

1 APPEARANCES:

2 JAMES D. BEASLEY, J. JEFFRY WAHLEN, and
3 MALCOLM N. MEANS, ESQUIRES, Ausley & McMullen, Post
4 Office Box 391, Tallahassee, Florida 32302, appearing on
5 behalf of Tampa Electric Company.

6 RICHARD GENTRY, THE PUBLIC COUNSEL; CHARLES
7 REHWINKEL, DEPUTY PUBLIC COUNSEL; and ANASTACIA PIRRELLO
8 STEPHANIE A. MORSE, and MARY WESSLING, Office of Public
9 Counsel, c/o The Florida Legislature, 111 West Madison
10 Street, Room 812, Tallahassee, Florida 32399-1400,
11 appearing on behalf of the Citizens of the State of
12 Florida.

13 CHARLES W. MURPHY and WALT L. TRIERWEILER,
14 ESQUIRES, FPSC General Counsel's Office, 2540 Shumard
15 Oak Boulevard, Tallahassee, Florida 32399-0850,
16 appearing on behalf of the Florida Public Service
17 Commission Staff.

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

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RON VATALARO	15
JEFFREY J. BASIAGA, JR.	17

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

2 CHAIRMAN CLARK: All right. Good evening,
3 everyone. I think we're all ready to begin. Are
4 all the participants on the line? We have
5 everybody on line?

6 MALE SPEAKER: Is there a roll call?

7 CHAIRMAN CLARK: Mr. Wahlen?

8 MR. WAHLEN: Yes, sir.

9 CHAIRMAN CLARK: All right. I'd like to
10 welcome everyone to the customer hearing this
11 afternoon in the Tampa Electric rate case. Today's
12 service hearing is an important part of this rate-
13 case process and is dedicated to hearing from our
14 customers. We're looking to hearing from each of
15 you that have signed up to be here tonight.

16 I'm going to ask staff, if they would, to
17 please read the notice.

18 MR. MURPHY: By notice issued on July 13th,
19 2021, this time and place has been set for a
20 customer service hearing in Docket Nos. 20210034-EI
21 and 20200264-EI.

22 CHAIRMAN CLARK: Thank you, Mr. Murphy.

23 We'll take appearances now, beginning with
24 TECO.

25 MR. WAHLEN: Good evening, Commissioners. I'm

1 Jeff Wahlen of the Ausley & McMullen Law Firm in
2 Tallahassee, Florida, appearing on behalf of Tampa
3 Electric Company. Also appearing with me are James
4 D. Beasley and Malcolm N. Means of the same firm.

5 Thank you.

6 CHAIRMAN CLARK: Thank you, Mr. Wahlen.

7 OPC.

8 MS. PIRRELLO: Good evening, Mr. Chairman.
9 This is Anastacia Pirrello with the Office of
10 Public Counsel. I'd also like to enter an
11 appearance for Richard Gentry, the Public Counsel,
12 Charles Rehwinkel, Stephanie Morse, and Mary
13 Wessling.

14 CHAIRMAN CLARK: Thank you, Ms. Pirrello.

15 Florida Retail?

16 Staff?

17 MR. MURPHY: Charlie Murphy and Walt
18 Trierweiler on -- for staff.

19 MS. HELTON: And Mary Anne Helton is here as
20 your advisor. I'd also like to enter an appearance
21 for Keith Hetrick, your general counsel.

22 CHAIRMAN CLARK: All right. Thank you. Did
23 we get everyone?

24 Let me begin by thanking everyone for taking
25 time out of their schedule to call in to this

1 customer service hearing this evening. We
2 certainly appreciate your interest in the petition.

3 As I mentioned, this hearing is designed so
4 that we can hear directly from the customers. This
5 is your opportunity to express your thoughts,
6 concerns, and comments related to the utility's
7 request. In October, there will be a technical
8 hearing where the Commission will take in the
9 evidence and substance of this case.

10 If you would like to speak to a Tampa Electric
11 Company service representative, there is one
12 standing by this evening. They can be reached by
13 calling (866)896-1222. If you are having a
14 technical problem, a billing problem, and need
15 to -- help in resolving this problem, please feel
16 free to give them a call.

17 This is an official hearing that will be
18 transcribed and become part of the official record.
19 As such, I will swear you in over the phone, unless
20 you've already been sworn in. And I see that both
21 of our participants tonight have already been sworn
22 in.

23 Please note your comments are subject to
24 cross-examination; that is, you may be asked
25 questions by the parties or by one of the

1 Commissioners. We ask --

2 MALE SPEAKER: Sir, I haven't been sworn in.

3 CHAIRMAN CLARK: All right. If you signed in
4 on the website, you actually checked a box that
5 agreed that you would tell the truth.

6 All right.

7 MALE SPEAKER: Okay.

8 CHAIRMAN CLARK: We appreciate the
9 professional nature of these proceedings and ask
10 that you please be courteous to others who have
11 taken the time to call in this evening.

12 In addition to sharing your comments with us
13 tonight, you may also share your comments or any
14 additional materials in writing for the
15 Commission's consideration via -- via mail or
16 e-mail. To contact the PSC by mail, you can find a
17 pre-addressed comment card for download on our
18 website.

19 At this time, I would like to invite Tampa
20 Electric Company to present a brief opening
21 statement, followed by OPC and any of the other
22 intervenors that would wish to do so.

23 Mr. Wahlen.

24 MR. WAHLEN: Thank you, Mr. Chairman and
25 Commissioners. Again, I'm Jeff Wahlen, I'm an

1 attorney for Tampa Electric Company. There are
2 three employees of Tampa Electric with me tonight.
3 The first is Frank Busot, the second is Penelope
4 Rusk. They're here to answer questions, if any
5 arise.

6 I also have with me Ms. Karen Sparkman, who is
7 the vice president for customer experience for
8 Tampa Electric. She will be making a brief
9 statement on behalf of the company.

10 Before she does, however, I would like to note
11 for the record that, on Friday, Tampa Electric
12 filed a settlement agreement with the Public
13 Service Commission that resolves all of the issues
14 in this case and in the depreciation docket.

15 The settlement agreement was signed by all of
16 the parties to the case and will be considered by
17 the Commission at a later date. So, we don't plan
18 to discuss the settlement in any detail this
19 evening except to say that we believe it is fair
20 and reasonable and in the public interest.

21 This hearing, of course, we think, is for the
22 customers and is -- is to allow the company and the
23 Commission to hear from the customers on matters
24 related to this rate case.

25 So, our intent tonight is to do some listening

1 and, unless there are any questions of me, I will
2 turn it over to Ms. Sparkman.

3 CHAIRMAN CLARK: Thank you.

4 Ms. Sparkman, you're recognized.

5 MS. SPARKMAN: Good evening, Commissioners.
6 My name is Karen Sparkman and I'm the vice
7 president for customer experience for Tampa
8 Electric. Our team very much appreciates the
9 opportunity to participate today, and we look
10 forward to hearing from our customers.

11 Tampa Electric has not requested a general
12 base-rate increase since 20-- 2013. As our
13 attorney, Mr. Wahlen, has noted, we filed an
14 agreement that resolves all of the issues in our
15 rate case last Friday and think the agreement is
16 fair and in the public interest.

17 We look forward to the Commission's
18 consideration of the agreement in the near future,
19 but today, we want to focus our attention on
20 listening to our customers.

21 We understand that our customers would rather
22 not face price increases, whether it's for the
23 price of groceries, clothing, gas for their car, or
24 electricity; however, we must keep our eye on the
25 future and continue to invest in projects that will

1 help us become cleaner and greener and to keep up
2 with changing customer expectations about quality
3 customer service.

4 We're adding solar generation, improving the
5 efficiency, and environmental profile of our
6 generating fleet and also upgrading our electric
7 grid so it will be more reliable and resilient.
8 We're putting technology to work to ensure that our
9 customers can communicate with us when they want
10 and in ways that are convenient to them.

11 Since 2013, we've successfully implemented a
12 new customer billing system, a new online portal
13 with the mobile-first approach. We've improved and
14 increased electronic-payment channels. We've
15 improved customer-service levels for our customer-
16 experience contact center, billing and payment
17 services, and we've also made hundreds of smaller
18 process and system enhancements to better serve
19 Tampa Electric's customers.

20 We're proud of these changes and the way
21 they've improved our service levels, but know that
22 there are always ways that we can improve. We look
23 forward to hearing from our customers today and we
24 have a team of people ready to help and answer
25 questions or resolve any issues that our customers

1 might bring to our attention.

2 Thank you.

3 CHAIRMAN CLARK: Thank you very much,
4 Ms. Sparkman.

5 Ms. Pirrello.

6 MS. PIRRELLO: Thank you, Mr. Chairman, and
7 good evening, Commissioners.

8 Again, my name is Anastacia Pirrello and I
9 represent the Office of Public Counsel. This
10 office within the Legislature is tasked by law with
11 representing you, the customers and ratepayers of
12 Tampa Electric Company.

13 As you may be aware, our office and TECO,
14 along with several other consumer groups, have
15 entered into an agreement which will settle all of
16 the issues presented in this case. We've asked the
17 Commission to delay the rate-case hearing scheduled
18 for October so that they can consider approval of a
19 settlement instead of the company's petition.

20 We're here today to listen to your testimony
21 on the service provided by TECO and any thoughts
22 you have on this agreement, since the agreement
23 must be approved by the Public Service Commission
24 before it may go into effect.

25 Last year, we hired experts in accounting,

1 depreciation, cost of capital, and other regulatory
2 matters who aided us in preparing for the case
3 before it was filed and in investigating this
4 request.

5 With their expertise and that of our in-house
6 experts, we've come to the conclusion that this
7 settlement agreement represents the best possible
8 outcome for the customers of Tampa Electric.

9 I would like to take a few moments to explain
10 some of the benefits that TECO customers stand to
11 gain under this deal. First, our office and the
12 other signatories were able to reach an agreement
13 to reduce TECO's requested rate increase from 295
14 million to 123 million with the profit level for
15 TECO of the 9.95 percent, which, alone, will save
16 customers more than \$32 million annually when
17 compared to the profit level that the company
18 requested.

19 This agreement also continues to further
20 TECO's efforts to respond to increasing public
21 demand to transition to cleaner energy by allowing
22 the company to replace the remaining coal plant in
23 its fleet with natural gas and to build 600
24 megawatts of utility-scale solar generation.

25 Additionally, this deal ensures that customers

1 pay no more than absolutely necessary for the costs
2 of retiring the coal plant; and by collecting those
3 costs over 15 years rather than ten years, as is
4 the standard practice, results in otherwise-lower
5 customer bills in the early years of the
6 retirement.

7 The longer period also helps to match the
8 recovery of these old costs over the period that
9 the new, cleaner renewable plants will be in
10 service and serving the future customers.

11 The settlement reduces certain types of
12 executive compensation that's designed to reward
13 shareholders more than help customers save, and
14 reduces some costs, including excessive vacant
15 positions that customers should not be paying for.

16 This agreement also protects customers from a
17 utility practice called hedging, which has often
18 cost customers more than it has saved them.

19 Finally, the deal increases customers' access
20 to two of the company's conservation programs,
21 which aid customers in reducing their electric
22 bills.

23 If approved, this deal would be effective in
24 January 2022 and prevent TECO from raising its
25 rates before January 2025, except a small amount in

1 a very specific, limited circumstance.

2 As I previously stated, the Commission must
3 make a decision whether this agreement is in the
4 public interest. We're here today to hear your
5 thoughts about that. And, if you have any further
6 thoughts that you would like to share with the
7 Commissioners about this case, you can e-mail
8 clerk@psc.state.fl.us and reference Docket
9 No. 20210034.

10 If you have questions about this agreement or
11 anything else about the case, please reach out to
12 the Office of Public Counsel toll-free at
13 1(800)342-0222.

14 Thank you.

15 CHAIRMAN CLARK: Thank you, Ms. Pirrello.

16 Any of the other parties have a statement?

17 All right. We will move into our customer-
18 testimony portion. I want to give every customer
19 who signed up tonight ample opportunity to speak.
20 We normally limit to three minutes. We only have
21 two customers, so we'll be a little bit flexible
22 with that this evening.

23 When I call your name, we'll make sure --
24 again, everyone is already sworn in. So, let's get
25 straight into customer testimony.

1 First up is Mr. Ron Vatal- -- Vatalaro.

2 Vatalaro. Are you on the line?

3 MR. VATALARO: Yes, hi. Thanks for having me.
4 How are you?

5 CHAIRMAN CLARK: Yes, sir. You're recognized,
6 sir.

7 MR. VATALARO: All right. Well, thanks very
8 much.

9 After the UN put out its recent IPCC report,
10 there was a lot of alarming information in there.
11 One of the things that jumped out at me is that, if
12 we basically cut our carbon footprint down to zero
13 by today, we will still be kind of feeling some
14 catastrophic effects from climate change.

15 Beyond that, if we continue just going
16 business as usual or making these kind of like
17 half-measures and things like that, my daughters
18 stand to live in a world which is uninhabitable
19 within their lifetime.

20 So, I appreciate that natural gas is less
21 polluting than coal and I appreciate these efforts
22 towards solar; however, I believe that TECO and
23 Emera, your parent company, has done enough to aid
24 in this kind of cataclysmic era that we're heading
25 into, that the fact that you guys are asking for

1 rate increases and not just basically putting some
2 of these profits that you've raided from, you know,
3 society and people and just the planet at large,
4 never having to pay carbon taxes or never having to
5 do any sort of cleanup and things like that, that
6 asking for a rate increase after having the
7 profitable year that you guys have had -- a very
8 good year when most people in Tampa have had a
9 very, very bad year. People are struggling to stay
10 housed -- it's just -- it, again, kind of adds to
11 the audacity that thinking that any -- any sort of
12 rate increase is appropriate and any sort of means-
13 tested half-measure where we're burning natural gas
14 as opposed to coal is an appropriate measure, given
15 what's on the line.

16 So, you know, I -- I guess with -- with that,
17 I've said my piece and I -- again, I appreciate you
18 having this time for public comment.

19 CHAIRMAN CLARK: Thank you very much,
20 Mr. Vatalaro.

21 Anybody have any questions? Anyone have any
22 questions?

23 All right. Thank you for being here.

24 Next up is Jeffrey Basiaga. Mr. Basiaga, are
25 you on the line?

1 MR. BASIAGA: Yes, sir. Can everybody hear
2 me?

3 CHAIRMAN CLARK: Yes, sir. You're recognized
4 for three minutes, sir.

5 MR. BASIAGA: Great. Three minutes. Okay.
6 So, there has been a lot of echo chambers talking
7 about how -- it's 6:16. I'll mind the clock --
8 about how you're here to listen to ratepayers, yet
9 I heard a lot of people talking that weren't
10 ratepayers that talked for a lot more than three
11 minutes. So, I hope that's noted.

12 By the way, Mr. Vatalaro, good for you for
13 having the guts to stand up to this -- this amount
14 of research and -- and people that have brought
15 forth all this rate-increase stuff.

16 Anyway, that being said, I'm going to re- --
17 keep rereading through all the information I have
18 in terms of the exhibits. I don't feel that a
19 40-percent rate increase on the basic service
20 charge, on a per-year basis -- I think it's very
21 high.

22 I heard a lot of things -- a lot of people
23 talking about how we're doing greener and cleaner
24 things via solar energy; however, I feel that I can
25 build solar energy on my house, and to have a

1 monopoly impose that on me and I can -- and I can
2 open up my own solar stuff, but to have somebody's
3 good ideas build and pay for me -- and what
4 Mr. Vatalaro said -- in a very expensive year --
5 this has been a very hard year for a lot of people,
6 financially and emotionally. Okay?

7 And then for you guys to come out as a
8 monopoly interest and say, look at all the nice
9 things we've done; oh, and, by the way, you're
10 going to pay for them -- oh, we're going to build
11 these gas plants -- which, by the way, there are
12 coal plants out there -- there are coal plants that
13 have zero emissions. I believe they're up in
14 Canada. I think you can check your records on
15 that. Okay. I understand I'm under oath, so I'm
16 very careful about what I say.

17 Yeah. So, where was I -- oh, and for natural
18 gas, I also would like to point out that there was
19 a -- the New York Times 2021 -- it's on Google.
20 It's public record. There was a gas pipeline cyber
21 attack, okay, where there was an issue with -- with
22 the fuel gas system via pipeline.

23 Now, when you have a system like a coal
24 system, a dry coal system, that's an energy storage
25 battery, we've been getting coal from Kentucky

1 forever and -- you know, for a hundred years or
2 however long Florida has been around. That's my --
3 that's my position.

4 I'm -- I'm very hesitant to rush off into
5 these -- these interests that have been pushed
6 onto -- to the ratepayers -- myself -- for the last
7 seven, eight years.

8 And, in part of the literature that Tampa
9 Electric provided, it said, we haven't done
10 anything -- or Emera or whoever it is -- we haven't
11 done anything since 2013. Really? So, you want to
12 come out in a banner year like this and you -- you
13 know, in a COVID year, a COVID environment like
14 this and just retake everything.

15 I -- I -- I would respectfully request that
16 the Public Service Commission very carefully looks
17 at these rates, the percentages -- I know
18 Mr. Wahlen -- Attorney Wahlen -- whatever his
19 name -- I didn't get his full name. I don't -- it
20 says there -- the settlement was resolved and we're
21 not discussing -- I don't even know what we're
22 talking about.

23 I know that was -- that -- is that -- what is
24 that? Is that part of this or is that something
25 else? Sir? Mr. Wahlen?

1 CHAIRMAN CLARK: I'm sorry, Mr. --

2 Mr. Basiaga, this is your opportunity to address
3 the Commission with your concerns.

4 MR. BASIAGA: Oh, okay.

5 CHAIRMAN CLARK: And keep your comments to the
6 Commission, please.

7 MR. BASIAGA: Oh, okay. So, it's between the
8 Commission and -- very good. Well -- well, Mr. --
9 the ladies and gentlemen of the Public Service
10 Commission, I would request very humbly that you
11 please review what is happening here.

12 It says there's -- I feel these rates are
13 expensive. I feel like the utility company, being
14 a monopoly as it is, they -- they're just
15 indiscriminately rising rates. These are things
16 that I feel, economically -- economically, a
17 prudent person would not do, such as myself. I
18 would not do this.

19 And I feel like I'm kind of being holed to
20 do -- pay for their good ideas -- which, by the
21 way, I think it was a matter of public record also.
22 It says 2013 was the last time you were up for a
23 pay increase -- or a rate increase. And this
24 company was bought -- whenever Emera bought Tampa
25 Electric Company, it was after that.

1 And they paid double the market rate. They --
2 they offered double the market rate. They -- they
3 bought this company. They wanted it so bad they
4 paid twice whatever the market was willing -- on
5 the -- on the stock value.

6 So, I would also be very, very curious -- and
7 I think my time has expired, but I would be very
8 curious to know if there is an economic motivation
9 behind this where they have to -- they have to try
10 to regain some of that ground.

11 So, thank you for the extra two minutes.
12 Thank you very much.

13 CHAIRMAN CLARK: You're very welcome. Thank
14 you for being with us --

15 MR. BASIAGA: Okay. If you have any other
16 questions --

17 CHAIRMAN CLARK: We appreciate your --

18 MR. BASIAGA: Yeah.

19 CHAIRMAN CLARK: -- comments.

20 MR. BASIAGA: Yeah.

21 CHAIRMAN CLARK: Anyone have any questions for
22 Mr. Basiaga? Any of the parties?

23 MR. BASIAGA: I don't think they w- -- I don't
24 think -- sir. Sir, I don't think they dare.

25 CHAIRMAN CLARK: Well, Mr. -- Mr. Rehwinkel.

1 We need your volume, Mr. Rehwinkel. Would
2 you unmute?

3 MR. REHWINKEL: I had it muted in two places.
4 I apologize.

5 Mr. Chairman, if I might, may I -- may I take
6 just a minute to answer the customer's question?
7 Because I think he -- it's a valid question, if you
8 don't --

9 MR. BASIAGA: What's the question? It was a
10 statement.

11 MR. REHWINKEL: The -- my name is Charles
12 Rehwinkel. I'm with the Office of Public Counsel,
13 and I wanted to answer the question about what the
14 settlement is and how it related to the rate case,
15 if I might, Mr. Chairman.

16 CHAIRMAN CLARK: Yes.

17 MR. REHWINKEL: Okay. So, the -- the
18 settlement agreement that was filed is part of the
19 rate case. And, in any administrative proceeding,
20 the Public Service Commission operates under the
21 laws of Florida and are required to adjudicate the
22 hearing -- petition in a hearing. And the rate
23 case that the company has filed is one that is
24 contested by other parties, including the Public
25 Counsel.

1 Any time there's litigation, and whether it's
2 in a courtroom or before the Public Service
3 Commission, lawyers have an op- -- have an
4 obligation to seek a solution that is better than
5 what can be achieved in a hearing, or is more
6 efficient. And that's what we've done, is we've
7 settled the case, just like any other case that is
8 between multiple parties might be settled.

9 So, yes, sir, it is a settlement of the rate
10 case and it is part of that that Ms. Pirrello
11 mentioned will be resolved or taken up by the
12 Commission at a later time.

13 Thank you, Mr. Chairman.

14 CHAIRMAN CLARK: Thank you very much for your
15 comments, Mr. Rehwinkel.

16 MR. BASIAGA: So -- so, Mr. --

17 CHAIRMAN CLARK: Any of the other parties --

18 MR. BASIAGA: Mr. Chairman, is all -- is all
19 this decided already? Do I -- was this a waste of
20 my time? Why did I spend all the time researching
21 this?

22 CHAIRMAN CLARK: No, sir. No, sir. The
23 purpose of this hearing is for the Commission to
24 take in substance regarding the quality of service
25 that TECO is providing to its customers.

1 The -- the evidence and the substantive
2 matters -- that -- that's an issue that was
3 planning to be heard before this Commission in a
4 couple of weeks. The parties have settled their
5 issues specifically.

6 Now, those issues come before the Commission
7 and the Commission will make a final decision
8 regarding the rate request. So, there's nothing
9 been decided. The parties have settled. They're
10 in agreement with how we proceed, but this
11 Commission has not taken a vote or made a decision
12 at this point in time.

13 All right. Do any of the other parties have a
14 question for Mr. Basiaga? Any of the Commissioners
15 have a question?

16 All right. Thank you, Mr. Basiaga, for being
17 with us today.

18 Is there anyone else --

19 MR. BASIAGA: Yeah, you're wel- -- you're
20 welcome. You're welcome, ladies and gentlemen.
21 You know where I live. You know my address and you
22 can ask me questions any time. These rates are
23 very high. They're unacceptable.

24 Thank you. Over.

25 CHAIRMAN CLARK: Thank -- thank you, sir.

1 Any other parties on the line that called in
2 that are scheduled to speak tonight? Anyone else?

3 All right. Commissioners, any comments or
4 questions?

5 All right. Seeing none, we have -- our next
6 hearing is scheduled for tomorrow morning at
7 10:00 a.m., I believe.

8 Thank you. We're adjourned until then.

9 (Whereupon, the proceedings concluded at 6:25
10 p.m.)

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CERTIFICATE OF REPORTER

STATE OF FLORIDA)
COUNTY OF LEON)

I, ANDREA KOMARIDIS WRAY, 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 24th day of August, 2021.



ANDREA KOMARIDIS WRAY
NOTARY PUBLIC
COMMISSION #HH 089181
EXPIRES February 9, 2025