

P R O C E E D I N G S

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2 **CHAIRMAN GRAHAM:** Item No. 16.

3 **MS. OLLILA:** Commissioners, Sue Ollila again
4 for staff. Item 16 is Peoples Gas's annual petition to
5 approve its cast iron/bare steel replacement surcharges
6 for 2016. The proposed surcharge for residential
7 customers is just under two cents per therm resulting in
8 a monthly surcharge of 43 cents for customers who use 20
9 therms a month. Staff recommends approval, and the
10 Office of Public Counsel is here to speak on this item.

11 **CHAIRMAN GRAHAM:** Okay. OPC.

12 **MR. REHWINKEL:** Thank you, Mr. Chairman. The
13 OPC has concerns about the escalation of costs related
14 to the rider in general. I will say that today we're
15 not here to say that these concerns rise to the level of
16 an objection to what Peoples Gas has filed or the
17 staff's recommendation.

18 You just heard on the previous item about some
19 concerns we have with respect to the type of costs that
20 are included in another company's similar rider. We are
21 not saying that this issue exists with Peoples Gas, but
22 we are saying that an audit like what the staff did for
23 FPUC/Chesapeake would help. Given that there is an
24 ongoing audit process that has raised concerns with
25 Peoples Gas distribution facilities inspection concerns,

1 coupled with the agreement they made last year when we
2 raised the issue about an audit, that they agreed that
3 an audit should be done or could be done, we are here
4 today to renew our request to you that there be an audit
5 of the costs and implementation of the rider and the
6 replacement program that you have before you today.

7 We remain supportive of the safety initiative
8 and believe that it is in the public interest and the
9 customers' interest, but we also remain committed to
10 having the company being held accountable for the costs
11 that they recover in this rider.

12 So our ask for you, and we certainly
13 understand the priority given to FPUC, is that the cost
14 be audited for Peoples Gas in the coming cycle, but we
15 do not object to the approval of the recommendation.

16 **CHAIRMAN GRAHAM:** Okay. Staff, comments on
17 the request.

18 **MR. WATSON:** Mr. Chairman.

19 **CHAIRMAN GRAHAM:** I'll be right there.

20 **MR. WATSON:** Okay.

21 **MS. OLLILA:** Staff is certainly agreeable to
22 an audit.

23 **CHAIRMAN GRAHAM:** Okay.

24 **MS. OLLILA:** And we're comfortable with our
25 recommendation, but --

1 **CHAIRMAN GRAHAM:** Okay. Sir.

2 **MR. WATSON:** I'm Ansley Watson for Peoples
3 Gas. The company has no objection to the request for an
4 audit.

5 **CHAIRMAN GRAHAM:** Okay. Sounds good to me.
6 Is that like three times in a row that happened?

7 Commissioner Edgar.

8 **COMMISSIONER EDGAR:** Thank you, Mr. Chairman.
9 I would move approval of the staff recommendation with
10 further direction to our staff to work with OPC and the
11 company to perform the audit as requested.

12 **CHAIRMAN GRAHAM:** We have a motion and a
13 second on the floor. Any further discussion? Seeing
14 none, all in favor, say aye.

15 (Vote taken.)

16 Any opposed? By your action, you've approved
17 the motion for Item No. 16.

18 (Agenda item concluded.)

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1 STATE OF FLORIDA)
2 : CERTIFICATE OF REPORTER
3 COUNTY OF LEON)

4 I, LINDA BOLES, CRR, RPR, Official Commission
5 Reporter, do hereby certify that the foregoing
6 proceeding was heard at the time and place herein
7 stated.

8 IT IS FURTHER CERTIFIED that I
9 stenographically reported the said proceedings; that the
10 same has been transcribed under my direct supervision;
11 and that this transcript constitutes a true
12 transcription of my notes of said proceedings.

13 I FURTHER CERTIFY that I am not a relative,
14 employee, attorney or counsel of any of the parties, nor
15 am I a relative or employee of any of the parties'
16 attorney or counsel connected with the action, nor am I
17 financially interested in the action.

18 DATED THIS 10th day of December, 2015.

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