

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

Docket No.: 120161-WS

UTILITIES, INC.'S RESPONSE IN OPPOSITION TO  
OPC'S MOTION TO STRIKE PRE-FILED TESTIMONY

UTILITIES, INC. ("UI"), of behalf of its regulated subsidiaries in Florida, by and through its undersigned attorneys, and pursuant to Rule 28-106.204, Florida Administrative Code, files this Response in opposition to OPC's Motion to Strike Pre-Filed Testimony which was served on April 22, 2014, and states as follows:

1. Larry Danielson. This whole proceeding is about whether it was appropriate for the Commission to reduce UI's investment in its financial accounting and customer service computer system (Project Phoenix) as a result of divestitures subsequent to the implementation of the systems. It seems axiomatic that if UI had the number of customers after divestitures as it did when Project Phoenix was developed, and thus there would have been no reduction in the cost to develop Project Phoenix, the Commissions' adjustment would have been and was inappropriate. That is directly related to the question whether any adjustment should have been made to the cost of Project Phoenix. The details of Mr. Danielson's testimony to which OPC objects are the predicate for rendering his opinion and are thus appropriate to the ultimate question. Interestingly, instead of filing a Motion to Strike Mr. Danielson's Pre-Filed Testimony in February when it received that testimony, OPC sent UI discovery directed to that Pre-Field Testimony.

2. Sharon Wiorek. OPC asserts that rate case expense is not an issue in this proceeding. What OPC forgets is that rate case expense is the primary reason for addressing

Project Phoenix in a separate docket rather than to address it in the Utilities Inc., of Eagle Ridge rate case. Paragraph 3 of the Petition for Establishment of Generic Docket stated:

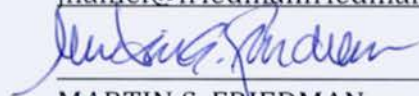
OPC and UIER were concerned that the customers of UIER would shoulder the financial burden of the rate case expense to litigate this issue, when the outcome would have precedential value for all other UI subsidiaries in Florida.

The Commission Staff certainly understood rate case expense to be an issue and directed discovery to that issue.

WHEREFORE, Utilities, Inc., on behalf of its regulated Florida subsidiaries, requests that OPC's Motion to Strike Pre-Filed Testimony be denied.

Respectfully submitted this 28th day of April, 2014, by:

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CERTIFICATE OF SERVICE  
DOCKET NO. 120161-WS

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished  
by E-Mail to the following parties this 28th day of April, 2014:

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