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October 8, 2012

#### -VIA HAND DELIVERY -

Ms. Ann Cole Commission Clerk Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850

Re: Docket No. 120002-EG

**Energy Conservation Cost Recovery Clause** 

Dear Ms. Cole:

I am enclosing for filing in the above referenced docket the original and seven (7) copies of Florida Power & Light Company's Prehearing Statement.

Also included herewith is a CD containing an electronic file of FPL's Prehearing Statement in Word format.

If there are any questions regarding this transmittal, please contact me at 561-691-2512

Sincerely,

Kenneth M. Rubin

**Enclosures** 

cc: Counsel for parties of record (w/encl.)

| COM        |      |
|------------|------|
| AFD        | 4+00 |
| APA        |      |
| <b>ECO</b> |      |
| ENG        |      |
| GCL        |      |
| IDM        |      |
| TEL        |      |
| CLK        |      |
|            |      |

DOCUMENT NUMBER-DATE

06858 OCT-8≌

## BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

| In re: Energy Conservation Cost | ) | Docket No. 120002-EG   |
|---------------------------------|---|------------------------|
| Recovery Clause                 | ) |                        |
|                                 | ) | Filed: October 8, 2012 |

# FLORIDA POWER & LIGHT COMPANY'S PREHEARING STATEMENT

Florida Power & Light Company ("FPL"), pursuant to Order No. PSC-12-0062-PCO-EG, hereby files its prehearing Statement in Docket No. 120002-EG.

#### I. FPL WITNESSES

| Witness        | Subject Matter |
|----------------|----------------|
| Terry J. Keith | Issue 1, 3 & 4 |
| Anita Sharma   | Issue 2        |

### II. EXHIBITS

| <u>Exhibit</u> | Content                             | Sponsoring Witness   |
|----------------|-------------------------------------|----------------------|
| AS-1           | Schedules CT-1                      | T.J. Keith           |
| AS-1           | Schedules CT-2 and CT-3             | T.J.Keith/A. Sharma  |
| AS-1           | Schedule CT-4                       | T.J. Keith           |
| AS-1           | Schedules CT-5 and CT-6, Appendix A | A. Sharma            |
| AS-2           | Schedule C-1 and C-4                | T.J. Keith           |
| AS-2           | Schedule C-2 and C-3                | T.J. Keith/A. Sharma |
| AS-2           | Schedule C-5                        | A. Sharma            |

## III. STATEMENT OF BASIC POSITION

DOCUMENT NUMBER-DATE
06858 OCT-8 ≅

FPL's proposed Conservation Cost Recovery Factors for the January 2013 through December 2013 recovery period and true-up amounts for the prior period should be approved.

## IV. ISSUES AND POSITIONS

**ISSUE 1:** What are the final conservation cost recovery true-up amounts for the period January

2011 through December 2011?

FPL: \$8,586,294 over recovery. (KEITH)

**ISSUE 2:** What are the total conservation cost recovery amounts to be collected during the period

January 2013 through December 2013?

FPL: \$226,820,100 including prior period true-up amounts and revenue taxes. (SHARMA)

**ISSUE 3:** What are the conservation cost recovery factors for the period January 2013 through

December 2013?

## FPL:

|  | Conservation | Conservation |
|--|--------------|--------------|
| Rate Class                               | Recovery     | Recovery     |
|  | Factor       | Factor       |
|  | (\$/KW)      | (\$/kwh)     |
|  |              | 0.0000       |
| RS1/RST1/RTR1/RSDPR1*                    | -            | 0.00233      |
| GS1/GST1                                 | -            | 0.00212      |
| GSD1/GSDT1/HLTF(21-499 kW)               | 0.80         | -            |
| OS2                                      |              | 0.00211      |
| GSLD1/GSLDT1/CS1/CST1/HLTF(500-1,999 kW) | 0.85         | -            |
| GSLD2/GSLDT2/CS2/CST2/HLTF(2,000+kW)     | 0.95         | -            |
| GSLD3/GSLDT3/CS3/CST3                    | 1.03         | -            |
| ISST1D                                   | **           | -            |
| ISST1T                                   | **           | -            |
| SST1T                                    | **           | -            |
| SST1D1/SST1D2/SST1D3                     | **           | -            |
| CILC D/CILC G                            | 1.06         | -            |
| CILC T                                   | 1.03         | -            |
| MET                                      | 0.96         | -            |
| OL1/SL1/PL1                              | -            | 0.00149      |
| SL2, GSCU1                               | -            | 0.00192      |
|  |              |              |

\* For RSDPR-1 ECCR charge, see Tariff Sheet No. 8.030.2

|                | RDC<br>** (\$/kw) | SDD<br>** (\$/kw) |
|----------------|-------------------|-------------------|
| ISST1D         | \$0.11            | \$0.05            |
| ISST1T         | \$0.11            | \$0.05            |
| SST1T          | \$0.11            | \$0.05            |
| SST1D1/SST1D2/ |                   |                   |
| SST1D3         | \$0.11            | \$0.05            |
|                |                   | (KEITH)           |

**ISSUE 4:** What should be the effective date of the new conservation cost recovery factors for billing purposes?

FPL: FPL is requesting that the conservation cost recovery factors become effective with customer bills for January 2013 (cycle day 1) through December 2013 (cycle day 21). This will provide for 12 months of billing for all customers. Thereafter, FPL's conservation cost recovery factors should remain in effect until modified by the Commission. (KEITH)

# Southern Alliance for Clean Energy's Generic Proposed Cost Recovery Issues

**ISSUE 8**: Does the utility have a measurement plan in place to ensure that energy savings associated with its ECCR factors are accurate?

FPL: FPL objects to the inclusion of SACE's proposed issue, which is not in fact a "cost recovery issue" notwithstanding the use of that term by SACE. Rule 25-17.015(1), F.A.C., which defines the scope of these proceedings, reads in pertinent part as follows: "Each utility over which the Commission has ratemaking authority may seek to recover its costs for energy conservation programs." In short, this docket is limited to cost recovery for Commission approved programs. FPL's filings in this docket are consistent with that stated objective, as are the tentative generic and company specific issues identified by the Commission in Section III ("Tentative List of Issues"), Attachment A, of the Commission's Order Establishing Procedure (Order No. PSC-12-0062-PCO-EG). The question of whether the utility has "a measurement plan in place to ensure that energy savings associated with its ECCR factors are accurate" raises DSM program-specific issues well beyond the scope of these proceedings which, if an appropriate subject of litigation, should be addressed in the context of DSM plan approval or individual DSM program approval proceedings.

<u>ISSUE 9</u>: Does the utility have a verification plan in place to ensure that energy savings associated with its ECCR factors are accurate?

FPL: FPL objects to the inclusion of SACE's proposed issue which is not in fact a "cost recovery issue" notwithstanding the use of that term by SACE. Rule 25-17.015(1), F.A.C., which defines the scope of these proceedings, reads in pertinent part as follows: "Each utility over which the Commission has ratemaking authority may seek to recover its costs for energy conservation programs." In short, this docket is limited to cost recovery for Commission approved programs. FPL's filings in this docket are consistent with that stated objective, as are the tentative generic and company specific issues identified by the Commission in Section III ("Tentative List of Issues"), Attachment A, of the Commission's Order Establishing Procedure (Order No. PSC-12-0062-PCO-EG). The question of whether the utility has "a verification plan in place to ensure that energy savings associated with its ECCR factors are accurate" raises DSM program-specific issues well beyond the scope of these proceedings which, if an appropriate subject of litigation, should be addressed in the context of DSM plan approval or individual DSM program approval proceedings.

**ISSUE 10:** Does the utility have an evaluation plan in place to ensure optimal program impacts and performance?

FPL: FPL objects to the inclusion of SACE's proposed issue which is not in fact a "cost recovery issue" notwithstanding the use of that term by SACE. Rule 25-17.015(1), F.A.C., which defines the scope of these proceedings, reads in pertinent part as follows: "Each utility over which the Commission has ratemaking authority may seek to recover its costs for energy conservation programs." In short, this docket is limited to cost recovery for Commission approved programs. FPL's filings in this docket are consistent with that stated objective, as are the tentative generic and company specific issues identified by the Commission in Section III ("Tentative List of Issues"), Attachment A, of the Commission's Order Establishing Procedure (Order No. PSC-12-0062-PCO-EG). The question of whether the utility has "an evaluation plan in place to ensure optimal impacts and performance" raises DSM program-specific issues well beyond the scope of these proceedings which, if an appropriate subject of litigation, should be addressed in the context of DSM plan approval or individual DSM program approval proceedings.

#### V. STIPULATED ISSUES

None at this time.

#### VI. PENDING MOTIONS

FPL has no pending motions or other matters upon which it seeks action other than its pending petitions for approval.

# VII. PENDING REQUEST FOR CONFIDENTIALITY

Florida Power and Light Company's first request for extension of confidential classification of information provided pursuant to Audit No. 09-350-4-1. DN 06537-12, X-Ref DNs 04844-10 and 05373-10, dated September 28, 2012

Florida Power and Light Company's request for confidential classification of material provided pursuant to Audit No. 12-010-4-3. DN 05085-12, dated July 30, 2012

Florida Power and Light Company's request for confidential classification of information provided in Schedule CT-6 to Exhibit AS-1. DN 02798-12, dated May 2, 2012

#### VIII. OBJECTIONS TO A WITNESS' QUALIFICATION AS AN EXPERT

None at this time.

## IX. REQUIREMENTS OF THE PREHEARING ORDER THAT CANNOT BE MET

FPL believes it has complied with all the requirements regarding prehearing procedures.

Respectfully submitted this 8<sup>th</sup> day of October, 2012.

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Ву

Kenneth M. Rubin Fla. Bar No. 349038

#### **CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of Florida Power & Light Company's Prehearing Statement was served by electronic mail this 8<sup>th</sup> day of October, 2012 to the following:

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By; K

Kenneth M. Rubin