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December 6, 2017

VIA E-FILING

Carlotta S. Stauffer, Commission Clerk
Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

RE: Docket No. 20170086-SU; Investigation into the billing practices of K W Resort Utilities Corp. in Monroe County
Our File No. 34000.05

Dear Ms. Stauffer:

The following are the responses of K W Resort Utilities Corp. (“KWRU”) to staff’s Data Request dated November 9, 2017.

1. Please explain in greater detail the utility’s policy with respect to customer requests to discontinue service when the property is no longer occupied.

Response: Since KWRU provides only wastewater service, it does not have control over the connection or disconnection of water service through disconnection or removal of the water meter. As required by Order No. PSC-17-0091-FOF-SU (pages 67-68), KWRU charges the base facility charge for each KWRU meter. The principle behind this is that as long as there is a FCAA water meter in place, there is a potential for wastewater flow. KWRU does not have the manpower to periodically visit every property where a customer may want wastewater service discontinued, but keeps water service. This is a dilemma faced by wastewater-only utilities throughout Florida and is not unique to KWRU. The base facility charge is intended to cover the fixed cost of operating the wastewater system when no wastewater flows, and any customer who may temporarily want to discontinue wastewater service, will expect that service to be available when they need it. KWRU’s rates are based on the water meters in existence, which per its tariff, it is required to bill for based on FCAA water meters. During the last rate case, KWRU was informed by the PSC that it cannot bill outside its Tariff.

2. Please explain in greater detail the utility's policy with respect to continuing to bill customers whose homes were affected by the recent hurricanes.

Response: This question fails to explain "affected" and it is probably safe to say that all residents of the Keys were affected by the recent hurricanes. As it may relate to discontinuance of wastewater service due to temporary uninhabitability of a home, as explained above, KWRU is required to bill the base facility charge to all properties served by FKAA water meters, and be able to serve those residences when they become inhabitable. KWRU has recognized due to the evacuation, customers may be delayed in paying bills and have waived late fees for the last two months to allow customers additional time to pay bills for service. Moreover, according to data collected by Monroe County, of the 1,514 single family homes on Stock Island, 17 were destroyed, of which over half were located at a property that is not connected to central sewer.

Should you or staff have any questions regarding this response please do not hesitate to contact me.

Very truly yours,

/s/ Martin S. Friedman

MARTIN S. FRIEDMAN
For the Firm

MSF/

cc: Chris Johnson (via email)
Bart Smith, Esquire (via email)
Kyesha Mapp, Esquire (via email)
Marissa Friedrich (via email)