges are ours to resolve.

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Ms. Melissa Davis
August 29, 2008
Page 2

Please call me or Stacey Barnes at 352.435.4043 if you have additional questions or would like more information. Thank you for this opportunity to respond to your concerns.

Sincerely,

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Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America



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August 29, 2008

Ms. Rita Fuston
400 East Fourth Street
Chuluota, FL 32766

Dear Ms. Fuston:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

First, please accept my apologies that you received a letter recently about billing for sewer service. When your development was built, some customers were connected to the public sewer system within the same neighborhood as those on septic systems. Our letter was an effort to update our records and activate billing for all of our sewer customers.

I would like to assure you that Aqua's water quality experts, Florida management team, engineers and consultants are dedicated to solving the water quality challenges that you are experiencing in Chuluota. Many of these challenges result from the general quality of water that we pull from the wells in your area, and several long-term residents have testified that the community has struggled with water quality for as long as 30 years. Regardless, Aqua understands that Chuluota's water challenges are ours to resolve.

Earlier this year, the new treatment process at our Chuluota water treatment plant produced the first sample meeting the federal MCL (maximum contaminant level) of less than 80 parts per million for total trihalomethanes (TTHMs). We must produce an average of four consecutive quarters of samples under the MCL in order to regain environmental compliance with EPA standards, and we believe we're on our way. We are also investigating the construction of a pipeline from Oviedo that could supply water from their new \$16 million water treatment plant. We will continue to update you on our progress.

The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua acquired our Florida water systems in 2003 and 2004, we have spent about \$30 million for water and

Ms. Rita Fuston
August 29, 2008
Page 2

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Please call me or Stacey Barnes at 352.435.4043 if you have additional questions or would like more information. Thank you for this opportunity to respond to your concerns.

Sincerely,



Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America



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P.O. Box 490310
Leesburg, FL 34749

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F: 352.787.6333
www.aquautilitiesflorida.com

August 29, 2008

Mrs. Barbara Barretta
336 Osprey Lakes Circle
Chuluota, FL 32766

Dear Mrs. Barretta:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

At the hearing, you expressed concern about your monthly bills, and our customer service department has reviewed your account. Although we did not determine any discrepancies in your billing, we have abated your account by \$222.

I would like to assure you that Aqua's water quality experts, Florida management team, engineers and consultants are dedicated to solving the water quality challenges that you are experiencing in Chuluota. Many of these challenges result from the general quality of water that we pull from the wells in your area, and several long-term residents have testified that the community has struggled with water quality for as long as 30 years. Regardless, Aqua understands that Chuluota's water challenges are ours to resolve.

Earlier this year, the new treatment process at our Chuluota water treatment plant produced the first sample meeting the federal MCL (maximum contaminant level) of less than 80 parts per million for total trihalomethanes (TTHMs). We must produce an average of four consecutive quarters of samples under the MCL in order to regain environmental compliance with EPA standards, and we believe we're on our way. We are also investigating the construction of a pipeline from Oviedo that could supply water from their new \$16 million water treatment plant. We will continue to update you on our progress.

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Mrs. Barbara Barretta
August 29, 2008
Page 2

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Please call me or Stacey Barnes at 352.435.4043 if you have additional questions or would like more information. Thank you for this opportunity to respond to your concerns.

Sincerely,

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Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America



August 29, 2008

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P.O. Box 490310
Leesburg, FL 34749

T: 352.787.0980
F: 352.787.6333
www.aquautilitiesflorida.com

Ms. Barbara Locke
51 East Second Street
Chuluota, FL 32766

Dear Ms. Locke:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

I would like to assure you that Aqua's water quality experts, Florida management team, engineers and consultants are dedicated to solving the water quality challenges that you are experiencing in Chuluota. Many of these challenges result from the general quality of water that we pull from the wells in your area, and several long-term residents have testified that the community has struggled with water quality for as long as 30 years. Regardless, Aqua understands that Chuluota's water challenges are ours to resolve.

Earlier this year, the new treatment process at our Chuluota water treatment plant produced the first sample meeting the federal MCL (maximum contaminant level) of less than 80 parts per million for total trihalomethanes (TTHMs). We must produce an average of four consecutive quarters of samples under the MCL in order to regain environmental compliance with EPA standards, and we believe we're on our way. We are also investigating the construction of a pipeline from Oviedo that could supply water from their new \$16 million water treatment plant. We will continue to update you on our progress.

The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua acquired our Florida water systems in 2003 and 2004, we have spent about \$30 million for water and sewer infrastructure improvements statewide. Additionally, operating costs such as gasoline and chemicals have continued to climb. Rate increases provide a way for utilities to recover capital and operating dollars so we can continue to maintain and improve our systems. However, none of the systems Aqua has purchased have had base rate increases in about 10 years.

Please call me or Stacey Barnes at 352.435.4043 if you have additional questions or would like more information. Thank you for this opportunity to respond to your concerns.

Sincerely,

A handwritten signature in black ink, appearing to read "Jack Lihvarcik".

Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America

An Aqua America Company



Aqua Utilities Florida, Inc.
P.O. Box 490310
Leesburg, FL 34749

T: 352.787.0980
F: 352.787.6333
www.aquautilitiesflorida.com

August 29, 2008

Ms. Deborah Schafer
1740 Brumley Road
Chuluota, FL 32766

Dear Ms. Schafer:

Thank you for attending the Oviedo customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. Although our records indicate that you are not an Aqua customer, we appreciate the time you took to share your views.

I would like to assure you that Aqua's water quality experts, Florida management team, engineers and consultants are dedicated to solving the water quality challenges in Chuluota. Many of these challenges result from the general quality of water that we pull from the wells in your area, and several long-term residents have testified that the community has struggled with water quality for as long as 30 years. Regardless, Aqua understands that Chuluota's water challenges are ours to resolve.

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Please call me at 352.435.4043 if you have additional questions or would like more information.

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Jack Lihvarcik
Chief Operating Officer

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August 29, 2008

Mr. Ron Santomauro
492 Osprey Lakes Circle
Chuluota, FL 32766

Dear Mr. Santomauro:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua.

I would like to assure you that Aqua's water quality experts, Florida management team, engineers and consultants are dedicated to solving the water quality challenges that you are experiencing in Chuluota. Many of these challenges result from the general quality of water that we pull from the wells in your area, and several long-term residents have testified that the community has struggled with water quality for as long as 30 years. Regardless, Aqua understands that Chuluota's water challenges are ours to resolve.

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At the hearing, you asked what Chris Franklin, Aqua's regional president, meant by the "purchase of Chuluota's water system at a fair price". That means that Aqua did not pay a premium for the system. We paid for the system's assets based on their original cost at the time they were built, with an allowance for depreciation over time.

The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua acquired our Florida water systems in 2003 and 2004, we have spent about \$30 million for water and sewer infrastructure improvements statewide. Additionally, operating costs such as gasoline and chemicals have continued to climb. Rate increases provide a way for utilities to recover capital

Mr. Ron Santomauro
August 29, 2008
Page 2

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August 29, 2008

Mr. Cowboy Witman
141 E. 2nd Street
Chuluota, FL 32766

Dear Mr. Witman:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

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Chief Operating Officer

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August 29, 2008

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Mr. Simeon Ungaro
559 Granite Circle
Chuluota, FL 32766

Dear Mr. Ungaro:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

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Chief Operating Officer

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August 29, 2008

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Ms. Michelle Humphrey
141 West Fourth Street
Chuluota, FL 32766

Dear Ms. Humphrey:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

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Chief Operating Officer

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August 29, 2008

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Mr. Matthew Malaspina
169 Osprey Lake Circle
Chuluota, FL 32766

Dear Mr. Malaspina:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

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Chief Operating Officer

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AQUA

August 29, 2008

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Ms. Maria Chiles
203 Velveteen Place
Chuluota, FL 32766

Dear Ms. Chiles:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

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Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America



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August 29, 2008

Ms. Deborah Herod
501 East Third Street
Chuluota, FL 32766

Dear Ms. Herod:

Thank you for attending the Oviedo customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua.

I would like to assure you that Aqua's water quality experts, Florida management team, engineers and consultants are dedicated to solving the water quality challenges that you are experiencing in Chuluota. Many of these challenges result from the general quality of water that we pull from the wells in your area, and several long-term residents have testified that the community has struggled with water quality for as long as 30 years. Regardless, Aqua understands that Chuluota's water challenges are ours to resolve.

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At the hearing, you testified about your billing concerns. Our customer service department has reviewed your account, which shows that Aqua replaced your meter in March 2008, but we did not update our database properly at the time. Your new meter number did not match the number in our billing system, and that's why you received estimated bills. Aqua resolved this issue in July 2008, cancelled your previously estimated bills, and re-billed your account based on your new meter reads. I apologize for our error and for the length of time before we fixed the problem.

The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua acquired our Florida water systems in 2003 and 2004, we have spent about \$30 million for water and sewer infrastructure improvements statewide. Additionally, operating costs such as gasoline and chemicals have continued to climb. Rate increases provide a way for utilities to recover capital

Ms. Deborah Herod
August 29, 2008
Page 2

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Please call me or Stacey Barnes at 352.435.4043 if you have additional questions or would like more information. Thank you for this opportunity to respond to your concerns.

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Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America



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August 29, 2008

Ms. Starlene Burns
605 Osprey Lake Circle
Chuluota, FL 32766

Dear Ms. Burns:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

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You also expressed your concern about receiving a shutoff notice from Aqua despite arrangements you had made with a customer service representative. It is Aqua's policy to issue such notices when an account with a high balance is past due, and the notice that you received was mailed prior to your conversation with customer service. We apologize for any inconvenience caused to you as a result of that experience.

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Ms. Starlene Burns
August 29, 2008
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Jack Lihvarcik
Chief Operating Officer

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August 29, 2008

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Mr. Robert Nicola
168 Osprey Lake Circle
Chuluota, FL 32766

Dear Mr. Nicola:

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Jack Lihvarcik
Chief Operating Officer

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August 29, 2008

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Ms. Heidi Van Wagnen
351 East 4th Street
Chuluota, FL 32766

Dear Ms. Van Wagnen:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua.

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August 29, 2008

Mr. Michael Tingle
390 Medallion Place
Chuluota, FL 32766

Dear Mr. Tingle:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

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Mr. Michael Tingle
August 29, 2008
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August 29, 2008

Mr. and Mrs. Scott Herrick
287 Knot Hole Circle
Chuluota, FL 32766

Dear Mr. and Mrs. Herrick:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

At the hearing, you described your billing history and expressed concern that your bills might be incorrect. Our customer service department has reviewed your records and credited your account in the amount of \$490.43.

I would like to assure you that Aqua's water quality experts, Florida management team, engineers and consultants are dedicated to solving the water quality challenges that you are experiencing in Chuluota. Many of these challenges result from the general quality of water that we pull from the wells in your area, and several long-term residents have testified that the community has struggled with water quality for as long as 30 years. Regardless, Aqua understands that Chuluota's water challenges are ours to resolve.

Earlier this year, the new treatment process at our Chuluota water treatment plant produced the first sample meeting the federal MCL (maximum contaminant level) of less than 80 parts per million for total trihalomethanes (TTHMs). We must produce an average of four consecutive quarters of samples under the MCL in order to regain environmental compliance with EPA standards, and we believe we're on our way. We are also investigating the construction of a pipeline from Oviedo that could supply water from their new \$16 million water treatment plant. We will continue to update you on our progress.

The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua acquired our Florida water systems in 2003 and 2004, we have spent about \$30 million for water and sewer infrastructure improvements statewide. Additionally, operating costs such as gasoline and chemicals have continued to climb. Rate increases provide a way for utilities to recover capital

Mr. and Mrs. Scott Herrick
August 29, 2008
Page 2

and operating dollars so we can continue to maintain and improve our systems. However, none of the systems Aqua has purchased have had base rate increases in about 10 years.

Please call me or Stacey Barnes at 352.435.4043 if you have additional questions or would like more information. Thank you for this opportunity to respond to your concerns.

Sincerely,

A handwritten signature in black ink, appearing to read "Jack Lihvarcik". The signature is written in a cursive style with a large initial "J".

Jack Lihvarcik
Chief Operating Officer

c Christopher H. Franklin, Aqua America



Aqua Utilities Florida, Inc.
P.O. Box 490310
Leesburg, FL 34749

T: 352.787.0980
F: 352.787.6333
www.aquautilitiesflorida.com

August 29, 2008

Ms. Kristan Priske
278 Knot Hole Circle
Chuluota, FL 32766

Dear Ms. Priske:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

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At the hearing, you testified about your billing concerns. Our customer service department has reviewed your account, which shows that Aqua replaced your meter in September 2007, but we did not update our database properly at the time. Your new meter number did not match the number in our billing system, and that's why you received estimated bills. Aqua resolved this issue in February 2008, cancelled your previously estimated bills, and re-billed your account based on your new meter reads. I apologize for our error and for the length of time before we fixed the problem.

The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua acquired

Ms. Kristan Priske
August 29, 2008
Page 2

Florida water systems in 2003 and 2004, we have spent about \$30 million for water and sewer infrastructure improvements statewide. Additionally, operating costs such as gasoline and chemicals have continued to climb. Rate increases provide a way for utilities to recover capital and operating dollars so we can continue to maintain and improve our systems. However, none of the systems Aqua has purchased have had base rate increases in about 10 years.

Please call me or Stacey Barnes at 352.435.4043 if you have additional questions or would like more information. Thank you for this opportunity to respond to your concerns.

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Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America



August 29, 2008

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Leesburg, FL 34749

T: 352.787.0980
F: 352.787.6333
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Ms. Diane Nease
664 Red Pepper Loop
Oviedo, FL 32766

Dear Ms. Nease:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

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Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America

DRAFT

August 29, 2008

Ms. Kristie Toruno
412 Empress Lane
Chuluota FL 32766

Dear Ms. Toruno:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

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Jack Lihvarcik
Chief Operating Officer

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August 29, 2008

Ms. Shannon Armstrong
614 White Crane Court
Chuluota, FL 32766

Dear Ms. Armstrong:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

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Chief Operating Officer

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August 29, 2008

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Ms. Laura Perry
657 Red Pepper Loop
Oviedo, FL 32766

Dear Ms. Perry:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

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Jack Lihvarcik
Chief Operating Officer

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AQUA.

August 29, 2008

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Mr. Dan Diehl
272 Organza Place
Chuluota, FL 32766

Dear Mr. Diehl:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

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Chief Operating Officer

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August 29, 2008

Ms. Michelle Arellano
175 Osprey Lakes Circle
Chuluota, FL 32766

Dear Ms. Arellano:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

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Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America

An Aqua America Company



August 29, 2008

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www.aquautilitiesflorida.com

Ms. Virginia Adkins
559 Nutmeg Court
Oviedo, FL 32766

Dear Ms. Adkins:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

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Chief Operating Officer

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August 29, 2008

Ms. Carolyn Bennett
141 Third Court
Chuluota, FL 32766

Dear Ms. Bennett:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

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Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America



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August 29, 2008

Ms. Carolyn Hoffman
474 Osprey Lakes Circle
Oviedo, FL 32766

Dear Ms. Hoffman:

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Jack Lihvarcik
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August 29, 2008

Ms. Angelica Harris
507 Granite Circle
Chuluota, FL 32766

Dear Ms. Harris:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

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At the hearing, you expressed concern that your monthly water bills might be incorrect. Our customer service department reviewed your consumption history, and your usage spiked in May 2008. Overall, your water use appears to be consistent; however, Aqua credited your account in the amount of \$282.

The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua acquired our Florida water systems in 2003 and 2004, we have spent about \$30 million for water and sewer infrastructure improvements statewide. Additionally, operating costs such as gasoline and chemicals have continued to climb. Rate increases provide a way for utilities to recover capital

Ms. Angelica Harris
August 29, 2008
Page 2

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Sincerely,



Jack Lihvarcik
Chief Operating Officer

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August 29, 2008

Mr. Ron McKay
624 Red Pepper Loop
Oviedo, FL 32766

Dear Mr. McKay:

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At the hearing, you commented on Aqua's employment of Troy Rendell, who previously had worked with the Florida Public Service Commission. Aqua hired Mr. Rendell for his extensive expertise and impeccable ethics all of which will help us better meet the high standards set forth by the commission.

The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua acquired our Florida water systems in 2003 and 2004, we have spent about \$30 million for water and

Mr. Ron McKay
August 29, 2008
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Leesburg, FL 34749

T: 352.787.0980
F: 352.787.6333
www.aquautilitiesflorida.com

August 29, 2008

Ms. Darly Rodriguez
475 Granite Circle
Chuluota, FL 32766

Dear Ms. Rodriguez:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

At the hearing, you expressed concern about your recent water bills. Our customer service department and our field technicians have reviewed your account and confirmed that your meters are working accurately and that your bills are correct. Please call Stacey Barnes at 352.435.4043 if you would like to discuss your account in more detail.

I would also like to assure you that Aqua's water quality experts, Florida management team, engineers and consultants are dedicated to solving the water quality challenges that you are experiencing in Chuluota. Many of these challenges result from the general quality of water that we pull from the wells in your area, and several long-term residents have testified that the community has struggled with water quality for as long as 30 years. Regardless, Aqua understands that Chuluota's water challenges are ours to resolve.

Earlier this year, the new treatment process at our Chuluota water treatment plant produced the first sample meeting the federal MCL (maximum contaminant level) of less than 80 parts per million for total trihalomethanes (TTHMs). We must produce an average of four consecutive quarters of samples under the MCL in order to regain environmental compliance with EPA standards, and we believe we're on our way. We are also investigating the construction of a pipeline from Oviedo that could supply water from their new \$16 million water treatment plant. We will continue to update you on our progress.

The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua acquired our Florida water systems in 2003 and 2004, we have spent about \$30 million for water and sewer infrastructure improvements statewide. Additionally, operating costs such as gasoline and chemicals have continued to climb. Rate increases provide a way for utilities to recover capital

Ms. Darly Rodriguez
August 29, 2008
Page 2

and operating dollars so we can continue to maintain and improve our systems. However, none of the systems Aqua has purchased have had base rate increases in about 10 years.

Please call me or Stacey Barnes at 352.435.4043 if you have additional questions or would like more information. Thank you for this opportunity to respond to your concerns.

Sincerely,

A handwritten signature in black ink, appearing to read "Jack Lihvarcik". The signature is stylized and cursive.

Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America



Aqua Utilities Florida, Inc.
P.O. Box 490310
Leesburg, FL 34749

T: 352.787.0980
F: 352.787.6333
www.aquautilitiesflorida.com

August 29, 2008

Mr. Robert Duerbeck
1754 Salem Drive
Chipley, FL 32428

Dear Mr. Duerbeck:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

In your testimony, you expressed concern about the inconvenience of the date and time of your customer service hearing. Please know that the Commission establishes the date, time and location of the hearings, and Aqua's responsibility is to notify our customers.

You also asked about the cost of your water service, even when your consumption is low. The water and lines that bring water to your home must be continually maintained to ensure they function properly every day. The same is true concerning the wastewater lines that carry sewage from your home. All utilities face fixed costs to maintain water and wastewater treatment plants, as well as these lines, to ensure service is available whenever you turn on a faucet or flush a toilet. While you may not require service every day of the year, service must be available at your demand. Most utilities — whether water, electric, or natural gas — operate the same way: A bill will be issued to the customer for a base charge that represents the costs necessary to maintain the system and meet its obligation to provide service whenever the customer requires it.

Currently, there is one predominant type of rate structure the Public Service Commission approves for water and wastewater utilities. Pursuant to the Rule 25-30.437(6), Florida Administrative Code, utilities are required to use the base facility and usage charge rate structure, unless an alternative rate structure is adequately supported. The base facility charge incorporates fixed expenses of the utility and is a flat monthly charge. This charge is applicable as long as a person is a customer of the utility, regardless of whether there is any usage. The usage charge incorporates variable expenses and is billed on a per 1,000 gallon or 100-cubic-foot basis in addition to the base facility charge.

Mr. Robert Duerbeck
August 29, 2008
Page 2

This rate structure is the preferred structure for a number of reasons. The base facility charge is based upon the concept of readiness to serve all customers connected to the system. This type of structure allows each customer to pay his or her fair share of the costs, regardless of whether the customer receives residential, commercial, or other type of service. Also, customers that have high consumption levels have higher bills than those with low consumption levels. By using the base facility charge rate structure, a utility recovers its fixed costs through the base charge and its variable costs through the gallonage charge. The base facility charge is applicable to all customers each month, and the gallonage charge is based on each customer's actual consumption during the month.

The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua acquired our Florida water systems in 2003 and 2004, we have spent about \$30 million for water and sewer infrastructure improvements statewide. Additionally, operating costs such as gasoline and chemicals have continued to climb. Rate increases provide a way for utilities to recover capital and operating dollars so we can continue to maintain and improve our systems. However, none of the systems Aqua has purchased has had a base rate increase in about 10 years.

I hope this information addresses your concerns to your satisfaction. If you have additional questions or comments, please call me or Stacey Barnes at 352.435.4043. Thank you for this opportunity to respond.

Sincerely,



Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America



August 29, 2008

Aqua Utilities Florida, Inc.
P.O. Box 490310
Leesburg, FL 34749

T: 352.787.0980
F: 352.787.6333
www.aquautilitiesflorida.com

Ms. Lynzee Richards
4091 Waycross Place
Chipley, FL 32428

Dear Ms. Richards:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

At the hearing, you expressed concern over your experience with Aqua's customer service center. On behalf of Aqua, I apologize if any requests you made were not handled properly. In the past year, Aqua has worked to enhance customer communications; one of our new initiatives, "Aqua Connects", is a series of town hall meetings where customers and Aqua can talk face to face about a range of issues.

You also expressed concern over your billing error earlier this year. We determined that an inaccurate reading of your meter produced your higher-than-usual bill. We have resolved the problem and apologize for any inconvenience this may have caused you.

The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua acquired our Florida water systems in 2003 and 2004, we have spent about \$30 million for water and sewer infrastructure improvements statewide. Additionally, operating costs such as gasoline and chemicals have continued to climb. Rate increases provide a way for utilities to recover capital and operating dollars so we can continue to maintain and improve our systems. However, none of the systems Aqua has purchased has had a base rate increase in about 10 years.

I hope this information addresses your concerns to your satisfaction. If you have additional questions or comments, please call me or Stacey Barnes at 352.435.4043. Thank you for this opportunity to respond.

Sincerely,

A handwritten signature in black ink, appearing to read "Jack Lihvarcik". The signature is written in a cursive, flowing style.

Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America

An Aqua America Company



Aqua Utilities Florida, Inc.
P.O. Box 490310
Leesburg, FL 34749

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F: 352.787.6333
www.aquautilitiesflorida.com

August 29, 2008

Mr. Lou Tracy
3889 Belmar Place
Chipley, FL 32428

Dear Mr. Tracy:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

In your testimony, you expressed concern about the inconvenience of the date and time of your customer service hearing. Please know that the Commission establishes the date, time and location of the hearings, and Aqua's responsibility is to notify our customers.

You also asked about the quality of your water. At times, we hear concerns about hardness, calcification (a white residue), manganese (which could leave a purple or black ring in your toilet), and a chlorine taste or smell. Please be assured that water quality is of critical concern to us. Aqua has one of the nation's top water quality laboratories, and we have spent a great deal of time, effort and money to meet state and federal health and environmental standards. In fact, we meet all state and federal standards in your water system. Every year, Aqua tests more than 6,300 water samples throughout Florida. If you have further questions about the water quality in the system where you live, you can visit www.aquaamerica.com and view your annual water quality report, which we publish and distribute before July 1 of every year.

We do realize, however, that meeting health and safety standards does not always provide you with the aesthetic qualities you'd like from your water. Qualities such as taste and smell have a tendency to change based on many different factors, and, as you might imagine, it would be extremely costly for us – and you – to install water filtration at every community well site. But you can rest assured that we test your water to make sure it is safe, and any calls regarding water quality will receive top priority when dispatched.

Mr. Lou Tracy
August 29, 2009
Page 2

The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua acquired our Florida water systems in 2003 and 2004, we have spent about \$30 million for water and sewer infrastructure improvements statewide. Additionally, operating costs such as gasoline and chemicals have continued to climb. Rate increases provide a way for utilities to recover capital and operating dollars so we can continue to maintain and improve our systems. However, none of the systems Aqua has purchased has had a base rate increase in about 10 years.

I hope this information addresses your concerns to your satisfaction. If you have additional questions or comments, please call me or Stacey Barnes at 352.435.4043. Thank you for this opportunity to respond.

Sincerely,



Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America



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Leesburg, FL 34749

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F: 352.787.6333
www.aquautilitiesflorida.com

August 29, 2008

Ms. Diane Vitale
1685 Ross Court
Chipley, FL 32428

Dear Ms. Vitale:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua acquired our Florida water systems in 2003 and 2004, we have spent about \$30 million for water and sewer infrastructure improvements statewide. Additionally, operating costs such as gasoline and chemicals have continued to climb. Rate increases provide a way for utilities to recover capital and operating dollars so we can continue to maintain and improve our systems. However, none of the systems Aqua has purchased has had a base rate increase in about 10 years.

I hope this information addresses your concerns to your satisfaction. If you have additional questions or comments, please call me or Stacey Barnes at 352.435.4043. Thank you for this opportunity to respond.

Sincerely,

A handwritten signature in black ink, appearing to read "Jack Lihvarcik", written in a cursive style.

Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America



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P.O. Box 490310
Leesburg, FL 34749

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F: 352.787.6333
www.aquautilitiesflorida.com

August 29, 2008

Ms. Diana Wood
2134 Sunny Hills Boulevard
Chipley, FL 32428

Dear Ms. Wood:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

At the hearing, you asked about fire protection in your area. Please rest assured that Aqua meets all fire code requirements in your area, and the safety of our customers will always be a top priority.

At the hearing, you also expressed concern over your February 2008 water bill. We determined that an inaccurate reading of your meter produced your higher-than-usual bill. As you know, Aqua credited your account to bring it current, and I apologize for any inconvenience this may have caused.

You also asked about the quality of your water. At times, we hear concerns about hardness, calcification (a white residue), manganese (which could leave a purple or black ring in your toilet), and a chlorine taste or smell. Please be assured that water quality is of critical concern to us. Aqua has one of the nation's top water quality laboratories, and we have spent a great deal of time, effort and money to meet state and federal health and environmental standards. In fact, we meet all state and federal standards in your water system. Every year, Aqua tests more than 6,300 water samples throughout Florida. If you have further questions about the water quality in the system where you live, you can visit www.aquaamerica.com and view your annual water quality report, which we publish and distribute before July 1 of every year.

We do realize, however, that meeting health and safety standards does not always provide you with the aesthetic qualities you'd like from your water. Qualities such as taste and smell have a tendency to change based on many different factors, and, as you might

Ms. Diana Wood

Ms. Diana Wood
August 29, 2008
Page 2

imagine, it would be extremely costly for us – and you – to install water filtration at every community well site. But you can rest assured that we test your water to make sure it is safe, and any calls regarding water quality will receive top priority when dispatched.

The well you referenced at the hearing was in fact taken offline due to high levels of iron and manganese. We have since treated the well to address this issue and improve its water quality, and, in an emergency situation, the well can be used. We do, however, have plans to replace the well in 2009.

The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua acquired our Florida water systems in 2003 and 2004, we have spent about \$30 million for water and sewer infrastructure improvements statewide. Additionally, operating costs such as gasoline and chemicals have continued to climb. Rate increases provide a way for utilities to recover capital and operating dollars so we can continue to maintain and improve our systems. However, none of the systems Aqua has purchased has had a base rate increase in about 10 years.

I hope this information addresses your concerns to your satisfaction. If you have additional questions or comments, please call me or Stacey Barnes at 352.435.4043. Thank you for this opportunity to respond.

Sincerely,



Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America



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P.O. Box 490310
Leesburg, FL 34749

T: 352.787.0980
F: 352.787.6333
www.aquautilitiesflorida.com

August 29, 2008

Mr. and Mrs. Brandon Rogers
3962 Falcon Drive
Chipley, FL 32428

Dear Mr. and Mrs. Rogers:

Thank you for attending your community's customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. We appreciate the time you took to share your views about Aqua. Please be assured that we have carefully considered the comments of all who testified and, as a result, have made several operational changes to improve our customer service.

At the hearing, you expressed concern over your experience with Aqua's customer service staff. On behalf of Aqua, I apologize that any requests you made were not handled properly.

You also expressed concern over your billing errors during the past year. We determined that an inaccurate reading of your meter produced your higher-than-usual bills. We have resolved the problem and apologize for any inconvenience this may have caused you. Our customer service representatives will apply a credit to your account; we will follow up with you by phone in the next week.

You also asked about the quality of your water. At times, we hear concerns about hardness, calcification (a white residue), manganese (which could leave a purple or black ring in your toilet), and a chlorine taste or smell. Please be assured that water quality is of critical concern to us. Aqua has one of the nation's top water quality laboratories, and we have spent a great deal of time, effort and money to meet state and federal health and environmental standards. In fact, we meet all state and federal standards in your water system. Every year, Aqua tests more than 6,300 water samples throughout Florida. If you have further questions about the water quality in the system where you live, you can visit www.aquaamerica.com and view your annual water quality report, which we publish and distribute before July 1 of every year.

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Mr. and Mrs. Brandon Rogers
August 29, 2008
Page 2

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I hope this information addresses your concerns to your satisfaction. If you have additional questions or comments, please call me or Stacey Barnes at 352.435.4043. Thank you for this opportunity to respond.

Sincerely,



Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America



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www.aquautilitiesflorida.com

August 29, 2008

Ms. Lynda Waller
Washington County Planning Department
1331 South Boulevard
Chipley, FL 32428

Dear Ms. Waller:

Thank you for attending the Sunny Hills customer service hearing before the Florida Public Service Commission regarding the Aqua Utilities Florida (Aqua) pending rate request. Although our records indicate that you are not an Aqua customer, we appreciate the time you took to share your views.

The reason that Aqua has requested a rate increase is to recover the capital we've spent to improve our water and wastewater systems and to recover operating costs. Since Aqua acquired our Florida water systems in 2003 and 2004, we have spent about \$30 million for water and sewer infrastructure improvements statewide. Additionally, operating costs such as gasoline and chemicals have continued to climb. Rate increases provide a way for utilities to recover capital and operating dollars so we can continue to maintain and improve our systems. However, none of the systems Aqua has purchased has had a base rate increase in about 10 years.

Please call me or Stacey Barnes at 352.435.4043 if you have any questions or would like more information.

Sincerely,

A handwritten signature in black ink, appearing to read "Jack Lihvarcik".

Jack Lihvarcik
Chief Operating Officer

cc: Christopher H. Franklin, Aqua America

HEARING	CUSTOMERS TESTIFYING	Billing Issue	Treatment by	Water	Water	Water	Water	Water	Water	Water	Water	Water	Water	Water	Water	Water	TOTAL	%
1	GAINESVILLE 9	6	0	0	1	2	0	1	0	1	1	0	0	0	0	1	13	57%
	GREEN	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	RED	0	0	0	0	1	2	1	2	0	3	0	0	1	0	0	10	43%
	TOTALS	6	0	0	1	3	2	2	2	1	4	0	0	1	1	23	100%	
2	PALATKA 8	1	0	1	1	1	0	0	0	1	0	1	0	0	0	0	6	55%
	GREEN	1	0	1	0	0	0	0	1	0	1	0	0	0	0	0	4	
	RED	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	1	9%
	TOTAL	2	0	2	1	1	1	0	1	1	1	1	0	0	0	11	100%	
3	SEBRING 9	4	2	0	2	0	0	0	0	2	0	0	0	0	0	0	10	71%
	GREEN	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	RED	0	0	1	0	0	1	0	1	0	0	0	1	0	0	0	4	29%
	TOTAL	4	2	1	2	0	1	0	1	2	0	0	1	0	0	14	100%	
4	LAKELAND 14	9	4	2	0	0	0	3	1	1	0	0	0	1	0	21	70%	
	GREEN	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	RED	0	1	1	0	0	2	0	1	0	2	1	0	1	0	9	30%	
	TOTAL	9	5	3	0	0	2	3	2	1	2	1	0	2	0	30	100%	
5	MT DORA 10	3	1	2	1	3	0	1	1	0	0	2	2	0	0	16	94%	
	GREEN	0	0	0	1	0	0	0	0	0	0	0	0	0	0	1		
	RED	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0%	
	TOTAL	3	1	2	2	3	0	1	1	0	0	2	2	0	0	17	100%	
6	OVIEDO 17	0	2	4	5	1	0	1	1	4	1	1	0	0	1	21	49%	
	GREEN	16	1	0	0	0	0	0	0	0	0	0	0	0	0	17		
	RED	0	1	0	0	0	0	2	1	0	0	0	1	0	0	5	12%	
	TOTAL	16	4	4	5	1	0	3	2	4	1	1	1	0	1	43	100%	
7	OVIEDO 22	0	6	7	2	0	0	0	0	0	0	1	0	1	0	17	40%	
	GREEN	17	1	1	0	0	0	1	1	0	0	0	0	1	0	22		
	RED	0	0	0	0	0	4	0	0	0	0	0	0	0	0	4	9%	
	TOTAL	17	7	8	2	0	4	1	1	0	0	1	0	2	0	43	100%	
8	CHIPLEY 8	3	0	2	0	3	0	0	0	0	0	0	1	0	0	9	69%	
	GREEN	0	4	0	0	0	0	0	0	0	0	0	0	0	0	4		
	RED	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0%	
	TOTAL	3	4	2	0	3	0	0	0	0	0	0	1	0	0	13	100%	
	OVERALL 97	26	15	18	12	10	0	6	3	9	2	5	3	2	2	113		
	GREEN	34	6	2	1	0	0	1	2	0	1	0	0	1	0	48		
	RED	0	2	2	0	1	10	3	5	0	5	1	2	2	0	33		
	TOTAL	60	23	22	13	11	10	10	10	9	8	6	5	5	2	194	100%	
	%	31%	12%	11%	7%	6%	5%	5%	5%	5%	4%	3%	3%	3%	1%	100%		
	ORDER	1	2	3	4	5	6	6	6	7	8	9	10	10	11			



FLOWERS CHEMICAL LABORATORIES INC.

P.O. Box 150597, Altamonte Springs FL 32715-0597 Phone 407-339-5984 Fax 407-260-6110 www.flowerslabs.com
8253 South U.S. Highway 1, Port St. Lucie FL 34952-2860 Phone 772-343-8006 Fax 772-343-8089
P.O. Box 1200, Madison FL 32341 Phone 850-973-6878 Fax 850-973-6878

Florida Rural Water Association
2970 Wellington Circle W. Suite 101
Tallahassee, FL 32309-6885

PO #: 3590186
Client Project #: Chuluota Water System
Date Sampled: Aug 4, 2008
Aug 7, 2008; Invoice: 72650

Report Summary

Date Received: Aug 4, 2008

FCL Project Manager: June S. Flowers

Laboratory #	Sample Description	Analysis	Chemist	Location	Sample Matrix
72650DW1	1- Walker Elem.	COLITAG	TRB	Main Lab	Drinking Water
		EPA300.0	YGS	Main Lab	
		SM9215 B	TRB	Main Lab	
72650DW2	2 - 174 Velveteen	COLITAG	TRB	Main Lab	Drinking Water
		EPA300.0	YGS	Main Lab	
		SM9215 B	TRB	Main Lab	
72650DW3	3 - 315 Velveteen	COLITAG	TRB	Main Lab	Drinking Water
		EPA300.0	YGS	Main Lab	
		SM9215 B	TRB	Main Lab	
72650DW4	4 - 425 Live Oak	COLITAG	TRB	Main Lab	Drinking Water
		EPA300.0	YGS	Main Lab	
		SM9215 B	TRB	Main Lab	
72650DW5	5 - 1005 E. 10th St.	COLITAG	TRB	Main Lab	Drinking Water
		EPA300.0	YGS	Main Lab	
		SM9215 B	TRB	Main Lab	
72650DW6	6 - 115 W 6th St.	COLITAG	TRB	Main Lab	Drinking Water
		EPA300.0	YGS	Main Lab	
		SM9215 B	TRB	Main Lab	

Certificate of Results

Sample Integrity was certified prior to analysis. Test results meet all requirements of the NELAC Standards except as noted in the Quality Control Report. Uncertainties for these data are available on request. This report may not be reproduced in part; results relate only to items tested.



Jefferson S. Flowers, Ph.D.
President/Technical Director



FLOWERS CHEMICAL LABORATORIES INC.

P.O. Box 150597, Altamonte Springs FL 32715-0597 Phone 407 - 339 - 5984 Fax 407 - 260 - 6110 www.flowerslabs.com
 8253 South U.S. Highway 1, Port St. Lucie FL 34952-2860 Phone 772 - 343 - 8006 Fax 772 - 343 - 8089
 P.O. Box 1200, Madison FL 32341 Phone 850-973-6878 Fax 850-973-6878

Florida Rural Water Association
 2970 Wellington Circle W. Suite 101
 Tallahassee, FL 32309-6885

PO #: 3590186
 Client Project #: Chuluota Water System
 Date Sampled: Aug 4, 2008
 Aug 7, 2008; Invoice: 72650

Analysis Report

Lab #:	Sampled:	Desc:	Parameter	Result	Units	DF	MDL	PQL	QC Batch	Method	CAS #	Analyzed
72650DW1	08/04/08 09:45 AM	1 - Walker Elem.	Nitrite(as N)	0.0500 U	mg/L	1.00	0.0500	0.100	10109274	EPA300.0	14797-65-0	08/05/08 12:30 PM
			Nitrate(as N)	0.0500 U	mg/L	1.00	0.0500	0.100	10109276	EPA300.0	14797-55-8	08/05/08 12:30 PM
			E. Coli	1.00 A	P/A	1.00	1.00	1.00	10109294	COLITAG		08/02/08
			Total Coliform	1.00 A	P/A	1.00	1.00	1.00	10109294	COLITAG	E761700	08/02/08 01:00 PM
			HPC_2day@35	1.00 U	cfu/ml	1.00	1.00	3.00	10109404	SM9215 B		08/04/08

Lab #:	Sampled:	Desc:	Parameter	Result	Units	DF	MDL	PQL	QC Batch	Method	CAS #	Analyzed
72650DW2	08/04/08 09:50 AM	2 - 174 Velveteen	Nitrite(as N)	0.0500 U	mg/L	1.00	0.0500	0.100	10109274	EPA300.0	14797-65-0	08/05/08 12:30 PM
			Nitrate(as N)	0.0500 U	mg/L	1.00	0.0500	0.100	10109276	EPA300.0	14797-55-8	08/05/08 12:30 PM
			E. Coli	1.00 A	P/A	1.00	1.00	1.00	10109294	COLITAG		08/02/08
			Total Coliform	1.00 A	P/A	1.00	1.00	1.00	10109294	COLITAG	E761700	08/02/08 01:00 PM
			HPC_2day@35	1.00 U	cfu/ml	1.00	1.00	3.00	10109404	SM9215 B		08/04/08

Lab #:	Sampled:	Desc:	Parameter	Result	Units	DF	MDL	PQL	QC Batch	Method	CAS #	Analyzed
72650DW3	08/04/08 10:05 AM	3 - 315 Velveteen	Nitrite(as N)	0.0500 U	mg/L	1.00	0.0500	0.100	10109274	EPA300.0	14797-65-0	08/05/08 12:30 PM
			Nitrate(as N)	0.0500 U	mg/L	1.00	0.0500	0.100	10109276	EPA300.0	14797-55-8	08/05/08 12:30 PM
			E. Coli	1.00 A	P/A	1.00	1.00	1.00	10109294	COLITAG		08/02/08
			Total Coliform	1.00 A	P/A	1.00	1.00	1.00	10109294	COLITAG	E761700	08/02/08 01:00 PM
			HPC_2day@35	1.00 U	cfu/ml	1.00	1.00	3.00	10109404	SM9215 B		08/04/08

Lab #:	Sampled:	Desc:	Parameter	Result	Units	DF	MDL	PQL	QC Batch	Method	CAS #	Analyzed
72650DW4	08/04/08 10:25 AM	4 - 425 Live Oak	Nitrite(as N)	0.0500 U	mg/L	1.00	0.0500	0.100	10109274	EPA300.0	14797-65-0	08/05/08 12:30 PM
			Nitrate(as N)	0.0500 U	mg/L	1.00	0.0500	0.100	10109276	EPA300.0	14797-55-8	08/05/08 12:30 PM
			E. Coli	1.00 A	P/A	1.00	1.00	1.00	10109294	COLITAG		08/02/08



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 P.O. Box 1200, Madison FL 32341 Phone 850-973-6878 Fax 850-973-6878

Florida Rural Water Association
 2970 Wellington Circle W. Suite 101
 Tallahassee, FL 32309-6885

PO #: 3590186
 Client Project #: Chuluota Water System
 Date Sampled: Aug 4, 2008
 Aug 7, 2008; Invoice: 72650

Lab #:	Sampled:	Desc:	Parameter	Result	Units	DF	MDL	PQL	QC Batch	Method	CAS #	Analized
72650DW4	08/04/08 10:25 AM	4 - 425 Live Oak	Total Coliform	1.00 A	P/A	1.00	1.00	1.00	10109294	COLITAG	E761700	08/02/08 01:00 PM
			HPC_2day@35	1.00 U	cfu/ml	1.00	1.00	3.00	10109404	SM9215 B		08/04/08

Lab #:	Sampled:	Desc:	Parameter	Result	Units	DF	MDL	PQL	QC Batch	Method	CAS #	Analized
72650DW5	08/04/08 10:40 AM	5 - 1005 E.10th St.	Nitrite(as N)	0.0500 U	mg/L	1.00	0.0500	0.100	10109274	EPA300.0	14797-65-0	08/05/08 12:30 PM
			Nitrate(as N)	0.0500 U	mg/L	1.00	0.0500	0.100	10109276	EPA300.0	14797-55-8	08/05/08 12:30 PM
			E. Coli	1.00 A	P/A	1.00	1.00	1.00	10109294	COLITAG		08/02/08
			Total Coliform	1.00 A	P/A	1.00	1.00	1.00	10109294	COLITAG	E761700	08/02/08 01:00 PM
			HPC_2day@35	1.00 U	cfu/ml	1.00	1.00	3.00	10109404	SM9215 B		08/04/08

Lab #:	Sampled:	Desc:	Parameter	Result	Units	DF	MDL	PQL	QC Batch	Method	CAS #	Analized
72650DW6	08/04/08 10:50 AM	6 - 115 W 6th St.	Nitrite(as N)	0.0500 U	mg/L	1.00	0.0500	0.100	10109274	EPA300.0	14797-65-0	08/05/08 12:30 PM
			Nitrate(as N)	0.0500 U	mg/L	1.00	0.0500	0.100	10109276	EPA300.0	14797-55-8	08/05/08 12:30 PM
			E. Coli	1.00 A	P/A	1.00	1.00	1.00	10109294	COLITAG		08/02/08
			Total Coliform	1.00 A	P/A	1.00	1.00	1.00	10109294	COLITAG	E761700	08/02/08 01:00 PM
			HPC_2day@35	1.00 U	cfu/ml	1.00	1.00	3.00	10109404	SM9215 B		08/04/08



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 Tallahassee, FL 32309-6885

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 Aug 7, 2008; Invoice: 72650

Quality Report

Quality Control Batch: 10109274	Analyst: YGS							
Blank	Result	Units						
Nitrite(as N)	0.0500U	mg/L						
Laboratory Control Sample	Result	Units	Spike	%REC	%REC Lim			
Nitrite(as N)	2.17	mg/L	2.00	108.75	79.13-118.50			
Matrix Spike	Result	Units	Spike	%REC	%REC Lim	Sample		
Nitrite(as N)	2.96	mg/L	2.00	147.97	35.24-158.76	-0.00270		
Matrix Spike Duplicate	Result	Units	Spike	%REC	%REC Lim	Sample	RPD	RPD Lim
Nitrite(as N)	2.98	mg/L	2.00	149.26	35.24-158.76	-0.00270	0.87	18.15
Quality Control Batch: 10109276	Analyst: YGS							
Blank	Result	Units						
Nitrate(as N)	0.0500U	mg/L						
Laboratory Control Sample	Result	Units	Spike	%REC	%REC Lim			
Nitrate(as N)	2.19	mg/L	2.00	109.61	79.67-117.37			
Matrix Spike	Result	Units	Spike	%REC	%REC Lim	Sample		
Nitrate(as N)	2.36	mg/L	2.00	113.48	50.51-145.48	0.0887		
Matrix Spike Duplicate	Result	Units	Spike	%REC	%REC Lim	Sample	RPD	RPD Lim
Nitrate(as N)	2.26	mg/L	2.00	108.66	50.51-145.48	0.0887	4.18	25.04
Quality Control Batch: 10109294	Analyst: TRB							
Blank	Result	Units						
E. Coli	1.00	P/A						



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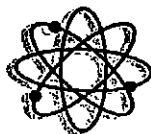
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Quality Control Batch: 10109294	Analyst: TRB
Blank	Result Units
Total Coliform	1.00 P/A

Quality Control Batch: 10109404	Analyst: TRB
Blank	Result Units
HPC_2day@35	1.00U cfu/ml



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Aug 7, 2008; Invoice: 72650

Narrative Report

Sample Handling

Sample handling and holding time criteria were met for all samples. Samples collected by submitter. No unusual events occurred during analysis. Results are reported on a wet weight basis for aqueous matrices and on a dry weight basis for sludge and soil matrices unless otherwise noted. Sample results reported as dissolved were field filtered.

Quality Control

Enclosed analyses met method or FCL criteria, unless otherwise denoted on the sample results. Applied data qualifiers are defined below.

Attachments

Chain of Custody

Qualifier	Meaning
U	Compound was analyzed for but not detected.
J	One or more QC samples associated with this data value exceeded QC limits.
J1	Surrogate recovery limits have been exceeded.
J2	No known quality control criteria exist for the component.
J3	Reported value failed to meet established quality control criteria for either precision or accuracy.
J4	Sample matrix interfered with the ability to make an accurate determination on the spiked sample.
Q	Sample held beyond the accepted holding time.
L	Off-scale high; reported concentration exceeds the highest standard.
V	Analyte was detected in both the sample and the associated method blank.
ZTNTC	Too numerous to count. Numeric value represents filtration volume.
A	Absent
P	Present
T	Value reported is less than the statistical method detection limit. Reported for informational purposes only.
M	Value reported is greater than the statistical method detection limit, but less than the reported MDL.
G	The greatest of the dilutions performed did not yield sufficient oxygen depletion for valid data.
S	The least of the dilutions performed did not yield sufficient oxygen residual for valid data.
O	Result is greater than (over) the specified value.
I	Reported value is between the laboratory method detection limit and the laboratory practical quantitation limit.
B	Results based upon colony plate count outside ideal range.
Y	The laboratory analysis was from an improperly preserved sample. The data may not be accurate.



July 25, 2008

Mayor Mary Lou Andrews
400 Alexandria Boulevard
Oviedo FL, 32765

Aqua America, Inc.
762 W. Lancaster Avenue
Bryn Mawr, PA 19010

Christopher Franklin
Regional President

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chfranklin@aquaamerica.com
www.aquaamerica.com

SENT VIA FACSIMILE (407) 971-5803

Dear Mayor Andrews:

First I want to thank you for your comments at the Public Service Commission customer service hearings in Oviedo last week. I was encouraged by your statements that the City of Oviedo (the "City") would like to assist in solving the water quality issues, which have existed in Chuluota at various levels for several decades, by bringing City water into Chuluota. As you know, Aqua and the City have been in discussions about a sale of assets for over the past year. Our hurdle has always been the difference between Aqua's approximately \$9 million in rate base and what the City can support within its limited rate structure. Aqua is committed to continuing to explore an ultimate sale of assets to the City, but my company is also very interested in expediting an arrangement to bring quality water from the City to Chuluota quickly.

To that end, I am proposing a meeting as soon as possible with all parties copied on this letter to discuss the following issues: 1) St. Johns Water Management District ("SJRWD") - Consumptive Use Permits; 2) Aqua/City Engineers - Hydraulics and Interconnection between the City and Aqua; 3) FDOT/Seminole County - Road Crossing Permits to Install Interconnection Pipeline; 4) Florida Department of Environmental Protection ("FDEP") - advice on water quality, permits and process; and 5) Florida Department of Health ("FDOH") - review of any test results.

- 1) Initial reviews of the City and Aqua systems would suggest that an interconnection could be achieved at the intersection of SR 419 and Snow Hill road. A 10 inch pipeline would be routed and terminate at Aqua's Chuluota plant #2. This would require installation of approximately 5,500 feet of water main.
- 2) It is important that FDOT and Seminole County transportation staff be included in the initial discussions so that they are aware of any proposed pipeline routes and the associated permitting required.
- 3) FDEP has been regulating and monitoring Aqua's TTHM remediation project and progress in Chuluota. We would hope that FDEP would support and expedite an interconnection with Oviedo, but implementation under the most optimistic scenario could take several months. Aqua will need to continue to work with FDEP in the interim.


- 4) If FDOH has done any testing of water samples from Chuluota, a meeting among all the parties might be an appropriate time to share and review the results.
- 5) Our preliminary discussion with officials at the SJRWMD indicates that they would advocate a solution that involves a mix of Chuluota and City water. The ratio of that mix needs to be a topic of discussion at the meeting and subsequent consumptive use permitting for Aqua and the City. It would be helpful if the SJWMD would advise the parties on this issue including but not limited to process and recommended mix

We believe that the initial meeting would be best used to flesh out the concept, collaboratively discuss potential solutions, and establish a schedule for follow up meetings designed to reach a final solution. This framework will allow us to report back to our respective organizations for timely decisions on key elements of a plan, including terms of any purchase water contract.

Mayor, I am optimistic that together we can collaboratively resolve the long standing water quality problem in Chuluota. This issue is at the top of my agenda at Aqua. I would propose that we convene our meeting at your earliest convenience. I can be reached at any time and I look forward to talking with you soon to set up mutually convenient time and location for a meeting.

Finally, because the PSC staff has asked that we keep them apprised, I am providing a copy of this letter to the PSC clerk and parties in PSC Docket No. 080121.

Best Regards,



Christopher Franklin
Regional President

cc: Honorable Sandy Adams, State Representative
Deputy Mayor Dominic Persampiere
Cecilia Bradley, Office of the Attorney General
Mr. Kirby Green, SJWMD
Ms. Vivian Garfein, FDEP
Mr. Randy Williams, Seminole County/FDOT
Mr. William Sundstrom, Esq.
Mr. Michael J. Napier, M.S., FDOH
Mr. Jack Lihvarcik, President Aqua Florida
Ms. Ann Cole, PSC Clerk
Charles Beck, Esq., Office of Public Counsel
Ralph Jaegger, Esq., PSC
Katherine Flemming, Esq., PSC

Joyce, Kimberly A.

From: Franklin, Chris
Sent: Wednesday, August 13, 2008 12:48 PM
To: Sandy.Adams@myfloridahouse.gov; mlandrews@cityofoviedo.net
Cc: Lihvarcik, John M.; 'bruce.may@hkllaw.com'; Joyce, Kimberly A.; Rendell, William T.; Luitweiler, Preston; Dickerson, William
Subject: Discussions with City of Oviedo
Attachments: Ltr - Mayor Andrews - Oviedo.pdf

Dear Representative Adams and Mayor Andrews:

I write to again request a meeting between City officials and Aqua management to discuss mutual steps that we may be able to take in order to bring Oviedo water into the Chuluota area. It has been almost a month since the FPSC customer input hearing and almost three weeks since I sent the attached letter with my initial request for a meeting.

Mayor Andrews, I've reread the transcript of your testimony from the July 17 hearing and I truly appreciate the direct offer of help that you extended during your testimony. It is my hope that you will pursue that testimony and meet within the next week to begin the process of exploring the various options that can be taken to make Oviedo water a reality for Chuluota residents. To date our numerous calls to various members of the city staff requesting to meet on this issue have not yielded an offer to meet in person. I am aware of the City's current application to increase its Consumptive Use Permit ("CUP") and the desire to keep that issue separate from discussions with Aqua. We respect that position; however, we do not believe that direct discussions between the parties to explore the various options would in any way impede the City's ability to achieve success in its CUP filing.

Since the service hearings in Chuluota, Aqua has initiated several additional actions to address the water quality issues. I personally hold weekly meetings with our management team, water quality team and consulting team to discuss water treatment in Chuluota. We have already installed our new analyzers and they appear to be operating efficiently. We should be in a position to move back to Chloramination on September 3. In addition, we continue to seek external expertise to treat the water in Chuluota, which as all parties have agreed, is a very temperamental water supply. There is clearly a reason that Chuluota residents have struggled for decades with water quality issues. To that end, we have added Dr. James Taylor, P.E. to our consulting team.

Dr. Taylor is located in the Orlando area, and has been recognized by the FPSC as an expert in water systems and treatment. He has over 27 years of experience in water treatment and had been employed at the University of Central Florida since 1977. During his tenure at UCF he was the Director of the Environmental Systems Engineering Institute (ESEI), a Professor of Engineering in the Civil and Environmental Engineering Department, the Leader of the UCF Membrane Focus Group and holds the Alex Alexander Chair for Environmental Engineering. Importantly, he has expertise in working with water systems exhibiting similar issues to those in Chuluota.

Since the hearings I am aware that both DEP and DOH have been sampling the water supply in Chuluota. A meeting of the parties, including those agencies, would give us an opportunity to hear first hand about the results of those tests. A meeting of the parties would also be useful in developing a concerted action plan to work toward mutual solutions.

8/28/2008

Several months ago we had discussions about selling the Chuluota system to Oviedo. While there appears to be mixed opinions on merits of Oviedo purchasing the system, even among the City's staff, it is my hope that our common goal remains the same: solving the water quality issues for Chuluota residents. We remain open to the discussion of a sale of the Chuluota system although earlier discussions between Aqua and Oviedo have made it apparent that our approximate rate base of \$9.5 million is not a price that can be supported by the City's current rate structure. Notwithstanding this, I believe we can find common ground on an interconnection that could provide good water to Chuluota and revenue to the City of Oviedo. The interconnection could also lead to a future sale, should the economics become acceptable to the parties.

As I stated in my July 25 letter, Aqua remains prepared and eager to join the City and state agencies in a meeting to discuss options and ensure good quality water for citizens in Chuluota. I look forward to your response and a meeting with our respective staffs in the near future.

Best regards,
Chris

Christopher Franklin
Regional President
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(p) 610-645-1081
(f) 610-645-1081
(c) 610-324-3179

8/28/2008

Aqua Customer Operations Call Evaluation Form - FINAL

Section A: Greeting / Closing (16 points)

- 1) Uses proper greeting ("Thank you for calling Aqua; my name is _____; May I have the last 7 digits of your account number OR if MIOT queue - How may I help you today? (2 pts)
- 2) Customer information verified including address and phone number (10 pts)
- 3) Verify customer is authorized to discuss account (2 pts)
- 4) Uses proper closing (Thank you again for calling Aqua; Have I handled all of your concerns today?) (2 pts)

Section B: Soft Skills (40 points)

- 1) Speaks clearly and politely (5 pts)
- 2) Controls the call (5 pts)
- 3) Listens, clarifies, and confirms understanding of issue (5 pts)
- 4) Empathizes with customer (5 pts)
- 5) Handles call using proper Aqua processes (5 pts)
- 6) Avoids use of Aqua jargon (5 pts)
- 7) Minimal dead air during the conversation (5 pts)
- 8) Rep takes ownership of the call (5 pts)

Section C: Analytical / Strategic Thinking (44 points)

- 1) Provides complete & accurate information to the customer (2 pts)
- 2) Educates the customer; does not talk down to the customer (2 pts)
- 3) Notes account properly (10 pts)
- 4) Uses Customer Contact System (CCS) to log call properly (10 pts)
- 5) Proper creation of Service Order? (8 pts) *If applicable*
- 6) Proper creation of EWQ task? (8 pts) *If applicable*
- 7) Used hold process appropriately? (2 pts) *If applicable*
- 8) Warm transfer of call? (2 pts) *If applicable*

If applicable – Rep receives points if applicable does not apply