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TIMOTHY DEVLIN, DIRECTOR
DIVISION OF ECONOMIC REGULATION
(850) 413-6900

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Public Service Commission

December 20, 2005

Mr. Charles deMenzes
Residential Water Systems, Inc.
1410 NE Eighth Avenue
Ocala, FL 34470-4250

Re: Docket No. 030423-WU - Investigation into 2002 Earnings of Residential Water Systems, Inc. in Marion County

Dear Mr. deMenzes:

Staff needs the following information to complete our review of your request for an extension of time to comply with Order No. PSC-04-0356-PAA-WU.

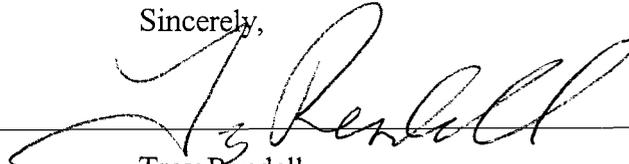
1. Please explain why it will take 2 years to complete the remaining 40% of the project when it took only 1 year to complete 60%.
2. You state that 108 1-inch meters and 314 5/8-inch meters have been replaced/installed. What was the cost to replace the 1-inch meters? What was the cost to replace the 5/8-inch meters?
3. What was the cost associated with replacement of laterals in 2004 through November 30, 2005?
4. The December 8, 2005 letter mentions a 1,500 customer base, yet your 2004 annual report reflects 678 customers. Please explain the difference.
5. Provide copies of the invoices supporting the portion of the project you have completed thus far.

CMP _____
COM _____
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OTH _____

Mr. Charles deMenzes
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Please provide the information by January 13, 2006. If you have any questions, you may contact Sam Merta at (850) 413-6427.

Sincerely,

A handwritten signature in black ink, appearing to read "Trendell", written over a horizontal line.

Troy Rendell
Public Utilities Supervisor

TR:sm

cc: Wayne L. Schiefelbein, Esquire
Office of General Counsel (Jaeger)
Division of Economic Regulation (Merta)
Division of the Commission Clerk and Administrative Services (030423-WU)