

STATE OF FLORIDA

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Public Service Commission

June 23, 2021

Mr. Michael Smallridge
Florida Utility Services 1, LLC
New Port Richey, FL 34652
mike@fus1llc.com

VIA E-MAIL, CERTIFIED MAIL, AND U.S. MAIL

In re: Docket No. 20210038 – Joint notice of abandonment of water and wastewater systems in Charlotte and DeSoto Counties by Sun River Utilities, Inc. and North Charlotte Waterworks, Inc., effective February 21, 2021.

Dear Mr. Smallridge:

I am writing in response to the application for a staff-assisted rate case (SARC), which you filed on May 28, 2021, in the above-captioned docket.

On April 30, 2021, you were appointed receiver of Sun River Utilities (Sun River or Utility) by the 20th Judicial Circuit in and for Charlotte County, Florida. As you are aware, notice of the abandonment of Sun River was provided on December 24, 2020, by a joint filing between then-current certificate holder of the utility, and North Charlotte Waterworks, Inc., who was in the process of applying for transfer of the utility in Docket No. 20160058-WS, *In re: Application for approval of transfer of Sun River Utilities, Inc. water and wastewater systems and Certificate Nos. 646-W and 554-S in Charlotte and DeSoto Counties to North Charlotte Waterworks, Inc.* In its Notice of Abandonment, North Charlotte Waterworks, Inc. states:

Unfortunately, due to the fact that North Charlotte was unable to obtain adequate ownership or right to continued use of the land upon which treatment facilities are located pursuant to Section 367.1213, Florida Statutes, the FPSC staff has been unable to move forward with a recommendation to approve the transfer.

Section 367.1213, Florida Statutes (F.S.), provides that “[a] utility under the Water and Wastewater System Regulatory Law must own the land or possess the right to continued use of the land upon which treatment facilities are located.”

I have discussed my concerns with staff and upper management regarding proceeding with a SARC application when a certificated utility has been, and remains, in substantial and material noncompliance with the statutory requirement that it either own or have continued use of the land upon which its facilities are located. While this appears to be a novel set of circumstances, not specifically contemplated pursuant to Rule 25-30.455(5), Florida

Administrative Code (F.A.C.), as grounds for denying a SARC, technical and legal staff are in agreement that it is not appropriate to proceed with your SARC application until such time as the utility is able to demonstrate its compliance with Section 367.1213, F.S.

Pursuant to Rule 25-30.455(5), F.A.C., this letter serves as written notification that your May 28, 2021 application for a SARC is denied. Pursuant to Rule 25-30.455(9), F.A.C., you may request reconsideration of the application denial, which will be decided by the full Commission.

If I can assist in this matter or if you have any questions, please contact me by phone at (850) 413-6228 or by email jcrawfor@psc.state.fl.us.

Sincerely,

/s/ Jennifer Crawford

Jennifer Crawford
Attorney Supervisor

cc: Office of Commission Clerk (Docket No. 20210038-WS)
Division of Engineering (Ballinger, King, Ramos)
Office of the General Counsel (Tan, Osborn)