

M E M O R A N D U M

September 28, 2001

TO: DIVISION OF THE COMMISSION CLERK AND ADMINISTRATIVE SERVICES

FROM: DIVISION OF LEGAL SERVICES (JAEBER) *RRJ*

RE: DOCKET NO. 010503-WU - APPLICATION FOR INCREASE IN WATER RATES FOR SEVEN SPRINGS SYSTEM IN PASCO COUNTY BY ALOHA UTILITIES, INC.

The attached Petition to Intervene from the Southwest Florida Water Management District, was received by the Legal Division on September 26, 2001. Please place the Petition in the above-referenced docket.

RRJ/lw

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 OTH *Hox*

DOCUMENT NUMBER-DATE

12298 SEP 28 01

FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for increase  
in water rates for Seven Springs  
System in Pasco County by  
Aloha Utilities, Inc.

DOCKET NO. 010503-WU

DATED: September 26, 2001

PETITION TO INTERVENE

The SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT (the District), by and through its undersigned counsel, pursuant to Rules 25-22.039 and 28-106.201, Florida Administrative Code (F.A.C.), hereby petitions to intervene in the above-referenced docket. The District submits:

1. The docket number is 010503-WU and the name of the agency is the Florida Public Service Commission (the Commission).
2. The District's address is 2379 Broad Street, Brooksville, Florida 34604-6899; telephone (352) 796-7211. The District's representative is its undersigned counsel.
3. The District is a regulatory agency created by the State of Florida to preserve and protect the water resources of the District.
4. The District's substantial interests will be affected by the above-referenced docket. As the administrative agency charged with the responsibility to conserve, protect, manage and control water resources within its geographic boundaries and to administer and enforce Chapter 373, Florida Statutes (F.S.), and the rules promulgated thereunder as Chapter 40D, F.A.C., the District regulates consumptive uses of water.

5. Aloha Utilities, Inc. (Aloha), holds Water Use Permit (WUP) No. 203182.004 (the Permit) from the District for the public water supply system which is the subject of this docket.

6. Aloha is currently in violation of the Permit, and Aloha and the District are involved in an enforcement action concerning the violation. Aloha has withdrawn more water than is authorized by the Permit continuously since December 1997. Over the last year, Aloha has overpumped its permit by an average of more than 744,000 gallons per day, or more than 36% over its permitted quantities.

7. Aloha is located in Pasco County, in the Northern Tampa Bay Water Use Caution Area (NTBWUCA), an area of the District where the water resources are under severe stress. The NTBWUCA is delineated by Rule 40D-2.801(3)(c), F.A.C., as an area where groundwater withdrawals have resulted in the lowering of lake levels, destruction or deterioration of wetlands, reduction in streamflow and salt water intrusion. Permittees within the NTBWUCA are required to take special measures to conserve water and protect the water resource.

8. Due to Aloha's violation of the Permit, and its location within the NTBWUCA, the District strongly advocates that Aloha take certain measures to conserve water and reduce demand. Water-conservation inclined block rate structures for each customer class are one method particularly recommended by the District for reducing demand. Aloha has proposed implementation of a conservation rate structure in this docket, and has proposed to fund other water conservation and demand management measures the District deems appropriate and desirable through revenues generated by such a rate structure.

9. Aloha has indicated to the District that its ability to comply with the Permit and take water conservation and demand management measures desired by the District will be affected by the Commission's decision concerning this docket.

10. The District received a copy of the Application for Increase in Water Rates from Aloha on August 15, 2001.

11. At this time, the District is not aware of any specific disputed issues of material fact. However, the District believes that its intervention in this docket to present information concerning Aloha, its overpumpage and water conservation would be relevant to this matter.

WHEREFORE, the District respectfully requests that the Commission grant the District leave to intervene in this matter, consider the information to be provided by the District in determining its action concerning this docket, approve Aloha's implementation of a water-conservation inclined block rate structure and approve the use of revenues for water conservation and demand management measures.

  
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SOUTHWEST FLORIDA WATER  
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Attorney for Intervenor

**CERTIFICATE OF SERVICE**

I certify that a true copy of the foregoing was sent by U.S. Mail to the following persons on this 24<sup>th</sup> day of September 2001:

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