## STATE OF FLORIDA

Commissioners: JOE GARCIA, CHAIRMAN J. TERRY DEASON SUSAN F. CLARK E. LEON JACOBS, JR.



DIVISION OF LEGAL SERVICES NOREEN S. DAVIS DIRECTOR (850) 413-6199

## Public Service Commission

March 1, 2000

Richard D. Melson, Esquire Hopping, Green, Sams & Smith P.O. Box 6526 Tallahassee, Florida 32314

> Re: Docket No. 991632-WS - Application for original certificate to operate water and wastewater utility in Bay County by Dana Utility Corporation.

Dear Mr. Melson:

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We are in receipt of the recent Motion for Extension of Time by Dana Utility Corporation (Dana or utility) requesting a six-month extension of time to file rates and charges information as set forth in Order No. PSC-00-0127-PAA-WS, issued January 14, 2000. As discussed during the conference call on Friday, February 18, 2000, Commission staff (staff) will prepare a recommendation addressing the Motion. Currently, this recommendation is scheduled to be filed on March 16, 2000.

The purpose of this letter is to clarify and confirm the information provided to staff during the February 18, 2000 discussion. It is staff's understanding that the owners of Lake Merial Development Company, the parent company of Dana, are engaged in negotiations for the sale of the Lake Merial development which will result in a change in control of the utility. It is also our understanding that you anticipate these negotiations will be concluded in May. Therefore, until negotiations are concluded, there will be no further development of the lots located in the utility's service territory. Furthermore, the school that is currently under construction will build its own temporary wastewater treatment facility.

However, staff still has some concerns regarding potential existing customers who are currently in the utility's service territory that may need service during the requested extension of 00 time for filing of rates and charges information. During the conference call, Mr. Fancher, the CTR utility's manager, stated that the few homes currently in the utility's service territory are on private eag **JOCUMENT RUMBE** wells and septic tanks, and would not need service from the utility at this time. LËG

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Richard D. Melson, Esquire Page 2 February 29, 2000

Please clarify or confirm that the information provided to staff in the February 18, 2000 conference call is as stated above. Please clarify the "owners", Lake Merial Development Company, Dana Properties, Ltd., or other, that are negotiating the sale of the Lake Merial development. Please clarify whether there are any potential customers other than the school that might be affected by the requested delay. If necessary, please provide any additional information which you believe would clarify the situation further. Please provide this information by March 8, 2000. Should you have any questions, please call me at (850) 413-6220.

Sincerely.

Patricia A. Christensen Senior Attorney

PAC/dr

cc: Division of Water and Wastewater (Messer, Williams, Rehwinkel)

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