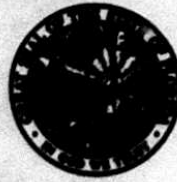


Commissioners:
JULIA L. JOHNSON, CHAIRMAN
J. TERRY DEASON
SUSAN F. CLARK
JOE GARCIA
E. LEON JACOBS, JR.



DIVISION OF LEGAL SERVICES
NOREEN S. DAVIS
DIRECTOR
(850) 413-6199

Public Service Commission

March 27, 1998

Mr. Robert A. Graff
3517 Blossom Circle
Zellwood, Florida 32798

VIA CERTIFIED MAIL

RE: Docket No. 980307-WS - Application for certificate to provide water and wastewater service in Orange County by Zellwood Station Co-op, Inc.

Dear Mr. Graff:

The purpose of this letter is to determine your intent regarding your objection letter filed with the Commission on March 23, 1998, to the above-referenced application of Zellwood Station Co-op, Inc. Specifically, we would like to know whether you intend to pursue this matter to hearing. If your letter is an objection to Zellwood's application for certificate, a formal hearing will be scheduled before the Commission, in which you must provide written testimony. You may choose to represent yourself or be represented by an attorney at the hearing. In lieu of pursuing the matter to hearing, we can place your letter in the correspondence file for the Commission's consideration, and treat it as a comment letter. Please advise this office by April 22, 1998, what you intend to do in this regard.

In an attempt to address some of your concerns, please note that Zellwood Station Co-Op, Inc., is a utility already in existence, operating without a certificate. Pursuant to Section 367.045, Florida Statutes, Zellwood must apply for a certificate of authorization from this Commission. The Commission has never had the opportunity to establish rates for this utility. We appreciate the information regarding the developer agreement and the attachment of the agreement regarding rates. However, please note that the Commission pursuant to Section 367.011, Florida Statutes, has exclusive jurisdiction over a utility with respect to authority, service, and rates.

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See also 03703-98
FPSC-RECORDS/REPORTING

Mr. Robert A. Graff

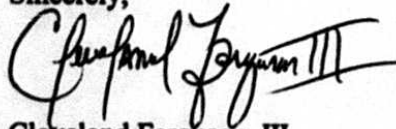
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March 27, 1998

Because this decision will include an establishment of rates, Commission staff will have a customer meeting in the service area of the utility to receive further input from the customers.

If you have any questions, please contact me at (850) 413-6185. Thank you for your attention to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Cleveland Ferguson III". The signature is written in a cursive style with a large initial "C".

Cleveland Ferguson, III
Staff Attorney

CF/lw/dr

cc: Division of Water and Wastewater (Lowe, Messer, Walker, Dunbar)
Division of Records and Reporting
Gray, Harris & Robinson, P.A.

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