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07 JAN 23 AM 11:26

COMMISSION
CLERK

Public Service Commission

January 22, 2007

Ms. Susan D. Ritenour
Gulf Power Company
One Energy Place
Pensacola, FL 32520-0780

Re: Docket No: 070001-EI; Company Name: Gulf Power Company;
Audit Purpose: Capacity Cost Recovery Clause Audit; Company Code: EI804;
Audit Control No: 07-022-1-2

Dear Ms. Ritenour:

The Florida Public Service Commission will conduct a Capacity Cost Recovery Clause Audit, in accordance with Commission audit procedures. Access will be requested to documents and records of the utility and, if necessary, supporting records for affiliate company transactions that affect regulated operations. Staff auditors may also request to review the utility's external audit working papers for the most recent independent audit. Ms. Lynn Deamer, the Tallahassee district office supervisor, will coordinate this audit. Ms. Deamer can be reached at (850) 413-6416. Questions regarding the audit or audit staff should be directed to the district supervisor or myself. My phone number is (850) 413-6487.

The Audit Access to Records rule for each industry states:

- CMP _____
- COM _____
- CTR _____
- ECR _____
- GCL _____
- OPC _____
- RCA _____
- SCR _____
- SGA _____
- SEC 1
- OTH _____


In those instances where the utility disagrees with the auditor's assessment of a reasonable response time to the audit request, the utility shall first attempt to discuss the disagreement with the auditor and reach an acceptable revised date. If agreement cannot be reached, the utility shall discuss the issue with successive levels of supervisors at the Commission until an agreement is reached.

DOCUMENT NUMBER - DATE

00601 JAN 23 08

A formal report is expected to be issued for internal Commission use on May 10, 2007. A copy of the final report will be mailed to the company liaison listed in the Commission Mailing Directory.

Sincerely,



Denise N. Vandiver, Chief
Bureau of Auditing

DNV/sbj

cc: Division of Regulatory Compliance & Consumer Assistance
(All District Offices, File Folder).
Division of the Commission Clerk and Administrative Services
General Counsel
Office of the Public Counsel

Mr. Gary Livingston
Gulf Power Company
101 N. Monroe St., Suite 1060
Tallahassee, FL 32301-1547

Beggs & Lane Law Firm
J. Stone / R. Badders / S. Griffin
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Pensacola, FL 32591