



1           WHEREAS, for over a decade the residents of Pasco  
2 County have experienced these problems of taste, odor, and  
3 color and the deterioration of water lines, fixtures, and  
4 appliances as a result of receiving potable water from Aloha  
5 Utilities, Inc., which has varying concentrations of hydrogen  
6 sulfide, and

7           WHEREAS, after extensive study by various consultants  
8 and consideration of options to solve these problems, an  
9 independent consultant retained by the Florida Public Service  
10 Commission agreed that a water-treatment process known as  
11 "anion exchange" is the treatment option most likely to  
12 cost-effectively eliminate or minimize the hydrogen sulfide  
13 issues, and

14           WHEREAS, while anion exchange has been successfully  
15 used to produce quality potable water, it has not been used to  
16 remove hydrogen sulfide from raw groundwater, and

17           WHEREAS, anion exchange appears to be a promising  
18 solution to problems involving hydrogen sulfide which exist in  
19 many areas of the state, particularly in areas where space to  
20 construct the treatment facilities is limited, and

21           WHEREAS, it is in the public interest of this state to  
22 help fund a large-scale project as a pilot program to confirm  
23 the efficacy of anion exchange as a treatment process to  
24 remove hydrogen sulfide from raw water withdrawn from the  
25 Floridan Aquifer, NOW, THEREFORE,

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27 Be It Enacted by the Legislature of the State of Florida:

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29           Section 1. (1) The Department of Environmental  
30 Protection shall administer a pilot program to assess the  
31 efficacy of anion exchange as a treatment process to remove

1 hydrogen sulfide from raw water withdrawn from the Floridan  
2 Aquifer by hiring Aloha Utilities, Inc., to construct  
3 treatment facilities using that process at wells 2, 3, 4, 6,  
4 8, and 9 at the water facilities it owns and operates in Pasco  
5 County. The department shall:

6 (a) Review and approve all plans and specifications  
7 for the treatment facilities before construction;

8 (b) Limit payment to Aloha Utilities, Inc., to not  
9 more than \$6 million for constructing the treatment facilities  
10 and verify that each phase of construction is complete before  
11 disbursing funds; and

12 (c) Monitor the operation of the treatment facilities  
13 for 1 year after the facilities are placed into service and  
14 record the operating costs and effectiveness of the treatment  
15 process.

16 (2) The Florida Public Service Commission may not set  
17 rates that allow Aloha Utilities, Inc., or its successors to  
18 recover from utility customers any moneys paid to Aloha  
19 Utilities, Inc., under this section.

20 (3) Aloha Utilities, Inc., shall hold all treatment  
21 facilities that are constructed using funds provided under  
22 this section in trust for the benefit of its customers. If  
23 Aloha Utilities, Inc., is sold to a governmental entity, the  
24 sales price must exclude the value of any such treatment  
25 facility.

26 Section 2. The sum of \$6 million is appropriated from  
27 the General Revenue Fund to the Department of Environmental  
28 Protection for the purpose of funding construction of  
29 treatment facilities that use anion exchange for the pilot  
30 program established under this act.

31 Section 3. This act shall take effect July 1, 2007.

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SENATE SUMMARY

Creates a pilot program to assess the efficacy of anion exchange to remove hydrogen sulfide from groundwater. Requires the Department of Environmental Protection to administer the program. Requires the program to fund construction of certain treatment facilities at water treatment plants owned and operated by Aloha Utilities, Inc., in Pasco County. Provides criteria for the department's administration of the program. Prohibits the Florida Public Service Commission from setting rates that allow a utility to recover from its customers moneys that are paid under the program for treatment facilities. Provides for facilities constructed using funds provided under the program to be held in trust for the benefit of customers of Aloha Utilities, Inc. Provides for exclusion of the value of such facilities in the price if Aloha Utilities, Inc., is sold to a governmental entity.