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BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

In the matter of:

DOCKET NO. 20220067-GU

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

_____ /

PROCEEDINGS: SERVICE HEARING

COMMISSIONERS
PARTICIPATING: CHAIRMAN ANDREW GILES FAY
COMMISSIONER GABRIELLA PASSIDOMO

DATE: Tuesday, August 30, 2022

TIME: Commenced: 6:00 p.m.
Concluded: 6:30 p.m.

PLACE: Betty Easley Conference Center
Room 148
4075 Esplanade Way
Tallahassee, Florida

REPORTED BY: DEBRA R. KRICK
Court Reporter

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

1 APPEARANCES:

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

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

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

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

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I N D E X

WITNESS:

PAGE

MARTHA CUERVO

16

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

2 CHAIRMAN FAY: All right. Good evening,
3 everyone. I would like to welcome you to the
4 virtual service hearing for Florida Public
5 Utilities Company rate case. Tonight's proceeding
6 is dedicated to hearing from the customers.

7 My name is Andrew Fay. I serve as the Chair
8 of the PSC, and Commissioner Passidomo is also in
9 attendance for tonight.

10 Commissioner Passidomo, if you would like to
11 say something to the body, you are welcome to.

12 MS. PASSIDOMO: All right. Thank you,
13 Chairman Fay.

14 I just want to take this opportunity to thank
15 those customers that have signed up tonight to
16 speak to us. In addition, I have received many
17 customer letters. So just letting you know we
18 review all of those as well, so I appreciate those
19 who have written in. So thank you all for being
20 here with us.

21 CHAIRMAN FAY: Great. Thank you, Commissioner
22 Passidomo.

23 Next we will move to the notice, staff.

24 MR. SANDY: Good evening, Mr. Chairman.

25 By notice issued on August 12th of this year,

1 this time and place has been set for a customer
2 hearing in Docket No. 20220067, and the purpose of
3 this hearing is set out more fully in that notice.

4 CHAIRMAN FAY: Great. Thank you, Mr. Sandy.

5 At this time, we will move to appearances,
6 starting with Florida Public Utilities Company.

7 Ms. Keating, you are recognized.

8 MS. KEATING: Good evening, Mr. Chairman and
9 Commissioner Passidomo. My name is Beth Keating.
10 I am with the Gunster Law Firm, and I am here this
11 evening on behalf of Florida Public Utilities.

12 I would also like to note that Mike Cassel,
13 the Vice-President of Governmental and Regulatory
14 Affairs, is also joining us by video, as is Kelly
15 Parmer, the Vice-President of Customer Care. There
16 are also numerous customer care representative
17 listening in and are going to be very attentive to
18 the customers' concerns this evening.

19 Thank you.

20 CHAIRMAN FAY: Great. Thank you, Ms. Keating.

21 Next, Office of Public Counsel.

22 MS. CHRISTENSEN: Good afternoon.

23 This is Patty Christensen with the Office of
24 Public Counsel. I am representing the citizens of
25 the state of Florida, and also would like to put in

1 an appearance for Richard Gentry, the Public
2 Counsel.

3 CHAIRMAN FAY: Okay. Great, thank you, Ms.
4 Christensen.
5 Staff.

6 MR. SANDY: This is Ryan Sandy on behalf of
7 the General Counsel's Office. With me here this
8 evening is Jennifer Crawford. I would also like to
9 put in an appearance on behalf of the Commission
10 Advisor, Mary Anne Helton, and General Counsel,
11 Keith Hetrick.

12 CHAIRMAN FAY: Great. Thank you, counsel.
13 Next we will move to an overview for the
14 proceeding just for callers and those who are in
15 attendance.

16 I do just want to first thank the customers
17 for taking the time this evening to participate in
18 this hearing. It's extremely valuable to our
19 evaluation in these dockets, and customer feedback
20 is always an important component of these cases.

21 As I mentioned, the hearing is designed so we
22 can hear directly from you, so the opportunity to
23 express your thoughts, concerns or comments related
24 to this utility's request. In October, we will
25 have a technical hearing where the Commission will

1 take up the substance and the evidence in that
2 docket.

3 I do want to provide some contact for --
4 contact information for customers if needed. So
5 FPUC has customer service representatives available
6 that can be reached by 1(800)524-1495, and those
7 are between 8:00 a.m. and 5:00 p.m. And also has
8 Ms. Keating stated earlier, they are also available
9 at this time if needed.

10 Ms. Sevini Guffey in our office in the
11 Economics division is our PSC representative for
12 this docket. And so if you would like to reach the
13 Commission, Ms. Guffey can be reached at
14 S-G-U-F-F-E-Y @psc.state.fl.us.

15 Additionally, we will provide a contact number
16 for the Commission, which is (850)413-6204. So a
17 lot of opportunities there if you do want to reach
18 out to the Commission or the utility, we want to
19 make sure you have the ability to do so.

20 I do want to mention this hearing is being
21 transcribed as part of the official record. So as
22 you are sworn in, even over the phone, we will note
23 that your comments could be subject to
24 cross-examination, which essentially means that the
25 questions can be provided by the parties or one of

1 the Commissioners who are in attendance for today's
2 meeting.

3 I do just have a few quick housekeeping items
4 I want to mention for our customers our callers.
5 If you could, please make sure to keep your phone
6 on mute unless you are speaking and not put your
7 phone on hold at any time. If you are using a
8 mobile device, make sure you have sufficient power
9 for that device. And then when speaking, do your
10 best not to use the speaker function, as we can get
11 some feedback sometimes when that occurs.

12 If you are participating with audio, we do ask
13 you to not have your live stream video on at the
14 same time as there can be a delay, and that audio
15 can come through through the live stream and make
16 it difficult for us to hear you appropriately.

17 And last, if you are disconnected, just please
18 make sure dial back in on that number and we will
19 make sure we get you back on the line so we can
20 take your comments.

21 And as always, we appreciate the professional
22 nature of these comments in the proceedings so you
23 can be courteous to those that are participating
24 tonight.

25 In addition to sharing your comments, we do

1 also want to mention that, as Commissioner
2 Passidomo mentioned, we do take in comments on
3 these dockets through either email or mail. And so
4 you can go to our website which has information
5 about emailing the Commission, but the specific
6 email can be sent to the Clerk's Office at clerk,
7 C-L-E-R-K, @psc.state.fl.us, and just reference
8 this specific docket, which is 20220067. Whether
9 your comments are made today in this proceeding or
10 in writing, either way, they are taken up into
11 consideration when Commissioners review the docket
12 before our decision.

13 So with that out of the way, I would now like
14 to give Florida Public Utilities an opportunity to
15 provide an opening statement if they would like to.

16 MS. KEATING: Thank you, Mr. Chairman. I
17 would just call on Mr. Mike Cassel.

18 CHAIRMAN FAY: Sure. Mr. Cassel, we have you
19 on video. Are you there?

20 MR. CASSEL: I am here.

21 CHAIRMAN FAY: Okay. You are recognized.

22 MR. CASSEL: Thank you, Chairman Fay and
23 Commissioner Passidomo. And thank you to our
24 customers who are participating tonight. We value
25 your comments and appreciate you being here this

1 evening.

2 I am Mike Cassel, Vice-President of Government
3 and Regulatory Affairs for Chesapeake Utilities
4 Corporation. That's the parent company of Florida
5 Public Utilities, Central Florida Gas, as well as
6 the divisions of Fort Meade and Indiantown of
7 Florida Public Utilities.

8 I have been with the company over 14 years,
9 and like you, I am a Floridan. My job with
10 Chesapeake includes oversight of the company's
11 regulatory and governmental activities, including
12 filing before this Public Service Commission.

13 We are here today because our natural gas
14 companies have filed a petition with the Commission
15 requesting a rate review. We believe the current
16 rates are no lodger sufficient for us to allow for
17 investment necessary to ensure the continuation of
18 the same reliable service to our customers.

19 We also request that the Commission allow us
20 to fully consolidate our service, including the
21 rate structures. And simply this would enable us
22 to operate as unified operation in Florida while
23 continuing to enhance our service and our
24 responsiveness, as well as our customer-focused
25 nature in the most efficient manner possible.

1 The most recent rate relief sought by any of
2 our gas companies was approximately 13 years ago.
3 That was with CFG in 2009. Right before that,
4 FPUC -- which I will refer to Florida Public
5 Utilities as FPUC -- was requested in 2008. And
6 FPUC's Indiantown division was even longer. It was
7 back in 2003. And FPUC's Fort Meade division was a
8 municipally owned utility, gas utility, prior to
9 our acquisition in 2013. And as a result, they
10 have never been in for a rate review before this
11 commission.

12 We've managed our costs well over the last 13
13 years. And over that period, the companies have
14 grown, both through acquisition as well as
15 organically. We have expanded natural gas service
16 to areas that have previously had no or very
17 limited access to gas. At the same time, we have
18 maintained our focus on the customer driving our
19 improvements in both customer service as well as
20 customer communications.

21 To meet the demand to fulfill the customers'
22 request we have had to make significant capital
23 investments. The company's efforts have resulted
24 in expanded service in several areas. Most notably
25 in Nassau and Escambia Counties.

1 We own and operate approximately 3,000 miles
2 of natural gas distribution mains. We currently
3 serve approximately 92,000 customers across the
4 footprint of Florida. And since 2010, our company
5 has experienced an averaging annual growth in
6 excess of 2.6 percent. And that growth and the
7 rising cost to serve have made it necessary for us
8 to seek rate relief despite our best efforts to
9 control these costs.

10 A key aspect of providing service is safety,
11 both for our customers and our employees. Safety
12 is our number one priority, and it's an underlying
13 theme that has driven improvements in our
14 distribution facilities, our training programs, our
15 safety protocols, and that includes making
16 appropriate investments in computer technology and
17 software related the cybersecurity specifically
18 intended to protect our customers' personal
19 information.

20 Our commitment to you, as our customers,
21 continued to increase our customer engagement, our
22 retention and growth by making investments that
23 make it easier for you to do business with us.

24 Our customers are at the center of everything
25 we do, and there is nothing more important than

1 their safety. And therefore, we intend to continue
2 doing everything possible to maintain a clean, safe
3 and reliable natural gas service at just and
4 reasonable rates.

5 Our accountability starts with a commitment to
6 listen and learn from you, our customers, and we
7 fully understand -- so that we can fully understand
8 what your needs are and we can better assist you.
9 We value our customers, and we are honored to serve
10 you, and we work daily to ensure that our service
11 reflects that attitude.

12 Under our current rates, our ability to
13 continue to make the necessary investments through
14 modernizing our facilities has become jeopardized.
15 This requested consolidation and rate relief will
16 allow us to continue to provide the clean, safe and
17 reliable natural gas service for all of our
18 customers.

19 And as stated earlier, on the video with us
20 tonight is Kelley Parmer, our ADP of Customer Care,
21 who is here to ensure that any questions you have
22 and regarding your bill, service, or anything
23 related to this request will be answered in the
24 most expeditious manner possible.

25 Thank you.

1 CHAIRMAN FAY: Thank you, Mr. Cassel.

2 Next we will move to Office of Public Counsel,
3 if they would like to present an opening statement.

4 MS. CHRISTENSEN: Good evening. My name is
5 Patricia Christensen. I am with the Office of
6 Public Counsel. We represent the citizens in the
7 base rate case for the natural gas companies in
8 their consolidation.

9 We have prepared and filed two sets of
10 testimony on behalf of the customers, and we are
11 recommending that FPUC and its consolidated
12 divisions get no more than \$7.8 million in revenue
13 increase. That's approximately 16 million less
14 than what the company has asked for. And our ROE
15 recommendation is to decrease them from where they
16 are now to approximately 9.25 percent.

17 With those recommendations, we are anxious to
18 hear from the customers, and we thank all of you
19 that took the time out to come and speak tonight
20 about the quality of service that you experience
21 with the FPUC gas companies and any of their
22 divisions.

23 I want to thank you for your time tonight, and
24 if you have any questions, you can certainly
25 contact me at my office, which is area code

1 (850)717-0333.

2 Thank you, and have a good evening.

3 CHAIRMAN FAY: Great. Thank you, Ms.
4 Christensen.

5 Next we will move on to customer testimony.
6 Each customer will have three minutes to present
7 their public testimony. And what we will do is I
8 will call your name specifically when it's your
9 time to speak based on the list that we have of
10 signed up speakers.

11 If you signed up on-line, you have already
12 accepted the oath that's required to present to the
13 Commission; but for others, we will make sure we
14 have you sworn in before providing your testimony.

15 Let's see, if you reach the end of your time,
16 we will allow you to wrap up your point, but we do
17 need you to conclude within the timeline that's
18 given equally to all customers.

19 With that, when you do address the Commission,
20 if you want to state your name, the address, and
21 whether you are -- whether you are a customer of
22 Florida Public Utilities, Florida Division of
23 Chesapeake Utilities, Florida Public Utilities
24 Company Indiantown division or the Fort Meade
25 division.

1 additional \$12 a month, which will be \$144 a year,
2 it doesn't fit into my budget.

3 We have to keep giving up more and more and
4 more until we are going to be left with nothing.
5 We are struggling. This is not a good time. While
6 businesses are not thriving, food is so expensive,
7 to have to pay extra for gas, when that is the one
8 bill I can count on, and I use my gas stove and my
9 gas drier because it's less expensive than FPL. It
10 would be a hardship to every senior citizen who is
11 under extremely low-income circumstances like
12 myself.

13 I think it's unfair. I think it's unjust, and
14 I understand you feel that you are providing
15 security and safety. Well, I am not going to be
16 safe if I am living in an appliance box because I
17 can't afford anything anymore. Between rent
18 increases, I think this is, and everything else, I
19 think this is an atrocity and it should not be
20 done, unless you can tell me how it's going to
21 impact me.

22 I -- looking at the letter I received, it's
23 showing me either my bill will go up \$12 a month or
24 three percent. Three percent, I can deal with.
25 \$12 a month, I can't deal with. And I respectfully

1 ask you to please reconsider the senior citizens
2 and make them exempt from this raise.

3 Thank you.

4 CHAIRMAN FAY: Okay. Thank you for your
5 comments, Ms. Cuervo.

6 Anything from the parties? No.

7 Commissioners?

8 All right. With that, next we will move to --

9 MS. CUERVO: Can somebody -- can somebody tell
10 me how this is going to impact me?

11 CHAIRMAN FAY: Ms. Cuervo, so what the
12 Commission will do is take your comments into the
13 record and then there will be a technical hearing
14 at another date, and then the Commission will
15 review that docket to make a decision. And so
16 everything that you have provided here today will
17 be placed in the docket.

18 MS. CUERVO: I will be notified or no?

19 CHAIRMAN FAY: Not directly, but with that,
20 Ms. Cuervo, I do know the utility has members of
21 their team available here, so if they would like to
22 provide information or a contact for you, they may
23 do so.

24 MS. CUERVO: Okay. Thank you so much.

25 CHAIRMAN FAY: Yeah.

1 MS. KEATING: I was just going to say that if
2 Ms. Cuervo would like, we will be happy to reach
3 out to her directly off-line.

4 MS. CUERVO: Please, I would like that.

5 MS. PARMER: Yes. And hi, Ms. Cuervo. This
6 is Kelley Parmer, so I will have a member of the
7 team reach out to you.

8 MS. CUERVO: Okay. Do you need my phone
9 number or do you have it there?

10 MS. PARMER: I have the one on your account.
11 If it's other than that, then you can certainly
12 provide it to me now.

13 MS. CUERVO: No, it's the one that's on my
14 account, ma'am.

15 MS. PARMER: Okay. We will give you a call.

16 MS. CUERVO: Thank you so much.

17 MS. PARMER: You are very welcome.

18 CHAIRMAN FAY: Okay. Thank you again for your
19 time, Ms. Cuervo.

20 Okay. Next Amanda Shows. Ms. Shows, are you
21 on the line? Amanda Shows?

22 And I will just try Bryana Beach one more
23 time. Bryana?

24 Okay. With that, that concludes our speakers
25 -- signed up speakers for tonight. Is there

1 anybody else on the line who would like to address
2 the Commission?

3 Okay. With that --

4 INTERPRETER: Let me just say in case there is
5 somebody.

6 (Interpreter inquiring as to additional
7 speakers.)

8 CHAIRMAN FAY: Thank you for making sure we
9 don't have any Spanish speakers on the call. I
10 appreciate that.

11 With that, I do want to thank our speakers who
12 did participate, and our staff and everybody who
13 took place for this meeting.

14 Seeing -- any other matters or closing matters
15 from the Commission?

16 We are adjourned. Thank you.

17 (Proceedings concluded.)

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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 12th day of September, 2022.



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