

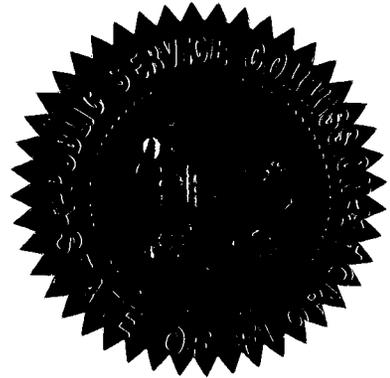
BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

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In the Matter of:

DOCKET NO. 060162-EI

PETITION BY PROGRESS ENERGY FLORIDA,
INC. FOR APPROVAL TO RECOVER MODULAR
COOLING TOWER COSTS THROUGH
ENVIRONMENTAL COST RECOVERY CLAUSE.



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PROCEEDINGS: AGENDA CONFERENCE
 ITEM NO. 6

BEFORE: CHAIRMAN LISA POLAK EDGAR
 COMMISSIONER MATTHEW M. CARTER, II
 COMMISSIONER KATRINA J. McMURRIAN
 COMMISSIONER NANCY ARGENZIANO
 COMMISSIONER NATHAN A. SKOP

DATE: Tuesday, August 14, 2007

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

REPORTED BY: JANE FAUROT, RPR
 Official FPSC Reporter
 (850) 413-6732

DOCUMENT NUMBER-DATE

FLORIDA PUBLIC SERVICE COMMISSION 07452 AUG 22 05

FPSC-COMMISSION CLERK

1 PARTICIPATING:

2 MARTHA BROWN, ESQUIRE, and BILL McNULTY, representing
3 the Florida Public Service Commission Staff.

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P R O C E E D I N G S

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2 CHAIRMAN EDGAR: We will be, Commissioners, on Item
3 6, and we will give just a moment for our staff to switch out
4 and get their papers in order.

5 (Pause.)

6 CHAIRMAN EDGAR: I could use a stretch actually and
7 clear the cobwebs a little bit. So why don't we take about
8 five minutes, and then we will come back. I do note, of
9 course, for the record that this is a post-hearing decision
10 limited to discussion by Commissioners and staff, and we will
11 come back in about five minutes.

12 (Recess.)

13 CHAIRMAN EDGAR: Okay. We will go back on the
14 record, and we are on Item 6.

15 MS. BROWN: Good morning, Commissioners. Martha
16 Brown from Legal staff.

17 Item 6 is staff's post-hearing recommendation on
18 Progress Energy's request to recover the costs of its temporary
19 modular cooling tower project at Crystal River through either
20 the Environmental Cost-Recovery Clause or the fuel clause.

21 Staff has recommended that the costs associated with
22 the project are appropriate for recovery through the ECRC. We
23 are here to answer any questions you may have, or we can go
24 issue-by-issue addressing each subissue in Issue 1, if you
25 like, whatever is your pleasure.

1 CHAIRMAN EDGAR: Thank you.

2 Commissioners, do you have a preference as to how to
3 proceed? No.

4 Why don't you, Ms. Brown, or whoever would be the
5 appropriate other staff person, go ahead and lay out Issue
6 1 for us.

7 MS. BROWN: All right, Commissioner.

8 Issue 1 states what is the appropriate mechanism to
9 recover the prudently occurred costs of Progress Energy's
10 temporary cooling tower project. It's divided into three
11 subissues. The first is should PEF recover the costs through
12 the Environmental Cost-Recovery Clause, through base rates, and
13 then C is through the fuel cost-recovery clause. Staff has
14 recommended that the appropriate mechanism is through the
15 Environmental Cost-Recovery Clause, not through base rates or
16 the fuel clause.

17 CHAIRMAN EDGAR: Commissioners, questions or
18 discussion?

19 Commissioner Skop.

20 COMMISSIONER SKOP: Thank you, Madam Chair.

21 A question of staff. With respect to the petition
22 for the cost-recovery, just on the technical side of the issue,
23 basically the petition is based on meeting an environmental
24 requirement, is that correct?

25 MS. BROWN: Yes, that's correct.

1 COMMISSIONER SKOP: And that is part of my
2 recollection of reading the item is that essentially it is the
3 inlet water temperature, the heating of the cooling canal in
4 the Gulf, the water is hotter than anticipated and they are not
5 able to put as much heat content into the water and then
6 discharge it because of the high inlet water temperature, is
7 that correct?

8 MS. BROWN: Yes, that's correct. And as a result of
9 that, they run the risk of coming up against their wastewater
10 discharge permit. And if they exceed that temperature, they
11 have to derate the plant.

12 COMMISSIONER SKOP: Thank you.

13 CHAIRMAN EDGAR: Commissioner McMurrian.

14 COMMISSIONER McMURRIAN: Chairman, I don't really
15 have a question. I guess I was just going to say that I'm in
16 agreement with staff's recommendation about recovery through
17 the Environmental Cost-Recovery Clause. And if we are all in
18 agreement on that point, then I think at some point we might
19 need to talk about whether or not we need to make any finding
20 with respect to whether it goes through fuel or base rates and
21 some of the discussion in the recommendation.

22 CHAIRMAN EDGAR: Thank you.

23 So let me approach that this way. Ms. Brown, if the
24 staff recommendation were to be adopted on Issue 1, does that
25 include a finding as to B and C? And if it does not, does a

1 finding need to be made by this Commission on B and C?

2 MS. BROWN: Let me answer your last question first.

3 I don't think a finding needs to be made on B and C if you are
4 all in agreement that it should be recovered through the
5 clause. And if that's the case, because of the way the
6 recommendation is now worded, to include a ruling on B and C,
7 probably you would need to modify your approval of staff's
8 recommendation to say that you are not reaching any conclusion
9 on whether this project should be recovered through the fuel
10 clause or base rates.

11 CHAIRMAN EDGAR: Commissioner McMurrin, does that
12 respond to the point you're raising?

13 COMMISSIONER McMURRIAN: Yes, I think it does.

14 CHAIRMAN EDGAR: Okay. Thank you.

15 Commissioners, other questions or discussion? No.

16 Commissioner McMurrin, I think that I'm in agreement
17 with the comment that you made. I have spent a lot of time
18 going over this, and in my opinion this does qualify under the
19 statute for recovery under the ECRC, and I also would think
20 that there would be no need or even good reason to make a
21 finding on B and C at this time, if indeed this Commission
22 wants to go that direction.

23 Commissioner Carter for a question.

24 COMMISSIONER CARTER: I don't know if I heard
25 properly or not. Ms. Brown, did you say that if we were to

1 adopt staff's recommendation on Issue 1, then we would have to
2 make a separate ruling on base rates in the fuel cost-recovery
3 clause? Is that what you said?

4 MS. BROWN: No, I said the opposite. I don't think
5 you would have to make a separate finding in those. In fact,
6 probably the order should lay out your reason for approving it
7 under the ECRC and say, therefore, there is no need for us to
8 make a determination on either B or C.

9 CHAIRMAN EDGAR: Commissioner Carter.

10 COMMISSIONER CARTER: And this may be something else
11 that I misheard you say. Did you say that based upon the
12 recommendation as it is currently written has information on
13 the base rate and fuel cost-recovery clause?

14 MS. BROWN: Yes, Commissioner. And so there probably
15 would need to be a modification of that. Approve staff's
16 recommendation on ECRC with the modification that you are not
17 reaching a decision on fuel clause recovery or base rate
18 recovery.

19 CHAIRMAN EDGAR: And, therefore, going along those
20 lines, if we were to proceed that way, then the order would not
21 include the discussion that is included about the fuel clause
22 and base rates.

23 MS. BROWN: Yes. The base rate discussion, there is
24 some base rate discussion with respect to the ECRC because it
25 is one of the criteria for recovery through the ECRC is that it

1 not be recovered through base rates. So that should stay in.
2 Any further discussion, though, I wouldn't include in the
3 order.

4 CHAIRMAN EDGAR: Okay. I think I understand your
5 point, and I was probably being too sweeping unintentionally.
6 So let me try it again this way. The discussions under B and C
7 would not be included in the order.

8 MS. BROWN: Yes, that's correct.

9 CHAIRMAN EDGAR: All right. Thank you. Commissioner
10 Skop.

11 COMMISSIONER SKOP: Ladies first. I think
12 Commissioner Argenziano had a comment.

13 Just a clarification on a comment that was just made.
14 I am completely on board with the ECRC, and the order not
15 including discussion of B or C. But you mentioned that the
16 statute, or what have you, speaks to the base rates or not
17 including in the base rates, but I just wanted to clarify that,
18 because I did see in the statute on paragraph -- I'm trying to
19 read this, I don't have a really good copy.

20 MS. BROWN: I think I found it, Commissioner.

21 COMMISSIONER SKOP: Yes. It is the last paragraph
22 right before history, but it does talk about that a decision on
23 one instance doesn't preclude you from reconsidering putting a
24 next instance into another category, is that correct?

25 MS. BROWN: Yes, I think that's correct. And also

1 the last sentence in Subsection 2 says an adjustment for the
2 level of costs currently being recovered through base rates or
3 other rate adjustment clauses must be included in the filing.
4 And the Commission in its Gulf order also addressed that, to
5 make that one of the criteria, that the costs couldn't be
6 presently recovered through base rates.

7 COMMISSIONER SKOP: Thank you.

8 CHAIRMAN EDGAR: Commissioner Argenziano.

9 COMMISSIONER ARGENZIANO: Thank you. For staff, I
10 see that OPC does not agree, and they think that according to
11 their research that the statute demonstrates that the costs
12 were prudently occurred after April 13th, 1993. How do you
13 argue against that saying that the costs don't qualify for the
14 ECRC?

15 MS. BROWN: I'm not sure I understand your question,
16 but let me give it a shot. The 1993 date is when the statute
17 was enacted and became effective, and both the parties in the
18 case agree that these costs with respect to the cooling towers
19 were incurred after 1993. The dispute is about the date of the
20 permit, the water discharge permit that initially was created
21 in 1988. It has been renewed periodically. It was last
22 renewed in 1995, I think. Or 2005.

23 COMMISSIONER ARGENZIANO: That's not -- I'm sorry, I
24 don't mean to cut you off. OPC thinks -- and have you read
25 their concern regarding --

1 MS. BROWN: Where are you exactly?

2 COMMISSIONER ARGENZIANO: Position of the parties.

3 MS. BROWN: Okay.

4 COMMISSIONER ARGENZIANO: There is PEF and then there
5 is OPC.

6 MS. BROWN: Right.

7 COMMISSIONER ARGENZIANO: These costs do not qualify
8 as ECRC costs pursuant to the Commission's policy defined in
9 Order PSC-94-0044. To qualify costs for recovery through ECRC
10 a utility must demonstrate the costs were prudently incurred
11 after April 13th, '93. The activity is legally required to
12 comply with a government imposed environmental regulation that
13 was enacted, or became effective, or whose effect was triggered
14 after the company's last ten-year upon which rates are based
15 and the costs are not recovered through the same -- excuse me,
16 some other cost-recovery mechanism or through base rates. Have
17 you read through that?

18 MS. BROWN: Yes, ma'am.

19 COMMISSIONER ARGENZIANO: Can tell me why they are --

20 MS. BROWN: Well, what they are reciting there are
21 the standards, the criteria that were established by the
22 Commission in the Gulf order. There are three criteria, and
23 that the dispute between OPC and Progress here is that these
24 costs are not appropriate for recovery because they were
25 triggered -- they weren't triggered after the company's last

1 test year, and that's because the environmental requirement
2 didn't change from 1988. That's their argument.

3 We disagree with that argument. We think that the
4 language triggered by encompasses a change in environmental
5 circumstances as well as some sort of environmental requirement
6 that might have stepped up requirements over time. It's an
7 interpretation of that section of the Gulf order, and staff's
8 interpretation is that that language encompasses this set of
9 circumstances. OPC doesn't agree with that. We are
10 recommending our interpretation.

11 COMMISSIONER ARGENZIANO: So their interpretation
12 where they say the triggering event language in the
13 Commission's policy refers to changes in regulatory
14 requirements not operating conditions is not correct?

15 MS. BROWN: I don't think it's correct. I think
16 it -- first of all, it is a little bit ambiguous, but it also
17 encompasses a great deal more than that. And I think OPC's
18 interpretation wrongly limits the scope of the statute. The
19 statute is even broader than those imposed criteria, in my
20 legal interpretation.

21 COMMISSIONER ARGENZIANO: And, Madam Chair?

22 CHAIRMAN EDGAR: Commissioner Argenziano.

23 COMMISSIONER ARGENZIANO: What would the results be
24 if OPC were to prevail as far as saying it should be recovered
25 through rates and not the ECRC on the consumer?

1 MS. BROWN: Let me respond to that a little bit, and
2 then perhaps staff can jump in, as well. They have the option
3 of shutting down their base load plant and purchasing higher
4 cost power to compensate when the inlet water temperature would
5 increase above 96.5, I think it is. They would have that
6 option, and the result of that would be additional fuel costs
7 and expenses for the consumer.

8 With respect to rates, we have the rate person there.
9 I think what would happen, in light of the fact -- and I hope
10 they correct me -- in light of the fact that there is a
11 stipulation between OPC and Progress where their rates are
12 frozen until 2009, I think, probably these costs which are not
13 particularly extensive would be absorbed in existing base rates
14 until they had the opportunity to come in for another rate
15 case. And by that time this project probably would be pretty
16 much over with.

17 COMMISSIONER ARGENZIANO: So then the rates -- OPC
18 says that to include them in cost-recovery clause,
19 notwithstanding their ineligibility, would impose an
20 unwarranted rate increase on customers. Do we know what the
21 rate increase would be? I'm trying to figure out -- forgive
22 me. As I'm learning this process, I'm trying to figure out
23 which process gives the company their recovery but does not
24 slam the consumer at the same time.

25 MR. McNULTY: Commissioner, Bill McNulty. The only

1 thing I can tell you is that the company has estimated these
2 costs at 3 to \$4 million per year after the first year, the
3 first year was a bit more expensive. I think you're interested
4 in these continuing years going forward. And with that in
5 mind, we are talking about a fairly minimal cost level that
6 would be absorbed into rates. This is not a large project,
7 considering the number of customers that's on the system for
8 Progress Energy. They have 1.6 million customers. You're
9 looking at \$4 million, the cost is maybe \$2, \$2 and change per
10 year.

11 COMMISSIONER ARGENZIANO: Through the ECRC.

12 MR. McNULTY: Well, if you're looking at -- if you're
13 looking at costs through the ECRC, yes. If you're looking at
14 being absorbed into base rates for the duration of the
15 stipulation, then there is no rate effect, if you will, it is
16 presumed to be recovered in the existing rates of the company.

17 COMMISSIONER ARGENZIANO: So then, Madam Chair, OPC
18 is just -- they don't know what they are talking about?
19 Forgive me, I'm just trying to figure this one out. Because
20 what I am reading and what you are saying are two --

21 MS. BROWN: Well, you know, they know what they are
22 talking about. They are taking a particular position because
23 they are concerned about the growth of the extent of the
24 clauses, so they are coming forward and presenting that
25 position. You know, in anything you weigh the value of a

1 particular point of view, and we come down on this other point
2 of view as having more weight than the one OPC is proposing.

3 COMMISSIONER ARGENZIANO: And in my asking questions
4 that's what I'm trying to figure out is where to come down.
5 Which one does -- I appreciate your answers. Thank you.

6 CHAIRMAN EDGAR: Ms. Brown, your interpretation of
7 the statute, please. If the Commission were to determine that
8 this one or any other petition coming in for recovery under the
9 ECRC, if the Commission were to determine through that petition
10 the request meets the statutory criteria for Environmental
11 Cost-Recovery Clause, is it discretionary upon the Commission
12 whether to allow it, or does the statute require or direct the
13 use of the ECRC if, indeed, the petition meets the
14 requirements?

15 MS. BROWN: My view, Commissioner, is that the
16 statute requires the Commission to allow recovery through an
17 environmental clause. The utility may propose a petition for
18 recovery of costs through the ECRC. If it meets the standards,
19 the statute says the Commission shall allow recovery of the
20 costs through the ECRC. That magic word shall means there is
21 no discretion.

22 COMMISSIONER ARGENZIANO: Madam Chair?

23 CHAIRMAN EDGAR: Commissioner Argenziano.

24 COMMISSIONER ARGENZIANO: It also says under (5) that
25 the recovery of environmental compliance costs under this

1 section does not preclude inclusion of such costs in base rates
2 and subsequent rate proceedings. So it is not a must. Shall,
3 if that is what you determine, I guess, if the Commission
4 determines, but it doesn't preclude through base rates either.
5 Am I correct?

6 MS. BROWN: Yes, I think that's correct. Going
7 forward.

8 CHAIRMAN EDGAR: And that is the point I wanted to
9 make. In my reading of that portion of the statute where it
10 says in subsequent rate proceedings, I think is perhaps
11 important language.

12 Other questions? Okay.

13 Commissioner McMurrian, when you are ready.

14 COMMISSIONER McMURRIAN: I guess this is for staff,
15 and I'm not sure if it is a question or maybe a confirmation
16 that I understood a couple of things correctly. One was with
17 respect to the criteria that are at issue, I just wanted to
18 make sure it's clear. I think there were actually two of the
19 three criteria that OPC took issue with. I think that staff's
20 response focused on the second criteria about the triggering,
21 because I think that was probably the crux of the case. That
22 is where most the arguments were made, and I'm getting a nod
23 from Ms. Brown. And I just wanted to point that out just to be
24 clear.

25 And the other thing was there was a discussion with

1 Ms. Brown about a plant could be shut down as an option, and I
2 think we probably need to be clear that OPC wasn't making an
3 argument that the plant be shut down in any way.

4 MS. BROWN: No, they weren't making that argument.
5 I was just saying that would be an option that OPC, of course,
6 wouldn't want to take, but it would be one. We have had to do
7 that in 2006.

8 COMMISSIONER McMURRIAN: Right. I just thought it
9 was worth clarifying, because I think that really hasn't
10 been -- I think the main focus is whether or not the statutory
11 criteria for -- well, the criteria for recovery through the
12 ECRC as laid out in the '94 order, the Gulf order that you
13 called it had been met. And OPC took issue with a couple of
14 those. It seemed that everyone agreed on the first criteria,
15 if I'm correct.

16 MS. BROWN: Yes, costs incurred after 1993.

17 COMMISSIONER McMURRIAN: And then most of the
18 discussion focused on the triggering. I personally believe
19 that the criteria have been met, and as I understood the part
20 we were just talking about in the statute, I believe that that
21 was there to say that at some point in the future, after you
22 have put things in the Environmental Cost-Recovery Clause, you
23 were able to roll them into base rates if you had a subsequent
24 rate case. Is that correct?

25 MS. BROWN: Yes. And I also think it's important to

1 point out that that would be the utility's choice to make in
2 their new rate case, if they wanted to do that. I'm not sure
3 the Commission would be the one to make that decision, but we
4 would have to decide that going forward, I guess.

5 CHAIRMAN EDGAR: Commissioner.

6 COMMISSIONER ARGENZIANO: That would be if the
7 Commission were to determine that those were environmental
8 costs that, as the OPC -- I mean, the OPC has an argument, and
9 I agree they are environmental costs, that is how I feel about
10 it, but looking at OPC's argument, they have an argument also,
11 and I'm trying to determine, because to me it looks like they
12 are -- and I'm not hearing their argument, I have to read it.
13 It looks like they are saying that under the triggering event
14 that it's regulatory requirements. I mean, changes in
15 regulatory requirements, not operating conditions. And they go
16 on to say, you know, why they have a no in that column. And
17 I'm trying to sit here and figure out, you know, really if
18 they're correct, who is correct here.

19 It looks like to me that there is leeway on
20 considering what you think really is environmental and goes
21 through, whether we go through the OPC's suggestion or staff's
22 suggestion. Even though I agree that environmental costs
23 should probably go through the ECRC, I'm just having a hard
24 time determining why their scenario is wrong. And I guess you
25 have told me, but I guess I don't have their argument in

1 response, so it just looks kind of flexible to me as far as
2 which way the Commission would go in determining whether we
3 shall put it in the ECRC or not.

4 MS. BROWN: Yes, in determining whether it's
5 appropriate, the project costs are appropriate for recovery, it
6 has always been done on a case-by-case basis. And one of the
7 reasons the statute exists, I believe, is to accommodate
8 changing circumstances in the environmental regulation. And so
9 there is some flexibility there. I would point out, though,
10 that in the recommendation we state that we believe OPC's point
11 of view unduly restricts the scope of the statute, and that's
12 not kosher in administrative law. As you know, the agency has
13 to comply with the statute and can't change it or modify it.

14 COMMISSIONER ARGENZIANO: Sure. Thank you.

15 CHAIRMAN EDGAR: Commissioner Skop.

16 COMMISSIONER SKOP: At the appropriate time, Madam
17 Chair, I would like to make a motion to approve staff
18 recommendation.

19 CHAIRMAN EDGAR: Okay. I will come back to you in a
20 moment, because I think Commissioner McMurrin had a question.
21 So let's take that question, and then, Commissioner Skop, back
22 to you, if that works.

23 Commissioner McMurrin.

24 COMMISSIONER McMURRIAN: Thank you. I did have
25 another question for staff along the lines of your discussion

1 with Commissioner Argenziano. I thought it may be helpful to
2 talk a little bit about some of the other cases and their
3 similarity to this case. Some of the past cases that have
4 been -- perhaps they may shed light on the triggering effect at
5 issue. And maybe if you could just explain, again, sort of
6 Progress's determination of the triggering effect, OPC's
7 interpretation of triggering effect, and why you have
8 interpreted it the way you have and feel like it goes through
9 under that criterion. And then also maybe talk about some of
10 the other cases that are sort of similar to this as far as the
11 triggering effect criteria.

12 MS. BROWN: I will try in 50 words or less,
13 Commissioner. No, I'm just teasing.

14 OPC's position is that whose effect is triggered by
15 can only mean that the environmental requirement has stepped in
16 over time, additional requirements. And if there is an
17 increased requirement in the environmental requirement, like
18 some of the clean air amendment has phases to it, that that
19 would be allowed for recovery.

20 Progress says that the language whose effect is
21 triggered by contemplates change in environmental circumstances
22 that require additional costs to be incurred to remain in
23 compliance with existing environmental requirements. Whether
24 or not the environmental requirement itself is changing if the
25 world changes, and the company needs to respond, then that's

1 covered. And I believe that the Commission has taken that kind
2 of approach in the past. And starting, basically on Page 8, we
3 discuss several cases where the Commission has approved
4 recovery of costs in order to remain in compliance with
5 existing regulations. Sometimes it's a new project that is
6 designed to do both things, to comply with new environmental
7 requirements and remain in compliance with others.

8 In the turtle order FPL installed a new five-inch
9 mesh net in order to remain in compliance with an existing
10 order requiring the net, but it also added a bunch of other
11 things in order to make the net effective and to remain in
12 compliance. So, I would suggest that staff's review of this
13 statute and the Gulf order are more consistent with what the
14 Commission has done in the past.

15 CHAIRMAN EDGAR: Commissioner McMurrin.

16 COMMISSIONER McMURRIAN: Just one clarifying
17 question. So in the turtle case that you cite that's discussed
18 at the bottom of Page 8 there was no new environmental
19 requirement, it was a previous environmental requirement, but
20 FPL made the decision that they had to add a new net to remain
21 in compliance, and that's similar to this case in that Progress
22 took the action it did in order to remain in compliance with
23 the wastewater or water permit, I'm not sure which one it was
24 now.

25 MS. BROWN: Yes. The wastewater discharge permit,

1 yes. That's correct, the NRC permit for the St. Lucie Plant
2 had an Appendix B that required certain actions to be taken to
3 protect endangered sea turtles. And the requirement itself was
4 that a five-inch mesh net be attached over the intake canal to
5 protect the turtles. That had been in existence for quite
6 awhile.

7 When FPL discovered that the net by itself was not
8 doing the trick, it came in with a new project to put in a new
9 net of stronger material and do reinforcing and dredging and a
10 whole bunch of other things in order to remain in compliance
11 with that Appendix B.

12 COMMISSIONER McMURRIAN: Thank you.

13 CHAIRMAN EDGAR: Commissioners, further questions or
14 comments?

15 Commissioner Skop.

16 COMMISSIONER SKOP: Thank you, Madam Chair.

17 At this time I would like to make a motion to approve
18 staff's recommendation to include the costs for the cooling
19 towers within the ECRC subject to the understanding that the
20 final order will not have any discussion with respect to
21 whether the costs should have been included in the current base
22 rate or the fuel recovery clause.

23 CHAIRMAN EDGAR: And, Commissioner Skop, does that
24 include -- my understanding is that would include Issues 2 and
25 3 in the staff recommendation, as well, is that correct?

1 COMMISSIONER SKOP: Yes, Madam Chair.

2 CHAIRMAN EDGAR: Thank you.

3 Okay. Commissioners, we have a motion, and
4 Commissioner Carter has given us a second. Is there further
5 discussion? Seeing none. All in favor say aye.

6 (Unanimous affirmative vote.)

7 CHAIRMAN EDGAR: Opposed?

8 Show it adopted. Thank you very much.

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1 STATE OF FLORIDA)

2 : CERTIFICATE OF REPORTER

3 COUNTY OF LEON)

4

5 I, JANE FAUROT, RPR, Chief, Hearing Reporter Services
6 Section, FPSC Division of Commission Clerk, do hereby certify
7 that the foregoing proceeding was heard at the time and place
8 herein stated.

7

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

10

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

13

DATED THIS 21st day of August, 2007.

14



15

JANE FAUROT, RPR
Official FPSC Hearings Reporter
(850) 413-6732

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