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REPLY TO CENTRAL FLORIDA OFFICE

MARTIN S. FRIEDMAN, P.A.
VALERIE L. LORD
BRIAN J. STREET

March 20, 2006

HAND DELIVERY

Chairman Lisa Polack Edgar
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850

060253-WS

COMMISSION
CLERK

MAR 20 AM 10:26

RECEIVED-FPSC

Re: Utilities, Inc. of Florida
2006 General Rate Increase Application
Our File No. 30057.108

Dear Chairman Edgar:

This letter, pursuant to Rule 25-30.430, Florida Administrative Code, requests approval of a test year for Utilities, Inc. of Florida ("Company"). The Company intends to submit an application for general rate relief to the Florida Public Service Commission for its water and wastewater systems located in Marion, Orange, Pasco, Pinellas and Seminole Counties, Florida. The Company intends to submit the minimum filing requirements ("MFRs") on or before June 30, 2006.

The Company's last general rate proceeding was in Docket No. 020071-WS, which utilized a test year ending December 31, 2001. A final order in that case was entered in Order No. PSC-03-1440-FOF-WS, dated December 22, 2003.

The Company requests a historic test year ending December 31, 2005.

The requested test year is representative of a normal full year of operation.

Since the Company's last rate proceeding, the Company has made major changes to plant and equipment, specifically, plant and equipment upgrades and modifications, safety

DOCUMENT NUMBER-DATE

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Chairman Lisa Polack Edgar
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March 20, 2006
Page 2

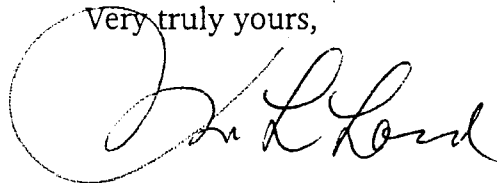
and security improvements, and rehabilitative work to plant grounds and percolation ponds. Within that same period of time, there have been no major changes in operational methods.

The Company plans to make major pro forma plant additions, including but not limited to electrical improvements, coating and painting hydrotanks, rehabilitation of facilities, repairs and maintenance, and the construction of two interconnects. The MFRs will include pro forma adjustments for increases in salaries and salary-related benefits, purchased power and other costs, which will be requested in this proceeding. The pro formas are non growth-related.

Pursuant to Section 367.081(8), Florida Statutes, the Company requests that the Commission process this petition for rate relief using the proposed agency action procedure. The Company also will request interim rates based on the historic test year.

Should you or members of the Staff have any questions regarding this request, please do not hesitate to contact me.

Very truly yours,



VALERIE L. LORD
For the Firm

VLL/tlc

cc: Ms. Blanca Bayo, Commission Clerk and Administrative Services Director (by hand delivery)
Mr. Troy Rendell, Division of Economic Regulation (by hand delivery)
Mr. Steven M. Lubertozi (by U.S. Mail)
Mr. John Hoy (by U.S. Mail)
Mr. Patrick C. Flynn (by U.S. Mail)
Ms. Holly Roth (by U.S. Mail)

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