

State of Florida



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: May 31, 2016

TO: Carlotta S. Stauffer, Commission Clerk, Office of Commission Clerk

FROM: Martha A. Golden, Regulatory Supervisor/Consultant, Division of Accounting & Finance *m2*

RE: **Docket No. 140220-WU** - Application for staff-assisted rate case in Polk County by Sunrise Utilities, LLC.

Attached please find a copy of correspondence received from Sunrise Utilities, LLC containing the Utility's monthly status report for May 2016, as required by Order No. PSC-16-0126-PAA-WU. Please file the attached document in the documents tab of the above-referenced docket file and reference Document No. 01620-16.

Thank you for your assistance in this matter. Please feel free to call me if you have any questions.

RECEIVED-FPSC
2016 MAY 31 PM 4: 23
COMMISSION
CLERK

Richard Passett

From: L SZABO <l.szabo@rogers.com>
Sent: Saturday, May 28, 2016 7:38 PM
To: Richard Passett; L. SZABO
Subject: in addition to the Revised AnI Rep
Attachments: Sunrise MAY monthly report.docx .

Hello Mr. Passet

To satisfy your May 27 request I am sending in addition to the already sent Sunrise 2015 Annual Report revised pages our May report as attachment in compliances of ORDER NO PSC - 16-0128 - PPA - WU

Yours truly

Leslie Szabo

May 27, 2016

As there were no changes between our last month of April report and the current month of May report we are taking the liberty to submit our last month report to be in compliance with ORDER NO. PSC-16-0128-PAA-WU

We will make it certain the June report will be submitted by the 15 of the month and with detailed list of customer refunds already been made prior to this date.

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In addition, we find that Sunrise shall be required to file six monthly status reports in this docket, beginning April 15, 2016, to provide the status of its progress in meeting the requirements of the PCHD Consent Order.

I have already expressed several times my sincere concern and frustration about this subject of the PSC turning down our original request to comply with the PCHD consent order for Alturas 3,000 gallon tank and help us with funding since the year 2014.

We were an underfunded operation then, - and still are today and struggling to look after the daily operation, - as within the current rate increase not one penny was given for compliances or for any must improvements to an aging system regardless to all our efforts.

It was explained at my presence by the PCHD to the PSC this is not a health hazard and there are many safety waives built in the system to protect water safety, as there were no access revenue to look after it due to shortage of funds

The answer is no, it has not been corrected and we have been punished with an escalating penalties compliance order from the PCHD.

It will be done ASAP once we will be able to accumulate enough money to pay for it.

We will file the report as requested.

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Sunrise shall be required to file six monthly status reports in this docket, beginning April 15, 2016, to provide the status of its progress in meeting the requirements of the PCHC Consent Order. Furthermore, Sunrise has demonstrated a pattern of non-responsiveness to inquiries by this Commission, and, as such, the Utility's officers' salaries shall be decreased by 25 percent as

We have written many letters written besides the above **page 4** explanations, and will file the progress report as requested.

We were also not given any chance to be heard at the March 1 telephone conference call and were humiliated and were treated absolutely unprofessionally and discriminated.

Regardless of all our effort to improve customer relationship and working extremely hard to run the business, - in return the PSC have decided to reduce the salary of the principal by 25 % for not paying attention to the business.

The Alturas 3,000 gallon tank issue was a lame excuse to be used as being a reason for punishment having an unrealistically low rate base and an underfunded operation, - and the PSC very well being aware of it.

The PSC failed to recognize their own responsibilities after their refusal to lend a helping hand at the first place when it was within their jurisdiction.

All financial aid for customer water quality safety and to have the minimal improvement was denied at this rate case application, - but demanding and making Sunrise to be responsible for ALL, BUT without given any additional funding.

The PSC is not doing any justice and not protecting Sunrise customers by not having any consideration of their continuous and safe water supply.

We were not given any choice in this matter and must continue to operate with the budget of the 25% reduction of salary causing more burdens to our customer

We do believe the PSC failed to share their responsibilities and not acted fairly to the needs of Sunrise and Alturas, and will not back fire ,as the recent Michigan Flint water scandal, and will be held accountable for their action.

It is our duty be on record and the world to know we did everything to protect our customers, - but the PSC ignored all our efforts.

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Finally, Sunrise shall file six monthly status reports in this docket, beginning April 15, 2016, to provide the status of the correction of the landownership issue.

This will be corrected way before December 2016.

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In addition, Sunrise shall continue to work on its compliance with Rule 25-30.311 F.A.C. **The Utility shall complete refunds within three months of this Order becoming final. Sunrise shall be required to reconcile its customer deposit accounts and records within a reasonable time. Sunrise is required to provide monthly reports beginning April 15, 2016, until it has satisfactorily refunded the appropriate amount of customer deposits and applied the appropriate interest on customer deposits.**

The interest payment for the customer deposit accounts were completed as of August 2015 .

The refund will be made within the next 3 months after finalization of the rate case and a monthly progress report will be sent.

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ORDERED that Sunrise Utilities, L.L.C. is required to file six monthly status reports, beginning April 15, 2016, to provide the status of its progress in meeting the requirements of the Polk County Health Department Consent Order.

I have already expressed my great disappointment about this subject regarding the PSC turning down our original request to comply with the PCHD consent order for Alturas 3,000 gallon tank provide us with funding since the year 2014.

It was explained at my presence by the PCHD this is not a health hazard having many safety waives built in the system.

The answer is no, it has not been corrected and we have an escalating penalties compliance order from the PCHD and it will be done ASAP once we will be able to accumulate enough money to pay for it.

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by December 31, 2016, Sunrise Utilities, L.L.C. is required to file written documentation in this docket showing that Sunrise Utilities, L.L.C. owns or has the right to continued long-term use of the land upon which its treatment facilities are located. In addition, Sunrise Utilities, L.L.C. is required to file six monthly status reports, beginning April

This will be corrected way before December 2016.

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by December 31, 2016, Sunrise Utilities, L.L.C. is required to file documentation in this docket, showing that the pro forma trihalomethane and haloacetic acid tests have been completed. The documentation shall include a copy of the test results and final invoices. In addition, Sunrise Utilities, L.L.C. is required to file six monthly status reports, beginning April 15, 2016, to provide the status of its contractual service providers, including the name and position of each contractual service provider currently providing services for the Utility.

The 2015 test year requirements were completed and also the 2016 quarterly samples were taken also and being completed.

I have confirmation from the PCHD they are having close contact with the PSC and they provide you with all the on ongoing in this area, and advise you if we are not being in compliances or failed to look after our responsibilities and or the test results are not being satisfactory.

We have made changes regarding of accounting, administrative or the monthly billing issues.

It was taken over by Ms Debbie Valley 863 581 0706 having the same qualification and at the same financial terms as Cathy Parker office was.

We also have a new field representative / meter reader Mike Watkins handling the same emergency telephone phone line of 863 510 1318.

Please advise the staff this line is for customer emergencies only, and not to call this number for any administrative or billing questions.

There are many available options to them to call or e-mail and already being practiced through the years, without causing unnecessary or unfounded rumors or accusation for Sunrise and Alturas not being co-operative regarding to their administrative question.

No other changes were made regarding to any other contractual service provider.

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Sunrise Utilities, L.L.C. shall complete refunds within three months of this Order becoming final. Sunrise Utilities, L.L.C. is required to reconcile its customer deposit accounts and records within a reasonable time. In addition, Sunrise Utilities, L.L.C. is required to provide monthly reports beginning April 15, 2016, until it has satisfactorily refunded the appropriate amount of customer deposits and applied the appropriate interest on customer deposits.

The interest payment for the customer deposit accounts were completed as of August 2015 .

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after the increased rates are in effect, pursuant to Rule 25-30.360(6), F.A.C., Sunrise Utilities, L.L.C. shall file reports with the Office of the Commission Clerk no later than the 20th of each month, indicating the monthly and total amount of money subject to refund at the end of the preceding month.

There will be no changes of the current billing charges until the rate case approval becomes effective.