

FLORIDA PUBLIC SERVICE COMMISSION

AUDIT REPORT

YEAR ENDED SEPTEMBER 30, 1996

FIELD WORK COMPLETED

DECEMBER 27, 1996

GULF POWER COMPANY

PENSACOLA, FLORIDA

ESCAMBIA COUNTY

CONSERVATION AUDIT

DOCKET NUMBER **970002-EG**

AUDIT CONTROL NUMBER 96-214-1-1

Mark Caruth

MARK CARUTH
AUDIT MANAGER

Rhonda L. Hicks

RHONDA HICKS
REGULATORY SUPERVISOR
TALLAHASSEE DISTRICT OFFICE

DOCUMENT NUMBER-DATE

00217 JAN-96

FPSC-RECORDS/REPORTING

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I. EXECUTIVE SUMMARY

AUDIT PURPOSE: We have applied the procedures described in Section II and have recalculated the True-up and interest exhibits filed by Gulf Power Company in support of Docket 960002-EG for the twelve months ended September 30, 1996, to determine that the exhibits represent the utility's books and records and that those books and records are maintained in compliance with Commission directives and that facts which may influence the Commission's decision process are disclosed.

DISCLAIM PUBLIC USE: This is an internal accounting report prepared after performing a limited scope audit; accordingly, this document must not be relied upon for any purpose except to assist the Commission staff in the performance of their duties. Substantial additional work would have to be performed to satisfy generally accepted auditing standards and produce audited financial statements for public use.

OPINION: The exhibits filed by the utility for the twelve months ended September 30, 1996 do represent the utility's books and records.

SUMMARY FINDINGS: The exhibits filed by the utility for the twelve months ended September 30, 1996 do represent the utility's books and records.

II. AUDIT SCOPE

The opinions in this report are based on the audit work described below. When used in this report,

COMPILED means that the audit staff reconciled exhibit amounts with the general ledger; visually scanned accounts for errors or inconsistency, disclosed any unresolved error, irregularity, or inconsistency; and except as noted performed no other audit work.

CONSERVATION REVENUES: Traced the approved ECCR adjustment factors from the Commission's Orders to the utility's energy (KWH) sales during the twelve month period to determine Conservation Revenues for True-up.

CONSERVATION EXPENSES: Traced all account balances for expenses from the utility's filing to the company's FERC expense program summary data, to the Consolidated Register Summary, to the General Ledger to determine Conservation Expenses for True-up.

OTHER: Reconciled company filed CT schedules to the company's books and records. Researched salaries and benefits for Demand Side Management employees. Determined advertising costs charged to ECCR and collected representative samples of ECCR advertising. Traced selected account balances from Consolidated Register Summary (General Ledger) to company prepared summary listing of invoice reference number and amount within the Accounts Payable Detail Distribution Register and/or the Accounts Payable Detail Report.

State of Florida

Commissioners:
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J. TERRY DEASON
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JOE GARCIA



DIVISION OF RECORDS &
REPORTING
BLANCA S. BAYO
DIRECTOR
(904) 413-6770

Public Service Commission

January 13, 1997

Ms. Susan D. Cranmer
Gulf Power Company
Post Office Box 13470
Pensacola, Florida 32591-3470

RE: Docket No. **970002-EG** -- Gulf Power Company
Conservation Audit Report - Period Ended September 30, 1996
Audit Control # 96-214-1-1

Dear Ms. Cranmer:

The enclosed audit report is forwarded for your review. Any company response filed with this office within ten (10) work days of the above date will be forwarded for consideration by the staff analyst in the preparation of a recommendation for this case.

Thank you for your cooperation.

Sincerely,


Blanca S. Bayo

BSB/cls
Enclosure
cc: Public Counsel