

COMMISSIONERS:
LILA A. JABER, CHAIRMAN
J. TERRY DEASON
BRAULIO L. BAEZ
MICHAEL A. PALECKI
RUDOLPH "RUDY" BRADLEY



DIVISION OF AUDITING & SAFETY
DANIEL M. HOPPE, DIRECTOR
(850) 413-6480

Public Service Commission

September 6, 2002

A. Wayne Lujan, President,
Key Haven Utility Corporation
P. O. Box 2067
Key West, FL 33045-2067

Re: **Docket No.:** 020344-SU; **Company Name:** Key Haven Utility Corporation; **Audit Purpose:** Compile and audit the Utility's Monroe County wastewater systems rate base, capital structure, and net operating income for the test year ending December 31, 2001 ; **Audit Control No.:** 02-249-4-1

Dear Mr. Lujan:

The Florida Public Service Commission will conduct an audit to Compile and audit the Utility's Monroe County wastewater systems rate base, capital structure, and net operating income for the test year ending December 31, 2001, 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. Ms. Kathy Welch, the Miami district office supervisor, will coordinate this audit. Ms. Welch can be reached at (305) 470-5600. 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:

- AUS _____
- CAF _____
- CMP _____
- COM _____
- CTR _____
- ECR _____
- GCL _____
- OPC _____
- MMS _____
- SEC
- 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: 020344-001
09536 SEP-92
FPSC-COMMISSION CLERK

Mr. A. Wayne Lujan
Page 2
September 6, 2002

A formal report is expected to be issued to internal Commission use on December 4, 2002. A copy of the final report will be mailed to the company liaison listed in the Commission Mailing Directory.

Sincerely,



Denise N. Vandiver, Chief
Bureau of Auditing

DNV/jcp

cc: Division of Auditing and Safety (Miami District Supervisor, File Folder)
Division of the Commission Clerk and Administrative Services
General Counsel
Office of Public Counsel

Randy Moore
Key Haven Utility Corporation
P. O. Box 2067
Key West, FL 33045-2067