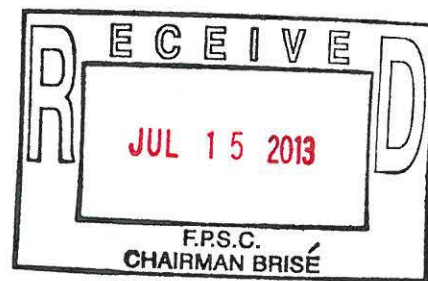


Country Club Utilities, Inc.



July 10, 2013

Commissioner Ronald A. Brise`
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Dear Commissioner Brise`:

My name is Greg Harris; I live in Sebring, Highlands County, Florida, and own/operate Country Club Utilities, a small water and sewer company. I was at a meeting with Governor Scott on Wednesday, July 10, 2013, in Highlands County, and he strongly encouraged all of us to contact him if we have any issues. After 28 years of struggling to operate a small utility company with only my wife and one part-time employee, I am now pleading for assistance/intervention as it relates to Southwest Florida Water Management District and the Department of Environmental Protection.

For years my utility has withdrawn more than the allowable 135 gallons per person per day. In fact, I still average over 230 gallons per person per day. The vast majority is due to irrigation. I am a one-man operation with one part-time employee and my wife to help with billing. The development that my system serves is an upscale community in Highlands County with nice homes and fully landscaped lots. The deed restrictions require that all lots be automatically irrigated. Also, we have a significant amount of customers that go north for summer and leave systems on for two days per week, regardless of the amount of rain. I have made numerous good faith attempts to curb over usage by customers, including writing personal letters, making telephone calls, and even offering to (go to their homes to turn off/down their systems). Also, several years ago I purchased 25 rain sensors for automatic irrigation systems, contracted with an irrigation company to install them for \$40.00 each, and offered the sensors to my customers for free. Not one customer took advantage of the offer.

I have had many meetings with SWFWMD to discuss this overpumpage and have always asked how I am supposed to enforce less usage. That is a question that still cannot be answered. I have said for years that charging these customers more money for higher water usage would get their attention. However, I have not had a rate increase in 25 years. Operating, maintenance, and regulatory expenses continue to increase substantially every single year, yet my rates have not changed.

In 2012, I applied for my first staff-assisted rate case. DEP persuaded SWFWMD to accept my case (I am behind in paying the last two years of regulatory assessment fees), and to include a "stepped increase" rate schedule to penalize high-end users, similar to the rate schedules of other small utility companies in Highlands County. After paying the \$2,000.00 application fee and working with the FPSC for 6 months, I was not approved for a rate increase. My application was denied because I did not have all

records/receipts/documents for the past 20 years, as they were destroyed in the hurricanes, and therefore I could not prove a basis for the increase. Ironically, it was the FPSC that set my initial rates nearly 25 years ago.

I was hoping for at least a 30% increase to off-set the more than \$30,000.00 annually that I personally contribute to the company (last year I borrowed an additional \$95,000.00 to replace a well that collapsed and upgrade the water treatment plant), purchase much-needed equipment, and pay down my burdening debt, all without drawing a salary. Additionally, I was confident the new rate would also reduce over pumping. But none of that happened.


Last week, Southwest Florida Water Management District sent me a Notice of Violation and proposed Consent Order asking me to pay over \$89,000.00 in penalties and fees to settle this issue.

I am truly caught between a rock and a hard place. I run a "mom-and-pop" utility company with limited resources, substantial debt, and now the looming possibility of having to file bankruptcy.

Wouldn't it make more sense to fine the customers that actually use the water? I live in the subdivision and my household is well under the allowable amount. I have no way of enforcing less usage, nor can I fine or charge additional rates. However, the water management district can do all of that. Why penalize the guy that makes the water safe, pleasant and available to all?

As a resident of the great state of Florida and proud small business owner, I am pleading for your help in resolving this issue.

Sincerely,



Greg Harris, owner
Country Club Utilities, Inc.