

Lakeside Waterworks, Inc.

June 23, 2014

Office of Commission Clerk
Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399

RE: Docket No. 130194-WS- Application for staff-assisted rate case (SARC) in Lake County by Lakeside Waterworks, Inc.

To Whom It May Concern:

By submission of this letter, Lakeside Waterworks, Inc. (LWI) hereby proposes the following concerning the previously requested pro forma plant items submitted in the current SARC in the above referenced docket. LWI requests the staff to continue consideration of only the pro forma items included in the 2013 year for items which have actually been placed into service after the filing of the SARC and which documentation has been provided.

LWI offers this in consideration of the potential impact to its customers of including the 2014 pro forma items. LWI is cognizant of the potential impact of this rate increase considering the fact that this utility has previously not had a formal rate case decided by this Commission. Therefore, LWI offers this compromise in an effort to help alleviate any potential rate shock of the rate increase to its customers. Further, the majority of the proposed 2014 wastewater pro forma plant items are a significant change in the current operation of the wastewater treatment plant. These major items include receiving a re-rating of the plant through its DEP permit from a 50,000 gpd plant down to a 30,000 gpd plant. The proposed plant items also includes replacing the digester, aeration basin, demolishing the existing aeration basin, rehabilitating the spray fields, repairing the diffusers, replacing the air headers and blowers, as well as, replacing the control panels at two lift stations. LWI still intends to make these necessary replacements and repairs. However, due to the delayed processing of the current rate case, the potential impact to its customers, and the significant changes to the operation of the wastewater plant, LWI believes it would be appropriate to process the current SARC and then subsequently file for recovery of these items in a future SARC once they are in placed into service.

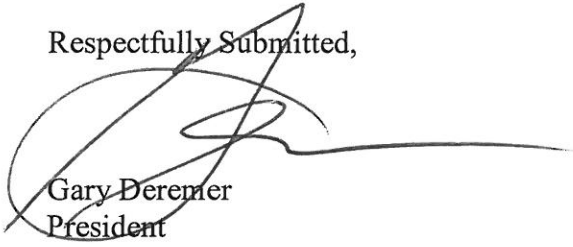
This offer in no way should be precedential in nature or prohibit LWI in submitting a future application for a SARC once the items have been placed into service.

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Docket No. 130194-WS
Pro Forma Plant Consideration

If you have any further questions or concerns, please do not hesitate to contact Mr. Troy Rendell at (727) 848-8292, extension 245.

Respectfully Submitted,



Gary Deremer
President

Cc: Victoria Penick
Troy Rendell