

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Environmental cost recovery clause.

DOCKET NO. 150007-EI

DATED: October 9, 2015

**PREHEARING STATEMENT OF THE OFFICE OF PUBLIC COUNSEL**

The Citizens of the State of Florida, through the Office of Public Counsel, pursuant to the Order Establishing Procedure in this docket, Order No. PSC-15-0097-PCO-EI, issued February 10, 2015 and Order No. PSC-15-0204-PU, issued May 21, 2015, submit this Prehearing Statement.

**APPEARANCES:**

CHARLES REHWINKEL, Esquire  
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PATRICIA A. CHRISTENSEN, Esquire  
Associate Public Counsel  
Office of Public Counsel  
c/o The Florida Legislature  
111 West Madison Street, Room 812  
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On behalf of the Citizens of the State of Florida.

1. **WITNESSES:**

None

2. **EXHIBITS:**

None

3. STATEMENT OF BASIC POSITION

The utilities have the burden of proof to justify and support the recovery of costs and their proposal(s) seeking the Commission's adoption of policy statements (whether new or changed) or other affirmative relief sought, regardless of whether the Intervenors provide evidence to the contrary. Regardless of whether the Commission has previously approved a program as meeting the requirements of Section 366.8255, Fla. Stat., the utilities must still meet their burden of demonstrating that the costs submitted for final recovery meet the statutory test(s) and are reasonable in amount and prudently incurred.

4. STATEMENT OF FACTUAL ISSUES AND POSITIONS

GENERIC CONSERVATION COST RECOVERY ISSUES

**ISSUE 1: What are the final environmental cost recovery true-up amounts for the period January 2014 through December 2014?**

OPC: No position at this time.

**ISSUE 2: What are the estimated/actual environmental cost recovery true-up amounts for the period January 2015 through December 2015?**

OPC: No position at this time.

**ISSUE 3: What are the projected environmental cost recovery amounts for the period January 2016 through December 2016?**

OPC: No position at this time.

**ISSUE 4:** What are the environmental cost recovery amounts, including true-up amounts, for the period January 2016 through December 2016?

OPC: No position at this time.

**ISSUE 5:** What depreciation rates should be used to develop the depreciation expense included in the total environmental cost recovery amounts for the period January 2016 through December 2016?

OPC: No position at this time.

**ISSUE 6:** What are the appropriate jurisdictional separation factors for the projected period January 2016 through December 2016?

OPC: No position at this time.

**ISSUE 7:** What are the appropriate environmental cost recovery factors for the period January 2016 through December 2016 for each rate group?

OPC: No position at this time.

**ISSUE 8:** What should be the effective date of the new environmental cost recovery factors for billing purposes?

OPC: No position at this time.

COMPANY- SPECIFIC CONSERVATION COST RECOVERY ISSUES

Florida Power & Light Company

**ISSUE 9A:** Should FPL be allowed to recover, through the ECRC, prudently incurred costs associated with its proposed Coal Combustion Residuals (CCR) Disposal Project?

OPC: FPL has the burden of proof to justify and support the recovery of costs for the CCR, including whether the project meets the requirements of Section 366.8255 and that costs are prudently incurred and reasonable in amount, regardless of whether the Intervenors provide evidence to the contrary.

**ISSUE 9B:** How should the costs associated with FPL's proposed CCR Disposal Project be allocated to the rate classes?

OPC: No position at this time.

Duke Energy Florida

**ISSUE 10A:** Should DEF be allowed to recover, through the ECRC, prudently incurred costs associated with its Coal Combustion Residual (CCR) Rule Program?

OPC: DEF has the burden of proof to justify and support the recovery of costs for the CCR, including whether the project meets the requirements of Section 366.8255 and that costs are prudently incurred and reasonable in amount, regardless of whether the Intervenors provide evidence to the contrary.

**ISSUE 10B:** How should costs associated with DEF's proposed CCR Rule Program be allocated to rate classes?

OPC: No position at this time.

**Gulf Power Company**

**ISSUE 11A: Should Gulf be allowed to recover, through the ECRC, prudently incurred costs associated with its Coal Combustion Residual (CCR) program?**

OPC: Gulf has the burden of proof to justify and support the recovery of costs for the CCR, including whether the project meets the requirements of Section 366.8255 and that costs are prudently incurred and reasonable in amount, regardless of whether the Intervenors provide evidence to the contrary.

**ISSUE 11B: How should costs associated with Gulf's proposed CCR program be allocated to rate classes?**

OPC: No position at this time.

**ISSUE 12A: Should Gulf be allowed to recover, through the ECRC, prudently incurred costs associated with its Steam Electric Power Effluent Limitations Guidelines (ELG) program?**

OPC: Gulf has the burden of proof to justify and support the recovery of costs for the ELG, including whether the project meets the requirements of Section 366.8255 and that costs are prudently incurred and reasonable in amount t, regardless of whether the Intervenors provide evidence to the contrary.

**ISSUE 12B: How should costs associated with Gulf's proposed ELG program be allocated to rate classes?**

OPC: No position at this time.

**ISSUE 13: Should the Commission approve revised tariffs reflecting the environmental cost recovery amounts and environmental cost recovery factors determined to be appropriate in this proceeding?**

OPC: No position at this time.

5. STIPULATED ISSUES:

None at this time.

6. PENDING MOTIONS:

None.

7. STATEMENT OF PARTY'S PENDING REQUESTS OR CLAIMS FOR CONFIDENTIALITY:

OPC has no pending request or claims for confidentiality.

8. OBJECTIONS TO QUALIFICATION OF WITNESSES AS AN EXPERT:

OPC has no objection to qualifications of witnesses.

9. STATEMENT OF COMPLIANCE WITH ORDER ESTABLISHING PROCEDURE:

There are no requirements in the Order Establishing Procedure with which the Office of Public Counsel cannot comply.

Dated this 9<sup>th</sup> day of October 9, 2015

Respectfully submitted,

J.R. Kelly  
Public Counsel



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## CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and forgoing Office of Public Counsel's Prehearing Statement has been furnished by electronic mail on this 9<sup>th</sup> day of October, 2015, to the following:

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A handwritten signature in black ink, appearing to read "Charles J. Rehwinkel", written over a horizontal line.

Charles J. Rehwinkel  
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