

REP

Commissioners

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TIMOTHY DEVLIN, Director
Auditing & Financial Analysis
(904) 413-6248

Public Service Commission

August 30, 1996

North Peninsula Utilities
Robert Hillman
P.O. Box 2803
Ormond Beach, FL 32175-2803

Dear Mr. Hillman:

Docket No. 960984-SU -- North Peninsula Utilities
Investigation of Possible Overearnings

The Florida Public Service Commission will review the rate base, capital structure and net operating income in accordance with Commission audit procedures. Ian Forbes, the district office supervisor, (407) 317-7337, will coordinate this audit.

Rule 25-30.110(b), F.A.C., states that, "Unless otherwise authorized by the Commission, each utility shall maintain its records at the office or offices of the utility within this state and shall keep those records open for inspection during business hours by Commission staff".

Rule 25-22.006, F.A.C., promulgates the procedure to exempt confidential and proprietary business information from Public Records Law 119.07(1), Florida Statutes. Excerpts from this rule are attached to this letter however, the 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.

DOCUMENT NUMBER-DATE

09292 SEP-3 96

North Peninsula Utilities

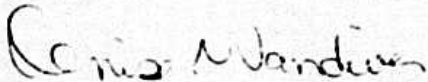
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A formal audit report will be issued for internal official use only by the Commission on or about October 31, 1996. A copy of the final report will be mailed to the company liaison officer listed in the Commission Mailing Directory. Comments should 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