

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of:

DOCKET NO. 170030-EI

PETITION FOR LIMITED
PROCEEDING FOR APPROVAL TO
INCLUDE IN BASE RATES THE
REVENUE REQUIREMENT FOR THE
HINES CHILLERS UPRATE PROJECT,
BY DUKE ENERGY FLORIDA, LLC.

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PROCEEDINGS: COMMISSION CONFERENCE AGENDA
ITEM NO. 3

COMMISSIONERS
PARTICIPATING: CHAIRMAN JULIE I. BROWN
COMMISSIONER ART GRAHAM
COMMISSIONER RONALD A. BRISÉ
COMMISSIONER JIMMY PATRONIS
COMMISSIONER DONALD J. POLMANN

DATE: Tuesday, March 7, 2017

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

REPORTED BY: LINDA BOLES, CRR, RPR
Official FPSC Reporter
(850) 413-6734

P R O C E E D I N G S

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2 **CHAIRMAN BROWN:** Moving on to Item 3. Hi.

3 Good morning.

4 **MR. LEE:** Good morning, Commissioners. Daniel
5 Lee on behalf of staff.

6 Item 3 addresses Duke Energy's petition
7 regarding its proposed revenue requirement and tariffs
8 for the Hines chillers uprate project. The Hines
9 chillers uprate project was approved by the Commission
10 in 2014 in a need determination proceeding. Recovery of
11 such cost is allowed under the settlement agreement
12 approved by the Commission in 2013.

13 Staff's recommended revenue requirement is
14 based on the capital structure from the most recent
15 earnings surveillance report and is approximately
16 \$28,000 lower than Duke Energy proposed.

17 No customers filed comments in this docket. A
18 Duke Energy representative is present to answer
19 questions. The Office of Public Counsel would like to
20 make a comment. Staff is prepared to answer questions.

21 **CHAIRMAN BROWN:** Thank you so much.

22 Mr. Rehwinkel, welcome, and Ms. Triplett.

23 **MR. REHWINKEL:** Thank you, Madam Chair,
24 Commissioners.

25 The Public Counsel is here to support the

1 staff's recommendation. When we reached agreement with
2 Duke in 2013, we specifically agreed that what we're
3 doing here today would be done the way it's being done
4 by your staff.

5 Normally if a company came in and asked for a
6 \$19 million increase in rates, we would ask that the
7 Commission suspend the tariff, hold a hearing, and then
8 implement rates after it was determined what the
9 appropriate rates would be. However, in this case, we
10 agreed that this process would happen where the tariff
11 would go into effect, a party would be afforded an
12 opportunity for hearing, but the revenues would be
13 collected subject to refund as per the *Wilson* line of
14 cases. That's what you're doing here today. That's why
15 we're not asking for the tariff to be suspended. And at
16 this point in time, we agree with the calculations of
17 the revenue requirement of the company, and we will not
18 be asking for a hearing in this case.

19 We do have an opportunity to challenge any
20 excess costs, not that we expect there to be any. It's
21 a theoretical right that we would have, and Duke has
22 done a good job in bringing this project in. Thank you.

23 **CHAIRMAN BROWN:** Thank you, Mr. Rehwinkel. I
24 did suspect that you were going to say those words, so I
25 appreciate them being said on the record.

1 Ms. Triplett, would you like to make any
2 comment?

3 **MS. TRIPLETT:** No, ma'am. I was just here to
4 make sure that I agreed with what he said.

5 **CHAIRMAN BROWN:** That he said that.

6 **MS. TRIPLETT:** We're good. Thank you.

7 **CHAIRMAN BROWN:** Sounds good.

8 Commissioners, any comments, questions?

9 Seeing none, can I please get a motion on this
10 item?

11 **COMMISSIONER BRISÉ:** So move.

12 **COMMISSIONER GRAHAM:** Second.

13 **CHAIRMAN BROWN:** All those in favor, say aye.

14 (Vote taken.)

15 Motion passes. Thank you.

16 (Agenda item concluded.)

1 STATE OF FLORIDA)
 :
2 COUNTY OF LEON) CERTIFICATE OF REPORTER

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4 I, LINDA BOLES, CRR, RPR, Official Commission
5 Reporter, do hereby certify that the foregoing
6 proceeding was heard at the time and place herein
7 stated.

8 IT IS FURTHER CERTIFIED that I
9 stenographically reported the said proceedings; that the
10 same has been transcribed under my direct supervision;
11 and that this transcript constitutes a true
12 transcription of my notes of said proceedings.

13 I FURTHER CERTIFY that I am not a relative,
14 employee, attorney, or counsel of any of the parties,
15 nor am I a relative or employee of any of the parties'
16 attorney or counsel connected with the action, nor am I
17 financially interested in the action.

18 DATED THIS 14th day of March, 2017.

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LINDA BOLES, CRR, RPR
Official FPSC Hearings Reporter
Office of Commission Clerk
(850) 413-6734