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Public Service Commission

February 18, 2003

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COMMISSION
CLERK

Marshall Deterding, Esquire
Rose Law Firm
2548 Blairstone Pines Drive
Tallahassee, FL 32301

Re: Docket No. 010869-WS - Application for Staff-Assisted Rate Case in Marion County by East Marion Sanitary Systems, Inc.

Dear Mr. Deterding:

As you noted, the Commission decided that the complete fencing project contemplated by Order No. PSC-02-1168-PAA-WS should be completed within 90 days. Therefore, the utility should complete the fencing project by no later than May 29, 2003.

Also, the Commission voted to hold the increased revenues associated with the fencing project subject to refund on a going forward basis. However, the Commission did not require the utility to provide any security for these revenues subject to refund.

Finally, the Commission wanted it to be made very clear to the utility that failure to complete the fence replacement within the expanded time frame would subject it to being made to show cause why it should not be fined in accordance with Section 367.161, Florida Statutes. Pursuant to that section, "If any utility...knowingly refuses to comply with, or willfully violates, any provision of this chapter [Chapter 367] or any lawful rule or order of the commission, such utility shall incur a penalty for each offense of not more than \$5,000....Each day that such refusal or violation continues constitutes a separate offense." Therefore, please advise your client of the possible consequences of his failure to comply with this latest mandate of the Commission.

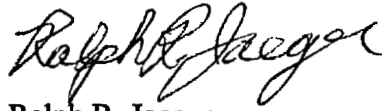
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If you have any questions, or if I can be of any further assistance, please contact me.

Sincerely,



Ralph R. Jaeger
Senior Attorney

RRJ:jb

cc: Division of the Commission Clerk and Administrative Services
Division of Economic Regulation (Fitch)
East Marion Sanitary Systems, Inc.

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