

ORIGINAL
FILE COPY

AUDIT SERVICE REQUEST

May 8, 1997

Date of Request

AFAD control #

TO : **DIVISION AUDITING & FINANCIAL ANALYSIS**

FROM: **DIVISION OF WATER AND WASTEWATER** Martha Golden (904) 413-7015
Division Name Phone number

RE : **REQUEST FOR AUDIT OF Plantation Utilities (Radnor/Plantation Corporation d/b/a)**
DOCKET NO.: 970429-WS
AUDIT PURPOSE: To establish rate base as of April 2, 1997 (the date the transfer occurred.)

LIST AUDIT OBJECTIVES & OTHER INFORMATION ON BACK.

ADMINISTRATIVE DETAILS:

COMPANY CONTACT: E. MARSHALL DETERDING ATT
Name Title

MAIL ADDRESS: ROSE, SUNDSTROM & BENTLEY, 2
Law Firm

TALLAHASSEE FLORIDA
City State

LOCATION OF RECORDS: The application states that the books are at the seller's tax returns.
However, because the seller's tax returns are at the seller's home, the seller has proposed providing only returns.

AUDIT DUE DATE: October 6, 1997
PIECEMEAL RESULTS: YES NO

COORDINATING DETAILS: MARTHA GOLDEN (Analyst)
RICHARD REDEMANN (Engineer)
Name and phone number of other Division staff and any other contact

REFERENCES: Orders Nos. 14630 and 21415, and the 1997 information, please feel free to call me.
Attach copies of FPSC ORDERS and other documents as appropriate

*Please add this AFA Audit Request to the file for Docket No. 970429-WS, Plantation Utilities. I have attached an extra copy if you need it. Thank you.
Martha Golden
WAW*

FOR USE OF THE FIELD AUDIT SUPERVISOR:

REQUEST ACKNOWLEDGED BY: _____ DATE: _____
AUDIT MANAGER ASSIGNED: _____ DATE ON SI _____
COMMENTS: _____

DOCUMENT NUMBER-DATE
04690 MAY-95
FPSC-RECORDS/REPORTING

ITEM #

AUDIT OBJECTIVE OR QUESTION
Add supplemental background for auditor

WORK
PRIORITY

ALL ITEMS CONSIDERED HIGH (H) PRIORITY

1. 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.
2. 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.
3. Determine if there 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.
4. Verify land ownership in the name of the current owner of the utility for the real property on which the utility plant is located.
5. 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.