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BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of:

DOCKET NO. UNDOCKETED

DUKE ENERGY FLORIDA, INC.'S  
REROUTING INITIATIVE.

\_\_\_\_\_ /

PROCEEDINGS: MEETING

COMMISSIONERS  
PARTICIPATING: CHAIRMAN ART GRAHAM  
COMMISSIONER LISA POLAK EDGAR  
COMMISSIONER RONALD A. BRISÉ  
COMMISSIONER EDUARDO E. BALBIS  
COMMISSIONER JULIE I. BROWN

DATE: Thursday, September 4, 2014

TIME: Commenced at 10:02 a.m.  
Concluded at 10:23 a.m.

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

REPORTED BY: LINDA BOLES, CRR, RPR  
Official FPSC Reporter  
(850) 413-6734

I N D E X

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SPEAKERS:

PAGE:

SENATOR CHARLES DEAN

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TANYA JOHNSON

8

MATT BERNIER

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

1  
2           **CHAIRMAN GRAHAM:** Okay. If I can get staff to  
3 read the notice, please.

4           **MR. YOUNG:** Good morning, Commissioners. By  
5 notice issued on Monday, August 25th, 2014, this time  
6 and place has been set for this public meeting. The  
7 purpose of the meeting is for the Commission to discuss  
8 Duke Florida Energy's rerouting initiative with the  
9 company's management. In particular, the Commission  
10 plans to discuss the necessity and scope of the  
11 rerouting initiative; specific information regarding  
12 billing impacts for the rerouting initiative; possible  
13 resolution, if any, to address customers' concerns  
14 regarding being billed for an extended billing period at  
15 a higher tier charge -- charges; and any other topic the  
16 Commission may determine to be relevant to Duke Energy  
17 Florida, Inc.'s, rerouting initiative.

18           **CHAIRMAN GRAHAM:** Thank you, staff.

19           Now, so before I start, I call up the first  
20 person to speak, I want to make sure it's real clear  
21 that we're here to speak about the Duke rerouting  
22 initiative and any impact it may have had on your bills  
23 or anything that's pertaining to that. This is not a  
24 political forum. So if you want to speak about an  
25 elected official, let's do it generically, as in the

1 Governor, the senator, my representative. If you get  
2 into mentioning people's names, I will cut you off.  
3 This is not a platform for that. This is to speak  
4 specifically on this Duke issue.

5 It's always been my practice, if we have any  
6 elected officials in the audience, to bring them up  
7 first because they're representing quite a few  
8 constituents, and then we'll get to the individual  
9 individuals. So if we have any elected officials in the  
10 audience, if I can get them -- Senator, please, if I can  
11 get you to come to the mike.

12 **SENATOR DEAN:** Thank you, Chairman Graham, for  
13 allowing me to come this morning and have a few brief  
14 words about the billing issue and Duke Energy.

15 My name is Charlie Dean. I'm a State Senator,  
16 District 5. Approximately 125,000 people or customers  
17 of Duke in my area of the eight of ten counties that I  
18 serve.

19 I have a vested interest very deeply in this  
20 issue because of two particular issues that come to mind  
21 real quick, and first is that Duke owns the Suwannee  
22 plant in my district and also the Crystal River plant in  
23 my district.

24 You know, the internal decision of a company  
25 to do whatever they had to do about rerouting concerns

1 me first and foremost because I had to read about it in  
2 the *St. Petersburg Times*, and then to see the reaction  
3 from my customers -- or the customers of Duke that are  
4 my constituents. The extra charges coming in the  
5 hottest months of the year is a general unfairness  
6 whatever happens to our customers. I agree and I  
7 appreciate the fact that Duke's president, President  
8 Glenn, decided to do a decision to credit back those  
9 charges, extra charges, and I think that was a good step  
10 to help the customers.

11 But really what other things that I'm  
12 concerned about is what are we going to do in the future  
13 to make sure that this advanced billing doesn't continue  
14 and we don't have to go through this crediting system.

15 I, for one, think that billing first and then  
16 trying to credit later is just an inappropriate action.  
17 I would like to know, in your review of this and how you  
18 feel about it, if you think we need legislation to  
19 prevent this type of activity. I go around the State of  
20 Florida and many times I hear that folks that represent  
21 the public in different capacities such as you are, it's  
22 brought up to be me, well, the Legislature is the one  
23 that has the opportunity to change this; it's not our  
24 responsibility. That's one of the reasons I came today.  
25 If you want to see a legislator, here I am. And I know

1 if you've been chewed enough, that's all right. I have  
2 tough hide myself. So if you have a decision and there  
3 is something we can do, let's don't put it off. I'm  
4 willing and ready.

5 And I'm also conditioned for something that I  
6 think somehow or another reflects on this issue. Back  
7 when I voted for the nuclear recovery cost, and  
8 everybody in the Senate and everybody in the House of  
9 Representatives except one lady from South Florida, we  
10 bought in. We thought it was the right thing to do.  
11 But sometimes with the best of intentions we make  
12 mistakes.

13 And I don't want to create an atmosphere of  
14 belief that because we messed up one time that companies  
15 that we regulate or y'all regulate or I have to  
16 legislate for could have that ability to continue that  
17 attitude. Let's stop where we are. Let's think about  
18 the future.

19 I do appreciate again the concern and the  
20 credit back, and I really appreciate the fact that  
21 you've addressed the fact and been forthright about it  
22 and allowed me to come today. And if there's any  
23 questions I could answer, I'll be glad to do that.

24 **CHAIRMAN GRAHAM:** Senator, number one, thank  
25 you for coming. It's always good to see our elected

1 officials here and take an active roll in things that  
2 are going on. Sometimes it tends to be a little bit of  
3 a disconnect. But I always enjoy speaking to you  
4 guys -- actually I enjoy speaking to you better here  
5 than when I'm over in your chambers.

6 (Laughter.)

7 **SENATOR DEAN:** Yes, sir.

8 **CHAIRMAN GRAHAM:** But we do appreciate you  
9 coming down. And I don't know if any other  
10 Commissioners have any questions of the senator.

11 Senator -- I mean, Representative --  
12 Commissioner Brisé.

13 (Laughter.)

14 **COMMISSIONER BRISÉ:** Thank you. I just have a  
15 comment. Senator Dean, thank you very much for being  
16 here today.

17 As you stated, you know, every rule every once  
18 in a while needs to be looked at again and every statute  
19 needs to be looked at again. And maybe this is one of  
20 the opportunities that gives us some pause to make sure  
21 that the rule does what it intends to do. And so you  
22 can be certain that this Commission will definitely take  
23 a look and ensure that the rule does what it's intended  
24 to do and doesn't have any unintended consequences.

25 **SENATOR DEAN:** Thank you for those comments.

1 Again, let me reassure you, you have the opportunity to  
2 use me. Do it.

3 **CHAIRMAN GRAHAM:** We'll probably look at this  
4 first quarter of next year, probably have a workshop on  
5 it. And if we can't handle it within our own  
6 rulemaking, we'll be definitely reaching out to you.

7 **SENATOR DEAN:** Thank you.

8 **CHAIRMAN GRAHAM:** Senator, thank you very  
9 much.

10 **SENATOR DEAN:** Thank you, sir.

11 **CHAIRMAN GRAHAM:** Are there any other elected  
12 officials in the audience to speak to this?

13 Okay. We'll open it up to the general public  
14 who would like to come forward. If I can get you to  
15 give your name and address. And since we don't have  
16 that many, we won't cut you off at two minutes, but  
17 please be as succinct as you can. Is there anybody else  
18 that wishes to speak?

19 Welcome, ma'am. Come forward to the  
20 microphone.

21 **MS. JOHNSON:** My name is Tanya Johnson, and I  
22 live at 5383 Turkey Scratch Road in Monticello. I heard  
23 you say, sir, that this is not a platform for other  
24 things. But I live on a road where this company has  
25 tormented me, and I need help with somebody to tell me



1 why I have to live like this back there.

2 I don't want to -- I don't want to take this  
3 time from the issue that you have here, but I need  
4 somebody to help me back there. I'm not trying to tell  
5 anybody's names or anything. I have put up with this  
6 torment back there, it'll be a year in October. I own  
7 one acre of land back there, and I found out that I'm in  
8 the middle of some men that are investors back there,  
9 and I need to know how come I have to live like this and  
10 I need some help.

11 I don't know of anybody ever in their life  
12 that lived every day with a power pole construction  
13 coming in front of your door every day, strange men.  
14 I'm a simple widow woman back here by myself. I almost  
15 was arrested for just saying, please, don't just take me  
16 too with the road. I just want some help. I just want  
17 some help and some understanding on how I'm living like  
18 this. And is it fair to me and do I have to accept this  
19 because I'm just a poor woman back there on an acre of  
20 land that I never knew anything about the men around me?

21 And I heard on the news that, I think his name  
22 is Mr. Cowen (phonetic) or somebody from the Duke Energy  
23 people were going to be here, and I just want them to  
24 see how my life has been back there for a whole year,  
25 and it's still going on and they won't tell me nothing.

1 It's like my life has -- my civil rights to live as a  
2 resident has been stoled away from me and nobody told me  
3 why. And I got my taxes raised to \$800, and I need to  
4 know why I'm being treated like this. So if somebody  
5 can just help me and tell me what's going on so I can  
6 try to live as my husband wanted me to live back here.  
7 And that's the only reason why I stay is because this is  
8 what he wanted for me before he died, and I have no  
9 other place to go.

10 I just want some help, and I need some  
11 understanding. And I'm sorry if I went off from what  
12 you needed to talk about, but I have tried and tried and  
13 tried for somebody to help me and tell me why. And all  
14 I was told is a man can do what he want to do on his  
15 land. But if you don't have your own road and you take  
16 the citizens away and tell them that they have to put up  
17 with this because they're the poor ones back there, it's  
18 not right. And we was never told nothing about them  
19 back there like that.

20 I took my raggedy car and prayed to God that I  
21 could get here, and I have to try to take this car back  
22 home the best way that I can. But I thank God I got to  
23 come here and let people know what's happening to me  
24 back here. And I'm sorry for going off on your agenda.  
25 Thank y'all for just listening to me.

1                   **CHAIRMAN GRAHAM:** Ms. Johnson, hold on. Hold  
2 on a second.

3                   Number one, I want to thank you for coming out  
4 here and making the effort to get here to this meeting.  
5 I don't know if this is necessarily the issues that we  
6 came here to cover. But since you are here, if I can  
7 get one of our attorneys to walk back into the back with  
8 Ms. Johnson and see what the issue is specifically that  
9 we can deal with, and get back to me as soon as  
10 possible, like maybe just before we start IA. And if  
11 there's something we need to do, if we need to reach out  
12 to the Duke representatives that are here, we can talk  
13 to them now, or if there's a docket or something we need  
14 to open, we can do that.

15                   But, Ms. Johnson, thank you, number one, for  
16 coming down here and for speaking with us. And if you'd  
17 walk back here with Ms. Helton, she'll walk you through  
18 this process.

19                   **MR. KISER:** Mr. Chairman?

20                   **CHAIRMAN GRAHAM:** Yes.

21                   **MR. KISER:** I might be the only person in the  
22 room who knows where she lives. She's actually a  
23 neighbor of mine. She probably lives less than a mile  
24 from my house. So we'll take your words to heart and  
25 see if we can get to the bottom of some of the specifics

1 that might be of some help to her and get her in touch  
2 with the right people.

3 **CHAIRMAN GRAHAM:** Okay. Thank you.

4 Anybody else from the public that came to  
5 speak to this issue? I'm not seeing anybody raising  
6 their hands moving forward, so we will close the public  
7 comments.

8 And I did send a letter to the President of  
9 Duke Energy on this issue. I got the response that I  
10 was looking, that I was looking for. Basically they,  
11 they apologized. It was an unforeseeable mistake and  
12 that they have promised to make everybody whole. The  
13 main reason why we continued to still have this, in case  
14 there was something else out there that I did not see or  
15 something that myself or the staff missed, and I don't  
16 think so. I think it's quite evident that -- because  
17 one person spoke -- that I think this may address the  
18 issue. I didn't know if any of the other Commissioners  
19 had any questions of Duke while they're here. I don't  
20 see any lights coming on.

21 Okay. Commissioner Edgar.

22 **COMMISSIONER EDGAR:** Thank you, Mr. Chairman.

23 And I want to also thank you for the action that you  
24 took on behalf of the agency and behalf of all of us. I  
25 know about the time that your letter went out I was at

1 that moment, I think, on the phone with our Executive  
2 Director asking some of the questions and trying to have  
3 a better understanding of what the situation was and  
4 what remedies, if necessary, were available. And you  
5 jumped right on that and moved forward, and I thank you  
6 for that.

7 And I also do want to acknowledge that the  
8 company did, it appears, certainly did jump right on it  
9 as well in response to your letter, in response to  
10 concerns from consumers and others to look more closely  
11 at what unintended ramifications may have taken place  
12 due to the planned rerouting and the purpose down the  
13 road of efficiencies, but some of that in the meantime  
14 unintended ramifications and how best to address it. So  
15 I appreciate all of that.

16 I do understand -- and this is now to my  
17 question -- I do understand, I believe, that a review  
18 has taken place and will be ongoing to assess if due to  
19 the timing of the rerouting for any customers and if  
20 there was an unintended impact to their bill due to  
21 hitting that mark where the rate goes up slightly.

22 So my question is, on the back side what  
23 processes are there and will be in place so that you all  
24 have assurance, the customers have assurance, and we  
25 have assurance that in those instances, where

1 appropriate, that has been addressed? Because I  
2 certainly recognize that there's a lot of bookkeeping  
3 that needs to go into that.

4 **MR. BERNIER:** Sure. Matt Bernier for Duke  
5 Energy. Thank you for the question, Commissioner. And  
6 I would say on the back end going forward to reach out  
7 and proactively let everybody know, you know, that we  
8 are taking the right steps, as we've said that we would.  
9 We'd be more than happy to reach out to the Commission  
10 any way that you would find appropriate to make sure  
11 that everybody is comfortable with how we're  
12 progressing.

13 **COMMISSIONER EDGAR:** Thank you. And I guess  
14 what I would ask, Mr. Chairman, at this point is just,  
15 as we are all here together discussing this item, that  
16 our staff kind of follow up on that. I'm sure there are  
17 some reporting mechanisms. But just so we all have the  
18 same information and it's all available, but that our  
19 staff follow up so that you receive that information in  
20 whatever way is the most transparent and understandable.

21 I also, you know, encourage, as I do every  
22 utility, that for you and those that you work with,  
23 continue to try to reach out and communicate with those  
24 that you work for so that as you are taking steps, that  
25 there is that two-way communication and perhaps better

1 understanding of what the process is and what the  
2 available means are for customers if they have a  
3 concern, how they can best contact you and have it  
4 addressed. And, of course, if they're not satisfied,  
5 then they come here next. But, you know, please do  
6 continue and take it to heart that I think some  
7 additional outreach at times may be helpful.

8 **CHAIRMAN GRAHAM:** Thank you, Commissioner  
9 Edgar. I can tell you I had a talk with the Executive  
10 Director, and staff will be following up. What's that  
11 saying that Ronald Reagan used to say? "Trust yet  
12 verify." So staff will be auditing to make sure that  
13 they've dotted all the I's and crossed the T's on this,  
14 on this issue.

15 Commissioner Balbis.

16 **COMMISSIONER BALBIS:** Thank you, Mr. Chairman.  
17 And just to follow up on Commissioner Edgar and also  
18 your comments and from the representative of Duke. I'm  
19 glad to hear there's still activities going forward,  
20 because I know even as late as last night we received  
21 some correspondence from, I believe, Senator Simpson's  
22 office that his constituents are still contacting him.  
23 So it may be just, you know, your measures haven't come  
24 into play yet, so there might be some additional  
25 outreach that's required and that'll certainly help with

1 this situation.

2 And, you know, the other comment I wanted to  
3 make is that, Mr. Chairman, you indicated that the first  
4 quarter of next year, you know, maybe workshop this  
5 issue. Unfortunately I will not be here at that time,  
6 so I wanted to get my two cents in at this point.

7 And, you know, in looking at the rule that's  
8 in place, there seems to be some gray areas, at least  
9 specifically on what is prorated once you trigger past  
10 that five-day mark, et cetera, what it may be. So I  
11 think that when you do move forward with that process, I  
12 think it should be clear so that the companies know and  
13 the customers know what is going to happen in a case  
14 where it might be three or four days past the month  
15 where they get around to reading the meter and how they  
16 address that so we don't find ourselves in this  
17 situation. So thank you.

18 **CHAIRMAN GRAHAM:** Thank you. Seeing no  
19 further, other lights on, we will conclude this.

20 I want to, number one, thank you for your  
21 responsiveness and for coming here today to answer any  
22 additional questions that we had.

23 We are going to adjourn this meeting. We are  
24 going to start the IA in this room. I need to give my  
25 audio people about 15 minutes to get set up. So by that



1 clock in the back, at 25 till we'll start IA. We are  
2 now adjourned.

3 (Proceeding adjourned at 10:23 a.m.)  
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1 STATE OF FLORIDA )  
2 : CERTIFICATE OF REPORTER  
3 COUNTY OF LEON )

4 I, LINDA BOLES, CRR, RPR, Official Commission  
5 Reporter, do hereby certify that the foregoing  
6 proceeding was heard at the time and place herein  
7 stated.

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

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

18 DATED THIS 11th day of September, 2014.

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FPSC Official Hearings Reporter  
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