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June 18, 1991

Mr. Steve Tribble  
Division of Records and Reporting  
Florida Public Service Commission  
101 East Gaines Street  
Tallahassee, Florida 32399-0850

Re: Docket No. 900816-WS, Petition for Rate Increase in Martin  
County by SAILFISH POINT UTILITY CORPORATION

Dear Mr. Tribble:

Enclosed for filing on behalf of Sailfish Point Utility Corporation in the above referenced matter are the original and twelve (12) copies of the Additional Rebuttal Testimony of Frank Seidman in response to the SPOR Addendum to the Prefiled Testimony of Roger W. Rasmusen dated June 13. Also enclosed is the original Notice of Filing the Additional Rebuttal Testimony

Thank you for your assistance.

- ACK ✓
- AFA 2
- AFP \_\_\_\_\_
- CAF \_\_\_\_\_
- CMU \_\_\_\_\_
- CTR \_\_\_\_\_
- EAG \_\_\_\_\_
- LEG 1
- LIN orig 3
- OPC \_\_\_\_\_
- RCH \_\_\_\_\_
- SEC 1
- WAS 1
- OTH \_\_\_\_\_

BEG/sw  
Enclosures

Sincerely yours,

*Ben E. Girtman*  
Ben E. Girtman

DOCUMENT NUMBER/DATE  
06109 JUN 18 1991  
30-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Petition for Rate Increase) Docket No.: 900816-WS  
in Martin County by SAILFISH POINT) Submitted for filing:  
UTILITY CORPORATION ) June 18, 1991  
\_\_\_\_\_)


NOTICE OF FILING

COMES NOW Sailfish Point Utility Corporation, Petitioner for a rate increase in the above styled proceeding, and provides Notice of Filing Additional Rebuttal Testimony of Frank Seidman in accordance with the rulings of the Prehearing Officer on June 6, 1991.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Notice and the Additional Rebuttal Testimony have been sent to Stephen C. Reilly, Esq., Office of Public Counsel, 111 West Madison Street, 812 Claude Pepper Building, Tallahassee, FL 32399-1400, Wm. Reeves King, Esq.\*, 500 Australian Avenue So., Suite 600, Clearlake Plaza, West Palm Beach, FL 33401, and Catherine Bedell, Esq., Florida Public Service Commission, Division of Legal Services, 101 East Gaines Street, Tallahassee, FL 32399-0873 by hand deliver, this 18th day of June, 1991.

\* Served by Facsimile

  
\_\_\_\_\_  
Ben E. Girtman  
FL BAR NO.: 186039  
1020 East Lafayette Street  
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Attorney for Petitioner  
Sailfish Point Utility Corporation



**Sailfish Point**

**BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION**

**DOCKET NO. 900316-WS**

**CONTAINING  
ADDITIONAL REBUTTAL TESTIMONY  
OF  
FRANK SEIDMAN**

11380 Prosperity Farms Rd., Suite 211  
Palm Beach Gardens, FL 33410  
(407) 694-0220



567 Interstate Blvd.  
Sarasota, Florida 34240  
(813) 371-8499

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**Management & Regulatory Consultants, Inc.**

1           **ADDITIONAL REBUTTAL TESTIMONY OF FRANK SEIDMAN**  
2           **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**  
3           **REGARDING THE APPLICATION FOR INCREASED RATES FOR**  
4           **SAILFISH POINT UTILITY CORPORATION**  
5           **IN MARTIN COUNTY**  
6           **DOCKET NO. 900816-WS**

7  
8           **Q.    Please state your name, profession and address.**

9           **A.    My name is Frank Seidman.    I am President of**  
10           **Management and Regulatory Consultants, Inc.,**  
11           **consultants in the utility regulatory field.  My**  
12           **office is located at 11380 Prosperity Farms Road,**  
13           **Suite 211, Palm Beach Gardens, Fl 33410.**

14  
15           **Q.    Are you the same Frank Seidman that has previously**  
16           **submitted direct and rebuttal testimony on behalf**  
17           **of the Applicant in this proceeding?**

18           **A.    Yes I am.**

19  
20           **Q.    What is the purpose of your additional rebuttal**  
21           **testimony?**

22           **A.    This additional rebuttal testimony responds to the**  
23           **Addendum to the Pre-Filed Testimony of Roger W.**  
24           **Rasmusen.    The Addendum has been identified as**  
25           **RWR-6.**

26

1 Q. What is your understanding of the purpose of this  
2 addendum?

3 A. The purpose of this addendum, as I understand it  
4 from the direction of Prehearing Officer Easley at  
5 the prehearing conference, was supposed to be two  
6 fold. First it should identify each page or  
7 paragraph of Mr. Rasmussen's exhibits upon which he  
8 intends to rely with regard to issues relevant to  
9 this proceeding, (other than the issues of title or  
10 ownership, since those are beyond the jurisdiction  
11 of the Commission). Second, it should tie these  
12 passages to issues identified at the prehearing  
13 conference.

14

15 Q. Have you reviewed the addendum filed by Mr.  
16 Rasmussen, which he has identified as Exhibit RWR-6?

17 A. Yes.

18

19 Q. Does it identify pages and paragraphs with regard  
20 to issues relevant to this proceeding?

21 A. No. It identifies pages and it identifies some  
22 sections. In some cases it identifies inclusive  
23 pages of documents that are several dozen pages  
24 long.

25

1 Q. Does it identify the issues in the prehearing order  
2 to which the documents are supposed to be  
3 applicable?

4 A. No, it does not identify any issues relevant to  
5 this proceeding and it does not tie any document to  
6 any issue previously identified at either the  
7 preliminary prehearing conference or the prehearing  
8 conference.

9

10 Q. Since Mr. Rasmusen's Addendum does not identify any  
11 issues which his exhibit is related to, and does  
12 not tie any parts of his exhibit to relevant  
13 issues, how can you respond to the information in  
14 the exhibit?

15 A. I can not. It is simply impossible to determine  
16 what passages may be intended to relate to any  
17 issue. On that basis, I cannot respond.

18

19 Q. In regard to Mr. Rasmusen's prefiled testimony,  
20 what is important for the Commission to consider in  
21 this utility rate proceeding?

22 A. I can summarize these matters of concern, as I  
23 understand them, as follows:

24 1. IS SPUC AUTHORIZED TO PROVIDE WATER AND  
25 WASTEWATER SERVICE TO SAILFISH POINT?

1 Yes. SPUC is a regulated utility under the  
2 jurisdiction of this Commission. Several  
3 years ago it applied for and received a  
4 certificate to provide water and wastewater  
5 service at Sailfish Point. That certificate  
6 conferred the exclusive right, and  
7 responsibility, to provide water and  
8 wastewater utility services at Sailfish Point.

9  
10 2. IS SPUC AUTHORIZED TO MAINTAIN ALL OF THE  
11 FACILITIES NECESSARY TO PROVIDE WATER AND  
12 WASTEWATER SERVICE?

13 Yes, as a regulated utility, SPUC is not only  
14 authorized, it is required to own, operate and  
15 maintain all of its facilities up to and  
16 including the point of delivery (Section 25-  
17 30.225 F.A.C.). The "point of delivery" is  
18 the meter, for metered service, or the  
19 customer's piping for nonmetered service.  
20 (Section 25-30.210(7), F.A.C.)

21  
22 3. IS SPUC AUTHORIZED TO CHARGE FOR THE COST OF  
23 OPERATING AND MAINTAINING THE WATER AND  
24 WASTEWATER SYSTEMS?

25 Yes. As a regulated utility, it is entitled

1 to have rates set by this Commission to  
2 recover the associated costs of providing  
3 service. (Section 367.081 F.S.)  
4

5 4. ARE THE UTILITY FACILITIES A PART OF THE  
6 "COMMON AREAS" AND THUS THE RESPONSIBILITY OF  
7 THE POA?

8 No. The utility facilities are not part of  
9 the "Common Areas". The Common Areas  
10 specifically exclude any real or personal  
11 property to which title is held by other  
12 entities, including Sailfish Point Utility  
13 Corporation (SPUC). The plant and the lines,  
14 pumps, meters etc. associated with providing  
15 water and wastewater service are owned by  
16 SPUC. Therefore, the lines, mains, pumps and  
17 any other utility facilities that may lie  
18 within the common areas, are located there by  
19 reason of easements, as are the facilities of  
20 the electric, telephone and cable companies  
21 that also serve Sailfish Point.  
22

23 5. IS THE POA AUTHORIZED TO ASSESS RESIDENTS OF  
24 SAILFISH POINT FOR WATER AND WASTEWATER  
25 SERVICES?



1           No.   The only charges authorized to be made  
2           for utility services at Sailfish Point are  
3           those approved by this Commission.  I do not  
4           know if such a charge has ever been made.  
5           However, if the POA is charging for such  
6           services, through its assessments, as Mr.  
7           Rasmussen alleges it has the authority to do,  
8           then such charges are duplicative of SPUC's  
9           charges, are made without the authority of  
10          this Commission, and should be refunded to the  
11          customers.

12

13    Q.    Are any of the parts of Mr Rasmussen's exhibits  
14          relevant to issues in this proceeding?

15    A.    No, not in my opinion.