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May 28, 2004

VIA FEDEX DELIVERY

Blanca S. Bayo, Director
Division of Clerk and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850

COMMISSION
CLERK

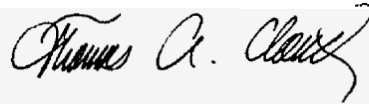
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TAMPA
04 JUN -1 AM 10:43

Re: Docket Nos. 010492-WS and 030682-WS
May Status Report Regarding Zellwood Station Cooperative Transfer to
Orange County

Dear Ms. Bayo:

Please find enclosed the original and seven (7) copies of a letter Status Report in
the above-referenced docket to Tricia W. Merchant per her request for filing.

Sincerely yours,



Thomas A. Cloud, Esquire

GrayRobinson, P.A.

Attorneys for Zellwood Station
Cooperative, Inc.

- CMP _____
- COM _____
- CTR _____
- ECR _____ TAC:ds
- GCL _____ Enclosure
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May 28, 2004

VIA FACSIMILE 850-413-6919 & U.S. MAIL

Tricia W. Merchant, Bureau of Rate Filings
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Re: Docket Nos. 010492-WS and 030682-WS
May Status Report Regarding Zellwood Station Cooperative Transfer to
Orange County

Dear Ms. Merchant:

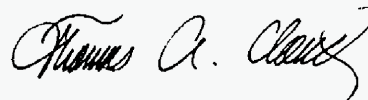
Pursuant to our prior commitment, I am providing to you and all other parties to this proceeding our status report of activities concerning the transfer of the water and sewer plants from Zellwood Station Cooperative to Orange County for the month of May. The following events took place during the month of May:

- (1) The St. Johns River Water Management District issued a consumptive use permit to Zellwood with conditions acceptable to Orange County.
- (2) The County has requested an additional easement and securitized indemnification from Zellwood as a condition of closing. We expect to provide both within the next 30 days.
- (3) The County is considering transferring their purchase contract to the City of Apopka. If the assignment occurs, Apopka is bound by all terms of the County's transaction. This agreement is not projected to be approved by the Board of County Commissioners. Even if it is signed, it is not expected to delay closing this transaction. Possible execution of such an agreement was expressly contemplated in the Asset Purchase Agreement.
- (4) The County has requested one final extension of time to closing. Closing of this transaction is expected to occur in July, 2004.

Tricia W. Merchant
May 28, 2004
Page 2

If you, or anyone else, has any questions, comments or concerns whatsoever regarding this or any other issue related to this transaction, please don't hesitate to contact us. Copies of any documents referred to in this letter are available upon request.

Very truly yours,

A handwritten signature in black ink, appearing to read "Thomas A. Cloud". The signature is written in a cursive, flowing style.

Thomas A. Cloud, Esquire

GrayRobinson, P.A.
Attorneys for Zellwood Station
Cooperative, Inc.

TAC:ds
Enclosure

Tricia W. Merchant
May 28, 2004
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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and exact copy of the above and foregoing has been furnished by Federal Express to Blanca S. Bayo, Director, Division of Clerk and Administrative Services, Florida Public Service Commission and by facsimile and U.S. Mail to the following parties of record this 28th day of May, 2004.

Jennifer Brubaker, Esquire
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Stephen C. Burgess
Office of Public Counsel
c/o The Florida Legislature
111 West Madison Street, Room 812
Tallahassee, Florida 32399-1400



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