

State of Florida

R & R T

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FLEITCHER BUILDING
101 EAST GAINES STREET
TALLAHASSEE, FL 32399-0850

Public Service Commission

ORIGINAL
FILE COPY

January 14, 1991

Homosassa Utilities, Inc.
Attn: John H. Hotaling, Manager
6608 Walton Way
Tampa, FL 33610-5517

Dear Mr. Hotaling:

Docket No. 900966-WS -- Homosassa Utilities, Inc. (The Woods)
Staff-assisted Rate Case Audit

Mr. Don Hartsfield, the Audit and Finance Division Coordinator for Docket Number 900966-WS, requested an audit report to support your staff-assisted petition by March 15, 1991. A staff auditor will examine your records for compliance with Commission rules and orders and, based on that examination, prepare proposed schedules of Rate Base, Net Operating Income, and Cost of Capital. Ms. Ann Bouckaert, (813)272-3911, the District Field Audit Supervisor, will coordinate the audit.

- ACK _____ Please complete the Pre-audit Questionnaire and use the stamped addressed envelope to return the completed form to me by January 29, 1991.
- AFA _____
- APP _____
- CAF _____
- CMU _____
- CTR _____
- EAG _____
- LEG _____
- LIN _____
- OPC _____
- RCH _____
- SEC /
- WAS _____
- OTH _____

DOCUMENT NUMBER-DATE

00450 JAN 15 1991

PSC-RECORDS/REPORTING

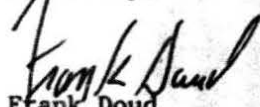
Homosassa Util., Inc. (The Woods)
Atten: Mr. Hotaling
January 14, 1991

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The audit manager should schedule an audit exit conference with you or your representative. This conference serves to advise you of draft audit findings and also to provide a final check to detect any misunderstanding or improper audit interpretation of a company document or procedure. Accurate timely reports can significantly reduce the hours and cost required to conduct a Commission hearing. The audit report will be issued as an internal use document. The Commission Clerk will mail a copy of that report to the company liaison officer for an official response.

I expect staff to conduct business as a professional. If you have questions regarding the audit or staff conduct, please call me.

Sincerely,



Frank Doud
Deputy Director/Audit

FD/sp

Enclosures: (1) Excerpts from Rule 25-22.006, F.A.C. and
366.093, F.S.
(2) Pre-audit Questionnaire
(3) Stamped Address Envelope

cc: Field Audit Supervisor
Legal Services (w/o enclosures)
Division of Records and Reporting

EXCERPTS FROM RULE 25-22.006, F.A.C. AND 366.093, F.S.

These excerpts do not provide complete information necessary for a utility to safeguard confidential material from public disclosure. See the complete text of Rule 25-22.006, F.A.C.

If the utility ... believes information requested by staff is confidential, the utility may require that the staff request be in writing. Prior to staff obtaining any material (See definition) a utility ... may receive temporary exception from Section 119.07 (1), F.S., by filing a notice of intent to request confidential classification. The notice of intent ... shall be filed with the Division of Records and Reporting and shall have appended to it a copy of any written request for the material to which it relates. To maintain continued confidential handling ... the utility ... must, within 21 days after staff has obtained the material, (or ... after the field audit exit conference), file a request for confidential classification with the Division of Records and Reporting. Rule 25-22.006 (3) (a), F.A.C.

The burden of proof shall be on the utility A request ... that fails to identify the material for which confidential classification is sought in sufficient detail to permit a reasoned analysis or which fails to provide the required justification for classification may be denied Rule 25-22.006 (4) (e), F.A.C.

Proprietary confidential business information includes, but is not limited to: (a) Trade secrets, (b) Internal auditing controls and reports of internal auditors, (c) Security measures, systems or procedures, (d) Information concerning bids or other contractual data, the disclosure of which would impair the efforts of the public utility or its affiliates to contract for goods and services on favorable terms, (e) Information relating to competitive interests, the disclosure of which would impair the competitive interests, the disclosure of which would impair the competitive business of the provider of the information, (f) Employee personnel information unrelated to compensation, duties, qualifications, or responsibilities. 366.093 (3), F.S.

Requests for confidential classification ... shall be ruled upon expeditiously by the prehearing officer Rule 25-22.006 (3) (c), F.A.C.

Definition: "Obtaining Material" means receiving material pursuant to filing or taking physical control of material by removing the original material or a copy of it from the utility or other person's premises. Obtaining material also means the extraction of data from material for inclusion in working papers or memoranda. Rule 25-22.006 (1) (e), F.A.C.

FLORIDA PUBLIC SERVICE COMMISSION PRE-AUDIT QUESTIONNAIRE

Name of Utility _____ Date _____
 Company representative most knowledgeable of accounting system _____ (____) _____
 Name Title Phone Number

1. Outside Accounting Services provided by (include affiliates)

Firm Name	Affiliate	Location	Service Provided
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

2. Describe Major Utility Records, Custodian, and Location

Description	Manual	Computer	Custodian	Location
General Ledger	_____	_____	_____	_____
Cash Receipts	_____	_____	_____	_____
Cash Disbursements	_____	_____	_____	_____
Customer Billing	_____	_____	_____	_____
Plant Ledger	_____	_____	_____	_____
Property Records	_____	_____	_____	_____
Purchase Records	_____	_____	_____	_____
Cancelled Checks	_____	_____	_____	_____
Fed Tax Returns	_____	_____	_____	_____
Other	_____	_____	_____	_____

If any records are computerized provide name and model of system _____

3. Banking Services

Bank Name	Identify all Services Provided
_____	_____
_____	_____
_____	_____

4. Name and Title of Company Representative Responsible For:

Financial Statements _____
 Filed Exhibits _____
 Annual Report _____

Name and Title of Company Representative Completing this Form

_____ (____) _____
 Name Title Phone Number