

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for approval of FPL
SolarTogether program and tariff, by Florida
Power & Light Company.

DOCKET NO. 20190061-EI
ORDER NO. PSC-2020-0017-PHO-EI
ISSUED: January 10, 2020

PREHEARING ORDER

Pursuant to Notice and in accordance with Rule 28-106.209, Florida Administrative Code (F.A.C.), a Prehearing Conference was held on January 10, 2020, in Tallahassee, Florida, before Commissioner Gary F. Clark, as Prehearing Officer.

APPEARANCES:

MARIA JOSE MONCADA and WILLIAM P. COX, ESQUIRES, 700 Universe Boulevard, Juno Beach, Florida 33408
On behalf of Florida Power & Light Company (FPL).

J. R. KELLY, Public Counsel, CHARLES J. REHWINKEL, Deputy Public Counsel and STEPHANIE MORSE, Associate Public Counsel, ESQUIRES, 111 West Madison Street, Room 812, Tallahassee, Florida 32399
On behalf of the Citizens of the State of Florida (OPC).

JOHN C. MOYLE JR. and KAREN A. PUTNAL, ESQUIRES, 118 North Gadsden Street, Tallahassee, Florida 32301
On behalf of Florida Industrial Power Group Users (FIPUG).

GEORGE CAVROS, ESQUIRE, 120 E. Oakland Park Boulevard, Suite 105, Fort Lauderdale, Florida 33334
On behalf of Southern Alliance for Clean Energy (SACE).

MARSHA E. RULE, ESQUIRE, 119 South Monroe Street, Suite 202, Tallahassee, Florida 32301;
RICHARD A. ZAMBO, ESQUIRE, 2336 South East, Ocean Boulevard, #309, Stuart, Florida 34966; and
KATIE CHILES OTTENWELLER, QUALIFIED REPRESENTATIVE, 151 Estoria Street SE, Atlanta, GA 30316
On behalf of Vote Solar (Vote Solar).

STEPHANIE U. EATON, ESQUIRE, 110 Oakwood Drive, Suite 500, Winston-Salem, North Carolina 27103 and
DERRICK PRICE WILLIAMSON, ESQUIRE, 1100 Bent Creek Boulevard, Suite 101, Mechanicsburg, Pennsylvania 17050
On behalf of Walmart Inc. (Walmart).

WALT L. TRIERWEILER and KRISTEN B. SIMMONS, ESQUIRES, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850

On behalf of the Florida Public Service Commission (Staff).

MARY ANNE HELTON, ESQUIRE, Deputy General Counsel, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850

Advisor to the Florida Public Service Commission.

KEITH C. HETRICK, ESQUIRE, General Counsel, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850
Florida Public Service Commission General Counsel.

I. CASE BACKGROUND

On March 13, 2019, Florida Power & Light Company (FPL) filed a petition for a new voluntary community solar program, called FPL SolarTogether, which will allow FPL customers to subscribe to a portion of new solar capacity built through the program and to receive a credit for a portion of the system savings produced by that solar capacity. Phase 1 of the program consists of five FPL SolarTogether projects that comprise a total of 20 74.5-MW solar power plants. The Office of Public Counsel (OPC), the Florida Industrial Power Users Group (FIPUG), the Southern Alliance for Clean Energy (SACE), Vote Solar, and Walmart, Inc. (Walmart) have intervened in this proceeding.

On October 9, 2019, FPL, SACE, Vote Solar, and Walmart, Inc. filed a Joint Motion to Approve Settlement, with the Joint Movants' Stipulation and Settlement (Settlement) attached as Exhibit A. OPC filed a response in opposition to the Joint Motion on October 16, 2019. In consideration of these new filings, the parties were allowed additional discovery and an opportunity to file supplemental testimony with respect to the proposed Settlement.

This matter is set for an administrative hearing from January 14-16, 2020.

II. CONDUCT OF PROCEEDINGS

Pursuant to Rule 28-106.211, F.A.C., this Prehearing Order is issued to prevent delay and to promote the just, speedy, and inexpensive determination of all aspects of this case.

III. JURISDICTION

This Commission is vested with jurisdiction over the subject matter by the provisions of Chapter 366, Florida Statutes (F.S.). This hearing will be governed by Chapter 366, F.S., and Rules 25-6, 25-22, and 28-106, F.A.C., as well as any other applicable provisions of law.

IV. PROCEDURE FOR HANDLING CONFIDENTIAL INFORMATION

Information for which proprietary confidential business information status is requested pursuant to Section 366.093, F.S., and Rule 25-22.006, F.A.C., shall be treated by the Commission as confidential. The information shall be exempt from Section 119.07(1), F.S., pending a formal ruling on such request by the Commission or pending return of the information to the person providing the information. If no determination of confidentiality has been made and the information has not been made a part of the evidentiary record in this proceeding, it shall be returned to the person providing the information. If a determination of confidentiality has been made and the information was not entered into the record of this proceeding, it shall be returned to the person providing the information within the time period set forth in Section 366.093, F.S. The Commission may determine that continued possession of the information is necessary for the Commission to conduct its business.

It is the policy of this Commission that all Commission hearings be open to the public at all times. The Commission also recognizes its obligation pursuant to Section 366.093, F.S., to protect proprietary confidential business information from disclosure outside the proceeding. Therefore, any party wishing to use any proprietary confidential business information, as that term is defined in Section 366.093, F.S., at the hearing shall adhere to the following:

- (1) When confidential information is used in the hearing that has not been filed as prefiled testimony or prefiled exhibits, parties must have copies for the Commissioners, necessary staff, and the court reporter, in red envelopes clearly marked with the nature of the contents and with the confidential information highlighted. Any party wishing to examine the confidential material that is not subject to an order granting confidentiality shall be provided a copy in the same fashion as provided to the Commissioners, subject to execution of any appropriate protective agreement with the owner of the material.
- (2) Counsel and witnesses are cautioned to avoid verbalizing confidential information in such a way that would compromise confidentiality. Therefore, confidential information should be presented by written exhibit when reasonably possible.

At the conclusion of that portion of the hearing that involves confidential information, all copies of confidential exhibits shall be returned to the proffering party. If a confidential exhibit has been admitted into evidence, the copy provided to the court reporter shall be retained in the Office of Commission Clerk's confidential files. If such material is admitted into the evidentiary record at hearing and is not otherwise subject to a request for confidential classification filed

with the Commission, the source of the information must file a request for confidential classification of the information within 21 days of the conclusion of the hearing, as set forth in Rule 25-22.006(8)(b), F.A.C., if continued confidentiality of the information is to be maintained.

V. PREFILED TESTIMONY AND EXHIBITS; WITNESSES

Testimony of all witnesses to be sponsored by the parties and staff has been prefiled and will be inserted into the record as though read after the witness has taken the stand and affirmed the correctness of the testimony and associated exhibits. All testimony remains subject to timely and appropriate objections. Upon insertion of a witness' testimony, exhibits appended thereto may be marked for identification. Each witness will have the opportunity to orally summarize his or her testimony at the time he or she takes the stand. Summaries of testimony shall be limited to five minutes.

Witnesses are reminded that, on cross-examination, responses to questions calling for a simple yes or no answer shall be so answered first, after which the witness may explain his or her answer. After all parties and Staff have had the opportunity to cross-examine the witness, the exhibit may be moved into the record. All other exhibits may be similarly identified and entered into the record at the appropriate time during the hearing.

The Commission frequently administers the testimonial oath to more than one witness at a time. Therefore, when a witness takes the stand to testify, the attorney calling the witness is directed to ask the witness to affirm whether he or she has been sworn.

The parties shall avoid duplicative or repetitious cross-examination. Further, friendly cross-examination will not be allowed. Cross-examination shall be limited to witnesses whose testimony is adverse to the party desiring to cross-examine. Any party conducting what appears to be a friendly cross-examination of a witness should be prepared to indicate why that witness's direct testimony is adverse to its interests.

VI. ORDER OF WITNESSES

Each witness whose name is preceded by a plus sign (+) will present direct and rebuttal testimony together.

<u>Witness</u>	<u>Proffered By</u>	<u>Issues #</u>
<u>Direct</u>		
+Matthew Valle	FPL	1, 4
+William F. Brannen	FPL	

<u>Witness</u>	<u>Proffered By</u>	<u>Issues #</u>
<u>Direct (continued)</u>		
+Steven R. Sim	FPL	1, 3, 4
+Scott R. Bores	FPL	3
James R. Dauphinais	OPC	1-4
Matt Cox	Vote Solar	2, 3, 4
Steve W. Chriss	Walmart	Approval of the Settlement Agreement
Bryan Jacob	SACE	4
Cayce Hinton	STAFF	
<u>Rebuttal</u>		
+Matthew Valle	FPL	1, 4
+William F. Brannen	FPL	5
+Steven R. Sim	FPL	1
+Scott R. Bores	FPL	3
Sam Shannon	FPL	2, 4
Terry Deason	FPL	2
<u>Supplemental Direct</u>		
James R. Dauphinais	OPC	1-4
Cayce Hinton	STAFF	
<u>Supplemental Rebuttal</u>		
Steven R. Sim	FPL	1
Matthew Valle	FPL	1, 4

VII. BASIC POSITIONS

FPL: In 2006, Florida codified the State's policy to promote the development of renewable energy. §366.92, Fla. Stat. (2019). In the thirteen years since the passage of Section 366.92, the cost of solar-powered energy has dropped significantly, and customer interest in obtaining their power from renewable resources has reached substantial proportions and continues to grow. Making the most of solar's improved economics and technology advancements, FPL is operating more than 1,100 MW of cost-effective solar in Florida, with nearly 300 additional cost-effective megawatts currently under construction pursuant to the Commission-approved Solar Base Rate Adjustment mechanism. In terms of savings, these solar centers have been projected to save customers more than \$170 million CPVRR. FPL now looks to continue its efforts to further Florida's leadership in promoting renewable energy by providing more direct access to the benefits of solar electricity to satisfy particularized customer interests and needs, at the same time that it brings new cost-effective resources on line for the benefit of all customers.

As a means to satisfy that customer need, FPL proposes the SolarTogether Program and Tariff STR – Original Sheets No. 8.932-8.934, which reflects the settlement reached by FPL, the Southern Alliance for Clean Energy (“SACE”), Walmart and Vote Solar. FPL SolarTogether is a community solar program through which participants can voluntarily subscribe to a share of capacity from 1,490 MW of Program-designated cost-effective solar energy centers that will be built, owned and operated by FPL. Over time, both participants and the general body of FPL customers are projected to achieve savings. In total, the centers are projected to generate \$249 million in customer savings, 55 percent of which will be allocated to participants and 45 percent will be allocated to the general body of FPL customers.

Participants will pay a monthly subscription charge designed to cover 104.5 percent of the Program base net revenue requirements, levelized at \$6.76 per kW to provide participants with a fixed cost over time, and in return will receive benefits in the form of bill credits for their subscription share of the power produced.

The customer desire for this Program is not only substantial but also demonstrable. Over the past several years, numerous FPL customers have inquired about the availability of renewable programs to meet their sustainability and financial goals. More and more, FPL customers want a greater percentage of the energy they consume to come from renewable sources – some even having established a policy to become 100 percent renewable – and they want to realize both the financial and sustainability benefits associated with solar energy. From November 2018 to January 2019, FPL reached out to its commercial, industrial and governmental customer accounts to provide information regarding the

potential Program and an opportunity to reserve capacity (or “pre-register”) by signing contracts demonstrating their commitment to enroll. In just under 60 days, these customers reserved capacity totaling approximately 1,100 MW. Based on this response, the capacity will be allocated, at least initially, 75 percent (1,117.5 MW) to commercial, industrial and governmental customers and 25 percent (372.5 MW) to residential and small business customers. This is sized to fill most of the commitments entered into by commercial, industrial and governmental customers and would allow approximately 74,500 typical residential or small business customers to subscribe to 5 kW each (an amount roughly equivalent to 100 percent of average annual residential energy usage).

FPL SolarTogether is designed to expand access to solar to a broad cross-section of customers. Today, customers from all classes are interested in participating in community solar, but not everyone is able to access private solar. Barriers of private solar include high upfront costs, long-term commitments, lack of access to land or roof space, and unwanted maintenance obligations. FPL SolarTogether removes those barriers, thus expanding the ability to participate in solar in the state of Florida. All metered customers are eligible to participate for an initial small monthly premium. Participants can subscribe to the amount of capacity of their choosing up to 100 percent of their previous 12 months’ total kilowatt-hour usage, subject to available capacity. With no long-term commitment and no penalty for leaving, participants can terminate their participation at any time following their first month of enrollment. And, through the elements introduced in the Settlement Tariff, FPL SolarTogether opens even more doors by setting aside 37.5 MW for low income customers who wish to participate. This carve out would position Florida as a national leader in providing low income customers access to the benefits of solar energy.

The FPL SolarTogether centers are cost-effective compared to no additional solar and their costs are reasonable. Employing years of experience and its proven competitive procurement process, FPL was able to achieve low costs. The estimated construction cost for the 20 centers that comprise FPL SolarTogether amounts to an average of \$1,176 per kW.¹ To determine the cost-effectiveness, FPL undertook the same economic analysis methodology it has presented to the Commission for all solar projects presented to and relied upon by the Commission since 2016. That analysis shows that installation of the 1,490 MW proposed for the SolarTogether centers included in the Program is projected to generate \$249 million CPVRR in net benefits. Thus, based on the Program’s 55 percent-45 percent benefit sharing, \$137 million is allocated to participants and \$112 million will benefit the general body of customers.

For all of these reasons, FPL SolarTogether and the Settlement Tariff are in the public interest and should be approved.

¹ This figure excludes AFUDC for SolarTogether Projects 3, 4 and 5.

Surprisingly, OPC opposes FPL's request notwithstanding the substantial customer support in favor of the Program. First, OPC argues that the FPL SolarTogether Program should not be approved because FPL did not show that the 1,490 MW of proposed solar generation facilities would be the most cost-effective solution to meet a reliability need. But FPL is not proposing SolarTogether primarily to satisfy a capacity need for reliability purposes. The Program is designed principally to meet a tangible and growing customer need for greater and more direct participation in solar energy. In addition, the Power Plant Siting Act ("PPSA") does not apply to any of the Program facilities and, therefore, a capacity need within the strictures of the PPSA is not required. Nevertheless, the new solar facilities will in fact fully meet projected resource needs in the years 2020, 2021, and 2022, plus assist in meeting resource needs in later years. Second, OPC argues that the general body of customers is subsidizing the FPL SolarTogether participants. But this Program is not designed to impose net costs on the general body of customers. To the contrary, FPL SolarTogether is premised on an analysis that demonstrates that the Program is cost-effective, generating net incremental benefits (not costs) for all customers. Thus, customers wishing to receive more solar generation by participating in the FPL SolarTogether Program are not "cost causers" as that term is traditionally used; to the contrary, the Participants' subscription in the Program make available approximately \$112 million of CPVRR savings/benefits to the general body of customers.

OPC: OPC objects to programs that plainly violate Florida laws on (a) the prohibition on discriminatory rates and charges, § 366.03, Fla. Stat. (2019), and (b) the requirement that only prudent capital projects may be factored into the rates and charges demanded of customers, e.g., § 366.06(1), Fla. Stat. The SolarTogether program also violates the base rate freeze provision of the 2016 Settlement between FPL and Intervenors. The SolarTogether Program also appears to violate the provisions of paragraphs 4 and 7 of the Settlement Agreement approved in Order No.PSC-2016-0560-AS-EI, which prohibit indirect increases to base rates or clause recovery of costs the type of which have been traditionally, historically and ordinarily recovered through base rates.

Bona fide "voluntary community solar" projects are those where the community which voluntarily participates in projects actually pays the costs of the projects. The SolarTogether program forces all customers to pay in some manner, whether they participate or not. The projected, non-guaranteed benefits which non-participants will supposedly (and decades later) realize, stand in stark contrast to the essentially guaranteed benefits participants will see on their bills more immediately. Moreover, the SolarTogether program simply expands rate base to the benefit of shareholders and at the cost of customers. An example of this is the overreach demonstrated by FPL in its attempt to accrue AFUDC for Project Nos. 1 and 2. OPC's position is no AFUDC should accrue or be booked for Projects

Nos. 1 or 2. OPC does not support the utility's unchecked effort to build rate base while placing all of the cost and risks of such projects fully on the backs of ratepayers while sparing the utility's shareholders from any risks or costs.

This case does not present a simplistic, binary choice between favoring or disfavoring renewable energy, but rather the choice is in how much each party pays for particular renewable energy facilities in relation to the risks and benefits they take on. The Office of Public Counsel, on behalf of the Citizens of the state, fully supports renewable energy. However, the design of the SolarTogether program fails to meet statutory requirements regarding the division of financial responsibilities between customers and the privately-held utility company which enjoys a monopoly in the customers' service area.

FIPUG: Only reasonable and prudent costs should be recovered in this docket. FIPUG supports renewable energy, provided such energy is needed and cost-effective. FIPUG questions and demands strict proof that the proposed Community Solar projects are needed and cost effective.

SACE: On March 13, 2019, Florida Power and Light ("FPL") filed a petition for approval of the SolarTogether community solar tariff and subsequently filed direct testimony on July 29, 2019 in support of the tariff. It subsequently filed rebuttal testimony, on September 23, 2019, that enhanced the system benefits of the associated program to non-participating customers. A settlement agreement was filed on October 9, 2019 in this docket between FPL, SACE, Vote Solar, and Walmart that resolved all issues in the case between them and additionally enhanced the program for low income customers by reserving ten percent of the residential customer allocation for low-income customers and providing a more immediate economic benefit to them from the first month of participation.

If the Commission approves the settlement agreement, FPL's SolarTogether community solar tariff will provide FPL customers the option to participate in the largest community solar program in the United States. The SolarTogether program will lead to the construction of 1,490 megawatts ("MW") of cost-effective, clean solar power in Florida over the next two years and will catapult Florida into a leadership position in the United States on solar development while also decreasing Florida's over-reliance on fossil fuels that are driving climate change. Other utilities and states should take note of this novel and innovative program.

Both utility scale and rooftop solar installations continue to grow in Florida, yet some residential customers cannot directly access the economic benefits of solar power because they may rent their homes, live in multi-unit dwellings, or have shaded roofs. Likewise there are commercial customers that may not own their business property or may not want the ownership responsibility of rooftop solar. The SolarTogether community (shared) solar program provides those customers

the option to participate in the program and realize a direct economic benefit from solar power. It prioritizes the customer experience by allowing participation with no upfront subscription fees, flexible subscription amounts, no cancellation fees, and allows the subscription to stay with the customer if they move within FPL's service territory. The large amount of capacity already committed to through the SolarTogether presubscription process evidences enormous customer demand for solar power in Florida.

The Commission is afforded great deference to determine that a settlement agreement between parties is in the public interest, and it will be presented with substantial, competent evidence during the hearing upon which to make a public interest determination. Taken as a whole, the tariff and program provision embodied in the settlement agreement between FPL, SACE, Vote Solar, and Walmart strike a reasonable balance in the sharing of economic benefits of the SolarTogether program between participants and the general body of customers, expands opportunities for participation to low-income families, and is consistent with the principle of fair, just and reasonable rates. As such, SACE requests that the Commission approve the settlement agreement in its entirety.

VOTE

SOLAR:

Vote Solar supports the SolarTogether program and tariff as amended by the stipulation entered into by Florida Power & Light, Southern Alliance for Clean Energy, Walmart and Vote Solar as a reasonable resolution of the issues raised by this filing. According to FPL, the SolarTogether program and tariff as amended by the stipulation will provide an estimated \$249 million dollars in economic benefits, will diversify Florida's energy mix with clean, fuel-free electricity, and will provide a much-needed option for customers seeking more access to solar power.

Importantly, this program, if approved, will constitute the largest voluntary utility-sponsored low-income solar offering in the country, which will help address the severe energy burdens borne by low income ratepayers in Florida. For all these reasons, Vote Solar asks the Commission to approve the SolarTogether program and tariff as amended by the stipulation.

WALMART: The Commission should approve the Joint Motion to Approve Settlement ("Joint Motion") and proposed Settlement Agreement ("Settlement Agreement"), attached to the Joint Motion as Exhibit A, filed by FPL, Southern Alliance for Clean Energy ("SACE"), Walmart, and Vote Solar (collectively, "Settling Parties), on October 9, 2019. The proposed Settlement Agreement includes certain modifications to the voluntary FPL Program. These modifications include the following: (1) FPL will allocate 37.5 MW of the Program to capacity for low income customers, and (2) "the cost of the low income component will be covered by the Program participants through the pricing set forth in Tariff STR." Joint

Motion, p. 3. Further, the Settlement Agreement favorably addresses REC treatment. Settlement Agreement, p. 3, ¶ (f).

On December 5, 2019, FPL filed a Notice of Superseding Proposed Tariff that confirmed that the SolarTogether Settlement Tariff (Tariff Sheet Nos. 8.932-8.934) submitted on October 9, 2019, with the Settlement Agreement is the tariff supported by the Settling Parties. Walmart believes that the proposed Settlement Agreement, including the SolarTogether Settlement Tariff, is a reasonable compromise of the Settling Parties' different positions in this case and is otherwise in the public interest.

STAFF: Staff's positions are preliminary and based on materials filed by the parties and on discovery. The preliminary positions are offered to assist the parties in preparing for the hearing. Staff's final positions will be based upon all the evidence in the record and may differ from the preliminary positions.

VIII. ISSUES AND POSITIONS

ISSUE 1: **Is FPL's proposed SolarTogether Rider tariff an appropriate mechanism to seek approval for the construction of 1,490 MW of new solar generation facilities?**

FPL: Yes. The SolarTogether Rider tariff is the appropriate mechanism to allow customers to participate voluntarily and more directly in the development of solar energy in Florida. Customers are actively seeking a program like FPL SolarTogether in order to meet sustainability goals while also sharing in the financial benefits of solar. No existing programs or tariffs fill this customer need. FPL SolarTogether Program is designed to meet this significant customer demand, while accelerating the utilization of solar energy in Florida in a manner that is cost-effective for the general body of customers.

OPC: No.

FIPUG: Adopt position of OPC.

SACE: Yes. The settlement agreement filed in this docket on October 9, 2019 between FPL, SACE, Vote Solar, and Walmart on the SolarTogether community solar tariff and program fully resolves all matters between the referenced parties and is in the public interest.

VOTE

SOLAR: No position.

WALMART: Yes.

STAFF: Staff has no position at this time.

ISSUE 2: **Does FPL's proposed SolarTogether Rider tariff give any undue or unreasonable preference or advantage to any person or locality or subject the same to any undue or unreasonable prejudice or disadvantage in any respect, contrary to Section 366.03, Florida Statutes?**

FPL: No. FPL's proposed SolarTogether Rider tariff allows FPL customers who cannot afford, do not wish to own, cannot place private solar on their home, or who live in a multi-unit dwelling or business - the opportunity to participate in the Program that allows access to cost-effective solar energy with no cross-subsidy regarding costs over the life of the Program. As a part of the Settlement Agreement, FPL will allocate 37.5 MW of the Program capacity for low-income customers with a separate tariff that will allow the low-income customers to receive net benefits from the outset of their participation. This added benefit provided to the Low-Income customers will be borne solely by the FPL customers who participate in the Program. The general body of customers will not be harmed by the program but instead, receive a share of the Program benefits. The program participants will pay 104.5 percent of the base revenue requirements, and receive 55 percent of the total CPVRR benefits. The general body of customers will benefit from 4.5 percent of the contribution in fixed base benefits, and 45 percent of the overall total CPVRR program savings.

OPC: Yes.

FIPUG: Adopt position of OPC.

SACE: No. The settlement agreement filed in this docket on October 9, 2019 between FPL, SACE, Vote Solar, and Walmart on the SolarTogether community solar tariff and program fully resolves all matters between the referenced parties and is in the public interest.

VOTE

SOLAR: No. As amended, the SolarTogether Rider tariff strikes a fair and reasonable balance in the allocation of the program's costs and benefits between the general body of customers, non-subscribing customers, and subscribing customers (those who are low-income and non-low-income), in consideration of the unique needs and interests of each.

WALMART: No.

STAFF: Staff has no position at this time.

ISSUE 3: Should the Commission allow recovery of all costs and expenses associated with FPL’s proposed SolarTogether Program in the manner proposed by FPL?

FPL: Yes. The FPL SolarTogether program is designed to benefit all customers. The costs and expenses associated with the construction and operation of the FPL SolarTogether centers and Program administration will be reflected as base rate recoverable costs. Over the life of the Program, FPL will recover 104.5 percent of the base rate recoverable costs through levelized subscription fees from the Program participants. Forty-five percent of the net benefits from the Program (inclusive of the 4.5 percent excess of revenue requirement) will be allocated to the general body of customers. Any unsubscribed capacity defaults to the general body of customers, and are allocated 100 percent of the benefits and pay 100 percent of the costs of the unsubscribed portion. The FPL SolarTogether benefits paid to the program participants will be recovered through FPL’s fuel cost recovery clause, partially offsetting system savings resulting from the addition of the Program’s solar power plants. As the program is cost-effective over the life of the assets, under-subscription will not adversely impact the non-participants.

OPC: No.

FIPUG: Adopt position of OPC.

SACE: Yes. The settlement agreement filed in this docket on October 9, 2019 between FPL, SACE, Vote Solar, and Walmart on the SolarTogether community solar tariff and program fully resolves all matters between the referenced parties and is in the public interest.

VOTE

SOLAR: Yes.

WALMART: Walmart believes the costs and expenses should be recovered as set forth in the proposed Settlement Agreement.

STAFF: Staff has no position at this time.

ISSUE 4: Should the Commission approve FPL’s proposed SolarTogether Program and associated tariff, Rate Schedule STR, which is the same tariff attached as Attachment I to the Settlement Agreement filed October 9, 2019?

FPL: Yes. FPL’s Settlement Agreement with Vote Solar, Walmart and SACE (“settling parties”) represents a reasonable compromise of divergent positions and fully resolves all issues raised in this proceeding by these parties. Considered as a whole, the Settlement fairly and reasonably balances the interests of FPL’s

general body of customers and the Program participants. Approving the Settlement Agreement is consistent with the Commission's long-standing policy of encouraging the settlement of contested proceedings in a manner that benefits customers. In addition to all of the benefits of the FPL SolarTogether Program already demonstrated by FPL, the Commission's approval of the Settlement would recognize the significant improvements to the Program offered by the settling parties through the addition of a new 37.5 MW low-income carve-out, which will allow those most financially disadvantaged the opportunity to lower their energy bills while joining others to expand the use of solar in Florida. The Settlement Agreement is in the public interest and should be approved.

OPC: No.

FIPUG: Adopt position of OPC.

SACE: Yes. The settlement agreement filed in this docket on October 9, 2019 between FPL, SACE, Vote Solar, and Walmart on the SolarTogether community solar tariff and program fully resolves all matters between the referenced parties and is in the public interest.

VOTE

SOLAR: Yes. The Commission should approve the tariff attached as Attachment I to the Settlement Agreement filed October 9, 2019.

WALMART: Yes. The Commission should approve the Joint Motion and proposed Settlement Agreement, which includes certain modifications to the SolarTogether Program.

STAFF: Staff has no position at this time.

ISSUE 5: **DROPPED**

ISSUE 6: **Should this docket be closed?**

FPL: Yes. Upon issuance of an order approving FPL's SolarTogether Program and Tariff, this docket should be closed.

OPC: No position.

FIPUG: Adopt position of OPC.

SACE: No position.

VOTE

SOLAR: Yes. Docket No. 20190061-EI should be closed once the Commission's decisions on all of the issues have become final and the Commission has concluded that the docket has otherwise met the requirements for closure.

WALMART: In accordance with paragraph 8 of the Settlement Agreement, this Docket should be closed effective on the date of a Commission Order approving that the Settlement Agreement is final. Should the Commission not approve the Settlement Agreement, then Walmart takes no position as to this issue.

STAFF: Staff has no position at this time.

IX. EXHIBIT LIST

<u>Witness</u>	<u>Proffered By</u>		<u>Description</u>
	<u>Direct</u>		
Matthew Valle	FPL	MV-1	STR - Tariff No. 8.932 in Legislative and Proposed Formats
William F. Brannen	FPL	WFB-1	List of FPL Universal PV Solar Energy Centers in Service
William F. Brannen	FPL	WFB-2	Typical Solar Energy Center Block Diagram
William F. Brannen	FPL	WFB-3	Specifications for FPL SolarTogether Projects 1,2,3, and 4
William F. Brannen	FPL	WFB-4	Construction Schedules for the FPL SolarTogether Projects
Steven R. Sim	FPL	JE-1	Load Forecast
Steven R. Sim	FPL	JE-2	FPL Fuel Price Forecast
Steven R. Sim	FPL	JE-3	FPL Resource Plans
Steven R. Sim	FPL	JE-4	CPVRR - Costs and (Benefits)
Scott R. Bores	FPL	SRB-1	Summary CPVRR Analysis for FPL SolarTogether Phase 1

<u>Witness</u>	<u>Proffered By</u>		<u>Description</u>
<u>Direct</u> (continued)			
James R. Dauphinais	OPC	JRD-1	FPL Forecasted CPVRR Net Savings/(Cost) for Phase 1 SolarTogether Generation Facilities for FPL Customers as a Whole (FPL Base Case Only)
James R. Dauphinais	OPC	JRD-2	FPL Forecasted CPVRR Net Savings/(Cost) for Phase 1 SolarTogether Generation Facilities for FPL Customers as a whole (All FPL Cases)
James R. Dauphinais	OPC	JRD-3	FPL Forecasted CPVRR Net Savings/(Cost) for Phase 1 SolarTogether Generation Facilities for Participating Customers (All FPL Cases)
James R. Dauphinais	OPC	JRD-4	FPL Forecasted CPVRR Net Savings/(Cost) for Phase 1 SolarTogether Generation Facilities for Non-Participating Customers (FPL Base Case Only)
James R. Dauphinais	OPC	JRD-5	FPL Forecasted CPVRR Net Savings/(Cost) for Phase 1 SolarTogether Generation Facilities for Non-Participating Customers (All FPL Cases)
James R. Dauphinais	OPC	JRD-6	Public Discovery Responses Cited to by Mr. Dauphinais
James R. Dauphinais	OPC	JRD-7	CDI Confidential Discovery Responses Cited to by Mr. Dauphinais
Bryan Jacob	SACE	BAJ-1	Bryan Jacob Resume
Matt Cox	Vote Solar	MC-1	Resume of Matt Cox, PhD

<u>Witness</u>	<u>Proffered By</u>		<u>Description</u>
<u>Direct</u> (continued)			
Matt Cox	Vote Solar	MC-2	Map of Customer Electricity Burdens in FPL's Service Territory
Steve W. Chriss	Walmart	SWC-1	Witness Qualifications Statement
<u>Rebuttal</u>			
Matthew Valle	FPL	MV-2	STR – Revised Tariff No. 8.932 in Legislative and Proposed Formats
Steven R. Sim	FPL	JE-5	Need Without New Generation Resources
Steven R. Sim	FPL	JE-6	Resource Plans
Steven R. Sim	FPL	JE-7 (amended)	CPVRR
Steven R. Sim	FPL	JE-8	System Average Rate Impact
Steven R. Sim	FPL	JE-9	Sensitivity Analysis
Steven R. Sim	FPL	JE-10	Sensitivity Analysis – General Body of Customers
Scott R. Bores	FPL	SRB-2	Updated CPVRR Analysis for FPL SolarTogether Phase 1
Terry Deason	FPL	JTD-1	Curriculum Vitae

<u>Witness</u>	<u>Proffered By</u>		<u>Description</u>
<u>Supplemental Direct</u>			
James R. Dauphinais	OPC	JRD-8	FPL Rebuttal Testimony forecasted CPVRR Net Savings/(Cost) for Phase 1 SolarTogether Generation Facilities for FPL Customers as a Whole (FPL Base Case Only)
James R. Dauphinais	OPC	JRD-9	FPL Rebuttal Testimony forecasted CPVRR Net Savings/(Cost) for Phase 1 SolarTogether Generation Facilities for FPL Customers as a Whole (All FPL Cases)
James R. Dauphinais	OPC	JRD-10	FPL Rebuttal Testimony forecasted CPVRR Net Savings/(Cost) for Phase 1 SolarTogether Generation Facilities for Participating Customers (All FPL Cases)
James R. Dauphinais	OPC	JRD-11	FPL Rebuttal Testimony forecasted CPVRR Net Savings/(Cost) for Phase 1 SolarTogether Generation Facilities for Non-Participating Customers (All FPL Cases)
James R. Dauphinais	OPC	JRD-12	Discovery Responses Cited to by Mr. Dauphinais in his Supplemental Testimony
<u>Supplemental Rebuttal</u>			
Matthew Valle	FPL	MV-3	Net Metering Subsidy

Parties and Staff reserve the right to identify additional exhibits for the purpose of cross-examination.

X. PROPOSED STIPULATIONS

There are no proposed Type 1 (all parties are in agreement) or Type 2 (all parties either agree or do not object/take no position) stipulations at this time.

XI. PENDING MOTIONS

On October 9, 2019, FPL filed a Joint Motion to approve the proposed Settlement which “fully resolves all of the issues raised in the proceeding.” The proposed Settlement was joined by SACE, Walmart and Vote Solar. On October 16, 2019, OPC filed a Response in opposition to FPL’s Joint Motion to Approve Settlement.

On January 2, 2020, Duke Energy Florida, LLC (DEF), filed a Motion for Leave to File Amicus Curiae Comments in support of FPL’s Petition. DEF represents that FPL, Vote Solar, SACE, and Walmart do not object to the Motion. On January 9, 2020, OPC filed a written response in opposition to DEF’s Motion.

XII. PENDING CONFIDENTIALITY MATTERS

Document No.	Date Filed	Description
04380-2019	05/17/2019	FPL (Moncada) - Request for confidential classification [DN 04381-2019] of information provided in response to staff’s first data request; includes redacted version.
05667-2019	07/18/2019	FPL (Moncada) - Request for confidential classification [DN 05668-2019] of information provided in response to staff’s 1st set of interrogatories (Nos. 34, 96, and 147); includes redacted version.
06871-2019	08/05/2019	FPL (Moncada) - Motion for temporary protective order of information provided in response to OPC’s 2nd request for PODs (No. 3).
08128-2019	08/15/2019	FPL (Moncada) - Request for confidential classification [DN 08129-2019] of information provided in response to OPC’s 3rd request for PODs (No. 6); includes redacted version.
08180-2019	08/16/2019	FPL (Moncada) - Request for confidential classification [DN 08181-2019] of information provided in response to OPC’s 4th set of interrogatories (No. 22); includes redacted version.
08353-2019	08/22/2019	FPL (Moncada) - Request for confidential classification [DN 08354-2019] of information provided in response to OPC’s 5th set of interrogatories (No. 23) and 4th request for PODs (No. 10); includes redacted version.
08431-2019	08/26/2019	FPL (Moncada) - Request for confidential classification [DN 08432-2019] of information provided in response to staff’s 2nd set of interrogatories (Nos. 166 and 186); includes redacted version.

08575-2019	09/03/2019	FPL (Cox) - Request for confidential classification [DN 08576-2019] of information provided in response to Vote Solar's 1st set of interrogatories (No. 58); includes redacted version.
08629-2019	09/05/2019	FPL (Moncada) - Request for confidential classification [DN 08630-2019] of information provided in response to OPC's 6th request for PODs (No. 15); includes redacted version.
08675-2019	09/09/2019	FPL (Moncada) - Request for confidential classification [DN 08676-2019] of information provided in the direct testimony of James R. Dauphinais; includes redacted version.
08755-2019	09/12/2019	FPL (Moncada) - Request for confidential classification [DN 08756-2019] of information provided in response to Vote Solar's 1st request for PODs (No. 1).
09281-2019	10/08/2019	FPL (Moncada) - Request for confidential classification [DN 09282-2019] of information provided in response to OPC's 7th request for PODs (No. 23); includes redacted version.
09492-2019	10/21/2019	FPL (Moncada) - Request for confidential classification [DN 09492-2019] of information provided in response to OPC's 11th request for PODs (No. 52); includes redacted version.
09584-2019	10/24/2019	FPL (Cox) - Request for confidential classification [DN 09585-2019] of information provided in response to the OPC's 12th request for PODs (No. 56); includes redacted version.
11103-2019	11/25/2019	FPL (Cox) - Request for confidential classification [DN 11105-2019] of information provided in response to OPC's 7th request for PODs (No. 17), second supplemental.
11467-2019	12/23/2019	FPL (Moncada) - Request for confidential classification [DN 11468-2019] of information provided in response to OPC's 2nd request for PODs (No. 3); includes redacted version.

XIII. POST-HEARING PROCEDURES

If no bench decision is made, each party shall file a post-hearing statement of issues and positions. A summary of each position, set off with asterisks, shall be included in that statement. If a party's position has not changed since the issuance of this Prehearing Order, the post-hearing statement may simply restate the prehearing position; however, if the prehearing position is longer than 50 words, it must be reduced to no more than 50 words. If a party fails to file a post-hearing statement, that party shall have waived all issues and may be dismissed from the proceeding.

Pursuant to Rule 28-106.215, F.A.C., a party's proposed findings of fact and conclusions of law, if any, statement of issues and positions, and brief, shall together total no more than 40 pages and shall be filed at the same time.

XIV. RULINGS

Opening statements, if any, shall not exceed seven minutes per party.

FIPUG has failed to comply with the requirements of the Order Establishing Procedure and therefore is prohibited from conducting voir dire or challenging the expertise of any witness identified in this case.

OPC's Contested Issue A, "Is FPL required to demonstrate a need for the solar generation facilities that will be constructed for SolarTogether and, if so, what need or needs are met by the SolarTogether Program," is denied. OPC will have the opportunity to address its concerns, as raised in this issue, in existing Issue 4.

I have reviewed the arguments raised in DEF's Motion for Leave to File Amicus Curiae Comments and OPC's Response in Opposition to the Motion. Upon consideration of the parties' arguments, DEF's Motion is granted.

It is therefore,

ORDERED by Commissioner Gary F. Clark, as Prehearing Officer, that this Prehearing Order shall govern the conduct of these proceedings as set forth above unless modified by the Commission.

By ORDER of Chairman Gary F. Clark, as Presiding Officer, this 10th day of January, 2020.



Gary F. Clark
Chairman and Presiding Officer
Florida Public Service Commission
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Tallahassee, Florida 32399
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Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

Any party adversely affected by this order, which is preliminary, procedural or intermediate in nature, may request: (1) reconsideration within 10 days pursuant to Rule 25-22.0376, Florida Administrative Code; or (2) judicial review by the Florida Supreme Court, in the case of an electric, gas or telephone utility, or the First District Court of Appeal, in the case of a water or wastewater utility. A motion for reconsideration shall be filed with the Office of Commission Clerk, in the form prescribed by Rule 25-22.0376, Florida Administrative Code. Judicial review of a preliminary, procedural or intermediate ruling or order is available if review of the final action will not provide an adequate remedy. Such review may be requested from the appropriate court, as described above, pursuant to Rule 9.100, Florida Rules of Appellate Procedure.