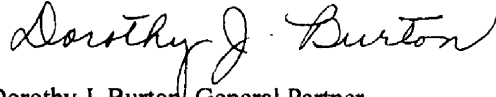


- (5) No. These proposed lots are located within Bayside Mobile Home Park, and will provide affordable housing for the buyer. I am not aware of any other mobile home subdivision offering affordable lots for sale in all of Bay County. To include the cost in the price of the lots would put an unfair burden on this developer as the land acquisition costs and other development costs would jeopardize both the potential for sales and a reasonable profit on the venture. Further, there seems to be no requirement at Law that would impose upon a developer, the responsibility to develop an asset, and then give it to another private for profit company. For example, when we owned the Utility Company there became a need for expansion and upgrades. The Florida Public Service Commission, without hesitancy, ordered the Utility Company and us as the owners, to borrow \$250,000.00, personally guarantee it, and to complete the expansion and upgrades. (See 1984 - 1987 prior rate cases of Bayside Utilities, Inc. and take testimony from Mr. Ted Davis, Mr. John Kraynak, and Ms Christine Romig, Commission employees).
- (6) Yes, on several occasions, but they cannot sincerely discuss the possibility of interconnection of this system with the City of Panama City Beach because the Commission staff and Bayside Utility Services, Inc. made it very clear during the change of ownership of the Utility, during the subsequent protest to the sale by the customers, and during the public hearing that followed, that the area of expansion is within the territory assigned to, and protected by, the Florida Public Service Commission. (Take testimony from Commission Staff members Bob Casey, Ted Davis, and Ralph Jaeger).
- (7) No, they would not pay to install the system. Please be informed that this territory is not located within the limits of the City of Panama City Beach. It is located within Bay County and not within any city boundaries.
- (8) 2 ½ to 3 ½ years.

If you have any questions please contact Leonard Jeter at (850)234-6668 or (850)235-2440. Leonard Jeter is General Manager of Bayside Mobile Home Park, and has operated the Utility Company since before the Florida Public Service Commission established jurisdiction of the Utility, and until it was sold to Bayside Utility Services, Inc.

Sincerely



Dorothy J. Burton, General Partner
Bayside Partnership

cc: Division of Records and Reporting
Ralph Jaeger, Senior Attorney