State of Florida



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Hublic Serbice Commission -M-E-M-O-R-A-N-D-U-M-

DATE: June 14, 2002

TO:

Division of the Commission Clerk and Administrative Services

referenced docket.

FROM: Office of the General Counsel (Gervasi)

RE:

Docket No. 020253-SU - Petition by the Citizens of the State of Florida to initiate show cause proceedings against Hudson Utilities, Inc. for failure to provide wastewater service

in its expanded service area in Pasco County within a reasonable time; and

Docket No. 020254-SU - Application for increase in service availability charges for wastewater customers in Pasco County by Hudson Utilities, Inc.

Please file the attached letter dated June 6, 2002, in the docket file for the above-

RG/dm

cc:

Division of Economic Regulation (Clapp, Revell, Edwards, Fletcher)

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June 6, 2002

Ms. Rosanne Gervasi Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Fl 32399-0850 ORIGINAL
Copy Previously Sent
Via Facsimile

Re:

Hudson Utilities, Inc.

Docket No. 020254-SU

Ms. Gervasi:

William R. Hough & Co. is representing Hudson Utilities, Inc. in seeking financing for its extended service area.

We have been doing extensive feasibility work and have been interviewing potential lenders. In our opinion, this company needs a service availability charge in the amount of not less than \$2,400.00 per equivalent residential connection in order to successfully secure the financing necessary to provide this service.

We understand that this amount of service availability will represent approximately 75% of the cost of construction.

Respectfully submitted

WILLIAM R. HOUGH & CO.

Chairman Emeritus

WRH/scc

