

ORIGINAL

RUTLEDGE, ECENIA, UNDERWOOD, PURNELL & HOFFMAN
PROFESSIONAL ASSOCIATION
ATTORNEYS AND COUNSELORS AT LAW

STEPHEN A. ECENIA
JOHN H. ELLIS
KENNETH A. HOFFMAN
THOMAS W. KONRAD
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POST OFFICE BOX 551, 32302-0551
215 SOUTH MONROE STREET, SUITE 420
TALLAHASSEE, FLORIDA 32301-1841

TELEPHONE (850) 681-6788
TELECOPIER (850) 681-6515

OF COUNSEL
CHARLES F. DUCKETT

GOVERNMENTAL CONSULTANTS
PATRICK R. MALLOY
AMY J. HOUNG

April 24, 1998

Ms. Blanca S. Bayo, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Betty Easley Conference Center
Room 110
Tallahassee, Florida 32399-0850

HAND DELIVERY

Re: Florida Water Services Corporation's Notice of Filing Petition to Withdraw as Receiver for Enterprise Utilities Corporation

Dear Ms. Bayo:

Enclosed herewith for filing in the above-referenced docket on behalf of Florida Water Services Corporation are the original and five copies of Florida Water Services Corporation's Notice of Filing Petition to Withdraw as Receiver for Enterprise Utilities Corporation.

Please acknowledge receipt of these documents by stamping the extra copy of this letter "filed" and returning the same to me.

- ACK
- AFA
- APP
- CAF
- CMU
- CTR
- EAG
- LEG
- LIN
- OPC
- RCH
- SP
- W/S
- OTH

Thank you for your assistance with this filing.

Sincerely,


Kenneth A. Hoffman

RECEIVED & FILED

14
DIVISION OF RECORDS

KAHrl

Enclosures

cc: Brian P. Armstrong, Vice President and General Counsel
Matthew J. Feil, Esq.
Ida Roberts, Esq.
M. Bradley Luczak, Esq.

DOCUMENT NUMBER DATE

04598 APR 24 1998

REC'D - RECORDS/REPORTING

RUTLEDGE, ECENIA, UNDERWOOD, PURNELL & HOFFMAN

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April 24, 1998

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Florida Public Service Commission
2540 Shumard Oak Boulevard
Betty Easley Conference Center
Room 110
Tallahassee, Florida 32399-0850

HAND DELIVERY

Re: Florida Water Services Corporation's Notice of Filing Petition to Withdraw as Receiver for Enterprise Utilities Corporation

Dear Ms. Bayo:

Pursuant to Section 367.165(1), Florida Statutes, and Rule 25-30.090, Florida Administrative Code, Florida Water Services Corporation ("Florida Water"), hereby provides notice to the Florida Public Service Commission ("Commission") that on April 24, 1998, Florida Water filed its Petition to Withdraw as Receiver for Enterprise Utilities Corporation ("Enterprise") in the Circuit Court of the Seventh Judicial Circuit in and for Volusia County, Florida, Case No. 81-5258-CA-01B. In accordance with Rule 25-30.090(2), Florida Water hereby provides the following information:

(a) The name and address of the utility is:

Enterprise Utilities Corporation
c/o Florida Water Services Corporation, Receiver
P. O. Box 609520
Orlando, Florida 32860-9520

DOCUMENT FILED
04598 APR 24 1998
FPC REGISTRATION

Ms. Blanca S. Bayo, Director

Page 2

April 24, 1998

(b) The persons to contact regarding this notice, their addresses and telephone numbers are:

Matthew J. Feil, Esq.
Florida Water Services Corporation
P. O. Box 609520
Orlando, FL 32860-9520
(407) 880-0058 (telephone)
(407) 880-1395 (telecopier)

Kenneth A. Hoffman, Esq.
John R. Ellis, Esq.
Rutledge, Ecenia, Underwood, Purnell &
Hoffman, P. A.
P. O. Box 551
Tallahassee, FL 32302
(850) 681-6788 (telephone)
(850) 681-6515 (telecopier)

(c) Florida Water's books and records, including the books and records for the Enterprise service area, are located at 1000 Color Place, Apopka, Florida 32703

(d) The date of this notice is April 24, 1998.

(e) Florida Water's petition to withdraw as receiver for Enterprise was filed on April 24, 1998. Florida Water anticipates that its petition to withdraw as receiver for Enterprise will be granted by the circuit court. Florida Water does not know how long it will take for the circuit court to resolve its petition.

(f) Enterprise provides water and wastewater services.

(g) Florida Water seeks to withdraw as receiver for Enterprise for the reasons set forth in the attached Petition. Florida Water and its predecessor entities have had the right to relinquish the receivership of the Enterprise facilities since the appointment of Deltona Utilities, Inc. as the successor receiver on May 4, 1982.

(h) Florida Water has received notice from the Department of Environmental Protection ("DEP") concerning alleged deficiencies with the Enterprise effluent disposal/reuse system and related facilities. Florida Water maintains and DEP agrees that the construction and operation of an interconnect with the Deltona Lakes Wastewater facilities are necessary to address and resolve the concerns at Enterprise. The costs for such an interconnect can only be supported by higher rates charged to the Enterprise customers.

Ms Blanca S. Bayo, Director
Page 3
April 24, 1998

Thank you for your assistance with this filing.

Sincerely,


Kenneth A. Hoffman

KAH/rl

cc: Lila A. Jaber, Esq., Bureau Chief, Water and Wastewater, Division of Legal Services
Charles H. Hill, Director, Division of Water and Wastewater

Bayo en

IN THE CIRCUIT COURT, OF THE
SEVENTH JUDICIAL CIRCUIT IN AND
FOR VOLUSIA COUNTY, FLORIDA

CASE NO. 81-5258-CA-01B

IN RE: ENTERPRISE UTILITIES, INC.
_____ /

FLORIDA WATER SERVICES CORPORATION'S PETITION
TO WITHDRAW AS RECEIVER FOR ENTERPRISE UTILITIES, INC.

Petitioner, Florida Water Services Corporation f/k/a Southern States Utilities, Inc. (hereinafter "Florida Water"), as Receiver, by and through its undersigned attorneys, hereby files this petition to withdraw as receiver for ENTERPRISE UTILITIES, INC., (hereinafter "ENTERPRISE"), pursuant to Rule 1.640 of the Florida Rules of Civil Procedure and Section 367.165, Florida Statutes, and in support thereof states:

1. On November 19, 1981, Chester Tomlin, President of ENTERPRISE, notified Volusia County that Enterprise was abandoning its utility operation.
2. On December 22, 1981, Dean Deakyne was appointed as receiver for ENTERPRISE, effective December 31, 1981.
3. On April 29, 1982, Dean Deakyne withdrew as receiver of ENTERPRISE and The Deltona Corporation was appointed as the successor receiver for Enterprise.
4. On May 4, 1982, the Court appointed Deltona Utilities, Inc., as receiver for ENTERPRISE. Deltona Utilities, Inc. was, at that time, a subsidiary of The Deltona Corporation.

5. At the time Deltona Utilities, Inc. was appointed the receiver for ENTERPRISE, it was intended that Deltona Utilities, Inc. would function as a temporary receiver for a period of two years or until a replacement receiver could be appointed.

6. In November, 1989, the assets of Deltona Utilities, Inc. were acquired by MP Water Resources Corporation f/k/a Topeka Group Incorporated, the parent company of Florida Water. Both Deltona Utilities, Inc. and Florida Water were managed and operated from the same headquarters in Apopka, Florida.

7. On July 15, 1992, Florida Water became successor by statutory merger to Deltona Utilities, Inc. and thereby became the receiver for Enterprise.

8. From 1992 to present, Florida Water has performed, in good faith, its receivership duties and maintained the assets of ENTERPRISE.

9. Florida Water has operated ENTERPRISE facilities in the most efficient and economical manner possible for residents receiving service. Florida Water believes that it is in the public interest for a professional service provider, such as Florida Water, to continue to provide such service. However, recent decisions of the Florida Public Service Commission (hereinafter "FPSC") have caused Florida Water to file this petition to withdraw as receiver for the ENTERPRISE facilities.

10. Florida Water estimates that up to \$1 million of capital investment in the ENTERPRISE facilities will be required to maintain compliance with applicable laws, rules and regulations.

11. Florida Water recently invested approximately \$1 million to replace aging water transmission and distribution facilities in another Florida Water service area serving

a similar number of customers as is served by the ENTERPRISE facilities. The investment was made to conserve Florida's precious water supplies, respond to low pressure complaints from customers and otherwise improve the quality of service provided to the affected customers. The FPSC and its staff, while not disputing the prudence of such investment or reasonableness of the cost, has disparaged Florida Water's efforts and thereby placed in serious doubt Florida Water's ability to recover prudent, reasonable cost investments in the future.

12. In 1995, Florida Water filed a rate increase application with the FPSC seeking rate relief for expenses and past capital expenditures at the ENTERPRISE facilities. In July 1996, the FPSC staff recommend, and the FPSC ordered, that the ENTERPRISE plant and facilities not be considered for rate relief because Florida Water "could relinquish the receivership thereby giving up any claim to the facilities or customers".

13. Thus, the FPSC eliminated the customers of ENTERPRISE from Florida Water's customer base for ratemaking purposes and denied Florida Water recovery of costs necessary to operate the ENTERPRISE facilities. Due to the actions of the FPSC, the State's economic regulator of Florida's private utilities, Florida Water cannot continue to run the ENTERPRISE facilities.

14. In light of the FPSC's actions to date, Florida Water is unable to continue operation of the ENTERPRISE facilities with any assurance of reasonable ratemaking treatment. Florida Water also is doubtful that the FPSC will permit recovery of operating costs, not to mention recovery of the additional capital investment which is necessary to maintain compliance with applicable laws, rules and regulations.

15. Florida Water has satisfied all statutory conditions precedent to the filing of this petition.

16. Florida Water has, contemporaneous with the filing of this petition, served its notice to the FPSC and Volusia County of its intention to withdraw as receiver. Copies of the Notices are attached hereto marked Composite Exhibit "A".

WHEREFORE, Petitioner, Florida Water, respectfully requests this court to enter an order granting its petition to withdraw as receiver for ENTERPRISE.

Respectfully submitted this 24th day of April, 1998.



M. BRADLEY LUCZAK, of
SOBERING, WHITE & LUCZAK, P.A.
201 S. Orange Ave., Ste. 1000
Orlando, Florida 32801
Telephone No. (407) 425-4305
Facsimile No. (407) 425-4304
Florida Bar No. 0501077
ATTORNEYS FOR PETITIONER,
FLORIDA WATER SERVICES
CORPORATION

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy of the foregoing has been furnished by U.S. Mail, this _____ day of April, 1998, to: State of Florida, Public Service Commission, Rob Vandiver, General Counsel, 2540 Shumard Oak Blvd., Tallahassee, Florida 32399-0850; and Daniel D. Eckert, Esquire, Volusia County Legal Department, 123 W. Indiana Avenue, Deland, Florida 32720-4815.

M. BRADLEY LUCZAK, of
SOBERING, WHITE & LUCZAK, P.A.
201 S. Orange Ave., Ste. 1000
Orlando, Florida 32801
Telephone No. (407) 425-4305
Facsimile No. (407) 425-4304
Florida Bar No. 0501077
ATTORNEYS FOR FLORIDA WATER
SERVICES CORPORATION

RUTLEDGE, ECENIA, UNDERWOOD, PURNELL & HOFFMANPROFESSIONAL ASSOCIATION
ATTORNEYS AND COUNSELORS AT LAWPOST OFFICE BOX 851, 32302-0851
215 SOUTH MONROE STREET, SUITE 420
TALLAHASSEE, FLORIDA 32301-1841TELEPHONE (850) 881-6788
TELECOPIER (850) 881-6515

April 24, 1998

OF COUNSEL
CHARLES F. DUGLEYGOVERNMENTAL CONSULTANTS
PATRICK R. MANLOY
AMY J. YOUNGSTEPHEN A. ECENIA
JOHN R. ELLIS
KENNETH A. HOFFMAN
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J. STEPHEN MENTON
R. DAVID PRESCOTT
HAROLD F. X. PURNELL
GARY R. RUTLEDGE
R. MICHAEL UNDERWOODMs. Blanca S. Bayo, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Betty Easley Conference Center
Room 110
Tallahassee, Florida 32399-0850**HAND DELIVERY**Re: Florida Water Services Corporation's Notice of Filing Petition to Withdraw as
Receiver for Enterprise Utilities Corporation

Dear Ms. Bayo:

Pursuant to Section 367.165(1), Florida Statutes, and Rule 25-30.090, Florida Administrative Code, Florida Water Services Corporation ("Florida Water"), hereby provides notice to the Florida Public Service Commission ("Commission") that on April 24, 1998, Florida Water filed its Petition to Withdraw as Receiver for Enterprise Utilities Corporation ("Enterprise") in the Circuit Court of the Seventh Judicial Circuit in and for Volusia County, Florida, Case No. 81-5258-CA-OYB. In accordance with Rule 25-30.090(2), Florida Water hereby provides the following information:

- (a) The name and address of the utility is:

Enterprise Utilities Corporation
c/o Florida Water Services Corporation, Receiver
P. O. Box 609520
Orlando, Florida 32860-9520

RUTLEDGE, ECENIA, UNDERWOOD, PURNELL & HOFFMAN

Ms. Blanca S. Bayo, Director

Page 2

April 24, 1998

(b) The persons to contact regarding this notice, their addresses and telephone numbers are:

Matthew J. Feil, Esq.
Florida Water Services Corporation
P. O. Box 609520
Orlando, FL 32860-9520
(407) 880-0058 (telephone)
(407) 880-1395 (telecopier)

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Hoffman, P. A.
P. O. Box 551
Tallahassee, FL 32302
(850) 681-6788 (telephone)
(850) 681-6515 (telecopier)

(c) Florida Water's books and records, including the books and records for the Enterprise service area, are located at 1000 Color Place, Apopka, Florida 32703.

(d) The date of this notice is April 24, 1998.

(e) Florida Water's petition to withdraw as receiver for Enterprise was filed on April 24, 1998. Florida Water anticipates that its petition to withdraw as receiver for Enterprise will be granted by the circuit court. Florida Water does not know how long it will take for the circuit court to resolve its petition.

(f) Enterprise provides water and wastewater services.

(g) Florida Water seeks to withdraw as receiver for Enterprise for the reasons set forth in the attached Petition. Florida Water and its predecessor entities have had the right to relinquish the receivership of the Enterprise facilities since the appointment of Deltona Utilities, Inc. as the successor receiver on May 4, 1982.

(h) Florida Water has received notice from the Department of Environmental Protection ("DEP") concerning alleged deficiencies with the Enterprise effluent disposal/reuse system and related facilities. Florida Water maintains and DEP agrees that the construction and operation of an interconnect with the Deltona Lakes Wastewater facilities are necessary to address and resolve the concerns at Enterprise. The costs for such an interconnect can only be supported by higher rates charged to the Enterprise customers.

RUTLEDGE, ECENIA, UNDERWOOD, PURNELL & HOFFMAN

Ms. Blanca S. Bayo, Director
Page 3
April 24, 1998

Thank you for your assistance with this filing.

Sincerely,



Kenneth A. Hoffman

KAH/rl

cc: Lila A. Jaber, Esq., Bureau Chief, Water and Wastewater, Division of Legal Services
Charles H. Hill, Director, Division of Water and Wastewater

Bayo.en

SOBERING, WHITE & LUCZAK, P.A.

ATTORNEYS AT LAW

201 SOUTH ORANGE AVENUE
SUITE 1000
ORLANDO, FLORIDA 32801TELEPHONE (407) 425-4305
TELECOPIER (407) 425-4304M. BRADLEY LUCZAK
ROBERT B. WHITE, JR.BARRY J. SOBERING
OF COUNSELGREGORY W. GLASS
VIVIAN J. MONACO
SALLY R. MURRAY

April 24, 1998

VIA CERTIFIED MAILand FACSIMILE: (904) 822-5736Ms. Maryanne Conners
Director of Water and Utility Services
Volusia County Public Works
123 W. Indiana Ave., 4th Floor
Deland, Florida 32720RE: Florida Water Services Corp. - Withdrawal as receiver of Enterprise
Utilities, Inc.

Dear Ms. Conners

Enterprise Utilities, Inc., operated a water utility system in Volusia County, Florida. It is our understanding that Enterprise Utilities, Inc., abandoned the utility system. On May 4, 1982, Deltona Utilities, Inc., was appointed receiver of Enterprise Utilities, Inc. Florida Water Services Corporation (f/a Southern States Utilities, Inc. ("Florida Water") is the successor by statutory merger to Deltona Utilities, Inc. Florida Water, as receiver, is currently operating the system.

Florida Water hereby gives notice of its intention to petition the Seventh Judicial Circuit Court to withdraw as the receiver of Enterprise Utilities. A copy of the petition is enclosed for your reference. Florida Water will not have its petition heard by the Court for at least 60 days.

Florida Statute Section 367.165 (1) may require a receiver that intends to withdraw to give at least 60 days notice to the Florida Public Service Commission and the county in which the utility is located. Insofar as the petition to withdraw as the receiver may be construed to be within the statute, please consider this letter to be the required notice of Florida Water's intention to take such action.

Ms. Maryanne Conners
Director of Water and Utility Services
Volusia County Public Works
Deland, Florida
April 24, 1998
Page 2

With regard to the motion to withdraw, please note the following:

- (a) The name of the utility is:

Enterprise Utilities Corporation
c/o Florida Water Services Corporation, Receiver
P.O. Box 609520
Orlando, Florida 32860-9520

- (b) The persons to contact regarding this notice, their addresses and telephone numbers are:

Matthew J. Fell, Esquire
Florida Water Services Corporation
P.O. Box 609520
Orlando, Florida 32860-9520
(407) 880-0058 (telephone)
(407) 880-1395 (telecopier)

M. Bradley Luczak, Esquire
Sobering, White & Luczak, P.A.
201 S. Orange Ave., Ste. 1000
Orlando, Florida 32801
(407) 425-4305 (telephone)
(407) 425-4304 (telecopier)

- (c) Florida Water's books and records, including the books and records for the Enterprise service area, are located at 1000 Color Place, Apopka, Florida 32703.

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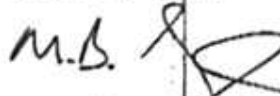
Ms. Maryanne Connors
Director of Water and Utility Services
Volusia County Public Works
Deland, Florida
April 24, 1998
Page 3

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It is our understanding that, under Florida Statute Section 367.165 (2), Volusia County will petition the Circuit Court to appoint a successor receiver. Please let us know whether there is anything that Florida Water can do to facilitate the turnover of the system to the successor receiver.

If you should have any questions regarding the foregoing, please do not hesitate to contact me.

Yours very truly,


M. Bradley Luczak

enclosure

cc: Daniel D. Eckert, Esquire
Volusia County Legal Dept.

SOBERING, WHITE & LUCZAK, P.A.

ATTORNEYS AT LAW

201 SOUTH ORANGE AVENUE

SUITE 1000

ORLANDO, FLORIDA 32801

TELEPHONE (407) 425-4305

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M. BRADLEY LUCZAK
ROBERT B. WHITE, JR.BARRY J. SOBERING
OF COUNSELGREGORY T. GLASS
VIVIAN J. MONACO
SALLY R. MURRAY

April 24, 1998

VIA CERTIFIED MAIL
and FACSIMILE; (904) 441-2470Mr. Stan Rosevear
Chairperson
Volusia County
Post Office Box 3052
Ormond Beach, Florida 32176RE: Florida Water Services Corp. - Withdrawal as receiver of Enterprise
Utilities, Inc.

Dear Mr. Rosevear:

Enterprise Utilities, Inc., operated a water utility system in Volusia County, Florida. It is our understanding that Enterprise Utilities, Inc., abandoned the utility system. On May 4, 1982, Deltona Utilities, Inc., was appointed receiver of Enterprise Utilities, Inc. Florida Water Services Corporation f/k/a Southern States Utilities, Inc. ("Florida Water") is the successor by statutory merger to Deltona Utilities, Inc. Florida Water, as receiver, is currently operating the system.

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Mr. Stan Rosevear
Chairperson
Volusia County
Ormond Beach, Florida
April 24, 1998
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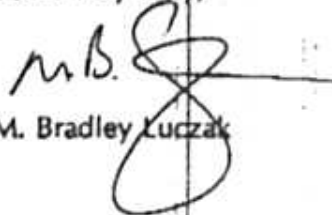
Mr. Stan Rosevear
Chairperson
Volusia County
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If you should have any questions regarding the foregoing, please do not hesitate to contact me.

Yours very truly,



M. Bradley Luczak

enclosure

cc: Daniel D. Eckert, Esquire
Volusia County Legal Dept.