### **Eric Fryson**

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Sent:

Tuesday, November 13, 2012 1:46 PM

To:

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Subject:

CORRECTED 120001-El Post-Hearing Statement and Brief of the Office of Public Counsel

Attachments: 120001-EI OPC PostHearing Statement and Brief CORRECTED.docx

Electronic Filing

a. Person responsible for this electronic filing:

Charles J. Rehwinkel, Deputy Public Counsel Office of Public Counsel c/o The Florida Legislature 111 West Madison Street, Room 812 Tallahassee, FL 32399-1400 (850) 488-9330 REHWINKEL.CHARLES@leg.state.fl.us

b. Docket No. 120001-EI

In re: Fuel and Purchased Power Cost Recovery Clause with Generating Performance Incentive Factor

- c. Documents being filed on behalf of the Office of Public Counsel
- d. There are a total of 5 pages.
- e. The document attached for electronic filing is: CORRECTED 120001-EI Post-Hearing Statement and Brief of the Office of Public Counsel. Thank you for your attention and cooperation to this request.

Monica R. Woods Administrative Assistant Office of Public Counsel Phone #: 488-9330

Fax# :487-6419

DOCUMENT BUMPER DATE

### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Fuel and Purchased Power	)	DOCKE	ΓNO. 120001-EI
Cost Recovery Clause with	)		
Generating Performance Incentive	)	FILED:	November 13, 2012
Factor	)		
	)		

# CORRECTED\* POSTHEARING STATEMENT AND BRIEF OF THE OFFICE OF PUBLIC COUNSEL

The Citizens of the State of Florida, through the Office of Public Counsel, pursuant to the Order Establishing Procedure in this docket, Order No. PSC-12-0061-PCO-EI, issued February 10, 2012 and the direction from the Commission at Hearing, submit this Posthearing Statement of Positions and Brief.

The OPC adopts as its Post Hearing Statement on the issues in dispute the positions on the issues 24B, 24C, 24D, 30,31,32 and 33 as they relate specifically to FPL.

\*In the initial version of the OPC's Posthearing Statement of Positions and Brief, the issue and position for Issue 24D reflected therein was erroneously carried forward from a previous numbering scheme. The actual issue 24D Issue wording and OPC position is as reflected in this CORRECTED version is consistent with the first sentence of this paragraph as originally filed and is thus a correction of a scrivener's error in the original.

### **ISSUES**

**ISSUE 24B:** Should an adjustment be made to transfer incremental security costs from the Capacity Cost Recovery Clause to base rates?

<u>OPC:</u> Yes. The security costs are not the type of costs that the clause was intended to recover.

DOCUMENT NUMBER-DATE

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ISSUE 24C: If the Commission approves the Proposed FPL Rate Case Settlement Agreement, what amount should be included in the capacity cost recovery clause for recovery of jurisdictional non-fuel revenue requirements associated with West County Energy Center Unit 3 (WCEC-3) for the period January 2013 through December 2013?

OPC: In Docket No. 120015-EI, FPL originally proposed to move WCEC-3 revenue requirements from the capacity cost recovery clause to base rates. OPC did not oppose that proposal. OPC opposes the purported settlement agreement to which the issue refers on the grounds that it is facially invalid, and that the procedural measures that the Commission has announced for its consideration are inadequate to cure its deficiencies. OPC also opposes the purported agreement on the grounds that it is substantively a poor deal for customers. With respect to the quantification of WCEC-3 revenue requirements, OPC did not dispute the amount that FPL sponsored in the rate case when FPL's objective was to move the revenue requirements from the clause to base rates.

ISSUE 24D: If the Commission approves the Proposed FPL Rate Case Settlement Agreement that was filed in Docket No. 120015-EI on August 15, 2012 (the "Proposed Settlement Agreement"), should the Commission approve FPL's proposed GBRA factor of 3.527 percent for the Canaveral Modernization Project?

OPC: In Docket No. 120015-EI, OPC opposes the purported settlement agreement to which this issue refers on the grounds that the purported settlement is facially invalid and that the procedural measures that the Commission has announced for its consideration are inadequate to cure its deficiencies. OPC also opposes the purported agreement on the grounds that it is substantively a poor deal for customers. OPC takes no position as to whether the proposed Canaveral recovery factor is mathematically accurate.

**ISSUE 30:** What are the appropriate projected total capacity cost recovery amounts for the period January 2013 through December 2013?

OPC: Capacity cost recovery amounts and related factors must be based on a lawful, final order in Docket No. 120015-EI prior to FPL implementing changes in rates as a result of this Docket.

**ISSUE 31**: What are the appropriate projected net purchased power capacity cost recovery amounts to be included in the recovery factor for the period January 2013 through December 2013?

OPC: Capacity cost recovery amounts and related factors must be based on a lawful, final order in Docket No. 120015-EI prior to FPL implementing changes in rates as a result of this Docket.

**ISSUE 32**: What are the appropriate jurisdictional separation factors for capacity revenues and costs to be included in the recovery factor for the period January 2013 through December 2013?

OPC: Capacity cost recovery amounts and related factors must be based on a lawful, final order in Docket No. 120015-EI prior to FPL implementing changes in rates as a result of this Docket.

**ISSUE 33**: What are the appropriate capacity cost recovery factors for the period January 2013 through December 2013?

OPC: Capacity cost recovery amounts and related factors must be based on a lawful, final order in Docket No. 120015-EI prior to FPL implementing changes in rates as a result of this Docket.

Dated this 13<sup>th</sup> day of November, 2012.

Respectfully submitted,

s/Charles J. Rehwinkel
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## CERTIFICATE OF SERVICE 120001-EI

I HEREBY CERTIFY that a true and foregoing CORRECTED Posthearing Statement of Positions and Brief has been furnished by electronic mail and U.S. Mail on this 13<sup>th</sup> day of November, 2012, to the following:

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