

ORIGINAL



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July 27, 2004

Blanca S. Bayo, Director
Division of Commission Clerk and
Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Betty Easley Building, Room 110
Tallahassee, Florida 32399-0850

Via Hand Delivery

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COMMISSION
CLERK

Re: Docket No. 980876-WS: Application for Certificate to Operate a Water and Wastewater Utility in Marion County by Ocala Springs Utilities Inc.

Dear Ms. Bayo:

This letter is in response to the requests of Katherine Fleming and Pat Brady for additional information relating to the Amended Second Motion for Extension of Time of Ocala Springs Utilities Inc. ("the Motion") which was filed in this docket on March 25, 2004.

The financial and technical ability of Ocala Springs Utilities Inc. ("OSUI") to provide service has not changed since the granting of OSUI's application for original water and wastewater certificates by Order No. PSC-98-1644-FOF-WS, issued December 7, 1998. OSUI's parent company, Avatar Utilities, promises to finance the initial operation of the utility. Specifically, the construction funds for any water and wastewater facilities would be funded by Avatar Holdings Inc., the parent company of Avatar Utilities Inc. Further, OSUI has the technical knowledge and ability to operate the utility through the experience of Avatar Utilities which provided water and wastewater service through its subsidiaries from 1956 until the transfer of Florida Cities Water Company to a governmental authority in 1999.

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Please let me know if you have any additional questions.

Sincerely,

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[Signature]

[Signature]

FPSC-BUREAU OF RECORDS

Kathryn G.W. Cowdery

Cc (via hand delivery): Katherine Fleming, Esq
Patti Daniel
Pat Brady

TAL:49564:1

RUDEN, McCLOSKEY, SMITH, SCHUSTER & RUSSELL, P.A.

DOCUMENT NUMBER-DATE

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