AUDIT SERVICE REQUEST

October 19, 2000 Date of Request

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AFAD control #

TO	:	DIVISION AUDITI	NG & FINANCIAL ANALY	SIS	ORD.		
FROM	:	DIVISION OF REG	ULATORY OVERSIGHT	Stephanie Clap	(904) 413-6997		
		Division		Name	Phone number		
RE	:	REQUEST FOR AUDOCKET NO.: 0019 AUDIT PURPOSE:	DIT OF <u>Timberwood Utilities</u> 513-WS <u>To establish rate base for</u>				
	LIST A	T AUDIT OBJECTIVES & OTHER INFORMATION ON BACK.					
		ISTRATIVE DETAIL	· - ·				
	COMP	ANY CONTACT: GI	EORGE C. MACFARLANE	Title	(941) 379-2828 Phone Number		
		Fü		DA 34240 Zip Code the records are availa	INTERSTATE BLVD Street Address able for inspection from Kurt sch, FL 32960-0619, telephone		
		T DUE DATE: <u>Febr</u> MEAL RESULTS: YI	(561) 567-8500. uary 9, 2000 ES NO_XX_				
COORDINATING DETAILS: STEPHANIE CLAPP (Analyst) (850) 413-6997							
	REFER			f and any other administrative insu 25211, 24638, 2230	nuctions 2, 881003 and the 1997, 1998, nation, please feel free to call me		
		Attach	copies of FPSC ORDERS and other documents as ap	propriate			
FOR L	SE OF	THE FIELD AUDIT S	UPERVISOR:				
AUDľ	Γ MANA	KNOWLEDGED BY:	DATI	ATE:E ON SIGHT:			

DOCUMENT NUMBER-DATE

FPSC-RECORDS/REPORTING

ITEM:	#
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AUDIT OBJECTIVE OR QUESTION Add supplemental background for auditor

WORK PRIORITY

ALL ITEMS CONSIDERED HIGH (H) PRIORITY

- The rate base objectives per rate case audit guide of the DAFA audit manual should be used in auditing utility plant, accumulated depreciation, CIAC and accumulated amortization of CIAC. A working capital allowance need not be calculated.
- <u>Determine whether any assets on the seller's books are not being transferred, such as desk, computer equipment and vehicles, and exclude these items from the calculation of rate base.</u>
- Determine if these are any extraordinary circumstances surrounding the purchase. Current Commission policy is not to allow an acquisition adjustment up or down unless there are extraordinary circumstance justifying an acquisition adjustment. The burden of proof is on the utility.
- <u>Verify land ownership in the name of the current owner of the utility for the real property on which the utility plant is located.</u>
- Verify the existing rates, miscellaneous service charges, service availability charges, and customer deposits charged by the utility.

PRIORITY CODES H - HIGH PRIORITY - CRITICAL WORK NEEDED TO COMPLETE PROGRAM.
M - MIDDLE PRIORITY - REQUIRED FOR FULL CONSIDERATION OF PROGRAM.

L - LOW PRIORITY - WORK THAT CAN BE DEFERRED.

6 Verify the purchase price for the utility and the closing date. (H)