

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

In re:

DOCKET NO. 20260026-GU

Application for rate increase
by Florida City Gas.

_____ /

PROCEEDINGS: SERVICE HEARING

COMMISSIONERS
PARTICIPATING: COMMISSIONER GARY F. CLARK
COMMISSIONER MIKE LA ROSA
COMMISSIONER BOBBY PAYNE

DATE: Wednesday, July 29, 2026

TIME: Commenced: 9:30 a.m.
Concluded: 9:55 a.m.

PLACE: Brevard County Government Center
Space Coast Room
2725 Judge Fran Jamieson Way
Melbourne (Viera), Florida

REPORTED BY: DEBRA R. KRICK
Court Reporter and
Notary Public in and for
the State of Florida at Large
Court Reporter

PREMIER REPORTING
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 City Gas (FCG).

5 AUSTIN WATROUS, ESQUIRE, OFFICE OF PUBLIC
6 COUNSEL, c/o The Florida Legislature, 111 West Madison
7 Street, Room 812, Tallahassee, Florida 32399-1400,
8 appearing on behalf of the Citizens of the State of
9 Florida (OPC).

10 MAJOR THOMPSON and ALISHA HIXON, ESQUIRES,
11 FPSC General Counsel's Office, 2540 Shumard Oak
12 Boulevard, Tallahassee, Florida 32399-0850, appearing on
13 behalf of the Florida Public Service Commission (Staff).

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

2 COMMISSIONER CLARK: Well, good morning. We
3 will go ahead and get started this morning. It's
4 certainly good to see everybody here. I would like
5 to welcome you all and thank you for attending the
6 customer service hearing as part of the review of
7 Florida City Gas request for a rate increase.
8 Today's service hearing is a very important part of
9 the process and is dedicated to hearing from you,
10 the customers.

11 My name is Gary Clark, and I have the
12 privilege as serving as a Commissioner for the
13 Florida Public Service Commission. With me are two
14 of my fellow Commissioners, and I would like to
15 give them an opportunity this morning to introduce
16 themselves.

17 COMMISSIONER LA ROSA: Great. Mike La Rosa,
18 Florida Public Service Commission. It's an honor
19 to be here and very thankful to Brevard County for
20 giving us great facilities to be able to conduct
21 this meeting, and obviously allow our customers in
22 this market to be able to talk to us and hear their
23 opinion, so thank you. It's a pleasure to be here.

24 COMMISSIONER PAYNE: Bobby Payne. Proud to be
25 here. It's an honor to serve. Beautiful city. I

1 like Viera. This is the first time I have been
2 here, so it's an honor to be here and listen to
3 what everybody has to say and find a balance to
4 what we need to apply, so thank you.

5 COMMISSIONER CLARK: All right. Thank you,
6 fellows.

7 At this time, we will read the notice.

8 MR. THOMPSON: Thank you, Commissioner.

9 By notice issued July 15th, 2026, this time
10 and place has been set for a customer service
11 hearing in Docket No. 20260026-GU. The purpose of
12 the service hearing is to take customer testimony
13 about FCG's quality of service.

14 COMMISSIONER CLARK: Can everybody hear okay?
15 Are the mics working? We need to get closer. Is
16 that better?

17 COURT REPORTER: OH, that's better.

18 COMMISSIONER CLARK: No need to start over,
19 right? We all heard that.

20 All right. We will take appearances this
21 time, beginning with Florida City Gas.

22 MS. KEATING: Good morning, Commissioners and
23 customers. My name is Beth Keating. I am with the
24 Gunster Law Firm, and I am here this morning for
25 Florida City Gas.

1 COMMISSIONER CLARK: OPC.

2 MR. WATROUS: Good morning, everyone. This is
3 Austin Watrous on behalf of the Office of Public
4 Counsel.

5 MR. THOMPSON: And Major Thompson and Alisha
6 Hixon on behalf of the Florida Public Service
7 Commission.

8 COMMISSIONER CLARK: All right. Thank you,
9 counsel.

10 Florida Executive Agencies are also a party to
11 this docket but they are not present at today's
12 hearing.

13 Again, let me say thank you to everyone for
14 participating in this today. In September, there
15 is going to be a technical hearing. The Commission
16 will hear from witnesses regarding the evidence in
17 this case. I would encourage you all to watch the
18 hearing as it may help you to understand how our
19 process works a little bit better, and ultimately
20 to help you understand the decision that we make in
21 this case.

22 In addition to sharing your comments here, you
23 can also provide written comments or additional
24 materials by paper or by email. The rate case
25 overview includes instructions on how to provide

1 these written comments to the Commission. Rest
2 assured that your written comments will be made
3 available for us to review. They are given the
4 equivalent rate of direct testimony in this case.

5 If you have specific service or billing
6 issues, the employees from Florida City Gas are
7 here to assist you. Commission staff is also going
8 to be present to answer any general questions that
9 you might have about this rate case.

10 Before we hear from the customers, I am going
11 to allow some brief opening statements by the
12 parties. Parties, you are limited to three
13 minutes. I believe there are lights on the podium.
14 When your light is yellow, be aware that have one
15 minute left. When the light turns red, we expect
16 you rap up your comments. We will start with
17 Florida City Gas and then OPC.

18 Ms. Keating, you may begin.

19 MS. KEATING: Thank you, Commissioner. I
20 would actually like to turn it over to Mr. Matt
21 Everngam, who is the Assistant Vice-President of
22 Regulatory Affairs for Chesapeake Utilities, which
23 is Florida City Gas' parent company.

24 MR. EVERNGAM: Thank you, Commissioners, for
25 the opportunity to speak, and thank you to our

1 customers for participating this afternoon -- this
2 morning.

3 I am Matt Everngam, the Assistant
4 Vice-President of Regulatory Affairs at Chesapeake
5 Utilities Corporation, the parent company of
6 Florida City Gas.

7 We are here today because our company has
8 requested a base rate increase. We sent
9 information regarding our request to our customers,
10 and also have detailed information posted on our
11 website. We appreciate our customers, thank them
12 for the time they have taken to be here and look
13 forward to hearing their input.

14 We have customer service representatives, as
15 well as others, who are here to answer your
16 questions that you may have, whether you have
17 questions about the requested rate increase or
18 about your specific gas service or your bill.

19 I would like to ask our team to stand up and
20 raise their hand briefly so that folks can see
21 where you are.

22 So we also have a separate area set up on the
23 third floor in the Atlantic Room, Room 309, for any
24 breakout sessions if a customer has specific
25 questions they would like to ask outside of the

1 general forum here.

2 We also have customer service representatives
3 standing by in a call center to respond to your
4 questions if you would prefer to call us. The
5 number to call to have a company representative
6 address your questions is 1(800)993-7546. It's our
7 honor and our priority to provide you with safe and
8 reliable natural gas service. As such, our
9 commitment to you this afternoon is to listen, to
10 learn and to respond to any concerns you may have.

11 Thank you.

12 COMMISSIONER CLARK: Mr. Watrous.

13 MR. WATROUS: Thank you, Mr. Commissioner.

14 Good morning. My name is Austin Watrous, and
15 I am an attorney with the Florida Office of Public
16 Counsel, often called the OPC.

17 For more than 50 years, the Florida
18 Legislature has entrusted the OPC with one
19 important responsibility, to represent utility
20 customers like you in proceedings such as this.
21 The Public Counsel, Walt Trierweiler, and everyone
22 in our office sincerely appreciates you taking the
23 time to participate here today.

24 The Office of Public Counsel is actively
25 challenging FCG's proposed rate increase. The OPC

1 has retained three nationally respected experts who
2 have submitted testimony showing why FCG's
3 requested rates would result in rates that are
4 unjust, unfair and unreasonable for you. In fact,
5 we recommend a \$6 million reduction to the current
6 rates and a refund to you, the customers.

7 Chesapeake paid \$923 million to acquire
8 Florida City Gas. This is two times what the
9 system was worth, and the cost of purchasing this
10 system should not be imparted on you, the
11 customers. We have challenged millions of dollars
12 on these costs on your behalf.

13 And while I won't spend today's hearing
14 discussing all of the work taking place behind the
15 scenes, I do want you to know that our office is
16 working diligently on your behalf. Our attorneys
17 and experts have devoted countless hours to
18 advocate that you, as the customer, pays no more
19 than the law allows.

20 I also want you to be confident that your
21 voice is a valuable part of this rate case. The
22 rate increases have not yet been decided, and these
23 Commissioners, who are conducting virtual and
24 in-person customer service hearings, traveled here
25 today to listen to you, so please share your

1 thoughts as clearly and persuasively as you can.

2 Again, thank you for taking the time to
3 participate in today's customer service hearing,
4 and we look forward to hearing from you.

5 COMMISSIONER CLARK: All right. Thank you,
6 parties.

7 As our tradition, we hear from our elected
8 officials before we begin the customer testimony.
9 I know we have one here, Senator Mayfield, you are
10 welcome to the podium.

11 SENATOR MAYFIELD: Thank you very much, and
12 thank you for allowing me to speak for just a
13 moment. And I do apologize, I am going to have to
14 scoot out. I have another meeting to be at, but,
15 one, I want to thank you guys for bringing this to
16 the community. You know, this is -- this is what
17 we are about, public servants. We serve the people
18 of our community, and I do want to thank you for
19 coming. I know it was a travel from Tallahassee
20 and about, but, you know, welcome to Brevard
21 County, and I know that our citizens here will be
22 very respectful during the hearing, and that they
23 are going to express their concerns. We have
24 very -- several calls and several emails into our
25 office with concerns, so I can't thank you enough

1 for doing it. And, again, thank you, and thank you
2 guys for being here today.

3 COMMISSIONER CLARK: Thank you very much,
4 Senator.

5 Are there any other elected officials here
6 with us today that would like an opportunity to
7 speak?

8 All right. We will move into our customer
9 testimony. Just a reminder that the comments that
10 you make will become part of the official record
11 and, therefore, you are subject to
12 cross-examination by the parties, meaning that any
13 of the parties may ask you questions, and you may
14 be asked questions by the Commissioners. Please
15 don't let that intimidate you. We are here and we
16 are interested in making sure that you are heard
17 and that you are understood.

18 For all those that intend to testify today,
19 would you please stand right now? We are going to
20 swear you in before we begin. If you are planning
21 to testify today, please stand.

22 Okay. Raise your right hand and repeat after
23 me.

24 (Whereupon, Commissioner Clark administered
25 the oath.)

1 COMMISSIONER CLARK: All right. Consider
2 yourself sworn in.

3 To make sure that you and your neighbors have
4 an equal opportunity to provide input, please limit
5 your comments to three minutes. We are going to be
6 very flexible on that since we have a very small
7 crowd today. We don't mind giving you a couple of
8 extra minutes, but if you would, just keep your
9 comments direct and keep them relative to the
10 service that you receive from the company.

11 Lastly, we would ask everyone to please turn
12 off their cell phones or place them in silent mode.

13 OPC is going to be assisting us with the
14 service hearing today. Mr. Watrous is going to
15 call the names of the speakers in the order in
16 which you signed up. I don't think there is --
17 necessary to give the whole list of names. We have
18 only three here to speak, so we will go through
19 that list accordingly.

20 All right. With that said, we will turn it
21 over to you, Mr. Watrous.

22 MR. WATROUS: Thank you, Mr. Commissioner.

23 First up will be Gail Allen, and on deck will
24 be Gregory Sakala.

25 COMMISSIONER CLARK: Welcome, Ms. Allen. You

1 are recognized.

2 MS. ALLEN: Good morning. Thank you. My
3 first time being in front of this kind of group.

4 Good morning. My name is Gail Allen. I have
5 been a resident of Melbourne, Florida, for 12
6 years. I retired several years back from one of
7 our nations largest defense contractors as a
8 Director of Ethics and Business Conduct. I
9 appreciate the opportunity this morning to address
10 this hearing to express my concerns.

11 I am here today not just as an individual of
12 Florida City Gas residential consumer, but also on
13 behalf of our many seniors and widows and widowers
14 who may also be Florida City Gas consumers. It's
15 largely about the money.

16 I contacted the Florida Public Service
17 Commission on the 8th of July upon receipt of
18 Florida City Gas' undated form, letter Notice of
19 Interim Rate Increase, which indicated a Commission
20 meeting or vote was to be held on the 7th of July,
21 and effective new rate increases on the 20th of
22 July. Please note that the vote was made prior to
23 my receipt of the undated letter. The increase
24 intent was also known since the 20th of April,
25 according to this document.

1 My issues.

2 It's highly unethical to mail such information
3 without adequate time to respond to or attend the
4 meeting.

5 Second, upon review of the comparison of
6 current and proposed rates for present rates versus
7 interim rates, which was all that was included in
8 the first letter, and identifying that RS-1 is my
9 class category as a residential customer, I
10 discovered that Florida City Gas is proposing to
11 stick much of the increase on residential customers
12 to an increase -- this is the interim increase --
13 of 107.75 percent. Whereas, increases for the
14 other customer classes are not anywhere close to
15 that for residential.

16 A few random examples from the rate comparison
17 chart included with the undated letter -- first I
18 will apologize in advance that I don't know what
19 these class categories represent, but I expect that
20 none of them are residential but are probably
21 commercial, public service or government.

22 So those examples are RS-100, 59 .4 percent
23 increase. And again, these are the interim rates.
24 GS-6K, 20.7 percent. GS-120K, 6.6 percent
25 increase. And GS-11M and GS-25M reflect no

1 increase. That's quite a difference from the
2 107.75 percent increase for all residential gas
3 customers.

4 The 20th of July document shows a 35.2 percent
5 increase under a proposed column, which I did not
6 address, but it's still an interim rate increase of
7 107.75 percent.

8 On the 8th of July, I sent an email to the
9 Florida Public Service Commission, an email
10 requesting to speak at this meeting. I was only
11 informed of this meeting by the Florida City Gas
12 employee I was referred to by the Florida Public
13 Service Commission on the 8th of July, which I do
14 appreciate.

15 Another undated form letter from Florida City
16 Gas arrived on the 16th of July, with a short
17 notice of this meeting. As I assume you know, it
18 included a customer comment form -- the pages stuck
19 together -- to submit to the Commission Clerk.
20 Since I had not heard from anyone by the 20th of
21 Julie, I decided to submit my comments using this
22 document to express my concerns and complain about
23 the unethical way that Florida City Gas has been
24 permitted to handle this rate increase.

25 I hope that the other residential customers

1 have read the chart and figured it out. Florida
2 City Gas was very coy by not delineating the
3 percentage increases to each class, making it
4 obvious what class is targeted to pay more, and I
5 only saw that this morning in the green document on
6 the table.

7 A complaint warrants at least some thought
8 about alternative solutions. My recommendations to
9 counter projected cost include:

10 A, levy higher rates and additional fees on
11 all new developments, commercial and residential,
12 developers and new gas usage residents.

13 Two, levy higher rates and additional fees on
14 all other nonresidential classes identified.
15 Consider only a very minimal rate increase to
16 existing residential gas consumers. And better
17 yet, avoid increasing the rates for your gas
18 consuming senior citizens.

19 And with that, I hope this gives you cause to
20 consider this from an ethical perspective. Is it
21 the right thing to do to allow Florida City Gas to
22 burden all residential consumers with the
23 unreasonable and excessive proposed interim and
24 proposed rate increase? Require Florida City Gas
25 to go back to the table and seriously sort out more

1 reasonable solutions.

2 And I thank you again for your time to speak
3 during this meeting.

4 COMMISSIONER CLARK: Thank you very much for
5 being here today.

6 Are there any questions from any of the
7 parties? Commissioners, any questions?

8 MS. ALLEN: Thank you.

9 COMMISSIONER CLARK: Thank you for being here
10 today.

11 Mr. Watrous.

12 MR. WATROUS: Thank you, Ms. Allen.

13 Up next is Gregory Sakala, and after that we
14 will have Donna Hackert.

15 COMMISSIONER CLARK: Good morning, sir.
16 Welcome.

17 MR. SAKALA: Good morning. Thank you for
18 having this meeting here in Brevard County. It is
19 getting a lot of talk on Nextdoor Neighbors, the
20 social media site. I am surprised that more people
21 haven't shown up.

22 I have been a resident here in Brevard County
23 for the last 30 years. I am aware that Florida
24 City Gas has been sold at least three times in the
25 last 30 years. And I am also aware that Chesapeake

1 Utilities purchased Florida City Gas from Florida
2 Power & Light, which I found very interesting. And
3 they paid, as stated, \$923 million for a company
4 that was maybe worth half that. There is a big
5 question mark in my head why that -- why did
6 somebody pay twice what something is worth?

7 As far as the rate increases go, the basic
8 customer charge for an RS-100, which is what I am,
9 is going to go from -- it went from eight to 19.
10 Now it's proposed to go from 19 to 36-and-a-half.
11 That's a 60-percent increase. Yes, I see that you
12 are dropping the SAFE charge of 8.70 a month, so
13 that will compensate some, but still it's a big
14 increase.

15 What I don't understand is the fuel charges,
16 what you call therm rates. That's 92 percent for
17 me. I don't understand that.

18 I am a professional engineer, by the way. I
19 worked between the Kennedy Space Center and the
20 Stennis Space Center in Mississippi for 40 years, I
21 am a cryogenics engineer and a hydraulics engineer.
22 So I know a little bit about engineering.

23 Natural gas wholesale price is called Henry
24 Hub. For the last three years, the average price
25 has been 2.20. Yesterday when I checked it, it

1 was -- no, it was 2.70 for the average for the last
2 three years. Yesterday when I checked it, it was
3 2.77. So natural gas prices are not going up. The
4 United States actually does not import natural gas
5 like oil. We export it. We are one of the
6 largest, if not the largest, producers of natural
7 gas in the world. That I know for a fact, because
8 I have quite a few friends that are in the oil and
9 natural gas industry.

10 What you should be concerned about is this
11 company called SpaceX, and a company called Blue
12 Origin. If they start flying their rockets as
13 often as they think they are, they are going to be
14 the largest consumer of natural gas called methane
15 in the whole country. I see no provisions being
16 made by the gas suppliers to handle that.

17 There is lots of talk about a natural
18 liquification plant up around the port because all
19 the new cruise ships run on natural gas. There is
20 also a lot of talk up around Oak Hill to put in a
21 big natural gas liquification plant to supply
22 SpaceX. I know a few things that are going on.

23 But basically the charge rates, as the lady
24 before me said, is being imposed primarily on us,
25 the homeowners, not the business owners.

1 Florida Power & Light, I understand why they
2 bought Florida City Gas, because a lot of their
3 power plants run on natural gas. I am surprised
4 they sold it. And, again, I am not going to get
5 into that.

6 Basically, I am asking the state -- it sounds
7 like they've already done -- really look at this.
8 My big question is, what are they going to do with
9 this rate increase? Are they going to improve
10 service, or are they going to pay down their loans
11 to buy the company? And that's what it sounds like
12 is happening.

13 That's all I have got.

14 COMMISSIONER CLARK: Thank you very much for
15 your testimony.

16 Any questions from the parties?

17 MS. KEATING: No, sir.

18 COMMISSIONER CLARK: Any questions from the
19 Commissioners?

20 All right. Thank you, sir.

21 MR. SAKALA: Thank you.

22 MR. WATROUS: Thank you, Mr. Sakala.

23 Up next is Donna Hackert.

24 MS. HACKERT: Good morning. I have no
25 prepared statement, but I moved to Brevard County

1 in 2020 after my husband pass passed away from
2 Pennsylvania, and I was shocked to see the fees
3 when I moved here, because what I paid for one
4 month in Pennsylvania -- what I paid for one month
5 here in Brevard was my gas three months in
6 Pennsylvania. I said, okay, I will deal with it.
7 So I always kept a running tab over my years so I
8 can understand a widow's budget and low-income
9 budget. And in 2022, I paid a little over \$397 for
10 the year. In 2025, 421.

11 I think it's very unethical that a company
12 from Chesapeake buys a utility where it's
13 overpriced, and I just feel like you are screwing
14 it to the customer to recoup what you invested.
15 How is this ethical? How does this protect a
16 consumer?

17 I am looking at this year, they are going to
18 charge me \$36 just to have the service line. Does
19 anybody see an issue with this or a problem with
20 this? I am a low-income person. I already
21 sacrificed things to come here. Gave up steak.
22 Gave up ice cream. Give up driving, because things
23 are out of control.

24 When corporate greed suffocates a consumer,
25 when the money runs out, there ain't going to be no

1 money left. You can't bleed customers. This state
2 is expensive enough to live in. There is many
3 widows and senior citizens that have to sacrifice
4 to even survive in today's economy and today's
5 world.

6 Gas is cheap. I don't understand why you are
7 doing this. You should have never purchased the
8 utility and stick it up the yayas of the consumer.
9 That's really how I feel. I am struggling to
10 survive here, and it sucks. And I am saying it
11 from the bottom of my heart. I am struggling, and
12 this is not fair at all. I just wanted to say
13 that.

14 COMMISSIONER CLARK: Thank you very much for
15 your testimony today.

16 Any questions from the parties?

17 MS. KEATING: No, sir.

18 COMMISSIONER CLARK: Any questions from the
19 Commissioners?

20 All right. Are there any members of the
21 audience who would like to speak who did not get an
22 opportunity to, or have signed up to speak?
23 Anyone? Anyone?

24 All right. Staff, do we have any exhibits?

25 MR. THOMPSON: No, we do not.

1 COMMISSIONER CLARK: Okay. All right. Thank
2 you, again, for attending this service hearing.
3 Your comments are a very important in the process.
4 We really appreciate your willingness to be here to
5 participate today.

6 If the Commission has no other items to come
7 before us, we will stand adjourned. Thank you.

8 (Proceedings concluded.)

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1 CERTIFICATE OF REPORTER

2 STATE OF FLORIDA)
3 COUNTY OF LEON)
4

5 I, DEBRA KRICK, Court Reporter, do hereby
6 certify that the foregoing proceeding was heard at the
7 time and place herein stated.

8 IT IS FURTHER CERTIFIED that I
9 stenographically reported the said proceedings; that the
10 same has been transcribed under my direct supervision;
11 and that this transcript constitutes a true
12 transcription of my notes of said proceedings.

13 I FURTHER CERTIFY that I am not a relative,
14 employee, attorney or counsel of any of the parties, nor
15 am I a relative or employee of any of the parties'
16 attorney or counsel connected with the action, nor am I
17 financially interested in the action.

18 DATED this 10th day of August, 2026.
19
20

21 
22 DEBRA R. KRICK
23 NOTARY PUBLIC
24 COMMISSION #HH575054
25 EXPIRES AUGUST 13, 2028