

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of:

DOCKET NO. 160128-EI

PETITION FOR APPROVAL TO
INCLUDE IN BASE RATES THE
REVENUE REQUIREMENT FOR THE
HINES CHILLERS UPRATE PROJECT,
BY DUKE ENERGY FLORIDA, LLC.

PROCEEDINGS: COMMISSION CONFERENCE AGENDA
ITEM NO. 7

COMMISSIONERS
PARTICIPATING: CHAIRMAN JULIE I. BROWN
COMMISSIONER LISA POLAK EDGAR
COMMISSIONER ART GRAHAM
COMMISSIONER RONALD A. BRISÉ
COMMISSIONER JIMMY PATRONIS

DATE: Tuesday, August 9, 2016

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

REPORTED BY: LINDA BOLES, CRR, RPR
Official FPSC Reporter
(850) 413-6734

P R O C E E D I N G S

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2 **CHAIRMAN BROWN:** Moving on to Item 7. Good
3 morning.

4 **MR. LEE:** Good morning. Commissioners, I'm
5 Daniel Lee from engineering staff.

6 Item 7 addresses the petition by Duke Energy
7 regarding its proposed tariffs for the Hines Chillers
8 Uprate Project. The project was approved by the
9 Commission in 2014 in a need determination proceeding.
10 The updated cost is about \$9 million lower than the
11 estimated cost considered in that proceeding. Recovery
12 of such project costs is allowed under the settlement
13 agreement approved by the Commission in 2013.

14 Staff recommends approval of the proposed
15 tariff related to the Phase 1 revenue requirements.
16 Staff notes the Phase 2 revenue requirement and the rates
17 will be addressed in a separate docket. No customers or
18 entities other than the petitioners filed comments in
19 this docket. I think staff is prepared to answer
20 questions.

21 **CHAIRMAN BROWN:** Thank you very much.

22 Commissioners, any questions?

23 **COMMISSIONER GRAHAM:** Move staff.

24 **COMMISSIONER PATRONIS:** Second.

25 **CHAIRMAN BROWN:** Are there any further

1 discussion?

2 I do have a question. If there is a
3 deferential that would occur, how it will be addressed.
4 Would it be addressed in Phase 2 or in the next base rate
5 case proceeding?

6 **MS. LEE:** I think the recommendation on
7 page 3 stated that there's no such true-up mechanisms in
8 a similar manner to cost recovery under the paragraph
9 16A of the settlement agreement. I don't know whether
10 the company's representative here is able to address
11 that.

12 **CHAIRMAN BROWN:** Thank you. I think Mr. Ellis
13 could provide some additional detail.

14 **MR. ELLIS:** Phillip Ellis with Commission
15 staff. Chairman, with regards to Phase 1, we will have
16 an opportunity during the second docket, which will
17 address Phase 2 costs, to review any potential true-up
18 of the Phase 1 portion. However, for the Phase 2
19 portion, there will not be an opportunity for true-up
20 until the company's next rate case, to my understanding.

21 **CHAIRMAN BROWN:** When are we going to expect
22 to see Phase 2 come before the Commission?

23 **MR. ELLIS:** Phase 2 was filed last week.
24 Staff has not yet filed the CASR for that item. I don't
25 yet know the schedule on that. My apologies.

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CHAIRMAN BROWN: Thank you.

All right. Any further questions or
discussion?

All those in favor, say aye.

(Vote taken.)

All right. The motion passes.

(Agenda item concluded.)

1 STATE OF FLORIDA)
 : CERTIFICATE OF REPORTER
2 COUNTY OF LEON)

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4 I, LINDA BOLES, CRR, RPR, Official Commission
5 Reporter, do hereby certify that the foregoing
6 proceeding was heard at the time and place herein
7 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 16th day of August, 2016.

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LINDA BOLES, CRR, RPR
FPSC Official Hearings Reporter
(850) 413-6734