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July 14, 2021

VIA ELECTRONIC FILING
Adam Teitzman, Commission Clerk
Division of the Commission Clerk and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Docket No. 20210015-EI
Petition by FPL for Base Rate Increase and Rate Unification

Dear Mr. Teitzman:

Attached for filing on behalf of Florida Power & Light Company ("FPL") in the above-referenced docket are the Rebuttal Testimony and Exhibit of FPL witness Tiffany C. Cohen.

Please let me know if you should have any questions regarding this submission.

(Document 11 of 15)

Sincerely,

R. Wade Litchfield
Vice President & General Counsel
Florida Power & Light Company

RWL:ec
Attachment
cc: Counsel of Record

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

FLORIDA POWER & LIGHT COMPANY

REBUTTAL TESTIMONY OF TIFFANY C. COHEN

DOCKET NO. 20210015-EI

JULY 14, 2021

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I. INTRODUCTION

Q. Please state your name and business address.

A. My name is Tiffany C. Cohen. My business address is Florida Power & Light Company ("FPL" or the "Company"), 700 Universe Boulevard, Juno Beach, Florida 33408.

Q. Have you previously submitted direct testimony in this proceeding?

A. Yes.

Q. Are you sponsoring any rebuttal exhibits in this case?

A. Yes. I am sponsoring the following rebuttal exhibit:

- TCC-10, Real Time Pricing Customer Response

Q. What is the purpose of your rebuttal testimony?

A. The purpose of my rebuttal testimony is to respond to the testimonies of Florida Industrial Power Users Group ("FIPUG") witness Pollock; Federal Executive Agencies ("FEA") witness Collins; Florida Retail Federation ("FRF") witness Georgis; Walmart Inc. ("Walmart") witness Chriss; Florida Rising, Inc., League of United Latin American Citizens of Florida, and the Environmental Confederation of Southwest Florida, Inc. (collectively "FR/LULAC/ECOSWF") witness Rabago; and Vote Solar and CLEO Institute (collectively "VS-CLEO") witness Whited. Specifically, I will address the Florida Public Service Commission's ("Commission") policy on gradualism and FPL's application of that policy, FPL's proposed rate design for demand-

metered customers, FPL's proposal to eliminate the Real Time Pricing ("RTP") rate schedule, and FPL's benchmark of the typical residential 1,000 kWh bill.

Q. Please summarize your rebuttal testimony.

A. My testimony shows that:

- FPL has correctly applied the Commission's policy regarding gradualism;
- FPL's method for developing commercial and industrial rates for demand-metered customers is fair and reasonable and maintains the current relationship between energy and demand charges;
- FPL's proposal to eliminate the RTP tariff is fair and reasonable because the program is significantly subsidized by the general body of customers and is not working as intended because most RTP customers do not curtail their load in response to high hourly prices; and,
- FPL's benchmark of the typical residential 1,000 kWh bill is consistent with industry practice and the Commission's benchmarking practices.

II. COMMISSION POLICY ON GRADUALISM AND INTERVENOR PROPOSALS FOR ALLOCATING THE REVENUE INCREASE

Q. Witnesses Pollock, Collins and Georgis each take issue with FPL's allocation of revenue increases and the application of gradualism. Please explain the concept of gradualism as it applies to the allocation of revenue increases for rate design.

A. The Commission has made it clear that rates should be based on the fully allocated cost of service method with the objective of achieving parity among rate classes. The Commission also has expressed concerns about any rate class receiving an overly large revenue requirement increase and has created a guideline, referred to as "gradualism," to address those concerns. The concept of gradualism, as applied in Florida, limits the revenue increase for each rate class to 1.5 times the system average increase in total operating revenues, including adjustment clauses, and provides that no rate class be decreased.

In the Commission's order that first instituted the gradualism guideline, the Commission stated: "All parties in this proceeding agree that the revenue increase should be allocated between classes so as to move toward an equalized rate of return for all classes. While we embrace this concept, we feel the impact on customers' bills must be considered in allocating revenues." Order No. 10306, p. 106. The Commission articulated its guideline for addressing bill impacts stating that "[n]o customer class shall receive a revenue increase greater than 1.5 times the system average increase as a result of this proceeding." Order No. 10306, p. 107. Additionally, as I further explain below, the Commission has made it clear in subsequent orders that the calculated 1.5 times increase is based on *total* revenues. *See, e.g.*, Order No. PSC-10-0153-FOF-EI.

Q. Has FPL applied the Commission's guidelines on revenue allocation and gradualism correctly?

A. Yes.

Q. Please explain.

A. The rates FPL has proposed in this case appropriately reflect the allocated costs by rate class and move all classes closer toward an equalized rate of return (*i.e.*, parity) while limiting the increase to each class to no more than 1.5 times the system average based on total operating revenues including clause revenues. Where FPL has not had a general base rate increase since 2018, FPL has requested an 8.7% increase in total revenues for 2022. Under the gradualism guideline, any increase to a rate class is limited to 1.5 times 8.7%, or 13.0%. As shown on Minimum Filing Requirement ("MFR") E-8, under FPL's proposed rates, no class will receive an increase of more than 13.0% in total.

Q. FIPUG witnesses Pollock asserts on page 52 of his direct testimony that FPL's definition of gradualism is flawed because it is based on expressing the proposed base revenue increases as a percentage of the total revenues from each class. He also contends on page 13 of his testimony that larger customers will receive increases that violate the gradualism principle. Do you agree with his assertions?

A. No. The Commission has stated explicitly in other orders that revenues from adjustment clauses are to be included in the gradualism calculation. FIPUG raised this same issue in FPL's most recent fully litigated rate case. The Commission rejected FIPUG's position stating that "[c]onsistent with our decisions in more recent electric rate cases, we find that in this case no class shall receive an increase greater than 1.5 times the system average percentage

increase in total, *i.e.*, *with adjustment clauses*, and no class should receive a decrease." Order No. PSC-10-0153-FOF-EI, p. 179 (emphasis added).

Excluding clause revenues would distort the proper application of gradualism, impede the movement of several rate classes toward parity (significantly reducing the likelihood of ever achieving parity for those classes), and continue inter-class subsidies that benefit one class of customers over another.

FIPUG witness Pollock is evaluating certain rate components and equating the increase to a violation of gradualism, which is a distortion of the gradualism guideline. FPL followed the Commission's gradualism guidelines in determining each rate class's revenue apportionment of the proposed increase. Based on the current parity of each rate class, FPL correctly applied the Commission's gradualism guideline and designed rates accordingly.

Q. Are there other Commission orders that support FPL's calculation of the gradualism guideline?

A. Yes. The Commission has consistently held that the gradualism guideline should be based on 1.5 times the system average percentage increase, in total, including adjustment clauses. *See, e.g.*, Order No. PSC-08-0327-FOF-EI, issued May 19, 2008 in Docket No. 070304-EI; Order No. PSC-09-0283-FOF-EI, issued April 30, 2009 in Docket No. 080317-EI; Order No. PSC-10-0153-FOF-EI issued March 17, 2010 in Docket No. 080677-EI; and Order No. PSC-13-0443-FOF-EI issued September 30, 2013 in Docket No. 130040-EI.

Q. FEA witness Collins proposes an alternative class revenue allocation shown on his Exhibit BCC-1 that provides increases as high as 1.65 times his calculated system average increase of 14.4%. Is his proposal an appropriate application of the gradualism guideline?

A. No. FEA witness Collins's proposal violates the Commission's well-established gradualism principle that no rate class receives an increase greater than 1.5 times the system average increase. Additionally, the 14.4% system average increase calculated by FEA witness Collins in Exhibit BCC-1 is incorrect because it excludes miscellaneous service charges and other operating revenues. Gradualism, as applied in Florida, limits the revenue increase for each rate class to 1.5 times the system average increase in total operating revenues, which includes miscellaneous service charges and other operating revenues.

Q. On page 5 of his direct testimony, FRF witness Georgis recommends that "any base revenue increase adopted by the Commission should be implemented through an equal percentage increase to all customer classes for each of the years of an approved base rate plan." Do you agree with that proposal?

A. No. Regardless of the amount of revenue increase, any increase should be spread to all customer classes based on cost of service allocations that move all customer classes closer to parity while adhering to the Commission's gradualism guidelines.

III. RATE DESIGN FOR CILC AND CDR CUSTOMERS

Q. How are CILC and CDR incentive payments treated for ratemaking purposes in MFR E-5?

A. FPL's treatment of CILC and CDR incentive payments in the MFRs are entirely consistent with prior rate cases. FPL treats the CILC and CDR incentive payments as additional base revenues (or revenue credits), directly offsetting the revenue requirements of customer classes that participate in these programs, because these incentive payments are collected from all customers as part of a Demand Side Management program recovered through the Energy Conservation Cost Recovery ("ECCR") clause. Absent this offset of revenue requirement, the customer classes that receive direct bill benefits from the CILC and CDR incentive payments would receive higher revenue allocations of the proposed increase.

Q. Starting on page 34 of his direct testimony, FIPUG witness Pollock asserts that the CILC and CDR incentive payments should be re-allocated to all customer classes. Do you agree with this proposal?

A. No. All customer classes pay the CILC and CDR incentives through the ECCR clause and customers would be adversely impacted by reallocating the incentive payments as a reduction to their present revenue in the base rate proceeding. An example of this is highlighted on FIPUG witness Pollock's Exhibit JP-6, page 2 of 2, line 11 where witness Pollock reallocates the CILC and CDR incentive payments to increase the present revenues paid by the CILC and CDR

rate class and reduce the residential class present revenues by $47.68 million. This adjustment artificially reduces the residential class's present revenue resulting in residential customers receiving a larger portion of the 2022 Test Year increase, while artificially increasing the present revenues for the CILC and CDR rates classes giving them a smaller portion of the 2022 Test Year increase. This is not fair or equitable because residential customers have already paid their portion of CILC and CDR incentives through the ECCR clause. This example for residential customers illustrates that FIPUG witness Pollock is effectively proposing that the general body of customers pay twice to provide rate credits for CILC and CDR customers: once in the ECCR clause and a second time by lowering their present revenue on MFR E-5.

Q. On pages 34 and 35 of his direct testimony, FIPUG witness Pollock recalculated the CILC and CDR incentives for the 2022 Test Year. Do you agree with his recalculation?

A. No. CILC incentives are embedded in the base rate where the customer receives a lower bill as compared to the otherwise applicable standard rate. CILC rate schedules are closed to new customers, so the credit levels do not vary much year to year. CDR incentives are a flat $/kW credit to the customers' base bill.

Using CILC-1T as an example, FIPUG witness Pollock estimates a revenue adjustment of $14.41 million as shown on his Exhibit JP-3, page 1 of 4. He calculates this revenue adjustment by taking the difference in revenue for CILC-1T as compared to the revenue from the otherwise applicable rates of GSLD-3

and GSLDT-3. He then averages the revenue adjustments between GSLD-3 and GSLDT-3 to derive his $14.41 million revenue adjustment. However, in actuality, the CILC revenue adjustments (*e.g.*, incentive payments) are collected in the ECCR clause based on actual information that is calculated monthly and at the individual customer-level. FPL's approach is more accurate because it is based on customer-specific actual information.

Q. Walmart witness Chriss requested that in the event the Commission does not approve unified rates, the Commission should approve FPL's CDR for use by customers in the Gulf Power service area. Do you agree?

A. No. First, as stated in FPL's direct testimony, FPL's proposal to unify rates is beneficial to all customers and should be approved. Second, Walmart witness Chriss overlooks that customers in the Gulf Power service area already have access to the Curtailable Load Optional Rider. This is a similar load control program that offers a $/kW credit in exchange for customers curtailing their load in the event of a system emergency.

IV. RATE DESIGN FOR DEMAND-BASED CUSTOMERS

Q. Walmart witness Chriss takes issue with FPL's approach to increasing the demand and energy charges for the GSLDT-1 rate schedule. Please explain FPL's approach to rate design for demand and energy charges in this case.

A. FPL began with present demand and energy rates and increased those rates by the same percentage to maintain the current relationship between demand and

energy rates. FPL then adjusted on-peak energy charges to ensure revenue neutrality to the standard, non-time of use rate. This approach is consistent with FPL's prior rate cases and was used in this case to maintain rate stability and the impact on customers with differing load factors, an issue with which the Commission has previously expressed concerns. The Commission has stated that "[i]ncreases in the demand charge impact low load factor customers to a greater extent than high load factor customers because they are less able to offset the higher demand costs with lower energy costs and are thus less able to affect their total bill." Order No. PSC-10-0153-FOF-EI, p. 189; *see also*, Order PSC-97-0074-FOF-EU, issued January 24, 1997 in Docket No. 951485.

The approach FPL used can be applied consistently across rate classes and provides rate stability, avoids significant changes in demand and energy ratios, and maintains current price signals between on- and off-peak energy charges.

Q. Please comment on Walmart witness Chriss's proposal regarding the pricing of demand and other rate schedule charges.

A. Walmart witness Chriss asserts that demand charges should be set at unit cost. Following strict unit cost in setting demand rates would distort the relationships between the general service demand classes and make it difficult to achieve target revenues while maintaining time of use ("TOU") design goals and principles. Setting demand rates closer to unit cost than as proposed by FPL would recover less cost from energy charges making it difficult to provide meaningful price signals between on- and off-peak energy charges.

Additionally, large increases in the demand rate would adversely impact low load factor customers. *See, e.g.*, Order No. 10557, issued February 1, 1982 in Docket No. 810136; Order No. 11437, issued December 22, 1982 in Docket No. 820097-EU; Order No. 11628, issued February 17, 1983 in Docket No. 820100; Order No. PSC-10-0153-FOF-EI, issued March 17, 2010 in Docket No. 080677.

Also, for energy charges, FPL began with present rates and applied the same percent increase to the off-peak energy charge to maintain the TOU price signal embedded in TOU energy rates. This is consistent with past Commission guidance. Indeed, the Commission has previously stated that "it is reasonable, as a proxy, to maintain the current differential between on- and off-peak ratios to prevent unexpected impacts on existing TOU customers who have adapted their usage to this ratio." Order No. PSC-10-0153-FOF-EI, p. 190.

The percent increase methodology that FPL utilized mitigates the impact of rate increases on low load factor customers and is a reasonable and thoughtful approach to balance the needs of all customers. I also note that FPL continues to offer high load factor time of use rates for those customers that prefer a higher demand charge coupled with a lower energy charge.

Q. Walmart witness Chriss states that FPL proposes an asymmetrical rate design for the Transition Credit/Rider for demand-metered customer classes where demand-metered customers in the FPL service area are

credited on a $/kW basis and demand-metered customers in the Gulf Power service area are charged on a $/kWh basis. Please explain.

A. FPL proposed to implement the Transition Rider for Gulf customers in the same manner in which they pay for certain charges today. Certain medium and large commercial and industrial customers today in the Gulf Power service area pay for the Capacity Clause and Conservation Clause on a $/kWh basis. As noted in my direct testimony on page 29, the clause structures will need to be combined effective January 1, 2022, if the Commission approves unified rates. Thus, a number of these customers in the Gulf Power service area will migrate to $/kW basis for the consolidated Capacity Clause and Conservation Clause. However, in an effort to help mitigate the impact on lower load factor customers, FPL proposed the Transition Rider for these customers in the Gulf Power service area on a $/kWh basis.

V. RATE DESIGN FOR RTP CUSTOMERS

Q. Please explain the background for the Gulf RTP rate.

A. Gulf's RTP rate began as a pilot in 1995 to test day-ahead hourly pricing. At that time there were 12 customers on the rate with a required minimum usage of 2 MW. In 2011, the minimum usage requirement was lowered to 500 kW and the number of customers on the rate schedule increased to approximately 120 today with wide, varying load characteristics.

Q. On pages 19-20 of his direct testimony, FEA witness Collins contends that FPL should retain the Gulf RTP rate. Please explain why FPL is proposing to cancel the RTP rate schedule and migrate those customers onto the best fit rate schedule.

A. FPL is proposing to cancel the RTP rate for several reasons.

First, the current RTP rate schedule prices are a function of the currently approved revenue requirement, which results in the actual prices for RTP customers being significantly less than the cost to serve these customers, as indicated by the 26% parity for the major accounts rate class. This also means the general body of customers is significantly subsidizing this group of 120 customers.

Second, based on FPL's experience with RTP, the Company has found that the majority of customers do not effectively respond to changes in hourly prices as the tariff was originally intended. For illustration, FPL analyzed price and resulting usage data for the month of August 2020. As shown in Exhibit TCC-10, even when faced with exponentially higher prices, the aggregate group did not curtail their load. Also, there are high load factor customers on the RTP rate schedule who are not likely to curtail their load because their rates are so low compared to other cost-based rates.

Third, while it is a separate rate class, RTP is not a "rate class" in the traditional sense where rate classes are typically made up of a relatively homogeneous group of customers that possess similar demand and usage characteristics. There currently are approximately 120 disparate customers on this rate schedule that range from 500 kW to over 2,000 kW. At FPL, these customers would span over several rate classes that are designated by their level of demand and voltage delivery. Each such rate class has standard, TOU, high load factor, seasonal, and load control offerings. A traditional TOU rate structure with fixed time periods is preferable from a cost of service /parity standpoint and improves the ability for many of these customers to plan their operations and electric usage. They can realize savings compared to the standard rate by shifting load off-peak. A TOU rate also reduces individual customer risk where large fluctuations in RTP hourly prices can create bill volatility.

Q. FEA witness Collins asserts that customers on the RTP rate schedule typically consume less electricity in response to higher prices, primarily due to lower electricity consumption during peak times on the utility's system. Do you agree?

A. No. In fact, the opposite is true. In periods of high prices, overall usage of customers on the RTP does not curtail. This is illustrated on Exhibit TCC-10.

Q. Has FPL ever offered a rate similar to the Gulf RTP rate?

A. Yes. FPL offered a similar program that was approved in February 1995. However, similar to the Gulf RTP rate schedule, program benefits did not materialize and the program was ultimately withdrawn in December 2003 by

Commission Order No. PSC-02-1634-TRF-EI. Most of the customers participating in FPL's prior RTP program did not curtail their load in response to high hourly energy prices and those that terminated service under the RTP did so for economic reasons, meaning the bill volatility created too much risk for the customer.

Q. FEA witness Collins presents the FPL system lambda data in Exhibit BCC-2 and states that FPL should develop a new RTP tariff for the consolidated company using that data. Do you agree?

A. No. FEA witness Collins overlooks that system lambda data is only one component of the RTP tariff. There are other components that include multipliers to recover the Company's embedded costs. In total, this rate is in a rate class that is at 26% parity at Gulf today. In order to bring a similar rate schedule to consolidated FPL, the price would need to be raised significantly in order to move these customers closer to parity and avoid subsidization by other customers. Additionally, there still remains a significant problem with many high load factor customers not curtailing in times of high prices, as experienced by both Gulf's RTP program and FPL's withdrawn RTP program, thereby undermining the essential goal of the program.

Q. How will current Gulf RTP accounts be migrated onto the applicable FPL rate schedule?

A. Generally speaking, we review the customer's load and usage characteristics and place them on the rate that is most advantageous to the customer based on these characteristics. I note that FPL also offers numerous options for larger

customers including standard, time of use, high load factor, seasonal and load control rates and riders.

Q. Do you have any final comments on the Gulf RTP program?

A. Yes. In summary, the RTP program is not functioning as intended. Customers are not responding or curtailing load in response to higher price signals. The 120 customers on the RTP rate schedule are significantly subsidized by the general body of customers. If the RTP program were priced at full parity, I believe a significant number of customers would leave the program for economic reasons. FPL offers many alternative rate schedules that are appropriately priced for customers of various sizes and load shapes.

VI. FPL'S TYPICAL RESIDENTIAL BILL

Q. VS-CLEO witness Whited and FR/LULCAC/ECOSWF witness Rabago criticize FPL for using the typical residential 1,000 kWh bill as a benchmark to other utilities and the national average instead of the average bill. Do you agree?

A. No. FPL was very clear throughout testimony that we are using the "typical" residential 1,000 kWh bill, which is an industry-accepted benchmark. This benchmark is utilized by Edison Electric Institute and by this Commission to compare a residential bill at a certain usage level to other utilities.

Q. Why do you not benchmark the average residential bill?

A. The average residential bill is not a meaningful comparison. Average electric usage varies significantly across the country due to climate, weather, availability of gas or other alternatives to electricity, and many other characteristics. Using the industry standard typical residential 1,000 kWh bill provides a more appropriate apples-to-apples comparison of utilities' rates.

Q. FR/LULCAC/ECOSWF witness Rabago states that FPL relies on "misleading sleight of hand" to support assertions about low Company bills. Witness Rabago also claims that FPL bases assertions on "completely unrealistic and false assumption that the average customer for every utility uses an average 1,000 kWh per month". Do you agree?

A. Absolutely not. This is a total mischaracterization of our filing and my testimony. As I stated above, FPL was entirely clear throughout testimony and exhibits that we are using the typical residential bill of 1,000 kWh as a benchmark. That is a meaningful and industry-accepted benchmark. The average bill benchmark is not a meaningful comparison. Additionally, it should be noted that over 50% of FPL's residential customers use less than 1,000 kWhs per month. Finally, the Commission uses the typical residential bill for benchmarking purposes.

Q. Why is the average residential electric bill not a meaningful comparison?

A. It is not an appropriate comparison for several reasons. Using the three utilities with the lowest average bills in each of the tables presented by witnesses Whited and Rabago, I compared specific data using EIA.gov shown on Table 1 below,

which is the same source used by both witnesses for their average bill comparisons.

Table 1

		Temperature		Energy Source Percentage				
IOU	**State**	**Avg**	**Rank**	**Natural Gas**	**Fuel Oil**	**Electricity**	**Propane**	**Other/None**
Public Service Co of NM	NM	56	18	**62%**	0%	23%	6%	9%
Commonwealth Edison Co	IL	53	23	**77%**	0%	17%	4%	2%
PacifiCorp	UT	50	32	**81%**	0%	15%	2%	2%
Public Service Co of Colorado	CO	47	37	**68%**	0%	24%	5%	3%
Niagara Mohawk Power Corp.	NY	48	36	**61%**	19%	12%	4%	4%
Florida Power & Light Co	FL	73	**1**	5%	0%	**92%**	1%	2%

		Temperature		Total Energy Consumption		Total Expenditures	
IOU	**State**	**Avg**	**Rank**	**Per Capita (MMBTU)**	**Rank**	**Per Capita ($)**	**Rank**
Public Service Co of NM	NM	56	18	336	19	$3,954	26
Commonwealth Edison Co	IL	53	23	315	25	$3,522	39
PacifiCorp	UT	50	32	265	35	$3,261	46
Public Service Co of Colorado	CO	47	37	266	34	$3,239	47
Niagara Mohawk Power Corp.	NY	48	36	197	50	$3,112	49
Florida Power & Light Co	FL	73	**1**	202	**49**	$2,941	**51**

Source: https://www.eia.gov/state/

There are a number of reasons that average electric bills should not be used for comparison purposes. First, FPL has the highest average temperature of the peer utilities and ranks first in the nation for warmest climate. Florida temperature is 43% higher than the average of the lowest 5 utilities shown in Table 1.

Second, despite having the highest temperature, Florida ranks *lowest* in total energy consumption per capita and *lowest* in total energy expenditures per capita of the comparison group in Table 1.

Third, both witnesses Whited and Rabago fail to consider that the type of fuel source needed to meet a residential customer's energy needs varies significantly depending on their geographical location. For example, witness Whited provides a chart on page 19 of her direct testimony that shows the Public Service Co. of Colorado as having the lowest average residential electric bill in the comparison of 50 investor-owned utilities; however, witness Whited fails to note that only 24% of household energy in Colorado comes from electric power as compared to 92% in Florida.

Benchmarking the *typical* residential 1,000 kWh electric bill is an industry-accepted approach and much more appropriate and meaningful for purposes of evaluating electricity rates and an overall indication of how well electric companies are managed.

Q. Do both witnesses Whited and Rabago concede in their testimony that FPL has in fact low rates?

A. Yes. Witness Whited recognizes on page 18, line 4 of her direct testimony that "FPL has relatively low electric rates." Likewise, witness Rabago acknowledges on page 10 of his direct testimony that FPL has "low rates."

Q. Do you have any additional comments regarding FPL's rate proposal and typical bills?

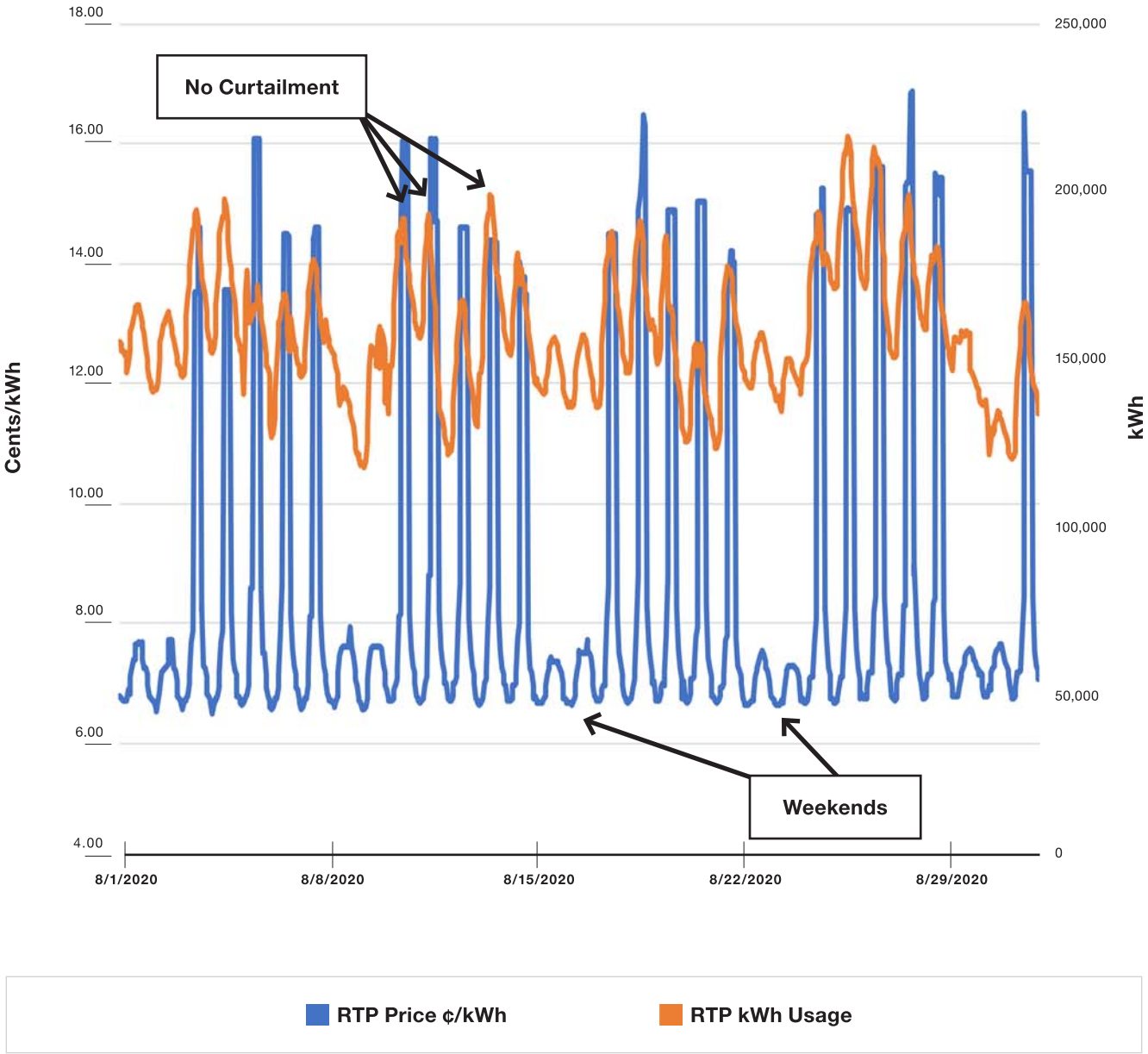
A. Yes. FPL's rate proposal is fair, just, and reasonable for all customers. FPL's proposal moves all customers towards parity while applying this Commission's guidelines on gradualism. As shown on Exhibits TCC-3 and TCC-5, the FPL

typical residential bill is projected to increase approximately 3.4 percent over the four-year rate plan and remain approximately 20 percent below the national average. As shown in TCC-4, a typical bill for a residential customer in Northwest Florida is projected to decline over the same period and be lower than today's bills even with a full rate increase. FPL has a proven track record of providing customers excellent value in their electric service and FPL believes its rate proposals should be approved.

Q. Does this conclude your rebuttal testimony?

A. Yes.

Real Time Pricing Customer Response



Real Time Pricing Customer Response

High Load Factor (>70%)