COMMISSIONERS: ART GRAHAM, CHAIRMAN JULIE I. BROWN DONALD J. POLMANN GARY F. CLARK



DIVISION OF ENGINEERING TOM BALLINGER DIRECTOR (850) 413-6910

Public Service Commission

January 19, 2018

VIA EMAIL & US MAIL

Mr. Michael Smallridge West Lakeland Wastewater, Inc. 3336 Grand Boulevard, Suite 102 Holiday, FL 34690 <u>mike@FUS1LLC.com</u>

Re: Docket No. 20170246-SU - Application for authority to transfer facilities and Certificate No. 515-S in Polk County from West Lakeland Wastewater, Inc. to West Lakeland Wastewater, LLC.

Dear Mr. Smallridge:

Staff reviewed the application for transfer (application) submitted on November 11, 2017, on behalf of West Lakeland Wastewater, Inc. and West Lakeland Wastewater, LLC (Applicant or Buyer). After reviewing this information we find the application to be deficient. The specific deficiencies are identified as:

- 1. **Buyer Documentation.** Rule 25-30.037(2)(j)(2.), F.A.C., requires the Buyer to provide the purchase price and terms of payment for the transfer. Although the application provides the Court Order for the transfer, no purchase price is detailed or provided. Please provide a purchase price and terms of payment for the transfer, along with Exhibit A of the Court Order.
- 2. Economies of Scale Schedule. Rule 25-30.037(2)(v), F.A.C., requires that if the Buyer owns other water or wastewater utilities that are regulated by the Commission, provide a schedule reflecting any economies of scale that are anticipated to be achieved within the next three years and the effect on rates for existing customers served by both the Utility being purchased and the Buyer's other utilities. Please provide a schedule reflecting any economies of scale that are anticipated to be achieved within the next three years and the Buyer's other utilities. Please provide a schedule reflecting any economies of scale that are anticipated to be achieved within the next three years and the effect on rates for existing customers served by both the Utility being purchased and the Buyer's other utilities.

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Your application will not be deemed filed until the deficiencies identified in this letter have been corrected. These corrections should be submitted no later than February 20, 2018, to the following address:

Office of Commission Clerk Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850

Should you have any questions concerning the information in this letter, please feel free to contact Orlando Wooten by phone at (850) 413-6686 or by email at owooten@psc.state.fl.us for technical questions, or Danijela Janjic by phone at (850) 413-6856 or by email at djanjic@psc.state.fl.us for legal questions. Please include the docket number on all submissions to the Commission Clerk.

Sincerely,

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Orlando Wooten Engineering Specialist Florida Public Service Commission Division of Engineering

OW:tj

cc: Office of Commission Clerk (Docket No. 20170246-SU)