State of Florida

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Hublic Service Commission RECEVED FR.

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COMMISSION

DATE: January 20, 2004

TO: Division of the Commission Clerk and Administrative Services **FROM:** Cheryl Johnson, Division of Economic Regulation

Docket No. 030655-WU Application for Transfer the Facilities of and Certificate No. 149-RE:

W in Pasco County from Virginia City Utilities, Inc. To Virginia City Utility Company

a Division of Community Utilities of Florida, Inc.

Please include the attached document in file docket no. 030656-WU.

AUS COM CTR ECR GCL OPC

DOCUMENT NUMBER - DATE

00814 JAN 20 3

Community Utilities of Florida, Inc.

Gary Deremer, President

5320 Captains Court

New Port Richey, Florida 34652

Phone: 727-919-0408

Mobile Contact: 727-639-5522

January 14, 2004

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

RE: Virginia City Utility System

Customer Deposits

Dear Ms. Johnson:

In follow up to our recent discussion, please accept this brief statement confirming that all existing deposits held by Virginia City Utility System on 01/01/03 were transferred to my control. This was transacted by written check from the previous Mr. Potter, to the new operating system pending approval by your office titled Virginia City Utility Company.

I hope this information is sufficient, please do not hesitate to contact me if additional data is required.

Gary Deremer

President

Sincerely

Virginia City Utility Company

P.O. Box 398

New Port Richey, Florida 34652

Tel: 727-848-8292 Fx: 727-848-7701

Gary Deremer, Pres. Cell: 727-373-0408

January 15, 2004

Director, Division of Commission Clear and Administrative Services Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

RE:

Virginia City Utilities, Inc. / Docket # 030655-WU

Pending Asset Transfer Approval

Dear Director:

In follow up to information provided by electronic mail to the Public Service Commission staff over the past few months by U.S. Water Services Corporation on my behalf, please accept this letter confirming the answers to the questions raised in correspondence dated August 15, 2003. We are forwarding hard copy per the request of Cheryl Johnson:

Item 1: Tariff sheets are being forwarded to Ms. Johnson - rough draft forwarded for her review.

Item 2: As far as we have been advised, previous owner Mr. Potter has indicated that the original certificate has been lost.

Other Information:

- 1. Wastewater service is provided by Pasco County Utilities.
- 2. Penalty owed by previous owner was paid by my office last week and forwarded to Christine Romig.
- PAA request can be eliminated from the asset transfer application, as it is not applicable after closer review.
- 4. As new owner, I do not plan to implement a standby charge.
- 5. Lead and copper: We switched this utility over from a Pasco County water tie-in, to a back up situation only vs. being the main water supply. The utility is leasing well rights to pump own water from a local source, which should help the lead and copper results. The system is currently dosing a chemical additive to control corrosion. Initial water testing indicates that this measure will be effective in controlling levels of both lead and copper as well. We continue to monitor the water quality as required by FDEP.
- 6. The gate valve replacement program was completed under my ownership and all are in proper working order at this time.

I am hopeful that our delay in providing a more formal response has not created a great inconvenience for the Commission. We are grateful for the support and guidance provided to

U.S. Water Services Corporation during the transfer process. Please do not hesitate to contact me for additional clarification. U.S. Water is working closely with Ms. Johnson to meet current deadlines and produce any additional documentation required.

/ &

Sincerely,

Gary Deremer President

Cc: Cheryl Johnson

Victoria Penick



TRANSMITTAL

Date: January 15, 2004

To: Ms. Cheryl Johnson

Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399

From: Victoria Penick

Re: Dixie Groves / Virginia City Status of Deposits

Thank you for your direction and assistance. Please find original letters post fax of 01/14/04.

Thank you.

ECONOMIC REGULATION

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