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MARTIN S. FRIEDMAN, P.A.
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(LICENSED IN TEXAS ONLY)

January 30, 2004

HAND DELIVERY

Ms. Blanca Bayo, Commission Clerk
and Administrative Services Director
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399

Re: Docket No.: 030986-WS; Application for Acknowledgment of Sale of Land and
Facilities of Little Sumter Utility Company to Village Center Community Development
District, and for Cancellation of Certificate Nos. 580-W and 500-S in Marion and
Sumter Counties.
Our File No.: 30059.03

Dear Ms. Bayo:

This letter is in response to the Staff Data Request dated January 9, 2004, in the
above-referenced matter.

1. The chart purporting to represent monies that should have been escrowed
during each year is inaccurate as it relates to the years 2000, 2001, and 2002.
During those three years, residential construction water was reported on the
reports to the PSC as residential water and should have been categorized as
"general service" as was done in 2003. Enclosed is a copy of the Schedule
compiled by Little Sumter Utility Company setting forth the appropriate
residential gallonage sold each year from 2000 through 2003. As you can see,
the difference in the amount to escrow is approximately \$270,000.

Also enclosed for each calendar period is a chart indicating which accounts the
disbursements from the escrow account were booked and the amount booked to each such
account.

DOCUMENT NUMBER-DA

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2. (a) Yes, the escrow is an excluded asset.
- (b) There is no specific reference within the Agreement of Purchase and Sale to the escrow account.
- (c) N/A.
- (d) Yes, the Agreement for Purchase and Sale is silent with respect to the escrow account.
- (e) All funds have been withdrawn from the escrow account and utilized in accordance with the Orders issued by the Commission in Docket No. 960305. In fact, Little Sumter Utility Company has expended sums substantially in excess of the amount in the escrow account for its reclaimed water service project, which has been approved for payment from the escrow account.

Should the Staff have any further questions regarding this matter, they should not hesitate to give me a call.

Very truly yours,



MARTIN S. FRIEDMAN
For the Firm

MSF/mp
Enclosures

cc: Mr. John Wise (w/o enclosures)
Rosanne Gervasi, Esquire (w/enclosures) (via hand delivery)
Randall N. Thornton, Esquire (w/enclosures)

M:\1 ALTAMONTE\LITTLE SUMTER (LSU)\MISC (.03)\SALE TO CDD\PSC Clerk (Bayo) 02.ltr.wpd

LITTLE SUMTER UTILITY COMPANY
 ESCROW ACCOUNT DISBURSEMENTS

Time Period	Specific Expense or Rate Base Account	NARUC Account No.	Total Disbursements Booked to Account During Period
Jan-Dec 1999	Prepayments -Conservation Advertising	162	47,874
Jan-Dec 2000	Prepayments -Conservation Advertising	162	2,982
Jan-Dec 2001	Prepayments -Conservation Advertising	162	2,772
Jan-Dec 2001	Contributions in Aid of Construction-Sewer Plant (NARUC 380)	271	555,300
Jan-Dec 2002	Prepayments -Conservation Advertising	162	2,965
Jan-Sept 2003	Prepayments -Conservation Advertising	162	509
Jan-Sept 2003	Contributions in Aid of Construction-Sewer Plant (WIP at 9/03)	271	568,091

Total Escrow Disbursements NARUC 380 or 1,180,493

Cash regular		Cash escrow		NARUC 380 or CIP/ fixed assets		conservation liability acct		CIAC	
equal 100,000	20,000 (A)	(B) 20,000	10,000 (E)	(A) 20,000		(D) 20,000	20,000 (B)		20,000 (D)
(C) 20,000									
100,000	-	-	-	20,000	-	-	-		20,000

- (A) record expenditure for approved conservation amounts (Project approved by PSC)
- (B) record receipt of conservation (water overage) amounts from customers
- (C) record release of amount from escrow after approval from PSC
- (D) record CIAC

note: if the expenditure in entry (A) was for advertising, then prepaid advertising would have been debited instead of CIP/Fixed assets. When the conservation liability account was debited, prepaid advertising would be credited

LITTLE SUMTER UTILITY COMPANY
Unadjusted Residential Gallons over 10,000

Year	Resid. Gallons	Residential Constr. Wtr Gallons	Total Resid. Gallons Over 10,000 Reported on Docket
2000	219,900,800	53,294,000	273,194,800
2001	276,806,300	72,439,800	349,246,100
2002	340,389,564	90,481,400	430,870,964
2003 *	298,391,400	93,996,000	298,391,400

298,391.4
x .88

262,584

* Note: The Residential Construction Water was being reported on the docket report under the category of Residential. In 2003 this was changed and it was reported under General Service.

Year	To Be Escrowed Resid. Gallons Rate / 1,000 gal	Residential Constr. Wtr Gallons Rate / 1,000 gal	Total	Per PSC
2000	\$186,916	\$45,300	\$232,216	232,216
2001*	\$239,437	\$62,660	\$302,098	300,809
2002	\$299,543	\$79,624	\$379,166	378,468
2003	\$262,584	\$82,716	\$345,301	244,985
Total	\$988,480	\$270,300	\$1,258,781	1,156,478

* Note: There was a rate increase in mid-year of 2001. Rate used is an average of \$.865.