ORIGINAL

STATE OF FLORIDA
OFFICE OF THE PUBLIC COUNSEL

c/o The Florida Legislature
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JACK SHREVE
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November 7, 2001

Ms. Blanca S. Bayó, Director
Division of the Commission Clerk
and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0870

RE: Docket No. 010503-EI

Dear Ms. Bayó:

Enclosed are an original and fifteen copies of Direct Testimony of Ted L. Biddy, P.E./P.L.S. for filing in the above-referenced docket.

Also enclosed is a 3.5 inch diskette containing the Direct Testimony of Ted L. Biddy, P.E./P.L.S. in WordPerfect for Windows 6.1. Please indicate receipt of filing by date-stamping the attached copy of this letter and returning it to this office. Thank you for your assistance in this matter.

Sincerely,

Stephen C. Burgess
Deputy Public Counsel

SCB/dsb
Enclosures

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PREFILED TESTIMONY
OF
TED L. BIDDY, P.E. / P.L.S.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

ON BEHALF OF THE

CITIZENS OF THE STATE OF FLORIDA

DOCKET NO. 010503-WU

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Q. WHAT IS YOUR NAME AND BUSINESS ADDRESS?

A. My name is Ted L. Biddy. My business address is 2308 Clara Kee Boulevard, Tallahassee, Florida 32303.

Q. BY WHOM ARE YOU EMPLOYED AND WHAT IS YOUR POSITION?

A. I am self-employed as a professional engineer and land surveyor.

Q. WHAT IS YOUR EDUCATIONAL BACKGROUND AND WORK EXPERIENCE?

A. I graduated from the Georgia Institute of Technology with a B.S. degree in Civil Engineering in 1963. I am a registered professional engineer and land surveyor in Florida, Georgia, Mississippi and several other states. I was the vice-president of Baskerville-Donovan, Inc. (BDI) and the regional manager of their Tallahassee Office from April 1991 until February 1998. I left the employment of BDI on September 30, 1998. Before joining BDI in 1991, I had operated my own civil engineering firm for 21 years. My areas of expertise include civil engineering, structural engineering, sanitary engineering, soils and foundation engineering and precise surveying. During my career, I have designed and supervised the master planning, design and construction of thousands of residential, commercial and industrial properties. My work has included: water and wastewater facility design; roadway design; parking lot design; stormwater facilities design; structural design; land surveys; and environmental permitting. I have served as the principal and chief designer for numerous utility projects.

Among my major water and wastewater facilities designs have been a 2,000 acre development in Lake County, FL; a 1,200 acre development in Ocean Springs, MS; a 4-mile water distribution system for Talquin Electric Cooperative, Inc. and a 320-lot subdivision in Leon County, FL. As senior project manager while employed by Baskerville-Donovan, my projects included the complete refurbishment of the water supply and distribution system for the City of Apalachicola; the complete refurbishment of wastewater collection system and treatment plant for the City of Apalachicola; water and wastewater system improvements at Carrabelle; water supply and several distribution systems for developments on St. George Island; water and wastewater systems at correctional facilities for the Florida Department of Corrections; and numerous smaller water and wastewater projects.

Q. WHAT ARE YOUR PROFESSIONAL AFFILIATIONS?

A. I am a member of the Florida Engineering Society, National Society of Professional Engineers, Florida Institute of Consulting Engineers, American Consulting Engineers Council, American College of Forensic Examiners and the Florida Society of Professional Land Surveyors.

Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE A STATE OR FEDERAL COURT AS AN ENGINEERING EXPERT WITNESS?

A. Yes, I have had numerous court appearances as an expert witness for cases involving roadways, utilities, drainage, stormwater, water and wastewater facilities designs.

Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION (PSC OR COMMISSION) ON ENGINEERING ISSUES IN CONNECTION WITH WATER AND WASTEWATER RATE CASES AND QUALITY OF SERVICE ISSUES?

A. Yes, I have testified before the PSC for Docket Nos. 940109-WU, 950495-WS, 950387-SU, 951056-WS, 950387-SU, 960329-WS, 960545-WS, 971065-SU, and 991643-SU on various engineering issues and quality of service issues.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A. The purpose of my testimony is to provide engineering testimony on the projected future water use within the service area of Aloha Utilities, Inc. (Aloha); testimony on the status of the black water problem in the Aloha service area; and to provide testimony of my engineering analysis of unaccounted for water within

Aloha's service area.

Q. DURING YOUR STUDY OF THIS CASE WHAT DOCUMENTS DID YOU REVIEW AND WHAT INVESTIGATIONS DID YOU MAKE?

A. I studied all the MFR filings and exhibits as filed by the Utility, all PSC Staff and Utility correspondence and all discovery furnished by Aloha to the PSC Staff and to the Office of the Public Counsel (OPC). I also read the depositions of Aloha's president Stephen Watford, accountant Robert Nixon and engineer David Porter as taken by the PSC Staff. I also attended the depositions of these three Aloha witnesses taken by OPC.

I interviewed Mr. Gerald Foster of the Florida Department of Environmental Protection (FDEP) permitting and enforcement staff regarding Aloha's water supply systems in the FDEP Tampa office. I further interviewed Mr. John Parker and Mr. Steven DeSmith of the Southwest Florida Water Management District (SWFWMD) in the SWFWMD Brooksville office concerning Aloha's Water Use Permit (WUP); enforcement action presently being taken by SWFWMD against Aloha and a variety of other water use issues pertinent to Aloha. I obtained copies of the SWFWMD files on Aloha's WUP and copies of their file on enforcement action against Aloha.

Mr. Parker and Mr. DeSmith gave me the names of other SWFWMD personnel who had pertinent information concerning Aloha's water supply system. I interviewed these individuals by telephone and obtained some copies of file information from them. These individuals included Mr. Bart Weiss, the reverse osmosis (R/O) expert on the SWFWMD staff; Mr. Robert Peterson, overall district water use expert on the SWFWMD staff; and Ms. Rachael Link, keeper of the records of all irrigation wells within the district.

I also interviewed Aloha water customers Mr. Harry Hawcroft and Mr. Sabino Metta to determine the current status of the black water problem in the homes of Aloha's water customers.

I studied in detail the historic water use data of Aloha's customers and performed several analyses which I will discuss below. I also discovered from OPC witness Steve Stewart's investigation that the year 2000 was the driest

weather year since SWFWMD has kept records back to 1916.

Q. DO YOU AGREE WITH ALOHA'S SCHEDULE G-9, PAGE 1 OF 4, PREPARED BY ENGINEER DAVID PORTER, IN WHICH HE DEVELOPS A WATER USE OF 500 GALLONS/DAY PER ERC AND PROPOSES THIS WATER USE FOR ALL FUTURE ALOHA CONNECTIONS ON A GOING FORWARD BASIS?

A. No, I do not agree with Mr. Porter's methodology of computation or the results of his proposed water use projection.

Q. PLEASE EXPLAIN WHY YOU DO NOT AGREE WITH MR. PORTER'S METHODOLOGY OR THE WATER USE PROJECTION HE PROPOSES FOR FUTURE CONNECTIONS?

A. Mr. Porter furnished a single handwritten sheet for the calculation of the 500 Gallons/Day/ERC that he proposes for projected water use of future connections in response to OPC's request No. 11 for production of documents. At his deposition on October 29, 2001, Mr. Porter admitted that all the data he uses in his calculation was furnished to him by Aloha's president Steve Watford and that he did not make any independent investigation concerning this water use issue. Mr. Porter simply averaged the annual average monthly demand (AAMD) per ERC for the period 7/1/00 to 6/30/01 for twelve of the newer subdivisions in the Aloha service area. The AAMDs for each of these subdivisions were furnished to him by Mr. Watford. Mr. Porter adds the AAMDs for these twelve subdivisions for this one 12-month period and divides

the sum by 12 to obtain an average of 15,200 Gallons/Month/ERC. He then divides this average by 30 days to obtain a value of 500 Gallons/Day/ERC which he proposes in Schedule G-9, Page 1 of 4, as a proper water use for predicting water demands of Aloha customers on a going forward basis.

Mr. Porter's methodology suffers from a number of flaws, to the point that I do not believe it to be a valid engineering analysis. First, as he acknowledges, he did not compile the data for the AAMD for the subdivisions himself, but accepted data from Mr. Watford for 12 subdivisions selected by Mr. Watford out of the 30 subdivisions in the Aloha service area. Mr. Watford chose the 12 most recent subdivisions which also happen to have higher monthly uses to furnish to Mr. Porter. Mr. Porter states in Schedule G-9 that it is within these newer subdivisions that the future water use will be 500 Gallons/Day/ERC due to an alleged demographic shift from retirement households to younger households with children and larger homes with larger lots. Mr. Porter admitted at his deposition that he had made no surveys or studies of these newer subdivisions to confirm his theory of a demographic shift in population.

Mr. Porter's use of only one 12 month period to determine the projected future water use is a serious mistake. He stated at his deposition that he felt that these latest 12 month period water use records were the best evidence of the current water use of Aloha's customers. Using a very limited time period as a data base in determining engineering projections is always suspect because one must always guard against unusual events skewing the results of projections obtained

from short period data bases. In this case, Mr. Porter totally ignored the fact that his data base of flows included the driest weather period on record and that heavy irrigation would have obviously skewed his resulting projection to the high side. He also ignored the fact that the flows furnished to him by Mr. Watford were from recently established subdivisions whose lawns would have been in the early stages of growing in and would have therefore required more extensive irrigation, especially during a dry weather period.

Mr. Porter's projection of 500 Gallons/Day/ERC is much higher than engineering design standards for water systems and the history of water use in this country. Mr. Porter, is a professional engineer, with years of experience in utility engineering. A flow value of 350 Gallons/Day/ERC is the standard design value taught in all engineering schools and is the standard in the engineering profession. Furthermore, this 350 Gallons/Day/ERC is a conservative value and historic water uses are almost always considerably below the design flow. Moreover, water use per ERC is not increasing in Florida but is decreasing due to water conservation measures being promoted by water management districts, utilities and others. Nevertheless, Mr. Porter accepted his calculated average of 500 Gallons/Day/ERC and proposed its use in calculating water to be purchased from Pasco County in 2001.

There is yet another unusual factor that would have tended to skew his projection to the high side for these 12 newer subdivisions. These 12 newer subdivisions are mostly located in the south portion of Aloha's service area

which is the portion of the service area where the "black water problem" is at its worst. One of the common practices in these areas with the black water problem is to perform extensive flushing of home systems on a frequent basis to try to improve the quality of water in the homes. This common practice has been previously testified to before the Commission by many of Aloha's customers and obviously would cause the water usage in these areas to be higher than normal. This practice of frequent wholesale flushing of home systems is a phenomenon caused by the low quality of Aloha's water which contains hydrogen sulfides and/or sulfates that enter home systems and reacts with copper piping in the homes resulting in a discolored and often offensive smelling water. It is certainly hoped that the root problem of Aloha's low quality water is a temporary problem since Aloha is under PSC order to find and install a solution to the problem. Therefore, any excessive usage caused by the frequent flushing of home systems in the Aloha "black water problem areas" should not be a permanent condition and should not be counted when projecting future water usage needs.

For all of the above reasons cited, I do not agree with Mr. Porter's methodology of projecting future demands for new customers of Aloha and I believe that the 500 Gallons/Day/ERC result of his projection should be rejected as unreasonable and in error.

Q. DO YOU AGREE WITH ALOHA'S SCHEDULE G-9, PAGE 2 OF 4 IN WHICH MR. PORTER CALCULATES THE ADDITIONAL WATER

DEMAND IN 2001 AND THE COST OF PURCHASED WATER FROM PASCO COUNTY IN 2001?

A. No, I do not agree with Mr. Porter's calculation methodologies or the results he obtains for additional water demand in 2001 or the cost of purchased water from Pasco County in 2001.

Q. PLEASE EXPLAIN WHY YOU DO NOT AGREE WITH THESE METHODOLOGIES AND THE RESULTS MR. PORTER OBTAINED FOR ADDITIONAL WATER DEMAND IN 2001 AND THE COST OF PURCHASED WATER FROM PASCO COUNTY IN 2001?

A. Based on my discussion above concerning my belief that Mr. Porter calculated a wrong value for future connection demand of 500 Gallons/Day/ERC, I therefore believe that he starts with a false premise by using this projected demand. He simply multiplies this projected demand of 500 Gallons/Day/ERC by the projected growth of 473 ERCs in 2001 to arrive at an additional water demand for 2001 of 86,322,500 gallons. He then adds his calculated additional demand of 86,322,500 gallons to the total water sold in 2000 of 1,018,745,467 gallons to arrive at his projection of 1,105,067,967 gallons of water to be sold in 2001. He then adjusts this projected water to be sold in 2001 to allow for 10% for treatment and system losses and arrives at a total of 1,227,853,297 gallons of water required for 2001.

To calculate the amount of water to be purchased from Pasco County, Mr. Porter subtracts Aloha's WUP limit of 2.04 MGD (744,600,000 gallons/year) from the

total water required of 1,277,853,297 gallons to obtain 483,253,297 gallons to be purchased from Pasco County in 2001. Finally, to arrive at the cost of the purchased water, Mr. Porter simply multiplies the 483,253,297 gallons by Pasco County's charge of $2.20 per 1,000 gallons to obtain the cost of purchase water for 2001 of $1,063,157.

In this calculation in Schedule 9, page 2 of 4, Mr. Porter compounds his error of using a future demand of 500 Gallons/Day/ERC by adding the erroneously calculated additional demand to the amount of water sold in the year 2000. Since Mr. Porter prepared his direct testimony and his portion of the MFRs in August, he should have known the amount of water actually sold through at least June, 2001 and should have noted that water consumption was going down and not up in 2001. Aloha furnished water consumption records to the PSC Staff and to OPC through their response to Staff's interrogatory No. 25. It was a matter of common knowledge throughout Florida that the year 2000 was a very dry weather year with resulting high water demand for irrigation while the year 2001 has been to date a much more normal rainfall year with resulting lower water demand for irrigation. The truth is that water consumption through June, 2001 decreased by 52,412,000 gallons from water sold for the same period in the year 2000 even with one half years growth of ERCs.

Notwithstanding the dramatic difference in weather for the years 2000 and 2001, Aloha added its projected additional demand for ERC growth to the water sold in 2000 and called the value so obtained the projected water to be sold in 2001.

Since we now know the actual flows in 2001 to have decreased from year 2000, the methodologies and calculations in Schedule G-9, page 2 of 4 must be summarily rejected as erroneous.

Q. DO THE RECORDS FOR THE FIRST 6 MONTHS OF 2001 FURNISHED BY ALOHA IN RESPONSE TO STAFF'S INTERROGATORY NO. 25 SHOW THAT ALOHA PURCHASED HALF OF THE 483,253,297 GALLONS THAT ENGINEER PORTER PROJECTS TO BE PURCHASED FROM PASCO COUNTY IN 2001?

A. No. The records furnished by Aloha in response to Staff 's interrogatory No. 25 show that Aloha had purchased only 103,056,000 gallons from Pasco County through June of 2001. This amounts to only 42.6 percent of half of the amount that Mr. Porter projects for 2001. At this same rate of purchased water from Pasco County, a total of 206,112,000 gallons will be purchased from Pasco County in 2001 as compared to the Porter projection of 483,253,297 gallons.

R. DID ALOHA'S ACCOUNTANT USE MR. PORTER'S ERRONEOUS CALCULATIONS IN SCHEDULE G-9, PAGES 1 OF 4 AND 2 OF 4 TO CALCULATE ALOHA'S ADDITIONAL COSTS OF PURCHASED WATER AND REVENUE REQUIREMENT?

A. Yes, see Schedule G, pages 3 of 4 and 4 of 4 prepared by Aloha accountant Robert Nixon.

Q. HAVE YOU PREPARED ANY EXHIBITS IN SUPPORT OF YOUR ASSERTIONS THAT ALOHA'S ENGINEER PORTER ERRONEOUSLY

PREPARED PAGES 1 OF 2 AND 2 OF 4 OF SCHEDULE G-9 OF THE MFRS AND IF SO, PLEASE EXPLAIN THESE EXHIBITS?

A. Yes, I have prepared a number of exhibits that I attach hereto and will explain in order as follows:

Exhibit TLB-1: This exhibit shows a calculation of historic water use per ERC for the Aloha system. Data was taken from Schedule F-9 of the MFRs and from Aloha's response to Staff's interrogatory No. 25. The calculations also included the total ERC data furnished by Aloha in Schedule F-9. The calculations extend from 1995 through 2000 and also include the first 6 months of 2001. The calculations reveal that the water sold per ERC was 247 gallons/day in 1995, increased to 277 gallons/day by the year 2000 and then decreased to 264 gallons/ERC in 2001. The calculations also show that the water use per ERC would decrease further to 258 gallon/day when the six month water sold records are annualized for 2001. The small water use increase per ERC from 1995 through 2000 is understandable since the SWFWMD considers the period 1990 to 2000 to be a period of drought. In like manner, the decrease in water use per ERC in 2001 is also understandable since rainfall weather patterns returned to near normal in 2001 in the Aloha service area.

Exhibit TLB-2: This exhibit shows a comparison of Aloha Engineer Porter's calculated cost of purchased water in 2001 from Pasco County in Schedule G-9, page 2 of 4, to the cost of purchased water from Pasco

County that I computed using an annualized total for 2001 based on the records for water sold in the first 6 months of 2001. I applied the recent increased cost of Pasco County water from $2.20 per 1,000 gallons to $2.35 per 1,000 gallons.

The comparison shows that the projected cost of purchased water from Pasco County by my calculation would be $845,749 compared to Mr. Porter's calculated cost of $1,135,645, a difference of $289,896.

Both calculations assume that Aloha will indeed purchase all of their water above their WUP with SWFWMD from Pasco County. This quantity over Aloha's WUP was calculated by my methodology as 359,893,333 gallons and by Mr. Porter's methodology as 483,253,297 gallons. Interestingly, the Aloha water records furnished in response to Staff's interrogatory No. 25 show that Aloha had purchased only 103,056,000 gallons from Pasco County during the first 6 months of 2001. This amounts to only 28.6% of the amount that I computed to be needed to be purchased from Pasco County and only 21.3% of the amount calculated by Mr. Porter. Obviously, Aloha continues to violate the limits of their WUP from SWFWMD by pumping much more from their wells than allowed by their permit. Therefore, any calculation of cost of purchased water from Pasco County for the year 2001 must be tempered with the actual records of purchased water from Pasco County rather than the total water needs above Aloha's WUP limits. From the

six months records furnished by Aloha to date, it appears that Aloha will only purchase about 206,112,00 gallons for year 2001 compared to the total I calculated that needed to be purchased from the County of 359,893,333 gallons.

Exhibit TLB-3: This exhibit calculates a historic annualizing factor for the first six months sale of water as a percentage of the actual annual sale of water by Aloha. The calculation of the annualizing factors considers the six year actual data from 1995 through 2000. The average of these six years shows that 50.92% of the total annual water sales had occurred by the end of the first six months of the year. Therefore, my methodology in Exhibit TLB-2 of doubling the water sold during the first six months of 2001 to arrive at a projected total water sold for the year appears to be reasonable.

Exhibit TLB-1.1: In this exhibit I present a tabulation and chart of the change in water sold per ERC by Aloha over a seven year period with the data for 2001 based on the six months actual data.

Exhibit TLB-1.2: In this exhibit I present a tabulation and chart of the change in water sold per ERC by Aloha over a seven year period with year 2001 annualized by doubling the amount sold during the first six months.

Q. DID YOU CALCULATE ALOHA'S UNACCOUNTED FOR WATER FOR THE PROJECTED TEST YEAR OF 2001?

A. Yes, I calculated Aloha's unaccounted for water for 2001 based on the records which Aloha furnished in response to PSC Staff's interrogatory No. 25. In this response, Aloha showed a total pumped and purchased water of 603,404,141 gallons through June of 2001 and total water sold of 497,022,000 gallons for the same time period. Calculating the water sold versus the total water pumped and purchased (497,022,000/603,404,141) yields a percentage of 82.4% and therefore unaccounted for water of 17.6%. This percentage would be the same if one annualized the amounts of water sold and the amounts of water pumped and purchased by doubling the six month totals. The 17.6% unaccounted for water is of course 7.6% over the normal allowance by the PSC. If the unaccounted for water is truly 17.6% then all costs related to volume such as cost of power, chemicals, etc. should be reduced by 7.6%.

At the OPC deposition of Aloha's president, Stephen Watford on October 29, 2001, Mr. Watford was confronted with these records that Aloha furnished in response to interrogatory and the resulting percentage of unaccounted for water. Mr. Watford's response was that there must be something wrong with the records furnished. If this is true, then let Aloha furnish the corrected records but if the records furnished are accurate, then appropriate deductions in expenses related to volume are in order.

As I was completing this testimony on November 6, 2001, OPC received two late filed exhibits to Mr. Watford's deposition of October 29,2001. The first late filed exhibit by Mr. Watford was an update through September, 2001 of Aloha's

response to Staff's interrogatory No. 25 giving a tabulation of total water pumped and purchased through September, 2001. This late filed exhibit which I attach hereto as Exhibit TLB-9 shows a total pumped and purchased water through September, 2001 of 851,020,341 gallons. The second late filed exhibit to Mr. Watford's deposition is an update through September, 2001 of several flow factors including total water sold to customers of 731,751,000 gallons. I attach this late filed exhibit hereto as Exhibit TLB-10. Calculating the water sold versus total water pumped through September (731,751,000/851,020,341) yields a percentage of 86% and therefore unaccounted for water of 14%. Obviously the unaccounted for water varies from month to month and the full 2001 records should be used for a true picture of the full projected test year of 2001 for unaccounted for water.

Strangely, there are unexplained differences in the data shown on these two late filed exhibits to Mr. Watford's deposition. For instance, for total water pumped and purchased, one document shows 851,020,341 gallons while the other document shows 818,650,000 gallons for an unexplained difference of 32,370,341 gallons.

Interestingly, the 731,751,000 total gallons sold to customers through September, 2001 as reported by Mr. Watford in his late filed exhibit may be approximately annualized by considering this total amount sold to customers to be about 75% (9 months/12 months) of the total projected to be sold in 2001. By this calculation, the total 2001 sales to customers would be 975,668,000

gallons which is slightly lower than my previous projection of 994,044,000 gallons that I obtained by doubling the six month values. The annual projection using the nine month records is further proof that my six month projection was slightly conservative since the remaining records for October, November and December are not normally high usage months. Again, the actual records are showing a much lower water usage than the usage shown by Mr. Porter in Schedule G-9 of the MFRs.

Q. WHAT TESTIMONY DO YOU HAVE TO OFFER CONCERNING ALOHA'S ALLEGED DEMOGRAPHIC SHIFT WITHIN THEIR SERVICE AREA TO YOUNGER CUSTOMERS WITH CHILDREN WITH LARGER HOMES ON LARGER LOTS?

A. My testimony is based on having been in the Aloha service area on many occasions during two cases before the PSC over the last 3 years. I have not only been throughout the service area but have been in a number of the Aloha customer's homes and have discussed this very issue with Aloha customers. My observation has been that there is only a scattering of young families with children and that the vast majority of Aloha's customers are older retired people with average age of about 70 years. My observation has been that these customers have no more than an average of 2.5 occupants per household which is the same as established by the SWFWMD for this area. The customers that I have interviewed completely agree with me and my observation. I have also noted that the newer subdivisions in the southern part of Aloha's service area all

tend to have large houses with extensive landscaping on their lots that they irrigate regularly. Some, but not all, of these newer subdivisions have irrigation water from private wells and distribution systems owned by their homeowner's associations. A listing of permitted irrigation wells that I obtained from the SWFWMD confirmed the presence of these private irrigation wells. Not surprisingly, the subdivisions with the private irrigation wells and distribution systems have smaller Average Annual Monthly and Daily Demands from Aloha. Two out of the twelve subdivisions that Mr. Porter averaged to obtain his 500 Gallons/Day/ERC have these private irrigation wells and these two subdivisions (Millpond and Wyndtree) showed Average Annual Daily Demands of only 209 and 322 Gallons/Day/ERC respectively. The fact that the remainder of these subdivisions had high usage per ERC which made the average equal to 500 Gallons/Day/ERC only goes to prove that it was the extensive irrigation in the driest year on record in 2000 that caused the extraordinary water use.

In summary, I have seen nothing in the Aloha service area to support Aloha's claim of a demographic shift in population.

Q. WILL YOU NOW DISCUSS YOUR INVESTIGATION INTO THE STATUS OF THE "BLACK WATER PROBLEM" WITHIN THE ALOHA SERVICE AREA AND THE PROGRESS ALOHA HAS MADE IN GOING FORWARD TO FIND A SOLUTION TO THIS PROBLEM?

A. Yes, I will. I first obtained a copy of the PSC clarification order to Aloha from the past water quality issue case. The clarification order from the PSC reads as

follows:

> ORDERED that Aloha Utilities, Inc. shall immediately implement a pilot project using the best available treatment alternative to enhance the water quality and to diminish the tendency of the water to produce copper sulfide in the customers' homes as set forth in the body of this Order. It is further
>
> ORDERED that Aloha Utilities, Inc. shall file monthly reports with the Commission indicating the status of permitting and construction for the pilot project and the results of the pilot project on the quality of water.

I then went to the PSC web site and pulled up all the monthly reports from Aloha to the PSC to determine what Aloha had done in response to the PSC order. I obtained and studied copies of Aloha's monthly reports to the PSC for the months of January, 2001 through October, 2001. Through these reports, Aloha's responses to interrogatories and depositions of Aloha witnesses by PSC Staff and the OPC, I was able to piece together the history of Aloha's actions in response to the PSC order.

It will be remembered that Aloha proposed a packed tower aeration system as their solution to the hydrogen sulfide content in their water during the prior water quality case before the PSC. However, Mr. David Porter reports that FDEP contacted him and suggested that Aloha pilot test an ion exchange followed by clarification process known as the "MIEX DOC" process. FDEP informed Mr. Porter that the MIEX DOC process had been piloted successfully

by Pasco County for their water supply. Mr. Porter and Aloha apparently determined that this MIEX DOC process was the "best available treatment alternative" because Mr. Porter immediately began to meet with representatives of ORICA Watercare, owners of the MIEX DOC process and their Florida representative WesTech, Inc. to arrange for the pilot testing.

By the March report to the PSC, Mr. Porter reports that the small scale "bench-top" tests had been completed on the Aloha water from Well No. 9 using the MIEX system and that the testing went quite well. He and the MIEX representatives will now plan the full scale pilot testing.

In his April report to the PSC, Mr. Porter informs that the full scale pilot testing had been performed at well No. 9 and that the results were very encouraging with the finished water from the tests having very low hydrogen sulfide, total organic carbon, UV absorbance and color values. Mr. Porter then discusses certain modifications to be made to the testing equipment and that further testing will be performed.

In his May report to the PSC, Mr. Porter reports that the modified testing equipment was "mixing limited" and that further modifications would be made to the equipment for additional testing.

By his July report to the PSC, Mr. Porter informs that subsequent testing had been performed using pH control equipment and up-flow reactor-clarifier and that the testing went well with the MIEX process obtaining good ionic sulfide removal efficiencies. The pilot program was ended and the equipment sent back

to WesTech. Mr. Porter states that he will now prepare the MIEX pilot trials report that will take 30 to 45 days to complete. He also says that he will work with Orica and WesTech to develop plant process designs and cost estimates which will be included in the report.

From Aloha engineer Porter's reports through July, 2001, the pilot testing and the results using the MIEX process sound very good, and the reader of these reports is expecting to see Mr. Porter's final report on the MIEX process within a short time, including a design for the Aloha system and cost estimates for installation. However, in Aloha's August report, Mr. Porter tells us that "water supply issues have come up" and that "he has been looking into alternative water sources for the long term supply for Aloha." Mr. Porter reports that the development of a reverse osmosis (R/O) treatment system using brackish water may be the solution. He further states that this possible new water source may, to some extent, be combined with either the MIEX or packed tower alternative for overall solutions to the various issues which Aloha faces. Mr. Porter says that he will complete a draft of the MIEX pilot trials report and review it with FDEP prior to preparing the final report.

In Aloha's September, 2001 report to the PSC, Aloha engineer Porter repeats his August report verbatim and then adds, "Therefore, not only must Aloha now evaluate the different alternatives for reduction of hydrogen sulfide, but it must also evaluate these alternatives in light of their expected compatibility with the more pressing water supply needs and those alternatives that the Utility must

address immediately."

Aloha's October report to the PSC is simply a verbatim repeat of their September report.

I attach hereto as Exhibit TLB-4 copies of Aloha's reports to the PSC from January, 2001 through October, 2001.

After reading Aloha's reports on the pilot testing of the MIEX process at Aloha's Well No. 9, I went to the web site of the MIEX product and found a paper entitled " USE OF A CONTINUOUS ION EXCHANGE PROCESS (MIEX) TO REMOVE TOC AND SULFIDES FROM FLORIDA WATER SUPPLIES." I printed the MIEX paper and attach it hereto as Exhibit TLB-5.

In this technical paper, the MIEX process is described in detail and then case studies concerning sulfide removal are discussed. The sulfide removal in bench scale tests at Aloha's Well No. 9 are presented along with charts showing essentially complete removal of the hydrogen sulfide. The paper concludes with the statement that "Ion exchange resins can be used to remove a number of soluble contaminants of concern and trials with the MIEX resin technology have demonstrated simultaneous removal of TOC (Total Organic Carbon) and sulfides, providing a simple and economical solution to problems encountered by many utilities in Florida." The author of the paper then acknowledges and thanks contributions to his paper including, "David Porter of David Porter Engineering Consultants for making available the results of the Aloha Utilities tests."

In reading Aloha's reports to the PSC concerning the pilot testing, one is encouraged that an economical solution for hydrogen sulfide removal may have been found. But the July report suddenly reports that "water supply issues have come up." This statement leaves the impression that the water supply issue is a new issue only recently raised and the ensuing reports make it clear that Aloha intends to solve the water supply issue before proceeding further with the solution to the hydrogen sulfide ("black water") problem in their wells.

This posture by Aloha is indefensible. Aloha has known of their water supply problem since at least April 2, 1999 when the SWFWMD first issued Aloha an overpumping compliance notice with a demand that Aloha bring their pumping withdrawal within their permitted quantities. A second more strongly worded "Notice of Non-Compliance, overpumping" letter was sent to Aloha by the District on June 6, 2000. Then on November 11, 2000, the District's legal department sent Aloha a Notice of Violation with demands for Aloha to bring its withdrawal into compliance within 30 days or face fines and legal action. Finally, on January 5, 2001 the District sent Aloha a proposed consent order including heavy fines and provisions for Aloha to bring their withdrawal within permit limits. Negotiations have proceeded between Aloha's attorney and the District's counsel since January with the current status being that Aloha has now proposed to perform an R/O feasibility study for additional water supply.

During my visit and interviews with SWFWMD personnel, I obtained a copy of their entire file on the enforcement action and proposed consent order with

Aloha. I attach these copies hereto as Exhibit TLB-6.

I also placed calls to some Aloha customers and inquired as to the current status of the "black water problem." I was informed that the problem is as bad as ever and that home systems must be frequently flushed in order to use the water.

In summary, my investigation into the status of the black water problem and Aloha's progress in solving the problem revealed that Aloha's pilot testing seems to have found an answer but that Aloha is delaying completion of engineering studies, reports, preliminary designs, etc. until they solve their water supply problem. Aloha has obviously painted themselves into a corner by their inaction since 1999 in developing additional water supply. It is also true that different water chemistry from water purchased from Pasco County and chemistry of new water from an R/O process will all have to be taken into consideration in any MIEX system designs if these waters are mixed with the Aloha Well waters. In the meantime Aloha customers suffer with a very low quality water that is very offensive in their homes. I am informed by R/O experts in the SWFWMD that it will require 3 to 4 years from the start of an R/O feasibility study to completion of an installation. Meanwhile the customers suffer.

Q. BASED ON YOUR INVESTIGATIONS, DO YOU BELIEVE THAT ALOHA HAS COMPLIED WITH THE COMMISSION'S ORDERS IN CONNECTION WITH PILOT TESTING AND REPORTS REQUIRED IN CONNECTION WITH ENHANCING THEIR WATER QUALITY TO

DIMINISH THE TENDENCY OF THE WATER TO PRODUCE COPPER SULFIDE IN THE CUSTOMERS HOMES?

A. Aloha may have complied with the letter but not the spirit of the Commission's order. Starting a pilot program which they knew or should have known would have to be suspended because of their water supply problems was only a half-hearted attempt to comply with the Commission's orders. Preparing reports for August, September and October that are essentially identical and provide no further evidence of progress is disingenuous in my opinion. It appears to me that Aloha is simply stalling on this issue, as well as the issue of overpumping beyond their permit limit.

Q. DO YOU HAVE ANY COMMENTS CONCERNING YOUR INTERVIEWS WITH SWFWMD PERSONNEL IN CONNECTION WITH ALOHA'S WATER SUPPLY PROBLEMS?

A. The SWFWMD personnel that I interviewed seem to be exasperated with their dealings with Aloha to get them to comply with the withdrawal limits of their WUP. Talking to them and reading their interoffice memorandums in the consent order file (Exhibit TLB-6) make this fact obvious. The District's technical personnel have serious doubts as to the technically feasibility of an R/O facility in the Aloha Service area. One Professional Geologist in the District's Water Use Section states in a memorandum that the R/O system proposal by Aloha "contain this Utility's typical delaying tactic and wait and see approach." This same Geologist stated in his memorandum that, "The proposed

R/O facility is a "red-herring" in my opinion, as I do not think FDEP would approve such a facility within the Aloha service area, due to the difficulty of disposing of the brine-water-concentrate produced during the RO process."

Notwithstanding their misgivings, the SWFWMD seems to be willing to let Aloha study an R/O facility as this provision is included in the latest draft of the proposed consent order.

Concerning the cost of an R/O feasibility study and installation, Mr. Bart Weiss, the District's R/O expert, estimated to me that the study would cost $600,000 to $700,000 and the R/O installation of a 2.5 MGD plant would cost $15 to $17 million. Aloha's president, Steve Watford, has testified at deposition that his engineer had given him a cost of about $1 million for the study and $20 to $30 million for the plant installation.

Q. DOES THAT COMPLETE YOUR DIRECT TESTIMONY?

A. Yes, it does.

CERTIFICATE OF SERVICE
DOCKET NO. 010503-WU

I HEREBY CERTIFY that a true and correct copy of the foregoing Direct Testimony of Ted L. Biddy, P.E./P.L.S. has been furnished by hand-delivery(*) or U.S. Mail to the following parties on this 7th day of November, 2001:

Marshall Deterding, Esquire
Rose Law Firm
2548 Blairstone Pines Drive
Tallahassee, FL 32301

Ralph Jaeger, Esquire*
Division of Legal Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Edward O. Wood
1043 Daleside Lane
New Port Richey, FL 34655-4293

Margaret Lytle, Esquire
SWFWMD
2379 Broad Street
Brooksville, FL 34604

Stephen C. Burgess
Deputy Public Counsel

					EXHIBIT TLB-1	
CALCULATION OF HISTORIC WATER USE PER ERC FOR ALOHA UTILITIES INC.						
(USING DATA FROM SCHEDULE F-9 OF MFRs)						
YEAR	**TOTAL WATER SOLD**	**TOTAL ERCS**	**WATER SOLD PER ERC**	**WATER SOLD PER ERC**		
	(GALLONS)		(GALS./YR./ERC)	(GPD/ERC)		
1995	730,584,000	8,118	89,996	247		
1996	797,333,000	8,393	94,999	260		
1997	857,122,000	8,836	97,003	266		
1998	893,379,000	9,306	96,000	263		
1999	993,310,000	9,835	100,997	277		
2000	1,018,747,000	10,087	100,996	277		
2001*	497,022,000*	10,323*	48,147**	264		
	* Based on first 6 months data furnished by Aloha in response to Staff's Interrogatory No. 25.					
	**Gallons for 6 months per ERC					
	YEAR 2001 ANNUALIZED DATA					
	(DOUBLING TOTAL WATER SOLD AND USING PROJECTED ERCs)					
2001	994,044,000	10,560	94,133	258		

EXHIBIT TLB-2

COMPARISON OF ALOHA'S (PORTER) CALCULATED WATER PURCHASE NEEDS FROM PASCO COUNTY WITH OPC'S (BIDDY) CALCULATIONS FOR PROJECTED TEST YEAR 2001.

ALOHA'S CALCULATION			OPC'S CALCULATION
Number of Additional ERC for 20001	=	473	
Water Demand per ERC (Gals/Day)	=	500	
Additional Water Demanded/Yr. (Gals.)	=	86,322,500	
Water Sold in 2000 (Gals.)	=	1,018,745,467	
Water Projected to be Sold in 2001 (Gals)	=	1,105,067,967	994,044,000**
Water Required With Treatment & System Losses	=	1,227,853,297	1,104,493,333
Water Available per WUP (2.04 MGD)	=	744,600,000	744,600,000
Water to be Purchased from Pasco Co.(Gal/Yr)	=	483,253,297	359,893,333
Cost* of Purchased Water at $2.35/1000 Gals.	=	$1,135,645	$845,749
		Diff. = $289,896	

*Cost shown in Aloha's Schedule G-9, page 2 of 4 adjusted for Pasco County increase from $2.20 tp $2.35 per 1,000 gallons

**Water projected to be sold in 2001 was based on annualized amount obtained from 6 months record usage of 497,022,000 gallons for the period 1/1/01 through 6/30/01. Annualized amount was computed by doubling the first six months actual usage.

Historical average of first six months usage as a percentage of total years usage is 50.92%. See Exhibit TLB-3.

			EXHIBIT TLB-3
HISTORIC ANNUALIZING FACTOR FOR FIRST SIX MONTHS SALE OF WATER AS A PERCENTAGE OF THE			
OF THE ANNUAL TOTAL SALE OF WATER FOR ALOHA UTILITIES, INC. SEVEN SPRINGS SYSTEM			
	SOURCE: Aloha's Response to PSC Staff's Interrogatory No. 25		
YEAR	**WATER SOLD (JAN - JUNE)**	**ANNUAL WATER SOLD**	**FIRST 6 MOS. SALE PERCENTAGE**
	(GALLONS)	**(GALLONS)**	**OF ANNUAL WATER SOLD**
1995	381,246,000	730,584,000	52.18%
1996	393,036,000	797,333,000	49.29%
1997	425,031,000	857,122,000	49.59%
1998	423,647,000	893,379,000	47.42%
1999	527,431,000	993,310,000	53.10%
2000	549,434,000	1,018,747,000	53.93%
			AVERAGE = 50.92%

EXHIBIT TLB-1.1

CHART OF HISTORIC CHANGE IN WATER SOLD PER ERC FOR ALOHA UTILITIES, INC.

YEAR	WATER SOLD PER ERC
1995	247
1996	260
1997	266
1998	263
1999	277
2000	277
2001	264

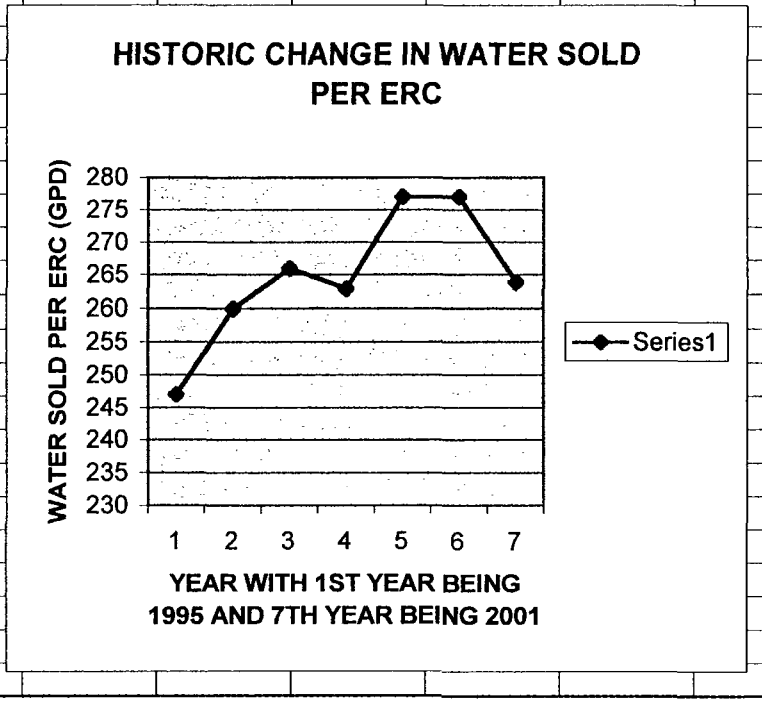

EXHIBIT TLB-1.2

CHART OF HISTORIC CHANGE IN WATER SOLD PER ERC FOR ALOHA UTILITIES, INC. WITH YEAR 2001 ANNUALIZED

YEAR	WATER SOLD PER ERC
1995	247
1996	260
1997	266
1998	263
1999	277
2000	277
2001	258

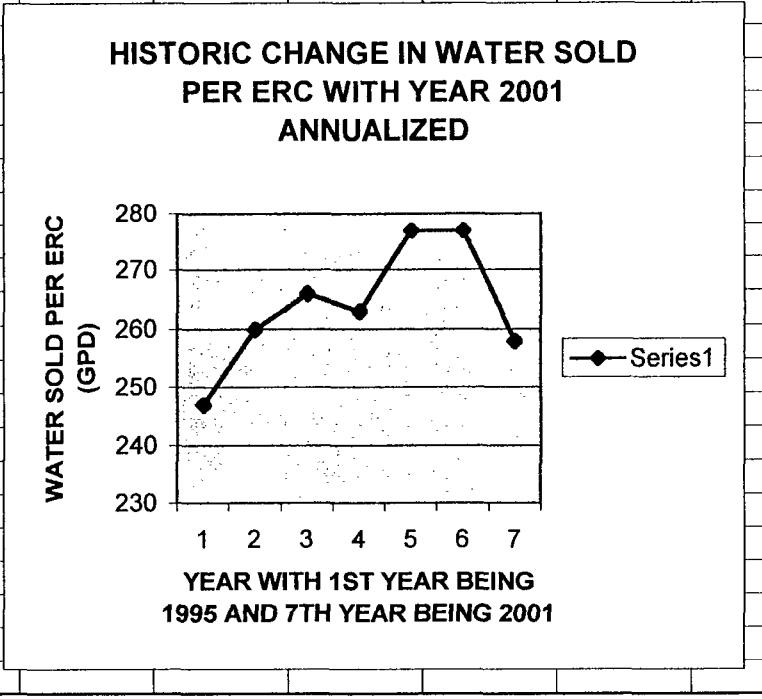

EXHIBIT TLB-4

ALOHA'S MONTHLY REPORTS TO PSC ON PILOT TESTING PROGRAM

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ROBERT M. C. ROSE
OF COUNSEL

October 19, 2001
VIA HAND DELIVERY

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

Re: Aloha Utilities, Inc.; PSC Docket No. 010156-WS
Our File No. 26038.17

Dear Ms. Bayo:

Attached in accordance with the requirements of the Commission's Final Order in the above-referenced docket is the most recent report on the status of the pilot project. Please see the attached letter for more detail concerning this status report.

If you have problems with the way in which we are proceeding or have any questions, please let me know.

Sincerely,

ROSE, SUNDSTROM & BENTLEY, LLP

F. Marshall Deterding
For The Firm

FMD/tmg
Enclosure
cc: Tom Walden, PSC
David W. Porter, P.E.
Stephen G. Watford

aloha\17\2bayopilot.ltr

D P E C David W. Porter, P.E., C.O.
Engineering Consultants

**Regulatory Assistance;
Process Troubleshooting;
System Design, Permitting,
Construction Observation;
Forensic Engineering,
Expert Witness Testimony;
Rate Case Support**

October 18, 2001

Ms. Connie Kurish
Aloha Utilities, Inc.
6195 Perrine Ranch Road
New Port Richey, FL 34655

Re: PSC Docket No. 010156-WU
Project Number AUI-021-1-S
Seven Springs WS Pilot Plant
Status Report for October 2001

Dear Connie,

I have prepared this project update letter so that you may use it in the preparation of your monthly report to the FPSC concerning this project.

Since my last report, we have continued reviewing and analyzing the large quantity of laboratory testing data from the trials conducted with the two different MIEX pilot testing units. We have also continued working with ORICA-WATERCARE and WESTECH in the development of construction and O&M cost estimates for a MIEX plant.

Because of water supply issues that have arisen over the last six months, at your and Steve Watford's direction I have continued looking into the issue of alternative water sources for the long term supply of service to the customers of Aloha Utilities. As you know, while nothing has been established as of yet, research by myself and by Mr. Watford, along with meetings with the Water Management District staff, have led us to the conclusion that many of the supply issues that have arisen in recent months, as well as some of the long-term water quality issues, must be resolved by a combination of strategies. These include the possibility of developing a reverse osmosis treatment system using brackish water. We are currently investigating that alternative, as it may very well present the solution to several problems the Utility is currently encountering or will encounter in the coming years, and enable the Utility to better meet long-term supply needs and quality needs in the most efficient and economical way possible. Therefore, not only must Aloha now evaluate the different alternatives for reduction of hydrogen sulfide, but it must also evaluate these alternatives in light of their expected compatibility with the more pressing water supply needs and those alternatives that the Utility must address immediately.

In the meantime, once the MIEX pilot study data review and analysis is complete and the construction and O&M cost estimating work is completed we will complete preparation of the draft MIEX pilot trials report. At that time we will review the report with the FDEP so that we can obtain and address any technical comments that they may have prior to preparing the final report.

If you have any questions please call me

Sincerely yours,

David W. Porter, P.E., C.O.
Engineering Consultant

PCHD//Status Report 10-18-01//proj/via FAX

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ROBERT M. C ROSE
OF COUNSEL

ORIGINAL

September 24, 2001

VIA HAND DELIVERY

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

Re: Aloha Utilities, Inc.; PSC Docket No. 010156-WS
Our File No. 26038.17

Dear Ms. Bayo:

Attached in accordance with the requirements of the Commission's Final Order in the above-referenced docket is the most recent report on the status of the pilot project. Please see the attached letter for more detail concerning this status report.

If you have problems with the way in which we are proceeding or have any questions, please let me know.

Sincerely,

ROSE, SUNDSTROM & BENTLEY, LLP

F. Marshall Deterding
For The Firm

FMD/tmg
Enclosure
cc: Tom Walden, PSC
Ralph Jaeger, Esq.
David W. Porter, P.E.
Stephen G. Watford

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D P E C David W. Porter, P.E., C.O.
Engineering Consultants

**Regulatory Assistance;
Process Troubleshooting;
System Design, Permitting,
Construction Observation;
Forensic Engineering,
Expert Witness Testimony;
Rate Case Support**

September 18, 2001

Ms. Connie Kunish
Aloha Utilities, Inc.
6195 Perrine Ranch Road
New Port Richey, FL 34655

Re. PSC Docket No. 010156-WU
Project Number AUI-021-1-S
Seven Springs WS Pilot Plant
Status Report for September 2001

Dear Connie,

I have prepared this project update letter so that you may use it in the preparation of your monthly report to the FPSC concerning this project.

Since my last report, we have continued reviewing and analyzing the large quantity of laboratory testing data from the trials conducted with the two different MIEX pilot testing units. We have also continued working with ORICA-WATERCARE and WESTECH in the development of construction and O&M cost estimates for a MIEX plant.

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If you have any questions please call me.

Sincerely yours,

David W. Porter, P.E., C.O.
Engineering Consultant

PCHD//Status Report 09-18-01//proj/vra FAX

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ROBERT M. C. ROSE
OF COUNSEL

August 20, 2001
VIA HAND DELIVERY

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

Re: Aloha Utilities, Inc.; PSC Docket No. 010156-WS
Our File No. 26038.17

Dear Ms. Bayo:

Attached in accordance with the requirements of the Commission's Final Order in the above-referenced docket is the most recent report on the status of the pilot project. Please see the attached letter for more detail concerning this status report.

If you have problems with the way in which we are proceeding or have any questions, please let me know.

Sincerely,

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F. Marshall Deterding
For The Firm

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Enclosure
cc: Tom Walden, PSC
Ralph Jaeger, Esq.
David W. Porter, P.E.
Stephen G. Watford

aloha\17\bayopilot.ltr

DP EC David W. Porter, P.E., C.O.
Engineering Consultants

**Regulatory Assistance;
Process Troubleshooting;
System Design, Permitting,
Construction Observation;
Forensic Engineering,
Expert Witness Testimony;
Rate Case Support**

August 16, 2001

Ms Connie Kurish
Aloha Utilities, Inc.
6195 Perrine Ranch Road
New Port Richey, FL 34655

Re: PSC Docket No. 010156-WU
Project Number AUI-021-1-S
Seven Springs WS Pilot Plant
Status Report for August 2001

Dear Connie,

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Since my last report, we have continued reviewing and analyzing the large quantity of laboratory testing data from the trials conducted with the two different MIEX pilot testing units. We have also continued working with ORICA-WATERCARE and WESTECH in the development of construction and O&M cost estimates for a MIEX plant.

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In the meantime, once the MIEX pilot study data review and analysis is complete and the construction and O&M cost estimating work is completed we will complete preparation of the draft MIEX pilot trials report. At that time we will review the report with the FDEP so that we can obtain and address any technical comments that they may have prior to preparing the final report.

If you have any questions please call me.

Sincerely yours,

David W. Porter, P.E., C.O.
Engineering Consultant

PCHD//Status Report 08-16-01//proj/via FAX

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ROBERT M. C. ROSE
OF COUNSEL

July 20, 2001
VIA HAND DELIVERY

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

Re: Aloha Utilities, Inc.; PSC Docket No. 010156-WS
Our File No. 26038.17

Dear Ms. Bayo:

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System Design, Permitting,
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Expert Witness Testimony;
Rate Case Support

July 17, 2001

Ms. Connie Kunsh
Aloha Utilities, Inc
6195 Perrine Ranch Road
New Port Richey, FL 34655

Re: PSC Docket No. 010156-WU
Project Number AUI-021-1-S
Seven Springs WS Pilot Plant
Status Report for July 2001

Dear Connie,

I have prepared this project update letter so that you may use it in the preparation of your monthly report to the FPSC concerning this project.

Since my last report, we have been reviewing and analyzing the laboratory testing data from the MIEX reactor clarifier pilot testing unit. We also ran trials to attempt to convert all the sulfide in the raw water to the ionized form to allow the MIEX resin to remove more of the total sulfide and to prevent gaseous sulfide from being lost from the open top of the reactor into the surrounding atmosphere. These trials were only partially successful. Some evidence of sulfide conversion from the gaseous from to the ionized form with increased pH was indicated, however, no statistically valid reduction in overall MIEX uptake of the total sulfides was realized. We are evaluating the data and will perform additional jar testing to further develop this technology in the coming month.

Additional upflow reactor-clarifier trials were undertaken to verify total sulfide removals by the MIEX resin separate from the removal of sulfide by air stripping. These trials went well with the MIEX showing good ionic sulfide removal efficiencies. The pilot units were dismantled and shipped back to WesTech (ORICA's partner).

We will now begin preparation of the MIEX pilot trials report which will take about 30 to 45 days to complete. Also, we are working with ORICA and WesTech to develop plant process designs and cost estimates which will be part of the report.

We are also evaluating the need to pilot additional technologies and will prepare a recommendation for your review shortly.

If you have any questions please call me.

Sincerely yours,

David W. Porter, P.E., C.O.
Engineering Consultant

PCHD//Status Report 07-17-01//pmy/via FAX

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ROBERT M. C. ROSE
OF COUNSEL

June 20, 2001
VIA HAND DELIVERY

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

Re: Aloha Utilities, Inc.; PSC Docket No. 010156-WS
Our File No. 26038.17

Dear Ms. Bayo:

Attached in accordance with the requirements of the Commission's Final Order in the above-referenced docket is the most recent report on the status of the pilot project. Please see the attached letter for more detail concerning this status report.

If you have problems with the way in which we are proceeding or have any questions, please let me know.

Sincerely,

ROSE, SUNDSTROM & BENTLEY, LLP

Marty Deterding /ss

F. Marshall Deterding
For The Firm

FMD/tmg
Enclosure
cc: Tom Walden, PSC
David W. Porter, P.E.
Stephen G. Watford

Dictated by Mr. Deterding but signed in his absence to avoid delay in mailing.

aloha\17\2bayopilot.ltr

D P E C David W. Porter, P.E., C.O.
Engineering Consultants

**Regulatory Assistance;
Process Troubleshooting;
System Design, Permitting,
Construction Observation;
Forensic Engineering,
Expert Witness Testimony;
Rate Case Support**

June 19, 2001

Ms. Connie Kurish, General Manager
Aloha Utilities, Inc.
6195 Perrine Ranch Road
New Port Richey, FL. 34655

Re: PSC Docket No. 010156-WU
Project Number AUI-021-1-S
Seven Springs WS Pilot Plant
Status Report for June 2001

Dear Connie,

I have prepared this project update letter so that you may use it in the preparation of your monthly report to the FPSC concerning this project.

Since my last report, we have been reviewing and analyzing the laboratory testing data from the MIEX reactor clarifier pilot testing unit. After review of the data, we consulted with the MIEX engineers and developed a plan to attempt to convert all sulfide in the raw water to the ionized form by raising the pH to 8 and providing sufficient contact time to cause the reaction to proceed. If it can be accomplished in a cost effective manner, this conversion will be desirable. Converting all the sulfide in the raw water to the ionized form will allow the MIEX resin to remove more of the total sulfide and will prevent the gaseous sulfide from being lost from the open top of the reactor into the surrounding atmosphere.

The pH control equipment was obtained and the pH adjustment reactor was constructed during the week of June 4th. The pH adjustment trials were conducted the week of June 11th. During the pH trials, the ORICA WATERCARE engineers were on site to assist and meet with us to discuss the pilot program results to date.

During this week we are analyzing the data from the pH trials to determine if any additional trials are needed. ORICA WATERCARE engineers are working with us to make this determination. We will be scheduling any additional trials of the MIEX process shortly as they are required.

If you have any questions please call me.

Sincerely yours,

David W. Porter, P.E., C.O.
Engineering Consultant

PCHD//Status Report 06-19-01//proj/via FAX

3197 Ryans Court • Green Cove Springs, FL 32043 • Phone: 904-291-2744 • Fax: 904-291-7769 • Cell Phone: 904-707-9127 • E-Mail: porterpe@mediaone.net

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ROBERT M C ROSE
OF COUNSEL

ORIGINAL

May 21, 2001
VIA HAND DELIVERY

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

Re: Aloha Utilities, Inc.; PSC Docket No. 010156-WS
Our File No. 26038.17

Dear Ms. Bayo:

Attached in accordance with the requirements of the Commission's Final Order in the above-referenced docket is the most recent report on the status of the pilot project. Please see the attached letter for more detail concerning this status report.

If you have problems with the way in which we are proceeding or have any questions, please let me know.

Sincerely,

ROSE, SUNDSTROM & BENTLEY, LLP

F. Marshall Deterding
For The Firm

FMD/tmg
Enclosure
cc: Tom Walden, PSC
David W. Porter, P.E.
Stephen G. Watford

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D P E C David W. Porter, P.E., C.O.
Engineering Consultants

**Regulatory Assistance;
Process Troubleshooting;
System Design, Permitting,
Construction Observation;
Forensic Engineering,
Expert Witness Testimony;
Rate Case Support**

May 18, 2001

Ms. Connie Kurish, General Manager
Aloha Utilities, Inc.
6195 Perrine Ranch Road
New Port Richey, FL 34655

Re: PSC Docket No. 010156-WU
Project Number AUI-021-1-S
Seven Springs WS Pilot Plant
Status Report for May 2001

Dear Connie,

I have prepared this project update letter so that you may use it in the preparation of your monthly report to the FPSC concerning this project.

As you are aware, pilot testing of the MIEX process was begun on April 9, 2001. Two 5 day trials were completed utilizing a standard MIEX process configuration pilot unit. The standard configuration utilizes two completely mixed stirred tank reactors in series with a separate clarifier to remove the resin exiting the unit. As we reported last month, a control trial of the standard configuration MIEX pilot unit (without resin in the reactors) showed that approximately 40% of the hydrogen sulfide present in the raw water was lost due to simple aeration taking place in the completely mixed stirred tank reactors. In April I also reported that that Orica Watercare would be shipping a new pilot unit to the site and that additional trials would be completed to investigate alternative process changes that may prevent the release of the gaseous hydrogen sulfide.

The new solids contact clarifier pilot unit arrived at the site the last week of April and was assembled and placed into operation the week of May 4th. Several one-day trials were completed that week to assess the ability of the new pilot configuration to prevent the release of hydrogen sulfide into the atmosphere. We found that the new reactor was mixing limited and the results of the trials indicated that additional modifications to the reactor clarifier units would need to be made for the unit to function correctly. The unit was taken out of service on May 4th.

Since that time we have been receiving the laboratory data from the first and second sets of trials and have been discussing this data with Orica to determine what additional pilot testing, if any, is needed at this time. I have just received recommendations from Orica regarding this additional recommended pilot work and will be updating the plan and submitting it to you for approval this week. It is anticipated that this new pilot work will be completed by mid June.

We no longer plan to move the pilot to Wells Number 3 and 6. At this time, the data we have indicates that the extensive work completed at Well Number 9 will be sufficient to assess the general effectiveness of the MIEX process without additional testing at the other wells.

If you have any questions please call me.

Sincerely yours,

David W. Porter, P.E., C.O.
Engineering Consultant

PCHD//Status Report 04-19-01//proj/via Hand

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ROBERT M. C. ROSE
OF COUNSEL

April 20, 2001
VIA HAND DELIVERY

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

Re: Aloha Utilities, Inc.; PSC Docket No. 010156-WS
Our File No. 26038.17

Dear Ms. Bayo:

Attached in accordance with the requirements of the Commission's Final Order in the above-referenced docket is the most recent report on the status of the pilot project. Please see the attached letter for more detail concerning this status report.

If you have problems with the way in which we are proceeding or have any questions, please let me know.

Sincerely,

ROSE, SUNDSTROM & BENTLEY, LLP

F. Marshall Deterding
For The Firm

FMD/tmg
Enclosure
cc: Tom Walden, PSC
David W. Porter, P.E.
Stephen G. Watford

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D P E C David W. Porter, P.E., C.O.
Engineering Consultants

**Regulatory Assistance;
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Expert Witness Testimony;
Rate Case Support**

April 19, 2001

Ms. Connie Kurish, General Manager
Aloha Utilities, Inc.
6195 Perrine Ranch Road
New Port Richey, FL 34655

Re: Project Number AUI-021-1-S
Seven Springs WS Pilot Plant
Status Report for April 2001

Dear Connie,

I have prepared this project update letter so that you may use it in the preparation of your monthly report to the FPSC concerning this project. In my March 2001 report I informed you that on-site pilot testing for the "MIEX-DOC" process was scheduled to begin in late April. On April 9, 2001 the pilot unit was assembled at Well Number 9 and has been in continuous operation since. In my last report I told you that I would prepare a bench-top testing report for your review in early April. However, since the actual start date for the pilot trials was moved up to April 9 from the end of April, I have decided to combine the results of the bench-top and on-site pilot trials into one report at the conclusion of the on-site trials. This will reduce the cost of preparation of reports and will allow for a much more comprehensible presentation of the data.

The results obtained at the on-site pilot plant to date are very encouraging. The finished water being produced by the pilot unit has very low hydrogen sulfide, TOC, UV absorbance and Color values. The pilot unit will remain at Well Number 9 until next week so that two complete trials can be completed. Also, the plant may remain at Well Number 9 for an additional week or two if the MIEX vendor can supply us with a reactor-clarifier demonstration unit in the next week. The reactor clarifier will take the place of the existing separate reactor and separate clarifier combination that presently make up the on-site pilot unit. The present units allow a small quantity of resin to be lost with the finished water. This resin loss is not desirable and it is hoped that the newly designed reactor-clarifier will prevent this resin loss.

During the control trial of the pilot unit (without resin in the reactors) we found that approximately 40% of the hydrogen sulfide present in the raw water was lost due to simple aeration taking place in the mixed reactor tanks. This may not be desirable in the full-scale unit as this escaping hydrogen sulfide could cause odorous conditions in the immediate vicinity of the water plant. This odor would be similar to that experienced at tray aeration plants currently in operation in many locations throughout Florida. We are investigating alternative process changes that may prevent the release of the gaseous hydrogen sulfide. To test out these process changes may require that the plant remain at Well Number 9 for an additional week or two.

We had planned to move the pilot plant to Well Numbers 3 an 6 after completing work at Well Number 9. Based on the time required to work out the reactor configuration optimization which is needed to prevent the release of resin from the unit and prevent hydrogen sulfide escape to the atmosphere, we may not move the pilot to the other wells. We will provide you with more details in the next report.

If you have any questions please call me.

Sincerely yours,

David W. Porter, P.E., C.O.
Engineering Consultant

PCHD//Status Report 04-19-01//proj/via Hand

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ROBERT M C. ROSE
OF COUNSEL

March 20, 2001
VIA HAND DELIVERY

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

Re: Aloha Utilities, Inc.; PSC Docket No. 960545-WS
Water Quality Investigation
Our File No. 26038.17

Dear Ms. Bayo:

Attached in accordance with the requirements of the Commission's Final Order in the above-referenced docket is the most recent report on the status of the pilot project. Please see the attached letter for more detail concerning this status report.

If you have problems with the way in which we are proceeding or have any questions, please let me know.

Sincerely,

ROSE, SUNDSTROM & BENTLEY, LLP

F. Marshall Deterding
For The Firm

FMD/tmg
Enclosure
cc: Tom Walden, PSC
David W. Porter, P.E.
Stephen G. Watford

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D P E C David W. Porter, P.E., C.O.
Engineering Consultants

**Regulatory Assistance;
Process Troubleshooting;
System Design, Permitting,
Construction Observation;
Forensic Engineering,
Expert Witness Testimony;
Rate Case Support**

March 19, 2001

Ms Connie Kurish, General Manager
Aloha Utilities, Inc.
6195 Perrine Ranch Road
New Port Richey, FL 34655

Re: Project Number AUI-021-1-S
Seven Springs WS Pilot Plant
Status Report for March 2001

Dear Connie,

I have prepared this project update letter so that you may use it in the preparation of your monthly report to the FPSC concerning this project.

In my February 2001 report I informed you that "bench top" testing for the MIEX-DOC" process was scheduled to begin on February 19th. The testing was undertaken on February 19th and 20th as planned and went quite well. We received the laboratory testing results associated with the "bench-top" work late last week and are in the process of evaluating that data. We plan to submit our "bench-top" testing engineering report to you within the next two to three weeks.

In addition to preparing the "bench-top" report, I am in the process of finalizing the on-site pilot trial details and will be submitting the operations plan for that work for your review and approval shortly. The on-site pilot trials are tentatively scheduled to begin mid to late April as planned.

If you have any questions please call me.

Sincerely yours,

David W. Porter, P.E., C.O.
Engineering Consultant

PCHD//Status Report 03-19-01//proj/via Fax

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ROBERT M. C. ROSE
OF COUNSEL

February 20, 2001
VIA HAND DELIVERY

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

Re: Aloha Utilities, Inc.; PSC Docket No. 960545-WS
Water Quality Investigation
Our File No. 26038.17

Dear Ms. Bayo:

Attached in accordance with the requirements of the Commission's Final Order in the above-referenced docket is the most recent report on the status of the pilot project. Please see the attached letter for more detail concerning this status report.

If you have problems with the way in which we are proceeding or have any questions, please let me know.

Sincerely,

ROSE, SUNDSTROM & BENTLEY, LLP

F. Marshall Deterding
For The Firm

FMD/tmg
Enclosure
cc: Tom Walden, PSC
David W. Porter, P.E.
Stephen G. Watford

aloha\17\14bayo.ltr

DPEC David W. Porter, P.E., C.O.
Engineering Consultants

**Regulatory Assistance;
Process Troubleshooting;
System Design, Permitting,
Construction Observation;
Forensic Engineering,
Expert Witness Testimony;
Rate Case Support**

February 19, 2001

Ms. Connie Kurish, General Manager
Aloha Utilities, Inc.
6195 Perrine Ranch Road
New Port Richey, FL 34655

Re: Project Number AUI-021-1-S
Seven Springs WS Pilot Plant
Status Report for February, 2001

Dear Connie,

I have prepared this project update letter so that you may use it in the preparation of your monthly report to the FPSC concerning this project.

In my January 2001 report I informed you that I had confirmation from Brian Schuette, of Moss-Kelly, and Michael Bourke of Orica Watercare, the owners of the MIEX DOC process, that "bench-top" pilot testing would begin in mid February. The purpose of the "bench-top" testing is to determine the parameters to be used in the upcoming large scale pilot trials that will begin in late April.

All preparations for the "bench-top" pilot testing have been completed and scheduled. Today, the "bench-top" testing work began. This testing will continue for at least two full days We anticipate that each raw water source (each well) will be evaluated if time permits. A large number of laboratory tests will be conducted on the water produced during the "bench-top" tests. The results of these laboratory tests should be available about 30 days following the completing of the "bench-top" work.

After the laboratory testing data is available, I will prepare a letter report detailing what occurred during the "bench-top" work and the results of the water testing undertaken. Also, the large scale pilot testing program planning will be finalized at that time and we will submit it to you for your review, approval and authorization to proceed.

If you have any questions please call me.

Sincerely yours,

David W. Porter, P.E., C.O.
Water/Wastewater System Consultant

PCHD//Status Report 02-19-01//proj/via Hand

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ROBERT M C ROSE
OF COUNSEL

January 19, 2001

VIA HAND DELIVERY

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

Re: Aloha Utilities, Inc.; PSC Docket No. 960545-WS
Water Quality Investigation
Our File No. 26038.17

Dear Ms. Bayo:

Attached in accordance with the requirements of the Commission's Final Order in the above-referenced docket is the most recent report on the status of the pilot project. Please see the attached letter for more detail concerning this status report.

If you have problems with the way in which we are proceeding or have any questions, please let me know.

Sincerely,

ROSE, SUNDSTROM & BENTLEY, LLP

John L. Wharton, Esq.
For The Firm

APP
CAF
CMP
COM
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ECR
LEG
OPC
PAI
RGO
SEC
SER
OTH

JLW/kll

Enclosure

cc: Tom Walden, PSC
David W. Porter, P.E.
Stephen G. Watford
Connie Kurish

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DOCUMENT NUMBER-DATE
00826 JAN 19
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D P E C David W. Porter, P.E., C.O.
Engineering Consultants

Regulatory Assistance;
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Forensic Engineering,
Expert Witness Testimony;
Rate Case Support

January 18, 2001

Ms. Connie Kurish, General Manager
Aloha Utilities, Inc.
6195 Perrine Ranch Road
New Port Richey, FL 34655

Re: Project Number AUI-021-1-S
Seven Springs WS Pilot Plant

Dear Connie,

I have prepared this project update letter so that you may use it in the preparation of your monthly report to the FPSC concerning this project.

In my December 2000 report I informed you that I had met with Michael Bourke of Orica Watercare, the owners of the MIEX DOC process, and Brian Schuette and Sonny Moss of Moss-Kelly, Inc., who represent Orica in Florida, to obtain a commitment from them to provide the pilot testing equipment and ion exchange resin needed to pilot test their hydrogen sulfide/TOC reduction process.

Since that meeting I have received written confirmation (copies attached) that Orica (and WesTech, Inc. Orica's U.S. partner) will indeed be able to provide Aloha Utilities with the equipment and ion exchange resin that will be needed. Please note that the $5,000 fee referenced in the letter is simply for the "rental" of the ion exchange pilot plant unit itself. There will be substantial additional costs associated with the provision of labor to operate the pilot plant, engineering services, laboratory services, and other items needed to complete the pilot plant project.

I will be working closely with Brian Schuette over the next couple of weeks to coordinate the scheduling of Orica's process expert and to determine what facilities and equipment will be needed to complete the bench scale testing. I will also be coordinating with Bruce Cummings of Short Environmental Laboratories to schedule the necessary water testing services that will be required. The purpose of the bench scale testing is to provide the data needed to allow Orica to size the pilot plant components and resin loading to match Aloha's actual raw water characteristics.

By the next report I hope to have the bench scale testing underway, or for it to begin shortly thereafter. Thank you for the continued opportunity to serve Aloha Utilities, Inc. If you have any questions please call me.

Sincerely yours,

David W. Porter, P.E., C.O.
Water/Wastewater System Consultant

Attachments

PCHD/Status Report 01-18-01//proj/via Hand

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FACSIMILE TRANSMISSION FROM U.S.A. (801) 265-1080

To: Moss / Kelley
Fax No: 407 - 805 - 0062
Attn: Brian Schuette
Subject: MIEX Pilot Tests
WesTech No.:
Date: Jan. 10, 2001

From: Jim Larsen
No. of Pages Sent:
Cover Page: 1
Other Pages: 1
Total Pages: 2
Time Sent: _____ ☐ am ☐ pm

Message

Dear Brian,

I spoke with Michael Bourke at Orica yesterday. He confirmed that Orica's pilot plant will be available (and will be scheduled) for your pilot tests during April. Michael also confirmed that someone will be available to assist with the bench scale testing in February for the Aloha Utilities project.

Michael will be coming over to Salt Lake on Jan. 23 to work with Don Burns and Jake Blattman to begin WesTech's training on the Miex system. Orica's process engineer (Stuart) is coming from Australia the middle of February. He will be in the states for several months and would likely be involved in the bench scale testing for Aloha. WesTech will likely send Don Burns to assist Stuart in the pilot testing in April. We can do the pilot tests for the $5,000 if David Porter can provide manpower to check on the pilot plant once it is running, run the regeneration for 1 hour per day, and take care of the lab work.

Hopefully this will give you enough to information to proceed with these two potentials. If you have any questions, please contact me. You can easily reach me by e-mail at jlarsen@westech-inc.com.

Best regards,
Jim

MOSS KELLEY INCORPORATED

FAX TRANSMISSION
# of pages (including cover): 1

TO: Mr. James V. Larsen, WesTech, Inc. FAX #: 801/265-1079

Mr. Michael Bourke, Orica Watercare FAX # 303/268-5250

FROM: Brian K. Schuette

DATE: January 8, 2001

SUBJECT: Aloha Utilities, David Porter, P.E.

Dear Gentlemen:

This letter is written to supplement the recent letter that Mr. Sonny Moss of our office sent to you regarding an update on the previously conducted MIEX® seminars. This letter is written to discuss the request for performing pilot work at Aloha Utilities. The Engineer for this project is interested in gaining more detail into pilot plant costs and schedule.

Following the Orlando seminar, Mr. David Porter sat at the table with Michael Bourke, Sonny Moss and me to discuss in detail his plans of performing pilot as required by the Public Service Commission that regulates his customer, Aloha Utilities. Mr. Porter's schedule is to begin bench scale testing by February 19 of next month. Testing would proceed for 1 month and then the data would be evaluated over the next few weeks. The actual pilot testing would not begin until the first or second week of April, 2001. Mr. Porter indicated that he would need to keep the cost of the pilot to $5,000 or below, if possible. Aloha will be very active in performing pilot work and could provide all of the manpower, engineering and lab work to oversee the pilot unit once it was started up by WesTech/Orica Watercare. It will probably be required that this pilot unit be setup and tested at two of the existing well sites within the service area of Aloha Utilities. We would anticipate each pilot to last approximately 2 weeks. It could be quicker depending upon the stability of the water and the performance of the MIEX® process.

Since conclusion of the seminars that were held in mid-December, we would like to request firm detailed information on the MIEX® ion exchange pilot equipment. We respectfully request a response confirming what can be proposed for this project. The initial part of this test will be to supply product to the Engineer and train him on performing bench scale testing. Secondly, we would need to reserve pilot equipment to be at their site the beginning of April of this year and the appropriate personnel to train and startup this equipment. We assume this equipment would be the same equipment, or similar to the equipment that was used at Pasco County?

Thank you for your consideration of the above. We look forward to hearing from you.

BKS/0001-11-01 S1

725 PRIMERA BOULEVARD, SUITE 165, LAKE MARY, FL 32746 (407) 805-0063 FAX (407) 805-0067
3300 UNIVERSITY DRIVE, SUITE 705, CORAL SPRINGS, FL 33065 (954) 755-2092 FAX (954) 341-9370

MOSS KELLEY INCORPORATED

FAX TRANSMISSION
# of pages (including cover): 4

TO: David Porter, P.E., C.O
David W. Porter
FAX #: (904) 291-7769

FROM: Brian K. Schuette

DATE: January 11, 2001

SUBJECT: Aloha Utilities
MIEX® Ion Exchange Process
Pilot Testing

Dear Mr. Porter:

This letter is written to transmit to you correspondence that has recently been transmitted to WesTech regarding the pilot testing that we have discussed for Aloha Utilities. The first letter is on Moss-Kelley letterhead transmitted on January 8, 2001 requesting specific information regarding dates and schedules for piloting the MIEX® process at Aloha Utilities. The next letter on WesTech letterhead is the response that confirms availability of personnel and equipment.

Please do not hesitate to call if you have any questions regarding the correspondence transmitted herein.

Enclosure

BKS/D01-11-01.S2

725 PRIMERA BOULEVARD, SUITE 155, LAKE MARY, FL 32746 (407) 805-0063 FAX (407) 805-0062
10100 WEST SAMPLE ROAD, SUITE 408, CORAL SPRINGS, FL 33065 (954) 755 2092 FAX (954) 341-9370

EXHIBIT TLB-5

TECHNICAL PAPER FROM MIEX WEB SITE

"USE OF A CONTINUOUS ION EXCHANGE PROCESS (MIEX) TO REMOVE TOC AND SULFIDES FROM FLORIDA WATER SUPPLIES"

USE OF A CONTINUOUS ION EXCHANGE PROCESS (MIEX®) TO REMOVE TOC AND SULFIDES FROM FLORIDA WATER SUPPLIES

Michael Bourke, US Market Manager, Orica Watercare Inc.

Introduction

Many Florida water utilities face a number of challenges in treating their water supplies to meet the current EPA water quality standards. These challenges will only increase as the EPA tightens these standards and for many utilities, conventional treatment processes will no longer be suitable.

Ion exchange has long been recognised as a technology capable of removing many dissolved compounds from water that cause water quality problems but short-comings such as high capital costs and resin fouling have limited its use in large scale water treatment plants. A new magnetic ion exchange resin (MIEX®) has been developed in Australia for use in a continuous ion exchange process that overcomes many of the problems associated with conventional ion exchange systems and makes this technology economically feasible for large water treatment plants.

A number of laboratory evaluations have been performed on Florida water sources including raw water from Pasco County, Aloha Utilities, Tampa Bay Water and Miami-Dade's Preston and Hialeah water treatment plants. These tests demonstrated very efficient removal of TOC and a significant reduction in the disinfection by-product formation potential of these waters. A trial was conducted at Pasco County over several months during 2000 with the primary objective of reducing sulfide levels. Results indicate very good sulfide removal and the additional benefit of TOC removal which will allow the County to meet future EPA disinfection by-product standards.

This paper discusses in detail the MIEX® technology, results of laboratory and pilot plant tests performed on Florida waters and where MIEX® can be best applied in solving water quality problems encountered in Florida.

The MIEX® Technology

The MIEX® resin has been specifically designed for the removal of dissolved organic carbon (DOC) from drinking water supplies. DOC typically makes up 80 to 90% of the total organic carbon (TOC) measured in water supplies. The negatively charged DOC is removed from water by exchanging with a chloride ion on active sites on the resin surface. The MIEX® resin is a micro size, macroporous, strong base, magnetic ion exchange resin, developed for the reversible removal of negatively charged organic ions.

The resin also has a very small particle size with a mean particle diameter of only 180μm. While the specific surface area is comparable to other conventional macroporous resins, the MIEX® resin has a lot more external bead surface area. This benefits the DOC exchange kinetics (less controlled by particle diffusion) and the resistance to fouling (less DOC exchanged into the particles due to shorter diffusion paths within the smaller beads)[1].

MIEX® resin is not limited to only DOC removal and will remove other negatively charged ions (anions) from water such as sulfates, sulfides and arsenate. The extent of removal of these anions depends on the competition between other anions in the water source. Very good removal of both sulfides and TOC has been achieved in a trial at Pasco County and these results will be discussed later in this paper.

Unlike conventional ion exchange processes, the MIEX® resin has been developed to enable removal of DOC to occur in a stirred contactor, much like a flash mixer in a conventional water treatment plant. Under mixing conditions, the resin beads are uniformly dispersed in water to maximise the kinetics of DOC exchange. This reduces the resin inventory in contact with water to only 2-12% of that normally associated with conventional ion exchange processes.

A magnetic component is built into the resin particle structure so that when mixing is removed, the fine resin beads rapidly agglomerate into larger, fast settling particles. This enables conventional up-flow settlers to be used for resin-water separation. While the treated water overflows from the settler, the resin is recovered as a concentrated underflow stream. The efficiency of resin recovery exceeds 99.9% at very high settler rise rates (4 gpm/ft^2). A small amount of recycled resin is continuously removed for regeneration and replaced with regenerated resin. A schematic of the process is shown below in Figure 1.

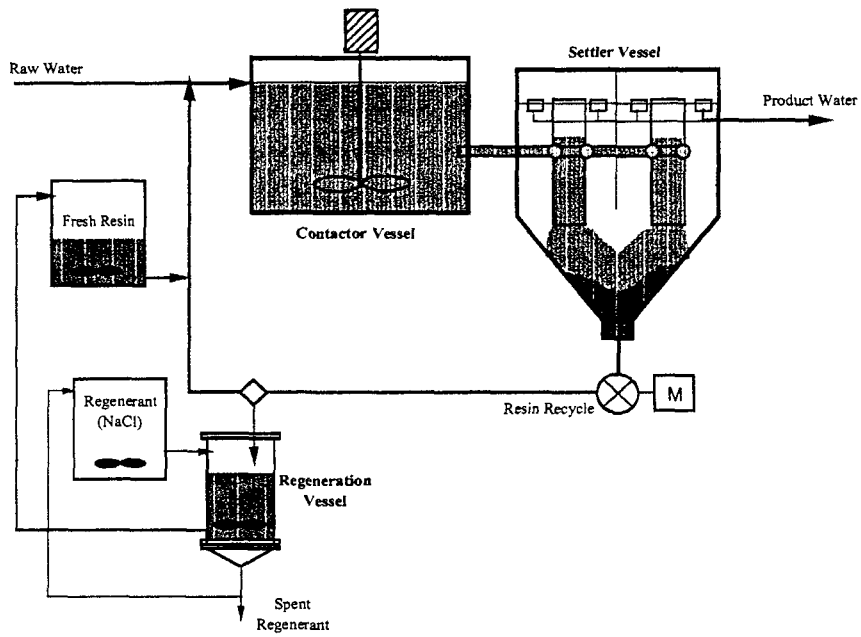

Figure 1: Flow diagram of the MIEX® continuous ion exchange process

TOC Removal and DBP Reduction

Trials in Australia have shown that MIEX® resin, used in a continuous ion exchange process, is highly effective at removing low and medium molecular weight TOC and can achieve greater removals of TOC than enhanced coagulation[1].

There are many water sources, particularly in the South East and Mid Atlantic regions of the US, where coagulants cannot achieve the required TOC removal due to the characteristics of the TOC. Coagulants are effective at removing the high molecular weight fraction of TOC but remove very little of the lower molecular weight fraction. Research shows that MIEX® resin preferentially removes the low to medium molecular weight fraction that is not removed by inorganic coagulants even at very high coagulant doses. This has been demonstrated on a groundwater source in a trial at Wanneroo, Perth, Western Australia (Figure 2)[2].

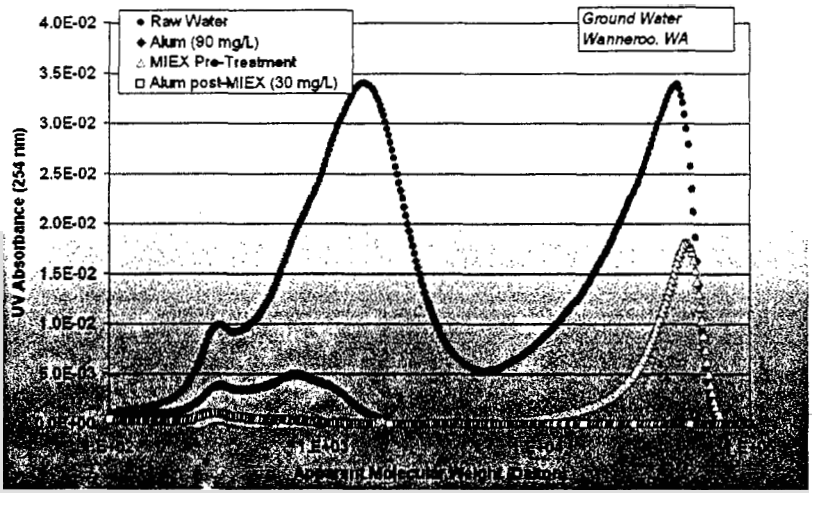

Figure 2: Characteristics of TOC removed with MIEX® resin and Alum on Wanneroo ground water, Western Australia.

A laboratory study performed by the University of South Florida (USF) in 2000 on Pasco County ground water sources also demonstrated that MIEX® resin can remove a greater fraction of TOC than enhanced coagulation (Figure 3). USF's laboratory study also showed a significant reduction in the THM formation potential of the raw water sources after MIEX® treatment, as would be expected with lower TOC levels (Figure 4).

In a subsequent pilot plant trial conducted at Pasco County's Little Rd Water Treatment Plant, an analysis of the molecular weight profile of the TOC before and after treatment with MIEX® resin showed this TOC to be predominantly of low molecular weight (Figure 5) which is consistent with the greater amount of TOC removed compared to enhanced coagulation.

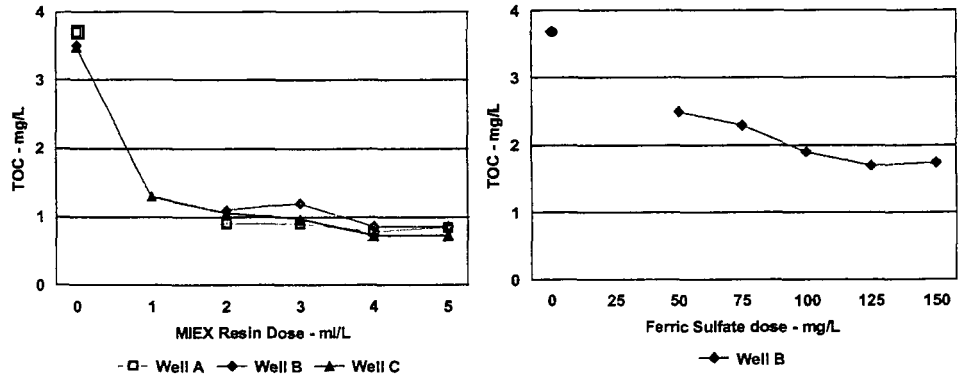

Figure 3: TOC removal with MIEX® Resin versus enhanced coagulation on Pasco County groundwater.

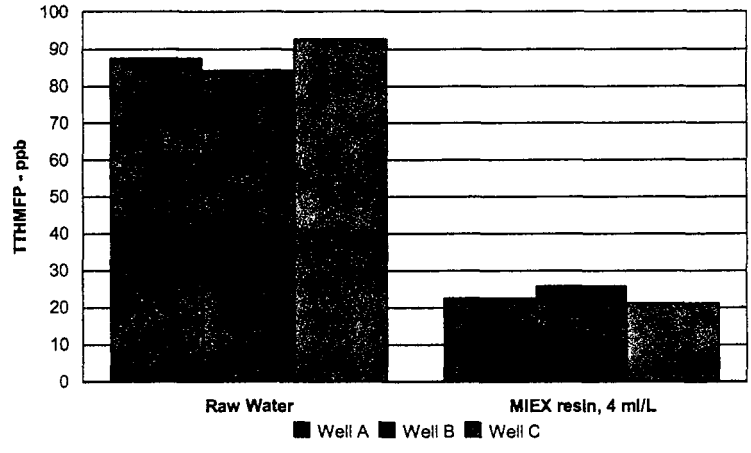

Figure 4: Reduction of THM Formation Potential of Pasco County groundwater after MIEX® resin treatment

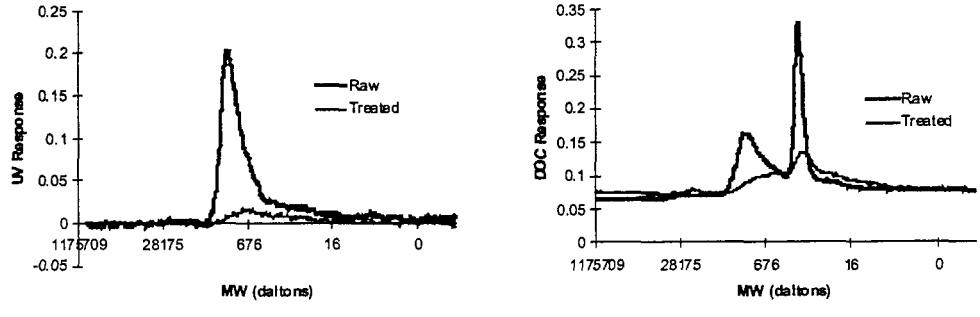

Figure 5: Characteristics DOC Removed during MIEX® Resin trial at Pasco County, FL

Bench scale tests were performed on raw water samples from the John Preston and Hialeah water treatment plants in Miami to determine how effective MIEX® resin was at removing TOC and therefore at reducing the disinfection by-product formation potential of this water.

The results showed that MIEX® resin was very effective at removing TOC from these water sources (Figure 6).

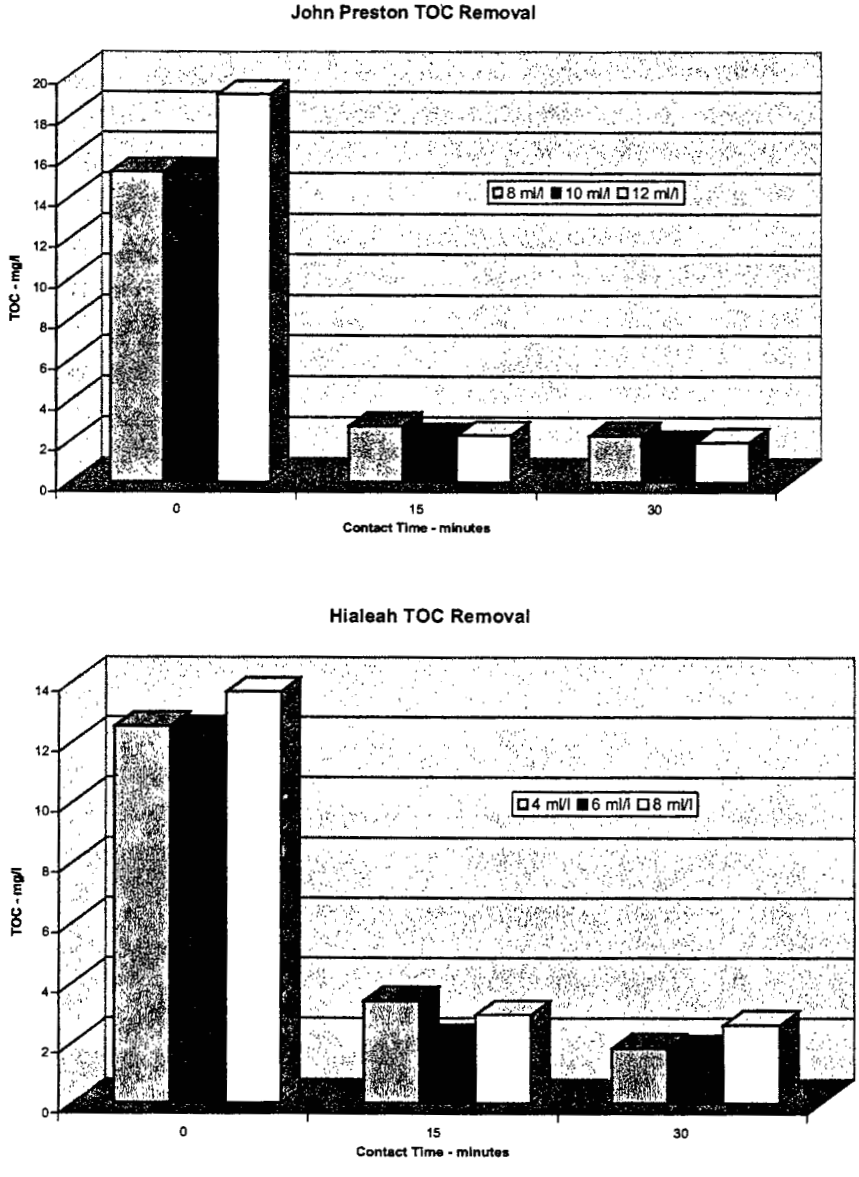

Figure 6: Bench scale TOC removal Tests on raw water from John Preston and Hialeah WTPs.

Research was recently conducted at the University of North Carolina to investigate the benefits of pretreating raw water with MIEX® resin prior to conventional coagulation processes. Tests were conducted on nine water sources that were selected to fit the EPA 3 x 3 matrix for enhanced coagulation as specified in the Disinfectants/Disinfection By-Products Rule. The full results of this work are reported in a previous paper[3]. A summary of the

disinfection by-product formation potentials of these waters after coagulation only and after MIEX® pretreatment followed by coagulation is shown in Figure 7. These results indicate that for a wide varietly of waters, pretreatment with MIEX® resin followed by coagulation can significantly lower the treated water TOC and THM formation potentials compared to enhanced coagulation alone.

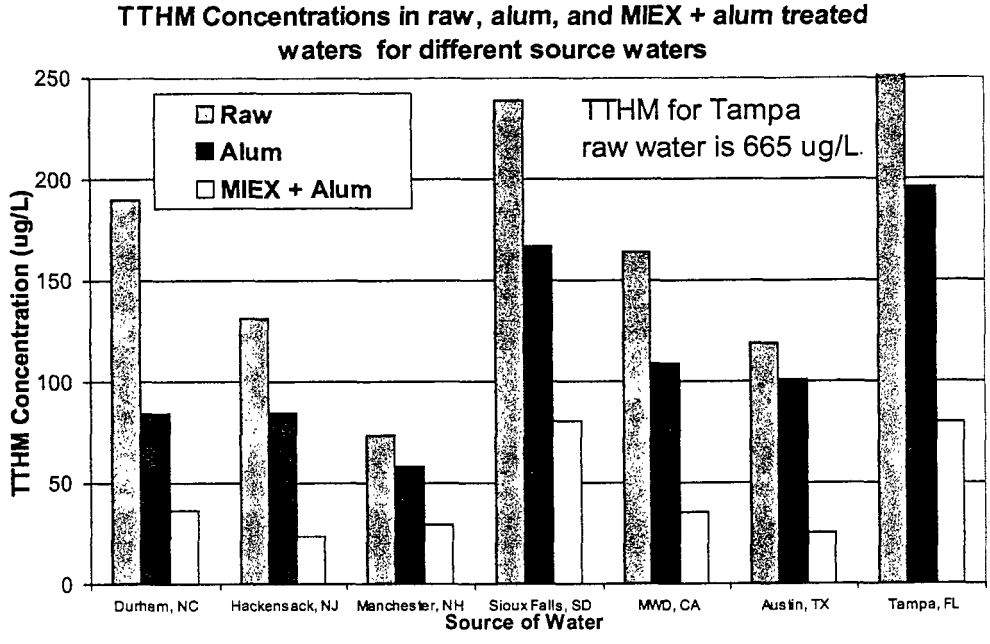

Figure 7: Comparison of THM Formation Potentials with and without MIEX® Pretreatment[3].

Sulfide Removal

While the MIEX® resin has been developed primarily for TOC removal, because it is an anion exchange resin it will also remove other anions from water such as sulfide, sulfate and arsenate. The degree of removal depends upon the competition of other anions present in the water. Pilot plant trials have been conducted at Pasco County to investigate the effectiveness of MIEX® resin in removing sulfides from the County's ground water supplies. A secondary objective of these trials was to investigate the additional benefit of TOC removal so that future EPA DBP standards could be met without the need to move away from free chlorine disinfection.

The trial showed that very effective sulfide removal could be achieved along with a 50-60% reduction in the TOC level. Sulfide removal results are shown in Figure 8.

Aloha Utilities, a private utility located close to Pasco County, also requires sulfide removal from its ground water supplies and is investigating the use of MIEX® treatment. Laboratory tests completed in February 2001 indicate very effective sulfide removal as well as UV_{254} Absorbance removal (an indicator of TOC removal) as shown in Figure 9. A pilot plant trial is proposed for April 2001.

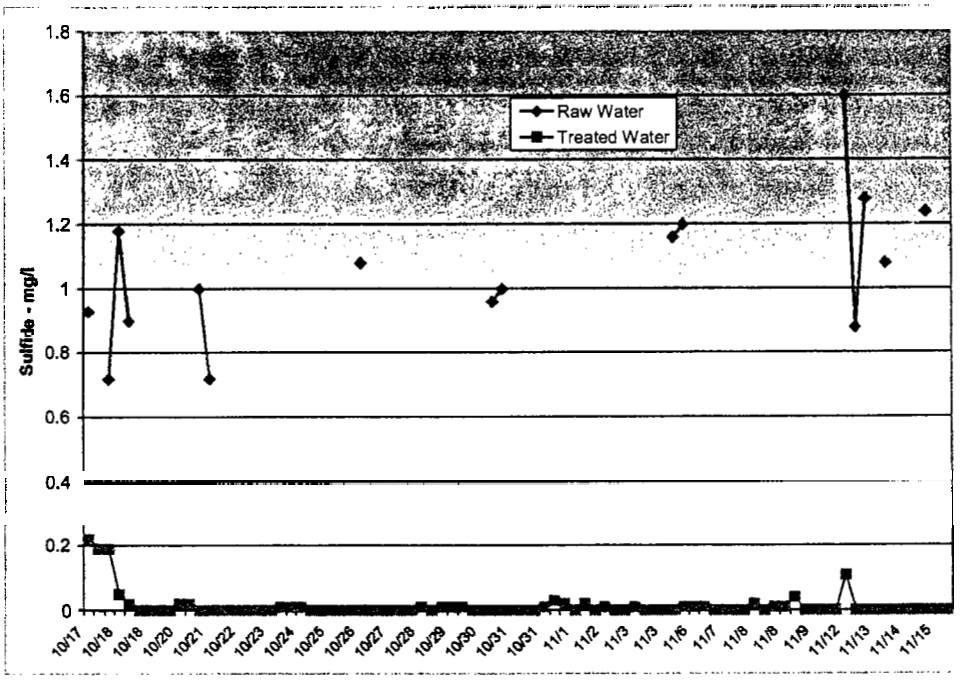

Figure 8: Sulfide removal achieved during MIEX® pilot plant trial at Pasco County.

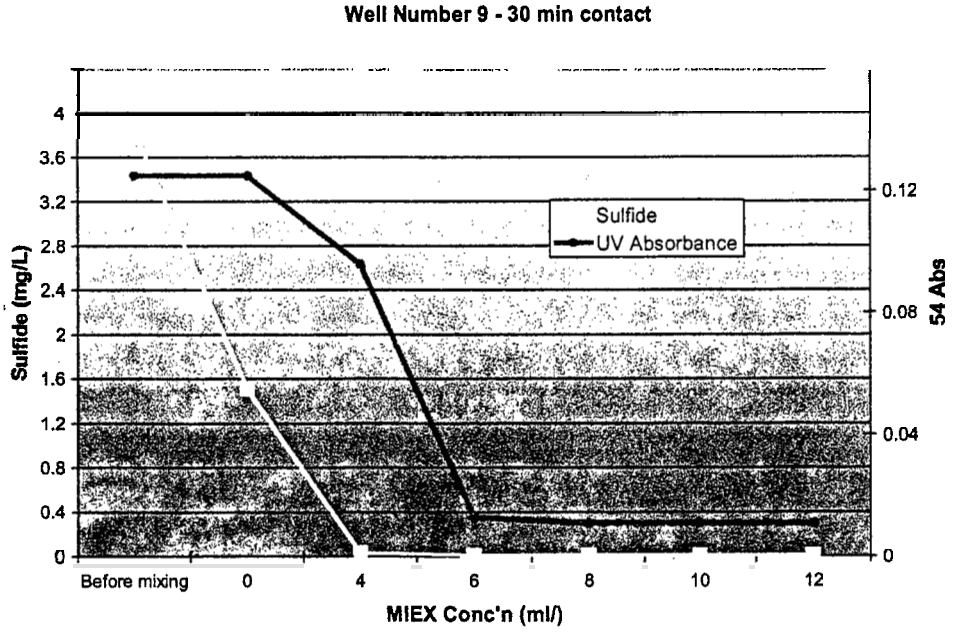

Figure 9: Sulfide removal achieved in bench scale tests on a water source at Aloha Utilities.

Conclusions

Tightening EPA water quality standards will require many water utilities in Florida to evaluate new water treatment technologies to enable compliance. In some cases, existing water treatment plants may not comply with more than one of the new water quality standards.

Ion exchange resins can be used to remove a number of soluble contaminants of concern and trials with the MIEX® resin technology have demonstrated simultaneous removal of TOC and sulfides, providing a simple and economical solution to problems encountered by many water utilities in Florida.

References

1. Slunjski, M; O'Leary, B; Tattersall, J; "MIEX Resin Water Treatment Process", Proceedings of Aquatech 2000, Amsterdam, Netherlands, Sep. 26-29, 2000

2. Slunjski, M; Bourke, M; O'Leary, B; "MIEX® DOC Process for Removal of Humics in Water Treatment", IHSS-Australian Branch Symposium: Humic Substances – Science and Commercial Applications, 18 Feb 2000, Monash Uni. Melbourne, Australia, pp22-27.

3. Singer, P; Bilyk, K; "Enhanced Coagulation Using a Magnetic Ion Exchange Resin", Proceedings of AWWA AWQTC, Salt Lake City, UT, Nov 5-9, 2000.

Acknowledgment

The author wishes to thank Tom O'Connor of King Engineering, Dr Audrey Levine at the University of South Florida and Marvin Kaden, Russ Correa, Barry Alem and Dave Davis from Pasco County for their contributions to the Pasco County trial.

The author also wishes to thank David Porter of David Porter Engineering Consultants for making available the results of the Aloha Utilities tests.

EXHIBIT TLB-6

COPIES OF SWFWMD FILE ON ENFORCEMENT ACTION AND PROPOSED CONSENT ORDER WITH ALOHA

Southwest Florida
Water Management District

2379 Broad Street, Brooksville, Florida 34604-6899
(352) 796-7211 or 1-800-423-1476 (FL only)
SUNCOM 628-4150 TDD only 1-800-231-6103 (FL only)
World Wide Web: http://www.swfwmd.state.fl.us

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Tampa Service Office
7601 Highway 301 North
Tampa, Florida 33637-6759
(813) 985-7481 or
1-800-836-0797 (FL only)
SUNCOM 578-2070

Bartow Service Office
170 Century Boulevard
Bartow, Florida 33830-7700
(863) 534-1448 or
1-800-492-7862 (FL only)
SUNCOM 572-6200

Venice Service Office
115 Corporation Way
Venice, Florida 34292-3524
(941) 486-1212 or
1-800-320-3503 (FL only)
SUNCOM 526-6900

Lecanto Service Office
3600 West Sovereign Path
Suite 226
Lecanto, Florida 34461-8070
(352) 527-8131
SUNCOM 667-3271

November 21, 2000

1-APD
1-JWP
1-SWD
1-CUS5948

SENT VIA CERTIFIED MAIL AND REGULAR U.S. MAIL

Ms. Lynnda L. Speer
Aloha Utilities, Inc.
2514 Aloha Place
Holiday, Florida 34691

Subject: NOTICE OF VIOLATION
Water Use Permit No. 203182.004

Dear Ms. Speer:

By letters dated April 2, 1999 and June 6, 2000 (copies enclosed), the District advised you that your pumpage data indicated that you had exceeded the quantity authorized by the referenced water use permit. The District requested that you undertake efforts to bring this matter into compliance. Our records indicate that the permitted quantity is still being exceeded.

As you are aware, we have seen record low surface water and ground water levels along with record low stream flows commencing in the spring of 2000. Exceeding permitted quantities constitutes a violation of your permit and state law, therefore, you are to bring your water withdrawals into compliance within 30 days of the date of this letter. Compliance could involve, among other things, mitigating any adverse impacts you have caused and reducing your pumpage.

If you fail to bring your water withdrawals into compliance within 30 days, be advised the District Governing Board may pursue the recovery of monetary penalties, which could be up to $10,000 per day for each day of noncompliance, in accordance with Section 373.129(5), Florida Statutes. The monetary penalties which the District would seek would cover all time periods you have not been in compliance with your permit, beginning with the date of the above-referenced letter to you, and would be applied equitably to all permittees who overpump.

Thank you for your attention to this critical matter. Please contact me at the District's Brooksville office if you have any questions.

Sincerely,

Margaret M. Lytle

FILE OF RECORD

Margaret M. Lytle
Assistant General Counsel

Enclosures

Southwest Florida Water Management District

2379 Broad ...et, Brooksville, Florida 34609-6899
(352) 796-7211 or 1-800-423-1476 (FL only)
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Venice Service Office
115 Corporation Way
Venice, Florida 34292-3524
(941) 486-1212 or
1-800-320-3503 (FL only)
SUNCOM 526-6900

Lecanto Service Office
3600 West Sovereign Path
Suite 226
Lecanto, Florida 34461-8070
(352) 527-8131
SUNCOM 667-3271

June 6, 2000

Stephen Watford
Aloha Utilities, Inc.
2514 Aloha Place
Holiday, FL 34691

SUBJECT: **Notice of Non-Compliance: Over-Pumping**

Permittee:	Aloha Utilities, Inc.
Water Use Permit No.:	203182.004
Compliance Tracking No.:	55948
County:	Pasco

Dear Mr. Watford:

This is a follow-up letter to the District's letter of Compliance Notice, dated April 2, 1999 (copy attached), and the letter of response received from Don Porter, P.E., dated April 14, 1999 (copy attached). The purpose of this letter is to ascertain the current status of the potable water supply interconnection with Pasco County Utilities (PCU). It is also to determine Aloha Utility's (AU) intentions regarding utilizing the PCU interconnection to reduce AU's groundwater (well) withdrawals to those rates set forth in the water use permit.

It was our understanding, based on Mr. Porter's April 14th letter, that the interconnection with PCU was to be fully operational and in use sometime in August of 1999. At that time, groundwater withdrawals could then be kept at or below the permitted annual average day and peak month day quantities of 2.04 MGD and 2.47 MGD, respectively.

However, our analysis of the monthly pumping data submitted during the last 12 months indicates that groundwater withdrawals have continued to exceed both the permitted annual average day and the peak month day quantities (see Exhibits A and B).

We remain willing to work with you at the staff level to resolve the non-compliance issues associated with the above referenced water use permit. Please inform us, in writing, of the status of the potable water system interconnection with PCU and AU's intentions for utilizing it, by no later than June 20, 2000. Your response should be directed to me at the Brooksville Regulation Department.

Staff reserve their right to refer this entire matter to our Legal Department for resolution, if no good faith effort is exercised in achieving the results elaborated above. You may contact me at extension 4324 if you require further clarification in this matter.

Sincerely,

Steven W. DeSmith, P.G.
Brooksville Regulation Department

SWD:bek00-167
Enclosures: As stated
cc: File of Record - 203182.004
John Parker, P.G., Water Use Regulation Manager, BRO-REG
Sharon Vance, Acting Field Service Supervisor, BRO-REG
David Porter, P.E., C.O., Water/Wastewater System Consultant

Southwest Florida Water Management District

2379 Broad Street • Brooksville, Florida 34609-6899 • 1-800-423-1476 (Florida Only)
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SUNCOM 526-6900

3600 West Sovereign Path, Suite 226
Lecanto, Florida 34461-8070
(352) 527-8131
SUNCOM 667-3271

An Equal Opportunity Employer

April 2, 1999

David W. Porter, P.E., C.O.
1857 Wells Road, #226
Orange Park, FL 32073

Subject: **COMPLIANCE NOTICE - Overpumping**

Applicant:	Aloha Utilities, Inc.
Water Use Permit Application No.:	203182.04
County:	Pasco

Dear Mr. Porter:

The Southwest Florida Water Management District is responsible for protecting the water resources and its related environment for the citizens of the District. The District Governing Board has adopted permitting requirements designed to conserve water resources, preserve water quality, protect wetlands, and reduce flooding.

The pumping records submitted by the Permittee over the last twelve months indicate an average daily withdrawal rate of 2,609,230 gallons per day (gpd). This quantity is 23 percent above the previously permitted average daily rate of 2,040,000 gpd (see Exhibits A and B). Withdrawals must be reduced to comply with the previous permit and the pending new permit, which limits the total annual average withdrawal to no more than 2,040,000 gpd, and the peak month withdrawal to no more than 2,470,000 gpd.

On March 24, 1999, the District received (by fax) information regarding the status of the water distribution system interconnect between Aloha Utilities and Pasco County. It was our understanding based on the January 6, 1999, meeting that Aloha Utilities was to begin utilizing the interconnect immediately, so as to reduce the on-site well pumping to the previously permitted quantities. However, as you recently acknowledged during our telephone conversation of March 18, 1999, and in your March 24th information, the interconnect is not being used at this time.

To bring this matter into compliance with Florida law and District rules, and resolve it at staff level, please take the necessary actions to reduce on-site well withdrawals to the previously permitted quantities. Actions could include utilizing the interconnect with Pasco County and/or other external sources, or implementing other appropriate water use strategies that will address and reduce the current overpumping of wells.

Your prompt attention to this matter is necessary. You must notify the District , in writing, with your response no later than April 16, 1999. Your response should include actions and a time schedule by which Aloha Utilities will reduce withdrawals so as to achieve compliance with the pending Water Use Permit.

Please direct your response to me at the Brooksville Service Office. If I may be of further assistance, please contact me at the Brooksville Service Office at extension 4324.

Sincerely,

Steven W. DeSmith, P.G.
Brooksville Regulation Department

SWD:elb99-175
Attachments: As stated
cc: File of Record - 203182.04
John Parker, P.G., Water Use Regulation Manager
Stephen Watford, Aloha Utilities

Steve DeSmith

01/04/2001 12:02 PM

To: Margaret Lytle/LEG/swfwmd@swfwmd
cc:
Subject: Updated Pumpage Analysis Regarding Aloha Utilities - 2003182.004 / CN-55948

Margaret,

Per your request today, please find attached to this e-mail an updated pumpage analysis for Aloha Utilities through November 2000. Pumpage data for December 2000 isn't required until January 10, 2001. Based on the 12-month pumpage through November 2000, the Permittee is still over-pumping. That is, the 12-month moving average in November 2000 was 2,885,716 gpd, or about 41 percent over the permitted annual average quantity of 2,040,000 gpd. Also, the permitted peak month quantity of 2,470,000 gpd has been exceeded eleven times during the past 12-months (December 1999 through November 2000). The only month is was below the permitted peak month was September 2000. I will also forward you a hardcopy of this material.

3182V4OVP-for-MML.XL

Steven W. DeSmith, P.G.
Brooksville Regulation Department
Southwest Florida Water Management District
2379 Broad Street
Brooksville, Florida 34609-6899
(352) 796-7211 ext 4324 FAX (352) 754-6882
E-mail: steve.desmith@swfwmd.state.fl.us
District Web site: www.swfwmd.state.fl.us

APPLICANT: ALOHA UTILITIES, INC.
WUP APPL NO. 203182.04

PUMPAGE DISTRIBUTION (revised 1-4-2001)

DATE	DISTRICT ID NO. 19 (GALLONS)	DISTRICT ID NO. 20 (GALLONS)	DISTRICT ID NO. 21 (GALLONS)	DISTRICT ID NO. 22 (GALLONS)	DISTRICT ID NO. 23 (GALLONS)	DISTRICT ID NO. 24 (GALLONS)	DISTRICT ID NO. 26 (GALLONS)	DISTRICT ID NO. 27 (GALLONS)	TOTAL MONTHLY WITHDRAWAL (GALLONS)	AVERAGE MONTH-DAY WATER USE (GPD)	12-MONTH MOVING AVERAGE WATER USE (GPD)	MOVING 12-MONTH AVERAGE PERCENT OVER (%)
Jan-97	5,544,100	7,832,000	14,110,000	13,155,000	8,883,000	8,336,000	9,110,000	6,726,000	73,696,100	2,377,294		
Feb-97	5,586,100	7,434,000	17,142,000	11,169,000	7,962,000	9,599,000	4,429,000	8,133,000	71,454,100	2,551,932		
Mar-97	5,800,900	5,633,000	20,853,000	10,904,000	10,861,000	7,963,000	9,803,000	7,832,000	79,649,900	2,569,352		
Apr-97	5,521,700	4,616,000	17,723,000	12,876,000	8,033,000	8,174,000	8,210,000	7,353,000	72,506,700	2,416,890		
May-97	4,927,900	7,194,000	23,098,000	9,531,000	7,887,000	10,866,000	10,746,000	10,206,000	84,455,900	2,724,384		
Jun-97	4,606,600	6,457,000	17,558,000	13,056,000	7,862,000	9,920,000	11,963,000	11,861,000	83,283,600	2,776,120		
Jul-97	5,631,600	7,644,000	20,051,000	14,929,000	6,829,000	10,043,000	5,680,000	5,462,000	76,269,600	2,460,310		
Aug-97	5,291,600	7,295,000	20,261,000	14,595,000	8,716,000	10,064,000	7,110,000	6,329,000	79,661,600	2,569,729		
Sep-97	5,425,200	7,300,000	23,629,000	12,308,000	10,344,000	11,024,000	10,223,000	9,876,000	90,129,200	3,004,307		
Oct-97	4,916,000	6,496,000	22,789,000	10,684,000	9,415,000	10,577,000	8,143,000	7,496,000	80,516,000	2,597,290		
Nov-97	4,105,000	5,635,000	18,870,000	10,591,000	8,672,000	9,749,000	6,240,000	7,439,000	71,301,000	2,376,700		
Dec-97	4,213,200	5,507,000	17,297,000	9,792,000	6,433,000	5,582,000	4,536,000	4,582,000	57,942,200	1,869,103	**2,522,920**	24%
Jan-98	3,885,700	5,097,000	15,096,000	9,716,000	5,451,000	7,150,000	6,510,000	6,674,000	59,579,700	1,921,926	**2,484,245**	22%
Feb-98	3,047,600	4,307,000	11,758,000	10,003,000	5,168,000	4,938,000	6,498,000	6,591,000	52,310,600	1,868,236	**2,431,797**	19%
Mar-98	2,170,800	5,855,000	17,064,000	10,003,000	5,053,000	8,380,000	7,861,000	8,120,000	64,506,800	2,080,865	**2,390,309**	17%
Apr-98	3,879,200	7,404,000	26,678,000	10,829,000	8,818,000	11,638,000	11,897,000	12,681,000	93,824,200	3,127,473	**2,448,713**	20%
May-98	4,580,900	7,309,000	25,685,000	10,448,000	8,566,000	12,581,000	14,514,000	14,477,000	98,160,900	3,166,481	**2,486,261**	22%
Jun-98	5,610,500	7,289,000	23,406,000	12,235,000	10,344,000	12,279,000	14,039,000	13,278,000	98,480,500	3,282,683	**2,527,897**	24%
Jul-98	5,362,400	6,806,000	18,565,000	14,159,000	10,590,000	12,814,000	9,245,000	8,886,000	86,427,400	2,787,981	**2,555,726**	25%
Aug-98	4,037,300	5,127,000	13,743,000	10,979,000	11,418,000	11,480,000	11,128,000	10,883,000	78,795,300	2,541,784	**2,553,353**	25%
Sep-98	3,929,500	4,935,000	13,330,000	10,167,000	8,669,000	10,270,000	6,736,000	6,894,000	64,930,500	2,164,350	**2,484,315**	22%
Oct-98	5,182,000	6,499,000	19,428,000	12,302,000	9,323,000	11,343,000	9,625,000	10,119,000	83,821,000	2,703,903	**2,493,370**	22%
Nov-98	5,050,100	6,170,000	19,968,000	11,381,000	9,585,000	12,064,000	10,758,000	10,317,000	85,293,100	2,843,103	**2,531,705**	24%
Dec-98	5,158,100	6,075,000	19,407,000	11,118,000	8,534,000	12,046,000	9,198,000	8,933,000	80,469,100	2,595,777	**2,593,422**	27%
Jan-99	5,086,400	6,135,000	20,504,000	5,957,000	9,186,000	10,694,000	850,600	8,179,000	66,592,000	2,148,129	**2,612,634**	28%
Feb-99	5,394,700	6,313,000	18,430,000	10,856,000	7,071,000	11,346,000	10,320,000	9,609,000	79,339,700	2,833,561	**2,686,686**	32%
Mar-99	6,618,600	8,203,000	25,991,000	12,135,000	5,536,000	13,254,000	9,697,000	9,376,000	90,810,600	2,929,374	**2,758,752**	35%
Apr-99	6,149,300	7,413,000	25,169,000	12,728,000	2,476,000	17,401,000	12,411,000	12,011,000	95,758,300	3,191,943	**2,764,050**	35%
May-99	5,038,400	7,902,000	31,951,000	14,446,000	10,218,000	11,606,000	11,326,000	12,279,000	104,766,400	3,379,561	**2,782,148**	36%
Jun-99	4,954,400	6,356,000	25,363,000	10,149,000	8,988,000	9,706,000	1,507,000	9,223,000	76,246,400	2,541,547	**2,721,232**	33%
Jul-99	3,930,700	5,082,000	15,373,000	9,549,000	9,589,000	11,727,000	14,191,000	11,994,000	81,435,700	2,626,958	**2,707,556**	33%
Aug-99	5,106,000	7,298,000	22,849,000	11,242,000	7,998,000	10,495,000	13,055,000	11,515,000	89,558,000	2,888,968	**2,737,043**	34%
Sep-99	5,426,800	6,769,000	20,680,000	14,450,000	7,855,000	10,277,000	808,000	13,414,000	79,679,800	2,655,993	**2,777,452**	36%
Oct-99	4,420,200	5,872,000	15,711,000	12,937,000	9,054,000	8,900,000	13,541,000	13,811,000	84,246,200	2,717,619	**2,778,617**	36%
Nov-99	5,161,000	6,191,000	21,556,000	7,316,000	11,657,000	12,773,000	8,631,000	12,951,000	86,236,000	2,874,533	**2,781,201**	36%
Dec-99	5,962,700	7,198,000	21,045,000	7,902,000	10,145,000	11,344,000	9,421,000	5,994,000	79,011,700	2,548,765	**2,777,208**	36%

Created by Steven DeSmith on 1-4-2001

DATE	DISTRICT ID NO. 19 (GALLONS)	DISTRICT ID NO. 20 (GALLONS)	DISTRICT ID NO. 21 (GALLONS)	DISTRICT ID NO. 22 (GALLONS)	DISTRICT ID NO. 23 (GALLONS)	DISTRICT ID NO. 24 (GALLONS)	DISTRICT ID NO. 26 (GALLONS)	DISTRICT ID NO. 27 (GALLONS)	TOTAL MONTHLY WITHDRAWAL (GALLONS)	AVERAGE MONTH-DAY WATER USE (GPD)	12-MONTH MOVING AVERAGE WATER USE (GPD)	MOVING 12-MONTH AVERAGE PERCENT OVER (%)
Jan-00	5,186,000	5,927,000	27,965,000	11,319,000	6,427,000	7,933,000	8,644,000	0	73,401,000	2,367,774	**2,795,862**	37%
Feb-00	6,294,800	7,937,000	23,596,000	13,228,000	7,383,000	7,866,000	8,578,000	9,544,000	84,426,800	2,911,269	**2,802,123**	37%
Mar-00	7,992,400	8,571,000	0	18,637,000	8,705,000	10,881,000	14,114,000	16,924,000	85,824,400	2,768,529	**2,788,499**	37%
Apr-00	5,520,400	6,884,000	13,990,000	15,034,000	10,011,000	10,059,000	11,261,000	12,501,000	85,260,400	2,842,013	**2,759,816**	35%
May-00	4,564,500	4,673,000	29,054,000	11,200,000	13,767,000	13,354,000	14,507,000	14,800,000	105,919,500	3,416,758	**2,762,967**	35%
Jun-00	7,095,700	7,511,000	25,002,000	12,224,000	11,893,000	11,928,000	10,867,000	11,369,000	97,889,700	3,262,990	**2,822,102**	38%
Jul-00	6,964,400	7,578,000	23,759,000	10,338,000	10,494,000	9,026,000	7,345,000	7,437,000	82,941,400	2,675,529	**2,826,216**	39%
Aug-00	6,094,600	7,237,000	27,588,000	13,440,000	7,560,000	8,223,000	6,483,000	3,654,000	80,279,600	2,589,665	**2,800,865**	37%
Sep-00	6,470,100	8,403,000	22,577,000	12,762,000	6,214,000	6,219,000	7,926,000	2,956,000	73,527,100	2,450,903	**2,784,054**	36%
Oct-00	7,811,700	10,203,000	34,497,000	13,196,000	11,348,000	10,714,000	11,436,000	11,698,000	110,903,700	3,577,539	**2,856,889**	40%
Nov-00	6,884,900	8,191,000	27,964,000	13,188,000	10,436,000	10,769,000	10,003,000	9,351,000	96,786,900	3,226,230	**2,885,716**	41%

Southwest Florida
Water Management District

2379 Broad Street, Brooksville, Florida 34604-6899
(352) 796-7211 or 1-800-423-1476 (FL only)
SUNCOM 628-4150 TDD only 1-800-231-6103 (FL only)
World Wide Web: http://www.swfwmd.state.fl.us

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7601 Highway 301 North
Tampa, Florida 33637-6759
(813) 985-7481 or
1-800-836-0797 (FL only)
SUNCOM 578-2070

Bartow Service Office
170 Century Boulevard
Bartow, Florida 33830-7700
(863) 534-1448 or
1-800-492-7862 (FL only)
SUNCOM 572-6200

Venice Service Office
115 Corporation Way
Venice, Florida 34292-3524
(941) 486-1212 or
1-800-320-3503 (FL only)
SUNCOM 526-6900

Lecanto Service Office
3600 West Sovereign Path
Suite 226
Lecanto, Florida 34461-8070
(352) 527-8131
SUNCOM 667-3271

January 4, 2001

1-APD
1-JWP
1-SWD
1-CN 55948

John R. Jenkins, Esquire
Rose, Sundstrom & Bentley, LLP
2548 Blairstone Pines Drive
Tallahassee, Florida 32301

Subject: NOTICE OF VIOLATION dated 11/21/00
Water Use Permit No. 203182.004
Aloha Utilities, Inc. - Your File No. 26038.14

Dear Mr. Jenkins:

I have reviewed your letter of December 26, 2000. In response to your inquiry, your letter of December 7, 2000, failed to provide adequate detail concerning your client's efforts to comply with its permit. The measures described in the letter did not appear likely to result in compliance with the permit by the December 21, 2000, deadline. Therefore, this matter and other similarly situated matters were presented to the District's Governing Board at its December 19, 2000, public meeting.

The Board meeting and its subject matter were publicly advertised in accordance with all applicable authorities. At the meeting District staff sought the guidance of the Board concerning the development of the District's enforcement policy concerning violations of water use permits, in particular, cases where permittees exceeded permitted water quantities. It was the determination of the Board that certain permittees, who received notices of overpumpage but failed to come into compliance with their permits within 30 days or alternatively failed to provide within 30 days an acceptable plan to achieve compliance within a reasonable time, would be subject to further enforcement action. Such enforcement action would include a proposed consent order with monetary penalties. Your client may expect to receive a proposed consent order in this matter shortly.

Of course, if the December pumpage data indeed indicates that your client has come into compliance with its permit, your client will not at this time be subject to enforcement action. Even if your client has not yet achieved full compliance

FILE OF RECORD

with its permit, its progress and any significant good faith efforts made to achieve compliance could be mitigating factors in the final monetary penalty assessed. I would therefore encourage your client to continue to work cooperatively with the District to resolve this matter.

Thank you for your attention to this critical matter. Please contact me at the District's Brooksville office if you have any questions.

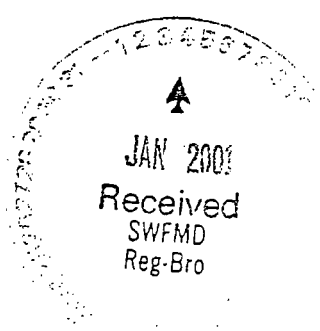
Sincerely,

Margaret M. Lytle

Margaret M. Lytle
Assistant General Counsel

MML
cc: Paul Desmarais
John Parker
Maggie Daniels
File of Record
S:\MyFiles\MargLtr\AlohaOverPump.wpd

FILE OF RECORD



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Venice, Florida 34292-3524
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SUNCOM 526-6900

Lecanto Service Office
3600 West Sovereign Path
Suite 226
Lecanto, Florida 34461-8070
(352) 527-8131
SUNCOM 667-3271

January 5, 2001

SENT VIA CERTIFIED MAIL AND REGULAR U.S. MAIL

1-APD
1-JWP
1-SWD
1-CN55948

John R. Jenkins, Esquire
Rose, Sundstrom & Bentley, LLP
2548 Blairstone Pines Drive
Tallahassee, Florida 32301

Subject: Consent Order
Water Use Permit No. 203182.004

Dear Mr. Jenkins:

By letter dated November 21, 2000, your client, Aloha Utilities, Inc., was advised that the pumpage data submitted for the referenced water use permit indicated that it had exceeded the quantity authorized by the permit. To date, Aloha Utilities, Inc., has not undertaken sufficient steps to address this violation. Therefore, as your client was advised in the previous letter, the District is now seeking the recovery of monetary penalties for this violation.

Enclosed is a proposed Consent Order to resolve this matter. You should review this document and respond to me within 14 days of the date of this letter stating your client's intentions in this matter. If no response is received, or your client declines to settle this matter through a Consent Order, District staff will seek authorization from the District Governing Board to initiate litigation. If this matter goes to litigation, the District may seek penalties and costs beyond those sought in the Consent Order.

You may contact me at the District's Brooksville office, extension 4660, if you have any questions or wish to discuss this matter further.

Sincerely,

Margaret M. Lytle

Margaret M. Lytle
Assistant General Counsel

SWFWMD
RECEIVED
JAN 08 2001
Brooksville Permitting Department

MML
Enclosure
cc: Paul Desmarais ✓ John Parker File of Record
S:\MyFiles\MargLtr\AlohaJenkCO.wpd

Protecting Your Water Resources

FILE OF RECORD

BEFORE THE SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT

ORDER NO. SWF 01-

IN RE: ALOHA UTILITIES, INC.
WUP No. 203182.004/CT No. 55948
PASCO COUNTY, FLORIDA

CONSENT ORDER

Pursuant to Sections 120.57(4) and 373.083, Florida Statutes (F.S.), this Consent Order is entered into between the Southwest Florida Water Management District, hereinafter referred to as the "District", and Aloha Utilities, Inc., hereinafter referred to as the "Permittee", to settle certain matters at issue between the parties. The parties hereby voluntarily agree to the following findings of fact, conclusions of law and corrective actions.

FINDINGS OF FACT

1. The District is the administrative agency charged with the responsibility to conserve, protect, manage and control water resources within its boundaries and to administer and enforce Chapter 373, F.S., and the rules promulgated thereunder as Chapter 40D, Florida Administrative Code (F.A.C.).

2. The Permittee's mailing address is 2514 Aloha Place, Holiday, Florida 34691. Permittee is a private utility company, incorporated in the State of Florida.

3. On April 27, 1999, the District issued Water Use Permit No. 203182.004, hereinafter the "Permit", to the Permittee authorizing water withdrawals for public supply use, in what is referred to as the Seven Springs Service Area. The Seven Springs Service Area is located in southwestern Pasco County, Florida, and is within the Northern Tampa Bay Water Use Caution Area, hereinafter "NTBWUCA". The Permittee serves a population of approximately 24,452.

4. The Permit authorized the Permittee to make annual average withdrawals of 2,040,000 gallons per day (gpd).

5. Between November 1998 and the date of preparation of this Consent Order, Permittee has consistently exceeded the annual average withdrawals authorized under the Permit, as follows:

MONTH/YEAR	ANNUAL AVERAGE DAILY PUMPAGE	PERCENTAGE OVERPUMPED
November 1998	**2531705**	**24.1%**
December 1998	2593422	27.1%
January 1999	**2612634**	**28.1%**
February 1999	2686686	31.7%
March 1999	**2758752**	**35.2%**
April 1999	2764050	35.5%
May 1999	**2782148**	**36.4%**
June 1999	2721232	33.4%
July 1999	**2707556**	**32.7%**
August 1999	2737043	34.2%
September 1999	**2777452**	**36.1%**
October 1999	2778617	36.2%
November 1999	**2781201**	**36.3%**
December 1999	2777208	36.1%
January 2000	**2795862**	**37.1%**
February 2000	2809800	37.7%
March 2000	**2796139**	**37.1%**
April 2000	2767378	35.7%
May 2000	**2770537**	**35.8%**
June 2000	2829833	38.7%
July 2000	**2833959**	**38.9%**
August 2000	2808538	37.7%
September 2000	**2791682**	**36.8%**
October 2000	2864716	40.4%
November 2000	**2885176**	**41.45%**

6. 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.

7. During the review of Permittee's application for the Permit, District staff advised Permittee in a letter dated November 19, 1998, that due to the location of its

withdrawals in the NTBWUCA no additional quantities would be permitted. Permittee was further advised that it should seek alternative sources to groundwater to address increased demand from its customers. In response, Permittee agreed to obtain water in excess of the permitted quantity through an interconnect with Pasco County's water system.

8. In a Compliance Notice dated April 2, 1999, District staff informed Permittee that it was exceeding its permitted withdrawals, and advised Permittee to take action to reduce on-site well withdrawals. District staff suggested Permittee utilize the interconnect with Pasco County, seek other external sources, or implement other appropriate water use strategies to reduce withdrawals. However, as reflected in paragraph 5 herein, Permittee continued to violate the Permit.

9. On June 6, 2000, District staff issued Permittee a second Notice of Noncompliance, advising Permittee that it continued to exceed its permitted withdrawals. Again, as reflected in paragraph 5 herein, Permittee continued to violate the Permit.

10. On November 21, 2000, the District issued Permittee a Notice of Violation, again informing Permittee that it was exceeding its permitted withdrawals. The Notice of Violation advised Permittee to bring its water withdrawals into compliance with the Permit within 30 days of the notice. As of the date of preparation of this Consent Order, Permittee remains in violation of the Permit.

11. As reflected in paragraphs 4, 5, 6, 7, 8, 9 and 10 herein, Permittee has failed to take any significant steps to address its serious violation of the Permit. In fact, Permittee's water use has increased since the District's first notice to Permittee of the noncompliance with the Permit. Permittee has therefore demonstrated a significant

lack of cooperation with the District's efforts to enforce compliance with the terms and conditions of the Permit.

12. The parties herein have discussed this matter and resolved all disputed issues regarding the violations set forth above.

CONCLUSIONS OF LAW

13. The District has jurisdiction over the Permittee pursuant to Sections 373.069(2)(d), 373.103(1), 373.216 and 373.219(1), F.S., and Rule 40D-2.041, F.A.C.

14. Making withdrawals in excess of the quantity of water authorized by the Permit, as described in paragraphs 4 and 5, constitutes a violation of Section 373.219(1), F.S., Rule 40D-2.381, F.A.C., and the terms of the Permit.

CORRECTIVE ACTIONS

15. The Permittee shall pay to the District a penalty of One Hundred Five Thousand Seven Hundred Seventy-Four and 10/100 dollars ($105,774.10) and compensation for District enforcement costs in the amount of Two Hundred Fifty and 00/100 dollars ($250.00) for a total of One Hundred Six Thousand Twenty-four and 10/100 dollars ($106,024.10) by certified check or money order within 10 days of approval of this Consent Order by the District's Governing Board. If mailed, the address for payment is:

Finance Department
Southwest Florida Water Management District
2379 Broad Street
Brooksville, Florida 34604-6899

16. Within thirty (30) days of approval of this Consent Order by the District's Governing Board, the Permittee shall submit an acceptable written plan (the "Compliance Plan") to the District demonstrating how and when it will come into full compliance with state law, District rules, and the terms of the Permit. Full compliance

with the Permit must be achieved within one hundred eighty (180) days of approval of this Consent Order by the District's Governing Board. The Compliance Plan shall include reductions in withdrawals, water conservation measures, and development and utilization of alternative sources. The Compliance Plan shall establish deadlines for implementation and completion of the included corrective actions. The Compliance Plan is subject to the approval of the District. The Permittee will use its best efforts to respond to the District's questions or comments concerning the Compliance Plan to expeditiously secure the District's approval. The approve Compliance Plan shall be complied with by the Permittee. Any failure of Permittee to comply with any provision of the Compliance Plan shall constitute a violation of this Consent Order.

17. For each day of delay beyond any due date specified in this Consent Order or an approved Compliance Plan, the Permittee shall pay to the District an additional One Hundred Dollars and No Cents ($100.00) per day. This additional sum shall be paid by the Permittee upon the District's mailing to the Permittee of a demand letter for payment. This provision shall not be construed to preclude the District's right to undertake other administrative, civil or criminal action as appropriate in the event any due date is not met.

18. The Permittee further agrees to henceforth fully comply with all of the terms and conditions of the Permit. The Permittee acknowledges by the execution of this Consent Order that any future violation of Chapter 373, F.S., District rules, or the terms of the Permit may subject it to any or all of the following: criminal prosecution, administrative action, or civil suit in which civil penalties of up to Ten Thousand Dollars and No Cents ($10,000.00) per day per offense may be imposed.

19. The Permittee hereby waives any right to an administrative hearing or judicial review of the terms of this Consent Order or any permit issued hereunder.

20. This Consent Order shall not relieve the Permittee of the need to comply with all other applicable federal, state and local laws, regulations, or ordinances.

21. The terms and conditions set forth in this Consent Order may be enforced in a court of competent jurisdiction pursuant to Sections 120.69, 373.083(1) and 373.129, F.S.

22. The District expressly reserves and retains the right to initiate appropriate legal action against the Permittee to prevent or prohibit the future violation of any applicable statutes, rules, orders, or permit conditions, except as specifically addressed in this Consent Order.

23. For and in consideration of the complete and timely performance by the Permittee of its obligations under this Consent Order, the District waives its right to pursue civil or administrative action for any violations described in this Consent Order.

24. The Permittee shall allow authorized representatives of the District access to the Property at all reasonable times without prior consent or notice for the purpose of determining compliance with this Consent Order, Chapter 373, F.S., the rules of the District, and the terms of the Permit.

25. The effectiveness of this Consent Order is subject to review and approval by the District Governing Board. In the event the District Governing Board shall not approve this Consent Order, this Consent Order shall be null, void and of no legal effect. After this Consent Order has been executed by the Permittee and the Executive Director of the District, the Permittee may not withdraw its approval or terminate this

Consent Order under any circumstances unless the District Governing Board fails to approve this Consent Order.

ALOHA UTILITIES, INC.

_____
Witness

By:_____
Lynnda L. Speer, President

_____
Date

SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT

_____
Witness

By:_____
E. D. Vergara
Executive Director

Approved as to legal form and content

_____
Attorney

_____
Date

Approved by the Governing Board of the Southwest Florida Water Management District this _____ day of _____ 2001, in Brooksville, Hernando County, Florida.

By:_____
Ronald C. Johnson, Chair

Attest:_____
Sally Thompson, Secretary

(Seal)

Filed this ____ day of _____ 2001.

_____
Deputy Agency Clerk

S:\MyFiles\MargCO\AlohaCO.wpd

FILE OF RECORD

LAW OFFICES
ROSE, SUNDSTROM & BENTLEY, LLP
2548 BLAIRSTONE PINES DRIVE
TALLAHASSEE, FLORIDA 32301

(850) 877-6555

CHRIS H. BENTLEY, P.A.
F. MARSHALL DETERDING
MARTIN S. FRIEDMAN, P.A.
JOHN R. JENKINS, P.A.
STEVEN T. MINDLIN, P.A.
JOSEPH P. PATTON
DAREN L. SHIPPY, LL.M. TAX
WILLIAM E. SUNDSTROM, P.A.
DIANE D. TREMOR, P.A.
JOHN L. WHARTON

MALING ADDRESS
POST OFFICE BOX 1567
TALLAHASSEE, FLORIDA 32302-1567

TELECOPIER (850) 656-4029

ROBERT M. C. ROSE
OF COUNSEL

January 18, 2001

RECEIVED
JAN 22 2001
OFFICE OF
GENERAL COUNSEL

Margaret M. Lytle, Esquire
Southwest Florida Water
Management District
2379 Broad Street
Brooksville, Florida 34609

Re: Aloha Utilities, Inc.;
Water Use Permit No. 203182.004
Our File No. 26038.14

Dear Ms. Lytle:

Enclosed please find a copy of the December pumpage data for the Aloha Utilities, Inc. Seven Springs Water System which was recently provided to the District. The data demonstrates that the Utility pumped 1.918 million gallons per day average daily flow during the month of December. This pumping is within the permitted withdrawal amount of 2.04 MGD on an average daily flow basis pursuant to the above-referenced WUP. In your letter to me dated January 4th, you stated that if the December pumpage data indicated that my client had come into compliance with its permit, that they would not be subject to enforcement action at this time.

I again request a meeting with the District staff to discuss the restrictions place on the Company in the Water Use Permit, and the Company's efforts to mitigate its water withdrawal impacts. While purchased water from Pasco County has avoided water withdrawals which exceed its WUP on a short term basis, this does not provide a long term solution to the potable water demand placed on the Utility by its customers. While a reasonable suggestion by the District, the only effect of purchasing water from Pasco County is to have the water withdrawals transferred to the County's well field, which is in close proximity to Aloha's wellfield, which increases the Utility's cost to provide water to its customers by approximately $60,000 per month. The net effect is higher water bills for the Utility's customers with no net improvement in the impact on the aquifer.

Once you have had an opportunity to review this, please let me know some possible dates for a meeting with the District staff to discuss these matters further. Thank you for your continued cooperation.

Sincerely,

John R. Jenkins
For the Firm

JRJ:dcr
cc: Mr. Stephen Watford
David Porter, P.E.

Aloha/14/Lytle3.ltr

Mr. Jenkins statement neglects to consider the way the District calculates the annual average quantity which is on a 12-month moving average.

Seven Springs Well Report Well # 1

Date	Flow	Reading	Cl2	PSI	pH	Power	ETM	Remote Tap	PO4	CL2 Used
2/01/00	701000	205132000	1.5	44	7.0	53528	73525.0	1.0	1.3	33
2/02/00	652000	205784000	2.0	44	7.0	54300	73535.7	1.0	1.3	30
2/03/00	494000	206278000	2.4	53	7.0	54896	73543.9	1.0	1.3	23
2/04/00	853000	207131000	1.3	52	7.0	55907	73558.0	0.9	1.2	40
2/05/00	952000	208083000	1.3	44	7.1	57033	73573.7	0.9	1.4	44
2/06/00	1000000	209083000	1.7	52	7.0	58225	73590.4	1.0	1.3	47
2/07/00	1022000	210105000	2.0	46	7.1	59442	73607.5	1.0	1.3	48
2/08/00	968000	211073000	2.1	51	7.0	60592	73623.6	1.0	1.3	46
2/09/00	856000	211929000	2.0	50	7.1	61608	73637.9	1.0	1.3	46
2/10/00	770000	212699000	2.1	50	7.1	62529	73650.7	1.0	1.6	46
2/11/00	1352000	214051000	1.8	45	7.1	64133	73673.3	1.2	1.6	62
2/12/00	639000	214690000	1.7	48	7.1	64891	73683.8	1.0	1.2	29
2/13/00	446000	215136000	1.5	45	7.1	65422	73691.2	1.0	1.2	20
2/14/00	609000	215745000	1.5	45	7.1	66148	73701.2	1.0	1.2	27
2/15/00	944000	216689000	1.5	40	7.1	67267	73717.1	1.0	1.2	44
2/16/00	397000	217086000	1.8	41	7.1	67748	73723.6	1.0	1.3	18
2/17/00	162000	217248000	1.9	41	7.1	67953	73726.3	1.0	1.3	7
2/18/00	482000	217730000	1.7	50	7.0	68525	73734.1	1.2	1.4	20
2/19/00	1085000	218815000	3.0	49	7.1	69772	73751.7	1.2	1.4	45
2/20/00	15000	218830000	1.5	50	7.1	69794	73752.0	1.2	1.2	1
2/21/00	1157000	219987000	2.5	45	7.1	71148	73771.2	1.5	1.3	48
12/22/00	90000	220077000	1.5	39	7.0	71259	73772.8	1.5	1.7	4
12/23/00	0	220077000	1.5	29	7.0	71265	73772.8	1.5	1.7	4
12/24/00	0	220077000	1.0	25	7.0	71269	73772.8	1.5	1.7	4
12/25/00	0	220077000	1.0	34	7.0	71273	73772.8	1.5	1.7	4
12/26/00	21000	220098000	0.8	30	7.0	71299	73772.8	0.0	1.7	1
12/27/00	0	220098000	0.8	31	7.0	71303	73772.9	0.0	1.6	0
12/28/00	0	220098000	0.8	40	7.0	71308	73772.9	0.0	1.6	0
12/29/00	0	220098000	1.0	38	7.0	71314	73772.9	0.0	1.6	0
12/30/00	0	220098000	1.2	42	7.0	71320	73772.9	0.8	1.6	0
12/31/00	0	220098000	1.0	42	7.0	71329	73772.9	0.8	1.6	0
TOTAL	15667000									741
MINIMUM	0		0.8						1.2	
MAXIMUM	1352000		3.0						1.7	
AVERAGE	505387		1.5						1.4	
Days in Report 31										

Permitted Ave/ Permitted Peak month
449000/523000

Seven Springs Well Report Well # 2

Date	Flow	Reading	Cl2	PSI	pH	Power	ETM	Remote Tap	PO4	CL2 Used
2/01/00	446000	591307000	2.5	53	7.2	88947	5231.0	0.8	1.5	51
2/02/00	326000	591633000	2.5	52	7.2	89251	5244.1	0.8	1.5	37
2/03/00	427000	592060000	2.8	53	7.2	89645	5261.3	0.8	1.5	49
2/04/00	481000	592541000	2.5	52	7.1	90094	5280.8	0.7	0.5	55
2/05/00	413000	592954000	2.5	48	7.2	90477	5297.6	0.8	1.6	48
2/06/00	371000	593325000	2.8	53	7.2	90825	5321.7	0.8	1.6	43
2/07/00	332000	593657000	2.0	51	7.2	91136	5326.2	0.7	1.5	38
2/08/00	367000	594024000	2.1	51	7.2	91480	5341.2	0.7	1.5	42
2/09/00	344000	594368000	2.2	50	7.1	91801	5355.0	0.7	1.5	42
2/10/00	322000	594690000	2.4	50	7.1	92132	5309.5	0.7	1.8	42
.2/11/00	322000	595012000	1.3	50	7.2	92405	5381.0	1.5	1.8	40
.2/12/00	537000	595549000	1.6	48	7.2	92901	5402.7	1.2	1.8	54
.2/13/00	582000	596131000	1.5	50	7.2	93435	5426.2	1.2	1.8	59
.2/14/00	460000	596591000	1.5	50	7.2	93857	5444.6	1.2	1.5	46
.2/15/00	334000	596925000	1.5	50	7.1	94167	5458.0	1.1	1.6	38
.2/16/00	525000	597450000	1.8	43	7.1	94647	5479.9	1.1	1.5	54
.2/17/00	586000	598036000	2.0	43	7.1	95182	5502.3	1.1	1.5	56
.2/18/00	515000	598551000	2.1	49	7.1	95654	5523.1	1.5	1.5	52
.2/19/00	37000	598588000	1.2	50	7.1	95694	5524.5	1.5	1.5	3
.2/20/00	465000	599053000	2.5	48	7.1	96110	5543.0	1.5	1.2	50
.2/21/00	8000	599061000	1.5	50	7.1	96125	5543.3	1.2	2.0	1
.2/22/00	58000	599119000	2.0	40	7.1	96186	5545.5	1.2	1.5	6
.2/23/00	0	599119000	2.0	32	7.1	96193	5545.6	1.2	1.5	6
.2/24/00	0	599119000	1.5	27	7.1	96201	5546.6	1.2	1.5	6
.2/25/00	0	599119000	1.5	36	7.1	96208	5545.6	1.2	1.5	6
12/26/00	0	599119000	0.5	30	7.1	96215	5545.6	0.5	1.5	0
12/27/00	0	599119000	0.5	34	7.1	96223	5545.6	0.5	1.6	0
12/28/00	0	599119000	0.5	42	7.1	96230	5545.6	0.5	1.6	0
12/29/00	0	599119000	0.3	40	7.1	96240	5545.6	0.5	1.6	0
12/30/00	0	599119000	0.2	42	7.1	96248	5545.6	0.5	1.6	0
12/31/00	0	599119000	0.2	45	7.1	96263	5545.6	0.5	1.6	0
TOTAL	8258000									924
MINIMUM	0		0.2						0.5	
MAXIMUM	586000		2.8						2.0	
AVERAGE	266387		1.6			288000/347000			1.5	

Days in Report 31

Seven Springs Well Report Well # 3

Date	Flow	Reading	Cl2	PSI	pH	Power	ETM	Remote Tap	PO4	CL2 Used
12/01/00	222500	62817000	0.3	34	7.0	4155	2853.1	0.7	1.6	22
12/02/00	177300	62994300	0.4	34	7.0	4330	2868.7	0.5	1.6	18
12/03/00	217300	63211600	0.6	34	7.0	4546	2888.0	0.6	1.6	22
12/04/00	293400	63505000	0.3	33	7.0	4841	2914.0	0.8	1.6	30
12/05/00	275100	63780100	0.3	34	7.0	5105	2937.7	1.0	1.6	27
12/06/00	251800	64031900	0.3	34	7.0	5359	2960.9	0.8	1.5	27
12/07/00	204500	64236400	0.3	34	7.0	5557	2978.7	0.8	1.4	21
12/08/00	234100	64470500	0.6	36	7.0	5783	2998.9	0.7	1.4	23
12/09/00	191000	64661500	0.4	35	7.1	5968	3015.4	0.7	1.4	23
12/10/00	246500	64908000	0.8	48	7.1	6204	3037.4	0.8	1.0	20
12/11/00	246600	65154600	0.8	32	7.2	6441	3057.6	1.0	1.0	20
12/12/00	288700	65443300	0.9	35	7.1	6714	3082.3	1.0	1.5	24
12/13/00	260400	65703700	0.8	30	7.0	6966	3104.5	1.0	1.5	17
12/14/00	248000	65951700	0.8	51	7.0	7202	3125.1	1.0	1.5	21
12/15/00	209400	66161100	0.5	60	7.0	7381	3141.8	1.5	1.5	21
12/16/00	157200	66318300	0.7	32	7.0	7617	3158.2	1.5	1.5	20
12/17/00	193300	66511600	0.8	60	7.0	7795	3178.1	1.0	1.4	30
12/18/00	256300	66767900	0.8	55	7.1	8088	3204.0	1.0	1.4	29
12/19/00	207800	66975700	1.5	30	7.1	8294	3222.0	1.0	1.6	33
12/20/00	294200	67269900	0.5	30	7.0	8580	3246.7	1.5	1.5	25
12/21/00	247300	67517200	1.8	40	7.0	8839	3269.6	1.5	1.1	28
12/22/00	159000	67676200	1.5	30	7.1	9002	3283.1	1.0	1.2	16
12/23/00	7100	67683300	1.5	40	7.1	9020	3284.1	1.0	1.2	16
12/24/00	1700	67685000	1.0	34	7.1	9029	3284.1	1.0	1.2	16
12/25/00	0	67685000	1.0	46	7.1	9038	3284.1	1.0	1.2	16
12/26/00	1400	67686400	0.5	40	7.1	9047	3284.1	0.5	1.2	0
12/27/00	0	67686400	0.5	45	7.1	9047	3284.1	0.5	1.2	0
12/28/00	2000	67688400	1.7	58	7.1	9064	3284.1	0.5	1.2	0
12/29/00	0	67688400	1.5	30	7.1	9070	3284.1	0.5	1.2	0
12/30/00	0	67688400	1.3	20	7.1	9077	3284.1	0.5	1.2	0
12/31/00	0	67688400	1.0	43	7.1	9083	3284.1	0.5	1.2	0
TOTAL	5093900									565
MINIMUM	0		0.3						1.0	
MAXIMUM	294200		1.8						1.6	
AVERAGE	164319		0.8			122000/155000			1.3	

Days in Report 31

Seven Springs Well Report Well # 4

Date	Flow	Reading	Cl2	PSI	pH	Power	ETM	Remote Tap	PO4	CL2 Used
12/01/00	273000	638681000	1.9	45	7.0	17260	13803.2	0.7	1.6	18
12/02/00	191000	638872000	0.7	22	7.0	17448	13816.4	0.5	1.6	13
12/03/00	258000	639130000	0.5	20	7.0	17710	13834.6	0.6	1.6	17
12/04/00	323000	639453000	1.2	20	7.0	18027	13856.9	0.8	1.4	21
12/05/00	316000	639769000	0.3	20	7.0	18327	13878.3	1.0	1.6	20
12/06/00	273000	640042000	0.4	20	7.0	18598	13897.6	0.8	1.6	18
12/07/00	251000	640293000	0.3	20	7.0	18843	13914.9	0.8	1.6	16
12/08/00	287000	640580000	0.3	20	7.0	19127	13934.8	0.7	1.5	19
12/09/00	231000	640811000	0.0	22	7.0	19359	13951.2	0.7	1.4	19
12/10/00	299000	641110000	0.5	40	7.2	19659	13932.0	1.0	1.0	19
12/11/00	299000	641409000	0.5	20	7.2	19959	13993.8	1.0	1.0	20
12/12/00	262000	641671000	0.8	20	7.0	20220	14012.4	1.0	1.0	18
12/13/00	382000	642053000	0.8	20	7.0	20605	14039.8	1.0	1.2	27
12/14/00	286000	642339000	0.9	49	7.0	20892	14060.2	1.0	1.5	20
12/15/00	33000	642372000	0.5	55	7.1	20926	14062.5	1.5	1.5	2
12/16/00	114000	642486000	0.7	22	7.1	21043	14070.6	1.5	1.5	13
12/17/00	75000	642561000	0.4	52	7.1	21121	14075.9	1.0	1.5	6
12/18/00	162000	642723000	1.0	55	7.0	21285	14087.1	1.0	1.5	12
12/19/00	215000	642938000	0.8	20	7.2	21494	14107.1	1.0	1.5	20
12/20/00	323000	643261000	0.8	20	7.0	21870	14123.8	1.5	1.2	17
12/21/00	244000	643505000	1.0	45	7.0	22056	14140.6	1.5	1.5	16
12/22/00	165000	643670000	1.0	20	7.0	22218	14151.9	1.0	1.4	7
12/23/00	1000	643671000	1.0	40	7.0	22220	14152.0	1.0	1.4	7
12/24/00	0	643671000	1.0	38	7.0	22220	14152.0	1.0	1.4	7
12/25/00	0	643671000	1.0	50	7.0	22220	14152.0	1.0	1.2	16
12/26/00	0	643671000	0.8	40	7.1	22220	14152.0	0.5	1.2	0
12/27/00	0	643671000	0.5	45	7.1	22220	14152.0	0.5	1.4	0
12/28/00	0	643671000	1.0	50	7.1	22220	14152.0	0.5	1.4	0
12/29/00	0	643671000	1.0	50	7.1	22220	14152.0	0.5	1.4	0
12/30/00	0	643671000	1.0	20	7.1	22220	14152.0	0.5	1.4	0
12/31/00	0	643671000	1.0	45	7.1	22220	14152.0	0.5	1.4	0
TOTAL	5263000									388
MINIMUM	0		0.0						1.0	
MAXIMUM	382000		1.9						1.6	
AVERAGE	169774		0.7						1.4	
Days in Report	31									

167000/211000

Seven Springs Well Report Well # 6

Date	Flow	Reading	Cl2	PSI	pH	Power	ETM	Remote Tap	PO4	CL2 Used
/01/00	389000	831166000	3.0	50	7.0	93841	4286.4	0.5	1.4	48
/02/00	303000	831469000	3.5	54	7.1	94213	4299.7	0.5	1.4	15
/03/00	398000	831867000	3.5	48	7.1	94602	4316.9	0.5	1.4	44
/04/00	551000	832418000	2.8	55	7.0	95355	4340.6	0.5	1.6	60
/05/00	355000	832773000	2.8	55	7.1	95788	4356.1	0.5	1.4	39
/06/00	361000	833134000	3.5	56	7.1	96237	4372.0	0.5	1.4	40
/07/00	336000	833470000	1.8	55	7.0	96655	4386.9	1.5	1.4	38
/08/00	403000	833873000	3.5	53	7.0	97151	4404.7	0.5	1.4	46
/09/00	344000	834217000	3.2	55	7.0	97685	4420.1	0.5	1.5	46
2/10/00	389000	834606000	3.1	51	7.1	98166	4437.3	1.0	1.9	46
2/11/00	509000	835115000	3.0	55	7.1	98678	4459.9	1.5	1.9	57
2/12/00	266000	835381000	2.0	50	7.1	99011	4471.9	1.5	1.9	32
2/13/00	85000	835466000	3.0	50	7.1	99120	4475.7	1.5	1.9	10
2/14/00	93000	835559000	3.0	51	7.2	99239	4480.0	1.5	1.9	12
2/15/00	325000	835884000	2.0	50	7.2	99641	4494.5	1.5	1.8	40
2/16/00	225000	836109000	3.5	43	7.2	934	4504.7	1.5	1.8	26
2/17/00	161000	836270000	3.5	44	7.2	137	4512.0	1.5	1.8	19
2/18/00	228000	836498000	2.5	50	7.1	419	4522.3	1.5	1.8	26
2/19/00	210000	836708000	2.5	51	7.0	684	4531.6	1.5	1.6	24
2/20/00	219000	836927000	3.0	50	7.0	960	4541.2	1.5	1.1	25
2/21/00	120000	837047000	2.0	50	7.2	1119	4546.6	1.5	2.0	14
2/22/00	11000	837058000	1.5	45	7.1	1136	4547.0	1.0	1.2	1
2/23/00	0	837058000	1.5	40	7.1	1142	4547.0	1.0	1.2	1
2/24/00	0	837058000	1.0	40	7.1	1148	4547.0	1.0	1.2	1
12/25/00	0	837058000	1.0	45	7.0	1150	4547.0	1.0	1.2	1
12/26/00	0	837058000	1.2	40	7.1	1152	4547.0	1.0	1.2	0
12/27/00	0	837058000	0.8	40	7.1	1156	4547.0	1.0	1.5	0
12/28/00	0	837058000	0.5	40	7.1	1161	4547.0	1.0	1.5	0
12/29/00	0	837058000	0.5	43	7.1	1165	4547.0	1.0	1.5	0
12/30/00	0	837058000	0.5	47	7.1	1167	4547.0	1.0	1.5	0
12/31/00	0	837058000	0.5	48	7.1	1175	4547.0	0.8	1.5	0
TOTAL	6281000									711
MINIMUM	0		0.5						1.1	
MAXIMUM	551000		3.5						2.0	
AVERAGE	202612		2.2						1.5	

239000/304000

Days in Report 31

Seven Springs Well Report Well # 7

Date	Flow	Reading	Cl2	PSI	pH	Power	ETM	Remote Tap	PO4	CL2 Used
2/01/00	272000	502719000	2.8	50	7.2	82785	3595.1	0.8	1.7	12
2/02/00	58000	502777000	3.0	46	7.2	82864	3597.4	0.8	1.7	3
2/03/00	0	502777000	2.0	48	7.2	82882	3597.4	0.7	1.7	0
2/04/00	0	502777000	0.6	48	7.1	82899	3597.4	0.7	1.6	0
2/05/00	303000	503080000	3.0	49	7.1	83235	3609.2	0.8	1.6	14
2/06/00	337000	503417000	2.5	48	7.2	83611	3622.5	0.8	1.7	15
2/07/00	328000	503745000	2.5	49	7.2	83977	3635.4	0.8	1.7	15
2/08/00	300000	504045000	3.1	50	7.2	84311	3647.2	0.8	1.7	14
2/09/00	260000	504305000	2.9	50	7.1	84600	3657.2	0.8	1.7	14
2/10/00	175000	504480000	2.7	50	7.1	84795	3663.9	1.5	1.9	20
2/11/00	297000	504777000	2.5	48	7.2	85126	3675.4	1.2	1.9	15
2/12/00	450000	505227000	2.5	45	7.2	85651	3693.1	1.5	1.5	21
2/13/00	504000	505731000	3.0	49	7.1	86212	3713.0	1.5	1.5	23
2/14/00	424000	506155000	2.5	49	7.2	86684	3729.5	1.5	1.5	20
2/15/00	5000	506160000	1.5	45	7.1	86690	3729.7	1.5	1.8	2
2/16/00	188000	506348000	2.4	44	7.1	86901	3737.0	1.4	1.8	11
2/17/00	62000	506410000	2.1	48	7.1	86972	3739.4	1.4	1.7	3
2/18/00	249000	506659000	2.5	45	7.1	87250	3749.1	1.4	1.8	11
2/19/00	234000	506893000	3.0	44	7.1	87512	3758.3	1.4	1.8	18
2/20/00	147000	507040000	2.5	49	7.1	87676	3764.1	1.4	1.2	9
2/21/00	20000	507060000	1.5	45	7.1	87698	3764.8	1.0	1.2	1
2/22/00	0	507060000	1.5	42	7.1	87699	3764.8	1.0	1.2	0
2/23/00	0	507060000	1.5	34	7.1	87699	3764.8	1.0	1.2	0
2/24/00	0	507060000	1.5	32	7.1	87700	3764.8	1.0	1.2	0
2/25/00	0	507060000	1.2	40	7.1	87702	3764.8	1.0	1.2	0
2/26/00	32000	507092000	0.8	48	7.1	87736	3766.0	0.5	1.5	2
2/27/00	0	507092000	0.8	48	7.1	87736	3766.0	0.5	1.2	0
2/28/00	0	507092000	0.5	47	7.1	87736	3766.0	0.5	1.2	0
2/29/00	0	507092000	0.5	43	7.1	87738	3766.0	0.5	1.2	0
12/30/00	0	507092000	0.5	50	7.1	87740	3966.0	0.5	1.2	0
12/31/00	0	507092000	0.5	50	7.1	87745	3766.0	0.5	1.2	0
TOTAL	4645000									243
MINIMUM	0		0.5						1.2	
MAXIMUM	504000		3.1						1.9	
AVERAGE	149838		1.9			284000/348000			1.5	

Days in Report 31

Seven Springs Well Report Well # 8

Date	Flow	Reading	Cl2	PSI	pH	Power	ETM	Remote Tap	PO4	CL2 Used
2/01/00	689000	179367000	2.8	55	7.0	57999	2225.1	0.7	1.3	109
2/02/00	697000	180064000	3.0	60	7.0	58661	2245.7	0.7	1.3	111
2/03/00	763000	180827000	2.7	58	7.0	59388	2268.2	0.7	1.4	122
2/04/00	765000	181592000	2.3	54	7.1	60109	2290.7	0.7	1.4	122
2/05/00	870000	182462000	2.0	54	7.0	60931	2316.2	0.7	1.5	138
2/06/00	650000	183112000	2.8	54	7.0	61546	2335.3	0.8	1.3	103
2/07/00	363000	183475000	3.0	54	7.0	61882	2345.4	0.7	1.3	53
2/08/00	367000	183842000	2.5	45	7.0	62222	2355.7	0.7	1.5	52
2/09/00	198000	184040000	2.5	45	7.2	62410	2360.4	0.7	1.5	52
2/10/00	265000	184305000	2.0	50	7.0	62650	2370.1	0.8	1.5	50
2/11/00	265000	184570000	1.2	48	7.1	62890	2376.1	0.8	1.5	50
2/12/00	421000	184991000	2.0	58	7.0	63288	2388.0	1.0	1.5	70
2/13/00	321000	185312000	1.5	58	7.0	63584	2397.0	1.0	1.4	54
2/14/00	327000	185639000	1.7	58	7.0	63887	2406.2	1.0	1.4	60
2/15/00	395000	186034000	1.9	59	7.0	64252	2417.2	1.0	1.5	69
2/16/00	241000	186275000	2.0	58	7.0	64474	2424.0	1.0	1.5	42
2/17/00	406000	186681000	2.6	56	7.0	64846	2435.3	1.5	1.5	70
2/18/00	453000	187134000	2.5	59	7.0	65264	2448.0	1.4	1.7	80
2/19/00	344000	187478000	3.5	48	7.0	65583	2457.7	1.5	1.6	57
2/20/00	314000	187792000	3.5	60	7.0	65880	2466.4	1.8	1.5	59
2/21/00	166000	187958000	2.0	45	7.0	66049	2471.1	1.5	1.5	23
2/22/00	1000	187959000	1.0	60	7.0	66069	2471.1	1.5	1.2	0
2/23/00	0	187959000	1.0	54	7.0	66083	2471.1	1.5	1.2	0
2/24/00	0	187959000	1.0	37	7.0	66095	2471.1	1.5	1.2	0
2/25/00	0	187959000	1.0	52	7.0	66110	2471.1	1.5	1.2	0
2/26/00	0	187959000	0.5	58	7.0	66124	2471.1	0.8	1.2	0
2/27/00	0	187959000	0.0	58	7.0	66130	2471.1	0.0	0.0	0
2/28/00	0	187959000	0.0	56	7.1	66135	2471.1	0.0	0.0	0
2/29/00	0	187959000	0.0	51	7.1	66141	2471.1	0.0	0.0	0
2/30/00	0	187959000	0.0	50	7.1	66148	2471.1	0.0	0.0	0
2/31/00	0	187959000	0.0	50	7.1	66153	2471.1	0.0	0.0	0
TOTAL	9281000									1546
MINIMUM	0		0.0						0.0	
MAXIMUM	870000		3.5						1.7	
AVERAGE	299387		1.7			259000/315000			1.1	

Days in Report 31

Seven Springs Well Report Well # 9

Date	Flow	Reading	Cl2	PSI	pH	Power	ETM	Remote Tap	PO4	CL2 Used
12/01/00	0	100234000	0.0	0	0.0	43714	15409.4	0.0	0.0	0
12/02/00	0	100234000	0.0	0	0.0	43714	15409.4	0.0	0.0	0
12/03/00	0	100234000	0.0	0	0.0	43714	15409.4	0.0	0.0	0
12/04/00	0	100234000	0.0	0	0.0	43714	15409.4	0.0	0.0	0
12/05/00	0	100234000	0.0	0	0.0	43714	15409.4	0.0	0.0	0
12/06/00	61000	100295000	3.3	56	7.0	43772	15409.4	0.8	1.5	14
12/07/00	368000	100663000	3.0	56	6.9	44091	15409.4	0.7	1.4	85
12/08/00	373000	101036000	2.2	50	6.9	44409	15409.4	0.7	1.4	100
12/09/00	206000	101242000	2.1	50	7.2	44584	15409.4	0.7	1.4	100
12/10/00	273000	101515000	2.5	51	6.9	44815	15409.4	0.8	1.4	100
12/11/00	272000	101787000	1.5	55	7.0	45046	15409.4	0.8	1.4	90
12/12/00	424000	102211000	2.5	58	6.9	45403	15409.4	0.8	1.4	103
12/13/00	333000	102544000	2.5	58	6.9	45683	1540.0	1.0	1.4	75
12/14/00	330000	102874000	2.5	57	6.9	45965	15419.2	1.0	1.4	77
12/15/00	402000	103276000	2.0	50	6.9	46308	15430.5	1.0	1.5	92
12/16/00	251000	103527000	3.5	54	6.9	46521	15437.4	1.1	1.5	56
12/17/00	411000	103938000	3.0	56	6.9	46867	15448.7	1.4	1.5	94
12/18/00	461000	104399000	3.0	55	6.9	47256	15461.5	1.1	1.5	106
12/19/00	346000	104745000	3.5	59	6.9	47551	15471.1	1.1	1.4	78
12/20/00	271000	105016000	1.5	60	6.9	47824	15479.9	1.5	1.2	73
12/21/00	147000	105163000	2.2	45	6.9	47956	15484.0	1.5	1.2	34
12/22/00	0	✱ 0	1.2	61	6.9	47964	15484.1	1.5	1.2	0
12/23/00	66550	66550	1.2	50	6.9	47984	15484.1	1.5	1.2	0
12/24/00	0	66550	1.2	36	6.9	48000	15484.1	1.5	1.2	0
12/25/00	0	66550	1.2	48	6.9	48017	15484.1	1.5	1.2	0
12/26/00	0	66550	0.5	55	6.9	48036	15484.1	0.5	1.2	0
12/27/00	0	66550	0.0	56	6.9	48047	15484.1	0.0	0.0	0
12/28/00	0	66550	0.0	52	6.9	48056	15484.1	0.0	0.0	0
12/29/00	0	66550	0.0	50	6.9	48066	15484.1	0.0	0.0	0
12/30/00	0	66550	0.0	50	6.9	48077	15484.1	0.0	0.0	0
12/31/00	0	66550	0.0	50	6.9	48086	15484.1	0.0	0.0	0
TOTAL	4995550									1277
MINIMUM	0		0.0						0.0	
MAXIMUM	461000		3.5						1.5	
AVERAGE	161146		1.4				232000/267000		0.9	

Days in Report 31

✱ New meter

Seven Springs Well Report Well # 10

Date	Flow	Reading	Cl2	PSI	pH	Power	ETM	Remote Tap	PO4	CL2 Used
2/01/00	917000	797779000	2.3	53	7.2	88101	7480.7	0.8	1.5	20
2/02/00	834000	798613000	2.4	51	7.2	88965	7480.7	0.8	1.5	19
2/03/00	927000	799540000	2.8	52	7.2	89909	7480.7	0.8	1.5	22
2/04/00	1243000	800783000	2.3	52	7.2	91150	7480.7	1.0	1.2	23
2/05/00	1098000	801881000	2.5	52	7.1	92265	7480.7	0.8	1.0	30
2/06/00	964000	802845000	2.7	52	7.2	93223	7480.7	1.0	1.2	20
2/07/00	962000	803807000	2.5	53	7.2	94153	7480.7	0.8	1.3	20
2/08/00	997000	804804000	2.2	53	7.2	95111	7480.7	0.8	1.5	20
2/09/00	884000	805688000	2.0	55	7.0	95996	7480.7	0.8	1.2	34
2/10/00	967000	806655000	2.0	55	7.0	96951	7480.7	0.8	1.5	34
2/11/00	1330000	807985000	2.3	51	7.0	98245	7480.7	1.2	1.5	25
2/12/00	886000	808871000	2.1	52	7.1	99115	7480.7	1.0	1.5	25
2/13/00	1452000	810323000	2.0	51	7.1	580	7480.7	1.0	1.5	30
2/14/00	924000	811247000	2.5	51	7.1	1463	7480.7	1.0	1.5	10
2/15/00	751000	811998000	1.9	50	7.0	2277	7480.7	1.0	1.5	14
2/16/00	572000	812570000	3.0	53	7.0	3026	7480.7	1.0	1.5	10
2/17/00	281000	812851000	1.5	52	7.0	3441	7480.7	1.0	1.5	10
2/18/00	459000	813310000	1.5	51	7.0	4017	7480.7	1.0	1.5	15
2/19/00	819000	814129000	2.6	52	7.0	4937	7480.7	1.0	1.5	26
2/20/00	1057000	815186000	3.1	52	7.0	6012	7480.7	1.2	1.5	40
2/21/00	863000	816049000	2.5	52	7.0	6924	7480.7	1.5	1.3	30
2/22/00	535000	816584000	1.4	50	7.1	7607	7480.7	0.9	1.3	10
2/23/00	92000	816676000	1.9	54	7.1	7863	7480.7	0.9	1.3	10
2/24/00	0	816676000	2.0	46	7.1	8053	7480.7	0.9	1.3	10
12/25/00	25000	816701000	1.7	50	7.1	8282	7480.7	0.9	1.3	10
12/26/00	39000	816740000	1.2	40	7.1	8517	7480.7	1.0	1.8	4
12/27/00	1000	816741000	1.3	43	7.1	8724	7480.7	1.0	1.1	0
12/28/00	65000	816806000	2.0	52	7.1	9011	7480.7	1.0	1.1	7
12/29/00	59000	816865000	3.0	48	7.1	9265	7480.7	1.0	1.1	4
12/30/00	1000	816866000	2.0	60	7.1	9466	7480.7	1.0	1.2	3
12/31/00	39000	816905000	2.0	53	7.1	9716	7480.7	0.9	1.1	4
TOTAL	20043000									539
MINIMUM	0		1.2						1.0	
MAXIMUM	1452000		3.1						1.8	
AVERAGE	646548		2.1						1.3	

Days in Report 31

January 22, 2001

MEMORANDUM

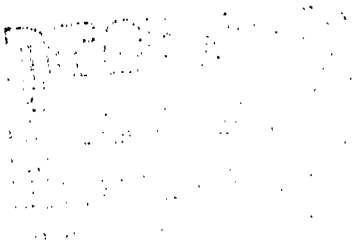
TO: John Parker
Steve DeSmith

FROM: Margaret Lytle MML

SUBJECT: Aloha Utilities

I have attached a copy of the latest correspondence I received from the attorney for Aloha Utilities. I need to respond to him concerning why his client is not in compliance with its permit, and about the request for a meeting. Can you provide me with Aloha's annual average pumpage figures for December 2000? Also, let me know when you would be available for a meeting, and who else you think should attend.

Thanks!



Steve DeSmith

01/23/2001 03:24 PM

To: Margaret Lytle/LEG/swfwmd@swfwmd
cc: John Parker/BKV_REG/swfwmd@swfwmd
Subject: Pumpage Analysis Through December 2000 Regarding Aloha Utilities (AU) - 2003182.004 / CN-55948

Margaret,
This is in response to your January 22, 2001, memorandum requesting updated pumpage data for AU that includes the December 2000 pumpage. Please find attached below the most recent pump analysis for AU that includes December 2000 pumpage.

Also, regarding Attorney John Jenkins letter dated January 18, 2001,he erroneously states AU is back in permit compliance because they only pumped (on average) 1.918 million gallons per day (MGD) during December 2000. His 1.918 MGD figure reflects an average-daily quantity for December 2000, but is not an Annual Average quantity. The District uses a 12-month moving average to calculate the Annual Average quantity. AU's 12-month pumpage, as of December 2000, was 2,804,601 gpd, and exceeded their permitted Annual Average quantity of 2,040,000 gpd by 39 percent.

3182V4OVP-MML-23jan01.XL

Steven W. DeSmith, P.G.
Brooksville Regulation Department
Southwest Florida Water Management District
2379 Broad Street
Brooksville, Florida 34609-6899
(352) 796-7211 ext 4324 FAX (352) 754-6882
E-mail: steve.desmith@swfwmd.state.fl.us
District Web site: www.swfwmd.state.fl.us

APPLICANT: ALOHA UTILITIES, INC.
WUP APPL NO. 203182.04

PUMPAGE DISTRIBUTION (revised 1-23-2001)

DATE	DISTRICT ID NO. 19 (GALLONS)	DISTRICT ID NO. 20 (GALLONS)	DISTRICT ID NO. 21 (GALLONS)	DISTRICT ID NO. 22 (GALLONS)	DISTRICT ID NO. 23 (GALLONS)	DISTRICT ID NO. 24 (GALLONS)	DISTRICT ID NO. 26 (GALLONS)	DISTRICT ID NO. 27 (GALLONS)	TOTAL MONTHLY WITHDRAWAL (GALLONS)	AVERAGE MONTH-DAY WATER USE (GPD)	12-MONTH MOVING AVERAGE WATER USE (GPD)	MOVING 12-MONTH AVERAGE PERCENT OVER (%)
Jan-97	5,544,100	7,832,000	14,110,000	13,155,000	8,883,000	8,336,000	9,110,000	6,726,000	73,696,100	2,377,294		
Feb-97	5,586,100	7,434,000	17,142,000	11,169,000	7,962,000	9,599,000	4,429,000	8,133,000	71,454,100	2,551,932		
Mar-97	5,800,900	5,633,000	20,853,000	10,904,000	10,861,000	7,963,000	9,803,000	7,832,000	79,649,900	2,569,352		
Apr-97	5,521,700	4,616,000	17,723,000	12,876,000	8,033,000	8,174,000	8,210,000	7,353,000	72,506,700	2,416,890		
May-97	4,927,900	7,194,000	23,098,000	9,531,000	7,887,000	10,866,000	10,746,000	10,206,000	84,455,900	2,724,384		
Jun-97	4,606,600	6,457,000	17,558,000	13,056,000	7,862,000	9,920,000	11,963,000	11,861,000	83,283,600	2,776,120		
Jul-97	5,631,600	7,644,000	20,051,000	14,929,000	6,829,000	10,043,000	5,680,000	5,462,000	76,269,600	2,460,310		
Aug-97	5,291,600	7,295,000	20,261,000	14,595,000	8,716,000	10,064,000	7,110,000	6,329,000	79,661,600	2,569,729		
Sep-97	5,425,200	7,300,000	23,629,000	12,308,000	10,344,000	11,024,000	10,223,000	9,876,000	90,129,200	3,004,307		
Oct-97	4,916,000	6,496,000	22,789,000	10,684,000	9,415,000	10,577,000	8,143,000	7,496,000	80,516,000	2,597,290		
Nov-97	4,105,000	5,635,000	18,870,000	10,591,000	8,672,000	9,749,000	6,240,000	7,439,000	71,301,000	2,376,700		
Dec-97	4,213,200	5,507,000	17,297,000	9,792,000	6,433,000	5,582,000	4,536,000	4,582,000	57,942,200	1,869,103	**2,522,920**	24%
Jan-98	3,885,700	5,097,000	15,096,000	9,716,000	5,451,000	7,150,000	6,510,000	6,674,000	59,579,700	1,921,926	**2,484,245**	22%
Feb-98	3,047,600	4,307,000	11,758,000	10,003,000	5,168,000	4,938,000	6,498,000	6,591,000	52,310,600	1,868,236	**2,431,797**	19%
Mar-98	2,170,800	5,855,000	17,064,000	10,003,000	5,053,000	8,380,000	7,861,000	8,120,000	64,506,800	2,080,865	**2,390,309**	17%
Apr-98	3,879,200	7,404,000	26,678,000	10,829,000	8,818,000	11,638,000	11,897,000	12,681,000	93,824,200	3,127,473	**2,448,713**	20%
May-98	4,580,900	7,309,000	25,685,000	10,448,000	8,566,000	12,581,000	14,514,000	14,477,000	98,160,900	3,166,481	**2,486,261**	22%
Jun-98	5,610,500	7,289,000	23,406,000	12,235,000	10,344,000	12,279,000	14,039,000	13,278,000	98,480,500	3,282,683	**2,527,897**	24%
Jul-98	5,362,400	6,806,000	18,565,000	14,159,000	10,590,000	12,814,000	9,245,000	8,886,000	86,427,400	2,787,981	**2,555,726**	25%
Aug-98	4,037,300	5,127,000	13,743,000	10,979,000	11,418,000	11,480,000	11,128,000	10,883,000	78,795,300	2,541,784	**2,553,353**	25%
Sep-98	3,929,500	4,935,000	13,330,000	10,167,000	8,669,000	10,270,000	6,736,000	6,894,000	64,930,500	2,164,350	**2,484,315**	22%
Oct-98	5,182,000	6,499,000	19,428,000	12,302,000	9,323,000	11,343,000	9,625,000	10,119,000	83,821,000	2,703,903	**2,493,370**	22%
Nov-98	5,050,100	6,170,000	19,968,000	11,381,000	9,585,000	12,064,000	10,758,000	10,317,000	85,293,100	2,843,103	**2,531,705**	24%
Dec-98	5,158,100	6,075,000	19,407,000	11,118,000	8,534,000	12,046,000	9,198,000	8,933,000	80,469,100	2,595,777	**2,593,422**	27%
Jan-99	5,086,400	6,135,000	20,504,000	5,957,000	9,186,000	10,694,000	850,600	8,179,000	66,592,000	2,148,129	**2,612,634**	28%
Feb-99	5,394,700	6,313,000	18,430,000	10,856,000	7,071,000	11,346,000	10,320,000	9,609,000	79,339,700	2,833,561	**2,686,686**	32%
Mar-99	6,618,600	8,203,000	25,991,000	12,135,000	5,536,000	13,254,000	9,697,000	9,376,000	90,810,600	2,929,374	**2,758,752**	35%
Apr-99	6,149,300	7,413,000	25,169,000	12,728,000	2,476,000	17,401,000	12,411,000	12,011,000	95,758,300	3,191,943	**2,764,050**	35%
May-99	5,038,400	7,902,000	31,951,000	14,446,000	10,218,000	11,606,000	11,326,000	12,279,000	104,766,400	3,379,561	**2,782,148**	36%
Jun-99	4,954,400	6,356,000	25,363,000	10,149,000	8,988,000	9,706,000	1,507,000	9,223,000	76,246,400	2,541,547	**2,721,232**	33%
Jul-99	3,930,700	5,082,000	15,373,000	9,549,000	9,589,000	11,727,000	14,191,000	11,994,000	81,435,700	2,626,958	**2,707,556**	33%
Aug-99	5,106,000	7,298,000	22,849,000	11,242,000	7,998,000	10,495,000	13,055,000	11,515,000	89,558,000	2,888,968	**2,737,043**	34%
Sep-99	5,426,800	6,769,000	20,680,000	14,450,000	7,855,000	10,277,000	808,000	13,414,000	79,679,800	2,655,993	**2,777,452**	36%
Oct-99	4,420,200	5,872,000	15,711,000	12,937,000	9,054,000	8,900,000	13,541,000	13,811,000	84,246,200	2,717,619	**2,778,617**	36%
Nov-99	5,161,000	6,191,000	21,556,000	7,316,000	11,657,000	12,773,000	8,631,000	12,951,000	86,236,000	2,874,533	**2,781,201**	36%

Created by Steven DeSmith on 1-23-2001

DATE	DISTRICT ID NO. 19 (GALLONS)	DISTRICT ID NO. 20 (GALLONS)	DISTRICT ID NO. 21 (GALLONS)	DISTRICT ID NO. 22 (GALLONS)	DISTRICT ID NO. 23 (GALLONS)	DISTRICT ID NO. 24 (GALLONS)	DISTRICT ID NO. 26 (GALLONS)	DISTRICT ID NO. 27 (GALLONS)	TOTAL MONTHLY WITHDRAWAL (GALLONS)	AVERAGE MONTH-DAY WATER USE (GPD)	12-MONTH MOVING AVERAGE WATER USE (GPD)	MOVING 12-MONTH AVERAGE PERCENT OVER (%)
Dec-99	5,962,700	7,198,000	21,045,000	7,902,000	10,145,000	11,344,000	9,421,000	5,994,000	79,011,700	2,548,765	**2,777,208**	36%
Jan-00	5,186,000	5,927,000	27,965,000	11,319,000	6,427,000	7,933,000	8,644,000	0	73,401,000	2,367,774	**2,795,862**	37%
Feb-00	6,294,800	7,937,000	23,596,000	13,228,000	7,383,000	7,866,000	8,578,000	9,544,000	84,426,800	2,911,269	**2,802,123**	37%
Mar-00	7,992,400	8,571,000	0	18,637,000	8,705,000	10,881,000	14,114,000	16,924,000	85,824,400	2,768,529	**2,788,499**	37%
Apr-00	5,520,400	6,884,000	13,990,000	15,034,000	10,011,000	10,059,000	11,261,000	12,501,000	85,260,400	2,842,013	**2,759,816**	35%
May-00	4,564,500	4,673,000	29,054,000	11,200,000	13,767,000	13,354,000	14,507,000	14,800,000	105,919,500	3,416,758	**2,762,967**	35%
Jun-00	7,095,700	7,511,000	25,002,000	12,224,000	11,893,000	11,928,000	10,867,000	11,369,000	97,889,700	3,262,990	**2,822,102**	38%
Jul-00	6,964,400	7,578,000	23,759,000	10,338,000	10,494,000	9,026,000	7,345,000	7,437,000	82,941,400	2,675,529	**2,826,216**	39%
Aug-00	6,094,600	7,237,000	27,588,000	13,440,000	7,560,000	8,223,000	6,483,000	3,654,000	80,279,600	2,589,665	**2,800,865**	37%
Sep-00	6,470,100	8,403,000	22,577,000	12,762,000	6,214,000	6,219,000	7,926,000	2,956,000	73,527,100	2,450,903	**2,784,054**	36%
Oct-00	7,811,700	10,203,000	34,497,000	13,196,000	11,348,000	10,714,000	11,436,000	11,698,000	110,903,700	3,577,539	**2,856,889**	40%
Nov-00	6,884,900	8,191,000	27,964,000	13,188,000	10,436,000	10,769,000	10,003,000	9,351,000	96,786,900	3,226,230	**2,885,716**	41%
Dec-00	5,093,900	5,263,000	15,667,000	8,258,000	6,281,000	4,645,000	9,281,000	4,995,550	59,484,450	1,918,853	**2,832,363**	39%
Jan-01									63,240,000	2,040,000	[illegible]	37%
Feb-01									57,120,000	2,040,000	[illegible]	34%
Mar-01									63,240,000	2,040,000	[illegible]	31%
Apr-01									61,200,000	2,040,000	[illegible]	28%
May-01									63,240,000	2,040,000	[illegible]	22%
Jun-01									61,200,000	2,040,000	[illegible]	17%
Jul-01									63,240,000	2,040,000	[illegible]	15%
Aug-01									63,240,000	2,040,000	[illegible]	12%
Sep-01									61,200,000	2,040,000	[illegible]	11%
Oct-01									63,240,000	2,040,000	[illegible]	4%
Nov-01									61,200,000	2,040,000	[illegible]	-1%

THEROETICAL MONTHLY PUMPAGE IF THE PERMITTEE ONLY PUMPS PERMITTED ANNUAL AVERAGE QUANTITY OF >>>> 2,040,000 GPD PER MONTH.

THEROETICAL 12-MONTH MOV. AVERAGE INDICATES PERMITTEE COULD BE IN PERMIT COMPLIANCE BY NOVEMBER 2001.

THEROETICAL MONTHLY OVERPUMPING, IN PERCENT (%)

Created by Steven DeSmith on 1-23-2001

BROOKSVILLI
3182

SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT
DATA PERMIT SECTION
TELEPHONE MODEM DATA TRANSFER TABLE: ALOHA UTILITIES, INC.

Permit Number	Revision Number	Withdrawal ID	Condition Code	Condition Due Date (mmddyy)	Frequency Code	Data Date (mmddyy)		Data Value
208417	1	1	2	12/01/00	3	12/31/00		0
208417	1	2	2	12/01/00	3	12/31/00		0
208417	1	3	2	12/01/00	3	12/31/00		0
208417	1	4	2	12/01/00	3	12/31/00		0
208417	1	8	2	12/01/00	3	12/31/00		1978000
208417	1	1	116	12/01/00	3	12/06/00		52
208417	1	1	170	12/01/00	3	12/06/00		326
208417	1	1	174	12/01/00	3	12/06/00		25
208417	1	3	116	12/01/00	3	12/06/00	not in use	
208417	1	3	170	12/01/00	3	12/06/00	not in use	
208417	1	3	174	12/01/00	3	12/06/00	not in use	
208417	1	8	116	12/01/00	3	12/06/00		199
208417	1	8	170	12/01/00	3	12/06/00		558
208417	1	8	174	12/01/00	3	12/06/00		38
203182	2	19	2	12/01/00	3	12/31/00		5093900
203182	2	20	2	12/01/00	3	12/31/00		5263000
203182	2	21	2	12/01/00	3	12/31/00		15667000
203182	2	22	2	12/01/00	3	12/31/00		8258000
203182	2	23	2	12/01/00	3	12/31/00		6281000
203182	2	24	2	12/01/00	3	12/31/00		4645000
203182	2	26	2	12/01/00	3	12/31/00		9281000
203182	2	27	2	12/01/00	3	12/31/00		4995550

Southwest Florida
Water Management District

2379 Broad Street, Brooksville, Florida 34604-6899
(352) 796-7211 or 1-800-423-1476 (FL only)
SUNCOM 628-4150 TDD only 1-800-231-6103 (FL only)
World Wide Web: http://www.swfwmd.state.fl.us

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Tampa Service Office
7601 Highway 301 North
Tampa, Florida 33637-6759
(813) 985-7481 or
1-800-836-0797 (FL only)
SUNCOM 578-2070

Bartow Service Office
170 Century Boulevard
Bartow, Florida 33830-7700
(863) 534-1448 or
1-800-492-7862 (FL only)
SUNCOM 572-6200

Venice Service Office
115 Corporation Way
Venice, Florida 34292-3524
(941) 486-1212 or
1-800-320-3503 (FL only)
SUNCOM 526-6900

Lecanto Service Office
3600 West Sovereign Path
Suite 226
Lecanto, Florida 34461-8070
(352) 527-8131
SUNCOM 667-3271

1-APD
1-SWF
1-SWD
1-CN55948

January 25, 2001

John R. Jenkins, Esquire
Rose, Sundstrom & Bentley, LLP
2548 Blairstone Pines Drive
Tallahassee, Florida 32301

Subject: Aloha Utilities, Inc.
Water Use Permit No. 203182.004

Dear Mr. Jenkins:

I have received your letter dated January 18, 2001. District staff would be happy to meet with you to discuss the issues raised in your letter. Please let me know if you would be available on February 6, 8, 12, or 14 (afternoon only on the 14th), 2001. If none of these dates are convenient, I will provide some alternative suggestions.

I also need to address your assertion that Aloha Utilities is currently in compliance with its Water Use Permit (WUP). In December 2000, Aloha Utilities pumped on average 1,918,000 gallons per day (gpd). This figure reflects an average daily quantity for December 2000. It is not, however, the pumpage figure used to determine compliance with the WUP. The quantity authorized by a WUP is based on a twelve-month moving annual average. Aloha Utilities' twelve-month pumpage, as of December 2000, was 2,804,601 gpd, which exceeded its permitted annual average quantity of 2,040,000 gpd by thirty-nine percent. Therefore, Aloha Utilities remains out of compliance with its permit.

You may contact me at the District's Brooksville office, extension 4660, if you have any questions or wish to discuss this matter further.

Sincerely,

Margaret M. Lytle

Margaret M. Lytle
Assistant General Counsel

SWFWMD
RECEIVED
JAN 25 2001
Brooksville Regulation
Data Unit

MML
cc: Paul Desmarais
John Parker
Steve DeSmith
File of Record

S:\MyFiles\MargLtr\AlohaJenk2.wpd

Southwest Florida
Water Management District

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Lecanto Service Office
3600 West Sovereign Path
Suite 226
Lecanto, Florida 34461-8070
(352) 527-8131
SUNCOM 667-3271

January 31, 2001

1-APD
1-JWP
1-SWD

John R. Jenkins, Esquire
Rose, Sundstrom & Bentley, LLP
2548 Blairstone Pines Drive
Tallahassee, Florida 32301

CNS5948

Subject: Aloha Utilities, Inc.
Water Use Permit No. 203182.004

Dear Mr. Jenkins:

This is to confirm that a meeting has been scheduled for Wednesday, February 14, 2001 at 2:00 p.m. at the District's Brooksville office in the Legal Conference Room, Building 4.

You may contact me at the Brooksville office, extension 4660, if you have any questions or wish to discuss this matter further.

Sincerely,

Margaret M. Lytle

Margaret M. Lytle
Assistant General Counsel

MML
cc: Paul Desmarais
John Parker
Steve DeSmith

S:\MyFiles\MargLtr\AlohaJenkMtg.wpd

JAN 2001
Received
SWFMD
Reg-Bro

Southwest Florida
Water Management District

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Lecanto Service Office
3600 West Sovereign Path
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Lecanto, Florida 34461-8070
(352) 527-8131
SUNCOM 667-3271

February 16, 2001

Ms. Jennie Lingo
Economic Analyst
Division of Economic Regulation
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Subj: Aloha Utilities: Seven Springs

Dear Ms. Lingo:

Per your request, I have enclosed a copy of the final Statement of Estimated Regulatory Costs (SERC) for revisions to Florida Administrative Code regarding Minimum Flows and Levels in the Northern Tampa Bay Area dated November 25, 1998. In essence, water levels are below established minimum levels in the area where Aloha Utilities Seven Springs is located. This is why the utility simply cannot construct additional withdrawal facilities into the Floridan aquifer.

In Table 7.1-1, Aloha Utilities is identified as one of the permittees that may have to comply with the minimum level requirements based on its location within a specified drawdown level in the surficial aquifer causing unacceptable impacts to wetlands and lakes in the area. The potential impact of the rule to permittees within this area are described in section 4.3 of the SERC beginning on page 4-8. Given that permittees in the area will likely have their existing permitted quantities reduced to comply with the minimum levels, it is very unlikely that Aloha's Floridan withdrawals could be increased and they will likely have to locate an alternative source of water as indicated in item 4. on page 4-9.

If you should have any questions about the SERC or any additional questions about the potential impacts of the minimum level requirements on Aloha Utilities, please call me at Suncom 628-4406.

Sincerely,

Jay W. Yingling
Senior Economist
Planning Department

SWFWMD
RECEIVED
FEB 19 2001
Brooksville Permitting
Department

Enclosure
cc: w/o enclosure
Bill Bilenky Richard Owen John Parker Ken Weber

FILE OF RECORD

April 17, 2001

BY FACSIMILE TRANSMISSION AND U.S. MAIL

John R. Jenkins, Esq.
Rose, Sundstrom & Bentley, LLP
2548 Blairstone Pines Drive
Tallahassee, Florida 32301

Subject: Proposed Compliance Plan
Aloha Utilities, Inc.
Water Use Permit No. 203182.004

Dear Mr. Jenkins:

The District received Aloha Utilities, Inc.'s proposed Compliance Plan on April 18, 2001. District staff have reviewed the plan, and provide the following comments.

1. The plan fails to address the issue of the proposed Consent Order. If your client agrees to resolve this matter through a Consent Order, the District would like to finalize the Consent Order and present it to the District's Governing Board at its meeting on May 31, 2001. If you have any specific comments concerning the content of the Consent Order, please provide them to me within seven (7) days of the date of this letter. The parties can continue to work on the Compliance Plan after the Consent Order is approved. If your client is not prepared to enter into a Consent Order, the District will seek authority to initiate litigation in this matter at the Board meeting.

2. The Demand Side Water Conservation Measures included in the plan do not appear likely to significantly reduce short term demand. Aloha should investigate additional measures intended to address short term demand. Some examples of such measures would including toilet rebate programs, low flow shower head programs, promotion of rain sensors for irrigation systems, and newspaper or radio water conservation messages. Additional information concerning demand management can be obtained from Lois Sorensen, the District's Water Shortage Coordinator, at the Brooksville headquartes, extension 4434. The Compliance Plan also should include specific targets for reduction in short term demand.

3. Section III(A) of the Compliance Plan discusses the purchase of water from Pasco County. It is the position of the District that

Aloha should use the interconnect to the fullest extent technically feasible to reduce overpumping. Please quantify the amount of water Aloha anticipates being able to obtain through the interconnect and when, and the anticipated reduction in groundwater withdrawals. The District does not consider the purchase cost of the water or the possible delay in completing the Florida Public Service Commission (PSC) rate action justification for failing to use the interconnect. groundwater pumping

4. [offsets?] 40D-2 doesn't provide any offset for supplying reuse water to customers. It would allow an offset regarding the per capita use rate determination.

5. The PSC has informed the District that Aloha is in an overearnings status. The Compliance Plan should include efforts to coordinate between the PSC and the District to direct excess funds to water conservation programs.

You may contact me at the District's Brooksville office, extension 4660, if you have any questions or wish to discuss this matter further.

Sincerely,

Margaret M. Lytle
Assistant General Counsel

4-19-01
To Permits - Rita:
Someone left this on my chair today while I was at lunch. I assume this might be related to Special Cond. #9 of the current permit 20003182.004. However, since no other information provided, I can only guess.
SWD/x4324

ALOHA UTILITIES, INC.

GROUNDWATER WITHDRAWAL COMPLIANCE PLAN

Pursuant to discussions with the Southwest Florida Water Management District ("District"), Aloha Utilities, Inc. ("Aloha" or "Company") submits this Groundwater Withdrawal Compliance Plan. The purpose of the Plan is to demonstrate how and when the Utility will come into compliance with the strict pumping limitations set forth in the Company's Water Use Permit No. 203182.04 ("WUP"). The Plan is divided into four sections: an overview, demand and supply side conservation measures, environmental impact study and summary and compliance schedule.

SECTION I - OVERVIEW

Aloha Utilities, Inc. is a PSC regulated water, wastewater and reuse service provider. The Company has eight production wells which draw from the floridan aquifer. The Company primarily provides residential potable water service to a population of approximately 25,000. The per capita gross usage as identified in the WUP is 121 gpd/person. The Utility has no central treatment facilities at this time. Its well fields are located between the Eldridge/Wild and Pasco County ("County") well fields.

On April 27, 1999, the District issued its WUP to Aloha, for public service water supply. The permitted withdrawals included an annual average quantity of 2,040,000 gallons per day ("gpd") and peak monthly quantity of 2,470,000 gpd. Referencing these quantities the WUP states:

> ... and the quantities are unchanged from the previously permitted quantities. The permitted withdrawals will serve a portion of the population of the service area, but the quantities do not meet all of the present demand or the future demand within the service area.

Based on per capita consumption, historical usage in the service area has been below that of other area utilities. In the past, the Utility has had a core customer base in its Seven Springs service area comprised of retirees in one and two person households. The principal development in the service area was Veterans Village which contained small, garden and multi-family homes with limited square footage.

Usage characteristics in the Utility's Seven Springs service area have changed with the population demographic. South Pasco County is now a bedroom community of the Tampa metropolitan area. The Trinity Development of Regional Impact has resulted in the construction of thousands of homes and millions of square feet of commercial development

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in the service area. These homes are relatively larger than those added to the system in years past, with more square footage and more water fixtures. The houses are occupied by larger, younger, more active families. The lot sizes have increased, accompanied by irrigation demands. Small commercial and light industrial development is now taking place in the service area with varied usage patterns. This growth pattern has resulted in an approximately 5% annual increase in consumption in the service area.

The Aloha Seven Springs service area is located within the Northern Tampa Bay Water Use Caution Area ("WUCA"). The Utility's service area is surrounded by Tampa Bay Water, a regional water supply authority with eleven well fields located in Pasco, Pinellas and Hillsborough Counties. In May of 1998, the District entered into a Partnership Agreement with Tampa Bay Water and its member governments to develop new water supplies and reduce withdrawals from certain well fields in an effort to promote recovery from adverse environmental impacts caused by over pumping from groundwater sources. The District recently determined that drought conditions, along with Tampa Bay Water's well field pumping, in excess of the quantities authorized by its Consolidated Permit for the eleven well fields, have together created an acute emergency affecting the public health, safety and welfare.

In addition to the substantial customer growth in its service area, rainfall amounts in the Seven Springs and the surrounding areas have been below normal levels since October 1998, shortly before the WUP was issued. Since 1998 there has been an approximate 28" rainfall deficit. On a District wide basis, the year 2000 was the driest calendar year on record since 1915, with rainfall at only 67% of normal levels.

SECTION II - DEMAND SIDE WATER CONSERVATION MEASURES

The Compliance Plan proposed by Aloha Utilities includes both demand side and supply side measures. On demand side, the Company has already implemented, or intends to undertake, certain activities to promote water conservation.

A. Customer Direct Mail Billing Inserts

In late 2000, Aloha Utilities, Inc. acquired the capability to provide billing inserts to its customers with each monthly customer bill. The Company has utilized the billing inserts to notify customers of various issues concerning utility service. Principal among these issues is the Company's efforts to educate customers about water supply and use including the current drought conditions, methods and devices for conserving water, and the importance of compliance with watering restrictions. A sample of the Company's billing inserts regarding conservation issues is enclosed as Exhibit "A". The Company is making District water conservation pamphlets and brochures available to its customers. The Company intends to continue its customer notice and information efforts to promote water conservation in an effort to reduce consumption and water pumpage.

B. Implementation of Conservation Rates

The Utility's rates and charges are established by the Florida Public Service Commission. Rates and charges cannot be modified without the prior consent of the Commission. Historically, the Commission has done very little to promote the use of conversation rates, having approved such rates for less than [ten] utilities statewide. On April 2, 2001, representatives of Aloha attended the Water Rate 2001 Workshop hosted by the District. At that time, the District provided information and training on software designed to assist in establishing a conservation or inverted block rate structure, the goal of which is to reduce water usage by at least 5% in the Company's service area. The Company will utilize this software in preparing an application to the Public Service Commission to modify its rate structure by incorporating conservation rates. As a result of several issues arising from District WUP enforcement, including the purchase of water from Pasco County and the implementation of a conservation rate structure, the Public Service Commission is conditioning rate relief for the Company on the filing of a full rate case. The time frame required for preparation of a rate case through completion is 13-19 months, as discussed in more detail below. As soon as the PSC authorizes a change in Aloha's rates, the Company will implement the conservation rate structure with the expected benefit of a reduction in potable water use in the service area.

C. Wastewater Reuse System

Over the past three years, Aloha Utilities, Inc. has invested approximately $5,000,000 in upgrading its wastewater treatment facilities to provide public access irrigation quality effluent to the public, and to construct a backbone transmission system to deliver effluent to commercial and residential property owners in the Seven Springs

service area. This investment represents the single largest financial and operational undertaking in the Company's history. The construction of the Aloha reclaimed water facility has proceeded in two phases.

In 1997 the Company installed filters at its wastewater plant to improve treatment standards to provide effluent quality suitable for irrigation purposes. In January 1998, Aloha entered into a Cooperative Funding Agreement with the District for the design and construction of a portion of its reuse system. The purpose of the Agreement was a 50% cost sharing arrangement for the $1,800,000 phase 1 wastewater project being undertaken by Aloha. The project consisted of the design and construction of approximately 5 miles of water transmission main and appurtenant facilities extending from the existing terminus of the transmission system at the intersection of Mitchell Ranch Road and Little Road into the heart of its service area and terminating at the Fox Hollow Golf Course. The reuse system was also extended to commercial properties in close proximity to the wastewater plant. As stated in the Cooperative Funding Agreement, the project was a key component in a program to provide 800 million gallons per year of reclaimed water to offset ground water withdrawals in the Northern Tampa Bay WUCA. A copy of the Agreement is attached hereto as Exhibit "B". At the completion of phase 1, the Company was generating public access irrigation quality effluent. However, due to certain Department of Environmental Regulation requirements regarding Class 1 reliability and redundancy of plant components, the Company was limited to irrigation on the Mitchell Ranch, which offset substantial, long duration, agricultural irrigation occurring on that property.

Phase 2 of the reclaimed water facility was facilitated through a $5,200,000 financing completed on July 30, 1999. Loan proceeds were used to expand the wastewater treatment plant capacity from 1.2 to 1.6 mgd and to complete construction of the plant improvements necessary to achieve Class 1 reliability. As a result of the construction of the Aloha reclaimed water facility, and extension of the transmission system into the Seven Springs service area in the North Tampa Bay WUCA, the Department of Environmental Protection recently approved reuse service to 19 commercial sites and subdivisions. Delivery of effluent by Aloha to the Fox Hollow Golf Course alone offsets a permitted groundwater withdrawal capacity of 427,000 gpd and numerous other withdrawals. A list of the properties currently receiving reuse service, or to which service is available, is attached hereto as Exhibit "C." The Company may rely in part on the District's cooperation in ensuring that all such customers replace their groundwater withdrawals with reuse effluent as required by contract with the Utility or by water use permit restrictions.

On April 10, 2001 Aloha submitted permit documentation to DEP for Master Reuse System designation to extend service to reuse customers in the Seven Springs service area without DEP approvals for each site. All of the groundwater withdrawals by Aloha pursuant to the WUP are either consumed by its utility customers or returned to the reclaimed water facility and the environment within the Seven Springs service area.

Aloha believes that investment in its reclaimed water facility and reuse transmission

system was the single most effective means available to offset groundwater withdrawals for customer irrigation needs and mitigate environmental and water resource impacts caused by groundwater withdrawals for direct customer consumption. Acknowledgment by the District of the benefits of this program can be seen in the continued cooperative funding provided since the original Agreement. Aloha has sought, and continues to seek recognition by the District of the benefits of this program and the mitigation of groundwater withdrawals in the Company's service area in the North Tampa Bay WUCA.

D. Residential Reuse

For a number of years, Aloha Utilities has required developers in its service area to contractually obligate themselves to construct residential reuse distribution systems for new development within the service area. Aloha has been limited in its ability to enforce this requirement until public access irrigation quality effluent was in fact available to such projects. This has now occurred, and Aloha will continue to require new projects to construct reuse distribution systems and take back effluent as an alternative to potable water for irrigation purposes.

Aloha is now investigating the feasibility of retrofitting existing neighborhoods with reuse distribution facilities in an effort to offset potable water use with reuse for irrigation needs. While a number of governmental utilities have implemented such programs, very few PSC regulated utilities have been able to do so. Governmental utilities are free to establish compensatory rates for such programs, pass ordinances requiring usage or payment for irrigation water, and have broader access to grant funding, low interest loans and other favorable capital sources to finance these programs. Historically, even the District itself has not extended cooperative funding to finance the retrofitting of residential areas with reuse distribution systems. Aloha is willing to work with the District to pursue such programs based on financial feasibility under the PSC cost recovery and rate making guidelines.

SECTION III - SUPPLY SIDE CONSERVATION MEASURES

The Compliance Plan proposed by Aloha Utilities includes supply side measures to promote water conservation.

A. Purchased Water From Pasco County

Pursuant to prudent operating practices, and primarily as an emergency backup for the benefit of both systems, Aloha Utilities, Inc. and Pasco County established a water system interconnect a number of years ago. Since that time, Aloha has, on occasion, purchased relatively modest amounts of water from the County on an as-needed basis. One alternative to reduce the Utility's pumping to levels set forth in the WUP is to purchase water from Pasco County in a quantity which makes up the difference between the permit limits and the demand in its Seven Springs water system. This alternative presents several issues which must be addressed.

First, the Company currently purchases water from the County on as-needed basis. The County has not committed to provide water to the Utility in quantities required to bring the Utilities pumpage within the limits set forth in the WUP. The Utility plans to meet with representatives of the County to determine the County's willingness to commit to sell water in such quantities on a long term basis, and the terms and conditions for such sale.

Second, the Utility has not yet determined the overall effect of purchased water from Pasco County on its water system and quality. The County employs different treatment processes, has a product with a different water chemistry, and is involved in a distinct corrosion control program. Material alterations to Aloha's water treatment processes, with the attendant costs, must be considered in order to accommodate large quantities of purchased water from the County or any other source.

The next issue to be addressed is the one of cost. The County charges $2.20 per thousand gallons for water purchased by Aloha Utilities. The Utility currently has an approved commodity charge of $1.25 per thousand gallons which it charges to its customers. Purchasing water from the County will increase the cost of water to Aloha, and therefore its customers, by approximately $650,000 annually. It also raises two relevant timing issues.

Until such time as Tampa Bay Water in general, in Pasco County in particular, have developed alternative water supply sources pursuant to the requirements of the Consolidated Permit, the customers of Aloha Utilities are simply replacing water drawn from Aloha Utilities with water drawn from a County well field a few miles away, both within the North Tampa Bay WUCA. Arguably, the additional demand placed on the Pasco County well fields as a result of the sale of water to Aloha will have a more deleterious effect on the environment than continued pumping by Aloha from its eight smaller, scattered wells. It short, purchasing water has not been demonstrated to benefit the environment, and may in fact be doing more harm. Therefore, until such time as

alternative water sources are in place, it is questionable whether a compliance plan should require purchased water from Pasco County.

The second timing issue is the requirement that the Utility obtain Public Service Commission approval for a rate increase in order to generate revenues sufficient to pay the higher cost of water purchased from Pasco County. Further to that goal, in February 2001, the Utility filed an Application for Limited Proceeding for Emergency, Temporary, and Permanent Increase in Water Rates with the Public Service Commission for the narrow purpose of increasing rates to pay for the higher cost of water purchased from Pasco County. The filing of a limited proceeding was intended to take advantage of the more streamlined and faster review and approval process available for certain types of cases at the Commission. However, on April 3, 2001, the Commission threw out the Utility's Application. The Commission's reasoning in part was that, notwithstanding the declaration of a water shortage emergency by the District's Executive Director, proposed Consent Order and required Compliance Plan, Aloha's excessive pumping had been taking place for an extended period of time and therefore no action on an emergency basis by the Commission was warranted. Therefore, in order to establish the rates necessary to pay for purchased water from Pasco County, the Utility must file a traditional rate case with the Public Service Commission. Representatives of Aloha have already met with the PSC Staff and began the full rate case process by filing a request for test year approval on April 16, 2001.

The rate case which the Utility must now file will require the following procedures and time frames. On April 16, the Utility filed with the PSC a request for a test year approval. In 30 days, the Commission will issue approval of the test year to be used in the rate case. The Utility, with its legal, engineering and accounting consultants will then prepare the minimum filing requirements ("MFR's") set forth in the Commission rules to properly file the rate case. Since the Commission has insisted on the use of a projected test year, rather than a historic test year with pro forma adjustments for the purchased water from Pasco County, the MFR preparation period proposed will be a minimum of 90 days. The Utility will then file the rate case application.

Prior to identifying an official date of filing, the Commission will review the application and, in most cases, identify deficiencies to be corrected by the Utility. A 30 day period for such review will be followed by at least 30 day period during which the Utility will attempt to correct any deficiencies. The official date of filing will then be established and the rate case will formally begin. From that point, the Commission has, by statute, eight months to conduct the case. The Commission will utilize that entire period of time. After eight months, the Commission will issue an order granting some, or all, of the rate relief requested by the Company. Based on precedent, the Commission will fail to grant a portion of the requested rate increase, and certain issues will be identified as in dispute between the Commission and the Utility. Within 15 days of the issuance of the Commission order, the Utility may file a Motion for Reconsideration on the points in dispute. Other parties will have 10 days to respond. An additional 60 days is required for Commission consideration and ruling on the Motion. Thereafter, a 20 day period is

required for issuance of a final order. The total time frame for the rate case is estimated to be at 16 months, with a range of between 13 and 19 months. At that time, the Utility will be in a position to pay for water it purchases from Pasco County. If the PSC process can be accelerated, the Utility will be in a position to purchase water as soon as rates which will allow such purchases are granted and implemented.

On April 12, 2001, District General Counsel, William Bilenky appeared before the Public Service Commission to address the District's actions in this case in the context of the requested rate increase by Aloha Utilities, Inc. Mr. Bilenky's comments indicated the District's willingness to work with the Utility over time to address the non-compliance with the WUP. The Utility appreciates the District's cooperative approach in this matter. However, the District's position contributes to relieving the Commission of any urgency in acting on the Utility's rate increase, a prerequisite to the purchase of water from Pasco County as an alternative to over pumping under its WUP. Therefore, to the extent the Compliance Plan focuses on the purchase of water from Pasco County, the schedule for compliance will be subject to the 13-19 month PSC approval process.

Public Service Commission procedures will not allow a Utility to establish interim rates to begin to collect all or a portion of the rate increase related to increased purchased water costs prior to completion of the rate case.

B. Alternative Water Sources

Given a variety of factors in this case, including the size of the Aloha system, amounts of additional water required, location within the WUCA, financing resources etc., no water source alternatives appear to fit the Water Management District's strict criteria at this time. To that end, the Utility has charged its engineer to undertake a study of possible water source alternatives, which is expected to be completed within 180 days. The Utility will provide a copy of the study to the District. Should any promising alternatives develop in the course of the study, these will be immediately addressed as a part of this Compliance Plan.

In 1997, in conjunction with an engineering report required by the Public Service Commission with regard to construction of centralized water treatment facilities in the Seven Springs area, the Company's consulting engineers prepared a comprehensive report on the water demand in the service area. That report demonstrated that water demand will continue to increase with population in the service area. Such population growth, and resulting water demand, is not only outside the control of the Utility, it is the Utility's legal duty to provide potable water service to this expanding customer base. At the time of the Utility's WUP renewal in 1999, the District recognized that the failure to change previously permitted quantities would mean that such quantities would not meet all of the present or future demand within the service area. Neither the Utility nor the District can ignore the reality of population growth in this service area.

Within the past two years, the Utility's consulting engineers undertook a thorough

search of existing WUPs in and around its existing water service area, and to ascertain whether any wells or water withdrawal permits remained unused. The Utility was unsuccessful in locating and/or negotiating for the transfer of an unused or underutilized water use permits. By way of example, the Utility undertook discussions with representatives of Morton Plant Hospital to determine whether a WUP within their control might be available for assignment to Aloha. These efforts were rebuffed. Further, assignment and transfer of ownership and location of WUPs is within the District's discretion. In discussions with the Utility representatives, District Staff have appeared unwilling to approve any such transfer of ownership or location, raising the question of whether any benefit may be expected from efforts to utilize a third party WUP.

SECTION IV - ENVIRONMENTAL IMPACT STUDY BASED ON CURRENT PUMPING LEVELS

Over the course of the last two to three years, the Company has slowly increased its pumping levels over the limits set forth in the WUP as a result of the increased customer base within the service area and increased demand resulting from drought conditions. Given the relatively small and scattered well sites utilized by the Company, negative environmental impact as a result of pumping in excess of the WUP limits are not readily apparent. Nevertheless, District staff have indicated that no increase in the pumping limits under the WUP will be approved. This is due in part to the environmental impact of over pumping by Tampa Bay Water within the Northern Tampa Bay WUCA. However, as a part of this Compliance Plan, it is reasonable to consider a study of the environmental impacts of the Utility's current pumping levels, and whether these should be permitted as a reasonable alternative to other water sources, including the purchase of water from Pasco County and Tampa Bay Water. Further discussions between the parties are necessary to determine the parameters and potential benefits of such a study.

SECTION V - SUMMARY AND COMPLIANCE SCHEDULE

The Compliance Plan and schedule for Aloha Utilities, Inc. may be summarized as follows:

PLAN COMPONENT	COMPLIANCE SCHEDULE
Customer Direct Mail and Education Efforts	Current and ongoing
Implementation of Conservation Rates	PSC approval expected in 13-19 months
Wastewater Reuse System	Current and Ongoing
Residential Reuse	Current and Ongoing
Purchase Water from Pasco County	13-19 months for PSC approval of rates to support purchased water
Alternative Water Sources	Study completed within 180 days with implementation to follow

The Utility views the purchase of water from Pasco County to be one of several components of the Compliance Plan. The Utility does not view this as a single, long term solution to the water demand in the service area. In the short term, the purchased water has operational and cost problems, as well as, raising questions of the environmental impact of purchased water from Tampa Bay Water and Pasco County. The District has recognized by Executive Order that over-pumping by these entities has created an acute water emergency in the area.

In the long term, the Utility believes it should receive credit in the form of increased pumping limitations in its WUP for the offset of existing and future water withdrawals in the service area by construction of the Aloha reclaimed water facility and reuse system. This is particularly true if increased pumping levels show no negative environmental impact. The Utility's reclaimed water facility will result in the offset of hundreds of millions of gallons of water withdrawals now and in coming years. The extent of the credit for this program in the Company's WUP remains an open issue in this Compliance Plan.

Aloha Utilities, Inc.

6915 Perrine Ranch Road
New Port Richey, FL 34655
(727) 372-0115 Fax (727) 372-2677

March 2001

Dear Customer:

According to the Southwest Florida Water Management District (SWFWMD), the drought conditions in Florida have become severe. As a result, SWFWMD adopted an Emergency Order on March 21, 2001, requiring the implementation of inclining block water rates for utilities that don't presently have them. We will be keeping you informed on how your rates will be changed to comply with this order. There are several steps that you can take to help conserve our water supply.

- Plant native and non-native drought-tolerant plants.
- Mow to a height of no less than three to four inches to encourage grass to develop a deeper, more drought tolerant root system.
- Check and adjust sprinkler heads so only your lawn and shrubs are being watered. Misdirected and broken sprinkler heads can result in many gallons of wasted water.
- Allow grass clippings to remain on the lawn to increase organic matter and provide nutrients.
- Install low pressure sprinkler heads.
- Use a three-inch layer of mulch around your plants to reduce evaporation and competition from weeds.
- Fix leaking faucets and toilets. A leaking toilet can waste up to 100 gallons of water each day. A leaking faucet can waste up to 20 gallons of water each day.
- Observe the watering restrictions in place of watering on one day per week on your designated day. The current irrigation schedule is either before 9:00 a.m. or after 5:00 p.m. Watering days are as follows:

Address That End In	Watering Day
0 or 1	Monday
2 or 3	Tuesday
4 or 5	Wednesday
6 or 7	Thursday
8 or 9	Friday

As stated in our last newsletter, we received approval to provide reclaimed water in the Seven Springs area. Presently, residential reclaimed water is available to customers who live in Thousand Oaks, Fox Hollow Phase 4 and Foxwood Phase 5. Other areas of our service area are being explored for the potential of providing reclaimed water service in the future. Customers who irrigate with reclaimed water are not bound by any of the watering restrictions currently in place. If you live in the above listed subdivisions and are interested in receiving reclaimed water please contact our office. If you desire reclaimed to be made available in your area let us know.

For your convenience, a payment drop box has been installed in our parking lot which allows you to drop off your payment at any time without having to get out of your vehicle. Any payment received after 10:00 a.m. will be credited to the next business day.

We will continue to update you on various issues that affect your water and/or wastewater service. As always, we value your business and appreciate the opportunity to serve you.

3-15-0

Aloha Utilities, Inc.

6915 Perrine Ranch Road
New Port Richey, FL 34655
(727) 372-0115 Fax (727) 372-2677

February 2001

Dear Customer:

As mentioned in our last newsletter, Pasco County is still experiencing severe drought conditions. The irrigation schedule has been reduced to once a day, either before 9:00 a.m. or after 5:00 p.m., on your designated watering day. Refer to the chart below to determine what is your designated watering day:

Address That End In	Watering Day
0 or 1	Monday
2 or 3	Tuesday
4 or 5	Wednesday
6 or 7	Thursday
8 or 9	Friday

We have recently received approval from the Florida Department of Environmental Protection (FDEP) to provide reuse water in the Seven Springs service area. This will enable us to provide reclaimed water for irrigation to customers at a much lower price than they are now paying for potable water. We will be looking for input from our various Homeowner Associations to determine the desirability of providing reuse water to customer's homes. The availability of reuse to your area will be based upon your location and customer demand. If you are interested in receiving reuse for irrigation please state your request in writing to our office.

For your convenience, we will be installing a payment drop box in our parking lot for payment drop off. Look for it as you exit the parking lot at the end of the island.

The Florida Public Service Commission (FPSC) issued a final order approving an increase in rates for the Seven Springs Wastewater System on February 6, 2001. Representative Fasano stated in the press that he planned to protest the FPSC decision even before it was released. The Office of Public Counsel, apparently at Mr. Fasano's urging, has requested reconsideration of that order. We have now begun the process of preparing a response to deal with the request and are incurring costs that will ultimately increase your rates. Mr. Fasano has written that he believes the cost of reconsideration and appeal of an order was exaggerated in our last newsletter. However, Mr. Fasano has been informed by the FPSC that this is a feasible number. At the present time, since a request for reconsideration has been filed, the final rates cannot be implemented. Due to the request, you will continue to pay approximately a 6% higher rate than approved by the FPSC in the final order until this matter is resolved. This process will potentially take many months and cost thousands of additional dollars. The higher rate, or one even higher than originally requested, may well result once costs of responding to this reconsideration request and any possible appeal actions are added on.

We will continue to update you on various issues that affect your water and/or wastewater service. As always, we value your business and appreciate the opportunity to serve you.

Sincerely,

Stephen C. Watford
President

1/23/01
2/6/01

Aloha Utilities, Inc.

6915 Perrine Ranch Road
New Port Richey, FL 34655

(727) 372-0115 Fax (727) 372-2677

Dear Customer:

We would like to take this opportunity to update you on many changes that have taken place at our utility in the past few months.

In late December, we moved our offices to 6915 Perrine Ranch Road in New Port Richey. This location is in the center of our two service areas, thereby providing all of our customers easy access to our office. The new facilities provide the work space needed for our staff to efficiently conduct our business affairs and provide you with high quality customer service.

As you are aware, the State of Florida has had severe drought conditions which have resulted in water restrictions imposed by the Southwest Florida Water Management District. Drinking water supplies are very limited in Florida and other sources of water must be used for irrigation purposes. The Florida Department of Environmental Protection has required all utilities with large wastewater treatment plants to upgrade their facilities to produce "reclaimed water." Reclaimed water is very highly treated wastewater plant effluent that may be used for irrigation; saving the drinking water supplies for household use.

Beginning in 1995, the Florida Department of Environmental Protection (FDEP) ordered our utility to begin the process of upgrading our Seven Springs Wastewater Treatment Plant (SSWWTP) to allow it to produce reuse water. We worked with the FDEP to develop a multi-step upgrade program to gradually (over eight to ten years) to be able to produce reclaimed water that could be utilized for home and business irrigation needs.

You may recall, the first upgrade step was completed on December 31, 1996. We began constructing the facilities needed to comply with the second step in the FDEP required plant upgrade process in 1999 and completed in late 2000 at a cost in excess of $5,000,000. These upgrades allow the wastewater plant to produce reclaimed water that can be used in many more places than it was after the first plant upgrade. The reclaimed water now produced may be used by homeowners in new residential areas, on golf course fairways and greens, on commercial property lawns and along roadways and similar areas. This will allow us to increase our supply of reuse water to over one million gallons per day. This means that each year over 365,000,000 gallons of water used for irrigation will now not be withdrawn from the Floridan Aquifer. The Florida Public Service Commission (FPSC) Commissioners have ordered their FPSC staff to investigate the feasibility of this method of irrigation being made available to existing areas. Even though only new areas are receiving reuse service immediately, each and every customer benefits from the upgrades to the wastewater plant as it actually protects our drinking water source.

The FPSC has recently approved raising our wastewater rates to pay for the FDEP required plant improvements. After very detailed and careful study by the FPSC staff and the Commissioners, new rates were set by the FPSC. This process took over eight months. A formal order reflecting that final decision will be issued by the FPSC in the next two weeks. The Commissioners and

their staff were very diligent in reviewing the information that our rate increase request was based. Their staff also met with and discussed the need for these facilities with the FDEP staff. The Commissioners held three hearings concerning this rate request. They heard from a large number of technical and financial experts about the need for the upgrades and the prudence of the costs associated with the construction. After all this effort and study, the Commissioners set the new wastewater rates based on the actual evidence presented. In your bill this month, you will see the increased cost for wastewater service to pay for the plant modifications as required.

You may have read in the newspaper that Representative Fasano planned to appeal the FPSC decision, even before it was rendered. While Mr. Fasano was not a party to this proceeding, and we do not know what issues he might raise on appeal, the FPSC made its decision based on the many experts from the FDEP and the FPSC who have spent months researching the appropriate rates needed to pay for the FDEP ordered plant improvements. Aloha's wastewater rates have historically been substantially below those of other utilities in the area. This rate increase brings Aloha's wastewater rates in line with those in the area who also provide this level of treatment. If Representative Fasano files an appeal of the FPSC's order, the process will potentially take many months and require Aloha to expend hundreds of thousands of your dollars to comply with the appeal process, all of which costs will ultimately have to be incorporated in further increases in customer rates.

Your bill this month will also reflect a small one-time wastewater credit with interest related to a 1996 rate case.

We hope that this information has provided you an adequate explanation of the necessity for the wastewater rate increase that is reflected in the enclosed bill. Our goal is to provide you with high quality water and wastewater services at the least cost possible. We value your business and appreciate the opportunity to serve you.

Sincerely,

Stephen G. Watford
President

AGREEMENT NO. 98CON000035

COOPERATIVE FUNDING AGREEMENT BETWEEN THE SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT AND ALOHA UTILITIES, INC. FOR THE DESIGN AND CONSTRUCTION OF THE ALOHA UTILITIES, INC., REUSE SYSTEM (K016)

THIS COOPERATIVE FUNDING AGREEMENT is made and entered into by and between the SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT, a public corporation of the State of Florida, whose address is 2379 Broad Street, Brooksville, Florida 34609-6899, for itself and on behalf of the Pinellas-Anclote River Basin Board, hereinafter collectively referred to as the "DISTRICT," and ALOHA UTILITIES, INC., a private corporation, whose address is 2514 Aloha Place, Holiday, Florida 34691, hereinafter referred to as the "COOPERATOR."

WITNESSETH:

WHEREAS, the COOPERATOR proposed a project to the DISTRICT for funding consideration under the DISTRICT's cooperative funding program; and

WHEREAS, the project consists of the design and construction of approximately 26,000 linear feet of reclaimed water transmission main and associated appurtenances extending from an existing main at State Road 54, and southward to the Fox Hollow Golf Course, hereinafter referred to as the "PROJECT"; and

WHEREAS, the PROJECT is a key component of a program to provide 800,000,000 gallons per year of reclaimed water to offset groundwater withdrawals in the Northern Tampa Bay Water Use Caution Area; and

WHEREAS, the public will benefit from reduced environmental impacts from groundwater withdrawals, lower reclaimed (vs. potable) water rates for irrigation and reduced percolation pond disposal costs; and

WHEREAS, the DISTRICT considers the PROJECT worthwhile and desires to assist the COOPERATOR in funding the PROJECT.

NOW, THEREFORE, the DISTRICT and the COOPERATOR, in consideration of the mutual terms, covenants and conditions set forth herein, agree as follows:

1. PROJECT MANAGER AND NOTICES. Each party hereby designates the employee set forth below as its respective Project Manager. Project Managers shall assist with PROJECT coordination and shall be the party's prime contact person. Notices or reports shall be sent to the attention of the parties' Project Manager by U.S. mail, postage paid, to the parties' addresses as set forth in the introductory paragraph of this Agreement.

Project Manager for the DISTRICT: Carl P. Wright
Project Manager for the COOPERATOR: Stephen G. Watford.

1.1 The DISTRICT's Project Manager is hereby authorized to approve requests to extend a PROJECT task deadline set forth in this Agreement. Such approval shall be in writing, shall explain the reason for the extension and shall be signed by the Project Manager and his/her Department Director, or Deputy Executive Director if the Department Director is the Project Manager. The DISTRICT's Project Manager is not authorized to approve any time extension which will result in an increased cost to the DISTRICT or any time extension which will likely delay the final PROJECT task deadline.

1.2 The DISTRICT's Project Manager is authorized to adjust a line item amount of the PROJECT COSTS set forth in Exhibit "B" if such adjustment does not exceed ten percent (10%) of the line item amount, aggregate adjustments are less than $10,000, and such adjustment does not result in an increase to the total PROJECT cost. Such approval shall be in writing, shall explain the reason for the adjustment, and shall be signed by the Project Manager and his/her Department Director and their Deputy Executive Director. The DISTRICT's Project Manager is not authorized to make changes to the Scope of Work and is not authorized to approve any increase in the not-to-exceed amount set forth in the compensation section of this Agreement.

2. SCOPE OF WORK. Upon receipt of written notice to proceed from the DISTRICT, the COOPERATOR shall perform the services necessary to complete the PROJECT in accordance with the Special Project Terms and Conditions set forth in Exhibit "A" and the COOPERATOR's Proposed Project Plan set forth in Exhibit "B," both attached hereto and incorporated herein. Any changes to the Scope of Work and associated costs shall be mutually agreed to in a formal written Amendment prior to being performed by the COOPERATOR. The COOPERATOR shall be solely responsible for managing the PROJECT, including the hiring and supervising of any contractors or consultants it engages under this Agreement.

3. FUNDING. The parties anticipate that the total cost of the PROJECT will be One Million Eight Hundred Forty-eight Thousand Two Hundred Forty-four Dollars ($1,848,244). The DISTRICT agrees to fund 50 percent of the PROJECT costs up to Nine Hundred Twenty-four Thousand One Hundred Twenty-two Dollars ($924,122) and shall have no obligation to pay any costs beyond this maximum amount. The COOPERATOR agrees to fund 50 percent of the PROJECT costs up to Nine Hundred Twenty-four Thousand One Hundred Twenty-two Dollars ($924,122). The COOPERATOR shall be the lead party to this Agreement and shall pay PROJECT costs prior to requesting reimbursement from the DISTRICT.

3.1 The DISTRICT shall reimburse the COOPERATOR for its share of PROJECT costs in accordance with the PROJECT COSTS set forth in Exhibit "B." The COOPERATOR may contract with consultants or contractors in accordance with the Special Project Terms and Conditions set forth in Exhibit "A." Upon DISTRICT approval, the budget amounts for the work set forth in said contract(s) shall supersede the amounts set forth in the Proposed Budget and shall be incorporated herein by reference. The DISTRICT shall reimburse COOPERATOR for 50% of each DISTRICT-approved invoice received from COOPERATOR, but at no point

in time shall the DISTRICT's expenditure amount under this Agreement exceed the funding level made by COOPERATOR. Payment shall be made to the COOPERATOR within thirty (30) days of receipt of an invoice, with the appropriate support documentation, which shall be submitted to the DISTRICT on a monthly basis at the following address:

Accounts Payable Section
Southwest Florida Water Management District
Post Office Box 1166
Brooksville, Florida 34605-1166

3.2 The COOPERATOR shall not use any DISTRICT funds for any purposes not specifically identified in the PROJECT scope of work.

3.3 The DISTRICT shall have no obligation to reimburse the COOPERATOR for any costs under this Agreement until construction of the PROJECT has commenced.

3.4 The DISTRICT's performance and payment pursuant to this Agreement is contingent upon the DISTRICT's Governing Board appropriating funds for the PROJECT.

4. CONTRACT PERIOD. This Agreement shall be effective upon execution by all parties and shall remain in effect until September 30, 2000, unless terminated or extended in writing by mutual written agreement of the parties.

5. PROJECT RECORDS AND DOCUMENTS. Each party shall, upon request, permit the other party to examine or audit all PROJECT related records and documents during or following completion of the PROJECT. Each party shall maintain all such records and documents for at least three (3) years following completion of the PROJECT. All records and documents generated or received by either party in relation to the PROJECT are subject to the Public Records Act in Chapter 119, Florida Statutes.

6. REPORTING. The COOPERATOR shall provide the DISTRICT with any and all reports, models, studies, maps or other documents resulting from the PROJECT.

7. INDEMNIFICATION. The COOPERATOR shall defend, indemnify and save harmless the DISTRICT and all DISTRICT agents, employees and officers from and against all liabilities, claims, damages, expenses or actions, either at law or in equity, including court costs and attorneys' fees, allegedly caused or incurred, in whole or in part, as a result of any act or omission by the COOPERATOR, its agents, employees, subcontractors, assigns, heirs or anyone for whose acts or omissions any of these persons or entities may be liable during the COOPERATOR's performance

8. INSURANCE REQUIREMENT. The COOPERATOR shall maintain during the entire term of this Agreement, insurance in the following kinds and amounts or limits with a company or companies authorized to do business in the State of Florida and shall not commence work under this Agreement until the DISTRICT has received an acceptable certificate of insurance showing evidence of such coverage. Certificates of insurance shall reference the DISTRICT Agreement Number and Project Manager.

8.1 Liability insurance on forms no more restrictive than the latest edition of the Commercial General Liability policy (CG 00 01) of the Insurance Services Office without restrictive endorsements, or equivalent, with the following minimum limits and coverage:

Minimum Limits -	$500,000 per occurrence $1,000,000 in the aggregate

8.2 Vehicle liability insurance, including owned, non-owned and hired autos with the following minimum limits and coverage:

Bodily Injury Liability per Person	$ 100,000
Bodily Injury Liability per Occurrence	$ 300,000
Property Damage Liability	$ 100,000
or	
Combined Single Limit	$ 500,000

8.3 The DISTRICT and its employees, agents, and officers shall be named as additional insureds on the general liability policy to the extent of the DISTRICT's interests arising from the Agreement.

8.4 Workers compensation insurance in accordance with Chapter 440, Florida Statutes, and/or maritime law, if applicable.

8.5 Certificates of insurance shall provide for mandatory thirty (30) days prior written notice to the DISTRICT of any material change or cancellation of any of the required insurance coverage.

8.6 Certificates of insurance shall be required from any Subcontractors otherwise the COOPERATOR must provide evidence satisfactory to the DISTRICT that coverage is afforded to the Subcontractor by the COOPERATOR's insurance policies.

9. TERMINATION. Either party may terminate this Agreement upon the other party's default in complying with any term or condition of this Agreement, as long as the terminating party is not in default of any term or condition of this Agreement. To effect termination, the terminating party shall provide the defaulting party with a written "Notice of Termination" stating its intent to terminate and describing the term and/or condition with which the defaulting party has failed to comply. If the defaulting party has not remedied its default within thirty (30) days after receiving the Notice of Termination, this Agreement shall automatically terminate. If this Agreement is terminated by the DISTRICT, the defaulting party shall not be entitled to payment for any PROJECT costs incurred after receipt of the Notice of Termination, except for properly incurred irrevocable commitments made prior to receipt of the Notice of Termination.

10. RELEASE OF INFORMATION. The parties shall not initiate any verbal or written media interviews or issue press releases on or about the PROJECT without providing advance copies to the other party. This provision shall not be construed as preventing the parties from complying with the public records disclosure laws set forth in Chapter 119, Florida Statutes.

11. DISTRICT RECOGNITION. The COOPERATOR shall recognize DISTRICT funding and Basin Board funding in any reports, models, studies, maps or other documents resulting from this Agreement, and the form of said recognition shall be subject to DISTRICT approval. If construction is involved, the COOPERATOR shall provide signage at the PROJECT site that recognizes funding for this PROJECT provided by the DISTRICT and the Basin Board. All signage must meet with DISTRICT written approval as to form, content and location, and must be in accordance with local sign ordinances.

12. PERMITS AND REAL PROPERTY RIGHTS. The COOPERATOR shall obtain all permits and all real property rights necessary to complete the PROJECT prior to commencing any construction involved in the PROJECT. The DISTRICT shall have no obligation to reimburse the COOPERATOR for any costs under this Agreement until the COOPERATOR has obtained such permits and rights.

13. LAW COMPLIANCE. Each party shall comply with all applicable federal, state and local laws, rules, regulations and guidelines, relative to performance under this Agreement.

14. COMPLIANCE WITH DISTRICT RULES & REGULATIONS. If the PROJECT involves design services, the COOPERATOR's professional designers and DISTRICT regulation and projects staff shall meet regularly during the PROJECT design to discuss ways of insuring that the final design for the proposed PROJECT will technically comply with all applicable DISTRICT rules and regulations.

15. REMEDIES. Unless otherwise provided in this Agreement, all claims, counter-claims, disputes and other matters in question between the parties to this Agreement, arising out of, or relating to, this Agreement or the breach of it will be decided in accordance with the laws of the State of Florida and by a court of competent jurisdiction within the State of Florida, and Venue shall lie in the County of Hernando. Unless specifically waived by the COOPERATOR or the DISTRICT, failure of the other party to timely comply with any obligations in this Agreement shall be deemed a breach of this Agreement and all expenses and costs due to said breach shall be borne by the party responsible for the breach. Any obligations waived by either party shall not imply or otherwise be a waiver of any other obligations of this Agreement.

16. ASSIGNMENT. Prior to completion of the PROJECT, neither party may assign or transfer its rights or obligations under this Agreement, including any operation or maintenance duties related to the PROJECT, without the written consent of the other party.

17. THIRD PARTY BENEFICIARIES. Nothing in this Agreement shall be construed to benefit any person or entity not a party to this Agreement.

18. PUBLIC ENTITY CRIMES. A person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid on a contract to provide any goods or services to a public entity, may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work, may not submit bids on leases of real property to a public entity, may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity, and may not transact business with any public entity in excess of the thresh-hold amount provided in Florida Statutes, Section

287.017 for CATEGORY TWO, for a period of 36 months from the date of being placed on the convicted vendor list.

19. NON-PROFIT THROUGH SALE. The COOPERATOR shall deduct an amount equal to DISTRICT funding, minus accumulated depreciation, for all or any portion of the PROJECT from the sale price if at any time in the future the COOPERATOR divests itself of assets encompassing all or any portion of the PROJECT. This provision shall survive the expiration of this Agreement and shall remain in effect in perpetuity.

20. MODIFICATIONS. This Agreement constitutes the entire agreement between the parties and may be amended only in writing, signed by all parties to this Agreement.

21. DOCUMENTS. The following documents are attached and made a part of this Agreement. In the event of a conflict of contract terminology, priority shall first be given to the language in the body of this Agreement, then to Exhibit "A," and then to Exhibit "B."

A. Exhibit "A" Special Project Terms and Conditions

B. Exhibit "B" COOPERATOR's Proposed Project Plan

This space intentionally left blank

IN WITNESS WHEREOF, the parties hereto, or their lawful representatives, have executed this Agreement on the day and year set forth next to their signature below.

SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT

Yolanda Velazquez
Witness

By: E. D. Vergara 1/9/98
E. D. Vergara, Executive Director Date

Federal ID#: 59-0965067

ALOHA UTILITIES, INC.

Connie H. Smith
Witness

By: 12/16/97
Stephen G. Watford, Vice President Date

Federal ID#: 59-1299038

COOPERATIVE FUNDING AGREEMENT
BETWEEN THE
SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT
AND
ALOHA UTILITIES, INC.
FOR THE
DESIGN AND CONSTRUCTION OF ALOHA UTILITIES, INC., REUSE SYSTEM (K016)

DISTRICT APPROVAL	INITIALS	DATE
LEGAL	TED	10/6/97
RISK MGMT		10/8/97
CONTRACTS		10/29/97
RP DEPT DIR		10/1/97
DEPUTY EXEC DIR		10/15
GOVERNING BOARD		10/28/97

AGREEMENT NO. 98CON000035

EXHIBIT "A"
SPECIAL PROJECT TERMS AND CONDITIONS

1. CONTRACTING WITH CONSULTANT AND CONTRACTOR. The COOPERATOR shall engage the services of a consultant(s), hereinafter referred to as the "CONSULTANT," to design and a contractor(s), hereinafter referred to as the "CONTRACTOR," to construct the PROJECT in accordance with the COOPERATOR's Proposed Project Plan previously submitted to the DISTRICT and attached as Exhibit "B." The COOPERATOR shall be responsible for administering the contract with the CONSULTANT and CONTRACTOR and shall give notice to proceed to the CONSULTANT no later than May 1, 1998.

2. APPROVAL OF BID DOCUMENTS. The COOPERATOR shall obtain the DISTRICT's written approval of all construction bid documents prior to being advertised or otherwise solicited. The DISTRICT shall not unreasonably withhold such approval. The DISTRICT's approval of the construction documents does not constitute a representation or warranty that the DISTRICT has verified the architectural, engineering, mechanical, electrical, or other components of the construction documents, or that such documents are in compliance with DISTRICT rules and regulations or any other applicable rules, regulations, or laws. The DISTRICT's approval shall not constitute a waiver of the COOPERATOR's obligation to assure that the design professional performs according to the standards of his/her profession. The COOPERATOR shall require the design professional to warrant that the construction documents are adequate for bidding and construction of the PROJECT.

3. FINAL DESIGN REPORT AND APPROVAL. The COOPERATOR must provide the DISTRICT with a final design report. The final report must clearly evidence that at least twenty-five percent (25%) of the reclaimed water will offset existing or planned, ground water or surface water withdrawals. The COOPERATOR shall obtain the DISTRICT's approval of the final design report prior to proceeding with implementation of the PROJECT. The DISTRICT shall not unreasonably withhold such approval.

4. DISTRICT PARTICIPATION IN SELECTING CONSULTANT AND CONTRACTOR. The COOPERATOR selects and the DISTRICT approves David W. Porter and Civil Engineering Associates, Inc. as the CONSULTANTS for this PROJECT. Upon notifying the COOPERATOR's Project Manager, the DISTRICT shall have the option of participating in the COOPERATOR's selection of the CONTRACTOR.

5. APPROVAL OF CONTRACT. The COOPERATOR shall obtain the DISTRICT's approval of all contracts between the COOPERATOR and the CONTRACTOR. The DISTRICT shall not unreasonably withhold such approval.

6. COMPLETION DATES. The COOPERATOR shall commence construction on the PROJECT by May 1, 1999 and shall complete all aforementioned work within twelve (12) months of said construction commence date. However, in the event of any national, state or local emergency which significantly affects the COOPERATOR's ability to perform, such as hurricanes, tornados, floods, acts of God, acts of war, or other such catastrophes, or other man-made emergencies beyond the control of the COOPERATOR such as labor strikes or riots, then the COOPERATOR's obligation to complete said work within aforementioned time frames shall be suspended for the period of time the condition continues to exist.

7. RECLAIMED WATER OFFSET REPORT. The COOPERATOR shall submit a report, three years after PROJECT completion, documenting that at least twenty-five percent (25%) of the PROJECT's reclaimed water offsets existing or planned ground water or surface water withdrawals under normal operating conditions. The COOPERATOR shall obtain DISTRICT approval of the report before finalization. The DISTRICT shall not unreasonably withhold such approval. This provision shall survive the term of this Agreement.

EXISTING REUSE CUSTOMERS

ALOHA UTILITIES, INC - REUSE SYSTEM

Site No.	Folio Number	Identification	Property Section S	T	R	DEP Permit Number
1	0000-01200-0061	Seven Springs Elementary School	23	26S	16E	FLA012752-001-DW1P
2	0000-01000-0030	Hunting Creek	23	26S	16E	FLA012752-001-DW1P CS51-081364-011
3	0000-01400-0040	Walmart	23	26S	16E	FLA012752-001-DW1P CS51-081364-033
4	00200-0010	Suncoast YMCA	26	26S	16E	FLA012752-001-DW1P
5	00200-0000	Trinity College	26	26S	16E	FLA012752-001-DW1P
6	00100-0034	Morton Plant Health Care	26	26S	16E	FLA012752-001-DW1P
7	00100-0080	Pasco Middle School	26	26S	16E	FLA012752-001-DW1P
8	00100-0080	Pasco High School	26	26S	16E	FLA012752-001-DW1P
9	0000-00100-0036	Facts Engineering	26	26S	16E	FLA012752-001-DW1P
10	0000-00100-0037	Welbilt Inc.	26	26S	16E	FLA012752-001-DW1P CS51-0081364-005
11	0000-00100-0080	Virgo Optics Inc.	26	26S	16E	FLA012752-001-DW1P
12	0000-00100-0013	Kash & Karry	26	26S	16E	FLA012752-001-DW1P CS51-081364-035
13	000-00500-0000	Thousand Oaks Multifamily	35	26S	16E	FLA012752-001-DW1P CS51-0081364-024
14	000-00500-0000	Thousand Oaks Single Family	35	26S	16E	FLA012752-001-DW1P CS51-0081364-014
15	0070-00000	Villages at Fox Hollow Phase 4	31	26S	17E	FLA012752-001-DW1P CS51-0081364-021
16	0060-00000	Foxwood Unit 5	31	26S	17E	FLA012752-001-DW1P CS51-081364-022
17	0000-00200-0000	Fox Hollow Golf Course	31	26S	17E	FLA012752-001-DW1P
18	0000-00100-004A	Heritage Springs Golf Course	31	26S	17E	FLA012752-001-DW1P
19	0000-00100-0031	Evolutions Healthcare	26	26	16E	FLA012752-001-DW1P CS51-0081364-027

Reuse Sites
Locator Map
ALOHA UTILITIES INC.
2514 ALOHA PLACE
HOLIDAY, FL 34691
PROPOSED REUSE PROJECTS
ALOHA UTILITIES REUSE SYSTEM
1
SHEET
CIVIL ENGINEERING ASSOCIATES INC.
Huntin Creek
ANCLOTE RIVER
S.R. 54
LITTLE ROAD
Walmart
Mitchell Future Sites
Pasco Middle High School
Cash & Karry
MITCHELL BOULEVARD
YMCA
Trinity College
Morton Plant Hospital
Facts Eng.
Webedit
Evolutions
Virgo Optics
Spring Elementary
Aloha Spray sites
ALOHA UTILITIES WWTP
FOXWOOD
GOLF COURSE
FOX HOLLOW
THOUSAND OAKS
TRINITY OAKS
Heritage Springs
19
24
25
23
22
27
30
31
36
34

Southwest Florida
Water Management District

2379 Broad Street, Brooksville, Florida 34604-6899
(352) 796-7211 or 1-800-423-1476 (FL only)
SUNCOM 628-4150 TDD only 1-800-231-6103 (FL only)
World Wide Web: http://www.swfwmd.state.fl.us

An Equal Opportunity Employer

Tampa Service Office
7601 Highway 301 North
Tampa, Florida 33637-6759
(813) 985-7481 or
1-800-836-0797 (FL only)
SUNCOM 578-2070

Bartow Service Office
170 Century Boulevard
Bartow, Florida 33830-7700
(863) 534-1448 or
1-800-492-7862 (FL only)
SUNCOM 572-6200

Venice Service Office
115 Corporation Way
Venice, Florida 34292-3524
(941) 486-1212 or
1-800-320-3503 (FL only)
SUNCOM 526-6900

Lecanto Service Office
3600 West Sovereign Path
Suite 226
Lecanto, Florida 34461-8070
(352) 527-8131
SUNCOM 667-3271

May 4, 2001

BY FACSIMILE TRANSMISSION AND U.S. MAIL

SWFWMD RECEIVED MAY 07 2001 Brooksville Permitting Department

1-APD
1-JWP
1-SWD
1-CM:55948

John R. Jenkins, Esquire
Rose, Sundstrom & Bentley, LLP
2548 Blairstone Pines Drive
Tallahassee, Florida 32301

Subject: Proposed Compliance Plan
Aloha Utilities, Inc.
Water Use Permit No. 203182.004

Dear Mr. Jenkins:

The District received Aloha Utilities, Inc.'s proposed Compliance Plan on April 18, 2001. District staff have reviewed the plan, and provide the following comments.

1. The plan fails to address the issue of the proposed Consent Order. If your client agrees to resolve this matter through a Consent Order, the District would like to finalize the Consent Order and present it to the District's Governing Board at its meeting on May 31, 2001. If you have any specific comments concerning the content of the Consent Order, please provide them to me within seven (7) days of the date of this letter. The parties can continue to work on the Compliance Plan after the Consent Order is approved. If your client is not prepared to enter into a Consent Order, the District will seek authority to initiate litigation in this matter at the Board meeting.

2. The Demand Side Water Conservation Measures included in the plan do not appear likely to significantly reduce short term demand. Aloha should investigate additional measures intended to address short term demand. Some examples of such measures would including toilet rebate programs, low flow shower head programs, promotion of rain sensors for irrigation systems, and newspaper or radio water conservation messages. Additional information concerning demand management can be obtained from Lois Sorensen, the District's Water Shortage Coordinator, at the Brooksville headquartes, extension 4434. Information on water conservation

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is also available through the District's website at www.swfwmd.state.fl.us. The Compliance Plan also should include specific targets for reduction in short term demand, specific measures to reduce system-wide demands, and measures to curtail additional increases until compliance with the permit is achieved.

3. Section III(A) of the Compliance Plan discusses the purchase of water from Pasco County. It is the position of the District that Aloha should use the interconnect to the fullest extent technically feasible to reduce overpumping. Please quantify the amount of water Aloha anticipates being able to obtain through the interconnect, when the interconnect will be operating, and the anticipated reduction in groundwater withdrawals. The District does not consider the purchase cost of the water or the time required to complete the Florida Public Service Commission (PSC) rate action justification for failing to use the interconnect for 13-19 months.

4. In Section V of the Compliance Plan Aloha requests that the District provide Aloha with increased permit quantities as a result of construction of the reclaimed water facility and reuse system. The District is unable to accommodate this request. Nothing in Chapter 373, Florida Statutes, or Chapter 40D-2, Florida Administrative Code, provides any groundwater pumping offset for supplying reuse water to customers.

5. The PSC has informed the District that Aloha is in an overearnings status. The Compliance Plan should include investigation by Aloha of the use of excess funds for water conservation programs, and coordination of this effort with the PSC and the District.

You may contact me at the District's Brooksville office, extension 4660, if you have any questions or wish to discuss this matter further.

Sincerely,

Margaret M. Lytle

Margaret M. Lytle
Assistant General Counsel

MML
cc: Paul Desmarais
John Parker
Steve DeSmith
Jennie Lingo, PSC
S:\MyFiles\MargLtr\AlohaCompPlan.wpd

Steve De Smith

LAW OFFICES
ROSE, SUNDSTROM & BENTLEY, LLP
2548 BLAIRSTONE PINES DRIVE
TALLAHASSEE, FLORIDA 32301

(850) 877-6555

1-JWP
1-SWD
EKL 5-16-01

CHRIS H. BENTLEY, P.A.
F. MARSHALL DETERDING
MARTIN S. FRIEDMAN, P.A.
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STEVEN T. MINDLIN, P.A.
JOSEPH P. PATTON
DAREN L. SHIPPY, LL.M. TAX
WILLIAM E. SUNDSTROM, P.A.
DIANE D. TREMOR, P.A.
JOHN L. WHARTON

MAILING ADDRESS
POST OFFICE BOX 1567
TALLAHASSEE, FLORIDA 32302-1567

TELECOPIER (850) 656-4029

ROBERT M. C. ROSE
OF COUNSEL

May 10, 2001

VIA FEDERAL EXPRESS

2003182.04

Margaret M. Lytle, Esquire
Southwest Florida Water
Management District
2379 Broad Street
Brooksville, Florida 34609

RECEIVED
MAY 14 2001
OFFICE OF
GENERAL COUNSEL

S.W.F.W.M.D.
MAY 15 2001
BRO-REG
RECEIVED

Re: Aloha Utilities, Inc.;
Water Use Permit No. 203182.004
Our File No. 26038.33

Dear Ms. Lytle:

I am in receipt of your May 4, 2001 letter regarding the Groundwater Withdrawal Compliance plan submitted by Aloha Utilities, Inc. and the District's proposed Consent Order. This response corresponds to the paragraph numbers set forth in your letter.

1. Enclosed please find revision to page 4 to the proposed Consent Order.

2. Enclosed please find a revised Groundwater Withdrawal Compliance Plan, with a new Section II, B regarding Consumer Conservation Program, and an accompanying revision to Section V.

3. Your letter states that the time required to complete a PSC rate case does not justify failing to purchase water from Pasco County. At the Public Service Commission hearing on April 3, 2001 District General Counsel William Belinky's testimony left exactly the opposite impression with the Public Service Commission, its staff, and Aloha's representatives who were present. In significant part based on his testimony, the PSC voted to dismiss the Company's Application for Limited Proceeding for Emergency, Temporary, and Permit Increase in Water Rates which was filed for the specific purpose of increasing rates quickly to pay for purchased water from Pasco County. The Commission's action requires the Utility to file a full rate case to obtain rates which will allow it to pay for purchased water from Pasco County. Unless the District orders Pasco County to sell water to Aloha at a price equal to Aloha's current cost of pumping and treating water, it is unreasonable to require Aloha to purchase water without a means to pay for that water. The additional cost of

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purchasing water from Pasco County at Pasco's current rates, before rate relief is granted by the PSC, could quickly and easily bankrupt Aloha.

4. The Utility's reuse system has provided an alternative to groundwater pumping for certain permittees within its service area. It is the transfer or assignment of those water withdrawal rights which Aloha believes the District should consider. The District's focus on purchased water from Pasco County as the solution to overpumping provides no incentive to continued development of the Company's reuse system.

5. Aloha is not in an overearning situation. No PSC finding has been made on this issue. In fact, Aloha believes that it can conclusively demonstrate that it is underearning at the present time, especially in its Seven Springs water system. With regard to your suggestions concerning utilizing any excess revenues for conservation, the Utility in fact wrote to the Public Service Commission on April 27, 2001 and suggested that to the extent the Commission found any excess earnings in Aloha's water and sewer systems, those monies should be utilized for promoting and implementing conservation measures. Thus far, the Public Service Commission has not responded. Please provide us with information on which the District has relied in making these statements about alleged "overearnings," including any correspondence, memorandums, or conversations with PSC staff.

In the meantime, should you have any questions or comments regarding this matter, please feel free to call.

Sincerely,

for John R. Jenkins
For the Firm
Dictated by Mr. Jenkins but signed
in his absence to avoid delay in mailing.

JRJ:dcr
cc: Mr. Stephen Watford
Ms. Connie Kurish
David Porter, P.E.

2003182.04

Aloha/33/Lytle8.ltr

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lack of cooperation with the District's efforts to enforce compliance with the terms and conditions of the Permit.

12. The parties herein have discussed this matter and resolved all disputed issues regarding the violations set forth above.

CONCLUSIONS OF LAW

13. The District has jurisdiction over the Permittee pursuant to Sections 373.069(2)(d), 373.103(1), 373.216 and 373.219(1), F.S., and Rule 40D-2.041, F.A.C.

14. Making withdrawals in excess of the quantity of water authorized by the Permit, as described in paragraphs 4 and 5, constitutes a violation of Section 373.219(1), F.S., Rule 40D-2.381, F.A.C., and the terms of the Permit.

CORRECTIVE ACTIONS

15. The Permittee shall pay to the District a penalty of One Hundred Five Thousand Seven Hundred Seventy-Four and 10/100 dollars ($105,774.10) and compensation for District enforcement costs in the amount of Two Hundred Fifty and 00/100 dollars ($250.00) for a total of One Hundred Six Thousand Twenty-four and 10/100 dollars ($106,024.10) Cost shall be paid by certified check or money order within 10 days of approval of this Consent Order by the District's Governing Board. If mailed, the address for payment is:

Finance Department
Southwest Florida Water Management District
2379 Broad Street
Brooksville, Florida 34604-6899

2003182.04

16. Within thirty (30) days of approval of this Consent Order by the District's Governing Board, the Permittee shall submit an acceptable written plan (the "Compliance Plan") to the District demonstrating how and when it will come into full compliance with state law, District rules, and the terms of the Permit. Full compliance

(1) The penalty shall be paid in kind through the implementation of the Consumer Conservation Programs set forth in Section 11, B of the Company's Compliance Plan.

FILE OF RECORD

JAN 11 2001
BRO-REG
RECEIVED

ALOHA UTILITIES, INC.

GROUNDWATER WITHDRAWAL COMPLIANCE PLAN

Pursuant to discussions with the Southwest Florida Water Management District ("District"), Aloha Utilities, Inc. ("Aloha" or "Company") submits this Groundwater Withdrawal Compliance Plan. The purpose of the Plan is to demonstrate how and when the Utility will come into compliance with the strict pumping limitations set forth in the Company's Water Use Permit No. 203182.04 ("WUP"). The Plan is divided into four sections: an overview, demand and supply side conservation measures, environmental impact study and summary and compliance schedule.

SECTION I - OVERVIEW

Aloha Utilities, Inc. is a PSC regulated water, wastewater and reuse service provider. The Company has eight production wells which draw from the floridan aquifer. The Company primarily provides residential potable water service to a population of approximately 25,000. The per capita gross usage as identified in the WUP is 121 gpd/person. The Utility has no central treatment facilities at this time. Its well fields are located between the Eldridge/Wild and Pasco County ("County") well fields.

On April 27, 1999, the District issued its WUP to Aloha, for public service water supply. The permitted withdrawals included an annual average quantity of 2,040,000 gallons per day ("gpd") and peak monthly quantity of 2,470,000 gpd. Referencing these quantities the WUP states:

> ... and the quantities are unchanged from the previously permitted quantities. The permitted withdrawals will serve a portion of the population of the service area, but the quantities do not meet all of the present demand or the future demand within the service area.

Based on per capita consumption, historical usage in the service area has been below that of other area utilities. In the past, the Utility has had a core customer base in its Seven Springs service area comprised of retirees in one and two person households. The principal development in the service area was Veterans Village which contained small, garden and multi-family homes with limited square footage.

Usage characteristics in the Utility's Seven Springs service area have changed with the population demographic. South Pasco County is now a bedroom community of the

Tampa metropolitan area. The Trinity Development of Regional Impact has resulted in the construction of thousands of homes and millions of square feet of commercial development in the service area. These homes are relatively larger than those added to the system in years past, with more square footage and more water fixtures. The houses are occupied by larger, younger, more active families. The lot sizes have increased, accompanied by irrigation demands. Small commercial and light industrial development is now taking place in the service area with varied usage patterns. This growth pattern has resulted in an approximately 5% annual increase in consumption in the service area.

The Aloha Seven Springs service area is located within the Northern Tampa Bay Water Use Caution Area ("WUCA"). The Utility's service area is surrounded by Tampa Bay Water, a regional water supply authority with eleven well fields located in Pasco, Pinellas and Hillsborough Counties. In May of 1998, the District entered into a Partnership Agreement with Tampa Bay Water and its member governments to develop new water supplies and reduce withdrawals from certain well fields in an effort to promote recovery from adverse environmental impacts caused by over pumping from groundwater sources. The District recently determined that drought conditions, along with Tampa Bay Water's well field pumping, in excess of the quantities authorized by its Consolidated Permit for the eleven well fields, have together created an acute emergency affecting the public health, safety and welfare.

In addition to the substantial customer growth in its service area, rainfall amounts in the Seven Springs and the surrounding areas have been below normal levels since October 1998, shortly before the WUP was issued. Since 1998 there has been an approximate 28" rainfall deficit. On a District wide basis, the year 2000 was the driest calendar year on record since 1915, with rainfall at only 67% of normal levels.

2003182.04

SECTION II - DEMAND SIDE WATER CONSERVATION MEASURES

The Compliance Plan proposed by Aloha Utilities includes both demand side and supply side measures. On demand side, the Company has already implemented, or intends to undertake, certain activities to promote water conservation.

A. Customer Direct Mail Billing Inserts

In late 2000, Aloha Utilities, Inc. acquired the capability to provide billing inserts to its customers with each monthly customer bill. The Company has utilized the billing inserts to notify customers of various issues concerning utility service. Principal among these issues is the Company's efforts to educate customers about water supply and use including the current drought conditions, methods and devices for conserving water, and the importance of compliance with watering restrictions. A sample of the Company's billing inserts regarding conservation issues is enclosed as Exhibit "A". The Company is making District water conservation pamphlets and brochures available to its customers. The Company intends to continue its customer notice and information efforts to promote water conservation in an effort to reduce consumption and water pumpage.

B. Customer Conservation Programs

Conserving water provides a low cost alternative to development of alternative water sources. The Company proposes to implement the following customer conservation programs to educate consumers, curtail additional increases in consumption, and achieve long term reductions in usage on an individual basis:

1. Retrofit Kit: The Company will initiate a program to make retrofit kits available to interested customers at no charge. The kit will include such items as low flow showerheads, low flow faucet aerators, leak detection tablets, replacement flapper valves, and educational materials regarding conservation. Customers will be informed of the program through billing inserts and other means. Annual Budgeted Cost: $25,000.

2. Toilet Rebate: The Company will implement a program providing a rebate of $100 per customer, credited to customer bills, for replacement of old, high flow toilets with new low flow models. Customers will be informed of the program through billing inserts and other means. Annual Budgeted Cost: $24,000 based on replacements at a rate of 20 per month.

3. Mixed Media Conservation Messages: Through radio, television and billing inserts, the Company will budget monthly for media advertising to promote conservation. Annual Budgeted Cost: $15,000.

4. Water Auditor: A full time staff position will be created to interact directly with customers, perform water audits, and recommend and promote water conversation measures. Audits will initially target large volume users in which improvements in overall water use efficiencies will have the greatest impact on Utility water withdrawals. Budgeted Annual Cost: $38,000.

5. Additional Staffing: Initially, the Company will budget for one part-time staff member to implement and promote consumer conversation programs. Budgeted Annual Cost: $18,000.

6. Web Site: The Company is in the process of developing a web site to provide information to the general public about the Utility. The web site will include a section on conservation providing general information on the topic, specific information on Utility programs, and links to other useful sites.

The Company will further refine the details of this consumer conversation program in conjunction with the District's water shortage coordinator. The total cost of the program is estimated to be $ 120,000 annually. The Company will develop these programs in the third quarter of 2001 and be in a position to implement them by December 31, 2001. These programs will continue unless the Public Service Commission denies recognition of the cost of such programs in its pending rate increase proceeding.

C. Implementation of Conservation Rates

The Utility's rates and charges are established by the Florida Public Service Commission. Rates and charges cannot be modified without the prior consent of the Commission. Historically, the Commission has done very little to promote the use of conversation rates, having approved such rates for less than [ten] utilities statewide. On April 2, 2001, representatives of Aloha attended the Water Rate 2001 Workshop hosted by the District. At that time, the District provided information and training on software designed to assist in establishing a conservation or inverted block rate structure, the goal of which is to reduce water usage by at least 5% in the Company's service area. The Company will utilize this software in preparing an application to the Public Service Commission to modify its rate structure by incorporating conservation rates. As a result of several issues arising from District WUP enforcement, including the purchase of water from Pasco County and the implementation of a conservation rate structure, the Public Service Commission is conditioning rate relief for the Company on the filing of a full rate case. The time frame required for preparation of a rate case through completion is 13-19 months, as discussed in more detail below. As soon as the PSC authorizes a change in Aloha's rates, the Company will implement the conservation rate structure with the expected benefit of a reduction in potable water use in the service area.

D. Wastewater Reuse System

Over the past three years, Aloha Utilities, Inc. has invested approximately $5,000,000 in upgrading its wastewater treatment facilities to provide public access irrigation quality effluent to the public, and to construct a backbone transmission system to deliver effluent to commercial and residential property owners in the Seven Springs service area. This investment represents the single largest financial and operational undertaking in the Company's history. The construction of the Aloha reclaimed water facility has proceeded in two phases.

In 1997 the Company installed filters at its wastewater plant to improve treatment standards to provide effluent quality suitable for irrigation purposes. In January 1998, Aloha entered into a Cooperative Funding Agreement with the District for the design and construction of a portion of its reuse system. The purpose of the Agreement was a 50% cost sharing arrangement for the $1,800,000 phase 1 wastewater project being undertaken by Aloha. The project consisted of the design and construction of approximately 5 miles of water transmission main and appurtenant facilities extending from the existing terminus of the transmission system at the intersection of Mitchell Ranch Road and Little Road into the heart of its service area and terminating at the Fox Hollow Golf Course. The reuse system was also extended to commercial properties in close proximity to the wastewater plant. As stated in the Cooperative Funding Agreement, the project was a key component in a program to provide 800 million gallons per year of reclaimed water to offset ground water withdrawals in the Northern Tampa Bay WUCA. A copy of the Agreement is attached hereto as Exhibit "B". At the completion of phase 1, the Company was generating public access irrigation quality effluent. However, due to certain Department of Environmental Regulation requirements regarding Class 1 reliability and redundancy of plant components, the Company was limited to irrigation on the Mitchell Ranch, which offset substantial, long duration, agricultural irrigation occurring on that property.

Phase 2 of the reclaimed water facility was facilitated through a $5,200,000 financing completed on July 30, 1999. Loan proceeds were used to expand the wastewater treatment plant capacity from 1.2 to 1.6 mgd and to complete construction of the plant improvements necessary to achieve Class 1 reliability. As a result of the construction of the Aloha reclaimed water facility, and extension of the transmission system into the Seven Springs service area in the North Tampa Bay WUCA, the Department of Environmental Protection recently approved reuse service to 19 commercial sites and subdivisions. Delivery of effluent by Aloha to the Fox Hollow Golf Course alone offsets a permitted groundwater withdrawal capacity of 427,000 gpd and numerous other withdrawals. A list of the properties currently receiving reuse service, or to which service is available, is attached hereto as Exhibit "C." The Company may rely in part on the District's cooperation in ensuring that all such customers replace their groundwater

withdrawals with reuse effluent as required by contract with the Utility or by water use permit restrictions.

On April 10, 2001 Aloha submitted permit documentation to DEP for Master Reuse System designation to extend service to reuse customers in the Seven Springs service area without DEP approvals for each site. All of the groundwater withdrawals by Aloha pursuant to the WUP are either consumed by its utility customers or returned to the reclaimed water facility and the environment within the Seven Springs service area.

Aloha believes that investment in its reclaimed water facility and reuse transmission system was the single most effective means available to offset groundwater withdrawals for customer irrigation needs and mitigate environmental and water resource impacts caused by groundwater withdrawals for direct customer consumption. Acknowledgment by the District of the benefits of this program can be seen in the continued cooperative funding provided since the original Agreement. Aloha has sought, and continues to seek recognition by the District of the benefits of this program and the mitigation of groundwater withdrawals in the Company's service area in the North Tampa Bay WUCA.

E. Residential Reuse

For a number of years, Aloha Utilities has required developers in its service area to contractually obligate themselves to construct residential reuse distribution systems for new development within the service area. Aloha has been limited in its ability to enforce this requirement until public access irrigation quality effluent was in fact available to such projects. This has now occurred, and Aloha will continue to require new projects to construct reuse distribution systems and take back effluent as an alternative to potable water for irrigation purposes.

Aloha is now investigating the feasibility of retrofitting existing neighborhoods with reuse distribution facilities in an effort to offset potable water use with reuse for irrigation needs. While a number of governmental utilities have implemented such programs, very few PSC regulated utilities have been able to do so. Governmental utilities are free to establish compensatory rates for such programs, pass ordinances requiring usage or payment for irrigation water, and have broader access to grant funding, low interest loans and other favorable capital sources to finance these programs. Historically, even the District itself has not extended cooperative funding to finance the retrofitting of residential areas with reuse distribution systems. Aloha is willing to work with the District to pursue such programs based on financial feasibility under the PSC cost recovery and rate making guidelines.

SECTION III - SUPPLY SIDE CONSERVATION MEASURES

The Compliance Plan proposed by Aloha Utilities includes supply side measures to promote water conservation.

A. Purchased Water From Pasco County

Pursuant to prudent operating practices, and primarily as an emergency backup for the benefit of both systems, Aloha Utilities, Inc. and Pasco County established a water system interconnect a number of years ago. Since that time, Aloha has, on occasion, purchased relatively modest amounts of water from the County on an as-needed basis. One alternative to reduce the Utility's pumping to levels set forth in the WUP is to purchase water from Pasco County in a quantity which makes up the difference between the permit limits and the demand in its Seven Springs water system. This alternative presents several issues which must be addressed.

First, the Company currently purchases water from the County on as-needed basis. The County has not committed to provide water to the Utility in quantities required to bring the Utilities pumpage within the limits set forth in the WUP. The Utility plans to meet with representatives of the County to determine the County's willingness to commit to sell water in such quantities on a long term basis, and the terms and conditions for such sale.

Second, the Utility has not yet determined the overall effect of purchased water from Pasco County on its water system and quality. The County employs different treatment processes, has a product with a different water chemistry, and is involved in a distinct corrosion control program. Material alterations to Aloha's water treatment processes, with the attendant costs, must be considered in order to accommodate large quantities of purchased water from the County or any other source.

The next issue to be addressed is the one of cost. The County charges $2.20 per thousand gallons for water purchased by Aloha Utilities. The Utility currently has an approved commodity charge of $1.25 per thousand gallons which it charges to its customers. Purchasing water from the County will increase the cost of water to Aloha, and therefore its customers, by approximately $650,000 annually. It also raises two relevant timing issues.

Until such time as Tampa Bay Water in general, in Pasco County in particular, have developed alternative water supply sources pursuant to the requirements of the Consolidated Permit, the customers of Aloha Utilities are simply replacing water drawn from Aloha Utilities with water drawn from a County well field a few miles away, both within the North Tampa Bay WUCA. Arguably, the additional demand placed on the Pasco County well fields as a result of the sale of water to Aloha will have a more deleterious

effect on the environment than continued pumping by Aloha from its eight smaller, scattered wells. It short, purchasing water has not been demonstrated to benefit the environment, and may in fact be doing more harm. Therefore, until such time as alternative water sources are in place, it is questionable whether a compliance plan should require purchased water from Pasco County.

The second timing issue is the requirement that the Utility obtain Public Service Commission approval for a rate increase in order to generate revenues sufficient to pay the higher cost of water purchased from Pasco County. Further to that goal, in February 2001, the Utility filed an Application for Limited Proceeding for Emergency, Temporary, and Permanent Increase in Water Rates with the Public Service Commission for the narrow purpose of increasing rates to pay for the higher cost of water purchased from Pasco County. The filing of a limited proceeding was intended to take advantage of the more streamlined and faster review and approval process available for certain types of cases at the Commission. However, on April 3, 2001, the Commission threw out the Utility's Application. The Commission's reasoning in part was that, notwithstanding the declaration of a water shortage emergency by the District's Executive Director, proposed Consent Order and required Compliance Plan, Aloha's excessive pumping had been taking place for an extended period of time and therefore no action on an emergency basis by the Commission was warranted. Therefore, in order to establish the rates necessary to pay for purchased water from Pasco County, the Utility must file a traditional rate case with the Public Service Commission. Representatives of Aloha have already met with the PSC Staff and began the full rate case process by filing a request for test year approval on April 16, 2001.

The rate case which the Utility must now file will require the following procedures and time frames. On April 16, the Utility filed with the PSC a request for a test year approval. In 30 days, the Commission will issue approval of the test year to be used in the rate case. The Utility, with its legal, engineering and accounting consultants will then prepare the minimum filing requirements ("MFR's") set forth in the Commission rules to properly file the rate case. Since the Commission has insisted on the use of a projected test year, rather than a historic test year with pro forma adjustments for the purchased water from Pasco County, the MFR preparation period proposed will be a minimum of 90 days. The Utility will then file the rate case application.

Prior to identifying an official date of filing, the Commission will review the application and, in most cases, identify deficiencies to be corrected by the Utility. A 30 day period for such review will be followed by at least 30 day period during which the Utility will attempt to correct any deficiencies. The official date of filing will then be established and the rate case will formally begin. From that point, the Commission has, by statute, eight months to conduct the case. The Commission will utilize that entire period of time. After eight months, the Commission will issue an order granting some, or all, of the rate relief

requested by the Company. Based on precedent, the Commission will fail to grant a portion of the requested rate increase, and certain issues will be identified as in dispute between the Commission and the Utility. Within 15 days of the issuance of the Commission order, the Utility may file a Motion for Reconsideration on the points in dispute. Other parties will have 10 days to respond. An additional 60 days is required for Commission consideration and ruling on the Motion. Thereafter, a 20 day period is required for issuance of a final order. The total time frame for the rate case is estimated to be at 16 months, with a range of between 13 and 19 months. At that time, the Utility will be in a position to pay for water it purchases from Pasco County. If the PSC process can be accelerated, the Utility will be in a position to purchase water as soon as rates which will allow such purchases are granted and implemented.

On April 12, 2001, District General Counsel, William Bilenky appeared before the Public Service Commission to address the District's actions in this case in the context of the requested rate increase by Aloha Utilities, Inc. Mr. Bilenky's comments indicated the District's willingness to work with the Utility over time to address the non-compliance with the WUP. The Utility appreciates the District's cooperative approach in this matter. However, the District's position contributes to relieving the Commission of any urgency in acting on the Utility's rate increase, a prerequisite to the purchase of water from Pasco County as an alternative to over pumping under its WUP. Therefore, to the extent the Compliance Plan focuses on the purchase of water from Pasco County, the schedule for compliance will be subject to the 13-19 month PSC approval process.

Public Service Commission procedures will not allow a Utility to establish interim rates to begin to collect all or a portion of the rate increase related to increased purchased water costs prior to completion of the rate case.

B. Alternative Water Sources

Given a variety of factors in this case, including the size of the Aloha system, amounts of additional water required, location within the WUCA, financing resources etc., no water source alternatives appear to fit the Water Management District's strict criteria at this time. To that end, the Utility has charged its engineer to undertake a study of possible water source alternatives, which is expected to be completed within 180 days. The Utility will provide a copy of the study to the District. Should any promising alternatives develop in the course of the study, these will be immediately addressed as a part of this Compliance Plan.

In 1997, in conjunction with an engineering report required by the Public Service Commission with regard to construction of centralized water treatment facilities in the Seven Springs area, the Company's consulting engineers prepared a comprehensive report on the water demand in the service area. That report demonstrated that water

demand will continue to increase with population in the service area. Such population growth, and resulting water demand, is not only outside the control of the Utility, it is the Utility's legal duty to provide potable water service to this expanding customer base. At the time of the Utility's WUP renewal in 1999, the District recognized that the failure to change previously permitted quantities would mean that such quantities would not meet all of the present or future demand within the service area. Neither the Utility nor the District can ignore the reality of population growth in this service area.

Within the past two years, the Utility's consulting engineers undertook a thorough search of existing WUPs in and around its existing water service area, and to ascertain whether any wells or water withdrawal permits remained unused. The Utility was unsuccessful in locating and/or negotiating for the transfer of an unused or underutilized water use permits. By way of example, the Utility undertook discussions with representatives of Morton Plant Hospital to determine whether a WUP within their control might be available for assignment to Aloha. These efforts were rebuffed. Further, assignment and transfer of ownership and location of WUPs is within the District's discretion. In discussions with the Utility representatives, District Staff have appeared unwilling to approve any such transfer of ownership or location, raising the question of whether any benefit may be expected from efforts to utilize a third party WUP.

SECTION IV - ENVIRONMENTAL IMPACT STUDY BASED ON CURRENT PUMPING LEVELS

Over the course of the last two to three years, the Company has slowly increased its pumping levels over the limits set forth in the WUP as a result of the increased customer base within the service area and increased demand resulting from drought conditions. Given the relatively small and scattered well sites utilized by the Company, negative environmental impact as a result of pumping in excess of the WUP limits are not readily apparent. Nevertheless, District staff have indicated that no increase in the pumping limits under the WUP will be approved. This is due in part to the environmental impact of over pumping by Tampa Bay Water within the Northern Tampa Bay WUCA. However, as a part of this Compliance Plan, it is reasonable to consider a study of the environmental impacts of the Utility's current pumping levels, and whether these should be permitted as a reasonable alternative to other water sources, including the purchase of water from Pasco County and Tampa Bay Water. Further discussions between the parties are necessary to determine the parameters and potential benefits of such a study.

SECTION V - SUMMARY AND COMPLIANCE SCHEDULE

The Compliance Plan and schedule for Aloha Utilities, Inc. may be summarized as follows:

PLAN COMPONENT	COMPLIANCE SCHEDULE
Customer Direct Mail and Education Efforts	Current and ongoing
Consumer Conservation Programs	December 31, 2001
Implementation of Conservation Rates	PSC approval expected in 13-19 months
Wastewater Reuse System	Current and Ongoing
Residential Reuse	Current and Ongoing
Purchase Water from Pasco County	13-19 months for PSC approval of rates to support purchased water
Alternative Water Sources	Study completed within 180 days with implementation to follow

The Utility views the purchase of water from Pasco County to be one of several components of the Compliance Plan. The Utility does not view this as a single, long term solution to the water demand in the service area. In the short term, the purchased water has operational and cost problems, as well as, raising questions of the environmental impact of purchased water from Tampa Bay Water and Pasco County. The District has recognized by Executive Order that over-pumping by these entities has created an acute water emergency in the area.

In the long term, the Utility believes it should receive credit in the form of increased pumping limitations in its WUP for the offset of existing and future water withdrawals in the service area by construction of the Aloha reclaimed water facility and reuse system. This is particularly true if increased pumping levels show no negative environmental impact. The Utility's reclaimed water facility will result in the offset of hundreds of millions of gallons of water withdrawals now and in coming years. The extent of the credit for this program in the Company's WUP remains an open issue in this Compliance Plan.

MEMORANDUM

May 23, 2001

TO: Margaret M. Lytle, Esq., Assistant General Council, Legal

FROM: Steven W. DeSmith, P.G., Brooksville Regulation Department

SUBJECT: **Comments Regarding Review of Aloha Utilities Response Dated May 10, 2001 to The District's Proposed Consent Order**
Permittee: Aloha Utilities, Inc.
WUP No.: 20003182.004
CT No.: 55948
County: Pasco

As you requested, I have reviewed the above referenced response from Aloha Utilities (Utility). I have found their proposal to offset the District's penalty costs of $105,774.10, with the implementation of the six water conservation measures directed toward customer conservation as indicated in Section II, B. Customer Conservation Program, pages 3 and 4, to be substantially deficient of anything new. The Utility should already be pursuing Item Nos. 1, 3, 4, and 5, in accordance with their existing water conservation plan. Item No. 2 regarding the toilet rebate program, which just seems to be a variation of the retrofit kit program, was not previously identified, and may have merit. Item No. 6 regarding their creation of a website should be encouraged, but should not be funded from any penalty amount offset.

The Utility already has a relatively moderate gross per capita water use rate for their service area. In 1999, they reported a population of 23,218 persons, and based on the annual average water use quantity of 2,777,208 gpd for 1999, had a gross per capita water use rate of about 120 gpcd. The District requirement for their service area, which is located in a Water Use Caution Area, is 150 gpcd or less.

Based on the existing moderate per capita use rate of 120 gpcd, pursuing additional water savings from the existing customer base through the programs identified in the May 10th proposal, although endorsed, would probably have a marginal effect on the over-pumping situation. For example, assuming the existing population of the service area were able to decrease water usage by 5 percent per person (120 gpcd - 5% = 114 gpcd) through increased water conservation, which would be a significant decrease for an existing public supply system, estimated pumpage on an annual average basis would only reduce to about 2,646,852 gpd. The Permittee would still be over-pumping the permitted annual average quantity of 2,040,000 gpd by 606,852 gpd, or by about 30 percent.

Additionally, if the service area population continues to grow at a rate of about 5 percent per year, any water savings attained through conservation measures will be simultaneously consumed by new growth. The May 10th proposal does not appear to address new growth issues at all.

Thus, nothing proposed in the May 10th response, short of purchasing water directly from Pasco County, would cause staff to expect that the overall pattern of water use will (either) be significantly reduced, or will decrease to the permitted annual average quantity of 2,040,000 gpd.

If you have any questions or needed further information regarding this matter, please contact me at extension 4324.

cc: File of Record
John Parker, WUP Manager

Southwest Florida
Water Management District

2379 Broad eet, Brooksville, Florida 34604-6899
(352) 796-7211 or 1-800-423-1476 (FL only)
SUNCOM 628-4150 TDD only 1-800-231-6103 (FL only)
On the Internet at: WaterMatters.org

An Equal Opportunity Employer

Tampa Service Office
7601 Highway 301 North
Tampa, Florida 33637-6759
(813) 985-7481 or
1-800-836-0797 (FL only)
SUNCOM 578-2070

Bartow Service Office
170 Century Boulevard
Bartow, Florida 33830-7700
(863) 534-1448 or
1-800-492-7862 (FL only)
SUNCOM 572-6200

Venice Service Office
115 Corporation Way
Venice, Florida 34292-3524
(941) 486-1212 or
1-800-320-3503 (FL only).
SUNCOM 526-6900

Lecanto Service Office
3600 West Sovereign Path
Suite 226
Lecanto, Florida 34461-8070
(352) 527-8131
SUNCOM 667-3271

June 7, 2001

BY FACSIMILE TRANSMISSION AND U.S. MAIL

1-APD
1-SWP
1-SWD
1-CN55948

John R. Jenkins, Esquire
Rose, Sundstrom & Bentley, LLP
2548 Blairstone Pines Drive
Tallahassee, Florida 32301

Subject: Proposed Compliance Plan
Aloha Utilities, Inc.
Water Use Permit No. 203182.004

Dear Mr. Jenkins:

The District received Aloha Utilities, Inc.'s comments on the proposed Consent Order and revised proposed Compliance Plan on May 14, 2001. District staff have reviewed the information, and provide the following comments.

1. Aloha's proposal to pay 100% of the proposed Consent Order penalty "in kind" through the Consumer Conservation Programs set forth in the company's revised Compliance Plan is not acceptable to the District. Items 1, 3, 4 and 5 of Section II(B) of the revised Compliance Plan are already required under Aloha's existing permit and water conservation plan, and should have been previously implemented by Aloha. If Aloha wishes to pursue penalty reduction based on water conservation, it should make specific proposals concerning, for example, the development of alternative sources. Aloha could also propose a water conservation pilot program for high efficiency water heaters or low flow toilets. Such a program would involve a detailed plan to provide a selection of appropriate devices to customers of Aloha, to monitor the water use of participants in the program, and report to the District at appropriate intervals (60 days, 6 months, and one year) concerning the effectiveness of the program. If Aloha wishes to pursue this option for penalty reduction, an amended Compliance Plan providing details of the proposal should be submitted to the District as soon as possible. I have enclosed a resource list compiled by the District identifying vendors and manufacturers of water conservation devices, and copy of some relevant information concerning high efficiency water heaters.

FILE OF RECORD

S.W.F.W.M.D. REC'D 6-10-01
JUN 11 2001
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Protecting Your Water Resources

2. Section II of the revised Compliance Plan still does not include specific targets for reduction in short term demand, specific measures to reduce system-wide demands, and measures to curtail additional demand increases until compliance with the permit is achieved. Aloha must specifically address control of growth until such time as it is in compliance with its permit.

3. Consumer Conservation Programs and growth control measures alone will not result in compliance with the permit. Aloha must make use of the interconnect to the maximum extent economically and technically feasible. It is Aloha's choice not to previously use the interconnect which has created the current situation. Section III(A) of the revised Compliance Plan must provide a schedule for use of the interconnect. The plan still does not quantify the amount of water Aloha anticipates being able to obtain through the interconnect, when the interconnect will be operating, and the anticipated reduction in groundwater withdrawals. The District does not consider the purchase cost of the water or the time required to complete the Florida Public Service Commission (PSC) rate action justification for failing to make any use of the interconnect for 13-19 months. The plan should also indicate the date when Aloha will submit the minimum filing requirements to the PSC, and what efforts Aloha will make to expedite the rate action.

4. The PSC has confirmed that Aloha's request to direct overearnings to water conservation programs was rejected. It is unfortunate that Aloha did not request District involvement or support at the hearing where this decision was made. It would be to the benefit of both Aloha and the District if Aloha would coordinate such efforts with the District. The Compliance Plan could reflect a commitment by Aloha to notify and involve the District in efforts to work with the PSC on water conservation measures.

The District has provided your client with detailed comments concerning what measures will result in a penalty reduction and what will be required in the Compliance Plan. There is no reason for any further delay in finalizing the Consent Order, if it is your client's intention to settle this matter with the District. Please have any final comments concerning the Consent Order and Compliance Plan to me within seven (7) days of the date of this letter. The Consent Order would then need to be executed before the next Governing Board meeting on June 26, 2001. The parties can continue to work on the Compliance Plan after the Consent Order is approved. If your client is not prepared to enter into a Consent Order, you may also elect to participate in independent, voluntary, and informal mediation and non-binding arbitration. If your client elects the dispute resolution process, please notify me within seven (7) days of the date of this letter, and the District will refer this matter to a certified mediator who is mutually selected by the parties. All fees and costs of the mediation proceeding will be split equally between your client and the District. If a mutually acceptable resolution is reached at mediation,

the resolution will be put in the form of a Consent Order. If agreement is not reached, the mediator would prepare a report with findings for the District's Governing Board. If your client does not settle this matter or elect alternative dispute resolution, District staff will seek authority to initiate litigation in this matter at the June 26, 2001, Governing Board meeting.

You may contact me at the District's Brooksville office, extension 4660, if you have any questions or wish to discuss this matter further.

Sincerely,

Margaret M. Lytle

Margaret M. Lytle
Assistant General Counsel

MML
Enclosures

cc: Paul Desmarais ✓
John Parker
Steve DeSmith
Jennie Lingo, PSC
S:\MyFiles\MargLtr\AlohaJenk3.wpd

FILE OF RECORD

Vendors and Manufacturers of Water Conservation Devices/Services

The Southwest Florida Water Management District has prepared this list using the best information available to us. The District accepts no responsibility for the direct, indirect, or incidental consequences of any errors or omissions. This list may be incomplete, and will change as time goes on. The District does not solicit or accept fees from any manufacturer, vendor or consultant and does not advertise for, or make any claims regarding the performance or characteristics of particular products or services. Many of these products may be available at local hardware outlets and be installed with little difficulty.

For more information contact:

William C. Miller, Water Resource Analyst
Southwest Florida Water Management District
Resource Projects Department
2379 Broad Street (U.S. 41 South)
Brooksville, Florida 34609-6899

1 (352) 796-7211, extension 4214

- or; in Florida only, -

1 (800) 423-1476, extension 4214
SUNCOM 628-4218

Latest Revision: July 12, 2000

The following key and associated descriptions are used throughout to designate the items each manufacturer or vendor is involved with:

ACF - Automatic Closing (metering) faucets
ACS - Automatic Closing (metering) showers
AF - Adjustable Toilet Tank Float Mechanisms (Lowers Volume of Water in Tank)
AT - Aerobic Tanks
AW - Low Volume Automobile Washing Equipment (Includes Recycling Car Wash Systems and Consumer Products)
BS - Bulk Sales of water conservation devices
CP - Construction Products
CT - Composting Toilets
CW - Clothes Washers (front loading which use up to 1/2 less water)
CWC- Clothes Washers (front loading which use up to 1/2 less water) **Commercial**
DF - Dual Flush devices for toilet (1/2 flush for liquid, full for solids)
EV - Electrical Valves to prevent leaks due to system failure
F - Faucets which limit the flow to 2.5 gals/minute max. @ 60 pounds/square inch pressure
FA - Faucet Aerators limiting the flow to 2.5 gals/minute max. @ 60 pounds/square inch pressure
FR - Flow Restrictors to place in existing fixtures
FV - Flush Valves for flush-o-meter type toilets and/or urinals
GW- Greawater Reuse Systems and Technologies
IM - Ice Makers with reduced water loss - Commercial Grade
HB - Hose Bib flow reducers
HF - Hands-Free faucets
HL - Hose Bib Locks
ILD - Irrigation Leak Detection Products
LD - Leak Detection tablets or dyes
LR - Leak Repair Kits (To repair dripping faucets, showers, etc.)
LS - Leak Detection Services (Note: this list includes a localized availability at the end)
LVW - Low Volume Clothes Washers
MI - Meter Installation
MWC - Magnetic Water Conditioners (similar to water softening, but without salt, and no regeneration cycle)
PR - Portable Reserviors - to hold swimming pool water during repair/construction work
RE - Restaurant Equipment, including dish handlers and frozen food dethawing machines
RK - Retrofit Kits (pre-packaged, or contractor specified)
RR - Refill Regulator - to reduce the water directed to the toilet bowl during the fill cycle
ST - Shower Timers - to reduce shower time
SA - Showerhead Adapter for ball-type shower arms (American Standard, Price Pfister, and Gerber)
SH - ShowerHeads that limit the flow to 2.5 gals/minute max. @ 60 pounds/square inch pressure
SU - Soap-Up controls for existing standard, hand-held and massaging showers.
TD - Toilet Dams (Water Banks): restrict up to 1 gallons/flush
TF - Toilet Flappers that close early to reduce the flow
TR - Toilet Retrofit mechanisms that reduce the flow
TT - Toilet Tank Lids w/Integral Sink -- Refills Toilet Tank as One Washes Hands
ULV - Ultra-Low-Volume toilets (1.6 gals/flush max.)
UR - Ultra-Low-Volume Urinal (1.0 gals/flush max.)
WA - Water Audits
WC - Water Conservation Administrators (Consultants), including retrofit and rebate programs
WH - Water Heaters (point of use, tankless &/or on-demand hot water systems)
WR - Water Recycling Systems for laundries, and other industrial uses.

Vendors and Manufacti .s of Water Conservation Devices/Se .es

WU - Waterless Urinals
WW - Water Warden for Sloan Valves (reduces flush volume in commercial-use toilets)

The Southwest Florida Water Management District (District) does not discriminate upon the basis of any individual's disability status. This non-discrimination policy involves every aspect of the District's functions, including one's access to, participation, employment, or treatment in its programs or activities. Anyone requiring reasonable accommodation as provided for in the Americans With Disabilities Act should contact Gwen Brown, Resource Projects Department, at 904-796-7211 or 1-800-423-1476, extension 4226; TDD ONLY 1-800-231-6103; FAX 904-754-6885/SUNCOM 663-6885.

Vendors and Manufacturers of Water Conservation Devices/Services

A&C Enercom
1797 Northeast Expressway
Atlanta, Georgia 30329-2441 — WC
Phone: 404/633-3522
Fax: 404/633-3522
Contact: Deborah Kinney

A&E Repair — CWC
7832 Clark Moody Boulevard
Port Richey, FL. 34668
Phone: 813/862-9166
Contact: William Schick

Acorn Engineering Company
15125 Proctor Ave., P.O. Box 3527 — ACS, FA,
City of Industry, CA 91744-0527 — HF, RK,
Phone: 818/336-4561 — SH, ULV
Fax: 818/961-2200
Contact: Tom Tan

Act Services Inc
916 Pleasant Street, Suite 3A — BS,DF,F,
Norwood, MA 02062 — FA, FR,
Phone: 800/488-0978 [617/255-0978] — FV, LD,
Fax: 617/762-6580 — RK, SH,
Contact: Ann C. Travis — TF, TR, WW, WC

Alsons
42 Union Street — FR, SH
Hillsdale, MI 49242 — SU
Phone: 517/439-1411
Fax: 517/439-9644
Contact: Ms. Lee Kirkpatrick

Alsons
525 East Edna Place — FR, SH
Covina, CA 91723 — SU
Phone: 818/966-1668
Fax: 818/915-1033
Contact: Thomas Leonard

AM Conservation Group Inc
R.D. 3, Box 920, Rt. 517 — BS, FA,
Hackettstown, NJ 07840 — FR, LD,
Phone: 800-777-5655 [908/852-6464] — RK, SA,
Fax: 908/852-6444 — WCA, SH, TD,TF, WA
Contact: Paul Cutler — HB, HF, OR, TR, F, ULV

The Amcor Group
5-39 46th Avenue — SH
Long Island, NY 11101
Phone: 718/361-2700

American Ecological Products, Inc.
13091 SW 133rd Court — FA, SH,
Miami, FL 33186 — TF
Phone: 305/251-6001

American Leak Detection
P.O. Box 1248 — LS
Punta Gorda, FL 33951-9561
Phone: 800/673-9561 [813/575-1100]
Contact: Miriam Hendricks/Terry Gilford

American Solutions
P.O. Box 66501 — AF
Scotts Valley, CA 95067-6501
Phone: 408/439-0799
Fax: 408/439-9522
Contact: Tim Sakamoto

American Standard
P.O. Box 8305 — F, FA,
Trenton, NJ 08650 — SH, ULV
Phone: 609/588-6762
Contact: P. DeMarco

American Water & Energy Savers, Inc.
12978 SW 132nd Street — BS, F,
Miami, FL 33186 — FA, FV,
Phone: 305/378-8923 [800/950-9058] — HB, MI,
Fax: 305/378-4401 — RK, SA,
Contact: Alan J. Parks — SH, TD,
TF, WA, WC, WW

American Water & Energy Savers, Inc.
5220 State Route 579, Lot 36 — BS, F,
Seffner, FL 33584 — FA, FV,
Phone: 813/653-0847 — HB, MI,
Contact: Jeff Davidson — RK, SA,
SH, TD, TF, WA, WC, WW

American Made Showerheads Incorporated
Phone: 516/436-5831
Contact: Hal Sanders

Aqualine (div. of U.S. Brass)
P.O. Box 869037, 901 10th Street — ULV
Plano, TX 75086
Phone: 800/872-7277

Aquamatic Water Products
120 East State Street, Suite 101 — WR
Oldsmar, Florida 34677
Phone: 813/855-7020
Contact: Vince Cannone

Aqua-Mizer International
4247 Dixie Canyon Avenue, Suite 105 — TR
Sherman Oaks, CA 91423-3960
Phone: 818/789-6445
Contact: Guy Nadivi

Aqua Smart, Inc.
305 East Main — FA, SH,
Belleville, IL 62220 — TR
Phone: 618/277-6701
Contact: Jack Martin

Aridtec/Flushsaver
5440 W. Century Blvd., Dept. GM — BS, DF
Los Angeles, CA 90045 — RK, TR
Phone: 310/670-9939 [800/726-4551] — WC
Contact: Alan Edwards

Artesian Industries Plumbing Products Div.
201 East 5th Street — ULV
Mansfield, OH 44903
Phone: 419/522-4211

Athena — TR
17175 SW Tualatin Valley Hgwy.
Aloha, Oregon 97006
Phone: 503-356-1223

Vendors and Manufacturers of Water Conservation Devices/Services

e-mail www.athenacfc.com

Atlantic Hydrokinetics — EV
15 Rose Street
Cranston, RI 02920
Phone: 401/944-2828

A & C Enercom — WC
1777 Northeast Expressway
Atlanta, GA 30329-2440
Phone: 404/633-9099
Fax: 404/633-1514
Contact: Julie Burnet

Bio-Recycler Corporation — CT
5308 Emerald Drive
Sykesville, MD 21784
Phone: 410/795-2607
Fax: 410/549-1445
Contact: Jeremy F. Criss

Bismart Distributors Inc. — BS,BK, GW
8584- 145A Street
Surrey, BC Canada V3S 2Z2
Phone: 604-596-5894, 888-663-4950
Fax: 604-591-8510
E-Mail: bismart@envirosink.com
Contact: lb Andersen

Blumenauer Corporation — WH
West Orange Commercial Center
2708 Rew Circle
Ocoee, FL 34761
Phone: 407/656-7575
Contact: Wes Blumenauer

Briggs Industries, Inc. — FA, SH, ULV
P.O. Box 31622
4350 W Cypress Street, Ste 800
Tampa, FL 33607
Phone: 813/878-0178 [800/627-4447]
Fax: 813/874-0627

BPC Manufacturing Operations (Div of Bristol) — SH
P.O. Box 7800
Plymouth, IN 47903
Phone: 219/936-9894 [219/848-7681]

Bradley Corporation — FR, SH
P.O. Box 309
Menomonee Falls, WI 53051
Phone: 414/251-6000

Builders Square — F, ULV
Local throughout Southwest Florida

Central Installation Company — MI, WC
16505 Thirteen Mile Road
Fraser, MI 48026
Phone: 313/293-8520
Fax: 313/293-4725
Contact: Kenneth C. Molli

Chatham Brass — FR, SH
5 Olsen Avenue
Edison, NJ 08820
Phone: 908/494-7107 [800/526-7553]
Fax: 908/494-9171
Contact: Thomas McGeary

Chemworld — BS, WW
3970 Main St. Ste. 9, P.O. Box 311
Kelseyville, CA 95451
Phone: 800/222-2295 [707/279-2449]
Contact: Dan Hobbs

Chicago Faucet Company — ACF, F, ACS, FA, SH
2100 South Clearwater Drive
Des Plaines, IL 60018-3101
Phone: 708/803-5000
Fax: 708/298-3101
Contact: Fred Babashka

Clivus Multrum, Inc. — CT
21 Canal Street
Lawrence, MA 01840-1801
Phone: [800/962-8447] 508/794-1700
Contact: William Wall

Composting Toilet Systems — CT
1211 Bergen Road
Newport, WA 99156-9608
Phone: 509/447-3708
Fax: 509/447-3753
Contact: Joel Jacobsen, V.P. Marketing

Concrete Producers Department Store — CP
5123-B Pine Street, P.O. Box 7668
Pasadena, TX 77508-7668
Phone: 713/487-7890

ConsCept Sales — BS, TT
4206 East LaPalma Avenue
Anaheim, CA 92807
Phone: 800/221-2120 [714/996-6459]
Fax: 714/524-0250
Contact: Ann Braun

Conservapro, Inc. — BS, FA, RR, RK, SH, TF, TR, WA, WC
5201 Atlantic Boulevard, 243
P.O. Box 100
Jacksonville, FL 32247-0002
Phone: 904/398-4957
Fax: 904/398-3617
Contact: Harold Applegarth

Conservation Billing Services — MI
90 South NewTown Street Road, Suite 2
New Town Square, PA 19073-4035
Phone: 800/466-6668
Contact: Frank Manna

Conservation Billing Services — MI
5452 West Crenshaw, Suite 6
Tampa, FL 33624-3007
Phone: 813/884-6175

Vendors and Manufacturers of Water Conservation Devices/Services

Contact: Dan Helton

The Conservation Company
360 Sandberg Drive — BS, FA
Sacramento, CA 95819 — SH, TD
Phone: 916/455-7553 — WW

Conservation Concepts
237 West Bonita Avenue — TF
San Dimas, CA 91773
Phone: 714/394-5759
Fax: 714/394-5760

Conservation Corporation of America
56 Radcliffe Road — HF
Weston, MA 02193
Phone: 800/344-7283

Conservation Technologies, Inc
P.O. Box 1253 — LS, WA
Pocasset, MA 02559
Phone: 508/563-7853

Conservation Technology, Inc
Mfg. of FLUSH BUSTER — BS, TR
88 West Cushing Street
Tucson, AZ 85701-2218
Phone: 800/369-8216 [602/884-9300]
Fax: 602/884-5200
Contact: Peter G. Backus, President

Conservation Water Services
1156 7th Street NW — ACF,BS,
Largo, FL 34640 — ACS,DF,
Phone: 800/551-2889 [813/585-3730] — EV, FA,
813/841-6086 [813/855-2602] — FR, HB,
Fax: 813/581-8246 — HF, LD,
Contact: Maradene Givens/Mike Shannon — RK, SA,
A woman-owned company — SH, TD, TF, TR, WC, WW

Coyne-Delaney — FV

C/P Utility Services Company, Inc.
119 Sanford Street — LS, MI
Hamden, CT 06514 — WA, WC
Phone: 203/248-8612
Fax: 203/288-3570
Contact: Keith Nelson

C/P Utility Services Company, Inc.
5860 South Semoran Boulevard — LS, MI
Orlando, FL 32822 — WA, WC
Phone: 407/382-0995 [800/362-9964]
Fax: 407/382-1046
Contact: Keith Nelson

Crane Plumbing/Flat Products
1235 Hartrey Avenue — SH, ULV
Evanston, IL 60202
Phone: 708/864-9777
Contact: Susan Losch

Creative Marketing — RR
2374 Fountain View Circle
Naples, Florida 33942
Phone: 813/591-0407
Contact: Janie Levin

Crest/Good Manufacturing Co, Inc
325 Underhill Boulevard — BS, FA,
Syosset, Long Island, NY 11791 — FR, SH,
Phone: 516/921-7260 [800/645-1251] — TD, WW
Contact: Don Cornell

Delta Faucet Company
55 E 111th Street, P.O. Box 40980 — F
Indianapolis, IN 46280

Domestic Environmental Alternatives
495 Main Street, P.O. Box 1020 — ACF, CT
Murphys, CA 95247 — ULV
Phone: 209/728-3860
Fax: 209/728-2320
Contact: Thomas Scheller

E T Industries — FA,
Box 615 — SH
Whitevale, Ontario, Canada, LOH1Mo
(905) 472-9336

Earth Tools
9754 Johanna Place — FA, SH
Shadow Hills, CA 91040 — TD
Phone: 800/825-6460 [818/353-5883]
Contact: Stormy Knight

Earth Vision
2721 Forsyth, Suite 367 — FA, SH
Winter Park, FL 32792 — TD, TR
Phone: 800/EARTH-23 (327-8423)
Contact: Richard Lauren

Easy Wash Systems Florida, Inc
3406 Clark Road, Suite 154 — AW
Sarasota, Florida 34231
Phone: 813/925-9274 [800/553-9352]
Contact: Michael Ebner

Eatherton & Suns, Inc.
1419 W. Cedar Avenue, Unit E — FA, SH
Denver, CO 80223 — FV

Eaton Corporation
191 East North Avenue — SH
Carol Stream, IL 60188
Phone: 708/260-3400

Ecological Water Products
266 Main Street — SH, WW
Medfield, MA 02052 — FV
Phone: 508/359-5001
Contact: Robert Wilson

Econtec
11431 Sunrise Gold Circle — RR
Rancho Cordova, CA 95670
Phone: 916/635-8838
Fax: 916/635-8909
Contact: Kenneth Figeroid/Colleen Scroggins

Eemax Inc.
P.O. Box 200 — WH
Botsford, CT 06404
Phone: 203/261-0684
Fax: 203/261-4790

Vendors and Manufacturers of Water Conservation Devices/Services

Contact: Andrew Cartoun

Eljer Plumbingware — ULV
901 10th Street, P.O. Box 869037
Plano, TX 75086-9037
Phone: 214/881-7177

Energy Man Co. — FA, SH, TD
Route 12B, Box 196
Hamilton, NY 13346

Energy Recovery Systems — SH, TD
P.O. Box 233
Lincroft, NJ 07738

Energy Technology Lab — BS, FA, SA, SH, TD
P.O. Box 2259
Bunnell, FL 32110-2259
Phone: 904/437-6444
Contact: Alan Jarrard

Energy Technology Lab — SH
P.O.Box 3190
Modesto, California 95397-5340

Enviroscope, Inc. — CT
P.O. Box 752
Corona Del Mar, CA 92625

Enviro-Check — WA, WC
4608 South Shamrock Road
Tampa, FL 33611
-or-
1701 Acme Street
Orland, FL 32805
Phone: 813/831-7922 [407/849-0440]
800/845-5036
Fax: 813/228-9460 [407/849-0530]
Contact: Rich Berube/Michael Tullo

Enviornmental Solutions — MWC
P. O. Box 1064
Safety Harbor, Florida 34695
Phone: 813/797-4778

Enviro-tech — AW
6600 West Charleston, Suite 125
Las Vegas, NV 89102
Phone: 702/870-7878
Fax: 702/870-5899
Contact: Allen Dunn

Envirovac, Inc. — ULV
1260 Turret Drive
Rockford, IL 61115
Phone: 800/435-6951 [815/654-8300]
Fax: 815/654-8306
Contact: Robert Furgeson

ETL Distributors of Florida Inc. — SH, FA
P.O. Box 2259
Bunnel, Florida 32110
Phone: 904/437-6444
Contact: Keith Parker
Contact: Al Jerrard

Faith Crown — FA, SH, TD
5945 Stoney Hill Road
New Hope, PA 18938
Phone: 215/794-8932
Contact: Richard S. Crown

Florida Conservation Technologies, Inc. — BS, DF, FA, LD, RK, SA, SH, TD, TF, TR, WC
P.O. Box 1841
Tampa, Florida 33601
-or-
506A South Oregon Avenue
Tampa, Florida 33606
Phone: 813/671-2944 [813/251-0028]
Contact: Richard Leydon

Fluid-Gard Inc. — EV
P.O. Box 534, 1621 Oakengate Lane
Midlothian, VA 23113
Phone: 804/794-5212
Contact: Fritz White

FlushBuster Corporation — BS, TR
16775 Addison Road, Suite 615
Dallas, TX 75248
Phone: 214/248-6495 [800/275-2878]
Contact: Mike Horn

Formulabs — BS, LD
1710 Commerce Drive, P.O. Box 1116
Piqua, OH 45356
Phone: 513/773-8933
Fax: 513/773-7831
Contact: Shelley Werling

For Your Health Products — DF, FA, LD, RK, SH, TF
6623 Hill & Dale Road
Chevy Chase, MD 20815
Phone: 301/654-1127
Fax: 301/654-2125
Contact: Michael T. Skinker

Freedom Works — FA, SH
762 South 400 East
Suite 202
Orem UT 84058-6322

Frugal Flush, Inc. — BS, TF, TR
1209 E. Washington St., #4
Phoenix, AZ 85034
Phone: 602/253-6275 [800/626-8481]
Fax: 602/253-8039
Contact: Rich Schnakenberg

Gadren Machine Co. — ACS, BS FR
P.O. Box 117
Mt. Ephraim, NJ 08059
Phone: 800/822-4233 [609/456-4329]
Fax: 609/456-2238
Contact: George Gadren

Galloway Chemical Division — AW, LD
P.O. Box 5301

Vendors and Manufacturers of Water Conservation Devices/Services

Clearwater, FL 34618
Phone: 813/531-3375 [800/445-1143]
Fax: 813/536-1804
Contact: Ed O'Hanrahan Jr.

Gardener's Supply Company — DF, FA, RK, SH, TD
128 Intervale Road
Burlington, VT 05401
Phone: 802/863-1700

Geberit Manufacturing, Inc — TR
P.O. Box 2008, 1100 Boone Drive
Michigan City, IN 46360
Phone: 800/225-7217 [219/879-4466]
Fax: 219/872-8003
Contact: Bruce Reidel

Geo Trading — DF
2220 West 27th Avenue
Eugene, OR 97405
Phone: 503/345-8125
Fax: 503/343-6071
Contact: Robert Fous

Gerber Plumbing Fixtures — FA, SH, ULV
4656 West Touhy
Chicago, IL 60646
Phone: 312/675-6570

G & E Products — FA, FR, LD, RK, SH, TD
2010-0 South Eastwood Street
Santa Ana, CA 92705

Gibson Washers, Frigidaire Company — CW
6000 Perimeter Drive
Dublin, OH 43017
Phone 800/458-1445

Gulf America — BS, DF WC
Rt. 1, Box 575
Boston, GA 31626
Phone: 800/253-4018
Contact: Randy Strange

Gwenmore Corporation — DF, TR
11919 N. Jantzen Ave., Suite 366
Portland Oregon 97217
Phone: 503/239-2345
-or-
2009 Eleventh Street
Las Vegas, NV 89104
Phone: 702/796-7172
Contact: Don Whitbeck

Hobart Corp. — RE
5424 W. Waters Ave.
Tampa, Fla. 33634
Phone: 800/365-3466
Contact: Andrew Bryant

H_2Oulton Metering Systems, Inc. — MI
750 East Sample Road, Suite 205
Pompano Beach, FL 33064
Phone: 305/783-0225
Contact: Robert F. Oulton

H_2O Technologies, Inc — TF
111 North Missouri Ave
Largo, FL 34640
Phone: 800/793-5874
Contact: John Battle

Heath Consultants, Inc — LS, WA
P.O. Box CS-200
Stoughton, MA 02072-1591
Phone: 617/344-1400

Bob Hebert — BS, FA, SH, TD
2980 Ashecroft Court
Clearwater, FL 34621
Phone: 813/784-2524
Contact: Bob Hebert/Sam Shon

The Holden Group — TR
2900 Cove Cay Drive
Clearwater, FL 34620
Contact: William Holden

Home Depot Hardware Centers — FA, FR, SH, TD, ULV, WH
Local Throughout Florida

Hughes Supply, Inc. — ULV
341 South Seaboard Avenue
Venice, FL 33595
Phone: 813/485-4861
Contact: Dick Dukes
Other Locations in Southwest Florida

Hydro Enhanced Laboratories — FR,TR,SH
224 Third St. NW
Winter Haven, Fl 33881
www.hydroenhanced.com

Ifö Sanitar
See Domestic Environmental Alternatives

Interbath — FR, SH
427 North Baldwin Park Blvd.
City of Industry, CA 91746
Phone: 800/423-9485 [818/369-1841]
Contact: Angela Porras

In-Sink-Erator — WH
4700 21st Street
Racine, WI 53406-5093
Phone: 414/554-5432 [800/558-5712]
Contact: Bryce Dreeszen

Insulators Supply Co. (div. of ABC Supply Co) — BS, FA, FR, SH, TD
220 Sixth Street Northwest
Cedar Rapids, IA 52405-3948
Phone: 800/247-3381
Contact: Michelle

Ipso USA, Inc. — CWC
7455ANew Ridge Road
Hanover, MD. 21076-3105

Vendors and Manufacturers of Water Conservation Devices/Services

1-800-USA-IPSO

Jackson Products Company — RE
11101 North 46th Street
Tampa, FL 33617
Phone: 813/985-8144
Fax: Ext. 230 or 276
Contact: George Wilson

Jaico Incorporated — SH
162 Carlton Avenue
Brooklyn, NY 11205
Phone: 718/852-3906
Contact: Leela Robinson

Jaye Products, Inc — TR
3645 Boca Ciega Drive #206
Naples, Florida 34112

JAWZ Inc. — DF, HL, TR
P.O. Box 1295, Dept. GM
Fallbrook, CA 92028
Phone: 619/728-8380
Fax: 619/723-7816
Contact: Mary K. Stanger

J-B Supply Co. — MWC
P.O. Box 897
Brandon, FL 33509
Phone: 800/330-5965 [813/689-5965]
Fax: 813/689-9598
Contact: Jack Bernauer

Jet Inc. — AT
750 Alpha Drive
Cleveland, OH 44143
Phone: 800/321-6960 [216/461-2000]
Fax: 216/442-9008
Contact: Charles F. Mramor

Jay Products, Inc. — TR
Post Office Box 10726
Naples Florida 34101-0726
Phone: 941/732-1900

Jordan & Company — WA, WC
1349 Tree Garden Place, P.O. Box 5913
Concord, CA 94518
Phone: 415/687-4132
Contact: Barbara Jordan

Kemtune, Inc. — MWC
2015 South Calhoun Street, P.O. Box 11325
Fort Wayne, IN 46857-1325
Phone: 800/348-0999 [219/456-3596]
Fax: 219/456-3598
Contact: Christine Gibson

Kilgore Plumbing Products, Inc. — ULV
P.O. Box 472
Kilgore, TX 7566
Phone: 903/984-3525

Kohler Company — SH, ULV
Kohler, WI 53044
Phone: 414/457-4441

L & J Marketing Company — CP
8102 Pepperidge Lane
Port Richey, FL 34668
Phone: 813/846-1563
Contact: Leonard P. Moran

Leaktek, Inc — LS, WA
P.O. Box 110847
Nashville, TN 37222
Phone: 615/833-4597 [800/829-4597]
Contact: Chris E. Leauber

Leonard Valve Company — SH
1360 Elmwood Avenue
Cranston, RI 02910
Phone: 401/461-1200
Fax: 401/941-5310
Contact: Gregory L. Wilcox

Management Investment Trust AG — ACF
USA Sales Coordinator
Birnbaumstraße 9
CH - 8053 Zürich Switzerland
Fax: 0041-1-312-4722
Contact: Charles W. Burress

Mangrove Companies Limited — GW
3161 Van Buren Ave.
Naples, Florida 34112
Phone: 941/732-1984
Fax: 941/732-1960
Contact: Steven DellaCave

Manion & Associates — BS,HB, FR, SH, TF, ULV
5008 West Linebaugh Ave.
Suite 24
Tampa, FL 33624
Phone: 813/962-6500
Fax: 813/962-6605
Contact: Joe Manion

Mansfield Plumbing Products — ULV
150 First Street
Perrysville, OH 44864
Phone: 419/938-5211
Contact: Burt Preston

Marubeni American Corporation — AT
200 Park Avenue
New York, NY 10017

MASS Installation, Inc. — LDS, MI, WA, WC
916 Pleasant Street
Norwood, MA 02062
Phone: 800/933-1360 [617/762-1360]
Fax: 617/762-6580
Contact: Wayne A. Travis

Mat Manufacturing Corporation — BS, FR, SA, SH
381 Huguenot Street
New Rochelle, NY 10801-7076
Phone: 914/235-1833
Fax: 800/942-2356
Contact: Deb Suljer

R. R. McKenzie Company
10 Chenile

Vendors and Manufacturers of Water Conservation Devices/Services

Irvine, CA 92714
Phone: 714/786-6790
Contact: R. R. McKenzie

Pat McMurchie — RR
1036 Woodland Avenue
Lakeland, FL 33801
Phone: 813/665-3871
Contact: Pat

Melard — FA, SH
153 Linden Street
Passaic, NJ 07055
Phone: 201/472-8888

Metcraft — ULV

Metlund Hot Water Demand System — WH
10131 Casey Drive
New Port Richey, FL. 34654
Phone: 813/869-7013
Contact: James Kennon

Microphor — ACF,SH, ULV
P.O. Box 1460, 452 East Hill Road
Willits, CA 95490
Phone: 800/358-8280 [707/459-5563]
Fax: 707/459-6617
Contact: David Simmons

Midwest Energy Conservation Systems — WC
4500 Cedar Lane
Windsor, WI 53598
Phone: 608/846-2427
Contact: Jay Beese

Mini-Flush Company, Inc. — TR
3960-K Prospect Avenue
Yorba Linda, CA 92686
Phone: 714/993-7332 [800/969-0693]
Fax: 714-993-7634
Contact: Gary R. Higgins

Mister Miser Urinal — ULVU
4901 North 12th St.
Quincy, Il.62301
Phone: 217/228-6900

Moen, Inc. — F, FA, SH
25300 Al Moen Drive
North Olmstead, OH 44070
Phone: 216/962-2000
Fax: 216/962-2770
Contact: Eugene Horvath

Moon Watersaver, Inc. — BS, TD
P.O. Box 642
Hillsborough, NC 27278
Phone: 919/477-SAVE [919/477-9077]
Fax: 919/477-7283
Contact: Ken Smith

Moon Watersaver, Inc. — BS, TD
P.O. Box 453
Pewee Valley, KY 40056
Phone: 502/241-8951
Fax: 502/241-8951
Contact: Greg Moore

Multi-Flo, Inc. — AT
500 Webster Street
Dayton, OH 45401

National Exemption Service, Inc. — WC, WA
6822 22nd Ave. North
Suite 400
St. Petersburg, FL 33710
Phone: 800/780-8848
Contact: Gerald Baker

New Century Marketing, Inc — FA, SH, RR, WW
2414 Academy Boulevard
Cape Coral, FL 33990
Phone: 813/574-2925 [800/438-3064
Fax: 813/574-2052
Contact: Steve Avery

Niagara Products — BS, FA, FR, LD, RK, RR, SH, TD, TF, WC, WW
45 Horse Hill Rd.
Cedar Knolls, NJ 07927
Phone: 201/829-0800 [800/831-8383]
Fax: 201/829-1400
Contact: Bill Cutler

Nibco Incorporated — F, FA, SH
500 Simpson Avenue, P.O. Box 1167
Elkhart, IN 46516-1167
Phone: 219/295-3000
Contact: Jim Bamber

NORLAB, Inc. — LD
P.O. Box 380
Amherst, OH 44001
Phone: 800/247-9422 [216/288-2216]

Norris Plumbing Fixtures — ULV
P.O. Box 370
Walnut, CA 91788-0370
Phone: 818/965-3394 [800/224-0015]

Nova — SH

OBG Operations, Inc. — LS
5000 Brittonfield Pkwy, P.O. Box 4762
Syracuse, NY
Phone: 315/437-8800
Contact:

Omni Products Division of Chronomite Laboratories, Inc. — FA, FR, HB, SH, SU
21011 South Figueroa Street
Carson, CA 90745
Phone: 800/447-4962 [213/320-9452]
Contact: Dave Gorman

Ondine — SH

On Line Conservation Services — DF
Route 1, Box 55X
Fort White, FL 32038

Vendors and Manufacturers of Water Conservation Devices/Services

Phone: 800/42FLUSH [800/423-5874]
Contact: David Sanders/Lonnie Lockett

Peerless Pottery — ULV
P.O. Box 145, North Lincoln Avenue
Rockport, IN 47635-0145
Phone: 812/649-6430 [800/457-5785]
Contact: Charles A. Porter, V.P. Sales

Pint-A-Flush, Incorporated — ULV
P.O. Box 368, 459 Water Street
Warren, RI 02885
Phone: 800/782-4538 [401/247-0977]
Fax: 401/245-8303

Pitometer Associates — LS, WA
2 North Riverside Plaza
Chicago, IL 60606
Phone: 312/236-5655 [800/347-5990]
Contact: William F. H. Gros, P.E.

Pitometer Associates — LS, WA
6297 Field Glen Road
Stone Mountain, Georgia 30087
Phone: 404/469-2392
Contact: Paul Johnson, P.E.

Planet Products — SH
100 First Street, Suite 2707, Dept. PH
San Francisco, CA 94105
Phone: 415/882-5307

P.L.M. Inc. — WH
P.O. Box 372
Johnstown, IA 50131

The Plumbing Place — FA, MF, SH, WH, ULV
5678 Fruitville Road
Sarasota, FL 34232
Phone: 813/377-5798
Contact: AnnaMary Kennell

Pollenex — SH

Pollution Technology, Inc. — AT
Thompson's Point Industrial Park
Portland, ME 04101

POP Flush, Inc. — DF, TR
78 Old Connecticut Path, Dept. GM
Wayland, MA 01778
Phone: 508/358-0183
Contact: Chris Walter

Porcher, Inc. — ULV
A Division of American Standard
13-160 Merchandise Mart
Chicago, IL 60654
Phone: 312/923-0995 [800/338-1756]
Contact: Customer Service

Precise Plumbing Products, Inc. — TF, TR
P.O. Box 10139
Austin, TX 78766
Phone: 512/346-0785
Fax: 512/794-9875
Contact: Bob Ohlendorf

Price Pfister — F, SH
13500 Paxton Street
Pacoima, CA 91333
Phone: 818/896-1141

Pryde Incorporated — SH
7328 South Point
Cincinnati, OH 45233
Phone: 513/941-8136 [800/334-4500]
Contact: Steve Jonas

Real Goods Trading Corp. — AW, CT, FA, FR, RK, SH, TD, TF, TR, TT, ULV, WH
966 Mazzoni Street
Ukiah, CA 95482
Phone: 800/762-7325 [707/468-9214]
Fax: 707/468-0301
Contact: Debra Robertson

Research Products/Blankenship Corporation — Incinolet Toilet
2639 Andjon Drive
Dallas, TX 75220
Phone: 800/527-5551

Resource Conservation Technology — ULV
2633 North Calvert Street
Baltimore, MD 21218
Phone: 301/366-1146

Resources Conservation, Inc. — BS, FA, FR, LD, LS, RK, RR, SA, SH, SU, TD, WC
P.O. Box 71
Greenwich, CT 06836
Phone: 800/243-2862
Fax: 203/324-9352
Contact: Colin Milne/Kaye Morrissey

The Roberts Company, Inc. — LS, WA, WC
P.O. Box 2711
Carmel by the Sea, CA 93921
Phone: 408/625-1614
Fax: 408/625-1401
Contact: Ann Roberts/Matt Heimbold

The Royal Brass Mfg. Co. — ACF, F, SH
1420 East 43rd Street
Cleveland, OH 44103
Phone: 216/361-3175
Fax: 216/361-0788
Contact: Charles S. Regan

Rush Instruments Corporation — FR, SA, SH
1177 DeHaro Street
San Francisco, CA 94107
Phone: 415/826-2419
Contact: Bernie Rush

Sanitario Azteca — ULV

Sanitation Equipment, Ltd. — ULV
35 Citron Court
Concord, Ontario L4K 2S7 Canada

Vendors and Manufacturers of Water Conservation Devices/Services

Phone: 416/738-0055

Santile Corporation — SH
1201 West Loop
North Business Park #170
Houston, TX 77055
Phone: 713/688-1862

Save Energy Company — FA, SA, SH, TF
2410 Harrison Street
San Francisco, CA 94110
Phone: 800/326-2120 [415/824-6010]
Contact: Michael Gorman

Save Our Resources, Inc. — WC
P.O. Box 17525
Clearwater, FL 34622
Phone: 813/572-9099
Contact: Vern Setchell

Schlumberger Industries Technical Services Div — MI, WC
Route 229 South
Tallassee, AL 36078
Phone: 800/633-8754

Scotty's Hardware Stores — ULV
Local throughout Southwest Florida

The Seabridge Company — FA, FR, HB, SH
P.O. Box 20989
West Palm Beach, FL 33416-0989
Phone: 407/585-3606
Contact: Chris Krosen
Phone: 813/392-0310
Contact: Dick Reed

Sea Koh Corporation — HF
6020 West Chelsea Street
Tampa, FL 33634
Phone: 813/884-1292

SEC Donohue — LS, WA
1020 North Broadway, Suite 400
Milwaukee, WI 53202
Phone: 414/271-4700
Fax: 414/271-9114
Contact: Michael Gatzow, P.E.

Select-A-Flush Corporation — BS, DF, WC
P.O. Box 1725
Yakima, WA 98907
Phone: 509/575-0239
Contact: Marv Schmitt

J. A. Sexauer Inc. — ACF, BS, ACS, F, FA, FR, FV, HF, LD, SH, TD, TR, ULV, WW
P.O. Box 1000
White Plains, NY 10602
Phone: 914/472-7500 [800/431-1872]
Contact: Larry Williams

Shorter Shower — ST
3060 Corte Portofino
New Port Beach, California 92660
Phone: 714-759-3599
Fax 714-759-3544
Contact: Paul Neustein

Sloan Valve Company — FV, SH, WW
P.O. Box 1966
Franklin Park, IL 60131

SofTron International — MWC
Tampa, FL
Phone: 813/968-3459
Contact: Jose & Sandra Garciga

Speakman Co. — ACF, HF, SH
301 East 30th Street
Wilmington, DE 19802
Phone: 302/764-9100
Fax: 302/764-1956
Contact: Denise A. Pitts

SprinklerSentry — ILD
Premiere Lawn Care
P.O. Box 6516
Seffner, Florida 33583-6516
Phone: 813/610-8950
Contact: Alex Anglin

Stanadyne — SH
377 Woodland Avenue
Elyria, OH 44036-2011
Phone: 216/323-3341
Contact: Debbie Hart

Stanford Testing Systems — DF
1777 Hamilton Avenue, Suite 215B, Dept. GM
San Jose, CA 95125
Phone: 800/233-4728 [408/879-9007]

Stellar Applause — ACF, HF, FV
P.O. Box 7882
Eugene, OR 97401
Phone: 503/687-0448
Contact: Roger Hetchler

Sterling Plumbing Group — F, FA, SH, ULV
2001 Earl L. Core Road, P.O. Box 798
Morgantown, WV 26507-0798
Phone: 304/292-6391
Contact: Bill Downey

Sterling Plumbing Group — F, FA, SH, ULV
1375 Remington Road
Schaumburg, IL 60173
Phone: 708/843-5400
Contact: Paul A. Hacker

Stone Enterprises — FA, SH, TR
1763 Faulds Road North
Clearwater, Florida 34616
Phone: 813/443-4376
Contact: James W. McClure

Subsurface Technologies Company — LS
165 Stewart Avenue

East Rochester, PA 15074
Phone: 412/728-0460
Contact: John M. Carver

Subtronic Corporation — LS
4070 Nelson Avenue, Suite E
Concord, CA 94520
Phone: 415/686-3747
Fax: 415/686-5281

Suncoast Enviornmental Assos. — SH
25 Second Street N., Suite 200
St. Petersburg, Florida 33701
Phone: 813/895-8217
Fax: 813/895-8502
Contact: William Lehn

Sun-Mar Corporation — CT
900 Hertel Avenue
Buffalo, NY 14216
Phone: 416/332-1314

Systems for the 90's — FA, SH, TF, TR
14002 Clubhouse Circle, #204
Tampa, Florida 33624
Phone: 813/968-3501
Contact: Ramona Junker

T & S Brass — SH
Route 4 Old Buncomre Road
Travelers Rest, SC 29690
Phone: 803/834-4102

Taylor Freezer Sales Co., Inc. — IM
150 Burbank Road, Suite 4
Oldsmar, Florida 34677
Phone: 813/855-4871
Contact: Dana Hall

Teledyne Water Pik — SH
1730 East Prospect Street
Fort Collins, CO 80553-0001
Phone: 303/223-8616
Fax: 303/221-8715
Contact: Lorena Lighthard

Thaw-Master, Inc — RE
9920 Gulf Boulevard
Treasure Island, FL 33706
Phone: 813/360-5871 [813/461-5057]
Contact: Kevin P. Johnson

Thermo Saver — SH

Greg Thomas — AW
4114 Rolling Springs
Tampa, FL 33624
Phone: 813/963-1853

Titon Industries — ULV

TOTO USA — FV, HF, ULV
42 Edgewood Road
Durham, NH 03824
Phone: 603/868-1138
Fax: 603/868-5944
Contact: Gunnar Baldwin

Universal Rundel Corporation — ULV
303 North Street
New Castle, PA 16103
Phone: 412/658-6631

Utility Services Association, Inc — LS
4955 Foothill Road
Bigfork, MT 59911
Phone: 800/621-9292

Vanderburgh Enterprises, Inc. — FA, SA, SH, TD, WW
Box 138
Southport, CT 06490
Phone: 203/227-4813
Fax: 203/222-1050
Contact: Richard Eadie

Vanguard Meter Service Inc. — MI
P.O. Box 211, 1300 East 9th Street
Owensboro, KY 42303
Phone: 800/447-5111 [502/683-5621]
Fax: 502/926-8526
Contact: Wes Schrooten

VOLT Information, Energy & Water Technologies — WC
2401 North Glasell Street
Orange, CA 92665
Phone: 800/998-VOLT
Contact: Tom Pape

VOLT Information, Energy & Water Technologies — WC
2500 McCain Place, #217
North Little Rock, AR 72116
Phone: 501/753-8909 [800/999-4900]
Fax: 501/753-1954
Contact: Terry Kessinger

VOLT Information, Energy & Water Technologies — WC
28105 Greenfield Road, Suite 110
Southfield, MI 48076
Phone: 313/559-5520
Fax: 313/559-3530
Contact: Tim McCarter

VOLT Information, Energy & Water Technologies — WC
10 Tower Office Park
Woburn, MA 01801
Phone: 800/982-4721
Fax: 617/933-0786
Contact: Barbara Nadon

Water Conservation System — SH
Damonmill Square
Concord, MA 01742
Phone: 508/369-6037
Contact: Lisa Burns

Water Control International — ULV
2820-224 West Maple Road
Troy, MI 48084
Phone: 800/533-3460 [313/643-0530]
Contact:

Vendors and Manufacturers of Water Conservation Devices/Services

Waterless Systems Inc. — WU
1452 Crestview Street
Clearwater, Florida 34615
Phone: 813/442-2570
Contact: Charles Meeks

Water Loss Systems — LS, WA
19207 Forest Brook Road
Germantown, MD 20874
Phone: 301/353-9670
Contact: Richard C. Apolenis

Waterguide Inc. — FA, LD, RK, SA, SH, TD, TR
P.O. Box 1521
Montague, NJ 07827
Phone: 800/753-1616 [201/293-7010]
Contact: Paul Cutler

WaterMatic — AW, HF
2915 Hillview Street
Sarasota, FL 34239
Phone: 813/925-7882
Fax: 813/925-3455

Water Recovery Consultants, Inc. — WC
14248 Shearwater Court
Clearwater, FL 34622
Phone: 813/572-8492
Contact: Randy Scott

Water Resources International — BS, TR
P.O. Box 2993
Capistrano Beach, CA 92624
Phone: 714/496-3963
Fax: 714/497-9782
Contact: Barbara

Water Saver Systems — PR
1221 West State Street
Jacksonville, FL 32204
Phone: 904/355-8011
Contact: Steeven Knight

Water and Sewer Services of Tampa Bay — BS, F, FA, HB, MI, RK, RR, SA, SH, TD, TF, TR, WA, WC, WW
10810 72nd Street
Suite 207
Largo, FL 34647

WC Incorporated — ULV
115 River Road
Edgewater, NJ 07020
Phone: 201/945-3301
Fax: 201/945-6901
Contact: Tania Garcia

West Coast Locators — LS
P.O. Box 1810-T
San Jose, CA 95109-1810
Phone: 800/989-7104 [408/294-9368]
Fax: 408/434-0473 [408/971-3581]
Contact: Frank D. Zamira

Western Pottery Company, Inc. — ULV
11911 Industrial Avenue
Hollydale Station
South Gate, CA 90280
Phone: 213/636-8124

Whedon Products, Inc. — BS, FA, FR, LD, RK, SA, SH, SU, TD, WW
21A Andover Drive
West Hartford, CT 06110
Phone: 800/541-2184 [203/953-7606]
Fax: 203/520-4510
Contact: Web Whedon

Bill Wheller Sales — HF, ULV
P.O. Box 7408
Tampa, FL 33673-7408
Phone: 813/342-2458
Fax: 904/731-7779
Contact: Bill Wheeler

Whirlpool Corporation — LVW
2000 M63
Mail Stop 3005
Benton Harbor, MI 49022
Phone: 616/923-4650
Contact: Marian Love

White Westinghouse, Frigidaire Company — CW
6000 Perimeter Drive
Dublin, OH 43017
Phone: 800/245-0600

Willoughby Industries, Inc. — ACF, EV, ACS, FR, FV, ULV
2210 W. Morris Street, P.O. Box 21006
Indianapolis, IN 46221
Phone: 800/428-4065 [317/638-2381]
Contact: William D. Rennie

World Marketing, Inc. — TD
7248 N. Dale Mabry, Suite A
Tampa, FL 33614
Phone: 813/889-7653
Contact: Ronnie Diaz

WPM Inc. — FA
P.O. Box 1862, 407 Brookside Road
Waterbury, CT 06725
Phone: 203/756-8895
Contact: Hugh Murphy

Zin-Plas — FV, FR, SH, TD
P.O. Box Q
Grand Rapids, MI 49501
Phone: 616/784-6100
Contact: Bill Peck, Sales Manager

Zurn Industries, Inc. — FV, HF, WW
201 Williams Street
Sanford, NC 27330

Vendors and Manufacti 's of Water Conservation Devices/Se es

Phone: 919/776-0921 [919/775-2255]
Fax: 919/775-3541
Contact: Francis Lastowski

Crossover valve for quick hot water

By JAMES DULLEY

Question: I installed a new water heater, but it still takes forever for hot water to get to the bathroom faucets. It is annoying and wastes a lot of my time in the morning. What can I do to get hot water faster?

Answer: You are not only wasting your time; you are wasting water, energy and money. A typical family wastes 40 gallons a day waiting for hot water.

Installing a new, high-efficiency water heater will not help, as you found out. The problem is the size of the plumbing and its layout. It takes time for hot water to flow through the long maze of small pipes to a bathroom. To make things worse, it loses heat to the pipe along the way.

The best solution is to install one of several types of rapid-delivery hot water kits. There are various models made for retrofitting an existing home or for new home construction. After installing one kit, you should get hot water to all your faucets on that plumbing branch in less than 15 seconds.

The most efficient and effective models use a demand design. When you get up in the morning, push a remote button on the wall to start the unit. New models also have motion-sensors to start it automatically when you approach the vanity. These units use only about $1 worth of electricity a year.

The design concept is simple. A crossover valve, between the hot- and cold-water lines, is mounted under the sink. When you hit the demand button, a small high-volume, low-pressure pump starts drawing water from the hot water line, that is, the water heater. The water flows very quickly through the pipes.

This water, instead of going down the drain, flows through the crossover valve into the cold water pipe and eventually back to the water heater. When hot water reaches the sink, a sensor shuts off the pump and blocks the crossover valve. Open the faucet, and you have steamy hot water.

Other kits use the same concept but operate by a timer instead of a demand button or motion sensor. A temperature sensor under the faucet turns on the pump whenever the water at the faucet cools down during the time periods set. Early morning and late night are typical on-times.

You don't have to be a plumber to install a rapid-delivery kit. All the parts are included, many with simple-to-install (no-soldering) fittings. Other simple, low-cost ($45) but less-efficient kits use only a crossover device. They rely on gravity, (hot water is less dense) to create the flow.

Still another simple method is to install a tiny, point-of-use tank-type electric water heater under the sink. Put it on a timer to save electricity.

Write for or download from www.dulley.com Update Bulletin 991, a buyer's guide to 12 manufacturers of demand/timer rapid-delivery hot-water kits and point-of-use water heaters, controls, features, prices and installation instructions. If you order by mail, please include $3 and a business-size self-addressed envelope and mail to James Dulley, St. Petersburg Times, 6906 Royalgreen Drive, Cincinnati, OH 45244.

James Dulley is an engineer. Send questions to James Dulley, the Sensible Home, the St. Petersburg Times, 6906 Royalgreen Drive, Cincinnati, OH 45244.

James Dulley has written a new 208-page book, *Earth Friendly Home*.

You can order this book directly from James Dulley for $13.95 (including delivery) with a check made payable to James Dulley. Mail to James Dulley, Earth Books, P.O. Box 54987, Cincinnati, OH 45254 or visit http://www.dulley.com/earth.htm to order on-line.

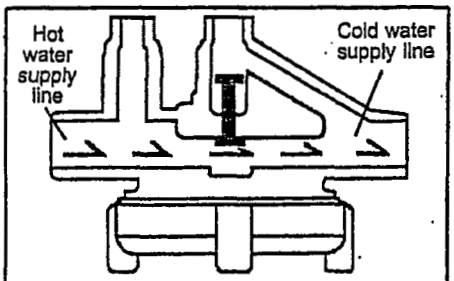
June 2, 2001
St. Petersburg Times


Jim Dulley

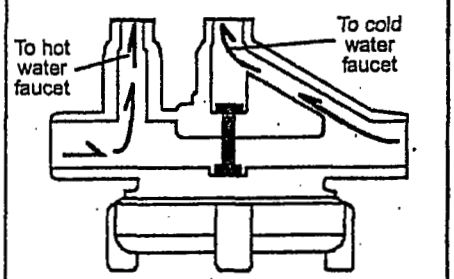
Thank you for your interest in writing to me about rapid hot water kits to get hot water to a distant bathroom faucet or shower quickly. A typical family wastes between 40 and 50 gallons of water each day waiting for water to reach the faucets. See estimated water costs in table below.

I have listed several types of rapid hot water kits on the following pages. These systems work by circulating the hot water through a temperature-sensing crossover valve under the bathroom sink (see diagrams to the right). A small pump draws water from the hot water line and diverts it into the cold water line so no water is lost down the drain. As soon as hot water gets to the sink, a temperature sensor switches off the pump and moves the valve to the closed position. You open the hot water faucet and there is hot water. By installing the rapid system at the sink furthest from the water heater, it should give you hot water at all your faucets on that branch circuit.

There are two basic systems - demand or timer-actuated. ACT makes the Metlund demand-actuated system. When you want hot water at your faucet, push the demand button. It can also be actuated by a motion-sensor. This starts the small high-volume pump to bring hot water to the sink quickly. This is the most efficient system because the pump only draws hot water into the pipes when you need it. You will also get much hotter water because the hot water gets there so fast. A demand system is a good choice especially if you use hot water at various faucets throughout the day. The demand kit includes a wireless remote button so you can actuate the system from any faucet. Since I work at home, this system works best for me.

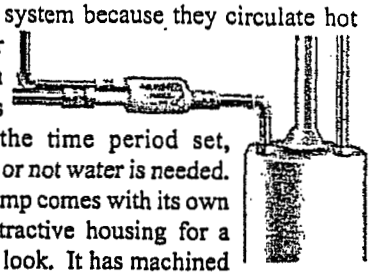


Temperature-sensing crossover valve in open position to bring hot water to faucet quickly



Temperature-sensing crossover valve in closed position for normal use after hot water arrives

Laing, Redy Temp and Blumenauer make the timer-actuated systems. You set the time of day (usually a couple of hours in the morning) when you need hot water rapidly. During this time period, a temperature sensor starts the pump whenever the water temperature at the faucet drops, even though you are not using hot water. These timer-actuated systems provide nearly instant hot water at the faucet. They are not as efficient as the demand system because they circulate hot water through the pipes during the time period set, whether or not water is needed. Redy Temp comes with its own small attractive housing for a finished look. It has machined dual flow fittings for simple hookup.



Blumenauer's simple Aqua-Link crossover valve and Nibco's Just Right (see above) are low-cost options. If your water heater is the lowest part of the plumbing, with no traps in the hot water line, these units allow a slow continuous circulation of hot water due to gravity (hot water is less dense). Insulate your water pipes, because of the continuous circulation, to minimize heat loss.

Another option is to install a tiny 2- to 4-gallon water heater under the bathroom sink. This provides instant hot water only at that sink and allows you to set any water temperature you want independently. The prices of these tiny water heaters range from about $150 to $200. The manufacturers are listed on page 4.

Jim

Some typical suggested retail prices:
Advanced Conservation Tech. — S-01 Standard - $330 • S-01 PFR Kit - $375 • S-02 - $410 • S-02 PF - $455 • wireless remote - $75 • additional transmitter - $20 • P series - $300 to $430
Blumenauer Corp. — AquaLine - $43 • AquaLine with temperature limit valve - $170 • AquaLine pump and timer packages - $490
King Pumps — AquaLink kit - $340
Laing Thermotech — Autocirc - $220
Nibco — Just Right - $65
RedyTemp — installed prices - RT 1000 - $395 • RT 2000 - $460

Water and Sewage Savings (not including energy savings)				
Gallons saved per day	Gallons saved per year	Sewage savings — $.004/gal.	Water savings — $.002/gal.	Annual water & sewage savings
40	14,400	$57.60	$28.80	$86.40
50	18,000	$72.00	$36.00	$108.00

Selected Manufacturers of Rapid Hot Water Systems

ADVANCED CONSERVATION TECH. (ACT), 3176 Pullman St., Suite 119, Costa Mesa, CA 92626 - (800) 638-5863, (714) 668-1200 www.gothotwater.com
model - "Metlund D'Mand Systems" control - demand-actuated electricity used - 90 watts
system description - The "Metlund D'Mand System" is the only design that uses a demand actuated system. The "S" series is for existing homes where the cold water line becomes the return line, and for "structured plumbing" where a positive closed electronic zone valve is necessary. The "P" series is designed for homes that have installed a completely looped recirculating pump located at the water heater, moving hot water continually around the loop. The standard kit includes a circulating pump with an electronic self-closing zone valve. There is also a push button and off-sensor switch to be mounted on the wall. A wireless remote control button can be added. The wireless remote allows you the convenience of activating your system from other locations without running wires. The wireless remote system activates up to 75 feet from the receiver. The systems can be purchased as do-it-yourself kits, complete with easy-connect compression tees, stainless steel flex line, thread connections and wireless remotes. The systems can be activated by wireless motion detectors, door or floor contacts, sound or light detection and automatic flow switches. When the hot water arrives at the system, it is automatically shut off by a thermo sensor and valve at a 3 to 5 degree temperature change. The systems carry a five-year warranty.

BLUMENAUER CORP., 2708 Rew Circle, Ocoee, FL 34761 - (800) 795-7867 (407) 656-7575 www.pumps-etc.com

model - "AquaLine" control - timer-actuated electricity used - 60 watts

system description - This system uses a small pump, with a timer, that is usually located near the water heater in the basement or utility room. See a typical installation diagram on page 3. An "AquaLine" valve, with a temperature sensor, connects the hot and cold water lines under the bathroom sink. The temperature sensor controls operate only when the valve is opened. You can adjust, in 15-minute increments, when and how long the pump runs. Initial adjustment is a trial and error procedure. The timer is programmable for the full 24-hour period. With this you can program the timer to let you enjoy instant hot water in the morning, noon and evening. By setting the timer to the times hot water is needed you conserve energy and save money. There is a two-year limited warranty. There are other models available that include the valve and the temperature sensor placed under the sink. The hot water naturally circulates up to the sink because hot water is less dense than cold water. You can also place the "AquaLine" valve under the sink. It has a manual adjustment to control the amount of water that continuously crosses over between the hot and cold lines under the sink. This model can only be used where there is a constant rise in the plumbing. If there is a dip (trap), there will be no natural circulation due to gravity and you will have to install a pump model.

KING PUMPS INC., 253 Northwest 54th St., Miami, FL 33127 - (305) 754-0677 www.kingpumps.com

model - "AquaLink" control - timer-actuated electricity used - 60 watts

system description - This system uses the existing cold water line as a return line eliminating the need to install a new recirculating line. Two components are required for this system to work — an "AquaLink" valve, with temperature control (required at the furthest fixture from the hot water heater) and a circulating pump and 24 hour timer installed at the hot water heater. The kit includes the valve and heat limiting device assembly with two compression tees, two copper tubes, a 5 GPM in-line hot water circulating pump with 1/2" bronze half-union connections, 6 feet of power cord and a timer. You can also do a plumbing design that requires the hot water side of each fixture (faucet, shower or other appliance) be placed in a continuous loop by connecting a hot water return line from the last fixture to the water heater. This system requires an in-line hot water circulator, a timer control and an aquastat.

LAING THERMOTECH, INC., 2295 Main St., San Diego, CA 92154 - (619) 575-7466 www.lainginc.com

model - "Autocirc" control - timer-actuated electricity used - 33 watts

system description - The "Autocirc" model has all the components included with the pump assembly and housing on top of it. It comes complete with a built-in six-foot long cord with a plug for connection to a 115 volt standard outlet. It is timer-actuated and the on time can be set from as short as you like to continuous 24-hour operations. When the water temperature at the faucet drops to 85 degrees, the pump starts and the valve moves to circulate the hot water. Once the water temperature reaches 95 degrees, the pump stops and the valve moves back to the normal operation position. The pump will cycle on and off from one to two times per hour during the operating time period you set on the pump timer. This requires four short pieces of pipe (flexible pipe is easiest to use) for installation. There is an eighteen-month warranty. See illustrations and more information on page 3. There are models available that are used for continuous circulation with a hot water return pipe.

NIBCO, PO Box 1167, Elkhart, IN 46515 - (800) 234-0227 www.nibco.com

model - "Just Right" control - recirculation from natural convection electricity used - not applicable

system description - The "Just Right" device is installed near the water heater, in the main water line. A return line is then added that connects the faucet farthest away to the unit. This creates a closed plumbing loop — the water keeps moving to maintain warm water in the line. This is a passive system, taking advantage of natural convection. Water that cools off while it's in your hot water pipes returns to the water heater to be reheated. The unit can be installed in new or existing homes where the hot water line is above the water heater. When you turn on a faucet, a check valve closes on the return line to prevent mixing of cold and hot water. It comes with brass compression fittings for easy installation. The unit carries a five-year limited warranty.

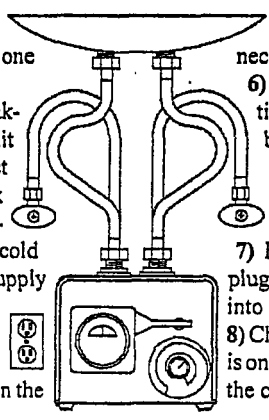
REDY TEMP, 3445 Ashwood Ct., Oceanside, CA 92054 - (760) 433-5940

model - "RedyTemp" control - timer-actuated electricity used - 60 watts

system description - The "RedyTemp" system is built into a small housing for the most finished appearance of all of the models available. There are two models —"RT 1000" and "RT 2000". The "RT 1000" brings the water temperature to 105°F then shuts down. The kit includes two specially-machined tee fittings for quick no-solder installation. You just have to lower the hot water supply lines a couple of inches to fit the tee in place. It is usually not difficult to move them two inches. The "RT 2000" has an electronic temperature sensor and allows you to vary the temperature to 110°F. It will cycle on and off, as needed, as it senses the temperature of the water. It can also be set for automatic operation by setting the timer on/off pins for the times that you know you will need hot water. There is a three-year limited warranty.

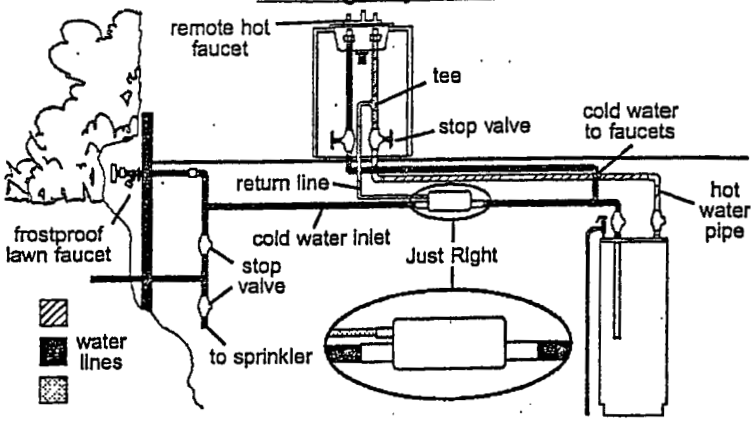
Installation Instructions of The RedyTemp Hot Water Circulating System

1) Remove all articles from under the desired plumbing fixture. Turn the hot and cold supply valves, sometimes called angle stops, to the off position, by turning both valves completely clockwise.
2) Turn the hot and cold water faucets to the open position and allow any remaining water within the lines to drain into the sink. Make sure that there is no water flow through the faucets before proceeding.
3) Disconnect the two faucet supply lines from the faucet adapters. An 8-inch crescent wrench can be used for this job. As a precaution, a small container should be placed under the sink.
4) Find the two flex lines provided and connect and tighten one to each sink faucet adapter.
5) Set the unit under the sink, making sure the front of the unit faces towards you. Connect and tighten the hot supply flex line to the hot supply connector, connect and tighten the cold supply flex line to the cold supply connector. Connect and tighten the hot faucet flex line to the hot faucet connecter, and finally connect and tighten the cold faucet flex line to cold faucet connector on the unit.



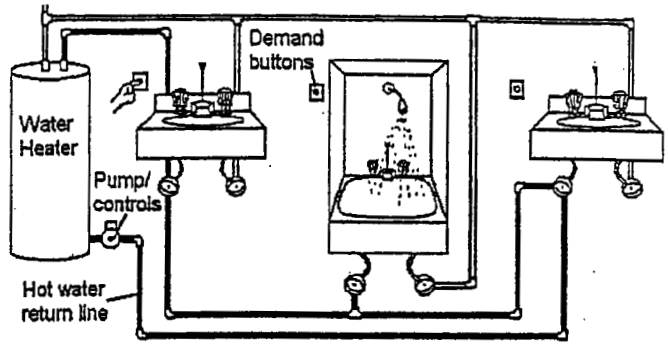
6) Use your wrench to tighten the connections. Double check all the connections before proceeding. Turn on hot and cold water valves to fully opened position. Let water run until the air within the lines is completely purged, then turn off faucets.
7) Find the disconnecting power cord and plug it into the machine. Plug the power cord into a 115 volt AC outlet.
8) Check the timer switch to make sure the unit is on. The pump should be starting to circulate the cold water out of the hot water line.

Just Right by Nibco

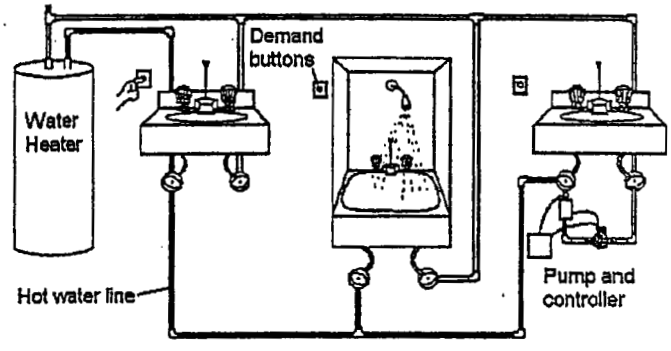


"Just Right" is a hot water-circulating device that joins the water heater and potentially every hot-water outlet in the home in a single plumbing loop. Made with "Flow Guard Gold CPVC" (chlorinated polyvinyl chloride), the unit uses the principle of convection to keep hot water rising and cold water falling in a recirculation loop. This creates a continuous stream through the loop, delivering hot water within seconds after turning on the tap.

D'Mand Systems by Advanced Conservation Tech

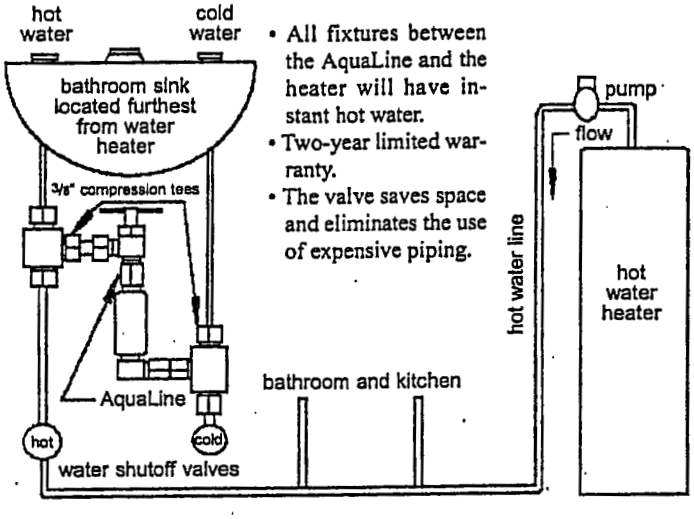


The "P-Series" systems are designed to operate on homes that have recirculating hot water loops or lines. The system is installed at the water heater and is activated by pushbuttons wired to the controller or with the wireless remote buttons. Once activated, the system rapidly delivers hot water around the recirculating loop and then shuts off automatically.



The "S-Series" system is designed to move the hot water from your water heater to your most remote fixture within seconds. At the push of a button, the cool water you normally let run down the drain is recirculated to the water heater through the cold water line. The pump pulls the hot water from the water heater moving only the cold water back though the cold water line into the water heater to replace the hot water being moved. When the hot water arrives at the system it is automatically shut off by a thermo sensor and valve at a 3 to 5 degree temperature change. Result: Hot water at your fixture, cold water sill in your cold water line, water savings, energy savings, reduced sewage costs and convenience of not waiting for hot water.

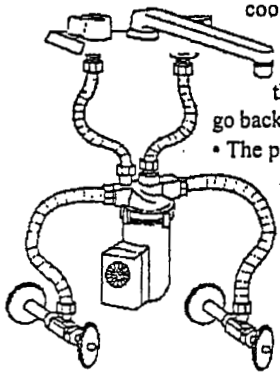
Typical AquaLine Installation by Blumenauer Corp.



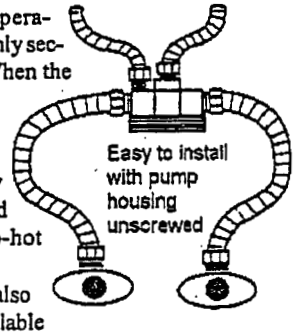
- All fixtures between the AquaLine and the heater will have instant hot water.
- Two-year limited warranty.
- The valve saves space and eliminates the use of expensive piping.

The Autocirc Pump by Laing Thermotech

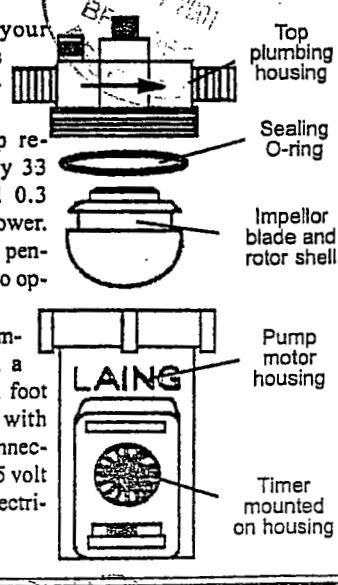
- The unit is installed under the sink furthest from the water heater where hot water takes the longest to arrive.
- A built-in temperature sensor automatically turns the pump on when the water temperature in the hot water line cools down to 85 degree F. The cooled down water in the hot water line is then pumped into the cold water line to go back to the water heater.



- The pump turns off automatically when the hot water (95 degree F) shows up at the pump, insuring the instant availability of warm water with maximum temperature hot water only seconds behind. When the pump is off, a built-in auto closure device prevents any other hot-to-cold line or cold-to-hot line mix.



- Hot water will also be instantly available at all other faucets in the supply line between the water heater and the sink where the pump is installed.
- The system is virtually noiseless during operation.
- The pump has a built-in 24-hour timer which allows selection of system operating periods to suit your family's living pattern.
- The pump requires only 33 watts and 0.3 amps of power. Costs only pennies a day to operate.
- It comes complete with a built-in six foot long cord with plug for connection to a 115 volt standard electrical outlet.



Selected Manufacturers of Point-of-Use Mini-Electric Water Heaters

AMERICAN WATER HEATER GROUP, 500 Princeton Rd., Johnson City, TN 37601 - (800) 999-9515 (423) 283-8000 www.americanwaterheater.com

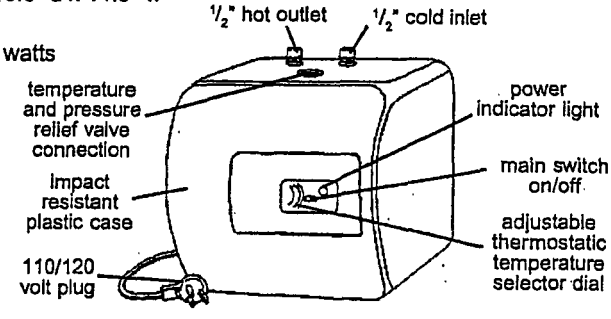
model - "Tiny Titan" capacity - 2½ gallons first hour rating - 6.3 gallons per hour
heating capacity - 1350 watts dimensions - 14.0" h x 9.5" d x 14.0" w
features - The point0of-use water heater is equipped with a three-foot cord and a three-prong grounded plug . Requires 120-volt power for easy installation. It can be mounted on the wall, under the sink or inside a cabinet. It comes with a wall-mounting bracket. The unit has a five-year tank and parts warranty. The tank is insulated with polyurethane foam to prevent heat loss and reduce energy costs. The temperature range is 90° to 150°F, preset at 120°F. It can be adjusted easily with the temperature controll that is located on the outside of the unit. There is a conveniently located on/off switch that has an indicator light. A temperature & pressure relief valve is factory-installed.

A. O. SMITH WATER PRODUCTS, 600 E. John Carpenter Fwy., Irving, TX 75062 - (800) 527-1953 www.aosmith.com

model - "ELC-2" capacity - 2½ gallons first hour rating - 7.0 gallons per hour
heating capacity - 1500 watts dimensions - 13.5" h x 10.4" d x 10.7" w
model - "ELC-4" capacity - 4 gallons first hour rating - 8.3 gallons per hour
heating capacity - 1500 watts dimensions - 20.2" h x 10.4" d x 10.7" w
features - There is a limited one-year tank and parts warranty. The tanks have an on/off switch and are equipped with a 3½-foot cord and grounded plug that requires only a standard electrical outlet, 120 volts. The thermostat is completely adjustable with a temperature range of 110° to 170°F. The screw-in heating element can be replaced easily if necessary. The tank is insulated with expanded polystyrene.

CONTROLLED ENERGY CORP., 340 Mad River Park, Waitsfield, VT 05673 - (800) 642-3199 www.controlledenergy.com

model - "Ariston P10S" capacity - 2½ gallons first hour rating - 8.0 gallons per hour
heating capacity - 1350 watts dimensions - 14.0" h x 10.5" d x 14.0" w
model - "Ariston P15S" capacity - 4 gallons
first hour rating - 10.5 gallons per hour heating capacity - 1350 watts
dimensions - 14.0" h x 12.25" d x 14.0" w
features - There is an on/off switch with a power indicator light. The thermostat is completely adjustable with a temperature range of 65° to 145°F. It is equipped with a power cord plug that can be plugged into a standard 110 volt outlet . The exterior housing is a white impact resistant plastic case. The tank is surrounded by injected polyurethane foam. The water heater is covered by a six-year limited warranty. There is a six gallon unit that requires hardwiring. The units can be mounted on the wall or the floor.

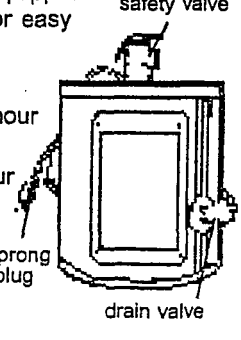


IN-SINK-ERATOR, 4700 21st St., Racine, WI 53406 - (800) 558-5712 (414) 554-5432 www.insinkerator.com

model - "W-152" capacity - 2½ gallons first hour rating - 8.6 gallons per hour
heating capacity - 1500 watts dimensions - 13.5" h x 10.4" d x 10.7" w
model - "W-154" capacity - 4 gallons first hour rating - 10.4 gallons per hour
heating capacity - 1500 watts dimensions - 20.2" h x 10.4" d x 10.7" w
features - The tanks are equipped with a 3½-foot cord and grounded plug. There is an on/off switch. A one-year full warranty covers all parts, labor and on-site repairs. There is an adjustable temperature range of 110° to 170°F. There is a screw-in copper heating element that can be easily replaced if necessary. The tank is insulated with expanded polystyrene.

RHEEM/RUUD, 2600 Gunter Park Dr. East, Montgomery, AL 36109 - (334) 260-1500 www.rheem.com

model - "Energy Miser 81VP2S" capacity - 2½ gallons first hour rating - 8.2 gallons per hour
heating capacity - 1440 watts dimensions - 14.0" h x 9.75" diameter
features - There is a six-year limited tank and parts warranty . There are wall brackets for wall mount installation if desired. The temperature range is 90° to 150°F, preset at 120°F. The automatic thermostat keeps the water at the desired temperature to meet your needs. The over-temperature protector cuts off the power in the event of excess temperature situations. The tank is insulated with R-foam for heat retention. A temperature and pressure relief valve is included. The 120-volt model is equipped with a three-prong cord so it can be plugged in easily. The 240-volt model includes a junction box for easy installation of ½" or ¾" conduit.



STATE, 500 By Pass Rd., Ashland, TN 37015 - (800) 365-0024 www.stateind.com

model - "SCI-2-1SU4-K" capacity - 2 gallons first hour rating - 9.0 gallons per hour
heating capacity - 1440 watts dimensions - 12.75" h x 10.0" diameter
model - "SCI-4-1SU4-K" capacity - 4 gallons first hour rating - 9.0 gallons per hour
heating capacity - 1440 watts dimensions - 20.0" h x 10.0" diameter
features - The units are available in 120- or 240-volt models. A three-prong plug is standard on the 120-volt models and optional on the 240-volt models. There is a one-year tank warranty and a 90-day parts warranty. The temperature range is 120° to 140°F. The tank has polyurethane foam insulation. Wall mounting brackets are included. There is a factory-installed temperature and pressure relief valve.

MEMORANDUM

June 11, 2001

TO: Margaret M. Lytle, Esq., Assistant General Council, Legal

FROM: Steven W. DeSmith, P.G., Brooksville Regulation Department

SUBJECT: **UPDATED PUMPAGE DATA**
Permittee: Aloha Utilities, Inc.
WUP No.: 20003182.004
CT No.: 55948
County: Pasco

As you requested, please find attached updated pumpage data for this project through April 2001. Please note that this data only reflects a recent 3-year analysis, not the Period-of-Record pumpage data, which begins in 1976 .

If you have any questions or needed further information regarding this matter, please contact me at extension 4324.

cc: File of Record
John Parker, WUP Manager

APPLICANT: ALOHA UTILITIES, INC.
WUP APPL NO. 203182.04

PUMPAGE DISTRIBUTION (revised 6-8-2001)

DATE	DISTRICT ID NO. 19 (GALLONS)	DISTRICT ID NO. 20 (GALLONS)	DISTRICT ID NO. 21 (GALLONS)	DISTRICT ID NO. 22 (GALLONS)	DISTRICT ID NO. 23 (GALLONS)	DISTRICT ID NO. 24 (GALLONS)	DISTRICT ID NO. 26 (GALLONS)	DISTRICT ID NO. 27 (GALLONS)	TOTAL MONTHLY WITHDRAWAL (GALLONS)	AVERAGE MONTH-DAY WATER USE (GPD)	12-MONTH MOVING AVERAGE WATER USE (GPD)	MOVING 12-MONTH AVERAGE PERCENT OVER (%)	IMPORTED QUANTITIES FROM PASCO COUNTY PER MONTH (GALLONS)
Jan-97	5,544,100	7,832,000	14,110,000	13,155,000	8,883,000	8,336,000	9,110,000	6,726,000	73,696,100	2,377,294			
Feb-97	5,586,100	7,434,000	17,142,000	11,169,000	7,962,000	9,599,000	4,429,000	8,133,000	71,454,100	2,551,932			
Mar-97	5,800,900	5,633,000	20,853,000	10,904,000	10,861,000	7,963,000	9,803,000	7,832,000	79,649,900	2,569,352			
Apr-97	5,521,700	4,616,000	17,723,000	12,876,000	8,033,000	8,174,000	8,210,000	7,353,000	72,506,700	2,416,890			
May-97	4,927,900	7,194,000	23,098,000	9,531,000	7,887,000	10,866,000	10,746,000	10,206,000	84,455,900	2,724,384			
Jun-97	4,606,600	6,457,000	17,558,000	13,056,000	7,862,000	9,920,000	11,963,000	11,861,000	83,283,600	2,776,120			
Jul-97	5,631,600	7,644,000	20,051,000	14,929,000	6,829,000	10,043,000	5,680,000	5,462,000	76,269,600	2,460,310			
Aug-97	5,291,600	7,295,000	20,261,000	14,595,000	8,716,000	10,064,000	7,110,000	6,329,000	79,661,600	2,569,729			
Sep-97	5,425,200	7,300,000	23,629,000	12,308,000	10,344,000	11,024,000	10,223,000	9,876,000	90,129,200	3,004,307			
Oct-97	4,916,000	6,496,000	22,789,000	10,684,000	9,415,000	10,577,000	8,143,000	7,496,000	80,516,000	2,597,290			59,000
Nov-97	4,105,000	5,635,000	18,870,000	10,591,000	8,672,000	9,749,000	6,240,000	7,439,000	71,301,000	2,376,700			
Dec-97	4,213,200	5,507,000	17,297,000	9,792,000	6,433,000	5,582,000	4,536,000	4,582,000	57,942,200	1,869,103	2,522,920	24%	
Jan-98	3,885,700	5,097,000	15,096,000	9,716,000	5,451,000	7,150,000	6,510,000	6,674,000	59,579,700	1,921,926	2,484,245	22%	
Feb-98	3,047,600	4,307,000	11,758,000	10,003,000	5,168,000	4,938,000	6,498,000	6,591,000	52,310,600	1,868,236	2,431,797	19%	
Mar-98	2,170,800	5,855,000	17,064,000	10,003,000	5,053,000	8,380,000	7,861,000	8,120,000	64,506,800	2,080,865	2,390,309	17%	
Apr-98	3,879,200	7,404,000	26,678,000	10,829,000	8,818,000	11,638,000	11,897,000	12,681,000	93,824,200	3,127,473	2,448,713	20%	
May-98	4,580,900	7,309,000	25,685,000	10,448,000	8,566,000	12,581,000	14,514,000	14,477,000	98,160,900	3,166,481	2,486,261	22%	9,005,100
Jun-98	5,610,500	7,289,000	23,406,000	12,235,000	10,344,000	12,279,000	14,039,000	13,278,000	98,480,500	3,282,683	2,527,897	24%	14,189,500
Jul-98	5,362,400	6,806,000	18,565,000	14,159,000	10,590,000	12,814,000	9,245,000	8,886,000	86,427,400	2,787,981	2,555,726	25%	5,448,000
Aug-98	4,037,300	5,127,000	13,743,000	10,979,000	11,418,000	11,480,000	11,128,000	10,883,000	78,795,300	2,541,784	2,553,353	25%	4,701,700
Sep-98	3,929,500	4,935,000	13,330,000	10,167,000	8,669,000	10,270,000	6,736,000	6,894,000	64,930,500	2,164,350	2,484,315	22%	143,500
Oct-98	5,182,000	6,499,000	19,428,000	12,302,000	9,323,000	11,343,000	9,625,000	10,119,000	83,821,000	2,703,903	2,493,370	22%	4,410,000
Nov-98	5,050,100	6,170,000	19,968,000	11,381,000	9,585,000	12,064,000	10,758,000	10,317,000	85,293,100	2,843,103	2,531,705	24%	2,627,000
Dec-98	5,158,100	6,075,000	19,407,000	11,118,000	8,534,000	12,046,000	9,198,000	8,933,000	80,469,100	2,595,777	2,593,422	27%	1,469,000
Jan-99	5,086,400	6,135,000	20,504,000	5,957,000	9,186,000	10,694,000	850,600	8,179,000	66,592,000	2,148,129	2,612,634	28%	995,000
Feb-99	5,394,700	6,313,000	18,430,000	10,856,000	7,071,000	11,346,000	10,320,000	9,609,000	79,339,700	2,833,561	2,686,686	32%	6,730,000
Mar-99	6,618,600	8,203,000	25,991,000	12,135,000	5,536,000	13,254,000	9,697,000	9,376,000	90,810,600	2,929,374	2,758,752	35%	12,831,000
Apr-99	6,149,300	7,413,000	25,169,000	12,728,000	2,476,000	17,401,000	12,411,000	12,011,000	95,758,300	3,191,943	2,764,050	35%	14,926,000
May-99	5,038,400	7,902,000	31,951,000	14,446,000	10,218,000	11,606,000	11,326,000	12,279,000	104,766,400	3,379,561	2,782,148	36%	8,220,000
Jun-99	4,954,400	6,356,000	25,363,000	10,149,000	8,988,000	9,706,000	1,507,000	9,223,000	76,246,400	2,541,547	2,721,232	33%	3,182,000
Jul-99	3,930,700	5,082,000	15,373,000	9,549,000	9,589,000	11,727,000	14,191,000	11,994,000	81,435,700	2,626,958	2,707,556	33%	3,877,000
Aug-99	5,106,000	7,298,000	22,849,000	11,242,000	7,998,000	10,495,000	13,055,000	11,515,000	89,558,000	2,888,968	2,737,043	34%	5,353,000

Created by Steven DeSmith on 6-11-01

APPLICANT: ALOHA UTILITIES, INC.
WUP APPL NO. 203182.04

PUMPAGE DISTRIBUTION (revised 6-8-2001)

DATE	DISTRICT ID NO. 19 (GALLONS)	DISTRICT ID NO. 20 (GALLONS)	DISTRICT ID NO. 21 (GALLONS)	DISTRICT ID NO. 22 (GALLONS)	DISTRICT ID NO. 23 (GALLONS)	DISTRICT ID NO. 24 (GALLONS)	DISTRICT ID NO. 26 (GALLONS)	DISTRICT ID NO. 27 (GALLONS)	TOTAL MONTHLY WITHDRAWAL (GALLONS)	AVERAGE MONTH-DAY WATER USE (GPD)	12-MONTH MOVING AVERAGE WATER USE (GPD)	MOVING 12-MONTH AVERAGE PERCENT OVER (%)	IMPORTED QUANTITIES FROM PASCO COUNTY PER MONTH (GALLONS)
Sep-99	5,426,800	6,769,000	20,680,000	14,450,000	7,855,000	10,277,000	808,000	13,414,000	79,679,800	2,655,993	2,777,452	36%	2,383,000
Oct-99	4,420,200	5,872,000	15,711,000	12,937,000	9,054,000	8,900,000	13,541,000	13,811,000	84,246,200	2,717,619	2,778,617	36%	6,576,000
Nov-99	5,161,000	6,191,000	21,556,000	7,316,000	11,657,000	12,773,000	8,631,000	12,951,000	86,236,000	2,874,533	2,781,201	36%	13,495,000
Dec-99	5,962,700	7,198,000	21,045,000	7,902,000	10,145,000	11,344,000	9,421,000	5,994,000	79,011,700	2,548,765	2,777,208	36%	12,766,000
Jan-00	5,186,000	5,927,000	27,965,000	11,319,000	6,427,000	7,933,000	8,644,000	0	73,401,000	2,367,774	2,795,862	37%	
Feb-00	6,294,800	7,937,000	23,596,000	13,228,000	7,383,000	7,866,000	8,578,000	9,544,000	84,426,800	2,911,269	2,802,123	37%	
Mar-00	7,992,400	8,571,000	0	18,637,000	8,705,000	10,881,000	14,114,000	16,924,000	85,824,400	2,768,529	2,788,499	37%	
Apr-00	5,520,400	6,884,000	13,990,000	15,034,000	10,011,000	10,059,000	11,261,000	12,501,000	85,260,400	2,842,013	2,759,816	35%	
May-00	4,564,500	4,673,000	29,054,000	11,200,000	13,767,000	13,354,000	14,507,000	14,800,000	105,919,500	3,416,758	2,762,967	35%	21,561,000
Jun-00	7,095,700	7,511,000	25,002,000	12,224,000	11,893,000	11,928,000	10,867,000	11,369,000	97,889,700	3,262,990	2,822,102	38%	19,201,000
Jul-00	6,964,400	7,578,000	23,759,000	10,338,000	10,494,000	9,026,000	7,345,000	7,437,000	82,941,400	2,675,529	2,826,216	39%	4,744,000
Aug-00	6,094,600	7,237,000	27,588,000	13,440,000	7,560,000	8,223,000	6,483,000	3,654,000	80,279,600	2,589,665	2,800,865	37%	
Sep-00	6,470,100	8,403,000	22,577,000	12,762,000	6,214,000	6,219,000	7,926,000	2,956,000	73,527,100	2,450,903	2,784,054	36%	
Oct-00	7,811,700	10,203,000	34,497,000	13,196,000	11,348,000	10,714,000	11,436,000	11,698,000	110,903,700	3,577,539	2,856,889	40%	5,064,000
Nov-00	6,884,900	8,191,000	27,964,000	13,188,000	10,436,000	10,769,000	10,003,000	9,351,000	96,786,900	3,226,230	2,885,716	41%	8,502,000
Dec-00	5,093,900	5,263,000	15,667,000	8,258,000	6,281,000	4,645,000	9,281,000	4,995,550	59,484,450	1,918,853	2,832,363	39%	14,005,000
Jan-01	1,886,200	18,000	8,824,000	4,804,000	1,377,000	2,489,000	4,387,000	3,573,541	27,358,741	882,540	2,706,565	33%	76,282,000
Feb-01	4,092,400	655,000	7,954,000	11,455,000	9,254,000	11,899,000	11,458,000	11,949,000	68,716,400	2,454,157	2,670,938	31%	44,498,000
Mar-01	2,642,200	3,057,000	19,498,000	12,602,000	9,922,000	16,574,000	12,728,000	12,835,000	89,858,200	3,209,221	2,681,989	31%	8,678,000
Apr-01	4,336,700	5,567,000	35,059,000	10,865,000	643,000	16,892,000	11,545,000	14,119,000	99,026,700	3,536,668	2,719,705	33%	8,906,000

Created by Steven DeSmith on 6-11-01

Southwest Florida
Water Management District

2379 Broad Street, Brooksville, Florida 34604-6899
(352) 796-7211 or 1-800-423-1476 (FL only)
SUNCOM 628-4150 TDD only 1-800-231-6103 (FL only)
On the Internet at: WaterMatters.org

An Equal Opportunity Employer

Tampa Service Office
7601 Highway 301 North
Tampa, Florida 33637-6759
(813) 985-7481 or
1-800-836-0797 (FL only)
SUNCOM 578-2070

Bartow Service Office
170 Century Boulevard
Bartow, Florida 33830-7700
(863) 534-1448 or
1-800-492-7862 (FL only)
SUNCOM 572-6200

Venice Service Office
115 Corporation Way
Venice, Florida 34292-3524
(941) 486-1212 or
1-800-320-3503 (FL only)
SUNCOM 526-6900

Lecanto Service Office
3600 West Sovereign Path
Suite 226
Lecanto, Florida 34461-8070
(352) 527-8131
SUNCOM 667-3271

June 18, 2001

BY FACSIMILE TRANSMISSION
AND U.S. MAIL

1-APD
1-JWP
1-SWD
1-CN55948

John R. Jenkins, Esquire
Rose, Sundstrom & Bentley, LLP
2548 Blairstone Pines Drive
Tallahassee, Florida 32301

Subject: Proposed Consent Order
Aloha Utilities, Inc.
Water Use Permit No. 203182.004

Dear Mr. Jenkins:

The District received your letter of June 13, 2001, requesting informal mediation and non-binding arbitration concerning the above-referenced matter. The District is agreeable to any of the following mediators:

Roger C. Benson - St. Petersburg, (727) 822-0357/(800) 437-2923;

Harry Goodheart - Mediation Resources, Inc., Bradenton, (941) 746-4008;

Cary Singletary - Tampa, (813) 874-2225; or

William Smith - Tampa, (813) 251-0530.

Within seven (7) days of the date of this letter, please inform me of your choice of mediator (or your alternative suggestions if none of the mediators proposed by the District are acceptable) and the dates you and your client are available for mediation. The District is interested in scheduling this mediation as soon as possible.

You should also be aware that since so much time has elapsed since the Consent Order was first transmitted to your client in January 2001, the District's position at mediation will not be based upon the settlement previously offered. The District's calculation of the appropriate penalty for violation of the subject Water Use Permit, including the months of January through April, 2001, is $276,512.34. The penalty will continue to accumulate until your client either comes into compliance with its permit, or settles this matter with the District.

FILE OF RECORD

S.W.F.W.M.D.
JUN 2001
BRO-REG
RECEIVED

Southwest Florida Water Management District

2379 Broad Street, Brooksville, Florida 34604-6899
(352) 796-7211 or 1-800-423-1476 (FL only)
SUNCOM 628-4150 TDD only 1-800-231-6103 (FL only)
On the Internet at: WaterMatters.org

An Equal Opportunity Employer

Tampa Service Office
7601 Highway 301 North
Tampa, Florida 33637-6759
(813) 985-7481 or
1-800-836-0797 (FL only)
SUNCOM 578-2070

Bartow Service Office
170 Century Boulevard
Bartow, Florida 33830-7700
(863) 534-1448 or
1-800-492-7862 (FL only)
SUNCOM 572-6200

Venice Service Office
115 Corporation Way
Venice, Florida 34292-3524
(941) 486-1212 or
1-800-320-3503 (FL only)
SUNCOM 526-6900

Lecanto Service Office
3600 West Sovereign Path
Suite 226
Lecanto, Florida 34461-8070
(352) 527-8131
SUNCOM 667-3271

August 9, 2001

BY FACSIMILE TRANSMISSION AND U.S. MAIL

1-APD
1-JWP
1-SWD
1-CU559148

John R. Jenkins, Esquire
Rose, Sundstrom & Bentley, LLP
2548 Blairstone Pines Drive
Tallahassee, Florida 32301

Subject: Alternative Dispute Resolution
Aloha Utilities, Inc.
Water Use Permit No. 203182.004

Dear Mr. Jenkins:

I have considered your suggestion to retain Daniel Thompson to mediate this matter. However, the District is unable to agree to use someone who is not a certified mediator. The District also does not want to incur the additional costs inherent in utilizing a mediator from Tallahassee. There must be a certified mediator somewhere in the Tampa Bay area who would be acceptable to your client.

Please inform me of your alternative suggestions within seven days of the date of this letter - sooner if possible. Additional delay in scheduling this mediation, coupled with the continuation of Aloha's 12-month running average exceeding the permitted quantity, will result in a higher penalty calculation by the District.

You may contact me at the District's Brooksville office, extension 4660, if you have any questions or wish to discuss this matter further.

Sincerely,

Margaret M. Lytle

Margaret M. Lytle
Assistant General Counsel

MML
cc: Paul Desmarais
John Parker
Steve DeSmith
Jennie Lingo, PSC
S:\MyFiles\MargLtr\AlohaJenkMed.wpd

S.W.F.W.M.D. RECEIVED
FILE OF RECORD

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ROBERT M. C. ROSE
OF COUNSEL

Steve - latest from Aloha. Please review and call me to discuss. Margaret

RECEIVED
SEP 7 2001
OFFICE OF GENERAL COUNSEL

TELECOPY COVER SHEET

DATE: September 7, 2001 OUR FILE NO.: 26038.33 PAGES: 13

TO: Margaret Lytle, Esquire TELECOPY NUMBER: 352-754-6878

Mr. Stephen Watford TELECOPY NUMBER: 727-372-2677

David W. Porter, P.E. TELECOPY NUMBER: 904-291-7769

FROM: John Jenkins, Esquire CONTACT PERSON: Wendy

SUBJECT: Aloha Utilities, Inc.

MESSAGE: Attached please find a revised copy of the Groundwater Compliance Plan. Please call with any comments or questions.

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

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ROBERT M. C. ROSE
OF COUNSEL

September 7, 2001

Margaret M. Lytle, Esquire
Assistant General Counsel
Southwest Florida Water
Management District
2379 Broad Street
Brooksville, Florida 34604-6899

Re: Aloha Utilities, Inc.;
Compliance Plan
Our File No. 26038.33

Dear Ms. Lytle:

Pursuant to our recent discussion enclosed please find a revised Compliance Plan for Aloha Utilities, Inc. Should you have any questions or concerns regarding this matter please feel free to call me.

Sincerely,

John R. Jenkins/wjl

John R. Jenkins
For the Firm

Dictated by Mr. Jenkins
but signed in his absence
to avoid delay in mailing.

JRJ:wjl
Enclosure
cc: Mr. Steve Watford
David Porter, P.E.
Aloha\33\Lytle090601.ltr

ALOHA UTILITIES, INC.

GROUNDWATER WITHDRAWAL COMPLIANCE PLAN

Pursuant to discussions with the Southwest Florida Water Management District ("District"), Aloha Utilities, Inc. ("Aloha" or "Company") submits this Groundwater Withdrawal Compliance Plan. The purpose of the Plan is to demonstrate how and when the Utility will come into compliance with the strict pumping limitations set forth in the Company's Water Use Permit No. 203182.04 ("WUP"). The Plan is divided into four sections: an overview, demand and supply side conservation measures, environmental impact study and summary and a compliance schedule.

SECTION I - OVERVIEW

Aloha Utilities, Inc. is a PSC regulated water, wastewater and reuse service provider. The Company has eight production wells which draw from the floridan aquifer. The Company primarily provides residential potable water service to a population of approximately 25,000. The per capita gross usage as identified in the WUP is 121 gpd/person. The Utility has no central treatment facilities at this time. Its well fields are located between the Eldridge/Wilde and Pasco County ("County") well fields.

On April 27, 1999, the District issued its WUP to Aloha, for public service water supply. The permitted withdrawals included an annual average quantity of 2,040,000 gallons per day ("gpd") and peak monthly quantity of 2,470,000 gpd. Referencing these quantities the WUP states:

> ... and the quantities are unchanged from the previously permitted quantities. The permitted withdrawals will serve a portion of the population of the service area, but the quantities do not meet all of the present demand or the future demand within the service area.

Based on per capita consumption, historical usage in the service area has been below that of other area utilities. In the past, the Utility has had a core customer base in its Seven Springs service area comprised of retirees in one and two person households. The principal development in the service area was Veterans Village which contained small, garden and multi-family homes with limited square footage.

Usage characteristics in the Utility's Seven Springs service area have changed with the population demographic. South Pasco County is now a bedroom community of the

Tampa metropolitan area. The Trinity Development of Regional Impact has resulted in the construction of thousands of homes and millions of square feet of commercial development in the service area. These homes are relatively larger than those added to the system in years past, with more square footage and more water fixtures. The houses are occupied by larger, younger, more active families. The lot sizes have increased, accompanied by irrigation demands. Small commercial and light industrial development is now taking place in the service area with varied usage patterns. The growth rate in the service area is approximately 5% per year. However, due to changes in demographics, the increase in consumption is even greater than 5% in the service area.

The Aloha Seven Springs service area is located within the Northern Tampa Bay Water Use Caution Area ("WUCA"). The Utility's service area is surrounded by Tampa Bay Water, a regional water supply authority with eleven well fields located in Pasco, Pinellas and Hillsborough Counties. In May of 1998, the District entered into a Partnership Agreement with Tampa Bay Water and its member governments to develop new water supplies and reduce withdrawals from certain well fields in an effort to promote recovery from adverse environmental impacts caused by over pumping from groundwater sources. The District recently determined that drought conditions, along with Tampa Bay Water's well field pumping, in excess of the quantities authorized by its Consolidated Permit for the eleven well fields, have together created an acute emergency affecting the public health, safety and welfare.

In addition to the substantial customer growth in its service area, rainfall amounts in the Seven Springs and the surrounding areas have been below normal levels since October 1998, shortly before the WUP was issued. Since 1998 there has been an approximate 28" rainfall deficit. On a District wide basis, the year 2000 was the driest calendar year on record since 1915, with rainfall at only 67% of normal levels.

SECTION II - DEMAND SIDE WATER CONSERVATION MEASURES

The Compliance Plan proposed by Aloha Utilities includes both demand side and supply side measures. On demand side, the Company has already implemented, or intends to undertake, certain activities to promote water conservation.

A. Customer Direct Mail Billing Inserts

In late 2000, Aloha Utilities, Inc. acquired the capability to provide billing inserts to its customers with each monthly customer bill. The Company has utilized the billing inserts to notify customers of various issues concerning utility service. Principal among these issues is the Company's efforts to educate customers about water supply and use including the current drought conditions, methods and devices for conserving water, and

the importance of compliance with watering restrictions. A sample of the Company's billing inserts regarding conservation issues is enclosed as Exhibit "A". The Company is making District water conservation pamphlets and brochures available to its customers. The Company intends to continue its customer notice and information efforts to promote water conservation in an effort to reduce consumption and water pumpage.

B. Customer Conservation Programs

Conserving water provides a low-cost alternative to development of alternative water sources. The Company proposes to implement the following customer conservation programs to educate consumers, curtail additional increases in consumption, and achieve long term reductions in usage on an individual basis:

1. Retrofit Kit: The Company will initiate a program to make retrofit kits available to interested customers at no charge. The kit will include such items as low flow showerheads, low flow faucet aerators, leak detection tablets, replacement flapper valves, and educational materials regarding conservation. Customers will be informed of the program through billing inserts and other means.

2. Water Conservation Pilot Program: The Company will develop and implement a program to make available high efficiency water heaters and low flow toilets to utility customers. The program will provide for, or offer credits or other financial incentive toward, a selection of such devices to customers, monitor the water use of participants, and report to the District regarding the effectiveness of the program.

3. Mixed Media Conservation Messages: Through radio, television and billing inserts, the Company will budget monthly for media advertising to promote conservation.

4. Water Auditor: A full time staff position will be created to interact directly with customers, perform water audits, and recommend and promote water conversation measures. Audits will initially target large volume users in which improvements in overall water use efficiencies will have the greatest impact on Utility water withdrawals.

5. Additional Staffing: Initially, the Company will budget for staff to implement and promote consumer conversation programs.

6. Web Site: The Company is in the process of developing a web site to provide information to the general public about the Utility. The web site will include a section on conservation providing general information on the topic, specific information on Utility programs, and links to other useful sites.

The Company will further refine the details of this consumer conversation program in conjunction with the District's water shortage coordinator. The program is to be paid for from excess revenues generated by the conservation rates implemented pursuant to Waterate 2001 discussed below. The Company will develop these programs in the fourth quarter of 2001 and be in a position to implement them by March 31, 2002. These programs will proceed unless the Public Service Commission denies recognition of the funding for these programs as proposed by the Company in its pending rate case.

C. Implementation of Conservation Rates

The Utility's rates and charges are established by the Florida Public Service Commission. Rates and charges cannot be modified without the prior consent of the Commission. Historically, the Commission has done very little to promote the use of conversation rates, having approved such rates for less than ten utilities statewide. As a result of several issues arising from District WUP enforcement, including the purchase of water from Pasco County and the implementation of a conservation rate structure, the Public Service Commission is conditioning rate relief for the Company on the filing of a full rate case.

On April 2, 2001, representatives of Aloha attended the Waterate 2001 Workshop hosted by the District. At that time, the District provided information and training on software designed to assist in establishing a conservation or inverted block rate structure, the goal of which is to reduce water usage by at least 5% in the Company's service area. The Company utilized this software in preparing a conservation rate structure for its Application for Increase in Water Rates which was filed with the PSC on August 10, 2001.

The time frame required for completing of a rate case through completion is 13-19 months, as discussed in more detail below. At such time as the PSC authorizes a change in Aloha's rates, the Company will implement the conservation rate structure. According to the Waterate 2001 model, the Company can expect a substantial reduction in potable water use, over the use which would otherwise be expected for the same period. Unlike traditional rate setting in the water industry in Florida, use of a conservation rate structure will cause greater variability in system revenues. The Company estimates that, based on the District's model, revenues may exceed the approved revenue requirement by up to $288,900 annually. The Company has proposed to the PSC that, to the extent they occur, the Company should use such excess revenues to the further the conservation programs and alternative water source project set forth in this Compliance Plan and similar water resource objectives.

D. Wastewater Reuse System

Over the past three years, Aloha Utilities, Inc. has invested approximately $5,000,000 in upgrading its wastewater treatment facilities to provide public access

irrigation quality effluent to the public, and to construct a backbone transmission system to deliver effluent to commercial and residential property owners in the Seven Springs service area. This investment represents the single largest financial and operational undertaking in the Company's history. The construction of the Aloha reclaimed water facility has proceeded in two phases.

In 1997 the Company installed filters at its wastewater plant to improve treatment standards to provide effluent quality suitable for irrigation purposes. In January 1998, Aloha entered into a Cooperative Funding Agreement with the District for the design and construction of a portion of its reuse system. The purpose of the Agreement was a 50% cost sharing arrangement for the $1,800,000 phase 1 wastewater project being undertaken by Aloha. The project consisted of the design and construction of approximately 5 miles of water transmission main and appurtenant facilities extending from the existing terminus of the transmission system at the intersection of Mitchell Ranch Road and Little Road into the heart of its service area and terminating at the Fox Hollow Golf Course. The reuse system was also extended to commercial properties in close proximity to the wastewater plant. As stated in the Cooperative Funding Agreement, the project was a key component in a program to provide 800 million gallons per year of reclaimed water to offset ground water withdrawals in the Northern Tampa Bay WUCA. A copy of the Agreement is attached hereto as Exhibit "B". At the completion of phase 1, the Company was generating public access irrigation quality effluent. However, due to certain Department of Environmental Regulation requirements regarding Class 1 reliability and redundancy of plant components, the Company was limited to irrigation on the Mitchell Ranch, which offset substantial, long duration, agricultural irrigation occurring on that property.

Phase 2 of the reclaimed water facility was facilitated through a $5,200,000 financing completed on July 30, 1999. Loan proceeds were used to expand the wastewater treatment plant capacity from 1.2 to 1.6 mgd and to complete construction of the plant improvements necessary to achieve Class 1 reliability. As a result of the construction of the Aloha reclaimed water facility, and extension of the transmission system into the Seven Springs service area in the North Tampa Bay WUCA, the Department of Environmental Protection recently approved reuse service to 19 commercial sites and subdivisions. Delivery of effluent by Aloha to the Fox Hollow Golf Course alone offsets a permitted groundwater withdrawal capacity of 427,000 gpd and numerous other withdrawals. A list of the properties currently receiving reuse service, or to which service is available, is attached hereto as Exhibit "C." The Company may rely in part on the District's cooperation in ensuring that all such customers replace their groundwater withdrawals with reuse effluent as required by contract with the Utility or by water use permit restrictions.

On April 10, 2001 Aloha submitted permit documentation to DEP for Master Reuse System designation to extend service to reuse customers in the Seven Springs service

area without DEP approvals for each site. All of the groundwater withdrawals by Aloha pursuant to the WUP are either consumed by its utility customers or returned to the reclaimed water facility and the environment within the Seven Springs service area.

Aloha believes that investment in its reclaimed water facility and reuse transmission system was the single most effective means available to offset groundwater withdrawals for customer irrigation needs and mitigate environmental and water resource impacts caused by groundwater withdrawals for direct customer consumption. Acknowledgment by the District of the benefits of this program can be seen in the continued cooperative funding provided since the original Agreement. Aloha has sought, and continues to seek recognition by the District of the benefits of this program and the mitigation of groundwater withdrawals in the Company's service area in the North Tampa Bay WUCA.

E. Residential Reuse

For a number of years, Aloha Utilities has required developers in its service area to contractually obligate themselves to construct residential reuse distribution systems for new development within the service area. Aloha has been limited in its ability to enforce this requirement until public access irrigation quality effluent was in fact available to such projects. This has now occurred, and Aloha will continue to require new projects to construct reuse distribution systems and take back effluent as an alternative to potable water for irrigation purposes.

Aloha is now investigating the feasibility of retrofitting existing neighborhoods with reuse distribution facilities in an effort to offset potable water use with reuse for irrigation needs. While a number of governmental utilities have implemented such programs, very few PSC regulated utilities have been able to do so. Governmental utilities are free to establish compensatory rates for such programs, pass ordinances requiring usage or payment for irrigation water, and have broader access to grant funding, low interest loans and other favorable capital sources to finance these programs. Historically, even the District itself has not extended cooperative funding to finance the retrofitting of residential areas with reuse distribution systems. Aloha is willing to work with the District to pursue such programs based on financial feasibility under the PSC cost recovery and rate making guidelines.

SECTION III - SUPPLY SIDE CONSERVATION MEASURES

The Compliance Plan proposed by Aloha Utilities includes supply side measures to promote water conservation.

A. Purchased Water From Pasco County

Pursuant to prudent operating practices, and primarily as an emergency backup for the benefit of both systems, Aloha Utilities, Inc. and Pasco County established a water system interconnect a number of years ago. Since that time, Aloha has, on occasion, purchased relatively modest amounts of water from the County on an as-needed basis. One alternative to reduce the Utility's pumping to levels set forth in the WUP is to purchase water from Pasco County in a quantity which makes up the difference between the permit limits and the demand in its Seven Springs water system. This alternative presents several issues which must be addressed.

First, the Company currently purchases water from the County on as-needed basis, and it's unclear whether the County would commit to provide water to the Utility in quantities required to bring the Utilities pumpage within the limits set forth in the WUP. Second, the Utility has not yet determined the overall effect of purchased water from Pasco County on its water system and quality. The County employs different treatment processes, has a product with a different water chemistry, and is involved in a different corrosion control program. Material alterations to Aloha's water treatment processes, with the attendant costs, must be considered in order to accommodate large quantities of purchased water from the County or any other source.

The next issue to be addressed is the one of cost. The County charges $2.20 per 1000 gallons for water purchased by Aloha Utilities. The County recently announced that the charge will be increased to $2.35. The Utility currently has an approved commodity charge of $1.25 per thousand gallons which it charges to its customers. Purchasing water from the County will increase the cost of water to Aloha, and therefore its customers, by over $1,000,000. It also raises two relevant timing issues.

Until such time as Tampa Bay Water in general, in Pasco County in particular, have developed alternative water supply sources pursuant to the requirements of the Consolidated Permit, the customers of Aloha Utilities are simply replacing water drawn from Aloha Utilities with water drawn from a County well field a few miles away, both within the North Tampa Bay WUCA. Arguably, the additional demand placed on the Pasco County well fields as a result of the sale of water to Aloha will have a more deleterious effect on the environment than continued pumping by Aloha from its eight smaller, scattered wells. It short, purchasing water has not been demonstrated to benefit the environment, and may in fact be doing more harm. Therefore, until such time as alternative water sources are in place, it is questionable whether a compliance plan should require purchased water from Pasco County.

The second timing issue is the requirement that the Utility obtain Public Service Commission approval for a rate increase in order to generate revenues sufficient to pay the higher cost of water purchased from Pasco County. Further to that goal, in February 2001, the Utility filed an Application for Limited Proceeding for Emergency,

Temporary, and Permanent Increase in Water Rates with the Public Service Commission for the narrow purpose of increasing rates to pay for the higher cost of water purchased from Pasco County. The filing of a limited proceeding was intended to take advantage of the more streamlined and faster review and approval process available for certain types of cases at the Commission. However, on April 3, 2001, the Commission threw out the Utility's Application. The Commission's reasoning in part was that, notwithstanding the declaration of a water shortage emergency by the District's Executive Director in Executive Director Order No.SWF 01-14 ("Order"), the Order raised far too many issues, and resulting rate matters, to isolate and handle in the Limited Proceeding. Therefore, in order to establish the rates necessary to pay for purchased water from Pasco County, the Utility was required to file a traditional rate case with the Public Service Commission.

On April 16, the Utility filed with the PSC a request for a test year approval. On April 27, the Commission issued approval of the test year to be used in the rate case. The Utility, with its legal, engineering and accounting consultants then prepared the minimum filing requirements ("MFR's") set forth in the Commission rules to properly file the rate case. Since the Commission has insisted on the use of a projected test year, rather than a historic test year with pro forma adjustments for the purchased water from Pasco County, the MFR preparation period proposed required a minimum of 90 days. The Utility filed its rate case Application on August 10, 2001.

Prior to identifying an official date of filing, the Commission will review the application and, in most cases, identify deficiencies to be corrected by the Utility. This normally takes 30 days for such review, followed by up to 30 days for the Utility to correct any deficiencies. The official date of filing will then be established and the rate case will formally begin. From that point, the Commission has, by statute, eight months to conduct the case. The Commission will utilize that entire period of time. After eight months, the Commission will issue an order granting some, or all, of the rate relief requested by the Company. Based on precedent, the Commission will fail to grant a portion of the requested rate increase, and certain issues will be identified as in dispute between the Commission and the Utility. Within 15 days of the issuance of the Commission order, the Utility may file a Motion for Reconsideration on the points in dispute. Other parties will have 12 days to respond. An additional 60 days is required for Commission consideration and ruling on the Motion. Thereafter, a 20 day period is required for issuance of a final order. The total time frame for the rate case is estimated to be at 16 months, with a range of between 13 and 19 months. At that time, the Utility will be in a position to pay for water it purchases from Pasco County. If the PSC process can be accelerated, the Utility will be in a position to purchase water as soon as rates which will allow such purchases are granted and implemented.

On April 12, 2001, District General Counsel, William Bilenky appeared before the Public Service Commission to address the District's actions in this case in the context of

the requested rate increase by Aloha Utilities, Inc. Mr. Bilenky's comments indicated the District's willingness to work with the Utility over time to address the noncompliance with the WUP. The Utility appreciates the District's cooperative approach in this matter. However, the District's position contributes to relieving the Commission of any urgency in acting on the Utility's rate increase, a prerequisite to the purchase of water from Pasco County as an alternative to over pumping under its WUP. Therefore, to the extent the Compliance Plan focuses on the purchase of water from Pasco County, the schedule for compliance will be subject to the 13-19 month PSC approval process.

Public Service Commission procedures will not allow a Utility to establish interim rates to begin to collect all or a portion of the rate increase related to increased purchased water costs prior to completion of the rate case.

B. Alternative Water Sources

Over the past two years, the Utility's consulting engineers undertook a thorough search of existing WUPs in and around its existing water service area to ascertain whether any wells or water withdrawal permits remained unused. The Utility was unsuccessful in locating and/or negotiating for the transfer of an unused or underutilized water use permits. Further, assignment and transfer of ownership and location of WUPs is within the District's discretion. In discussions with the Utility representatives, District Staff have appeared unwilling to approve any such transfer of ownership or location, raising the question of whether any benefit may be expected from efforts to utilize a third party WUP.

In 1997, in conjunction with an engineering report required by the Public Service Commission with regard to construction of centralized water treatment facilities in the Seven Springs area, the Company's consulting engineers prepared a comprehensive report on the water demand in the service area. That report demonstrated that water demand will continue to increase with population in the service area. Such population growth, and resulting water demand, is not only outside the control of the Utility, it is the Utility's legal duty to provide potable water service to this expanding customer base. At the time of the Utility's WUP renewal in 1999, the District recognized that the failure to change previously permitted quantities would mean that such quantities would not meet all of the present or future demand within the service area. Neither the Utility nor the District can ignore the reality of population growth in this service area.

The Utility, through its consulting engineer, has undertaken a study of possible water source alternatives. The Company has determined, on a preliminary basis, that it is feasible to construct a 2,500,000 gpd, average annual daily demand, reverse osmosis water treatment facility. Preliminary construction cost estimate for the system is approximately $25,000,000. The steps necessary to undertake and complete such a project include conceptual engineering, hydro geologic data review, regulatory feasibility

assessment, construction cost estimate, secure financing, engineering and hydrology studies, finalize implementation plan, detailed design, permitting, construction and startup. The time frame for these tasks is approximately 60 months.

Subject to financial feasibility and regulatory approvals, the Company proposes to construct the reverse osmosis treatment plant. The Company will also be seeking financial assistance from the District for this project. This is the type of project the District has funded for Tampa Bay Water and other water service providers to encourage use of alternative sources, especially in WUCA's. This alternative water source should prove sufficient to allow for continued withdrawal under the WUP within the permit limits. Amounts in excess of the permit may be required on an interim basis from time to time.

SECTION IV - ENVIRONMENTAL IMPACT STUDY BASED ON CURRENT PUMPING LEVELS

Over the course of the last two to three years, the Company has slowly increased its pumping levels over the limits set forth in the WUP as a result of the increased customer base within the service area and increased demand resulting from drought conditions. Given the relatively small and scattered well sites utilized by the Company, negative environmental impact as a result of pumping in excess of the WUP limits are not readily apparent. Nevertheless, District staff has indicated that no increase in the pumping limits under the WUP will be approved. This is due in part to the environmental impact of over pumping by Tampa Bay Water within the Northern Tampa Bay WUCA.

The Order calls for Tampa Bay Water to evaluate and update environmental and water resource impacts caused by pumping from the consolidated permit well fields. As certain of these well fields are located in close proximity to the Company's well fields, it may be reasonable to consider a study of the environmental impacts of the Utility's current pumping levels as a small part of this analysis. The Company would be interested in cooperating in such an evaluation. This may assist in determining whether recent pumping levels may be sustained without damage to the environment, which should be considered as a reasonable alternative to other water sources, including the purchase of water from Pasco County and Tampa Bay Water. Further discussions between the parties are necessary to determine the parameters and potential benefits of such a study.

SECTION V - SUMMARY AND COMPLIANCE SCHEDULE

The Compliance Plan and schedule for Aloha Utilities, Inc. may be summarized as follows:

PLAN COMPONENT	COMPLIANCE SCHEDULE
Customer Direct Mail and Education Efforts	Current and ongoing
Consumer Conservation Programs	March 31, 2002
Implementation of Conservation Rates	PSC approval expected in 13-19 months
Wastewater Reuse System	Current and Ongoing
Residential Reuse	Current and Ongoing
Purchase Water from Pasco County	13-19 months for PSC approval of rates to support purchased water
Alternative Water Sources	60 months

The Utility views the purchase of water from Pasco County to be one of several components of the Compliance Plan. The Utility does not view this as a single, long term solution to the water demand in the service area. In the short term, the purchased water has operational and cost problems, as well as, raising questions of the environmental impact of purchased water from Tampa Bay Water and Pasco County.

Subject to financial feasibility and regulatory approvals, the Company proposes to construct a 2.5 mgd reverse osmosis treatment plant. This alternative water source should provide a sufficient water source to allow for continued withdrawal under the WUP within the permit limits, without reliance on purchased water.

Aloha/33/Compliance Plan6.doc

Steve DeSmith

09/12/01 02:45 PM

To: Margaret Lytle/LEG/swfwmd@swfwmd
cc: John Parker/BKV_REG/swfwmd@swfwmd
Subject: Review of Aloha Utilities September 7, 2001 Response To Proposed Consent Order Agreement, WUP# 20003182.004 / CT-55948

Margaret,

I have reviewed the September 7, 2001, information submitted by Aloha Utilities and am still disappointed with their response. Nothing submitted so far commits them to any real measure(s) to reduce their over-pumping to the permitted quantities. The customer education and voluntary retrofit (household plumbing devices) program they discussed should have been initiated and implemented years ago and are generally not that effective for significantly reducing water usage within a service area. Landscape irrigation is usually the main water usage component in public supply systems, which the Utility has indicated they have little control over.

The two main proposed conservation measures advanced by the Utility, the pending PSC rate case and the proposed Reverse Osmosis facility, contain this Utility's typical delaying tactic and "wait and see" approach. They want to wait another 13-19 months to see if the PSC rate case "pans-out" and wait another 60 months to see what develops regarding the proposed Reverse Osmosis (RO) facility [Note: The proposed RO facility is a "red-herring" in my opinion, as I do not think FDEP would approve such a facility within the Aloha Utilities service area, due to the difficulty of disposing of the brine-water-concentrate produced during the RO process]. In the meantime, they apparently want us to let them continue to over-pump without any restrictions or penalties. This an unsatisfactory proposal.

It does appear that their cost assessment of $1,000,000 per year to purchase water from Pasco County is probably unexaggerated. Since I do not know the Utility's financial circumstances, this cost may have been economically infeasible fro them. However, it is my recollection that they were the one's to suggest this arrangement in January 1999, during the renewal of the current permit. They also assured District staff on multiple occasions after that date, but prior to the date the proposed Consent Order agreement was sent in January 2001, that they were actively pursuing the interconnection option. They never expressed any concerns about purchase costs from Pasco County until two-years later, after they received the proposed Consent Order agreement. Only then did they raise the concern that purchasing water from Pasco County was to costly at this point in time.

Therefore, as I previously concluded in my May 23, 2001 memorandum to you, their proposed conservation measures, as of the September 7, 2001 submittal, contain nothing that would cause me to expect that the overall water use pattern of the service area will begin to decrease or that groundwater withdrawals will come into compliance with the currently permitted quantities anytime soon.

If you have any questions or needed further information regarding this matter, please contact me at extension 4324.

Steven W. DeSmith, P.G.
Water Use Section
Brooksville Regulation Department
Ext: 4324 FAX: 352-754-6882

Steve DeSmith

09/14/01 11:06 AM

To: John Parker/BKV_REG/swfwmd@swfwmd
cc: Margaret Lytle/LEG/swfwmd@swfwmd
Subject: Re:Aloha Utilities RO Facility Proposal

I discussed the Aloha Utility's (AU) proposed reverse osmosis (RO) project with Eric Eshom, P.G., SWFWMD, and Judy Richter, P.G., FDEP, and both concur with my initial impression that we should be very skeptical regarding the feasibility of constructing a 2.5 MGD RO facility at this location. Ms. Richter questioned the qualifications of the person that has proposed this project. In her experience there are only a few firms within the state that have the expertise to handle RO projects.

Each of us question the hydrogeological feasibility of the proposal. There are serious hydrogeological and engineering concerns that were not addressed in AU's proposal.

However, I am not advocating that we reject "out-of-hand" their proposal. If they are serious, we should require them to develop and commit to specific time frames and schedules that will show that real progress towards constructing the proposed RO facility is being made, including the following items:

- Submit feasibility report to SWFWMD within 90 days regarding RO facility
- Submit permit application to FDEP within 30-60 days for RO facility
- Demonstrate good-faith cooperation with FDEP regarding obtaining appropriate permit(s) for RO facility
- Submit permit application to SWFWMD to modify WUP to include RO facility
- Begin construction activities within 90 days of all agency permit approvals.

I look forward to discussing this further at the 10am, September 19th ,WU staff meeting.

Steven W. DeSmith, P.G.
Water Use Regulation
Brooksville Regulation Department
Southwest Florida Water Management District
John Parker

John Parker

09/12/01 03:38 PM

To: Steve DeSmith/BKV_REG/swfwmd@swfwmd
cc: Margaret Lytle/LEG/swfwmd@swfwmd
Subject: Re: Review of Aloha Utilities September 7, 2001 Response To Proposed Consent Order Agreement, WUP# 20003182.004 / CT-55948

The RO source option may be feasible and it may be a serious proposal and not simply a delay strategy. If it is feasible, it may be a better long-term solution than using the interconnection to the Tampa Bay Water system through Pasco County. Some research on our part is warranted at this time, regarding comparable projects apparently being pursued in Pinellas Park by Tampa Bay Water, and by the City of Oldsmar. Kathy Scott of Conservation Projects can provide some leads to the people directly involved in those projects.

If after this research the RO potential appears real, then I think we should consider it seriously, and brainstorm some about how to create the most effective incentives for the utility to move forward with real progress. Steve, please do the research before the 19th, and share your findings with me and Margaret when we meet on the 19th.

Steve DeSmith

Steve DeSmith

To: Margaret Lytle/LEG/swfwmd@swfwmd

09/12/2001 02:45 PM

cc: John Parker/BKV_REG/swfwmd@swfwmd
Subject: Review of Aloha Utilities September 7, 2001 Response To Proposed Consent Order Agreement, WUP# 20003182.004 / CT-55948

Margaret,

I have reviewed the September 7, 2001, information submitted by Aloha Utilities and am still disappointed with their response. Nothing submitted so far commits them to any real measure(s) to reduce their over-pumping to the permitted quantities. The customer education and voluntary retrofit (household plumbing devices) program they discussed should have been initiated and implemented years ago and are generally not that effective for significantly reducing water usage within a service area. Landscape irrigation is usually the main water usage component in public supply systems, which the Utility has indicated they have little control over.

The two main proposed conservation measures advanced by the Utility, the pending PSC rate case and the proposed Reverse Osmosis facility, contain this Utility's typical delaying tactic and "wait and see" approach. They want to wait another 13-19 months to see if the PSC rate case "pans-out" and wait another 60 months to see what develops regarding the proposed Reverse Osmosis (RO) facility [Note: The proposed RO facility is a "red-herring" in my opinion, as I do not think FDEP would approve such a facility within the Aloha Utilities service area, due to the difficulty of disposing of the brine-water-concentrate produced during the RO process]. In the meantime, they apparently want us to let them continue to over-pump without any restrictions or penalties. This an unsatisfactory proposal.

It does appear that their cost assessment of $1,000,000 per year to purchase water from Pasco County is probably unexaggerated. Since I do not know the Utility's financial circumstances, this cost may have been economically infeasible fro them. However, it is my recollection that they were the one's to suggest this arrangement in January 1999, during the renewal of the current permit. They also assured District staff on multiple occasions after that date, but prior to the date the proposed Consent Order agreement was sent in January 2001, that they were actively pursuing the interconnection option. They never expressed any concerns about purchase costs from Pasco County until two-years later, after they received the proposed Consent Order agreement. Only then did they raise the concern that purchasing water from Pasco County was to costly at this point in time.

Therefore, as I previously concluded in my May 23, 2001 memorandum to you, their proposed conservation measures, as of the September 7, 2001 submittal, contain nothing that would cause me to expect that the overall water use pattern of the service area will begin to decrease or that groundwater withdrawals will come into compliance with the currently permitted quantities anytime soon.

If you have any questions or needed further information regarding this matter, please contact me at extension 4324.

Steven W. DeSmith, P.G.
Water Use Section
Brooksville Regulation Department
Ext: 4324 FAX: 352-754-6882

Steve DeSmith

09/19/01 05:22 PM

To: Margaret Lytle/LEG/swfwmd@swfwmd
cc: John Parker/BKV_REG/swfwmd@swfwmd
Subject: Aloha Utilities Proposed RO Project

Margaret,

Based on the discussions we had today at the WUR staff meeting, here is my recommended timeline for Aloha Utilities to conduct a Feasibility Study regarding their proposed RO project.

Step 1 (90-day time period)
Hire a consultant specializing in RO projects to perform the Feasibility Study
Step 2 (90-day time period)
Submit a "Scope of Work" proposal outlining the Feasibility Study that addresses, but is not limited, to the following;

1. Anticipated water quality of aquifer zones that RO withdrawals will come from;
2. Anticipated water quality of aquifer zones that brine-water concentrate (RO reject water) will be injected into, as applicable;
3. Anticipated number of RO wells, proposed well locations, proposed well construction details (e.g., casing and total depth, pumping capacity, etc), and projected well construction costs;
4. Schedule and details of proposed hydrogeological testing to determine feasibility of RO project (e.g., vertical water quality profiling, Aquifer Performance Testing, geophysical logging, groundwater modeling of potential drawdown impacts, etc.), and estimated costs for hydrogeological testing;
5. Anticipated RO treatment costs;
6. Anticipated overall costs for RO facility

Step 3 (180-day time period)
Perform hydrogeological testing.

Step 4 (90-day time period)
Complete Feasibility Study and submit final results.

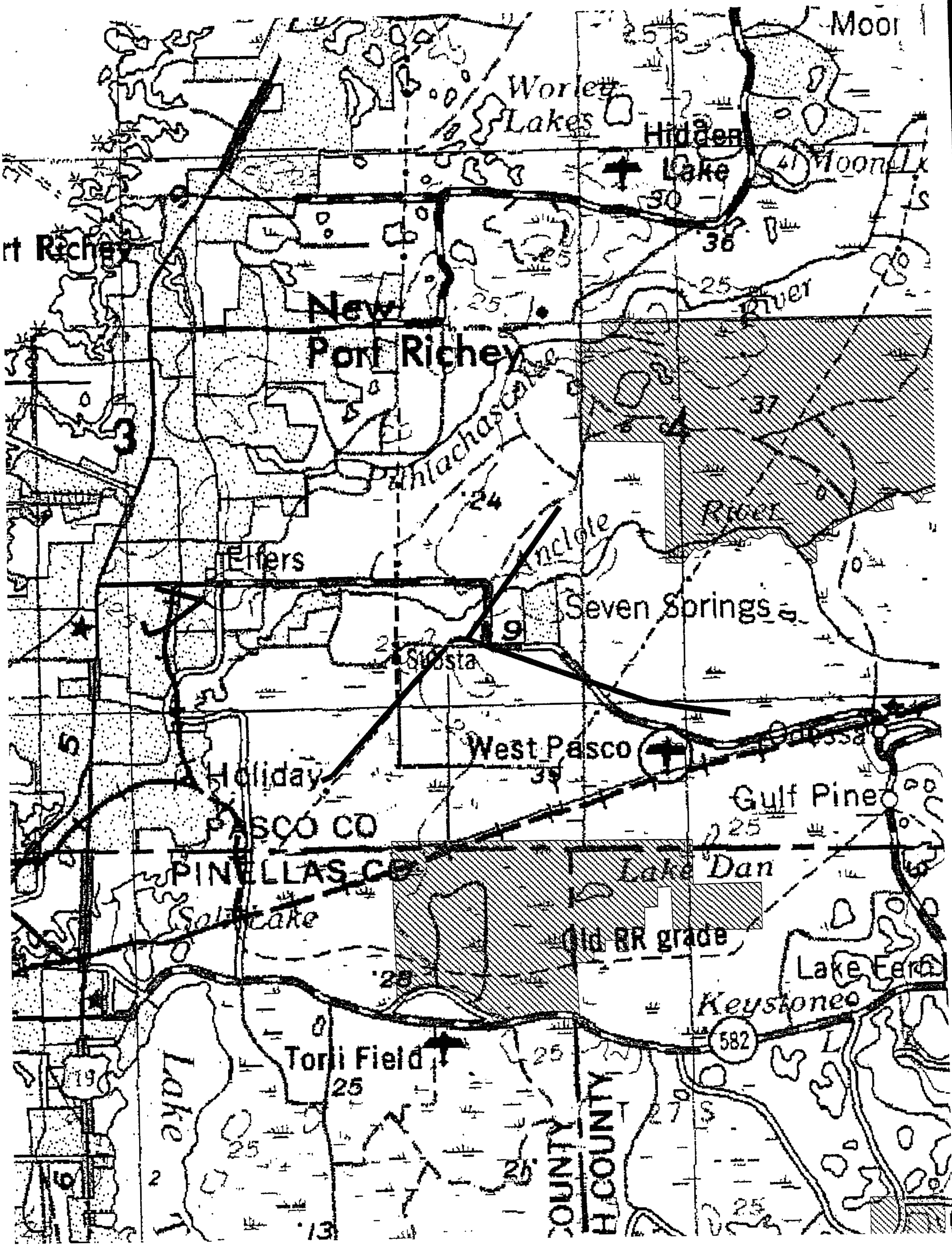
The total amount of time to complete the Feasibility Study is about 15 months.

If you need any further information, please let me know.

Steven W. DeSmith, P.G.
Water Use Section
Brooksville Regulation Department
Ext: 4324 FAX: 352-754-6882

Aloha U

90 days - Consultant is hired and preparing "Scope of work".
90 days - Scope of work report submitted
- └ ~~Pilot~~ hydrogeological testing
  construct Test well
  ApT



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Aloha Utility Service Area
City of Oldsmar
Pinellas Park
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Aloha Utility Service Area
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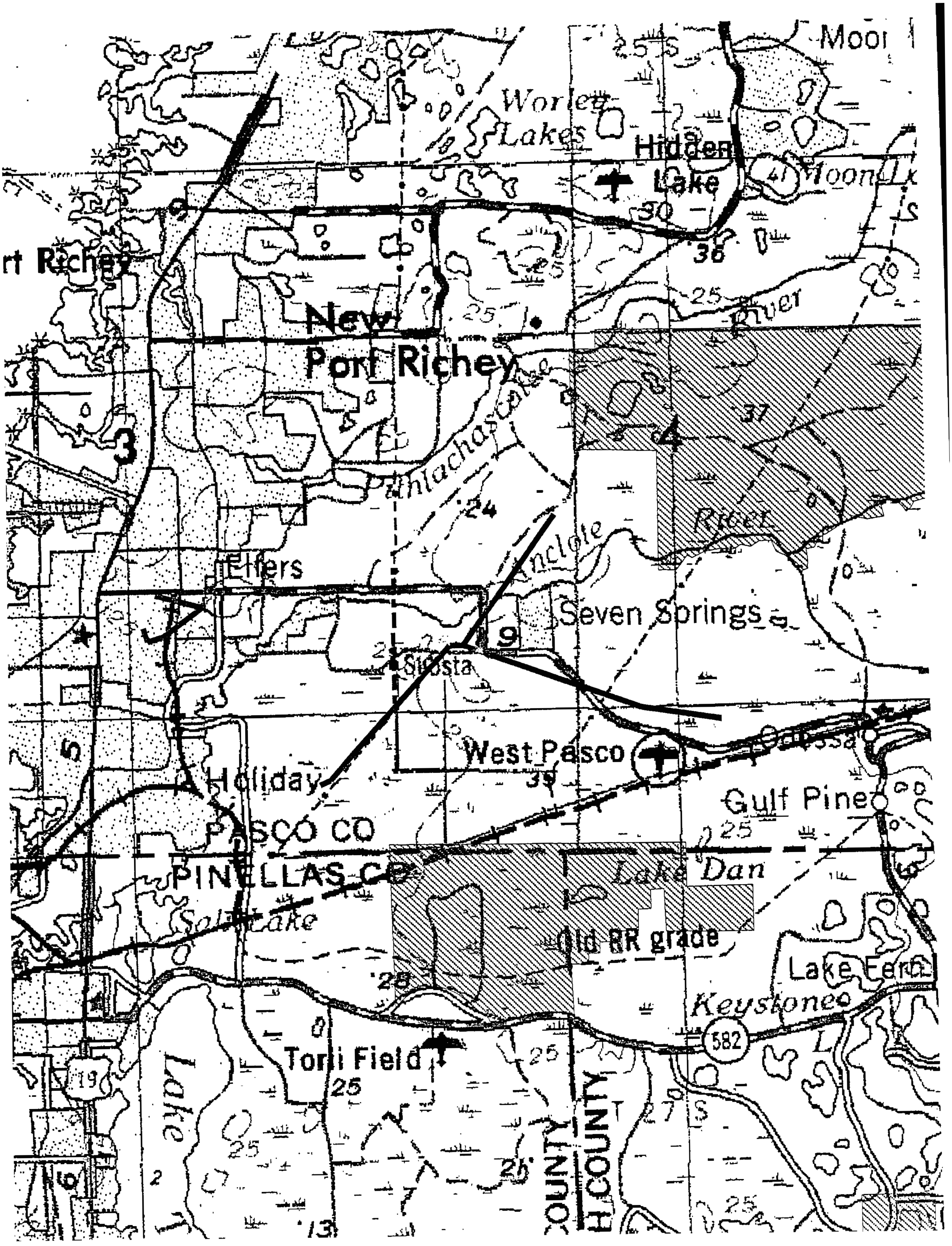
Hudson
New Port Richey
Port Richey
Gulf Harbors
Elfers
West Pasco
Gulf Pine
PASCO CO
PINELLAS CO
PINELLAS COUNTY
HILLSBOROUGH COUNTY
Tarpon Springs
Crystal Beach
Palm Harbor
Oldsmar
Dunedin
CALADESI ISLAND
CALADESI ISLAND STATE PARK
Safety Harbor
Clearwater
Largo
Pinellas Park
ST PETERSBURG
St Petersburg Beach
Treasure Island
Madeira Beach
Redington Beach
Redington Shores
Indian Rocks Beach
Belleair Beach
HILLSBOROUGH PINELLAS
HILLSBOROUGH BAY
MAC DILL AIR FORCE BASE
TAMPA
Temple Terrace
Apollo Beach
Ruskin
Gibsonton
Lutz
Land O' Lakes
Denham
Fivay Junction
Moon Lake Estates
Mound Lake
PINELLAS N W R
Spoil Areas
PINELLAS COUNTY AQUATIC PRESERVE BOUNDARY



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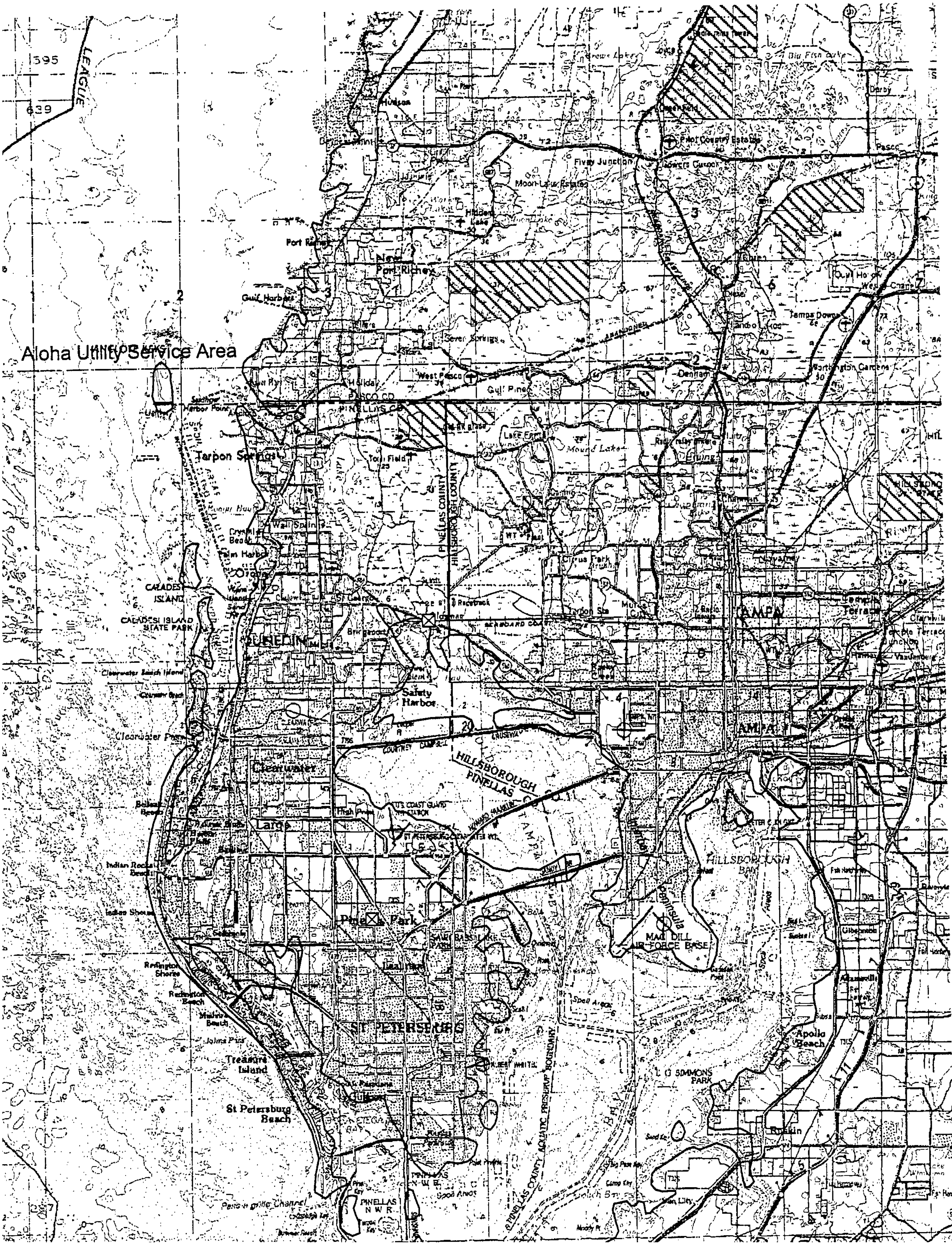
Aloha Utility Service Area
LEAGUE
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639
Hudson
Port Richey
New Port Richey
Gulf Harbors
Fivay Junction
Moon Lake Estates
Pilot Country Estates
West Pasco
Denham
Tampa Downs
Worthington Gardens
PASCO CO
PINELLAS CO
Tarpon Springs
Crystal Beach
Palm Harbor
CALADESI ISLAND
CALADESI ISLAND STATE PARK
DUNEDIN
Safety Harbor
Clearwater
Largo
PINELLAS COUNTY
HILLSBOROUGH COUNTY
HILLSBOROUGH
PINELLAS
TAMPA
Temple Terrace
Indian Rocks Beach
Pinellas Park
Redington Shores
Redington Beach
Madeira Beach
ST PETERSBURG
Treasure Island
St Petersburg Beach
HILLSBOROUGH BAY
Peninsula
MAC DILL AIR FORCE BASE
L D SIMMONS PARK
Apollo Beach
Ruskin
PINELLAS N W R
PINELLAS COUNTY AQUATIC PRESERVE BOUNDARY

South West Florida
Water Management District

2379 Broad Street, Brooksville, Florida 34604-6899
(352) 796-7211 or 1-800-423-1476 (FL only)
SUNCOM 628-4150 TDD only 1-800-231-6103 (FL only)
On the Internet at: WaterMatters.org

An Equal Opportunity Employer

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7601 Highway 301 North
Tampa, Florida 33637-6759
(813) 985-7481 or
1-800-836-0797 (FL only)
SUNCOM 578-2070

Bartow Service Office
170 Century Boulevard
Bartow, Florida 33830-7700
(863) 534-1448 or
1-800-492-7862 (FL only)
SUNCOM 572-6200

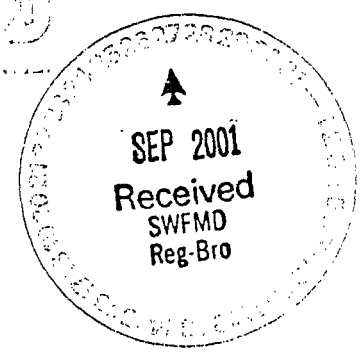
Sarasota Service Office
6750 Fruitville Road
Sarasota, Florida 34240-9711
(941) 377-3722 or
1-800-320-3503 (FL only)
SUNCOM 531-6900

Lecanto Service Office
3600 West Sovereign Path
Suite 226
Lecanto, Florida 34461-8070
(352) 527-8131
SUNCOM 667-3271

September 26, 2001

VIA FACSIMILE
AND U.S. MAIL

John R. Jenkins, Esquire
Rose, Sundstrom & Bentley, LLP
2548 Blairstone Pines Drive
Tallahassee, Florida 32301



Subject: Revised Compliance Plan dated 9/7/01
Aloha Utilities, Inc.
Water Use Permit No. 203182.004

Dear Mr. Jenkins:

The District received Aloha Utilities, Inc.'s revised proposed Compliance Plan on September 7, 2001. District staff have reviewed the information, and provide the following comments.

Section II

1. Section II of the revised Compliance Plan still does not include specific targets for reduction in short term demand, specific measures to reduce system-wide demands, and measures to curtail additional demand increases until compliance with the permit is achieved. Aloha must specifically address control of growth until such time as it is in compliance with its permit or has alternative sources on-line.

2. Section II(B) - Customer Conservation Programs: Please include in the Compliance Plan an estimate of the numbers of retrofit kits Aloha plans to offer to customers, and the anticipated costs of this program. Additionally, please provide additional information concerning the anticipated costs of the proposed Water Conservation Pilot Program, and how Aloha plans to implement the program. Details should include what types of devices will be offered, how and for how long monitoring will be conducted, and when Aloha would anticipate reporting preliminary and final results to the District. The District would suggest that an initial report concerning implementation of the program be made within 60 days of such implementation, that a preliminary report be made in six months, and a final report in one year. Finally, please indicate the annual budget for each category of media for conservation messages, the proposed additional staffing for conservation, and the proposed web site.

3. Section II(C) - The last sentence of this section states that Aloha would plan to use excess revenues "... to further the conservation programs and alternative source project set forth in this Compliance Plan **and similar water resource objectives**." [emphasis added.] This language should be modified to state "... similar water resource objectives as approved by the District."

4. Section II(E) - Please provide additional details concerning Aloha's proposed feasibility investigation of retrofitting existing residential neighborhoods for reuse.

Section III

5. Section III(A) - This section should contain a specific commitment by Aloha to purchase water through the Pasco County interconnect after approval of a rate increase by the Public Service Commission (PSC), until and unless the District agrees the use of the interconnect is not technically feasible. The plan should quantify the amount of water Aloha anticipates being able to obtain through the interconnect, when the interconnect will be operating, and the anticipated reduction in groundwater withdrawals from Aloha's wells.

6. Section III(B) - Aloha's proposal to investigate the feasibility of constructing a reverse osmosis (RO) water treatment facility may provide a long term solution to Aloha's water supply difficulties. However, in order to be acceptable to the District, the Compliance Plan must contain a more detailed description of the proposed Feasibility Study, as described below.

   a. Step 1 - Within 30 days of approval of the Consent Order by the District's Governing Board, Aloha must hire a consultant specializing in RO projects to perform the Feasibility Study.

   b. Step 2 - Within 120 days of approval of the Consent Order by the District's Governing Board, Aloha must submit a Scope of Work to the District, outlining the Feasibility Study. The Scope of Work should, at a minimum, address the following:

      i. The anticipated water quality of source aquifer zones for RO withdrawals;

      ii. The proposed method of disposal of brine-water concentrate, and if injection is the intended method of disposal, describe the anticipated water quality of the disposal aquifer zones;

      iii. The anticipated number of RO wells, proposed well locations, proposed well construction details (e.g., casing and total depths, and pumping capacity), and projected well construction costs;

iv. The anticipated schedule and details of proposed hydrogeological testing to determine the technical feasibility of the RO project (e.g., vertical water quality profiling, Aquifer Performance Testing, geophysical logging, and groundwater modeling of potential drawdown impacts), and estimated costs for hydrogeological testing;

v. The anticipated RO treatment costs; and

vi. The anticipated total costs for the RO facility.

c. Step 3 - Within 240 days of approval of the Consent Order by the District's Governing Board, Aloha shall perform all necessary hydrogeological testing.

d. Step 4 - Within 360 days of approval of the Consent Order by the District's Governing Board, Aloha shall complete the Feasibility Study and submit the final results to the District.

If Aloha intends to seek District funding for this project, the company should contact Bart Weiss, in the District's Resource Conservation and Development Department. However, Aloha should be aware that there is no guarantee the project will receive cooperative funding. Additionally, with cooperative funding projects it would be important to show that the proposed project will reduce existing authorized groundwater withdrawals, rather than merely address an overpumping situation.

Consent Order

If your client believes it can agree to the above-described changes to the Compliance Plan, the only remaining issue to be resolved in regard to the Consent Order would be the proposed penalty. Based upon the penalty matrix approved by the District's Governing Board, and Aloha's pumpage, the penalty warranted through the end of August 2001 would be $439,554.45. The District proposes to suspend the penalty until completion of the Feasibility Study, so long as Aloha remains in compliance with the Consent Order and Compliance Plan. However, the District will require that Aloha pay $1,000.00 in District enforcement costs within ten days of approval of the Consent Order by the District's Governing Board. Upon completion of the Feasibility Study, if Aloha proceeds to construct the RO facility, the District will waive the penalty. If upon completion of the study it is determined that the RO facility will not be constructed, Aloha must pay the penalty to the District or propose an alternative water conservation project acceptable to the District.

Mediation

In the event the parties cannot finalize the details of the Consent Order and Compliance Plan before October 10, 2001, I suggest we use the October 17, 2001 mediation date reserved with Mr. Smith to attempt to reach a settlement.

You may contact me at the District's Brooksville office, extension 4660, if you have any questions or wish to discuss this matter further.

Sincerely,

Margaret M. Lytle

Margaret M. Lytle
Assistant General Counsel

cc: Paul Desmarais
John Parker
Steve DeSmith
Jennie Lingo, PSC

EXHIBIT TLB-7

ALOHA'S RESPONSE TO PSC STAFF'S INTERROGATORY NO. 25

Interrogatory No. 25

Please provide the number of gallons of both pumped and purchased water in the format provided below. Please note that this request includes the first six months of historical data for the calendar year 2001.

Response

See Attachment F. (Stephen Watford)

DOCKET NO. 010503
STAFF'S FIRST SET OF INTERROGATORIES
ITEM #25

	Mitchell								Purchased from	TOTAL PUMPED
Month/2001	Well #1	Well #2	Well #3	Well #4	Well #6	Well #7	Well #8	Well #9	Pasco County	AND PURCHASED
June	18,584,000	15,098,000	2,918,700	3,067,000	12,872,000	16,001,000	9,360,000	15,586,000	0	93,486,700
May	35,340,000	15,192,000	5,520,400	6,740,000	4,364,000	18,169,000	17,624,000	18,952,000	0	121,901,400
April	35,059,000	10,865,000	4,336,700	5,567,000	643,000	16,892,000	11,545,000	14,119,000	0	99,026,700
March	19,498,000	12,602,000	2,642,200	3,057,000	9,922,000	16,574,000	12,728,000	12,835,000	289,000	90,147,200
Feb	7,954,000	11,455,000	4,092,400	655,000	9,254,000	11,899,000	11,458,000	11,949,000	36,200,000	104,916,400
Jan	8,824,000	4,804,000	1,886,200	18,000	1,377,000	2,489,000	4,387,000	3,573,541	66,567,000	93,925,741
Totals	**125,259,000**	**70,016,000**	**21,396,600**	**19,104,000**	**38,432,000**	**82,024,000**	**67,102,000**	**77,014,541**	**103,056,000**	**603,404,141**
Month/2000	**Well #1**	**Well #2**	**Well #3**	**Well #4**	**Well #6**	**Well #7**	**Well #8**	**Well #9**		
Dec	15,667,000	8,258,000	5,093,900	5,263,000	6,281,000	4,645,000	9,281,000	4,995,550	36,155,500	95,639,950
Nov	27,964,000	13,188,000	6,884,900	8,191,000	10,436,000	10,769,000	10,003,000	9,351,000	2,691,000	99,477,900
Oct	34,497,000	13,196,000	7,811,700	10,203,000	11,348,000	10,714,000	11,436,000	11,698,000	416,000	111,319,700
Sept	22,577,000	12,762,000	6,470,100	8,403,000	6,214,000	6,219,000	7,926,000	2,956,000	0	73,527,100
Aug	27,588,000	13,440,000	6,094,600	7,237,000	8,560,000	8,223,000	6,483,000	3,654,000	0	81,279,600
July	23,759,000	10,338,000	6,964,400	7,578,000	9,494,000	9,026,000	7,345,000	7,437,000	1,000	81,942,400
June	25,002,000	12,224,000	7,095,700	7,511,000	11,893,000	11,928,000	10,867,000	11,369,000	13,132,000	111,021,700
May	29,054,000	11,200,000	4,564,500	4,673,000	13,767,000	13,354,000	14,507,000	14,800,000	15,362,000	121,281,500
April	13,990,000	15,034,000	5,520,400	6,884,000	10,011,000	10,059,000	11,261,000	12,501,000	14,494,000	99,754,400
March	0	18,637,000	7,992,400	8,571,000	8,705,000	10,881,000	14,114,000	16,924,000	15,116,000	100,940,400
Feb	23,596,000	13,228,000	6,096,800	7,937,000	7,383,000	7,866,000	8,578,000	9,544,000	5,133,000	89,361,800
Jan	27,965,000	11,319,000	5,186,000	5,927,000	6,427,000	7,933,000	8,644,000	0	8,615,000	82,016,000
Yearly Totals	**271,659,000**	**152,824,000**	**75,775,400**	**88,378,000**	**110,519,000**	**111,617,000**	**120,445,000**	**105,229,550**	**111,115,500**	**1,147,562,450**
Month/1999	**Well #1**	**Well #2**	**Well #3**	**Well #4**	**Well #6**	**Well #7**	**Well #8**	**Well #9**		
Dec	21,045,000	7,902,000	5,962,700	7,198,000	10,145,000	11,344,000	9,421,000	5,994,000	8,319,000	87,330,700
Nov	21,556,000	7,316,000	5,161,000	6,191,000	11,657,000	12,773,000	8,631,000	12,951,000	8,491,000	94,727,000
Oct	15,711,000	12,937,000	4,420,200	5,872,000	9,054,000	8,900,000	13,541,000	13,811,000	2,383,000	86,629,200
Sept	20,680,000	14,450,000	5,426,800	6,769,000	7,855,000	10,277,000	808,000	13,414,000	5,353,000	85,032,800
Aug	22,849,000	11,242,000	5,106,000	7,298,000	7,998,000	10,495,000	13,055,000	11,515,000	3,877,000	93,435,000
July	15,373,000	9,549,000	3,930,700	5,082,000	9,589,000	11,727,000	14,191,000	11,994,000	3,182,000	84,617,700
June	25,363,000	10,149,000	4,954,400	6,356,000	8,988,000	9,706,000	10,063,000	9,223,000	8,220,000	93,022,400
May	31,951,000	14,446,000	5,038,400	7,902,000	10,218,000	11,606,000	11,326,000	12,279,000	14,926,000	119,692,400
April	25,169,000	12,728,000	6,149,300	7,413,000	2,476,000	17,401,000	12,411,000	12,011,000	12,831,000	108,589,300
March	25,991,000	12,135,000	6,618,600	8,203,000	5,536,000	13,254,000	9,698,000	9,377,000	6,730,000	97,542,600
Feb	18,430,000	10,856,000	5,394,700	6,313,000	7,071,000	11,346,000	10,321,000	9,610,000	995,000	80,336,700
Jan	20,504,000	5,957,000	5,086,400	6,135,000	9,185,000	10,695,000	8,506,000	8,179,000	1,469,000	75,716,400

Attachment F

Purchased from Pasco County

Total Pumped and Purchased

Yearly Totals	264,622,000	129,667,000	63,249,200	80,732,000	99,772,000	139,524,000	121,972,000	130,358,000	76,776,000	1,106,672,200
Month/1998	Well #1	Well #2	Well #3	Well #4	Well #6	Well #7	Well #8	Well #9		
Dec	19,407,000	11,118,000	5,158,100	6,075,000	8,534,000	12,046,000	9,198,000	8,933,000	2,627,000	83,096,100
Nov	19,968,000	11,381,000	5,050,100	6,170,000	9,585,000	12,064,000	10,758,000	10,317,000	4,410,000	89,703,100
Oct	19,428,000	12,301,000	5,182,000	6,499,000	9,323,000	11,343,000	9,625,000	10,119,000	3,126,000	86,946,000
Sept	13,330,000	10,167,000	3,929,500	4,935,000	8,669,000	10,270,000	6,736,000	6,894,000	2,446,000	67,376,500
Aug	13,743,000	10,979,000	4,037,300	5,127,000	11,418,000	11,480,000	11,128,000	10,883,000	5,928,000	84,723,300
July	18,565,000	14,159,000	5,362,400	6,806,000	10,590,000	12,814,000	9,245,000	8,886,000	7,364,000	93,791,400
June	23,406,000	12,235,000	5,610,500	7,289,000	10,343,000	12,280,000	14,039,000	13,278,000	15,541,000	114,021,500
May	25,685,000	10,448,000	4,580,900	7,309,000	8,566,000	12,581,000	14,514,000	14,477,000	10,209,000	108,369,900
April	26,678,000	10,829,000	3,879,200	7,404,000	8,818,000	11,638,000	11,897,000	12,681,000	90,000	93,914,200
March	17,064,000	10,003,000	2,170,800	5,855,000	5,053,000	8,380,000	7,861,000	8,120,000	0	64,506,800
Feb	11,758,000	10,003,000	3,047,600	4,307,000	5,168,000	4,938,000	6,499,000	6,591,000	1,000	52,312,600
Jan	15,096,000	9,716,000	3,885,700	5,097,000	5,451,000	7,150,000	6,510,000	6,674,000	0	59,579,700
Yearly Totals	224,128,000	133,339,000	51,894,100	72,873,000	101,518,000	126,984,000	118,010,000	117,853,000	51,742,000	998,341,100
Month/1997	Well #1	Well #2	Well #3	Well #4	Well #6	Well #7	Well #8	Well #9		
Dec	17,297,000	9,792,000	4,215,000	5,507,000	6,432,000	5,582,000	4,536,000	4,582,000	1,000	57,944,000
Nov	18,870,000	10,591,000	4,106,000	5,635,000	8,672,000	9,749,000	6,240,000	7,439,000	2,000	71,304,000
Oct	22,789,000	10,684,000	4,918,000	6,496,000	9,415,000	10,577,000	8,143,000	7,497,000	1,285,000	81,804,000
Sept	23,629,000	12,308,000	5,428,000	7,300,000	10,344,000	11,024,000	10,223,000	9,876,000	3,089,000	93,221,000
Aug	20,261,000	14,595,000	5,293,000	7,295,000	8,716,000	10,064,000	7,110,000	6,329,000	0	79,663,000
July	20,051,000	14,929,000	5,633,000	7,644,000	6,829,000	10,043,000	5,680,000	5,462,000	0	76,271,000
June	17,558,000	13,056,000	4,609,000	6,457,000	7,862,000	9,920,000	11,963,000	11,861,000	1,824,000	85,110,000
May	23,098,000	9,531,000	4,931,000	7,194,000	7,887,000	10,866,000	10,746,000	10,206,000	537,000	84,996,000
April	17,723,000	12,876,000	5,524,000	4,616,000	8,033,000	8,174,000	8,210,000	7,353,000	0	72,509,000
March	20,853,000	10,904,000	5,802,000	5,633,000	10,861,000	7,963,000	9,803,000	7,832,000	3,920,000	83,571,000
Feb	17,142,000	11,169,000	5,586,100	7,434,000	7,962,000	9,599,000	4,429,000	8,133,000	458,000	71,912,100
Jan	14,110,000	13,155,000	5,545,000	7,832,000	8,883,000	8,336,000	9,110,000	6,726,000	0	73,697,000
Yearly Totals	233,381,000	143,590,000	61,590,100	79,043,000	101,896,000	111,897,000	96,193,000	93,296,000	11,116,000	932,002,100
Month/1996	Well #1	Well #2	Well #3	Well #4	Well #6	Well #7	Well #8	Well #9		
Dec	13,692,000	11,591,000	5,519,000	7,743,000	8,516,000	5,814,000	8,384,000	7,763,000	0	69,022,000
Nov	15,470,000	11,010,000	5,119,000	7,352,000	9,820,000	11,258,000	9,536,000	8,194,000	3,000	77,762,000
Oct	12,089,000	12,641,000	4,964,000	7,085,000	11,623,000	9,052,000	9,700,000	5,575,000	0	72,729,000
Sept	11,719,000	10,908,000	4,209,000	6,254,000	11,437,000	7,819,000	14,466,000	3,687,000	1,546,000	72,045,000
Aug	10,722,000	6,358,000	4,190,000	5,768,000	12,553,000	10,362,000	8,445,000	8,451,000	1,000	66,850,000
July	12,417,000	4,652,000	4,214,000	5,932,000	9,018,000	9,185,000	13,917,000	14,840,000	9,000	74,184,000

DOCKET NO. 010503
STAFF'S FIRST SET OF INTERROGATORIES
ITEM #25

									Purchased from Pasco County	Total Pumped and Purchased
June	16,271,000	7,483,000	4,480,000	6,056,000	8,308,000	11,799,000	13,344,000	12,012,000	621,000	80,374,000
May	17,574,000	9,393,000	5,270,000	7,444,000	11,481,000	13,290,000	12,247,000	9,244,000	1,243,000	87,186,000
April	9,336,000	8,142,000	3,361,000	5,088,000	10,093,000	14,962,000	13,887,000	6,671,000	212,000	71,752,000
March	8,699,000	7,773,000	3,142,000	4,871,000	9,030,000	14,621,000	12,853,000	6,722,000	0	67,711,000
Feb	7,847,000	8,344,000	2,916,000	4,729,000	8,150,000	16,160,000	9,328,000	7,770,000	0	65,244,000
Jan	9,268,000	9,736,000	3,297,000	4,993,000	7,693,000	15,799,000	5,690,000	9,018,000	0	65,494,000
Yearly Totals	**145,104,000**	**108,031,000**	**50,681,000**	**73,315,000**	**117,722,000**	**140,121,000**	**131,797,000**	**99,947,000**	**3,635,000**	**870,353,000**
Month/1995	**Well #1**	**Well #2**	**Well #3**	**Well #4**	**Well #6**	**Well #7**	**Well #8**	**Well #9**		
Dec	7,302,000	10,292,000	2,683,000	4,725,000	8,558,000	13,826,000	6309000	13,309,000	1,401,000	68,405,000
Nov	14,445,000	12,750,000	5,248,000	8,242,000	12,974,000	11,652,000	Under Construction		3,020,000	68,331,000
Oct	14,462,000	11,587,000	4,512,000	7,263,000	7,646,000	13,398,000	Under Construction		683,000	59,551,000
Sept	10,483,000	13,258,000	4,397,000	6,847,000	13,220,000	13,071,000	Under Construction		1,191,000	62,467,000
Aug	12,165,000	8,802,000	3,761,500	5,930,000	14,013,000	9,981,000	Under Construction		5,730,000	60,382,500
July	10,316,000	12,863,000	4,213,000	6,853,000	16,447,000	11,327,000	Under Construction		9,551,000	71,570,000
June	8,651,000	13,113,000	4,291,000	6,804,000	14,747,000	11,807,000	Under Construction		16,332,000	75,745,000
May	14,655,000	15,169,000	5,483,000	7,586,000	15,957,000	14,946,000	Under Construction		14,890,000	88,686,000
April	13,707,000	13,820,000	4,797,000	6,818,000	15,287,000	12,399,000	Under Construction		5,427,000	72,255,000
March	16,058,000	15,241,000	5,284,000	4,922,000	14,406,000	13,728,000	Under Construction		2,899,000	72,538,000
Feb	11,006,000	12,047,000	3,687,000	3,725,000	12,209,000	14,265,000	Under Construction		1,000	56,940,000
Jan	11,530,000	13,262,000	4,248,000	4,549,000	16,045,000	7,826,000	Under Construction		0	57,460,000
Yearly Totals	**144,780,000**	**152,204,000**	**52,604,500**	**74,264,000**	**161,509,000**	**148,226,000**	**6,309,000**	**13,309,000**	**61,125,000**	**814,330,500**

Alhoa Utilities, Inc.
Docket No. 010503-WU
Commission Staffs First Set of Interrogatories
Interrogatory No. 25
Water Pumped, Purchased and sold

Month/Year		Pumped From Wells 8 & 9	Purchased From Wells 2 - 7	Purchased From Mitchell	Purchased From Pasco County	Total	Gallons Sold Including Minimums (000)
Jan.	1995						55,223
Feb	1995	See attached schedules for information on monthly pumping and purchased					50,146
Mar	1995	water information					54,927
Apr	1995						67,487
May	1995						76,235
Jun	1995						77,228
Jul	1995						69,482
Aug	1995						52,873
Sep	1995						54,416
Oct	1995						53,452
Nov	1995						55,742
Dec	**1995**						**63,373**
Jan	1996						55,562
Feb	1996						61,953
Mar	1996						58,409
Apr	1996						65,761
May	1996						70,932
Jun	1996						80,419
Jul	1996						61,556
Aug	1996						67,536
Sep	1996						71,049
Oct	1996						61,958
Nov	1996						75,951
Dec	**1996**						**66,247**
Jan	1997						65,634
Feb	1997						69,324
Mar	1997						71,167
Apr	1997						71,530
May	1997						70,441
Jun	1997						76,935
Jul	1997						73,299
Aug	1997						65,672
Sep	1997						86,655
Oct	1997						78,646
Nov	1997						69,611
Dec	**1997**						**58,208**
Jan	1998						50,278
Feb	1998						52,919
Mar	1998						48,375
Apr	1998						74,649
May	1998						92,230
Jun	1998						105,196
Jul	1998						97,968
Aug	1998						74,918
Sep	1998						70,069

Alhoa Utilities, Inc.
Docket No. 010503-WU
Commission Staffs First Set of Interrogatories
Interrogatory No. 25
Water Pumped, Purchased and sold

Month/Year		Pumped From Wells 8 & 9	Purchased From Wells 2 - 7	Purchased From Mitchell	Purchased From Pasco County	Total	Gallons Sold Including Minimums (000)
Oct	1998						62,279
Nov	1998						88,403
Dec	**1998**						**76,095**
Jan	1999						74,418
Feb	1999	See attached schedules for information on monthly pumping and purchased					70,038
Mar	1999	water information					78,075
Apr	1999						93,330
May	1999						102,277
Jun	1999						109,293
Jul	1999						77,980
Aug	1999						75,308
Sep	1999						81,801
Oct	1999						58,429
Nov	1999						85,492
Dec	**1999**						**86,869**
Jan	2000						71,801
Feb	2000						81,963
Mar	2000						87,170
Apr	2000						88,926
May	2000						94,054
Jun	2000						125,520
Jul	2000						68,195
Aug	2000						65,165
Sep	2000						68,318
Oct	2000						76,563
Nov	2000						91,088
Dec	**2000**						**99,984**
Jan	2001						71,261
Feb	2001						68,116
Mar	2001						79,721
Apr	2001						74,921
May	2001						97,362
Jun	2001						105,641

EXHIBIT TLB-8

ALOHA'S RESPONSE TO OPC'S REQUEST FOR PRODUCTION OF

DOCUMENTS NO. 11

Docket No. 010503-WU
Citizens First Request for Production of Documents

Number 11. Purchased water. Provide a copy of all workpapers and calculations used to calculate the amounts on Schedule G-9, page 1, lines 5, 9 and 13. If in electronic format, please provide in that format.

Answer: The documents requested are attached.

- AVG. PER CUSTOMER WATER DEMAND
  7839 GAL/MO/ERC AAMD
  258 GAL/DAY/ERC AADD
  INC. ALL CUST – OLD/NEW – ETC.

- NEW EL (10 yrs)

	GAL/MO	AAMD (Annual Avg)
CHELSAE PLACE –	17085	
CYPRESS LAKES	12520	
FOX HOLLOW	18055	
FOXWOOD	16892	
MILLPOND	6276	209
NATURA	11997	
NATURES HIDEAWAY	9708	
PLANTATION	13491	
RIVIERA	32926	
THOUSAND OAKS	16678	
TRINITY OAKS	17128	
WYNDTREE	9648	(322)
	162,404 TOTAL/MO	

15,200 GAL/ERC/MO

500 GAL/DAY AADF/ERC

OLDER APTS & NO IRRIGATION / & MOBILE HOMES

ASHLEY PLACE	2245
COUNTRY PLACE VILLAS	4016
HERITAGE LAKES	5222
HERITAGE SPRINGS	2364
HILLS OF SAN JOSE	11571
MISC SMALL LOTS	3212
OAK CREEK APTS	3680
PARK LAKE ESTATES	7925
RANCHSIDE APTS	2096
RIVER OAKS CONDOS	2574
RIVERSIDE VILLAGE	9197
RIVERSIDE VILLAS	2871
SPRING HAVEN CONDOS	2380
VETERANS VILLAGE	5180
VILLENOY CONDOS	4141
WOODBEND	6446
WOODGATE	8716
WOODMAIL VILLAGE	6849
	92,685 TOTAL

5,149 GAL / MONTH / ERC

169 GAL / DAY / ERC
AADD

Consumption per Connection

07/13/01
SUBDIVISION_CONSUMPTION

Order by Subdivision

07/01/00 to 06/30/01

Summary only

Name	Gallons	BillCount	Gallons/Conn
ASHLEY PLACE APARTME - SMALL APTS.	4214505	1877	2245
CHELSEA PLACE	28599910	1674	17085
COUNTRY PLACE VILLAG - OLD mixed	23058397	5742	4016
CYPRESS LAKES - OLDER THAN 5 YRS.	21660150	1730	12520
FOX HOLLOW new	68626660	3801	18055
FOXWOOD NEW	63445973	3756	16892
HERITAGE LAKES - OLD.	58539830	11210	5222
HERITAGE SPRINGS - NEW - LAKE LOCATION.	2070480	876	2364 NO TAX
HILLS OF SAN JOSE - LARGE LOTS. OLDER.	6803980	588	11571
MILLPOND - NEW.	56028470	8927	6276
MISC - SINGLE LOTS -	189480	59	3212
NATURA - MID - upscale.	7905830	659	11997
NATURES HIDEAWAY - MID - upscale.	41849469	4311	9708
OAKCREEK APARTMENTS - APTS - OLD.	6715931	1825	3680 APTS
PARK LAKE ESTATES - OLD -	77859838	9820	7929
PLANTATION new	7231230	536	13491
RANCHSIDE APARTMENTS - APTS.	1913340	913	2096
RIVER OAKS CONDOS - OLD -	1235350	480	2574
RIVERSIDE VILLAGE OLD - some new.	28604155	3110	9197
RIVERSIDE VILLAS - OLD - SMALL.	8904350	3101	2871
RIVIERA - LOT LOTS. HUGE HOUSES.	12577695	382	32926
SPRING HAVEN CONDOS - OLD	1135090	477	2380
THOUSAND OAKS - new	1217484	73	16678
TRINITY OAKS - new.	93690628	5470	17128
VETERANS VILLAGE - OLD.	142284232	27470	5180
VICEROY CONDOS - OLD - Comm.	492750	119	4141
WOODBEND - OLD - LARGE LOTS,	5295410	627	8446
WOODGATE	9239277	1060	8716
WOODTRAIL VILLAGE - OLD,	23115080	3375	6849
WYNDTREE - new.	59413671	6158	9648
	863918645	110206	7839

Consumption per Connection

7/12/01 .
SUBDIVISION_CONSUMPTION

Order by Subdivision

07/01/00 to 06/30/01

ame	Gallons	BillCount	Gallons/Conn
July 2000			
SHLEY PLACE APARTME	371400	135	2751
ELSEA PLACE	2600370	140	18574
UNTRY PLACE VILLAG	1866650	463	4032
PRESS LAKES	1865880	145	12868
X HOLLOW	4624620	318	14543
XWOOD	4233339	268	15796
RITAGE LAKES	4825380	935	5161
RITAGE SPRINGS	111080	73	1522
LLS OF SAN JOSE	536465	49	10948
LLPOND	4522227	749	6038
TURA	413390	46	8987
TURES HIDEAWAY	4307786	360	11966
KCREEK APARTMENTS	602553	151	3990
RK LAKE ESTATES	6294304	815	7723
ANTATION	518960	42	12356
NCHSIDE APARTMENTS	180320	77	2342
VER OAKS CONDOS	109700	40	2743
VERSIDE VILLAGE	2423889	261	9287
VERSIDE VILLAS	485680	258	1882
VIERA	735360	32	22980
RING HAVEN CONDOS	116000	40	2900
OUSAND OAKS	123064	3	41021
INITY OAKS	7185710	452	15898
TERANS VILLAGE	11702886	2299	5090
CEROY CONDOS	35370	9	3930
ODBEND	363990	52	7000
ODGATE	684665	91	7524
ODTRAIL VILLAGE	1817580	280	6491
NDTREE	4690827	513	9144
	68349445	9096	7514

uly 2000

August 2000			
ILEY PLACE APARTME	333580	142	2349
LSEA PLACE	1568090	140	11201
NTRY PLACE VILLAG	1430893	463	3090
RESS LAKES	1443280	145	9954
HOLLOW	4159110	313	13288
WOOD	3261518	274	11903
ITAGE LAKES	4010030	936	4284
ITAGE SPRINGS	113590	73	1556
LS OF SAN JOSE	561585	49	11461
LPOND	3668982	745	4925
URA	340940	50	6819
URES HIDEAWAY	2529818	360	7027
CREEK APARTMENTS	421163	153	2753

ame	Gallons	BillCount	Gallons/Conn
ARK LAKE ESTATES	5433986	820	6627
LANTATION	391740	43	9110
ANCHSIDE APARTMENTS	165130	76	2173
IVER OAKS CONDOS	92400	40	2310
IVERSIDE VILLAGE	1918735	260	7380
IVERSIDE VILLAS	621390	260	2390
IVIERA	810290	31	26138
RING HAVEN CONDOS	67780	40	1695
OUSAND OAKS	39490	[4]	9873
INITY OAKS	6383830	458	13938
TERANS VILLAGE	10842611	2298	4718
CEROY CONDOS	34100	10	3410
ODBEND	353150	53	6663
ODGATE	679020	88	7716
ODTRAIL VILLAGE	1628423	283	5754
NDTREE	4070243	515	7903
	57374897	9122	6290

ugust 2000

September 2000

HLEY PLACE APARTME	345740	141	2452
ELSEA PLACE	1684460	140	12032
UNTRY PLACE VILLAG	1251947	466	2687
PRESS LAKES	1587490	145	10948
X HOLLOW	4465780	317	14088
XWOOD	3032920	270	11233
RITAGE LAKES	4287390	933	4595
RITAGE SPRINGS	131260	78	1683
LLS OF SAN JOSE	454115	49	9268
LLPOND	3811681	745	5116
TURA	503120	53	9493
TURES HIDEAWAY	3137981	361	8692
CREEK APARTMENTS	574573	153	3755
K LAKE ESTATES	5735430	818	7012
NTATION	490630	44	11151
ICHSIDE APARTMENTS	183750	76	2418
ER OAKS CONDOS	84420	40	2111
ERSIDE VILLAGE	1928685	259	7447
ERSIDE VILLAS	476960	258	1849
IERA	881930	32	27560
ING HAVEN CONDOS	82070	40	2052
USAND OAKS	76360	[3]	25453
NITY OAKS	5702450	454	12560
ERANS VILLAGE	10652723	2295	4642
EROY CONDOS	46130	10	4613
DBEND	373070	53	7039
DGATE	685782	89	7705
DTRAIL VILLAGE	1842067	281	6555
DTREE	4283580	514	8334
	58794494	9117	6449

ptember 2000

October 2000

me	Gallons	BillCount	Gallons/Conn
HLEY PLACE APARTME	375190	141	2661
ELSEA PLACE	2140360	139	15398
UNTRY PLACE VILLAG	1584001	470	3370
PRESS LAKES	1548270	145	10678
K HOLLOW	4994350	316	15805
KWOOD	4468346	289	15461
RITAGE LAKES	4728560	935	5057
RITAGE SPRINGS	145310	74	1964
LS OF SAN JOSE	764405	49	15600
LPOND	3606230	747	4828
URA	517750	52	9957
URES HIDEAWAY	2932837	363	8079
CREEK APARTMENTS	546323	152	3594
K LAKE ESTATES	5872256	825	7118
NTATION	869100	44	19752
CHSIDE APARTMENTS	177960	76	2342
ER OAKS CONDOS	106070	40	2652
ERSIDE VILLAGE	2022740	258	7840
ERSIDE VILLAS	569300	259	2198
IERA	1651770	31	53283
ING HAVEN CONDOS	82520	40	2063
USAND OAKS	138620	3	46207
NITY OAKS	7287630	455	16017
ERANS VILLAGE	13106033	2289	5726
EROY CONDOS	40000	10	4000
DBEND	544360	52	10468
DGATE	1046800	88	11895
DTRAIL VILLAGE	1717308	280	6133
DTREE	4300995	512	8400
	67885394	9134	7432

tober 2000

November 2000

LEY PLACE APARTME	335580	140	2397
LSEA PLACE	3630970	140	25936
NTRY PLACE VILLAG	2300086	470	4894
RESS LAKES	2548770	144	17700
HOLLOW	8394510	317	26481
WOOD	6158830	301	20461
ITAGE LAKES	6442080	940	6853
ITAGE SPRINGS	178240	72	2476
LS OF SAN JOSE	479185	49	9779
LPOND	5876880	745	7888
JRA	971440	54	17990
JRES HIDEAWAY	4512802	361	12501
REEK APARTMENTS	573963	152	3776
K LAKE ESTATES	7891545	820	9624
TATION	463150	44	10526
HSIDE APARTMENTS	156140	76	2054
R OAKS CONDOS	88190	40	2205
RSIDE VILLAGE	2842950	257	11062
RSIDE VILLAS	790740	257	3077
ERA	1028910	31	33191

me	Gallons	BillCount	Gallons/Conn
RING HAVEN CONDOS	84850	40	2121
INITY OAKS	9881290	457	21622
TERANS VILLAGE	9381392	2287	4102
CEROY CONDOS	42540	10	4254
ODBEND	426160	52	8195
ODGATE	597860	88	6794
ODTRAIL VILLAGE	2073452	280	7405
NDTREE	6033355	512	11784
	84185860	9136	9215

ovember 2000

December 2000

ILEY PLACE APARTME	366740	283	1296
ILSEA PLACE	2060430	141	14613
NTRY PLACE VILLAG	2348630	479	4903
RESS LAKES	2161420	144	15010
HOLLOW	6543970	315	20775
WOOD	6140250	308	19936
ITAGE LAKES	5986150	936	6395
ITAGE SPRINGS	213830	72	2970
LS OF SAN JOSE	609985	50	12200
LPOND	5835001	744	7843
URA	493380	55	8971
URES HIDEAWAY	3476100	361	9629
CREEK APARTMENTS	692533	152	4556
K LAKE ESTATES	7510725	818	9182
NTATION	606130	44	13776
CHSIDE APARTMENTS	173490	76	2283
ER OAKS CONDOS	116650	40	2916
ERSIDE VILLAGE	3267360	260	12567
ERSIDE VILLAS	1016420	261	3894
IERA	1172300	32	36634
ING HAVEN CONDOS	110340	40	2759
JSAND OAKS	114550	3	38183 ←
NITY OAKS	9674980	457	21171
ERANS VILLAGE	12986319	2285	5683
EROY CONDOS	61090	10	6109
DBEND	477510	52	9183
DGATE	900600	88	10234
DTRAIL VILLAGE	2567273	282	9104
DTREE	6285740	515	12205
	83969896	9303	9026

cember 2000

January 2001

EY PLACE APARTME	278840	146	1910
SEA PLACE	2092240	139	15052
TRY PLACE VILLAG	1691290	483	3502
ESS LAKES	1388110	144	9640
HOLLOW	4402140	314	14020
OOD	4380550	305	14362
TAGE LAKES	4199090	932	4505
TAGE SPRINGS	177400	72	2464

me	Gallons	BillCount	Gallons/Conn
LLS OF SAN JOSE	563400	49	11498
LLPOND	4154429	742	5599
SC	12920	5	2584
TURA	605370	54	11211
TURES HIDEAWAY	3028810	357	8484
KCREEK APARTMENTS	487823	152	3209
RK LAKE ESTATES	5913889	814	7265
ANTATION	489130	45	10870
NCHSIDE APARTMENTS	118350	76	1557
/ER OAKS CONDOS	105550	40	2639
/ERSIDE VILLAGE	1783287	258	6912
/ERSIDE VILLAS	657810	256	2570
/IERA	1028640	33	31171
RING HAVEN CONDOS	94500	40	2363
OUSAND OAKS	89180	8	11148
NITY OAKS	6291027	454	13857
ERANS VILLAGE	10879313	2290	4751
EROY CONDOS	42360	10	4236
ODBEND	332340	52	6391
ODGATE	606220	88	6889
ODTRAIL VILLAGE	1658420	282	5881
NDTREE	4174820	512	8154
	61727248	9152	6745

anuary 2001

February 2001

LEY PLACE APARTME	315640	185	1706
LSEA PLACE	2141270	139	15405
NTRY PLACE VILLAG	1727710	485	3562
RESS LAKES	1372370	143	9597
HOLLOW	4940753	315	15685
WOOD	4410220	315	14001
ITAGE LAKES	3921550	931	4212
ITAGE SPRINGS	159730	72	2218
LS OF SAN JOSE	473380	49	9661
LPOND	3973160	742	5355
C	14960	7	2137
URA	647500	54	11991
URES HIDEAWAY	2865700	357	8027
CREEK APARTMENTS	542890	152	3572
K LAKE ESTATES	4899648	815	6012
NTATION	580340	46	12616
CHSIDE APARTMENTS	144290	76	1899
ER OAKS CONDOS	88540	40	2214
ERSIDE VILLAGE	1849899	258	7170
ERSIDE VILLAS	761340	257	2962
IERA	719860	32	22496
ING HAVEN CONDOS	78803	40	1970
JSAND OAKS	149630	10	14963
NITY OAKS	6826493	452	15103
ERANS VILLAGE	9956997	2282	4363
EROY CONDOS	31920	10	3192
OBEND	351020	52	6750

ıme	Gallons	BillCount	Gallons/Conn
ODGATE	603128	88	6854
ODTRAIL VILLAGE	1523652	280	5442
NDTREE	4094140	512	7996
	60166533	9196	6543

'ebruary 2001

March 2001

HLEY PLACE APARTME	318976	144	2215
ELSEA PLACE	2498690	139	17976
UNTRY PLACE VILLAG	2315550	487	4755
PRESS LAKES	1705012	143	11923
X HOLLOW	5160797	316	16332
XWOOD	4741820	330	14369
RITAGE LAKES	5141140	933	5510
RITAGE SPRINGS	213170	73	2920
LLS OF SAN JOSE	614150	48	12795
LLPOND	5071063	742	6834
SC	18910	9	2101
TURA	725660	55	13194
TURES HIDEAWAY	2934648	357	8220
XCREEK APARTMENTS	530240	152	3488
RK LAKE ESTATES	6383512	817	7813
ANTATION	569110	46	12372
NCHSIDE APARTMENTS	168350	76	2215
/ER OAKS CONDOS	115450	40	2886
/ERSIDE VILLAGE	2230360	258	8645
/ERSIDE VILLAS	884590	255	3469
/IERA	1196080	32	37378
RING HAVEN CONDOS	113877	39	2920
OUSAND OAKS	91080	7	13011
NITY OAKS	9299260	458	20304
ERANS VILLAGE	12333972	2285	5398
EROY CONDOS	35800	10	3580
DBEND	457600	52	8800
DGATE	757312	88	8606
DTRAIL VILLAGE	1812706	280	6474
DTREE	4918080	512	9606
	73356965	9183	7988

ırch 2001

April 2001

LEY PLACE APARTME	373534	145	2576
LSEA PLACE	2213500	139	15924
NTRY PLACE VILLAG	1966700	488	4030
RESS LAKES	1702358	144	11822
HOLLOW	5702070	321	17763
WOOD	5419348	348	15573
ITAGE LAKES	2883711	934	3087
ITAGE SPRINGS	223610	72	3106
LS OF SAN JOSE	359490	49	7337
LPOND	4595157	742	6193
	38820	11	3529
JRA	598290	60	9972

ame	Gallons	BillCount	Gallons/Conn
ATURES HIDEAWAY	3526032	359	9822
AKCREEK APARTMENTS	586390	152	3858
ARK LAKE ESTATES	6847301	818	8371
ANTATION	610200	46	13265
NCHSIDE APARTMENTS	143790	76	1892
VER OAKS CONDOS	111500	40	2788
VERSIDE VILLAGE	2192532	260	8433
VERSIDE VILLAS	772200	261	2959
VIERA	920880	32	28778
RING HAVEN CONDOS	114500	38	3013
OUSAND OAKS	146170	8	18271
INITY OAKS	6126130	457	13405
TERANS VILLAGE	11491729	2286	5027
CEROY CONDOS	43220	10	4322
ODBEND	503950	53	9508
ODGATE	810909	88	9215
ODTRAIL VILLAGE	1719255	282	6097
NDTREE	4356814	514	8476
	67100090	9233	7267

pril 2001

May 2001

HLEY PLACE APARTME	356920	137	2605
ELSEA PLACE	2405150	140	17180
UNTRY PLACE VILLAG	2372420	492	4822
PRESS LAKES	1838695	144	12769
HOLLOW	7129410	319	22349
WOOD	7670802	361	21249
ITAGE LAKES	6207149	933	6653
ITAGE SPRINGS	214310	72	2977
LS OF SAN JOSE	711090	49	14512
LPOND	4994140	742	6731
C	50430	11	4585
URA	749890	62	12095
URES HIDEAWAY	3731921	357	10454
CREEK APARTMENTS	536250	152	3528
K LAKE ESTATES	7015341	820	8555
NTATION	755660	46	16427
CHSIDE APARTMENTS	151650	76	1995
ER OAKS CONDOS	132380	40	3310
ERSIDE VILLAGE	3138538	260	12071
ERSIDE VILLAS	926430	259	3577
ERA	1264545	32	39517
NG HAVEN CONDOS	92120	39	2362
SAND OAKS	106710	8	13339
ITY OAKS	8651830	458	18890
RANS VILLAGE	14795082	2287	6469
ROY CONDOS	38850	10	3885
BEND	566620	52	10897
GATE	908439	88	10323
TRAIL VILLAGE	2089864	282	7411
TREE	5169876	514	10058

Month/2001	Mitchell Well #1	Well #2	Well #3	Well #4	Well #6	Well #7	Well #8	Well #9	Purchased from Pasco County	TOTAL PUMPED AND PURCHASED
September	23,412,000	9,974,000	2,789,700	3,464,000	10,322,000	13,602,000	16,184,000	5,505,000	0	85,252,700
August	23,162,000	10,334,000	3,587,200	4,230,000	12,264,000	12,138,000	11,757,000	13,483,000	0	90,955,200
July	16,236,000	9,367,000	2,565,100	2,761,000	10,228,000	9,571,000	9,518,200	11,162,000	0	71,408,300
June	18,584,000	15,098,000	2,918,700	3,067,000	12,872,000	16,001,000	9,360,000	15,586,000	0	93,486,700
May	35,340,000	15,192,000	5,520,400	6,740,000	4,364,000	18,169,000	17,624,000	18,952,000	0	121,901,400
April	35,059,000	10,865,000	4,336,700	5,567,000	643,000	16,892,000	11,545,000	14,119,000	0	99,026,700
March	19,498,000	12,602,000	2,642,200	3,057,000	9,922,000	16,574,000	12,728,000	12,835,000	289,000	90,147,200
Feb	7,954,000	11,455,000	4,092,400	655,000	9,254,000	11,899,000	11,458,000	11,949,000	36,200,000	104,916,400
Jan	8,824,000	4,804,000	1,886,200	18,000	1,377,000	2,489,000	4,387,000	3,573,541	66,567,000	93,925,741
Totals	188,069,000	99,691,000	30,338,600	29,559,000	71,246,000	117,335,000	104,561,200	107,164,541	103,056,000	851,020,341
Month/2000	Well #1	Well #2	Well #3	Well #4	Well #6	Well #7	Well #8	Well #9		
Dec	15,667,000	8,258,000	5,093,900	5,263,000	6,281,000	4,645,000	9,281,000	4,995,550	36,155,500	95,639,950
Nov	27,964,000	13,188,000	6,884,900	8,191,000	10,436,000	10,769,000	10,003,000	9,351,000	2,691,000	99,477,900
Oct	34,497,000	13,196,000	7,811,700	10,203,000	11,348,000	10,714,000	11,436,000	11,698,000	416,000	111,319,700
Sept	22,577,000	12,762,000	6,470,100	8,403,000	6,214,000	6,219,000	7,926,000	2,956,000	0	73,527,100
Aug	27,588,000	13,440,000	6,094,600	7,237,000	8,560,000	8,223,000	6,483,000	3,654,000	0	81,279,600
July	23,759,000	10,338,000	6,964,400	7,578,000	9,494,000	9,026,000	7,345,000	7,437,000	1,000	81,942,400
June	25,002,000	12,224,000	7,095,700	7,511,000	11,893,000	11,928,000	10,867,000	11,369,000	13,132,000	111,021,700
May	29,054,000	11,200,000	4,564,500	4,673,000	13,767,000	13,354,000	14,507,000	14,800,000	15,362,000	121,281,500
April	13,990,000	15,034,000	5,520,400	6,884,000	10,011,000	10,059,000	11,261,000	12,501,000	14,494,000	99,754,400
March	0	18,637,000	7,992,400	8,571,000	8,705,000	10,881,000	14,114,000	16,924,000	15,116,000	100,940,400
Feb	23,596,000	13,228,000	6,096,800	7,937,000	7,383,000	7,866,000	8,578,000	9,544,000	5,133,000	89,361,800
Jan	27,965,000	11,319,000	5,186,000	5,927,000	6,427,000	7,933,000	8,644,000	0	8,615,000	82,016,000
Yearly Totals	271,659,000	152,824,000	75,775,400	88,378,000	110,519,000	111,617,000	120,445,000	105,229,550	111,115,500	1,147,562,450
Month/1999	Well #1	Well #2	Well #3	Well #4	Well #6	Well #7	Well #8	Well #9		
Dec	21,045,000	7,902,000	5,962,700	7,198,000	10,145,000	11,344,000	9,421,000	5,994,000	8,319,000	87,330,700
Nov	21,556,000	7,316,000	5,161,000	6,191,000	11,657,000	12,773,000	8,631,000	12,951,000	8,491,000	94,727,000
Oct	15,711,000	12,937,000	4,420,200	5,872,000	9,054,000	8,900,000	13,541,000	13,811,000	2,383,000	86,629,200
Sept	20,680,000	14,450,000	5,426,800	6,769,000	7,855,000	10,277,000	808,000	13,414,000	5,353,000	85,032,800
Aug	22,849,000	11,242,000	5,106,000	7,298,000	7,998,000	10,495,000	13,055,000	11,515,000	3,877,000	93,435,000
July	15,373,000	9,549,000	3,930,700	5,082,000	9,589,000	11,727,000	14,191,000	11,994,000	3,182,000	84,617,700
June	25,363,000	10,149,000	4,954,400	6,356,000	8,988,000	9,706,000	10,063,000	9,223,000	8,220,000	93,022,400
May	31,951,000	14,446,000	5,038,400	7,902,000	10,218,000	11,606,000	11,326,000	12,279,000	14,926,000	119,692,400
April	25,169,000	12,728,000	6,149,300	7,413,000	2,476,000	17,401,000	12,411,000	12,011,000	12,831,000	108,589,300
March	25,991,000	12,135,000	6,618,600	8,203,000	5,536,000	13,254,000	9,698,000	9,377,000	6,730,000	97,542,600
Feb	18,430,000	10,856,000	5,394,700	6,313,000	7,071,000	11,346,000	10,321,000	9,610,000	995,000	80,336,700
Jan	20,504,000	5,957,000	5,086,400	6,135,000	9,185,000	10,695,000	8,506,000	8,179,000	1,469,000	75,716,400
Yearly Totals	264,622,000	129,667,000	63,249,200	80,732,000	99,772,000	139,524,000	121,972,000	130,358,000	76,776,000	1,106,672,200

STAFF'S FIRST SET OF INTERROGATORIES
ITEM #25

Month/1998	Well #1	Well #2	Well #3	Well #4	Well #6	Well #7	Well #8	Well #9		
Dec	19,407,000	11,118,000	5,158,100	6,075,000	8,534,000	12,046,000	9,198,000	8,933,000	2,627,000	83,096,100
Nov	19,968,000	11,381,000	5,050,100	6,170,000	9,585,000	12,064,000	10,758,000	10,317,000	4,410,000	89,703,100
Oct	19,428,000	12,301,000	5,182,000	6,499,000	9,323,000	11,343,000	9,625,000	10,119,000	3,126,000	86,946,000
Sept	13,330,000	10,167,000	3,929,500	4,935,000	8,669,000	10,270,000	6,736,000	6,894,000	2,446,000	67,376,500
Aug	13,743,000	10,979,000	4,037,300	5,127,000	11,418,000	11,480,000	11,128,000	10,883,000	5,928,000	84,723,300
July	18,565,000	14,159,000	5,362,400	6,806,000	10,590,000	12,814,000	9,245,000	8,886,000	7,364,000	93,791,400
June	23,406,000	12,235,000	5,610,500	7,289,000	10,343,000	12,280,000	14,039,000	13,278,000	15,541,000	114,021,500
May	25,685,000	10,448,000	4,580,900	7,309,000	8,566,000	12,581,000	14,514,000	14,477,000	10,209,000	108,369,900
April	26,678,000	10,829,000	3,879,200	7,404,000	8,818,000	11,638,000	11,897,000	12,681,000	90,000	93,914,200
March	17,064,000	10,003,000	2,170,800	5,855,000	5,053,000	8,380,000	7,861,000	8,120,000	0	64,506,800
Feb	11,758,000	10,003,000	3,047,600	4,307,000	5,168,000	4,938,000	6,499,000	6,591,000	1,000	52,312,600
Jan	15,096,000	9,716,000	3,885,700	5,097,000	5,451,000	7,150,000	6,510,000	6,674,000	0	59,579,700
Yearly Totals	224,128,000	133,339,000	51,894,100	72,873,000	101,518,000	126,984,000	118,010,000	117,853,000	51,742,000	998,341,100

Month/1997	Well #1	Well #2	Well #3	Well #4	Well #6	Well #7	Well #8	Well #9		
Dec	17,297,000	9,792,000	4,215,000	5,507,000	6,432,000	5,582,000	4,536,000	4,582,000	1,000	57,944,000
Nov	18,870,000	10,591,000	4,106,000	5,635,000	8,672,000	9,749,000	6,240,000	7,439,000	2,000	71,304,000
Oct	22,789,000	10,684,000	4,918,000	6,496,000	9,415,000	10,577,000	8,143,000	7,497,000	1,285,000	81,804,000
Sept	23,629,000	12,308,000	5,428,000	7,300,000	10,344,000	11,024,000	10,223,000	9,876,000	3,089,000	93,221,000
Aug	20,261,000	14,595,000	5,293,000	7,295,000	8,716,000	10,064,000	7,110,000	6,329,000	0	79,663,000
July	20,051,000	14,929,000	5,633,000	7,644,000	6,829,000	10,043,000	5,680,000	5,462,000	0	76,271,000
June	17,558,000	13,056,000	4,609,000	6,457,000	7,862,000	9,920,000	11,963,000	11,861,000	1,824,000	85,110,000
May	23,098,000	9,531,000	4,931,000	7,194,000	7,887,000	10,866,000	10,746,000	10,206,000	537,000	84,996,000
April	17,723,000	12,876,000	5,524,000	4,616,000	8,033,000	8,174,000	8,210,000	7,353,000	0	72,509,000
March	20,853,000	10,904,000	5,802,000	5,633,000	10,861,000	7,963,000	9,803,000	7,832,000	3,920,000	83,571,000
Feb	17,142,000	11,169,000	5,586,100	7,434,000	7,962,000	9,599,000	4,429,000	8,133,000	458,000	71,912,100
Jan	14,110,000	13,155,000	5,545,000	7,832,000	8,883,000	8,336,000	9,110,000	6,726,000	0	73,697,000
Yearly Totals	233,381,000	143,590,000	61,590,100	79,043,000	101,896,000	111,897,000	96,193,000	93,296,000	11,116,000	932,002,100

Month/1996	Well #1	Well #2	Well #3	Well #4	Well #6	Well #7	Well #8	Well #9		
Dec	13,692,000	11,591,000	5,519,000	7,743,000	8,516,000	5,814,000	8,384,000	7,763,000	0	69,022,000
Nov	15,470,000	11,010,000	5,119,000	7,352,000	9,820,000	11,258,000	9,536,000	8,194,000	3,000	77,762,000
Oct	12,089,000	12,641,000	4,964,000	7,085,000	11,623,000	9,052,000	9,700,000	5,575,000	0	72,729,000
Sept	11,719,000	10,908,000	4,209,000	6,254,000	11,437,000	7,819,000	14,466,000	3,687,000	1,546,000	72,045,000
Aug	10,722,000	6,358,000	4,190,000	5,768,000	12,553,000	10,362,000	8,445,000	8,451,000	1,000	66,850,000
July	12,417,000	4,652,000	4,214,000	5,932,000	9,018,000	9,185,000	13,917,000	14,840,000	9,000	74,184,000
June	16,271,000	7,483,000	4,480,000	6,056,000	8,308,000	11,799,000	13,344,000	12,012,000	621,000	80,374,000
May	17,574,000	9,393,000	5,270,000	7,444,000	11,481,000	13,290,000	12,247,000	9,244,000	1,243,000	87,186,000
April	9,336,000	8,142,000	3,361,000	5,088,000	10,093,000	14,962,000	13,887,000	6,671,000	212,000	71,752,000
March	8,699,000	7,773,000	3,142,000	4,871,000	9,030,000	14,621,000	12,853,000	6,722,000	0	67,711,000
Feb	7,847,000	8,344,000	2,916,000	4,729,000	8,150,000	16,160,000	9,328,000	7,770,000	0	65,244,000
Jan	9,268,000	9,736,000	3,297,000	4,993,000	7,693,000	15,799,000	5,690,000	9,018,000	0	65,494,000
Yearly Totals	145,104,000	108,031,000	50,681,000	73,315,000	117,722,000	140,121,000	131,797,000	99,947,000	3,635,000	870,353,000

Month/1995	Well #1	Well #2	Well #3	Well #4	Well #6	Well #7	Well #8	Well #9		
Dec	7,302,000	10,292,000	2,683,000	4,725,000	8,558,000	13,826,000	6309000	13,309,000	1,401,000	68,405,000
Nov	14,445,000	12,750,000	5,248,000	8,242,000	12,974,000	11,652,000 r	Construction		3,020,000	68,331,000
Oct	14,462,000	11,587,000	4,512,000	7,263,000	7,646,000	13,398,000 r	Construction		683,000	59,551,000
Sept	10,483,000	13,258,000	4,397,000	6,847,000	13,220,000	13,071,000 r	Construction		1,191,000	62,467,000
Aug	12,165,000	8,802,000	3,761,500	5,930,000	14,013,000	9,981,000 r	Construction		5,730,000	60,382,500
July	10,316,000	12,863,000	4,213,000	6,853,000	16,447,000	11,327,000 r	Construction		9,551,000	71,570,000
June	8,651,000	13,113,000	4,291,000	6,804,000	14,747,000	11,807,000 r	Construction		16,332,000	75,745,000
May	14,655,000	15,169,000	5,483,000	7,586,000	15,957,000	14,946,000 r	Construction		14,890,000	88,686,000
April	13,707,000	13,820,000	4,797,000	6,818,000	15,287,000	12,399,000 r	Construction		5,427,000	72,255,000
March	16,058,000	15,241,000	5,284,000	4,922,000	14,406,000	13,728,000 r	Construction		2,899,000	72,538,000
Feb	11,006,000	12,047,000	3,687,000	3,725,000	12,209,000	14,265,000 r	Construction		1,000	56,940,000
Jan	11,530,000	13,262,000	4,248,000	4,549,000	16,045,000	7,826,000 r	Construction		0	57,460,000
Yearly Totals	144,780,000	152,204,000	52,604,500	74,264,000	161,509,000	148,226,000	6,309,000	13,309,000	61,125,000	814,330,500

Docket No. 010503-WU
Exhibit__(TLB-10)

Unaccounted Water

Docket No. 010503-WU
Office of Public Counsel
First Set of Interrogatories
Item # 50

Omit 000's						
Month	Water Purchased For Resale	Finished Water Pumped From Wells	Water Used for Line Flushing, Fighting Fires, Etc.	Total Water Pumped and Purchased	Water Sold to Customers	Unaccounted Water
Jan-01	81,161	12,765	4,250	89,676	71,261	18,415
Feb-01	70,054	34,862	4,490	100,426	68,116	32,310
Mar-01	51,982	38,165	5,552	84,595	79,721	4,874
Apr-01	62,498	36,529	4,250	94,777	74,921	19,856
May-01	70,133	51,768	4,878	117,023	97,362	19,661
Jun-01	53,443	40,044	1,786	91,701	105,641	-13,940
Jul-01	41,361	30,047	1,571	69,837	88,324	-18,487
Aug-01	55,381	35,574	2,798	88,157	62,579	25,578
Sep-01	53,590	31,663	2,795	82,458	83,826	-1,368
Totals	539,603	311,417	32,370	818,650	731,751	86,899

There are timing differences between the dates billed by Pasco County, the dates for water pumped, and the dates for billings by Aloha Utilities to customers. As such, there are timing differences between several of the figures outlined above that may account for improper matching on a month-to-month basis. In addition, the bill for County bulk water purchases in January of 2001 includes slightly less than half a month of such service. However, taken as a whole, the unaccounted for water percentage for the first seven months of 2001 is approximately 8%.

Attachment "R"

Revised 11/01/01

EXHIBIT
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