

STATE OF FLORIDA

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OFFICE OF THE GENERAL COUNSEL
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GENERAL COUNSEL
(850) 413-6199

Public Service Commission

October 16, 2002

Mr. Gerald F. Blake
c/o Magna Properties, Inc.
442 S. Military Trail,
Deerfield Beach, Fl. 33442

Re: Delinquent Regulatory Assessment Fees

Dear Mr. Blake:

I am writing you in reference to outstanding regulatory assessment fees (RAFs), penalties and interest owed by Econ Utilities Corporation (Econ or utility). According to our records, Econ owes outstanding RAFs, plus penalties and interest for the months of January and February of 1996.

In establishing rates, the Commission includes in its determination of the revenue requirement the utility's obligation to pay RAFs. Pursuant to Rule 25-30.120(2), Florida Administrative Code, RAFs must be paid by March 31 of each year. Pursuant to Section 350.113(4), Florida Statutes, and Rule 25-30.120(7),(a), Florida Administrative Code, a statutory penalty plus interest shall be assessed against any utility that fails to timely pay its RAFs, in the following manner:

1. Five percent of the fee if the failure is for not more than 30 days, with an additional five percent for each additional 30 days or fraction thereof during the time in which failure continues, not to exceed a total penalty of 25 percent.
2. The amount of interest to be charged is 1 percent for each 30 days or fraction thereof, not to exceed a total of 12 percent annum.

In addition, pursuant to Section 367.145(1)(b) and 367.161, Florida Statutes, and Rule 25-30.120(5)(b), Florida Administrative Code, the Commission may impose an additional penalty upon a utility for failure to pay RAFs in a timely manner.

After reviewing the available information, we have determined that Econ owes the following through October 31, 2002:

DOCUMENT NUMBER - DATE

11288 OCT 17 02

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JAN./FEB. 1996	RAF AMOUNT	PENALTY	INTEREST THRU 10/31/02	TOTAL
Water	\$1,579.99	\$395.00	\$1,058.59	\$3,033.58
Wastewater	\$2,382.78	\$595.70	\$1,596.47	\$4,574.95
Total	\$3,962.77	\$990.70	\$2,655.06	\$7,608.53

If payment is not submitted until November 2002, interest will increase by \$15.80 for water and by \$23.82 for wastewater, for a total due of \$7,648.15.


Pursuant to Rule 24-30.120(7), Florida Administrative Code, Econ has an ongoing responsibility to pay interest of one percent every thirty days on the unpaid balance of the RAFs. The amounts shown above have been calculated as of October 31, 2002 and November 30, 2002. The amounts are subject to change and increase over time, and any delay in payment past November 30, 2002, may subject you to additional penalties and interest. Therefore, please submit payment of \$7,608.53 if remitted by October 31, 2002, or \$7,648.15 if remitted by November 30, 2002. The check should be made payable to the Florida Public Service Commission.

Your payment in the amounts set forth above should be mailed with a copy of this letter to the Fiscal Services Section, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, Attention: Karen Belcher.

In addition, if payment has not been received by November 30, 2002, the Commission may initiate show cause proceedings. If show cause proceedings are initiated, and Econ is found to be in violation of Commission rules, pursuant to Section 367.161, Florida Statutes, the Commission is authorized to impose fines of up to \$5,000 for each day the violation continues.

Please do not hesitate to contact me at (850) 413-6234 if you have any questions regarding the matters discussed herein.

Sincerely,



Ralph R. Jaeger
Senior Attorney

RRJ/jb

cc: Division of the Commission Clerk and Administrative Services (Belcher, Knight)
Division of Economic Regulation (Kaproth, Mailhot)

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