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1 BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION 2 3 In the Matter of: DOCKET NO. 150001-EI 4 FUEL AND PURCHASED POWER COST RECOVERY CLAUSE WITH 5 GENERATING PERFORMANCE 6 INCENTIVE FACTOR. 7 8 9 PROCEEDINGS: PREHEARING CONFERENCE 10 COMMISSIONER 11 PARTICIPATING: CHAIRMAN ART GRAHAM PREHEARING OFFICER 12 DATE: Monday, October 19, 2015 13 TIME: Commenced at 2:33 p.m. 14 Concluded at 3:23 p.m. 15 PLACE: Betty Easley Conference Center Room 148 4075 Esplanade Way 16 Tallahassee, Florida 17 REPORTED BY: LINDA BOLES, CRR, RPR Official FPSC Reporter 18 (850) 413-6734 19 20 21 22 23 24 25

APPEARANCES:

JAMES D. BEASLEY, J. JEFFRY WAHLEN, and ASHLEY M. DANIELS, ESQUIRES, Ausley & McMullen, Post Office Box 391, Tallahassee, Florida 32302, appearing on behalf of Tampa Electric Company.

JEFFREY A. STONE, RUSSELL A. BADDERS, and STEVEN R. GRIFFIN, ESQUIRES, P.O. Box 12950, Pensacola, Florida 32591-2950, appearing on behalf of Gulf Power Company.

DIANNE M. TRIPLETT and JOHN T. BURNETT,

ESQUIRES, 299 First Avenue North, St. Petersburg,

Florida 33701; and MATTHEW R. BERNIER, ESQUIRE, 106 East

College Avenue, Suite 800, Tallahassee, Florida

32301-7740, appearing on behalf of Duke Energy Florida,

Inc.

JOHN T. BUTLER, R. WADE LITCHFIELD, MARIA J.

MONCADA and JESSICA CANO, ESQUIRES, 700 Universe

Boulevard, Juno Beach, Florida 33408-0420, appearing on
behalf of Florida Power & Light Company.

ROBERT SCHEFFEL WRIGHT and JOHN T. LaVIA, III, ESQUIRES, Gardner Law Firm, 1300 Thomaswood Drive, Tallahassee, Florida 32308, appearing on behalf of the Florida Retail Federation.

APPEARANCES (Continued):

BETH KEATING, ESQUIRE, Gunster Law Firm, 215 South Monroe Street, Suite 601, Tallahassee, Florida 32301-1839, appearing on behalf of Florida Public Utilities Company.

JON C. MOYLE, JR., and KAREN PUTNAL, ESQUIRES, Moyle Law Firm, P.A., 118 North Gadsden Street, Tallahassee, Florida 32301, appearing on behalf of Florida Industrial Power Users Group.

J.R. KELLY, PUBLIC COUNSEL; CHARLES REHWINKEL,
DEPUTY PUBLIC COUNSEL; ERIK L. SAYLER, PATRICIA
CHRISTENSEN, and JOHN J. TRUITT, ASSOCIATE PUBLIC
COUNSEL, ESQUIRES, Office of Public Counsel, c/o the
Florida Legislature, 111 W. Madison Street, Room 812,
Tallahassee, Florida 32399-1400, appearing on behalf of
the Citizens of the State of Florida.

JAMES W. BREW, OWEN J. KOPON and LAURA A.
WYNN, ESQUIRES, Xenopoulos & Brew, P.C., 1025 Thomas

Jefferson Street, NW, Eight Floor, West Tower,

Washington, DC 20007, appearing on behalf of White

Springs Agricultural Chemicals, Inc. d/b/a PCS Phosphate

- White Springs.

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APPEARANCES (Continued):

Service Commission.

FLORIDA PUBLIC SERVICE COMMISSION

SUZANNE BROWNLESS, DANIJELA JANJIC, and JOHN VILLAFRATE, ESQUIRES, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, appearing on behalf of the Florida Public

MARY ANNE HELTON, ESQUIRE, Advisor to the Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, appearing as advisor to the Florida Public Service Commission.

CHARLIE BECK, General Counsel, Florida Public Service Commission, 2540 Shumard Oak Boulevard,
Tallahassee Florida, appearing as General Counsel to the Florida Public Service Commission.

PROCEEDINGS

2		CHAIR) NAN	GRAHAM:	0}	kay.	I	figure	the	sooner
3	we get	started,	the	sooner	we	can	get	done.		

We will call this prehearing to order. Let the record show it is Monday at 2:00, and this is the fuel clause prehearing.

Staff, if -- excuse me. Staff, if I can get you to read the notice, please.

MS. MAPP: By notice issued October 5th, 2015, this time and place is set for a Prehearing Conference in the following dockets: 150001-EI, 150002-EG, 150003-GU, 150004-GU, and 150007-EI. The purpose of the prehearing is set out in the notice.

CHAIRMAN GRAHAM: Okay. I think we need to take appearances.

MR. BUTLER: Good afternoon, Mr. Chairman.

John Butler appearing on behalf of Florida Power & Light

Company in the 01, 02, and 07 dockets. I'd also like to

enter an appearance for Wade Litchfield and Maria

Moncada in those three dockets, and for Jessica Cano in

the 01 docket only. Thank you.

MR. BERNIER: Good afternoon, Mr. Chairman.

Matt Bernier for Duke Energy Florida, and making an appearance in the 01, 02, and 07 dockets. I'd also like to enter an appearance for Dianne Triplett in those same

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dockets and John Burnett in the 01 docket only. Thank you.

MR. BEASLEY: Good afternoon, Chairman Graham.

James D. Beasley appearing with J. Jeffry Wahlen, Ashley

M. Daniels in the 01, 02, and 07 dockets for Tampa

Electric.

MR. BADDERS: Good afternoon, Chairman.

Russell Badders on behalf of Gulf Power Company in the

01, 02, and 07 dockets. I'd also like to enter an

appearance for Jeffrey A. Stone and Steven R. Griffin in

the same dockets.

MS. KEATING: Good afternoon, Mr. Chairman.

Beth Keating with the Gunster Law Firm here this

afternoon for FPUC in the 01 and 02 dockets. Also here

for FPUC in the 03 dockets, as well as Florida City Gas.

And in the 04 docket appearing for FPUC, FPUC Fort

Meade, FPUC Indiantown Division, Chesapeake, and Florida

City Gas.

MS. PUTNAL: Good afternoon, Chairman Graham.

I'm Karen Putnal. I'm here today on behalf of the

Florida Industrial Power Users Group. I'd like to make
an appearance in the 01, 02, and 07 dockets, and also
enter an appearance for Jon Moyle in those same dockets.

Thank you.

MR. LAVIA: Good afternoon, Mr. Chairman.

J. LaVia with the Gardner Law Firm making an appearance 1 in the 01 docket on behalf of the Florida Retail 2 3 Federation. I'd also like to make an appearance for my law partner Robert Scheffel Wright in the same 4 01 docket. Thank you. 5 MR. KOPON: Good afternoon, Mr. Chairman. 6 7 Owen Kopon for PCS Phosphate/White Springs in the 01, 02, and 07 dockets. And I'd also like to make an 8 9 appearance for James Brew and Laura Wynn. MR. REHWINKEL: Good afternoon, Mr. Chairman. 10 11 Let me try to do this. Charles J. Rehwinkel with the 12 Office of Public Counsel making an appearance in all 13 dockets, along with J. R. Kelly in all dockets. 14 15

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In the 02 docket that would -- the appearance would be additionally with Patricia Christensen. In the 03 docket, Patricia Christensen also. In the 04 docket, I am the only one making an appearance in addition to Mr. Kelly. And in the 07 docket, Patricia Christensen also.

Let me go back to the 01 docket. The appearances will also be Patricia Christensen, John Truitt, and Erik Sayler in addition to myself and Mr. Kelly. Thank you.

CHAIRMAN GRAHAM: Okay.

MR. HORTON: Mr. Chairman, Norman H. Horton,

Τ	or., appearing in the 04 docket for Sebring Gas.
2	CHAIRMAN GRAHAM: That's the 04 docket?
3	MR. HORTON: Yes, sir. The 04 docket.
4	CHAIRMAN GRAHAM: Okay.
5	MS. MAPP: Kyesha Mapp appearing in the
6	03 docket, Suzanne Brownless and making an appearance
7	for Suzanne Brownless, Danijela Janjic, and John
8	Villafrate in the 01 docket; Lee Eng Tan and Bianca
9	Lherisson in the 02 docket; Leslie Ames and Kelley
10	Corbari in the 04 docket; and Charles Murphy in the 07
11	docket.
12	CHAIRMAN GRAHAM: Okay. Was that
13	MS. HELTON: Mary Anne Helton. I'm here as an
14	advisor for you in all of the dockets.
15	MR. BECK: And Charlie Beck, General Counsel.
16	CHAIRMAN GRAHAM: Is that all the appearances?
17	Okay. So the order of the dockets today are
18	going to be the 03 docket, then the 04 docket, then the
19	02 docket, then the 07 docket, and then the 01 docket.
20	* * * *
21	CHAIRMAN GRAHAM: We'll proceed to the
22	shortest docket, 01. Okay. Docket 01, staff,
23	preliminary matters.
24	MS. BROWNLESS: We have no preliminary matters
25	at this time.

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CHAIRMAN GRAHAM: Does anybody else have any preliminary matters for this docket? Ms. Christensen.

MS. CHRISTENSEN: I'm not sure whether or not this is a preliminary matter. I just wanted to note for the record Office of Public Counsel filed a motion today and a notice that we were amending our prehearing statements and a motion to strike. We're not anticipating that that will be ruled on today since the parties have seven days to respond. It's an evidentiary motion, so I would assume that it would be taken up after the voir dire of the witness or the questioning of the witnesses as to the qualifications at the hearing, but wanted to make the parties aware that that was filed. And I have additional copies of the motion if anybody would like a copy today.

CHAIRMAN GRAHAM: Well, they're definitely not going to be ruled on today. But, staff, is that correct?

MS. BROWNLESS: With regard to the motion, we were going to take that up, Patty, when we got to the expert witness part, but it's fine to talk about it now.

Everybody has just received this today. There's two parts to the motion. One part is to allow Office of Public Counsel to amend their prehearing statement to object to the expertise of Mr. Reed based upon the fact that Mr. Reed's rebuttal testimony was filed on the same day that the prehearing statements were due. That strikes the staff as being perfectly reasonable.

Having -- so we would recommend that the bench allow Public Counsel to amend their prehearing statement. If, in fact, the bench does do that, then, of course, everyone else, every other party to the docket has the ability to also amend their prehearing statement with regard to the expertise of rebuttal witnesses. So that's the first point I would like to make.

The second point is kind of a technical one, but -- and this is a question for Public Counsel. Does the Public Counsel intend for this written motion to act as a waiver of its right to voir dire Mr. Reed at trial?

MS. CHRISTENSEN: I would suggest -- and the answer, short answer is no, but I would -- the Prehearing Order requires that we file all motions to strike by the Prehearing Conference, so we complied with that.

Our thought was that all the parties -- and I believe FIPUG still has an outstanding objection, as well as FRF, to the qualifications of expert witnesses, and they may be taking specific positions on certain

witnesses in this docket as well. But I would expect that voir dire or the questioning of the witnesses' qualifications would take place first, and then we could renew our motion to strike the testimony based on what comes out, assuming that there's no changes. Since this is prefiled testimony, I would assume he'd testify consistent with his prefiled testimony. But as with everything, live testimony, a live witness, you know, we would reserve our right to make the necessary adjustments to our motion to strike for anything that would be -- come out during the voir dire, the questioning.

MS. BROWNLESS: Just so we're all clear on the procedure then, we would put the witness on the stand. If folks wished to voir dire, they would voir dire, and then you would make your objection to the expertise, and then there would be a ruling on -- an opportunity for FP&L to respond to the objection, and then a ruling on the objection. And then at that time, depending upon what happens with the ruling, you would indicate to the agency what portions of the testimony you deem should be stricken. Is that kind of what you have in mind?

MS. CHRISTENSEN: Yes. That would be -- I think that would be the appropriate way to do it. A motion to strike is generally done at the time when the

person is called to testify and --

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MS. BROWNLESS: And if other folks also wanted to voir dire the witness, and I'd like to ask at this time are there any other parties that will seek to, if you know, that will seek to voir dire Mr. Reed?

MS. PUTNAL: Yes. FIPUG has identified five, potentially six witnesses that FIPUG would like to have the opportunity to voir dire, and Mr. Reed is among those.

MS. BROWNLESS: Okay.

MS. PUTNAL: If I may just state, I'm hearing this conversation -- of course, you know, it's being discussed for the first time since the motion was filed this morning by OPC.

CHAIRMAN GRAHAM: Can I get you to pull your microphone down a little bit?

MS. PUTNAL: Yes.

CHAIRMAN GRAHAM: Thank you.

MS. PUTNAL: Thank you. I would just like to state on the record that FIPUG has not waived its entitlement to conduct voir dire or to move to strike testimony based on the results of the voir dire. It may be that as a result of voir dire, hearing the witness's responses and counsel's responses to any questions that are posed to the witness, that FIPUG would not move to

strike. But certainly at this point, not having had an opportunity to present the questions or hear the responses or arguments of counsel or comments from the Commission, we, you know, we've not filed a motion to strike at this time, and I don't believe we have waived any right to do so at the hearing.

MS. BROWNLESS: Okay. Okay. I think everybody -- does everybody understand the procedure we're going to use and is everyone comfortable with it?

MR. LAVIA: This is J. LaVia for the Retail Federation. So to be clear, parties will have an opportunity to voir dire during live testimony, and no rights are being waived today; correct?

MS. BROWNLESS: Correct.

MR. LAVIA: That's fine with the Retail Federation.

MS. BROWNLESS: And I -- well, I want to make sure to be clear about that. Because the areas of expertise were filed for all witnesses on October 14th by everybody, by everyone presenting a witness, we would expect that parties would be able by 5:00 tomorrow to identify with specificity the witnesses that they had questions about that they wish to voir dire. And I would also urge you to identify the portions of the testimony that should your -- should you make an

specificity the areas of the testimony and exhibits that you would seek to have stricken. Particularly with regard to the hedging witnesses, their testimony includes both factual data as well as opinion testimony, and so we would hope that by 5:00 tomorrow you could identify the witness and identify the specific portions of the testimony and exhibits that you would wish to have stricken, should your objection be granted.

objection to the expertise, that you identify with

MR. LAVIA: Thank you.

MS. PUTNAL: Mr. Chairman, just to follow up on that request, we will certainly work with the parties and with staff, and we will be able to identify the witnesses for whom we would like to conduct voir dire by 5:00 tomorrow.

With respect to the specific sections of the testimony, that may take a little more time, a little more work. In fact, it may require questioning the witnesses themselves in terms of identifying the portions of the testimony that are based on the witness's claim of expertise in a particular area. So I -- we will certainly work with you to identify all those areas that we can, but I'm not sure at this point because the testimony sort of blends, as you say, between fact and opinion and because -- this is an

evolving process that maybe that in the future when prefiled testimony is submitted, that each section of testimony is tied perhaps to an area of expertise that the witness is asserting or the party is asserting the witness has, which would make this process much easier in terms of identifying that testimony as it relates to a specific area of expertise.

So long story short, we will certainly work with you to provide as much information about the areas of testimony as we can, and we'll certainly be able to provide the names of the witnesses at issue.

MS. BROWNLESS: Well, we would certainly urge you to do as much identification of the areas over which you feel expert testimony is being offered as possible, and we appreciate your help.

CHAIRMAN GRAHAM: Let's take about five minutes. I need to check on something. And according to that clock back there, that would be about 12 minutes till.

(Recess taken.)

MS. BROWNLESS: Commissioner, if I may just clarify.

CHAIRMAN GRAHAM: Hold on.

MS. BROWNLESS: Yes, sir.

CHAIRMAN GRAHAM: You know, I like blowing in

the mike so much better than banging the gavel.

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Okay, staff.

MS. BROWNLESS: Okay. If I might just clarify what we're seeking by 5:00 tomorrow. We're seeking identification of each and every witness that you wish to voir dire. And we're also seeking only this broad distinction: For each witness, what is the part of their testimony that you deem to be factual and, therefore, not subject to a challenge of expertise, and what part of their testimony do you deem to be, you know, expert testimony subject to voir dire? So to the extent that you do not do that by 5:00 p.m. tomorrow, then we would assume that you have waived your right to conduct voir dire about the witnesses. So with that clarification, that's what we would tender, Your Honor.

CHAIRMAN GRAHAM: You have me a little confused.

MS. BROWNLESS: Okay.

CHAIRMAN GRAHAM: All right. So you want for them to come back to you with the actual witness that they are questioning their expertise.

MS. BROWNLESS: Right.

CHAIRMAN GRAHAM: And you want for them to come back with the part of their testimony that they question or the part of the --

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MS. BROWNLESS: That they believe is expert testimony subject to their challenge. Because many of these witnesses have testimony --

CHAIRMAN GRAHAM: Slow down. Slow down. Slow down. Slow down. I'm an engineer and everything is going to be bullet points and lines.

MS. BROWNLESS: Okay.

CHAIRMAN GRAHAM: Okay. So we're going to identify the witness.

MS. BROWNLESS: Their name.

CHAIRMAN GRAHAM: And then we're going to identify the part of the testimony that they agree with or the part of the testimony they don't agree with?

MS. BROWNLESS: No. The part of their testimony that they deem --

CHAIRMAN GRAHAM: That they're challenging.

MS. BROWNLESS: -- to be factual and, therefore, not challenged, and the part of their testimony that they believe is subject to challenge because it is expert testimony.

And the reason that's important is because for many of the witnesses here their -- and the hedging witnesses are a perfect example. There's part of their testimony that deals with 2014 hedging results, which are facts, and then there's part of their testimony

which deals with 2015 projections for the rest of the year and 2016 projections, and all of that could be and is subject to an expert challenge because it takes expertise to make those projections.

So we're just trying to get a general idea.

And I think that that's something that the parties could identify prior to hearing from the questions and answers from the individual experts.

CHAIRMAN GRAHAM: Retail Federation.

MR. LAVIA: Thank you. Just so I understand, this is adding a layer that I've never heard of before where the challenging party has to identify what is fact, what is not fact, and what is mixed questions of fact and law. Typically those decisions are made by the, by the Chair, by the judge, whoever the case, the ALJ, and sometimes they're close calls and sometimes — and often in this type of proceeding they're mixed. So we don't get to conduct voir dire with regard to factual testimony. Their qualifications to give factual testimony, not at issue. It's to give expert opinion testimony. And that's where I'm a little unclear on how we're going to do that. And it is putting a burden on us that I have never seen put on a challenging party before, so I think I would object to that.

CHAIRMAN GRAHAM: Anybody else?

MS. CHRISTENSEN: Patty Christensen with the Office of Public Counsel. Since we've filed a written motion that explicitly outlines what part of the prefiled testimony we object to -- in sum, the whole prefiled testimony of that particular witness -- I'm assuming this procedure is not applicable to our motion and our objection to this particular witness since we've already done it essentially.

MS. BROWNLESS: Right. You've done it.

MS. CHRISTENSEN: And I'll let the other parties, FIPUG and Retail, speak to their concerns.

CHAIRMAN GRAHAM: FIPUG.

MS. PUTNAL: We would join the objection of the Retail Federation. I understand the objective and the goal, but I do believe that there are probably many instances in the prefiled testimony where the testimony is a combination or a blend of fact and opinion, which adds a layer of difficulty in addition to the original issue, which is whether all of the opinions are at issue. I mean, a witness may have several bases for his or her expertise, some of which may not be in dispute at all. There may be areas of expertise that are in dispute that go beyond those that are agreed upon. So we would object to the extent -- not to the request, but to the extent that the inability to separate out those

issues by tomorrow at 5:00 would be construed as a waiver.

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CHAIRMAN GRAHAM: Ms. Brownless, let's try
this. Let's identify the witnesses, let's identify the
area of expertise that is in question. And if they can
go further past that, then the more detail you can get
into, that's fine, but at least by 5:00 tomorrow they
identify the witnesses and the area of expertise that
they are questioning or challenging.

MS. BROWNLESS: And I think I want -- we need to be clear that if you do not identify a witness by 5:00 tomorrow, that you will have waived the right to voir dire them.

MS. PUTNAL: Mr. Chairman, Ms. Brownless, I under -- I think that in this situation, FIPUG commits to identifying the witnesses in this proceeding by 5:00 tomorrow. I think what makes me a little bit anxious is whether FIPUG is agreeing, you know, to that procedure going forward. As I said, I think that this is an evolving procedure. We're all kind of feeling our way through this, and we'd like to have an opportunity to, you know, work on that evolution. There may be things that could have been done earlier in the process that would make this step easier. So for tomorrow, we completely agree we'll do our best to do that by 5:00.

We understand we need to identify the witnesses in this 1 docket, but I didn't want to, like, overextend that 2 agreement to future proceedings. 3 Well, I can't swear that CHAIRMAN GRAHAM: 4 I'll be Prehearing Officer next year, but as far as 5 tomorrow goes, you're good. 6 7 MS. PUTNAL: Thank you. MS. BROWNLESS: So if they don't identify a 8 9 witness by 5:00 tomorrow, are they going to be allowed to voir dire different witnesses that they have not 10 identified at the hearing? 11 12 CHAIRMAN GRAHAM: In this specific case they will not be able to voir dire that person if they do not 13 identify them by 5:00 tomorrow. 14 MS. BROWNLESS: Thank you, Your Honor. 15 16 CHAIRMAN GRAHAM: That doesn't mean moving 17 forward that that's going to be the new standard. MR. LAVIA: Just to be clear in terms of 18 process, just sending emails with whom we identify, or 19 do we have to file a specific pleading? How do you 20 21 anticipate handling this? 22 MS. BROWNLESS: It probably would be better if you file a notice similar to what the utilities filed 23 24 identifying the expertise of their witnesses.

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MR. LAVIA: So if I file a notice challenging

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all -- or questioning the expertise of all witnesses,
that would cover it?

MS. BROWNLESS: Sure.

MR. LAVIA: Okay.

CHAIRMAN GRAHAM: Mr. Rehwinkel.

MR. REHWINKEL: Yes, Mr. Chairman, two

observations. Actually one question. This docket has sort of -- has an ominous portent to it with respect to voir dire, so I would ask if it's possible that we could get some agreement on the timing on when the voir dire would occur. Normally the witness sits where I am right now and gives -- goes through the Q and A with the -- that party's attorney and then gives a summary -- actually -- and is then tendered for cross-examination. It seems it might be appropriate -- well, I don't know when the appropriate time for the voir dire would be, but certainly anything the witness would testify to that would go into evidence ought to be subject to voir dire before that occurs.

MS. BROWNLESS: And I do -- I have given that some thought, Mr. Rehwinkel.

MR. REHWINKEL: Okay.

MS. BROWNLESS: And this is the method I would propose. And this is based on research I did in Padovano's -- what do they call it -- Florida Civil

Practice, 2011 Edition.

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You ask if the witness has been sworn. state their name and address. By whom are you employed, in what capacity? Have you prefiled testimony? a true and correct copy of your prefiled testimony? Do you have any changes or revisions to your testimony? I asked you the same questions today, would your answers be the same? Then say, Mr. and Ms. so and so, notice was filed on October 14th that you will testify as an expert with respect to area A, B, C, D, E, F, G, whatever it is. Is it your intent to testify in those areas at this time? And then the witness will answer the question. And then you would tender the witness for voir dire, and that -- we'll just go down the line and let everybody ask the questions. And then we would -you would either object -- you know, you'd make your objections, allow the utility or the person who's sponsoring the witnesses to respond to those objections, get a ruling on the objection, and then at that time it would seem to me that you would have to say the part of his testimony or her testimony that you believe should be stricken as a result of the ruling if an area of expertise is -- you know, if they're found not to be an expert in an area of expertise, that you would have to be prepared at that time to state what you thought

was -- should be stricken so that the Chair could rule on that.

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And then you would pick back up after the ruling and say -- talk about exhibits, identify the exhibits, they've been premarked for identification, give the summary, tender the witness for cross. And I want to -- and this is for my benefit because I have not done this docket before. Usually in the past what we've done is not made objections to identified exhibits at the time the exhibit was identified. Usually we have waited until the end of the proceeding to do that. So is that what everybody understands will be done?

MR. BUTLER: End of proceeding or end of that witness's testimony?

MS. BROWNLESS: End of that witness's, that's -- I mean, when you -- when everybody gets through. Is that acceptable?

CHAIRMAN GRAHAM: So let me see if I understand. So when is the witness's direct testimony entered into the record? It's after he's been challenged and after --

MS. BROWNLESS: After he's been challenged and there's been a ruling on the challenge.

CHAIRMAN GRAHAM: After I've challenged -- after I've ruled on the challenge?

MS. BROWNLESS: Yes.

CHAIRMAN GRAHAM: And say I agree with the challenge, then the challenger will have to go through and state specifically where in the record it's been —they want to get stricken?

MS. BROWNLESS: Yes, sir.

CHAIRMAN GRAHAM: And then that part of the direct testimony would be entered into the record.

MS. BROWNLESS: Yes, sir. And then we'd move on. And then when you got your exhibits identified, then they do the summary, tender for cross, get to the end of his testimony, when everybody has had an opportunity to cross-examine, move the exhibits into the record, and then any objection to the exhibits, the admissibility of the exhibits could be made at that time. Does that all sound good for everybody?

CHAIRMAN GRAHAM: Mr. Rehwinkel, you have the floor.

MR. REHWINKEL: I mean, I would defer to

Ms. Christensen, but I think that's the kind of

clarification I was looking for as far as the timing. I

think that's the best way to protect the interests of

everyone is to do this before it goes into the record.

MS. CHRISTENSEN: And I would concur with my colleague. I would just ask, since Ms. Brownless has an

idea of how that would go in the flow of questioning, if maybe she could just do a brief summary of those questions and send it to the parties so that we're all clear on how that would go in. I mean, if it's not too much trouble.

MS. BROWNLESS: Oh, sure.

MS. CHRISTENSEN: You know, I think it'll make it smoother as we get there. And then, of course, when we move exhibits into the record, we would -- those would be subject to the motion to strike as well.

MS. BROWNLESS: Right.

MS. CHRISTENSEN: And with those clarifications, I think we're clear on how the process should proceed.

MR. REHWINKEL: Mr. Chairman, the observation

I was going to make, your General Counsel has
established an ongoing process to look at process and
procedure at the Commission. It's been very helpful for
the parties to have a dialogue. I think the Public
Counsel shares the concerns that Retail Federation and
FIPUG express, and we would urge that this process -- I
think we're working through it here and I think you've
got a workable process that you are devising as
Prehearing Officer, but we would urge that -- and I
think this is scheduled for later this month, and I

would urge that this be given some priority and we discuss it, and we can kind of collaboratively work through a process that works for everyone with the kind of input that's given, more measured and thoughtful input by everyone rather than do it on the fly. And I'm not contesting the process your staff has developed. I think what Ms. Brownless has suggested is workable and we'll work through it. But I would urge that before we make this anything more permanent, that we go through this iterative process that your General Counsel has established.

CHAIRMAN GRAHAM: Well, just like I told

Ms. Putnal, as I told Ms. Putnal earlier, as you said,

this is going to be something we're kind of sticking our

toes in the water now inching our way through. So just

because we're doing it this way doesn't mean that it's

now in granite because I think -- because everybody is

being patient as we go through this. There may be some

things next year that should be changed from this year.

Of course, I wouldn't wait until this time next year to

suggest those changes. But I don't think, like I said,

I don't think anything is going to be written in stone.

As you guys get together maybe 30 days from now is the

time to talk about how this could have been done better.

MS. BROWNLESS: And a final point with regard

to this, because this is a motion to strike, the parties do have seven days to file a written response. We're on a very short timeline here, so to the extent that anyone wishes to file a written response either in support of the motion or in opposition to the motion, we would -
I'm putting forth the idea that would it be possible to do that by this Friday? If you want to file a written response. You don't have to file a written response.

You certainly are able to argue that at the voir dire.

MR. BUTLER: Presently we do expect to file a written response. If I have followed this, it doesn't seem like there's going to be a ruling --

MS. BROWNLESS: No.

MR. BUTLER: -- on that motion before the hearing anyway, so I guess I'm not sure what the impetus is for cutting time off of our response? I mean, I would prefer that we be given the regular seven days to respond. If we were setting it up for something that was going to be ruled upon before the hearing, we certainly would cooperate any way we could to facilitate that. But it sounds like that's not going to happen anyway, so I would prefer to use the --

MS. BROWNLESS: An excellent point,

Mr. Butler, and I'll go with that. Then there's a
seven-day response period according to the rule.

MR. BUTLER: Thank you.

CHAIRMAN GRAHAM: Okay. We're still on preliminary matters. Does anybody else have any other preliminary matters? Okay. Once again, we will go through the Draft Prehearing Order section by section. Feel free to speak up if there is a section that needs to be changed or audited or fixed or altered or tweaked.

Section I. Section II. Section III. Section IV.

MS. BROWNLESS: I'd just like to take an opportunity to briefly mention a few points about handling the confidential information. I want to make clear that the Commissioners will be provided with copies of all confidential materials that have been prefiled and all confidential materials that are contained in the exhibits on the composite exhibit list which you should have been provided by email and we will be updating.

The Commissioners will be provided with copies of all confidential materials that are contained in staff exhibits identified in the composite exhibit list. To the extent that each party has confidential materials that they wish to use as impeachment materials, please make copies, make enough for everybody, put them in the red folders. We counted up the number of copies that

you need to make if this is new material that people 1 haven't had, and it's 30 copies by the time all the 2 Commissioners get a copy and all the appropriate 3 parties. So we would suggest that that's the number of 4 copies you have. 5 You're responsible for preparing the copies 6 7 and putting them in the red folders and keeping them safe, collecting -- handing them out and collecting 8 9 them. So I just wanted to be clear about that, sir. CHAIRMAN GRAHAM: So we're not telling them to 10 bring enough for everybody. We're telling them to bring 11 at least 30 copies. 12 13 MS. BROWNLESS: Yes, sir. 14 CHAIRMAN GRAHAM: Was that it for Section IV? MS. BROWNLESS: Yes, sir. That's it for 15 Section IV. 16 CHAIRMAN GRAHAM: Anybody else have anything 17 to add for Section IV? Section V. 18 19 MS. BROWNLESS: I think we've already talked about the voir dire. That is -- to the extent that we 20 21 can -- oh, sorry, that's Section V. I was bleeding into 22 Section VI. I'm sorry. 23 CHAIRMAN GRAHAM: Anybody else in Section V? 24 Okay. Section VI. 25 MS. BROWNLESS: With regard to the order of

witnesses, we've listed them just by order of company. 1 And I understand that there's some other suggestions 2 about the order of witnesses, and, OPC, would you like 3 to respond? 4 CHAIRMAN GRAHAM: Mr. Sayler. 5 MR. SAYLER: Yes, Mr. Chairman. Erik Sayler 6 7 with the Office of Public Counsel. I had polled my compadres on this side about potentially rearranging the 8 9 order of witnesses, but after further discussion, we'll just go with the order in the Prehearing Conference --10 in the Prehearing Order. 11 12 CHAIRMAN GRAHAM: Okay. 13 MS. BROWNLESS: Okay. 14 CHAIRMAN GRAHAM: Anybody else on Section VI, order of witnesses? 15 MS. BROWNLESS: And we'd like to ask if the 16 17 parties have any objection to excusing the staff witnesses, which are the staff auditors for each 18 19 company. MR. BUTLER: None for FPL. 2.0 21 MR. BERNIER: No objection. 22 MR. BEASLEY: No objection. 23 MR. BADDERS: No objection. No objection. 24 MS. KEATING: 25 MS. BROWNLESS: Do any of the parties object

1	to excusing the auditor witnesses?
2	MR. SAYLER: Erik Sayler with OPC. We are
3	looking at one of the staff auditor witnesses related to
4	TECO. We got the audit work papers today. We're going
5	to review that, and hopefully by close of business
6	Wednesday can let you know whether we believe we'll have
7	any questions or not. The other ones we don't have any
8	questions for.
9	MS. BROWNLESS: Okay. So it's I'm sorry.
10	I didn't hear the company.
11	MR. SAYLER: TECO. I don't recall the
12	witness's, staff witness's name.
13	MS. BROWNLESS: That's fine. Does anybody
14	else have an issue with a staff witness?
15	MR. LAVIA: None for the Retail Federation.
16	MS. PUTNAL: I know we spoke about this with
17	Jon on Friday, and we're still looking at that issue.
18	MS. BROWNLESS: Just so we're having
19	everything come back from everybody at the same time,
20	would it be possible for you to let us know by 5:00
21	tomorrow?
22	CHAIRMAN GRAHAM: Actually OPC said 5:00 on
23	Wednesday.
24	MS. BROWNLESS: Well, just
25	CHAIRMAN GRAHAM: You agreed to his 5:00 on

1	Wednesday, and you said to her you want to be
2	consistent.
3	MS. BROWNLESS: Oh, okay.
4	MS. PUTNAL: Yes, thank you.
5	MS. BROWNLESS: And also if you stipulate to
6	the witness, you'd stipulate to their exhibits; correct?
7	MR. SAYLER: Yes.
8	MS. BROWNLESS: Okay.
9	CHAIRMAN GRAHAM: Okay. Anything else on
10	order of witnesses?
11	MS. BROWNLESS: No, sir. With regard to any
12	witnesses that may be excused, we would certainly check
13	with the Commissioners to make sure that they could be
14	excused, and that will be reflected once we get your
15	input in the Prehearing Order.
16	CHAIRMAN GRAHAM: Okay. Section VIII.
17	Mr. Sayler.
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1.0	MR. SAYLER: Yes, sir, Mr. Chairman. We do
19	MR. SAYLER: Yes, sir, Mr. Chairman. We do have one typo that I picked up on page 8 of the
19	have one typo that I picked up on page 8 of the
19 20	have one typo that I picked up on page 8 of the Prehearing Order. And instead of trying to point it out
19 20 21	have one typo that I picked up on page 8 of the Prehearing Order. And instead of trying to point it out exactly, I will email it to Ms. Brownless by is it
19 20 21 22	have one typo that I picked up on page 8 of the Prehearing Order. And instead of trying to point it out exactly, I will email it to Ms. Brownless by is it close of business tomorrow?
19 20 21 22 23	have one typo that I picked up on page 8 of the Prehearing Order. And instead of trying to point it out exactly, I will email it to Ms. Brownless by is it close of business tomorrow? MS. BROWNLESS: Yes, sir, please.

VII? Section VIII.

MS. BROWNLESS: This is the same issue that Lee Eng discussed in the 02 and 07 dockets which has to do with FIPUG's position that respective utilities must meet the burden of proof on an issue. We would let you state your response again.

MS. PUTNAL: Thank you. We understand the request for a more detailed response, and we will work with you on providing that to you by the close of business tomorrow.

MS. BROWNLESS: Okay. And to the extent that positions are not provided by close of business tomorrow, then we would deem that to be no position.

But we'll look forward to your responses.

MS. PUTNAL: Thank you.

MS. CHRISTENSEN: And just for clarification,
Office of Public Counsel, for those positions where we
will take no position, will be adding our caveat
language for those particular issues, and we will get
those to you by close of business.

MS. BROWNLESS: And, Patty, your Prehearing Order had a lot of no positions at this time, and I assume that's what you're talking about.

MS. CHRISTENSEN: Correct. I mean, obviously the ones where we've taken specific positions, we're not

1	looking to change those.
2	MS. BROWNLESS: Oh, sure.
3	MS. CHRISTENSEN: But we will get you our
4	caveated no position language by close of business
5	tomorrow.
6	MS. BROWNLESS: Thank you.
7	CHAIRMAN GRAHAM: Mr. Butler.
8	MR. BUTLER: Would that apply to all other
9	parties? I know, for example, that Retail Federation
10	has a lot of no positions at this time.
11	MR. LAVIA: We will do the same.
12	MR. BUTLER: Okay.
13	CHAIRMAN GRAHAM: Anybody else on Section
14	VIII? Okay. Section IX, exhibit list.
15	MS. BROWNLESS: We have prepared a
16	Comprehensive Exhibit List, the latest version of which
17	was October 16th at 12:20 p.m. We will distribute a new
18	version with the changes. And I know that DEP [sic] has
19	provided some changes which were came after 12:20 on
20	the 16th, so we'll put all those in there, and we'll get
21	those out by 5:00 tomorrow.
22	CHAIRMAN GRAHAM: Mr. Sayler.
23	MR. SAYLER: Again, OPC picked up a small typo
24	on the Exhibit DJL-1 of Mr Lawton, it's the resumé of
25	Daniel J. Lawton, but I'll email that to staff as well

1 by COB tomorrow.

CHAIRMAN GRAHAM: Okay.

MR. BUTLER: Mr. Chairman, I would note that on page 65 there's a series of exhibits for Mr. Yupp and then two exhibits for Mr. Reed. Those relate to their rebuttal testimony and, therefore, ought to be moved down to page 71 at the beginning of the section that's entitled "Rebuttal."

CHAIRMAN GRAHAM: Ms. Brownless.

MS. BROWNLESS: We'll move them, sir.

CHAIRMAN GRAHAM: Okay.

MR. SAYLER: Was that Yupp, GJY-6, Mr. Butler?

MR. BUTLER: Yes. The 6 through 10 are all rebuttal exhibits and ought to go down in the rebuttal section.

MR. SAYLER: And the same thing with both of Mr. Reed's?

MR. BUTLER: With Mr. Reed, yes.

MR. SAYLER: Okay. Thank you.

CHAIRMAN GRAHAM: Anybody else, Section IX?
Section X.

MS. BROWNLESS: There are no stipulations at this time. We have received several communications about issues that can possibly be stipulated for all of the companies, and we'll work very diligently to enter

into those stipulations. We'll try to work on that. To the extent we can get something out to everybody by 5:00 tomorrow, we will, and we'll keep working on it.

CHAIRMAN GRAHAM: Anybody else, Section X?
Section XI.

MS. BROWNLESS: The only pending motion is the motion that's already been discussed, which is OPC's motion to strike.

CHAIRMAN GRAHAM: Section XII.

MS. BROWNLESS: There are several confidentiality requests pending. We've got pretty much all the confidentiality orders issued or they're in the pipeline. I think we got two more confidentiality requests today for discovery that just came in today. I'll try my best to get those out before the end of the week. Our goal is to have all confidentiality orders for all exhibits and all identified exhibits and all testimony finished and done by the hearing.

CHAIRMAN GRAHAM: Anybody else, Section XII?
Section XIII.

MS. BROWNLESS: With regard to post-hearing procedures, in this docket I think there are two issues that I'm fairly confident will not be stipulated: The St. Lucie 2 2014 outage and hedging. There are other issues which may, in fact, be stipulated, and with

3rd Agenda Conference.

in by November 3rd? Mr. Sayler.

regard to those, we could make a bench decision.

For the natural gas hedging and the

St. Lucie 2 outage issues and perhaps other identified

issues that can't be stipulated to, we would ask that

post-hearing briefs be 40 pages because the natural gas

hedging issue is a significant issue, and that those be

due on November 13th for consideration at the December

with the 40 pages for the briefs and make sure they're

Counsel was going to ask, due to the large nature of the

hedging issues and the St. Lucie 2 outage, if you'd be

amenable to moving the filing deadline from Friday the

13th, which some people think is unlucky, to November

Order says the position statement should be 50 words.

going to the 100 words, but going from that Friday to

the 16th, which is a Monday, and also the position

statements going from 50 words to 100 words.

MS. BROWNLESS: Yeah.

We would like to expand that to 100 words.

CHAIRMAN GRAHAM: Is everybody in agreement

MR. SAYLER: Mr. Chairman, Office of Public

CHAIRMAN GRAHAM: What was last part again?

MR. SAYLER: Currently the draft Prehearing

CHAIRMAN GRAHAM: I don't have a problem with

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that Monday -- I guess the staff that's going to be 1 reviewing that, is that going to be a problem? 2 MS. BROWNLESS: Well, that's a pretty tight 3 timeline for us. That gives us no weekend under the 4 current schedule, and --5 CHAIRMAN GRAHAM: I think we'll keep it on 6 7 Friday the 13th. MR. SAYLER: Thank you. 8 9 CHAIRMAN GRAHAM: Anything else under Section XIII? 10 MS. BROWNLESS: And the page limit at 40 11 pages, is everybody appropriate -- okay with that? 12 13 CHAIRMAN GRAHAM: Okay. Section XIV. 14 MS. BROWNLESS: We suggest that opening 15 statements should not exceed five minutes per party 16 unless the party chooses to waive its opening statement. 17 MR. BUTLER: Mr. Chairman, with respect to 18 FPL, I would ask your indulgence to have an extra five 19 minutes with respect to the St. Lucie outage. I think we're in kind of a distinct position here that we'll be 20 21 covering our views on hedging and then also covering our 22 views on an entirely unrelated issue about nuclear plant 23 outage, and five minutes would be pretty tight to cover 24 both of those. 25 CHAIRMAN GRAHAM: Ms. Christensen.

MS. CHRISTENSEN: Yes, Commissioner. I would ask for similar treatment, ten minutes in total. Five minutes to deal with the hedging issues -- we're dealing with all the companies, so, I mean, five minutes is going to be tight as it is. We're actually -- if you just give us ten minutes, we'll divvy it up amongst all of the issues we have outstanding within our office because we have the hedging, currently we have the refueling outage, I believe we still have some FPUC issues that may or may not get resolved by hearing, and we may have to deal with all those in opening statement. And if you'd just give us a block of ten minutes, we can allocate that amongst ourselves in the office to address all those issues. And if we can go shorter than ten, we

CHAIRMAN GRAHAM: You do know how to motivate me, don't you? I think both requests are reasonable. I don't have a problem with going with ten minutes for opening statements.

will most certainly do that.

MS. BROWNLESS: That's perfectly fine. And that's ten minutes for everybody or ten minutes for OPC and FP&L?

CHAIRMAN GRAHAM: Ten minutes for everybody.

Don't feel like you've got to use them.

All right. Other matters.

1 MS. BROWN

MS. BROWNLESS: No, sir. I think that's it

for us.

CHAIRMAN GRAHAM: Anything else that needs to come before us?

Ms. Putnal, welcome. I think this is the first time you've been before me.

MS. PUTNAL: Thank you.

CHAIRMAN GRAHAM: It's good to have you here.

Actually tell Mr. Moyle to feel free to send you in his place quite often. You tend to get to the point a lot quicker than he does.

of you have heard me say this before, breast cancer awareness is a big thing for me. Mr. Butler, I noticed quite -- it seems like every year now, he's a fellow Georgia Tech alum, and I do -- it is duly noted. I do appreciate those that are wearing it. Once again, I think it's something very, very, very important. And if there's nothing else to come before us, we're -- we will adjourn Docket No. 1 for this prehearing, which I think concludes the entire prehearing.

Once again, please travel safely. You never know when something is going to come around the corner.

Make sure you get home safely. I look forward to seeing you all November 2nd.

MS. BROWNLESS: Yes, sir.

That all being said, we're adjourned.

CHAIRMAN GRAHAM: And remember those two

(Prehearing Conference adjourned at 3:23 p.m.)

different dates, tomorrow end of the day, and there's

one other specific that's Wednesday end of the day.

	
1	STATE OF FLORIDA) : CERTIFICATE OF REPORTER
2	COUNTY OF LEON)
3	
4	I, LINDA BOLES, CRR, RPR, Official Commission
5	Reporter, do hereby certify that the foregoing 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
9	transcription of my notes of said proceedings.
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 20th day of October, 2015.
14	
15	Linda Boles
16	LINDA BOLES, CRR, RPR
17	FPSC Official Hearings Reporter (850) 413-6734
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