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Public Service Commission

February 12, 2016

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P.O. Box 2401
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via e-mail and U.S. Mail

Re: Docket No. 160022-SU - Application for certificate to provide wastewater service in St. Lucie County by Tropical Isles Utility Corporation.

Dear Mrs. Bonan:

Commission staff has reviewed Tropical Isles Utility Corporation's application submitted on January 15, 2016. After reviewing this information, we find this application to be deficient. The specific deficiencies are identified below:

1. Rule 25-30.034(1)(b), Florida Administrative Code, (F.A.C.), requires that the applicant provide proof of noticing pursuant to Rule 25-30.030, F.A.C. Although the applicant provided proof of noticing pursuant to Rule 25-30.030(5)(a) and (b), F.A.C., it did not provide proof of publication in a newspaper of general circulation in the proposed service area as required by Rule 25-30.030(5)(c), F.A.C. If the applicant has not done so, please publish the notice in a newspaper of general circulation in the proposed service area and provide proof of said publication to the Commission.
2. Rule 25-30.034(1)(c), F.A.C., requires that the applicant provide specified information relating to the utility, including the Federal Employer Identification Number (FEIN). The applicant did not provide the FEIN. Please provide the FEIN.
3. Rule 25-30.034(1)(d)(1) and (2), F.A.C., requires that the applicant provide the nature of the utility'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. Rule 25-30.034(1)(e), F.A.C., requires that the applicant provide the name(s), address(es), and percentage of ownership of each entity or person which owns or will

own more than a 5 percent interest in the utility. Please provide the percentage of ownership of each entity or person which owns or will own more than a 5 percent interest in the utility.

5. Rule 25-30.034(1)(f), F.A.C., requires that, if the applicant is applying for water or wastewater only, the applicant provide a statement explaining how the other service is provided. Please provide a statement of how the customers in the proposed service territory are provided water service.
6. Rule 25-30.034(1)(g), F.A.C., requires that the applicant provide a description of the types of customers served, i.e., single family homes, mobile homes, duplexes, golf course clubhouse, or commercial. Please provide a description of the types of customers being served in the proposed service territory.
7. Rule 25-30.034(1)(i)(1), F.A.C., requires that the applicant provide a detailed financial statement (balance sheet and income statement), audited if available, of the financial condition of the applicant, which shows all assets and liabilities of every kind and character. Although the applicant provided a statement of cash flows, please provide a detailed financial statement.
8. Rule 25-30.034(1)(i)(2), F.A.C., requires that the applicant provide a list of all entities, including affiliates, upon which the applicant is relying to provide funding to the utility, and an explanation of the manner and amount of such funding, as well as copies of any financial agreements with the utility. Please provide a list of all applicable entities, the financial statements of any person or entity with an ownership interest of 5 percent or greater, and any applicable agreements.
9. Rule 25-30.034(1)(j), F.A.C., requires that the applicant demonstrate its technical ability to provide wastewater service by providing (1) a statement of the applicant's experience in the wastewater industry; (2) a copy of all current permits from the Department of Environmental Protection (DEP); (3) a copy of the most recent DEP and/or county health department compliance inspection; and (4) a copy of all correspondence with the DEP and/or county health department including consent orders and warning letters, and the utility's responses to the same, for the past five years. Please provide the statement and documentation required by Rule 25-30.034(1)(j), F.A.C.
10. Rule 25-30.034(1)(n), F.A.C., requires documentation specifying on what date and under what authority the current rates and charges were established. Please provide this documentation.
11. Rule 25-30.034(1)(o), F.A.C., requires a tariff containing all rates, classifications, charges, rules, and regulations, which shall be consistent with Chapter 25-9, F.A.C. Form PSC 1011 (12/15), entitled "Wastewater Tariff," which is incorporated by reference in Rule 25-30.033, F.A.C., is an example tariff that may be completed by the applicant and included in the application. The form may also be obtained from the Commission's website, www.floridapsc.com. Please provide a tariff as required by the Rule.

Elizabeth P. Bonan, Esq.

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We will be unable to proceed with the transfer process until the deficiencies identified in this letter have been corrected and the additional requested information is provided. These corrections should be submitted as soon as possible, but no later than March 14, 2016, to the following address:

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

Should you have any questions concerning the information in this letter, please feel free to contact Ms. Melinda Watts by phone at (850) 413-6952 or e-mail mwatts@psc.state.fl.us for technical questions, or the Commission attorney on this matter, Ms. Kyesha Mapp by phone at (850) 413-6230 or e-mail KMapp@psc.state.fl.us for legal questions. Please include the docket number on all submissions to the Commission Clerk.

Sincerely,

s/Kyesha R. Mapp

Kyesha R. Mapp
Attorney

KRM:as

cc: Office of Commission Clerk