

December 9, 2015 **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. 150186-WU - Application for certificate to operate a water utility in Hardee County by

Charlie Creek Utilities, LLC.

Our File No.: 47136.01

Dear Ms. Stauffer:

Staff has requested an explanation as to why Charlie Creek Utilities, LLC ("Utility") has not filed Annual Reports, paid Regulatory Assessment Fees, is operating without a Certificate, and is charging rates not approved by the Public Service Commission.

The Utility purchased this water system on November 28, 2014, but the prior owner sent bills in December 2014 (and collected the revenue therefrom) and the Utility sent its first bills to customers in January 2015. When negotiating to purchase this system Mr. Smallridge was told that the system was regulated by Hardee County. Hardee was originally excluded from the provisions of Chapter 367 by virtue of Section 367.171(3), Florida Statutes. Apparently, when jurisdiction was transferred to the PSC by Hardee County on October 26, 2009, the prior owner was not notified, and therefore assumed the County still had jurisdiction when the water system was sold to the Utility.

After the Utility purchased the water system, Mr. Smallridge contacted the undersigned, and he learned for the first time that the water system was regulated by the PSC, not Hardee County. Thereafter, the instant Application was filed for an Original Certificate. Obviously, if customers are to continue to receive water service under new ownership until a Certificate is granted, the Utility is technically operating without a Certificate. And since customers are continuing to receive water service, they should pay the reasonable cost for such service. The Utility will be filing the Annual Report and paying the RSFs for 2015, during which it operated and billed customers.

Should you or staff have any questions regarding this filing, please do not hesitate to give me a call.

Very truly yours,

/s/ Martin S. Friedman

MARTIN S. FRIEDMAN For the Firm

MSF/

cc: Mike Smallridge (via email)

Danijela Janjic, Esquire (via email)