



August 23, 2017

VIA E-FILING

Carlotta S. Stauffer, Commission Clerk Office of Commission Clerk Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399

RE: Docket No. 20170174-SU; Application for Transfer of Assets of Exempt Utility and for Amendment of Certificate 465-S in Lake County by Utilities, Inc. Of Florida Our File No. 30057.228

Dear Ms. Stauffer:

The following are the responses of Utilities, Inc. of Florida, ("Utility") to the Staff's First Data Request dated August 22, 2017:

1. As required by Section 120.542(5)(d), Florida Statutes (F.S.), please explain how the variance or the waiver requested would serve the purposes of the underlying statute?

<u>Response:</u> The purpose of Rule 25-30.030(5)(b), F.A.C., that existing customers be noticed of an application for an extension of service area or an acquisition is so that they may evaluate the impact it may have on their rates and/ or service and express a position accordingly. In this case the application will only add 148 single family connections to UIF's wastewater system, which consists of over 34,000 ERC's, which is an increase in ERC's of less than one-half of one percent. Thus, any impact on rates would be de minimis. Further, the new customers/service area are being served by wastewater collection, treatment and disposal facilities which are not connected to any of UIF's existing wastewater systems. Thus, the addition of these 148 customers will not affect the quality of service the existing customers are receiving. All other noticing will be given in accordance with the Rule, including publication.

2. How would the Commission's application of Rule 25-30.030(5)(b), F.A.C., create a substantial hardship for the Utility, or violate principles of fairness as defined in Section 120.542(2), F.S.?

<u>Response:</u> The definition of "substantial hardship" in Section 120.542(2), F.S., includes economic hardship to the person requesting the variance or waiver. The personnel, paper, printing, envelopes and postage costs to mail 34,000 individual notices is over \$16,000.

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That economic cost far outweighs any benefit that those 34,000 existing customers will receive from getting the notices, given the de minimis impact this proceeding will have on the existing customers as discussed above. Although not in the same context, this Commission has previously recognized cost as a "substantial hardship." PSC Order No. PSC-98-0586-FOF-WS.

Should you or Staff have any questions regarding this response please do not hesitate to give me a call.

Very truly yours,

/s/ Martin S. Friedman

MARTIN S. FRIEDMAN For the Firm

MSF/ Enclosures

cc: John Hoy (via email) Patrick Flynn (via email) Kyesha Mapp, Esquire (via email) Chelsea Metka, Esquire (via US Mail)