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June 4, 1997

VIA FACSIMILE

Tim Vaccaro, Esquire
Division of Legal Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida

Re: Forest Hills Utilities, Inc.; Docket No. 961475-SU
Application for Limited Proceeding
Our File No. 29062.02

Dear Tim:

We at the Utility have recently reviewed the Staff Recommendation in the above matter and we have several concerns with it.

One of the major concerns is that we are unable from our billing analysis filed with the application to reach a satisfactory revenue proof based upon the information contained within the Staff Recommendation. We need the Staff's rate workpapers utilized in developing the rates and showing how they generate the revenue requirement in order to fully understand this and see if we can concur.

We are also concerned with several other issues and adjustments contained within the recommendation that we believe will require additional input in order to correct what we believe to be some misstatements and errors which form the basis for some of the Staff's recommended adjustments. We would like the opportunity to further discuss these and meet with Staff after we finish our review in the next day or two.

In order to do this, I request that you fax to me the rate worksheets and I would request that we have this matter deferred from the June 10, 1997 Agenda Conference until June 24, 1997, to

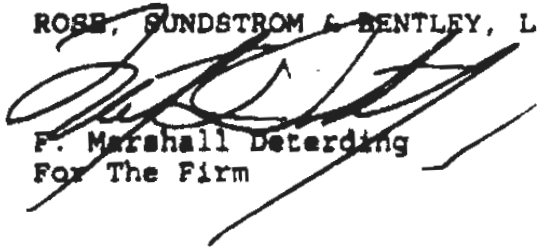
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allow for our review, submission of additional information and a meeting with Staff, perhaps the middle of next week.

I appreciate your faxing this material to me immediately and considering our proposal for deferral.

Sincerely,

ROSE, SUNDSTROM & BENTLEY, LLP



F. Marshall Deterding
For The Firm

FMD/lts

cc: Ms. Blanca Bayo
Mr. Robert Dreher
Michael Allen, Esquire
Robert C. Nixon, CPA
Mr. Gary Deremer