



June 6, 2017

Chairman Julie Brown
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Re: K W Resort Utilities Corp.
2017 TY General Rate Increase Application
Our File No. 34000.04

Dear Chairman Brown:

This letter, pursuant to Rule 25-30.430, Florida Administrative Code, requests approval of a test year for K W Resort Utilities Corp. (the "Company"). The Company intends to submit an application for general rate relief to the Florida Public Service Commission for its wastewater system located in Monroe County, Florida. The Company intends to submit the minimum filing requirements ("MFRs") on or before October 31, 2017.

The Company's last rate proceeding was in Docket No. 150071-SU, utilizing a test year ending December 31, 2014, which resulted in the issuance of Order No. PSC-17-0091-FOF-SU issued March 13, 2017.

The Company requests an historic test year ending June 30, 2017. The requested test year is representative of a normal full year of operation. However, there will be pro forma adjustments to expenses to reflect annualized expenses in the years when rates will be in effect as a result of changes in operations, such as increases in chemicals, sludge hauling, and power.

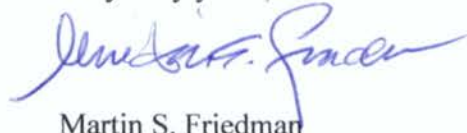
In the Company's last rate proceeding, the Commission Order reflected projected billable gallons and meters, reuse billable gallons, chemical, sludge hauling and power expenses, plant costs and capital costs, all of which projections have been shown to be inadequate to cover the actual costs incurred by the Company.

The Company anticipates including pro forma plant additions, which will be completed and placed into service within 24 months of the end of the proposed June 30, 2017 test year. The pro forma plant consists of rehabilitating the existing WWTPs in the approximate amount of \$771,000, replacement of a lift station in the approximate amount of \$215,000, and the South Stock Island line extension in the approximate amount of \$912,000. The pro forma plant additions are not growth related.

Pursuant to Section 367.081(8), Florida Statutes, the Company requests that the Commission process this petition for rate relief using the proposed agency action procedure. The Company also will request interim rates based on the historic test year.

Should you or members of the Staff have any questions regarding this request, please do not hesitate to contact me.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Martin S. Friedman".

Martin S. Friedman
For the Firm

cc: Bart Smith, Esquire (via e-mail)
Chris Johnson (via e-mail)
Deborah Swain (via e-mail)
Frank Seidman (via e-mail)
Andrew Maurey (via e-mail)
Carlotta S. Stauffer, PSC Clerk (via US Mail)