

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

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of:

Docket No. 20200119-WS

Proposed amendment of Rule
25-30.335, F.A.C., Customer
Billing.

_____ /

PROCEEDINGS: COMMISSION CONFERENCE AGENDA
ITEM NO. 2

COMMISSIONERS
PARTICIPATING: CHAIRMAN GARY F. CLARK
COMMISSIONER ART GRAHAM
COMMISSIONER JULIE I. BROWN
COMMISSIONER DONALD J. POLMANN
COMMISSIONER ANDREW GILES FAY

DATE: Tuesday, July 7, 2020

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

REPORTED BY: DEBRA R. KRICK
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 P R O C E E D I N G S

2 CHAIRMAN CLARK: All right. We will move over
3 to Item No. 2, Proposed Amendment of Rule
4 25-30.dot.

5 Ms. Helton, would you introduce the item,
6 please?

7 MS. HELTON: Yes, sir. Good morning.

8 Item 2 is staff's recommendation for you to
9 propose amendments to the water and wastewater
10 utility customer billing rule. The purpose of the
11 recommended amendments is to clarify billing
12 requirements for customers who temporarily
13 discontinue service and are out of residence on a
14 seasonable basis, and to make billing requirements
15 consistent for customers with different rate
16 structures and otherwise update the rule.

17 It's my understanding that Tad Davis from the
18 Office of Public Counsel is on the telephone to
19 answer any questions, as are members of your staff.

20 CHAIRMAN CLARK: Thank you, Ms. Helton.

21 Any Commissioners have any questions for
22 staff?

23 Commissioner Brown.

24 COMMISSIONER BROWN: Thank you, Mr. Chairman.

25 I completely understand the need for this

1 amendment to the rule to provide revenue stability,
2 especially in those seasonal areas, but I did want
3 clarity on those customers who request temporary
4 discontinue of service longer than six months.

5 So, for example, somebody who is deployed for
6 a military deployment, or whatever, overseas, can
7 they still request temporary discontinuance of
8 service, and does this rule apply to them?

9 CHAIRMAN CLARK: Ms. Helton?

10 MS. HELTON: I think maybe Ms. Cowdery could
11 answer that question.

12 CHAIRMAN CLARK: Ms. Cowdery, are you on the
13 line?

14 MS. COWDERY: Yes, I am. Do you hear me?
15 This is Kathryn Cowdery.

16 CHAIRMAN CLARK: Yes, ma'am. You are
17 recognized.

18 MS. COWDERY: Okay, yes.

19 Commissioner, I don't -- there is no -- yes, I
20 would say the temporary discontinuance of service
21 provision would apply there. I don't know if that
22 answers the question, the Section 4 would apply to
23 them, anyone who asks for a temporary
24 discontinuance.

25 COMMISSIONER BROWN: So -- because it

1 specifically Subsection (5) really talks about
2 termination of service for six months or less. So
3 I wanted to know about whether this rule would
4 apply for six months or more.

5 MS. COWDERY: Section 5 is if someone asks for
6 a permanent termination. So I would think if
7 somebody was deployed, if they asked for a
8 permanent termination of service, then this
9 provision would apply to them. But that would --
10 you know, generally, when someone asks for a
11 permanent discontinuation, the idea was that that
12 should be a permanent discontinuation.

13 So what we are trying do with Section 5 is
14 have people who know they are only going to be on a
15 temporary discontinuance ask for that, and so if
16 someone is deployed and they are going to be
17 leaving their residence, the permanent
18 discontinuation is -- is meant to mean that you
19 are -- you are permanently disconnected. So if
20 they were just temporarily, you know, they would be
21 requesting under Section 4. I hope that answers --

22 COMMISSIONER BROWN: Under subsection (5),
23 then they would have to -- if they want to resume
24 service, or restart service, they would have to
25 incur all of those initial connection fees.

1 MS. COWDERY: They would have to pay their
2 base facility charge, because the idea is if you
3 are only leaving for a temporary period of time,
4 you know, less than six months, you really are a --
5 a -- it's really a temporary discontinuance.

6 COMMISSIONER BROWN: Do we have any other rule
7 applicable to military folks who have to -- to take
8 service and then their service is greater than six
9 months, and then, again, they are going to have to
10 reconnect and incur a substantial amount of fees to
11 renew their serves, do we have any type of rule
12 that addresses that?

13 MS. COWDERY: I am not aware of any rule that
14 makes that distinction.

15 COMMISSIONER BROWN: Commissioners, it's just
16 a thought that came to me when I looked at the
17 amendments to this rule, it started occurring to me
18 that, you know, there are substantial fees, but
19 each utility has under their tariff for connection,
20 so military folks who are deployed for greater than
21 six months, I think we should possibly explore
22 the -- the idea of some type of abatement or waiver
23 to those fees for their service.

24 MS. HUDSON: This is Shannon Hudson --
25 (inaudible) -- six months --

1 CHAIRMAN CLARK: Okay. One moment, please.

2 Who -- who is speaking?

3 MS. HUDSON: Shannon Hudson.

4 CHAIRMAN CLARK: I am sorry, we are -- we are
5 having a very hard time understanding you. Can you
6 try something different?

7 MS. HUDSON: Shannon Hudson.

8 CHAIRMAN CLARK: Okay. Ms. Hudson, you are
9 recognized.

10 MS. HUDSON: Can you hear me now?

11 CHAIRMAN CLARK: Yes --

12 MS. HUDSON: Okay.

13 CHAIRMAN CLARK: -- we can hear you now.

14 MS. HUDSON: I would like to add to what
15 Ms. Cowdery was saying.

16 As far as a military person, if they are
17 deployed for more than six months and they ask for
18 discontinuance of service, a permanent one, per se,
19 since it's over six months, they just wouldn't be
20 subject to paying those six months of base facility
21 charges. They would just pay the -- the
22 reconnection fee that's in play for that particular
23 utility company.

24 COMMISSIONER BROWN: Yeah, I -- I understand
25 that. Thank you. I just want to explore the --

1 the idea of someone who has a greater period of, as
2 a result of their military service, their time
3 away, and they plan on resuming service after the
4 deployment.

5 MS. HUDSON: Right. We don't have any rules
6 in play that specifically address, you know,
7 possibly -- I think you are saying maybe waiving
8 their reconnection fee, or something of that sort
9 and return; is that a question?

10 COMMISSIONER BROWN: Yeah. And I -- I just
11 wanted to explore the idea, and possibly look at
12 whether other states have some type of waiver or
13 abatement, like I said, rule in place. And we
14 don't have to take action or anything -- I am not
15 asking the Commission to do that. I would just
16 like to request an exploration of that.

17 MS. HUDSON: Okay.

18 COMMISSIONER BROWN: If the commissioners are
19 okay with that idea.

20 CHAIRMAN CLARK: Good points, Commissioner
21 Brown.

22 Okay, Commissioner Polmann.

23 COMMISSIONER POLMANN: Thank you, Mr.
24 Chairman.

25 The action that's being sought here, or

1 proposed is the amendment, and set of amendments
2 appears in this rule, and I can support the topic
3 that Commissioner Brown has brought up.

4 So my question concerns if the Commission
5 would like to add or -- I think the last comment
6 from -- from the Commissioner was to explore the --
7 the status of active duty personnel, what is our
8 alternative at the moment to proposing these
9 amendments? My question concerns what exactly is
10 it that we are doing -- being asked to do today, if
11 we would like to explore some -- something else in
12 addition or different to what's before us?

13 MS. COWDERY: Commissioner, this is Kathryn
14 Cowdery.

15 If -- if we are being asked to make some
16 changes to the draft rule, what we would do is we
17 would not propose a rule today. We would -- staff
18 would explore the areas we are asking to be looked
19 at, and then come back to the Commission at a
20 future date with a recommendation on the rule.

21 MS. HELTON: Mr. Chairman, or we could propose
22 the rule today and -- or if staff -- if the
23 Commissioners agree with staff's recommendation,
24 and then look further at how military should be
25 treated when they deploy for longer than six

1 months.

2 CHAIRMAN CLARK: We would just come back at
3 that point with an additional proposed amendment to
4 the rule, so...

5 MS. HELTON: Yes, sir.

6 CHAIRMAN CLARK: That's -- that's the two
7 options that -- that stand before the Commission,
8 as I see it. We can approve -- approve the
9 proposed amendment today, have staff come back with
10 another proposal to address the concerns that
11 Commissioner Brown has raised, or we could hold the
12 entire thing and come back with a new proposal that
13 included both items. That's -- that's what's at
14 your discretion at this moment; correct, Ms.
15 Helton? Okay.

16 MS. HELTON: Yes, sir.

17 CHAIRMAN CLARK: Any other comments or
18 questions from Commissioners?

19 Commissioner Polmann. I am sorry, I thought
20 you.

21 COMMISSIONER POLMANN: Yeah, thank you,
22 Mr. Chair.

23 CHAIRMAN CLARK: Yes, sir. Go ahead.

24 COMMISSIONER POLMANN: Just -- thank you. One
25 additional comment here.

1 As I understand Section 5, and I appreciate
2 Commissioner Brown bringing this forward, that what
3 we are looking for here, what's being suggested is
4 the consistency, and the distinction here addresses
5 the short-term versus what's being referred to as
6 permanent, so that we don't have customers that are
7 turning off service, coming back and looking for a
8 different cost.

9 I -- I think I understand what's being
10 attempted here. I don't have any issue with
11 Section 5, but I -- I -- I am just trying to figure
12 out the best way to address this. So is -- is
13 there a particular burden to having rule-making
14 twice?

15 MS. COWDERY: Commissioner, this is Kathryn
16 Cowdery.

17 If we were to go ahead with proposing the rule
18 and as staff has recommended, we would continue
19 through the rule-making process, you know, doing a
20 notice of proposed rule-making -- I have got
21 feedback here -- and then we would start, explore
22 the area that Commissioner Brown was looking at as
23 a separate rule-making, and we would start that
24 process as a separate rule-making.

25 As far as and extra burden, it's just -- you

1 know, it would be something we would do and it
2 would be a separate step, and I don't know that it
3 would be a particular burden.

4 CHAIRMAN CLARK: Commissioner Polmann, does
5 that address your question?

6 COMMISSIONER POLMANN: Yeah, I was just
7 pausing because my answering machine is in the
8 background, but that's all I have, Mr. Chairman.
9 Thank you.

10 CHAIRMAN CLARK: Thank you.

11 Commissioner Fay.

12 COMMISSIONER FAY: Thank you, Mr. Chairman.

13 I just -- I would be open to -- to either, I
14 guess two of the three options. I think this is a
15 proposed rule kickoff, there is a lot of
16 opportunity for parties to -- to weigh in before
17 final adoption if we -- we choose to -- to change
18 the language here.

19 I would also be open to the Commission and
20 staff looking at Commissioner Brown's point about
21 the -- the military. I don't know if that would be
22 essentially a bigger rate-making question as the
23 military personnel are treated differently for
24 certain components for these processes, and -- and
25 that -- that might be appropriate and consistent

1 with our statute, but I think that's something that
2 we would want our legal folks to -- to look into
3 just to make sure that it's consistent with what we
4 have.

5 And I think -- I had some questions for staff
6 the for the noticing components of this. I know
7 for the flat rate and the minimum usage change are
8 the rule change section 10, Subsection (5), you
9 have got potential clarification there for how that
10 might apply, but it might mean that folks for the
11 first time will potentially see that charge, and
12 wanted make sure they have notice of that charge.

13 And I think that's something going forward
14 that it might apply to a small number of people,
15 but it's important, and I know Office of Public
16 Counsel has somebody on the line.

17 So I think the whole rule-making process would
18 give the opportunity for some of that dialogue and
19 discussion. And I don't think we are in any sort
20 of urgency specifically to get this rule done, and
21 so I would -- I would defer to Commissioner Brown
22 maybe on her preference moving forward, but I think
23 either one would allow us some time to weigh and
24 make sure this is in the right posture for us.

25 Thank you.

1 CHAIRMAN CLARK: Thank you, Commissioner Fay.
2 Commissioner Brown.

3 COMMISSIONER BROWN: Thank you, Commissioners,
4 for your comments.

5 And that's an interesting point that you
6 raise, Commissioner Fay, about the noticing that I
7 didn't of when I read the recommendation.

8 Since we are not really under a statutory
9 timeframe, my request -- my preference would be to
10 defer it and allow more time for comment and
11 exploration of the issues we discussed today.

12 CHAIRMAN CLARK: Okay. Commissioner Graham.

13 COMMISSIONER GRAHAM: Thank you, Mr. Chairman.

14 I actually had a different concern. I -- I
15 appreciate Commissioner Brown's concern. I think
16 it's a great one, and I do like the idea of
17 deferring it. Let's just get it right. I mean, we
18 can defer it for one cycle, come back and have it
19 right that way and not have to do a separate track
20 for -- for the other change.

21 But the other question I had, or concern I
22 have, I get what staff is trying do here with the
23 rule. You know, you don't want, like -- and I
24 don't mean to pick on the snowbirds, but you don't
25 want for the snowbirds to leave and shut their --

1 shut their power off -- I am sorry, shut the water
2 off and not be paying the flat rate every single
3 month and then come back and turn it back on;
4 because usually, the flat rate over six months is
5 going to be a lot more expensive than the fee of
6 turning it back on.

7 So I get that part, but what's to stop
8 somebody from gaming the system? Like a couple
9 saying that they are leaving permanently, and then
10 come back in less than six months, or in six
11 months, and then it goes from the husband's name to
12 the wife's name. So it's a different name. It's a
13 different service, but now they don't have to pay
14 all those back fees. How do we stop that from
15 happening?

16 CHAIRMAN CLARK: Ms. Cowdery, would you like
17 to address that?

18 MS. COWDERY: I will address it to the extent
19 I can.

20 I don't -- I don't know how utilities work,
21 but I -- I would think -- as far as that goes. I
22 don't -- I wouldn't think putting in the husband's
23 name versus the wife's name at the same location
24 within six months would result in the utility
25 considering it a new -- a new service. But to my

1 knowledge, speaking with staff, this has not been a
2 big problem. Maybe staff can address that, but
3 I -- I don't know if we have ever heard of a
4 problem like that.

5 What we were trying do with adding this
6 Section 5 was, to a certain extent, codify the
7 Commission policy that if you are out of residence,
8 that you pay a base facility charge, which is the
9 fixed cost of the utility. And somebody who is
10 gone for less than six months is really temporarily
11 gone and should be paying the base facility charge.

12 So I -- I don't -- my understanding from staff
13 is that this has not been a big problem. We just
14 felt, as part of this rule-making, that this would
15 be a good time to add this clarification into the
16 rule. I don't know if staff has anything further
17 they can add.

18 CHAIRMAN CLARK: Commissioner Graham.

19 COMMISSIONER GRAHAM: Yeah, Mr. Chairman, we
20 don't need to hold this up now. If we are going to
21 defer it to the military question, I can speak -- I
22 can speak to staff off-line and we can find out if
23 there is a problem here or not.

24 CHAIRMAN CLARK: All right. I seem to sense
25 the consensus here to defer this. Any objection to

1 a deferral on this item from any Commissioner?

2 All right. It seems like we have consent.

3 We will defer this item to a later date.

4 (Agenda item concluded.)

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

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

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 17th day of July, 2020.



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