1	FLORIDA	PUBLIC SERVICE COMMISSION
2	In the Matter of:	DOCKET NO. 20230023-GU
4	Petition for rate i Gas Systems, Inc.	ncrease by Peoples
5		DOCKET NO. 20220219-GU
6 7	Petition for approv study by Peoples Ga	val of 2022 depreciation as Systems, Inc.
8		DOCKET NO. 20220212-GU
9	and subaccount for	ral of depreciation rate renewable natural gas to others by Peoples
11	PROCEEDINGS:	SERVICE HEARING
12 13 14 15	COMMISSIONERS PARTICIPATING:	CHAIRMAN ANDREW GILES FAY COMMISSIONER ART GRAHAM COMMISSIONER GARY F. CLARK COMMISSIONER MIKE LA ROSA COMMISSIONER GABRIELLA PASSIDOMO
16	DATE:	Thursday, June 29, 2023
17	TIME:	Commenced: 2:00 p.m. Concluded: 2:26 p.m.
18	PLACE:	Hillsborough Community College -
19	THACE.	Brandon Campus 10451 Nancy Watkins Drive
20		Tampa, Florida
21	REPORTED BY:	DEBRA R. KRICK Court Reporter and
22		Notary Public in and for the State of Florida at Large
23		PREMIER REPORTING
<ul><li>24</li><li>25</li></ul>		112 W. 5TH AVENUE CALLAHASSEE, FLORIDA (850) 894-0828

1	APPEARANCES:
2	J. JEFFREY WAHLEN, ESQUIRE, Ausley Law Firm,
3	Post Office Box 391, Tallahassee, Florida 32302;
4	appearing on behalf of Peoples Gas Systems, Inc. (PGS).
5	WALT TRIERWEILER, PUBLIC COUNSEL, OFFICE OF
6	PUBLIC COUNSEL, c/o The Florida Legislature, 111 West
7	Madison Street, Room 812, Tallahassee, Florida
8	32399-1400, appearing on behalf of the Citizens of the
9	State of Florida (OPC.).
10	RYAN SANDY and MAJOR THOMPSON, ESQUIRES, FPSC
11	General Counsel's Office, 2540 Shumard Oak Boulevard,
12	Tallahassee, Florida 32399-0850, appearing on behalf of
13	the Florida Public Service Commission (Staff).
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1	PROCEEDINGS
2	CHAIRMAN FAY: All right. Good afternoon,
3	everyone. Welcome to our customer service hearing
4	for today.
5	What I am going to do is go over a little bit
6	of what the hearing will include today, and then
7	some logistics procedurally as to how we will carry
8	this out.
9	Just first and foremost, my name is Andrew
10	Fay. I serve as the Chairman of the Florida Public
11	Service Commission. I do have all four of my
12	colleagues here today with the Commission. I want
13	to make sure I give them an opportunity to weigh in
14	and provide any comments that they need to, and if
15	I could, Commissioners, I would like to go to
16	Commissioner Passidomo first, as I know you were
17	with us yesterday on the call and that was
18	validated by the court reporter and everybody, but
19	just to make sure if there is anything that you
20	wanted to add, that you have the opportunity to do
21	so today before these other guys start talking for
22	a really long time, so you are recognized.
23	COMMISSIONER PASSIDOMO: All right. Is this
24	on?
25	CHAIRMAN FAY: Push it down and see if it

1	turns blue for you.
2	COMMISSIONER PASSIDOMO: Can you hear? Okay.
3	I just thank you, Chairman. I just
4	thank you. Okay. There we go. Thank you. Thank
5	you, Mr. Chair.
6	I just want to take an opportunity to say I
7	appreciate the customers that have written in for
8	these comments. We you know, all of our offices
9	receive these, and they are just as valuable to us
10	as, you know, if you were to be here or call in
11	when we do the virtual hearing, so please take the
12	opportunity to write into our office. We review
13	each of those comments, and those go into the
14	record. So I appreciate those customers who have
15	already taken the opportunity to do that, and feel
16	free to continue sending comments to us via email.
17	Thank you.
18	CHAIRMAN FAY: Great. Sure.
19	Commissioner Clark?
20	COMMISSIONER CLARK: Ditto.
21	Okay. Commissioner Graham?
22	COMMISSIONER GRAHAM: Ditto.
23	CHAIRMAN FAY: Okay. Commissioner La Rosa?
24	All right, Commissioners, with that, then, we
25	will move into the customer hearing itself.

1	Staff, if you could please read the notice.
2	MR. THOMPSON: Thank you, Chair.
3	By notice published on June 13th, 2023, this
4	time and place has been set for a customer service
5	hearing in Docket Nos. 20230023, 20220219 and
6	20220212. The purpose of the hearing is set forth
7	more fully in the notice.
8	CHAIRMAN FAY: Okay. Great. Thank you.
9	Commissioners, we will take appearances before
10	we get into the public comment part of this
11	hearing. We will start with Peoples Gas System and
12	then Office of Public Counsel, and then we will
13	have staff recognized.
14	MR. WAHLEN: Thank you, Mr. Chairman and
15	Commissioners. I am Jeff Wahlen of the Ausley
16	McMullen law firm in Tallahassee appearing on
17	behalf of Peoples Gas System, Inc.
18	CHAIRMAN FAY: Mr. Trierweiler.
19	MR. TRIERWEILER: Good afternoon. My name is
20	Walt Trierweiler, and I have the privilege of
21	representing the customers of the state of Florida
22	as the Public Counsel.
23	CHAIRMAN FAY: Okay. And then staff.
24	MR. THOMPSON: Thank you.
25	Major Thompson and Ryan Sandy on behalf of the

1	Public Service Commission, Office of General
2	Counsel.
3	CHAIRMAN FAY: Okay. Great. Thank you.
4	Just a reminder for everyone the purpose of
5	the customer service hearing, so thank you to the
6	customers who did come here today to participate in
7	this.
8	We in August we will have a specific
9	technical hearing regarding the substance of the
10	case, but the whole point of today's hearing is to
11	hear from you, the customer, about your opinion on
12	this rate case and your service that's being
13	provided by the utility.
14	We do have some additional contact information
15	which we would like to make available for those
16	that are watching in for the record if customers
17	want to access this hearing in the future. So I
18	will go through some of that contact information,
19	and then we will go into the proceeding for the
20	public testimony portion of this.
21	So first, we have a representative from PGS
22	that's available here today, but also by calling
23	(877)832-6747, and that individual will be made
24	available from 8:00 a.m. to 5:00 p.m. normal
25	business hours Monday through Friday.

The Commission has Bart Fletcher here today as a member of our staff from our Accounting and Finance division that's available for any questions that customers may have in this case. Bart can be reached either by email or by phone in addition to speaking with him here today. That email is Bart dot Fletcher, so it's B-A-R-T dot F-L-E-T-C-H-E-R @psc.state.fl.us, or you can also reach him by calling (850)413-7017.

In addition to Bart, we have some of our technical and legal staff here today if there is additional assistance needed by any customers.

I do want to mention that the official transcript of this hearing will be -- it will be transcribed and become a part of the official record. As such, when I swear you in as a customer, and before you share your comments, we also note that you may -- you may be asked questions, essentially cross-examination from either Commissioners or the other parties to this docket.

I just remind everyone we carry out these hearings are professionalism, and so I ask you to please respect others as they are speaking, and let them acknowledge their time.

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1	In addition to sharing your comments to this
2	proceeding, we also allow the Commission to accept
3	information that is sent into the Commission for
4	this docket, and so I want to provide that
5	information for the record.
6	The first being is the PSC can receive
7	information by mail. There is a preaddressed
8	comment card for download on our website.
9	The other is if you would like to email
10	information into the Commission, make sure you
11	email it to clerk@psc.state.fl.us. And in that
12	email, you reference this case, this docket, which
13	is 20230023. We want to make you feel as
14	comfortable as possible during this proceeding, so
15	if there is any other information that you would
16	like to submit related to this docket, you can do
17	so at a later date.
18	Our goal really is to provide customers with a
19	wide array of opportunities that they feel is best
20	to weigh into and participate with these dockets,
21	and so we will continue to carry those out through
22	the hearing.
23	With that, Commissioners, we will what we
24	will do next is we will move into opening
25	statements by the parties in the docket, and then

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1	we will move into the public testimony for those
2	who are here and signed up today.
3	So with that, I will allow PGS to first
4	provide an opening statement, and then the Office
5	of Public Counsel, as parties to this docket, to
6	also provide an opening statement.
7	So, Peoples Gas, you are recognized.
8	MR. WAHLEN: Thank you, Mr. Chairman. Today
9	we have with us Karen Sparkman, who is
10	Vice-President of Customer Experience with Peoples
11	Gas. She has brief remarks.
12	CHAIRMAN FAY: Okay. Ms. Sparkman, you are
13	recognized. Just make sure your mic is on there.
14	MS. SPARKMAN: Good afternoon. Can you hear
15	me in the mic?
16	CHAIRMAN FAY: No, we can't. Let me just make
17	sure with the tech folks that we get you live here
18	so we can have it on the record. There we go.
19	All right. You are recognized.
20	MS. SPARKMAN: Good afternoon, Commissioners
21	and ladies and gentlemen. My name is Karen
22	Sparkman, and I am the Vice-President of Customer
23	Experience for Peoples Gas System.
24	We appreciate having the opportunity to
25	participate in the customer service hearing today.

1	Peoples Gas is Florida's largest natural gas
2	distribution utility, and serves nearly 470,000
3	homes and businesses in 39 of the 67 counties
4	across our state. Our mission is to make life
5	better for communities by delivering safe,
6	resilient, efficient and affordable natural gas
7	energy solutions.
8	While we've managed our business prudently,
9	Florida's recent population growth has been
10	remarkable, resulting in more new homes and
11	commercial construction, more businesses, stores
12	and restaurants, and new and expanded roadways.
13	Since the last base rate increase, Peoples Gas
14	System has grown by 1,200 miles of main and service
15	lines to serve growth, and has added approximately
16	40,000 residential and 1,500 commercial customers.
17	Our decision to request a rate increase was
18	not an easy one. We know rising prices due to
19	inflation are affecting businesses and families
20	across the nation. However, Peoples Gas must
21	continue to invest in new infrastructure and

Like other businesses, Peoples Gas has been

operate and maintain our expanding system.

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upgrade existing infrastructure to serve this

demand, as well as hire additional team members to

1	impacted by higher than expected inflation, labor
2	market challenges, supply chain disruptions and
3	rising interest rates. Nevertheless, thanks to the
4	efforts of our skilled and dedicated team members,
5	Peoples Gas continues to be recognized for
6	outstanding customer service.
7	In 2022, the company ranked highest in south
8	midsize segment of the JD Power Gas Utility
9	Residential Customer Satisfaction Study for the
10	tenth year in a row. Peoples Gas has also led the
11	nation in the JD Power Residential Study in eight
12	of the past 10 years.
13	Additionally, in the JD Power Gas Utility
14	Business Customer Satisfaction Study, the company
15	ranked highest in the south segment in 2022 for the
16	fourth year in a row, and the sixth time since
17	2016.
18	Peoples Gas has also led the nation in the
19	business study in six of the past eight years.

Peoples Gas was also named amongst the most trusted utilities in the nation for the ninth time in 2022 Cogent Escalent Syndicated Utility Trusted Brand and Customer Engagement Residential Study.

We know our customers rely on the company to provide a resilient and dependable energy source,

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especially during hurricane season. The majority
of our natural gas distribution system is
underground, and provides significant reliability
during severe weather, resulting in minimal outages
and providing energy resiliency post events.

We are looking forward to hearing from our customers, and are happy and available to help if you have any specific questions regarding our request for rate increase or have questions about your natural gas bills or other service concerns. As mentioned earlier, our customer care number is (877)832-6747.

We would like to thank the Commissioners, staff and our customers for participating in this hearing and providing us with the opportunity to listen to our customers. Peoples Gas understands that our customers truly do have a choice in using natural gas to meet their energy needs, and we take pride in providing safe and reliable natural gas service throughout Florida, and we appreciate your participation in today's hearing.

22 Thank you.

- 23 CHAIRMAN FAY: Great. Thank you.
- All right. Next we will have Mr. Trierweiler
  with the Office of Public Counsel provide an

1	opening statement.
2	MR. TRIERWEILER: Thank you, Chairman.
3	We are here today because Peoples Gas has
4	filed a request for a variety of changes to their
5	current rates. We are engaged in extensive

discovery, and we have conducted the depositions of several key utility witnesses in order to identify

8 cost savings for customers and better prepare

ourselves for the upcoming hearing.

PGS, we recognize, is a strong Florida company, with a recent track record of safe operations and good customer service. However, we are intervening on behalf of the customers of the state of Florida to try to save them some money and reducing rate impact of the amounts that are sought by the utility in this case.

In our research in discovery and depositions that are ongoing, we have already identified four major areas in this rate case where the Commission can reduce rate impact and capture cost savings for Florida's customers.

First, depreciation. The utility's proposal would result in customers overpaying for test year depreciation expense. The Office of Public Counsel is advocating that the Commission rely upon a more

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appropriate depreciation parameter to prevent this from occurring and, thereby, keeping dollars in the customers' pockets rather than overpaying for depreciation.

Second, new hires.

hire an excessive number of new employees to accommodate the company's expected growth in Florida. We recognize that the economy is booming here in Florida, and that there is growth.

However, we think that they have overestimated the amount of employees that they will need -- or that will be required to meet the need of serving those new customers. Customers shouldn't have to pay for an excessive number of new employee positions, or for positions that may never materialize.

The company's request to

Third, spinoff. Tampa Electric has decided to spin off Peoples Gas into a separate company, with the effective date of the spinoff being January 1st, 2023. Doing so has created costs that the customers wouldn't have to pay if no spinoff had taken place. Therefore, we are advocating that the customers not be forced to pay for costs that have arisen due to the decision of the company to spin off Peoples Gas from its parent, Tampa Electric.

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entitled to earn a reasonable rate of return on equity. However, the utility has requested a return on equity of 11 percent. But our research indicates that Peoples Gas only requires a nine percent ROE to provide appropriate profit to its shareholders.

The law requires Peoples Gas to prove that they are asking for only what is reasonable and prudent. In order to get fair, just and reasonable rates, the Commission will make these decisions on how much of the rate case is appropriate to grant to the utility.

We are going to hold, and request that the Commission hold Peoples Gas to make their burden -- to meet their burden of proof, and we are going to challenge every unnecessary cost in this rate case.

Today's customer service hearings are an important part, and an opportunity for customers to speak up and tell the Commissioners how you feel about the quality of PGS's service and about the requested rate increase.

If you don't choose to use these in-person opportunities, or prefer the remote opportunities that are upcoming, then perhaps you would choose to reach out to the Commission and let them know your

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1 thoughts on the rate case and the impact upon you 2. through correspondence, and your correspondence 3 with the Commission will become apart of the record 4 of this hearing. 5 The overall rate case process is improved greatly through your participation, and I am 6 7 gratified to see that we have a participant here 8 today. We look forward to hearing from you. 9 for anyone that's watching at home or are going to 10 watch these matters late later on, we encourage you 11 also to participate. Whether your comments are 12 good or bad, it's helpful for us to hear from the 13 customers concerning the requested rate case. 14 Thank you. 15 CHAIRMAN FAY: Great. Thank you, Mr. 16 Trierweiler. 17 Commissioners, next we will move All right. 18 into the customer testimony portion of the hearing. 19 I would just, for our folks who are here today, 20 like to give them some structure for how this 21 proceeding normally works. 22 We normally allow three minutes for each 23 customer to speak. I believe we only have maybe 24 one, if not a handful of customers here tonight, 25 and so I would at least like to go ahead and extend

1	that to five minutes. My only concern is just with
2	our technical, so if we change the minutes with the
3	lights that they see light up at three minutes, or
4	do we know if they have do they have lights at
5	the podium?
6	MR. STADEN: There is no lights.
7	CHAIRMAN FAY: So as you speak, we will let
8	you know when you get to that five minutes for our
9	speakers, and just let them know they need to start
10	concluding at that point.
11	So with that, we will set the time. No
12	lights.
13	Public Counsel, Mr. Trierweiler, will call
14	each customer speaker with the names that he has
15	provided. What I would like to do now is go ahead
16	and swear our customers in to make sure that the
17	proper swearing in truth is provided for this
18	hearing. So with that, if you could just stand.
19	Okay. I should say customer not customers.
20	(Whereupon, Chairman Fay administered the
21	oath.)
22	CHAIRMAN FAY: Great. Thank you so much.
23	All right. Mr. Trierweiler, I have got some
24	other notes here about the order of witnesses, but
25	seeing customers, but seeing as though we have

1	one, I will let you go ahead and recognize that
2	customer, and then we will have you come up to the
3	podium and make sure that mic is on for you so we
4	can get your comments on the record.
5	MR. TRIERWEILER: Ms. Potter, if you would go
6	ahead and come forward. Is your name Michelle
7	Potter?
8	MS. PATTY: No, Patty.
9	MR. TRIERWEILER: Say it again.
10	MS. PATTY: The last name is Patty, P-A-T-T-Y.
11	MR. TRIERWEILER: Oh, thank you so much.
12	MS. PATTY: Good afternoon. I am Michelle B.
13	Patty. I am a customer. This is my first time
14	attending a hearing. I have been a customer for
15	over 40 plus years, and this is the first time that
16	I have actually came to speak you to all.
17	Now, the room is not full because people feel
18	that why bother? It's going to be it's going to
19	fall on deaf ears, but I came just to get on the
20	record, to let you all know that a rate hike at
21	this time is inhumane.
22	We are looking at the rate of house going go
23	up. We are looking at food that we cannot afford.
24	In my household personally, I have gas, I have
25	electric, but I also have an elderly mother that

1	has to be on an oxygen tank 24/7.
2	My husband is disabled. I am a senior
3	citizen. We have limited income. We don't have
4	any more. We have been stretched to the limit, but
5	it seems like nobody care about the customer.
6	Where do you all think we are going to be able
7	to continue to get the money from to pay our bills?
8	Mine, if you look my up, you will see that I have
9	never, ever missed a payment. I believe in paying
10	bills. But if I don't have anything, how can I
11	pay? Are you going to make me choose between
12	taking care of my mother who took care of me, or
13	letting her go to a nursing home, or going
14	somewhere, or are you going to have some
15	compassion?
16	Now, I came before this board leaving a
17	dentist office. I stand here in pain because you
18	all need to know that we are humans. We are people
19	that have worked hard, has done our due diligence
20	to do what we are supposed to do as customers.
21	My electricity go out I didn't give my
22	address. I live at 109 Rosana Drive, right here in
23	Brandon, Florida. Just the other day, the power
24	went out. It goes in and out at will. It don't
25	have to be a hurricane. It goes in and out at

will. But guess what, we continue to tell the solar people no.

And I don't know if that's where y'all are trying to drive us to get solar. I don't want solar. I don't -- I am not trying to get it. I just want to have the last years of my life, and my mother's and my husband, to be in some type of comfort. And then you talk about a hike in the middle of a heatwave.

Our electricity, our gas is already up. The heatwave, they are telling me that it's five or six more weeks, and we are getting into July. We are getting into August.

I was born and raised right here in this city, so I know what the weather is like. I know what hurricanes are like. I know what it is to have to fill up cans all night long when our power went out and we had to put -- go to the filling station and fill up the generator. I have been there. I know what's going on.

But you all need too adhere and listen to the people, not because they are not here. People want to come, but they are saying the CEO profit is more important than the customers. That one more yacht — that you more interested in another yacht,

1 another summer home than for the customers. So 2. that's why people are saying why bother? 3 But I hope and pray that we have people that have compassion for the citizens of this great 4 5 state of Florida, Tampa in particular. And I am so happy to hear that we do have someone that is 6 7 speaking out on our behalf. 8 When I came in the room, all I seen was, I 9 felt, was David going up against Goliath today. So 10 I want to thank you for being here to represent the 11 people. And that's just how I feel, like David 12 fighting Goliath. But there was a victory this 13 that fight, and I am prayerful that we will have a 14 victory in this fight, that you all will say now is 15 not the time. 16 The rate hikes are going up on everything. 17 You can't buy a home. You can't even keep your 18 kids in school. There is just things that we 19 cannot do, and we just most definitely cannot bear 20 or shoulder another rate hike for any reason. 21 I know that costs can be cut. Let's start at 22 You don't need a new suit. the top. You don't. 23 need another home. You don't need another Jaquar. 24 Think about the elderly. In Florida, we are -- it 25 used to be the joke that I talked about the

1	elderly. I am the elderly now. I am the elderly.
2	July 22nd, I will be 70 years old. I never thought
3	I would be here saying I am an old woman, but I am.
4	And this old woman deserves some consideration,
5	because I have been a good customer, a good
6	citizen, and I deserve better than a rate hike to
7	come at this time, and especially my mother, who's,
8	you know, don't know how long she have, but, y'all,
9	her power should not be cut off because somebody is
10	greedy.
11	Think about the needy and let's forget about
12	the greedy right now.
13	Thank you so.
14	CHAIRMAN FAY: Thank you, Ms. Patty. I
15	appreciate your testimony.
16	Mr. Trierweiler, you have no other names on
17	your list, is that correct?
18	MR. TRIERWEILER: I do not have any other
19	names, Chairman.
20	CHAIRMAN FAY: Okay. Commissioners, with
21	that, I just want to go into sort of the post
22	customer hearing process.
23	I just first want to thank you for being here
24	today, Ms. Patty. I know a lot of folks on this
25	staff, Public Counsel, members of the utility, are
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all here to hear exactly what you just provided us,

customer feedback, and so for you to take the time

-- and I -- I -- I probably dislike the dentist

even more than you do, and so for you to come here

after that says a lot, and so we appreciate you

doing that.

With that, Commissioners, I do just want to touch on going forward. This will be -- this is following yesterday's in-person hearing, this in-person hearing, we will have a number of virtual customer service hearings that individual customers can sign up for and participate in. I just want to put those on the record. That's Monday, July 10th at 10:00 a.m. and 2:00 p.m. And then July 11th at 2:00 p.m. and at 6:00 p.m.

So any customers, any individuals that weren't able to make it here tonight to participate, we want them to be able to participate in those meetings if they would like to, and so we have on-line the ability for customers to register. I am going to provide with you that specific email. It is speakersignup@psc.state.fl.us, or you can call (850)413-7080.

Persons wishing to testify can provide their name, address, and specific information about the

1	hearing to testify.
2	So after registering to testify either by
3	email or phone, we will provide further
4	instructions on how to participate, and then
5	include a call-in number for each customer to call
6	in and make sure that they are we have their
7	name and information for that hearing.
8	As we mentioned before, Mr. Trierweiler
9	mentioned, we will also be taking any sort of email
10	or documents that are submitted to the Clerk's
11	Office regarding this hearing. So in addition to
12	the in-person and the virtual hearings, if
13	customers choose to submit information on this
14	docket, or rate case, we will take that into
15	consideration in the filing.
16	With that, Commissioners, we note I just
17	note that this that is a public hearing,
18	streamed live, and it will be accessible following
19	the hearing at our website.
20	And I want to make sure, Commissioners, if you
21	have anything else that you want to add that I give
22	you the opportunity to do so at this time.
23	Okay. With that, seeing none, this Commission
24	or this customer hearing meeting stands
25	adjourned.

1	Thank you.
2	(Proceedings concluded.)
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1	CERTIFICATE OF REPORTER
2	STATE OF FLORIDA ) COUNTY OF LEON )
3	, , , , , , , , , , , , , , , , , , ,
4	
5	I, DEBRA KRICK, Court Reporter, do hereby
6	certify that the foregoing proceeding was heard at the
7	time and place herein stated.
8	IT IS FURTHER CERTIFIED that I
9	stenographically reported the said proceedings; that the
10	same has been transcribed under my direct supervision;
11	and that this transcript constitutes a true
12	transcription of my notes of said proceedings.
13	I FURTHER CERTIFY that I am not a relative,
14	employee, attorney or counsel of any of the parties, nor
15	am I a relative or employee of any of the parties'
16	attorney or counsel connected with the action, nor am I
17	financially interested in the action.
18	DATED this 11th day of July, 2023.
19	
20	
21	
22	$A \cup A \cup$
23	Lleblu & Frice
24	DEBRA R. KRICK  NOTARY PUBLIC  COMMISSION "HURS 1926
25	COMMISSION #HH31926 EXPIRES AUGUST 13, 2024