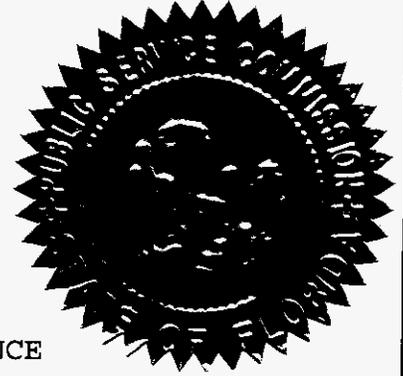


BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of:

DOCKET NO. 090166-EQ

Petition for approval of
renewable energy tariff and
standard offer contract, by
Florida Power & Light Company.



PROCEEDINGS:

AGENDA CONFERENCE
ITEM NO. 10

COMMISSIONERS
PARTICIPATING:

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

DATE:

Tuesday, August 18, 2009

TIME:

Commenced at 5:40 p.m.
Concluded at 5:45 p.m.

PLACE:

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

REPORTED BY:

MARY ALLEN NEEL, RPR, FPR

DOCUMENT NUMBER-DATE

09006 AUG 31 8

FPSC-COMMISSION CLERK

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

P R O C E E D I N G S

1
2 CHAIRMAN CARTER: We are back on the record,
3 and when last we left, everything was on move staff
4 and -- no, sorry. I'm optimistic.

5 Staff, you are recognized for Item 10.

6 MR. ELLIS: Good afternoon. Commissioners.
7 I'm Phillip Ellis with Commission staff.

8 Commissioners, Item 10 is a petition from
9 Florida Power & Light Company requesting approval
10 of its 2009 standard offer contract. The petition
11 updates the standard offer contract to the next
12 avoidable unit, includes an availability typical
13 for the avoided unit over the term of the contract,
14 and removes the right of first -- excuse me.

15 CHAIRMAN CARTER: Right of first refusal.

16 MR. ELLIS: Right of first refusal for
17 tradeable renewable energy credits.

18 Staff believes that the proposed standard
19 offer is in compliance with the Commission's rules
20 and recommends approval of FPL's modifications to
21 its renewable energy tariff.

22 Staff is available for any questions you might
23 have.

24 MR. BALLINGER: Commissioners, if I might,
25 before we get started, I would like to take this

1 opportunity --

2 CHAIRMAN CARTER: Tom Terrific.

3 MR. BALLINGER: It's kind of momentous today.
4 We have two of my employees here, and it's a little
5 different situations. Mr. Ellis, this is only hi
6 second agenda at the Commission, but this is
7 Ms. Sickel's last agenda. She is leaving us after
8 going through DROP, retiring.

9 CHAIRMAN CARTER: You hid that from us, didn't
10 you? You know we have a tradition of hazing people
11 before they leave, and once they get here too.

12 MR. BALLINGER: And what I find really unfair
13 is, Ms. Sickel came here after I did, and she's
14 leaving before me. But I want to wish her --

15 CHAIRMAN CARTER: You've got a great dye job,
16 though.

17 MR. BALLINGER: But I want to wish her well
18 and thank her for all her hard work here.

19 CHAIRMAN CARTER: We do, for all that you've
20 done for us here at the Commission and your very
21 positive attitude. I have not seen you anytime
22 when you weren't wearing a million-dollar smile.
23 Your professionalism and your attention to duty
24 really make us one of the finest organizations in
25 the country, so we're really going to miss you. Of

1 course, now Tom will have to do his own work.

2 You're recognized.

3 MS. SICKEL: Thank you very much.

4 CHAIRMAN CARTER: Okay. Commissioners, as I
5 remember this -- this is dangerous. I'm beginning
6 to remember what we talked about. And I think that
7 one of the issues that we had on these standard
8 offer contracts was -- I think Commissioner Skop
9 raised the issue, and we were talking about
10 removing that provision about the right of first
11 refusal.

12 Is that right, Commissioner? You're
13 recognized, Commissioner Skop.

14 COMMISSIONER SKOP: Thank you, Mr. Chair. I
15 actually wasn't going to touch upon that.

16 CHAIRMAN CARTER: It's not in there.

17 COMMISSIONER SKOP: Well, if they don't raise
18 it, I really can't fight for it.

19 But anyway, just briefly, to staff, on page 4
20 of the staff recommendation, the standard offer
21 contract lists availability of 94 percent as the
22 threshold for full capacity payments on the
23 combined cycle avoided unit; is that correct?

24 MR. ELLIS: That is correct.

25 CHAIRMAN CARTER: Okay. And that high number

1 as the threshold for full capacity payments
2 reflects the fact that the avoided unit is intended
3 to be immediately dispatched for base load
4 generation and also reflects the operational
5 excellence that FPL strives to achieve with its
6 generating assets; is that correct?

7 MR. ELLIS: It's based on the availability.
8 As FPL wouldn't be able to dispatch any renewable
9 under the standard offer contract, so it's based on
10 the availability of the three-by-one combined cycle
11 unit over the ten-year term.

12 COMMISSIONER SKOP: But what I'm trying to get
13 to is that in order to be rewarded for full
14 capacity payments, you have to perform at a high
15 degree.

16 MR. ELLIS: That is correct.

17 COMMISSIONER SKOP: Operational availability
18 factor; is that correct?

19 MR. ELLIS: Yes, Commissioner.

20 COMMISSIONER SKOP: Okay. That's the point
21 that I'm trying to adduce.

22 The other point in passing I would make,
23 although it's not included here, in my prior
24 opinion, prior dissenting opinion, I would have
25 supported a reasonable right for first refusal.

1 It's not at issue here. But I just wanted to flesh
2 out the point on the high capacity -- I mean, that
3 high availability is the threshold for capacity
4 payments will become important in coming weeks.

5 So anyway, with that, I'll yield to
6 Commissioner Edgar for a motion.

7 CHAIRMAN CARTER: Commissioner Edgar, you're
8 recognized.

9 COMMISSIONER EDGAR: Okay. Thank you. I
10 would move the staff recommendation on all issues.

11 COMMISSIONER SKOP: Second.

12 CHAIRMAN CARTER: Commissioners, move staff on
13 Item 10. Are there any further discussions? Any
14 debate?

15 Hearing none, all in favor let it be known by
16 the sign of "aye."

17 (Simultaneous affirmative responses.)

18 CHAIRMAN CARTER: All those opposed, like
19 sign.

20 Thank you.

21 (Conclusion of consideration of Item 10.)
22
23
24
25

