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March 20, 2006

HAND DELIVERY

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

060260-WS

Re: Lake Placid Utilities, Inc.  
2006 General Rate Increase Application  
Our File No. 30057.120

Dear Chairman Edgar:

This letter, pursuant to Rule 25-30.430, Florida Administrative Code, requests approval of a test year for Lake Placid Utilities, Inc. ("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 Highlands County, Florida. The Company intends to submit the minimum filing requirements ("MFRs") on or before June 30, 2006.

The Company's last rate proceeding was in Docket No. 951027-WS, which utilized a 1995 calendar year as the test year. Rates were established in PSC Order No. PSC-96-0910-FOF-WS, on July 15, 1996.

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

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 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.

DOCUMENT NUMBER-DATE

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Florida Public Service Commission  
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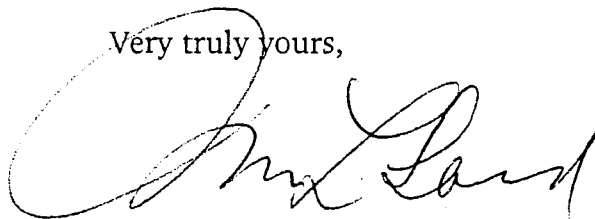
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The Company plans to make major pro forma plant additions, including but not limited to replacing and reconfiguring the valves and piping at the water treatment plant. The MFRs will include pro forma adjustments for increases in salaries and salary-related 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, Director, Division of Commission Clerk and Administrative Services  
(by hand delivery)  
Mr. Troy Rendell, Division of Economic Regulation (by hand delivery)  
Mr. Steven M. Lubertozzi (by U.S. Mail)  
Mr. John Hoy (by U.S. Mail)  
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