

Silver Lake Utilities

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May 27, 2016

Mr. Adam Hill
Division of Engineering
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

RE: Exhibit 1
Docket No. 150149-WS
Staff Assisted Rate Case by Silver Lake Utilities, Inc.

Dear Mr. Hill:

Silver Lake Utilities is providing the responses below to your letter of May 5, requesting additional information based on a letter from the Office of Public Council. Please see the attached Exhibit 1 to support the Response to No. 1 .

1. System Design: The Utility operates 26 water systems for 66 customers. Please provide an explanation why the Utility is not pursuing the interconnection of the water systems in order to take advantage of economies of scale.

Order No. PSC-07-0717-FOF-WS issued September 7, 2007, Granting Final Order for Water and Wastewater Certificates was for a service territory of approximately 350,000 acres. Order No. PSC-08-0520-FOF-WU issued August 12, 2008, amended Certificate No. 636-W to include an additional 2,072 acres. Interconnection of any of the existing systems is not cost effective due to the distribution of the systems over such a large geographic area.

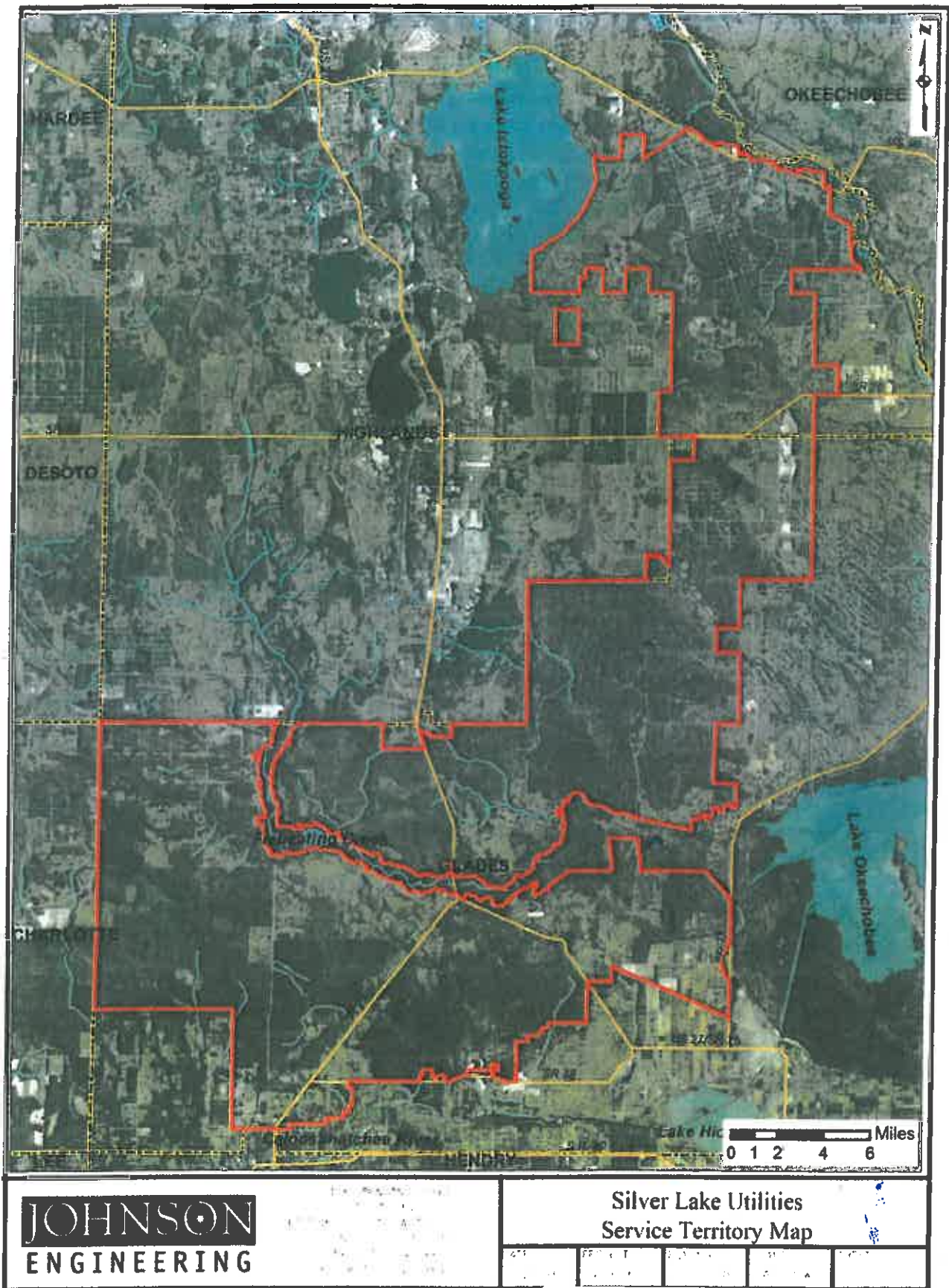


Figure 1-3: SLU Water Service Territory Map

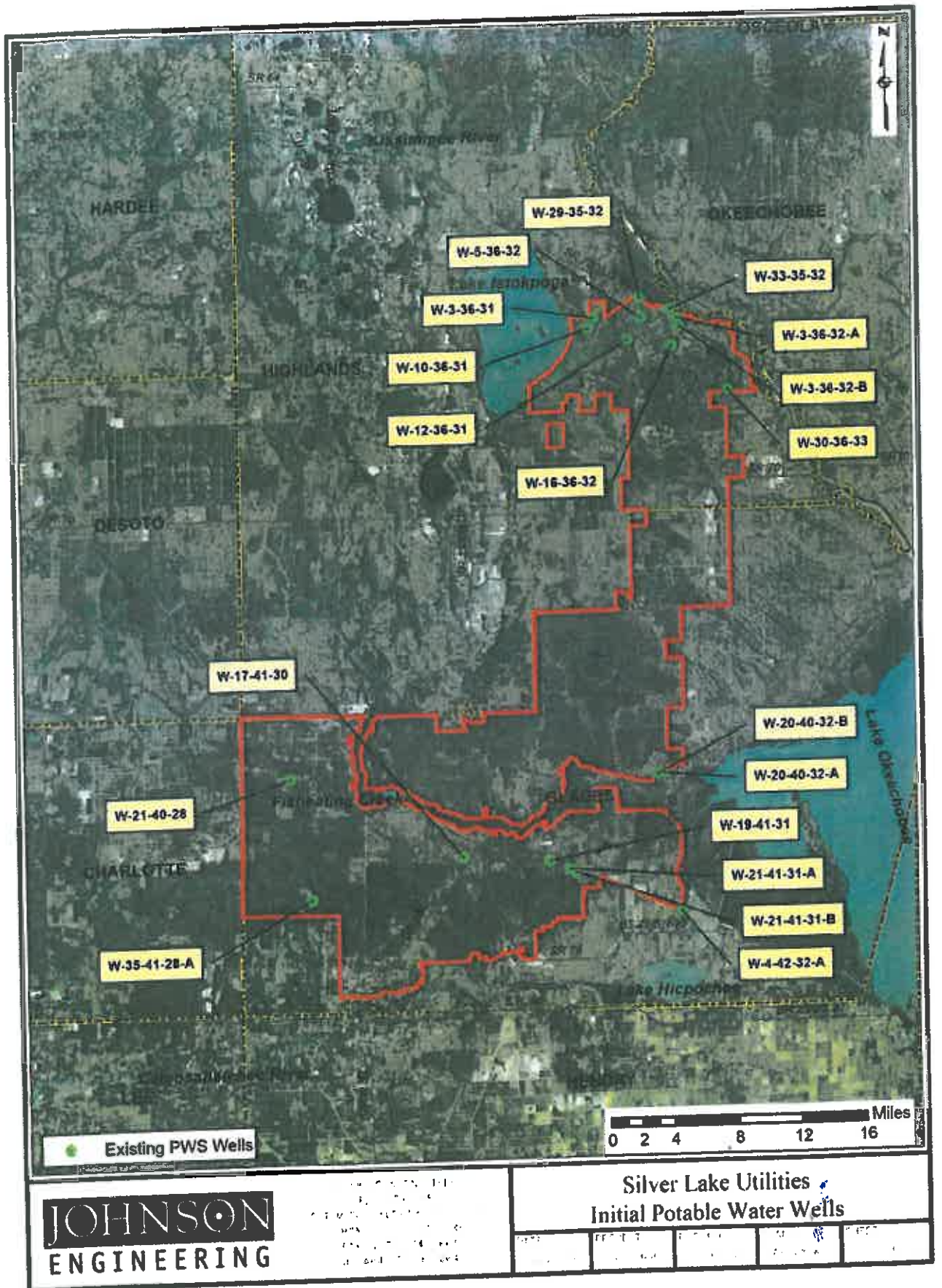


Figure 3-1: Initial Potable Water Wells