

Antonia Hover

From: Antonia Hover on behalf of Records Clerk
Sent: Tuesday, June 6, 2023 2:46 PM
To: 'bbarscz@yahoo.com'
Cc: Consumer Contact
Subject: FW: Docket No. 20220185-WS, East Marion Utilities, LLC
Attachments: LARI.pdf

Good Afternoon, William Barscz.

We will be placing your comments below in consumer correspondence in Docket No. 20220185, and forwarding them to the Office of Consumer Assistance and Outreach.

Thank you!

Toni Hover
Commission Deputy Clerk I
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399
Phone: (850) 413-6467

From: William Barscz <bbarscz@yahoo.com>
Sent: Tuesday, June 6, 2023 1:56 PM
To: Records Clerk <CLERK@PSC.STATE.FL.US>
Subject: Docket No. 20220185-WS, East Marion Utilities, LLC

Good afternoon,

I have attached a letter regarding the upcoming LARI application for East Marion Utilities, LLC. If you need more, please reply at your convenience.

Thank you

William Barscz

William J Barscz

13023 NE &th Loop
Silver Springs, FL 34488
(352) 598-0402
bbarscz@yahoo.com

6th June 2023

Office of Commission Clerk

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

Re: Docket No. 20220185-WS East Marion Utilities, LLC

Good afternoon,

East Marion Utilities, LLC's (from here on referred to as the company) LARI application should be denied, without prejudice, due to the questionable accounting practices the company has been undertaking to seemingly pad its expenses.

Firstly, both of the company's operations, water and wastewater, were purchased in 2022 by Michael Smallridge under the newly formed North Trust, LLC for the sum of \$45,000, or \$22,500 each (31982-000-02, 31982-000-03, Marion County.) However, according to the company's 2022 annual report, there is no money owed to a parent company listed on page F-4, and no long-term debt incurred either on pages F-4 or F-6. This means the company must have expensed the \$45,000 for 2022. Indeed we see a significant increase in payables (account # 231) on page F-4 of the 2022 annual report thus proving this statement. This amount should be removed from your calculations when considering the company's expenses moving forward and their need for *any* increase.

Secondly, the company's depreciation amounts are decreasing quickly which will lead to increased profits for the owner. On pages S-1 and S-2 of the 2022 annual report, account (362) has 1.34 years of depreciation left @ \$2,165 per year, account (363) has 2.07 years left @ \$1,226 per year, and (360) has 3.5 years left @ \$7,289 per year. These accounts will turn into profit for the company after these dates.

Thirdly, the company claims to treat the same amount of wastewater gallons (S-5, 2022 annual report) as it sells in freshwater gallons(W-4.) I think we all realize a great deal of water is consumed through drinking and gardening (a very small percentage of residents have irrigation meters in our community.) Therefore, this is an unrealistic assumption on the company's part. The company is obviously not metering the sewage outflow, and is estimating the cost per gallon of treated effluent too low. If you are able, could you please look at another utility which actually measures the wastewater compared to fresh for a more accurate number? I don't have that data.

Lastly, I will turn your attention to a property Mr. Smallridge personally sold to the company in 2023 (31982-001-45, Marion County) at an excessive \$17,143. It is a .20 acre property which is right near the sewer plant grinder and often smells like feces. The adjoining .23 acre property (31982-001-44) Mr. Smallridge tried to sell for considerably less to our neighbor.

I do appreciate your time and effort looking into the regulation of these utilities while protecting Florida residents. Hopefully this will be an easy case for you to oversee and I wish you God's blessings in all your works. Please feel free to contact me with any questions or information you may have.

Respectfully,

William Barscz