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November 14, 2002

Ms. Blanca Bayo, Director Commission Clerk and Administrative Services Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Fl 32399-0850

Re: Docket number 021066-ws

Dear Ms. Bayo:

Attached, please find a copy of our letter to Florida Water Services, requesting information concerning timely new-service connections within our communities, and how the proposed sale of Florida Water Services Corporation will impact these services.

Feel free to contact me with any questions or comments at (352)307-8100.

Sincerely,

Robert O. Moore

Treasurer

ROM/thw



The Deltona Corporation

8014 S.W. 135 Street Road, Ocala, Florida 34473-6807 DOCUMENT NUMBER - DATE

(352) 307-8100 • (800) 935-6378 • FAX (352) 307-8103 http://www.deltona.com

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THE DELTONA CORPORATION



8014 SW 135th Street Road

Ocala, FL 34473

Telephone: 352 307 8100 (ext. 225)

Facsimile: 352 307 8103

Email: robert.moore@deltona.com

November 11, 2002

Mr. Donnie Crandell, President and CEO Florida Water Services PO Box 609520 Orlando, Florida 32860-9520

Dear Mr. Crandell:

It was a pleasure to meet with you and your associates on Tuesday, November 5, 2002, in your Apopka offices to discuss service issues for Deltona's communities.

We share the uncertainty expressed in the meeting by your associates concerning the change in the structure and control of your organization, and its impact of these changes upon the services provided. Services for the Deltona Communities are provided by Florida Water and/or its affiliates pursuant to various Developer Agreements that have been affirmed through court actions and in front of the Florida PSC. Deltona continues to rely on these agreements for timely water and sewer service connections within its communities.

The attached memorandum briefly summarizes current issues we discussed, proposed resolutions, and background information. Together we can resolve: (i) the timing and availability of water service connections within the Deltona communities; (ii) the timing and availability of water and sewage treatment services for the development of Marion Oaks Unit 8, including a timely lease from Florida Water for the Unit 8 waste water treatment site so that development can continue (Attachments II and III); and (iii) the reconciliation and use of the escrowed utility service fees collected for Florida Water pursuant to the Developer Agreements.

Thank you again for your time. If you have any questions, or if I can be of assistance, please do not hesitate to contact me. Deltona looks forward to continuing its working relationship with Florida Water, and its successor, Florida Water Service Authority.

Sincerely,

Robert Moore, Treasurer / CFO

Cc B S Bayo, Director, Florida Public Service Commission (PSC docket 021066))

D G Gartzke, Chairman, President and CEO ALLETE, Inc

J L Reece, Chairman Florida Water Services Authority

G Betz, Esq.

Meeting attendees - Attachment I

Attachments