

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of:

DOCKET NO. 110262-EI

PETITION FOR APPROVAL OF NEW
ENVIRONMENTAL PROGRAM FOR COST
RECOVERY THROUGH ENVIRONMENTAL
COST RECOVERY CLAUSE, BY TAMPA
ELECTRIC COMPANY.

PROCEEDINGS: COMMISSION CONFERENCE
ITEM NO. 12

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

DATE: Tuesday, September 18, 2012

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

REPORTED BY: JANE FAUROT, RPR
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P R O C E E D I N G S

1
2 **CHAIRMAN BRISÉ:** So now we will move to
3 Item Number 12.

4 **MS. WU:** Good morning, Mr. Chairman and
5 Commissioners.

6 **CHAIRMAN BRISÉ:** Good morning.

7 **MS. WU:** Item 12 pertains to TECO's
8 amended petition for approval of a new gypsum
9 storage and recover the associated cost through the
10 ECRC.

11 TECO's original petition was addressed by
12 the Commission at the March 13 agenda, and was
13 deferred to the April 10th, the May 8th, and then
14 this agenda in order for the company to attend and
15 provide to the Commission additional information.
16 Since then TECO has filed several sets of data
17 request responses, an interim report, a follow-up
18 report, and an amended petition.

19 Based on the analysis of the information
20 received, staff recommends to approve the amended
21 petition as it is filed. Mr. Chairman, it is my
22 understanding that TECO would like to make a few
23 brief comments before you start to discuss this
24 item.

25 **CHAIRMAN BRISÉ:** Sure. That is perfectly

1 acceptable to me.

2 **MR. BEASLEY:** Thank you, Mr. Chairman and
3 Commissioners.

4 I'm Jim Beasley with Ausley & McMullen on
5 behalf of Tampa Electric Company. With me today on
6 my left is Mark Hornick, Tampa Electric's Director
7 of Planning, Engineering, and Construction. On his
8 left, Paul Carpinone, Director of Environmental
9 Health and Safety. On my right is Howard Bryant,
10 Manager of Rates; and on his right Bill Smotherman,
11 who is the Director of Energy Supply Services for
12 the company.

13 We appreciate the opportunity to appear
14 before you today in support of your staff's
15 recommendation. A lot has transpired since the
16 agenda conference back on May the 8th when this item
17 last came before you. Tampa Electric has been,
18 since that time, very focused on two key objectives
19 that came out of the Agenda Conference. The first
20 was to see if we could seek out new off-takers of
21 gypsum by-product produced by the scrubbers at Big
22 Bend Station in an effort to satisfy you that we are
23 doing everything we can in that regard.

24 The second key objective relates to the
25 concern we heard at the May 8th Agenda Conference

1 about the overall cost of the project. The company
2 took that to heart and has developed a reduced scope
3 approach for your consideration that removes the
4 cost of the conveyor system and loading dome at Big
5 Bend, thereby reducing the overall cost of the
6 project.

7 Now, going back to the first objective
8 relating to finding additional gypsum off-takers,
9 the company has since May 8th engaged in a number of
10 activities. The company has sent letters of
11 interest to a list of potential new off-takers and
12 engaged in discussions with them. The company has
13 closed a transaction to move 50,000 tons to a cement
14 manufacturer as a direct result of those discussions
15 and the letter of intent, or the letter of interest.

16 The company is now working toward closing
17 an agreement to move 165,000 tons of gypsum
18 by-product for agricultural use in South America.
19 While that's not the 275,000 ton that we had
20 initially hoped for, it is a certainly a big step in
21 the way of beneficially reusing this gypsum
22 by-product. The company is also negotiating an
23 agreement with a broker for 25 to 50,000 tons of
24 gypsum to distribute to agricultural interests in
25 Georgia, that would be pecan growers and peanut

1 farmers.

2 The company, given the status of its
3 current storage facility, has negotiated a
4 discounted landfill arrangement with three
5 peninsular Florida landfills who can use
6 approximately 350,000 tons of the gypsum by-product
7 as valley fill, which is where they use a material,
8 in this case gypsum, to fill in the voids and blank
9 spaces and stabilize their landfill in areas where
10 they store large bulk items.

11 These efforts have produced some good
12 opportunities for the company and its ratepayers.
13 They have been good opportunities; unfortunately,
14 they are sporadic. The output of gypsum at Big Bend
15 Station is certainly not sporadic and it continues
16 at a continuous level of over 700,000 tons per year.
17 The new working storage facility remains very much
18 needed at Big Bend Station, and the company has
19 gotten to the point, as I said, where it's resorting
20 to landfilling first with some of the lesser quality
21 gypsum on its stack.

22 Our second key objection (sic), as I
23 indicated, has been to reduce the overall scope of
24 the proposed new facility, and this led to our
25 development of the reduced scope project with the

1 conveyor system and the loading dome removed. This
 2 has financial and operational risks, but Tampa
 3 Electric has studied them and has concluded that
 4 those can be managed in a reasonable fashion. The
 5 reduced scope option reduces the capital costs of
 6 this project to \$21.7 million, with that reduction
 7 offset somewhat by higher O&M costs.

8 Your staff's recommendation shows four
 9 scenarios on Page 13 in Table 4 entitled "Levelized
 10 Annual Revenue Requirement." It is a comparison of
 11 the original proposal that we made, the
 12 reduced-scope approach that we have submitted, and
 13 then two variations of the reduced scope; one
 14 including the conveyor system, and the other
 15 including the dome, the loading dome. And I think
 16 staff put that in there just for you to be able to
 17 see what the comparison is between the revenue
 18 requirements of these various alternatives.

19 The reason we sought approval of the
 20 original proposed project, including the conveyor
 21 and the dome, is that it represents the accepted
 22 engineering standard for the industry. Tampa
 23 Electric now believes it makes a whole lot of sense
 24 to approve the reduced-scope project. There are
 25 risks associated with down-sizing, but, again, our

1 studies indicate we can manage those efficiently.

2 Commissioners, regardless of how this
3 matter is resolved, Tampa Electric holds to its
4 belief that the beneficial reuse of gypsum
5 by-product as opposed to simply landfilling it is
6 certainly in the economic best interests of the
7 company's customers, and it's in the environmental
8 best interests of the community and the state
9 affected.

10 Tampa Electric is a recognized leader in
11 the beneficial reuse of gypsum by-product and other
12 coal combustion commodities. Its efforts have saved
13 its customers many millions of dollars over the
14 years in avoided landfill costs coupled with gypsum
15 sales revenues. The bottom line is that the company
16 believes, it firmly believes that it needs a new
17 working storage facility, whether it's something
18 along the lines of what we originally proposed or
19 the reduced scope option now before you.

20 We urge you to approve the staff's
21 recommendation to approve the reduced-scope option.
22 I want to thank you for your time, and we're
23 available for any questions you may have.

24 **CHAIRMAN BRISÉ:** Thank you.

25 Commissioner Brown.

1 **COMMISSIONER BROWN:** Thank you. A few
2 questions.

3 First, I'll start with staff, about any
4 concerns you have with regard to TECO's amended
5 petition cutting some of those costs with the
6 conveyor belt and the dome.

7 **MS. WU:** Commissioners, staff has done its
8 due diligence to obtain all the relevant
9 information, including the merits and drawback of
10 the elimination of conveyor system.

11 **COMMISSIONER BROWN:** Thank you.

12 **MS. WU:** And staff thinks there is some
13 merit in keeping the conveyor system. However,
14 staff does not substitute its judgment to the
15 company's judgment. Staff recommends the Commission
16 to approve the amended petition as it is filed,
17 which is Column 2 in Table 4, the reduced-scope
18 option.

19 **COMMISSIONER BROWN:** Okay.

20 Mr. Beasley or Mr. Hornick, with regard to
21 your amended petition, it is substantially different
22 than the original filed petition. Could you just
23 walk us through the pros and cons. I know you said
24 that there were certain risks associated with
25 cutting costs and removing the conveyor belt. Can

1 you walk us through both inclusion and exclusion
2 from a pros and cons standpoint, please.

3 **MR. HORNICK:** Sure. Thank you,
4 Commissioner.

5 What we looked for was a lower capital
6 cost approach that would still be functional at what
7 we call the East 40 Storage Area that would retain
8 the lined storage area that would hold about
9 870,000 tons. The liner, the berms, all that
10 infrastructure would be in place. What we looked at
11 was removing the covered conveyor belt from the
12 plant discharge point to that new storage facility
13 and using trucks instead to lower the capital costs.

14 That was a major reduction in capital
15 expense. It will take some O&M to move those
16 trucks. There is somewhat more risk of dusting
17 issues, and we'll have to just manage the truck
18 traffic to make sure we use best management
19 practices to appropriately address that.

20 The other piece of infrastructure that we
21 removed was a storage dome. About 25,000 tons of
22 dry storage, so that the gypsum that was immediately
23 available to go to our customers would be at
24 specification. There is a 10 percent moisture
25 specification. We think that we can address that by

1 proper pile management and still be able to supply
2 on spec gypsum when our customers demand it. So
3 those are the two major pieces of infrastructure and
4 kind of the risks associated with those.

5 **COMMISSIONER BROWN:** And focusing just on
6 removing the conveyor enclosure and replacing it
7 with the 40,000 trucks, do you have concerns with
8 eliminating the conveyor enclosure?

9 **MR. HORNICK:** Yes, we do have concerns.

10 **COMMISSIONER BROWN:** But you think there
11 are enough adequate safety precautions?

12 **MR. HORNICK:** Yes. In our judgment we
13 think it is a viable approach. It may not be
14 optimal, but in terms of balancing capital costs
15 versus O&M and ratepayer impacts, we were trying to
16 address concerns and we feel it's a viable approach.

17 **COMMISSIONER BROWN:** Okay. If I may just
18 one more question.

19 One of the staff's data requests indicated
20 that the new facility is forecasted to reach full
21 capacity in approximately 3-1/2 years, assuming it
22 has the same of excess gypsum as it had in the past
23 two years. Has the company thought about what it
24 would do after the 3-1/2 years have lapsed for a
25 more permanent solution?

1 **MR. BEASLEY:** Mr. Smotherman.

2 **MR. SMOTHERMAN:** Yes. Basically what we
3 have looked at is where we are going to be
4 inventory-wise. And with the sales that we are
5 presently projecting with South America as well as
6 the spot opportunities that we are seeing right now
7 with the pecan and peanut sales, we feel like we are
8 going to significantly extend that period for at
9 least seven years if not longer. So it really
10 depends on where the market falls out, but given
11 what we are locking up sales-wise right now and the
12 discussions we are in, we are not going to be in
13 that position in that short a period of time.

14 **COMMISSIONER BROWN:** Okay. Thank you.

15 **CHAIRMAN BRISÉ:** Commissioner Balbis.

16 **COMMISSIONER BALBIS:** Thank you, Mr.
17 Chairman.

18 And I want to thank TECO for taking the
19 comments that this Commission made, you know, to
20 heart and going out and looking for different
21 opportunities.

22 My focus was on making sure that all of
23 the other options were thoroughly evaluated, and as
24 I made the comments previously in, I believe, May,
25 there is a lot of work that is done at your level

1 before it comes to us, and a lot of times we just
2 see the tip of the iceberg of the type of analysis
3 that is done. So, you know, I appreciate the work
4 that TECO has done in looking at that.

5 And my main concern, again, was on the
6 overall options and looking at the market analysis
7 as if you lowered the price or even paid someone to
8 take it. So I think that that additional work makes
9 me more comfortable that all of the options have
10 been thoroughly evaluated.

11 As far as the different capital costs
12 associated with the new facility, to be honest, the
13 existing facility has had -- it's my understanding
14 has had a lot of dust issues, and I believe a
15 consent order associated with environmental
16 regulations. And so the last thing I want to do is
17 build a new facility and spend the dollars and try
18 to save a few pennies and still have a continuing
19 dust management problem, which I know are difficult
20 to deal with in these types of sludge facilities.

21 So I'm comfortable with -- if the facility
22 is needed, which I feel it is, and I think all the
23 options have been thoroughly evaluated -- to
24 construct a facility that will provide as much
25 protection for the neighbors as far as from a dust

1 standpoint. And I'm also uncomfortable with making
2 those types of decisions, which is really an owner
3 decision, or at least provide us all the information
4 to make that, and I don't think that is our role as
5 a Commission at this point to get into that level of
6 detail.

7 So I believe, as far as my concerns, I
8 think they have been adequately addressed. I think
9 that, you know, a new market analysis under these
10 conditions was needed. I appreciate TECO's work in
11 doing that, and I'm comfortable with the need for
12 this facility and providing the emissions controls
13 that were originally planned.

14 **CHAIRMAN BRISÉ:** Commissioner Graham.

15 **COMMISSIONER GRAHAM:** Thank you, Mr.
16 Chairman.

17 I think I spent enough time talking about
18 this thing already, so I won't belabor all that. I
19 just wanted to thank TECO for taking the time. And
20 I know I was initially -- I thought the initial
21 capital cost was a bit much, and I appreciate you
22 dropping it down from the 55 million down to
23 21 million which is -- boy, if we could do that each
24 and every time, cut it down by 60 percent, that's
25 incredible. I think it's a project that would work,

1 and I'm more than willing to support the number two
2 option, the reduced scope. So I guess that's a
3 motion.

4 **CHAIRMAN BRISÉ:** Is that a motion?

5 **COMMISSIONER GRAHAM:** Yes, sir.

6 **CHAIRMAN BRISÉ:** Okay. Is there a second
7 for that motion? Okay. Seeing that there is no
8 second --

9 **COMMISSIONER BROWN:** I'll second it for
10 discussion purposes, but I think we would want to --
11 I'd like to talk a little bit more about including
12 the conveyor enclosure, and conveyor system a little
13 bit more. But I'll second it for purposes of
14 discussion.

15 **CHAIRMAN BRISÉ:** Okay. It has been moved
16 and seconded. Okay.

17 Discussion?

18 Commissioner Balbis.

19 **COMMISSIONER BALBIS:** Yes, Mr. Chairman.
20 I know it's probably not appropriate, but if I could
21 have TECO just walk us through in a little more
22 detail on the reduced scope option. I understand it
23 doesn't have the dome, it doesn't have the conveyor,
24 but if there's any additional details you can
25 provide, or -- there was a statement you made

1 previously that you were comfortable that there were
2 safeguards in place. If you can walk through what
3 those safeguards are from an emissions control
4 standpoint, or dust control standpoint with that
5 option.

6 **MR. HORNICK:** Okay. I'll take a crack at
7 it, and Mr. Smotherman actually operates that area,
8 so he may be able to add some information, as well.

9 The original design, what we had intended
10 to put in was an enclosed pipe conveyor that would
11 go from the point of discharge at the plant facility
12 onto a belt that essentially folds onto itself. So
13 as it conveys across the road and over to the new
14 area, it is totally enclosed and there is really
15 almost no chance for dusting.

16 It's a lower O&M, operations and
17 maintenance intensive kind of technology. It can
18 run in an automated fashion. There would be some
19 maintenance associated with that conveyor, but in
20 terms of the trade-off, it is certainly more
21 expensive from an O&M perspective to operate trucks,
22 multiple trucks to transfer the gypsum to that area.

23 With the trucking option, in order to
24 manage dusting we'll have to make sure that the
25 trucks are covered, that the area is cleaned

1 frequently. We typically use vacuum trucks and/or a
2 watering system to keep dust down, so we'll have to
3 pay very close attention to that in order to
4 mitigate those issues.

5 I think our preference was, and standard
6 industry practice really would be a conveyor system
7 over that length. We feel like the trucking option
8 is -- it's viable. It may not be optimal.

9 In terms of the revenue requirements, the
10 annual levelized revenue requirements, they were
11 fairly close if you look at it over the time frame
12 of the project. I think in terms of impact, there's
13 more obviously cash flow upfront with the capital
14 expense offset by a longer term O&M.

15 I'm not sure, Commissioner, if I have
16 answered all of your questions about dusting, or if
17 Mr. Smotherman has anything to add.

18 **COMMISSIONER BALBIS:** I think that covered
19 the conveyor system. Now, I believe Commissioner
20 Graham's motion is the reduced scope which does not
21 include the conveyor and does not include the dome.
22 If you can discuss the dome, as well.

23 **MR. HORNICK:** Okay. The dome, then, is a
24 25,000 ton structure that would basically eliminate
25 any dusting from that portion of the gypsum. So

1 there's some environmental benefit, but there would
2 be other gypsum stored not in the dome. What the
3 dome really would provide us is assurance that we
4 when put material in there that is less than
5 10 percent moisture, which is the specification for
6 our off-taker adjacent to the site, National Gypsum,
7 that we can continue to meet that even in rainy
8 conditions where ordinarily you run the risk of
9 picking up surface moisture.

10 In order to mitigate that, we will have to
11 do, as I said, pile management activities, pack the
12 piles. When it comes time to load, to dig into the
13 pile and find dry material, so there are techniques
14 that are a little bit manpower intensive to do that.
15 Those are the trade-offs with the dome. I think the
16 conveyor is probably the more substantial impact of
17 the two options.

18 **COMMISSIONER BALBIS:** Mr. Chairman, I have
19 a few more questions for TECO on this.

20 **CHAIRMAN BRISÉ:** Sure. Go ahead.

21 **COMMISSIONER BALBIS:** National Gypsum,
22 have they rejected a significant quantity of gypsum
23 that was in excess of the moisture requirement?

24 **MR. SMOTHERMAN:** Presently National has
25 not, but they have not because we have done a fairly

1 good job in recent history of making sure that was
2 not the case, and they have not received a large
3 quantity of material that was over that
4 specification.

5 They have probably -- I want to say they
6 have rejected roughly six or 800 tons of material
7 this year, for example, but that requires a lot of
8 upkeep on our part to make sure that we are
9 harvesting from the right spots, et cetera.

10 We presently do not have a dome on our
11 existing site. So as Mark stated, essentially when
12 the material is undisturbed, you really don't have
13 that much of a moisture issue, because it
14 essentially self-encapsulates. It creates a crust
15 on the outside, essentially. But once you break
16 into that material, you are opening it up,
17 essentially, to the elements. So it requires that
18 you have a very -- you have thought of your mining
19 protocols very far ahead in the future. You can't
20 just crack into a spot, leave it open, and then have
21 it re-exposed to the elements.

22 So we are basically rotating where we take
23 material from. If we have to go back to the same
24 spot, it requires more work because now you have got
25 to dig deeper essentially to get to a drier

1 material. So if you have got a spot that has been
2 cracked open, you may have to dig four feet if it
3 has been rained upon, for example.

4 So there is additional cost associated
5 with the management of the piles and having to make
6 sure you're getting the right material. It's not
7 ideal, but it is manageable. We are managing to do
8 that right now fairly successfully, and I believe
9 we'll be able to do that into the future, as well.
10 It's just we have got to make sure we have got a
11 very good plan laid out logistically every time we
12 do that.

13 **COMMISSIONER BALBIS:** Now, have you done a
14 break-even analysis on the additional costs for
15 managing the pile versus the capital cost of the
16 dome?

17 **MR. SMOTHERMAN:** We have not. It's
18 something that is probably fairly easy to look at.
19 If you look at the reduced scope with the dome, for
20 example, they are roughly, on a levelized basis
21 roughly \$400,000 apart. So that represents the
22 delta between the two.

23 So essentially if you were to take that
24 and scale it up, that would be -- let me see. We're
25 talking about 400,000 -- actually almost \$500,000.

1 You're probably not going to break very much,
2 because it's going to have to -- you'd have to
3 reduce the cost of the dome, which is roughly
4 \$5 million probably down to more like one or two
5 million dollars. And I don't know that we could
6 build anything significant of that size.

7 **COMMISSIONER BALBIS:** Well, let me make
8 sure I understand you. So the dome costs
9 \$5 million, correct?

10 **MR. SMOTHERMAN:** Correct.

11 **COMMISSIONER BALBIS:** And there is a
12 \$400,000 per year --

13 **MR. SMOTHERMAN:** Roughly 500,000 per year
14 benefit of not having a dome versus having a dome.
15 So essentially you have got to take that \$500,000 a
16 year and translate that to, okay, how much can I
17 afford to pay for the dome is what I did. And
18 that's going to be roughly one to two million
19 dollars is what you could afford to pay for the
20 dome, is what that translates to.

21 So if we had a dome that costs a million
22 dollars or two million dollars, that would be
23 equal -- that would give you a levelized cost of
24 roughly \$2.6 million. That would be your
25 apples-to-apples comparison.

1 **COMMISSIONER BALBIS:** But the dome costs
2 \$5 million?

3 **MR. SMOTHERMAN:** Correct.

4 **COMMISSIONER BALBIS:** So it's not
5 cost-effective.

6 **MR. SMOTHERMAN:** Correct.

7 **COMMISSIONER BALBIS:** Okay. I don't know
8 if there is a revision to the motion, but if the
9 dome is not cost-effective -- and the dome seems to
10 be more of a moisture content issue rather than a
11 dust control issue. My concern was dust control.
12 And if the conveyor system provides that level of
13 protection, you know, I'm more comfortable with
14 that. But obviously a dome that is not
15 cost-effective for something that is going to maybe
16 last seven to ten years anyways, I wouldn't support.
17 So I would support the reduced scope with the
18 conveyor system, to be honest, but I understand
19 there is a motion on the table.

20 **CHAIRMAN BRISÉ:** Okay. Commissioner
21 Graham.

22 **COMMISSIONER GRAHAM:** Thank you, Mr.
23 Chair.

24 Currently, when you take product off the
25 storage area, it's trucked, correct? You are

1 currently trucking to National Gypsum?

2 **MR. SMOTHERMAN:** Correct.

3 **COMMISSIONER GRAHAM:** And you don't have
4 any safety problems trucking it now, is that
5 correct?

6 **MR. SMOTHERMAN:** That is correct. There
7 are some issues that have come up related to trucks
8 from the standpoint of the level of truck traffic,
9 because we have got an intersection at Big Bend and
10 Wyandotte where we have quite a bit of truck traffic
11 go through there with a lot of community traffic, et
12 cetera. But the incidents have been minimal.

13 **COMMISSIONER GRAHAM:** And I look at this
14 storage area being a lot like what goes on at paper
15 mills where it's all chip management where you are
16 dealing with the moisture. And with you guys adding
17 the storage capacity, what, another 87 percent, so
18 you have longer for it to sit on that stack, so you
19 have more and more opportunity to handle your
20 moisture content. So any little problem you had now
21 would be easier to maintain later on because you
22 have more retention time on that stack, is that
23 correct?

24 **MR. SMOTHERMAN:** That is absolutely
25 correct.

1 **COMMISSIONER BALBIS:** Okay. And my
2 understanding is National Gypsum has their own dome
3 on-site, is that correct?

4 **MR. SMOTHERMAN:** That is also correct.
5 They, as well, have a dome that stores about 25,000,
6 but contractually we are required to supply it to
7 them at 10 percent.

8 **COMMISSIONER GRAHAM:** And with the life of
9 this capacity, if you add the extra O&M costs as you
10 go through the life of this thing, both of these at
11 the end, which I believe is 2049/2050, will probably
12 still come out to about the same, which is roughly
13 about 55 million. The difference comes down to it
14 do you pay that money up front, or do you pay that
15 money as you go through this time frame.

16 **MR. SMOTHERMAN:** And that's basically what
17 we're discussing.

18 **COMMISSIONER GRAHAM:** I mean, personally,
19 especially if we are always talking about how it
20 affects the economy and what we are dealing with
21 right now, I see justifying spending the \$21 million
22 now, rather than the \$55 million now and pay for the
23 rest of it gradually as you go over that time frame
24 to the 2049 or 2050.

25 So that's the reason why I've gone with

1 that motion. Once again, I think that's the best
2 way of handling it, because most of the other
3 decisions we have made so far as to how it's going
4 to impact those ratepayers. And right now is not
5 the time that you want to nickel and dime these guys
6 to death.

7 Thank you.

8 **CHAIRMAN BRISÉ:** Thank you.

9 Commissioner Brown.

10 **COMMISSIONER BROWN:** I think Commissioner
11 Graham just made some really good points, and I
12 would second the motion again and support it. And
13 I'm ready to call the motion.

14 **CHAIRMAN BRISÉ:** All right. It has been
15 moved and seconded.

16 Did you call the question? Were you
17 seeking to call the question?

18 **COMMISSIONER BROWN:** Yes.

19 **CHAIRMAN BRISÉ:** Okay. So the question
20 was called.

21 All in favor say aye.

22 (Vote taken.)

23 **CHAIRMAN BRISÉ:** All right. So it has
24 been moved and voted upon, and it has been approved.
25 All right.

1 **MR. BEASLEY:** Thank you very much,
2 Commissioners.

3 **MR. MURPHY:** Can we clarify? The motion
4 was for Number 2.

5 **CHAIRMAN BRISÉ:** Number 2.

6 **MR. MURPHY:** But, in essence, that's --
7 can we interpret that as move staff, since that was
8 approving of --

9 **CHAIRMAN BRISÉ:** Yes.

10 **MR. MURPHY:** Thank you.

11 **CHAIRMAN BRISÉ:** All right.

12 Thank you very much. We are going to
13 adjourn, and we are going to convene Internal
14 Affairs in ten minutes. Actually, we'll convene
15 Internal Affairs at 10:15.

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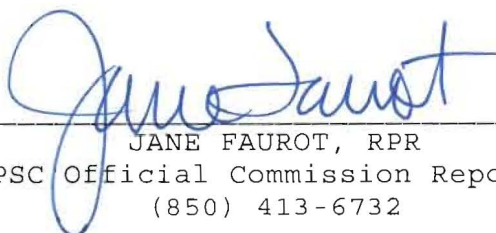
COUNTY OF LEON)

I, JANE FAUROT, RPR, Chief, Hearing Reporter Services Section, FPSC Division of Commission Clerk, 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' attorney or counsel connected with the action, nor am I financially interested in the action.

DATED THIS 26th day of September, 2012.



JANE FAUROT, RPR
FPSC Official Commission Reporter
(850) 413-6732