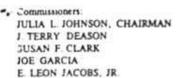
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TIMOTHY DEVLIN, Director Auditing & Financial Analysis (850) 413-6480



Public Service Commission

March 31, 1998

Florida Bower Corporation James K. McGee P. O. Box 14042 Sr. Petersburg, FL 33733-4042

Dear Mr. McGee:

Docket No. 980001-EI -- Florida Power Corporation Capacity Cost Audit Request - Period Ending March 31, 1998

The Florida Public Service Commission will conduct a capacity cost audit for the period ending March 31, 1998 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. Jim McPherson, the district office supervisor, (813) 744-6638, will coordinate this audit.

ACK AFA APP CAF CMU	make at any reasonable time a personal visit to the utility's offices or other places of business, and may inspect any facility, records, accounts, books, reports, and papers of the utility which may appear necessary in the discharg of Commission duties. During such visits the utility shall provide the staff	r e
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OTA4 Affirmative Action/Equal Opportunity Employer

Internet E-mail CONTACT@PSC STATE FL US

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Florida Power Corporation March 31, 1998

A formal audit report will be issued for internal official use only by the Commission on or about June 16, 1998. 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 Jim McPherson or myself at (850) 413-6487.

Sincerely,

Conis Wandin

Denise N. Vandiver

DNV/sp

Enclosure: (1) Excerpts from Rule 25-22 006, F.A.C. and 366.093, F.S.

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