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DIVISION OF ECONOMIC REGULATION
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Public Service Commission

April 19, 2004

RECEIVED FPSC
APR 20 AM 9:50
COMMISSION
CLERK

Ms. Victoria Penick
US Water Services Corporation
4821 US Highway 19, Suite 2
New Port Richey, Florida 34652

Re: Docket No. 030458-WU - Application for transfer of majority organizational control of Holiday Utility Company, Inc. in Pasco County to Holiday Waterworks Corporation, and amendment of Certificate No. 224-W.

Dear Ms. Penick:

Your amended and restated application for transfer of majority organizational control and application for amendment has been received and reviewed by Commission staff. This letter addresses the deficiencies found by staff that still remain in the application filed on March 16, 2004. All items must be addressed in order to process the application.

Deficiencies

- Evidence of Land Ownership. Pursuant to Rule 25-30.037(3)(i), Florida Administrative Code (F.A.C.), the application is to provide a copy of a recorded warranty deed or a recorded easement as proof the utility owns or has long term access to the property where the utility's treatment facilities are located. Neither the easement nor the 99-year lease are in the exact name of the utility, Holiday Utility Company, Inc. Please correct the documents, record the documents, and provide copies. In addition, please record the Holiday Waterworks Corporation's quit claim deed, provide a copy of the recorded quit claim deed and proof of title insurance.
- Required Fee. On March 19, 2004, the Commission received a \$750 check from the utility. Combined with the \$750 previously paid with the filing of the original application, the total filing fee paid by the utility for the transfer and amendment to the certificate applications is \$1,500. We believe that the amount paid to date is incorrect. In its application, the utility indicates that in the existing certificated area has 367.5 Equivalent Residential Connections (ERC's). The future customers for the proposed amended area is 4,507 ERC's. Pursuant to Rule 25-30.030(2)(b) & (c), F.A.C., the filing fee required for territory amendment applications for areas that have the proposed capacity to serve more than 4,000

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ERCs, is \$2,250. For transfer applications, the filing fee for systems having the capacity to serve up to 500 ERC's is \$750. The combined required filing fee per rule is \$3,000 ($\$2,250 + \$750 = \$3,000$). To meet the filing fee requirements, the utility should submit an additional \$1,500 ($\$3,000 - \$1,500$ previously paid = \$1,500).

3. Notice of Application. Rule 25-30.030, F.A.C., sets forth the requirements for providing notice of the application. To date none of the three required affidavits have been received. Please provide the required affidavits.
4. Map. Pursuant to Rule 25-30.036(3)(i), F.A.C., one copy of the official county tax assessment map or other map showing township, range, and section, with the proposed territory plotted thereon is required. To date, that map has not been submitted.

Other Information Needed

1. Sample Tariff. Pursuant to Rule 25-30.037(3)(j), F.A.C., the applicant shall provide sample tariff sheets reflecting the change in ownership. Portions of the existing tariff are out of date. A copy of the current water model tariff may be downloaded from our website under Water and Wastewater Application Packages. Please prepare your tariff with all original sheet numbers.
2. Corporate Officers. Pursuant to Rule 25-30.037(3)(c), F.A.C., the applicant shall provide the names and addresses of all of the buyer's corporate officers, directors, partners and any other person (s) who will own an interest in the utility. The application lists only Gary Deremer, President. According to the Florida Department of State, Division of Corporations, Mr. Deremer is not the only officer/director. Please provide a complete list of the as required.
3. Services. Please provide a statement regarding services provided by contract personnel or employees of the utility. Provide a list that includes names, duties, and DEP operating certificate numbers of the plant operators. If services to operate and manage the utility are under contract, please provide a copy of the contract.
4. Serving outside territory. The utility has noted in its application that it currently serves customers outside its present certificated territory. Please provide a statement regarding this situation. List the number of connections, a description of the customers, meter sizes, and date of connections.

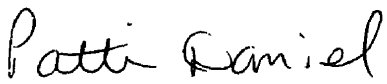
Along with the remaining amount needed for the application fee and the necessary map, please provide the original and four copies of the response to this letter to the Commission on or before **May 21, 2004**. When filing the response, please be sure to refer to the docket number and to direct the response to:

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Division of Commission Clerk and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Should you have any questions concerning the information in this letter, please contact
Stephanie Clapp, of my staff, at 850-413-6997.

Sincerely,


Patti Daniel
Supervisor of Certification

PD:SAC

cc: Brian Armstrong, Esquire
Division of Economic Regulation (Clapp, Rieger, Romig)
Office of the General Counsel (K. Fleming)
Division of Commission Clerk and Administrative Services