

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for amendment
of Certificates Nos. 404-W and
341-S in Orange County by
Wedgfield Utilities, Inc.

DOCKET NO. 960283-WS

In re: Application for transfer
of Certificates Nos. 404-W and
341-S in Orange County from Econ
Utilities Corporation to
Wedgfield Utilities, Inc.

DOCKET NO. 960235-WS

FILED: May 29, 1997

COMMISSION STAFF'S PREHEARING STATEMENT

Pursuant to Order No. PSC-96-1533-PCO-WS, issued December 17, 1996, and Order No. PSC-97-0070-PCO-WS, issued January 22, 1997, the Commission staff (staff) files its prehearing statement as follows:

A. Witnesses

Kathy Welch will provide testimony relating to the audit.

B. Exhibits

The audit report, Exhibit No. KLW-1, will be sponsored by Kathy Welch.

C. Basic Position

The following are issues identified by staff and its positions on these issues. Non-testifying staff's positions are preliminary and are based on materials filed by the parties or obtained through discovery. Staff's final positions will be based upon an analysis of the evidence presented at the hearing.

- ACK _____
- AFA _____
- APP _____
- CAF _____
- CMU _____
- CTR _____
- EAG _____
- LEG _____
- LIN 3
- OPC _____
- RCH _____
- SEC 1
- WAS _____
- OTL _____

DOCUMENT NUMBER-DATE

05352 MAY 29 97

FPSC-RECORDS/REPORTING

COMMISSION STAFF'S PREHEARING STATEMENT
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D. Issues of Fact, Law and Policy and Positions

The following are issues identified by staff and its positions on these issues. Staff's positions are preliminary and are based on materials filed by the parties or obtained through discovery. Staff's final positions will be based upon an analysis of the evidence presented at the hearing.

ISSUE 1: What is the net book value of Econ Utilities Corporation at the date of transfer?

POSITION: The net book value of the water and wastewater systems is \$1,462,487 and \$1,382,904, respectively. (Welch)

ISSUE 2: Should a negative acquisition adjustment be included in the rate base determination?

POSITION: No, there are no extraordinary circumstances which would warrant an acquisition adjustment.

ISSUE 3: If a negative acquisition adjustment is an appropriate element in the rate base determination, what is the appropriate amount?

POSITION: A negative acquisition adjustment is not appropriate.

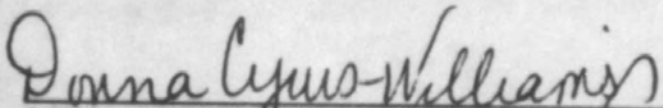
E. Pending Matters

There are no matters currently pending before the Commission.

COMMISSION STAFF'S PREHEARING STATEMENT
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F. Requirements That Cannot Be Complied With

There are no requirements of Orders Nos. PSC-96-1533-PCO-WS and PSC-97-0070-PCO-WS that cannot be complied with at this time.


DONNA CYRUS-WILLIAMS, Staff Counsel

FLORIDA PUBLIC SERVICE COMMISSION
2540 Shumard Oak Boulevard
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(904) 413-6199

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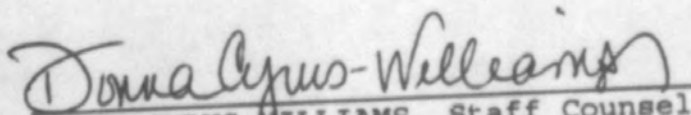
FILED: May 29, 1997

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of COMMISSION
STAFF'S PREHEARING STATEMENT has been furnished by U.S. Mail this
30th day of May, 1997, to the following:

Charles Beck, Esquire
Office of Public Counsel
c/o The FL Legislature
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Tallahassee, FL 32399-1400

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