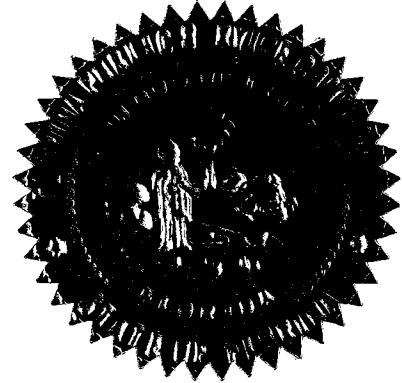


BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 060038-EI

In the Matter of:

PETITION FOR ISSUANCE OF A STORM  
RECOVERY FINANCING ORDER, BY FLORIDA  
POWER & LIGHT COMPANY.



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PROCEEDINGS: WEST PALM BEACH SERVICE HEARING

BEFORE: CHAIRMAN LISA POLAK EDGAR  
COMMISSIONER J. TERRY DEASON  
COMMISSIONER ISILIO ARRIAGA  
COMMISSIONER MATTHEW M. CARTER, II  
COMMISSIONER KATRINA J. TEW

DATE: Thursday, March 2, 2006

TIME: Commenced at 4:00 p.m.  
Concluded at 6:25 p.m.

PLACE: Fulton-Holland Educational Services Center  
Palm Beach County School Board  
3300 Forest Hill Boulevard, Suite B102  
West Palm Beach, Florida

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

DOCUMENT NUMBER-DATE

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

1  
2 CHAIRMAN EDGAR: Good afternoon. Thank you all for  
3 coming. I'm going to go ahead and call this customer service  
4 hearing to order, and we will begin by asking our Commission  
5 staff counsel to read the notice.

6 MS. BRUBAKER: Certainly. Pursuant to notice, this  
7 time and place has been set aside for the purpose of conducting  
8 a customer service hearing in Docket 060038-EI. The purpose of  
9 the service hearing is set forth more fully in the notice.

10 CHAIRMAN EDGAR: Thank you, Ms. Brubaker. And now  
11 what I'm going to do is ask the attorney representatives for  
12 each of the parties to make appearances for me, and we'll start  
13 with Mr. Bryan.

14 MR. BRYAN: Patrick Bryan, attorney for Florida Power  
15 & Light Company.

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

18 MR. WRIGHT: Good afternoon. My name is Robert  
19 Scheffel Wright. I'm an attorney in Tallahassee. I represent  
20 the Florida Retail Federation.

21 MR. TWOMEY: Hello. I'm Mike Twomey representing the  
22 AARP.

23 MS. BRUBAKER: And Jennifer Brubaker on behalf of the  
24 Commission.

25 CHAIRMAN EDGAR: Thank you. Again, welcome everyone.

1 Thank you for coming to join us this afternoon and into the  
2 evening perhaps. We are here, we've come from Tallahassee  
3 because we want to hear from the customers, we want to hear  
4 from the consumers about the matters that are before us. We're  
5 going to start in a few minutes with brief presentations from  
6 each of the parties that are parties to the petition that has  
7 been filed before us. We will move from that into taking  
8 comments from customers. We have asked that anyone who would  
9 like to speak sign up on the forms that are outside the doors.  
10 Mr. Beck with the Office of Public Counsel will use that  
11 sign-up sheet to call those of you to the microphone in order  
12 so that you can make your comments to the Commission.

13 I'd like to introduce the members of the Public  
14 Service Commission to you. My name is Lisa Edgar. I serve as  
15 Chair of the Florida Public Service Commission. And with me  
16 are my colleagues: Commissioner Carter, Commissioner Deason,  
17 Commissioner Tew, and Commissioner Arriaga.

18 This proceeding is a part of the evidentiary record  
19 for the petition that has been filed with the Commission. As  
20 such, those of you who have signed up to speak will be sworn,  
21 and there will be the opportunity for the Commissioners and for  
22 the representatives of the parties to ask questions of you.  
23 We'll get to the swearing in in a few minutes and I'll talk  
24 about that a little more at that time.

25 I'd also like to mention that near the sign-up sheet

1 there are some green forms that look like this. On the second  
2 page there is -- excuse me. I'm not sure which page it is. In  
3 these green forms there is a page that you can fill out written  
4 comments. If you have anything in addition to your verbal  
5 comments today that you would like to send to us in writing, if  
6 would you like to do that instead of speaking to us today or if  
7 you know of anybody who would like to send us written comments,  
8 I encourage that you use these green forms. That also will  
9 become a part of the record before us.

10 We're going to move on to the next stage of our  
11 agenda right now, and I'm going to ask Ms. Brubaker to give a  
12 brief presentation, overview of the matter that is before us.  
13 Ms. Brubaker.

14 MS. BRUBAKER: Thank you. As I read from the notice  
15 earlier today, we're here today to talk about the petition that  
16 FPL has filed for issuance of a storm recovery financing order.

17 In 2005, the Florida Legislature addressed the cost  
18 of recovering storm damage restoration costs by creating  
19 Section 366.8260, Florida Statutes. And this statute  
20 authorizes the Commission to approve the issuance of bonds for  
21 the purpose of recovering storm damages, both damages that have  
22 occurred, as well as damages that will be incurred as a result  
23 of future catastrophic events. All storm-related costs arising  
24 from named storms from 2004 onward are eligible for  
25 consideration under the statute, and this is indeed the statute



1 that FPL has filed its petition pursuant.

2 Now this next slide will show you how FPL has  
3 calculated the amount that it's requesting in the bond  
4 issuance. The total amount is \$1,049.6 million. First, FPL  
5 determined that its total cost for storm damage in 2005 are  
6 \$826.9 million, and then add unrecovered 2004 storm costs of  
7 \$213.3 million. That also includes a \$650 million amount to  
8 replenish the storm reserve. And the bond issuance cost itself  
9 is estimated to be \$11.4 million. FPL then subtracted the  
10 estimated income tax effect of \$652 million, and that results  
11 in the total \$1,049.6 million.

12 FPL is requesting to recover the bonds over a 12-year  
13 period. And the utility estimates that the result of issuing  
14 bonds over the 12-year period would result in a reduction of  
15 the current storm recovery surcharge of \$1.65 to \$1.58 in the  
16 monthly bill for a residential customer using 1,000 kilowatt  
17 hours.

18 I'd also like to talk just briefly about the  
19 Commission hearing process. The process started with FPL  
20 filing its petition. And after the petition was filed, the  
21 utility, the staff and the parties have engaged in a process  
22 called discovery, basically a fact-finding process, and that  
23 process is continuing, going on at this time.

24 Service hearings have been scheduled like this one  
25 for the purpose of hearing from FPL's customers. There's also

1 a technical hearing that will take place in Tallahassee. It is  
2 scheduled currently to start April 19th.

3 The purpose of the service hearings that we mentioned  
4 is to hear from FPL's customers. The Commission is very  
5 interested in learning more about the customers' opinions, both  
6 about the petition that FPL has filed, as well as FPL's efforts  
7 to recover from the storms.

8 The company and the other parties will have an  
9 opportunity to present their testimony and witnesses at the  
10 technical hearing in Tallahassee. Now at the technical hearing  
11 in Tallahassee, the parties will put forth their own witnesses,  
12 they'll have the opportunity to cross-examine the other  
13 parties' witnesses. And once the hearing is complete, the  
14 parties will file legal briefs, which is essentially a summary  
15 of the evidence as they see it and how they think the  
16 Commission should rule on FPL's petition. After the briefs are  
17 filed, the Commission staff will prepare and present a staff  
18 recommendation based on the evidence presented, and the  
19 Commissioners will consider the staff's recommendation at a  
20 public meeting in Tallahassee, then make their final vote. And  
21 the final vote for this case is currently scheduled for  
22 May 15th, 2006.

23 The last thing I'd like to address are some other  
24 hurricane-related activities that are currently taking place at  
25 the Commission. The first of those is that the Commission

1 recently held a workshop which includes both state and local  
2 government officials, electric utilities and independent  
3 technical experts. The purpose of the workshop was to discuss  
4 ways to minimize the impact of storms both for the utility  
5 infrastructure as well as for the impact on customers. Some of  
6 the short-term actions that were discussed include pursuing a  
7 three-year vegetation management cycle, and that includes  
8 things like tree trimming, replacement of wood poles with steel  
9 and concrete, and audits of joint use pole agreement  
10 attachments. And an example of that would be where an electric  
11 utility shares a pole with another company such as a telephone  
12 or cable TV company.

13           Lastly, on February 7th of this year the Commission  
14 ordered electric utilities to establish an eight-year pole  
15 inspection program. And the poles must meet National Electric  
16 Safety Code standards and the poles must be strengthened or  
17 replaced if they lose over one-third of their strength.  
18 Utilities must perform certain types of inspections and  
19 evaluate pole attachments. And, again, this is not only  
20 electric wires and equipment like transformers, but also  
21 equipment associated with telephone or cable TV companies on  
22 those poles.

23           And with that, I conclude my comments, and I thank  
24 everyone for the opportunity to speak.

25           CHAIRMAN EDGAR: Thank you, Ms. Brubaker.

1           And now I'm going to ask the parties that are, that  
2 are parties to the petition that is before us to make very  
3 brief -- approximately five minutes each, there are four of  
4 them, and so that will be approximately 20 minutes, and then  
5 we'll go into the customer presentation part of the agenda.

6           And so Mr. Bryan.

7           MR. BRYAN: Thank you, Madam Chair, Commissioners,  
8 staff. Good afternoon. Again, my name is Patrick Bryan. I  
9 represent Florida Power & Light Company. I first want to thank  
10 you all for coming out. We know your time is very valuable.  
11 But the input that you provide to us today is also very  
12 valuable to us and we will take it very seriously. So thank  
13 you.

14           Before I introduce Geisha Williams, who will make a  
15 brief presentation, I also wanted to inform you all that we  
16 have several Customer Service Representatives here in the  
17 facility. They have online computers, they can access account  
18 information in real time, and they are available to meet with  
19 any customer who has an issue, problem or question about their  
20 service or their account. They're located, I believe, out the  
21 door to the left. We have our Vice President of Customer  
22 Service Marlene Santos here to help in this endeavor. If  
23 you're interested, I encourage you to just step out and there  
24 are FPL representatives who will assist you in meeting with the  
25 Customer Service Representatives.

1           At this time I would like to introduce Geisha  
2 Williams. She is FPL's Vice President of Distribution. She is  
3 responsible for the infrastructure that delivers electricity to  
4 your home or business. She's also responsible for hurricane  
5 readiness, restoration and recovery. Geisha.

6           MS. WILLIAMS: Thank you, Pat.

7           Madam Chair, members of the Commission, PSC staff,  
8 ladies and gentlemen, good afternoon. Before I start, I want  
9 to thank everyone for being here, our customers, public  
10 officials, emergency restoration managers. It's very important  
11 that you're here. This is an important part of the process,  
12 and we certainly appreciate you taking the time to be here  
13 today.

14           In 2005, our communities were impacted by four  
15 hurricanes: Dennis, Katrina, Rita and Wilma. These hurricanes  
16 caused significant damage and millions of customer outages. We  
17 understand what a hardship this was for our customers. Every  
18 hurricane was different. Each one posed unique challenges and  
19 we adjusted our plans and restoration efforts accordingly.

20           Take Hurricane Wilma, for example, as a Category  
21 3 when it first made landfall south of Naples and as a Category  
22 2 when it exited the state just south of Jupiter, it hit the  
23 most heavily populated area of our service territory, impacting  
24 3.2 million customers and making it the most challenging  
25 restoration effort we've ever faced.

1           How did we perform? By Day 3 we restored power to  
2 1 million customers, 2 million by Day 5, and by Day 18 we  
3 essentially restored service to everyone that had been impacted  
4 by this terrible storm.

5           Independent third-party benchmarking on both  
6 restoration speed as well as infrastructure performance  
7 indicated that we performed well when you compared us to other  
8 utilities. And just as we do every year, we reviewed our  
9 hurricane restoration in 2005. We collected extensive data to  
10 help us understand the underlying causes of the damage. We  
11 also engaged KEMA, an internationally renowned engineering  
12 firm, to help us assess our system, our processes and our  
13 performance.

14           What did we learn from KEMA? They validated that our  
15 system is designed and built to meet and, in most cases, exceed  
16 all required standards, and that our system performed exactly  
17 as it was designed and built to and as it was expected to  
18 during Hurricane Wilma.

19           Less than 1.5 percent of the poles in Wilma's path  
20 sustained any damage, and KEMA noted that the primary cause for  
21 this pole breakage was wind, hurricane-force wind, and not  
22 deterioration as some have suggested.

23           We have had two horrific back-to-back, multiple  
24 hurricane years, and, unfortunately, the forecast is for  
25 similar weather events for the next decade or two. Clearly the

1 weather in Florida is changing and so must we. That means that  
2 while our system has performed as it was designed to, we will  
3 undertake significant changes to make it stronger.

4           Recently we requested approval from the Commission to  
5 implement our storm secure plan, a five-point improvement plan  
6 to increase reliability and preparedness for future hurricane  
7 seasons.

8           Let me be specific about these initiatives. First,  
9 we will harden our electrical infrastructure to be able to  
10 sustain a higher, more extreme wind to a higher standard.  
11 Second, we will encourage underground conversions by investing  
12 in a portion of the costs. Third, we will inspect our poles on  
13 an eight-year cycle in accordance with a new Public Service  
14 Commission recommendation. Fourth, we're increasing our line  
15 clearing and promoting the Right Tree, Right Place program, a  
16 program to help our customers plant trees safely away from  
17 power lines. And, finally, we will complete repairs for 2005  
18 and strengthen targeted facilities before the 2006 storm  
19 season. We're confident that these initiatives will help us to  
20 provide a more resilient electric system to face future  
21 hurricanes.

22           Unfortunately, the technology does not exist today to  
23 make any electric system anywhere totally hurricane proof. The  
24 reality is that when hurricanes strike, there will be outages.  
25 And when outages occur, we will again be there for our

1 customers ready to restore service as quickly and as safely as  
2 possible. Because of this, the cost of restoration is a  
3 reality, too. Since Hurricane Andrew we have been unable to  
4 get insurance to cover our electric system from hurricane  
5 damage. So the Florida Legislature has created a mechanism to  
6 recover costs related to hurricane damage and to help prepare  
7 for the future, future storms by selling bonds. The cost  
8 recovery mechanism that I've just discussed is called  
9 securitization. It spreads the recovery over multiple years,  
10 minimizing the impact on our customers, particularly those on  
11 fixed income.

12 We all wish that hurricanes would not occur, but it's  
13 beyond anyone's ability to stop them. Our top priority is to  
14 respond quickly and safely to restore power to our customers in  
15 the least amount of time. To do that we will make the  
16 necessary investments, apply state of the art technology and  
17 continue to build on what we've already learned. Most  
18 importantly, we will continue to listen to the community and  
19 our customers because we know you're counting on us. Thank you  
20 for being here today.

21 CHAIRMAN EDGAR: Thank you, Ms. Williams.

22 Mr. Beck.

23 MR. BECK: Thank you, Chairwoman Edgar and  
24 Commissioners.

25 Good afternoon. Thank you for coming this afternoon.



1 I know it's a gorgeous day outside, and we appreciate your  
2 coming here.

3 My name is Charlie Beck. I'm with the Office of  
4 Public Counsel. Let me briefly describe our office. We are  
5 completely separate from the Florida Public Service Commission,  
6 and it's our -- we endeavor our very best to represent consumer  
7 interests in front of the Commission as an advocate. We appear  
8 just the same as other parties such as the AARP and the Florida  
9 Retail Federation who have intervened in this proceeding. We  
10 are in the process right now of preparing our case and plan to  
11 file testimony four weeks from tomorrow on March 31st. We're  
12 right now engaged in the process of going through tens of  
13 thousands of pages of documents from Florida Power & Light and  
14 hundreds of interrogatories in preparation.

15 In preparing our case, we've retained two firms, one  
16 a CPA firm, to look at the accounting, to look at how FPL  
17 generated its numbers and whether they're valid. And the  
18 second firm we've hired is R. W. Beck, which is a national  
19 engineering firm unrelated to me, that is reviewing both the  
20 KEMA report that Florida Power & Light mentioned earlier, their  
21 engineering report, as well as other matters that are raised in  
22 Florida Power & Light's petition.

23 Under the statute that Florida Power & Light has  
24 filed under, all the costs that they, they propose to charge  
25 must be reasonable and they must be prudent. And those are the

1 two key items that we're looking at in the case.

2           With regard to prudence, let me just mention a few of  
3 the issues that we see. The first one is pole inspections.  
4 You've heard previously from Ms. Brubaker of the staff of the  
5 Commission and FP&L that the Commission has recently required  
6 all the electric utilities in the state to inspect all of their  
7 poles in an eight-year cycle. We're very supportive of this.  
8 We're also very supportive of the proposals FP&L has brought to  
9 harden their system.

10           But that's not the issue in this case. The issue in  
11 this case is what actions did Florida Power & Light take prior  
12 to these hurricanes or what actions didn't they take that might  
13 have contributed to the extent of the damage?

14           On pole inspections, Florida Power & Light had no  
15 formal pole inspection from 1991 to 1999. When they started up  
16 again in 1999, they inspected about 1 percent of their poles  
17 each year, which is far different than the new standard that  
18 the Commission has put forward. So we're looking at that,  
19 we're having our engineers evaluate that to see whether they  
20 think it was consistent with prudent utility service.

21           The second issue concerns the transmission lines,  
22 which are the very much larger lines that deliver electricity  
23 from the plants outward. One of the most tragic events in it  
24 was one line had 28 transmission poles carrying 500 kilovolt  
25 lines fall in a cascading fashion. And the reason, I think

1 everybody concedes that what it was is that the bolts were  
2 loose. The question is why. FP&L claims that they followed  
3 the existing procedures that were called for at the time of the  
4 installation. We're looking at that, questioning whether  
5 that's correct given the type of poles and how were they  
6 configured. So that's a second issue we're looking at.

7 Another is tree trimming and vegetation management.  
8 Florida Power & Light is increasing their spending on this  
9 considerably. But the issue we're looking at is what was it  
10 before the hurricanes? Did the lack of tree trimming  
11 contribute to the severity of the damage?

12 Now with regard to the issue of whether the rates are  
13 reasonable, there's another set of questions that we're looking  
14 at. Florida Power & Light calculates its costs differently  
15 than the other utility that's before the Commission right now  
16 for securitization. The other utility is looking at their  
17 incremental costs from the hurricane. That is you take a base  
18 of costs that they have for employee salaries, for normal  
19 overtime, and you look at the extra that was involved in the  
20 hurricane. Florida Power & Light is asking to charge all of  
21 their costs, including the normal salary, normal overtime as  
22 part of their hurricane costs, and we see that as double  
23 charging. You know, you've already paid for that once in your  
24 base rates because it includes an amount for salaries, normal  
25 overtime. You can't collect it in your base rates and then ask

1 for it again in the hurricane surcharge. Now that applies in a  
2 lot of areas, not just salaries. There's tree trimming,  
3 vehicle operation expense, other areas like that that we're  
4 looking at.

5 So that's what we're doing. All of our activities  
6 are available for anyone for viewing on the Commission's  
7 website where all the filings in the case are available. And  
8 we will be filing our case, as I said, four weeks from  
9 tomorrow.

10 Thank you all for coming, and we look forward to your  
11 testimony.

12 CHAIRMAN EDGAR: Thank you, Mr. Beck.

13 Mr. Wright.

14 MR. WRIGHT: Thank you, Madam Chairman and  
15 Commissioners.

16 Good afternoon. My name is Schef Wright. I was born  
17 and raised in this part of the world, in Miami. I've lived all  
18 but nine of my 56 years in the State of Florida, and I really  
19 am glad to be here. I thank the Commission for letting me  
20 speak to you, and thank you all for coming out.

21 I represent the Florida Retail Federation, which is a  
22 statewide organization of more than 10,000 members, including  
23 the largest electricity purchasers in the state and many of the  
24 smallest mom and pop retail operations in the state. We are  
25 actively participating in this case just like the Public

1 Counsel and the AARP are. We're addressing the same issues.

2 In this case, FPL is asking for a total of  
3 \$1.7 billion, of which \$1.5 billion is new money. The other  
4 \$213 million is amounts that the Public Service Commission has  
5 already approved for recovery from the 2004 storms. We, the  
6 Florida Retail Federation, have the same interests as all of  
7 FPL's customers, and that is in having the lowest rates that  
8 are consistent with fairness to customers and to the utility  
9 and consistent with reliable electric service. We have no  
10 objection, no quarrel, no issue with FPL recovering its  
11 reasonable and prudently incurred costs associated with storm  
12 restoration.

13 As Mr. Beck said, this is how our regulatory system  
14 works. These are the criteria as to what's fair. If it's a  
15 reasonable cost, the utility spends it and customers pay for  
16 it. If it's not and a utility spends it, then customers aren't  
17 supposed to pay for it. And there are a number of issues in  
18 this case that really have to be looked at very hard in  
19 determining whether FPL's costs are reasonable and prudent.

20 These include whether any given cost was a reasonable  
21 and prudent cost. The PSC should ensure that there's no double  
22 counting of costs, as Mr. Beck said, that you shouldn't pay for  
23 a staff person's time through the base rates where you're  
24 already paying for his or her salary and then pay again because  
25 that person was detailed to work on storm recovery.

1           The PSC should thoroughly scrutinize FPL's prestorm  
2 maintenance activities and ensure that any costs that FPL  
3 experienced because of inadequate or -- inadequate prestorm  
4 maintenance activities are borne by FPL's shareholders and not  
5 by you, their customers.

6           The PSC should not let FPL recover any amounts, to  
7 give FPL money for sales that they didn't make because their  
8 lines were down. This is called lost revenue recovery, and in  
9 the 2005 case from the 2004 storms the PSC gave FPL \$34 million  
10 of lost revenue recovery. We didn't agree. They're the Public  
11 Service Commission, they're the judges here, they got to make  
12 the decision.

13           As I said a minute ago, FPL is asking for a billion  
14 and a half dollars of new money. Now what they're doing -- the  
15 way they're doing, proposing to do this is to lower the current  
16 rate on the current surcharge very slightly from \$1.65 per  
17 1,000 kilowatt hours of residential service to \$1.58. On the  
18 other end of it, however, they're proposing to extend it by  
19 about ten more years from its currently scheduled termination  
20 date. The point is no matter, no matter how you cut it,  
21 \$1.5 billion of your money is \$1.5 billion of your money. You  
22 can say, yeah, there's a reduction in the rate, but by  
23 extending it for ten years it's a \$1.5 billion rate increase.

24           The PSC needs to ensure that whatever mechanism it  
25 approves, whether it uses the securitization bond issuance

1 mechanism or a more conventional surcharge mechanism like the  
2 one that's currently in place, is the most cost-effective  
3 alternative available.

4           Finally, it is our very strong position that FPL does  
5 not need anything like the staggering \$650 million storm  
6 reserve that they have proposed in this case. In the rate case  
7 last year, our expert witness proposed \$20 million a year to be  
8 contributed toward establishing, replenishing FPL's storm  
9 reserve. That would produce \$100 million over a five-year  
10 period. And, frankly, we think that's plenty for any kind of  
11 normal storm activity. And we know that FPL has this  
12 opportunity and this docket that we're here on today and the  
13 same corresponding opportunity they had last year to come to  
14 the Commission and ask for recovery of extraordinary costs if,  
15 and we all hope this doesn't happen, but if we have further  
16 catastrophic storm events.

17           Thank y'all for coming out on this beautiful  
18 afternoon. Have a nice evening. Thank you.

19           CHAIRMAN EDGAR: Thank you, Mr. Wright.

20           Mr. Twomey.

21           MR. TWOMEY: Madam Chairman, Commissioners. Ladies  
22 and gentlemen, good afternoon. My name is Mike Twomey. I'm an  
23 attorney in Tallahassee. I'm representing the AARP in this  
24 case. As many of you know, the AARP has approximately  
25 35 million members throughout the United States, some

1 2.7 million in the State of Florida.

2           Excuse me. The AARP adopts all of the same concerns  
3 that the Office of Public Counsel has related to you as well as  
4 the Retail Federation. We lean -- we haven't decided yet on a  
5 Storm Damage Reserve. AARP is going to lean toward a smaller  
6 figure on the order of what the Florida Retail Federation has.  
7 That is not the \$650 million the company is asking for, but  
8 something on the order of \$100, \$200 million so that the  
9 amounts you have to pay the next 12 years or whatever the bond  
10 payoff period is will be substantially lower.

11           This is not the first time that AARP has been in  
12 these cases. The AARP intervened in the 2004 storm case with  
13 some small measure of success. AARP intervened in the  
14 2005 rate case and participated in the settlement with the  
15 Office of Public Counsel, the Attorney General and the other  
16 parties, and FP&L to have a rate freeze essentially for four  
17 years. That was a major success in our view.

18           We also participated in the 2005 fuel adjustment  
19 proceedings that resulted in the charge that you started paying  
20 in January of this year. We had some minor success there  
21 because the fuel costs were so dramatically increased over the  
22 past years, your rates have gone up about 19 percent if you're  
23 a residential customer.

24           That's about all I want to say. We're highly  
25 supportive of the Office of Public Counsel. AARP has worked



1 closely with Public Counsel. Public Counsel has done an  
2 excellent job in the last several years and the many years  
3 preceding.

4 I want to speak briefly to you on the process of  
5 these hearings. We are here, as the Chairlady said, for an  
6 evidentiary hearing. We have a court reporter. This -- your  
7 testimony will go into the evidence. I'm concerned based upon  
8 the hearings we've had the last two days that we'll have people  
9 come in that have an undisclosed bias and testify in favor of  
10 FP&L. I have no problem, AARP does not mind that anybody comes  
11 in and says FP&L has done a wonderful job, the repairs were  
12 great, good corporate citizen and that kind of thing. One of  
13 the concerns we have though is that if somebody comes in and  
14 has an undisclosed bias and says they want to have a rate  
15 increase, have the PSC Commissioners approve the rate increase,  
16 we're troubled by that. We have an obligation, I believe, to  
17 probe, if you come in and ask for a rate increase, and try and  
18 find out if there's a bias.

19 For example, yesterday in Fort Myers two retirement  
20 communities came in, large communities, and spoke glowingly of  
21 FP&L and suggested the bond money should be approved. The  
22 smaller of the two had received \$215,000 in rebate money from a  
23 conservation program. The larger one necessarily had to have  
24 more. I didn't bother to get the number. We had a resort  
25 community this morning that testified in Fort Lauderdale, and

1 it turned out that they had taken in and received monies for  
2 housing FP&L's storm workers. That suggests bias.

3 Lastly, we had a gentleman who said he worked for the  
4 Broward County School Board and talked glowingly -- to me  
5 suggested that the rate increase should be approved. And upon  
6 questioning him, it turned out that he had no authority to  
7 speak for the board. These are things that would concern us.

8 If you're here for a company or a government and you  
9 have any kind of a rate rebate and that kind of thing, I'd ask  
10 you to disclose it. Thank you.

11 CHAIRMAN EDGAR: Thank you, Mr. Twomey. And I thank  
12 each of the parties for helping us to stay on schedule this  
13 afternoon as well. Thank you.

14 Before we go into the next part of the agenda, I'd  
15 like to mention that the Public Service Commission does also  
16 have staff that are right outside the door. If any of you have  
17 questions about this proceeding, about the work that the  
18 Commission does, about utility regulation, please look for one  
19 of our staff who are right outside the door because they will  
20 be glad to help you.

21 As I mentioned earlier, in order to be called to the  
22 microphone to speak here in a few minutes, we need you to sign  
23 up on the sign-up sheets. Mr. Beck will be using that list to  
24 call you to come up and speak before the Commission. As I also  
25 mentioned earlier, in a moment I will ask all of you to be

1 sworn in. We will do that as a group so that we can save time.

2 And as I mentioned and as Mr. Twomey also described,  
3 there will be the opportunity for the Commissioners or for  
4 representatives of the parties to ask questions if they have a  
5 question from the comments that you presented.

6 I'd also like to share with you that this morning at  
7 our meeting in Fort Lauderdale we ran over time, and we are so  
8 glad for all the interest in the work that we are doing and we  
9 are here to hear from you, and I assure you that we want to  
10 hear from everybody that has come here today, but I would ask  
11 that you be mindful of the time frame that we have and of the  
12 fact that there are others who are also waiting to speak to us.

13 So for those of you who would like to speak to the  
14 Commission this afternoon, if you will all stand as a group.  
15 Please raise your right hand.

16 (Witnesses collectively sworn.)

17 CHAIRMAN EDGAR: When you come to the microphone  
18 also, if you would spell your name if it is difficult for us to  
19 maybe figure out what the spelling would be, and to also give  
20 your address and phone number, that will be helpful to the  
21 court reporter and will be helpful to us as we prepare the  
22 record for this proceeding.

23 Senator Aronberg, thank you for joining us. Would  
24 you like to make some comments?

25 Whereupon,

1 SENATOR DAVE ARONBERG

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

4 DIRECT STATEMENT

5 SENATOR ARONBERG: Thank you, Madam Chairwoman,  
6 members of the Commission. I'll be brief. I don't want to  
7 take up the time of my constituents.

8 I just first want to welcome you to West Palm Beach.  
9 This is my district. I welcomed you yesterday to Fort Myers.  
10 That also is my district. So I appreciate your traveling from  
11 coast to coast, as I did yesterday, to meet with constituents.

12 Also I want to welcome the three new members of the  
13 Public Service Commission. I think it's been a great breath of  
14 fresh air, a change of pace to have three outstanding members:  
15 Commissioner Tew, Commissioner Carter, Commissioner Arriaga.  
16 As you know, I was on the selection committee, and I'm pleased  
17 with the choices we made because I do think that in the past  
18 there was a feeling from some that the PSC wasn't as  
19 accountable or open or independent as it should be, and I think  
20 the new members really have done a great job already. And I'm  
21 pleased that you were made Chair, Chairman Edgar, because  
22 you're the right person for the job. And Commissioner Deason,  
23 I think this is your eighteenth year.

24 COMMISSIONER DEASON: Sixteenth.

25 SENATOR ARONBERG: Oh, sixteenth. Excuse me. But

1 your experience is much needed and appreciated.

2           Just a couple of quick things. The PSC -- and with  
3 your leadership, you've taken the lead to further have a plan  
4 that further strengthens the maintenance policies on these  
5 poles. A lot of concerns I've heard from members of my  
6 community, especially folks from Century Village, and I know  
7 there's members here from Century Village, are that the poles  
8 were not as strong as they should be, and they were wondering  
9 why some of them snapped from the hurricane, which -- even  
10 though they were designed to withstand greater winds. And I  
11 know that FPL has a plan to strengthen the poles at least with  
12 maintenance and perhaps use different materials, but the PSC is  
13 going a step further. And I applaud you for that and look  
14 forward to working with you on that.

15           The, the other thing I want to mention and the only  
16 thing before I let my constituents speak for themselves is that  
17 the meeting yesterday in Fort Myers, as you know, was at  
18 1:00 p.m. Today's meeting is at 4:00 p.m., and I think  
19 4:00 p.m. is better than 1:00 p.m., but I still prefer if we  
20 could do these meetings preferably at 5:00 or sometime when  
21 working people would be more able to attend these meetings.  
22 Although we have a good turnout here today, I think it's better  
23 if we have a time when people wouldn't have to give up their  
24 workday to come and represent themselves or their neighbors at  
25 an important hearing like this.

1           So with that, I thank you again for being here. I  
2 look forward to listening to you, the members of my  
3 constituency here today.

4           CHAIRMAN EDGAR: Thank you, Senator. And on behalf  
5 of my colleagues, thank you for your support of our proceedings  
6 and thank you for your suggestions as well.

7           Representative Bucher, thank you for joining us.  
8 Would you like to make a few comments?

9 Whereupon,

10                           REPRESENTATIVE SUSAN BUCHER

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

13                           DIRECT STATEMENT

14           REPRESENTATIVE BUCHER: Good afternoon and welcome to  
15 Palm Beach County. Thank you so much for coming here to hold  
16 this kind of public hearing. We don't much get an opportunity  
17 for our constituents to be able to address you.

18           I just wanted to come because I think that there has  
19 been a lot of controversy about charges that FPL are alleging  
20 are storm damage and about the actual recovery costs that  
21 they're looking for from your board to approve. And so I just  
22 would ask that we take some time, and I know that at the  
23 legislative level we've substantially reduced the staffing and  
24 the budget at the Public Service Commission, and I would just  
25 hope that we could take the appropriate time and investigation

1 period to look into the actual storm damage costs.

2 I'm a little astounded that in 2004 FPL is indicating  
3 that they had substantial damage cost, I think they're saying  
4 it was \$213 million, and in 2005 it was \$815 million, but yet  
5 they can only expect insurance reimbursement of \$27 million for  
6 damages. And so if I'm reading this right, it means that  
7 they're probably underinsured as a company. And I believe they  
8 have a responsibility to our constituents that they serve to  
9 take a look at their own shop before they come asking the  
10 public for some dollars that are very precious as we see  
11 increasing property values and, of course, larger property tax  
12 payments. And we know what insurance is doing, and I think  
13 we're going to do a, have a more severe crisis when we're  
14 finished with this legislative session that starts next week.

15 So I hope that you take appropriate time and proper  
16 deliberation before we just pass these expenses off to our  
17 citizens. They're having a struggling time not only with their  
18 electric bills, but with everything involved in the State of  
19 Florida. And from the accounts that I've been reading, it  
20 appears that we have a little bit of fuzzy math going on, and I  
21 hope that you're able as a board to clear that up.

22 I appreciate your time today, and I hope that we have  
23 plenty of residents today that are, that have tried to make it  
24 into their schedule. And I also would echo the fact that I  
25 think that we would see an overflow crowd out into the streets

1 if this was after working hours. Thank you.

2 CHAIRMAN EDGAR: Thank you, Representative Bucher.

3 Mr. Beck.

4 MR. BECK: Thank you, Chairwoman Edgar.

5 Mr. Stephen Backhus.

6 Whereupon,

7 STEPHEN BACKHUS

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

10 DIRECT STATEMENT

11 MR. BACKHUS: Stephen Backhus, B-A-C-K-H-U-S,

12 14172 Horseshoe Trace, Wellington, Florida, (561)793-3482.

13 Thank you for giving me the opportunity to discuss  
14 the interaction between the Palm Beach County School District  
15 and Florida Power & Light.

16 As you're aware, in the last two years we've had  
17 Hurricanes Frances, Jeanne, Katrina and Wilma. During each  
18 hurricane, under difficult circumstances, FP&L has responded  
19 professionally. They have always established a line of  
20 communication before, during and after each storm. Their  
21 information is always informative and candid. Their  
22 information, along with other variables, allows the district to  
23 determine when schools may reopen.

24 I respectfully request the Commission provide FP&L  
25 the resources necessary to prepare and recover from future



1 hurricanes. We believe by providing the necessary resources,  
2 FP&L will be able to reduce outages, which will enable our  
3 students and staff to return to their normal classroom  
4 schedules. Thank you.

5 CHAIRMAN EDGAR: Thank you, Mr. Backhus.

6 MR. TWOMEY: Madam Chair.

7 CHAIRMAN EDGAR: Mr. Backhus, if you could stay at  
8 the microphone for a question from Mr. Twomey, please.

9 CROSS EXAMINATION

10 BY MR. TWOMEY:

11 Q Yes, sir. Are you -- is the board, the school board  
12 asking that the full increase be granted?

13 A I'm not speaking on behalf of the school board. I'm  
14 speaking on behalf of myself when it comes to giving the  
15 resources.

16 Q I see. But you're a school board employee.

17 A That's correct.

18 Q What is your position there?

19 A I'm the Assistant Director of Maintenance, and I'm  
20 also in charge of hurricane recovery.

21 Q Do you by chance know what the Palm Beach County  
22 School Board's electric bill was last year?

23 A No, I don't.

24 Q So, therefore, would I be correct in assuming you  
25 don't know what the increase would be if this petition were

1 approved?

2 A I'm not sure what the increase would be.

3 MR. TWOMEY: Thank you.

4 MR. BACKHUS: You're welcome.

5 CHAIRMAN EDGAR: Thank you, Mr. Backhus.

6 Mr. Beck.

7 MR. BECK: The next witness is Randy Welker.

8 Whereupon,

9 RANDY WELKER

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

12 DIRECT STATEMENT

13 MR. WELKER: Chair and Commission, my name is Randy  
14 Welker, W-E-L-K-E-R. I live at 290 Northeast 5th Avenue,  
15 Number 5, Delray Beach, Florida.

16 I don't have anything prepared. But basically I  
17 moved here two and a half years ago. And some have accused me  
18 of being the cause of the hurricanes, and I don't think I'm  
19 that unlucky. But on the other hand, you know, after having  
20 gone through them and never experienced it before, I was amazed  
21 at the power and destruction that existed from these things.  
22 It wasn't anything that I had ever experienced before. As I  
23 said, I moved here from up north. I actually served in a state  
24 commission like you all, different in the sense it didn't have  
25 far the implications of what's going on, but I appreciate the

1 things that this Commission is being asked to do.

2 I don't -- I probably am biased, but I'm not  
3 receiving anything from FPL, but I would certainly be open to  
4 anything FPL might be willing to do as a subsidy.

5 But I do want to be realistic. I mean, you know,  
6 when you looked out and you, excuse me, you saw the devastation  
7 and you saw the amount of damage that existed, I was amazed  
8 that I had the power back on. I was also amazed that my power  
9 is as reasonably priced as it is. I know that sounds silly,  
10 but I look back up to what my friends and other family members  
11 are paying this year for what our power costs are. I wanted to  
12 be in a place in which I felt that the power company was  
13 reliable, and I think they are. I think the one where I came  
14 from was a very good company. But I also want the prices to be  
15 reasonable. I want us to be able to pay for what we're  
16 expected to pay for. I believe that is the underlying issue  
17 that you have to look at.

18 This is a good company. They seem to be doing what  
19 they're supposed to be doing from the perspective of a  
20 customer. And the same time portion is I want them to be able  
21 to be there next time so that I'm not going to have to sit out  
22 there and say, well, I can't have power for this indeterminate  
23 amount of period. And I don't want to, you know, be mean about  
24 any one community, but sometimes you look at some communities  
25 that have tried to take on the power themselves and I see the

1 hardship that that little community has to experience because  
2 they're not part of something that can handle the emergency  
3 situation. So I guess that's my point.

4 I want us to be reasonable, I want us to make sure  
5 that we do what's right, but I also want the company to be able  
6 to perform so that I do receive the services that make my life  
7 reasonable. I don't like to be sitting in 90 something degree  
8 weather without any electricity. I want the comforts that  
9 people expect. So this was a bad one. I hope we don't have  
10 anymore. I'm sure there will be something. But from my own  
11 perspective as a consumer I was pleased that things turned out.

12 I also looked at the two proposals. Yes, if I'm  
13 going to look at something, I'd rather pay it long-term because  
14 it doesn't hit me as hard financially over a short-term period.  
15 Those are the things you have to determine. It appears there's  
16 an alternative to the proposal. My own opinion would be that  
17 the bond should be paid out for a longer period because it's  
18 going to make it more financially capable for me as a consumer  
19 to be able to pay it as based on a short-term. So, anyway,  
20 thank you.

21 CHAIRMAN EDGAR: Thank you, Mr. Welker.

22 MR. BECK: Marvin Benson.

23 Whereupon,

24 MARVIN BENSON

25 was called as a witness on behalf of the Citizens of the State

1 of Florida and, having been duly sworn, testified as follows:

2 DIRECT STATEMENT

3 MR. BENSON: Thank you. My name is Marvin Benson,  
4 B-E-N-S-O-N. I live here in West Palm Beach, Florida, at  
5 1200 West 45th Street. My family have been tax paying citizens  
6 of Palm Beach County for over 100 years. For the last ten  
7 years I've resided at a nursing home that used to be called the  
8 Palm Beach County Home. It's now called the Edward J. Healy  
9 Center.

10 Hurricane Wilma, when it came through, caused  
11 devastation everywhere. Our home was very fortunate that we  
12 didn't suffer any severe structural damage. However, one of  
13 the power lines that leads from 45th Street onto our property  
14 and lights a light pole went down during the hurricane. Our  
15 maintenance department and the facilities director called  
16 Florida Power & Light and reported this life-threatening  
17 situation. The line was hot or electrified. We called for  
18 three and a half weeks, and all we got was reassurances from  
19 Florida Power & Light that somebody would come out and attend  
20 to this matter. During that same three-and-a-half week period,  
21 Florida Power & Light saw fit to post 61 press notices  
22 extolling how they were restoring service. We weren't  
23 concerned with restoring service. We were, we were concerned  
24 with this life-threatening situation where we had an electric  
25 wire down and Florida Power & Light was not responding.

1           A percentage of our residents are mentally  
2 challenged. Most of them are in wheelchairs like I am. Also,  
3 this line was in such a position that it was accessible from  
4 the street, 45th Street. We have a great deal of pedestrian  
5 traffic in that area because the health department is located  
6 right behind us. Can you just imagine the scenario or the  
7 scenery if somebody in a wheelchair had gotten into that area  
8 or even where a pedestrian walking by had that necessary urge  
9 where they needed to water the plants and they had stumbled  
10 into that area?

11           I finally suggested to the facilities director, let  
12 me attend to the matter. And I called the Public Service  
13 Commission and informed them that this was indeed a  
14 life-threatening situation. And they called the executive  
15 offices of FP&L, and the executive offices called me, and the  
16 next day I received a response from FP&L. And their  
17 restoration man told me that that was not their line, that this  
18 was a cable TV line or a telephone line. And I said something  
19 to the akin of, "Balderdash." And the next day they sent a  
20 truck out and they repaired the line, and it was confirmed it  
21 was indeed hot and electrical.

22           After a couple of weeks had gone by I called FP&L  
23 again because I was giving them time to try to clear up the  
24 urgent matters that they had, and I asked, "Why did it take  
25 three and a half weeks to respond to a life-threatening

1 situation?" And they sent, they sent a gentleman out that said  
2 he was the head of the restoration department, and he met with  
3 myself and the head of the maintenance department and proceeded  
4 to tell us that Florida Power & Light had other priorities.  
5 And for the life of me, I can't conceive of a higher priority  
6 than addressing a life-threatening situation.

7           Now Florida Power & Light wants all this money, and I  
8 don't doubt that they deserve a great deal of it, for I know  
9 and I am certain, because I've lived here all my life and my  
10 family has, that hurricanes are cyclical in nature and that  
11 we're going to get some more of them. And if we as the  
12 citizens of Florida don't give them at least some of the money  
13 they're asking for, sooner or later we'll find ourselves in the  
14 same tragic situation that's an absolute debacle that the  
15 people in Lake Worth face.

16           But Florida Power & Light needs to demonstrate the  
17 worthiness of this trust that they're asking for the people of  
18 Florida, and one of those ways is in the responsiveness to  
19 these situations to where they give candid, forthright and  
20 truthful responses. When they say they're going to be out  
21 there to attend to something, let them be there. They also  
22 need to show a, a better responsibility to the citizens of  
23 Florida that is at least equal to the ones they show to their  
24 shareholders. And the Public Service Commission needs to  
25 demand an accountability of Florida Power & Light, both from

1 their actions and from their money.

2 I would ask Florida Power & Light, and I'm not  
3 familiar with all of the accounting measures or the legal  
4 measures, I would ask Florida Power & Light over the past five  
5 years how much money have they budgeted and how much money have  
6 they spent to, as they put, harden their system? And I know  
7 for sure that when Florida Power & Light demonstrates the  
8 worthiness or the trust that they ask from the citizens of  
9 Florida, that the citizens of Florida will give them almost  
10 whatever they need to provide better electrical service.

11 CHAIRMAN EDGAR: Thank you, Mr. Benson.

12 MR. BECK: Thank you, Mr. Benson, for testifying.

13 CHAIRMAN EDGAR: Mr. Beck.

14 MR. BECK: The next witness is Michela Green.  
15 Michela Green.

16 José Uzal.

17 Whereupon,

18 JOSÉ UZAL

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

21 DIRECT STATEMENT

22 MR. UZAL: Thank you very much. My name is José  
23 Uzal, U-Z-A-L, the last name. First name is José, J-O-S-E. I  
24 live at 3034 30th Lane, Green Acres, Florida. That is part of  
25 incorporated Lake Worth.



1 I grew up, I was born on hurricane alley. I have  
2 been subjected to hurricanes since I was two, I can remember.  
3 So I know that what we have seen is mild compared to what could  
4 happen. That's not something -- it could be winning a lottery,  
5 it could happen, or we can spend three months of wonderful  
6 weather like we have today.

7 We need a company that is well-financed and  
8 well-regulated. All of us that live in Lake Worth have seen  
9 what's happening two miles east of us in which we have a  
10 company that is not well-funded and not regulated at all and  
11 caused us a tremendous amount of havoc.

12 I am the sole caregiver of a handicapped paraplegic.  
13 It's very important the money that these people are going to be  
14 charging, you know, whether it's \$6 or the \$1.58 that they want  
15 to charge, is minute to making sure that they are prepared.  
16 And I look at it as part of the preparations for the storms  
17 that we're all due.

18 I have no relationship to Florida Power & Light one  
19 way or the other, other than every month they send me a bill.  
20 I try to minimize it. And my paraplegic son gets very upset  
21 because I left the door open or didn't put a seam on the bottom  
22 of it. And we have managed to bring it down. But the \$1.58  
23 will be part of the repair places and the preparations that we  
24 have to do. This is something that we live under, we are  
25 subjected to it. And, yes, I do expect you as the Public

1 Service Commission to watch these people, regulate them,  
2 follow. I'm sure that this beautiful display of suits versus  
3 blue collar workers in here, their suits are outnumbered three  
4 to one. Something will come out of it and it will be something  
5 that is important and they will be able to give us the service  
6 that we need.

7 But the money is important and they have to get it  
8 now in order to make sure that they have it. If, on the other  
9 hand, they don't spend it, then we'll come back in and talk to  
10 them about it as to what's happening and how it can be done.

11 In conclusion, it's important that you follow the  
12 pattern of what they do and follow the costs, look at whatever  
13 is in there, but they deserve -- the numbers that we're looking  
14 at are very small in today's economy. I mean, like Senator  
15 Dixon said once, you know, a billion here, a billion there,  
16 before you know it you're talking real money. It's not  
17 something that we're looking compared to what could happen to  
18 all of us and it could be dreadful. Thank you very much.

19 CHAIRMAN EDGAR: Thank you.

20 Mr. Beck.

21 MR. BECK: Yes. Thank you. Rick Vymlatil.

22 Whereupon,

23 RICK VYMLATIL

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

## DIRECT STATEMENT

1  
2 MR. VYMLATIL: Madam Chair, members of the  
3 Commission, my name is Rick Vymlatil. I live at 6501 Winding  
4 Lake Drive in Jupiter, Florida. My phone number is  
5 (561)575-4373. I am also a resident of Palm Beach County and  
6 have been so all of, with the exception of about ten years,  
7 since 1961. And I appreciate as a homeowner and as a manager  
8 of a business the fact that throughout the storm season in 2004  
9 and 2005 -- I know personally I was without service only for  
10 about three days in each of the storms, and both my wife and  
11 myself communicated regularly with Florida Power & Light and  
12 received a positive response. As well as at my, the business  
13 that I manage, the South Florida Fairgrounds -- the fairgrounds  
14 is the home for the disaster relief operation here in Palm  
15 Beach County. And FP&L utilized our grounds, did not pay the  
16 fee, any kind of a fee whatsoever for the use of that property.  
17 We provided the property as a service to the community. That's  
18 something that our board feels very strongly about. I should  
19 say that I'm not here speaking on behalf of the board. I'm  
20 doing this solely on my own as a resident. But I found Florida  
21 Power & Light's staff to be very communicative. Observing  
22 their effort while they were on the fairgrounds, I felt they  
23 really went above and beyond every opportunity they had. I  
24 think it was an undaunting task that they faced. And in spite  
25 of the fact that it took, you know, whatever the elapsed number

1 of days was to complete the restoration effort, I think they  
2 stayed after it, and I think all of us involved with the  
3 fairgrounds saw that firsthand.

4 I'm not here to speak one way or the other on behalf  
5 of the bill and the case before you. I believe that that's  
6 what you all are here for and that's the staff that you have,  
7 and the, the other members of the, to the action are here to  
8 research those types of things. But I do agree with several of  
9 the speakers here that say this is a huge task, they provide a  
10 good service for the people of Florida, and they need the  
11 resources with which to continue that service. Thank you for  
12 the opportunity.

13 CHAIRMAN EDGAR: Thank you.

14 MR. BECK: Thank you. Brian Keller. Brian Keller.  
15 Jarra Gould.

16 Whereupon,

17 JARRA GOULD

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

20 DIRECT STATEMENT

21 MS. GOULD: Hi. Good evening. Jarra Gould,  
22 J-A-R-R-A, G-O-U-L-D. I'm the Director of Business Development  
23 and Public and Community Relations for the Port of Palm Beach.  
24 I'm here this evening before you just to make a few brief  
25 comments.

1           On Monday, October 24th when Hurricane Wilma hit our  
2 county, it was a true devastation to the port; in fact, more of  
3 a devastation than the hurricanes of 2004. I am pleased to  
4 announce though that the port reopened on Wednesday,  
5 October 26th at 8:00 a.m., only 36 hours after the hurricane  
6 hit.

7           In order for the port to reopen, we had to have  
8 authorization from the captain of the port for the United  
9 States Coast Guard. And in order for him to do that, he had to  
10 make sure that the slips and the inlet were navigational for  
11 vessels, that we had a full security staff at full strength and  
12 that we had power. I would like to note that the port did have  
13 power prior to the U.S. Coast Guard reopening the port.

14           Since 9/11 I think we all understand the importance  
15 of security, not just at our ports but in our nation. For the  
16 Port of Palm Beach, having power is crucial to the security  
17 elements of our port. They affect our port-wide lighting, our  
18 circuit, our CCTV, all of our security gates, our security  
19 badging systems. So it's important for the port to make sure  
20 that those elements of the port are up and operating for the  
21 safety of the community.

22           We do commend Florida Power & Light for their efforts  
23 in getting the port reopened in terms of the power restoration.  
24 And tonight I'm just here to, to let you know that Florida  
25 Power & Light was -- that they were there, they were efficient

1 and we did appreciate it.

2 CHAIRMAN EDGAR: Thank you, Ms. Gould.

3 Mr. Beck.

4 MR. BECK: Edward Grayson.

5 Whereupon,

6 EDWARD GRAYSON

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

9 DIRECT STATEMENT

10 MR. GRAYSON: My name is Edward Grayson. I live at  
11 1685 Royal Palm Way in Boca Raton. My phone number is  
12 (561)394-6560. I've been a resident of South Florida for most  
13 of the past 30 years and I come here as a concerned citizen.

14 And I agree with all of those people who have come  
15 before you for Florida Power & Light to have the resources.  
16 What I don't agree is where the resources should come from.  
17 Florida Power & Light is a rich, powerful company that recently  
18 spent \$11 billion, that's B with a billion, to buy  
19 Constellation Energy. When Constellation Energy and Florida  
20 Power & Light get together, they will have revenues of  
21 \$27 billion with a B and will have total assets of \$57 billion  
22 with a B. Florida Power & Light has a gross margin profit of  
23 33 percent and pays \$600 million a year in dividends to its  
24 shareholders. As if to put a finger in the eye of their  
25 consumers, two weeks ago, just two weeks ago they raised the

1 dividend to their shareholders. So their shareholders will get  
2 an increase in dividends while their customers get an increase  
3 in rates.

4           What I'm saying basically is that the Florida Public  
5 Service Commission has made a, a mistake in the way that they  
6 think. And this is the mistake, if you'll allow me, with all  
7 due respect, to explain it to you.

8           In return for the monopoly that Florida Power has in  
9 providing electricity, they have agreed to provide safe and  
10 reliable electricity. That was the quid pro quo. There was no  
11 agreement that they were to be immunized from any economic  
12 distress, that they were going to be immunized from hurricanes  
13 that we know commonly occur in Florida, and they would be  
14 forever immunized against increased fuel prices that are market  
15 controlled and are neither in the consumers' hands or in FP&L's  
16 hands. There has been a break in the assumption made when a  
17 company is given a monopoly. The monopoly was not for  
18 everything always at all times. They have shareholders. They  
19 have 600 -- 435 billion shares, and 65 percent of it is owned  
20 by institutions. So the consumers here in Florida have no  
21 chance to get any redress that the shareholders bear their fair  
22 share because, after all, being a shareholder means you should  
23 assume some businessman's risk. They have no risk, no risk at  
24 all. They do well when times are good and they get dividend  
25 increases when times are bad. Now, I mean, that's, that's a

1. fabulous deal. But that's not the deal that Florida consumers  
2. made with the utility.

3. Now if the utility wants to open up their catchment  
4. area for competition, ah, that's another thing. They would  
5. never come before you with all these requests.

6. Can you imagine going into Sears, getting a bill from  
7. Sears, and at the bottom of the bill it says, we had some storm  
8. damage, so there's an extra 5 percent we're going to add to  
9. your bill. Oh, and by the way, we also had some increase in  
10. our fuel prices, so we're going to add another 5 percent in  
11. addition to that. You'd look at them like they were nuts. But  
12. they're a private company just like Florida Power & Light is  
13. who work for their shareholders and for the institutions who  
14. hold their shares. So you say, well, I'm going to walk out of  
15. Sears because I'm not doing business with these guys. But this  
16. is a different deal. Sears says, too bad, we've sealed the  
17. doors, you can't leave because -- we have, we, as customers,  
18. have had our doors sealed because they are a state-sponsored  
19. monopoly. They call themselves a utility. But really if you  
20. look at it, they're a monopoly. There's no competition and  
21. there's no incentive for them to do anything on their own. In  
22. fact, their representative admitted -- well, what she failed to  
23. say was that they've done any system hardening, any maintenance  
24. or anything for the past 12 years, though they were put on  
25. notice at the time of Andrew that there was a hurricane problem



1 in Florida. And, in fact, in the last 12 years the hurricanes  
2 have been fairly frequent.

3           So I think that what this Commission has to do is it  
4 has to look at the new deal of shifting the burden of expenses  
5 to the shareholders. This is not a one-way street. This is a  
6 monopoly. And what you should really be doing is creating  
7 performance schedules for Florida Power & Light and saying,  
8 listen, your shareholders should be bearing the cost of the  
9 bonds. They get the dividends, they get the price increase in  
10 the stock. Our customers get, get nothing, but we got the  
11 right to be a monopoly. And that's where the -- and you have  
12 to rethink it that -- you have to bring those shareholders into  
13 the equation. Right now they're immune. They only do well.  
14 That's not right.

15           And I'm, I'm going to warn you too that with FP&L's  
16 purchase of, of Constellation Energy, FP&L plans to cease to  
17 exist as a nominal entity and the whole organization will be  
18 called Constellation Energy.

19           Now to understand this, you have to know that  
20 Constellation Energy got most of its money from  
21 Baltimore Gas & Electric where they -- most of their fixed  
22 utility money. But where they really get most of their money  
23 is from energy trading like Enron. They're an energy trading  
24 company. So what Florida Power & Light is essentially and can  
25 potentially be is the ATM machine for the crap table that

1 Constellation Energy goes into as an energy trading company.  
2 And with the union of those two companies, less than 50 percent  
3 of the revenues generated will be from regulated utilities. So  
4 Florida Power & Light will be coming back to you a lot more  
5 frequently depending on how Constellation Energy does as a  
6 trading entity. They're energy traders.

7           So I think that when you look at the picture here,  
8 and I'll conclude with saying, that you're going to have to in  
9 a certain way break tradition, break with the way you've  
10 thought before, because Florida Power & Light has changed its  
11 structure. You'll be talking to people in Baltimore instead of  
12 Juno Beach. They are a private company. They're going to be  
13 an energy trading company. They have added a new degree of  
14 instability into the whole process. And you start now with  
15 saying, very well, you're a private company, let your  
16 shareholders come in and bear the burden.

17           Thank you very much.

18           CHAIRMAN EDGAR: Thank you, Mr. Grayson.

19           Mr. Beck.

20           MR. BECK: Charles Bender.

21 Whereupon,

22   CHARLES BENDER

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

25   DIRECT STATEMENT

1 MR. BENDER: Good afternoon. Charles Bender, a  
2 resident of Palm Beach Gardens, 122 Thornton Drive in the  
3 Gardens, 33418. Phone number is (626)772-1561.

4 I can't speak to any of that that I just heard and I  
5 can't even really speak to the request in front of you. What I  
6 can speak to you on behalf of are over 40 foster children that  
7 I take care of on a daily basis at Place of Hope up in Palm  
8 Beach Gardens. And I can tell you that -- I don't know if the  
9 infrastructure is different in Palm Beach Gardens than it is in  
10 Boca or Boynton, but I can tell you that our power was down for  
11 just a couple of hours. And, like I say, that's a big deal  
12 when you have to take care of just yourself or a family member.  
13 It's a much bigger deal when you've got to take care of the  
14 state's kids that are in the custody of the state that you need  
15 court orders for to evacuate, which you can't get very quickly.  
16 And we had to hunker down on our campus and gardens. And it  
17 was not only scary for the kids, but, you know, an unsure time.  
18 But if we would have had to evacuate, we may not have been able  
19 to legally. So we stayed there.

20 And, you know, in '04 the power went out and it was,  
21 you know, it was a couple of days. But you know what? It was  
22 a good learning opportunity for our kids too. We live in the  
23 Land of Plenty and we're real comfortable people. I think we  
24 need a little lesson once in a while that when a catastrophic  
25 event takes place -- I don't know any company that could have

1 handled that. I think FPL did a pretty good job.

2 I run a charity, they don't give me any money, I  
3 don't get any United Way money in my charity, so there  
4 shouldn't be any questions on that. But I can say that they  
5 repaired it quickly. I happen to live a mile away. My power  
6 at my house was down a little bit longer. But you know what?  
7 It was a good lesson for my kids as well.

8 They worked hard, they worked fast. This year  
9 thankfully our power was out for a couple of hours, but a  
10 secondary trunk line that feeds the north end of our property  
11 with a couple of houses that pull from it, and they were down  
12 for three hours. You know what it forced? It forced a  
13 community within my community, it forced our other kids to take  
14 care of those kids and those families to take care of those  
15 families.

16 And, you know, I don't invite another one. I hope we  
17 don't get hit again. And I don't, you know, like being without  
18 power as well. But I think we need to stop, especially down  
19 here in South Florida, I've been in Florida all my life as  
20 well, but particularly in South Florida we've got an "I want it  
21 now" mentality. And these events were catastrophic, and I  
22 think FPL did a pretty darn good job, and I think we ought to  
23 just give them a round of applause. I don't think we should in  
24 this meeting. But I think we ought to be thinking like that.  
25 And so I think they've done a great job. Thank you.

1 MR. BECK: Helen O'Grady.

2 Whereupon,

3 HELEN O'GRADY

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

6 DIRECT STATEMENT

7 MS. O'GRADY: Good afternoon or good evening. My  
8 name is Helen O'Grady, capital O, apostrophe, capital  
9 G-R-A-D-Y. And I spell that because FPL will not allow my name  
10 to be on the computer because they do not accept apostrophes.  
11 And I'm sorry, that's my name and I think -- and I did look up  
12 something before I came, and it's \$11.85 billion that FPL had  
13 up until last year with a 13 percent increase. I live at  
14 3742 Northwest 5th Avenue, and that's in Boca Raton, Florida.  
15 Some of the things I've tried to do, like they hand  
16 you something and it says, you know, plant these trees. So it  
17 happens that we planted back in 1958 an Australian Pine when  
18 everybody thought they were just great. There were no electric  
19 lines in the front of my house. So would you tell me why FPL  
20 came and put electric lines where the Australian Pine tree was?  
21 And now I have this 60-foot Australian Pine and with all of  
22 these lines, electric lines, and they're not going to cut it  
23 down. And, of course, you're sort of stuck. They come and  
24 they sort of cut off all the branches so you end up having a  
25 tree that's heavy on one side towards my house and there's

1 nothing on the other side. So, therefore, it's bound to fall  
2 on my house, unless I do something so that it would fall the  
3 other way. But I asked them could they cut it down or, you  
4 know, take off the electric, do something. And they said, no,  
5 they will not cut down any trees. So where do they come up  
6 with this so-called new safety thing? They won't cut down  
7 trees especially since they put the tree (sic.) there after the  
8 tree had been there for a number of years.

9           Okay. As far as trying to write to FPL, like I get  
10 the bill and it says it has a P. O. Box. Well, that's fine.  
11 But if you want to send like a registered letter to FPL, you  
12 know, complaining about something and you wanted somebody just  
13 to sign it -- I called them up and they said, no, you just have  
14 to write to the FPL post office box. They will not give you  
15 any sort of an address that you could write to somebody and  
16 have them read it. And I did write to the FPL post office box  
17 and you never receive any answers.

18           I mean, there's many things that you can think of. I  
19 mean, like eight days with one hurricane and there were seven  
20 days the other time and seven days more. I think somehow  
21 FPL -- if it's a house that's been there for a while, you're  
22 sort of the last ones to be taken care of. And that was the  
23 days when you used to buy the property and, you know, and then  
24 build a house and it's not like a community with one building.  
25 So you're sort of left in the dark for quite a long period of

1 time, and that's something I think they need to change.

2 I think -- now as far as the workers, they do work  
3 hard. I don't want to, you know, mislead you on that. The  
4 people who come, when they finally do come, they do work hard.  
5 But they can't do certain things like cut down a tree.

6 So, anyway, I thank you very much for listening and I  
7 hope you all have a nice day. Bye-bye.

8 CHAIRMAN EDGAR: Thank you. Ms. O'Grady, if you  
9 could wait just a moment for a question from Commissioner  
10 Deason.

11 COMMISSIONER DEASON: I have a question for you.  
12 Thank you, ma'am. Is it your desire to still have that tree  
13 removed?

14 MS. O'GRADY: Oh, yes. I just asked last week.

15 COMMISSIONER DEASON: And the tree is on your  
16 property?

17 MS. O'GRADY: Yes, it's on my property.

18 COMMISSIONER DEASON: And you think it's a hazard to  
19 the line?

20 MS. O'GRADY: Definitely.

21 COMMISSIONER DEASON: Okay.

22 MS. O'GRADY: I mean, you know, either I brace it so  
23 that it'll fall and break all of the power lines or whatever,  
24 so.

25 COMMISSIONER DEASON: Madam Chairman, I think that

1 perhaps we should request one of our engineers to go down and  
2 review that situation.

3 CHAIRMAN EDGAR: Commissioner Deason --

4 MS. O'GRADY: Well, they, you know, they were just  
5 there last week.

6 COMMISSIONER DEASON: No. I'm talking about one of  
7 the PSC engineers to go down and look at it.

8 MS. O'GRADY: Yeah. Okay.

9 COMMISSIONER DEASON: We'll do that for you, ma'am.

10 MS. O'GRADY: All right. I do appreciate that.

11 COMMISSIONER DEASON: Yes, ma'am.

12 MS. O'GRADY: Thank you kindly.

13 CHAIRMAN EDGAR: Ms. O'Grady, if you will -- right  
14 there at the door -- Mr. Jenkins, if you will wave at  
15 Ms. O'Grady. If you can give your information to Mr. Jenkins  
16 there and then we can follow up.

17 MS. O'GRADY: Okay. Thank you kindly. I have some  
18 here.

19 CHAIRMAN EDGAR: Thank you. Thank you, Commissioner  
20 Deason.

21 And if I may interject for a moment, Mr. Beck, I'd  
22 like to recognize Representative Vana. Representative Vana,  
23 thank you for coming. Would you like to make a few comments?  
24 Whereupon,

25 REPRESENTATIVE SHELLEY VANA



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

3 DIRECT STATEMENT

4 REPRESENTATIVE VANA: Thank you. My name is Shelley  
5 Vana. I represent District 85 in the Florida House. And I'd  
6 like to also welcome you again back to Palm Beach County. I  
7 know we were here not too long ago. I hope we're not here  
8 every year for 20 years. That's what I'm hoping. But in the  
9 event that we are, and all indications seem to be that we are  
10 in a 20-year cycle of storms, I hope they're all less from here  
11 on in than the ones we've had.

12 But we have had another experience here in Palm Beach  
13 County, so I know, you know, that FP&L does have issues. And  
14 it will be your decision as to how we address those issues, and  
15 I hope that we will look at the insurance portion of that and  
16 what kind of insurance perhaps FP&L or all the other folks that  
17 are involved in this need to have and how we all share in  
18 trying to solve this problem.

19 I would like to say again for the record that what we  
20 saw this year after, after Wilma -- I'm starting to forget the  
21 names, we've had so many. I serve places where we have a  
22 municipal electric service and I represent areas that have  
23 FP&L. And I have to say that FP&L comparatively speaking had a  
24 much better record of putting things back together again than  
25 the other municipally owned company, at least from what I've

1 heard from constituents and from meetings that I've gone to.

2           And I know that you don't really have oversight of  
3 those other entities, but heaven only knows someone has to help  
4 these people. So I have brought that up in committee because I  
5 serve on the Utilities and Telecommunications Committee, that  
6 there's a whole place out there that while you're overseeing  
7 FP&L, which I believe in the second go-round here in Palm Beach  
8 County made a lot of changes and tried to get things online  
9 quicker, and I hope that somewhere along the line we can find  
10 some way to help these other people that are not being served  
11 by companies that are overseen by you all.

12           I'm not here to say whether you should or should not.  
13 I'm happy to hear that people are giving you their testimony.  
14 And the only thing I will say again is that I hope you make,  
15 you know, decisions that will take into account the needs of  
16 business and the needs of our, our residents, many of whom are  
17 suffering and continue to suffer and really don't have the  
18 wherewithal to, to do some of the things that they're going to  
19 be asked to do. So I just want to say welcome and may the  
20 force be with you in making a good decision.

21           CHAIRMAN EDGAR: Representative Vana, thank you so  
22 much. And if you could give us just a moment, ma'am, I think  
23 Commissioner Arriaga would like to ask you a question.

24           REPRESENTATIVE VANA: Thank you.

25           COMMISSIONER ARRIAGA: Representative, it's not a

1 question, it's just a comment to you. Thank you so much for  
2 coming and for your statements.

3 I did want to let you know that we do have  
4 jurisdiction over the municipalities for safety and reliability  
5 issues, and the Commission right now is looking into that. We  
6 haven't come to a final decision as to the extent of that  
7 jurisdiction, but we're discussing it and we will look into it.  
8 We do respect the independence of the municipals, the city  
9 councils and the cities and local government. But we have a  
10 responsibility the Florida Statutes has placed on this  
11 Commission and we're looking to see how far can we go with  
12 that. Thank you.

13 REPRESENTATIVE VANA: Can I -- thank you. I, I  
14 welcome that, your comment. During committee when we were  
15 having hearings on reliability issues and oversight issues, we  
16 continually are being told that the PSC really has very little  
17 ability to have that oversight. So to the extent that you can,  
18 there are a lot of people that have very serious issues here  
19 and have not seen -- from what I understand, what I have  
20 witnessed, have not had, had the, the service that they need.  
21 And so to whatever extent you can help them, we would welcome  
22 that very much.

23 CHAIRMAN EDGAR: Thank you.

24 Mr. Beck.

25 MR. BECK: Tom Rutherford.

1 Whereupon,

2 TOM RUTHERFORD

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

5 DIRECT STATEMENT

6 MR. RUTHERFORD: Hello. My name is Tom Rutherford.  
7 I'm Director of Engineering -- and I'll spell that for you.  
8 R-U-T-H-E-R-F-O-R-D. I'm Director of Engineering at Boca Raton  
9 Community Hospital in Boca Raton, Florida.

10 I'm here tonight, I've been asked to relay to you our  
11 experience with FP&L as a result of Wilma. I will tell you  
12 that we were without power for about 45 hours. We lost power  
13 about 6:30 Monday morning and restored about 3:30 a.m. on  
14 Wednesday morning. Shortly after the storm had passed, FPL,  
15 our Customer Service Representative was in touch with us and  
16 pretty much on a continuing basis until power was restored. As  
17 soon as it became, damage assessments became available, we were  
18 receiving damage assessments from FPL and some projections of  
19 when we could expect power to be restored.

20 In understanding the extent of the damage that  
21 occurred to the power distribution system, transmission lines  
22 and substations throughout our geographic area, we felt that  
23 Florida Power & Light responded responsibly and professionally  
24 and very quickly in restoring power to our hospital.

25 Now I will say that hospitals are by design intended

1 to operate in emergency situations. We invest a lot of money  
2 in training, emergency preparedness and emergency systems. So  
3 understanding our experience would be a little different than  
4 those that had no power during that period of time. However,  
5 again, I do want to reiterate that we felt that Florida Power &  
6 Light responded very well considering the circumstances. Thank  
7 you.

8 CHAIRMAN EDGAR: Thank you.

9 MR. BECK: Bob Rehr.

10 Whereupon,

11 BOB REHR

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

14 DIRECT STATEMENT

15 MR. REHR: Good evening. My name is Bob Rehr. I  
16 work at 7 -- or 20 South Military Trail, West Palm Beach. My  
17 phone number, work phone number is 712-6566. My position is  
18 with Palm Beach County Emergency Management. I'm the  
19 Operations Manager for them.

20 Now I want to communicate some of our experience with  
21 Florida Power & Light not only during hurricanes, but also  
22 prior to hurricanes. We go through a planning process  
23 throughout the year for disasters. One of our partners in this  
24 effort is Florida Power & Light. We work very closely with  
25 them. As you all know, when the power goes out, this presents

1 a very large hardship on the community and our citizens. So we  
2 feel that that's a critical element to what we do in emergency  
3 management. They are part of our emergency management team.  
4 They have two seats in the EOC. They come when we activate,  
5 they stay until we close the doors. The important thing about  
6 this is that then the important part of our emergency  
7 management team, we communicate with them continually. We  
8 identify prior to hurricane season the critical infrastructure  
9 and structures and facilities that we need to get power to  
10 immediately. Those are things like fire stations, police  
11 stations, communication centers, health care facilities,  
12 hospitals such as Boca Raton. These are critical to get power  
13 back as soon as possible. We work very closely with them to  
14 make sure that happens. We are communicating from the public,  
15 from these agencies and communicating to them this, this  
16 hospital is running out of fuel for their generators, they only  
17 have another 12 hours. They put forth a special effort to  
18 address those types of issues.

19 And obviously this past year, we've heard some people  
20 say that, you know, they've only been without power for a short  
21 period of time. When that happens, as soon as they get the  
22 power back, the emergency goes away for those folks that  
23 receive their power. We were able to plan our resource, relief  
24 resources based on the information we were getting three and  
25 four times a day from Florida Power & Light. They would be

1 part of our executive policy group, and talk about we're  
2 getting power back to this community. And what happens at that  
3 time is we're able to then take our relief resources and move  
4 them to another location that is in greater need.

5 This cooperation starts out -- in fact, we'll be  
6 meeting with Florida Power & Light here in the next week or two  
7 to talk about the critical facilities, talk about staging areas  
8 and talk about plans for the hurricane season coming up. We  
9 not only are concerned about hurricanes, but also general  
10 disasters that we're all facing today.

11 But I'd like to just conclude to say that we support  
12 any effort that Florida Power & Light takes to try to improve  
13 and harden their system. Obviously as a government employee  
14 for Palm Beach County I'm not going to speak to the process or  
15 the funding initiative. But as far as hardening the  
16 facilities, it's extremely important to the citizens of this  
17 community.

18 Thank you very much.

19 CHAIRMAN EDGAR: Thank you.

20 MR. BECK: Thank you. Hazel Frazier.

21 Whereupon,

22 HAZEL FRAZIER

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

25 DIRECT STATEMENT

1 MS. FRAZIER: Good evening. My name is Hazel  
2 Frazier. Hazel is spelled H-A-Z-E-L. Frazier is  
3 F-R-A-Z-I-E-R. My address is 1601 Wedgewood Plaza Drive,  
4 Riviera Beach, Florida. I'm a Florida resident born and raised  
5 in Florida. I'm a grandmother, also a great grandmother, and I  
6 live on a fixed income. I'm raising three grandkids.

7 I don't think it's fair to me or anybody else who  
8 live on a fixed income to pay this increase of utilities. The  
9 minority people -- how should I say, the middle class people  
10 have an upper hand on people that do not have to pay the high  
11 price of utilities. But the people live on a fixed income  
12 should not pay that because we have other things to do with  
13 that kind of money to make sure our grandkids have proper  
14 clothes to go to school with and food in their stomach. If we  
15 cannot afford that, we're going to have to come out of our  
16 pocket and pay that increase in utilities, and I don't think  
17 that's fair to us.

18 The disabled people should not be able to pay that  
19 kind of money. My phone number is (561)574-6360. That's all I  
20 have to say. Thank you.

21 CHAIRMAN EDGAR: Thank you, Ms. Frazier.

22 MR. BECK: Maureen Perrault. Maureen Perrault.  
23 Shaun Lewis.

24 Whereupon,

25 SHAUN LEWIS



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

3 DIRECT STATEMENT

4 MR. LEWIS: Good evening, Madam Chair, Commissioners,  
5 staff. Shaun Lewis S-H-A-U-N, L-E-W-I-S. The U is unique; you  
6 won't forget it.

7 I live at 1500 Northwest 8th Street, Boca Raton,  
8 Florida 33486. My phone number is (561)350-1672. I have an  
9 interesting, I guess, perspective of it. I actually grew up in  
10 Florida, went to high school in Florida, but left at the tender  
11 age of 17 and was educated in the northeast for 17 -- I lived  
12 there for 20 years actually. So I left our wonderful state for  
13 about 25 years. I just returned only four years ago and live  
14 in Palm Beach County now. And my wife is also from the West  
15 Coast actually. So I've seen snow storms, my wife has seen  
16 hurricanes -- well, earthquakes, and now I get to see  
17 hurricanes again.

18 The reason I bring that up is in this context. I've  
19 heard quite a few interesting comments by other consumers like  
20 myself. My context is this. From snow storms to my wife  
21 telling me her experience with earthquakes to now living with  
22 hurricanes, when you see that wind coming and you have a young  
23 child, well, he's not that young, he's 14, and your wife, and  
24 the wind is blowing on your doors and tree limbs are flying,  
25 I'm not thinking about my portfolio at that point, I've got to

1 be quite honest with you. I'm caring about the safety of my  
2 family, like we all are.

3 I really was so excited when I moved back to Florida  
4 because I forgot the paradise I left. I'm an early morning  
5 person. I got up early morning when I first arrived back on  
6 January 6th, 2002, went out to the beach and went, "Oh, my God,  
7 what was I thinking?" Going back to Hurricane Wilma and  
8 Katrina, as I talked to my friends in the northeast, they're  
9 going, "Oh, my God, what were you thinking?"

10 My point is this. Your job is to do the due  
11 diligence and determine if the rate increase is the right thing  
12 to do. I'm going to tell you without a shadow of a doubt I'm  
13 excited and I'm happy to be back here and know that I have a  
14 utility company that cares. And I don't have any remuneration  
15 from them at all. You can check the records. In fact, I need  
16 to go pay them some money. Okay?

17 We all have our problems with large corporations.  
18 I've worked at one. Now I don't. I have my own little company  
19 that I'm trying to grow. So the fact that they would go to the  
20 bond market and get the money and reduce the surcharge that  
21 they're trying to recover, I'm not going to argue that point.  
22 The fact that there's an increase -- again, back to my original  
23 context, I want to make it very clear, this is for me, it's not  
24 about race, it's not about class, it's not about anything but  
25 the safety of my own family when the wind is blowing. And to



1 MR. SIMMONS: I have a little bit of a sore throat,  
2 but my name is Ted A. Simmons, S-I-M-M-O-N-S. I live at 2146  
3 Laura Lane. That's in West Palm Beach, Florida 33415. My  
4 phone is (561)308-7502.

5 And I would first like to say that I appreciate the  
6 time that you all put in that we can speak to you directly. I  
7 really do appreciate that. One thing is I didn't know about  
8 this meeting until yesterday afternoon when I got called by  
9 somebody from the Public Counsel's Office, and I'll go into  
10 that in a minute. But I'm delighted to take the time off to be  
11 here to speak.

12 Okay. I'm basically here for myself and 17  
13 neighbors. We live in unincorporated West Palm Beach near  
14 Green Acres on a cul-de-sac on the east side. And in the rear  
15 of our properties is an old utility line with FP&L, I assume  
16 BellSouth is on there, cable is on there. And since Hurricane  
17 Frances the second pole on this line was busted and we were out  
18 of power for two weeks. And the -- not to say we saw anybody  
19 from FP&L, the only ones we dealt with were out-of-town vendors  
20 doing the work for FP&L that they hired. I dealt with people  
21 from Georgia, North Carolina, Louisiana, Texas, South Carolina,  
22 and you have to negotiate with them basically to get your power  
23 back on. And dealing with them, they said they would report  
24 the pole problem, you know, they fixed it. They put a separate  
25 little pole, a half pole or whatever it is to hold it up. And

1 then we got Jeanne and we were out for a week, same problem on  
2 this pole. Okay? And same thing, out-of-town vendors, we got  
3 them to fix it, whatever it is, same problem. And then we were  
4 out for two weeks for Wilma. Same problem. This was some  
5 gentleman from Louisiana that we finally -- I went out and  
6 found them down the road there working on stuff and just begged  
7 them to come back and fix it because there were 17 houses this  
8 line was on.

9           Now after Frances, Jeanne, I never said anything to  
10 you all. Did the calls into FP&L, it didn't help. But after  
11 Wilma I did send you all a complaint through your website and  
12 that's how the General Counsel got my number yesterday was  
13 from -- the complaint apparently had been forwarded from you  
14 all, this is your policy, to the utility, which is FP&L, to  
15 handle the problem. And I never heard from FP&L regarding this  
16 problem.

17           And I would like to say to this point from talking to  
18 the Public Counsel people or whatever it is, I support them  
19 100 percent what they're trying to do in regards to this. So  
20 besides that, like I said, I have 17 neighbors on this line,  
21 and that's a lot of people who are friends of other people that  
22 are friends with other people. And it's just a shame. We're  
23 an older subdivision. I have no idea when these lines were put  
24 in or the poles or whatever it is. I'm a native Floridian.  
25 I'm from Coral Gables originally. I've been up here 17 years

1 as a Property Manager for Palm Beach County, and I've observed  
2 FP&L for 40 years. I remember after Donna in Coral Gables my  
3 dad talking to many people in FP&L in South Gables, the power  
4 is out for the whole area or whatever. The neighbors had to  
5 get together and hire an electrical contractor, a large one, to  
6 have the power put back on because FP&L told my dad at that  
7 time basically it wasn't their problem. So it's -- you can  
8 look at 50 years of deferred maintenance and your corporation  
9 you're dealing with.

10 I don't know about them becoming energy sellers or  
11 whatever it is, but my dealings with them, at least the 17  
12 years up here in my professional life is the corporation has  
13 gone through a lot of changes, it's got a lot less people  
14 working for them. They have a lot of subcontractors for their  
15 trimming and all that kind of thing. Well, like I said, that's  
16 all deferred maintenance. And besides that, you know, the  
17 thing there too, I mean, I could have just come here and just  
18 gone outside and just try to do my deal with FP&L, but they had  
19 their chance. And I just wanted to be on the record that this  
20 is a situation.

21 We all know in our heart that all these utility lines  
22 should be underground. We all know it. My dad had this  
23 argument with them after Donna, and what is it, 50 years, 45  
24 years it's been going on. And, yes, it's going to cost. But  
25 as I said, this is a very profitable company from what that

1 other gentlemen said and you're supposed to be overseeing them.  
2 You've given them a monopoly through the state statutes. Maybe  
3 you should open up to other energy companies to come in here.

4 But besides that, I mean, I'd be happy to meet with  
5 one of the FP&L people or whatever it is to see what we can do  
6 about this pole. But, you know, maybe there will be a fourth  
7 time when we have a hurricane this year. I hope not, but it's  
8 true. So, you know, I just feel there's elderly couples on my  
9 block and we gave them ice, the ones that had generators and  
10 everything else.

11 So I think somebody could do a better job truthfully.  
12 So thank you very much for hearing me. I appreciate it.

13 CHAIRMAN EDGAR: Mr. Simmons, I have a comment and  
14 Mr. Twomey has a question for you. So, Mr. Twomey, bear with  
15 me just a moment.

16 Mr. Simmons, I'm also going to ask, if you would, to  
17 talk to Mr. Jenkins -- Joe, wave your arm again. Mr. Simmons,  
18 right here. Joe Jenkins with our staff, I think maybe he can  
19 be of some assistance to you on the issue that you've raised.

20 MR. SIMMONS: Yes, ma'am.

21 CHAIRMAN EDGAR: Thank you.

22 And Mr. Twomey.

23 MR. TWOMEY: Yes, ma'am. Thank you.

24 CROSS EXAMINATION

25 BY MR. TWOMEY:

1 Q Just briefly, sir. Is it your testimony that the  
2 pole was mended after each hurricane and not repaired or what  
3 --

4 A It wasn't replaced, no. It was mended, I guess is  
5 the best way to say it.

6 Q Was the pole broken or what was the problem?

7 A It was -- it had moved enough that they set it back  
8 up, but they put like a support little pole with it or whatever  
9 it is and that's what they kept fixing.

10 Q Have they replaced it yet?

11 A No.

12 MR. TWOMEY: Thank you.

13 CHAIRMAN EDGAR: Thank you, Mr. Simmons.

14 MR. BECK: Thank you.

15 Julie Sessa.

16 Whereupon,

17 JULIE SESSA

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

20 DIRECT STATEMENT

21 MS. SESSA: Good evening. My name is Julie Sessa,  
22 S-E-S-S-A. I live at 960 Northeast Juniper Place in Jenson  
23 Beach, Florida 34957. My telephone number is (772)225-4432.

24 And I'm speaking on behalf of the Martin County  
25 School District. I am the Director of Facilities and Planning.



1 I am not speaking on behalf of the school board. The  
2 superintendent is aware that I'm here to speak on the quality  
3 of service that FPL has given the district.

4 Overall, experience has been excellent with FP&L.  
5 The team has supported the district unbelievably. They're  
6 trained in hurricane response and they understand the  
7 importance of school operations. They're organized. They've  
8 established a task force prestorm and assigned a district  
9 position so that we know what to do. And also they pay special  
10 attention to our shelters and our special needs shelters.  
11 They're proactive by developing a task force for the school  
12 board and communicating with us, as already explained, in the  
13 EOC operation, emergency operation center.

14 The school district experienced absolute dedication  
15 on the part of FPL task force team members making schools a  
16 priority and getting power to them as soon as possible. I'd  
17 like to thank FPL for their quality of service and dedication  
18 to school operations. Thank you.

19 CHAIRMAN EDGAR: Thank you, Ms. Sessa.

20 MR. BECK: Paul Zuccarini.

21 Whereupon,

22 PAUL ZUCCARINI

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

25 DIRECT STATEMENT

1 MR. ZUCCARINI: Hello. My name is Paul Zuccarini.  
2 That's Z as in zebra, U, C as in Charlie, C as in Charlie,  
3 A-R-I-N-I. My address is 1446 Southeast MacArthur Boulevard,  
4 Stuart, Florida 34996. My phone number is (772)225-2015.

5 Over the three hurricanes, Hurricane Frances, Jeanne,  
6 and then Wilma, I would say my power was out, this is a  
7 guesstimate, probably a total of three weeks, requiring me to  
8 have emergency backup generators to try to keep the household  
9 running.

10 The thing that I'm asking the Commission to do today  
11 is not to approve what FP&L wants to do until they come up with  
12 a more comprehensive plan on how they're going, how they're  
13 going to harden their network or their facilities.

14 And one of the things that I saw in the newspaper, I  
15 assume it's true, is that they have an offer out to  
16 municipalities or governments that they will pay 25 percent of  
17 the cost of burying cables. And I think that that's a nice  
18 offer, but I think that they need to come up with a plan that  
19 evaluates the, the need to bury related to the, how sensitive  
20 the area is that needs to be hardened. And what I'm, what I'm  
21 saying is that, for example, I live along the coast and I saw  
22 Florida Power & Light put up their poles along the street that  
23 I live on at least three times, rewired the neighborhood three  
24 times. And to me that seems like a waste of money because --  
25 of course, it's not a waste of money for them because then they

1 come to you folks and say, well, we need money, we need some  
2 money to, to cover the cost of doing that.

3 I think what would be a much better solution to the  
4 problem would be to bury the cables and not have the wind knock  
5 down the poles every time a hurricane comes. And this is  
6 particularly important along the coast, I would say, because  
7 the winds always seem to be much stronger coming off the ocean.  
8 Even if like Wilma comes from the west, it's still, the wind is  
9 stronger near open bodies of water.

10 And so I would ask the Commission to require FP&L to  
11 come up with a more comprehensive, more location sensitive plan  
12 for hardening their network through the burying of cables.  
13 That's all I have to say. Thank you.

14 CHAIRMAN EDGAR: Thank you, Mr. Zuccarini.

15 MR. BECK: Thank you.

16 CHAIRMAN EDGAR: Mr. Beck, we are rapidly approaching  
17 the point where I need a five-minute stretch, but I'm not sure  
18 where we are as far as the list of people you have before us.  
19 Do you want to give me a feel for --

20 MR. BECK: Approximately eight more.

21 CHAIRMAN EDGAR: Okay. With that in mind, I would  
22 like to take -- I say ten and then we always run over. So I'm  
23 going to go ahead and say about a 12-minute break, and we'll  
24 come back and start at 6:00 by the clock up there on the wall.

25 (Recess taken.)

1           CHAIRMAN EDGAR: Thank you, folks. I think we'll get  
2 started again. And I'd like to start by recognizing Mayor  
3 Eissey from the Town of North Palm Beach. Mayor, thank you for  
4 joining us.

5 Whereupon,

6                           MAYOR EDWARD EISSEY

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

9                           DIRECT STATEMENT

10           MAYOR EISSEY: Thank you very much, and thank you for  
11 what you're doing and all that you're doing. We really  
12 appreciate it. I know several of you and I'm glad to see  
13 you're no longer incarcerated, and it's a pleasure to see you  
14 here.

15                   (Laughter.)

16           I'd like to introduce our City Manager and have him  
17 explain to you basically what we've done and how we've done it.  
18 Okay? His name is Mark Bates. He's too young to have any  
19 recognition, but he is an excellent City Manager. And, boy,  
20 did he do a number during the storm and after the storm and  
21 everything else here in the North Palm Beaches. Ladies and  
22 gentlemen, Mr. Mark Bates.

23           CHAIRMAN EDGAR: Thank you. Mr. Bates, welcome.  
24 Whereupon,

25                           MARK BATES

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

3 DIRECT STATEMENT

4 MR. BATES: Thank you, Mayor. Ms. Chair, members of  
5 the Commission, we wanted to share with you the experiences  
6 that we've had for the recent storm strikes over the past two  
7 years in regards to not only the preparation and planning, but  
8 the responses from particularly FPL.

9 For the record, my name is Mark Bates, Village  
10 Manager for the Village of North Palm Beach, 501  
11 U.S. Highway 1, North Palm Beach. Phone number is  
12 (561)267-5984.

13 I have been a lifelong resident of Florida. I do  
14 recall seeing the eye of Donna come over the Charlotte Harbor  
15 area where I was living when I grew up. My brother's house was  
16 very much damaged by Hurricane Charley in the onslaught that we  
17 had here a couple of years ago. And the village where I have  
18 the honor of serving right now has been besieged by three  
19 hurricanes strikes in the past year and a half: Frances,  
20 Jeanne and, most recently, Wilma.

21 In those responses over the past two years in the  
22 three strikes that we've had in the Village of North Palm Beach  
23 FPL has been a major partner of the emergency response which  
24 you heard about here before. I could talk to you about cost,  
25 but that is really within your purview. What I wanted to share

1 with you is their partnership with our community in making an  
2 adequate plan, taking steps for proper preparation, responding  
3 appropriately after the strike, and then following through on  
4 that strike response to make sure that the electrical service  
5 was restored in the most efficient and quickest way possible.

6 I believe as a public servant and as a public manager  
7 it is essential that we look not just at the cost, but also at  
8 the responsibilities that we have which far surpass the  
9 obligations of dollars and cents.

10 FPL has been a key member of planning in the  
11 preparation for these storms in advance. We have an ongoing  
12 communication with them virtually all year long, but especially  
13 as we approach the storm season. We exchange phone numbers, we  
14 talk about readiness to serve, we talk about staging locations,  
15 response numbers and ways that we can communicate with each  
16 other.

17 I also want to share with the Commission that we had  
18 the honor of going around and seeing not only the response that  
19 they made in our community, which was substantial, but also the  
20 staging areas that they had throughout the northern Palm Beach  
21 County area. Like many of the other people, our village  
22 experienced responses from electrical technicians from Texas,  
23 Virginia, Arkansas, Indiana, et cetera. The interesting thing  
24 is, just as our community wants it to be, we perform as a team,  
25 as a layer team where if we have an electrical problem, we

1 would contact the FPL office. They would respond out with a  
2 crew for us. In many cases they had to bring out crews that  
3 got stuck. Our people, fire rescue or our public services  
4 department would help those people out in the response. We  
5 actually used a fifth wheel surplus Army vehicle for pulling  
6 out some of their large equipment during the responses in our  
7 storm. Because of that partnership effect we were very  
8 effective in responding back with an assessment of what was the  
9 priority, where there was significant safety hazards. Those  
10 were handled first. And then there was continuing dialogue  
11 over a period of about a week and a half where we would go  
12 through the 80/20 rule. We would respond and communicate to  
13 them all of the outages, helping them with prioritizing them,  
14 and typically they would get 80 percent of those within the  
15 first day or two. We would then update the list and we would  
16 get 80 percent of the next list.

17           So most of the areas that had an opportunity for  
18 getting electrical service restored, we were able to keep the  
19 communication not only with FPL, but with our residents. And  
20 we think that that infrastructure, that partnership that FPL  
21 has demonstrated is a key component of public service because  
22 whether people got power back in 24 hours, three days or one  
23 week, they knew that there was communication and planning going  
24 on, and we could get information to them because of the  
25 planning infrastructure that FPL helped to provide to us.

1           So from that regard we would like to encourage the  
2 PSC to, as the Public Safety Director of Palm Beach County  
3 indicated, really apply for the hardening of the FPL  
4 infrastructure. That is very, very important. But we would  
5 also like to support the response effort that they have  
6 achieved. It is an example, I believe, for the rest of the  
7 country, and we are very, very satisfied with the response  
8 they've had for these storms. Thank you.

9           CHAIRMAN EDGAR: Thank you, Mr. Bates.

10           MR. BECK: Thank you. The next witness is Phyllis  
11 Baxter. Phyllis Baxter.

12           Geoff Kasher.

13           Whereupon,

14                               GEOFF KASHER

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

17                               DIRECT STATEMENT

18           MR. KASHER: Good evening. It's actually Geoffrey  
19 Kasher, K-A-S-H-E-R. One of these days I'll learn to spell it  
20 correctly. I live at 6750 Las Colinas Lane in unincorporated  
21 West Palm Beach. The office number is (561)641-9200. I lived  
22 in New Orleans for ten years, and I was very fortunate that  
23 while I was there I never went through a hurricane. Bad  
24 storms -- the last six years that I was there I was more  
25 fortunate because I was in the police department, so I didn't



1 have to experience going through a hurricane -- bad storms and  
2 bad rains, floods, those kind of things. I found from my  
3 experience in the police department I'm not the biggest guy in  
4 the world. So when I went to choose a partner, I looked at all  
5 the other people that I could choose from, I wanted the biggest  
6 guy in the room. I wanted to make sure that if I was going  
7 through someplace, that whoever was behind me knew that -- I  
8 knew that he could take care of me or she could take care of  
9 me.

10           Six months out of the year down in South Florida we  
11 go to war. We go to war with storms. Everybody, if they  
12 haven't started getting prepared, they're starting to. I've  
13 bought Bunsen burners, I've got a solar water heater for water  
14 so that I can take showers if we lose power again. We lost  
15 power for a few days. We were very fortunate. But I realized  
16 that there were things that I didn't have. I've lived here 20  
17 years, in New Orleans ten years, experienced hurricanes now for  
18 30 years. There were things that I didn't have. I continue to  
19 add on those things that I need.

20           If FPL, who is the biggest guy on the block, who  
21 knows their business, if what they're saying is they need these  
22 monies in order to give us what we need as consumers, which is  
23 consistent, reliable power and the ability to restore power  
24 reasonably quickly -- there are always going to be stories of  
25 people that are without power for three weeks, and I feel

1 terrible about that. When I would go fill up my car in some of  
2 the western gas stations, there were people two weeks after the  
3 storm still filling up gas containers in their pickup trucks to  
4 go out to Wellington because they were living on generators,  
5 and I felt terrible. I wanted to invite them to the house,  
6 come on, we've got air conditioning, we've got water, come on  
7 over. You don't need to go through that. You've got -- I  
8 didn't know them from anybody. We go to war. We need the  
9 biggest, baddest Army behind us.

10           A couple of people have said, you know what, let the  
11 shareholders pay. I happen to be in the financial business.  
12 If the shareholders don't get the returns they want that are  
13 market driven, they will take their money from FPL and go  
14 someplace else. So this financial, this company that is  
15 financially strong may not be financially strong after a few  
16 years. I don't know. I'm not an expert in that. But what I  
17 do know is that money follows returns. Look at the stock  
18 market. If shareholders are not getting what they want, all of  
19 those billions of dollars that are owned by institutions and  
20 mutual funds will leave and they'll go someplace else to get  
21 the returns and the dividends that they want to get to -- the  
22 shareholders want to get from those companies.

23           If FPL needs it, give it to them. I'm not a  
24 shareholder in FPL, I have no vested interest. I don't -- I'm  
25 not licensed to sell stocks and bonds. I sell other

1 investments; FPL might be in their portfolios. I'm not a  
2 shareholder but I'm a stakeholder. And all of us are  
3 stakeholders to make sure that the company is as strong as it  
4 can be. Thank you.

5 CHAIRMAN EDGAR: Thank you.

6 MR. BECK: Alan Platner.

7 Whereupon,

8 ALAN PLATNER

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

11 DIRECT STATEMENT

12 MR. PLATNER: Good evening and thank you. Thank you  
13 for letting me speak. I want to speak on the program of  
14 hardening and what seems to be an obvious mistake. We are  
15 homeowners in a subdivision in Boca Raton on Highway  
16 441 between Glades Road and Palmetto Park. We have read the  
17 FP&L storm secure plan and have tried to work with them in  
18 their initiative to bury lines, but find that the current plan  
19 is so restrictive that many of us will be disenfranchised by  
20 its language. The plan calls for participation of FP&L only in  
21 local government-sponsored conversion plans. We do not fit  
22 that description and it's unlikely that we will fit it in the  
23 foreseeable future. We live in Boca Raton but outside the city  
24 limits of Boca Raton. We are a community of 623 private homes.  
25 We have always been required to bury all lines in our community

1 and pay for them, so, therefore, all of our lines are buried.

2 But the FP&L lines which feed us are on wooden poles  
3 on our perimeter on Highway 441. Our properties have suffered  
4 many electric power outages in the past that caused -- and that  
5 by Hurricane Wilma lasted for almost two weeks. We are told  
6 and we saw visually that the biggest reason for the outage was  
7 that the poles and wires on our perimeter, the FP&L wooden  
8 poles, came down and it took a long time to remove the trees  
9 and reestablish the poles and wires. We are now about to  
10 rebuild that perimeter, and they'll be doing heavy earth  
11 moving, contouring and building of walls. This would be an  
12 ideal time to bury these lines which run by easement over the  
13 area to be rebuilt. But FP&L says we don't qualify for any  
14 assistance from them because we're not a municipality.

15 Over 600 homes is a community. I've heard you  
16 mention community all this afternoon. We have buried our lines  
17 and paid to do it. We want, we want to help bury the FP&L  
18 lines, and find no reason why we should not get FP&L assistance  
19 simply because we are not a municipality. We urge you to  
20 remove the requirements of the municipality programs and let  
21 individual situations be judged on their own merits. If the  
22 true intention is to reduce outages, let those communities or  
23 major property owners who are willing to invest with FP&L to  
24 bury the lines have such opportunity. Thank you.

25 I did not give you a name and address; I'll be happy

1 to do so. It's Alan Platner, P-L-A-T-N-E-R. My address is  
2 11379 Boca Woods Lane in Boca Raton, Florida 33428. My phone  
3 number is (561)852-0844.

4 CHAIRMAN EDGAR: Thank you, Mr. Platner. And,  
5 Commissioner Deason, a question?

6 COMMISSIONER DEASON: I have a question, please. All  
7 of the local distribution lines in the 600-home community, that  
8 is currently underground; correct?

9 MR. PLATNER: Yes.

10 COMMISSIONER DEASON: The problem is a feeder which  
11 serves your community which is overhead and is on wooden poles;  
12 correct?

13 MR. PLATNER: That's correct.

14 COMMISSIONER DEASON: Now you mentioned something  
15 about now is an ideal time to address this because there's some  
16 type of change going on on the perimeter?

17 MR. PLATNER: Yes. We had, we had a tremendous  
18 amount of damage, so we really saw that storm from the inside  
19 and the outside. And it did a very substantial amount of  
20 damage to our entire community. As a result -- and in order to  
21 assist FP&L in, in the, what may have been their responsibility  
22 to maintain the tree level around the wires, we took out all  
23 the trees along that area. We are now building, trying to  
24 build berms and fences to give us some privacy and to give us  
25 some protection as we previously had before the trees came

1 down.

2           As we're doing that, we have a tremendous  
3 construction effort which will be literally right underneath  
4 where those wires are on those old wooden poles. We believe  
5 it's in everybody's best interest at this moment to bury those  
6 lines. And we don't think that 25 percent is the right amount.  
7 But if that's the amount, it is some amount. But we're willing  
8 to participate. And we feel that there may be many other  
9 communities who are faced with the same problem we are. We are  
10 not and will never be municipalities. But this hardening  
11 process which they have asked for approval of specifically says  
12 they will only do this in municipalities. I urge you to change  
13 that wording and to give us the opportunity.

14           COMMISSIONER DEASON: How long -- what is the  
15 distance of this feeder line that's in question?

16           MR. PLATNER: The feeder line, the feeder line  
17 specifically for us is approximately 2,600 feet, 2,597.

18           COMMISSIONER DEASON: I would ask you, if you don't  
19 mind, to speak to Mr. Jenkins. He may be able to give you some  
20 ideas, maybe some, some alternatives. I don't know. But it  
21 seems to me that if there is going to be an effort to  
22 underground with all of the change that's going on there, now  
23 may be a good time to take a good, hard look at it.

24           MR. PLATNER: We would really appreciate that  
25 opportunity. Thank you.

1 CHAIRMAN EDGAR: Thank you, Mr. Platner. And Mr.  
2 Jenkins is waiting for you there at the back of the room. I  
3 appreciate your comments.

4 Mr. Beck.

5 MR. BECK: Thank you. Mae Duke. Mae Duke.

6 Mark Holmes.

7 Patty Dent.

8 Whereupon,

9 PATTY DENT

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

12 DIRECT STATEMENT

13 MS. DENT: Hello, everyone. My name is Patty Dent.  
14 I live at 19805 Princewood Drive in Jupiter. I'm here to tell  
15 you how much I appreciate and admire Florida Power & Light,  
16 most importantly, the employees of Florida Power & Light. I've  
17 been a Palm Beach County resident for 37 years, the last 24 in  
18 Jupiter. I've been through many, many storms. And not only  
19 the hurricanes, I'll go back as far as the October '96 storm  
20 that some of us called the 100-year storm, the everyday  
21 thunderstorms that we have. Each and every time that I've  
22 called Florida Power & Light, I've been -- it's been responded  
23 to professionally and very efficiently.

24 My experience in the hurricanes is that the recovery  
25 process was faster each and every time. So I support Florida

1 Power & Light having any resources that they need to do  
2 whatever they need to do so that all of us in South Florida can  
3 recover quicker and get back to normal to enjoy the life we  
4 have in South Florida. Thank you.

5 CHAIRMAN EDGAR: Thank you.

6 MR. BECK: Chairman Edgar, Ms. Dent was the last  
7 speaker we have signed up.

8 CHAIRMAN EDGAR: Thank you. Is there anyone here in  
9 the audience who would like to speak to the Commission that did  
10 not have the opportunity to sign up on the list? All right.  
11 Seeing none, I thank everyone for your participation and for  
12 your attendance. We are in Miami tomorrow at 10:00. Before we  
13 finish, a comment from Commissioner Carter.

14 COMMISSIONER CARTER: Madam Chairman, I would just  
15 like to say that I appreciate the fact that you're willing to  
16 extend the hours for anybody that wanted to make a statement,  
17 and I appreciate your sincerity in going above and beyond the  
18 call of duty for our citizenry. Thank you so much for your  
19 leadership.

20 CHAIRMAN EDGAR: Thank you. We are adjourned.

21 (Service Hearing concluded at 6:25 p.m.)  
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23  
24  
25



1 STATE OF FLORIDA )  
2 COUNTY OF LEON ) : CERTIFICATE OF REPORTER

3

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

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

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

17 DATED THIS 21<sup>st</sup> DAY OF MARCH, 2006.

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LINDA BOLES, RPR, CRR  
FPSC Official Commission Reporter  
(850) 413-6734