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STATE OF FLORIDA



DIVISION OF ENGINEERING
TOM BALLINGER
DIRECTOR
(850) 413-6910

Public Service Commission

September 22, 2017

Mr. Michael Smallridge
Heather Hills Estates Utilities, LLC
Heather Hills Utilities, LLC
3336 Grand Boulevard, Suite 102
Holiday, FL 34690
mike@FUS1LLC.com

VIA EMAIL & US MAIL

Re: Docket No. 20170151-WS - Application for authority to transfer water and wastewater Certificate Nos. 577-W and 498-S in Manatee County, from Heather Hills Estates Utilities, LLC to Heather Hills Utilities, LLC.

Dear Mr. Smallridge:

Staff reviewed the application for transfer (application) and customer notice submitted on July 5, 2017, on behalf of Heather Hills Estates Utilities, LLC and Heather Hills Utilities, LLC (Applicant or Buyer). After reviewing this information we find the application to be deficient. The specific deficiencies are identified as:

1. **Filing Fee.** Rule 25-30.037(2)(a), Florida Administrative Code (F.A.C.), requires that the applicant remit a filing fee pursuant to Rule 25-30.020(2)(C), F.A.C., which states:

For an application for transfer or change in majority organizational control filed pursuant to Section 367.071, F.S., the amount of the fee shall be as follows:

1. For applications in which the utility to be transferred has the capacity to serve up to 500 ERCs, \$750;
2. For applications in which the utility to be transferred has the capacity to serve from 501 to 2,000 ERCs, \$1500;
3. For applications in which the utility to be transferred has the capacity to serve from 2,001 to 4,000 ERCs, \$2,250;
4. For applications in which the utility to be transferred has the capacity to serve more than 4,000 ERCs, \$3,000.

Additionally, Rule 25-30.020(1), F.A.C., states that a separate fee shall apply for water service and wastewater service. Therefore, with 355 ERCs (equivalent residential connections) for water and 355 ERCs for wastewater, the correct filing fee for the application is \$1,500. Please remit the appropriate filing fee.

2. **Buyer Information.** Rule 25-30.037(2)(d), F.A.C., requires that the applicant provide specified information relating to the buyer, including the Federal Employer Identification Number (FEIN), and if available, its fax number. The FEIN provided by the Applicant appears to be non-existent and, therefore, incorrect. The Applicant also did not provide a fax number. Please provide the correct FEIN. Also, please provide the Buyer's fax number, or state that the requested information is unavailable, if applicable.
3. **Florida Department of State, Division of Corporations Documentation.** Rule 25-30.037(2)(f)1. and 2, F.A.C., requires that the applicant provide the nature of the buyer's business organization, and documentation from the Florida Department of State, Division of Corporations, showing: (1) The utility's business name and registration/document number for the business, unless operating as a sole proprietor; and, (2) The utility's fictitious name and registration number for the fictitious name, if operating under a fictitious name. Please provide the required documentation from the Florida Department of State, Division of Corporations.
4. **Financial Statements.** Rule 25-30.037(2)(l)2., F.A.C., requires a list of all entities, including affiliates, upon which the buyer is relying to provide funding to the utility and an explanation of the manner and amount of such funding. The list need not include any person or entity holding less than five percent ownership interest in the utility. The applicant shall provide copies of any financial agreements between the listed entities and the utility and proof of the listed entities' ability to provide funding, such as financial statements. Please provide the current financial statements of Michael Smallridge. The financial statements may be filed confidentially.
5. **Notice of Application.** Rule 25-30.030, F.A.C., requires the utility to provide notice of its application for transfer. Rule 25-30.030(3)(e), F.A.C., requires that the notice be titled "Notice of Application for Authority to Transfer Water and Wastewater Certificates of Authorization to Another Regulated Utility." Please amend the title of the customer notice as required.
6. **Notice of Application.** Rule 25-30.030(4)(b), F.A.C., requires that the notice contain the name, address, telephone number, and, if available, email address, and fax number of the applicant. Please amend the notice to include the telephone number of the applicant, and if available, its email address, and fax number.
7. **Notice of Application.** Rule 25-30.030(4)(b), F.A.C., requires that the notice contain the application docket number and title. Please amend the notice to include the application docket number and title.

Mr. Michael Smallridge

September 22, 2017

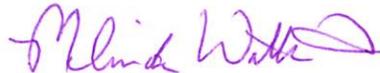
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Your application will not be deemed filed until the deficiencies identified in this letter have been corrected. These corrections should be submitted no later than October 23, 2017, to the following address:

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

Should you have any questions concerning the information in this letter, please feel free to contact Mrs. Melinda Watts by phone at (850) 413-6952 or by email at mwatts@psc.state.fl.us for technical questions, or Mr. Walter Trierweiler by phone at (850) 413-6584 or by email at wtrierwe@psc.state.fl.us for legal questions. Please include the docket number on all submissions to the Commission Clerk

Sincerely,



Melinda Watts
Engineering Specialist
Division of Engineering

MW:tj

cc: Office of Commission Clerk (Docket No. 20170151-WS)