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September 10, 2018

Ms. Carlotta Stauffer, Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Docket Nos. 20170235-EI & 20170236-EU

Dear Ms. Stauffer:

Please find attached for electronic filing the corrected version [added page numbers] of the Direct Testimony of Ken Daige.

Please let me know if there are any further changes necessary.

All best,
Lynne A. Larkin, Esq.
Counsel for Civic Association of Indian River County, Inc.

Enc. [1]

LAL/hs

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition by Florida Power & Light Company (FPL) for authority to charge FPL rates to former City of Vero Beach customers and for approval of FPL's accounting treatment for City of Vero Beach transaction.

DOCKET NO. 20170235-EI

In re: Joint petition to terminate territorial agreement, by Florida Power & Light and the City of Vero Beach.

DOCKET NO. 20170236-EU

NOTICE OF SERVICE & CERTIFICATION

The Civic Association of Indian River County, Inc. [“CAIRC”], pursuant to Rule 28-106.204, Fla. Admin. Code, hereby files its Certificate of Service for the Testimony of Ken Daige.

I HEREBY CERTIFY that a true and correct copy of the above and foregoing has been filed and forwarded via email this 10th day of September, 2018, to: PARTIES listed below.

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By /s/ LYNNE A. LARKIN
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FPSC DOCKET NO. 2017-0235, 0236
DIRECT TESTIMONY OF KEN DAIGE
ON BEHALF OF
THE CIVIC ASSOCIATION OF INDIAN RIVER COUNTY, INC.
SEPTEMBER 7, 2018

1 **Q. Please state your name and residence.**

2 A. My name is Kenneth Daige. I am a resident of the City of Vero Beach, Florida. I
3 have lived approximately 30 years in the City of Vero Beach, and in Indian River
4 County for a total of 43 years. I served on the Vero Beach City Council from 2006 to
5 2008 and in 2010. I currently sit on the Planning and Zoning Board. I have been a
6 member of the Civic Association of Indian River County since 2006.

7 **Q. Can you briefly summarize your employment?**

8 A. I was formerly a US Army Specialist-Airborne and received multi-faceted
9 military leadership training. I currently co-own and operate an interior design-trades
10 business.

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

12 A. On November 3, 2017, FPL filed a petition with this Commission for authority to
13 charge FPL rates to former COVB (electric) customers and approval of their
14 accounting treatment for the COVB transaction, and to alter territorial agreements.
15 The Civic Association of Indian River County [CAIRC] protested in that docket, and
16 FPL has challenged CAIRC's standing to be a party in this case. My testimony is
17 directed to the challenge of our standing.

18 **Q. Please summarize your testimony.**

19 A. To substantiate our long-standing involvement in the utility issues, our mission
20 statement, and our deep concern regarding having the truth be available to our
21 members and the entire county regarding what this sale means for future rates,
22 services, and quality of life.

23 **Q. How long have you been a member of the Board of Directors of CAIRC?**

1 A. I've been a board member since 2006. The goals of CAIRC have always been to
2 support good government practices in our county and municipal governments, and
3 most importantly to preserve our quality of life in Vero Beach.

4 **Q. How often does the CAIRC normally meet?**

5 A. Up until the last five years we met monthly at the Indian River Library. As we
6 became more involved in the issue of the utility sale, we used telephone meetings
7 more often to accommodate those members having difficulty traveling, or at the Oak
8 Harbor meeting rooms.

9 **Q. How does the Board operate?**

10 A. Anyone can put issues on the meeting agendas, the president presides, and until
11 2013 we had a paid administrative secretary take the minutes of our meetings.
12 Members are encouraged to attend, but very few ever do. The decisions on action
13 items are voted on by the board and simple majority rules.

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

16 A. We were very active during the 1976-78 attempts by FPL to purchase COVB
17 utility, according to Board records, news reports, and discussions by board members
18 who were part of that issue both as members of the City Council, members of City
19 committees, and City staff. At that time, CAIRC was in favor of a sale under the
20 right circumstances, but when it was proven that the promises being made by FPL
21 were untrue, our Board was then opposed to the deal. In 2009 our Board was made
22 aware of and addressed a movement to further regulate government-owned utilities.
23 Concurrently that year FPL was invited to purchase Vero Electric. The Board has
24 been actively following this issue, and we have intervened at most levels where

1 government approvals are involved, including at the Federal Energy Regulatory
2 Commission [FERC].

3 **Q. In your experience, did your discussions include the alleged difference in**
4 **status between inside the city versus outside electric customers?**

5 A. Yes. Although the rates are the same for all customers, and our members come
6 from all areas of the cities and county, a few people stirred up the idea that paying for
7 your electric service was “unfair” to county customers since a portion of the revenue
8 was used for supporting the Vero Beach budget. This was of huge concern to us, since
9 maintaining good services for all residents who use city resources takes a certain level
10 of funding. It’s been our position that we have been fortunate to not have to cut those
11 services, or eliminate parks and facilities, since the utility profits don’t leave our area
12 via a public utility but rather stay to enrich everyone’s quality of life.

13 **Q. When was the most recent meeting of the CAIRC board?**

14 A. The last meeting we had was in August, 2018, as of this writing.

15 **Q. Do all the board members agree with the protest filed with the PSC?**

16 A. No. But a large majority do and everyone is working to bring this case forward.

17 **Q. With all the interest and activity concerning the FPL contract, why aren’t**
18 **more directors and members speaking up in public about their concerns?**

19 A. We have spoken as often as possible. We’ve also been subject to rather harsh
20 abuse in our efforts to remain involved in this matter. Since the FPL-funded public
21 relations machine, which includes several local citizens’ efforts via newsletters, ads,
22 and other media placements, often involves attacking those with whom they disagree,
23 very few citizens are comfortable facing that sort of attention. The pro-sale crowd
24 boycotts businesses, using intimidation via forms of social media, to discourage any
25 voice of dissent. Recently, just after veiled threatening facebook comments were

1 posted about me and other CAIRC members, my personal vehicle was vandalized
2 (police report on file).

3 **Q. Have members spoken up to the City Council on this matter?**

4 A. At least since 2009 they have. Those who do are received with open hostility and
5 contempt. City staff has been muzzled, as have the City boards and commissions, and
6 one member of the City Council threatened to fire anyone on staff who threatened the
7 sale by producing data or information unhelpful to the transaction. Until recently,
8 former County Commission Chair Caroline Ginn has been quite prominently speaking
9 out about the problems not being addressed by City Council, and until his recent death
10 in April, Ralph King, former head of the City Planning and Zoning Board, also was
11 quite involved. I've made presentations to Council and to other civic groups, as well.
12 This issue affects all of us, now and in the future. It is one of the biggest decisions
13 being made for our City, for the utility customers, and for all FPL customers who may,
14 or may not, end up paying for such transactions.

15 **Q. Has communication with members, as well as fundraising, continued since
16 fully taking on the FPL issue?**

17 A. To a limited extent since the paid administrator lost our paper files for several
18 years, and claimed that our electronic files were lost. Putting our mailing and member
19 list back together is labor-intensive and is being worked on by one of our committees.

20 **Q. Do you feel that the public has been adequately informed about the contract
21 and its ramifications for our area?**

22 A. No. That is the key to what we seek in this action, and the public interest has
23 been ignored too long by the City Council.

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

25 A. Yes.