

ORIGINAL 050000

STATE OF FLORIDA

COMMISSIONERS:
BRAULIO L. BAEZ, CHAIRMAN
J. TERRY DEASON
LILA A. JABER
RUDOLPH "RUDY" BRADLEY
CHARLES M. DAVIDSON



CAPITAL CIRCLE OFFICE CENTER
2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FL 32399-0850
RECEIVED FPSC

05 JAN -5 PM 2:12

COMMISSION
CLERK

Public Service Commission

January 5, 2005

Mr. Berdell Knowles, Jr., President
Kincaid Hills Water Company
P.O. Box 579
Gainesville, Florida 32602

VIA CERTIFIED MAIL

Re: Delinquent Payments - Regulatory Assessment Fee Payment Plan

Dear Mr. Knowles:

By letter dated November 8, 2004, you were notified by the Commission that your check number 5724 for \$1,000.00 (August, 2004, and September, 2004, monthly payments), dated October 6, 2004, drawn upon the First Credit Union of Gainesville, was dishonored for insufficient funds. You were notified that pursuant to Section 215.34, Florida Statutes, you had 30 days to tender payment of a cashier's check for the full amount dishonored, plus a service charge of \$15.00, for a total of \$1,015.00. The Commission has not received this payment. Furthermore, I am writing to inform you that the Commission has not received Kincaid Hills' monthly payment in the amount of \$500.00 for October, 2004, \$500.00 for November, 2004, and \$500.00 for December, 2004. This payment plan for delinquent regulatory assessment fees was established by the Commission in Order No. PSC-04-0615-FOF-WU, issued June 21, 2004. Since Kincaid Hills is in violation of a Commission Order, staff may open a docket to initiate show cause proceedings against Kincaid for its failure to abide by the regulatory assessment fees payment plan for the months of August, 2004, September, 2004, October, 2004, November, 2004, and December, 2004. Order No. PSC-04-0615-FOF-WU stated that if the utility fails to make the required monthly installments by the due date of any month, further enforcement of the payment plan will be initiated, such as placement of a lien on the utility's property. Accordingly, a lien may be placed on Kincaid's property pursuant to Section 367.161, Florida Statutes.

Pursuant to Section 367.161(2), Florida Statutes,

The Commission has the power to impose upon any entity that is subject to its jurisdiction under this chapter and that is found to have refused to comply with, or to have willfully violated, any lawful rule or order of the commission or any provision of this chapter a penalty for each offense of not more than \$5,000, which penalty shall be fixed, imposed, and collected by the commission; or the commission may, for any such violation, amend, suspend, or revoke any certificate of authorization issued by it. Each day that such refusal or violation continues constitutes a separate offense. Each penalty shall be a lien upon the real

- CMP _____
- COM _____
- CTR _____
- ECR _____
- GCL _____
- OPC _____
- MMS _____
- RCA _____
- SCR _____
- SEC I
- OTH _____

DOCUMENT NUMBER - DATE

00137 JAN-5 05

FPSC-COMMISSION CLERK

Mr. Berdell Knowles, Jr.

Page 2

January 5, 2005

and personal property of the entity, enforceable by the commission as a statutory lien under chapter 85.

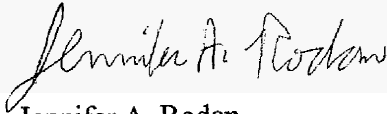
Accordingly, if show cause proceedings are initiated, and if Kincaid is found to be in violation of Commission rules and statutes, the Commission has the authority to impose penalties, and to take further action, as stated in the above-referenced statute.

Your payment of \$3,015.00 (\$1,015.00 for the dishonored check that was due December 8, 2004, \$500.00 that was due October 20, 2004, \$500.00 that was due November 20, 2004, \$500.00 that was due December 20, 2004, and \$500.00 that will be due on January 20, 2005) is due February 2, 2005, and should be mailed with a copy of this letter to the Bureau of Fiscal Services, Attn: Valerie Moore, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850.

If payment in the above amount is not received by February 2, 2005, Commission staff will be opening a docket to initiate show cause proceedings. If Kincaid is ultimately found to be in violation of Commission rules, in addition to being authorized to impose fines of up to \$5,000 for each day the violation continues, the Commission may impose a statutory lien upon the real and personal property of the utility.

Finally, if you have questions regarding the matters discussed herein, you may contact me at (850) 413-6189.

Sincerely,



Jennifer A. Rodan

Attorney

cc: Division of Economic Regulation (Slenkewicz, Kaproth)