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MARTIN S. FRIEDMAN, P.A.
VALERIE L. LORD
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March 2, 2007

VIA E-FILING

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

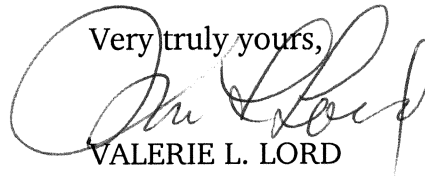
RE: Docket No. 060261-WS; Utilities, Inc. of Pennbrooke's Application for Rate Increase in
Lake County, Florida
Our File No.: 30057.121

Dear Ms. Bayo:

Enclosed for filing in the above-referenced docket is the Cross-Petition of Utilities, Inc. of Pennbrooke.

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
Enclosures

cc: Jennifer Brubaker, Esquire, Division of Legal Services (w/enclosures - via U.S. Mail)
Stephen Reilly, Esquire, Office of Public Counsel (w/enclosures - via U.S. Mail)
Steven M. Lubertozzi, Chief Regulatory Officer (w/enclosures - via U.S. Mail)
Kirsten E. Weeks, CPA (w/o enclosures - via U.S. Mail)
John Hoy, Regional Vice President for Operations (w/o enclosures - via U.S. Mail)
Patrick C. Flynn, Regional Director (w/enclosures - via U.S. Mail)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application of
UTILITIES, INC. OF PENNBROOKE
for an increase in water and wastewater
rates in Lake County, Florida

DOCKET NO. 060261-WS

CROSS-PETITION OF UTILITIES, INC. OF PENNBROOKE

UTILITIES, INC. OF PENNBROOKE (the *Utility*), by and through its undersigned attorneys and pursuant to Section 120.57, Florida Statutes, and Rule 25-22.029(3), Florida Administrative Code, files this Cross-Petition, objecting to Order No. PSC-07-0088-PA-WS (*Order*) of the Florida Public Service Commission (*Commission*) issued January 31, 2007, and states:

Preliminary Matters

1. The name and address of the agency affected and the agency's docket number is:

Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850
Docket No. 060261-WS

2. The name of the Utility and its mailing address is:

Utilities, Inc. of Pennbrooke
2335 Sanders Road
Northbrook, IL 60062

3. The address of the Florida office is:

C/o Utilities, Inc. of Florida
200 Weathersfield Avenue
Altamonte Springs, FL 32714-4099

4. The names and address of the persons authorized to receive notices and communications in respect to this application are:

Martin S. Friedman, Esquire
Valerie L. Lord, Esquire

Rose, Sundstrom & Bentley, LLP
Sanlando Center
2180 W. State Road 434, Suite 2118
Longwood, FL 32799
Telephone: (407) 830-6331
Facsimile: (407) 830-8522
Email: mfriedman@rsbattorneys.com
vlord@rsbattorneys.com

5. On February 21, 2007, the Citizens of the State of Florida, by and through the Office of Public Counsel (*OPC*), filed a Petition on Proposed Agency Action objecting to the Order (*Petition*).
6. The Utility received a copy of the Petition on February 21, 2007.
7. The interests of the Utility is substantially affected by the Order. The specific facts that the Utility contends warrant reversal or modification of the Order are as follows:
 - (a) Pro forma plant is understated in that it failed to include amounts for:
 - (1) Demolition and removal of the existing aerator/storage tank and sand filter.
 - (2) The costs of increasing office space in the water treatment plant building.
 - (b) Rate case expense is understated.
 - (c) Salaries are understated.
8. Each of the foregoing matters involve disputed issues of material fact.
9. The Order establishes March 5, 2007 as the date by which cross-petitions must be filed.
10. Chapter 367.081, Florida Statutes, is the specific statute that the Utility contends requires reversal or modification of the Order.
11. This Cross-Petition is filed for the purpose of seeking the Commission's action with respect to:
 - (a) Determining that the proper rate base includes amounts for demolition and removal of the existing aerator/storage tank and sand filter, and the costs of increasing office space in the water treatment plant building; and

(b) Determining that the proper rate case expense amount includes amounts requested by the Utility and set out in its rate case expense schedule submitted to Staff on November 14, 2006, plus the rate case expense associated with the formal administrative hearing.

(c) Determining that the proper salary expense includes the amounts that the Utility has requested in the Minimum Filing Requirements.

WHEREFORE, the Utility hereby protests and objects to Order No. PSC-07-0088-PAA-WS as to the specific issues raised in this Cross-Petition, and petitions the Commission to conduct a formal evidentiary hearing, under the provisions of Section 120.57(1), Florida Statutes, and further petitions that such hearing be scheduled at a convenient time within or as close as practical to the Utility's certificated service area.

Respectfully submitted this 2 day of March, 2007, by:

ROSE, SUNDSTROM & BENTLEY, LLP
Sanlando Center
2180 W. State Road 434, Suite 2118
Longwood, FL 32799
Telephone: (407) 830-6331



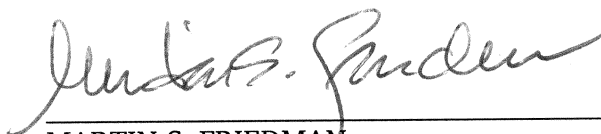
MARTIN S. FRIEDMAN
VALERIE L. LORD
For the Firm

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Cross-Petition of Utilities, Inc. of Pennbrooke has been served upon the following parties by U.S. Mail this 2nd day of March, 2007.

Stephen C. Reilly, Deputy Public Counsel
Office of Public Counsel
c/o The Florida Legislature
111 W. Madison Street, Room 812
Tallahassee, FL 32399-1400

Jennifer Brubaker, Esquire
Office of General Counsel
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850



MARTIN S. FRIEDMAN
VALERIE L. LORD