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STATE OF FLORIDA



CAPITAL CIRCLE OFFICE CENTER
2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FL 32399-0850

Public Service Commission

January 25, 2008

Mr. Mathew Griffin
Hudson Utilities, Inc.
14334 Old Dixie Highway
Hudson, FL 34667-1134

Re: **Docket No:** 070740-SU ; **Company Name:** Hudson Utilities, Inc. ;
Audit Request: Audit Transfer Rate Base ;
Audit Control No: 08-025-2-1

RECEIVED-FPSC
08 JAN 25 PM 2:42
COMMISSION
CLERK

Dear Mr. Griffin:

The Florida Public Service Commission will conduct a transfer rate base 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. Joe Rohrbacher, the Tampa district office supervisor, will coordinate this audit. Mr. Rohrbacher can be reached at (813) 356-1444. Questions regarding the audit or audit staff should be directed to the district supervisor or myself. My phone number is (850) 413-6487.

The Audit Access to Records rule for each industry states:

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

DOCUMENT NUMBER DATE
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FPSC-COMMISSION CLERK

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Hudson Utilities, Inc.
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A formal report is expected to be issued for internal Commission use on July 31, 2008. 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
General Counsel
Office of the Public Counsel

Rutledge Law Firm
Ken A. Hoffman / Marsha E. Rule
P.O. Box 551
Tallahassee, FL 32302-0551