

November 2, 2000

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

Re: Docket No. 000003-EG;  
Audit Control No. 00-003-4-3

Dear Ms. Bayo:

I write to respond to the Audit Report resulting from the Purchased Gas Adjustment Audit of City Gas Company of Florida for the period ended December 31, 1999; audit Control No. 00-003-4-3; Docket No. 000003.

The only comment in the audit report that the Company does not agree with is contained in Audit Exception 2. There it is stated that the Company could not explain the differences on Schedules A-2 to the General Ledger noted for the months of January, April, July, October and November 1999. The Company disagrees with this statement, but given that the differences were less than \$25,000, the Company chooses not to contest Audit Exception 2.

The Company does not further contest the findings in the audit report.

Should you have any questions with respect to this matter, please contact me at (850) 877-5282.

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PAI \_\_\_\_\_  
RGO Handwei  
SEC 1  
SER \_\_\_\_\_  
OTH \_\_\_\_\_

Sincerely,

Michael A. Palecki  
NUI Corporation  
PMB 224  
3539 Apalachee Parkway  
Tallahassee, FL 32311  
(850) 877-5282

MAP/rt.