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(850) 413-6900

Public Service Commission

February 26, 2008

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COMMISSION
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Martin S. Friedman, Esquire
Rose, Sundstrom & Bentley, LLP
2180 W. State Road 434, Suite 2118
Longwood, FL 32799

STAFF'S FIRST DATA REQUEST

Re: Docket No. 080024-WS - Application for Limited Proceeding Rate Increase in Sumter County by Continental Utility, Inc.

Dear Mr. Friedman:

By this letter, the Commission staff requests that Continental Utility, Inc. provide responses to the following data requests:

1. Did the utility solicit competitive bids for the rehabilitation of the lift stations?
 - a. If so, please describe the bidding process and provide a list of bids received.
 - b. If not, please explain why Utility Technicians, Inc. was selected without competitive bidding.
2. Did the utility consider sources for financing the project other than Continental Country Club R.O., Inc. (CCCRO)?
 - a. If so, please describe and document the alternative sources considered.
 - b. If not, please explain why the project was financed by CCCRO without consideration of alternative sources.
3. If there is a written loan agreement between the utility and CCCRO, please provide a copy.
4. Please refer to Schedule No. 11 of Exhibit D of the Application. How did the utility calculate the cost of common equity?

DOCUMENT NUMBER - DATE
01460 FEB 27 08

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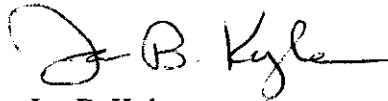
Martin S. Friedman, Esquire

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Please provide responses by March 19, 2008. If you have any questions, please do not hesitate to contact me at (850) 413-6932.

Sincerely,

A handwritten signature in black ink, appearing to read "Jan B. Kyle". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Jan B. Kyle
Regulatory Analyst IV

cc: Office of the General Counsel (Jaeger, Young)
Division of Economic Regulation (Fletcher, Bulecza-Banks)
Office of Commission Clerk