

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

In Re: Conservation Cost :
Recovery Clause : DOCKET NO. 960002-EG
:
:

PROCEEDINGS: PREHEARING CONFERENCE

BEFORE: J. TERRY DEASON

PLACE: Betty Easley Conference
Center
4075 Esplanade Way
Tallahassee, Florida

TIME: Commenced at 9:40 a.m.
Concluded at 10:05 a.m.

DATE: Monday, February 12, 1996

REPORTED BY: SARAH B. GILROY, CP, RPR
Notary Public, State of
Florida at Large.

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1 APPEARANCES:

2 WAYNE L. SCHIEFELBEIN, ESQUIRE, Gatlin, Woods &
3 Carlson, 1709-D Mahan Drive, Tallahassee, Florida 32308,
4 appearing on behalf of Chesapeake Utilities Corporation.

5 JAMES D. BEASLEY, ESQUIRE, MacFarlane, Ausley,
6 Ferguson & McMullen, 227 South Calhoun Street, Tallahassee,
7 Florida 32301, appearing on behalf of Tampa Electric Company.

8 VICKI GORDON KAUFMAN, ESQUIRE, McWhirter, Reeves,
9 McGlothlin, Davison, Rief & Bakas, 117 South Gadsden Street,
10 Tallahassee, Florida 32301, appearing on behalf of Florida
11 Industrial Power Users Group.

12 MICHAEL A. PALECKI, ESQUIRE, 955 East 25th Street,
13 Hialeah, Florida 33013, appearing on behalf of City Gas Company
14 of Florida.

15 JEFFREY A. STONE, ESQUIRE, Beggs & Lane, 700 Blount
16 Building, 3 West Garden Street, Post Office Box 12950,
17 Pensacola, Florida 32576, appearing on behalf of Gulf Power
18 Company.

19 NORMAN H. HORTON, JR., ESQUIRE, Messer, Caparello,
20 Madsen, Goldman & Metz, Post Office Box 1876, Tallahassee,
21 Florida 32302, appearing on behalf of Florida Public Utilities
22 Company and West Florida Gas.

23 DEBRA A. SWIM, ESQUIRE, 1323 Diamond Street,
24 Tallahassee, Florida 32301, appearing on behalf of LEAF.
25

1 MATTHEW M. CHILDS, ESQUIRE, Steel, Hector & Davis,
2 215 South Monroe Street, Suite 601, Tallahassee, Florida 32301,
3 appearing on behalf of Florida Power & Light Company.

4 ROBERT SCHEFFEL WRIGHT, ESQUIRE, Landers & Parsons,
5 310 West College Avenue, Post Office Box 271, Tallahassee,
6 Florida 32302, representing Peoples Gas System, Inc.

7 MATTHEW R. COSTA, ESQUIRE, MacFarlane, Ausley,
8 Ferguson & McMullen, Post Office Box 1531, Tampa, Florida,
9 33601, appearing on behalf of Peoples Gas System, Inc.

10 CHARLES A. GUYTON, ESQUIRE, Steel, Hector & Davis,
11 215 South Monroe Street, Suite 601, Tallahassee, Florida 32301,
12 appearing on behalf of Florida Power & Light Company.

13 JOHN ROGER HOWE, ESQUIRE, Deputy Public Counsel,
14 Office of Public Counsel, c/o The Florida Legislature, 111 West
15 Madison Street, Room 812, Tallahassee, Florida 32399-1400,
16 appearing on behalf of the Citizens of the State of Florida.

17 VICKI D. JOHNSON, ESQUIRE, Florida Public Service
18 Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida,
19 32399-0850, appearing on behalf of the Commission Staff.

20 SHEILA L. ERSTLING, ESQUIRE, Florida Public Service
21 Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida
22 32399-0850, appearing on behalf of the Commission Staff.

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P R O C E E D I N G S

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2 (The prehearing conference was commenced at 9:35
3 a.m.)

4 COMMISSIONER DEASON: Call the prehearing
5 conference to order. Can we have the notice read
6 please?

7 MS. JOHNSON: By notice issued -- by notice issued
8 January 18th, 1996, a prehearing conference was set in
9 Docket Nos. 960001, fuel and purchase power cost
10 recovery clause and generating performance incentive
11 factor; 960002-EG, conservation costs recovery clause;
12 Docket No. 960003-GU, purchased gas adjustment; and
13 Docket No. 960007-EI, environmental cost recovery
14 clause. The purpose of the prehearing conference is set
15 out in notes.

16 COMMISSIONER DEASON: Thank you. Take
17 appearances.

18 MR. SCHIEFELBEIN: Wayne Schiefelbein, with the
19 firm Gatlin, Woods and Carlson on behalf of Chesapeake
20 Utilities in the 02 and 03 dockets only.

21 MR. BEASLEY: Mr. Chairman, I'm James D. Beasley of
22 the MacFarlane, Ausley Law Firm, Post Office Box 391,
23 Tallahassee, Florida, 32302, representing Tampa Electric
24 Company in the fuel and conservation cost recovery
25 dockets.

1 MS. KAUFMAN: Vicki Gordon Kaufman of the law firm
2 McWhirter, Reeves, McGlothlin, Davidson, Rief and Bakas
3 on behalf of the Florida Industrial Power Users Group in
4 the 01 and 02 dockets.

5 MR. PALECKI: Michael Palecki, representing City
6 Gas Company of Florida in the 02, 01 and 03 dockets.

7 MR. STONE: Jeffrey A. Stone, and with me is
8 Russell A. Badders, with the law firm of Beggs & Lane,
9 representing Gulf Power Company in the 01, 02 and 07
10 dockets.

11 MR. HORTON: Norman H. Horton, Jr., Messer,
12 Caparello Law Firm, representing Florida Public
13 Utilities in the 01, 02 and 03 dockets; West Florida
14 Natural Gas in the 02 and 03 dockets; and South Florida
15 Natural Gas and Sebring Gas System, Inc. in the 03
16 docket.

17 MS. SWIM: Debra Swim with the Legal Environmental
18 Assistance Foundation in Tallahassee. I am in the 02
19 docket.

20 MR. CHILES: Matthew Chiles with the firm of Steel,
21 Hector & Davis, representing Florida Power & Light
22 Company in the 07 and 01 dockets.

23 MR. WRIGHT: Robert Scheffel Wright, law firm of
24 Landers & Parsons, 310 West College Avenue, Tallahassee,
25 Florida, 32301, appearing on behalf of Peoples Gas

1 System, Incorporated in the 960002 docket.

2 MR. COSTA: Matthew Costa, MacFarlane, Ausley Law
3 Firm, P. O. Box 1531, Tampa, Florida, 33601, here on
4 behalf of Peoples Gas in the 03 docket.

5 MR. HOWE: I'm Roger Howe, deputy public counsel
6 appearing on behalf of the Citizens of the State of
7 Florida in the 01, 02, 03 and 07 dockets.

8 MR. GUYTON: Charles A. Guyton with the law firm of
9 Steel, Hector & Davis, appearing on behalf of Florida
10 Power & Light Company in the 02 docket.

11 MS. JOHNSON: Vickie D. Johnson, appearing on
12 behalf of Commission Staff in the 01 and 07.

13 MS. ERSTLING: Sheila L. Erstling and Mary Beth
14 Culpepper appearing for Commission Staff in the 02 and
15 03 dockets.

16 MS. KAUFMAN: Mr. Chairman, I neglected to mention
17 that FIPUG is a party in the 07 docket as well.

18 COMMISSIONER DEASON: Very well.

19 MS. ERSTLING: Commissioner, I just want to point
20 out in the order establishing procedure it showed that
21 the 03 would have a prehearing today at 1:30, but all of
22 them were properly noticed for 9:30 this morning.

23 COMMISSIONER DEASON: Very well. So there is no
24 deficiency in that?

25 MS. ERSTLING: No, sir.

1 COMMISSIONER DEASON: Very well. I've had a
2 request to take up the 02 docket first. That's what I
3 propose to do unless --

4 MS. ERSTLING: 03, sir, purchased gas.

5 COMMISSIONER DEASON: I had another request
6 subsequent to your request --

7 MS. ERSTLING: Oh, okay. Sorry about that.

8 COMMISSIONER DEASON: -- to take up the 02 docket
9 first. Is there any objection? Does Staff have a
10 problem doing 02 first?

11 MS. JOHNSON: Staff doesn't have a problem.

12 COMMISSIONER DEASON: Does any party have a problem
13 doing 02 first?

14 MS. KAUFMAN: No problem.

15 COMMISSIONER DEASON: Let's go ahead then and do
16 the 02 docket. Persons need to find a place. There may
17 need to be some accommodations made.

18 I've been asked to remind everyone to speak
19 directly into the microphone when you speak so that it
20 will be sure and be picked up.

21 Are there any preliminary matters in the 02
22 docket?

23 MS. ERSTLING: I want to point out that there are
24 some typographical corrections that need to be made. On
25 page six under Chesapeake's, under the rate class, on

1 line three it reads, GS, commercial large. The word
2 "volume" should appear after that. And then the next
3 two factors are GS industrial, 0.382, and firm
4 transportation, 0.369.

5 Also if we go to page 12 on the St. Joe Natural
6 Gas, the ECCR factors under that should be residential
7 .494, commercial .790. Commercial large volume is the
8 same at .418. That's all the corrections. Thank you.

9 COMMISSIONER DEASON: Could you repeat the
10 correction for Chesapeake please?

11 MS. ERSTLING: Yes. On Chesapeake it's just a
12 matter of lines. The word "volume" should appear at GS
13 commercial large. And then the actual factors are GS
14 industrial, 0.382, and firm transportation, 0.369.

15 COMMISSIONER DEASON: Thank you. Any other
16 preliminary matters in the 02 docket?

17 MR. STONE: Mr. Chairman, on the appearances, my
18 middle initial has been changed. It should be A instead
19 of S.

20 COMMISSIONER DEASON: That correction will be
21 noted. Any other preliminary matters? Then we will
22 proceed then into the draft prehearing order.

23 Beginning with section one, the case background,
24 any changes, corrections? Section two, confidential
25 information. Section three, testimony and exhibits.

1 Section four, order of witnesses. Mr. Stone.

2 MR. STONE: Yes, sir. On Witness Neyman, the
3 issues that she will be testifying on will be issue one,
4 two, six, seven and eight. Issue nine apparently is a
5 company-specific issue for one of the other utilities.

6 COMMISSIONER DEASON: Very well. Any other
7 corrections or questions concerning the order of
8 witnesses? Yes.

9 MR. PALECKI: City Gas Company of Florida's witness
10 is not indicated on the list. Carl Smith should be
11 indicated appearing for City Gas Company of Florida on
12 issues one and two.

13 MR. WRIGHT: Mr. Chairman?

14 COMMISSIONER DEASON: Mr. Wright.

15 MR. WRIGHT: Thank you. Just a minor point. It
16 appears that the numeration of issues changed and that
17 the Peoples' company-specific issues are now issues nine
18 through 11, so that next to Mr. Krutsinger's name in the
19 order of witnesses section it should say issues one,
20 two, and then nine through 11 instead of 10 through 12.

21 COMMISSIONER DEASON: Very well. Staff has those
22 changes?

23 MS. ERSTLING: Yes.

24 COMMISSIONER DEASON: Section five, basic
25 positions. Changes or corrections? We've already had

1 some corrections made. Any other changes?

2 MR. STONE: On page seven for Gulf, it should read,
3 period April 1996 through March 1997.

4 COMMISSIONER DEASON: Other changes?

5 MS. SWIM: Commissioner, I just wanted to state for
6 the record that on issue five as identified in Staff's
7 prehearing statement, LEAF's position is stated in our
8 joint motion to approve stipulation with Florida Power
9 Corp. And I wanted to make sure that if that was not
10 ruled on at this time, we go ahead and state our
11 position here on the record.

12 COMMISSIONER DEASON: Very well. It's my intention
13 that that stipulation will be presented to the full
14 panel for its consideration. And your position will be
15 so stated. And it will be noted that that -- that
16 stipulation is pending for approval.

17 MS. SWIM: Okay. Thank you.

18 COMMISSIONER DEASON: Okay. Let's go to issue
19 one. Changes or corrections to issue one?

20 MR. SCHIEFELBEIN: Chesapeake's -- Chesapeake's
21 witness there is a Nettles.

22 COMMISSIONER DEASON: Very well. It appears to me
23 that -- unless I'm misreading something, that there
24 seems to be an agreement with Staff for all
25 situations -- all companies other than Gulf and Peoples;

1 is that correct?

2 MS. ERSTLING: It's Florida Power Corp., Gulf and
3 Peoples are the three.

4 COMMISSIONER DEASON: There is disagreement with
5 Florida Power Corp.?

6 MS. ERSTLING: No. Actually the only situation is
7 the decoupling issue with Florida Power Corp., but the
8 factors are okay.

9 COMMISSIONER DEASON: Okay. And let me go ahead
10 and ask my standard question to Public Counsel and to
11 FIPUG. FIPUG is not a party -- you are a party in this
12 docket; are you not?

13 MS. KAUFMAN: Yes, we are, Mr. Deason.

14 COMMISSIONER DEASON: When you have no position, is
15 it your intention to keep that position, and that -- let
16 me ask, how do you proceed to address these issues when
17 you have no position stated in your prehearing
18 statement? Do you plan to keep no position at this time
19 as well, unless you state otherwise?

20 MR. HOWE: No, sir. I would -- for the Public
21 Counsel's part we would change generally to no position
22 at all and let any stipulation between the Staff and the
23 companies then go forward.

24 COMMISSIONER DEASON: Okay. So basically unless
25 you speak otherwise, when you have no position at this

1 time, we can change that to no position?

2 MR. HOWE: That's correct.

3 MS. KAUFMAN: Mr. Deason, the same would be true
4 for FIPUG on these general issues. But on some of the
5 specific ones we may have a position. But for this one,
6 yes, it's correct to say no position.

7 COMMISSIONER DEASON: Very well. Issue two,
8 changes or corrections? With the changes that Staff
9 made earlier then, there is agreement between Staff and
10 St. Joe Natural Gas; is that correct?

11 MS. ERSTLING: Yes. Yes, sir, there is.

12 COMMISSIONER DEASON: Any other changes or
13 corrections? Issue three. Issue four. Issue five. We
14 preliminarily discussed issue five a moment ago. Issue
15 six.

16 MS. KAUFMAN: Excuse me, Mr. Deason. I'm a little
17 bit unclear on issue five, and Ms. Erstling and I had
18 discussed it before the prehearing conference.

19 COMMISSIONER DEASON: Yes.

20 MS. KAUFMAN: I want to be sure I'm understanding
21 what's going to happen with issue five, and that is that
22 there is not going to be any approval or disapproval now
23 of Florida Power Corporation's proposal, but we're going
24 to take this up at another time?

25 COMMISSIONER DEASON: That is my intent, yes.

1 MS. KAUFMAN: With that understanding we would
2 agree just to defer it to a later time.

3 COMMISSIONER DEASON: When I say "deferral," I mean
4 I'm not going to rule on it today. It will be presented
5 to the panel at the time of the hearing.

6 MS. KAUFMAN: I understand. I just wanted to be
7 sure that my position on this does not indicate any
8 acquiescence with Florida Power Corporation's proposal.

9 COMMISSIONER DEASON: Very well. Oftentimes when
10 you use "deferral," that refers to the next six-month or
11 year period. I didn't want to give that impression.

12 MS. KAUFMAN: I understand.

13 COMMISSIONER DEASON: Issue six. There is a
14 revised Staff position; is that correct?

15 MS. ERSTLING: Yes, but we have a new revised Staff
16 position. We would like to put in there that this be
17 delayed. It reads, customarily new conservation
18 programs are approved by proposed agency action. The
19 company's projection filing includes the
20 cost-effectiveness analysis for the business edge
21 program.

22 This filing was submitted on January 19th, 1996.
23 The Staff has not had sufficient time to evaluate the
24 program or issue discovery; therefore, Staff requests
25 that a separate docket be opened to evaluate the

1 business edge conservation program.

2 If the program is approved, Gulf can either ask for
3 a mid course correction, if necessary, or wait until the
4 next true-up filing to recover program costs.

5 COMMISSIONER DEASON: Mr. Stone, do you have a
6 response to that revised position?

7 MR. STONE: I have a question. I take it from
8 their position that Staff would request that we back the
9 projection numbers out of the -- our projection filing
10 and revise our factors if necessary?

11 MS. ERSTLING: Yes. That is our position.

12 MR. STONE: We're not opposed to spinning the
13 docket off at this time. We're not able to determine
14 what effect that has on our factors, but we can
15 determine that. We do --

16 COMMISSIONER DEASON: What time period would it
17 take to get those calculations?

18 MR. STONE: We may be able to have it before the
19 end of the day. If not, we certainly would have it
20 before tomorrow, before the end of business tomorrow.

21 MS. ERSTLING: That would be satisfactory.

22 MR. STONE: I'm curious as to the timetable Staff
23 would expect on this program. Given the fact that we
24 only have one hearing a year in the 02 docket, that was
25 our concern, which is why we presented it at the

1 projection filing.

2 COMMISSIONER DEASON: Mr. Stone has a question
3 about the time frame.

4 MS. ERSTLING: Well I think it would take the
5 normal process. We have the filing in here now, but we
6 haven't had a chance -- Staff hasn't had a chance to
7 review it. So I would say it's going to take the usual
8 60 to 90 days in order to review it, get discovery out
9 and bring it before the Commission as a PAA.

10 COMMISSIONER DEASON: Does that answer your
11 question?

12 MR. STONE: It does.

13 COMMISSIONER DEASON: I take it then there is no
14 objection to spinning this off, and therefore issue six
15 can be deleted for purposes of this proceeding at this
16 time. And I guess it would simply be appropriate to
17 show that issue six has been deleted; there is no need
18 to renumber the issues, and that Gulf will be providing
19 the revised calculations for incorporation into this
20 order as a result?

21 MS. ERSTLING: We would include them.

22 COMMISSIONER DEASON: Staff, it's your intent to
23 open a separate docket and to have that processed as a
24 PAA?

25 MS. ERSTLING: Yes, sir, it is. Staff will go

1 forward with the filing and do that. Thank you.

2 COMMISSIONER DEASON: Issue number seven. Changes
3 or corrections? Issue eight. Issue nine.

4 MR. GUYTON: Mr. Deason, while this is not an issue
5 that involves Florida Power & Light Company, on the
6 surface we are a bit concerned about the generic wording
7 of this issue. And we're wondering if, as a source of
8 some comfort, if we might be able to make it a bit more
9 company-specific, perhaps by identifying the particular
10 programs at issue, as well as the competitive utility,
11 so it's clear that it's not meant to be a policy issue
12 to be decided by the Commission, but instead a
13 company-specific issue.

14 COMMISSIONER DEASON: It appears to be fairly
15 company-specific. But if you have some suggested
16 language to make it more clear, I would be willing to
17 entertain that.

18 MR. GUYTON: I don't know the programs, but if we
19 could just add the two companies -- or more
20 company-specific programs that are involved here, it
21 probably would suffice.

22 COMMISSIONER DEASON: Does Staff have that
23 information?

24 MS. ERSTLING: It's okay to add the home builder
25 program in there. That would make it very specific.

1 COMMISSIONER DEASON: Is that the only program
2 involved?

3 MS. ERSTLING: Yes, sir. That's the only program
4 involved.

5 COMMISSIONER DEASON: All right. Well just include
6 that more specific wording, unless there is an
7 objection? Hearing no objection, just include that.

8 Further questions on issue nine? Is Staff's intent
9 not to take a position until after the hearing; is that
10 correct?

11 MS. ERSTLING: That is correct, sir.

12 COMMISSIONER DEASON: Issue ten? Is there a
13 stipulation?

14 MS. ERSTLING: There is a stipulation, sir. If
15 still agreeable with Peoples, then we will stipulate to
16 the 50-50 on issue ten?

17 COMMISSIONER DEASON: Is that acceptable?

18 MR. WRIGHT: Yes, Mr. Chairman. Thank you.

19 COMMISSIONER DEASON: So that can be shown then as
20 a proposed stipulation. That will be presented to the
21 full panel as well.

22 Issue 11. Section -- that concludes all of the
23 issues that I have; is that correct?

24 MS. ERSTLING: Yes, sir.

25 COMMISSIONER DEASON: Section seven addresses

1 exhibit lists. Changes or corrections to exhibits?

2 MR. STONE: Mr. Deason, we have an additional
3 exhibit we would like to add for Ms. Neyman. We would
4 for identification purposes label it as MDN-5. It's a
5 document previously filed with the Commission in another
6 proceeding.

7 It is the results of the pilot residential advanced
8 energy management or AEM system. It's a document dated
9 November 28, 1994.

10 COMMISSIONER DEASON: Does Staff have that
11 document?

12 MS. ERSTLING: No. If they can give us --

13 MR. STONE: It has been filed with the clerk's
14 office, but we will make sure that you get a copy.

15 MS. ERSTLING: Thank you. I think, sir, that under
16 Gulf, since we have removed the business edge program,
17 they can remove their exhibit MDN-3 if that's okay with
18 them. That's the business edge program summary.

19 COMMISSIONER DEASON: Any objection?

20 MR. STONE: No objection.

21 COMMISSIONER DEASON: Show that deleted. Okay.
22 Section eight addresses proposed stipulations. I
23 believe we would have two proposed stipulations at this
24 time; is that correct?

25 MS. ERSTLING: In actuality we have the stipulation

1 that will be addressed, the Florida Power Corporation,
2 Legal Environmental Assistance. Gulf has proposed that
3 the testimony of witnesses on issues that have -- will
4 not need to be cross-examined. They can be inserted
5 into the record as read, and cross-exam waived and that
6 the witnesses' attendance at the hearing being excused.

7 We have no opposition to that in the case of all
8 but Peoples, Gulf and FPC.

9 COMMISSIONER DEASON: And the other proposed
10 stipulation involving the Peoples' position concerning
11 the 50-percent split?

12 MS. ERSTLING: Yes.

13 COMMISSIONER DEASON: Okay. Then the only
14 witnesses that will need to appear are those on behalf
15 of Florida Power, Gulf Power and whom else?

16 MS. ERSTLING: And Peoples, sir.

17 COMMISSIONER DEASON: And all other witnesses'
18 testimony will simply be inserted into the record and
19 cross-examination waived; is that correct?

20 MS. ERSTLING: That is correct, sir.

21 COMMISSIONER DEASON: All parties understand that?
22 Any objection?

23 MR. GUYTON: And the exhibits admitted?

24 COMMISSIONER DEASON: Yes. The testimony and the
25 accompanying exhibits would also be admitted.

1 MS. KAUFMAN: Mr. Deason, I'm still a little
2 confused about issue five. Is that testimony going into
3 the record, or are we going to hold that out when we
4 come back to that issue?

5 COMMISSIONER DEASON: It's my understanding it will
6 be -- that person sponsoring that will be -- will be
7 here at the hearing and will sponsor that testimony
8 live, if I'm mistaken. Correct me --

9 MS. ERSTLING: Yes. That is so. I think it will
10 be at that point where the panel can decide if we go
11 forward with that or defer that or put it into a
12 separate docket. But I think that is how the issue is
13 stated, basically whether it's going to be spun out at
14 that time.

15 MS. KAUFMAN: I might ask Ms. Erstling a question?

16 COMMISSIONER DEASON: Yes.

17 MS. KAUFMAN: I'm still confused. You're talking
18 about spinning out issue number five when the whole
19 panel is present to address it?

20 MS. ERSTLING: Yes, that is correct.

21 MS. KAUFMAN: Thank you.

22 COMMISSIONER DEASON: Now it may not be necessary
23 to actually have that testimony presented, depending on
24 the panel's disposition of the stipulation; is that
25 correct?

1 MS. ERSTLING: That is correct. In addition to the
2 stipulation it is possible that we will have a
3 stipulated position on that by all the parties up to
4 that time in agreement as to what to do. But we don't
5 have that at this moment.

6 COMMISSIONER DEASON: So what I'm saying, if
7 necessary that witness will be here, will be available
8 and if necessary will take the stand to sponsor that
9 testimony.

10 MS. KAUFMAN: I'm operating somewhat at a loss
11 because I don't know what the stipulation is that's
12 referred to under proposed stipulations.

13 MS. ERSTLING: We have copies out there. There was
14 a stipulation between LEAF and Florida Power Corporation
15 that they presented to us, and there are copies of that
16 out there. That is not what I'm talking about about
17 stipulating to issues. It's a separate stipulation.

18 MS. KAUFMAN: I understand that, but it goes to the
19 same issue?

20 MS. ERSTLING: Yes, it does go to the same issue.

21 MS. KAUFMAN: I just haven't had an opportunity to
22 review that. Thank you.

23 COMMISSIONER DEASON: Okay. Any other questions or
24 comments concerning the proposed stipulations?

25 MR. STONE: Commissioner Deason, Gulf has two

1 outstanding issues that are not stipulated to, and it is
2 a result of Staff's position on those two issues. I was
3 wondering if we might have a moment to speak with Staff
4 to see if perhaps we might reach an accommodation on
5 those issues that would eliminate the need for a hearing
6 with regard to Gulf's witnesses -- witness.

7 COMMISSIONER DEASON: I don't have an objection to
8 doing that. How much time do you anticipate that
9 taking?

10 MR. STONE: Unless Staff says summarily no to our
11 proposition, it probably wouldn't take very -- it won't
12 take long either way, but --

13 COMMISSIONER DEASON: Well let's go ahead and take
14 a recess at this point. And we will take a ten-minute
15 recess for that purpose. And then we will see where we
16 stand after that. Ten-minute recess.

17 (short recess).

18 COMMISSIONER DEASON: Call the prehearing back to
19 order. Mr. Stone, what do you have to report?

20 MR. STONE: It's my understanding that Staff wants
21 to confer upstairs, so we don't have a result as yet.

22 COMMISSIONER DEASON: Well at this point we're
23 going to leave things as they are. If there is a change
24 in status before we conclude today, we will take the
25 matter up at that time.

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MR. STONE: That will be fine.

COMMISSIONER DEASON: Section nine addresses pending motions. We've already addressed the motion concerning the proposed stipulation. That will be presented to the Commission at the time of the hearing in this matter.

Section 10 addresses rulings. Anything else in the 02 docket at this time?

MS. ERSTLING: No, sir, nothing further.

COMMISSIONER DEASON: We will conclude 02 at least temporarily, depending on whether there is anything else concerning Gulf's issues.

(The proceedings were concluded at 10:05 a.m.)

1 STATE OF FLORIDA)

2 CERTIFICATE OF REPORTER

3 COUNTY OF LEON)

4
5 I, SARAH B. GILROY, CP, RPR

6
7 DO HEREBY CERTIFY that the Prehearing Conference on
8 Docket No. 960002-EG was heard by the Florida Public Service
9 Commission at the time and place herein stated; it is further

10
11 CERTIFIED that I stenographically reported the said
12 proceedings; that the same has been transcribed under my direct
13 supervision; and that this transcript, consisting of 23 pages,
14 constitutes a true transcription of my notes of said
15 proceedings.

16
17 DATED this 15th day of February, 1996.

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21
22
23 Sarah B. Gilroy
24 SARAH B. GILROY
25 Registered Professional Reporter