

## BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Investigation into the effect )  
of 1986 Federal Tax Reform for 1988. )  
\_\_\_\_\_ )

DOCKET NO. 871206-PU

In re: Investigation into the )  
imposition of a penalty for failure )  
to comply with the provisions of Rule )  
25-14.003(4), F. A. C. )  
\_\_\_\_\_ )

DOCKET NO. 890470-PU  
ORDER NO. 21622  
ISSUED: 7-28-89

CAROLYN HEIGHTS WATER COMPANY, INC. )  
CENTRAL V UTILITIES CORPORATION - )  
ORANGE )  
CENTRAL V UTILITIES CORPORATION - )  
SEMINOLE )  
HIGHRIDGE UTILITY CORPORATION )  
INDIANTOWN TELEPHONE SYSTEM, INC. )  
KEMPLE WATER COMPANY )  
LAKE MONROE UTILITY CORPORATION )  
LEISURE LAKES UTILITY )  
MEADOWBROOK UTILITY SYSTEM )  
OCEAN CITY UTILITIES )  
PARADISE LAKES UTILITY, LTD. )  
PUNTA RASSA UTILITY, INC. )  
ROLLING OAKS UTILITIES )  
SOUTHLAND TELEPHONE COMPANY )  
\_\_\_\_\_ )

The following Commissioners participated in the  
disposition of this matter:

MICHAEL MCK. WILSON, Chairman  
BETTY EASLEY  
GERALD L. GUNTER  
JOHN T. HERNDON

ORDER ASSESSING PENALTIES

BY THE COMMISSION:

In Orders Nos. 21175 through 21193, issued May 8, 1989, we required several utilities to show cause in writing why they should not be fined for failure to timely file their tax savings reports, as required by Rule 25-14.003(4), Florida Administrative Code. The utilities listed in the caption of this Order have filed their tax reports and provided written responses to their show cause orders.

DOCUMENT NUMBER-DATE

07574 JUL 28 1989

FPSC-RECORDS/REPORTING

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Carolyn Heights Water Company, Inc. (Carolyn Heights) was sold to Lake City on November 1, 1988. No application for transfer of its certificate had been made by the due date of the tax report. Carolyn Heights was the company responsible for filing the report, being the holder of the certificate.

Ocean City Utilities, Inc. was granted a water certificate on December 9, 1988. The utility was required to timely file its tax report, even though it was certified for only a portion of 1988.

Central V Utilities Corporation, of Seminole and Orange counties, claimed that they received extensions until April 30, 1989, to file their tax reports. The extensions, in fact, were for the utilities' annual reports, not their tax reports.

Lake Monroe Utility Corporation claimed that it believed the reporting requirement to be for its annual report. Kemple Water Company claimed that it believed the due date to be March 31, 1989.

Highridge Utility Corporation (Highridge) was sold to the City of Daytona Beach on December 30, 1988. Meadowbrook Utility System, Inc. (Meadowbrook) was transferred to Palm Beach County on December 28, 1988. Leisure Lakes Utility was sold to Southern States Utilities, Inc. on January 1, 1989. These utilities have not had their transfers approved prior to the report deadline. Therefore, Highridge, Meadowbrook, and Leisure Lakes Utility were responsible for the timely filing of their respective tax reports.

Paradise Lakes Utility, Ltd. claimed that it miscommunicated with its accountant. Punta Rassa Utilities, Inc. and Rolling Oaks Utilities did not offer any reason for their late filings.

Southland Telephone Company claimed that it did not believe it had to file a tax report due to a negative rate of return for 1988. However, a full, long-form report was still required to be filed on time.

Indiantown Telephone System, Inc. claimed that the preparation of its tax report was delayed by an earnings review by the Commission and several other "priority" items. The utility, though, did not file for an extension.

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Based on the foregoing, we find the aforementioned utilities' reasons insufficient to justify waiver of their penalties for violation of Rule 25-14.003(4), Florida Administrative Code. We, therefore, find it appropriate to fine these utilities in the amounts stated in their respective show cause orders. The penalties are listed in Schedule A, which is attached to this Order and by reference incorporated herein.

In our opinion, exhaustive efforts to collect the fines assessed in this Order would not be an efficient use of this agency's resources. Therefore, if after reasonable collection efforts have been made and we have not been able to collect the fines, we find it appropriate to deem the penalties uncollectible and refer them to the Comptroller's Office for further disposition.

It is, therefore,

ORDERED by the Florida Public Service Commission that the utilities listed in the caption of this Order are hereby assessed the penalties set forth in Schedule A, which is attached to this Order and by reference incorporated herein. It is further

ORDERED that if this Commission is unable to collect the fines after reasonable collection efforts have been made, the penalties shall be deemed uncollectible and referred to the Comptroller's Office for further disposition.

By ORDER of the Florida Public Service Commission,  
this 28th day of JULY, 1989.

  
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STEVE TRIBBLE, Director  
Division of Records and Reporting

( S E A L )

DCS

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of Records and Reporting within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water or sewer utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.

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SCHEDULE A

PENALTY SCHEDULE

<u>UTILITY</u>	<u>PENALTY</u>
CAROLYN HEIGHTS WATER COMPANY, INC.	\$ 132.00
CENTRAL V UTILITIES CORPORATION - ORANGE	283.50
CENTRAL V UTILITIES CORPORATION - SEMINOLE	283.50
HIGHRIDGE UTILITY CORPORATION	69.00
INDIANTOWN TELEPHONE SYSTEM, INC.	650.00
KEMPLE WATER COMPANY	84.00
LAKE MONROE UTILITY CORPORATION	123.00
LEISURE LAKES UTILITY	84.00
MEADOWBROOK UTILITY SYSTEM	750.00
OCEAN CITY UTILITIES	378.00
PARADISE LAKES UTILITY, LTD.	66.00
PUNTA RASSA UTILITY, INC.	108.00
ROLLING OAKS UTILITIES	553.50
SOUTHLAND TELEPHONE COMPANY	112.50