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July 24, 1996

Florida Public Service Commission
Division of Water and Wastewater
ATTN: Ms. Bayo, Clerk
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Re: Application for approval of the transfer of assets and certificate Nos. 404-W and 341-S from Econ Utilities Corporation to Wedgefield Utilities, Inc. in Orange County, Florida.

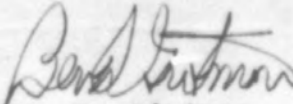
Dear Ms. Bayo:

I represent the transferee, Wedgefield Utilities, Inc., and its parent, Utilities, Inc., in the above-referenced proceeding.

In response to a verbal request from Commission Staff, we have requested that the transferor provide certain information which was not readily available to us. Mr. John Forrer, on behalf of Econ Utilities Corporation, sent us the attached Response to Staff Request for Information, which I am now providing to the Commission.

If there are any further questions in regard to this matter, please contact either Mr. John Forrer, directly, or you can call me.

Sincerely yours,


Ben E. Girtman

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BEG/jc
Encl.
cc w/encl.: Mr. N. D. Walker
Mr. John Forrer
Mr. Carl Wenz

DOCUMENT NUMBER-DATE

07821 JUL 25 96

FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Re: Application for approval)
of the transfer of assets and)
certificate Nos. 404-W and)
341-S from Econ Utilities)
Corporation to Wedgefield)
Utilities, Inc. in Orange)
County, Florida)

Docket No 960235-WS
Submitted for filing:

July 24, 1996

TRANSFERROR'S RESPONSE
TO STAFF REQUEST FOR INFORMATION

Wedgefield is a residential development located in eastern Orange County, Florida which was begun in the early 1960's as Rocket City. Econ Utilities Corporation was created at the same time to provide water and sewer service to the entire 20,000 acre development if, as and when it was needed. Initially, water and sewer lines were installed in a one square mile section in the northeast corner of the development to serve the shopping center and approximately 1350 residential lots in this area.

For a variety of reasons, the originally-contemplated expansion of the utility lines did not occur. However, in 1982 the number of customers in the northeast corner finally grew large enough so that the utility system became subject to the jurisdiction of the Florida Public Service Commission. Therefore, on August 13, 1982, Econ Utilities filed an application for an original certificate in Docket No. 820325-WS, which application was granted on August 4, 1983 in Order No. 12315.

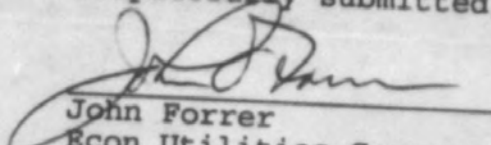
The service area requested and approved in that application and order was intended to be the area in which lines had been installed and service provided for the previous 20 years. However, due to a clerical error, the shopping center and a strip of lots on the west side of Bancroft Boulevard, which is the western-most north-south street in the area, were inadvertently omitted from the legal description which was proposed and approved. This oversight was not discovered until recently during the review for the present sale of the utility assets.

Technically, it appears that the two customers in the small shopping center and the approximately one dozen houses on the west side of Bancroft Boulevard have been hooked up and served for up to 15 years without Commission approval. However, this was entirely due to a clerical oversight which went undetected by both utility and Commission staff during two rate cases, and the hook-up fees, operating revenues and other utility data reported to the Commission have always included these areas and customers.

Moreover, Orange County has entered into territorial agreements (Sewer Contract No.S-85-4 and Water Contract No. W-87-05) which state that the County grants Econ the right to expand its service area to include any or all remaining portions of the Wedgefield development, and there are no other municipal or private utilities in the area which could possibly have served these customers in the past or present or could serve them in the foreseeable future.

The present owners have attempted to act responsibly since acquiring the utility in 1983. I hope that the facts set forth above will demonstrate that there was absolutely no intent on our part to evade the regulation or requirements of the Commission.

Respectfully submitted,


John Forrer
Econ Utilities Corporation

Dated: 7/18/96