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November 22, 2006

Ms. Blanca Bayo  
Commission Clerk & Administrative Services Director  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399

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COMMISSION  
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RE: Labrador Utilities, Inc.; Application for Rate Increase in Pasco County, Florida  
Docket No. 060262-WS  
Our File No.: 30057.128

Dear Ms. Bayo:

Enclosed for filing in the above-referenced docket is the response of Labrador Utilities, Inc., (*Utility*) to Staff's request for information dated November 9, 2006:

The purpose and intent of Commission Order PSC-04-1281-PAA-WS, dated December 28, 2004 (*Order*), requiring the Utility to test all meters connected to the Utility's water system was to ensure that all meters read accurately, that is, within the Commission's prescribed limits of accuracy, 95% to 101.5%. There are 902 meters connected to the Utility's water system. Pursuant to the Order, the Utility tested 799 meters. The remaining 103 were either new meters installed by the Utility, which were tested and certified by the manufacturer prior to installation, or meters that the Utility was unable to test because they are not connected to a water source. In testing as many meters as was physically possible, and replacing some meters with new, certified meters, the Utility clearly complied with the intent of the Order.

RCA \_\_\_\_\_ In the course of conducting the testing, the Utility replaced a total of 313 meters. Of  
SCR \_\_\_\_\_ these, 145 meters were not reading within the Commission's prescribed limits of accuracy.  
SGA \_\_\_\_\_ These meters were manufactured by Badger, Kent, Master, Neptune and Precision Meters.

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Ms. Blanca Bayo  
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November 22, 2006  
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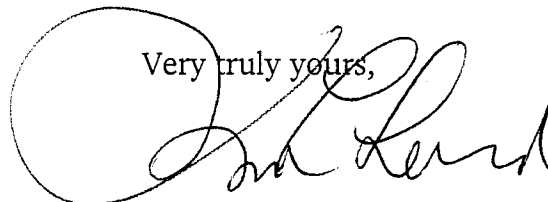
Although not all of these brands of meters were reading inaccurately, the Utility decided to replace the Kent, Master and Precision meters with Badger meters, which the Utility has found to be more reliable in the long term.

Of the 103 meters, 73 were new meters which had been tested and certified by the manufacturer prior to installation. Sixty-seven were replaced by the Utility because the owners had shut off the water and the Utility was unable to test the existing meters. The Utility determined that it would be more appropriate to replace the meters with new, certified meters rather than wait until the homeowners returned in the winter. Only 30 meters were not tested because they are on vacant lots, and as there are no service lines, the Utility is physically unable to test them.

The Utility performed all tasks relating to the meter testing. No contractor was involved.

Should you have any questions regarding this filing, please do not hesitate to give me a call.

Very truly yours,



VALERIE L. LORD  
For the Firm

VLL/tlc

cc: Cochran Keating, Esquire, Office of General Counsel  
Mr. Troy Rendell, Division of Economic Regulation  
Steven M. Lubertozzi, Chief Regulatory Officer  
John Hoy, Regional Vice President for Operations  
Patrick C. Flynn, Regional Director  
Stephen Reilly, Esquire, Office of Public Counsel

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