

RAR

STATE OF FLORIDA

Commissioners:
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DIVISION OF LEGAL SERVICES
NOREEN S. DAVIS
DIRECTOR
(850) 413-6199

Public Service Commission

October 27, 1999

Martin S. Friedman, Esquire
Rose, Sundstrom & Bentley, LLP
2548 Blairstone Pines Drive
Tallahassee, Florida 32301

Re: Docket No. 981907-WS - Application for transfer of majority organizational control of Ocala Oaks Utilities, Inc., holder of Certificate No. 346-W in Marion County, to AquaSource Utility, Inc.

Dear Mr. Friedman:

An executed copy of the Stock Purchase Agreement, your letter stating the closing date of the sale of the stock, and your letter explaining the reasons for closing prior to commission approval, have been received by Staff. Upon review of said documents, Staff has determined that additional information is required to complete its recommendation. Therefore, Staff is requesting the following information from Ocala Oaks Utilities, Inc., (Ocala Oaks) and/or AquaSource Utility, Inc. (AquaSource):

1. In the letter dated October 21, 1999 addressed to Ms. Clapp, the letter stated the closing date on the transfer of stock was June 21, 1999. However, in the letter of October 21, 1999 addressed to me, the letter stated that the closing occurred three weeks before the effective date of the new statutory changes to Chapter 367, Florida Statutes, which went into effect on June 11, 1999. Please explain the discrepancy.
2. AquaSource asserts that Ocala Oaks' billing system was not Y2K compliant and it was responsible for bring the billing system into compliance. Did AquaSource and Ocala Oaks reduce this agreement to writing?
 - a. If so, please submit a copy of the agreement.
 - b. If not, please explain fully the content and circumstances of said oral agreement.

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In order to allow Staff sufficient time to analyze the responses requested, please provide the above information on or before November 12, 1999, by close of business. Due to the recently submitted information and Staff's request for additional information, a recommendation will not be filed for the November 16, 1999 agenda. Upon timely receipt of the requested information, Staff recommendation may be completed for the December 21, 1999 agenda. If you have any questions, please contact me at (850) 627-6220.

Sincerely,



Patricia A. Christensen
Senior Attorney

PAC/dr

cc: Division of Water and Wastewater (Clapp, Redemann)
Division of Records and Reporting

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