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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

060262-WS

Re: Labrador Utilities, Inc.  
2006 General Rate Increase Application  
Our File No. 30057.128

Dear Chairman Edgar:

This letter, pursuant to Rule 25-30.430, Florida Administrative Code, requests approval of a test year for Labrador 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 Pasco County, 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. 030443-WS, utilizing a test year ending December 31, 2003, which culminated in Order No. PSC-04-1281-PAA-WS, dated December 28, 2004. A final order in that case was entered in Order No. PSC-05-0087-CO-WS, dated January 24, 2005.

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  
Florida Public Service Commission  
March 20, 2006  
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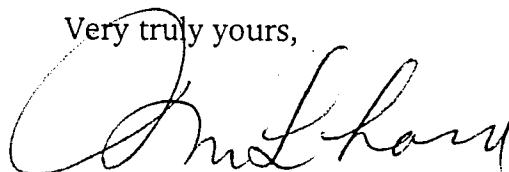
and security improvements, and rehabilitative work to plant grounds. Within that same period of time, there have been no major changes in operational methods.

The Company plans to make major pro forma plant additions, including but not limited to improvements to the water treatment plant, wastewater treatment plant, meter replacement and painting. 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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