

ORIGINAL

STATE OF FLORIDA

COMMISSIONERS:
BRAULIO L. BAEZ, CHAIRMAN
J. TERRY DEASON
LILA A. JABER
RUDOLPH "RUDY" BRADLEY
CHARLES M. DAVIDSON



CAPITAL CIRCLE OFFICE CENTER
2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FL 32399-0850

SEP 28 PM 2:16

COMMISSION
CLERK

Public Service Commission

September 28, 2004

Mr. Berdell Knowles, Jr., President
Kincaid Hills Water Company
P.O. Box 579
Gainesville, Florida 32602

VIA CERTIFIED MAIL

040248-WU

Re: Delinquent Payments - Regulatory Assessment Fee Payment Plan

040000

Dear Mr. Knowles:

I am writing to inform you that the Commission has not received Kincaid Hills' monthly payment in the amount of \$500.00 for August, 2004, and \$500.00 for September, 2004. This payment plan for delinquent regulatory assessment fees was established by the Commission in Order No. PSC-04-0615-FOF-WU, issued June 21, 2004. Since Kincaid Hills is in violation of a Commission Order, staff may open a docket to initiate show cause proceedings against Kincaid for its failure to abide by the regulatory assessment fees payment plan for the months of August, 2004, and September, 2004. Order No. PSC-04-0615-FOF-WU stated that if the utility fails to make the required monthly installments by the due date of any month, further enforcement of the payment plan will be initiated, such as placement of a lien on the utility's property. Accordingly, a lien may be placed on Kincaid's property pursuant to Section 367.161, Florida Statutes.

- CMP
- COM
- CTR
- ECR
- GCL
- OPC
- MMS
- RCA
- SCR
- SEC
- OTH

Pursuant to Section 367.161(2), Florida Statutes,

The Commission has the power to impose upon any entity that is subject to its jurisdiction under this chapter and that is found to have refused to comply with, or to have willfully violated, any lawful rule or order of the commission or any provision of this chapter a penalty for each offense of not more than \$5,000, which penalty shall be fixed, imposed, and collected by the commission; or the commission may, for any such violation, amend, suspend, or revoke any certificate of authorization issued by it. Each day that such refusal or violation continues constitutes a separate offense. Each penalty shall be a lien upon the real and personal property of the entity, enforceable by the commission as a statutory lien under chapter 85.

Accordingly, if show cause proceedings are initiated, and if Kincaid is found to be in violation of Commission rules and statutes, the Commission has the authority to impose penalties, and to take further action, as stated in the above-referenced statute.

DOCUMENT NUMBER - DATE
10461 SEP 28 2004

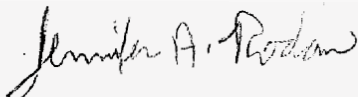
Mr. Berdell Knowles, Jr.
Page 2
September 28, 2004

Your payment of \$1,500.00 (\$500.00 that was due August 20, 2004, \$500.00 that was due September 20, 2004, and \$500.00 that will be due on October 20, 2004) is due October 20, 2004, and should be mailed with a copy of this letter to the Bureau of Fiscal Services, Attn: Valerie Moore, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850.

If payment in the above amount is not received by October 20, 2004, Commission staff will be opening a docket to initiate show cause proceedings. If Kincaid is ultimately found to be in violation of Commission rules, in addition to being authorized to impose fines of up to \$5,000 for each day the violation continues, the Commission may impose a statutory lien upon the real and personal property of the utility.

Finally, if you have questions regarding the matters discussed herein, you may contact me at (850) 413-6189.

Sincerely,



Jennifer A. Rodan

Attorney

cc: Division of Economic Regulation (Slemkewicz, Kaproth)