

STATE OF FLORIDA



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DIVISION OF ENGINEERING
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Public Service Commission

April 26, 2018

Mr. Troy Fonder
A Utility Inc.
P.O. Box 669
Zephyrhills, FL, 33539
housingmanagementinc@yahoo.com

VIA EMAIL & US MAIL

Re: Docket No. 20170114-WU - Application for transfer of facilities and water Certificate No. 165-W from Allen LaFortune and Otis Fonder c/o Tropical Park Water Systems to A Utility Inc.

Dear Mr. Fonder:

We have reviewed A Utility Inc.'s (Utility) response to staff's June 22, 2017 deficiency letter submitted on February 20, 2018. After reviewing this information, we still find this application to be deficient. The specific deficiencies are identified below:

Deficiencies

1. **Accounting Practices.** Rule 25-30.037(2)(j)(8), Florida Administrative Code (F.A.C.), requires the applicant to provide a statement that the Utility's books and records will be maintained using the 1996 National Association of Regulatory Utilities Commissioners (NARUC) Uniform System of Accounts (USOA), incorporated by reference in Rule 25-30.115, F.A.C. Please provide a statement that the Utility's books and records will be maintained using the NARUC USOA.
2. **Contract.** Rule 25-30.037(2)(i), F.A.C., requires the applicant to provide a copy of the contract for sale and all auxiliary or supplemental agreements. If the sale, assignment, or transfer occurs prior to the Florida Public Service Commission's (Commission) approval, the contract shall include a provision stating that the contract is contingent upon Commission approval. Although the Utility has stated that there is no contract, please provide a signed statement from the applicant stating that the transfer is contingent upon Commission approval.
3. **Net Book Value.** Rule 25-30.037(2)(l), F.A.C., requires the proposed net book value of the system as of the date of the proposed transfer. Please provide the proposed net book value of the system. This includes all adjustments made to net book value components subsequent to Order No. 21652.

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4. **Financial Statements.** Rule 25-30.037(2)(1), F.A.C., requires a list of all entities upon which the applicant is relying to provide funding to the buyer, and an explanation of the manner and amount of such funding, which shall include their financial statements and copies of any financial agreements with the Utility. Please provide current financial statements of Dwelling Services, Inc. and any person or entity with an ownership interest greater than five percent.

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 May 29, 2018, to the following address:

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

If the Utility wishes to request confidential classification for specific information requested by Commission staff, the Utility must submit such information with a written request for confidential classification that conforms with the requirements of Rule 25-22.006, F.A.C.

Should you have any questions concerning the information in this letter, please feel free to contact Mrs. Melinda Watts by phone at (850) 413-6952 or email, mwatts@psc.state.fl.us for technical questions, or the Commission attorney on this matter, Margo DuVal by phone at (850) 413-6076 or email mduval@psc.state.fl.us for legal questions. Please include the docket number on all submissions to the Commission Clerk

Sincerely,



Melinda Watts
Engineering Specialist
Division of Engineering
Public Service Commission

MW:tj

cc: Office of the Commission Clerk (Docket No. 20170114-WU)