

STATE OF FLORIDA

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

**Public Service Commission**

June 16, 1998

Aloha Utilities, Inc.  
Stephen G. Watford  
2514 Aloha Place  
Holiday, FL 34691-3499

**Re: Undocketed - Aloha Utilities, Inc.  
Audit Control No. 97-064-2-1  
Audit Request - Earnings Investigation**

Dear Mr. Watford:

On March 5, 1997, I sent you a letter initiating an earnings audit. This audit remains pending. At this time, I plan to reinstate the audit to compile and audit rate base, capital structure, and net operating income for the test year ended December 31, 1997. Jim McPherson, the district office supervisor, (813)542-6638, will coordinate this audit, and a member of his staff will be contacting you in early July, 1998.

Rule 25-30.110(b), Florida Administrative Code, states that, "unless otherwise authorized by the Commission, each utility shall maintain its records at the office or offices of the utility within this state and shall keep those records open for inspection during business hours by Commission staff."

A formal report will be issued for internal official use only by the Commission in September, 1998. A copy of the final report will be mailed to the company liaison officer listed in the Commission Master Directory.

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Questions regarding the audit or staff conduct should be directed to Jim McPherson or myself  
at (850)413-6487.

Sincerely,



Denise N. Vandiver  
Bureau Chief/Audit

DNV/:sp

cc: Jim McPherson  
Division of Legal Services  
✓ Public Counsel  
Division of Water and Wastewater (Fletcher)

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