

ORIGINAL

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August 13, 2001

Blanca S. Bayo, Director  
Division of Records & Reporting  
Florida Public Service Commission  
Betty Easley Building, Room 110  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

Hand Delivery

Re: Status Report  
Application for certificates to operate a water and wastewater utility in Marion  
County by Ocala Springs Utilities Inc. – PSC Docket No. 980876-WS

Dear Ms. Bayo:

This status report is submitted on behalf of Ocala Springs Utilities Inc. (“OSUI”), pursuant to the requirements of PSC Order No. PSC-00-2387-FOF-WS, Order Granting Amended Request for Extension of Time and Requiring Status Report, issued December 13, 2000 (“the Order”).

As you may recall, the Order sets forth a time line for permitting and construction of the Utility, which OSUI provided to you based upon the most recent projections of development of the Ocala Springs community, for which OSUI was created to provide water and wastewater service. Based upon this information, the Order granted until February 7, 2002, for OSUI to file an application in this docket for initial rates and charges, and to file evidence of ownership of the plant sites and detailed system maps, as required by the previously issued PSC Order Nos. PSC-98-1644-FOF-WS and PSC-98-1374-PCO-WS.

The Ocala Springs community development has not proceeded since issuance of the Order last December, due to negative prevailing market and economic conditions. This means that permitting and construction of OSUI has likewise not proceeded. It is apparent that it would be premature to file an application for initial rates and charges by February 7, 2002, as required by the Order.

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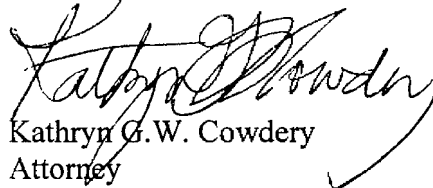
OSUI's permitting and construction schedule is not firm at this time. However, it desires to retain its application which is reasonable in view of the fact that there is no other water and wastewater service provider for the proposed Ocala Springs community.

Under current circumstances and conditions, it is OSUI's intent to file a motion for extension of time until December 7, 2003, in which to file an application for initial rates and charges. Granting of such a motion would be wholly consistent with Section 367.111, Fla. Stat., which gives the PSC discretionary authority to review a utility's authority to serve an area if service has not been provided within five years after the date of authorization for service. In this case, OSUI's application for certificates was granted on December 7, 1998. In this case, granting such a motion would be in the public interest because it allows a certificated utility to remain in existence to be ready to serve a proposed development where there is no other utility provider in existence.

Please let me know if you have any questions.

Sincerely,

RUDEN, McCLOSKEY, SMITH,  
SCHUSTER & RUSSELL, P.A.



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