

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for increase)
in water rates in Orange County)
by Wedgefield Utilities, Inc.)
_____)

DOCKET NO. 991437-WU

Filed: July 12, 2001

NOTICE OF SERVICE
OF
REVISED PAGE 12
OF THE TESTIMONY OF FRANK SEIDMAN

Wedgefield Utilities, Inc. hereby provides Notice of Service of the attached revised page 12 to be substituted in the prefiled direct testimony of Frank Seidman, witness for Wedgefield Utilities, Inc. The changes were made in the wording on lines 1 through 5 of page 12 in which new language is underscored and the deleted language is struck through.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a copy of the foregoing has been sent to the following by U.S. mail (or by hand delivery*) this 12th day of July 2001.

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1 Commission were a lower cost of capital and access
2 to capital. The previous owner's only access to
3 capital was through ~~interest-free~~ loans from its
4 developer stockholder ~~developer~~ ~~sister~~. The
5 ~~Commission~~ which are treated ~~such loans~~ as equity
6 for ratemaking purposes. As pointed out in the
7 transfer docket, that access to funds from the
8 developer was no longer a viable option and was a
9 primary reason for the sale of the system of Econ.
10 Wedgefield's capital structure is a conservative
11 42% equity, which provides substantial access to
12 capital on reasonable terms, as needed, through a
13 parent who's only business is utility service.

14
15 Another benefit sought by the Commission, and
16 listed in Mr. Larkin's testimony, is the benefit of
17 professional and experienced utility management. It
18 is precisely because of the availability of this
19 management that Wedgefield has been successful in
20 reducing operating costs and minimizing capital
21 outlay, while at the same, maintaining or improving
22 the level of service.

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