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Charles J. Beck Deputy Public Counsel

November 18, 2004

PECEIVED FPSC

Blanca S. Bayo, Director Division of Records and Reporting Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850

Re: Docket Nos. 020896-WS & 010503-WU

Dear Ms. Bayo:

Enclosed for filing, on behalf of the Petitioners, are the original and 15 copies of the Direct Testimony of Cheryl A. Bretz.

COM 5 CTR OTO GCL

OPC

MMS

RCA

CMP

Please indicate the time and date of receipt on the enclosed duplicate of this letter and return it to our office.

Sincerely,

charles ] Bedk

Charles J. Beck Deputy Public Counsel

SCR cc: All parties of record SEC

OTH CJB:bsr

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FPSC-COMMISSION CLERK

## **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Petition by customers of Aloha ) Utilities, Inc. for deletion of portion ) of territory in Seven Springs area in ) Pasco County )

In re: Application for Increase in Water Rates for Seven Springs System in Pasco County by Aloha Utilities, Inc. Docket No. 020896-WS

Docket No. 010503-WU

Filed: November 18, 2004

## **DIRECT TESTIMONY**

OF

## **CHERYL A. BRETZ**

DOCUMENT NUMBER-DATE

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1		<b>BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION</b>
2		Docket Nos. 020896-WS & 010503-WU
3		DIRECT TESTIMONY OF
4		CHERYL A. BRETZ
5		
6	Q.	PLEASE STATE YOUR NAME AND ADDRESS AND THE NAME OF
7		THE UTILITY FROM WHICH YOU GET YOUR DRINKING WATER
8	А.	My name is Cheryl A. Bretz. My address is 1102 Trafalgar Drive, New Port
9		Richey, Florida, 34655. Aloha Utilities is my drinking water supplier.
10		
11	Q.	HOW LONG HAVE YOU BEEN A CUSTOMER OF ALOHA?
12	А.	Eight years, since we had our house built.
13		
14	Q.	ARE YOU SATISFIED WITH THE QUALITY OF WATER IN YOUR
15		DOMESTIC PLUMBING?
16	А.	Absolutely not! From the very beginning, we experienced "black water" which
17		was gritty and had a musty smell. When we were having the house built, we
18		received from our Homeowners Association president a questionnaire asking us if
19		we were experiencing black water. I had never heard of such a thing and
20		immediately called him from Chicago where we were still living while our house
21		in New Port Richey was still being built. He assured me that people were
22		working with Aloha and that in a few months the problem would be resolved-
23		the few months is now over 8 years.

#### Q. DO YOU DRINK ALOHA WATER FROM YOUR TAPS?

2 A. Absolutely not! In fact one time my son and his wife were visiting with their dog, 3 I noticed my daughter-in-law trying to force feed water to her dog. I asked her 4 what was the matter and she said he had not been drinking at all since they came 5 to visit. I told her I give my cats bottled water that we buy at the store. I 6 mentioned, may be her dog didn't like water that was filtered through a water 7 softener but she said he drinks softened water from their house. I told her to try 8 giving him the bottled water and he drank it like he was a camel. He was so 9 thirsty, but wouldn't drink the tap water in our house. He would go and drink the 10 pond water before he would drink tap water! 11 12 Q. WHAT IS IT THAT DISTRESSES YOU ABOUT THE QUALITY OF 13 WATER? 14 A. I like to take baths and when you see the gray water in your tub, it is not too 15 appealing. Afterwards there is always a gritty residue left on the bottom of the 16 tub. The water was never good but sometimes it was really bad and you had to let 17 the water run for a while before it became clearer. 18 19 I never had good pressure in the house since it was built, but last week I had to 20 have the house re-plumbed due to a second serious leak and now I am amazed at 21 the good water pressure. 22 23 Q. HOW FREQUENTLY DO YOU EXPERIENCE POOR QUALITY?

1	А.	Before the re-plumbing, the water was <u>always</u> of poor quality.
2	Q.	DO YOU EXPERIENCE POOR QUALITY IN WATER FROM BOTH
3		THE HOT AND COLD WATER TAPS?
4	A.	The worst quality water came from the hot tap, but there is still an odor from the
5		cold tap as well.
6		
7	Q.	UNDER WHAT CIRCUMSTANCE OF USE HAVE YOU EXPERIENCED
8		POOR QUALITY?
9	A.	Under all circumstances. It did not matter whether we were away or home, but
10		after being away and then particularly using the back bathroom, it was more
11		noticeable.
12		
13	Q.	HAVE YOU EXPERIENCED POOR QUALITY WATER EVEN WHILE
14		YOU WERE USING THE WATER ON A DAILY BASIS?
15	А.	Yes. Again particularly in the back bathroom.
16		
17	Q.	WHAT KIND OF PIPES DO YOU HAVE?
18	A.	Up until October 13, 2004 we had copper piping throughout the house. Now after
19		re-plumbing, we have CPVC pipes throughout.
20		
21	Q.	DO YOU HAVE WATER CONDITIONING APPLIANCES? IF SO,
22		WHAT KIND?

1	А.	Up until October 13, 2004 I had a Culligan water softening system. The plumber
2		said it was not working properly. I have since installed a Sears Kenmore system.
3		
4	Q.	DO YOU USE ANY TYPE OF FILTERS?
5	А.	No
6		
7	Q.	HOW DOES THE POOR QUALITY OF WATER AFFECT YOU?
8	А.	It affected my family and myself greatly. We had our first "flood" (pipe leak) on
9		December 12, 2000. It was in the wall, right after the pipe entered the house. I
10		had been sitting in the back bedroom using my computer when I noticed a wet
11		spot in the carpeting. When I went over to investigate it, the whole house was
12		wet. I figured it was a leak, so I called my husband and we could not find where
13		it was leaking. So we turned off the water leading to the house and called a
14		plumber. He had to break the outside wall (making a hole about 18 inches in
15		diameter to get to the leak in the wall. He was able to fix the leak. I called my
16		insurance company and they sent out a restoration crew. I have a built-in Murphy
17		bed, shelving unit and desk. The water had damaged the bed unit and the rug had
18		to be ripped out. They brought in a commercial dehumidifier and fan. We had to
19		pay for the plumbing work and our deductible of 500 dollars. The insurance
20		company paid for the hole repair, new carpeting, dry wall repair, cabinetry and
21		painting in the amount of \$3,061.27. That is just the monetary standpoint. Our
22		house was upset until after Christmas. There was no place for all our children to

come for a visit at the holidays. We couldn't use half of the garage because some of the bedroom furniture had to be stored there.

23

1

4 The second "flood" (a major pipe leak) happened on October 8, 2004. Again, I 5 was in the back bedroom using my computer and saw the wet carpeting. I 6 immediately I knew what was happening. I felt sick. I first turned off the water 7 to the house. I was shaking and crying. I was so upset. My husband was at work 8 and I called him. I then called a plumber. I was lucky because they could send 9 someone out right away. He found the leak in the garage wall between the garage 10 and the back room after the connection to the water softener. He tried to fix it and 11 then another one started in a different place. He fixed that one and so many 12 opened up, it looked like sprinkler-and they were down in the concrete where he 13 could not repair them. He did what he could do to have it not drain into the 14 bedroom. He said I would have to have the whole house re-plumbed. 15 When the pipes are leaking this bad, you really don't have an alternative. I then 16 called the restoration company and they came out in a few hours. They pulled up 17 the carpet, took the Persian drug to be dried, moved out the furniture and brought 18 in a commercial dehumidifier and fan. Because of all the hurricanes this year, we 19 decided not to make a claim through our insurance. We know that the re-20 plumbing would not be covered by insurance. So far we have paid out 500 dollars 21 to the restoration company, \$4,159.83 to the plumbers and \$476.59 for a new 22 water softener. I think we will be able to save the built in cabinetry (I hope!). 23 We still have to have the walls repaired and buy a new carpet.

1		This last "flood" made me so nervous and sick. I was so upset. When your house
2		is flooding you don't know where to go first. I am thankful I was home and
3		caught it when it just started happening, otherwise who knows what damage could
4		have happened. I don't wish this to happen to anyone!
5		
6		I think to some extent the value of my house has depreciated. People who are
7		aware of our problems do not want to buy a house serviced by Aloha Utilities.
8		My next-door neighbors said they wouldn't have bought their house unless it was
9		re-plumbed.
10		
11	Q.	HAVE YOU SOUGHT THE HELP OF ALOHA UTILITIES IN
12		UNDERSTANDING WHY THE WATER QUALITY IS
13		INTERMITTANTLY POOR IN YOUR HOME?
14	А.	I have attended meetings. I have sent a letter to Aloha. I have called the Utility.
15		They don't care and they don't want to listen.
16		
17	Q.	DO YOU FEEL THE UTILITY HAS GIVEN YOU A SATISFACTORY
18		EXPLANATION OF WHY THE QUALITY OF WATER IN YOUR HOME
19		PLUMBING IS INTERMITTANTLY UNSATISFACTORY?
20	А.	No. I don't think the utility company (Aloha) has given a satisfactory
21		explanation. My father and mother bought a 10 year-old condominium in St.
22		Petersburg in 1973. They had it until 1992 when my husband and I bought it
23		from my mother. In 1997 we moved to New Port Richey from Chicago. My aunt

1		also from Chicago bought it from me then. When I sold it, it was 40 years old and
2		had copper pipes – and never did we have black water or corroded pipes.
3		After the first leak in my house, the plumber said he thought, may be Aloha was
4		taking water from a shallow well and there were more corrosive chemicals in a
5		shallow well. Every reply that I ever got from Aloha stated how good their water
6		was and it met the State guidelines. They never said anything was wrong with
7		their water. According to them, everything was caused by the copper pipe!
8		
9	Q.	HAVE YOU MADE ANY ENQUIRIES ABOUT THE QUALITY OF
10		WATER THAT CUSTOMERS OF OTHER UTILITIES IN THE
11		NEIGHBORING AREAS RECEIVE?
12	А.	I already mentioned our experience in St. Petersburg, where our condominium did
13		not experience any "black water". My brother has lived in Florida for over 25
14		years. He had never heard of black water problems with copper pipes. He has
15		lived in Tampa, New Port Richey, Tarpon Springs and Palm Harbor and never
16		had any problems with black water. But then, he was never serviced by Aloha.
17		
18	Q.	WHAT HAS BEEN YOUR EXPERIENCE OF WATER QUALITY IN
19		DOMESTIC PIPES, IF YOU HAVE LIVED IN OTHER PARTS OF OUR
20		STATE OR OTHER STATES?
21	А.	I have lived in Chicago for 47 years. Everyone had to have copper pipes- it was a
22		building code. We had no problem with corrosion. We could drink water from
23		the tap. It was only since moving to Florida that we drink bottled water.

## Q. WHO DO YOU THINK SHOULD TAKE THE PRIMARY INITIATIVE IN IMPROVING WATER QUALITY?

3 A. I think water quality should start at the source, with the water utility not just 4 complying with state guidelines, but by giving first rate water to its customers. I 5 think Aloha is looking at making a profit and not looking at what is best for its 6 customers. I then think that if the builder had heard of complaints that he should 7 have suggested installing CPVC pipes instead of copper. I think customers are at 8 the bottom of the totem pole in taking initiative because we have no choice in the 9 matter. We bought a home in a neighborhood that was serviced by Aloha. Being 10 new to the area we did not know anything about it, but thought if it were a utility 11 company regulated by the government, we would be getting the best water quality 12 we deserve. I am so glad that the people have finally united in trying to get better 13 quality water. We shouldn't have to, given that we live in the best country in the 14 world, but I am glad that people are taking the steps necessary to fight for clean 15 water.

16

#### 17 Q. HAVE YOU MADE ANY SUGGESTIONS TO ALOHA TO IMPROVE

#### 18 WATER QUALITY?

A. I really don't think Aloha wants to hear customers' suggestions. I would really
 like to be removed from its services

21

# Q. IF A REASONABLE RATE INCREASE IS NECESSARY TO IMPROVE WATER QUALITY, WILL YOU BE WILLING TO ACCEPT AN

1		INCREASE IN WATER RATES SIMILAR TO WHAT NEIGHBORING
2		UTILITIES CHARGE?
3	A.	I would much rather be with a different utility. At this stage of the game, I don't
4		trust Aloha. They would probably increase water rates and I am not sure they
5		would improve water quality.
6		
7	Q.	WHAT HAS BEEN YOUR EXPERIENCE OF THE CUSTOMER
8		SERVICE OF ALOHA UTILITY?
9	A.	I 'm not at all pleased with their services. Because we cannot get our water from
10		anyone else, we are stuck. I still pay our bills on time because we have no
11		alternative.
12		
13	Q.	HAVE YOU ATTENDED THE RECENT CUSTOMER WORKSHOPS OF
14		ALOHA UTILITY?
15	A.	I have not attended the recent workshops because I was out of town. I did attend
16		a lot of meetings where we brought samples of our water and could address the
17		utility company. I think everything fell on deaf ears.
18		
19	Q.	HAVE YOU FOUND THE UTILITY TO BE CONCERNED ABOUT
20		SOLVING THE PROBLEMS ITS CUSTOMERS FACE?
21	Α.	Not at all.

1	Q.	IF YOU HAD A CHOICE IN RECEIVING WATER FROM ANOTHER
2		UTILITY AT REASONABLE RATES, WOULD YOU CONTINUE TO
3		BUY WATER FROM ALOHA UTILITY?
4	А.	Absolutely not!
5		
6	Q.	HOW WOULD YOU RATE THE CUSTOMER SERVICE OF ALOHA,
7		TAKING INTO ACCOUNT THE QUALITY OF ITS PRODUCT, THE
8		CUSTOMER SERVICE YOU HAVE RECEIVED AND YOUR
9		ASSESSMENT OF ITS ATTITUDE TOWARDS ITS CUSTOMERS?
10	А.	Terrible. If I were an employer and they were my employees, I would have fired
11		them a long time ago.
12		
13	Q.	HAVE YOU BROUGHT YOUR COMPLAINTS TO THE ATTENTION OF
14		THE UTILITY AND/OR THE ATTENTION OF THE REGULATORY
15		AGENCIES. HAVE YOU BEEN SATISFIED WITH THE RESPONSES?
16	А.	I did write to the regulatory agency and then I received copies of the purification
17		tests performed by Aloha. But when a company is their own regulator, there is no
18		improvement.
19		
20	Q.	HAVE YOU ATTENDED ANY OF THE PSC HEARINGS ON ALOHA?
21		IF SO, DID YOU GET THE IMPRESSION THAT YOUR COMPLAINTS
22		WERE PART OF ISOLATED INSTANCES OF POOR WATER
23		QUALITY?

1	А.	On the contrary, there were a lot of people with similar stories and complaints. I
2		was impressed by the numbers of those complaining.
3		
4	Q.	IS THERE ANY OTHER COMMENT THAT YOU WISH TO MAKE
5		ABOUT ALOHA, YOUR MONOPOLY DRINKING WATER COMPANY?
6	A.	I feel I have been duped for some time now. I am tired of hearing that our water
7		problems are <b>our</b> problems, not Aloha's. I resent increases in water/sewage rates
8		without improvement in water quality. When they are supposed to refund monies
9		collected in advance they refuse to refund them in a timely fashion. Let us get
10		our water from a different utility.
11		
12	Q.	IS THAT THE END OF YOUR TESTIMONY?

13 A. Yes.

#### DOCKET NOS. 001503-TP and 020896-WU CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a copy of the foregoing has been furnished by U.S. Mail

or hand-delivery to the following parties on this 18th day of November, 2004.

Charles J. Beck ] Bach

Rosanne Gervasi, Esquire Division of Legal Services Fla. Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850

Mr. Harry Hawcrof 1612 Boswell Avenue New Port Richey, FL 34655

Edward O. Wood 1043 Daleside Lane New Port Richey, FL 34655

Aloha Utilities, Inc. Mr. Stephen G. Watford 6915 Perrine Ranch Road New Port Richey, FL 34655-3904

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