



Public Service Commission

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

DATE: February 13, 1998

TO: Division of Records and Reporting

FROM: Division of Legal Services (Vaccaro) *CV*

RE: Docket No. 961475-SU - Application for limited proceeding increase in wastewater rates by Forest Hills Utilities, Inc. in Pasco County.

Please file the attached copy of a letter dated February 12, 1998, in the docket file for the above-referenced docket.

TV/dr

cc: Division of Water and Wastewater (Austin, Munroe)

- ACK _____
- AFA _____
- APP _____
- CAF _____
- CMU _____
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- EAG _____
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- SEC 1
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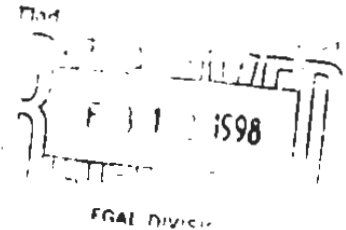
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February 12, 1998

ROBERT M. C. ROSE
OF COUNSEL

VIA HAND DELIVERY

Tim Vaccaro, Esquire
Division of Legal Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida



Re: Forest Hills Utilities, Inc.; Docket No. 961475-SU
Audit of Customer Deposits
Our File No. 29062.02

Dear Tim:

Upon inquiring as to the status of our response to the Audit from the Utility and Mr. Nixon, I have found that while we agree with much of the Audit, a question has arisen concerning the number of persons who were not timely refunded their deposits and we are attempting to put together that information. Unfortunately, the President of the Utility underwent triple bypass heart surgery at the end of December and has just returned to work today. The Utility lost one of its key office personnel who oversaw the maintenance of the deposit accounts for several years who moved to another job in late November. In addition, the other office employee has also been ill in recent days. I also will be out of town for all of next week. As such, Mr. Nixon is spearheading the work with the Utility's Bookkeeper in order to respond to this one issue that remains.

I realize we have already requested additional time in which to respond to the Audit, and promised a response by the end of January, but these other circumstances were then unforeseen by me. As such, I would like to suggest that we be granted an additional two weeks from today's date in which to provide the staff with our response to the Audit. The staff can begin their work knowing that

Tim Vaccaro, Esquire
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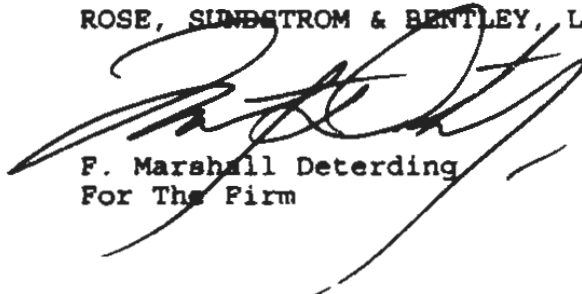
we probably will not substantially contest any of the facts as stated in the Audit other than with regard to this one issue. We would like to, however, provide a little explanation as to why these problems continued after our work with the staff in correcting the deposit problems approximately a year and a half ago.

In any case, I promise you that we will have some sort of response to the staff by February 27th at the latest. If at all possible, we will get it in earlier than that, but I do not return to work until Monday morning, February 23rd.

I trust that this does not present any additional problems to the staff. Mr. Nixon and the Company will be working diligently on this with whoever is available at the Utility's offices. As you will recall, the staff only allowed the equivalent of three quarters of the President's time and half of the two office personnel's time for dealing with the Utility matters. When sicknesses and other unforeseen problems occur such as this, there are bound to be some delays in responding to Commission inquiries. I appreciate your patience. If you have any questions in this regard, please let me know.

Sincerely,

ROSE, SUNDSTROM & BENTLEY, LLP



F. Marshall Deterding
For The Firm

FMD/tms

cc: Ms. Trisha Merchant
Mr. Robert L. Dreher
Robert C. Nixon, CPA
Ms. Lynn Davis

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