

CONTRACT FOR PROFESSIONAL SERVICES

This Agreement is made and entered into by and between the **Office of Public Counsel**, State of Florida, hereinafter (“OPC”), and **J. Kennedy & Associates, Inc.**, a Georgia Domestic Profit Corporation, hereinafter (“CONSULTANT”).

WHEREAS, Florida Power and Light Company/ Gulf Power Company (“FPL/Gulf”), Duke Energy Florida, (“DEF”), Tampa Electric Company, (“TECO”), and Florida Public Utilities Company, (“FPUC”), collectively (“Companies”) are expected to file a Storm Protection Plan and a petition for cost recovery of Storm Protection Plan costs in separate dockets. The Florida Public Service Commission (“FPSC”) will establish a docket for the review of the Storm Protection Plan and a docket will be established for review of related storm protection plan costs (“the Dockets”) before the FPSC; and

WHEREAS, OPC, in the exercise of its duty under Florida law to represent the Citizens of the State of Florida in proceedings before the FPSC, will intervene in these Dockets and deems it desirable and advantageous to retain the services of a consultant having experience and special expertise in the review and analysis of the prudence, reasonableness, and cost-effectiveness of proposals affecting utility rate-making; and

WHEREAS, CONSULTANT has experience and special expertise in utility regulation and accounting, and is available to provide consulting services needed by OPC, particularly with regard to anticipated issues related to the Companies’ Storm Protection Plan and costs in these Dockets;

NOW, THEREFORE, the parties hereby mutually agree to the following:

1. CONSULTANT will provide consulting services and advice to OPC, particularly with regard to issues related to the Companies’ Storm Protection Plan and costs in these Dockets, as detailed in the proposal dated November 01, 2021, (“Proposal”) submitted by CONSULTANT to

OPC, which may contain confidential proprietary trade secrets. If any term in the Proposal conflicts with a term of this Agreement, this Agreement will prevail.

2. Lane Kollen, one of CONSULTANT'S Managing Principals, will be the primary provider of the professional consulting services on this project and will be responsible for managing all work CONSULTANT performs on this project. He will also be the sponsor of CONSULTANT'S testimony, if any is deemed desirable or necessary, for this project. He will be assisted by other members of CONSULTANT'S staff, as appropriate. Mr. Kollen will closely coordinate with OPC staff and counsel assigned to the project to ensure OPC's needs are being met and to ensure that services are provided in the format desired.

3. It is anticipated that the services contemplated under this Agreement will be provided in two phases – Phase I and Phase II. During the respective phases, CONSULTANT will perform the following tasks:

A. Phase 1 --Storm Protection Plan Docket wherein CONSULTANT shall focus on identifying Storm Protection Plan activities and storm hardening activities in base rates for potential double recovery and any other issues which may arise within CONSULTANT's area of expertise.

1) Review the Filing — Review the Storm Protection Plan and related petition, testimony, exhibits, and other material filed by the Company and prepare a preliminary summary of the issues in the case. Review of utility's last rate case information to identify, based on the CONSULTANT'S expertise, Storm Protection Plan activities and storm hardening activities that may be currently recovered in base rates for potential double recovery in anticipation of Phase II review of Storm Protection Plan costs and recovery, and any other issues within CONSULTANT's area of expertise that may arise in the Docket.

- 2) Preparation of Discovery — Prepare formal interrogatories, production of documents requests or requests for admission. Review the responses to this discovery and prepare follow-up or additional discovery. Additionally, assist in the response to discovery propounded upon OPC as a result of testimony filed by CONSULTANT.
- 3) Analysis of the Company's Direct Case — Assist in identifying and updating the preliminary issue list based upon discovery and input provided by OPC.
- 4) Assistance in Cross-Examination — Assist in identifying lines of cross-examination and in preparing cross-examination questions for the positions taken by all parties in the proceeding and provide assistance during any depositions or cross-examination of the Company and other parties, as required and on-site if requested.
- 5) Submission of Direct, Supplemental, and Surrebuttal Testimony — Provide OPC with draft(s) of direct testimony on an agreed upon schedule, and a complete draft of direct testimony at least one week prior to the filing date. In addition, to the extent necessary, prepare supplemental and surrebuttal testimony and exhibits. CONSULTANT will also stand for cross-examination on all testimony submitted by them and will be available for depositions upon request.
- 6) Summary of the Parties' Issues — Review and prepare a summary of the issues raised by all parties. This summary will include a quantification or recommended substantive position by issue, as appropriate within the context of the issue.
- 7) Technical Assistance with Briefs — Provide technical assistance during the time that briefs and reply briefs are being prepared. This will include review of the briefs filed by other parties in the proceeding.
- 8) Other Technical Assistance — Provide other assistance to OPC, including the provision of status reports, participation in settlement negotiations, and other assistance as may be required.

B. Phase II – Storm Protection Plan Cost Recovery Docket wherein CONSULTANT shall focus on assuring that storm protection plan and hardening costs being recovered in base rates are not being included in the surcharge proposed by the utility and any other issues which may arise within CONSULTANT’s area of expertise.

- 1) Review the Filing — Review the Storm Protection Plan and the related petition for Storm Protection Plan cost recovery, testimony, exhibits, and other material filed by the Company and prepare a preliminary summary of the issues in the case. Review utility’s last rate case information and evaluate, based on the CONSULTANT’S expertise, whether any of the storm protection plan activities and storm hardening activities and costs being recovered in base rates are being included in the surcharge being proposed by the utility.
- 2) Preparation of Discovery — Prepare formal interrogatories, production of documents requests or requests for admission. Review the responses to this discovery and prepare follow-up or additional discovery. Additionally, assist in the response to discovery propounded upon OPC as a result of testimony filed by CONSULTANT.
- 3) Analysis of the Company’s Direct Case — Assist in identifying and updating the preliminary issue list based upon discovery and input provided by OPC.
- 4) Assistance in Cross-Examination — Assist in identifying lines of cross-examination and in preparing cross-examination questions for the positions taken by all parties in the proceeding and provide assistance during any depositions or cross-examination of the Company and other parties, as required and on-site if requested.
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surrebuttal testimony and exhibits. CONSULTANT will also stand for cross-examination on all testimony submitted by them and will be available for depositions upon request.

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4. CONSULTANT'S fees for services performed under this Agreement must not exceed the hourly rates listed in **Exhibit A**. Hourly rates for any individual not referenced in **Exhibit A** must be agreed to in a written addendum to this Agreement signed by both parties before any such fees are incurred.

When any member of CONSULTANT'S staff is traveling to fulfill the requirements under this Agreement, CONSULTANT shall be compensated for one-half the hourly rate specified in the Fee Structure; however, if CONSULTANT is performing work related to this contract during such travel, CONSULTANT shall be compensated at the full rate specified in this paragraph.

The aggregate of the hourly fees for all of CONSULTANT'S services shall not exceed \$240,000.00 in fees unless OPC agrees in writing to a higher amount, subject to approval by the Florida Legislature.

5. In addition to the hourly fees referenced in paragraph 4, above, CONSULTANT may bill for the following out-of-pocket expenses:

A. Travel and per diem expenses shall be reimbursed on an out-of-pocket basis, but per diem shall not exceed Eighty dollars (\$80.00) per day. CONSULTANT may elect to have per diem expenses reimbursed according to the State of Florida's daily meal allowance plus actual lodging expenses. In either event, lodging, travel, and per diem shall be paid in accordance with statutory requirements and are subject to statutory maximums;

B. Other expenses necessary to fulfill the contract (such as telephone charges, mailings, copying, and the like) shall be reimbursed on an out-of-pocket basis, and

C. Travel, per diem, and all other expenses incurred during the term of this contract shall not exceed \$6,000.00 unless OPC agrees in writing to a higher amount, subject to approval by the Florida Legislature.

6. Requests for payments by CONSULTANT must be submitted monthly to OPC, by the 15th day of the month, following the month in which services are provided and will be subsequently paid on a monthly basis by OPC, subject to all applicable provisions of Florida Law. All requests for payments must provide documentation sufficient to substantiate all charges and expenses before payment can be made. Charges and expenses are eligible for reimbursement only if they are for work performed after the effective date of this Agreement. If no work is performed in a given month, CONSULTANT must submit a letter to OPC by the 15th day of the following month indicating that to the best of its knowledge no work was performed during the given month.

7. This Agreement is for professional services only. CONSULTANT is an independent contractor and is not an employee or agent of OPC. All income taxes, payroll taxes, workers' compensation premiums, or other costs related to CONSULTANT'S partners, principals, employees, agents, or subcontractors performing work on behalf of CONSULTANT in performing its responsibilities under this Agreement are the sole responsibility of CONSULTANT.

8. This Agreement will be governed by and construed in accordance with laws of the state of Florida, without regard to conflicts of law rules. Any dispute(s) arising under or in connection with this Agreement will be litigated and jurisdiction will lie, if at all, solely in the proper court located in Leon County, Florida.


9. This Agreement will be effective upon execution by the last party, and terminate no later than June 30, 2023, unless extended by written mutual agreement..

10. All payments under this Agreement are subject to valid and available appropriations approved for this purpose by the Florida Legislature.

11. Either party may terminate this Agreement at any time by written notice to the other party; however, should CONSULTANT seek to terminate this Agreement, CONSULTANT agrees to provide notice no less than 60 days prior to such termination of this Agreement to permit OPC an opportunity to secure a replacement consultant and during such 60 days must take all reasonable steps to avoid negative effects to OPC and its position.

OPC agrees to provide notice no less than 30 days prior to such termination of this Agreement. However, OPC is not obligated to pay any additional fees, costs, or expenses during the notice period unless such fees, costs, or expenses are incurred prior to the notice and pursuant to this Agreement.

Office of Public Counsel:


Richard Gentry
Public Counsel

1-10-22
Date

J. Kennedy and Associates, Inc.:

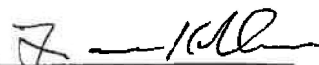
By: 
Its: VICE PRESIDENT
570 Colonial Park Drive, Ste 305
Roswell, GA 30075
FEID#59-2048136
01/07/22
Date

Exhibit "A"

**J. KENNEDY AND ASSOCIATES, INC.
Fee Schedule**

<u>NAME</u>	<u>BILLING RATE</u>
Lane Kollen, Vice President	\$270.00
Randy Futral, Manager Consulting	\$260.00
Ms. Leah Wellborn Manager Consulting	\$255.00
Ann Bruccolierre, Senior Consultant	\$200.00
Ben Pfeffer, Consultant	\$200.00
Brian Kollen, Consultant	\$155.00
Jessica Inman, Research Analyst	\$120.00