BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Re: Petition for rate increase and approval of depreciation study by Florida City Gas	DOCKET NO. 20170179-GU FILED: March 5, 2018

PREHEARING STATEMENT OF THE OFFICE OF PUBLIC COUNSEL

The Citizens of the State of Florida, through the Office of Public Counsel ("OPC"), pursuant to the Order Establishing Procedure in this docket, Order No. PSC-2017-0427-PCO-GU, issued November 7, 2017 and, PSC-2017-0461-PCO-GU issued December 5, 2017 hereby submit this Prehearing Statement.

APPEARANCES:

Virginia Ponder
Associate Public Counsel

Patricia A. Christensen
Associate Public Counsel

Stephanie A. Morse
Associate 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:

Witness	Subject Matter	Issue #
Direct		
David Dismukes	Capacity Proposals	6, 8 & 15

David Garrett	Cost of capital, Return on Equity and depreciation	9, 11, 12, 28, 29, 30 & 50
Marshall Willis	Revenue Requirement and Regulatory Accounting	1, 13, 14, 22, 26, 27, 32, 37, 38, 39, 40, 42, 43, 50, 52, 56

2. EXHIBITS:

Witness	**Proffered By**	**Exhibit #**	**Description**
Direct			
David E. Dismukes, Ph.D.	OPC	Attachment A	Qualifications of David E. Dismukes, Ph.D.
David E. Dismukes, Ph.D.	OPC	Exhibit DED-1	Cost Components of LNG Facility
David E. Dismukes, Ph.D.	OPC	Exhibit DED-2	Comparison of Forecasted Design Day Requirements
David E. Dismukes, Ph.D.	OPC	Exhibit DED-3	Historic Capacity Releases, 2013-2017
David E. Dismukes, Ph.D.	OPC	Exhibit DED-4	Operating Capacity and Scheduled Deliveries
David E. Dismukes, Ph.D.	OPC	Exhibit DED-5	Southeast LNG Facilities
David J. Garrett	OPC	Exhibit DJG-1	Curriculum Vitae
David J. Garrett	OPC	Exhibit DJG-2	CAPM Comparison
David J. Garrett	OPC	Exhibit DJG-3	Proxy Group Summary
David J. Garrett	OPC	Exhibit DJG-4	DCF Stock Prices
David J. Garrett	OPC	Exhibit DJG-5	DCF Dividend Yields
David J. Garrett	OPC	Exhibit DJG-6	DCF Terminal Growth Determinants
David J. Garrett	OPC	Exhibit DJG-7	DCF Final Results
David J. Garrett	OPC	Exhibit DJG-8	CAPM Risk-Free Rate
David J. Garrett	OPC	Exhibit DJG-9	CAPM Betas
David J. Garrett	OPC	Exhibit DJG-10	CAPM Implied Equity Risk Premium Calculation
David J. Garrett	OPC	Exhibit DJG-11	CAPM Equity Risk Premium Results
David J. Garrett	OPC	Exhibit DJG-12	CAPM Final Results
David J. Garrett	OPC	Exhibit DJG-13	Cost of Equity Summary
David J. Garrett	OPC	Exhibit DJG-14	Market Cost of Equity
David J. Garrett	OPC	Exhibit DJG-15	Utility Awarded Returns vs. Market Cost of Equity
David J. Garrett	OPC	Exhibit DJG-16	Optimal Capital Structure
David J. Garrett	OPC	Exhibit DJG-17	Competitive Debt Ratios
David J. Garrett	OPC	Exhibit DJG-18	Proxy Group Debt Ratios
David J. Garrett	OPC	Exhibit DJG-19	Summary Expense Adjustment

David J. Garrett	OPC	Exhibit DJG-20	Detailed Expense Adjustment
David J. Garrett	OPC	Exhibit DJG-21	Depreciation Rate Development
David J. Garrett	OPC	Exhibit DJG-22	Account 382 Detailed Curve Comparison
David J. Garrett	OPC	Exhibit DJG-23	Observed Life Tables and Iowa Curve Fitting
David J. Garrett	OPC	Exhibit DJG-24	Remaining Life Development
Marshall W. Willis	OPC	Exhibit MWW-1	Summary of Regulatory Experience and Qualifications
Marshall W. Willis	OPC	Exhibit MWW-2	Adjustments to Average Rate Base
Marshall W. Willis	OPC	Exhibit MWW-3	Adjustments to Income Statement
Marshall W. Willis	OPC	Exhibit MWW-4	Capital Structure
Marshall W. Willis	OPC	Exhibit MWW-5	Net Operating Income Multiplier
Marshall W. Willis	OPC	Exhibit MWW-6	Revenue Requirement Calculation

3. STATEMENT OF BASIC POSITION

Florida City Gas' ("FCG" or "Company") revised Minimum Filing Requirement schedules submitted on February 26, 2018, reflect an inflated request for a base rate increase of $15.8 million. Additionally, the Company's proposed awarded return on equity of 11.25% is grossly unreasonable. The Company is also seeking Commission approval to (i) secure additional firm natural gas transportation service capacity and to construct a liquefied natural gas ("LNG") facility; (ii) establish an unfunded storm reserve with an annual accrual of $100,000 and a target reserve of $1 million; (iii) add twenty-three employees; and (iv) move the additional revenue requirement of $3.5 million associated with the Safety, Access, and Facility Enhancement program ("SAFE") installments into rate base.

As stated above, FCG's requested return on equity of 11.25% is extremely inflated and unreasonable given current market conditions. It is clear that maintaining FCG's current return on equity of 11.25% would be well outside industry norms and is not fair, just or reasonable. Under today's market conditions, a 9.25% return on equity is reasonable and the correct return of equity for this Company.

In addition to the cost of capital adjustments to the Company's request, numerous adjustments are warranted to the Company's projected 2018 test year rate base and operating expense. While the establishment of a storm reserve is an acceptable mechanism to deal with storm damage costs, both the annual storm accrual amount of $100,000 and the target storm reserve amount of $1 million are excessive and lack documentary support. Given the size of the Company's system, an annual accrual of $57,791 and reserve target level of $700,000 are far more appropriate. Additionally, the Company has also failed to provide documentation to support its request for an additional twenty-three employees. Based on the historic employee growth, the Company should be allowed a total of five new employees.

FCG has been unable to provide adequate record evidence to meet its burden to show an actual material capacity deficiency to support its request for additional firm natural gas transportation service capacity and the construction of a LNG facility. The Company's testimony indicates third party suppliers will be responsible for the additional firm natural gas transportation service capacity; however, the LNG facility will be an expense to ratepayers of $2.5 million. The Company's request for the construction of an LNG facility and additional firm natural gas transportation service capacity should be denied as it has not met its burden demonstrating the additional capacity is necessary.

OPC proposes longer average remaining lives for five accounts resulting in an additional reduction of depreciation expense by $1,045,843. Moreover, the Company's annual depreciation expense should be adjusted as the Company has only included the effect of the reduction in depreciation expense from August to December, or for only five months of the projected test year in violation of proper ratemaking practice. Thus, an adjustment to reduce the annual depreciation expense for the projected test year by an additional $1,281,740 is needed to correct this error so that the full effect of the Company's requested annual depreciation expense will be in the projected 2018 test year.

Based upon further review and the Company's discovery responses, it appears that the SAFE program revenues have been appropriately moved into rate base by the Company and the methodology used does *not* provide for double recovery as initially opined by OPC witnesses.

4. STATEMENT OF FACTUAL ISSUES AND POSITIONS

ISSUE 1: **Is FCG's projected test period of the twelve months ending December 31, 2018, appropriate?**

OPC: Yes, with appropriate adjustments. (Willis)

ISSUE 2: **Are FCG's forecasts of customer and therms by rate class for the projected test year ending December 31, 2018 appropriate? If not, what adjustments should be made?**

OPC: No position at this time.

ISSUE 3: **Are FCG's estimated revenues from sales of gas by rate class at present rates for the projected test year appropriate? If not, what adjustments should be made?**

OPC: No position at this time.

<u>ISSUE 4</u>: **Should FCG have firm transportation capacity available to any or all transportation customers?**

OPC: No position at this time.

<u>ISSUE 5</u>: **Are FCG's forecasts of design day load, by division, for sales and transportation customers appropriate? If not, what adjustments should be made?**

OPC: No position at this time.

<u>ISSUE 6</u>: **Are FCG's proposed measures to add firm capacity, including additional firm transportation service from FGT and construction and operation of an LNG facility, to its system reasonable?**

OPC: No. FCG has not demonstrated a projected need for the proposed measures to add firm capacity, whether through additional firm transportation service from FGT, or the proposed construction and operation of an LNG facility. Evidence present in the record demonstrates that FCG has enough capacity to serve its firm service retail customers. Additionally, FCG has failed to demonstrate that it made reasonable efforts to evaluate the cost effectiveness of a reasonable set of other alternatives to FCG's proposed measures. (Dismukes)

<u>ISSUE 7</u>: **Is the quality of service provided by FCG adequate?**

OPC: No position at this time.

ISSUE 8: **Should the Commission establish an annual depreciation rate applicable to**

FCG's liquefied natural gas storage assets?

OPC: No. It is not necessary for the Commission to establish an annual depreciation rate for FCG's liquefied natural gas storage assets. FCG currently does not possess any LNG assets on its system. Furthermore, the LNG facility proposed by FCG in the current proceeding is not a reasonable proposal for addressing any perceived need for additional capacity. (Dismukes)

ISSUE 9: What are the appropriate depreciation parameters (remaining life, net salvage percentage, and reserve percentage) and resulting depreciation rates for each distribution and general plant account?

OPC: OPC witness Garrett recommends longer lives for the following accounts: (i) Account 376.2-Distribution Mains- Plastic; (ii) Account 379-M&R Station Equipment-City Gate; (iii) Account 380.2-Services-Plastic; (iv) Account 382-Meter Installations; and (v) Account 383-Industrial M&R Station Equipment. The combined impact of these adjustments results in a reduction of FCG's proposed depreciation expense by $1,045,843. Mr. Garrett also recommends an adjustment to the proposed net salvage on Account 380.1-Services – Non Plastic. (Garrett)

ISSUE 10: Based on the application of the depreciation parameters that the Commission has deemed appropriate to FCG's data, and a comparison of the theoretical reserves to the book reserves, what, if any, are the resulting imbalances?

OPC: No position at this time.

ISSUE 11: What, if any, corrective depreciation reserve measures should be taken with respect to any imbalances identified in Issue 10?

OPC: Any imbalance between the theoretical reserve and the book reserve will be gradually reduced over the remaining life of depreciable plant by utilizing the remaining life allocation method in the depreciation system used to develop OPC's depreciation rates. (Garrett)

ISSUE 12: What, if any, are the appropriate capital recovery schedules?

OPC: The capital recovery schedules should be consistent with OPC's adjustments for longer lives for the five accounts identified within Mr. Garret's testimony. (Garett)

ISSUE 13: What should be the implementation date for revised depreciation rates, capital recovery schedules, and amortization schedules?

OPC: January 1, 2018. (Willis)

RATE BASE

ISSUE 14: What is the appropriate amount of plant and accumulated depreciation to include in the projected test year for FCG's SAFE program?

OPC: The amount of SAFE plant and accumulated depreciation should be that proposed in the revised MFR's filed with the Commission on February 26, 2018. (Willis)

ISSUE 15: What is the appropriate amount for plant in service for FCG's proposed LNG facility?

OPC: None. Customers should only be expected to pay for the costs associated with capital equipment required to provide safe and reliable service. The proposed LNG facility is not required to provide safe and reliable service to FCG's customers because evidence present in the record demonstrates that FCG has enough capacity to serve its firm service retail customers. (Dismukes)

ISSUE 16: **What is the appropriate level of plant in service for the projected test year? (Fallout Issue)**

OPC: The appropriate level of plant in service for the projected test year should reflect OPC's adjustments. (Fallout Issue)

ISSUE 17: **Has FCG made the appropriate adjustments to Common Plant Allocated and Accumulated Depreciation – Common Plant Allocated, to reflect corporate plant allocated to FCG from AGL Services Company (AGSC)?**

OPC: No position at this time.

ISSUE 18: **Has FCG made the appropriate adjustments to remove all non-utility activities from Plant in Service, Accumulated Depreciation, and Working Capital?**

OPC: No position at this time.

ISSUE 19: **Should any adjustments be made to the amounts included in the projected test year for acquisition adjustment and accumulated amortization of acquisition adjustment?**

OPC: No position at this time.

ISSUE 20: What is the appropriate level of CWIP to include in the projected test year?

OPC: No position at this time.

ISSUE 21: What is the appropriate level of Gas Plant Accumulated Depreciation and Amortization for the projected test year?

OPC: The recommended amount will be based on the evidence produced at hearing and should not include any accumulated depreciation related to the LNG plant which should be disallowed.

ISSUE 22: Should an adjustment be made to the GCUA Regulatory Asset (offset of accelerated pension costs) authorized by Order No. PSC-07-0913-PAA-GU?

OPC: The Remaining $27,375 of amortization should be removed from the test year as a known and measurable change since it was fully amortized in February 2018 prior to any base rate change for this case. (Willis)

ISSUE 23: Have under recoveries and over recoveries related to the Purchased Gas Adjustment, Energy Conservation Cost Recovery, and Area Expansion Plan been appropriately reflected in the Working Capital Allowance?

OPC: No position at this time.

ISSUE 24: What is the appropriate level of working capital for the projected test year?

OPC: No position at this time.

ISSUE 25: What is the appropriate level of rate base for the projected test year? (Fallout Issue)

OPC: The appropriate level of rate base for the projected test year should reflect OPC's adjustments. (Fallout Issue)

COST OF CAPITAL

ISSUE 26: What is the appropriate amount of accumulated deferred taxes to include in the projected test year capital structure?

OPC: The appropriate amount of accumulated deferred taxes to be included in the projected test year capital structure is $44,816,769. The Tax Cuts and Jobs Act (the Act) reduced the corporate tax rate from 35% to 21% effective January 1, 2018. The excess Protected Deferred Income Taxes should be refunded consistent with Federal tax law using the Adjusted Rate Assumption Method (ARAM). The excess "unprotected" accumulated deferred taxes created due to the Act should be flowed back to customers over a five year period. (Willis)

ISSUE 27: What is the appropriate amount and cost rate of the unamortized investment tax credits to include in the capital structure?

OPC: The appropriate amount of unamortized investment tax credits to be included in the capital structure is $0. (Willis)

ISSUE 28: What is the appropriate amount and cost rate for short-term debt to include in the projected test year capital structure?

OPC: The cost rate for short-term debt to be included in the projected test year capital structure should be 2.64%. FCG should not be allowed to adjust the debt equity ratio as proposed in the revised MFR's filed on February 26, 2018. (Garrett)

ISSUE 29: What is the appropriate amount and cost rate for long-term debt to include in the projected test year capital structure?

OPC: The cost rate for long-term debt to be included in the projected test year capital structure should be 4.66%. FCG should not be allowed to adjust the debt equity ratio as proposed in the revised MFR's filed on February 26, 2018. (Garrett)

ISSUE 30: What is the appropriate authorized return on equity (ROE) to use in establishing FCG's projected test year revenue requirement?

OPC: The appropriate ROE is 9.25%. FCG's requested 11.25% ROE is extravagant and excessive under current market conditions. Applying the Discounted Cash Flow (DCF) method checked by the Capital Asset Pricing Model (CAPM) method with a proposed capital structure of 45% and also applying the electric proxy groups, results in an actual cost of equity of 7.0%. Both interest rates and awarded ROEs have decreased significantly since 2004 when FCG was last awarded an ROE of 11.25%. Due to the potential increase in the Company's risk profile from using the actual cost of equity and to mitigate such effect, the appropriate ROE for FCG is 9.25%. Utilizing a 9.25% ROE would result in an approximately $3.4 million reduction from FCG's 2018 request. FCG's request to increase its equity ratio from the 45% to a higher equity ratio due a theoretical potential downgrade to the parent company is illogical. FCG has a duty to use the lowest reasonable cost of capital, and raising the equity ratio would increase the weighted average cost of capital compared to the Company's cost of debt (4.66%). (Garrett)

ISSUE 31: **Has FCG made the appropriate adjustments to remove all non-utility investments from the common equity balance?**

OPC: No position at this time.

ISSUE 32: **What is the appropriate weighted average cost of capital to use in establishing FCG's projected test year revenue requirement?**

OPC: The appropriate weighted average cost of capital to use in establishing FCG's projected test year requirement is 5.54%. (Willis)

NET OPERATING INCOME

ISSUE 33: **Has FCG properly removed Purchased Gas Adjustment and Energy Conservation Cost Recovery Revenues, Expenses, and Taxes-Other from the projected test year?**

OPC: No position at this time.

ISSUE 34: **What is the appropriate amount of miscellaneous revenues?**

OPC: No position at this time.

ISSUE 35: **Is FCG's projected Total Operating Revenues for the projected test year appropriate (Fallout Issue)?**

OPC: The appropriate projected Total Operating Revenues for the projected test year should reflect OPC's adjustments. (Fallout Issue)

ISSUE 36: Has FCG made the appropriate adjustments to remove all non-utility activities from operation expenses, including depreciation and amortization expense?

OPC: No position at this time.

ISSUE 37: Should an adjustment be made to Uncollectible Accounts and for Bad Debt in the Revenue Expansion Factor?

OPC: Yes, the Bad Debt Rate should be .40%. (Willis)

ISSUE 38: Should an adjustment be made to the number of employees in the projected test year?

OPC: Yes. A total of 18 requested employees, which includes 3 LNG employees should be disallowed for a total of $1,035,643. (Willis)

ISSUE 39: What is the appropriate amount of salaries and benefits to include in the projected test year?

OPC: Long-Term Incentive Compensation of $324,528 expensed and $105,636 capitalized for the projected year 2018 should be removed. (Willis)

ISSUE 40: Should an adjustment be made to the amortization of the GCUA Regulatory Asset (offset of accelerated pension costs) authorized by Order No. PSC-07-0913-PAA-GU?

OPC: The remaining $27,375 of amortization should be removed from the test year as a known and measurable change since it was fully amortized in February 2018 prior to any base rate change for this case. (Willis)

ISSUE 41: What is the appropriate amount of pensions and post-retirement benefits expense to include in the projected test year?

OPC: No position at this time.

ISSUE 42: Should the Commission allow FCG to establish a storm damage reserve?

OPC: Yes. The storm damage reserve should not exceed $700,000. (Willis)

ISSUE 43: What is the appropriate annual storm damage accrual?

OPC: FCG should be allowed an annual accrual of $57,500. (Willis)

ISSUE 44: Is a Parent Debt Adjustment pursuant to Rule 25-14.004, Florida Administrative Code, appropriate, and if so, what is the appropriate amount?

OPC: No position at this time.

ISSUE 45: Should an adjustment be made to Regulatory Commission Expense, for Rate Case Expense for the projected test year and what is the appropriate amortization period?

OPC: No position at this time.

ISSUE 46: What is the appropriate amount of projected test year O&M expenses? (Fallout Issue)

OPC: The appropriate amount of projected test year O&M expense should reflect OPC's adjustments. (Fallout Issue)

ISSUE 47: Has FCG made the appropriate adjustments to Common Plant Allocated Depreciation and Amortization Expense to reflect corporate plant allocated to FCG from AGL Services Company (AGSC)?

OPC: No position at this time.

ISSUE 48: What is the appropriate amount of depreciation expense to include in the projected test year for FCG's SAFE program?

OPC: The amount of SAFE depreciation expense should be that proposed in the revised MFR's filed with the Commission on February 26, 2018. (Willis)

ISSUE 49: Should any adjustments be made to the amounts included in the projected test year for amortization expense associated with the acquisition adjustment?

OPC: No position at this time.

ISSUE 50: What is the appropriate amount of Depreciation and Amortization Expense for the projected test year?

OPC: The test year should be adjusted to include a full year's expense at the new rate. The appropriate annual depreciation expense is $11,230,141. (Garrett, Willis)

ISSUE 51: What is the appropriate amount of projected test year Taxes Other than Income?

OPC: No position at this time.

ISSUE 52: What adjustments, if any, need to be made to the projected test year for the Tax Cuts and Jobs Act (G.L.C.164, §94) signed into law on December 22, 2017, with an effective date of January 1, 2018?

OPC: The test year income taxes should be adjusted to reflect a 21% effective tax rate. The excess Protected Deferred Income Taxes should be refunded consistent with Federal tax law using the Adjusted Rate Assumption Method (ARAM). The excess Unprotected Deferred Income Taxes should be refunded over a five year period. (Willis)

ISSUE 53: What is the appropriate amount of projected test year Income Tax Expense (Fallout issue)?

OPC: The appropriate amount of projected test year Income Tax Expense should reflect OPC's adjustments. (Fallout Issue)

ISSUE 54: What is the appropriate amount of Total Operation Expenses for the projected test year? (Fallout Issue)

OPC: The appropriate amount of Total Operation Expenses for the projected test year should reflect OPC's adjustments. (Fallout Issue)

ISSUE 55: What is the appropriate amount of Net Operating Income for the projected test year? (Fallout Issue)

OPC: The appropriate amount of Net Operating Income for the projected test year should reflect OPC's adjustments. (Fallout Issue)

REVENUE REQUIREMENTS

ISSUE 56: What are the appropriate revenue expansion factor and the appropriate net operating income multiplier, including the appropriate elements and rates for FCG?

OPC: The appropriate Revenue Expansion Factor is 73.9831%. The appropriate Net Operating Income Multiplier is 1.3517 for the projected test year. (Willis)

ISSUE 57: What is the appropriate annual operating revenue increase for the projected test year? (Fallout Issue)

OPC: The appropriate annual operating revenue increase for the projected test year should reflect OPC's adjustments. (Fallout Issue)

COST OF SERVICE AND RATE DESIGN

ISSUE 58: Is FCG's proposed cost of service study appropriate?

OPC: No position.

ISSUE 59: What is the appropriate class revenue allocation?

OPC: No Position.

ISSUE 60: Should FCG's proposal to replace its existing volumetric rate classes with three new residential and six new commercial rate classes be approved?

OPC: No Position.

ISSUE 61: What are the appropriate customer charges?

OPC: No Position.

ISSUE 62: What are the appropriate per therm distribution charges?

OPC: No Position.

ISSUE 63: What are the appropriate demand charges?

OPC: No Position.

ISSUE 64: What are the appropriate safety, access, and facility enhancement (SAFE) surcharges?

OPC: The appropriate SAFE revenue is $3,502,515 pursuant to Order No. PSC-2017-0454-TRF-GU and this amount will be included in base rates and the SAFE surcharge reset to zero simultaneously with the implementation of new rates.

ISSUE 65: **What are the appropriate miscellaneous service charges (connect charges, reconnection charges, returned check charges, change of account, bill collection in lieu of disconnection, temporary disconnection of service, and failed trip charge)?**

OPC: No Position.

ISSUE 66: **Is FCG's proposed revision to its customer deposit tariff appropriate?**

OPC: No Position.

ISSUE 67: **Is FCG's proposed revision to its right to suspend or discontinue service to a customer tariff appropriate?**

OPC: No Position.

ISSUE 68: **Should FCG's proposed revisions to its Transportation – Special Conditions tariff regarding the allocation and release of interstate capacity be approved?**

OPC: No Position.

ISSUE 69: **Should FCG's new Economic Development Gas Service (EDGS) tariff be approved?**

OPC: No Position.

ISSUE 70: **Should FCG's proposal to revise the Area Expansion Program be approved?**

OPC: No Position.

ISSUE 71: If FCG's proposal to eliminate the Flexible Gas Service (FGS) tariff be approved?

OPC: No Position.

ISSUE 72: Should FCG's definition of incremental cost contained in the Contract Demand Service (KDS) and Load Enhancement Service (LES) tariffs be approved?

OPC: No Position.

ISSUE 73: What is the appropriate effective date for FCG's revised rates and charges?

OPC: No Position.

OTHER ISSUES

ISSUE 74: Should any portion of the interim increase granted by Order No. PSC-2018-0011-PCO-GU be refunded to customers?

OPC: Yes, at a minimum, the portion of the interim increase reflective of the new lower tax rate of 21% should be refunded to the customers.

ISSUE 75: Should FCG be required to file, within 90 days after the date of the final order in this docket, a description of all entries or adjustments to its annual report,

rate of return reports, and books and records which will be required as a result of the Commission's findings in this rate case?

OPC: No Position.

ISSUE 76: Should this docket be closed?

OPC: No position.

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 5th day of March, 2018

Respectfully submitted,

J.R. Kelly
Public Counsel

/s/Virginia Ponder
Virginia Ponder
Associate Public Counsel

c/o The Florida Legislature
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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by electronic mail on this 5th day of March 2018, to the following:

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