

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE

FRANCISCO, CA 94102-3298



June 12, 2008

David M. Ramirez
Assistant Director, Electric Operations
Azusa Light & Water
729 N. Azusa Avenue
P.O. Box 9500
Azusa, CA 91702-9500

CPUC File No: E2008-08

SUBJECT: Electric Audit of City of Azusa Light & Water

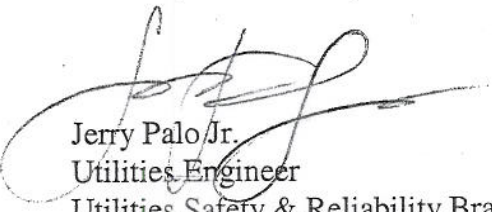
On behalf of the Utilities Safety and Reliability Branch of the California Public Utilities Commission, I conducted an electric audit of the City of Azusa Light & Water (AL&W) on April 29 – May 1, 2008.

During the audit, I discovered that AL&W contracts General Orders 95, 128 and 165 inspections to an outside company. From discussions with AL&W staff, it appears that a quality-assurance (QA) program does not exist to validate the inspections conducted by the outside company. I recommend that AL&W create a QA program to validate the results of the inspection.

Please let us know within 30 days of proposed program regarding this recommendation.

If there are any questions please call me at (213) 576-5719.

Sincerely,



Jerry Palo Jr.
Utilities Engineer
Utilities Safety & Reliability Branch
Consumer Protection and Safety Division