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BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

IN RE: PETITION FOR RATE INCREASE BY)
FLORIDA POWER AND LIGHT) DOCKET NO. 120015-EI
COMPANY)

NOTICE OF SERVICE OF SFHHA'S
ERRATA TO THE DIRECT TESTIMONY OF LANE KOLLEN

The South Florida Hospital and Healthcare Association ("SFHHA"), by and through its undersigned attorneys, hereby files replacement pages 4 and 5 to the direct testimony of Lane Kollen, originally filed by July 2, 2012, via FedEx delivery on this 9th day of July, 2012.

/s/ Kenneth L. Wiseman
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Attorneys for the South Florida Hospital and Healthcare Association

July 9, 2012

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CERTIFICATE OF SERVICE
DOCKET NO. 120015-EI

I HEREBY CERTIFY that a copy of the foregoing NOTICE OF SERVICE OF THE SOUTH FLORIDA HOSPITAL AND HEALTHCARE ASSOCIATION'S ERRATA TO THE DIRECT TESTIMONY OF LANE KOLLEN has been furnished by electronic mail, this 9th day of July, 2012 to the following:

<p>Florida Power & Light Company Ken Hoffman R. Wade Litchfield 215 South Monroe Street, Suite 810 Tallahassee, FL 32301-1858 Phone: (850) 521-3900 Fax: (850) 521-3939 Email: ken.hoffman@fpl.com</p>	<p>Florida Retail Federation Robert Sheffel Wright John T. LaVia, III Gardner, Bist, Wiener, Wadsworth, Bowden, Bush, Dee, LaVia & Wright, P.A. 1300 Thomaswood Drive Tallahassee, FL 32308 Phone: (850) 385-0070 Fax: (850) 385-5416 Email: schef@gbwlegal.com</p>
<p>Florida Power & Light Company John T. Butler 700 Universe Boulevard Juno Beach, FL 33408-0420 Email: John.Bulter@fpl.com</p>	<p>J.R. Kelly Joseph A. McGlothlin Office of Public Counsel 111 West Madison Street, Room 812 Tallahassee, Florida 32399-1400 Phone: (850) 488-9330 Fax: (850) 487-6419 Email: KELLY.JR@leg.state.fl.us</p>
<p>Florida Industrial Power Users Group Jon C. Moyle, Jr. Vickie Gordon Kaufman Keefe Anchors Gordon & Moyle, PA 118 North Gadsden Street Tallahassee, FL 32301 Phone: (850) 681-3828 Fax: (850) 681-8788 Email: jmoyle@kagmlaw.com vkaufman@kagmlaw.com</p>	<p>Jennifer Crawford Keino Young Florida Public Service Commission Division of Legal Services 2540 Shumard Oak Boulevard Tallahassee, FL 32399 Phone: (850) 413-6199 Email: JCRAWFORD@PSC.state.fl.us KYOUNG@PSC.state.fl.us</p>

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<p>Federal Executive Agencies Christopher Thompson Karen White c/o AFLOA/JACL-ULFSC 139 Barnes Drive, Suite 1 Tyndall Air Force Base, FL 32403 Email: chris.thompson.2@tyndall.af.mil</p>	<p>John W. Hendricks 367 S Shore Dr Sarasota, FL 34234 Telephone: (941) 685-0223 Email: jwhendricks@sti2.com</p>
<p>Mr. & Mrs. Daniel R. Larson 16933 W. Harlena Dr. Loxahatchee, FL 33470 Phone: (561) 791-0875 Email: danlarson@bellsouth.net</p>	<p>Susan F. Clark Florida Bar No. 0179580 Radey Thomas Yon & Clark, P.A. 301 South Bronough Street, Suite 200 Tallahassee, Florida 32301 Email: sclark@radeylaw.com</p>
<p>Thomas Saporito 177 US HWY 1, Unit 212 Tequesta, FL 33469 Email: saporito3@gmail.com</p>	<p>Lisa C. Scoles Radey Thomas Yon & Clark, P.A. 301 South Bronough Street, Suite 200 Tallahassee, Florida 32301 Email: lscoles@radeylaw.com</p>
<p>Ms. Karen White Federal Executive Agencies AFLOA/JACL-ULFSC 139 Barnes Drive, Suite 1 Tyndall Air Force Base, Florida 32403 Email: karen.white@tyndall.af.mil</p>	<p>Paul Woods, Quang Ha, Patrick Ahlm Algenol Biofuels Inc. 28100 Bonita Grande Drive, Suite 200 Bonita Springs, FL 24135 Email: Paul.woods@algenol.com Quang.ha@algenol.com Patrick.ahlm@algenol.com</p>

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/s/ Kenneth L. Wiseman
Kenneth L. Wiseman

1 developed and presented papers at various industry conferences on ratemaking,
2 accounting, and tax issues. My qualifications and regulatory appearances are
3 further detailed in my Exhibit ___(LK-1).

4
5 **Summary**

6 **Q. ON WHOSE BEHALF ARE YOU TESTIFYING?**

7 A. I am offering testimony on behalf of the South Florida Hospital and Healthcare
8 Association (“SFHHA”), whose members take electric service on the FPL system.

9 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

10 A. The purpose of my testimony is to address the Company’s proposed base rate
11 increase and the effects on various recovery clauses, to summarize the effects of
12 the SFHHA recommendations on the Company’s claimed revenue requirements,
13 and to address and make recommendations on specific issues that affect the
14 Company’s claimed revenue requirements.

15 **Q. PLEASE SUMMARIZE YOUR TESTIMONY.**

16 A. I recommend that the Commission increase the Company’s base rates on January
17 1, 2013 by no more than \$1.818 million, a reduction of at least \$514.703 million
18 from the increase of \$516.521 million requested by the Company in this
19 proceeding. I also recommend that the Commission increase the Company’s base
20 rates by no more than \$147.473 million for the Canaveral Modernization step
21 increase on or about June 1, 2013, a reduction of at least \$26.378 million from the
22 step increase of \$173.851 million requested by the Company in this proceeding.
23 These recommendations include the effects of SFHHA witness Mr. Richard

1 Baudino's recommended return on common equity. I summarize the effects of
 2 the SFHHA recommended adjustments separately for the two increases on the
 3 following tables. In addition, I address the substance of each of these adjustments
 4 in the following sections of my testimony, except for the return on common
 5 equity, although I quantify the effect of Mr. Baudino's recommendation.
 6

FLORIDA POWER AND LIGHT
REVENUE REQUIREMENT MINIMUM REDUCTIONS RECOMMENDED BY SFHHA
DOCKET NO. 120015-EI
TEST YEAR ENDING DECEMBER 31, 2013
(\$ MILLIONS)

	Amount
Base Rate Change per FP&L Filing	\$ 516.521
Rate Base Adjustments:	
Modify Cash Working Capital from Balance Sheet to Lead/Lag	(16.177)
Modify Nuclear Maintenance Reserve from Prepaid to Postpaid	1.763
Eliminate Unamortized Rate Case Expense	(0.500)
Reduce CWIP In Rate Base	(26.052)
Operating Income Adjustments:	
Normalize Nuclear Maintenance Outage Expense	(15.183)
Modify Nuclear Maintenance Expense from Prepaid to Postpaid	(37.402)
Reduce Vegetation Management Expense	(9.447)
Reflect Projected Net AMI Deployment Savings	(23.731)
Capital Structure and Rate of Return Adjustments:	
Adjust ADIT for Rate Base Adjustments	(0.396)
Set Return on Equity at 9.0%	(387.578)
Total Minimum SFHHA Recommended Adjustments	(\$514.703)
Maximum SFHHA Recommendation for Base Rate Change	\$1.818

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