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September 28, 2001

VIA HAND DELIVERY

ROBERT M. C. ROSE
OF COUNSEL

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

RECEIVED-PPSC
01 SEP 28 PM 3:59
COMMISSION
CLERK

Re: Aloha Utilities, Inc.; PSC Docket No. 010503-WU
Application for Water Rate Increase
Our File No. 26038.35

Dear Ms. Bayo:

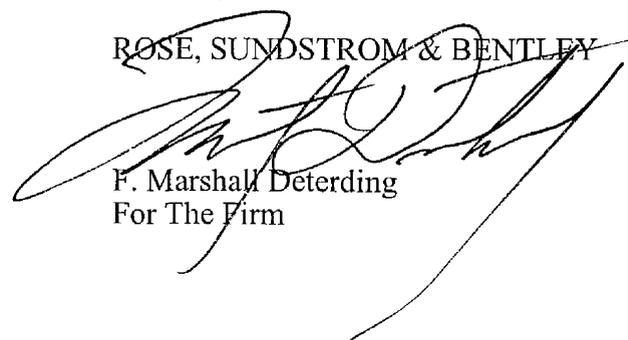
On September 10, 2001, I filed with your office an Amended Application for Interim Rate Increase in Water Rates on behalf of Aloha Utilities, Inc. in the above-referenced docket. On Schedule E-1(A), attached to that Amended Application, two minor transposition errors in the rates for general service customers with 6" water meters had been discovered.

I am attaching hereto the original and 15 copies of a revised version of Schedule E-1(A) and revised tariff sheets to reflect the corrected proposed interim rates. We will also be notifying those customers who were given the initial customer notice of the correct rates to the extent they are receiving service with a 6" meter at the present time. Fifteen copies of the corrected initial customer notice are also attached.

Should you or any members of the Commission Staff have any questions in this regard, please do not hesitate to contact me.

Sincerely,

ROSE, SUNDSTROM & BENTLEY



F. Marshall Deterding
For The Firm

APP _____
CAF _____
CYP _____
COM _____
CTR _____
LTF _____
LLO _____
CFC _____
PFI _____
RSC _____
RSC _____
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FMD/lts
Enclosures
cc: Ralph Jaeger, Esquire
Mr. Bart Fletcher
Ms. Tricia Merchant
Steven G. Watford
Robert C. Nixon, CPA
David W. Porter, P.E.

aloha\35\5bayo.ltr

DOCUMENT NUMBER-DATE

12302 SEP 28 01

PPSC-COMMISSION CLERK

Company: Aloha Utilities, Inc.; Seven Springs Water Division
 Docket No.: 010503-WU
 Schedule Year Ended: June 30, 2001
 Water [X] or Sewer []

Schedule: E-1
 Page 1 of 1
 Preparer: CJN & W

Explanation: Provide a schedule of present and proposed rates. State residential sewer cap, if one exists.

| Line No | (1) Class/Meter Size | (2) Test Year Rates (1) | | (3) Test Year Rates (2) | | (4) Present Rates (3) | (5) Proposed Rates | | (6) |
|---------|--|----------------------------|---------|----------------------------|---------|--------------------------|-----------------------|----------|------|
| | | | | | | | Interim | Final | |
| 1 | Residential | | | | | | | | |
| 2 | Base facility charge: | | | | | | | | |
| 3 | 5/8" x 3/4" (3,000 gallons minimum) | \$ 7.12 | \$ 7.17 | \$ 7.32 | \$ 8.37 | | | 9.23 | |
| 4 | Gallonge Charge (per 1000 gallons | | | | | | | | |
| 5 | in excess of minimum) | 1.27 | 1.28 | 1.32 | 1.49 | | | | |
| 6 | Gallonge charge per 1,000 gallons: | | | | | | | | |
| 7 | Up to 10,00 gallons | | | | | | | | 2.24 |
| 8 | Over 10,000 gallons | | | | | | | | 2.81 |
| 9 | General Service | | | | | | | | |
| 10 | 5/8" x 3/4" (3,000 gallons minimum) | 7.12 | 7.17 | 7.32 | 8.37 | | | 9.23 | |
| 11 | 1" (8,000 gallons minimum) | 18.94 | 19.06 | 19.46 | 22.24 | | | 23.08 | |
| 12 | 1 1/2" (15,000 gallons minimum) | 35.52 | 35.75 | 36.49 | 41.72 | | | 46.15 | |
| 13 | 2" (24,000 gallons minimum) | 57.24 | 57.61 | 58.80 | 67.23 | | | 73.84 | |
| 14 | 3" (48,000 gallons minimum) | 113.73 | 114.46 | 116.83 | 133.57 | | | 147.68 | |
| 15 | 4" (75,000 gallons minimum) | 178.00 | 179.14 | 182.85 | 209.06 | | | 230.75 | |
| 16 | 6" (150,000 gallons minimum) | 275.27 | 277.03 | 282.76 | 323.29 | | | 461.50 | |
| 17 | 8" (240,000 gallons minimum) | 562.36 | 565.96 | 577.67 | 660.48 | | | 738.40 | |
| 18 | 10" (345,000 gallons minimum) | - | 824.55 | 841.62 | 962.25 | | | 1,338.35 | |
| 19 | Gallonge Charge (per 1000 gallons | | | | | | | | |
| 20 | in excess of minimum) | 1.27 | 1.28 | 1.32 | 1.49 | | | 2.24 | |
| 21 | Notes: (1) Rates per 1995 Index, Effective November 5, 1996 | | | | | | | | |
| 22 | | | | | | | | | |
| 23 | (2): Test year rates per 1999 Index Adjustment effective 1/18/00 and implemented 2/10/00 | | | | | | | | |
| 24 | (3) Present rates per 2001 Index, Effective July 24, 2001 | | | | | | | | |
| 25 | (4) The vacation rate is one-half of the base rate for 5/8" meter | | | | | | | | |
| 26 | (5) Proposed gallonge charges eliminate the minimum gallonge charges included in the base facility charge. | | | | | | | | |

ALOHA UTILITIES, INC.
Water Tariff

TWENTY THIRD REVISED SHEET NO. 17.0
Cancels Twenty Second Revised Sheet No. 17.0

GENERAL SERVICE

RATE SCHEDULE GS

AVAILABILITY - Available in Seven Springs.

APPLICABILITY - For water service to any customer for which no other schedule applies.

LIMITATIONS - Subject to all the rules and regulations of this tariff and general rules and regulations of the Commission.

RATES - (Monthly)

| <u>Meter Size</u> | <u>Base Facility Charge</u> | | |
|-------------------|-----------------------------|---------|-----------------|
| 5/8" x 3/4" | \$ 8.37 | Minimum | 3,000 gallons |
| 1" | 22.24 | Minimum | 8,000 gallons |
| 1-1/2" | 41.72 | Minimum | 15,000 gallons |
| 2" | 67.23 | Minimum | 24,000 gallons |
| 3" | 133.57 | Minimum | 48,000 gallons |
| 4" | 209.06 | Minimum | 75,000 gallons |
| 6" | 323.29 | Minimum | 150,000 gallons |
| 8" | 660.48 | Minimum | 240,000 gallons |
| 10" | 962.25 | Minimum | 345,000 gallons |

GALLONAGE CHARGE - \$1.49 per 1,000 gallons in excess of minimum.

TERMS OF PAYMENT - Bills are due and payable when rendered and become delinquent if not paid within twenty (20) days. After five (5) working days written notice is mailed to the customer separate and apart from any other bill, service may then be discontinued.

EFFECTIVE DATE:
TYPE OF FILING: 2001 Interim Rates

Stephen G. Watford
ISSUING OFFICER

President
TITLE

RESIDENTIAL SERVICE

RATE SCHEDULE RS

AVAILABILITY - Available in Seven Springs.

APPLICABILITY - For water service for all purposes in private residences and individually metered apartment units.

LIMITATIONS - Subject to all the rules and regulations of this tariff and general rules and regulations of the Commission.

RATES - (Monthly)

| <u>Meter Size</u> | <u>Base Facility Charge</u> | | |
|-------------------|-----------------------------|---------|-----------------|
| 5/8" x 3/4" | \$ 8.37 | Minimum | 3,000 gallons |
| 1" | 22.24 | Minimum | 8,000 gallons |
| 1-1/2" | 41.72 | Minimum | 15,000 gallons |
| 2" | 67.23 | Minimum | 24,000 gallons |
| 3" | 133.57 | Minimum | 48,000 gallons |
| 4" | 209.06 | Minimum | 75,000 gallons |
| 6" | 323.29 | Minimum | 150,000 gallons |
| 8" | 660.48 | Minimum | 240,000 gallons |
| 10" | 962.25 | Minimum | 345,000 gallons |

GALLONAGE CHARGE - \$1.49 per 1,000 gallons in excess of minimum.

TERMS OF PAYMENT - Bills are due and payable when rendered and become delinquent if not paid within twenty (20) days. After five (5) working days written notice is mailed to the customer separate and apart from any other bill, service may then be discontinued.

EFFECTIVE DATE:
TYPE OF FILING: 2001 Interim Rates

Stephen G. Watford
ISSUING OFFICER

President
TITLE

Initial Customer Notice
Aloha Utilities, Inc.
PSC Docket No. 010503-WU

Date Issued: August __, 2001

1. Notice is hereby given, pursuant to Rule 25-22.0407, Florida Administrative Code, that Aloha Utilities, Inc. has filed a petition for a rate increase with the Florida Public Service Commission and the official date of filing for that Petition has now been established as August 10, 2001. That request for increased rates relates solely to the Utility's water customers within the Seven Springs service area and does not affect either the sewer system or the Aloha Garden service area. The general reason for the requested increase is that the Utility has been required by the Southwest Florida Water Management District to reduce pumpage from its wells and increase purchases of water from Pasco County at substantial cost to the Utility. Not only has the Utility been required to incur additional expenses and make investments, but the Water Management District has also mandated a change in rate structure to implement an inclining block rate structure. A rate increase is necessary in order for the Utility to be given an opportunity to recover those additional expenses and to earn a fair return on its investment.

2. Copies of the petition, minimum filing requirements, and rate case synopsis are available for inspection during normal office hours at the utility's office as follows:

| | |
|--|--|
| Aloha Utilities, Inc. 6915 Perrine Ranch Road New Port Richey, FL 34655 Phone: 727-372-0115 | Business Hours: 8:30 a.m. - 4:00 p.m. Monday through Friday |
|--|--|

3. The initial tentative schedule established for the case, including dates, times and locations of hearings, is as follows:

Commission Conference on interim rates - November 6, 2001
Order Disposing of Request for Interim Rates - November 26, 2001
Final Hearing on Rates - January 9 - 11, 2002
Staff Recommendation due - March 21, 2002
Commission Conference on Final Rates - April 2, 2002

4. Listed below are the Utility's present and interim proposed water rates. Separately listed are the final proposed rates.

Present and Interim

Residential and General Service

| <u>Meter Size</u> | <u>Present Rates</u> | <u>Proposed Interim Rates</u> |
|---|----------------------|-------------------------------|
| 5/8" X 3/4" Minimum 3,000 gallons | \$ 7.32 | \$ 8.37 |
| 1" Minimum 8,000 gallons | 19.46 | 22.24 |
| 1 1/2" Minimum 15,000 gallons | 36.49 | 41.72 |
| 2" Minimum 24,000 gallons | 58.80 | 67.23 |
| 3" Minimum 48,000 gallons | 116.83 | 133.57 |
| 4" Minimum 75,000 gallons | 182.85 | 209.06 |
| 6" Minimum 150,000 gallons | 282.76 | 323.29 |
| 8" Minimum 240,000 gallons | 577.67 | 660.48 |
| 10" Minimum 345,000 gallons | 841.62 | 962.25 |
| Gallage Charge (per 1,000 gallons in excess of minimum) | \$ 1.32 | \$ 1.49 |

Proposed Final

Residential and General Service

| <u>Meter Size</u> | <u>Proposed Final Rates</u> |
|-------------------|-----------------------------|
| 5/8" X 3/4" | \$ 9.23 |
| 1" | 23.08 |
| 1 1/2" | 46.15 |
| 2" | 73.84 |
| 3" | 147.68 |
| 4" | 230.75 |
| 6" | 461.50 |
| 8" | 738.40 |
| 10" | 1,338.35 |

Gallage Charge

| | |
|--|---------|
| (Base Facility Charge - No Minimum Gallons Included) | |
| per 1,000 gallons up to 10,000 gallons | \$ 2.24 |
| per 1,000 gallons over 10,000 gallons | \$ 2.81 |

5. Any written comments regarding the Utility's service or the proposed rates and charges should be addressed to: Director, Division of the Commission Clerk and Administrative Services, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0870 and should identify the Docket Number assigned to the proceeding. Complaints regarding service may be made to the Commission's Division of Consumer Affairs at the following toll free number: 1-800-342-3552.

6. The Utility has not requested a change in its Service Availability Charges as part of its rate request, however, the Commission will be reviewing the Utility Service Availability Charges in the pending separate case under Docket No. 010156-WU and the Commission may adjust those charges if the Commission deems that appropriate.