BEFORE THE FLORIDA
PUBLIC SERVICE COMMISSION

DOCKET NO. 050078-EI
PROGRESS ENERGY FLORIDA

JULY 13, 2005

In re: Petition for Rate Increase by Progress Energy Florida

DIRECT TESTIMONY AND EXHIBITS OF STEPHEN A. STEWART

ON BEHALF OF AARP

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

TESTIMONY

OF

STEPHEN A. STEWART

Q. Please state your name, address and occupation?

A. My name Stephen A. Stewart. My address is 2904 Tyron Circle, Tallahassee, Florida, 32309. I am testifying as a consultant for AARP in this docket.

Q. Please describe your educational background and business experience?

A. I graduated from Clemson University with a Bachelor of Science degree in Electrical Engineering in December 1984. I received a Master's degree in Political Science from Florida State University in August 1990.

From January 1985 until October 1988, I was employed by Martin Marietta Corporation and Harris Corporation as a Test Engineer. In July 1989, I accepted an internship with the Science and Technology Committee in the Florida House of Representatives. Upon expiration of the internship I accepted employment with the Office of the Auditor General in August 1990, as a program auditor. In this position I was responsible for evaluating and analyzing public programs to determine their impact and cost-effectiveness.

In October 1991, I accepted a position with the Office of Public Counsel ("Public Counsel") with the responsibility for analyzing accounting, financial, statistical, economic and engineering data of Florida Public Service Commission ("Commission")-regulated companies and for identifying issues and positions in matters addressed by the Commission. I left the Public Counsel in 1994 and worked as a consultant for the Florida Telephone Association for one year.

Since 1995 I have been employed by two privately held companies, United States Medical Finance Company ("USMED") and Real Estate Data Services Inc. I worked with USMED for approximately four years as Director of Operations. I founded Real Estate Data Services in 1999 and I am currently its President and CEO.

Over the last ten years I have also worked for the Public Counsel on a number of utility related issues.

Q. What is the purpose of your testimony?

A. I am appearing on behalf of AARP in opposition to PEF's request for a rate increase. More specifically, I address four issues, which, taken alone, I believe demonstrate Progress Energy's ("PEF's") requested annual rate increase of $206 million is unreasonable and should be denied. I believe a large portion of PEF's increase should be dismissed because it is related to an excessive requested return on equity ("ROE"). The excessiveness of PEF's ROE request consists of two elements: (1) the base mid-point ROE request of 12.3 percent is excessive as compared to what this Commission has historically granted, and (2) the additional 50 basis points requested as a reward for superior efforts. Eliminating the 50 basis point reward will remove approximately $20 million of PEF's request and setting rates on a mid-point ROE of 10.38 percent (the maximum I believe supported by Commission precedent) will reduce the annual revenue increase by approximately another $76.8 million, for a total annual revenue reduction related to ROE of $96.8 million. I hasten to add that my 10.38 percent recommendation is a maximum ROE (MROE) based on an analysis of the relationship between public utility bond yields and the Commission's ROE awards over the last 25 years. For purposes of an actual current required ROE, AARP supports the 9.1 percent ROE testified to by Public Counsel's cost of equity expert, James Rothschild.

I next address the analysis of PEF witness Javier Portuondo, which is used to support the utility's request for an annual storm accrual of $50 million. I provide an analysis using historic storm costs and various annual accrual levels to evaluate the corresponding levels for PEF's Storm Reserve Fund. My analysis indicates that an increase in the accrual is warranted but that a reasonable and acceptable annual accrual for PEF would be $10 million, not the $50 million requested by PEF.

Lastly, I believe the Commission should treat PEF's very significant depreciation reserve surplus in a manner consistent with the way it has historically handled depreciation reserve deficiencies. That is, the Commission should rebalance, or correct, the depreciation reserve by flowing back the surplus to the benefit of customers over five years – as it often has with deficiencies – as opposed to over the remaining lives of the associated assets. Using just the utility's reported surplus of $504 million and a five-year rebalancing period, would result in reducing PEF's requested annual revenues by approximately $100 million, which, in conjunction with AARP's other suggested adjustments, would reduce the requested revenue increase by over $210 million.

Q. Are the revenue reductions you testify to intended to be the total reductions supported by AARP?

A. No. My testimony is intended to demonstrate to the Commission that analysis of just four areas of PEF's request is sufficient to suggest that the utility should be entitled to no permanent rate increase. It is my understanding that the complete and thorough analysis of PEF's filing by Public Counsel will result in Public Counsel recommending a substantial reduction in PEF's base rates and that AARP will support all of Public Counsel's adjustments.

RETURN ON EQUITY

Q. Do you consider yourself to be an "expert" on either cost of capital or return on equity and are you testifying to a recommended ROE number on behalf of AARP?

A. No, I do not consider myself to be an expert on either cost of capital or return on equity matters and I am not offering an opinion on what the current required ROE is. As I said earlier, AARP adopts the ROE recommendation of Public Counsel witness James Rothschild of 9.1 percent. The number I am offering, 10.38 percent, is what I believe should be the ceiling, or absolute maximum, the Commission should grant PEF as a mid-point for setting rates in this case. This recommendation is based on my analysis indicating that the Commission's ROE awards over the last 25 years in major electric utility cases have had a strong and consistent relationship to the average public utility bond yields at the time of the Commission's ROE decisions. While I believe the Commission should consider ROE testimony in the traditional manner, I also believe my analysis provides a reasonable basis for determining the maximum ratesetting ROE (MROE) the Commission should approve in this case if it is to remain consistent with its precedents of the last 25 years.

Q. Why do you believe your analysis provides a reasonable basis for the ROE award the Commission should ultimately approve in this case?

A. The Commission has never to my knowledge awarded a utility a ROE for ratesetting purposes that was exactly what was testified to by an expert by either the utility or customer intervenors. Rather, typically there is a relatively large spread between the ROE testified to by the experts and usually the Commission makes an award that is somewhere within the range testified to by the experts. For example, in this case Dr. Vander Weide on behalf of PEF has testified to an 12.3 percent ROE, excluding the efficiency reward, and I am told James Rothschild for the Public Counsel will testify to a ROE of 9.1 percent resulting in a spread between these two witnesses of 320 basis points.

Tracking the Commission's ROE awards over the years relative to the experts' recommendations, I was curious as to whether the Commission's decisions bore some discernable relationship to published economic or financial indicators. I believe I found one that does.

Using public utility bond yield data, I have constructed a methodology, which I believe reveals a strong and consistent relationship between average public utility bond yields and the equity awards the Commission has made in major electric cases over the last 25 years.

Q. Describe the methodology used to support your MROE recommendation.

A. There are four stages to the methodology I employed to analyze the MROE for PEF. First, I developed a regression model of the relationship between the average public utility bond yield and the allowed ROE in major rate case decisions across the United States over the period 1980 to 2004. A table of this data, the regression statistics, and the components of the regression model is in Document SAS-1.

Second, I researched and tabulated the Commission's ROE decisions for PEF since 1981. This tabulation is in columns 1, 2, & 3 in the table in Document SAS-2.

Third, I used the regression model from the first stage of my analysis to develop ROE estimates for the years that the Commission awarded an ROE to PEF. These estimates are in column 5 (Model Generated ROE) of the table in Document SAS-2. I compared the model estimates to the Commission's decisions in columns 6 and 7 in the table in Document SAS-2.

Fourth, I used the model to estimate what the MROE would be based on the average public utility bond yields for the most recent 6 months of reported data. This calculation is located at the bottom of Document SAS-2 for PEF.

Q. Please describe your findings?

A. In the first stage, I developed a regression model using data between 1981 and 2004. The model, detailed in Document SAS-1, provides an algorithm which, based on the R-square value (the closer the R-square is to 1.0, the more the variation is explained by the model), demonstrates a strong relationship between the average public utility bond yield and allowed ROE's. These findings indicate the average public utility bond yield is a strong predictor of allowed ROE's over the period of the analysis.

In the third stage I used the regression model to develop an estimate of the ROE for PEF during the various time periods the Commission assigned an actual allowable ROE. These estimates were based on the corresponding average public utility bond yield when each of the awards was made. I compared these estimates with the actual ROE's allowed by the Commission. The findings indicate that the model does a remarkably good job of predicting the Commission-allowed ROE. Column 6 in the table in Document SAS-2 shows the difference between the model generated ROE and the FPSC allowed ROE. I have also included a chart in Document SAS-3 that plots the Commission-allowed ROE's and the regression model estimates. The plot supports the finding that the regression model was very successful in predicting the ROE decisions of the Commission.

In the fourth stage I used the regression model to estimate the MROE, using the available public utility bond yield data for the most recent six months. The MROE was calculated to be 10.38%. In a variation of the chart in Document SAS-4, I created another chart and added the MROE estimate and the PEF requested ROE as data points. Referring to this chart in Document SAS-4, the

MROE estimate follows the downward trend line beginning in 1985. The PEF requested ROE varies significantly from that trend line.

These findings indicate that for the Commission to be consistent with its prior decisions, and absent other well-defined mitigating factors, the *maximum* ROE that should be allowed for ratesetting purposes in this case is 10.38%.

Q. Did you complete any other analysis?

A. Yes. I wanted to verify that the regression model I used was reliable. So I gathered ROE data for all of this Commission's ROE decisions over the last twenty-five years for the four major Florida investor-owned electric utilities and developed a model using the same average public utility bond yield data I employed in the first model. The tabulation of the data, the regression statistics, and the components of the regression model are in Document SAS-5. The results were almost identical, although this model did have a higher R-squared value. This result validates the first model I developed and provides additional support for my recommendation.

Q. Please summarize AARP's position on the appropriate ROE for PEF.

A. AARP adopts the ROE recommendation of the Public Counsel witness Rothschild of 9.1 percent. However, if the Commission should not accept this recommendation, I have provided on behalf of AARP, an analysis based on prior Commission decisions indicating that the *maximum* ROE the Commission should consider allowing in this case is 10.38%. Such an adjustment would necessarily reduce PEF's requested annual revenue increase by $96.8 million (using PEF witness Cicchetti calculation that 50 basis points equates to approximately $20 million in revenue requirements) as compared to the utility's base ROE request of 12.3 percent.

ROE PERFORMANCE INCENTIVE

Q. What is your understanding of the ROE reward requested by PEF in this case?

A. PEF witness Charles J. Cicchetti states at Page 52 that "the Commission should add 50 basis points to reward PEF for its superior performance and encourage it to continue its efforts."

Q. What is AARP's position on the Commission granting PEF an additional $20 million a year through higher customer rates in order to recognize its past superior performance and to encourage its strong operational performance in the future?

A. AARP's position is that the Commission should deny the requested $20 million incentive. First, as Mr. Cicchetti noted in his testimony, PEF has been receiving an incentive for its past performance through the "revenue-sharing" plans included in the settlement agreements approved by the Commission in 2002. It would appear unfair to customers for PEF to be rewarded a second time for its past performance if, indeed, it has already been recognized through the revenue-sharing plans. Secondly, AARP takes the position that PEF has a statutory obligation to provide "efficient" service to its monopoly customers and that the Commission's traditional equity awards are more than adequate to compensate the utility's shareholders, especially given the continuing reduction of risks they are exposed to.

Q. What is the statutory obligation you refer to?

A. Section 366.03, Florida Statutes, provides, in part:

> 366.03 General duties of public utility.--Each public utility shall furnish to each person applying therefore reasonably sufficient, adequate, and <u>efficient service</u> upon terms as required by the commission. **(Emphasis supplied.)**

Q. What are you referring to with respect to the basic equity return being adequate especially given the reduced level of risk exposure?

A. What I am referring to is that electric utilities regulated by this Commission now have a very large percentage of their revenues that are subject to 100 percent cost recovery through rates with the result that shareholders are not subject to risk of loss when these various costs experience increases. Examples include fuel cost expenses, conservation cost recovery expenses, environmental compliance costs, many security related costs and an apparently strong likelihood now that electric utilities will be held entirely harmless for storm damage occurring between rate cases when the costs of repairs exceed their storm damage reserves. In short, the "risk" of utility shareholders seeing their profits diminished by increases in a large number of the costs of providing service is substantially less than it was previous to these cost recovery clauses. Arguably PEF's requested ROE should be lower to account for the reduced risks. AARP's position is that the Commission should not give PEF a $20 million a year incentive over and above what it would consider fair and reasonable rates to spur it to operate efficiently.

STORM ACCURAL

Q. Please summarize PEF's request for an increase in the annual storm accrual.

A. Mr. Portuondo states in his testimony that an increase of $44 million above the current $6 million accrual is supported by an updated hurricane risk assessment. PEF's request is for a $50 million annual accrual

Q. Did you complete an analysis on the issue of the proper level of the annual accrual for the Storm Reserve Fund?

A. Yes. I developed a table, shown in Document SAS-6, to determine what the impact on the Storm Reserve Fund would have been if Mr. Portuondo's proposal had been implemented in 1990. In column 2 of the table I have listed the annual storm costs incurred by PEF due to storms. Column 3 in the table shows the actual balance of the Storm Reserve Fund for every year since 1990. Column 4 in the table shows the balance of the Storm Reserve Fund for every year since 1990 assuming a $50 million annual accrual and the recovery of a negative balance over a two-year period. The table shows that the balance after the hurricane season of 2004 would have been $ 515 million.

Q. What other analysis did you complete?

A. Using the same approach, I calculated what the balance in the Storm Reserve Fund would be given various annual accrual amounts. For example, Column 5 shows that an annual accrual of $30 million would have resulted in a Storm Reserve Balance at the end of 2004 of $143 million. For an annual accrual of $10 million, the Storm Reserve Balance at the end of 2004 is calculated to have a deficit of $179 million.

Q. How do you think this Commission should determine the proper annual accrual for PEF in this case?

A. The decision made by this Commission should be based on what is viewed as an acceptable balance in the Storm Reserve Fund. It is my view that the annual accrual should not be set so that the Storm Reserve Fund will cover expenses associated with extraordinary events, such as the hurricane season of 2004. Rather, the accrual should be set to cover normal recurring storm costs.

Q. How does your analysis help the Commission reach their decision?

A. The analysis I have provided will allow the Commission to review the yearly balances based on varying levels of annual accrual. For example the Commission can look at the levels of the Storm Reserve Fund in 2003 to get an idea of what accrual level would be the most appropriate. In 2003, the Storm Reserve Fund balance would have been $790 million assuming an accrual of $50 million, $456 million for an accrual of $30 million and $169 million for an accrual of $10 million. I believe the analysis indicates that the PEF request of $50 million would result in an over funding of the Storm Reserve Fund.

Q. Based on this analysis, what is your recommendation for an annual accrual level?

A. I would recommend an annual accrual of $10 million. Absent extraordinary events, history shows that this annual accrual coupled with the recovery of a negative balance over a two-year period will adequately fund the PEF Storm Reserve.

DEPRECIATION RESERVE SURPLUS

Q. What is your understanding of PEF's depreciation reserve surplus and what position does AARP take on how it should be addressed?

A. First, let me state that AARP supports the Office of Public Counsel's determination that the depreciation reserve surplus is significantly larger than reported in PEF's depreciation study. Specifically, AARP adopts the Office of Public Counsel's position that the depreciation reserve surplus is, in fact, $1.2 billion. However, even if the Commission were to accept the PEF-reported surplus of $504 million, treating that surplus consistently with the Commission's prior treatment of depreciation deficiencies would necessarily result in a substantial reduction of the utility's expenses and a net rate decrease if AARP's other requested adjustments were accepted.

Q. How are you recommending that the Commission address the depreciation reserve surplus?

A. As I said, I am recommending that the Commission treat the depreciation reserve surplus in the same manner it has historically addressed depreciation reserve deficits. From my review of this Commission's prior orders addressing adjustments to depreciation reserve accounts, it appears that the Commission has repeatedly allowed the electric utilities to recover depreciation reserve deficiencies over as few as three to five years and not made the utilities wait to collect the deficiencies over the remaining lives of the related assets. This treatment necessarily caused a greater increase in allowable expenses as compared to the remaining life option. So, if a utility were requesting rate relief in conjunction with a depreciation reserve "correction," rebalancing, or correcting the reserve, over three to five years would increase allowable expenses and with them the revenue requirement and rates. Between rate cases, an adjustment over three to five years would, as opposed to the remaining life option, pull down reported earnings without affecting cash flow. Obviously increasing depreciation expense and reported profits would be more important during periods in which a utility was over earning or close to its profit ceiling. Simple fairness should require the Commission to use the shorter period of years to reduce revenue requirements to the advantage of PEF's customers if it has repeatedly used the shorter term to increase required revenues to the advantage of the utility.

Q. Aside from consistency with its treatment of past depreciation reserve deficiencies, what advantages do you see from correcting the reserve position over a shorter period of years?

A. I think the advantage to consumers is that it gives current customers the benefit of the return of the depreciation expense overpayments they have made and avoids the intergenerational inequity necessarily associated with correcting the reserve over the remaining lives of the related assets. Fundamentally, however. the Commission should be consistent in its treatment of this issue regardless of what direction a correction is required.

Q. Why are you suggesting correcting the depreciation reserve surplus over five years?

A. To be consistent with the number of years often used by this Commission when addressing depreciation reserve deficiencies. It appears that five years is the longest period of years typically used by the Commission when correcting depreciation reserve deficiencies.

Q. Are you recommending a specific revenue adjustment related to the depreciation reserve surplus?

A. No, I am not. I have not attempted to calculate the overall revenue impact, which necessarily would include a related increase in rate base. The adjustment would depend on the surplus found by the Commission based on the record, as well as the number of years used to make the correction. Again, I am recommending a five-year correction because it is consistent with this Commission's precedents in treating reserve deficiencies.

Q. What is the total revenue reduction you are recommending from your four adjustments?

A. A total of approximately $216 million, consisting of $20 million associated with the ROE Performance Incentive, $76.8 million associated with the recommended reduction from 12.3 percent to my MROE of 10.38 percent and $40 million for the reduction in PEF's requested annul storm accrual. The depreciation reserve surplus adjustment will necessarily reduce PEF's allowable expenses by approximately an additional $100 million a year and, thus, turn its remaining positive revenue increase case into a rate reduction case.

Q. Do you believe that these are the only downward adjustments necessary to PEF's request?

A. No. This total is only related to the four items I have discussed in my testimony. AARP plans to adopt the other downward adjustments proposed by the Office of Public Counsel.

Q. Does this conclude your testimony?

A. Yes.

REGRESSION MODEL –UNITED STATES

YEAR	ALLOWED ROE	AVE. PUBLIC UTILITY BOND YIELD
1980	14.23	13.15
1981	15.22	15.62
1982	15.78	15.33
1983	15.36	13.31
1984	15.32	14.03
1985	15.20	12.29
1986	13.93	9.46
1987	12.99	9.98
1988	12.79	10.45
1989	12.97	9.66
1990	12.70	9.76
1991	12.55	9.21
1992	12.09	8.57
1993	11.41	7.56
1994	11.34	8.30
1995	11.55	7.91
1996	11.39	7.74
1997	11.40	7.63
1998	11.66	7.00
1999	10.77	7.55
2000	11.43	8.14
2001	11.09	7.72
2002	11.16	7.50
2003	10.97	6.61
2004	10.73	6.20

Regression Statistics

Multiple R	0.95367
R-Square	0.90949
Adjusted R-Square	0.90556
Standard Error	0.51289
Observations	25

Regression Model

	Coefficient	*Standard Error*
Intercept	7.0766	0.3801
X Variable	0.578	0.0380

NOTES:
Data on authorized rates of return and average public utility bond yield taken from Document WEA-6, Page 1 of 2 of W. Avera's exhibit in FPL rate case, Docket No. 050045.

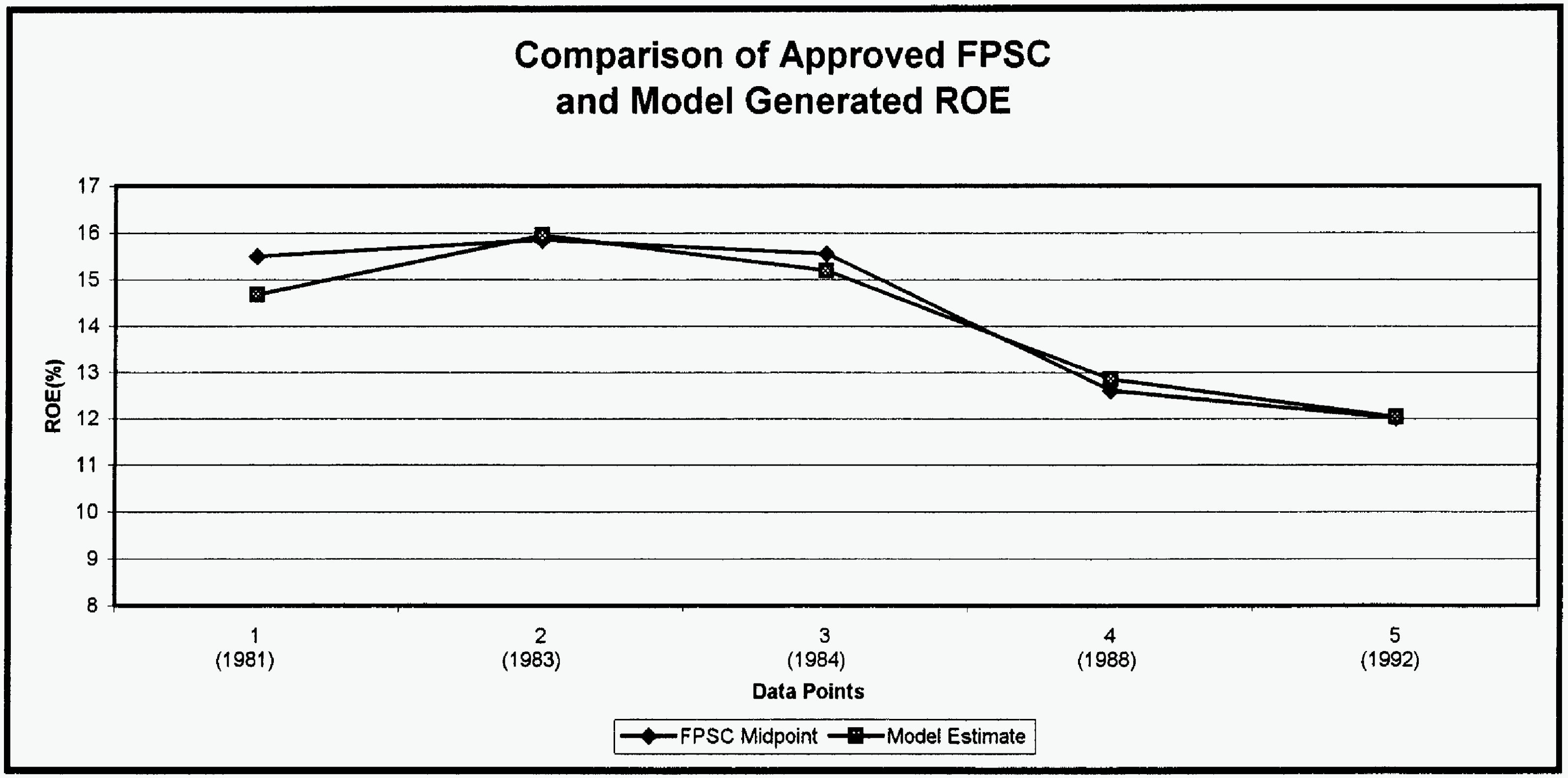
ANALYSIS OF PEF ROE DECISIONS

1	2	3	4	5	6	7
YEAR	**DATE OF ORDER**	**FPSC ALLOWED ROE (a)**	**PUBLIC UTILITY BOND YIELD(b)**	**MODEL GENERATED ROE**	**DIFF. BETWEEN FPSC & MODEL**	**PERCENT DIFF. BETWEEN FPSC & MODEL**
1981	3/22/81	15.50	13.15	14.68	0.822	5.31%
1983	2/17/83	15.85	15.33	15.94	-0.088	-0.55%
1984	10/11/84	15.55	14.03	15.19	0.364	2.34%
1988	1/1/88	12.60	9.98	12.85	-0.245	-1.95%
1992	11/1/92	12.00	8.57	12.03	-0.030	-0.25%

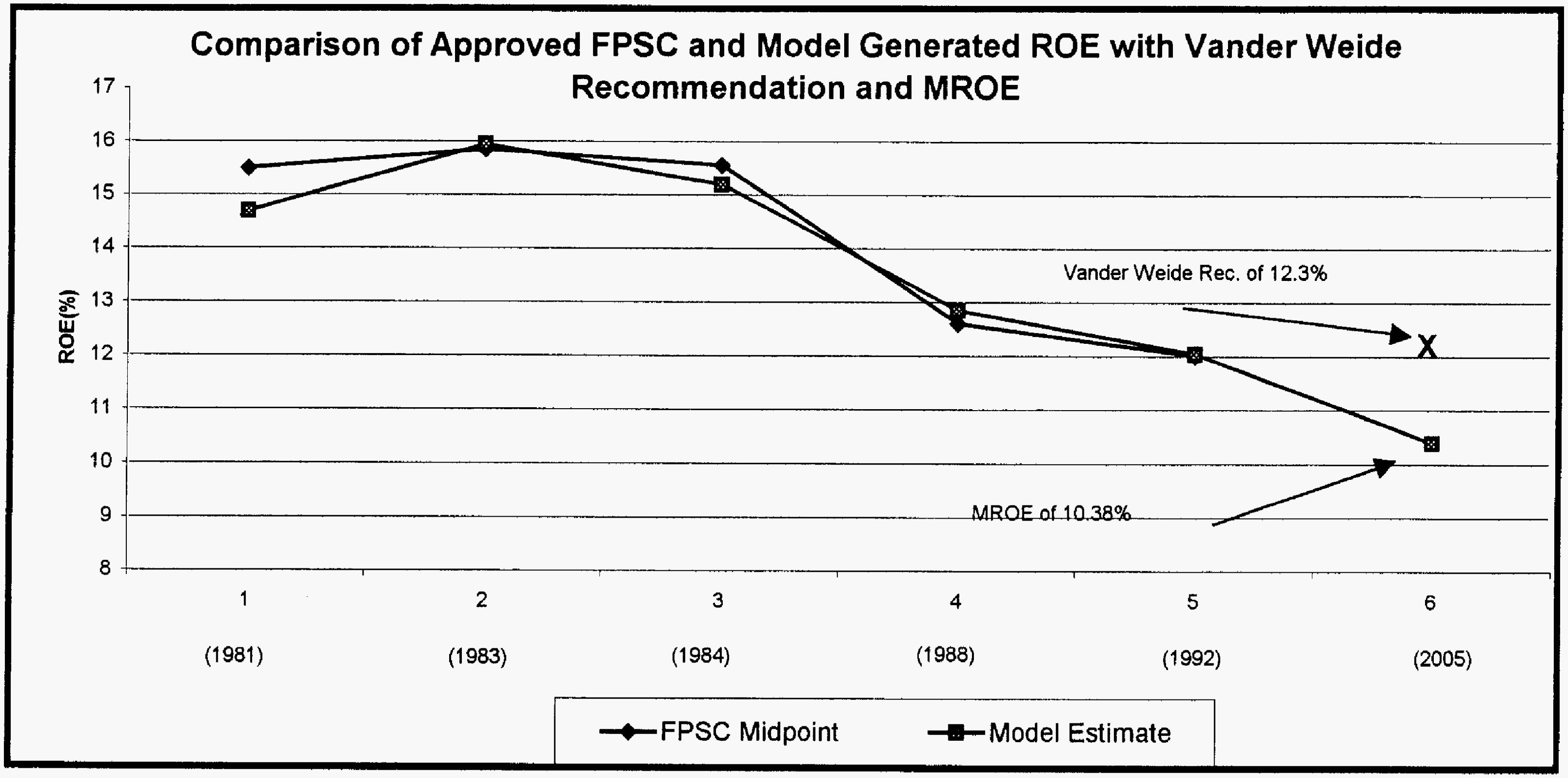
MAXIMUM RETURN ON EQUITY ESTIMATE (MROEE)

MROEE = 7.0766 + 0.578*(APUBY)(c)
MROEE = 7.0766 + 0.578*(5.72)
MROEE= 10.38%

Notes:
(a) FPSC ALLOWED ROE taken from FPSC orders.
(b) A six-month lag was employed to determine the appropriate APUBY.
(c) Average Public Utility Bond Yield used in MROEE model was 5.72%.



Docket No. 050078-EI
S. Stewart Exhibit No. ____
Document SAS-3
Chart 1



Docket No. 050078-EI
S. Stewart Exhibit No. _____
Document SAS-4
Chart 2

REGRESSION MODEL –FLORIDA SPECIFIC

ORDER DATE	ALLOWED ROE	AVE. PUBLIC UTILITY BOND YIELD
10/1/80	14.5	13.15
3/1/81	14.75	13.15
4/1/81	15.85	15.62
7/1/82	15.85	15.33
11/1/82	15.75	15.33
12/1/82	15.85	15.33
1/1/83	15.85	15.33
2/1/83	15.85	15.33
11/1/83	15.5	13.31
10/1/84	15.55	14.03
12/1/84	15.6	14.03
1/1/85	15.6	14.03
1/1/85	15.6	14.03
12/1/85	14.5	12.29
11/1/86	12.5	9.46
1/1/88	12.6	9.98
10/1/90	12.05	9.76
1/1/91	12.8	9.76
3/1/92	12.5	9.21
10/1/92	12	8.57
2/1/93	12	8.57
5/1/93	12	8.57
7/1/93	12	7.56
3/1/94	11.35	7.56
5/1/95	11.75	8.3
3/1/99	11	7.55
6/2/02	12	7.5

Regression Statistics

Multiple R	0.98368
R-Square	0.96764
Adjusted R-Square	0.96635
Standard Error	0.33262
Observations	27

Regression Model

	Coefficient	*Standard Error*
Intercept	7.0437	0.2559
X Variable	0.5852	0.0214

ANALYSIS OF STORM RESERVE FUND

STORM RESERVE BALANCE SCENARIOS

1	2	3	4	5	6
YEAR	ACTUAL EXPEND.	ACTUAL BALANCE	$50 MILL. ANN. ACC.	$30 MILL. ANN. ACC.	$10 MILL. ANN. ACC.
1990	$0.0	$2.9	$36.3	$21.8	$17.8
1991	$0.0	$3.4	$76.0	$45.6	$26.2
1992	$0.3	$4.2	$118.4	$70.9	$35.0
1993	$4.6	$0.3	$159.7	$94.2	$56.5
1994	$1.0	$8.3	$207.8	$122.0	$66.3
1995	$4.4	$7.3	$256.0	$148.9	$73.5
1996	$7.0	$13.3	$299.3	$171.7	$77.4
1997	$1.2	$18.1	$357.6	$205.8	$88.9
1998	$0.0	$24.1	$420.8	$243.3	$102.4
1999	$4.5	$25.6	$483.4	$278.5	$112.1
2000	$2.1	$29.5	$553.2	$318.9	$125.1
2001	$5.9	$29.6	$623.9	$358.2	$135.0
2002	$0.0	$35.6	$705.1	$406.1	$151.7
2003	$0.7	$40.9	$790.8	$456.4	$168.8
2004	$350.0	$46.9	$515.3	$143.2	-$179.8

NOTES:
YEARLY BALANCES REFLECTED IN COLUMNS 4,5, & 6 TAKE INTO ACCOUNT INFLATION, FUND EARNINGS, AND OTHER ADJUSTMENTS DOCUMENTED BY PEF.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by U.S. Mail this 13th day of July, 2005, on the following:

Felicia Banks, Esq.
Jennifer Brubaker, Esq.
Jennifer Rodan, Esq.
Office of the General Counsel
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

James A. McGee/R. Alexander Glenn
Progress Energy Florida, Inc.
P.O. Box 14042
St. Petersburg, FL 33733

Mr. Gary Sasso, Esq.
Carlton Fields
P.O. Box 3239
Tampa, FL 33607-5736

Harold A. McLean, Esq.
Joseph A. McGlothlin, Esq.
Office of the Public Counsel
111 West Madison Street, Room 812
Tallahassee, FL 32399

John W. McWhirter, Esq.
McWhirter Reeves Davidson Kaufman & Arnold, P.A.
400 North Tampa Street, Suite 2450
Tampa, FL 33602

Timothy J. Perry, Esq.
McWhirter Reeves Davidson Kaufman & Arnold, P.A.
117 South Gadsden Street
Tallahassee, FL 32301

James M. Bushee, Esq.
Daniel E. Frank, Esq.
Sutherland Asbill & Brennan, LLP
1275 Pennsylvania Avenue, N.W.
Washington, DC 20004-2415

C. Everett Boyd, Jr., Esq.
Sutherland Asbill & Brennan, LLP
2282 Killearn Center Blvd.
Tallahassee, FL 32309

John T. LaVia, III, Esq.
Robert Scheffel Wright Esq.
310 West College Avenue (32301)
Post Office Box 271
Tallahassee, Florida 32302

Attorney