

application did not contain this statement from the buyer. Please provide a statement regarding this matter.

3. Condition of Utility. Pursuant to Rule 25-30.037(2)(p), F.A.C., the application is to contain a statement from the buyer that after a reasonable investigation, the system appears to be in satisfactory condition and in compliance with all applicable standards set by the Department of Environmental Protection. No statement was provided by the buyer. Please provide a statement regarding this matter.
4. Utility Owns Land. Pursuant to Rule 25-30.037(2)(q), F.A.C., the application is to contain evidence that the utility owns the land upon which the utility treatment facilities are located. Please provide a copy of the recorded warranty deed in the name of ESAD Enterprises, Inc.
5. Tariff Sheets. Pursuant to Rule 25-30.037(2)(s), F.A.C., the application is to contain an original and two copies of sample tariff sheets reflecting the change in ownership. No tariff sheets were provided with the application. A printed copy of the model tariff is enclosed. A copy of the model tariff on floppy disk is also enclosed. Please provide the tariff for the wastewater utility.
6. Current Certificate. Pursuant to Rule 25-30.037(2)(t), F.A.C., the application is to include the utility's current certificate. No certificate was returned with the application. Please submit the current certificate.
7. Notice of Actual Application. Pursuant to Rule 25-30.030, F.A.C., three notices regarding the transfer are to be issued by the utility. The application referenced the three notices, however, the notices were issued incorrectly as they contained no township and range references. Enclosed are 1) a copy of Rule 25-30.030, F.A.C., 2) a sample notice and 3) a dated list of officials and utilities to receive official notification. Note that the list is valid for only 60 days. Please reissue all notices and submit the proper documentation to support the renoticing.

Additional Information

The application was completed and submitted by the seller of the utility. Many of the items listed below were provided by the seller, but the Rule requires that they be submitted by the buyer.

1. Name(s) and Address(es) of Corporate Officers. Pursuant to Rule 25-30.037(2)(d), F.A.C., the application is to contain the name(s) and address(es) of all of the buyer's corporate officers. The application included only the president and the vice president names and addresses. Please confirm that E S A D Enterprises, Inc. only has the two corporate officers listed or provide a complete list of the names and addresses of all of the corporate officers.
2. Other Owned Water or Wastewater Utilities. Pursuant to Rule 25-30.037(2)(f), F.A.C., the application is to contain the names and locations of other water or wastewater utilities owned by the buyer. The application stated that there were no other water or wastewater utilities

Mr. Frank J. Seifert
Page 3
November 9, 2001

owned by the buyer. Please confirm this information or provide correct information.

3. Financing the Purchase. Pursuant to Rule 25-30.037(2)(i) and (k), F.A.C., the application is to contain a statement describing the financing of the purchase of the utility and all entities upon which the applicant is relying to provide funding to the buyer. The application contained a statement that the transfer was a cash transaction using funds the buyer had on hand. Please confirm this statement or provide a statement describing the financing of the purchase of the utility by the buyer.
4. Proposed Net Book Value. Pursuant to Rule 25-30.037(2)(l), F.A.C., the application is to contain a statement as to the proposed net book value of the system as of the date of the proposed transfer. The application contained a statement that there never has been a net book value established for this system. Please review your documents, such as previous annual reports, and submit a statement of your proposed net book value of the system as of the date of the transfer.
5. Acquisition Adjustment. Pursuant to Rule 25-30.037(2)(f), F.A.C., the application is to contain a statement setting out the reasons for the inclusion of an acquisition adjustment, if one is requested. The application contained a statement that the applicant was not requesting an acquisition adjustment. Please provide a statement, as the buyer, regarding any request for an acquisition adjustment.
6. Annual Report. The Annual Report is due to be received by the Public Service Commission by March 31 of each year for the previous year. The Annual Report for 2000 was not received until October 19, 2001. Please provide an explanation as to why this was late.

The original and four copies of the response to the information requested in this letter should be filed with the Commission on or before **December 10, 2001**. When filing the response, please be sure to refer to the docket number and to direct the response to:

Division of Commission Clerk and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

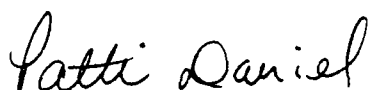
Mr. Frank J. Seifert

Page 4

November 9, 2001

Should you have any questions concerning the information in this letter, please contact Stephanie Clapp, of my staff, at 850-413-6997.

Sincerely,

A handwritten signature in cursive script that reads "Patti Daniel".

Patti Daniel, Chief
Bureau of Certification

PD/sac

cc: Division of Regulatory Oversight (Clapp, Rieger)
Division of Legal Services (Harris)
Division of Commission Clerk and Administrative Services
Mr. Issac Duren