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COMMISSION
CLERK

Public Service Commission

January 22, 2007

Ms. Cheryl Martin
Florida Public Utilities Co.
P.O. Box 3395
West Palm Beach, FL 33402-3395

Re: Docket No: 070001-EI; Company Name: Florida Public Utilities Company;
Audit Purpose: Fuel Audit; Company Code: EI803;
Audit Control No: 07-022-4-2

Dear Ms. Martin:

The Florida Public Service Commission will conduct a fuel audit, in accordance with Commission audit procedures. Access will be requested to documents and records of the utility and, if necessary, supporting records for affiliate company transactions that affect regulated operations. Staff auditors may also request to review the utility's external audit working papers for the most recent independent audit. Ms. Kathy Welch, the Miami district office supervisor, will coordinate this audit. Ms. Welch can be reached at (305) 470-5600. Questions regarding the audit or audit staff should be directed to the district supervisor or myself. My phone number is (850) 413-6487.

CMP _____ The Audit Access to Records rule for each industry states:

COM _____ In those instances where the utility disagrees with the auditor's assessment
CTR _____ of a reasonable response time to the audit request, the utility shall first
ECR _____ attempt to discuss the disagreement with the auditor and reach an
GCL _____ acceptable revised date. If agreement cannot be reached, the utility shall
OPC _____ discuss the issue with successive levels of supervisors at the Commission
RCA _____ until an agreement is reached.

SCR _____

SGA _____

SEC _____

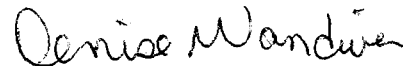
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DOCUMENT NUMBER-DATE

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A formal report is expected to be issued for internal Commission use on May 10, 2007. A copy of the final report will be mailed to the company liaison listed in the Commission Mailing Directory.

Sincerely,



Denise N. Vandiver, Chief
Bureau of Auditing

DNV/sbj

cc: Division of Regulatory Compliance & Consumer Assistance
(All District Offices, File Folder).
Division of the Commission Clerk and Administrative Services
General Counsel
Office of the Public Counsel

Norman H. Horton, Jr.
Messer Law Firm
P.O. Box 15579
Tallahassee, FL 32317