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Public Service Commission

February 25, 2005

Ms. Kathryn G.W. Cowdery
Ruden McClosky
215 South Monroe Street, Suite 815
Tallahassee, Florida 32301

Re: Docket No. 050062-WS - Joint Application for Transfer of Mink Associates II, LLC d/b/a Timberwood Utilities, Holder of Certificate Nos. 524-W and 459-S to Silver Fox Utility Company LLC d/b/a Timberwood Utilities in Pasco County

Dear Ms. Cowdery:

Your application for transfer of Mink Associates II, LLC d/b/a Timberwood Utilities, holder of Certificate Nos. 524-W and 459-S to Silver Fox Utility Company LLC d/b/a Timberwood Utilities in Pasco County has been received and reviewed by Commission staff. This letter addresses the deficiencies and additional information staff needs to complete its review of the application filed on January 26, 2005.

1. Financing. Please provide a statement describing the financing of the purchase as required by Rule 25-30.037(2)(i), Florida Administrative Code. The application states that the purchase was a lump sum purchase. Please indicate whether the purchase was a cash transaction or some other combination of resource instruments.
2. Pursuant to Rule 25-30.037(2)(j), Florida Administrative Code, the application is to include a showing of the buyer's financial ability. The application includes the financial statements of Silver Fox Utility Company, LLC and a statement that the utility and its members, David and Barbara Bowlinger, will provide funding to the utility if or as needed. However, the financial statements of Silver Fox Utility Company, LLC as of August 2004, reflect a net operating loss that exceeds revenues by 70%. Staff is concerned about the financial viability of the utility. Therefore, please provide recent financial statements for David and Barbara Bowlinger as a showing of the buyer's financial ability to provide funding.

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3. Regulatory Assessment Fees. Please provide a statement regarding the disposition of 2004 and 2005 regulatory assessment fees as required by Rule 25-30.037(2)(r), Florida Administrative Code.
4. Evidence. The application indicates that you intend to file evidence that the utility owns or has continued use of the land by separate filing. Please describe the type of evidence (deed or lease) that you intend to provide and the date by which you anticipate filing the information. In addition, if a draft of the document is available please provide a copy.

Your response to this letter should be filed with the Commission on or before March 25, 2005. Please include the docket number and direct the response to the Director, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, FL 32399. If you have any questions please call Ms. Cheryl Johnson at (850) 413-6984, Ms. Adrienne Vining at (850) 413-6183, or Mr. Tom Walden at (850) 413-6950.

Sincerely,



Patti Daniel, Supervisor
Bureau of Certification & Tariffs

PD/CJ:kb

cc: Office of General Counsel (Vining)
Division of Economic Regulation (Johnson, Walden)
Division of Commission Clerk and Administrative Services