



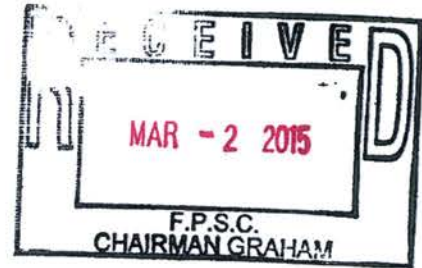
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COMMISSION
CLERK

February 26, 2014

Chairman Art Graham
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850



Re: K W Resort Utilities Corp.
2014 TY General Rate Increase Application
Our File No. 34000.01

Dear Chairman Graham:

This letter, pursuant to Rule 25-30.430, Florida Administrative Code, requests approval of a test year for K W Resort Utilities Corp. (the "Company"). The Company intends to submit an application for general rate relief to the Florida Public Service Commission for its wastewater system located in Monroe County, Florida. The Company intends to submit the minimum filing requirements ("MFRs") on or before July 1, 2015.

The Company's last rate proceeding was in Docket No. 070293-SU, utilizing a test year ending December 31, 2006, which resulted in the issuance of Order No. PSC-09-0057-FOF-SU dated January 27, 2009.

The Company requests an historic test year ending December 31, 2014. The requested test year is representative of a normal full year of operation. However, there will be pro forma adjustments to expenses to reflect expenses in the years when rates will be in effect as a result of changes in operations as a consequence of having to upgrade the WWTP to AWT standards, such as increases in staffing, chemicals, sludge hauling, power and testing/sampling.

Since the Company's last rate proceeding, the Company has experienced increases in O&M expense such as salaries and wages, insurance, purchased power, and chemicals that were not completely offset by reductions in other annual operating expenses or annual indexing rate increases. The pro forma expenses are non growth-related.

The Company anticipates including pro forma plant additions, which will be completed and placed into service within 24 months of the end of the proposed December 31, 2014 test year. The pro forma plant consists of an additional 350,000 gpd in treatment capacity, and upgrades to meet the AWT standards required by the Florida Department of Environmental Protection.

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Pursuant to Section 367.081(8), Florida Statutes, the Company requests that the Commission process this petition for rate relief using the proposed agency action procedure. The Company also will request interim rates based on the historic test year.

Should you or members of the Staff have any questions regarding this request, please do not hesitate to contact me.

Very truly yours,



Martin S. Friedman
For the Firm

cc: Bart Smith, Esquire (via e-mail)
Chris Johnson (via e-mail)
Deborah Swain (via e-mail)
Frank Seidman (via e-mail)
Andrew Maurey (via e-mail)