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BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of:

DOCKET NO. 20220002-EG

In re: Energy conservation cost
recovery clause.

_____ /

VOLUME 1
PAGES 1 - 82

PROCEEDINGS: HEARING

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

DATE: Thursday, November 17, 2022

TIME: Commenced: 9:30 a.m.

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

REPORTED BY: DEBRA R. KRICK
Court Reporter

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

1 APPEARANCES:

2 MARIA JOSE MONCADA and WILL P. COX, ESQUIRES,
3 700 Universe Boulevard, Juno Beach, Florida 33408-2863;
4 appearing on behalf of Florida Power & Light Company
5 (FPL).

6 DIANNE M. TRIPLETT, ESQUIRE, 299 First Avenue
7 North, St. Petersburg, Florida 33701; MATTHEW R. BERNIER
8 and STEPHANIE A. CUELLO, ESQUIRES, 106 East College
9 Avenue, Suite 800, Tallahassee, Florida 32301; appearing
10 on behalf of Duke Energy Florida, LLC (DEF).

11 J. JEFFREY WAHLEN, MALCOLM N. MEANS and
12 VIRGINIA PONDER, ESQUIRES, Ausley Law Firm, Post Office
13 Box 391, Tallahassee, Florida 32302; appearing on behalf
14 of Tampa Electric Company (TECO).

15 BETH KEATING, ESQUIRE, Gunster Law Firm, 215
16 South Monroe Street, Suite 601, Tallahassee, Florida
17 32301; appearing on behalf of Florida Public Utilities
18 Company (FPUC).

19 RICHARD GENTRY, PUBLIC COUNSEL; CHARLES J.
20 REHWINKEL, DEPUTY PUBLIC COUNSEL; MARY A. WESSLING and
21 PATRICIA CHRISTENSEN, ESQUIRES, OFFICE OF PUBLIC
22 COUNSEL, c/o The Florida Legislature, 111 West Madison
23 Street, Room 812, Tallahassee, Florida 32399-1400;
24 appearing on behalf of the Citizens of the State of
25 Florida (OPC).

1 APPEARANCES CONTINUED:

2 JON C. MOYLE, JR. and KAREN A. PUTNAL,
3 ESQUIRES, Moyle Law Firm, 118 North Gadsden Street,
4 Tallahassee, FL 32301; appearing on behalf of Florida
5 Industrial Users Group (FIPUG).

6 PETER J. MATTHEIS, MICHAEL K. LAVANGA and
7 JOSEPH R. BRISCAR, ESQUIRES, 1025 Thomas Jefferson
8 Street, NW, Eighth Floor, West Tower, Washington, D.C.
9 20007; appearing on behalf of Nucor Steel Florida, Inc.,
10 (NUCOR).

11 JAMES W. BREW and LAURA W. BAKER, Stone Law
12 Firm, 1025 Thomas Jefferson Street NW, Suite 800 West
13 Washington, DC 20007; appearing on behalf of Florida
14 White Springs Agricultural Chemicals, Inc., d/b/a PCS
15 Phosphate - White Springs (PCS).

16 GEORGE CAVROS, ESQUIRE, 120 E. Oakland Park
17 Boulevard, Suite 105, Fort Lauderdale, Florida 33334;
18 appearing on behalf of Southern Alliance for Clean
19 Energy (SACE).

20 WALT TRIERWEILER, ESQUIRE, FPSC General
21 Counsel's Office, 2540 Shumard Oak Boulevard,
22 Tallahassee, Florida 32399-0850, appearing on behalf of
23 the Florida Public Service Commission (Staff).

24

25

1 APPEARANCES CONTINUED:

2 KEITH C. HETRICK, GENERAL COUNSEL; MARY ANNE
3 HELTON, DEPUTY GENERAL COUNSEL, Florida Public Service
4 Commission, 2540 Shumard Oak Boulevard, Tallahassee,
5 Florida 32399-0850, Advisor to the Florida Public
6 Service Commission.

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I N D E X

WITNESS:	PAGE
RICHARD HUME	
Prefiled Direct Testimony inserted	18
JOHN N. FLOYD	
Prefiled Direct Testimony inserted	30
KARLA RODRIGUEZ	
Prefiled Direct Testimony inserted	38
MARK R. ROCHE	
Prefiled Direct Testimony inserted	51
DERRICK M. CRAIG	
Prefiled Direct Testimony inserted	73

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EXHIBITS

NUMBER:		ID	ADMITTED
1	Comprehensive Exhibit List	79	79
2-22	As identified in the CEL	79	80

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

2 CHAIRMAN FAY: All right. Good morning,
3 everyone. I have 9:30. Today is November 17th.
4 We will now call this hearing conference to order.

5 Mr. Jones, if you would please read the
6 notice.

7 MR. JONES: By notice issued on October 12th,
8 2022, this time and place has been set for Hearing
9 Conferences in Docket Nos. 20220001-EI,
10 20220002-EG, 20220003-G, 20220004-GU, 20220007-GU,
11 and 20220010-EI. The purpose of these hearings are
12 set out more fully in the notice.

13 CHAIRMAN FAY: All right. Thank you, Mr.
14 Jones.

15 We will next move to appearances.

16 MR. JONES: There are six dockets to address
17 today. We suggest that all appearances be taken at
18 once. All parties should enter their appearances
19 and declare the dockets that they are entering an
20 appearance for.

21 Several parties will make appearances. After
22 the parties make their appearances, staff will need
23 to make theirs.

24 CHAIRMAN FAY: Okay. Great. And then I think
25 we have some folks who might be making appearances

1 for more than one entity. So if you want, at that
2 time, you can just speak up, or when we get to the
3 entity itself, you can let us know if we missed
4 you.

5 So we will start first with Florida Power &
6 Light, Ms. Moncada.

7 MS. MONCADA: Good morning, Mr. Chairman and
8 Commissioners. Maria Moncada for Florida Power &
9 Light Company in the 01, 02 and 07 dockets.

10 I would also like to enter for FPL the
11 following appearances:

12 David Lee in the 01 docket. Will Cox in the
13 02 docket. Joel Baker in the 07 docket. And in
14 the 10 docket, would like to enter an appearance
15 for Christopher Wright.

16 Thank you.

17 CHAIRMAN FAY: Okay. All right. Duke Energy.

18 MS. CUELLO: Good morning.

19 CHAIRMAN FAY: Good morning.

20 MS. CUELLO: Stephanie Cuello on behalf of
21 Duke Energy. And I would also like to make an
22 appearance for Dianne Triplett and Matt Bernier in
23 the 01, 02 07 and the 10 docket.

24 CHAIRMAN FAY: Okay. Great.

25 FPUC. Yes? Okay. Well, we will take five.

1 Will that -- that's okay. would five minutes be
2 enough for you, you think?

3 COURT REPORTER: Yes.

4 Okay. Why don't we give you that. And then
5 if we still need to correct something, we will take
6 a few more. Yep.

7 (Brief recess.)

8 CHAIRMAN FAY: All right. Let's see if we
9 are -- we are working? Okay. Great.

10 All right. So I guess just for clarity here,
11 Ms. Moncada broke the stenograph and so we have to
12 redo our part again. And so if you could present
13 your attorneys, and then we are going to try to
14 make sure we grab that again for the record, so we
15 apologize for that, something just went wrong.

16 MS. MONCADA: There is no need to apologize.
17 I am happy to do it again.

18 CHAIRMAN FAY: Go ahead. Thank you.

19 MS. MONCADA: Maria Moncada for Florida Power
20 & Light Company, 01, 02 and 07. And also will be
21 entering the following appearances:

22 In the 01 docket, David Lee. In the 02
23 docket, William Cox. In the 07 docket, Joel Baker.
24 And in the 10 docket, an appearance for Christopher
25 Wright.

1 CHAIRMAN FAY: Great. Thank you.

2 Duke Energy.

3 MS. CUELLO: Good morning. Stephanie Cuello
4 on behalf of it Duke Energy. And I would also like
5 to make an appearance for Dianne Triplett and Matt
6 Bernier in the 01, 02, 07 and the 10 docket.

7 CHAIRMAN FAY: Great. Thank you.

8 And I have FPUC next. Go ahead.

9 MS. KEATING: Good morning, Commissioners.
10 Beth Keating with the Gunster Law Firm here today
11 for FPUC in the 01, 02, 03, 04 and 10 dockets.

12 CHAIRMAN FAY: Okay. And then when we get to
13 City Gas, we will come back to you.

14 So TECO.

15 MR. MEANS: Good morning, Commissioners.
16 Malcolm Means with the Ausley McMullen Law Firm
17 appearing on behalf of Tampa Electric. I would
18 also like to enter appearances for Jeff Wahlen and
19 Virginia Ponder. And we are appearing for Tampa
20 Electric in the 01, 02, 07 and 10 dockets.

21 Thank you.

22 CHAIRMAN FAY: Okay. And I have Ms. Ponder in
23 04, too, is that correct?

24 MS. PONDER: Yes. That's correct.

25 CHAIRMAN FAY: Great. Okay.

1 Next, Florida City Gas.

2 MS. KEATING: Commissioners, Beth Keating with
3 the Gunster Law Firm here today for Florida City
4 Gas in the 03 and 04 dockets. I would also like to
5 enter an appearance for Christopher Wright with FPL
6 for Florida City Gas in both of those dockets as
7 well.

8 CHAIRMAN FAY: Okay. Great. Thank you.
9 And Peoples.

10 MS. PONDER: Yes. Good morning. Virginia
11 Ponder with the Ausley McMullen Law Firm appearing
12 on behalf of Peoples in the 03 and 04 dockets. I
13 would also like to enter an appearance for Jeffery
14 Wahlen and Malcolm Means.

15 CHAIRMAN FAY: Okay. Great.
16 And next back to you, Ms. Keating, Sebring.

17 MS. KEATING: Beth Keating again here for
18 Sebring Gas System in the 04 docket.

19 CHAIRMAN FAY: Great.
20 Office of Public Counsel.

21 MS. WESSLING: Good morning, Commissioners.
22 Ali Wessling with the Office of Public Counsel for
23 all dockets. And I would also like to enter an
24 appearance for Richard Gentry, Patty Christensen
25 and Charles Rehwinkel also in all dockets.

1 CHAIRMAN FAY: Okay. And FIPUG.

2 MR. MOYLE: Good morning. Jon Moyle with the
3 Moyle Law Firm on behalf of the Florida Industrial
4 Power Users Group, FIPUG. I would also like to
5 enter an appearance for Karen Putnal. And we are
6 in the 01, 02, 07 and 10 dockets.

7 CHAIRMAN FAY: Okay. Great.

8 PCS Phosphate, Mr. Brew.

9 MR. BREW: Good morning. I am James Brew for
10 White Springs Agricultural Chemicals, PCS
11 Phosphate. I would also like to note an appearance
12 for Laura Wynn Baker. And we are appearing in the
13 01, 02, 07 and 10 dockets.

14 CHAIRMAN FAY: Great. Thank you.

15 Nucor.

16 MR. BRISCAR: Good morning, Commissioners.
17 Joseph Briscar appearing on behalf of Nucor Steel
18 Florida. I would like to also enter an appearance
19 for Peter Mattheis and Michael Lavanga. We are
20 appearing in dockets 01, 02, 07 and 10, thank you.

21 CHAIRMAN FAY: Great. Thank you.

22 SACE, Mr. Cavros.

23 MR. CAVROS: Good morning, Commissioners.
24 George Cavros on behalf of Southern Alliance for
25 Clean Energy in the 02 docket.

1 CHAIRMAN FAY: Okay. And Walmart, Ms. Eaton.

2 MS. EATON: Good morning. Stephanie Eaton
3 from Spilman Thomas & Battle. I am appearing on
4 behalf of Walmart in the 10 docket only.

5 Thank you.

6 CHAIRMAN FAY: On. Great.

7 And then Ms. Brownless, Florida Retail
8 Federation.

9 MS. BROWNLESS: Yes, sir. I have been asked
10 to enter a notice of appearance on behalf of Robert
11 Scheffel Wright and John T. Lavia, III, on behalf
12 of the Florida Retail Federation in the 01 docket.

13 Mr. Wright will be joining us for the 01
14 hearing, but was unable to be at the very beginning
15 of the hearing.

16 CHAIRMAN FAY: Great. Hopefully everything is
17 all right. Thank you, Ms. Brownless. Show Mr.
18 Wright and Mr. LaVia in for appearances for Florida
19 Retail Federation.

20 Next we move to Commission staff.

21 MR. JONES: We have Walter Trierweiler for the
22 02 docket. Ryan Sandy for the 03 docket. Myself,
23 Matthew Jones, for the 04 docket. Jacob Imig for
24 the 07 docket. Shaw Stiller for the 10 docket.
25 And Suzanne Brownless for the 01 docket.

1 CHAIRMAN FAY: Great.

2 MS. HELTON: And finally, Mary Anne Helton is
3 here as your Advisor for all of the dockets, along
4 with your General Counsel, Keith Hetrick.

5 CHAIRMAN FAY: Okay. Great.

6 Next we will move to any preliminary matters,
7 Mr. Jones.

8 MR. JONES: We are unaware of any other
9 preliminary matters at this time.

10 CHAIRMAN FAY: Okay. Great.

11 Commissioners, what we will do is take up,
12 with the exception of 01, the dockets in
13 chronological order here, and we will take up 01
14 last.

15 And so we will move first to docket 02. Mr.
16 Trierweiler, are there any preliminary matters in
17 this docket?

18 MR. TRIERWEILER: Good morning.

19 Staff will note that all witnesses have been
20 excused, and that the parties have waived their
21 opening statements.

22 There are propped Type 2 stipulations on all
23 issues, with OPC taking no position. OPC does not
24 object to, but does not join in, the proposed
25 stipulations.

1 CHAIRMAN FAY: Okay. Great.

2 Any parties have any other preliminary
3 matters?

4 Mr. Cavros?

5 MR. CAVROS: Chairman, I would just like to
6 make a statement on the record -- it's not an
7 opening statement -- at the appropriate time.

8 CHAIRMAN FAY: Okay. Regarding the 02 docket?

9 MR. CAVROS: Correct.

10 CHAIRMAN FAY: Okay. What we will do is,
11 since we have stipulations on opening statements
12 and the issues themselves, I don't see how I can
13 work you in here, Mr. Cavros. What specifically
14 are you trying to address?

15 MR. CAVROS: Yeah, I just wanted to state for
16 the record that Southern Alliance for Clean
17 Energy's participation in the stipulation is not an
18 endorsement of the practices used to set the energy
19 efficiency goals that led to the programs for which
20 the companies seek recovery for in this docket.

21 CHAIRMAN FAY: Got you. You just wanted
22 clarification as to your position on those
23 statements?

24 MR. CAVROS: Correct.

25 CHAIRMAN FAY: That's fine. Okay. That it's

1 done, unless staff needs anything he is else, Mr.
2 Trierweiler?

3 MR. TRIERWEILER: Nothing.

4 MR. MOYLE: Mr. Chair, FIPUG would also like
5 to be shown as taking no position on any of the
6 issues as staff read out for OPC. We are not
7 standing in the way of any stipulations, but we
8 don't want to have any miss -- anybody misconstrue
9 that we are affirmatively agreeing to stipulations.

10 CHAIRMAN FAY: Okay. And your previous
11 position was just you take the position as OPC, and
12 you are just reaffirming that?

13 MR. MOYLE: That's right.

14 CHAIRMAN FAY: Okay. Great.

15 With that, any other issues from the parties?

16 With that, we will move on to prefiled
17 testimony.

18 MR. TRIERWEILER: Staff requests that the
19 prefiled testimony of all witnesses identified in
20 Section VI of the prehearing order on pages four be
21 inserted into the record as though read.

22 CHAIRMAN FAY: Okay. Without objection, show
23 the prefiled testimony for all witnesses entered
24 into the record as though read.

25 (Whereupon, prefiled direct testimony of

1 Richard Hume was inserted.)

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1 **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

2 **FLORIDA POWER & LIGHT COMPANY**

3 **TESTIMONY OF RICHARD HUME**

4 **DOCKET NO. 20220002-EG**

5 **MAY 2, 2022**

6
7 **Q. Please state your name, business address, employer and position.**

8 A. My name is Richard Hume. My business address is 700 Universe Boulevard,
9 Juno Beach, Florida 33408. I employed by Florida Power & Light Company
10 ("FPL" or "the Company") as the Regulatory Issues Manager in the Regulatory &
11 State Governmental Affairs Department.

12 **Q. Please describe your educational background and business experience.**

13 A. I graduated from the University of Florida in 1991 with a Bachelor of Science
14 degree in Business Administration with a Finance Major and earned a Master of
15 Business Administration degree with a Finance Concentration from the University
16 of Florida in 1995. I have almost 25 years of utility industry experience. In 1998,
17 I was employed by New-Energy Associates, (which became a subsidiary of
18 Siemens Power Generation), a consulting firm that works with electric and gas
19 utilities across the United States and Canada. During that time, I worked in the
20 area of financial forecasting budgeting as well as cost of service and rate
21 forecasting for both electric and gas utilities. In 2007, I joined Oglethorpe Power
22 and after a year was promoted to the position of Director of Financial Forecasting.
23 In that position I was primarily responsible for the long-range financial forecast

1 and resource planning and new rate design. In 2012, I joined FPL managing a
2 budgeting and data analytics team. In that position, in part, I was responsible for
3 conducting analysis related to customer rates and bill impacts and worked in
4 partnership with the Regulatory Affairs team. In 2019, I joined Gulf Power as the
5 Regulatory Issues Manager where my responsibilities included oversight of Gulf
6 Power's fuel and purchase power and Environmental cost recovery clauses,
7 including calculation of cost recovery factors and the related regulatory filings. I
8 am currently employed by FPL as Regulatory Issues Manager where my team
9 supports FPL clause rate filings.

10 **Q. What is the purpose of your testimony in this proceeding?**

11 A. The purpose of my testimony is to present for Commission review and approval
12 pre-consolidated FPL's and pre-consolidated Gulf Power Company's ("Gulf")
13 Energy Conservation Cost Recovery Clause ("ECCR") final net true-up amounts
14 for the period January 2021 through December 2021.

15 **Q. Have you prepared or caused to be prepared under your direction,
16 supervision, or control an exhibit in this proceeding?**

17 A. Yes, for both FPL and Gulf, I am sponsoring Schedules CT-1 and CT-4, and co-
18 sponsoring Schedules CT-2 and CT-3, in Exhibits JNF-1 and JNF-2. The specific
19 sections of Schedules CT-2 and CT-3 that I am sponsoring are identified in the
20 Table of Contents, which is found in Exhibits JNF-1 and JNF-2, Page 1.

21 **Q. What is the source of the data used in calculating the final net true-up amount
22 for the January 2021 through December 2021 period?**

23

1 A. Unless otherwise indicated, the data used in calculating the final net true-up amount
2 were taken from the books and records of FPL and Gulf. The books and records
3 are kept in the regular course of the Company's business in accordance with
4 generally accepted accounting principles and practices, and in accordance with the
5 applicable provisions of the Uniform System of Accounts as prescribed by this
6 Commission and directed in Rule 25-17.015, Florida Administrative Code.
7 Schedule CT-2, Pages 6 and 7 in Exhibit JNF-1 and Schedule CT-2, Page 4 in
8 Exhibit JNF-2 provide a complete list of all account numbers used for ECCR
9 during the period January 2021 through December 2021.

10

11 **FPL 2021 FINAL TRUE-UP CALCULATION**

12 **Q. What is the actual end of period true-up amount that FPL is requesting the**
13 **Commission to approve for the January 2021 through December 2021 period?**

14 A. FPL has calculated and is requesting approval of an over-recovery of \$12,949,680
15 including interest, as the actual end of period true-up amount for the period January
16 2021 through December 2021. The calculation of this \$12,949,680 over-recovery
17 is shown on Exhibit JNF-1 Schedule CT-3, Page 9 as the sum of Lines 5, 6 and 10.

18 **Q. What is the final net true-up amount for the January 2021 through December**
19 **2021 period that FPL is requesting to be included in the January 2023**
20 **through December 2023 ECCR factors?**

21 A. FPL has calculated and is requesting approval of an over-recovery of \$3,276,393 as
22 the final net true-up amount for the period January 2021 through December 2021.
23 This final net true-up over-recovery of \$3,276,393 is the difference between the

1 actual end of period true-up over-recovery of \$12,949,680 and the actual/estimated
2 true-up over-recovery of \$9,673,286. The calculation of the \$3,276,393 over-
3 recovery is shown on Exhibit JNF-1 Schedule CT-1, Page 2.

4 **Q. Was the calculation of the final net true-up amount for the period January**
5 **2021 through December 2021 performed consistently with prior true-up**
6 **calculations in predecessor ECCR dockets?**

7 A. Yes. The calculation of the final net true-up amount for the period January 2021
8 through December 2021 was performed consistently with prior true-up calculations
9 in predecessor ECCR dockets.

10 **Q. Have you provided a schedule showing the variances between actual and**
11 **actual/estimated program costs and revenues for the period January 2021**
12 **through December 2021?**

13 A. Yes. Exhibit JNF-1 Schedule CT-2, Page 3, compares actual to actual/estimated
14 program costs, revenues and interest, resulting in the variance of \$3,276,393.

15 **Q. Please explain the calculation of the end of period true up amount of**
16 **\$3,276,393 variance in Exhibit JNF-1.**

17 A. The calculation of the variance is detailed on Schedule CT-2 Page 3 of JNF-1.
18 The difference between the 2021 lower than estimated total program costs of
19 \$4,016,248 (Line 9) and the lower than estimated revenues applicable to the
20 period of \$761,054 (Line 12) results in a current period true-up provision over-
21 recovery amount of \$3,255,194 (Line 13). This variance of \$3,255,194, plus the

1 current period adjustment of \$21,447¹(Line 14) and the variance of \$278 in
2 interest (Line 15) results in the end of period true-up over-recovery of \$3,276,393
3 (Line 19).

5 GULF 2021 FINAL TRUE-UP CALCULATION

6 **Q. What is the actual end of period true-up amount that Gulf is requesting the**
7 **Commission to approve for the January 2021 through December 2021**
8 **period?**

9 A. Gulf has calculated and is requesting approval of an over-recovery of \$2,437,375
10 including interest, as the actual end of period true-up amount for the period
11 January 2021 through December 2021. The calculation of this \$2,437,375 over-
12 recovery is shown on Exhibit JNF-2 Schedule CT-3, Page 8, Line 12.

13 **Q. What is the final net true-up amount for the January 2021 through**
14 **December 2021 period that FPL is requesting to be included in the January**
15 **2023 through December 2023 ECCR factors?**

16 A. Gulf has calculated and is requesting approval of an over-recovery of \$916,101 as
17 the final net true-up amount for the period January 2021 through December 2021.
18 This final net true-up over-recovery of \$916,101 is the difference between the
19 actual end of period true-up over-recovery of \$2,437,375 and the actual/estimated
20 true-up over-recovery of \$1,521,274. The calculation of the \$916,101 over-
21 recovery is shown on Exhibit JNF-2 Schedule CT-1, Page 2.

¹ Adjustment to reflect the change in the Florida state tax rate from 4.458% to 3.535%. The reduction in tax rate impacted 2020 and 2021 and a retroactive adjustment was booked in August 2021.

1 **Q. Was the calculation of the final net true-up amount for the period January**
2 **2021 through December 2021 performed consistently with prior true-up**
3 **calculations in predecessor ECCR dockets?**

4 A. Yes. The calculation of the final net true-up amount for the period January 2021
5 through December 2021 was performed consistently with prior true-up
6 calculations in predecessor ECCR dockets.

7 **Q. Have you provided a schedule showing the variances between actual and**
8 **actual/estimated program costs and revenues for the period January 2021**
9 **through December 2021?**

10 A. Yes. Exhibit JNF-2 Schedule CT-2, Page 3, compares actual to actual/estimated
11 program costs, revenues and interest, resulting in the variance of \$916,101.

12 **Q. Please explain the calculation of the end of period true-up amount of**
13 **\$916,101 variance in Exhibit JNF-2.**

14 A. The calculation of the variance is detailed on Schedule CT-2, Page 3 of JNF-2.
15 The difference between the 2021 lower than estimated total program costs of
16 \$1,207,021 (Line 12) and the lower than estimated revenues applicable to the
17 period of \$311,898 (Line 15) results in a current period true-up provision over-
18 recovery amount of \$895,123 (Line 17). This variance of \$895,123, plus the
19 current period adjustment of \$20,727² (Line 20) and the variance of \$251 in
20 interest (Line 18) results in the end of period true-up over-recovery of \$916,101
21 (Line 21).

² Adjustment to reflect the change in the Florida state tax rate from 4.458% to 3.535%. The reduction in tax rate impacted 2020 and 2021 and a retroactive adjustment was booked in August 2021.

1 Q. **What is the 2021 final net true-up amount that will be included in FPL's**
2 **2023 ECCR factors?**

3 A. FPL will include in the calculation of its 2023 ECCR factors a total 2021 final net
4 true-up over-recovery of \$4,192,494, which represents the 2021 final net over-
5 recovery of \$3,276,393 for FPL plus the 2021 final net true-up over-recovery of
6 \$916,101 for Gulf.

7 Q. **Does this conclude your testimony?**

8 A. Yes.

1 **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

2 **FLORIDA POWER & LIGHT COMPANY**

3 **TESTIMONY OF RICHARD L. HUME**

4 **DOCKET NO. 20220002-EG**

5 **AUGUST 5, 2022**

6

7 **Q. Please state your name, business address, employer and position.**

8 A. My name is Richard Hume. My business address is 700 Universe Boulevard, Juno
9 Beach, Florida 33408. I employed by Florida Power & Light Company (“FPL” or
10 “the Company”) as the Regulatory Issues Manager in the Regulatory & State
11 Governmental Affairs Department.

12 **Q. What is the purpose of your testimony?**

13 A. The purpose of my testimony is to present for Commission review and approval the
14 2022 Actual/Estimated Energy Conservation Cost Recovery (“ECCR”) true-up
15 amount for the period January 1, 2022 through December 31, 2022 and the 2023
16 ECCR Factors to be applied to bills issued during the projected period of January
17 1, 2023 through December 31, 2023.

18 **Q. Have you previously filed testimony in the ECCR clause docket?**

19 A. Yes.

20 **Q. Have you prepared or caused to be prepared under your direction, supervision**
21 **or control any exhibits in this proceeding?**

22 A. Yes. I am sponsoring Schedules C-1 and C-4, and co-sponsoring Schedules C-2
23 and C-3 in Exhibit JNF-3, attached to the testimony of FPL witness Floyd. The

1 specific sections of Schedules C-2 and C-3 that I am co-sponsoring are identified
2 in the Table of Contents, on page 1 of Exhibit JNF-3.

3 **Q. What is the source of the data used in calculating the 2022 actual/estimated true-**
4 **up amount?**

5 A. Unless otherwise indicated, the data used in calculating the 2022 actual/estimated
6 true-up amount was taken from the books and records of FPL. The books and records
7 are kept in the regular course of FPL's business in accordance with generally
8 accepted accounting principles and practices, and with the applicable provisions of
9 the Uniform System of Accounts as prescribed by this Commission and directed in
10 Rule 25-17.015, Florida Administrative Code.

11 **Q. Please explain the calculation of FPL's ECCR end of period net true-up and**
12 **actual/estimated true-up amount for 2022 included in Exhibit JNF-3.**

13 A. Schedule C-3, pages 28 and 29 in Exhibit JNF-3 provide the calculation of FPL's
14 2022 ECCR end of period net true-up and actual/estimated true-up amounts. The
15 end of period net true-up amount to be carried forward to the 2023 ECCR factors is
16 an over-recovery of \$19,184,730 (Schedule C-3, page 28, line 9). This over-recovery
17 includes the combination of the pre-consolidated Gulf and pre-consolidated FPL
18 2021 final net true-up over-recoveries of \$4,192,496 (Schedule C-3, page 28, line 7a)
19 filed with the Commission on May 4, 2022, and the 2022 actual/estimated true-up
20 over-recovery, including interest, of \$14,992,234 (Schedule C-3, page 28, lines 5 plus
21 6) for the period January 2022 through December 2022. The 2022 actual/estimated
22 true-up is based on actual data for the period January 2022 through June 2022 and
23 revised estimates for the period July 2022 through December 2022.

1 **Q. Were these calculations made in accordance with the procedures previously**
2 **approved in the predecessors to this docket?**

3 A. Yes.

4 **Q. Are there adjustments from FPL's 2021 Rate Case Settlement Agreement that**
5 **impact the 2023 ECCR factors?**

6 A. Yes. As part of FPL's 2021 Rate Case Settlement Agreement, FPL proposed
7 changes in depreciation rates that impacted the amounts to be recovered through
8 the 2023 ECCR factors. The revised rates were not included in the calculation of
9 the 2022 ECCR factors, but because they were approved in Order No. PSC-2021-
10 0446-S-EI in Docket No. 20210015-EI, they are now reflected in the 2022
11 actual/estimated true-up amount included in the 2023 ECCR factors.

12 **Q. Has FPL calculated the Weighted Average Cost of Capital ("WACC") in**
13 **accordance with FPSC Order No. PSC-2020-0165-PAA-EU ("WACC Order")**
14 **issued on May 20, 2020?**

15 A. Yes. FPL has calculated the 2022 and 2023 WACC in accordance with the WACC
16 Order. This projected WACC is used to calculate the rate of return applied to the
17 projected period for 2022 and 2023 ECCR capital investments. The projected
18 capital structure, components, and cost rates used to calculate the rate of return are
19 provided in Exhibit JNF-3.

20 **Q. Have you prepared calculations of the allocation factors for demand and**
21 **energy?**

22 A. Yes. Schedule C-1, page 3 in Exhibit JNF-3 provides these calculations. The
23 demand allocation factors are calculated by determining the percentage each rate

1 class contributes to the monthly system peaks. The energy allocation factors are
2 calculated by determining the percentage each rate class contributes to total kWh
3 sales, as adjusted for losses.

4 **Q. Have you prepared calculations of the 2023 ECCR factors by rate class?**

5 A. Yes. Schedule C-1, page 4 in Exhibit JNF-3 provides the calculations of the 2023
6 ECCR factors by rate class.

7 **Q. Does this conclude your testimony?**

8 A. Yes.

1 (Whereupon, prefiled direct testimony of John
2 N. Floyd was inserted.)

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1 **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

2 **FLORIDA POWER & LIGHT COMPANY**

3 **TESTIMONY OF JOHN N. FLOYD**

4 **DOCKET NO. 20220002-EG**

5 **MAY 2, 2022**

6

7 **Q. Please state your name and business address.**

8 A. My name is John N. Floyd. My business address is Florida Power & Light Company,
9 One Energy Place, Pensacola, FL 32520.

10 **Q. By whom are you employed and what is your position?**

11 A. I am employed by Florida Power and Light Company (“FPL”) as the Manager of DSM
12 Regulatory Support.

13 **Q. Please describe your educational and professional background and experience.**

14 A. I received a Bachelor Degree in Electrical Engineering from Auburn University in
15 1985. After serving four years in the U.S. Air Force, I began my career in the electric
16 utility industry at Gulf Power in 1990 and held various positions in Power Generation,
17 Metering, Power Delivery, and Customer Service. Beginning in 2008, I have prepared
18 and submitted testimony for various Demand-Side Management (“DSM”) dockets at
19 the Florida Public Service Commission (“Commission”), including Energy
20 Conservation Cost Recovery (“ECCR”), DSM Goals, and DSM Plans for Gulf Power
21 Company (“Gulf”). In 2021, I joined FPL as the Manager of DSM Regulatory
22 Support. In this position, I am responsible for ECCR and DSM-related filings with
23 the Commission for FPL.

1 **Q. What is the purpose of your testimony?**

2 A. The purpose of my testimony is to present for Commission review and approval pre-
3 consolidated FPL and pre-consolidated Gulf actual ECCR costs for the DSM
4 programs for the period January 2021 through December 2021.

5 **Q. Have you prepared or caused to be prepared under your direction, supervision**
6 **or control an exhibit in this proceeding?**

7 A. Yes. My testimony includes the following exhibits that contain schedules I am either
8 sponsoring or co-sponsoring. The specific sections of the schedules that I am
9 sponsoring in each exhibit are identified in the Table of Contents found in Exhibit
10 JNF-1, Page 1 and JNF-2, Page 1.

- 11 • Exhibit JNF-1 – FPL 2021 ECCR True-up Schedules
- 12 • Exhibit JNF-2 – Gulf 2021 ECCR True-up Schedules

13 **Q. For the January 2021 through December 2021 period, did FPL and Gulf seek**
14 **recovery of any costs for advertising which makes a specific claim of potential**
15 **energy savings or states appliance efficiency ratings or savings?**

16 A. Yes.

17 **Q. Have FPL and Gulf complied with Rule 25-17.015(5), Florida Administrative**
18 **Code, which requires FPL and Gulf to file all data sources and calculations used**
19 **to substantiate claims of potential energy savings that are included in**
20 **advertisements?**

21 A. Yes. The documentation required by the rule is included in Exhibit JNF-1, Appendix

22 A.

1 **Q. Are all costs listed in Exhibit JNF-1, Schedule CT-2 and Exhibit JNF-2, Schedule**
2 **CT-3 attributable to Commission-approved DSM programs?**

3 A. Yes.

4 **Q. How did FPL's actual program costs for the January 2021 through December**
5 **2021 period compare to the actual/estimated costs presented in Docket No.**
6 **20210002-EG, and approved in Order No. PSC-2021-0427-FOF-EG?**

7 A. Actual program costs for the period were \$149,275,934. The actual/estimated
8 program costs were \$153,292,182. Therefore, actual costs were \$4,016,248, or less
9 than three percent, below the actual/estimated costs (see Exhibit JNF-1, Schedule CT-
10 2, Page 3, Line 9). Each program's contribution to the variance is shown in Exhibit
11 JNF-1, Schedule CT-2, Page 5.

12 **Q. How did Gulf's actual program costs for the January 2021 through December**
13 **2021 period compare to the actual/estimated costs presented in Docket No.**
14 **20210002-EG, and approved in Order No. PSC-2021-0427-FOF-EG?**

15 A. Actual program costs for the period were \$7,852,934. The actual/estimated program
16 costs were \$9,059,956. Therefore, actual costs were \$1,207,021, or thirteen percent,
17 below the actual/estimated costs (see Exhibit JNF-2, Schedule CT-2, Page 3, Line 12).
18 Each program's contribution to the variance is shown in Exhibit JNF-2, Schedule CT-
19 3, Page 5.

20 **Q. For the January 2021 through December 2021 period, is Gulf proposing to make**
21 **any adjustments for expenses related to closed programs?**

22 A. Yes. During the January 2021 through December 2021 period, Gulf applied \$479,162
23 in credits to total program costs (see Exhibit JNF-2, Schedule CT-3, Page 6, Line 12).

1 These adjustments were related to the refund of vendor pre-payment funds received in
2 2021 after the closure of DSM programs in 2020.

3 **Q. Does this conclude your testimony?**

4 A. Yes.

1 **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

2 **FLORIDA POWER & LIGHT COMPANY**

3 **TESTIMONY OF JOHN N. FLOYD**

4 **DOCKET NO. 20220002-EG**

5 **AUGUST 5, 2022**

6

7 **Q. Please state your name, business address, employer and position.**

8 A. My name is John N. Floyd. My business address is Florida Power & Light
9 Company, One Energy Place, Pensacola, Florida 32520.

10 **Q. By whom are you employed and what is your position?**

11 A. I am employed by Florida Power & Light Company (“FPL” or the “Company”) as
12 the Manager of Demand-Side Management (“DSM”) Regulatory Support.

13 **Q. Have you previously filed testimony in this docket?**

14 A. Yes.

15 **Q. What is the purpose of your testimony?**

16 A. The purpose of my testimony is to submit for Florida Public Service Commission
17 (“Commission”) review and approval FPL’s actual/estimated Energy Conservation
18 Cost Recovery (“ECCR”) clause costs for its DSM programs incurred from January
19 through December 2022 and the projected costs to be incurred from January
20 through December 2023.

21 **Q. Are you sponsoring an exhibit in this proceeding?**

22 A. Yes. I am sponsoring Exhibit JNF-3, Schedule C-5 and co-sponsoring Schedules
23 C-2 and C-3. The specific sections of Schedules C-2 and C-3 that I am co-
24 sponsoring are shown on the Table of Contents (Exhibit JNF-3, page 1).

1 **Q. Are all of the costs listed in these exhibits reasonable, prudent and attributable**
2 **to programs approved by the Commission?**

3 A. Yes. The 2023 projections and 2022 actual/estimated costs are based on the
4 programs from FPL's DSM Plan approved by the Commission in Order No. PSC-
5 2021-0421-PAA-EG (Docket No. 20210132-EG). The 2022 and 2023 costs also
6 include some residual carryover costs associated with the Energy Select and Pool
7 Pump programs, which were discontinued in 2021.

8 **Q. Please describe the methods used to derive the program costs for which FPL**
9 **seeks recovery.**

10 A. The actual costs for the months of January through June 2022 came from the books
11 and records of FPL. The books and records are kept in the regular course of FPL's
12 business in accordance with generally accepted accounting principles and practices
13 and with the applicable provisions of the Uniform System of Accounts as
14 prescribed by this Commission and directed in Rule 25-17.015, Florida
15 Administrative Code.

16

17 Costs for the months of July through December 2022 and January through
18 December 2023 are projections compiled from detailed month-by-month analyses
19 for each program which were prepared by the relevant departments within FPL.
20 The projections have been created in accordance with FPL's standard budgeting
21 and on-going cost justification process.

22

23

1 **Q. What are the ECCR costs for the January through December 2022**
2 **actual/estimated period?**

3 A. The actual/estimated costs for the period January through December 2022 are
4 \$158,670,757 as shown on Exhibit JNF-3, Schedule C-3, page 17, line 94.

5 **Q. What are the 2023 costs FPL is requesting the Commission to approve?**

6 A. FPL is requesting approval of \$145,212,705 for recovery during the period of
7 January through December 2023 as shown on Exhibit JNF-3, Schedule C-1, page
8 2, line 8. This includes projected costs for January through December 2023 of
9 \$164,397,435 as shown on Exhibit JNF-3, Schedule C-1, page 2, line 1 as well as
10 prior and current period over recoveries, and interest.

11 **Q. Does this conclude your testimony?**

12 A. Yes.

1 (Whereupon, prefiled direct testimony of Karla
2 Rodriguez was inserted.)

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**DIRECT TESTIMONY OF****KARLA RODRIGUEZ****ON BEHALF OF****DUKE ENERGY FLORIDA, LLC****DOCKET NO. 20220002-EG****August 5, 2022**

1 **Q. State your name and business address.**

2 A. My name is Karla Rodriguez. My business address is 299 First Avenue North, St.
3 Petersburg, FL 33701.

4
5 **Q. By whom are you employed and in what capacity?**

6 A. I am employed by Duke Energy Business Services, LLC (“DEBS”), as Senior Strategy
7 & Collaboration Manager in the Portfolio Analysis and Regulatory Strategy
8 Department. DEBS is a service-company affiliate of Duke Energy Florida, LLC (“Duke
9 Energy Florida,” “DEF,” or “the Company”).

10

11 **Q. What are your current duties and responsibilities at Duke Energy?**

12 A. My responsibilities include the regulatory planning, support and compliance of the
13 Company’s energy-efficiency and demand-side management (DSM) programs. This
14 includes support for development, implementation and training, budgeting, and
15 accounting functions related to these programs.

1 **Q. What is the purpose of your testimony?**

2 A. The purpose of my testimony is to describe the components and costs of the Company's
3 DSM programs. I will detail the projected costs for each program, explain how these
4 costs are presented in my attached exhibit, and show the resulting projected Energy
5 Conservation Cost Recovery ("ECCR") factors for 2023 customer billings.

6
7 **Q. For what programs does DEF seek recovery?**

8 A. Pursuant to Rule 25-17.015, F.A.C., DEF seeks recovery through the ECCR clause of
9 costs related to the following conservation programs approved by the Commission as part
10 of the Company's DSM Plan on August 3, 2020 (see Order No. PSC-2020-0274-PAA-
11 EG), as well as for common, administrative expenses not linked to a specific program:

- 12 • Home Energy Check
- 13 • Residential Incentive Program
- 14 • Neighborhood Energy Saver
- 15 • Low-Income Weatherization Assistance Program
- 16 • Load Management (Residential and Commercial)
- 17 • Business Energy Check
- 18 • Better Business
- 19 • Smart \$aver Custom Incentive Program
- 20 • Standby Generation
- 21 • Interruptible Service
- 22 • Curtailable Service
- 23 • Technology Development

- Qualifying Facility

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Q. Do you have any exhibits to your testimony?

A. Yes. Exhibit No._(KR-1P) supports DEF's energy conservation calculations for the 2022 actual/estimated period and the 2023 projection period. There are six (6) schedules included in this exhibit.

Q. Will you please explain your exhibit?

A. Yes. Exhibit No._(KR-1P) presents Schedules C-1 through C-6. Schedules C-1 to C-4 provide projected program costs for calendar year 2023 along with an updated projection of program costs for 2022. The 2022 updated projection of costs includes the actual costs incurred for the period from January 2022 through June 2022 and forecasted costs for July through December 2022. Schedule C-5 provides a summary report for each program that includes a program description, estimated annual program expenditures for 2023, and a summary of program accomplishments through the period ending June 2022. Schedule C-6 is the capital structure and cost rates used to calculate the return for each applicable conservation program.

Q. Would you please discuss Schedule C-1?

A. Schedule C-1 provides the calculation of the cost recovery factors for 2023 by rate class.

Q. What does Schedule C-2 show?

1 A. Schedule C-2 provides annual and monthly conservation program cost estimates for the
2 2023 projection period for each conservation program as well as for common
3 administration expenses. Additionally, Schedule C-2 presents program costs by specific
4 category (e.g., payroll, materials, incentives, etc.) and includes a schedule of estimated
5 capital investments, depreciation and return for the projection period.

6

7 **Q. Would you please discuss Schedule C-3?**

8 A. Schedule C-3 contains a detailed breakdown of conservation program costs by specific
9 category and by month for the period of January through June 2022 (actual) and July
10 through December 2022 (estimated). In addition, Schedule C-3 presents a schedule of
11 capital investment, depreciation and return, an energy conservation adjustment
12 calculation of true-up, and a calculation of interest provision for the 2022
13 actual/estimated period.

14

15 **Q. What is the purpose of Schedule C-4?**

16 A. Schedule C-4 provides the projected ECCR revenues for the 2023 projection period.

17

18 **Q. Would you please discuss Schedule C-5?**

19 A. Schedule C-5 presents a brief description of each program, as well as a summary of
20 progress and projected expenditures for each program for which DEF seeks cost recovery
21 through the ECCR clause.

22

23 **Q. What is the purpose of Schedule C-6?**

1 A. Schedule C-6 provides the capital structure and cost rates used to calculate the Return on
2 Average Investment on Schedules C-2 and C-3.

3
4 **Q. Would you please summarize the results presented in your Exhibit?**

5 A. Yes. Schedule C-2, Page 1 of 5, Line 26, shows total 2023 projected program costs of
6 \$119,659,521 plus a prior period over-recovery of \$ 6,844,389 resulting in estimated net
7 revenue requirements in 2023 of \$112,815,132. The following table includes DEF's
8 proposed ECCR billing factors, by retail rate class and voltage level for calendar year
9 2023, as contained in Schedule C-1, Page 2 of 2.

10
11 **2023 ECCR Billing Factors**

	Secondary	Primary	Transmission
<u>Retail Rate Schedule</u>	<u>Voltage</u>	<u>Voltage</u>	<u>Voltage</u>
14 Residential (Cents/kWh)	.320	N/A	N/A
15 General-Service-Non-Demand (Cents/kWh)	.288	.285	.282
16 General Service 100% Load Factor (Cents/kWh)	.217	N/A	N/A
17 General Service Demand (\$/kW)	.85	.84	.83
18 Curtailable (\$/kW)	.46	.46	.45
19 Interruptible (\$/kW)	.70	.69	.69
20 Standby Monthly (\$/kW)	.082	.081	.080
21 Standby Daily (\$/kW)	.039	.039	.038
22 Lighting (Cents/kWh)	.116	N/A	N/A

1 **Q. Does this conclude your testimony?**

2 A. Yes.

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**REVISED DIRECT TESTIMONY OF****KARLA RODRIGUEZ****ON BEHALF OF****DUKE ENERGY FLORIDA, LLC****DOCKET NO. 20220002-EG****September 8, 2022**

1 **Q. State your name and business address.**

2 A. My name is Karla Rodriguez. My business address is 299 First Avenue North, St.
3 Petersburg, FL 33701.

4
5 **Q. By whom are you employed and in what capacity?**

6 A. I am employed by Duke Energy Business Services, LLC (“DEBS”), as Senior Strategy
7 & Collaboration Manager in the Portfolio Analysis and Regulatory Strategy
8 Department. DEBS is a service-company affiliate of Duke Energy Florida, LLC (“Duke
9 Energy Florida,” “DEF,” or “the Company”).

10

11 **Q. What are your current duties and responsibilities at Duke Energy?**

12 A. My responsibilities include the regulatory planning, support and compliance of the
13 Company’s energy-efficiency and demand-side management (DSM) programs. This
14 includes support for development, implementation and training, budgeting, and
15 accounting functions related to these programs.

1 **Q. What is the purpose of your testimony?**

2 A. The purpose of my testimony is to describe the components and costs of the Company's
3 DSM programs. I will detail the projected costs for each program, explain how these
4 costs are presented in my attached exhibit, and show the resulting projected Energy
5 Conservation Cost Recovery (“ECCR”) factors for 2023 customer billings.

6
7 **Q. For what programs does DEF seek recovery?**

8 A. Pursuant to Rule 25-17.015, F.A.C., DEF seeks recovery through the ECCR clause of
9 costs related to the following conservation programs approved by the Commission as part
10 of the Company's DSM Plan on August 3, 2020 (see Order No. PSC-2020-0274-PAA-
11 EG), as well as for common, administrative expenses not linked to a specific program:

- 12 • Home Energy Check
- 13 • Residential Incentive Program
- 14 • Neighborhood Energy Saver
- 15 • Low-Income Weatherization Assistance Program
- 16 • Load Management (Residential and Commercial)
- 17 • Business Energy Check
- 18 • Better Business
- 19 • Smart \$aver Custom Incentive Program
- 20 • Standby Generation
- 21 • Interruptible Service
- 22 • Curtailable Service
- 23 • Technology Development

- Qualifying Facility

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Q. Do you have any exhibits to your testimony?

A. Yes. Exhibit No._(KR-1P) supports DEF's energy conservation calculations for the 2022 actual/estimated period and the 2023 projection period. There are six (6) schedules included in this exhibit.

Q. Will you please explain your exhibit?

A. Yes. Exhibit No._(KR-1P) presents Schedules C-1 through C-6. Schedules C-1 to C-4 provide projected program costs for calendar year 2023 along with an updated projection of program costs for 2022. The 2022 updated projection of costs includes the actual costs incurred for the period from January 2022 through June 2022 and forecasted costs for July through December 2022. Schedule C-5 provides a summary report for each program that includes a program description, estimated annual program expenditures for 2023, and a summary of program accomplishments through the period ending June 2022. Schedule C-6 is the capital structure and cost rates used to calculate the return for each applicable conservation program.

Q. Would you please discuss Schedule C-1?

A. Schedule C-1 provides the calculation of the cost recovery factors for 2023 by rate class.

Q. What does Schedule C-2 show?

1 A. Schedule C-2 provides annual and monthly conservation program cost estimates for the
2 2023 projection period for each conservation program as well as for common
3 administration expenses. Additionally, Schedule C-2 presents program costs by specific
4 category (e.g., payroll, materials, incentives, etc.) and includes a schedule of estimated
5 capital investments, depreciation and return for the projection period.

6

7 **Q. Would you please discuss Schedule C-3?**

8 A. Schedule C-3 contains a detailed breakdown of conservation program costs by specific
9 category and by month for the period of January through June 2022 (actual) and July
10 through December 2022 (estimated). In addition, Schedule C-3 presents a schedule of
11 capital investment, depreciation and return, an energy conservation adjustment
12 calculation of true-up, and a calculation of interest provision for the 2022
13 actual/estimated period.

14

15 **Q. What is the purpose of Schedule C-4?**

16 A. Schedule C-4 provides the projected ECCR revenues for the 2023 projection period.

17

18 **Q. Would you please discuss Schedule C-5?**

19 A. Schedule C-5 presents a brief description of each program, as well as a summary of
20 progress and projected expenditures for each program for which DEF seeks cost recovery
21 through the ECCR clause.

22

23 **Q. What is the purpose of Schedule C-6?**

1 A. Schedule C-6 provides the capital structure and cost rates used to calculate the Return on
2 Average Investment on Schedules C-2 and C-3.

3
4 **Q. Would you please summarize the results presented in your Exhibit?**

5 A. Yes. Schedule C-2, Page 1 of 5, Line 26, shows total 2023 projected program costs of
6 \$119,659,521 plus a prior period over-recovery of \$ 6,844,389 resulting in estimated net
7 revenue requirements in 2023 of \$112,815,132. The following table includes DEF's
8 proposed ECCR billing factors, by retail rate class and voltage level for calendar year
9 2023, as contained in Schedule C-1, Page 2 of 2.

10
11 **2023 ECCR Billing Factors**

	Secondary	Primary	Transmission
<u>Retail Rate Schedule</u>	<u>Voltage</u>	<u>Voltage</u>	<u>Voltage</u>
14 Residential (Cents/kWh)	.320	N/A	N/A
15 General-Service-Non-Demand (Cents/kWh)	.288	.285	.282
16 General Service 100% Load Factor (Cents/kWh)	.217	N/A	N/A
17 General Service Demand (\$/kW)	.85	.84	.83
18 Curtailable (\$/kW)	.46	.46	.45
19 Interruptible (\$/kW)	.70	.69	.69
20 Standby Monthly (\$/kW)	.082	.081	.080
21 Standby Daily (\$/kW)	.039	.039	.038
22 Lighting (Cents/kWh)	.116	N/A	N/A

1 **Q. Does this conclude your testimony?**

2 A. Yes.

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1 (Whereupon, prefiled direct testimony of Mark
2 R. Roche was inserted.)

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**BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION**

DOCKET NO. 20220002-EG

IN RE: ENERGY CONSERVATION COST RECOVERY CLAUSE

TESTIMONY AND EXHIBIT

OF

MARK R. ROCHE

FILED: May 2, 2022

1 **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**2 **PREPARED DIRECT TESTIMONY**3 **OF**4 **MARK R. ROCHE**5
6 **Q.** Please state your name, address, occupation and employer.7
8 **A.** My name is Mark R. Roche. My business address is 702
9 North Franklin Street, Tampa, Florida 33602. I am
10 employed by Tampa Electric Company ("Tampa Electric" or
11 "the company") as Manager, Regulatory Rates in the
12 Regulatory Affairs Department.13
14 **Q.** Please provide a brief outline of your educational
15 background and business experience.16
17 **A.** I graduated from Thomas Edison State College in 1994 with
18 a Bachelor of Science degree in Nuclear Engineering
19 Technology and from Colorado State University in 2009
20 with a Master's degree in Business Administration. My
21 work experience includes twelve years with the US Navy in
22 nuclear operations as well as twenty-four years of
23 electric utility experience. My utility work has
24 included various positions in Marketing and Sales,
25 Customer Service, Distributed Resources, Load Management,

1 Power Quality, Distribution Control Center Operations,
2 Meter Department, Meter Field Operations, Service
3 Delivery, Revenue Assurance, Commercial and Industrial
4 Energy Management Services, and Demand Side Management
5 ("DSM") Planning and Forecasting. In my current
6 position, I am responsible for Tampa Electric's Energy
7 Conservation Cost Recovery ("ECCR") Clause and Storm
8 Protection Plan Cost Recovery Clause ("SPPCRC").

9
10 **Q.** What is the purpose of your testimony in this proceeding?

11
12 **A.** The purpose of my testimony is to present and support for
13 Commission review and approval the company's actual DSM
14 programs related true-up costs incurred during the
15 January through December 2021 period. In addition, my
16 testimony will show the adjustment credit made to address
17 the impacts of the 2021 State Tax Rate Change on Tampa
18 Electric as provided in the Commission approved 2017
19 Agreement that was approved by Order No. PSC-2017-0456-S-
20 EI that was issued on November 27, 2017.

21
22 **Q.** Did you prepare any exhibits in support of your
23 testimony?

24
25 **A.** Yes. Exhibit No. MRR-1, entitled "Tampa Electric

1 Company, Schedules Supporting Conservation Cost Recovery
2 Factor, Actual, January 2021-December 2021" was prepared
3 under my direction and supervision. This Exhibit
4 includes Schedules CT-1 through CT-6 which support the
5 company's actual and prudent DSM program related true-up
6 costs incurred during the January through December 2021
7 period.

8
9 **Q.** What were Tampa Electric's actual January through
10 December 2021 conservation costs?

11
12 **A.** For the period, January through December 2021, Tampa
13 Electric incurred actual net conservation costs of
14 \$46,328,538.

15
16 **Q.** What is the final end of period true-up amount for the
17 conservation clause for January through December 2021?

18
19 **A.** The final conservation clause end of period true-up for
20 January through December 2021 is an over-recovery of
21 \$10,818,286, which includes interest. This calculation
22 is detailed on Schedule CT-1, page 1 of 1. This over-
23 recovery amount also includes a credit to customers of
24 \$6,198,225 which recognizes the impacts of the 2021 State
25 Tax Rate Change on Tampa Electric. This adjustment is

1 reflected on Schedule CT-2, page 1 of 2, line 18, listed
2 as "Regulatory Adjustments". The Commission approved
3 this amount during its April 5, 2022 agenda conference in
4 Docket No. 20220053-EI.

5
6 **Q.** Please summarize how Tampa Electric's actual program
7 costs for January through December 2021 period compare to
8 the actual/estimated costs presented in Docket No.
9 20210002-EG?

10
11 **A.** For the period, January through December 2021, Tampa
12 Electric had a variance of \$224,845 or 0.49 percent more
13 than the estimated amount. The estimated total program
14 costs were projected to be \$46,103,693 which was the
15 amount approved in Order No. PSC 2021-0427-FOF-EG, issued
16 November 17, 2021 as compared to the incurred actual net
17 conservation costs of \$46,328,538.

18
19 **Q.** Please summarize the reasons why the actual expenses were
20 more than projected expenses by \$224,845?

21
22 **A.** The variance was a result of the following actual
23 expenses being more than estimated in the following
24 residential programs: Walk-Through Energy Audits;
25 Customer Assisted Audits; Ceiling Insulation; ENERGY STAR

1 for New Multi-Family Residences; and ENERGY STAR Pool
2 Pumps. Additionally, actual expenses were more than
3 estimated in the following commercial/industrial
4 programs: Cool Roof; Commercial Cooling; Industrial Load
5 Management; LED Street and Outdoor Lighting Conversion
6 Program; Lighting Conditioned Space; and Lighting Non-
7 Conditioned Space. Each DSM program's detailed variance
8 and common variance contribution is shown on Schedule CT-
9 2, Page 3 of 4.

10
11 **Q.** Are all costs listed on Schedule CT-2 directly related to
12 the Commission's approved DSM programs?

13
14 **A.** Yes.

15
16 **Q.** When did Tampa Electric transition to the Commission
17 approved 2020-2029 Ten-Year DSM Plan?

18
19 **A.** Tampa Electric transitioned to the Commission approved
20 2020-2029 Ten-Year DSM Plan on November 2, 2020, for all
21 DSM programs.

22
23 **Q.** Did Tampa Electric continue to offer any of the DSM
24 Programs, after November 2, 2020, that were discontinued?

25

1 **A.** No, however the company did pay customer incentives to
2 four participants of the Commercial Cool Roof program, in
3 2021, that obtained pre-verification approval prior to
4 the November 2, 2020, transition date. Due to the COVID
5 Pandemic, the company allowed customers to complete their
6 installation of the cool roofs within one year of the
7 pre-verification approval.

8
9 **Q.** Did Tampa Electric pay any other customer incentives or
10 incur any other costs in 2021 due to the DSM programs
11 that were discontinued on November 2, 2020?

12
13 **A.** No.

14
15 **Q.** Did Tampa Electric offer the programs contained in the
16 2020-2029 Ten-Year DSM Plan the entire 2021 period?

17
18 **A.** No, the company is still working on initiating the Prime
19 Time Plus program which will use the company's Advanced
20 Metering Infrastructure ("AMI") system to facilitate this
21 program. The company is still projecting that this DSM
22 program will begin to be offered to customers in the
23 fourth quarter of 2022 or the beginning of 2023.

24
25 **Q.** Should Tampa Electric's cost incurred during the January

1 through December 2021 period for energy conservation be
2 approved by the Commission?

3

4 **A.** Yes, the costs incurred were prudent and directly related
5 to the Commission's approved DSM programs and should be
6 approved.

7

8 **Q.** Does that conclude your testimony?

9

10 **A.** Yes, it does.

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BEFORE THE

FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 20220002-EG

IN RE: CONSERVATION COST RECOVERY CLAUSE

TESTIMONY AND EXHIBIT

OF

MARK R. ROCHE

FILED: AUGUST 5, 2022

1 **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**2 **PREPARED DIRECT TESTIMONY**3 **OF**4 **MARK R. ROCHE**5
6 **Q.** Please state your name, address, occupation and employer.
78 **A.** My name is Mark R. Roche. My business address is 702
9 North Franklin Street, Tampa, Florida 33602. I am
10 employed by Tampa Electric Company ("Tampa Electric" or
11 "the company") as Manager, Regulatory Rates in the
12 Regulatory Affairs Department.
1314 **Q.** Please provide a brief outline of your educational
15 background and business experience.
1617 **A.** I graduated from Thomas Edison State College in 1994 with
18 a Bachelor of Science degree in Nuclear Engineering
19 Technology and from Colorado State University in 2009
20 with a Master's degree in Business Administration. My
21 work experience includes twelve years with the US Navy in
22 nuclear operations as well as twenty-four years of
23 electric utility experience. My utility work has
24 included various positions in Marketing and Sales,
25 Customer Service, Distributed Resources, Load Management,

1 Power Quality, Distribution Control Center operations,
2 Meter Department, Meter Field Operations, Service
3 Delivery, Revenue Assurance, Commercial and Industrial
4 Energy Management Services, Demand Side Management
5 ("DSM") Planning and Forecasting. In my current
6 position, I am responsible for Tampa Electric's Energy
7 Conservation Cost Recovery ("ECCR") Clause and Storm
8 Protection Plan Cost Recovery Clause ("SPPCRC").

9
10 **Q.** Have you previously testified before the Florida Public
11 Service Commission ("Commission")?

12
13 **A.** Yes. I have testified before this Commission on
14 conservation and load management activities, DSM goals
15 and plan approval dockets and other ECCR dockets.

16
17 **Q.** What is the purpose of your testimony in this proceeding?

18
19 **A.** The purpose of my testimony is to support the company's
20 actual conservation costs incurred during the period
21 January through December 2021, the actual/projected
22 period January to December 2022, and the projected period
23 January through December 2023. The projected 2023 ECCR
24 factors have been calculated based on the current
25 allocation methodology that was approved within Docket

1 No. 20210034-EI (Petition for Rate Increase by Tampa
2 Electric Company). Also, I will support the appropriate
3 Contracted Credit Value ("CCV") for participants in the
4 General Service Industrial Load Management Riders ("GSLM-
5 2" and "GSLM-3") for the period January through December
6 2023. I will also support the appropriate Residential
7 Variable Pricing Rates ("RSVP-1") for participants in the
8 Residential Price Responsive Load Management Program for
9 the period January through December 2023.

10
11 **Q.** Did you prepare any exhibits in support of your
12 testimony?

13
14 **A.** Yes. Exhibit No. MRR-2 was prepared under my direction
15 and supervision. Exhibit No. MRR-2 includes Schedules C-
16 1 through C-5 and associated data which support the
17 development of the conservation cost recovery factors for
18 January through December 2023 using the allocation
19 methodology that was approved within Docket No. 20210034-
20 EI.

21
22 **Q.** Does the Exhibit No. MRR-2 meet the requirements of Rule
23 25-17.015, Florida Administrative Code ("F.A.C."), which
24 requires the projection filing to include the annual
25 estimated/actual true-up filing showing actual and

1 projected common costs, individual program costs, and any
2 revenues collected?

3

4 **A.** Yes, it does.

5

6 **Q.** What timeframe did Tampa Electric use to develop its 2022
7 annual estimated/actual true-up filing?

8

9 **A.** Tampa Electric developed its 2022 annual estimated/actual
10 true-up filing showing actual and projected common costs,
11 individual program costs, and any revenues collected
12 based upon six months of actuals and six months of
13 estimates.

14

15 **Q.** Please describe the conservation program costs projected
16 by Tampa Electric during the period January through
17 December 2021.

18

19 **A.** For the period January through December 2021, Tampa
20 Electric projected conservation program costs to be
21 \$46,789,811. The Commission authorized collections to
22 recover these expenses in Docket No. 20200002-EG, Order
23 No. PSC-2020-0447-FOF-EG, issued November 19, 2020.

24

25 **Q.** For the period January through December 2021, what were

1 Tampa Electric's conservation costs and what was
2 recovered through the ECCR clause?

3

4 **A.** For the period January through December 2021, Tampa
5 Electric incurred actual net conservation costs of
6 \$46,328,538 plus a beginning true-up over-recovery of
7 \$20,908,081 for a total of \$25,420,457. The amount
8 collected in the ECCR clause was \$30,030,121.

9

10 **Q.** What was the true-up amount?

11

12 **A.** The true-up amount for the period January through
13 December 2021 was an over-recovery of \$10,818,286
14 including interest.

15

16 **Q.** Please describe the conservation program costs projected
17 to be incurred by Tampa Electric during the period
18 January through December 2022?

19

20 **A.** The actual costs incurred by Tampa Electric through June
21 2022 and projected for July through December 2022 are
22 \$52,490,676. For the period, Tampa Electric anticipates
23 an over-recovery in the ECCR Clause of \$361,923 which
24 includes the 2021 true-up, a credit to customers of
25 \$6,198,225 which recognized the impact of the 2021 State

1 tax rate change on Tampa Electric, and interest. A
2 summary of these costs and estimates is fully detailed
3 in Exhibit No. MRR-2, Conservation Costs Projected, pages
4 28 through 39.

5
6 **Q.** Has Tampa Electric proposed any new or modified DSM
7 Programs for ECCR cost recovery for the period January
8 through December 2023?

9
10 **A.** No, at this time Tampa Electric is not proposing any new
11 or modified programs for ECCR cost recovery for the
12 period January through December 2023. Tampa Electric has
13 begun the process of working on the development of the
14 next Technical Potential which will support the company's
15 proposed 2025-2034 DSM Goals and associated DSM Plans.

16
17 **Q.** Your 2021 True-up testimony filed on May 2, 2022
18 described an adjustment credit made to address the
19 impacts of the 2021 State Tax Rate Change on Tampa
20 Electric as provided in the Commission approved 2017
21 Agreement that was approved by Order No. PSC-2017-0456-S-
22 EI that was issued on November 27, 2017. Was this
23 adjustment credit included in proposed conservation costs
24 for the period January through December 2023.

25

1 **A.** Yes, the credit of \$6,198,225 to customers which
 2 recognized the impacts of the 2021 State Tax Rate Change
 3 on Tampa Electric was made to adjust the 2021 final end
 4 of period true-up amount which was reflected in proposed
 5 conservation costs for the period January through
 6 December 2023.

7
 8 **Q.** Please summarize the proposed conservation costs for the
 9 period January through December 2023 and the annualized
 10 recovery factors applicable for the period January
 11 through December 2023?

12
 13 **A.** Tampa Electric estimates the total conservation costs
 14 (less program revenues) during the period will be
 15 \$49,089,579 plus the true-up. Including true-up
 16 estimates, the January through December 2023 cost
 17 recovery factors allocated using the allocation
 18 methodology that was approved within Docket No. 20210034-
 19 EI for firm retail rate classes are as follows:

	Cost Recovery Factors
<u>Rate Schedule</u>	<u>(cents per kWh)</u>
23 RS	0.281
24 GS and CS	0.275
25 GSD Optional - Secondary	0.211

1	GSD Optional - Primary	0.209
2	GSD Optional - Subtransmission	0.207
3	LS-1, LS-2	0.253

4

5

Cost Recovery Factors

6

Rate Schedule**(dollars per kW)**

7

GSD - Secondary

0.88

8

GSD - Primary

0.87

9

GSD - Subtransmission

0.86

10

SBD - Secondary

0.88

11

SBD - Primary

0.87

12

SBD - Subtransmission

0.86

13

GSLD - Primary

0.84

14

GSLD - Subtransmission

0.74

15

16 **Q.** Has Tampa Electric complied with the ECCR cost allocation
 17 methodology stated in Docket No. 19930759-EG, Order No.
 18 PSC-93-1845-EG?

19

20 **A.** Yes, it has.

21

22 **Q.** To develop the projected 2023 costs and proposed ECCR
 23 rate factors above, did Tampa Electric use the Return on
 24 Equity that was approved for use in the company's most
 25 recent Settlement Agreement in Docket No. 20210034-EI?

1 **A.** Tampa Electric used the Return on Equity ("ROE") of 9.95
2 percent for the January through June 2022 period that was
3 approved in Docket No. 20210034-EI. The company used the
4 ROE of 10.20 percent for the July through December 2022
5 period and for the January through December 2023 period.

6

7 **Q.** Why did the company use the 10.20 percent starting in
8 July 2022?

9

10 **A.** Tampa Electric filed a petition on July 1, 2022, to
11 implement a ROE provision in the company's 2021
12 Agreement. This petition is being heard by the
13 Commission in Docket No. 20220122-EI. If approved, this
14 petition will increase the mid-point ROE from 9.95
15 percent to 10.20 percent effective July 1, 2022, for all
16 regulatory purposes.

17

18 **Q.** Please explain why the incentive for GSLM-2 and GSLM-3
19 rate riders is included in your testimony?

20

21 **A.** In Docket No. 19990037-EI, Tampa Electric petitioned the
22 Commission to close its non-cost-effective interruptible
23 service rate schedules while initiating the provision of
24 a cost-effective non-firm service through a new load
25 management program. This program would be funded through

1 the ECCR clause and the appropriate monthly CCV billing
2 credit for participating customers would be submitted for
3 Commission approval as part of the company's annual ECCR
4 projection filing.

5
6 **Q.** Is Tampa Electric recalculating the 2022 CCV amount?

7
8 **A.** No, in Tampa Electric's 2021 Stipulation and Agreement in
9 Docket No. 20210034-EI specified the values to be used
10 for the CCV amount on an ongoing basis. The 2021
11 Stipulation and Settlement Agreement was approved by the
12 Commission in Final Order No. PSC-2021-0423-S-EI, on
13 November 10, 2021.

14
15 **Q.** What were the CCV amounts approved by the Commission?

16
17 **A.** The CCV amounts approved by the Commission were \$11.75
18 per kW for secondary, \$11.63 per kW for primary and
19 \$11.52 per kW for subtransmission voltage customers.
20 These CCV amounts took effect on January 1, 2022.

21
22 **Q.** What is the appropriate CCV for customers who elect to
23 take service under the GSLM-2 and GSLM-3 rate riders
24 during the January through December 2023 period?

25

1 **A.** For the January through December 2023 period, the CCV
2 amounts are:

3
4 **CCV dollars per kW by Voltage Level**

5 <u>Secondary</u>	6 <u>Primary</u>	7 <u>Subtransmission</u>
8 \$11.75	9 \$11.63	10 \$11.52

11 If the 2023 assessment for need determination indicates
12 the availability of new non-firm load, the CCV will be
13 applied to new subscriptions for service under those rate
14 riders.

15
16 **Q.** Please explain why the RSVP-1 rates for Residential Price
17 Responsive Load Management are in your testimony?

18 **A.** Tampa Electric's petition to allow its pilot residential
19 price responsive load management initiative to become
20 permanent was approved by the Commission on August 28,
21 2007, in Docket No. 20070056-EG. This program will be
22 funded through the ECCR clause and the appropriate annual
23 RSVP-1 rates for customers are to be submitted for
24 Commission approval as part of the company's annual ECCR
25 projection filing.

26 **Q.** What are the appropriate RSVP-1 rates for customers who

1 elect to take this service during the period January
2 through December 2023?

3

4 **A.** At the time required for this projection filing, the
5 company has not completed the analysis to determine all
6 of the other clause factors that are utilized to
7 calculate and establish the RSVP-1 rates for the January
8 through December 2023 period. The company will file with
9 the Commission the proposed RSVP-1 rates for Tampa
10 Electric's Price Responsive Load Management program based
11 upon the company's 2023 residential base rates and the
12 2023 projected clause amounts for ECCR, Fuel and
13 Purchased Power Cost Recovery, Capacity Cost Recovery and
14 the Environmental Cost Recovery as soon as the remaining
15 clause factors are finalized.

16

17 **Q.** Does this conclude your testimony?

18

19 **A.** Yes it does.

20

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1 (Whereupon, prefiled direct testimony of
2 Derrick M. Craig was inserted.)

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1 **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

2 DOCKET NO. 20220002-EG: DETERMINATION OF CONSERVATION COSTS

3 RECOVERY FACTOR

4 Direct Testimony of DERRICK M. CRAIG

5 On Behalf of

6 FLORIDA PUBLIC UTILITIES COMPANY

7

8 **Q.** Please state your name and business address.

9 **A.** My name is Derrick M. Craig, and my business address is 208 Wildlight Avenue,
10 Yulee, Florida 32097.

11 **Q.** By whom are you employed and in what capacity?

12 **A.** I am employed by Florida Public Utilities Company as the Energy Conservation
13 Manager.

14 **Q.** What is the purpose of your testimony at this time?

15 **A.** To advise the Commission of the actual over/under recovery of the Conservation
16 Program costs for the period January 1, 2021 through December 31, 2021 as
17 compared to the true-up amounts previously reported for that period which were
18 based on six months actual and six months estimated data.

19 **Q.** Please state the actual amount of over/under recovery of Conservation Program costs
20 for the Consolidated Electric Divisions of Florida Public Utilities Company for
21 January 1, 2021 through December 31, 2021.

22 **A.** The Company under-recovered \$3,100 during that period. This amount is
23 substantiated on Schedule CT-3, page 2 of 3, Energy Conservation Adjustment.

1 **Q.** How does this amount compare with the estimated true-up amount which was
2 allowed by the Commission during the November 2021 hearing?

3 **A.** The cost recovery factors approved by the Commission in Docket No. 20210002-EG
4 were based upon an anticipated under-recovery of \$30,268 as of December 31, 2021.

5 **Q.** Have you prepared any exhibits at this time?

6 **A.** We have prepared and pre-filled Schedules CT-1, CT-2, CT-3, CT-4, CT-5 and CT-6
7 (Composite Exhibit CDY-1).

8 **Q.** Does this conclude your testimony?

9 **A.** Yes.

1 BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
2 DOCKET NO. 20220002-EG - In Re: Energy Conservation Cost Recovery
3 Clause

4 DIRECT TESTIMONY OF DERRICK M. CRAIG

5 On behalf of

6 Florida Public Utilities Company

7 **Q. Please state your name, occupation and business address.**

8 A. My name is Derrick M. Craig. I am the Manager of Energy Conservation
9 for Florida Public Utilities Company. My business address is 208 Wildlight
10 Avenue, Yulee, FL 32097.

11 **Q. Describe briefly your background and business experience?**

12 A. I graduated from the Georgia Institute of Technology in 1991 with a
13 Bachelors of Electrical Engineering and I obtained a Masters of Business
14 Administration in 1997 from the Darden School of Business (the University of
15 Virginia). I have been employed with FPUC since 2019, where I started my
16 career as a Regulatory Analyst before I became the Energy Conservation
17 Manager in 2021.

18 **Q. Are you familiar with the electric conservation programs of the Company
19 and costs which have been, and are projected to be, incurred?**

20 A. Yes.

21 **Q. What is the purpose of your testimony in this docket?**

22 To describe generally the expenditures made and projected to be made in
23 implementing, promoting, and operating the Company's electric conservation
24 programs. This will include recoverable costs incurred in January through

1 June 2022 and projections of program costs to be incurred from July through
2 December 2022. It will also include projected electric conservation costs for
3 the period January through December 2023, with a calculation of the
4 Conservation Adjustment Factor to be applied to the Company's consolidated
5 electric customers' bills during the collection period of January 1, 2023
6 through December 31, 2023.

7 **Q. Are there any exhibits that you wish to sponsor in this proceeding?**

8 A. Yes. The Company wishes to sponsor as exhibits Schedules C-1, C-2, C-3, C-
9 4, and C-5, contained in my composite Exhibit DMC-2. I am also sponsoring
10 a Revised DMC-1, as explained later in my testimony.

11 **Q. Has the Company prepared summaries of its electric conservation
12 programs and the costs associated with these programs?**

13 A. Yes. Summaries of the electric conservation programs as approved in Docket
14 No. 20200060-EG, the petition for approval of the demand-side management
15 plan, are contained in Schedule C-5 of Exhibit DMC-2. Included are the
16 Residential Energy Survey Program, the Residential Heating and Cooling
17 Efficiency Program, the Commercial Heating and Cooling Efficiency
18 Program, the Commercial Chiller Upgrade Program, the Electric Conservation
19 Demonstration and Development Program, the Low Income Energy Outreach
20 Program, the Commercial Reflective Roof Program and the Commercial
21 Energy Consultation Program.

22 **Q. Has the Company prepared schedules that show the expenditures
23 associated with its electric conservation programs for the periods you
24 have mentioned?**

1 A. Yes, Schedule C-3, Pages 1 and 1A of 5, Exhibit DMC-2 shows actual
2 expenses for the months January through June 2022. Projections for July
3 through December 2022 are also shown on Schedule C-3, Pages 1 and 1A.
4 Projected expenses for the January through December 2023 period are shown
5 on Schedule C-2, Page 1 of 3 of Exhibit DMC-2.

6 **Q. Has the Company prepared schedules that show revenues for the period**
7 **January through December 2023?**

8 A. Yes. Schedule C-4 shows actual revenues for the months January through
9 June 2022 and projected revenues for July through December 2022 and
10 January through December 2023.

11 **Q. Has the Company prepared a schedule that shows the calculation of its**
12 **proposed Conservation Adjustment Factor to be applied during billing**
13 **periods from January 1, 2023 through December 31, 2023?**

14 A. Yes. Schedule C-1 of Exhibit DMC-2 shows these calculations. Net program
15 cost estimates for the period January 1, 2023 through December 31, 2023 are
16 used. The estimated true-up amount from Schedule C-3 (Page 4 of 5, Line 11)
17 of Exhibit DMC-2, being an over-recovery, was added to the total of the
18 projected costs for the twelve-month period. The total projected recovery
19 amount, including estimated true-up, was then divided by the projected Retail
20 KWH Sales for the twelve-month period ending December 31, 2023. The
21 resulting Conservation Adjustment Factor is shown on Schedule C-1 (Page 1
22 of 1) of Exhibit DMC-2.

23 **Q. The beginning true-up balance from your Schedule CT-3, Page 4 of 5,**
24 **line 9 differs from the amount that appeared in your Final True-Up**

1 **Amount for 2021, please explain?**

2 A. In response to the 2021 audit, it was determined that an accrual for a \$36,560
3 invoice was erroneously included in the Final 2021 True-up filing. We have
4 prepared a revised Exhibit DMC-1, which includes the corrected Final 2021
5 True-up schedules as an exhibit in this filing.

6 **Q. What is the Conservation Adjustment Factor necessary to recover these**
7 **projected net total costs?**

8 A. The Conservation Adjustment Factor is \$.00113.

9 **Q. Does this conclude your testimony?**

10 A. Yes.

1 CHAIRMAN FAY: Next we will move to exhibits,
2 Mr. Trierweiler.

3 MR. TRIERWEILER: Staff has compiled a
4 stipulated comprehensive exhibit list, which
5 includes the prefiled exhibits attached to the
6 witnesses' testimony in this case. The list has
7 been provided to the parties, the Commissioners and
8 the court reporter. This list is marked as the
9 first hearing exhibit, and the other exhibits
10 should be marked as set forth in the comprehensive
11 exhibit list.

12 CHAIRMAN FAY: Okay. We'll show them marked.
13 (Whereupon, Exhibit Nos. 1-22 were marked for
14 identification.)

15 CHAIRMAN FAY: Next moving in the exhibits.

16 MR. TRIERWEILER: Staff requests that the
17 Comprehensive Exhibit List, marked as Exhibit No.
18 1, be entered into the record.

19 CHAIRMAN FAY: Okay. Without objection, show
20 that entered.

21 (Whereupon, Exhibit No. 1 was received into
22 evidence.)

23 MR. TRIERWEILER: Staff moves Exhibits 2
24 through 22 into the record as set forth in the
25 Comprehensive Exhibit List.

1 CHAIRMAN FAY: Okay. Without objection, show
2 Exhibits 2 through 22 entered into the record.

3 (Whereupon, Exhibit Nos. 2-22 were received
4 into evidence.)

5 CHAIRMAN FAY: Next we will move on to the
6 decision.

7 MR. TRIERWEILER: If the parties are willing
8 to waive briefs, and the Commission decides that a
9 bench decision is appropriate, staff recommends
10 that the proposed stipulations of Issues 1 through
11 10 on pages seven through 15 of the Prehearing
12 Order be voted on by the Commission.

13 CHAIRMAN FAY: Okay. Great. And I presume
14 the parties are willing to waive briefs on this
15 docket.

16 All right. With that, Commissioners, we will
17 take any questions or discussions on the 02 docket
18 at this time.

19 Seeing none, I will take a motion on the
20 proposed Type 2 stipulations for Issues 1 through
21 10 on the 02 docket.

22 COMMISSIONER CLARK: Move approval, Mr.
23 Chairman.

24 CHAIRMAN FAY: We have a motion.

25 COMMISSIONER GRAHAM: Second.

1 CHAIRMAN FAY: A motion and a second.

2 All that approve, say aye.

3 (Chorus of ayes.)

4 CHAIRMAN FAY: None opposed.

5 Show those issues approved by the Commission.

6 And with that, unless we have any other

7 matters, Mr. Trierweiler.

8 MR. TRIERWEILER: Since the Commission has
9 made a bench decision, then post-hearing filings
10 are not necessary.

11 CHAIRMAN FAY: Okay. Great.

12 Any other matters from the parties on 02?

13 With that, see docket 02 adjourned.

14 (Proceedings concluded.)

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CERTIFICATE OF REPORTER

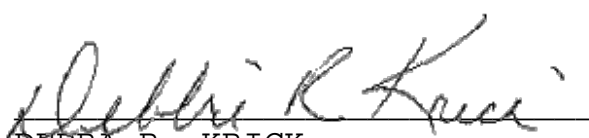
STATE OF FLORIDA)
COUNTY OF LEON)

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 1st day of December, 2022.


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