

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

FILED 12/20/2018
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FPSC - COMMISSION CLERK

In the Matter of:

DOCKET NO. 20180048-EI

CONSIDERATION OF THE TAX
IMPACTS ASSOCIATED WITH
TAX CUTS AND JOBS ACT OF
2017 FOR FLORIDA PUBLIC
UTILITIES COMPANY -
ELECTRIC.

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PROCEEDINGS: COMMISSION CONFERENCE AGENDA
ITEM NO. 17

COMMISSIONERS
PARTICIPATING: CHAIRMAN ART GRAHAM
COMMISSIONER JULIE I. BROWN
COMMISSIONER GARY F. CLARK

DATE: Tuesday, December 11, 2018

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

REPORTED BY: ANDREA KOMARIDIS
Court Reporter and
Notary Public in and for
the State of Florida at Large

PREMIER REPORTING
114 W. 5TH AVENUE
TALLAHASSEE, FLORIDA
(850) 894-0828

1 questions, and the settlement is ripe for a vote
2 this morning if the Commission so desires.

3 CHAIRMAN GRAHAM: Thank you, staff.

4 Ms. Keating?

5 MS. KEATING: Thank you, Mr. Chairman. Good
6 afternoon, Commissioners. Beth Keating with the
7 Gunster law firm here this afternoon for Florida
8 Public Utilities.

9 Commissioner, this is a very straightforward
10 settlement, which your staff has done an
11 outstanding job of summarizing at Page 2 of their
12 recommendation, with that correction. So, I'll be
13 very brief.

14 First, we'd like to thank OPC for working with
15 the company to bring this in for a landing. We
16 appreciate their diligence and focus on working
17 this through so we're able to resolve this prior to
18 hearing.

19 We'd also like to thank your staff for their
20 assistance and for working with us to get this
21 before you prior to the year's end so that the
22 appropriate rate reductions can be made effective
23 in January.

24 It's a good settlement, Commissioners. It
25 utilizes the company's tax savings to reduce storm

1 costs and fuel costs that otherwise would have been
2 passed on to the customers, and it also
3 contemplates a base-rate reduction beginning
4 January 1, 2019.

5 The parties agreed that the tax-savings
6 amounts have been calculated correctly and that the
7 manner in which these savings will be flowed back
8 to customers is an efficient, practical, and
9 beneficial means for doing so.

10 As such, Commissioners, we respectfully ask
11 that you approve this settlement as being in the
12 public interest.

13 Commissioners, Mr. Cassel and I are here to
14 answer any questions that you may have.

15 CHAIRMAN GRAHAM: Thank you.

16 Ms. Ponder.

17 MS. PONDER: Thank you, Mr. Chairman.

18 Virginia Ponder on behalf of the Public Counsel and
19 J.R. Kelly, the Public Counsel.

20 First, we'd like to thank Florida Public
21 Utilities Company for its cooperation in working to
22 reach this resolution. The provisions of the 2018
23 tax settlement address the issues associated with
24 the disposition of the tax savings arising from the
25 Tax Cuts and Jobs Act of 2017. This agreement

1 represents a reasonable compromise of parties'
2 positions following a lengthy discovery period.

3 The agreed disposition of the funds that are
4 provided by and belong to the customers are being
5 made with the express consent and agreement of the
6 customers.

7 This is fully consistent with the way the
8 customer monies have been handled for the Tampa
9 Electric, Peoples Gas, Duke, and Gulf Power
10 settlements.

11 We believe the 2018 tax settlement in its
12 entirety is in the public interest and is in the
13 best interest of customers and the company, given
14 the facts, circumstances, and posture of the case.

15 We thank you for your consideration of the
16 2018 tax settlement and respectfully request you
17 approve this settlement in its entirety.

18 We are available to answer any questions.
19 Thank you.

20 CHAIRMAN GRAHAM: Thank you, Ms. Ponder.

21 Commissioners, questions, comments, concerns,
22 motions?

23 COMMISSIONER BROWN: Mr. Chairman,
24 Commissioner Clark, I'm so happy to have these
25 customers be able to realize the savings of the tax

1 law by January 1st, 2019. I think this is a case
2 for administrative efficiency, mutually agreeable
3 by the parties. Wish all these tax dockets could
4 be handled before year-end, quite frankly, but I'm
5 happy that we have the settlement before us.

6 And with that, I would move approval of the
7 settlement as presented.

8 CHAIRMAN GRAHAM: Commissioner Clark.

9 COMMISSIONER CLARK: Second the motion,
10 Mr. Chairman.

11 And I would just echo Commissioner Brown's
12 comments. And I made the statement earlier that I
13 didn't know if I liked settlements or not. I'm
14 still not sure that I do, but -- but I do commend
15 y'all -- you guys for the work that you have done
16 in putting this together. This is an excellent
17 structure and I think it's definitely to the
18 benefit of the customers, and just hope we haven't
19 left anything out. We'll find out later, right?

20 Thank you.

21 CHAIRMAN GRAHAM: I want to know why we passed
22 this law a year ago and the prehearing officer is
23 just bringing this forward.

24 COMMISSIONER BROWN: Office of Public Counsel.

25 (Laughter.)

1 COMMISSIONER BROWN: One party.

2 CHAIRMAN GRAHAM: I am just picking on our
3 prehearing officer, who does a fantastic job on
4 these things.

5 COMMISSIONER BROWN: Thank you.

6 CHAIRMAN GRAHAM: Any further discussion? We
7 have a motion and second on the floor.

8 Seeing none, all in favor, say aye.

9 (Chorus of ayes.)

10 CHAIRMAN GRAHAM: Any opposed?

11 By your action, you've approved the motion.

12 Thank you very much.

13 Okay. That's 17 down.

14 (Agenda item concluded.)

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CERTIFICATE OF REPORTER

STATE OF FLORIDA)
COUNTY OF LEON)

I, ANDREA KOMARIDIS, 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 20th day of December, 2018.



ANDREA KOMARIDIS
NOTARY PUBLIC
COMMISSION #GG060963
EXPIRES February 9, 2021