FILED 10/18/2017 DOCUMENT NO. 08899-2017 000001 FPSC - COMMISSION CLERK 1 BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION 2 In the Matter of: 3 DOCKET NO. 20170001-EI 4 5 FUEL AND PURCHASED POWER COST RECOVERY CLAUSE WITH 6 GENERATING PERFORMANCE INCENTIVE FACTOR. 7 8 9 10 11 PROCEEDINGS: PREHEARING CONFERENCE 12 13 COMMISSIONER COMMISSIONER RONALD A. BRISÉ PARTICIPATING: 14 PREHEARING OFFICER 15 Wednesday, October 11, 2017 DATE: 16 TIME: Commenced at 1:59 p.m. Concluded at 2:46 p.m. 17 Betty Easley Conference Center PLACE: Room 148 18 4075 Esplanade Way 19 Tallahassee, Florida LINDA BOLES, CRR, RPR 20 REPORTED BY: Official FPSC Reporter 21 (850) 413-6734 22 23 24 25

APPEARANCES:

J.R. KELLY, PUBLIC COUNSEL; CHARLES

REHWINKEL, DEPUTY PUBLIC COUNSEL; PATRICIA A.

CHRISTENSEN, ERIK SAYLER, and STEPHANIE A. MORSE,

ESQUIRES, Office of Public Counsel, c/o the Florida

Legislature, 111 W. Madison Street, Room 812,

Tallahassee, Florida 32399-1400, appearing on behalf of

the Citizens of the State of Florida.

JAMES D. BEASLEY and J. JEFFRY WAHLEN, ESQUIRES, Ausley & McMullen, Post Office Box 391, Tallahassee, Florida 32302, appearing on behalf of Tampa Electric Company.

ROBERT SCHEFFEL WRIGHT and JOHN T. LaVIA,
III, ESQUIRES, Gardner Law Firm, 1300 Thomaswood Drive,
Tallahassee, Florida 32308, appearing on behalf of the
Florida Retail Federation.

STEVEN R. GRIFFIN and RUSSELL A. BADDERS and ESQUIRES, Beggs & Lane, P.O. Box 12950, Pensacola, Florida 32591-2950; JEFFREY A. STONE, ESQUIRE, One Energy Place, Pensacola, Florida, 32520, appearing on behalf of Gulf Power Company.

JON C. MOYLE, JR., and KAREN PUTNAL, ESQUIRES, Moyle Law Firm, P.A., 118 North Gadsden Street, Tallahassee, Florida 32301, appearing on behalf of Florida Industrial Power Users Group.

APPEARANCES:

JAMES W. BREW, ESQUIRE, Stone Mattheis

Xenopoulos & Brew PC, 1025 Thomas Jefferson Street, NW,

Eight Floor, West Tower, Washington, DC 20007, appearing
on behalf of White Springs Agricultural Chemicals, Inc.

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DIANNE M. TRIPLETT, ESQUIRE, 299 First Avenue
North, St. Petersburg, Florida 33701; and MATTHEW R.
BERNIER, ESQUIRE, 106 East College Avenue, Suite 800,
Tallahassee, Florida 32301-7740, appearing on behalf of
Duke Energy Florida, LLC.

BETH KEATING, ESQUIRE, Gunster Law Firm, 215 South Monroe Street, Suite 601, Tallahassee, Florida 32301-1839, appearing on behalf of Florida Public Utilities Company.

JOHN BUTLER, WILL COX, WADE LITCHFIELD, and MARIA MONCADA, ESQUIRES, 700 Universe Boulevard, Juno Beach, Florida 33408-0420, on behalf of Florida Power & Light Company.

SUZANNE BROWNLESS and DANIJELA JANJIC
ESQUIRES, FPSC General Counsel's Office, 2540 Shumard
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appearing on behalf of the Florida Public Service
Commission Staff.

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APPEARANCES:

FLORIDA PUBLIC SERVICE COMMISSION

KEITH HETRICK, GENERAL COUNSEL; MARY ANNE HELTON, DEPUTY GENERAL COUNSEL, as Advisors to the Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850.

PROCEEDINGS

commissioner Brisé: All right. We're going to go ahead and call this Prehearing Conference to order. Today is October 11th, 2017, it is 1:31, I believe, and this is 2017.

And so we have five dockets that we have to cover today, and so with that, we're going to ask

Ms. Margo Duval to read the notice.

MS. DUVAL: Thank you, Commissioner.

By notice issued September 27th, 2017, this time and place was set for a prehearing in the following dockets: 20170001-EI, 20170002-EG, 20170003-GU, 20170004-GU, and 20170007-EI. The purpose of the prehearing is set out in the notice.

COMMISSIONER BRISÉ: Thank you. And so at this time, we'll take appearances, and staff has suggested, and I think it's a great suggestion, that we will take appearances for all of the dockets at one time. And so at this point, we'll take appearances.

MR. BUTLER: Thank you, Commissioner. John Butler appearing for Florida Power & Light Company in the 01, 02, and 07 dockets. I'd also like to enter appearances for Wade Litchfield in the 01, 02, and 07 dockets, Ken Rubin in the 02 docket, Jessica Cano in the 07 docket, and Maria Moncada in the 01 docket. Thank

you.

COMMISSIONER BRISÉ: Thank you.

MR. BERNIER: Good afternoon, Commissioner.

Matt Bernier for Duke Energy. I'll be entering an appearance in the 01, 02, and 07 dockets. And I'd also like to enter an appearance for Dianne Triplett in those same dockets.

COMMISSIONER BRISÉ: Okay. Thank you.

MR. GRIFFIN: Good afternoon, Commissioner.

Steven Griffin with the law firm of Beggs & Lane. I'd like to enter an appearance for myself in the 01, 02, and 07 docket. Also appearing in those dockets are Jeffrey A. Stone, General Counsel for Gulf Power Company, and my partner, Russell A. Badders.

MR. BEASLEY: Good afternoon, Commissioner. Jim Beasley for Tampa Electric Company in the 01, 02, and 07 dockets. I'd also like to enter an appearance for my partner Jeff Wahlen.

COMMISSIONER BRISÉ: Okay.

MS. KEATING: Good afternoon, Commissioner.

Beth Keating with the Gunster Law Firm. I'm here today appearing on behalf of FPUC in the 01, 02, and 03 dockets, and on behalf of FPUC and Chesapeake, the consolidated companies, in the 04 docket.

COMMISSIONER BRISÉ: Okay. Thank you.

MR. MUNSON: Good afternoon, Commissioner. 1 Greg Munson also with the Gunster Law Firm here on 2 behalf of Florida City Gas in the 03 and 04 dockets. 3 COMMISSIONER BRISÉ: Thank you. 4 MR. BREW: Good afternoon, Commissioner. I'm 5 James Brew. I'm here for White Springs Agricultural 6 7 Chemicals, PCS Phosphate in the 01, 2, and 7 dockets. COMMISSIONER BRISÉ: All right. Thank you. 8 9 MR. REHWINKEL: Good afternoon, Commissioner. Charles Rehwinkel with the Office of Public Counsel. 10 would like to enter an appearance in all dockets for 11 12 myself; Patricia Christensen; Stephanie Morse; J.R. 13 Kelly, the Public Counsel; and Erik Sayler. 14 COMMISSIONER BRISÉ: Thank you. MR. CAVROS: Good afternoon, Commissioner. 15 George Cavros appearing on behalf of Southern Alliance 16 17 for Clean Energy in the 07 docket. COMMISSIONER BRISÉ: Thank you. 18 19 MR. WRIGHT: Good afternoon. Robert Scheffel Wright with the Gardner Law Firm appearing on behalf of 2.0 the Florida Retail Federation in the 001 docket, the 21 22 fuel docket. I'd also like to enter an appearance for 23 my law partner, John T. Lavia, III, in the 001 docket. 24 Thank you. 25 COMMISSIONER BRISÉ: Thank you.

MR. MOYLE: Jon Moyle on behalf of the Florida 1 Industrial Power Users Group, FIPUG. I'd like to enter 2 3 an appearance in the 01, 02, and 07 docket for myself and also for Karen Putnal with our firm. 4 COMMISSIONER BRISÉ: Thank you. Staff. 5 MS. DUVAL: Margo Duval on behalf of 6 7 Commission staff in the 02 and 07 dockets. And I'd like to enter appearances for Wesley Taylor in the 03 8 9 docket, Stephanie Cuello in the 04 and 07 dockets, Suzanne Brownless and Danijela Janjic in the 01 docket, 10 and Charles Murphy in the 07 docket. 11 12 COMMISSIONER BRISÉ: Thank you. So with that 13 MS. HELTON: Did you want me to make an 14 appearance? 15 **COMMISSIONER BRISÉ:** Oh, absolutely. 16 17 you. 18 MS. HELTON: Mary Anne Helton. I'm here as 19 your advisor for all of the dockets. And I'd also like 20 to make an appearance for our General Counsel, Keith 21 Hetrick. Thank you. 22 COMMISSIONER BRISÉ: Thank you very much. 23 Thank you for catching me there. 24 So the order of the dockets -- oh, I'm sorry. 25 MS. SPARKMAN: Sorry. If I may, I didn't have

a seat left, this is Paula Sparkman on behalf of Sebring 1 Gas on the 04 docket. Thank you. 2 COMMISSIONER BRISÉ: Okay. Thank you. All 3 right. Is that everyone? All right. It seems like it 4 is. 5 6 7 COMMISSIONER BRISÉ: Let's proceed to the 01 docket. 8 9 MS. BROWNLESS: Yes, sir. COMMISSIONER BRISÉ: Give me a quick second to 10 make sure I'm situated properly. 11 12 Okay. This one may be a little more complicated. 13 14 MR. BUTLER: Commissioner Brisé, in this brief 15 pause, I neglected to enter an appearance for Will Cox, who is also appearing for FPL in the 01 docket. I just 16 17 wanted to put that on the record. Thank you. COMMISSIONER BRISÉ: Okay. So are there any 18 19 other appearances that need to be put in for this docket? 20 21 Okay. All right. We have already read the 22 notice and taken appearances, so let's proceed to the 23 01 docket. 24 Ms. Brownless, are there any preliminary 25 matters we need to address before we review the

1	Prehearing Order?
2	MS. BROWNLESS: No, sir, not of which I'm
3	aware.
4	COMMISSIONER BRISÉ: Okay. Thank you. Does
5	any party have any preliminary matters that we need to
6	address?
7	Okay. Seeing none, let's proceed. Let's go
8	through the Draft Prehearing Order now. I'll identify
9	sections, and I want the parties to let me know if there
10	are any corrections or changes that need to be made. We
11	may go through this quickly, so please speak up if you
12	have a change or a correction that needs to be made.
13	Section I, case background. Sorry. I'm going
14	faster than I should; right?
15	Section II, conduct of proceedings.
16	Section III, jurisdiction.
17	Section IV, procedure for handling
18	confidential information.
19	Section V, prefiled testimony and exhibits and
20	witnesses.
21	MS. BROWNLESS: And with regard to that, we
22	need to set a time for witness summaries.
23	COMMISSIONER BRISÉ: I've given that some
24	thought, like we customarily do, about five minutes per
25	witness for the summaries.

MS. BROWNLESS: Additionally, as was discussed previously, FIPUG, FIPUG objects to a witness being considered an expert witness unless the witness affirmatively states the subject area in which he or she claims expertise and voir dire, if requested, is permitted.

In its prehearing statement, FRF states that at the time of filing its prehearing statement, it does not expect to challenge the qualification of any witness; however, it believes that each party that intends to rely upon a witness's testimony as expert testimony should be required to identify the field or fields of expertise of such witnesses and to provide the basis for the witness's claimed expertise.

Section 6A8 of the OEP requires that a party shall identify each witness the party wishes to voir dire as well as state with specificity the portions of that witness's prefiled testimony by page and line number and/or exhibits to which the party objects.

If the party fails to identify the portions of the prefiled testimony or exhibits in their prehearing statement to which it objects, the party is not allowed to conduct voir dire at the hearing absent a showing of good cause. The good cause exemption does not apply to the identification of witnesses; thus, if a party does

not identify the witness it wishes to voir dire, it waives the right to voir dire.

FIPUG has not identified the witnesses in its prehearing statement that it wishes to voir dire and, therefore, in staff's opinion, it waives the right to do so since it has not complied with the OEP. Likewise, FRF has not identified any witness whose expertise it wishes to challenge.

Since neither FIPUG nor FRF has complied with the OEP, neither should be allowed to challenge the expertise of any witness, and we would request that a ruling to that effect be made.

COMMISSIONER BRISÉ: Okay. I heard from FIPUG earlier. Let me hear from FRF.

MR. WRIGHT: Thank you, Commissioner. We don't intend to challenge the qualifications of any of the witnesses who are actually going to appear here. If other parties have cross, we would reserve our right to cross appropriately. But we're not going to conduct voir dire. Thanks.

COMMISSIONER BRISÉ: Thank you.

FIPUG, do you want to add anything?

MR. MOYLE: I just said, "See above." Those comments above were essentially due process comments with respect to, you know, having a witness identify

what areas of expertise they have. We think the better 1 2 practice is for that to be done upfront so you know and you're not necessarily guessing as to areas of 3 expertise. So we'll just incorporate the prior 4 5 comments. COMMISSIONER BRISÉ: Sure. Thank you. And we 6 7 expect all the parties to comply with the OEP, and so, and so we'll rule on that. 8 MS. BROWNLESS: And so is your ruling, Your 9 Honor, that you find that each has failed to comply with 10 the requirements of the OEP and, therefore, are 11 prohibited from conducting voir dire or challenging the 12 13 expertise of any witness? COMMISSIONER BRISÉ: Well, technically, yes. 14 15 Okay? 16 MS. BROWNLESS: Thank you, sir. COMMISSIONER BRISÉ: You're welcome. 17 18 Section VI, order of witnesses. Are there any 19 changes to the order of witnesses? 20 MR. BUTLER: Commissioner Brisé, yes. 21 FPL, on page 5 of the draft Prehearing Order, we have 22 two witnesses, W.F. Brannen and J. Enjamio. We'd like 23 to switch those so Mr. Enjamio would testify first and 24 Mr. Brannen second.

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COMMISSIONER BRISÉ: Okay. Can you say those

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names again? I'm sorry. 1 2 MR. BUTLER: It's Brannen, B-r-a-n-n-e-n, about five witnesses down, and then Enjamio, 3 E-n-j-a-m-i-o. Switch those two witnesses, yes. 4 COMMISSIONER BRISÉ: Okay. Any issues with 5 that from the parties? 6 7 Okay. Any other changes to witnesses? Okay. MS. BROWNLESS: At this time we'd like to 8 9 note, sir, that all parties have agreed that the staff 10 witnesses, and I'm never going to say these names correctly, so I apologize to our staff witnesses in 11 advance, Ojada, Brown, Simmons, and Terkawi, can be 12 13 excused and their testimony inserted into the record as 14 though read. We have also checked with all Commissioners, and no Commissioner has an objection to 15 these witnesses being excused. 16 COMMISSIONER BRISÉ: Okay. Thank you. Are 17 the parties -- can the parties confirm that these four 18 19 witnesses have been excused, these four staff witnesses? 20 MR. BADDERS: Yes, we can. 21 COMMISSIONER BRISÉ: Can be excused? 22 MR. BERNIER: Yes. 23 MR. WRIGHT: We confirm. 2.4 MR. MOYLE: Affirmative. 25 COMMISSIONER BRISÉ: Okay. Are there any

other witnesses that can be stipulated to?

MS. BROWNLESS: We are working on stipulations at this time, and when we get to that part of the discussion, we'll chat about that some more. But I think since we have only a limited number of contested issues, we'll be able to excuse many of the witnesses today.

COMMISSIONER BRISÉ: Okay. Thank you.

Okay. Basic positions.

Okay. Section VIII, issues and positions.

MS. BROWNLESS: Again, this is the same issue as previously raised, that the OEP requires each party take a position at the Prehearing Conference unless good cause can be shown as to why they can't do so. If a party's position in the draft prehearing order is listed as "No position at this time," the party must change it today or show good cause why they can't take a position.

Absent a showing of good cause, the Prehearing Order will reflect "No position" for that party on that issue. On several issues FIPUG, and these are Issues 2I through 2P, has stated the following: "FPL must meet its burden of proof on this point."

This is not a statement of position. It's a statement of evidentiary burden of proof. In order to be consistent with the OEP, it is staff's position that

FIPUG must take a position today on these issues, show good cause why it can't do so, or have its position changed to "No position." A "No position" on these issues will prohibit FIPUG from cross-examining witnesses with regard to these issues. And I believe Mr. Moyle's able to take a position. Is that correct, sir?

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MR. MOYLE: Yes. I'll supplement the position that we've taken to more clearly put it at issue. So in addition to the issue that we had with respect to the burden of proof, with respect to Issue 2J, our position would be "No." And then the burden of proof language could flow from there.

On position 2K, it relates to the revenue requirements associated with the 2017 SoBRA projects. Our position would be modified to say, "Less than 60.52 million."

Issue 2L, the existing position related to the burden of proof would be modified by inserting before then -- beforehand "Less than 0.937 percent."

On Issue 2M, the position related to the burden of proof would be modified by inserting beforehand the word "No."

On position 2N relating to revenue requirements, the position related to the burden of

proof would be modified by inserting beforehand "Less 1 than 59.89 million." 2 And on Issue -- actually there's two more. 3 Issue 20, the existing position would be modified by 4 inserting beforehand "Less than 0.919 percent." 5 And on Issue 2P, the issue as stated related 6 7 to the burden of proof can be modified by inserting beforehand the word "No." 8 9 MS. BROWNLESS: Thank you, sir. COMMISSIONER BRISÉ: Thank you. All right. 10 So you made that a little bit easier for me. 11 12 Are there any other parties that need to make 13 adjustments to their positions? 14 MR. BREW: Yes, Your Honor. On 1A, the PCS 15 Phosphate "No position" is tied to -- pending Duke's settlement. 16 COMMISSIONER BRISÉ: A quick second. 17 MS. BROWNLESS: I'm sorry, sir. I didn't hear 18 19 that. COMMISSIONER BRISÉ: Yeah. So if you could 20 21 start again, please. MR. BREW: PCS's "No position" on Issue 1A was 22 23 predicated upon approval of the Duke settlement. I'll 24 provide supplemental language to staff by tomorrow. 25 COMMISSIONER BRISÉ: Okay. Any other parties

1	wish to make changes to their positions on the issues?
2	MS. BROWNLESS: I do want to well, I don't
3	know if this is the
4	COMMISSIONER BRISÉ: You want us to walk
5	through?
6	MS. BROWNLESS: appropriate time to talk
7	about this or if we should oh, I see.
8	I'm sorry, Jon. Can we go back to Issue 21?
9	That one you missed. You didn't take that's a "must
10	meet its burden of proof" with no position. You gave me
11	J, K, L, M, N, O, and P. 2I is Woodford, Jon. It's on
12	page 16.
13	MR. MOYLE: I was working off the very helpful
14	contested issues cheat sheet that you provided, so my
15	apologies on that. I'm sorry. Page what?
16	MS. BROWNLESS: Sixteen, Issue 2I.
17	COMMISSIONER BRISÉ: "Have all Woodford-
18	related costs been removed"
19	MR. MOYLE: I would just why don't we
20	modify that just by just saying "No."
21	MS. BROWNLESS: Are you going to make that an
22	issue in this case and have it added as a contested
23	issue?
24	MR. MOYLE: I'd like to have a few
25	conversations with Mr. Butler following today's

proceeding. I anticipate we'll get it worked out, but
for today I'd like to contest it.

MS. BROWNLESS: Okay. We'll add it to the contested issue list.

COMMISSIONER BRISÉ: Okay. So for clarity,

I'm asking the parties do we -- do I need to go through
the varying issues, or are we comfortable where we are
with respect to the issues for this case?

MS. BROWNLESS: Can we just go down and see if, for example, OPC is going to take -- we prepared a contested issue list and a proposed stipulation list which have been distributed to all the parties, and at this time I think that the only things that are contested are what's listed on the contested issue list with a clarification with regard to the hedging issues, which we can discuss in a minute.

If we're going to add Issue 2I, that's fine.

Does anybody have any desire to add any other issues to
the contested issue list?

MS. CHRISTENSEN: My, my understanding is on the proposed stipulation list on Issue 11, I just want to make sure that we clarify. It looks as though we are fine with the stipulated language on Issue 11, which holds essentially the amount subject to true-up and reserves our rights to prudency review in a subsequent

fuel proceeding.

MS. BROWNLESS: Yes, ma'am.

MS. CHRISTENSEN: And with that caveat, we're good with 11. And the hedging issues would still be subject to dispute in the upcoming hearing.

And I believe we had reserved Issue 30 regarding the jurisdictional amount for the capacity cost recovery clause, and that was a fallout of the fact that the nuclear cost recovery docket decision has yet to be made. And I believe that's Issue 24, and I want to say -- is it A?

MS. BROWNLESS: I think we ended up with some language everybody was happy with on 24A because it -the stipulated language there states, "This stipulation is without prejudice as to the ultimate amount to be recovered or refunded by FPL." So that would leave that open for folks to contest.

MS. CHRISTENSEN: Okay. I -- let me just take a quick look at that. I think we're in agreement with --

MS. BROWNLESS: And that's on page 21 of the stipulated -- proposed stipulations.

MS. CHRISTENSEN: I think we're in agreement with that, but -- I think Issue 30 has a particular number, and as long as we're -- if Issue 30 is to be

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understood as just reflecting for this year's docket, because I believe the true-up was going to, if there was any true-up, would take place in the March midcourse correction filing.

MS. BROWNLESS: Exactly. I think there was a stipulation making that consistent with what we were going to do with another issue.

MS. CHRISTENSEN: With that understanding on Issue 30, then I can take a "No position."

COMMISSIONER BRISÉ: Okay.

MS. CHRISTENSEN: And that would leave the hedging issues, for OPC's purposes, still contested issues.

MS. BROWNLESS: On the hedging issues, didn't you -- and I'm looking now at the Prehearing Order at page 9, the last sentence of all the hedging issues for you says, "OPC takes no positions on the company's actions to mitigate the volatility of residual oil and purchased power prices." So I took that to be that you were taking no position on those.

MS. CHRISTENSEN: No. I believe that -that's not what the intent was. I do not believe that
that's the intent. I think our intent was to --

MS. BROWNLESS: Well, I mean, I guess why I'm confused, Patty, is because you say, "OPC takes no

1	position on the financial hedging actions taken prior to
2	the approval of the hedging moratorium as reported in
3	the company's April 2017 and August 2017 hedging
4	reports," and these issues are associated with the April
5	and August hedging reports.
6	MS. CHRISTENSEN: Yeah, I think
7	MS. BROWNLESS: So it's not future hedging.
8	It's
9	MS. CHRISTENSEN: I think our issue has to do
LO	with the prudency of the issue, but let us review the
L1	issue and we will get back to you tomorrow.
L2	MS. BROWNLESS: Okay.
L3	COMMISSIONER BRISÉ: All right. Let me
L 4	let's, let's do this. I'm going to go ahead and go
L5	through blocks of issues so it might be easier.
L 6	Issues 1A through 5A. Take time to review
L7	those.
L8	MR. BREW: As mentioned earlier, we'll be
L9	supplementing our response our position on 1A.
20	COMMISSIONER BRISÉ: Okay. Perfect. All
21	right. So take a minute or two to review Issues 1A
22	through 5A.
23	Okay. If we're ready to move on, we're going
24	to move on to Issues 6 through 11.
25	MS. BROWNLESS: And are these issues that

Public Counsel can take "No position" on?

MS. CHRISTENSEN: For the positions that we've taken "No position at this time," then our position would change to "No position." For those issues where we've taken a position, I think the only issue is Issue 11, and I think we've previously discussed stipulating language on that.

MS. BROWNLESS: Okay. So it's "No position" with regard to all of these now that we're --

MS. CHRISTENSEN: From, from 6 through 11, and I think probably would be true for the remaining issues as well. If we took "No position at this time," we can change those to "No position" for the remaining issues.

And I think, as we previously discussed on the hedging issues, we'll take a look at that, and if we need to provide further clarification language by the close of business tomorrow for Issues 1A through 5A, we will do that.

MS. BROWNLESS: Thank you.

COMMISSIONER BRISÉ: Okay. All right. So for OPC, that covers all of your issues?

MS. CHRISTENSEN: I believe so, because I think otherwise we've indicated what our position is or we've previously discussed stipulated language.

COMMISSIONER BRISÉ: Okay. But I'm still

going to go through the list just to make sure that 1 we're all on the same page here. 2 So we're done with 6 through 11. Now looking 3 at Issues 13A. 4 Okay. All right. Issues 16 and 17. 5 Okay. If we're ready to move on, 18 through 6 7 22. Okay. 23A through 24D. 8 9 Okay. Moving on to 27 through 33, 27 through 33. Sorry. 10 11 On to 34, then Issues 35 and 36. 12 All right. And I think we addressed the 13 contested issues as they were on this sheet, on the 14 sheet that was distributed. 15 MS. BROWNLESS: Yes. And I just want to make sure I state this for the record, and Mr. Wright can 16 17 jump in if I'm not doing it correctly. 18 With regard to the hedging issues, FIPUG and 19 FRF have taken no -- have taken positions in the 20 Prehearing Order on Issues 1A, 2A, 4A, and 5A contrary 21 to that stated in the stipulation and wish to maintain 22 those positions. 23 However, both parties agree to waive 24 cross-examination of witnesses supporting the issues and 25 post-hearing briefing on these issues and will not

object to the entry of a stipulation on these issues as 1 written, should the other parties to the docket wish to 2 do so. Is that correct, Mr. Wright? 3 MR. WRIGHT: That is correct, Ms. Brownless. 4 Thank you, Commissioner. 5 MR. MOYLE: And, and to be clear on, on that, 6 7 we're essentially saying hedging should be discontinued. I mean, it's at issue, but as a courtesy and convenience 8 9 to the investor-owned utilities, we're not feeling like 10 they need to drag their witnesses up here on that. But given Ms. Christensen's comments on 11 hedging, if she comes back and says, you know, "We want 12 13 to make hedging an issue and drag the witnesses up," then we would reserve the right to ask questions then. 14 15 But if she comes back and says, "We don't need to talk to the witnesses on hedging," then we would, you know, 16 17 be willing to let the witnesses go. 18 MS. BROWNLESS: Patty, can you address whether you wish to have any cross-examination of the hedging 19 20 witnesses? 21 MR. MOYLE: I think she's going to get back to 22 you by 5:00 tomorrow. 23 MS. BROWNLESS: Well, let's -- perhaps she can 24 answer today. 25 MS. CHRISTENSEN: I think Mr. Moyle probably

represented that correctly. At this time I cannot respond to that question, but I can get back to you before 5:00 o'clock tomorrow. My understanding is that since these are -- the hedging is subject to numerous agreements in base rate cases and pending agreements in base rate cases, which will basically put a moratorium on hedging activities, the only issue that remains is whether or not the past hedging activities were -- complied with the plans. And I think our particular sticking point is whether or not those actions were prudent, and I'm not sure that we're ready to affirmatively put that in a stipulation today. So that I need to look at.

MS. BROWNLESS: So you -- and I don't want to beat this dead horse, but -- so that language in your position you're going to change because you indicate there that you have "No position" with regard to the -- this issue.

MS. CHRISTENSEN: If we need to clarify the language, then we will do that by 5:00 o'clock tomorrow. My understanding is we had looked at the contested issue language and we were fine with all the language except for the "Therefore, its actions are found to be reasonable and prudent." If that language can be deleted, then we can move on today. If not, then we'll

1 have to clarify or revise our language.

MS. BROWNLESS: Thank you. I appreciate it.

MR. MOYLE: And just so we're clear, the language that you said, I mean, that's not a stipulation per se. It's just a, you know, here's the position and here's what the utilities say and here's what, what the others say. And we're just saying, you know, as a courtesy and convenience, assuming OPC gets there, then we're not going to require them to bring their witnesses up and ask them questions about it. So I just want to be 100 percent clear on that.

I mean, FIPUG has long maintained an adverse position to hedging. So when you say "stipulation, stipulation," I mean, we're not stipulating to -- that hedging is prudent or appropriate or anything like that.

MS. BROWNLESS: Oh, we understand that. We understand that you wouldn't be agreeing to such a stipulation. We got that.

MR. MOYLE: Okay.

MS. BROWNLESS: We're just putting this language out to see if it's agreeable to the individual IOUs and okay with them. And we understand that it's not okay with you and we understand that you're continuing to maintain that position. We just want to put the language out there so everybody is able to

review it.

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COMMISSIONER BRISÉ: Okay. Let me hear from Mr. Brew and then Mr. Wright.

MR. BREW: Thank you, Commissioner. Along these same lines, as I mentioned earlier, PCS would be modifying its position on that issue specifically because it was tied to approval of the settlement, which we don't know what's going to happen yet.

To the extent that that issue becomes live based on the Commission's actions on the settlement, our intention would be not to require Mr. McCallister to come here but to maintain our ability to take a position on that issue.

COMMISSIONER BRISÉ: Okay. Mr. Wright.

MR. WRIGHT: Briefly, and thank you, Commissioner.

Like FIPUG, the Retail Federation does not agree that the hedging programs have been prudent. Accordingly, we're not going to sign on to a stipulation that says that their activities have been reasonable and prudent. All we want to do is maintain our substantive positions on the hedging issues in that way. Other than that, we're not going to require anybody to show up with a witness, we're not going to cross, we're not going to attempt to brief. The case can go forward.

And if the other parties -- I think the way this really ought to play out is you make a bench vote and say, "We approve the position articulated in the staff's language." And if you want to say, "We note that FIPUG and FRF and maybe OPC disagree with that," that's fine. But that's all, that's all you're going to hear from me on it. Thanks.

MR. MOYLE: I was going to say, you could also agree with FIPUG and Retail Federation, if you were so inclined.

COMMISSIONER BRISÉ: Thank you.

Mr. Butler.

MR. BUTLER: Thank you, Commissioner Brisé.

I guess in view of the clarification that Mr. Moyle and Mr. Wright have given, I continue to be puzzled as to why OPC can't agree to that as well. You know, they're clearly not saying that they accept the prudence of the utility's hedging programs. They're just sort of standing aside from having -- taking the time to litigate that issue here. It seems like that's the same thing FIPUG -- I mean, I'm sorry, OPC wants to do, and yet they're not agreeing to this position. I'd just ask Ms. Christensen to reconsider.

COMMISSIONER BRISÉ: So let me, let me, before

I get to you, if I'm understanding what FIPUG is

saying -- I mean, I'm sorry, OPC is saying, "We just
want some time to take a look at it and determine where
we're going to be on it," and that's what I'm hearing.

And maybe I'm mistaken.

MR. REHWINKEL: Commissioner, you're absolutely right.

Let me just cut to the chase. Mr. Sayler has been handling this docket for a couple of years now.

He's on vacation in North Carolina. We'll have a chance to talk to him. It's his understanding that there was some previously agreed upon language that he's not seeing. We just need to have that conversation. When we do, we'll get back. And we're not going to make a roadblock or an obstacle to this process. We'll get back and everybody will be probably pretty happy when we do. So we just can't say any more today, and I appreciate you understanding.

COMMISSIONER BRISÉ: All right. Just like in the other cases, and I know Ms. Brownless wanted all the positions today, right now --

MS. BROWNLESS: Yes.

COMMISSIONER BRISÉ: -- but as we extend the courtesy of, within the other dockets till tomorrow, 5:00 p.m., I think we will all benefit by allowing this issue to be resolved by 5:00 p.m. tomorrow. Okay?

MS. BROWNLESS: Yes, sir.

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MS. BROWNLESS: Exhibit list.

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COMMISSIONER BRISÉ: Thank you. Exhibit list.

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COMMISSIONER BRISÉ: All right. Where are we?

MS. BROWNLESS: Yes, sir. We have prepared a Comprehensive Exhibit List which has been circulated several times now. And I think the one that was just sent out yesterday probably has everybody's corrections in it and accurately reflects what everybody wants. is anybody here unable to say that that's correct? Everybody think the Comprehensive Exhibit List correctly reflects their exhibits?

MR. MOYLE: We don't have any exhibits, but I'm not sure we're able to say one way or the other, given that it came out yesterday afternoon.

MS. BROWNLESS: Cool. And --

COMMISSIONER BRISÉ: Well, I think that we can address, right? I understand the other issue with the witnesses, there's some stuff that needs to happen. But I think we probably could have looked at the Comprehensive Exhibit List. So if we can be efficient with that, I would greatly appreciate that.

MR. MOYLE: I'm just saying I think my recollection is all the rate cases, everything we've done, we have shown up on the day of hearing and said,

"Here's the Comprehensive Exhibit List. We want to make it an exhibit, the first exhibit in the hearing." And that's when everybody goes, "I'm good with this" or "I'm not good with this." So I don't know if we're trying to make people say "I'm good with this" or "I'm not good with this" two weeks before the hearing, but it seems to 7 me that if we are, it's two weeks before the hearing and probably not, not the right time to do that, given that the final list was sent around yesterday afternoon, it's 9 committee week, some of us have other, other things we've got to attend to. So that's my point. 11

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COMMISSIONER BRISÉ: Okay. Mr. Brew.

MR. BREW: Commissioner, I also would like some additional time to look at the proposed exhibits or Comprehensive Exhibit for this docket. There have been times when I've been concerned about the inclusion of unsponsored documents, and I'd like to have some more time to go through it.

COMMISSIONER BRISÉ: Okay.

MS. BROWNLESS: And perhaps you could do that by tomorrow at 5:00 as well.

MR. BREW: We'll make every effort to do so.

MS. BROWNLESS: Because I'll tell you that we do not have -- we spent a lot of time, energy, and effort making sure that there was a witness sponsor for

each and every exhibit, so.

COMMISSIONER BRISÉ: Okay. Mr. Butler.

COMMISSIONER BRISE: Okay. Mr. Butler.

MR. BUTLER: In that regard, I'd point -there's one minor typo on page 15 of the Comprehensive
List. It's a continued reference to Richard Feldman as
a sponsor, which should be removed because we had
replaced him with having Juan Enjamio and Matt Simmons
sponsoring Interrogatory 53. So just at the bottom of
the list of sponsoring witnesses, if you could remove
that, please.

MS. BROWNLESS: I'll be happy to do so.

COMMISSIONER BRISÉ: Okay. Anything else with the exhibit list?

MS. BROWNLESS: No, sir.

COMMISSIONER BRISÉ: Okay. Proposed stipulations.

MS. BROWNLESS: Okay. We've talked about these, and Jon went through them earlier, and thank you so much, this leads to witnesses to appear at the hearing. I think we can say pretty sure that witnesses associated with the SoBRA issue for FP&L will be the only witnesses that are going to appear at this time. And, Jay, does that square up with what you emailed me?

MR. BREW: Yes.

MS. BROWNLESS: And there are four witnesses

that I've identified that are associated with the SoBRA issues: Mr. Brannen, Enjamio, Ms. Fuentes, and Ms. Cohen. And, Jon, can you tell us, or you and Schef, which one you'd like to talk to?

MR. MOYLE: Yeah. I'm in the process of reviewing that, talking to FPL. And at this point, I'd like all four of them, but I may reduce that as time goes on.

MS. BROWNLESS: Okay. And does anybody else have, any other party have any witness that they believe needs to be put on the stand at this time?

MR. BUTLER: The only thing that could be possibly implicated is if we can't reach some sort of understanding on hedging, then Mr. Yupp is our witness on hedging. But I'm hopeful that we will be able to reach an understanding that allows Mr. Yupp and other hedging witnesses not to appear.

MS. BROWNLESS: Okay. Well, my understanding from Schef and Jon is that they do not wish to cross-examine a hedging witness. Is that correct?

MR. MOYLE: If OPC wants to talk hedging and make it a big issue, then we'll make it a big issue. I mean, we've made it a big issue every fuel proceeding. But, again, as a courtesy, because we think that, we think that we see a path to resolution of hedging and we

may talk about the path that we see, but as a courtesy 1 to the utilities, we were not saying, you know, we're 2 3 going to turn this into a big discussion on hedging. If OPC comes back tomorrow and says, "We 4 5 disagree with FIPUG and Retail and we are going to turn this into a big hedging discussion," you know, it's a 6 7 live issue and we'll talk to the witnesses on hedging. MS. BROWNLESS: Okay. And, OPC, y'all are 8 9 going to tell us tomorrow whether you want a witness? MS. CHRISTENSEN: We can include that as far 10 11 as our response. But I would assume that if we're 12 putting the hedging at issue, we would like to talk to 13 all the hedging witnesses for the companies that are 14 proposing to have their hedging plans approved. I suspect, though, that we can come to some 15 sort of resolution in the docket where that will not be 16 17 necessary. 18 MR. REHWINKEL: Just to be clear, 19 Commissioner, I don't think the resolution that we will 20 get in the next few hours is going to entail bringing 21 people to town. 22 MR. BERNIER: Commissioner, if I could just 23 briefly --24 COMMISSIONER BRISÉ: Sure, please. 25 MR. BERNIER: There are not hedging plans at

5 the recor

issue in this docket. We have not put forth a hedging plan. These are trades under previously approved hedging plans. So there is not a plan that we are asking to have approved. I just wanted to put that on the record.

MR. WRIGHT: Commissioner?

COMMISSIONER BRISÉ: Yes, sir.

MR. WRIGHT: Just to be clear, no party has to bring any party solely for the purpose of that witness being cross-examined by the Florida Retail Federation.

If witnesses take the stand and I have some questions when it's my turn in the order of cross-examination, I may want to ask them. But nobody has to make an appearance as a witness live for our purposes. Thank you.

MR. BREW: Ditto.

COMMISSIONER BRISÉ: Okay. That's, that's -that is my understand -- that's the sense that I got.

And so I trust that the parties can work amongst each
other and come to a resolution, and that's why I
suggested that by tomorrow afternoon we will -- we'll
get there. Okay?

MS. BROWNLESS: Thank you.

COMMISSIONER BRISÉ: Thank you.

All right. So we were still at proposed

1	stipulations. Are there is there anything else?
2	MS. BROWNLESS: Right. We do have a list of
3	proposed stipulations, and we will be working to make
4	sure those get stipulated to. Yeah, remove the
5	proposed.
6	COMMISSIONER BRISÉ: Okay. So you want to go
7	through them or
8	MS. BROWNLESS: Pending motions, there is a
9	June 14th, 2017, motion that was filed by Duke that
10	it is reflected in the proposed stipulation to Issue
11	No. 1B. And if Issue No. 1B is stipulated to, that
12	resolves that issue.
13	COMMISSIONER BRISÉ: Okay. Perfect. Any
14	other pending motions?
15	MS. BROWNLESS: No, sir, of which I'm aware.
16	COMMISSIONER BRISÉ: Okay. Any pending
17	confidentiality motions?
18	MS. BROWNLESS: We have four pending
19	confidentiality motions that were just filed in the last
20	few days. They have to do with hedging, audit report
21	work papers. And we'll do our best to get those issued
22	prior to the start of the hearing.
23	COMMISSIONER BRISÉ: Okay. Thank you.
24	Post-hearing procedures.
25	MS. BROWNLESS: If parties agree to waive

briefs, the Commission may make a bench decision. 1 Briefs will be limited to 40 pages, and briefs are due 2 on November 13th, if any are required, and they will be 3 considered at the December 7th Agenda Conference. 4 **COMMISSIONER BRISÉ:** Okay. Everyone got that? 5 MR. BUTLER: Commissioner Brisé. 6 7 COMMISSIONER BRISÉ: Yes, sir. MR. BUTLER: There is what I think may be a 8 9 typo in the identification of wording limits here. It 10 seems like that where it talks about the prehearing position being longer than 75 words, it has to be 11 reduced to no more than 50 words, I think that should be 12 13 75 words. 14 MS. BROWNLESS: Oh, it should be 75. I don't 15 -- did you get the --MR. BUTLER: Otherwise, it's like a penalty 16 17 for being long-winded in the prehearing statement. 18 MS. BROWNLESS: No, sir. I think that you may not have picked up Prehearing Order No. 4, which 19 20 corrected that typo. 21 MR. BUTLER: Okay. All right. Thank you. 22 COMMISSIONER BRISÉ: All right. So we can 23 move on to the ruling section. MS. BROWNLESS: Yes, sir. And we're 24 25 suggesting that opening statements, consistent with the

other dockets, be limited to three minutes per party, 1 2 unless they choose to waive them. MR. BUTLER: We would like to request five 3 minutes. I think it may be distinct to our own needs, 4 5 but because of the contest or dispute over the SoBRA determination, that's a relatively complicated matter. 6 7 I would appreciate having five minutes to address it. COMMISSIONER BRISÉ: Okay. 8 9 MR. MOYLE: And we would, we would also like five minutes on that SoBRA issue as well. We think --10 we agree with Mr. Butler, it's an issue that has some --11 12 a lot of moving parts, and it probably would help the 13 Commission to understand what we're, what we're talking about if, if we had a little more time on, on that 14 15 issue. So we would similarly like for five -- to have five minutes. 16 COMMISSIONER BRISÉ: Okay. So how many 17 18 parties at five minutes? 19 MR. MOYLE: I can speak for us. I can speak for FIPUG. 2.0 21 MR. WRIGHT: Commissioner, you can make 22 whatever ruling you want to make. I won't, I won't take 23 even three minutes. 24 **COMMISSIONER BRISÉ:** Okay. 25 MR. WRIGHT: But I think, I think, out of

respect for my colleagues, Mr. Butler and Mr. Moyle, 1 we're not taking positions on the SoBRA issues. Those 2 3 are complex issues, and I think it would be good for y'all to hear from, from them for five minutes, if they 4 5 wish. COMMISSIONER BRISÉ: Yeah. I'm just trying to 6 7 gauge --MS. BROWNLESS: Time. 8 9 MR. MOYLE: I think it might be Mr. Butler and 10 me at this point based on my discussions with other 11 Intervenor parties. I'm not sure a lot of other people 12 have plans to put this at issue. COMMISSIONER BRISÉ: Okay. OPC. 13 14

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MS. CHRISTENSEN: We took no position on the Sobra issue, so we would not be addressing those. And I assume that we will probably reach some sort of resolution or position that won't require us to do opening on hedging. But even if it were the case that we had an opening on hedging, it would be less than three minutes or so.

COMMISSIONER BRISÉ: Okay. Mr. Brew.

MR. BREW: Commissioner, I have lots to say about the FPL SoBRA filing, but I'll save it for another day.

COMMISSIONER BRISÉ: Okay. All right. So

1	what I'm going to do is do ten minutes per side
2	right? and that way give an opportunity for, for the
3	time to be split and then for, for FPL to have an
4	opportunity to, to provide opening statements. Am I
5	confused?
6	MS. HELTON: I'm sorry, Mr. Chairman. I may
7	be confused. So are we taking about just for the SoBRA
8	issue, or are we talking about
9	COMMISSIONER BRISÉ: No, we're talking about
10	total.
11	MS. HELTON: So Power & Light would get its
12	five minutes for SoBRA, and then the other IOUs would
13	need to split the rest of the five minutes for the
14	MS. BROWNLESS: No, ten minutes per side. So
15	he's, I think, suggesting that FP&L get ten minutes and
16	the who's pro SoBRA, and the anti SoBRA people get
17	ten minutes and split it among however many anti SoBRA
18	people there are.
19	COMMISSIONER BRISÉ: Right.
20	MS. HELTON: Okay. I'm sorry for my
21	confusion.
22	COMMISSIONER BRISÉ: No, that's fine. You
23	almost got me confused. Okay.
24	MR. WRIGHT: Commissioner?
25	COMMISSIONER BRISÉ: Yes.

1	MR. WRIGHT: Just so I'm clear, I may want to
2	talk for one minute about hedging and why our positions
3	are what they are. Is that going to be okay?
4	MR. BUTLER: It depends on whether Jon can
5	live with nine to talk about SoBRA.
6	MR. WRIGHT: Yeah. I thought it was per
7	party, not a per side. So that's so when I said less
8	than three minutes, I thought I was trying to help out.
9	COMMISSIONER BRISÉ: Got you.
10	MS. BROWNLESS: Well, you know, just as an
11	idea here, the people that we know are interested in the
12	SoBRA issue at this time are Florida Power & Light for
13	the pro SoBRA and Mr. Moyle and for the anti SoBRA
14	people, and perhaps OPC; correct?
15	MS. CHRISTENSEN: No.
16	MS. BROWNLESS: No, because you took no
17	position.
18	COMMISSIONER BRISÉ: Huh-uh. Hedging.
19	MS. CHRISTENSEN: No. All I was indicating is
20	if the hedging
21	COMMISSIONER BRISÉ: Doesn't resolve itself.
22	MS. BROWNLESS: Okay. That's the different
23	MS. CHRISTENSEN: doesn't resolve, we would
24	be in the same position as Mr. Wright
25	MS. BROWNLESS: Right. What I'm trying to

suggest is if there's going to be -- if we're going to combine SoBRA with all the other issues -- right? -- or we could do them separately, so everybody could do their opening statements of three minutes if they're not interested in SoBRA, and when you get to John, he gets ten minutes to do his entire thing. And when you get to Mr. Moyle and whoever the anti SoBRA folks are, however many folks are in that category, they get ten minutes to do their entire thing and divide it up however they wish. Because it basically, I believe, probably will be Jon's alone.

MR. MOYLE: That works for me.

COMMISSIONER BRISÉ: Okay. So, so let's make sure we're all on the same page. So the basic opening statements are three minutes; right? Everyone across the board, every, you know, party. And then for the SoBRA issue, we have allotted 20 minutes total, okay, pro SoBRA, anti SoBRA, okay, and then that will be split accordingly. Does that make sense for everyone?

MS. BROWNLESS: Yes, sir.

COMMISSIONER BRISÉ: Okay. Perfect.

MS. BROWNLESS: Cool.

COMMISSIONER BRISÉ: Okay. Thank you.

Let me see. What else in terms of rulings,

briefs?

1	MS. BROWNLESS: The briefs, if there are any,
2	should be 40 pages
3	COMMISSIONER BRISÉ: Okay.
4	MS. BROWNLESS: is our suggestion. And I
5	don't think we have any other matters at this time.
6	COMMISSIONER BRISÉ: Okay. Parties, any other
7	matters for this docket?
8	Okay. Seeing none, this concludes the
9	prehearing of Docket 01.
10	(Prehearing concluded at 2:46 p.m.)
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1	STATE OF FLORIDA)
2	: CERTIFICATE OF REPORTER COUNTY OF LEON)
3	
4	I, LINDA BOLES, CRR, RPR, Official Commission
5	Reporter, do hereby certify that the foregoing proceeding was heard at the time and place herein stated.
6	
7	IT IS FURTHER CERTIFIED that I stenographically reported the said proceedings; that the same has been transcribed under my direct supervision;
8	and that this transcript constitutes a true transcription of my notes of said proceedings.
9	I FURTHER CERTIFY that I am not a relative,
10	employee, attorney or counsel of any of the parties, nor am I a relative or employee of any of the parties'
11	attorney or counsel connected with the action, nor am I financially interested in the action.
12	
13	DATED THIS 18th day of October, 2017.
14	
15	Ginda Boles
16	LINDA BOLES, CRR, RPR FPSC Official Hearings Reporter
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