BEFORE THE 1 FLORIDA PUBLIC SERVICE COMMISSION 2 In the Matter of: 3 DOCKET NO. 090505-EI 4 REVIEW OF REPLACEMENT FUEL COSTS ASSOCIATED WITH THE FEBRUARY 26, 5 2008 OUTAGE ON FLORIDA POWER & LIGHT COMPANY'S ELECTRICAL 6 SYSTEM. 7 8 9 10 11 12 13 PROCEEDINGS: COMMISSION CONFERENCE AGENDA 14 ITEM NO. 3 15 COMMISSIONERS 16 PARTICIPATING: CHAIRMAN ART GRAHAM COMMISSIONER LISA POLAK EDGAR 17 DATE: Tuesday, February 8, 2011 18 Betty Easley Conference Center 19 PLACE: Room 148 4075 Esplanade Way 20 Tallahassee, Florida 21 JANE FAUROT, RPR REPORTED BY: 22 Official FPSC Reporter (850) 413-6732 23

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PROCEEDINGS

CHAIRMAN GRAHAM: Item Number 3 is just one person. It is a sole panel.

COMMISSIONER EDGAR: I'm ready when you are, Mr. Chairman, and I would ask our staff to go ahead and introduce the item, please.

MR. YOUNG: Thank you.

Madam Commissioner, Keino Young, legal staff. Item Number 3 is staff's recommendation in Docket Number 090505, which is FPL's motion for reconsideration of the review of the replacement fuel costs associated with the February 26, 2008, outage at Florida Power and Light Company. Staff is available for any questions.

COMMISSIONER EDGAR: Thank you.

And then, Mr. Chairman and Commissioners, just a brief few comments, recognizing that this situation is a little unusual that I am on this one by myself, but I'm so glad that you all are here with me physically and in other ways. I recognize, of course, that this is a motion for reconsideration, and that the standard of review is whether there was a fact or law that the Commission overlooked or failed to consider, and that in considering that question, I am bound by the record

and the four corners of the motion for reconsideration.

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I do take this issue, as every issue, very seriously, and I want you and all of the parties to know that I have gone back and read and reviewed and re-read and re-reviewed the relevant portions of the docket and the relevant portions of the record for this docket, the motions, the transcript, et cetera.

This issue is, of course, or the issue that was before us about the calculation of net replacement power costs, with two factors, basically, the method and the duration for that calculation of costs. I do believe that this instance and other replacement power cost issues is very fact specific, that this case is unique. I recognize that this outage was due to a remote transmission event, and that at the agenda conference where the Commission considered this item after the hearing there was great discussion, particularly about how to calculate the duration or the time period to figure out the amount of refund.

So with all of that, Mr. Chairman and Commissioners, I do not believe that the standard for reconsideration has been met. I do not believe that the Commission missed a fact or application of

the law, and therefore I agree with the staff recommendation on all items.

CHAIRMAN GRAHAM: So, I guess -- Ms. Helton, did she move staff and second it and then vote?

> MS. HELTON: Yes, sir.

CHAIRMAN GRAHAM: So are we done with Item Number 3, or how do we put the --

MS. HELTON: I think, as Commissioner Edgar did say, that she is in agreement with staff's recommendation, I guess you could approve staff's recommendation, or move staff's recommendation and that would be sufficient for the record and for the order.

COMMISSIONER EDGAR: Then, Mr. Chairman, I would, for the record, state and restate that I do approve the staff recommendation after careful consideration of the information before me.

CHAIRMAN GRAHAM: Thank you very much, Commissioner Edgar, for handling this item for us. And I am very happy that you didn't handle all of these items today for us.

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1	STATE OF FLORIDA)
2	: CERTIFICATE OF REPORTER
3	COUNTY OF LEON)
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5	I, JANE FAUROT, RPR, Chief, Hearing Reporter Services Section, FPSC Division of Commission Clerk, do
6	hereby certify that the foregoing proceeding was heard at the time and place herein stated.
7	IT IS FURTHER CERTIFIED that I
8	stenographically reported the said proceedings; that the same has been transcribed under my direct supervision; and that this transcript constitutes a
9	true transcription of my notes of said proceedings.
10	I FURTHER CERTIFY that I am not a relative, employee, attorney or counsel of any of the parties,
11	nor am I a relative or employee of any of the parties' attorney or counsel connected with the action, nor am I
12	financially interested in the action.
13	DATED THIS 10th day of February, 2011.
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16	JANE FAUROT, RPR Official FPSC Hearings Reporter
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