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FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of

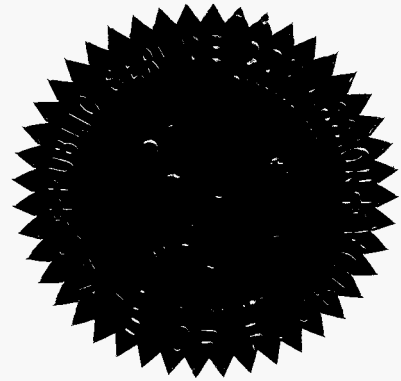
FUEL AND PURCHASED POWER COST RECOVERY CLAUSE WITH GENERATING PERFORMANCE INCENTIVE FACTOR.	DOCKET NO. 100001-EI

ENERGY CONSERVATION COST RECOVERY CLAUSE.	DOCKET NO. 100002-EG

PURCHASED GAS ADJUSTMENT (PGA) TRUE-UP.	DOCKET NO. 100003-GU

NATURAL GAS CONSERVATION COST RECOVERY.	DOCKET NO. 100004-GU

ENVIRONMENTAL COST RECOVERY CLAUSE.	DOCKET NO. 100007-EI



PROCEEDINGS:	PREHEARING CONFERENCE
COMMISSIONER PARTICIPATING:	COMMISSIONER NATHAN A. SKOP PREHEARING OFFICER
DATE:	Monday, October 25, 2010
TIME:	Commenced at 9:30 a.m. Concluded at 10:57 a.m.
PLACE:	Betty Easley Conference Center Room 148 4075 Esplanade Way Tallahassee, Florida
REPORTED BY:	JANE FAUROT, RPR Official FPSC Reporter (850) 413-6732

REPORT NUMBER-DATE
08896 OCT 25 2010

1 APPEARANCES:

2 BETH KEATING, ESQUIRE, Akerman Law Firm, 106
3 East College Avenue, Suite 1200, Tallahassee, Florida
4 32301, appearing on behalf of Florida City Gas and
5 Chesapeake Utilities.

6 JAMES D. BEASLEY, ESQUIRE, and J. JEFFRY
7 WAHLEN, ESQUIRE, Ausley Law Firm, Post Office Box 391,
8 Tallahassee, Florida 32302, appearing on behalf of Tampa
9 Electric Company.

10 JEFFREY A. STONE, ESQUIRE, RUSSELL A. BADDERS,
11 ESQUIRE, and STEVEN R. GRIFFIN, ESQUIRE, Beggs & Lane
12 Law Firm, Post Office Box 12950, Pensacola, Florida
13 32591-2950, appearing on behalf of Gulf Power Company.

14 JAMES W. BREW, ESQUIRE and F. ALVIN TAYLOR,
15 ESQUIRE, c/o Brickfield Law Firm, 1025 Thomas Jefferson
16 Street, NW, Eighth Floor, West Tower, Washington D.C.,
17 20007 appearing on behalf of White Springs Agricultural
18 Chemicals, Inc.

19 SHAYLA L. MCNEILL, CAPT., USAF, and KAREN S.
20 WHITE, WHITE, c/o AFLSA/JACL-ULT, 139 Barnes Drive, Suite
21 1, Tyndall AFB, Florida 32403-5319, appearing on behalf of
22 Federal Executive Agencies.

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1 ROBERT SCHEFFEL WRIGHT, ESQUIRE and JOHN T.
2 LAVIA, III, ESQUIRE, c/o Young Law Firm, 225 South Adams
3 Street, Suite 200, Tallahassee, Florida 32301, appearing
4 on behalf of Florida Retail Federation.

5 ANSLEY WATSON, JR., ESQUIRE, Macfarlane Law
6 Firm, Post Office Box 1531, Tampa, Florida 33601-1531,
7 appearing on behalf of Peoples Gas System.

8 VICKI GORDON KAUFMAN, ESQUIRE and JON C. MOYLE,
9 JR., ESQUIRE, Keefe Law Firm, 118 North Gadsden Street,
10 Tallahassee, Florida 32301, appearing on behalf of Florida
11 Industrial Power Users Group.

12 CECILIA BRADLEY, ESQUIRE, Senior Assistant
13 Attorney General, Office of Attorney General, The Capitol
14 PL01, Tallahassee, Florida 32399-1050, appearing on behalf
15 of the Office of the Citizens of the State of Florida.

16 PATRICIA A. CHRISTENSEN, ESQUIRE, and CHARLIE
17 BECK, ESQUIRE, Office of Public Counsel, c/o The Florida
18 Legislature, 111 W. Madison St., Room 812, Tallahassee,
19 Florida 32399-1400, appearing on behalf of the Citizens
20 of Florida..

21 NORMAN H. HORTON, JR., ESQUIRE, Messer Law
22 Firm, Post Office Box 15579, Tallahassee, Florida 32317,
23 appearing on behalf of Sebring Gas Systems, Inc.

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1 PATRICK K. WIGGINS, ESQUIRE, Patrick K.
2 Wiggins, P.A., Post Office Drawer 1657, Tallahassee,
3 Florida 32302, appearing on behalf of the Association
4 for Fairness in Rate Making (AFFIRM).

5 DIANE TRIPLETT, ESQUIRE, JOHN T. BURNETT,
6 ESQUIRE, Progress Energy Service Co., LLC, Post Office
7 Box 14042, St. Petersburg, Florida 33733-4042, and GARY
8 PERKO, ESQUIRE, appearing on behalf of Progress Energy
9 Service Co., LLC.

10 LISA BENNETT, ESQUIRE, KATHERINE FLEMING,
11 ESQUIRE, MARTHA BROWN, ESQUIRE, LEE ENG TAN, ESQUIRE, ERIK
12 SAYLER, ESQUIRE, ANNA WILLIAMS, ESQUIRE, FPSC General
13 Counsel's Office, 2540 Shumard Oak Boulevard, Tallahassee,
14 Florida 32399-0850, appearing on behalf of the Florida
15 Public Service Commission Staff.

16 MARY ANNE HELTON, Deputy General Counsel,
17 Florida Public Service Commission, 2540 Shumard Oak
18 Boulevard, Tallahassee, Florida 32399-0850, Advisor to the
19 Commission.

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P R O C E E D I N G S

1
2 **COMMISSIONER SKOP:** Good morning. I'd like to
3 call this prehearing to order. If staff could please
4 read the notice.

5 **MS. FLEMING:** Pursuant to notice issued by the
6 Commission Clerk, this time and place has been set for a
7 prehearing in the following dockets: 100001-EI,
8 100002-EG, 100003-GU, 100004-GU, and 100007-EI. Staff
9 would also note that the FPL portions of the 01, 02, and
10 07 dockets have been bifurcated. The FPL portion of the
11 prehearing will be held November 29th at 1:30, and the
12 hearing will be held December 8th, 9th, and 13th.

13 **COMMISSIONER SKOP:** Very well. Thank you. If
14 we could now take appearances of counsel.

15 **MR. WATSON:** I'm Ansley Watson, Jr., of
16 Macfarlane Ferguson and McMullen, appearing for Peoples
17 Gas System in the 003 and 004 dockets.

18 **MR. BADDERS:** Good morning, Commissioner.
19 Russell Badders on behalf of Gulf Power Company. I'm
20 with the law firm of Beggs and Lane, and I'm appearing
21 in the 01, 02, and 07 dockets. And with me I have
22 Jeffrey A. Stone. I also need to enter an appearance
23 for Steven R. Griffin.

24 **COMMISSIONER SKOP:** Very well. Thank you.

25 **MS. TRIPLETT:** Good morning, Commissioner.

1 Diane Triplett with Progress Energy Florida. I'm
2 entering an appearance in the 01, 02, and 07 dockets,
3 and I would also like to enter an appearance for John
4 Burnett and Gary Perko.

5 **COMMISSIONER SKOP:** Very well. Thank you.

6 **MR. BEASLEY:** Good morning, Commissioner.
7 James D. Beasley and J. Jeffry Wahlen, both of the law
8 firm of Ausley and McMullen, appearing on behalf of
9 Tampa Electric Company in the 01, 02, and 07 dockets.

10 **COMMISSIONER SKOP:** Thank you.

11 **MR. HORTON:** Good morning, sir. Norman H.
12 Horton, Jr., of Messer Caparello and Self, appearing
13 today on behalf of Sebring Gas System, Inc. in the 04
14 docket.

15 **COMMISSIONER SKOP:** Thank you.

16 **MR. WRIGHT:** Good morning, Commissioner.
17 Robert Scheffel Wright, and I'd also like to enter an
18 appearance for John T. LaVia, III. We are appearing in
19 the fuel docket, the 0001 docket only on behalf of the
20 Florida Retail Federation and the City of Marianna.

21 **COMMISSIONER SKOP:** Thank you.

22 **MR. MOYLE:** Good morning. Jon Moyle, Keefe,
23 Anchors, Gordon & Moyle law firm. Vicki Kaufman and I
24 are appearing on behalf of FIPUG, the Florida Industrial
25 Power Users Group, in the 01 docket, the 02 docket, and

1 the 07 docket.

2 **COMMISSIONER SKOP:** Thank you.

3 **MR. TAYLOR:** F. Alvin Taylor, I'm making an
4 appearance for White Springs Agricultural Chemical. I'm
5 with the law firm of Brickfield, Burchette, Ritts &
6 Stone, and if I could also enter the appearance of James
7 W. Brew.

8 **COMMISSIONER SKOP:** Thank you.

9 **MS. CHRISTENSEN:** Good morning, Commissioner.
10 I'm Patti Christensen along with Charlie Beck appearing
11 on behalf of the Citizens in the 01, 02, 03, and 07
12 dockets.

13 **COMMISSIONER SKOP:** Thank you.

14 Staff.

15 **MS. WHITE:** Good morning, Commissioner Skop.
16 I'm Karen White, and I'm appearing on behalf of the
17 Federal Executive Agencies in the 01, 02, and 07 docket,
18 and I'd also like to enter an appearance for Captain
19 Shayla McNeill in those same dockets.

20 **COMMISSIONER SKOP:** Very well, thank you.

21 Staff.

22 **MS. KEATING:** Commissioner.

23 **COMMISSIONER SKOP:** I'm sorry.

24 **MS. KEATING:** I'm sorry. You've got a few
25 more. We're stacked up.

1 **COMMISSIONER SKOP:** Okay.

2 **MS. KEATING:** Good morning. Beth Keating,
3 Akerman Senterfitt. I'm here today on behalf of FPUC in
4 the 01, 02, 03, and 04 dockets; Florida City Gas in the
5 03 and 04 dockets; FPUC Indiantown Division in the 04
6 docket; and Chesapeake Utilities in the 04 docket.

7 **COMMISSIONER SKOP:** Thank you, Ms. Keating.
8 Any more?

9 **MR. WIGGINS:** Good morning, Commissioner.

10 **COMMISSIONER SKOP:** Good morning.

11 **MR. WIGGINS:** Patrick K. Wiggins appearing in
12 the 01 docket on behalf of the Alliance for Fairness in
13 Florida Ratemaking, AFFIRM, also known as. Thank you.

14 **COMMISSIONER SKOP:** Thank you. Any more
15 appearances before I move to staff? Seeing none, staff.

16 **MS. BENNETT:** Lisa Bennett and Erik Sayler in
17 the 01 docket.

18 **MS. BROWN:** Martha Brown and Anna Williams in
19 the 07 docket.

20 **MS. FLEMING:** Katherine Fleming in the 03 and
21 04 docket, and Katherine Fleming and Lee Eng Tan in the
22 02 docket.

23 **MS. HELTON:** And Mary Anne Helton, advisor to
24 the Commission.

25 **COMMISSIONER SKOP:** All right. Thank you.

1 Staff, you're recognized for preliminary matters.

2 **MS. FLEMING:** Yes, Commissioner. Staff would
3 suggest that we proceed in the following order. First
4 with 03, then 04, 02, 07, and 01. And we would also
5 note that St. Joe Natural Gas Company has been excused
6 from the prehearing and hearing in the 03 and 04
7 dockets.

8 **COMMISSIONER SKOP:** All right. Very well.
9 Anything else before we proceed with the 03 docket?

10 **MS. FLEMING:** I'm not aware of anything.

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1 **COMMISSIONER SKOP:** All right. Thank you. At
2 this point we will pick up the prehearing portion of the
3 03 docket. And, Ms. Fleming, are there any preliminary
4 matters on the 03 docket?

5 **MS. FLEMING:** Commissioner, we are not aware
6 of any preliminary matters and none are expected. We
7 would note, once again, that St. Joe has been excused
8 from this prehearing, and we would also note that the
9 parties and staff are proposing a stipulation of all
10 issues in this docket.

11 **COMMISSIONER SKOP:** All right. Very well.
12 With respect to the proposed stipulations, do any
13 parties have any objection to the stipulations at this
14 point?

15 Ms. Christensen.

16 **MS. CHRISTENSEN:** Citizens have no objection
17 to the stipulations. We would just take a no position
18 on all the issues.

19 **COMMISSIONER SKOP:** All right. Very well.

20 Ms. Fleming, with that stipulation in mind, I
21 guess we need to go through the draft prehearing order,
22 would that be correct?

23 **MS. FLEMING:** Yes, Commissioner.

24 **COMMISSIONER SKOP:** All right. Very well.
25 Any other preliminary matters before we proceed?

1 **MS. FLEMING:** I'm not aware of any others.

2 **COMMISSIONER SKOP:** All right. Very well. At
3 this point we are going to proceed through the draft
4 prehearing order. I will identify the sections, and if
5 the parties have any questions or objections to that,
6 please speak up at that time. We will go quickly
7 through this. So, again, if you do have a change or
8 correction that needs to be made, please ask to be
9 recognized.

10 I'll begin with Section I, case background.
11 Any concerns? Hearing none, show it adopted.

12 Section II, conduct of proceedings. Any
13 concerns? Hearing none, show it adopted.

14 Section III, jurisdiction. Any concerns?
15 Hearing none, show it adopted.

16 Section IV, procedure for handling
17 confidential information. Any concerns? Hearing none,
18 show it adopted.

19 Section V, prefiled testimony, exhibits,
20 witnesses. Any concerns? Hearing none, show it
21 adopted.

22 Section VI, order of witnesses. Staff.

23 **MS. FLEMING:** We would note that all witnesses
24 are stipulated, and all of these witnesses may be
25 excused if no Commissioner seeks to cross-examine any of

1 these witnesses. After the prehearing conference, we
2 will contact each office, and we will let the parties
3 know as soon as possible whether their witnesses can be
4 excused.

5 **COMMISSIONER SKOP:** Very well. Any concerns
6 on Section VI? Hearing none, show it adopted.

7 Section VII, basic positions. Any concerns?
8 Hearing none, show it adopted.

9 Sections VIII, issues and positions. Any
10 concerns?

11 **MS. FLEMING:** We would just note that all
12 issues are stipulated, noting that OPC takes no
13 position.

14 **COMMISSIONER SKOP:** All right. Very well.
15 Any concerns on Section VIII before we move forward?
16 Hearing none, show it adopted. Section IX, exhibits
17 list. Staff.

18 **MS. FLEMING:** Staff has prepared a
19 Comprehensive Exhibit List that has been provided to the
20 parties, and that will be used at the hearing.

21 **COMMISSIONER SKOP:** All right. Very well.
22 Any concerns on Section IX for the exhibits list?
23 Hearing none, show it adopted.

24 Section X, proposed stipulations. Staff.

25 **MS. FLEMING:** I believe that Section X

1 accurately reflects what has been discussed at this
2 prehearing conference.

3 **COMMISSIONER SKOP:** Okay. All right. So all
4 issues are stipulated in the 03 docket, is that correct?

5 **MS. FLEMING:** That's correct.

6 **COMMISSIONER SKOP:** All right. Very well.

7 **MS. FLEMING:** Noting that OPC has taken no
8 position.

9 **COMMISSIONER SKOP:** Okay. Any concerns on
10 Section X before we move forward? Hearing none, show it
11 adopted.

12 Section XI, pending motions. Staff.

13 **MS. FLEMING:** There are no pending motions.

14 **COMMISSIONER SKOP:** Very well. Any concerns
15 on Section XI? Hearing none, show it adopted.

16 Section XII, pending confidentiality motions.
17 Staff.

18 **MS. FLEMING:** There is one pending
19 confidentiality request which will be addressed by
20 separate order.

21 **COMMISSIONER SKOP:** Very well. Any concerns
22 on Section XII before we move forward? Hearing none,
23 show it adopted.

24 Section XIII, posthearing procedures. Staff.

25 **MS. FLEMING:** If there is a brief filed in

1 this proceeding, it shall be limited to no more than 40
2 pages.

3 **COMMISSIONER SKOP:** All right. Very well.

4 Any concerns with that? Hearing none, show Section XIII
5 adopted.

6 And, Section XIV, rulings. In this case, Ms.
7 Fleming, if you want to speak to opening statements.

8 **MS. FLEMING:** Staff would suggest that if
9 there are any opening statements in this docket that it
10 should be limited to five minutes per party.

11 **COMMISSIONER SKOP:** All right. Very well.

12 Any concerns with that? Hearing none, show that
13 adopted. And any other things we need to identify on
14 Section XIV that we have not yet covered?

15 **MS. FLEMING:** The only other note that we have
16 here for the ruling is just the ruling you made
17 previously today about St. Joe, that St. Joe is excused
18 from the prehearing and hearing in this docket.

19 **COMMISSIONER SKOP:** All right. Very well. At
20 this point, show Section XIV adopted. And, staff, are
21 there any other matters that we need to address on the
22 03 docket prior to adjourning the 03 docket?

23 **MS. FLEMING:** I'm not aware of any other
24 matters.

25 **COMMISSIONER SKOP:** All right. Very well.

1 Any concerns from the parties as to the 03 docket before
2 we adjourn? Ms. Bradley, you're recognized.

3 **MS. BRADLEY:** I do have one matter that I need
4 to bring to your attention. I'm afraid you got past me
5 with Section VI, and I would make our usual objection to
6 the not being allowed to cross-examine.

7 **COMMISSIONER SKOP:** All right. Very well.
8 And, Ms. Bradley, have you entered an appearance yet?

9 **MS. BRADLEY:** No, I have not. Cecilia Bradley
10 on behalf of the Attorney General.

11 **COMMISSIONER SKOP:** All right. The appearance
12 of Ms. Bradley is entered, as well as the noted standard
13 objection on Section VI.

14 **MS. BRADLEY:** I do have one more matter that
15 may or may not be a problem, but I'm currently scheduled
16 for a jury trial in federal court beginning Monday
17 morning, and to the extent that that interferes with
18 this, I would ask to be excused. I'm hoping there may
19 be a change before Monday, but just in case.

20 **COMMISSIONER SKOP:** Okay. With that in mind,
21 Ms. Bradley will be excused if there is a conflict
22 preventing her from attending due to the federal trial
23 that was mentioned on the record.

24 Any other concerns on the 03 docket before we
25 adjourn? All right. Hearing none, we are going to

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adjourn the 03 docket at this point, and we'll proceed
with the 04 docket.

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1 **COMMISSIONER SKOP:** With that in mind, staff,
2 are there any preliminary matters on the 04 docket that
3 we need to address at this time?

4 **MS. FLEMING:** We would just note for the
5 record that St. Joe has been excused from this
6 prehearing, and also that parties and staff are
7 proposing stipulation of all issues.

8 **COMMISSIONER SKOP:** All right. Very well.
9 The same sequence as before, we are going to proceed
10 through the draft prehearing order, go through the
11 sections, and if the parties have any concerns, please
12 bring them to my attention. We are going to move
13 quickly through this since the docket is tentatively
14 stipulated, but if you do have any changes or
15 corrections that need to be made, please ask to be
16 recognized and we will address any concerns at that
17 point.

18 All right. Section I, case background. Any
19 concerns? Hearing none, show it adopted.

20 Section II, conduct of proceedings. Any
21 concerns? Hearing none, show it adopted.

22 Section III, jurisdiction. Any concerns?
23 Hearing none, show it adopted.

24 Section IV, procedure for handling
25 confidential information. Any concerns? Hearing none,

1 show it adopted.

2 Section V, prefiled testimony, exhibits,
3 witnesses. Any concerns? Hearing none, show it
4 adopted.

5 Section VI, order of witnesses. Staff.

6 **MS. FLEMING:** All witnesses are stipulated,
7 and at this time it appears that all witnesses can be
8 excused. We will confirm with all the Commissioners
9 whether these witnesses can be excused and notify the
10 parties accordingly.

11 **COMMISSIONER SKOP:** All right. Very well.
12 Any other concerns on Section VI, order of witnesses,
13 before we move forward? Ms. Bradley.

14 **MS. BRADLEY:** I think I may have gotten 5 and
15 6 confused, but our standing objections regarding cross
16 examination.

17 **COMMISSIONER SKOP:** Okay. Very well. All
18 right. Any other concerns on Section VI before we move
19 forward? Hearing none, show it adopted.

20 Section VII, basic positions. Any concerns,
21 changes, or corrections? Hearing none, show it adopted.

22 Section VIII, issues and positions. Staff.

23 **MS. FLEMING:** We would note for the record
24 that all issues are stipulated.

25 **COMMISSIONER SKOP:** All right. Very well.

1 Any other concerns on Section VIII before we move
2 forward? Hearing none, show it adopted.

3 Section IX, exhibits list. Staff.

4 **MS. FLEMING:** Staff has prepared a
5 Comprehensive Exhibit List and has provided it to the
6 parties.

7 **COMMISSIONER SKOP:** All right. Very well.
8 Any concerns on Section IX before we move forward?
9 Hearing none, show it adopted.

10 Section X, proposed stipulations. Staff.

11 **MS. FLEMING:** There are proposed stipulations
12 on all issues.

13 **COMMISSIONER SKOP:** All right. Any concerns
14 from the parties on Section X? Hearing none, show it
15 adopted.

16 Section XI, pending motions. Staff.

17 **MS. FLEMING:** There are no pending motions.

18 **COMMISSIONER SKOP:** All right. Very well.
19 Any concerns on Section XI? Hearing none, show Section
20 XI adopted.

21 Section XII, pending confidentiality matters.
22 Staff.

23 **MS. FLEMING:** There is one pending
24 confidentiality request which will be addressed by
25 separate order.

1 **COMMISSIONER SKOP:** All right. Very well.
2 Any other concerns on Section XII? Hearing none, show
3 it adopted. Section XIII, post-hearing procedures. Any
4 concerns from the parties? Hearing none, staff.

5 **MS. FLEMING:** If any briefs are to be filed,
6 it shall be no more than 40 pages.

7 **COMMISSIONER SKOP:** All right. Very well.
8 Show it adopted.

9 Section XIV, rulings. Staff.

10 **MS. FLEMING:** Staff would suggest that if
11 there are any opening statements in this docket, that it
12 shall be limited to five minutes per party.

13 **COMMISSIONER SKOP:** All right. Show it done.
14 And anything else on rulings, staff?

15 **MS. FLEMING:** We would note that St. Joe has
16 been excused from the prehearing and hearing in this
17 docket.

18 **COMMISSIONER SKOP:** All right. Very well.
19 Any other concerns on Section XIV, rulings? Hearing
20 none, show it adopted.

21 And are there any other matters, staff, at
22 this point before we adjourn the 04 docket?

23 **MS. FLEMING:** I'm not aware of any other
24 matters.

25 **COMMISSIONER SKOP:** All right. To the

1 parties, any other concerns before we adjourn the
2 prehearing on the 04 docket? All right. Hearing none,
3 show the 04 docket adjourned, and we will pick up with
4 the 02 docket.

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1 **COMMISSIONER SKOP:** At this point we are going
2 to begin the prehearing for the 02 portion of the
3 docket. And, staff, are there any preliminary matters
4 that we need to address?

5 **MS. FLEMING:** We would just note that it
6 appears that all issues in this docket are stipulated,
7 noting that PCS Phosphate, FIPUG, and OPC take no
8 position.

9 **COMMISSIONER SKOP:** All right. Very well.
10 Any other preliminary matters?

11 **MS. FLEMING:** I'm not aware of anything else.

12 **COMMISSIONER SKOP:** All right. Thank you.

13 All right. At this point, again, we are going
14 to do the same as before. We are going to proceed
15 through the draft prehearing order. I'll identify the
16 sections, and if the parties have any changes or
17 corrections that need to be made, please bring those to
18 my attention at that time.

19 Section I, case background, any concerns?
20 Hearing none, show it adopted.

21 Section II, conduct of proceedings. Any
22 concerns from the parties? Hearing none, show it
23 adopted.

24 Section III, jurisdiction. Any concerns from
25 the parties? Hearing none, show it adopted.

1 Section IV, procedure for handling
2 confidential information. Any concerns from the
3 parties? Hearing none, show it adopted.

4 Section V, prefiled testimony, exhibits,
5 witnesses. Any concerns? Ms. Bradley.

6 **MS. BRADLEY:** Same objection.

7 **COMMISSIONER SKOP:** All right. Very well.
8 Show it noted for the record. Any other concerns on
9 Section V? Hearing none, show it adopted, subject to
10 Ms. Bradley's standing objection.

11 Section VI, order of witnesses. Staff.

12 **MS. FLEMING:** It appears that all witnesses in
13 this docket may also be excused. We will confer with
14 the Commissioners and advise the parties accordingly.

15 **COMMISSIONER SKOP:** All right. Very well.
16 Any other additional concerns on Section VI? Hearing
17 none, show it adopted.

18 Section VII, basic positions. Any concerns?
19 Hearing none, show it adopted.

20 Section VIII, issues and positions. Staff.

21 **MS. FLEMING:** Staff would note that all issues
22 are stipulated, noting that OPC, FIPUG, and PCS take no
23 position. We would also like to point out with respect
24 to Issues 2 and 3, we do have two amounts based on the
25 DSM plans that were filed. We would just note for the

1 record that if the PAA orders with respect to Progress,
2 TECO, and Gulf become final today, then staff will
3 recommend approval of the dollar amounts associated with
4 the solar pilot programs that have been previously
5 approved by the Commission.

6 **COMMISSIONER SKOP:** All right. Very well.
7 Thank you. Any other concerns on Section VIII before we
8 move forward? Hearing none, show it adopted, subject to
9 the comments made by staff.

10 Section IX, exhibits list. Staff.

11 **MS. FLEMING:** Staff will prepare a
12 Comprehensive Exhibit List which will contain all the
13 prefiled testimony and we will provide it to the
14 parties.

15 **COMMISSIONER SKOP:** All right. Very well.
16 Any other concerns on Section IX? Hearing none, show it
17 adopted.

18 Section X, proposed stipulations. Staff.

19 **MS. FLEMING:** There are proposed stipulations
20 on all issues, noting that OPC, FIPUG, and PCS have
21 taken no position.

22 **COMMISSIONER SKOP:** All right. Very well.
23 Any other concerns on Section X before we move forward?
24 Hearing none, show it adopted.

25 Section XI, pending motions. Staff.

1 **MS. FLEMING:** There are no pending motions at
2 this time.

3 **COMMISSIONER SKOP:** All right. Very well.
4 Any other concerns on Section XI? Hearing none, show it
5 adopted.

6 Section XII, pending confidentiality motions.
7 Staff.

8 **MS. FLEMING:** Section XII should state that
9 there are three pending confidentiality requests, not
10 two, and those will be addressed by separate order.

11 **COMMISSIONER SKOP:** All right. Very well.
12 Thank you. Any other concerns on Section XII? All
13 right. Hearing none, show it adopted.

14 Section XIII, post-hearing procedures. Staff.

15 **MS. FLEMING:** If briefs are filed, they shall
16 total no more than 40 pages.

17 **COMMISSIONER SKOP:** Very well. Show it
18 adopted. Any other concerns on Section XIII? All
19 right. Hearing none, show it adopted.

20 Section XIV, rulings. Staff.

21 **MS. FLEMING:** We would just recommend that if
22 opening statements do occur in this docket, they shall
23 be limited to five minutes per party.

24 **COMMISSIONER SKOP:** All right. Very well.
25 Show it done. Any other concerns on Section XIV? All

1 right. Show it adopted. And, staff, are there any
2 other matters that we need to address in this prehearing
3 conference on the 02 docket?

4 **MS. FLEMING:** I'm not aware of any other
5 matters.

6 **COMMISSIONER SKOP:** All right. Very well. To
7 the parties, any other concerns on the 02 docket?
8 Hearing none, show the 02 docket prehearing adjourned.

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1 **COMMISSIONER SKOP:** And we will proceed to the
2 07 docket. Okay. At this point we are going to take up
3 the 07 portion of the prehearing. And, staff, are there
4 any preliminary matters that we need to address before
5 we get started? Ms. Brown.

6 **MS. BROWN:** I was able to confirm this morning
7 that the parties and staff have reached proposed
8 stipulations on all the issues, and we will reflect that
9 in the prehearing order.

10 **COMMISSIONER SKOP:** All right. Very well.
11 Any other preliminary matters?

12 **MS. BROWN:** I'm not aware of any other
13 preliminary matters.

14 **COMMISSIONER SKOP:** All right. Thank you.

15 **MS. KAUFMAN:** Commissioner Skop.

16 **COMMISSIONER SKOP:** Yes, Ms. Kaufman.

17 **MS. KAUFMAN:** While we don't object to the
18 stipulations, we would like our position to be reflected
19 as no position rather than joining in the stipulations.

20 **MS. BROWN:** We will do that, and we'll do the
21 same for OPC.

22 **MS. KAUFMAN:** Thank you.

23 **COMMISSIONER SKOP:** All right. Very well.
24 Show it done.

25 Any other preliminary matters or concerns

1 before we move forward with the draft prehearing order?
2 All right. Hearing none, at this point we are going to
3 go through the draft prehearing order similar to the
4 manner that we did for the prior dockets.

5 Again, I'll identify the sections, and if the
6 parties have any changes, corrections, or concerns that
7 need to be addressed, please speak to be recognized at
8 that point.

9 Section I, conduct of proceedings. Any
10 changes or corrections? Hearing none, show it adopted.

11 Section II, case background. Any concerns?
12 Hearing none, show it adopted.

13 Section III, jurisdiction. Any concerns?
14 Hearing none, show it adopted.

15 Section IV, procedure for handling
16 confidential information. Any concerns from the
17 parties? Hearing none, show it adopted.

18 Section V, prefiled testimony, exhibits,
19 witnesses. Any concerns? Ms. Bradley.

20 **MS. BRADLEY:** I guess you can note our
21 standing objection to this section and the
22 cross-examination treatment in all of these dockets.

23 **COMMISSIONER SKOP:** All right. Ms. Bradley's
24 standard objection is noted for the record.

25 Any other concerns with Section V? Hearing

1 none, Section VI.

2 **MS. BROWN:** Commissioner, we expect that all
3 the witnesses' testimony and exhibits will be entered
4 into the record. We will notify the parties as soon as
5 possible if any witnesses need to appear. But
6 otherwise, the prehearing order will reflect that they
7 have been excused.

8 **COMMISSIONER SKOP:** Very well. Any other
9 concerns on Section VI, order of witnesses? Hearing
10 none, show it adopted.

11 Section VII, basic positions. Any concerns
12 from the parties? Hearing none, show it adopted.

13 Section VIII, issues and positions. Staff.

14 **MS. BROWN:** Commissioner, the prehearing order
15 will reflect that there are proposed stipulations on all
16 the issues, noting, as we did earlier, that FIPUG and
17 OPC will take no position.

18 **COMMISSIONER SKOP:** Very well. Any other
19 concerns from the parties on Section VIII? Hearing
20 none, show it adopted.

21 Section IX, exhibits list. Staff.

22 **MS. BROWN:** Commissioner, we will prepare a
23 Comprehensive Exhibit List for all of the prefiled
24 exhibits and staff exhibits, composite exhibits in the
25 docket, and we will have a draft of that available to

1 the parties by Wednesday.

2 **COMMISSIONER SKOP:** Very well.

3 Any other concerns on Section IX from the
4 exhibits list before we move forward? Hearing none,
5 show it adopted.

6 Section X, proposed stipulations. Staff.

7 **MS. BRADLEY:** Commissioner, Section X will
8 show that all issues in the case have proposed
9 stipulations.

10 **COMMISSIONER SKOP:** Very well. Thank you.
11 Any other concerns on Section X before we move forward?
12 If not, show it adopted.

13 Section XI, pending motions. Staff.

14 **MS. BRADLEY:** There is one pending motion,
15 Commissioner. It is PEF's unopposed motion for leave to
16 file revised direct testimony and exhibits dated
17 October 7th. We can handle that however you would like.
18 Either make a decision here -- we recommend that it be
19 granted -- or we can do it by separate order.

20 **COMMISSIONER SKOP:** All right. Very well.
21 And what would be the critical dates for filing the
22 revised testimony and then the --

23 **MS. BROWN:** The testimony has already been
24 filed, so we are good to go.

25 **COMMISSIONER SKOP:** All right. I saw leave to

1 file revised testimony, so --

2 **MS. BROWN:** Well, you know how they do it.

3 **COMMISSIONER SKOP:** I do.

4 **MS. BRADLEY:** They do it all at once.

5 **COMMISSIONER SKOP:** All right. Very well. I
6 have no problem granting that motion subject to any
7 objection from the parties. Any objection? Hearing
8 none, show that granted.

9 And, any other concerns on Section XI for
10 pending motions from staff?

11 **MS. BROWN:** No, Commissioner.

12 **COMMISSIONER SKOP:** Very well. Section XII,
13 pending confidentiality matters. Staff.

14 **MS. BROWN:** There is one pending
15 confidentiality matter that we will address by separate
16 order.

17 **COMMISSIONER SKOP:** All right. Very well.
18 Any other concerns on Section XII? Hearing none, show
19 it adopted.

20 Section XIII, post-hearing procedures. Staff.

21 **MS. BROWN:** Well, it is likely that there will
22 be a bench decision in this case and no post-hearing
23 procedures will be necessary. If there is briefs to be
24 filed, they should not be longer than 40 pages.

25 **COMMISSIONER SKOP:** All right. Show that

1 done. Any other concerns on Section XIII? All right.
2 Hearing none, show that adopted.

3 Section XIV, rulings. Staff.

4 **MS. BROWN:** If opening statements are
5 permitted, they should not exceed five minutes.

6 **COMMISSIONER SKOP:** All right. Very well.
7 Show that done. Any other concerns on Section XIV
8 before we move forward? Hearing none, show it adopted.

9 Staff, are there any other matters that need
10 to be addressed in the 07 docket prior to adjourning?

11 **MS. BROWN:** I'm not aware of any,
12 Commissioner.

13 **COMMISSIONER SKOP:** Very well. From the
14 parties, any other concerns that need to be addressed on
15 the 07 docket? Hearing none, show the 07 docket
16 prehearing adjourned.

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1 **COMMISSIONER SKOP:** And we will pick up with
2 the 01 prehearing. At this point, we are going to begin
3 the prehearing on the 01 docket. And, Staff, are there
4 any preliminary parties that we need to address before
5 we move forward? Ms. Bennett, you're recognized.

6 **MS. BENNETT:** Commissioner Skop, I just want
7 to recognize that an order granting the City of
8 Marianna's petition to intervene has been granted this
9 morning and will be issued shortly. Staff would suggest
10 that Marianna provide its positions regarding the issues
11 by close of business on Tuesday, October 26th, so that
12 they may be included in the prehearing order.

13 **COMMISSIONER SKOP:** All right. Very well.
14 Show it done.

15 Any other preliminary matters, staff?

16 **MS. BENNETT:** There are several issues for
17 fuel GPIF and capacity that look like they may be
18 stipulated at the prehearing conference today. We will
19 be able to reflect those issues on which staff and the
20 utility agree, and the intervening parties have taken no
21 position. We will call those Type B Stipulations. Type
22 A Stipulations being the ones that all parties agree to.

23 **COMMISSIONER SKOP:** All right. Very well.
24 And as always, we always encourage the parties to
25 stipulate and achieve consensus when they are able to do

1 so on those issues that otherwise would be litigated.

2 Staff, would it be beneficial to staff to have
3 some time during the prehearing conference to meet with
4 the parties to address or facilitate achieving some of
5 the stipulations that you mentioned?

6 **MS. BENNETT:** I think we could probably go
7 through it very quickly and not -- because most of them
8 the parties have taken no position -- the intervenors
9 have taken no positions at this time, so if they can
10 just acknowledge that, then we are fine.

11 **COMMISSIONER SKOP:** All right. Very well.
12 Any other concerns or preliminary matters before we need
13 to move forward?

14 **MS. BENNETT:** I did want to note that an
15 order, a separate order was issued spinning out the CR3
16 outage to a separate docket. That was issued today,
17 also.

18 **COMMISSIONER SKOP:** All right. Very well.
19 Any other preliminary matters?

20 **MS. BENNETT:** None from staff.

21 **COMMISSIONER SKOP:** Okay. All right. Any
22 other concerns from the parties before we move forward
23 with the draft prehearing order?

24 Ms. Triplett.

25 **MS. TRIPLETT:** No.

1 **COMMISSIONER SKOP:** I'm sorry, I thought you
2 wanted to speak. All right. Hearing none, we are going
3 to proceed through the draft prehearing order. Again,
4 as we have done before, I'm going to identify the
5 sections, and if the parties have any corrections or
6 changes that need to be made, please speak up and ask to
7 be recognized and we will address those concerns at that
8 point.

9 And we will begin with Section I, case
10 background. Any concerns from the parties? Hearing
11 none, show it adopted.

12 Section II, conduct of proceedings. Any
13 concerns? Hearing none, show it adopted.

14 Section III, jurisdiction. Any concerns from
15 the parties? Hearing none, show it adopted.

16 Section IV, procedure for handling
17 confidential information. Any concerns from the
18 parties? Hearing none, show it adopted.

19 Section V, prefiled testimony, exhibits,
20 witnesses. Ms. Bradley.

21 **MS. BRADLEY:** The standing objection. Thank
22 you.

23 **COMMISSIONER SKOP:** All right. The standard
24 objection filed by Ms. Bradley is recognized for the
25 record. Any other concerns on Section V? Hearing none,

1 show it adopted.

2 Section VI, order of witnesses. Staff?

3 **MS. BENNETT:** Staff would suggest that we take
4 this up after the issues, because there are several
5 issues that appear to be stipulatable, if that's a word,
6 and once they are stipulated, maybe we can excuse some
7 witnesses.

8 **COMMISSIONER SKOP:** Okay. At this point, we
9 are going to defer Section VI, order of witnesses, and
10 we will readdress that prior to adjourning this
11 prehearing conference.

12 So, that takes us to Section VII, basic
13 positions.

14 **MR. WRIGHT:** Commissioner, the Retail
15 Federation will have a slight modification to our basic
16 position. I will furnish that to staff later today.

17 **COMMISSIONER SKOP:** Okay. All right. Very
18 well. Any other changes on basic positions from the
19 parties? If not, Mr. Wright, or to the parties, if you
20 have any additional changes on basic positions that need
21 to be made, if you could provide them by electronic form
22 to staff by close of business, 5:00 p.m. today, that
23 would be greatly appreciated.

24 Staff, does that meet with your convenience?

25 **MS. BENNETT:** Yes. Thank you.

1 **COMMISSIONER SKOP:** Very well. All right.
2 Any other concerns on Section VII, basic positions,
3 before we move forward? Hearing none, show it adopted.

4 Section VIII, issues and positions. Staff.

5 **MS. BENNETT:** Staff is going to suggest that
6 rather than go issue-by-issue, we take the issues up in
7 the sections as they appear in the draft prehearing
8 order. And I would also note that the order
9 establishing procedure requires that a party take a
10 position at the prehearing conference unless good cause
11 is shown why the party can't take a position at this
12 time. And I would note that Marianna has gotten the
13 extension through until tomorrow at 5:00.

14 **COMMISSIONER SKOP:** All right. Very well.
15 Any other concerns on Section VIII? All right. Any
16 concerns about not going issue-by-issue? Mr. Moyle.

17 **MR. MOYLE:** FIPUG doesn't really have a
18 concern, but one of the issues that we have raised
19 throughout here, and it is kind of a fallout issue, is
20 we are taking a position that Progress Energy should not
21 recover monies related to the Crystal River outage until
22 the prudency hearing is conducted later, which I guess
23 an order has been entered this morning spinning that
24 out.

25 So in just reviewing that, it appears on Issue

1 13 that our kind of boilerplate language as found
2 elsewhere on Issue 10 and others should also be in 13.
3 I think the record is pretty clear we have taken that
4 position, but I don't want to miss a fallout issue and
5 all of a sudden have an argument that it wasn't raised.

6 **COMMISSIONER SKOP:** Okay. Very well.

7 Show Mr. Moyle's concerns on behalf of FIPUG
8 noted for the record. Mr. Moyle, just so you
9 understand, the order that was granted to establish the
10 spin-off docket only concerned the prudence and
11 reasonableness of the PEF actions concerning the
12 delamination event, so it did not address the
13 cost-recovery pursuant to the motion that was presented.

14 And, Ms. Triplett, do you have anything to
15 add?

16 **MS. TRIPLETT:** Commissioner, I would agree
17 with you. And, I mean, we are prepared to argue about
18 and present arguments as to the merits of Mr. Moyle's
19 position, but, I mean, at this point I think all he has
20 done is noted his position, which he is permitted to do.
21 So if it is your pleasure, I can address the merits or
22 --

23 **COMMISSIONER SKOP:** Either/or. I have an
24 order that staff provided me this morning that seems to
25 be on point with this very issue, so if you want to have

1 some discussion on it, it probably would be a good thing
2 to do rather than just neglecting to do so. So, Ms.
3 Triplett, if you would like to make those arguments,
4 you're recognized at this point.

5 **MR. MOYLE:** Let me just understand
6 procedurally where we are on that. I mean, it has been
7 identified as an issue in the proceeding. In my
8 discussions with staff, you know, it's a legal issue
9 that is going to be briefed post-hearing.

10 **COMMISSIONER SKOP:** Right.

11 **MR. MOYLE:** So, you know, I'm not prepared to
12 extensively discuss it and debate it today, because I
13 didn't have notice that we were going to basically have
14 oral argument on it today. I can give you my comments,
15 but I would also like the right to file a brief and
16 basically argue the merits of it, and take some
17 testimony on the point. I think it is an issue that
18 while legal is also -- there is some relevant factual
19 issues that can help the Commission make a decision.

20 **COMMISSIONER SKOP:** All right. Very well.
21 And, Mr. Moyle, I'm not opposed to that. I think what
22 has been done at this point, again, is the prudence and
23 reasonableness portion of that docket has been spun off
24 into a separate docket. Cost recovery for projected
25 costs has been included in the current fuel docket, and,

1 again, I think the issue, if I heard you correctly, is
2 that FIPUG objects to that or has no position. Can you
3 correct my perspective on that?

4 **MR. MOYLE:** Yes. In our prehearing statement
5 we used the cart before the horse analogy, in that if
6 you are going to make a decision further down the road
7 about prudence, you know, I think due process, property
8 rights, there are a whole bunch of arguments as to why
9 you shouldn't come in and take somebody's property now
10 and go, oh, you know, we may figure this out later. But
11 I think that, you know, unless some demonstrable harm
12 can be presented to Progress, that it ought to flow
13 orderly in that you make a prudence showing and then you
14 recover the money. You don't recover the money and then
15 make a prudence showing.

16 **COMMISSIONER SKOP:** Okay. Ms. Triplett,
17 briefly.

18 **MS. TRIPLETT:** I'm sorry, I can't help it.
19 Just very briefly, I think. First of all, I'm not sure
20 that there is a legal standard that we have to show
21 demonstrable harm before we are allowed recovery of
22 costs that we have shown to be reasonable. It is our
23 position that it is consistent with Commission precedent
24 in the fuel proceeding that that is exactly what we have
25 done with all of our fuel costs. We have presented the

1 reasonableness of the fuel -- the purchase made, the
2 commodities purchased, the quantity, the price, and then
3 in the subsequent proceeding the issues with respect to
4 the prudence and reasonableness of the underlying cause
5 of those fuel purchases would be presented. And so, of
6 course, it would be an interim recovery subject to
7 refund which provides full protection for the customers.

8 **COMMISSIONER SKOP:** Very well. Mr. Moyle,
9 anything to add before we move forward?

10 **MR. MOYLE:** Only that as representing
11 customers that we think that the issue of harm is
12 important, and I don't think they have demonstrated it,
13 but to the extent that it is not demonstrated, then I
14 think customers would rather have the dollars in their
15 pocket now to make decisions as to what to do with those
16 dollars than to have them in effect appropriated to
17 Progress subject to a later determination. If it's
18 indifferent, we would respectfully ask that they allow
19 us to keep our money until a later point in time.

20 **COMMISSIONER SKOP:** Okay. All right. Very
21 well. Any other concerns on this before we move forward
22 and consider the issues?

23 Mr. Wright.

24 **MR. WRIGHT:** Commissioner, briefly. We agree
25 with FIPUG on this, and I think at this point the

1 procedural issue is FIPUG's request they have an
2 opportunity to elicit testimony and file a brief.

3 **COMMISSIONER SKOP:** All right. Very well.
4 And that is understood. And just to that point, is
5 there anything that readily distinguishes the fuel
6 docket from other dockets in terms of, say, the nuclear
7 docket, in terms of how this should be looked at, any
8 precedent?

9 **MR. WRIGHT:** I'm not sure I can cite you
10 precedent right now. I think the nuclear docket goes
11 forward under an entirely different statute, so I think
12 there's probably some differences there.

13 **COMMISSIONER SKOP:** Very well. Mr. Moyle.

14 **MR. MOYLE:** And I haven't thoroughly done the
15 research, but I understand that there is orders out
16 there that, in effect, say it's a discretionary call
17 with the Commission. It's not like you have to do it
18 one way or the other. It's your discretion. And I
19 would urge that given the economic climate we continue
20 to be in that you exercise your discretion on behalf of
21 consumers and let them keep their money, rather than
22 exercising it on behalf of a utility that is doing okay,
23 you know, would be the precedent that I would refer you
24 to.

25 And then, also, some of the arguments that we

1 would talk about is, you know, some constitutional
2 arguments in terms of due process and property rights.
3 So we can save some of that for briefing.

4 **COMMISSIONER SKOP:** All right. Very well.
5 Staff, at this point let's move forward with the issues.
6 And I believe staff wanted to take up the issues in the
7 sections versus issue-by-issue.

8 **MS. BENNETT:** That is correct. And,
9 Commissioner Skop, the first section is the
10 company-specific fuel adjustment issues. Issues 1A, 1B,
11 and 1D are Progress. And as I have noted, 1C has been
12 spun out. Issue 3 is FPUC. 4A, B, C, and D are Gulf.
13 And 5A and 5B are TECO. It appears that for Issue 3,
14 FPUC, this item may be stipulated, if we could get a
15 confirmation from all of the parties that they continue
16 to take no position, and that FPUC agrees with staff's
17 position, we can show that as a Stipulated B Item.

18 **COMMISSIONER SKOP:** To the parties. Ms.
19 Christensen, anything to add?

20 **MS. CHRISTENSEN:** Citizens can take in the
21 remainder of the order where we have no position at this
22 time, just no position, and that may facilitate
23 expediting this prehearing.

24 **COMMISSIONER SKOP:** All right. Very well.
25 Staff, does that put you in the position of

1 understanding Public Counsel's position?

2 **MS. BENNETT:** Yes.

3 **COMMISSIONER SKOP:** Okay. To the other
4 parties on Issue 3?

5 **MR. WRIGHT:** Commissioner.

6 **COMMISSIONER SKOP:** Mr. Wright.

7 **MR. WRIGHT:** Marianna is a party to the docket
8 relative to FPUC, but only as to the Northwest Division.
9 So our position, when I send it in, will be not at issue
10 on this, so you could show it as a Type B Stipulation
11 for Issue 3.

12 **COMMISSIONER SKOP:** Very well. Ms. White, I
13 believe.

14 **MS. WHITE:** Yes. Thank you, Commissioner.
15 The Federal Executive Agencies will follow Ms.
16 Christensen's lead, and anything that we have said no
17 position at this time we will change to no position.

18 **COMMISSIONER SKOP:** All right. Very well. To
19 the other parties, any objection on the proposed
20 stipulation? Ms. Keating.

21 **MS. KEATING:** And, Commissioner, just to be
22 clear, FPUC can agree with staff's wording of the issue.

23 **COMMISSIONER SKOP:** Okay.

24 **MR. MOYLE:** So this is a Type B. FIPUG
25 doesn't have a position one way or the other, so as long

1 as that is clear.

2 **COMMISSIONER SKOP:** All right. Thank you, Mr.
3 Moyle. Any other concerns from the parties? All right.
4 Staff, on Issue 3, any other concerns, or does staff
5 have what it needs?

6 **MS. BENNETT:** We have what we need. It will
7 be shown as a Type B Stipulation.

8 **COMMISSIONER SKOP:** Okay. All right. Then
9 you may proceed.

10 **MS. BENNETT:** It also appears that 4D is a new
11 issue. I've received some responses from the parties.
12 Staff has taken a position on 4D, in essence, that this
13 item be heard either next year or the year after once
14 the court case has been decided. I would like to
15 confirm with all of the other parties that they agree
16 with staff's position at this time.

17 **COMMISSIONER SKOP:** All right. To the
18 parties.

19 **MR. BADDERS:** Gulf agrees.

20 **COMMISSIONER SKOP:** Ms. Triplett.

21 **MS. TRIPLETT:** I think this is a Gulf issue,
22 so I don't have --

23 **COMMISSIONER SKOP:** Okay. Sorry.

24 **MS. TRIPLETT:** Thank you.

25 **COMMISSIONER SKOP:** I'm getting a little

1 confused.

2 **MS. TRIPLETT:** That's no problem.

3 **COMMISSIONER SKOP:** We usually do them
4 issue-by-issue, and when we go block like this, I'm
5 trying to figure out what issues are in play.

6 **MS. TRIPLETT:** No problem.

7 **COMMISSIONER SKOP:** On 4D for Gulf, any
8 concerns from the parties?

9 **MS. CHRISTENSEN:** No objection from Citizens.

10 **COMMISSIONER SKOP:** Okay. And, Ms. White?

11 **MS. WHITE:** We agree with staff.

12 **COMMISSIONER SKOP:** All right. Ms. Keating?
13 Anyone else? Nothing to add? Okay. Staff, do you have
14 what you need on 4D?

15 **MS. BENNETT:** Yes, thank you.

16 **COMMISSIONER SKOP:** All right. So recapping,
17 what issues have we been able to achieve a -- I'm trying
18 to think of the terminology -- a Group B Stipulation?

19 **MS. BENNETT:** That's what I call it, Group B.

20 **COMMISSIONER SKOP:** Okay. So, can you for the
21 record identify what issues now staff believes we have
22 achieved a Group B Stipulation on?

23 **MS. BENNETT:** Issue 3 for FPUC, and Issue 4D
24 for Gulf, and Issue 1C has been spun out.

25 **COMMISSIONER SKOP:** All right. Very well.

1 Any concerns on that before we move forward?
2 Hearing none, staff, you may proceed.

3 **MS. BENNETT:** There are generic fuel
4 adjustment issues, and those are Issues 6 through 16.
5 Staff will note that for Issues 6, 7, 11, 14, and 16,
6 staff has taken a position that appears to agree with
7 each utility's position, and all other parties have
8 taken no position at this time.

9 Staff believes that these may be reflected in
10 the prehearing order as Type B Stipulations unless there
11 are any objections to those.

12 **MR. WRIGHT:** Commissioner.

13 **COMMISSIONER SKOP:** Mr. Wright.

14 **MR. WRIGHT:** Thank you. Could I just hear the
15 numbers, again? I was shuffling papers. Six, 7, 11,
16 16?

17 **COMMISSIONER SKOP:** Hold on for one second.
18 Ms. Bennett, if you could repeat those a little bit more
19 slowly, please.

20 **MS. BENNETT:** It would be 6, 7, 11, 14, and
21 16.

22 **MR. WRIGHT:** Thank you, Commissioner. Thank
23 you, Ms. Bennett.

24 **COMMISSIONER SKOP:** Okay. At this point if
25 the parties agree with staff's position on Issues 6, 7,

1 11, 14, and 16, those issues may be shown as stipulated,
2 subject to the parties being in agreement. So if the
3 parties have any concerns, now is the time to raise
4 them. Mr. Moyle.

5 **MR. MOYLE:** I think that is okay so long as
6 the fallout issue that I noted earlier in terms of
7 anything affecting Progress in their recovery early of
8 Crystal River stuff, if there is fallout stuff on that,
9 I want to be able to have adjustments made. But, other
10 than that, we're fine.

11 **COMMISSIONER SKOP:** All right. Very well.
12 Any other concerns as to staff's position on Issues 6,
13 7, 11, 14, and 16? Hearing none, show it adopted. And,
14 staff, you may proceed.

15 **MS. BENNETT:** The next section is the
16 company-specific GPIF issues. That is 17, 19, and 20,
17 and there are none.

18 **COMMISSIONER SKOP:** Okay.

19 **MS. BENNETT:** So we could move to the generic
20 GPIF issues, which are Issues 21 and 22.

21 **COMMISSIONER SKOP:** All right. So, just going
22 back to the company-specific GPIF issues, staff
23 indicated there are none, so do we need to address 17,
24 19, and 20, or are we fine with that?

25 **MS. BENNETT:** We are fine with those.

1 **COMMISSIONER SKOP:** All right. So taking up
2 the generic GPIF issues, Issues 21 and 22, you may
3 proceed.

4 **MS. BENNETT:** And perhaps I was moving a
5 little too fast. On the generic fuel adjustment issues,
6 6 through 16, I did note that FIPUG made its position,
7 changed its position on the -- I think it was Issue 13.
8 But we didn't see if there were any other changes from
9 any of the other parties on those.

10 **COMMISSIONER SKOP:** All right. Any changes
11 from the parties on issues -- correct me if I'm wrong,
12 Ms. Bennett, because this is a little bit confusing,
13 Issues 6, 7, 11, 14, and 16?

14 **MS. BENNETT:** It would actually be any of the
15 issues from 6 to 16 that they would change their
16 position on.

17 **COMMISSIONER SKOP:** All right. Any changes,
18 so we are clear from the parties, on Issues 6 through 16
19 at this point? Okay. Hearing none. Going once.
20 Hearing none. Going twice. Hearing none. Show it
21 adopted.

22 All right. Ms. Bennett, you may proceed.

23 **MS. BENNETT:** The generic GPIF issues, Issues
24 21 and 22, the Intervenors have taken no position. At
25 this point staff agrees with the positions of the

1 utilities, and we could show this as a Type B
2 Stipulation unless there are any objections from the
3 Intervenors.

4 **COMMISSIONER SKOP:** Okay. Very well. At this
5 point, are there any objections from the parties showing
6 Issues 21 and 22 as a Type B Stipulation? Hearing none,
7 show it adopted.

8 And, Staff, you may proceed.

9 **MS. BENNETT:** The next subsection are the
10 company-specific capacity cost-recovery issues. Those
11 were Issues 23 for Progress, 25 and 26 for Gulf and
12 TECO. Gulf and TECO have no capacity cost-recovery
13 issues specific to their utilities, so that leaves us
14 with 23A. And all parties have taken no position for
15 Progress. We will be verifying the numbers for the
16 Nuclear Cost-Recovery Clause proceeding after tomorrow's
17 agenda conference, and we may be able to take a position
18 on the issue prior to the hearing. If so, this will
19 show up as a Type B Stipulation.

20 **COMMISSIONER SKOP:** Okay. Before we address
21 that, I want to go back to the prior generic GPIF
22 issues, Issues 21 and 22. I just want to make sure that
23 there are no changes to the positions on those generic
24 GPIF issues from the parties. I didn't hear any, but I
25 want to be sure. Okay. Hearing none, show those

1 adopted.

2 And, staff, now on the company-specific
3 capacity cost-recovery issues, Issues 23, 25, and 26, I
4 believe staff is looking to try and get a Type B
5 Stipulation, but I heard different variations of those
6 numbers. I heard a 23A, or something. So, again, this
7 is a little bit atypical from the way -- we normally do
8 it issue-by-issue. I know it is meant to save time, but
9 I want to make sure that I'm clear and all the parties
10 are clear on what issues that we are trying to achieve
11 stipulation on.

12 **MS. BENNETT:** There is only a 23A for
13 Progress, so I guess it could have been 23 or 23A, but
14 we called it A. Those are the Nuclear Cost-Recovery
15 Clause numbers, and we are --

16 **COMMISSIONER SKOP:** And then 25 and 26, is
17 that --

18 **MS. BENNETT:** On 25, there are no issues for
19 either 25 or 26.

20 **COMMISSIONER SKOP:** Okay. So just basically
21 23A at this point?

22 **MS. BENNETT:** Correct.

23 **COMMISSIONER SKOP:** All right. So, again,
24 staff is proposing that Issue 23A, and correct me if I'm
25 wrong, be considered a Type B Stipulation subject to no

1 objection from the parties. So at this point, are there
2 any objections? Mr. Moyle.

3 **MR. MOYLE:** Just so I'm clear on what is
4 happening here, I mean, we are -- I don't think FIPUG
5 has a problem, but we are not stipulating, I mean,
6 because the Commission hasn't even acted on the nuclear
7 cost-recovery stuff yet, right?

8 **MS. BENNETT:** The Commission has not acted,
9 but today is the last day to take a position. So if
10 your position shows as no position in the prehearing
11 order, then staff will feel free to confirm with the
12 utility and present a stipulation to the Commission next
13 week at the hearing.

14 **MR. MOYLE:** Look, I'm a little hung up on the
15 notion that, you know, the decision on the amount of
16 money on the nuclear cost-recovery has not yet been
17 made. I presume the decision is going to be made, and
18 you are just going to do the math to include the number,
19 is that right?

20 **MS. BENNETT:** I don't know what the
21 Commission's decision will be tomorrow.

22 **MR. MOYLE:** Right. And I don't either, that's
23 why I don't want to stipulate to a number. I mean, I
24 want to just let the Commission decision be whatever it
25 is and have it flow from there. I don't mean to be

1 difficult, but why don't we just take no position at
2 this time and call it a Class B.

3 **MS. BENNETT:** Well, I think perhaps you're
4 stating a reason why you would like to take a position
5 tomorrow after the Commission's vote, and that could be
6 reflected in the prehearing order.

7 **COMMISSIONER SKOP:** And, Ms. Bennett, I think
8 if I heard Mr. Moyle's concerns correctly, is that at
9 least Mr. Moyle on behalf of FIPUG is uncomfortable
10 granting a Type B Stipulation to a number that is not
11 yet definitized.

12 **MS. BENNETT:** That's correct.

13 **COMMISSIONER SKOP:** Okay. All right. And
14 with respect to 23A, that is a company-specific issue,
15 and so can you identify what that is, again, so everyone
16 is clear.

17 **MS. BENNETT:** That's correct.

18 **COMMISSIONER SKOP:** So that's Progress' issue.

19 **MS. BENNETT:** Correct.

20 **COMMISSIONER SKOP:** All right. So how does --
21 in light of Mr. Moyle's concerns, staff, is there a way
22 to proceed where, I guess, 23A would not be stipulated
23 at this point, it would be considered by the Commission
24 once the number is definitized by the Commission
25 decision as to the amount?

1 **MS. BENNETT:** I would suggest that we allow
2 any party who wants to take no position at this time to
3 continue to take that position until a time certain this
4 week, maybe Thursday, and then they could let us know
5 what their position is by Thursday.

6 **COMMISSIONER SKOP:** All right. Very well.
7 Mr. Moyle, does that address your concerns?

8 **MR. MOYLE:** That's fine.

9 **COMMISSIONER SKOP:** Okay. All right. With
10 respect to Issue 23A as it pertains to the Progress
11 nuclear cost-recovery amount, the parties will be
12 allowed to change their position electronically by
13 filing with staff by no later than Thursday at 5:00 p.m.

14 Ms. Bennett, does that work?

15 **MS. BENNETT:** Thursday at 5:00 p.m. would be
16 fine.

17 **COMMISSIONER SKOP:** All right. Very well.
18 So, is everyone clear on that? The best that we can be.
19 All right. So, I believe that addresses the
20 company-specific capacity cost-recovery issues, Ms.
21 Bennett, at this point?

22 **MS. BENNETT:** That is correct.

23 **COMMISSIONER SKOP:** Are there any other
24 changes to positions on that other than those that will
25 be filed by Thursday at 5:00 that we need to address?

1 **MS. BENNETT:** I don't believe so.

2 **COMMISSIONER SKOP:** Okay. To the parties?

3 All right. Hearing none, Ms. Bennett, you may proceed.

4 **MS. BENNETT:** The next section is the generic
5 capacity cost-recovery factors. Staff will note it has
6 taken positions on Issues 27, 28, 30, and 32 for all
7 utilities, and positions on 31 for Gulf and TECO only.
8 It's my understanding that only Issue 31 will include
9 the Nuclear Cost-Recovery Clause numbers. So staff is
10 going to still review the NCRC submissions for Progress
11 on Issue 31.

12 **COMMISSIONER SKOP:** Okay. I'm a little
13 confused by what you just stated. You stated staff is
14 taking positions on Issues 27, 28, 30, and 32 for
15 utilities, and 31 for Gulf and TECO only. However, I
16 don't believe Gulf or TECO are affected by the Nuclear
17 Cost-Recovery Clause.

18 **MS. BENNETT:** Let's do this issue-by-issue.
19 Would that help?

20 **COMMISSIONER SKOP:** That is probably better.

21 **MS. BENNETT:** Issue 27 is the 2009 capacity
22 cost-recovery true-up amount. Staff has taken a
23 position for each of the utilities; all parties have
24 taken no position at this time; this item can be a Type
25 B Stipulation unless objected to.

1 **COMMISSIONER SKOP:** Okay. Why don't we take
2 them one at a time and that way we can address them that
3 way, if that meets to your liking.

4 **MS. BENNETT:** Okay.

5 **COMMISSIONER SKOP:** On Issue 27, I believe
6 staff has just articulated what Issue 27 pertains to,
7 the 2009 true-up, and is seeking to make that a Type B
8 Stipulation. So are there any objections from the
9 parties on Issue 27? Any change in position on Issue
10 27? All right. Hearing none, show it adopted.

11 And, Ms. Bennett, you may proceed with Issue
12 28.

13 **MS. BENNETT:** Issue 28 are the appropriate
14 true-up amounts for the period of January through
15 December 2010. Again, staff has taken positions for all
16 three utilities, and all of the parties have taken no
17 position at this time.

18 **COMMISSIONER SKOP:** Okay. And does staff seek
19 to make that a Type B Stipulation?

20 **MS. BENNETT:** Yes, we do.

21 **COMMISSIONER SKOP:** Okay. All right. So
22 based on the staff discussion on Issue 28, which are the
23 December -- I mean, excuse me, January through December
24 2010 projected -- is that correct, Ms. Bennett?

25 **MS. BENNETT:** Yes. Well, it's true-up

1 projected.

2 **COMMISSIONER SKOP:** True-up projected from
3 January though December of 2010, which staff seeks to
4 make a Type B Stipulation. Are there any objections
5 from the parties on Issue 28? All right. Hearing none,
6 any change in position on Issue 28 from the parties?

7 And we'll give staff a minute to confer, so
8 hold in place.

9 (Pause.)

10 **MS. BENNETT:** The next item, Issue 30 --

11 **COMMISSIONER SKOP:** Hold on, we're not at 30
12 yet. We're still on 28.

13 **MS. BENNETT:** Oh, I'm sorry.

14 **COMMISSIONER SKOP:** I was waiting to see if
15 something may have erupted or ensued from the discussion
16 there. But, apparently not.

17 **MS. BENNETT:** No.

18 **COMMISSIONER SKOP:** Okay. All right. So,
19 once again, on Issue 28, I have heard no objection from
20 the parties, and I have heard no change in position for
21 the parties as to staff's proposal to make that a Type B
22 Stipulation. So at this point, hearing no objection,
23 show that Issue 28 is a Type B Stipulation.

24 And, Ms. Bennett, you can introduce Issue
25 30 at this point.

1 **MS. BENNETT:** Are you ready for me?

2 **COMMISSIONER SKOP:** Yes. Issue 30.

3 **MS. BENNETT:** First of all, I want to mention,
4 Issue 29 is intentionally left blank, so we would be
5 moving to Issue 30, which are the appropriate capacity
6 cost-recovery true-up amounts for January 2011 through
7 December 2011. I just confirmed with staff, this does
8 not include the Nuclear Cost-Recovery Clause numbers, so
9 staff has agreed with Progress, Gulf, and TECO's
10 numbers. All parties have taken no position. This
11 would be a Type B Stipulation unless any party wanted to
12 change its position.

13 **COMMISSIONER SKOP:** And if I heard you
14 correctly, it was the projected for January through
15 December 2011?

16 **MS. BENNETT:** That's correct.

17 **COMMISSIONER SKOP:** Okay. All right. So,
18 with respect to Issue 30 on staff's proposal to make it
19 a Type B Stipulation reflecting the projected
20 cost-recovery for the period January through
21 December 2011, are there any objections from the parties
22 as to staff's proposal to make that a Type B
23 Stipulation? Mr. Moyle.

24 **MR. MOYLE:** FIPUG, again, back to the Crystal
25 River 3 capacity payments, to the extent that there is

1 monies included in here for Crystal River 3 capacity
2 payments, we would not be comfortable stipulating on
3 that, and would change our position to no monies related
4 to capacity payments resulting from Crystal River 3
5 outage should be recovered.

6 **COMMISSIONER SKOP:** All right. Very well.
7 And, Ms. Bennett, to Mr. Moyle's comments, again, we
8 need to provide the change of position in writing by
9 Thursday at 5:00 p.m.

10 **MS. BENNETT:** Actually, this one would be by
11 close of business today.

12 **COMMISSIONER SKOP:** All right. Close of
13 business today. Mr. Moyle, are you comfortable with
14 that?

15 **MR. MOYLE:** That's fine.

16 **COMMISSIONER SKOP:** All right. Very well.
17 Show that done. So I believe that --

18 **MR. TAYLOR:** Commissioner.

19 **COMMISSIONER SKOP:** Yes. Mr. Taylor.

20 **MR. TAYLOR:** Taylor, yes. If PCS could change
21 its position to be agree with and adopt the position of
22 FIPUG.

23 **COMMISSIONER SKOP:** All right. Very well.
24 And if you could submit that to staff by 5:00 p.m.
25 today, please. All right. So, staff, as it pertains to

1 Issue 30 and staff's desire to achieve a Type B
2 Stipulation, I believe that effectively FIPUG and White
3 Springs have somewhat voiced an objection to that. Is
4 that your understanding?

5 **MS. BENNETT:** That's correct. This will not
6 show up as a Type B Stipulation.

7 **COMMISSIONER SKOP:** All right. Very well.
8 Let's move on to Issue 31, then.

9 **MR. BEASLEY:** Commissioner, if I could?

10 **COMMISSIONER SKOP:** Yes, Mr. Beasley.

11 **MR. BEASLEY:** Would that be a Type B
12 Stipulation with respect to the companies other than
13 Progress Energy?

14 **MR. MOYLE:** FIPUG has no objection to
15 stipulating to TECO.

16 **COMMISSIONER SKOP:** Okay.

17 **MS. BENNETT:** And Gulf?

18 **MR. MOYLE:** And Gulf.

19 **COMMISSIONER SKOP:** All right. So, Mr. Moyle,
20 for the record, your objection only pertains to the
21 Progress portion of Issue 30, is that correct?

22 **MR. MOYLE:** That's right. And, again, as it
23 keys off of capacity payments related to the Crystal
24 River 3 outage.

25 **COMMISSIONER SKOP:** Okay. All right. So, Ms.

1 Bennett, I guess we have not a full stipulation on Issue
2 30, but a company-specific partial stipulation on Issue
3 30, is that correct?

4 **MS. BENNETT:** I believe if White Springs also
5 agrees, that that's just for Progress.

6 **MR. TAYLOR:** We agree, just with respect to
7 Progress is our issue.

8 **COMMISSIONER SKOP:** All right. Thank you, Mr.
9 Taylor.

10 So, again, the objection voiced by Mr. Moyle
11 on behalf of FIPUG and Mr. Taylor on behalf of White
12 Springs Agricultural only applies to Progress' portion
13 of Issue 30, is my understanding. And, Ms. Bennett,
14 just, I guess, TECO and Gulf are not impacted by that.

15 **MS. BENNETT:** That is correct. For Gulf and
16 TECO, Issue 30 will show as a Type B Stipulation. For
17 Progress, it will not.

18 **COMMISSIONER SKOP:** All right. Very well.
19 Any concerns from the parties on that before we move
20 forward?

21 All right. Hearing none, Ms. Bennett, you may
22 proceed with Issue 31.

23 **MS. BENNETT:** Issue 31 for Gulf and TECO,
24 staff agrees with the parties' positions. I will need a
25 change of position for any party who is -- by 5:00 p.m.

1 Thursday. This is the Nuclear Cost-Recovery Clause
2 portion also of the costs.

3 **COMMISSIONER SKOP:** Okay. This is the point
4 at which I am a little confused to the extent that Gulf
5 and TECO, again, I don't have the issue in front of me,
6 but on Issue 31 as it pertains to nuclear cost-recovery.
7 I mean, obviously Gulf and TECO are not impacted by
8 that, to my knowledge.

9 **MS. BENNETT:** Correct. It would just be for
10 Progress that they would need to provide us a new
11 position.

12 **COMMISSIONER SKOP:** Okay. All right. And,
13 Mr. Moyle and Taylor, anything to add on Issue 31?

14 All right. And, Ms. Bennett, that would be a
15 Type B Stipulation?

16 **MS. BENNETT:** It will be a Type B Stipulation
17 for Gulf and TECO only, and by 5:00 p.m. Thursday new
18 positions from all of the parties who want to change
19 their positions.

20 **COMMISSIONER SKOP:** All right. And that is
21 for the Progress part?

22 **MS. BENNETT:** For Progress.

23 **COMMISSIONER SKOP:** Okay. All right. Very
24 well. Any concerns from the parties before we move
25 forward? Mr. Moyle.

1 **MR. MOYLE:** This appears to have a similar
2 issue related to the Crystal River 3, so we will just
3 note the change in position on this issue, as well.

4 **COMMISSIONER SKOP:** All right. And that will
5 be submitted by 5:00 p.m. on Thursday.

6 Okay. Ms. Bennett, I believe that takes care
7 of Issue 31, so you may proceed with Issue 32.

8 **MS. BENNETT:** Issue 32 are the jurisdictional
9 separation factors for capacity revenues and costs that
10 are to be included in the January 2011 factors. Staff
11 agrees with the parties' positions on Progress, Gulf,
12 and TECO. All of the other intervenors have taken no
13 position at this time. It appears that this could be a
14 Type B Stipulation.

15 **COMMISSIONER SKOP:** Okay. Any concern from
16 the parties as to staff's desire to make Issue 32 a Type
17 B stipulation? All right. Hearing none, any change of
18 position on Issue 32? Hearing none. Staff, I guess,
19 based on no objection from the parties, show Issue 32 a
20 Type B Stipulation for Gulf, TECO, and Progress. And
21 you may proceed with Issue 33.

22 **MS. BENNETT:** Issue 33 are the capacity
23 cost-recovery factors for the period January 2011
24 through December 2011. For TECO and Gulf, it appears
25 that we can enter into a Type B Stipulation -- wait a

1 minute, let me confirm. I'm sorry, staff has taken no
2 position at this time, so this will not show up as a
3 Type B Stipulation.

4 **COMMISSIONER SKOP:** All right. So we don't
5 need to discuss Issue 32 at this point.

6 **MS. BENNETT:** That's correct -- 33.

7 **COMMISSIONER SKOP:** I'm sorry?

8 **MS. BENNETT:** 33, Issue 33.

9 **COMMISSIONER SKOP:** Okay. Yes. We dealt with
10 Issue 32. I'm sorry, Issue 33. So there is no pending
11 proposed Type B Stipulation on Issue 33.

12 **MS. BENNETT:** Correct.

13 **COMMISSIONER SKOP:** Okay. Any other issues
14 that we need to address that staff seeks to stipulate
15 under the generic capacity cost-recovery issues?

16 **MS. BENNETT:** No, Commissioner, that's the
17 last.

18 **COMMISSIONER SKOP:** All right. Very well.
19 All right. So at this point would it be appropriate to
20 go back to -- let me get my paperwork in order -- order
21 of witnesses to address what witnesses may be excused?

22 **MS. BENNETT:** Staff will note that it believes
23 that its Witnesses Welch, Brown, and -- forgive me if I
24 say his name wrong -- Acheampong may be excused. We do
25 have Witness Ron Mavrides for Progress Energy that we've

1 got some indication that FIPUG may have questions for.

2 **COMMISSIONER SKOP:** All right. Let's talk
3 about the thing that we can address head on. Staff
4 witnesses Welch, Brown, and -- help me out with that
5 one, Ms. Bennett.

6 **MS. BENNETT:** I call him Daniel A.

7 **COMMISSIONER SKOP:** Mr. Achaempong are
8 proposed to be stipulated by staff.

9 **MS. BROWN:** Excused by staff. And if the
10 Commissioners -- we will be checking with Commissioners
11 to see if these witnesses can be excused.

12 **COMMISSIONER SKOP:** Okay. Any objection from
13 the parties on the staff's proposal with respect to
14 those three witnesses? Hearing none, I will leave that
15 to Commission staff to address individually with
16 Commissioners as to whether those witnesses may be
17 excused, and the parties apparently have not objected to
18 that. And Witness --

19 **MS. BENNETT:** Mavrides.

20 **COMMISSIONER SKOP:** Mavrides, yes.

21 **MS. BENNETT:** Unless Mr. Moyle is ready to
22 stipulate to his excusal.

23 **COMMISSIONER SKOP:** Mr. Moyle.

24 **MR. MOYLE:** Not at this time.

25 **COMMISSIONER SKOP:** All right. Very well. So

1 Mr. Mavrides will not be excused. And, staff, with
2 respect to any other witnesses that need to be excused
3 based on the proposed stipulations or order of
4 witnesses?

5 **MS. BENNETT:** We might check with each of the
6 parties. I would ask that they be prepared to indicate
7 if they have any witnesses that could be excused based
8 upon the stipulations.

9 **COMMISSIONER SKOP:** All right. To the
10 parties. Mr. Beasley, you're recognized.

11 **MR. BEASLEY:** Yes. We would request excusal
12 of Mr. Buckley who testifies regarding GPIF for Tampa
13 Electric.

14 **COMMISSIONER SKOP:** All right. Ms. Bennett.

15 **MS. BENNETT:** We will ask the Commissioners if
16 they have any questions of Mr. Buckley.

17 **COMMISSIONER SKOP:** All right. Thank you, Mr.
18 Beasley.

19 Mr. Badders.

20 **MR. BADDERS:** Yes, we would request that Mr.
21 M.A. Young be excused. He is our GPIF witness for Gulf.

22 **COMMISSIONER SKOP:** All right. Staff.

23 **MS. BENNETT:** We will check with the
24 Commissioners, and if they have no questions, we will
25 notify the parties.

1 **COMMISSIONER SKOP:** All right. Very well.
2 Any other concerns or witnesses that parties would like
3 to see excused at this point? Ms. Triplett.

4 **MS. TRIPLETT:** Thank you. I would like to ask
5 if Mr. Garrett for Progress can be excused. He
6 testifies regarding Issues 8 and 27. Twenty-seven is on
7 the Type B list. I'm not sure -- I don't think Number
8 8, unless I wrote it down wrong is, but in looking at
9 it, I wonder if it could possibly be? It might just be
10 that staff hasn't had a chance to look at it.

11 **MS. BENNETT:** Issue 8 is the CR3 outage
12 effect, so if Mr. Garrett is testifying about that, then
13 we would not be able to excuse him.

14 **MS. TRIPLETT:** Okay.

15 **COMMISSIONER SKOP:** Okay. Mr. Beasley.

16 **MR. BEASLEY:** Commissioner Skop, if we could
17 revisit Issue 33 again, briefly. Is that not the type
18 of issue that could be stipulated for Tampa Electric and
19 Gulf?

20 **MS. BENNETT:** We're checking. We may be able
21 to stipulate Issue 33.

22 **MR. BEASLEY:** Okay. Thank you.

23 **COMMISSIONER SKOP:** Ms. Bennett.

24 **MS. BENNETT:** Issue 33, we just confirmed that
25 staff can take a position and agree with Gulf and TECO

1 so that all capacity issues for Gulf and TECO would be
2 stipulated.

3 **COMMISSIONER SKOP:** Okay. All right. So
4 based on staff's revised position on Issue 33, as it
5 pertains to Gulf and TECO, staff is proposing to have a
6 Type B Stipulation on Issue 33 for TECO and Gulf, is
7 that correct?

8 **MS. BENNETT:** That is correct.

9 **COMMISSIONER SKOP:** All right. To the parties
10 as to staff's position of trying to attain a Type B
11 Stipulation for TECO and Gulf on Issue 33, are there any
12 objection? Hearing none, are there any changed
13 positions on Issue 33 as it pertains to TECO and Gulf?
14 Hearing none, show a Type B Stipulation adopted for TECO
15 and Gulf on Issue 33.

16 And, Mr. Moyle, did you have anything?

17 **MR. MOYLE:** No, it is the same issue in terms
18 of the fallout with Crystal River 3. I mean, we
19 would -- if that issue didn't permeate through all of
20 these others, we would probably be okay, but we have got
21 to preserve that to keep it alive.

22 **COMMISSIONER SKOP:** Very well.

23 **MR. MOYLE:** But no problem with Gulf or TECO.

24 **COMMISSIONER SKOP:** Okay. Very well. Thank
25 you. Mr. Taylor, no concerns with that?

1 **MR. TAYLOR:** (Indicating negatively.)

2 **COMMISSIONER SKOP:** All right. Very well. So
3 this puts us back into now the order of witnesses, and
4 we were discussing which witnesses, if any, could be
5 excused. And, Mr. Badders.

6 **MR. BADDERS:** Yes. At the appropriate time I
7 would like to revisit Issue 4C. We got by it a little
8 fast. I believe it may actually be a possible
9 stipulated issue. FIPUG still shows no as their
10 position, and we have had some discussions, and I
11 thought we may have made some headway on that.

12 **COMMISSIONER SKOP:** Okay. Why don't we go
13 back, then, and I believe it's 4C that you have a
14 concern with?

15 **MR. BADDERS:** Yes.

16 **COMMISSIONER SKOP:** Okay. Very well. All
17 right. Staff, if you could speak to that.

18 **MS. BENNETT:** Issue 4C is the Perdido landfill
19 gas. It is our understanding that just the cost of the
20 gas is going through, which is a fuel cost, and staff
21 has taken a position on this item. If all of the
22 parties take no position at this time, then it could be
23 a Type B Stipulation. Currently FIPUG shows that they
24 disagree with Gulf.

25 **COMMISSIONER SKOP:** Mr. Moyle.

1 **MR. MOYLE:** We may be able to get there. I'm
2 not sure we can do it at this time, but Ms. Kaufman has
3 had some conversations, I do believe, but we can talk to
4 Gulf offline, and if it changes our position we'll let
5 staff know, and thus it can be stipulated.

6 **COMMISSIONER SKOP:** All right. Thank you.

7 All right. So with respect to the Gulf
8 request to try and achieve a Type B Stipulation on Issue
9 4C, I believe we are not there yet. So any other issues
10 that we have previously addressed that we want to take
11 up before we start talking about the order of witnesses
12 again?

13 All right. Hearing none, let's go back to the
14 order of witnesses. And where we left off we were
15 talking about potential witnesses that could be excused.
16 We addressed some of those. And, Ms. Triplett, you're
17 recognized.

18 **MS. TRIPLETT:** I apologize for not bringing
19 this up. But at the top of the next page, Mr. Olivier
20 for Progress Energy appears to be our GPIF witness for
21 21 and 22, which were Type B Stipulations. May he be
22 stipulated?

23 **COMMISSIONER SKOP:** Very well. Any concern
24 from excusing Mr. Olivier from the parties on the GPIF
25 issues as it pertains to Progress? Hearing none, I will

1 look to staff, which I'm sure I'll get the textbook
2 response that it's up to the Commissioners at this
3 point.

4 **MS. BENNETT:** You're correct. We will check
5 with the Commissioners and then let the parties know.

6 **COMMISSIONER SKOP:** All right. Very well.

7 **MS. TRIPLETT:** Thank you very much.

8 **COMMISSIONER SKOP:** Thank you. Okay. Any
9 other witnesses that we need to talk about excusal of at
10 this point?

11 Ms. Bennett, any witnesses that we are missing
12 here?

13 **MS. BENNETT:** I'm waiting to hear -- Mr.
14 Beasley is looking through his list, I think, because
15 the capacity -- I don't know if there is any that speak
16 just to capacity, and also Mr. Badders.

17 **MR. BEASLEY:** I don't think so, but I did have
18 an inquiry, though. Are we going to go back to Issues 8
19 and 9, et cetera?

20 **MS. BENNETT:** No, unless we need to.

21 **COMMISSIONER SKOP:** That is one of the perils
22 of not going issue-by-issue.

23 **MR. BEASLEY:** Commissioner Skop, the reason I
24 asked that, I don't know that there is any position on
25 Issue 8 other than, for example, what Tampa Electric has

1 stated. There is nothing -- no position stated that
2 disagrees with what we have stated, I don't believe.

3 **MS. BENNETT:** Staff has not taken a position
4 on Issues 8 or 9 at this point in time. We may be able
5 to continue to have conversations with the parties, and
6 at the beginning of the hearing we may have some
7 additional stipulations, but only those that are going
8 to be listed as Type B Stipulations in the prehearing
9 order are what we are discussing today.

10 **COMMISSIONER SKOP:** And, Mr. Beasley, to that
11 point on Issue 8 entitled what are the appropriate fuel
12 adjustment true-up amounts for the period January 2009
13 through December 2009, I believe the TECO position is
14 \$14,108,291 of over-recovery. Is that the one you're
15 speaking of?

16 **MR. BEASLEY:** Yes, sir.

17 **COMMISSIONER SKOP:** Okay. And staff has taken
18 no position, so at this point staff will work with the
19 utility?

20 **MS. BENNETT:** That's correct.

21 **COMMISSIONER SKOP:** Okay. All right. So we
22 will have no stipulation at this point for TECO on Issue
23 8, is that correct?

24 **MS. BENNETT:** That is correct, and also for
25 Issue 9.

1 **COMMISSIONER SKOP:** Mr. Beasley.

2 **MR. BEASLEY:** Issue 9 is a true-up?

3 **COMMISSIONER SKOP:** Yes.

4 **MR. BEASLEY:** Is that something that the staff
5 is not --

6 **MS. BENNETT:** Staff has not taken a position
7 at this time, and we're still reviewing the numbers. We
8 expect to have a position.

9 **COMMISSIONER SKOP:** All right. So, I believe
10 that prohibits at this point getting a stipulation on
11 Issue 9 for TECO given staff's position.

12 **MS. BENNETT:** And, Mr. Lester was reminding me
13 that 8 and 9 reflect the hedging numbers, and FIPUG has
14 disagreed with the hedging positions of each of the
15 utilities, and so until the hedging issue has been
16 resolved, Issues 8 and 9 cannot be resolved, so it's not
17 just staff reviewing the numbers.

18 **COMMISSIONER SKOP:** All right. Very well.
19 And, looking at Issues 8 and 9 in the draft, let me make
20 sure I'm looking at the right document, the draft
21 prehearing order. It looks like on Issue 8 FIPUG has
22 taken no position, and on Issue 9 it looks like they
23 have taken a position at this point. Is that correct,
24 Mr. Moyle?

25 **MR. MOYLE:** Yes.

1 **COMMISSIONER SKOP:** Okay. All right. All
2 right. So, very well. On Issues 8 and 9, I don't
3 believe we are able to achieve a stipulation at this
4 point. Are there any other issues that the parties have
5 a concern with? Again, my preference is always to go
6 issue-by-issue, but in the interest of time, and noting
7 that the other dockets went very smoothly, you know,
8 taking them up as a block can usually save a lot of the
9 time for the parties, but in this case if there are
10 specific issues that we need to address on an individual
11 basis now is the point to do so.

12 Okay. I'm not hearing any concerns, so I'm
13 assuming that the parties are fine given what we have
14 spoke about to date on this one. Okay. So at this
15 point, having resolved the issues, and if there are
16 something that comes up, let's talk about it so we don't
17 lose the opportunity. But getting back to the order of
18 witnesses, we've discussed witnesses that may be
19 excused. Are there any additional witnesses the parties
20 would like to offer up for excusal at this point?

21 Okay. Hearing none, I think we have beat that
22 horse. And are there any witnesses that will need to be
23 taken out of order? It seems as if this docket is
24 mostly stipulated with the exception of the 01 docket
25 which may take some time. So, hopefully, you know, a

1 one-day, two-day hearing process depending on how long
2 we go the first day to address whatever concerns may
3 arise in the testimony or what have you. It doesn't
4 appear to be too contentious in terms of the positions
5 of the parties.

6 No, but I'm trying to plan accordingly in case
7 there is some scheduling problems, so I can ask the
8 parties. So are there any witnesses at this point that
9 the parties would like to consider be taken out of
10 order? If not, we'll stick with what we have and let
11 the presiding officer make that call if something
12 arises.

13 All right. Hearing none, I'm assuming that
14 the parties are fine with the order of witnesses. And
15 are there any witnesses who will be adopting the
16 testimony and exhibits of another witness?

17 **MS. BENNETT:** Staff has one witness that would
18 be adopting. Dale Mailhot, who is Kathy Welch's
19 supervisor, would be adopting her testimony if she is to
20 appear. Right now she's on the list of potentially
21 excused witnesses.

22 **COMMISSIONER SKOP:** Okay. Very well.

23 Any concerns from the parties or objections on
24 that? Hearing none, show it done.

25 And on Section VI, order of witnesses, Ms.

1 Bennett, are there any other things we need to address
2 on that section of the draft prehearing order?

3 **MS. BENNETT:** I think not.

4 **COMMISSIONER SKOP:** To the parties? All
5 right. Hearing none, show Section VI adopted by virtue
6 of the discussion held at prehearing. And I believe
7 that addresses Section VI, Section VII, and Section
8 VIII. Any other issues on Section VIII, which are the
9 specific issues that we will be discussing in the
10 docket? Okay. Hearing none, show Section VIII adopted.
11 And I believe that takes us to Section IX, which is the
12 exhibits list. Staff.

13 **MS. BENNETT:** Staff will note that it has
14 prepared a Comprehensive Exhibit List which includes all
15 prefiled exhibits, and also those exhibits that staff
16 wishes to include in the record. We have already
17 provided it to the parties. I think we have agreement
18 on it, but I will check and confirm prior to the
19 hearing.

20 **COMMISSIONER SKOP:** All right. Very well.

21 Any objections or concerns on Section IX with
22 respect to the exhibit list. Hearing none, show it
23 adopted.

24 And, Ms. Bradley, you looked like you might
25 want to be recognized, is that correct?

1 **MS. BRADLEY:** I'm sorry, Your Honor, not at
2 this time. Thank you, though.

3 **COMMISSIONER SKOP:** When everyone starts
4 hunkering up to the mike, I kind of try to anticipate
5 who wants to speak so we keep it orderly. All right.

6 Very well. All right. Section X, proposed
7 stipulations. Staff.

8 **MS. BENNETT:** All stipulations entered at the
9 prehearing conference will be listed here. They will be
10 listed as a Type B Stipulation. I do not believe we had
11 any Type A Stipulations.

12 **COMMISSIONER SKOP:** Okay. Very well. And
13 with respect to that, if the parties could make
14 additional segue into reaching a stipulation where they
15 are able to do so. Again, as always, the Commission
16 appreciates the parties' willingness to work together to
17 achieve compromise when they are able to do so. All
18 right. So any other concerns on Section X before we
19 move forward?

20 **MS. BENNETT:** Not from staff.

21 **COMMISSIONER SKOP:** All right. Hearing none
22 from staff or the parties, show Section X adopted.

23 Section XI, pending motions. Staff.

24 **MS. BENNETT:** There are no other pending
25 motions other than motions for temporary protective

1 order.

2 **COMMISSIONER SKOP:** Okay. Any other concerns
3 from the parties on Section XI, pending motions?

4 Hearing none, show it adopted.

5 Section XII, pending confidentiality motions.

6 Staff.

7 **MS. BENNETT:** There are several
8 confidentiality requests. These motions will be
9 addressed by separate order.

10 **COMMISSIONER SKOP:** All right. To the
11 parties, any other concerns on Section XII? Hearing
12 none, show it adopted.

13 Section XIII, post-hearing procedures.

14 Staff.

15 **MS. BENNETT:** Generally, there is a bench
16 decision in this docket and post-hearing briefs are not
17 normally necessary. I think I heard FIPUG state that
18 they might be asking for one. I will note that it will
19 be a very short turn-around because we will need to
20 bring this back to the Commission by the November 30th
21 Agenda Conference. If they are to be briefed, the staff
22 recommends position statements of no more than 50 words
23 and post-hearing statement and briefs no longer than 40
24 pages. Shorter would be nicer.

25 **COMMISSIONER SKOP:** All right.

1 Mr. Moyle, and Mr. Taylor, and possibly Mr.
2 Wright, and to any other parties that may want to speak
3 to this issue in terms of issues that may wish to be
4 briefed. My desire would be to adopt the staff
5 recommendation of 50 words for the position statements
6 and no longer than 40 pages. So unless there is a
7 concern with that, that will be my ruling.

8 **MS. TRIPLETT:** Commissioner.

9 **COMMISSIONER SKOP:** Ms. Triplett.

10 **MS. TRIPLETT:** And I don't have any problem
11 with the pages. Certainly I hope to be underneath that,
12 but do you happen to know the date of the brief filing?

13 **COMMISSIONER SKOP:** You read my mind.
14 Because, again, when Ms. Bennett mentioned the short
15 turn-around and the November 30th agenda, obviously I
16 need to get some dates from staff. So, Ms. Bennett, if
17 you could please speak to that.

18 **MS. BENNETT:** The order establishing procedure
19 sets the post-hearing position statements and briefs due
20 November 8th.

21 **COMMISSIONER SKOP:** And that's merely a few
22 days after the hearing, is that correct?

23 **MS. BENNETT:** That's correct.

24 **COMMISSIONER SKOP:** All right. I'll give the
25 parties a second to digest that, but that is a very

1 quick turn-around on very specific issues that may need
2 to be briefed, if not the whole docket on things that
3 the parties may wish to address. All right. So noting
4 that, any briefs, the position statements will be
5 limited to 50 words, no longer than 40 pages, and those
6 briefs will be due by November 8th.

7 Is that correct, Ms. Bennett?

8 **MS. BENNETT:** That's.

9 **COMMISSIONER SKOP:** All right. Show that
10 done. And any other concerns on Section XIII,
11 post-hearing procedures? All right. Hearing none, show
12 it adopted.

13 Section XIV, rulings. Staff.

14 **MS. BENNETT:** Staff suggests that the
15 prehearing officer make a ruling that opening
16 statements, if any, should not exceed five minutes per
17 party. I know in the draft prehearing order it shows
18 ten, but we have significantly limited the issues now,
19 so we would suggest five.

20 **COMMISSIONER SKOP:** Okay. All right. I will
21 look to the parties on that. Any objection to having
22 opening statements limited to five minutes for the 01
23 docket? All right. Hearing none, show it adopted.

24 And, Ms. Bennett, any other issues on
25 Section XIV?

1 **MS. BENNETT:** No, sir.

2 **MR. WRIGHT:** Commissioner?

3 **COMMISSIONER SKOP:** Mr. Wright, you're
4 recognized.

5 **MR. WRIGHT:** This is a preliminary matter that
6 I probably should have brought up earlier. I have a
7 commitment to be in another city on Monday. My partners
8 and I are trying to evaluate whether we really need to
9 be here to participate in the hearing on Monday. I
10 would like to ask as a contingent matter that we be
11 excused.

12 **COMMISSIONER SKOP:** In speaking with staff
13 this morning, given the breadth of stipulations that are
14 in the 03, 04, 02, 07, and 01 dockets, more likely than
15 not, and correct me if I'm wrong, Staff, we will likely
16 get into the 01 docket on sometime Monday morning before
17 lunch. Is that generally correct, staff?

18 **MS. BENNETT:** That's correct. We believe --

19 **COMMISSIONER SKOP:** Or am I too openly
20 optimistic?

21 **MS. BENNETT:** No, sir.

22 **COMMISSIONER SKOP:** You know, when I go
23 fishing I take a camera and a frying pan. I'm an
24 optimist. Hunting, too. But, anyway.

25 **MR. WRIGHT:** Commissioner, we understand that,

1 and it's really a question of whether we -- I can't be
2 here, and the question is do we really have to have
3 someone here. And we haven't made that decision yet, so
4 I would just like to ask now, as a contingent matter,
5 that we be excused. If we determine somebody has to be
6 here, Mr. LaVia will be here.

7 **COMMISSIONER SKOP:** Okay. And I was going to
8 get to that. Subject to the parties not having a
9 problem, you may be excused in the 01 docket --

10 **MR. WRIGHT:** Thank you, Commissioner.

11 **COMMISSIONER SKOP:** -- if there is a schedule
12 conflict. Okay.

13 Any other concerns with Section XIV, rulings?
14 Ms. Bennett.

15 **MS. BENNETT:** No, sir.

16 **COMMISSIONER SKOP:** Mr. Moyle.

17 **MR. MOYLE:** Mr. Chairman, I saw in the draft
18 the ten minutes, and I'm just kind of thinking through.
19 I don't know that I'll need all ten, but five is going
20 to be a little tight. So, you know, seven, or eight, or
21 ten, and I will try to be judicious on it, but I don't
22 want to run afoul of five, but I think five is going to
23 be a little tight for some of the things I want to talk
24 about.

25 **COMMISSIONER SKOP:** All right. Let's revisit

1 this issue. And that's strictly on Progress-related
2 issues or just the docket as a whole?

3 **MR. MOYLE:** Yes, there will be some Progress
4 issues, and then the hedging issue, as well.

5 **COMMISSIONER SKOP:** Okay. All right.

6 Staff, I mean, I have made my ruling of five
7 minutes. I mean, I like to recognize and give some
8 flexibility to the parties. I have no problem. I would
9 rather it not be ten, again, so why don't we do this.
10 Why don't we strive for five minutes. If you spill
11 over, the company will be afforded that additional
12 amount of time to its opening statement.

13 **MR. MOYLE:** That's fine.

14 **COMMISSIONER SKOP:** All right. So let that
15 stand as it is. And any other concerns from the
16 parties? All right. Hearing none, Ms. Bennett, are
17 there are any other matters that we need -- because that
18 concludes the draft prehearing order for the 01 docket.

19 **MS. BENNETT:** It does.

20 **COMMISSIONER SKOP:** Okay. Did we miss
21 anything in the draft prehearing order?

22 **MS. BENNETT:** I don't think so, but you might
23 ask the parties.

24 **COMMISSIONER SKOP:** All right. To the
25 parties, is there anything that we need to discuss in

1 the draft prehearing order for the 01 docket? It has
2 been a long, lengthy discussion, probably the longest
3 one this morning. Okay. Hearing none, Ms. Bennett, I
4 believe that concludes review of the draft prehearing
5 order for the 01 docket. Are there any other matters
6 that we need to address in this prehearing conference
7 for the 01 docket?

8 **MS. BENNETT:** No, sir.

9 **COMMISSIONER SKOP:** Okay. At this point we
10 are going to adjourn the prehearing for the 01 docket.
11 And globally, are there any other matters that we need
12 to address in this prehearing on any specific docket
13 before we adjourn this prehearing?

14 **MS. BENNETT:** Staff has none.

15 **COMMISSIONER SKOP:** Okay. To the parties.
16 All right. Hearing none, we stand adjourned. Thank you
17 for your time.

18 (The prehearing adjourned at 10:57 a.m.)
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STATE OF FLORIDA)
 :
 : CERTIFICATE OF REPORTER
COUNTY OF LEON)

I, JANE FAUROT, RPR, Chief, Hearing Reporter Services Section, FPSC Division of Commission Clerk, do hereby certify that the foregoing proceeding was heard at the time and place herein stated.

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

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

DATED THIS 26th day of October, 2010.



JANE FAUROT, RPR
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