

PASCO COUNTY, FLORIDA

"Bringing Opportunities Home"

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District 1 - Ted Schrader

District 2 - Pat Mulieri, Ed.D.

District 3 - Ann Hildebrand

District 4 - Henry Wilson

District 5 - Jack Mariano

June 7, 2012

Chairman Ronald A. Brisé Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850

Re:

Application of Utilities, Inc. for authority to transfer majority organizational control

of Hydro Star, LLC to Corix Utilities (Illinois), LLC

DOCKET NO. 120084-WS

Dear Chairman Brisé:

Pasco County, on behalf of its citizens that are customers of subsidiaries of Hydro Star, LLC, namely Utilities, Inc./Labrador Utilities, Inc./Utilities, Inc. of Florida (collectively "Utilities, Inc."), is concerned with the requested approval for the purchase of these utility systems in Pasco County. The proposed transfer may not be in the public interest, as the transferee has not provided sufficient information to establish its competence to operate or finance a regulated utility. We are also concerned with the apparent plans of the transferee to engage in significant affiliate transactions. Other areas of concern include: the turnover of senior management of Utilities, Inc. with past ownership transfers (Nuon and Hydro Star) in only the past ten years or less; the apparent lack of experience of the Applicant/transferee, which apparently owns only one other utility system which is subject to economic regulation (such as FPSC regulation); and whether the purchase price will result in an acquisition adjustment.

For these reasons, we believe this transaction requires close PSC scrutiny prior to approval of the proposed transfer. Moreover, the rates recently approved for customers of Utilities, Inc. in Pasco County are inordinately high, in fact some of the highest in Pasco County. Numerous Pasco County residents are suffering under extremely high rates charged by this and other private water and wastewater utilities. These ever increasing rates impose a financial hardship on our residents.

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We would appreciate your attention to our concerns.

Sincerely,

Ann Hildebrand Chairman

Pasco County

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Page Two June 7, 2012 Chairman Ronald A. Brisé Florida Public Service Commission

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Copies to:

Director, Division of the Commission Clerk and Administrative Services Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

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