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		FILED JUL 12, 2013 DOCUMENT NO. 03944-13	
1		BEFORE THE FPSC - COMMISSION CLERK	
2	FLORIDA	PUBLIC SERVICE COMMISSION	
3	In the Matter o	f: DOCKET NO. 130074-EQ	
4		PROVAL OF REVISIONS	
	TO STANDARD OFF	ER RENEWABLE ENERGY	
5	PUBLIC UTILITIE	D REN-2, BY FLORIDA S COMPANY.	
6		/	
7			
8		COMMISSION CONFERENCE AGENDA ITEM NO. 2	
9			
10	COMMISSIONERS	CHAIRMAN RONALD A. BRISÉ COMMISSIONER LISA POLAK EDGAR COMMISSIONER ART GRAHAM	
11	FARITCIFATING.		
12		COMMISSIONER EDUARDO E. BALBIS	
13		COMMISSIONER JULIE I. BROWN	
14	DATE:	Tuesday, July 9, 2013	
15	PLACE:	Betty Easley Conference Center Room 148 4075 Esplanade Way	
16		Tallahassee, Florida	
17	REPORTED BY:	JANE FAUROT, RPR	
18		Official FPSC Reporter (850) 413-6732	
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		FLORIDA PUBLIC SERVICE COMMISSION	

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## PROCEEDINGS

CHAIRMAN BRISÉ: Moving on to Item Number 2. MR. ELLIS: Good morning, Commissioners. Phillip Ellis with staff. Item 2 is Florida Public Utility Company's petition for approval of revised standard offer contract and related tariffs.

FPUC's standard offer contracts are based upon its purchased power agreements with JEA and Gulf Power Company. The revisions filed reflect estimated prices for energy and capacity in 2013 for each of its service territories. Renewable generators have the option under the contracts to select either as-available energy payments under the REN-1 schedule, or firm capacity and energy under the REN-2 schedule.

Based on the standard offers, renewable generators would receive credit for energy and capacity that avoids purchases under the company's PPAs. Staff is recommending approval of FPUC's revised standard offer contracts and is here for any questions you may have. Representatives of the company are also present for any questions.

CHAIRMAN BRISÉ: All right. Thank you very much.

Commissioners?

Commissioner Balbis.

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COMMISSIONER BALBIS: Thank you, Mr. Chairman. And I have a question or two for staff or representatives from the company, whichever, whomever would be more appropriate to answer.

And since this standard offer tariff is based upon their contract for purchasing power from the utilities that actually generate it, and it's my understanding that the as-available energy costs would be an estimate, and that's determined on a going-forward basis. But as far as the capacity payments, what would happen if the contract terms were to change, since I don't have that information in front of me?

MR. ELLIS: Under these standard offer contracts, it's based upon the rates they would otherwise pay to either JEA or Gulf for capacity and energy, so it's based on what the actual cost is to FPUC and the renewable generator providing to FPUC for energy would receive that rate.

Capacity would be based on the system peak for FPUC, and any capacity towards that avoiding higher capacity rate would be provided.

**COMMISSIONER BALBIS:** Okay. So then the capacity payments -- an RF or QF would know what their estimated capacity payments would be going forward when they enter into a contract?

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1	MR. ELLIS: It would be based upon the PPAs	
2	assigned by FPUC, so they would have access to that from	
3	my understanding, as well, and would be able to estimate	
4	it based on that. Their amount of capacity they would	
5	receive is based upon FPUC's total system peak, so that	
6	would be variable. It would depend upon usage across	
7	the entire system.	
8	COMMISSIONER BALBIS: Okay. Thank you.	
9	That's all the questions I had.	
10	CHAIRMAN BRISÉ: Okay. Thank you.	
11	Any further questions?	
12	Okay. At this time we're ready to entertain a	
13	motion.	
14	Commissioner Brown.	
15	COMMISSIONER BROWN: I move staff	
16	recommendations on Issue 1 and 2 of Item 2.	
17	COMMISSIONER BALBIS: Second.	
18	CHAIRMAN BRISÉ: Okay. It has been moved and	
19	seconded.	
20	Any further discussion?	
21	Seeing none, all in favor say aye.	
22	(Vote taken.)	
23	CHAIRMAN BRISÉ: All right. Thank you very	
24	much. Thank you.	
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2	STATE OF FLORIDA )		
3	: CERTIFICATE OF REPORTER		
4	COUNTY OF LEON )		
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6	I, JANE FAUROT, RPR, Chief, Hearing Reporter Services Section, FPSC Division of Commission Clerk, do hereby certify that the foregoing proceeding was heard at the time and place herein stated.		
7			
8	IT IS FURTHER CERTIFIED that I		
9	stenographically reported the said proceedings; that the same has been transcribed under my direct supervision; and that this transcript constitutes a true transcription of my notes of said proceedings.		
10			
11	I FURTHER CERTIFY that I am not a relative, employee, attorney or counsel of any of the parties,		
12	nor am I a relative or employee of any of the parties, attorney or counsel connected with the action, nor am I		
13	financially interested in the action.		
14	DATED THIS 12th day of July, 2013.		
15			
16	Anetaust		
17	JANE FAUROT, RPR Official FPSC Hearings Reporter		
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