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December 15, 2025

Ms. Marissa Ramos Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850

Re: Docket No. 20250023-WS; NC Real Estate Projects, LLC dba Grenelefe Utility Request for Staff Assisted Rate Increase

Dear Ms. Ramos,

I am writing this letter in order to respond to the recent and continuing comments from the Office of Public Counsel concerning the quality of service for this utility and the proposal that the Commission consider substantial adjustments to both the rate of return and officers' salaries in this case because alleged "poor quality of service".

We adamantly disagree with the proposal by the Office of Public Counsel to make such adjustments. This utility is very small and has been operating at extreme deficits for decades. They have never had the funds under the prior or present owners to make needed improvements to a system whose facilities are well past their useful life. The new owners and management should be commended for putting forth the effort and the funds necessary to move forward with substantial improvements to the system in order to alleviate the long-standing concerns with updating this utility system to avoid continuation of past operating deficiencies.

The utility received 17 service-related complaints in this proceeding. Of those, the great majority related to boil water notices and service disruptions from line breaks. The new owners of the utility have proposed in this case (and have already begun the process) of replacing approximately 100 valves in the utility system in order to try and help alleviate these problems. The previous owners appear to have taken no steps to update or replace valves and meters that are well past their useful lives and in disrepair for decades. The new utility owner's proposal is to replace all of the outdated and malfunctioning valves within the system. This investment will allow the utility to better isolate any line breaks and also ensure that they are corrected in a timely manner.

The other service complaints related to the water system were two to three complaints concerning water pressure which again relates to the issue with line breaks and valves for the most part.

Finally, there were two complaints concerning sewer backup. The utility has determined after investigation of these complaints that the malfunctions in question were in the customer's service line or internal system rather than within the utility system in both cases.

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Based upon the above and the extensive measures that the new owners of the utility have undertaken in their two and one half years of management of this utility, the utility is providing substantially improved management and oversight and willingness to move forward with needed improvements to the system, and should be commended for that action rather than penalized.

If you have any further questions or need any further information in this regard, please let me know.

Sincerely,

SUNDSTROM & MINDLIN, LLP

F. Marshall Deterding

Of Counsel

FMD/brf

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