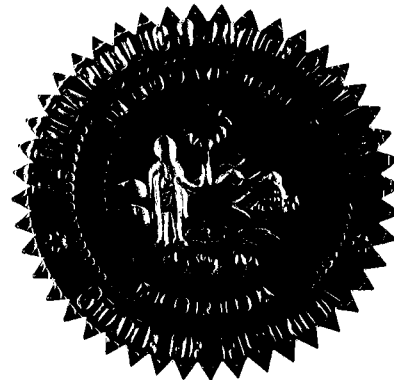


BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 060162-EI

In the Matter of:

PETITION BY PROGRESS ENERGY FLORIDA,
INC. FOR APPROVAL TO RECOVER MODULAR
COOLING TOWER COSTS THROUGH ENVIRONMENTAL
COST RECOVERY CLAUSE.



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PROCEEDINGS: PREHEARING

BEFORE: COMMISSIONER MATTHEW M. CARTER, II
Prehearing Officer

DATE: Monday, April 23, 2007

TIME: Commenced at 1:30 p.m.
Concluded at 1:37 p.m.

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

REPORTED BY: LINDA BOLES, CRR, RPR
Official FPSC Reporter
(850) 413-6734

DOCUMENT NUMBER-DATE

FLORIDA PUBLIC SERVICE COMMISSION

03466 APR 24 5

FPSC-COMMISSION CLERK

1 APPEARANCES:

2 GARY V. PERKO, ESQUIRE, Hopping Law Firm, Post Office
3 Box 6526, Tallahassee, Florida 32314, appearing on behalf of
4 Progress Energy Florida, Inc.

5 JOSEPH McGLOTHLIN, ESQUIRE, Office of Public Counsel,
6 c/o The Florida Legislature, 111 West Madison Street, Room 812,
7 Tallahassee, Florida 32399-1400, appearing on behalf of the
8 Citizens of the State of Florida.

9 MARTHA BROWN, ESQUIRE, and LISA C. BENNETT, ESQUIRE,
10 FPSC General Counsel's Office, 2540 Shumard Oak Boulevard,
11 Tallahassee, Florida 32399-0850, appearing on behalf of the
12 Commission Staff.

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P R O C E E D I N G S

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2 COMMISSIONER CARTER: I think it looks like it's time
3 from my view of the clock, so call the hearing to order.

4 Okay. Would you read the notice, please.

5 MS. BROWN: By notice issued April 12th, 2007, this
6 time and place is set for a prehearing conference in Docket
7 Number 060162-EI, petition by Progress Energy Florida, Inc. for
8 approval to recover modular cooling tower costs through the
9 environmental cost recovery clause. The purpose of the
10 prehearing conference is set out in the notice.

11 COMMISSIONER CARTER: Okay. Take notice -- take
12 appearances, please.

13 MR. PERKO: Gary Perko on behalf of the Hopping,
14 Green & Sams Law Firm on behalf of Progress Energy Florida.

15 COMMISSIONER CARTER: Okay.

16 MR. MCGLOTHLIN: Joe McGlothlin, Associate Public
17 Counsel for the citizens.

18 MS. BROWN: Martha Carter Brown and Lisa C. Bennett
19 on behalf of the Commission.

20 COMMISSIONER CARTER: Okay. Preliminary matters.

21 MS. BROWN: Well, perhaps, Commissioner, at this time
22 I could describe the procedure that the parties have agreed we
23 should follow in the conduct of this hearing.

24 COMMISSIONER CARTER: You are recognized.

25 MS. BROWN: The parties have stipulated to admission

1 of all prefiled testimony, all prefiled exhibits and staff's
2 composite exhibit into the record. At the hearing the parties
3 will each give a ten-minute opening statement, the evidence
4 will be, then be admitted into the record and the record will
5 be closed. No witnesses will be cross-examined. And it
6 appears that if the Commissioners have no questions, the
7 witnesses may be excused. I will find out from the other
8 Commissioners if they do and then let the parties know as soon
9 as possible.

10 This procedure is, is shown in Section 10 of the --
11 confirmed in Section X of the prehearing order. And when we
12 get to the section on exhibits, we can go back and mention it
13 again. But if that meets your approval, that's the way the
14 parties would like to proceed.

15 COMMISSIONER CARTER: Well, then we shall proceed
16 thusly.

17 MS. BROWN: Okay. And I don't know if the parties
18 have any preliminary matters.

19 MR. McGLOTHLIN: I have none.

20 COMMISSIONER CARTER: Okay.

21 MS. BROWN: Well, then I guess we can proceed to the
22 draft prehearing order.

23 COMMISSIONER CARTER: Okay. Let's go through it.
24 And I'll just identify sections. You don't really have to say
25 anything unless there's a question or a concern. Okay?

1 Section I, case background.

2 Section II, conduct of proceedings.

3 Section III, jurisdiction.

4 Section IV, procedure for handling confidential
5 information.

6 Section V, prefiled testimony and exhibits and
7 witnesses.

8 Section VI, order of witnesses.

9 MR. PERKO: Commissioner.

10 COMMISSIONER CARTER: Yes, sir.

11 MR. PERKO: This would relate to the rebuttal
12 testimony of Javier Portuondo. In order to resolve an
13 objection that Mr. McGlothlin had, we prepared an errata sheet
14 which I've given to staff as well as the court reporter, and
15 also there would be a change to the Exhibit JP-3 attached to
16 that testimony to remove a portion of that exhibit and include
17 only a rule that Mr. McGlothlin has agreed to.

18 MR. MCGLOTHLIN: I've reviewed the errata sheet and
19 it's acceptable to me.

20 COMMISSIONER CARTER: Okay.

21 MS. BROWN: And staff is aware of this as well and
22 will see that the prehearing order and the testimony books for
23 the Commissioners reflect that.

24 COMMISSIONER CARTER: Okay. Make it so.

25 Okay. We're at order of witnesses, Section VI.

1 Section VII, basic positions.

2 Section VIII, issues and positions.

3 MS. BROWN: Commissioner, there are -- I just want to
4 point out that there are only two issues in the case. Issue 1
5 has some subparts to it. So I guess when the parties write
6 their briefs, they will address those subparts. I just wanted
7 to point that out to you.

8 COMMISSIONER CARTER: Okay. Section IX, exhibit
9 list.

10 MS. BROWN: Staff will prepare a comprehensive
11 exhibit list that will include staff's composite exhibit of
12 discovery responses and all of the prefiled testimony, prefiled
13 exhibits, and then at the hearing we'll enter that into the
14 record and it will specifically identify all stipulated
15 exhibits.

16 COMMISSIONER CARTER: Okay. Now we're on Section X
17 on proposed stipulations.

18 MS. BROWN: Right. As I mentioned in the preliminary
19 matters, the parties have agreed to this truncated hearing
20 procedure and will rely on the admitted record to file their
21 briefs.

22 COMMISSIONER CARTER: Okay. Section XI, pending
23 motions.

24 MS. BROWN: No pending motions.

25 COMMISSIONER CARTER: Section XII, pending

1 confidentiality matters.

2 MS. BROWN: No pending confidentiality matters that
3 I'm aware of.

4 COMMISSIONER CARTER: Section XIII, posthearing
5 procedures.

6 MS. BROWN: The schedule reflects that the transcript
7 of the hearing will be due May 7th, the posthearing briefs will
8 be due May 30th, staff recommendation to be filed June 27th,
9 with an Agenda Conference on the 10th of July.

10 COMMISSIONER CARTER: Okay. Thank you.

11 Mr. Perko, Mr. McGlothlin, you're comfortable with
12 those dates?

13 MR. PERKO: Yes, sir.

14 MR. MCGLOTHLIN: Yes, sir.

15 COMMISSIONER CARTER: Excellent. Excellent.
16 Section XIV, rulings.

17 MS. BROWN: We propose and I think the parties have
18 agreed to ten minutes per side for opening statements.

19 COMMISSIONER CARTER: Okay. Are there any other
20 matters?

21 MS. BROWN: There are no other matters to my
22 knowledge.

23 COMMISSIONER CARTER: Okay. Then hearing none from
24 either of the parties, we are adjourned.

25 (Prehearing Conference adjourned at 1:37 p.m.)

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STATE OF FLORIDA)
 :
COUNTY OF LEON)

CERTIFICATE OF REPORTER

I, LINDA BOLES, RPR, CRR, Official Commission Reporter, do hereby certify that the foregoing proceeding was heard at the time and place herein stated.

IT IS FURTHER CERTIFIED that I stenographically reported the said proceedings; that the same has been transcribed under my direct supervision; and that this transcript constitutes a true transcription of my notes of said proceedings.

I FURTHER CERTIFY that I am not a relative, employee, attorney or counsel of any of the parties, nor am I a relative or employee of any of the parties' attorneys or counsel connected with the action, nor am I financially interested in the action.

DATED THIS 24th day of April, 2007.

Linda Boles
LINDA BOLES, RPR, CRR
FPSC Official Commission Reporter
(850) 413-6734