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Public Service Commission

April 19, 2006

Mr. Stephen G. Watford
Aloha Utilities, Inc.
6915 Perrine Ranch Road
New Port Richey, FL 34655-3904

Re: **Docket No:** 060122-WU; **Company Name:** Aloha Utilities, Inc.
Audit Request: Audit Costs Related to Settlement Agreement
Audit Control No: 06-109-2-1

Dear Mr. Watford:

The Florida Public Service Commission will conduct an audit of costs related to Settlement Agreement, 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. Joseph Rohrbacher, the Tampa district office supervisor, will coordinate this audit. Mr. Rohrbacher can be reached at (813) 356-1444. 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:

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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A formal report is expected to be issued for internal Commission use on May 26, 2006. 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/sbj

cc: Division of Regulatory Compliance & Consumer Assistance
(All District Offices, File Folder).
Division of the Commission Clerk and Administrative Services
General Counsel
Office of the Public Counsel

Rose Law Firm
Deterding / John Wharton
2548 Blairstone Pines Drive
Tallahassee, FL 32301