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March 8, 2000

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BY HAND DELIVERY

Patricia A. Christensen
Senior Attorney
Division of Legal Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399

Re: Dana Utility Corporation -- Docket No. 991632-WS

Dear Ms. Christensen:

Attached is a letter to me from Charles E. Fancher, Jr. of Fancher Management Group which confirms or clarifies the understandings set forth in staff's letter of March 1, 2000.

I believe the attached letter provides all the information you requested in connection with Dana Utility Corporation's pending motion for extension of time to file information supporting the establishment of initial rates and charges.

If you need any clarification, or desire any additional information, please let me know.

Very truly yours,

Richard D. Melson

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cc: Ms. Rehwinkel (Division of Water and Wastewater)
Ms. Bayó (for docket file)
Mr. Fancher

DOCUMENT NUMBER-DATE

03065 MAR-88

FPSC-RECORDS/REPORTING

FMG

Fancher Management Group, Inc.
2844 Chucunantah Rd. Suite F Miami, FL 33133
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March 5, 2000

Richard D. Melson
Hopping, Green, Sams & Smith
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Re: Dana Utility – Docket No. 991632-WS

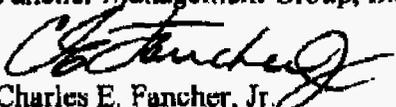
Dear Rick:

This memorandum will clarify certain information concerning Dana Utility Corporation (Dana). The following include key items on the status of Dana:

- Dana is a wholly owned subsidiary of Lake Merial Development Company (Lake Merial).
- The owners of Lake Merial are currently in negotiations for the sale of the Lake Merial development.
- The negotiations are expected to be completed by May 2000.
- Development in Lake Merial is expected to continue after the sale is completed.
- The Bozeman Learning Center is expected to have its grand opening in August and be served by a package wastewater treatment plant. The school will connect to the Dana Utility system at a later date.
- Other than the school, there are no current potential customers in the Dana Utility service territory that will be affected by the requested extension of time.
- The homes that are currently on wells and septic tanks are located north of the Dana service territory. They are outside the service territory and do not need service at this time.
- Mr. A.B. Simon, Director and primary shareholder of Lake Merial Development Company and Dana Properties, Ltd, is negotiating the sale.

Please call if I need to provide any additional information.

Sincerely,
Fancher Management Group, Inc.


Charles E. Fancher, Jr.
President

Cc: Martin J. Goldstein