

June 4, 1999

by Federal Express

Ms. Blanca Bayo Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850

Re: Docket No. 970657-WS; Application for certificates to operate a water and wastewater utility in Charlotte and DeSoto Counties by Lake Suzy Utilities, Inc.

Docket No. 980261-WS; Application for Amendment of Certificate Nos. 570-W and 496-S in Charlotte County by Florida Water Services Corporation.

Dear Ms. Bayo:

Enclosed for filing in the above-referenced consolidated dockets, please find an original and fifteen copies of Florida Water's Supplement to Settlement Progress Report.

Please acknowledge filing of these items by date stamping the enclosed extra copy of this letter and returning it in the postage paid envelope provided.

If you have any questions, please contact me at (407) 598-4260.

Sincerely yours,

Matthew J. Feil Staff Attorney

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Enclosures RECE

DDCUMENT NUMBER-DATE 06988 JUN-79

Florida Water Services Corporation / P.O. Box 609520 / Orlando, Florida 32860-9520 / Phone 407/880-0058

Water For Florida's Future

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In. Re: Application for and certificates to operate a water and wastewater utility in Charlotte and Dazed Counties by Lake Suzy Utilities, Inc.)) Docket No. 970657-WS))	
and		66
In Re: Application for Amendment of Certificate Nos. 570-W and 496-S in Charlotte))) Docket No. 980261-WS	-7 -7
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<u>FLORIDA WATER SERVICES CORPORATION'S</u> SUPPLEMENT TO SETTLEMENT PROGRESS REPORT

COMES NOW, Florida Water Services Corporation ("Florida Water"), by and through its undersigned counsel, hereby submits this Second Settlement Progress Report as required by Order No. PSC-99-0973-WS, issued May 13, 1999, and state as follows:

1. The referenced order required Florida Water to report back to the Commission within

forty-five (45) days of Florida Water's progress in achieving a settlement in this matter.

2. Over the last several months, Florida Water and Lake Suzy Utilities, Inc. ("Lake

Suzy") have exchanged a significant amount of information pertinent to the settlement principles proposed, and at the end of March, Florida Water provided Lake Suzy a draft agreement for its review and comment.

3. On April 8, 1999, Lake Suzy filed a Settlement Progress Report, which Florida Water now supplements.

4. Florida Water engaged in good faith negotiations with Lake Suzy, but had been unable DOCUMENT NUMBER-DATE

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to reach any settlement with Lake Suzy.

5. Upon information from counsel representing Aqua Source Utility, Inc. ("Aqua Source"), Lake Suzy has been acquired by Aqua Source.

4. At this time, the Commission may want to consider rescheduling hearings in this matter as Lake Suzy previously suggested. However, Florida Water believes more discovery will be needed and the Prehearing Order, all issues and positions stated therein, will need to be revisited in light of Lake Suzy's acquisition.

WHEREFORE, Florida Water Services Corporation suggests that if the Commission issues an Order rescheduling this matter for hearing, it also schedule a new prehearing and prehearing order and allow sufficient time to permit additional discovery.

Respectfully submitted,

MATTHEW J. FEIL, ESQ. Florida Water Services Corporation P.O. Box 609520 Orlando, FL 32860-9520 (407) 598-4260 (407) 598-4251 FAX

I HEREBY CERTIFY that a true and correct copy of the foregoing was furnished by

Federal Express to the following on this 4th day of June, 1999:

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