

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

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In the Matter of:

DOCKET NO. 20170179-GU

PETITION FOR RATE INCREASE
BY FLORIDA CITY GAS.

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PROCEEDINGS: SERVICE HEARING

COMMISSIONERS
PARTICIPATING:

CHAIRMAN ART GRAHAM
COMMISSIONER JULIE I. BROWN
COMMISSIONER DONALD J. POLMANN

DATE: Tuesday, January 24, 2018

TIME: Commenced: 9:00 a.m.
Concluded: 9:23 a.m.

PLACE: Port St. Lucie
PSL Civic Center
9221 Civic Center Place
Port St. Lucie, Florida 34953

REPORTED BY: ANDREA KOMARIDIS
Court Reporter

PREMIER REPORTING
114 W. 5TH AVENUE
TALLAHASSEE, FLORIDA
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1 APPEARANCES:

2 BETH KEATING and GREG MUNSON, ESQUIRES,
3 Gunster Law Firm, 215 South Monroe Street, Suite 601,
4 Tallahassee, Florida 32301-1839, appearing on behalf of
5 Florida Public Florida City Gas.

6 J.R. KELLY, PUBLIC COUNSEL; VIRGINIA PONDER,
7 ESQUIRE, Office of Public Counsel, c/o the Florida
8 Legislature, 111 W. Madison Street, Room 812,
9 Tallahassee, Florida 32399-1400, appearing on behalf of
10 the Citizens of the State of Florida.

11 WALTER TRIERWEILER and STEPHANIE CUELLO,
12 ESQUIRES, FPSC General Counsel's Office, 2540 Shumard
13 Oak Boulevard, Tallahassee, Florida 32399-0850,
14 appearing on behalf of the Florida Public Service
15 Commission Staff.

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I N D E X
WITNESSES

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EXHIBITS

NUMBER:	ID	ADMITTED
3 - Composite exhibit submitted by Florida City Gas including proof of publication, proof of mailing customer notice, and proof of mailing synopsis	10	

1 P R O C E E D I N G

2 CHAIRMAN GRAHAM: Good morning, everyone.

3 AUDIENCE: Morning.

4 CHAIRMAN GRAHAM: I apologize for starting
5 late. I just saw that we only had one speaker
6 signed up. So, I figured we would give it about
7 ten minutes to see if somebody else would show --
8 two. Okay.

9 My name is Art Graham, and I'm the Chair of
10 the Public Service Commission. And I want to
11 welcome everybody here today. This is a customer
12 service hearing for Florida City Gas. And we are
13 here to hear from the customers, to hear their
14 testimony on how they feel about the service of
15 Florida City Gas and any questions or concerns they
16 may have about the upcoming rate increase,
17 potential rate increase.

18 I came with two of my colleagues, to my right
19 and my left. I'll let them introduce themselves.

20 COMMISSIONER BROWN: Thank you, Chairman
21 Graham.

22 Good morning. My name is Julie Brown, and I'm
23 a Commissioner with the Public Service Commission.

24 And thank you to the customers who showed up
25 today. We are going around the state, taking

1 public input. And we appreciate your thoughts
2 here. Thank you.

3 COMMISSIONER POLMANN: Thank you,
4 Mr. Chairman.

5 My name is Don Polmann. And I do appreciate
6 participation here. We are, as Commissioner Brown
7 indicated, having several customer service
8 hearings. We are here to listen to the customers.
9 We do this for all of the major rate cases.

10 It's important for us to hear from the
11 customers. And our -- our principal interest is
12 the quality of service and how you feel about what
13 you receive from your utility. We're interested
14 not only in issues of the rate and how you feel
15 about the rate increase, but most importantly, what
16 you can share with us about the quality of service
17 and particular details about your experiences.

18 So, we appreciate your participation. We
19 would like to hear as much as you can tell us about
20 your interaction with the utility. So, thank you
21 for your participation.

22 CHAIRMAN GRAHAM: Okay. Staff, can I get you
23 to read the notice, please.

24 MS. CUELLO: By notice issued on January 9th,
25 2018, this time and place has been set for a

1 customer service hearing in Docket No. 20170179-GU,
2 petition for rate increase by the Florida City Gas.

3 CHAIRMAN GRAHAM: Okay. We'll take appearance
4 of counsel.

5 MR. MUNSON: Good morning, Chairman. Good
6 morning, Commissioners. My name is Greg Munson,
7 I'm with Gunster, Yoakley & Stewart. I'm here with
8 my colleague, Beth Keating, on behalf of Florida
9 City Gas.

10 MR. KELLY: Good morning, Mr. Chair,
11 Commissioners. My name is J.R. Kelly. I'm here
12 with Virginia Ponder. We're with the Office of
13 Public Counsel. And we represent the customers of
14 Florida City Gas in this matter.

15 MR. TRIERWEILER: Good morning. On behalf of
16 Commission staff, I'm Walt Trierweiler. This is
17 Stephanie Cuello.

18 CHAIRMAN GRAHAM: Okay. As I said, this is
19 the service hearing for the customers. We are
20 going to take your testimony here. If you don't
21 feel comfortable speaking at the microphone, you
22 can always give us your written comments. And if
23 you think of something later on, after today, you
24 can always -- if you got this blue form out front,
25 you can put written comments on there and mail it

1 back to us. You can e-mail us your written
2 comments. And we'll also make sure that that's
3 part of the official record.

4 If you have any neighbors or friends that
5 couldn't make it today that want to participate in
6 this hearing, they also can send those comments in
7 and it be part of the official record.

8 We will have a technical hearing sometime in
9 March. I don't believe -- is that technical
10 hearing scheduled yet?

11 MR. TRIERWEILER: Yes.

12 CHAIRMAN GRAHAM: When is the date for the
13 technical hearing, the week?

14 MR. TRIERWEILER: Oh, gosh. It's scheduled --
15 it's the week of the 26th through the 30th of
16 March.

17 CHAIRMAN GRAHAM: 26th through the 30th.
18 Okay. So, we'll have a technical hearing in
19 Tallahassee that week. If you want to watch it
20 live, it will be live-stream. Or if you want to
21 drive to Tallahassee and watch it there -- you will
22 not be able to participate in the technical
23 hearing, but you can watch it there. Either way
24 is -- is fine. That's when the -- the technical
25 hearing is when we're actually going to get down

1 into the weeds of this.

2 Right now, what's in front of you is just what
3 the utility is asking for. They need to come
4 before us and justify every single one of those
5 dollars before -- and we'll decide how much of
6 those dollars we're going to grant them. So, this
7 is not a done deal yet. And once again, we're here
8 to hear from you.

9 We have several of our staff that are here.
10 In our accounting department -- our accounting and
11 finance, we have Cheryl Banks; economics department
12 is Elisabeth Draper and Riley Doherty; engineering
13 is Laura King; and public information office is
14 Cindy Muir, who probably got your -- your form
15 filled out up front, and Kelly Thompson who is --
16 there, hiding behind me.

17 Everything you say today is going to be
18 transcribed.

19 Do we have any elected officials in the
20 audience? No. Okay. Then I'll save on doing the
21 elected-officials side of all this.

22 And I will allow for our -- our parties to do
23 the opening comments.

24 MR. MUNSON: Thank you, Chairman. Thank you
25 Commissioners.

1 On behalf of Florida City Gas, the first thing
2 I would like to address is we have a -- a composite
3 exhibit, which we believe will be marked No. 3.
4 We've provided a copy to staff. It consists of
5 proof of publication, proof of the customer notice,
6 and proof of mailing synopsis. And we ask that
7 that would be introduced.

8 CHAIRMAN GRAHAM: Okay. We will do that.

9 (Exhibit No. 3 marked for identification.)

10 MR. MUNSON: Now, on to make some opening
11 comments for Florida City Gas, I'd like to
12 introduce Florida City Gas vice president and
13 general manager in charge of Florida City Gas in
14 Florida, Carolyn Bermudez.

15 CHAIRMAN GRAHAM: Ms. Bermudez, good morning.

16 MS. BERMUDEZ: Good morning. Good morning
17 Chairman, Commissioners, Public Counsel, and others
18 in attendance. We thank everybody for coming out
19 to join us. We're very interested in hearing what
20 everyone has to say.

21 With me, I have some colleagues from Florida
22 City Gas who is available to answer any questions
23 about service, bills, or need any additional
24 information about this case. So, I would ask them
25 to stand so we know who they are.

1 So, again, thanks to everybody for coming out.
2 We're here to listen and understand what our --
3 what the concerns of our customers are. Thank you.

4 CHAIRMAN GRAHAM: Thank you.

5 MR. KELLY: Thank you, Mr. Chair.

6 Again, my name is J.R. Kelly. I'm with the
7 Office of Public Counsel. We're an office that's
8 independent of the Public Service Commission. And
9 we represent the customers in this matter.

10 I don't have any further opening statement,
11 Mr. Chair, but if any of the customers wish to ask
12 me or Ms. Ponder any questions, certainly feel --
13 please feel free to come see us after the hearing.
14 Thank you.

15 CHAIRMAN GRAHAM: For the customers, you know,
16 J.R. Kelly is actually your representative. He's
17 your attorney. So, even after this hearing, he'll
18 be here for a few minutes. If you have some one-
19 on-one questions you want to ask him or get some
20 better feel for this process, he'll be the person
21 to talk to about that.

22 Normally, we only give each person three
23 minutes to speak, but seeing that we're not
24 overwhelmed today, we will give five minutes to
25 speak.

1 And I understand sometimes speaking at the
2 podium like this is not something that people do
3 every single day. So, feel free to just relax,
4 take a deep breath, and just tell us about your
5 experience. Tell us about your service. Tell us
6 about when you pick up the phone and you call them,
7 and anything you think that we need to know to --
8 to complete this -- this case.

9 If you're here to speak today, if I could get
10 you to stand and raise your right hand, please.

11 (Persons providing public testimony were sworn
12 en masse.)

13 CHAIRMAN GRAHAM: Thank you.

14 Okay. Mr. Kelly, would you call your first
15 client.

16 MR. KELLY: Mr. Chair, the first speaker is
17 Mr. Stephen Davis.

18 MR. DAVIS: (Indicating.)

19 CHAIRMAN GRAHAM: He passes.

20 MR. KELLY: Oh. Then, it will be Mr. Paul
21 Silvis.

22 MR. SILVIS: Yes, thank you. I'm Paul Silvis.
23 I live in Ravello, out here along the river. And I
24 guess, you know, one of the things I want to do is
25 commend Florida City Gas for going 14 years without

1 a rate increase. That's great.

2 I -- I'm involved in manufacturing. I've gone
3 for a lot longer than that without increases in my
4 prices, et cetera, you know. And what you should
5 strive to do is become more and more efficient as
6 time comes on, more and more efficient.

7 I think just the fact that you haven't
8 increased rates for 14 years, itself, is not a
9 great reason to -- to raise rates. Our economy,
10 our manufacturing, everything thrives on low --
11 keeping energy prices low. I mean, so, I would
12 urge the Commission not just to raise the rates
13 because they haven't done it in 14 years, but to
14 really look at what they're -- they're using it
15 for.

16 You know, some of the reasons that we've
17 looked in there about why rates are being
18 increased -- I mean, safety, training, employees,
19 infrastructure -- I would think infrastructure of
20 pipelines are probably the most important. And
21 ultimately, long-term, that should bring rates
22 down. If you put more pipes in, it's less
23 expensive to transport it, et cetera. So, that
24 should be some type of a future goal.

25 So, that's my first comment, just about rates

1 is, you know, baby steps. Don't, you know, give it
2 to them all at once. You know, if they need
3 another rate change in a couple of years, there's
4 nothing wrong with that, you know. Don't give it
5 to them all at once.

6 As far as my experiences with the gas company,
7 they've been very, very positive. I had a very
8 unusual situation occur where I built a -- I bought
9 a house, and first person to live in it. It was a
10 spec house.

11 And I kept having sewage problems. You know,
12 it would plug up intermittently. And you know, it
13 was really hard to diagnosis. And finally -- I
14 mean, we had to hand-dig around all the electrical
15 wires, et cetera, to find where the -- the break
16 was.

17 And we got down and it appeared that, when
18 they put the gas line, our development, that they
19 took a -- one of those ditch-digging machines, and
20 ran it -- the gas line right in the middle of the
21 sewer. All right.

22 So, of course you call the gas company. At
23 first, it's like, no. No, that's not my problem.
24 We couldn't have done that. I said, please, just
25 come take a look at it.

1 You call the plumber, and the plumber says,
2 I'm not touching the gas line; no, I want nothing
3 to do with that. Well, finally, I've got -- I got
4 somebody from the gas company to come out and
5 actually look at it. And they said, yeah, you're
6 right. We'll fix it. And it was great.

7 So, thank you, Florida City Gas, for -- for
8 looking at it and coming and fixing it. That
9 was -- that was -- that helped me, as a customer,
10 in a very tough situation because no one else was
11 going to touch that.

12 Thank you.

13 CHAIRMAN GRAHAM: Hold on a second.

14 MR. SILVIS: Yes?

15 CHAIRMAN GRAHAM: Any questions?

16 Okay. Sir, thank you very much for coming
17 down today.

18 MR. SILVIS: Okay.

19 MR. KELLY: I have no more names, sir.

20 CHAIRMAN GRAHAM: Is there anybody else in the
21 audience that would like to speak? A couple of
22 comments? Okay.

23 Any closing remarks, Commissioners?

24 Mr. Kelly?

25 MR. KELLY: No, sir.

1 CHAIRMAN GRAHAM: Ms. Bermudez?

2 MS. BERMUDEZ: No.

3 CHAIRMAN GRAHAM: Okay. I thank everybody for
4 coming out today. I want to thank staff for
5 getting here and getting this all set up for us.

6 And we are adjourned.

7 (Whereupon, proceedings concluded at 9:23
8 a.m.)

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CERTIFICATE OF REPORTER

STATE OF FLORIDA)
COUNTY OF LEON)

I, ANDREA KOMARIDIS, Court Reporter, do hereby
certify that the foregoing proceeding was heard at the
time and place herein stated.

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

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

DATED THIS 2nd day of February, 2018.



ANDREA KOMARIDIS
NOTARY PUBLIC
COMMISSION #GG060963
EXPIRES February 9, 2021