

VOTE SHEET

December 18, 2007

Docket No. 070580-WU - Initiation of Show Cause Proceedings against Kincaid Hills Water Company in Alachua County for violation of Rule 25-30.110, F.A.C., Records and Reports; Annual Reports; Rule 25-30.120, F.A.C., Regulatory Assessment Fees; Water and Wastewater Utilities; and of Order PSC-04-0615-FOF-WU.

Issue 1: What action should the Commission take for the failure of Kincaid Hills Water Company to pay \$500 per month as set forth in the payment plan in Order No. PSC-04-0615-FOF-WU?

Recommendation: Because the utility has not complied with the payment plan, the remaining amount of regulatory assessment fees, plus appropriate penalty and interest, for the years 1995 through 2003, which is calculated to be \$21,220.41 through December 31, 2007, should be submitted to the Division of Accounting and Auditing of the Department of Financial Services for further collection efforts or for permission to write off the account as uncollectible.

MODIFIED, the Commission will request that the amount be written off and collection efforts not be pursued.

COMMISSIONERS ASSIGNED: All Commissioners

COMMISSIONERS' SIGNATURES

MAJORITY

DISSENTING

Handwritten signatures of commissioners under the MAJORITY column.

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REMARKS/DISSENTING COMMENTS:

DOCUMENT NUMBER-DATE

11027 DEC 18 07

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Issue 2: What action should the Commission take for Kincaid Hills Water Company's failure to timely remit the appropriate regulatory assessment fees, plus the statutory penalty and interest, as required by Sections 350.113 and 367.145, F.S., and Rule 25-30.120, Florida Administrative Code, for the years 2004, 2005, and 2006?

Recommendation: In accordance with Sections 367.145(1)(b) and 367.161, F.S., Kincaid Hills should be ordered to pay the full remaining amount due of \$2,945.88, which represents the appropriate remaining regulatory assessment fees (\$225.01), plus the statutory penalty and interest, as required by Sections 350.113 and 367.145, F.S., and Rule 25-30.120, Florida Administrative Code, for the years 2004, 2005, and 2006, with interest being calculated through December 31, 2007. The utility should be allowed to enter into a payment plan as discussed in the analysis portion of staff's memorandum dated December 6, 2007. Further, if utility fails to comply with this payment plan, the utility should be put on notice that it would be subject to show cause proceedings and fines of up to \$5,000 per day per violation for each day the violation continues as set forth in Section 367.161, F.S., or revocation proceedings, pursuant to Section 367.161(2), F.S.

MODIFIED, *send to Department of Financial Services requesting that the amount be written off.*

Issue 3: Should the Commission order Kincaid Hills Water Company to show cause, in writing within 21 days, why it should not remit a penalty of \$1,266 as authorized by Rule 25-30.110(7)(b), F.A.C., for its failure to timely file its 2004, 2005, and 2006 Annual Reports?

Recommendation: No. The Commission should not impose the penalty authorized by Rule 25-30.110(7)(b), F.A.C., and Kincaid Hills should not be ordered to show cause why it should be penalized \$1,266 for its failure to timely file its 2004, 2005, and 2006 Annual Reports.

APPROVED

Issue 4: What actions should the Commission take to promote the future collection of regulatory assessment fees and the viability of this utility?

Recommendation: The utility should be considered eligible for a staff assisted rate case, provided that it has complied with all other requirements for staff assistance. Although a staff assisted rate case may be initiated upon compliance with the above, if the utility fails to pay regulatory assessment fees for the years after 2006 and it is during the pendency of the staff assisted rate case, staff should be directed to submit a recommendation as to whether the staff assisted rate case should be closed.

APPROVED, *staff assisted rate case is to be expedited.*

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Issue 5: Should this docket be closed?

Recommendation: No. If the Commission approves a payment plan, the docket should remain open to allow staff to contact the Department of Financial Services to verify its approval of the payment plan. Once the payment plan has been approved, the docket should remain open until the staff assisted rate case is opened or until the payment plan is concluded if the utility does not proceed with a staff assisted rate case. Upon either of the above happening, the docket should be closed administratively.

APPROVED