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ROBERT M. C. ROSE  
OF COUNSEL

April 10, 1998

VIA HAND DELIVERY

Blanca S. Bayo, Director  
Division of Records and Reporting  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida

Re: K.W. Resort Utilities Corporation; PSC Docket No. 970229-SU  
Limited Proceeding/Reuse Water Rate Increase  
Our File No. 20779.04

Dear Ms. Bayo:

As you and members of your staff are aware from my previous correspondence, K.W. Resort Utilities Corporation has, for the last several months, been in discussions with a primary user of reuse water concerning possible transfer of ownership of the Utility. In January of 1998 an Agreement for Transfer of the Utility was executed with this other private entity.

ACK \_\_\_\_\_ On March 5, 1998, the Buyer of the Utility filed an  
AFA \_\_\_\_\_ Application for Transfer of the Utility Certificate with the  
APP \_\_\_\_\_ Florida Public Service Commission. That case is now being  
CAF \_\_\_\_\_ processed in Commission Docket No. 980341-SU. Until yesterday, I,  
CMU \_\_\_\_\_ as counsel to the Utility on the above-referenced limited  
\_\_\_\_\_ proceeding, was not aware that that Transfer Application had been  
\_\_\_\_\_ filed.

CTR \_\_\_\_\_ In light of the filing of the Application for Transfer of  
EAG \_\_\_\_\_ Majority Organizational Control, we believe that the Limited  
LEG \_\_\_\_\_ Proceeding Application should be held in abeyance, until such time  
LIN \_\_\_\_\_ as a final decision is reached as to the proposed transfer being  
OPC \_\_\_\_\_ processed in Docket No. 980341-SU. To the extent that Transfer of  
RCH \_\_\_\_\_ Majority Organizational Control is ultimately approved by the  
\_\_\_\_\_ Commission, the Utility will likely withdraw its Application for  
\_\_\_\_\_ further processing of the limited proceeding.

SEC 1  
WAS Chase  
OTH \_\_\_\_\_

DOCUMENT NUMBER-DATE

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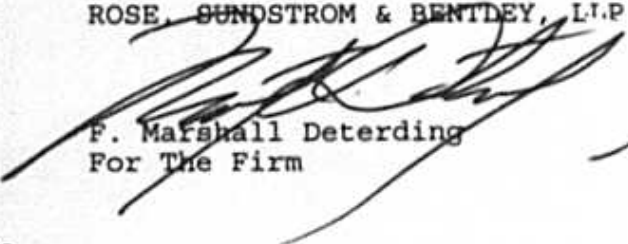
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I trust that this provides you with enough information to authorize this case to be held in abeyance, until such time as the transfer is ultimately approved. Should you have any questions with regard to this matter, or need any further information, please let me know.

Sincerely,

ROSE, SUNDBSTROM & BENTLEY, L.L.P.



F. Marshall Deterding  
For The Firm

FMD/lts

cc: Ralph Jaeger, Esquire  
Ms. Joann Chase  
Mr. Gerard Staudt  
Ben Girtman, Esquire  
Mr. Joe Davis

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