

Commissioners:
JULIA L. JOHNSON, CHAIRMAN
SUSAN F. CLARK
J. TERRY DEASON
JOE GARCIA
E. LEON JACOBS, JR



STEVE TRIBBLE, DIRECTOR
DIVISION OF ADMINISTRATION
(850) 413-6330

Public Service Commission

March 10, 1998

Mr. Bob Spooner, Chief
Bureau of Special Programs
Office of the Comptroller
101 East Gaines Street
Tallahassee, Florida 32399-0350

Dear Mr. Spooner:

The Public Service Commission has exercised reasonable efforts to collect regulatory assessment fees, penalty and interest, and fines from the utility referenced below. However, no response has been received, and we believe that further collection efforts would not be cost effective.

DOCKET NUMBER	UTILITY NAME	AMOUNT
971076-WU	A.P. Utilities Inc.	\$17,501.26

We respectfully submit the enclosed Delinquent Accounts Receivable Transmittal form, along with a memorandum from the Commission's Division of Legal Services and other supporting documentation. We request that, at your discretion, you either attempt further collection or grant this agency permission to write off the debt.

Sincerely,

Steve Tribble

- CKK _____
- SEA _____
- APP _____
- CAF _____
- DMU _____
- OTR _____
- LAC _____
- LEI _____
- LIJ _____
- LOJ _____
- ROH _____
- SEC _____
- WAS _____
- WTH _____

ST:ml

Enclosures

Division of Legal Services (Cleveland Ferguson/Tim Vaccaro)
Division of Records and Reporting
Division of Administration (Michael Lake)

DOCUMENT NUMBER - 03167
03167 MAR 12 98
FPC RECORDS REPORTING



Public Service Commission

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

DATE: March 9, 1998
TO: Steve C. Tribble, Director, Division of Administration
FROM: Cleveland Ferguson III, Staff Attorney, Division of Legal Services *CF*
Tim Vaccaro, Senior Attorney, Division of Legal Services
RE: Docket No. 971076-WU - Initiation of show cause proceedings against A. P. Utilities Inc., for violation of Rule 25-30.110(3), F.A.C., Annual Reports, and Rule 25-30.120, F.A.C., Regulatory Assessment Fees

On December 11, 1997, the Commission issued Final Order No. PSC-97-1556-PCO-WU, in which it ordered A.P. Utilities (APU or utility) to show cause, in writing within 20 days of the order, why it should not remit a penalty of \$2,551.50 for failing to timely file its 1996 annual report.

The Order also required APU to show cause why it should not remit \$3,957.29 consisting of a penalty of \$2,748.12, plus interest of \$1,209.17 for failure to pay regulatory assessment fees for 1996. The Order further directed the utility to immediately remit \$10,992.47 in delinquent regulatory assessment fees for 1996 to the Commission.

The utility failed to timely respond to the Order, and in accordance with the Order, the penalties were deemed assessed without further action by the Commission. Pursuant to the Order, staff made reasonable collection efforts, consisting of two certified letters requesting payment, dated January 26, 1998, and February 9, 1998. These efforts, however, were unsuccessful.

In light of the foregoing, we submit this matter to your office to forward the account to the Department of Banking and Finance, Comptroller's Office, for further collection efforts.

The events leading to this determination are outlined below for your convenience:

1. A.P. Utilities, Inc. (APU or utility) is a Class B water utility operating in Marion County. APU provides water service to 1,090 customers in twelve subdivisions. In its 1996 annual report (the last report filed by the utility), the utility reported water operating revenues of \$244,277 and operating expenses of \$176,413, resulting in net operating income of \$67,864.
2. Since the transfer of ownership of APU to Philip Woods on November 30, 1990, the utility has failed to correct deficiencies in its 1993 annual report, failed to file its 1994 and 1995 reports, and failed to pay its regulatory assessment fees for each of the years 1991 through 1995. On May 17, 1996, we received a letter from Mr. Woods dated May 13, 1996 in which he states that he is working to correct the problems. Mr. Woods stated that he was working with the accounting firm of

March 9, 1998

Crippen, Crippen & Company to correct the annual report filing problems by June 30, 1996. He also stated that he hoped to sell the utility by the last quarter of 1996.

3. By letter dated August 29, 1997, we notified Mr. Woods that because of his continued delinquency in failing to file annual reports and remit regulatory assessment fees, this docket was opened to initiate a show cause proceeding against the utility. Mr. Woods was directed to immediately file the delinquent annual reports, remit the delinquent regulatory assessment fees, and remit the appropriate penalties. Mr. Woods has failed to respond to this letter. We followed up with telephone calls and an additional letter dated September 12, 1997. The utility responded by filing its annual reports for 1994, 1995, and 1996 on October 6, 1997. The grace period for correcting deficiencies ended on November 16, 1997.

The Commission has previously addressed the annual reports for 1993-1995 issued as well as regulatory assessment fees for 1991-1995. In Final Order No. PSC-97-0286-FOF-WU, the matter was forwarded to the Comptroller's Office on June 18, 1997. To date, APU has remitted a total of \$3,260.00 in October and \$370.00 in November to CSC Collecting, a company with which the Comptroller's Office contracted with. The utility has remitted \$1,630.00 to the Commission in November 1997 for the regulatory assessment fees due between 1991-1995. Currently, the staff is conducting an overearnings investigation to determine whether the future collection of regulatory assessment fees should be held in an escrow account.

4. On December 11, 1997, the Commission issued Final Order No. PSC-97-1556-PCO-WU, in which it ordered APU to show cause within 20 days why it should not remit a penalty \$2,551.50 for failing to file its 1996 annual report. The Commission further ordered APU to show cause why it should not remit \$3,957.29, consisting of a penalty of \$2,748.12, plus interest of \$1,209.17 for failure to pay regulatory assessment fees for 1996. Finally, the Commission directed the utility to immediately remit \$10,992.47 in delinquent regulatory assessment fees for 1996.
5. By letters dated January 26, 1998 and February 9, 1998, we notified Mr. Woods that because of the utility's failure to respond to the Order, the penalties had been deemed assessed and requested payment. Mr. Woods failed to respond to these letters.

Please find the following attached hereto:

- (a) Order No. PSC-97-1556-PCO-WU issued December 11, 1997.
- (b) Certified Letter, August 29, 1997, P 407 857 538
- (c) Certified Letter, September 12, 1997, P 407 857 516
- (d) Certified Letter, January 26, 1998, P 263 572 620
- (e) Certified Letter, February 9, 1998, P 263 522 621

(f) State of Florida Office of the Comptroller Bureau of Auditing Delinquent
Accounts Receivable Transmittal

APU's mailing address is:

Mr. Philip Woods
A.P. Utilities, Inc.
3925 S.E. 45th Court, Suite E
Ocala, Florida 34480-7431

CF/lw

cc: Division of Water and Wastewater (Dewberry, Gilchrist)
Division of Records and Reporting

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Initiation of show cause proceedings against A.P. Utilities, Inc. in Marion County for violation of Rule 25-30.110(3), F.A.C., Annual Report, and Rule 25-30.120, F.A.C., Regulatory Assessment Fees.

DOCKET NO. 971076-WU
ORDER NO. PSC-97-1556-PCO-WU
ISSUED: December 11, 1997

The following Commissioners participated in the disposition of this matter:

JULIA L. JOHNSON, Chairman
J. TERRY DEASON
SUSAN F. CLARK
DIANE K. KIESLING
JOE GARCIA

ORDER TO SHOW CAUSE AND REQUIRING IMMEDIATE PAYMENT OF
1996 REGULATORY ASSESSMENT FEES

BY THE COMMISSION:

BACKGROUND

A.P. Utilities, Inc. (APU or utility) is a Class B water utility operating in Marion County. APU provides water service to 1,090 customers in twelve subdivisions. In its 1996 annual report, the utility reported water operating revenues of \$244,277 and operating expenses of \$176,413, resulting in net operating income of \$67,864.

By Order No. 21762, issued August 21, 1989 in Docket No. 881603, this Commission granted a transfer of Certificate No. 380-W from North Central Florida Utilities, Inc. (NCFU) to APU. On November 30, 1990, Philip Woods purchased APU from Michael Blake, and by Order No. 24977, issued August 26, 1991 in Docket No. 910117, this Commission approved the transfer of majority control. The purchase also included the Aqua Pure Water Company (Aqua Pure) and Marico Properties, Inc. (Marico). By Order No. 25063, issued September 13, 1991 in Docket No. 910119-WU, we approved the transfer of assets from Marico to APU, and by Order No. 25075,

ORDER NO. PSC-97-1556-PCO-WU
DOCKET NO. 971076-WU
PAGE 2

issued September 17, 1991 in Docket No. 910118-WU, we approved the transfer of assets from Aqua Pure to APU.

Since the transfer of ownership of APU to Philip Woods, the utility has failed to correct deficiencies in its 1993 annual report, failed to file its 1994 and 1995 reports, and failed to pay its regulatory assessment fees for each of the years 1991 through 1995. By Order No. PSC-97-0286-FOF-WU, issued in Docket No. 961141-WU on March 13, 1997, we ordered the utility to show cause in writing within 20 days why it should not be fined for failure to file its 1994 and 1995 reports, for failure to pay its regulatory assessment fees for each of the years 1991 through 1995, and for failure to correct deficiencies in its 1993 annual report. The utility failed to respond to our order, and by that order the utility's failure to respond was deemed an admission of the facts. The delinquent regulatory assessment fees, associated penalties and interest, and penalties associated with delinquent annual reports totaling \$94,326.75, have been referred to the Comptroller's office for collection (regulatory assessment fees: \$44,159.36; penalty: \$11,039.83; interest: \$14,895.06; and penalty for delinquent annual reports: \$24,232.50).

By letter dated August 29, 1997, our staff notified Mr. Woods that because of his continued delinquency in failing to both file the annual report and remit regulatory assessment fees for 1996, this docket was opened to initiate show cause proceedings against the utility. Mr. Woods was directed to immediately file the delinquent annual reports, remit the delinquent regulatory assessment fees, and remit the appropriate penalties. Our staff followed up with telephone calls and an additional letter dated September 12, 1997. The utility filed its annual reports for 1994, 1995 and 1996 on October 6, 1997. Upon reviewing the annual report, our staff determined that there were a number of deficiencies. Our staff sent a notice of correction to the utility on October 16, 1997. The grace period for correcting deficiencies in the annual report ends November 16, 1997. Currently, our staff is conducting an audit and an investigation of APU for overearnings, which will be addressed in a future docket. Our staff is considering the possibility of recommending that the utility place future regulatory assessment fees in an escrow account. **This Order addresses the utility's untimely filing of its**

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1996 annual report and its failure to remit its regulatory assessment fees for 1996.

1996 ANNUAL REPORT

Rule 25-30.110, 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. Requests for extension must be in writing and must be filed before March 31. One extension of 30 days is automatically granted. A further extension may be granted upon showing of good cause. Incomplete or incorrect reports are considered delinquent, with a 30 day grace period in which to supply the missing information.

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. The penalty set out in Rule 25-30.110(7), Florida Administrative Code, for Class B utilities is \$13.50 per day. The penalty calculation is based on the number of days elapsed since March 31, or the approved extension date, and the actual date of filing. The date of filing is included in computing the number of days elapsed. We may impose lesser or greater penalties, pursuant to Rule 25-30.110(6)(c), Florida Administrative Code.

By letter dated August 29, 1997 our staff notified APU that since it had not filed its 1996 annual report, it was in apparent violation of Rule 25-30.110, Florida Administrative Code. The utility was directed to file a report by September 8, 1997, and pay the outstanding penalty assessed for failure to file the 1996 annual report. The utility filed the 1996 annual report on October 6, 1997. Upon review, our staff determined that the annual report was deficient. As of the date the 1996 annual report was filed, October 6, 1997, the utility's penalty for the delinquent 1996 report is \$2,551.50 (189 days x \$13.50 per day), pursuant to Rule 25-30.110(6), Florida Administrative Code. The penalty amount has not been remitted to us.

SUMMARY AND FINDINGS OF ANNUAL REPORT VIOLATIONS

Utilities are charged with the knowledge of our rules and statutes. Additionally, "[i]t is a common maxim, familiar to all minds that 'ignorance of the law' will not excuse any person, either civilly or criminally." Barlow v. United States, 32 U.S. 404, 411 (1833). Thus, any intentional act, such as the utility's failure to timely file its annual report, would meet the standard for a "willful violation." In Order No. 24306, issued April 1, 1991, in Docket No. 890216-TL titled In Re: Investigation Into The Proper Application of Rule 25-14.003, F.A.C., Relating To Tax Savings Refund for 1988 and 1989 For GTE Florida, Inc., we found that the company had not intended to violate the rule, nevertheless found it appropriate to order it to show cause why it should not be fined, stating that "'willful' implies an intent to do an act, and this is distinct from an intent to violate a statute or rule." Id. at 6.

Accordingly, we find it appropriate to order APU to show cause in writing within 20 days why it should not remit a penalty in the amount of \$2,551.50 for apparent violations of Rule 25-30.110, Florida Administrative Code. Pursuant to Section 367.161, Florida Statutes, any payment of penalties shall be forwarded to the Office of the Comptroller for deposit in the State General Revenue Fund.

REGULATORY ASSESSMENT FEES

In establishing rates, we include in our determination of the revenue requirements, the utility's obligation to pay regulatory assessment fees. However, this utility has failed to pay regulatory assessment fees since it came under Mr. Woods' ownership. As stated in the background, the outstanding amounts for 1991 through 1995 have been referred to the Comptroller's office for further collection efforts. To date, the utility has paid \$3,260 to a collection agent, of which the Division of Administration has received \$1,630. This amount was applied to the utility's delinquent 1991 regulatory assessment fees. The collection agent retained \$370 as a collection fee. APU is also delinquent in its payment of 1996 regulatory assessment fees.

Pursuant to Section 350.113(4), Florida Statutes, and Rule 25-30.120(5)(a), Florida Administrative Code, a statutory penalty plus

interest shall be assessed against any utility that fails to timely pay its regulatory assessment fees, in the following manner:

1. 5 percent of the fee if the failure is for not more than 30 days, with an additional 5 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% for each 30 days or fraction thereof, not to exceed a total of 12% annum.

In addition, pursuant to Sections 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 regulatory assessment fees in a timely manner.

Notices of delinquency for failure to pay its regulatory assessment fees were mailed to the utility on August 29, 1997, and September 12, 1997. The utility failed to respond to each of these notices. As of January 31, 1998, the utility owes the following for 1996: \$10,992.47 in regulatory assessment fees, as well as \$2,748.12 in penalties, and \$1,209.17 in interest for a total of \$14,949.76.

This utility has historically collected the regulatory assessment fees and not paid them as required by statute. Regulatory assessment fees are intended to defray the costs incurred in our regulation of utilities. Apparently, the utility has no inclination to pay the fees voluntarily, nor does it appear that the utility is making a good faith effort toward payment. As discussed herein, utilities are charged with the knowledge of our statutes and rules. Thus, the intentional act of failing to remit regulatory assessment fees would meet the standard for a "willful violation."

Accordingly, we find it appropriate to order APU to show cause in writing within 20 days why it should not remit a penalty in the amount of \$2,748.12 and interest in the amount of \$1,209.17 for

apparent violations of Rule 25-30.120(5)(b), Florida Administrative Code. Pursuant to Section 367.161, Florida Statutes, any payment of penalties shall be forwarded to the Comptroller's office for deposit in the State General Revenue Fund.

RESPONSE TO SHOW CAUSE ORDER AND CLOSING OF DOCKET

APU's response to the show cause order must contain specific allegations of fact and law. Should APU file a timely written response that raises material questions of fact and request a hearing pursuant to Section 120.57(1), Florida Statutes, further proceedings shall be scheduled before a final determination on this matter is made. If the utility responds timely but does not request a hearing, our staff will present a recommendation to us regarding the disposition of the show cause, and this docket should not be closed. If the utility responds to the show cause by remitting the penalties set forth herein, the delinquent regulatory assessment fees and associated penalties and interest, this docket shall be closed administratively.

A failure to file a timely written response to the show cause order shall constitute an admission of the facts herein alleged and a waiver of the right to a hearing. In the event APU fails to file a timely response to the show cause order, the penalty is de med assessed. Therefore, if no timely response is received from the utility, the penalty, consisting of \$5,299.62 and interest of \$1,209.17, shall be imposed with no further action required by us. The penalty amount consists of \$2,551.50 for the utility's failure to timely file its 1996 annual report and \$2,748.12 for failure to pay the regulatory assessment fees. The interest on the regulatory assessment fees is \$1,209.17. Further, APU shall immediately remit \$10,992.47 in delinquent regulatory assessment fees for 1996.

We direct the collection of fees, penalties, and interest to the Comptroller's office for further collection efforts if A.P. Utilities, Inc., fails to respond to reasonable collection efforts by Commission staff. Reasonable collection efforts shall consist of two certified letters requesting payment. The referral to the Comptroller's office shall be based on the conclusion that further collection efforts by this Commission would not be cost effective. After referral to the Comptroller's office, the docket shall be closed.

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DOCKET NO. 97.076-WU
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Based on the foregoing, it is therefore,

ORDERED by the Florida Public Service Commission that A.P. Utilities, Inc., immediately remit \$10,992.47 in delinquent regulatory assessment fees for 1996. It is further

ORDERED that A.P. Utilities shall show cause in writing why it should not remit a penalty in the amount of \$2,551.50 for violation of Rule 25-30.110, Florida Administrative Code. It is further

ORDERED that A.P. Utilities, Inc., shall show cause in writing why it should not remit a penalty in the amount of \$2,748.12 and interest in the amount of \$1,209.17 for violations of Rule 25-30.120(5)(b), Florida Administrative Code. It is further

ORDERED that any response to the order to show cause filed by A.P. Utilities, Inc., shall contain specific allegations of fact and law. It is further

ORDERED that any response to the order to show cause shall be filed with the Director of Division of Records and Reporting within 20 days of this Order. It is further

ORDERED that upon receipt of A.P. Utilities, Inc.'s response to the Order to show cause, and upon its request for a hearing, further proceedings will be scheduled by the Commission, at which time A.P. Utilities, Inc., will have an opportunity to contest the allegations in the body of this Order. It is further

ORDERED that if A.P. Utilities, Inc., fails to file a timely response to the order to show cause, such failure shall constitute an admission of the facts alleged in the body of this Order and a waiver of any right to a hearing. It is further

ORDERED that if reasonable collection efforts are unsuccessful, the collection of penalties and interest shall be forwarded to the Comptroller's office and the docket shall be closed. It is further

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DOCKET NO. 971076-WU
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ORDERED that if A.P. Utilities responds to the show cause by remitting the penalty, this docket shall be closed administratively. It is further

ORDERED that any payment of penalties shall be forwarded to the Comptroller's office for deposit in the State General Revenue Fund.

By ORDER of the Florida Public Service Commission this 11th day of December, 1997.

/s/ Blanca S. Bayó
BLANCA S. BAYÓ, Director
Division of Records and Reporting

This is a facsimile copy. A signed copy of the order may be obtained by calling 1-850-413-6770.

(S E A L)

CF

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

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DOCKET NO. 97107(WU
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This order is preliminary, procedural or intermediate in nature. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, as provided by Rule 25-22.037(1), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a) and (f), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on December 31, 1997.

Failure to respond within the time set forth above shall constitute an admission of all facts and a waiver of the right to a hearing pursuant to Rule 25-22.037(3), Florida Administrative Code, and a default pursuant to Rule 25-22.037(4), Florida Administrative Code. Such default shall be effective on the day subsequent to the above date.

If an adversely affected person fails to respond to this order within the time prescribed above, that party may request judicial review by the Florida Supreme Court in the case of any electric, gas or telephone utility or by the First District Court of Appeal in the case of a water or wastewater utility by filing a notice of appeal with the Director, Division of Records and Reporting, and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days of the effective date of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure.

STATE OF FLORIDA

Commissioners:
JULIA L. JOHNSON, CH. MAN
J. TERRY DEACON
SUSAN F. CLARK
JOE GARCIA
E. LEON JACOBS, JR.



DIVISION OF LEGAL SERVICES
NOREEN S. DAVIS
DIRECTOR
(850) 413-6199

Public Service Commission

January 26, 1998

Mr. Philip D. Woods, President
A.P. Utilities, Inc.
3925 S.E. 45 Court, Suite E
Ocala, Florida 34480-7431

VIA CERTIFIED MAIL
NO. P 263 572 620

Re: Docket No. 971076-WS - Initiation of show cause proceedings against A. P. Utilities, Inc., for violation of Rule 25-30.110(3), F.A.C., Annual Report, and Rule 25-30.120, F.A.C., Regulatory Assessment Fees

Dear Mr. Woods:

On December 11, 1997, the Florida Public Service Commission issued Order No. PSC-97-1556-PCO-WU requiring A. P. Utilities, Inc., (APU or utility) to show cause, in writing, why it should not remit a penalty of \$2,551.50 (189 days x \$13.50 per day) for failing to timely file its annual report for 1996. The Commission also ordered APU to show cause why it should not remit an estimated penalty of \$3,957.29 (penalty: \$2,748.12, interest: 1,209.17) for failing to remit its regulatory assessment fees for 1996.

APU's response to the Order to Show Cause should have been submitted by December 28, 1997. Because the utility did not file a timely response to the Order to Show Cause, the total penalty and interest amounts are deemed levied in accordance with Order No. PSC-97-1556-PCO-WU. In addition to these amounts, the Order directed APU to immediately remit \$10,992.47 in delinquent regulatory assessment fees. The amounts of the regulatory assessment fees, penalties, and interest are an estimate calculated through January 30, 1998.

Please submit payment of these amounts by check made payable to the Florida Public Service Commission. The check should be mailed with a copy of this letter to the Division of Administration, Bureau of Fiscal Services, Florida Public Service Commission, 2540 Chambered Oak Boulevard, Tallahassee, Florida, 32399-0850, Attention: Evelyn Sewell.

Mr. Philip Woods

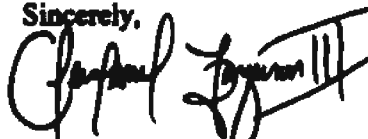
Page 2

January 26, 1998

Payment is due by February 6, 1998. If you do not remit payment on or before this date, the Commission will refer this matter to the Comptroller's Office for further collection efforts.

If you have any questions, please contact me at (850) 413-6185.

Sincerely,

A handwritten signature in black ink, appearing to read "Cleveland Ferguson III".

Cleveland Ferguson III
Staff Attorney

CF/lw/dr

cc: Division of ~~Records~~ and Reporting
Division of Water and Wastewater (Dewberry, Gilchrist)
Division of Administration (Sewell, Lake)

STATE OF FLORIDA

Commissioners:
JULIA L. JOHNSON, CHAIRMAN
J. TERRY DEACON
SUSAN F. CLARK
JOE GARCIA
E. LEON JACOBS, JR.



DIVISION OF LEGAL SERVICES
NOREEN S. DAVIS
DIRECTOR
(850) 413-6199

Public Service Commission

February 9, 1998

Mr. Philip D. Woods, President
A.P. Utilities, Inc.
3925 S.E. 45 Court, Suite E
Ocala, Florida 34480-7431

VIA CERTIFIED MAIL
NO. P 263 572 621

Re: Docket No. 971076-WS - Initiation of show cause proceedings against A. P. Utilities, Inc., for violation of Rule 25-30.110(3), F.A.C., Annual Report, and Rule 25-30.120, F.A.C., Regulatory Assessment Fees

Dear Mr. Woods:

On December 11, 1997, the Florida Public Service Commission issued Order No. PSC-97-1556-PCO-WU requiring A. P. Utilities, Inc., (APU or utility) to show cause, in writing, why it should not remit a penalty of \$2,551.50 (189 days x \$13.50 per day) for failing to timely file its annual report for 1996. The Commission also ordered APU to show cause why it should not remit an estimated penalty of \$3,957.29 (penalty: \$2,748.12, interest: 1,209.17) for failing to remit its regulatory assessment fees for 1996.

APU's response to the Order to Show Cause should have been submitted by December 28, 1997. Because the utility did not file a timely response to the Order to Show Cause, the total penalty and interest amounts are deemed levied in accordance with Order No. PSC-97-1556-PCO-WU. In addition to these amounts, the Order directed APU to immediately remit \$10,992.47 in delinquent regulatory assessment fees. The amounts of the regulatory assessment fees, penalties, and interest are an estimate calculated through January 30, 1998.

Please submit payment of these amounts by check made payable to the Florida Public Service Commission. The check should be mailed with a copy of this letter to the Division of Administration, Bureau of Fiscal Services, Florida Public Service Commission, 2540 Chambered Oak Boulevard, Tallahassee, Florida, 32399-0850, Attention: Evelyn Sewell.

Mr. Philip Woods
Page 2
February 6 1998

Payment is due by February 23, 1998. If you do not remit payment on or before this date, the Commission will refer this matter to the Comptroller's Office for further collection efforts.

If you have any questions, please contact me at (850) 413-6185.

Sincerely,



Cleveland Ferguson III
Staff Attorney

CF/tw/dr

cc: ^{cc} Division of Records and Reporting
Division of Water and Wastewater (Dewberry, Gilchrist)
Division of Administration (Sewell, Lake)
FOR OFFICIAL USE ONLY

**STATE OF FLORIDA
OFFICE OF THE COMPTROLLER
BUREAU OF AUDITING
DELINQUENT ACCOUNTS RECEIVABLE TRANSMITTAL**

(PLEASE PRINT OR TYPE)

AGENCY: FLORIDA PUBLIC SERVICE COMMISSION

DATE: March 6, 1998

CONTACT: EVELYN H. SEWELL, CHIEF, BUREAU OF FISCAL SERVICES

PHONE NUMBER: 413-6263 (SUNCOM/293-6263)

SAMAS ACCOUNT CODE: 61 20 2 573003 610000 00 000300 (RAF)

61 74 1 000331 610000 00 001200 (Penalties & Interest)

971076-MU	MOODS	PHILIP		
AGENCY REFERENCE#	LAST NAME	FIRST	MIDDLE	SOCIAL SECURITY NUMBER
A. P. UTILITIES, INC.	3295 S.E. 45TH COURT, SUITE 3		OCALA, FLORIDA 34480-7431	

LAST KNOWN ADDRESS (INCLUDE ZIP)

HOME TELEPHONE	WORK TELEPHONE	1996 Annual Report PRINCIPAL AMOUNT	\$ 2,551.50 PENALTY/INTEREST AMOUNT	\$2,551.50 TOTAL
		Regulatory Assessment Fee Due	\$10,992.47	1996
		Penalty/Interest-RAF related	\$ 3,957.29	1996
		TOTAL DUE	\$17,501.26	1996
\$ 350.127(2), F.S.			03/31/97	0
\$ 367.121 F.S., Rule 25-30.120, F.A.C.				
	PENALTY/INTEREST AUTHORITY		DATE DEBT INCURRED	DEBT TYPE

1996 ANNUAL REPORT

DEBT DESCRIPTION, e.g., DRIVER LICENSE, SALARY OVERPAYMENT, PROPERTY DAMAGE

ADDITIONAL INFORMATION, e.g., DATE OF BIRTH, DRIVER LICENSE NUMBER, ETC

G WOODS FAMILIARITY 96

STATE OF FLORIDA

Commissioners:
JULIA L. JOHNSON, CHAIRMAN
J. TERRY DEASON
SUSAN F. CLARK
DIANE K. KIEBLING
JOE GARCIA



CAPITAL CIRCLE OFFICE CENTER
2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FL 32399-0860

Public Service Commission

August 29, 1997

**CERTIFIED MAIL - P 407 857 538
RETURN RECEIPT REQUESTED**

**Mr. Philip D. Woods, President
A. P. Utilities, Inc.
3925 S.E. 45th Court, Suite E
Ocala, Florida 34480-7431**

Re: Docket No. 971076 - Limitation of show case proceedings against A. P. Utilities, Inc., for violation of Rule 25-30.110(3), F.A.C., Annual Report, and Rule 25-30.120, F.A.C., Regulatory Assessment Fees

Mr. Woods:

Because of your continued delinquency in failing to file annual reports and remit regulatory assessment fees, the above-referenced docket has been opened to initiate show cause proceedings against A. P. Utilities, Inc., (APU or utility). Commission staff is scheduled to file a recommendation in this matter on October 5, 1997, to be heard at the October 21, 1997 Agenda Conference.

Our records indicate that we have neither received the annual report for APU nor the regulatory assessment fees for 1996, in violation of Rules 25-30.110 and 25-30.120, Florida Administrative Code. The 1996 annual report was due on March 31, 1997. You made no request for an extension nor was an extension granted. The total penalty on your failure to file the 1996 annual report through September 30, 1997 is \$2,470.50.

The total regulatory assessment fee owed for 1996 is \$9,759.43. The total estimated penalty and interest through September 28, 1997 is \$3,025.42 (penalty: \$2,439.86, interest: \$585.57). To resolve this matter payment of these fees totaling \$15,255.25, must be made within ten (10) days of the date of this letter.

Sections 350.127(1) and 367.161, Florida Statutes, authorize the Commission to impose a penalty upon any regulated company that is found to be in willful violation of Commission statutes, rules, and orders.

Mr. Philip D. Woods, President

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August 27, 1997

Accordingly, you are directed to immediately file the delinquent annual report, remit the delinquent regulatory assessment fees, and remit the appropriate penalties. Please contact me at (850) 413-6185 if you have any questions on specific amounts owing, or if I can be of other assistance.

Sincerely,

A handwritten signature in black ink, appearing to read "Cleveland Ferguson III". The signature is stylized and includes a horizontal line through the middle.

**Cleveland Ferguson III
Staff Attorney**

**cc: Division of Legal Services (Vaccaro)
Division of Administration (Lake)
Division of Water and Wastewater (Gilchrist, Dewberry)
Division of Records and Reporting**

STATE OF FLORIDA

Commissioners:
JULIA L. JOHNSON, CHAIRMAN
J. TERRY DEASON
SUSAN F. CLARK
DIANE K. KREILING
JOE GARCIA



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

Public Service Commission

September 12, 1997

CERTIFIED MAIL - P 407 857 516
RETURN RECEIPT REQUESTED

Mr. Philip D. Woods, President
A. P. Utilities, Inc.
3925 S.E. 45th Court, Suite E
Ocala, Florida 34480-7431

FINAL NOTICE

Re: Docket No. 971076 - Limitation of show cause proceedings against A. P. Utilities, Inc., for violation of Rule 25-30.110(3), F.A.C., Annual Report, and Rule 25-30.120, F.A.C., Regulatory Assessment Fees

Mr. Woods:

Because of your continued delinquency in failing to file annual reports and remit regulatory assessment fees, the above-referenced docket has been opened to initiate show cause proceedings against A. P. Utilities, Inc., (APU or utility). Commission staff is scheduled to file a recommendation in this matter on October 9, 1997, to be heard at the October 21, 1997 Agenda Conference.

Our records indicate that we have neither received the annual report for APU nor the regulatory assessment fees for 1996, in violation of Sections 367.121 and 367.145, Florida Statutes, and Rules 25-30.110 and 25-30.120, Florida Administrative Code. The 1996 annual report was due on March 31, 1997. You made no request for an extension nor was an extension granted. The total penalty on your failure to file the 1996 annual report through September 30, 1997 is \$2,470.50. An additional \$418.50 will be due October 31, 1997, for a total penalty of \$2,889.50.

The total regulatory assessment fee owed for 1996 is \$9,759.43. The total estimated penalty and interest for September 1997 is \$3,025.42 (penalty: \$2,439.86, interest: \$585.57). An additional \$683.16 will be due in interest in October. To resolve this matter payment of these fees totaling \$18,827.41, must be made within five (5) days of the date of this letter.

Sections 350.127(1) and 367.161, Florida Statutes, authorize the Commission to impose a penalty upon any regulated company that is found to be in willful violation of Commission statutes, rules, and orders.

Mr. Philip D. Woods, President

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September 12, 1997

Accordingly, you are directed to immediately file the delinquent annual report, remit the delinquent regulatory assessment fees, and remit the appropriate penalties. Please contact me at (850) 413-6185 if you have any questions on specific amounts owing.

Sincerely,

A handwritten signature in black ink, appearing to read "Cleveland Ferguson III". The signature is written in a cursive style with a large initial "C".

**Cleveland Ferguson III
Staff Attorney**

**cc: Division of Legal Services (Vaccaro)
Division of Administration (Lake)
Division of Water and Wastewater (Gilchrist, Dewberry)
Division of Records and Reporting**