

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

In the matter of:

DOCKET NO. 20220067-GU

Petition for rate increase by Florida
Public Utilities Company, Florida Division
of Chesapeake Utilities Corporation,
Florida Public Utilities Company - Fort
Meade, and Florida Public Utilities
Company - Indiantown Division.

_____ /

PROCEEDINGS: SERVICE HEARING

COMMISSIONERS
PARTICIPATING: CHAIRMAN ANDREW GILES FAY
COMMISSIONER GARY F. CLARK
COMMISSIONER GABRIELLA PASSIDOMO

DATE: Tuesday, September 20, 2022

TIME: Commenced: 4:00 p.m.
Concluded: 4:15 p.m.

PLACE: West Palm Beach Solid Waste Authority
7501 N. Jog Road
West Palm Beach, Florida

REPORTED BY: DEBRA R. KRICK
Court Reporter

PREMIER REPORTING
112 W. 5TH AVENUE
TALLAHASSEE, FLORIDA
(850) 894-0828

1 APPEARANCES:

2 BETH KEATING, ESQUIRE, Gunster Law Firm, 215
3 South Monroe Street, Suite 601, Tallahassee, Florida
4 32301; appearing on behalf of Florida Public Utilities
5 Company (FPUC).

6 RICHARD GENTRY, PUBLIC COUNSEL; PATRICIA A.
7 CHRISTENSEN, ESQUIRE, OFFICE OF PUBLIC COUNSEL, c/o The
8 Florida Legislature, 111 West Madison Street, Room 812,
9 Tallahassee, Florida 32399-1400, appearing on behalf of
10 the Citizens of the State of Florida (OPC.).

11 RYAN SANDY and JENNIFER CRAWFORD, ESQUIRES,
12 FPSC General Counsel's Office, 2540 Shumard Oak
13 Boulevard, Tallahassee, Florida 32399-0850, appearing on
14 behalf of the Florida Public Service Commission (Staff).

15 KEITH HETRICK, GENERAL COUNSEL; MARY ANNE
16 HELTON, DEPUTY GENERAL COUNSEL, Florida Public Service
17 Commission, 2540 Shumard Oak Boulevard, Tallahassee,
18 Florida 32399-0850, Advisor to the Florida Public
19 Service Commission.

20

21

22

23

24

25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

I N D E X

WITNESS:

PAGE

MARTHA CUERVO

16

1 P R O C E E D I N G S

2 COMMISSIONER CLARK: I have been given the
3 thumbs up, so we can go ahead and get started this
4 afternoon.

5 Let me welcome everyone to this customer
6 service hearing in the Florida Public Utilities
7 rate case. Today's rate hearing is an important
8 part of the rate case process and is set aside and
9 dedicated to hearing from the consumers.

10 My name is Gary Clark. I will be chairing
11 today's hearing. With me today, joining us
12 virtually, Commission Chairman Andrew Fay.
13 Welcome, Commissioner Fay. Can you hear us okay?
14 All right. That's an affirm. And also
15 Commissioner Gabriella Passidomo. Commissioner
16 Passidomo, welcome today as well.

17 All right. Staff counsel, would you please
18 read the notice of the meeting?

19 MR. TRIERWEILER: By notice issued on August
20 12th --

21 COMMISSIONER CLARK: Turn your microphone on.

22 MR. TRIERWEILER: By notice issued on August
23 12th, 2022, this time and place has been set for a
24 customer service hearing in Docket No. 20220067-GU.
25 The purpose of the hearing is more fully laid out

1 in the notice.

2 COMMISSIONER CLARK: All right. Thank you,
3 Walt.

4 At this time, we will take appearances from
5 counsel, beginning with FPUC.

6 MR. MUNSON: Thank you, Commissioner. And
7 thank you Commissioners.

8 I am Greg Munson, appearing on behalf of
9 Florida Public Utilities, along with my colleague,
10 Beth Keating.

11 Thank you.

12 COMMISSIONER CLARK: I am sorry, Mr. Munson.
13 OPC.

14 MS. CHRISTENSEN: Good afternoon. Patty
15 Christensen with the Office of Public Counsel. And
16 I would also like to put in an appearance for
17 Richard Gentry, the Public Counsel.

18 COMMISSIONER CLARK: Thank you, Ms.
19 Christensen.

20 Staff.

21 MR. TRIERWEILER: Walt Trierweiler for
22 Commission staff.

23 COMMISSIONER CLARK: All right. Did we get
24 everyone? All right. Thank you.

25 Let me begin by thanking each of you for

1 taking time out of your schedule to be here today.
2 Just a couple of reminders. This is a hearing set
3 aside for customer -- to hear from our customers.
4 THERE will be a technical hearing in October, where
5 the Commission will weigh the substance and the
6 evidence in the case.

7 If you are here and would like to speak -- if
8 you are an FPU customer today and you would like to
9 speak with someone from the company, they do have a
10 company representative that is going to be
11 available, that -- they are available by phone at
12 1(800)524-1495 from 8:00 a.m. to 5:00 p.m., Monday
13 through Friday.

14 Corey Hampson from our Economic Division, who
15 is the PSC representative for the docket, is also
16 here today. Corey would you raise your hand? So
17 if anyone who would like to speak with someone from
18 our office, Corey is available to take your
19 comments as well.

20 This is an official hearing that will be
21 transcribed and become part of the record. As
22 such, I will swear anyone who is going to testify
23 today in before their comments. Please note that
24 your comments will also be subject to
25 cross-examination. That is, you may be asked

1 questions by any of the parties, and by the
2 Commissioners.

3 We appreciate the professional nature of these
4 proceedings, and ask that you do the same. Be
5 courteous to others who have taken time to call in
6 or to come by today.

7 In addition to sharing your comments here, you
8 may also share your comments and any additional
9 materials that you would like to provide to the
10 Commission for their consideration. To contact the
11 PSC by mail, you can find a pre-addressed comment
12 card for download on our website. If you would
13 like to email, please email the Commission's Clerk
14 at clerk@psc.state.fl.us. Also please reference
15 Docket No. 20220067-GU.

16 If during the course of this hearing another
17 customer said something that you wanted to say, or
18 you absolutely agree with, please feel free to just
19 say ditto.

20 All right. Now I would like to invite FPUC to
21 present a brief opening statement, and if it
22 chooses to do so, followed by OPC.

23 Mr. Munson.

24 MR. MUNSON: Thank you, Commissioner.

25 And I am going to introduce Mike Cassel. He

1 is the Vice-President for Governmental and
2 Regulatory Affairs for Chesapeake Utilities
3 Corporation, which is the parent company of FPUC,
4 Central Florida Gas and the Indiantown and Fort
5 Meade divisions.

6 Thank you.

7 COMMISSIONER CLARK: Mr. Cassel, you are
8 recognized.

9 MR. CASSEL: Thank you, Mr. Chairman and
10 Commissioners, for allowing me to speak.

11 And thank you to our customers who are here
12 today to participate. And we value your comments
13 and you being here with us today.

14 As Mr. Munson said, I am Mike Cassel, the
15 Vice-President of Governmental and Regulatory
16 Affairs for Chesapeake Utilities Corporation. That
17 is the parent company of Florida Public Utilities,
18 Central Florida Gas, as well as Indiantown and Fort
19 Meade Divisions of FPUC.

20 I have been with the company over 14 years,
21 and I live here in Florida. We are here today
22 because our natural gas companies have requested a
23 rate increase. We believe the current rates are no
24 longer sufficient to allow for the necessary
25 investment, and for us to continue providing the

1 reliable service that our customers have come to
2 denned on.

3 We've also requested the ability to
4 consolidate our business units, and that's
5 including the rate structures. And this will
6 enable us to simplify our operations and provide
7 natural gas service to our customers in the most
8 efficient manner.

9 The last time any of our natural gas companies
10 sought a rate increase was approximately 13 years
11 ago. And so, of course, there is some degree of
12 inflation in our request. Over that time, we have
13 done the best to manage our costs as effectively as
14 possible, but we've also grown and expanded into
15 areas of the state that previously had no access to
16 natural gas. At that same time, we have been
17 driving improvements in our customer service and
18 communications, and making critical improvements to
19 our systems, our training programs, our
20 cybersecurity, specifically that cybersecurity
21 aimed at protecting our customers' personal
22 information. As a result, we have made significant
23 capital investments, and we need to respond to the
24 growth and make other improvements that are also
25 included in this request.

1 Our commitment to you, our customers tonight,
2 is to listen, learn and respond to any service
3 commission -- service concerns you may have, and we
4 are honored to be your natural gas utility.

5 We fully understand as our customers' needs
6 that, we want to understand those as best we can,
7 and how better to serve you, and that's the
8 opportunity we have here today.

9 So we understand everyone's facing rising
10 costs right now, and nobody wants to pay higher
11 prices. It's important to know that we recover the
12 costs and the investments that we've made so that
13 we can continue to improve the services to our
14 customers.

15 So with us tonight is Todd Kelley. He is our
16 Manager of Customer Service. He is here to make
17 sure that your questions and any concerns you have
18 are promptly answered. And we also have a team of
19 experts from customer care, as well as operations
20 here to respond to those questions as quickly as
21 possible.

22 Thank you.

23 COMMISSIONER CLARK: Thank you very much, Mr.
24 Cassel.

25 Ms. Christensen.

1 MS. CHRISTENSEN: Good afternoon again.

2 My name is Patricia Christensen. I, along
3 with the Public Counsel, Richard Gentry, represent
4 the customers of FPUC gas in this rate case
5 proceeding.

6 We've hired expert witnesses to review FPUC's
7 request, and filed testimony with their
8 recommendations. Based on our experts' review, OPC
9 is recommending that the Commission only grant FPUC
10 a 9.25 return on equity, and a revenue increase --
11 revenue increase of no more than \$7.8 million.

12 I want to thank everyone who has come out to
13 speak tonight. It is important for the Commission
14 to hear what you have to say about the quality of
15 service and the types of service you have received
16 from the company, and thank you for coming.

17 COMMISSIONER CLARK: Thank you, Ms.
18 Christensen.

19 All right. As part of our procedure, if we
20 have any elected officials who are here with us
21 tonight that would like to make any brief comments,
22 we will recognize them first. Any elected
23 officials in the audience? All right. Seeing
24 none.

25 We have -- we give all of our customers an

1 opportunity to speak. I don't believe that any
2 customers that are signed up have made it tonight.

3 Are there any customers here who are wishing
4 to speak tonight? I am going to cut a lot of the
5 verbiage if there are no customers here who want to
6 speak this evening.

7 Mr. Trierweiler?

8 MR. TRIERWEILER: I am not aware of any.

9 COMMISSIONER CLARK: Okay. No one in the
10 audience? Go check the rest of the rooms in the
11 building and see if anybody -- no, I am kidding.
12 We are all clear, no one is here to speak.

13 All right. That sums this up really quick,
14 doesn't it?

15 All right. Anything else? A little unusual
16 format this evening.

17 All right. Well, if there is no one here that
18 wishes to address the Commission, thank you all for
19 being here. We will stand adjourned.

20 (Proceedings concluded.)

21

22

23

24

25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

CERTIFICATE OF REPORTER

STATE OF FLORIDA)
COUNTY OF LEON)

I, DEBRA KRICK, 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 30th day of September, 2022.



DEBRA R. KRICK
NOTARY PUBLIC
COMMISSION #HH31926
EXPIRES AUGUST 13, 2024