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

February 13, 2017

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

RE: Docket # 160143-WU

Dear Commission Clerk:

Enclosed Please find the companies response to the customer meeting comments.

On behalf of the utility,

Mike Smallridge

COMPANY RESPONSE FOR DOCKET # 160143.

At the time I acquired this utility company, the previous owner did virtually no maintenance and made little effort to address water quality issues.

When I acquired the system, my team and I worked hard to try and catch up on all the back maintenance and repairs not done by the former owner. This is a old system which requires ongoing maintenance and repairs, but in no way has this utility ever not supplied chlorine to the water system, nor have we ever told the customers that we "ran out". Maybe this is something that happened with the former owner.

There are multiple things I have done since I acquired the system to upgrade customer safety, convenience and economic stability. Facilitating bringing the system into proper regulation (which wasn't the case before) gives the customers an avenue (such as this customer meeting) to address utility issues and unlike before, the PSC, not the owner, sets the rates. Also, since I have taken over this utility, I voluntarily have an annual meeting with the customers(which can viewed on the companies youtube channel)and have improved billing services by offering customers the option of paying online, call the office and pay with a debit or credit card and receive their bill via email. Additionally, we have replaced most of the customers meters so that the person using the water pays for the water they use and the cost is not passed to the others.

The utility is now at the point where we can start to work on these perceived water quality issues such as" white chalky substance" (calcium)and rotten egg smell(hydrogen sulfide). This is the partial purpose of this rate case, to seek commission approval to engage an engineer(since these improvements will require a DEP permit) so that we may come to a permanent and affordable solution for these issues.

The company disagrees with the non-customer person suggestion of increased monitoring for multiple reasons.

- (1). Increased monitoring is not need. The utility is in compliance with all DEP water quality standards.
- (2). This would become duplicative as there is no other test we can do other than what we are doing now and add more unnecessary expense to the existing customers.
- (3) The person that made these comments is not a customer of the utility and is not qualified in water quality issues and even confirms that when he states that he doesn't know what the white chalky substance is.

In summary, I believe the customers of Charlie Creek Utilities are in better shape than they ever have been and as time passes they will continue to see improvements in the quality of the water and the continued improvement of the utility assets.

On behalf of the utility, Mike Smallridge