

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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In re: Energy Conservation Cost
Recovery Clause.

Docket No. 120002-EI

Submitted for Filing: August 1, 2012

**PEF'S OBJECTIONS TO SACE'S FIRST SET OF
INTERROGATORIES (Nos. 1-16)**

Pursuant to Fla. Admin. Code R. 28-106.206, Rule 1.340 of the Florida Rules of Civil Procedure, and the Order Establishing Procedure, Progress Energy Florida, Inc. ("PEF") hereby serves its objections to the Southern Alliance for Clean Energy's ("SACE") First Set of Interrogatories (Nos. 1-16) and states as follows:

GENERAL OBJECTIONS

PEF objects to each interrogatory to the extent it requests information regarding "the past five years" because that time period is beyond the scope of the issues in this docket. Further, these interrogatories seek information that is irrelevant and not reasonably calculated to lead to the discovery of admissible evidence. The purpose of this docket is to set conservation cost recovery factors to be utilized during the period 2013. Relevant information to this docket includes true-up costs incurred by PEF during 2011, actual/estimated costs for 2012, and projected costs for 2013. Therefore, of the requested "past five years" period, only the year 2011 is relevant to this proceeding. Accordingly,

PEF will provide responses for the year 2011.

With respect to the "Definitions" and "Instructions" in SACE's First Set of

Interrogatories, PEF objects to any definitions or instructions that are inconsistent with PEF's discovery obligations under applicable rules. If some question arises as to PEF's

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discovery obligations, PEF will comply with applicable rules and not with any of SACE's definitions or instructions that are inconsistent with those rules. Furthermore, PEF objects to any interrogatory that calls for PEF to create data or information that it otherwise does not have because there is no such requirement under the applicable rules and law.

Additionally, PEF generally objects to SACE's interrogatories to the extent that they call for data or information protected by the attorney-client privilege, the work product doctrine, the accountant-client privilege, the trade secret privilege, or any other applicable privilege or protection afforded by law.

By making these general objections at this time, PEF does not waive or relinquish its right to assert additional general and specific objections to SACE's discovery at the time PEF's response is due.

SPECIFIC OBJECTIONS

Interrogatory No. 9: PEF objects to this interrogatory because it seeks information on the "rate of free ridership" and the "spillover rate" for each of PEF's DSM programs. This information is irrelevant and not reasonably calculated to lead to the discovery of admissible evidence. Specifically, the information requested in this interrogatory would only be relevant to the design and characteristics of PEF's Demand Side Management ("DSM") programs, and would not be relevant to the recovery of the costs for those programs. SACE attempted to raise similar issues in last year's clause proceeding, Docket No. 110002-EG.¹ As the Prehearing Officer noted in Order Number PSC-11-0507-PHO-

¹ The five specific issues that SACE attempted to raise in last year's docket, all of which were determined to be irrelevant and beyond the scope of the proceedings, were as follows: (9) Has the utility documented a levelized cost, or used another methodology, to determine the DSM plan program cost per unit of energy savings? (10) Would a different mix of

EG, such issues are beyond the scope of this cost recovery proceeding. The Prehearing Officer further noted: "The individual demand-side management (DSM) plan dockets implement and address the approval of the programs and continue to be the more appropriate forum for resolution of SACE's raised issues." This same observation applies to the information requested in Interrogatory Number 9.

Interrogatory No. 12: PEF objects to this interrogatory because the term "administrative costs" is vague and ambiguous. Further, this interrogatory calls for PEF to create data or information that it otherwise does not have. PEF objects to this interrogatory because there is no such requirement under the applicable rules and law. The particular costs required to be reported by Rule 25-17.015, F.A.C., are set out in detail in PEF's Schedule CT2 filings and do not include a category entitled "administrative costs." To the extent SACE desires to review details of the costs of each energy efficiency program, it may do so in detail by reference to Schedule CT2, available on line through the Commission's website and attached to PEF's May 2, 2012 filing in this proceeding. The reported data does not include a category entitled "administrative costs," although PEF does maintain a subaccount by the name "Conservation Program Admin."

Interrogatory No. 14: PEF objects to this interrogatory because it requests information for 2013 that has not yet been developed. Specifically, PEF has not developed the requested information for 2013 and will not do so until it files its projection testimony on September 12, 2012, consistent with the Order Establishing Procedure. PEF further objects to the information requested for 2014, because that information is irrelevant to the

compliant DSM Plan programs result in a lower conservation cost recovery factor?
(11) Would modifying the design of existing compliant DSM Plan programs result in a lower cost recovery factor? (12) Would an increased reliance on lower cost compliant DSM Plan programs result in a lower cost recovery factor? (13) Are the costs of the DSM Plan programs prudent?

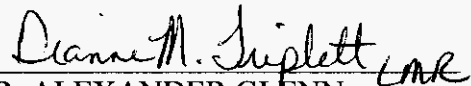
scope of this cost recovery proceeding. This docket is limited to recovery of costs associated with PEF's approved demand-side management programs for years 2011, 2012 and 2013.

Interrogatory No. 15: PEF objects to this interrogatory because it seeks information on the "basis for forecasts, by program, for numbers of participants, MW capacity savings, and MWh energy savings." This information is irrelevant and not reasonably calculated to lead to the discovery of admissible evidence. Specifically, the information requested in this interrogatory would only be relevant to the design and characteristics of PEF's DSM programs, and would not be relevant to the recovery of the costs for those programs. The basis for such forecasts does not change from year to year, absent modifications to PEF's DSM plan. SACE attempted to raise similar issues in last year's clause proceeding, Docket No. 110002-EG. As the Prehearing Officer noted in Order Number PSC-11-0507-PHO-EG, such issues are beyond the scope of this cost recovery proceeding. The Prehearing Officer further noted: "The individual demand-side management (DSM) plan dockets implement and address the approval of the programs and continue to be the more appropriate forum for resolution of SACE's raised issues." This same observation applies to the information requested in Interrogatory Number 15.

Interrogatory No. 16: PEF objects to this interrogatory because it requests information for 2013 that has not yet been developed. Specifically, PEF has not developed the requested information for 2013 and will not do so until it files its projection testimony on September 12, 2012, consistent with the Order Establishing Procedure. PEF further objects to the information requested for 2014, because that information is irrelevant to the scope of this cost recovery proceeding. This docket is limited to recovery of costs

associated with PEF's approved demand-side management programs for years 2011, 2012 and 2013.

Respectfully submitted,

Handwritten signature of Dianne M. Triplett in black ink, with the initials 'DMT' written at the end of the signature.

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished via electronic mail this 1st day of August, 2012 to all parties of record as indicated below.


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