



Public Service Commission

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

DATE: September 26, 1998
TO: Steve C. Tribble, Director, Division of Administration
FROM: Cleveland Ferguson, Staff Attorney, Division of Legal Services *CF*
RE: Docket No. 971623-WU - Initiation of show cause proceedings against Kincaid Hills Water Company for violation of Rule 25-30.110(3), F.A.C., Annual Report

On May 28, 1998, the Commission issued Final Order No. PSC-98-0737-SC-SU, in which it required the above-referenced utility to show cause why it should not remit a penalty of \$2,628 (1995: \$1,890, 630 days @ \$3 per day; 1996: \$738, 246 days @ \$3 per day) for failing to timely file its annual reports for 1995 and 1996. Staff has tried to reasonably collect these amounts and has been in contact with the President, Mr. Berdell Knowles, for over a year to no avail. Therefore, pursuant to the Commission's order, this matter should be referred 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. Kincaid Hills Water Company (Kincaid Hills or Utility) is a Class C water utility operating in Alachua County. Kincaid Hills provides water service to 318 customers in four subdivisions. In its 1994 annual report, the utility reported water operating revenues of \$41,816 and operating expenses of \$52,579, resulting in net operating loss of \$10,763.
2. Mr. Berdell Knowles, President of Kincaid Hills, filed the utility's 1995 annual report on January 20, 1998 and its 1996 annual report on December 2, 1997.
3. By letters dated July 26, 1996, July 28, 1997, November 10, 1997 and November 24, 1997, our staff notified Mr. Knowles that since he had not filed the utility's 1995 and 1996 annual reports, he was in apparent violation of Rule 25-30.110, Florida Administrative Code. Mr. Knowles was asked to file both reports by November 19, 1997.
4. On January 23, 1998 and again on March 12, 1998, Commission staff contacted Mr. Knowles by telephone regarding payment of penalty fees for his untimely filing of the annual reports. He stated that he should not have to remit the penalties. Our staff explained the statutes and rules governing compliance with Commission procedure and provided Mr. Knowles with several options for payment as well as information on filing a petition for rule waiver. Mr. Knowles rejected each option because he said he didn't have time to "come up to the

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10678 SEP 28 98

PSC-RECORDS/REPORTING

Steve C. Tribble, Director
September 26, 1998
Page 2

Commission and ask for a rule waiver." By letters dated March 10, 1998 and March 31, 1998, August 5, 1998, Commission staff made a final attempt to collect the penalty fees. Mr. Knowles did not respond to Commission staff's collection efforts. Staff attempted to further collect the penalties by letters dated August 5, 1998 and August 26, 1998 without success.

5. The Commission ordered that if reasonable collection efforts were unsuccessful, the collection of the penalties would be forwarded to the Comptroller's office and the Docket would be closed.

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

Please find the following attached hereto:

- (a) Order No. PSC 98-0737-FOF-SU
- (b) State of Florida Office of the Comptroller Bureau of Auditing Delinquent Accounts Receivable Transmittal
- (c) Commission Staff letter dated, April 2, 1996
- (d) Commission Staff letter dated, July 26, 1996
- (e) Commission Staff letter dated, July 28, 1997
- (f) Commission Staff letter dated, November 10, 1997
- (g) Commission Staff letter dated, November 24, 1997
- (h) Commission Staff letter dated, December 29, 1997
- (i) Commission Staff letter dated, March 10, 1998
- (j) Commission Staff letter dated, March 31, 1998
- (k) Commission Staff letter dated, August 5, 1998
- (l) Commission Staff letter dated, August 26, 1998

Steve C. Tribble, Director
September 26, 1998
Page 3

Kincaid Hill's mailing address is:

Mr. Berdell Knowles President
Kincaid Hills Water Company
Post Office Box 579
Gainesville, Florida 32602-0579

cc: Division of Water and Wastewater (Hines)
Division of Administration (Sewell)
Division of Records and Reporting

KIRW/OFF CF

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

(PLEASE PRINT OR TYPE)

AGENCY: FLORIDA PUBLIC SERVICE COMMISSION

DATE: September 26, 1998

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

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

SAMAS ACCOUNT CODE:

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

971623-WU Knowles Berdell _____
AGENCY REFERENCE# LAST NAME FIRST MIDDLE SOCIAL SECURITY NUMBER COMPTROLLER USE ONLY

Kincaid Hills Water Company
Post Office Box 579, Gainesville, Florida 32602-0579
LAST KNOWN ADDRESS (INCLUDE ZIP)

_____ _____ 50 _____ \$2,628 _____ \$2,628
HOME TELEPHONE WORK TELEPHONE RAF ANNUAL REPORT PENALTY AMOUNT TOTAL

\$367.021(12), F.S., Rule 25-30.110, F.A.C. 3/31/96, 3/31/97 8
PENALTY AUTHORITY DATE DEBT INCURRED DEBT TYPE

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

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

1: V04FORM CF

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Initiation of show cause proceedings against Kincaid Hills Water Company in Alachua County for violation of Rule 25-30.110(3), F.A.C., Records and Reports; Annual Reports.

DOCKET NO. 971623-WU
ORDER NO. PSC-98-0737-10-WU
ISSUED: May 28, 1998

The following Commissioners participated in the disposition of this matter:

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

ORDER TO SHOW CAUSE FOR
FAILURE TO TIMELY FILE 1995 AND 1996 ANNUAL REPORTS AND
PAYMENT OF ASSOCIATED PENALTIES

BY THE COMMISSION:

BACKGROUND

Kincaid Hills Water Company (Kincaid Hills or Utility) is a Class C water utility operating in Alachua County. Kincaid Hills provides water service to 318 customers in four subdivisions. In its 1994 annual report, the utility reported water operating revenues of \$41,816 and operating expenses of \$52,579, resulting in net operating loss of \$10,763.

Mr. Berdell Knowles, owner of Kincaid Hills, filed the utility's 1995 annual report on January 20, 1998 and its 1996 annual report on December 2, 1997.

This Order addresses Mr. Knowles' failure to timely file the utility's 1995 and 1996 annual reports.

1995 AND 1996 ANNUAL REPORTS

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 of time 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 C utilities is \$3.00 per day. We have calculated the penalty based on the number of days elapsed since March 31 and the date of the agenda. The date of the agenda is included in computing the number of days elapsed. We note that the penalty will still accrue until the utility files its annual reports.

By letters dated July 26, 1996, July 28, 1997, November 10, 1997 and November 24, 1997, our staff notified Mr. Knowles that since he had not filed the utility's 1995 and 1996 annual reports, he was in apparent violation of Rule 25-30.110, Florida Administrative Code. Mr. Knowles was asked to file both reports by November 19, 1997.

As stated previously, Mr. Knowles filed the 1995 annual report on January 20, 1998 and the 1996 annual report on December 2, 1997. On January 23, 1998 and again on March 12, 1998, our staff contacted Mr. Knowles by telephone regarding payment of penalty fees for his untimely filing of the annual reports. He stated that he should not have to remit the penalties. Our staff explained the statutes and rules governing compliance with Commission procedure and provided Mr. Knowles with several options for payment as well as information on filing a petition for rule waiver. Mr. Knowles rejected each option because he said he didn't have time to "come up to the Commission and ask for a rule waiver." By letters dated March 10, 1998 and March 31, 1998, our staff made a final attempt to collect the penalty fees. Mr. Knowles did not respond to our staff's collection efforts.

SUMMARY AND FINDINGS OF ANNUAL REPORT VIOLATIONS

Pursuant to Section 367.021(12), Florida Statutes, Mr. Knowles is charged with the knowledge of the Commission's 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., the Commission, having 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.

In consideration of the foregoing, Mr. Knowles, is ordered to show cause, in writing, within 20 days why he should not remit a penalty in the amount of \$2,628 (\$1,890 for 630 days x \$3.00 per day for 1995; and \$738 for 246 days x \$3.00 per day for 1996) for violation of Rule 25-30.110, Florida Administrative Code, by failing to timely file the utility's annual reports for 1995 and 1996. Mr. Knowles is hereby on notice that further violations of Rule 25-30.110, Florida Administrative Code, will result in further action by the Commission.

RESPONSE TO ORDER TO SHOW CAUSE AND CLOSING THE DOCKET

Mr. Knowles' response to this Order to Show Cause must contain specific allegations of fact and law. Should Mr. Knowles file a timely written response that raises material questions of fact and requests 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 he responds timely but does not request a hearing, our staff will prepare and present a recommendation to us regarding the disposition of this proceeding, and the Docket shall not be closed. If he responds to this Order by remitting all associated penalties, the Docket shall be closed administratively.

A failure to file a timely written response to this Order shall constitute an admission of the facts herein alleged and a waiver of the right to a hearing. In the event Mr. Knowles fails

to file a timely response to this Order, the penalties are deemed assessed with no further action required by the Commission.

In that event, if Mr. Knowles fails to respond to reasonable collection efforts by our staff, the collection of the penalties shall be referred to the Comptroller's office for further collection efforts. Reasonable collection efforts shall consist of two certified letters requesting payment from the utility. Referral of this matter to the Comptroller's office would be based on the conclusion that further collection efforts by our staff would not be cost effective. After referral to the Comptroller's office, this docket shall be closed.

Based on the foregoing, it is therefore,

ORDERED by the Florida Public Service Commission that Mr. Berdell Knowles, owner of Kincaid Hills Water Company, shall show cause, in writing, within 20 days why he should not remit a penalty in the amount of \$2,628 for violation of Rule 25-30.110, Florida Administrative Code, by failing to timely file the annual reports for 1995 and 1996. It is further

ORDERED that any response to this Order to Show Cause must contain specific allegations of fact and law. It is further

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

ORDERED that in the event that Mr. Knowles files a written response which raises material questions of fact and requests a hearing pursuant to Section 120.57, Florida Statutes, further proceedings may be scheduled before final determination is made. It is further

ORDERED that if Mr. Knowles fails to file a timely response to this 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 the penalties shall be forwarded to the Comptroller's office and the Docket shall be closed. It is further

ORDER NO. PSC-98-0737-SC-WU
DOCKET NO. 971623-WU
PAGE 5

ORDERED that if Mr. Knowles responds to this Order to Show Cause by remitting the penalties, the 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 28th day of May, 1998.

BLANCA S. BAYÓ, Director
Division of Records and Reporting

/s/ Kay Flynn
Kay Flynn, Chief
Bureau of Records

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.

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 June 17, 1998.

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.

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



DIVISION OF WATER &
WASTEWATER
CHARLES HILL
DIRECTOR
(904) 413-6900

Public Service Commission

April 2, 1996

Berdell Knowles
President
P. O. Box 579
Gainesville, Florida 32602

Dear Mr. Knowles:

Your request for a Thirty-day extension to file the 1995 Annual Reports for Kincaid Hills Water Co. has been received.

Pursuant to Rule 25-30.110(3), Florida Administrative Code (F.A.C.), your request for a 30-day extension to file the 1995 Annual Report is automatically granted. The report is now due on or before April 30, 1996.

An additional extension may be granted where the written request contains a statement of good cause and specifies a date by which the report will be filed.

Please be reminded that Rule 25-30.110(6), (7), F.A.C., requires that a penalty be assessed against any utility that fails to file an Annual Report in the following manner:

- (A) fails to file an Annual Report by March 31 or by an approved extended filing date;
- (B) fails to file a complete report; or
- (C) fails to file an original and two (2) copies of the Annual Report.

If I can be of further assistance, please let me know.

Sincerely,

Charles H. Hill
Charles H. Hill
Director

CHH/MF/mf (30d\ext.jms)

cc: Bureau of Economic Regulation (Merchant)
Bureau of Special Assistance (T. Gonzalez)
Division of Legal Services (L. Jaber)
Annual Report File

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



DIVISION OF WATER &
WASTEWATER
CHARLES HILL
DIRECTOR
(904) 413-6900

Public Service Commission

July 26, 1996

Mr. Berdell Knowles, President
Kincaid Hills Water Company
P. O. Box 579
Gainesville, Florida 32602-0579

CERTIFIED MAIL RETURN
P 263 572 017

Dear Mr. Knowles

We have not received the 1995 Annual Report for Kincaid Hills Water Company. In accordance with Rule 25-30.110, Florida Administrative Code, the utility is in violation and is accruing penalties.

If the 1995 Annual Report is not filed by August 16, 1996, this matter will be referred to the Division of Legal Services for initiation of show cause proceedings and possible assessment of fines in excess of the daily rate. If you have any questions regarding this matter please contact Paulette Dewberry, or Bob Casey of this office at (904) 413-6900.

Sincerely,

A handwritten signature in black ink, appearing to read "Charles H. Hill".

Charles H. Hill
Director

CHH/MLF/Enfltr.jms

cc: Division of Legal Services (Summerlin)
Division of Water and Wastewater (Gilchrist, Dewberry, Casey)
Annual Report File

STATE OF FLORIDA

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



DIVISION OF WATER & WASTEWATER
CHARLES H. HILL
DIRECTOR
(850) 413-6900

Public Service Commission

*no activity on CMS
since Declet 20941
for SARU*

July 28, 1997

Mr. Berdell Knowles, President
Kincaid Hills Water Company
P. O. Box 579
Gainesville, Florida 32602-0579

CERTIFIED MAIL RETURN
P 174 240 321

Dear Mr. Knowles:

We have not received the 1996 Annual Report for Kincaid Hills Water Company. In accordance with Rule 25-30.110, Florida Administrative Code, the utility is in violation and is accruing penalties.

If the 1996 Annual Report is not filed by August 15, 1997, this matter will be referred to the Division of Legal Services for initiation of show cause proceedings and possible assessment of fines in excess of the daily rate. If you have any questions regarding this matter please contact Paulette Dewberry, or BoCasey of this office at (904) 413-6900.

Sincerely,

Charles H. Hill
Director

CHH:jms
Enclosure

cc: Bureau of Special Assistance (Gonzalez, Dewberry)
Division of Legal Services (L. Jaber)
Annual Report File

STATE OF FLORIDA

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



CAPITAL CYCLE OFFICE CENTER
2540 SHUBARD OAK BOULEVARD
TALLAHASSEE, FL 32399-0850

Public Service Commission

November 10, 1997

CERTIFIED MAIL - P 263 572 572
RETURN RECEIPT REQUESTED

Kincaid Hills Water Company
Mr. Berdell Knowles, President
3260 S.E. 19th Avenue
Gainesville, Florida 32601-1007

Re: Annual Report for Kincaid Hills Water System

Mr. Knowles:

This letter serves to confirm my conversation with your staff that the 1995 and 1996 Annual Reports for Kincaid Hills Water Company were mailed to the Public Service Commission on November 4, 1997. Until both Annual Reports are filed in accordance with Rule 25-30.110, Florida Administrative Code, the utility is in violation and is accruing penalties.

If both Annual Reports are not filed by November 19, 1997, the Division of Legal Services will recommend that the Commission initiate a show cause proceeding and recommend further fines in excess of the daily rate. If you have any questions regarding this matter 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

cc: Division of Legal Services (Vaccaro)
Division of Water and Wastewater (Dewberry)

LVK/LET/CF

STATE OF FLORIDA

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



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

Public Service Commission

November 24, 1997

CERTIFIED MAIL - P 263 572 599
RETURN RECEIPT REQUESTED

Kincaid Hills Water Company
Mr. Berdell Knowles, President
Post Office Box 579
Gainesville, Florida 32602-0579

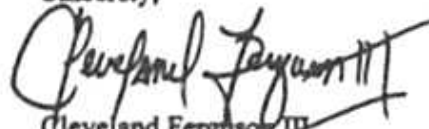
Re: 1996 Annual Report for Kincaid Hills Water Company

Mr. Knowles:

This letter serves to confirm that the above-referenced matter has been transferred to the Division of Legal Services because you failed to respond to repeated communications asking you to file the 1996 Annual Report for Kincaid Hills Water Company. Until the 1996 Annual Reports is filed in accordance with Rule 25-30.110, Florida Administrative Code, the utility is in violation and is accruing penalties.

If the 1996 Annual Report is not filed by December 1, 1997, the Division of Legal Services will recommend that the Commission initiate a show cause proceeding and recommend further fines in excess of the daily rate. If you have any questions regarding this matter please contact me at (850) 413-6185.

Sincerely,


Cleveland Ferguson III
Staff Attorney

cc: Division of Legal Services (Vaccaro)
Division of Water and Wastewater (Dewberry)

I:\CFSHOCAUXHLET.CF

STATE OF FLORIDA

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



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

Public Service Commission

December 29, 1997

CERTIFIED MAIL - P 263 572 602
RETURN RECEIPT REQUESTED

Kincaid Hills Water Company
Mr. Berdell Knowles, President
Post Office Box 579
Gainesville, Florida 32602-0579

Re: Docket No. 971623-WU - Initiation of show cause proceedings against Kincaid Hills, Water Company for violation of Rule 25-30.100(3), F.A.C., Annual Report

Mr. Knowles:

The Division of Water and Wastewater received the 1996 Annual Report you filed on December 2, 1997. However, you still need to file the 1995 Annual Report for Kincaid Hills Water Company. Until the 1995 Annual Report is filed in accordance with Rule 25-30.110, Florida Administrative Code, the utility is in violation and is accruing penalties.

A docket has been opened in this matter to address your violation of Rule 25-30.110, Florida Administrative Code. Further action can be avoided if you file the 1995 Annual Report immediately. If you have any questions regarding this matter 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

cc: Division of Water and Wastewater (Dewberry)

\\CFSHOCAU\KHLET2.CF

STATE OF FLORIDA

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



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

Public Service Commission

March 10, 1998

CERTIFIED MAIL - P 263 572 626
RETURN RECEIPT REQUESTED

Kincaid Hills Water Company
Mr. Berdell Knowles, President
Post Office Box 579
Gainesville, Florida 32602-0579

Re: Docket No. 971623-WU - Initiation of show cause proceedings against Kincaid Hills Water Company for violation of Rule 25-30.100(3), F.A.C., Annual Report

Dear Mr. Knowles:

The Division of Water and Wastewater received the 1995 and 1996 annual reports you filed on January 20, 1998 and December 2, 1997 respectively. The reports contained no deficiencies. The total penalty for late filing is \$2,628 (\$1,890 for 630 days x \$3.00 per day for 1995 and \$738 for 246 days x \$3.00 per day for 1996).

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.

Payment is due by March 30, 1998. 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

cc: Division of Water and Wastewater (Dewberry)

1 CFSHOCAL/SOLETTI CF



Kincaid Hills Water Company

P.O. Box 579
Gainesville, Florida 32602
(904) 373-0729

March 30, 1996

Mr. Charles H. Hill, Director
Division of Water and Wastewater
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399

Dear Mr. Hill:

I am hereby requesting a extension to file the annual report for 1995 for Kincaid Hills Water Co.

Thank you.

Berdell Knowles,
President

STATE OF FLORIDA

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



F-263 572 711
CAPITAL CIRCLE OFFICE CENTER
2540 SHENARD OAK BOULEVARD
TALLAHASSEE, FL 32399-0850

Public Service Commission

March 31, 1998

Mr. Berdell Knowles, President
Kincaid Hills Water Company
Post Office Box 579
Gainesville, Florida 32602-0579

VIA CERTIFIED MAIL

RE: Docket No. 971623-WU - Initiation of show cause proceedings against Kincaid Hills Water Company in Alachua County for violation of Rule 25-30.110(3), F.A.C., Records and Report: Annual Reports.

Dear Mr. Knowles:

Pursuant to our discussion on March 12, 1998, I investigated whether the Commission received an initial 1995 Annual Report prior to January 20, 1998. Because annual reports are immediately stamped when received by the Division of Water and Wastewater as well as the fact that the date an annual report is received is also logged in daily, I reviewed both records.

My investigation concluded that the Division of Water and Wastewater received the 1995 and 1996 annual reports you filed on January 20, 1998 and December 2, 1997 respectively. The reports contained no deficiencies. Therefore, the total penalty for late filing is \$2,628 (\$1,890 for 630 days x \$3.00 per day for 1995 and \$738 for 246 days x \$3.00 per day for 1996). Unless you can provide proof that you filed a 1995 annual report prior to January 20, 1998, you will have to remit the penalty.

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.

Payment is due by April 13, 1998. 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

cc: Division of Water and Wastewater (Dewberry)
130421-09

STATE OF FLORIDA

Z 425 829 623

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



DIVISION OF LEGAL SERVICES
NOREEN S. DAVIS
DIRECTOR
(813) 413-6199

Public Service Commission

August 5, 1998

Mr. Berdell Knowles, President
Kincaid Hills Water Company
P.O. Box 579
Gainesville, Florida 32602-0579

VIA CERTIFIED MAIL

Re: Docket No. 971623-WU - Initiation of show cause proceedings against Kincaid Hills Water Company for violation of Rule 25-30.110(3), F.A.C., Annual Report.

Dear Mr. Knowles:

On May 28, 1998, the Florida Public Service Commission issued Order No. PSC-98-0737-SC-WU requiring you to show cause, in writing, why you should not remit a penalty of \$2,628 for failing to timely file Kincaid Hill Water Company's annual reports for 1995 and 1996 calculated as follows:

<u>YEAR</u>	<u>TIME ELAPSED</u>	<u>PENALTY FEES</u>
1995	630 days (@ \$3/day)	\$1,890
1996	246 days (@ \$3/day)	\$738

Your response to the Order to Show Cause should have been submitted by June 17, 1998. Because you did not file a timely response to the Order to Show Cause, the total penalty amounts are deemed levied in accordance with Order No. PSC-98-0737-SC-WU.

Please submit payment in the amount of \$2,628 payable to the Florida Public Service Commission. Payment should be mailed with a copy of this letter by August 14, 1998, to the Division of Administration, Bureau of Fiscal Services, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida, 32399-0850, Attention: Evelyn Sewell.

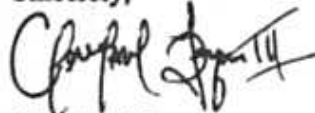
Mr. Berdell Knowles, President

Page 2

August 5, 1998

If payment is not received by August 14, 1998, 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
Staff Attorney

CF/dr

cc: Division of Records and Reporting
Division of Water and Wastewater (Dewberry)
Division of Administration (Sewell, Knight)

10/15/98 CF

STATE OF FLORIDA

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



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

Public Service Commission

August 26, 1998

Mr. Berdell Knowles, President
Kincaid Hills Water Company
P.O. Box 579
Gainesville, Florida 32602-0579

FINAL NOTICE
VIA CERTIFIED MAIL

Re: Docket No. 971623-WU - Initiation of show cause proceedings against Kincaid Hills Water Company for violation of Rule 25-30.110(3), F.A.C., Annual Report.

Dear Mr. Knowles:

On May 28, 1998, the Florida Public Service Commission issued Order No. PSC-98-0737-SC-WU requiring you to show cause, in writing, why you should not remit a penalty of \$2,628 for failing to timely file Kincaid Hill Water Company's annual reports for 1995 and 1996 calculated as follows:

<u>YEAR</u>	<u>TIME ELAPSED</u>	<u>PENALTY FEES</u>
1995	630 days (@ \$3/day)	\$1,890
1996	246 days (@ \$3/day)	\$738

Your response to the Order to Show Cause should have been submitted by June 17, 1998. Because you did not file a timely response to the Order to Show Cause, the total penalty amounts are deemed levied in accordance with Order No. PSC-98-0737-SC-WU.

Please submit payment in the amount of \$2,628 payable to the Florida Public Service Commission. Payment should be mailed with a copy of this letter by September 1, 1998, to the Division of Administration, Bureau of Fiscal Services, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida, 32399-0850, Attention: Evelyn Sewell.

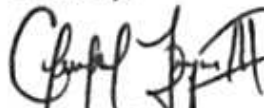
Mr. Berdell Knowles, President

Page 2

August 26, 1998

If payment is not received by September 1, 1998, 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
Staff Attorney

CF/dr

cc: Division of Records and Reporting
Division of Water and Wastewater (Hines)
Division of Administration (Sewell)

1404175 CF