CORRESPONDENCE AUG 23, 2016 DOCUMENT NO. 06961-16

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DIVISION OF ECONOMICS GREG SHAFER DIRECTOR (850) 413-6410

Public Service Commission

August 23, 2016

Ms. Colette Robbins 8551 Skymaster Dr. New Port Richey, FL 34654

Re: Docket No. 160030-WS - Application for increase in water and wastewater rates in Pasco and Lee Counties by Ni Florida, Inc.

Dear Ms. Robbins:

Thank you for your letter in which you expressed your concerns regarding the proposed rate increase filed by Ni Florida, LLC. (Ni Florida or Utility). To ensure that the Commission staff and the Commissioners have knowledge of your concerns, your letter has been placed on the correspondence side of the docket file for all to review.

We understand your concerns regarding Ni Florida's proposed rate increase. With respect to the development of rates, the Commission is required to set rates that are just, reasonable, compensatory, and not unfairly discriminatory as dictated by Chapter 367, Florida Statutes. During a rate case, the Commission's accountants, engineers, and economists examine the utility's financial and engineering information to make a recommendation to the Commissioners. Hopefully, this letter addresses your concerns. If you have any additional questions or require assistance, please feel free to contact me at (850) 413-6994 or by email me at sbruce@psc.state.fl.us

Sincerely, only Sonica C. Bruce

Economic Analyst **Division of Economics**

cc: Office of Commission Clerk (Docket No. 160030-WS)