

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

2 (Transcript follows in sequence from Volume
3 1.)

4 CHAIRMAN GRAHAM: All right. Staff, anything
5 else to go into the record before opening
6 statements? I guess not.

7 Okay. Opening statements.

8 MR. SCHRADER: No, sir. Sorry.

9 CHAIRMAN GRAHAM: Opening statements.

10 MR. WAHLEN: Good morning. Thank you
11 Commissioners.

12 We are here today on Tampa Electric's motion
13 to approve its amended storm cost settlement
14 agreement. We believe the agreement is in the
15 public interest and should be approved.

16 This docket has been opened for almost 18
17 months. The company answered over 150
18 interrogatories and data requests, held multiple
19 informal meetings and produced over 20,000 pages of
20 documents for review.

21 The amended settlement agreement is the
22 product of a detailed review of Tampa Electric's
23 storm costs and spirited debate among the parties.

24 I would like to thank the Commission, its
25 staff and our prehearing officer, Commissioner

1 Brown, for their patience and cooperation during
2 this proceeding. We filed more motions to adjust
3 the schedule in this case, but I think we ended up
4 in a good spot. So thank you.

5 Our agreement has two parts. The first is
6 what we call the money part, and will allow the
7 company to refund \$11.5 million to its customers
8 through a one-time bill credit in January of 2020.
9 This amount trues up the company's 2018 federal
10 income tax savings with an agreed to amount of
11 recoverable storm costs from 2015 through 2017; and
12 that amount is about \$10 million less than the
13 company originally requested in its amended
14 petition.

15 The second part of the agreement on future
16 process improvements reflects two important lessons
17 learned during this proceeding. The first is that
18 there are some good ideas being used for storm
19 recovery that make sense for Tampa Electric.

20 Exhibit 1 of the settlement agreement reflects
21 Best Practices and process improvements that will
22 promote the safe and timely restoration of service
23 in future storms in a cost-effective manner. These
24 procedures require better documentation, more
25 communication with vendors before a storm hits, and

1 setting expectations with vendors about invoicing
2 and work management upfront.

3 These procedures will not impede future storm
4 recovery efforts, because if they begin to, our
5 agreement requires that the company document the
6 problem and disregard the procedure. Safe and
7 timely restoration of service will remain the top
8 priority for Tampa Electric.

9 The second lesson is that future storm cost
10 recovery proceedings like this should be avoided if
11 possible. For the last 18 months, we have been
12 sparring with the consumer parties on dozens of
13 issues. Some big. Some small. We've fought over
14 documentation. We fought over substance of what
15 should be recoverable. We debated processes and
16 procedures, and it was grueling and tough on
17 everyone involved. So rather than just resolve the
18 money part, we decided to work with our customers
19 on future process improvements that will reduce the
20 number of disputes in the future.

21 In our view, Exhibit 1 will not tie the
22 Commission's hand on future storm cost recovery
23 decisions, but rather, will reduce the number of
24 issues that need to be decided because they are
25 disputed in future storm proceedings.

1 Before I close, I would like to clarify two
2 important points as indicated by your General
3 Counsel.

4 First, notwithstanding the company's storm
5 restoration cost process improvement policies and
6 procedures in paragraph seven of our amended
7 settlement agreement, the parties agree that the
8 company's primary objective will be power
9 restoration for its customers, and the company will
10 not allow the policies and procedures in the
11 exhibit to impede speedy power restoration for its
12 customers.

13 Second, the parties agree that the phrase
14 "superseded by action of the PSC", located in
15 paragraph eight of our agreement, means, quote,
16 "actions taken by the Commission in any rule-making
17 proceeding or in any evidentiary proceeding to
18 which Tampa Electric is subject as initiated by
19 Tampa Electric, third parties or the Commission on
20 its own motion, which addresses storm cost recovery
21 and which has the effect of overriding or
22 supplanting any provision of the settlement," end
23 quote.

24 I will close by again thanking the staff and
25 the parties for their professionalism and

1 cooperation during the proceeding, and request that
2 the Commission approve the amended settlement
3 agreement.

4 Mr. Aldazabal and I are available to answer
5 questions. Thank you.

6 CHAIRMAN GRAHAM: Thank you.

7 General Counsel, was that sufficient?

8 MR. HETRICK: Yes, Mr. Chair.

9 CHAIRMAN GRAHAM: Okay. OPC.

10 MR. REHWINKEL: Good morning, Commissioners.
11 My name is Charles Rehwinkel, Deputy Public
12 Counsel. And here with me on this case is Patty
13 Christensen and J.R. Kelly, the Public Counsel is
14 also here.

15 The Public Counsel signed this agreement
16 because the agreement serves and is in the public
17 interest. He heartily recommends to you its
18 adoption.

19 Commissioners, while there is an adjustment in
20 this case for improper billings, the journey and
21 destination that this settlement represents is the
22 culmination of the best in administrative law
23 alternative dispute resolution. It is
24 forward-looking, and it acknowledges that Tampa
25 Electric put the restoration of service at the very

1 top of their priority.

2 This agreement recognizes and endorses the
3 concept that while mistakes were made in the
4 massive undertaking that is the result of a major
5 hurricane, they should largely be addressed on a
6 going-forward basis and on a continuous-improvement
7 basis.

8 When Tampa Electric filed their storm cost
9 recovery request, the Public Counsel, our initial
10 effort was to go into litigation mode. I say this
11 not because it was a knee-jerk reaction, but
12 because of the storm cost recovery mechanism, or
13 SCRM, contained in the Commission adopted
14 comprehensive rate settlement includes what I call
15 upfront recovery of costs.

16 Because of the fact that customer money is
17 being spent and recovered before a hearing can be
18 held, our concern was heightened. And, of course,
19 this is the process that was agreed upon in the
20 settlement in the SCRM, and we are fully supportive
21 of that mechanism, but the concern existed
22 nevertheless.

23 What I am trying to convey is that we felt the
24 need to be vigilant regardless of the utility,
25 given that the recovery from customers would be

1 completed in this case before the Commission could
2 issue a final order determining the final amount of
3 the cost of the storm.

4 For this reason, the Public Counsel and the
5 intervenors you see here today scrutinized the
6 invoices that we received. What we saw gave us
7 pause. Our concern was not about the pace or the
8 quality of the restoration effort. Tampa Electric
9 did an outstanding job in that regard, and we
10 commend them for that. Instead, the intervenors
11 focused our efforts on evaluating the stewardship
12 of the expenditures that would ultimately be passed
13 through to the customers dollar for dollar.

14 The documents filed in this case speak for
15 themselves. I will not go into that. What I want
16 to emphasize what the good part of this case is,
17 the best part is that Tampa Electric Company
18 recognized in the spirit of their deeply engrained
19 continuous improvement process that there is always
20 room for improvement, and that better stewardship
21 and accountability of customer paid funds can be
22 achieved in a way that will not impede restoration
23 efforts.

24 The keystone of this agreement is that a
25 simple and preeminent emphasis on documentation,

1 especially the documentation of exceptions to the
2 very good policies that Tampa Electric and all the
3 Florida investor-owned utilities maintain, will
4 increase customer confidence in the stewardship of
5 the funds that they provide upfront in advance
6 of -- and in advance of a hearing. We strongly
7 believe that the agreed protocols will also
8 certainly decrease disputes and litigation in the
9 future.

10 For these reasons, the Public Counsel supports
11 the settlement as being in the best interest of
12 customers, and as being in the public interest.
13 And we strongly urge your approval, and we are
14 ready to answer questions if need be.

15 I would also like to take this time to
16 affirmatively state that the Public Counsel concurs
17 in the clarifications set out in the comments of
18 Mr. Wahlen Enterprise Florida.

19 Thank you.

20 CHAIRMAN GRAHAM: Thank you.

21 Mr. Moyle.

22 MR. MOYLE: Thank you, Mr. Chairman.

23 I would like to start by publicly thanking
24 Tampa Electric and Duke, the comments I will give
25 today will be equally applicable to both utilities,

1 but for the efforts to restore service after the
2 storms.

3 Unfortunately, we've had storms recently. We
4 had a 10-year period where we were not having to
5 can deal with storms, but in the last couple of
6 years, it's been some tough sledding with respect
7 to storms, but they've done good jobs in terms of
8 getting folks out there and restoring it, and the
9 FIPUG customers and I think other customers I think
10 appreciate the efforts. I thought it was
11 appropriate at the outset to just publicly
12 acknowledge and recognize that.

13 I think also it's appropriate to publicly
14 acknowledge and recognize the manner in which this
15 case has been handled. It's been more than alluded
16 to. It's been stated that there were a lot of
17 discussions, a lot of back and forth, a lot of hard
18 work that has gone into where we are today, which
19 is presenting you with a settlement and asking for
20 your approval, which FIPUG has signed and supports.

21 So the proceedings today, introducing evidence
22 and opening statements, I think, don't paint a
23 clear picture of all of the hours and the work that
24 went into this.

25 I am always impressed when -- in a lot of

1 different contexts, when there is a problem and
2 somebody -- somebody who has the problem steps up
3 and says, that's a problem, as compared to trying
4 to skirt it or dodge it. And in this case, there
5 were some problems. I don't think that's been
6 hidden.

7 There were some problems that were revealed in
8 some of the processes. And as you can see from the
9 exhibit that's attached to the settlement
10 agreement, a lot of thought went into process
11 improvement, and trying to improve things so that
12 we are not having continued conversations about the
13 same -- the same issues.

14 And one in particular that I just want to draw
15 to the Commission's attention is there was a
16 provision that relates to an independent audit.
17 And I think that is something that is important.

18 You know, independent audits play a
19 significant role in the financial sector, in stocks
20 that are being traded. You have reports that have
21 to be filed on a quarterly basis and annual basis,
22 and independent auditors have to look at them. And
23 when we are dealing with the sums of money that we
24 are talking about here. I mean, Tampa Electric
25 came in at over 100 million. Some other utilities

1 have costs that are in the billions of dollars. I
2 think its important that an independent audit play
3 a role, and we have set forward that in the
4 appendix.

5 There will be, obviously, continued
6 conversations as things move forward. Hopefully
7 not as frequently, because hopefully we won't have
8 as many storms, but I think the agreement before
9 you today is a good one and worthy of your support,
10 and we appreciate the role that was played -- the
11 constructive role, the constructive conversations
12 that was played by all parties, the intervenors and
13 the utilities, in coming to the result today, so
14 thank you.

15 CHAIRMAN GRAHAM: Thank you, Mr. Moyle.
16 Mr. Wright.

17 MR. WRIGHT: Thank you, Mr. Chairman,
18 Commissioners. Schef Wright on behalf of the
19 Florida Retail Federation.

20 I would like to largely echo the comments made
21 by Mr. Wahlen, Mr. Rehwinkel and Mr. Moyle. In
22 particular, I want to thank Tampa Electric and all
23 the numerous people who worked hard to get us to
24 where we are today throughout the whole process,
25 starting with intense discovery last summer.

1 I would like to thank my colleagues at the
2 Public Counsel's office and their experts, Mr.
3 Moyle. I would like to thank Commissioner Brown
4 for helping us out procedurally, and I would like
5 to thank the staff, all of them, for their
6 thoughtful, cordial, professional, honest and open
7 participation in the negotiations that got us to
8 where we are today.

9 This is a beneficial settlement, particularly
10 the part that's forward-looking with respect to
11 improving the processes and procedures that will
12 still keep service restoration to Tampa Electric's
13 customers the number one priority.

14 We concur with the clarifications offered by
15 Mr. Wahlen in his statements, and we support the
16 settlement and urge you to adopt it.

17 Thanks very much.

18 CHAIRMAN GRAHAM: Thank you, Mr. Wright.

19 Okay. Opening statements are past. Now it's
20 time for the Commissioners to ask any questions.

21 Commissioners, any questions of the parties?
22 Commissioner Clark.

23 COMMISSIONER CLARK: Thank you, Mr. Chairman.

24 I have a couple of comments and observations
25 as we go through the process. I -- no disrespect

1 intended, but when a group of attorneys and the
2 government get together to improve the process, I
3 begin to get a little concerned.

4 But I do want to compliment the parties that
5 are involved for your efforts, and for the job that
6 you did. I think that, all in all, the agreement
7 is certainly in the public interest.

8 I think that you did an outstanding job of
9 working your way through this process. The
10 accounting process, the numbers that you came to, I
11 think that was probably where your best work was.

12 I do have some concerns when it comes to the
13 stipulations in terms of the restoration cost
14 process improvements. There are several things, as
15 I went through this, that concern me.

16 I respect that you have come to a agreement on
17 how these processes are going to work, and I do
18 appreciate the fact that -- I think the parties
19 stipulated that everything is in light of speed of
20 restoration and that process. And I think that's
21 extremely important, but I do have some just
22 overarching general concerns.

23 And I don't -- I don't want to nitpick, but
24 the meal policies, I mean, my goodness, when you
25 are trying to feed crews, the number one priority

1 is feeding crews. It doesn't matter where they eat
2 or what they eat. Getting food in those people
3 that are working is of utmost priority. It was in
4 my role as a person that had to manage that
5 process.

6 I have some concerns about your 16/8. I
7 realize that you are probably -- in terms of
8 dealing with linemen specifically, you are under
9 DOT recollection regulations on how many hours they
10 are able to work. I was wondering if you gave
11 consideration to call center crews in terms of how
12 you outsource that, and how those contracts are
13 managed by those individuals. I am just throwing
14 some general thoughts out there.

15 And one of the other concerns was the
16 accounting cost. If we had taken into
17 consideration what the costs are going to be with
18 an independent firm doing it, as Mr. Moyle pointed
19 out, you are talking 150 -- you know, up to \$1
20 billion in expenses. And doing an audit of this
21 size, what are those costs going to be? Have we
22 got any estimates on how that might play out?

23 Thank you, Mr. Chairman.

24 CHAIRMAN GRAHAM: Okay. Go ahead.

25 MR. WAHLEN: Okay. Well, I can tackle a

1 couple of those, maybe all of them. And if I
2 missed the mark, Mr. Aldazabal is here to correct
3 me.

4 In terms of the meals and the hours, those are
5 things that we talked about quite a bit. We've
6 been trying to respond to concerns the consumer
7 parties have. We are hopeful that, in the process
8 of setting up contracts in advance, we can set some
9 expectations with vendors about, you know, how much
10 we think they should -- how far they should go when
11 they travel, where they should eat, those sorts of
12 things.

13 But again, when we get into the heat of the
14 moment, if any of those things start to look like
15 they are going to be a problem and impair speedy
16 recovery, we are going to abandon them and we are
17 going to make sure we document why, and then we are
18 going to proceed with our first priority, which is
19 service restoration. And so that, I hope, will
20 take care of that.

21 In terms of the audit, we don't have a firm
22 estimate of what the cost would be. We think it
23 will be a real cost, but we also expect that
24 incurring that cost up front in the long run is
25 going to make the process more efficient.

1 It hopefully will give the consumer parties
2 some confidence in our numbers. It can reduce the
3 amount of time and energy they spend on discovery.
4 Hopefully it will give the Commission and the
5 public some confidence in our numbers.

6 And even though it will cost some money in the
7 up front, we expect that over the long-term, it
8 should reduce the overall cost of storm restoration
9 and cost recovery.

10 MR. REHWINKEL: Mr. Chair.

11 COMMISSIONER CLARK: Go ahead.

12 MR. REHWINKEL: If I could add to that, and I
13 certainly appreciate Commissioner Clark's
14 perspective. He's got time on the ground in this
15 area, and we understand that.

16 But to follow up on that point, and I know you
17 see the lawyers up here today, but what you don't
18 see here is that when we went down and spent days
19 in the Tampa Bay area with both utilities
20 separately, what we did is we had discussions with
21 their operational folks in the room. And we went
22 through and we made sure that they gave us all of
23 their feedback on the things that we were looking
24 for. And we worked to a point where they were sure
25 that they could do these things and they made

1 sense.

2 On the 16/8 issue, the intent here is that
3 that applies to the issue that we were dealing
4 with, was the line crews. And there are certainly
5 many union issues and other aspects that they have
6 to deal with.

7 But the companies are very good at managing
8 that process, and making sure that they get the
9 right amount of rest to the people at the right
10 time. And they were very -- we -- we made sure
11 with both companies that they were comfortable that
12 they could do that.

13 And so on the audit, for one thing, that's one
14 time. And the intent is not that if there is
15 100 million or 500 or \$1 billion of costs that they
16 are going to audit all the costs. They are really
17 auditing the process, and making sure that the
18 process and the documentation comports with the
19 settlement agreement, rather than going through and
20 doing what a witness would do, which would be to
21 review every invoice and things like that.

22 Plus, the auditors, the outside auditors, they
23 have professional standards that tell them how to
24 scope -- how to do the sampling in the audit. And
25 I don't think it's going to be as monstrous as it

1 might seem on the face. That's our --

2 MR. MOYLE: You -- you have issued a bit of an
3 invitation, I think -- at least that's my
4 interpretation of it -- with respect to the
5 question about the audits. And while we don't
6 typically get into, you know, what for what, and
7 kind of those things. I mean, that was an issue, I
8 will say, that was important to a number of us.

9 And I think my client, with respect to the
10 costs, I mean, we think -- we didn't get this in
11 the agreement, but we think that having, you know,
12 an independent audit is meaningful because, you
13 know, you get invoices. There is all of this stuff
14 that's going on. And having someone who -- that's
15 what they are trained to do, goes in and looks at
16 it, and says, we looked at it and, you know, it's
17 good; or we looked at it, and we found X or Y or Z.

18 I mean, that is -- you know, the firms that do
19 those audits are recognized and have reputations
20 for doing those things. And so I don't think that
21 you will hear any complaints from us if, in the
22 future, this migrated toward more than a one-time
23 audit of simply looking at processes but got into
24 an audit that looked at expenditures, so -- so, you
25 know, I wanted to make that point.

1 The food point, I don't think you will hear
2 any disagreement with anybody saying, yes,
3 absolutely, those people are working hard. They
4 are out there, they need to be well fed. But when
5 you are looking at something that, you know, may
6 have a per diem rate into it, and then may have
7 receipts, and then may have -- being fed at a site,
8 you know, kind of like, wait a minute, is that --
9 and they are all rolled up. I mean, I don't know
10 that you can reconcile, you know, per diem
11 necessarily with feeding on site and meals. I
12 mean, maybe the per diem is not part of it because
13 you are getting your meals supplied by other
14 places. But, you know, that's a detail. But I
15 think, you know, looking at these, they were things
16 that caught eyes of some of us, and it was part of
17 it.

18 And I guess the final point I would make is is
19 that, you know, obviously we have put this together
20 based on our best thinking. I will share somewhat
21 your view of a group of lawyers getting together,
22 you know. I don't know that any of us have worked
23 on a line, or been in charge of this. But we did
24 give good thinking, and OPC had had an expert on
25 it. But the Commission obviously remains free, per

1 the remarks of your Public Counsel, to engage in
2 rule-making and to do things, you know, that we may
3 have missed, or that you have a different view on.
4 So thanks.

5 COMMISSIONER CLARK: Mr. Chairman, if I can
6 follow up with just one. And I was kidding. I
7 appreciate -- I really generally appreciate the
8 work that you guys do.

9 I did have one question in regard to the 16/8
10 and that particular requirement, or that particular
11 part of the process improvement, is that consistent
12 with DOT and OSHA in the first 24 hours of an
13 event? Is there a different time standard that
14 applies for operations during the first 24, 48
15 hours of a major event? I am going off memory, but
16 I thought there was.

17 MR. ALDAZABAL: Commissioner, based on what we
18 had a discussion with our operational folks, we
19 heard 24 hours was the max time for maximum time
20 from OSHA standards.

21 So it is consistent from that standpoint. It
22 doesn't prevent someone from working over the 16
23 hours. So if, for example, if they are trying to
24 repair a circuit and they need the incremental hour
25 to get to that repair, they are allowed to work

1 that incremental hour to finish up a circuit. But
2 there is nothing that precludes them from working
3 up to 24 hours if it's an emergency situation for a
4 hospital, or something like that.

5 COMMISSIONER CLARK: Okay. Great. That's
6 what I need.

7 Thank you. Thank you all.

8 CHAIRMAN GRAHAM: Commissioner Brown.

9 COMMISSIONER BROWN: Thank you. And I respect
10 and appreciate the parties' cooperation throughout
11 this. I mean, there has been a lot of work
12 involved. There has been a lot of discovery
13 involved. So to get to this point today is truly
14 tremendous.

15 But, you know, Tampa Electric agreeing to
16 these new processes and procedures, I know that
17 that is something that you conceded on, and I have
18 some concerns, similar to Commissioner Clark, who I
19 respect, because he has been on the ground and he
20 understands. I want to talk about the superseding
21 by action of the Commission.

22 Mr. Hetrick, you -- you talked about that and
23 what that means. Can you elaborate a little bit
24 more? It's not just limited to rule-making, is
25 that correct?

1 MR. HETRICK: It's not just limited to
2 rule-making, Commissioner. It could be any
3 evidentiary proceeding. It could be a clause
4 proceeding. It could be the Commission, on its own
5 motion, deciding to go back in and dissect some of
6 these provisions and say that they are no longer
7 applicable.

8 Our main concern was rule-making, because I
9 think you -- as you pointed out in numerous
10 dockets, we do want to go forward and modernize and
11 update the rule that's the subject of this
12 settlement to update storm cost recovery
13 mechanisms, and deal with many of these issues,
14 maybe in a different fashion, but the Commission
15 clearly will have the authority to do that.

16 COMMISSIONER BROWN: I just wanted that clear
17 forward, too.

18 And by approving the settlement agreement, if
19 the Commission goes in that direction, is that
20 conceding to the policies and procedures? Is that
21 blessing them?

22 MR. HETRICK: These would remain in effect
23 unless, for the company in this case -- and they
24 have numerous -- I think as Mr. Wahlen pointed out,
25 they try to implement this to the best of their

1 abilities, but these will apply.

2 If you -- if Commissioner Clark decided to
3 come in and say, we are not going to have this
4 rigid of a rule, or a meal policy, we could state
5 that in a rule. We could come up with general
6 provisions in a rule which entire new language that
7 supersedes this settlement agreement, these
8 policies and procedures as a general matter as
9 well.

10 COMMISSIONER BROWN: Okay. So if the
11 parties -- it talks about in the agreement, if the
12 parties amend the policies and procedures in
13 Exhibit 1, will that trigger an amendment to the
14 settlement agreement?

15 MR. HETRICK: Yes, I believe it would --

16 COMMISSIONER BROWN: Okay.

17 MR. HETRICK: -- and then bring that back to
18 the Commission.

19 MR. WAHLEN: Yes.

20 COMMISSIONER BROWN: Okay. So then -- so any
21 type of amendment to those policies and procedures,
22 the Commission will have an opportunity to review
23 and approve, or deny?

24 MR. WAHLEN: That's correct.

25 COMMISSIONER BROWN: Okay. And some of them

1 are really helpful, and I think will refine your
2 process. But as you stated in your opening
3 comments, restoration of service should absolutely
4 be the priority first and foremost. So I
5 understand there are some concessions here.

6 I think that is all, Mr. Chairman. Actually
7 one more question for Public Counsel.

8 Mr. Rehwinkel, you said that these agreed
9 protocols will decrease disputes in the future. So
10 are you envisioning if a storm occurs this year,
11 per se, how will this decrease contested
12 litigation?

13 MR. REHWINKEL: Well, first of all, the
14 process that's set out in the settlement agreement,
15 for both TECO and Duke, is that for the 2019
16 season, if there are things that they can do in
17 here that's kind of aspirational or voluntary on
18 their part, if they -- so it wouldn't necessarily
19 apply to any storm that would occur this -- in
20 2019.

21 COMMISSIONER BROWN: But 2020?

22 MR. REHWINKEL: The 2020 season is when this
23 kicks in, and it becomes more of a requirement on
24 them to implement these processes.

25 So -- I have lost the train of thought, which

1 was the essence of your question.

2 COMMISSIONER BROWN: How will these agreed
3 protocols decrease disputes?

4 MR. REHWINKEL: So what we envision is, you
5 know, we went through, both with Tampa Electric and
6 Duke and with Florida Power & Light, we looked at a
7 lot of invoices and a lot of processes. We've
8 raised concerns and issues. And I think just the
9 fact of going through this process and vocalizing
10 these concerns, they are received by the utilities,
11 and I think they take them to heart, whether they
12 are embedded in this agreement or not. But the
13 point I made in my opening, which is that what we
14 care about here is there is documentation and
15 documentation about exceptions.

16 The policies these utilities have are
17 outstanding, and I think that what we've got here
18 makes them even better. And it's better by
19 agreement. These are things that these companies
20 are willing to do and they think that will help
21 them.

22 So if the documentation focuses on exceptions
23 to the policies, that's where I think we would
24 focus any efforts. So we are not going to be
25 bringing invoices and filing 100 pages of testimony

1 disputing things. I think --

2 COMMISSIONER BROWN: It won't be an 18-month
3 protracted --

4 MR. REHWINKEL: That's correct.

5 COMMISSIONER BROWN: -- process?

6 MR. REHWINKEL: That's correct.

7 COMMISSIONER BROWN: Okay.

8 MR. REHWINKEL: And I think this goes back to
9 the audit. Because the first time they have a big
10 storm, there is going to be an audit to see is your
11 documentation correct there? Are you documenting
12 exceptions? If they can get that process buttoned
13 down, it should be more of an auto pilot thing
14 rather than every time there is a storm, we come
15 back here and we convene a year-long proceeding.

16 That's the vision here. And that's what we
17 are going to work towards doing. So I think it
18 will narrow disputes. It almost puts a little bit
19 of a burden on us. And I don't mean this in the
20 legal sense, but to kind of focus on the exceptions
21 in the documentation rather than everything.

22 COMMISSIONER BROWN: Okay.

23 MR. WAHLEN: Could I add in on that just
24 briefly?

25 I want to make sure there is not a

1 misunderstanding here.

2 Tampa Electric thinks these are good
3 procedures. We think they make sense. We think
4 they are prudent. We think they are going to
5 improve the process. And although we agreed to
6 them, you know, we are agreeing to things that we
7 think make sense. And here's an example of how I
8 think these might reduce disputes.

9 There is a provision in here about pace of
10 travel. And we are going to expect that when line
11 crews are coming down here to help us, that they
12 are going to make 500 miles a day, and if they
13 don't, we have to document it, okay. So the next
14 time we have a storm, we expect that when the crews
15 who come down here make more than 500 miles a day,
16 or we document why they didn't, that that's going
17 to satisfy the consumer parties. And rather than
18 fighting with us about why a crew didn't make
19 500 miles a day, they are going to review the
20 documentation, and they are going to say, okay, we
21 get it, and we are not going to raise an issue
22 about it.

23 COMMISSIONER BROWN: What happens if they say
24 that the documentation doesn't suffice?

25 MR. WAHLEN: Well, then we are going to be

1 back in front of you with a dispute. But our hope
2 is that our documentation will be adequate. We
3 will say in our documentation that I-75 was closed
4 at the Suwannee River, and they simply couldn't
5 make 500 miles a day; or, you know, they decided to
6 stage in Georgia where it was safe before the
7 storm.

8 We have developed a sense of cooperation
9 comfort --

10 COMMISSIONER BROWN: I'm glad that's all on
11 the record here. That's great.

12 MR. WAHLEN: -- that they are going to be
13 reasonable, and they expect us to be reasonable.
14 And we are optimistic that that's going to work in
15 everybody's favor.

16 COMMISSIONER BROWN: So it sounds like
17 documentation is the critical component here, is
18 that correct?

19 MR. WAHLEN: It's very, very important.

20 MR. REHWINKEL: You understand, and you hit
21 the nail on the head. Thank you.

22 COMMISSIONER BROWN: Thank you.

23 Thank you, Mr. Chairman.

24 CHAIRMAN GRAHAM: Commissioner Polmann.

25 COMMISSIONER POLMANN: Thank you, Mr.

1 Chairman.

2 First off, I do wish to echo comments from
3 others to recognize, very much appreciate the
4 effort of all the parties. Obviously, a tremendous
5 amount of work has been done here, and you worked
6 cooperatively to resolve the 2015 through '17
7 recovery. The dollar amounts is very much
8 appreciated. All of the work you have put in a
9 tremendous effort and I think is well recognized.
10 So thank you very much for that.

11 I also embrace the notion behind establishing
12 the predetermined procedures, the processes that
13 you have worked hard on in the hope of what you
14 have just been discussing, that's implementing
15 these forward-looking provisions will, in fact,
16 reduce the number of disputes in the future.

17 I think the key is, in fact, the
18 documentation. If nothing else, it will make
19 discovery much more efficient and save money. I
20 hope, in fact, it does reduce the number of
21 disputes, not just make it quicker. I would like
22 to eliminate those.

23 So I have a couple of questions. The wording
24 is very important here. And the fact that it's
25 very difficult to define the terms, or have a

1 common understanding so that, going forward, we can
2 eliminate the dispute.

3 So if I could ask, when we say document
4 exceptions -- when you say document exceptions, can
5 I get some explanation from the parties here?
6 Since -- Public Counsel, perhaps Mr. Rehwinkel, you
7 can help me. When it says document exceptions,
8 what would be your understanding, in general terms,
9 as to what would be necessary, and what would be
10 sufficient in terms of documentation?

11 And I don't have a particular example, but
12 maybe not going into too many examples. What do
13 you mean by documentation for an exception?

14 MR. REHWINKEL: That's an excellent question,
15 Commissioner. And I think there is two elements to
16 the documentation that we are looking for.

17 The first, if you think about there is a
18 policy, the 16/8, or the 500 miles a day. The fact
19 that the policy was not adhered to, that's the
20 first element that there was an exception made.
21 And then the second element of that documentation
22 is a rational explanation about why.

23 I mean, I think, you know, a good example
24 would be a crew worked 19 hours. And the
25 documentation is they were restoring service at

1 Tampa General Hospital. And if they would have
2 just worked three more hours, they could have got
3 it done and they did, and Tampa Electric asked them
4 to do it.

5 So I think those are just the two elements.
6 Every one of these documentations that we are
7 looking for is the exception occurred, and here is
8 why it occurred.

9 And we understand that in the heat of the
10 storm restoration, when there is so much urgency
11 involved there, is that documentation isn't going
12 to be a long two-page explanation, but it's going
13 to have sufficient notation where a reasonable
14 person would look at that and say, that makes a lot
15 of sense.

16 And we saw a lot of documentation like that
17 even without these processes that caused us to not
18 challenge things. But I think a structured and
19 uniform process where they have these two elements,
20 everywhere there is a material departure from the
21 policy will tamp down tremendously litigation.

22 COMMISSIONER POLMANN: Thank you for that.

23 Comments from any of the other parties that
24 support that notion?

25 MR. WAHLEN: On behalf of Tampa Electric, we

1 would concur with that.

2 I think what we are talking about in terms of
3 documentation is writing down a valid business
4 reason for the decision. And another example might
5 be we are trying to hire a vendor, and we would
6 like them to come help us. We need them, but
7 they've got a union contract, and their union
8 contract requires them to do something that's a
9 little bit contrary to this.

10 Well, we are going to have a decision to make.
11 Are we going to get the help or are we going to
12 follow the guidelines? Well, we are going to get
13 the help. And we are going to document that in our
14 effort to secure this vendor, it came to our
15 attention that their union contract would not allow
16 them to follow this, but we need the help anyway
17 and we are going to go ahead and get them.

18 And, you know, doing that is one thing.
19 Writing it down so after-the-fact we all understand
20 what happened and what the basis for the decision
21 was is what we are talking about in terms of the
22 documentation.

23 And that's good business practice. And it's
24 something that the company is going to put more
25 resources into. And I think with better

1 documentation, we will have a better result all
2 around.

3 COMMISSIONER POLMANN: Any other comments?
4 Okay.

5 So if I understand correctly, your primary
6 objective, as you said earlier, is restoring power?

7 MR. WAHLEN: Absolutely.

8 COMMISSIONER POLMANN: So given that your
9 documentation would be in support of, and then the
10 reasonable person's review of that would
11 essentially, Mr. Rehwinkel, be the concept with
12 which you are going to assess, was this a
13 reasonable thing to do given that your primary
14 objective and --

15 MR. REHWINKEL: That's precisely it, yes.

16 COMMISSIONER POLMANN: Okay. Well, thank you,
17 sir.

18 And then the other -- the other term that's
19 used in here, which we -- I don't know that we've
20 seen it typically, and maybe you folks had this in
21 mind when you reviewed issues in the past, is
22 practicable. And I am very familiar with that from
23 my prior work, but that's typically something that
24 a contractor or a vendor would use, and it's the
25 thing that you are able -- able to do in the field.

1 You know, can I actually achieve this?

2 But when you are looking at a piece of paper
3 after-the-fact, you know, even a reasonable person
4 would say, well, I don't understand why you
5 couldn't do it. Why could you not get that done
6 within a certain period of time at a certain cost?
7 And if you weren't in the field, it's hard for
8 somebody to explain it to you on paper.

9 So can you give me some expectation, why is
10 that word used?

11 MR. REHWINKEL: The example that I am most
12 familiar with that we used it in the GPS provision
13 here, when we say that they will be required of
14 vendors where reasonably practicable.

15 There may be reasons why the vendor cannot do
16 it. There may be -- you know, hypothesizing, there
17 may be a union contract that won't allow it. I
18 don't know if that's a thing out there.

19 But it just seems that you can't say it's
20 absolutely mandatory in every case because that
21 wouldn't make sense along the lines of what Mr.
22 Wahlen just went through, that there just may be
23 reasons why the accessing the resource is far more
24 important than having the tracking by electronic
25 means if you can track them otherwise, with phone

1 calls or some other measure.

2 So it just was a way to say that if there is
3 something about it that's not -- makes it not
4 possible, it's not -- it's not required in the
5 policy. So it was just, I think, a way to put a
6 little bit of flexibility in there. That's kind of
7 my take on it.

8 COMMISSIONER POLMANN: Okay.

9 MR. WAHLEN: I think that's accurate.

10 COMMISSIONER POLMANN: Okay.

11 MR. ALDAZABAL: One good example is a lot of
12 the vendors, we actually want electronic rosters
13 from them, of the people that are coming down. And
14 despite our ask, a lot of them will show up, and
15 they will have handwritten rosters of the folks.

16 So we can ask them to provide electronic
17 rosters of the equipment and the personnel, but
18 when they show up, especially the smaller
19 companies, they decide to show up still with the
20 paper companies. But to the extent practicable, we
21 would prefer the electronic rosters.

22 COMMISSIONER POLMANN: So it's a technology
23 issue? They simply don't have that capability?

24 MR. ALDAZABAL: Right.

25 COMMISSIONER POLMANN: Okay. Well, that makes

1 sense.

2 Mr. Chairman, I have one or two other points,
3 but I will pause further for other questions.

4 CHAIRMAN GRAHAM: It's all you.

5 COMMISSIONER POLMANN: Okay. Well, thank you.

6 I want to raise something that is -- we are
7 seeing a lot of this common language, and I know of
8 some other Commissioners that have stated some
9 concern.

10 If we can look at the document that we call
11 Attachment A, but it's actually the settlement
12 agreement, on page seven, under other provisions,
13 paragraph nine.

14 And the first sentence there indicates the
15 provisions of this agreement are contingent upon
16 approval of the agreement by the Commission in its
17 entirety without modifications. I would like to
18 ask Mr. Rehwinkel, you are perhaps familiar with
19 this sentence, the idea that is the Commission is
20 to approve this in its entirety without
21 modification.

22 MR. REHWINKEL: Yes, this language is -- has
23 been in every settlement agreement that I have been
24 a part of in my now 20 years combined with the
25 Office of Public Counsel, and it probably predated

1 my tenure there, is that the settlement agreement,
2 by virtue of the process that we undertake when we
3 settle a case, is that there is give and take on
4 both sides, and there is not sort of itemization of
5 they give up this and we get that, or we give up
6 this and they get that.

7 It's a product of intense negotiation with
8 give and take such that once it's put forward,
9 it -- it shows the parties' cards on the table, so
10 to speak. It's not really amenable to them going
11 and making selective modifications for purposes of
12 approval.

13 It's -- you know, it's kind of -- maybe a
14 crude way of saying it, it's take it or leave it.
15 That's -- that's not necessarily the spirit with
16 which it's filed. It is filed in good faith with
17 the best intentions of it being a reasonable
18 resolution of the entire case.

19 And if -- if there were to be a process where
20 a settlement that had this language in it was
21 picked apart, it would probably destroy any
22 incentive for parties to settle in the future. So
23 it preserves, in our view, the alternative dispute
24 resolution that is settlements that come before
25 you.

1 COMMISSIONER POLMANN: Well, I think what I
2 have heard you say is that it's standard language,
3 and we should expect to see it in all future
4 settlements, is that a fair statement?

5 MR. REHWINKEL: That is fair. If -- if it was
6 not in future settlements, there would be no more
7 settlements, I believe.

8 COMMISSIONER POLMANN: Okay. So the logical
9 extension that I would conclude said if -- well,
10 may not conclude that. Let me ask it.

11 If the Commission proposes to modify the
12 settlement, does that mean that the parties would
13 withdraw the petition and that we would go to
14 hearing?

15 MR. REHWINKEL: I think if there were any
16 modifications to -- required to receive approval of
17 this agreement, it would mean going to hearing.

18 COMMISSIONER POLMANN: Okay. So does that --
19 do the parties then intend that you are finding
20 this to be in the public interest, and that we are
21 either accepting your judgment that it's in the
22 public interest, or that we are -- we are
23 determining it's in the public interest to go to
24 hearing? Because that appears to be what's
25 happening.

1 MR. REHWINKEL: No, Commissioner.

2 First of all, when I say that the Public
3 Counsel -- and I am speaking for Mr. Kelly -- finds
4 it to be in the public interest, that is his
5 assessment that he asks you to take into
6 consideration.

7 Ultimately -- and I think the Supreme Court
8 made this clear in the 2014 Citizens case -- is
9 that the determination of public interest is yours
10 and solely yours. So we commend our view that it's
11 in the public interest to you for your
12 consideration, but you are not bound by our
13 determination, or Mr. Kelly's determination that
14 it's in the public interest.

15 So that's the first part of, I think, the
16 question you asked. I did not necessarily
17 understand what you meant about going to hearing in
18 the public interest.

19 COMMISSIONER POLMANN: Well, let me -- let me
20 suggest that it's clear that the parties have
21 negotiated the settlement, and I accept that, and
22 all of the things that go along with, you know,
23 your differences. I mean, this is an adversarial
24 proceeding among the parties, and you have come to
25 settlement, and you bring this forward, and we are

1 to review it and evaluate it as -- and find it to
2 be in the public interest or not. And I appreciate
3 your distinction there.

4 However, if we were to read this and make a
5 determination that, perhaps, anything small or
6 large in here, if it were to be modified, we could
7 find it to be in the public interest and suggest
8 back to the parties that a change in here we would
9 find it acceptable and in the public interest and
10 suggest that back to you. This indicates that that
11 would not be acceptable to the parties, so
12 therefore, we would be in the position to take it
13 or leave it, and we would, therefore, have to leave
14 it, which would then go to hearing. And in common
15 thinking, it would therefore be in the public
16 interest to go to hearing. I will just leave it at
17 that.

18 CHAIRMAN GRAHAM: Commissioner Polmann, if
19 there is -- it is basically take it or leave it.
20 If there is something that you want to change, you
21 can make that proposal before the group. They can
22 decide, we could break for 10 minutes and decide if
23 it's palatable or not for them. If it's not
24 palatable, then we go to hearing. It could be a
25 simple enough change that they say, okay, that's

1 not exactly the deal we had, but we can live with
2 this. It's pretty much the way the program works.

3 MR. WAHLEN: I would like to say that some of
4 what Commissioner Polmann described has actually
5 happened here. And I think it's important to note
6 that we filed this, and the technical staff came to
7 us and said, you know, we have a problem with this
8 particular language, and we got together and talked
9 about it and decided we should amend the agreement.
10 And we did, and we filed that, and the amended
11 agreement is before you.

12 We got some questions from Mr. Hetrick about
13 legal interpretation. And we talked about it and
14 agreed to a clarification on the record that we
15 believe, you know, responds to the legal concerns
16 of the staff.

17 So I think the process has worked. The
18 language probably feels constraining, but I think
19 you could probably understand that when we are
20 putting together a package of settlements, that if
21 the Commission came in and, for example, said,
22 well, we think that number is too high. It needs
23 to be a lot lower. We would want to be in a
24 position to say, well, if that's the deal, we want
25 to go ahead and litigate the whole case, not just

1 that one piece of it.

2 So it's language that's been there a long
3 time. I know sometimes the Commission is
4 uncomfortable that it's being -- a meal is being
5 put at your plate and we are asking you to eat it.
6 But in this case, we have made some modifications
7 in response to concerns from the Commission and the
8 Commission staff, and are hopeful that you will
9 accept the agreement in its entirety as we
10 presented it.

11 CHAIRMAN GRAHAM: You just got to be careful
12 talking about food in front of Commissioner Clark.

13 MR. WAHLEN: Okay.

14 COMMISSIONER CLARK: Yeah.

15 MR. WAHLEN: Well, he won't eat anything, I am
16 sure.

17 CHAIRMAN GRAHAM: Commissioner Polmann, you
18 still have the floor.

19 COMMISSIONER POLMANN: Thank you, Mr.
20 Chairman.

21 To your point, Mr. Wahlen, the clarification
22 that was made on the record speaking here today,
23 we've had several of us, I am aware, without having
24 been present in anyone else's briefing that that
25 was an item of some concern, and that was discussed

1 in my briefing with General Counsel and staff.

2 And to that point, the only way to have
3 brought that into the public record was to have
4 that be discussed today, and to have --

5 MR. WAHLEN: Absolutely.

6 COMMISSIONER POLMANN: -- that spoken on the
7 record. And it's curious to me that the settlement
8 was written in a way that, on plain reading, said
9 otherwise, and therefore, had to be addressed here
10 verbally. And it seems, in my simple mind,
11 confounds the record. And it would have been very
12 much preferable to simply have written that into
13 this document. And that would be an example of
14 something that I would have rather have changed in
15 the document, and clarify that so that it was just
16 in black and white.

17 Now, I have been told that it's sufficient
18 legally to have this written document, which seems
19 to say one thing and then have it talked about here
20 on the record and simply move forward, but that is
21 not my preference. That is not my preference at
22 all.

23 So, Mr. Chairman, that's what I would like to
24 have changed. I certainly don't require it,
25 though.

1 That's all I have to say. Thank you, sir.

2 CHAIRMAN GRAHAM: Let me -- let me go to
3 Commissioner Fay and we will come back to get
4 specific language you are talking about, and then
5 we may take a recess.

6 Commissioner Fay.

7 MR. WRIGHT: Mr. Chairman, at some point I
8 would like to be heard on a couple of brief
9 responses to questions already raised by
10 Commissioners.

11 Thank you.

12 CHAIRMAN GRAHAM: Specific to Polmann, or to
13 in general?

14 MR. WRIGHT: More specific to comment made by
15 Commissioner Brown, and some comments made by
16 Commissioner Polmann.

17 CHAIRMAN GRAHAM: Okay. Commissioner Fay.

18 COMMISSIONER FAY: Mr. Chairman, thank you. I
19 will be really quick. I have two quick points.

20 One just being that I sort of recognize that
21 the potential of silence would mean that I don't
22 think that the parties have done a great job up
23 here. I think it's been said by every other
24 Commissioner, and I think that's something that I
25 recognized reading through this and having staff

1 brief pretty quickly.

2 There were subsequent components related to
3 calculation of capitalization, which is something
4 that, as a lawyer, I will spend as many years as I
5 can here to eventually understand. And there are
6 things that relate to the substance of superseding
7 our authority, which I think legal counsel and the
8 lawyers -- and which, by the way, I think the, you
9 know, making fun of lawyer rule is probably similar
10 to like the big brother rule. Like, big brother, I
11 am his brother, he is allowed to make fun of me.
12 If you are not a lawyer, I don't know that you
13 should be allowed to make fun of lawyers this much,
14 so I would ask to limit that if at any possible
15 point.

16 But I do think that both of those changes are
17 significant to improve the product that's in front
18 of us. And I respect Commissioner Polmann's points
19 about some of the finer details of the agreement,
20 and how it might apply to us. But I do think
21 legally it withstands the appropriate analysis.
22 And I think that when you have parties like this
23 and legal counsel on all sides working issues like
24 this, I think you do get a really good product, so
25 I appreciate all the parties working on that and.

1 That's all I had, Mr. Chair. Thank you.

2 CHAIRMAN GRAHAM: Thank you.

3 Commissioner -- I mean, Mr. Wright.

4 MR. WRIGHT: Thank you, Mr. Chairman.

5 Briefly, I want to reiterate something Mr.
6 Rehwinkel said. This document was negotiated as a
7 matter of quite extensive protracted give and take
8 by all the parties. There are value propositions
9 and value elements in this settlement agreement for
10 all parties. If you started taking things out,
11 then you would take value away from somebody.
12 That's why it's presented to you with the very
13 standard language.

14 I think the first settlement -- rate case
15 settlement I was involved in was the 2000 -- either
16 2000 or 2002 FPL settlement. This language is in
17 every settlement for exactly that reason.

18 This is a negotiated whole, like a multi
19 ingredient cake that we've all agreed to. If you
20 try to take something out, it takes value away.
21 While it is presented as, quote, take it or leave
22 it, you know, in those crude rough terms, as Mr.
23 Rehwinkel said, it's offered in good faith as the
24 organic whole that it is. Value for all parties.
25 Value for the customer parties. Value for the

1 utilities -- for the utility. And even though the
2 black and white word may not be in the settlement,
3 I think if they are -- regarding Commissioner
4 Polmann's comment, that he would rather have it say
5 priority -- the number one priority is service
6 restoration, I think it might not be in there
7 because we all knew that all along. So when we got
8 the request that we clarify that, there was -- it
9 wasn't a problem. There is no question about that.

10 I just want to make a couple of very brief
11 legal observations with respect to a question
12 Commissioner Brown raised earlier.

13 You have the absolute -- this has to do with
14 what you can do later. You have the absolute
15 statutory jurisdiction over safety and reliability.
16 You get to do whatever you want to do
17 prospectively. Period. End.

18 And with respect to -- similarly, somewhat
19 similarly with respect to comments by Commissioner
20 Polmann, the decision before you is as it always
21 is, and now clearly recognized by the Supreme
22 Court's decisions, opinions, you have the
23 jurisdiction to rule whether this settlement, as it
24 is, is in the public interest. It's really that
25 simple.

1 I will say one more thing. There were a lot,
2 a lot, a lot, a lot, a lot of facts underlying this
3 settlement that we dealt with. We -- Mr. Rehwinkel
4 and I, and Mr. Moyle, didn't live with them the way
5 that our friends at -- our friends at Tampa
6 Electric had to deal with them. There were a lot
7 of facts, a lot of events, a lot of incidents,
8 plural, that led to all the provisions in these
9 policies.

10 Tampa Electric agrees with these policies, as
11 Mr. Wahlen said. Largely, they already had these
12 policies in their minds and in their hearts. This
13 is a, largely, I think -- and Mr. Wahlen can
14 clarify if I'm wrong -- but these are largely a
15 codification of things that they believe are right,
16 that we believe are right, and that now will give
17 everybody a roadmap and guidelines going forward
18 for what's supposed to happen.

19 Thank you.

20 CHAIRMAN GRAHAM: Okay.

21 MR. HETRICK: Mr. Chairman.

22 COMMISSIONER GRAHAM: Yes, sir.

23 MR. HETRICK: I don't know if this is going to
24 avoid taking a break or not, but I would like to
25 make a point here, and that is that I do think that

1 the clarified statements were very important, and
2 there is more than one way to skin a cat here. I
3 would like to address Commissioner Polmann as well.

4 But I would also like to make clear that the
5 clarifying statement with regard to the superseding
6 language -- and this goes to Commissioner Brown's
7 comment as well -- essentially provides context and
8 clarity that the settlement agreement won't be used
9 as a shield against any future Commission actions
10 relative to storm restoration cost measures and
11 processes. It preserves the Commission's authority
12 to act in the future to address these measures and
13 processes in other forums, such as rule-making or
14 any evidentiary hearing in a way that subjects all
15 other parties -- in a way that affects all other
16 parties and subjects the utility to such actions
17 notwithstanding the settlement agreement.

18 Now, Commissioner Polmann, there is two ways
19 to accomplish this. One way is to have the parties
20 go in and take the language that they read and put
21 it in the agreement. That certainly works.
22 Technically, that's a modification of the
23 agreement.

24 The other way to do it is to read those
25 statements into the record, as they have done in

1 their opening statements, and then what we would do
2 is take that and memorialize that in the order
3 itself. So you do have a written record. It
4 becomes part of the order, just -- and is just as
5 viable as the actual agreement language itself, so
6 that 10 years from now, when we are all long and
7 gone, everybody knows exactly what happened here in
8 this room today. And there are two equally viable
9 ways of skinning that cat.

10 COMMISSIONER GRAHAM: Commissioner Polmann.

11 COMMISSIONER POLMANN: Thank you, Mr.

12 Chairman.

13 Mr. Hetrick, I appreciate the additional
14 comments, other than the fact that 10 years from
15 now, certain things may be gone. There is at least
16 a couple of Commissioners that may still be here.

17 I take some comfort in your description,
18 including the final order language, and, Mr.
19 Chairman, I will standdown at that.

20 Thank you very much.

21 COMMISSIONER GRAHAM: Okay. So, staff, what's
22 the current posture of this proceeding?

23 MR. SCHRADER: If the Commission finds it
24 appropriate, then you may render a bench decision
25 on the settlement agreement at this time, assuming

1 the parties agree to waive post-hearing briefs.

2 CHAIRMAN GRAHAM: Do the parties agree to
3 waive post-hearing briefs?

4 MR. WAHLEN: Yes, sir.

5 MR. REHWINKEL: Gladly.

6 MR. WRIGHT: Here, here.

7 CHAIRMAN GRAHAM: Okay. Commissioners.
8 Staff is, there any other matters to be
9 addressed in this docket?

10 MR. SCHRADER: Not at this time, Commissioner.

11 CHAIRMAN GRAHAM: Not at this time?

12 MR. SCHRADER: You may entertain a motion at
13 this time.

14 CHAIRMAN GRAHAM: Commissioners, does anybody
15 want to make a motion?

16 Commissioner Brown.

17 COMMISSIONER BROWN: I would be more than
18 happy to here.

19 I move that we approve the settlement
20 agreement as amended in full.

21 COMMISSIONER CLARK: Second.

22 CHAIRMAN GRAHAM: The Brown motion, and it was
23 dual seconded.

24 Any further discussion?

25 Seeing none, all in favor say aye.

1 (Chorus of ayes.)

2 CHAIRMAN GRAHAM: Any opposed?

3 (No response.)

4 CHAIRMAN GRAHAM: By your action, you have
5 approved that motion.

6 Okay. If there is no other matters to come
7 before us -- Commissioner -- I mean, Mr. Rehwinkel.

8 MR. REHWINKEL: Yes. Mr. Chairman, I -- I
9 want to thank the Commission, every one of the
10 Commissioners. I have been doing this for a long
11 time, and the questions that we got today, I think,
12 were good for the process.

13 I think when parties bring a settlement to
14 you, they should be able to explain what they've
15 done, and you put us to the test. I think that's a
16 great thing to do. And I -- I can't tell you how I
17 think that's healthy for the process. And it tells
18 people that might come to you in the future what
19 they need to be cognizant of. And so I want to
20 thank you for that.

21 I want to thank your staff for working to make
22 this work. And I also want to thank the other
23 parties here, and Tampa Electric Company. It's
24 been alluded to, we did a lot of discovery. We
25 conducted hours and hours of depositions, and we

1 went through the grind. And I met some of the
2 finest people that care about serving their
3 customers and getting them back into service, and
4 they care what they do.

5 So we are here to talk about the good things.
6 And the good things, I think, have come to the
7 forefront. And thank you for your approval today.

8 CHAIRMAN GRAHAM: Thank you, sir.

9 MR. WRIGHT: Here, here.

10 CHAIRMAN GRAHAM: Commissioners. I think that
11 Duke is going to be a lot like this one, so I am
12 asking the question of the four of you. Do you
13 want to take a 10-minute break and move on and take
14 care of the Duke hearing, or do you want to break
15 for lunch and come back and do Duke? Okay.

16 MR. ALDAZABAL: Commissioner --

17 CHAIRMAN GRAHAM: All right. Yes, sir.

18 MR. ALDAZABAL: Quick comment with your
19 indulgence.

20 These settlements are much harder to reach
21 than what appears in the final agreement. The
22 company feels very confident that this is good for
23 customers, and also good for the company.

24 Hopefully we don't have a storm, but if we do,
25 we are going to be ready. But I would like to

1 thank the parties for their work, and the staff in
2 reaching this agreement, and also for the
3 Commissioners.

4 I may not be here for a while. I am in a new
5 role, but I have really enjoyed doing this work and
6 presiding before the Commission, so thank you.

7 CHAIRMAN GRAHAM: Thank you, sir.
8 Commissioner Clark.

9 COMMISSIONER CLARK: Thank you, Mr. Chairman,
10 for just a brief comment.

11 Mr. Rehwinkel, thank you for that. I have
12 been one of the vocal individuals regarding
13 settlement agreements, and I think my genuine
14 concern has been that I am now being held to a
15 settlement agreement that I didn't have any input
16 or understanding of. And your acknowledgment that
17 our participation in this role, it does give me
18 some comfort. And you guys genuinely sitting here
19 answering those questions today makes me a little
20 more comfortable with the process of the settlement
21 agreement. So I really appreciate that
22 acknowledgment, and that's kind of where I stand on
23 it.

24 CHAIRMAN GRAHAM: Commissioner Polmann.

25 COMMISSIONER POLMANN: Well, I thank Mr.

1 Rehwinkel for your comments. And I appreciate
2 everyone's work on this, and appreciate the
3 opportunity to make my comments. And I know -- I
4 know what you are doing here. I appreciate all of
5 the work that you folks have done.

6 Thank you very much.

7 MR. REHWINKEL: Thank you.

8 MR. WAHLEN: Could I just add one last thing
9 here?

10 CHAIRMAN GRAHAM: Sure.

11 MR. WAHLEN: Since I am a lawyer I can do
12 this.

13 We did have an ambiguity in the agreement, and
14 I apologize for that. And I think our goal is
15 going to be to get more engineers involved in
16 drafting --

17 COMMISSIONER CLARK: Halleluiah.

18 MR. WAHLEN: -- next time. That's it.

19 Thank you.

20 CHAIRMAN GRAHAM: Well, you guys all know how
21 I feel about settlements, so thank you very much
22 for your time and your patience and all your work.

23 This hearing is now adjourned.

24 (Proceedings concluded at 11:33 a.m.)

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 31st day of May, 2019.



DEBRA R. KRICK
NOTARY PUBLIC
COMMISSION #GG015952
EXPIRES JULY 27, 2020