

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

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In the Matter of:

DOCKET NO. 20170215-EU

REVIEW OF ELECTRIC UTILITY
HURRICANE PREPAREDNESS AND
RESTORATION ACTIONS.

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VOLUME 3
PAGES 270 through 424

PROCEEDINGS: ELECTRIC UTILITY HURRICANE WORKSHOP
COMMISSIONERS
PARTICIPATING: CHAIRMAN ART GRAHAM
COMMISSIONER JULIE I. BROWN
COMMISSIONER DONALD J. POLMANN
COMMISSIONER GARY F. CLARK
COMMISSIONER ANDREW G. FAY

DATE: Thursday, May 3, 2018

TIME: Commenced: 9:30 a.m.
Concluded: 12:40 p.m.

PLACE: Betty Easley Conference Center
Room 148
4075 Esplanade Way
Tallahassee, Florida

REPORTED BY: DEBRA R. KRICK
Court Reporter

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EXHIBITS

NUMBER :	ID	ADMITTED
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1 P R O C E E D I N G S

2 (Transcript follows in sequence from Volume
3 2.)

4 COMMISSIONER BROWN: Good morning, everyone.
5 Today is day two of our Hurricane Preparedness and
6 Restoration Workshop. The time is 9:30, and it's
7 May 3rd, 2018.

8 Staff, can you please read the notice?

9 MS. GERVASI: Pursuant to notice, this time
10 and place has been set for a Commission workshop in
11 Docket No. 20170215-EU, Review of Electric Utility
12 Hurricane Preparedness and Restoration Actions.

13 COMMISSIONER BROWN: Thank you.

14 And happy birthday to Laura King today. I
15 love to embarrass her.

16 Today is day two of our two-day workshop to
17 review the electric utility storm preparedness
18 plans and restoration activities and their -- and
19 their service to customers.

20 This review gives us an opportunity to explore
21 the potential to further minimize infrastructure
22 damage, resulting outages and recovery times to
23 customers in the future. It also gives us the
24 opportunity to critically assess the Commission's
25 policies and procedures for improvements and

1 efficiencies.

2 Yesterday, we heard from the utilities. In
3 today's workshop, we will hear from a number of
4 nonutility organizations who represent utility
5 customers. And we look forward to engage in a very
6 informal dialogue with you all in order to gain a
7 better understanding of your hurricane experiences
8 and identify future opportunities for Commission
9 action.

10 At this time, we are opening up comment to the
11 public. If there is anybody in the public that
12 would like to address the Commission, now is your
13 opportunity to do so.

14 Seeing none, we will go ahead now and move
15 into the presentations by the nonutility
16 organizations. We are going to -- this is the
17 order that we will do it in: Office of Public
18 Counsel; Florida Industrial Power Users Group;
19 Florida Retail Federation; City of Dunedin; Rick
20 Mauldin from the St. Johns County, as well as
21 Council Member Troy Avera with the City of
22 Monticello.

23 And welcome all. It's very informal.
24 Commissioners, again, as yesterday, please feel
25 free to ask questions. Just let me know and we

1 will proceed.

2 So welcome, J.R.

3 MR. KELLY: Good morning, Madam Chair,
4 Mr. Chair, and Commissioners.

5 I am J.R. Kelly with the Florida Office of
6 Public Counsel, and I have very brief remarks to
7 say this morning.

8 As we are all aware, the 2017 hurricane season
9 caused billions of dollars of damage to Florida's
10 utility ratepayers in the electrical system. And
11 as you have heard, the investor-owned utilities
12 worked hard to bring speedy restoration of power to
13 those affected by those severe storms.

14 Since the mid-2000s utilities have spent
15 billions of dollars attempting to improve and
16 harden the electrical grid, and adapting procedures
17 to meet new challenges post-storm. There is just a
18 few things we would like to note for the record
19 today regarding the money the utilities invested in
20 hardening the grid, as well as tree trimming
21 efforts.

22 Number one: Since the mid-2000s, money for
23 storm hardening and tree trimming activities have
24 been included in the utility's base rates; thus,
25 ratepayers have paid, and are continuing to pay

1 today, for storm hardening activities. Whether the
2 IOUs spend that money prudently is going to be a
3 question for this Commission to resolve.

4 Number two: In the upcoming storm cost
5 recovery dockets, we believe it is absolutely
6 imperative for the Commission to review whether the
7 money included in base rates over the years for
8 storm hardening activities was spent on appropriate
9 hardening activities, or did the IOUs spend that
10 money elsewhere on non-storm related issues?

11 Three: Utility ratepayers and the Legislature
12 have a right to know how the ratepayers' money has
13 been spent.

14 Four: It is imperative for the Commission in
15 storm cost recovery dockets to review what
16 equipment failed and why it failed. Was the
17 equipment failure exacerbated due to lack -- to
18 action or lack thereof by the utility of the storm
19 hardening efforts.

20 Five: As you are also aware, each of the IOUs
21 has a storm reserve fund that provides them the
22 ability to pay for storm damage costs incremental
23 to costs already included in base rates.

24 It is important for the Commission, when
25 reviewing the reasonableness of Irma storm costs

1 charged against the storm reserves, that the IOUs
2 include justification for all costs that have been
3 charged against their storm reserve no matter which
4 storm it was charged to.

5 Six: Operational failures by customer service
6 in the communication systems that are paid for by
7 customers needs to be explored by the Commission.

8 In conclusion, regardless of the storm
9 hardening activities, many Floridians lost power,
10 and many lost power for an excessive number of
11 days, as evidenced by the hundreds of complaints
12 and comments filed with the Commission. This
13 number does not necessarily include the customers
14 who complained directly to the utilities
15 themselves.

16 We all know that as long as there are trees in
17 Florida, and severe weather events, whether it's
18 thunderstorms, tornadoes, hurricanes, ice storms,
19 et cetera, there will be electrical outages. Given
20 this fact of life in Florida, the IOUs should make
21 reasonable target investments where the benefits
22 exceed the cost in storm hardening investments and
23 effective tree trimming activities, which are both
24 already included in utility base rates through
25 robust allowances previously allowed for recovery,

1 along with the flexibility afford by the settlement
2 agreements.

3 Thank you for the opportunity to address you
4 this morning to present our comments on behalf of
5 the customers.

6 COMMISSIONER BROWN: Thank you, J.R.
7 Chairman Graham.

8 CHAIRMAN GRAHAM: Thank you. J.R., can you
9 repeat your number six?

10 MR. KELLY: Yes, sir.

11 Operational failures by customer service and
12 communication systems paid for by customers needs
13 to be explored by the Commission.

14 CHAIRMAN GRAHAM: What do you mean by
15 operational failures?

16 MR. KELLY: I think we heard yesterday, and
17 there have been -- they were both complaints
18 received in my office, I believe received by the
19 Commission, where, post-storm, customers contacted
20 the utilities and either received incorrect
21 messages, or were unable to get through because of
22 either the utility systems crashed.

23 I believe our office, and I believe it was
24 also in the complaints filed with your office,
25 there were some instances where customers were

1 told, yes, your power is back on. They checked out
2 of their hotels, went back to their home, only to
3 find their power had never been on. And at that
4 point in time, they were stranded, because they
5 couldn't go back to the hotels.

6 So those are the operational failures that I
7 was referring to.

8 CHAIRMAN GRAHAM: Thank you.

9 MR. KELLY: Yes, sir.

10 COMMISSIONER BROWN: Thank you.

11 Commissioners, any other questions of Mr.
12 Kelly?

13 Yes, Commissioner Polmann.

14 COMMISSIONER POLMANN: Thank you, Madam
15 Chairman.

16 About morning, Mr. Kelly.

17 MR. KELLY: Good morning.

18 COMMISSIONER POLMANN: I'm not quite sure what
19 number on your list. It may have been number two,
20 but the phrase you had used, if I heard you
21 correctly, was "over the years." And I think this
22 was in regard to an annual review. This had to do
23 with review of prudence of expenditures. I don't
24 know if you can find in that phrasing there.

25 Could you look back at that and remind me

1 where you were? I am sorry, I didn't --

2 MR. KELLY: That's all right.

3 COMMISSIONER POLMANN: -- catch all the -- all
4 the words there. I just wanted to go back to that
5 item.

6 MR. KELLY: I'm not exactly sure which one you
7 are referring to. I apologize, Commissioner. Are
8 you talking about the charges against the storm
9 reserve?

10 COMMISSIONER POLMANN: It could be. The point
11 being that there is a -- and I think your point,
12 maybe you can clarify it for me -- there is an
13 ongoing charge to the customers, and we have an
14 annual process of reviewing the request from the
15 utilities. And if I understood your point, and
16 maybe I didn't --

17 MR. KELLY: Sure.

18 COMMISSIONER POLMANN: -- was, you were asking
19 the Commission to look at prior years and how they
20 have used the money that customers have -- have
21 contributed.

22 MR. KELLY: Yes. I think there are two
23 points.

24 Well, first off, the annual review, unless I
25 am mistaken, is not to review how much is being

1 paid in current rates. The -- I believe, and I
2 will let staff correct me, the annual reviews that
3 the Commission has done for storm hardening is for
4 the utilities, and the questions are changed from
5 year to year, to come in and explain what
6 activities they have engaged in over the past year,
7 where they are in their goal -- meeting their goals
8 for any -- for example, tree trimming, if they are
9 on a five-year goal, three-year -- excuse me,
10 five-year plan, three-year plan, whatever, there is
11 no review of the monies that have been spent
12 because the monies that are being paid in to rates,
13 that is reviewed when there is a rate case or a
14 docket that sets the rates for the utility.

15 So -- but what my point is, is included in the
16 rates that the -- that the ratepayers are paying --
17 and this has been true, I believe since -- well,
18 post 2004, 2005 hurricane season. Included in the
19 rates have been expenses that the utilities have
20 included for storm hardening activities.

21 And my point was, is that there need -- we
22 need to make sure how that money has been spent.
23 Was it spent prudently? Was it spent for storm
24 hardening activities? Or was it spent for norm
25 storm related events.

1 The second point that I was making is that
2 each of the utilities have what they call the storm
3 reserve fund.

4 COMMISSIONER POLMANN: Yes.

5 MR. KELLY: And you know what that is. It's
6 to be used to pay for storm costs. Well, that's
7 for extraordinary storm costs. That's -- that's
8 not for the ongoing normal hardening events,
9 because that money is being paid in the current
10 base rates that ratepayers are paying.

11 So my point was, whenever you have a storm
12 cost recovery docket, as we are going to have this
13 year, we will have two or three in Irma, our point
14 that we want to make sure of any monies that have
15 been charged against the storm reserve, the
16 utilities are going to come in and have a right to,
17 under the settlement agreements, to replenish those
18 storm reserves. We want to make sure that the
19 money that was taken out of those reserves was
20 spent prudently and reasonably only for the
21 purposes of which the storm reserve fund was
22 established.

23 COMMISSIONER POLMANN: Understood.

24 I think what I was trying to understand is if
25 you had suggestions on how we might change a

1 process, or look differently at multiple years in
2 the past compared to year-by-year. And I was -- I
3 was focusing on your use of the term "over the
4 years." And I am not sure that we can do that, or
5 how we might do that. And I understand that, you
6 know, there are certain things we look at every
7 year --

8 MR. KELLY: Yes, sir.

9 COMMISSIONER POLMANN: -- certain things we
10 look at on a three- to five-year periods, and so
11 forth. And some of that is planning. Some of that
12 is actual review of expenditures. Some is
13 auditing. Some is surveillance, and so forth. I
14 may not be using exactly the right words for each
15 and every process --

16 MR. KELLY: Yes, sir.

17 COMMISSIONER POLMANN: -- but if you have
18 specific suggestions that -- that can be reviewed
19 with staff, and counsel, and so forth, I think that
20 would be helpful to us. I understand we are just
21 here in a dialogue workshop.

22 MR. KELLY: Yes, sir, and I understand your
23 question now. I apologize earlier.

24 I don't have a specific suggestion today. I
25 will give it some thought, and I can --

1 COMMISSIONER POLMANN: Not sitting here at the
2 moment, but that's what I am hearing, is I am
3 wondering if you can think something specific that
4 would be helpful to our going forward.

5 MR. KELLY: Yes, sir. No, I got you.

6 Bottom line is what you are getting at is a
7 review of the -- the amount of rates applicable to
8 storm hardening activities, how it was spent, and
9 is there a way to review that on a yearly basis, or
10 some other mechanism? And I -- right now, I don't
11 have a specific suggestion, but, yes, sir, I will
12 give it some thought.

13 COMMISSIONER POLMANN: And it may well be the
14 hardening -- there was a lot of discussion
15 yesterday about vegetation management, and, you
16 know, there is all of these things that are
17 mentioned, and I am trying to distinguish between
18 funds here, in the base rate, and annual costs, and
19 this, that and the other thing.

20 And if you have any thoughts on -- of course
21 you have thoughts on all of those, share them with
22 staff.

23 MR. KELLY: Yes, sir. I got you.

24 COMMISSIONER POLMANN: I just want to make
25 sure that we are all on the same page about how we

1 do things, and if you have a suggestion on an
2 improvement on process.

3 MR. KELLY: Yes, sir.

4 COMMISSIONER POLMANN: Thank you, sir.

5 MR. KELLY: Yes, sir.

6 COMMISSIONER BROWN: Thank you, Commissioner
7 Polmann.

8 Commissioner Clark.

9 COMMISSIONER CLARK: Thank you.

10 Mr. Kelly, just kind of following on to Mr.
11 Polmann's line of questions. Specifically, when we
12 look at prudence in terms of going back and looking
13 at the costs that are recovered for hardening,
14 hardening costs, are there specific things that you
15 think this Commission should be looking out for
16 that would not be considered hardening activities
17 that would be normal utility operations?

18 One of the things we mentioned yesterday was
19 enhanced sectionalizing for the utility companies.
20 That's something that could normally be considered
21 a regular utility expenditure. Sectionalizing is
22 not necessarily in the utility's advantage, but it
23 is to the customers advantage.

24 Are those the kind of things that you are
25 suggesting that we look for in terms of what are

1 allocated to storm hardening costs versus what's
2 kept in the base rates?

3 MR. KELLY: I am not exactly sure, because I
4 don't know exactly what would go into the type of
5 expense that you have just referenced.

6 You know, when the -- when the utilities file
7 their rate cases, they identify certain amounts
8 specifically for -- with tree trimming, whatever
9 for storm hardening, pole inspections, et cetera.

10 My point is that if a utility is -- is -- you
11 know, they file a rate case, and they are
12 identifying certain amounts that go into their
13 rates that the ratepayers are responsible for
14 paying, we want to ensure that those monies are
15 being spent in that fashion.

16 Does that mean to the exact penny? No. I
17 mean, we understand it could be some fluctuations,
18 you know, from year to year; but by and large, are
19 the monies being spent the way they should?

20 It's hard for me to answer the question you
21 are talking about because you are right. I mean,
22 there is different ways to classify different
23 expenses. Accountants do it all the time, but -- I
24 mean -- and I think that that would be part of the
25 process that you would go through as a panel in

1 deciding, okay, Kelly Utilities spent X number of
2 dollars on these activities. Are they truly some
3 type of storm hardening, you know, activity, or is
4 it something that is absolutely not?

5 COMMISSIONER CLARK: And I think, Mr. Kelly,
6 that's exactly the point, is we are trying to -- we
7 are trying to come up with exactly where you
8 approach the balance line between reliability and
9 cost. I mean, that's what we are trying to get to.

10 There are certain things I think we are all
11 aware that we could do, but it's not a prudent
12 expenditure. I mean, as we -- as we put lines
13 underground, we could bury them in concrete. Maybe
14 that would be a storm hardening process as well,
15 but it's not cost-effective.

16 And I am looking for, are there any specific
17 things that you have identified that the utilities
18 have spent on storm hardening that this Commission
19 needs to be more cognizant of, or take a firmer
20 look at?

21 MR. KELLY: Got you.

22 Not today. As you know, we've been conducting
23 discovery and we will continue to conduct
24 discovery, and a lot of these things hopefully will
25 come to light in the storm cost recovery dockets.

1 I don't have any specific examples or activities
2 that I could identify to you today. No, sir.

3 COMMISSIONER CLARK: I am going to put you on
4 the spot on this last one in regards to our
5 position with revising or encouraging the revision
6 of right-of-way maintenance policies through the
7 state. How does OPC feel about supporting an
8 initiative that would give enhanced powers to the
9 utilities to maintain right-of-way?

10 MR. KELLY: It's an easy answer for me. I do
11 not get involved in lobbying legislation. I was
12 told -- I was told when --

13 COMMISSIONER CLARK: I tried.

14 MR. KELLY: -- I was appointed to this
15 position. The question was asked of me by a
16 Senator, said, Mr. Kelly, do you see your office
17 is, you're supposed to lobby the Legislature since
18 you work for all of us? And I said, no, ma'am. I
19 said, I work for you, and my job is to provide you
20 information, and answer any of your questions, but
21 I was told in no uncertain terms, you are not to
22 lobby. So it -- it's actually an easy answer for
23 me.

24 COMMISSIONER CLARK: Thank you.

25 MR. KELLY: Yes, sir.

1 COMMISSIONER BROWN: Thank you, Commissioner
2 Clark.

3 Mr. Kelly, focusing solely on Irma, and not
4 the overall storm hardening mechanism that it is in
5 place for the different utilities, what is your
6 office -- the primary amount of complaints that
7 your office received post Irma regarding
8 restoration efforts?

9 MR. KELLY: Well, most of them went to the
10 Public Service Commission, because we -- we
11 directed consumers to file here. A lot of them
12 dealt with communication, non-communication or
13 incorrect communication.

14 Obviously, we got a lot of complaints about my
15 power has been off for X number of days, and so
16 forth. And, you know -- and I tried to explain --
17 I will tell you, in my office, I take the calls. I
18 don't -- I answer the customers when they call my
19 office. I don't put it off to the attorneys and
20 staff. I take them all.

21 And I tried to explain to many customers is
22 that it may not be the fault of the utility that
23 their power is off for extended number -- or what
24 the consumer believes is an extended number of
25 days, because there are things that obviously I did

1 not have at my disposal. Some of the things that
2 were talked about yesterday, trees being down and
3 crews not being able to get across a bridge, get to
4 a neighborhood. Also, the critical structures, I
5 mean, you know, it all -- at the answer of, is it
6 more important to get a hospital up or so and so's
7 house up? It depends on who you ask.

8 COMMISSIONER BROWN: I mean, so much of it is
9 education and public awareness.

10 MR. KELLY: Absolutely.

11 COMMISSIONER BROWN: And so with that regard,
12 explaining those on behalf of all Floridians is
13 helpful from our perspective, from my perspective.

14 So do you have -- we heard some suggestions
15 and some mechanisms that utilities are putting in
16 place to address communication yesterday. Is there
17 something that you suggest would be helpful for us
18 to consider moving forward?

19 MR. KELLY: I do not have any specifics today,
20 Madam Chair. Those are things that we are going to
21 have to look at. And you know, I mean, as I
22 mention in my remarks, we obviously have to keep
23 focusing on storm hardening activities, but we also
24 have to keep focus on do the benefits exceed the
25 cost? I mean, that's key.

1 I mean, as Commissioner Clark said, we could
2 go and underground every line and encase it in
3 concrete, but that might cost \$20 billion. Well,
4 then you would have to decide, is that benefit
5 exceeding the cost?

6 So I don't have specifics today. And I think,
7 you know, unfortunately, a lot of times when you --
8 when you are looking at storm related events, we
9 are looking at it post-storm, because we don't know
10 what will fail. And I think the utilities will
11 tell you the same thing. They hope everything
12 works as it's supposed to work, but as we've -- we
13 heard some yesterday, and I have read the newspaper
14 accounts, I don't have the evidence yet, that some
15 of the databases crashed, or where people were
16 trying to call in and they couldn't.

17 And the utilities, I think, indicated
18 yesterday that they've addressed those. I believe
19 it was Florida Power & Light stated that they've
20 now upgraded, or whatever the right word is, their
21 IT system where they can handle way more than just
22 the volume they received during Irma.

23 And -- I mean, I think that that's -- those
24 are the things that we are going to have to look
25 at. But you are not going to know if it works

1 until it's -- until the system is challenged.

2 COMMISSIONER BROWN: Well, and listening to
3 some of your comments that you made, and your
4 dialogue with Commissioner Polmann regarding an
5 annual review of hardening costs, you know, and
6 some of these utility settlement agreements that
7 Office of Public Counsel was a signatory, there
8 isn't a storm accrual, OPC argued to discontinue
9 the storm accrual. And we will address that, of
10 course, when we get to the different docket
11 addressing cost recovery.

12 Is your opinion, though, still that the storm
13 accruals for the utilities should not be increased?

14 MR. KELLY: We did not, in all cases, argue
15 that a storm reserve should be discontinued. As a
16 result of some of the settlements reached, which as
17 y'all know is a give and take, some of the
18 utilities agreed not to continue with any storm
19 cost accrual out of the current rates. That did
20 not mean they didn't already have a storm reserve.

21 In addition, from the customer's standpoint,
22 we agreed, and I think we started in 2009 or 2010
23 with a settlement, and I can't remember if it was
24 with Progress Energy at that time, or Florida Power
25 & Light, we put together a mechanism that has been

1 carried forward to the current settlements to give
2 the utilities the ability to come in, and within 60
3 days of filing, to start a surcharge, okay. That
4 was -- that's a give.

5 COMMISSIONER BROWN: Do you think that's -- do
6 you think that is a better way to address storm
7 cost recovery?

8 MR. KELLY: I will certainly say,
9 Commissioner, that I signed the agreement; and in
10 the give and take of all the agreement, yes, ma'am,
11 I agreed to that, and I stand behind every term in
12 the settlement agreement. I am not going to pick
13 any apart. That's -- you know, I agreed to the
14 settlements, and I stand behind every one of them
15 that have my signature today.

16 But the mechanism there was put in place to
17 give the utilities the ability to go and start a
18 surcharge within 60 days. And the quid pro quo of
19 that was a couple of things:

20 One, they didn't have to go out and borrow
21 emergency funds -- or excuse me, funds on an
22 emergency basis, which normally means a higher
23 interest rates that they are being charged, which
24 where they flow down to the ratepayer. So that was
25 one quid pro quo.

1 And the other one is, the utilities agreed
2 that they would then have a filing, and we would
3 have the opportunity, the intervenors would have
4 the opportunity to review and challenge any of
5 those areas that we thought were not reasonable or
6 prudent.

7 I -- I -- I don't -- I see no fault in that
8 process.

9 COMMISSIONER BROWN: Okay. All right. Thank
10 you. And we will get into more of that during the
11 cost recovery dockets coming up.

12 MR. KELLY: Yes, ma'am.

13 COMMISSIONER BROWN: Commissioners, any other
14 questions?

15 Thank you, Mr. Kelly.

16 MR. KELLY: Thank you.

17 COMMISSIONER BROWN: Mr. Moyle, good morning.

18 MR. MOYLE: Good morning. And thank you for
19 the opportunity to share some thoughts and comments
20 with y'all today.

21 I would like to -- I would like to start by,
22 on behalf of the Florida Industrial Power Users
23 Group, FIPUG, my client, thank the utilities for
24 the effort that they showed post-storm, post Irma.
25 It's a stressful environment. It -- it -- I, many

1 years ago, was involved with Hurricane Andrew
2 recovery reliefs when I was working in state
3 government, and it's a -- it's a tough situation
4 when a big storm comes in and the -- the utilities,
5 on behalf of FIPUG members, were responsive.

6 I hear anecdotal information, but that, for
7 the most part, the FIPUG members were pleased with
8 the communication. They have customer service
9 reps, and a lot of them are very big businesses
10 with a lot of employees, and obviously hospitals,
11 nursing homes, things like that need first and
12 foremost attention; but that the information flow,
13 the communication flow, based on what I am being
14 told, was -- was positive, and efforts to restore
15 power were positive.

16 So -- so a tough situation, I wanted to start
17 by -- by thanking the utilities for their efforts
18 to restore power to -- to the FIPUG members.

19 Also, Madam Chair, I wanted to -- wanted to
20 thank the Commission for having -- having this
21 workshop. You know, it's two days. And yesterday
22 I thought was -- was very useful information being
23 shared, a lot of good questions and answers. And
24 today, I hope, will continue along that path.

25 Obviously, the people speaking today have a

1 slightly different role in this -- in this process.
2 And I want to note there's been discussion about,
3 well, really -- really this is a cost benefit
4 analysis the example of putting concrete and
5 undergrounding poles through concrete, and that's a
6 clear one; like, that cost is way in excess of
7 any -- of any benefit.

8 Yesterday you heard quite a bit about -- about
9 the benefits, and there was not much about the
10 cost. And -- and -- and I think the costs are an
11 important component.

12 We've heard -- and I saw a news report that
13 said billions and billions of dollars have been
14 spent on storm hardening in the past decades.
15 And -- and one of the things, in my mind anyway,
16 that I thought was important and I hope -- I hope
17 will -- will get addressed either in subsequent
18 discussions is shortly after the storms, the
19 Legislature had a -- had a session, as you know,
20 that started this year in January, and they had
21 committee meetings.

22 But in the Senate committee, Senator Bean, I
23 think Mark Futrell and some other staff members
24 were -- were asked to make a presentation on -- on
25 hurricanes, and the cost recovery and Senator Bean

1 framed, I think, a very good question, which he
2 said, did the -- did the consumers get their
3 money's worth from storm hardening? And the
4 response was that -- that's a good question, but
5 it's not an easy question to answer; and we are in
6 the process of getting that data, collecting data,
7 we are going to analyze that data, and we will
8 presumably get back to Senator Bean at some point
9 to be able to say, yes, no, it's more complicated
10 than yes, no.

11 But -- but I think that question, I would be
12 surprised if he did not ask it again when -- when
13 the Legislature convenes. And it's -- it's an
14 important question because my clients, and other
15 customers, we are the -- we are the payors. You
16 know, we are the ones who pay for this.

17 And that -- that question, I think, is one
18 that I would encourage the Commission to dig into a
19 little bit -- a little bit harder to ask the
20 utilities and staff to spend some time looking at
21 the cost part of the equation with respect to cost
22 benefit.

23 And obviously there is going to be some
24 judgment calls that, you know, that have to be made
25 in there. I was sharing an anecdotal story

1 yesterday with staff that, you know, Tallahassee
2 has a lot of trees. The trees come down, sometimes
3 you are without power. I know some people who have
4 said, you know, I am tired of not having power for
5 two or three days, and they go out and get these
6 fancy generator systems that come on, like, in 15
7 seconds, and off you go. And that -- that's a
8 personal choice. The Moyle family is parsimonious,
9 and we said, we will be okay without electricity
10 for a few days, and we don't need that generator.

11 But -- but that's a bit of a microcosm, in my
12 judgment, as to decisions that you all have to make
13 collectively for the state, to say -- I heard
14 yesterday FPL said that they are -- are -- for the
15 poles they are putting in, every -- every pole is,
16 I forget the exact term, but it was the top level
17 wind resistant pole. And I suspect that they are,
18 you know, good, average, best on those poles.

19 And, you know, that may be a judgment, but
20 that's something if -- if you look at it, and the
21 top level pole withstands winds of 150 and costs
22 twice as much as the medium level pole, and the
23 medium level pole withstands winds of 130, you
24 know, you may say, well how many -- how many storms
25 have we had that have been over 130, and it's,

1 like, you know, one or two. You may say, well,
2 maybe we go with the medium level pole as compared
3 to not.

4 And I am not an expert on this. I am -- I am
5 just throwing that out. But those are the types of
6 issues and questions that I think that, you know,
7 this Commission will -- will need to look at and
8 make judgments about as to, okay, what -- what --
9 what is the cost benefit analysis?

10 And again, I think that -- that -- that we
11 are -- that more can be done, you know, on cost.
12 And I think, you know, this Commission is -- is --
13 is a body that has the resources to look at that.
14 I suspect that -- that Senator Bean and in the
15 House and others, they may look at it.

16 And interestingly, I saw a news report the
17 other day that said that there is a class action
18 that has been filed against a utility that is
19 alleging that the cost -- hurricane costs were
20 collected but then not spent on hurricane
21 expenditures, and that class action survived a
22 motion to dismiss. So, at least at this point, it
23 looks like there may be some more questions asked
24 and some discovery.

25 So I think the Senator Bean question is an

1 important one; you know, did ratepayers get their
2 money's worth? And I think that that warrants
3 further consideration in a -- in a response, and
4 that would be one of my -- one of my
5 recommendations.

6 With -- with respect to, you know, making a
7 cost-effectiveness determination, I have been
8 fortunate to have been in a lot of proceedings
9 where cost-effectiveness is something that this
10 Commission considers. When utilities are in for a
11 new power plant, they show that it needs to be
12 cost-effective. When they are considering buying
13 out purchase power contracts, you know, you all are
14 presented with information, is it cost-effective?
15 The solar projects that are part of some of these
16 settlement agreements, you know, there is
17 cost-effectiveness.

18 So cost-effectiveness is -- you know, is right
19 in your sweet spot, and I would recommend that when
20 looking at these hurricane expenditures, that you
21 don't just look at the utility benefits, you know,
22 it's almost a tautology; if you -- if you put more
23 into hardening, that's going to be better than
24 less -- less hard stuff. And that's what we heard
25 yesterday. Yeah, storm hardening has worked -- is

1 working.

2 But Mr. Ballinger had a quote from one of his
3 presentations yesterday, and I wrote it down, and
4 if I could, I just wanted to read it to you.

5 He said: On a macro level, hardened
6 structures outperform non-hardened structures,
7 paren, i.e., fewer poles replaced than Wilma
8 restoration, but granular quantitative data is
9 somewhat lacking.

10 So as mentioned, yes, if you harden, you would
11 think it would do better than not hardening. And I
12 know, Commissioner Polmann, you had a question as
13 to exactly what is hardening. And I don't know
14 that there is a clear bright line as to what it is.

15 But you all make decisions, and I think should
16 make them with good -- good data, and you know,
17 staff is saying that -- that quantitative data is
18 somewhat lacking. I don't know why that is.
19 Utilities are pretty good about -- about measuring
20 things and having data, so I don't know if that
21 was -- you know, why that was. In my mind, anyway,
22 that's a question. Why -- why is that data
23 lacking?

24 Another point he made was, yes, let's improve
25 reliability, but, you know, but minimize the rate

1 impact. And I would underscore that on behalf of
2 FIPUG members. You know, my clients are involved
3 in businesses that oftentimes are competing in
4 markets, state markets, national markets,
5 international markets, so, you know, so the rate
6 impact is very significant.

7 We -- we -- we surely are not seeking concrete
8 buried undergrounding; or if that is the case, the
9 person who is asking for that should -- should pay
10 for it, right.

11 So a couple of recommendations, and I wanted
12 to give you, two, Commissioner Clark, because you
13 asked for -- asked for two, and one I have spent
14 some time talking about.

15 But the first one would be seek and oversee
16 information related to the cost side of the
17 equation. You know, namely are ratepayers getting
18 their money's worth from storm hardening? And I
19 think that more work should be -- should be done on
20 that critical question.

21 And the second one is, if hardening is working
22 well, which I think the evidence is that it is
23 working well based on what the utilities presented,
24 when the time is right, and that may be in a rate
25 case, or whenever the time is right, give

1 consideration to making a downward adjustment in
2 money that is in the hurricane reserves.

3 And, Commissioner Brown, you had asked Mr.
4 Kelly kind of a question about that. And we also
5 have signed some settlement agreements, not all of
6 them, but we support what we agreed to, and aren't
7 asking to change that; but I thought your question
8 was more on a broader policy basis to say, what do
9 you think?

10 And unlike Mr. Kelly, I am able to express
11 views and opinions on behalf of my client, and can
12 lobby the Legislature, so I will wade in on that
13 and say that I think that the premise of hardening
14 is you're making improvements so that when a storm
15 does hit, you won't have as much damage; you won't
16 have as much work to do, and the system will be
17 restored sooner, quicker and presumably with less
18 expenditures. And it -- that -- that, I believe,
19 is the case. I think in dockets, we've had
20 hurricane experts suggest that. Yeah, you harden
21 it. You build it, if it's at 90 miles an hour now
22 and you build it to 120, you are going to be
23 better.

24 And so I think there is probably a good case
25 that with the increased expenditures on storm

1 hardening, the need for the reserve dollars should
2 be diminished. Now, to what degree, that's
3 probably a subject of discussion. But -- but I
4 surely don't think that, with the storm hardening
5 and the expected improvements, that you should
6 spend more money necessarily on -- on the storm
7 reserve fund.

8 A few recommendations, and some of this was
9 just based on -- on listening yesterday; but,
10 Commissioner Graham, your -- your -- your team
11 Florida comment, I thought -- I thought was a good
12 one. You know, Florida first should be something
13 that I would suggest you all consider with respect
14 to mutual aid.

15 When a storm hits, it seems to me that
16 utilities in Florida should, first and foremost,
17 look to help each other before, you know, going and
18 pulling in crews from Oklahoma, or wherever, just
19 because they happen to be part of a, you know, of
20 an organization.

21 I know one of the utilities said there is a
22 southeast organization that goes all the way to
23 Texas. I was thinking, from a reliability
24 standpoint, we have the Florida Reliability Council
25 that broke apart from the southeastern group and

1 said, you know, we are going to look at reliability
2 as a Florida only item; logically it follows, in my
3 mind, that we should -- we should also say, well,
4 for storm mutual aid, we should first look to
5 Florida utility companies to provide assistance.

6 I understand some storms may impact them all,
7 and that might not work, but sometimes that doesn't
8 happen. You know, Gulf didn't have anything with
9 Irma. But I would think that, as a recommendation,
10 you all should consider nudging forward a
11 Florida -- a Florida first arrangement, where
12 utilities -- and I heard the discussion about munis
13 and coops, but I would think all utilities
14 should -- should try to work together and say, we
15 are going to help each other first. We are going
16 to help our neighbors first and foremost before
17 you're going out and pulling in crews from outside
18 of the state.

19 And ultimately, one of the commentators
20 yesterday said, yeah, it costs more money to bring
21 in crews from Oklahoma, because the hotels, and the
22 transportation, and all of that ultimately is
23 moneys that my clients, and other customers, will
24 have to pay. So you know, not only, in my
25 judgment, is it the right thing to do as a good

1 neighbor policy, but it would save -- save money.

2 So that's a recommendation in a team Florida,
3 Florida first with respect to mutual aid.

4 Secondly, the mutual aid agreements, someone
5 used the phrase yesterday that now is the time to
6 do it. It's peacetime. We don't have a storm
7 bearing down on us. Let's -- let's get those
8 agreements in place. And I think the Commission
9 could facilitate that.

10 You all have, I would argue, broad powers with
11 respect to providing a reliable grid, and -- and I
12 think if you said, we would like to see mutual aid
13 agreements developed and reviewed, you know, the
14 utilities, I would be very surprised if they said,
15 well, we don't think you have the authority to do
16 that. I think they want to work with you, and the
17 question of jurisdiction, I would be surprised if
18 it were raised, if you all, in your good offices,
19 raised that question and said, let's really try to
20 focus on that, can you put together some mutual aid
21 agreements.

22 I understand there is lawyers that need to get
23 involved and it's not the easiest thing, but I
24 would recommend that -- that you send a signal
25 about let's get these mutual aid agreements in

1 place.

2 Undergrounding versus overhead. I -- I think
3 that the -- that's something that needs to be
4 looked at very closely. Thinking long-term, on
5 behalf of FIPUG members, 20 years from now, when I
6 am -- when I'm probably not so fortunate to be
7 representing them, but someone else is, it would be
8 very disheartening if we now were saying, well,
9 this rumor turned out to be true, and we are going
10 to have to take all the stuff that we put
11 underground, because of the rising sea levels, and
12 pull it out from underground. We are going to have
13 to put it overhead, and here's the cost of that and
14 it's a big number.

15 And I think the forward-thinking needs to be,
16 let's take a serious look at this, and before we
17 start undergrounding everything, see what the
18 projected sea levels are, and there are scientists
19 that have that information, but I think that point
20 was discussed yesterday.

21 And, Commissioner Polmann, I used to live in
22 Miami, and went back many years ago. And I can
23 tell you, Miami Beach had saltwater in the streets
24 the last time I was -- I was there, so maybe dispel
25 that rumor a little bit with respect to Miami

1 Beach. Yeah.

2 The tree trimming issue. To me, there was a
3 lot of discussion on tree trimming. It seems there
4 was a pretty good level of variability between what
5 the utilities are doing with respect to tree
6 trimming. And -- and that -- yesterday, people
7 said, yeah, trees are a problem. Trees are a
8 problem. But then also there was a note that the
9 tree trimming cycle is between three and six years.

10 Well, that's a pretty big gap. I mean, if you
11 do it every three years, then, obviously, you are
12 going to have a lot better management of your -- of
13 your vegetative risk than if you do it every six
14 years. And I don't know if that's something that
15 might make some sense for the Commission to look at
16 in a rule-making proceeding, or -- or however is
17 best; but that seems to me, given the testimony and
18 the comments about -- about trees being a problem,
19 to be a pretty big -- pretty big gap.

20 There was -- there was some discussion, and
21 FIPUG has made this point before yesterday about
22 the cooperatives said, well, we get reimbursed by
23 FEMA, so sometimes when we are asking IOUs to help,
24 there is some paperwork issues because we want --
25 we want to get reimbursed by FEMA.

1 FIPUG has maintained that the current system
2 with respect to paying for storm damage is
3 something that warrants review. You all probably
4 don't have jurisdiction with it, but -- but could
5 consider sending a message to our friends from
6 Florida who serve in Congress that -- that it
7 really doesn't make a lot of sense for a ratepayer
8 who resides in the City of Lakeworth, which is a
9 muni. The City of Lakeworth gets hammered by a
10 storm. There is a lot of cost involved, and that
11 ratepayer does not have to pay for those costs
12 because FEMA is coming in and reimbursing that
13 municipality, because a municipality has the
14 ability to get reimbursed by FEMA. But a
15 municipality, or a co-op, they don't pay federal
16 taxes.

17 But if you live in West Palm Beach, you are an
18 FPL customer, and that storm hits, and you have a
19 lot of damage, and then FPL comes in and asks this
20 Commission to approve -- approve the cost. Well,
21 FPL is paying a lot of taxes. If I live in West
22 Palm, I am paying my income taxes, and all of a
23 sudden I -- I am getting hit with -- with the cost
24 for a storm. It seems that there is a pretty
25 disparate treatment there. And I have heard people

1 say, well, the difference is because one is a
2 private company and one is a governmental entity.
3 But when you think about the flow of dollars, the
4 private companies pay taxes and are contributing,
5 and the others are not.

6 So that's something that I know that's a
7 big -- a big issue, and a big ask; but when
8 Congress is looking at this, or there is a storm
9 event, I think that's something that warrants some
10 further consideration.

11 And then -- and then I am going to get into a
12 detail here, but a recommendation, it seems to me
13 that -- that there should be a focus on -- on
14 transmission hardening as a priority compared to
15 hardening distribution. And I would refer you to
16 two -- two documents that I think support this
17 point.

18 In the TECO presentation, on page 15, they --
19 it's entitled Preparation and Restoration, Irma
20 Performance of Hardened Versus Non-Hardened
21 Facilities. And then the first bullet point is
22 transmission, and -- and it says: Over 25,000
23 transmission structures, approximately 40 percent
24 steel, 40 percent concrete and 20 percent wood.
25 And then at the next bullet point, it says: 10

1 structures failed, all non-hardened wood.

2 So with -- with the transmission, even though
3 it is -- the wood is only 20 percent of the system,
4 that's where TECO, if I am reading this correctly,
5 had all the problems, on the wooden transmission
6 poles.

7 And transmission, when transmission goes down,
8 as I understand it, that's a big deal, because, you
9 know, that is feeding into stuff and can have some
10 serious ramifications.

11 And then if you -- if you take -- take a look
12 at FPL's presentation on page seven, they talk
13 about infrastructure hardening transmission, and
14 they are saying --

15 COMMISSIONER BROWN: Which bullet point is
16 that?

17 MR. MOYLE: This is on page seven, and I am
18 focusing on the middle bullet point, replacing all
19 wood structures.

20 COMMISSIONER BROWN: Okay.

21 MR. MOYLE: So I think -- I think FPL is
22 saying, yeah, we got to get rid of these wood
23 structures given what -- what happened in TECO, or
24 probably what they've experienced; but the thing
25 that caught my eye was, 90 percent of the

1 structures are now steel and concrete, so they have
2 10 percent remaining to be replaced, but it doesn't
3 look like those are going to be replaced until
4 2022, which seems to me to be like a long time
5 frame to replace 10 percent of the transmission.

6 And I don't know the numbers. They may have a
7 whole lot of an answer, and there is a ton of
8 transmission wooden poles. But -- but given, you
9 know, the risk and the storms, it seems to me
10 that's a long period of time to go to 2022 to
11 replace 10 percent of wooden poles that TECO has
12 identified is the only transmission structures
13 that -- that failed.

14 So as a recommendation, we would recommend
15 that you look at setting the priority on replacing
16 wooden transmission poles sooner than later.

17 And again, the -- the -- Commissioner Fay, I
18 think the drones are saving money rather than
19 flying helicopters, so we are onboard with the
20 drones on that.

21 But thank you all -- thank you all for letting
22 me share some comments. I probably went over my 10
23 minutes, but I think it was --

24 COMMISSIONER BROWN: Just a little bit. Just
25 a little.

1 MR. MOYLE: I appreciate the informal nature
2 of it, and -- and letting me share some thoughts.

3 COMMISSIONER BROWN: Thank you, Mr. Moyle.

4 Excellent presentation. I appreciate the
5 recommendations. You made some really cogent
6 points, and especially the FEMA one, which I full
7 wholeheartedly support and share the same sentiment
8 as you do.

9 Commissioners have a few comments and
10 questions.

11 Commissioner Clark.

12 COMMISSIONER CLARK: Yeah. Thank you, Mr.
13 Moyle. Appreciate the comments as well. A couple
14 of questions in terms of specifically your clients.
15 Do -- how did they -- how did your clients fair in
16 terms of reliability during the storm?

17 MR. MOYLE: Yeah, so -- so it kind of varies.
18 I mean, we have a wide group of clients, and they
19 are located throughout the state. So you know,
20 ones in the Panhandle didn't really have much to --
21 much to worry about. Ones -- ones in South Florida
22 had -- had a little more of a challenge. Some are
23 in Miami, and Miami was more severely hit.

24 Some of the clients are involved in phosphate
25 operations, and they have the ability to produce

1 some of their own power, but they need power from
2 electric companies. And so that line of
3 communication, I think, was solid.

4 And, you know, people recognize, a storm hits
5 and you are down, you are going to have -- you are
6 going to have a period of time where you are not
7 operational, and -- and -- but I -- I didn't hear
8 any -- anybody yelling and screaming saying, you
9 know, we are at a week, we are at two weeks. I
10 think the restoration efforts were pretty --

11 COMMISSIONER CLARK: Do your clients mostly
12 take transmission level voltage for service as
13 industrial users, their transmission --

14 MR. MOYLE: A lot of them do; not all of them,
15 but a lot of them do.

16 COMMISSIONER CLARK: You are more affected by
17 the transmission --

18 MR. MOYLE: That's right.

19 COMMISSIONER CLARK: -- challenges than the
20 distribution?

21 MR. MOYLE: That's right. That's right,
22 because a lot of them take it at transmission.

23 COMMISSIONER CLARK: And so that was kind of
24 where my question was going. Do you think the
25 utility companies -- and your last point was we

1 should be focusing on the transmission side. I
2 don't disagree with you at all. But do you think
3 that enough investment has been made on that side?
4 Have we done some of the improvements that need to
5 be done on that, or have we focused too much on the
6 distribution on the substation downside?

7 MR. MOYLE: That's a good question. I don't
8 know -- I don't know that other than some anecdotal
9 information, that I would be able to give you a
10 good cogent answer on that.

11 You know, I do think, from the pieces of
12 information, that if I understand transmission,
13 it's kind of the backbone, and the feeder, and that
14 that's important. You know, my clients do pull off
15 of that, and a lot of them pull off of that
16 directly.

17 So, you know, again, I saw the FPL and the
18 TECO stuff, it just kind of caught my eye with
19 respect to the wooden transmission and the
20 failures.

21 I did hear that -- that there were more
22 transmission failures than maybe expected in
23 certain utilities. And -- and so I think -- I
24 think there may be variability with respect to your
25 question, if all of them were to answer, what have

1 you done on transmission, I am not sure you would
2 get the same answer.

3 COMMISSIONER BROWN: Chairman Graham.

4 CHAIRMAN GRAHAM: Thank you.

5 This is not what my question was, but it goes
6 right back to what Commissioner Clark was just
7 saying about transmission.

8 I am looking at a chart from all the data
9 requests that came in, and it says: Top outage
10 causes for Hurricane Irma. And if you look at the
11 IOUs, they have no loss in transmission service.

12 Now, granted here, TECO lost a pole, but that
13 doesn't mean that they lost the service. And so we
14 need to make sure we are talking apples and apples.

15 And it said -- it has the coops and then
16 munis, and it says there is a couple of
17 transmission service lost there, but the IOUs, all
18 five of them responded, and they said there was no
19 loss of transmission service.

20 Anyway, but that wasn't my concern.

21 MR. MOYLE: Okay. Yeah, and that's a fair
22 point. And I am -- I am giving you information, I
23 am not -- I haven't dug in in terms of that, but
24 that's -- that may be a fair point. But I would
25 assume, you know, given the report about the

1 structures failing, that even if you don't lose the
2 transmission, that's probably not a -- not a good
3 thing.

4 CHAIRMAN GRAHAM: Well, to walk you through
5 kind of what your conversation, it becomes a little
6 problematic.

7 Let's just say, after the storms went through
8 in '05, and we do a great job of vegetation
9 management; and then a year goes by, two years go
10 by, and the conversation is, well, we did
11 vegetation management two years ago, do we have to
12 do it every two years? Can we go to every three years
13 because we haven't had a storm? So then, you know,
14 maybe it goes to every three years, and then, well,
15 you know, we haven't had a storm now, we did it
16 three years ago, can we go to four years?

17 And the problem that runs into, well, when
18 that storm comes through, you know, did -- now, the
19 question comes down, did you do your job, you're
20 supposed to do your vegetation management or did
21 you over-perform, going back to the Aaron Bean
22 question, are you getting your money's worth? You
23 know, at some point, do you start to scale it down?
24 And at what point do you start to scale it back up
25 again?

1 And so it becomes a very difficult question to
2 answer. I mean, maybe this is unfair, but you
3 know, I have been at different conferences, and you
4 get to see pictures of Puerto Rico, you know,
5 fellow Americans over there and you see the damage
6 that happens there. I can show you what zero
7 vegetation management looks like, and, you know,
8 you can see how long those guys were out for. And
9 so now you are trying to figure out, are you
10 getting your costs worth?

11 Well, if you are out -- if your company, and
12 you have got large industrial customers, if they
13 are out for a week, you know, did you get your
14 money's worth? Or they are out for two months, did
15 you get your money's worth? And, you know, where
16 do you draw that line? It's very complicated to
17 get your hands around this.

18 MR. MOYLE: No, I -- I agree. I think -- I --
19 my point -- my point is, and I have -- it seems
20 like tree trimming may be a variable expense that
21 there is a lot of latitude as to when and how you
22 do it, and so there may be factors -- a variety of
23 factors that play into the decision as to when to
24 trim trees.

25 And, you know, I have heard somebody say,

1 yeah, well, you know, tree trimming, you can push
2 it off, I mean, there is variability in there. And
3 I don't -- I don't know if that's the right -- the
4 right answer to say three to six. I do know
5 looking at it, to say, well, you know, if a storm
6 comes, you are go to be better off if you trimmed
7 every three years as compared to if you trimmed
8 every -- every six years.

9 And I don't know the relative cost, but to
10 J.R. Kelly's point, if -- if tree trimming is built
11 into rates, you know, it seems to me that the
12 question should be, well, how often are you going
13 to, you know, trim trees? What's the cost to trim
14 trees? And it should be tied down firmly to say,
15 if the judgment is, it's okay to trim trees every
16 six years, then that's a lesser dollar amount as
17 compared to saying, we are going to trim trees
18 every three years.

19 But -- but, you know, given the variability in
20 there, I think that has some impact on -- on what
21 you see after a storm, because, again, we heard a
22 lot about trees yesterday, and, you know, you got
23 to make a judgment. But if -- if you make a
24 judgment to say, we want utilities to trim every
25 four years, okay, you are on a four-year cycle,

1 that's what you want to do. There is certainty in
2 there. There is cost, and then you can -- you can
3 look at it when you're auditing it, or reviewing
4 it. And you're, like, okay, let's look at your
5 tree trimming. Have you done the four-year cycle
6 as compared to, you know, three -- three to six,
7 and you are, you know, it just seems a little loose
8 to me.

9 CHAIRMAN GRAHAM: Well, and give a little
10 thought to this: If -- if we didn't have Hermine
11 and Matthew before Irma went through, and sit back
12 and think about some of those trees that got
13 trimmed that fell down because of Hermine and
14 Matthew, and the ones that got trimmed immediately
15 after; and then imagine none of that had happened
16 and then Irma went through, as big and as powerful
17 that was, how much more damage we would have had if
18 not for those two hurricanes that came prior to
19 that.

20 I mean, so it's just -- I understand where you
21 are coming from, and I agree with you. We need to
22 look at that stuff. But it's -- it's difficult
23 to -- to put a number to that. It's difficult
24 to -- to say, you have done too much, or you
25 haven't done enough.

1 I mean, like I said, we can go back to the
2 Puerto Rico example where you sit back and you say,
3 well, you know, did they do enough or did they not
4 do enough? You know, and there is a balance there.
5 And, you know -- and I think we are all here, and
6 this is why we are all given, you know, the last,
7 this day and yesterday, to try and figure out where
8 that balance is.

9 And, you know, and I agree with you, and I
10 appreciate Chairman Brown, that she put all of this
11 together so we can have this open dialogue and kind
12 of figure out where that balance is.

13 MR. MOYLE: Yeah. I guess to me, as a matter
14 of policy, it really boils down to -- to do you --
15 do you collectively believe it's the role of the
16 Commission to, through rule-making or otherwise,
17 say, for tree trimming, we've looked at all of the
18 practices throughout the country, or we've looked
19 at similar areas that have -- have, you know,
20 Mississippi, Alabama, that have growth patterns
21 similar to ours, and we think the best practice,
22 based on staff's review and everything, is to trim
23 every blank number of years, and that you all set
24 that as a matter of policy, and that's a judgment
25 that the Commission makes.

1 Or do you say, we aren't -- we don't want to
2 get into the utility's business to that degree. We
3 are going to let them make a decision, and we are
4 going to suggest -- I mean, they are saying it's
5 between three and six, and that's what they
6 present, and we are okay with that.

7 So -- so, you know, I think it can go
8 either -- either way, but, you know, you all are
9 the Commission, and are charged with certain
10 things, so I think it's a jump off question for
11 y'all to consider in my judgment.

12 COMMISSIONER BROWN: Commissioner Fay,
13 followed by Commissioner Polmann, followed by
14 Commissioner Clark.

15 COMMISSIONER FAY: Thank you.

16 Thank you, Jon. I appreciate the feedback.

17 Can you talk a little bit -- my question goes
18 off of Chairman Graham's comments, right. Can you
19 talk a little bit about the expectation of your
20 members when these storms are hitting, and the
21 response from the utilities?

22 When I -- when I sift through all this data,
23 and see, in a fairly short time, significant
24 improvement in the ability to respond to these
25 lines, or service that's down, I am curious how

1 your -- how this -- how the improvements are
2 communicated to your membership, and then how
3 they -- what their expectation is as far as, you
4 know, in the next few years, what this will look
5 like.

6 And I understand that it sounds like a day off
7 the -- a day out of service is too much for them
8 because it's -- it's part of their livelihood, but
9 I think there does have to be some sort of
10 expectations set, and I don't know how you
11 communicate that.

12 MR. MOYLE: Sure. Sure. And a day out of
13 service, I mean, we are not saying, oh, we got to
14 go all the time because events happen, you know,
15 Hurricane Andrew, they happen. So I think there is
16 a reasonable expectation, given the facts and
17 circumstances, that, you know, you may not have
18 power for some period of time.

19 I think the expectation is, is that they
20 receive timely information; because, again, you
21 know, they have a lot of employees that they have
22 to say, after you have taken care of your family,
23 when is expected that we will be back in
24 production, when we will come back to work.

25 And as I said I think in the beginning of my

1 remarks, when I was thanking the utilities, I think
2 those lines of communication worked -- worked well.
3 They have customer reps, and they said, here's what
4 we got. We got, you know, a substation over here
5 that -- you know, and this is a hypothetical, but I
6 was told, yes, good communication. They told us
7 where the problems were; when to expect to be back
8 on line. That information helped us to communicate
9 to our workforce when we expected to be back on
10 line.

11 And my point with respect to some of them do
12 have the ability to, you know, self-generate, and
13 so there -- that's another factor in there, but
14 again, they need -- they need electricity from the
15 state's utilities, but I think the communication
16 was good.

17 In terms of -- in terms of expectation is
18 going, you know, going forward, I think -- I think
19 to the point Mr. Kelly made is, you know, having --
20 having transparency, having a good understanding
21 about what has money been spent on to date, and
22 again, to the cost side of the equation,
23 understanding that; and then that helps them, you
24 know, make -- make a good judgment.

25 I mean, it's the Aaron Bean question, have

1 ratepayers, consumers been getting their money --
2 money's worth? And it's a hard question to answer,
3 but I think the more data and information that is
4 there will help with that judgment.

5 COMMISSIONER FAY: And do you think -- you
6 said the communication was good. Do you think
7 there are areas that you have recommendations for
8 improvement?

9 MR. MOYLE: Not at -- not at this time. We
10 are having our annual meeting coming up later this
11 summer, and this will be a topic on the -- on the
12 agenda, and I will ask the question; because again,
13 what I got was -- was this company, that company,
14 you know, that were, and when I was asking them,
15 how was it? And generally, the reports were
16 positive and favorable, that the utilities were in
17 touch, and having good communication.

18 And, you know, they understand if there is
19 something that's flooded, and it's not going to be
20 there, and you got it rework it, it's going to
21 take, you know, two days to rework it, okay, that's
22 good information. Then you can plan accordingly
23 and let, you know, let your workforce know, take
24 care of your family and your property, but we are
25 not expecting to be back on line until X or Y.

1 COMMISSIONER FAY: Okay. Great. Thank you.

2 COMMISSIONER BROWN: Commissioner Polmann.

3 COMMISSIONER POLMANN: Thank you, Madam
4 Chairman.

5 Mr. Moyle, I am really impressed with all the
6 information you brought forth. I have got more
7 notes here than I know what to do with, so I really
8 thank you.

9 MR. MOYLE: Thank you.

10 COMMISSIONER POLMANN: Madam Chairman, I have
11 more questions than you are going to allow me.

12 COMMISSIONER BROWN: It's a free-for-all
13 today.

14 COMMISSIONER POLMANN: So I am going to do my
15 best to be brief. But I am intrigued -- and this
16 is truly a question that I have, that everyone has,
17 is did the consumers get their money's worth?

18 It's such an incredibly difficult question,
19 and I will make the quick analogy, do you keep
20 repairing that old car and keep it or do you buy a
21 new one? And when you put the money in the old car
22 and then it breaks, something else breaks, did you
23 get your money's worth?

24 CHAIRMAN GRAHAM: He got to use your analogy.

25 COMMISSIONER POLMANN: And I make the analogy

1 because I keep putting money into that old car, so
2 now that car is worth what it cost to buy the new
3 car, which I refuse to do.

4 So that is truly an answer on its face that
5 any reasonable person wants to know, so everybody
6 wants to know that answer, and I appreciate what
7 the Senator is asking.

8 But it begs the question of, you know, what
9 would the customer costs have been if you had taken
10 a different course of action, which, of course, you
11 can't do. You can't go back and do something
12 different. So we don't have that information.

13 So the only way to answer that question is to
14 create a hypothetical, and you could create many,
15 many different hypotheticals, so which one do we
16 want to analyze?

17 So we are sitting here with a problem for
18 which we cannot get an answer, so we are stuck with
19 a conundrum of something took place for each of the
20 utilities for every place across the state, and
21 what if we had done something else, is the only way
22 to answer the question of did you get your money's
23 worth.

24 So a way to go forward is to look at the
25 situation, and then do an analysis of an

1 alternative, then the question is, how much time
2 and effort and expense do we want to put into that
3 to make an estimate of the alternative, recognizing
4 that it's just an estimate and that's a wrong
5 answer anyway.

6 So I really appreciate the question, because I
7 want to know that myself. And I know everyone, and
8 the consumers, and there is many people are saying,
9 I contributed to all of this and I didn't get my
10 money's worth because I was out of power for X
11 number of days.

12 It's a -- it's a real problem. I appreciate
13 you bringing it forward. You have cus-- you know,
14 you have clients that made huge contributions to
15 this based on their power use, so we are struggling
16 with that.

17 I want everyone to know that it's a very
18 difficult thing, and we are working hard and to try
19 to figure out what to do with that. I thank you
20 for putting it out there very squarely.

21 MR. MOYLE: Sure, and if I could just comment.

22 COMMISSIONER POLMANN: Yeah, please. Please.

23 MR. MOYLE: I recognize that what you stated
24 is the case. There are so many independent
25 variables that -- that result from a storm that

1 it's hard, it's not -- it's not a mathematical
2 equation. There is a lot of different things that,
3 you know, that go into it.

4 But my thinking is, is that that's not unlike
5 a whole lot of other decisions that you're asked to
6 make on a regular basis, where you have people
7 saying, I am an expert in this, here's what I think
8 natural gas prices are going to be. That's not
9 going to be --

10 COMMISSIONER POLMANN: Well, that's a
11 different question.

12 MR. MOYLE: You know, yeah, right.

13 But the point is, is that you have experts who
14 will come in and say, here's my best thinking on
15 that --

16 COMMISSIONER POLMANN: Of course.

17 MR. MOYLE: -- and then -- and then that gives
18 you some basis for making judgments.

19 And I remember, and I can't remember exactly
20 what utility it was, but in one of the rate cases,
21 there was an expert in storm damage and hurricanes,
22 and I think he was from California, and he came
23 over and he had a report, and part of the analysis,
24 which I think -- I think hangs together, in my
25 mind, is -- is just it's almost like a building

1 code analysis, to say if you design something at
2 90 miles an hour, here's what happens, if you
3 design at 120, here's --

4 COMMISSIONER POLMANN: Right.

5 MR. MOYLE: -- and that was used for the basis
6 of seeking some -- some dollars. So I think there
7 is a way to get informed information to try to
8 answer the question. Will it be right? No, but it
9 will be better than -- than not having the
10 information --

11 COMMISSIONER POLMANN: Understood.

12 MR. MOYLE: -- and, you know, I think it's
13 this or that.

14 COMMISSIONER POLMANN: And in that regard, I
15 think one of the things that -- that we can do, and
16 I would advocate for, is going through the type of
17 analysis that we are discussing and putting in an
18 effort to the point where the real value coming out
19 of that is how do we make the decisions about the
20 level of effort and the expenditures for hardening?
21 What is the decision process to decide, well, this
22 is a reasonable expense, and beyond that would be
23 unreasonable. And I think that's what you're
24 saying.

25 MR. MOYLE: That's right.

1 COMMISSIONER POLMANN: And I think it's to
2 your point of, your words were good, better and
3 best as to the poles for example, so --

4 And part of that is -- what we try to do is
5 look at best value in the reasonableness
6 determination. So there, it really does go beyond
7 the data of this pole is 120 miles an hour, and
8 this is 150, and so forth, because different people
9 are going to look at that different ways, and say I
10 want the best pole. It doesn't matter what it
11 costs. And someone else is going to say, well,
12 that's too expensive. Well, to me, too expensive
13 might be different from you too expensive. And who
14 decides that? Well, in principle, the Commission
15 does; which is, in fact, what makes this job
16 interesting and very challenging.

17 So the difficulty here is that the Commission
18 changes over time; circumstances change over time;
19 the information that we have changes over time.
20 And again, that's truly not something that we can
21 go back and look five years ago and say, well, did
22 the Commission make the right decision? That -- it
23 doesn't work that way. This is a going-forward
24 process.

25 So back to the point of did the consumers get

1 their money's worth? Necessarily they did, because
2 the decision was made 10 years ago, or five years
3 ago, and that's a very, very difficult thing for
4 the customers to understand. We can't go back and
5 change that decision that's already been made.

6 So -- so again, here the purpose of this
7 workshop is, forward looking, how do we change a
8 process? How do we change a decision-making
9 process? What information would be more helpful to
10 have going forward? And that's why this process is
11 so helpful, and what you're bringing forward to us
12 is really valuable. So I think this is a great --
13 a great process of input.

14 To the point of what selection is made, I
15 think of it as a marginal cost analysis. If you
16 are looking at a capital expense, or an O&M
17 expense, what's the value of that next dollar?
18 You're going to do something, so there is a base
19 cost, and I would appreciate any of you having
20 thoughts. For example, in your the industry the
21 clients, they are always doing that analysis. We
22 are going to invest in our equipment and machinery,
23 and whatever the case may be. We know we need an
24 XYZ -- I am sorry -- piece of equipment, but we can
25 get a better one for an incremental cost. That's a

1 marginal cost analysis in terms of efficiency, or
2 whatever. I am sure there is all the analogies in
3 the utility.

4 So anything that can cross over from your
5 clients operations on that marginal cost, that's
6 the kind of thing that would be helpful to our
7 staff is that comes back to the best value. I
8 think that's where we can make a difference.

9 And to the tree trimming, it's the same thing.
10 You know, my landscape, if I put a plant out there
11 and it gets cold and that plant dies, that's the
12 wrong plant. Don't come back and put that same one
13 there. I should put something else there.

14 So to the tree trimming, you know, whether
15 it's one year, or three years, or five years, I am
16 not sure that we can take a position that everybody
17 should be doing three years.

18 Do you think it would be more helpful if all
19 the utilities came in with a plan and said, in this
20 region, we have a specific plan there, and then,
21 you know, we have utilities that cover 37 counties,
22 I wouldn't want to see them have a three-year plan
23 for everywhere.

24 COMMISSIONER BROWN: Commissioner Polmann,
25 just to stop you briefly. I know that Commissioner

1 Clark has some questions, some follow-up
2 questions --

3 COMMISSIONER POLMANN: Yeah, I knew you were
4 going to --

5 COMMISSIONER BROWN: I don't want him to lose
6 track in your diatribe, but are you -- are you
7 wrapping it up?

8 COMMISSIONER POLMANN: Am I wrapping it up? I
9 am done.

10 COMMISSIONER BROWN: Okay. Thank you.
11 Commissioner Clark. Thanks.

12 COMMISSIONER POLMANN: He had a point.

13 MR. MOYLE: I do want to comment, though.

14 COMMISSIONER POLMANN: I was asking him a
15 question.

16 COMMISSIONER CLARK: Yeah, and in light of
17 that, I am going to forego my line of questions. I
18 want us to be cautious on the right-of-way issues,
19 and we keep using tree trimming. It's bigger than
20 tree trimming. It's a right-of-way maintenance
21 issue. It's a direct cost. It's a variable cost
22 that hits directly to the bottom line of the
23 utility company.

24 There are a lot of -- a lot of factors that go
25 into making right-of-way decisions, and whether

1 that's trimming, or spraying, and whether you are
2 in a one-year, or three-year, or five-year cycle,
3 that is usually dictated by the topography. It's
4 dictated by the type of vegetation that you're
5 trying to maintain.

6 So I am with you, I don't think we need to
7 specifically look at asking for a certain cycle by,
8 you know, a minimum amount of years in each cycle.
9 You know, you get into a drought year, we've
10 actually had drought years where you can skip your
11 tree trimming for two years. There is no growth.
12 There is no need to trim. You can postpone that
13 direct expense. So I have seen, you know,
14 situations that dictate, mandate other terms and
15 other behaviors.

16 I would encourage us to let's take a look at
17 it, and kind of tag on to Mr. Polmann's thought
18 process, there is, you know, maybe each of our
19 utilities come in and give us an IA presentation in
20 terms of what they are doing in terms of vegetation
21 maintenance, and give us a little better
22 understanding so we can look and see are there ways
23 specifically that we can help those individual
24 utilities do a better job and control those costs.

25 From a cost perspective, Mr. Moyle, you know,

1 you guys have got to love it when they don't trim,
2 when they don't have to trim that year. That's
3 just something that doesn't go -- doesn't get
4 passed on to the consumers at that particular time.

5 So I would encourage us to take a really close
6 look at right-of-way maintenance in general, and
7 maybe get a presentation from the utilities on what
8 their independent individual cycles are.

9 MR. MOYLE: So, if I could just comment on
10 that.

11 If I am a utility -- if I'm a utility, and I
12 have a wide degree of variability with respect to
13 expenditures, I mean, there are a lot of things
14 that I have to look at. I want to -- I want to
15 make an earnings number, and if I can say, well,
16 you know what, I can -- I can defer tree trimming
17 for this year, that will help me with my earnings.
18 I mean, not unlike owning a piece of property, you
19 defer maintenance, you know, you have a better, you
20 know, a better result from your piece of property.

21 You know, those are -- those are decisions
22 that -- that get made, and, you know, I -- there is
23 no requirement you got to do it here and you got do
24 it there. So if decisions are being made, you
25 know, that factor in earnings and things like that.

1 You know, somebody one time said, you know, tree
2 trimming is a pretty big variable that lets you
3 move -- move some things around that -- that may
4 be -- may be out there.

5 So, and I guess, Commissioner Polmann, to your
6 point is, the way -- the way I understand this
7 process is supposed to work with respect to
8 decision-making is on things like this. I mean,
9 the Commission is subject to rule-making, 120. And
10 to the extent that there are policy issues that you
11 would say we want -- we want the Ford -- the Ford
12 with 200,000 miles on it compared to the Tesla, you
13 know, you would put that -- put that in a rule.
14 And then another Commission could say, you know,
15 they got it wrong because, you know, it's not --
16 not a good investment, you keep -- every month, you
17 are having to do something else to the Ford. We
18 think the Tesla is the better decision. They could
19 change that.

20 But -- but I think my -- my view is is that
21 that is incumbent, really, on the Commission to
22 look at those issues and set policy, and give
23 direction to the utilities as to -- not every
24 issue. I mean, you are not going to
25 micromanagement, but -- but key issues that -- that

1 have an impact; because people are going to look to
2 you. I mean, Senator Bean, and the other members
3 of the Legislature, they are -- they are asking you
4 all, for, okay, please give us information. Please
5 tell us. You're the experts in the state.

6 So I think that the right balance is important
7 for -- for you all as you wrestle with these
8 issues.

9 COMMISSIONER BROWN: Thank you, Mr. Moyle. We
10 appreciate your participation. You did raise some
11 excellent points.

12 Commissioners, any last questions of Mr.
13 Moyle?

14 COMMISSIONER POLMANN: Nothing else.

15 COMMISSIONER BROWN: All right. We are going
16 to move along to Retail Federation.

17 And just to give everyone a -- we will stop in
18 about an hour to take a little break, and then
19 seeing where we are at, we will take a lunch break
20 at a nice stopping point for about an hour.

21 So with that, Mr. Schef -- Mr. Wright.

22 MR. WRIGHT: Thank you, Commissioner Brown,
23 Mr. Chairman, Commissioners.

24 I am Schef Wright, and as you know, I
25 represent the Florida Retail Federation. I also

1 represent other -- a number of other entities with
2 keen interest in the issues posed by this workshop.

3 Before I go on, I want to thank you for the
4 opportunity to speak to you today, and I want to
5 add my thanks, and the thanks of the Retail
6 Federation, and the thanks of all the other
7 customers and folks that -- that I work with to the
8 utilities for doing the very best that they can in
9 preparation for and restoring service following the
10 storms.

11 They are truly faced with a Herculean task in
12 keeping the grid running reliably any time. And I
13 think if you throw Irma on top of that, it's kind
14 of like the Aegean stables cubed. It's -- it's an
15 incredible job, and we deeply appreciate the work
16 that they do.

17 The Retail Federation is a statewide
18 organization of about 8,500 members served by
19 probably every retail serving utility in the state.
20 There might be -- might be one of the teeny coops
21 that doesn't have a Retail Federation member, but I
22 kind of doubt that, too.

23 We, the Retail Federation's members, want and
24 need reliable electric service to keep our
25 businesses going. And we believe that we are

1 entitled to that service at the lowest possible
2 cost, or the lowest feasible cost from our
3 regulated monopoly providers. It's the regulatory
4 compact. They get the monopoly, we get the
5 protection of the end served at the lowest feasible
6 cost.

7 In the context of storm preparation and
8 restoration, lowest feasible cost, lowest possible
9 cost -- and this is a difficult issue, and I am
10 going to talk about the questions raised by
11 Commissioner -- Commissioners Polmann and Graham
12 specifically later on. This means seeking optimal
13 outcomes.

14 Now, I did used to be an economist, and we
15 talk a lot about optimization, but optimization is
16 really, really important, because if you don't
17 optimize, you're not being maximally efficient, and
18 that means there is waste. There is room for
19 improvement. That's what optimizing means.

20 In this context, it means making decisions
21 that tend toward optimizing the use of all
22 resources, and tend toward maximizing values for
23 customers. These decisions are important for all
24 spending on storm hardening, storm preparation and
25 storm restoration.

1 I think we would all agree that fewer outages,
2 and shorter outages, and less storm damage, and
3 less storm restoration costs are better than any
4 alternative. They are better in a traditional
5 utility cost in rate context. And the associated
6 result, which is maintaining service, which keeps
7 the meters spinning, keeps the lights on, provides
8 even more value to the utilities, to the customers
9 and to the whole state.

10 There is tremendous economic value that is
11 realized by folks being able to continue to go to
12 work, keep their homes going, run their businesses.
13 This value should also be considered in all of
14 these decisions.

15 Now, I also represent municipal utilities,
16 municipal electric utilities, I have represented a
17 couple, and I still represent a couple. And I
18 represent a number -- have represented a large
19 number, and currently represent a small number, of
20 municipalities that want their overhead facilities
21 to converted to underground.

22 Two of my clients have completed their
23 town-wide undergrounding projects. They have
24 undergrounded their whole towns. Two more have
25 recently voted to authorize the issuance of bonds

1 to finance whole-town undergrounding projects.

2 Other cities, that just unfortunately for me
3 are not my clients, have extensive undergrounding
4 projects under way as well. Winter Park, which
5 established its municipal electric utility in 2005,
6 continues on its long-term -- are we good?

7 COMMISSIONER BROWN: No, we are good.

8 MR. WRIGHT: Okay. Winter Park --

9 COMMISSIONER BROWN: We are good.

10 MR. WRIGHT: I wondered if the court reporter
11 needed a break.

12 COMMISSIONER BROWN: We are going to give her
13 a break in 30 minutes.

14 MR. WRIGHT: That's great.

15 COMMISSIONER BROWN: That's what we were
16 talking about.

17 MR. WRIGHT: Thanks.

18 Winter Park established its municipal utility
19 in 2005 largely because of concerns over
20 reliability. They continue on their long-term
21 plan, which is probably going to take them another
22 10, 15 years in that order of magnitude, but they
23 continue undergrounding sections of their town on a
24 methodical disciplined basis, and they are keeping
25 after it, and they are doing it with rates less

1 than those of their predecessor total over the last
2 13 years, and today. And when Irma came through
3 Orange County, Winter Park had its system fully
4 restored before Winter Park's predecessor utility's
5 facilities in Orange County were fully restored.

6 Now, I will tell you -- I agree, you know,
7 undergrounding definitely involves balancing, but
8 that's what optimization is about any time. Every
9 optimization question is balancing cost in
10 benefits. Undergrounding is not a completely
11 problem free panacea. It's not appropriate for
12 every context. It's not appropriate for my 17-acre
13 farm on Bassett Road in Gadsden County, where I got
14 a house across the street and one house a quarter
15 mile in either direction, we ain't going to
16 underground that circuit any time soon. But it is
17 clear that undergrounding is significantly more
18 reliable than overhead facilities, whether hardened
19 or not hardened.

20 For all practical purposes -- and this has
21 been true for 20 years. For all practical
22 purposes, underground service is the standard for
23 new construction, and it is generally done with
24 very low contributions in native construction, or
25 CIACs, required of customers who want their new

1 subdivisions put underground; frequently, in many
2 cases, zero CIAC. This reflects that
3 undergrounding, as a general proposition, in the
4 greenfield situation is very, very cost competitive
5 with overhead.

6 As I said, I mean, I don't know what the
7 percentage is these days, but it's probably north
8 of 95 percent of all new subdivisions are going in
9 underground.

10 With the goal of maximizing reliability and
11 maximizing value to everybody, it is critical to
12 recognize all the benefits to the utility and the
13 utility's general body of customers in calculating
14 the CIACs that customers are asked to pay.

15 And I am really talking about conversion
16 projects now. New construction is easy. You got
17 regulated CIACs. The coops and the munis have
18 their CIACs policies, which the ones I am familiar
19 with are generally very favorable, low or no CIAC
20 for new underground. So we are really talking
21 about conversions. But it's critical to recognize
22 all the costs and all the benefits, including at
23 least the avoided storm restoration costs, that are
24 sometimes called ASRCs, and differential O&M costs.

25 You don't -- you might want to take out a tree

1 if you're afraid the roots are growing into the
2 transformer box; but generally speaking, you don't
3 have any tree trimming costs where you have
4 undergrounding facilities -- underground
5 facilities.

6 I want to -- I want to pause here, because
7 I -- I have been -- I worked on light extension
8 CIACs doing the economic impact statement for the
9 rule when I was on the Commission staff in the
10 mid-1980s. I have been working on undergrounding
11 since 1989, when I was a law student and my law
12 firm was hired by the town of Golden Beach to have
13 a proceeding against FPL, we wanted them to give us
14 a better deal on the CIAC. It didn't work out
15 then, but I understand they are going forward with
16 their -- with their undergrounding project.

17 But I want to say -- I want to say this; I
18 personally -- and like I said, I have been doing
19 this for 29 years now on undergrounding -- and my
20 clients, Jupiter Island, Jupiter Inlet Colony,
21 Golden Beach, others, we don't always agree, and we
22 have not always agreed with FPL on every point
23 involved in the undergrounding process and CIACs,
24 but I want to say this; we genuinely and deeply
25 appreciate FPL's proactivity in adopting its

1 25 percent storm restoration cost credit in its
2 underground conversion CIAC, and we genuinely
3 appreciate FPL's continuing willingness to work
4 with us to refine CIAC and to make sure projects go
5 as smoothly as they can.

6 In particular point here, 14 months or so ago,
7 Palm Beach asked FPL to please consider changing
8 the application of the CIAC formula to reflect --
9 to zero out removal cost and compensation for net
10 book values when the facilities would otherwise be
11 replaced because they were going to be hardened
12 pursuant to the hardening plan. That was not FPL's
13 policy up to that point in time. And we sent them
14 a nice letter, and they sent us back a nice letter
15 saying, we agree, and this --

16 COMMISSIONER BROWN: Mr. Wright, can I get you
17 to focus on this current generic proceeding please?

18 MR. WRIGHT: Yes, ma'am.

19 COMMISSIONER BROWN: Thank you.

20 MR. WRIGHT: We are grateful to FPL. It's
21 important to recognize, in addition to the direct
22 cost savings, storm restoration costs and O&M
23 costs, that fewer and shorter outages not only mean
24 less utility cost and, thus, lower storm
25 surcharges, they also mean more electricity being

1 delivered and used.

2 This creates value for all customers, both for
3 those whose outages are avoided and/or reduced, and
4 for other customers, there is more restoration
5 resources available for faster restoration. There
6 is more base rate revenue, which suppresses any
7 possible need, you know, future needs for rate
8 increases. There is less storm restoration cost,
9 and it there is more real economic value to
10 everybody affected, including their communities.

11 In summary, it's critical to optimize
12 everything, or at least try hard to optimize
13 everything; because as Commissioner Polmann noted
14 correctly a few minutes ago, we can only make
15 incremental forward looking prospective decisions.

16 The utilities face very difficult optimization
17 problems in planning and mobilization for impending
18 storms. They try very hard. They generally do a
19 very good job. It is our job, as customers, to
20 rigorously test their claims for cost recovery.

21 Finally, I would like to tell you, my wish
22 lists are these, and I have a couple of additional
23 comments beyond these:

24 Optimize everything. Try to get it the best.
25 That's what I think we really ought to be doing,

1 whether it's storm hardening, transmission
2 planning, generation planning or anything else.

3 Recognize all the values that undergrounding
4 provides relative to everything else, and make sure
5 that those values are reflected in CIACs.

6 And I would suggest that if it's a close call,
7 it would be appropriate to err on the side of
8 reliability. In that regard, I think it would be
9 very interesting, as we go forward through
10 processes evaluating storm hardening plans and
11 everything else over the next years, to look at
12 distribution the same way that you would look at
13 transmission and generation.

14 I think a really interesting set of facts to
15 know, and I haven't seen them yet, and they may or
16 may not exist, but I will be asking for them, and
17 that is this: How much load or energy was not
18 served during the outages experienced after
19 Hurricane Irma, Nate, any others, Irma in
20 particular, due to transmission outages?
21 Apparently none in Irma. Due to substation
22 outages? Some. And due to distribution outages?

23 Get a handle on -- on the thousands, probably
24 hundreds of thousands of megawatt hours that aren't
25 served by -- because of outages on the different

1 components of the system, and consider that in
2 making -- making your decisions.

3 I do -- I do want to talk very briefly about
4 the -- to the questions raised by, I guess, Senator
5 Bean and Commissioner Graham and Commissioner
6 Polmann. Are you getting your money's worth?

7 And the problem is, we, customers,
8 Commissioners, the utilities, can only make
9 prospective decisions. In other words, you don't
10 know whether you are getting your money's worth
11 until you go down the road and see what happens.

12 In the car context, you might fix your
13 transmission today and have the engine below next
14 week, and you are done. In the storm context, you
15 might -- you might make a decision not to
16 underground a large portion of the system and you
17 get hit by two storms, and at that it's, you know,
18 I could have had a V8 because if you have two -- if
19 you have two Cat 3s, you have probably paid for the
20 whole conversion project. That's really close to
21 how it is.

22 On the other hand, if you do something like --
23 it's going to cost, you know, say a few billion
24 dollars, whatever, maybe more than that, and I am
25 not talking -- we are not going to this overnight

1 or next year or anything like that. All of these
2 projects are lengthy projects. But you might do
3 it, and you might undertake a project and not get
4 hit by a storm for 40 years.

5 Palm Beach is on the threshold that they've
6 actually started construction on their project.
7 The others are done. They did do Jupiter Island
8 and Jupiter Inlet Colony did real well in the
9 storms. But, you know, you might spend the money
10 and never get hit and look back and say, oh, you
11 know, I bought that insurance policy and never had
12 a claim. It's a very difficult -- it's a very
13 difficult question.

14 My wish list is optimize everything and
15 consider all values in all aspects of all
16 decisions.

17 Thank you very much.

18 COMMISSIONER BROWN: Thank you, Mr. Wright.

19 Commissioners, any questions?

20 Commissioner Clark.

21 COMMISSIONER CLARK: I will take one. Thank
22 you, Mr. Wright. I appreciate it.

23 In listening to your advocating for
24 underground, would you advocate for eliminating
25 CIAC costs for new underground completely?

1 MR. WRIGHT: No. I would advocate for
2 considering all values and ben -- all beneficial
3 values, so all avoided storm restoration costs and
4 appropriately considering all avoided O&M costs in
5 those calculations.

6 COMMISSIONER CLARK: Do you have any idea of
7 what that formula would look like? I am interested
8 to see what value we place. I think that's where
9 we are all trying to get. Any idea what value we
10 place on the storm hardening value?

11 MR. WRIGHT: The storm hardening -- well, in
12 this context, the -- just that question
13 specifically; in the context of the new
14 construction CIACs, the underground residential
15 distribution, underground commercial distribution
16 CIACs, the right way to incorporate that is to
17 include the cost of the hardened overhead
18 facilities that would otherwise be installed as the
19 equivalent cost of new overhead in the formula.

20 I mean, the formula -- for all practical
21 purposes, the formula for new construction is the
22 same as the formula for conversions.

23 COMMISSIONER CLARK: Right.

24 MR. WRIGHT: Which is set forth in your rule
25 25-6.115, except that you don't have net book

1 value, salvage value and removal cost as
2 components. They are all zero in the new
3 construction.

4 So it's new overhead -- cost of new overhead,
5 minus cost of new underground, minus storm
6 restoration cost savings, minus other O&M cost
7 savings. So in this case -- in the context -- to
8 answer your question, in that formula, it ought to
9 be accounted -- the hardening cost should be
10 accounted for in a higher cost for overhead
11 facilities that would otherwise be installed,
12 assuming that the utility would otherwise install
13 hardened facilities, which is probably a pretty
14 good assumption.

15 COMMISSIONER CLARK: That was a good answer.

16 I am still not sure how we determine exactly
17 what that additional hardened cost would be. Is
18 that what we are going to take out of the utility's
19 load forecast under a 10-year plan? How -- how
20 would they have planned to harden it or not to
21 harden it?

22 MR. WRIGHT: The utilities file storm
23 hardening plans every three years. And they --
24 they are fully capable of identifying what --
25 what -- well, they would have to. In their plans,

1 they identify what will be hardened. And they are
2 fully capable of calculating, or at least
3 estimating, with reasonable precision, the cost of
4 hardened facilities.

5 They do it in calculating the CIACs for the
6 conversion projects. If there is going to be -- if
7 there is going to be a conversion project, when
8 they calculate in CIAC, they give a credit -- well,
9 FPL does, and everybody is supposed to, give us
10 credit for the hardened overhead facilities that go
11 into that formula if they would -- if they would be
12 hardened pursuant to their hardening plan.

13 COMMISSIONER CLARK: And I can appreciate the
14 position. I am wondering if the two guys to your
15 right would agree that we should just take that
16 number, whatever it is, and whatever the plan is,
17 and say, you know, we are going to calculate and
18 apply that against the underground CIAC costs. I
19 don't see them over there going, yes, you are
20 right.

21 So I think it's an issue of coming back again
22 to balancing the cost and reliability matter --

23 MR. WRIGHT: Sure.

24 COMMISSIONER CLARK: -- and it's a tough one.

25 MR. WRIGHT: And my point is that, you know,

1 that recognizing those costs properly reflects
2 value to all customers. It reflects value some.

3 COMMISSIONER CLARK: Yes.

4 MR. WRIGHT: Well, not transmission voltage
5 customers.

6 COMMISSIONER CLARK: Yeah. But they get a lot
7 of the --

8 MR. WRIGHT: But they are not allocated
9 distribution cost in the cost of service study.

10 COMMISSIONER CLARK: True.

11 I would also -- you know, when you look at the
12 difference in the municipals, and the -- when you
13 are looking at it from a municipal system
14 perspective versus a retail customer, I see some
15 very big differences in terms of cost allocation
16 and how those are shared in terms of rates in
17 classes of customers. When you look at commercial
18 classes of customers, you look at industrial
19 classes versus residential classes, you know, some
20 of those customers are going to be taking on a
21 bigger share of that -- of that load, too.

22 Thank you very much. I appreciate it.

23 COMMISSIONER BROWN: Thank you, Commissioner
24 Clark.

25 Commissioner Fay.

1 COMMISSIONER FAY: Thank you.

2 So my question, it's based a little off of
3 personal experience. So when Hermine hit
4 Tallahassee here, I think we were out for about
5 four days. And about the second day, we were
6 driving down the road and there was this beautiful
7 light, and it was Publix, right. And the lights
8 were on, and they had -- they were open for
9 business, and it made a huge difference, at least
10 from a morale perspective to see, you know,
11 somebody opening and still operating.

12 Are some of your -- is some of your membership
13 in the folks that you have, are they -- are they
14 reliant on their own sort of structure to ensure
15 that business is never interrupted so the
16 reliability analysis, I think, can only be -- and
17 nothing can be guaranteed based on the structure no
18 matter what the improvements are. And so do you
19 have, within your membership folks, who just have
20 to make the decision internally that they have to
21 have a structure in place to where they can't go
22 down for even a few hours?

23 MR. WRIGHT: Yes. And Publix is a perfect
24 case in point.

25 I think that -- I think the following is true,

1 all but four or maybe five Publix stores in the
2 state of Florida have their own backup generation.
3 That was a corporate decision that, obviously,
4 works out well.

5 In those circumstances, it does involve some
6 nontrivial expense on the front end, and some
7 maintenance expense to have fuel there. But they
8 have.

9 Others, some have generators, some don't.
10 Publix is -- some do not. Publix is the really
11 good example that has essentially its entire fleet
12 in Florida has backup generators.

13 COMMISSIONER FAY: Great. Thank you.

14 COMMISSIONER BROWN: All right. Commissioner
15 Polmann.

16 COMMISSIONER POLMANN: I go here with great
17 trepidation.

18 MR. WRIGHT: I can't imagine why, but great.

19 COMMISSIONER POLMANN: I will be brief,
20 relatively speaking.

21 To follow on to Commissioner Clark's
22 questioning. I think I understand what you are
23 suggesting in the CIAC, as to the way I understand
24 it. CIAC is generally a local cost --

25 MR. WRIGHT: Yes.

1 COMMISSIONER POLMANN: -- when we are dealing
2 with installation of facilities, and are you
3 suggesting that when we are looking at the value of
4 everything and optimizing everything, do I
5 understand that you are considering hardening, the
6 cost of hardening in facilities in general, that
7 CIAC, rather than being a local cost, be a cost
8 assigned to all customers as a system cost.

9 MR. WRIGHT: Let me try to answer it this
10 way --

11 COMMISSIONER POLMANN: Yeah, maybe just
12 explain it to me.

13 MR. WRIGHT: What we are talking about is how
14 to allocate the total cost of an underground
15 conversion project, is that what we are talking
16 about?

17 COMMISSIONER POLMANN: I understood the
18 differential cost from --

19 MR. WRIGHT: Yeah, let's --

20 COMMISSIONER POLMANN: -- the overhead, and
21 hardening the overhead compared to converting the
22 overhead to underground. I got that part.

23 MR. WRIGHT: Let's say we are looking at --
24 let's say we are looking at Palm Beach, and the
25 ballpark electric -- the ballpark total cost for

1 the conversion job in Palm Beach is on the order of
2 \$40 million.

3 COMMISSIONER POLMANN: So who pays for that?

4 MR. WRIGHT: The people of Palm Beach will pay
5 part of it through their CIAC payment, which
6 probably is going to be, after the storm
7 restoration cost credit and the other credits that
8 we will get in the formula, probably be on the
9 record of 50 to maybe 55 or 60 percent of the total
10 cost. The rest of it --

11 So let's say it's \$20 million. Palm Beach
12 writes checks to FPL for \$20 million over --

13 COMMISSIONER POLMANN: Okay.

14 MR. WRIGHT: In simple terms, we pay \$20
15 million, and FPL pays \$20 million. They put it in
16 their rate base, and it is then paid as part of the
17 distribution system costs that are allocated to all
18 customers in, all but the transmission service
19 classes, in future rate cases.

20 Did that get it?

21 COMMISSIONER BROWN: One second.

22 COMMISSIONER CLARK: Let me ask you a quick
23 question. But it's allocated not to the customers
24 in Palm Beach. It's allocated to all of the
25 utility's customers all over the entire system?

1 MR. WRIGHT: That's right.

2 COMMISSIONER CLARK: I am making that as
3 point. I think that's important to understand.

4 COMMISSIONER POLMANN: I am trying to
5 understand what you're suggesting.

6 MR. WRIGHT: I tried to say that.

7 COMMISSIONER POLMANN: If you are trying to
8 suggest -- if you are suggesting a change, or you
9 are explaining how it is now. What is it that we
10 are talking about here? You want it to be
11 different?

12 MR. WRIGHT: I want to make sure that across
13 the board across the state of Florida, all values
14 of undergrounding get properly reflected because
15 those are values that do accrue to all customers on
16 the respective utility system.

17 If FPL's cust -- if FPL did not underground
18 Palm Beach, or if Palm Beach and FPL cooperatively
19 did not underground Palm Beach, FPL would come in
20 and install more expensive hardened distribution
21 facilities as part of its hardening plan.

22 Those costs can be spread to all customers,
23 and therefore, when we determine how much the
24 people of Palm Beach pay as a percentage of the
25 total cost, we appropriately, pursuant to your rule

1 and FPL's tariffs, get credit for avoiding those
2 hardened costs.

3 We also enable FPL to avoid some presently
4 indeterminable amount of storm restoration costs
5 that FPL has, as reflected in its tariff, assigned
6 a credit value of 25 percent of the otherwise
7 applicable CIAC to. Those are costs saved by all
8 of their customers, and that's why, plus or minus,
9 we are going to pay 20 million bucks --

10 COMMISSIONER POLMANN: Right.

11 MR. WRIGHT: -- and the other \$20 million will
12 be rate based.

13 COMMISSIONER POLMANN: Okay.

14 MR. WRIGHT: It's a little more complicated
15 than that, but we don't need to go there today.

16 COMMISSIONER POLMANN: No, I understand the
17 words you said, and I get the concept.

18 MR. WRIGHT: Okay.

19 COMMISSIONER POLMANN: The more complicated
20 part I don't get, but I don't need to know right
21 now.

22 Tom, do you understand what he said? Thank
23 you.

24 COMMISSIONER BROWN: Okay.

25 COMMISSIONER POLMANN: That's it.

1 COMMISSIONER BROWN: Thank you.

2 Thank you, Commissioners. And thank you, Mr.
3 Wright, for your participation.

4 MR. WRIGHT: Thank you.

5 COMMISSIONER BROWN: We are going to take a
6 brief recess for about five minutes or so. We will
7 come back here at 11:25.

8 Thank you.

9 (Brief recess.)

10 COMMISSIONER BROWN: Thank you. We are back
11 on the record. And again, thank you all so much
12 for your participation. It's been a really lively
13 morning filled with great questions and discussion.

14 All right. So we are now on the City of
15 Dunedin. Ms. Jennifer Bramley, who is the City
16 Manager.

17 MS. BRAMLEY: Yes.

18 COMMISSIONER BROWN: Okay, welcome.

19 MS. BRAMLEY: Thank you very much. And good
20 morning, and thank you so much for having us.

21 I am Jennifer Bramley. I am the City Manager
22 of Dunedin. And I am here with Mayor Julie Ward
23 Bujalski to talk about some of our experiences and
24 our recommendations as they pertain to Hurricane
25 Irma.

1 Our comments are really in the spirit of
2 improving our power grid. Duke is our utility
3 provider. They met the challenge with
4 determination and commitment meeting Hurricane
5 Irma, and we seek to develop a more meaningful
6 partnership with Duke going forward. In fact, we
7 feel that it's crucial that we develop a more
8 meaningful partnership moving forward.

9 For those of who you don't know Dunedin. It
10 is a small city, about 37,000 people, on the west
11 coast of Florida, north of Clearwater and west of
12 Tampa. And we understand now that Commissioner
13 Polmann is very well aware of where Dunedin is.

14 It's an older city. It was incorporated in
15 1899, and it's known for its quaintness, its
16 downtown and its huge oak trees, which pertains a
17 lot of what I am going to talk about this morning.

18 So naturally, when considering our thoughts on
19 the storm, our thoughts to trees and to vegetation
20 management in particular, our professional staff
21 has some recommendations that we have prepared for
22 you, and the Mayor is going to chat a little bit
23 about her experience in the neighborhood.

24 So it's kind of like the EOC perspective that
25 I am going to bring to the table, and the

1 neighborhoods that the Mayor wants to talk about
2 this morning.

3 So we recommend that all utilities implement
4 ANSI A300 pruning standards. The local utilities
5 should work with the arborists in cities, and there
6 are arborists in counties and cities as well, to
7 remove problem trees in lieu of topping the trees,
8 and in lieu of one-sided trees, which leads to
9 instability in the trees.

10 And I have actually worked for two cities
11 prior to coming to the City of Dunedin, and it is a
12 common practice to have rat trees within the
13 right-of-way, and especially in the transmission
14 lines. And that leads to instability. Those trees
15 go out immediately and take the larger kV lines
16 down with them. So we are recommending that we
17 implement the ANSI A300.

18 We recommend that we provide adequate notice,
19 the utilities do, and detail to cities on locations
20 where they are going to be trimming trees, and
21 schedule -- and provide us with a schedule and a
22 scope before the work arrives.

23 I mean, our residents -- many, many times, we
24 will have the utilities in back yards with two or
25 three trucks, our residents have no idea what they

1 are doing or why they are there. And we get the
2 phone calls, the debris is then left behind,
3 resulting in telephone complaints. And oftentimes,
4 our crews have to go and pick up that debris.

5 COMMISSIONER BROWN: Ms. Bramley, I just
6 want -- a clarification question. Are you
7 suggesting these recommendations for all IOUs, or
8 just Duke, your provider?

9 MS. BRAMLEY: For all utilities.

10 COMMISSIONER BROWN: Okay.

11 MS. BRAMLEY: We need a realtime contact
12 person as well.

13 And as I said, you know, before, I have worked
14 for other cities as well, and this is common
15 practice for all utilities. My most immediate
16 experience is with Duke, and we do not receive
17 notification when Duke is on site to trim trees.
18 And oftentimes the debris is left behind.

19 And so it is germane to Duke, but I am
20 recommending for all utilities, you know, as a
21 recommendation for the Commission moving forward.

22 I think that the utilities, and in particular
23 Duke, needs to use cities better to help
24 communicate their message. We have the social
25 media. We have the social networks to communicate

1 with our residents with -- just about all 37,000 of
2 them are active in our social media. And we very
3 rarely receive messages or request to pass
4 information a long from Duke, whether it's, you
5 know, during a standard workweek or with a
6 impending storm.

7 We can provide educational brochures for
8 distribution in utility bills, at harbor day events
9 and nurseries on correct tree planting guidelines,
10 Right Tree, Right Place. A lot of our residents
11 will pick up a Royal Poinciana and put it right
12 underneath the power line leading to their home,
13 and that --

14 COMMISSIONER BROWN: It's beautiful.

15 MS. BRAMLEY: It's a beautiful tree, good
16 shade canopy, but not the right tree for that power
17 line.

18 We actually would like the utilities to
19 consider a tree removal mandate for egregious
20 property owners who cause recurring outages. There
21 are -- and we could work through co-compliance to
22 aid them.

23 There are property owners with very large
24 trees or trees that are unstable that can take down
25 a transmission line or distribution line. So we

1 would like to work with our utility. They have the
2 information available, and we can address the
3 situation together.

4 Relocate rear lot overhead systems for easier
5 access and vegetation management. There are plenty
6 of rear yard distribution lines. They are always
7 the last to be addressed when there is a power
8 outage because they are the most difficult to get
9 to. So I think that we should consider, as a
10 priority, that we address the rear yard.

11 We think that we should consider establishment
12 of a statewide tree bank to fund removal of
13 problematic vegetation. Many times the removal, as
14 you know, can go into the tens of thousands, even
15 understand of thousands, depending on the size of
16 the tree and the length of the nuisance. There
17 could be a small surcharge on utility bills of five
18 cents. There would be a state designated funding
19 program, or there could be special assessments as
20 well.

21 The -- you know, the advantage management you
22 have discussed, and you have heard a lot of
23 testimony in regards to the vegetation management.
24 As an older city -- and I was talking to the
25 Commissioner from Monticello as well. As an older

1 city, we have a tree canopy that is enormous, as
2 Commissioner Polmann knows. The it would appear
3 that the electrical utility in Dunedin does not
4 have the capability to address that, and whether it
5 be a surcharge on the bill, or whatever it is
6 moving forward, it needs to be addressed.

7 In regards to undergrounding; you know, there
8 has been a lot of discussion today and testimony in
9 regards to is the consumer getting -- do they know
10 what they are getting? And just after the storm,
11 we sat down with Duke Energy in a conference room
12 in City Hall. We provided them with our franchise
13 agreement. And in the franchise agreement is a
14 list of assets that were -- that were conveyed to
15 Duke when we entered into the agreement. We
16 requested a list of the improvements that they have
17 made to those assets, and we requested that they
18 inform us of their capital plan moving forward, and
19 we have not received any of that information to
20 date as we approach another hurricane season.

21 There are differing opinions, obviously, as it
22 pertains to undergrounding. We, as a municipality,
23 are obviously very supportive of undergrounding.
24 We think that we should develop a peer review
25 report -- and if one has been developed, we don't

1 know about it -- on undergrounding versus overhead
2 infrastructure costs. There has been lots and lots
3 of discussion about that, on the pros and the cons
4 in hurricane prone areas for policy-maker
5 decision-making. And I have a policy-maker
6 decision-maker here beside me, and there are plenty
7 in the room today.

8 But it's more than just your commission.
9 It's, really, all commissions, county commissions,
10 city commissions, the state legislature, as far as
11 what are the pros and cons, what it costs moving
12 forward.

13 I think we need to talk about initial outlays
14 in life cycle costs when you consider
15 undergrounding. I think we need to talk about
16 repetitive tree trimming exercises and expenses as
17 far as going into the tens of thousands of dollars.
18 And, you know, not only that, but when you think
19 about the cost of tree trimming for the homeowner.

20 We have within the City of Dunedin the third
21 largest oak tree in Pinellas County, it's huge.
22 The diameter at breast height is about three feet.
23 And the cost of trimming that tree, or even
24 removing it is way out of line for the property
25 owner.

1 I think we should consider the business
2 losses, the insurance claims, public safety and
3 security for our residents as well when you think
4 about the undergrounding versus overhead.

5 We should establish a metric or a threshold
6 when exceeded requires outage prone areas to be
7 under grounded. So if there is an area that is out
8 of power quite a bit, as our neighborhood actually
9 is in Dunedin, twice this last two weeks, then we
10 should consider undergrounding in that area. It
11 should be a priority.

12 Again underground --

13 COMMISSIONER BROWN: May I just stop you for a
14 moment? And I appreciate your comments on
15 undergrounding, and even talking about your own
16 personal neighborhood.

17 What are your thoughts on cost allocation for
18 undergrounding?

19 MS. BRAMLEY: Well, I think that cost
20 allocation, I think I certainly, at least in our
21 city, since the asset is owned by the utility, it
22 should be assigned to the utility. I think that
23 that said, though, I think that the residents would
24 certainly have to pay a portion of that through
25 their utility bills.

1 COMMISSIONER BROWN: Thank you.

2 Commissioner -- pardon me, Commissioner Clark
3 has a question.

4 COMMISSIONER CLARK: You went to the heart of
5 one of the questions I wanted to ask in your
6 statement a moment ago. You do have a franchise
7 agreement with Duke Energy, correct?

8 MS. BRAMLEY: We do.

9 COMMISSIONER CLARK: What is your franchise
10 fee?

11 MS. BRAMLEY: What is our franchise fee? I'm
12 not sure.

13 COMMISSIONER CLARK: Do you know what your
14 gross -- what your revenues are, and how does the
15 city use the funds in their franchise fee?

16 MS. BRAMLEY: Use the funds in the franchise
17 fee in the general fund.

18 COMMISSIONER CLARK: In the general fund,
19 okay.

20 When is your franchise up?

21 MS. BRAMLEY: Four years.

22 COMMISSIONER CLARK: In four years. Have you
23 considered, as part of your renewal, some of --
24 discussing some of these options in terms of --

25 MS. BRAMLEY: We have, which is why we wanted

1 the capital plan, to find out how they improved the
2 asset, and haven't had that information yet.

3 COMMISSIONER BROWN: If you could, take --
4 push the little button in front of you for the mic,
5 please. Thank you.

6 MS. BUJALSKI: And if I could add, we have,
7 over the years, spent our own money undergrounding.
8 So I would say that, you know, those franchise fees
9 have gone towards just that.

10 COMMISSIONER CLARK: You are paying for
11 undergrounding of their facilities, or are you
12 undergrounding your own facilities?

13 MS. BUJALSKI: No theirs.

14 MS. BRAMLEY: Their facility.

15 COMMISSIONER CLARK: You are paying for
16 undergrounding --

17 MS. BUJALSKI: We have. We have. We have
18 probably invested -- I am guessing here, I haven't
19 thought about it, probably three or four million
20 dollars in undergrounding, maybe more in certain
21 areas, especially in our downtown area.

22 COMMISSIONER CLARK: Thanks.

23 COMMISSIONER BROWN: And if I may ask, is it
24 because it's new developed areas, or is it those
25 areas that are prone to excessive outages?

1 MS. BUJALSKI: Redevelopment.

2 COMMISSIONER BROWN: Redevelopment.

3 MS. BUJALSKI: Yeah, for, you know,
4 appearance. Now, our downtown was extremely aged
5 before -- 25, 30 years ago we started to revitalize
6 it and redevelop it. So part of it was aesthetics,
7 part of it was just really old.

8 COMMISSIONER BROWN: Thank you.

9 MS. BRAMLEY: We require new development
10 underground. So any new development moving forward
11 undergrounds. And we would recommend that we adopt
12 a statewide model ordinance for undergrounding for
13 new development.

14 I think most of the cities already require
15 that, but if not, I think we should definitely
16 adopt a statewide model in that team Florida
17 atmosphere and spirit.

18 COMMISSIONER BROWN: Commissioner Clark just
19 has a follow-up question Clark.

20 COMMISSIONER FAY: I wanted to just tag on to
21 that, and I wanted to interrupt and complement you
22 guys.

23 Your city is beautiful. I spent some time
24 there in my time at DEP at the Florida Park Service
25 managing that system, walking some of your trails

1 there, and you guys have done an outstanding job of
2 managing that downtown area. It's absolutely
3 beautiful.

4 MS. BRAMLEY: Thank you.

5 COMMISSIONER CLARK: My hat is off to you for
6 that job.

7 MS. BRAMLEY: Thank you. A little Chamber of
8 Commerce pitch there. Thank you very much.

9 COMMISSIONER BROWN: Well, Commissioner
10 Polmann has to jump in right now, so hold on one
11 second.

12 COMMISSIONER POLMANN: You had mentioned
13 vegetation management --

14 MS. BRAMLEY: Yes.

15 COMMISSIONER POLMANN: -- and issues in the
16 canopy for one thing, but also that you have some
17 difficulty with customers, residents in not being
18 notified, and so forth, the utilities coming --
19 coming to the property.

20 I am wondering, since you have communication
21 protocol with the citizens -- with the citizens and
22 a lot of involvement at the community, is there any
23 possibility, or have you given thought that the
24 City could work as a contractor or a contract
25 manager through your public works department for

1 the utility?

2 I don't know how much of the vegetation
3 management the utility does themselves, or if they
4 have contractors do that within your -- within your
5 jurisdiction. So for example, if the City were to
6 become a contractor manager for the vegetation
7 management, because you know your city and --

8 MS. BRAMLEY: Right.

9 COMMISSIONER POLMANN: -- you know your
10 residents, and you have an existing communication
11 with -- with them, would it make any sense in your
12 mind that you would be involved in that? And then
13 the bigger -- the bigger question, is that
14 something that you think would work, for example,
15 for League of Cities or Association of Counties
16 that you could recommend a way, you know, that
17 vegetation contractors --

18 MS. BRAMLEY: Right.

19 COMMISSIONER POLMANN: -- could maybe be
20 facilitated through an organization like that.

21 MS. BRAMLEY: I think it's a very interesting
22 idea. It's certainly not something we could do
23 with existing resources. I mean, there would have
24 to be some sort of partnership, you know, with
25 Duke, and the City would have to be compensated for

1 those services, because it is a huge task. And I
2 do know that the they use contractors right now
3 in -- in -- in Dunedin.

4 And I think that that's one of the problems
5 is, well, obviously they don't know the city that
6 well; and to be honest, there is not as much care.
7 Sometimes I worry about the maintenance of traffic
8 plans that they have in place, and those types of
9 things.

10 So I think it's an interesting proposition,
11 but as I said, existing resources just would not
12 permit that.

13 MS. BUJALSKI: And if I could add to that,
14 there was a time where Duke, and I imagine other
15 electric companies do the same thing, where they
16 would train our staff to have the ability to work
17 around power lines, which is really the safety
18 issue. You know, our staff are not experts in that
19 area, and if you are trimming vegetation, you are
20 going to be around the distribution lines.

21 There was a time where there was some of that
22 training going, but it was -- the training wasn't
23 meant for us to do the ongoing maintenance. It was
24 meant to, in emergency situations -- and I will
25 tell you a story later -- where our people could go

1 in and remove a tree from a line and be -- be
2 trained on how do that in order to get the electric
3 back on with the -- with the contractor who comes
4 to fix it.

5 But as Jennifer said, you are talking about a
6 whole -- a whole lot of staff, and even though you
7 get paid, it's -- then you have to hire them and
8 it's taking away from other things, so.

9 MS. BRAMLEY: So the third topic then was
10 coordination and communication. Duke has been
11 responsive to the coordination and prioritization
12 of critical infrastructure restoration as an
13 advanced planning exercise to the storm.

14 We were in communication with Duke for a year
15 prior to the storm. They do have a government
16 liaison, and there was quite a bit of dialogue back
17 and forth. Concerns remain, though, about what
18 happened during the course of the outages. There
19 are public health and safety concerns,
20 environmental concerns, discharges of sanitary
21 sewer for, you know, when the power is down for a
22 long period of time. And we did, you know, a whole
23 exchange game with -- with all of our generators
24 and our utilities.

25 Concern remains on communication during power

1 outages, specifically with our utility. Duke's
2 outage software was overwhelmed, and the Mayor will
3 talk a little bit more about that. And the mutual
4 aid responders had a difficult time communicating
5 with Duke Energy. And mutual aid, meaning our
6 first responders from the field were relaying all
7 clear notifications, which was really, really
8 important for everybody's safety moving forward.

9 Pre-event communication, we need to
10 identify -- and this pertains to all utilities
11 then -- the contacts for the elected officials and
12 the upper management within the municipalities and
13 the county as well. Opportunities are offered from
14 beddings -- and this pertains Duke now.
15 Specifically staff within our EOC, our emergency
16 operation center, I know that some of the utilities
17 do and that some don't, but I recommend that all --
18 if there is an EOC in existence, that staff is
19 embedded within those EOCs.

20 You know, we communicated directly with our
21 utility provider at the county EOC during the
22 storm, but after the storm, that communication
23 stopped, and the Mayor will talk a little bit about
24 that.

25 And then we need to develop a pre-storm

1 package or public service announcements for use by
2 the municipal communications outlets that we can
3 send out and deploy to our residents through our
4 social media networks.

5 And then the Mayor, I think, is going to talk
6 a little bit about our experience in communication
7 and other things.

8 MS. BUJALSKI: Thank you, Jennifer. And thank
9 you again for having us here today.

10 So I think Jennifer talked a lot about the
11 technical recommendations and things that you were
12 looking for. My purpose of speaking is to bring
13 our residents' voice to you. And some of the
14 things that I heard throughout the seven-day --
15 during and seven days after Irma.

16 So, you know, as a mayor of a small town,
17 everyone looks to me for -- for answers, but
18 because we had no electricity, we had to really
19 think of unique ways to communicate with our
20 residents, especially our seniors, and this is
21 something I think really needs to be thought about.

22 Many of our seniors do not use smart phones.
23 They don't text, email or use social media. With
24 no electricity, they had no landlines or
25 televisions, and they were left very vulnerable.

1 If you don't know this, Dunedin has the
2 largest saturation of 55 and older residents, and,
3 of course, the most densely populated county in the
4 state, so this is an obvious concern to us.

5 With no easy way of getting them information,
6 we turned around and hand-delivered fliers to 55
7 and older communities, but the information we were
8 giving them wasn't from us, it was on Duke's
9 behalf; and not because we were asked to, but we
10 wanted to make sure that they knew that there had
11 been a deadline put out there, and so that they
12 could have some piece of information and not be
13 sitting in a black hole of their mobile home or a
14 condo.

15 Through my Mayor's Facebook page, I
16 communicated with thousands, literally thousands of
17 residents for those first seven days after the
18 storm, all day, all night and sometimes for hours
19 at a time.

20 COMMISSIONER BROWN: Mayor -- Mayor, if I
21 could just ask you a question. You said that you
22 communicated on behalf of Duke. Did Duke give you
23 materials about --

24 MS. BUJALSKI: No.

25 COMMISSIONER BROWN: Can you elaborate a

1 little bit? And how did you communicate with
2 those -- those folks that say kind of disconnected
3 from the social media platforms? And what -- I
4 mean, those are very helpful for a great deal of
5 customers, but for your -- some of your
6 constituents, it's harder to reach out.

7 MS. BUJALSKI: We printed out fliers with the
8 information that we -- that we had gained about the
9 electrical system, and what was going on with it
10 through our EOC. And then our staff that were
11 down, if you will, like our library staff -- or the
12 library was closed because there was no
13 electricity, our city clerk's office, you know,
14 those types of, maybe, Class B employees that --
15 that weren't on emergency duty, we had those folks
16 literally walking through these communities and
17 hand delivering the fliers.

18 COMMISSIONER BROWN: And how did you get
19 information? You said at your EOC, the liaison, I
20 guess the government liaison from the utility was
21 no longer there after the storm.

22 MS. BRAMLEY: The government liaison was in
23 the county EOC after the storm, and that's the only
24 way that we got that information from them, and
25 then deployed it and put in bullet points and sent

1 it out to 55 and older. The others, we
2 communicated via Facebook.

3 MS. BUJALSKI: So in other words, during the
4 State of Emergency, which was three or four days
5 maybe, there were three phone calls a day that we
6 would participate in with Pinellas County's EOC.
7 And on each one of those phone calls, there would
8 be updates, anything that they would know about
9 any -- any number of things, but electricity as
10 well.

11 So that's where we gained the information, was
12 through the EOC director, not Duke, but the
13 director giving us information.

14 COMMISSIONER BROWN: Got you.

15 MS. BUJALSKI: And we simply printed it up and
16 delivered it to the 55 and older communities not
17 knowing whether they did use social media or not,
18 but we wanted to make sure we covered them.

19 COMMISSIONER BROWN: That's excellent.

20 MS. BUJALSKI: Again, we did that -- we did
21 that, not the electric companies.

22 COMMISSIONER CLARK: But do you have anyone in
23 the EO-- in the county EOC? Does the City have
24 a -- you have a person in the county EOC?

25 MS. BUJALSKI: We do.

1 COMMISSIONER CLARK: So they do -- they are
2 sitting there talking to the Duke representative?

3 MS. BUJALSKI: Yes.

4 COMMISSIONER BROWN: Just to get more
5 clarification, though; your suggestion would be you
6 would like to change the way that that business is
7 done.

8 MS. BRAMLEY: Actually, the -- obviously the
9 county EOC needs the Duke representative, because
10 there are other cities involved as well. We would
11 like to have a Duke representative in our EOC. And
12 when I said that that communication broke down
13 afterwards, after the storm, every -- all of the
14 information we are getting was, you know,
15 countywide information from Duke at the county EOC.

16 We started phoning, you know, asking about
17 particular areas of Dunedin, and were the lines
18 live, were they not live, and when we would get
19 that information. And that was when the voice mail
20 boxes were full, and there was no communication
21 back and forth.

22 COMMISSIONER BROWN: Commissioner Polmann has
23 a question.

24 COMMISSIONER POLMANN: Thank you, Madam
25 Chairman.

1 I don't know what your knowledge is of how the
2 county interacts with other municipalities in
3 Pinellas. As you mentioned, Pinellas County is the
4 most densely populated in the state. For those who
5 don't know, Pinellas has 24 municipalities, and
6 there is a long history of, shall we say,
7 challenges in the communication between the county
8 and cities.

9 MS. BRAMLEY: Uh-huh.

10 COMMISSIONER POLMANN: Not to characterize
11 your communication with the county, but I think
12 there may be issues in Pinellas, or in other
13 counties, where there are some -- there are some
14 mixed types of relationships.

15 So if you can give us some suggestions, not
16 here today, but from whatever knowledge you have
17 around the state how improvements could be made
18 specifically to that point, during the emergency,
19 the involvement of the cities, would the county
20 EOC, and so forth, I think that would be helpful to
21 our staff --

22 MS. BRAMLEY: Okay.

23 COMMISSIONER POLMANN: -- in getting back with
24 the utilities on Best Practices.

25 MS. BRAMLEY: Right.

1 COMMISSIONER POLMANN: So what you are
2 describing is, I think, some good news, and then
3 some -- some places where some improvements really
4 could be made.

5 MS. BUJALSKI: And I would just add that the
6 three calls a day that we received, it was a
7 conference call. So all 24 cities were able to
8 join this call. So everybody was getting the same
9 information at the same time. It really ran
10 really, really smoothly. We were very informed.

11 I think the communication breakdown, once the
12 State of Emergency was lifted -- and, again, that
13 is a was three, four days in, I can't remember --
14 you know, I think Duke went on their way because
15 that's when the EOC starts to lessen with the
16 number of people that are there because they all
17 have jobs they have to go do. That's where --

18 So I don't think it was a function of the
19 county at all. I think if we had had better
20 contact with Duke in the beginning.

21 COMMISSIONER BROWN: Commissioner Polmann.

22 COMMISSIONER POLMANN: I think what happens in
23 that case is the State EOC continues with the
24 utilities, and I think what you are suggesting is
25 the local EOC communication breaks down, so --

1 MS. BUJALSKI: Yes. Yes.

2 COMMISSIONER POLMANN: So we can follow up on
3 that --

4 ms. bul: Yes.

5 COMMISSIONER POLMANN: -- but I appreciate
6 knowing that experience.

7 MS. BRAMLEY: If I may, to that point, we had,
8 before the storm, a government liaison who we would
9 speak to on a regular basis. Then the EOC State of
10 Emergency is declared. The county EOC opens. We
11 are on our conference calls. Duke is there, but
12 thereafter, we have no communication, you know,
13 from our city with Duke, and that was a problem.
14 And that was a problem.

15 And our representative, I am sure, whereas he
16 was very, very busy, no doubt about that, still we
17 were one of the cities that he liaised with, and
18 there was nothing.

19 So we would recommend improvements on that in
20 particular in the City of Dunedin, but generally
21 the having, you know, the electrical utility
22 embedded in EOC -- not every city has an EOC, but
23 embedded in that EOC will certainly help us
24 facilitate the communication.

25 COMMISSIONER BROWN: Commissioner Polmann.

1 COMMISSIONER POLMANN: Thank you for that.
2 Your in a situation where you are juxtaposed with
3 however many other cities, Clearwater and others --

4 MS. BRAMLEY: Yes.

5 COMMISSIONER POLMANN: -- what was your
6 relationship with those other cities? And, again,
7 you are in a unique situation. There are many
8 counties that don't -- don't have that situation
9 where your cities are right next to each other.
10 Just a quick comment on that, if you will.

11 MS. BRAMLEY: Yeah. I think that the mutual
12 aid agreements that he we had with other cities,
13 and just the spirit of mutual aid, we did very well
14 with our neighboring cities.

15 Obviously, equipment needed to be kind of
16 allocated to different areas. And given the scope
17 of the -- of the storm, meaning the entire state of
18 Florida, everybody was in the same boat. We didn't
19 have any issues with our -- with our Sheriff's
20 Department or with our, you know, adjacent
21 municipalities.

22 COMMISSIONER BROWN: All right, Commissioner
23 Clark.

24 COMMISSIONER CLARK: You have described the
25 outages as seven days. Could you give me more

1 specifics in exactly how your outage was, what
2 presented of your customers came back on?

3 MS. BUJALSKI: And I think I can answer a lot
4 of your questions if I will just go through my
5 presentation real quick, I think you will get a lot
6 of these. That's okay, I'm not --

7 MS. BRAMLEY: She has it in the presentation.

8 MS. BUJALSKI: Yeah, so as I said through my
9 Facebook page, my Mayor's Facebook page, I
10 communicated with thousands of residents. In
11 addition, on the City's Facebook page, we did
12 something in our city that most cities didn't do,
13 and we did a lot of Facebook live reports. It gave
14 people a lot of comfort, but I did want to share
15 our residents' perspective.

16 So, you know, while everybody -- almost -- I
17 think there was maybe only a handful of people that
18 didn't lose power. So -- so virtually everybody
19 lost power in our city. 76 percent of them lost
20 power for the four- to seven-day range, okay. So
21 24 of them -- 24 percent loss either mostly under
22 or a few days past. But a majority of people lost
23 power for the four- to seven-day range. I was
24 seven days. I can tell you.

25 And ironically, in the end, Irma was

1 equivalent to a tropical storm versus a direct hit.
2 That kind of tells you the condition -- now,
3 granted it hit a lot of places, but that tells you
4 the condition of the equipment that -- that's
5 serving us.

6 62 percent of our population felt Duke's
7 communication during that time was unresponsive.
8 And while some communication was received, it was
9 largely inaccurate. And again, I am speaking on
10 behalf of the residents, not saying this is my
11 opinion or not.

12 During the power outage, a big source of
13 frustration was the inability to restore an entire
14 street or a neighborhood. So for instance, one
15 side of the street would get restored and the other
16 side wouldn't, and they would be left without power
17 for days past the other guys across the street with
18 their lights on at night and air conditioning going
19 with no communication. And of course, this was a
20 great sense of frustration to them.

21 The folks that didn't have power, they would
22 flag down crews that they would see and try to get
23 answers. But because many -- many of these crews
24 were from all over the country, they didn't have
25 the same communication systems as Duke's crews did,

1 and they had very little ability to contact anyone
2 while in the field. Our own representative later
3 told us that all crews met for a morning meeting,
4 and that was the last form of communication they
5 had for the rest of the day.

6 So this was really problematic in allowing
7 folks to quickly respond to a situation. And
8 this -- these particular issues where one side of
9 the street was restored and the other wasn't, or
10 half the neighborhood was restored and the other
11 half wasn't, as in our neighborhood, really caused
12 anger, and actually pitted neighbor against
13 neighbor. I mean, people were just mad.

14 Another communication frustration for many
15 were the incorrect texts that were received by
16 Duke, where texts were claiming power had been
17 restored when it hadn't, and the automated system,
18 texting system, could not understand the responses
19 when this occurred. When there was no live person
20 for our residents to speak to, this became very
21 frustrating, and you could see it play out on
22 Facebook all week long.

23 Of course, Duke put out a tentative blanket
24 statement that most electricity would be restored
25 by Friday evening of that week. This gave folks

1 something to look forward to. Where the obvious
2 mistake was made was not updating this tentative
3 restoration time the day before, rather than the
4 day after this deadline when it was clearly
5 apparent they were not going to meet it.

6 This caused so much frustration on everybody's
7 part because everybody was just waiting for that
8 minute, the end of Friday, hopes, thinking that
9 their electricity was going to be restored. And
10 you know, had they even come out Friday morning, or
11 Thursday evening and said, it's going to be another
12 couple of days, be patient with us. Being informed
13 is power for people. Being disappointed is so much
14 worse.

15 So one example of the great distress this
16 caused was literally, and I am not kidding, a riot
17 that we barely escaped in one of our neighborhoods.
18 There was a really, really large tree, and I am
19 telling you this thing was huge, in somebody's
20 front yard next to power lines, and it had been
21 knocked over, and it was all tangled up with power
22 lines. You know, the neighborhood understood that
23 this was likely the issue for their lack of power,
24 and it was.

25 The City had reported it through the county

1 EOC, as we were asked by our EO -- our county EOC
2 to do these kind of big, you know, big electric
3 issues. And so we reported it, but when Friday
4 rolled around and crews had not come, the
5 neighborhood knew that Duke's proclaimed
6 restoration deadline was not going to be met.

7 Over 30 residents came out with chainsaws
8 threatening to remove the tree from the live power
9 line. What made matters worse is that they were
10 live streaming the situation on Facebook, which
11 upset everybody else. The Sheriff had to be called
12 to stop them from literally putting themselves in
13 grave danger.

14 Ironically, all it took to solve the issue was
15 to drive around an adjoining neighborhood to find a
16 repair crew who subsequently came to disconnect the
17 live wire, and luckily no one was hurt. But all of
18 this is because they could not reach a live person
19 at Duke.

20 Now, obviously these residents acted
21 inappropriately, and out of sheer frustration; but
22 this could have been avoided with a revised
23 restoration time given in advance.

24 And then, of course, there was my own personal
25 experience with attempting to communicate with

1 Duke. The City was instructed, as I have
2 mentioned, to communicate with Duke through the
3 EOC; and we did so for the first four days, as
4 asked. But the things that we were communicating,
5 we could see around the community, were not getting
6 addressed, including the tree that I just
7 mentioned.

8 When we reached out to our government liaison
9 at Duke -- and we have phone and email, we were met
10 with mailbox full messages and no return emails.

11 On day seven after the storm, I resorted to
12 going on Duke's Facebook page requesting immediate
13 response, telling them who I was, and putting my
14 cell phone out there for the whole world, and
15 asking -- you know, asking for someone to get back
16 with me. And luckily, within several hours,
17 someone did.

18 That's how I got our energy company to call
19 the Mayor of the City of Dunedin. It was seven
20 days after a storm through their Facebook page.

21 When I did speak to the gentleman, he was
22 really helpful. He was a live person. He helped
23 bring the rest of our neighborhoods back on line.
24 He gave me information I could put out on Facebook,
25 and I can't tell you how thankful I was. But what

1 I found really ironic was that there was no
2 protocol in place for our government liaison to
3 make contact with us during a storm event.

4 I said, I have been trying to call you guys.
5 No one has answered. I didn't know you needed me.
6 There was no protocol.

7 Clearly, updated and frequent communication
8 with local governments, with ratepayers and with
9 their own repair crews must be a priority going
10 forward.

11 The final issue our residents and business
12 community wanted me to tell you about is
13 undergrounding of utilities. 75 percent of them
14 feel that undergrounding is the most obvious answer
15 to being better prepared for future storm events.
16 They do understand it's a costly undertaking, but
17 their assumption, and I am not saying it's right or
18 wrong, but this is the average, everyday resident,
19 and I believe it's probably representative
20 statewide. The average everyday resident assumes
21 that cost savings from vegetation management, as
22 well as all the costs in responding to wind and
23 tree damage during storm events, would justify the
24 capital outlay, and that rates shouldn't be
25 dramatically increased because, in the end, it's

1 the life cycle cost.

2 Interesting, when speaking to Duke, we did
3 have a meeting after, I don't know, maybe a month
4 after the storm. In our post-storm meeting, they
5 stated that because of the public -- this is their
6 words, because of the Public Service Commission's
7 edict of using the lowest cost method when making
8 their capital plans, that undergrounding is not
9 possible. That's what they told us.

10 While I don't know the ins and outs of all of
11 that -- and I am not passing any judgment, I am
12 just while telling you what they are telling us. I
13 am here to tell you that our residents
14 overwhelmingly support undergrounding, and believe
15 it's a common sense thing do. That we've had 100
16 some years of poles, and now it's time to move on.
17 They've had a taste of long-term power outages, and
18 they don't want to go through this again.

19 Obviously, I can't tell you how to go about
20 doing that, but in listening to you all this
21 morning, I can see that there is -- there is all of
22 these different formulas and things you guys are
23 trying to whittle it down, and I -- I get that. As
24 a decision-maker, you try to find the
25 justification, and I hear the sides of the other

1 folks that, you know, the cost and the benefit, and
2 I get all of it, and I get all that it's difficult.

3 But also as a policy-maker, I understand that
4 there is a common sense piece to it. It really is
5 about common sense. And the people we serve expect
6 us to use some -- some common sense. I think we
7 can all say that undergrounding is a common sense
8 thing to do, but it's how do you do it and make --
9 make the cost benefit analysis work? It's not
10 whether to do it. It's how to do it.

11 So I -- you know, I heard you talking about
12 the tree -- the tree trimming, and if it should be
13 three years or six years. Again, I think the
14 common sense says we've got to do a better job, but
15 then it's just how do we do it.

16 I know how much -- how much my trees grow in
17 my own yard. Common sense tells me three, four
18 years makes sense, just by thinking that way. I
19 know you can't make all your decisions in that
20 light of a vein of a way, but, you know, sea level
21 rise and flooding, I get it. I get those things
22 are issues. Common sense would say, well, maybe
23 don't get so close to the shoreline with
24 undergrounding. I don't know, but the one thing I
25 do want to say, having listened to you all this

1 morning -- and I do appreciate everything that you
2 are trying to manage and weigh -- is that when you
3 are doing your cost benefit analysis, please
4 consider the intangibles, health, safety, welfare,
5 and quality of life for the people that we serve,
6 because what we just went through was extremely
7 stressful on everybody.

8 We can live without power for a little while.
9 It's not even me. I didn't have to blow dry my
10 hair in seven days. I lived without all of those
11 things, and I was just fine, but there are so many
12 others that weren't. And those are the things,
13 quality of life is important.

14 So in closing, we need a greater investment in
15 capital assets, more commitment to undergrounding
16 and better vegetation management. Equally
17 important is better communication with the people
18 that we serve.

19 Thank you.

20 COMMISSIONER BROWN: Thank you, Mayor. And,
21 you know, every storm is different, and every part
22 of the state where the storm impacts the citizens
23 is different, and every utility that was here
24 yesterday, they are all different. So we
25 appreciate you providing your perspective on your

1 experience. And it's going to definitely improve
2 lessons learned, and our Chairman has something to
3 say.

4 CHAIRMAN GRAHAM: Thank you.

5 Mayor, I am sorry for all the frustrations you
6 have gone through.

7 MS. BUJALSKI: It's okay.

8 CHAIRMAN GRAHAM: I too know what it's like to
9 not blow dry your hair for seven days. But
10 seriously, I come from local government, and I
11 spent over a decade in local government, and I do
12 understand the frustration. I do understand the,
13 you know, the neighbor that lives right next door
14 that can come knock on your door, the person that
15 catches you in the grocery store line.

16 I guess my question is, after you had your --
17 your post-storm interaction with your government
18 liaison, what was the outcome? What is now your
19 protocol as far as reaching out to that person, or
20 reaching out to somebody? Because I am sure you
21 guys came up with how this will never happen again
22 sort of thing.

23 MS. BUJALSKI: Well, yes. I know that there
24 are going to be more frequent meetings with the
25 government liaison, and maybe Jennifer can speak to

1 that. But as part of creating a protocol, we -- I
2 think Jennifer mentioned earlier, there were things
3 we asked for. We wanted to know the condition of
4 our assets that we sold them. We wanted to know
5 with what their capital improvement plans were so
6 that we could partner with them, or figure out
7 things. We never received any of that information.

8 CHAIRMAN GRAHAM: But surely you guys have a
9 protocol now, what happens because hurricane season
10 is a month away.

11 MS. BUJALSKI: Yes, establish communication
12 with government liaison, but I will let Jennifer --

13 MS. BRAMLEY: After the storm, after we kind
14 of reconnected with our liaison, we -- we are in a
15 dialogue now with the liaison, and we have conveyed
16 to Duke -- I sent a letter to the Senior
17 Vice-President of Duke saying we want an increased
18 level of communication, you know, as we approach
19 the next storm season. That was just after the
20 last storm season.

21 So as far as setting up the protocol for we
22 want to hear from you at this point during the
23 storm, we have not done that, and it's something
24 that we need to do moving forward.

25 So as far as embedding someone in our EOC, we

1 have made that request. We made it to the liaison
2 when we met with him after the storm, and we have
3 not heard back at this point whether or not we are
4 going to have a liaison in our EOC.

5 MS. BUJALSKI: And that was October.

6 MS. BRAMLEY: Yeah.

7 CHAIRMAN GRAHAM: Well, let me stress before
8 you leave here today, because there is more than
9 one Duke person here, that you have somebody that
10 you have a phone call, I mean, a number that you
11 can reach out to.

12 I mean, once again, I understand where you are
13 coming from, and I do because of problems you are
14 having so many sittings coming from that one county
15 EOC, you know, so I can understand how that becomes
16 problematic; and then after the four days, after
17 they close it down, or they stopped the day-to-day
18 interaction, how it becomes frustrating.

19 But I agree with you, you need to have
20 somebody to talk to, somebody to reach out to, and
21 even a backup. And once again, because this is
22 coming in the next 30 days or so, I think, you
23 know, that should be number one importance, rather
24 than a list of 30 things, that needs to be the
25 number one done, and you can deal with the rest of

1 that stuff as it comes.

2 MS. BUJALSKI: Agree. And I would just add
3 that we did have our two numbers. They had changed
4 liaisons, we weren't aware, and the two people we
5 reached out to, mailbox full and no return email.

6 So at the time we thought we had, but what we
7 didn't do, and what you are speaking to, is double
8 checking all of that when we know the storm is
9 coming, and that we did not do, and we should for
10 sure.

11 COMMISSIONER BROWN: Thank you.

12 Commissioner Fay.

13 COMMISSIONER FAY: Thank you, Chair.

14 I have two quick questions for you. One is --
15 and I might be paddling into choppy waters here.
16 But I think the opportunity was allowed for local
17 governments to respond to this request, and you
18 guys have done a good job doing that and presenting
19 that to us. Do you know why almost nobody else
20 responded?

21 MS. BUJALSKI: We had the same conversation.
22 When we looked at the agenda and, of course, at the
23 time these folks weren't on the agenda, we were
24 shocked. Actually, when we were talking yesterday,
25 we thought maybe you guys chose us so that you

1 didn't have 5,000 people here. We couldn't
2 understand why -- why we were the only people. I
3 don't think we have an answer. I really -- I
4 don't -- we didn't know if you got submissions and
5 maybe you chose us to be the face of the
6 conversation. We couldn't understand it.

7 MS. BRAMLEY: I think that there was another
8 city that signed up last -- last fall, I think, as
9 an interested party, two or three cities, but I
10 don't think they responded to the request for
11 information as far as this workshop goes.

12 COMMISSIONER FAY: Got you. So we can't
13 really come up to a reason as to why?

14 MS. BUJALSKI: No. No. And I would answer
15 you honestly if I -- if I --

16 COMMISSIONER FAY: Yeah.

17 ms. bul: I can't understand it, especially
18 because this was such a statewide storm event, you
19 know, it just -- I just don't understand.

20 COMMISSIONER FAY: Yeah, and I don't want to
21 speak for us as a commission, but I mean, I think
22 it's clear from Chairman Graham's comments that you
23 will leave here today with some benefit and
24 discussion, and so I think there is a willingness
25 and effort to resolve some of that.

1 The other question I had for you is part of
2 your statements included, it's not a if we
3 underground, but how we underground. I guess have
4 you thought about -- to the extent there is a cost
5 analysis that is significant for those individuals,
6 do you feel that it's just -- it's just a time
7 period that that cost is spread out, or am I sort
8 of taking your statement out of context?

9 MS. BUJALSKI: No, I -- I -- no, I think you
10 are not. I think -- yeah, I think it's like
11 anything we do in government, it's -- you do it
12 over a period of time. You pick the worst areas,
13 the hardest hit areas, the areas that have the
14 worst problems, you start with them first, and --
15 but to me, it's just -- it's just a matter of time
16 that that, for -- at least for our state. I can't
17 speak for the rest of the country, but for our
18 state there are obvious reasons to do this. So
19 it's a matter of, you know, planning it, doing it
20 over time. It -- to me, it's a part of doing
21 business.

22 It's -- we have a water department. We have
23 our own water in the City of Dunedin, and so we
24 have a water plant and a sewer plant. We just got
25 done with our -- a couple years ago with our 25

1 year capital improvement plan. Our -- our
2 building, our water plant was 30 years old.
3 Technology has changed. We are putting 25 -- 24 --
4 \$24 million over time into revamping our water
5 system so that we can be up to new technology and
6 new ways of doing things, and more efficient
7 things. That's what a utility does.

8 Why undergrounding, while I know it's
9 expensive, has become so polarized, I don't think
10 it should be. It's just a part of updating where
11 you are going and a better of way of delivering
12 service.

13 COMMISSIONER FAY: Yeah, I thank you. I
14 appreciate you being here. And I will say with
15 Commissioner Clark's plug, next time I am in
16 Central Florida, I will be driving through Dunedin.

17 MS. BUJALSKI: Come see us. Come see us.
18 Give me a call.

19 COMMISSIONER FAY: Thank you.

20 COMMISSIONER BROWN: Commissioner Polmann.

21 COMMISSIONER POLMANN: Thank you, Madam Chair.

22 One of the concerns that I have, and I do
23 appreciate you being here, is as a small city, your
24 experience is very important because, in some
25 regard, you are at one end of that spectrum being a

1 small city. I would hope that being a small city
2 was not a reason that you did not get as much
3 attention from the utility as some others may have.
4 Unfortunately, we don't have the experience of a
5 very large city being represented here. You know,
6 you are 10 times smaller than another city in your
7 county.

8 MS. BUJALSKI: Yeah, St. Petersburg.

9 COMMISSIONER POLMANN: Yes, so I don't know
10 what their experience was with the electric
11 utility, and we don't need to address that right
12 here, and I don't want to speculate on that.

13 In terms of your comment that you were not
14 aware of a change in liaison, and that you didn't
15 double check on that, I am not sure that that's not
16 a responsibility of the utility. Now, as I say, I
17 am not sure, but I would take that point as a
18 suggestion to us, and I would ask staff if -- if
19 there is a possibility, as we go forward into
20 hurricane season, if it's not appropriate for the
21 utilities to reach out to all of the municipalities
22 around the state and update their records, and make
23 sure that all the cities and counties have updated
24 information. I think that's a two-way street.

25 MS. BUJALSKI: I would agree. I would agree

1 with that. And it's like you don't know what you
2 don't know. If you don't know the change occurred,
3 you don't know to follow up. But I also think we
4 have to be proactive in our own destiny.

5 COMMISSIONER POLMANN: Yes, and I agree with
6 that statement, and I think it -- to agree, it's
7 incumbent upon the administrations for the cities
8 and counties. But then again, the utility serves,
9 in your case, 34,000 residents; and in other cases,
10 very large cities with hundreds of thousands, or a
11 million. So it goes both ways, and there is
12 nothing wrong with doing it twice.

13 MS. BUJALSKI: Sure.

14 COMMISSIONER POLMANN: So I appreciate your
15 comment. It just raises that thought in my mind
16 that it works both ways, so thank you for -- for
17 mentioning that. I hadn't thought about it.

18 So thank you, Madam Chair.

19 COMMISSIONER BROWN: Thank you.

20 Commissioners, any other comments or
21 questions?

22 Again, we really appreciate you taking the
23 time to come up to Tallahassee and provide us your
24 input, your experiences, and we will be considering
25 all of that at our June Internal Affairs meeting

1 for future actions and recommendations by this
2 commission. Thank you.

3 MS. BUJALSKI: Thank you.

4 COMMISSIONER BROWN: Thank you again. So we
5 are at 12:20 right now. Commissioners, if it's
6 your pleasure to take a lunch break now or start on
7 the next item and then stop around 12:40? No.

8 All right. So we are going to do -- we are
9 going to continue for about 10 minutes, and then we
10 will take a break, if that's okay with everyone.

11 And our next up is Rick Mauldin, who is the
12 Manager Right-of-Way of Utility Permitting in St.
13 Johns County. Welcome.

14 MR. MAULDIN: Yep. Thank you very much for
15 inviting me.

16 Again, my name is Rick Mauldin with St. Johns
17 County Engineering. And think I can keep it to
18 about 10 minutes, because I have made some notes,
19 so I am just going to stick to the agenda here.

20 As you know, St. Johns County is one of the
21 fastest growing counties in the United States of
22 America, so it presents some problems that some
23 other counties may not be experiencing. Mainly,
24 our power companies that we are using right now,
25 FPL being the largest supplier of power, Beaches

1 Energy and Jacksonville Electric Authority.

2 Currently, St. Johns County encompasses the
3 City of St. Augustine, City of Hastings, City of
4 St. Augustine Beach and now the new City of
5 Nocatee, which will be 20,000 plus homes.

6 Well, that's interesting, because 1980, St.
7 Johns County population was about 51,000.
8 Currently, we are at 243,000. 225 -- 2025, we will
9 be at 311. 2030, 360,000 residents. So that
10 presents some very interesting issues and problems
11 we are going to have to be dealing with.

12 St. Johns County, as you know, including St.
13 Augustine, St. Augustine Beach, and like other
14 eastern communities, we are surrounded by the
15 Atlantic Ocean, and not too from that, the
16 Intercoastal Waterway. In addition to that, we
17 have, to the west, the St. Johns River. So we have
18 some serious flooding issues along with storm
19 damage.

20 And I think one of the biggest successes that
21 we've had, and I think it will address some of the
22 other comments that I have heard, is communication.
23 And I can't say that enough.

24 About five or six years ago we started a
25 mandatory, and I say mandatory very seriously,

1 utility coordination meeting. This was before
2 Hurricane Matthew. When I define mandatory, we
3 made it mandatory for all utility companies to
4 attend that meeting. If you could not attend, you
5 would send a representative that could represent
6 you and answer the questions that you would be
7 asked, or any other technical data. If you missed
8 two consecutive meetings, then I would actually put
9 you on the agenda to the Board of County
10 Commissioners to explain to them why you are not
11 coming to the utility coordination meetings. We've
12 never had anybody miss, so I think that was a
13 pretty good rule. And we have had probably, I am
14 saying close to 99.9 percent success rate.

15 And in order to keep that moving forward --
16 because we do discuss utilities mainly at this
17 utility coordination meeting, and damage and
18 hurricanes, and future projects and ongoing
19 projects, including vegetation management. The
20 communication is paramount because, at those
21 meetings, we can get current employees information,
22 contact information prior to hurricanes, because
23 employees do change. It happens all the time.
24 Positions change.

25 So when we do actually end up at that point of

1 having a storm event, or approaching, I have, in my
2 phone on speed dial, everybody that I need to
3 contact. We have the people that will be at the
4 EOC, and we have actually field crew contacts that
5 we can call; because, as you know, the
6 Commissioners get the first call usually, and
7 usually they are the -- or the EOC. Our EOC is
8 manned with every utility company, and it has been
9 in the past two storm events. We have had
10 100 percent participation in that.

11 The coastal communities, underground is a
12 really great thing, but you are still going to have
13 flooding issues where transformers will have to be
14 replaced; but however, I really think the
15 undergrounding is probably, over all, the way to
16 go. There is a lot of cost associated with it, and
17 it's probably a lot less susceptible to trees.

18 And where you talk about your vegetation
19 management, I -- I understand that there is a
20 certain distance from a transmission line, and a
21 certain distance from a service line to the
22 vegetation line. In transmission lines, you do
23 have the right-of-way, and then do you have the
24 easement.

25 But if you actually ride down a rural road and

1 you look at a transmission line, and you see -- I
2 am not sure exactly what the distance is -- 60 feet
3 from the power line to the edge of the woods, but
4 if you look at the height of the trees, they
5 continue on. So in a major storm event, God forbid
6 a Category 5, you are still going to have trees
7 falling across power lines, whether it be
8 transmission lines or service lines, even if the
9 vegetation is done every three years.

10 So with that said, I mean, that's something
11 that probably needs to be addressed. If you get
12 what I am talking about, the trees are taller than
13 the power lines, so when they fall, if they fall
14 that direction, it's going to be a problem.

15 FPL currently -- and I use FPL mostly because
16 they are our biggest supplier of power. They have
17 done a phenomenal job during the past two storm
18 events, pre and post. Currently, the last -- last
19 hurricane we had, Hurricane Irma, I believe it was
20 maximum 15 days they had almost everyone restored.
21 And the only ones that they didn't have restored,
22 our road and bridge crews were out trying to clear
23 the road so that Florida Power & Light and JEA
24 could actually get to those locations where the
25 power was out. State Road 13 running down the

1 river, I believe 80 percent of that road was
2 impassable, and that goes from the north side of
3 St. Johns County to the south side.

4 But then again, like I said, I really think
5 communication is the key. You can overthink these
6 things as much as you want to. You can talk about
7 it. But regular meetings -- like I said, ours are
8 every quarter, and we do have 100 percent
9 participation, and we have had nothing but success
10 with that.

11 And I am certainly not saying that my meetings
12 that I have scheduled with utility companies are
13 the reason that they were successful. It just
14 gives everybody a time to get together, and if
15 there was an issue, it was a good chance to talk
16 about it and work it out.

17 And currently, FPL is doing strengthening for
18 the 2018 season. Right now, I believe -- I have
19 got the newspaper article that was just released
20 not long ago. They've done seven main power lines,
21 including those that serve critical services to
22 hospitals, water treatment plants and public safety
23 offices. They have inspected over 10,971 power
24 poles. They have installed small grid technology,
25 including 450 automated switches on main and

1 neighborhood power lines, and inspected 30 main
2 power lines and equipment using infrared
3 technology.

4 So with that said, I -- I think St. Johns
5 County has a good program in place. We've had a
6 lot of success with it, and we've had nothing but
7 cooperation.

8 I know I keep saying FPL, but JEA, both of
9 those companies, FPL and JEA both have active
10 websites that were available 24/7, and they were
11 updated on a regular basis, because I would
12 actually call them and ask them, how many outages
13 do you still have? Check the website, and it was
14 always right on the money.

15 Beaches Energy serves Ponte Vedra Beach, and
16 then all closed, was -- was -- has always been
17 underground on Ponte Vedra Boulevard, which serves
18 a lot of the residents and commercial. And Beaches
19 Energy actually did that at no cost to that
20 particular area. That is a very high taxed
21 district, so I think they thought that was just
22 part of something that they should provide. But I
23 don't blame Beaches Energy, the Ponte Vedra coastal
24 area, it was out more than two or three days.

25 So with that said, I will just close real

1 quick on what my point is on overthinking versus
2 communication.

3 When NASA first started the Apollo program,
4 they were doing a lot of test runs into space
5 before they sent somebody two weeks to the moon.
6 The biggest problem with the American Astronauts
7 complaints were is that the fountain pens would not
8 write in zero G. All of them complained about it.
9 They wouldn't write when they got cold. They
10 wouldn't write when they got too hot.

11 So NASA decided to hire a consultant and a
12 group people to sit around and talk about it, and
13 think about it and work it out, and they came up
14 with the perfect pen. It would work in freezing
15 conditions, overheating conditions, upside down,
16 right side up, zero G, whatever.

17 Well, the Russian Cosmonauts that were
18 actually in the classroom training with these
19 astronauts always kept saying, you overthink.
20 Americans overthink. You need to communicate.
21 They said, what are you talking? They said, y'all
22 overthink. You need to communicate. You sit in
23 Russia, when we have problem with pen, we use
24 pencil.

25 So thank you very much for the opportunity,

1 and if anybody would like to come to our utility
2 coordination meetings, you are more than welcome.
3 The next one we will be having is May 17th at the
4 St. Johns County Utility Department, and there will
5 be a Commissioner in attendance.

6 COMMISSIONER BROWN: Thank you so much,
7 Mr. Mauldin. Thanks for coming. Thanks for your
8 presentation and your comments.

9 And Chairman Graham.

10 CHAIRMAN GRAHAM: So did Florida Power & Light
11 ask for you to come here?

12 MR. MAULDIN: No, they didn't. But like I
13 said, I keep a very close relationship with them
14 because they are the largest power supplier, and
15 they have been very, very cooperative.

16 CHAIRMAN GRAHAM: Well, I can tell you from
17 personal experience, Beaches Energy happens to be
18 nie energy, and they are currently 82 percent
19 underground, and I know in Ponte Vedra Beach, it's
20 closer to about 92 percent.

21 MR. MAULDIN: Yes.

22 CHAIRMAN GRAHAM: So life is a lot easier that
23 way, and --

24 MR. MAULDIN: Yes.

25 CHAIRMAN GRAHAM: -- I appreciate what you

1 guys are doing at EOC, and you have the benefit
2 that they don't have in Pinellas County. You only
3 have a or six cities, as opposed to the 23 or 24
4 counties out there.

5 MR. MAULDIN: Right.

6 CHAIRMAN GRAHAM: Regardless of how many you
7 have, it still becomes problematic, and then you
8 just have to be diligent about keeping those people
9 involved and in the loop.

10 Thanks for coming.

11 MR. MAULDIN: Thank you very much.

12 COMMISSIONER BROWN: Commissioners, any other
13 questions?

14 My understanding is that we have one speaker
15 left, and staff, you do not have any questions of
16 the participants here today.

17 MR. BALLINGER: That's correct. I think you
18 all have answered all the questions we had.

19 COMMISSIONER BROWN: Excellent.

20 So, Council Member, if you would like, we can
21 proceed ahead with your presentation.

22 MR. AVERA: Thank you. Good morning,
23 everyone. I appreciate the opportunity to be here.
24 I am Troy Avera, from the City of Monticello City
25 Council.

1 During the two named storm events last year, I
2 was the Mayor. And, Commissioner Graham, if you
3 had been local government, you know that everybody
4 calls you both for communications and help. And
5 you are really -- very little help you can give
6 except in emergency situations. But when the
7 communication is bad, or nonexistent or unreliable,
8 it puts both the City and the citizens at unease.
9 And that was part of our issue in the last storm
10 event.

11 Duke is our energy supplier, and they supply
12 most of the power to all the rural electrics,
13 Tri-County Electric, Talquin Electric, and reliable
14 electric power is necessary for economic
15 development.

16 It's not just a convenience for the citizens,
17 or inconvenience for the citizens when you lose it.
18 If businesses, particularly small businesses are
19 impacted frequently by power outages, that hurts
20 them. They can't recover from it. And we have
21 that situation, and we have power outages
22 frequently in the City of Monticello.

23 Before the named storm events, we had a
24 whole day in the business district of power being
25 out. Just last week, we had an hour-and-a-half

1 with power outages.

2 And I admit that Monticello is one of the
3 oldest cities in the state of Florida, and our
4 infrastructure, both water and sewer and electric
5 have got age on them, and some of them routed
6 improperly. But the City went out of our way to
7 buy a new water treatment plant. We are one of the
8 top -- our effluent is one of the best three in the
9 state. And we have a complicated sewer system. We
10 have a number of pumping stations because of the
11 hills, and the direct impact on the City is
12 substantial also.

13 We ended up, out of the last storm event,
14 getting an \$85,000 -- well, \$6,000 fine and an
15 \$85,000 consent order to buy another emergency
16 generator. We have four, this makes five, because
17 of a small sewage spill. So it affects the City,
18 as well as the citizens and the businesses in it.

19 We would like to have more hardening of the
20 transmission lines. And I understand the
21 difference between distribution and transmission.
22 Right now, undergrounding is -- it's a way to go,
23 but all our city and our rural area -- and I am
24 speaking for all of cities basically North Florida
25 rural areas, is we need some sort of hardening of

1 our transmission lines so that when there is a
2 power outage, that the core part of the business
3 district which supports the sewer facilities, all
4 the businesses, their nursing homes and the
5 government, they are restored quickly, and they
6 have some redundant source to get power to them.
7 We don't have that. And we've had a number of,
8 like I said, frequent power outages.

9 In none of the wind events that we had, we had
10 substantial physical damage. The maximum rate --
11 wind rate was about 65 miles an hour, and we lost
12 power downtown for six days. There was customers
13 without power 12 days, and this is twice in six
14 months and, like I said before.

15 We realize we are partners with Duke power.
16 They are very important to us. We are working with
17 them. We got together with them afterwards, and we
18 asked, you know, what are we doing to try to solve
19 this? And they met with the City Council at a
20 workshop trying to come up with issues, and they
21 are telling us that they are having smart
22 systems -- self-healing system, I think, is what
23 they called them, but it's not going to help if
24 they don't have any power coming to the -- their
25 distribution networks.

1 And I understand that when you get out in the
2 community, there are some people going to be
3 without power for a longer period of time than
4 others. You begin to prioritize it. But when the
5 whole system fails because you have got no hardened
6 or redundant transmission lines, or ability to
7 routes to trans -- transmit the power, then that's
8 a big issue.

9 What it caused with us, we went four days in a
10 small town, 22 miles to the nearest city, no gas,
11 no water, no electricity, no fresh milk, no sales
12 because nobody could run a cash register, and we
13 are in an evacuation root. Coming back, people
14 heading back down to South Florida, and coming up
15 the first time, it's not a big impact, but going
16 back, they couldn't buy gas. The lines were miles
17 long out on the only service station in the county
18 that had a generator backup.

19 So it's important not just for us, it's
20 important for the evacuation of the people coming
21 back and forth through Monticello.

22 Post-storm communications is a big issue.
23 It's been a big issue for everyone. But we have an
24 EOC that was manned all the way through the storm.
25 It was up coming up to the storm. We got good

1 information. We had -- our city manager slept
2 there during the night of the storm. The City
3 Council, as soon as the winds died down to about
4 40 miles an hour, right after the storm passed, the
5 City Council manager was out talking to the
6 citizens. That's how we communicate.

7 We -- our internet penetration is only about
8 18 percent in the county, so internet is not up. A
9 lot of people were losing cell phones. So anybody
10 that had a generator was allowing people to charge
11 their phones, that's how we kept it going.

12 But after the storm, the communication, or the
13 information we were getting from Duke Energy began
14 to degrade, and I know the personal representative
15 at Duke personally. I know him from the Chamber of
16 Commerce. I see him around town. But the
17 information that he was getting was not correct
18 either.

19 So we got on the phone with the regional
20 general manager. I have got his number on my cell
21 phone. And we -- we talked constantly to get
22 realtime what are we repairing; because what
23 happened was, with the staging of the equipment --
24 and I like the Florida first idea -- is we had no
25 repair trucks in our city for about four days after

1 the storm passed. We had a lot of little cars
2 running around doing assessments, but no bucket
3 trucks. And the citizens saw that. And I told
4 him, I said this is a terrible, terrible publicity
5 thing for you not to have one truck doing one thing
6 in town.

7 And about Tuesday afternoon, after the
8 Governor's EOC representative in Orlando -- because
9 I called everybody starting Monday, Tuesday from
10 Senator Nelson, to the Governor's Office, and I
11 finally got a return call from Orlando at the EOC.
12 And he said -- I told him, I said, we got no water.
13 We got no milk. We got no bread. People have
14 wells here that depend on electricity. They -- you
15 know, we -- He said, well, we need to get you some
16 water and food. I said, no, you need to get us
17 some electricity. And by four o'clock this
18 afternoon -- that afternoon, we had about 20 bucket
19 trucks so show up. So that's the good thing.

20 And what I would like to see is for rural
21 communities particularly that have older systems
22 that need some repair and upgrading, is to have an
23 alternate or redundant source of power, or a
24 hardened power source coming into their core
25 districts; better communication post-storm.

1 Duke admitted to us at the workshop that
2 their -- I think they called it their outage
3 management system, their computer was overwhelmed.
4 They didn't have realtime information, and they
5 were telling people -- you would call them up one
6 day, they would tell you you were going to be two
7 days to be fixed. The next time you called up, in
8 12 days. Well, I just talked to the
9 representative, the Regional Vice-President, and he
10 told me that power would be back within a day or
11 two. So it -- it -- these people that got the
12 12-day estimate, of course they are on the phone to
13 me.

14 So the information has to be real, timely, and
15 it has to be correct. And they are working on it,
16 and we are working with them on it, too, so. And
17 just better staging of the equipment.

18 Some of the equipment needs to be held back a
19 little bit. I know all of it was down south, and I
20 know that everybody down south had a lot more
21 damage than we did, and I feel a little bit
22 reluctant to complain too much, but we suffered as
23 much for the electric loss for five to six days as
24 many communities did with a lot more physical
25 damage.

1 But anyway, thank you for your time. I
2 appreciate it.

3 COMMISSIONER BROWN: Counsel Member, Avera,
4 thank you so much for your thoughts and comments.
5 Commissioners, any questions? Seeing none.
6 Thank you.

7 Are any other matters to address before we
8 conclude the hearing -- workshop?

9 MR. BALLINGER: Not that I am aware of,
10 Commissioner Brown.

11 COMMISSIONER BROWN: Thank you.

12 MS. BUJALSKI: Chairman Brown.

13 CHAIRMAN GRAHAM: Yes. Certainly, Mayor.

14 MS. BUJALSKI: Something I think we all
15 probably forgot to say, and -- you know, I know
16 this a day about the electric companies, and we all
17 have expressed frustrations, but I do want to say
18 that the linemen that came into our state, and the
19 linemen that work for Duke were phenomenal. They
20 gave 20-hour days.

21 I know our -- our residents would drive around
22 on golf carts making sure they had water and
23 Gatorade, and even lunch sometimes. So, you know,
24 while we are here expressing our frustration, I do
25 just want to make sure, especially in case any of

1 them are watching, that they didn't go unnoticed in
2 their hard work, and being away from their own
3 families was greatly appreciated.

4 COMMISSIONER BROWN: Oh, I am happy you made
5 that comment. That is a very appropriate comment,
6 and would agree with you on that. I saw it, too
7 firsthand.

8 Commissioners, do you have any comments,
9 closing remarks, or anything before we conclude?

10 I did want to thank everyone for the robust
11 discussion and exchange of ideas that we had here
12 today. I think it will be very helpful for us to
13 consider at our next Internal Affairs -- no, the
14 following -- June Internal Affairs, there will be a
15 report for us to consider policies and procedures
16 moving forward.

17 And with that, if there are no other matters,
18 we are adjourned. Safe travels to you all. Thank
19 you again.

20 (Whereupon, the proceedings concluded at 12:40
21 p.m.)

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CERTIFICATE OF REPORTER

STATE OF FLORIDA)
COUNTY OF LEON)

I, DEBRA KRICK, Court Reporter, do hereby certify that the foregoing proceeding was heard at the time and place herein stated.

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

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

DATED this 14th day of May, 2018.



DEBRA R. KRICK
NOTARY PUBLIC
COMMISSION #GG015952
EXPIRES JULY 27, 2020