



Public Service Commission

-M-E-M-O-R-A-N-D-U-M-

DATE: February 14, 2001
TO: Division of Records and Reporting
FROM: Johnny Butts and Charles Walker, Division of Economic Regulation
RE: Docket No. 001682-WU- Application for staff-assisted rate case (SARC) in Columbia County by Consolidated Water Works, Inc.

The attached correspondence should be included in the official docket file:

1. The original and a copy of the letters from Mr. Jack Espenship (utility's owner) requesting a waiver of penalties and interest associated with delinquent regulatory assessment fees for 1998 and 1999. Also, he waived the statutory timeframe for the utility's SARC pursuant to Chapter 367.084(2), Florida Statutes.

DOCUMENT NUMBER-DATE

02088 FEB 14 2001

FPSC-RECORDS/REPORTING

Consolidated Water Works

2915 E. Baxter Lane Ave
P.O. Box 191
Lake City, Fl. 32056

Phone (904)752-6729
Fax (904) 755-1174

February 6th, 2001

State of Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: Staff Assisted Rate Case for Consolidated Water Works, Columbia County, Docket No. 001682-WU

Attention: Troy Rendell

Dear Mr. Rendell,

Consolidated Water Works would at this time like to ask for a Statutory Waiver of Time for 367-00814 (2). Could you please reschedule for a two month delay in time, so that we may make arrangements to pay the water assessment fees that are due annually for years of 1998 and 1999.

I am also enclosing a letter to you with a brief explanation of the financial position these two companies are under going at this present time.

I am now in the process of obtaining a loan from a private individual to cover the delinquencies in the water tariff fees and the DEP chemical reports. When will it be possible for you to let me know if the interest and penalty fees will be waived. It was pertinent to my lender.

Thank you for your kind attention to this matter.

Sincerely,



Jack Espenship,
Owner Consolidated Water Works

JE/pd

RECEIVED
UTILITY PUBLIC SERVICE
01 FEB 12 AM 11:06
ECONOMIC REGULATION

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February 6th, 2001

Attention: Troy Rendell
State of Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Reference: 367.145 (1) (B)

Dear Mr. Rendell,

Consolidated Water Works, for the above mentioned Reference Number, would like to ask for a waiver of penalty and interest for the periods of 1998 and 1999.

In the years from 1995 through 1997 and part of 1998, there was an embezzlement and fraud within the company. Funds in excess of \$40,000., were converted by a previous Bookkeeper. The discrepancies were not discovered for an extended period of time and Consolidated Water Works and Jack Espenship Construction Company are now in the process of turning over all related materials to the Columbia County Sheriffs Criminal Investigative Division and the State Attorneys office.

During that period of time, monies from Consolidated Water Works and Jack Espenship Construction Company were converted to other unrelated accounts. Numerous bank deposit slips were shorted the total amount of the deposit slip totals and converted to cash.

There were credit card cash advances that were converted to various unrelated accounts. As of this date the Columbia County Sheriff Department and the Stated Attorneys Office are accessing the liabilities.

Now it has come down to the fact that these companies have been squandered and because there is not sufficient revenues coming in to cover these expenses and fees due the Governmental agencies, it has put these Companies in extreme financial difficulties.

The police report will be forwarded to the Public Service Commission as soon as we are in receipt of the paper work and any other pertinent formation to the case.

I will gladly meet with the Agenda Committee and the Commission in order to explain the financial difficulties these companies have been under these past four to five years.

Thanking you in advance for your kindness in this matter.

Sincerely yours,



Jack Espenship
Consolidated Water Works

JE/pd