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February 11, 2010

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Ann Cole, Commission Clerk Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

RE: Applications for Transfer to Governmental Authority

Virginia City Utility Company
Dixie Groves Utility Company
Colonial Manor Utility Company
Pasco Utilities, Inc.

Holiday Utility Company, Inc.

Docket No. 1000037-WU Docket No. 1000035-WU

Docket No. 1000034-WU Docket No. 1000036-WU

Docket No. 1000033-WU

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COMPLISSION

Dear Ms. Cole:

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ADM

The above referenced Applications for Transfer to Governmental Authority were filed by the Sellers of the applicable systems on January 20, 2010. I am writing on behalf of the Florida Governmental Utility Authority, a legal entity and public body created by interlocal agreement pursuant to Section 163.01(7)(g), Florida Statutes, as the Purchaser of the referenced water utility systems, to provide additional information relevant to consideration of the dockets.

Purchaser was created as of February 1, 1999, pursuant to an interlocal agreement that was subsequently amended and restated on December 1, 2000, and thereafter ("Interlocal Agreement"). Pursuant to Sections 367.022(2) and 163.01(7)(g)(1), Florida Statutes, the FGUA is a governmental authority exempt from Commission jurisdiction. <u>See</u> Order No. PSC-00-2352-FOF-WS issued December 7, 2000, Order No. PSC-03-1284-FOF-WS issued November 10, 2003 and Order No. PSC 09-0334-PAA-WS issued on May 14, 2009, collectively the "FGUA Orders").

On November 19, 2009, the FGUA conducted a public hearing in accordance with Section 125.3401, Florida Statutes, addressed the factors identified in such statute and found the acquisition of the water assets of Virginia City Utility Company, Dixie Groves Utility Company, Colonial Manor Utility Company, Pasco Utilities, Inc. and Holiday Utility Company, Inc. (collectively, the "Consolidated Systems") to be in the public interest. The transaction closed on December 23, 2009.

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FPSC-COMMISSION CLERK

Ann Cole, Commission Clerk February 11, 2010 Page 2 of 2

Section 367.071(4)(a), Florida Statutes, provides that the transfer of utility assets to a governmental authority shall be approved as a matter of right. As indicated previously in this Notice, the Commission has recognized on several prior occasions that the FGUA is a governmental authority, thus only the requirements in subsection (4) of Rule 25-30.037, Florida Administrative Code (the "Rule") apply.

The Florida Governmental Utility Authority, as Purchaser of the Consolidated Systems requests that the Commission acknowledge the sale of the water assets of the Consolidated Systems to the FGUA as set forth in the above referenced dockets and cancel the Certificates of the Sellers referenced therein.

Please let me know if I can be of further assistance to the Commission in this matter.

Sincerely,

Robert E. Sheets

Systems Manager, FGUA