

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of:

DOCKET NO. 130170-EI

PETITION FOR APPROVAL FOR
EXTENSION OF COMMISSION'S
APPROVAL OF SPECIAL CONTRACT,
BY TAMPA ELECTRIC COMPANY.

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PROCEEDINGS: COMMISSION CONFERENCE AGENDA
ITEM NO. 3

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

DATE: Tuesday, July 9, 2013

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

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

1 Commissioner Graham.

2 **COMMISSIONER GRAHAM:** Thank you.

3 This question is for TECO. Is the site
4 selected already for where this customer may want to go?

5 **MR. BEASLEY:** I'm sorry?

6 **COMMISSIONER GRAHAM:** Is the site selected?

7 **MR. BEASLEY:** The site, to our knowledge, is
8 not selected yet. They just indicated to us their need
9 for some additional due diligence to get the project
10 right. And we want them to get it right, and we want to
11 stay in the running for potentially having that facility
12 located in Tampa Electric's service area.

13 **COMMISSIONER GRAHAM:** Now, do they have to, I
14 guess, get the site selected and get the land use and
15 zoning and all of that in order before they come to you
16 and accept the deal?

17 **MR. BEASLEY:** I think the contract is subject
18 to them getting all of the permitting, so they would ink
19 the contract, is my understanding, and then get the
20 permitting, but those would be contingent parts of the
21 agreement.

22 **COMMISSIONER GRAHAM:** Okay. Because my only
23 concern was that you may not be able to get all of that
24 done before November 4th.

25 **MR. BEASLEY:** Right.

1 **COMMISSIONER GRAHAM:** And I was looking to see
2 if we want to extend that or give the staff the ability
3 to extend that rather than having to come back before
4 us. But if it sounds like all you have to do is get a
5 nod from them yes or no, and you don't have to go
6 through all that land use and zoning process, then I'll
7 know if that's necessary.

8 **MR. BEASLEY:** Right. Well, this request
9 included allowing the staff the discretion to
10 administratively approve two months beyond November 4th.
11 That's part of what we asked for just to have a little
12 leeway there in case we are bumping up against that
13 deadline and we need some extra time.

14 **COMMISSIONER GRAHAM:** Yeah, but you'll need
15 more time than that if you had to do all of those zoning
16 parts.

17 **MR. BEASLEY:** Yes, sir.

18 **COMMISSIONER GRAHAM:** So you don't think that
19 you need more time?

20 **MR. BEASLEY:** I don't believe we do.

21 **COMMISSIONER GRAHAM:** Okay. That's all I had.

22 **CHAIRMAN BRISÉ:** Thank you, Commissioner
23 Graham.

24 Commissioner Edgar.

25 **COMMISSIONER EDGAR:** Thank you, Mr. Chairman,

1 and my question was along a similar line.

2 And just for my benefit and maybe others,
3 procedurally, the docket by which we approved this
4 similar item a number of months ago was closed after the
5 order was issued due to there being no appeal, is that
6 correct?

7 **MS. BROWN:** Yes.

8 **COMMISSIONER EDGAR:** And so to consider this
9 petition for an extension, again, administratively we
10 have opened a new docket for this consideration?

11 **MS. BROWN:** I'm not sure whether that would be
12 necessary or not. We could perhaps reopen up this one.

13 **COMMISSIONER EDGAR:** Did we? My question is
14 did we?

15 **MS. BROWN:** Yes, we did.

16 **COMMISSIONER EDGAR:** Okay. Thank you.

17 **MS. BROWN:** Sorry.

18 **COMMISSIONER EDGAR:** That's okay. Thank you.
19 And obviously I'm losing my voice, so I apologize if I
20 was not clear.

21 Recognizing -- and I certainly heard Mr.
22 Beasley's response to Commissioner Graham about the four
23 months being the time that you think covers the need for
24 what needs to occur, but recognizing that December often
25 can be kind of a lost month for many factors, what is

1 the four months based upon, and would it make sense for
2 us to consider, should the Commission be interested in
3 approving this item for six months, taking us into
4 January, just to avoid, perhaps, some additional
5 procedural steps, if there is no detriment?

6 **MR. BEASLEY:** We see no detriment in doing
7 that if you would like to. Through discussions with the
8 potential customer, that's how we came to guesstimate
9 that four months would be enough with a little two-month
10 extra room at the end in case we needed it. But if it's
11 the Commission's pleasure, a little extra time would not
12 hurt beyond that time.

13 **COMMISSIONER EDGAR:** And to our staff, is
14 there any reason not to do that, or is there any
15 detriment to any other stakeholder, ratepayer, et
16 cetera?

17 **MS. BROWN:** Not that I can think of.

18 **COMMISSIONER EDGAR:** Nor can I, but I did want
19 to ask the question. I would just say, Commissioners, I
20 am amenable to granting the company's request. It seems
21 to me that if we've got four months and the possibility
22 of a two-month extension, recognizing no detriment that
23 we can foresee, that to eliminate perhaps some
24 additional administrative paperwork back and forth that
25 we might want to consider granting a six-month extension

1 at this time.

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

3 Commissioner Balbis.

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

5 I have two questions. One, the existing
6 special contract that we approved, it's listed that it
7 expired July 4th, and today is July 9th. Hopefully that
8 was not problematic for the company, that they didn't
9 allow it to expire, or it affected the site selection
10 process.

11 **MR. BEASLEY:** It does not. And I think you
12 could retroactively extend that.

13 **COMMISSIONER BALBIS:** Okay. And then
14 hopefully, depending on what extension we approve, that
15 we won't find ourselves in a position where it comes
16 before us after the contract has expired, so hopefully
17 that will not repeat itself.

18 The other question I had is we approved this
19 previously, and it's listed in the staff analysis
20 because it will only have a minimal impact to the
21 general body of ratepayers. However, we have TECO
22 that's in for a rate case at this time. Was staff's
23 analysis previously based on the existing rates, and
24 would the current schedule of TECO's rate case -- would
25 it warrant another analysis based upon the outcome of

1 that situation? And should that affect whether we grant
2 a four-month or six-month extension?

3 **MS. DRAPER:** Commissioner, when TECO and the
4 customer originally negotiated the rates, the negotiated
5 rates were based on TECO's last cost-of-service study.
6 That's correct, TECO is in currently for a rate case.
7 This customer is not scheduled to come on-line, if they
8 select the Tampa Bay area, until 2016. So it's not
9 included in the TECO -- in the current TECO rate case
10 test year.

11 However, to the extent TECO's base rates will
12 change in this test year, this will not affect the
13 negotiated rates of this customer. I mean, they will
14 stay the same as they have been negotiated and approved
15 in the contract.

16 **COMMISSIONER BALBIS:** Okay. So regardless of
17 the outcome of the TECO rate case, this should not
18 affect the impact to the general body of ratepayers,
19 this special contract's impact? Or should we wait until
20 the outcome, like not extend this special contract, you
21 know, look at the ending of the TECO decision to see if
22 we need to look at it again, or do you not think the
23 cost-of-service study will affect it?

24 **MS. DRAPER:** Since the customer is not
25 scheduled to come on-line in the test year, they should

1 not be a consideration in this current rate case. It
2 might be in the next rate case, the one after this one,
3 and then we might look at impact on revenues.

4 **COMMISSIONER BALBIS:** Okay. Thank you.

5 That's all I have.

6 **CHAIRMAN BRISÉ:** Okay. Thank you,
7 Commissioner Balbis.

8 At this time, unless there are any further
9 questions, I think we're ready to entertain a motion. I
10 think there's a couple of ideas here with respect to the
11 time frame for the extension; we can have discussion on
12 that.

13 Commissioner Edgar.

14 **COMMISSIONER EDGAR:** Mr. Chairman, for our
15 consideration, I would move that we approve TECO's
16 petition for a four-month extension, and then amend the
17 staff recommendation to add approximately
18 sixty additional days to that. Looking at the calendar,
19 January 6th is a Monday, so just for clarity, I would
20 say extending that approval to January 6th of next year.

21 **CHAIRMAN BRISÉ:** Okay.

22 Commissioner Graham.

23 **COMMISSIONER GRAHAM:** I just want to make
24 sure, does that six-month extension also include the
25 additional two months that the staff can do on their

1 own, if need be?

2 **CHAIRMAN BRISÉ:** Commissioner Edgar.

3 **COMMISSIONER EDGAR:** My thoughts are, and the
4 intent of the motion was that the two months that we
5 would be granting now would be in lieu of additional
6 delegated authority to staff.

7 **CHAIRMAN BRISÉ:** Okay. All right. Any
8 discussion on the concept? Okay. If not, I think we
9 might be in the proper posture for a motion.

10 **COMMISSIONER EDGAR:** Then I would move
11 approval of the staff recommendation with the amendment
12 to add approximately sixty days to the approval of the
13 special contract. And for clarity, set that at
14 January 6th of 2014.

15 **COMMISSIONER GRAHAM:** Second.

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

18 Any further discussion?

19 All right. Seeing none, all in favor say aye.

20 (Vote taken.)

21 **CHAIRMAN BRISÉ:** Thank you very much. And
22 this concludes our agenda conference for today, so we'll
23 will officially adjourn this.

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STATE OF FLORIDA)
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 : 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 12th day of July, 2013.



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