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STATE OF FLORIDA



ORIGINAL

OFFICE OF THE GENERAL COUNSEL
 MICHAEL G. COOKE
 GENERAL COUNSEL
 (850) 413-6199

Public Service Commission

November 17, 2006

Mr. Herbert Hein, President
 East Marion Sanitary Systems, Inc.
 G-4225 Miller Road, #190
 Flint, MI 48507-1227

CERTIFIED MAIL

060000

Re: Delinquent 2005 Annual Report for East Marion Sanitary Systems, Inc. (SU535 & WU536)

Dear Mr. Hein:

By letters dated July 12, 2006, and August 30, 2006, staff advised East Marion Sanitary Systems, Inc. (East Marion) that it had not yet filed its annual report for the year 2005. Pursuant to Rule 25-30.110, Florida Administrative Code, failure to timely file an annual report subjects a utility to a penalty of \$3 per day for each day the report is late unless the utility can demonstrate good cause for the noncompliance. Until the utility files the annual report, it is subject to the continued accrual of the \$3 per day penalty.

Pursuant to Rule 25-30.110(3), Florida Administrative Code, annual reports are due on March 31 of each year. East Marion requested and was granted an extension, making the 2005 annual report due on May 16, 2006. Because the utility has failed to file the annual report in a timely manner, the utility has accrued penalties, as provided by Rule 25-30.110(6) and (7), Florida Administrative Code. Rule 25-30.110(7)(b), Florida Administrative Code, states, in part, "the penalty for delinquent annual reports shall accrue based on the utility's classification. . ." The applicable penalty for East Marion, as a Class C utility, is set forth below.

- CMP _____
- COM _____
- CTR _____
- ECR _____
- GCL _____
- OPC _____
- RCA _____
- SCR _____
- SGA _____
- SEC 1
- OTH _____

Year	Time Elapsed	Penalty Fees (\$3.00 per day)
2005	185 days	\$555.00
TOTAL		\$555.00

The above-referenced penalty has been calculated as of November 17, 2006. Please submit the 2005 Annual Report and payment in the amount of \$555.00 by check made payable to the Florida Public Service Commission.

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 FPSC-BUREAU OF RECORDS
 FPSC-COMMISSION CLERK

Mr. Herbert Hein, President

Page 2

November 17, 2006

Your payment of the amount set forth above is due on or before December 18, 2006, and should be mailed with a copy of this letter to the Bureau of Administrative Services, Fiscal Services Section, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, Attention: Valerie Moore.

If the utility's 2005 Annual Report and payment in the above amount is not received by December 18, 2006, the Commission may initiate show cause proceedings. If East Marion is ultimately found to be in violation of Commission rules, the Commission is authorized to impose fines of up to \$5,000 for each day the violation continues.

Your attention to this matter is greatly appreciated. If you have any questions or if I can be of any further assistance please contact me at (850) 413-6218.

Sincerely,



Katherine E. Fleming
Office of the General Counsel

KEF

cc: Division of the Commission Clerk and Administrative Services (Moore, Tully)
Division of Economic Regulation (Devlin, Kaproth, Daniel)