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OFFICE OF THE GENERAL COUNSEL
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GENERAL COUNSEL
(850) 413-6199

Public Service Commission

March 18, 2009

RECEIVED--FPSC
09 MAR 19 AM 10:49
COMMISSION
CLERK

Larry A. Karns, Esq.
City Attorney
City of Lake Worth
7 North Dixie Highway
Lake Worth, Florida 33460-3787

Re: Docket No. 080535-WU, In Re: Application for quick-take amendment and application for amendment of Certificate No. 053-W to extend water service to certain territory (Lake Osborne) in Palm Beach County, by Aqua Utilities Florida, Inc.

Dear Larry,

We last spoke on February 11, 2009, regarding the City of Lake Worth's (City's) objection to Aqua Utilities Florida, Inc. (AUF's) application to extend service in new territory. At that time, it appeared that the City did not object to the addition of the new territory, which is the sole subject of this docketed matter as that additional territory was outside the City limits. At that time, the City's engineer was concerned about AUF's service territory previously approved by the Commission. At that time, you stated you were planning to confer with your City engineer and then dismiss the City's objection.

In response to my inquiry on February 19, 2009, regarding the status of the City's dismissal, you stated the City's engineer was still waiting on additional information from the Commission's engineer related to AUF's Commission approved certificated service territory. However, he was not concerned about the additional service territory. On February 20, 2009, the Commission's engineer emailed the City's engineer the requested information, namely the 1972 Order approving the utility's service territory, and I forwarded you a copy of that email. On February 27, 2009, the City's engineer stated via email to the Commission's engineer that he needed to "discuss in-house" this matter because he believed AUF had contracted away a portion of its Commission approved service territory in 1973.

Since then, I have tried multiple occasions to contact you via email and telephone to discuss the City's concerns. However, I have not been able to reach you. At this point, we must conclude that the City has not reached a decision whether to pursue or dismiss its objection. Because this matter has been scheduled for Agenda on April 7, 2009, I would like to discuss with you several options with regard to the City's level of participation in this matter.

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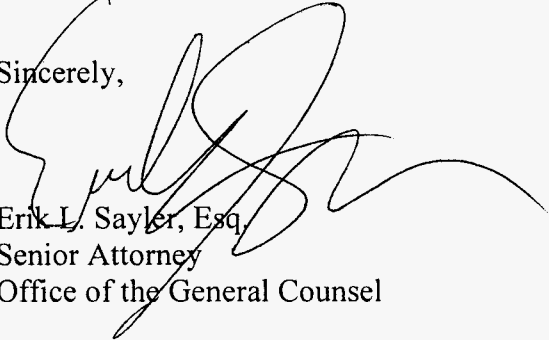
If the City continues to pursue its objection to hearing, the City will have certain rights and responsibilities to put on its case, including filing written testimony, participating in motion practice and formal discovery, filing a prehearing statement, attending a prehearing to be held in Tallahassee, Florida, putting on witnesses and cross-examining utility and other witnesses at the hearing, and filing a post-hearing brief. All of these activities will have due dates that will be required to be met by all parties to this proceeding. Although the City through its attorney may represent itself at formal hearings before the Florida Public Service Commission, it may be preferable to hire counsel or a qualified representative to represent the City.

If the City does not wish to pursue a formal hearing, its objection will be placed in the correspondence side of the docket file in this case, where its concerns will remain available for review and informational purposes. Additionally, upon your request, we can send you a copy of staff's recommendation.

If the City wishes to initiate a protest proceeding in the above referenced docket, please submit to the undersigned a petition initiating formal proceedings in accordance with the requirements of Rule 28-106.201, Florida Administrative Code, by **Wednesday, March 25, 2009**. The petition should be made in writing and should be addressed to the Florida Public Service Commission, Director, Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, FL 32399-0850, or you may e-file your petition. If we do not hear from the City by Wednesday, March 25, 2009, we will assume that the City does not wish to pursue this to a formal hearing and its objection letter will be placed in the correspondence side of the file in the above referenced docket.

If you have any questions regarding the initiation of the protest process or the information contained herein, please do not hesitate to contact the undersigned at (850) 413-6084 or esayler@psc.state.fl.us.

Sincerely,



Erik L. Sayler, Esq.
Senior Attorney
Office of the General Counsel

cc: Office of Commission Clerk
Michael Twomey, Esq.
Carl D. Smith