

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Joint petition for determination)
of need for an electrical power plant) DOCKET NO.
in Volusia County by the Utilities) 981042-EM
Commission, City of New Smyrna Beach,)
Florida, and Duke Energy New Smyrna)
Beach Power Company Ltd., L.L.P.)
)

VOLUME 9
PAGES 1158 THROUGH 1236

PROCEEDINGS: HEARING

BEFORE: CHAIRMAN JULIA L. JOHNSON
COMMISSIONER J. TERRY DEASON
COMMISSIONER SUSAN F. CLARK
COMMISSIONER JOE GARCIA
COMMISSIONER E. LEON JACOBS

DATE: Friday, December 4, 1998

TIME: Commenced at 9:30 a.m.

PLACE: Betty Easley Conference Center
Room 148
4075 Esplanade Way
Tallahassee, Florida

REPORTED BY: NANCY S. METZKE, RPR, CCR

C & N REPORTERS
REGISTERED PROFESSIONAL REPORTERS
POST OFFICE BOX 3093
TALLAHASSEE, FLORIDA 32315-3093
(850)697-8314 / FAX (850)697-8715

(APPEARANCES AS HERETOFORE NOTED)
BUREAU OF REPORTING

RECEIVED 12-14-98

DOCUMENT NUMBER - DATE

14008 DEC 14 98

FPSS-RECORDS/REPORTING

INDEX

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

	<u>PAGE NO.</u>
MICHAEL D. RIB	
Direct Examination by Mr. Sasso . . .	1161
Direct Prefiled Testimony Inserted . . .	1163
Cross Examination by Mr. Wright . . .	1193

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

INDEX OF EXHIBITS

	ID	ADMTD
#30 Assistance area model for Tiger	1206	

1 P R O C E E D I N G S

2 (Transcript continues in sequence from Volume 8).

3
4
5 Whereupon,

6 MICHAEL D. RIB

7 was called as a witness by Florida Power Corporation and,
8 after being first duly sworn, testified as follows:

9 DIRECT EXAMINATION

10 BY MR. SASSO:

11 Q Could you tell us your name and business address,
12 please?

13 A Yes. My name is Michael Rib. My address is One
14 Power Plaza, 263 13th Avenue South, St. Petersburg,
15 Florida, 33701.

16 Q By whom are you employed, and what is your
17 position?

18 A I am director of resource planning at Florida
19 Power Corporation.

20 Q Do you have before you a document entitled
21 "Direct Testimony of Michael D. Rib As Corrected"?

22 A Yes, I do.

23 Q And does that document include direct testimony
24 prepared for this hearing?

25 A Yes, it does.

1 Q If you were asked the questions contained in that
2 prepared testimony, would you provide the same answers
3 today?

4 A Yes, I would.

5 Q And do you adopt that prefiled testimony as part
6 of your testimony here today?

7 A Yes, I do.

8 MR. SASSO: Madam Chairman, we ask that Mr. Rib's
9 prepared testimony as corrected be entered into the record
10 as though read.

11 CHAIRMAN JOHNSON: It will be entered.

12

13

14

15

16

17

18

19

20

21

22

23

24

25

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Joint Petition for)
Determination of Need for an)
Electrical Power Plant in Volusia)
County by the Utilities Commission,)
City of New Smyrna Beach, Florida,)
and Duke Energy New Smyrna Beach)
Power Company Ltd., L.L.P.)
_____)

DOCKET NO. 981042-EM

October 12, 1998

DIRECT TESTIMONY

OF

MICHAEL D. RIB

ON BEHALF OF

FLORIDA POWER CORPORATION

CORRECTED

IN RE: JOINT PETITION FOR DETERMINATION OF NEED
FOR AN ELECTRICAL POWER PLANT IN VOLUSIA COUNTY
BY THE UTILITIES COMMISSION, CITY OF NEW SMYRNA
BEACH, FLORIDA AND DUKE ENERGY NEW SMYRNA BEACH
POWER COMPANY LTD., L.L.P.
DOCKET NO. 981042-EM

DIRECT TESTIMONY OF MICHAEL D. RIB

1 **Q Please state your name and business address.**

2 **A** My name is Michael D. Rib, and my address is One Power Plaza, 263 13th Avenue
3 South, St. Petersburg, FL 33701-5511.

4 **Q By whom are you employed and in what position?**

5 **A** I am presently the Director of Resource Planning at Florida Power Corporation (FPC),
6 a regulated investor-owned electric utility.

7 **Q Please describe your duties and responsibilities with FPC.**

8 **A** I am responsible for the development of energy resource plans that combine fuel and
9 generating resource alternatives into cost-effective and flexible plans to serve our
10 customers. I am also responsible for reporting these plans to the agencies in the State,
11 as appropriate under the current regulatory framework. In the course of carrying out
12 my responsibilities, I have become generally familiar with the regulatory framework
13 applicable to planning and siting new generation in Florida.

14 **Q Please summarize your educational background and experience.**

1 need for new generation capacity in this State. I also discuss how merchant plants fall
2 outside this process and how their introduction into this process will impair the ability
3 of the Commission and retail utilities to meet their statutory responsibilities. Finally, I
4 explain why the petitioners have failed to demonstrate that the proposed Project is
5 “needed,” as that term is understood in the utility industry in Florida.

6 **Q Please summarize your testimony.**

7 **A** Retail utilities in Florida, like FPC, have the statutory responsibility to plan for new
8 generation capacity through the 10-year site plan process and to engage in related
9 conservation planning under the Florida Energy and Efficiency Conservation Act
10 (FEECA). These planning responsibilities are integrally related to siting new
11 generation capacity under Section 403.519 and the Electric Power Plant Siting Act
12 (the Siting Act) and to the development of demand side management (DSM) and
13 conservation programs under FEECA. In fact, Section 403.519 is a part of FEECA,
14 and the 10-year site plan requirement was adopted as part of the same law that
15 included the Siting Act.

16 Utilities like FPC — which must plan for new generation only on the basis of
17 firm commitments that it can count on — may not rely on Duke’s mere stated
18 intentions to market power in this State when and where it chooses. Neither can the
19 Commission. The future intentions of merchant plant developers like Duke are not
20 foreseeable or enforceable. Allowing merchant plants to intrude themselves into our
21 regulatory system will serve only to create confusion and to impair planning for new
22 generation capacity.

1 under Section 403.519 are all part of a unitary regulatory framework for determining
2 whether, when, and how state-regulated retail utilities should add generating capacity.
3 While there are exemptions to certain of these statutory requirements (e.g., for plants
4 with smaller steam components), they do not apply here.

5 The related nature of these requirements may be seen from the fact that the
6 site-plan law (Section 186.801) says “All findings by the commission [in its review of
7 a utility’s 10-year site plan] shall be made available to the Department of
8 Environmental Protection for its consideration at any subsequent electrical power
9 plant site certification proceedings.” As far as FEECA is concerned, the need
10 provision, Section 403.519, says the Commission shall consider conservation
11 measures taken by or reasonably available to the applicant.

12 In this context, it is my understanding, in carrying out my responsibilities as a
13 resource planner, that Section 403.519 is the means by which the Commission and
14 state-regulated utilities (with a statutory obligation to serve retail customers in this
15 State) carry out plans that will enable those utilities to discharge their obligations to
16 provide adequate generating capacity to serve their customers, while meeting other
17 regulatory obligations, such as those under FEECA.

18 **Q Has this understanding of the statutory framework entered into your planning**
19 **activities for FPC?**

20 **A** Yes. In planning future capacity needs for FPC, I am able to take into account and
21 rely upon only matters within the control and subject to the regulation of the

1 Commission — in short, what state-regulated utilities have done or are likely to do (as
2 reflected in their 10-year site plans and FEECA programs). Planning for future
3 capacity needs is difficult enough using these assumptions. To complicate matters,
4 generation planning may not be conducted without regard to transmission system
5 constraints. So, we must factor in what we know and may reasonably predict about
6 both generation resources and, with assistance, transmission system constraints, given
7 existing generation resources and disclosed plans for future construction.

8 **Q As part of this planning process, do Florida utilities, like FPC, plan to provide a**
9 **reserve margin to ensure that capacity will exist to cover contingencies?**

10 **A** Yes. FPC plans for a reserve margin above the forecast annual firm load peaks.

11 **Q In developing its 10-year site plan and in calculating its reserve margin, is FPC**
12 **permitted to take into account plans to purchase power that are not based upon**
13 **an agreement that provides for the sale to FPC of firm capacity and energy?**

14 **A** No, FPC may not take the capacity into account at all.

15 **Q Why not?**

16 **A** The energy contributions would be speculative, at best. Neither FPC nor the
17 Commission can count on having capacity available when FPC actually needs it
18 absent a power sales agreement.

1 **Q Absent a power sales agreement providing for the sale to FPC of firm capacity**
2 **and energy, would FPC or the Commission be able to rely upon prospective**
3 **purchases of electrical power from a merchant power plant located anywhere in**
4 **the State?**

5 **A No. Neither FPC nor the Commission would have any assurance that when FPC**
6 **actually needed the power, it would be available. For example, in circumstances**
7 **where Northern or Central Florida may be experiencing unusually cold (or hot)**
8 **weather, it is possible if not probable that states to the north would be experiencing the**
9 **same or worse conditions. This might provide market opportunities or even business**
10 **imperatives for a merchant plant to sell its power outside the State. This past summer,**
11 **the Mid-West experienced a severe heat wave leading to power shortages and sky-**
12 **high rates for wholesale power. In such circumstances, neither FPC nor the**
13 **Commission could expect that a merchant plant located here would agree to market its**
14 **energy in this State on less favorable terms.**

15 Because (1) merchant plants have no statutory duty to serve retail customers in
16 this State, and (2) utilities in this State, by hypothesis, would have no contractual
17 entitlement to firm capacity and energy, there would be no mechanism to force
18 merchant plants to meet the needs of retail utilities in Florida when those needs are
19 most severe. In fact, relying on the availability of merchant plant power may lull
20 utilities and the Commission into a false sense of security.

21 Of course, meeting the needs of utilities during times of shortfall must be
22 distinguished from situations where an abundance of power exists but merchant plants

1 may simply take advantage of market opportunities to displace the output from less
2 modern generating plants in this State. In such circumstances, it is not appropriate to
3 say that the purchasing utilities truly “need” this additional capacity to serve their
4 customers since they could meet their needs without it. In fact, displacement may
5 ultimately lead to the shut down of existing plants, resulting in no net improvement in
6 reliability.

7 As is explained more fully in FPC’s testimony by Mr. Vincent Dolan, under
8 the existing regulatory framework, utilities and the Commission have prudently
9 anticipated that existing plants would enjoy a long, useful life, and they have provided
10 for the recovery of costs for such plants over a corresponding horizon. Switching
11 approaches to a short-term market-driven approach would raise serious planning and
12 regulatory issues that may not be adequately addressed in the context of an ad hoc
13 proceeding for one merchant plant. These issues affect how all retail utilities plan for
14 and build generating capacity in this State, and they involve policy and reliability
15 implications for utility customers.

16 **Q If merchant plants were allowed to site plants under Section 403.519 and the**
17 **Siting Act, would this affect the planning responsibilities of the Commission and**
18 **utilities like FPC?**

19 **A** Yes. This would impair the ability of the Commission and a utility to conduct
20 necessary planning under the Florida regulatory requirements.

1 As I have explained, merchant plants have no statutory duty to serve. Absent
2 power sales agreements for the sale of firm capacity and energy, they have no
3 obligation to sell power in this State whatsoever. This could have a number of serious
4 ramifications for planning by the Commission and state-regulated utilities.

5 To name some of these considerations, merchant plant advocate
6 representatives stated in a Staff workshop that they would resist disclosing
7 development plans for merchant plants due to competitive considerations. This
8 means, of course, that plans for merchant plants may be disclosed routinely only at the
9 eleventh hour, frustrating efforts by retail utilities to anticipate their development, size,
10 location, characteristics, and contracting arrangements.

11 I understand that Duke has now taken the position that it is subject to the 10-
12 year site plan requirement as a "utility" falling within the definition of Section
13 366.02(2). But this definition refers only to utilities that operate a generation "system"
14 within the State of Florida, and, in my opinion, what Duke proposes to build and
15 operate should not be considered a generation "system," but a single power plant like
16 many other investor owned non-utility generators (NUGs) in the State. In any event,
17 to say that this new power plant may be covered by the 10-year site plan process after
18 it is built provides little comfort to planners. Duke did not participate in the 10-year
19 site planning process before it developed its plans, and the Commission and the
20 utilities in this State were at the mercy of Duke's whim about whether, when, or where
21 it would seek to build a plant. In fact, this is the second proposal Duke has advanced
22 in two years, having abandoned the first.

1 Further, Duke's new position gives little or no assurance about whether plans
2 for future plants would be disclosed in a 10-year site plan. If the Commission creates
3 the precedent of granting a "need" for Duke's merchant plant, other merchant plant
4 developers — including other subsidiaries of Duke's parent corporation — could
5 likewise enter the State, agreeing to participate in the 10-year site planning process
6 only after their plants are built. This further frustrates the planning process.

7 Allowing merchant plant developers to site plants under Section 403.519 and
8 the Siting Act would create other problems as well. Even if the Commission
9 determines in a formal proceeding that a merchant plant is somehow "needed," despite
10 the fact that only firm power commitments can satisfy a utility's need, the developer
11 may choose to abandon the project after the need determination for any number of
12 business reasons — thus frustrating planning expectations and wasting Commission
13 and utility planning resources — or the developer may choose to commit the plant's
14 output to out-of-state utilities and/or operate at partial capacity for extended periods of
15 time.

16 **Q If we assume that a "need" does exist for additional capacity, have Petitioners**
17 **provided assurances in their testimony and exhibits that Duke's Project would**
18 **meet any such need?**

19 **A** No, they have not. To the contrary, in its contract documents, Duke takes away with
20 one hand what it purports to be giving with the other.

1 First, it is significant that the Petitioners have not yet entered into a power
2 purchase agreement. They have submitted with their papers a “Participation
3 Agreement.” See RLV-1. The Participation Agreement contemplates that Duke may
4 build a 240 MW power plant, not a 540 MW power plant as the Joint Petition states,
5 and that Duke will provide an “entitlement” to the Utilities Commission, City of New
6 Smyrna Beach (UCNSB) of 20 MW — not the 30 MW set forth in the Joint Petition
7 — out of the 240 MW capacity. Duke retains as “Additional Development Rights”
8 (see Sec. 6.0) the right to build in excess of 240 MW and then to provide some
9 apportioned amount of an additional entitlement of 10 MW to UCNSB.

10 This entitlement is qualified by Duke’s determination of what is in its own
11 business interests. Under Section 1.1 of the Participation Agreement, Duke promises
12 to afford the entitlement only for “the period during which the Facility . . . is
13 technically capable . . . of producing electric energy at a cost that results in a
14 reasonable profit and cash flow to the owner of the Facility when such energy is sold.”
15 (Emphasis added). Under Section 1.2, the entitlement is further restricted to such
16 “hours during which the Facility is available.”

17 The Participation Agreement contains other qualifications and restrictions on
18 the availability of power from the proposed Project. For example, under Section 3.4,
19 Duke reserves the right to abandon the Project based on its assessments of its business
20 interests. Specifically, its obligation to construct the facility is subject to, among other
21 things, “no circumstance or event existing or having occurred that has had or could

1 reasonably be expected to have a material adverse effect on the feasibility, prospects
2 or business of the Facility.” (Emphasis added).

3 Significantly, nothing in the Participation Agreement provides any assurances
4 whatsoever that Duke would sell power from the merchant component of the Project at
5 any time or on any terms to any utility in this State. Although Petitioners’ testimony
6 suggests that Duke’s current intention is to sell power from the merchant plant in the
7 State of Florida, it provides no guarantees, and Duke nowhere represent that it has
8 even a single firm contract to sell power to any Florida utility. The only assurance that
9 Duke provides in this regard is its unenforceable, current business intentions.

10 **Q As a planner, when you are attempting to assess whether generating capacity is**
11 **needed for purposes of recommending that FPC request a determination of need**
12 **under Section 403.519, is it appropriate to consider merchant plant development**
13 **plans?**

14 **A** Under the current statutory and regulatory framework, the answer is no. To
15 understand this from a planner’s point of view, it is important again to keep in mind
16 that Section 403.519 and the Siting Act do not exist in a vacuum. They are an integral
17 part of the regulatory tools in this State for accomplishing the primary statutory
18 purpose of ensuring adequate electricity at reasonable cost. In this State, this purpose
19 is accomplished by the Commission, as regulatory agency, and by the retail utilities, as
20 the regulated entities.

1 From a planning point of view, the question whether generating capacity is
2 “needed,” must be asked and answered in this context. In our regulatory system, only
3 state-regulated utilities serve retail customers. Therefore only state-regulated retail
4 utilities can possibly have a “need” for generating capacity for the purpose of
5 providing adequate electricity at a reasonable cost to the consumers of this State. For
6 this reason, it is meaningless for a utility planner or the Commission to say that a
7 merchant plant is “needed” unless it is needed by a particular utility.

8 For the same reasons, it makes no sense from the point of view of utility or
9 Commission planning or siting to say that a merchant plant itself is ever “needed,”
10 when one takes into account what a merchant plant is. By definition, it has no
11 obligation to sell its power to any utility in this State. Therefore, even if a particular
12 utility or a collection of utilities may need generating capacity, they certainly do not
13 need another power plant facility that has not committed its capacity to the retail
14 utilities in this State. (Even the merchant plant developer does not “need” its own
15 project; any given project represents only a speculative business venture that may or
16 may not generate profits for the developer. In truth and in fact, nobody “needs” a
17 merchant plant.)

18 If the Commission were to permit Duke to build its merchant plant based on
19 Duke’s stated intention to sell power in this State on a merchant basis, FPC and other
20 utilities would have to reconcile this with their current obligation not to rely on non-
21 firm power in their capacity assessments. There is no viable way to do this under the

1 current regulatory framework. FPC cannot rely on the availability of Duke's proposed
2 generating capacity in any way. Neither can the Commission.

3 **Q You have described how "need" as used in Section 403.519 and in related**
4 **planning activities is a utility-specific concept. Are there other respects in which**
5 **"need" from the point of view of planning and siting must be utility-specific,**
6 **referring to state-regulated retail utilities?**

7 **A** Certainly. The first criterion in Section 403.519 concerns the need for "electric system
8 reliability and integrity." It is a truism that the Commission oversees system
9 reliability and integrity under the Grid Bill through its authority to regulate the
10 activities of utilities such as FPC. It makes no sense to talk about "reliability" in the
11 context, for example, of a merchant plant that cannot be directed to sell its output in
12 this State.

13 The next criterion is the "need for adequate electricity at a reasonable cost."
14 Again, it makes no sense from a planning or regulatory point of view to discuss the
15 "need" for something neither the Commission nor a utility (with the duty to serve
16 customers) can count on and, again, only a retail utility can possibly have a "need" for
17 capacity, since only such utilities serve the people in this state. Similarly, it makes no
18 sense from a planning or regulatory point of view to talk about ensuring "reasonable
19 cost" in the context of entities that do not charge retail customers for power.

20 The next criterion is "whether the proposed plant is the most cost-effective
21 alternative available." This simply may not be addressed without asking, "alternative"

1 to what? From the perspective of a merchant plant developer, the developer is
2 considering alternative ways to make money. From the perspective of a state-
3 regulated retail utility, the utility is considering alternative means to ensure sufficient
4 generating capacity to meet its statutory obligation to serve its customers. For
5 planning and regulatory purposes, the statutory criterion applies to decisions made by
6 utilities with the obligation to serve and not to consideration of alternative
7 opportunistic ventures.

8 The next criterion is that the “commission shall also expressly consider the
9 conservation measures taken by or reasonably available to the applicant or its
10 members.” The petitioners concede that Duke New Smyrna does not take
11 conservation measures required of state-regulated utilities under FEECA.

12 Accordingly, this criterion — like all the others — must be applied for planning and
13 regulatory purposes as a retail utility-specific criterion.

14 **PETITIONERS’ FAILURE TO SHOW NEED**

15 **Q Have the Petitioners demonstrated that these “need” criteria are satisfied as they**
16 **are used in the statute?**

17 **A** No. They have not and cannot, given the fact that the “need” criteria of the statute are
18 utility-specific criteria. Petitioners have attempted to establish need through the
19 testimony of Dr. Dale M. Nesbitt basically by redefining “need” and turning the
20 statutory criteria upside down.

1 Dr. Nesbitt is blunt in stating at the beginning of his testimony that “I have not
2 approached the question of ‘need’ simplistically by measuring peak Florida demand
3 (expressed in GW); adding up available installed capacity (expressed in GW), and
4 comparing the two using some criterion such as reserve margin or loss-of-load
5 probability.” Nesbitt Direct, p. 14. He says that this approach “misses the
6 fundamental reality that some of the old installed capacity in Florida is higher in cost
7 than the new capacity could be installed for.” Id. He says that “[i]ninstalling new
8 capacity will eliminate old, uneconomic capacity, obviate the requirement to preserve
9 and/or run it, and reduce the intrinsic cost to generate electricity in Florida.” Id. pp.
10 14-15. He then proceeds to demonstrate that “the Project will be inframarginal
11 relative to virtually all of the existing oil and gas power plants in Florida and will
12 operate in preference to them.” Id. p. 22 (emphasis added).

13 Thus, Dr. Nesbitt is frank in acknowledging that the Project is not needed to
14 meet any perceived or actual shortfall in capacity in relation to projected load. To put
15 this another way, the Project is not needed to enable any retail utility in Florida to
16 serve its customers. What he is contending is that there is a market opportunity in this
17 State for merchant plant developers like Duke to build modern, more efficient plants
18 that will displace existing generating capacity.

19 Whether or not this is a good idea, it does not address the criteria of Section
20 403.519. To begin with, as I have explained, the statutory criteria are utility-specific.
21 Petitioners do not even attempt to make a utility-specific showing for the merchant
22 plant component of the Project. Further, Petitioners do not even attempt to show a

1 need for additional capacity by looking at the need of any particular group of retail
2 utilities and demonstrating a shortfall in capacity in relation to projected load. Rather,
3 they start with a showing that Duke can produce energy more cheaply with its Project
4 than some existing plants and reason from this premise that the plant is “needed.”

5 This could be viewed as an unabashed argument in favor of an un-checked
6 proliferation of new power plants in this State, and for a regime that contemplates
7 waves of new construction every several years when entrepreneurs — or state utilities
8 — perceive that new technology creates market opportunities. This is confirmed by
9 the direct testimony of Martha O. Hesse, who anticipates the introduction in this State
10 of a “fleet of gas-fired combined cycle plants.” Hesse Direct, p. 19.

11 Of course, the construction of any new plant will have an environmental
12 impact. For this reason, the Siting Act contemplates that none (over a certain size)
13 will be built unless the Commission first determines that the impact is worth it, i.e.,
14 that the generating capacity is really “needed.” Like it or not, this is a very deliberate,
15 regulatory approach to plant construction, not a market-driven free-for-all. Petitioners
16 are seeking to circumvent this regulatory approach and have this Commission permit a
17 virtually unrestrained market approach to the issue. Indeed, Dr. Nesbitt relies on
18 models and analyses that assume market deregulation. See, e.g., DMN-15, p. 13
19 (demonstrating “the way the world will work” “after deregulation”).

20 As explained more fully in FPC’s testimony by Mr. Dolan, Petitioners’ request
21 raises serious policy issues that cannot be adequately addressed in this proceeding and

1 that, in fact, require legislative amendments to Section 403.519. In this same vein,
2 Ms. Hesse admits:

3 Economic efficiency would be served [by merchant plants] as long as the
4 standard assumptions of competitive markets were met. The chief of these in
5 this case is that externalities must be appropriately valued and incorporated
6 into the price of electricity. Whether that would be the case with a fleet of gas-
7 fired combined cycle plants would be an empirical exercise beyond the scope
8 of this testimony

9 Hesse Direct, p. 19 (Emphasis added). The point I wish to make is that whether or
10 not the Florida Legislature would be receptive to Petitioners' arguments after
11 appropriate hearings, Petitioners' testimony does not prove the existence of "need"
12 under Section 403.519.

13 UNECONOMIC DUPLICATION OF RESOURCES

14 **Q Assuming it had the power to do so, if the Commission allowed merchant plants**
15 **to be built in this State without power purchase agreements with state-regulated**
16 **utilities for firm capacity and energy sales, would this lead to the uneconomic**
17 **duplication of generation and transmission facilities?**

18 **A** Yes, this would occur. At the recent Staff workshop on merchant plant issues,
19 representatives of various merchant plant developers stated that there was a wide-
20 spread perception that Florida provided significant economic opportunities for
21 merchant plant development due to its demographic and geographic characteristics. I
22 am aware that such a perception exists, and it is borne out by Petitioners' own
23 testimony in this case, as discussed above. Currently available planning information,
24 however, demonstrates that the retail utilities have plans in place to meet their needs in

1 their respective service territories over the appropriate planning horizon — without
2 relying on merchant plants — accounting together for all the retail customers in
3 Florida.

4 Although Dr. Nesbitt contends that Florida utilities are currently planning to
5 meet only half of a projected load of 6000 MW, he does not clearly indicate the
6 timeframe over which he is projecting this load, and he appears to be relying on the
7 utilities' 1997 plans. Specifically, he states:

8 The Altos North American Regional Electricity Model projects economically
9 viable and profitable new additions of up to 6,000 MW of new gas-fired
10 combined cycle ("CC") power plants in Peninsular Florida, which I use
11 synonymously with the Florida Reliability Coordinating Council ("FRCC")
12 region, and several tens of thousands of MW of new gas CC entry elsewhere
13 throughout North America. Our predicted substantial quantity of new installed
14 capacity in Peninsular Florida — 6,000 MW — is approximately twice the
15 quantity of new capacity that FRCC itself reported to NERC in FRCC's 1997
16 OE411 Annual Report.

17 Nesbitt Direct, p. 14. FRCC's 1997 10-year Plan, State of Florida, projected installed
18 capacity additions of 3,958 MW for winter, and 3,692 MW for summer. By contrast,
19 FRCC's 1998 Regional Load and Resource Plan projected installed capacity additions
20 of 8,039 MW for winter and 7,611 MW for summer. The plans prepared this year
21 demonstrate that Florida utilities are planning to add significant capacity beyond that
22 projected in 1997. Accordingly, Dr. Nesbitt is mistaken in his discussion of aggregate
23 statewide capacity and is potentially way off the mark on the economic viability of
24 merchant combined-cycle plants in light of the planned generation additions proposed
25 by the regulated electric utilities in Florida. Of course, each utility must assure that it

1 has adequate capacity to meet its own needs, and FPC is doing just that without
2 reliance on merchant plants.

3 Thus, merchant plant developers will not be supplying power to meet any
4 actual shortfall that the utilities may be experiencing. As Ms. Hesse and Dr. Nesbitt
5 essentially concede, if merchant plants sell their power in this State at all, it will be to
6 utilities that already have sufficient capacity to serve their customers. The net result of
7 this is that merchant plants would simply be taking advantage of newer facilities to
8 undercut production costs from existing facilities that state-regulated utilities
9 constructed — under the auspices of the Commission — pursuant to their statutory
10 obligations in Florida, resulting in economic waste. The statutory and regulatory
11 framework in this State, however, is not oriented toward encouraging a proliferation of
12 opportunistic short-term projects in Florida that are not needed to enable state-
13 regulated utilities to serve their customers. Whether or not this may make sense in the
14 context of a regulatory framework that allows it and adequately ameliorates its
15 negative impacts, it is my understanding that such a framework does not exist in
16 Florida at this time.

17 **Q If the Commission has a concern about whether retail utilities are taking**
18 **sufficient steps to provide for adequate generating capacity to serve the**
19 **customers of this State, what recourse does it have?**

20 **A** To begin with, under the 10-year site plan process, the Commission may and does
21 interact directly with the utilities to ensure that it is satisfied about the planning of new

1 generating capacity and the status of utility reserve margins. If the Commission has
 2 concerns about utility planning, FPC has stood ready and continues to stand ready to
 3 address these concerns through the site-plan process, as outlined in the statutes, and
 4 through the efforts of the FRCC, Florida’s designated region of the National
 5 Electricity Reliability Council (NERC), the organization responsible for overseeing
 6 system reliability in North America.

7 Further, under Section 366.05, if the Commission determines that inadequacies
 8 exist with respect to the energy grids developed by state-regulated utilities, the
 9 Commission shall have the power, “after a finding that mutual benefits will accrue to
 10 the electric utilities involved, to require installation or repair of necessary facilities,
 11 including generating plants . . . with the costs to be distributed in proportion to the
 12 benefits received” This provision goes on to direct that the “electric utilities
 13 involved in any action taken . . . pursuant to this subsection shall have full power and
 14 authority . . . to jointly plan, finance, build, operate, or lease generating . . . facilities,”
 15 using, if applicable, the provisions of Section 403.519 and the Siting Act.

CONCLUSION

17 **Q Does this conclude your direct testimony?**

18 **A** Yes, it does.

19
20
21

1 MR. MOYLE: I would -- Madam Chair, just for a
2 point of clarification, I'm not sure that we've been
3 provided a corrected copy, but there has been no indication
4 as to the changes in the corrected copy; so, you know, I
5 think if we could have just a quick discussion as to what's
6 been changed might be helpful. I don't think I'll have an
7 objection but, you know --

8 CHAIRMAN JOHNSON: Mr. Sasso, are you prepared
9 to --

10 MR. SASSO: I don't believe that would be a quick
11 discussion, but if Mr. Moyle is interested, I could give
12 him my marked-up copy for his convenience. I believe that
13 counsel for the Petitioners are aware of it and also have a
14 marked-up copy. If it would be useful to the
15 Commissioners, we can review the changes and corrections.

16 MR. MOYLE: That's fine. I'll look at his copy.
17 That's fine. I just, you know --

18 CHAIRMAN JOHNSON: Okay. We have the corrected
19 copy?

20 MR. SASSO: Yes, ma'am. Just to be clear, the
21 reason for the corrections was the agreement reached
22 between the parties and counsel in response to Petitioners'
23 motion to strike.

24 MR. SASSO: Would you like to see the markup?

25 (DOCUMENT TENDERED TO MR. MOYLE).

1 CHAIRMAN JOHNSON: I'm going to insert this into
2 the record as though read, and Mr. Moyle can you just join
3 the course of --

4 MR. MOYLE: Sure, I'll review it. If I have
5 objection, I'll assert it at the appropriate time.

6 CHAIRMAN JOHNSON: Okay. Thank you.

7 MR. SASSO: And just to be clear, we have
8 distributed corrected copies of both Mr. Rib's prefiled
9 testimony and Mr. Dolan's prefiled testimony, and that's
10 been provided to the clerk and the court reporter as well.

11 BY MR. SASSO (Continuing):

12 Q Mr. Rib, would you please summarize your
13 testimony?

14 A Yes.

15 Madam Chairman and Commissioners, I appreciate
16 the opportunity to speak to you on this occasion. I want
17 to, just to comment on my responsibilities. I am
18 responsible for development of energy resource plans that
19 combine fuel and generating resource alternatives and the
20 cost effective and flexible plans for the service of
21 Florida Power's customers. I'm also responsible for
22 reporting these plans to agencies in the state, and I think
23 you've seen me in that behalf.

24 I've submitted prefiled testimony in this
25 proceeding opposing the Joint Petition for Determination of

1 Need. What I've described in my testimony is the framework
2 from which the retail utilities in Florida plan to meet
3 their obligations to serve our customers. Duke is
4 requesting authorization from the Public Service Commission
5 to build a merchant plant which, in my understanding, falls
6 outside of the current regulatory framework for planning
7 and siting new generation capacity in the state.

8 Retail utilities like Florida Power are the only
9 entities that provide electricities to the citizens in the
10 state. Each utility is required to prepare and submit
11 plans under the 10-year site plan requirement explaining
12 its anticipated need for generating capacity in the area
13 served by the utilities. The 10-year site plan process and
14 the Siting Act combine to allow for the long-term planning
15 needs of many of the key stakeholders in the statewide
16 planning process. Many of the agencies and constituencies
17 in this process, including but not limited to this
18 Commission, the Florida Reliability Coordinating Council,
19 the Department of Community Affairs, Department of
20 Environmental Protection, water management districts, and
21 so on, rely on the continuum planning information that's
22 advanced in these 10-year site plans to maintain a
23 consistent and comprehensive planning process within the
24 regulatory framework as I understand it. At the same time,
25 we are required under FEECA to develop plans to encourage

1 our customers to reduce their demand for electrical
2 consumption and otherwise conserve energy to reduce the
3 need for additional generating capacity in the state. It's
4 my understanding that Duke acknowledges, or Duke New Smyrna
5 Beach acknowledges that it would not engage in this
6 process.

7 I'd like to offer a brief review of some of the
8 key points that I discussed in my testimony. First, need,
9 quote, unquote, as I understand it, is tied to utilities
10 that serve retail customers. A merchant plant does not,
11 quote, unquote, need generating capacity because it does
12 not have -- it does not serve the citizens of the state.
13 From the point of view of the merchant developer, the only
14 need it has is the need for profit opportunities which is
15 not need, quote, unquote, in the sense that utilities
16 understand that term from a planning or regulatory policy
17 perspective in Florida.

18 To meet its obligations to serve, like other
19 retail utilities in the state, we must plan for new
20 generation only on the basis of firm commitments that we
21 and the other utilities can count on. As-available
22 generation, like that proposed in this petition, is
23 non-firm and it's not considered in the plan for the
24 resource requirements of the utility. As such we would not
25 be able to rely on the availability of merchant capacity as

1 an excuse not to add capacity to our own systems. There is
2 no way to determine if there is a, quote, unquote, need for
3 the proposed plant based on reasonable cost electricity
4 when the petitioners are proposing to build what many other
5 utilities are already building or preparing to build. By
6 whom then would the reasonable cost measure apply? Florida
7 utilities that are preparing to build comparable power
8 plants will achieve, in my mind, comparable cost advantages
9 plus reliability.

10 Utilities in Florida examine generating
11 alternatives to determine if they are the most cost
12 effective alternative available to meet each utility's own
13 need for generating capacity. In the case of merchant
14 plants to whom the cost effectiveness measure of
15 alternatives apply, merchant plants do not have any
16 identifiable need for the generating capacity, so it really
17 makes no sense to speak of different alternatives for
18 meeting the, quote, unquote, need.

19 The Petitioners identify the primary benefit of
20 the plant as displacement of older less efficient plants.
21 The premise of these claims is that in one potential view
22 of the future the new combined cycles will outpace the
23 existing generating fleets, but what I feel the Petitioners
24 fail to acknowledge is that the diversity of generating
25 resources in Florida is actually one of the state's

1 strengths. As an example, if oil prices were at
2 unprecedented lows as they are today, the proposed combined
3 cycle plants might not displace the old oil fired steam
4 plants as purported in the Petitioners' models. This
5 example illustrates the premise that uneconomic duplication
6 of existing viable facilities could occur if these existing
7 plants are pressured out of existence by new merchant
8 plants. The Petitioners attempt to identify an
9 opportunistic form of, quote, need, unquote, through
10 discussion of inframarginal generation which appears to be
11 premised on the outdated information they use regarding the
12 generation plants that the regulated utilities in Florida
13 have put forward to meet their own requirements in the
14 state.

15 In my direct testimony, I also discuss how
16 merchant plants introduce unwarranted uncertainty and
17 confusion in the regulated utility planning process. As a
18 regulated utility planner, I'm trying to offer that
19 perspective. There were many planning complications
20 brought forth in these discussions. I'd like to highlight
21 just a few. If by some measure the Public Service
22 Commission were to find in favor of the petition, and grant
23 a, quote, determination of need, unquote, it would leave
24 the other utilities in the state in a bit of a quandary
25 regarding the Commission's whole view of, quote, need,

1 unquote, and what expectations might arise with respect to
2 retail utility need filings subsequent to the proceedings.
3 We've heard some of that discussed in the past couple of
4 the days.

5 Another concern is in regards to precedent that
6 could be set and the expectation of other merchant
7 developers who have been quite vocal regarding their
8 intentions to develop plants as well in Florida. This
9 could potentially lead to a proliferation of these merchant
10 plants, including projects that may or may not obtain
11 consent from the Commission through the Siting Act.
12 Continuing uncertainty would also exist regarding the role
13 of existing regulated utility facilities that merchant
14 developers plan to displace or duplicate.

15 Finally, uncertainties surrounding the inclusion
16 of new merchant facilities that have not been explored and
17 reviewed by the Commission and other agencies under the
18 site planning process. Developers would have no obligation
19 to report or disclose their plans in advance and would be
20 free to create and potentially eliminate new ventures when
21 and where they chose to.

22 In summary, the Petitioners have requested the
23 Commission grant a certificate of need for a merchant plant
24 that doesn't legitimately attempt to meet a specific,
25 quote, need, unquote, of any utility. The Petitioners base

1 their concept of need on displacement which, by design,
2 produces duplication of facilities. Duke also seeks to
3 duplicate facilities that within the current framework
4 utilities must build to serve the growing needs of
5 consumers in Florida. All these discussions seem to
6 highlight what might be considered a marketing opportunity
7 in Florida, but it does not amount to a showing of need in
8 the sense of the term that's been defined by the industry
9 and the regulatory policies in this state. Accordingly,
10 the joint petition should be denied. That's the end of my
11 comment.

12 MR. SASSO: Thank you. We tender Mr. Rib for
13 cross examination.

14 CHAIRMAN JOHNSON: Okay. Mr. Butler?

15 MR. BUTLER: None.

16 CHAIRMAN JOHNSON: Mr. Beasley.

17 (NEGATIVE INDICATIONS)

18 CHAIRMAN JOHNSON: No? Mr. Moyle?

19 MR. MOYLE: In keeping with how the cross was
20 conducted on the other side, I simply ask whether it would
21 be okay if Mr. Wright went first with his cross examination
22 and I would follow him.

23 CROSS EXAMINATION

24 BY MR. WRIGHT:

25 Q Good afternoon, Mr. Rib.

1 A Good afternoon, Mr. Wright.

2 Q You do understand that this, the New Smyrna Beach
3 Power Project is proposed to operate and sell its power
4 only in the wholesale market, do you not?

5 A That is my understanding of the proposal, yes.

6 Q Okay. And would you agree that wholesale power
7 plants in competition in the wholesale market can coexist
8 with traditional retail rate regulation by the states?

9 A Well, I think I would characterize the current
10 conditions as having a form of competition that does exist
11 within the regulatory framework, as I understand it.

12 Q Well, I'm going to ask you the question again.
13 Can wholesale competition coexist with traditional retail
14 regulation or in states where the state public utility
15 commission retains its traditional retail rate regulatory
16 authority over all retail power sales within its
17 jurisdiction?

18 A Well, I think the answer would be yes, and I
19 think that exists here in Florida today.

20 Q Thank you.

21 In your summary you -- We'll talk more about
22 the degree to which it exists momentarily. In your summary
23 I believe you indicated that it was your understanding that
24 Duke New Smyrna would not participate in the 10-year site
25 plan process. Is that your testimony?

1 A Well, I -- That was my testimony. I suppose
2 I've heard different versions of that, depending on the
3 timing.

4 Q But you were here Wednesday, were you not?

5 A Yes.

6 Q Did you hear me tell Commissioner Deason that the
7 reason that I had not filed a 10-year -- that the reason
8 that Duke New Smyrna had not filed a 10-year site plan was
9 because we had been advised by Mr. Jenkins that it wasn't
10 necessary at the particular point in time?

11 A I heard you offer that explanation of why you had
12 not filed the 10-year site plan, yes.

13 Q Okay. You don't have any reason to doubt that
14 that's the case, do you?

15 A I'm sorry. What is the question you are asking?

16 Q Do you have any reason to doubt that that is the
17 case?

18 A I have no reason to doubt that you had that
19 communication, no.

20 Q Do you have any reason to doubt that if this
21 project is approved we won't file a ten -- doubt that we
22 will file a 10-year site plan next April 1st?

23 A Honestly, I don't know. I guess that's your
24 decision. As I understand the rules as written, utilities
25 that have generation of 250 megawatts or greater are

1 required to file 10-year site plans; that's my
2 understanding. I just don't know exactly how this plant
3 might be defined or what it would be characterized as, a
4 utility or not a utility. I don't know.

5 Q Without asking you for a legal conclusion, do you
6 think as a matter of policy, if this plant were to be
7 permitted and we were to be in the process of constructing
8 it next April 1st, do you think that the Commission should
9 be able to require us to file a 10-year site plan pursuant
10 to its statutes and rules?

11 MR. SASSO: I'm sorry, that sounds like a request
12 for a legal opinion. You asked him should it be able to
13 pursuant to its rules and the law. We've gone through
14 great pains to make sure that we excised from Mr. Rib's
15 testimony any characterizations that were similar to that,
16 and I don't think it's consistent with our agreement now to
17 ask him questions of that nature.

18 MR. WRIGHT: Well, the rules are ministerial to
19 some degree in what they require to be filed, and I'm
20 asking him does he think that the Commission should be able
21 to require us to file a plan as a matter of policy. I'll
22 drop the last phrase if that will make it easier.

23 CHAIRMAN JOHNSON: I'm going to allow the
24 question.

25 WITNESS RIB: I guess the answer would be I don't

1 know. I think they might find the information useful on
2 what you might provide, but I don't know if they'd require
3 it or not.

4 BY MR. WRIGHT (Continuing):

5 Q I didn't ask you whether they would. I asked you
6 whether you thought they should as a matter of policy be
7 able to require us to do that.

8 A I would characterize that the answer is, I don't
9 know.

10 Q Okay. You made some remarks in your summary
11 regarding the possibility of oil prices being so low that
12 oil fired generation might not be displaced by an efficient
13 gas fired combined cycle unit. Do you recall those
14 remarks?

15 A Yes.

16 Q Do you think that is realistic?

17 A I think it depends on the circumstances. The
18 circumstances of fuel markets change from day to day, month
19 to month, year to year. They happen to be -- oil prices
20 happen to be at unprecedented lows today, so we in our own
21 generation fleet have the occasion to be concerned about,
22 for example, whether a combined cycle plant, a coal plant,
23 or an oil fired plant are running at the bottom of the
24 stack. At this point in time, oil plants seem to be
25 running very competitively in the stack, and I guess that's

1 what my comment was meant to imply.

2 Q Is the cost of oil in today's fuel markets less
3 on a dollars per BTU basis or dollars per million BTU basis
4 than the cost of gas?

5 A I guess that depends on your fuel arrangements.

6 Q Well, you're the one who has testified about
7 current fuel market conditions. Is the case today -- well,
8 let's say is the case for Florida Power today the case that
9 oil costs less on a dollars per million BTU basis than gas?

10 A Actually I think -- I don't know the answer
11 precisely, but I think they are comparable at this time.

12 Q Have you had the occasion -- Your Hines unit is
13 up and running, is it not?

14 A It's still in final stages of testing.

15 Q Have you had the occasion where, strictly on
16 economics and not because of any considerations due to the
17 testing program, oil fired generation for Florida Power's
18 oil fired units is displaced generation from your Hines
19 unit?

20 A Well, in the fact that it's not a commercial
21 unit, it's hard for me to draw that conclusion, so I'm not
22 aware of that.

23 Q You've testified that the introduction of
24 merchant plants into the planning processes will impair the
25 ability of the Commission and the retail utilities to meet

1 their statutory responsibilities. Do you recall that being
2 your testimony?

3 A I recall testimony to the effect that it would
4 cause ramifications and some confusion in the process.

5 Q Well, I just read that from your testimony. You
6 are not going to disagree with it, are you?

7 A Well, if you want me to read the exact words, I'd
8 be happy to; but that's the general nature of my testimony,
9 yes.

10 MR. SASSO: Can you give us a page please,
11 Scheff?

12 MR. WRIGHT: Sure, Page 4, Lines 2 and 3.

13 WITNESS RIB: Are you in the corrected version?

14 BY MR. WRIGHT (Continuing):

15 Q I am.

16 A I'm trying to follow the new version of it.
17 Okay, Lines 2, 3?

18 Q Yes.

19 A Yes. Thank you.

20 Q My question for you now, sir, is, in preparing
21 your testimony, have you studied the planning processes in
22 other states?

23 A No, I have not.

24 Q Have you studied the planning processes in any
25 other states where merchant plants exist and are in

1 operation today?

2 A Not in preparation for this testimony.

3 Q In any other context?

4 A I think in a very, very general context. I've
5 been party to discussions about the context in which siting
6 decisions are made in California as it relates to before
7 and after deregulation. I'd characterize what I understand
8 to be the siting requirements prior to deregulation of
9 retail markets as being very strictly controlled and
10 decisions having been made that after opening the retail
11 markets that the siting process would be opened up and that
12 the oversight would be a more background function; that's
13 my general knowledge.

14 Q Okay. You haven't studied any other states, have
15 you?

16 A No.

17 Q Do you know whether there are other states where
18 merchant plants are presently operating where retail
19 restructuring has not occurred?

20 A I don't think that's the area of my testimony.

21 Q So the answer to my question is you don't know of
22 any; is that true?

23 A I personally do not.

24 Q Isn't it true that in Florida Power Corporation's
25 10-year site plans it has shown as part of its projected

1 future generation unknown, unsited, and uncontracted for
2 power plants?

3 A Well, I think you walked me through some of that
4 in our deposition. Do you want to make a specific example
5 that we can refer to?

6 COMMISSIONER GARCIA: Scheff, could you ask the
7 question again please?

8 MR. WRIGHT: Sure.

9 BY MR. WRIGHT (Continuing):

10 Q Isn't it true that in its 10-year site plans and
11 the associated planning processes that Florida Power
12 Corporation has shown as projected planned capacity,
13 planned to meet its needs, unknown, unspecified, unsited,
14 and uncontracted for power plants?

15 A Well, I think if you want to bring that on the
16 record, we probably ought to look at the specific example
17 you have in mind.

18 Q Is your answer that you don't know, or is your
19 answer, yes, but you'd rather have some more specific
20 information?

21 A My answer is I would like to answer it in the
22 context of a specific question referring to a specific
23 example, and you went through one in deposition with me, so
24 I thought we could just go through that again.

25 Q Well, are you saying you can't answer without

1 looking at a 10-year site plan?

2 A Scheff, I'm saying that I have seen some of
3 those, but I don't know if I could specifically refer to
4 all of the specific examples you gave, unknown, unsited,
5 uncontracted, et cetera. I can't say that I have seen all
6 those terms used in our 10-year site plan.

7 Q Permission to approach.

8 CHAIRMAN JOHNSON: Uh-huh.

9 MR. WRIGHT: Madam Chairman, I've just handed
10 Mr. Rib excerpts from deposition exhibits from his
11 deposition. I don't intend to mark these for admission,
12 but I'm going to ask him to look at those -- they are
13 tables from the 10-year site plans -- and ask him whether
14 they refer to unknown power plants included in Florida
15 Power's projected resources.

16 BY MR. WRIGHT (Continuing):

17 Q Do they, Mr. Rib?

18 A May I use a specific example in responding?

19 Q Certainly. I would appreciate it if you'd say
20 yes or no first.

21 A Okay, the answer to your question is yes, and I'd
22 offer an example. This would be our -- I believe this
23 would be our 1995 plan. It shows combustion turbine P1.
24 It's a gas turbine. At that time it was projected to be
25 installed or in service in November 2003. The location is

1 identified as unknown. To my knowledge that -- to me that
2 means as a planner we might not have chosen which of our
3 generating sites where we would locate that particular
4 combustion turbine.

5 Q Okay. Would it be fair to conclude from the
6 designation as "unknown" there that you didn't have a
7 contract for the equipment for that power plant at that
8 time?

9 A Yes, that would be true. I think I would
10 consider that beyond the commitment horizon.

11 Q I'm just going to retrieve my deposition
12 exhibits.

13 When you talk about impairment of planning
14 processes, Mr. Rib, do you mean to imply that the, that
15 just dropping in as it were of New Smyrna -- of the New
16 Smyrna Beach Power Project into the planning process
17 somehow messes things up or impairs your ability to plan?

18 A Yes, I do.

19 Q Okay. Suppose an investor-owned utility had on
20 April 1st of a given year filed its 10-year site plan and
21 then three months later came up with a completely new power
22 plant, filed a need determination for it without ever
23 having identified it in its plans before. Would that not
24 occasion similar surprise?

25 A Potentially that could to parties that are

1 looking at the environmental ramifications as well as the
2 Commission.

3 Q I asked you about that in your deposition. I
4 believe you said Florida Power had never done that. Do you
5 recall that?

6 A Well, I have --

7 MR. SASSO: Can we have a page please, Scheff?

8 MR. WRIGHT: Gary, I don't have it marked. I'll
9 look for it. I do believe that's a fair characterization
10 of what he testified to.

11 MR. SASSO: I'm sorry, if you're going to
12 confront Mr. Rib with something he said at deposition, I
13 believe that he is entitled and I'm entitled to notice of a
14 page and line.

15 MR. WRIGHT: I'll move on and come back to that.

16 BY MR. WRIGHT (Continuing):

17 Q In your summary remarks you've made some
18 statements that I understood to characterize a gas fired
19 combined cycle unit such as the New Smyrna Beach Power
20 Project being built at this time as a merchant project as
21 being duplicating of other gas fired combined cycle units
22 that might be built. Is that your testimony?

23 A I think that potential exists. Yes, that is my
24 testimony.

25 Q In operation and considering what you know about

1 the power plant generation resources in Florida, in
2 operation, would a unit like the New Smyrna Beach Power
3 Project, were it operating, displace generation from
4 another combined cycle unit typically, or would it displace
5 something less efficient?

6 A May I assume that the question refers to kind of
7 an hour-to-hour operating parameter?

8 Q Sure.

9 A On that basis, I would -- if such a plant is
10 built, like the combined cycles that are proposed by the
11 utilities, that plant would fit in the stack somewhere;
12 and I'm reasonably certain it would be comparable or
13 reasonably comparable to the plants that are being proposed
14 by the utilities. So whether one from moment to moment
15 would run ahead of the other, it's hard to say; but I think
16 it's certainly reasonable to suggest that a plant that
17 costed more to dispatch might move in the stack above it.

18 MR. WRIGHT: Madam Chairman, I want to distribute
19 something and hand the witness a document. Madam Chairman,
20 I'm distributing an excerpt, in the interest of saving at
21 least a few trees, an excerpt from a presentation made by
22 Florida Power Corporation regarding the application of its
23 planning models to the Florida Public Service Commission on
24 February 25th, 1993. The excerpt consists of the cover
25 page and a diagram showing the assistance area model for

1 the Tiger program. I've also handed Mr. Rib a copy of the
2 complete document so that he can confirm that these are, in
3 fact, pages out of that document if he wishes. I would ask
4 that this be marked for identification. I think the next
5 number is 30.

6 CHAIRMAN JOHNSON: It will be marked as 30 and
7 entitled "Assistance" -- "Assistance area model for Tiger."

8 MR. WRIGHT: That would be great. Thank you.

9 BY MR. WRIGHT (Continuing):

10 Q Mr. Rib, Florida Power Corporation uses the model
11 known as Tiger as its -- Well, does it use the Tiger
12 model as its primary generation planning model?

13 A No, it does not. It does use Tiger as one of a
14 host of analytical tools for evaluating generation and
15 resource requirements.

16 Q Is Tiger the model that Florida Power Corp -- let
17 me back up.

18 Did Florida Power Corporation develop the Tiger
19 model?

20 A Yes, I believe it was originally developed by our
21 company some time ago.

22 Q Does Florida Power Corporation use the Tiger
23 model to calculate reliability criteria?

24 A It's one of the models we do, yes.

25 Q Okay. Does Tiger calculate or can an operator

1 instruct Tiger or program Tiger to calculate reserve margin
2 and loss of load probabilities?

3 A I don't think it's typically used for reserve
4 margin, but it is our primary tool for evaluating loss of
5 load probability.

6 Q Okay. And is it correct that Florida Power
7 Corporation calculates both assisted and unassisted loss of
8 load probability values?

9 A That is correct.

10 Q I would like to ask you to look at the second
11 page of what has now been identified as Exhibit 30.

12 A Okay.

13 Q And may I ask, do you recall discussing this at
14 your deposition?

15 A Yes, I do.

16 Q Okay. And this is what it purports to be, is it
17 not? It appears to be authentic and so on?

18 A Yes, sir, it certainly does.

19 Q Okay. Is it correct that in evaluating assisted
20 loss of load probability using the Tiger model that Florida
21 Power Corporation incorporates consideration of generating
22 resources in the three regions shown on the little map?

23 A Well, I think we use it slightly differently
24 today, but not to take away from the point, we in essence
25 do look at the ability of generation outside of what would

1 be labeled the FPC service area to potentially assist FPC
2 as we calculate the assisted reliability measure.

3 Q And in your consideration of those generation
4 resources, you include the probability or consider the
5 probability of being able to buy power from generating
6 resources that are not under firm contract to Florida
7 Power?

8 A I think I would characterize the answer as, yes,
9 we do.

10 Q I'm going to ask you a question as a matter of
11 policy, and here it is: Do you agree that a robust
12 competitive wholesale bulk power market is a good thing for
13 ratepayers?

14 COMMISSIONER GARCIA: What was the question,
15 Scheff?

16 Q Do you believe that a robust competitive
17 wholesale bulk power market is a good thing for ratepayers?

18 A I'll attempt to answer that as closely as I can
19 to how I did in our deposition discussion. First, I would
20 offer that I can't characterize or specifically relate to
21 the definition of "robust." I think I stated here today
22 and have in the past that I believe we have a competitive
23 wholesale market in Florida today, and I do think that that
24 is a good thing for the ratepayers of Florida. So the
25 contention I might have with the question is the term

1 "robust." May I --

2 Q Okay. Do you think -- sorry.

3 A May I offer further thoughts?

4 Q Yes, you may.

5 A When I look at the wholesale market today, I see
6 evidence of companies exchanging power day to day. I see
7 activity on the Florida broker. I see RFPs being issued
8 for power. There's certainly a lot of avenues of activity
9 in what I consider the competitive wholesale market in
10 Florida today.

11 Q Will you agree that more competition would be
12 better than less competition for ratepayers of Florida
13 Power and other Florida utilities?

14 A Well, I guess answering that puts me in a
15 quandary because I think you're asking if I were able to
16 change the laws or the rules, to change the character of --

17 Q I'm asking you conceptually as a matter of
18 policy, not if you were able to change the laws or the
19 rules.

20 A Well, that's hard for me to answer. I honestly
21 don't know. I think that some of the regulation that
22 exists today came out of a desire to bring what was at one
23 time open competition under control. So whether it will
24 ultimately be better or not, that's very difficulty for me
25 to say.

1 Q In today's market, do you think that existing
2 power plants are likely to bid prices lower than
3 non-existing power plants for power sales?

4 A You have to help me understand what a
5 non-existing power plant would bid. I'm sorry.

6 Q Well, suppose you were to issue an RFP. If you
7 had a built plant versus an unbuilt plant and there were
8 some knowledge, say, of your avoided cost, would you expect
9 if the built plant wanted to get the contract they might be
10 inclined to hack their price down lower than the unbuilt
11 plant that might have a hurdle rate to cover?

12 A I have no reason to believe that that would be
13 true. The answer would be no in my mind.

14 Q Florida Power sells power wholesale to a number
15 of utilities, does it not?

16 A Yes.

17 Q Doesn't Florida Power sell some extremely cheap
18 power off peak to, I think it's Oglethorpe, for pumping at
19 a pump storage facility from time to time?

20 A Well, I'm afraid that you're asking me something
21 I don't directly deal with. If you ask me do we have -- do
22 I know of a power supply arrangement with Oglethorpe, I
23 think a few years back I remember something about a power
24 supply arrangement, but I don't -- I can't tell you
25 specifically what we sold power for.

1 Q If you know, do you sell that power at very low
2 rates?

3 A I can't even tell you if we are currently selling
4 that power.

5 Q Okay.

6 MR. WRIGHT: Madam chairman, if I might just have
7 a couple of minutes. I want to find two references within
8 Mr. Rib's deposition transcript. I can either --

9 COMMISSIONER GARCIA: While you do that, can I
10 ask him some questions?

11 MR. WRIGHT: Absolutely.

12 COMMISSIONER GARCIA: Let me ask you something,
13 tell me about the Florida broker system. How much --

14 WITNESS RIB: I'll do my best.

15 COMMISSIONER GARCIA: Okay. Well, but you've got
16 an idea of what goes on there, and I don't --

17 WITNESS RIB: Some idea. I'm not day to day
18 operation --

19 COMMISSIONER GARCIA: It isn't as robust as it
20 used to be, is it? There's not as much transactions going
21 on on the broker as there used to be?

22 WITNESS RIB: Let me offer this response, and
23 this is really more just from casual conversation than from
24 studying the results that you've referred to. I think many
25 of the utilities have, and other players like the power

1 marketers, have trading floors and traders that dedicate
2 their time and existence to getting on the telephone and
3 calling each other and seeing what's available; and my
4 understanding, I'd more characterize it that the broker is
5 still active but they tend to use it less because there are
6 much more fluid relationships now.

7 COMMISSIONER GARCIA: Right. And those fluid
8 relationships are based on the fact that there is sort of
9 market out there, there is clearly a market which your
10 marketers, your internal company marketers for your excess
11 power take advantage of, correct?

12 WITNESS RIB: Well, they work within it and
13 achieve whatever benefits they can for all parties.

14 COMMISSIONER GARCIA: Describe to me in your
15 terms, and you probably heard me ask this question of your
16 attorney and Florida Power Corp's attorney, where you lose
17 if this project comes to Florida, in other words, where
18 your company is less because there is a project. How does
19 this project affect -- I guess I don't want you to answer
20 for shareholders because that may be outside your, but let
21 me specify in terms of you doing your job. What does this
22 do that makes you doing your job more difficult, less
23 difficult? Is it better for you? Is it worse for you?
24 Because I would assume that part of your job is to get
25 cheap power into the systems so that your company does

1 well. So tell me what the negative is of this power
2 plant. And I don't want you to extrapolate if you had 300
3 power plants like this. Just let's talk about your job and
4 tomorrow Scheff has this plant pumping four hundred
5 megawatts onto the grid.

6 WITNESS RIB: Well, I'll attempt to. I think I'm
7 going to have to try to separate a bunch of different
8 questions there.

9 COMMISSIONER GARCIA: You answer it any way you
10 want. Scheff is still looking for the cite, so we would be
11 taking a break if --

12 WITNESS RIB: I think it's fair to say -- when
13 you started asking the question, I got the impression or my
14 mind jumped over to the discussions we were having about
15 the more hourly type things that were going on. And again,
16 I'm not an expert, but I'd offer this example just for
17 consideration. We were talking about at one point in these
18 proceedings that the benefits of -- that most all of the
19 wholesale transactions that are going on between the
20 regulated utilities flow back to the consumers. So an
21 example might be, suppose we have a plant that's available
22 for dispatch at \$26 and there's an unspecified plant, some
23 other plant available to dispatch at \$20 and it's offered
24 up, and we'll use like a broker example. Say there is a
25 spread, so we split the difference. And that's an example

1 where our company would have the opportunity then if it was
2 a \$6 -- well, let's make it 30 and 20 to make it easier.
3 At the spread of \$10, we split it, and we get to buy power
4 for \$25. So you'd say in that example our ratepayers might
5 benefit.

6 When we look at -- Since the brokers quote a --
7 in this case it's a cost-based system and the other
8 utilities are transacting most all in a similar fashion,
9 when they get the margin of \$5 above 20, they can then in
10 turn return that margin to their ratepayers; so there's a
11 transfer of benefits going on there. If that \$20 plant or
12 whatever it happened to be, the plant in that margin did
13 not have the requirement to return the benefit, then that
14 money would be siphoned out of the market and not returned
15 back to some ratepayer as a benefit. So that's kind of
16 what that broker example was trying to get at.

17 Well, I think the other question you are asking
18 me is, and I think my testimony does cover some areas where
19 I talk about the uncertainty that's introduced in the
20 planning process and how do merchant plants affect that,
21 and I think that speaks more to the question of some
22 uncertain -- or not some, but a lot of uncertainty begins
23 to create in my mind as to what the framework will be and
24 how we need to operate in that framework if there is a new
25 definition of "need."

1 COMMISSIONER GARCIA: But surely in the last few
2 years that framework is already -- in other words, your
3 company didn't have a planning arm, say, probably five
4 years ago? I'm guessing, but -- and now you have that
5 because there is a market out there.

6 WITNESS RIB: Well, that -- in some ways that's
7 true, and perhaps the marketing function is gaining some
8 improvement, but -- and I wish you could have the
9 opportunity to listen to the arguments that have gone on
10 between the people who used to do the broker work, the
11 dispatchers, and the people who now call themselves the
12 marketing people because the dispatchers claim they've been
13 doing the same thing for years, and they take offense at
14 the fact that there is some new great market when, in fact,
15 they attempted through their same communications and broker
16 activities for years to achieve the same benefits. So I
17 mean it's kind of ironic to sit on the sidelines and watch
18 that discussion go on.

19 COMMISSIONER GARCIA: Let me ask you, do you know
20 if in Florida we ever granted to anyone a need for more
21 capacity than they were actually asking for?

22 WITNESS RIB: I honestly don't know. I'll admit
23 that I haven't been in the planning arena for 20 or 30
24 years, so I'm just not a master of the history. In at
25 least the recent history I don't think so.

1 COMMISSIONER GARCIA: Well, the City of
2 Tallahassee was able to demonstrate a need of 88 megawatts,
3 and yet this Commission gave its full need for a plant for
4 250 megawatts, so --

5 WITNESS RIB: Well, I guess I hadn't studied that
6 one. I probably should have, I'm sorry.

7 COMMISSIONER CLARK: Yeah, I think we found the
8 need for 88, but we also found the most cost effective way
9 to meet that was the 250 because it would back out some
10 existing claim.

11 COMMISSIONER GARCIA: Yeah, I wouldn't argue that
12 that's how we did it. In fact, I think it was precisely
13 you and I that sat on that.

14 WITNESS RIB: I think -- I was going to offer
15 the thought that it's probably true that needs and need
16 determinations haven't matched proposals with need down to
17 the last megawatt.

18 COMMISSIONER GARCIA: Right.

19 WITNESS RIB: But it's my understanding, and day
20 to day as I operate as a planning, responsible for
21 planning, I don't personally plan to come forward and
22 propose a plant, say, 500 megawatts based on a 50-megawatt
23 need. I know that I have to work harder than that to
24 demonstrate that, by and large at least, the largest part
25 of that.

1 COMMISSIONER GARCIA: Didn't you do that? Didn't
2 your company submit your plans, your 10-year site plans,
3 and we haven't approved them yet, but just from what I read
4 or my staff's analysis of your 10-year site plan, and it
5 shows that in 2001, if I'm not mistaken, you guys come at
6 about 13% or so. You are under 15%, which is the same
7 criteria and guidelines that the FERC has sort of said 15%
8 is the right.

9 WITNESS RIB: For the state, yeah.

10 COMMISSIONER GARCIA: For the state.

11 WITNESS RIB: Right.

12 COMMISSIONER GARCIA: Okay. But it isn't the
13 right one for you. You think that 13% margin reserves for
14 you is fine?

15 WITNESS RIB: Well, I don't think I would want to
16 plan a system continuously at that rating.

17 COMMISSIONER GARCIA: At 15%?

18 WITNESS RIB: No, at 13%.

19 COMMISSIONER GARCIA: At 13%, okay.

20 WITNESS RIB: However, I -- and I understand at
21 least from conversations that I'll be back to talk about
22 this further.

23 COMMISSIONER GARCIA: Yeah, you will be.

24 WITNESS RIB: It was my understanding at least
25 that in that instance we had some reasons that would make

1 reasonable sense if we had the occasion to talk about it,
2 and I think we will. But again, I would not propose to
3 operate or to plan a system at 13% on a continuous basis.

4 COMMISSIONER GARCIA: Tell me, if you had to
5 guess a number, and you can do it either statewide or
6 specific to your company, if you had to come up with a
7 margin reserve number, in your expert opinion, what would
8 that be for planning purposes, for safety, for reliability?
9 What would that number be?

10 WITNESS RIB: Well, I think the starting point
11 for the state, the minimum of 15% is a reasonable starting
12 point. So I think where the FRCC started the process, I
13 think it's helping move us in the right direction. Then
14 what I begin to examine, and I guess we do this for our
15 company as well as others, is the specific instance of the
16 utility, what are the customers that it has, what are the
17 characteristics of a service area, how available is
18 transmission in and out of the system, who is it dependent
19 on, how much demand side management it has. There are a
20 lot of these factors that we would include in
21 considering -- and we do it today at least utility by
22 utility. You know, as a power supplier to retail
23 customers, what's appropriate for you? And I think that
24 depends -- I don't know that there is an ultimate answer
25 for the state, but I think utility by utility those

1 determinations need to be made, and that's what the
2 planners do.

3 COMMISSIONER GARCIA: Okay.

4 WITNESS RIB: I mean we've set our target at 15%
5 for Florida Power at this time.

6 COMMISSIONER GARCIA: Let me follow that by
7 asking you if -- how many megawatts new additional load is
8 FPC going to need to meet 15% margin reserve -- I know you
9 may not hit this on the head; it's probably part of your
10 plan -- by the year 2002? You can ball park it. We can
11 miss by a few hundred if you'd like.

12 WITNESS RIB: Well, I think by the year 2002, I
13 mean there's a -- I'm a little uncomfortable in the
14 context. For a moment we were talking about a site plan we
15 filed last year, but I also recognize we have put forth a
16 bid waiver to include a roughly 500 megawatt power plant;
17 so that would be my answer, I suppose.

18 COMMISSIONER GARCIA: You need about 500
19 megawatts for 2002? I thought you were probably getting
20 another plant that would probably be coming on line about
21 then, or that's all you need, about 500 megawatts?

22 WITNESS RIB: No, I think what I'm referring to
23 is the plant that we had come forward with the proposal in
24 the bid waiver.

25 COMMISSIONER GARCIA: And that's all you'll need

1 by 2002, is one more plant of 500 megawatts?

2 WITNESS RIB: That would be our proposal.

3 COMMISSIONER GARCIA: Scheff, that's all I had
4 for now. Have you found what you are looking for?

5 MR. WRIGHT: Yes.

6 COMMISSIONER DEASON: Scheff, let me ask a
7 question real quick like. The plant that you just
8 described is going to be part of a -- the bid rule waiver
9 request. Is that to meet the capacity that was identified
10 in the 10-year site plan that was needed when you fell
11 below the 15% threshold, or is this capacity that is needed
12 beyond that period?

13 WITNESS RIB: Well, I think the answer would be
14 for capacity beyond that moment in time. I don't --

15 COMMISSIONER DEASON: Okay. So for that specific
16 moment in time, I assume you're relying on capacity that
17 exists within Peninsular Florida that you think is going to
18 be available to you such that in effect you have -- well,
19 Peninsular Florida has a 15% reserve margin, and you can
20 rely upon that if needed; is that correct?

21 WITNESS RIB: Well, I guess I'd offer -- I'd like
22 to offer two perspectives on that because that is a
23 specific question that's going to be before us shortly.
24 One, is it -- I need to answer that question as it
25 specifically relates to the site plan we filed as of

1 December 31st, 1997; but I don't know that this is the
2 appropriate place to have that type of detailed
3 conversation about load forecasts and capacity requirements
4 and all that.

5 COMMISSIONER DEASON: Well, if you want to get
6 specific, you can; but my question, I think, is quite
7 simple. The site plan you filed, there was one period of
8 time you had a 13% margin reserve?

9 WITNESS RIB: Correct.

10 COMMISSIONER DEASON: You planned for 15, and I'm
11 sure you didn't want to file a plan that you considered
12 unsuitable, so you assumed that you were going to get
13 something from somebody somewhere somehow. Where were you
14 going to get that from?

15 WITNESS RIB: Okay, I remember when we talked
16 about this briefly in the summer workshop, and I'd offer,
17 hopefully, the same response. First, that in that specific
18 example we had some uncertainty as to whether all of the
19 load that was being reported was actually going to be
20 required, and that had to do with transactions with some of
21 our wholesale customers because there was some timing
22 issues that we had with them, and we wanted to report on
23 the conservative side. So when I responded to you, I
24 offered that when we found that information and we
25 determined that it was needed that we would attempt to go

1 to other suppliers in the market for what would probably
2 amount to somewhere between 100 and 150 megawatts and cover
3 that for that moment in time.

4 COMMISSIONER DEASON: So you were willing then to
5 have -- to rely upon capacity that you had not contracted
6 for?

7 WITNESS RIB: Well, that far out in the distance
8 we thought it was about time -- I'd acknowledge it was
9 about time to find out the answer to the question about our
10 customers' load; and, number 2, if need be, move into the
11 market to attempt to obtain it because the lead time was
12 appropriate for some action.

13 COMMISSIONER DEASON: So if you're willing to
14 rely upon uncontracted capacity for those reasons, how does
15 it present a problem to you for planning if there is all of
16 a sudden 470 megawatts of uncontracted capacity from New
17 Smyrna that happens to be available in the wholesale
18 market?

19 WITNESS RIB: Well, I wouldn't -- I'm not
20 attempting to say that we would rely on uncontracted
21 capacity. I'm saying if we felt that that need was genuine
22 we would react in the appropriate time frame and get a
23 contract to serve the power with firm contracted resources.

24 COMMISSIONER DEASON: Well, you're the one that
25 made the projections on what your demand was, and it was

1 your numbers that show that you were 2% shortfall, and
2 you've indicated -- That was your -- That's not my
3 numbers; those are your numbers.

4 WITNESS RIB: You're right. You're right.

5 COMMISSIONER DEASON: And so you're indicating to
6 me that to the extent of a 2% shortfall in reserve you were
7 willing to rely on uncontracted capacity. Now am I
8 oversimplifying it or not?

9 WITNESS RIB: I don't think you are. I guess
10 what underlies that is the -- what I'd characterize as the
11 certainty we had in the out -- the degree of certainty we
12 had in the outcome with the question we had with this
13 particular customer.

14 COMMISSIONER DEASON: A wholesale customer?

15 WITNESS RIB: A wholesale customer we were fairly
16 confident was in this particular situation
17 over-forecasting. I'd offer that --

18 COMMISSIONER GARCIA: Explain what you mean by
19 this particular wholesale customer. That you were going to
20 buy from a particular wholesale customer?

21 WITNESS RIB: No, this was somebody who we had
22 commitments to sell to. There were some timing concerns
23 about their load forecasts.

24 COMMISSIONER GARCIA: Yeah, but nonetheless, you
25 went ahead, or you're telling us you're going to file, so

1 there was -- you are going to file to build a power plant.
2 You are not going to build that power plant for a need for
3 a wholesale customer that isn't going to be there, so --

4 WITNESS RIB: Oh, no. No. Yeah, I wouldn't do
5 that.

6 COMMISSIONER GARCIA: So tell me -- and I think
7 Commissioner Deason's point is right on the head. Tell me
8 who you who might have to contract for that power would be
9 upset that Duke Power is in our state offering power. How
10 could that be negative to your company to have one more
11 party possible to meet your need?

12 WITNESS RIB: I guess what I'm offering and what
13 I've attempted to offer, and my testimony speaks more to
14 the frustration in the planning process because I don't --
15 First of all, I don't know whether our company should be
16 considered to rely on his company or not. I don't know
17 whether anybody in the state would have any power to
18 require him to sell to me. I don't know --

19 COMMISSIONER DEASON: Well, now let's back up.
20 Was anybody required to sell to you to meet your 2%
21 shortfall for that one season during one year of your
22 10-year site plan?

23 WITNESS RIB: I think it would be fair to say
24 that there wouldn't be. I suppose if we try to work on
25 that issue far enough in advance, if absolute worst comes

1 to worst we ought to find a power generating unit somewhere
2 and put it on the ground. I hope it doesn't come to that
3 considering the uncertainty of the particular load
4 forecasting question, which turned out in our favor; but
5 had it not materialized, we probably, ultimately could have
6 been forced to act.

7 COMMISSIONER DEASON: But I guess what you're
8 saying is there perhaps is a more cost effective means of
9 planning for your load than always saying if there is any
10 shortfall at any period of time you immediately put
11 facilities in the ground; you look at other things. And
12 one of those resources is the potential of uncontracted
13 capacity from somebody that you feel confident is going to
14 have capacity somewhere out there. Is that a fair
15 statement?

16 WITNESS RIB: I suppose it would be fair if you
17 consider that those decisions are made and need to be made
18 at a point in time when if all else fails the utility has
19 the obligation to serve and will build to serve it. But
20 before that final decision has to be made, I'd also
21 characterize the decision-making process to include
22 opportunities from the market that haven't necessarily been
23 secured yet. I think we do want, in some fashion, the form
24 of a market with the utilities that we can sell back and
25 forth from the statewide reserve. It's not -- I didn't

1 think that that was unusual, at least in the past.

2 COMMISSIONER GARCIA: I think, I think -- I
3 would agree with you that it's good, that there's a market
4 out there. There's a capacity out there to be picked up.

5 COMMISSIONER CLARK: Are --

6 WITNESS RIB: I guess the other side of it is
7 that when somebody proposes to build a plant that is
8 offering non-firm and doesn't state their intention,
9 whether or not that plant would be under contract, if it's
10 not under contract to me, I'm not going to depend on it;
11 but I will continue through the planning process.

12 COMMISSIONER GARCIA: But it wasn't under
13 contract to you. Those 200 megawatts that you needed
14 weren't under contract to you, so you are going to build
15 some capacity; but you nonetheless submitted a plan, you
16 submitted -- I'm not -- again, this is your plan -- where
17 you were short. So you knew you were going to find it
18 somewhere. And I contend to you that if I'm looking for
19 something I'd rather have more people offering it than less
20 people offering it, right, if you are shopping for price as
21 opposed to something else? I mean, and obviously all
22 electricity is the same. The question of firmness is based
23 on what you are going to do, but clearly you would benefit
24 if there were more people offering power out there.

25 WITNESS RIB: Well, I guess in that construction

1 I suppose that would be true.

2 COMMISSIONER GARCIA: I mean you began your
3 statement by saying that there are some oil plants -- your
4 summary, saying that some oil plants are, you know, that a
5 diversity of resources is good for the state, that under
6 given circumstances the oil plants could be very cost
7 effective and efficient. I can contend to you that one of
8 the reasons that oil plants are efficient right now is
9 because oil prices are low.

10 WITNESS RIB: Sure.

11 COMMISSIONER GARCIA: And oil prices are low
12 because we've got more oil out there than normal, correct?

13 WITNESS RIB: Well, I think I was speaking to the
14 diversity of our resources.

15 COMMISSIONER GARCIA: Right, and I'm speaking to
16 the availability of oil at a cheap price. Now I put myself
17 in your position. I'm looking for 200 megawatts. What
18 would I like the market to be? Would I like the market to
19 be only FPL, Gulf and TECO as my possible clients, or would
20 I like this guy who, in addition to the 200, maybe they in
21 combination have 400, wouldn't I like another 400 there so
22 that I could play -- so that my ratepayers could benefit
23 from the bargain? The bargain, that Scheff has got a plant
24 in the ground; he is not going anywhere. He's got to sell
25 that stuff, or --

1 WITNESS RIB: I understand what you're saying. I
2 guess the -- First, I'm not comfortable characterizing
3 the entire -- what I've attempted to characterize as the
4 competitive wholesale market in Florida constructed a
5 Florida Power, Power and Light and TECO and Gulf because
6 there are an awful lot of other people out there that are
7 involved, both municipals and --

8 COMMISSIONER GARCIA: Absolutely.

9 WITNESS RIB: I mean there are --

10 COMMISSIONER CLARK: Joe. Joe, wait a second.
11 Can you just wait a second?

12 (DISCUSSION OFF THE RECORD)

13 CHAIRMAN JOHNSON: We'll take a five-minute
14 break.

15 COMMISSIONER CLARK: But are we going to break at
16 five too?

17 COMMISSIONER GARCIA: I worry because this has
18 gone a little while, and Scheff has still got something to
19 go, and I know staff has got questions. I can go until
20 about 6:45. I mean I don't want to do that to you all, but
21 that's up to you.

22 COMMISSIONER CLARK: Well, it's my, it's sort of
23 my take we are going to be back here.

24 COMMISSIONER GARCIA: Right.

25 COMMISSIONER CLARK: And I'd rather leave at

1 five.

2 CHAIRMAN JOHNSON: Did you want to finish up your
3 questions? I think you were almost finished. Didn't you
4 just have those deposition questions?

5 MR. WRIGHT: I'm very close to finishing, Madam
6 Chairman.

7 CHAIRMAN JOHNSON: I couldn't tell. I know you
8 had a distraction.

9 MR. WRIGHT: I would like to take a break if I
10 could, and whatever --

11 CHAIRMAN JOHNSON: Is this a good breaking point
12 for you?

13 MR. WRIGHT: We can do whatever you want. I just
14 did want to observe that based on my consultation with
15 other counsel, I thought that considering that we only have
16 two more witnesses after Mr. Rib, there is a good chance we
17 can finish before 6:45, is my understanding.

18 COMMISSIONER GARCIA: I don't think we are going
19 to finish before 6:45, I can guarantee you that. If we are
20 going to be back here anyway -- Because I still, we still
21 have the question of whether to dismiss this or not, and I
22 have a bunch of questions for the attorneys that have
23 been --

24 MR. MOYLE: Madam Chair, do you think maybe --
25 Madam Chair, I'm sorry.

1 CHAIRMAN JOHNSON: Mr. Moyle.

2 MR. MOYLE: Do you think maybe -- I have some
3 cross. Rather than finishing up with Scheff and then I
4 would be the only person not to cross, if he has a few more
5 things he needs to look at, maybe I could go now and at
6 that time he would be able to finish his cross, and then we
7 could break at that point, if you want, at least have done
8 all the cross?

9 CHAIRMAN JOHNSON: I don't think we are going to
10 finish up tonight. We are going to come back on next
11 Friday, so I just wanted to find a convenient breaking
12 point for you, Mr. Wright, and if you tell me -- I didn't
13 want to break up your --

14 MR. WRIGHT: Madam Chairman, the continuity of my
15 cross examination is not impaired.

16 CHAIRMAN JOHNSON: So are we fine?

17 MR. WRIGHT: We can take five. I would
18 appreciate it personally.

19 CHAIRMAN JOHNSON: Actually, no, I'm saying break
20 until Friday.

21 COMMISSIONER GARCIA: Stop today.

22 CHAIRMAN JOHNSON: Next Friday is what we are
23 trying to do.

24 MR. WRIGHT: You're the boss, and that's fine
25 with me, Madam Chairman.

1 CHAIRMAN JOHNSON: Okay. If it doesn't break up
2 the continuity. The witnesses are --

3 MR. WRIGHT: No, that would be fine. In fact, it
4 would probably improve it.

5 CHAIRMAN JOHNSON: Will the --

6 COMMISSIONER GARCIA: You know what, Madam
7 Chairman, before we take that leap, could you just -- let's
8 summarize what they've got left on the witnesses they've
9 got left because I believe we are shooting for the morning
10 of Friday.

11 CHAIRMAN JOHNSON: Uh-huh.

12 COMMISSIONER GARCIA: And that way we should know
13 if we are going to start at eight in the morning or 9:30.

14 CHAIRMAN JOHNSON: First I want to make sure that
15 the date that we have available will be -- this is the
16 11th -- making sure that there are no conflicts on the
17 11th.

18 MS. PAUGH: Staff has no conflicts.

19 CHAIRMAN JOHNSON: Mr. Wright.

20 MR. WRIGHT: Madam Chairman, it sounds like we
21 are about to break for the day.

22 CHAIRMAN JOHNSON: Yes, so I'm just wondering,
23 will everyone be available and the witnesses are available
24 for the 11th, yes?

25 MR. MOYLE: I may have a conflict, but I'll

1 either clear it or Mr. Sniffen will be here.

2 CHAIRMAN JOHNSON: And the other thing that I
3 need to do before we break today is make sure, get an
4 indication of how much time you think we'll take on the
5 last couple of witnesses to make sure that it is a prudent
6 thing to do to break today, and if you could --

7 MR. WRIGHT: Madam Chairman, I think that I have
8 less than 30 minutes of cross for each of the two remaining
9 witnesses, so I think I've got an hour or so of cross
10 total, maybe less.

11 CHAIRMAN JOHNSON: About an hour. John?

12 MR. MOYLE: Just to be on the safe side, put me
13 down for the same, though I expect it will be less.

14 CHAIRMAN JOHNSON: Okay.

15 MR. BUTLER: We don't expect to have any.

16 CHAIRMAN JOHNSON: You don't know how much
17 redirect you'll have?

18 MR. BUTLER: That will depend.

19 CHAIRMAN JOHNSON: It's kind of a redirect
20 question.

21 MR. SASSO: Redirect?

22 CHAIRMAN JOHNSON: What about all these
23 summaries, any indication of how much the summary of
24 testimony will take?

25 MR. SASSO: Redirect will probably, based on what

1 happened here today, probably will take 45 minutes so far.

2 CHAIRMAN JOHNSON: Okay. That's, and that's for
3 Rib. Are you saying --

4 MR. SASSO: Yes.

5 CHAIRMAN JOHNSON: Yeah, so we could end up with
6 a couple of hours for redirect. Is that --

7 MR. SASSO: Well, maybe not a couple of hours,
8 but I imagine when all is said and done --

9 CHAIRMAN JOHNSON: I'm saying for the three
10 witnesses?

11 MR. SASSO: -- we're going to cover the same
12 issues in different ways. All three witnesses? Two are
13 ours. There may be a total of an hour and a half or so,
14 just a rough estimate.

15 CHAIRMAN JOHNSON: Okay. Staff.

16 MS. PAUGH: About 45 minutes of cross
17 examination, and that's on the outside.

18 CHAIRMAN JOHNSON: Okay. So we will have about
19 four hours, four or five hours on Friday. We'll probably
20 need to start a little early, probably about eight o'clock
21 because we do have a 1:30 hearing scheduled; so I think
22 eight o'clock would be a good time for us to start on
23 Friday the 11th.

24 Mr. Wright.

25 MR. WRIGHT: Madam Chairman, one other matter: We

1 had filed this afternoon a request for judicial notice, and
2 we are prepared to distribute copies to the parties here.
3 It's a request for judicial notice for several Public
4 Service Commission orders, several FERC orders, and one
5 document filed before the North Carolina Utilities
6 Commission. It's the document relating to the Rockingham
7 project that I mentioned on Wednesday we would be filing.
8 Mr. Shine is going to distribute those now if that's okay
9 with you.

10 CHAIRMAN JOHNSON: Okay. And why don't we just
11 go ahead -- Is there any objection to Exhibit 30? It was
12 the excerpt, assistant area model for Tiger. No objection?

13 (NO RESPONSE)

14 CHAIRMAN JOHNSON: Okay. Let's go ahead and
15 admit that now.

16 MR. WRIGHT: Thank you very much.

17 CHAIRMAN JOHNSON: Do you want your --

18 COMMISSIONER GARCIA: What is this?

19 CHAIRMAN JOHNSON: Do you want this --

20 COMMISSIONER GARCIA: No, no. What is this?

21 CHAIRMAN JOHNSON: These are the -- This
22 isn't -- Oh, you want us to take judicial notice?

23 MR. WRIGHT: Yes, ma'am, request for judicial
24 notice of the indicated orders similar to the orders listed
25 in the staff's request for judicial notice.

1 CHAIRMAN JOHNSON: Have you all had an
2 opportunity to see this?

3 MR. WRIGHT: And also the pleading filed with the
4 North Carolina Utilities Commission, which is shown as a
5 stamped copy from the office of the chief clerk of that
6 body.

7 CHAIRMAN JOHNSON: Mr. Sasso.

8 MR. SASSO: I don't expect we'll have a problem,
9 but I would like to review it before responding.

10 CHAIRMAN JOHNSON: Why don't we just leave it
11 pending, and this will be the first matter that we'll take
12 up.

13 MR. WRIGHT: That would be great. Thank you.

14 CHAIRMAN JOHNSON: Anything else?

15 MR. GUYTON: Madam Chairman, a couple of
16 housekeeping matters, if we might address it. Since it's
17 clear that we are going to another day of hearing -- and
18 I'm going to be a bit selfish about this if I can. I've
19 already lost one holiday to this. I would like to see if
20 we couldn't arrange the briefing schedule so that I don't
21 lose Christmas as well, if he can just kind of keep that in
22 mind for purposes of scheduling.

23 MS. PAUGH: We'll work with the parties on that,
24 Madam Chair.

25 CHAIRMAN JOHNSON: Okay. Anything else?

1 COMMISSIONER GARCIA: Just to mention that I
2 appreciate the fact that Mr. Guyton didn't ruin my
3 Thanksgiving.

4 CHAIRMAN JOHNSON: Great. We'll show the hearing
5 in recess until eight o'clock December 11th.

6 (WHEREUPON, THE HEARING WAS ADJOURNED)

7

8

9

* * * *

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

#30 1160:3	document 1161:20,23 does 1161:23,25 Duke 1158:6 duly 1161:8	read 1162:10 record 1162:9 REPORTED 1158:19 REPORTERS 1158:21 resource 1161:18 RIB 1159:3 1161:6,13,21 Rib's 1162:8 RPR 1158:19
&	E	S
& 1158:21	Easley 1158:16 employed 1161:16 Energy 1158:6 entered 1162:9,11 entitled 1161:20 Esplanade 1158:17 EXAMINATION 1161:9 EXHIBITS 1160:1	same 1162:2 SASSO 1161:10 1162:8 sequence 1161:2 SERVICE 1158:1 Smyrna 1158:6 South 1161:14 St 1161:14 SUSAN 1158:12 sworn 1161:8
/	F	T
/ 1158:23	FAX 1158:23 first 1161:8 FLORIDA 1158:1,6 1161:7,15,18 follows 1161:8 Friday 1158:14	tell 1161:11 testified 1161:8 Testimony 1159:4 1161:21,23 1162:2,5,6,9 though 1162:10 TIME 1158:15 today 1162:6 Transcript 1161:2
1		U
1158 1158:8 1163 1159:4 1236 1158:8 13th 1161:14 1998 1158:14		us 1161:11 Utilities 1158:5
2		V
263 1161:14		Volume 1161:2 Volusia 1158:5
3		W
3093 1158:22 33701 1161:15	H	Way 1158:17 Whereupon 1161:5 whom 1161:16 will 1162:11 witness 1161:7
4	hearing 1161:24 here 1162:6	
4 1158:14 4075 1158:17	I	
8	ID 1160:2 include 1161:23 INDEX 1159:1 1160:1 Inserted 1159:4	
8 1161:2 850)697-8314 1158:23 850)697-8715 1158:23	J	
9	JACOBS 1158:13 JOHNSON 1158:11 1162:11 Joint 1158:4 JULIA 1158:11	
9:30 1158:15	L	
A	LEON 1158:13	
a.m 1158:15 address 1161:11,13 ADMTD 1160:2 adopt 1162:5 after 1161:8 answers 1162:2 area 1160:3 ask 1162:8 asked 1162:1 Assistance 1160:3 Avenue 1161:14	M	
B	Madam 1162:8 METZKE 1158:19 MICHAEL 1159:3 1161:6,13,21 model 1160:3	
BEFORE 134:1 1158:11 1161:20 Betty 1158:16 BOX 1158:22 business 1161:11	N	
C	name 1161:11,13 NANCY 1158:19 New 1158:6	
called 1161:7 CCR 1158:19 Center 1158:16 CHAIRMAN 1158:11 1162:8,11 CLARK 1158:12 Commenced 1158:15 COMMISSION 1158:1 COMMISSIONER 1158:12,13 Conference 1158:16 contained 1162:1 continues 1161:2 Corporation 1161:7,19 Corrected 1161:21 1162:9 County 1158:5	O	
D	OFFICE 1158:22 One 1161:13	
DATE 1158:14 December 1158:14 determination)DOCKET 1158:4 Direct 1159:4 1161:9,21,23 director 1161:18	P	
	PAGES 1158:8 part 1162:5 Petersburg 1161:14 petition 1158:4 PLACE 1158:16 planning 1161:18 Plaza 1161:14 please 1161:12 position 1161:17 POST 1158:22 Power 1161:7,14,19 Prefiled 1159:4 1162:5 prepared 1161:24 1162:2,9 provide 1162:2 PUBLIC 134:1	
	Q	
	questions 1162:1	
	R	
	Re 1158:4	

\$	1214:19 1217:6,21 1218:1 1219:14,18,20,21 1221:3,16 1222:8,9,9 1223:23 1228:20 1231:21 1232:11,22 1233:16, 18,20 1235:18 above 1205:17 1214:9 absolute 1224:25 Absolutely 1211:11 1228:8 Accordingly 1193:9 achieve 1190:8 1212:13 1215: 16 acknowledge 1190:24 1222:8 acknowledges 1189:4,5 Act 1188:14 1192:11 1225:6 action 1222:12 active 1212:5 activities 1215:16 activity 1209:7,8 actually 1190:25 1198:10 1215:21 1221:19 1230:19 add 1190:1 addition 1227:20 additional 1189:3 1219:7 address 1235:16 ADJOURNED 1236:6 admission 1202:11 admit 1215:22 1234:15 advance 1192:19 1224:25 advanced 1188:22 advantage 1212:11 advantages 1190:8 advised 1195:9 Affairs 1188:19 affect 1212:19 1214:20 afraid 1210:20 after 1200:7,10 1229:16 afternoon 1193:25 1194:1 1234:1 again 1194:12 1201:7,24 1213:15 1218:2 1226:16 agencies 1187:22 1188:16 1192:17 ago 1206:21 1215:4 agree 1194:6 1208:11 1209:11 1226:3 agreement 1186:21 1196:16 ahead 1205:15 1223:25 1234: 11,14 allow 1188:14 1196:23 almost 1229:3 already 1190:5 1215:2 1235: 19 alternative 1190:12 alternatives 1187:19 1190:11, 15,17 always 1225:9 amount 1193:7 1222:2 analysis 1217:4 analytical 1206:14 Another 1192:5 1205:4 1219: 20 1227:21 1235:17 answer 1194:18 1196:25 1197:8 1198:10 1200:21 1201: 18,19,21,21,25 1202:21 1208: 8,18 1209:20 1210:13 1212:19 1213:9 1218:24 1219:17 1220: 13,24 1222:9 answering 1209:14 anticipated 1188:12 anybody 1224:17,20 anyone 1215:20 Anything 1235:14,25 anyway 1229:20 anywhere 1227:24 appears 1191:10 1207:17 application 1205:22 apply 1190:6,15 appreciate 1187:15 1202:19 1230:18 1236:2 approach 1202:7 appropriate 1187:5 1218:23 1221:2 1222:12,22 approved 1195:21 1217:3	April 1195:22 1196:8 1203:20 area 1188:12 1200:20 1205:25 1206:7 1208:1 1218:17 1234: 12 areas 1214:18 arena 1215:23 argue 1216:11 arguments 1215:9 arise 1192:1 arm 1215:3 arrange 1235:20 arrangement 1210:22,24 arrangements 1198:5 As-available 1189:21 ask 1193:20 1194:12 1196:17 1197:5 1201:6 1202:12,13 1206:3 1207:10,13 1208:10 1210:21 1211:10,12 1212:15 1215:19 1220:6 asked 1196:12 1197:5 1204:3 asking 1195:15 1196:5,20 1209:15,17 1210:20 1213:13 1214:17 1215:21 1219:7 assert 1187:5 assist 1208:1 assistance 1205:25 1206:7,7 assistant 1234:12 assisted 1207:7,19 1208:2 associated 1201:11 assume 1205:6 1212:24 1220: 16 assumed 1221:12 attempt 1191:8 1192:24 1208: 18 1213:6 1221:25 1222:11 attempted 1215:15 1224:13 1228:3 attempting 1222:20 attorney 1212:16,16 attorneys 1229:22 authentic 1207:17 authority 1194:16 authorization 1188:4 availability 1189:25 1227:16 available 1190:12 1212:3 1213:21,23 1218:17 1220:18 1222:17 1231:15,23,23 avenues 1209:8 avoided 1210:8 aware 1186:13 1198:22 away 1207:24 awful 1228:6	1202:22 1204:4,9,13 1206:20 1208:16,22 1210:12 1231:9 below 1220:11 benefit 1190:19 1214:13,15 1226:23 1227:22 benefits 1212:13 1213:18 1214:11 1215:16 best 1211:14 better 1209:12,24 1212:23 between 1186:22 1213:19 1215:10 1222:2 beyond 1203:10 1220:12,14 bid 1210:2,5 1219:16,24 1220: 8 bit 1191:24 1235:18 boss 1230:24 both 1187:8 1207:7 1228:7 bottom 1197:23 break 1213:11 1228:15 1229:9 1230:7,13,19 1231:1,21 1232: 3,6 breaking 1229:11 1230:11 brief 1189:7 briefing 1235:20 briefly 1221:16 bring 1201:15 1209:22 broker 1209:7 1211:13,21 1212:4 1213:24 1214:16 1215: 10,15 brokers 1214:6 brought 1191:20 BTU 1198:3,3,9 build 1188:5 1190:4,5,7 1193: 4 1224:1,2 1225:19 1226:7,14 building 1190:5 built 1204:20,22 1205:10 1210:7,9 bulk 1208:12,17 bunch 1213:7 1229:22 Butler 1193:14,15 1232:15,18 buy 1208:5 1214:3 1223:20
*	* 1236:9,9,9,9		
1	10-year 1188:11,13,22 1194: 24 1195:7,8,12,22 1196:1,9 1200:25 1201:10 1202:1,6,13 1203:20 1217:2,4 1220:10 1224:22 100 1222:2 11th 1231:16,24 1233:23 1236:5 13% 1217:6,13,18,19 1218:3 1221:8 15 1221:10 15% 1217:6,7,17 1218:11 1219:4,8 1220:11,19 150 1222:2 1993 1205:24 1995 1202:23 1997 1221:1 1:30 1233:21 1st 1195:22 1196:8 1203:20		
2	2 1199:12,17 1222:10 2% 1223:1,6 1224:20 20 1214:2,9 1215:23 200 1226:13 1227:17,20 2001 1217:5 2002 1219:10,12,19 1220:1 2003 1202:25 250 1195:25 1216:4,9 25th 1205:24		
3	3 1199:12,17 30 1206:5,6 1207:11 1214:2 1215:23 1232:8 1234:11 300 1213:2 31st 1221:1		
4	4 1199:12 400 1227:21,21 45 1233:1,16 470 1222:16		
5	50-megawatt 1216:22 500 1216:22 1219:16,18,21 1220:1		
6	6:45 1228:20 1229:17,19		
8	88 1216:2,8		
9	9:30 1231:13		
A	ability 1198:25 1203:17 1207: 25 able 1189:25 1196:9,12,20 1197:7 1208:5 1209:15,18 1216:2 1230:6 about 1194:21 1197:21 1198:6 1200:5 1203:13 1204:3,25 1210:23 1211:13 1213:3,14,17		
B	back 1204:15 1206:17 1210: 23 1213:20 1214:15 1216:9 1217:21 1224:19 1225:24 1228:23 1229:20 1230:10 background 1200:12 ball 1219:10 bargain 1227:23,23 base 1192:25 based 1190:3 1212:8 1216:22 1226:22 1229:14 1232:25 basis 1189:20 1198:3,3,9 1205:9 1218:3 Beach 1189:5 1194:2 1203:16 1204:19 1205:2 Beasley 1193:16 because 1189:11 1195:9 1198:16 1209:15 1212:5,18,20, 24 1215:5,12 1216:9 1220:22 1221:21 1222:11 1224:14 1227:9,12 1228:5,17 1229:20 1231:9 1233:21 before 1200:6 1203:23 1220: 23 1225:20 1229:17,19 1231:7 1232:3 1234:5 1235:9 began 1227:2 begin 1218:14 begins 1214:22 behalf 1187:23 believe 1186:10,12 1194:23		
C	calculate 1206:23,25 1207:1 1208:2 calculates 1207:7 California 1200:6 call 1215:11 calling 1212:3 came 1203:21 1209:22 can 1186:15 1187:2 1189:21 1194:7,13 1199:10 1201:5 1204:7 1206:2,25 1208:18 1211:8,9 1212:13 1214:9 1218: 5 1219:10,10 1220:19 1221:6 1225:24 1227:7 1228:11,19 1229:13,17,19 1230:17 1235: 18,21 can't 1201:25 1202:5 1208:20 1210:24 1211:3 capacity 1188:7,12 1189:3,11, 25 1190:1,13,16 1201:12 1215: 21 1220:9,11,14,16 1221:3 1222:5,14,16,21 1223:7 1225: 13,14 1226:4,15 Carolina 1234:5 1235:4 case 1190:13 1195:14 1198:7, 8,8 1214:7 casual 1211:23 cause 1199:4 certain 1205:12 Certainly 1202:19 1205:16 1207:18 1209:8 certainty 1223:11,11 certificate 1192:23 cetera 1202:5 Chair 162:1 1229:24,25 1235: 24 CHAIRMAN 1186:8,18 1187: 1,6,15 1193:14,16,18 1196:23 1202:8,9 1205:18,19 1206:6 1211:6 1228:13 1229:2,6,7,11		

1230:1,9,14,16,19,22,25 1231:1,5,7,11,14,19,20,22 1232:2,7,11,14,16,19,22 1233:2,5,9,15,18,25 1234:10,14,17,19,21 1235:1,7,10,14,15,25 1236:4 chance 1229:16 change 1197:18 1209:16,16,18 changed 1186:6 changes 1186:4,15 character 1209:16 characteristics 1218:17 characterization 1204:9 characterizations 1196:15 characterize 1194:9 1197:8 1200:7 1204:18 1208:8,20 1212:4 1223:10 1225:21 1228:3 characterized 1196:3 characterizing 1228:2 cheap 1210:17 1212:25 1227:16 chief 1235:5 chose 1192:21 chosen 1203:2 Christmas 1235:21 circumstances 1197:17,18 1227:6 cite 1213:10 citizens 1188:9 1189:12 City 1216:1 claim 1215:12 1216:10 claims 1190:21 clarification 1186:2 CLARK 1216:7 1226:5 1228:10,15,22,25 clear 1186:20 1187:7 1232:1 1235:17 clearly 1212:9 1226:23 clerk 1187:10 1235:5 clients 1227:19 close 1229:5 closely 1208:18 coal 1197:22 coexist 1194:7,13 combination 1227:21 combine 1187:19 1188:14 combined 1190:22 1191:2 1197:13,22 1204:19,21 1205:4,10 combustion 1202:23 1203:4 come 1204:15 1216:21 1217:5 1218:6 1219:23 1225:2 1230:10 comes 1212:17 1224:25 comfortable 1228:2 coming 1219:20 comment 1187:17 1193:11 1198:1 commercial 1198:20 Commission 1188:4,18 1191:22 1192:11,17,23 1194:15 1196:8,20 1198:25 1204:2 1205:23 1216:3 1234:4,6 1235:4 Commission's 1191:25 Commissioner 1195:6 1201:6 1208:14 1211:9,12,15,19 1212:7,14 1213:9 1215:1,19 1216:1,7,11,18 1217:1,10,12,17,19,23 1218:4 1219:3,6,18,25 1220:3,6,15 1221:5,10 1222:4,13,24 1223:5,14,18,24 1224:6,7,19 1225:7 1226:2,5,12 1227:2,11,15 1228:8,10,15,17,22,24,25 1229:18 1230:21 1231:6,12 1234:18,20 1236:1 Commissioners 1186:15 1187:15 commitment 1203:10 commitments 1189:20 1223:22 communication 1195:19	communications 1215:15 Community 1188:19 companies 1209:6 company 1206:21 1212:10,18,25 1214:1 1215:3 1217:2 1218:6,15 1224:10,15,16 comparable 1190:7,8 1198:11 1205:12,13 competition 1194:7,10,13 1209:11,12,23 competitive 1208:12,16,22 1209:9 1228:4 competitively 1197:25 complete 1206:2 completely 1203:21 complications 1191:19 comprehensive 1188:23 concept 1193:1 conceptually 1209:17 concern 1192:5 concerned 1197:21 concerns 1223:22 conclude 1203:5 conclusion 1196:5 1198:21 conditions 1194:10 1198:7 conducted 1193:20 confident 1223:16 1225:13 confirm 1206:2 conflict 1231:25 conflicts 1231:16,18 confront 1204:12 confusion 1191:17 1199:4 consent 1192:11 conservative 1221:23 conserve 1189:2 consider 1203:10 1208:4 1209:9 1225:17 consideration 1207:21 1208:3 1213:17 considerations 1198:16 considered 1189:23 1193:6 1221:11 1224:16 considering 1204:25 1218:21 1225:3 1229:15 consistent 1188:23 1196:16 consists 1205:24 constituencies 1188:16 constructed 1228:4 constructing 1196:7 construction 1226:25 consultation 1229:14 consumers 1193:5 1213:20 consumption 1189:2 contend 1226:18 1227:7 contention 1208:25 context 1200:3,4,5 1201:22 1219:14 continue 1226:11 Continuing 1187:11 1192:12 1197:4 1199:14 1201:9 1202:16 1204:16 1206:9 continuity 1230:14 1231:2 continuous 1218:3 continuously 1217:16 continuum 1188:21 contract 1203:7 1208:6 1210:9 1222:23 1224:8 1226:9,10,13,14 contracted 1222:5,23 control 1209:23 controlled 1200:9 convenience 1186:12 convenient 1230:11 conversation 1211:23 1221:3 conversations 1217:21 Coordinating 1188:18 copies 1187:8 1234:2 copy 1186:3,4,12,14,16 1206:1 1235:5 Corp 1206:16 Corp's 1212:16 Corporation 1201:12 1205:22 1206:10,18,22 1207:7,21	Corporation's 1200:24 correct 1207:6,9,19 1212:11 1220:20 1221:9 1227:12 corrected 1186:3,4,18 1187:8 1199:13 corrections 1186:15,21 cost 1187:20 1190:3,6,8,11,14 1198:2,4 1210:8 1216:8 1225:8 1227:6 cost-based 1214:7 costed 1205:17 costs 1198:9 couldn't 1229:7 1235:20 Council 1188:18 counsel 1186:13,22 1229:15 count 1189:21 couple 1192:3 1211:7 1232:5 1233:6,7 1235:15 course 1187:3 court 1187:10 cover 1205:24 1210:11 1214:18 1222:2 1233:11 create 1192:20 1214:23 criteria 1206:23 1217:7 cross 1193:13,19,21,23 1230:3,4,6,8,15 1232:8,9 1233:16 current 1188:6 1193:3 1194:9 1198:7 currently 1211:3 customer 1223:13,14,15,19,20 1224:3 customers 1187:21 1188:3 1189:1,10 1218:16,23 1221:21 customers' 1222:10 cycle 1191:3 1197:13,22 1204:19,21 1205:4 cycles 1190:22 1205:10	determine 1190:2,11 determined 1221:25 develop 1188:25 1192:8 1206:18 developed 1206:20 developer 1189:13 developers 1192:7,14,18 development 1187:18 diagram 1205:25 didn't 1197:5 1203:6 1215:3 1217:1,1 1221:11 1225:25 1229:3 1230:12 1236:2 difference 1213:25 different 1190:17 1195:2 1213:7 1233:12 differently 1207:23 difficult 1212:22,23 difficulty 1209:24 direct 1191:15 direction 1218:13 directly 1210:21 disagree 1199:6 disclose 1192:19 discuss 1191:15 discussed 1189:8 1192:3 discussing 1207:13 discussion 1186:5,11 1191:10 1208:19 1215:18 1228:12 discussions 1191:20 1193:5 1200:5 1213:14 dismiss 1229:21 dispatch 1205:17 1213:22,23 dispatchers 1215:11,12 displace 1191:3 1192:14 1205:3,4 displaced 1197:12 1198:18 displacement 1190:20 1193:1 distance 1222:7 distraction 1229:8 distribute 1205:18 1234:2,8 distributed 1187:8 distributing 1205:20 districts 1188:20 diversity 1190:24 1227:5,14 DOCUMENT 1186:25 1205:19 1206:2,3 1234:5,6 does 1189:10,11,12 1193:7 1194:10 1196:20 1206:11,13,13,22,25 1207:18 1210:15 1212:18,21,25 1214:18 1222:14 doesn't 1192:24 1210:17 1225:2 1226:8 1231:1 doing 1212:21,22 1215:13 Dolan's 1187:9 dollars 1198:3,3,9 done 1204:4 1230:7 1233:8 doubt 1195:13,16,18,20,21 down 1210:10 1216:16 1232:13 draw 1198:21 drop 1196:22 dropping 1203:15 due 1198:16 Duke 1188:3 1189:4,4 1193:2 1194:24 1195:8 1224:9 duplicate 1192:14 1193:3 duplicating 1204:21 duplication 1191:5 1193:2 during 1224:21
D			
date 1231:15 day 1197:18,18 1209:6,6 1211:17,17 1216:19,20 1231:21 1235:17 days 1192:4 deal 1210:21 Deason 1195:6 1220:6,15 1221:5,10 1222:4,13,24 1223:5,14 1224:19 1225:7 Deason's 1224:7 December 1221:1 1236:5 decision 1195:24 1225:20 decision-making 1225:21 decisions 1200:6,10 1225:17 dedicate 1212:1 defined 1193:8 1196:3 definition 1208:21 1214:25 degree 1194:22 1196:19 1223:11 demand 1189:1 1218:19 1222:25 demonstrate 1216:2,24 denied 1193:10 Department 1188:19,19 depend 1226:10 1232:18 dependent 1218:18 depending 1195:2 depends 1197:17 1198:5 1218:24 deposition 1201:4,23 1202:10,11 1203:11 1204:3,12 1207:14 1208:19 1211:8 1229:4 deregulation 1200:7,8 Describe 1212:14 described 1188:1 1220:8 design 1193:1 designation 1203:6 desire 1209:22 detailed 1221:2 Determination 1187:25 1191:23 1203:22 determinations 1216:16 1219:1	determine 1190:2,11 determined 1221:25 develop 1188:25 1192:8 1206:18 developed 1206:20 developer 1189:13 developers 1192:7,14,18 development 1187:18 diagram 1205:25 didn't 1197:5 1203:6 1215:3 1217:1,1 1221:11 1225:25 1229:3 1230:12 1236:2 difference 1213:25 different 1190:17 1195:2 1213:7 1233:12 differently 1207:23 difficult 1212:22,23 difficulty 1209:24 direct 1191:15 direction 1218:13 directly 1210:21 disagree 1199:6 disclose 1192:19 discuss 1191:15 discussed 1189:8 1192:3 discussing 1207:13 discussion 1186:5,11 1191:10 1208:19 1215:18 1228:12 discussions 1191:20 1193:5 1200:5 1213:14 dismiss 1229:21 dispatch 1205:17 1213:22,23 dispatchers 1215:11,12 displace 1191:3 1192:14 1205:3,4 displaced 1197:12 1198:18 displacement 1190:20 1193:1 distance 1222:7 distraction 1229:8 distribute 1205:18 1234:2,8 distributed 1187:8 distributing 1205:20 districts 1188:20 diversity 1190:24 1227:5,14 DOCUMENT 1186:25 1205:19 1206:2,3 1234:5,6 does 1189:10,11,12 1193:7 1194:10 1196:20 1206:11,13,13,22,25 1207:18 1210:15 1212:18,21,25 1214:18 1222:14 doesn't 1192:24 1210:17 1225:2 1226:8 1231:1 doing 1212:21,22 1215:13 Dolan's 1187:9 dollars 1198:3,3,9 done 1204:4 1230:7 1233:8 doubt 1195:13,16,18,20,21 down 1210:10 1216:16 1232:13 draw 1198:21 drop 1196:22 dropping 1203:15 due 1198:16 Duke 1188:3 1189:4,4 1193:2 1194:24 1195:8 1224:9 duplicate 1192:14 1193:3 duplicating 1204:21 duplication 1191:5 1193:2 during 1224:21		
E			
Each 1188:10 1190:12 1212:3 1232:8 early 1233:20 easier 1196:22 1214:2 economics 1198:16 effect 1199:3 1220:18 effective 1187:20 1190:12 1216:8 1225:8 1227:7 effectiveness 1190:14 efficient 1190:20 1197:12			

1205:5 1227:7,8
eight 1231:13 1233:20,22
 1236:5
either 1211:8 1218:5 1232:1
electrical 1189:1
electricities 1188:9
electricity 1190:3 1226:22
eliminate 1192:20
else 1225:18 1226:21 1235:14,
 25
encourage 1188:25
end 1193:10 1233:5
energy 1187:18 1189:2
engage 1189:5
enough 1224:25
entire 1228:3
entities 1188:9
entitled 1204:13,13 1206:7
Environmental 1188:20 1204:
 1
equipment 1203:7
essence 1207:24
estimate 1233:14
et 1202:5
evaluating 1206:14 1207:4,19
even 1211:3
ever 1203:22 1215:20
everyone 1231:23
evidence 1209:6
exact 1199:7
exactly 1196:2
examination 1193:13,21,23
 1230:15 1233:17
examine 1190:10 1218:14
example 1191:1,5 1197:22
 1201:4,16,23 1202:18,22 1213:
 16,21,24,25 1214:4,16 1221:18
examples 1202:4
excerpt 1205:20,21,24 1234:
 12
excerpts 1202:10
excess 1212:10
exchanging 1209:6
excised 1196:14
excuse 1190:1
Exhibit 1207:11 1234:11
exhibits 1202:10 1203:12
exist 1192:12 1194:10 1199:25
existence 1191:7 1212:2
existing 1190:23 1191:6,6
 1192:13 1210:1 1216:10
exists 1194:19,22 1204:23
 1209:22 1220:17
expect 1210:8 1232:13,15
 1235:8
expectation 1192:6
expectations 1192:1
expert 1213:16 1218:7
Explain 1223:18
explaining 1188:11
explanation 1195:11
explored 1192:16
extent 1223:6
extrapolate 1213:2
extremely 1210:17

F

facilities 1191:6 1192:13,16
 1193:2,3 1225:11
facility 1210:19
fact 1198:20 1206:3 1212:8
 1215:14,14 1216:12 1231:3
 1236:2
factors 1218:20
fail 1190:24
fails 1225:18
fair 1203:5 1204:9 1213:12
 1224:23 1225:14,16
fairly 1223:15
falls 1188:5
far 1222:7 1224:25 1233:1
fashion 1214:8 1225:23

favor 1191:22 1225:4
February 1205:24
FEECA 1188:25
feel 1190:23 1225:13
fell 1220:10
felt 1222:21
FERC 1217:7 1234:4
few 1191:21 1205:21 1210:23
 1215:1 1219:11 1230:4
file 1195:21,22 1196:1,9,21
 1221:11 1223:25 1224:1
filed 1195:7,8,12 1196:19
 1203:20,22 1219:15 1220:25
 1221:7 1234:1,5 1235:3
filing 1234:7
filings 1192:2
final 1198:14 1225:20
Finally 1192:15
find 1191:22 1197:1 1211:7
 1222:9 1225:1 1226:17 1230:
 11
fine 1186:16,17 1217:14 1230:
 16,24 1231:3
finish 1229:2,17,19 1230:6,10
finished 1229:3
finishing 1229:5 1230:3
fired 1191:3 1197:12,13,23
 1198:17,18 1204:18,21
firm 1189:20 1208:6 1222:23
firmness 1226:22
First 1189:8 1193:21 1202:20
 1208:19 1221:17 1224:15
 1228:2 1231:14 1235:11
fit 1205:11
five 1215:3 1228:16 1230:17
 1233:19
five-minute 1228:13
fleet 1197:21
fleets 1190:23
flexible 1187:20
floors 1212:1
Florida 1187:21 1188:2,8,18
 1189:17 1190:6,10,25 1191:12
 1192:8 1193:5,7 1194:19 1198:
 8,17 1200:24 1201:11 1202:14
 1204:4 1205:1,22,23 1206:10,
 16,18,22 1207:6,20 1208:6,23,
 24 1209:7,10,12,13 1210:14,17
 1211:13 1212:16,17 1215:20
 1219:5 1220:17,19 1228:4,5
flow 1213:20
fluid 1212:6,7
follow 1193:22 1199:16 1219:
 6
forced 1225:6
forecasting 1225:4
forecasts 1221:3 1223:23
form 1191:9 1194:10 1225:23
forth 1191:20 1219:15 1225:25
forward 1191:13 1216:21
 1219:23
found 1216:7,8 1220:4 1221:
 24
four 1213:4 1233:19,19
FPC 1208:1,1 1219:8
FPL 1227:19
frame 1222:22
framework 1188:1,6,24 1193:
 3 1194:11 1214:23,24 1215:2
FRCC 1218:12
free 1192:20
Friday 1230:11,20,22 1231:10
 1233:19,23
frustration 1224:14
fuel 1187:19 1197:18 1198:2,
 5,7
full 1216:3
function 1200:12 1215:7
further 1209:3 1217:22
future 1190:22 1201:1

G

gaining 1215:7
GARCIA 1201:6 1208:14
 1211:9,12,15,19 1212:7,14
 1213:9 1215:1,19 1216:1,11,18
 1217:1,10,12,17,19,23 1218:4
 1219:3,6,18,25 1220:3 1223:
 18,24 1224:6 1226:2,12 1227:
 2,11,15 1228:8,17,24 1229:18
 1230:21 1231:6,12 1234:18,20
 1236:1
Gary 1204:8
gas 1197:13 1198:4,9 1202:24
 1204:18,21
gave 1202:4 1216:3
general 1199:8 1200:4,13
generating 1187:19 1188:12
 1189:3,11 1190:10,13,16,23,24
 1203:3 1207:21 1208:5 1225:1
generation 1188:7 1189:20,22
 1191:10,12 1195:25 1197:12,
 21 1198:17,18 1201:1 1205:1,3
 1206:12,14 1207:25 1208:3
genuine 1222:21
getting 1212:2 1219:19
give 1186:11 1199:10
given 1203:20 1227:6
goes 1211:16
Good 1193:25 1194:1 1208:
 12,17,24 1226:3 1227:5 1229:
 11,16 1233:22
got 1211:15 1213:13 1227:12,
 23,24 1228:18,19 1231:8,9
 1232:9
grant 1191:22 1192:23
granted 1215:20
great 1196:14 1206:8 1215:14
 1235:13 1236:4
greater 1195:25
grid 1213:5
ground 1225:2,11 1227:24
growing 1193:4
guarantee 1229:19
guess 1195:23 1196:25 1197:
 25 1198:5 1209:14 1212:19
 1216:5 1218:5,14 1220:21
 1223:9 1224:12 1225:7 1226:6,
 25 1228:2
guessing 1215:4
guidelines 1217:7
Gulf 1227:19 1228:5
guy 1227:20
guys 1217:5
GUYTON 1235:15 1236:2

H

hack 1210:10
hadn't 1216:5
half 1233:13
hand 1205:19
handed 1202:9 1206:1
happen 1197:19,20
happened 1214:12 1233:1
happens 1222:17
happy 1199:8
hard 1198:21 1205:15 1209:20
harder 1216:23
having 1194:10 1200:10 1203:
 23 1213:14
head 1219:9 1224:7
hear 1195:6
heard 1192:3 1195:2,11 1212:
 15
hearing 1233:21 1235:17
 1236:4,6
help 1210:4
helpful 1186:6
helping 1218:13
here 1194:19 1195:4 1208:11,
 21 1228:23 1229:20 1232:1
 1233:1 1234:2

highlight 1191:20 1193:6
Hines 1198:12,18
history 1215:24,25
hit 1219:9
holiday 1235:19
Honestly 1195:23 1209:20
 1215:22
hope 1225:2
hopefully 1221:17
horizon 1203:10
host 1206:14
hour 1232:9,11 1233:13
hour-to-hour 1205:7
hourly 1213:15
hours 1233:6,7,19,19
housekeeping 1235:16
how 1191:15 1193:19 1196:2
 1208:19 1211:13 1212:18
 1214:20,24 1216:12 1218:17,
 19 1219:7 1222:14 1224:9
 1232:4,16,23
However 1217:20
hundred 1213:4 1219:11
hurdle 1210:11

I

I'd 1189:7 1191:20 1199:7
 1200:7 1202:21 1212:4 1213:
 16 1220:21,21 1221:16 1222:8
 1223:10,17 1225:20 1226:19
 1228:25
idea 1211:16,17
identifiable 1190:16
identification 1206:4
identified 1203:1,23 1207:11
 1220:9
identify 1190:19 1191:8
illustrates 1191:5
imagine 1233:8
immediately 1225:10
impair 1198:24
impaired 1230:15
impairment 1203:13
impairs 1203:17
imply 1198:1 1203:14
impression 1213:13
improve 1231:4
improvement 1215:8
inclined 1210:10
include 1208:4 1218:20 1219:
 16 1225:21
included 1202:14
including 1188:17 1192:10
inclusion 1192:15
incorporates 1207:21
indicated 1194:23 1223:2
 1234:24
indicating 1223:5
indication 1186:3 1232:4,23
INDICATIONS 1193:17
industry 1193:8
information 1188:21 1191:11
 1197:1 1201:20 1221:24
inframarginal 1191:10
insert 1187:1
installed 1202:25
instance 1217:25 1218:15
instruct 1207:1
intend 1202:11
intention 1226:8
intentions 1192:8
interest 1205:20
interested 1186:11
internal 1212:10
introduce 1191:16
introduced 1214:19
introduction 1198:23
investor-owned 1203:19
involved 1228:7
ironic 1215:17
Isn't 1200:24 1201:10 1211:19
 1217:12 1224:3 1234:22

issue 1210:6 1224:25
 issued 1209:7
 issues 1221:22 1233:12

J

Jenkins 1195:9
 job 1212:21,22,24 1213:3
 Joe 1228:10,10
 John 1232:11
 JOHNSON 1186:8,18 1187:1,
 6 1193:14,16,18 1196:23 1202:
 8 1206:6 1228:13 1229:2,7,11
 1230:1,9,16,19,22 1231:1,5,11,
 14,19,22 1232:2,11,14,16,19,
 22 1233:2,5,9,15,18 1234:10,
 14,17,19,21 1235:1,7,10,14,25
 1236:4
 join 1187:2
 Joint 1187:25 1193:10
 judicial 1234:1,3,22,23,25
 jumped 1213:14
 jurisdiction 1194:17

K

keep 1235:21
 keeping 1193:19
 key 1188:15 1189:8
 kind 1205:6 1214:15 1215:17
 1232:19 1235:21
 knew 1226:17
 know 1186:4,7,17 1195:23
 1196:2,4 1197:1,2 1198:10
 1200:17,21 1201:18 1202:3
 1204:25 1209:21 1210:22
 1211:1 1215:19,22 1216:23
 1218:22,24 1219:8 1221:1
 1224:15,16,18 1227:4 1228:19
 1229:7 1231:6,12 1232:16
 knowledge 1200:13 1203:1
 1210:8
 known 1206:11

L

labeled 1208:1
 large 1216:24
 largest 1216:24
 last 1196:22 1215:1 1216:17
 1219:15 1232:5
 later 1203:21
 law 1196:13
 laws 1209:16,18
 lead 1192:9 1222:11
 leap 1231:7
 least 1205:21 1215:25 1216:24
 1217:21,24 1218:21 1226:1
 1230:7
 leave 1191:23 1228:25 1235:
 10
 left 1231:8,9
 legal 1196:5,12
 legitimately 1192:24
 less 1190:20 1198:2,9 1205:5
 1209:12 1212:5,18,22 1226:19
 1232:8,10,13
 let 1206:16 1211:12,22 1212:
 20 1215:19 1219:6 1220:6
 let's 1198:8 1213:3 1214:2
 1224:19 1231:7 1234:14
 Light 1228:5
 like 1186:24 1188:8 1189:7,18,
 22 1191:20 1196:11 1201:21
 1205:2,10 1207:10 1211:25
 1213:3,24 1219:11 1220:7,21
 1227:18,18,20,21 1229:9 1231:
 20 1235:9,19
 likely 1210:2
 limited 1188:17
 line 1204:14 1219:20
 Lines 1199:12,17
 listed 1234:24
 listen 1215:9
 little 1207:22 1219:13 1228:18

1233:20
 load 1207:2,5,8,20 1219:7
 1221:3,19 1222:10 1223:23
 1225:3,9
 locate 1203:3
 location 1202:25
 long-term 1188:14
 look 1186:16 1201:16 1202:12
 1204:9 1207:10,25 1209:5
 1214:6 1225:11 1230:5
 looking 1202:1 1204:1 1213:
 10 1220:4 1226:18 1227:17
 lose 1212:16 1235:21
 loss 1207:2,4,7,20
 lost 1235:19
 lot 1209:8 1214:22 1218:20
 1228:6
 low 1197:11 1211:1 1227:9,11
 lower 1210:2,10
 lows 1191:2 1197:20

M

ma'am 1186:20 1234:23
 Madam 1186:1 1187:15 1202:
 9 1205:18,19 1211:6 1229:5,
 24,25 1230:14,25 1231:6,20
 1232:7 1233:25 1235:15,24
 made 1197:10 1200:6,10
 1204:17 1205:21 1219:1 1222:
 25 1225:17,17,20
 maintain 1188:22
 make 1196:14,22 1201:4
 1214:2,2 1217:25 1231:14
 1232:3,5
 makes 1190:17 1212:22
 making 1231:16
 management 1188:20 1218:
 19
 many 1188:15,16 1190:4
 1191:19 1211:24 1219:7
 map 1207:22
 margin 1207:1,4 1214:9,10,12
 1217:13 1218:7 1219:8 1220:
 19 1221:8
 mark 1202:11
 marked 1204:8 1206:4,6
 marked-up 1186:12,14
 market 1194:4,7 1198:7 1208:
 12,17,23 1209:5,9 1210:1
 1212:9,9 1214:14 1215:5,14
 1222:1,11,18 1225:22,24 1226:
 3 1227:18,18 1228:4
 marketers 1212:1,10,10
 marketing 1193:6 1215:7,12
 markets 1197:18 1198:2 1200:
 9,11
 markup 1186:24
 master 1215:24
 matched 1216:16
 materialized 1225:5
 matter 1196:6,21 1197:6 1208:
 10 1209:17 1233:25 1235:11
 matters 1235:16
 may 1192:10,10 1202:18 1205:
 6 1207:13 1209:1,3,4 1212:20
 1219:9 1231:25 1233:13
 maybe 1227:20 1229:24 1230:
 2,5 1232:10 1233:7
 mean 1203:14 1215:17 1219:
 4,13 1223:18 1226:21 1227:2
 1228:9,20
 means 1203:2 1225:8
 meant 1198:1
 measure 1190:6,14 1191:21
 1208:2
 meet 1188:2 1189:18 1190:12
 1191:13 1192:24 1198:25
 1201:13 1216:9 1219:8 1220:9
 1224:11,20
 meeting 1190:18
 megawatt 1216:17 1219:16
 megawatts 1195:25 1213:5

1216:2,4,22 1219:7,19,21
 1220:1 1222:2,16 1226:13
 1227:17
 mention 1236:1
 mentioned 1234:7
 merchant 1188:5 1189:10,13,
 25 1190:13,15 1191:7,16 1192:
 6,9,13,16,23 1198:24 1199:25
 1200:18 1204:20 1214:20
 messes 1203:17
 might 1186:6 1191:3 1192:1
 1193:6 1196:3 1197:1,2,12
 1203:2 1204:22 1205:17 1208:
 25 1210:9,11 1211:6 1213:21
 1214:4 1224:8 1235:16
 million 1198:3,9
 mind 1190:8 1201:17 1210:13
 1213:14 1214:23 1235:22
 minimum 1218:11
 ministerial 1196:18
 minutes 1211:7 1232:8 1233:
 1,16
 miss 1219:11
 mistaken 1217:5
 model 1205:25 1206:7,10,12,
 12,16,23 1207:20 1234:12
 models 1191:4 1205:23 1206:
 24
 moment 1205:14,14 1219:14
 1220:14,16 1222:3
 momentarily 1194:22
 money 1214:14
 month 1197:18,19
 months 1203:21
 more 1194:21 1200:12 1201:
 19 1205:17 1209:11 1211:23
 1212:4,6,22 1213:15 1214:21
 1215:20 1220:1 1224:10,13
 1225:8 1226:19,24 1227:12
 1229:16 1230:4
 morning 1231:9,13
 most 1190:11 1213:18 1214:8
 1216:8
 motion 1186:23
 move 1204:15 1205:17 1218:
 13 1222:10
 MOYLE 162:1 1186:11,16,25
 1187:2,4 1193:18,19 1229:24
 1230:1,2 1231:25 1232:12
 MS 1231:18 1233:16 1235:23
 much 1211:13,20 1212:6
 1218:19 1232:4,16,23 1234:16
 municipals 1228:7
 must 1189:19 1193:4
 myself 1227:16

N

nature 1196:17 1199:8
 necessarily 1225:22
 necessary 1195:10
 Need 1188:1,12 1189:3,8,11,
 14,14,15 1190:2,13,16,18
 1191:9,23,25 1192:2,23,25
 1193:1,7 1203:22 1214:24,25
 1215:20 1216:2,3,8,15,16,23
 1219:1,8,18,21,25 1220:24
 1222:10,21 1224:2,11 1225:17
 1232:3 1233:20
 needed 1220:10,11,20 1221:
 25 1226:13
 needs 1188:15 1193:4 1201:
 13 1216:15 1230:5
 NEGATIVE 1193:17 1213:1
 1224:10
 never 1204:4
 new 1188:7 1189:4,19 1190:22
 1191:7 1192:16,20 1194:2,24
 1195:8 1199:16 1203:15,15,21
 1204:19 1205:2 1214:24 1215:
 14 1219:7 1222:16
 next 1195:22 1196:8 1206:4
 1230:10,22

non-existing 1210:3,5
 non-firm 1189:23 1226:8
 None 1193:15
 nonetheless 1223:24 1226:15
 normal 1227:12
 North 1234:5 1235:4
 notice 1204:13 1234:1,3,22,
 24,25
 November 1202:25
 now 1196:16 1199:20 1207:11
 1212:6 1215:4,11 1220:4 1223:
 7 1224:19 1227:8,16 1230:5
 1234:8,15
 number 1206:5 1210:14 1218:
 5,7,9 1222:10
 numbers 1223:1,3,3

O

o'clock 1233:20,22 1236:5
 objection 1186:7 1187:5
 1234:11,12
 obligation 1192:18 1225:19
 obligations 1188:3 1189:18
 observe 1229:14
 obtain 1192:10 1222:11
 obviously 1226:21
 occasion 1187:16 1197:21
 1198:12,15 1203:24 1218:1
 occur 1191:6
 occurred 1200:19
 off 1210:18 1228:12
 offense 1215:13
 offer 1189:7 1191:18 1195:11
 1202:22 1208:20 1209:3 1211:
 22 1213:16 1216:14 1220:21,
 22 1221:16 1223:17 1224:13
 offered 1213:23 1221:24
 offering 1224:9,12 1226:8,19,
 20,24
 office 1235:5
 Oglethorpe 1210:18,22
 Oh 1224:4 1234:22
 oil 1191:1,3 1197:11,12,19,23,
 24 1198:2,9,17,18 1227:3,4,6,
 8,9,11,12,16
 Okay 1186:18 1187:6 1193:14,
 21 1194:6 1195:13 1197:10
 1199:17 1200:14 1202:21
 1203:5,19 1206:25 1207:6,12,
 16,19 1209:2 1211:5,15 1217:
 12,19 1219:3 1220:15 1221:15
 1231:1 1232:14 1233:2,15,18
 1234:8,10,14 1235:25
 old 1191:3
 older 1190:20
 one 1190:21,25 1198:6 1201:
 23 1205:14 1206:13,24 1209:
 22 1213:17 1216:6 1217:13
 1220:1,24 1221:7 1222:24
 1224:10,21,21 1225:12 1227:7
 1233:25 1234:4 1235:19
 only 1188:8 1189:13,20 1194:
 4 1227:19 1229:15 1230:4
 onto 1213:5
 open 1209:23
 opened 1200:11
 opening 1200:10
 operate 1194:3 1214:24 1216:
 20 1218:3
 operating 1200:18 1205:3,7
 operation 1200:1 1204:25
 1205:2 1211:18
 operator 1206:25
 opinion 1196:12 1218:7
 opportunistic 1191:9
 opportunities 1189:14 1225:
 22
 opportunity 1187:16 1193:6
 1214:1 1215:9 1235:2
 opposed 1226:21
 opposing 1187:25
 orders 1234:4,4,24,24

<p>originally 1206:20 other 1189:18,21 1190:4 1191:24 1192:6,17 1193:20 1199:22,25 1200:3,14,17 1204:21 1205:15 1209:13 1211:25 1212:3,17 1213:23 1214:7,17 1215:2 1222:1 1225:11 1226:6 1228:6 1229:15 1232:2 1233:25 others 1218:15 otherwise 1189:2 ought 1201:16 1225:1 ours 1233:13 out 1191:7 1206:3 1209:22 1212:9 1214:14 1215:5 1216:9 1218:18 1222:7,9 1223:11 1225:4,14 1226:4,4,24 1227:12 1228:6 outcome 1223:12 outdated 1191:11 outpace 1190:22 outside 1188:6 1207:25 1212:20 1233:17 over 1194:16 1213:14 over-forecasting 1223:17 oversight 1200:12 oversimplifying 1223:8 own 1190:1,12 1191:13 1197:20</p>	<p>1189:16 1191:17,19 1192:18 1198:24 1199:21,24 1201:11 1203:13,16 1205:23 1206:12 1214:20 1215:3,23 1216:20,21 1218:8 1222:15 1224:14 1225:9 1226:11 plans 1187:18,20,22 1188:11,22,25 1192:19 1196:1 1200:25 1201:10 1202:13 1203:23 1217:2,2 plant 1188:5 1189:10 1190:3,20 1192:23 1196:2,6 1197:22,22,23 1203:7,22 1205:1,9,11,16 1210:5,7,7,9,11 1213:2,4,21,22,23 1214:11,12 1216:3,22 1219:16,20,23 1220:1,7 1224:1,2 1226:7,9 1227:23 plants 1190:8,14,15,20 1191:3,4,7,8,12,16 1192:8,10 1194:7 1197:24 1198:24 1199:25 1200:18 1201:2,14 1202:14 1205:13 1210:2,3 1213:3 1214:20 1227:3,4,6,8 play 1227:22 players 1211:25 pleading 1235:3 please 1187:12 1199:10 1201:7 1204:7 plus 1190:9 point 1186:2 1189:13 1195:10 1197:24 1207:24 1213:17 1218:10,12 1224:7 1225:18 1229:11 1230:7,12 points 1189:8 policies 1193:9 policy 1189:16 1196:6,21 1197:6 1208:11 1209:18 position 1227:17 possibility 1197:11 possible 1224:11 1227:19 potential 1190:21 1204:23 1225:12 potentially 1192:9,20 1203:25 1208:1 Power 1188:8 1190:7 1194:3,3,6,16 1198:8 1200:24 1201:2,11,14 1202:14 1203:7,16,21 1204:4,19 1205:1,2,22 1206:10,16,18,22 1207:6,21 1208:5,12,17 1209:6,8,13 1210:2,3,3,5,14,14,17,18,22,23,25 1211:1,4,25 1212:11,16,25 1213:1,3 1214:3 1218:22 1219:5,16 1222:23 1224:1,2,8,9,9,17 1225:1 1226:24 1228:5,5 Power's 1187:21 1198:17 1202:15 precedent 1192:5 precisely 1198:11 1216:12 prefiled 1187:8,9,24 premise 1190:21 1191:5 premised 1191:11 preparation 1200:2 prepare 1188:10 prepared 1186:8 1234:2 preparing 1190:5,7 1199:20 present 1222:15 presentation 1205:21 presently 1200:18 pressured 1191:7 price 1210:10 1226:20 1227:16 prices 1191:1 1197:11,19 1210:2 1227:9,11 primary 1190:19 1206:12 1207:4 prior 1200:8 probabilities 1207:2 probability 1207:5,8,20 1208:4,5 probably 1201:16 1212:15 1215:3 1216:6,15 1219:9,19,20 1222:1 1225:5 1231:4 1232:25</p>	<p>1233:1,19,20 problem 1222:15 1235:8 proceeding 1187:25 proceedings 1192:2 1213:18 process 1188:13,16,17,23 1189:6 1191:17 1192:18 1194:25 1196:7 1199:4 1200:11 1203:16 1214:20 1218:12 1224:14 1225:21 1226:11 processes 1198:24 1199:21,24 1201:11 1203:14 produces 1193:2 profit 1189:14 program 1198:17 1206:1 1207:1 Project 1194:3 1195:21 1203:16 1204:20,20 1205:3 1212:17,18,19 1234:7 projected 1200:25 1201:12 1202:15,24 projections 1222:25 projects 1192:10 proliferation 1192:9 proposal 1194:5 1219:23 1220:2 proposals 1216:16 propose 1216:22 1218:2 proposed 1189:22 1190:3 1191:2 1194:3 1205:10,13 proposes 1226:7 proposing 1190:4 Protection 1188:20 provide 1188:9 1197:2 provided 1186:3 1187:10 prudent 1232:5 Public 1188:4 1191:21 1194:14 1205:23 1234:3 pump 1210:19 pumping 1210:18 1213:4 purported 1191:4 purports 1207:16 purposes 1218:8 1235:22 pursuant 1196:9,13 put 1191:13 1219:15 1225:2,10 1227:16 1232:12 puts 1209:14</p>	<p>reasonably 1205:12,13 reasons 1217:25 1222:14 1227:8 recall 1197:13 1199:1,3 1204:5 1207:13 recent 1215:25 recess 1236:5 recognize 1219:15 record 1187:2 1201:16 1228:12 redirect 1232:17,19,21,25 1233:6 reduce 1189:1,2 refer 1201:5 1202:3,14 references 1211:7 referred 1211:24 referring 1201:22 1219:22 refers 1205:6 regarding 1191:11,25 1192:7,12 1197:11 1205:22 regards 1192:5 regions 1207:22 regulated 1191:12,17,18 1192:13 1213:20 regulation 1194:8,14 1209:21 regulatory 1188:6,24 1189:16 1193:9 1194:11,15 relate 1208:20 relates 1200:6 1220:25 relating 1234:6 relationships 1212:6,8 Reliability 1188:18 1190:9 1206:23 1208:2 1218:8 rely 1188:21 1189:25 1220:20 1222:5,14,20 1223:7 1224:16 relying 1220:16 remaining 1232:8 remarks 1197:10,14 1204:17 remember 1210:23 1221:15 report 1192:19 1221:22 reported 1221:19 reporter 1187:10 reporting 1187:22 request 1196:11 1220:9 1234:1,3,23,25 requested 1192:22 requesting 1188:4 require 1196:9,19,21 1197:2,7 1224:18 required 1188:10,25 1196:1 1221:20 1224:20 requirement 1188:11 1214:13 requirements 1189:24 1191:13 1200:8 1206:15 1221:3 reserve 1207:1,3 1218:7 1219:8 1220:19 1221:8 1223:6 1225:25 reserves 1217:13 resource 1187:18,19 1189:24 1206:15 resources 1190:25 1202:15 1205:1 1207:22 1208:4,6 1222:23 1225:12 1227:5,14 respect 1192:1 responded 1221:23 responding 1202:18 1235:9 response 1186:22 1211:22 1221:17 1234:13 responsibilities 1187:17 1199:1 responsible 1187:18,21 1216:20 restructuring 1200:19 results 1211:24 retail 1188:2,8 1189:10,19 1192:2 1194:8,13,15,16 1198:25 1200:9,10,18 1218:22 retains 1194:15 retrieve 1203:11 return 1214:10,13 returned 1214:14 review 1186:15 1187:4 1189:7 1235:9</p>
P			
<p>P1 1202:23 page 1199:10,12 1204:7,14 1205:25 1207:11 pages 1206:3 pains 1196:14 parameter 1205:7 park 1219:10 part 1200:25 1212:24 1216:24 1219:9 1220:8 participate 1194:24 particular 1195:10 1203:3 1223:13,16,19,20 1225:3 parties 1186:22 1203:25 1212:13 1234:2 1235:23 party 1200:5 1224:11 past 1192:3 1208:22 1226:1 PAUGH 1231:18 1233:16 1235:23 peak 1210:18 pending 1235:11 Peninsular 1220:17,19 people 1215:10,11,12 1226:19,20,24 1228:6 per 1198:3,3,9 perhaps 1215:7 1225:8 period 1220:12 1221:7 1225:10 Permission 1202:7 permitted 1196:7 person 1230:4 personally 1200:23 1216:21 1230:18 perspective 1189:17 1191:19 perspectives 1220:22 Petition 1187:25 1189:22 1191:22 1193:10 Petitioners 1186:13 1190:4,19,23 1191:8 1192:22,25 Petitioners' 1186:22 1191:4 phrase 1196:22 picked 1226:4 place 1221:2 plan 1188:2,11,13 1189:19,23 1192:14 1194:25 1195:8,12,22 1196:9,21 1202:1,6,23 1203:17,20 1216:21 1217:4,16 1218:3 1219:10,14 1220:10,25 1221:7,11 1224:22 1226:15,16 planned 1201:12,13 1221:10 planner 1191:18 1203:2 planners 1219:2 planning 1188:6,14,16,21,23</p>	<p>1233:1,19,20 problem 1222:15 1235:8 proceeding 1187:25 proceedings 1192:2 1213:18 process 1188:13,16,17,23 1189:6 1191:17 1192:18 1194:25 1196:7 1199:4 1200:11 1203:16 1214:20 1218:12 1224:14 1225:21 1226:11 processes 1198:24 1199:21,24 1201:11 1203:14 produces 1193:2 profit 1189:14 program 1198:17 1206:1 1207:1 Project 1194:3 1195:21 1203:16 1204:20,20 1205:3 1212:17,18,19 1234:7 projected 1200:25 1201:12 1202:15,24 projections 1222:25 projects 1192:10 proliferation 1192:9 proposal 1194:5 1219:23 1220:2 proposals 1216:16 propose 1216:22 1218:2 proposed 1189:22 1190:3 1191:2 1194:3 1205:10,13 proposes 1226:7 proposing 1190:4 Protection 1188:20 provide 1188:9 1197:2 provided 1186:3 1187:10 prudent 1232:5 Public 1188:4 1191:21 1194:14 1205:23 1234:3 pump 1210:19 pumping 1210:18 1213:4 purported 1191:4 purports 1207:16 purposes 1218:8 1235:22 pursuant 1196:9,13 put 1191:13 1219:15 1225:2,10 1227:16 1232:12 puts 1209:14</p>	<p>quandary 1191:24 1209:15 question 1194:12 1195:15 1196:24 1199:20 1200:21 1201:7,22 1202:21 1205:6 1208:10,14,25 1212:15 1213:13 1214:17,21 1220:7,23,24 1221:6 1222:9 1223:12 1225:4 1226:22 1229:21 1232:20 questions 1196:17 1211:10 1213:8 1228:19 1229:3,4,22 quick 1186:5,10 1220:7 quite 1192:7 1221:6 quote 1189:9,11,15 1190:2,18 1191:9,23,25 1192:25 1214:6</p>	
Q			
R			
<p>ramifications 1199:4 1204:1 rate 1194:8,15 1210:11 ratepayer 1214:15 ratepayers 1208:13,17,24 1209:12 1214:4,10 1227:22 rather 1201:19 1226:19 1228:25 1230:3 rating 1217:16 reached 1186:21 react 1222:22 read 1187:2 1199:5,7 1217:3 real 1220:7 realistic 1197:16 really 1190:16 1211:23 reason 1186:21 1195:7,7,13,16,18,20 1210:12 reasonable 1190:3,6 1205:16 1218:1,11</p>	<p>reasonably 1205:12,13 reasons 1217:25 1222:14 1227:8 recall 1197:13 1199:1,3 1204:5 1207:13 recent 1215:25 recess 1236:5 recognize 1219:15 record 1187:2 1201:16 1228:12 redirect 1232:17,19,21,25 1233:6 reduce 1189:1,2 refer 1201:5 1202:3,14 references 1211:7 referred 1211:24 referring 1201:22 1219:22 refers 1205:6 regarding 1191:11,25 1192:7,12 1197:11 1205:22 regards 1192:5 regions 1207:22 regulated 1191:12,17,18 1192:13 1213:20 regulation 1194:8,14 1209:21 regulatory 1188:6,24 1189:16 1193:9 1194:11,15 relate 1208:20 relates 1200:6 1220:25 relating 1234:6 relationships 1212:6,8 Reliability 1188:18 1190:9 1206:23 1208:2 1218:8 rely 1188:21 1189:25 1220:20 1222:5,14,20 1223:7 1224:16 relying 1220:16 remaining 1232:8 remarks 1197:10,14 1204:17 remember 1210:23 1221:15 report 1192:19 1221:22 reported 1221:19 reporter 1187:10 reporting 1187:22 request 1196:11 1220:9 1234:1,3,23,25 requested 1192:22 requesting 1188:4 require 1196:9,19,21 1197:2,7 1224:18 required 1188:10,25 1196:1 1221:20 1224:20 requirement 1188:11 1214:13 requirements 1189:24 1191:13 1200:8 1206:15 1221:3 reserve 1207:1,3 1218:7 1219:8 1220:19 1221:8 1223:6 1225:25 reserves 1217:13 resource 1187:18,19 1189:24 1206:15 resources 1190:25 1202:15 1205:1 1207:22 1208:4,6 1222:23 1225:12 1227:5,14 respect 1192:1 responded 1221:23 responding 1202:18 1235:9 response 1186:22 1211:22 1221:17 1234:13 responsibilities 1187:17 1199:1 responsible 1187:18,21 1216:20 restructuring 1200:19 results 1211:24 retail 1188:2,8 1189:10,19 1192:2 1194:8,13,15,16 1198:25 1200:9,10,18 1218:22 retains 1194:15 retrieve 1203:11 return 1214:10,13 returned 1214:14 review 1186:15 1187:4 1189:7 1235:9</p>		

reviewed 1192:17
RFP 1210:6
RFPs 1209:7
Rib 1187:12 1193:12,25 1196:25 1199:13 1202:10,17 1203:14 1204:12 1206:1,10 1211:14,17,22 1212:12 1213:6,12 1215:6,22 1216:5,14,19 1217:9,11,15,18,20,24 1218:10 1219:4,12,22 1220:2,13,21 1221:9,15 1222:7,19 1223:4,9,15,21 1224:4,12,23 1225:16 1226:6,25 1227:10,13 1228:1,9 1229:16 1233:3
Rib's 1187:8 1196:14 1211:8
Right 1212:7 1216:18 1217:8,11,13 1218:13 1223:4,4 1224:7 1226:20 1227:8,15 1228:24
robust 1208:11,16,21 1209:1 1211:19
Rockingham 1234:6
role 1192:12
rough 1233:14
roughly 1219:16
ruin 1236:2
rule 1220:8
rules 1195:24 1196:10,13,18 1209:16,19
run 1205:15
running 1197:23,25 1198:13

S

safe 1232:12
safety 1218:8
said 1204:4,12 1217:7 1233:8
sales 1194:16 1210:3
same 1188:24 1215:13,15,16 1217:6 1221:17 1226:22 1232:13 1233:11
Sasso 1186:8,10,20,24 1187:7,11 1193:12 1196:11 1199:10 1204:7,11 1232:21,25 1233:4,7,11 1235:7,8
sat 1216:13
saving 1205:20
say 1198:8 1202:5,19 1205:15 1209:25 1210:8 1213:12,24 1214:4 1215:3 1216:22 1222:20 1224:23
saying 1201:25 1202:2 1222:21 1225:8,9 1227:3,4 1228:1 1230:19 1233:3,9
schedule 1235:20
scheduled 1233:21
scheduling 1235:22
Scheff 1199:11 1201:6 1202:2 1204:7 1208:15 1213:4,10 1220:3,6 1227:23 1228:18 1230:3
season 1224:21
second 1207:10 1228:10,11
secured 1225:23
see 1186:24 1209:5,6,7 1235:2,19
seeing 1212:3
seeks 1193:2
seem 1193:5 1197:24
seen 1187:23 1202:2,5
selfish 1235:18
sell 1194:3 1210:17 1211:1 1223:22 1224:18,20 1225:24 1227:24
selling 1211:3
sells 1210:14
sense 1189:15 1190:17 1193:8 1218:1
separate 1213:7
serve 1188:3 1189:10,12,18 1193:4 1222:23 1225:19,19
served 1188:13
service 1187:20 1188:4 1191:21 1202:25 1205:23 1208:1

1218:17 1234:4
set 1192:6 1219:4
several 1234:3,4
shareholders 1212:20
Shine 1234:8
shooting 1231:9
shopping 1226:20
short 1226:17
shortfall 1223:1,6 1224:21 1225:10
shortly 1220:23
should 1193:10 1196:8,12,20 1197:6 1216:6 1224:15 1231:12
show 1223:1 1236:4
showing 1193:7 1205:25
shown 1200:25 1201:12 1207:22 1235:4
shows 1202:23 1217:5
side 1193:20 1218:19 1221:23 1226:6 1232:12
sidelines 1215:17
similar 1196:15 1203:24 1214:8 1234:24
simple 1221:7
simply 1193:20
Since 1214:6 1235:16
siphoned 1214:14
sir 1199:20 1207:18
sit 1215:17
site 1188:11,13,22 1192:18 1194:24 1195:8,12,22 1196:1,9 1200:25 1201:10 1202:1,6,13 1203:20 1217:2,4 1219:14 1220:10,25 1221:7 1224:22
sites 1203:3
siting 1188:7,14 1192:11 1200:5,8,11
situation 1223:16
slightly 1207:23
Smyrna 1189:4 1194:2,24 1195:8 1203:15,16 1204:19 1205:2 1222:17
Sniffen 1232:1
sold 1210:25
some 1189:7 1191:21 1192:3 1196:19 1197:10 1199:4 1201:3,19 1202:2 1204:17 1206:21 1209:21 1210:8,17 1211:10,17 1213:22 1214:15,18,21,22 1215:6,7,14 1216:9 1217:25 1221:18,20,21 1222:12 1223:22 1225:23 1226:15 1227:3,4 1230:2
somebody 1221:13 1223:21 1225:13 1226:7
somehow 1203:17 1221:13
something 1204:12 1205:5,19 1210:20,23 1211:12 1221:13 1226:19,21 1228:18
somewhere 1205:11 1221:13 1222:2 1225:1,14 1226:18
sorry 1195:15 1196:11 1204:11 1209:2 1210:5 1216:6 1229:25
sort 1212:8 1217:7 1228:22
sounds 1196:11 1231:20
speak 1187:16 1190:17
speaking 1227:13,15
speaks 1214:21 1224:13
specific 1192:24 1201:4,16,19,22,22 1202:4,18 1218:6,15 1220:15,23 1221:6,17
specifically 1202:3 1208:20 1210:25 1220:25
specify 1212:21
split 1213:25 1214:3
spread 1213:25 1214:3
stack 1197:24,25 1205:11,17
staff 1228:19 1231:18 1233:15
staff's 1217:4 1234:25
stages 1198:14
stakeholders 1188:15

stamped 1235:5
start 1231:13 1233:20,22
started 1213:13 1218:12
starting 1218:10,11
state 1187:22 1188:7,10 1189:3,12,19 1191:14,24 1193:9 1194:14 1217:9,10 1218:11,25 1224:9,17 1226:8 1227:5
state's 1190:25
stated 1208:21
statement 1225:15 1227:3
statements 1204:18
states 1194:8,14 1199:22,25 1200:14,17
statewide 1188:15 1218:5 1225:25
statutes 1196:10
statutory 1199:1
steam 1191:3
still 1198:14 1212:5 1213:10 1228:18 1229:20,20
Stop 1230:21
storage 1210:19
strengths 1191:1
strictly 1198:15 1200:9
strike 1186:23
studied 1199:21,24 1200:14 1216:5
studying 1211:24
stuff 1227:25
submit 1188:10 1217:2
submitted 1187:24 1226:15,16
subsequent 1192:2
such 1189:24 1204:19 1205:9 1220:18
sudden 1222:16
suggest 1205:16
summaries 1232:23
summarize 1187:12 1231:8
summary 1192:22 1194:21,22 1197:10 1204:17 1227:4 1232:23
summer 1221:16
supplier 1218:22
suppliers 1222:1
supply 1210:22,24
suppose 1195:1 1203:19 1210:6 1213:21 1219:17 1224:24 1225:16 1227:1
sure 1186:2 1187:4 1196:14 1199:12 1201:8 1205:8 1221:11 1227:10 1231:14,16 1232:3,5
surely 1215:1
surprise 1203:24
surrounding 1192:15
system 1211:13 1214:7 1217:16 1218:3,18
systems 1190:1 1212:25

T

tables 1202:13
take 1207:24 1212:11 1215:13 1228:13,23 1229:9 1230:17 1231:7 1232:4,24 1233:1 1234:22 1235:11
taking 1213:11
talk 1194:21 1203:13 1213:3 1214:19 1217:21 1218:1
talked 1221:15
talking 1213:17 1219:14
Tallahassee 1216:2
target 1219:4
TECO 1227:19 1228:5
telephone 1212:2
tell 1195:6 1210:24 1211:3,13 1213:1 1218:4 1224:6,7 1229:7 1230:12
telling 1223:25
ten 1195:21
tend 1212:5

tender 1193:12
TENDERED 1186:25
term 1189:16 1193:8 1208:25
terms 1202:6 1212:15,21
testified 1198:6,23 1204:10
testimony 1187:9,9,13,24 1188:1 1189:8 1191:15 1194:25 1195:1 1196:15 1199:2,3,5,8,21 1200:2,20 1204:22,24 1214:18 1224:13 1232:24
testing 1198:14,17
Thank 1187:6 1193:12 1194:20 1199:19 1206:8 1234:16 1235:13
Thanksgiving 1236:3
That's 1186:16,17 1187:9 1188:21 1193:8,10 1195:14,23 1196:1 1197:25 1199:8 1200:12,20 1204:9 1209:20,24 1213:21,25 1214:15,19 1215:6 1216:12 1219:1,21,25 1220:3,23 1223:2 1228:21 1230:24 1233:2,2,17 1234:8
themselves 1215:11
There's 1209:8 1211:20 1213:22 1214:10 1219:13 1226:3,4
they've 1215:12 1231:8,8
thing 1208:12,17,24 1215:13 1232:2,6
things 1203:17 1213:15 1225:11 1230:5
think 1186:5,6 1187:22 1194:9,18,19 1196:6,8,16,20 1197:1,16,17 1198:10,11 1200:4,20 1201:3,15 1203:9 1204:23 1205:15 1206:4 1207:3,23 1208:8,21,23 1209:2,15,21 1210:1,18,23 1211:24 1213:6,12 1214:17,18,21 1215:25 1216:7,12,14 1217:13,15 1218:2,10,12,13,23,25 1219:12,22 1220:13,17 1221:6 1223:9 1224:6,23 1225:23 1226:1,2,2 1227:13 1229:3,18,24 1230:2,9 1232:4,7,9 1233:21
those 1197:13 1202:3,6,12 1208:3 1212:7 1218:25 1222:14 1223:3 1225:12,17 1226:13 1229:4 1234:8
though 1187:2 1232:13
thought 1197:6 1201:24 1216:15 1219:19 1222:8 1229:15
thoughts 1209:3
three 1203:21 1207:22 1233:9,12
threshold 1220:11
tied 1189:9
Tiger 1206:1,7,11,11,13,16,18,22,25 1207:1,1,20 1234:12
time 1187:5 1188:24 1195:10 1197:24 1198:11 1202:24 1204:20 1206:21 1209:23 1210:19,19 1212:2 1219:5 1220:14,16 1221:8 1222:3,8,9,11,22 1225:10,18 1230:6 1232:4 1233:22
timing 1221:21 1223:22
today 1191:2 1194:19 1197:20 1198:7,8 1200:1 1207:24 1208:21,23 1209:5,10,22 1218:21 1230:21 1232:3,6 1233:1
today's 1198:2 1210:1
tomorrow 1213:4
tonight 1230:10
tool 1207:4
tools 1206:14
total 1232:10 1233:13
traders 1212:1
trading 1212:1
traditional 1194:8,13,15
transacting 1214:8
transactions 1211:20 1213:19 1221:20

transcript 1211:8
 transfer 1214:11
 transmission 1218:18
 trees 1205:21
 true 1200:22,24 1201:10 1203:
 9 1210:13 1215:7 1216:15
 1227:1
 try 1213:7 1224:24
 trying 1191:18 1199:16 1214:
 16 1230:23
 turbine 1202:23,24 1203:4
 turn 1214:10
 turned 1225:4
 two 1211:7 1220:22 1229:16
 1232:8 1233:12
 type 1213:15 1221:2
 typically 1205:4 1207:3

U

Uh-huh 1202:8 1231:11
 ultimate 1218:24
 ultimately 1209:24 1225:5
 unassisted 1207:7
 unbuilt 1210:7,10
 uncertain 1214:22
 uncertainties 1192:15
 uncertainty 1191:16 1192:12
 1214:19,22 1221:18 1225:3
 uncomfortable 1219:13
 uncontracted 1201:1,14 1202:
 5 1222:14,16,20 1223:7 1225:
 12
 under 1188:11,25 1192:17
 1208:6 1209:23 1217:6 1226:9,
 10,12,14 1227:5
 underlies 1223:10
 understand 1188:24 1189:9,
 16 1194:2,11 1195:24 1200:7
 1210:4 1217:20 1228:1
 understanding 1188:5 1189:4
 1194:5,23 1196:2 1212:4 1216:
 19 1217:24 1229:17
 understood 1204:18
 uneconomic 1191:5
 unit 1197:13 1198:12,21 1204:
 19 1205:2,4 1225:1
 units 1198:18 1204:21
 unknown 1201:1,13 1202:4,14
 1203:1,6
 unprecedented 1191:2 1197:
 20
 unquote 1189:9,11,15 1190:2,
 18 1191:9,23 1192:1,25
 unsited 1201:1,13 1202:4
 unspecified 1201:13 1213:22
 unsuitable 1221:12
 until 1228:19 1230:20 1236:5
 unusual 1226:1
 unwarranted 1191:16
 up 1198:13 1200:11 1203:17,
 21 1206:17 1213:24 1218:6
 1224:19 1226:4 1228:21 1229:
 2 1230:3,10,13 1231:1 1233:5
 upon 1220:20 1222:5,14
 upset 1224:9
 us 1196:9,21 1197:7 1199:10
 1218:13 1220:23 1223:25
 1233:22 1234:22
 use 1191:11 1202:18 1206:11,
 13,22 1207:23 1212:5 1213:24
 used 1202:6 1207:3 1211:20,
 21 1215:10
 useful 1186:14 1197:1
 uses 1206:10
 using 1207:20
 utilities 1188:2,8,13 1189:9,
 15,19,21 1190:5,7,10 1191:12,
 24 1193:4 1195:24 1198:25
 1205:11,14 1209:13 1210:15
 1211:25 1213:20 1214:8 1225:
 24 1234:5 1235:4
 utility 1188:10 1189:24 1191:

17,18 1192:2,13,25 1194:14
 1196:4,4 1203:19 1218:16,21,
 22,25,25 1225:18
 utility's 1190:12

V

values 1207:8
 ventures 1192:20
 version 1199:13,16
 versions 1195:2
 versus 1210:7
 very 1197:25 1200:4,4,9 1209:
 24 1211:1 1227:6 1229:5 1234:
 16
 viable 1191:6
 view 1189:13 1190:21 1191:25
 vocal 1192:7

W

wait 1228:10,11
 waiver 1219:16,24 1220:8
 walked 1201:3
 want 1187:16 1199:7 1201:4,
 15 1205:18 1211:7 1212:19
 1213:2,10 1217:15 1221:5,11
 1225:23 1228:20 1229:2,13,14
 1230:7,13 1231:14 1234:17,19,
 22
 wanted 1210:9 1221:22 1230:
 11
 wasn't 1195:9 1226:12
 watch 1215:17
 water 1188:20
 way 1190:2 1213:9 1216:8
 1231:12
 ways 1215:6 1233:12
 We'll 1194:21 1213:24 1228:
 13 1232:4 1233:19 1235:8,11,
 23 1236:4
 we're 1233:11
 Wednesday 1195:4 1234:7
 well 1187:10 1192:8 1194:9,
 12,18 1195:1 1196:18 1198:6,
 7,20 1199:5,7 1201:3,15,25
 1204:1,6 1206:11 1207:23
 1209:14,20 1210:6,20 1211:15
 1212:12 1213:1,6 1214:2,17
 1215:6 1216:1,5 1217:15 1218:
 10,15 1219:12 1220:13,18,21
 1221:5 1222:7,19,24 1224:19
 1226:25 1227:13 1228:22
 1233:7 1235:21
 what's 1186:5 1212:3 1218:23
 whatever 1212:13 1214:12
 1229:10,13
 WHEREUPON 1236:6
 whether 1193:20 1197:5,6,22
 1200:17 1202:13 1205:14
 1209:23 1221:18 1224:15,17
 1226:9 1229:21
 whole 1191:25
 wholesale 1194:4,6,7,13
 1208:12,17,23 1209:5,9 1210:
 14 1213:19 1221:21 1222:17
 1223:14,15,19,20 1224:3 1228:
 4
 whom 1190:6,14
 will 1190:8,22 1195:22 1196:
 22 1198:24 1206:6 1209:11,23
 1214:23 1217:23 1218:2 1225:
 19 1226:11 1231:5,15,23 1232:
 1,13,18,24,25 1233:1,18 1235:
 11
 willing 1222:4,13 1223:7
 wish 1215:8
 wishes 1206:3
 within 1188:23 1193:3 1194:
 11,16 1211:7 1212:12 1220:17
 Without 1196:5 1201:25 1203:
 22
 WITNESS 1196:25 1199:13
 1205:19 1211:14,17,22 1212:

12 1213:6,12 1215:6,22 1216:
 5,14,19 1217:9,11,15,18,20,24
 1218:10 1219:4,12,22 1220:2,
 13,21 1221:9,15 1222:7,19
 1223:4,9,15,21 1224:4,12,23
 1225:16 1226:6,25 1227:10,13
 1228:1,9
 witnesses 1229:16 1231:2,8,
 23 1232:5,9 1233:10,12
 wondering 1231:22
 words 1199:7 1212:17 1215:2
 work 1212:12 1215:10 1216:
 23 1224:24 1235:23
 workshop 1221:16
 worry 1228:17
 worse 1212:23
 worst 1224:25 1225:1
 wouldn't 1216:11 1222:19
 1224:4,24 1227:21
 Wright 1193:21,24 1194:1
 1196:18 1197:4 1199:12,14
 1201:8,9 1202:9,16 1204:8,15,
 16 1205:18 1206:8,9 1211:6,11
 1220:5 1229:5,9,13 1230:12,
 14,17,24 1231:3,19,20 1232:7
 1233:24,25 1234:16,23 1235:3,
 13
 written 1195:24

Y

year 1197:19,19 1203:20
 1219:10,12,15 1224:21
 years 1210:23 1215:2,4,13,16,
 24
 yet 1216:3 1217:3 1225:23