

ORIGINAL

M E M O R A N D U M

January 20, 2000

TO: Division of Water and Wastewater (Chu)

FROM: Denise N. Vandiver; Division of Auditing and Financial Analysis *W*

RE: Docket No. 990937-SU; ABCA, Inc.
Address Change/Comments; Staff-assisted Rate Case Audit Report
Audit Control No. 99-237-3-1

ABCA, Inc. submitted the attached address change and comments regarding the recent staff-assisted rate case audit completed by the Bureau of Auditing. These comments are forwarded for your review.

DNV: sp

Attachment

cc: Division of Auditing and Financial Analysis (Devlin/Causseaux/
Harvey/File Folder)
Orlando District Office (Winston)
✓ Division of Records and Reporting
Division of Legal Services

ABCA, Inc.
c/o Douglas A. Carson
Vice President
First Union National Bank
7th Floor - VA-1954
McLean, Virginia 22102

*See
Orig. Hong*

Done 1/27/00

DOCUMENT NUMBER-DATE

00961 JAN 21 8

FPSC-RECORDS/REPORTING



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DAVID S. MUSGRAVE

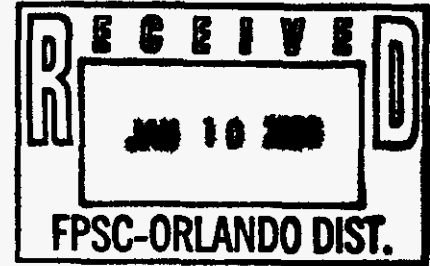
david.musgrave@piperrudnick.com
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January 5, 2000

REGULAR MAIL

State of Florida Public Service Commission
Division of Auditing and Financial Analysis
Hurston North Tower
Suite 512
400 West Robinson Street
Orlando, Florida 32801-1775

Re: Docket No. 990937-SU; ABCA, Inc.
Audit Report; Staff-Assisted Rate Case
Audit Control No. 99-237-3-1



STATE OF FLORIDA
PUBLIC SERVICE COMMISSION
DIVISION OF AUDITING AND FINANCIAL ANALYSIS
JAN 10 2000
MAIL ROOM

Dear Gentlemen:

I represent ABCA, Inc., the owner of the Village Lakeland Utility. We have reviewed the final audit report dated December 20, 1999 for the utility.

Please correct your records to reflect the following address for ABCA, Inc.:

ABCA, Inc.
c/o Douglas A. Carson
Vice President
First Union National Bank
7th Floor - VA-1954
McLean, Virginia 22102

The address that you have for ABCA, Inc. in Jacksonville, Florida is no longer correct.



There seems to be some confusion in the report regarding ABCA, Inc., the owner of the utility. For example, in Audit Exception No. 1, ABCA, Inc. is referred to as the utility's parent. In reality, ABCA, Inc. owns the utility. ABCA, Inc. is wholly-owned by First Union National Bank.

There also seems to be some confusion regarding the manner in which ABCA, Inc. obtained title to the utility. In Audit Exception No. 2, the PSC states that ABCA, Inc. foreclosed on and took title to the utility on December 27, 1995. In reality Ameribanc Investors Group, Inc. acquired Parcels II, IV, V, VI, VII and VIII by foreclosure in the mid 1980's. Ameribanc Service Corporation acquired Parcel III on May 30, 1989. First Union National Bank of Virginia acquired all eight parcels when it purchased the assets of Ameribanc Savings Bank on April 1, 1995. First Union National Bank of Virginia transferred title to the eight parcels to ABCA, Inc. on December 27, 1995. ABCA, Inc. did not foreclose on the property on December 27, 1995.

We may have additional comments on the audit report after further review of it.

Sincerely yours,

David S. Musgrave

DSM/mlw

cc: Mr. Douglas A. Carson (via facsimile)