

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of:

DOCKET NO. 20210034-EI

Petition for rate increase
by Tampa Electric Company.

DOCKET NO. 20200264-EI

Petition for approval of 2020 depreciation
and dismantlement study and capital
recovery schedules, by Tampa Electric
Company.

PROCEEDINGS: SERVICE HEARING

COMMISSIONERS
PARTICIPATING: CHAIRMAN GARY F. CLARK
COMMISSIONER ART GRAHAM
COMMISSIONER ANDREW GILES FAY
COMMISSIONER MIKE LA ROSA
COMMISSIONER GABRIELLA PASSIDOMO

DATE: Monday, August 9, 2021

TIME: Commenced: 2:00 p.m.
Concluded: 2:30 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 JAMES D. BEASLEY, J. JEFFRY WAHLEN and MALCOLM
3 N. MEANS, ESQUIRES, Post Office Box 391, Tallahassee,
4 Florida 32302, appearing on behalf of Tampa Electric
5 Company (TECO).

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

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

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

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

2 CHAIRMAN CLARK: Good afternoon. I would like
3 to welcome everyone to the customer service hearing
4 in the Tampa Electric rate case. Today's service
5 hearing is a very important part of the rate case
6 process and is dedicated to hearing from our
7 customers.

8 My name is Gary Clark. I have the privilege
9 of serving as the Chairman of the Florida Public
10 Service Commission. All the Commissioners who are
11 here today are very interested in hearing your
12 comments today, and I would like to give them an
13 opportunity, if they would like, any opening
14 remarks before we begin. Any Commissioners?

15 All right. Staff counsel, would you please
16 read the notice?

17 MR. MURPHY: By notice issued on July 13,
18 2021, this time and place has been set for a
19 Customer Service Hearing in Docket Nos. 20210034-EI
20 and 20200264-EI.

21 CHAIRMAN CLARK: All right. Thank you very
22 much.

23 All right. We will begin by taking
24 appearances next. We will start with Tampa
25 Electric.

1 MR. WAHLEN: Good afternoon, Commissioners. I
2 am Jeff Wahlen of the Ausley McMullen Law Firm in
3 Tallahassee, appearing on behalf of Tampa Electric
4 Company. Also with the same firm are Malcolm Means
5 and James D. Beasley.

6 I am joined today by with three Tampa Electric
7 employees, Frank Busot, B-U-S-O-T, Penelope Rusk
8 and Karen Sparkman. Mr. Busot and Ms. Rusk being
9 are here to answer questions, and Ms. Sparkman will
10 be making the presentation.

11 CHAIRMAN CLARK: All right. Thank you very
12 much, Mr. Wahlen.

13 OPC, Mr. Rehwinkel.

14 MS. PIRRELLO: Good morning, Mr. Chairman.
15 This is Anastacia Pirrello for the Office of Public
16 Counsel. I would also like to enter an appearance
17 for Richard Gentry, the Public Counsel, Charles
18 Rehwinkel, Stephanie Morse and Mary Wessling.

19 CHAIRMAN CLARK: Thank you, Ms. Pirrello. I
20 would have called on you, but Mr. Rehwinkel is just
21 right in the center of my screen there. That's the
22 only one I saw.

23 FRF, Mr. Wright.

24 All right. Move next to staff counsel.

25 MR. MURPHY: Charlie Murphy and Walt

1 Trierweiler on behalf of Commission Staff.

2 CHAIRMAN CLARK: Ms. Helton.

3 MS. HELTON: Mary Anne Helton is here as your
4 advisor, along with your General Counsel, Keith
5 Hetrick.

6 CHAIRMAN CLARK: All right. Thank you.

7 Did I get all the parties?

8 All right. Let me begin by thanking all of
9 you for taking time out of your schedule to call in
10 to this customer service hearing. We appreciate
11 the interest that you have filed in the petition by
12 Tampa Electric Company.

13 As I mentioned, this hearing is designed so
14 that we can hear directly from customers. This is
15 your opportunity to express your thoughts, your
16 concerns and your comments related to the utility's
17 request. In October, there will be a technical
18 hearing where the Commission will take up the
19 substance and the evidence of this case.

20 If you are calling in today and you need to
21 speak with a Tampa Electric Company customer
22 service representative, you can reach them by
23 calling (866)896-1222. They are available all day
24 today, and especially during this particular
25 hearing.

1 The staff has Ms. Cissy Galloway on hand, and
2 she's the PSC representative for this docket. She
3 can be reached by emailing
4 cgallowa@psc.state.fl.us, or by calling
5 (850)413-6922.

6 Commission technical staff are also on the
7 line here with us here today.

8 Just to remind you all, this is an official
9 hearing. It will be transcribed and become part of
10 the official record. As such, I will swear you in
11 on the phone before you begin your comments. I
12 think if I remember correctly, most of you have
13 already been sworn in with one exception, so I will
14 try to catch that one before we begin.

15 Please note that your comments are subject to
16 cross-examination. That is, you may be asked
17 questions by either -- either by the parties or by
18 one of the Commissioners.

19 For those that are calling in, we ask that you
20 please attempt to maintain a quiet setting, and
21 please keep your phone on mute until you are
22 speaking.

23 In addition to sharing your comments here
24 today, you may also file written comments with the
25 Commission. To contact the PSC by mail, you can

1 find a pre-addressed comment card on our website.

2 Whether your comments are made verbally today
3 or received in writing, be assured your comments
4 will be reviewed and taken into consideration
5 during the course of these proceedings.

6 Now, I am going to invite Tampa Electric to
7 present a brief opening statement, followed by OPC
8 and any of the other intervenors, then Commission
9 staff.

10 Mr. Wahlen.

11 MR. WAHLEN: Thank you, and good afternoon,
12 Commissioners. I am Jeff Wahlen. I am an attorney
13 for Tampa Electric Company. As I indicated, Karen
14 Sparkman, who is Vice-President for Customer
15 Experience, will be making a brief statement on
16 behalf of the company.

17 However, before she does, I would like to note
18 for the record that on Friday, Tampa Electric filed
19 a settlement agreement that resolves the issues in
20 this case and in the depreciation docket. The
21 settlement agreement was signed by all the parties
22 and will be considered by the Commission at a later
23 date. So we don't intend to discuss it today,
24 except to say that we believe it's fair and
25 reasonable and in the public interest.

1 This hearing, we believe, is, as the Chairman
2 indicated, an opportunity for us to hear from our
3 customers and to address any concerns that they may
4 have. So unless there are questions for me, I
5 would like to turn it over to Karen Sparkman of
6 Tampa Electric for a brief statement.

7 CHAIRMAN CLARK: Thank you, Mr. Wahlen.
8 Ms. Sparkman, you are recognized.

9 MS. SPARKMAN: Good afternoon, Commissioners.
10 My name is Karen Sparkman, and I am the
11 Vice-President for Customer Experience for Tampa
12 Electric. The team very much appreciates the
13 opportunity to participate today, and we look
14 forward to hearing from our customers.

15 Tampa Electric has not requested a general
16 base rate increase since 2013. As our attorney,
17 Mr. Wahlen, has noted, we filed an agreement that
18 resolves all of the issues in our rate case last
19 Friday, and think that the agreement is fair and in
20 the public's interest. We look forward to the
21 Commission's consideration of the agreement in the
22 near future, but today, we really want to focus our
23 attention on listening to our customers.

24 We understand that our customers would rather
25 not face price increases, whether it's for the

1 price of groceries, clothing, gas for their car or
2 electricity. However, we must keep our eye on the
3 future and continue to invest in projects that will
4 help us become cleaner and greener, and also to
5 keep up with changing customer expectations about
6 quality customer service.

7 We are adding solar generation, we are
8 improving the efficiency and the environmental
9 profile of our generating fleet, and we are
10 upgrading our electric grid so it will be more
11 reliable and resilient.

12 We are putting technology to work to ensure
13 that our customers can communicate with us when
14 they want, and in the ways that are convenient to
15 them.

16 Since 2013, we have successfully implemented a
17 new customer billing system, a new on-line portal
18 with a mobile first approach. We've improved and
19 have increased electronic payment channels. We
20 have improved customer service levels for our
21 customer experience contact center, billing and
22 payment services, and we've made hundreds of
23 smaller process and system enhancements to better
24 serve Tampa Electric's customers. We are proud of
25 these changes and the way they improved our service

1 levels, but we do know that there is always ways we
2 can improve.

3 We look forward to hearing from our customers
4 today, and we have a team of people ready to help
5 and answer questions and resolve any issues that
6 our customers may bring to our attention.

7 Thank you.

8 CHAIRMAN CLARK: All right. Thank you very
9 much, Ms. Sparkman.

10 OPC.

11 MS. PIRRELLO: Thank you, Mr. Chairman, and
12 good afternoon, Commissioners. Again, my name is
13 Anastacia Pirrello with the Office of Public
14 Counsel.

15 This office within the Legislature is tasked
16 by law with representing you, the ratepayers of
17 Tampa Electric Company.

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

25 We are here today to listen to your testimony

1 on the service provided by TECO and any thoughts
2 that you have on this agreement since the agreement
3 must be approved by the Public Service Commission
4 before it may go into effect.

5 Last year, we hired experts in accounting,
6 depreciation, cost of capital and other regulatory
7 matters who aided us in preparing for the case
8 before it was filed and in investigating this
9 request. With their expertise and that of our
10 in-house experts, we've come to the conclusion that
11 this settlement agreement represents the best
12 possible outcome for the customers of Tampa
13 Electric.

14 I would like to take a few moments to explain
15 some of the benefits that TECO customers stand to
16 gain under this deal.

17 First, our office and the other signatories
18 were able to reach an agreement to reduce TECO's
19 requested rate increase from 295 million to 123
20 million, with a profit level for TECO of 9.95
21 percent, which alone will save customers more than
22 \$32 million annually when compared to the profit
23 level that the company requested.

24 This agreement also continues to further
25 TECO's efforts to respond to increasing public

1 demand to transition to cleaner energy by allowing
2 the company to replace their remaining coal plant
3 and fleet with natural gas, and to build 600
4 megawatts of utility scaled solar generation.

5 Additionally, this deal ensures that customers
6 will may pay no more than absolutely necessary for
7 the cost of retiring the coal plant, and by
8 collecting those costs over 15 years rather than 10
9 years, as is the standard practice results in
10 otherwise lower customer bills in the earlier years
11 of the retirement.

12 The longer period also helps to match the
13 recovery of these old costs over the period that
14 the new cleaner and renewable plants will be in
15 service and serving future customers.

16 The settlement reduces certain types of
17 executive compensation that is designed to reward
18 shareholder more than to help customer save, and
19 reduces some costs including excessive vacant
20 positions that customers should not be paying for.

21 This agreement also protects customers from
22 utility practice called ledge he hedging, which has
23 often cost customers more than it saved them.

24 Finally, the deal increase is customers'
25 access to two of the company's conservation

1 programs which will aid customers in reducing their
2 electric bills.

3 If approved, this deal will go into effect in
4 January of 2022 and prevent TECO from raising its
5 rates before January 2025, except in a small amount
6 in a very specific limited circumstance.

7 As I previously stated, the Commission must
8 make a decision whether this agreement is in the
9 public interest. We are here to hear your thoughts
10 about that. If you have any further thoughts you
11 would like to share with the Commissioner is about
12 this case, you can email clerk@psc.state.fl.us, and
13 reference Docket No. 20210034. If you have
14 questions about this agreement or anything else
15 about the case, please reach out to the Office of
16 Public Counsel toll free at 1(800)342-0222.

17 Thank you.

18 CHAIRMAN CLARK: Thank you very much, Ms.
19 Pirrello.

20 Any of the other parties wish to make an
21 opening statement?

22 All right. Well, we will move into the
23 customer testimony.

24 We want to give every customer that has signed
25 up an opportunity to speak. We normally limit our

1 customer comments to three minutes. We will be a
2 little bit liberal with that today since we have a
3 fairly limited number of customers on the line. We
4 do want you to please be concise and get to your
5 point as quick as possible.

6 We will go ahead and get started, so the first
7 customer is Jay Whitney. Jay is the only person
8 that has not been sworn in. Jay, are you on the
9 line? Mr. Whitney. Jay Whitney.

10 All right. Pamela Rhodes. Pamela Rhodes.
11 Jeffrey Basiaga, Basiaga. Jeffrey Basiaga.
12 Linda Scholten. Do we have anybody on the
13 line?

14 Wendy Qualls.

15 MS. QUALLS: Speaking.

16 CHAIRMAN CLARK: Ms. Qualls, you have already
17 been sworn in. You are recognized for three
18 minutes.

19 MS. QUALLS: I have not been sworn in.

20 CHAIRMAN CLARK: You signed a statement when
21 you logged in on the website swearing you to tell
22 the truth.

23 MS. QUALLS: I am sorry. I thought they were
24 going to do it over the telephone. I beg your
25 pardon.

1 CHAIRMAN CLARK: No problem. You are -- you
2 are recognized, Ms. Qualls.

3 MS. QUALLS: All right. Thank you.

4 I have been having some bad service from TECO
5 where my power is switched on and off several times
6 during the course of a month, sometimes it's every,
7 at least once every week, to the point where I have
8 to just reset everything in the house, and I am not
9 understanding why, after being in my house for over
10 25 years why is this still happening.

11 I also have outages out here, especially
12 during rainstorms, but sometimes not in rainstorms.
13 It could be in the middle of the afternoon on a
14 Thursday or on a Wednesday, or whatever, the power
15 just goes out for several hours. You know, we all
16 have to call in in our neighborhood to say the
17 power is out, and it just takes hours and hours and
18 hours, sometimes eight hours, for them to respond
19 and get it all taken care of.

20 We had a problem with transformers blowing out
21 in our area, which is out in the Carrollwood area.

22 And most recently, I had some cables leading
23 to my electric meter and I had to speak to at least
24 eight people who did not know what they were doing,
25 they kept sending me to the new construction

1 department. Those people didn't know what they
2 were doing. I finally got someone to come out and
3 look at it, and they said the -- because these
4 wires were exposed, this was my problem to take
5 care of. And I said, no, I don't believe that's
6 correct. So they kept calling people until finally
7 somebody said, no, this is not the customer's
8 fault.

9 So it ended up taking me almost two-and-a-half
10 weeks to finally get someone to come out and fix
11 this. They dug a hole. They didn't fill the hole
12 completely. Of course it rained for two days
13 afterwards, and I had a hole the size of my house
14 which was right beside my bedroom window, and
15 that's kind of scary to look out on.

16 They did not -- when I asked them to come out
17 and fill up the hole again, they brought a bunch of
18 rocks and weeds. I don't know where they got their
19 dirt from, but this is ridiculous. They dug you my
20 whole entire front yard, and came -- had to come
21 under a fence to get to my back yard to get to my
22 meter, and they never let me know they were going
23 to do this. They knocked on my door at 7:30 in the
24 morning and said, you know, we are going to start
25 digging. And I am like, who are you, and why are

1 you here, and why have I not been told? Well,
2 nobody knew, and there was a very big language
3 barrier also.

4 I am not very happy with TECO. I spent a lot
5 of time trying to get where I am at, and I am still
6 not happy with the result, but the hole seems to be
7 filled even though it's not very pretty.

8 I would like to have somebody address those,
9 and if this means that the rates don't get
10 increased, I think that's good. I think that they
11 need to start managing what they already have.

12 That's my case.

13 CHAIRMAN CLARK: Thank you. Ms. Qualls, we do
14 have a -- we do have -- TECO does have customer
15 service reps standing by. I would like to give you
16 a phone number specifically that you can call and
17 to work out some of those technical issues. I
18 think they are standing by and will be glad to take
19 that. That number is (866)896-1222. That is the
20 number directly into TECO's customer service room,
21 and they will be glad to -- to help work out some
22 of those technical issues for you.

23 Any --

24 MS. QUALLS: Yes, I -- I --

25 CHAIRMAN CLARK: Yes, go ahead. I am sorry.

1 MS. QUALLS: I have dealt with them many, many
2 times, and that's why I decided to be part of this
3 Public Service Commission deal.

4 CHAIRMAN CLARK: And we appreciate your -- we
5 appreciate your testimony today.

6 MS. QUALLS: Okay.

7 CHAIRMAN CLARK: Any questions for Ms. Qualls?
8 Mr. Wahlen, any questions?

9 MR. WAHLEN: No, sir.

10 I just will note that Ms. Sparkman has been
11 listening carefully and taking notes, and I am sure
12 that she will be in touch with Ms. Qualls.

13 CHAIRMAN CLARK: All right. Thank you very
14 much.

15 Any of the other parties have a question?

16 Any Commissioners have questions?

17 All right. Thank you very much, Ms. Qualls,
18 for your testimony.

19 Next is Clifford Reiss. Mr. Reiss, are you on
20 the line?

21 MS. RHODES: This is Pamela Rhodes. Am I
22 unmuted?

23 CHAIRMAN CLARK: Yes. And who is this again?

24 MS. RHODES: Pamela Rhodes. I was one of the
25 first ones, but I have been having difficulty

1 getting unmuted.

2 CHAIRMAN CLARK: Okay. No problem. You are
3 recognized for three minutes, Ms. Rhodes.

4 MS. RHODES: Okay. The base rate is 15.05 a
5 day. The proposed jumps to 70 percent per day,
6 which is not comparing apples to apples. So I
7 assumed a 30-day month. That would be \$21. That
8 equals to a 39 percent raise.

9 I don't mind a little raise, but this is
10 obscene, given that many of us are on fixed
11 incomes, our Social Security COLAs will not reflect
12 that amount.

13 CHAIRMAN CLARK: All right. Well, thank --
14 thank you for those comments, Ms. Rhodes.

15 Anybody have any questions for Ms. Rhodes?
16 Any of the parties?

17 Commissioners, any questions?

18 All right. Thank you very much for your
19 testimony today.

20 MS. RHODES: Thank you.

21 CHAIRMAN CLARK: Next is Clifford Reiss.
22 Clifford Reiss.

23 All right. Let me go back through and make
24 sure we didn't miss anyone that might have been on
25 mute also. I will begin with Jay Whitney. Jay

1 Whitney.

2 Jeffrey Basiaga.

3 Linda Scholten.

4 Clifford Reiss.

5 All right. Well, I believe that concludes all
6 of the parties.

7 Is there anyone on the line who has signed up
8 to speak today that has not had an opportunity to
9 do so?

10 All right. Hold on one second. Let me find
11 my place in my notes here.

12 Thank you again for taking time out of your
13 schedules today to call into this service hearing.
14 Again, your comments are very important to us and
15 we appreciate you assisting us in this proceeding.

16 Our next service hearing is going to be
17 tonight at six o'clock p.m.

18 Commissioners, do you have any comments or
19 questions before we adjourn?

20 All right. Seeing none, we stand adjourned
21 until 6:00 p.m. this evening. Thank you.

22 (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 24th day of August, 2021.



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