

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Analysis of UTILITIES, INC.'S
financial accounting and customer
service computer system.

Docket No. 120161-WS

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PREHEARING STATEMENT OF UTILITIES, INC.

Pursuant to the Order Establishing Procedure, PSC Order No. PSC-14-0041-PCO-WS issued January 16, 2014, Utilities, Inc. ("UI" or the "Company"), by and through its undersigned counsel, files its Prehearing Statement as follows:

A. All Known Witnesses

UI relies on the prefiled testimony of and intends to call the following witnesses in its direct and rebuttal case:

<u>Witness Name</u>	<u>Subject</u>
Larry Danielson	The process of developing the financial accounting and customer service computer system
Sharon Wiorek	Rate Case Expense
John Hoy	UI's corporate policies

UI reserves the right to present additional witnesses to address issues which have not been previously raised by the parties, the Commission Staff, or the Commission.

B. All Known Exhibits

UI has identified and its witnesses intend to sponsor the following exhibits in its direct case:

<u>Exhibit No.</u>	<u>Description</u>	<u>Person Sponsoring</u>
LAD-1	Extract form Engagement Letter	Larry Danielson

LAD-2	Project Phoenix Cost Breakdown	Larry Danielson
LAD-3	Extract from Order No. PSC-11-0587-PAA-SU	Larry Danielson
LAD-4	ERC Comparison when Project Phoenix was implemented and Dec. 2013	Larry Danielson
LAD-5	Vendor Selection Results Extract	Larry Danielson
SW-1	Deloitte Consulting Contract	Sharon Wiorek
SW-2	Rate Case Expense	Sharon Wiorek
SW-3	Updated Rate Case Expense	Sharon Wiorek

UI may utilize other documents as exhibits at the time of hearing, either during cross examination or as further impeachment or rebuttal exhibits, and the precise identification of such documents cannot be determined at this time.

C. Statement of UI's Basic Position

UI is entitled to recover of its full cost of its financial accounting and customer service computer system, referred to as Project Phoenix, without regard for utility systems divested subsequent to implementation of the computer systems.

D. Questions of Fact that UI Considers at Issue, the Position on Each, and the Witness Testifying on Each Issue

1. Would the reduction in the number of customers served by UI subsidiaries by 10% have had any impact in reducing the cost of Project Phoenix?

UI's Position: No, it would not. (Danielson)

2. Should the cost of Project Phoenix be reduced as a result of divestitures subsequent to implementation?

UI's Position: No, it should not. (Hoy)

3. What is the appropriate rate case expense?

UI's Position: The appropriate rate case expense is \$240,114 (Wiorek)

Questions of Law that WMSI Considers at Issue, the Position on Each Issue

1. Whether reducing the cost of Project Phoenix for divested utility systems is contrary to Section 367.0813, Florida Statutes.

UI's Position: Yes, it is.

Questions of Policy that WMSI Considers at Issue, the Position on Each, and the Witness Testifying on Each Issue

UI is not aware of any questions of policy not subsumed in the issues above.

E. Stipulated Issues

UII knows of no Stipulated Issues other than those to which this Commission previously approved in Order No. PSC-14-0044-FOF-WS, issued January 22, 2014.

F. Pending Motions And Other Open Matters

UI has filed a Motion for Protective Order with regard to certain salary information in response to Staff's Interrogatory 5 a.

G. Statement Identifying Pending Requests for Confidentiality

UI has filed a Motion for Protective Order with regard to certain salary information in response to Staff's Interrogatory 5 a.

H. Objections to Qualifications of Witnesses

While WMSI does not object to the qualifications of the witnesses, it reserves the right to object to any opinions rendered that are beyond the expertise of such witness.

I. Reasons For Non-Compliance With Order (if any)

None known at this time.

Respectfully submitted this 18th day of April,
2014, by:

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A handwritten signature in blue ink, appearing to read "Martin S. Friedman", is written over a horizontal line.

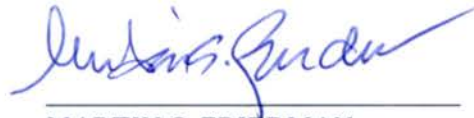
MARTIN S. FRIEDMAN
Florida Bar No.: 0199060
For the Firm

CERTIFICATE OF SERVICE
DOCKET NO. 120161-WS

I HEREBY CERTIFY that a true and correct copy of the foregoing has been sent to
furnished by E-Mail to the following parties this 18th day of April, 2014:

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