

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for approval of optional non-
standard meter rider, by Florida Power &
Light Company

DOCKET NO. 130223-EI

FILED: August 15, 2014

PREHEARING STATEMENT OF THE OFFICE OF PUBLIC COUNSEL

The Citizens of the State of Florida, through the Office of Public Counsel, pursuant to the Order Establishing Procedure in this docket, Order No. PSC-14-0104-PCO-EI, issued February 18, 2014, hereby submit this Prehearing Statement.

APPEARANCES:

Charles J. Rehwinkel
Deputy Public Counsel
Office of Public Counsel
c/o The Florida Legislature
111 West Madison Street, Room 812
Tallahassee, Florida 32399-1400
On behalf of the Citizens of the State of Florida

1. **WITNESSES:**

The Citizens do not intend to call any witnesses.

2. **EXHIBITS:**

None at this time.

3. STATEMENT OF BASIC POSITION

As the statutory representative of all of FPL's customers, the Public Counsel is limiting its participation in this case to the advocacy of certain general principles that the Commission should follow when evaluating the competing presentations by FPL and the other Intervenors. Adherence to these principles will ensure that all customers are treated fairly. The Public Counsel submits that any tariff the Commission approves for customers to take service through a meter other than a "Smart Meter" should be reasonably cost-based and not impose unwarranted costs on any FPL customers, including those who are being served through the "Smart Meter." The opt-out tariff should be a genuine alternative, in the sense that it should not be structured, priced, or promoted in a manner that is designed to artificially discourage potentially interested customers from choosing it. At the same time, so that customers who accept the standard tariff for "Smart Meters" are not required to bear costs that FPL would not incur but for the offering of the optional meter, the opt-out tariff should reasonably recover any necessary costs that are separate from and incremental to those that are associated with the standard tariff. The Commission should consider terms and conditions that are fair to all and which impose the least cost on subscribers. The Commission should also insure that all customers are reasonably made aware of the costs and terms and conditions of any tariff approved as a result of this Docket.

4. STATEMENT OF FACTUAL ISSUES AND POSITIONS

Issue 1: Is it appropriate for customers who receive service through a non-standard meter to bear the cost of that service?

OPC: The Public Counsel submits that any tariff the Commission finally approves for customers to take service through a meter other than a “Smart Meter” should be reasonably cost-based and not impose unwarranted costs on any FPL customers, including those who are being served through the “Smart Meter.”

Issue 2: What are the appropriate staffing levels for the customer care employees and the meter reading lead position functions to enroll and serve customers on the NSMR tariff?

OPC: The Public Counsel submits that any tariff the Commission finally approves for customers to take service through a meter other than a “Smart Meter” should be reasonably cost-based and not impose unwarranted costs on any FPL customers, including those who are being served through the “Smart Meter.” Costs recovered through the opt-out tariff should be limited to necessary costs, reasonable in amount, that are separate from and incremental to those associated with the standard tariff. Underlying assumptions regarding staffing levels should – at a minimum – adhere to this principle.

Issue 3: Are the various cost components and their amounts FPL included in developing the charges for the NSMR tariff appropriate? If not, what cost components and their associated amounts, if any, should be excluded from the calculations?

OPC: The Public Counsel submits that any tariff the Commission finally approves for customers to take service through a meter other than a “Smart Meter” should be reasonably cost-based and not impose unwarranted costs on any FPL customers, including those who are being served through the “Smart Meter.” Costs recovered through the opt-out tariff should be limited to necessary costs, reasonable in amount, that are separate from and incremental to those associated with the standard tariff. Underlying assumptions regarding cost components and their dollar values should – at a minimum – adhere to this principle.

Issue 4: Is the requirement for a manual monthly meter reading by FPL reasonable and justified or should customers be offered alternatives (e.g., self-read or estimated billing options) to ensure fair and reasonable rates are established and costs to FPL are minimized?

OPC: No position.

Issue 5: Should customers with several non-standard meters at the same property location pay multiple enrollment fees? If not, what is appropriate enrollment fee?

OPC: The Public Counsel submits that any tariff the Commission finally approves for customers to take service through a meter other than a “Smart Meter” should be reasonably cost-based and not impose unwarranted costs on any FPL customers, including those who are being served through the “Smart Meter.” Costs to be recovered through the opt-out tariff should be limited to necessary costs, reasonable in amount, that are separate from and incremental to those associated with the standard tariff. Tariff provisions relating to multiple meters at the same location should – at a minimum – adhere to this principle.

Issue 6: Are there any cost savings associated with the NSMR program that have not been used in accounting for the NMSR charges? If so, what are the sources of such savings, and what and how should the amounts be reflected in the NSMR calculations?

OPC: No position.

Issue 7: What is the appropriate projection of the number of FPL customers who may subscribe to the NSMR tariff for purposes of deriving the NSMR charges?

OPC: No position.

Issue 8: How should the NSMR charges, if any, be designed?

OPC: The Public Counsel submits that any tariff the Commission finally approves for customers to take service through a meter other than a “Smart Meter” should be reasonably cost-based and not impose unwarranted costs on any FPL customers, including those who are being served through the “Smart Meter.” The opt-out tariff should be a true alternative, in the sense that it should not artificially discourage customers from selecting the non-standard tariff. Tariff rate design should – at a minimum – adhere to this principle.

Issue 9: What additional information, if any, should FPL be required to file in its annual smart meter progress reports?

OPC: The Commission should require FPL to disclose the number of customers subscribing to the tariff as finally approved and should require FPL to report all costs associated with maintaining such tariff on a basis sufficient to determine if any price adjustments are warranted.

Issue 10: Are FPL's proposed terms and conditions of the NSMR tariff appropriate? If not, what changes should be made?

OPC: The Public Counsel submits that any tariff the Commission finally approves for customers to take service through a meter other than a "Smart Meter" should be reasonably cost-based and not impose unwarranted costs on any FPL customers, who are being served through the "Smart Meter." Tariff terms and conditions should – at a minimum – be established consistent with this principle.

Issue 11: Based on the resolution of the previous issues, what are the appropriate NSMR charges?

OPC: The Public Counsel submits that any tariff the Commission finally approves for customers to take service through a meter other than a "Smart Meter" should be reasonably cost-based and not impose unwarranted costs on any FPL customers, including those who are being served through the "Smart Meter." Tariff charges should – at a minimum – be established consistent with this principle.

5. STIPULATED ISSUES:

None at this time.

6. PENDING MOTIONS:

None

7. STATEMENT OF PARTY'S PENDING REQUESTS OR CLAIMS FOR
CONFIDENTIALITY:

None.

8. OBJECTIONS TO QUALIFICATION OF WITNESSES AS AN EXPERT:

None at this time.

9. STATEMENT OF COMPLIANCE WITH ORDER ESTABLISHING PROCEDURE:

There are no requirements of the Order Establishing Procedure with which the Office of Public Counsel cannot comply.

Dated this 15th day of August, 2014

Respectfully submitted,

J.R. Kelly
Public Counsel



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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing **PREHEARING STATEMENT OF THE OFFICE OF PUBLIC COUNSEL** has been furnished by electronic mail on this 15th day of August, 2014.

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