COMMISSIONERS: ART GRAHAM, CHAIRMAN LISA POLAK EDGAR RONALD A. BRISÉ JULIE I. BROWN JIMMY PATRONIS

STATE OF FLORIDA



CORRESPONDENCE OCT 19, 2015 **DOCUMENT NO. 06643-15**

DIVISION OF ACCOUNTING AND FINANCE ANDREW L. MAUREY DIRECTOR (850) 413-6900

Public Service Commission

October 16, 2015

William and Susan Cortright 4823 Vision Ave. Holiday, FL 34690

Re: 140175-WU - Application for staff-assisted rate case in Pasco County by Crestridge Utilities, LLC

Dear Mr. and Mrs. Cortright:

Thank you for your letter expressing your concerns about the rate increase petition filed by Crestridge Utilities, LLC (Crestridge or utility). To ensure that the Commission staff and the Commissioners have knowledge of your concerns, your letter has been placed on the correspondence side of the docket file for all to review.

Many factors affect the rate adjustment or cost of providing water service. These factors can include: the size and age of the utility system; the quality of the water at its source; the number of customers; and the geographic spread of the service area.

Rates are increased relative to a utility's revenue requirement and are designed in order to allow a utility the opportunity to recover its reasonable and prudent costs for providing service and a reasonable rate of return on its investment in facilities necessary to provide such water service. The rates and revenue requirement do not include any past losses for a utility.

We appreciate your letter and understand your concerns regarding the proposed rate increase. The Commission also understands that these are difficult economic times for many people. I hope the above information is helpful.

Mr. and Mrs. Cortright Page 2 October 16, 2015

If you have any additional questions, or require further assistance, please call me at (850) 413-6427 or email me at cmouring@psc.state.fl.us.

Sincerely,

Curt Mouring

Public Utilities Supervisor

cc: Division of Accounting and Finance (Bulecza-Banks, Fletcher)

Division of Engineering (Lee, Vickery)

Division of Economics (Thompson, Hudson)

Office of Commission Clerk (Docket No. 140175-WU)