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BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of:

DOCKET NO. 20220069-GU

Petition for rate increase  
by Florida City Gas.

\_\_\_\_\_ /

PROCEEDINGS: SERVICE HEARING

COMMISSIONERS  
PARTICIPATING: CHAIRMAN ANDREW GILES FAY  
COMMISSIONER MIKE LA ROSA  
COMMISSIONER GABRIELLA PASSIDOMO

DATE: Tuesday, September 20, 2022

TIME: Commenced: 9:30 a.m.  
Concluded: 10:00 a.m.

PLACE: Pembroke Pines City Hall  
601 City Center Way  
Pembroke Pines, Florida

REPORTED BY: DEBRA R. KRICK  
Court Reporter

PREMIER REPORTING  
112 W. 5TH AVENUE  
TALLAHASSEE, FLORIDA  
(850) 894-0828

1 APPEARANCES:

2 JOEL T. BAKER and CHRISTOPHER T. WRIGHT,  
3 ESQUIRES, Florida Power & Light Company, 700 Universe  
4 Boulevard, Juno Beach, Florida 33408; BETH KEATING,  
5 ESQUIRE, Gunster Law Firm, 215 South Monroe Street,  
6 Suite 601, Tallahassee, Florida 32301; appearing on  
7 behalf of Florida City Gas (FCG).

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

14 WALTER TRIERWEILER and MATTHEW JONES,  
15 ESQUIRES, FPSC General Counsel's Office, 2540 Shumard  
16 Oak Boulevard, Tallahassee, Florida 32399-0850,  
17 appearing on behalf of the Florida Public Service  
18 Commission (Staff).

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

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WITNESS :

PAGE

JOSEPH GARCIA

16

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

2 COMMISSIONER LA ROSA: Awesome. Good morning,  
3 everybody. I would like to welcome you to the  
4 customer service hearing of the Florida City Gas  
5 rate case. Today's service hearing is an important  
6 part of the rate case process and is dedicated to  
7 hearing from you, our customers.

8 My name is Mike La Rosa, a Commissioner here  
9 at the PSC. I will be chairing today's meeting.  
10 With me here to my left is Gabriella Passidomo,  
11 Commissioner, and our Chairman, Chairman Andrew Fay  
12 who has is joined us today digitally here to my  
13 right. I believe he can hear us. Andrew, can you  
14 hear us all right? Awesome. That nod and thumbs  
15 up, sounds good. Awesome.

16 Let me just start off with the Commissioners.  
17 Chairman Fay, would you like to say anything to  
18 address the audience?

19 CHAIRMAN FAY: Yeah. Thank you, Commissioner  
20 La Rosa. Just real briefly, if you can hear me all  
21 right.

22 I just want to thank you our customers for  
23 taking the time to come out. As some know I am  
24 waiting for a package to arrive, and it's not an  
25 Amazon package, it is another human, and so I

1 appreciate you working through the logistics here  
2 to make sure I could be part of this hearing, so  
3 thank you so much.

4 COMMISSIONER LA ROSA: Thank you, Chairman.  
5 We know that those deliveries aren't as accurate as  
6 Amazon, so we know you wait on pins and needles,  
7 but thank you for being able to be here with us  
8 today digitally.

9 And, Commissioner Passidomo.

10 MS. PASSIDOMO: Thank you, Commissioner La  
11 Rosa.

12 I just want to take an opportunity to thank  
13 these customers that have taken their time out of  
14 their morning to join us, and any of those who are  
15 participating watching the live stream, and also  
16 those who have written in comment to us. We really  
17 value your feedback, and so this is a very  
18 important part of the process, so I appreciate you  
19 all taking the time.

20 COMMISSIONER LA ROSA: Excellent. Thank you.

21 With us today, we do have a Spanish  
22 interpreter, this Jacqueline Guldris is here with  
23 us today. I let her speak really quickly.

24 INTERPRETER GULDRIS: Good morning to  
25 everybody.

1 (Statement made by Spanish Interpreter  
2 Jacqueline Guldris.)

3 COMMISSIONER LA ROSA: Awesome. Thank you.  
4 Thank you, Jackie.

5 Let's start with the staff. Staff counsel,  
6 will you please read the notice?

7 MR. TRIERWEILER: Good morning.

8 By notice issued on August 24, 2022, this time  
9 and place has been set for a customer service  
10 hearing in Docket No. 20220069-GU. The purpose of  
11 the hearing has been more fully laid out in the  
12 notice.

13 COMMISSIONER LA ROSA: Thank you.

14 At this time, let's take appearance from  
15 counsel, starting with FCG.

16 MR. BAKER: Good morning, everyone. This is  
17 Joel Baker, appearing on behalf of Florida City  
18 Gas. And I would also like to enter an appearance  
19 for Christopher Wright and Beth Keating of the  
20 Gunster Law Firm.

21 COMMISSIONER LA ROSA: OPC.

22 MS. WESSLING: Thank you.

23 This is Ali Wessling with the Office of Public  
24 Counsel. And I would like to also enter an  
25 appearance for Richard Gentry and Charles

1           Rehwinkel.

2           COMMISSIONER LA ROSA:   Excellent.   Thank you.

3           All right.   Now let's begin by thanking  
4           everyone here, of course.   Thank you for taking  
5           your time out of your busy schedule to be with us.  
6           We appreciate your interest in the petition filed  
7           by FCG.

8           As mentioned, this hearing is designed so that  
9           we can hear directly from customers.   So this is  
10          your opportunity to express your thoughts, your  
11          concerns and comments related to the utility's  
12          request.   In December, there will be a more  
13          technical hearing where the Commission will take  
14          the substance and the evidence of this case.

15          If you would like to speak with an FCG  
16          customer service representative, a representative  
17          is present here today with you to speak, and can be  
18          reached by calling (305)835-3645 from 8:00 a.m. to  
19          5:00 p.m.   I'm going to repeat the number one more  
20          time.   Area code (305)835-3645 Monday through  
21          Friday and during the hearing here today.

22          Emily Knoblauch is here from our Engineering  
23          division.   She's here representing the PSC here on  
24          the docket.   If you would like to reach her, her  
25          email address is E-K-N-O-B-L-A-U @psc.state.fl.us.

1           Again I will repeat that.  It's E-K-N-O-B-L-A-U  
2           @psc.state.fl.us, or by calling (850)413-6632.  
3           That's area code (850)413-6632.  Commission  
4           technical and legal staff is also here represented.

5           This is an official hearing that will be  
6           transcribed and will become part of the official  
7           record.  As such, I will swear in -- swear you in  
8           before your comments today.  Please note that your  
9           comments will also be subject to cross-examination.  
10          That is, you may be asked questions either by the  
11          parties here or by us as Commissioners.

12          Again, we appreciate your professionalism of  
13          the proceedings that will take place.  Be please be  
14          the same to any of your colleagues that may be here  
15          with you today.

16          In addition to sharing your comments here, you  
17          may also share your comments and additional  
18          material you would like to be submitted to the  
19          Commission's consideration via mail or email.  To  
20          contact the PSC by mail, you can find a  
21          pre-addressed comment card for download on our  
22          website.  If you would like to email us, please  
23          email the Commission Clerk at  
24          clerk@psc.state.fl.us, and please reference Docket  
25          20220069-GU.



1           If during the course of this hearing another  
2 customer has said something that you would like to  
3 say or absolutely agree with, please feel free to  
4 say ditto or just agree with them. We want to make  
5 sure that everyone feels as comfortable as possible  
6 as they are providing testimony before us today.  
7 Whether your comments are made verbally today or  
8 received via writing, be assured that your comments  
9 will be reviewed and taken into consideration  
10 during the course of our proceedings.

11           I would now like to invite FCG to present a  
12 brief opening statement if they do have one.

13           MR. BAKER: Thank you, Commissioner La Rosa.

14           For our opening statement, I will hand it over  
15 to Kurt Howard, who is the General Manager of  
16 Florida City Gas.

17           And if I may, Commissioner, we also have a  
18 Spanish language introduction that we would like to  
19 have Miguel Bustos, who is the Manager of  
20 Regulatory and Energy Conservation with the company  
21 make for any Spanish speakers in the audience  
22 today.

23           COMMISSIONER LA ROSA: Absolutely. Would he  
24 like to maybe get behind the microphone so we can  
25 hear him? If that's okay.

1 MR. BAKER: Sure. We would be happy to.

2 COMMISSIONER LA ROSA: Yeah. Absolutely.

3 MR. HOWARD: Good morning, Commissioners, and  
4 thank you, Mr. Chairman, and early congratulation  
5 goes on your impending package arrival. And thank  
6 you to all the customers who have taken time out of  
7 their morning to join us here today.

8 My name is Kurt Howard, and as the General  
9 Manager of Florida City Gas, I want to express my  
10 gratitude for the opportunity to serve you.

11 Florida City Gas, or FCG, is a regulated  
12 utility, which means the Public Service Commission  
13 oversees our rates and operations to ensure we  
14 deliver safe and reliable service.

15 FCG has requested Commission approval of new  
16 base rates. This need for the proceeding is driven  
17 primarily by the investments the company has made  
18 to support new growth and maintain exceptional  
19 system reliability. It's been about five years  
20 since FCG's last rate providing, so inflation is  
21 also a factor.

22 Everyone has been facing increased costs  
23 lately. And we know no one likes to pay higher  
24 prices. At FCG, we work hard to keep our  
25 operations efficient, while making sure to deliver

1 safe and reliable service.

2 We are proposing a four-year plan that is  
3 designed to provide stability and certainty for our  
4 customers. After a single necessary increase in  
5 February of 2023, the plan would keep base rates  
6 flat until at least January of 2027.

7 You can find more information about our plan  
8 on-line, but today is about hearing from you. Some  
9 customers have told us they value the service we  
10 provide, and we are grateful for their support, but  
11 we also want to hear about ways we can improve and  
12 better serve you.

13 As always, we are here to support our  
14 customers. And if you need assistance with your  
15 service, we have representatives standing by, and  
16 we will make sure to resolve any concerns that you  
17 have.

18 On behalf of everyone at FCG, I want to thank  
19 you for your participation today, and we look  
20 forward hearing your comments.

21 COMMISSIONER LA ROSA: Excellent. Thank you.

22 We will allow the Spanish interpreter to  
23 also --

24 (Presentation in Spanish by Miguel Bustos of  
25 Florida City Gas.)

1 COMMISSIONER LA ROSA: Thank you.

2 OPC.

3 MS. WESSLING: Thank you, Commissioner. And  
4 hello again. My name is Ali Wessling, and I am  
5 with the Office of Public Counsel.

6 For those of you who are not familiar with our  
7 office, the Office of Public Counsel was created by  
8 the Legislature, and we represent all the customers  
9 of Florida City Gas.

10 We are here today because Florida City Gas has  
11 filed a request for a variety of changes to their  
12 current rates, including an increase in base rates  
13 and charges sufficient to generate a total base  
14 rate revenue increase of \$29 million, an  
15 incremental base revenue increase of \$22 million, a  
16 10.75 return on equity, or profit, an equity ratio  
17 of 59.6 percent, the implementation of something  
18 called a reserve surplus amortization mechanism, or  
19 RSAM, approval of artificially derived RSAM  
20 facilitating depreciation rates, permission for a  
21 mechanism to adjust base rates in the event the tax  
22 laws change during or after the conclusion of this  
23 proceeding, as well as several other requests.

24 We have intervened for you in this case. We  
25 have two expert witnesses who are going to testify

1 on your behalf, and we are going to contest those  
2 areas of this request that we do not feel are  
3 reasonable or prudent. We will challenge the  
4 overall level of the rate increase.

5 It is our expert's opinion that the company is  
6 asking for four-and-a-half times what they need in  
7 order to provide good service. Our expert has  
8 calculated that the company needs no more than \$4.8  
9 million instead of the \$22 million that they have  
10 requested.

11 One of the largest areas where we will focus  
12 is the RSAM. We and our experts believe this is  
13 not warranted or reasonable. We also believe that  
14 the requested profit is far too high, and our  
15 experts will be recommending a much more well  
16 reasoned and appropriate profit rate of 9.5 percent  
17 for the Commission's consideration.

18 We also believe that the equity ratio, which  
19 is the basis upon, which their profits are  
20 determined, is far too high. And our experts will  
21 provide testimony to support a more suitable equity  
22 ratio that is close to what the company has  
23 operated just fine with for the past 20 years.

24 There are several other aspects of Florida  
25 City Gas' request that we will be taking issue with

1 and providing testimony about.

2 Also, please keep in mind that the law  
3 requires Florida City Gas to prove what they are  
4 asking for is reasonable and prudent. And we are  
5 going to challenge all of those areas that we do  
6 not believe are reasonable or prudent.

7 Now, today is your hearing. This is not the  
8 PSC's hearing. It's not my hearing. It's not  
9 Florida City Gas' hearing. Please take advantage  
10 of this opportunity and speak up, and tell the  
11 Commissioners how you feel about Florida City Gas,  
12 whether that's good or bad. You can talk about the  
13 quality of FCG service, how you feel about the rate  
14 increase, et cetera. Please use your voice to  
15 participate, and I look forward to hearing from  
16 you.

17 Thank you.

18 COMMISSIONER LA ROSA: Excellent. Thank you,  
19 Ms. Wessling.

20 Are there any elected officials here with us  
21 today? I didn't see any. Okay. Normally we allow  
22 them to speak first in the customer testimony  
23 portion. So let's move on with customers.

24 If you signed up for an opportunity to speak  
25 today, each customer will be given three minutes

1 for public comment so that everyone has a chance  
2 for their comments to be heard today. Of course,  
3 if you go over those three minutes, I won't hold  
4 your feet to the fire too much, but I certainly  
5 want to make sure that your point does come across.

6 Supposedly there is a light at the podium that  
7 will blink yellow, or be aware that you have one  
8 minute left. Don't worry it about that portion.  
9 We are close enough, you can just look at me and I  
10 will give you the nod you need to wrap up.

11 The attorney for the Office of Public Counsel,  
12 Ali Wessling, will call your name when it is your  
13 turn to speak in the order in which you signed up  
14 for. She will call three names at a time. The  
15 second name, just be on notice and be ready to come  
16 you to the podium.

17 We will be swearing you in at this time. So I  
18 am going to ask for those of you who do intend to  
19 present testimony today, please raise your right  
20 please stand and raise your right hand.

21 (Public speakers sworn by Commissioner La  
22 Rosa.)

23 COMMISSIONER LA ROSA: Excellent. Thank you.

24 With that, if you would please state your  
25 name, address, county in which you live in of

1 Florida City Gas. Your verbal comments will be  
2 transcribed and will be part of the official record  
3 for this case.

4 Ms. Wessling, you will be -- you may begin  
5 calling your names.

6 MS. WESSLING: Thank you. And there is  
7 actually only one person so far signed up, and  
8 that's Joseph Garcia. If you want to please come  
9 up.

10 COMMISSIONER LA ROSA: Of course, I will check  
11 in to make sure after he is done if anyone else has  
12 signed up outside.

13 INTERPRETER: He speaks English.

14 MR. GARCIA: I speak English and Spanish.

15 COMMISSIONER LA ROSA: Excellent.

16 You are recognized.

17 PUBLIC COMMENT

18 MR. GARCIA: My name is Joseph Garcia. I work  
19 with All-Go Construction. We are down in Miami,  
20 Miami-Dade County, so -- and I am here to speak  
21 about my experience with working with Florida City  
22 Gas.

23 So my experience with Florida City Gas has  
24 always been positive. Everyone in my company feels  
25 the same. We have worked with them for decades,



1           and they have always extremely responsive. There  
2           has been times where I have called Nelly on  
3           vacation and she answers, and she makes time for  
4           me, and still, you know, helps me feel that the  
5           process is getting done, giving me updates and  
6           whatnot. Same thing with Elda Moyer.

7                        So their staff, when they come out to the job  
8           sites, are professional. They are efficient. They  
9           work safe. They are always, you know, they are not  
10          doing anything that makes you feel that, you know,  
11          is out of line. And they always give you -- they  
12          follow up on when they are coming. They let you  
13          know when they are coming, so that's always  
14          something that's nice to be as a contractor. You  
15          feel when you are working with an entity of, you  
16          know, like gas, electrical, all those other  
17          companies, which a lot of the other ones don't do.

18                       So working with them always feels personal and  
19          efficient. They always come out to the job site to  
20          meet you, and they always are, you know, very clear  
21          about their process. They always, like, always  
22          make it very clean, simple and easy. You never  
23          really have to think twice about it. They always  
24          go over the same thing with you no matter how many  
25          times you have done it. It doesn't for matter if

1           you forgot it, they are going to remind you. And  
2           they always follow up with you throughout the  
3           entire time. Throughout the entire process, they  
4           are always walking you through it, so you never  
5           feel like you don't know what's going on. And, you  
6           know, even, like I said, even if you got it down  
7           pat already because you have done it so many times,  
8           they are still there to help you if you ever slip  
9           up on anything, they will follow up with you and  
10          they will help you, and they always got your back.

11                 So -- and any time that we get a chance, we  
12          always look hook up to natural gas. We do a lot of  
13          development, and a lot of spec homes at this point.  
14          So every time we get a chance, we always hook up to  
15          natural gas. It's a great selling point. All of  
16          our customers love it. They actually prefer it.  
17          It keeps, you know, instead of having, like, a  
18          super high electric bill, you can substitute it for  
19          that. And honestly, I believe it is more  
20          efficient.

21                 And any time that we have had even issues that  
22          we have go to in the street, whatever, Florida City  
23          Gas works super professional. Always helps with us  
24          with the permits getting and doing things clean and  
25          orderly. In all the neighborhoods that we have

1 worked in, we have never had any complaints from  
2 any neighbors even having to cross on their  
3 property lines, or having to break the street,  
4 asphalt, et cetera, to be able to get the work  
5 done.

6 And so pretty much, I mean, that's how -- I  
7 just wanted to say that that's been my experience  
8 with them. Through and through, they are one of my  
9 favorite companies outside of our subcontractors to  
10 work with.

11 COMMISSIONER LA ROSA: Excellent. I think you  
12 mentioned your name when you started. Can you  
13 just --

14 MR. GARCIA: Yeah. I am sorry. My name is  
15 Joseph Garcia, and work with All-Go Construction  
16 Systems.

17 COMMISSIONER LA ROSA: Excellent. In what  
18 service area, county, cities?

19 MR. GARCIA: We do Miami-Dade County.

20 COMMISSIONER LA ROSA: Okay. Awesome. Great.  
21 Thank you for your testimony.

22 MR. GARCIA: Thank you.

23 COMMISSIONER LA ROSA: And I am looking to the  
24 back. There is no one else -- no one else signed  
25 up? Okay. Same, you don't have anyone else?

1 MS. WESSLING: Right.

2 COMMISSIONER LA ROSA: Okay. Awesome.

3 So that concludes our customer service portion  
4 of today's hearings.

5 I am going to pass it over to my  
6 Commissioners. Commissioner -- Chairman Fay, any  
7 closing comments?

8 Commissioner Passidomo?

9 MS. PASSIDOMO: No, sir.

10 COMMISSIONER LA ROSA: Okay. Excellent.

11 So again, thank those that have come out today  
12 and gotten set up. I know it's certainly a busy  
13 time of the year, so thank you for getting all of  
14 this ready for us and giving the customers the  
15 opportunity to speak.

16 Seeing no further business, this closes our  
17 services hearing.

18 Thank you.

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 30th day of September, 2022.



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