

REQUEST TO ESTABLISH DOCKET  
(Please Type)

ORIGINAL

Date July 12, 2004

Docket No.

040733 - ~~ESS~~ SU

1. Division Name/Staff Name: Economic Regulation/Hudson

2. OPR: Hudson

3. OCR: Jaeger

4. Suggested Docket Title: The Disposition of Gain on Sale of Land held for Future Use by ~~BFF Corporation~~ in Marion County

BFF Corp.

5. Suggested Docket Mailing List (attach separate sheet if necessary)

A. Provide NAMES OR ACRONYMS ONLY if a regulated company.

B. Provide COMPLETE NAME AND ADDRESS for all others. (Match representatives to companies.)

1. Parties and their representatives (if any):

Charles deMenzes

BFF Corporation

P.O. Box 5220

Ocala, FL 34478

2. Interested persons and their representatives (if any):

6. Check one:

Documentation is attached.

Documentation will be provided with recommendation.

**BFF Corp**  
**P.O. Box 5220**  
**Ocala, Fl 34478**  
**352-622-4949**

**July 12, 2004**

Mr. Troy Rendell  
Florida Public Service Commission  
2540 Shumard Oak Blvd  
Tallahassee, Fl 32399-0850

Re: BFF Corp. proposed settlement

Dear Mr. Rendell,

BFF Corp. has accepted staff's recommendation as to a rate reduction of 7.59% for five (5) years as a result of the gain on sale of excess land.

Enclosed are the tariff sheets reflecting said reduction.

Sincerely,

Charles deMenzes  
AVP

NAME OF COMPANY BFF Corp  
WASTEWATER TARIFF

RESIDENTIAL SERVICE

RATE SCHEDULE RS

AVAILABILITY Available throughout the area served by the Company

APPLICABILITY For metered wastewater service for all purposes in private  
Residences and individually metered apartment units.

LIMITATIONS subject to all of the Rules and Regulations of this Tariff  
and General Rules and Regulations of the Commission.

BILLING PERIOD Monthly

RATE	Meter Size	Base Facility Charge
	All Meter Sizes	27.54

Gallonage Charge	
Per 1,000 gallons	5.95

BASE FACILITY Base Facility Charge PER Month

TERMS OF PAYMENT Bills are due and payable when rendered and become  
delinquent if not paid within twenty (20) days. After five (5)  
working days' written notice is mailed to the customer separate and  
apart from any other bill service may then be discontinued.

EFFECTIVE DATE 08/22/2004

TYPE OF FILING Gain on Sale of Land  
Rate Adjustment

Charles deMenzes  
ISSUING OFFICER

Assistant Vice President  
TITLE

NAME OF COMPANY BFF Corp  
WATER TARIFF

RESIDENTIAL SERVICE

RATE SCHEDULE RS

AVAILABILITY Available throughout the area served by the Company

APPLICABILITY For unmetered residential wastewater customers only.

LIMITATIONS subject to all of the Rules and Regulations of this Tariff  
and General Rules and Regulations of the Commission.

BILLING PERIOD Monthly

RATE Flat Rate 55.97

MINIMUM CHARGE - FLAT RATE

TERMS OF PAYMENT Bills are due and payable when rendered and become delinquent if not paid within twenty (20) days. After five (5) working days' written notice is mailed to the customer separate and apart from any other bill service may then be discontinued.

EFFECTIVE DATE 08/22/2004

TYPE OF FILING Gain on Sale of Land  
Rate Adjustment

Charles deMenzes  
ISSUING OFFICER

Assistant Vice President  
TITLE

NAME OF COMPANY BFF Corp  
WATER TARIFF

GENERAL SERVICE

RATE SCHEDULE GS

AVAILABILITY Available throughout the area served by the Company

APPLICABILITY For wastewater to all customers for which no other schedule applies.

LIMITATIONS subject to all of the Rules and Regulations of this Tariff and General Rules and Regulations of the Commission.

BILLING PERIOD Monthly

<u>RATE</u>	<u>Meter Sizes</u>	<u>Base Facility Charges</u>
	5/8 x 3/4"	27.54
	3/4"	41.30
	1"	68.84
	1 1/2"	137.67
	2"	220.27
	3"	440.54
	4"	688.33
	6"	1376.67
	<u>Gallage Charge</u>	
	Per 1,000 Gallons	7.13

MINIMUM CHARGE - Base Facility Charge

TERMS OF PAYMENT Bills are due and payable when rendered and become delinquent if not paid within twenty (20) days. After five (5) working days' written notice is mailed to the customer separate and apart from any other bill service may then be discontinued.

EFFECTIVE DATE 08/22/2004  
TYPE OF FILING Gain on Sale of Land  
Rate Adjustment

Charles deMenzes  
ISSUING OFFICER  
  
Assistant Vice President  
TITLE

STATE OF FLORIDA

COMMISSIONERS:  
BRAULIO L. BAEZ, CHAIRMAN  
J. TERRY DEASON  
LILA A. JABER  
RUDOLPH "RUDY" BRADLEY  
CHARLES M. DAVIDSON



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

## Public Service Commission

July 6, 2004

Mr. Charles deMenzes  
BFF Corp  
P.O. Box 5220  
Ocala, FL 34478

**Re: Sale of Land Held for Future Use**

Dear Mr. deMenzes::

Pursuant to our telephone conversation, I am writing to address the sale of utility land held for future use. Order No. PSC-02-0487-PAA-SU, issued April 8, 2002 stated:

... [w]e have determined that only one quarter of an acre with a value of \$1,579 should be included in rate base. Therefore, we have reclassified the remaining amount for land of \$33,221 ( $\$34,800 - \$6,316/4 = \$33,221$ ) from Land to Property Held for Future Use and recorded it below-the-line

When the utility finally disposes of the land, there will in all probability be a net gain due to the appreciation of the land. Because this land was included in rate base, the utility shall report to this Commission any future sale, foreclosure, or any transaction involving transfer of ownership of the land and any proposed rate reduction resulting therefrom within 60 days of such occurrence. Rates shall be adjusted to reflect the sale.

It appears from the closing statement that the sale of the land was completed on September 11, 2003. Staff has analyzed the closing statement and has determined that the net selling price was \$58,211. This excludes the DEP fines and the reimbursement of rocks to BFF. Based on this selling price, staff has determined that the net gain on sale of this land was \$24,990. Staff believes that this gain should be amortized over 5 years, consistent with how the early retirement loss amortization was approved.

Based on our conversation, staff believes that the most efficient way to resolve this reduction would be similar to how pass-throughs are approved. Further, I believe that you have agreed to offer a settlement which includes a reduction in wastewater service rates of 7.59%. I have attached a summary of staff's analysis to this letter. In consideration of this offer, and in order to resolve this matter in the most efficient manner, staff agrees that show cause proceedings will not be initiated.

Mr. Charles deMenzes

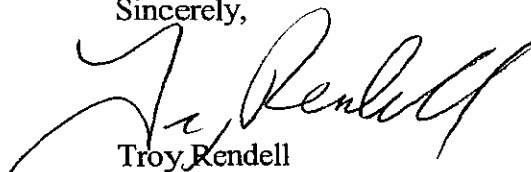
Page 2

July 6, 2004

In order to proceed, BFF will need to respond to this letter to acknowledge this offer of settlement. In addition, BFF will need to submit tariffs which reflect this reduction. At that time, staff will proceed to agenda on the offer of settlement. We will need your response and proposed tariffs no later than July 20, 2004.

Please be advised that the opinions contained in this letter are those of the Commission staff and are in no way binding upon the Commission. If you have further questions, please contact me at (850) 413-6934.

Sincerely,

A handwritten signature in black ink, appearing to read "Troy Rendell". The signature is fluid and cursive, with a large initial "T" and "R".

Troy Rendell  
Public Utilities Supervisor

Enclosure

cc: Division of Economic Regulation (Willis, Merta)  
Office of Public Counsel (Jaeger)

Land was sold September 11, 2003

Gain calculated by staff as:

Selling Price:	\$70,700
Closing costs:	\$12,489
(not including DEP fine and reimbursement to BFF for rocks)	
Net Selling Price:	\$58,211

Less held for future use:	\$33,221
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Gain on Sale of Land:	\$24,990
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Amortized over 5 years - same as loss on early retirement

Annual amortization	\$4,998
RAFs	.955
Grossed up for RAFs	\$5,234

Annual Service Revenue	\$68,961
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Reduction in rates:	7.59%
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Proposed settlement - amortize gain over 5 years, reduction in rates of 7.59%. No show cause for failure to report the sale to PSC.

Revenues, expenses, and rate base very similar to rate case. Used projected test year of August, 2002.

	<u>Order</u>	<u>2003 Annual Report</u> (Staff Adjusted)
Net Rate Base:	\$150,636	\$149,814
Required Revenues:	\$71,082	\$69,479
Operating Expenses:	\$57,118	\$55,699
Rate of Return:	9.27%	9.38%



**BFF Corp**  
P.O. Box 5220  
Ocala, Fl 34478  
352-622-4949

**June 25, 2004**

Mr. Marshall Willis  
Bureau Chief  
Florida Public Service Commission  
2540 Shumard Oak Blvd  
Tallahassee, Fl 32399-0850

Re: Sale of Land by BFF Corp

Dear Mr. Willis,

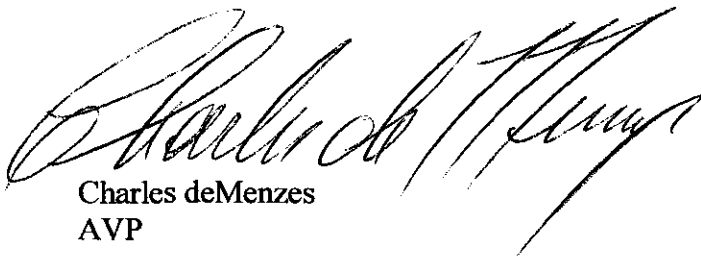
BFF Corp. respectfully submits the following documentation concerning the sale of land by BFF Corp to M/M Lawrence Albritton.

- Closing Statement provided by Vidal & Midgett, LLP
- Contract for Sale and Purchase between BFF Corp and Albritton's.

Notification of the sale to the Commission was an oversight on my part as I was deeply involved with the audit regarding Residential Water System, Inc. at the time and in addition, there was a requirement in the sale of land for the permitting and construction of a separate access to the master lift station.

The final phase of the sale was accomplished on June 1, 2004 with the payment to Roth Concrete in the amount of \$5,100.00 for the construction of the driveway to the master lift station as shown in the Contract for Sale and Purchase. This payment has been booked as Structures and Improvements as of June 1, 2004.

Your understanding is sincerely appreciated.



Charles deMenzes  
AVP

04 JUN 30 AM 10: 57  
DIVISION OF  
ECONOMIC REGULATION  
FLORIDA PUBLIC SERVICE  
COMMISSION

**VIDAL & MIDGETT, LLP**  
**CLOSING STATEMENT**  
**BFF CORP. to LAWRENCE E. ALBRITTON**  
**AND KATHERINE S. ALBRITTON**  
SEPTEMBER 11, 2003

**DEPOSITS TO TRUST ACCOUNT**

Lawrence & Katherine Albritton (from Advance Homestead Title) \$6,200.00  
Lawrence & Katherine Albritton (balance to close) ..... \$64,500.00  
**Total Deposits ..... \$70,700.00**

**CHARGES FROM TRUST FUNDS**

Deed recording fee (paid to Clerk, Marion County) ..... \$9.50  
Release of Mortgage - Wachovia (paid to Clerk, Marion County) ..... \$9.50  
Doc Stamps on Deed (paid to Clerk, Marion County) ..... \$490.00  
(\$70,000 @ \$.70 per \$100)  
Attorneys Fees (Vidal & Midgett LLP) ..... \$1,750.00  
Title Search ..... \$100.00  
Title Insurance Premium ..... \$692.50  
Title Review ..... \$250.00  
Document Preparation ..... \$250.00  
Reimbursement to BFF - Rocks ..... \$583.94 - *NO*  
City of Ocala - Relocation of Transformer ..... \$1,237.52  
Broker Fees  
All Star Realty & Investments, Inc. .... \$3,500.00  
McGuire Realty, Inc. .... \$3,500.00  
DEP LIEN ..... \$3,000.00 - *NO*  
Fischer-Evans & Assoc., Inc. (Survey) ..... \$700.00  
**Subtotal ..... \$16,072.96**

**Net Proceeds to Wachovia Bank - Payoff Mortgage ..... \$54,627.04**

Acknowledged and Accepted by Buyer

By: \_\_\_\_\_  
LAWRENCE ALBRITTON

By: \_\_\_\_\_  
KATHERINE S. ALBRITTON

Acknowledged and Accepted by Seller

BFF Corp.

By: \_\_\_\_\_  
CHARLES DEMENZES,  
Assistant Vice President

*12,489*  
*58,210.98*  
*53,221*  
*24,000*

*4,994*  
*250*  
*5,234*  
*58,355* = *57,515*

07-30-03 12:06

From VISTA 1

CAROLINA LTD

8286291967

T-230 P 02/08 F-041

FROM: ALL STAR REALTY

PHONE NO. : 352 867 1948

JUL 10 2003 03:51 PM '03

**PARTIES:** BFF Corporation Inc  
 hereby agree that Seller shall sell and Buyer shall buy the following described Real Property and Personal Property (collectively "Property") pursuant to the terms and conditions of this Contract for Sale and Purchase and any riders and addenda ("Contract"):

**1. DESCRIPTION**  
 (a) Legal description of the Real Property located in Alachua County, Florida: Parcel 13678-00 and -01 Sec 46 T27 S14 E11 SW 1/4 Sec 46 T27 S14 E11 SW 1/4  
 (b) Street address, city, etc. of the Property: 13678-00 and -01 Sec 46 T27 S14 E11 SW 1/4  
 (c) Personal Property includes existing range, refrigerator, dishwasher, ceiling fans, light fixtures, and window treatments unless specifically excluded below.  
 Other items included are: N/A - Vacant property

name of Personal Property (and leased items, if any) excluded are: \_\_\_\_\_

**II. PURCHASE PRICE (U.S. currency)**  
**PAYMENT:**  
 (a) Deposit held in escrow by Advance Homebased Title Co. (Escrow Agent) in the amount of \$ 6,200.00  
 (b) Additional escrow deposit to be made to Escrow Agent within \_\_\_\_\_ days after Effective Date (see Paragraph 10) in the amount of \$ \_\_\_\_\_  
 (c) Assumption of existing mortgage in good standing (see Paragraph 10) having an approximate present principal balance of \$ \_\_\_\_\_  
 (d) New mortgage financing with a Lender (see Paragraph 10) in the amount of \$ \_\_\_\_\_  
 (e) Purchase money mortgage and note to Seller (see Paragraph 10) in the amount of \$ 103,800.00  
 (f) Other: \_\_\_\_\_  
 (g) Balance to close by cash or LEGALLY DRAWN cashier's or official bank check(s), subject to adjustments or provisions \_\_\_\_\_

**III. TIME FOR ACCEPTANCE OF OFFER AND COUNTEROFFERS; EFFECTIVE DATE:**  
 (a) If this offer is not accepted by and delivered to all parties OR FACT OF EXECUTION is not completed in writing between the parties on or before August 7, 2003 the deposit will, at Buyer's option, be returned and this offer withdrawn. UNLESS OTHERWISE SPECIFIED, THE TIME FOR ACCEPTANCE OF ANY COUNTEROFFERS SHALL BE 2 DAYS FROM THE DATE THE COUNTEROFFER IS DELIVERED.  
 (b) The date of Contract ("Effective Date") will be the date when the last one of the Buyer and Seller has signed or initialed this offer or the final counteroffer. If such date is not otherwise set forth in this Contract, then the "Effective Date" shall be the date determined above for acceptance of this offer or, if applicable, the final counteroffer.

**IV. FINANCING:**  
 (a) This is a cash transaction with no contingencies for financing.  
 (b) This Contract is contingent on Buyer obtaining approval of a loan ("Loan Approval") within \_\_\_\_\_ days after Effective Date for (CHECK ONLY ONE):  a fixed;  an adjustable; or  a fixed or adjustable rate loan, in the principal amount of \$ \_\_\_\_\_ at an initial interest rate not to exceed \_\_\_\_\_%, discount and origination fees not to exceed \_\_\_\_\_% of principal amount, and for a term of \_\_\_\_\_ years. Buyer will make application within \_\_\_\_\_ days (if blank, then 5 days) after Effective Date and use reasonable diligence to obtain Loan Approval and, thereafter, to satisfy terms and conditions of the Loan Approval and close the loan. Buyer shall pay all loan expenses. If Buyer fails to obtain a Loan Approval or fails to waive Buyer's rights under this subparagraph within the time for obtaining Loan Approval or, after diligent, good faith effort, fails to meet the terms and conditions of the Loan Approval by Closing, then either party may, by written notice to the other, may cancel this Contract and Buyer shall be refunded the deposit(s).  
 (c) Assumption of existing mortgage (see rider for terms); or  
 (d) Seller financing (see Stipend 5 and Addenda; addenda; or special clauses for terms).

**V. TITLE EVIDENCE:** At least 7 days (if blank, then 5 days) before Closing:  
 (a) Title insurance commitment with legible copies of requirements listed as exceptions attached thereto ("Title Commitment") and the Closing, an owner's policy of title insurance (see Standard A for terms); or (b) Abstract of title or other evidence of title (see rider for terms), shall be obtained by (CHECK ONLY ONE):  (1) Seller, at Seller's expense and delivered to Buyer or Buyer's attorney; or  (2) Buyer at Buyer's expense.

**VI. CLOSING DATE:** This transaction shall be closed and the closing documents delivered on August 7, 2003 (Closing), unless modified by other provisions of this Contract. If Buyer is unable to obtain Hazard, Wind, Flood, or Homeowners' insurance at a reasonable rate due to extreme weather conditions, Buyer may delay Closing for up to 5 days after such coverage becomes available.  
**VII. REPRESENTATIONS, WARRANTIES, REPRESENTATIONS:** Seller shall convey marketable title subject to: comprehensive land use plans, zoning restrictions, prohibitions and other requirements imposed by governmental authority; restrictions and matters appearing on the plat or otherwise common to the subdivision; outstanding oil, gas and mineral rights of record without right of entry; unperfected public utility easements or records (located contiguous to real property lines and not more than 10 feet in width as to the rear or front lines and 7.1/2 feet in width as to the side

07-30-03 12:08 From-VISTA N CAROLINA LTD

8286251967

T-250 P.03/05 F-041

JUL 08 2003 03:52PM P.S

FROM: ALL STAR REALTY

PHONE NO.: 352-867-1948

60 (less) taxes for year of Closing and subsequent years; and assumed mortgages and purchase money mortgages, if any (if additional terms, see  
61 addendum); provided, that there exists at Closing no violation of the foregoing and none prevent use of the Property for  
62 RESIDENTIAL purpose(s).

63 VIII. OCCUPANCY: Seller shall deliver occupancy of Property to Buyer at time of Closing unless otherwise stated herein. If Property is intended  
64 to be rented or occupied beyond Closing, the fact and terms thereof and the amount of occupancy shall be disclosed pursuant to Standard F.  
65 If occupancy is to be delivered before Closing, Buyer assumes all risks of loss to Property from date of occupancy, shall be responsible and liable  
66 for maintenance from that date, and shall be deemed to have accepted Property in its existing condition as of time of taking occupancy.

67 IX. TYPEWRITTEN OR HANDWRITTEN PROVISIONS: Typewritten or handwritten provisions, notes and addenda shall control all printed pro-  
68 visions of this Contract in conflict with them.

69 X. ASSIGNABILITY (CHECK ONLY ONE): Buyer  may assign and thereby be released from any further liability under this Contract;  may  
70 assign but not be released from liability under this Contract; or  may not assign this Contract.

71 XI. ENCUMBRANCES:  
72 (a)  CHECK HERE if the Property is subject to a special assessment lien imposed by a public body payable in installments which  
73 continues beyond Closing and, if so, specify who shall pay amounts due after Closing:  Seller  Buyer  Other (see addendum).

74 (b) Radon is a naturally occurring radioactive gas that when accumulated in a building in sufficient quantities may present health risks to per-  
75 sons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida.  
76 Additional information regarding radon or radon testing may be obtained from your County Public Health Unit.

77 (c) Buyer acknowledges receipt of the Florida Building Energy-Efficiency Rating System Brochure.  
78 (d) If the real property includes post-1978 residential housing then a lead-based paint rider is mandatory.

79 (e) If Seller is a "foreign person" as defined by the Foreign Investment in Real Property Tax Act, the parties shall comply with that Act.

80 (f) If Buyer will be obligated to be a member of a homeowners' association, BUYER SHOULD NOT EXECUTE THIS CONTRACT UNTIL  
81 BUYER HAS RECEIVED AND READ THE HOMEOWNERS' ASSOCIATION DISCLOSURE.

82 XII. MAXIMUM REPAIR COSTS: Seller shall not be responsible for payments in excess of N/A  
83 (a) \$\_\_\_\_\_ for treatment and repair under Standard D (if blank, then 2% of the Purchase Price);

84 (b) \$\_\_\_\_\_ for repair and replacement under Standard N not caused by Wood Destroying Organisms (if blank, then 3% of  
85 the Purchase Price).

86 XIII. RIDERS: ADDENDUMS, SPECIAL CLAUSES:  
87 CHECK those riders which are applicable AND are attached to this Contract:

88  CONDOMINIUM  VACABA  HOMEOWNERS' ASSN.  LEAD-BASED PAINT  
89  COASTAL CONSTRUCTION CONTROL LINE  INSULATION  PAS 15  Other Comprehensive Floor Protection

90 Addenda  
91 Special Clauses: See Addendum #1 and Exhibit A

96 XIV. STANDARDS FOR REAL ESTATE TRANSACTIONS ("Standards"): Buyer and Seller acknowledge receipt of a copy of Standards A  
97 through W on the reverse side or attached, which are incorporated as part of this Contract.

98 THIS IS INTENDED TO BE A LEGALLY BINDING CONTRACT. IF NOT FULLY UNDERSTOOD, SEEK THE ADVICE OF  
99 AN ATTORNEY PRIOR TO SIGNING.

100 THIS FORM HAS BEEN APPROVED BY THE FLORIDA ASSOCIATION OF REALTORS® AND THE FLORIDA BAR.  
101 Approval does not constitute an opinion that any of the terms and conditions in this Contract should be accepted by its parties in a  
102 particular transaction. Terms and conditions should be negotiated based upon the respective interests, objectives and bargaining  
103 positions of all interested persons.

104 AN ASTERISK (\*) FOLLOWING A LINE NUMBER IN THE MARGIN INDICATES THE LINE CONTAINS A BLANK TO BE COMPLETED.

105 BUYER Lawrence E. Albritton (DATE) 7/1/03 Walden (DATE) 7/1/03  
B.F.F. Construction, Inc

106 BUYER Katherine S. Albritton (DATE) 7/1/03 (SELLER) Robert B. Burch (DATE)  
828-699-1967

109 Buyer's address for purposes of notice 83 DANUS 163 ST Seller's address for purposes of notice P.O. Box 5220  
110 MOBILE, AL 06654  
111 (952) 509-0275 Phone (205) 665-4478 Phone

112 Deposit under Paragraph 8 (a) received (Checks are subject to clearance): 828-699-1967 (Escrow Agent)

113 BROKERS: The brokers named below, including listing and cooperating brokers, are the only brokers entitled to compensation in connection  
114 with this Contract: 10%

115 Name: All Star Realty & Inv. Inc. McGuire Realty, Inc.  
116 Cooperating Brokers, if any Using Broker

ADDENDUM #1 TO CONTRACT FOR SALE AND PURCHASE

In reference to Contract dated \_\_\_\_\_ between Lawrence E. & Katherine S. Albritton, husband & wife, the Buyer, and BFF Corp., the Seller, on two vacant tracts which include property ID's #12675-000-00 and 01, Ocala, FL 34482, approximately 5.1 acres, less lift station area and the right-of-way from the NE Corner.

1. IT IS ACKNOWLEDGED BETWEEN THE PARTIES: that the subject property was formerly the site of a waste water treatment plant, spray field, and sewage lift station, servicing part of Golden Hills community, with the only remaining portion of said facility consisting of an operational lift station located on and under ground at the N.E. corner. It is also understood that this property is now being sold and purchased for residential use as follows, and that Buyer after reviewing and investigating residential issues, agrees to accept and assume responsibilities of the Developer's Agreement and Drainage Easement recently executed between the Seller and Marion County.

- 2. The Seller shall have the spray field pump station and tank removed from the premises by date of closing
- 3. The deed of conveyance shall exclude the lift station area and reserve a 25 ft. wide access easement, as reflected on the attached Exhibit A.
- 4. Seller shall grant to Buyer the option of connecting to BFF Corporation's sewage system for residential purposes. Seller shall also permit Buyer at his expense to temporarily remove and replace a portion of the chain link fence along the westerly end of the property to be excluded, thereby facilitating the clearing and closing of the retention pond(s) subsequent to the closing.

*with  
30 days*

The provisions above shall be properly documented and shall survive the closing.

THIS ADDENDUM, UPON ITS EXECUTION BY BOTH PARTIES, IS HEREWITH MADE AN INTEGRAL PART OF THE AFORESAID CONTRACT.

Date executed by Buyer: 7/1/03

Buyer: [Signature]  
Lawrence E. Albritton

Buyer: [Signature]  
Katherine S. Albritton

Date executed by Seller: \_\_\_\_\_

Seller: [Signature]  
Vesta K. Boyle, Inc.

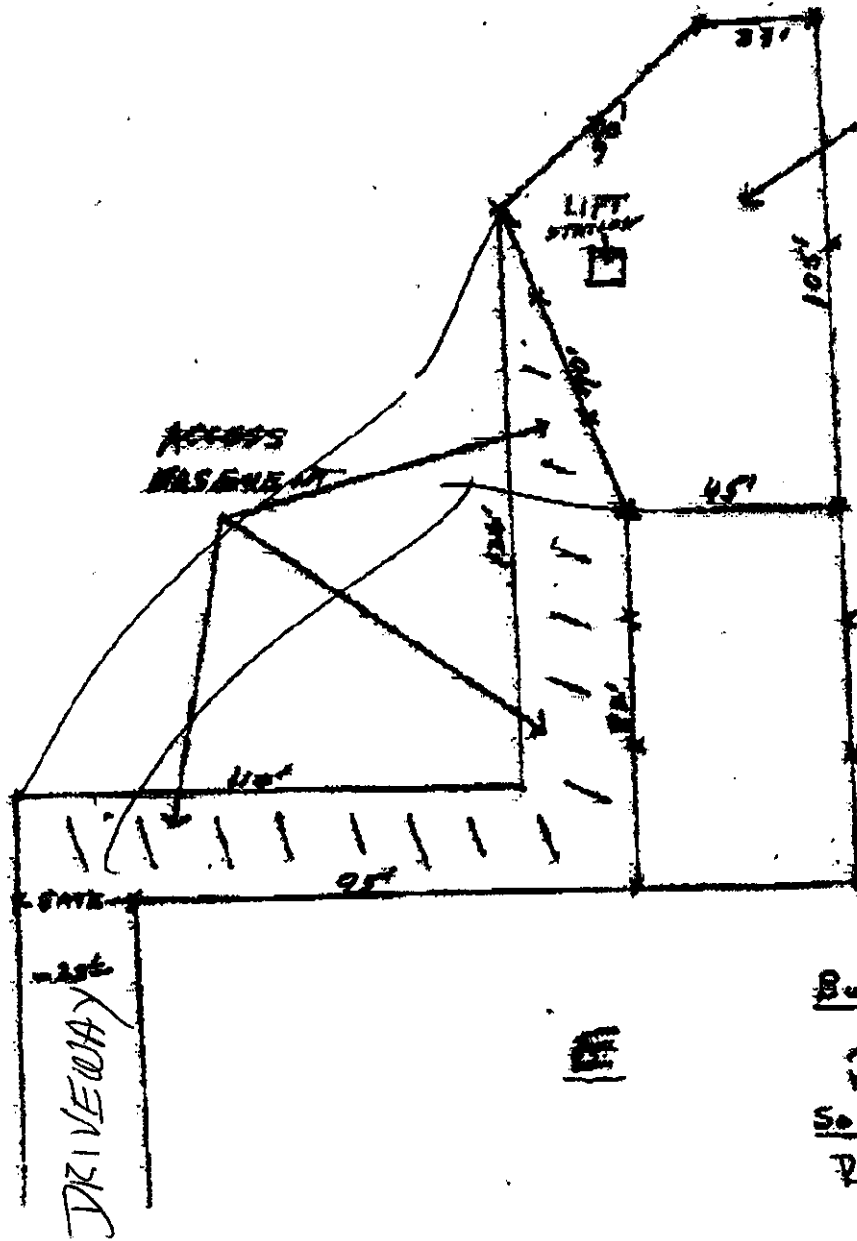
EXHIBIT

53

W

S

N



Buyer  
 J.P.  
 R.S.A.  
 Seller  
 R.D.

COMMISSIONERS:  
BRAULIO L. BAEZ, CHAIRMAN  
J. TERRY DEASON  
LILA A. JABER  
RUDOLPH "RUDY" BRADLEY  
CHARLES M. DAVIDSON

STATE OF FLORIDA



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

## Public Service Commission

June 16, 2004

Mr. Charles de Menzes  
BFF Corporation  
P.O. Box 5220  
Ocala, FL 34478-5220

Dear Mr. Menzes:

In reviewing BFF Corporation's (BFF) 2003 Annual Report, it was noted that nonused and useful land in the amount of \$33,221 was sold sometime in 2003. A \$20,334 gain on sale of land was reported on the Income Statement as well. Pursuant to Order No. PSC-02-0487-PAA-SU in Docket No. 010919-SU, issued April 8, 2002, BFF was required to "report to this Commission any future sale, foreclosure, or any transaction involving transfer of ownership of the [5.51 acre parcel of] land and any proposed rate reduction resulting therefrom within 60 days of such occurrence".

If the land referenced in the above-mentioned order has been sold, please provide, in writing, responses to the following:

1. When was the land sold? Please provide the sales contract.
2. What was the selling price of the land?
3. Did the utility contact the Commission with regards to the sale of the land? If so, please provide verification. If not, please explain why the utility did not.

Please provide the responses by July 1, 2004. If you have any additional questions with regards to this matter, please feel free to contact Shannon J. Hudson at (850) 413-7021.

Sincerely,

A handwritten signature in black ink, appearing to read "Marshall Willis".

Marshall Willis  
Bureau Chief

MW/sh

cc: Division of Economic Regulation (Rendell, Hudson)  
Office of General Counsel (Jaeger)