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REPLY TO CENTRAL FLORIDA OFFICE

MARTIN S. FRIEDMAN, P.A.  
VALERIE L. LORD  
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October 28, 2005

HAND DELIVERY

Chairman Braulio L. Baez  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, Florida 32399-0850

Re: Tierra Verde Utilities, Inc.  
2005 General Rate Increase Application  
Our File No. 30057.111

RECEIVED-FPSC  
05 OCT 28 AM 11:02  
COMMISSION  
CLERK

Dear Chairman Baez:

This letter, pursuant to Rule 25-30.430, Florida Administrative Code, requests approval of a test year for Tierra Verde Utilities, Inc. ("Company"). The Company intends to submit an application for general rate relief to the Florida Public Service Commission for its wastewater system located in Pinellas County, Florida. The Company intends to submit the minimum filing requirements ("MFRs") on or before December 31, 2005.

The Company's last rate proceeding was in Docket No. 011190-SU, an overearnings investigation which culminated in Order No. PSC-02-0778-PAA-SU dated June 10, 2002. That Order was declared final in Order No. PSC-02-0901-CO-SU on July 5, 2002.

The Company requests a historic test year ending June 30, 2005.

The requested test year is representative of a normal full year of operation. Although during the test year, the Company experienced some disruption from the three hurricanes that affected Seminole County, any extraordinary costs and expenses attributable to any material changes in operations and or reconstruction and repairs above and beyond those usual and customary for plant and equipment of the same age and usage patterns will be factored out of the Company's MFRs.

DOCUMENT NUMBER-DATE

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FPSC COMMISSION CLERK

Chairman Braulio L. Baez  
Florida Public Service Commission  
October 28, 2005  
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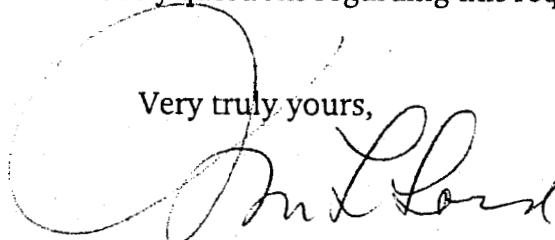
Since the Company's last rate proceeding, the Company has made major changes to plant and equipment unrelated to the effects of the hurricanes, specifically, plant and equipment upgrades and modifications, safety and security improvements, and rehabilitative work to plant grounds and percolation ponds. Within that same period of time, there have been no major changes in operational methods.

Attached is a Schedule showing major pro forma plant additions. The MFRs will include pro forma adjustments for increases in health care, insurance, purchased power, tuition reimbursement 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  
Enclosure

cc: Ms. Blanca Bayo, Director, Division of Commission Clerk and Administrative Services  
(via hand delivery) (w/enclosure)  
Mr. Troy Rendell, Division of Economic Regulation (by hand delivery) (w/enclosure)  
Mr. Steve Lubertozzi (w/enclosure)  
Mr. Patrick C. Flynn (w/enclosure)

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Capital Projects - List

TIERRE VERDE

\* = has been Amended

System# State	Region #	Project Name	Start Date Complete Date	Estimated Cost Total Spent	Other Information
0646 FL	Tierre Verde Utilities, Inc. Florida	Make repairs to 8" VCP on 3rd Ave. & 3rd St. E	11/01/2002 06/30/2003 *	\$167,000.00* \$149,542.83	89.55%
ID# 196	Closed	W/O#: 061-0646-116-02-01			
0646 FL	Tierre Verde Utilities, Inc. Florida	Engineering for Madonna Blvd. Sewer Relocation	04/01/2003 12/31/2004 *	\$23,300.00 \$26,969.05	115.75%
ID# 1224	Closed	W/O#: 061-0646-116-03-01		*** OVER BUDGET! ***	
0646 FL	Tierre Verde Utilities, Inc. Florida	Madonna Blvd. Bridge Sewer Relocation	05/01/2003 12/31/2004 *	\$56,000.00 \$62,886.06	112.30%
ID# 1162	Closed	W/O#: 061-0646-116-03-02		*** OVER BUDGET! ***	
0646 FL	Tierre Verde Utilities, Inc. Florida	Emergency Gravity Sanitary Sewer Repair	09/17/2003 09/22/2003		
ID# 1953	Closed	061-0646-3612008			
0646 FL	Tierre Verde Utilities, Inc. Florida	Sewer Repairs on Monte Cristo	02/01/2004 12/01/2005 *	\$25,000.00 \$9,950.00	39.80%
ID# 1958	*Completed	W/O#: 061-0646-116-03-03			
0646 FL	Tierre Verde Utilities, Inc. Florida	Clean and TV 18" VCP Sewer Main	04/01/2004 06/30/2004	\$30,000.00* \$51,547.90	171.83%
ID# 1979	Closed	W/O#: 061-0646-118-03-01		*** OVER BUDGET! ***	
0646 FL	Tierre Verde Utilities, Inc. Florida	Perform I&I study on VCP gravity sewer mains	06/01/2004 08/06/2004	\$50,000.00 \$22,725.00	45.45%
ID# 195	*Completed	061-0646-1862054			
0646 FL	Tierre Verde Utilities, Inc. Florida	13th Street Force Main Replacement	10/01/2004 03/31/2005 *	\$30,000.00 \$19,837.50	66.13%
ID# 2589	*Completed	W/O#: 061-0646-116-04-01			
0646 FL	Tierre Verde Utilities, Inc. Florida	Sanitary Sewer I/I Corrections	06/20/2005 03/30/2006 *	\$550,000.00	0.00%
ID# 3426	Open	W/O#: 061-0646-116-05-01			

NONE