

Hiep Nguyen

From: Asha Maharaj-Lucas
Sent: Tuesday, November 7, 2023 9:54 AM
To: Braulio Baez; Mark Futrell; Apryl Lynn; Keith Hetrick; Mary Anne Helton; Adam Teitzman; CLK - Agenda Staff; Commissioners & Staffs; Cindy Muir; Shelby Eichler; Benjamin Crawford; Corey Hampson; Sevini Guffey; Marissa Ramos; Amber Norris; Curt Mouring; Todd Brown; Donna Brown; Shaw Stiller; Daniel Dose
Cc: Kate Hamrick; Jacqueline Moore; Nancy Harrison
Subject: Oral modification
Attachments: Recommendation pg 24.pdf

Hello:

Please see the approval of the oral modification to Item 4, issue 2, page 24 on the November 9, 2023, Agenda Conference - for docket no. 20230010-EI, below.

Thanks
Asha

From: Braulio Baez <BBaez@PSC.STATE.FL.US>
Sent: Tuesday, November 07, 2023 9:48 AM
To: Asha Maharaj-Lucas <AMaharaj@psc.state.fl.us>
Subject: FW: Oral modification

Approved

Sent from my T-Mobile 5G Device

----- Original message -----

From: Debra Betton <DBetton@PSC.STATE.FL.US>
Date: 11/7/23 8:47 AM (GMT-05:00)
To: Braulio Baez <BBaez@PSC.STATE.FL.US>, Mark Futrell <MFutrell@PSC.STATE.FL.US>
Cc: Cayce Hinton <CHINTON@PSC.STATE.FL.US>, Shelby Eichler <sEichler@psc.state.fl.us>, Shaw Stiller <SStiller@psc.state.fl.us>, Benjamin Crawford <BCRAWFOR@PSC.STATE.FL.US>, Asha Maharaj-Lucas <AMaharaj@psc.state.fl.us>, Kate Hamrick <KHamrick@psc.state.fl.us>
Subject: Oral modification

Morning,

For the Commission Conference scheduled on November 9, 2023, the Office of Industry Development and Market Analysis requests approval to make an oral modification to the Item 4 – Agenda Recommendation in Issue 2, on page 24, under Parties Arguments, in the first line of DEF’s position. The change is due to scrivener’s error and should be changed to reflect the following: “**2020 SPP to 2023 SPP.**”

Thanks.

DEF

Position of the Parties

DEF

The Commission should approve as reasonable DEF's estimated 2023 SPP investments of \$669,882,033 (System). This amount results in an estimated over-recovery of \$17,788,390.

OPC

The Commission failed to make a finding that the SPP and the programs and projects contained therein are prudent to undertake and seek recovery pursuant to Section 366.06(1), Florida Statutes. Therefore, no amounts for the Utilities' 2023 costs have yet been determined to be "prudent." However, OPC has taken no position on these costs, which allowed the Commission to approve Type 2 stipulations on the *factors only*.

FIPUG

The Commission should approve less than the Utilities' requested reasonably estimated 2023 costs and estimated jurisdictional revenue requirement true-up amount for the Storm Protection Plan Cost Recovery Clause. Agree with OPC regarding the factors for all utilities.

PCS

Agree with OPC.

NUCOR

Agree with OPC.

PARTIES' ARGUMENTS

DEF

DEF argues that its 2023 SPP costs are reasonable estimates to implement the 2023 SPP. (DEF BR 3). DEF further argues that no party presented specific evidence regarding alleged unreasonableness of any particular expenditure, and that the only record evidence supports a finding that the 2023 cost estimates are reasonable. (DEF BR 3). DEF states that OPC's legal argument is an impermissible collateral attack on the Commission's prior order approving the DEF SPP and is also contrary to Rule 25-6.031(3), F.A.C., and Section 366.96(5), F.S., both of which prescribe a scope of review that does not include the "prudence" test argued by OPC. (DEF BR 3).

OPC

OPC argues that the Commission must make two prudence determinations in order to allow it to approve recovery of reasonably estimated 2023 storm protection costs and a reasonably estimated jurisdictional revenue requirement true-up amount. First, the Commission must make a "prospective" prudence determination of the SPP programs and projects. (OPC BR 5). Second, the Commission must make a "retrospective" prudence determination in the SPPCRC docket of costs incurred to implement SPP programs and projects. (OPC BR 5). OPC argues that this layered review is mandated because both the SPP and SPPCRC dockets involve ratemaking and, therefore, are subject to the requirements of 366.06(1), F.S.