

STATE OF FLORIDA

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DIVISION OF WATER & WASTEWATER
CHARLES H. HILL
DIRECTOR
(850) 413-6900

Public Service Commission ORIGINAL

November 17, 1998

Mr. John L. Wharton, Esquire
Rose, Sundstrom & Bentley
2548 Blainstone Pines Drive
Tallahassee, FL 32301

Re: Docket No. 981265-SU; Application for Transfer of Certificate No. 285-S In Pasco County from Hacienda Village Utilities Inc. To Hacienda Utilities, LTD.

Dear Mr. Wharton:

After reviewing the application in the above referenced docket, the staff has identified the following deficiencies. Please correct and provide additional information as requested.

1. According to your application you are applying for a non governmental transfer pursuant to Section 367.071(4)(a), Florida Statutes, and a Transfer of Major Organization Control pursuant to Rule 25-30.037(3), Florida Administrative Code. Please clarify, which type of transfer you are seeking.

2. As required by Rule 25-30.037(2)(e), Florida Administrative Code (F.A.C.) the utility must include the date and state of incorporation or organization of the buyer. According to the application, the buyers were organized in 1998, in the state of Florida. What month were the buyers organized in 1998?

3. As required by Rule 25-30.037(2)(2), Florida Administrative Codes (F.A.C.) provide a list of the assets being transferred and the corresponding dollar amounts. According to the application, this is a combined purchase of a Manufactured Home Community and the utility facilities. How much of the (13 million) purchase price should be allocated as the cost of the utility system?

4. As required by Rule 25-30.037(3)(k), Florida Administrative Codes (F.A.C.) provide a list of all entities upon which the applicant is relying to provide funding to the buyer, and an explanation of the manner and amount of such funding. Please include the financial statements of the partnership.

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5. When did the closing of the sale take place? Please provide a statement explaining why it was necessary to transfer the facilities prior to the Commission's approval.

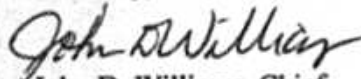
6. As required by Rule 25-30.037(3)(I), Florida Administrative Code (F.A.C.) provide evidence that the utility owns the land upon which the utility facilities are located. Although a late filed exhibit was mentioned in the application, it hasn't been received.

7. Based on your response in the application, the utility is current with respect to regulatory assessment fees. Please specify who will be responsible for the 1998 regulatory assessment fees? Will the fees be paid by the previous owners or the new owners, or will the fees be prorated between the buyer and seller? Please explain.

8. Who provides the residents of the Hacienda with water service?

Please file an original and five copies of the requested information no later than January 14, 1999 with the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, FL 32399. If you have any questions please call Ms. Cheryl Johnson at (850) 413-6984, Ms. Alice Crosby at (850) 413-6202 or Mr. Richard Redemann at (850) 413-6999.

Sincerely,



John D. Williams, Chief
Bureau of Policy and Industry Structure

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cc: Hacienda Utilities, Ltd. (Haase)
Division of Legal Services (Crosby)
Division of Water and Wastewater (Hill, Redemann, Lowe)
Division of Records and Reporting (Bayo, Security File)