

Commissioners:
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DIVISION OF WATER & WASTEWATER
CHARLES H. HILL
DIRECTOR
(850) 413-6900

Public Service Commission

June 17, 1999

Ms. Lisa Davis
Damon Utilities, Inc.
47 Lake Damon Drive
Avon Park, Florida 33825

Re: Docket No. 981198-WS - Application for a staff assisted rate case in Highlands County by Damon Utilities, Inc.

Dear Ms. Davis:

On June 1, 1999, the Commission voted on staff's recommendation dated May 20, 1999. A Proposed Agency Action (PAA) order is scheduled to be issued twenty days from the date of the Commission's vote. If no protests have been filed by the end of the protest period, which is 21 days from the date the PAA order is issued, the rates and charges approved by this Commission will become final. However, the utility must first submit revised tariff pages for staff's approval before the utility will be allowed to implement the rate changes.

In order to expedite the tariff revision process, the Utility should file all revised tariff pages by July 12, 1999, in order to allow sufficient time for staff to verify the accuracy of revised pages. I have enclosed blank copies of the tariff pages to be revised for filing.

- AFA _____
- APP _____
- CAF _____
- CMU _____
- CTR _____
- EAG _____
- LEG _____
- MAS _____
- OPC _____
- RRR _____
- SEC +
- WAW _____
- OTH _____

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. This notice should show effective dates. After staff approves this notice, it must be mailed to customers for receipt prior to consumption at the increased rates.

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

Cecilia G. Rehwinkel
Division of Water and Wastewater
Florida Public Service Commission
Capital Circle Office Center, Gunter Bldg.
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850

DOCUMENT NUMBER - DATE
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FPSC RECORDS/REPORTING

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Enclosed are copies of schedules reflecting the year end balance at June 30, 1998 for utility plant in service, accumulated depreciation, CIAC and amortization of CIAC. The Commission approved these balances for rate setting purposes in this rate case. Please reconcile your books with the Commission approved accumulated balances shown on the enclosed schedules.

If you have additional questions, please call me at (850) 413-6972.

Sincerely,

Cecilia A. Rehwinkel

Cecilia Galloway Rehwinkel
Regulatory Analyst

damon(postagn.ccg)
Enclosures

cc: Division of Records and Reporting
Division of Water and Wastewater (Hill, Willis, Rendell, Davis)
Division of Legal Services (Cibula, Gervasi)
Division of Audit and Finance (Vandiver)