1	FLORIDA	BEFORE THE PUBLIC SERVICE COMMISSION
2	1 101(12)11	
3	In the Matter of:	
4		DOCKET NO. 20200241-EI
5	PETITION FOR LIMITE	
6	FOR RECOVERY OF INC RESTORATION COSTS R SALLY, BY GULF POWE	RELATED TO HURRICANE
7		/
8		DOCKET NO. 20210178-EI
9	PETITION FOR EVALUA	
10	ISAIAS AND TROPICAL COSTS, BY FLORIDA P	STORM ETA STORM POWER & LIGHT COMPANY.
11		/ DOCKET NO. 20210179-EI
12		DOCKET NO. 202101/9-E1
13		INTAL STORM RESTORATION
14		D TRUE-UP PROCESS RELATED BY GULF POWER COMPANY.
15		/
16		
17	PROCEEDINGS:	PREHEARING CONFERENCE
18	COMMISSIONERS PARTICIPATING:	
19		COMMISSIONER ART GRAHAM PREHEARING OFFICER
20	DATE:	Tuesday, June 21, 2022
21	TIME:	Commenced: 10:17 a.m.
22		Concluded: 10:45 a.m.
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25		

PLACE: Betty Easley Conference Center Room 148
4075 Esplanade Way Tallahassee, Florida
REPORTED BY: DEBRA R. KRICK
Court Reporter
PREMIER REPORTING
112 W. 5TH AVENUE TALLAHASSEE, FLORIDA
(850) 894-0828

1	APPEARANCES:
2	RUSSEL BADDERS and KATE COTNER, ESQUIRES,
3	Florida Power & Light Company, 700 Universe Boulevard,
4	Juno Beach, Florida 33408, appearing on behalf of
5	Florida Power & Light Company (FPL).
6	RICHARD GENTRY, PUBLIC COUNSEL; PATRICIA A.
7	CHRISTENSEN, ESQUIRE, OFFICE OF PUBLIC COUNSEL, c/o The
8	Florida Legislature, 111 West Madison Street, Room 812,
9	Tallahassee, Florida 32399-1400, appearing on behalf of
10	the Citizens of the State of Florida (OPC).
11	SHAW STILLER and JENNIFER CRAWFORD, ESQUIRES,
12	FPSC General Counsel's Office, 2540 Shumard Oak
13	Boulevard, Tallahassee, Florida 32399-0850, appearing on
14	behalf of the Florida Public Service Commission (Staff).
15	KEITH HETRICK, GENERAL COUNSEL; MARY ANNE
16	HELTON, DEPUTY GENERAL COUNSEL, Florida Public Service
17	Commission, 2540 Shumard Oak Boulevard, Tallahassee,
18	Florida 32399-0850, Advisor to the Florida Public
19	Service Commission.
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1	PROCEEDINGS
2	COMMISSIONER GRAHAM: Okay, let the record
3	show it is Monday, June 21st, it is 10:17 in the
4	morning, and we are going to call this prehearing
5	order to order.
6	Staff, if I can get you to read the notice,
7	please. Staff, if I can get you to read the
8	notice, please.
9	MR. STILLER: By notice issued on June 3rd,
10	2022, this time and place has been set for a
11	prehearing conference in Docket Nos. 2020241-EI,
12	20210178-EI and 20210179-EI. The purpose of the
13	prehearing is set out more fully in the notice.
14	COMMISSIONER GRAHAM: Thank you.
15	Let's take appearances.
16	MR. BADDERS: Yes, good morning,
17	Commissioners, Russell Badders and Kate Cotner on
18	behalf of FPL.
19	MS. CHRISTENSEN: Patty Christensen on behalf
20	of the Office of Public Counsel. Richard Gentry,
21	the Public Counsel is also present.
22	MR. STILLER: Charles Stiller and Jennifer
23	Crawford for Commission staff.
24	MR. HETRICK: Mr. Chairman, Keith Hetrick,
25	your General Counsel, and your Deputy General

1	Counsel, Mary Anne Helton.
2	COMMISSIONER GRAHAM: Okay. Preliminary
3	matters. Mr. Stiller, is there any preliminary
4	matters?
5	MR. STILLER: Staff notes that there is one
6	contested issue that will need to be addressed at
7	today's prehearing conference. I recommend we take
8	issue up when we come to the issues and positions
9	section of the prehearing order.
10	Staff is aware of no other issues at this
11	time.
12	COMMISSIONER GRAHAM: Okay, are there any
13	other prehearings other than the one that staff
14	mentioned? Any other preliminary matters other
15	than the ones that staff mentioned?
16	Okay. Let's we are going to go through the
17	prehearing order. We are going to go through it
18	pretty quickly. As I call the different sections,
19	if you have any corrections or anything you want to
20	speak about, please wave your hands or speak out
21	and we will stop and address those issues.
22	So Section I.
23	Section II.
24	Section III.
25	Section IV.

1 MS. CHRISTENSEN: Commissioner, this is Patty 2 Christensen with the Office of Public Counsel.

I just wanted to confirm that we are resuming our normal in-person hearing procedures with regard to confidential materials, and we are not doing any pre-electronic filings. That's my understanding from the draft of the prehearing order, but I thought I would ask for clarification or confirmation on the record.

COMMISSIONER GRAHAM: Staff?

MR. STILLER: Yes, Commissioner. Staff will note that OPC is correct, in short, that when confidential is used in the hearing that has not been filed as prefiled testimony or prefiled exhibits, parties must have copies for the Commissioners, necessary staff and the court reporter in red envelopes clearly marked with the nature of the contents and with the confidential information highlighted.

Any party wishing to examine the confidential material that is not subject to an order granting confidentiality shall be provided a copy in the same fashion as provided the Commissioners subject to execution of any appropriate protective agreement with the owner of the material.

1	MS. CHRISTENSEN: Okay.
2	COMMISSIONER GRAHAM: Anybody else on Section
3	IV?
4	Section V.
5	MR. STILLER: Staff suggests that witnesses be
6	given no more than three minutes to summarize their
7	direct testimony. Witnesses who will offer
8	rebuttal testimony should also be given no more
9	than three minutes to summarize their testimony.
10	MS. CHRISTENSEN: Commissioner, we don't have
11	a lot of witnesses in this case. I would ask that
12	that be moved to at least five minutes. These are
13	rather lengthy testimony. If we can do it in
14	three, we will be happy do it, but we would just
15	like a little latitude.
16	COMMISSIONER GRAHAM: I think I want to keep
17	it at three.
18	Anybody else?
19	Okay. Order of witnesses.
20	MR. BADDERS: Yes, Commissioner, I do have one
21	change here.
22	Note that we have several witnesses who filed
23	testimony for both FPL and Gulf. As listed here,
24	they would take the stand twice. Our
25	recommendation is that we would have each of these

1	witnesses appear one time and address both the Gulf
2	and the FPL testimony at that time. So there will
3	be one summary and one witness and we would also
4	ask to change the order of witnesses to reflect
5	I'm sorry And we would also like to change the
6	order
7	COMMISSIONER GRAHAM: Start from the beginning
8	again.
9	MR. BADDERS: I am sorry. Yes.
10	Several of our witnesses have testimony in
11	both FPL and a Gulf docket. Here they are listed
12	so that they would appear twice are you able to
13	hear me? I am sorry. We would prefer to have them
14	appear one time and combine that testimony so they
15	would have one witness appearance with one summary.
16	And we would also like to change the order of
17	witnesses to reflect the order that's in our
18	prehearing statement.
19	COMMISSIONER GRAHAM: OPC, any comments?
20	MS. CHRISTENSEN: No objection to taking up
21	Gulf and FPL testimony of the same witness when
22	they are up once. That's fine with us.
23	COMMISSIONER GRAHAM: Staff?
24	MR. STILLER: No objection from staff.
25	COMMISSIONER GRAHAM: Okay.
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1	MR. BADDERS: Thank you.
2	COMMISSIONER GRAHAM: Okay. Staff, on the
3	order of witnesses, do we have anything else?
4	MR. STILLER: On the order of witnesses,
5	Commissioner, there are no stipulated witnesses at
6	this time. If the parties advise staff of any
7	witness stipulations for witnesses in which the
8	testimony will still be included in the docket,
9	staff will confirming with each Commissioner that
10	any identified witness can be excused. If
11	Commissioners do not have any questions of these
12	witnesses, the witnesses may be excused from the
13	hearing and his or her testimony and exhibits
14	entered into the record at hearing as though read.
15	MS. CHRISTENSEN: Commissioner
16	COMMISSIONER GRAHAM: Ms. Christensen.
17	MS. CHRISTENSEN: with the updated hearing
18	order of FPL and Gulf witnesses, can we get an
19	update on what that will be, since it's a little
20	bit different than what's in the prehearing order,
21	or if that's going to be updated in the final
22	order, final prehearing order, that would be fine
23	too.
24	MR. BADDERS: I can quickly run through it
25	now, and then we will provide that information so

1	it can end up in the prehearing order.
2	COMMISSIONER GRAHAM: Let's just go ahead and
3	run through it right now.
4	MR. BADDERS: Okay.
5	COMMISSIONER GRAHAM: And also include it in
6	the final prehearing order.
7	MR. BADDERS: All right. Thank you.
8	Our first witness would be Miranda. Next
9	would be Talley, then Priore, Gerard, Hughes. And
10	then on rebuttal, we would have Miranda and Hughes.
11	COMMISSIONER GRAHAM: Staff or OPC, any
12	questions?
13	MS. CHRISTENSEN: I am not sure, did I miss
14	Cohen?
15	MR. BADDERS: Thank you, Patty or Ms.
16	Christensen. We do need to include Ms. Cohen as
17	our last witness for direct.
18	COMMISSIONER GRAHAM: We are good?
19	MR. STILLER: Yes, Commissioner. No objection
20	from staff.
21	COMMISSIONER GRAHAM: Okay. Basic positions.
22	Do the parties have any changes to their basic
23	positions? Basic position, any changes?
24	MR. BADDERS: I am sorry, no.
25	MS. CHRISTENSEN: No change for OPC.

1	COMMISSIONER GRAHAM: Staff?
2	MR. STILLER: Staff would just note that if
3	there are any changes in basic positions, they
4	should be submitted in writing by the close of
5	business tomorrow, June 22nd, 2022.
6	COMMISSIONER GRAHAM: Okay. Section No. VIII,
7	issues and positioned, staff.
8	MR. STILLER: Staff notes that for any issues
9	for which the parties provided no position, or
10	state no position at this time, the party must take
11	a position by no later than close of business
12	tomorrow, June 22nd. If they fail to do so, their
13	position will be changed to no position in the
14	prehearing order.
15	Pursuant to the OEP, if a party fails to take
16	a position on an issue by the time of the
17	prehearing conference without showing good cause
18	why they cannot take a position by that time, the
19	party waives its opportunity to conduct
20	cross-examination on the issue, as well as to file
21	a post-hearing brief on the issue.
22	COMMISSIONER GRAHAM: Okay. Staff, are there
23	any contested issues?
24	MR. STILLER: Yes, Commissioner Graham, there
25	is one contested issue. OPC has proposed and I

1	will read the issue as worded.
2	OPC Issue 1: What changes, if any, should be
3	made by FPL to their hurricane processes?
4	Staff would note that the adequacy of such
5	processes have not been previously identified by
6	the Commission in prior storm dockets as an
7	independent issue. Some of the additional
8	improvements suggested recommend FPL develop or
9	acquire software and engage external assistance.
10	The existing provisions that these would build
11	on were established in prior settlement agreements,
12	most recently the Hurricane Irma Settlement
13	Agreement and Implementation Agreement.
14	Staff is aware that Florida Power & Light
15	opposes this issue and wishes to present argument
16	in opposition.
17	COMMISSIONER GRAHAM: All right. Staff, who
18	do I start with, OPC or Florida Power & Light?
19	MR. STILLER: It would probably be more
20	appropriate to begin with OPC since they are
21	forwarding the position.
22	COMMISSIONER GRAHAM: Ms. Christensen.
23	MS. CHRISTENSEN: That's fine. I am going to
24	address it now, but if there is any issues that I
25	need to rebut, I would ask for some leeway on that.

1	COMMISSIONER GRAHAM: I will circle back
2	around to you after Florida Power & Light and
3	staff.
4	MS. CHRISTENSEN: Thank you.
5	We proposed this issue, we have testimony on
6	this issue. Yes, some of the process changes build
7	a little bit on previous settlements, which of
8	course the Commission has reviewed and approved
9	under the Commission's authority. We think the
10	Commission has broad discretion, or broad authority
11	to address process changes, particularly in any
12	proceeding where the Commission, under its
13	authority under 366.06, is looking to establish a
14	surcharge or a rate.
15	One of the issues that the Commission has
16	within its purview is the practices of any utility,
17	and we believe that that should be reviewed in this
18	case. And particularly since we have testimony on
19	that issue, we think an individual issue on that
20	would be appropriate.
21	Contrary to FPL's position, we don't think
22	that this necessarily entails a micromanaging type
23	look. It's well within the Commission's purview.
24	And really, what we are here today is to decide
25	whether or not the Commission should at least take

up the issue and take testimony on that issue. How
the Commission decides on the issue, or decides
what to do with the information it's received,
that's an issue that will be decided after the
hearing at the post-hearing -- post-hearing agenda
or the post-hearing recommendation.

At this point, really the only issue before you today is whether or not the Commission has the authority and should hear the issue. And we think that it's ripe, and that there is testimony on this issue.

12 Thank you.

13 COMMISSIONER GRAHAM: Florida Power & Light.

MR. BADDERS: Yes. Thank you.

When I looked at this issue initially, it struck me, and I saw Ms. Christensen's argument that, you know, policies and procedures are at issue any time the Commission looks at a rate, and in her case, she includes a surcharge. So when I looked at that, you know, I am not arguing whether or not they can look at the policies or the procedures that were in place in 2020. That's what we are looking at here. Our storm costs, 2020 storms, four of them actually, and whether or not those costs are reasonable and prudent. So any

response, or any answer to this proposed issue really doesn't affect those costs. We are not going to go back in time and apply any of these procedures.

So it's really beyond the scope. I mean, this is limited to the costs, reasonableness and prudence. Expanding it -- and I know they disagree as to whether or not this is micromanaging, or managing.

Really what we have are two accounting witness for Public Counsel, two consultants, who set out a very detailed set of requirements for FPL to follow in future storms. That's well beyond, I think, what the Commission has ever done in the past.

It's clearly not appropriate in what this would be a cost recovery docket.

So we would object, just really on the basis that this is beyond the scope. It's not necessary. It's not even appropriate. And as she said, there is not really a -- it seems like there needs to be something after this docket to implement this, and that's not really how this is set up. This was established by a petition by the companies to seek cost recovery, not to open up a policy docket.

Ms. Christensen.

COMMISSIONER GRAHAM:

1 Well, I think Mr. Badders is MS. CHRISTENSEN: 2. It is a reasonableness and prudence 3 review. Reasonableness takes into account looking 4 at the policies and procedures that the company has 5 in place, and looking at whether those are adequate, and were adequate at the time the storm 6 7 hit and if any changes should be made.

I don't think that the Commission is bound to just only looking solely at whether or not the costs were prudently incurred and taking such a narrow view. I think the Commission has much broader authority to look at whether or not the policies and procedures under which those costs were incurred were adequate, and if they are not adequate, making changes going forward for that particular company.

And that's all we are really asking for the Commission to consider as a separate issue in this docket. And we think this is the appropriate docket, and we have testimony on the issue. It was raised, and the company has the opportunity and, to some extent, did rebut that in their rebuttal testimony. So the issue is queued up for the Commission's consideration.

Whether or not the Commission has done it in a

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1	prior docket, I would almost argue it's not
2	necessarily relevant to whether or not you should
3	take it up today, because it may not have been teed
4	up in a prior docket because it may not have been
5	an issue.
6	I will say this that, you know, the processes
7	and procedures that the companies have in place,
8	and particularly this company, for cost containment
9	on hurricane issues is significantly relevant,
10	particularly when it comes to the customers who are
11	getting these costs as pass-through costs on past
12	storms and costs that will be incurred in this
13	hurricane season. So we are asking the Commission
14	take a look at that in this forum, this is the
15	appropriate time.
16	Thank you.
17	COMMISSIONER GRAHAM: Staff, is this a
18	decision that has to be made now, or can we just
19	include this in the final prehearing?
20	MR. STILLER: Commissioner, you can defer
21	ruling and consider it and enter your ruling in the
22	final prehearing order if you so wish.
23	COMMISSIONER GRAHAM: I'm going to take this
24	all under advisement and sit down and beat up Mary
25	Anne and Keith for a while, because I could go

1	either way on this one. So we'll include this in
2	the final prehearing order.
3	Okay. Comprehensive exhibit list, staff.
4	MR. STILLER: Yes, Commissioner.
5	Staff has prepared a comprehensive exhibit
6	list which lists all prefiled exhibits and those
7	exhibits staff wishes to include in the record.
8	The draft list was given to the parties to see if
9	there were any changes or objections to the CEL or
10	the introduction of any staff's exhibits being
11	entered into the record.
12	At this time, we would like to see if there
13	are any known changes that need to be made to the
14	parties' exhibits and if there are any known
15	objections to the entry of staff's proposed
16	exhibits into the record.
17	Staff will continue to work with the parties
18	towards stipulating the exhibit list prior to the
19	hearing.
20	COMMISSIONER GRAHAM: Anybody have any
21	comments on the exhibit list or staff's
22	comprehensive exhibit list?
23	Florida Power & Light?
24	MR. BADDERS: We don't currently have any
25	questions or changes, but we will continue to work

1	with staff if anything comes up.
2	COMMISSIONER GRAHAM: Okay.
3	MS. CHRISTENSEN: We will do the same.
4	COMMISSIONER GRAHAM: Okay. Proposed
5	stipulations, Section X.
6	MR. STILLER: There are no proposed
7	stipulations at this time.
8	COMMISSIONER GRAHAM: Okay. Section XI.
9	MR. STILLER: There are no pending motions in
10	the docket at this time.
11	COMMISSIONER GRAHAM: Section XII.
12	MR. STILLER: There are 12 pending
13	confidentiality motions remaining at this time.
14	These orders are under review, and staff will
15	endeavor to get all resolved prior to the hearing.
16	COMMISSIONER GRAHAM: Any questions or
17	concerns on that?
18	Seeing none, 13, post-hearing procedures.
19	MR. STILLER: Staff recommends that
20	post-hearing briefs be limited to 40 pages should
21	briefs be necessary. Staff recommends that a
22	summary of each position of 50 words set off with
23	asterisks should be included in the post-hearing
24	statement.
25	If a bench decision is not made, post-hearing

1	briefs should be due on August 9th, 2022.
2	COMMISSIONER GRAHAM: Both parties agree with
3	that?
4	MS. CHRISTENSEN: Commissioner, I would ask to
5	have the wording on the position statement
6	increased to 75.
7	COMMISSIONER GRAHAM: You want to go from 50
8	to 75?
9	MS. CHRISTENSEN: Yeah. It's usually a little
10	bit easier. I know it's only 25 words, but it does
11	make a difference when you are trying to condense
12	complex issues into a brief summary.
13	COMMISSIONER GRAHAM: I don't have a problem
14	with that. We can go to 75 56789.
15	MS. CHRISTENSEN: The only other issue I have
16	is right now the briefs are currently scheduled for
17	August 9th. The week prior to that, we have the
18	Storm Protection Plan docket, at which I will be
19	participating all week. I would ask for a week
20	extension on that if possible, to the 16th.
21	COMMISSIONER GRAHAM: Staff, I don't know
22	what's on the calendar.
23	MR. STILLER: The 9th was picked based on some
24	other dockets and potentially getting this to an
25	earlier fall docket. If it goes back to August

1	16th, it would I believe the earliest the order
2	could be considered would be October. That would
3	be the biggest change.
4	COMMISSIONER GRAHAM: Let's take about two,
5	three minutes and go over the calendar and figure
6	out if we can or cannot move that date from the 9th
7	to something else, let's me know.
8	MR. STILLER: Yes.
9	COMMISSIONER GRAHAM: Florida Power & Light,
10	any
11	MR. BADDERS: We have no objection to an extra
12	week.
13	COMMISSIONER GRAHAM: Okay. We will take a
14	brief recess here for about three minutes and let
15	staff go over the calendar.
16	(Brief recess.)
17	MR. STILLER: Yes, Commissioner, everyone's
18	calendars have been examined, and staff if the
19	briefs were moved back to August 16th, which staff
20	has no objection to, the matter would be considered
21	would be scheduled for consideration at the
22	November 1st Agenda Conference.
23	COMMISSIONER GRAHAM: Ms. Christensen, does
24	that work?
25	MS. CHRISTENSEN: Yeah, it certainly helps.
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1	It gets it right off the hearing.
2	COMMISSIONER GRAHAM: Okay. All right.
3	Florida Power & Light, any issues with that?
4	MR. BADDERS: No issues at all.
5	COMMISSIONER GRAHAM: Oakie-doke. So we are
6	moving on to rulings, Section XIV.
7	MR. STILLER: Staff recommends that the
8	prehearing officer make a ruling that all parties
9	be provided five minutes for opening statements,
10	that witnesses have up to, as previously stated
11	three minutes to provide their summaries, and that
12	changes to basic positions should be submitted in
13	writing by close of business tomorrow.
14	And the only other matter would I add to that,
15	Commissioner, is that the ruling on OPC's contested
16	issue would also be included in the final
17	prehearing order.
18	COMMISSIONER GRAHAM: Okay. Any other
19	matters?
20	MR. STILLER: Staff is unaware of any other
21	matters at this time.
22	COMMISSIONER GRAHAM: Before we adjourn, I am
23	just going to take a second to talk about the
24	witness summaries. I have had an issue with this
25	since I came to this position. I actually had a

conversation with one or two of the other attorneys.

Quite honestly, I would make -- I would bring that to zero if I could. I have had many conversations with Mary Anne and a few other general counsels, and they've both talked me off the ledge because, in my opinion, this is testimony we've already reviewed and read, and so there is really no need to have it summarized for me. But I do understand that it's a habit, and I think the three minutes is my opinion of a compromise, but I didn't want to be short when I said earlier about going to five minutes, and I have actually seen people do it the a seven minutes at one point. And once again, I think three is more than enough time.

You guys have heard me say this before about the Gettysburg Address, that that was done in three minutes, and there is nothing you can tell me in three minutes that's going to be more important than that. So that's why that's kind of been my mantra here for a while.

Opening statements, I don't have a problem with that going five minutes. I get that's kind of where people lay the groundwork for that hearing, but for the summaries, that's always going to be

1	three minutes whenever I am sitting in this
2	position. I can't speak for my other colleagues.
3	But I would like for that tradition to kind of
4	stay, and so I just wanted to take an extra minute
5	to kind of explain to everybody why that is my
6	position.
7	That all being said, if there is anything else
8	to come before us, any other matters?
9	Seeing none, we are adjourned.
10	(Proceedings concluded.)
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1	CERTIFICATE OF REPORTER
2	STATE OF FLORIDA) COUNTY OF LEON)
3	COUNTI OF LEON)
4	
5	I, DEBRA KRICK, Court Reporter, do hereby
6	certify that the foregoing proceeding was heard at the
7	time and place herein 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, nor
15	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 6th day of June, 2022.
19	
20	
21	Debli R Lace
22	- Ceast 4
23	DEBRA R. KRICK NOTARY PUBLIC COMMISSION #4421026
24	COMMISSION #HH31926 EXPIRES AUGUST 13, 2024
25	