

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Initiation of Show Cause) DOCKET NO. 940045-WS
Proceedings Against LAKE PLACID) ORDER NO. PSC-94-0639-FOF-WS
UTILITIES in Highland County for) ISSUED: May 25, 1994
Failure to Remit Penalty Fee for)
Filing Delinquent 1991 Annual)
Report)

The following Commissioners participated in the disposition of this matter:

J. TERRY DEASON, Chairman
SUSAN F. CLARK
JULIA L. JOHNSON
DIANE K. KIESLING
LUIS J. LAUREDO

ORDER TO SHOW CAUSE

BY THE COMMISSION:

Lake Placid Utilities (Lake Placid or utility), is a Class C utility, serving 136 water and 168 wastewater customers in Highlands County. Based on information in the 1991 annual report, the utility reported water system operating revenues of \$12,399 and operating expenses of \$24,218, resulting in a net operating loss of \$11,819 and wastewater system operating revenues of \$14,343 and operating expenses of \$25,377, resulting in a net operating loss of \$11,034.

Lake Placid filed a delinquent 1991 annual report, in violation of Rule 25-30.110, Florida Administrative Code. Rule 25-30.110, Florida Administrative Code, requires utilities subject to the Commission's jurisdiction as of December 31 each year to file an annual report on or before March 31 of the following year. Requests for extension must be in writing and must be filed before March 31. One extension of 30 days is automatically granted. Longer extensions may be granted upon showing of good cause. Incomplete or incorrect reports are considered delinquent, with a 30-day grace period in which to supply the missing information.

Pursuant to Rule 25-30.110(6)(c), Florida Administrative Code, any utility that fails to file a timely, complete annual report is subject to penalties, absent demonstration of good cause for noncompliance. The penalty set out in Rule 25-30.110(7), Florida Administrative Code, for Class C utilities is \$3 per day. The

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penalty calculation is based on the number of days elapsed since March 31, or the approved extension date, and the actual date of filing. The date of filing is included in computing the number of days elapsed. The Commission may impose lesser or greater penalties, pursuant to Rule 25-30.110(6)(c) Florida Administrative Code.

Lake Placid, a Class C utility, filed a delinquent 1991 annual report. On March 25, 1993, we mailed a certified letter to Mr. Marshall Sanderhoff, Acting Manager, informing him that the utility filed its 1991 annual report on June 3, 1992, 64 days after the due date of March 31, 1992, and the resulting fine would be \$192, (64 days x \$3 per day). In the letter, we requested that the \$192 fine be paid on or before April 24, 1993. Lake Placid has failed to respond to our request for payment to date.

In consideration of the foregoing, it appears that Lake Placid has failed to comply with Rule 25-30.110, Florida Administrative Code. Therefore, we hereby order Lake Placid to show cause, in writing, within twenty days, why it should not be fined \$192 for its failure to timely file its 1991 annual report.

If the utility fails to respond to the show cause within twenty days of the issuance of this Order, the penalty of \$192 shall be imposed without further action by this Commission. The failure of the utility to file a timely response to the show cause order shall both constitute an admission of the facts alleged and a waiver of right to a hearing.

If Lake Placid fails to respond to reasonable collection efforts by this Commission, we deem the fines to be uncollectible and hereby authorize referral of this matter to the Comptroller's Office for further collection efforts based on this Commission's finding that, under the aforesaid circumstances, further collection efforts would not be cost effective. Reasonable collection efforts shall consist of two certified letters requesting payment.

If, however, the utility responds to the show cause by remitting the \$192 penalty, no further action is required and this docket shall be closed administratively.

Based on the foregoing, it is, therefore,

ORDERED by the Florida Public Service Commission that Lake Placid Utilities, 1812 Sherman Street, Hollywood, Florida 33202, shall show cause, in writing, within twenty days why it should not be fined \$192 for failure to timely file its 1991 annual report as required by Rule 25-30.110, Florida Administrative Code. It is further

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ORDERED that Lake Placid Utilities', written response must be received by the Director, Division of Records and Reporting, 101 East Gaines Street, Tallahassee, Florida, 32399-0870, by the close of business on June 14, 1994. It is further

ORDERED that Lake Placid Utilities', response must contain specific allegations of fact and law. It is further

ORDERED that Lake Placid Utilities', opportunity to file a written response shall constitute its opportunity to be heard prior to final determination of noncompliance and assessment of penalty by this Commission, as required under Rule 25-30.110(6)(c), Florida Administrative Code. It is further

ORDERED that a failure to file a timely response to this show cause order shall constitute an admission of the facts alleged in the body of this Order and a waiver of any right to a hearing. It is further

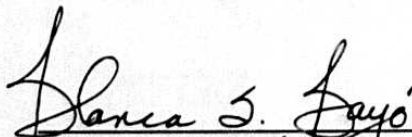
ORDERED that, in the event that Lake Placid Utilities files a written response which raises material questions of fact and requests a hearing pursuant to Section 120.57, Florida Statutes, further proceedings may be scheduled before a final determination on these matters is made. It is further

ORDERED that if the utility fails to timely respond to the show cause, the penalty of \$192 shall be imposed without further action by this Commission. It is further

ORDERED that if reasonable collection efforts are unsuccessful, the collection of the fines shall be forwarded to the Comptroller's office and the docket shall be closed. It is further

ORDERED that if the utility responds to the show cause by remitting the penalty, this docket shall be closed administratively.

By ORDER of the Florida Public Service Commission, this 25th day of May, 1994.



BLANCA S. BAYO, Director
Division of Records and Reporting

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