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May 13, 2011

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110153-SU

Chairman Art Graham
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Re: Utilities, Inc. of Eagle Ridge
2011 General Rate Increase Application
Our File No.: 30057.197

Dear Chairman Graham:

This letter, pursuant to Rule 25-30.430, Florida Administrative Code, requests approval of a test year for Utilities, Inc. of Eagle Ridge (the "Company"). The Company intends to submit an application for general rate relief to the Florida Public Service Commission for its wastewater system located in Lee County, Florida. The Company intends to submit the minimum filing requirements ("MFRs") on or before June 30, 2011.

The Company's last rate proceeding was in Docket No. 080247-SU, which culminated in Order No. PSC-09-0264-PAA-SU, issued April 27, 2009. That Order was declared final in Order No. PSC-09-0363-CO-SU, issued May 26, 2009. Rates were set utilizing a test year ending December 31, 2007.

The Company requests an historic test year ending December 31, 2010. The requested test year is representative of a normal full year of operation.

Since the Company's last rate proceeding and prior to the end of the proposed historic test year ending December 31, 2010, the Company has made significant investments in plant and equipment, primarily in replacing assets that were at the end of their service life or to improve operational reliability. Within that same period of time there have been no major changes in operational methods other than a restructuring of the workforce to reflect the impact of divestment activities in Florida during the last three years.

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Major pro forma plant additions include the following projects:

1. Demolition of Equalization Tank #1, bar screen, piping and catwalk caused by structural failure of the tank wall; engineering design, permitting, fabrication and construction of plant headworks equipment on EQ Tank #2; modifications to piping, instrumentation, catwalks, stairway, EQ pumping equipment and control panels. Cost estimate: \$55,000

The MFRs will include pro forma adjustments for increases in operating expenses including taxes, insurance, maintenance and repair, telecomm, billing and postage, bad debt, chemicals, transportation, salaries and wages, and health benefits, which will be requested in this proceeding. The pro forma items 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,



CHRISTIAN MARCELLI
For the Firm

cc: Steven M. Lubertozzi, Executive Dir. of Regulatory Accounting & Affairs (via e-mail)
John Stover, Vice President and Secretary (via e-mail)
Kirsten Weeks, Manager of Regulatory Accounting (via e-mail)
Rick Durham, Regional Vice President (via e-mail)
Patrick C. Flynn, Regional Director (via e-mail)
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