



ORIGINAL

September 22, 1999

Ms. Blanca S. Bayo, Director
Division of Records & Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Generic Investigation of Cost Allocation and Affiliated Transactions for Electric Utilities – Docket No. 980643-EI

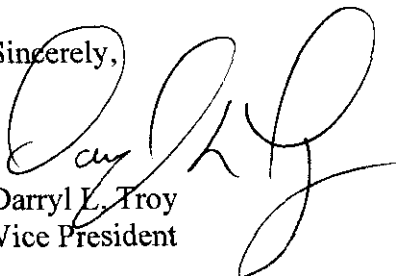
Dear Ms. Bayo:

Enclosed for filing are the original and fifteen (15) copies of Florida Public Utilities Company's Comments in the above matter.

Copies were faxed to Mr. Tim Devlon and Ms. Mary Anne Helton this day.

Thank you for your assistance in this matter.

Sincerely,


Darryl L. Troy
Vice President

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Generic Investigation of Cost Allocation) DOCKET NO. 980643-EI
And Affiliated Transactions for Electric) Filed: September 22, 1999
Utilities)
_____)

COMMENTS OF FLORIDA PUBLIC UTILITIES COMPANY

Pursuant to Staff instructions at the August 24th workshop, Florida Public Utilities Company offers the following wording changes to the proposed rule changes issued August 17th:

Alternative Wording For Rule 25-6.1351

1. Paragraph (1) Purpose – Remove the words “Guidelines and Reporting”.
2. Paragraph (2)(g) Non-Regulated – A product or service whose price is not regulated by regulatory authorities.
3. Paragraph (2)(h) Regulated - A product or service whose price is regulated by regulatory authorities.
4. Paragraph (2)(i) Subsidize – To recover costs from one class of customers or business unit that are attributable to another.
5. Paragraph (3)(a) The purpose of subsection (3) is to establish requirements for transactions between a

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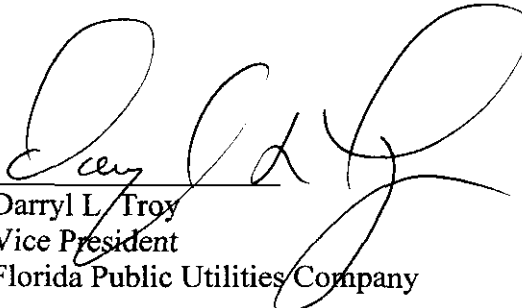
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non-regulated affiliate and a regulated utility.

6. Paragraph (3)(d) Remove the words "The lower of market or net book value" and insert "market value."
7. Paragraph (3)(e) If an affiliate, with Rule 25-6.1351(3) transactions, maintains accounts and records that do not conform to the Uniform System of Accounts as prescribed by Rule 25-6.014, the utility must maintain a reconciliation of the affiliate's accounts to the respective Uniform System of Accounts.
8. Paragraph (6)(b) Audit Requirements – Delete
9. Paragraph (6)(c) Audit Requirements – Delete
10. Paragraph (6)(d) Audit Requirements – Delete

Dated this 22nd day of September 1999.



Darryl L. Troy
Vice President
Florida Public Utilities Company