

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of:

DOCKET NO. 120002-EG

ENERGY CONSERVATION COST
RECOVERY CLAUSE.

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PROCEEDINGS: HEARING

COMMISSIONERS
PARTICIPATING:

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

PLACE:

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

DATE:

Monday, November 5, 2012

TIME:

Commenced at 9:30 a.m.
Concluded at 9:48 a.m.

REPORTED BY:

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

1 APPEARANCES:

2 JAMES D. BEASLEY, ESQUIRE and J. JEFFRY
3 WAHLEN, ESQUIRE, Ausley Law Firm, Post Office Box 391,
4 Tallahassee, Florida 32302, appearing on behalf of Tampa
5 Electric Company.

6 JEFFREY A. STONE, ESQUIRE, RUSSELL A. BADDERS,
7 ESQUIRE and STEVEN R. GRIFFIN, ESQUIRE, Beggs & Lane Law
8 Firm, Post Office Box 12950, Pensacola, Florida
9 32591-2950, appearing on behalf Gulf Power Company.

10 JAMES W. BREW, ESQUIRE, c/o Brickfield Law
11 Firm, 1025 Thomas Jefferson Street, NW, Eighth Floor,
12 West Tower, Washington D.C., 20007 appearing on behalf
13 of White Springs Agricultural Chemicals, Inc.

14 MAJOR CHRISTOPHER THOMPSON, STAFF ATTORNEY,
15 Federal Executive Agencies, c/o USAF/AFLOA/JACL/ULFSC,
16 139 Barnes Drive, Suite 1, Tyndall AFB, Florida
17 32403-5319, appearing on behalf of Federal Executive
18 Agencies.

19 JON C. MOYLE, JR., ESQUIRE, Moyle Law Firm,
20 118 North Gadsden Street, Tallahassee, Florida 32301,
21 appearing on behalf of Florida Industrial Power Users
22 Group.

1 APPEARANCES (continued):

2 JOHN T. BUTLER, ESQUIRE, and KENNETH M. RUBIN,
3 ESQUIRE, Florida Power & Light Company, 700 Universe
4 Boulevard, Juno Beach, Florida 33408-0420, appearing on
5 behalf of Florida Power & Light Company.

6 BETH KEATING, ESQUIRE, Gunster Law Firm, 215
7 South Monroe Street, Suite 618, Tallahassee, Florida
8 32301, appearing on behalf of Florida Public Utilities
9 Company.

10 PATRICIA A. CHRISTENSEN, ESQUIRE, and JOSEPH
11 A. McGLOTHLIN, ESQUIRE, Office of Public Counsel, c/o
12 The Florida Legislature, 111 W. Madison St., Room 812,
13 Tallahassee, Florida 32399-1400, appearing on behalf of
14 the Citizens of Florida.

15 JOHN T. BURNETT, ESQUIRE and DIANNE M.
16 TRIPLETT, ESQUIRE, Progress Energy Service Company, LLC,
17 Post Office Box 14042, Saint Petersburg, Florida
18 33733-4042, appearing on behalf of Progress Energy
19 Florida, Inc.

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1 APPEARANCES (continued):

2 LEE ENG TAN, ESQUIRE, FPSC General Counsel's
3 Office, 2540 Shumard Oak Boulevard, Tallahassee, Florida
4 32399-0850, appearing on behalf of the Florida Public
5 Service Commission Staff.

6 SAMANTHA CIBULA, ESQUIRE, Florida Public
7 Service Commission, 2540 Shumard Oak Boulevard,
8 Tallahassee, Florida 32399-0850, Advisor to the Florida
9 Public Service Commission.

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I N D E X
WITNESSES

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P R O C E E D I N G S

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2 **CHAIRMAN BRISÉ:** Good morning. We're going to
3 go ahead and call this hearing to order, and I'll
4 request that our staff read the notice.

5 **MS. BROWN:** By notice issued September 18th,
6 2012, this time and place was set for a hearing in the
7 following dockets; Docket Number 120001-EI, Docket
8 Number 120002-EG, Docket Number 120003-GU, Docket Number
9 120004-GU, Docket Number 120007-EI. The purpose of the
10 hearing is set forth in the notice.

11 **CHAIRMAN BRISÉ:** Thank you.

12 At this time we're going to go ahead and take
13 appearances. There are five dockets to address today.
14 Staff suggests that all appearances be taken at once, so
15 we will do so. All parties should enter their
16 appearance and declare the dockets that they are
17 entering an appearance for. So we will go through the
18 process with everyone from the parties, and then as
19 usual, we'll take appearances from our staff.

20 Okay. I guess we'll start from my left, your
21 right.

22 **MR. BUTLER:** Thank you, Mr. Chairman.

23 John Butler and Ken Rubin appearing on behalf
24 of Florida Power and Light Company in the 01, 02, and 07
25 dockets.

1 **CHAIRMAN BRISÉ:** Thank you.

2 **MS. TRIPLETT:** Good morning, Commissioners.

3 Diane Triplett and John Burnett appearing on
4 behalf of Progress Energy Florida in the 01, 02, and 07
5 dockets, and I would also like to enter an appearance
6 for Gary Perko in the 07 docket.

7 **CHAIRMAN BRISÉ:** Thank you.

8 **MR. BADDERS:** Good morning, Commissioners.

9 Russell Badders appearing on behalf of Gulf
10 Power in the 01, 02, and 07 dockets. I would also like
11 to enter an appearance for Jeffrey A. Stone and Steven
12 R. Griffin in the same dockets.

13 **CHAIRMAN BRISÉ:** Thank you.

14 **MR. BEASLEY:** Good morning, Commissioners.

15 Jim Beasley and Jeff Wahlen for Tampa Electric Company
16 in the 01, 02, and 07 dockets.

17 **CHAIRMAN BRISÉ:** All right.

18 **MS. KEATING:** Good morning, Commissioners.

19 Beth Keating with the Gunster law firm appearing today
20 on behalf of FPUC in the 01, 02, and 03 dockets, as well
21 as Florida City Gas in the 03 docket; and Florida City
22 Gas, Chesapeake, FPUC, and Indiantown in the 04 docket.

23 **CHAIRMAN BRISÉ:** Thank you.

24 **MR. MOYLE:** Good morning. Jon Moyle on behalf
25 of the Florida Industrial Power Users Group. I'm with

1 the Moyle law firm, and we are appearing in the 01, 02,
2 and 07 dockets.

3 **MR. BREW:** Good morning, Mr. Chairman,
4 Commissioners. I'm James Brew with the firm of
5 Brickfield, Burchette, Ritts & Stone. I'm here for
6 White Springs Agricultural Chemicals, PCS Phosphate, in
7 the 01, 02, and 07 dockets.

8 **CHAIRMAN BRISÉ:** Thank you.

9 **MR. REHWINKEL:** Good morning, Commissioners.
10 Charles Rehwinkel, Office of Public Counsel. I am
11 appearing in the 01 and 07 dockets.

12 **MS. CHRISTENSEN:** Patty Christensen with the
13 Office of Public Counsel. I'm appearing in the 01, 02,
14 03, 04, and 07 dockets. And I would also like to put in
15 an appearance for Joe McGlothlin in the 01, 02, and 07
16 dockets.

17 **CHAIRMAN BRISÉ:** Thank you.

18 **MR. WRIGHT:** Good morning, Mr. Chairman,
19 Commissioners. Robert Scheffel Wright and John T.
20 LaVia, III, appearing in the fuel docket, 120001, on
21 behalf of the Florida Retail Federation.

22 **MAJOR THOMPSON:** Good morning, Commissioners.
23 For FEA, it's Major Chris Thompson appearing in 01, 02,
24 and 07.

25 **CHAIRMAN BRISÉ:** Okay. Thank you.

1 **MS. BROWN:** Good morning, Commissioners.

2 Martha Brown and Michael Lawson appearing in the 03
3 docket.

4 **CHAIRMAN BRISÉ:** Thank you.

5 **MS. ROBINSON:** Pauline Robinson appearing in
6 the 04 docket.

7 **MS. TAN:** Lee Eng Tan appearing for the 02
8 docket.

9 **MS. BARRERA:** Martha Barrera appearing,
10 thankfully, on the 01 docket along with Lisa Bennett.

11 **CHAIRMAN BRISÉ:** Okay.

12 **MS. CIBULA:** Samantha Cibula, Advisor to the
13 Commission in all dockets.

14 **CHAIRMAN BRISÉ:** Okay. Thank you.

15 **MR. MURPHY:** Charles Murphy in the 07 docket.

16 **CHAIRMAN BRISÉ:** All right. Thank you.

17 Is that everyone that needs to make an
18 appearance this morning? Okay.

19 For the record, there are some companies that
20 have asked to be excused from the hearing: St. Joe
21 Natural Gas in Docket 03 and 04, Peoples Gas System, 03
22 and 04, and Southern Alliance for Clean Energy in Docket
23 02.

24 Okay. The order of the dockets that we are
25 going to -- the order that we're going to take up the

1 dockets is the 03 docket, 04 docket, 02 docket, 07, and
2 then 01.

3 * * * * *

4 **CHAIRMAN BRISÉ:** And we will move on to Docket
5 Number 120002-EG. Are there any preliminary matters in
6 Docket Number 120002-EG?

7 **MS. TAN:** Yes, Chairman. At this time staff
8 notes that the Southern Alliance for Clean Energy has
9 been excused from the hearing. There are proposed
10 stipulations on all issues, and we note that OPC, FIPUG,
11 SACE, PCS, and FEA are taking no positions on the
12 issues. All witnesses have been excused, and all
13 parties have waived opening statements.

14 **CHAIRMAN BRISÉ:** Okay. Thank you very much.
15 Is there any prefiled testimony?

16 **MS. TAN:** Yes. At this time we ask that the
17 prefiled testimony of all the witnesses identified in
18 Section VI of the prehearing order, Pages 4 through 5,
19 be inserted into the record as though read.

20 **CHAIRMAN BRISÉ:** Okay. Seeing no objections,
21 we will enter the prefiled testimony into the record as
22 though read.

23 **MS. TAN:** Thank you.

24 **CHAIRMAN BRISÉ:** Staff.

25 **MS. TAN:** We also prepared a Stipulated

1 Comprehensive Exhibit List which includes the prefiled
2 exhibits attached to the witnesses' testimony in this
3 case. The list has been provided to the parties, the
4 Commissioners, and the court reporter. This list is
5 marked as the first hearing exhibit and the other
6 exhibits should be marked as set forth in the chart.

7 **CHAIRMAN BRISÉ:** Okay. I'm assuming that
8 everyone has had a chance to look at those. And seeing
9 no objections, staff, we're ready to entertain --

10 **MS. TAN:** At this time, Staff would like to
11 move Exhibits 1 through 18 into the record as set forth
12 in the Comprehensive Exhibit List.

13 **CHAIRMAN BRISÉ:** Okay. We will move into the
14 record Exhibits 1 through 18, seeing no objections.
15 Okay.

16 (Exhibits 1 through 18 marked for
17 identification and admitted into the record.)
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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

FLORIDA POWER & LIGHT COMPANY

TESTIMONY OF TERRY J. KEITH

DOCKET NO. 120002-EG

MAY 2, 2012

Q. Please state your name, business address, employer and position.

A. My name is Terry J. Keith and my business address is 9250 West Flagler Street, Miami, Florida, 33174. I am employed by Florida Power & Light Company ("FPL" or "the Company") as Director, Cost Recovery Clauses, in the Regulatory Affairs Department.

Q. Have you previously testified in this or predecessor dockets?

A. Yes.

Q. What is the purpose of your testimony?

A. The purpose of my testimony is to present for Commission review and approval the schedules supporting the calculation of the actual Energy Conservation Cost Recovery ("ECCR") Clause Net True-up amounts for the period January 2011 through December 2011.

Q. Have you prepared or caused to be prepared under your direction, supervision or control an exhibit in this proceeding?

A. Yes, I am sponsoring Schedules CT-1 and CT-4, and co-sponsoring Schedules CT-2 and CT-3, in Exhibit AS-1. The specific sections of Schedules CT-2 and

1 CT-3 that I am co-sponsoring are identified in the Table of Contents, which is
2 found on Exhibit AS-1, Page 1 of 1.

3 **Q. What is the source of the data used in calculating the actual True-up amount**
4 **for the January 2011 through December 2011 period?**

5 A. Unless otherwise indicated, the data used in calculating the actual True-up amount
6 were taken from the books and records of FPL. The books and records are kept in
7 the regular course of the Company's business in accordance with generally accepted
8 accounting principles and practices, and in accordance with the applicable
9 provisions of the Uniform System of Accounts as prescribed by this Commission
10 and directed in Rule 25-17.015, Florida Administrative Code. Schedule CT-2,
11 pages 4 through 7, provides a complete list of all account numbers used for ECCR
12 during the period January 2011 through December 2011.

13 **Q. What is the actual End of Period True-up amount that FPL is requesting the**
14 **Commission approve for the January 2011 through December 2011 period?**

15 A. FPL has calculated and is requesting approval of an under-recovery of \$50,497,156,
16 including interest, as the actual End of Period True-up amount for the period January
17 2011 through December 2011. The calculation of this \$50,497,156 under-recovery is
18 shown on Exhibit AS-1, Schedule CT-3, page 2 of 3, line 7 plus line 8.

19 **Q. What is the Net True-up amount for the January 2011 through December 2011**
20 **period that FPL is requesting be carried over and included in the January**
21 **2013 through December 2013 ECCR factor?**

1 A. FPL has calculated and is requesting approval of an over-recovery of \$8,586,294 as
2 the Net True-up amount for the period January 2011 through December 2011. This
3 Net True-up over-recovery of \$8,586,294 is the difference between the actual End
4 of Period True-up under-recovery of \$50,497,156 and the Actual/Estimated True-up
5 under-recovery of \$59,083,450 approved by the Commission in Order No. PSC-11-
6 0531-FOF-EG, issued November 15, 2011. The calculation of the \$8,586,294 over-
7 recovery is shown on Exhibit AS-1, Schedule CT-1, page 1 of 1.

8 **Q. Was the calculation of the Net True-up amount for the period January 2011**
9 **through December 2011 performed consistently with the prior True-up**
10 **calculations in this and the predecessor ECCR dockets?**

11 A. Yes. FPL's Net True-up was calculated consistent with the methodology set forth
12 in Schedule 1, page 2 of 2, attached to Order No. 10093, dated June 19, 1981.

13 **Q. Have you provided a schedule showing the variances between actual and**
14 **actual/estimated program costs and revenues for the period January 2011**
15 **through December 2011?**

16 A. Yes. Exhibit AS-1, Schedule CT-2, page 1 of 7 compares the actual to the
17 actual/estimated program costs and revenues resulting in the variance of
18 \$8,586,294.

19 **Q. Please explain the calculation of the \$ 8,586,294 variance.**

20 A. The difference between actual and actual/estimated total program costs of
21 \$8,878,882 (CT-2, Page 1 of 7, Line 13) minus the difference between the actual
22 and actual/estimated ECCR revenues, net of revenue taxes, of \$302,886 (CT-2,

1 Page 1 of 7, line 16) results in a variance of \$ 8,575,995 (CT-2, page 1 of 7, line
2 17). This \$8,575,995 over-recovery, plus the variance of \$10,299 in interest
3 provision (CT-2, page 1 of 7, line 18), results in a total net over-recovery variance
4 of \$8,586,294 (CT-2, page 1 of 7, line 22).

5 **Q. Does this conclude your testimony?**

6 **A. Yes.**

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
FLORIDA POWER & LIGHT COMPANY
TESTIMONY OF TERRY J. KEITH
DOCKET NO. 120002-EG
SEPTEMBER 12, 2012

Q. Please state your name, business address, employer and position.

A. My name is Terry J. Keith and my business address is 9250 West Flagler Street, Miami, Florida, 33174. I am employed by Florida Power & Light Company (“FPL” or “the Company”) as the Director, Cost Recovery Clauses in the Regulatory Affairs Department.

Q. Have you previously filed testimony in this docket?

A. Yes, I have.

Q. What is the purpose of your testimony in this proceeding?

A. The purpose of my testimony is to present the schedules necessary to support the actual/estimated Energy Conservation Cost Recovery (“ECCR”) clause true-up for the period January 2012 through December 2012 and the calculation of the ECCR factors based on the projected ECCR costs for FPL’s Demand Side Management (“DSM”) programs to be incurred during the months of January 2013 through December 2013.

Q. Have you prepared or caused to be prepared under your direction, supervision or control any exhibits in this proceeding?

1 A. Yes, I am sponsoring Schedules C-1 and C-4, and co-sponsoring Schedules C-2
2 and C-3 in Exhibit AS-2. The specific sections of Schedules C-2 and C-3 which I
3 am co-sponsoring are identified in the Table of Contents, which is found on
4 Exhibit AS-2, page 1 of 1.

5 **Q. What is the source of the data used in calculating the 2012 actual/estimated**
6 **true-up amount?**

7 A. Unless otherwise indicated, the data used in calculating the 2012 actual/estimated
8 true-up amount was taken from the books and records of FPL. The books and
9 records are kept in the regular course of the Company's business in accordance with
10 generally accepted accounting principles and practices, and with the applicable
11 provisions of the Uniform System of Accounts as prescribed by this Commission
12 and directed in Rule 25-17.015, Florida Administrative Code.

13 **Q. Please explain the calculation of the ECCR end of period net true-up and**
14 **actual/estimated true-up amounts for 2012.**

15 A. Schedule C-3, Page 9 of 10 in Exhibit AS-2, provides the calculation of the 2012
16 ECCR end of period net true-up and actual/estimated true-up amounts. The end of
17 period net true-up amount to be carried forward to the 2013 ECCR factor is an over-
18 recovery of \$2,593,639 (Schedule C-3, page 9, line 11). This \$2,593,639 over-
19 recovery includes the 2011 final true-up over-recovery of \$8,586,294 (Schedule C-3,
20 page 9, line 9a) filed with the Commission on May 2, 2012, and the 2012
21 actual/estimated true-up under-recovery, including interest, of \$5,992,654, (Schedule
22 C-3, page 9, lines 7 plus 8) for the period January 2012 through December 2012.

1 The 2012 actual/estimated true-up under-recovery amount is based on actual data for
2 the period January 2012 through June 2012 and estimates for the period July 2012
3 through December 2012.

4 **Q. Were these calculations made in accordance with the procedures previously**
5 **approved in the predecessors to this Docket?**

6 A. Yes, they were.

7 **Q. Is FPL proposing any adjustments in its current base rate proceeding in Docket**
8 **No. 120015-EI that impact the ECCR clause?**

9 A. Yes. Currently, FPL makes an adjustment to the ECCR clause to reduce total payroll
10 loadings for FICA and unemployment taxes on compensation associated with
11 employees who charge time to the conservation programs. This adjustment is made
12 pursuant to a finding in Docket No. 850002-PU in which these items were
13 determined to have been included in base rates at that time. Beginning in 2013, FPL
14 is requesting to move \$1.8 million of payroll loadings associated with ECCR payroll
15 from base rates to the ECCR.

16 **Q. Has FPL included this proposed adjustment in the calculation of its 2013 ECCR**
17 **factors?**

18 A. No, FPL has not included the \$1.8 million of payroll loadings associated with FICA
19 and unemployment taxes in the calculation of its 2013 ECCR factors. Should the
20 Commission approve this adjustment in Docket No. 120015-EI, FPL will reflect this
21 adjustment in the 2013 true-up process.

22 **Q. Have you prepared a calculation of the allocation factors for demand and**

1 **energy?**

2 A. Yes. Schedule C-1, page 2 of 3 included in AS-2 provides this calculation. The
3 demand allocation factors are calculated by determining the percentage each rate
4 class contributes to the monthly system peaks. The energy allocation factors are
5 calculated by determining the percentage each rate class contributes to total kWh
6 sales, as adjusted for losses.

7 **Q. Have you revised the methodology used to allocate projected kWh sales by**
8 **rate class?**

9 A. Yes. FPL’s sales forecast is developed on a revenue class basis and must be
10 allocated to the rate schedule level in order to calculate its ECCR factors by rate
11 schedule. In the past, FPL has allocated its projected kWh sales by rate schedule
12 based on the relationship of each rate schedule’s actual kWh sales to total retail
13 kWh sales from the prior calendar year of actual sales.

14
15 For 2013, FPL is adopting the methodology used in its base rate proceedings,
16 which allocates kWh sales by rate schedule based on the historical relationship
17 between sales by rate schedule, and sales by revenue class. These historical
18 percentages are then applied to the forecast of sales by revenue class. The result
19 is an estimate of sales by retail rate schedule for the appropriate time period.

20 **Q. Have you prepared a calculation of the 2013 ECCR factors by rate class?**

21 A. Yes. Schedule C-1, page 3 of 3 in Exhibit AS-2 provides the calculation of FPL’s
22 2013 ECCR factors being requested.

1 Q. Does this conclude your testimony?

2 A. Yes.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**FLORIDA POWER & LIGHT COMPANY****TESTIMONY OF ANITA SHARMA****DOCKET NO. 120002-EG****May 2, 2012**

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

2 A. My name is Anita Sharma and my business address is 9250 West Flagler Street, Miami,
3 Florida 33174. I am employed by Florida Power and Light Company ("FPL" or "the
4 Company") as Manager of Cost & Performance for Demand Side Management (DSM)
5 Programs.

6 **Q. Have you previously testified in this or predecessor dockets?**

7 A. Yes.

8 **Q. What is the purpose of your testimony?**

9 A. The purpose of my testimony is to present the actual ECCR-related costs and revenues
10 associated with FPL's energy conservation programs for the period January through
11 December 2011.

12 **Q. Have you prepared or had prepared under your supervision and control an exhibit?**

13 A. Yes. I am sponsoring Schedules CT-5, CT-6 and Appendix A, and co-sponsoring
14 Schedules CT-2 and CT-3, in Exhibit AS-1. The specific sections of Schedules CT-2 and
15 CT-3 that I am co-sponsoring are identified in the Table of Contents, which is found on
16 Exhibit AS-1, Page 1 of 1.

1 **Q. For the January through December 2011 period, did FPL seek recovery of any costs**
2 **for advertising which makes a specific claim of potential energy savings or states**
3 **appliance efficiency ratings or savings?**

4 A. Yes.

5 **Q. Has FPL complied with Rule 25-17.015(5), Florida Administrative Code, which**
6 **requires the Company to file all data sources and calculations used to substantiate**
7 **claims of potential energy savings or which state appliance efficiency ratings or**
8 **savings that are included in advertisement?**

9 Yes. As required by Rule 25-17.015(5), Florida Administrative Code, a copy of the
10 advertising, data sources and calculations used to substantiate the claims of savings or
11 appliance efficiency ratings are included in Appendix A, Pages 1A – 1C.

12 **Q. Are all costs listed in Schedule CT-2 attributable to Commission-approved**
13 **programs?**

14 A. Yes.

15 **Q. How did FPL's actual program costs for the January through December 2011 period**
16 **compare to the actual/estimated costs presented in Docket No. 110002-EG, and**
17 **approved in Order No. PSC-11-0531-FOF-EG?**

18 A. Actual total program costs for the January through December 2011 period were
19 \$228,293,640. The actual/estimated total program costs were \$237,172,522. Therefore,
20 actual costs were \$8,878,882, or 4%, less than the actual/estimated (see Schedule CT-2,
21 Page 1 of 7, Line 13). Each program's contribution to the variance is shown on Schedule
22 CT-2, Page 3 of 7.

23 **Q. Does that conclude your testimony?**

24 A. Yes.

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
FLORIDA POWER & LIGHT COMPANY
TESTIMONY OF ANITA SHARMA
DOCKET NO. 120002-EG
SEPTEMBER 12, 2012

Q. Please state your name, business address, employer and position.

A. My name is Anita Sharma and my business address is 9250 West Flagler Street, Miami, Florida 33174. I am employed by Florida Power and Light Company (“FPL” or “the Company”) as Manager of Cost & Performance for Demand Side Management (“DSM”) Programs.

Q. Have you previously filed testimony in this docket?

A. Yes.

Q. What is the purpose of your testimony?

A. The purpose of my testimony is to submit for Commission review and approval the projected Energy Conservation Cost Recovery (“ECCR”) costs for FPL’s DSM programs to be incurred by FPL during January 2013 through December 2013, the actual/estimated ECCR costs for January 2012 through December 2012, and the ECCR factors to permit the recovery of total ECCR costs via customers’ January 2013 through December 2013 bills.

Q. Are you sponsoring an exhibit in this proceeding?

A. Yes. I am sponsoring Exhibit AS-2, Schedule C-5 and co-sponsoring Schedules C-2 and C-3. The specific sections of Schedules C-2 and C-3 that I am co-sponsoring are shown in Exhibit AS-2, Page 1 of 1, Table of Contents.

1 **Q. Are all of the costs listed in these exhibits reasonable, prudent and**
2 **attributable to programs approved by the Commission?**

3 A. Yes.

4 **Q. Please describe the methods used to derive the program costs for which FPL**
5 **seeks recovery.**

6 A. The actual costs for the months of January 2012 through June 2012 came from the
7 books and records of FPL. Costs for the months of July 2012 through December
8 2012, as well as January 2013 through December 2013 are projections compiled
9 from detailed month-by-month analyses for each program which were prepared by
10 the relevant departments within FPL. The projections have been created in
11 accordance with FPL's standard budgeting and on-going cost justification
12 processes.

13 **Q. What are the 2012 actual/estimated costs FPL is requesting the Commission**
14 **to approve?**

15 A. FPL is requesting approval of \$226,875,633 as the actual/estimated amount for the
16 period January through December 2012, as shown on Exhibit AS-2, Schedule C-3,
17 Page 1d of 10, Line 31.

18 **Q. What are the 2013 costs FPL is requesting the Commission to approve?**

19 A. FPL is requesting approval of \$226,820,100 during the period of January through
20 December 2013, as shown on Exhibit AS-2, Schedule C-1, Page 1 of 3, Line 8.
21 This includes projected costs for January through December 2013 of
22 \$229,312,692, as shown on Exhibit AS-2, Schedule C-1, Page 1 of 3, Line 1, as
23 well as, prior and current period over recoveries, interest and applicable revenue
24 taxes.

1 **Q. Have you made any adjustments to FPL's 2013 ECCR costs to reflect the**
2 **proposed Stipulation and Settlement Agreement (the Agreement) filed in**
3 **Docket No.120015-EI on August 15, 2012, with regard to Issue 166,**
4 **Quantification of incentive payments associated with the**
5 **Commercial/Industrial Load Control ("CILC") classes?**

6 A. No. At the time I prepared my testimony, the Commission has not ruled on the
7 Agreement. If the Agreement is approved, or alternatively if the Commission rules
8 on Issue 166 in a way that requires FPL to change the level of incentive payments
9 under the CILC rate and/or the Commercial/Industrial Demand Reduction
10 ("CDR") rider, FPL will reflect the results in the 2013 true-up process.

11 **Q. Does this conclude your testimony?**

12 A. Yes.

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION
DOCKET NO. 120002-EG
DETERMINATION OF CONSERVATION COSTS RECOVERY FACTOR

Revised Direct Testimony (Final True-up) of
CURTIS D. YOUNG

On Behalf of
FLORIDA PUBLIC UTILITIES COMPANY

COMMISSION
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- 1 Q. Please state your name and business address.
- 2 A. Curtis D. Young: my business address is 1641 Worthington
- 3 Road, Suite 220 West Palm Beach, Florida 33409.
- 4 Q. By whom are you employed and in what capacity?
- 5 A. I am employed by Florida Public Utilities Company as a
- 6 Senior Regulatory Analyst.
- 7 Q. What is the purpose of your testimony at this time?
- 8 A. To advise the Commission of the actual over/under recovery
- 9 of the Conservation Program costs for the period January 1,
- 10 2011 through December 31, 2011 as compared to the true-up
- 11 amounts previously reported for that period which were based
- 12 on seven months actual and five months estimated data.
- 13 Q. Please state the actual amount of over/under recovery of
- 14 Conservation Program costs for the Consolidated Electric
- Divisions of Florida Public Utilities Company for January 1,
- 2011 through December 31, 2011.

COM 5
 AFD 15/6
 APA 1
 ECO 16
 ENG _____
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1 A. The Company under-recovered \$236,897.00 during that period.
2 This amount is substantiated on Schedule CT-3, page 2 of 3,
3 Energy Conservation Adjustment.

4 Q. How does this amount compare with the estimated true-up
5 amount which was allowed by the Commission during the
6 November 2011 hearing?

7 A. We had estimated that we would under-recover \$46,902.00 as
8 of December 31, 2011.

9 Q. Have you prepared any exhibits at this time?

10 A. We have prepared and pre-filed Schedules CT-1, CT-2, CT-3,
11 CT-4, CT-5 and CT-6 (**Revised** Composite Exhibit CDY-1).

12 Q. Does this conclude your testimony?

13 A. Yes.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Determination of Conservation Adjustment Factor

Revised DIRECT TESTIMONY OF CURTIS D. YOUNGOn behalf ofFlorida Public Utilities CompanyDOCKET NO. 120002-EG

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

2 A. My name is Curtis Young. I am the Senior Regulatory Analyst for Florida Public
3 Utilities Company. My business address is 1641 Worthington Road, West Palm
4 Beach, Florida 33409.

5 Q. **Describe briefly your background and business experience?**

6 A. I graduated from Pace University in 1982 with a BBA in Accounting. I have been
7 employed by FPUC since 2001. During my employment at FPUC, I have
8 performed various accounting and analytical functions including regulatory
9 filings, revenue reporting, account analysis, recovery rate reconciliations and
10 earnings surveillance. I am also involved in the preparation of special reports
11 and schedules used internally by division managers for decision making
12 projects. Additionally, I coordinate the gathering of data for the FPSC audits.

13 Q. **Are you familiar with the electric conservation programs of the Company and
14 costs which have been, and are projected to be, incurred in their
15 implementation?**

16 A. Yes.

1 **Q. What is the purpose of your testimony in this docket?**

2 A. To describe generally the expenditures made and projected to be made in
3 implementing, promoting, and operating the Company's electric conservation
4 programs. This will include recoverable costs incurred in January through
5 July 2012 and projections of program costs to be incurred from August
6 through December 2012. It will also include projected electric conservation
7 costs for the period January through December 2013, with a calculation of the
8 Conservation Adjustment Factor to be applied to the Company's consolidated
9 electric customers' bills during the collection period of January 1, 2013
10 through December 31, 2013.

11 **Q. Are there any exhibits that you wish to sponsor in this proceeding?**

12 A. Yes. I wish to sponsor as revised Schedules C-1, C-2, C-3, C-4, and C-5, which
13 have been filed with this testimony.

14 **Q. Have you prepared summaries of the Company's electric conservation
15 programs and the costs associated with these programs?**

16 A. Yes. Summaries of the twelve electric conservation programs are contained in
17 Schedule C-5 of second revised Exhibit CDY-2. Included are the Residential Energy
18 Survey Program, the Commercial Energy Survey Program, the Commercial Heating
19 and Cooling Upgrade, the Residential Heating and Cooling Program, the
20 Commercial Indoor Efficient Lighting Rebate Program, the Commercial Window
21 Film Installation Program, the Commercial Chiller Upgrade Program, the Solar
22 Water Heating Program, the Solar Photovoltaic Program, the Electric Conservation
23 Demonstration and Development Program, the Low Income Program and the

1 Affordable Housing Builders and Providers Program.

2 **Q. Have you prepared schedules that show the expenditures associated with the**
3 **Company's electric conservation programs for the periods you have**
4 **mentioned?**

5 A. Yes, Schedule C-3, Pages 1 and 1A of 5, revised Exhibit CDY-2 shows actual
6 expenses for the months January through July 2012. Projections for August through
7 December 2012 are also shown on Schedule C-3, Pages 1 and 1A. Projected
8 expenses for the January through December 2013 period are shown on Schedule C-2,
9 Page 1 of 3 of revised Exhibit CDY-2.

10 **Q. Please explain the increases to your 2011 Conservation Program Costs?**

11 A. The Company experienced increased payroll and associated conservation costs in
12 2011 compared to 2010 and prior years. The increases related to internal changes
13 to job functions and the Marketing Department structure in association with
14 intensified efforts to promote cost saving and energy efficient conservation
15 programs. As more fully described herein, the Company has reassessed its
16 conservation efforts and focus to better align itself with current economic and
17 market conditions. This realignment has impacted not only the level of charges to
18 the conservation program but also the positions that actually perform conservation
19 related activities.

20 **Q. What impacts, if any, has the economy and changes in the housing market had**
21 **on conservation programs?**

22 A. The new residential housing construction market continues to be at levels well
23 below previous years' levels, foreclosures have been at record high levels and
24 existing and potential customers want help in finding ways to save money on their

1 utility bills. The Company took many specific actions so that current customers
2 could receive assistance that would help them reduce costs and conserve energy
3 during one of this country's worst economic conditions. The Company has
4 responded through specific and deliberate efforts, to realign and reorganize itself
5 to the current market conditions and its new Demand Side Management (DSM)
6 programs. The Company's new DSM programs, approved in December 2010 in
7 Docket No. 100158-EG through Order No. PSC-10-0678-PAA-EG and
8 implemented for the 2011 conservation period, have been well received by our
9 customers as evidenced by the rise in participation in the conservation programs.
10 Participation and conservation expense levels experienced in 2011 and 2012 are
11 expected to continue through 2013.

12 **Q. Have you prepared schedules that show revenues for the period January**
13 **through December 2012?**

14 A. Yes. Schedule C-4 shows actual revenues for the months January through July 2012
15 and projected revenues for August through December 2012 and January through
16 December 2013.

17 **Q. Have you prepared a schedule that shows the calculation of the Company's**
18 **proposed Conservation Adjustment Factor to be applied during billing periods**
19 **from January 1, 2013 through December 31, 2013?**

20 A. Yes. Schedule C-1 of revised Exhibit CDY-2 shows these calculations. Net program
21 cost estimates for the period January 1, 2013 through December 31, 2013 are used.
22 The estimated true-up amount from Schedule C-3 (Page 4 of 5, Line 11) of revised
23 Exhibit CDY-2, being an under-recovery, was added to the total of the projected
24 costs for the twelve-month period. The total projected recovery amount, including

1 estimated true-up, was then divided by the projected Retail KWH Sales for the
2 twelve-month period ending December 31, 2013. The resulting Conservation
3 Adjustment Factor is shown on Schedule C-1 (Page 1 of 1) of revised Exhibit CDY-
4 2.

5 **Q. What is the Conservation Adjustment Factor necessary to recover these**
6 **projected net total costs?**

7 A. The Conservation Adjustment Factor is \$.00155 per KWH.

8 **Q. Does this conclude your testimony?**

9 A. Yes.

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GULF POWER COMPANY

Before the Florida Public Service Commission
Prepared Direct Testimony and Exhibit of
Jennifer L. Todd
Docket No. 120002-EG
Date of Filing: May 2, 2012

Q. Will you please state your name, business address employer and position?

A. My name is Jennifer L. Todd and my business address is One Energy Place, Pensacola, Florida 32520. I am employed by Gulf Power Company as the Market Analytics Supervisor.

Q. Mrs. Todd, please describe your educational background and business experience.

A. I received a Bachelor Degree in Management Information Systems from the University of West Florida in 1994. I began my career in the electric utility industry at Gulf Power in 1992 and have held various positions within the Company in Information Technology, Accounting, and Energy Sales Service and Efficiency. In my current position, I am responsible for Energy Conservation Cost Recovery (ECCR) filings, economic evaluations, market research, and other marketing services activities.

Q. Have you previously testified before this Commission in connection with the Energy Conservation Cost Recovery Clause?

A. Yes.

1 Q. Mrs. Todd, what is the purpose of your testimony?

2 A. The purpose of my testimony is to present the results of the approved
3 Energy Conservation Cost Recovery Clause programs and related
4 expenses for January, 2011 through December, 2011.

5

6 Q. Are you familiar with the documents concerning the Energy Conservation
7 Cost Recovery Clause and its related true-up and interest provisions?

8 A. Yes, I am.

9

10 Q. Have you verified that to the best of your knowledge and belief, this
11 information is correct?

12 A. Yes, I have.

13 Counsel: We ask that Mrs. Todd's exhibit consisting of 6 Schedules,
14 CT-1 through CT-6, be marked for identification as:
15 Exhibit No. ____ (JLT-1)

16

17 Q. Would you summarize for this Commission the deviations between the
18 actual expenses for this recovery period and the amount of
19 estimated/actual expenses previously filed with this Commission?

20 A. The estimated/actual true-up net expenses for the entire recovery period
21 January 2011 through December 2011, previously filed were \$19,045,212
22 while the actual expenses incurred in 2011 were \$15,003,596 resulting in
23 a variance of \$4,041,616 or 21% under the projection. See Schedule CT-
24 2, Line 10.

25

1 Q. Mrs. Todd, would you explain the January 2011 through December 2011
2 variance?

3 A. Yes. The variance was a result of actual expenses being less than
4 estimated in all of Gulf's programs except the Residential Heat Pump
5 Water Heater, Residential Ceiling Insulation and Residential Variable
6 Speed Pool Pump. Overall, these variances mean that actual program
7 expenses for the 12 month period through December 2011 were
8 \$4,041,616 less than the level of estimated/actual program expenses filed
9 in September 2011. A more detailed description of the deviations is
10 contained in Schedule CT-6.

11

12 Q. Mrs. Todd, what was Gulf Power's adjusted net true-up for the period
13 January 2011 through December 2011?

14 A. There was a \$4,404,080 over-recovery as shown on Schedule CT-1.

15

16 Q. Mrs. Todd, before you describe program participation levels, would you
17 please clarify which of Gulf's DSM plans (the 2005 plan or the 2010 plan)
18 you are basing program participation levels?

19 A. Program participation levels are based on both plans. Because
20 participation standards to support Gulf's 2010 DSM plan were not
21 approved until April 28, 2011, participation levels for the months January
22 2011 through April 2011, are based upon Gulf's 2005 DSM plan. For the
23 months May 2011 through December 2011, Gulf's participation levels are
24 based on the 2010 plan.

25

1 Q. Please describe your program participation levels during the recovery
2 period.

3 A. A more detailed review of each of the programs is included in my
4 Schedule CT-6. The following is a synopsis of program participation
5 levels during this recovery period.

6 (A) Residential Energy Surveys - During the 2011 recovery period, the
7 Company completed 14,968 surveys compared to the projection of
8 8,220 surveys.

9 (B) Residential Geothermal Heat Pump - During the 2011 recovery
10 period, a total of 75 geothermal heat pumps were installed
11 compared to a projection of 66 geothermal heat pumps.

12 (C) Home Energy Reporting – During the 2011 recovery period a total
13 of 39,797 home energy report participants received home energy
14 reports from the Company compared to a projection of 35,000
15 participants.

16 (D) Community Energy Saver – During the 2011 recovery period the
17 Company implemented a total of 1,881 efficiency measures for
18 eligible participants. This compared to a projection of 2,500
19 participants.

20 (E) Landlord-Renter Custom Incentive – During the 2011 recovery
21 period, one participant enrolled in this program compared to a
22 projection of 750 participants.

23

24

25

1 (F) HVAC Efficiency – For the 2011 recovery period, participation and
 2 projections are provided in the table below:

3	<u>Measure</u>	<u>2011 Projection</u>	<u>2011 Participation</u>
4	HVAC Maintenance	2,400	2,789
5	Early Retirement – Tier 1	638	176
6	Early Retirement – Tier 2	90	225
7	Early Retirement – Tier 3	20	0
8	Upgrade – Tier 1	510	30
9	Upgrade – Tier 2	72	50
10	Upgrade – Tier 3	18	45
11	Duct Repair	1,000	170
12	ECM Fan	400	0

13 (G) Heat Pump Water Heater – During the 2011 recovery period, a total
 14 of 304 heat pump water heaters were installed compared to a
 15 projection of 150 heat pump water heaters.

16 (H) Ceiling Insulation – During 2011, 394 participants installed high
 17 efficiency ceiling insulation compared to a projection of 100
 18 participants.

19 (I) High Performance Window – A total of 471 customers installed high
 20 efficiency windows and 64 customers installed window film during
 21 the 2011 reporting period. This compared to projections of 100 and
 22 50 respectively.

23 (J) Reflective Roof – During the 2011 reporting period, a total of 30
 24 participants installed a qualified reflective roof compared to a
 25 projection of 100 participants.

- 1 (K) Variable Speed Pool Pump – A total of 1,363 participants installed
2 a high-efficiency variable speed pool pump during 2011 compared
3 to a projection of 200 participants.
- 4 (L) Energy Select - During the 2011 recovery period, there was a
5 decrease of 900 customers with a total of 8,679 customers on-line
6 at December 31, 2011. Gulf projected 100 customer additions
7 during 2011.
- 8 (M) Energy Select LITE – During the 2011 recovery period there was
9 an increase of 992 customers in the Energy *Select* LITE program
10 compared to a projection of 300 customers.
- 11 (N) Self-Install Efficiency – For the 2011 recovery period, 4,191
12 customers have participated in this program. That includes 502
13 ENERGY STAR Refrigerators, 36 ENERGY STAR Freezers, 36
14 ENERGY STAR Window A/Cs, 417 ENERGY STAR Clothes
15 Washers and 3,200 CFLs. The projection for 2011 was 4,200
16 ENERGY STAR appliances and 150,000 CFLs.
- 17 (O) Refrigerator Recycling – During 2011, the Company had 815
18 customers participate in the Refrigerator Recycling program. This
19 is compared to a projection for 2011 of 1,750 participants.
- 20 (P) Commercial/Industrial (C/I) Energy Analysis - During the 2011
21 recovery period, a total of 577 C/I Energy Analyses were completed
22 compared to a projection of 600 energy analyses.
- 23
24
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- 1 (Q) GoodCents Commercial Buildings - During the 2011 recovery
 2 period, a total of 65 buildings were built or improved to GoodCents
 3 standards, compared to a projection of 45. This program was
 4 replaced by the Commercial Building Efficiency program in Gulf's
 5 2010 DSM plan.
- 6 (R) Commercial Geothermal Heat Pump – During the 2011 recovery
 7 period, there were 0 geothermal heat pump units installed
 8 compared to 5 units projected for the first five months of 2011. This
 9 program was replaced by the Commercial Building Efficiency
 10 program in Gulf's 2010 DSM plan.
- 11 (S) Commercial HVAC Retrocommissioning – During the 2011
 12 recovery period, there were 323 participants in this program
 13 compared to a projection of 200 participants.
- 14 (T) Commercial Building Efficiency - For the 2011 recovery period,
 15 participation and projections are provided in the table below:
- | 16 Measure | 2011 Projection | 2011 Participation |
|---|------------------------|---------------------------|
| 17 HVAC (tons) | 150 | 85 |
| 18 Geothermal Heat Pump (tons) | 85 | 0 |
| 19 Heat Pump Water Heater (each) | 1 | 0 |
| 20 Ceiling/Roof Insulation (sq. ft.) | 30,000 | 22,180 |
| 21 Window Film (sq. ft.) | 9,000 | 0 |
| 22 Interior Lighting (kW reduction) | 40 | 282 |
| 23 Interior Lighting LED (kW reduction) | 15 | 61 |
| 24 Occupancy Sensor (each) | 250 | 680 |
| 25 Reflective Roof (sq. ft.) | 100,000 | 85,813 |

- 1 (U) HVAC Occupancy Sensor – A total of 181 HVAC occupancy
2 sensors have been installed during the 2011 recovery period. This
3 compared to a projection of 75 sensors.
- 4 (V) High Efficiency Motors – During the 2011 recovery period, 320 HP
5 of high-efficiency motors were installed compared to a projection of
6 2,175 HP.
- 7 (W) Food Service Efficiency - For the 2011 recovery period, there were
8 0 participants in this program compared to a projection of 25 units.
- 9 (X) Energy Services – During the 2011 recovery period, at the meter
10 reductions of 1,384,636 kWh, winter kW of 90.62 and summer kW
11 of 161.35 were achieved. This program was replaced by the
12 Commercial/Industrial Custom Incentive program and removed
13 from Gulf's 2010 DSM plan; therefore, there was no 2011
14 projection.
- 15 (Y) Commercial/Industrial Custom Incentive – During the 2011
16 recovery period, there were 6 participants in this program resulting
17 in at the meter reductions of 3,985,873 kWh, winter kW of 443.3 kW
18 and summer kW of 439.5 kW. The projections for this period were
19 1,200,000 kWh, 391 winter kW and 391 summer kW.
- 20 (Z) Renewable Energy – Costs associated with the Renewable Energy
21 program are provided in Schedule CT-3. Further description of
22 these activities can be found in Schedule CT-6.
- 23
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1 (AA) Conservation Demonstration and Development - Costs associated
2 with the Conservation Demonstration and Development program
3 are provided in Schedule CT-3. Further description of these
4 activities can be found in Schedule CT-6, pages 33 through 35.
5

6 Q. Should Gulf's recoverable energy conservation cost for the period be
7 accepted as reasonable and prudent?

8 A. Yes.
9

10 Q. Mrs. Todd, does this conclude your testimony?

11 A. Yes, it does.
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GULF POWER COMPANY

Before the Florida Public Service Commission
Prepared Direct Testimony and Exhibit of
Jennifer L. Todd
Docket No. 120002-EG
Energy Conservation Cost Recovery Clause
September 12, 2012

Q. Will you please state your name, business address, employer and position?

A. My name is Jennifer L. Todd and my business address is One Energy Place, Pensacola, Florida 32520. I am employed by Gulf Power Company as the Market Analytics Supervisor.

Q. Mrs. Todd, please describe your educational background and business experience.

A. I received a Bachelor Degree in Management Information Systems from the University of West Florida in 1994. I began my career in the electric utility industry at Gulf Power in 1992 and have held various positions within the Company in Information Technology, Accounting, and Marketing. In my present position, I am responsible for Energy Conservation Cost Recovery (ECCR) filings, economic evaluations, market research, and other marketing services activities.

Q. Mrs. Todd, for what purpose are you appearing before this Commission today?

A. I am testifying before this Commission on behalf of Gulf Power regarding matters related to the Energy Conservation Cost Recovery (ECCR)

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1 Clause and to answer any questions concerning the accounting treatment
2 of recoverable conservation costs in this filing. Specifically, I will address
3 projections for approved programs during the January 2013 through
4 December 2013 recovery period and the anticipated results of those
5 programs during the current recovery period, January 2012 through
6 December 2012 (7 months actual, 5 months estimated).

7

8 Q. Have you prepared an exhibit that contains information to which you will
9 refer in your testimony?

10 A. Yes. My exhibit consists of 6 schedules, each of which was prepared
11 under my direction, supervision, or review.

12 Counsel: We ask that Mrs. Todd's exhibit
13 consisting of six schedules be marked as
14 Exhibit No. ____ (JLT-2).

15

16 Q. Would you summarize for this Commission the deviations resulting from
17 the actual costs for January 2012 through July 2012 of the current
18 recovery period?

19 A. Projected expenses for the first seven months of the current period were
20 \$12,688,235 compared to actual expenses of \$13,107,927 for a difference
21 of \$419,692 or 3% over budget. A detailed summary of all program
22 expenses is contained in my Schedule C-3, pages 1 and 2 and my
23 Schedule C-5.

24

25

1 Q. Did you project expenses for the period August 2012 through December
2 2012?

3 A. Yes. A detailed summary of those projections can be found in my
4 Schedule C-3.

5

6 Q. How do the estimated actual expenses compare to projected expenses
7 included in the 2012 Projection filing for the period August – December
8 2012?

9 A. Estimated actual expenses for the period August – December 2012 of
10 \$10,581,592 are 17% higher than projected expenses for that same period
11 of \$9,063,026.

12

13 Q. Why do projected expenses exceed budgeted expenses for the period
14 August 2012 through December 2012?

15 A. The variance is primarily attributable to participation rates in the
16 Residential Community Energy Saver, HVAC Efficiency, Ceiling Insulation,
17 Variable Speed Pool Pump and Energy *Select* programs. The Community
18 Energy Saver program is expected to exceed projected participants by the
19 end of 2012. In the HVAC Efficiency program, the measures titled
20 Maintenance, Upgrade Tier 3, Early Retirement Tier 2 and Duct Repair
21 have already exceeded expected participation through July 2012 resulting
22 in more incentives being paid to customers than projected. As of July
23 2012, the Ceiling Insulation and Variable Speed Pool Pump programs
24 already exceed expected 2012 levels of participation by 104 participants
25 and 2,615 participants respectively resulting in higher than projected

1 incentive amounts. The Company received approval earlier this year to
2 reduce the Variable Speed Pool Pump incentive. It is expected that the
3 revised incentive amount will continue to provide value to customers,
4 while, at the same time, moderating participation in this program. The
5 Energy *Select* program is over budget primarily as a result of a higher than
6 anticipated conversion rate from the original equipment to the new
7 broadband-enabled system. The original Energy *Select* equipment
8 required the customer to have a landline telephone which drove reduced
9 participation in past years. Due to the addition of load control relays to the
10 broadband-enabled thermostat, these conversions provide customers who
11 no longer have a landline telephone an option to remain on the program
12 thus helping to maintain a participation rate that is on target to achieve the
13 program's net additions goal in 2012.

14
15 Additionally, the Commercial Building Efficiency, Food Services and
16 Custom Incentive programs are projected to be over budgeted expenses
17 due to higher participation than expected. In the Commercial Building
18 Efficiency program, the measures titled HVAC Upgrade and Interior
19 Lighting have already exceeded annual participation projections by 283
20 and 305 respectively. The Ceiling Insulation and Reflective Roof
21 measures have exceeded year to date (as of July 2012) projections. The
22 Food Services program has already reached 93% of the annual projected
23 participation through July 2012. The three participants in the Custom
24 Incentive program this year resulted in 85% of the projected incentives
25 being paid. Given that further participation in the Custom Incentive

1 program is expected, this program is projected to exceed the incentive
2 amounts projected for 2012.

3

4 These overages are partially offset by underages expected in the
5 remaining programs.

6

7 Q. Have you provided a description of the program results achieved during
8 the period, January 2012 through July 2012?

9 A. Yes. A detailed summary of year-to-date results for each program is
10 contained in my Schedule C-5.

11

12 Q. Would you summarize the conservation program cost projections for the
13 January 2013 through December 2013 recovery period?

14 A. Yes. Program costs for the projection period are estimated to be
15 \$25,248,805. These costs are broken down as follows: depreciation,
16 return on investment and property taxes, \$2,239,705; payroll/benefits,
17 \$6,247,272; materials/expenses, \$7,789,479; advertising, \$1,000,000; and
18 incentives, \$7,972,349. More detail concerning these projections is
19 contained in my Schedule C-2.

20

21 Q. Would you describe the expected results for your programs during the
22 January 2013 through December 2013 recovery period?

23 A. Program details, including expected results, for the period January 2013
24 through December 2013 can be found in my Schedule C-5.

25

1 Q. How does Energy Conservation Cost Recovery factor applicable to
2 December 2012 compare with the proposed 2013 factor for Rate
3 Schedule RS and how would the change affect the charge for a 1,000
4 kWh monthly bill on Gulf Power's rate schedule RS?

5 A. The current Energy Conservation Cost Recovery factor for Rate Schedule
6 RS applicable through December 2012 is 0.256¢/kWh compared with the
7 proposed factor of .226¢/kWh resulting in a reduction of 11.7%. For a
8 residential customer who uses 1,000 kWh in January 2013 the
9 conservation portion of the bill would decrease from \$2.56 to \$2.26.

10

11 Q. When does Gulf propose to collect these Energy Conservation Cost
12 Recovery charges?

13 A. The factors will be effective beginning with the first bill group for January
14 2013 and continue through the last bill group for December 2013.

15

16 Q. Mrs. Todd, does this conclude your testimony?

17 A. Yes, it does.

18

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PROGRESS ENERGY FLORIDA

DOCKET No. 120002-EG

**Energy Conservation and Cost Recovery Final True-up
for the Period January through December 2011**

**DIRECT TESTIMONY OF
HELENA (LEE) GUTHRIE**

MAY 2, 2012

1 **Q. State your name and business address.**

2 A. My name is Lee Guthrie. My business address is 299 First Avenue North,
3 St. Petersburg, Fl 33701.

4
5 **Q. By whom are you employed and in what capacity?**

6 A. I am employed by Progress Energy Florida, Inc. (Progress Energy or the
7 Company), as Manager of PEF Analytical Services in the Efficiency &
8 Innovative Technology department.

9
10 **Q. What are your current duties and responsibilities at Progress Energy?**

11 A. My responsibilities include the analysis, planning, tracking, reporting,
12 measurement/verification, and regulatory compliance of the Company's
Demand-Side Management (DSM) programs. This includes support for
development, implementation and training, budgeting, and accounting
functions related to these programs. By DSM, I mean direct load control

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1 (DLC) and energy efficiency programs or dispatchable (demand response)
2 and non dispatchable programs.

3
4 **Q. What is the purpose of your testimony?**

5 A. The purpose of my testimony is to compare Progress Energy's actual costs
6 of implementing conservation programs with the actual revenues collected
7 through the Company's Energy Conservation Cost Recovery Clause
8 (ECCR) during the period January 2011 through December 2011.

9
10 **Q. For what programs does Progress Energy seek recovery?**

11 A. Progress Energy seeks recovery through the ECCR clause for the following
12 conservation programs approved by the Commission as part of the
13 Company's DSM Plan, as well as for Conservation Program Administration
14 (i.e., those common administration expenses not specifically linked to an
15 individual program). Notably, PEF seeks recovery of costs for conservation
16 programs approved by the Commission on August 16, 2011 (see Order No.
17 PSC-11-0347-PAA-EG) modifying and approving PEF's Demand Side
18 Management (DSM) Programs. In Order No. PSC-11-0347-PAA-EG, the
19 FPSC modified PEF's DSM Plan to consist of those existing programs in effect
20 as of the date of the Order. Therefore, PEF seeks recovery for actual
21 conservation program costs and program administrative costs for its Demand
22 Side Management Programs approved as follows:

- 23
- Home Energy Check

- 1 • Home Energy Improvement
- 2 • Residential New Construction
- 3 • Neighborhood Energy Saver
- 4 • Low-Income Weatherization Assistance Program
- 5 • Energy Management (Residential and Commercial)
- 6 • Business Energy Check
- 7 • Better Business
- 8 • Commercial/Industrial New Construction
- 9 • Innovation Incentive
- 10 • Standby Generation
- 11 • Interruptible Service
- 12 • Curtailable Service
- 13 • Renewable Energy Program
- 14 • Solar Water Heating with Energy Management
- 15 • Solar Water Heating Low Income Residential Pilot
- 16 • Residential Solar Photovoltaic Pilot
- 17 • Commercial Solar Photovoltaic Pilot
- 18 • Photovoltaic for Schools Pilot
- 19 • Research and Demonstration Pilot
- 20 • Technology Development
- 21 • Qualifying Facility
- 22
- 23

1 **Q. Do you have any exhibits to your testimony?**

2 A. Yes, Exhibit No. (HTG-1T) entitled, "Progress Energy Florida Energy
3 Conservation Adjusted Net True-Up for the Period January 2011 through
4 December 2011." There are five (5) schedules to this exhibit.

5
6 **Q. Will you please explain your exhibit?**

7 A. Yes. Exhibit No. (HTG-1T) presents Schedules CT-1 through CT-5.
8 Schedules CT-1 to CT-4 set out the actual costs incurred for all programs
9 during the period from January 2011 through December 2011. They also
10 describe the variance between actual costs and previously projected values for
11 the same time period. Schedule CT-5 provides a brief summary report for
12 each program that includes a program description, annual program
13 expenditures and program accomplishments over the twelve-month period
14 ending December 2011.

15
16 **Q. Would you please discuss Schedule CT-1?**

17 A. Yes. Schedule CT-1 shows that Progress Energy's actual net ECCR true-up
18 for the twelve months ending December 31, 2011 was an over-recovery of
19 \$19,415,927 including principal and interest. This amount is \$4,391,708 more
20 than the previous estimate in the Company's September 13, 2011 ECCR
21 Projection Filing.

22

23

1 Q. **Can you please explain the major drivers of the variance?**

2 A. Yes. The variance was a result of less expense incurred than estimated in the
3 following selected programs. Home Energy Improvement experienced steeper
4 participation drop off than expected in the latter part of the year with 65% of
5 the \$946,561 projection variance from incentives. Home Energy Check
6 customer participation dropped 28% driving the projection variance of
7 \$777,059. Conservation Program Administration was impacted by the
8 unexpected deferral in contract execution for vendor and IT supported systems
9 by \$967,769. The Interruptible Load Management variance from the
10 projection of \$674,476 was related to economic conditions that resulted in
11 unexpected business closures. The Residential Load Management projection
12 variance of \$987,239 was related to the deferral of materials purchased to
13 support the upgrade of the Company's existing Load Management
14 Communications. Additionally, other programs experienced lesser differences
15 and three (3) programs experienced higher than 15% variance from estimated
16 expenses. These programs were the Residential New Construction Program:
17 \$740,748 primarily related to the completion of multi-family projects and the
18 Business New Construction Program: \$136,268 which appears to be driven by
19 the expected building code changes and the Research and Demonstration
20 Pilot Program: \$85,906.

21

22 Q. **What does Schedule CT-2 show?**

1 A. The four pages of Schedule CT-2 provide an annual summary of
2 conservation program costs as well as itemized conservation program costs
3 for the period January 2011 through December 2011 detailing actual,
4 estimated and variance calculations. These costs are directly attributable to
5 PEF's commission approved programs.
6

7 **Q. Would you please discuss Schedule CT-3?**

8 A. Yes. Page one of Schedule CT-3 provides the actual conservation program
9 costs by month for the period January 2011 through December 2011. Page
10 two of Schedule CT-3 presents the program revenues by month and the
11 calculations for the next true-up per month, including adjustments. Page
12 three provides the monthly interest calculation. Pages four and five of
13 Schedule CT-3 provide conservation account numbers for the 2011 calendar
14 year.
15

16 **Q. What is the purpose of Schedule CT-4?**

17 A. The five pages of Schedule CT-4 report the monthly capital investment,
18 depreciation and return for PEF's program classifications.
19

20 **Q. Would you please discuss Schedule CT-5?**

21 A. Yes. Schedule CT-5 provides a brief summary report for each program that
22 includes a program description, annual program expenditures and program
23 accomplishments for the 2011 calendar year.

1 **Q. Please explain the source of data used to calculate the true-up amount.**

2 A. The data used in calculating the actual true-up amounts was taken from
3 PEF records unless otherwise indicated. These records are kept in the
4 regular course of business in accordance with general accounting principles
5 and practices and provisions of the Uniform System of Accounts as
6 prescribed by the Commission. Pursuant to Rule 25-17.015(3), Florida
7 Administrative Code, in Schedule CT-3, pages 4 and 5, PEF provides a list
8 of all account numbers used for conservation cost recovery during the
9 period January 2011 through December 2011.

10

11 **Q. Does this conclude your direct testimony?**

12 A. Yes.

Progress Energy Florida
Docket No. 120002-EG
DIRECT TESTIMONY OF
HELENA T. (LEE) GUTHRIE
WITH RESPECT TO PROJECTED COSTS
September 12, 2012

1 **Q. State your name and business address.**

2 A. My name is Helena ("Lee") Guthrie. My business address is 299 First Avenue
3 North, St. Petersburg, FL 33701.

4
5 **Q. By whom are you employed and in what capacity?**

6 A. I am employed by Progress Energy Florida, Inc. ("PEF" or the "Company"), as
7 Manager of PEF Analytical Services in the Customer Planning and Analytics
8 department.

9
10 **Q. Have your duties and responsibilities remained the same since you last testified**
11 **in this proceeding?**

12 A. Yes.

13
14 **Q. What is the purpose of your testimony?**

15 A. The purpose of my testimony is to describe the components and costs of the
16 Company's Demand-Side Management ("DSM") Plan. I will detail the projected
17 costs for implementing each program in that plan, explain how these costs are
18 presented in my attached exhibit, and show the resulting Energy Conservation Cost

DOCUMENT NUMBER - DATE

06128 SEP 12 2012

FPSC-COMMISSION CLERK

1 Recovery (ECCR) factors for customer billings in 2013.
2

3 **Q. Do you have any Exhibits to your testimony?**

4 A. Yes, Exhibit No. _____ (HTG-1P) consists of Schedules (C-1 through C-5), which
5 support PEF's ECCR calculations for the 2012 actual/estimated period and the 2013
6 projection period.
7

8 **Q. For what currently approved programs does PEF seek recovery?**

9 A. PEF is seeking to recover those costs allowed pursuant to Rule 25-17.015, F.A.C.,
10 for each of the following Commission-approved conservation programs, as well as
11 for Conservation Program Administration (those common administration expenses
12 not specifically linked to an individual program). These programs are currently
13 approved and include the Demand-Side Renewable Portfolio of solar programs which
14 were approved by the Commission vote on September 14, 2010.

- 15 • Home Energy Check
- 16 • Home Energy Improvement
- 17 • Residential New Construction
- 18 • Neighborhood Energy Saver
- 19 • Low-Income Weatherization Assistance
- 20 • Energy Management (Residential & Commercial)
- 21 • Business Energy Check
- 22 • Better Business
- 23 • Commercial/Industrial New Construction
- 24 • Innovation Incentive
- 25 • Standby Generation

- 1 • Interruptible Service
- 2 • Curtailable Service
- 3 • Solar Water Heating For Low Income Residential Customers
- 4 • Solar Water Heating With Energy Management
- 5 • Residential Solar Photovoltaic
- 6 • Commercial Solar Photovoltaic
- 7 • Photovoltaic for Schools
- 8 • Research and Demonstration
- 9 • Technology Development
- 10 • Qualifying Facility

11

12 **Q. What is included in your Exhibit?**

13 A. My exhibit consists of Schedules C-1 through C-5 (HTG-1P). Schedule C-1 (HTG-
14 1P) provides a summary of cost recovery clause calculations and information by
15 retail rate schedule. Schedule C-2 (HTG-1P) provides annual and monthly
16 conservation program cost estimates for the 2013 projection period for each
17 conservation program, as well as for common administration expenses.
18 Additionally, Schedule C-2 (HTG-1P) presents program costs by specific category
19 (i.e. payroll, materials, incentives, etc.) and includes a schedule of estimated capital
20 investments, depreciation and return for the projection period.

21 Schedule C-3 (HTG-1P) contains a detailed breakdown of conservation
22 program costs by specific category and by month for the actual/estimated period of
23 January through July 2012 (actual) and August through December 2012 (estimated).
24 In addition, Schedule C-3 (HTG-1P) presents a schedule of capital investment,
25 depreciation and return, an energy conservation adjustment calculation of true-up,

1 and a calculation of interest provision for the 2012 actual/estimated period.

2 Schedule C-4 (HTG-1P) projects ECCR revenues during the 2013 projection
3 period. Schedule C-5 (HTG-1P) presents a brief description of each program, as
4 well as a summary of progress and projected expenditures for each program for
5 which PEF seeks cost recovery through the ECCR clause.

6
7 **Q. Would you please summarize the major results from your Exhibit?**

8 A. Yes. Schedule C-2 (HTG-1P), Page 1 of 9, Line 27, shows total net program costs
9 of \$115,602,543 for the 2013 projection period. The following table presents PEF's
10 proposed ECCR billing factors, by retail rate class and voltage level for calendar year
11 2013, as contained in Schedule C-1(HTG-1P), Page 2 of 2.

12
13 **2013 ECCR Billing Factors**

	Secondary	Primary	Transmission
<u>Retail Rate Schedule</u>	<u>Voltage</u>	<u>Voltage</u>	<u>Voltage</u>
Residential (Cents/kWh)	.306	N/A	N/A
General Service Non-Demand (Cents/kWh)	.265	.262	.260
General Service 100% Load Factor(Cents/kWh)	.210	N/A	N/A
General Service Demand (\$/kW)	.90	.89	.88
Curtable (\$/kW)	.86	.85	.84
Interruptible (\$/kW)	.80	.79	.78
Standby Monthly (\$/kW)	.089	.088	.087
Standby Daily (\$/kW)	.042	.042	.041
Lighting (Cents/kWh)	.123	N/A	N/A

1 **Q. Does this conclude your testimony?**

2 A. Yes.

1 **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

2 **PREPARED DIRECT TESTIMONY**

3 **OF**

4 **HOWARD T. BRYANT**

5
6 **Q.** Please state your name, address, occupation and employer.

7
8 **A.** My name is Howard T. Bryant. My business address is 702
9 North Franklin Street, Tampa, Florida 33602. I am
10 employed by Tampa Electric Company ("Tampa Electric" or
11 "the company") as Manager, Rates in the Regulatory
12 Affairs Department.

13
14 **Q.** Please provide a brief outline of your educational
15 background and business experience.

16
17 **A.** I graduated from the University of Florida in June 1973
18 with a Bachelor of Science degree in Business
19 Administration. I have been employed at Tampa Electric
20 since 1981. My work has included various positions in
21 Customer Service, Energy Conservation Services, Demand
22 Side Management ("DSM") Planning, Energy Management and
23 Forecasting, and Regulatory Affairs. In my current
24 position I am responsible for the company's Energy
25 Conservation Cost Recovery ("ECCR") Clause, Environmental

1 Cost Recovery Clause ("ECRC"), and retail rate design.

2

3 **Q.** Have you previously testified before the Florida Public
4 Service Commission ("Commission")?

5

6 **A.** Yes. I have testified before this Commission on
7 conservation and load management activities, DSM goals
8 setting and DSM plan approval dockets, and other ECCR
9 dockets since 1993, and ECRC activities since 2001.

10

11 **Q.** What is the purpose of your testimony in this proceeding?

12

13 **A.** The purpose of my testimony is to support the company's
14 actual conservation costs incurred during the period
15 January through December 2011, the actual/projected
16 period January to December 2012, and the projected period
17 January through December 2013. Also, I will support the
18 appropriate Contracted Credit Value ("CCV") for
19 participants in the General Service Industrial Load
20 Management Riders ("GSLM-2" and "GSLM-3") for the period
21 January through December 2013. In addition, I will
22 support the appropriate residential variable pricing
23 rates ("RSVP-1") for participants in the Residential
24 Price Responsive Load Management Program for the period
25 January through December 2013.

1 Q. Did you prepare any exhibits in support of your
2 testimony?

3

4 A. Yes. Exhibit No. _____ (HTB-2), containing one document,
5 was prepared under my direction and supervision.
6 Document No. 1 includes Schedules C-1 through C-5 and
7 associated data which support the development of the
8 conservation cost recovery factors for January through
9 December 2013.

10

11 Q. Please describe the conservation program costs projected
12 by Tampa Electric during the period January through
13 December 2011.

14

15 A. For the period January through December 2011, Tampa
16 Electric projected conservation program costs to be
17 \$44,863,506. The Commission authorized collections to
18 recover these expenses in Docket No. 100002-EG, Order No.
19 PSC-10-0703-FOF-EG, issued November 29, 2010.

20

21 Q. For the period January through December 2011, what were
22 Tampa Electric's conservation costs and what was
23 recovered through the ECCR clause?

24

25 A. For the period January through December 2011, Tampa

1 Electric incurred actual net conservation costs of
2 \$43,349,092, plus a beginning true-up under-recovery of
3 \$1,053,726 for a total of \$44,402,818. The amount
4 collected in the ECCR clause was \$45,000,256.
5

6 **Q.** What was the true-up amount?
7

8 **A.** The true-up amount for the period January through
9 December 2011 was an over-recovery of \$597,093, including
10 interest. These calculations are detailed in Exhibit No.
11 ____ (HTB-1), Conservation Cost Recovery True Up, Pages 2
12 through 13, filed May 2, 2012.
13

14 **Q.** Please describe the conservation program costs incurred
15 and projected to be incurred by Tampa Electric during the
16 period January through December 2012?
17

18 **A.** The actual costs incurred by Tampa Electric through July
19 2012 and projected for August through December 2012 are
20 \$49,191,499. For the period, Tampa Electric anticipates
21 an over-recovery in the ECCR Clause of \$2,256,499 which
22 includes the 2010 true-up and interest. A summary of
23 these costs and estimates are fully detailed in Exhibit
24 No. ____ (HTB-2), Conservation Costs Projected, pages 16
25 through 22.

1 Q. Has Tampa Electric proposed any new or modified DSM
2 Programs for ECCR cost recovery for the period January
3 through December 2013?

4
5 A. No.

6
7 Q. Please summarize the proposed conservation costs for the
8 period January through December 2013 and the annualized
9 recovery factors applicable for the period January
10 through December 2013?

11
12 A. Tampa Electric has estimated that the total conservation
13 costs (less program revenues) during the period will be
14 \$51,845,089 plus true-up. Including true-up estimates,
15 the January through December 2013 cost recovery factors
16 for firm retail rate classes are as follows:

	Cost Recovery Factors
<u>Rate Schedule</u>	<u>(cents per kWh)</u>
19 RS	0.298
20 GS and TS	0.284
21 GSD Optional - Secondary	0.250
22 GSD Optional - Primary	0.248
23 GSD Optional - Subtransmission	0.245
24 LS1	0.160

25

	Cost Recovery Factors
<u>Rate Schedule</u>	<u>(dollars per kW)</u>
1 GSD - Secondary	1.06
2 GSD - Primary	1.05
3 GSD - Subtransmission	1.04
4 SBF - Secondary	1.06
5 SBF - Primary	1.05
6 SBF - Subtransmission	1.04
7 IS - Secondary	0.93
8 IS - Primary	0.92
9 IS - Subtransmission	0.91

12
 13 Exhibit No. ____ (HTB-2), Conservation Costs Projected,
 14 pages 12 through 15 contain the Commission prescribed
 15 forms which detail these estimates.

16
 17 **Q.** Has Tampa Electric complied with the ECCR cost allocation
 18 methodology stated in Docket No. 930759-EG, Order No.
 19 PSC-93-1845-EG?

20
 21 **A.** Yes, it has.

22
 23 **Q.** Please explain why the incentive for GSLM-2 and GSLM-3
 24 rate riders is included in your testimony?

25

1 **A.** In Docket No. 990037-EI, Tampa Electric petitioned the
2 Commission to close its non-cost-effective interruptible
3 service rate schedules while initiating the provision of
4 a cost-effective non-firm service through a new load
5 management program. This program would be funded through
6 the ECCR clause and the appropriate annual CCV for
7 customers would be submitted for Commission approval as
8 part of the company's annual ECCR projection filing.
9 Specifically, the level of the CCV would be determined by
10 using the Rate Impact Measure ("RIM") Test contained in
11 the Commission's cost-effectiveness methodology found in
12 Rule 25-17.008, F.A.C. By using a RIM Test benefit-to-
13 cost ratio of 1.2, the level of the CCV would be
14 established on a per kilowatt ("kW") basis. This program
15 and methodology for CCV determination was approved by the
16 Commission in Docket No. 990037-EI, Order No. PSC-99-
17 1778-FOF-EI, issued September 10, 1999.

18
19 **Q.** What is the appropriate CCV for customers who elect to
20 take service under the GSLM-2 and GSLM-3 rate riders
21 during the January through December 2013 period?

22
23 **A.** For the January through December 2013 period, the CCV
24 will be \$6.81 per kW. If the 2013 assessment for need
25 determination indicates the availability of new non-firm

1 load, the CCV will be applied to new subscriptions for
2 service under those rate riders. The application of the
3 cost-effectiveness methodology to establish the CCV is
4 found in the attached analysis, Exhibit No. ___ (HTB-2),
5 Conservation Costs Projected, beginning on page 57
6 through 61.

7
8 **Q.** Please explain why the RSVP-1 rates for Residential Price
9 Responsive Load Management are in your testimony?

10
11 **A.** In Docket No. 070056-EG, Tampa Electric's petition to
12 allow its pilot residential price responsive load
13 management initiative to become permanent was approved by
14 the Commission on August 28, 2007. This program is to be
15 funded through the ECCR clause and the appropriate annual
16 RSVP-1 rates for customers are to be submitted for
17 Commission approval as part of the company's annual ECCR
18 projection filing.

19
20 **Q.** What are the appropriate Price Responsive Load Management
21 rates ("RSVP-1") for customers who elect to take this
22 service during the January through December 2013?

23
24 **A.** The appropriate RSVP-1 rates during the January through
25 December 2013 period for Tampa Electric's Price

1 Responsive Load Management program are as follows:

2	<u>Rate Tier</u>	<u>Cents per kWh</u>
3	P4	31.460
4	P3	7.250
5	P2	(0.774)
6	P1	(2.274)

7 Page 62 contains the projected RSVP-1 rates for 2013.

8

9 **Q.** Does this conclude your testimony?

10

11 **A.** Yes it does.

12

13

14

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1 **MS. TAN:** Since there are proposed
2 stipulations on all the issues, staff suggests that the
3 Commissioners could make a bench decision in this case.
4 If the Commission decides that a bench decision is
5 appropriate, staff recommends that the proposed
6 stipulations on Pages 6 through 10 of the prehearing
7 order, Issues 1 through 7, be approved by the
8 Commission, noting that OPC, FIPUG, SACE, PCS, and FEA
9 are taking no position on all the issues.

10 **CHAIRMAN BRISÉ:** Thank you very much.

11 Commissioners, I think we are at this point
12 again where we are ready to entertain a motion for a
13 decision.

14 Commissioner Balbis.

15 **COMMISSIONER BALBIS:** Thank you, Mr. Chairman.

16 I move that we approve all issues as
17 stipulated in Docket 120002-EG.

18 **CHAIRMAN BRISÉ:** Okay. Is there a second?

19 **COMMISSIONER GRAHAM:** Second.

20 **CHAIRMAN BRISÉ:** Okay. It has been moved and
21 seconded.

22 Any questions or comments? Okay. Seeing
23 none, all in favor say aye.

24 (Vote taken.)

25 **CHAIRMAN BRISÉ:** Okay. Considering that we

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have approved all issues in Docket 120002-EG as a bench decision, there is no need for post-hearing filings, and the final order will be issued on December 1, 2012.

We adjourn Docket 120002.

(The hearing concluded at 9:48 a.m.)

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STATE OF FLORIDA)

: CERTIFICATE OF REPORTER


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 7th day of November, 2012.



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