

Commissioners:
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DIVISION OF WATER & WASTEWATER
 CHARLES H. HILL
 DIRECTOR
 (850) 413-6900

Public Service Commission

July 11, 1997

Mr. Ben E. Girtman
 1020 East Lafayette Street
 Suite 207
 Tallahassee, FL 32301

Re: Docket No. 970229-SU: Application of KW Resort Utilities Corp. for a limited proceeding increase in reuse water rates

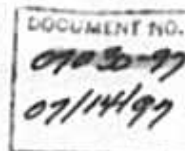
Dear Mr. Girtman:

According to your letter of May 20, 1997, responding to the substantive matters of this case would be premature since the Commission had not yet decided on the legal issues. As you are aware, at the June 24, 1997, Agenda Conference, the Commission approved staff's recommendation to deny Key West Country Club's (KWCC) motion for limited intervention, motion to dismiss and the alternative motion to set this docket for hearing. Since the Commission has denied these motions, this case will continue. Accordingly, we request that you respond to our request of May 2, 1997.

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In that letter, we requested that the KWCC provide a response to the following:

1. Does the golf course have a consumptive use permit from the South Florida Water Management District? If so, please provide a copy. What are the WMD's requirements regarding the use of reuse for irrigation on the golf course?
2. Please provide a list of the golf course's alternative sources of water. Has the golf course completed a cost study for any of these alternatives? If so, please provide a copy of the study and the results.



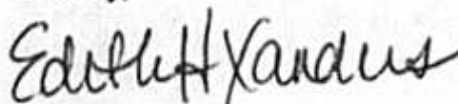
Mr. Ben E. Girtman

Page 2

July 11, 1997

Please file your response with the Division of Records and Reporting by July 30, 1997. If you have any questions, please feel free to contact me.

Sincerely,



Edith H. Xanders
Regulatory Analyst IV
Bureau of Policy Development
and Industry Structure

EHX:ehx

cc: Division of Water and Wastewater (Hill, McRoy, VonFossen)
Division of Legal Services (Jaeger)
Division of Records and Reporting