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July 2, 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

Re: Docket Nos. 010492-WS and 030682-WS
June 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.

TAC:ds
Enclosure

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July 2, 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
June 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 June. The following events took place during the month of June:

- (1) The terms of the additional easement and securitized indemnification from Zellwood that is required by the County as a condition of closing have been discussed and are being finalized.
- (2) Zellwood and the County are finalizing negotiations on the terms of a waiver to be granted by the County of certain capital charges otherwise payable under the County's wholesale supply agreement with Zellwood relative to the undeveloped portions of the Zellwood community.

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,



Thomas A. Cloud, Esquire

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

TAC:ds

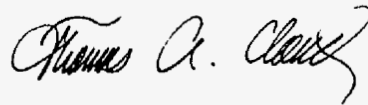
Tricia W. Merchant
July 2, 2004
Page 2

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 2nd day of July, 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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