

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

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 :
 In The Matter of : DOCKET NO. 000824-EI
 :
 Review of Florida Power :
 Corporation's earnings, :
 including effects of :
 proposed acquisition of :
 Florida Power Corporation :
 by Carolina Power & Light.:
 :
 -----X

PROCEEDINGS: CLEARWATER, FLORIDA, SERVICE HEARING

BEFORE: CHAIRMAN LILA A. JABER
 COMMISSIONER MICHAEL A. PALECKI
 COMMISSIONER BRAULIO L. BAEZ
 COMMISSIONER RUDOLPH "RUDY" BRADLEY

DATE: Wednesday, January 23, 2002

TIME: Commenced at 12:00 noon
 Concluded at 4:15 p.m.

PLACE: Harborview Center
 300 Cleveland Street
 Clearwater, Florida

REPORTED BY: Donna W. Everhart
 CSR, RPR, CP, CM
 Certified Shorthand
 Reporter
 Notary Public
 State of Florida at Large

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APPEARANCES:

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the Citizens of the State of Florida.

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Power.

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the Commission Staff.

ALSO PRESENT:

WILLIAM B. McNULTY, FPSC Division of
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MICHAEL SPRINGER, FPSC Regulatory Analyst
III.

MICHAEL A. LEWIS, Vice President, Coastal
Region, Florida Power.

JOHN J. FLYNN, Manager, Regulatory
Policy, Regulatory and Public Affairs, Florida
Power.

I N D E X

	<u>PAGE NO.</u>
1	
2	
3	10
4	11
5	14
6	19
7	212
8	

WITNESSES

	<u>Name:</u>	<u>Page No.</u>
10		
11	BARBARA SMITH	
12	Direct Statement	22
13	MARGARET FRAN CZAK	
14	Direct Statement	25
15	STEVE BOOK	
16	Direct Statement	28
17	NANCY WALLS	
18	Direct Statement	31
19	HARRY WALLS	
20	Direct Statement	36
21	TERRY GARCIA	
22	Direct Statement	39
23	LOUAY BAYYAT	
24	Direct Statement	48
25	ROBERT MARTIN	
	Direct Statement	56
	JAMES JANOWSKI	
	Direct Statement	62

	<u>WITNESSES</u> (Cont'd)	
	<u>Name:</u>	<u>Page No.</u>
1		
2		
3	MIKE YOUNG	
4	Direct Statement	76
5	JUDITH SCOTT	
6	Direct Statement	81
7	BILL ZINZOW	
8	Direct Statement	82
9	MIKE WOODALL	
10	Direct Statement	86
11	DENNIS BUTHMANN	
12	Direct Statement	91
13	MAYOR HAROLD RADCLIFFE	
14	Direct Statement	100
15	ROBERT BELLAVANCE	
16	Direct Statement	104
17	HOLLY DUNCAN	
18	Direct Statement	107
19	ED HOOPER	
20	Direct Statement	109
21	SANDY SHULER	
22	Direct Statement	113
23	RON BARNWELL	
24	Direct Statement	116
25	JOSEPH KUNZ	
	Direct Statement	118
	DENISE LEYSHOCK	
	Direct Statement	120
	TAMMY CASTRO	
	Direct Statement	122
	JOE BURDETTE	
	Direct Statement	127

	<u>WITNESSES</u> (Cont'd)	
	<u>Name:</u>	<u>Page No.</u>
1		
2		
3	CINDY NELSON Direct Statement	130
4		
5	MIKE MEIDEL Direct Statement	140
6		
7	BILL NEWTON Direct Statement	145
8		
9	MAYOR BOB DINICOLA Direct Statement	148
10		
11	LAURA KINNAMAN Direct Statement	153
12		
13	RONALD DIEKMANN Direct Statement	158
14		
15	MARVIN BEHM Direct Statement	165
16		
17	PETER DALACOS Direct Statement	169
18		
19	ROB McMAHON Direct Statement	177
20		
21	GEORGE DEMOGENES Direct Statement	180
22		
23	JAMES SCHWECHHEL Direct Statement	186
24		
25	ASEELAH BABALOLA Direct Statement	188
	ROBERT BROTHERTON Direct Statement	195
	CAROL BOYER Direct Statement	201
	DEBRA JACKSON Direct Statement	205

P R O C E E D I N G S

(Hearing convened at 12:00 noon.)

CHAIRMAN JABER: Good afternoon. For those of you that are already in the audience, we are starting just a bit late. I want to make sure that we're completely set up here with our audio equipment, and I also want to give an opportunity for those customers that are still signing up outside to get in and get seated, so bear with us. We'll start just as soon as we can.

Counsel, go ahead and read the notice for us.

MS. VINING: Pursuant to notice issued by the clerk of the Florida Public Service Commission on November 7, 2001, a customer service hearing was called for Docket No. 000824-EI at this time and place. As stated in the notice, the purpose of this hearing shall be to take testimony from members of the public on the rates and service of Florida Power Corporation.

The procedure at this hearing shall be as follows: The company will present a brief summary of its case, and the members of the public may present testimony. Members of the public who wish to present testimony are urged to appear promptly

1 at each scheduled service hearing time since the
2 hearing may be adjourned early if no witnesses are
3 present to testify. All witnesses shall be subject
4 to cross-examination at the conclusion of their
5 testimony.

6 CHAIRMAN JABER: Thank you, Counsel. I'm
7 Lila Jaber. I'm Chairman of the Florida Public
8 Service Commission. And I want to introduce my
9 colleagues at this time before we allow the parties
10 to make opening statements and before I explain the
11 procedure.

12 Over here to my left is Commissioner Rudy
13 Bradley.

14 COMMISSIONER BRADLEY: How are you doing?

15 CHAIRMAN JABER: Commissioner Braulio
16 Baez.

17 COMMISSIONER BAEZ: Good afternoon.

18 CHAIRMAN JABER: And Commissioner Michael
19 Palecki. I know it's difficult to see with -- with
20 this pole, but we'll make sure to stand up if we
21 have questions, and we'll be cognizant of this
22 along the way.

23 The procedure for this case is simple in
24 that we -- there are two rules, at least as it
25 relates to what we desire to remember. We want to

1 hear from every customer that is here. If you have
2 a concern related to quality of service or rates or
3 other concerns related to Florida Power
4 Corporation, we will stay here until every customer
5 testifies.

6 Rule No. 2 is that we want to be generous
7 and respectful to our fellow customers and the
8 members of the audience, so as a customer
9 testifies, I'll just ask that we speak one at a
10 time and make sure that the court reporter is
11 getting all of the comments.

12 This is a case that was initiated by the
13 Florida Public Service Commission. We wanted to
14 review Florida Power Corporation's rates. And we
15 began the process of looking into their books and
16 their records.

17 And the Office of Public Counsel and
18 other parties have intervened in this case, and
19 they will be doing very much what we will do.
20 They'll look at Florida Power Corporation's books
21 and records and analyze the quality of service as
22 well.

23 There are five of us at the Commission.
24 All five of us will be deciding this case
25 tentatively scheduled for June. The members of the

1 utility are here, representatives from the utility
2 are here, and in a moment, I'll allow them to give
3 opening statements.

4 The Office of Public Counsel is
5 represented today by Charlie Beck. He'll be giving
6 an opening statement. And any other party in the
7 case will be allowed to give an opening statement.

8 With respect to customer testimony, after
9 the opening statements, for those of you who wish
10 to testify, I'll ask that you stand and take an
11 oath, a very simple oath. And we do that because
12 your testimony goes into an evidentiary record, and
13 that's important that -- that we make sure that
14 the integrity of the record is kept. So when
15 you -- when you come up to the podium, please
16 repeat your last name for us and spell it for the
17 benefit of the court reporter.

18 For those of you who want to give us
19 comments but may not want to testify, there is a
20 yellow sheet that you would have picked up at the
21 beginning -- is it green today? It's green today.
22 On the last page of the green sheet will be an area
23 for customer comments.

24 Feel free to fill that out and give it to
25 any one of us. You can leave it with the

1 Commissioners. We have numerous staff people here
2 that work for the Pubic Service Commission. You
3 can leave it with our staff.

4 And, actually, this is a good opportunity
5 to introduce our staff to you. You've already met
6 Adrienne Vining from our legal department. Bill
7 McNulty is here.

8 MR. SPRINGER: Michael Springer.

9 CHAIRMAN JABER: Michael Springer is here
10 from Commission staff. Thelma Crump is the lady
11 outside that was signing you up. There she is.
12 Any one of us are available to help you, so feel
13 free to take advantage of that.

14 At this time I'm going to go ahead and
15 let the company make their opening statement and
16 then Public Counsel. And if you have any questions
17 along the way, feel free to ask us.

18 MR. MCGEE: Madam Chairman,
19 Commissioners, my name is James McGee. With me is
20 Mr. Michael Lewis, who is Florida Power
21 Corporation's --

22 My name is Jim McGee. I'm here on behalf
23 of Florida Power Corporation. With me is
24 Mr. Michael Lewis, who is Florida Power
25 Corporation's vice president for the coastal

1 region, and Mr. John Flynn, who is manager of
2 regulatory affairs.

3 Each of them has a brief comments to make
4 that will consist of Florida Power's opening
5 statements. We will attempt to be brief because we
6 know this is the customers' opportunity to make
7 their presentation to the Commission. And with
8 that, I'd ask Mr. Lewis to proceed. Or excuse me.

9 CHAIRMAN JABER: Yeah, let me interrupt
10 your opening statement for just one minute. You
11 need to speak right into the microphone. It's
12 difficult to hear back there.

13 But also let me ask that the audience
14 come in and sit down. There are plenty of chairs
15 that are open here in the front. We want you to be
16 comfortable in listening to this presentation. So
17 feel free to take some of these open seats here.

18 Harold, if there are people outside, let
19 them know that there are seats available.

20 Mr. Flynn, speak right into the
21 microphone.

22 MR. FLYNN: Thank you, Madam Chair. How
23 is that? Can everybody hear that, or is that too
24 loud?

25 I'd like to thank -- first of all, I'd

1 like to thank all of our customers for coming here
2 today. We do truly appreciate these service
3 hearings because it is a genuine opportunity for us
4 to hear our customers and their thoughts and
5 concerns and questions that they may have.

6 And just as an administrative issue, I'd
7 like to point out we've got two folks from our
8 customer service organization in the back of the
9 room. Kimberly Berghoefer and Monica Forbes, if
10 you would stand up so everybody can see who you
11 are.

12 If anybody has any specific concerns or
13 questions regarding service quality, reliability,
14 or rates or any -- any other matter, please feel
15 free to approach these ladies and sit down and talk
16 with them, and we will commit to get back to you
17 with a response as soon as we practically can. So
18 I would encourage you to do that. Whether you
19 testify or not, I would encourage you to seek these
20 folks out if you have any questions.

21 I'll turn it over to Michael in just a
22 couple of quick minutes, but just a couple of
23 issues I want to touch on briefly.

24 First of all, I'm pleased to be able to
25 say on behalf of the company that we sit here a

1 year post merger having closed our merger with
2 Carolina Power & Light. I think we're a stronger,
3 more robust, and more focused company, and I think
4 we're in a good financial position to -- to do
5 some -- to do some great things for our customers
6 in the coming years that Mr. Lewis is going to talk
7 about.

8 And we have completed the integration.
9 We are actually beginning to realize the synergies
10 from the merger that will be a hot topic in this
11 case. And I want to touch briefly upon that and
12 make sure that -- that there's no confusion in
13 terms of what the company is proposing in its case,
14 because I have sensed a little bit, and that is as
15 part of -- as part of our initiative regarding
16 rates in this case, the company is proposing to
17 flow \$5 million of the savings realized from the
18 merger back to customers directly.

19 And there is an issue in the case that we
20 are also effectively requesting that some of the
21 costs of the merger be reflected. And I want folks
22 to understand how that works just at a very high
23 level.

24 In 2002 the company expects to realize
25 roughly \$60 million in savings from its merger with

1 Carolina Power & Light. Those savings do not come
2 at no cost. There was a cost to achieve that
3 merger. And those costs for 2002 are roughly \$55
4 million.

5 And so what the company is proposing to
6 do is to flow back the net or \$5 million directly
7 to its customers. And I want to make sure that's
8 understood. If anybody has any questions, please
9 feel free to ask.

10 With that, I would like to turn it over
11 to Michael Lewis, who, again, is our vice president
12 for the coastal region. And Michael will talk
13 about our four-point plan for enhancing generation
14 and reliability, reducing rates, and improving
15 customer service.

16 MR. LEWIS: Thank you, John. Good
17 afternoon.

18 THE AUDIENCE: Good afternoon. Good
19 evening.

20 MR. LEWIS: Am I heard okay? Great.
21 Great. First of all, allow me to thank you as well
22 for being here, because Florida Power will improve
23 based on your direct feedback.

24 We have a continuous improvement
25 environment in our organization, and the way you

1 improve is by hearing feedback and acting on that
2 feedback, and that's our purpose here today. But
3 as John mentioned, allow me to just tell you my
4 thoughts about our organization as we begin this
5 process.

6 Florida Power is committed to providing
7 stellar electric service to the customers and
8 communities it serves. And while the company's
9 past performance has delivered on that promise,
10 Florida Power still seeks opportunities to improve
11 further.

12 As a result, the company is now
13 intensifying its customer focus to meet customer
14 needs in the 21st century. Towards that end, the
15 company must upgrade the energy delivery
16 infrastructure that has served customers well for
17 30 years.

18 Added to the strength of these efforts
19 are two key corporate values: One, a commitment to
20 excellence. And, two, a willingness to do what is
21 necessary to achieve increased service levels for
22 an ever-expanding customer base.

23 We execute these corporate values by way
24 of a four-point plan. Point 1: Lower rates.
25 Florida Power's base rates have not changed since

1 1993. The company is now proposing plans that will
2 have a cumulative effect of lowering the monthly
3 bill of the typical residential customer who uses
4 1,000 kilowatt-hours by approximately \$3.25 or 3.5
5 percent over the next three years.

6 Customers will receive a \$5 million rate
7 credit for a period of 15 years for a total of \$75
8 million. In 2004, customers will receive an
9 additional reduction of \$37 million in lower rates
10 as a result of the full amortization of the Tiger
11 Bay co-generation facilities purchased in 1997.

12 And just this month, Florida Power
13 lowered its annual fuel costs and related charges
14 by approximately \$65 million. That's Point 1.

15 Point 2: Customer service enhancements.
16 We at Florida Power are proud of the customer
17 service that we provide to our customers 24 hours a
18 day, seven days a week. And we are proud of our
19 plans to enhance customer service even more.

20 In fact, as part of these enhancements
21 and for the first time in the company's history,
22 our president and CEO, Bill Habermeyer, has started
23 face-to-face meetings with residential customers.
24 And we have recently met with the presidents of the
25 St. Petersburg Neighborhood Associations.

1 Customers have responded very favorably
2 to these meetings, resulting in increased
3 satisfaction reports for 2001 from both J. D.
4 Powers & Associates and our own customer gauge.
5 Which, by the way, we exceeded our own goal by 5
6 points from 75 to 80 percent favorable rating.
7 That's Point 2.

8 Allow me to continue on Point 2. The
9 company has over 200 pay locations to provide
10 greater customer access around the state, offering
11 expanded hours and some around-the-clock bill
12 payment services.

13 The company has also expanded its
14 communication systems so customers can handle
15 nearly any transaction via the telephone 24 hours a
16 day. Other service enhancements allow customers to
17 view and pay their bills on-line. A toll-free
18 outage number and 1,000 additional phone lines
19 ensure that customers who lose power during a storm
20 will get quick response.

21 Point 3: Increased generating capacity.
22 Florida Power has committed to increasing
23 generation capacity reserve margins from 15 percent
24 to 20 percent by 2003.

25 The company invested \$80 million in 286

1 megawatts of new peaking capacity at an
2 Intercession City plant that began operation in
3 early 2001, and will invest an additional \$200
4 million in a new 567 megawatt combined-cycle plant
5 at the Hines Energy Complex that will begin
6 commercial operation in late 2003, resulting in
7 annual fuel savings of \$35 million to customers.

8 And Point 4: Improved reliability. Over
9 the past five years, Florida Power has improved
10 system reliability by 30 percent. Florida Power
11 has made a commitment to its customers and to the
12 Florida Public Service Commission to further
13 improve system reliability for their entire system
14 by 20 percent over the next three years.

15 The company's plan will strengthen the
16 electric system through additional investments in
17 excess of \$100 million over the next three years.
18 Enhanced reliability will be the result of the
19 implementation of new service technologies, such as
20 real-time information exchanged between line
21 dispatchers and field crews.

22 Florida Power also plans to build several
23 new operating centers across its 20,000-square-mile
24 service territory, placing line, service,
25 engineering, and management resources closer to

1 customers, resulting in improved response time and
2 quicker service restoration.

3 Historically Florida Power Corporation
4 has had a strong commitment to its customers, and
5 as a part of Progress Energy, the company has
6 reaffirmed and intensified that commitment to
7 achieve world class performance.

8 Our vision is to achieve and maintain
9 power quality and reliability of performance that
10 result in first-quartile customer satisfaction.

11 In conclusion, we thank you for this
12 opportunity to hear from our customers, and we will
13 address any service-related issues. Thank you for
14 your patience.

15 CHAIRMAN JABER: Thank you. Mr. Beck.

16 MR. BECK: Thank you. My name is Charlie
17 Beck. I'm with the Office of Public Counsel.

18 CHAIRMAN JABER: Mr. Beck, do you want to
19 use this microphone?

20 MR. BECK: Thank you. Thank you,
21 Chairman Jaber. Let me be brief, because we have a
22 lot of people who want to testify.

23 My name is Charlie Beck. I'm with the
24 Office of Public Counsel. Our office is
25 independent of the Florida Public Service

1 Commission. The Commission is more like a judge in
2 this case. We're the advocate on behalf of you.
3 The company is going to put on their best case.

4 This case was started by the Public
5 Service Commission, not the company, and they
6 started it because they're earning too much money.
7 The case really has nothing to do with the merger,
8 although it certainly is at issue in this case, but
9 the fact is the Commission brought them in, and we
10 were grateful that they did it, because they were
11 earning too much.

12 There's a number of aspects of this case
13 that are important. First of all, they're offering
14 you \$5 million a year, but in the same time they're
15 wanting you to pay for the acquisition of Florida
16 Power Corporation by Carolina Power & Light.

17 And what they've done is in their income
18 statement, they've put in \$55 million a year as an
19 expense so you can pay the shareholder premium that
20 they paid to acquire the company.

21 So the deal they're offering you is that
22 you can pay \$55 million a year for 15 years, which
23 is over three-quarters of a billion dollars, and
24 they're offering \$5 million credit in return.

25 We're opposed to that, needless to say.

1 A second thing they're doing is they're
2 asking if that return on their investment, which is
3 after taxes are paid, they're asking that the rates
4 be such that they earn a 13.2 percent return on
5 their investment. So in other words, your rates
6 are high enough so they pay taxes on that, and then
7 they earn 13.2 percent after that.

8 I think I need to end it because we have
9 about 20 people, at least, who have signed up. We
10 filed a case yesterday opposing Power Corporation's
11 proposal for \$5 million. We filed testimony by six
12 expert witnesses, and it's our proposal to the
13 Commission that they reduce the rates by \$246
14 million per year. So you can see there's quite a
15 bit of difference of opinion.

16 We appreciate everybody coming out here.
17 It's very important that the Commission hear --
18 hear what you have to say. So with that, thank you
19 very much.

20 CHAIRMAN JABER: Thanks, Mr. Beck. All
21 right. Commissioners, I think we're ready at this
22 point to swear in the witnesses. For those
23 customers who wish to testify today, please rise
24 and raise your right hand for me.

25 (Witnesses collectively sworn.)

1 CHAIRMAN JABER: Thank you. Now, we will
2 take customers -- you may be seated. Thank you.
3 We're going to take customers in the order that you
4 signed up in. So Mr. Beck, please call the first
5 witness.

6 MR. BECK: Thank you. The first witness
7 is Barbara Smith.

8 CHAIRMAN JABER: Good afternoon,
9 Ms. Smith.
10 THEREUPON,

11 BARBARA SMITH
12 was called as a witness on behalf of the Citizens
13 of the State of Florida and, having been duly
14 sworn, testified as follows:

15 WITNESS SMITH: Good afternoon. Last
16 name is Smith, S-M-I-T-H. Last name Smith,
17 S-M-I-T-H.

18 I've only run into one problem with
19 Florida Power, which to me was enough. Briefly,
20 got a phone call from my daughter at work saying
21 that the kitchen lights were -- when they come on,
22 they come on brown. Said, Okay, well, I'll be home
23 in a few minutes, just bear with me.

24 And by the time I got home, she decided
25 she was going to try -- try the air conditioner.

1 At that point, the lights came on beautifully.
2 During the rest of that day all kinds of crazy
3 concoctions came up. And this was 4:00 in the
4 afternoon when I found out about it.

5 The following day, my landlord had an
6 electrician come and check out our electric. When
7 he finally goes to the panel box, the guy finds
8 these Florida Power boots in my panel box.

9 I don't have a problem with Florida Power
10 turning off my power for nonpayment of bill. I
11 know that I did not pay the bill. I originally
12 lived in Hillsborough County. I had not lived in
13 Pasco County for that long. No one had informed me
14 when you receive a blue notice -- sorry. I'm
15 pinpointing you because you're the easiest to see.

16 No one had informed me when you receive a
17 blue notice, pay the bill immediately. Fine. My
18 mistake. I don't have a problem with them turning
19 off my power. Please do it correctly.

20 I do live in a mobile home, which
21 concerns me. How many mobile home fires are caused
22 by Florida Power not turning off power correctly?
23 One of these what they call a boot has a tear in it
24 from when it was put in. I mean, it's obvious from
25 seeing the way that the plastic is pulled that it

1 was from when it was put in.

2 My husband was instructed by Florida
3 Power because we removed the boots -- actually, the
4 electrician did -- Florida Power informed them that
5 criminal charges were going to be filed.

6 My landlord has supposedly been
7 threatened by Florida Power, and they supposedly
8 have a case against him for allowing the
9 electrician to remove the boots.

10 My husband is a wanna-be electrician.
11 Not quite. He's going through training.
12 Fortunately, he knew the right people to call at
13 the time that informed him to turn off all the
14 breakers because, as I said, it was the following
15 day before we found out about these boots.

16 Otherwise, my children -- which I know
17 they mean nothing to you, and this is only one of
18 them. Very important to me -- would have all been
19 dead because the trailer would have gone up like a
20 tinder box. And I've been told that by a number
21 electricians. Thank you for your time.

22 CHAIRMAN JABER: Thank you, Ms. Smith.
23 Rather than take your address on the record, unless
24 you want to give it, Mr. McNulty, would you please
25 see Ms. Smith right after she sits down and take

1 her address and have one of our engineers look into
2 how service was disconnected.

3 Ms. Smith, we will get back to you.

4 WITNESS SMITH: Thank you.

5 CHAIRMAN JABER: Thank you. Thank you
6 for being here. Mr. Beck.

7 MR. BECK: Thank you. The next witness
8 is Margaret Franczak.

9 THEREUPON,

10 MARGARET FRAN CZAK

11 was called as a witness on behalf of the Citizens
12 of the State of Florida and, having been duly
13 sworn, testified as follows:

14 WITNESS FRAN CZAK: My last name is
15 spelled F, as in Frank, R-A-N-C-Z-A-K.

16 Now, my problem is this: My bill this
17 month was \$74.62. My bill last month was \$31.59.
18 That's almost two and a third times as much. And
19 I'm a widow, and I became a widow in April 25 of
20 this year. And they -- when I -- I'm sorry.

21 CHAIRMAN JABER: Take your time,
22 Ms. Franczak.

23 WITNESS FRAN CZAK: When I called, they
24 compared the bills from now and last year, which
25 was unfair because I had a very sick husband at

1 home, and we had to have it hotter in the house.

2 I personally don't care for it that hot,
3 and I have kept my thermostat at 72. And this --
4 when I called, the person to whom I talked said,
5 Well, you know, we've had very cold weather, and
6 she went on and on and on. And I said, Yes, I'm
7 aware of it, but I didn't do anything to my
8 thermostat.

9 And it isn't fair to make a comparison
10 from this year to last year when I had a sick
11 person in the house. So I just feel that it's a
12 little too much. I don't think I could have stood
13 twice as much, but -- and I mean, I can't afford
14 bills like this in the first place.

15 But I pay my bills and I'm a good
16 customer, and I've never been delinquent, but I
17 just feel that there's something wrong here. And I
18 want to thank you-all for the opportunity to come
19 up here to do this. Thank you.

20 CHAIRMAN JABER: Thank you, Ms. Franczak.
21 It's our pleasure. Let me ask you two questions.
22 Do you have copies of your bills that you can leave
23 with us --

24 WITNESS FRAN CZAK: Yes.

25 CHAIRMAN JABER: -- and let our staff

1 take a look at it?

2 WITNESS FRAN CZAK: Well, could I -- these
3 are the originals.

4 CHAIRMAN JABER: I'm sure, Bill, we can
5 find a copy machine and get those bills right back
6 to Ms. Franczak.

7 MR. DURBIN: I have spoken with
8 Ms. Franczak earlier, and I've made some notes.

9 CHAIRMAN JABER: You've got the address?
10 Great. Ms. Franczak, this is Dick Durbin. He's
11 with our staff, our consumer relations staff. He's
12 taking your address. He will be contacting you so
13 that he can get a copy of your bill.

14 My second question was: Did you -- did
15 you call the company to have them look at the
16 bill?

17 WITNESS FRAN CZAK: I didn't understand
18 you.

19 CHAIRMAN JABER: Did you call the company
20 to have them look at the bill?

21 WITNESS FRAN CZAK: Oh, yes. Oh,
22 incidentally, I must tell you this, in fairness. I
23 called this morning, and they didn't have any
24 information as yet. And I said, Well, I am going
25 to the Public Service Commission with this.

1 I don't think -- I mean, I'm just
2 assuming that she wasn't very happy about this.
3 But I said, I'm sorry, I have to protect myself.
4 And this is the first time I've had a problem with
5 them.

6 CHAIRMAN JABER: We'll let Mr. Durbin sit
7 down with the rate person at Florida Power
8 Corporation, and we'll take a look at the bill and
9 see if we can get an answer for you by the end of
10 this hearing.

11 WITNESS FRANCAK: Well, see, they had --
12 she -- she said that she had already started. I
13 told her I wanted my meter checked. And she said
14 they would, but she said they didn't have -- I
15 called this morning. And she said they didn't have
16 any information.

17 CHAIRMAN JABER: All right, Ms. Franczak.
18 We'll get back to you.

19 WITNESS FRANCAK: Thank you.

20 CHAIRMAN JABER: Thank you.

21 MR. BECK: Thank you. Steve Book.

22 THEREUPON,

23 STEVE BOOK

24 was called as a witness on behalf of the Citizens
25 of the State of Florida and, having been duly

1 sworn, testified as follows:

2 WITNESS BOOK: Good morning. My name is
3 Steve Book, B-O-O-K. And I'm representing
4 commercial users on the beach from Clearwater
5 Beach. I'm Holiday Inn general manager over there.

6 Basically all the financial end of it has
7 already been discussed and brought out, the savings
8 that are supposedly going to be given to us over
9 this next year or two years and five years.

10 Basically I'm here to speak on the
11 reliability aspects. We've had no problem. We've
12 had some good experience with the reliability on
13 the beach. When we have outages, they're there to
14 repair them as soon as possible, and we've gotten
15 good response when we've called.

16 I have worked in probably eight or nine
17 different cities over the last 20 years in hotels,
18 and I've not had any better relationship with a
19 power company than I have had here.

20 They have done -- they have an energy
21 commission that's working with our hotel
22 association giving us seminars on how to increase
23 our profitability and reduce our costs. And
24 they've done a very good job with that. Our
25 engineers are very pleased with it, and they've

1 done a good job for us.

2 So that's just my quick overview of
3 what's going on with the commercial end of it from
4 our end. That's it.

5 CHAIRMAN JABER: It's Florida Power
6 Corporation that has come and given you training
7 seminars --

8 WITNESS BOOK: Yes, ma'am.

9 CHAIRMAN JABER: -- on increasing your
10 profitability?

11 WITNESS BOOK: Yes, ma'am.

12 CHAIRMAN JABER: What is that called?

13 WITNESS BOOK: Engineering counsel with
14 the Hotel Association. And they met with our
15 engineers in different times and different places
16 and helped us reduce our energy costs with
17 insulation and that type of thing and light
18 fixtures, using different light bulbs, that type of
19 thing.

20 COMMISSIONER PALECKI: Do you know the
21 name of the customer -- or the company
22 representative --

23 WITNESS BOOK: Teresa Crane. Teresa
24 Crane.

25 COMMISSIONER PALECKI: Teresa Crane.

1 CHAIRMAN JABER: Thank you, Mr. Book.

2 WITNESS BOOK: Thank you.

3 MR. BECK: Thank you. Next witnesses are
4 Nancy and Harry Walls.

5 THEREUPON,

6 NANCY WALLS

7 was called as a witness on behalf of the Citizens
8 of the State of Florida and, having been duly
9 sworn, testified as follows:

10 WITNESS NANCY WALLS: Nancy Walls,
11 W-A-L-L-S.

12 I want to thank you for this
13 opportunity. We live in New Jersey, and so I've
14 had to make several calls. The one that I called
15 on first, if I may say, this was the month -- well,
16 we left in April, so the bill from April to May
17 last year was 18 kilowatts; this year, 48
18 kilowatts.

19 We were not here in May and June. Jumped
20 from -- was 25 kilowatts last year; this year, 421
21 kilowatts. We're not here. We have a dehumidifier
22 plugged in. That's all. Refrigerator is cleaned
23 out, door is wide open. No hot water heater on.
24 Nothing on except a dehumidifier.

25 June and July, 54 kilowatt-hours; and

1 this year, 180 kilowatt-hours.

2 By the way, back in May when it jumped
3 from 25 to 421, I called and said something is
4 wrong. And so they said, Could you have somebody
5 read your meter? And I did have a gentleman go
6 down. However, he is over 80 and wasn't sure if he
7 read it right, but he did not get the same numbers.
8 He was way off. So I didn't really go by that.

9 In August and September was 57 kilowatts
10 last year; the same time this year, 289 kilowatts.
11 September and October, 40 kilowatts; this year, 306
12 kilowatts.

13 I called again October the 4th. They
14 told me they'd get back with me. They did not get
15 back with me. So I called again October the 15th.
16 And then I got a letter from a Tony Gray saying
17 that the reader was read correctly, and thanked me
18 very much for contacting them.

19 October, November last year, 40
20 kilowatts; this year, 85. But that's because we
21 came down in November to buy a house and so we
22 turned off everything. We wanted to just see what
23 would happen. We turned off the main meter. There
24 was nothing on at all.

25 Then that time, November and December

1 last year, we were here, 427 kilowatts. This year
2 we were back, we were here 20 days, and it was
3 1,429. My bill was \$129.59, and I was only here 20
4 days.

5 So we were here, so we went out and read
6 the meter, and it was off almost 1,000 kilowatts
7 from what they had said. So I called again. And
8 the girl on the phone took our numbers and said,
9 Don't pay that bill; we will send you a new bill.

10 My problem is I can't understand why it's
11 so different. I asked the girl on the phone the
12 first time I called, Is the weather different down
13 there? And she said, No, it's about the same as
14 last year.

15 The kilowatts this year, I used 2,407
16 more kilowatts than I did the year before, which
17 was a total of \$206.72 more that I paid. We do
18 not -- when we're here even, I cook with LPG. I
19 have gas. I heat with LPG. The only thing I'm
20 using is for my hot water heater, washer and dryer.
21 I don't have everything electric.

22 So I'm a little concerned about the rate
23 and why this increase with just using the same
24 equipment, just a dehumidifier. And my neighbor
25 next door got a bill for \$3 and something, and mine

1 was 40 something. And they were aware at the same
2 time, so we sort of compared.

3 It says these are actual readings, so I
4 don't know. I'm just concerned as to why this is.
5 I don't think that I'm using this electricity. I
6 don't know where it's going to, but they haven't
7 told me that the meter is good, and that's what I
8 asked for. He just said that the reading was
9 correct.

10 CHAIRMAN JABER: Mr. Flynn, who from your
11 company is here that's prepared to look at the
12 customer accounts, individual accounts, and meet
13 with consumers on usage and meter checks?

14 MR. FLYNN: Again, that would be Kimberly
15 Berghoefer and Monica Forbes, who are in the back
16 of the room.

17 CHAIRMAN JABER: Can you stand if you're
18 seated? Ms. Walls, those two ladies right there,
19 if you will meet with them right now, show them
20 your address and your bill, and if by the end of
21 the service hearing they haven't set up a meeting
22 with you or some sort of meter check with you, you
23 come back and let us know, and we'll get our staff
24 to facilitate a meeting. But -- because I don't
25 have an explanation for you without our staff

1 looking at it and giving the company an opportunity
2 to address it.

3 WITNESS NANCY WALLS: Then you don't want
4 a copy of this at all? Should I just give it to
5 them?

6 CHAIRMAN JABER: Give it to them, and
7 we'll get a copy if we need to.

8 COMMISSIONER PALECKI: Ms. Walls, could I
9 ask you one question? Did you say that even after
10 you turned off the main breaker, that you still
11 continued to see usage on the meter?

12 WITNESS NANCY WALLS: No. I just was --
13 what I have here, we used 85 kilowatts, and that's
14 jumped from -- the month before was 306, and then
15 the month we turned it off was 85, and I just
16 wanted you to know that the reason it dropped so,
17 we turned everything off, and there was nothing on
18 at all.

19 COMMISSIONER PALECKI: Not even the
20 dehumidifier?

21 WITNESS NANCY WALLS: Nothing, because we
22 knew we were coming back in a couple weeks and we
23 didn't have to worry about mold and mildew for that
24 length of time.

25 COMMISSIONER PALECKI: And you had used

1 the same dehumidifier the year before --

2 WITNESS NANCY WALLS: Same one, yes.

3 COMMISSIONER PALECKI: -- and saw --

4 WITNESS NANCY WALLS: And the reason I'm
5 just comparing those two years is last year was the
6 first year we bought the dehumidifier and tried it
7 out, so I could only compare those two years. The
8 years before, we had nothing on whatsoever. And I
9 have window -- I had window air conditioners, so I
10 couldn't leave them on.

11 COMMISSIONER PALECKI: Thank you.

12 WITNESS NANCY WALLS: You're welcome.

13 CHAIRMAN JABER: Thank you, Ms. Walls.

14 WITNESS NANCY WALLS: You're welcome.

15 THEREUPON,

16 HARRY WALLS

17 was called as a witness on behalf of the Citizens
18 of the State of Florida and, having been duly
19 sworn, testified as follows:

20 WITNESS HARRY WALLS: Madam Chair?

21 CHAIRMAN JABER: Yes.

22 WITNESS HARRY WALLS: I'm the second part
23 of this party. Thank you for the opportunity to
24 speak.

25 To you folks representing Florida Power,

1 I appreciate electricity, especially when you
2 suffer with humidity like I do, but one of my
3 questions, I don't mind paying my bills, but I
4 don't understand the gross inconsistency for the
5 same kind of machine running from one year to the
6 next, and it's only a year and a half old, a little
7 over a year and a half old. And I presume it's
8 working properly.

9 The thing that bothered me in this
10 process as much as anything, it says actual
11 reading. I went out -- and I'm not a novice. I've
12 read meters from the time I was a kid, and I taught
13 science in school for 32 years. And so I think I
14 can read a meter accurately. The meter reading
15 that I got was almost 2,000 kilowatt-hours less
16 than what they had as an actual meeting (sic).

17 Now, is this meter reading process part
18 of the problem that we're facing in this gross
19 inconsistency thing? I don't mind if this actual
20 reading is an actual reading, but to tell me -- and
21 the girl insulted my intelligence. She went
22 through a reading course.

23 I said, Ma'am, I don't need to go through
24 this. I'm just telling you that it's not what the
25 meter is reading. It was not curt, it was not

1 discourteous, but it made me feel that I was a
2 bothersome person to her, that she was trying to
3 get me to hang up very quickly.

4 And I would like to know if actuality
5 means that a person comes and reads this meter, or
6 does someone sit somewhere and assume because I had
7 used so much electricity before, well, we'll put
8 this down. And when the meter is not yet -- it's
9 over 1,000 kilowatt-hours less than what the meter
10 is now reading, how did they get that accurate
11 reading when it hasn't even reached those numbers?
12 I don't understand this.

13 Like I say, I just wanted to voice that
14 as my area of concern. And as a new acquirer of a
15 home in Florida, if I have these kind of problems
16 with my home, I may have to go out and collect more
17 aluminum cans. I probably won't be able to pay my
18 electric bill.

19 Because now I have air conditioning,
20 central air, and I have a few things that will use
21 considerably more than a mobile home, so it causes
22 me concern, and with this so-called saving
23 opportunity whereby we're being -- I'm going to use
24 a harsh term here -- gouged to create savings for
25 someone, when is it going to reach the customer?

1 Thank you for --

2 CHAIRMAN JABER: Thank you, sir.

3 WITNESS HARRY WALLS: -- allowing me to
4 vent my spleen.

5 CHAIRMAN JABER: Thank you.

6 MR. BECK: Thank you. Our next witness
7 is Terry Garcia.

8 THEREUPON,

9 TERRY GARCIA

10 was called as a witness on behalf of the Citizens
11 of the State of Florida and, having been duly
12 sworn, testified as follows:

13 WITNESS GARCIA: I am Terry Garcia. I
14 live at 630 Riverside Drive, Tarpon Springs,
15 Florida. I don't know who I'm supposed to be
16 talking to, but anyways --

17 MR. BECK: Straight ahead.

18 WITNESS GARCIA: I guess you can all hear
19 me.

20 CHAIRMAN JABER: We can hear you.

21 WITNESS GARCIA: Okay. I'm having a lot
22 of trouble with my Florida Power bill. I live on
23 Riverside Drive in Tarpon Springs. It's quite an
24 expensive neighborhood, and my bill usually runs
25 around 300 a month.

1 I just thought they charged more because
2 of the neighborhood. And I paid it and paid it and
3 paid it, and it was hard to pay because I don't
4 have money, not that kind of money.

5 Anyways, I had lived in the house about
6 two and a half years. I was taking care of the
7 owner of the house, Mrs. Smith. And a young man
8 came to the door and he asked me if he could have a
9 key, if I would let him in the gate so he could
10 read the meter. And I said, Sure. I said, How
11 have you been reading it? Never dawned on me
12 before they can't get in there to read the darn
13 thing.

14 So he -- he said, I don't know. He was
15 filling in or something. I don't really remember
16 what he said. But he didn't know either.

17 CHAIRMAN JABER: Ms. Garcia, if you'll
18 just bring the microphone right up to you.

19 WITNESS GARCIA: I don't know why he -- I
20 don't remember what he said, but I think he said he
21 was just filling in for someone or something. And
22 he said, I tried to read it from the other side of
23 the fence, but I couldn't.

24 And this went -- oh, I called Florida
25 Power and talked to them. I said, Well, how --

1 it's never been read. They can't get in there. So
2 they come out -- a guy by the name of Nick
3 Coulianis came out and talked to me, I think, or
4 maybe he came the second time.

5 Anyways, my bill stayed right up there,
6 \$300, \$300, 340, 3 this, 280. And they -- when I
7 called, they sent someone out to do a check to see
8 if I was leaking electricity or anyplace. I
9 wasn't. Everything was okay.

10 I do have a back room that's like a
11 Florida room. I have the little vents turned off
12 so no air goes in or out of that room. And I had
13 the window open. I smoke, and I won't smoke in the
14 house unless I'm sitting there by the window with a
15 fan blowing out.

16 So I thought, well, that's a possibility.
17 He said, Oh, you can't do that. I said, Well, I
18 have all these vents off here, you know, closed so
19 it can't -- he said, no, not a good idea. So I
20 said, Okay. So I stopped doing that.

21 I went out and bought these light bulbs.
22 Supposed to really cut down on your electric bill.
23 I have them all through the house. I turned my
24 freezer off. I don't use it at all. Let's see,
25 what else.

1 CHAIRMAN JABER: Did he offer a
2 conservation audit while he was there? Did they --
3 did they offer to walk around the house and show
4 you ideas and areas for conservation planning?

5 WITNESS GARCIA: Yeah. The only thing he
6 could find was that I was in that back room with
7 that window open. And even though the things -- as
8 far as I know, that was all he found. They went up
9 into the attic too to check my insulation and
10 everything, if I remember correctly. Pretty sure
11 he did that.

12 Anyways, the bills continued right up
13 there. And I gave them a key to get in the gate.
14 Well, about -- no, wait a minute. After that,
15 after I gave them that key to get in the gate, my
16 bill come down about, I think -- I'm not sure.
17 Don't keep me to this, but I think around 70, \$80 a
18 month it came down.

19 Then I had changed locks on it, and I
20 forgot to give them another key. And about, I
21 don't know, four or five months went by and I
22 realized they didn't have a key. How the hell are
23 they getting in here? They don't have a key to get
24 in again. My fault, but nobody has ever come to
25 the door. And my bill is still pretty high.

1 So all this time, Mr. Smith, the bill had
2 always come in his name. He's been gone for 15
3 years. He passed away. But Mrs. Smith just never
4 had it changed. And I call her my aunt. She's
5 like my aunt. She was a friend of my
6 grandmother's. I've known her for years and years
7 and years.

8 And I asked Florida Power recently for
9 all my past bills, receipts for them. And they
10 said they couldn't do that. They could only give
11 it to Mr. Smith. And I said, But Mr. Smith is
12 gone. Well, then you can't get them. Because I
13 had the power put over into my name because she's
14 put the house in my name now.

15 So it's just been one problem with them
16 after another. And like the former speaker said,
17 when you call them, they act like you're holding
18 them up for something, like that's not their job,
19 you know. What do you want? Well, I want
20 something done about this bill. It's crazy.

21 They came, and I had it switched over
22 into mine. I gave them I think it was a \$300
23 deposit. Then they send me a letter because I
24 haven't paid the bill for Mr. Smith yet. They send
25 me a letter telling me that they're putting that on

1 my bill.

2 On September 28, they feel that I used
3 the electric, I should pay for it, which I have no
4 problem with at all, but I didn't want to pay for
5 it until I got to this meeting. The bill is for
6 266.04. Why? It wasn't that the month before.
7 And it was supposed to be on some type of an audit
8 savings thing.

9 And when I had it switched over to my
10 name, I told them I didn't want that. And the man
11 come out to disconnect it, and he said it never was
12 connected. So I don't know what's going on with
13 them, but I'm tired of the high bills, real, real
14 tired of it.

15 And let me see what else I have to tell
16 you. Ah, this was the big one. I was at the Shady
17 Glen. It's an ALF, an adult living facility. And
18 a friend of mine owns it. And I was down there.
19 We were all sitting out on the front steps one day.
20 And the meter reader came.

21 And I said to him, I said, Who reads the
22 meters up on Riverside Drive? And he said,
23 Whereabouts? And I told him. He said, I do. I
24 said, You do? He said, Yeah. I said, Well, let me
25 tell you something. You're not reading my meter

1 right, I said, because my bill is outrageous.

2 I have unhooked my freezer. I have
3 unhooked my hot water heater. I use it two hours a
4 day. Comes on at 7:00 in the morning. I turn it
5 off at 9:00 in the morning. That's it. I'm using
6 the fluorescent lights all through the house. I
7 don't have any outside lights on at night.

8 I have my pool disconnected even.
9 Haven't had it connected for over a year because of
10 the bill. I'm thinking it must be the -- I'm
11 giving them every benefit of the doubt. I'm
12 thinking it must be the pump on the pool causing
13 this. Don't have a pool. I mean, I have -- I
14 don't know what's causing this.

15 Anyways, he said -- I said, How are you
16 getting in my yard to read the meter? I said,
17 There's a fence around it. I changed the lock on
18 it. You don't have a key. And no one has ever
19 come to the door to ask me for the new key. How
20 did you get in?

21 Oh, he said, Well, I probably jump the
22 fence. I said, You don't jump my fence. I've got
23 four black labs. If you jump my fence, you'd be
24 going out of there without the seats of your pants,
25 so don't tell me you're jumping the fence. So I

1 said, I'm going to turn it in.

2 The following month my bill was \$109, I
3 think it was. It went down dramatically. And it
4 has stayed down until I got this bill for 266. And
5 I'm just fed up with it.

6 CHAIRMAN JABER: Ms. Garcia, do you have
7 a copy of that bill that you can leave with us
8 or --

9 WITNESS GARCIA: Well, I got the
10 letter --

11 CHAIRMAN JABER: Okay.

12 WITNESS GARCIA: -- that they sent me.
13 I'll gladly leave it.

14 CHAIRMAN JABER: Okay. Do you mind
15 sitting down with Dick Durbin, let him look at the
16 usage, let him look at this bill and the previous
17 one if you have it.

18 WITNESS GARCIA: Well, I don't have that
19 bill with me -- I might. I had a couple -- that's
20 why I called them. I wanted the bills, you know.
21 I wanted a record of all my bills that I've paid
22 for the past four years because they've all been
23 outrageous.

24 CHAIRMAN JABER: Well, I'm sure we can
25 get copies of your past bills. So let --

1 WITNESS GARCIA: Yeah.

2 CHAIRMAN JABER: Let Mr. Durbin get your
3 address. Let him sit down with you and get more
4 information.

5 And staff, I don't know if there's an
6 individual issue related to meter reading in this
7 proceeding, but if you will go ahead and evaluate
8 what the current meter reader policy is for Florida
9 Power Corporation and be ready to brief us as part
10 of your recommendation.

11 WITNESS GARCIA: Then they told me that
12 they were reading it with the binoculars.

13 CHAIRMAN JABER: Okay.

14 WITNESS GARCIA: They weren't reading it
15 with binoculars. There was no way to get into the
16 man's carport next door. And I can prove that
17 because the City had to fine him a big fine. He
18 had it so packed up, you couldn't get in his
19 carport. You couldn't get around his yard. He was
20 trying to run a used car -- or used furniture store
21 out of there. There was no way anybody could have
22 got in there for months to read that meter without
23 a key to get in the gate.

24 CHAIRMAN JABER: Mr. McNulty, I want to
25 know if they are complying with our current rules

1 on reading meters. And if there are changes that
2 you would recommend, address that in the
3 recommendation. Thank you, Ms. Garcia.

4 WITNESS GARCIA: Thank you.

5 COMMISSIONER PALECKI: And Madam
6 Chairman, just as a kind of follow-up, if there is
7 a policy regarding spot checking the meter reading
8 to ensure that the meter readers that are assigned
9 are actually conducting real readings and not just
10 making estimates.

11 MR. BECK: Our next witness is J. Bayyat,
12 B-A-Y-Y-A-T.

13 THEREUPON,

14 LOUAY BAYYAT

15 was called as a witness on behalf of the Citizens
16 of the State of Florida and, having been duly
17 sworn, testified as follows:

18 WITNESS BAYYAT: My name is Louay Bayyat,
19 B-A-Y-Y-A-T. I have actually a couple issues with
20 Florida Power.

21 The customer service just to say the
22 truth, they are very well -- I mean, they are
23 knowledgeable, they know what they are talking
24 about, they are nice. But on the other hand, that
25 with all their knowledge, they make you feel like

1 you don't know nothing, which is not really nice
2 way to put it.

3 But I've been in public service for the
4 past six years, and at the same time, I have MBA in
5 business administration. I know how to deal with
6 people. And one way they charge me in the past 92
7 years -- I mean since '92, I've been living in the
8 same condo.

9 I live in 1,000 square feet condo. It's
10 built in '92. It's in good community. It's --
11 there is no problem with the whole building. The
12 meter is locked with a key, so there is no way that
13 somebody can come and tap on my meter.

14 In the past since '92, I never paid any
15 bill higher than \$130. In July, my usage was 52
16 kilowatt usage and my -- this year came out to 44,
17 last year was 52. So in August my usage was 51,
18 less in 2000 -- in 2001 came out to 108.

19 So I went and I called Florida Power,
20 telling them that this is my problem, that my usage
21 went up, I still have the same wife, I still have
22 the same kids, nothing changed since. So there is
23 no way that my bill goes double a month.

24 I can talk in kilowattage, but I'd rather
25 talk in dollars, so I'm going to go ahead and

1 transfer kilowatts to dollars. Before, I was -- I
2 was paying in 2000, let's say in June I paid 126;
3 2001, I paid 126. In July, the same thing, 131; I
4 paid 131.67 in this year.

5 In August last year, I paid 112. This
6 year I paid \$264. So I called them in August. And
7 I told them that there's -- you know, there is
8 nothing, you know, changed in my house. They told
9 me maybe something wrong with your air condition.

10 So I went and I told person that in
11 charge of 420 units AC's. I'm health inspector, so
12 I got recommended to this person that all that he
13 does AC's for apartment complexes. So I got him,
14 and he told me everything is fine, not even Freon
15 needed. So the air condition was fine.

16 So I went back and I called -- on August
17 25 I called Florida Power again. And I told them
18 that this person said there is nothing wrong with
19 my AC. So they told me is he licensed? I didn't
20 know that he's licensed or not, so I told them I
21 didn't know. They told me just get somebody's
22 license.

23 So I went out and I got somebody
24 license. That they told me that nothing is wrong
25 with my AC again. So I am out another \$50. Which

1 is Florida Power is very nice that they refund me
2 the first \$50, which is okay.

3 But on the other hand, I'm out my time.
4 Now I'm working, I took it now two hours off to
5 come to this meeting. So this is time that is
6 valuable for me and my family that I'm wasting
7 because we couldn't solve this one over two hours
8 on the phone holding.

9 So after that, I end up in August paying
10 264. In September it's came out \$370. Usually I
11 paid 127. So it is big difference. I mean, three
12 times more for 1,000 square feet apartment. \$375.
13 This is really something I could not comprehend. I
14 mean, that's half my paycheck just going for using
15 utility.

16 So I told them that second person told me
17 that the AC unit, nothing wrong with it. So they
18 told me it might be the water heater. So I got now
19 regular electrician checking all my box, panel box,
20 on AC, on stools, on refrigerator, on the hand --
21 air handler for my AC. They went on the roof.
22 Everything came out perfectly except one point some
23 leakage in my air handler, which will not take 50
24 cents a month.

25 So I'm paying \$375 for something I did

1 not really use. You can't tell Florida Power no
2 because Florida Power will cut your electric. What
3 you going to do with that?

4 So after all, I told them and since
5 August I told them just check my meter. They did
6 not check it at that time. They came and checked
7 it while I didn't know that they did. And they
8 send me the other bill for \$266. When I called
9 them why it's \$266, they told me, We checked it,
10 everything is okay, so you are responsible for it.

11 If you told me, I could have find
12 something another solution. So just I don't want
13 to take a lot of your time. I'm just going to go
14 to the facts.

15 On October they came and changed my
16 meter. On October 22 at 10:00, they came and
17 changed my meter. The three days before that, I
18 have letter from Florida Power saying on October
19 23, '01, Meter No. blah, blah, blah was placed on
20 your request. Reading taken at that time.

21 By the way, if you don't understand my
22 accent, I will repeat myself. Please let me know.

23 CHAIRMAN JABER: I think we're
24 understanding perfectly.

25 WITNESS BAYYAT: Thank you. On the 23rd

1 the meter was placed by my request. A reading
2 taken at the time verified on October was correct.

3 For three days my -- I used 173, which
4 will average 57 kilowatt a day. Okay. That's by
5 Florida Power.

6 On the second day, October 24, by Florida
7 Power, I got another person came in, whose name is
8 Brian from Florida Power, and he checked my
9 reading. It came out 31. In one day from 57 to
10 31.

11 And when I called Ms. Kim or actually I
12 talked to Kim and I talked to Lori -- Tony Gray. I
13 told them that. They told me they don't live with
14 me. They don't know what's going on. So maybe I
15 did not use it.

16 So I went every day, every single day
17 I've been checking the meter. And if somebody
18 telling me I can't read, I made, you know, a
19 drawing to show exactly where the arch is. So it's
20 not just reading. I have it by drawing. Okay?

21 So every -- all the fact is correct in
22 here. I have it -- at time at daywise and how the
23 arch look like on the meter reading. So I never
24 use more than -- you know, my average was 23.16 a
25 day.

1 And we were conserving. I changed the
2 bulb. I got the neon for \$19 every three bulb. So
3 I'm going to conserve. But my bill went back to
4 normal.

5 The month after they changed my meter,
6 the -- my bill came down to \$77. From 266 to \$77.
7 I'm sorry. From 183 to \$73. So I went -- I'm now
8 back to normal. Okay. But when you tell Florida
9 Power, they are telling you the meter was correct.
10 And the meter, according to our procedures, it came
11 100.34. That's according to Florida Power reading
12 on their meter check.

13 So I went and I asked for another meter
14 check in different department. So we went to
15 TECO. TECO came out and checked. It came out the
16 same reading. And I almost settled by that by the
17 fact of that it came out the same reading. I said
18 maybe something is wrong that I can't find.

19 But in my way out me and Ms. Kim, I asked
20 the gentleman on TECO, If something is wrong with
21 this meter -- and this is something very important
22 for me, for anybody. If something is wrong with
23 this meter, how much it take to fix it? He told me
24 five minutes.

25 So if the meter was correct or not

1 correct, I have to take their word for it, because
2 they can fix it in five minutes. So it does not
3 help me to have Florida Power taking the problem,
4 fixing the problem or not fixing -- I can't tell.

5 I mean, I'm not putting somebody on the
6 spot. I'm just saying that this meter can be fixed
7 and adjusted in five minutes. So who am I to say
8 that this meter was right or wrong? I'm just a
9 person who is paying the bill. For me, I'd rather
10 pay diapers for my kid than throwing the money out
11 of the door.

12 I'm sorry. Thanks a lot. I have all the
13 facts in hand. I mean, I can get the bills for the
14 past year.

15 CHAIRMAN JABER: Thank you, Mr. Bayyat,
16 but as it relates to the current situation, the
17 bills are back to normal?

18 WITNESS BAYYAT: As of October as soon as
19 they changed the meter, next month went down to
20 \$73.

21 CHAIRMAN JABER: From when you first
22 started to express concern to Florida Power to the
23 time that they changed the meter, how long was
24 that?

25 WITNESS BAYYAT: I called them -- the

1 first time I called them, it was in August on -- I
2 noted the problem the end of July. I called them
3 in August. And they changed the meter on October
4 24 -- October 22, sorry, October 22. The second
5 day by their report, and all people Florida Power
6 people told me that went down from 57 kilowatt to
7 31 kilowatt.

8 I paid all my current bills. The only
9 month I did not pay is the dispute a month. I'm
10 waiting to pay it as soon as possible as soon as I
11 know that I used it. Okay? But yeah, I mean, \$200
12 might not mean a lot for a lot of people, and it
13 might not mean -- it will not break me, but the
14 idea is it's \$200 is \$200. I could have bought
15 something else with it.

16 CHAIRMAN JABER: Thank you, Mr. Bayyat.

17 WITNESS BAYYAT: You're welcome. Thank
18 you. Thank you for your time.

19 CHAIRMAN JABER: Thank you.

20 MR. BECK: Thank you. Robert Martin.

21 THEREUPON,

22 ROBERT MARTIN

23 was called as a witness on behalf of the Citizens
24 of the State of Florida and, having been duly
25 sworn, testified as follows:

1 WITNESS MARTIN: Commissioners, my name is
2 Robert E. Martin. Can you hear me all right?

3 CHAIRMAN JABER: Yes, sir.

4 WITNESS MARTIN: From 1348 Rosery Road in
5 Largo. My concern is a little bit different. I'm
6 concerned about this 13 percent increase that they
7 want from the Commission to pay for the services
8 that we over the period of time have paid into the
9 Florida Power. I've lived down here since 1956.
10 So I paid many a month's bills, as you know. But
11 this rate is getting out of line.

12 Also, there was an article in the paper a
13 short while ago about the powdered coal that they
14 use in the generation system, burning it, of
15 course, as you know, for power use. And apparently
16 it's not being given -- we are not being given
17 credit for it, but we're being charged for, the
18 users are.

19 I don't happen to have any stock in
20 Florida Power. Maybe I should have. It would be
21 better, but I don't have. So this is the reason
22 that I am concerned about the system.

23 Another thing is I live on Rosery Road,
24 as I stated, and also the street lights down there,
25 we've had one intersection at Vancouver Drive, that

1 light had been out for months. Now it is
2 operating. I did call the police department and
3 ask them to check in because I've called in before,
4 and I didn't get any results.

5 We do have another light right near my
6 house. Now, our streets each house is six digits
7 difference. Mine is 1348. At 1354, there is
8 another pole there, and it's the sensor light or
9 sensor device that controls the light that
10 apparently needs to be changed so that we get light
11 on more of the time. And I think the same thing
12 happened at Vancouver. It was not taken care of.

13 Who has the responsibility to inform the
14 Florida Power that these lights are not operating,
15 or do they have a system of checking it
16 occasionally along, because we know that the
17 sensors can go off as they get older and change,
18 just like I am.

19 But anyway, this is my concern here is
20 the cost that we are having to pick up to pay for
21 this. Now, we do need a down rate. Also, we are
22 in Florida Power and across the Bay is your -- is
23 your Tampa or a different power service than what
24 we get over here. How is their rates compared to
25 ours over here? I believe it's lower than what

1 we're paying now at Florida Power.

2 This is my concern. I appreciate it very
3 much. And thank you for listening to me.

4 CHAIRMAN JABER: Thank you, Mr. Martin.
5 Let me try to address your questions. With respect
6 to the 13 percent increase --

7 WITNESS MARTIN: Yes, ma'am.

8 CHAIRMAN JABER: -- I want to try to
9 explain that. They're not -- they are not asking
10 for a rate increase in this case. They are arguing
11 with Public Counsel and our staff right now with
12 respect to the amount of refund that should come to
13 the consumers and whether that refund should be
14 credited with the amount of the -- what we call the
15 acquisition adjustment or the gain on sale.

16 Your advocate, Public Counsel and Charlie
17 Beck -- Charlie, remind me if I'm wrong here, but
18 you've identified an issue already or plan to --

19 MR. BECK: Oh, yes.

20 CHAIRMAN JABER: -- identify an issue
21 related to that. So that will be thoroughly
22 reviewed and heard in a technical hearing that
23 we'll have in Tallahassee, but you've hit on very
24 adequately on the rate dispute. But I wanted to
25 clarify that they're not asking for an additional

1 rate increase.

2 WITNESS MARTIN: No, what I'm concerned
3 about is why they are charging the expenses for
4 changing from Florida Power into Carolina Light.

5 CHAIRMAN JABER: Right.

6 WITNESS MARTIN: And also when you go to
7 the bank today, if you get an interest rate on any
8 of your accounts at 2 percent, you're getting a
9 high rate. And 2 and 13 is way out of line under
10 conditions that are existing at the present time.
11 Thank you.

12 CHAIRMAN JABER: Thank you.

13 WITNESS MARTIN: Thank you very much.

14 CHAIRMAN JABER: And with respect to the
15 lights being out --

16 WITNESS MARTIN: Yes, ma'am.

17 CHAIRMAN JABER: -- I will ask Mr. Flynn
18 to have that light fixed as soon as practicable.
19 It sounds like it's at 1354?

20 WITNESS MARTIN: Yes, ma'am. Yes. It's
21 just east of my house.

22 CHAIRMAN JABER: And with respect to the
23 obligations to report it, I think the way it works,
24 Mr. Martin, is anyone who sees that the light is
25 out, you're always welcome to report it to the

1 company. It's my understanding that the company
2 doesn't drive out and look at lights being out. I
3 don't think that that's something in their
4 practice. Go ahead.

5 MR. LEWIS: We do patrol main
6 thoroughfares because we don't expect customers to
7 pull along U.S. 19 and report a light out. So we
8 patrol main thoroughfares, but we do wait for a
9 request in neighborhoods.

10 WITNESS MARTIN: This particular light in
11 Vancouver is on an intersection there as the
12 street, it goes off Rosery Road to the north where
13 I live. In fact, right across the way is the
14 Chaparral Apartments. They are big users. In
15 fact, their lights are on all the time.

16 I know when that other light was off,
17 which is actually a little bit to the north of
18 their intersection on the opposite side. And but
19 this has been fixed. But the one I just spoke
20 about, this last one, it has not been fixed.
21 Occasionally it comes on, but majority of time it's
22 off. In other words, it needs changing. It's the
23 sensor really. Thank you very much.

24 CHAIRMAN JABER: Mr. Martin, it sounds
25 like we're going to get that light fixed as soon as

1 possible.

2 MR. LEWIS: Yes, we will.

3 WITNESS MARTIN: Appreciate it. Thank
4 you now.

5 CHAIRMAN JABER: Mr. Beck.

6 MR. BECK: Thank you. James Janowski.

7 THEREUPON,

8 JAMES JANOWSKI

9 was called as a witness on behalf of the Citizens
10 of the State of Florida and, having been duly
11 sworn, testified as follows:

12 WITNESS JANOWSKI: Good afternoon, Madam
13 Commissioner --

14 CHAIRMAN JABER: Good afternoon.

15 WITNESS JANOWSKI: -- and Commissioners.
16 My name is Janowski, J-A-N -- my name is Janowski,
17 J-A-N-O-W-S-K-I, James. I live at 316 Velma Drive,
18 Largo. That's what you would call Central West
19 Largo. I have lived there for 39 years. I have
20 been a loyal customer of Florida Power.

21 During that time, I would like to
22 compliment Florida Power. The reliability of my
23 service has greatly increased. But at the same
24 time, the service has greatly decreased.

25 This area of Largo is covered by oak

1 trees. For the people that were raised in Largo,
2 they know it as the Old Oak Grove. And obviously
3 from that I've had more than my share of problems
4 with Florida Power's -- I guess you would call it
5 reliability, as when you have storms, you have moss
6 and limbs that are waving and you have power that
7 fluctuates. But as I said, over this almost 40
8 years, that problem has decreased.

9 The problems that I want to reiterate to
10 the Commission are three separate problems, one of
11 which covers the -- the oak tree problem. The
12 other two are separate. But what they do is they
13 reflect on the service that -- that I believe that
14 we all receive when there is a problem with the
15 power.

16 The first is in Ocklawaha, Florida, which
17 is Marion County. I have a cabin that I frequent
18 on weekends and occasionally during the week. A
19 little over a year ago, and it's been a year ago
20 this past Labor Day, a limb fell on the power
21 right-of-way out on the County Road 25. When that
22 limb fell, it took the power out of the condo area
23 that I have a condo in.

24 One of the residents called, and Florida
25 Power very promptly responded and put the line back

1 up along the road. As they were packing up to
2 leave, the resident that called about the power
3 outage said, Well, what are you going to do about
4 the power to the residences? What problem? That's
5 what they were called about to start with.

6 The repairman had no follow-up to
7 determine -- you know, it was obvious the limb was
8 over the power line, the power line was down.
9 Certainly that caused the power with the
10 residences, but the repairman didn't bother to
11 check.

12 So at the insistence of the residents, he
13 came onto the property, and the line into the
14 property had come down when the line -- or when the
15 limb fell over the line. So he repaired that.

16 Two weeks later, I was up for a visit, at
17 which time when I walked into my place, I smelled
18 bad food. Son of a gun. When that line went down,
19 my residence and the residence next to me, who were
20 neither one of us was there for the weekend, one
21 phase of our power was knocked out by what I would
22 assume was some sort of whiplash.

23 Again, the lineman repaired the problem
24 for the people that were there to complain. If you
25 stood at the base of the power pole and looked up

1 at the line, it was obvious that there was a broken
2 wire just hanging there. Both of us lost
3 refrigerator and freezer full of food as well as
4 some appliances, probably from some kind of surge
5 when the limb fell.

6 I did not report that to the Commission
7 nor did I complain to Florida Power other than at
8 the local office, which, of course, doesn't do you
9 a lot of good. They're very sympathetic that you
10 had a problem.

11 This past September Pinellas County
12 received what I would call a small thunderstorm.
13 It had a name, so it was a tropical storm. In my
14 part of Largo, the winds didn't exceed 20 miles an
15 hour. Not knots, now. 20 miles an hour.

16 I reported or I tried to report my power
17 outage at 1:00 p.m. I think it was on a Friday
18 afternoon. Of course, you get a recording, and you
19 leave your location and then you're in never-never
20 land. You don't know whether Florida Power has
21 received your specific outage or just they're
22 worried about the entire area.

23 It took me calling until 8:00 that night
24 before I talked to a person who said that they had
25 gotten my report, but the -- there was no schedule

1 as to when my area was going to be repaired.

2 Now, for about the past 20 years, when we
3 lose power, it seems to take an inordinate amount
4 of time to restore our power. Every lineman that
5 we've had repair our power has said, The reason
6 that your power is last being restored is because
7 the grid that you're on is the smallest in this
8 part of Florida Power's area. There are like 36 to
9 38 households. Therefore, no matter how minor your
10 problem is and how easy it is to restore, you don't
11 have enough voices complaining to get your power
12 back on in time.

13 Now, I sent an e-mail to the Commission
14 and one to Florida Power complaining about that
15 sort of priority. One, when I called Florida
16 Power, the customer service person really couldn't
17 answer anything.

18 I went up two supervisors before I got a
19 supervisor that would talk to me and explain that,
20 you know, that Florida Power doesn't have any sort
21 of formal repair schedule, and that by that I mean
22 they don't look at the problems, in this case, a
23 storm, and say, well, we need to start here and
24 we'll schedule that repair and then this one and
25 this one and this one. Everybody claimed that they

1 didn't have any sort of management to get service
2 back on the line, which I find hard to believe.

3 Florida Power ended up having a very nice
4 lady call me to discuss the problem, hear my side
5 of it, investigate, and then get back to me and
6 tell me that, well, they do everything right and
7 it's just my problem. The Commission never
8 answered anything.

9 CHAIRMAN JABER: Mr. Janowski, when you
10 called the customer service representative, did
11 she -- did she seem to have a computer that she was
12 looking at to track your address and was she trying
13 to give you an estimate on how long it would take
14 to get the service repairman out?

15 WITNESS JANOWSKI: No.

16 CHAIRMAN JABER: You didn't get the idea
17 that she was looking at some sort of program or
18 computer screen that she could bring up your
19 address and give you an estimate?

20 WITNESS JANOWSKI: No. She said very
21 emphatically that she could not give me an
22 estimate, that there was no planning such as you're
23 referring to, which I guess I find hard to believe,
24 but that is what she said.

25 My third problem was again with service.

1 I have a rental duplex that --

2 COMMISSIONER BRADLEY: Excuse me. Did I
3 understand you to say that you called the
4 Commission and you didn't get a response back?

5 WITNESS JANOWSKI: I sent the Commission
6 an e-mail on their e-mail address, and I did not
7 receive any sort of response.

8 CHAIRMAN JABER: Mr. Janowski, Dick
9 Durbin is here from our consumer relations
10 department. And I don't know who you sent the
11 e-mail to exactly, but we will track it down. It
12 might be that they're working on it too.

13 WITNESS JANOWSKI: This was back in
14 September. Since then I've had another one that
15 you did answer very promptly.

16 I have a rental duplex. And I had a
17 renter call and say that she was experiencing low
18 voltage. The lights were dimming. The
19 refrigerator appeared to go off. And it was just
20 happening on one side of the kitchen.

21 Had the renter in the other duplex call
22 and say that she was experiencing the same thing.
23 Different part of the kitchen but what appeared to
24 be low power.

25 I immediately called Florida Power. They

1 immediately responded. I called late in the
2 afternoon. They were there early in the evening.
3 And I got the word back through one of the renters
4 that they had been up a pole, found a suspicious
5 connection, repaired the connection, but they
6 didn't really think that was the problem.

7 Next day, same problem. Called
8 electrical contractor. They came out. They
9 couldn't find anything.

10 The next day, the lower power got worse.
11 I called Florida Power again. This time they got
12 back with me saying that they couldn't find
13 anything.

14 My renters suffered over what now became
15 the Thanksgiving Day weekend. They didn't totally
16 lose power. They didn't totally lose power, even
17 as far as they could tell reduced power in some
18 parts of the apartments, so they didn't lose
19 anything.

20 The next Monday, my electrical contractor
21 came back out. And the meter can is where the
22 meter is installed. And there is a connection
23 there called the meter jaw. This is all coming
24 from my electrical contractor. That is the
25 connection, the prime connection from the drop line

1 from the power line down to the building.

2 And I am an electrical engineer by trade,
3 but I'm not a power engineer. But looking at that
4 connection, it was a big knot of corrosion.
5 Obviously a poor connection. And that connection
6 fit both apartments.

7 Now, according to the electrical
8 contractor, you're supposed to call Florida Power
9 because the meter has got their seal on it and
10 you're not supposed to open that seal, but it's not
11 their responsibility.

12 Now, this was my complaint to the
13 Commission, as well as to Florida Power. If I put
14 a seal on something, it's my responsibility. If
15 Florida Power puts a seal on it, it's their
16 responsibility.

17 When that lineman was there two times,
18 you know, that seal should have been opened and
19 those connections should have been checked. Now,
20 the nice young lady that talked to me over the
21 phone said that that was done.

22 She says it was done, I can't say it
23 wasn't done. But if I can see a bad connection,
24 then the lineman that did that repair is not a very
25 good lineman. He should have seen it because it

1 was obvious. Even, I believe, without knowing your
2 backgrounds -- and I don't think any of you are
3 engineers or electricians -- you would have known
4 something was bad.

5 At the same time I was talking about this
6 problem, I also brought up the problem that, Well,
7 you know, couple of months ago I had a question
8 about the trees in my neighborhood. I also have a
9 bad tree leading to another apartment where the
10 growth has covered the lines.

11 You sort of -- really Florida Power
12 didn't finish the discussion that I had about the
13 storm, but let me bring it up again since I'm
14 talking to you. They sent somebody out. They
15 assured me they have either once every two years or
16 three years, they come around through their entire
17 area and trim the trees. They assured me that they
18 stick to that.

19 They sent a man out to check my
20 neighborhood, and this is a third apartment. And
21 it's interesting, Florida Power's -- I guess you
22 would call them the customer service rep when you
23 have a problem and they are working the problem --
24 are very nice and polite, and they really don't
25 sound condescending to you at all. The young lady

1 really -- the lady seemed to be very understanding
2 and tried to help me with the problem.

3 The supervisor of the lineman that they
4 sent out ate me up one side and down the other
5 because I had them out checking this Dryer Avenue
6 duplex that had the low power for a tree problem.
7 And there are no trees there. And I explained to
8 the gentleman, You're right, there's no trees
9 there. Didn't say anything about there being trees
10 there. He wouldn't let it go.

11 It's interesting that a business that
12 deals with the public would not train their people
13 to be a little bit more friendly to their
14 customers. All the good work that the lady had
15 done on the phone with me was erased by that one
16 incident.

17 He also pointed out to me that drop lines
18 between the power poles and your residence or your
19 building, it is not Florida Power's responsibility
20 to trim branches around those lines.

21 And sort of as part of my summary, I
22 believe that when I first moved to the house that I
23 still live in, Florida Power was a lot more
24 frequent in trimming, and they trimmed around those
25 drop lines. So I just assumed that the Commission

1 has allowed Florida Power to turn more and more
2 responsibility over to the homeowner. You know,
3 all of a sudden now that meter can is my
4 responsibility with their seal on it.

5 I have a real problem with that. And I
6 think everybody that any utility serves should have
7 a problem with that. Trimming power lines I've
8 always thought was the company's responsibility.
9 Now part of that is my responsibility. I just
10 can't believe that that's the way those rules
11 should be made.

12 I'm not a rate expert, and I don't
13 believe that I have the expertise that obviously
14 you have working for you to determine whether or
15 not their rates are correct. But it seems like
16 it's been 30 years since I believe you instituted a
17 fuel adjustment charge.

18 I just heard the vice president say that
19 they've done great in reducing their fuel charge,
20 but as a homeowner and a payer of power, why am I
21 still charged a fuel adjustment charge? Why,
22 after that period of time?

23 Now, correct me if I'm -- if I'm wrong,
24 but I think that charge was put on us somewhere in
25 the mid '70s. Boy, it's amazing when you put taxes

1 on us, once they are there, they never seem to go
2 away. They really -- it's time for that one to go
3 away.

4 As I said, the reliability of Florida
5 Power, as far as I'm concerned, has increased and
6 the service has decreased. They don't seem to be
7 responsible in any way except whether or not you
8 allow them to increase their rates.

9 And I think you need to sort of consider
10 that when we get bad service, we should be refunded
11 something for our time, our inconvenience, the loss
12 of the food that we have lost because our power is
13 out, et cetera. That's all I had.

14 CHAIRMAN JABER: Thank you, Mr. Janowski.
15 With respect to the customer service relations in
16 general, I wanted you to know that that was part of
17 the quality of service review that we will be
18 doing. It is a critical part of the process.
19 That we're not just looking at the quality of
20 service related to the technical provisions but
21 also their consumer relations.

22 With respect to a response from the
23 Commission, I'm glad to know that we responded the
24 second time around. I'm not sure where the first,
25 e-mail went, but in any case, Mr. McNulty, I want a

1 written response from me to Mr. Janowski on
2 everything that Mr. Janowski testified to today.

3 And that will take some background work
4 with the company as well. I recognize that. So
5 give us a week, week and a half to get you a
6 written response, but we will look into every
7 situation that you testified to today.

8 With respect to the fuel adjustment
9 charge, I know that sounds like a tax, but actually
10 that's -- it's related to a proceeding we have
11 every year that allows the companies to pass
12 through increases and decreases related to natural
13 gas prices, fuel prices overall. And that's a
14 credit when fuel prices go down, it's a credit to
15 your bill. And it's an increase if there are
16 increases. So I think that's what you're referring
17 to.

18 WITNESS JANOWSKI: Yes, I am. But to me,
19 what is the difference in having them pass that on
20 and not be part of their business? What's the
21 difference between that and wanting to pass on the
22 cost of the merger?

23 CHAIRMAN JABER: Yes, I understand.

24 WITNESS JANOWSKI: It's -- you know, to
25 me it's the same thing, and it should be to the

1 rest of their customers.

2 CHAIRMAN JABER: Right. I understand.
3 And then the final clarification is that you will
4 not see an increase to your bill as a result of
5 this proceeding. Remember that the PSC initiated
6 this proceeding because we are looking at the
7 amount of refund to come back to the customer.

8 WITNESS JANOWSKI: I do understand that.

9 CHAIRMAN JABER: All right. Thank you,
10 Mr. Janowski.

11 MR. BECK: Our next witness is Mike
12 Young.

13 CHAIRMAN JABER: Mr. Beck, let me get a
14 logical time for a break here. How many more
15 customers do you have?

16 MR. BECK: I could count. There's quite
17 a few.

18 CHAIRMAN JABER: Okay. Court Reporter,
19 you're set? Okay. Go ahead.

20 THEREUPON,

21 MIKE YOUNG

22 was called as a witness on behalf of the Citizens
23 of the State of Florida and, having been duly
24 sworn, testified as follows:

25 WITNESS YOUNG: Mine should be brief.

1 I'm Mike Young. I live at 2342 Hazelwood Lane in
2 Clearwater. I purchased my residence in January --

3 CHAIRMAN JABER: Sir, can you repeat your
4 last name for us?

5 WITNESS YOUNG: Young. Everyone has a
6 problem with that. It's Y-O-U-N-G.

7 CHAIRMAN JABER: It's the microphone.
8 It's not you. It's the microphone. You want to
9 bring it up to you?

10 WITNESS YOUNG: Okay. I purchased my
11 house January 1994. Actually, that's when I moved
12 in. I was having short power outages from the
13 beginning. Now, it would just enough to turn off
14 all the digital clocks, have to reset every single
15 one, but it would come back on.

16 But at the same time, periodically there
17 would be like a very loud pop that would wake me up
18 at night. Sparks would fly from the power pole in
19 my back yard. The power would go off and stay off
20 for several hours.

21 I too called and got the recorded message
22 to leave my address. And they would come and fix
23 it. But the -- I'm losing my place here. In
24 summer of 2000, I believe it was, I go up north --
25 I'm a winter person. I go up north to Indiana for

1 the summer months.

2 I came back, and there was a large coiled
3 cable leaning against the power pole in my back
4 yard. It stood there for two months unconnected.
5 I also, when I did get back home, I found out that
6 my telephone cable had been severed in the process
7 of installing this cable to my back yard. I wasn't
8 there, so it was no problem, but, you know, it's
9 just careless workmanship.

10 I had to call several times about this
11 coiled cable in my back yard. They finally did
12 come and they fixed it, but in the process also --
13 not in that process, but my air conditioning went
14 out. And I called the air conditioning repairman,
15 and he says, Have you had power surges? And I
16 says, Yes, I've had several power surges. He said,
17 Well, this has been caused by power surges.

18 So the bill was over \$300. I -- and he
19 wrote that right on the bill that it was caused by
20 power surges. I called Florida Power. They said
21 send them the bill and they would look into it.

22 And I don't have the gentleman's
23 response, but he wrote back and he said, Due to
24 your lack of problem history in your file, we will
25 not do anything with this bill.

1 CHAIRMAN JABER: Repeat that?

2 WITNESS YOUNG: He said that since there
3 was no indication of any problems in my file --
4 apparently if I called them every week about these
5 power outages that only lasted a few minutes, I
6 would have had a history of problems. But I mean,
7 they're not going to come and reset my digital
8 clocks, so why should I call them to tell them that
9 the power had been off for two minutes? I mean,
10 it's ridiculous.

11 But two or three times a week, my power
12 goes off. Not since they've installed the cable.
13 But also --

14 CHAIRMAN JABER: Have you noticed --
15 Mr. Young, have you noticed a specific time in the
16 day when the power goes off?

17 WITNESS YOUNG: No. It doesn't seem to
18 be related to anything. If there's a sudden need
19 for heat or something, possibly, but no. No. It's
20 all through the day. I come home and I have a
21 touch lamp, and the lamp is on, you know, so you
22 know the power has been off.

23 But I just -- my real complaint was --
24 and also I had a five-year-old refrigerator, less
25 than five-year-old refrigerator that burnt out due

1 to -- probably due to power surges, but Florida
2 Power wants me to buy a hook-up that I plug my
3 refrigerator in.

4 I mean, if I didn't have power surges, I
5 wouldn't need to buy that instrument. So I mean,
6 that's my problem. Really power surges are rampant
7 in my area.

8 CHAIRMAN JABER: Thank you, sir.

9 WITNESS YOUNG: Thank you.

10 CHAIRMAN JABER: Mr. Flynn, I would ask
11 that someone from your company go and look at the
12 residence and the inside wiring and determine where
13 those surges are coming from, look at the cables.

14 MR. FLYNN: Yes. If I could just ask
15 Mr. Young to touch base with either Kimberly or
16 Monica in the back room to make sure we have all
17 the appropriate information, that will be helpful.

18 CHAIRMAN JABER: They'll need your
19 address, Mr. Young. And you also have on that
20 green sheet our e-mail address and contact
21 information. If you are not satisfied or feel like
22 there's been a resolve, just contact us. Thank
23 you.

24 MR. BECK: Thank you. The next witness
25 is Judith Scott.

1 THEREUPON,

2

JUDITH SCOTT

3 was called as a witness on behalf of the Citizens
4 of the State of Florida and, having been duly
5 sworn, testified as follows:

6 WITNESS SCOTT: My name is Judith Scott,
7 874 Village Way, Palm Harbor.

8 I got here early today, and I was able to
9 speak to one of these ladies, and she's going to
10 call me tomorrow afternoon and try to resolve my
11 problem, which I've been trying to resolve for a
12 couple of years, so what I need is -- what I'd like
13 to have is the phone number of the Commission and
14 someone to contact in case that doesn't work out.

15 CHAIRMAN JABER: Absolutely. If you have
16 the green sheet that they handed you today, the
17 technical staff are Michael Springer, he's here
18 today, and his phone number is on the sheet.
19 Connie Kummer is someone that can -- if it's a
20 billing problem, you can talk to her. But the
21 other thing you can do is e-mail us, or there is a
22 toll-free number again on the green sheet that you
23 can use.

24 WITNESS SCOTT: Thank you.

25 CHAIRMAN JABER: Thank you.

1 MR. BECK: Ms. Scott, could you just --
2 over here. Over here. Could you just in 25 words
3 or less, could you just tell us the nature of your
4 problem?

5 WITNESS SCOTT: Yes. I had bills that
6 were running two-thirds higher than what they are
7 now. They did some repairs in September. Since
8 then the bill has fallen and never gone back up.
9 And I'm trying to get some credit for the times
10 when it was way out of line.

11 And all the girls I spoke to, all the
12 ladies I spoke to and most of the men who have come
13 out have been very nice, but I had to speak to one
14 man in particular for a credit, his name is
15 Mr. Moorhouse, and he was extremely rude and
16 wouldn't even listen to my -- he just said, We
17 don't give credit. That's that. I can't get past
18 him.

19 MR. BECK: Thank you very much.

20 CHAIRMAN JABER: Thank you, Ms. Scott.

21 MR. BECK: Next witness is Bill Zinzow.

22 THEREUPON,

23 BILL ZINZOW

24 was called as a witness on behalf of the Citizens
25 of the State of Florida and, having been duly

1 sworn, testified as follows:

2 WITNESS ZINZOW: Zinzow, Z-I-N-Z-O-W. I
3 appreciate your allowing us to speak to you. I
4 think it's very important, and I commend you for
5 it.

6 CHAIRMAN JABER: Thank you, sir.

7 WITNESS ZINZOW: I would like to relate a
8 problem that occurred to my residence at Clearwater
9 on September 14. We had a power loss about 7:00
10 a.m. on that date. What I considered to be a minor
11 storm. And I've lived in this area for 31 years
12 and went through two hurricanes in Miami prior to
13 that. We didn't seem to have the difficulty we had
14 with this little blow on September 14.

15 We are serviced by overhead wiring, and
16 all the people on our street, which were about 23
17 houses, and I assume the adjacent property in back
18 of us were also out of power. I don't know how
19 many homes were involved with that. But I was told
20 when I did get through that the situation would be
21 corrected in about an hour.

22 Numerous phone calls were made, of
23 course, subsequent to that one. That hour elapsed
24 and many others, and, of course, then you get
25 recordings and don't get a body.

1 I was told -- my concern is, frankly,
2 that we've lived in this home for 31 years and
3 experienced a number of power losses, and we
4 recognize that this will occur. None of them
5 lasted this long when far greater storms than
6 occurred this past September 14. We understand
7 that the power loss can occur and will occur, and
8 we can live with this.

9 I also note that comment made about power
10 surges. We have motion lights, and we're resetting
11 those at least two or three times a week.
12 Fortunately, the computer is set up in a surge
13 protector, but we have tremendous number of surges
14 that -- that are obvious when the motion lights get
15 turned on.

16 Getting back to the blow that we had, we
17 observed on a number of occasions workmen in the
18 area, but nothing happened. In the evening about
19 10:00 p.m., I observed about six workmen in our
20 back yard and spoke to them, asking them when power
21 might be restored. None of them spoke English, and
22 I later learned that they were there to clear the
23 lines, the debris from the power lines. But I was
24 unable to communicate with them.

25 Our power was restored on the following

1 morning about, oh, I don't know what time, but I
2 estimate that we were out about 20 hours. It was
3 later learned that the linemen had to be
4 transported from North Carolina to service our
5 outage and there were not sufficient crews on hand
6 in the local area to service this power loss.

7 It is my belief that since the purchase
8 of Power -- Florida Power Company by Carolina
9 Power, available crews are not on hand to take care
10 of outages. My greatest concern what will happen
11 when we have a real storm? The storm of September
12 14, as I say, I think was very minor in nature.

13 If there was not sufficient manpower or
14 repair crews in the area to take care of this, take
15 care of this need, particularly if it's evident
16 that people had to come from North Carolina to
17 service the repair.

18 I think this is very much out of order
19 and certainly should be corrected. The Florida
20 Power service group in this portion of Florida
21 should have sufficient -- is of sufficient size to
22 have repair crews on hand.

23 I don't know what -- and I think that the
24 system of calling in when you have power outages is
25 a very poor one, and this is the way it is today

1 when you call anybody, it is most difficult to get
2 a body, but I think that Florida Power has the
3 right to respond to their customers with some kind
4 of person instead of a constant recording. Thank
5 you.

6 CHAIRMAN JABER: Thank you, Mr. Zinzow.

7 MR. BECK: Thank you. The next witness
8 is Mike Woodall.

9 THEREUPON,

10 MIKE WOODALL

11 was called as a witness on behalf of the Citizens
12 of the State of Florida and, having been duly
13 sworn, testified as follows:

14 WITNESS WOODALL: Thank you, Chairman and
15 the rest of the Commission for the opportunity to
16 address you-all today. My name is Mike Woodall,
17 W-O-O-D-A-L-L, and I'm the energy coordinator for
18 Pasco County Schools.

19 First off, I'd like to commend the job
20 the Commission does on regulating the utilities in
21 our state. While many states suffer with lack of
22 capacity and soaring energy cost, Florida enjoys
23 reasonable rates, and when compared to the rest of
24 the nation, we enjoy reasonable price. And
25 hopefully by the end of the day and the end of your

1 deliberations, those prices will even improve.

2 Although it's not my primary reason for
3 addressing you today, I would like to suggest at
4 your earliest opportunity to investigate what can
5 be done to help school boards that demonstrate
6 ongoing and successful energy programs, perhaps
7 measured in use per square foot, that maybe a
8 special school rate could be established or perhaps
9 a distribution of the money collected by the energy
10 providers via the Energy Conservation Cost Recovery
11 Act. I don't think anybody in this room needs to
12 hear the woes of the budget for schools and across
13 the state.

14 As co-founder of the -- and past
15 president of the Energy Managers Association of
16 Florida, I'd be happy to offer this organization's
17 help in reviewing these issues.

18 The primary reason for my appearing
19 before you today is to address the proposed changes
20 to Florida Power's interruptable rate. It is my
21 understanding that Florida Power is asking to move
22 all their IS-1 customers to the IS-2 rate.

23 I brought with me today a copy of our
24 contract with one of our schools that clearly
25 indicate that the rate is fixed and in full force

1 for five years after written notice given by either
2 party.

3 In 1998 when the interruptions were a way
4 of life, Florida Power was adamant about adhering
5 to the letter of the contract. Now that the shoe
6 is on the other foot, they want to change the
7 rules.

8 Pasco has added additional generations at
9 some of our schools in order to make up for the
10 interruptable rate, and if this rate goes away, we
11 will have our own stranded cost.

12 I urge this body to allow Florida Power
13 to change the -- to not allow Florida Power to
14 change these rules and circumvent a valid contract.

15 Another item related to the interruptable
16 rate is the closing of the IS-1 rate as of
17 4/16/96. The published rate schedule clearly
18 indicates that the rate is closed to new customers,
19 which I also have a copy of.

20 Pasco County School Board is not a new
21 customer. I would suggest to you that we are not a
22 new customer and should be allowed to return to the
23 IS-1 rate and furthermore, should be refunded the
24 difference between the two rates on those accounts
25 that we were forced to take on the IS-2 rate.

1 Thank you for your time. And contact me
2 if I'm able to help you in these matters.

3 CHAIRMAN JABER: Thank you, Mr. Woodall.
4 Commissioners, do you have any questions for
5 Mr. Woodall?

6 COMMISSIONER PALECKI: I don't have any
7 questions, but I would like to see our staff look
8 into that issue regarding the school board being
9 forced from the one rate to the more expensive
10 interruptable rate, and check into whether or not
11 that was authorized and whether or not there should
12 be --

13 WITNESS WOODALL: That has not occurred
14 yet. It is my understanding that is part of the
15 rate proposal that is now on the table.

16 COMMISSIONER PALECKI: I thought you said
17 you were requesting a refund --

18 WITNESS WOODALL: New schools that came
19 on line that requested the IS-1 rate, we were told
20 you cannot get that rate. If you want the
21 interruptable rate, you'll go on IS-2 rate.

22 CHAIRMAN JABER: Right. That's what
23 Commissioner Palecki is talking about, that you
24 had -- it's your testimony that you had the IS-1
25 rate as a current Pasco County -- as a current

1 Florida Power --

2 WITNESS WOODALL: As a customer.

3 Correct.

4 CHAIRMAN JABER: -- customer, and you
5 want to continue the --

6 WITNESS WOODALL: I want the other -- the
7 other schools --

8 CHAIRMAN JABER: You have to let us
9 finish before you get to talk.

10 WITNESS WOODALL: I'm sorry.

11 CHAIRMAN JABER: You want to continue
12 that rate, and Florida Power Corporation is
13 proposing in this proceeding to change that.

14 WITNESS WOODALL: That is correct. It is
15 my understanding that they want to push you to an
16 IS-2 rate and give a three-year cutoff on that.
17 And there are some other things in there.

18 CHAIRMAN JABER: Commissioner Palecki,
19 it's my understanding that that issue is identified
20 in this proceeding because Florida Power Corp. has
21 proposed a change in the interruptable rate.

22 COMMISSIONER PALECKI: Good.

23 CHAIRMAN JABER: So we will be looking at
24 it, Mr. Woodall, and we will probably take you up
25 on your offer to work with us more on what the

1 appropriate rate should be.

2 WITNESS WOODALL: Thank you.

3 CHAIRMAN JABER: Thank you.

4 MR. BECK: Thank you, Mr. Woodall.

5 WITNESS WOODALL: Thank you.

6 MR. BECK: The next witness is Dennis
7 Buthmann.

8 THEREUPON,

9 DENNIS BUTHMANN

10 was called as a witness on behalf of the Citizens
11 of the State of Florida and, having been duly
12 sworn, testified as follows:

13 CHAIRMAN JABER: Good afternoon,
14 Mr. Buthmann.

15 WITNESS BUTHMANN: Good afternoon. Thank
16 you for allowing us to speak. It's Dennis
17 Buthmann, B-U-T-H-M-A-N-N. It's Dennis
18 B-U-T-H-M-A-N-N, 803 Pilots Way, Palm Harbor.

19 Again, thank you for letting us speak
20 here. I appreciate it. And I hope to look for
21 some closure with my concern.

22 It's as loud as I go. That's as loud as
23 it goes.

24 CHAIRMAN JABER: We need to -- we need to
25 make sure that the customers are afforded an

1 opportunity to testify. And to the degree you
2 can't hear Mr. Buthmann, I'll try to repeat as much
3 as I can. Go ahead, Mr. Buthmann.

4 WITNESS BUTHMANN: My problem goes back
5 to last summer. We experienced numerous power
6 outages a few times every single week. It didn't
7 stop.

8 I contacted the customer service people
9 at Florida Power asking them what's wrong, can
10 anybody help us. They just said it's a thing
11 that's happening. There was absolutely no bad
12 weather, no accidents, no construction, no power
13 surges, no overload of electricity, nothing. We
14 just went several times a week without electricity.

15 I finally got through to I guess a
16 hierarchy's office. They referred me to Mary Diez.
17 And I do have her letter. It's dated July 13. I
18 followed up with phone calls, left messages with
19 her. She returned one call, and I received the one
20 letter from her. She says thank you for your
21 concern; we'll work on it.

22 Well, it continued. Again, no bad
23 weather, nothing. We later found out that there is
24 a grid of 106 houses that are experiencing this.
25 It transcends streets. For instance, the lady

1 across the street has electricity; we don't.
2 Neighbor on one side has electricity; the other
3 side, no. The one in back, yes; the one diagonal,
4 no.

5 So there's just -- it's just grid. At
6 least that's what they tell me. Well, they said
7 they were going to fix it. I left it at that. I
8 received no comments back from Florida Power, none.

9 The problem started again in December. I
10 called, and they said, We don't know. It's a
11 fluke. There's just something that's causing your
12 grid to not work. You're 106 houses. And all your
13 representatives or customer service people told me
14 that. They said it's a grid of 106 houses. There
15 are literally thousands of houses where I live, but
16 it's just that grid.

17 And we even had -- I'm in your computer.
18 They took down a quote from me that says, If you
19 keep my power going for seven days, I'll stop
20 calling you. Just keep the power on without any
21 outages for seven days. Well, couldn't do that.
22 We just could not do that.

23 Anyway, the problem started again in
24 December. Again I was told, We don't know, we'll
25 try and work on it. I called back, there's no

1 update. So I finally had enough. I did initiate a
2 complaint with the Public Service Commission.

3 Mary Helton called me that day. She was
4 very nice. She said she would be the liaison, and
5 we would try to rectify the problem. We kept going
6 back. I've got a time line. And I did document
7 the conversations.

8 I initiated the complaint with the Public
9 Service Commission on the 10th. On the 14th that
10 was Mary's second call back to me. She said, We
11 will try and get a promise from reliability group
12 by January to have this fixed. I'm telling you we
13 are nowhere near that.

14 On the 18th I received a letter from the
15 Public Service Commission and it's from Angela
16 Hashido -- Hashisho. And it states that, "It
17 appears that your complaint has been addressed and
18 the issue has been resolved." I can tell you the
19 issue has not been resolved.

20 And I don't know exactly what your end
21 told the Public Service Commission, but it's not
22 what I heard and what I understood. So I called
23 the Public Service Commission and I did tell them
24 that the matter has not been resolved.

25 I asked Mary, Let's talk every week, I'd

1 like an update so that I can tell some of my
2 neighbors what's going on, what progress are we
3 making. I did get a couple phone calls.

4 On the 21st Jason Flint, who is Mary's
5 supervisor, called me, said, We have determined
6 there is a problem, we're going to work on
7 restorative measures. We are not -- or we've been
8 working on restorative things but we haven't been
9 proactive with this. Hopefully your neighborhood
10 will be one of the first to be fixed in the new
11 year.

12 Well, we haven't been. We're still
13 waiting. Your people told me that basically this
14 is micromanaged down here, that the decisions and
15 the money come from North Carolina, and that we
16 would have to wait until January for some money so
17 that they could fix things down here. I've been
18 waiting since last summer to have this fixed.

19 I'm a caregiver as well as a therapist.
20 I work full-time. I take care of my parents. My
21 father is 92. He's confined to a hospital bed, an
22 electric hospital bed. My mother is on nebulizer
23 treatments four times a day. I can't keep having
24 the power go off constantly.

25 I know that you-all would not like it if

1 your power went off a few times a week. Just
2 because there's a grid that this affects, it's just
3 those 106 houses. Why can't we get this fixed?
4 And why can't we move expeditiously on this?

5 They said that they fixed the line on
6 October 11. I happened to be off that week for
7 vacation. Had carpeting put in. I didn't see
8 anybody around. Maybe they did. Maybe it was
9 somewhere else. I don't know.

10 But the problem came back in December,
11 and we know it's the same problem because it's the
12 same grid of houses. When you've got thousands of
13 houses around you and only 106 are being hit and
14 it's transcending streets, boundaries and
15 everything else, you just know. And it's just got
16 to be fixed.

17 Let me just see. I'm just trying to
18 think.

19 CHAIRMAN JABER: Take your time,
20 Mr. Buthmann, but I wanted to take this opportunity
21 to let the Commissioners know of our discussions
22 prior to the hearing and what I've asked Mr. Durbin
23 to do.

24 Mr. Buthmann has filed a complaint at the
25 PSC, Commissioners, and Mr. Durbin is working on

1 that complaint. And what Mr. Durbin will do for us
2 is get a timetable, a specific timetable from
3 Florida Power Corporation.

4 Mr. Flynn, I will expect that to be a
5 short timetable, and I'll expect that issue to be
6 resolved ASAP.

7 COMMISSIONER PALECKI: And will the
8 company also in the timetable explain explicitly
9 what the nature of the problem is and why it has
10 taken so long.

11 MR. FLYNN: Yes, we will.

12 COMMISSIONER PALECKI: Thank you.

13 WITNESS BUTHMANN: Mary Helton did
14 explain that there is all these kinds of wire
15 things and things that are wrapped and cables and
16 all this and they just can't figure out which one
17 needs to be fixed.

18 I don't know either. I'm not an expert
19 in this field. But if you have got 17, as she said
20 you do, then fix all 17 if that's what it takes,
21 but don't let us sit without electricity.

22 I've got a nebulizer going, I've got a
23 hospital bed going. And the worst picture you can
24 imagine in your mind is an 86-year-old woman who's
25 got to hand crank a hospital bed for her husband

1 because he is paralyzed, has one extremity left,
2 and that's his right arm, trying to press the
3 button on the bed to elevate his head.

4 And with the electricity out so much, it
5 just -- I work in health care, and we try to do our
6 very best, and I guess maybe I'm very concrete and
7 I expect things to be right and to -- to be
8 addressed. But this has just taken too, too long.
9 It should have been done last summer. All those
10 calls that I made, and it's all documented in their
11 computer.

12 CHAIRMAN JABER: Mr. Buthmann, we have
13 those documents, we have those documents, and it's
14 my understanding that they've acknowledged that
15 there are some underground cables that definitely
16 need to be changed. And Mr. Durbin will stay in
17 contact with you. It is our desire to have the
18 problem fixed right away too.

19 WITNESS BUTHMAN: They just told me that
20 unless there's any money coming down, that we're
21 just going to have to wait for that money, and that
22 will be whenever.

23 COMMISSIONER BRADLEY: That's the issue
24 that I was going to ask Mr. Durbin to also get some
25 feedback on; that is, where are these decisions

1 being made? Are they being made in Florida or in
2 North Carolina? I think we need to clarify that
3 also.

4 WITNESS BUTHMAN: They told me the big
5 decisions -- and I'm just telling you what they
6 have told me -- the big decisions are made in North
7 Carolina, that's where the money is coming from,
8 and we just in essence will just have to wait. We
9 will have to wait until money comes until they can
10 figure things out, until they've got the time,
11 they've got to put it out for contract bids to
12 replace these lines and spans. That's what they're
13 called. That's what they told me. It was spans.

14 MR. LEWIS: Just to address the question,
15 Commissioner, the decisions are made in Florida
16 regarding maintenance of underground lines in your
17 particular case. So you were misinformed, and I
18 apologize for that.

19 WITNESS BUTHMANN: I guess that's it.
20 Thank you.

21 CHAIRMAN JABER: Thank you, Mr. Buthmann.
22 Thank you for being here.

23 MR. BECK: Thank you, sir. Our next
24 witness is Mayor Radcliffe.

25 THEREUPON,

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MAYOR HAROLD RADCLIFFE

was called as a witness on behalf of the Citizens of the State of Florida and, having been duly sworn, testified as follows:

WITNESS RADCLIFFE: Madam Chairman, gentlemen, thank you very much. My name is -- my name is Harold Radcliffe, R-A-D-C-L-I-F-F-E, and I'm the Mayor of North Redington Beach. That's R-E-D-I-N-G-T-O-N.

I want to compliment first the Commission. As a mayor, an elected official, I am familiar with the complaints, problems, and other things that are brought before you which you must resolve. And it is very fortunate that we have officials who are willing to step to the plate and give public service to try and help our fellow man.

CHAIRMAN JABER: Thank you, sir.

WITNESS RADCLIFFE: I have been mayor for -- I'm in my ninth year as mayor right now. And my town does not have a city manager, and every complaint that comes, comes to my desk, and it must be resolved. My approach is to get the complaints resolved one way or another so it doesn't come back again.

1 I must say that over the nine years we
2 have had very few complaints. We do not keep a log
3 of the complaints. We resolve them and dead file
4 them. We've had very few complaints of Florida
5 Power. And from my own experience, a telephone
6 call or notice to pertinent people there seems to
7 get things done. Perhaps it's because I'm the
8 mayor, I don't know, but they do take care of it.

9 From the financial end of it, I have read
10 the numbers and I've seen the paper, what's in the
11 newspaper about them. And I was glad to hear the
12 presentations by Mr. Lewis and his group here and
13 by Mr. Beck. It appears that they both have the
14 numbers in line. Now getting them together on the
15 appropriate one is something else. And I trust
16 that both parties have good actuarial experts who
17 can resolve the numbers together.

18 I would like to address one thing. In
19 the St. Petersburg Times Tuesday, yesterday, there
20 was an article, "Complaints Surge for Florida
21 Power." A couple of items in here I think are
22 worth addressing just for information purposes.

23 In the first paragraph, "The state's
24 utility consumer advocate," who was not named in
25 here, apparently, said Monday he will ask

1 regulators to fine the utility 7 and a half million
2 dollars. And then it says Public Counsel Jack
3 Shreve. Might be the same person. Referred to the
4 complaints most often involved service
5 interruptions, power surges, and billing problems,
6 all of which we've heard today.

7 However, further down it states that,
8 "Public Service Commission offices were closed
9 Monday. But the agency's Web site indicates
10 customers logged 145 complaints through the first
11 nine months of last year, an increase of 15
12 percent." That's 145, so a little quick
13 arithmetic, they probably had 125 or so the year
14 before.

15 But continuing further, continuing
16 further down in this, they state that, "Company
17 officials say the reported increase is small
18 considering the unusual events of 2001 and the fact
19 that the utility serves 1.4 million customers from
20 Pinellas County east to Orlando and north to
21 Tallahassee."

22 And it sort of strikes me that a little
23 review might be pertinent. If 145 complaints were
24 received over a nine-month period for 1.4 million
25 customers, this is something like one complaint a

1 year for each 100,000 customers.

2 And I would respectfully request you to
3 review, No. 1, these are the numbers quoted in the
4 paper. Whether they're right or wrong, I don't
5 know. But 7 and a half million dollars for every
6 complaint for 100,000 people, I think also needs a
7 little actuarial review. And I'm not defending
8 Florida Power, but I am expressing my personal
9 opinions in that respect.

10 That is about all that I have to say.
11 Don't want to take too much of your time. I do
12 thank you for the opportunity. I think these
13 hearings are excellent, good way for people to be
14 heard and get all the ideas out and all the
15 thoughts out. Thank you very much.

16 CHAIRMAN JABER: Mr. Mayor, thank you for
17 being here and taking time out of your schedule to
18 be here. We all serve the public --

19 WITNESS RADCLIFFE: Yes.

20 CHAIRMAN JABER: -- and that includes
21 you. With respect to the number of complaints and
22 the discrepancies, we are looking at it. As a
23 matter of fact, Public Counsel has identified that
24 issue through testimony, I heard you say in your
25 opening statement, Mr. Beck.

1 MR. BECK: Yes, we have, Madam Chairman.

2 CHAIRMAN JABER: Right. And Dick Durbin,
3 our own Dick Durbin here, I think, is actually
4 working on some testimony from our agency to take a
5 look at what the consumer complaint numbers are.

6 WITNESS RADCLIFFE: Very good.

7 CHAIRMAN JABER: But I appreciate your
8 comments today.

9 WITNESS RADCLIFFE: Thank you very much.

10 MR. BECK: Madam Chairman, if I might
11 just address very briefly, just very briefly, I
12 think the number, as I understand it from what's in
13 the paper, are complaints not resolved within three
14 days is the number that was in the paper. And
15 there are thousands of other complaints. And we've
16 presented evidence, and it will be presented to the
17 Commission.

18 WITNESS RADCLIFFE: I'm very glad to hear
19 that they are resolving most of the complaints
20 then. Thank you again.

21 CHAIRMAN JABER: Thank you.

22 MR. BECK: Our next witness is Robert
23 Bellavance.

24 THEREUPON,

25 ROBERT BELLAVANCE

1 was called as a witness on behalf of the Citizens
2 of the State of Florida and, having been duly
3 sworn, testified as follows:

4 WITNESS BELLAVANCE: My name is Robert
5 Bellavance. Can you hear me, sir? Thank you.
6 You're welcome. I guess it's quite common at these
7 hearings that most people are here to complain.
8 People are generally satisfied, they stay home.
9 Why bother, you know.

10 I'm not here to complain today. I'm here
11 because I read in the newspaper that Florida Power
12 was going to lower their rates. And that
13 somebody -- I guess it's this gentleman here or his
14 office -- says that it's not enough, you've got to
15 do more.

16 And I've been following things in the
17 newspaper lately, and I noticed that Tampa Electric
18 is raising their rates. And, in fact, if this rate
19 decrease goes in, Tampa will have higher rates than
20 us. Right now they're lower, but they're going to
21 go higher.

22 And I think any -- any time the rates go
23 down, that's good news. And I can't understand
24 people complaining when rates go down. Of course,
25 hearing these other people earlier, they were

1 complaining about different things than rates, very
2 important problems that they have that need to be
3 resolved, and certainly would sympathize with them.

4 But seems to me that Florida Power is
5 going in the right direction. Lowering rates.
6 They seem to be, as I understand, improving a lot
7 of their infrastructure, spending a lot of money on
8 capital improvements. In the paper it said they
9 were building generator plants, which would help
10 avoid what happened in California.

11 And seems to me things are going pretty
12 well except for some of the isolated instances
13 where there are complaints. I don't know how many
14 hundreds of thousands of customers you have, but
15 when you have that many customers, something is
16 bound to go wrong sometimes.

17 It's just like in government. Government
18 always usually tries to please everybody, but
19 there's always some people that things don't go
20 right for. And that's very unfortunate, but that's
21 the way it happens.

22 But I think Florida Power is going in the
23 right direction, and I quite frankly am delighted
24 to see that the rates are going down. I'm a
25 retired person and so-called fixed income and so

1 forth, so I think it's wonderful, and I wanted to
2 say something positive. Thank you.

3 CHAIRMAN JABER: Thank you,
4 Mr. Bellavance.

5 MR. BECK: Next witness is Holly Duncan.
6 THEREUPON,

7 HOLLY DUNCAN

8 was called as a witness on behalf of the Citizens
9 of the State of Florida and, having been duly
10 sworn, testified as follows:

11 WITNESS DUNCAN: My name is Holly
12 Duncan. There is a business axiom that vision must
13 be supported by action. There's no shortcut from
14 today to tomorrow, and achieving goals requires
15 planning, execution, and evaluation. And it takes
16 money to do these things. The new Florida Power
17 has demonstrated all three of these capacities
18 since the merger.

19 From the perspective of a not-for --
20 not-for-profit executive in our community, I'm
21 president of the Morton Plant Mease Health Care
22 Foundation. We have seen their corporate
23 contributions to charities in the communities we
24 serve more than double.

25 As a community volunteer, as chair elect

1 of the Clearwater Regional Chamber, I have come to
2 admire their emphasis on service with things like
3 the addition of the thousand additional phone
4 lines, on outcomes with things like the investment
5 of 100 million in transmission and distribution
6 systems, and on costs with the 3 and a half percent
7 rate reductions.

8 And, most importantly, as a consumer, the
9 reliability, accountability and accessibility of
10 this corporation has made them a partner in keeping
11 the lights on for my family and for individuals and
12 businesses in all the communities we serve.

13 I think it is important for us to
14 understand, particularly when we have seen what has
15 happened nationally with other power companies, to
16 realize that power companies that don't make money
17 don't provide service, don't provide outcomes,
18 costs increase to the consumer, and eventually as
19 they go under, we all suffer. Thank you.

20 CHAIRMAN JABER: Ms. Duncan, thank you.

21 MR. BECK: Thank you.

22 CHAIRMAN JABER: Any questions?

23 Commissioners, questions? Thank you. Mr. Beck.

24 MR. BECK: Next witness is Steven Lott.

25 Is Steven Lott here?

1 CHAIRMAN JABER: Are you saying Lott?

2 MR. BECK: L-O-T-T.

3 CHAIRMAN JABER: Mr. Lott?

4 MR. BECK: The next witness is Ed
5 Hooper.

6 THEREUPON,

7 ED HOOPER

8 was called as a witness on behalf of the Citizens
9 of the State of Florida and, having been duly
10 sworn, testified as follows:

11 WITNESS HOOPER: Madam Chairman, good
12 afternoon, and Commissioners. My name is Ed
13 Hooper, H-O-O-P-E-R. I live right across the water
14 in Island Estates. Commissioner Bradley, welcome
15 home, sir. It's good to see you again.

16 COMMISSIONER BRADLEY: Thank you. It's
17 nice to be here.

18 WITNESS HOOPER: I want to speak to you
19 on two points. First, as a consumer; second, as
20 community.

21 Florida Power in my experience as a
22 30-year resident of Clearwater, the reliability of
23 the company has consistently improved. Today I
24 can't tell you what a pleasure it is. Everything
25 that I have is electric. If I want to do a

1 hamburger on my grill, I've got to plug it in.

2 It is a comfort to walk into my home
3 every day and not see 1200 flashing on my VCR.
4 That is an improvement over the past ten years and
5 especially the last five.

6 Their customer service to me as a
7 consumer has always been first rate. I moved to my
8 current address this past year. When I called to
9 have my account transferred, it was done
10 immediately. They sent someone out in a vehicle to
11 read that meter, and they charged me \$5.50 to
12 change my account.

13 My telephone provider walked down the
14 hall of the building I called, flipped a switch,
15 and they charged me \$55 to do the same thing.
16 That's a better bang for my buck than I can get
17 anywhere else in this area. Thank you, Florida
18 Power, for keeping that rate low.

19 They are doing what it takes to upgrade
20 their consumer service and their public service and
21 their customer service.

22 Now, I'm going to shift gears to the
23 community aspect. For five years I was a city
24 commissioner in the town that you're sitting. As a
25 consumer, I would have never known just how much

1 involvement in this community and their other
2 communities that they participate.

3 I know the checks that they write to
4 those groups and foundations and companies that are
5 in my community. They don't go to North Carolina
6 now. They're still writing checks in this part of
7 Florida, and they're supporting needy people,
8 worthy causes, great foundations. They are an
9 integral part of my community. I appreciate it.

10 Yes, it's nice to have your name on the
11 Tropicana Dome wall and be a corporate sponsor of a
12 major league ball team. Thank you for that. I'll
13 be glad to sit in your box any night that you
14 invite me.

15 But they do things that the rest of us
16 never see, never know, and they don't boast about
17 it. They don't seek accolades about it, but they
18 are doing good things for good people. And I hope
19 they continue, and I believe they will. Thank you
20 very much. Thanks for being our check and balance
21 to all these processes. Thank you.

22 CHAIRMAN JABER: Thank you, Mr. Hooper.

23 COMMISSIONER BRADLEY: Thank you.

24 MR. BECK: Next witness is Sonny
25 Thornton. Is Sonny Thornton here?

1 CHAIRMAN JABER: Mr. Thornton?

2 MR. BECK: The next witness is David
3 Kaufman. Is David Kaufman here?

4 MR. BURDETTE: A lot of people had to
5 leave. Dave is with the Merchants Association
6 of Dunedin, and he left a short statement. Would
7 it be appropriate to read that?

8 CHAIRMAN JABER: Actually, if you'd like,
9 if you'll give it to me, we'll take those
10 comments. Did he do -- did he write on the green
11 sheet or something separate?

12 MR. BURDETTE: Green sheet.

13 CHAIRMAN JABER: Okay. Mr. Beck, what's
14 your pleasure?

15 MR. BECK: Sure, bring it up.

16 CHAIRMAN JABER: Actually, what we'll do
17 is we'll let Public Counsel make copies for all of
18 us, and he'll make sure that the Public Service
19 Commission has it in their file in this docket.
20 Mr. Beck.

21 MR. BECK: We'll make sure that this gets
22 distributed and put in the record.

23 CHAIRMAN JABER: Thank you, sir, for
24 letting us know.

25 MR. BECK: Next witness is Dave Eggers.

1 CHAIRMAN JABER: Ms. Eggers?

2 WITNESS SHULER: This is a similar
3 situation. I would like to speak on behalf of Dave
4 Eggers if that's possible for the Dunedin Chamber.

5 MR. BECK: Come on up.

6 THEREUPON,

7 SANDY SHULER

8 was called as a witness on behalf of the Citizens
9 of the State of Florida and, having been duly
10 sworn, testified as follows:

11 WITNESS SHULER: Thank you. My name --
12 my name is Sandy Shuler, S-H-U-L-E-R. Thank you.
13 Good afternoon, and thanks for the opportunity for
14 Dunedin Chamber to speak to you.

15 Florida Power is a member of the Dunedin
16 Chamber of Commerce, one that has led by example in
17 our community. There will be a lot of statistical
18 information discussed this afternoon as it relates
19 to savings and power generation and fuel costs.
20 Dave's comments are more simplified and will focus
21 on Florida Power's overall commitment and
22 participation in the Dunedin community.

23 First of all, with the uncertainty of the
24 economy and many changes we have recently
25 experienced, any rate reduction that can be offered

1 to businesses is good for business. While they
2 have not done a formal survey of their members,
3 they have never had a reliability issue come up
4 with any of their members.

5 And because the community has a large
6 retirement population, many living on fixed
7 incomes, our residents would welcome a rate
8 reduction as well.

9 As we all know, we live in an area
10 susceptible to storms. In recent years we have
11 seen Florida Power's commitment to help our city
12 bury power lines. Our downtown and spurs from it
13 are a great example. The more they do to help
14 protect us prior to a storm, the better our
15 community will bounce back after one.

16 When businesses and residents can be
17 protected by proactive service, we all benefit as a
18 community. The quicker we can return to normal
19 after a storm, the better the ability of our
20 community to survive and thrive. It is in all of
21 our best interests.

22 I know that Florida Power has worked hard
23 over the past three years to improve their
24 reliability and plans for future improvements over
25 the next three years. This shows their commitment

1 to customer satisfaction and protection, which
2 gives all of us better peace of mind.

3 Florida Power's commitment to lower their
4 rates, particularly in the face of unstable world
5 fuel market, and create a situation favorable to
6 its customers.

7 Florida Power has been an excellent
8 partner with us in Dunedin and shown it is a
9 responsible corporate citizen. The company's
10 support of important education initiatives in the
11 past months as well as working with our city to
12 support several important projects, reflects their
13 commitment to our community, its citizens, and the
14 future.

15 Florida Power has shown us in very
16 visible ways that it has experienced -- it has
17 experience, expertise and leadership to move this
18 community forward, all while giving its customers
19 confidence that their power needs will be met now
20 and tomorrow.

21 And they have further shown that they
22 will continue to take responsibility as a
23 corporation to support the community they serve.
24 Thank you.

25 CHAIRMAN JABER: Thank you, Ms. Shuler.

1 MR. BECK: Thank you. I hope I pronounce
2 the name right. Joseph Bolesina from the
3 Contractor Resident Electrical? No. Next witness
4 is Ron Barnwell.

5 THEREUPON,

6 RON BARNWELL

7 was called as a witness on behalf of the Citizens
8 of the State of Florida and, having been duly
9 sworn, testified as follows:

10 WITNESS BARNWELL: I am Ron Barnwell,
11 B-A-R-N-W-E-L-L. And I'm the executive director of
12 the Chamber Business Assistance Corporation in the
13 Clearwater area. This partnership is a
14 relationship between the City of Clearwater,
15 Pinellas County Economic Development, and the
16 Clearwater Regional Chamber of Commerce.

17 One of the roles that I have is to get
18 out in the community and talk to businesses and try
19 to assess business trends in the area. I use a
20 survey instrument that is provided by the Pinellas
21 County Economic Development. And I might say that
22 they are several other positions like mine
23 throughout Pinellas County that conducts this same
24 survey.

25 And one of the questions that is on this

1 survey addresses public services. I'd like to
2 share a statistic with you. The question is
3 stated: Using a five-point scale with 1 being
4 excellent and 5 being poor, how would you rate the
5 following services? Then it lists fire protection,
6 police protection, utilities, trash removal, public
7 transportation, and local road systems.

8 And I wanted to share with you the 2001
9 results of just the utilities. There were 932
10 surveys taken in 2001 by my counterparts and
11 myself. And 77 percent of the businesses surveyed
12 said that they were -- it was good to excellent
13 service from utilities in general. And another 13
14 percent were neutral. So that adds up to about 90
15 percent.

16 In the Clearwater area, we had very
17 similar results. 79 percent excellent to good, 15
18 percent neutral. That's well over 90 percent.

19 So I believe these results bear that the
20 business community is reasonably satisfied with the
21 utility's services in this area. And felt like
22 this information would be good to share. Thank
23 you.

24 CHAIRMAN JABER: Thank you,
25 Mr. Barnwell.

1 MR. BECK: Thank you. Our next witness
2 is Tom Ringel.

3 THE AUDIENCE: Mr. Ringel had to leave.

4 MR. BECK: Joseph Kunz.

5 THEREUPON,

6 JOSEPH KUNZ

7 was called as a witness on behalf of the Citizens
8 of the State of Florida and, having been duly
9 sworn, testified as follows:

10 WITNESS KUNZ: Good afternoon. My name
11 is Joseph Kunz, K-U-N-Z. I live in High Bluff
12 Drive in Largo. And this is in the Harbor Hills
13 subdivision. In my back yard is the Harbor Bluffs
14 subdivision, and we're fed both divisions with the
15 power line.

16 My problem is the excessive number of
17 power outages of approximately 39 homes bordering
18 Harbor Bluffs and Harbor Hills subdivision. I
19 would say this is less than stellar responsiveness
20 to the problems from Florida Power.

21 In September of 2001, we had three
22 outages that varied from two hours to 22 hours.
23 One of those outages was as a result of the
24 Hurricane Gabrielle, and it took 22 hours for
25 Florida Power to respond. They told us that the

1 primary responsibility for responding to problems
2 was in St. Petersburg, not in our area.

3 As a result of that, I contacted the
4 Public Service Commission and filed a complaint.
5 It was No. 405962-E. And then things got happening
6 there from Florida Power.

7 A Florida Power reliability engineer
8 stopped at the house and told me that he would
9 recommend, after his investigation, separating the
10 power line from the east side of Indian Rocks Road
11 from the west side, which is our side. And since
12 we have a lot of trees in our back yard, that
13 probably was one of the contributing factors as
14 well, but he would recommend also tree trimming.

15 In October we had one outage. It was a
16 sunny day. It was out approximately an hour and a
17 half. In December we had four outages, varied from
18 45 minutes to five and a half hours. Essentially
19 normal weather, no storms. I think there was a
20 slight rain on one of the days.

21 On 1/10 of this year, Florida -- Florida
22 Power replaced the main power line from Indian
23 Rocks Road to the 39 homes experiencing power
24 outages.

25 I don't believe Florida Power has an

1 effective corrective action system. I believe
2 problem areas are masked in the numbers. And a
3 gentleman talked later about this grid business. I
4 think the denominator is quite high for the number
5 of problems that are reported.

6 So I would like to think that maybe the
7 Public Service Commission generate a survey asking
8 customers of Florida Power relative to the
9 performance of the Florida Power Company and the
10 service that they get. I think that would benefit
11 the Public Service Commission as well as the
12 customers. Thank you.

13 CHAIRMAN JABER: Thank you, Mr. Kunz.
14 Commissioners?

15 MR. BECK: Thank you. Our next witness
16 is Denise Leyshock.

17 THEREUPON,

18 DENISE LEYSHOCK

19 was called as a witness on behalf of the Citizens
20 of the State of Florida and, having been duly
21 sworn, testified as follows:

22 WITNESS LEYSHOCK: Hello. My name is
23 Denise Leyshock. It's L-E-Y-S-H-O-C-K. I'm here
24 to represent Ruth Eckerd Hall, the performing arts
25 center in Clearwater.

1 I'm actually here to thank Florida
2 Power. We are extremely appreciative of their
3 support. And for the many years since 1996, they
4 have been very gracious in support of our
5 educational programs and our performing arts
6 programs at Ruth Eckerd Hall. They continually
7 demonstrate their commitment to the culture and the
8 performing arts in our community.

9 Unfortunately, our executive director,
10 Kathy Rabon, R-A-B-O-N, was not able to stay. She
11 had an appointment. And I would like to read a
12 little something that she would like to say.

13 Ruth Eckerd Hall serves over 150,000
14 children a year in our facility. In many cases
15 this is the only opportunity these children have
16 for artistic education, and the demands of the
17 community continue to escalate.

18 Florida Power has stepped forward in
19 response to the community's demand for this
20 education and provided leadership support to meet
21 this critical need in our community. Florida Power
22 is dedicated to education, children, and families
23 in our community, and has demonstrated that support
24 through participation with countless organizations.

25 Not-for-profit associations like Ruth

1 Eckerd Hall rely on corporate leaders in our
2 community like Florida Power to fill the needs of
3 the families and individuals who live and work in
4 our area. Thank you very much.

5 CHAIRMAN JABER: Thank you, Ms. Leyshock.

6 MR. BECK: Thank you. Our next witness
7 is Tammy Castro.

8 THEREUPON,

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TAMMY CASTRO

10 was called as a witness on behalf of the Citizens
11 of the State of Florida and, having been duly
12 sworn, testified as follows:

13 WITNESS CASTRO: Hi. My name is Tammy
14 Castro, C-A-S-T-R-O. And I'm a resident at 9423
15 Seminole Boulevard, Apartment No. 7.

16 The week before Christmas, I got a bill
17 for \$843. I moved from a house in Seminole to an
18 apartment for low income. And in January I moved
19 in. They turned on my electric. I was paying
20 bills approximately from 10 to \$13 a month. And in
21 December they back-paid me for a year. They said
22 it was a faulty meter.

23 What they did was they changed the meter
24 in October, and then they billed me \$85 for
25 November, \$101 for December. Then they estimated

1 those and as how they estimated what I owed for the
2 past since I moved in in January.

3 When I called, they wanted -- they said I
4 should have noticed that the bills were so low.
5 But I didn't notice it because I went from a house
6 to an apartment. And I was told it had an energy
7 efficient on it, and so I really didn't know what
8 to expect. I moved -- you know, my bills at the
9 house were like \$85 a month. And I went to an
10 upstairs unit.

11 And when I called Florida Power, they
12 said, You should have noticed the kilowatts was
13 zero. And I don't look at it. I mean, it wouldn't
14 help me, you know, if you say I used 55 and I
15 wouldn't know whether I used 10. I mean, I'm
16 responsible for the bill, so I don't even look at
17 it. And on it, it showed zero amount used.

18 They said that basically that's when it's
19 zero, that's just someone's the resident there but
20 no one is like living there. A lot of times we
21 have snowbirds, and that's usually -- that's why I
22 had such a low rate bill.

23 But the meter was faulty when they first
24 came out and turned it on. And I have a problem
25 coming up with \$848. So they --

1 CHAIRMAN JABER: Ms. Castro, take your
2 time. While you're looking at your notes, let me
3 ask Mr. Springer to look at our back-billing rules
4 and make sure that the back-billing that was
5 conducted by Florida Power Corporation was done
6 consistent with our rules. They are allowed to
7 back-bill even if it's at their fault. I think
8 it's a 12-month period that they can back-bill for.

9 WITNESS CASTRO: Right.

10 CHAIRMAN JABER: So we'll look at that,
11 though, and make sure that they complied with our
12 procedure.

13 WITNESS CASTRO: I was told it was two to
14 three years from Florida Power.

15 CHAIRMAN JABER: No, it's 12 months.

16 WITNESS CASTRO: She said three. When I
17 called Public Service Commission, I put in a
18 complaint. They told me they could come back up to
19 12 years (sic). I put the complaint in --

20 COMMISSIONER BRADLEY: 12 months.

21 CHAIRMAN JABER: 12 months, you mean.

22 WITNESS CASTRO: 12 months, one year.

23 I'm sorry. And when I put the complaint in, she
24 called me back and said because I filed a complaint
25 with PSC, she could no longer handle it. It would

1 have to go to billing, and they would -- they would
2 contact me next week.

3 Got a call back a half an hour later. I
4 had asked her about I'd go 50/50 because I didn't
5 feel that I should have to pay it. And they were
6 like, Well, you used the electric. I'm like, okay.
7 That's even, 50/50. I used electric, but it was
8 your error. They wouldn't do it. They want
9 75 percent. So I agreed to that because I didn't
10 want my electric turned off.

11 CHAIRMAN JABER: Our staff tried to
12 mediate it for you.

13 WITNESS CASTRO: Yeah.

14 CHAIRMAN JABER: Mr. Springer, take a
15 look at the bills. Make sure that everything was
16 handled as it should be. But the other thing I'd
17 like for you to do is see Ms. Crump about the light
18 heat program and make sure that Ms. Castro has all
19 that information too.

20 I interrupted you.

21 WITNESS CASTRO: No. I just felt that,
22 you know, I shouldn't be responsible for your
23 faulty meters, that, you know, if this problem with
24 the meters, then they need to be checked routinely.
25 Somebody needs to come out and service those. When

1 they connected me, nobody noticed it was faulty at
2 that time? I mean, this is from the day I moved
3 in. So --

4 CHAIRMAN JABER: We will be looking into
5 that.

6 WITNESS CASTRO: Okay. Thank you.

7 COMMISSIONER BRADLEY: I have a question
8 of Florida Power & Light. What type of controls do
9 you-all have in place as it relates to checking
10 your equipment to ensure that the equipment is not
11 operating improperly, quality -- this is a quality
12 control issue question.

13 MR. LEWIS: In regards to equipment for
14 meters, which is, I guess, appropriate to talk
15 about now, it's normally our customers inform us,
16 that's one way, and secondly, our meter readers
17 themselves every month read every meter if they're
18 able to based on the circumstances. And in that
19 process, they should check, visually check the
20 meter, make sure the seal is still connected. And
21 so that's the metering process regarding validating
22 the reliability of the meter.

23 CHAIRMAN JABER: Mr. Beck.

24 MR. BECK: Thank you. Joe Burdette.

25 THEREUPON,

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JOE BURDETTE

was called as a witness on behalf of the Citizens of the State of Florida and, having been duly sworn, testified as follows:

WITNESS BURDETTE: Good afternoon, or early evening, as it's getting to be. Couple of things I'd like to say. First off, I've been here a pretty long time, and I think I've heard a lot of things, but not a whole lot about rate. I've heard things about meters, I've heard things about service, and those are things that, yes, they're serious and people need to have those corrected. And Florida Power, I'm sure, will see that those things are corrected.

I heard at the very beginning of this meeting that we were here because Florida Power made too much money. That kind of made me angry. I'm thinking, okay, my service is fine, we're doing great.

Reliability, I live in a hurricane zone. I want to make sure they have enough trucks. Do I want to do business with a company that doesn't make money or makes money? I want to do business with a company that makes money. And that was said earlier, and I say it again because sometimes

1 repetition is a form of emphasis.

2 I really want to hear today is I think
3 one of the things I want to do -- and I don't mean
4 to -- and this is kind of like advice, is
5 criticism, so far the idea that you can talk up
6 here for as long as you want to, there have been a
7 lot of people here today that came meaning well and
8 wanting to speak, but they had to leave. They had
9 no idea.

10 They thought it was like perhaps any
11 municipal hearing where you get three minutes, five
12 minutes, and they would have had a chance to speak.
13 A lot of those people were here on behalf of
14 Florida Power, some probably weren't, but I think
15 you need to look at your system that keeps -- and
16 cut these things down to where you can say what you
17 have to say in three minutes.

18 Yes, I want lower utility rates. I want
19 lower taxes too. But what cost? The City -- I'm
20 going to give you an example. The City of
21 Clearwater -- none of the officials are here. They
22 left. So I can -- I can do this.

23 CHAIRMAN JABER: Mr. Burdette, let me
24 interrupt you for just a minute. Spell your last
25 name.

1 WITNESS BURDETTE: Oh, B-U-R-D-E-T-T-E.

2 CHAIRMAN JABER: And you're a customer of
3 Florida Power?

4 WITNESS BURDETTE: Yes. Yes, I am. And
5 for the last nine years, Clearwater has not raised
6 their taxes because it's the politically right
7 thing to do. Come here in a thunderstorm, people,
8 see what our streets look like. They don't have
9 the money to do infrastructure. They don't raise
10 their tax -- probably be next year. It won't be
11 this year because it's an election year. So we
12 won't get taxes raised.

13 I'm glad they got surplus. I want them
14 to have that money because we haven't been hit with
15 a hurricane in a number of years, and knock on
16 wood, and we're all -- but it's going to happen,
17 and it's going to be a big one, and they're going
18 to be prepared for it, and I'm glad they are.

19 They're lowering the rates, they've said
20 they are, and I'm happy for it. And I think
21 they've been a great community -- great company to
22 have in this community. You've heard -- again, I'm
23 just repeating things you've heard. That's why I
24 say the five-minute rule works perfect.

25 You've heard what they do for the

1 community, and I'm thankful to have them as part of
2 this community.

3 CHAIRMAN JABER: Thank you, Mr. Burdette.

4 MR. BECK: Cindy Nelson.

5 THEREUPON,

6 CINDY NELSON

7 was called as a witness on behalf of the Citizens
8 of the State of Florida and, having been duly
9 sworn, testified as follows:

10 WITNESS NELSON: Hi. My name is Cindy
11 Nelson. It's spelled N-E-L-S-O-N. And I live at
12 1101 Victoria Drive in Dunedin.

13 And I also don't have a problem with your
14 corporation making money and servicing and that
15 kind of thing. There are a few things I did want
16 to bring up that I've run into that on the, you
17 know, personal relations end of it and an equity
18 point.

19 On the equity point, I'm in an
20 apartment. Actually, I'm from out of state. I'm
21 from Canada, so I'm not used to the rates and
22 things here, and I lived -- I'm just here
23 temporarily.

24 So in my apartment for the last three
25 months, my bills have been 35.60, 33.51, and

1 26.57. But I took this apartment over from a
2 friend of mine. And so I took it over mid her
3 lease, so she made the original arrangements with
4 Florida Power.

5 And when I was going to take over her
6 lease, I was told I had to pay a \$200 deposit to
7 Florida Power. And I think that's not equitable
8 that I be asked to put that large a deposit down in
9 comparison to these bills. And I know that these
10 are fall bills, but the summer bills, I think there
11 was a \$65 one, and I forgot to turn off the air
12 conditioning, which we're not used to, coming from
13 Canada; right? So we learned that lesson the hard
14 way. But I just think that a \$200 deposit is not
15 required.

16 I also feel that I am not required to
17 have to pay a deposit like that because I'm a
18 homeowner in Canada. My son goes to private
19 school. My husband and I are down here on various
20 affairs that we're down here for, but, you know,
21 it's not like we're, you know, criminal or a bad
22 risk or something like that. And I've never had to
23 do this before to pay a deposit like that.

24 So I thought that was a little bit -- I
25 think that's inequitable and that should be

1 reviewed in comparison to the amounts that the
2 person pays for their bill.

3 The second thing I want to bring up was
4 an incident that I had that is still in the course
5 of being resolved. When my friend's lease was up,
6 and so I said I was going to take over the lease,
7 and I started making arrangements to take over the
8 power bill.

9 And I was told that I had to show a
10 notarized statement of my lease in order to take
11 over the bill. And I went, well, how am I going to
12 do that? So I went, well, I'll wait until she
13 comes back -- she was out of town -- and then she
14 can just make the arrangements.

15 So when she came back, it was a Wednesday
16 night, she called and said that, you know, she
17 wanted to transfer the bill over to my name. And
18 they said, Fine, we'll do it on Friday, they'll
19 change the power.

20 Then she called me back and she said, You
21 need to come up with a \$200 deposit. And I go,
22 Really? This isn't pay week for us. The pay week
23 was the next week. So I said, Call them back and
24 say we're not going to do it this week because I
25 don't have the money for it this week.

1 So she did. She asked the person on the
2 phone, Do I need to, you know, have your name or
3 any authorization number? Says, No, no, don't
4 worry about it.

5 So Friday night 11:00 at night, my
6 husband and I come back home. He hasn't had dinner
7 yet. And the lights don't go on. So I spent -- of
8 course, I couldn't use the phone either, so it was
9 80 minutes of cell phone time that I spent dealing
10 with people at Florida Power trying to find out
11 when I can get my power turned back on because it
12 wasn't -- it wasn't our mistake.

13 It wasn't like we didn't pay the bill or
14 something. It was it wasn't supposed to be
15 switched yet. And we were told it's not going to
16 be switched, it's going to be kept under the same
17 arrangements.

18 I was basically talked to like I wasn't
19 telling the truth. So I went, okay, well, I can
20 deal with this. So I just kept working out
21 arrangements, how can we do this, how can we work
22 this out.

23 So finally I called my friend who the
24 power was under and I said, Would you please call
25 and, you know -- anyway, she was already asleep.

1 She had to be up at 5:30 the next morning -- this
2 was after midnight -- to go to work. So I left a
3 message on her cell phone. I called back Florida
4 Power.

5 In the course of talking to them, I heard
6 that there was a call coming in on my cell phone.
7 And so as soon as I could get off, I tried catching
8 the phone, and I couldn't get the call. So I
9 called back Florida Power and I spoke to a
10 supervisor and I said, Did Maryanne call? And she
11 went and checked and she said, No, she didn't call.

12 So I got off the phone again. I called
13 her, woke her up, said, Could you please call. And
14 she said, I did call, and they told me -- now, this
15 was a Friday night, Saturday morning -- they told
16 me that they would not turn on the power until
17 Monday morning. I had a fridge full of food, a
18 hungry husband. And that it didn't matter what
19 anybody did, the power was not going to go on until
20 Monday. And she said she begged and pleaded --
21 those were her words -- and it wouldn't go on.

22 So I called back, spoke to the supervisor
23 and said, This needs to get handled, you know. And
24 I said, And she did call, and you told me that she
25 didn't. So finally we got it sorted out, and 6:00

1 the next morning the power did go back on.

2 So the next morning I called to find out
3 like why did this happen. And I was told in the
4 course of having this conversation that the
5 following note was put on my friend's record. That
6 "19 October 2001, 11:57 p.m. Female caller
7 roommate fraudulently stated that she was
8 Ms. Moore. Reconnect order voided." And that was
9 on her record.

10 Now, she's not my roommate. My husband
11 is my roommate. They have very different voices.
12 You couldn't mistake them. And I was like really
13 shocked that it was said fraudulently stated that
14 she was who she really was.

15 So I called her up and I said -- I said,
16 Didn't you give them your social security number?
17 And she said, yes, she did. So I just found this
18 really shocking. So I decided that I was going to
19 call -- write to customer services. I put a
20 three-page document together. I got it notarized.
21 And I sent it in.

22 I got an answer back. It said that they
23 would cancel the reconnect charge, that if I
24 provided the data on the cell phone charges, they
25 would take care of that. But there was no word

1 about this fraudulent note. So I think that that
2 should be handled. I don't know how to address
3 that. I'm going to keep working on it.

4 But I really felt -- the impression that
5 I had afterwards was what kind of a place is this?
6 It's like, you know, I just really felt like I was
7 treated and considered a criminal, and I'm really
8 not.

9 So and then -- and then there were other
10 inconsistencies. Like my mum is down here now, so
11 I got an apartment for her. For me to change the
12 power into her name, I did not have to provide a
13 notarized statement of a lease. I did not have to
14 have the previous occupant call. I didn't have to
15 do anything. I just called up and said, I would
16 like the power turned on such-and-such a date for
17 this person, and here is, you know, the credit card
18 number, and it was hunky dory.

19 So there are inconsistencies. And I got
20 really confused because the more I tried to find
21 out what am I supposed to do to get the power
22 turned on in my place under my name, the more
23 confused I got.

24 So the power still is not under my name.
25 I don't particularly care. I pay all the bills.

1 The bills come to my house under her name. I pay
2 them.

3 CHAIRMAN JABER: Ms. Nelson, let me --
4 let's try to get some answers to the basic
5 question, which is the differential or the
6 difference in the deposits. If it's a new tenant,
7 is that the same deposit as a tenant taking over a
8 lease, Mr. Flynn? Anyone. If you don't know
9 today, I want someone to get back to Ms. Nelson.

10 MR. LEWIS: We can find out for you, but
11 just to let you know that I believe it is the
12 same.

13 CHAIRMAN JABER: All right. But let's do
14 a written response to Ms. Nelson, carbon copy the
15 Commission. I'd like to know what that answer is.
16 And to the degree there are differences, you know,
17 explain to all of us what those differences are.

18 And did I hear you say that they did
19 credit the reconnect fee and they also paid your
20 cell phone bill?

21 WITNESS NELSON: Well, apparently they
22 will. I just need to get them the information on
23 that. But I really want that -- I mean, my friend
24 does not have a bad credit rating. I don't want
25 this on her record. And, you know, I want to know

1 that that's being taken care of. And I have no
2 information that that's going to be dealt with.

3 MR. LEWIS: We can assure you that that
4 will be removed from the records. And it's also,
5 Commissioner, Chairman, they are the same. Okay.

6 WITNESS NELSON: So what is it that I
7 have to do to change?

8 CHAIRMAN JABER: The deposit -- with
9 respect to the deposit, that will be held for -- is
10 it a 12-month period or 24-month period? 24-month
11 period, and it will be returned to you after a
12 showing that you're making payments on time.
13 That's -- it is Florida practice. They are allowed
14 to collect that deposit pursuant to our rules.
15 Okay. Now, with respect --

16 WITNESS NELSON: The previous tenant --
17 the previous tenant did not have to pay a deposit.

18 CHAIRMAN JABER: She would have had to
19 pay a deposit.

20 MR. LEWIS: Or receive a reference from
21 another utility. There's multiple ways to obtain
22 service. One is deposit, a cash deposit. Another
23 is a utility reference from maybe another utility
24 such as maybe Tampa Electric or some other
25 location. So there's ways we can provide service

1 without a deposit, but in some cases we do require
2 a cash deposit.

3 WITNESS NELSON: Well, you know, fair
4 enough. I mean, you know, not being here before
5 and you don't know how I operate. That's fine.
6 Like I said, I don't mind that you make money that
7 you service, and, you know, I just don't have a
8 problem with that, but I just got so confused and I
9 just got so many conflicting reports every time I
10 called, what do I have to do to do this, and the
11 requirements were sometimes a little bit out of
12 line.

13 CHAIRMAN JABER: Ms. Nelson, I think one
14 of the things that would be most helpful to you and
15 certainly to the company, because they need this
16 feedback, is to sit down with someone right after
17 you're done testifying and show them the
18 documentation that you have. It sounds like you've
19 well-documented even the names of the people you
20 spoke to. Give them that kind of feedback. Let
21 them look at the history of the location and why
22 there was a discrepancy in the deposit.

23 WITNESS NELSON: Okay. Fair enough.

24 CHAIRMAN JABER: Okay. Thank you,
25 Ms. Nelson. Mr. Beck, how many customers?

1 MR. BECK: 20 more customers.

2 CHAIRMAN JABER: Five minutes? We will
3 take a very short break for the court reporter.

4 (Brief recess.)

5 CHAIRMAN JABER: Let's go ahead and get
6 started. Before we take the next customer, I need
7 to announce that our second service hearing tonight
8 starts at 6:00 p.m. in St. Petersburg. So if you
9 see the Commissioners rush the comments a little
10 bit, you'll know why. We will attempt to conclude
11 this service hearing by 4:00.

12 Mr. Beck, go ahead and call your next
13 witness.

14 MR. BECK: Thank you, Madam Chairman.
15 Mike Meidel.

16 THEREUPON,

17 MIKE MEIDEL

18 was called as a witness on behalf of the Citizens
19 of the State of Florida and, having been duly
20 sworn, testified as follows:

21 WITNESS MEIDEL: Good afternoon. I'm
22 Mike Meidel. I'm the president of the Clearwater
23 Regional Chamber of Commerce. And I just want to
24 say a few words on behalf of Florida Power.

25 They've been excellent corporate

1 citizens, extremely active in the community,
2 serving on many boards and providing a lot of
3 leadership for local community efforts and
4 nonprofit organizations, especially in the areas of
5 economic development and education, very key
6 important areas in our economy to help boost the
7 overall quality of life for our area. They're
8 working hard on that.

9 And they provide significant donations,
10 as mentioned earlier, donations and contributions
11 to nonprofit organization, which, incidentally,
12 come out of the stockholders' pockets, not out of
13 the ratepayers'.

14 You've also heard earlier about Bill
15 Habermeyer's face-to-face meetings with residential
16 customers. I want to let you know also that he's
17 been meeting with commercial industrial customers
18 on a regular basis as well to just a question and
19 answer period for them to raise their concerns
20 about what's going on, the rates, the reliability,
21 anything. It's really a wonderful session,
22 completely open, and he does an excellent job of
23 answering all the questions of the folks gathered
24 together there.

25 Also, I wanted to get a little bit of a

1 clarification. From what I understand, the 13.2
2 percent rate of return is a cap. It just means
3 they can't earn any more than that. It doesn't
4 guarantee them that return. They can lose money if
5 they -- if they don't do the job right; is that
6 correct?

7 MR. BECK: No.

8 WITNESS MEIDEL: How does that work?

9 CHAIRMAN JABER: If you're referring --
10 if you're referring to the 13.2 percent return on
11 equity that they've requested, you are right that
12 they are not supposed to earn outside their
13 authorized range of return, but to the degree
14 utilities earn below that, they usually file for a
15 rate increase.

16 WITNESS MEIDEL: Rate increase. Okay.
17 It's representing just the Clearwater business
18 community in general, I'd like to say that low
19 rates are not the only thing we're concerned
20 about. We are very thankful for the low rates, and
21 obviously that helps the bottom line of any
22 business.

23 But factored in with that and balanced
24 with that is the importance of reliability and the
25 availability of power. Reliability is key. I

1 mean, you can walk through any office, that open
2 office complex where you hear of all the cubicles.
3 If they have a little glitch in power, you'll hear
4 a collective scream or groan because everybody has
5 lost their productivity, that afternoon's word
6 documents or what have you.

7 And it's very important, even in the
8 smallest business, to have steady source of power.
9 And we don't want to reduce rates to the point
10 where it jeopardizes the ability of Florida Power
11 to continue their improvements in reliability, and
12 we are thankful for the improvements. We have seen
13 that 30 percent increase improvement in reliability
14 over the past five years or so, and we're looking
15 forward to further improvements.

16 We're also -- every company is concerned,
17 especially the large power users, that Florida does
18 not duplicate the problem that occurred in
19 California. And I'm thankful to you as
20 Commissioners and the work you've already done to
21 prevent that.

22 And, again, I want to urge you to
23 continue to support the power companies in their
24 efforts to provide reserve power, to construct the
25 generation that's needed. And, again, don't reduce

1 the rates to the point where we jeopardize the
2 power reserves and reliability issues. So with
3 that, I thank you for the opportunity to speak.

4 CHAIRMAN JABER: Thank you, Mr. Meidel.

5 MR. BECK: Thank you. Bill Newton.

6 COMMISSIONER BRADLEY: I have a question
7 that ties into what the past gentleman -- past
8 gentleman's presentation, ties into his
9 presentation, that is. And this is something I'd
10 like for the company to help me with.

11 At the top of our agenda and one of the
12 statements that you-all made the statement that --
13 the company did -- that your intent is to decrease
14 rates by a certain dollar amount. My question is
15 this: How would a \$7.5 million fine impact your
16 ability to reduce those rates that you're going to
17 pass on to the customers?

18 And that may be something -- I'm just
19 trying to crunch the numbers in my mind as we deal
20 with this whole issue of rates and concerns that
21 have been put forth today by the public, and what
22 the concerns are as it relates to the Florida
23 Power, that is, as it relates to maintaining
24 solvency.

25 And that may be -- that may not be

1 something that you can address right off today or
2 right off your head, but at some point I would like
3 to have someone interface with that question.

4 MR. FLYNN: We would certainly be happy
5 to address that.

6 CHAIRMAN JABER: Mr. Beck.

7 MR. BECK: Mr. Newton.

8 THEREUPON,

9 BILL NEWTON

10 was called as a witness on behalf of the Citizens
11 of the State of Florida and, having been duly
12 sworn, testified as follows:

13 WITNESS NEWTON: Thank you. I'm Bill
14 Newton. I'm the interim executive director of the
15 Florida Consumer Action Network. We have 40,000
16 members throughout Florida and thousands of members
17 in the Florida Power rate area.

18 Our -- we have several issues that I'd
19 like to address today, but first of all, Florida
20 Power's rates have consistently been amongst the
21 highest in the state, and it's just recently that
22 TECO edged them out, for the record, but I think
23 over time we're going to see that record come back
24 to Florida Power. So perhaps today we can do
25 something about getting those rates a little bit

1 lower.

2 First, we're concerned about the premium
3 that's being paid on the sale of the company to
4 Carolina Power & Light. We oppose having the
5 ratepayers have to pay a premium to Carolina
6 stockholders. We think that's highly
7 inappropriate.

8 If the ratepayers have to pay to sell the
9 company, then we'd have just as soon kept the
10 company rather than have to pay that. We do not
11 think it is in the best interests of the ratepayers
12 to pay this premium. So we'd ask that you reject
13 that.

14 The second issue, the rate of return on
15 equity. The company's proposed rate of return of
16 13.2 percent with an incentive plan that actually
17 means that the real rate of return is probably
18 likely to be 14.2 percent, and can even go above
19 that, is outrageous. That's extremely high.

20 I can go down to the credit union and get
21 about 3.5 percent for my investment. In the times
22 that we have now, it's very difficult. So for them
23 to ask for this very high rate is beyond -- well,
24 it's too much.

25 So what we would recommend is a rate of

1 about 9 percent. We think that is much more
2 reasonable in these times that we lower the rate of
3 return on equity.

4 Our third issue is with the incentive
5 plan that allows them to go beyond the
6 13.2 percent. It seems to us that that doesn't
7 work in favor of consumers in any way. First of
8 all, the first percent goes completely to them. It
9 seems that we should invert that so that consumers
10 would benefit more from it, and that the company
11 would have to work harder to get the incentive.

12 So that perhaps it would start out for
13 the first percent above 14 percent would go back to
14 the ratepayers instead of to the company or perhaps
15 20 percent to the ratepayers and it would get -- it
16 would get easier for them above that rather than
17 the way it is turned on its head. It seems to be
18 the opposite of the kind of incentive that is
19 needed.

20 Our concern would be that by having the
21 sort of incentive plan in place where they can
22 achieve an even higher return, this 14 percent or
23 even higher, what they might do is cut service even
24 further in order to make this extra profit, and
25 that you'd have even more complaints when you come

1 back here for your next service hearing.

2 So let's get some real savings for
3 consumers. Let's lower the rate of return and
4 change the incentive plan so it will benefit the
5 consumers in the district. Thank you very much.

6 CHAIRMAN JABER: Thank you, Mr. Newton.

7 MR. BECK: Thank you. Mayor DiNicola.

8 THEREUPON,

9 MAYOR BOB DINICOLA

10 was called as a witness on behalf of the Citizens
11 of the State of Florida and, having been duly
12 sworn, testified as follows:

13 WITNESS DINICOLA: Chairman,
14 Commissioners, staff, Florida Power. Welcome home,
15 Rudy, senator.

16 COMMISSIONER BRADLEY: It's nice to be
17 here.

18 WITNESS DINICOLA: When I moved here in
19 '78, I was a little apprehensive about giving up
20 VPCO, Virginia Power Company, for the service I got
21 because it was excellent service. The only thing I
22 had to complain up there was a squirrel would get
23 up in the transformer and knock out the lights, and
24 they would fix them in an hour. So I was a little
25 apprehensive when I came to Florida.

1 Well, much to my dismay, Florida Power
2 has worked just as well as VPCO, in my opinion.
3 When I first moved here, my lights flickered at
4 night. I'd be sitting in there reading, and my
5 lights would start flickering. I got on the phone,
6 called Florida Power. They were there within a
7 couple days to fix my lights.

8 I had a power line running across my
9 driveway messing up my cars. It took them a couple
10 months because they told me it would take a couple
11 months to fix it because of time schedule, but they
12 came in and moved that line for me so it kept my
13 cars clean and kept my house clean.

14 Florida Power has been just tremendous as
15 a partner in the communities. Down on the
16 beaches -- I don't know if the Commission is aware
17 of this -- down on the beaches we have ten beaches
18 down there, and as a partnership that we formed
19 with them and Florida Power with Michael Beer and
20 Nancy Beck in the back and what have you, they have
21 actually gotten the telephone company and Time
22 Warner and Florida Power to go into the same ditch
23 to give us underground utilities on the beach.

24 So I'm appalled when I hear people come
25 up here and complain about the lack of response

1 they get from Florida Power. Maybe it's their
2 attitude that when they call up, they are
3 demanding. I don't know what it is.

4 But -- and believe me, this happened
5 before I was mayor, although I've been the mayor
6 for 16 years, so maybe they know who I am, I don't
7 know, but I doubt it. I don't tell them who I am.
8 But I get response just like that. And my
9 neighbors call me, and I says, okay, I'll take care
10 of it.

11 As far as the lights are concerned, maybe
12 you're lacking the communications by not letting
13 the people know that the pole lights -- all you
14 have to do is get that little silver number off the
15 pole and call up and say my light is out on my
16 street pole, and they're there the next day.

17 So without taking up any more of your
18 time, I really appreciate the time that you people
19 are putting in down here, and I want to thank you
20 and congratulate you. And Rudy, hope to see you
21 again.

22 CHAIRMAN JABER: Mr. Mayor, actually, I
23 think Commissioner Bradley has --

24 WITNESS DINICOLA: Oh, I didn't pronounce
25 my name. DiNicola, D-I capital N-I-C-O-L-A.

1 CHAIRMAN JABER: And I think Commissioner
2 Bradley has a question.

3 COMMISSIONER BRADLEY: Yes. Thank you,
4 Mr. Mayor. It really is nice to be home.

5 WITNESS DINICOLA: Sure is.

6 COMMISSIONER BRADLEY: This is a lovely
7 area, I'll tell you. And you just generated
8 another question, though, when you said underground
9 facilities versus aboveground facilities. I'm
10 thinking about infrastructure now.

11 And I'd like to know if it's at all
12 possible for us to get some information as it
13 relates to complaints and grid areas and to compare
14 those areas in terms of what the infrastructure
15 actually is, is it aboveground or underground and
16 where the complaints are being generated in terms
17 of the type of infrastructure. Do you understand
18 my question?

19 MR. LEWIS: Yes, I do. And I think we
20 can gather that information for you. Let me
21 clarify though. You would like to categorize the
22 complaints from overhead facilities compared to
23 underground facilities, the number of complaints in
24 each of those categories; is that right?

25 CHAIRMAN JABER: As we've heard today.

1 COMMISSIONER BRADLEY: Yes. For the ones
2 we've heard today.

3 MR. LEWIS: Today. Okay.

4 CHAIRMAN JABER: For the customers that
5 testified today, can you make a comparison with
6 respect to whether they're served from underground
7 facilities or overhead.

8 MR. LEWIS: Yes.

9 WITNESS DINICOLA: We don't have
10 underground yet. We're working on it and with the
11 hope that it starts within the next couple of years
12 when they're doing reclaimed water so you can open
13 one trench and dump everything in it.

14 So with that, you know, Rudy, I don't
15 have to tell you, we depend on tourists to keep
16 Pinellas County and the rest of Florida viable and
17 keep our taxes low. And our main object is to
18 beautify Gulf Boulevard to bring people to the west
19 coast of Florida.

20 So this is why Florida Power has been a
21 very instrumental part of our operations, and I
22 want to thank them. And thank you guys.

23 COMMISSIONER BRADLEY: Thank you,
24 Mr. Mayor.

25 MR. BECK: Anne and Anthony Fusco. Is

1 Anne or Anthony Fusco here? Joseph Cashman?
2 Joseph Cashman? Pat Makara? Laura Kinnaman?
3 THEREUPON,

4 LAURA KINNAMAN

5 was called as a witness on behalf of the Citizens
6 of the State of Florida and, having been duly
7 sworn, testified as follows:

8 WITNESS KINNAMAN: My name is Laura
9 Kinnaman, K-I-N-N-A-M-A-N. Can everybody hear me?

10 First off, I want to complain about the
11 rate increase. I think it's ridiculous the 13
12 point something percent. Nobody else is getting
13 that kind of return on their money.

14 And, two, on the fuel adjustment charges,
15 the fuel rates have gone down the lowest they've
16 been in a long time. Has the Public Service
17 Commission made any effort to do anything about
18 reducing the fuel charge increase?

19 Some of the questions I'm talking --
20 asking may have been answered by other people. I
21 have a hearing problem, and I couldn't hear most of
22 what other people were saying, including his speech
23 to start with. And it isn't your fault, it's mine.

24 But I noticed that the airline companies
25 and others, that their rates have not gone down

1 either even though the rates for gasoline have gone
2 down, the price of oil.

3 And I'm originally from Indiana. And
4 I've been here, down here about five years. And
5 I'm concerned about I can't understand why the
6 rates are so high in Florida. We supposedly have
7 nuclear power plants.

8 My daughter still lives in Indiana. And
9 she has a living room, dining room, kitchen, bath
10 downstairs, three nice size bedrooms and a bath
11 upstairs, a full basement. All that's heated and
12 air conditioned. And for 829 kilowatt-hours, I pay
13 \$90.55. For 1,441 kilowatt-hours, she pays \$88.16,
14 which is less than I pay for 829.

15 Something -- I can't understand it. I
16 hope somebody can explain it to me.

17 CHAIRMAN JABER: Ms. Kinnaman, with
18 respect to the fuel adjustment charge you were
19 asking about, yes, every year -- every year the PSC
20 has a proceeding to look at the level of fuel
21 charges that are passed on to the consumers. And
22 we just finished that process last November. And
23 Florida Power Corporation has, in fact, passed a
24 credit to the consumer.

25 And remind me what the amount was,

1 Mr. Flynn, because it's not coming to me right now.

2 MR. LEWIS: \$65 million annual
3 reduction.

4 CHAIRMAN JABER: So it's a \$65 million
5 annual reduction that they have made or are in the
6 process of making because of the fuel adjustment
7 reduction.

8 With respect to the differences in the
9 rates between your daughter's electric service and
10 yours, a very simple explanation would be that
11 every company has different investment, different
12 expenses, and the rates that we set are based on
13 the level of expenses that that company has.

14 But I really want our staff to sit down
15 with you and walk through a more specific
16 explanation, and they can help you with looking at
17 your bill and walking you through your bill.
18 Mr. Springer.

19 WITNESS KINNAMAN: That would certainly
20 help because I'm concerned with how much expense
21 and so forth that the company -- how much money
22 they have to be spending.

23 And while I'm all for giving to
24 charities, and I give myself, when they're handing
25 it out, they're handing out somebody else's money

1 and raising my fuel bill. And I just think that
2 the rates are ridiculous.

3 CHAIRMAN JABER: Ms. Kinnaman, thank you
4 for being here.

5 WITNESS KINNAMAN: What will the new rate
6 for the fuel charge be?

7 CHAIRMAN JABER: Do you have the actual
8 level with you?

9 MR. FLYNN: I don't have the actual cents
10 per kilowatt-hour, but we can provide it.

11 WITNESS KINNAMAN: You don't know what
12 your fuel charge rate is going to be when it's
13 reduced?

14 MR. FLYNN: I don't have it right in
15 front of me today, no. I know it's \$65 million a
16 year.

17 WITNESS KINNAMAN: Beg your pardon? I'm
18 not referring to the big -- the overall total. I'm
19 talking about the amount that's going to show up on
20 my bill.

21 MR. FLYNN: It's already been reduced,
22 and it's \$65 million that will be going back to
23 customers through the course of the year, but I
24 don't have the exact rate. It varies --

25 WITNESS KINNAMAN: Well, when you're

1 talking about that much money, it doesn't amount to
2 a whole lot when you talk about the number of
3 customers --

4 CHAIRMAN JABER: Ms. Kinnaman, what we'll
5 do --

6 WITNESS KINNAMAN: -- Florida Power has.

7 CHAIRMAN JABER: Ms. Kinnaman --

8 WITNESS KINNAMAN: That's why I was
9 asking what the rate would be. And I would think
10 they would know it.

11 CHAIRMAN JABER: Ms. Kinnaman, what we'll
12 do is make sure that they actually give you the
13 exact rate credit per customer specifically per
14 your account. Because they weren't prepared, as we
15 weren't prepared, to talk about that today, we
16 didn't bring that number with us. But we will
17 definitely make sure that you have it in the next
18 day or two.

19 WITNESS KINNAMAN: Okay. I just couldn't
20 understand why they wouldn't have the figure with
21 them.

22 CHAIRMAN JABER: Thank you, Ms. Kinnaman.

23 MR. BECK: Thank you. The next witness
24 is Ronald Diekmann.

25 THEREUPON,

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RONALD DIEKMANN

was called as a witness on behalf of the Citizens of the State of Florida and, having been duly sworn, testified as follows:

WITNESS DIEKMANN: Hello. My name is Diekmann, Ronald Diekmann, D-I-E-K-M-A-N-N, at 2947 Sunset Point Road in Clearwater.

Aren't these rates regulated? So when you get a refund, that's just sort of a normal process, isn't it? Same as a rate increase.

One thing I was trying to figure out is why they have a toll call when you want to call customer service? That's just about all the other companies I ever call, they always got an 800 number.

The main reason why I came here was interruption of service. And the type of service interruptions I was experienced was mainly like somebody just flipped a switch on and off. And every time I'd complain, finally they'd send a guy out, and then they'd say it's a new construction, new home.

And they even told me to get the electric company out there and check it out. And so the electric company come out and says, no, it's within

1 Florida Power.

2 So after a while then they started giving
3 me the excuse of squirrels. And I started walking
4 around the neighborhood looking for all these dead
5 squirrels because I'd have interruptions maybe
6 twice a day, sometimes twice a week, and then maybe
7 go two weeks I wouldn't have any.

8 And I did get a letter from some lady
9 from the company. And I don't know what I did with
10 that letter, tell you the truth. I think I've
11 still got it. But the point is that when I had
12 this trouble back north, it would last for maybe
13 hours, and then it would be the same excuse,
14 squirrels.

15 So I'm trying to get this straightened
16 out here why it's an on/off switch. But I'm not
17 too worried about going around pressing buttons
18 resetting clocks and stuff like that. I'm worried
19 about what it can do to my air conditioning.

20 Because when I tried to get in that --
21 what's that thing they have when you can save --
22 they can cut your power down during the hot demand?
23 They couldn't do it to mine because my air
24 conditioning unit.

25 So I'm worried that this on and off stuff

1 is going to somewheres down the road cost me a lot
2 of money for my air conditioning or my other
3 appliances. I know one time years ago, I
4 accidentally turned the TV switch off and turned it
5 back on, and it blew something.

6 So even if it's just for a split second,
7 which I think most of these are -- I think maybe
8 one or two times I had a little bit longer than
9 just an on and off thing. But I don't know. I
10 just don't want to be five years down the road
11 buying a new air conditioning unit and they're
12 telling me that there's nothing they can do about
13 it.

14 CHAIRMAN JABER: Have they actually come
15 to your home to look at the cables?

16 WITNESS DIEKMANN: Yes, definitely they
17 have several times because I complained quite a
18 bit.

19 COMMISSIONER PALECKI: Mr. Diekmann, did
20 you say what neighborhood you lived in, and did you
21 notice if any of the other customers that had the
22 exact same problem are from the same neighborhood?

23 WITNESS DIEKMANN: Yeah, and they
24 don't -- they don't seem to worry about it. I
25 don't know why. But I was worried because I got

1 new equipment, and they couldn't hook me up to this
2 energy thing for when there's excessive amount of
3 power usage, and they would cut your power.

4 And I figured, well, if they can't do it,
5 that it's going to hurt my -- because the guy came
6 out to check my equipment and set me up for that,
7 and he said he couldn't do it because the air
8 conditioning unit.

9 So this little intermittent off and on
10 stuff is not doing my equipment any good. And I'm
11 seriously concerned about that.

12 COMMISSIONER PALECKI: And what
13 neighborhood do you live in?

14 WITNESS DIEKMANN: I'm between McMullen
15 Booth and 19 on Sunset Point. That's close to
16 Countryside. I don't think we have a neighborhood
17 over there.

18 COMMISSIONER BRADLEY: Is your
19 infrastructure aboveground or underground?

20 WITNESS DIEKMANN: It's underground. And
21 they charged me for it. And I asked them and the
22 City of Clearwater why I was being charged for
23 something that I didn't have no -- I couldn't see,
24 I wanted aboveground because I don't want to be
25 charged the \$359, I think it was.

1 And I don't know, I just -- I just think
2 that that's something that they should know that
3 I'm concerned about how, but how are we ever going
4 to get that straightened out if my unit goes out
5 some day permanently?

6 CHAIRMAN JABER: Mr. Diekmann, let me do
7 this: Let me ask Mr. Flynn to make sure one of
8 your engineers inspects the cables, takes a look at
9 what the situation is in that neighborhood overall.
10 And please make sure that the Commission and
11 Mr. Diekmann -- have someone definitely contact
12 Mr. Diekmann to let him know what the results were.

13 MR. FLYNN: I'll do that. I'll make sure
14 one of our customer service folks hooks up with
15 Mr. Diekmann before he leaves today.

16 CHAIRMAN JABER: With respect to the toll
17 call number, do you not have an 800 number for
18 customer service?

19 MR. LEWIS: Yes, we do.

20 CHAIRMAN JABER: All right. Make sure --

21 MR. LEWIS: And we need to get you that
22 number, by the way.

23 WITNESS DIEKMANN: Well, when we get a
24 bill, it's not on there. It is -- there is an 800
25 number, but it's not for just a complaint like

1 that, you know, just to get customer service. I
2 think it was a 243 number. I had it memorized for
3 a while.

4 CHAIRMAN JABER: Let's make sure your
5 toll-free number is adequately stated on your
6 bills.

7 MR. LEWIS: And we have a card for you as
8 well that we can give you today to make sure that
9 number is there for you, okay?

10 WITNESS DIEKMANN: But I haven't seen all
11 these dead squirrels yet. I've been kind of
12 searching around.

13 COMMISSIONER PALECKI: Mr. Diekmann, let
14 me ask you a question.

15 WITNESS DIEKMANN: Sure.

16 COMMISSIONER PALECKI: If you have
17 underground utilities, has the company explained
18 how squirrels could affect the underground wiring?
19 Because I've always -- I've always seen the
20 squirrel problem with above, you know, normal power
21 poles when the squirrels can run on it.

22 WITNESS DIEKMANN: Well, you know, I was
23 just -- I was wanting to accept that and just
24 forget the whole thing, and then it dawned on me
25 when they couldn't hook me up for that energy

1 saving thing when there's excessive amount of usage
2 of power, I says, wait a minute, they couldn't do
3 it because it's going to hurt my air conditioning
4 unit. So and it's brand-new, you know. I moved in
5 in August of last year.

6 And I says, well, I don't want to be
7 buying a new unit in a couple years and then I
8 can't go back to them and say -- that's why I'm
9 here, because I want to make sure they know that
10 I'm cognizant of the fact that this is a problem
11 that I'm going to have one of these days. Because
12 you just can't -- by their own people that they
13 sent out, that's why it was a problem you worry
14 about.

15 And don't you people -- you do pay
16 interest on those deposits, don't you? What
17 percentage is it?

18 MR. LEWIS: Simple interest. I'm not
19 sure of the exact percent now. 6 percent.

20 WITNESS DIEKMANN: Wow. And I don't have
21 a deposit. I wish I did now. At 6 percent,
22 great. You could not ask me for a deposit.

23 CHAIRMAN JABER: Thank you, Mr. Diekmann.

24 COMMISSIONER PALECKI: Thank you, sir.

25 MR. BECK: Thank you. The next witness

1 is Marvin Behm, B-E-H-M.

2 THEREUPON,

3 MARVIN BEHM

4 was called as a witness on behalf of the Citizens
5 of the State of Florida and, having been duly
6 sworn, testified as follows:

7 WITNESS BEHM: My name is Marv Behm,
8 and I live in Belleair Beach. I have a concern
9 about grid reliability.

10 I had the service updated at my home, had
11 new underground put in, even though the wires in
12 the area are overhead. I had a new meter put in,
13 ground rod, and the total service checked out, make
14 sure the box was problem-free or trouble-free
15 throughout the house.

16 So after that was all done, I went ahead
17 and took a digital meter and turned on various
18 pieces of equipment. First was the air
19 conditioner, I dropped about 3 volts. Turned on
20 the range, I dropped another 2 volts. I turned on
21 the oven, dropped another 2 volts. So overall I
22 was about 5
23 to 6 volts dropped. And this was yesterday
24 evening. So very few people in the neighborhood
25 had any air conditioning on or heating on at this

1 time.

2 So my concern is with all the upgrading
3 in the neighborhood such as double the size of the
4 homes, remodeling that was done in the home that I
5 purchased with naturally more equipment, more
6 electric power usage throughout the area, that this
7 grid is going to fail.

8 If I'm getting a 6 volt drop when
9 conditions are good, what am I going to get on a 90
10 to 100-degree day when everybody in the
11 neighborhood has got their air conditioning running
12 and it's 4:00 in the afternoon and most of the
13 women are cooking. So I don't know.

14 Can anybody tell me what is going to be
15 done to some of the areas? And I don't think I'm
16 the only person.

17 If you've got aboveground lines as been
18 mentioned some other people in Largo, Florida,
19 earlier where their lines have been knocked down
20 with trees and maybe it's time to look at some of
21 these aboveground services that have been in for 50
22 years, as they are in my area, and put them
23 underground, try to upgrade some of this equipment
24 that's 50 and older.

25 CHAIRMAN JABER: In response to your

1 question with respect to do we look at -- does
2 anyone look at the demand basically and how will
3 that demand be met, every year the PSC conducts a
4 planning workshop where the companies are required
5 to give us their best guess, not for just this
6 year, but ten years out, on what they expect the
7 demand will be.

8 And they have to give us a plan on
9 construction of facilities, whether they intend to
10 construct new facilities or buy power from other
11 facilities to meet that demand. But your points
12 are well-made. It is a constant concern.

13 WITNESS BEHM: I understand what you're
14 saying the large consideration, but this is just
15 the neighborhood that is gradually upgrading
16 continually. So I just wonder if the County is --
17 Pinellas is looking at this and saying, hey, wait a
18 minute, we should maybe send somebody over from the
19 power company to take a look at the amount of power
20 being used in that particular grid system.

21 CHAIRMAN JABER: Mr. Flynn, meet with
22 Mr. Behm. And is the Hines unit, the new Hines
23 unit, does that serve this general area?

24 MR. FLYNN: In terms of supporting
25 voltage quality, yes, it does.

1 CHAIRMAN JABER: There is a -- several
2 units, actually, that Florida Power Corp. is
3 expecting, you're expecting to construct two
4 facilities, it's my understanding. You may want to
5 sit down and show Mr. Behm where those plants are
6 and how they fit into the entire grid which would
7 include, obviously, this neighborhood.

8 MR. FLYNN: Certainly.

9 COMMISSIONER PALECKI: And could I ask
10 for a further study or response from the company
11 with regard to the volt droppage that Mr. Behm has
12 discussed. What I want to know is whether that is
13 acceptable and on a going-forward basis whether
14 that can be cured or remedied locally through
15 improvement in infrastructure.

16 MR. FLYNN: Yes. I would like to ask
17 Mr. Behm if he could share that information with
18 our customer service folks so we make sure that
19 we've got all the data. And we will certainly
20 follow up and do that. We'll provide you with a
21 response as well.

22 COMMISSIONER PALECKI: Thank you.

23 WITNESS BEHM: Thank you very much.

24 COMMISSIONER BRADLEY: Mr. Behm, just one
25 question. Is your issue -- is your neighborhood

1 experiencing rapid growth?

2 WITNESS BEHM: Yes, it is.

3 COMMISSIONER BRADLEY: Okay.

4 WITNESS BEHM: Thank you.

5 CHAIRMAN JABER: Thank you, sir.

6 MR. BECK: Thank you. Evelyn Zerin.

7 Evelyn Zerin. Is Evelyn Zerin here? Ted Stock.

8 Mr. Ted Stock. Peter Dalacos.

9 THEREUPON,

10 PETER DALACOS

11 was called as a witness on behalf of the Citizens
12 of the State of Florida and, having been duly
13 sworn, testified as follows:

14 WITNESS DALACOS: Good afternoon. My
15 name is Peter Dalacos. I'm a resident of Tarpon
16 Springs. I got the little flier here my last bill,
17 said opportunity to testify before the Commission
18 on the quality and adequacy of service. Well,
19 that's what I'm here about.

20 As far as the lady saying earlier about
21 rates, there was an insert with rates, but one of
22 the things that is deceptive is they just give you
23 rates. They don't show you what your old rates
24 were. So unless people kept this from last year,
25 it's pretty hard to know if your rates went up and

1 down.

2 My concerns -- and I've got -- my
3 concerns are service. I've got some photos here
4 that I'll share with you. This is a small
5 example. I really didn't come here to talk about
6 my specific issue because I've talked to a
7 representative from Florida Power, and they're in
8 the process of solving that. And I believe that
9 over a time period that will occur.

10 My concern is quality of service. I've
11 been in customer service, and I know you-all have
12 been here listening and a lot of people have had
13 complaints and they needed to vent. And that's
14 what good customer service is for. And a lot of
15 these people here talking to you, they didn't need
16 to be here. They could have had those issues
17 solved, solved in the field offices.

18 Now, when Carolina Power took this over,
19 they said, we're going to improve efficiencies,
20 we're going to make things greater, all these
21 things nice and better, dah, dah, dah, typical
22 corporate America. Okay. Then a few months after
23 that, layoffs, cut offices.

24 Now, part of the things I wanted to bring
25 out as far as the service issue is in Tarpon

1 Springs we had a customer service office. That
2 office was closed. This is where people locally
3 like these people who have problems could go and
4 talk to somebody face-to-face to get the help they
5 needed to help them with these issues, not get run
6 around on a voice response unit that would pass you
7 back and forth like people-speak and say, hey,
8 we've got your address, we've got your service
9 number, we'll get back to you.

10 So my concerns are we've got a corporate
11 takeover, they've ended up in essence to prove
12 efficiencies trying to route call centers. I know
13 I've worked in call centers. Now, as I bring these
14 issues to you, this is just an example of some of
15 the fieldwork.

16 If you look on the pictures, the first
17 one like here, what it is basically why I bring
18 this up is they came in and they put in a new
19 transformer on this pole. When they were doing
20 this, I went out and asked the gentleman about it
21 because there's a new house going down. And he
22 said, Well, this is where the engineer said to put
23 it. And I says, Okay, great.

24 Now, if you look at one of the other
25 pictures -- this one is a little better -- there's

1 two poles. And I mentioned to him, I says, Well,
2 you-all put this brand-new pole you're putting the
3 transformer on a couple years ago, and the old pole
4 is still in front of my yard.

5 And if you look at this, there's a wire
6 hanging down from the old pole. And I pointed this
7 out to the service rep out front. I said, Look,
8 while you're here, you-all took this old pole down,
9 take this loose wire. There's kids in the
10 neighborhood.

11 Well, that's not our job. That's the
12 cable people. We'll have to send somebody. I
13 says, Well, it's been two years. Can't you just
14 cut it, you know? No, it's not our job. Dah, dah,
15 dah, dah, dah, et cetera. So whatever.

16 Long story short, they put in the new
17 transformer. And then if you look on this picture,
18 see there's like a yellow cable like loops around.
19 That's the support wire to the new pole. And what
20 they did is they cut the old support wire to the
21 new pole when they put the transformer up.

22 And I asked the guy, I says, What's going
23 on? Why are you doing this? Said, Oh, well, the
24 wire over there will hold it. So now they've put
25 more weight on a pole, cut one of the support

1 wires, and then they left.

2 And this I brought these just to show you
3 that they left. So I called, I says, Look, you
4 guys put a transformer in for these people, it's
5 crappy work. They left wires all over. In fact,
6 on this first one, if you look real carefully, the
7 supervisor came out, there's a cable hanging here
8 on this cable box which is loose cable from where
9 they installed the transformer, and that was just
10 loose.

11 So this was before Christmas. I called
12 them. They said, Yeah, we'll come after the
13 holidays. I said, Okay, whatever. So I called
14 again. No response. Voice machines.

15 Finally, the guy does come out. He says,
16 Yeah, this is faulty. He says, this has just been
17 a problem we've had since we got took over.
18 They've lost crews, manpower cuttages (sic).

19 Now when I go to pay a bill, you know
20 where I have to go to? A Pac N' Ship. A Hallmark
21 call store. These people, their business is to
22 sell cards or to pack ships or a pharmacy. They
23 have to devote a lady there who they have to pay to
24 process my bills, which is ridiculous.

25 So all these streamlining is all they're

1 doing is saving their money. Sure, they pass a
2 little money maybe back as a small rate, but then
3 in the meantime they're asking for cost rebates or
4 to pay for their merger of what they're cutting
5 back.

6 So I feel the bigger issue we have to
7 look at is what's really going on. Now I've been
8 here listening to these people problems with their
9 meters. I'm wondering now, well, I've always
10 expected fluctuations on my bill. Well, is my
11 meter accurate? Are they going to come now and
12 check all these meters?

13 You know, it may seem like small, but
14 when you look like 2.962, but if you have 1,000
15 customers and they're all being overread by 2 volts
16 or 2 kilowatts a year and you add that up, that's a
17 lot of money. And where is this going? Who is
18 overseeing this?

19 They're overseeing it. They're giving
20 you the numbers. They're the ones who are
21 providing all the numbers. They're the ones
22 checking the meters. I don't see the oversight in
23 protecting the consumer. And in the meantime, you
24 know, the services are depleting.

25 And I just feel as a Public Service

1 Commission, I'm not here to complain about this
2 problem. I know they will resolve it. I'll be on
3 it enough. I just feel as an oversight board, you
4 need as the Consumer Action people looked at,
5 there's other things that we have to look at.

6 The meter readings. You know, like
7 they've got to do estimates. You can see those
8 guys come by with those little things. You know,
9 they're running down the neighborhood. You know,
10 they don't really have the capabilities, the
11 manpower. They're cutting people back. The same
12 thing in the call centers and all this stuff.

13 So I feel that we really have to as an
14 oversight board -- and I thank you that we're not
15 going to deregulation, but we do have a good system
16 of regulating and oversight so we can ensure their
17 business, you know.

18 Yeah, they do give money, but also let's
19 not forget, they get a nice tax break for that.
20 Okay? They get a nice write-off on their taxes for
21 charitable donations. So let's not think that
22 they're overly generous in this for just that.
23 There is a PR aspect, but they are getting a tax
24 break that's a write-off on their business line.

25 So I think as the Public Service

1 Commission, this is what I'm asking for, not to
2 solve my little issue but to look at the big
3 picture and to try to protect us so we have a fair,
4 consistent.

5 And one last comment I have. You know,
6 they're talking about, you know, putting a new
7 infrastructure and generations. Well, I have a
8 friend of mine I went to school with, and he does
9 work for Florida Power.

10 And one of the things that they've been
11 very strong in doing now because of the
12 deregulation in other areas is concentrating on
13 generating power to sell it to other markets to
14 make the money there that they are recouping on
15 other costs and such.

16 So I feel like if they're making money on
17 generating power in our area, that we should get
18 some sort of a reback either as an equity, a fair
19 return on equity as the Consumer Action gentleman
20 meant, or lower rates as the lady mentioned as
21 comparable to other areas of the country.

22 So that as my thing is look at the big
23 picture and see what's really going on here. Thank
24 you.

25 CHAIRMAN JABER: Thank you, sir. Do you

1 want -- do you mind if we keep these pictures?

2 WITNESS DALACOS: No, not at all. And my
3 information is on record for further review.

4 CHAIRMAN JABER: Thank you.

5 MR. BECK: Rob McMahon.

6 THEREUPON,

7 ROB McMAHON

8 was called as a witness on behalf of the Citizens
9 of the State of Florida and, having been duly
10 sworn, testified as follows:

11 WITNESS McMAHON: I want to thank the
12 Commission and representatives of Florida Power for
13 this opportunity. My name is Rob McMahon, capital
14 M-C capital M-A-H-O-N. I live in Safety Harbor.

15 I'm a Florida Power customer and a
16 taxpayer in Pinellas County, and I'm also a public
17 school teacher. And I am currently president of
18 the Pinellas Classroom Teachers Association.

19 I am surprised and frankly outraged that
20 Florida Power has contributed \$5 million to the
21 so-called Corporate Income Tax Credit Scholarship
22 Program, a voucher program that robs our public
23 schools of resources that are already in too short
24 supply.

25 Florida Power has hit our public schools

1 twice with one blow. Not only has Florida Power
2 contributed \$5 million in scholarships to
3 unregulated and unaccountable private schools, but
4 it has lowered its tax burden and therefore its
5 contribution to essential state services such as
6 public education and social services by an
7 additional \$5 million.

8 If Florida Power is doing so well as to
9 be able to afford multimillion-dollar giveaways to
10 unregulated private schools, then perhaps it would
11 be better spent on reducing costs and improving
12 service to its electric customers.

13 Please keep this fact in mind as you hear
14 the complaints from your customers about the rates
15 you charge and the service you provide. Florida
16 Power is siphoning off more tax dollars from public
17 schools at a time when every penny counts.

18 In Pinellas County that means that
19 Florida Power is hurting 85 percent of the
20 school-age children and their families who have
21 chosen our public schools.

22 At a time when the citizens of Florida
23 are willing to pay more for their public schools,
24 Florida Power is one of only two corporations
25 taking money away and giving it to private schools

1 that are unregulated and held unaccountable for
2 their teaching and learning systems.

3 Our school board could get some of that
4 \$5 million back, I suppose, by turning off the
5 power in our schools for a day. The district uses
6 a lot of electricity. Turning off the lights and
7 the computers and the air conditioning for a few
8 hours may help get it back. But isn't it a shame
9 that we must resort to turning off the power in
10 order to make a case for our public schools?

11 Frankly, my colleagues and I in the
12 education profession expect corporations like
13 Florida Power to be good citizens. I've always
14 thought of Florida Power as a good citizen. But
15 your recent actions in this regard have left me and
16 many of my colleagues wondering.

17 I want to urge Florida Power to
18 concentrate on providing the excellent service and
19 reasonable rates that you've heard from your
20 customers and what they require today and get out
21 of the business of subsidizing unregulated private
22 schools. I want to thank you for your time.

23 CHAIRMAN JABER: Thank you, Mr. McMahon.

24 MR. BECK: George Demogenes.

25 THEREUPON,

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GEORGE DEMOGENES

was called as a witness on behalf of the Citizens of the State of Florida and, having been duly sworn, testified as follows:

WITNESS DEMOGENES: Madam and gentlemen of the Commission, I'd like to thank you for being here because this is probably the only occasion that I will have to address you.

I must start off, first of all, by saying that I am moved by the eloquence of the brethren of Florida Power from the Chambers of Commerce, the business partnerships, or whatever else that they indulge in with those individuals, but I'm here to speak as a consumer.

And I am here to spank the hands of Florida Power and to explicitly state that the specific purpose of your existence is not to build a public relations forum by which you can attempt to justify the way that you do business.

Your specific purpose of existence is to serve the customers, the 1,200,000 customers that you are supposed to serve by providing the electrical use that they need. That, may I say, is No. 1, and there should be no No. 2.

These public relations gimmicks are fine

1 and well. I am community minded too. But I am a
2 retired person who should be in bed right now at
3 this moment, who had to be here and spend some four
4 hours or close to it so I can address a grievance
5 which I have that you do not serve your customers,
6 you serve yourselves.

7 And I would like to say that you, Florida
8 Power, have an advocate. You have the Public
9 Utility Commission as your advocate. The Public
10 Utility Commission has an advocate or advocates in
11 Tallahassee. But may I ask of everybody, who is my
12 advocate? Where and when?

13 I have to be cold in my apartment with
14 central air and to be expecting a 60 or a 70 or an
15 \$80 bill when I live alone, when I don't use
16 electricity except for the most minimal, whether it
17 is in the summertime where I only have a fan, even
18 though I have a central air, so that I can perform
19 two purposes by prudence and by conserving.

20 And I think that everything I hear from
21 all these people in the suits and ties from the
22 Chamber of Commerce, that is well. It serves their
23 purpose. They are being paid here right now while
24 they are here speaking and raising the plaudits of
25 the Florida Power. I do not want to go against

1 you. There are some very nice people that work
2 there.

3 But I must say that since Florida Power
4 was overtaken by its present power company, that
5 how community minded are you when you have
6 allowed -- when you have discharged people that
7 live in this area as employees? Where is your
8 community minded spirit? Where is the Chamber of
9 Commerce to say that's not right? Where? Where is
10 the community mindedness of all these things that I
11 heard a couple of hours ago?

12 I think that what has taken place here
13 this afternoon with respect to some of the comments
14 by some of the people who came here to serve as
15 lobbyists for Florida Power rather than to be
16 advocates of truth and justice and fairness and
17 equity for the 1,200,000 people that Florida Power
18 is supposed to serve.

19 I think that these so-called rate cuts,
20 \$65 million a year, well, can I tell you, sir, you
21 didn't have the figures, but I do. That comes to
22 the average of 45 or 46 cents per month per
23 customer. That comes to less than \$5 a year or
24 approximately \$5 a year.

25 You can talk to us about the return of

1 \$65 million to the people, but you never equate
2 that, may I say, with the billions and billions and
3 billions of dollars that you receive in revenue.
4 And in that similar equation, may I say, that that
5 \$65 million is not a drop in the bucket.

6 You the members of the Commission, may be
7 interested in knowing that Pittsburgh Electric --
8 have you heard of Pittsburgh Electric, any of you,
9 or Pittsburgh Power? You may be interested in
10 knowing that the discarded meters from Pittsburgh
11 Electric come to Florida Power. Are you familiar
12 with that? Would you raise your hands if you are.

13 The discarded meters from Pittsburgh
14 Power, at least until a year and a half or two
15 years ago, but possibly right to this moment, come
16 to Florida Power. When a person requests a meter
17 change from Florida Power, they give you a
18 recalibrated meter that came from Pittsburgh, all
19 the way from Pittsburgh. The ones that they throw
20 away, the ones that Florida Power pays 5 or \$10
21 for.

22 So there's a lot of other things I'd like
23 to say, but I know that there are other people that
24 want to express their sentiments as well. Excuse
25 me if I have been emotional because that's not my

1 intent. But I would like to say this: I feel
2 very, very, very strongly about what I believe in.
3 And I believe that the customers of Florida Power
4 are not getting a fair shake of the stick.

5 Gas prices went down by 50 percent in a
6 matter of six to eight weeks. Where was the
7 discounted rates on my bill? Is there one of you
8 that can answer that question for me? And what did
9 you do with that money?

10 So I would -- I would like to ask, in
11 finality, that this honorable Commission look at
12 not the public relations gimmicks or the public
13 relations commentary that has been here this
14 afternoon, but to look in the interests, if I may
15 implore you to do so, of the 1,200,000 customers of
16 Florida Power.

17 We are supposed to be represented by
18 those who are appointed, by those who are elected
19 to serve the people, all the people regardless of
20 party affiliation, regardless of creed, regardless
21 of color, regardless of socioeconomic status. The
22 primary purpose is to serve the people.

23 And within the spectrum or within the
24 parameters of fairness and justice and equity,
25 these corporations buying these smaller ones and

1 sometimes bigger ones and then turning it into a
2 frenzy for the people is not correct.

3 Florida Power when it was Florida Power
4 was a more respectable company even though I have
5 had a lot of qualms with it, but since it has been
6 overtaken by the bigshots in Carolina where they
7 have fired people who live here in this area so
8 that the stockholders of Carolina can be more
9 affluent in the long run, I think is wrong.

10 And I think that those of you who
11 represent Florida Power to your superiors, you
12 should make some notation of that so that there not
13 be a disparity to the extent that they is -- that
14 there is. Thank you very much.

15 CHAIRMAN JABER: Thank you, sir.

16 MR. BECK: I want to apologize for
17 mispronouncing the next witness' name.

18 COMMISSIONER BRADLEY: I have a question
19 before we move on.

20 MR. BECK: Oh, I'm sorry.

21 COMMISSIONER BRADLEY: Would Florida
22 Power kindly address the issue of discarded meters
23 from Pittsburgh Electric being used by Florida
24 Power.

25 MR. FLYNN: I have no knowledge

1 whatsoever. We'll certainly find out, investigate
2 it and find out and get back to the Commission on
3 that.

4 CHAIRMAN JABER: Well, actually,
5 Mr. McNulty, on the issue I asked you about
6 earlier, taking a look at the meter reading rule,
7 you can incorporate that information into our
8 review. And obviously, Florida Power, I would
9 expect that you
10 work cooperatively with our staff on that.
11 Mr. Beck.

12 MR. BECK: James Schwechel. I know I got
13 your name wrong. I apologize.

14 THEREUPON,

15 JAMES SCHWECHEL
16 was called as a witness on behalf of the Citizens
17 of the State of Florida and, having been duly
18 sworn, testified as follows:

19 WITNESS SCHWECHEL: You apologized in
20 advance, sir. Hi. I'm Jim Schwechel.

21 CHAIRMAN JABER: S --

22 WITNESS SCHWECHEL: S-C-H-W-E-C-H-E-L.

23 CHAIRMAN JABER: Thank you.

24 WITNESS SCHWECHEL: I'm an ex-management
25 consultant, and I reside at 9278 Ulmerton Road in

1 Largo.

2 First of all, thank you-all for being
3 here today. In life you can make more or spend
4 less. And I'm here to stimulate solutions to
5 problems of delayed receivables from a business
6 standpoint for Florida Power.

7 As an example, yesterday I received a
8 notice of a balance due for two months because of
9 an incorrect coding on my checking account for
10 electronic billing. That means it took one month
11 to discover and send notice of the mistake. That
12 equals lost cash flow receivables for Florida
13 Power.

14 Also on the statement or the previous
15 statement or billing, it said "payment received."
16 It was printed on the statement, when it was not.
17 I don't have a problem with paying my bill, but
18 some customers may think that their bill is paid,
19 and those customers that have financial constraints
20 may think they have extra money when they're
21 getting their bank statement.

22 "Payment received" was also printed on
23 the statement, and that was three days earlier than
24 established in the previous bill. These silly
25 little things that I'm mentioning just from a

1 business standpoint indicate that there are serious
2 systems problems at Florida Power in handling their
3 receivables.

4 The bottom line is if you want to
5 increase your profits, start in-house with improved
6 basic business practices. In business, you can
7 have more business, you can increase your rates, or
8 become more efficient. I advocate the third
9 choice. Thank you.

10 CHAIRMAN JABER: Thank you, sir.

11 MR. BECK: Aseelah Babalola.

12 THEREUPON,

13 ASEELAH BABALOLA

14 was called as a witness on behalf of the Citizens
15 of the State of Florida and, having been duly
16 sworn, testified as follows:

17 WITNESS BABALOLA: Good afternoon.

18 CHAIRMAN JABER: Good afternoon.

19 WITNESS BABALOLA: My name is Aseelah
20 Babalola, and I'm first an ordinary citizen who
21 happens to be very fortunate to have gone through
22 some things for 20 years of experiencing what it's
23 like when you're dealing with people.

24 And I would just like to say that as a
25 consumer in dealing with Florida Power, I've had

1 some really good experiences, some bad ones, and
2 some ugly ones for 20 years. So I guess until I
3 stop breathing, I will continue to have some good,
4 bad, and ugly experiences.

5 The bottom line is individuals. It's
6 really funny how the gentleman who spoke over here,
7 who I've never met in my life, it's funny how God
8 bring people together. And when I refer to God, I
9 don't go to church every Sunday and, you know, and
10 say amen to what's going on from the pulpit, but I
11 try and live it through trying to help people who
12 are trying to help themselves through our nonprofit
13 organization which my husband and I started 20
14 years ago.

15 Well, the reason I'm here today is
16 because I saw this as an opportunity. I didn't
17 even know if I was going to have a chance to speak.
18 But in October is when I call it the drama started.
19 And it's just individuals, because I have names of
20 all of the wonderful people who I dealt with and I
21 have the ones that were not so nice.

22 And I don't want to take up a lot of time
23 sharing with all of you because you really don't
24 have time to hear it all. I have documentation of
25 every person that I spoke to, the people that were

1 nice, the people that were not so nice, but I know
2 that in business the customer is always right.

3 I read a lot of my inspirational and
4 motivational books, the Zig Ziglars and all the
5 other wonderful people that have been through some
6 things, and I always think of Abraham Lincoln.
7 Like right now I know what it's like to, you know,
8 not have lights.

9 Because of a situation that the nonprofit
10 is going through right now, we are transitioning
11 from depending on the government to give up
12 dollars. Well, we started the organization 20
13 years ago out of our own pocket. There were no
14 grants and all of these dollars that people could
15 get.

16 And I reminded my husband after going
17 through all of the experiences that we've gone
18 through that it's time for us to go to the next
19 level. How can we break the cycle of people
20 walking around with their hand out.

21 Well, Florida Power has never given me
22 anything because I always think about what I had to
23 say to the executive office with Verizon because my
24 husband, I am very proud of him because I guess
25 it's a male thing. Egos. Well, guess what? Right

1 now I've swept my ego under the carpet because
2 we're trying to get from where we are to where
3 we're trying to go because there are a lot of other
4 people that are in worse shape than what we're in.

5 In other words, yesterday when they came
6 out and shut the lights off, I thought, okay, Grace
7 is having a great time. I don't know Grace's last
8 name. Maybe it's best that I don't. But I do know
9 that the CEO for Florida Power, who is
10 Mr. Habermeyer -- and I don't recognize his face --
11 I am here because I want an apology for what
12 happened to me personally.

13 And I'm not here to represent all of the
14 other people that come to me. And I even said some
15 things to them because we're the nice
16 follow-the-rules citizens that are here today, but
17 I have been talking to a lot of people since I had
18 my ugly experiences with Florida Power where people
19 from the executive office literally I feel like
20 I've been put on the hit list.

21 And Mr. Habermeyer and I believe a lady
22 from Tallahassee who is a Ph.D. -- I don't have a
23 Ph.D. but I have my degree in, you know, going
24 through my experiences and living through hard
25 knocks and saying, hey, I may be down, but guess

1 what, when I leave here, I'm going to shake it off.
2 If it's not 5:00, I'm calling Florida Power and
3 asking for an extension. Yes, I am. The only
4 thing they can do is say yes or no.

5 But I feel that my husband and I have
6 given a lot to not just the City of Clearwater,
7 and we've worked in the North Greenwood community
8 for over 20 years. But as I said, Ervin's All
9 American Youth Club is not just dealing with black
10 folks. I have been dealing with people from every
11 walk of life.

12 And I have found out that -- because for
13 years I thought it was a black thing, but it's not
14 a black thing. It's a people thing. And my next
15 mission is to educate ordinary citizens because I
16 feel that one out of every five citizens, every 30
17 minutes are being messed around by someone because
18 they don't know how to stand up for their rights.
19 I read a book on --

20 CHAIRMAN JABER: Ms. Babalola --

21 WITNESS BABALOLA: -- how to stand up for
22 your rights.

23 CHAIRMAN JABER: Ms. Babalola, I don't
24 want to interrupt you, but I'm looking for a break
25 here. I want to make sure I understand what they

1 did. Did they disconnect service to the nonprofit
2 organization?

3 WITNESS BABALOLA: Yes. And like I
4 said, it was an error the first time on Florida
5 Power's part behind meters. And we supposedly had
6 it squared away, but I guess Grace didn't like the
7 way I was talking, so she was quacking like a duck.
8 And I told her I didn't want to hear it, I need to
9 talk to your boss.

10 Well, I figured if I -- I believe in
11 following the chain of command, and I did that, and
12 I went through all of the procedures, but I figured
13 if the CEO is condoning it, and I never did get a
14 return call --

15 CHAIRMAN JABER: So you're not --

16 WITNESS BABALOLA: -- from
17 Mr. Habermeyer.

18 CHAIRMAN JABER: You're not pleased with
19 the way they handled your call and the way --

20 WITNESS BABALOLA: Not at all.

21 CHAIRMAN JABER: And you have a list. If
22 you will share that list with our staff, that's
23 useful information. That's the kind of feedback we
24 need to make sure that the company has, and our
25 staff will get a copy to the company. Okay.

1 WITNESS BABALOLA: Thank you.

2 COMMISSIONER BRADLEY: I'm very familiar
3 with Ervin's All American Youth Club and have been
4 for quite some time. I would respectfully request
5 that Florida Power work with them to resolve this
6 issue.

7 WITNESS BABALOLA: Thank you very much,
8 Commissioner Bradley and Ms. Jaber, but I don't
9 believe in anyone giving me things. I only want an
10 opportunity to get through what we're trying to get
11 through because I feel that we're worthy of getting
12 an extension because I --

13 CHAIRMAN JABER: Commissioner Bradley is
14 not asking that they give you anything. There are
15 conservation programs. There are payment programs
16 that the companies are supposed to make available
17 to customers. And I'm sure that that's what he's
18 referring to.

19 COMMISSIONER BRADLEY: Right.

20 CHAIRMAN JABER: And, you know, between
21 the PSC staff and the company representatives,
22 there are always creative programs that are
23 available and just need to be told.

24 WITNESS BABALOLA: Creative.

25 CHAIRMAN JABER: Yeah.

1 WITNESS BABALOLA: Because I took a
2 cigarette lighter and unplugged the electric phone,
3 took another phone in there so I could make some
4 phone calls. That's all it takes is creativity.
5 But I don't have time for anyone to, you know, feel
6 sorry for me and all that crap because I have other
7 people that are out there that would come into this
8 room and not be civilized like I'm trying to be.

9 So I just wanted to come here today to
10 let Florida Power know that you can't treat people
11 like they're second-class citizens because I might
12 be down today, but I could a millionaire tomorrow
13 because I do play the lottery.

14 CHAIRMAN JABER: Thank you, Ms. Babalola.

15 COMMISSIONER BRADLEY: Also I would
16 request some feedback as to what the resolution is.

17 MR. FLYNN: Certainly.

18 MR. BECK: Billie Niemann. Is Billy
19 Niemann here? Robert Brotherton.

20 THEREUPON,

21 ROBERT BROTHERTON
22 was called as a witness on behalf of the Citizens
23 of the State of Florida and, having been duly
24 sworn, testified as follows:

25 WITNESS BROTHERTON: My name is Bob

1 Brotherton. I work for the City of Dunedin. I'm
2 the Director of Public Works and Utilities there.
3 I'm here not representing the City at all. I'm
4 here representing myself as a customer of Florida
5 Power.

6 I think it's real interesting to hear the
7 statements made today by elected officials and
8 Chamber of Commerce representatives that are pro
9 Florida Power and keep the rates high and then the
10 people who are being served, the customers,
11 residential and business customers who say the
12 service is not good and the rates are too high.

13 So I think that's your job to determine
14 who to listen to. I think you need to listen to
15 the customer today.

16 And one of the things that I'd like to
17 bring up today is my concern about the poor
18 condition of the utility's system as it sits today.
19 It could be this Carolina Company may have bought a
20 pig in a poke relative to the quality of the poles
21 and the wires that are sitting out there right now.

22 I worked in the City of Dunedin for two
23 years in a fight with Florida Power to take the
24 system over and create a municipal electric utility
25 and exercise an option we have in our franchise to

1 buy the system out and create a municipal electric
2 utility.

3 As you know, Florida Power has 111
4 franchises with cities, and they -- and franchises
5 govern certain things. In the process of
6 negotiating a franchise and looking at municipal
7 option, we learned a lot about our system. We
8 heard a lot from customers. We did some
9 inspections of our own.

10 We found a lot of issues with overvoltage
11 and undervoltage. And when you overvoltage and
12 undervoltage a system, you cause damage to people's
13 appliances. You cause damage to their computers.
14 You cause damage to their refrigerators. You cause
15 damage to their water heaters.

16 And these things are subtle because they
17 don't all show up at one time. When these systems
18 start to fail, it's not obvious where the problem
19 is coming from, but a lot of it is coming from the
20 power system. That's in addition to the high rates
21 that people are paying. They're paying to replace
22 utilities that are owning that they should not have
23 to pay for.

24 We had people come to me with receipts of
25 damage to their computer equipment. Florida Power

1 did pay for it and recognize it as an overvoltage
2 problem. And so it's not just what we say hearsay.
3 It's actual fact and what Florida Power has
4 reimbursed people for damage to equipment.

5 In inspecting our system, we found
6 problems. We found annealed wires. We found
7 secondary wires that are too low and in violation
8 of National Safety Electric Code.

9 And we have gotten Florida Power to agree
10 to allow us to continue our inspection and they
11 will then come back and do repairs to the system as
12 need be based on what the violations are, which we
13 appreciate that. However, they're making us pay
14 for that inspection.

15 Now, what my point is today that I'd like
16 to make is that years ago, you know, as a utility
17 manager managing the utilities of Dunedin, we have
18 to answer to agencies. We have to answer to the
19 Department of Environmental Protection. They come
20 and inspect our sewer plant. I have to answer to
21 Swiftmud. They come and inspect our wells and look
22 at our records and see how we operate our system.

23 What's the Public Service Commission
24 doing in the area of coming in and inspecting
25 Florida Power's poles and wires and transformers

1 that are in place? When was the last time the
2 Public Service Commission sent out an inspector and
3 put voltage meters on the system to see if they're
4 over or undervolting their system?

5 I think the Public Service Commission --
6 my concern here is not about Florida Power. I
7 think they're documented from the comments you
8 heard today of poor service. My comment is the
9 Public Service Commission. What are you doing to
10 inspect these private utilities?

11 Now, I understand years ago you used to
12 have inspectors.

13 CHAIRMAN JABER: We still do,
14 Mr. Brotherton.

15 WITNESS BROTHERTON: And you still may
16 do.

17 CHAIRMAN JABER: Yes, sir.

18 WITNESS BROTHERTON: When was the last
19 time you inspected the Florida Power system in its
20 entirety?

21 CHAIRMAN JABER: For this company, Mike
22 or Bill, is that something that you -- you would
23 have information to? Our engineers are not with us
24 today, but I can certainly get you a response --

25 WITNESS BROTHERTON: Well, we

1 contacted --

2 CHAIRMAN JABER: -- but to answer your
3 general question --

4 WITNESS BROTHERTON: We contacted through
5 our consultant your service Commission, and we were
6 told that you do not have the staff that you used
7 to have. You have one or two inspectors to cover
8 the entire state of Florida.

9 CHAIRMAN JABER: That's a true statement.

10 WITNESS BROTHERTON: That is not
11 adequate. And I do not think the Public Service
12 Commission is doing their job to ensure the right
13 kind of utilities are in place to protect the
14 public interest.

15 So my complaint today really isn't
16 dealing specifically with Florida Power because
17 they're trying to maximize their profits the best
18 that they can. Deferred maintenance is one way to
19 do that. The only way to ensure that the
20 maintenance is not deferred is for your agency to
21 come and inspect them.

22 So my point here today is that I think
23 the Public Service Commission needs to do a better
24 job of inspecting what it is that you have purview
25 over.

1 CHAIRMAN JABER: I appreciate your
2 comments, sir.

3 COMMISSIONER PALECKI: Thank you.

4 CHAIRMAN JABER: Mr. Beck.

5 MR. BECK: Carol Boyer.

6 THEREUPON,

7 CAROL BOYER

8 was called as a witness on behalf of the Citizens
9 of the State of Florida and, having been duly
10 sworn, testified as follows:

11 WITNESS BOYER: Hi. My name is Carol
12 Boyer from Largo, B-O-Y-E-R. I'll make it quick.
13 I too have a problem with the customer service end
14 of it. And I guess I'm looking back to when we
15 used to have the little local, you could go in if
16 you have a problem, talk to them.

17 Well, my situation is when I moved out of
18 my apartment a year ago January 1, I arranged it
19 with them. I called them up and said, This is my
20 new address, before I moved, can you forward my
21 bill to me and I'll pay the two weeks that were
22 left.

23 And the gentleman I talked to -- I don't
24 have the names. I couldn't find my information --
25 said that to hold off on paying the bill that was

1 due. He says, I'll combine it with the balance or
2 what's the two weeks, I think it was. And I
3 explained to him, I said, Well, I can't pay it all
4 at once.

5 Well, we arranged a payment where I'd
6 make one payment in February, because the holidays.
7 He said there's no rush. And I think it was like
8 \$165 and the balance of \$110 in March. So anyways,
9 I made the March payment. And so I didn't hear
10 nothing.

11 Well, here comes May 18, I get a letter
12 from a collection agency that I was turned over for
13 collections for \$100. Well, in the old days I
14 could take my -- you know, I went and found the
15 check. And it was stamped on the back Florida
16 Power.

17 In the old days, I could take it down to
18 Highland, take it in and talk to a human being and
19 say, Here is the check, here is your stamp. What
20 are you going to do about it? Now I have to call,
21 talk to an automated system that puts me through to
22 this phone, that phone, and waiting.

23 I finally get a human being. She blames
24 me, said it was my fault because I didn't give them
25 my new address. I said, Wait a minute. I said,

1 Where I'm living now, I have no power in my name
2 because I'm living with someone. I said, How did
3 you find me, then, if I didn't give you my
4 address? She didn't know what to say about it.
5 The way she accused me.

6 So she said, you know, that I talked to a
7 Mary Beth. I don't know who it was, with Florida
8 Power. I faxed a copy of the check front and back
9 to her. Took time off work. You know, I lost
10 breaks, lunches, times on the phones, wasted time.

11 Next day or so, I'm not sure if it was
12 the day after or two days, I called back. And they
13 said, yes, she got the fax, she got a copy of my
14 check, it would be handled.

15 Well, I get home yesterday from work, I
16 got another letter from the collection agency. So
17 I happened to still have the check in my
18 checkbook. And I called the collection agency up.
19 And I dealt with him. I told him. They said,
20 Well, there was nothing done, I mean, Florida
21 Power.

22 And I said, Well, I talked to a Mary
23 Beth. And, you know, I mean, I was really upset.
24 And I said, you know, I had some problems with
25 credit cards in the past. I don't need this.

1 So I called Florida Power just to see
2 what their response was. And she's like, Well, we
3 have no record, this and that; why don't you fax.
4 I don't have time. I work at Home Depot. I'm
5 busy. I work all different hours. I can't take
6 time off work to be faxing, making copies and this
7 and that.

8 CHAIRMAN JABER: Mr. Flynn, Ms. Boyer has
9 good documentation on all of the --

10 WITNESS BOYER: I've got the check with
11 me.

12 CHAIRMAN JABER: -- on all of the bills
13 and the request for the payment plan. I would
14 expect that you work on getting the issue removed
15 from the collection agency and work with her
16 directly on whatever is outstanding, if there is
17 anything outstanding.

18 WITNESS BOYER: No, because it was the
19 final payment. I have the check with me.

20 CHAIRMAN JABER: But you need to
21 proactively work with the collection agency and
22 make sure that that issue is resolved.

23 MR. FLYNN: Yes. I'll make sure our
24 customer service folks do that.

25 CHAIRMAN JABER: And Ms. Boyer, if you

1 will make sure that Mr. Flynn or the customer
2 service representatives in the back of the room
3 have your address and all of that information, that
4 would be great. If it's not resolved in the next
5 couple of days, call us at one of those numbers and
6 we'll take care of it.

7 WITNESS BOYER: I just want it off my
8 credit record, you know. Thank you so much.

9 CHAIRMAN JABER: Thank you.

10 MR. BECK: Chairman, I know it's past
11 your 4:00, but we have one more witness. Debra
12 Jackson.

13 CHAIRMAN JABER: Ms. Jackson.

14 THEREUPON,

15 DEBRA JACKSON

16 was called as a witness on behalf of the Citizens
17 of the State of Florida and, having been duly
18 sworn, testified as follows:

19 WITNESS JACKSON: Hi. My name is Debra
20 Jackson. I live in the Morningside area of
21 Clearwater on 19 and Harn Boulevard.

22 We have a problem with our electric.
23 It's been ongoing. It's gotten way worse the last
24 year. In our neighborhood there has not been a new
25 house built for 25 years. There has been no new

1 services added, no new apartment buildings. We've
2 lived where we've lived for 20 years.

3 Florida Power has always been a little
4 quirky. We've had problems, we've not had
5 problems. When it rains, of course, you expect
6 flickering and power outages, but this past year
7 has been an absolute nightmare.

8 Almost daily we get flickering. Just
9 enough to knock every clock out of alignment, all
10 the computers off, any timer that you have set.
11 And we've called, we've called, we've called, we've
12 called.

13 We get it's a feeder problem. They're
14 going to be replacing it. It's a feeder problem.
15 They have to switch power. They've switched power
16 from this line to that line and it just was a
17 little momentary interruption.

18 Finally -- we have an overground and an
19 underground. In other words, the lines come in
20 overground but then they come under the street and
21 come in underground.

22 Last summer they came out and replaced an
23 underground wire from the box, you know, in the
24 middle all the way out. And then the wire laid
25 there all coiled up for 45 days.

1 Then about 1:00 on a Monday, two big
2 Florida Power trucks came out and they started to
3 run the wire up and put a new transformer in.
4 Except all they did was unspool the wire, stand
5 there for two hours, roll it back up, tape it to
6 the pole, and leave.

7 Another 30 days went by and then two
8 more -- I know this because my office is right in
9 my house, and I overlook the power pole. They came
10 back. They did actually replace the transformer,
11 which for the last two or three years has been
12 blowing on an average of every six months.

13 But it's the past year has just been
14 terrible. I mean, we have bought battery backups
15 for all the computer systems. We have bought
16 battery backups for the television and the VCRs
17 because you can't set the VCR to record anything
18 because the power knocks it out.

19 We have a battery backup on our kitchen
20 appliances because my stove has a timer that I use
21 a lot and my coffeepot has a timer that I use a
22 lot. Can't use them because one little half of a
23 nanosecond flick and everything goes off.

24 So we have gone -- I haven't gotten
25 ambitious enough to put a battery backup system in

1 the bedroom yet, so I have gone to a -- back to a
2 windup clock so that I know I can get up on time,
3 get my husband off to work.

4 I just -- I want to know what a feeder is
5 and why they've been telling us for a year it's
6 going to be replaced and it's not.

7 CHAIRMAN JABER: Mr. Flynn, with respect
8 to the transformers and the changes and the
9 suspicion that it's a feeder problem, can you
10 describe to Ms. Jackson how all of the system works
11 and why -- it's my understanding that companies try
12 to target the problem by looking at different
13 elements and changing the smallest element first,
14 perhaps, but walk -- walk Ms. Jackson through that.

15 MR. LEWIS: You did very well, by the
16 way. Thank you. Actually, the feeder is one
17 element of your service. There's a main feeder
18 line that comes from our substations that serve
19 branch lines, and the branch line is normally where
20 we hang our transformers which serves your home.

21 From your meter to the substation any
22 time an event occurs that could knock out
23 electricity for that feeder, which in some cases
24 serves 3,000 customers, the circuit goes off for a
25 second, turns on to clear the fault to ensure that

1 we don't have a permanent outage.

2 So when you mention switching in some
3 cases, that's what they were talking about. The
4 actual system is working to make sure there's no
5 permanent outage.

6 Now, in cases where you have an excessive
7 number of momentary interruptions, what we attempt
8 to do is try to locate problems that are causing
9 the circuit to operate that much. And it could be
10 a connector. It could be squirrels. I hate to say
11 it. I know I shouldn't mention squirrels, but it
12 could be.

13 WITNESS JACKSON: No. We have Jack
14 Russells. We have no squirrels.

15 MR. LEWIS: Okay. But nevertheless --

16 WITNESS JACKSON: There's not a squirrel
17 in three blocks.

18 MR. LEWIS: It's truly a process that we
19 put a lot of time in to try to investigate. So
20 what we should do, what we will do is have some --

21 WITNESS JACKSON: But the problems are
22 getting worse. I mean, it's like it used to be two
23 or three times a week. Now it's two or three times
24 a day.

25 MR. LEWIS: Obviously the problem is --

1 WITNESS JACKSON: But when we call, we
2 are told there is no problem, you know. And then
3 when we call back or when my neighbors call to
4 complain about the same thing, they're told this is
5 the first they've heard of it.

6 CHAIRMAN JABER: Mr. Lewis, here is what
7 I'd like to do. I'd like for one of your engineers
8 to accompany one of our engineers to look at the
9 entire system there. It might be -- and this is a
10 guess on my part. Obviously, I haven't seen it and
11 I haven't -- I don't know, but it might be that the
12 feeder didn't get changed because they thought the
13 transformer would take care of it. But that's a
14 guess on my part, which is why I want our --

15 WITNESS JACKSON: Well, they did put a
16 new transformer in because it used to be on this
17 side. Because you can always tell when it goes.
18 It sounds like somebody shot a shotgun off. And it
19 used to be on this side of the pole, and now it's
20 on this side of the pole.

21 CHAIRMAN JABER: Ms. Jackson, our staff
22 and/or the company will set up an appointment with
23 you, and one of our engineers will follow up with
24 you.

25 WITNESS JACKSON: Oh, I'd really

1 appreciate it.

2 CHAIRMAN JABER: Thank you.

3 WITNESS JACKSON: I'm tired of buying
4 battery backups.

5 CHAIRMAN JABER: Thank you. And thank
6 you for waiting as long as you did.

7 WITNESS JACKSON: Thank you.

8 MR. BECK: Ms. Jackson was the last
9 witness to sign up.

10 CHAIRMAN JABER: I want to thank those of
11 you that hung in there. I appreciate your
12 patience. It's really important for us to hear
13 from all of the customers. You are an integral
14 part of our process. So thanks for hanging in
15 here. And this hearing is adjourned.

16 (Whereupon, the hearing concluded at
17 4:15 p.m.)

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F L O R I D A)

: CERTIFICATE OF REPORTER

COUNTY OF PINELLAS)

I, Donna W. Everhart, CSR, RPR, CP, CM,

DO HEREBY CERTIFY that the CUSTOMER SERVICE HEARING in this cause, Docket No. 000824-EI, was heard by the Florida Public Service Commission 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, consisting of 211 pages, constitutes a true transcription of my notes of said proceedings.

DATED THIS 30th day of January, A.D., 2002.

Donna W. Everhart
Donna W. Everhart
CSR, RPR, CP, CM
Notary Public, State of Florida
Commission No.: DD 063529
My Commission Expires: 12/8/2005