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

Public Service Commission

December 6, 2019

Mr. Troy Rendell HC Waterworks, Inc. 4939 Cross Bayou Blvd. New Port Richey, Florida 34652 trendell@uswatercorp.net VIA EMAIL & US MAIL

Re: Docket No. 20190166-WS - Application for increase in water rates in Highlands County by HC Waterworks, Inc.

Dear Mr. Rendell:

We have reviewed the response to staff's deficiency letter submitted November 18, 2019, on behalf of HC Waterworks, Inc. (HC or Utility). After reviewing the information provided, we still find the Minimum Filing Requirements (MFRs) to be deficient. The specific deficiencies are identified below:

- 1. Rule 25-30.437, F.A.C., requires that each Class B utility applying for a rate increase provide the information required by Commission Form PSC/ECR 19 (11/93), entitled "Class A Water and/or Wastewater Utilities Financial, Rate and Engineering Minimum Filing Requirements." The following MFR schedules, as filed, do not comply with Rule 25-30.437, F.A.C. Please refile the following schedules to correct errors below:
 - a. The following items do not reconcile.
 - i. MFR Schedule B-1, line 5 Taxes Other Than Income Requested Revenue Adjustment and Revised MFR Schedule B-15, line 10
 - ii. MFR Schedule D-1, line 5 and Revised MFR Schedule D-2, line 5
 - iii. Schedule E-2 and schedule E-14.
 - b. The instructions for MFR Schedule B-7 require the Utility provide an explanation for changes in expenses not attributed to the change in customer growth and CPI-U. On Revised MFR Schedule B-7, the Utility provided the Annual PSC Approved Index percentage. Please instead use the CPI-U from June 2014 and June 2019 to recalculate the percentage on MFR Schedule B-7.

PSC Website: http://www.floridapsc.com

Internet E-mail: contact@psc.state.fl.us

Mr. Troy Rendell Page 2 December 6, 2019

If the specific deficiencies above require a corresponding change to any MFR schedules, those corrected schedules must also be submitted in accordance with Rule 25-30.436(4)(e), F.A.C. Your petition will not be deemed filed until the deficiencies identified in this letter have been corrected. These corrections should be submitted no later than January 6, 2020, to the following address:

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

Should you have any questions concerning the information in this letter, please feel free to contact Clayton Lewis at (850) 413-6578 or by email at clewis@psc.state.fl.us.

Sincerely,

Tom Ballinger

Director of Engineering

TB/jp

cc: Office of Commission Clerk (Docket No. 20190166-WS)