

Commissioners:  
JOE GARCIA, CHAIRMAN  
J. TERRY DEASON  
SUSAN F. CLARK  
JULIA L. JOHNSON  
E. LEON JACOBS, JR.



TIMOTHY DEVLIN, DIRECTOR  
AUDITING & FINANCIAL ANALYSIS  
(850) 413-6480

# Public Service Commission

December 14, 1999

Mr. Darald E. Pugh  
Lake Josephine Water  
760 Henscratch Road  
Lake Placid, FL 33852-8397

991001-WU

**Re: Docket No. 991002-WU; Lake Josephine Water  
Audit Request; Establish Rate Base for Transfer of Utility  
Audit Control No. 99-348-3-1**

Dear Mr. Pugh:

The Florida Public Service Commission will establish the rate base for transfer of the utility 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. Charleston Winston, (407) 245-0846, the district office supervisor, will coordinate this audit. 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:

- AFA \_\_\_\_\_
- APP \_\_\_\_\_
- CAF \_\_\_\_\_
- CMU \_\_\_\_\_
- CTR \_\_\_\_\_
- EAG \_\_\_\_\_
- LEG \_\_\_\_\_
- MAS \_\_\_\_\_
- OPC \_\_\_\_\_
- RRR \_\_\_\_\_
- SEC 1 \_\_\_\_\_
- WAW \_\_\_\_\_
- 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

15333 DEC 15 99

FPSC - RECORDS/REPORTING

Mr. Darald E. Pugh  
Page 2  
December 14, 1999

A formal report is expected to be issued for internal Commission use in January 2000. A copy of the final report will be mailed to the company liaison listed in the Commission Mailing Directory.

Sincerely,



Denise N. Vandiver  
Bureau Chief - Auditing Services

DNV:sp

cc: District Office Supervisor  
Division of Legal Services  
Division of Records and Reporting  
Public Counsel