

State of Florida



Public Service Commission
-M-E-M-O-R-A-N-D-U-M-

DATE: October 23, 2001
TO: Blanca Bayó, Director, Division of the Commission Clerk & Administrative Services
FROM: Richard P. Redemann, Utility Systems/Communications Engineer, Division of Regulatory Oversight
RE: 990374-WS; Application for Original Water and Wastewater Certificates by The Woodlands of Lake Placid, L.P. in Highlands County.

Handwritten signatures in blue ink, appearing to be initials and a full name.

Enclosed please find a letter dated April 18, 2001 from Mr. Timothy Devlin, Director, Division of Economic Regulation, which should be placed in the docket file.

If you have any questions, please contact me.

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Enclosure

cc: Division of Legal Services (Fudge)
Division of Regulatory Oversight (Clapp)

DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

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STATE OF FLORIDA

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TIMOTHY DEVLIN, DIRECTOR
DIVISION OF ECONOMIC REGULATION
(850) 413-6900

Public Service Commission

April 18, 2001

Mr. John H. Lovelette
The Woodlands of Lake Placid, L.P.
1525 US Highway 27 South
Lake Placid, Florida 33852

RE: Delinquent 1995, 1996, 1997, and 1998 Annual Reports and Delinquent 1995, 1996, 1997, 1998 and (1999 Wastewater Only) Regulatory Assessment Fees for The Woodlands of Lake Placid, L.P.

Dear Mr. Lovelette:

Based on information contained in Docket No. 990374-WS, it appears that The Woodlands of Lake Placid, L.P. (Woodlands of Lake Placid or utility), became jurisdictional with the Florida Public Service Commission (Commission) in 1995, when the utility started to charge for water and wastewater service. Jurisdictional utilities are required to file an Annual Report and pay Regulatory Assessment Fees. Rule 25-30.110(3), Florida Administrative Code, requires utilities subject to the Commission's jurisdiction as of December 31 of each year to file an Annual Report on or before March 31 of the following year. Sections 350.113(3)(e) and 367.145, Florida Statutes, and Rule 25-30.120(1), Florida Administrative Code, require utilities to remit annually a Regulatory Assessment Fee in the amount of 4.5% of their gross operating revenue. These requirements apply to all jurisdictional water and wastewater utilities regardless of whether the utility has actually applied for or been issued a certificate of authorization.

The purpose of this letter is to inform you of the penalties the utility may be subject to, since the Commission has not received the required Annual Reports or Regulatory Assessment Fees for Woodlands of Lake Placid, L.P. for the above mentioned years. The Regulatory Assessment Fees due will be based on the utility's gross revenue for each year that the utility has been subject to the Commission's jurisdiction. The gross revenue is multiplied by 0.045 to obtain the amount due for the Regulatory Assessment Fee. Also, interest charges at 12% per annum, and a 5% penalty for each 30-day period or fraction thereof up to a maximum of 25%, are added to the amount due. Enclosed are copies of the Regulatory Assessment Fee Returns for the appropriate years.

Mr. Lovelette
Page 2
April 18, 2001

Rules 25-30-110(6) and (7), Florida Administrative Code, set penalties for noncompliance with the Annual Report requirements. The applicable penalty for a Class C utility is \$3 per day and is based on the number of calendar days elapsed from the due date until the date of filing. The due date for Woodlands of Lake Placid's 1995 Annual Report was March 31, 1996. The Annual Report is 1,856 days late as of April 30, 2001. $1,856 \times \$3 \text{ per day} = \$5,568$ in penalties that have accrued for the 1995 Annual Report. The due date for the 1996 Annual Report was March 31, 1997. That Annual Report is 1,491 days late as of April 30, 2001. $1,491 \times \$3 \text{ per day} = \$4,473$ in penalties that have accrued for the 1996 Annual Report. The due date for the 1997 Annual Report was March 31, 1998. That Annual Report is 1,126 days late as of April 30, 2001. $1,126 \times \$3 \text{ per day} = \$3,378$ in penalties that have accrued for the 1997 Annual Report. The due date for the 1998 Annual Report was March 31, 1999. That Annual Report is 761 days late as of April 30, 2001. $761 \times \$3 \text{ per day} = \$2,283$ in penalties that have accrued for the 1998 Annual Report. The total penalties for the late filing of these Annual Reports is \$15,702 through April 30, 2001.

Please be advised that 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. If you believe that there is good cause for the above-described noncompliance, please demonstrate same, in writing, and submit such statement as soon as possible, along with the Annual Reports for 1995 through 1998 to **The Division of Regulatory Oversight, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, Attn: Richard Redemann**. A sample copy of an Annual Report is enclosed for your reference. Please make copies of the Annual Report for appropriate years.

Alternatively, the utility should submit the above-referenced Annual Reports and pay the outstanding penalties as soon as possible. The Annual Reports should be submitted to **Division of Economic Regulation, Attn: Karen Peacock**, at the address referenced above. The payment of the penalties and a copy of this letter should be mailed to: **The Bureau of Fiscal Services, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, Attn: Jackie Knight**.

Please submit the Annual Reports, along with a statement of good cause or in the alternative, the payment of the penalties for the late filing of the Annual Reports. If the utility can establish a hardship, the Commission may accept limited Annual Report information for these time periods. Also, please submit the Regulatory Assessment Fees and appropriate interest and penalty. The Commission cannot waive the Regulatory Assessment Fees. If the Annual Reports and the Regulatory Assessment Fees are not received within 60 days from receipt of this letter, this matter will be referred to the Division of Legal Services, which may result in the initiation of show cause proceedings and possibly additional fines.

Mr. Lovelette
Page 3
April 18, 2001

If you have any questions regarding this matter, please contact Karen Peacock at (850) 413-6832, Stephanie Clapp at (850) 413-6997, Richard Redemann at (850)413-6999, or Jason Fudge in our Legal Division at (850) 413-6236.

Sincerely,



Timothy Devlin, Director
Division of Economic Regulation

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Enclosure

cc: Division of Economic Regulation (Mailhot, Peacock)
Division of Legal Services (Gervasi, Fudge)
Division of Administration (Coggins, Knight)
Division of Regulatory Oversight (Clapp, Redemann)