

BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of:

DOCKET NO. 160021-EI

PETITION FOR RATE INCREASE BY  
FLORIDA POWER & LIGHT COMPANY.

DOCKET NO. 160061-EI

PETITION FOR APPROVAL OF  
2016-2018 STORM HARDENING  
PLAN, BY FLORIDA POWER & LIGHT  
COMPANY.

DOCKET NO. 160062-EI

2016 DEPRECIATION AND  
DISMANTLEMENT STUDY BY FLORIDA  
POWER & LIGHT COMPANY.

DOCKET NO. 160088-EI

PETITION FOR LIMITED  
PROCEEDING TO MODIFY AND  
CONTINUE INCENTIVE MECHANISM,  
BY FLORIDA POWER & LIGHT  
COMPANY

PROCEEDINGS: SERVICE HEARING

COMMISSIONERS  
PARTICIPATING: CHAIRMAN JULIE I. BROWN  
COMMISSIONER LISA POLAK EDGAR  
COMMISSIONER ART GRAHAM  
COMMISSIONER RONALD A. BRISÉ  
COMMISSIONER JIMMY PATRONIS

DATE: Thursday, June 16, 2016

TIME: Commenced at 9:30 a.m.  
Concluded at 12:21 p.m.

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PLACE: Brevard County Government Center  
Commission Room, Building C  
1st Floor  
2725 Judge Fran Jamieson Way  
Melbourne, Florida 32940

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

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2 J.R. KELLY, PUBLIC COUNSEL, Office of Public  
3 Counsel, c/o the Florida Legislature, 111 W. Madison  
4 Street, Room 812, Tallahassee, Florida 32399-1400,  
5 appearing on behalf of the Citizens of the State of  
6 Florida.

7 PATRICK BRYAN, ESQUIRE, and MARLENE SANTOS,  
8 700 Universe Boulevard, Juno Beach, Florida 33408-0420,  
9 appearing on behalf of Florida Power & Light Company.

10 ROBERT SCHEFFEL WRIGHT, ESQUIRE, Gardner Law  
11 Firm, 1300 Thomaswood Drive, Tallahassee, Florida 32308,  
12 appearing on behalf Florida Retail Federation.

13 SUZANNE BROWNLESS, ESQUIRE, FPSC General  
14 Counsel's Office, 2540 Shumard Oak Boulevard,  
15 Tallahassee, Florida 32399-0850, appearing on behalf of  
16 the Florida Public Service Commission Staff.

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21  
22  
23  
24  
25

## I N D E X

	NAME :	PAGE NO.
1		
2		
3	REPRESENTATIVE DEBBIE MAYFIELD	23
4	MAYOR ROBERT HOOG	24
5	MAYOR CAROL McCORMACK	27
6	MAYOR BOB McPARTLAN	31
7	DOUGLAS HOYT	34
8	MILT FARROW	37
9	PHIL KOECHLEIN	39
10	PASTOR J.B. KUMP	42
11	ROCKY RANDELS	44
12	JIM DUBEA	47
13	COMMISSIONER TIM ZORC	49
14	RICHARD BARTLETT	54
15	BRYAN BOBBITT	56
16	KIM BROWN	58
17	ANNE CONROY BATTER	61
18	RYAN ROGERS	63
19	DAVE SPAIN	64
20	BRENDA FETTROW	67
21	WILLIAM CHIVERS	70
22	JERRY BUECHLER	75
23	SHARON LUX	80
24	JOHN CHANDLER	82
25	HOWARD HERRICK	84

## I N D E X

	NAME:	PAGE NO.
1		
2		
3	ARTHUR HOELKE	86
4	VICTORIA NORTHRUP	88
5	CATHY MUSSELMAN	90
6	MATTHEW TOVE	92
7	ANTHONY DUTTON	94
8	BILLY SPECHT	96
9	REVEREND DAVE ROSENBAUM	98
10	ROB RAINS	100
11	PHIL STASIK	103
12	KEITH WINSTEN	108
13	MARY INGUI	110
14	KATHERINE GROEPLER	111
15	BARBARA PALUMBO	113
16	CHRIS FRASCA	115
17	JOYCE WASSERMAN	116
18	TERRY LaPLANTE	119
19	ED WIEGNER	122
20	FRAN BAER	123
21	TROY POST	126
22	NANCY PELTONEN	128
23	RON MORGAN	130
24	COURTNEY BARKER	133
25	LORRAINE KOSS	137

EXHIBITS

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

NUMBER:		ID.
7	Affidavit of Publication	23
8	Buechler documents	75

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

1  
2           **CHAIRMAN BROWN:** Good morning and welcome. My  
3 name is Julie Brown, and I have the privilege of serving  
4 as Chairman of the Florida Public Service Commission.  
5 This is the FPL customer service hearing in Melbourne,  
6 and I am delighted to be here along with all of my  
7 colleagues on the Public Service Commission. And at  
8 this time, I'd like to give them an opportunity to  
9 introduce themselves to you and give a welcome, starting  
10 with Commissioner Brisé.

11           **COMMISSIONER BRISÉ:** Good morning. How are  
12 you? Well, we're glad to be here today. We want to  
13 hear from you, and I'm pleased to be here with my  
14 colleagues on this beautiful day.

15           **COMMISSIONER EDGAR:** Good morning. I'm Lisa  
16 Edgar. Glad to be here. Thank you all for coming. I  
17 will apologize in advance; I have a little bit of a  
18 cold, so I'm going to be coughing and may be in and out  
19 a little bit, but I'm looking forward to hearing from  
20 all of you.

21           **COMMISSIONER GRAHAM:** Good morning. My name  
22 is Art Graham, and ditto to what they said.

23           **COMMISSIONER PATRONIS:** Good morning. My name  
24 is Jimmy Patronis. Appreciation to the Brevard County  
25 Commission allowing us to use their facility today.

1 Looking forward to your testimony and your thoughts as  
2 we continue our deliberations.

3 **CHAIRMAN BROWN:** Thank you.

4 Staff counsel, will you please read the  
5 notice.

6 **MS. BROWNLESS:** Yes, ma'am. By notice issued  
7 May 22nd --

8 **COMMISSIONER GRAHAM:** Microphone.

9 **MS. BROWNLESS:** By notice issued May 2nd,  
10 2016, this time and place has been set for a customer  
11 service hearing in Docket No. 160021-EI, petition for  
12 rate increase by Florida Power & Light Company.

13 **CHAIRMAN BROWN:** Thank you.

14 And at this time, I'll take appearances of  
15 counsel, starting with Florida Power & Light.

16 **MR. BRYAN:** Thank you. Good morning. I am  
17 Patrick Bryan, and I represent Florida Power & Light  
18 Company.

19 **CHAIRMAN BROWN:** Office of Public Counsel.

20 **MR. KELLY:** Thank you, Madam Chair.

21 Good morning. My name is J. R. Kelly. I'm  
22 with the Office of Public Counsel, and we have the  
23 pleasure of representing the ratepayers of Florida Power  
24 & Light.

25 **CHAIRMAN BROWN:** Hi.



1                   **MR. WRIGHT:** Good morning. Good morning.  
2 Thank you, Madam Chairman. Good morning. My name is  
3 Robert Scheffel Wright. I represent the Florida Retail  
4 Federation in this proceeding.

5                   **CHAIRMAN BROWN:** Thank you. And now let me  
6 first begin this meeting by saying I want to thank you  
7 all, we want to thank you all for taking the time to  
8 come out this beautiful morning here. This is your  
9 customer meeting, so we want to hear your thoughts, your  
10 concerns. Anything you'd like to talk about here, we  
11 are here to listen to you. This is your meeting, so I  
12 want to thank you.

13                   We have staff representatives here from the  
14 Public Service Commission staff that I'm going to go  
15 through. We also have Florida Power & Light  
16 representatives here to discuss any service issues that  
17 you may have.

18                   Just to tell you about this proceeding, we  
19 have nine customer service hearings that we're doing  
20 around the state. Later in August we'll have a  
21 technical hearing, and that will go for about two weeks,  
22 and then later in the year we'll make a determination.  
23 But we will definitely take and incorporate all the  
24 comments that we'll hear today.

25                   Some of the Public Service Commission staff,

1 I'd like to just officially recognize them for the  
2 record, who are here today, we have Bart Fletcher with  
3 our Accounting and Finance; Judy Harlow with our  
4 Economics department; Tom Ballinger with our Engineering  
5 department; Suzanne Brownless with our General Counsel's  
6 Office; Cindy Muir, Dick Durbin, and Kelly Thompson with  
7 our Public Information Office; and our court reporter is  
8 Linda Boles, and she's here. And this is an official  
9 hearing that will be transcribed and become part of the  
10 official record in this docket. In a few moments, I  
11 will swear you in if you'd like to provide verbal  
12 comments, and we'll take care of that soon. But I'd  
13 like you to note that your comments may be subject to  
14 cross-examination, which means that any of the  
15 Commissioners up here can ask you a question as well as  
16 any of the parties.

17 At this time, I'd like to ask that you turn  
18 your cell phones off or mute them so as not to interrupt  
19 the flow of this proceeding. We really try and strive  
20 to run a very efficient meeting, and so I appreciate you  
21 taking the time to be considerate of your neighbors who  
22 came out here today. We really do appreciate the  
23 professional nature of these proceedings. And I know  
24 that sometimes some of you may want to clap or yell or  
25 something of that nature. Please refrain from doing

1 that. It affects our transcriber.

2 So when you came in here earlier today, you  
3 may have noticed the sign-up sheets out there. If you  
4 have -- if you'd like to speak and you haven't had an  
5 opportunity to sign up, please go ahead and do so at  
6 this time. If you don't want to make verbal comments  
7 but would like to write something, you can also provide  
8 written comments and leave them with us today, or you  
9 can mail them in. And they will -- whether you made the  
10 verbal comments or the written comments, they will be  
11 considered as part of our process.

12 And now I'm going to invite the parties and  
13 the intervenors to provide some brief opening comments.  
14 The petitioning party, Florida Power & Light, will have  
15 six minutes; Office of Public Counsel will also have six  
16 minutes; and the intervening party who is here today  
17 will have three minutes. There are -- I will note there  
18 are other intervening parties in this docket.

19 So with that, Florida Power & Light, you have  
20 the floor.

21 **MR. BRYAN:** Thank you again, Madam Chair and  
22 Commissioners. Good morning again. In a moment you're  
23 going to hear from Marlene Santos, FPL's vice president  
24 of customer service. She'll explain to you what FPL is  
25 asking for in this rate case and why. But before she

1 speaks, I wanted to let you know that we have several  
2 customer service representatives here today, as the  
3 Chairman has indicated. They're available to meet with  
4 you if you have a question about your bill or a problem  
5 with your service. They are located on the facility.  
6 They've got their computers all hooked up and can access  
7 your account information right away. If you're  
8 interested, I would encourage you to take advantage of  
9 this. If you go to the FPL table that's outside these  
10 chambers, they can direct you. And with that, Marlene.

11 **MS. SANTOS:** Thank you, Commissioners, and  
12 thank you to all of our customers who are here today.  
13 We're so looking forward to listening to your feedback.  
14 I'm very proud to be among the nearly 9,000 FPL  
15 employees whose mission every single day is to provide  
16 you with reliable, clean power.

17 As a regulated energy company, the Public  
18 Service Commission oversees our operations and sets our  
19 rates to ensure that we're delivering safe and reliable  
20 service at fair prices. As part of our request for new  
21 base rates beginning in 2017, we're here today to hear  
22 from you.

23 Today your service is cleaner and more  
24 reliable than ever before, while the typical residential  
25 customer bill is lower than it was ten years ago. This

1 did not happen by accident. It's because we've made a  
2 commitment to you, our customers, to be the best utility  
3 possible. We know that's what you expect and you  
4 deserve that, to be better -- for us to be better than  
5 average. That's why we're very proud to provide you  
6 reliability that is best in Florida and 44 percent  
7 better than the national average, while our typical  
8 residential bills are 30 percent lower.

9           So let's talk about why we're here today. The  
10 base rate is a portion of your total bill that pays for  
11 most of the infrastructure investments we make to  
12 improve your service and help keep costs down over the  
13 long term. For example, FPL has been investing for  
14 years in high-efficiency power generation that uses less  
15 fuel to generate cleaner power primarily because we're  
16 using cleaner burning natural gas and using it more  
17 efficiently. These smart investments continue to pay  
18 off for all of us.

19           Since 2001, we've reduced our oil use by more  
20 than 98 percent, which in turn has prevented an  
21 estimated 95 million tons of carbon emissions and saved  
22 you more than \$8 billion on the fuel component of your  
23 bill. Cleaner, more efficient power plants have also  
24 enabled us to lower overall customer bills four times in  
25 the last 18 months.

1           Since our last base rate request, which was  
2 four years ago, we have been investing billions of  
3 dollars. In fact, we've invested more than what we've  
4 made to continue to improve your service. But many of  
5 those costs are not included in the rates you currently  
6 pay, so we submitted a proposal to the Public Service  
7 Commission to approve three base rate increases phased  
8 in over four years. The numbers associated with our  
9 request are large, but so is FPL. We're one of the  
10 largest utilities in the country, serving more than  
11 10 million people.

12           What's important for you to know is we expect  
13 that through 2020, typical residential and business  
14 bills will remain lower than they were in 2006. Our  
15 four-year plan will help us to continue to improve the  
16 reliability and resiliency of FPL's electric grid and  
17 further modernize how we generate power.

18           Let me give you some examples. First, our  
19 smarter energy grid now allows us to identify potential  
20 outages before they happen and take action to prevent  
21 them. And when outages do occur, we can respond quickly  
22 and more efficiently, reducing the length of time that  
23 you are without power. We continue to make our grid  
24 even smarter and more responsive to further improve your  
25 service.

1           Second, we're working hard to make sure the  
2 electric system is better prepared to make -- to deal  
3 with major storms. We strengthened many of the main  
4 power lines that serve critical community facilities.  
5 Right here in Melbourne we're strengthening the main  
6 power lines serving the Brevard County Sheriff's  
7 Department complex, the Melbourne Police Department  
8 headquarters, the Viera Hospital, and the Florida Gas  
9 Transmission Company.

10           In addition to further improvements in  
11 reliability, we continue to invest in clean, efficient  
12 power generation. We're building three new solar power  
13 plants that are among the largest in the southeast and  
14 moving forward with the future FPL Okeechobee Clean  
15 Energy Center.

16           Like past projects supported by base rates,  
17 our proposal is designed to help keep costs down over  
18 the long term; however, we're also mindful of those who  
19 may need help paying their energy bill. We have several  
20 options to help customers in need with payment  
21 assistance, and we have employees here today that can  
22 help.

23           We've asked a few local customers who have  
24 said they value our service if they would be willing to  
25 share their experience with you. Also, we're looking

1 forward to hearing all of your feedback. At FPL we're  
2 proud to be a part of Florida and work hard every single  
3 day to provide you with affordable, clean power 24/7.  
4 As an FPL customer myself, I assure you that we are  
5 committed to exceeding your expectations today and  
6 continually improving for tomorrow. Thank you so much  
7 for being here today and for the opportunity to serve  
8 you.

9 **CHAIRMAN BROWN:** Thank you.

10 At this time, we will hear from Public  
11 Counsel, Mr. J.R. Kelly.

12 **MR. KELLY:** Thank you, Madam Chair. Good  
13 morning again. As I said, my name is J.R. Kelly. I'm  
14 with the Public Counsel's Office, and we have the  
15 privilege and honor of representing the ratepayers of  
16 Florida Power & Light, that's the residential, the  
17 industrial customers, as well as all the commercial  
18 customers.

19 We're here today because Florida Power & Light  
20 is seeking a \$1.3 billion increase in their base rates.  
21 That's approximately 23 percent above their current base  
22 rate. They're asking for \$866 million to begin next  
23 year, another 262 million in 2018, and then another  
24 209 million in mid 2019. We've intervened in this case  
25 on behalf of the ratepayers, and we will contest those



1 areas that we believe FPL is not being reasonable or  
2 prudent in what they're seeking. While we are right now  
3 in the middle of discovery and identifying those issues,  
4 I will share a few of the issues that we have already  
5 identified.

6 First is what we believe is excess profit.  
7 Florida Power & Light is asking for an 11 percent return  
8 on equity in this case. We believe this is extremely  
9 excessive, especially when you compare it to what other  
10 utilities in Florida and around the nation have been  
11 receiving from their commissions. Our expert from Penn  
12 State University is reviewing this matter, and he's  
13 going to be recommending a return on equity somewhere  
14 below 9 percent.

15 Now let me put it in perspective figure-wise.  
16 For 1 percent, or 100 basis points, to Florida Power &  
17 Light, that means you, the ratepayers, pay an additional  
18 \$240 million. So if the Commission agrees with us that  
19 the ROE saved should be 9 percent versus 11 percent,  
20 that's \$480 million less in rates that you would pay  
21 annually. That will not, will not affect Florida Power  
22 & Light's ability to save -- to provide safe, adequate,  
23 and reliable service. It's excess profit.

24 Another area that we're challenging is with  
25 your capital structure. Now corporations raise money,

1 raise capital two different ways. They sell stock to  
2 shareholders; that's called equity capital. They also  
3 borrow money or sell bonds; that's called debt capital.  
4 As a result of how much it costs to raise those  
5 capitals, equity capital is a lot more expensive to pay  
6 for than debt capital, and you, the ratepayers, pay for  
7 those capitals. Therefore, you would hope a prudent  
8 utility would look to have a healthy balance of equity  
9 or ratio to their capital -- excuse me -- to their debt  
10 ratio. And in this case, FPL's own expert is using a  
11 proxy group of comparable electric utilities to  
12 recommend 11 percent. His proxy group has an equity  
13 ratio of 48 percent.

14 NextEra, FPL's parent company, has a  
15 consolidated capital equity structure of 45 percent. In  
16 this case, FPL is asking for 60 percent equity,  
17 60 percent. Now we think that is extremely excessive,  
18 and let me put it in numbers again for you.

19 Our expert is going to be recommending a 50/50  
20 split. We think that's very reasonable, especially  
21 compared to what their proxy group is by their own  
22 expert, 48 percent, and what NextEra, their company  
23 parent, uses at 44 percent. That 10 percent drop,  
24 folks, is \$359 million less per year that you would pay.  
25 That reduction will not affect the safe, adequate,

1 reliable service that FPL provides you.

2 FPL is also asking for a 50 basis points, or  
3 .5 percent, bonus. It's nothing but excess profit to  
4 the tune of \$120 million more per year simply because  
5 they have the lowest rates in Florida and they provide  
6 good service. Folks, we do not agree and we will oppose  
7 that.

8 FPL is a monopoly. They are providing safe,  
9 adequate, reliable service because they're required to  
10 under law. In return, you pay the rates that this  
11 Commission sets. It's a quid pro quo to add another  
12 \$120 million to what you pay every year we believe is  
13 unreasonable.

14 There are also some other areas that we're  
15 looking at such as depreciation, plant construction,  
16 future plant use, and storm hardening expenses that we  
17 have yet to identify today but that we will be  
18 recommending the reduction.

19 Now let me say today what this case is not  
20 about. It's not about personalities. You're going to  
21 hear people, and some of you have come today, and I'm  
22 glad you're here today, to talk about what a good run  
23 company FPL is. Folks, I do not dispute that. It is  
24 made up of some of the finest men and women I have ever  
25 had the privilege of working with, even though I'm

1 across the table. I have the utmost respect for them.  
2 They are good at what they do. But that's not why we're  
3 here today. We're here today because they're asking for  
4 a 1.3 billion increase in their rates. And what they  
5 are required to do to prove to the men and women behind  
6 me is that everything they ask for is reasonable and  
7 prudent, and we're going to challenge those areas that  
8 we don't believe are reasonable and prudent.

9 Now as Chairman Brown said, this is your  
10 hearing today. We're not here -- you're not here to  
11 hear from FPL or me. The Commissioners are here to hear  
12 from you, and so I am and so is FPL. Thank you so much  
13 for taking time out to be here. I look forward to your  
14 comments, and please, please come up here and take  
15 advantage of this opportunity. Thank you.

16 **CHAIRMAN BROWN:** Thank you, Mr. Kelly.

17 At this time we'd call Mr. Schef Wright with  
18 the Florida Retail Federation.

19 **MR. WRIGHT:** Good morning. Thank y'all for  
20 being here. My name is Schef Wright. I've been working  
21 in energy in Florida for more than 35 years, including  
22 service on Governor Bob Graham's Energy Office and  
23 almost seven years of service on the staff of the  
24 Florida Public Service Commission before I got a break  
25 and got sent to law school. I've been doing this a long

1 time.

2 In this proceeding, I have the privilege of  
3 representing the Florida Retail Federation. The  
4 federation is a statewide organization of more than  
5 8,000 members from the largest groceries, pharmacies,  
6 appliance stores, big box stores, department stores, and  
7 so on to literally thousands of mom and pop sole  
8 proprietorships.

9 The Retail Federation, on behalf of our  
10 members, our stores, our employees, and on behalf of  
11 y'all, FPL's customers, joins the Office of the Public  
12 Counsel, Mr. Kelly and his wonderful staff, in  
13 advocating for and fighting for the lowest possible  
14 rates that will still allow Florida Power & Light  
15 Company to fulfill its duty of providing safe, adequate,  
16 reliable service.

17 We're not asking for free electricity. We  
18 want FPL to be healthy. They deserve to earn a  
19 reasonable rate of return on their investment. That's  
20 the way this all works.

21 FPL is a well-run company. They have a  
22 wonderful fleet of very efficient power plants, and they  
23 have thousands of rock solid, dedicated workers. These  
24 are great people. I echo everything Mr. Kelly said  
25 about that. But that's not what this case is about.

1           This case is about whether FPL needs anymore  
2 money in order to fulfill its duty of providing safe,  
3 adequate, and reliable service. We don't believe that  
4 they do, at least not the first increase in 2017. Why  
5 not? Because their own filing shows that in 2017, with  
6 no rate increase at all, they will cover all their  
7 costs, all their salaries, all their materials and  
8 supplies, return on investment, debt service and  
9 everything else and make a profit of \$1.6 billion. On  
10 top of that, they want another \$866 million of y'all's  
11 money in 2017. We just frankly flatly believe this is  
12 excessive and their rate of return is excessive: 11.5  
13 percent after taxes is 18.7 percent before taxes. Even  
14 9 percent is 14.4 percent before taxes. And compared to  
15 the risk-free rate relative to the risk FPL faces, it's  
16 just not justified.

17           We believe that when all the evidence is in,  
18 we are confident when all the evidence is in, it will  
19 show that FPL does not need any increase at all to  
20 continue providing safe and reliable service, at least  
21 not in 2017, and at most a modest increase in 2018 and  
22 2019. This is your hearing. Tell the Commissioners  
23 what you think. Thank you for being here.

24           **CHAIRMAN BROWN:** Thank you, Mr. Wright.

25           And Mr. Bryan, I believe you have an exhibit

1 for us.

2 **MR. BRYAN:** Yes.

3 **CHAIRMAN BROWN:** It will be Exhibit 7.

4 (Exhibit 7 marked for identification.)

5 **MR. BRYAN:** Thank you. Thank you, Chairman  
6 Brown. At this time I'd like to offer an affidavit of  
7 publication from the Florida Today newspaper, a local  
8 paper of general circulation. And the affidavit merely  
9 demonstrates that FPL advertised this meeting to the  
10 general public in accordance with the Commission's  
11 instructions, and I'll offer it at this time. Thank  
12 you.

13 **CHAIRMAN BROWN:** Thank you. Mr. Durbin will  
14 take that. Thank you.

15 And as part of the practice at the Commission,  
16 if there are elected officials present, which there are  
17 today, they are given an opportunity to address the  
18 public as well as the Commission. So we're going to do  
19 that at this time.

20 First I would like to recognize Representative  
21 Debbie Mayfield, who many of us up here are friends  
22 with, and it's great to see Representative Mayfield, all  
23 the fine work you do for your constituents.

24 **REPRESENTATIVE MAYFIELD:** Thank you, Chairman  
25 Brown. And I really wasn't expecting to speak, but I

1 just want to thank you guys for coming, and I echo your  
2 comments. This is a public meeting, and I do appreciate  
3 you guys allowing the public to speak on how they feel  
4 about the rate increase. And kudos to one of my fellow  
5 members, Jimmy, and to Ron. And it's great to see you  
6 guys here, and welcome to Brevard County.

7 **CHAIRMAN BROWN:** Thank you, Representative  
8 Mayfield.

9 Now we also two mayors who are here. The  
10 first -- and I'm so sorry if I mispronounce this -- from  
11 the City of Cape Canaveral, Mayor Bob Hoog, Hoog.

12 Good morning.

13 **MAYOR HOOG:** Good morning, Madam Chair and  
14 Commissioners. Welcome. Welcome to Brevard County.  
15 And I'm very glad to be before you this morning to  
16 speak.

17 I would like to first of all introduce myself.  
18 Bob Hoog. I'm the mayor of Cape Canaveral. I've been a  
19 citizen of Cape Canaveral for some 65, almost 66 years  
20 now. And I am also an electrical contractor in the City  
21 of Cape Canaveral, and I've had my business for 47 years  
22 in Cape Canaveral. So I'm very well versed with FP&L  
23 and their goings on and what they do for us, the city,  
24 and the people of the city and Brevard County.

25 We have had in the last year probably about



1 75 high transmission poles replaced on A1A, which is a  
2 mile and a half through the city and down into the lower  
3 part of Cape Canaveral and Cocoa Beach area for  
4 hardening of all the power lines, which we had a very  
5 unhealthy system years ago on the beach, but today, with  
6 what the power company has been doing, in my book is  
7 ultimately the best.

8 We also had our beach road access along the  
9 beach, we had all that hardened by Florida Power &  
10 Light. The complete system has been regrided down  
11 through there with concrete poles, and the wood poles  
12 are now gone. So hopefully if we have any hurricanes  
13 this year, which I'm not wishing, but we probably won't  
14 have any problems that I can see.

15 Our other -- we had another project, we were  
16 in the process of building a city hall and, lo and  
17 behold, one of the main grid power poles winds up right  
18 in the middle of where our building was going to be  
19 that's been there for -- since day one. And Florida  
20 Power & Light graciously got rid of the pole for us so  
21 we could proceed on with groundbreaking, and they  
22 regrided probably five east/west blocks by nine blocks  
23 north/south. All that system had to be regrided, and  
24 Florida Power & Light accomplished this in a very  
25 adequate and quick time for us.

1           We also had two lift stations that we just  
2 completely rehabbed. One lift station, we completely  
3 removed it, relocated it, and Florida Power & Light  
4 worked with us at a very minimal cost on getting that  
5 lift station relocated and online for us.

6           And I'm here today as, myself personally as a  
7 citizen of Cape Canaveral to tell you I think that  
8 Florida Power & Light -- I'm sure you already know that  
9 Florida Power & Light is a, like everybody has  
10 mentioned, a very good company. I work with them every  
11 day. I work with the service planners, I work with the  
12 service personnel, I work with the service truck, and I  
13 am here to support their increase.

14           **CHAIRMAN BROWN:** Thank you, Mayor.

15           **MAYOR HOOG:** Thank you very much.

16           **CHAIRMAN BROWN:** Thank you, Mayor.

17           **MAYOR HOOG:** Y'all have a nice day.

18           **CHAIRMAN BROWN:** Mayor, our Public Counsel has  
19 a question for you.

20           **MAYOR HOOG:** I'm sorry. Uh-huh. Yes, sir.

21           **MR. KELLY:** Mr. Mayor, thank you for being  
22 here today and testifying.

23           You said you're an electrical contractor?

24           **MAYOR HOOG:** Yes, sir.

25           **MR. KELLY:** And you or your company does

1 business with Florida Power & Light?

2 **MAYOR HOOG:** Yes, sir.

3 **MR. KELLY:** Okay. Thank you very much.

4 **MAYOR HOOG:** State certified in the state of  
5 Florida, yes, sir.

6 **MR. KELLY:** I'm sorry?

7 **MAYOR HOOG:** I said I am a state certified  
8 contractor, master electrician in the state of Florida.

9 **MR. KELLY:** Thank you, sir.

10 **MAYOR HOOG:** Thank you.

11 **CHAIRMAN BROWN:** Thank you.

12 Our next public elected official here is Mayor  
13 Carol McCormack from the Town of Palm Shores. Welcome,  
14 Mayor.

15 **MAYOR McCORMACK:** Thank you very much, Madam  
16 Chair and Commissioners. My name is Carol McCormack.  
17 I'm the mayor of Palm Shores. I'm also the senior  
18 elected mayor in Brevard County.

19 My situation is a little different than some  
20 of the others as we're a strong-mayor form of  
21 government, so I deal with all the entities and all the  
22 problems. I'm the chief bottle washer and whatever else  
23 needs to be done.

24 And I can say from the last -- oh, going back  
25 to Hurricane Jeanne, Hurricane Frances, we've had a

1 great experience with Florida Power & Light. Because  
2 when I asked my council, "Who stayed during Hurricane  
3 Jeanne?" guess whose only hand was up? Mine. So, you  
4 know, it was left up to me to make sure we got power  
5 back on.

6 And I'm sure that all of you have called a  
7 utility or a company and you've got to walk through hit  
8 one, hit two, hit three, hit four, and sometimes you hit  
9 four and you wish you'd waited for five because you've  
10 got to start all over again. Well, you don't find that  
11 with Florida Power & Light. We -- one of the really big  
12 advantages is that personal service. If I call Florida  
13 Power & Light about a problem, I'm going to get a human  
14 to talk to, and they're going to understand what the  
15 problem is. And that has been a tremendous help to us  
16 because we are a small municipality, and if we have a  
17 problem, we need it taken care of immediately. We don't  
18 need to be put on hold from somebody in Miami who might  
19 get the right voice mail message and call us back. So  
20 that response has been tremendous.

21 My husband said, "Be sure and tell them that  
22 I'm really happen with our light bill," because I freeze  
23 him at our house and I keep it very cold. And he  
24 considers it a real value and he considers it the best  
25 money we spend because it has been -- the light bill has

1 continued to go down and down and down and down each  
2 year.

3 So like I said, I'm speaking on behalf of  
4 myself, but I'm also speaking as the CEO of the town,  
5 and I can't say enough as far as positive remarks about  
6 how great they have been to us.

7 **CHAIRMAN BROWN:** Thank you, Mayor McCormack.  
8 Commissioners, any questions?

9 Public Counsel has a question.

10 **MAYOR McCORMACK:** Yes, sir.

11 **MR. KELLY:** Yes, ma'am. Thank you for being  
12 here today. You said you were speaking on behalf of  
13 your town. Does the town support this rate increase,  
14 ma'am?

15 **MAYOR McCORMACK:** Well, I haven't asked the  
16 town. But then, as I say, I negotiate all the contracts  
17 for the town. So if I was negotiating the contract,  
18 say, for trash removal, it would be up to me to  
19 negotiate the best possible rate for trash collection.  
20 It would be up to me to go to the town council and say,  
21 you know, we're going to have a 43-cent increase in our  
22 monthly bill. Looking at the numbers that I was  
23 provided --

24 **MR. KELLY:** Yes, ma'am.

25 **MAYOR McCORMACK:** Now I don't have the big

1 numbers that he has, but looking at the numbers that I  
2 was provided, it does not look like there's going to be  
3 a giant increase at the bottom line. It looks like a  
4 couple of dollars on the bill. And so -- now, like I  
5 said, y'all are dealing with the big dollars. I'm  
6 dealing with the little dollars because my constituents  
7 do want to know. But I don't see a huge increase in the  
8 cost based on the fact that the bill has gone down.

9 And I get a lot of light bills at Town of Palm  
10 Shores because we have a lot of lights. We have highway  
11 lights, we have park lights, so I get a lot of light  
12 bills. And the fuel cost that has gone down has  
13 dramatically reduced the amount of our, you know, of our  
14 municipality bills, and so I've seen that as well at my  
15 house.

16 **CHAIRMAN BROWN:** Thank you, Mayor. Thank you  
17 for your testimony today.

18 **MAYOR McCORMACK:** Thank you. It's a privilege  
19 to be here. And if I can answer anything else, I'd be  
20 happy to do so.

21 **MR. KELLY:** So you do support the increase?

22 **MAYOR McCORMACK:** As presented to me as far as  
23 the dollar amounts and the small dollar amounts that  
24 I've seen, I would support that based on the service  
25 that we receive from them and based on the fact that it

1 looks to be a very small increase.

2 **CHAIRMAN BROWN:** Thank you, Mayor.

3 **MAYOR McCORMACK:** Thank you.

4 **CHAIRMAN BROWN:** Are there any other elected  
5 officials here today? And if they are, please just  
6 raise your hand if you'd like to come before us.

7 Okay. We are going to move into the public  
8 comment portion, which is -- yes, sir.

9 **MAYOR McPARTLAN:** Just come on up?

10 **CHAIRMAN BROWN:** Please come on up if you're  
11 an elected official.

12 **MAYOR McPARTLAN:** Good morning.

13 **CHAIRMAN BROWN:** Good morning.

14 **MAYOR McPARTLAN:** Bob McPartlan, the Mayor of  
15 the City of Sebastian. We're down there a little bit  
16 south. And you asked me to come up and talk about FPL.  
17 And first off, I want to thank Mr. Wright and Mr. Kelly  
18 here, who are looking out for the interests of the  
19 little guy, which, of course, that makes me one of them,  
20 you know. I am a single father with four children who  
21 have so many devices, and sometimes I look at that  
22 electric bill and I just shake my head. But I'm glad  
23 they changed to the smart meter because when I go out  
24 and turn on my pool, I don't see that thing spinning  
25 like crazy anymore like an UFO, so it just goes

1 gradually.

2 But, you know, you guys are the ones making  
3 the tough decision as far as a rate increase. And I  
4 heard Mr. Kelly, you're looking at, you know, what's  
5 reasonable and what's prudent.

6 You know, as far as FPL, nobody wants to see  
7 their bill go up. But as I can speak as far as they are  
8 as an organization, they have always been receptive,  
9 high quality, extremely professional. I can speak for  
10 their representatives that serve our community: You  
11 know, Bart Gaetjens and Amy Brunjes and Nancy  
12 Flickinger. You know, if there's a problem throughout  
13 the city, they're right on top of it, especially now,  
14 you know, hurricane season, making sure all the trees  
15 are taken care of, you know, creating less outages.

16 And also, you know, I'd like to speak on  
17 behalf -- because I'm also the administrator for the  
18 Department of Children and Families, and I cover a  
19 four-county area -- that FPL is very philanthropic in  
20 what they've done. You know, they've assisted me, you  
21 know, helping out, getting out the word to get more  
22 foster parents, anything that they can do in relation to  
23 the community. So they are a fantastic community  
24 partner in those regards. So thank you.

25 **CHAIRMAN BROWN:** Thank you. Thank you for



1 your testimony.

2 Commissioners, any questions?

3 Once again, thank you, Mayor, for being here.

4 Now we're moving into the public comment  
5 portion, which is the main portion of this service  
6 hearing. We want to give every customer an opportunity  
7 to speak. So you'll see at the podium each customer  
8 will have three minutes to speak. When it gets to  
9 yellow, we ask that you please try to wrap it up. When  
10 it gets to red, please stop. Please be considerate and  
11 use only your allotted time. There are so many  
12 customers here that really want to be given an  
13 opportunity to speak, so unfortunately I'll have to stop  
14 you when it gets to red.

15 I will be swearing you all in at the same  
16 time. So if would you like to speak, please stand with  
17 me and raise your right hand.

18 Do you swear or affirm that you will provide  
19 the truth in this matter?

20 (Collective affirmative responses.)

21 (Witnesses collectively sworn.)

22 Thank you. Please be seated.

23 Now, again, I'd like to ask you all to be  
24 considerate of your fellow neighbor. Please don't talk  
25 while they're talking. The court reporter really needs

1 to pick up everything, so please be considerate. When  
2 you come to the microphone, please state your name,  
3 address, telephone number, and whether you're an FPL  
4 customer.

5 Public Counsel will be calling the first who  
6 has signed up and then the second, and he'll be calling  
7 two names at a time. We have some seats reserved up  
8 here. So if you're the second name being called up,  
9 please feel free to sit there and wait your turn.

10 And I think I've covered everything right now.  
11 Mr. Kelly, will you call your first name on the list.

12 **MR. KELLY:** Thank you, Madam Chair.

13 The first name is Mr. Douglas Hoyt, followed  
14 by Milt Farrow.

15 **CHAIRMAN BROWN:** Good morning.

16 **MR. HOYT:** Good morning. Thank you, Madam  
17 Chairman, council members. My name is Douglas Hoyt. I  
18 am the administrator and speaking for the Town of  
19 Malabar. The address is 2725 Malabar Road, Malabar,  
20 Florida 32905. And do you need a phone number?

21 Okay. I'm speaking on behalf of Florida Power  
22 & Light and urging that we do have the rate increase.  
23 I'm in somewhat of a unique position. I'm a retired  
24 principal in a firm that manufactured replacement  
25 components for the fossil fuel power generation industry

1 such as Carolina Power & Light, Duke Power, Southern  
2 Company, PREPA, and, yes, Florida Power & Light over the  
3 years. I've since been retired for about 15 years from  
4 that firm.

5           From my perspective, Florida Power & Light,  
6 first, has some of the lowest rates in the nation and  
7 also are one of the more efficient utilities in the  
8 United States. Their service, at least in the Town of  
9 Malabar, is consistently up. In the very rare occasions  
10 that we do have an outage, you make a phone call and  
11 they're right on it. They're out there keeping their  
12 lines up, cleared away so that if we do have a storm,  
13 the line -- the areas aren't affected adversely. Their  
14 equipment is clean. I've been in their plants. Their  
15 plants are clean and well maintained.

16           And in addition, they're very ecologically  
17 sensitive. For example, they recently replaced some of  
18 the inefficient oil burning systems up at Titusville  
19 with a couple of the -- with new combined cycle plants.  
20 They're starting to install solar farms, which are very,  
21 very ecologically friendly. And all of this is  
22 accomplished with one of the lowest rates in the United  
23 States.

24           And as I look at the figures, at least those  
25 that have been presented to me, the rate increase that

1 they're looking for in 2017 is merely recapturing the  
2 2 percent inflation that we experience here in the  
3 United States. And if you project the 2018 and 2019  
4 figures, they're about 2 percent per year. So I don't,  
5 from my view, don't see any excessive requests for  
6 funds. Thank you so much.

7 **CHAIRMAN BROWN:** Thank you for your testimony.  
8 Commissioners, any questions?  
9 Public Counsel has one.

10 **MR. KELLY:** Yes. Mr. Hoyt, you used to work  
11 for a firm that did work with Florida Power & Light; is  
12 that correct?

13 **MR. HOYT:** I was one of the principals in a  
14 firm that manufactured replacement components for the  
15 power, fossil fuel power generation industry at large.  
16 And, yes, Florida Power & Light at that time -- and I  
17 don't know because it's been 15 years since I retired, I  
18 don't know if they're a customer of that firm any  
19 longer.

20 **MR. KELLY:** Okay. And were you asked to come  
21 speak today by someone from Florida Power & Light  
22 directly or indirectly?

23 **MR. HOYT:** Yes, I was. They asked me if I  
24 would come and make some comments. I was not directed  
25 as to the comments to be made.

1           **MR. KELLY:** Thank you, sir. Appreciate you  
2 being here.

3           **CHAIRMAN BROWN:** Thank you for your testimony.  
4 Next customer, please.

5           **MR. HOYT:** Thank you.

6           **MR. KELLY:** After Mr. Farrow is Phil  
7 Koechlein.

8           **CHAIRMAN BROWN:** Good morning.

9           **MR. FARROW:** Good morning, Commissioners,  
10 Madam Chair. Public Counsel, I'd like to personally  
11 thank you for your efforts. I'd like to join with  
12 Public Counsel and ask that this Commission deny the  
13 rate increases for several reasons. 18.7 percent is not  
14 only excessive, it's obscene. A 55 percent bonus is  
15 even worse. That's insult on top of injury. An  
16 equity-to-debt ratio of 60 percent and looking at a  
17 proxy group to make up your figures doesn't make sense.

18           Let me just state this. I am paying a  
19 \$13 additional figure a month for something I shouldn't  
20 pay, and it's labeled on my bill very strangely. It's  
21 something that doesn't belong there, as if I did  
22 something wrong by having an analog meter.

23           Now I will spend just a moment going through  
24 my experience with the gentleman who arrived at my door  
25 with a meter one day. The gentleman knocked on my door,

1 had a package under his arm. And I said, "Hello, how  
2 are you?" He says, "I'm here to replace your meter that  
3 you ordered." And I said, "Who ordered?" I said, "Show  
4 me the slip. Show me." "Well, I have it back at the  
5 office." "Well, I'll wait here, sir. Go back to the  
6 office and get the slip." We got into it pretty  
7 heavily. Needless to say, I own my property, and this  
8 person is someone who doesn't belong on my property, who  
9 is acting in a fraudulent manner will be ordered off my  
10 property each and every time because I will not permit  
11 that. And this body should not permit that type of  
12 account management. There was no order. There was no  
13 signature.

14 Okay. Let's talk about some other issues as  
15 well. I traded commodities as a professional, and my  
16 account was with CBO on the COMEX, and I traded through  
17 Bear Stearns and several other well-known houses many  
18 years ago. I was totally dumbfounded that the utility  
19 would turn up a 1.3 billion loss in a commodities  
20 futures trading account for hedging because, unlike a  
21 gambler, a hedging account is totally another story.  
22 You are going in there to protect your crop, your  
23 commodity, whatever it is that you're protecting.  
24 You're not gaming, you're not trying to game the --

25 **CHAIRMAN BROWN:** Sir, you have about 30

1 seconds left.

2 **MR. FARROW:** That should not be happening, and  
3 this Commission should look into it, quite frankly. And  
4 the 25 percent decrease that you gave them as an  
5 allotment, you should not even give them that, quite  
6 frankly, because I don't think they've justified even  
7 what they've got now.

8 And I would also like to plead that this  
9 Commission give the Public Counsel more time to prepare  
10 exhibits and findings and documentation because the  
11 Tampa paper says he wasn't given enough time, and I  
12 agree with them.

13 **CHAIRMAN BROWN:** Thank you so much for your  
14 testimony.

15 Commissioners, any questions?

16 Thank you for your testimony.

17 Next customer, please.

18 **MR. KELLY:** After Mr. Koechlein is Pastor J.B.  
19 Kump.

20 **MR. KOECHLEIN:** Good morning. Thank you for  
21 the opportunity to talk today. My name is Phil  
22 Koechlein. I live at 973 Delmar Circle here in West  
23 Melbourne, (321)674-0147, and I'm here to talk today  
24 against the rate increase.

25 Twenty-three percent of -- is quite a bit to

1 ask for anybody to provide, and it's also, like, \$13 a  
2 month for every 1,000 kilowatts used. It's a huge  
3 increase relative to -- since they're not looking so  
4 much to be able to improve their system as they are to  
5 improve their profit. There are many families out there  
6 not getting increases and are financially struggling,  
7 and as children grow and so on, it becomes only worse  
8 for them.

9 For someone like myself, I'm a senior, and  
10 social security has not been raising its rates, nor does  
11 my pension ever change because it's a flat amount.  
12 Sooner or later -- I'm hopeful that I never get in a  
13 position where that -- those numbers catch up to each  
14 other and I begin to be in trouble like this next  
15 category I'm about to talk about.

16 For those who deliver Meals on Wheels, they  
17 see a lot of problems out there because there are many  
18 people they see that are getting only that one meal a  
19 day, but on top of that they can't even pay for their  
20 own rent, their own food, nor their medications now.  
21 They often see people out there who are simply -- take  
22 some of that meal they get once a day and feed it to  
23 their companion that they have with them to keep them  
24 alive. So it's very, very difficult. And what are they  
25 going to do as this thing continues on? How do we cover



1 that 23 percent?

2 The second point I want to talk about is  
3 they're asking for the 23 percent, they say, to increase  
4 their profits from about 9.7 now up to that 11 percent  
5 number. They are purchasing ads every two weeks in the  
6 newspaper in an effort to try to handle this, which I  
7 apparently have lost. Isn't that smart of me? Anyway,  
8 they basically -- it's full page ads which they're  
9 telling us and so on that we are 30 percent -- they are  
10 30 percent lower than anywhere else in the nation, yet  
11 here they are asking on the other hand now for a  
12 24 percent increase for profit, not for their work and  
13 so on.

14 The thing about that is, too, there are  
15 national utilities that are talking about being against.  
16 If you take a good look at it, their average profit is  
17 only 9 percent, and here we are already at 9.7. Why do  
18 we need anymore money at this time? Okay.

19 Their ads state that they need the money  
20 that's coming to them, but why do they actually even buy  
21 these ads? They specifically said in the ads the  
22 stockholders have paid for them. Well, here's where  
23 they're also trying to give the money to those same  
24 stockholders. They did not need to run all those ads.  
25 They could have done it through their normal email

1 channels and also their monthly mailings to us and then  
2 handle the same thing, which might have even brought the  
3 profit to 10 percent in the process, but doing all the  
4 newspapers they do within their areas.

5 **CHAIRMAN BROWN:** Thank you, sir, for your  
6 testimony today.

7 **MR. KOECHLEIN:** Thank you.

8 **CHAIRMAN BROWN:** Commissioners, do you have  
9 any questions for Mr. Koechlein?

10 Thank you for your testimony.

11 **MR. KOECHLEIN:** Thank you.

12 **CHAIRMAN BROWN:** Next customer, please.

13 **MR. KELLY:** After Pastor Kump is Rocky  
14 Randels.

15 **PASTOR KUMP:** Good morning, and thank you for  
16 the opportunity to appear. I'm Pastor J.B. Kump,  
17 2773 Bates Place, Titusville, Florida, an FPL customer.  
18 I'm not here to preach at you, but given your docket and  
19 the competing voices, I will be praying for you.

20 **CHAIRMAN BROWN:** Thank you.

21 **PASTOR KUMP:** This is a service hearing and  
22 I'm here primarily to speak to the service provided by  
23 FPL to me, an individual who built a house with my wife  
24 over the past year, and as the former director of  
25 Congressional District 15's district office for

1 Congressman Dave Weldon.

2 In the last year -- if you've been involved in  
3 the construction of a house, you know what a rocky road  
4 we traveled. There's bureaucracies aplenty, there's  
5 delays, and there's all kinds of unexpected activities  
6 involved in building a house. The bright shining light  
7 in this in terms of service provided was FPL. They were  
8 always prepared and responsive. They made their  
9 directions and their needs clear, and the bureaucracy  
10 that I faced in working with FPL was minimal.

11 In 2004 and 2005, Congressional District 15 at  
12 the time, serving four counties including Brevard,  
13 Indian River County, and Osceola County, were devastated  
14 by repeated hurricanes. During that period of time, our  
15 congressman worked with FPL, with county officials, city  
16 officials to respond to the needs of the individuals and  
17 businesses in the area. There were widespread outages.  
18 I believe they were minimized by the responsiveness of  
19 FPL. I was asked by the congressman to be in constant  
20 touch at all hours of the day and night with the FPL  
21 representatives. I had their cell phones, I had their  
22 emails. I had no delay in them getting back to me and  
23 in responding to the needs of the constituency. It was  
24 a terrible time, quite frankly, a lot of death, a lot of  
25 loss of properties, and I'm glad that FPL was as

1 responsive as they were during this period of time.

2 Thank you for the opportunity.

3 **CHAIRMAN BROWN:** Thank you, Pastor.

4 Commissioners, any questions or comments?

5 Mr. Kelly has one.

6 **MR. KELLY:** Pastor Kump, thank you for being  
7 here today. Did Florida Power & Light or someone ask  
8 you to come today and speak?

9 **PASTOR KUMP:** They informed me of these  
10 hearings and asked me if I would have anything to say.  
11 And I said, "I'd like to talk to these people about the  
12 service provided," as I've reported to you, sir.

13 **MR. KELLY:** Thank you, sir.

14 **PASTOR KUMP:** You're welcome.

15 **CHAIRMAN BROWN:** Thank you, Pastor.

16 **PASTOR KUMP:** Thank you.

17 **CHAIRMAN BROWN:** Next customer, please.

18 **MR. KELLY:** After Mr. Randels is Jim Dubea or  
19 Dubea.

20 **CHAIRMAN BROWN:** Good morning.

21 **MR. RANDELS:** Good morning. Thank you, Madam  
22 Chairperson and Commissioners and staff, who are here  
23 with you.

24 Before I introduce myself, I'd just like to  
25 take a moment and thank you for this ad that's been

1 mentioned. This was in our paper. Somebody went  
2 through the time of doing it. It's very much  
3 appreciated. It told when to be here, what you was  
4 going to speak on and what about and why you were here.  
5 So I think it was important for the business residents.

6 A little about myself. My name is Rocky  
7 Randels, for the record, and I live at 308 East Central  
8 Boulevard in Cape Canaveral for the past 31 years. And  
9 the phone number is (321)784-5694.

10 And as you know or probably know, Cape  
11 Canaveral is a very small community, and the new mayor,  
12 which is Bob Hoog, which you've heard from, is doing a  
13 good job. And I will comment in a moment on why I'm  
14 interested.

15 Cape Canaveral is a small beachside community.  
16 We're a few blocks wide, about a mile long, a little  
17 over 10,000 square -- 10,000 people, and about two  
18 square miles. So we're pretty small.

19 I had the privilege of serving as the mayor  
20 for the last 18 years and on the city council for 28  
21 years. So my purpose in sharing is because I, like Bob,  
22 is we hear from the residents on a first-name basis.  
23 Our home phone number is on everybody's wall. You get  
24 calls -- I just looked at my record -- I'm no longer  
25 mayor, Bob gets the calls now, but in the past two weeks

1 I've got a pothole in the road, graffiti on a stop sign,  
2 low water pressure in the shower, nonworking  
3 streetlight, grass needs median cut. And I feel I can  
4 pretty well safely speak for the residents in the past  
5 few years and that's why I'm here.

6 The years that I have had the privilege of  
7 being in Cape Canaveral, the residents and the business  
8 are very, very satisfied with the performance of Florida  
9 Power & Light.

10 Not only, as has been mentioned, the rates are  
11 considerably lower, we chat with the visitors -- we're  
12 next to the port, the gentleman behind me is from the  
13 port and he gets -- he's a big brother. He's got all  
14 the cruise ships. But they come in our city, so I get  
15 to meet them and I talk with them. And they say, "Why  
16 do you live here?" and what the rates are, and on and  
17 on. I can explain that our rates are lower today than  
18 they were ten years ago by looking at the bills. Not  
19 the amount of my usage, but the amount of the rates.  
20 They have had four rate reductions in the last four  
21 years. Kind of unusual. They're giving back the money  
22 that we gave them. And some of the rates and  
23 accomplishments, and I'm laboring on this because the  
24 current mayor has touched on them --

25 **CHAIRMAN BROWN:** Mayor, your time is running

1 out. If you could wrap it up.

2 **MR. RANDELS:** I see the red light, and thank  
3 you for letting me be here.

4 **CHAIRMAN BROWN:** Thank you so much.

5 Commissioners, do you have any questions?

6 Thank you, Mayor.

7 **MR. RANDELS:** Thank you.

8 **CHAIRMAN BROWN:** Next customer, please.

9 **MR. KELLY:** After -- is it Mr. Dubea?

10 **MR. DUBEA:** Dubea, you got it. Correct.

11 **MR. KELLY:** After Mr. Dubea is Richard  
12 Bartlett.

13 **MR. DUBEA:** Good morning, Madam Chair,  
14 Commissioners. Mr. Wright and Kelly, thank y'all for  
15 allowing us to make these comments. My name is Jim  
16 Dubea. I'm the deputy executive director of Canaveral  
17 Port Authority. As you know, Canaveral Port Authority  
18 is Central Florida's port and just north of Cape  
19 Canaveral.

20 Regarding the service being provided by FP&L,  
21 we've always had reliable service during the past years.  
22 We've got significant investments in the infrastructure  
23 and development and often with short notice.

24 And I'll give you a pertinent example of two  
25 cruise terminals in the past two years that had to be

1 constructed within a ten-month time frame, and those  
2 were \$110 million infrastructure investments within a  
3 ten-month span. FP&L was very accommodating in those  
4 construction projects. And just those two project alone  
5 are -- just pale in comparison to what the overall  
6 growth of the Canaveral Port Authority is going through  
7 right now. And I don't want to make this a marketing  
8 ploy for the Canaveral Port Authority, but we've got  
9 some significant growth. We've got over 4.5 million  
10 cruise passengers. Future demand is going to demand  
11 that we build more infrastructure to support the coming  
12 growth in cargo and in cruise passengers. And in doing  
13 so, FP&L has been a wonderful partner. They've worked  
14 with us very well. They've been very responsive to our  
15 needs.

16 We've recently just purchased about 270 acres  
17 on the corner of 524 and 95. Right next to that is a  
18 five -- is an FP&L easement that goes right through the  
19 middle of the property. We're actually engaged with  
20 customers regarding that, and FP&L has been very  
21 gracious in accommodating those customers, and those  
22 customers are going to bring jobs and employment to  
23 Brevard County.

24 So the FP&L group as a whole, they work very  
25 well with us and our future planning and development,



1 and I just wanted to make that statement. Thank you  
2 very much.

3 **CHAIRMAN BROWN:** Thank you for your testimony.  
4 Commissioners, any questions?

5 **MR. KELLY:** Mr. Dubea --

6 **MR. DUBEA:** Yes, sir.

7 **MR. KELLY:** -- is the Canaveral Port Authority  
8 in favor of the rate increase or did you speak to that?  
9 I'm sorry.

10 **MR. DUBEA:** I -- you know, I have to be very  
11 careful with that. Our counsel has advised us to remain  
12 neutral about that, and I have to respect his wishes on  
13 that. But we can certainly, you know, support the  
14 coming future investments that have to be made in this  
15 infrastructure.

16 **MR. KELLY:** Thank you, sir.

17 **MR. DUBEA:** Thank you.

18 **CHAIRMAN BROWN:** Thank you.

19 And at this time, we are going to take someone  
20 out of order. We have a county commissioner from Indian  
21 River County who has shown up and would like to speak,  
22 Mr. Tim Zorc. Commissioner, thank you for joining us  
23 today.

24 **COMMISSIONER ZORC:** Yes. Good morning, and  
25 thank you for working me so quickly into the schedule.

1           **CHAIRMAN BROWN:** That's how we work.

2           **COMMISSIONER ZORC:** Hi. Again, I'm Tim Zorc,  
3 County Commissioner, District 3. I'm here today  
4 speaking individually on issues relating to the  
5 District 3 area of Indian River County. It's not a full  
6 blanket statement of the full commission; however, I  
7 think they would make some similar comments if they were  
8 here today.

9           One thing I can say about Florida Power &  
10 Light is being responsive to the constituents of my  
11 district. In my last four years, I don't think I've had  
12 a single complaint that's been logged with my office  
13 regarding any issues with -- regarding with power. They  
14 seem to operate a very responsive system when we do have  
15 a question or a question that would go to the public  
16 affairs or governmental affairs side. They're very  
17 quick to respond back to my office and to constituents'  
18 offices.

19           More recently, we've had a, what I'd say is a  
20 wonderful agreement we worked out with on the new power  
21 plant that's coming up in Okeechobee County. It  
22 affected our mutual aid agreement, and we crafted an  
23 agreement that works to protect the constituents of  
24 Indian River County as it might relate to costs for the  
25 mutual aid agreement responses to that plant, along with

1 emergency services in Okeechobee. So we're very happy  
2 with the way that agreement worked out. And Florida  
3 Power & Light was very responsive to our needs, our  
4 questions. They made a number of additional trips back  
5 to our area in crafting that agreement to where I think  
6 all parties were -- I know I'm personally extremely  
7 happy with the agreement that came out of it.

8 As regards to a future solar plant, Indian  
9 River County is open for business. We have a lot of  
10 sunshine down there, if anybody needs any, and willing  
11 to export that to any other areas of the state, if  
12 anybody is looking to do solar work down in that area.  
13 And I'm happy to answer any questions that you might  
14 have. But very happy with their service. They've been  
15 doing a lot of hardening of their assets, pole  
16 replacements and things, which will just increase the  
17 reliability of their service.

18 And one thing that's near and dear to my  
19 heart, we hope that some day all of the ratepayers for  
20 electric in Indian River County can have Florida Power &  
21 Light type rates.

22 **CHAIRMAN BROWN:** Thank you, Commissioner.

23 Commissioners, any questions?

24 **COMMISSIONER ZORC:** Yes, that was me at your  
25 other hearings in Tallahassee on that same topic.

1           **CHAIRMAN BROWN:** Commissioners, any other  
2 questions?

3           Public Counsel has a question for you.

4           **COMMISSIONER ZORC:** Yes, sir.

5           **MR. KELLY:** Commissioner Zorc, are you in  
6 favor of the increase?

7           **COMMISSIONER ZORC:** Well, you're never in  
8 favor of an increase. But with what they've done in the  
9 past to lower rates, when you continually lower and  
10 lower and lower, at some point you have to go back to  
11 the upside. It's -- you know, if they hadn't lowered it  
12 as much as they had, the increase would not be what it  
13 is. So I understand the rate increase and accept it  
14 for -- the way it's being presented.

15           **MR. KELLY:** Do you understand that the  
16 lowering of the rate increase was due to the decrease in  
17 the cost of fuel?

18           **COMMISSIONER ZORC:** Yes.

19           **MR. KELLY:** That had -- FPL had nothing, no  
20 control over?

21           **COMMISSIONER ZORC:** Well, you can buy high or  
22 you can buy low on fuel, and they choose to buy in a way  
23 that provided lower cost of rates to the ratepayers.

24           **MR. KELLY:** Okay. Thank you for being here.

25           **COMMISSIONER ZORC:** Thank you.

1           **CHAIRMAN BROWN:** We have a -- Commissioner  
2           Graham has a question for you.

3           **COMMISSIONER ZORC:** Yes, ma'am. Yes.

4           **COMMISSIONER GRAHAM:** Commissioner, I have a  
5           question for you. Your district, is it all, in its  
6           entirety, inside of Florida Power & Light's rate case --  
7           I mean, service area, or is it split between that and  
8           the other utility?

9           **COMMISSIONER ZORC:** The other utility. I'm  
10          probably -- I'm trying to think -- they do it either in  
11          square miles or population. Out of the population in  
12          District 3 is roughly 45,000. My guess would be, as  
13          rooftop persons, it's probably 80 percent of that.  
14          There is a significant commercial district that is, as  
15          well as some residential, but a large commercial portion  
16          is provided service by another provider.

17          **COMMISSIONER GRAHAM:** Okay.

18          **CHAIRMAN BROWN:** Thank you.

19          Any other questions, Commissioners?

20          Thank you for your testimony.

21          **COMMISSIONER ZORC:** Thank you very much.

22          **CHAIRMAN BROWN:** Thank you.

23          And the next customer in order, Mr. Kelly.

24          **MR. KELLY:** After Mr. Bartlett is Bryan  
25          Bobbitt.

1           **CHAIRMAN BROWN:** Good morning.

2           **MR. BARTLETT:** Good morning, ladies and  
3 gentlemen. Okay. That's working. My name is Richard  
4 Bartlett. I live at 3918 Snowy Egret Road, West  
5 Melbourne, Florida. I am not in favor of the increase  
6 for FPL at this time. They've been able to provide  
7 good, clean, safe energy, reliable energy, and still  
8 make the profit they've made. Any decrease, you know,  
9 any stabilization of the rates has been brought about  
10 through such things such as the lower cost of fuel,  
11 people using the resource prudently. You know, we're  
12 all conscientious of the environment and of using energy  
13 wisely.

14           FPL -- unlike some of the other speakers, I  
15 don't consider an 18 to 24 percent increase a small  
16 increase. And this leads to customers like myself, I  
17 don't represent any major organization or any  
18 governmental authority except when it comes to voting  
19 for some of these people, so it gives me the impression  
20 that they're making quite a bit of money as it is and  
21 gives me the impression that just leads to them  
22 providing increasing dividends to the shareholders, and  
23 which they are entitled. But I don't think as customers  
24 we should be, you know, carrying the full weight of  
25 that.

1 FPL, while they're not a company that deals  
2 with wind power, I know they've got several projects  
3 going on with solar power. They have one plant for  
4 Tampa, maybe one for the south at St. Lucie. Sometimes  
5 this looks to me like one of the other increases which  
6 came about earlier. We were being -- paid for projects  
7 that weren't even ready to go yet. They weren't even  
8 existing yet. This happened a few years ago.

9 One of the gentlemen mentioned where it seems  
10 like they're an energy company, but they were playing  
11 the stock market. So I'd like to hear a little more  
12 about that and understand that better and why we should  
13 pay for that. They're making a substantial return on  
14 their investment, and I think that an increase at this  
15 time is not warranted.

16 As part of their operating costs, they have  
17 never mentioned the idea of hardening their electrical  
18 grid against something that we've come to know as the  
19 EMT, electronic magnetic pulse, either from natural  
20 sources or from some outside source. No electrical  
21 company in the country has ever dealt with that issue.

22 As far as the environment is concerned, we  
23 want them to continue to be conscious of their plants  
24 when they're built, any discharges that go into the  
25 environment. Those of us who live in counties, St.

1 Lucie and so many others, have a problem with the  
2 lagoon, want to see that these things are done within  
3 the parameters that will preserve the environment and  
4 the quality of life that we have in Brevard County.

5 Thank you.

6 **CHAIRMAN BROWN:** Thank you, Mr. Bartlett, for  
7 your testimony and for coming out here today.

8 Commissioners, any questions?

9 Thank you again.

10 **MR. KELLY:** After Mr. Bobbitt is Kim Brown.

11 **MR. BOBBITT:** Good morning, everyone. My name  
12 is Bryan Bobbitt. I've been a Brevard County resident  
13 for about 30 years. My address is 620 Adamson Road,  
14 Cocoa, Florida.

15 If anyone here remembers the hurricanes of  
16 '04, I'm sure everyone, you know, remembers the agony of  
17 not having power for a few days and it got a little  
18 frustrating, and how long it takes for power after a  
19 major disaster to be returned. Fast forward to present  
20 day. A couple of months ago we had a really bad storm  
21 blow through the north part of the county and my  
22 apartment complex lost power. My wife and I were  
23 sitting there like, "Oh, here we go. It may take a  
24 minute."

25 Less than two, maybe two and a half hours they



1 had trucks out there, they had cut down the three that  
2 took out the lines, and we had power back on before the  
3 room in the -- or, excuse me, the temperature in the  
4 room had lowered to -- or raised to an uncomfortable  
5 level. The response time to that was absolutely  
6 amazing, very satisfying as a customer. And in my  
7 opinion, you know, to get that higher standard of  
8 quality, sometimes you're going to incur a cost. And if  
9 it stays to that quality, that's a cost I'd be willing  
10 to pay, so.

11 **CHAIRMAN BROWN:** Thank you, Mr. Bobbitt, for  
12 your testimony.

13 Commissioners, any questions?

14 I think Public Counsel has one.

15 **MR. KELLY:** Mr. Bobbitt, you're with an  
16 organization, Keep Brevard Beautiful?

17 **MR. BOBBITT:** Yes, sir.

18 **MR. KELLY:** Is that a non-profit?

19 **MR. BOBBITT:** Yes, sir.

20 **MR. KELLY:** Does Florida Power & Light  
21 contribute directly or indirectly financially to that  
22 organization?

23 **MR. BOBBITT:** Yes, they do.

24 **MR. KELLY:** Thank you, sir.

25 **MR. BOBBITT:** You're welcome.

1           **CHAIRMAN BROWN:** Thank you.

2           Kim Brown.

3           **MR. KELLY:** After Ms. Brown is Jeff Mark.

4           **MS. BROWN:** Thank you very much. My name is  
5 Kim Brown. No relation. Thank you.

6           **CHAIRMAN BROWN:** But I do have a sister-in-law  
7 named Kim Brown.

8           **MS. BROWN:** Oh, there are a few of us. I am  
9 an owner of an electrical contracting business named  
10 Boys Electrical Contractors. I'm also a resident, and  
11 I'm also just an individual who is concerned about our  
12 community. I serve on a few boards of the charitable  
13 organizations in our town. To name a few, our zoo, who  
14 I'm very passionate about and is very involved in  
15 conservation. I'm involved in, you know, EEC, United  
16 Way, Junior Achievement, and a variety of things. And  
17 let me just compliment Florida Power & Light highly for  
18 their high levels of engagement in our community. I  
19 can't speak enough to the -- to what they do in terms of  
20 funding, in terms of just time and effort and support.  
21 It crosses over all sectors. And so I'm very, very  
22 complimentary and high on those levels.

23           As far as my work goes, my office is in  
24 Melbourne, 110 East Drive, to give you the specifics.  
25 We are electrical contractors and one of the largest

1 ones in the county in terms of constructing of large  
2 projects. We've been very active at our Melbourne  
3 airport and building the expansion efforts of Embraer  
4 and even to Northrop Grumman and Rockwell Collins and  
5 all that are surrounding, and I found FP&L to be  
6 extremely responsive. And these are challenging  
7 projects; they're big, they're fast, they create a lot  
8 of demand on resources from everyone. And I've always  
9 found that even if we hit a roadblock, we always have a  
10 path to get through and get responses that we require in  
11 order to keep producing what we need to do, and so I  
12 want to compliment them on those efforts.

13 I will say that I think their resources are  
14 stretched very thin, and I do support the increase in  
15 terms of, you know, it's not a significant amount when  
16 you consider the spectrum of all things. But I do feel  
17 like their resources are stretched very thin in the  
18 development and construction division, and I feel like  
19 they maybe should be reassessing their budgets overall  
20 and the usage of this rate increase maybe to benefit  
21 more of the things that we do demand out of them, which  
22 does extend into the conservation side.

23 The hardening of our community has been really  
24 spectacular. I live in Cocoa Beach. I live in an  
25 unincorporated area of Cocoa Beach. I see what they did

1 for hardening. I've seen our town make an effort to  
2 take over the utility themselves and self-direct. I  
3 wasn't a proponent of that. I'm so glad that they  
4 didn't do that and FP&L was given a chance to prove what  
5 they could do in our community.

6 My power is all aboveground. I am concerned  
7 that we aren't underground utilities in my neighborhood.  
8 But I learned from my neighbor just today that through  
9 the '04 storms, my neighborhood, who I am fairly new to,  
10 did not lose power. And so I want to compliment them on  
11 that.

12 And just a last and funny story, I would say  
13 that I was telling a colleague in a leadership  
14 enterprise I've been involved in who does have  
15 connections to FPL and, yes, I was asked if I wouldn't  
16 mind talking today --

17 **CHAIRMAN BROWN:** Your time is up.

18 **MS. BROWN:** Okay. I won't tell my funny  
19 story. Thank you very much, unless you have a question.

20 **CHAIRMAN BROWN:** Unless a Commissioner wants  
21 to hear the funny story. Thank you for your testimony.

22 **MS. BROWN:** Okay. Thank you.

23 **MR. KELLY:** Ms. Brown, just -- you're with  
24 Boys Electrical Contractors?

25 **MS. BROWN:** Yes, sir.

1           **MR. KELLY:** And that company does business  
2 with Florida Power & Light?

3           **MS. BROWN:** Yes, we do.

4           **MR. KELLY:** Thank you very much.

5           **MS. BROWN:** You're welcome.

6           **CHAIRMAN BROWN:** Next customer, please.

7           **MR. KELLY:** After Mr. Mark is Anne Conroy  
8 Batter. Mr. Mark?

9           **MR. MARK:** I'm going to pass.

10          **MR. KELLY:** After Ms. Batter is Ryan Rogers.

11          **CHAIRMAN BROWN:** Good morning.

12          **MS. BATTER:** Good morning. My name is Anne  
13 Conroy Batter, and I'm at 73 June Drive in Cocoa Beach.  
14 I'm here as a private citizen this morning. I'm  
15 relatively new to Florida, only here for two years come  
16 this July. And when we moved here, I was very curious  
17 as to what my power bills would be. And I was  
18 pleasantly surprised with the online tools. I can  
19 speak, you know, where the counsel mentioned where it's  
20 required that you meet certain -- FPL meet certain  
21 service levels and quality levels -- I've lived in  
22 western New York; and Portland, Oregon; and Washington,  
23 D.C.; and Boston; and what I can tell you is in my  
24 personal experience, the service and quality has been  
25 without a doubt the best I've lived with.

1           The online tools make managing my household  
2 much easier. I regularly use the online dashboard to --  
3 now that I've been in my residence for two years, I  
4 compare what I'm using today versus what I'm using last  
5 year, and I use it as a tool against my three teenagers  
6 so that they also are very aware that energy is not  
7 free, that it is a responsibility to use it, well, with  
8 responsibility. And I enjoy every interaction I have  
9 with FPL. So thank you very much. I support the  
10 increase. And, yes, I was asked to be here. Thank you.

11           **CHAIRMAN BROWN:** Thank you, Ms. Batter.

12           Commissioners, any questions?

13           **MR. KELLY:** You said you were here in your  
14 individual capacity?

15           **MS. BATTER:** Yes.

16           **MR. KELLY:** Do you work somewhere?

17           **MS. BATTER:** Yeah, I do. Junior Achievement  
18 of the Space Coast.

19           **MR. KELLY:** Is that a non-profit?

20           **MS. BATTER:** Yes, it is.

21           **MR. KELLY:** Does Florida Power & Light  
22 contribute financially directly or indirectly to that  
23 organization?

24           **MS. BATTER:** Yeah, absolutely. And since you  
25 asked, they are an amazing philanthropic organization

1 within Brevard.

2 **CHAIRMAN BROWN:** Thank you, Ms. Batter.

3 **MS. BATTER:** Thank you.

4 **CHAIRMAN BROWN:** Next customer, please.

5 **MR. KELLY:** After Mr. Rogers is David Spain.

6 **MR. ROGERS:** Good morning. I'm Ryan Rogers,  
7 vice president and CFO of Brevard Achievement Center,  
8 which is a not-for-profit in Rockledge, and we serve  
9 persons with disabilities. Our address is 1845 Cogswell  
10 Street.

11 My comments aren't directly related to the  
12 decision on the rate change, but really just to express  
13 our thanks and appreciation to FPL as a very happy  
14 customer. Over the years, they've been a strong  
15 supporter to our mission and organization, and we very  
16 much value that.

17 I also wanted to give an example where they  
18 came in and helped us with an energy survey, which led  
19 to the replacing of most of the lighting fixtures in our  
20 organization, and also with their help on a rebate, we  
21 were able to do that at pretty much a no-cost effort.  
22 So that was a great outcome on that. And overall just  
23 appreciation and thanks to FPL for all they've done for  
24 us and the community.

25 **CHAIRMAN BROWN:** Thank you.

1 Commissioners, any questions?

2 Public Counsel does.

3 **MR. KELLY:** Mr. Rogers, the Brevard  
4 Achievement Center is a non-profit?

5 **MR. ROGERS:** Yes.

6 **MR. KELLY:** And Florida Power & Light  
7 contributes money directly or indirectly to that  
8 organization?

9 **MR. ROGERS:** Yes, they have supported us.

10 **MR. KELLY:** Thank you, sir.

11 After Mr. Spain, Brenda Fettrow.

12 **CHAIRMAN BROWN:** Good morning.

13 **MR. SPAIN:** Good morning. My name is Dave  
14 Spain. I own and operate the Comfort Inn & Suites in  
15 Cocoa Beach, Florida. I've been there since May 20th,  
16 1972. I can tell you that when I took the property  
17 over, it was in pretty bad shape. It took me a few  
18 years, as capital was available, to get it back in  
19 shape. During that time, we had lots of issues with  
20 power, not that I could say they were all related to  
21 Florida Power & Light, but they were issues.

22 In 1989, I added a 50-suite addition. Then  
23 again in 2001, I added another 40. I ended up with  
24 three separate power feeds with multiple transformers  
25 and line breakers, and over the years these started to



1 cause issues with blown line fuses and power outages at  
2 the most inopportune times.

3 About six years or seven years ago, on  
4 July 4th, Saturday, one of the best days for July 4th to  
5 be on, we had a power outage at dead noon. And my lobby  
6 was full with people walking out -- you know, people  
7 lined out the door. The surf shop and hotel and  
8 restaurant complex nextdoor must have had, I don't know,  
9 1,000 people in there at the time. It was ugly. And,  
10 you know, it was a line behind the street -- on the  
11 street behind us that we were being fed off of that had  
12 come down. It took about three hours. They got it back  
13 up. They responded very, very quickly.

14 But at that point, the owner nextdoor and I  
15 got together, called the FPL rep and asked for a  
16 meeting. They came out. We stated the issues. We  
17 talked about our problems with them. He promised that  
18 he would work on it and get back to us. In a matter of  
19 weeks, he got back saying that "This is what we think we  
20 can do to improve that problem and resolve that  
21 problem."

22 They had their engineers come out multiple  
23 times, they came up with a solution, and over the course  
24 of several months they actually got it fixed.  
25 Unfortunately for me it didn't fix all of my problems

1 because I had two other feeds coming off another street.  
2 And when the outages continued there, they came back in,  
3 looked at it, said, "Okay. We can do this," came up  
4 with a solution. Several months later they were able to  
5 implement it. And after that, you know, really no  
6 problems until about, oh, three days ago after I had  
7 thought about my comments for today, we had another kind  
8 of a brownout in one of my buildings. And because of  
9 these wonderful new meters that a lot of people don't  
10 like, when we called in, they logged onto that meter,  
11 they looked at it. They said, "Oh, we know what --  
12 we've got a problem." They sent a guy out, and in 30  
13 minutes, 30 minutes, unheard of in the past, they had it  
14 going. So we really appreciate what they've done.

15 **CHAIRMAN BROWN:** Thank you, Mr. Spain.

16 Commissioners, any questions?

17 Public Counsel has a question.

18 **MR. KELLY:** Mr. Spain, are you or the Comfort  
19 Inn in favor of the rate increase?

20 **MR. SPAIN:** You know, my bill last year was  
21 \$122,000. Anything we can do to pay less, I'm for. But  
22 I got to tell you, we need dependable power. They have  
23 produced it. And if it takes a rate increase to  
24 continue hardening our system like they've done in Cocoa  
25 Beach, I'm all for it. They've done a marvelous job in

1 Cocoa Beach in the last five years.

2 **MR. KELLY:** If your rates are increased, if  
3 your electric bill is increased, do you pass those costs  
4 on to your customers in the form of higher room rates?

5 **MR. SPAIN:** You would like -- you're beginning  
6 to sound like the cable guy. You know, "All you have to  
7 do is just add it in." That's not the way it works with  
8 us. In our business, it's supply and demand, and it  
9 depends on what the demand is at the time. Certainly  
10 you would like to think that you can do that, but I  
11 can't take any one of my costs and attribute it and pass  
12 it on. It's all about supply and demand.

13 We manage our rates daily, and sometimes  
14 multiple times in a day we're changing rates going down,  
15 you know, because we -- you know, you're trying to  
16 achieve the maximum occupancy you can. And, you know,  
17 being able to pass charges on is not something that we  
18 could do on a regular basis.

19 **CHAIRMAN BROWN:** Thank you, Mr. Spain.

20 **MR. KELLY:** Thank you.

21 **MR. SPAIN:** Thank you.

22 **CHAIRMAN BROWN:** Next customer, please.

23 **MR. KELLY:** After Ms. Fettrow is William  
24 Chivers.

25 **MS. FETTROW:** Madam Chairwoman, Commissioners,

1 Public Counsel, good morning.

2 **CHAIRMAN BROWN:** Good morning.

3 **MS. FETTROW:** Thank you so much for allowing  
4 me to speak today. I'm Brenda Fettrow. I'm at 6745  
5 Hartford Road, Cocoa, Florida, and I have lived in this  
6 county for 35-plus years. So, yes, I'm a customer of  
7 Florida Power & Light for some time.

8 I came today to speak to the quality issue, so  
9 I'd like to give you several specific examples of the  
10 quality of services provided by FPL.

11 As a former campus president at Eastern  
12 Florida State College, when hurricanes approached, we  
13 served as a shelter. So I saw firsthand how quickly and  
14 efficiently FPL acted. They quickly engaged personnel  
15 to get services back online and to restore power. Since  
16 that time, I have seen the hurricane hardening efforts,  
17 which I applaud. With such a long county so close to  
18 the beach, a direct hit would be devastating. So for  
19 FPL to work tirelessly to prepare things before the  
20 storm is great for the citizens and great for  
21 businesses.

22 More recently, as a former city manager and in  
23 our city's EOC, when a storm approached, I worked side  
24 by side with personnel to direct actions taken by the  
25 cities, the county, and FPL to mitigate the effects of

1 the storm, but more importantly to take action very  
2 quickly as soon as it was safe. I found the response to  
3 be extremely good.

4 And lastly, on a more personal note, as a  
5 runner who's -- every morning, so we all need to have  
6 our activity -- who sometimes runs in the dark in the  
7 morning, every time I submitted via the online mechanism  
8 that a streetlight was out, FPL responded very quickly  
9 and usually the light was fixed within 48 hours or less.  
10 I truly appreciate that quick response so I can feel  
11 safe while running.

12 Also on my street they have trimmed trees away  
13 from the power lines and prepared the streets for a  
14 storm. In effect, trying to prevent power outages.

15 So in closing, I cannot speak to whether or  
16 not a rate increase is necessary. You have financial  
17 analysts and others much smarter than me who will run  
18 the models and show you whether it is needed and is  
19 reasonable. What I can speak to is the very efficient  
20 and speedy response that I have gotten over many, many  
21 years and in several different capacities as a business  
22 professional and personally. So I have very high regard  
23 for the services provided by Florida Power & Light.

24 **CHAIRMAN BROWN:** Thank you.

25 **MS. FETTROW:** Thank you so much.

1           **CHAIRMAN BROWN:** Thank you for your testimony.  
2           Commissioners, any questions?

3           **MR. KELLY:** Good morning, Ms. Fettrow.

4           **MS. FETTROW:** Good morning.

5           **MR. KELLY:** You're with the Central Florida  
6           YMCA?

7           **MS. FETTROW:** I am, sir, thus the running  
8           every day.

9           **MR. KELLY:** And that's a non-profit?

10          **MS. FETTROW:** It is, sir.

11          **MR. KELLY:** Does Florida Power & Light  
12          contribute financially to your organization directly or  
13          indirectly?

14          **MS. FETTROW:** Yes, sir, they do.

15          **MR. KELLY:** Thank you very much.

16          **MS. FETTROW:** Thank you. Have a great day.

17          **CHAIRMAN BROWN:** Thank you for your testimony.  
18          Next customer, please.

19          **MR. KELLY:** After Mr. Chivers is Bob  
20          McPartlan.

21          **MR. CHIVERS:** Madam Chair.

22          **CHAIRMAN BROWN:** Good morning.

23          **MR. CHIVERS:** Good morning, Madam Chair,  
24          fellow Commissioners. My name is William Chivers. I  
25          reside at 3735 Chiara Drive in Titusville. But I'm here

1 today to represent Rush Construction as their president.  
2 We're a business located at 6285 Vector Space Boulevard  
3 in Titusville, (321)267-8100. Our firm is a 32-year-old  
4 employee-owned for-profit small business. We're a  
5 general contractor, and in recent years the design/build  
6 aspect of our business has increased significantly. As  
7 such, our interfacing with utility providers has  
8 increased as well. That interface is why I'm here  
9 today.

10 As a lifelong resident of Central and North  
11 Brevard, I've witnessed numerous ups and downs in our  
12 economy. The North Brevard area specifically where I  
13 live has been particularly affected by a stagnant  
14 economy primarily due to a heavy reliance on the space  
15 program.

16 The good news is that our economy is -- in our  
17 area is finally showing some signs of life and  
18 diversity, and recently our firm has had the pleasure of  
19 being involved in a number of significant projects in  
20 the North Brevard area. These projects include a  
21 manufacturing facility, a large medical office building,  
22 and a new large-scale microbrewery, just to name a few.  
23 All these projects involve bringing much-needed jobs to  
24 our area, and they all have one thing in common: They  
25 all need power and they all need it delivered on time in

1 order for us to complete these projects for our clients  
2 to begin operations.

3 I'm happy to report that on all of these  
4 projects and others, FP&L has partnered with us and has  
5 been of great assistance to make sure that we've  
6 received or will be receiving their services when  
7 needed. This is very important to us because the  
8 quality of service and cooperation that we receive from  
9 Florida Power & Light is not indicative of our  
10 experience with other service providers. In fact,  
11 several years ago we were involved in an important  
12 medical project in North Brevard that ultimately got  
13 delayed by several months because another utility  
14 service provider did not meet their commitment and did  
15 not deliver their service on time. They were also very  
16 expensive. Now that there's an increase in the economic  
17 activity in our area, timely completion of these  
18 projects is very important to us as it fuels the local  
19 economy in the way of jobs, and these jobs in return  
20 represent investment back into our local economy and our  
21 local small businesses.

22 It's not often that you're approached at a  
23 business or social function by a representative from the  
24 service provider and asked, "How are we doing?" and "Are  
25 we providing you with the needed services and support?"



1 But that's been my recent experience with FP&L. So the  
2 quality of service that we've experienced from FP&L has  
3 been terrific and extends beyond just getting power to  
4 our buildings. It's impacted our economy, it's bringing  
5 much-needed jobs, and it's contributing to our overall  
6 quality of life in North Brevard.

7 In summary, you get what you pay for. And I'd  
8 like to commend FP&L for their spirit of cooperation and  
9 their quality of service on significant projects that  
10 are positively impacting my community. Thank you.

11 **CHAIRMAN BROWN:** Thank you, Mr. Chivers.

12 Commissioners, any questions?

13 Mr. Kelly does.

14 **MR. KELLY:** Good morning, Mr. Chivers.

15 **MR. CHIVERS:** Good morning.

16 **MR. KELLY:** Good morning. Did you say -- is  
17 Rush Construction in favor, it supports the rate  
18 increase?

19 **MR. CHIVERS:** Well, I didn't say we were in  
20 favor of a rate increase. I didn't say we're not in  
21 favor of the rate increase. I'm here to basically say,  
22 though, we receive a tremendous quality of service from  
23 FP&L. And like the previous speaker, I don't know all  
24 the numbers, but we're a for-profit business as well,  
25 and the quality we receive from them has been

1       incredible.

2               **MR. KELLY:** Were you asked to come speak  
3 today?

4               **MR. CHIVERS:** Indirectly. I was actually  
5 commenting to a service representative from FP&L on the  
6 comments that I provided you, and he goes, "Would you  
7 mind sharing those at a meeting that's coming up?" And  
8 I said, "I'll be glad to do so."

9               **MR. KELLY:** Thank you, sir. Thanks for being  
10 here.

11               **CHAIRMAN BROWN:** Thank you.

12               Next customer.

13               **MR. KELLY:** After Mr. McPartlan is Jerry  
14 Buechler.

15               **MAYOR McPARTLAN:** Mr. Kelly, I give you my  
16 time back. I snuck in a little earlier.

17               **MR. KELLY:** Sorry about that.

18               After Mr. Buechler will be Sharon Linx (sic).

19               **MS. LUX:** Lux.

20               **MR. KELLY:** Lux. I'm sorry.

21               **MR. BUECHLER:** I have an exhibit for you and  
22 the Commissioners.

23               **SPEAKER:** Mr. Kelly, what number --

24               **CHAIRMAN BROWN:** That's Exhibit 8.

25               **SPEAKER:** No, no, no. What number --

1           **MR. KELLY:** We're on -- I'm sorry -- we're on  
2 speaker number 16.

3           **SPEAKER:** Okay. Mine is still coming up. I  
4 went -- I had to go to the restroom and I wasn't sure if  
5 I was passed over.

6           **CHAIRMAN BROWN:** Sir, you have an exhibit.  
7 Did you make copies for all of the Commissioners?

8           **MR. BUECHLER:** Yes, I did.

9           **CHAIRMAN BROWN:** Thank you. Mr. Kelly, can  
10 you, please -- I think they were handing --

11          **MR. KELLY:** I gave it.

12          **CHAIRMAN BROWN:** Thank you.

13                   (Exhibit 8 marked for identification.)

14          **MR. BUECHLER:** While the exhibit is being  
15 distributed, I just wanted to address -- my name is  
16 Jerry Buechler, for the record, and I live at 1719  
17 Southwest Leafy Road in Port St. Lucie.

18          **CHAIRMAN BROWN:** Okay. Thank you.

19          **MR. BUECHLER:** Sure. And just before we -- I  
20 address the exhibit, I just want to address a few  
21 things. The rate increase asked for is \$1.3 billion.  
22 FP&L has 4.8 million accounts. If you divide that out,  
23 that comes to \$23 per month or \$275 per year. That's  
24 not just a few dollars. That's big money for 60 percent  
25 of our population who are having a hard time just paying

1 their rent each month. So I would keep that in mind.

2 As far as the -- this is called a truly scary  
3 story and it's called our planet. When we put profit  
4 above our planet, we're endangering all of us,  
5 especially our posterity, our grandchildren. These are  
6 real numbers. I just pulled it off, yesterday off the  
7 internet. Mauna Loa is in Hawaii, so it's not affected  
8 by construction or by industrial activities. Right now  
9 we're at 407.7 parts per million of carbon dioxide in  
10 our atmosphere. Scientists consider 350 safe. We  
11 passed that point in 1987. The increase from 1987 for  
12 the next 20 years was less than two parts per million,  
13 1.8. Right now the increase in carbon dioxide per year  
14 from last year is 3.76 parts per million.

15 The hottest year on record was 2013. The next  
16 hottest year that beat that was 2014, and 2015 beat  
17 2014. And 2016 will definitely beat 2015 just based on  
18 this 3.67 -- .76 parts per million.

19 There's another factor that the International  
20 Panel on Climate Science doesn't even factor in. That's  
21 called methane. The new satellite surveillances show  
22 that at fracking sites the methane released is so great  
23 that it actually negates the cleaner burning of natural  
24 gas. And the problem is methane in the first ten years  
25 is 84 times more powerful as a heat trapping gas than --

1 and for the next 90 years it stays in the atmosphere and  
2 is 23 to 24 times more powerful as a heat trapping gas  
3 than carbon dioxide.

4 Now our carbon dioxide since preindustrial  
5 times is 280 parts per million. It's increased less  
6 than 50 percent. But methane has more than doubled,  
7 almost tripled in our atmosphere, and this is not even  
8 calculated into the factors of where our planet is  
9 heading.

10 But just looking at carbon dioxide, on our  
11 present trajectory, and I brought the number down  
12 considering more and more are going to cleaner energy,  
13 3 parts per million increase. We'll be at 509.7 parts  
14 per million by the year 2050. That's totally  
15 unsustainable. The planet has never been at that level.  
16 Two to five --

17 **CHAIRMAN BROWN:** You have about 30 seconds.

18 **MR. BUECHLER:** Two to five years ago in the  
19 Pliocene Age, scientists, from studies, they said that  
20 we've been -- we were between 350, maybe as high as 440  
21 parts per million, but they think it was more between  
22 305 and 405 parts per million, and right now we're  
23 beyond that and we just keep going. This will all take  
24 time, but the result will be the Arctic will be free, it  
25 will now not be white and reflective, it will be black

1 and absorbing heat. Our glacier is melting faster,  
2 fresh water --

3 **CHAIRMAN BROWN:** Thank you. Mr. Buechler, two  
4 questions. Can you please spell your last name?

5 **MR. BUECHLER:** B-u-e-c-h-l-e-r.

6 **CHAIRMAN BROWN:** The exhibit that you passed  
7 out will be labeled as Exhibit 8. And can you please  
8 tell me where you get the facts in the beginning portion  
9 of the paper?

10 **MR. BUECHLER:** You can just Google 2016 CO2  
11 levels, and it's from NOAA, yeah.

12 **CHAIRMAN BROWN:** Okay. Commissioners, any  
13 other questions?

14 Commissioner Brisé.

15 **COMMISSIONER BRISÉ:** Quick question. Your  
16 objection to the rate increase is due to the magnitude  
17 of the increase or simply the fact that there's a  
18 request for an increase?

19 **MR. BUECHLER:** Well, we have a company making  
20 1.65 billion in profit already, okay, and, you know,  
21 they're able to give millions supporting Amendment 1,  
22 which is really against solar in my opinion, and I have  
23 an exhibit from yesterday on that. And we need to --  
24 you know, this company needs to invest -- I'm looking at  
25 building zero energy homes. I'd love to sit down with

1 FPL. I can show them how to build whole communities  
2 where there's no fossil fuel used at all. It's using  
3 Fox Blocks, which are styrofoam blocks with all the  
4 conduits built in. It's much quicker. It's much  
5 cheaper. They will stand 220-mile-an-hour hurricane  
6 winds because they have a concrete roof. You put a  
7 metal roof on top of that with solar panels.

8 There's a new type of AC heating called  
9 Coolorado, it's Colorado with two O's, and it doesn't  
10 use refrigerants. It doesn't use a compressor. It's  
11 more than 80 percent cheaper as far as electrical draw.  
12 The technology is there --

13 **COMMISSIONER BRISÉ:** Sure. So your objection  
14 --

15 **MR. BUECHLER:** -- to save our world, but we're  
16 not doing it.

17 **COMMISSIONER BRISÉ:** So your objection, if the  
18 increase that we're -- that they're asking for was  
19 pursuing that type of technology, you would be okay with  
20 it?

21 **MR. BUECHLER:** If it would be pursuing  
22 efficiencies and getting off fossil fuels, yes.

23 **CHAIRMAN BROWN:** Thank you, Mr. Buechler.  
24 Thanks for showing up again today.

25 Next customer, please.

1           **MR. KELLY:** After Ms. Lux is John Chandler.

2           **CHAIRMAN BROWN:** Hello.

3           **MS. LUX:** Good morning. I'm short. I'm  
4 short. Sorry. My name is Sharon Lux, and I live at  
5 14188 Cisne Circle, Fort Pierce, Florida -- so I made  
6 the ride up here -- 34951.

7           The reason I'm here is because I'm not  
8 representing FP&L. I'm representing 1200-plus residents  
9 in an adult community. All of these people that live in  
10 my community, Spanish Lakes Fairways right off of 95,  
11 most of them live on social security or modest pensions,  
12 and \$15- to \$23-a-month increase is a devastating  
13 amount.

14           All these people, including some mayors,  
15 saying, "Oh, if it's just a tiny amount." A tiny amount  
16 when you're getting \$800 a month or \$400 a month, you  
17 know, this is outrageous. How in God's name can a  
18 company -- everybody -- all these people come up here  
19 and say, "Oh, they're so great. They provide great  
20 service." That's their job. That's part of their  
21 business model. They are making all this money and  
22 profiting. They're doing what they're supposed to be  
23 doing. They're providing the service that they're  
24 getting very well paid for. For them to come forward  
25 and expect every citizen in this state of Florida,



1 especially the senior citizen community, to take a rate  
2 increase like this, this is absolutely ridiculous. Why  
3 are we even having these hearings? This is just  
4 obscene, especially over the fact that there are no  
5 longer any energy-efficient programs. That got gutted.  
6 There's no more solar rebates. That got gutted. You  
7 know, since 2015, all those consumer advocacy programs  
8 are gone thanks to FP&L and the PSC Commission. So  
9 right now I am not happy over the fact that they could  
10 even be having the gall to ask for more money. Thank  
11 you.

12 **CHAIRMAN BROWN:** Thank you, Ms. Lux.

13 Question. The name of your retirement  
14 community, can you repeat that?

15 **MS. LUX:** Spanish Lakes Fairways.

16 **CHAIRMAN BROWN:** Are you the association  
17 president or --

18 **MS. LUX:** No, ma'am. I'm just a resident  
19 there that I have a lot of neighbors that are trying to  
20 make ends meet and pay for prescription drugs and pay  
21 their utility bill. Another \$15 is unacceptable.

22 **CHAIRMAN BROWN:** All right. Thank you very  
23 much.

24 Commissioners, any other questions?

25 Thank you.

1 Next customer, please.

2 **MR. KELLY:** Hello. My name is John Chandler.  
3 I live at 4177 Millstone Drive, Melbourne, Florida. I  
4 have -- my zip code is 32940. I've been a resident of  
5 Melbourne since 1989. I am here to speak for a couple  
6 of reasons. I want to make a couple of points.

7 The first point that I would like to make is  
8 my family and I have really -- appreciate the  
9 reliability of the electrical service we've had here in  
10 Melbourne. Those of us that went through the hurricanes  
11 in 2004 know how hard it is to live without power, and  
12 every day it gets tougher. The hurricanes get larger.  
13 And we haven't had one here in a number of years, so the  
14 planning for the next few years, possible hurricanes,  
15 tornadoes, I'm sure is a big part of where this rate  
16 increase is going to go to strengthen the grid system.  
17 I think it's extremely important.

18 But here's the real point that I want to make.  
19 The world that we live in is changing day by day, and  
20 we're under more attack every day from cyber terrorists  
21 and terrorists on the ground. People haven't made this  
22 point, but -- and if I had made this point a couple of  
23 years ago, people probably would have said, "Oh, you're  
24 being overdramatic." But what I would say to you is  
25 Florida Power & Light is responsible for protecting our

1 entire grid system and keeping that online. And I  
2 promise you, I don't know what that costs, but I'm sure  
3 it's very expensive to do that. And they're having to  
4 do this on the entire system around the state, so it  
5 costs money. The price of progress is expensive.

6 And we talk about rates for 2017. We don't  
7 even know what we're going to be dealing with, what  
8 they're going to be dealing with in the coming years.  
9 So, you know, this is the one chance to get enough money  
10 in there and let's get the system protected because it's  
11 important to all of us. You can't live without power.

12 And I do want to say I'm director of business  
13 development for a company called Valmont. Valmont does  
14 do business with Florida Power & Light. Our company  
15 received a notice about this hearing. My  
16 daughter-in-law also works in this building and sent me  
17 a notice about this hearing. It was simply my decision  
18 to come here and speak.

19 **CHAIRMAN BROWN:** Thank you, Mr. Chandler, for  
20 your testimony.

21 Commissioners, any questions?

22 Mr. Kelly has a question for you.

23 **MR. KELLY:** Could you spell the name of your  
24 company, please, sir?

25 **MR. CHANDLER:** Valmont, V-a-l-m-o-n-t.

1           **MR. KELLY:** Thank you.

2           **CHAIRMAN BROWN:** Thank you.

3           Next customer, please.

4           **MR. KELLY:** After Mr. Herrick is Arthur -- is  
5           it Hoelke?

6           **CHAIRMAN BROWN:** Good morning.

7           **MR. HERRICK:** Good morning. My name is Howard  
8           Herrick, and I'm a retired Navy veteran. I live in Palm  
9           Bay.

10                   For FP&L to want an increase this year or for  
11           the next couple of years -- military and the veterans  
12           did not get any pay raise because the government said  
13           the economy is too bad. Social security recipients did  
14           not get any increase because the economy is too bad.  
15           They want to increase the customer service charge, which  
16           is to have an account with FP&L, by \$2 a month. Right  
17           now they're getting almost \$8 a month for the same  
18           thing. That's over a 25 percent increase just in that  
19           one charge. That doesn't count how much extra they're  
20           going to charge for the electricity that they sell.  
21           That's just for them to sell us electricity. They want  
22           us to pay an extra \$2 a month, which is \$10 million a  
23           month based on their having almost 5 million customers.  
24           They're already getting \$40 million a month in what  
25           they're charging now.

1           Second item, the storm adjustment charge. I  
2 am confused as to why this is going up and down like a  
3 yo-yo. They put out the information that they're  
4 changing it and it's per approval of this Commission.  
5 It's gone from 98 cents to \$2.50, down to 42 cents up to  
6 \$1.40. It's changed four times in the past 12 months.  
7 There's got to be some reason for all these changes  
8 if -- you know, they ought to have a set amount, a  
9 dollar, whatever they want to set it up as, and maybe an  
10 adjustment if there's been a storm. There's been no  
11 storms, hurricanes for eight years at least. We've had  
12 a few, you know, heavy tropical storms come through, and  
13 I can see, you know, wanting to use some of that money  
14 for that part.

15           **CHAIRMAN BROWN:** You have about 30 seconds  
16 left.

17           **MR. HERRICK:** But, you know, why is this storm  
18 adjustment charge bouncing up and down every three or  
19 four months with a change? And as I say, the main thing  
20 on the \$2 a month for customer service, that's  
21 \$10 million extra they want us to pay so that we can buy  
22 electricity from them.

23           **CHAIRMAN BROWN:** Thank you so much for your  
24 testimony.

25           Two things, thank you for your service --

1           **MR. HERRICK:** Thank you.

2           **CHAIRMAN BROWN:** -- to our country. And there  
3 are customer service representatives from Florida Power  
4 & Light that can help explain some of your questions,  
5 and I'm sure they'll come find you in the back of the  
6 room.

7           Commissioners, any other questions?

8           Thank you again.

9           **MR. KELLY:** After Mr. Hoelke is Victoria  
10 Northrup.

11           **MR. HOELKE:** Welcome. Thank you for having us  
12 here. I'm Arthur Hoelke with Knights Armament Company.  
13 I'm the general manager, vice president of that  
14 organization. We employ around 270 employees. And when  
15 I got to meet my new representative, Ron Cummings, from  
16 FP&L, he said, "I have some bad news for you." And  
17 basically the first time I got to meet him, he handed me  
18 a piece of paper saying, "Your rates are going to go up  
19 25 percent." At what we already pay in a monthly fee --  
20 when we first started there ten years ago, our rates  
21 were around \$60,000 a month. You know, we did a lot of  
22 infrastructure, changing out our lights, all ourself,  
23 not through FP&L, and our rates were hovering around  
24 \$32- to \$35,000 a month. So when you look at those  
25 fees, you're looking at a yearly increase of almost

1 \$60,000 a year for our company.

2 We continue to try to streamline and to try to  
3 compete in our government contracts. Our government  
4 contracts are five-year IDIQ contracts, which the  
5 government will only allow us about 2.5 increase per  
6 year. So I have firm fixed price contracts. And with  
7 this 25 percent increase, there's no way to even absorb  
8 this cost.

9 We recently also met with the Space -- Space  
10 Port Industrial Park with Astrotech, Precision Safe,  
11 TI-CO Airport, Renzetti, Genesis, and each one of us had  
12 to get together to try to decide what are we going to do  
13 as businesses to stay in business? Because this is not  
14 the only increase. We also have a worker's comp  
15 increase that we're looking at 17 percent increase on  
16 top of that. So if we're going to be able to pay our  
17 employees, somehow we need FP&L to consider what are you  
18 all going to do to try to streamline and make more  
19 consistent increases. I understand the cost of doing  
20 business, but not at 25 percent.

21 So what are the options? I believe options  
22 should really be looked at, whether there are other  
23 options for us as businesses to buy our own power or set  
24 up our own generation plants in our facility. Here  
25 again, we're a good corporate citizen. We allow FP&L,

1 even during hurricane times, to park their vehicles and  
2 all at our complex because we do have 600,000 square  
3 feet of facility there and 454 acres. So we share that  
4 with our entire community and try to make sure we have a  
5 good partner relationship.

6 Customer service, yes, is excellent. There's  
7 no argument there. But in this case, at throwing a  
8 25 percent increase, it throws customer service out the  
9 window because now we're looking at what are we going to  
10 do as a business. So there's a lot more to say, but in  
11 three minutes' time, it's very difficult to go ahead and  
12 say that. So with the other businesses within the Space  
13 Port Park, we're going to continue to go ahead and write  
14 our comments, and we'll go ahead and submit them  
15 formally to where you can see as businesses, what are we  
16 going to do to stay in business. Thank you.

17 **CHAIRMAN BROWN:** Thank you so much. I  
18 appreciate that.

19 Commissioners, any questions for Mr. Hoelke?

20 Thank you again.

21 **MR. KELLY:** After Ms. Northrup is Kathy  
22 Musselman.

23 **MS. NORTHRUP:** Good morning, Commissioners.  
24 Victoria Northrup. I'm a business consultant at  
25 2263 West New Haven, Melbourne, Florida. I am here on



1 my own accord. I did learn about this hearing today.

2 Having lived in multiple states in the United  
3 States, FP&L has emerged as one of the most progressive,  
4 customer service friendly, affordable, and reputable  
5 utility companies in the United States, and I've dealt  
6 with quite a few of them throughout the U.S. We've  
7 relied on their expertise, quick response, affordable  
8 rates all of these years.

9 All organizations require increases in prices  
10 to continue to provide essential utility services,  
11 especially to a population that's affected by the  
12 frequent storms that we have here in Florida. I support  
13 FP&L's rate increase. I do not view it as excessive,  
14 considering their plans to replace older, inefficient,  
15 and deteriorating infrastructure. And if we're paying  
16 less today than we were paying ten years ago, please, I  
17 think this is a very easy decision to make. Thank you  
18 very much.

19 **CHAIRMAN BROWN:** Thank you so much for your  
20 testimony.

21 Commissioners, any questions?

22 Mr. Kelly has a question for you.

23 **MS. NORTHRUP:** Yes, sir.

24 **MR. KELLY:** Good morning. Ms. Northrup.  
25 Excuse me. Thank you for being here today.

1           You're with Northrup Consulting?

2           **MS. NORTHRUP:** Yes.

3           **MR. KELLY:** Do you -- does your company do  
4 business directly or indirectly with Florida Power &  
5 Light?

6           **MS. NORTHRUP:** No.

7           **MR. KELLY:** Okay. Thank you.

8           **CHAIRMAN BROWN:** Thank you.

9           Next customer, please.

10          **MR. KELLY:** After Ms. Musselman is Matthew  
11 Tove.

12          **MS. MUSSELMAN:** Good morning, Chairman and  
13 council members, Commissioner members. My name is Cathy  
14 Musselman, and I'm a resident of North Brevard residing  
15 at 7315 North Cocoa Boulevard, Port St. John 32927. I'm  
16 also the executive director of the Greater Titusville  
17 Renaissance, a non-profit organization which has an  
18 office in Titusville.

19               I'm speaking as a citizen of Brevard County  
20 this morning. I personally am a strong proponent for  
21 clean energy and protecting our environment. In my  
22 research, FPL carbon emission rates are one of the  
23 lowest in the country. I like the fact that FPL is  
24 working towards upgrading their power plants to natural  
25 gas, such as the one located in Port St. John. This

1 will create cleaner and more efficient energy.

2 Not only is FPL providing the most reliable  
3 utility services to our community, but they are also  
4 supporting our community in many ways. The company and  
5 its employees are involved in community projects. I've  
6 had the pleasure to include in my volunteer leadership  
7 FPL staff members. FPL has also supported our endeavors  
8 for improving the quality of life in North Brevard  
9 through their financial support of our programs, and we  
10 are grateful.

11 Although it's against my nature to want to pay  
12 more for anything, as a businessperson I understand that  
13 in order to maintain quality service and equipment, rate  
14 increases are sometimes a necessity. Therefore, I  
15 support what FPL is proposing in their four-year plan in  
16 order for us to continue to receive clean and efficient  
17 energy and quality service at a reasonable cost. We  
18 need to support this plan.

19 **CHAIRMAN BROWN:** Thank you for your testimony.

20 Commissioners, any questions?

21 Mr. Kelly does have a question for you.

22 **MR. KELLY:** Good morning, Ms. Musselman.

23 **MS. MUSSELMAN:** Good morning.

24 **MR. KELLY:** Does the Greater Titusville  
25 Renaissance support the request, or were you speaking

1 individually?

2 **MS. MUSSELMAN:** I'm speaking on my behalf.

3 **MR. KELLY:** On you individually. Thank you.

4 Does Florida Power & Light contribute  
5 financially directly or indirectly to your organization?

6 **MS. MUSSELMAN:** Yes, they do.

7 **MR. KELLY:** All right. And were you asked to  
8 come speak today?

9 **MS. MUSSELMAN:** I was asked, yes.

10 **MR. KELLY:** Thank you very much.

11 **MS. MUSSELMAN:** Thank you.

12 **CHAIRMAN BROWN:** Thank you. We have right  
13 now -- we're at number 25, and we have about 50  
14 customers signed up to speak. So I'd like to get this  
15 swiftly moved along. I know Public Counsel has the  
16 right to cross-examine, as do the Commissioners, but I'd  
17 ask that we please move forward swiftly to allow  
18 everyone to speak. Thank you.

19 **MR. TOVE:** Good morning, Madam Chair,  
20 Commissioners. My name is Matthew Tove. I'm a private  
21 citizen here. I reside at 905 North Harbor City  
22 Boulevard, 32935, in Melbourne.

23 I'm here to provide some anecdotal perspective  
24 and hopefully a thought-provoking counterpoint to some  
25 of the testimony this morning. I'm a very relative

1 newcomer to Melbourne. I moved here from the Virgin  
2 Islands, the U.S. Virgin Islands, where on the Island of  
3 St. Croix I lived and worked. And I want to  
4 congratulate FPL on the job that they do. Quite  
5 frankly, if I had a hat, I'd take it off. I don't know  
6 how they do what they do for the rates that they do it.

7 The antiquated and mismanaged utility in the  
8 U.S. Virgin Islands territory is known as WAPA. We were  
9 paying 44 cents per kilowatt hour on a commercial rate  
10 and 42 cents per kilowatt hour residentially. One of my  
11 hats that I wore on the island was a commercial property  
12 manager where I managed a shopping center, 65,000 square  
13 feet. Our anchor store was a 25,000 square foot grocery  
14 store that was paying \$80,000 a month for their electric  
15 bill.

16 My personal house as a resident on the island  
17 of St. Croix, I never had more than two lights on at any  
18 given time at night, I had a ceiling fan on, and I was  
19 paying \$200. One has -- one only has to look to the  
20 U.S. territory of the Virgin Islands to see what happens  
21 when a mismanaged utility with out-of-control rates will  
22 drive a community into a downward spiral. Businesses  
23 are closing. There is a brain drain from the islands  
24 right now because no one can sustain living there unless  
25 they're very affluent. So I'm here to really

1 congratulate FPL and -- because familiarity breeds  
2 contempt. We often take for granted what's right in  
3 front of us. And I don't know how they do the rates  
4 that they have. So that's my comment. Thank you.

5 **CHAIRMAN BROWN:** Thank you for your testimony.  
6 Commissioners, any questions?

7 **MR. KELLY:** Mr. Tove, you're with Reaching for  
8 Relevance?

9 **MR. TOVE:** Correct.

10 **MR. KELLY:** Is that a non-profit?

11 **MR. TOVE:** No. It's a for -- it's a  
12 consulting business, and I provide consultation to one  
13 of the advertising agencies here in Melbourne.

14 **MR. KELLY:** And does that -- do they work  
15 directly or indirectly with Florida Power & Light?

16 **MR. TOVE:** No connection whatsoever.

17 **MR. KELLY:** Thank you.

18 **CHAIRMAN BROWN:** Next customer, please.

19 **MR. KELLY:** After Mr. Dutton is Billy Specht.

20 **CHAIRMAN BROWN:** Good morning.

21 **MR. DUTTON:** Good morning, Commissioners. My  
22 name is Anthony Dutton, and I reside at 964 Wimbledon  
23 Drive in Melbourne, Florida. I am a customer of FPL.  
24 I'm appearing here this morning on my own behalf and  
25 only for myself.

1 I urge you to deny the proposed FPL rate  
2 increase as it now stands. Instead, in granting any  
3 increase, please require FPL to devote a substantial  
4 portion of the new monies to renewable energy.  
5 According to this month's edition of Energy News, FPL's  
6 monthly customer bill insert, FPL still draws at least  
7 68 percent of its power from natural gas and another  
8 4 percent from coal, but less than 1 percent from solar.  
9 In fact, a few months ago in another Energy News, FPL  
10 reported that just one-tenth of 1 percent of its  
11 electricity is generated from solar power. 99.9 percent  
12 of its electricity comes from fossil fuels or nuclear.  
13 And its president and CEO, Eric Silagy, was recently  
14 quoted in Florida Today newspaper as saying, quote, we  
15 have about 3,000 customers out of about 4.8 million who  
16 have put solar on their roofs. Just 3,000 out of  
17 4.8 million. FPL is now seeking, over the next several  
18 years, a huge increase to its customers, but only a  
19 small portion of that new customer charges is intended  
20 to go toward any renewable energy facilities. Just  
21 three modest solar facilities in Southwest Florida.

22 FPL has not demonstrated any real interest in  
23 developing renewable energy, whether it be solar, wind,  
24 or water. In fact, it has already spent substantially  
25 more than \$3 million of its customers' money trying to

1 avoid the use of renewable energy by defeating the Solar  
2 Choice amendment and in advocating for this year's  
3 proposed Amendment 1 to the Florida Constitution. That  
4 November amendment, as you know, is intended to make it  
5 more difficult for third parties to provide solar power  
6 in Florida. Florida is known as the Sunshine State, but  
7 the facts speak for themselves. FPL does not use solar  
8 power. FPL does not encourage its customers to use  
9 solar power.

10 **CHAIRMAN BROWN:** You have about 30 seconds  
11 left.

12 **MR. DUTTON:** And it spends large amounts of  
13 its customers' money to prevent them from purchasing  
14 solar power from anyone else. I urge you, therefore, do  
15 not approve the current requested customer price  
16 increase until FPL commits real money and effort to  
17 expanding renewable solar energy and stop spending huge  
18 amounts of its customers' hard-earned dollars trying to  
19 defeat the use of solar power. I thank you.

20 **CHAIRMAN BROWN:** Thank you for your testimony.  
21 Next customer, please.

22 **MR. KELLY:** After Mr. Specht is Reverend David  
23 Rosenbaum.

24 **MR. SPECHT:** Good morning. My name is Billy  
25 Specht. I'm a resident of Titusville, Florida, 3230



1 South Casper Place. And I have a second residence in  
2 Cape Canaveral, so I'm a customer twice with FPL.

3 I can't speak to why a rate increase is  
4 necessary, but I will tell you that if a rate increase  
5 comes to me as a customer, I will support it. Nobody  
6 wants a rate increase, but I will tell you that as a  
7 customer of many utility companies here in the area, all  
8 of my other rates have gone up, including my water bill,  
9 my cable bill. That doesn't make it right, but I will  
10 tell you that I have not seen that increase in ten years  
11 with FPL. In fact, I've seen decreases in my bill in  
12 many cases.

13 FPL also regularly reaches out to me and asks  
14 me, gives me information and ways and ideas on how to  
15 reduce my costs, so I've taken advantage of many of  
16 those. Home energy surveys, the On Call program, the AC  
17 rebates, I've taken advantage of all them.

18 What also makes me a really happy customer of  
19 FPL is I see how they get involved and active in the  
20 community. I will tell you that I am the executive  
21 director of a YMCA, the YMCA in Titusville, and they  
22 support our YMCA, but they support many other  
23 organizations.

24 And ways to improve our environment. I've  
25 seen them build a new energy-efficient power plant in

1 Cape Canaveral, I've seen them build a solar plant on  
2 Kennedy Space Center, and I've just seen lots of  
3 positive leadership from FPL and a real spirit of  
4 stewardship in our environment and in our area, and I  
5 just -- I'm a happy customer.

6 **CHAIRMAN BROWN:** Thank you, Mr. Specht, for  
7 your testimony.

8 Mr. Kelly probably has a question for you.  
9 No?

10 **MR. KELLY:** No, ma'am.

11 **MR. SPECHT:** Thank you.

12 **CHAIRMAN BROWN:** Thank you. Next customer,  
13 please.

14 **MR. KELLY:** After Reverend Rosenbaum is Bob  
15 Rains.

16 **REVEREND ROSENBAUM:** Good morning. My name is  
17 David Rosenbaum. I live at 560 South Tropical Trail in  
18 Merritt Island. I am pastor of Redeemer Lutheran  
19 Church. Also I serve as Chairman of Brevard VOAD, which  
20 is Voluntary Organizations Active in Disaster.

21 Thank you, Commissioners, for your willingness  
22 to serve the public in this way, for taking your time  
23 and effort. And thank you especially, Chairman Brown,  
24 for the cordial way in which you run this session.

25 **CHAIRMAN BROWN:** Thank you.

1           **REVEREND ROSENBAUM:** I don't know much about  
2 electric power, and so I'm not here to speak in favor of  
3 or against a rate increase. I deal with a different  
4 sort of FPL. We might call it the Father's Power &  
5 Light, His gospel as the power for salvation and Jesus  
6 as the light of the world, and I'm proud to say that His  
7 rates have not increased in over 2,000 years.

8           I am here to be thankful for what FPL has done  
9 as far as reliability. Last summer, the power poles  
10 along South Tropical Trail where we live and where our  
11 church is were replaced. It was somewhat of an  
12 inconvenience to slow traffic and to go slowly around,  
13 but we're thankful that work was done. And also good to  
14 remember that one of the employees involved in that  
15 project lost his life in an accident during that  
16 project. FPL has been very responsive and very reliable  
17 in our experience, and we are thankful for that.

18           My mother lived in Michigan. She died the day  
19 before Easter, and so we are taking care of her house,  
20 paying the bills up there. And it really struck me last  
21 month, here in Florida, a four-bedroom house, three  
22 people living in it, air conditioning on all the time,  
23 our bill was \$95. In Michigan, her house, three  
24 bedrooms, no one living in it, and her house was -- her  
25 bill last month was \$85. We're thankful for the rates

1 that we pay.

2 Thank you for giving me the opportunity to  
3 speak today, and I pray that God would give all of you  
4 Commissioners wisdom as you deal with all the facts in  
5 this case. And I also pray that He would give you  
6 comfortable chairs and durable derrières as you sit  
7 through five more of these hearings.

8 **CHAIRMAN BROWN:** Thank you, Pastor, so much.  
9 And I love your tie.

10 **REVEREND ROSENBAUM:** Thank you.

11 **CHAIRMAN BROWN:** Thank you for --  
12 Commissioners, any questions or comments?

13 Commissioner Graham has one.

14 **COMMISSIONER GRAHAM:** I just want to thank you  
15 for praying for us.

16 **CHAIRMAN BROWN:** Ditto.

17 **MR. KELLY:** After Mr. Rains is Philip Stasik.

18 **MR. RAINS:** Hi. Welcome to the Space Coast.  
19 I'm Rob Rains. I'm president of United Way here in  
20 Brevard County. I live at 503 Kimberly Drive. You've  
21 heard of the term "military brat." I'm an FPL brat. My  
22 mom started working for Florida Power & Light when I was  
23 five years old, worked for 25 years there. My stepdad  
24 worked for Florida Power & Light for 37 years. My mom  
25 helped get my best friend a job there. He's been there

1 30 years working on the smart grid. A lot of  
2 conversations around the dinner table, a lot of time  
3 talking on the porch about FPL, its future.

4 And I just feel like culture matters, people  
5 matter. In my 31 years working for United Way, I have  
6 worked with FPL professionals over that entire tenure.  
7 An incredible corporate citizen, as you've heard,  
8 helping out in the storms and day to day with  
9 organizations. I've looked at -- because of that, I  
10 looked at what are the best power companies in the  
11 United States, in the world, and FPL is up there.

12 I -- as you've heard, I want to echo a lot of  
13 the comments that have been made. When you look at your  
14 bill, the bill is less than it was ten years ago, so  
15 that's cost containment. I think that if you are the  
16 best, one of the best, that higher rates of return drive  
17 that talent, drive the innovation, and I think that  
18 that -- that's worthwhile.

19 I want to say that this has been a real  
20 interesting experience. Like the first time I got  
21 called to jury duty, I didn't know what to expect. And  
22 I see everybody here is working hard on playing their  
23 roles. Obviously the numbers are going to be important.  
24 I appreciate you playing your role, Public Counsel. And  
25 this has been interesting. I join the pastor in praying

1 that you get a good outcome.

2 **CHAIRMAN BROWN:** Thank you.

3 **MR. RAINS:** And in anticipation of your  
4 questions, yes, sir, I was asked to be here. Yes, sir,  
5 United Way gets support from Florida Power & Light, and  
6 we're very appreciative.

7 **MR. KELLY:** Thank you, sir.

8 **CHAIRMAN BROWN:** Thank you for that preemptive  
9 answer.

10 We're hitting the two-hour mark right now. We  
11 are going on customer 30. We have 50. So we're going  
12 to take about a ten-minute break for our court reporter  
13 so she gets a break. You guys can stretch your legs.  
14 We'll reconvene in ten minutes. Thank you very much.

15 (Recess taken.)

16 **CHAIRMAN BROWN:** Let's make sure our court  
17 report is adequately set up and the parties are all  
18 here. And, again, those folks that are trickling in,  
19 please have a seat. And a reminder to be considerate of  
20 the speakers as they appear before us. Our court  
21 reporter picks up everything, so --

22 **MR. STASIK:** She picks up everything. Cool.

23 **CHAIRMAN BROWN:** Is there anybody in the  
24 audience that would like to speak today that has not  
25 been sworn in? Please raise your hand, if that is the

1 case.

2 So number 30 is here.

3 **MR. STASIK:** Hi. My name is Phil Stasik. I  
4 am a retiree. I live at 3792 Sierra Drive in Merritt  
5 Island. I am an FPL customer, and I would like to speak  
6 in opposition to the FPL rate hike. I strongly support  
7 the position of the OPC. What he has said makes sense.  
8 The logic is there. This is just about a profit  
9 increase.

10 I am a retiree on a fixed income, like  
11 millions of other Floridians. And, of course, any  
12 increase in the cost of our electricity is important. I  
13 love electricity. I want to make that very clear. I  
14 love electricity, and I think everybody in this room  
15 does too. We depend on FPL to provide our power.

16 My wife and I installed solar panels on our  
17 house back in 2008, and we are very happy to be on a  
18 reliable grid-tied system with net metering, and we are  
19 thrilled to drive an electric car. So I can tell you we  
20 love electricity. We're very dependent on it.

21 For decades I have loved FPL quality,  
22 reliability. But I have to admit I'm here today to  
23 speak against this rate increase, first of all, because  
24 I think it is an excessive rate increase, as the OPC has  
25 pointed out.

1 FPL is a good company. It seems to be well  
2 run, well managed, but a 23 percent increase, come on,  
3 guys. This is -- I think you -- I hope that you  
4 recognize that is an extraordinary increase.

5 I also want to comment about something that's  
6 very, very important. We have solar panels on our roof,  
7 and everybody in the state of Florida should have solar  
8 panels on their roof. This is the Sunshine State. The  
9 reality is that the future of our species must be on  
10 distributed electrical power generation. Now I  
11 understand this is disruptive to a utility. They want  
12 to keep their business in business. Right? But they  
13 are a public utility. They are our business and they  
14 are doing our business, supplying us with power. The  
15 future of our species must depend on alternative energy.

16 What FPL has done with their attempt --  
17 they're supporting the Smart Solar efforts to, you know,  
18 Amendment 1. You know, it's very interesting to think  
19 that that wound up going to the Florida Supreme Court,  
20 and it's also very interesting to read the dissenting  
21 opinion in that state -- I see I have 30 seconds and  
22 counting.

23 **CHAIRMAN BROWN:** Good. Thank you.

24 **MR. STASIK:** The dissenting opinion says that  
25 FPL in that -- in that attempt has been misleading. I



1 would say fraudulent. They are misleading the voters of  
2 the state of Florida to try to support their own  
3 position. This meeting today also, you've seen it, I  
4 know you guys see this at all of your hearings, it is  
5 misleading, if it is not fraudulent, to donate money to  
6 organizations and then ask them to come and testify  
7 before you to pretend that they're supporting a rate  
8 increase.

9 **CHAIRMAN BROWN:** Thank you.

10 **MR. STASIK:** That is fraudulent. Do I have  
11 any questions?

12 **CHAIRMAN BROWN:** Thank you so much for your --  
13 thank you for your comments.

14 **MR. STASIK:** Any questions?

15 **CHAIRMAN BROWN:** We do have a question here.  
16 Commissioner Patronis.

17 **COMMISSIONER PATRONIS:** Thank you, Madam  
18 Chairman. And thank you for your testimony today.

19 **MR. STASIK:** You're welcome.

20 **COMMISSIONER PATRONIS:** You said you were  
21 retired. What was your career field?

22 **MR. STASIK:** I flew airplanes for a living.

23 **COMMISSIONER PATRONIS:** Did you? Okay. I was  
24 just kind of curious. You seem sharp.

25 **MR. STASIK:** I've traveled around the world.

1 I have seen efficient energy systems. FPL runs a good  
2 show here; however, what they are doing with the attempt  
3 with the smart solar misleading or fraudulent attempt  
4 and what they're doing here at this Commission meeting  
5 today by essentially paying people to tell you that they  
6 want a rate increase, if that --

7 **CHAIRMAN BROWN:** Commissioner Graham has a  
8 question for you.

9 **MR. STASIK:** -- if that isn't fraudulent, I  
10 don't know what is.

11 **COMMISSIONER GRAHAM:** You said you've got  
12 solar panels on your roof since '08?

13 **MR. STASIK:** I do. Correct.

14 **COMMISSIONER GRAHAM:** And so --

15 **MR. STASIK:** We do not generate all the power  
16 that we use. And, of course, at night we're very -- we  
17 have a grid-tied system, so we definitely rely on FPL on  
18 cloudy days, at nighttime. We love our power from FPL,  
19 and we love the fact that we have a grid-tied  
20 net-metered system. That is a very good thing.

21 **COMMISSIONER GRAHAM:** So the amendment that's  
22 on the ballot now would stop you from having your solar  
23 panel on your roof?

24 **MR. STASIK:** What it does is it creates an  
25 opportunity for them to charge us a fee for having that

1 system. It also creates a --

2 **COMMISSIONER GRAHAM:** So there shouldn't be a  
3 fee?

4 **MR. STASIK:** I don't believe you should charge  
5 people for making their own power, no. I don't -- we,  
6 of course, do not object to paying for the power that we  
7 use, not in any way. And you know what? FPL actually  
8 was quite supportive as we put our system in.

9 **COMMISSIONER GRAHAM:** Well, then I'm trying to  
10 understand. You're making something sound like it was  
11 fraudulent, and I'm trying to understand what was  
12 fraudulent.

13 **MR. STASIK:** When you read the language, it  
14 implies that the amendment would encourage solar  
15 installation on people's homes, and it does not. What  
16 it does is it actually limits the opportunity of people  
17 who want to put solar, to lease their roof -- as I  
18 understand it, 46 of the other 50 states of the United  
19 States allow companies to lease space on your roof and  
20 to install solar.

21 **COMMISSIONER GRAHAM:** I was just trying to  
22 understand what point you were trying to get to.

23 **MR. STASIK:** Take a look, if you haven't, read  
24 the dissenting opinion from the Supreme Court of the  
25 State of Florida. It says it all. Thank you very much

1 for your time.

2 **CHAIRMAN BROWN:** Thank you for your testimony.

3 **MR. STASIK:** You're welcome.

4 **CHAIRMAN BROWN:** Next customer, please, Mr.  
5 Kelly.

6 **MR. KELLY:** After Mr. Winsten is Mary Ingui,  
7 Ingui.

8 **MR. WINSTEN:** Hi. I'm Keith Winsten. I'm a  
9 resident, 1937 Auburn Lakes Drive, Rockledge, Florida,  
10 but I'm here today representing Brevard Zoo. And  
11 Florida Power & Light did ask us to come and speak to  
12 our priorities as a client. I've worked at two other  
13 zoos, and I have to tell you, for us, consistent,  
14 reliable power is our number one priority. Compared to  
15 other utilities I've dealt with, you know, during normal  
16 operations and during crisis, nobody matches what FPL  
17 brings to the table.

18 But our second priority is a sustainable  
19 energy issue, and we've actually had very good  
20 experience with FPL on that issue working on sustainable  
21 energy projects and other environmental issues in the  
22 community and found them to be extremely responsive.

23 And then our last piece, and many people  
24 mentioned, certainly they actively support our  
25 conservation programs financially, which we appreciate,

1 as good stewards in the community. So those three  
2 things are very important to us.

3 We have not as a board ever taken up directly  
4 the rate increase issue. But I would tell you  
5 personally I like the idea of being able to show Wall  
6 Street that environmentally sensitive companies, and I  
7 believe among utilities FPL really is so, can return a  
8 good profit to the investor. That, I think, brings more  
9 investment in these companies, and that ultimately helps  
10 with our mission in terms of keeping this planet how it  
11 is. Thank you.

12 **CHAIRMAN BROWN:** Thank you, Mr. Winsten.

13 Question for you. You said you worked at two  
14 other zoos. Were they in Florida?

15 **MR. WINSTEN:** No. One was the Brookfield Zoo  
16 in Chicago, and the other was the Roger Williams Park  
17 Zoo in Providence, Rhode Island.

18 **CHAIRMAN BROWN:** Thank you.

19 Commissioners, any other questions?

20 Thank you.

21 Next customer, please.

22 **MR. KELLY:** After -- is it Ingui?

23 **MS. INGUI:** Ingui.

24 **MR. KELLY:** Ingui, is Katherine Groepler.

25 **CHAIRMAN BROWN:** Could you please spell your

1 name?

2 **MS. INGUI:** My name?

3 **CHAIRMAN BROWN:** Yes.

4 **MS. INGUI:** I-n-g-u-i. Dr. Mary Ingui,  
5 Sebastian, Florida. During a bad rain storm May 17th  
6 and 18th, in front of 613 Wimbrow Drive we had a 12-hour  
7 power outage, although the smart meters that Florida  
8 Power & Light has installed are supposed to identify  
9 areas and problems quickly.

10 I am not in favor of the increase. The smart  
11 meters -- the smart grid is not safe, violates our  
12 privacy, health, and national security. All appliances  
13 fully equipped with chips that communicate with the  
14 smart meter are monitoring use and time abuse and  
15 bringing a new slant to in-home surveillance uninvited  
16 by the home and business owner, a clear violation of our  
17 privacy, a sacred part of America's heritage that our  
18 forefathers fought and died to preserve.

19 Over 8,000 homes were damaged by Florida Power  
20 & Light's subcontractor installation due to smart meter  
21 meltdowns, surges, and fires.

22 Microwave News, 5/27/16, indicates that a new  
23 publicly funded study by the National Toxicology Program  
24 proved that RF radiation causes biological harm.

25 I leave you with this. If we can choose our

1 cell phone provider, cable provider, Wi-Fi provider, why  
2 can't my home, my business, and my personal space, why  
3 can it be dictated by the power companies? Our First  
4 Amendment -- our Fourth Amendment is your Fourth  
5 Amendment. Your job is to protect us, Commissioners.  
6 Watch the movie "Take Back Your Power," which is free,  
7 you can Google it, and you can see how we are being  
8 damaged by these Wi-Fi radiation. Thank you.

9 **CHAIRMAN BROWN:** Thank you so much for your  
10 testimony.

11 Next customer.

12 **MR. KELLY:** Is it Grosler (sic) or Grofler  
13 (sic)?

14 **MS. GROEPLER:** Groepler.

15 **MR. KELLY:** I apologize. Groepler.

16 **MS. GROEPLER:** Groepler.

17 **MR. KELLY:** And then the next speaker will be  
18 Ms. Barbara Palumbo.

19 **CHAIRMAN BROWN:** Good morning.

20 **MS. GROEPLER:** Good morning. My name is  
21 Katherine Groepler, 637 Wimbrow Drive, Sebastian.  
22 And -- excuse me -- I'm not in favor of the increase. I  
23 don't like the smart meters as well, but that's old  
24 news, I guess. I live two houses away from where the  
25 transformer blows. Every time we have a little bit of a

1 storm, the thing, you could you hear it pop. And they  
2 all know where it is, but the last time we waited 12  
3 hours before they came. All they have to do is put a  
4 little cage around it because the squirrels get up there  
5 and set it off. I don't know why they don't do that,  
6 but that's another problem.

7 And I also -- this is old news too -- but I  
8 was wondering about since they don't use the meter  
9 readers any longer, what are those men doing? Why  
10 aren't they more efficient in repair work then if they  
11 have all that extra help because not everybody has a  
12 meter to read anymore? That's just -- I guess I should  
13 call them.

14 And the mayor of Sebastian is pleased with  
15 things. I don't think he took a survey as to everyone.  
16 I'm speaking as a personal resident. I know a lot of  
17 people are complaining about they don't want the high  
18 rate either. We have streets that are pitch black. We  
19 don't have enough streetlights there.

20 What else are we complaining about? And we're  
21 not as lucky as Cocoa evidently, but we could -- you  
22 know they do a good job, but they don't need that huge  
23 increase. I would prefer them to put more work into  
24 getting us streetlights and faster service. I don't  
25 want to wait 12 hours. That's it.



1           **CHAIRMAN BROWN:** Thank you, ma'am. And I know  
2 that there are FPL customer service representatives  
3 here, so you can probably have a lot of your service  
4 issues addressed today. Thank you.

5           **MS. GROEPLER:** Okay. Thanks.

6           **CHAIRMAN BROWN:** Next customer.

7           **MR. KELLY:** After Ms. Palumbo is Chris Frasca.

8           **MS. PALUMBO:** Good morning. My name is  
9 Barbara Palumbo, P=a-l-u-m-b-o. I reside at  
10 5400 Highway A1A, Apartment B-28, Indian River Shores  
11 32963.

12                   I'm here representing the 246 units with over  
13 400 residents of the Delmar community, which is a  
14 55-and-over community, as well as my fellow residents of  
15 the town who receive their electric service from the  
16 City of Vero Beach Electric. I, along with the majority  
17 of my neighbors, live on a fixed income, and we are very  
18 upset with our high electric bills with the City of Vero  
19 Beach Electric as our provider.

20                   Our neighbors who live in the northern half of  
21 our town enjoy Florida Power & Light rates that are  
22 significantly less than ours, even with this potential  
23 rate increase, and we don't have any way to change that  
24 because we're not residents of the City of Vero Beach  
25 and we cannot vote for the City of Vero Beach council

1 members. This is also affecting our property resale  
2 value because potential buyers are now asking, "Who is  
3 the electric provider?" And when they hear the answer  
4 is Vero Beach Electric, they move on. We have no smart  
5 meters, we have no rebates and, most importantly, we  
6 have no voice. We need your help. Thank you very much.

7 **CHAIRMAN BROWN:** Thank you.

8 Commissioners, any questions?

9 We do have a separate docket, a dec statement  
10 coming before us on this very topic.

11 **MS. PALUMBO:** Okay.

12 **CHAIRMAN BROWN:** Commissioner Graham has a  
13 question.

14 **COMMISSIONER GRAHAM:** You may want to catch  
15 that woman two ago that said that she wants to pick and  
16 choose her electric company.

17 **MS. PALUMBO:** Well, the whole town wants to  
18 pick FPL instead of Vero Beach Electric. Thank you.

19 **CHAIRMAN BROWN:** Thank you. A separate  
20 docket. Thank you.

21 Next customer.

22 **MR. KELLY:** Is it Frasca or --

23 **MR. FRASCA:** Frasca. You did good.

24 **MR. KELLY:** Frasca. I'm sorry. I looked  
25 at -- I misread that. After Mr. Frasca is Larry

1 McIntyre.

2 **CHAIRMAN BROWN:** Thank you.

3 **MR. FRASCA:** Chris Frasca. I live at 341 West  
4 Exeter Street, Satellite Beach, and representing FP&L on  
5 their behalf on my own accord. I was asked, but I  
6 definitely want to give back the support they gave me  
7 over six and a half years at The Fountains in Melbourne,  
8 a senior living facility, 345,000 square feet and  
9 300 residents. I'm a maintenance director there.

10 And I need to know, when I do have an issue,  
11 how soon is it going to be repaired, what the problem is  
12 so I can get that communication out to that facility and  
13 comfort the people that we have there because they  
14 just -- they don't know, they get scared and that type  
15 of thing. So I've always had great communication when  
16 storms come through, any repairs. And I can't speak on  
17 a rate increase. I can just speak on the service.

18 **CHAIRMAN BROWN:** Thank you so much.

19 Commissioners, any questions?

20 Commissioner Graham has one.

21 **COMMISSIONER GRAHAM:** Sir, how long did you  
22 say you've been doing this job?

23 **MR. FRASCA:** I've been doing this type of work  
24 way too long, over -- probably about 35 years and had a  
25 lot of facilities. And this has been great as far as

1 from my perspective as being the director of the  
2 maintenance there. I had one facility in North Carolina  
3 years ago that we had terrible substation power  
4 problems, it was constant, it was unpredictable. So I  
5 look at the worst and this would be the best.

6 **CHAIRMAN BROWN:** Thank you for your testimony.

7 **MR. FRASCA:** Thank you.

8 **CHAIRMAN BROWN:** All right. Next customer,  
9 please.

10 **MR. KELLY:** After Mr. McIntyre is Justin  
11 Sobol.

12 **CHAIRMAN BROWN:** McIntyre, any McIntyre?  
13 Sobol?

14 (No response.)

15 **MR. KELLY:** After -- okay. The next one would  
16 be Joyce Wasserman.

17 **CHAIRMAN BROWN:** Good morning.

18 **MS. WASSERMAN:** Good morning. Thank you for  
19 allowing me to speak. I would like to say go ahead.  
20 Whoa. I would like to say go ahead, raise my rates.  
21 It's fine. But why? I want you to examine carefully,  
22 if you would, the request, the reasons why they want  
23 these rate changes. And I don't think they're so hot.  
24 I think the climate is hot, but I don't think the rate  
25 changes are so hot.

1           And then again it really doesn't matter  
2 because I've switched. I've switched over to 100  
3 percent wind energy with Arcadia Power. I do use  
4 Florida Power & Light's grid by arrangement with Arcadia  
5 Power & Light. My bill does not come from Florida Power  
6 & Light. It doesn't because I'm really concerned about  
7 the planet.

8           And I think you're here to protect the people  
9 of Florida, the property values of Florida, and this  
10 cannot go unless you have a company backing a sincere  
11 effort to being as renewable and as clean as they can  
12 be, and Florida Power & Light, I believe, falls short.  
13 I think their report card is a D minus. My personal  
14 opinion. All right.

15           So as I understand their proposal, they want  
16 to strengthen their grid. It's probably really  
17 important because we're going to get stronger storms.  
18 They want to put in some solar, but I think they're very  
19 two-faced on this issue. Yeah, they're putting in some  
20 solar, but they're fighting. They're fighting and  
21 making Amendment 1 come up on the November ballot, which  
22 will make it more expensive for people to put their own  
23 solar in. They also want the money for completion of a  
24 natural gas plant. For me that's a big no-no. It's  
25 counterproductive.

1           At one time, natural gas was seen as a bridge  
2 until the time we were ready for renewable energy. It's  
3 not a bridge. It's a gangplank. We're walking off into  
4 a quagmire of environmental events endangering our  
5 water, and it's your obligation, I hope, to protect me  
6 and everybody else in this room.

7           So I think also that -- well, basically I  
8 could support a rate hike for the right reasons, but  
9 they haven't proven to me their sincerity about the  
10 right reasons. Over and over they spend lots of money  
11 on ads on TV, all right, on giving to all these  
12 wonderful charities to get their support of people who  
13 have testified here today with a vested interest, so I  
14 don't believe them. And there's another thing. Times  
15 are changing.

16           **CHAIRMAN BROWN:** Thank you, Ms. Wasserman, for  
17 your testimony. Your time has run out.

18           Could you please state your name and your  
19 address for the record?

20           **MS. WASSERMAN:** Sure. Joyce Wasserman,  
21 4600 Ocean Beach Boulevard, Cocoa Beach.

22           **CHAIRMAN BROWN:** Thank you.

23           Commissioners?

24           Commissioner Graham has a question.

25           **MS. WASSERMAN:** Yes, sir.

1                   **COMMISSIONER GRAHAM:** Ma'am, I think I  
2 misunderstood you at the beginning. You said that you  
3 were getting your power from somewhere else?

4                   **MS. WASSERMAN:** Yes.

5                   **COMMISSIONER GRAHAM:** Where are you getting  
6 your power from?

7                   **MS. WASSERMAN:** Arcadia Power. They are  
8 100 percent wind energy. I believe that they must  
9 contract through Florida Power & Light because the grid  
10 is the same. In other words, Florida Power & Light,  
11 their proper role is to provide renewable energy and be  
12 a grid provider.

13                   **COMMISSIONER GRAHAM:** Okay. Thank you.

14                   **CHAIRMAN BROWN:** Thank you so much for your  
15 testimony.

16                   Next customer, please.

17                   **MR. KELLY:** Next customer is Terry LaPlante.  
18 Terry LaPlante, followed by Ed -- is it Wiegner?  
19 Wiegner.

20                   **CHAIRMAN BROWN:** Good morning.

21                   **MS. LaPLANTE:** Good morning. I think it's  
22 just about the afternoon.

23                   **CHAIRMAN BROWN:** It is, just a couple of  
24 minutes.

25                   **MS. LaPLANTE:** I am Terry LaPlante, and I want

1 to thank Florida Power & Light for their excellent  
2 service and reliability over the years. I want to thank  
3 Mr. Kelly for pointing out that there's no rate increase  
4 needed for them to continue to provide us an excellent  
5 level of service, and that this rate increase is really  
6 just excessive and greedy.

7 I don't know. I have so many reasons that I  
8 object to the rate increase, I don't even know where to  
9 start. But I object to the \$1.3 billion of this  
10 increase that they're asking for, which is the same  
11 amount that they want to spend on the Okeechobee Clean  
12 Energy Center.

13 I believe that Florida Power & Light uses  
14 deceptive and misleading advertising in regards to their  
15 natural gas being a clean energy. I would like you to  
16 put a stop to this. According to the EPA, natural gas  
17 and petroleum operations account for 33 percent of  
18 methane emissions, which is the second most prevalent  
19 greenhouse gas contributing to climate change and the  
20 sea level rise. Now the science is clear -- now that  
21 the science is clear, it makes no sense to invest in  
22 natural gas plants, especially here in Florida. It is  
23 imperative that industries and corporations like Florida  
24 Power & Light join the cause and switch to sustainable  
25 green energy. That would be the reasonable and prudent



1 thing for the company to do to prove its stewardship as  
2 a leading corporation that has done business here in  
3 Florida for so many years.

4 I object to funding natural gas plants because  
5 of the price risk of natural gas in the future. We  
6 have -- we have an oversupply of natural gas right now  
7 making prices very, very low. We have this massive  
8 campaign going on, as I just mentioned. It's not only  
9 here in the U.S. but worldwide that is promoting natural  
10 gas as the clean energy of the future. And many -- it's  
11 outdated technology to begin with. But besides that,  
12 they are getting all these people and cities and  
13 corporations on board with converting and --

14 **CHAIRMAN BROWN:** You have about 30 seconds  
15 left.

16 **MS. LaPLANTE:** Okay. So the point is once  
17 demand goes way up, the price is going to go way up, and  
18 where are we, the people in Florida who can barely  
19 afford our power bills as it is today? Like I said, I  
20 could go on. I'm a taxpayer, I'm a customer. I want  
21 renewable energy.

22 **CHAIRMAN BROWN:** Thank you, Ms. LaPlante, for  
23 your testimony. Could you please state your name and  
24 address for the record?

25 **MS. LaPLANTE:** Terry LaPlante, 4052 Friar Tuck

1 Lane, Melbourne, Florida 32935.

2 **CHAIRMAN BROWN:** Thank you so much.

3 Next customer, please.

4 **MR. KELLY:** After Mr. Wiegner is Fran Baer.

5 **CHAIRMAN BROWN:** Good afternoon.

6 **MR. WIEGNER:** Good afternoon. I'm Ed Wiegner.

7 I live at 151 Shores Drive in Indian River Shores. And  
8 I want to thank the Commission and staff for coming. I  
9 used to be head of the tax department of Wisconsin, so I  
10 know it stresses your brains and other body parts to do  
11 what you have to do.

12 I will defer in the end to J.R. Kelly in your  
13 process about the rate increase. I wanted to comment  
14 very briefly. I am an Indian River Shores resident,  
15 right across the line from Power & Light. I could reach  
16 across the street in front of my house and touch it or  
17 tap it, if that weren't illegal. But I'm unfortunately  
18 one of those 40 percent of the customers of Vero Beach  
19 Electric that is not a citizen.

20 So you've heard the voice argument, but to put  
21 it in economic terms, I'm in a monopoly that was granted  
22 50 years ago to make the citrus trees grow north of our  
23 town, and we're still facing the consequences of that.  
24 In that context, in your other proceeding, I'd like you  
25 to consider the fact I would like to be a customer of

1 Florida Power & Light. I hear the chorus of  
2 compliments, I hear the politics. I think their  
3 environmental record is not clear, but I'd like the  
4 opportunity to be a customer of theirs. So thank you  
5 for your time, Commissioners.

6 **CHAIRMAN BROWN:** Thank you.

7 Next customer, please.

8 **MR. KELLY:** After Ms. Baer is Trey (sic) Post.

9 **MR. POST:** Troy.

10 **MR. KELLY:** Troy. I'm sorry.

11 **MS. BAER:** Good morning. It is still morning,  
12 I'm assuming.

13 **CHAIRMAN BROWN:** Is it?

14 **MS. BAER:** Is it? My name is Fran Baer, 149  
15 Bonita Street, Titusville, Florida. I'm a 50-plus-year  
16 resident of Brevard County -- excuse me -- and customer,  
17 satisfied customer of Florida Power & Light. But it is  
18 a new era now, and with a new era comes new priorities.  
19 So I am here today as president, co-president of the  
20 League of Women Voters of the Space Coast of Florida,  
21 and I am here today to call on you to deny this rate  
22 request increase -- excuse me -- and instead call on FPL  
23 to show a much larger commitment to renewable energy in  
24 the Sunshine State.

25 Specifically we ask for FPL to go on record as

1 supporting renewable energy standards in Florida. While  
2 27 other states have renewable energy standards and are  
3 committing to growth of 25 percent or higher in the next  
4 five years or several years, currently Florida has no  
5 standards and we get only one-tenth of 1 percent from  
6 renewable energy.

7 We call on FPL to cease their sponsorship of  
8 this November's Amendment 1 to the Florida Constitution,  
9 which will make it very difficult for third-party groups  
10 to come into our state and help reduce the cost of  
11 solar.

12 We ask instead of building coal and gas plants  
13 that Florida commit to helping Florida, the Sunshine  
14 State, become a leader in solar energy. Experts say we  
15 should be among the top three. We now lag at the back  
16 of the pack due to our state being one of four that does  
17 not allow third-party groups to provide affordable and  
18 accessible solar. We call on you, the Public Service  
19 Commission, to veto this request for a rate raise in  
20 Florida, and ask FPL to work harder to encourage  
21 renewable energy, which recent studies reported by the  
22 Brookings Institute show help reduce rates.

23 Floridians all across our state live in ground  
24 zero for rising oceans and climate change. We are  
25 seeing before our eyes increasing beach erosion and

1 saltwater intrusion into our drinking water. We must  
2 take responsible steps now to ensure our planet, the  
3 sustainability, and our future. Thank you so much.

4 **CHAIRMAN BROWN:** Thank you for your testimony.

5 Just a question. You said you're president of  
6 the League of Women Voters of Brevard County?

7 **MS. BAER:** Space Coast, correct.

8 **CHAIRMAN BROWN:** Are you representing the  
9 whole State of Florida League of Women Voters' position?

10 **MS. BAER:** All -- yes, this is the position of  
11 the State of Florida league as well. And you'll be  
12 hearing from other local presidents as you travel around  
13 the state as well.

14 **CHAIRMAN BROWN:** We have.

15 **MS. BAER:** I know you have. Thank you.

16 **CHAIRMAN BROWN:** Thank you.

17 Okay. Commissioners, any other questions?

18 Thank you.

19 **MS. BAER:** Thank you very much.

20 **CHAIRMAN BROWN:** Next customer, please.

21 **MR. KELLY:** After Mr. Post is Nancy -- is it  
22 Peitonen (sic)?

23 **MS. PELTONEN:** Peltonen.

24 **CHAIRMAN BROWN:** I just want to make sure  
25 those that are testifying before us have been sworn in.

1 If you plan on speaking and have not been sworn in,  
2 please raise your hand.

3 Okay. Thank you. You may proceed.

4 **MR. POST:** Okay. Good afternoon,  
5 Commissioners. My name is Troy Post, 400 South Street,  
6 Titusville. I serve as the executive director of the  
7 North Brevard Economic Development Zone. We call it The  
8 Zone. It's an economic development agency that's based  
9 on a tax increment financing model. And I'm here today  
10 to really tell you a little bit about why we rely upon  
11 FPL as a partner in economic development.

12 To be successful in economic development, you  
13 must have partners, and they have been a good partner to  
14 help us in terms of the investments made and also the  
15 services rendered to our community. In terms of  
16 investments made, they did recently invest approximately  
17 \$800 million in a new next-generation natural gas-fed  
18 power generation plant in the Port St. John area. That  
19 property is on the tax rolls; therefore, we do get the  
20 benefit of being able to use that for our TIF to provide  
21 the type of financial incentives that are to help us  
22 diversify our economy and also help to solidify our  
23 economic base. We've used that in the Blue Origin deal,  
24 we've used that with the Embraer deal, several different  
25 projects that over the next few years will help us

1 create a lot of jobs and lead to some other private  
2 investment in the area.

3 And services rendered, we have found them to  
4 be a very reliable partner in delivering energy to the  
5 type of customers that we deal with, which are largely  
6 manufacturers, distributors, businesses. And they also  
7 were able to answer questions, our need for information,  
8 very quickly, and in the economic development world,  
9 that is very important to us.

10 So I speak today not as a person representing  
11 what the opinion is of The Zone but just as an economic  
12 development practitioner, that we do rely upon our  
13 utility partner to help us in our economic development  
14 efforts, and they have done a very excellent job in that  
15 regard.

16 **CHAIRMAN BROWN:** Thank you, Mr. Post.

17 Commissioners, any questions?

18 Mr. Kelly has a question for you.

19 **MR. POST:** Yes, sir.

20 **MR. KELLY:** Mr. Post, were you asked to come  
21 and speak today?

22 **MR. POST:** Yes, I was approached by somebody  
23 with FPL, but the comments are my own based on my  
24 experience in economic development.

25 **MR. KELLY:** Thank you. And you do understand

1 that all the ad valorem taxes that Florida Power & Light  
2 pays on all their properties they own are paid directly  
3 by the ratepayers?

4 **MR. POST:** Yes, sir, I do.

5 **MR. KELLY:** Thank you, sir.

6 **MR. POST:** Thank you.

7 **CHAIRMAN BROWN:** Next customer, please.

8 **MR. KELLY:** Is it Peltonon (sic)?

9 **MS. PELTONEN:** Peltonen.

10 **MR. KELLY:** Peltonen. And after Ms. Peltonen  
11 is Ron Morgan.

12 **MS. PELTONEN:** And I have not been sworn in.

13 **CHAIRMAN BROWN:** Please raise your -- and,  
14 again, if anybody plans on speaking who has not been  
15 sworn in, we're doing it right now.

16 Please raise your right hand. Do you swear or  
17 affirm to tell the truth in this matter.

18 **MS. PELTONEN:** Yes.

19 (Witness sworn.)

20 **CHAIRMAN BROWN:** Thank you. Welcome.

21 **MS. PELTONEN:** Thank you. I am the president  
22 and CEO of the Greater Palm Beach Chamber of Commerce.  
23 FPL is a member of our chamber. And we had a government  
24 affairs meeting with them to let us know more  
25 information about what the rate hike was about.



1 Unfortunately you hear one side in the paper, and we  
2 wanted to know more details. Because we represent a lot  
3 of small businesses, it was important for us to  
4 understand what this was about. And it's extremely  
5 important for small businesses, obviously, to have their  
6 power uninterrupted. And we know with the hurricanes  
7 that did happen in 20 -- 2004, it was a huge  
8 interruption, especially down in the Palm Bay area.  
9 Sometimes it seemed like a badge of honor to have your  
10 power off for a week. It's not good for businesses.

11 So we have seen the changes they've been doing  
12 where they're hardening the poles to make them hurricane  
13 proof up to 130 miles an hour. They're strengthening  
14 the infrastructure. And these are all things that  
15 really do help small businesses. And when you have a  
16 time of crisis like that, it's important to have the  
17 lights on and your business still functioning for the  
18 community. So it's not as if we are here to say, yes,  
19 we agree with the rate hike, but we want to know -- you  
20 to know that small businesses do understand that there  
21 is a cost of doing business, and it really is important  
22 for them to continue with the infrastructure upgrades to  
23 make sure that we were not going to have interruptions  
24 to our businesses.

25 **CHAIRMAN BROWN:** Thank you for your testimony.

1 Commissioners, any questions?

2 Mr. Kelly has a question for you.

3 **MR. KELLY:** No, ma'am.

4 **CHAIRMAN BROWN:** Okay. Thank you.

5 **MS. PELTONEN:** Thank you.

6 **CHAIRMAN BROWN:** Next customer.

7 **MR. KELLY:** After Mr. Morgan is Bill Coulter.

8 **CHAIRMAN BROWN:** No Morgan?

9 **MR. KELLY:** Yes. I said after Mr. Morgan.

10 Mr. Morgan.

11 **CHAIRMAN BROWN:** Good afternoon.

12 **MR. MORGAN:** Good afternoon. First, I want to  
13 thank you for coming and for the service you're  
14 providing the state of Florida. I don't know how many  
15 other the sessions that you're going to have now before  
16 you close the --

17 **CHAIRMAN BROWN:** A few.

18 **MR. MORGAN:** A few. Anyhow, again, I'm Ron  
19 Morgan, the president and CEO of the American Millennium  
20 Foundation, which is a 501(c)(3) educational foundation  
21 which sponsors the International Science Center at both  
22 the .org and the .com. It covers all sciences in all  
23 phases of science, with three primary phases of earth,  
24 space, and ocean. All three of the main sciences are  
25 available in six languages off the site. We cover

1 extensive power systems and the world and universe in  
2 whole on the site.

3           The -- I'd like to -- a customer of the power  
4 system here in the county for -- I got here in '64, so  
5 for 52 years. I've had good service from FPL. They're  
6 a fine company. We work with them on many programs,  
7 especially when we have to gear up starting with the --  
8 and for getting our senior citizens ready for evacuation  
9 from nursing homes and other areas into shelters and  
10 working with FPL. So they've done an outstanding  
11 service.

12           However, the -- it is my impression that the  
13 way this particular proposal has been made, that your  
14 board of directors and your officers and officials  
15 within FPL have decided that it would not be in the best  
16 interest to provide an immediate increase of 25 percent  
17 in one shot and, therefore, they wanted to change it to  
18 go to three, three incremental increases in order to get  
19 the figure that the FPL wants to achieve for good  
20 business purposes, for good profit, and -- but it is a  
21 system which is not on the surface in my mind. When you  
22 say we're going to have a rate increase, it's going to  
23 be so much this year, going to be so much more a year,  
24 by the third year, we're going to 25 percent. That's  
25 excessive.

1           **CHAIRMAN BROWN:** You have about 30 seconds.

2           **MR. MORGAN:** Okay. Very good. So I want, as  
3 part of your program, whichever we go, whether we go the  
4 increase or not, I'd like to ask FPL to see if we can  
5 get our street lighting system totally fueled by solar  
6 power. That can run 365 days, 24 hours a day off solar  
7 power, and be completely off the grid and cover  
8 everything, including any storms or hurricanes that come  
9 through.

10           **CHAIRMAN BROWN:** Thank you, Mr. Morgan, for  
11 your testimony.

12                   Commissioners, any questions?

13                   Thank you so much for being -- coming out here  
14 today.

15           **MR. MORGAN:** Thank you.

16           **CHAIRMAN BROWN:** Thank you.

17                   Next customer, please.

18           **MR. KELLY:** After Mr. Bill Coulter --

19           **CHAIRMAN BROWN:** Coulter?

20                   (No response.)

21           **MR. KELLY:** Rosita Cotton.

22           **CHAIRMAN BROWN:** No Cotton?

23                   (No response.)

24           **MR. KELLY:** Courtney Barker.

25           **CHAIRMAN BROWN:** You're the next contestant.

1           **MR. KELLY:** And after Ms. Barker is Lorraine  
2 Koss.

3           **CHAIRMAN BROWN:** Good afternoon.

4           **MS. BARKER:** Good afternoon. Thank you for  
5 having this meeting today. My name is Courtney Barker.  
6 I'm the city manager for the City of Satellite Beach.

7           I'm here to also commend FPL for all of their  
8 service and their service record. We think they're  
9 great. The staff here, Bart and Nancy Flickinger, are  
10 like family. But unfortunately I'm not here because  
11 we're friends. It's just like the -- your counsel said,  
12 you know, this is about business and not about  
13 friendship.

14           FPL provides a public service just like cities  
15 do. So if I was to come to my council and ask for a tax  
16 increase to not only cover cost but also just because we  
17 had low taxes for the last ten years, I would not be a  
18 city manager anymore. So I think, you know, to -- from  
19 my perspective, the rate increase part that is dedicated  
20 to capital improvements is reasonable. But any rate  
21 increase to increase the profits of the company I think  
22 is a disservice to our residents. The -- this is a big  
23 cost hit to the city in terms of our electric bill.  
24 That increases -- you know, we pass that increase down  
25 to our taxpayers. Not only do the taxpayers pay that,

1 but they also pay a utility tax. So while we get an  
2 increase in revenue with our utility tax, the taxpayers  
3 also have to pay that utility tax as well.

4 So, you know, this is a big, big increase for  
5 our residents, and if it's above and beyond what they  
6 need, we're adamantly opposed to that. We also want to  
7 make sure that we're on record for any -- for opposition  
8 in any rate structure that is dedicated to fracking.  
9 Our city council adopted a resolution against fracking.  
10 Brevard County is entertaining an ordinance to prohibit  
11 fracking in the county. And so I think that sends a  
12 message that we're adamantly opposed to any type of  
13 exploration that has such an environmental impact that  
14 is so damaging like fracking. So we -- I think it's  
15 wrong, when there's so many people against that type of  
16 technology, to actually force people to pay for it in  
17 their rate structure with their electricity.

18 We also want to reiterate that we think  
19 locally that FPL has done a great job in working with us  
20 with solar.

21 **CHAIRMAN BROWN:** You've got 30 seconds.

22 **MS. BARKER:** But we think that the company as  
23 a whole really needs to work a little bit more, and I  
24 think you heard that a lot today. People are very  
25 concerned with the environment and want to see FPL do

1 more. Thank you.

2 **CHAIRMAN BROWN:** Thank you. We've got a  
3 couple of questions.

4 First, Commissioner Brisé, go ahead.

5 **COMMISSIONER BRISÉ:** Thank you for being here.  
6 A quick question about the fracking. You do recognize  
7 that a lot of the natural gas that is available today is  
8 as a result of fracking; right?

9 **MS. BARKER:** That's correct.

10 **COMMISSIONER BRISÉ:** So are you concerned  
11 about fracking in Florida or fracking anywhere in the  
12 country? And if some of that fuel is made available to  
13 keep the rates where they are today, that we should not  
14 consider that kind of fuel at all.

15 **MS. BARKER:** Well, that's the -- I think  
16 that's the point you're hearing today. Even though  
17 natural gas is better than oil in terms of, you know,  
18 cleanliness, it's not the best. So when you're -- when  
19 we're looking at long-term, you know, impacts like sea  
20 level rise -- I mean, in Florida we're ground zero for  
21 that. And, you know, we were -- that's why you hear  
22 people wanting to invest in solar because that is the  
23 cleanest energy available. So natural gas is better,  
24 it's a good start, but it's certainly not -- it  
25 shouldn't be the goal.

1           **COMMISSIONER BRISÉ:** Sure. Understood.

2           **MS. BARKER:** So, yes, we would prefer that,  
3 you know, Florida Power & Light, who's -- what a great  
4 company in terms of technology and service and rates. I  
5 think they can figure out how to get solar in there, you  
6 know.

7           **COMMISSIONER BRISÉ:** Sure. And so -- just --  
8 and you mentioned your concern about the magnitude of  
9 the increase.

10          **MS. BARKER:** Yes, sir.

11          **COMMISSIONER BRISÉ:** Would you be concerned  
12 about the magnitude of the increase if we approved  
13 something to the effect that -- of a similar magnitude;  
14 however, we were moving to other technologies? Would  
15 you then be okay with the magnitude?

16          **MS. BARKER:** I think we would be okay with any  
17 rate increase that was dedicated to the capital needs of  
18 the company to change technologies, to make it more  
19 environmentally friendly. I don't think we would ever  
20 support an increase in profit margins because that's --  
21 it -- you -- I think we -- the Commission should look at  
22 this as -- like we would a tax increase.

23                 I mean, when we come -- our firefighters start  
24 at \$33,000 a year, and you should see the outcry when we  
25 want to raise taxes for their salary increases. And it



1 just shocks me with the support that people come up and  
2 say it's fine to increase the profit margins for a group  
3 of people we don't even know. But, you know, for us in  
4 the public sector in the tax realm, it would be an  
5 outcry, outrageous if we were asking for something like  
6 this.

7 **COMMISSIONER BRISÉ:** Thank you.

8 **CHAIRMAN BROWN:** Thank you. And just a quick  
9 question. Just to confirm for the record, you are, in  
10 fact, speaking as city manager.

11 **MS. BARKER:** That's correct.

12 **CHAIRMAN BROWN:** Thank you. Again, thank you.  
13 Next customer, please.

14 **MR. KELLY:** This is the last customer signed  
15 up, Madam Chair.

16 **CHAIRMAN BROWN:** Thank you.

17 **MS. KOSS:** Lorraine Koss, 2115 North Indian  
18 River Drive in Cocoa. I wasn't planning to speak today,  
19 but just like the previous speaker, I was really shocked  
20 by the number of people here, the marketing that went  
21 into the number of people here to speak on in support of  
22 what I consider a really excessive rate increase.

23 It reminds me of this kind of deceptive  
24 marketing campaign that's going on right now about FPL  
25 leading in solar when, in fact, they've spent millions

1 to put that amendment on the ballot in November and  
2 fight Floridians for Solar Choice. My husband and I  
3 have been wanting to go solar. We need incentives. I  
4 urge you to vote against this to -- and also to  
5 encourage them to incentivize us as citizens to  
6 contribute to the grid with this distributed energy  
7 system, clean system through solar. Thank you.

8 **CHAIRMAN BROWN:** Thank you for your testimony.

9 So that is the last customer that is signed up  
10 to speak. I want to wrap this up and close it up here,  
11 and thank you all for coming out here. And your  
12 comments will absolutely be taken into consideration in  
13 our decision-making process. And on behalf of all of  
14 the Commissioners, thank you again. This meeting --  
15 hearing is adjourned.

16 (Service hearing adjourned at 12:21 p.m.)  
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1 STATE OF FLORIDA )  
2 COUNTY OF LEON ) : CERTIFICATE OF REPORTER

3  
4 I, LINDA BOLES, CRR, RPR, Official Commission  
5 Reporter, do hereby certify that the foregoing  
6 proceeding was heard at the time and place herein  
7 stated.

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

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

18 DATED THIS 23rd of June, 2016.

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