

STATE OF FLORIDA

RONALD BRISE
CHAIRMAN



Capital Circle Office Center
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850
(850) 413-6036

Public Service Commission

July 15, 2013

Mr. Greg Harris
Country Club Utilities, Inc.
3035 Wynstone Drive,
Sebring, Florida 33875

Dear Mr. Harris:

Thank you for your letter dated July 10, 2013, in which you described the operating and financial issues affecting Country Club Utilities. It is regrettable that you are encountering difficulties with over-pumping primarily due to irrigation demand. I recognize your diligence in attempting to curb customer irrigation demand, and understand the challenges of changing customers' usage habits. The Commission does work with the Department of Environmental Protection (DEP) and the Water Management Districts to promote water conservation. The Commission's commitment is reflected in a Memorandum of Understanding between the Commission and the DEP. The Commission has supported the efforts of the DEP and the WMDs through establishing conservation-oriented water rate structures, when appropriate.

The DEP is the primacy agency for quality of water issues and the WMDs are the primacy agency for managing and protecting water resources. While the Commission has a working partnership with both governmental entities, the Commission's exclusive jurisdiction over water and wastewater utilities lies with the provision of utility service and rates. The Commission does not have the authority to abrogate fines and penalties imposed by either the DEP or the Southwest Florida Water Management District.

I understand that you filed with the Commission for a staff-assisted rate case, which was assigned Docket No. 120172-WS. At this point, the case has been abated, at your request, to allow the City of Sebring time to complete its due diligence on Country Club Utilities. The abatement period ends September 6, 2013. You have the option to seek an extension of the abatement period, or request that the Commission move forward to process your rate case.

Page 2
Mr. Greg Harris
July 15, 2013

I recognize that operating a water utility can be challenging and applaud you for your effort. Please know that if you choose to have your rate case reinstated, the Commission will process your case as expeditiously as possible.

Sincerely,

A handwritten signature in blue ink, appearing to be "Ronald A. Brisé", with a large, stylized initial "R" and "B".

Chairman Ronald A. Brisé

cc: Commissioner Eduardo Balbis
Commissioner Julie Brown
Commissioner Lisa Edgar
Commissioner Art Graham
Ann Cole, Office of the Clerk
Cheryl Bulecza-Banks, Asst. Director, Division of Accounting and Finance