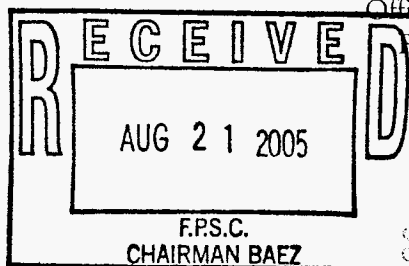


Certified Public Accountants

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August 18, 2005

Florida Public Service Commission
Office of the Chairman
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850



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COMMISSIONER
CLERK

Re: Park Water Company Test Year Approval

Dear Chairman,

We are the accountants for Park Water Company. According to the rules of the Florida Public Service Commission, we are submitting a written request for approval of a test year in anticipation of filing an application for a general rate increase. We are requesting this rate case due to an unfair rate of return in the past and future plant expansion. We are requesting that 2004 be used as the historic year with Proforma adjustments for a plant expansion.

The reasons and justifications for requesting 2004 as the test year with Proforma adjustments for plant expansion are as follows:

- It is the most accurate reflection of the company's current and future financial output.
- It includes the financial information related to a plant expansion.
- Includes the amount of debt being assumed and the revenue required to payback the debt for a plant expansion.
- All Proforma adjustments for the plant expansion will be based on information that is currently available.

We look forward to receiving your decision to use 2004 as the historic year with Proforma adjustments for the plant expansion for the Park Water Company application for a general rate increase. We anticipate having the MFR's completed within 90 days of your decision. If you have any questions, please feel free to contact me at (908) 782-4888.

Sincerely,

Joseph G. Hodakowski
Certified Public Accountant

JGH/gl

Cc: Anthony Staiano