

ORIGINAL

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DIVISION OF REGULATORY
COMPLIANCE AND CONSUMER
ASSISTANCE
DANIEL M. HOPPE, DIRECTOR
(850) 413-6480

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Public Service Commission

April 22, 2004

Ms. Deborah J. Miller, President
Brendenwood Water system, Inc.
33153 Penwa Court
Longwood, FL 32779-3109

Re: **Docket No.** 040276-WU;; **Company Name:** Brendenwood Water system, Inc.; **Audit Purpose:** Establish ratebase at time of transfer; **Audit Control No.:** 04-105-3-1

Dear Ms. Miller:

The Florida Public Service Commission will conduct an audit to establish a ratebase at the time of transfer, 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. Mr. Charleston Winston, the Orlando district office supervisor, will coordinate this audit. Mr. Winston can be reached at (407) 245-0846. Questions regarding the audit or audit staff should be directed to the district supervisor or myself. My phone number is (850) 413-6487.

- CMP _____
- COM _____
- CTR _____
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- RCA _____
- SCR _____
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- OTH _____

The Audit Access to Records rule for each industry states:

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
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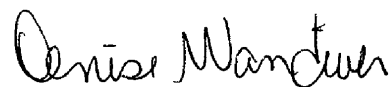
Ms. Deborah J. Miller, President

Page 2

April 22, 2004

A formal report is expected to be issued for internal Commission use on July 15, 2004. 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 (Orlando District Office, File Folder)
Division of the Commission Clerk and Administrative Services (2)
General Counsel
Office of Public Counsel

Ms. Kristee Mollerup
Brendenwood Water system, Inc.
33153 Penwa Court
Longwood, FL 32779-3109