

I. Meeting Packet



State of Florida
Public Service Commission
INTERNAL AFFAIRS AGENDA

Wednesday – May 19, 2021

9:30 am

Room 148 – Betty Easley Conference Center

1. Legislative Updates
2. General Counsel's Report
3. Executive Director's Report
4. Other Matters

BB/aml

OUTSIDE PERSONS WISHING TO ADDRESS THE COMMISSION ON
ANY OF THE AGENDAED ITEMS SHOULD CONTACT THE
OFFICE OF THE EXECUTIVE DIRECTOR AT (850) 413-6463.

II. Outside Persons Who Wish to Address the Commission at Internal Affairs

Note: The records reflect that no outside persons addressed the Commission at this Internal Affairs meeting.

III. Supplemental Materials for Internal Affairs

Note: The records reflect that there were no supplemental materials provided to the Commission during this Internal Affairs meeting.

IV. Transcript

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

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PROCEEDINGS: INTERNAL AFFAIRS

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

DATE: Wednesday, May 19, 2021

TIME: Commenced: 9:30 a.m.
Concluded: 9:49 a.m.

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

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

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

2 CHAIRMAN CLARK: Good morning. Welcome to
3 Internal Affairs Agenda. It's a pleasure to see
4 everyone this morning.

5 We want to begin with a very special welcome
6 and congratulations to our newest Commissioner,
7 Commissioner Passidomo. We are excited to have you
8 onboard and look forward to working with you, and
9 wanted to give you an opportunity to make any
10 comments that you would like to before we begin
11 this morning.

12 COMMISSIONER PASSIDOMO: Thank you, Chairman
13 Clark. I am so excited to be here. It's
14 absolutely, you know, an opportunity of a lifetime.
15 I won't take this light I, and I'm excited to
16 continue working with this agency and doing all the
17 great work with you here, so can't wait to begin
18 working with you guys.

19 CHAIRMAN CLARK: Great. Thank you very much.
20 Commissioners, any comments?
21 Commissioner Fay.

22 COMMISSIONER FAY: Thank you, Mr. Chairman.
23 I would be remiss if I didn't recognize the
24 fact that I am no longer the young -- the young
25 commissioner emeritus at this point, but I do

1 think, in addition to that, I, you know, being a
2 lawyer and overcoming the challenges of going to
3 the University of Florida as an undergrad, being a
4 very elite and smart lawyer at Washington Lee, I
5 think, it serves her well in this position, and I
6 look forward to working with her.

7 Thank you.

8 CHAIRMAN CLARK: Thank you, Commissioner Fay.
9 Other Commissioners?

10 Commissioner Graham.

11 COMMISSIONER GRAHAM: Thank you, Mr. Chairman.
12 Gabby, welcome to the other side of the dais.
13 It's good to have you up there. I'm not so sure
14 about having all the lawyers, like, hunkered down
15 on one side of the building, but other than that, I
16 think we can work it through. Welcome.

17 CHAIRMAN CLARK: Commissioner La Rosa.

18 COMMISSIONER LA ROSA: Thank you, Chairman.

19 And Commissioner Passidomo, welcome to the
20 Commission. It's nice to not -- to no longer be
21 the new person on the Commission, although your
22 tenure with the agency is certainly longer than
23 mine, but I look forward to working with you,
24 getting to know you better and doing the great work
25 for the citizens in the state of Florida.

1 CHAIRMAN CLARK: Thank you, Commissioner La
2 Rosa.

3 Commissioner Passidomo, I was told when I came
4 onboard that you get to use the "I am new here" for
5 about six months. I think Commissioner La Rosa is
6 going to yield you a little bit of his time left
7 over still, so he doesn't get to use that card
8 anymore. So you have got it for six months, take
9 advantage of it.

10 All right. Let's begin this morning with our
11 legislative update. Mr. Potts, do you want to
12 begin for us, please?

13 MR. POTTS: Yes, sir.

14 Good morning, everybody, so the '20-'21
15 session ended on April 30th. It ended on time,
16 early, and went -- went pretty smooth. It was
17 actually a big session for the PSC. We had a lot
18 going on. I thought we would go over some of those
19 things today.

20 We tracked several important impactful bills
21 to the PSC throughout the process, and all these
22 bills are still waiting approval by the Governor.
23 Once we get -- once his final actions are
24 completed, we will do our normal legislative wrapup
25 that we send out to everybody.

1 The only other thing going on is right now,
2 today there is a special session going on on
3 gaming, and it should end early this afternoon,
4 it's supposed to, and that will greatly impact the
5 budget of Florida for upcoming year, so it should
6 be interesting to see what comes of it.

7 I was going to kick it over to Kaley and let
8 her do some of the bills.

9 MS. SLATTERY: Good morning.

10 So starting off, we have House Bill 1311,
11 which was the PSC bill by Representative --
12 (inaudible) -- that it's waiting approval from the
13 Governor, and the bill allows the PSC to close
14 hearings to discuss confidential information, and
15 permits Commissioners, PSC staff and parties
16 involved in the hearing the ability to ask
17 questions about confidential information that may
18 come up in a hearing.

19 Second, we have Senate Bill 1944, which is the
20 pole bill. It's also waiting to be signed by the
21 Governor. The bill --

22 MS. HELTON: Mr. Chairman, we see the court
23 reporter, so I'm not sure if there's an issue.

24 (Discussion off the record.)

25 MS. SLATTERY: So 1944, the utility pole bill,

1 is also on its way to the Governor's office -- the
2 Governor's desk to be signed and the bill will
3 subject utility communication poles to PSC
4 jurisdiction and provides PSC with additional staff
5 positions to manage the regulation and enforcement
6 of redundant poles in the state.

7 MR. POTTS: House Bill 1051 was environmental
8 compliance costs by Representative
9 Fernandez-Barquin in the House. This bill revises
10 the definition of environmental compliance costs in
11 FEECA, and it includes costs or expenses incurred
12 by an electric utility after July 1, 2021, for the
13 construction and operation of wastewater reuse
14 systems. And this was really specific to an issue
15 in Miami-Dade between FPL and Miami-Dade County.

16 This bill, early in the process we did work
17 with stakeholders to amend the bill and fix some of
18 the language just to tighten up the bill, give us a
19 little bit more comfort.

20 The next bill, Senate Bill 896, renewable
21 energy by Senator Brodeur is another one that we
22 amended early in the process just to -- some
23 technical language that we had issues with. This
24 bill expands the term renewable energy, and adds
25 the term biogas and renewable natural gas to

1 Florida Statutes.

2 The bill also includes a provision the PSC may
3 approve cost recovery by a public gas utility for
4 renewable gas purchase contracts in which pricing
5 provisions exceed the current market price of
6 natural gas, but which are otherwise deemed
7 reasonable and prudent by the Commission.

8 Finally, the bill also requires solar
9 facilities to be permitted use in all agricultural
10 landuse categories in local governments'
11 comprehensive plan and all agricultural zoning
12 districts within an unincorporated area, so...

13 MS. SLATTERY: And then finally, we have House
14 Bill 1297, which is the cybersecurity bill. It's
15 also waiting for the Governor's approval. It
16 expands the duties of the Florida Digital Service
17 under DMS and relates to the state's cybersecurity
18 governance and framework.

19 The bill also creates the Florida Security
20 Advisory Council within DMS, and requires one
21 representative from the PSC to sit on the council.
22 And the council's main purpose is to propose best
23 practices for protecting state IT resources. A
24 good example of this would be the Colonial Pipeline
25 that just happened. It's -- it's kind of in place

1 to propose better practices for keeping our state
2 safe, key resources.

3 And that's all we have today. If y'all have
4 any questions, please feel free to reach out to
5 Adam and I. We are always available and ready to
6 talk about bills.

7 CHAIRMAN CLARK: All right. Thank you, guys.
8 Any Commissioners have any questions for our
9 legislative staff?

10 Commissioner Fay.

11 COMMISSIONER FAY: Thank you, Mr. Chairman.

12 And my question was on the last bill you
13 mentioned, 1297. So I was watching that bill
14 through the process. I know that it does a number
15 of things, but in particular, creating that council
16 that then places somebody from our agency on there
17 to have some communication about what is obviously
18 a growing issue, and from a government perspective,
19 I think it's even a bigger challenge as pertains to
20 some information that's difficult at times to
21 protect.

22 Do we have a -- do we have a process in place
23 as to how we will be able to select someone within
24 our agency to fill that position, or maybe even a
25 timeline as to when we would need to do that, if

1 the Governor chooses to sign the bill?

2 And the reason I ask is I spoke last night
3 with our Chief Information Officer for the State,
4 Jamie Grant, and I know our Lieutenant Governor has
5 also been working really hard on this. I want to
6 make sure the agency, we are able to get the right
7 person into that position.

8 MR. BAEZ: I'll take that one, Commissioner.

9 COMMISSIONER FAY: By the way, Executive
10 Director Baez, no matter what side I move on in
11 this room, you move to the exact same side over
12 here, and I can't help but wonder if that's
13 intentional.

14 CHAIRMAN CLARK: It's an assignment that he
15 has.

16 MR. BAEZ: Yeah, it's called, like, shadowing,
17 or bracketing. I don't know.

18 Commissioner, good question. As the process,
19 not so much, but I think that we are waiting for
20 some sort of guidance from the grant as to what the
21 more specific focus and purpose of the advisory
22 council, what they are going to be focusing on, and
23 we will be able to key off of that.

24 My sense is we are probably going to have a
25 conversation with the Chairman and the interested

1 Commissioners, obviously, to come up with the right
2 person, and we are going to -- I hate to say we
3 have to play that by ear, but we really don't have
4 enough information flowing out of the bill to be
5 able to know who the right person, who the right
6 expert, who the right level of representative is
7 going to be for the Commission yet. I suspect that
8 most other agencies and most other spots on that
9 council are going through the same thing. But we
10 will definitely be in touch, and whatever input you
11 want to throw our way is much appreciated.

12 COMMISSIONER FAY: Yeah. Thank you. I just
13 want to make sure we have a dialogue with the IO
14 office for that.

15 Thank you.

16 CHAIRMAN CLARK: Commissioner Graham.

17 COMMISSIONER GRAHAM: Yeah, thank you, Mr.
18 Chairman.

19 Can somebody walk me through that House Bill
20 1051?

21 MR. POTTS: Yes, sir.

22 So 1051 was for a Miami-Dade specific issue,
23 and it's allowing the -- it's allowing it to go
24 into the environmental compliance costs. It was --
25 Mark, it was --

1 MR. FUTRELL: Commissioner Graham, this is
2 Mark Futrell with staff.

3 What the bill does is it adds to the list of
4 items that can be considered environmental
5 compliance costs that can be eligible for a utility
6 to present to the Commission for consideration and
7 approval. And it describes a type of a project
8 regarding wastewater reuse, and defines that type
9 of a project, and makes that explicit as a
10 potential project that could be eligible for -- is
11 eligible for cost recovery. It doesn't identify an
12 explicit project. It creates the description of a
13 type of project that would be eligible.

14 COMMISSIONER GRAHAM: Is this only specific
15 for down in Miami? Can this be for anybody that
16 comes before us with a FEECA issue, so, like, for
17 JEA or Orlando Utilities, or Duke, or one of the
18 other guys?

19 MR. FUTRELL: No, sir. This is only regarding
20 -- this is specific to the environmental cost
21 recovery statute that is investor-owned electric
22 utilities are able to seek recovery through that
23 mechanism for the Commission. So it's those
24 electric utilities that we have rate setting
25 authority over and who have access to that

1 Environmental Cost Recovery Clause, and it's a
2 specific description -- it's a description of a
3 type of project. It doesn't identify a specific
4 project. It just gives the description of a
5 project that could be -- that's eligible.

6 COMMISSIONER GRAHAM: Okay. Thank you.

7 MR. FUTRELL: Yes, sir.

8 CHAIRMAN CLARK: Other Commissioners have
9 questions?

10 All right. I am sorry, we are having some
11 technical difficulties here this morning. There we
12 go. Commissioner Brown's name is still on the --
13 on the radar here, and her light just lit up, so I
14 am looking for her to ask her if she would like to
15 say something, so my projects.

16 All right. Anything else, Mr. Potts?

17 MR. POTTS: No, sir. That's it.

18 CHAIRMAN CLARK: All right. Let's move into
19 General Counsel's report, Mr. Hetrick.

20 MR. HETRICK: I have no report, Mr. Chair, but
21 if I might have a point of personal privilege to
22 extend my thanks to Adam and Kaley for all the work
23 and effort they put into this session, as well as
24 all of our agency staff who supported them.

25 Unfortunately, but appropriately, I got drug into a

1 lot of these issues up there, and I can tell you
2 that they work extremely hard, and this agency
3 would not have been as effective without their
4 presence. So many thanks to them for their hard
5 work on the agency's behalf and all of us. I think
6 we wound up with a pretty darn good session, so...

7 CHAIRMAN CLARK: Absolutely. I will echo that
8 from the Commission's perspective. I think we may
9 have even talked about this at the last meeting,
10 but it was a heavy workload year for you guys, and
11 y'all did a tremendous job, and we are very
12 appreciative of the work that you did to get the
13 bills to the position where they were manageable
14 for us and worked out for the best interest of the
15 citizens of the state of Florida, so thank you for
16 your hard work.

17 All right. Mr. Baez.

18 MR. BAEZ: Thank you, Mr. Chairman, and
19 welcome, Commissioner Passidomo.

20 I guess I can only say is I third -- I third
21 your comments. I think we would be in a much
22 weaker position today as an agency, even on policy
23 options, if it weren't for the work of not just
24 Kaley and Adam, who did wonderful 24/7 type work
25 even there at the end, but the folks in our IDM

1 division as well as our subject matter experts
2 across the agency, not the least of which are our
3 folks down in -- that handle our budget issues in
4 the administrative wing.

5 I want to thank them all. They really all
6 pulled together. I think we, despite the
7 circumstances that we all know, which I won't get
8 into, that we have all been going, working under, I
9 saw so much more teamwork and rapid response
10 actions on the part the agency, and I am really
11 proud of the work that they did, and I'm glad that
12 you all recognize that as well.

13 In terms of a quick post session report. As
14 we heard our legislative folks mention, so much of
15 this is still on the Governor's desk, including the
16 budget. So our -- we are still waiting on finals
17 for that, although, we don't expect anything to
18 change. We did have a 10 FTE reduction in that
19 budget we will address in the coming -- in the
20 coming week.

21 As you all know also, they mentioned the
22 Senate Bill 1944, the pole bill. That -- that has
23 staff increasing. So there will be some -- there
24 will be some play there if and when that gets
25 finalized, and the details of that. Hopefully we

1 will get to visit with each of you in the coming
2 weeks and there will be a follow-up visit as well
3 this fiscal year as well. So we look forward -- we
4 look forward to that.

5 Yesterday, we held -- staff held a second rule
6 development workshop as part of the ongoing process
7 to develop possible amendments to the Commission's
8 rule in energy conservation for electric utilities.
9 Ms. Helton discussed some postworkshop comments
10 that were filed by interested parties following our
11 January 14th workshop.

12 It was well attended. We did -- we did do a
13 virtual meeting, and I think we had 22 parties,
14 including the five investor-owned utilities
15 participated in a wide range of topics.

16 There will be a matter of update, there will
17 be a period through June 28th, I think, that all
18 the parties have a chance to file these
19 postworkshop comments, and staff has an opportunity
20 over the summer to digest them. And there were --
21 I understand that were some interesting discussions
22 that bear further consideration. Will be
23 announcing next steps in the rule development
24 process.

25 That docket number for the record is 20200181

1 for those listening at home.

2 That is the balance of my report. If you all
3 have questions, please reach out to us and we would
4 be happy to visit with you on any issue you may
5 have.

6 CHAIRMAN CLARK: All right. Thank you.

7 Commissioners, any questions for the Director?
8 No questions.

9 Good report. I like those kind.

10 All right. Are there any other matters that
11 need to come before the Commission at this IA
12 meeting? Questions or comments?

13 All right. We will stand adjourned.

14 We will take a 10-minute recess and resume --
15 do we need 10? We need 10 minutes to reset the
16 system, so we will resume at exactly straight up
17 ten o'clock. Thank you.

18 We are adjourned.

19 (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 27th day of May, 2021.



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