

# I. Meeting Packet



**State of Florida**  
**Public Service Commission**  
**INTERNAL AFFAIRS AGENDA**  
Tuesday, October 3, 2017  
Following Commission Agenda  
Room 105 - Gerald L. Gunter Building

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1. Draft Report on the Status of Staff-Assisted Rate Cases, as required by Section 367.0814(10), Florida Statutes (Attachment 1)
2. Draft Review of the 2017 Telecommunications Regulatory Assessment Fee Report (Attachment 2)
3. General Counsel's Report
4. Executive Director's Report
5. Other Matters

OUTSIDE PERSONS WISHING TO ADDRESS THE COMMISSION ON ANY OF THE AGENDAED ITEMS SHOULD CONTACT THE OFFICE OF THE EXECUTIVE DIRECTOR AT (850) 413-6463.



State of Florida



# Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD  
TALLAHASSEE, FLORIDA 32399-0850

**-M-E-M-O-R-A-N-D-U-M-**

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**DATE:** September 20, 2017

**TO:** Braulio L. Baez, Executive Director

**FROM:** Andrew L. Maurey, Director, Division of Accounting & Finance ALM

**RE:** Draft Report on the Status of Staff Assisted Rate Cases, as required by Section 367.0814(10), F.S.

**CRITICAL INFORMATION: ACTION IS NEEDED** Please place on the October 3, 2017 Internal Affairs. This report is due to the President of the Senate and the Speaker of the House of Representatives by January 1, 2018. Commission approval of draft report is sought.

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Section 367.0184(10), F.S., requires the Commission to submit a report to the President of the Senate and the Speaker of the House of Representatives, by January 1, 2013, and every five years thereafter, on the status of proceedings conducted under this section. The report shall include the number of utilities eligible to request staff assistance, the number of proceedings conducted annually for the most recent five-year period, the associated impact on Commission resources, and any other appropriate information.

Attached is the draft report and cover letters for transmittal to the President of the Senate and Speaker of the House of Representatives. Please place this item on the October 3, 2017, Internal Affairs, as approval of the report is necessary before transmittal.

ALM/tmb

Attachments

cc: Keith Hetrick, General Counsel  
Mark Futrell, Deputy Executive Director – Technical  
Apryl Lynn, Deputy Executive Director – Administrative

STATE OF FLORIDA

JULIE I. BROWN  
CHAIRMAN



Capital Circle Office Center  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850  
(850) 413-6042

## Public Service Commission

XXXXXXXX XX, 2017

The Honorable Joe Negron  
President of the Senate  
409 The Capitol  
404 South Monroe Street  
Tallahassee, FL 32399-1100

**Re: Report on Status of Staff Assisted Rate Cases as required by Section 367.0814(10), Florida Statutes**

Dear President Negron:

Section 367.0814(10), Florida Statutes (F.S.), directs the Florida Public Service Commission (Commission) to report to the President of the Senate and the Speaker of the House of Representatives, by January 1, 2013, and every five years thereafter, on the status of staff assisted rate cases. The enclosed report includes the number of utilities eligible to request staff assistance, the number of proceedings conducted annually for the most recent five-year period, the associated impact on the Commission's resources, and any other appropriate information.

Should you have questions concerning this report, please do not hesitate to contact the Commission.

Sincerely,

Julie I. Brown  
Chairman

Enclosure

STATE OF FLORIDA

JULIE I. BROWN  
CHAIRMAN



Capital Circle Office Center  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850  
(850) 413-6042

## Public Service Commission

XXXXXXXXXX XX, 2017

The Honorable Richard Corcoran  
Speaker of the House of Representatives  
420 The Capitol  
402 South Monroe Street  
Tallahassee, FL 32399-1300

**Re: Report on Status of Staff Assisted Rate Cases as required by Section 367.0814(10), Florida Statutes**

Dear Speaker Corcoran:

Section 367.0814(10), Florida Statutes (F.S.), directs the Florida Public Service Commission (Commission) to report to the President of the Senate and the Speaker of the House of Representatives, by January 1, 2013, and every five years thereafter, on the status of staff assisted rate cases. The enclosed report includes the number of utilities eligible to request staff assistance, the number of proceedings conducted annually for the most recent five-year period, the associated impact on the Commission's resources, and any other appropriate information.

Should you have questions concerning this report, please do not hesitate to contact the Commission.

Sincerely,

Julie I. Brown  
Chairman

Enclosure

December 2017

Florida Public Service Commission

REPORT ON  
Status  
of Staff  
Assisted  
Rate  
Cases

As Required  
By Section 367.0814(10),  
Florida Statutes

## Background

The following changes to Section 367.0814, Florida Statutes (F.S.), became effective July 1, 2008.

### 367.0814 Staff assistance in changing rates and charges

(1) The commission may establish rules by which a water or wastewater utility whose gross annual revenues are ~~\$250,000~~ ~~\$150,000~~ or less may request and obtain staff assistance for the purpose of changing its rates and charges. A utility may request staff assistance by filing an application with the commission. The gross annual level shall be adjusted on July 1, 2013, and every 5 years thereafter, based on the most recent cumulative 5 years of the price index established by the commission pursuant to s. 367.081(4)(a).

(10) The commission shall submit to the President of the Senate and the Speaker of the House of Representatives by January 1, 2013, and every 5 years thereafter, a report of the status of proceedings conducted under this section, including the number of utilities eligible to request staff assistance, the number of proceedings conducted annually for the most recent 5-year period, the associated impact on commission resources, and any other information the commission deems appropriate.

After the Commission's 2012 Report on Status of Staff Assisted Rate Cases, and pursuant to Section 367.0814(1), F.S., Rules 25-30.455, 25-30.456, and 25-30.457, Florida Administrative Code (F.A.C.), were amended to increase the total gross annual operating revenues of water and wastewater utilities eligible for staff assistance in rate cases, alternative rate setting, and limited alternative rate increases from \$250,000 to \$275,000 or less for water or wastewater service, and from \$500,000 to \$550,000 or less for water and wastewater service combined. Moreover, in ruling on an application pursuant to these rules, the Commission would no longer consider whether the applicant has complied in a timely manner with all Commission decisions and requests for two years prior to the filing of the application. In addition, Rule 25-30.457, F.A.C., was amended to reflect that the Commission would no longer consider whether the utility has been granted a limited alternative rate increase within three years prior to the receipt of the application, or whether the utility is currently in compliance with any applicable water management district permit conditions concerning rate structure.

In early 2017, the Commission implemented amendments made to Sections 367.081 and 367.0814, F.S., during the 2016 legislative session. The 2016 legislation modified subsection 367.081(4)(b), F.S., to expand the types of specified expenses that are eligible for a pass-through adjustment. The amendments to Rule 25-30.425 (2), (3), and (4), F.A.C., clarify the documentation that utilities must submit for recovery of pass-through costs. The Commission made additional amendments to subsection 25-30.425(2), F.A.C., to clarify how applicants may provide certain documentation to allow for the filing of concurrent pass-through and price index applications more efficiently. The amendments to Rule 25-30.455, F.A.C., prohibit the Commission from approving a utility's expenses associated with outside experts in staff assisted rate cases under certain circumstances consistent with Section 367.0814, F.S.



**Number of Eligible Utilities and Proceedings in Most Recent 5-Year Period**

Presently, there are 89 water systems and 62 wastewater systems that qualify for a staff assisted rate case (SARC) at the current \$275,000 gross annual revenue threshold level. The increase in the revenue threshold from \$250,000 to \$275,000 resulted in one additional case being processed as a SARC since the threshold was last raised. The following table reflects the number of proceedings docketed annually for the most recent 5-year period and through the first eight months of 2017.

Year	Number of Docketed Cases	Utilities Eligible Under \$250K Threshold	Additional Utilities Eligible Under \$275K Threshold
2012	4	4	0
2013	8	7	1
2014	8	8	0
2015	6	6	0
2016	5	5	0
2017	1	1	0
Total	32	31	1

**Impact on Commission Resources**

As noted above, the increase in the gross annual revenue threshold level from \$250,000 to \$275,000 resulted in one additional case being processed as a SARC. The slight increase in SARC activity had a minimal effect on Commission staff and resources since any utility not eligible for a SARC could have filed for rate relief under the file and suspend process.

**Other Reportable Information**

Section 367.0814(1), F.S., requires that the gross annual revenue threshold level be adjusted on July 1, 2013, and every five years thereafter, based on the most recent cumulative five years of the price index established by the Commission pursuant to Section 367.081(4)(a).<sup>1</sup> The following table reflects the estimated impact on the gross annual revenue threshold level.

<sup>1</sup>Section 367.081(4)(a), F.S., provides in part that “on or before March 31 of each year, the commission by order shall establish a price increase or decrease index for major categories of operating costs incurred by utilities subject to its jurisdiction reflecting the percentage of increase or decrease in such costs from the most recent 12-month historical data available . . .”

<b>Calculation of Index Provision of Section 367.0814(1), Florida Statutes</b>					
<b>Line No.</b>	<b>Year</b>	<b>Index</b>	<b>Cumulative 5-Year Index Percentage</b>	<b>Current Annual Revenue Level</b>	<b>Statutory Indexed Annual Revenue Level</b>
1	2013	1.63%			
2	2014	1.41%			
3	2015	1.57%			
4	2016	1.29%			
5	2017	1.51%	7.41%	\$275,000	\$295,378

**Notes:**  
The statutory indexed annual revenue level calculated above is based on the price indices from 2013-2017. However, because Section 367.0814(1), F.S. requires the gross annual revenue level be adjusted on July 1, 2013, and every five years thereafter, the statutory indexed annual revenue level will be based on the price indices from 2014-2018. The 2018 index will be established in the last quarter of 2017 and will be used to calculate the cumulative 5-year index percentage.

Based on the application of the five-year index shown above, the estimated gross annual revenue threshold level would move from \$275,000 to \$300,000 (rounded), which represents an increase of \$25,000. At the \$300,000 threshold, the Commission estimates that no additional utilities would qualify for staff assistance. As such, the Commission estimates that the proposed threshold would have an insignificant effect on Commission staff and resources.



State of Florida



# Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD  
TALLAHASSEE, FLORIDA 32399-0850

**-M-E-M-O-R-A-N-D-U-M-**

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**DATE:** September 22, 2017

**TO:** Braulio L. Baez, Executive Director

**FROM:** Office of Industry Development & Market Analysis (Long) *SM* *CH*

**RE:** Draft Review of the 2017 Regulatory Assessment Fee Report

**CRITICAL INFORMATION: ACTION IS NEEDED** - Please place on the October 3, 2017, Internal Affairs. Commission approval of draft report is sought. The 2017 Report is due to the Governor, the President of the Senate, and the Speaker of the House of Representatives, by January 15, 2018.

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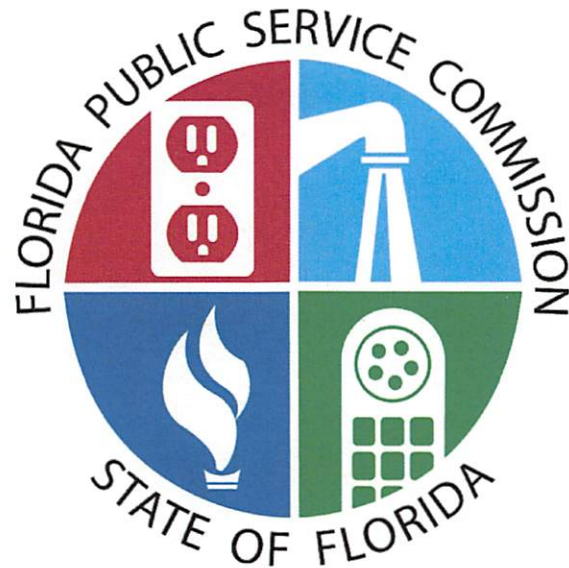
Pursuant to Section 364.336(3), Florida Statutes, "(b)y January 15, 2012, and annually thereafter, the commission must report to the Governor, the President of the Senate, and the Speaker of the House of Representatives, providing a detailed description of its efforts to reduce the regulatory assessment fee for telecommunications companies, including a detailed description of the regulatory activities that are no longer required; the commensurate reduction in costs associated with this reduction in regulation; the regulatory activities that continue to be required under this chapter; and the costs associated with those regulatory activities."

The draft report includes a staff-written synopsis of what actions the Commission has taken in 2017 to comply with the statutory requirements. Staff is requesting approval of the draft report.

Attachment

cc: Mark Futrell, Deputy Executive Director, Technical  
Apyrl Lynn, Deputy Executive Director, Administrative  
Keith Hetrick, General Counsel

**REPORT ON THE EFFORTS OF THE  
FLORIDA PUBLIC SERVICE COMMISSION  
TO REDUCE THE REGULATORY ASSESSMENT FEE  
FOR TELECOMMUNICATIONS COMPANIES**



As of December 2017

**REPORT ON THE EFFORTS OF THE  
FLORIDA PUBLIC SERVICE COMMISSION  
TO REDUCE THE REGULATORY ASSESSMENT FEE  
FOR TELECOMMUNICATIONS COMPANIES**



As of December 2017

Office of Industry Development and Market Analysis

## **Introduction**

During the 2011 Legislative Session, House Bill CS/CS/HB 1231, the “Regulatory Reform Act” (Act), was passed and signed into law by the Governor, effective July 1, 2011. Under the Act, the Legislature eliminated most of the Florida Public Service Commission’s (FPSC’s or Commission’s) retail oversight authority for the telecommunications wireline companies, yet maintained the FPSC’s authority over wholesale intercarrier issues. The FPSC was required to reduce its regulatory assessment fees (RAFs) charged to wireline telecommunications companies to reflect the concurrent reduction in FPSC workload. Section 364.336(3), Florida Statutes, requires:

By January 15, 2012, and annually thereafter, the commission must report to the Governor, the President of the Senate, and the Speaker of the House of Representatives, providing a detailed description of its efforts to reduce the regulatory assessment fee for telecommunications companies, including a detailed description of the regulatory activities that are no longer required; the commensurate reduction in costs associated with this reduction in regulation; the regulatory activities that continue to be required under this chapter; and the costs associated with those regulatory activities.

As a result of this Act, the FPSC reduced its RAF rates 20%, from 0.0020 to 0.0016 of companies’ gross operating revenues derived from intrastate business. This change became retroactively effective July 1, 2011. Florida telecommunications statutes have remained essentially unchanged since 2011. The FPSC has introduced numerous measures to streamline its telecommunications-related activities since that time, and continues to look for ways to streamline its remaining responsibilities.

## **Regulatory Activities That Are No Longer Required**

The 2011 Act eliminated most of the retail regulation of local exchange telecommunications services by the FPSC, including the elimination of rate caps on all retail telecommunications services, elimination of telecommunications-related consumer protection and assistance duties of the FPSC, and elimination of the FPSC’s remaining oversight of telecommunications service quality. The Act also reformed the FPSC’s certification processes, authority over intercarrier matters, and other general revisions.

Consistent with the reduced authority of the FPSC from the Act, the FPSC ceased the following activities over the past several years:

- Resolving non-basic retail consumer billing complaints.

- Addressing slamming or cramming complaints from consumers. The FPSC continues to address slamming complaints that are reported by carriers under the Commission's wholesale authority.
- Publishing and distributing materials informing consumers on billing-related matters or informative materials relating to the competitive telecommunications market.
- Designating wireless eligible telecommunications carriers (ETCs) in Florida for the federal universal service fund. Any wireless carrier seeking ETC status in Florida must petition the Federal Communications Commission (FCC) for that authority.
- Performing service evaluations on carriers, investigating and resolving service-related consumer complaints except as they may relate to Lifeline service, Telephone Relay Service, and payphones.
- Allowing ILECs to petition for recovery of storm-damage-related costs and expenses.
- Reviewing non-access service tariff filings for content, form, or format. It is the carrier's choice whether to file its rate schedules with the FPSC or publicly publish the schedules elsewhere, such as the companies' websites.

## Savings

The FPSC has been seeking cost savings and efforts to streamline regulatory processes for well over a decade. The origin of these streamlining efforts is not limited to the emergence and evolution of competition in the telecommunications industry. In fiscal year 1999/2000, the FPSC had 401 full time positions. That number was reduced to 267 in the 2017/2018 fiscal year, a total reduction of 33 percent. Over the years, many of these reductions came as a result of projected workload reductions in the telecommunications area. At this time, the FPSC believes its telecommunications staff is right-sized for its current statutory obligations.

Effective July 2011, the FPSC reduced the telecommunications RAF rate from 0.0020 to 0.0016 of the gross operating revenues derived from intrastate business. In addition, all local telephone service providers now pay \$600 as the minimum fee instead of varying rates based upon the service offered.<sup>1</sup> At the current 0.0016 rate, carriers will pay this minimum fee up to \$375,000 in gross intrastate operating revenues. The reduced RAF rate was determined assuming reduced responsibilities, projecting staff hours on continuing telecommunications workload, and projecting telecommunications company revenues. As they have for several years, revenues subject to RAFs from telecommunications companies regulated by the FPSC continued to decline in 2017 as traditional wireline revenues are replaced by unregulated (VoIP/broadband)

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<sup>1</sup> Previously, the minimum fee ranged from \$600 to \$1,000, depending on the type of service offered. Payphone operators continue to pay a minimum fee of \$100.



services. As a result, the agency is evaluating the need to further reduce the telecommunications RAF rate in 2018.

## **Regulatory Activities That Continue To Be Required**

There were 331 telecommunications companies regulated in some way by the FPSC as of August 30, 2017. The Commission continues to retain authority and responsibility in the following areas for telecommunications companies:

- Resolving intercarrier disputes involving interpretations and implementation of sections of the intercarrier agreements.
- Processing arbitrations of intercarrier agreements when the companies cannot negotiate all the terms of the agreement and request the FPSC to resolve issues the companies define.
- Reviewing interconnection agreements filed with the FPSC in accordance with federal requirements.
- Resolving cases involving area code relief, number conservation plans, number resource reclamation, local number portability, and other numbering issues.
- Analyzing information for and producing several statutorily required reports: the *Annual Report on the Status of the Telecommunications Access System Act of 1991*, the *Annual Report on Lifeline Assistance*, the *Report on the Efforts of the Florida Public Service Commission to Reduce the Regulatory Assessment Fee for Telecommunications Companies*, and the *Report on the Status of Competition in the Telecommunications Industry*.
- Maintaining oversight of the Florida Relay Service.
- Maintaining oversight of Florida's Lifeline Program, including establishing eligibility criteria, coordinated enrollment, and monitoring ETCs.
- Issuing certificates of authority for telecommunications companies to operate in Florida, including evaluating the applicant's technical, financial, and managerial capability to provide service.
- Resolving consumer complaints relating to Lifeline, Telephone Relay Service, and payphones.
- Publishing network access tariff information for all incumbent local carriers.

- Publishing other tariff/rate schedule information for any certificated company if the company so decides.
- Publishing and distributing informative materials relating to the Lifeline Program and conducting related consumer outreach.
- Monitoring and/or participating in federal proceedings where the state's consumers may be affected and convey the FPSC's policy positions.

## **Efforts to Reduce Costs**

The FPSC continues to find ways to reduce the costs of performing its continuing duties. In 2017, the FPSC continued its electronic tariff and service schedule publishing that will further reduce the number of paper documents at the agency. All official copies of telecommunications tariffs, price lists, and service schedules are available on the agency's website, as are all tariff updates. This development allows greater access to both consumers and companies and reduces costs associated with record requests. Additionally, the FPSC continues the process of eliminating all obsolete or redundant paper archives of companies' rates and schedules.

Staff continues to conduct periodic internal cross training on its remaining responsibilities, through both scheduled office-wide training sessions and temporary transfers of job duties. It has also developed comprehensive written Standard Operating Procedures for its functions. As staff become familiar with each other's duties, the requisite training time will be reduced should the need arise to further consolidate or transfer functions.

In 2017, the FPSC also merged its telecommunications staff with another office to further streamline its processes. Some administrative and management functions were consolidated, creating more savings for the agency. As previously mentioned, the current staffing levels appear adequate for the FPSC's remaining statutory duties regarding telecommunications issues.

## **Summary**

The FPSC continues to proactively respond to the changes in its statutory authority as a result of the Act. The agency has assessed the appropriate staffing levels for the telecommunications staff, and will continue to monitor the workload and staffing needs. The agency continues to seek ways to economize its resources while maintaining a high quality work product for all industries under the FPSC's authority, including telecommunications.

## II. Outside Persons Who Wish to Address the Commission at Internal Affairs

Note: The records reflect that no outside persons addressed the Commission at this Internal Affairs meeting.

# III. Supplemental Materials for Internal Affairs

Note: The records reflect that there were no supplemental materials provided to the Commission during this Internal Affairs meeting.

# IV. Transcript

1                                   BEFORE THE  
2                                   FLORIDA PUBLIC SERVICE COMMISSION

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6       PROCEEDINGS:           INTERNAL AFFAIRS  
7  
8       COMMISSIONERS  
9       PARTICIPATING:       CHAIRMAN JULIE BROWN  
                                  COMMISSIONER ART GRAHAM  
                                  COMMISSIONER RONALD BRISÉ  
10                               COMMISSIONER DONALD J. POLMANN  
                                  COMMISSIONER GARY F. CLARK  
11  
12       DATE:                   Tuesday, October 3, 2017  
13  
14       TIME:                   Commenced at 11:30 a.m.  
                                  Concluded at 12:12 p.m.  
15  
16       PLACE:                  Gerald L. Gunter Building  
                                  Room 105  
                                  2540 Shumard Oak Boulevard  
                                  Tallahassee, Florida  
17  
18       REPORTED BY:           LINDA BOLES, CRR, RPR  
                                  Official FPSC Reporter  
                                  (850) 413-6734  
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## P R O C E E D I N G S

1  
2           **CHAIRMAN BROWN:** So this will officially begin  
3 our Internal Affairs meeting. I was telling  
4 Commissioner Clark that this is supposed to be a more  
5 intimate setting here at IA. We do try to encourage  
6 folks to come on up here when they're on the agenda and  
7 have a discussion.

8           So, but we do have a light agenda here today,  
9 so I'll try to get us to, right to work, starting with  
10 the first one, which is a draft report on the status of  
11 the SARCs.

12           **MR. BROWN:** Sorry for not being up here. It's  
13 my first time. Seventeen years at the Commission, first  
14 time at IA, so...

15           **CHAIRMAN BROWN:** Oh, wow. Why did you tell us  
16 that?

17           **MR. BROWN:** I don't know. I'm setting myself  
18 up, aren't I?

19           Good morning, Commissioners.

20           **COMMISSIONER POLMANN:** Where did you go to  
21 school?

22           **MR. BROWN:** I went to several different  
23 schools. I went to East Tennessee State University and  
24 University of Memphis and Union University, all in  
25 Tennessee.

1           **CHAIRMAN BROWN:** You're a Tennessee guy.

2           **MR. BROWN:** Yeah. After starting at Florida  
3 State, though, so...

4           **COMMISSIONER POLMANN:** Oh, well, you had the  
5 good sense to leave.

6           **CHAIRMAN BROWN:** Yes.

7           (Laughter.)

8           **COMMISSIONER POLMANN:** Congratulations on  
9 that.

10          **CHAIRMAN BROWN:** I love Tennessee.

11          **MR. BROWN:** It's a great state.

12                 Well, good morning. Item 1 is a draft report  
13 due to the Speaker of the House and the President of the  
14 Senate on January 1st, 2018, regarding the status of  
15 SARCs. The report addresses the revised upper threshold  
16 for SARC eligibility, the number of utilities eligible  
17 to use the SARC process, the number of SARCs from the  
18 most five -- five year -- most recent five-year period,  
19 and any associated impacts on the change in that  
20 threshold on Commission resources and any other relevant  
21 information.

22                 The Commission is required to file this  
23 information and address the threshold every five years,  
24 and the last status report was completed in 2012. In  
25 2008, the threshold increased from \$150,000 to \$250,000



1 as a result of a statutory change. In 2012, the  
2 threshold increased from 250,000 to \$275,000. And in  
3 this report, staff is recommending that the threshold  
4 increase from 275,000 to \$300,000.

5 Since the last update, 32 SARCs have been  
6 filed with the Commission. All but one of those SARCs  
7 would have been eligible under the old \$250,000  
8 threshold.

9 Based on 2016 revenue, staff estimates that no  
10 additional utilities will become eligible for the SARC  
11 process as a result of the change from 275,000 to  
12 \$300,000. And staff is seeking approval of this report.

13 **CHAIRMAN BROWN:** Commissioners, I just have a  
14 question.

15 **MR. BROWN:** Yes, ma'am.

16 **CHAIRMAN BROWN:** Why is staff -- if over the  
17 past five years there's only been one that fell within  
18 the 275 threshold, why would staff recommend an increase  
19 to 300?

20 **MR. BROWN:** It seems counterproductive, but  
21 it's -- the way the rule is written, it appears that it  
22 has to -- it's a mandatory threshold adjustment based on  
23 the cumulative -- it's a 7.41 percent increase. It's  
24 based on the index increases that the Commission has  
25 approved.

1           **CHAIRMAN BROWN:** Oh, okay. Got it.

2           All right. Commissioners, any other  
3 questions?

4           I think we need a motion to approve this  
5 report; is that correct?

6           **MR. BROWN:** Yes, ma'am.

7           **COMMISSIONER BRISÉ:** So move.

8           **CHAIRMAN BROWN:** Is there second?

9           **COMMISSIONER GRAHAM:** Second.

10          **CHAIRMAN BROWN:** Any discussion? Seeing none,  
11 all those in favor, say aye.

12          (Vote taken.)

13          Motion passes.

14          You got off really easy. In 17 years?

15          **MR. BROWN:** I know. I'm lucky. I'll take,  
16 I'll take it and run today.

17          **CHAIRMAN BROWN:** Thank you.

18          **MR. BROWN:** Thank you.

19          **CHAIRMAN BROWN:** Have a good one.

20          All right. Our second one is a report -- is a  
21 report.

22          **MR. LONG:** Good morning still, Commissioners.  
23 I'm Mark Long with IDM, and this is the 2017 RAF report.  
24 It's due to the Governor and the legislature in the  
25 middle of January. It reports on the adequate level of

1 regulatory assessment fees for telecom. Staff is  
2 requesting editorial privileges for any minor changes  
3 before publication.

4 **CHAIRMAN BROWN:** Thank you, Mark. It is very  
5 straightforward and has a lot of facts that we are  
6 already aware of and that, I guess, folks maybe need to  
7 be aware of as well. I support it. Do you have any  
8 recommendations or --

9 **COMMISSIONER GRAHAM:** This is not your first  
10 time here, is it?

11 **MR. LONG:** No, it is not.

12 **CHAIRMAN BROWN:** He likes it.

13 Can I get a motion to approve?

14 **COMMISSIONER GRAHAM:** So move.

15 **COMMISSIONER POLMANN:** I have a question.

16 **CHAIRMAN BROWN:** Oh, sure. Commissioner  
17 Polmann.

18 **COMMISSIONER POLMANN:** Just for -- sorry.  
19 Just for information purposes, this goes to the  
20 Governor's office, but how, how widely is that  
21 distributed? Do you have some idea?

22 **MR. LONG:** It goes to the Governor and Speaker  
23 of the House, President of the Senate, and a few other  
24 legislators, the state library, we post it on our  
25 website, and that's it.

1                   **COMMISSIONER POLMANN:** Do we, do we have any  
2 history on feedback from that? Do we receive any  
3 questions or concerns?

4                   **MR. LONG:** We have to date not received any  
5 questions or concerns on the report.

6                   **COMMISSIONER POLMANN:** Okay. It's one of the  
7 reports that's part of the process.

8                   **MR. LONG:** Correct.

9                   **COMMISSIONER POLMANN:** All right. Thank you.

10                  **CHAIRMAN BROWN:** Commissioner Brisé.

11                  **COMMISSIONER BRISÉ:** So I think that the  
12 report as published, when it's disseminated to the  
13 members of the House, because generally these reports  
14 are disseminated after the Speaker and the Senate  
15 president receive it and they go to the appropriate  
16 committees, so then when, when they're working on  
17 legislation impacting the industry, they look at some of  
18 these things as they're making decisions. So they -- it  
19 plays its role.

20                  **COMMISSIONER POLMANN:** So it becomes a point  
21 of reference.

22                  **COMMISSIONER BRISÉ:** Absolutely.

23                  **CHAIRMAN BROWN:** They use it.

24                  **COMMISSIONER POLMANN:** Thank you,  
25 Commissioner.

1           **CHAIRMAN BROWN:** All right. Can I get a  
2 motion? Did we have one?

3           **COMMISSIONER GRAHAM:** Yeah.

4           **CHAIRMAN BROWN:** Okay. All those in favor,  
5 say aye.

6           (Vote taken.)

7           Motion passes. Thank you.

8           All right. Before we get to the Executive  
9 Director's report, our legislative affairs folks are  
10 here to provide us an update. And I just want to note,  
11 if we could keep them on the agenda for the -- yeah, I  
12 know.

13          **MR. BAEZ:** Apologies for any oversight.

14          **CHAIRMAN BROWN:** They've been very busy, as  
15 usual.

16          **MS. PENNINGTON:** We're about to get really  
17 busy.

18          **CHAIRMAN BROWN:** It's starting.

19          **MS. PENNINGTON:** Good morning. Adam's got a  
20 real brief summary of the CRC, and then I've just got a  
21 couple of comments about the legislation and the  
22 process. So I'm just going to let Adam go first.

23          **MR. POTTS:** The Constitutional Revision  
24 Commission, which you'll normally hear called the CRC,  
25 is starting to ramp up their meetings. The CRC meets

1 every 20 years. It's made up of 37 commissioners.  
2 They're appointed by the Governor, Senate President,  
3 Speaker, and the Chief Justice, and then the Attorney  
4 General is automatically on the Commission.

5 This past spring they held nine public  
6 hearings around the state just to get feedback from  
7 citizens and ideas. They have, they have  
8 ten substantive committees and two procedural  
9 committees, and those substantive committees just began  
10 meeting last week. So this week and last week has just  
11 been presentations on the history of the PSC and then  
12 also the stuff that falls under their purview and their  
13 sections.

14 And so they're getting going, and what it  
15 looks like they're going to do is meet every week that  
16 the legislators -- legislature is not in town. So  
17 that'll keep us busy the whole time.

18 As of this morning, there were 12 proposals  
19 filed by commissioners and 671 proposals that have been  
20 submitted by the public. The public deadline for  
21 proposals was extended to October 6th because of Irma,  
22 and the CRC has its final report due by May 10th to the  
23 Secretary of State. So I imagine they're going to start  
24 ramping up. They've kind of been slow a little bit, but  
25 I imagine it's going to be a busy spring with the early

1 session.

2 **CHAIRMAN BROWN:** Uh-huh. Thank you.

3 Commissioners, any questions on the CRC?

4 Thank you. And Ms. Pennington.

5 **MS. PENNINGTON:** Good morning. The, the first  
6 month of committee meetings was canceled because of Irma  
7 a couple of weeks -- a few weeks ago. We have committee  
8 meetings again next week. So far we know of two  
9 presentations that we've been asked to give: One to the  
10 Senate Gov-Ops Appropriations Subcommittee dealing with  
11 our storm hardening, our storm preparation hardening  
12 process; and then also to the Senate Communications,  
13 Energy and Public Utilities Committee, we've been asked  
14 to discuss our storm hardening infrastructure rule and  
15 the cost recovery process for that; and also our pole  
16 inspection rule and the solar interconnection rule that  
17 got some interest in the press during the, during the  
18 storm recovery process.

19 We're also monitoring bills. About 300 bills  
20 have been filed so far. We're monitoring some  
21 administrative bills right now, and only one substantive  
22 bill that would have an impact on the Commission's  
23 regulatory authority, which is a bill very, very similar  
24 to what Senator Rodriguez filed last year on changing  
25 the definition of public utility to allow the owner of

1 property to generate and sell renewable energy up to 2.5  
2 megawatts. So -- and we have been requested to review  
3 and analyze that bill, and we're in the process of doing  
4 that right now. But that's the only substantive  
5 PSC-specific bill that we're monitoring right now.

6 **CHAIRMAN BROWN:** Senator Young and  
7 Representative Peters didn't file that bill yet?

8 **MS. PENNINGTON:** No, no. And we are, we are  
9 hearing that the, the large PSC-related omnibus bill  
10 that was filed in the House last year, Speaker Corcoran  
11 indicated that --

12 **CHAIRMAN BROWN:** It's coming back.

13 **MS. PENNINGTON:** -- it's probably coming back,  
14 but we've just not seen it yet.

15 **CHAIRMAN BROWN:** Awesome.

16 Commissioners, any questions?

17 Commissioner Graham.

18 **COMMISSIONER GRAHAM:** The presentation that  
19 you're doing to the Senate, when is that?

20 **MS. PENNINGTON:** The Senate Communication --  
21 the Senate Governmental Operations Subcommittee is  
22 Wednesday --

23 **MR. POTTS:** Uh-huh, Wednesday at 2:00 o'clock.

24 **MS. PENNINGTON:** -- at 2:00 o'clock, and the  
25 Senate Communications Energy and Public Utilities



1 meeting is Tuesday afternoon at 2:00 -- or 1:30. 1:30.

2 **CHAIRMAN BROWN:** Just please send a link and  
3 --

4 **MS. PENNINGTON:** We will. We'll certainly do  
5 that. Also, I mentioned so far the House Energy and  
6 Utilities Committee, they're -- you know, the House, the  
7 Speaker has established this new Select Committee on  
8 Hurricane Preparedness, and we will have some, some  
9 interaction with that committee. And the House Energy  
10 Committee has expressed some interest in us coming in  
11 next week, but we've not gotten a final request from  
12 them. But it would be along the same line. They're  
13 trying not -- they're trying to make sure they're not  
14 stepping on the Select Committee's toes, so, you know,  
15 they're trying to balance what each, each one of those  
16 committees and the subcommittee is doing. So we may or  
17 may not be making a presentation in the House, but we  
18 will, when we send out the schedule for next week, we'll  
19 make sure we highlight any presentations that staff is  
20 making.

21 **CHAIRMAN BROWN:** Any -- Commissioners, any  
22 other questions or -- thank you. And I know we'll be in  
23 touch regularly, so thanks for the presentation here.

24 **MS. PENNINGTON:** You're welcome. Thank you.

25 **CHAIRMAN BROWN:** All right. We are moving on

1 to General Counsel's report.

2 **MR. HETRICK:** And, Madam Chairman, I'm just  
3 going to defer to Braulio since we've been working on  
4 the hurricane preparedness report together.

5 **CHAIRMAN BROWN:** Let's talk hurricane.

6 **MR. BAEZ:** Yes. Thank you, Madam Chair.

7 Commissioners, as you are all well aware,  
8 Hurricane Irma caused significant damage to, to the  
9 state and significant damage to our electric utility  
10 facilities, and it resulted in considerable customer  
11 service outages across the state.

12 You all thankfully weren't around in 2004 or  
13 '05, but back then we got crisscrossed by a series of  
14 hurricanes. I think it was ten, as I recall. And this  
15 Commission gathered information at that time on the  
16 impacts of those storms and directed, ultimately  
17 directed the utilities to apply all of those lessons  
18 learned and, and improve their storm preparedness and  
19 their planning on their transmission, distribution, and  
20 system maintenance and engage in more storm hardening,  
21 where it was cost-effective, in the form of some --  
22 several initiatives. And since then, the companies have  
23 been filing with you all. You're familiar with the  
24 storm hardening plans that get filed every, every three  
25 years in dockets.

1           In light of Hurricane Irma and other recent  
2 hurricanes that affected the state, the Chairman, you  
3 asked us to, to go back and, and consider what the  
4 Commission should be doing now in light of these recent  
5 storms. And Mr. Hetrick and I, along with Mr. Futrell  
6 and others on staff, have met and, and considered what  
7 our next step -- what our next logical step is. I, I  
8 say "our next logical step" because, as I mentioned  
9 before, these processes have been going on for several  
10 years, and you've been, you've all been a part of them.

11           Fortunately or unfortunately we don't get to  
12 dial up a test for the work that we've been doing and  
13 the work that the utilities have been doing so far.  
14 Well, now we have one. So we've been in discussions the  
15 last several weeks, and we wanted to recommend to you  
16 all a process going forward.

17           We are recommending that we open the -- that  
18 you all have us open a generic docket where we can  
19 review the electric utilities' storm preparedness plans  
20 and activities as well as the efforts to restore service  
21 to customers. This review would first consist of  
22 gathering information, including forensic data, on the  
23 utilities' transmission and distribution facilities in  
24 order to discern the type and cause of the damage to  
25 those facilities.

1           The utilities' tree trimming practices, the  
2 pole inspection cycles would also be reviewed, as well  
3 as restoration practices, all with a view towards  
4 potential improvements.

5           There is a customer aspect to all of this, and  
6 we would like to -- we'd like to address that by setting  
7 up some, some way for customers to also provide --  
8 they've already been providing comments. And I know  
9 you, Chairman, specifically are aware that our consumer  
10 services division, Cindy Muir's shop, has been  
11 chronicling or logging -- I won't call them complaints,  
12 but certainly customer contacts with the Commission as  
13 they, as they relay their stories or whatever problems  
14 they were having during the restoration period. All of  
15 those have been filed and cataloged or are being  
16 cataloged as we speak. We also want to include that as  
17 part of our, as part of our record, if you will, as part  
18 of our research and information.

19           So we are going to continue that practice as  
20 well, and towards that end, we will be establishing a  
21 customer interface of sorts through our website and  
22 making that publicly known through our public  
23 information function. Excuse me.

24           We see the objective of this review as  
25 providing us all with an opportunity to identify those

1 lessons learned and explore that potential to, to  
2 minimize infrastructure damage and those resulting  
3 outages and improve recovery times to customers in the  
4 future. This is a dynamic process, and as much as we  
5 are certain that our utilities engage in lessons learned  
6 and improving their best practices, this is a learning  
7 experience for us as well. We always say that, that no  
8 storm -- every storm is different and every storm  
9 provides us with an opportunity to get better. And I  
10 think that inasmuch as the utilities are engaged in that  
11 effort, and we expect them to be engaged in that effort,  
12 I think that the Commission, our staff especially, has  
13 to engage in that effort as well.

14 As I said before, this is our -- the  
15 Commission's opportunity to see how well our initiatives  
16 were not just followed but were thought out. And so  
17 this is, this is a complete effort.

18 Moving forward, upon the conclusion of this  
19 data collection and analysis, as well as the  
20 consideration of the public comment, we -- the staff  
21 would expect to present the Commission with options for  
22 future action, at which point you would all have the  
23 opportunity to once again direct us on, on any  
24 recommendations you may be presented with, any options  
25 that you may consider worthwhile to pursue both on the

1 staff side and the utility side. This is, again, an  
2 evolving -- that process would have evolved by then.  
3 You would have seen -- would have had conversations.  
4 That would take place in the form of a Commission  
5 workshop at the point where all our research and our  
6 information gathering is, is concluded and processed.  
7 We'll be happy to discuss details with you or whatever  
8 questions you have. That's the master plan.

9 **CHAIRMAN BROWN:** Thank you, Mr. Baez, Braulio,  
10 and Mark, and Keith, and all the folks that have been  
11 involved.

12 **MR. BAEZ:** Many, many others.

13 **CHAIRMAN BROWN:** Many, many folks.

14 **MR. BAEZ:** Yes.

15 **CHAIRMAN BROWN:** Tom, Rick, everybody, we've  
16 been talking about this for weeks, Commissioners, and I  
17 think this is an opportunity for all of us to, to really  
18 dive into the forensics, dive into the analytics, and  
19 see from the facts -- of course, it's not going to be a  
20 turnaround within 30 days because it's very fact  
21 intensive, and so -- but the Commission has an  
22 opportunity here to, to utilize the lessons learned to  
23 be better and to make our state better.

24 And one aspect that I really think that we  
25 need to encourage is that customer participation, which

1 is already happening. We're all getting emails and  
2 they're going into some docket out there. But this  
3 would be a portal for those emails and those customer  
4 complaints to all go within a certain proceeding.

5 So the -- I guess the way that staff and I  
6 discussed was this would be a, kind of a generic review  
7 since the 2004, 2005 hurricane season to see where we're  
8 at based on the previous -- this past hurricane season.  
9 It would -- the docket would be opened upon this  
10 Internal Affairs meeting.

11 **MR. BAEZ:** As soon as, as soon as you all give  
12 us the word that you're okay, I mean, you want us to  
13 proceed, we --

14 **CHAIRMAN BROWN:** The sooner, the better. I  
15 think that this is a good, a good thing to be doing, a  
16 proactive thing to be doing. We -- year-round the PSC  
17 strives to promote awareness, readiness for any  
18 emergency, but specifically for hurricane preparedness.  
19 We have roundtables, we have workshops, we're very  
20 engaged. But this, this is a very important part of  
21 what we do at the Commission.

22 Commissioner Graham.

23 **COMMISSIONER GRAHAM:** Thank you, Madam Chair.  
24 Number one, I want to applaud your effort of pulling  
25 this together and doing this. I know there's a lot of

1 chatter out there about what's going on and where our  
2 storm hardening dollars are going and that sort of  
3 thing, so I appreciate you going aboveboard to, to bring  
4 this to the forefront, number one.

5 To the Executive Director, I take it initially  
6 we're going to do a huge, for lack of a better term,  
7 data dump. All the information is coming in. We don't  
8 necessarily know what's most important, what's least  
9 important right now. We're just going to pull it all in  
10 and start to organize it so we have some rational  
11 thought.

12 **MR. BAEZ:** It's -- to paraphrase one of our  
13 directors, it's going to be a deep dive. I mean, I  
14 think a lot of questions are going to get asked. We're,  
15 we're currently putting together our information  
16 request, which should be completed pretty soon, and it's  
17 going to have -- we would expect it to have great  
18 breadth. I, I don't think that should be a surprise to  
19 anyone, frankly. It's as big as the storm was.

20 **COMMISSIONER GRAHAM:** I just don't know what  
21 kind of --

22 **MR. BAEZ:** I mean, I hate to make light of it,  
23 but --

24 **COMMISSIONER GRAHAM:** I don't know what kind  
25 of data that the utilities have. I mean, I don't know



1 if they'll have if it's a wooden pole that snapped or it  
2 was a tree that knocked the line down. Either way, the  
3 line is on the ground.

4 **MR. BAEZ:** Right.

5 **COMMISSIONER GRAHAM:** But, you know, do we  
6 have that kind of information? Because I know as we  
7 moved forward with storm hardening, we got away from  
8 more of the wooden poles and more to the concrete and  
9 metal poles.

10 **MR. BAEZ:** Right.

11 **COMMISSIONER GRAHAM:** And, you know, I'm  
12 assuming those weren't necessarily coming down but the  
13 lines were still going down. And so that's the kind of  
14 information I'm looking for is if there's -- if they  
15 even know, you know, the difference between a pole  
16 snapping and just a tree knocking a line down.

17 **MR. BAEZ:** And I think you heard me mention  
18 cause of damage and so forth. Now I'm the last person  
19 you want to get into the weeds with, but I know that  
20 Tom -- Tom may be out there -- Tom's out there and he's  
21 listening.

22 And I think that you're on point. There's --  
23 there are -- the questions have to be asked before you  
24 get the answer. Well, we either -- you know, that data  
25 is an impossible or it is available. I mean, that's the

1 way I see it. I don't think it -- I think it's our  
2 obligation to ask the question at a minimum, and then we  
3 can get into the conversation as to whether that  
4 information ought to be available or not. But first,  
5 first we ask the question, and I think that's where I  
6 started off.

7 **COMMISSIONER GRAHAM:** So, and that's just  
8 stuff, as we systematically move through this, you'll  
9 bring this back here to IA so we'll have some idea. At  
10 least drop it off at our offices so we can see it.

11 **MR. BAEZ:** We will be, we will be happy --  
12 the, the main driver for creating the generic docket is  
13 to, is to have a repository for all the data, and that  
14 creates transparency. Not only is it a repository for  
15 you and I and everyone in here, but it's a repository  
16 for everyone.

17 **CHAIRMAN BROWN:** Excellent.

18 **MR. BAEZ:** I see Mary Anne nodding her head  
19 because that was, that was the -- that was part of the  
20 many discussions that we had was, "Okay, how do we do  
21 this?" And I think part of this has to be in the open  
22 air; right? It's not just for -- it's not just an  
23 education for us. It ought to be an education for  
24 everyone, and the information ought to be available. So  
25 that's what the generic docket does. It creates, you

1 know, as you say, a data dump for, for all, all who wish  
2 it.

3 **CHAIRMAN BROWN:** Thank you.

4 Thank you. Commissioner Graham.

5 Commissioner Brisé.

6 **COMMISSIONER BRISÉ:** Thank you. I know that  
7 this is primarily for -- well, this is focused on the  
8 electric utilities. Have we given any thought to some  
9 of the other utilities that we regulate to see -- and  
10 just for knowledge of what the impact has been on those  
11 utilities and the customers that are, that are served by  
12 those utilities?

13 **MR. BAEZ:** I think if you replace the word  
14 "any" by "a lot", and I think, you know, we, we kind of  
15 joke around, the -- there weren't just conversations in  
16 that room, there was a lot of -- the answer to your  
17 question is, yes, we have. And I think that the, the  
18 questions are such, we're going to be trying to get, in  
19 our, in our data gathering or in our information  
20 gathering phase, we're going to be trying to gather as  
21 much information as we can from as many people as we  
22 can, certainly as many utilities as we can.

23 **CHAIRMAN BROWN:** A variety of stakeholders.

24 **MR. BAEZ:** Stakeholders as well. So, so  
25 there's, there's municipals and co-ops included. I

1 think once we transition into that stage where you want  
2 to make some form of directive, a pronouncement, or you  
3 have an idea on something, I think that's a different  
4 conversation that we'll have with, with our attorneys  
5 and so forth as to what the parameters of that are. But  
6 in terms of gathering of information, we, we want to  
7 cast as wide a net as possible.

8 **COMMISSIONER BRISÉ:** Okay.

9 **MR. BAEZ:** I think Tom --

10 **CHAIRMAN BROWN:** Braulio, just to add, though,  
11 if you could, the FCC is conducting its own review, and  
12 staff has been directed to monitor that. It's a similar  
13 process to what we're doing, and they just announced it.

14 **MR. BAEZ:** Yeah. We're familiar, we're  
15 familiar with it. I -- and now I think I get -- I think  
16 I get more the gist of your question, Commissioner.

17 **COMMISSIONER BRISÉ:** Water.

18 **CHAIRMAN BROWN:** Yes.

19 **MR. BAEZ:** I appreciate that. That's a,  
20 that's a tougher question. We're trying to stay, we're  
21 trying to stay in the electric lane for, for purposes of  
22 this discussion because I think that the main issues  
23 that we're dealing with -- you heard the, you heard the  
24 conversation from the legislative folks where the  
25 concentration is in terms of restoration and issues with

1 restoration and so forth being in the electric sector.  
2 That does not mean that there were not issues, and I  
3 know personally of issues with our, with our water  
4 utilities, for example, and I'm sure that you know some  
5 as well. I think those have -- are of a different  
6 character and they have different considerations, and  
7 certainly those conversations are going on in-house. I  
8 don't think personally that they rise to the level where  
9 they are -- or they mesh well with the things that we're  
10 trying to do here. Having said that, they're not being  
11 ignored. They're just -- they're not getting included  
12 in this type of form.

13 **COMMISSIONER BRISÉ:** Okay. So I'm very  
14 pleased to see that there's also the consumer or  
15 consumer communication portion. I think it's Item 7 on,  
16 on the delineation of areas that we're going to cover.  
17 But, to me, that's probably one of the most important  
18 aspects, and that goes to customer expectations. And  
19 hopefully -- I'm sure I won't be here at the finality of  
20 this and be part of that discussion when we have a full  
21 public forum on this, but one of the things that I hope  
22 that is part of the conversation is how we get to  
23 setting expectations and how we communicate those  
24 expectations. And when there's a potential deviation  
25 from what was set in terms of the expectation, that

1 there is a complete rational explanation that is  
2 provided to the public so people are not left with a  
3 false sense in terms of expectation and -- or a  
4 misunderstanding of what the expectations might actually  
5 be.

6 **MR. BAEZ:** Those are -- I, I agree with you,  
7 and I think that this, this information gathering works  
8 on several levels, or we would expect it to. And I  
9 think, if you recall, communication and a communication  
10 function, speaking generally now, on the part of  
11 utilities is part of those initiatives that the  
12 Commission, once upon a time, had, had laid out. So, so  
13 there will be questions and information gathering that  
14 surrounds that subject, so you're going to see some,  
15 some information on that, all geared towards a better  
16 understanding, really a better understanding of what the  
17 utilities -- what our utilities do in terms of their  
18 overall plan, what, what these functions do, and get a  
19 clear understanding of that.

20 Hopefully as we get a clear understanding and  
21 it all gets laid out before us, it's being laid out  
22 before everyone else. Because I would agree with you, I  
23 think there's a, a -- there's an understanding gap there  
24 that has a lot to do with the, with the expectations gap  
25 that you described.

1           **CHAIRMAN BROWN:** Well, I appreciate what  
2 Commissioner Brisé has just said because customer  
3 communication on the utilities' side -- well, and I  
4 think we have an opportunity here on the Commission side  
5 to set those realistic expectations. I think about a  
6 third of the complaints that my office has received are  
7 on communication.

8           So I'm happy that we're establishing this  
9 docket to look into some of these issues, but I know  
10 that that's not -- they're not inclusive. It's going to  
11 be a broader, broader list.

12           And we are going to -- you talk about time  
13 frame, and we've discussed this with Braulio and Keith  
14 and trying to figure out a realistic time frame that we  
15 can delve into these issues. I would like it on an  
16 expedited basis, but also recognizing that a lot of this  
17 information is not, not at our fingertips, so we don't  
18 have control of that exactly. So we will work within  
19 the confines of our regulatory structure.

20           Commissioner Polmann.

21           **COMMISSIONER POLMANN:** Thank you, Madam  
22 Chairman.

23           I've had some discussion with --

24           **MR. BAEZ:** Yes, we have.

25           **COMMISSIONER POLMANN:** -- the executive team,

1 and, again, I appreciate the initiative coming from the  
2 Chairman's office. I think we're on the right path  
3 here, and I, I applaud the effort and the level of  
4 detail that's being developed here.

5 I would also support the issues around  
6 communication. In terms of the stakeholder engagement,  
7 my observation from Central Florida is a need of  
8 engaging the local government, and it involves the  
9 communication as well as the coordination between the  
10 governments and the utilities.

11 A lot of the outreach in the communities is  
12 directly with the cities and counties. A tremendous  
13 amount of communication to local residents, my  
14 experience, comes from cities and counties. And a lot  
15 of customer -- a lot of residents' complaints about  
16 communication is from the utility. They just weren't  
17 getting it.

18 But we got emails every day or two from, from  
19 the county. They seemed to be well informed, and their  
20 link to the utility was -- seemed to be direct. They  
21 were telling us more about what was going on with the  
22 utility than the utility was.

23 So having us understand that linkage would be  
24 very helpful, and I'm -- I would encourage us to try to  
25 figure out how to engage those local governments



1 directly in this process, even though we can't require  
2 it in any sense.

3 **MR. BAEZ:** Understood.

4 **COMMISSIONER POLMANN:** How do we, how do we  
5 encourage them and how do we encourage the utilities to,  
6 to bring those cities and counties to the table here?  
7 Because I think that's the way we can help the  
8 customers, because they're looking to our local elected  
9 officials when they -- when they're in need. So I think  
10 that will be very important.

11 And to the point Commissioner Graham was  
12 making, you know, where is the damage? What's the  
13 nature of the damage? And I think the local public  
14 works departments, who are out there trying to clear the  
15 debris so people can get around, they're helping the  
16 utilities in the recovery at that immediate recovery  
17 process, they see everything. So, again, that local  
18 government effort. They're the first people that came  
19 around my neighborhood was the public works department,  
20 making sure that the roads are clear, and they see the  
21 damage and they're out there trying to pick up the trees  
22 to clear the roads. So they're almost like the first  
23 responders. So I think there's some information there.  
24 I would encourage us to figure out how to do that.

25 **MR. BAEZ:** Thank you, Commissioner.

1                   **COMMISSIONER POLMANN:** So it's a great effort.  
2 Again, you know, periodic updates, really not just  
3 internally, but trying to push that out.

4                   **MR. BAEZ:** We will, we will do our best to  
5 keep you informed on a regular basis. And, of course,  
6 you know, at Internal Affairs --

7                   **CHAIRMAN BROWN:** Have updates.

8                   **MR. BAEZ:** -- we'll make sure and keep you  
9 informed in a more public manner.

10                   **COMMISSIONER POLMANN:** Yeah. The public, you  
11 know, letting the media know and letting somebody out  
12 there know it's a big --

13                   **MR. BAEZ:** It's always a --

14                   **COMMISSIONER POLMANN:** -- issue, we're working  
15 hard on it.

16                   **CHAIRMAN BROWN:** Thank you, Commissioner  
17 Polmann.

18                   And, Commissioners, thank you for your support  
19 on this. Immediately upon conclusion of the Internal  
20 Affairs we're going to have a site or a, like a little  
21 icon on our home page soliciting customer input too.  
22 The docket will be open as well, and we will try to  
23 utilize Cindy's shop to really get the message out on  
24 the efforts that we are doing. And, again, a big key is  
25 to get that customer input.

1 So any other matters to address?

2 **MR. BAEZ:** I think -- let me just make sure.  
3 I think we're okay for now.

4 **CHAIRMAN BROWN:** Keith, anything else you'd  
5 like to address?

6 **MR. HETRICK:** That's it.

7 **CHAIRMAN BROWN:** I want to thank you all. So  
8 much time, especially right during the hurricane, we  
9 were in constant communication, and the same thing for  
10 the Commissioners, we were all in communication, and our  
11 staff. And as a result of that, I mentioned those  
12 seven employees --

13 **MR. BAEZ:** You did.

14 **CHAIRMAN BROWN:** -- for the employee of the  
15 month. I know it's just such a small token of  
16 appreciation, and I really wanted to do backflips over  
17 these people because they are so exhausted, especially  
18 the nighttime shift, staying there around the clock and  
19 working with the utilities, collaborating with them and  
20 the other different departments over at the EOC, just  
21 long work hours, and I wanted to give them recognition.

22 Sure. Commissioner Polmann, go ahead.

23 **COMMISSIONER POLMANN:** Thank you. Along those  
24 lines, I visited the EOC while I was here in town. And  
25 just to second that, seeing our team there all crowded

1 together in that little space.

2 **CHAIRMAN BROWN:** It is little, isn't it?

3 **COMMISSIONER POLMANN:** They put us all in this  
4 little, tiny room.

5 **CHAIRMAN BROWN:** They rearranged it, too.

6 **COMMISSIONER POLMANN:** What a team.

7 **MR. BAEZ:** It was, it was worse before.

8 **COMMISSIONER POLMANN:** Yeah. Just great work  
9 together, at the computer gathering information,  
10 communicating with each other, everybody else in the  
11 building. It just seemed like a seamless effort. I was  
12 very impressed.

13 **CHAIRMAN BROWN:** Thank you.

14 **COMMISSIONER POLMANN:** A really tremendous  
15 effort, and that was just at the beginning. You know, a  
16 week later I'm sure they were just exhausted. But,  
17 nonetheless, we kept getting those emails several times  
18 a day.

19 **CHAIRMAN BROWN:** We're still getting them.

20 **COMMISSIONER POLMANN:** Yeah, still, updated  
21 information all the time.

22 **CHAIRMAN BROWN:** And I see them right there, I  
23 see them.

24 **COMMISSIONER POLMANN:** I really appreciated  
25 all of that, so...

1           **MR. BAEZ:** Moses is tapping one out right now.

2           **COMMISSIONER POLMANN:** Yeah, yeah.

3           Incredible.

4           **CHAIRMAN BROWN:** Well, thank you.

5           **COMMISSIONER POLMANN:** And I was able to tell,  
6           you know, some people that were talking to me back in --  
7           at home, like, "What are you doing?" I said, "We've got  
8           people 24 hours a day. They're sending us stuff all the  
9           time." And that's -- that impressed, you know, the  
10          neighbors that we were -- I mean, seriously, that we  
11          were so engaged. It's like, "Oh, so you actually know  
12          what's going on." I said, "Of course we do."

13          **CHAIRMAN BROWN:** Thank you, Commissioner  
14          Polmann.

15                 But as a result, a small -- it's such a small  
16          token of appreciation. And I think, Laura, you already  
17          were employee of the month, but you get another one.  
18          And I want to, on behalf of all the Commission, just  
19          thank you all for your efforts. And you guys are the  
20          co, co, co-employees of the month.

21                 I do also want to recognize those over at the  
22          Florida Emergency Information Line who -- Rhonda Hicks  
23          and her team, oh, my gosh, they're incredible. Shonna  
24          McCray, Ruth Nettles, Kelley Corbari, Peter Queirolo,  
25          Amber Norris, Marissa Friedrich, Jeff Bates, Shelby

1 Whitfield, Eric Wooten, again, these folks have been  
2 doing additional around-the-clock work.

3 Also, of course, the great Cindy Muir, who at,  
4 like, 9:30, 10:00 -- and no matter what, she's always  
5 awake tweeting things out. Twitter can be the death of  
6 you, by the way. I know. And Steve Steele as well. So  
7 can you all please join me in congratulating these  
8 folks?

9 (Applause.)

10 We have such a great team here, and we have  
11 such a great network in the utility industry. So many  
12 folks around the country came to help out Florida. It's  
13 an incredible network that we have. It really is.

14 If there are no other matters -- oops, any  
15 other matters? Would you like to add anything,  
16 Commissioner Clark?

17 **COMMISSIONER CLARK:** Again, thank you.

18 **CHAIRMAN BROWN:** Thank you. Well, we stand  
19 adjourned. Thank you.

20 (Internal Affairs concluded at 12:12 p.m.)  
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24  
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1 STATE OF FLORIDA )  
2 : CERTIFICATE OF REPORTER  
3 COUNTY OF LEON )

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

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

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

18 DATED THIS 9th day of October, 2017.

19   
20 \_\_\_\_\_

21 LINDA BOLES, CRR, RPR  
22 FPSC Official Hearings Reporter  
23 (850) 413-6734  
24  
25