

State of Florida

REP

Commissioners:
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TIMOTHY DEVLIN, Director
Auditing & Financial Analysis
(904) 413-6480

Public Service Commission

June 21, 1996

Demetree Industries, Inc.
William C. Demetree
3348 Edgewater Drive
Orlando, FL 32804-3796

Dear Mr. Demetree:

Docket No. 960717-WU -- Demetree Industries, Inc.
Transfer Audit Request

The Florida Public Service Commission will establish the rate base as of March 10, 1996 in accordance with Commission audit procedures. Auditors may select one or more accounts for detailed examination. Access may be requested to documents and records supporting affiliate company transactions that affect regulated operations. Staff auditors may also request to review the firm's external audit working papers for the most recent independent audit. Ian Forbes, the district office supervisor, (407) 317-7337, will coordinate this audit.

- ACK — Rule 25-30.110(b), F.A.C., states that, "Unless otherwise authorized by the
- AFA — Commission, each utility shall maintain its records at the office or offices
- APP — of the utility within this state and shall keep those records open for
- CAF — inspection during business hours by Commission staff".
- CMU — Rule 25-22.006, F.A.C., promulgates the procedure to exempt confidential and
- CTR — proprietary business information from Public Records Law 119.07(1), Florida
- EAG — Statutes. Excerpts from this rule are attached to this letter however, the
- LEG — rule should be read in its entirety when an exemption is claimed. Write or
- call the Florida Public Service Commission's Office of the General Counsel for
- additional information, (904) 413-6248.

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- RCH —
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Demetree Industries, Inc.

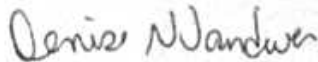
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A formal audit report will be issued for internal official use only by the Commission on or about September 17, 1996. A copy of the final report will be mailed to the company liaison officer listed in the Commission Mailing Directory. Comments should be mailed to the Director of Records and Reporting within ten days after receipt.

Questions regarding the audit or staff conduct should be directed to Ian Forbes or myself at (904) 413-6487.

Sincerely,



Denise N. Vandiver

DNV/sp

Enclosure: (1) Excerpts from Rule 25-22.006, F.A.C.
and 366.093, F.S.

cc: Mary Andrews Bane, Deputy Executive Director/Tech. (w/o enclosure)
Field Audit Supervisor
Legal Services (w/o enclosure)
Division of Records and Reporting (w/o enclosure)
Public Counsel