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REPLY TO ALTAMONTE SPRINGS

MARTIN S. FRIEDMAN, P.A.
VALERIE L. LORD, OF COUNSEL
(LICENSED IN TEXAS ONLY)

October 27, 2003

HAND DELIVERY

Ms. Blanca Bayo
Commission Clerk and Administrative Services Director
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399

RECEIVED-FPSC
03 OCT 27 PM 2:33
COMMISSION
CLERK

Re: Docket No. 030443-SU; Application of Labrador Utilities, Inc., for Rate Increase
in Pasco County, Florida
Our File No.: 30057.64

Dear Ms. Bayo:

Enclosed are the following for filing in the above-referenced docket:

- 10561-03 • Sixteen (16) copies of the Application for Increase in Rates
- 10562-03 • Sixteen (16) copies of the Minimum Filing Requirements (Exhibit "1")
- Exhibit "2" will be late filed.
- 10563-03. Affidavit of Utility CEO in Compliance with Rule 25-32.0407, F.A.C., (Exhibit "3")
- Two (2) copies of the Billing Analysis Schedules (Exhibit "4") 10564-03
- Exhibit "5" will be late filed.
- Two (2) copies of the Additional Engineering Information (Exhibit "6") 10565-03
- Exhibit "7" will be late filed.

AUS	___
CAF	___
CMP	___
COM	5
CTR	___
ECR	___
GCL	___
OPC	___
MMS	___
SEC	1
OTH	___

Check received with filing and forwarded to Fiscal for deposit. Fiscal to forward deposit information to Records.

Initials of person who forwarded check

RECEIVED & FILED

FPSC-BUREAU OF RECORDS

Map to ECR

#10 to ECR

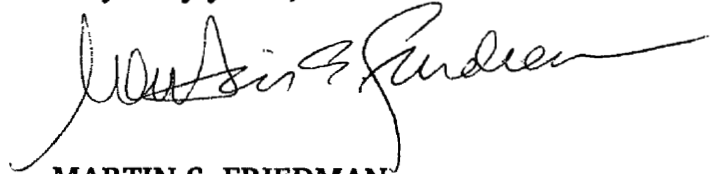
SLC

Ms. Blanca Bayo
October 27, 2003
Page 2

- 10566-03 • One (1) copy of Detailed Map (Exhibit "8")
- 10567-03 • Costs or charges to Utility from an affiliate or related party Exhibit "9".
- 10568-03 • Original and three (3) copies of the proposed Interim Rate Tariff Sheets (Exhibit "10")
- Exhibit "11" will be Late filed.
- Our check in the amount of \$4,000.00 representing the appropriate filing fee.

Should you have any questions regarding this filing, please do not hesitate to give me a call.

Very truly yours,



MARTIN S. FRIEDMAN
For the Firm

MSF/dmp
Enclosures

cc: Mr. Steve Lubertozi (w/enclosures)
Mr. Patrick Flynn (w/enclosures)

Utilities\Alafaya Rate Case\Bayo (PSC) 02 (filing App).ltr

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application of
LABRADOR UTILITIES, INC., for
an increase in water and wastewater
rates in Pasco County, Florida

DOCKET NO. 030443-SU

APPLICATION FOR INCREASE IN RATES

Applicant, LABRADOR UTILITIES, INC. (hereinafter the "Utility"), by and through its undersigned attorneys and pursuant to Section 367.081 and 367.082, Florida Statutes, and Chapter 25-30, Florida Administrative Code, files this Application for an increase in water and wastewater rates in Pasco County, Florida.

The following information is provided pursuant to Rule 25-30.436, Florida Administrative Code:

1. (a) The name of the Utility and its principal place of business is:

Labrador Utilities, Inc.
2335 Sanders Road
Northbrook, IL 60062

- (b) The address of the Florida office is:

Labrador Utilities, Inc.
200 Weathersfield Avenue
Altamonte Springs, FL 32714-4099

The name and address of the person authorized to receive notices and communications in respect to this application is:

Martin S. Friedman, Esquire
Rose, Sundstrom & Bentley, LLP
600 S. North Lake Boulevard, Suite 160
Altamonte Springs, Florida 32701
PHONE: (407) 830-6331
FAX: (407) 830-8522
E-MAIL: mfriedman@rsbattorneys.com

DOCUMENT NUMBER-DATE

10561 OCT 27 8

FPSC-COMMISSION CLERK

(b) Labrador Utilities, Inc. is a Florida corporation incorporated in Florida on May 2, 2002. The names and addresses of the persons owning more than 5% of the Utility's stock are:

Utilities, Inc. 100%
2335 Sanders Road
Northbrook, IL 60062

(c) Water and wastewater rates were last set by the Commission in Order No. PSC-01-1483-PAA-WS, issued July 16, 2001. On May 6, 2003, the Commission approved the transfer of the facilities and certificates of Labrador Services, Inc. to Labrador Utilities, Inc., established rate base at the time of the transfer, and authorized Labrador Utilities, Inc., to continue to impose the rates and charges currently in effect.

(d) The address where the application is available for customer inspection during the time the rate application is pending is:

Labrador Utilities, Inc.
200 Weathersfield Avenue
Altamonte Springs, FL 32714-4099

(e) The Utility is seeking rate relief in order to allow it to recover its expenses and earn a fair rate of return on its investment all property used and useful in the public service.

(f) The Utility is also seeking interim rates based upon the historic test year ended June 30, 2003. The Utility is seeking final rates based upon a December 31, 2003, historic test year, and will file MFRs on or before June 30, 2004, for such rates. The Utility has demonstrated through the supporting schedules within the

attached **Exhibit "1"** that it is earning outside its range of reasonable returns, calculated in accordance with Section 367.082(5), Florida Statutes. Submitted as part of **Exhibit "1"** are schedules of rate base (Schedules A-1 and A-2), cost of capital (Schedule D-1) and net operating income (Schedules B-1 and B-2), as applicable, pursuant to Commission Rule 25-30.437(5), F.A.C.

(g) An Affidavit signed by the Chief Executive Officer of the Utility that the Utility will comply with Rule 25-22.0407, F.A.C., is provided herewith as **Exhibit "3"**.

(h) The Utility requests that this case be processed utilizing the proposed Agency Action Procedure outlined in Section 367.081(8), F.S..

2. There has been no new land recorded on the Utility's books since the Utility's rate base was last established in the Orders referenced in Paragraph 1(c) above.

II.

Sixteen copies of the Utility's Financial, Rate and Engineering Minimum Filing Requirements for interim rates (Form PSC/WAW 20) are provided herewith as **Exhibit "1"**. Minimum Filing Requirements for the final rates will be late filed as **Exhibit "2"**

III.

Two copies of the Billing Analysis Schedules as required by Rule 25-30.437(4) are provided herewith as **Exhibit "4"**. The billing analysis for the final rates will be filed as Late Filed **Exhibit "5"**.

IV.

Two copies of the Additional Engineering Information required by Rule 25-30.440(2)-(10), F.A.C. are provided herewith as **Exhibit "6"**. Two copies of the additional Engineering Information relating to final rates will be late filed as **Exhibit "7"**.

V.

One copy of a detailed system map as required by Section 25-30.440(1)(a) and (b) is provided herewith as **Exhibit "8"**.

VI.

The Utility's system has costs or charges to it from an affiliate or related party which costs are provided herewith as **Exhibit "9"**.

VII.

The original and three (3) copies of the Revised Tariff Sheets reflecting the proposed interim rates are attached hereto as **Composite Exhibit "10"**.

VIII.

The original and three (3) copies of the Revised Tariff Sheets reflecting the proposed final rates will be late filed as **Composite Exhibit "11"**.

IX.

The Utility requests that the Commission grant interim rates pursuant to Section 367.082, F.S. in accordance with the schedules contained in **Exhibit "1"** and the tariffs contained in **Exhibit "10"**.

X.

The Utility is not requesting any changes in its service availability policy or charges in this proceeding.

XI.

The filing fee required by Rule 25-30.020(1)(e), F.A.C., is \$4,000 since the Utility has the existing capacity to serve from 501 to 2000 water and wastewater ERCs each. A check in that amount is included with this filing.

WHEREFORE, the Utility requests that the Florida Public Service Commission do the following:

1. Accept jurisdiction of this Application to grant an increase in water and wastewater rates utilizing the Proposed Agency Action procedure outlined in Section 367.081(8), F.S.
2. Grant the interim rates as requested herein and contained in the tariffs included as **Exhibit "10"**.
3. Grant final rates as requested herein and contained in the tariffs to be filed as **Late Filed Exhibit "11"**.
4. Provide such other and further relief as is fair, just and equitable.

Respectfully submitted this 27th
day of October, 2003, by:

ROSE, SUNDSTROM & BENTLEY, LLP
600 S. North Lake Boulevard, Suite 160
Altamonte Springs, Florida 32701
(407) 830- 6331
(407) 830-8522 (fax)



MARTIN S. FRIEDMAN
For the Firm

NOTE:

**IN ACCORDANCE WITH PUBLIC SERVICE COMMISSION
RULE 25-22.0407(2), THE MFRs, WHEN ACCEPTED BY THE
COMMISSION, CAN BE OBTAINED FROM THE UTILITY
UPON REQUEST.**

DOCKET NO. 030443-SU

**APPLICATION OF LABRADOR UTILITIES, INC.
FOR A RATE INCREASE IN PASCO COUNTY**

**EXHIBIT 2
(WILL BE LATE FILED)**

**FINANCIAL, RATE AND ENGINEERING
MINIMUM FILING REQUIREMENTS**

FINAL RATES

SIXTEEN (16) COPIES

DOCKET NO. 030443-SU

**APPLICATION OF LABRADOR UTILITIES, INC.
FOR A RATE INCREASE IN PASCO COUNTY**

EXHIBIT 5

(WILL BE LATE FILED)

BILLING ANALYSIS SCHEDULES

FINAL RATES

TWO (2) COPIES

DOCKET NO. 030443-SU

**APPLICATION OF LABRADOR UTILITIES, INC.
FOR A RATE INCREASE IN PASCO COUNTY**

**EXHIBIT 7
(WILL BE LATE FILED)**

ADDITIONAL ENGINEERING

FINAL RATES

TWO (2) COPIES

DOCKET NO. 030443-SU

**APPLICATION OF LABRADOR UTILITIES, INC.
FOR A RATE INCREASE IN PASCO COUNTY**

**EXHIBIT 11
(WILL BE LATE FILED)**

**REVISED TARIFF SHEETS
FINAL RATES**

ORIGINAL & THREE (3) COPIES