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MARTIN S. FRIEDMAN, P.A. VALERIE L. LORD, OF COUNSEL (LICENSED IN TEXAS ONLY)

VIA HAND DELIVERY

November 12, 2003

Ms. Blanca Bayo **Commission Clerk** Florida Public Service Commission 2540 Shumard Oak Boulevard

Re:

Docket No.: 030102-WS; Application for Authority to Sell, Assign or Transfer Utility Facilities of The Woodlands of Lake Placid, L.P., in Highland County, Florida to Camp Florida Property Owners Association, Inc., and Application to Transfer Majority Organizational Control of L.P. Utilities, Inc., to Camp Florida Property Owners Association, Inc.

Our File No.: 37074.03

Dear Ms. Bayo:

Tallahassee, FL 32399

In connection with the above-referenced docket, enclosed for filing are the original and fifteen (15) copies each of the Clarification to the Application for Authority to Sell, Assign, or Transfer Utility Facilities and Notice of Filing (Affidavit of Mailing).

If you should have any questions regarding this filing, please do not hesitate to call my office.

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MMS Enclo	osures		
SEC cc:	Stephen C. Burgess, Esq.		DOCUMENT ALMBE
OTH	Katherine E. Fleming, Esq.	•	29041 L 11 1921 22
	John Lovelette (w/enclosures)		11257 NO

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Application for Authority to Sell, Assign or Transfer Utility Facilities of THE WOODLANDS OF LAKE PLACID, L.P. in Highlands County, Florida to CAMP FLORIDA PROPERTY OWNERS ASSOCIATION, INC., and Application to Transfer Majority Organizational Control of L.P. Utilities Corporation to CAMP FLORIDA PROPERTY OWNERS ASSOCIATION, INC.

Docket No. 030102-WS

CLARIFICATION TO THE APPLICATION FOR AUTHORITY TO SELL, ASSIGN, OR TRANSFER UTILITY FACILITIES

- L.P. UTILITIES CORPORATION (hereinafter "LPUC"), by and through its undersigned attorneys, files this Clarification to the Application for Authority to Sell, Assign, or Transfer Utility Facilities in response to questions raised by the State of Florida Public Service Commission (hereinafter "Commission") staff.
- 1. The transfer application complies with the terms of Commission Order No. PSC-03-1053-PAA-WS, in that LPUC has filed an application for transfer within 30 days of the date that Order was final, agreeing to accept regulatory obligations of the prior owner.
- 2. The application complies with the terms of Commission Order No. PSC-03-1051-FOF-WS, which requires that refunds with interest be made within 12 months of the date that Order becomes final. Paragraph 2.3 of the Agreement for Purchase and Sale acknowledges the obligation of LPUC to make the refunds pursuant to

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that Order. Those refunds will be made utilizing the funds currently held in escrow, as well as credits such that the alleged overcharges will be refunded in accordance with that Order.

- 3. LPUC is the seller with regard to the transfer of the wastewater system to CAMP FLORIDA PROPERTY OWNERS ASSOCIATION, INC. (hereinafter "PROPERTY OWNERS ASSOCIATION"), and Anbeth Corporation is the seller of the stock of LPUC (which will own the water system) to the PROPERTY OWNERS ASSOCIATION.
- 4. Teresa Lovelette is the secretary of the PROPERTY OWNERS ASSOCIATION and was incorrectly listed in the application as a shareholder.
- 5. The stock of Anbeth Corporation will be paid for by the PROPERTY OWNERS ASSOCIATION in cash at closing and there will be no financing for that purchase. In accordance with the covenants and restrictions of the PROPERTY OWNERS ASSOCIATION, those funds are being raised by special assessment to the members (over which the Commission has no jurisdiction).
- 6. The current mortgage is held by Highvest Corporation and will be satisfied at closing, and both the assets of the wastewater system and the stock of LPUC are being transferred without any existing debt.
- 7. The statement that the PROPERTY OWNERS ASSOCIATION is assuming the obligations of LPUC was made since it is a requirement of the Commission's rule. The only obligations of which LPUC is

aware is the obligation to continue to provide wastewater service in accordance with all statutory and regulatory requirements.

- 8. LPUC will be making the refunds required by the Commission's SARC Order. The statement that the PROPERTY OWNERS ASSOCIATION will be making refunds was intended to refer to the PROPERTY OWNERS ASSOCIATION as the owner of the stock of LPUC.
 - 9. LPUC will late file the tariffs.
- 10. To the extent that the Commission staff believes that THE WOODLANDS OF LAKE PLACID, L.P., must join in the application, it will do so.
- 11. The purchase price for the stock of LPUC was reduced by \$89,086, which is greater than the amount of refunds that LPUC will be required to make pursuant to the SARC Order.
- 12. To the extent it is applicable, both the PROPERTY OWNERS ASSOCIATION and LPUC agree to fulfill the commitments, obligations, and representations of the prior owner with regard to utility matters.
- 13. The refund will be made in coordination with the Commission staff and will include payments and/or credits to those customers that paid the purported overcharges.
- 14. The PROPERTY OWNERS ASSOCIATION derives its authority from statutory law, the covenants and restrictions governing the property, as well as its corporate articles and bylaws. As is standard with Property Owners Associations, nonpayment of

assessments can result in a lien being placed on the property owner's property. In the instant case, the special assessment is for the specific purpose of acquiring the stock of LPUC, and if the sale never takes place, then the PROPERTY OWNERS ASSOCIATION will either refund or credit each members' account for that assessment. Frankly, the manner in which a Property Owners Association raises funds is not within this Commission's jurisdiction, even under the umbrella of "public interest".

Respectfully submitted on this 12th day of November, 2003, by:

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MARTIN S. FRIEDMAN

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Clarification to the Application for Authority to Sell, Assign, or Transfer Utility Facilities has been furnished by United States mail to the following parties on this 12th day of November, 2003:

Stephen C. Burgess, Esq. State of Florida - Office of the Public Counsel c/o The Florida Legislature 111 West Madison Street, Room 812 Tallahassee, FL 32399-1400

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