

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

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In the Matter of : DOCKET NO. 960502-GS
: Application for :
: Rate Increase by City :
: Gas Company of Florida :



PROCEEDINGS: COCOA BEACH SERVICE HEARING

BEFORE: COMMISSIONER J. TERRY DEASON
COMMISSIONER JOE GARCIA

DATE: Thursday, September 12, 1996

TIME: Commenced at 6:30 p.m.
Concluded at 7:20 p.m.

PLACE: Cocoa Beach Hilton
Board Room 1 and 2
1550 North Atlantic Avenue
Cocoa Beach, Florida 32931

REPORTED BY: ROWENA NASH HACKNEY
Official Commission Reporter

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1 **APPEARANCES:**

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3 **Rief and Bakas, 117 South Gadsden Street, Tallahassee,**
4 **Florida 32301, Telephone No. (904) 222-2525,**
5 **appearing on behalf of City Gas Company of Florida.**

6 **VICKI JOHNSON, Florida Public Service**
7 **Commission, Division of Legal Services, 2540 Shumard**
8 **Oak Boulevard, Tallahassee, Florida 32399-0850,**
9 **appearing on behalf of the Commission Staff.**

10 **H. F. (RICK) MANN, Deputy Public Counsel,**
11 **Office of Public Counsel, 111 West Madison Street,**
12 **Room 812, Tallahassee, Florida 32399-1400, Telephone**
13 **No. (904) 488-9330, appearing on behalf of the**
14 **Citizens of the State of Florida.**

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16

17 **ALSO PRESENT:**

18 **DAVID GING, FPSC Division of Electric and Gas**

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I N D E X

MISCELLANEOUS

1		
2		
3	ITEM	PAGE NO.
4		
5	CERTIFICATE OF REPORTER	50

WITNESSES

6		
7		
8	NAME	PAGE NO.
9	BRUCE BODIN	
10	Direct Statement	12
11	EUGENE CIMINO	
12	Direct Statement	34
13	EVELYN MCKINNEY	
14	Direct Statement	44
15	REVEREND MARK PRESLEY	
16	Direct Statement	46

EXHIBITS

17		
18		
19	NUMBER	ID. ADMTD.
20	4 Proof of publication for Cocoa Beach service hearing	8

21
22
23
24
25

PROCEEDINGS

(Hearing convened at 6:30 p.m.)

COMMISSIONER DEASON: Call the hearing to order. Could we have the notice read, please?

MS. JOHNSON: By notice issued August 9, 1996, a service hearing was set in Docket No. 960502-GU, application for rate increase by City Gas Company of Florida.

COMMISSIONER DEASON: Thank you. Take appearances.

MR. McGLOTHLIN: My name is Joe McGlothlin, 117 South Gadsden Street, Tallahassee, Florida. I represent City Gas Company of Florida.

MR. MANN: My name is Rick Mann. I'm with the office of Public Counsel. We have not intervened in this case, but we are monitoring it closely on behalf of the citizens of the State of Florida.

MS. JOHNSON: Vickie Johnson on behalf of the Commission Staff, and with me tonight is David Ging of our Bureau of Gas Regulation.

COMMISSIONER DEASON: Thank you. Let me take this opportunity -- I'll stand up in case anyone can't see me. My name is Terry Deason. I am a member of the Public Service Commission. I'd like to take this opportunity to welcome everyone out to the

1 hearing this evening.

2 With me, and seated to my right, is
3 Commissioner Joe Garcia. We will constitute the panel
4 of Commissioners which will be conducting this hearing
5 on this evening.

6 There are representatives of the Public
7 Service Commission which are here, and two of them
8 have just introduced themselves, to the table to my
9 left. And there is a representative from the Consumer
10 Affairs Department, Thelma Crump. She is in the rear
11 of the auditorium. If anyone has any questions, I
12 would encourage you to ask any of these members of the
13 Staff of the Commission; they would be more than glad
14 to assist you in any way possible.

15 The purpose of the hearing this evening is
16 to give members of the public, customers of City Gas,
17 an opportunity to address the Commission concerning
18 the pending request for a rate increase by City Gas
19 Company of Florida. We are interested in your
20 concerns and your comments concerning that pending
21 request and also your comments and concerns, if you
22 have any, with the quality of service provided to you
23 by City Gas.

24 When you entered the rear of the auditorium,
25 there was a special report printed on yellow paper.

1 If you have not received a copy of that, I would
2 encourage you to get a copy of that. The essential
3 background information on this case is contained
4 within that report.

5 Also, the last page of that report is
6 designed to be detached, and that is for those
7 customers who do not wish to actually make a formal
8 statement here tonight, to give you an opportunity to
9 provide written comments to the Commission. This page
10 may be detached, and you may write your comments on
11 it, fold it, and send it to the Public Service
12 Commission. And those comments then would be entered
13 into the correspondence side of the docket.

14 I want to briefly review the procedure we
15 are going to follow here this evening. After I
16 conclude my opening comments, we will begin with an
17 opening statement to be given by City Gas. Following
18 this brief opening statement, I will ask those members
19 of the public who wish to testify to stand and to
20 administer the oath.

21 It's necessary for you to be sworn in so
22 that your testimony can become part of the record in
23 this case. This is an official hearing of the Public
24 Service Commission. It is being recorded. The
25 comments given this evening will become part of the

1 official record in this case and will be evidence upon
2 which the Commission can and will rely in making its
3 decision in this case.

4 After the opening statement and the swearing
5 in of witnesses, your name will be called. I believe
6 Mr. Mann will be calling those names. When your name
7 is called, if you would come forward to the podium
8 directly in front of the Commissioners and begin by
9 giving us your name and your address. And if you
10 think it would be helpful, you may wish to spell your
11 name so that it will be accurate in the record. We
12 ask that you then give your statement.

13 In following your statement, we ask that you
14 wait for just a moment because there may be some
15 clarifying questions by either of the Commissioners,
16 the Staff, the Public Counsel's office or from City
17 Gas.

18 Are there any other preliminary matters that
19 we need to address? Mr. McGlothlin.

20 MR. MCGLOTHLIN: I have the original proof
21 of publication of the notice of this hearing that I'd
22 like to make an exhibit.

23 COMMISSIONER DEASON: I believe the next
24 number is 4, and it will be identified as Exhibit 4.
25 And I see that you are providing a copy of that

1 exhibit to the court reporter.
2

3 Any other preliminary matters? Hearing
4 none, Mr. McGlothlin, you may proceed with your
5 opening statement.

6 (Exhibit 4 marked for identification.)

7 MR. MCGLOTHLIN: Commissioners, having
8 placed the opening statement on the record during
9 earlier service hearings, City Gas will waive the
10 opportunity to make a formal presentation.

11 I would like to introduce Lyle Motley,
12 President of the Southern Division of NUI Corporation,
13 which includes the operations of City Gas Company of
14 Florida. Other officers and employees of the Company
15 are present tonight, including those who have been
16 closely involved with the preparation of the rate case
17 filing that's the subject of the hearing. And with
18 that, we'll conclude.

19 COMMISSIONER DEASON: Thank you,
20 Mr. McGlothlin. At this point I'm going to ask all
21 members of the public who wish to testify to please
22 stand and raise your right hand.

23 (Witnesses collectively sworn.)

24 Thank you. Please be seated.

25 Mr. Mann, you may call your first witness.

MR. MANN: First individual to speak is

1 Mr. Rey Palma.

2 **WITNESS PALMA:** Good evening. I'm Rey
3 Palma. I'm the purchasing and contracts administrator
4 for the city of Titusville in charge of the franchise
5 agreements for the city of Titusville. On behalf of
6 the Mayor, City Council, City Manager for the city of
7 Titusville, we would like to read into the record a
8 letter which the Mayor prepared on August 28th and
9 presented to the Public Service Commission.

10 The letter says as follows: The Titusville
11 City Council is concerned about the above referenced
12 rate increase, which is the City Gas Company rate
13 increase, and the impact it will have on our citizens.
14 We are hopeful that the Public Service Commission will
15 look very closely at this increase and consider the
16 hardship in that cost. The City Representative, which
17 is me, will be in attendance today, and I will answer
18 any questions that you may have.

19 Potentially, as to the request to the City
20 Council, it was a unanimous decision to object to this
21 increase. They were presented the case, we presented
22 the petition, and that was our decision. That's
23 basically it. Any questions?

24 **COMMISSIONER DEASON:** Okay. Any questions?

25 **MR. McGLOTHLIN:** No questions.

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COMMISSIONER GARCIA: Let me ask you. The City, as a body, is against the rate increase. Did they have any specific reasons or simply they just didn't want the rates to go up overall?

WITNESS PALMA: Maybe a little history here.

COMMISSIONER GARCIA: All right. That's what we're here for.

WITNESS PALMA: The city of Titusville recently went into a very large water and sewer increase, and anything that is viewed as an increase to the -- an impact on the taxpayers, which is mostly residential, to the tune of about 30% residential, is considered negative in our city. And because of that, the Mayor and City Council did vote, in fact, to -- 5-0, which is the total City Council, to object to this.

COMMISSIONER DEASON: Any further questions?

COMMISSIONER GARCIA: Let me ask you. The rate increase, was it a company regulated by the Public Service Commission, or was it a water company regulated by the City itself?

WITNESS PALMA: No. We own our own water utility, water and sewer.

COMMISSIONER GARCIA: So the city just imposed a rate increase for the people.

1 **WITNESS PALMA:** We about the Indian River
2 Lagoon, and because of the Indian River Lagoon Act,
3 the EPA requested that we take all the sewage out of
4 the river. And because of that, we had to bill them,
5 and new sewer plant to the tune of \$13.7 million,
6 refurbishing an old sewer plant of about \$8 million,
7 all together a \$55 million bond which was passed on to
8 our citizens of course. And we're very concerned
9 about any increase to our citizens' expenses.

10 **COMMISSIONER GARCIA:** Environmentalism is a
11 very interesting thing.

12 **WITNESS PALMA:** Pardon me.

13 **COMMISSIONER GARCIA:** Environmentalism is a
14 very interesting thing depending on which side you are
15 on.

16 Thank you for coming. I appreciate you
17 being here.

18 **COMMISSIONER DEASON:** Thank you. Mr. Mann.

19 (Witness Palma excused.)

20 - - - - -

21 **MR. MANN:** Next up is Mr. Bruce Bobin -- or
22 Bodin, I'm sorry.

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1
2 **BRUCE BODIN**

3 appeared as a witness and, having been duly sworn,
4 testified as follows:

5 **DIRECT STATEMENT**

6 **WITNESS BODIN:** That was close, it's Bodin.
7 I'm just here representing myself, and I have a letter
8 here that I would like to read. It may not be all
9 grammatically correct, but I'm going to read it
10 anyhow.

11 My August City Gas Company billing included
12 a notice that City Gas Company has petitioned the
13 Florida Public Service Commission for an increase in
14 gas rates. I've investigated any rate history -- I
15 have not investigated any rate history other than the
16 residential rate schedule, and I can only assume that
17 City Gas Company's rate charge petitions are similarly
18 outrageous. Let's examine City Gas Company's recent
19 rate increase and request history.

20 On December 19, 1994, you, the Florida
21 Public Service Commission, granted City Gas Company an
22 increase of 22¢ on its energy charge per therm fee.
23 Now, less than two years later, since its last
24 increase, the City Gas Company is requesting an
25 additional rate increase which will mean that the
total increase is 52¢ more than the rate was during

1 December of 1994. Additionally, City Gas Company
2 wants to increase the residential customer charge per
3 month 17¢. This is a fee for which we must pay even
4 if no services are provided by City Gas Company.

5 While it is -- why is it that you, the
6 Florida Public Service Commission, allow City Gas
7 Company these levels of increases when other
8 utilities, like Florida Power and Light, have had no
9 increases in a decade? From my perspective, it
10 appears City Gas Company has a serious management
11 problem if they cannot obtain satisfactory returns
12 from the kinds of rate increased revenues generated
13 which -- guarantees which you have provided them in
14 the past. With an inflation rate during this period
15 of 1¢ to 3¢, and wage rates stagnant, it is difficult
16 to understand how the Florida Public Service
17 Commission can allow any of these increases.

18 The real reason City Gas Company wants these
19 increases is to avoid obtaining capital needs in the
20 open market as all other companies are required to do
21 from time to time. Would not any company love to be
22 in a position to extract ever increasing free capital
23 every year with very large increases every other year
24 from its customer base by only asking for it?

25 As a ratepayer I'm asking you, the Florida

1 Public Service Commission, to totally disallow this
2 increase request and return the temporary increase
3 back to the City Gas customers. I'm also asking you
4 to reconsider the last City Gas rate increase with the
5 intent of reducing or eliminating them. There are
6 many, many alternate methods for a utility company to
7 increase its return on equity than fleecing its
8 customers.

9 That's all I have to say. I guess I made my
10 point. Do you want me to leave a copy of this?

11 COMMISSIONER DEASON: Yes, you may leave
12 that. And are there any questions?

13 MR. McGLOTELIN: We have none.

14 COMMISSIONER DEASON: If you'll provide that
15 to Mr. Mann, I'm sure he will provide that to the
16 court reporter.

17 COMMISSIONER GARCIA: Let me ask you a
18 question. Are you a seasonal user or you're a year
19 round?

20 WITNESS BODIN: Year round user.

21 COMMISSIONER GARCIA: Just a ballpark. What
22 do you think your average is on a monthly basis or on
23 a yearly basis?

24 WITNESS BODIN: I don't know, I think the
25 last one was around \$30, \$25 to \$30, something like

1 that. I don't know. My wife pays all the bills, so I
2 don't know.

3 COMMISSIONER GARCIA: The same thing happens
4 to me. But do you use gas for in your home?

5 WITNESS BODIN: For heating the home and for
6 heating the hot water. I was going to get a dryer,
7 but I decided not to. And when -- if these continue,
8 the rate increases persist, when it comes time to
9 replace the central unit, I'll replace it with
10 electrical.

11 COMMISSIONER GARCIA: Okay, great. Thank
12 you. Appreciate you coming out.

13 MR. MANN: Next speaker is Mr. H. J. Vander
14 Veen.

15 WITNESS VANDER VEEN: Good evening. First
16 off, I'd like to thank City Gas.

17 COMMISSIONER GARCIA: Mr. Vander Veen

18 WITNESS VANDER VEEN: Yes.

19 COMMISSIONER GARCIA: Could you spell your
20 last name for us?

21 WITNESS VANDER VEEN: I certainly could,
22 sir. V, as in Victor-A-N-D, David-E-R, capital V,
23 Victor-E-E-N.

24 COMMISSIONER GARCIA: Thank you.

25 WITNESS VANDER VEEN: My pleasure. First,

1 I'd like to thank City Gas for the hospitality in
2 allowing me this past week to review the five volumes
3 of the minimum filing requirement, as well as
4 providing me a desk to sit there and do so. Thank you
5 very much, inasmuch as we couldn't take the books with
6 us.

7
8 My first question perhaps goes both to City
9 Gas and to the Commission itself. City Gas currently
10 offers transportation service, where the customers are
11 allowed to buy its own gas, to interruptible and large
12 commercial industrial type customers. When can the
13 residential and small commercial customer expect to
14 receive the benefits of aggregated transportation and
15 the competitive market in the cost of its natural gas,
16 at least an opportunity to participate?

17 **COMMISSIONER DEASON:** That matter is
18 something that is under review at the Commission.
19 There are no concrete proposals to do so immediately,
20 but it is something that is being reviewed.

21 Now, if City Gas has something more specific
22 that relates to your company and you want to provide
23 information, or if Staff wants to further amplify
24 that, please do so.

25 **WITNESS VANDER VEEN:** I'm aware,
Commissioner, of the Commission's position currently

1 on that issue, but my question -- you've answered that
2 side of it. But my question is also to City Gas. I
3 believe Elizabethtown is currently offering such
4 services, which is a sister Company to City Gas; and
5 when can we expect to see this opportunity?

6 **MR. McGLOTHLIN:** We have someone in the
7 audience who would probably be in a better position to
8 give that kind of information off the record after
9 this gentleman's finished his testimony. We'd be glad
10 to have him talk to you if that's okay.

11 **WITNESS VANDER VEEN:** I'd like to have it on
12 the record.

13 **COMMISSIONER DEASON:** If we can have the
14 gentleman come forward and just identify himself and
15 just any information that he has.

16 **MR. PALECKI:** My name is Mike Palecki. I'm
17 with NUI South, which is the company that owns City
18 Gas Company in Florida. We have been participating in
19 the unbundling docket that is ongoing before the
20 Public Service Commission. The first workshop was
21 last month. Another workshop will be held in the
22 month of October; we intend to participate. We have
23 actively supported the concept of unbundling.

24 At this time we have not taken a position on
25 unbundling down to the residential rate class, but we

1 have taken a strong position for unbundling to the
2 commercial rate class. And we expect when the series
3 of workshops is over to submit a tariff to the Florida
4 Public Service Commission. At the time of the
5 submission of our tariff, we expect to meet with
6 various marketers, businessmen, brokers of natural
7 gas, and try to reach a consensus on our tariff and
8 then submit it for approval for the Commission after
9 the series of workshops.

10 COMMISSIONER DEASON: And I know that it's
11 dependent upon the workshops and the investigation
12 docket that is underway. But what do you anticipate
13 the time frame would be in response to this customer's
14 question before City Gas would actually file a tariff?

15 MR. PALECKI: I believe that the Commission
16 vote on the PAA after the workshops is scheduled for
17 mid 1997, I'm not sure of the exact date. However,
18 from the discussions I've had with other people in the
19 Company, we will probably be prepared to submit our
20 tariff well before the PAA is issued in this docket.
21 We don't have an exact date, but we think it will be
22 before the Commission actually votes to require us to
23 move forward in the direction of unbundling. We
24 expect to do so voluntary on our own.

25 COMMISSIONER DEASON: Thank you.

1 **COMMISSIONER GARCIA:** Mr. Palecki, can I ask
2 you a quick question? Has unbundling nationwide -- I
3 know we're a little bit behind in terms of gas since
4 our industry is relatively small in comparison to the
5 rest of the country -- has that yet to any large
6 degree reached the residential customer in other parts
7 of the country?

8 **MR. PALECKI:** Not to any large degree.
9 There have been experimental programs in three or four
10 localities. They're restricted to pretty small
11 communities. But those are going to be more or less
12 the test tube for the nation, and everyone is looking
13 at those very carefully to see how that works out for
14 those communities.

15 **COMMISSIONER GARCIA:** Thank you.

16 **COMMISSIONER DEASON:** Mr. Vander Veen, when
17 he talks about unbundling, he's talking about taking
18 the transportation component, unbundling it out so
19 that would be --

20 **WITNESS VANDER VEEN:** Sir, I'm highly
21 familiar with unbundling.

22 **COMMISSIONER DEASON:** Oh, okay.

23 **WITNESS VANDER VEEN:** I'd like to follow up
24 to Commissioner Garcia's statement -- or question to
25 the witness. I have personal experience in the

1 unbundling of the gas industry in numerous
2 jurisdictions, as well as in Canada. Currently, New
3 York State, for an example, is fully unbundled down to
4 the residential level, as is California. The Province
5 of Ontario in Canada, served by three major gas
6 distributors, has been unbundled since 1985, allowing
7 residential, commercial, as well as the large
8 customers to purchase natural gas on their own behalf.

9 COMMISSIONER GARCIA: Mr. Vander Veen?

10 WITNESS VANDER VEEN: Yes, sir.

11 COMMISSIONER GARCIA: Do me a favor, just
12 list them for me so that I can have Staff do a little
13 bit of research on this, and we'll ask Mr. Palecki
14 formally to respond to your statement.

15 WITNESS VANDER VEEN: Certainly, sir. The
16 Ontario LDCs are Union Gas, Consumer's Gas --

17 COMMISSIONER GARCIA: I don't necessarily
18 need the names of the companies, just where it's going
19 on. You said, Ontario, California --

20 WITNESS VANDER VEEN: Ontario, California,
21 New York State. I just spent a year-and-a-half
22 participating in the unbundling process in New York
23 State, and residential customers are now entitled to
24 the same status as the large industrials. As a matter
25 of fact, it happened in New York State simultaneously

1 for basically all customers in the unbundling process.

2 COMMISSIONER GARCIA: Very good.

3 WITNESS VANDER VEEN: I believe New Jersey
4 is significantly unbundled where NUI has a --

5 COMMISSIONER GARCIA: It scares me any time
6 we are behind New Jersey.

7 WITNESS VANDER VEEN: I'm sure your Staff,
8 sir, is as well aware as I am of what is going on in
9 the country.

10 COMMISSIONER GARCIA: I'll have Staff give
11 me a response to this.

12 Vickie, if you could have gas staff give me
13 a response to this.

14 And, Mr. Palecki, if you could provide the
15 information on your knowledge because I believe your
16 Company is based in New Jersey, if I'm not mistaken,
17 so --

18 MR. GING: Well, if I may respond from
19 Staff. I'm David Ging. The reasons why some of New
20 Jersey and New York have unbundled, that is exactly
21 the reason why we opened the unbundling docket here in
22 Florida. We're trying to keep pace with the industry
23 trends, and we're watching them closely to find out
24 what they are doing right and wrong and try to learn
25 from them. And we are in the process right now of

1 unbundling.

2 **WITNESS VANDER VEEN:** As I said earlier,
3 Commissioners, I'm well versed in the terms "undue
4 discrimination" verses "discrimination," but I find it
5 discomfoting that the large customers are currently
6 allowed those opportunities as compared to my
7 experience with aggregation for small customers
8 through the aggregator marketer/broker community and
9 being able to provide those benefits to the smaller
10 customer.

11 For example, in upstate New York right now,
12 residential customers could acquire natural gas
13 including all pipeline charges in the 2.10 to 2.20
14 range, whereas our commodity cost of gas here in City
15 Gas is, as I recall -- the PGA number from looking
16 over the minimum filing requirement is in excess of
17 \$4.

18 I find it hard to believe that there's an
19 almost two times differential in what we are paying
20 for just the commodity, not the distribution charges,
21 but just the commodity here in Florida to what's being
22 paid in other parts of the country.

23 As of yesterday, Henry Hub cash prices
24 closed in the \$1.65 to \$1.70 range. I believe the
25 last Friday's closing for October futures was in the

1 1.85 range for commodity, and we are paying \$4. Now,
2 grant you, I understand Florida gas transmission has
3 to be added to those prices, but it's still very, very
4 high compared to what the marketplace is able to offer
5 natural gas to the consumer today.

6 And since large customers are now garnering
7 that benefit, we, the small residential, small
8 commercial customers, are still precluded from that
9 market. And I urge you to advance as rapidly as
10 possible to enable us to participate in the
11 competitive marketplace as you've allowed other
12 customers to do.

13 My next concern is basically a rate level
14 distinction which I must admit I was unable to
15 rationalize having reviewed the minimum filing
16 requirement.

17 COMMISSIONER GARCIA: I'm sorry, what with
18 that point again? A rate what?

19 WITNESS VANDER VEEN: Rate level
20 distinction.

21 COMMISSIONER GARCIA: Okay.
22 (Commissioner Garcia receives a telephone
23 message.)

24 WITNESS VANDER VEEN: Go right ahead,
25 Commissioner.

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COMMISSIONER GARCIA: Sorry.

WITNESS VANDER VEEN: Good thing you aren't on the golf course, we'd break it.

COMMISSIONER GARCIA: I'm sorry. We don't regulate cellular service, but they are allowed to call you when you get into their territory.

WITNESS VANDER VEEN: In looking at the minimum filing requirements, the ultimately proposed rate, not the interim, for residential customers for distribution service, excluding the customer charge, I believe is about .53 a therm. I'm kind of a dekatherm talker so at \$5.34 a dekatherm. The proposed commercial rate is about \$2.22 a dekatherm. If I exclude restaurants, your basic small commercial customer has heating, water heating. Laundries, of course, will have drying. But if you look at your basic small commercial customers, the stores, they've got heating and water heating.

I've got nine gas appliances in my home, four of which I initially rented from City Gas and in some way, shape or form, I guess I still do. Excuse me, five of them I rent from City Gas, or originally did. I find it very difficult -- and while I will admit I did not spend an exhaustive amount of time on their class cost of service study, I did spend some

1 time on it, and I find it difficult to comprehend
2 having had over 30 years experience in the natural gas
3 industry in all forms of the regulatory process, that
4 the commercial rate can be half, less than half of the
5 residential rate.

6 Now, I understand that has historically been
7 true. I urge Staff, I urge the Commissioners to take
8 a very hard look at the regulatory policy that has
9 fostered such a pricing differential. I know with
10 nine gas appliances, my load factor is extremely good
11 as compared to straight heating and water heating.

12 COMMISSIONER GARCIA: May I ask --

13 WITNESS VANDER VEEN: Yes, sir.

14 COMMISSIONER GARCIA: -- just for my
15 edification, what your average is more or less?

16 WITNESS VANDER VEEN: My average bill?

17 COMMISSIONER GARCIA: Yeah.

18 WITNESS VANDER VEEN: I have no idea. It's
19 paid automatically by the bank to the gas company. I
20 think we get it, but it goes through the automatic
21 bill paying process.

22 COMMISSIONER GARCIA: That's more dangerous
23 than having your wife pay it, as we talked about
24 earlier. (Laughter)

25 WITNESS VANDER VEEN: My concern, sir, is

1 not so much the absolute level of the rate, but the
2 absolute differential of the rate, less than half.

3 The third point I have to bring to you this
4 evening is, as I understand it and I will let the
5 Company correct me if I'm wrong, but they have
6 recently embarked upon a significant expansion program
7 in Port St. Lucie. And as I understand their filing,
8 vis-a-vie the minimum filing requirements, for I have
9 not seen the referenced exhibits that were in the
10 testimony, they did not have those at the local
11 office --

12 **COMMISSIONER GARCIA:** Would you like to us
13 send that to you?

14 **WITNESS VANDER VEEN:** If you could, sir, I'd
15 appreciate it.

16 **COMMISSIONER GARCIA:** Okay. If we could
17 have Staff -- Ms. Johnson, can we take of that?

18 **MS. JOHNSON:** Yes.

19 **WITNESS VANDER VEEN:** My understanding is
20 that this expansion is a long-term project, and at
21 this point in time, City Gas is requesting the
22 inclusion of the entirety of that investment into rate
23 base. And if I'm wrong on that, I am sure counsel
24 will correct me.

25 **MR. McGLATHLIN:** Would you repeat your

1 statement, Mr. Vander Veen?

2 **WITNESS VANDER VEEN:** That the Port
3 St. Lucie expansion, you're now asking in this case
4 for the inclusion of all the investment in Port St.
5 Lucie?

6 **MR. McGLOTHLIN:** That's correct.

7 **WITNESS VANDER VEEN:** As I said, I did not
8 have time or have access to enough data to evaluate
9 the used and usefulness of that totality of that
10 investment in terms of providing natural gas service,
11 but I would urge Staff and the Commission to carefully
12 scrutinize the amount of investment included, or to be
13 included, in such an expansion.

14 I'm quite familiar with contributions in aid
15 of construction in utility expansion. I'm also very
16 familiar with certain regulatory philosophies which
17 require earnings tests in excess of .9, all the way up
18 to .1, before the inclusion of expansion plant is put
19 into rate base where all ratepayers will pay for it.
20 There are tests for that. I am familiar with many of
21 them. And I just urge you to carefully consider that.

22 I also read -- and I hope I don't
23 mispronounce -- Mr. Motley's testimony on the efforts
24 of City Gas to enhance its marketing, especially its
25 in-fill program. In fill is very simply, you've got

1 pipes in the ground and you've got houses in front of
2 it or commercial establishments in front of it that
3 currently don't use natural gas.

4 My question to the Company is -- and I
5 understand their operational characteristics, they are
6 very peak sensitive, the rest of it is kind of
7 baseload. It's water heating, cooking, drying, and at
8 least from Melbourne, south, we have our 30 hours of
9 heat. My question to the Company is, four years as a
10 customer, I've yet to see anything from you on the
11 promotion of gas air conditioning informing your
12 customers about gas air conditioning. Yet over the
13 last two years, I've worked closely with Triathlon and
14 have consulted with them on a continuing basis as to
15 the applicability of the Triathlon unit for the
16 residential use. My experience goes back all the way
17 to the, quote, old ARKLA air conditioners. And my
18 question to City Gas is: What are you doing and how
19 are you proposing to assist us in developing an air
20 conditioning market so as that we can reduce both our
21 electric bills and enhance your off peak usage?

22 MR. McGLOTHLIN: That's a question I think
23 we have someone who would be glad to talk about.

24 Carl, do you want to --

25 COMMISSIONER DEASON: If you could identify

1 yourself for the record, please.

2
3 MR. SMITH: Yes, I'm Carl Smith, a member of
4 NUI Corporation and also a member of City Gas
5 Corporation. What City Gas has been doing over the
6 last year has been evaluating several programs
7 associated with the Triathlon unit as was mentioned.

8 Today we have been working with local
9 builders designing various programs to promote this
10 actual piece of equipment in air conditioning. Today
11 and over the last two months working on that program,
12 actually three months, we have installed five of the
13 Triathlon air conditioning units. Four of them in the
14 residential arena, and one has been in a new home
15 project in Viera East. We are continually evaluating
16 that, looking toward some energy conservation programs
17 which will promote the use of gas air conditioning as
18 well as informing customers of its use in comparison
19 to other in-use air conditioning units.

20 WITNESS VANDER VEEN: Mr. Garcia, question,
21 please.

22 COMMISSIONER DEASON: Thank you.

23 COMMISSIONER GARCIA: Sir, you've got the
24 floor. Stand back up and get the mike.

25 WITNESS VANDER VEEN: Would you give me the
name of the builders in Brevard County, the five

1 builders you referred to?

2 MR. SMITH: There was only one builder, and
3 that's Schull Builder, Schull, Gary Schull.

4 WITNESS VANDER VEEN: Gary Schull?

5 MR. SMITH: Right.

6 WITNESS VANDER VEEN: And you have five
7 units in Brevard County or net system wide?

8 MR. SMITH: It's system wide, but it is
9 concentrated in Brevard County.

10 WITNESS VANDER VEEN: And how many of the
11 five units are in Brevard County?

12 MR. SMITH: All of them are in Brevard.

13 WITNESS VANDER VEEN: Are they all in Viera?

14 MR. SMITH: They are not all in Viera.

15 WITNESS VANDER VEEN: Where are they?

16 MR. SMITH: I can get you the specific
17 locations if you'd like.

18 WITNESS VANDER VEEN: I would appreciate it,
19 because I'd like to --

20 COMMISSIONER DEASON: This is fairly
21 unorthodox. You are the witness; you're not cross
22 examining the Company.

23 WITNESS VANDER VEEN: I understand, sir.

24 COMMISSIONER DEASON: So when you have
25 questions like that, perhaps you need to do it off the

1 record. And then if you need to supplement, if you'll
2 write us a letter or whatever.

3 WITNESS VANDER VEEN: Understood. I
4 understand the procedure, Commissioner.

5 With that, I think I've found out what I
6 wanted to find out while I was here, as well as
7 present to you my concerns about this rate case. I
8 did not have time to investigate return on equity and
9 overall rate of return, but I will trust Staff to have
10 looked at that carefully, as well as the Commissioners
11 in their deliberation processes. And I thank you very
12 much.

13 COMMISSIONER GARCIA: Vicki, when does the
14 record close on this before we -- we've still got some
15 time, so if he would like to look at that, he's within
16 his rights to then submit something in writing to the
17 Commission, correct?

18 MS. JOHNSON: That is correct. The case is
19 currently scheduled to go to agenda on October 29th,
20 and Staff will be filing a recommendation on October
21 17th.

22 COMMISSIONER GARCIA: And does he have a
23 right to protest that, also?

24 MS. JOHNSON: Yes, he would have a right.

25 WITNESS VANDER VEEN: One question. Have

1 the full hearing in Tallahassee already been
2 conducted?

3 COMMISSIONER DEASON: No, they have not
4 been. It is customary to get customer input first.
5 And this case is being processed under our PAA
6 process, proposed agency action, and that is the
7 recommendation date.

8 And the vote date which Ms. Johnson was
9 referring to was for our proposed agency action, which
10 is the action which Commission will propose to take.
11 And if there is no process, it will then become final.
12 If there is a protest lodged against that action,
13 there will be formal hearings to address the issues
14 from that protest.

15 WITNESS VANDER VEEN: Is it possible to get
16 a copy of the Staff recommendation on the 17th?

17 COMMISSIONER DEASON: Yes.

18 COMMISSIONER GARCIA: Absolutely.

19 WITNESS VANDER VEEN: You have my card.
20 Could you send it to me?

21 MS. JOHNSON: I'll make you sure you receive
22 a copy.

23 WITNESS VANDER VEEN: Thank you.

24 COMMISSIONER GARCIA: Mr. Vander Veen?

25 WITNESS VANDER VEEN: Yes.

1 **COMMISSIONER GARCIA:** I also would -- let me
2 see. Public Counsel is only participating at this
3 stage because they haven't seen the full case put out,
4 but they are your representative here. Mr. Mann is
5 your attorney of record, and as I know from Jack
6 Shreve, he chomps at the bit to get a citizen as
7 interested as you are in this type of thing because
8 clearly you provide an additional expertise to his
9 staff as they look at this, so --

10 **WITNESS VANDER VEEN:** Well, sir, I believe
11 I'm qualified to intervene on my own behalf.

12 **COMMISSIONER GARCIA:** No, absolutely. But
13 you'll find that Public Counsel will probably make
14 that process easier for you.

15 **WITNESS VANDER VEEN:** I'm very familiar with
16 the Florida Public Counsel, sir. I've testified
17 before your Commission on a number of occasions.

18 **COMMISSIONER GARCIA:** Thank you.

19 **WITNESS VANDER VEEN:** I go back long before
20 the days of Ms. Hawkins in testifying for the Florida
21 Public Service Commission as an expert witness. Thank
22 you, sir.

23 **COMMISSIONER GARCIA:** All right.

24 **COMMISSIONER DEASON:** Thank you, for your
25 testimony.

1 (Witness Vander Veen excused.)

2 - - - - -

3 MR. MANN: Next up is Mr. Eugene Cimino, or
4 Chimino. I'm Sorry if I've mispronounced that.

5 EUGENE CIMINO

6 appeared as a witness and, having been duly sworn,
7 testified as follows:

8 DIRECT STATEMENT

9 WITNESS CIMINO: Usually in Italian if
10 there's a vowel after the "a," you say "ch", like
11 Ciampa, C-I-A. Just a minor point.

12 MR. MANN: Thank you.

13 WITNESS CIMINO: I'm only here because I
14 retired here a year ago very early.

15 COMMISSIONER DEASON: Sir, could we get the
16 spelling of your name, please?

17 WITNESS CIMINO: It's C-I-M-I-N-O. And what
18 bothered me, it's not so much the price increase, I
19 just saw the word "service."

20 I read my meter one day when the meter
21 person came by, the meter man, and they left. And I
22 looked at the meter, and I just recorded it. And the
23 reading he took was higher than normal. And I called
24 the gas company, and after being on hold for at least
25 20 minutes on more than one occasion -- meanwhile, I

1 had to call Miami. You can correct me if there's
2 another number I can call. According to my bill the
3 only number I can call is Miami. And I think they
4 bought out the gas company, the local gas company,
5 because I came here September 10th of last year. As a
6 matter of fact, a year ago, a couple days ago.

7 But what bothered me was finally after
8 getting through and asked to talk to a supervisor and
9 spending all my time with that person, they told me
10 they will schedule a person to come out and read
11 the -- that I was reading the meter incorrectly. And
12 they will schedule a person to come out and read it
13 with me, and it was a Wednesday. I spent the whole
14 day there, the person never showed, so I forgot about
15 it. It was only a few dollars, \$5.00.

16 Two weeks after that, somebody's pounding on
17 my door; I have no doorbell. I went out to the door,
18 and it's a person from the gas company. He says, "I'm
19 here to read the meter with you."

20 I said, "What do you mean?" I said, "Oh,
21 you must be the person from" -- so we went out, and he
22 informed me that I am reading the meter correctly,
23 which I knew I was.

24 Okay. The next month went by. And again,
25 the bill I'm paying again higher. In other words, I'm

1 paying for my gas in advance, and it's now up to \$12
2 more than what it should be. Again, it wasn't the
3 money, it's just that it bugged me, and I am a
4 stickler. And I said let me call Miami again. And
5 after talking to the same supervisor, he told me he's
6 not in charge of that area. He's not responsible.
7 This is Merritt Island by the way. I should have
8 mentioned that.

9 COMMISSIONER GARCIA: Who did you speak to?

10 WITNESS CIMINO: Oh, God. I've got it home.
11 His last name began with an "R." Again, this was
12 about -- during -- just before -- fall of last year,
13 just before the winter.

14 COMMISSIONER GARCIA: Okay.

15 WITNESS CIMINO: Okay, so I just let it
16 slide. And the next thing I was told -- and I'm
17 trying to remember all the events. It's just that the
18 thing that bugs me is the service and being on the
19 phone for at least 20 minutes to a half-an-hour, and
20 sometimes I was disconnected.

21 COMMISSIONER GARCIA: Let me ask you. Was
22 this a toll free line number?

23 WITNESS CIMINO: Yes. This is the only
24 number on the bill, unless anybody here can correct
25 me. There's no way. I eventually called --

1 **COMMISSIONER GARCIA:** Let me go back. Is it
2 a toll free?

3 **WITNESS CIMINO:** Yeah. It's a toll free
4 number, yeah.

5 **COMMISSIONER GARCIA:** They just kept you
6 waiting for over 30 minutes.

7 **WITNESS CIMINO:** It's the only number on the
8 bill that you can call, and apparently they are in
9 charge for all of Merritt Island all the way from
10 Miami, Florida.

11 Then I was also -- I finally -- I called
12 Rockledge. I guess there's an administrative office
13 in Rockledge. I talked to a nice man. I think I
14 remember his name, Wes Robinson. And he said he'll
15 talk to the person even though he's supposedly the
16 supervisor. But I was told by Miami that there's no
17 one in this area that's in charge of the meter
18 readers, which I think is ridiculous.

19 I'm only making a suggestion. Is there a
20 way that there's a -- the number on the bill or have
21 another number for the people for the Merritt Island
22 area? And I'm assuming it must be the same for Cocoa
23 Beach, Rockledge, or whatever the other areas are,
24 Titusville.

25 I mean, I wish I could write down the

1 conversations that I had. The last time my meter was
2 read -- the second last time it was read wrong again,
3 and I called. And after spending 25 minutes with this
4 person on the other line, they called me up on the
5 computer -- they looked through the computer and said
6 you are reading the meter wrong. And I said, "why are
7 you saying that because" -- and they just read what
8 the computer said. Now, obviously, the meter person
9 has a hand-held computer. And if they are reading
10 that wrong, they are just putting in the wrong
11 information. She completely disregarded what I was
12 talking about.

13 I think these people should be trained on
14 customer service because of all of the utility
15 companies that I have dealt with in Boston, New York,
16 and even here in Florida, this was the worst service
17 that I've gotten. They had no -- I mean, just no care
18 in the world for me. And I just hope that if you
19 could just put this as a suggestion --

20 COMMISSIONER GARCIA: Can I just ask you --

21 WITNESS CIMINO: Sure.

22 COMMISSIONER GARCIA: Could you forward to
23 the Commission -- you've got a phone number on that
24 yellow sheet, it's a 1-800 number. I promise you will
25 not have to wait for longer than 3 or 4 minutes, and

1 I'll give you my number just in case they make you
2 wait a little bit longer than that. And give us the
3 name of the person you spoke to --

4 WITNESS CIMINO: What's your number? I'm
5 serious.

6 COMMISSIONER GARCIA: 904-413-6042.

7 WITNESS CIMINO: And your name is?

8 COMMISSIONER GARCIA: My name is Joe Garcia.

9 If I happen not to be there because I am in one of the
10 beautiful parts of the state, my assistant's name in
11 the office is Kathleen, and you leave her the
12 information. Kathleen.

13 WITNESS CIMINO: Kathleen. One of the
14 things I think it could have been, that some of the
15 times these were part-time readers, I think. And they
16 were reading the meter the other direction, the
17 opposite, which makes it a big reading.

18 COMMISSIONER GARCIA: I can imagine. Were
19 you refunded on those mistakes?

20 WITNESS CIMINO: Well, eventually when the
21 next person came, they read it correctly. It was a
22 different person, so it digested itself automatically.

23 But I just thought it would be something
24 that it was one of those things, it's just one time,
25 but it just happened. Not this last reading because I

1 happened to run into the meter -- and by the way, the
2 person who I talked to the last time told me, "Oh,
3 don't worry. Wednesday" -- and they gave me the date;
4 I wrote it down -- "you'll have a meter person there
5 anyway." And it just happened that person came the
6 week before. They didn't even know when the meter
7 person was going to come by. And I was just driving
8 in my driveway --

9 COMMISSIONER GARCIA: Do me a favor. Just
10 call up that 1-800 number and speak to --

11 WITNESS CIMINO: Kathleen.

12 COMMISSIONER GARCIA: No, Kathleen is in my
13 office. And there you can speak to a gentleman by the
14 name of Leroy -- what's Leroy's last name?

15 MS. JOHNSON: Raspberry.

16 COMMISSIONER GARCIA: Raspberry, Leroy
17 Raspberry. And if not, speak to Bev DeMello. And
18 formally, just go ahead and say that, and the problem
19 you had with that person, so that the Company can be
20 aware of that, and that the Company will be informed.

21 Likewise, if you have problems in the future
22 where the Company agrees to do something and doesn't
23 do it, please call that 1-800 number. It's your right
24 to come and protest. And by our rules they are forced
25 to comply much quicker. And there's a certain number

1 of days, as you can imagine, that they have to give us
2 an official response.

3 **WITNESS CIMINO:** I mean, I'm retired. I
4 spent the whole day -- it didn't bother me, but I can
5 imagine if somebody has to take a day off from work or
6 whatever.

7 One last thing, I just noticed something on
8 the deposit.

9 **COMMISSIONER GARCIA:** Before you get out,
10 can I ask the Company to send us, for the record, what
11 their response procedures are when they get a
12 complaint? Obviously, this is not the only company in
13 the state, but obviously this is one of the companies
14 that's having problems, according to this gentleman.
15 If you could just send me what your response
16 procedures are as part of the record when you have a
17 complaint that obviously comes into your Miami office,
18 how that's dealt with so that the customer can get
19 satisfaction locally, if that's all right. Did you
20 understand the question?

21 **WITNESS CIMINO:** I mean, it was the only
22 number on the bill, and I didn't realize that I had to
23 call Miami.

24 **COMMISSIONER GARCIA:** No, you didn't do the
25 wrong thing. I just want to make sure that there's a

1 procedure in place, and I'm sure the Company has one.

2 And I just want to see it.

3 WITNESS CIMINO: One last question. I
4 notice about the deposit, and I'm trying to
5 remember -- I don't remember how much I put down for a
6 deposit, but I guess there's 6% interest, it said in
7 here, in this flyer. And is that credited
8 semiannually or annually to your account?

9 COMMISSIONER DEASON: I believe it's
10 annually, but I stand to be corrected if that's wrong.

11 WITNESS CIMINO: I haven't been credited
12 yet, but whereas everybody else, BellSouth, they've
13 credited my bill. It's just little things like that
14 to the consumer that I guess should be important.

15 COMMISSIONER DEASON: And you do have a
16 deposit with the Company?

17 WITNESS CIMINO: Oh, yeah. This state, when
18 I first came, I didn't know, money first.

19 COMMISSIONER GARCIA: Mention that to
20 Mr. Rasberry or Ms. DeMello, and the Company will give
21 you a formal response through their offices.

22 WITNESS CIMINO: Okay. Thank you very much.

23 COMMISSIONER DEASON: Thank you.

24 (Witness Cimino excused.)

25

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1 **MR. MANN:** The next speaker is Ms. Evelyn
2 McKinney.

3 **MR. McGLATHLIN:** Commissioners, I'll object
4 to the testimony by this individual. She appeared at
5 the earlier service hearing and testified at length,
6 and I think would be an abuse of this service hearing
7 to have that duplication.

8 **COMMISSIONER DEASON:** Ms. McKinney, let me
9 ask. You have testified before, but I'm going to give
10 you an opportunity to testify again. But if there are
11 other people who haven't had the opportunity, I'm
12 going to give them the opportunity first.

13 **WITNESS MCKINNEY:** No problem.

14 **COMMISSIONER DEASON:** Let me ask. Is there
15 anyone else who has not testified before who still
16 wants to testify before the Commission this evening,
17 anyone who has entered the auditorium late who wishes
18 to testify?

19 **WITNESS PRESLEY:** Could you repeat that
20 question again?

21 **COMMISSIONER DEASON:** I'm just asking if
22 there's anyone who has not yet testified who wishes to
23 testify this evening. I'm going to give them an
24 opportunity to go ahead and testify at this time. I
25 see no hands.

1 **COMMISSIONER GARCIA:** You've got no other
2 names, Mr. Mann, do you?

3 **MR. MANN:** Well, I do have the individual
4 who stepped up just now, Reverend Mark Presley; but
5 other than him, no.

6 **COMMISSIONER DEASON:** All right.
7 Mr. McGlothlin, I am noting your objection that these
8 individuals have testified, but the Commission usually
9 gives great latitude to customers if they have taken
10 the time and the expense to travel from Miami up to
11 address the Commission. And since there are no other
12 customers waiting who have not yet had an opportunity,
13 I'm going to allow those customers the opportunity to
14 come forward.

15 So, Ms. McKinney, if you'd please come
16 forward. And since you have testified, you were put
17 under oath before, and your oath is still good now so
18 that your testimony will be given under oath. And you
19 may proceed.

20 **EVELYN MCKINNEY**
21 resumed the stand as a witness and, having been
22 previously sworn, testified as follows:

23 **WITNESS MCKINNEY:** I just wanted to add
24 something else from the last time I had been in Miami
25 just to advise the ones in Cocoa about the situation

1 that went on in Miami. In which I know they remember
 2 me last year in 1995, not only trained the guys in
 3 Miami, Florida, but I also came here in which City Gas
 4 paid my expense to train someone from over here in
 5 which I went back with a good report. And I just want
 6 to find out, like the different areas, like the black
 7 communities, not only in Miami but in here, is being
 8 inspected.

9
 10 Because like I said, I was wrong terminated
 11 in which I came forward through my human resource in
 12 which my human resource, one of the ladies was on
 13 vacation, when I didn't even get a warning letter
 14 to -- you know, usually the company would warn you
 15 before they fire you. What they did, they just told
 16 me to come into my office and turn in my beeper and my
 17 keys and they didn't even let me sign nothing, not
 18 even warn me. And I was a good ex-employee. I mean,
 19 I trained people. They got male guys over me.

20 COMMISSIONER GARCIA: Let me ask you
 21 something. I guess this question will go to you and
 22 Mr. McGlothlin and you can tell me or have someone
 23 answer for us. The inspections that are being done by
 24 the Company, are they system wide within our state, or
 25 are they specific to Miami?

MR. MCGLOTHLIN: They're specific to Miami,

1 Commissioner.

2 COMMISSIONER GARCIA: Okay.

3 WITNESS MCKINNEY: And I just wanted to find
4 out, although I came down here in Cocoa, is they doing
5 the same thing what Miami's doing, hiring two
6 contractors? Because I know it couldn't take two
7 people such as myself and another lady to do valve
8 maintenance; it takes more than that. And that's all
9 I had to say.

10 COMMISSIONER GARCIA: Thank you.

11 COMMISSIONER DEASON: Questions? Thank you.
12 (Witness McKinney excused.)
13

14 - - - - -

15 MR. MANN: Next is Reverend Mark Presley.
16 REVEREND MARK PRESLEY

17 resumed the stand as a witness and, having been
18 previously sworn, testified as follows:

19 WITNESS PRESLEY: Good afternoon.

20 COMMISSIONER DEASON: Reverend, just for the
21 record, you testified in Miami before, you were put
22 under oath at that time, and you are still under oath
23 at this time.

24 WITNESS PRESLEY: Yes.

25 COMMISSIONER DEASON: Very well.

WITNESS PRESLEY: This afternoon, I'm not

1 here to go back over what we testified before the
2 Commission last week -- I mean, earlier this week, but
3 I am here because since our prior meeting, to put out
4 to the Commission that I have been contacted and been
5 in a meeting with a prominent attorney of Miami that
6 will be filing lawsuits against City Gas because of
7 the results of gas leaks that City Gas seems to not
8 take theirself as it being important. And this
9 attorney will be working along with my organization,
10 PULSE, to help do whatever is necessary to expose City
11 Gas and to make whole City Gas accountable for the
12 danger that it's placed the public and its people in.

13 COMMISSIONER GARCIA: Reverend, let me just
14 say that if you know of any gas leaks that are going
15 on, I would greatly appreciate that you could
16 communicate that to our Staff. Clearly, you have a
17 responsibility to communicate it to the Company if you
18 know about it. And we certainly will if you
19 communicate with us.

20 But clearly, if you believe that there's a
21 danger out there and you have seen where that danger
22 is, the legal process takes quite a while, but if you
23 report it to our Staff, we'll make sure that at least
24 that which you know of, we correct. And clearly, we
25 will keep a record of that.

1 So it isn't as if that happening isn't going
2 to be recorded for whatever legal reasons you may want
3 that. But I just want you to know that if there is a
4 problem out there and you know of that problem, we are
5 going to take care of it. And clearly, if there's any
6 danger involved, our Staff will get right on it. And
7 I think Commissioner Deason at the end of the day
8 before yesterday's hearing asked the Staff for a full
9 report on what's being done. Likewise, I'm going to
10 be looking at that, and if you do know of something
11 that's wrong, I would appreciate it if you would
12 communicate that to us.

13 WITNESS PRESLEY: I assuredly will. Thank
14 you.

15 COMMISSIONER DEASON: Questions?
16 (Witness Presley excused.)

17 - - - - -

18 MR. McGLOTHLIN: We have no questions. I
19 would just like to note for the record that City Gas
20 Company has full confidence of the safety and
21 integrity of its system. And with that, I have no
22 questions of the witness.

23 COMMISSIONER DEASON: Mr. Mann?

24 MR. MANN: No further speakers.

25 COMMISSIONER DEASON: Okay. Let me ask the

1 question one more time then. Is there anyone else in
2 the audience who wishes to testify this evening? Let
3 the record reflect that there are no other individuals
4 who have indicated they wish to testify.

5 Let me take this opportunity to thank
6 everyone for coming out this evening. And for the
7 testimony that we have received, we appreciate your
8 doing that. And with that, this hearing is adjourned.
9 Thank you all.

10 (Thereupon, the hearing concluded at
11 7:20 p.m.)

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1 STATE OF FLORIDA)
2 COUNTY OF LEON)

CERTIFICATE OF REPORTER

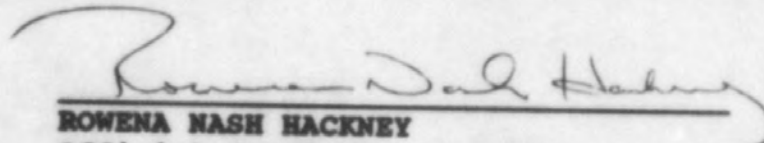
3 I, ROWENA NASH HACKNEY, Official Commission
4 Reporter,

5 DO HEREBY CERTIFY that the Cocoa Beach
6 Service Hearing in Docket No. 960502-GU was heard by
7 the Florida Public Service Commission at the time and
8 place herein stated; it is further

9 CERTIFIED that I stenographically reported
10 the said proceedings; that the same has been
11 transcribed under my direct supervision; and that this
12 transcript, consisting of 49 pages, constitutes a true
13 transcription of my notes of said proceedings.

14 DATED this 17th day of September, 1996.

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ROWENA NASH HACKNEY
Official Commission Reporter
(904) 413-6736