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April 17, 1998

Ms. Blanca S. Bayo, Director  
Division of Records and Reporting  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, FL 32301

Re: Docket No. ~~960235-WS~~, Application for Transfer of Certificate  
Nos. 404-W and 341-S in Orange County from Econ Utilities  
Corporation to Wedgefield Utilities, Inc.

Docket No. 960283-WS, Application for Amendment of Certificate  
Nos. 404-W and 341-S in Orange County by Wedgefield Utilities,  
Inc.

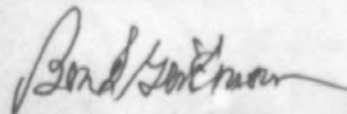
Dear Ms. Bayo:

Enclosed for filing on behalf of Wedgefield Utilities, Inc.  
are the original and fifteen copies of the following:

RESPONSE BY WEDGEFIELD UTILITIES, INC. to  
CITIZENS' OBJECTION TO LATE FILED EXHIBIT 18  
REQUESTING EITHER THAT THE OPC OBJECTION BE DENIED  
or that EXHIBIT 4 (CORRESPONDENCE) BE EXCLUDED FROM EVIDENCE  
or in the alternative  
MOTION TO REOPEN TESTIMONY SO THAT OPC MAY CROSS EXAMINE  
WEDGEFIELD'S WITNESS, MR. SEIDMAN, AS TO LATE FILED EXHIBIT  
18.

Thank you for your assistance.

Sincerely yours,



Ben E. Girtman

ACK   
MFA   
APP   
CAF   
CMU   
CTR   
EAG   
LEG  <sup>encl.</sup>  
LIN  <sup>2</sup> cc w/encl. Mr. Carl Wenz  
OPC   
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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

ORIGINAL

In Re: Application for Transfer)  
of Certificate Nos. 404-W and )  
341-S in Orange County from Econ)  
Utilities Corporation to )  
Wedgefield Utilities, Inc. )

DOCKET NO. 960235-WS

In Re: Application for )  
Amendment of Certificate Nos. )  
404-W and 341-S in Orange County)  
by Wedgefield Utilities, Inc. )

DOCKET NO. 960283-WS

Submitted for Filing:  
April 17, 1998

RESPONSE BY WEDGEFIELD UTILITIES, INC.  
to  
CITIZENS' OBJECTION TO LATE FILED EXHIBIT 18

REQUESTING EITHER THAT THE OPC OBJECTION BE DENIED  
or that  
EXHIBIT 4 (CORRESPONDENCE) BE EXCLUDED FROM EVIDENCE

or in the alternative

MOTION TO REOPEN TESTIMONY  
SO THAT OPC MAY CROSS EXAMINE  
WEDGEFIELD'S WITNESS, MR. SEIDMAN,  
AS TO LATE FILED EXHIBIT 18

COMES NOW Utilities, Inc. and its wholly owned subsidiary,  
Wedgefield Utilities, Inc., (hereinafter collectively referred to  
as "Wedgefield") and responds to the Citizens' Objection to Late  
Filed Exhibit 18 and states:

1. On March 26, 1998, at the conclusion of the hearing in the  
above styled proceeding, the Commission Staff requested that  
Wedgefield's rebuttal witness, Mr. Seidman, submit a late filed  
exhibit setting forth a comparison of the per-customer costs for  
the previous owner and for Wedgefield Utilities.
2. The witness complied, and on April 8, 1998, Late Filed Exhibit  
18 was filed with the Commission and served on all parties. It

shows a lower cost of service, per customer, under Wedgefield.

3. On April 14, 1998, OPC filed its Objection to Late Filed Exhibit 18, stating in its entirety:

The citizens of Florida ("citizens"), by and through Jack Shreve, Public Counsel, file this objection to late filed exhibit 18 filed by Wedgefield Utilities, Inc. Had this exhibit been offered at the hearing, the Citizens would have conducted extensive cross-examination concerning the contents of the exhibit. The citizens object to being denied due-process by the late filing of this exhibit. [Emphasis added.]

4. This situation is no different than the circumstances arising from the presiding officer's decision at the hearing to admit Exhibit 4 into evidence. The public office holders (who wrote the four letters making up composite Exhibit 4) were not in attendance at the hearing for cross examination, and Wedgefield objected to its admission into evidence on that basis. [See Tr., Vol 1, page 45, line 10 to page 46, line 10.]

5. At the hearing, OPC argued that Exhibit 4 (correspondence):

. . . is not for hearsay purposes and there's no proper objection to it. And it also provides support for the sworn testimony of the witness to the interest of the officials. [Tr., Vol. 2, page 107, lines 22-25.]

6. Wedgefield further objected that:

We [Wedgefield] have not had an opportunity to have the authors of those letters present and to examine them and to ask them questions about the basis of any conclusions therein. [Emphasis added. Tr., Vol. 2, page 106, line 25 to page 107, line 3.]

\* \* \*

. . . there were expressions of opinion as to whether or not the rate base should be set as

we claim it should be. And we have not had an opportunity to cross examine on the basis for those conclusions. They are offered . . . to prove what they claim to prove and that is that the rate base ought to be reduced to purchase price. And I think they are inadmissible hearsay. [Emphasis added. Tr., Vol 2, page 108, lines 2-10.]

7. The letters were admitted into evidence over Wedgefield's objection because, although hearsay, the Staff attorney pointed out that Rule 25-22.048 provides that hearsay evidence may be used to supplement or explain other evidence. [Tr., Vol. 2, page 108, lines 12-20.]

8. If that is the case, then Late Filed Exhibit 18 should be admitted on the same basis. The exhibit merely supplements the testimony of Wedgefield's witnesses, Mr. Wenz and Mr. Seidman, that the transfer to Wedgefield will result in lower costs of operation. [For example, see Tr., Vol. 2, pages 171, 172 and 174 containing Wenz Additional Direct Testimony, page 8, line 20 to page 9, line 4, and page 11, lines 10-13; Tr, Vol. 3, page 322 containing Seidman Rebuttal Testimony, page 7, lines 21-25.]

WHEREFORE, the Objection by OPC should be denied, and Late Filed Exhibit 18 should be admitted as evidence. If the Objection by OPC is allowed to prevail, it would be inconsistent with the ruling on Wedgefield's objection to the introduction of Exhibit 4, correspondence written by four people not in attendance at the hearing and not available for cross-examination. Due process works both ways.

In the alternative, Wedgefield files the following Motion.

MOTION TO RE-OPEN TESTIMONY  
SO THAT OPC MAY CROSS EXAMINE  
WEDGEFIELD'S WITNESS, MR. SEIDMAN,  
AS TO LATE FILED EXHIBIT 18

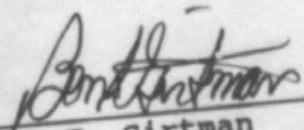
1. As an alternative to either dismissing the OPC Objection to Late Filed Exhibit 18 or striking Exhibit 4 from evidence, the Commission could re-open the testimony of Wedgefield's witness, Mr. Seidman. All the people involved live in Leon County, and no hardship to any party or to the Commission would result from allowing OPC to cross-examine Mr. Seidman on Late Filed Exhibit 18.

WHEREFORE, Wedgefield Utilities files this motion to re-open the hearing to allow OPC to examine witness Frank Seidman and possible re-direct by Wedgefield, limited to Late Filed Exhibit 18.

RESPECTFULLY SUBMITTED, this 17th day of April, 1998.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that the original and fifteen copies of the attached Rebuttal Testimony of Frank Seidman has been filed with the Clerk, Division of Records and Reporting, Florida Public Service Commission, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0850 by hand delivery and that a true and correct copy has been sent to Charles Beck, Esq., Office of Public Counsel, 111 W. Madison St., Tallahassee, FL 32399-1400; to Mr. John Forrer, Econ Utilities, Inc., 1714 Hoban Rd. NW, Washington, D.C. 20007; and to Jennifer Brubaker, Esq., Division of Legal Services, Florida Public Service Commission, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0850, by U.S. Mail this 17th day of April, 1998.

  
Ben E. Girtman  
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Suite 207  
Tallahassee, FL 32301

Attorney for Utilities, Inc.  
and Wedgefield Utilities, Inc.