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October 18, 1999

VIA HAND DELIVERY

ROBERT M. C. ROSE  
OF COUNSEL

Cissy Rehwinkel  
Division of Water and Wastewater  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

Re: Town and Country Utilities Company ; PSC Docket No. 981288-WU  
Application for Original Certificate  
Our File No. 33040.01

Dear Cissy:

As several representatives of the Staff and the Utility have discussed over the last several days, there are several issues with the development and implementation of the proposed agricultural rate that needed clarification.

1. The rate was developed based upon a projected 12 month usage by agricultural customers.

2. In reality, many of the agricultural customers lease property for very short periods of time during the "growing season" and, as such, are customers only during that period of time. Because of this fact, there is no one to be charged for the "availability" of water during the non-growing season when the property is not being utilized or even leased for agricultural purposes, and no water availability is needed.

3. There are no reasonable measures for measuring quantity used for the agricultural wells. Because of this, we have proposed flat rates for those types of customers.

4. Because of the factors above, it is very unlikely that the rates proposed by the utility for agricultural service will, in fact, produce the revenue requirement projected in the utility's initial filing. We, at the Utility, are very aware of these facts and still believe that the rates as proposed for agricultural service are reasonable and appropriate and we do not wish to have them altered despite the apparent expectation of a short fall in overall revenue from this service.

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APP \_\_\_\_\_  
CAF \_\_\_\_\_  
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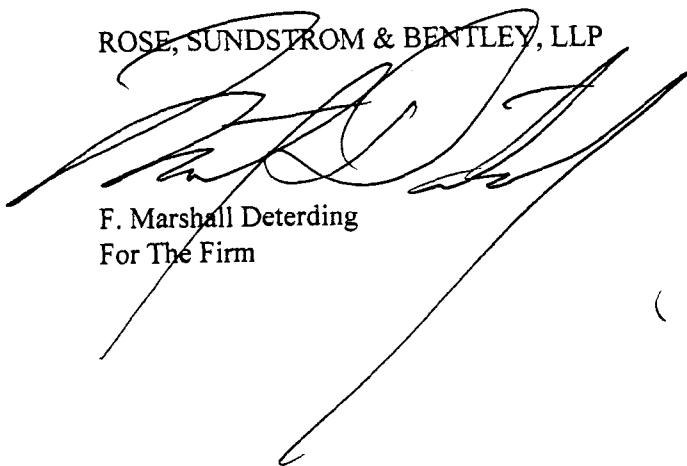
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I trust that the above adequately lays out the discussions that we have had and the conclusions that we have reached. If there is any thing further that you need in this regard, please let me know.

Sincerely,

ROSE, SUNDSTROM & BENTLEY, LLP



F. Marshall Deterding  
For The Firm

FMD/bsr  
Enclosures

cc: Richard Redemann, P.E.  
Stephanie Crossman, Esquire  
Billie Messer  
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Blanca Bayo, Clerk  
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