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TIMOTHY DEVLIN, DIRECTOR DIVISION OF ECONOMIC REGULATION (850) 413-6900

Hublic Service Commission

November 18, 2003

CLERK

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Mr. James H. Bates Service Management Systems, Inc. 235 Hammock Shore Drive Melbourne Beach, FL 32951

Re: Docket No. 021228-WS, Application for a staff-assisted rate case in Brevard County by Service Management Systems, Inc.

Dear Mr. Bates:

AUS CAF

CMP

COM CTR ECR GCL OPC MMS SEC OTH On November 3, 2003, the Commission voted on staff's recommendation dated October 22, 2003. A Proposed Agency Action (PAA) order is scheduled to be issued on November 24, 2003. If no protests are filed by the end of the protest period, which is 21 days from the date that the PAA order is issued, the rates and charges approved by this Commission will become final. However, the utility must submit revised tariff pages for staff's approval before the utility can implement new rates.

To expedite the tariff revision process, the utility should file all revised tariff pages by <u>December 5, 2003</u>, to allow staff sufficient time to verify the accuracy of the revised pages. Enclosed are instructions for, as well as, examples of revised tariffs for this utility. Although staff has prepared revised tariffs for this utility, it is the utility's responsibility to make sure all tariffs submitted to the Commission are complete and accurate. If the utility selects an effective date for the tariffs prior to the expiration of the protest period, the utility must provide security pursuant to the PAA order.

A copy of the customer notice informing the utility's customers of the Commission's approved increase must also be submitted for staff's review and approval. After staff approves this notice, it must be mailed to customers of receipt prior to consumption at the increased rates. This notice shall show the effective date of the tariffs. Staff has also included an example of a Commission approved customer notice.

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Mr. James H. Bates, President Page 2 November 18, 2003

Please mail the revised tariff pages and a copy of the proposed customer notice to:

Mr. Tony Sargent
Division of Economic Regulation
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Enclosed is a copy of accumulated plant, depreciation, CIAC and amortization of CIAC schedules reflecting year end balance at December 31, 2002. The Commission approved these balances for rate setting purposes in this case. Once the protest period expires and a consummating order is issued, please reconcile your books with the Commission approved accumulated balances shown on the enclosed schedules.

If you have any questions, please contact Tony Sargent at (850) 413-6968.

Troy Rendell

Sincerel

Public Utilities Supervisor

TR:ts Enclosure

cc: F. Marshall Deterding

Division of Economic Regulation (Sargent)

Office of General Counsel (Jaeger)

Division of Auditing and Safety (Vandiver)

Division of Commission Clerk and Administrative Services (021228-WS)