



*Sailfish Point*

**ORIGINAL  
COPY**

BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION  
DOCKET NO. 900816-WS

CONTAINING  
SECOND ADDITIONAL REBUTTAL TESTIMONY  
OF  
FRANK SEIDMAN

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DOCUMENTA...  
65215 JUN 20 1999  
Sarasota, Florida

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**Management & Regulatory Consultants, Inc.**

1 SECOND 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, rebuttal and additional rebuttal**  
17 **testimony on behalf of the Applicant in this**  
18 **proceeding?**

19 A. Yes I am.

20

21 **Q. What is the purpose of your second additional**  
22 **rebuttal testimony?**

23 A. In accordance with the Prehearing Officer's Order  
24 No. 24681 issued June 19, 1991, this second  
25 additional rebuttal testimony responds to the  
26 revised Addendum to the Pre-Filed Testimony of

1 Roger W. Rasmusen. The Addendum has been  
2 identified as RWR-6.

3

4 Q. Have you reviewed the revised addendum filed by  
5 facsimile on June 19 by Mr. Rasmusen, which he has  
6 identified as Exhibit RWR-6?

7 A. Yes.

8

9 Q. What is your evaluation of that revision?

10 A. First, let me say that the schedule which has  
11 resulted from the mass of non-relevant documents by  
12 SPOR has placed the Utility, and anybody else  
13 trying to deal with these matters, in an untenable  
14 position. The filing of these "thousand pages of  
15 exhibits" have placed an unreasonable burden on the  
16 administrative hearing process and has unreasonably  
17 caused the rate case expense to be higher than  
18 otherwise would be necessary. The Final Hearing is  
19 scheduled for June 26, the Preliminary Prehearing  
20 was on June 5 and the Prehearing Conference was on  
21 June 6. The Utility was given "the weekend and a  
22 day" in which to respond to the remaining mass of  
23 documents identified in the Addendum, RWR-6. The  
24 SPOR Intervenor~~s~~s failed to comply with the rulings  
25 of the Prehearing Officer at the Prehearing

1 Conference and were given additional time by Order  
2 No. 24681 in which to comply. The Utility now has  
3 one day in which to complete its response to all of  
4 this massive data, none of which appears to be  
5 relevant in any way to issues 4 and 5, which the  
6 Intervenor has identified as the issues to which  
7 the documents supposedly apply.

8  
9 The witness has annotated RWR-6, the so-called  
10 Addendum, by indicating that every entry in that 6-  
11 page list of pages from the Pre-Filed exhibits are  
12 intended to address issues 4 and 5, and only those  
13 issues, in the Prehearing Order.

14  
15 The annotation of the Addendum, RWR-6, adds nothing  
16 substantive for the resolution of this case in  
17 general or the referenced issues 4 and 5,  
18 specifically. The documents designated in RWR-6  
19 are Offering Statements, Zoning Agreements or  
20 Covenants between the Developer and lot purchasers.  
21 None of those documents establish the cost of  
22 utility facilities. Those costs are contained in  
23 the books and records of the utility, and are  
24 summarized in the MFR. None of those documents  
25 establish the portions of the utility's facilities

1           that are used and useful in serving the public.  
2           Used and useful is determined from evaluating the  
3           records and operations of the utility.  None of  
4           those documents establish the service availability  
5           charges authorized by this Commission or record the  
6           amounts collected and recorded as CIAC.  That  
7           information is found in the books and records of  
8           the utility and in its tariffs and is summarized in  
9           the MFR.  None of those documents bind this  
10          Commission nor does Commission regulate those  
11          documents.  They are just irrelevant of the  
12          proceeding at hand.

13

14          Furthermore, although the SPOR exhibits are not  
15          relevant to the matters which must be decided by  
16          the Commission in this case, this whole matter  
17          causes a great deal of uncertainty in being able to  
18          know what exhibits and testimony will be allowed at  
19          the Final Hearing.  Because of the extreme  
20          uncertainty, I am compelled to take the unusual  
21          step of adopting as part of my testimony the  
22          numbered paragraphs and the exhibits of the  
23          Utility's Motion to Strike Response of Sailfish  
24          Point Property Owners Representatives and Charles  
25          R. Buckridge to Utility Objection to Petition for

1 Leave to Intervene which was filed by the Utility  
2 on April 9, 1991. I also adopt as my testimony the  
3 numbered paragraphs of the Utility Objection to  
4 Petition for Leave to Intervene by Sailfish Point  
5 Property Owners Representatives and Charles R.  
6 Buckridge which was filed on March 21, 1991. These  
7 motions and the exhibits referenced therein have  
8 been filed with the Public Service Commission and  
9 served on all parties, and therefore they are  
10 adopted and incorporated as if set forth verbatim  
11 herein.

12

13 **Q. Does this conclude your testimony?**

14 **A. Yes.**