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FPSC DOCKET NO. 2017-0235, 0236

DIRECT TESTIMONY OF THOMAS P. WHITE

ON BEHALF OF

THE CIVIC ASSOCIATION OF INDIAN RIVER COUNTY, INC.

SEPTEMBER 7, 2018

Q. Please state your name, residence, and occupation.

A. My name is Tom White. I am a resident of the city of Vero Beach, Florida, having moved here in 1974. I am the owner operator of TeeJays Awards in Vero Beach.

Q. Can you briefly summarize your City service?

A. I was elected to the Vero Beach City Council in March 1998 and served continuously until November 2010. I served as Mayor for five terms.

Q. What is the purpose of your testimony in this proceeding?

A. On November 3, 2017, FPL filed a petition with this Commission for authority to charge FPL rates to former COVB customers and approval of their accounting treatment for the COVB transaction, and to alter territorial agreements. My testimony is directed to the claims that this sale is in the public interest and how the CAIRC has always played a role in City issues.

Q. Summary of your testimony.

A. The facts set forth by FPL about the rates and fees being charged are not supported by the facts and call into question the alleged benefits to the public interest of a sale. The CAIRC, where I've been a member for many years, has always spoken about it.

Q. Do you have any exhibits?

A. Yes. TPW - 1, Resume of City and civic activities.

1 **Q. How did the sale of the COVB utility to FPL become such an important**
2 **item for the City Council?**

3 A. As a member of the Council, I know it was not a pressing issue until about 2006
4 or 7. The cry for FPL did not become a real factor until a couple of County residents
5 started telling the public that we would save \$50 to \$100 on their Utility Bills, that
6 was around 2008 or so. FPL became a major player by supporting candidates for the
7 City Council. In fact FPL spent thousands to get pro FPL candidates in office, and
8 they succeeded. They then succeeded in pushing for a contract to buy our electric
9 system.

10 **Q. In your experience on the Council, do you believe the Council is responsive**
11 **to all customers, including those in the county?**

12 A. Yes, they are able to participate just like city customers, which is to say serve on
13 committees, speak at public hearings and participate in elections for City Council
14 through lobbying and funding of campaigns. Right now, they control the Council.
15 There has never been any difference in the services, rates, or access to authority
16 among all COVB customers.

17 As far as county customers, they've benefited substantially without having to pay City
18 taxes. The City ran new infrastructure into the County so they could have electric and
19 water without asking them to annex that land into the City. Not realizing that more
20 building would go on in the County that would so directly affect the City, we made
21 agreements with the County on service. We as a Council worked very hard to give our
22 utility customers the best service and rates, and for much of my time on Council we
23 had expert utility professionals handling the utility and the plant itself. The
24 FPL-backed candidates who were elected started eliminating anyone with expertise in

1 the utility field, then shut down any conversation at the committees and boards that
2 are concerned with utility matters.

3 **Q. As a long-time member of CAIRC, what would you say have been their**
4 **goals over the years?**

5 A. To support issues that impact the City, particularly, and since the County has
6 grown to immensely, issues that impact everyone in the area. From zoning matters to
7 tree ordinances, charter issues for the County, anything that affects our quality of life.
8 Things that are important to all of us, and it's why so many people are members.

9 **Q. How long has CAIRC been involved in the issues of selling the electric**
10 **utility to FPL?**

11 A. As I recall, they were involved in the 70's when that first attempt failed. But
12 CAIRC, along with Warren Winchester, really got involved again when the efforts to
13 sell were being proposed seriously in about 2009-2010. We all knew, especially those
14 of us who were in office, how many hurdles there would be to a sale, and how
15 uncertain the City's future would be without solid, long-term planning if the electric
16 was sold. So as it seemed like everyone was getting confusing information about a
17 possible sale, CAIRC really took the lead in speaking out about all those issues. For
18 instance, when there was a referendum proposed about leasing the land under the
19 power plant, land that is protected under our City Charter, it seemed like a normal
20 thing to do in case that option came up. But then the pro-FPL crowd began stating that
21 this had really been a vote to sell the whole system. Many residents were very
22 confused about what was going on, and the CAIRC board came to City meetings to
23 bring attention to the facts.

24 The Council had just been through a long arbitration with the FMPA, which we lost,
25 and so much of the higher rates we were experiencing weren't really understood, or

1 were being misrepresented, by the FPL crowd. The only people that I recall, other
2 than the Council at the time, speaking publicly about the concerns regarding a sale
3 were Warren Winchester, Caroline Ginn, Tom Nason, Ken Daige and Lynne Larkin,
4 all from the CAIRC. As an elected official, myself, the City Manager & City Attorney
5 spent many hours with FMPA after the arbitration, and we even tried to see if they
6 would take over our plant. They told us that they would consider it, and but after a
7 year of doing nothing to help us, we had to look for other assistance with Orlando.

8 **Q. Was there a concerted effort by the City to educate the public on what a sale**
9 **would mean to both city residents and to outside customers of the city?**

10 A. No. The City has followed FPL's public relations line all through this process.
11 That has never happened before, that I can recall.

12 **Q. When Council and FPL state that the public has "spoken" on its desire to**
13 **sell to FPL, do you think that is true?**

14 A. I feel very strongly both that people have only been promised lower rates without
15 real facts to back that up, and about not selling our assets to FPL. In my opinion FPL
16 has not acted fairly with the City in manipulating elections and making promises they
17 can't keep. I do not see the benefit the City officials are promising to the residents.
18 As a resident and rate payer for 44 years, money made by the City of Vero Beach has
19 helped keep our tax base low, help support our Police Department and keep our parks,
20 recreation and beaches some of the best. Not to mention that all money made from our
21 utilities stays here to benefit every one that comes into the City. That message
22 concerning the public interest, our future, and what our rates and total bills will be,
23 has been ignored.

24 **Q. What has been your experience with the utility and T&D departments?**

1 A. TD dept is the best of the best. The staff and crew worked very hard during the
2 hurricanes of 2004, 2005 etc. The City always had electricity turned on within
3 minutes from your call in normal weather if the power went out. I really could not say
4 enough about T&D and customer service. Exemplary in every way.

5 **Q. Does this conclude your pre-filed testimony?**

6 A. Yes.

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