

State of Florida



Public Service Commission

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TALLAHASSEE, FLORIDA 32399-0850

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COMMISSION CLERK

-M-E-M-O-R-A-N-D-U-M-

DATE: February 21, 2011

TO: All Parties of Record & Interested Persons

FROM: Anna Williams, Senior Attorney, Office of the General Counsel *AKW*

RE: Docket No. 100400-WU – Investigation of rates of O&S Water Company, Inc. in Osceola County for possible overearnings and Docket No. 100440-WU – Application for transfer of water facilities in Osceola County from O&S Water Company, Inc., to Tohopekaliga Water Authority and cancellation of Certificate No. 510-W.

Please place the attached correspondence requesting a deferral of Item 6 from the February 22, 2011 Agenda Conference in the above-referenced docket files.

Thank you.

DOCUMENT NUMBER-DATE

01170 FEB21 =

FPSC-COMMISSION CLERK

Anna Williams

From: Mark Lawson [mlawson@bmolaw.com]
Sent: Monday, February 21, 2011 4:10 PM
To: Anna Williams
Cc: Martin Friedman; John Jenkins
Subject: Matters before FPSC tomorrow concerning O and S Water
Importance: High

We represent the Toho Water Authority (TWA), recent purchaser from O and S Water of its water utility assets. We ask that the docketed items before the Commission tomorrow be deferred or continued for at approximately 30 days, based on the following:

1. At the time of closing (in early December) the O and S Water records were incomplete or otherwise insufficient for either party to determine with accuracy the deposits on hand or accounts receivable. The parties agreed to a cooperative post closing reconciliation within 50 days (which through no particular fault of either party has yet to occur) to address estimated deposits and accounts receivable. TWA has tendered (with substantiation) a demand for \$76,853.01 to Jack Olsen, President of O and S Water, which represents overpayment of the agreed purchase price.

2. Regrettably, O and S Water has a history of not timely paying its obligations to TWA, the Osceola Tax Collector, and the Commission, which is evident in the Commission's records. Official State of Florida corporate records reflect O and S Water has recently dissolved its corporate status. Counsel for O and S Water declined earlier this afternoon to participate in a joint request for deferral or continuance. Please accept our regrets in making this request at this point in time.

3. In an attempt to avoid expending resources before the Commission by counsel for both O and S Water and TWA, and consuming resources of the Commission staff and counsel, this request simply asks for these matters to be deferred or continued so that principals and counsel from O and S Water have the opportunity to respond to and fairly resolve with TWA staff and counsel these unpaid amounts (which were to have been addressed within 50 days after closing), prior to the Commission addressing these docketed items which will relinquish all jurisdiction of the Commission over O and S Water.

Ms. Williams, failing a summary determination that a short deferral will not materially affect O and S Water and a continuance for a short period is reasonable under the circumstances, please assist me in appearing by telephone tomorrow as I have to travel for a public meeting in Brooksville and can not appear in person to suggest in person this is a matter in controversy (and should be deferred as requested).

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01170 FEB21 =

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You may reach me by cell at 850 591 5630.

Thank-you so much.

Mark G. Lawson

Bryant Miller Olive

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