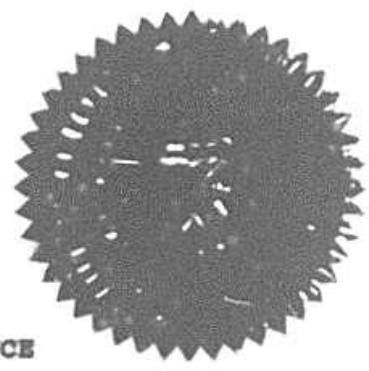


BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

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In the Matter of	:	DOCKET NO. 970002-EG
Conservation cost	:	
recovery clause.	:	



PROCEEDINGS: PREHEARING CONFERENCE

BEFORE: COMMISSIONER J. TERRY DEASON
Prehearing Officer

DATE: Wednesday, February 5, 1997

TIME: Commenced at 10:30 a.m

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

REPORTED BY: H. RUTHE POTAMI, CSR, RPR
Official Commission Reporter

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

1 **APPEARANCES:**

2 **MICHAEL PALECKI**, NUI Corporation - Southern
3 Division, 955 East 25th Street, Hialeah, Florida
4 33013, app--earing on behalf of City Gas Company of
5 Florida.

6 **WAYNE L. SCHIEFELBEIN**, Gatlin, Schiefelbein
7 and Cowdery, The Mahan Station, 1709-D Mahan Drive,
8 Tallahassee, Florida 32308, appearing on behalf of
9 Chesapeake Utilities Corporation.

10 **JAMES MCGEE**, Post Office Box 14042, St.
11 Petersburg, Florida 33733-4042, 3201 34th Street
12 South, St. Petersburg, Florida 33733-4042, appearing
13 on behalf of Florida Power Corporation.

14 **CHARLES A. GUYTON**, Steel, Hector & Davis,
15 215 South Monroe Street, Suite 601, Tallahassee,
16 Florida 32301, appearing on behalf of Florida Power &
17 Light Company.

18 **WILLIAM WILLINGHAM**, Rutledge, Ecenia,
19 Underwood, Purnell and Hoffman, Post Office Box 511,
20 215 South Monroe Street, Suite 420, Tallahassee,
21 Florida 32302-0551, appearing on behalf of Florida
22 Public Utilities.

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1 **APPEARANCES CONTINUED:**

2 **JEFFREY A. STONE**, Beggs & Lane, 700 Blount
3 Building, 3 West Garden Street, Post Office Box 12950,
4 Pensacola, Florida 32576-2950, appearing on behalf of
5 **Gulf Power Company.**

6 **JAMES D. BEASLEY**, Ausley & McMullen, Post
7 Office Box 391, Tallahassee, Florida 32302, appearing
8 on behalf of **Tampa Electric Company.**

9 **NORMAN H. HORTON, JR.**, Messer, Caparello,
10 Metz, Maida & Self, 215 South Monroe Street, Suite
11 701, Post Office Box 1876, Tallahassee, Florida
12 32302-1876, appearing on behalf of **West Florida**
13 **Natural Gas Company.**

14 **VICKI GORDON KAUFMAN**, McWhirter, Reeves,
15 McGlothlin, Davidson, Rief and Bakas, 117 South
16 Gadsden Street, Tallahassee, Florida 32301, appearing
17 on behalf of **Florida Industrial Power Users Group.**

18 **JOHN ROGER HOWE**, Deputy Public Counsel,
19 Office of Public Counsel, c/o The Legislature, 111
20 West Madison Street, Room 812, Tallahassee, Florida
21 32399-1400, appearing on behalf of the **Citizens of the**
22 **State of Florida.**

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1 **APPEARANCES CONTINUED:**

2 **LORNA WAGNER, Florida Public Service**
3 **Commission, Division of Legal Services, 2540 Shumard**
4 **Oak Boulevard, Tallahassee, Florida 32399-0870,**
5 **appearing on behalf of the Commission Staff.**

6 **JAY LAVIA, Landers & Parsons, 310 West**
7 **College Avenue, Tallahassee, Florida 32302, appearing**
8 **on behalf of People's Gas System, Inc.**

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P R O C E E D I N G S

(Hearing convened at 10:30.m.)

COMMISSIONER DEASON: If I can have everyone's attention, please, we'll go ahead and call the prehearing conference order. I would note for the record that due to the heavy fog, that some participants are going to be a little bit late in their arrival. I think they are just arriving.

We will go ahead and begin. Given that all the parties, I believe, are here at this time, is there any preference to which docket we take first? Staff?

MS. JOHNSON: Staff would like to proceed with the 07 docket first -- it only involves one party -- and probably dispose of that rather quickly.

COMMISSIONER DEASON: Okay. Well, let's go ahead and have the notice read, please.

MS. JOHNSON: By notice issued January 13, 1997, a prehearing conference was set in Docket No. 970001-EI, Fuel and Purchase Power Cost Recovery Clause and Generating Performance Incentive Factor, Docket No. 970002-EG, Conservation Cost Recovery Clause, Docket No. 970003-GU, Purchased Gas Adjustment, and Docket No. 970007-EI, Environmental Cost Recovery Clause.

1 **COMMISSIONER DEASON:** Thank you. We'll go
2 ahead and take appearances for all of the docket
3 today.

4 **MR. CHILDS:** Commissioner, my name is
5 Matthew Childs with the firm of Steel, Hector and
6 Davis, appearing on behalf of Florida Power & Light
7 Company.

8 **MR. BEASLEY:** Commissioner, I'm James D.
9 Beasley appearing with Lee L. Willis, both of the firm
10 of Ausley & McMullen appearing on behalf of Tampa
11 Electric Company in the 01, 02 and 07 dockets.

12 **MR. PALECKI:** Michael Palecki, City Gas
13 Company of Florida, appearing on the 02 and 03
14 dockets.

15 **MS. KAUFMAN:** Vicki Gordon Kaufman,
16 McWhirter, Reeves, McGlothlin, Davidson, Rief, Bakas,
17 on behalf of the Florida Industrial Power Users Group
18 in the 01, 02 and 07 dockets.

19 **MR. HORTON:** Norman H. Horton, Jr. of the
20 law firm of Messer, Caparello & Self, on behalf of
21 West Florida Natural Gas in the 02 docket, Sebring Gas
22 System, Inc., South Florida Natural Gas, and West
23 Florida Natural Gas in the 03 docket.

24 **MR. MCGEE:** James McGee on behalf of Florida
25 Power Corporation in both the 02 and the 01 dockets.

1 **MR. STONE:** Jeffrey A. Stone, and with me is
2 Russell A. Badders of the law firm Beggs & Lane
3 representing Gulf Power Company in the 01 and 02.

4 **MR. WILLINGHAM:** Bill Willingham of the law
5 firm Rutledge, Ecenia, Underwood, Purnell & Hoffman on
6 behalf of Florida Public Utilities Company in the 01,
7 02 and 03 dockets.

8 **MR. LAVIA:** Jay Lavia with the law firm of
9 Landers & Parsons for People's Gas in the 02 docket.

10 **MR. NICHOLSON:** David Nicholson, law firm of
11 Macfarlane, Ferguson & McMullen, on behalf of People's
12 Gas in the 03 docket.

13 **MR. SHIEFELBEIN:** Wayne Shiefelbein, Gatlin,
14 Schiefelbein & Cowdery appearing on behalf of
15 Chesapeake Utilities Corporation in the 02 and 03
16 dockets.

17 **MR. HOWE:** I'm Roger Howe with the Office of
18 Public Counsel appearing on behalf of the Citizens of
19 the State of Florida in the 01, 02, 03 and 07 dockets.

20 **MS. JOHNSON:** Vicki Johnson on behalf of the
21 Commission Staff in the 01 and 07 dockets.

22 **MR. KEATING:** Cochran Keating on behalf of
23 the Commission Staff in the 03 docket.

24 **MS. WAGNER:** Lorna Wagner on behalf of
25 Commission Staff for the 02 docket.

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2 **COMMISSIONER DEASON:** Section 1 is the case
3 background. Section 2 addresses confidential
4 information. Section 3 addresses prefiled testimony
5 and exhibits, Section 4, order of witnesses.

6 Section 5, Basic Positions; any changes or
7 corrections to those positions?

8 **MR. PALECKI:** Yes, Commissioner Deason.
9 City Gas has two changes to its basic position. Line
10 4, "underrecovery" should be changed to
11 "overrecovery."

12 And in the final line, "CS class," after the
13 word "CS" we want to add "CSLV," Charlie, Sam, Larry,
14 Victor, and "CTS," Charlie, Tom Sam. So it would read
15 "\$0.950 per therm for the CS, CSLV and CTS classes."

16 **COMMISSIONER DEASON:** Does Staff have that
17 change? Very well. Any other changes to Basic
18 Positions?

19 Section 6 addresses issues and positions.
20 We'll begin with Issue 1.

21 **MS. WAGNER:** Commissioner Deason, Staff has
22 an oral modification to make to its position.

23 **COMMISSIONER DEASON:** Very well.

24 **MS. WAGNER:** For Issue 1 on Page 8, Staff's
25 position for Florida Power Corporation should read "No

1 position at this time."

2 Also, Issue 1 on Page 8 Staff's position
3 should read, "For Florida Power & Light, 17,063,264
4 underrecovery."

5 COMMISSIONER DEASON: Any other changes for
6 Staff?

7 MS. WAGNER: No.

8 COMMISSIONER DEASON: Any other parties have
9 any changes?

10 Ms. Kaufman, are you going to be taking
11 positions on any of these issues?

12 MS. KAUFMAN: Not on the generic issues. We
13 just maintain "no position."

14 MR. HOWE: The same is true for the Public
15 Counsel's office.

16 COMMISSIONER DEASON: And Staff, for those
17 companies for which the Staff position and the Company
18 position are in agreement, those will be shown as
19 stipulations; is that correct?

20 MS. WAGNER: Yes, they will.

21 COMMISSIONER DEASON: Very well. Issue 2,
22 any changes?

23 MS. WAGNER: Yes. Staff has an oral
24 modification to make on Issue 2 on Page 12. (Pause)
25 I'm sorry. I made a mistake. There is no

1 modification on Issue 2.

2 COMMISSIONER DEASON: Okay. Very well.

3 Issue 3?

4 MR. STONE: Commissioner Deason, if we could
5 go back to Issue 2 for moment.

6 COMMISSIONER DEASON: Yes.

7 MR. STONE: It appears as though we are in
8 agreement with Staff on our positions. There appears
9 to be one slight discrepancy that I believe can be
10 resolved.

11 Under "Rate Classes," under Gulf's positions
12 we show SBS as a separate rate class with its own
13 separate cost recovery factor. And Staff, likewise,
14 shows that on Page 12.

15 Staff also shows SBS on the same line as
16 GSD-GSDT, LP-LPT, PX-PXT. And I believe that those
17 where SBS is shown on those lines in Staff's position,
18 that we're not at variance, that they agree that we --
19 that the factors only apply to the other rate
20 schedules, not to SBS; and that would not interfere
21 with the stipulation.

22 MS. WAGNER: That's correct.

23 COMMISSIONER DEASON: So that change will be
24 made, and with that change, Staff and Gulf are in
25 agreement?

1 MR. STONE: I believe that's the case.

2 MS. WAGNER: That's correct.

3 COMMISSIONER DEASON: Very well. Any other
4 corrections to Issue 2? Issue 3?

5 MS. WAGNER: Staff does have an oral
6 modification on Issue 3. On Issue 3 on Page 13 at the
7 top, on Staff's position should read as follows:
8 "Yes, any decision in Docket No. 970046-EI should be
9 retroactive to the date the ECCR factor goes into
10 effect (April 1st, 1997)."

11 COMMISSIONER DEASON: Let me ask the
12 utilities involved. I see "no position." Do the
13 utilities plan on having no position until the time of
14 hearing, or is this something that is under discussion
15 with Staff at this time?

16 MR. GUYTON: This is Charles Guyton. I did
17 not make an appearance earlier. If I might.

18 COMMISSIONER DEASON: Oh, please do so.

19 MR. GUYTON: My name is Charles Guyton with
20 the law firm of Steel, Hector & Davis, 215 South
21 Monroe Street, Suite 601, Tallahassee, Florida, 32301,
22 appearing on behalf of Florida Power & Light Company.

23 Commissioner Deason, Florida Power & Light
24 thinks perhaps that if this issue is going to be
25 addressed at this late date -- it was raised in

1 Staff's prehearing statement -- that it perhaps may be
2 best addressed as a policy or legal issue that we
3 handle as an argument before the Commission, rather
4 than trying to introduce testimony and addressing the
5 issue through testimony, if it's appropriately decided
6 here, as opposed to the docket in which it's referred
7 to.

8 As we understand it, that's a generic cost
9 allocation docket, and it would seem to FPL that it's
10 probably more appropriately decided -- if a decision
11 is made at that time as to what the scope of the
12 decision would be, rather than trying to anticipate
13 the decision now, and talking about its application
14 now, but if it's to be decided here, we would
15 respectfully submit that perhaps the best way to
16 approach it is through argument.

17 COMMISSIONER DEASON: Staff, could you
18 explain to me why it is appropriate to have this issue
19 excluded at this time in this docket as opposed to the
20 generic docket?

21 MS. WAGNER: To bring it up -- I'm sorry,
22 Commissioner Deason. To bring it up at this time why
23 it's appropriate?

24 COMMISSIONER DEASON: Yes. Well, Mr. Guyton
25 has made the suggestion that perhaps -- and I say

1 perhaps -- it would be more appropriate to have this
2 question addressed in the generic docket itself as
3 opposed to being addressed at this time in this
4 docket, and I was just wondering what Staff's position
5 is as to why it is being proposed at this time.

6 MS. WAGNER: Staff wanted to put the parties
7 on notice at this point that whatever the outcome is
8 in that docket, that it could have a retroactive
9 effect, and that we wanted to be able to go back at
10 that point and look at the dollar figures that came
11 about.

12 COMMISSIONER DEASON: What is Staff's
13 position concerning the suggestion that it is a matter
14 which could be addressed as oral argument at the
15 hearing, or in posthearing filings if necessary?

16 MS. WAGNER: Staff is not opposed to that
17 suggestion, if you feel it is appropriate.

18 COMMISSIONER DEASON: You agree that it is
19 not something that actually needs to have evidence in
20 the form of a witness taking the stand on the issue as
21 opposed to it just being addressed from a policy
22 standpoint in argument?

23 MS. WAGNER: I would agree.

24 COMMISSIONER DEASON: Let me ask any other
25 parties to this issue what their position is

1 concerning that question as to whether it should be
2 addressed, evidence taken, or if it can just be
3 addressed in the form of oral argument or some other
4 type of posthearing filing.

5 MR. BEASLEY: Commissioner, Tampa Electric.
6 We have not formulated a position on this issue, but
7 we will be able to do that and provide it to the
8 Staff.

9 COMMISSIONER DEASON: Do you have any
10 preferences as to how it's handled in the hearing
11 itself, whether there's oral argument on the question,
12 or do you agree that there's not the necessity of
13 having this addressed by a witness, or do you disagree
14 with that? It's Mr. Guyton's suggestion.

15 MR. BEASLEY: Right. Right. I would have
16 to check with my client. This a fairly new item that
17 showed up in the Staff's prehearing statement.

18 COMMISSIONER DEASON: Any other comments?

19 MR. PALECKI: City Gas Company of Florida
20 has no objection to handling this issue through oral
21 argument rather than putting on a witness.

22 COMMISSIONER DEASON: Mr. Stone?

23 MR. STONE: Commissioner Deason, I support
24 Mr. Guyton's position that I think this issue is
25 appropriately addressed in the generic proceeding. If

1 it's not addressed in the generic proceeding, we would
2 like to reserve the opportunity to present oral
3 argument, if that is the --

4 **COMMISSIONER DEASON:** Well, I guess my
5 concern to some extent -- and I think it's probably
6 something that Staff is addressing as well -- and that
7 is, this issue was added apparently to put all parties
8 on notice that it could be that whatever decision is
9 made in the generic docket, that it would be applied
10 retroactive; to put all parties on notice.

11 And if all the parties would stipulate that
12 whatever decision is made in the generic docket, and
13 if the Commission at that time in the general docket
14 decides that it should be retroactive, if everyone
15 stipulates at this hearing at this time that it could
16 be retroactive as it applies to this docket, then I
17 think we can just remove the issue.

18 Mr. Guyton?

19 **MR. GUYTON:** I am not in a position to
20 stipulate to that at this time, Commissioner.

21 **COMMISSIONER DEASON:** Well, I think then we
22 might address the issue within the context of this
23 hearing, and then the question remains, how do we
24 address it. The suggestion has been made that it
25 could be done through oral argument. I'm not opposed

1 to doing that.

2 I agree that it is something that's probably
3 not best addressed by an expert under oath. This is
4 something that can be addressed in the form of oral
5 argument; and if I hear no objection to that, that's
6 what we will plan on doing, and at the conclusion of
7 the hearing we'll set aside time for this issue to be
8 orally argued. And at that time it would be
9 appropriate to address your concerns that this issue
10 is not even appropriate for this docket and that it
11 should be decided in the generic docket. That can be
12 incorporated, obviously, within your oral argument.

13 The question remains as to the length of
14 time to argue this. I would propose that each party
15 be granted five minutes. Is there any objection to
16 that time frame?

17 Hearing no objection then, please show in
18 the prehearing order that this issue will be orally
19 argued at the conclusion of the hearing and that each
20 party will be allowed a time of five minutes to
21 address the issue.

22 MS. WAGNER: Okay.

23 COMMISSIONER DEASON: Any other questions or
24 concerns with Issue 3? Very well.

25 Issue 4; changes or corrections?

1 MS. WAGNER: Staff has an agreement with the
2 companies, provided that City Gas makes an oral
3 modification.

4 MR. PALECKI: City Gas would modify its
5 position from "underrecovery" to "overrecovery" to
6 agree with Staff's position.

7 COMMISSIONER DEASON: With that change then,
8 all of the positions are in agreement; is that
9 correct?

10 MS. WAGNER: Pardon?

11 COMMISSIONER DEASON: With that change, are
12 all of the positions in agreement?

13 MS. WAGNER: All the positions are in
14 agreement -- well, let me rephrase that. All the
15 companies have agreed that Staff's amounts and figures
16 are correct and have stipulated to Staff's figures.

17 COMMISSIONER DEASON: Very well. And we're
18 still in the generic part of this proceeding, so
19 Public Counsel and FIPUG have no position.

20 Very well. Issue 5?

21 MS. WAGNER: Staff would like to make an
22 oral modification for Issue 5. On Page 15 and 16,
23 under Staff's position the ECCR factors should read
24 "dollars per therm," not "cents per therm" for both
25 CGC, CUC, PGS, St. Joe's and West Florida Natural Gas.

1 **COMMISSIONER DEASON:** Any other corrections
2 for Issue 5?

3 **MR. PALECKI:** Yes. City Gas Company of
4 Florida has two changes. After the words -- the
5 letters "CS," we would add "CSLV" and "CTS," so that
6 all of City Gas' commercial classes would be .950
7 cents per therm.

8 We would also add "GL," gas lighting class,
9 at 64.332 cents per lamp per month. That's "GL,
10 64.332 cents per lamp per month."

11 **COMMISSIONER DEASON:** The gas lighting
12 amount is not shown in Staff's position. Will Staff
13 be incorporating positions?

14 **MS. WAGNER:** That is correct. Staff is in
15 agreement with the numbers proposed by City Gas and
16 will stipulate to those numbers. However, the
17 remaining companies, Chesapeake Gas Company, People's
18 Gas Company, St. Joe's Natural Gas Company and West
19 Florida Natural Gas Company, we have stipulated with
20 them that they will agree to the figures that we have
21 provided with the oral modification that I made.

22 **COMMISSIONER DEASON:** Very well. Show,
23 then, that as a stipulation?

24 **MS. WAGNER:** Yes, that is.

25 **COMMISSIONER DEASON:** Show that as a

1 stipulation, then. Issue 6?

2 MR. GUYTON: Commissioner Deason, Florida
3 Power & Light has a change to its position. The
4 position that was outlined here was addressing an
5 earlier -- a preliminary issue that has been modified
6 so that FPL can simply say "Agree with Staff."

7 COMMISSIONER DEASON: Any other changes to
8 company positions?

9 MR. BEASLEY: Tampa Electric would concur
10 with Staff's position as well.

11 MR. McGER: As will Florida Power.

12 MR. STONE: As will Gulf.

13 MR. WILLINGHAM: As will FPU.

14 MS. KAUFMAN: Commissioner Deason, FIPUG
15 would change its position from "No," to "No position."

16 MR. SHIEFELBEIN: Chesapeake will agree with
17 Staff as well.

18 MR. HORTON: Commissioner Deason, West
19 Florida would agree with Staff as well.

20 MR. PALECKI: City Gas Company agrees with
21 Staff.

22 COMMISSIONER DEASON: I believe, then, that
23 this would be a stipulation; is that correct?

24 MS. WAGNER: Yes, that is.

25 MR. LaVIA: Actually, Commissioner Deason,

1 People's still is "No position at this time." I can
2 check on that, but I have to talk to my client.

3 COMMISSIONER DEASON: Well, normally if
4 there's no position at the time of the prehearing
5 conferance and all the other parties stipulate, we
6 have a stipulated issue.

7 MR. LAVIA: Okay.

8 COMMISSIONER DEASON: I'm going to give you
9 the latitude if you think this needs to remains as an
10 issue for your purposes, that you communicate that to
11 Staff today.

12 MR. LAVIA: I will.

13 COMMISSIONER DEASON: If not, you need to
14 communicate either way so they will know how to
15 incorporate this in the prehearing order.

16 MR. LAVIA: I will. Thank you.

17 COMMISSIONER DEASON: Issue 7.

18 MS. WAGNER: Staff has an oral modification
19 for Issue 7. Issue 7 on Page 18, Staff's position
20 should read, "Staff agrees that \$3,808,441 is the
21 appropriate revenue decoupling overrecovery for the
22 years 1995 and 1996, provided that the audit reports
23 Staff expects to receive before the hearing date
24 confirm this amount."

25 COMMISSIONER DEASON: Let me ask you a

1 question. When is that audit report due?

2 MS. WAGNER: We were expecting it any day.
3 In about five days.

4 COMMISSIONER DEASON: Mr. McGee?

5 MR. MCGEE: The position for Florida Power
6 should read as stated in the prehearing statement, and
7 that is, "Yes, the decoupling true-up balance,
8 including interest, was calculated in accordance with
9 Commission Order Number PSC-95-0097-FOF-EI."

10 COMMISSIONER DEASON: Ms. Kaufman?

11 MS. KAUFMAN: FIPUG has no position on this
12 issue.

13 COMMISSIONER DEASON: Mr. Howe.

14 MR. HOWE: Public Counsel takes no position.

15 COMMISSIONER DEASON: It appears then, that
16 this issue probably will be stipulated, but I do
17 understand that that is pending receipt of an audit.
18 So if the prehearing order can just show that, then we
19 can deal with it at the hearing.

20 MS. WAGNER: Right. Thank you.

21 COMMISSIONER DEASON: Any other issues to be
22 brought up in the 02 docket?

23 MR. STONE: Commissioner Deason, if we could
24 clarify, it appears that all of Gulf Power's issues
25 for which testimony has been presented have been

1 stipulated, and we would like to have Ms. Neyman
2 excused from attendance at the hearing.

3 COMMISSIONER DEASON: Does Staff agree that
4 all issues have been stipulated as they pertain to
5 Gulf?

6 MS. WAGNER: Yes, we do.

7 COMMISSIONER DEASON: Obviously if all
8 issues have been stipulated, witnesses will be
9 excused. That testimony will simply be inserted into
10 the record and cross examination waived as witnesses
11 need not appear at the hearing.

12 MR. GUYTON: Commissioner Deason, if I might
13 inquire as to how we will resolve Issue 6 if People's
14 decides to take a position on this issue. There is no
15 testimony on the issue been submitted by any party.

16 COMMISSIONER DEASON: It would be my intent
17 that if it remains an issue, that we will simply
18 handle it and allow time for oral argument to address
19 the issue from a policy standpoint, if that would be
20 acceptable to the parties. Any objection to that
21 procedure, assuming that it remains an issue? Staff
22 have any objections?

23 MS. WAGNER: No, Staff does not.

24 COMMISSIONER DEASON: I would anticipate
25 that probably, most likely, the issue will go away,

1 but I understand that we need to plan for that, for
2 the event that it does not.

3 MR. GUYTON: If we end up arguing that, we
4 ask the Commission to take notice of certain
5 materials. I don't think it would require putting a
6 witness on. I think those will be matters that we
7 would ask the Commission to take notice of.

8 COMMISSIONER DEASON: Are these matters that
9 we routinely take notice of?

10 MR. GUYTON: Pardon?

11 COMMISSIONER DEASON: Are these matters that
12 we routinely take notice of?

13 MR. GUYTON: Yes; Commission orders
14 approving programs, things of that nature.

15 COMMISSIONER DEASON: Very well. That
16 should not be a problem. Any objection to that
17 procedure? Very well.

18 Section 8 addresses the exhibit list.
19 Changes or corrections to that list?

20 MR. GUYTON: Commissioner Deason, Florida
21 Power & Light has a change. On Page 19, Witness
22 Avello should be changed to Busto. We would propose
23 to keep the same identification number. If that's too
24 confusing, we can change it to LB-2, but that's the
25 way the exhibits were filed and labeled, and we would

1 propose to keep them that way.

2 COMMISSIONER DEASON: We will simply keep
3 them that way. It will be less confusing.

4 MR. GUYTON: And Commissioner, I would note
5 that Ms. Busto will be substituted for -- she will be
6 adopting Mr. Avello's true-up testimony. If
7 necessary, we can file pages that amend that, but we
8 would propose that we just move that that be adopted
9 and inserted into the record.

10 COMMISSIONER DEASON: Any objections to that
11 procedure?

12 MS. WAGNER: No.

13 COMMISSIONER DEASON: Hearing no objection,
14 that will be fine, Mr. Guyton. Any other matters
15 dealing with the exhibit list?

16 MR. BEASLEY: Not with the exhibit list. I
17 just wanted to confirm, though, that the issues for
18 Tampa Electric are agreed to, and ask that the
19 witnesses be excused.

20 COMMISSIONER DEASON: Staff concur?

21 MS. WAGNER: Yes.

22 COMMISSIONER DEASON: Very well. That will
23 be fine.

24 MR. SHIEFELBEIN: Commissioner Deason, would
25 that apply to all parties that --

1 COMMISSIONER DEASON: It will be apply to
2 all parties for issues that have been stipulated. If
3 there are no issues in contention, the testimony for
4 witnesses will simply be inserted into the record,
5 cross examination waived, and those witnesses excused
6 from attending the hearing.

7 MR. SHIEFELBIN: Counsel excused as well,
8 and the requirement of a posthearing statement waived?

9 COMMISSIONER DEASON: Does Staff have any
10 objection to counsel also being excused from the
11 hearing?

12 MS. WAGNER: No, we do not.

13 COMMISSIONER DEASON: We'll just have the
14 testimony inserted into the record. I think Staff
15 will take care of that procedural matter. You may be
16 excused.

17 Section 8 addresses proposed stipulations.
18 I think we were just addressing that. Any other
19 stipulations that we have not addressed?

20 Section 9 addresses pending motions. I
21 think we've addressed the situation with Florida
22 Power & Light.

23 Any other motions that need to be made at
24 this time? Very well. Any other matters to be
25 brought up before the prehearing officer in the 02

1 docket? Hearing none, the 02 docket is concluded.

2 * * * * *

3 COMMISSIONER DEASON: Call the prehearing
4 conference back to order. It's been brought to my
5 attention that we may need to go back and address a
6 matter within the 02 docket; is that correct?

7 MS. WAGNER: That is correct.

8 COMMISSIONER DEASON: Please proceed.

9 MS. WAGNER: Issue 3 on Page 12 of the 02
10 docket, Staff believes that this issue can be dropped
11 from the 02 docket with the provision and the
12 understanding that this decision will be looked at in
13 Docket 970046, and that the companies may -- excuse
14 me -- that the cost recovery may be subject to true-up
15 among the various rate classes pending it, and this
16 would be retroactive in effect. Staff believes that
17 oral argument could be heard in Docket 970046 at that
18 time.

19 COMMISSIONER DEASON: Any comments from the
20 parties?

21 MR. GUYTON: This is Charlie Guyton for
22 Florida Power & Light. I want to make sure that it's
23 clear that the stipulation is that this argument will
24 be deferred, and that anything that could be argued
25 now would be available to be argued at whatever time

1 it's considered in the generic docket.

2 COMMISSIONER DEASON: Is that Staff's
3 position?

4 MS. WAGNER: That is Staff's position.

5 COMMISSIONER DEASON: Very well. Any other
6 comments or questions concerning the disposition of
7 Issue 3?

8 With that then, Issue 3 can be removed from
9 this docket for the upcoming hearing. You may want to
10 reference it in the prehearing order, though, just to
11 show the proposed treatment of this issue in the
12 generic docket just so that we have a paper trail.

13 MS. WAGNER: Thank you.

14 COMMISSIONER DEASON: Any other matters
15 then, within the 02 docket?

16 MS. WAGNER: No, there is not. Very well.

17 COMMISSIONER DEASON: Very well. We will
18 proceed into the 01 docket.

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1 STATE OF FLORIDA)
2 COUNTY OF LEON)

CERTIFICATE OF REPORTER

3 I, RUTHE POTAMI, CSR, RPR Official
4 Commission Reporter,

5 DO HEREBY CERTIFY that the Prehearing
6 Conference in Docket No. 970002-EG was heard by the
7 Prehearing Officer at the time and place herein
8 stated; it is further

9 CERTIFIED that I stenographically reported
10 the said proceedings; that the same has been
11 transcribed under my direct supervision; and that this
12 transcript, consisting of 28 pages, constitutes a true
13 transcription of my notes of said proceedings

14 DATED this 10th day of February, 1997.

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H. RUTHE POTAMI, CSR, RPR
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