

LAW OFFICES
ROSE, SUNDBSTROM & BENTLEY, LLP
2548 BLAIRSTONE PINES DRIVE
TALLAHASSEE, FLORIDA 32301

ORIGINAL

FREDERICK L. ASCHAUER, JR.
CHRIS H. BENTLEY, P.A.
ROBERT C. BRANNAN
DAVID F. CHESTER
F. MARSHALL DETERDING
JOHN R. JENKINS, P.A.
STEVEN T. MINDLIN, P.A.
CHASTY H. O'STEEN
DAREN L. SIPPY
WILLIAM E. SUNDBSTROM, P.A.
DIANE D. TREMOR, P.A.
JOHN L. WHARTON
ROBERT M. C. ROSE, *OF COUNSEL*
WAYNE L. SCHIEFELBERG, *OF COUNSEL*

(850) 877-6555
FAX (850) 656-4029
www.rsbatorneys.com

REPLY TO CENTRAL FLORIDA OFFICE

CENTRAL FLORIDA OFFICE
SANLANDO CENTER
2180 W. STATE ROAD 434, SUITE 2118
LONGWOOD, FLORIDA 32779
(407) 830-6331
FAX (407) 830-8522

MARTIN S. FRIEDMAN, P.A.
VALERIE L. LORD
BRIAN J. STREET

March 20, 2006

HAND DELIVERY

Chairman Lisa Polack Edgar
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850

060256 - SU

Re: Alafaya Utilities, Inc.
2006 General Rate Increase Application
Our File No. 30057.112

Dear Chairman Edgar:

This letter, pursuant to Rule 25-30.430, Florida Administrative Code, requests approval of a test year for Alafaya 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 Seminole County, Florida. The Company intends to submit the minimum filing requirements ("MFRs") on or before June 30, 2006.

The Company's last rate proceeding was in Docket No. 020408-SU, utilizing a test year ending December 31, 2001, which culminated in Order No. PSC-04-0363-PAA-SU dated April 5, 2004. That Order was declared final in Order No. PSC-04-0435-CO-SU on April 28, 2004.

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

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Chairman Lisa Polack Edgar
Florida Public Service Commission
March 20, 2006
Page 2

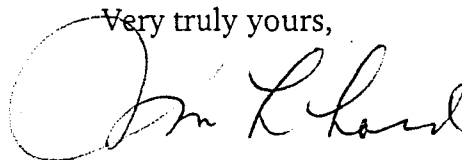
and security improvements, and rehabilitative work to plant grounds and percolation ponds. Within that same period of time, there have been no major changes in operational methods.

The Company proposes to make major pro forma plant additions, including the repairs and replacements to wastewater facilities 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. Some of 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, Director, Division of Commission Clerk and Administrative Services
(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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