



## P R O C E E D I N G S

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2           **CHAIRMAN GRAHAM:** Okay. We have one item  
3 left, which is Item Number 5.

4           **MS. HARLOW:** Commissioners, Judy Harlow with  
5 Commission staff. Item 5 is --

6           **CHAIRMAN GRAHAM:** Judy, hold on just a  
7 second.

8           **MS. HARLOW:** Sorry. I jumped the gun.

9           **CHAIRMAN GRAHAM:** I appreciate your  
10 enthusiasm.

11           (Laughter.)

12           Okay. Sorry about that.

13           **MS. HARLOW:** Thank you, sir. Commissioners,  
14 I'm Judy Harlow with Commission staff.

15           Item 5 is staff's recommendation on the  
16 Associated Gas Distributors of Florida's request to  
17 extend the Conservation Demonstration and  
18 Development program for its seven-member  
19 investor-owned gas utilities. AGDF has not  
20 requested additional funding.

21           Staff is recommending approval of the  
22 extension with the modifications outlined in staff's  
23 recommendation. In particular, we have requested  
24 that you consider an annual cap on expenditures in  
25 order to mitigate potential rate impacts.

1 Staff is available for any questions. We  
2 also have Ms. Beth Keating and Mr. Joseph Eysie of  
3 AGDF here to respond to your questions.

4 **CHAIRMAN GRAHAM:** You guys didn't have  
5 anything to add, did you?

6 **MS. KEATING:** Thank you, Mr. Chairman,  
7 Commissioners. Again, Beth Keating with the Gunster  
8 law firm here this morning for the AGDF. We're just  
9 here in support of staff's recommendations, including  
10 the modifications that they've proposed, and we're here  
11 to answer any questions you may have.

12 **CHAIRMAN GRAHAM:** Thank you, Ms. Keating.  
13 Commissioner Brown.

14 **COMMISSIONER BROWN:** I seriously think it's  
15 this chair that just makes me more than chatty, and I  
16 apologize.

17 **CHAIRMAN GRAHAM:** It is the chair.

18 **COMMISSIONER BROWN:** It's the chair. It's  
19 the chair. A tribute to Commissioner Balbis. So I'm  
20 in support of the extension of the CDD program. I'm  
21 just curious what the research findings and how they  
22 will be ultimately implemented, Ms. Keating or --

23 **MR. EYSIE:** Sure. And I think in reading  
24 staff's recommendation, it became abundantly clear that  
25 staff wants to see a direct tie to research to

1 conservation. And I think there's really two specific  
2 things that we can do moving forward.

3 One, as we did with one of our two  
4 research projects, is to specify upfront what the  
5 deliverables are to be from the accredited research  
6 institutions that we partner with. Specifically we  
7 want to form CB1 through CB5 within the  
8 cost-effective test to be updated, which is  
9 ultimately what we need to create a conservation  
10 program. So the first thing is to specify on any  
11 research initiative that the specific types of  
12 deliverables will comply with the cost-effective  
13 test requirements stipulated by FEECA.

14 Secondly, instead of just sort of pursuing  
15 research initiatives, actually pursue them as pilot  
16 conservation programs. So we believe by doing those  
17 two specific things -- one, specifying what the  
18 deliverables are in conjunction with FEECA  
19 cost-effectiveness requirements and, number two,  
20 pursuing initiatives as pilot conservation  
21 programs -- we'll strengthen that tie between  
22 research and conservation.

23 **COMMISSIONER BROWN:** Excellent. Great  
24 answer. Thank you. If you had to prioritize the 13  
25 additional projects, you know, they vary a little bit,

1 do you have a priority list? You don't have to feel  
2 compelled to answer that.

3 **MR. EYSIE:** Well, I mean, you're speaking to  
4 an energy nerd, so, I mean, I'm very interested in the  
5 emerging combined heat power types of initiatives. But  
6 really that's not a decision that I make. I execute  
7 from a project management perspective the decision from  
8 AGDF. So whatever they deem most prudent and has the  
9 highest connection and the strongest connection between  
10 conservation and research is what we'll pursue. But, I  
11 mean, there are some very interesting technologies out  
12 there that I believe do warrant research. But, again,  
13 that's not a decision that I would make.

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

15 **CHAIRMAN GRAHAM:** Any further questions or  
16 discussions from Commissioners? Can I hear a motion?

17 **COMMISSIONER BROWN:** So moved.

18 **COMMISSIONER EDGAR:** Second.

19 **CHAIRMAN GRAHAM:** It's been moved and  
20 seconded, staff recommendation on Item Number 5. Any  
21 further discussion? Seeing none, all in favor, say  
22 aye.

23 (Vote taken.)

24 Any opposed? By your action, you've  
25 approved staff recommendations on Item 5. Thank

1 everybody so very much for coming out today, and I  
2 hope y'all have a safe trip back to your offices or  
3 to your homes. And we will start IA over in the IA  
4 room at 11:00, so that gives us 15 minutes. We're  
5 adjourned.

6 (Agenda item concluded.)  
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1 STATE OF FLORIDA )  
 : CERTIFICATE OF REPORTER  
2 COUNTY OF LEON )

3  
4 I, LINDA BOLES, CRR, RPR, Official Commission  
Reporter, do hereby certify that the foregoing  
5 proceeding was heard at the time and place herein  
stated.

6  
7 IT IS FURTHER CERTIFIED that I  
stenographically reported the said proceedings; that the  
8 same has been transcribed under my direct supervision;  
and that this transcript constitutes a true  
transcription of my notes of said proceedings.

9  
10 I FURTHER CERTIFY that I am not a relative,  
employee, attorney or counsel of any of the parties, nor  
11 am I a relative or employee of any of the parties'  
attorney or counsel connected with the action, nor am I  
12 financially interested in the action.

13 DATED THIS 9th day of February, 2015.

14 *Linda Boles*

15 \_\_\_\_\_  
16 LINDA BOLES, CRR, RPR  
17 FPSC Official Hearings Reporter  
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