

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of:

DOCKET NO. 100155-EG

PETITION FOR APPROVAL OF DEMAND-
SIDE MANAGEMENT PLAN OF FLORIDA
POWER & LIGHT COMPANY.

PROCEEDINGS: AGENDA CONFERENCE
ITEM NO. 6

COMMISSIONERS
PARTICIPATING: CHAIRMAN ART GRAHAM
COMMISSIONER LISA POLAK EDGAR
COMMISSIONER RONALD A. BRISÉ
COMMISSIONER EDUARDO E. BALBIS
COMMISSIONER JULIE I. BROWN

DATE: Tuesday, July 26, 2011

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

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P R O C E E D I N G S

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2 **CHAIRMAN GRAHAM:** Staff, let's get started on
3 Item Number 6.

4 **MR. GARL:** Thank you, Mr. Chairman. And good
5 morning, Commissioners. I'm Steve Garl from Commission
6 staff.

7 Item 6 is Florida Power and Light Company's
8 petition for approval of its demand-side management
9 plan. On January 31st, 2011, the Commission denied
10 approval of FPL's previously-filed DSM plan, because it
11 did not meet the goals set by the Commission. The
12 company was directed to modify its plan to meet the
13 goals. FPL filed a modified plan and an alternate plan
14 on March 25th, 2011. Staff recommends approval of the
15 modified plan, because it is projected to meet or
16 exceed all Commission-established savings goals, it is
17 cost-effective, and it does not create an undue rate
18 impact. The alternate plan need not be considered,
19 because it fails to meet most goals.

20 Staff is available to answer any questions
21 you may have, and representatives of the parties are
22 also present.

23 **CHAIRMAN GRAHAM:** All right.

24 SACE.

25 **MR. JACOBS:** Thank you, Mr. Chairman. Leon

1 Jacobs here on behalf of the Southern Alliance for
2 Clean Energy, and with me is Tom Larson, as well.

3 **MS. KAUFMAN:** Vicki Gordon Kaufman on behalf
4 of the Florida Industrial Power Users Group.

5 **CHAIRMAN GRAHAM:** FPL.

6 **MS. CANO:** Good morning. My name is Jessica
7 Cano, and I'm appearing on behalf of Florida Power and
8 Light Company. With me today is Tom Coke (phonetic)
9 from FPL's DSM group.

10 **CHAIRMAN GRAHAM:** Commission Board.
11 Comments; questions; motions?

12 Commissioner Balbis.

13 **COMMISSIONER BALBIS:** Thank you, Mr.
14 Chairman.

15 And I'm just going to, I guess, bring it up
16 to the Commission. I have a feeling that we are going
17 to have similar discussions as to Florida Power and
18 Light as we did with Progress Energy. And with that,
19 seeing some nods of the heads, I think we could save
20 some time here, especially if we're moving forward with
21 discussions on technical potential, or relooking at the
22 goals. I think we could address this docket by, again,
23 amending their DSM plan to match what they currently
24 have in place, or maintain the status quo with the same
25 band discussion pending closing the docket and moving

1 on with our other discussion.

2 **CHAIRMAN GRAHAM:** It has been moved and
3 seconded.

4 **MR. HARRIS:** May I -- Larry Harris with
5 staff. Is it your intent to offer essentially the same
6 motion as you did for Progress?

7 **COMMISSIONER BALBIS:** Correct.

8 **CHAIRMAN GRAHAM:** Really, you had to ask that
9 question?

10 **MR. HARRIS:** Yes, sir, I did.

11 **CHAIRMAN GRAHAM:** It would have been very
12 clear before we passed it.

13 Commissioner Edgar.

14 **COMMISSIONER EDGAR:** I did have one question
15 that I wanted to ask staff to clarify for me.

16 I think, Mr. Garl, I just heard you say that
17 the amended plan submitted by FPL may not be considered
18 because it doesn't meet the goals, but yet the staff
19 recommendation on the last item was to approve a rate
20 mitigation plan for Progress that did not meet the
21 goals. And I absolutely recognize that each case is
22 separate and distinct, but yet there seems to be some
23 inconsistency, in my mind, to that. Could you speak to
24 it?

25 **MR. GARL:** Yes. Primarily, in the case of

1 FPL's DSM plan, the rate impact is probably the biggest
2 player. And, of course, that was the biggest player in
3 staff's recommendation to adopt Progress' alternate or
4 rate mitigation plan. FPL's rate impact with their
5 modified plan falls right in line with Gulf, right
6 above them, and I believe TECO right below them, which
7 the Commission has already approved. So that is why
8 staff recommends adopting the plan, the modified plan
9 which does meet the Commission goals, whereas the
10 alternate plan does not meet most of those goals, so we
11 recommend not even considering that.

12 **COMMISSIONER EDGAR:** But that's not the same
13 as the Commission may not consider it.

14 **MR. GARL:** No. No. It should be considered,
15 yes. Probably a misstatement there. It has been
16 considered; we looked at it; it did not meet the goals,
17 and pushed that aside.

18 **COMMISSIONER EDGAR:** Can you, very quickly,
19 or briefly, or succinctly go over what the differences
20 are generally between -- and I'm putting the modified
21 plan aside for the moment -- but between the more
22 status quo current programs continuing versus the
23 alternate plan.

24 **MR. GARL:** Probably the best measure of that,
25 Commissioner, would be looking at the new programs

1 under their modified plan. There are a total of 15 new
2 programs, each of them, of course, carrying some cost
3 and very -- relatively small cost. But 15 of them, the
4 cost does add up, and that's where the rate impact
5 comes from that we're discussing.

6 **COMMISSIONER EDGAR:** Okay. But I wasn't
7 asking about the modified plan. I was asking about the
8 alternate plan, the difference between the alternate
9 plan and the, as has been suggested by Commissioner
10 Balbis, the more what I would term status quo, current
11 programs continuing.

12 **MR. BALLINGER:** If I may answer that,
13 Commissioners, because in the recommendation we have a
14 comparison of the alternate plan to the modified plan,
15 which isn't compared to the status quo. I would refer
16 you to FPL's petition that they filed in this docket
17 where it describes the alternate plan on page 3. And
18 it says, "FPL's alternate DSM plan continues the
19 programs currently in place under FPL's existing DSM
20 plan, includes the solar pilot programs approved by
21 Order Number PSC-11-0079-PAA, and adds a new DSM
22 program targeted at low income customers."

23 So to me, reading that, their alternate plan
24 adds a low income program and then the solar programs
25 that the Commission has already approved. And I'd, I'd

1 ask if we could get clarification from FPL if that's
2 correct or not, but that's reading from their petition.

3 **COMMISSIONER EDGAR:** May I, Mr. Chairman?

4 **CHAIRMAN GRAHAM:** Sure.

5 **MS. CANO:** Good morning. Yes. I believe
6 Staff's statement was correct. I would just add to
7 that though that we do currently have a low income
8 program, and that would remain in place if we went with
9 the status quo approach that you're considering.

10 Additionally, I would just point out that the
11 status quo as far as total achievement goes currently
12 falls, I believe, somewhere between the two plans that
13 we have before you. So it would be sort of a middle,
14 middle-of-the-road type decision there.

15 **COMMISSIONER EDGAR:** Okay. Which of those
16 three, if we have the modified, the alternate and the
17 current, current programs, which did you say you
18 thought would be more of the middle of the three?

19 **MS. CANO:** The status quo approach that's
20 being considered is in between the alternate plan and
21 the modified plan that meets the new higher goals.

22 **COMMISSIONER EDGAR:** Okay. And then just for
23 clarification, since I understand and am supportive of
24 kind of tracking in this docket what we did just in the
25 previous issue that was before us, would that solar

1 piece need to be included or is that included in the
2 way the motion was put before us? Do you understand
3 where I'm --

4 **COMMISSIONER BALBIS:** Yeah. Mr. Chairman, is
5 it for me or for --

6 **CHAIRMAN GRAHAM:** Well, I thought Staff was
7 going to answer that.

8 **COMMISSIONER BALBIS:** Okay.

9 **MR. HARRIS:** This is Larry Harris. I
10 understood that the solar pilot programs were part of
11 that status quo motion that Commissioner Balbis made.

12 **COMMISSIONER BALBIS:** That is correct.

13 **COMMISSIONER EDGAR:** And I just wasn't sure
14 if it -- I thought that was the intent, I just wasn't
15 sure if it was included. So with all of that painful,
16 detailed questioning -- sorry, Mr. Chairman -- I
17 appreciate the chance and I'm ready to support the
18 motion.

19 **CHAIRMAN GRAHAM:** Did you want to clarify
20 something, Commissioner Balbis?

21 **COMMISSIONER BALBIS:** I did, and it just fled
22 from my skull.

23 No, I just wanted to point out that the other
24 benefit as far being, you know, the middle, middle of
25 the road, if you will, with the status quo is that,

1 again, it alleviates my concern of starting and
2 possibly stopping a program in a short period of time.

3 **CHAIRMAN GRAHAM:** And no other lights? All
4 in favor of the Balbis amendment, say aye.

5 (Affirmative vote.)

6 Anybody opposed?

7 Okay. We are done with item number 6.

8 Staff, is that the agenda?

9 **MR. JACOBS:** Mr. Chairman, one point of
10 clarification.

11 **CHAIRMAN GRAHAM:** Sure.

12 **MR. JACOBS:** In the, in the statutory
13 provisions where you choose not to approve plans, it
14 generally anticipates that those, that the company has
15 to refile or, and this is a point of clarification, the
16 Commission would adopt a plan because you're not
17 requiring any refiling. I'm assuming that you're
18 choosing to adopt the prior, prior DSM plans of the
19 company for these goals.

20 **CHAIRMAN GRAHAM:** Is that your question?

21 **MR. JACOBS:** Yes, sir.

22 **CHAIRMAN GRAHAM:** Commissioner Brisé.

23 **COMMISSIONER BRISÉ:** Thank you, Mr. Chairman.

24 I think the intent of the motion and the
25 intent of the vote is to continue to apply the current

1 plans as they stand at this time.

2 **MR. JACOBS:** Thank you.

3 **CHAIRMAN GRAHAM:** That all being said, we're
4 adjourned.

5 (Proceeding adjourned at 11:58 a.m.)

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