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BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of:

DOCKET NO. 20200242-EI

Petition for approval of regulatory assets related to the retirements of the coal generation assets at Plant Crist Units 4, 5, 6, and 7, by Gulf Power Company.

DOCKET NO. 20210007-EI

Environmental cost recovery clause.

PROCEEDINGS: COMMISSION CONFERENCE AGENDA
ITEM NO. 11

COMMISSIONERS
PARTICIPATING: CHAIRMAN GARY F. CLARK
COMMISSIONER ART GRAHAM
COMMISSIONER ANDREW GILES FAY
COMMISSIONER MIKE LA ROSA

DATE: Tuesday, March 2, 2021

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

REPORTED BY: DEBRA R. KRICK
Court Reporter and
Notary Public in and for
the State of Florida at Large

PREMIER REPORTING
114 W. 5TH AVENUE
TALLAHASSEE, FLORIDA
(850) 894-0828

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

2 CHAIRMAN CLARK: All right. Let's move to
3 Item No. 11, Mr. Futrell.

4 MR. FUTRELL: Item 11 is staff's
5 recommendation on Gulf Power Company's petition to
6 create two regulatory assets and defer recovery of
7 the amounts related to early retirement of coal
8 generation assets and capability at Plant Crist
9 Units 4 through 7.

10 Proposed regulatory assets represent an
11 unrecovered \$67.6 billion in base rate capital
12 investment and 394.5 million in capital investment
13 recoverable through the environmental cost recovery
14 clause.

15 Gulf Power's decision to retire Crist Units 4
16 through 7 earlier than planned was based on the
17 significant damage to the facilities caused by
18 hurricane Sally. In conjunction with the creation
19 of the two regulatory assets, Gulf Power has also
20 requested that its 2021 environmental cost recovery
21 clause factors be reduced to reflect the retirement
22 of the Plant Crist asset.

23 A proposed ECRC reduction would be applied to
24 all rates classes and would reduce a 1,000 kilowatt
25 hour residential bill by \$3.71 per month.

1 Gulf Power has requested the proposed tariff
2 reflecting the reductions to its ECCR -- ECRC
3 factors become effective March 2nd, 2021. An oral
4 modification had been approved that makes a
5 correction to the cover page of the recommendation
6 but has no effect on staff's recommended action.
7 The oral modification has been placed in the docket
8 file.

9 Representatives of the Office of Public
10 Counsel and Vote Solar would like to address the
11 Commission. Representatives of Gulf Power are
12 available to respond to comments and answer your
13 questions, as is staff.

14 CHAIRMAN CLARK: All right. We are going to
15 take these up issue by issue, Issue 1, 2, 3 and 4,
16 and vote on them individually. But before we
17 entertain motions on those, I am going to ask those
18 that would like to address the Commission, give
19 them an opportunity.

20 We are going to begin with Ms. Ottenweller.
21 You are available, Ms. Ottenweller?

22 MS. OTTENWELLER: I am. Yes. Can you hear
23 me?

24 CHAIRMAN CLARK: Yes, we can hear you.

25 MS. OTTENWELLER: Hi. Good morning, Mr.

1 Chairman and Commissioners. My name is Katie
2 Chiles Ottenweller. I am the Southeast Director of
3 Vote Solar. Thank you so much for the opportunity
4 to address you today on this matter.

5 Vote Solar does not oppose Gulf Power's
6 request, but we strongly support staff's
7 recommendation that the prudence of both the
8 decision to retire the coal units early and the
9 decision to replace this capacity with gas be
10 deferred to Gulf's next rate case.

11 I do want to express one concern related to
12 how Gulf is handling this matter. Last summer,
13 during the 10-year site plan workshop, I raised the
14 concern that many of the utilities' proposed
15 investment decisions in gas over the next decade
16 would not be subject to the Power Plant Siting Act,
17 and this is the first example of that since then.

18 Gulf Power decided to retire these coal units
19 and convert to natural gas on February 18th, 2019,
20 over two years ago. It did not seek approval for
21 that decision at that time. Two years later, it
22 appears that Gulf has spent significant ratepayer
23 funds converting these units to gas. Gulf has
24 shared neither its rationale for the underlying
25 conversion decision nor how much money it has

1 spilled doing so. And it's unclear whether they
2 fully considered alternatives like solar power
3 battery storage.

4 We all know that it's easier to ask for
5 forgiveness than permission, but I would urge the
6 Commission that that's not good policy these
7 decisions should be brought to the Commission
8 before Gulf undergoes significant ratepayer
9 expense, and it's unclear why Gulf didn't take that
10 course of action two years ago when it made this
11 choice.

12 The Crist coal units represent \$450 million
13 for unrecovered costs for a power plant that
14 doesn't exist anymore, and customers are still on
15 the hook for that. With solar and storage rapidly
16 becoming the cheapest way to meet electricity
17 demand, what's to say we won't be back here in 10
18 years with additional stranded assets from Gulf's
19 gas plant? This is why we support the Commission
20 staff's request for a full review in the next rate
21 case of how Gulf's investments stack up against
22 these alternatives.

23 And lastly, I will just flag the discussion
24 that is going on in Texas right now. In total, gas
25 makes up 47 percent of cost generation footprint in

1 Texas, half of that capacity fell off-line or was
2 forced off-line due to extreme weather conditions
3 were gas plants. That was over 25,000 megawatts of
4 gas plants that were not available.

5 Any review of additional investments in gas
6 should include a review of the risks posed by
7 Florida's overreliance on gas. Florida already has
8 over 70 percent gas creating similar risks for the
9 Panhandle region that this commission should have
10 the opportunity to weigh.

11 Thank you so much for your time this morning.

12 CHAIRMAN CLARK: Thank you, Ms. Ottenweller.
13 Mr. Rehwinkel.

14 MR. REHWINKEL: Yes, good morning, Mr.
15 Chairman. Charles Rehwinkel with the Office of
16 Public Counsel.

17 The Public Counsel appreciates the opportunity
18 to speak on this item, and we also appreciate the
19 opportunity we have had to work with your staff and
20 FPL together on this regardless of the outcome.

21 The Public Counsel does not object to the
22 overwhelming portion of the proposal and the
23 accounting recognition. However, Gulf's proposal
24 to defer costs on the base rate side of rate-making
25 under these highly unusual circumstances is not

1 reasonable.

2 Our sole concern is related to the effect on
3 15 months of base rates post-retirement of the
4 plant, when Gulf will not be recording
5 approximately \$4.5 million of annual depreciation
6 expense. Given that Gulf's most recent earnings
7 surveillance reports shows that the company is
8 earning 10.63 percent ROE above the midpoint,
9 failing to recognize this savings to Gulf and the
10 overall impacts of any deferral could cause current
11 rates to be deemed unreasonable and unfair.

12 When Gulf's rates were set in 2017 pursuant to
13 settlement, the depreciation expense included in
14 the four-percent rate in the depreciation study
15 related to Plant Crist pursuant to paragraph 10 of
16 the 2017 settlement -- was included pursuant to
17 paragraph 10 under the 2017 settlement, and the
18 resulting expenses were included in rates approved
19 in the settlement.

20 Ceasing depreciation as of October of 2020 on
21 those Plant Crist assets but not deferring
22 recognition of the expense saving that will exist
23 only by virtue of Gulf's decision to retire the
24 plant early, will give the company a windfall
25 unless you order that the savings be deferred in

1 the form of a net asset. The Public Counsel
2 submits that failing to offset the debit with the
3 associated credit might be considered arbitrary and
4 capricious.

5 If deferral of the costs without the
6 associated savings is allowed, the OPC is, one,
7 likely to protest the PAA on a limited basis
8 related solely to the narrow issue of the amount of
9 the base rate's regulatory asset pursuant to
10 Section 120.80(13)(b) Florida Statutes, and, two,
11 likely to pursue any related remedy beyond that.

12 In lieu of PAA protest, the Public Counsel
13 requests that the net asset to be deferred on the
14 base rate side for the 15-month period should be no
15 more than \$63.07 million, which is the \$67.6
16 million of net plant proposed by FPL, less the
17 \$4.53 million that would otherwise have been added
18 to accumulated depreciation through the continued
19 collection of the depreciation expense provided in
20 rates.

21 The \$4.53 million is calculated by multiplying
22 the original cost of the base rate component of
23 \$90.7 million by .04, the Plant Crist depreciation
24 rate, and then multiplying that result by 1.25 to
25 carry the annual depreciation expense out the full

1 15 months.

2 Commissioners, if this outcome is to be
3 achieved, the Public Counsel would also request
4 that the following language be added to the PAA
5 order so as to limit any agreed to treatment of
6 this highly specific circumstance accompanying this
7 accounting deferral request. The language would
8 read like this:

9 The Commission recognizes that the
10 circumstances presented by Gulf Power related to
11 the retirement of Plant Crist are highly unusual
12 and unlikely to reoccur. Given the amount of
13 damage that occurred so close in time to the
14 previously announced planned retirement of the
15 plant, the lack of insurance coverage for a
16 significant portion of the facilities, the complete
17 depletion of the storm reserve, the fact that a
18 significant portion of ECCR recovery -- ECCRC
19 recovery can be immediately adjusted to recognize
20 the deferral of the unrecovered plant costs, and
21 the fact that there was a pending base rate case,
22 the circumstances underlying this order are a
23 one-of-a-kind situation that will not provide
24 precedent except on substantially the same facts.

25 Commissioners, those are my prepared remarks

1 and I am available to answer questions. Thank you.

2 CHAIRMAN CLARK: Thank you very much.

3 Mr. Futrell.

4 MR. FUTRELL: Mr. Chairman, I was going to
5 suggest if you wanted to hear from Gulf to respond,
6 or if you have a question for staff?

7 CHAIRMAN CLARK: We definitely want to hear
8 Gulf's response.

9 Mr. Cox, are you on the line?

10 MR. COX: Yes, I am, Chairman Clark. Can you
11 hear me okay?

12 CHAIRMAN CLARK: Yes, sir. We can hear you.

13 MR. COX: Great.

14 Good morning, and good to be with you this
15 morning.

16 Gulf is pleased to support the staff
17 recommendation on all issues. I will respond
18 believe to what I have heard from both Vote Solar
19 and OPC this morning.

20 In terms of the remarks from Vote Solar, it is
21 true the conversion to natural gas that's upcoming
22 or in the process are being done as we speak.
23 Florida Crist Plant is not subject to the PPSA, we
24 agree, and it is -- it is Gulf's burden in the
25 upcoming rate case to establish the prudence --

1 CHAIRMAN CLARK: Mr. Cox -- Mr. Cox, can you
2 hear me?

3 MR. COX: Yes, I can.

4 CHAIRMAN CLARK: Hold on one second. I am
5 having a difficult time understanding you. It's
6 very muffled. Can you get closer to your mic?

7 MR. COX: Yeah, I am in a room with several
8 people so I had a mask on. I am going to move away
9 and remove the mask. I think that will help
10 hopefully.

11 CHAIRMAN CLARK: It was a mask. Thank you.

12 MR. COX: Okay. Thank you.

13 Sorry, so just stepping back for a second. So
14 in terms of Vote Solar's remarks, again, agree it's
15 not subject to PPSA, and Gulf will have the burden
16 to establish prudence for that conversion to
17 natural gas, which we are pleased to do in the
18 upcoming rate case for FPL.

19 And I would also add that it is not gas to the
20 exclusion of alternatives. When Gulf puts forward
21 conversion to natural gas for these units, it's
22 also actually considering and proposing and we will
23 be putting before the Commission solar as well,
24 energy storage. So it's not gas to the exclusion
25 of other types of resources in our resource

1 portfolio.

2 Moving on from there to the remarks from OPC.
3 Commissioners, OPC is essentially asking at this
4 point to give an additional credit against the base
5 rate regulatory asset that we proposed as a part of
6 this retirement of the Crist coal units and assets.
7 The proposal they put forward here is nothing new
8 to you. I think you -- most of the Commissioners
9 that are sitting here today have heard these exact
10 same arguments before.

11 Their proposal is inconsistent with normal
12 utility accounting practices as applied by the
13 Commission and approved under applicable Commission
14 precedent, and let me go through that briefly.

15 When a utility retires an asset such as the
16 coal asset retirement of Plant Crist before you
17 today, the depreciation for that asset ceases at
18 the time of retirement, and that is exactly what
19 Gulf has done here.

20 The recovery of the unrecovered depreciation
21 amounts for that utility asset, consistent with
22 Commission precedent, has been to defer them as a
23 regulatory asset and recover them from the
24 utility's customers beginning when rates are reset
25 and a new capital recovery schedule is approved by

1 the Commission.

2 Now, as I explained, the Commission has dealt
3 with this issue on two previous occasions and
4 determined what Gulf has proposed here for deferral
5 and future capital recovery of the regulatory
6 assets, including the base regulatory asset, is
7 appropriate.

8 Now, in both of those cases, the Commission,
9 particularly in the FPL Martin Largo case that I
10 will discuss here momentarily, it's exactly the
11 same issue that's and the same arguments that we
12 heard from OPC. When we look at what we are
13 proposing here in terms of asking the Commission to
14 approve to create regulatory assets associated with
15 the unrecovered balance for the Crist coal assets
16 for both base rate and ECRC clause, separate
17 regulatory assets, and then defer recovery of those
18 assets until such time as a new capital recovery
19 schedule is approved in a future rate proceeding,
20 when rates are reset.

21 Just to briefly recount that precedent. In
22 2016, the Commission reviewed the same issue in
23 connection with the early retirement of Gulf's
24 Plant Smith. That was Order No. PSC-16-0631. In
25 fact, in that case, OPC was in support of the

1 proposed treatment we are talking about here today.
2 But later, in 2018, the same regulatory accounting
3 rate-making issues were again reviewed by the
4 Commission in connection with FPL's early
5 retirement of its Lauderdale and Martin power
6 plant. And that was order No. PSC-2019-0045.

7 In each case, both the Gulf Manatee Smith case
8 and the FPL Lauderdale Martin cases, the Commission
9 concluded that the accounting treatment and the
10 deferral to start an amortization of a regulatory
11 asset, just as Gulf has proposed here, is
12 appropriate.

13 And I shall also point out that in neither
14 case did OPC file a protest of the Commission's
15 decision. In fact, as I mentioned, OPC supported
16 the treatment in the Plant Smith Gulf case.

17 Now, I recognize that the Commission has
18 discretion regarding when to commence amortization
19 of a regulatory asset. The Commission has
20 consistently approved FPL and Gulf's approaches as
21 we have advocated for here. In both of those prior
22 cases, mainly because of the desire of the
23 Commission to incentivize and encourage utilities
24 in terms of innovation to retire assets when
25 appropriate to facilitate prudent investments and

1 provide new more efficient generation facilities
2 that benefit customers.

3 But nonetheless where we find ourselves here
4 today, OPC continues to raise these same arguments
5 again in opposition that the Commission has heard
6 extensively, and rejected most recently in 2018 in
7 the FPL Lauderdale Martin case. OPC is again
8 asking the Commission to continue to part from
9 precedent that has benefited customers and arguing
10 that continuing to depreciate the Crist coal
11 assets, even after retirement of those assets,
12 makes sense. OPC's arguments, once again, should
13 be denied.

14 In the event, though, that we have heard from
15 Public Counsel that they plan to protest a
16 Commission decision on this piece of the staff
17 recommendation if the Commission were to approve
18 what its staff has recommended, and we would note
19 that if OPC does go forward with such a protest, we
20 ask that any such protest be consolidated FPL's
21 upcoming -- with FPL's upcoming rate case, and that
22 would be in order to promote efficiency of the
23 Commission's time and resources.

24 So just briefly in conclusion, we respectfully
25 would ask that the Commission would approve staff

1 on all of its recommendations on all issues, and we
2 are happy to answer any more questions, but we
3 think what staff is recommending will result in the
4 greatest amount of savings for Gulf and its
5 customers.

6 Thank you.

7 CHAIRMAN CLARK: All right. Thank you very
8 much, Mr. Cox.

9 Commissioners, any of questions from any of
10 the parties?

11 Commissioner Fay.

12 COMMISSIONER FAY: Mr. Chairman, just to
13 clarify, I was going to ask a question of Mr.
14 Futrell. I can wait on that if you want.

15 CHAIRMAN CLARK: I am sorry, can you --

16 COMMISSIONER FAY: I was going to ask a
17 question of Mark Futrell, not one of the parties.
18 I just wanted to make sure that was --

19 CHAIRMAN CLARK: Yes.

20 COMMISSIONER FAY: -- that was okay. I didn't
21 want to go out of order.

22 CHAIRMAN CLARK: Yes, sir. Absolutely.

23 COMMISSIONER FAY: Okay. Great.

24 So I know we have separate dockets in the
25 pending rate cases, and so I want to make sure we

1 stay within this docket that's in front of us. But
2 if -- presuming the Commission accepts staff's
3 recommendation, the Commission would be able, in
4 the future, to make a decision on the recovery one
5 way or another, correct? And then I guess the only
6 caveat is would that have to be in the current rate
7 case or could that be at a different time?

8 CHAIRMAN CLARK: Mr. Futrell.

9 MR. FUTRELL: Commissioner Fay, that certainly
10 is an option. It's certainly, as we know, that
11 docket has been opened and we are expecting a
12 filing in the coming weeks. So that's certainly an
13 immediate option. It's not the only option, but
14 it's certainly the most immediate option available
15 to the Commission to deal with, again, the base
16 rate component of the -- of what's been asked, as
17 far as the regulatory asset pertaining to the base
18 rate component of costs.

19 COMMISSIONER FAY: Okay. And then just one
20 quick follow-up, and this might be a Mary Anne
21 question, but if the parties move forward with some
22 sort of challenge if the PAA -- even if it's a
23 limited challenge if the PAA is not accepted, the
24 timing of that process would then potentially run
25 into or over the current rate case process, do we

1 know what that would look like?

2 MS. HELTON: I think it would depend on how
3 broad the challenge would be, whether we could have
4 a separate proceeding, or I am not sure if I
5 understand enough about the issues to know whether
6 that particular challenge could be rolled into the
7 rate case in some part of it. That would be a
8 conversation that we would need to have with the
9 staff, with the prehearing officer, the Chairman,
10 the parties.

11 COMMISSIONER FAY: Okay. That answers my
12 question, Mr. Chairman.

13 I just -- you know, I am just thinking if,
14 overall, just looking at the staff recommendation.
15 It makes sense to me. I mean, I think you have
16 storm damage, and then you are trying to make
17 something good out of something bad, and so you
18 are, you know, we are doing a conversion into gas
19 and I think the parties have some specifics that
20 they, you know, make take issue with if they decide
21 to challenge the decision. As a whole, it makes
22 sense to me.

23 And then the only other comment I have, Mr.
24 Chairman, is I believe -- I don't have the
25 documentation in front of me, but it sounded like

1 OPC was providing us some language that would
2 provide clarity as to the precedent of this
3 decision, and I think it included basically that
4 this wouldn't serve as precedent unless it was a
5 similarly situated issue.

6 I don't have any issue, and their
7 recommendation might be interpreted already, that
8 this is a very fact specific determination based on
9 storm damage and a conversion, I don't have any
10 issue with that language going forward, but I guess
11 the issue being that that might not resolve the
12 parties' issues, and they may still want to
13 challenge the PAA if it is approved. So I will let
14 my -- my colleagues or maybe let legal weigh in on
15 that, but I think adding that language to the
16 recommendation wouldn't be an issue for me.

17 CHAIRMAN CLARK: Ms. Helton.

18 MS. HELTON: I am sorry, I was not quite
19 following which language it is that we want to add,
20 or we are looking at adding.

21 COMMISSIONER FAY: Sure. So I believe Mr.
22 Rehwinkel -- Mr. Chairman, I believe Mr. Rehwinkel
23 presented language that essentially said, under the
24 facts that are provided in this docket, there would
25 essentially be no precedential value. So the idea

1 is basically that there is not this presumed
2 recurrence of this recovery, and I know there is a
3 lot of it debate to that language and what it
4 means, but my point is just I think this conversion
5 makes sense, and I don't necessarily want the
6 Commission making decisions that slow down that
7 conversion, and so my hope would be that, you know,
8 the PAA would potentially would resolve some of
9 these outlying issues; however, if it's not going
10 to resolve them and it's challenged that's
11 perfectly up to the parties to decide what they
12 want to do. My hope would be we could move forward
13 with this and be done with it.

14 MR. REHWINKEL: Mr. Chairman -- Mr. Chairman.

15 CHAIRMAN CLARK: One second, Mr. Rehwinkel.

16 MR. REHWINKEL: Yes, sir.

17 CHAIRMAN CLARK: Ms. Helton.

18 MS. HELTON: We say there is a tendency to
19 sometimes say a particular action has no
20 precedential value, but at the end of the day I
21 think it does have precedential value, so you
22 can --

23 COMMISSIONER FAY: Fair enough.

24 MS. HELTON: -- take that for what it's worth.

25 CHAIRMAN CLARK: Mr. Rehwinkel.

1 MR. REHWINKEL: Yes, Mr. Chairman, I just --
2 just briefly want to state that in the 2016 case
3 that was cited, that was a stipulation, and those
4 sometimes have more baggage, and we would always
5 argue that they should not be accorded the same
6 precedential effect. But beyond that, if the
7 Commission and Gulf Power were agreeable, we
8 certainly agree with what Mr. Cox said, that if
9 there is a protest, it ought to be folded into the
10 rate case, and we think that makes a lot of sense.
11 And I think that's kind of the staff's overall
12 theory behind having the prudence issue be rolled
13 into the rate case.

14 If the issue of the value of the asset to be
15 deferred was open in a sense that we could raise
16 the issue that we are arguing here today about
17 what's the proper beginning balance of the deferred
18 asset to amortize forward, if that could be
19 addressed without foregoing our rights, we would be
20 happy to allow this to go forward as long as that
21 was the understanding, is that we were not
22 foreclosed from addressing that issue and raising
23 our arguments that we would -- that we raised here
24 today or we would do in a separate PAA protest. If
25 that's --

1 CHAIRMAN CLARK: Aren't you going to work that
2 under the terms of the rate case anyway in the rate
3 case?

4 MR. REHWINKEL: Well, it's uncertain to us,
5 Mr. Chairman, if the -- if that issue -- if the PAA
6 was issued and it became final, would the issue
7 about the value of the deferred asset be
8 foreclosed? And that's sort of the reason why we
9 are taking a cautious approach to come here and
10 say, we have a problem with it, to preserve our
11 rights, we would protest it. But we could dispense
12 with that if there is no question that the value --
13 the starting balance value of the asset was an open
14 issue in the rate case.

15 CHAIRMAN CLARK: I am getting some differing
16 opinions here, but, Mr. Cox, what would -- what
17 would Gulf's position there be?

18 MR. COX: Well, we think the issue is before
19 the Commission -- 10 o'clock, we think the issue is
20 now -- I'm sorry. Let me get my mask off here. I
21 apologize.

22 Chairman Clark, we think that the issue is
23 squarely before the Commission here as presented.
24 If the Commission decides it here and if then it's
25 part of the PAA and can be protested, the

1 alternative was essentially to have it rolled into
2 the rate case. It's sort of one or the other as I
3 see. I don't -- if the Commission makes the
4 decision today, I don't think Gulf would just
5 ignore that decision. We would say that that was
6 your decision on the amount of the deferred asset,
7 and obviously that would be subject to protest by
8 any party, but it would be decided.

9 The alternative would be to not address it
10 here and address it in the rate case, consolidate
11 it into the rate case. That is how we see it, I
12 believe.

13 Thank you.

14 CHAIRMAN CLARK: Thank you.

15 Staff, any golden bits of wisdom here?

16 Ms. Helton. I believe we stopped the band
17 here.

18 MS. HELTON: I am struggling with a little bit
19 whether to mention it or not, and I am going to
20 just go ahead and go for it, and maybe Mr. Maurey
21 or Mr. Stiller can further comment, but I am
22 looking at staff's recommendation in Issue 2, the
23 last paragraph, we are saying there that we can
24 defer recovery until the amounts can be addressed
25 in a future proceeding, and this recommendation

1 does not limit the Commission's ability to review
2 the amounts and recovery period.

3 So in my mind, we are not setting an amount.
4 That's my understanding of staff's recommendation.
5 So maybe if we could just get confirmation from Mr.
6 Maurey or Mr. Stiller on that point, I don't know
7 if that might help us.

8 CHAIRMAN CLARK: I think that clears -- that
9 clears everything up, it does in my mind at least,
10 because that determines whether you have a starting
11 point or not. Mr. Maurey.

12 MR. MAUREY: Good morning, Chairman,
13 Commission. Andrew Maurey.

14 Ms. Helton correctly read the language in the
15 final paragraph with Issue 2, prudence is not
16 attaching in this determination, and so if it is
17 presented in the rate case for recovery, it would
18 be available for consideration.

19 CHAIRMAN CLARK: Okay. I think we are all --
20 I think we all understand that and seem to be --
21 Commissioner Fay, I got to move my paper so I can
22 see you. You are in agreement as well, that we are
23 all moving forward based on that assumption, that
24 there is no precedential value set to the number
25 that comes out of the PAA, right? Did I say that

1 correct? I am getting some nos there. Go ahead.

2 MR. BAEZ: No, Mr. Chairman, I wasn't -- I
3 wasn't going to make a statement, and I am behooved
4 to do this, but I am having trouble understanding
5 whether that requires the PAA to be protested,
6 because there was some question about folding into
7 the PAA, or if that operates just basically by the
8 Commission's decision.

9 I am sorry for interjecting the question. I
10 just want to have everybody be on the same page,
11 especially --

12 CHAIRMAN CLARK: Ms. Helton.

13 MS. HELTON: I understand better now the
14 context of Mr. Rehwinkel's question about
15 precedential value, and I am sorry that I wasn't
16 quite zoned into that.

17 I believe, based on the discussion today and
18 when you look at staff's recommendation, if you
19 move staff here and you approve staff's
20 recommendation, that the amount of the regulatory
21 asset has not been set here, and that is up for
22 further discussion and deliberation in a later
23 proceeding.

24 CHAIRMAN CLARK: In the rate case?

25 MS. HELTON: Wherever that later proceeding

1 might be.

2 CHAIRMAN CLARK: Got it. I think we are all
3 in agreement.

4 Any other questions? Commissioners, any
5 questions for staff?

6 All right. We are ready to vote on Issue No.
7 1. I will entertain a motion on Issue No. 1.

8 COMMISSIONER FAY: Mr. Chairman, I will move.

9 CHAIRMAN CLARK: Commissioner Fay moves the
10 issue.

11 COMMISSIONER LA ROSA: Second.

12 CHAIRMAN CLARK: Commissioner La Rosa seconds
13 it.

14 Any discussion?

15 All in favor say aye.

16 (Chorus of ayes.)

17 CHAIRMAN CLARK: Opposed?

18 (No response.)

19 CHAIRMAN CLARK: I got to at least have a
20 little bit of -- all in favor, aye.

21 (Chorus of ayes.)

22 CHAIRMAN CLARK: Motion carries.

23 All right. Let's move to Issue No. 2. This
24 is should the Commission approve Gulf's request to
25 create two regulatory assets and defer recovery

1 regulatory assets in a future proceeding?

2 I will refer entertain a motion.

3 COMMISSIONER LA ROSA: So moved.

4 CHAIRMAN CLARK: Commissioner La Rosa moves to
5 approve the item as presented. Commissioner Fay
6 seconds.

7 Any discussion?

8 All in favor say aye.

9 (Chorus of ayes.)

10 CHAIRMAN CLARK: Opposed?

11 (No response.)

12 CHAIRMAN CLARK: Motion carries.

13 Item No. 3, should the Commission approve
14 Gulf's petition to reduce its currently-approved
15 2021 environmental cost recovery factor. I will
16 entertain a motion.

17 COMMISSIONER LA ROSA: Motion.

18 CHAIRMAN CLARK: I have motion.

19 COMMISSIONER FAY: Second.

20 CHAIRMAN CLARK: I have a second.

21 Any discussion?

22 All in favor say aye.

23 (Chorus of ayes.)

24 CHAIRMAN CLARK: Opposed?

25 (No response.)

1 CHAIRMAN CLARK: And Item No. 4, should the
2 docket be closed?

3 COMMISSIONER LA ROSA: Motion to move.

4 CHAIRMAN CLARK: Commissioner La Rosa moves
5 that the item be closed.

6 COMMISSIONER FAY: Second.

7 CHAIRMAN CLARK: Commissioner Fay seconds.
8 Any discussion?

9 On the motion, all in favor say aye.

10 (Chorus of ayes.)

11 CHAIRMAN CLARK: Opposed.

12 (No response.)

13 CHAIRMAN CLARK: Motion carries.

14 All right. That approves and takes care of
15 all the items before our agenda today.

16 Is there any ear business to come before the
17 Commission?

18 Seeing none, thank you all for your
19 participation, and we stand adjourned.

20 (Agenda item concluded.)

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CERTIFICATE OF REPORTER

STATE OF FLORIDA)
COUNTY OF LEON)

I, DEBRA KRICK, Court Reporter, 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 16th day of March, 2021.



DEBRA R. KRICK
NOTARY PUBLIC
COMMISSION #HH31926
EXPIRES AUGUST 13, 2024