

FLORIDA UTILITY SERVICES 1, LLC  
3336 GRAND BLVD SUITE 102  
HOLIDAY, FL. 34690  
863-904-5574

2/2/2015

Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, FL. 32399

RECEIVED FPSC  
15 FEB - 9 AM 9:06  
COMMISSION  
CLERK

Re: Company response to audit report Docket # 140176-WU and 140176-WU.

*\* original + 4 copies - CTC 2/9*

Dear Commission Clerk:

Please add the following company response to the above Docket file.

Company response to the audit is as follows.

1. Company requests an acquisition adjustment of \$ 156,081 as stated in the audit report page 13 based upon the fact that the audit revealed major discrepancies in the book value of the component of water rate base.
2. Please explain the amount of accumulated depreciation of \$ 72,272 on page 11 and \$ 82,460 on page 14.
3. Finding #7- The utility has been using rule 25-30.311(7) as the ability to charge this additional deposit and does not see where this has to be added to the tariff sheet. Please advice.

COM

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4. Exhibit #2 Capital Structure. In the long term debt line under the per audit column reflects an amount of \$ 423,172, this was correct at the time of the audit but in January 2015, I made a balloon payment of \$20,000 to the seller reducing the long term debt going forward.
5. Reminding staff that I have purchased a new truck for the utility to go along with the truck we already have. This information was given to the auditors but I do not see it reflected in the audit report. Information along with receipts was sent in the response to the staff data request.

On behalf of the utility,

A handwritten signature in blue ink that reads "Michael Smallridge". The signature is written in a cursive style with a period at the end.

Mike Smallridge