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CONFIDENTIAL

April 18, 2000

Ms. Mary Anne Helton, Esquire
Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

BY HAND DELIVERY

Re: Docket Number 980643-EI – Proposed amendments to Rules 25-6.135, F.A.C., Annual Reports; 25-6.1351, F.A.C., Cost Allocation and Affiliate Transactions; and 25-6.0436, F.A.C., Depreciation

Dear Ms. Helton:

On behalf of R.A.C.C.A., Inc., and IEC Florida, I respectfully request a hearing to consider matters relating to affiliate transactions by utility companies. Specifically, it is our belief that utility companies are not properly segregating nonregulated affiliate transactions which result in "cross-subsidization" or inappropriate use of ratepayer monies in the pursuit of nonregulated activities intended to capture or ensure market share.

We believe the current rules of the Public Service Commission should be more stringent and more specific. We are concerned that ratepayer funds are being used to convince the very same ratepayers to enter into nonregulated contracts that will tie these customers to particular utility companies in the event of utility deregulation. To the extent that this may not have already taken place, we believe utility companies have invested regulated funds in preparing to engage in this activity. We are also concerned that ratepayer funds are being used to engage in commercial activities that are not regulated by the Public Service Commission.

We do not believe that Florida law or administrative rule allow for use of ratepayer or regulated funds to increase nonregulated market share, especially with products or services intended to tie utility customers to specific utility companies.

I would appreciate your favorable consideration in this matter. I cannot be in attendance during your April 18, 2000 meeting because of the legislative session. However, I will be happy to meet with you at any scheduled time in the future after May 5, 2000.

Mary Anne Helton

Sincerely,



Anna Cam Fentriess

Memo

Done 4/20/00

DOCUMENT NUMBER-DATE

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