STATE OF FLORIDA

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TIMOTHY DEVLIN, DIRECTOR DIVISION OF ECONOMIC REGULATION (850) 413-6900

Hublic Service Commission

June 19, 2003

Ms. Victoria Penick US Water Services Corporation 4821 US Highway 19, Suite 2 New Port Richey, Florida 34652

Re: Docket No. 030458-WU - Application for Transfer of Majority Organizational Control of Holiday Utility Company, Inc., Holder of Certificate No. 224-W in Pasco County, to Holiday Waterworks Corporation.

Dear Ms. Penick:

The above referenced application has been received and reviewed by Commission staff. This letter addresses the deficiencies found by staff in the transfer application filed on May 23, 2003, and also notes additional clarifications. All items must be addressed in order to process the application.

Deficiencies

- 1. Evidence of Land Ownership. Pursuant to Rule 25-30.037(3)(i), Florida Administrative Code (F.A.C.), the application is to provide a copy of a recorded warranty deed or a recorded easement as proof the utility owns or has long term access to the property where the utility's treatment facilities are located. Neither the copy of the easement nor the copy of the quit claim deed was recorded. Please be sure that both the easement and quit claim deed are in the exact name of the utility, Holiday Utility Company, Inc. Please record the documents and provide copies. In addition, please provide proof of title insurance for the quit claim deed, and a statement as to the location of the water treatment facilities.
- 2. Utility's current certificate. Pursuant to Rule 25-30.037(3)(k), F.A.C., the applicant shall provide the utility's current certificate, or if not available, the applicant shall provide an explanation of the steps the applicant took to obtain the certificate. A copy of the certificate was provided with the application, however, the original is needed. Please provide the certificate.

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3. Notice of Application. Rule 25-30.030, F.A.C., sets forth the requirements for providing notice of the application. To date none of the three required affidavits have been received. Please provide the required affidavits.

Other Information Needed

1. Statement from Buyer. Pursuant to Rule 25-30.037(3)(h), F.A.C., the applicant shall provide:

a statement from the buyer that after reasonable investigation, the system being acquired appears to be in satisfactory condition and in compliance with all applicable standards set by the Department of Environmental Protection (DEP) or, if the system is in need of repair or improvement, has any outstanding Notice of Violation(s) of any standard(s) set by the DEP or any outstanding consent orders with the DEP, the buyer shall provide a list of the improvements and repairs needed and the approximate cost to make them, a list of the action taken by the utility with regard to the violations, a copy of the Notice of Violation(s), a copy of the consent order and a list of the improvements and repairs consented to and the approximate cost.

The statement provided in your application did not make any reference to DEP as required by this rule. Are the proposed improvements related to DEP violations? Please provide a complete response to this item.

- 2. Sample Tariff. Pursuant to Rule 25-30.037(3)(j), F.A.C., the applicant shall provide sample tariff sheets reflecting the change in ownership. Portions of the existing tariff are out of date. A copy of the current water model tariff may be downloaded from our website under Water and Wastewater Application Packages. Staff will work with you to prepare your tariff using the current format. This is a reminder that the entire tariff reflecting the change in ownership must be submitted within 20 days of approval of the transfer.
- 3. Wastewater service. Who provides wastewater service to the utility's customers?

The original and four copies of the response to this letter should be filed with the Commission on or before **July 25, 2003**. 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 Ms. Victoria Penick Page 3 June 19, 2003

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

Sincerely,

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Patti Daniel Supervisor of Certification

PD:SAC

cc: Division of Economic Regulation (Clapp, Jones, Rieger)
Office of the General Counsel (K. Fleming)
Division of Commission Clerk and Administrative Services
Ms. Melody Mickler
3130 Shipwatch Drive
Holiday, Florida 34691