BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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| In re: Fuel and purchased power cost recovery clause with generating performance incentive factor. | DOCKET NO. 120001-EI<br>ORDER NO. PSC-12-0597-PHO-EI<br>ISSUED: November 1, 2012 |

Pursuant to Notice and in accordance with Rule 28-106.209, Florida Administrative Code (F.A.C.), a Prehearing Conference was held on October 17, 2012, in Tallahassee, Florida, before Commissioner Eduardo E. Balbis, as Prehearing Officer.

APPEARANCES:

JOHN T. BUTLER, and KENNETH M. RUBIN, ESQUIRES, Florida Power & Light Company, 700 Universe Boulevard, Juno Beach, Florida 33408-0420
On behalf of Florida Power & Light Company (FPL).

JOHN T. BURNETT, and DIANNE M. TRIPLETT, ESQUIRES, Progress Energy Service Co., LLC, Post Office Box 14042, St. Petersburg, Florida 33733
On behalf of Progress Energy Florida, Inc. (PEF).

BETH KEATING, ESQUIRE, Gunster, Yoakley & Stewart, P.A., 215 South Monroe St., Suite 601, Tallahassee, Florida, 32301
On behalf of Florida Public Utilities Company (FPUC).

JEFFREY A. STONE, RUSSELL A. BADDERS, and STEVEN R. GRIFFIN, ESQUIRES, Beggs & Lane, Post Office Box 12950, Pensacola, Florida 32591-2950
On behalf of Gulf Power Company (GULF).

JAMES D. BEASLEY, and J. JEFFRY WAHLEN, ESQUIRES, Ausley & McMullen, Post Office Box 391, Tallahassee, Florida 32302
On behalf of Tampa Electric Company (TECO).

J.R. KELLY, PATRICIA A. CHRISTENSEN, CHARLES REHWINKEL, JOSEPH A. MCGLOTHLIN, and ERIK SAYLER, ESQUIRES, 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 (OPC).

CAPTAIN SAMUEL MILLER, ESQUIRE, USAF/AFLOA/JACL/ULFFSC, 139 Barnes Drive, Suite 1, Tyndall AFB, Florida 32403 -5319
On behalf of the Federal Executive Agencies (FEA).

VICKI GORDON KAUFMAN, and JON C. MOYLE, JR., ESQUIRES, Moyle Law Firm, PA, The Perkins House, 118 North Gadsden Street, Tallahassee, Florida 32301
On behalf of the Florida Industrial Power Users Group (FIPUG).

ROBERT SCHEFFEL WRIGHT, and JOHN T. LAVIA, III, ESQUIRES, Gardner, Bist, Wiener, Wadsworth, Bowden, Bush, Dee, LaVia & Wright, P.A., 1300 Thomaswood Drive, Tallahassee, Florida 32308
On behalf of the Florida Retail Federation (FRF).

JAMES W. BREW, and F. ALVIN TAYLOR, ESQUIRES, Brickfield, Burchette, Ritts & Stone, P.C., 1025 Thomas Jefferson St., NW, Eighth Floor, West Tower, Washington, DC 20007; RANDY B. MILLER, White Springs Agricultural Chemicals, Inc., Post Office Box 300, White Springs, FL 32096
On behalf of White Springs Agricultural Chemicals, Inc. d/b/a PCS Phosphate – White Springs (PCS Phosphate).

LISA BENNETT, and MARTHA BARRERA, 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, Deputy General Counsel, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850
Advisor to the Florida Public Service Commission.

## PREHEARING ORDER

## I. CASE BACKGROUND

As part of the continuing fuel and purchased power adjustment and generating performance incentive clause proceedings, an administrative hearing will be held by the Public Service Commission on November 5-7, 2012. The Commission will address those issues listed in this prehearing order. The Commission has the option to render a bench decision on any or all of the issues listed below.

## 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 said Chapter and Chapters 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, 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. Each witness whose name is preceded by an asterisk (*) will be excused from the hearing if no Commissioners have questions for them.

| Witness | Proffered By | Issues # |
| --- | --- | --- |
| Direct | | |
| *G. Yupp | FPL | 2A, 2B, 8-11, 18 |
| *T.J. Keith | FPL | 2C, 6-7, 8-11, 18-22, 24A-D, 27-33, 34 |
| *P. Freeman | FPL | 8-11, 18 |

| Witness | Proffered By | Issues # |
|---|---|---|
| *J.C. Bullock | FPL | 16, 17 |
| *Will Garrett | PEF | 8, 27 |
| Marcia Olivier | PEF | 1D, 6, 7, 9-11, 18-22, 28-34, 1C, 23A |
| *Joseph McCallister | PEF | 1A, 1B |
| *Robert M. Oliver | PEF | 16 |
| *Matthew J. Jones | PEF | 17 |
| *Curtis D. Young | FPUC | 3A, 3B, 8, 9, 10, 11, 18, 19, 20, 21, 22, 34 |
| *Cheryl Martin | FPUC | 3B |
| *Robert J. Camfield | FPUC | 3A |
| *H. R. Ball | GULF | 4A, 4B, 6, 7, 8, 9, 27, 28, 30, 31 |
| *R. W. Dodd | GULF | 6, 7, 8, 9, 10, 11, 18, 19, 20, 21, 22, 27, 28, 29, 30, 31, 32, 33, 34 |
| *M. A. Young | GULF | 16, 17 |
| *Carlos Aldazabal | TECO | 6, 7, 8, 9, 10, 11<br>18, 19, 20, 21, 22<br>27, 28, 29, 30, 31, 32, 33<br>34 |
| *Brian S. Buckley | TECO | 16, 17<br>18 |
| *Benjamin F. Smith | TECO | 5A, 5B<br>18<br>31 |
| *Brent C. Caldwell | TECO | 5A, 5B<br>18 |
| *Jocelyn Y. Stephens | STAFF | 1A, 1 B |
| *Donna D. Brown | STAFF | 4A, 4B |
| *Kathy L. Welch | STAFF | 3B |

| Witness | Proffered By | Issues # |
|---|---|---|
| *Ronald A. Mavrides | STAFF | 5A, 5B |
| *Yen Ngo | STAFF | 2A, 2B |

**OPC:** OPC will not call any witness or offer any exhibits.

**FEA:** FEA will not call any witnesses.

**FIPUG:** All witnesses and exhibits listed by other parties in this proceeding, as well as cross-examination exhibits, as necessary.

**FRF:** The Florida Retail Federation does not intend to call any witnesses for direct examination, but reserves its rights to cross-examine all witnesses and to rely upon the prefiled testimony of witnesses in this docket, as well as testimony on their cross-examination.

**PCS:** PCS Phosphate does not plan to call any witnesses.

VII. BASIC POSITIONS

**FPL:** FPL's Rate Case Docket No. 120015-EI addresses several issues of significant magnitude (listed below) that could impact FPL's proposed fuel and capacity factors. Based on the current schedule in FPL's base rate case, those issues will not be resolved prior to the hearings in this docket. Therefore, FPL proposes the following safeguards to ensure fair and appropriate cost recovery with respect to those issues:

*Issue 24B: Should an adjustment be made to transfer incremental security costs from the Capacity Cost Recovery Clause to base rates?*

At present, incremental security costs are being collected through the capacity clause. FPL anticipates that a decision on new base rates may not be made in time for the new rates to go into effect on January 2, 2013, therefore, it is not clear at this point whether the base rates that will be in effect on January 2, 2013 will or will not include recovery of incremental security costs. FPL believes that all stakeholders will be best protected by the Commission approving two sets of 2013 capacity clause factors, one with and one without recovery of incremental security costs. FPL proposes to implement on January 2, 2013 the capacity clause factors that include recovery of incremental security costs. If the Commission ultimately transfers recovery of incremental security costs to base rates, FPL proposes that it be given authority and directed by the Commission to revert to the alternative capacity clause factors approved by the Commission that do not include incremental security costs, effective on the same date as the new permanent base rates.

*Issue 24C: If the Commission approves the Proposed Settlement Agreement, what amount should be included in the capacity cost recovery clause for recovery of jurisdictional non-fuel revenue requirements associated with West County Energy Center Unit 3 (WCEC-3) for the period January 2013 through December 2013?*

As is the case with incremental security costs, WCEC-3 revenue requirements are currently being collected through the capacity clause. FPL's March 19, 2012 rate petition in Docket No. 120015-EI proposed that WCEC-3 revenue requirements be recovered through base rates starting on January 2, 2013. On the other hand, the Proposed Settlement Agreement that was filed in Docket No. 120015-EI on August 15, 2012 provides for WCEC-3 revenue requirements to continue to be recovered through the capacity clause. If a decision on new FPL base rates is not made in time for the new base rates to go into effect on January 2, 2013, FPL is entitled to put the base rates that were proposed in March 2012 into effect subject to refund. *See* Section 366.06, Florida Statutes. As just noted, those base rates include recovery of WCEC-3 revenue requirements. Thus, it is not clear at this point whether the base rates that will be in effect on January 2, 2013 will or will not include recovery for WCEC-3 revenue requirements. FPL believes that stakeholders will be best protected by the Commission approving two sets of 2013 capacity clause factors, one with and one without recovery of WCEC-3 revenue requirements. FPL will implement on January 2, 2013 the capacity clause factors that are appropriate at that time: if FPL does not change its base rates or if FPL is in a position to implement the base rates that are reflected in the Proposed Settlement Agreement on January 2, 2013, then it will apply the capacity clause factors that include recovery for WCEC-3 revenue requirements; if FPL instead puts the base rates proposed in March 2012 into effect subject to refund on January 2, 2013, then it will apply the capacity clause factors that do not include recovery of WCEC-3 revenue requirements.

If FPL implements capacity clause factors on January 2, 2013 that include WCEC-3 revenue requirements but the Commission ultimately approves permanent base rates for 2013 that recover the WCEC-3 revenue requirements, FPL proposes that it be given authority and directed by the Commission to revert to the alternative capacity clause factors approved by the Commission that do not include WCEC-3 revenue requirements, effective on the same date as those permanent base rates.

*Issue 24D: If the Commission approves the Proposed FPL Rate Case Settlement Agreement that was filed in Docket No. 120015-EI on August 15, 2012 (the "Proposed Settlement Agreement"), should the Commission approve FPL's proposed GBRA factor of 3.527 percent for the Canaveral Modernization Project?*

*Issue 20: What are the appropriate levelized fuel cost recovery factors for the period January 2013 through December 2013?*

FPL requests that the Commission review and approve the appropriate GBRA factor that would be applied as an adjustment to base rates for recovery of the revenue requirements for the Canaveral Modernization Project. This GBRA factor would be implemented only if the Commission approves the Proposed Settlement Agreement in Docket No. 120015-EI. If approved, the GBRA factor for the Canaveral Modernization Project would be implemented when that project goes into commercial service, which is estimated to occur on June 1, 2013. Because the GBRA is a percentage adjustment to base rates, the 2013 capacity clause factors will not be impacted by approval of the GBRA factor.

FPL requests that the Commission approve two-step fuel clause factors, with the factors being adjusted downward at the time of the estimated in-service date of the Canaveral Modernization Project in order to appropriately reflect the projected fuel savings for this project. The two-step fuel factors are appropriate regardless of whether the Commission approves the Proposed Settlement Agreement and there is a GBRA for the Canaveral Modernization Project, or the project's revenue requirements are recovered instead through the Canaveral Step Increase that was included in FPL's original March 2012 base rate request.

**PEF:** Not applicable. PEF's positions to specific issues are listed below.

**FPUC:** FPUC has properly projected its costs. Likewise, the Company has calculated its true-up amounts and purchased power cost recovery factors appropriately. As such, the Company would ask that these amounts and factors be approved by the Commission with the proposed demand allocation methodology applied.

**GULF:** It is the basic position of Gulf Power Company that the fuel and capacity cost recovery factors proposed by the Company present the best estimate of Gulf's fuel and capacity expense for the period January 2013 through December 2013 including the true-up calculations, GPIF and other adjustments allowed by the Commission.

**TECO:** The Commission should approve Tampa Electric's calculation of its fuel adjustment, capacity cost recovery and GPIF true-up and projection calculations, including the proposed fuel adjustment factor of 3.714 cents per kWh before any application of time of use multipliers for on-peak or off-peak usage; the company's proposed capacity factor for the period January through December 2013; a GPIF penalty of $538,019 for performance during 2011; and approval of the company's proposed GPIF targets and ranges for 2013. Tampa Electric also requests approval of its calculated wholesale incentive benchmark of $1,365,169 for calendar year 2013.

**OPC:** Progress Energy Florida ("Progress" or "PEF") has requested that the Commission approve a Progress-specific capacity cost recovery factor that is premised, in part, on its claim in the Nuclear Cost Recovery Clause proceeding, Docket No. 120009-EI, that in 2011, Progress prudently expended approximately $66 million (including carrying costs) for the engineering, procurement and construction of the Crystal River Unit 3 ("CR3) Extended Power Uprate ("EPU") project. As PCS Phosphate explained in its post-hearing statement in that proceeding, Progress has failed to establish the feasibility of the EPU project and thus the 2011 expenditures cannot be deemed prudent. As a result, subject to the final outcome of Docket No. 120009-EI, the capacity cost recovery factor must be reduced to reflect the disallowance of Progress' 2011 expenditures for the CR3 EPU project.

Capacity cost recovery amounts and related factors must be based on a lawful, final order in Docket No. 120015-EI prior to FPL implementing changes in rates as a result of this Docket.

**FEA:** FEA's positions are preliminary and based on materials filed by the parties and on discovery. FEA's final positions will be based upon all the evidence in the record and may differ from the preliminary positions stated herein.

**FIPUG:** FIPUG maintains that the respective utilities must satisfy their burden of proof for any and all monies sought in this proceeding.

**FRF:** All of the investor-owned electric utilities bear the burden of proving the reasonableness and prudence of their expenditures for which they seek recovery through their Fuel and Purchased Power Cost Recovery Charges.

**PCS:** Progress Energy Florida ("Progress" or "PEF") has requested that the Commission approve a Progress-specific capacity cost recovery factor that is premised, in part, on its claim in the Nuclear Cost Recovery Clause proceeding, Docket No. 120009-EI, that in 2011, Progress prudently expended approximately $66 million (including carrying costs) for the engineering, procurement and construction of the Crystal River Unit 3 ("CR3) Extended Power Uprate ("EPU") project. As PCS Phosphate explained in its post-hearing statement in that proceeding, Progress has failed to establish the feasibility of the EPU project and thus the 2011 expenditures cannot be deemed prudent. As a result, subject to the final outcome of Docket No. 120009-EI, the capacity cost recovery factor must be reduced to reflect the disallowance of Progress' 2011 expenditures for the CR3 EPU project.

With respect to the remaining issues in this proceeding, PCS Phosphate generally accepts and adopts the positions taken by the OPC.

**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 stated herein.

VIII. ISSUES AND POSITIONS

## COMPANY-SPECIFIC FUEL ADJUSTMENT ISSUES

**Progress Energy Florida**

**ISSUE 1A**: *Proposed Type B Stipulation, See Section X.*

**ISSUE 1B**: *Proposed Type B Stipulation, See Section X*

**ISSUE 1C**: Has PEF correctly reflected the $129 million refund pursuant to the Settlement approved in Order No. PSC-12-01040FOF-EI in the calculation of the 2013 factor?

**PEF**: Yes.

**OPC:** No.

**FEA:** No.

**FIPUG:** No.

**FRF:** Agrees with OPC.

**PCS**: PCS Phosphate agrees with and adopts the position of the OPC.

**STAFF:** No position at this time.

**ISSUE 1D**: What amount, if any, should PEF include in its 2013 projections to account for potential insurance recoveries for Crystal River Unit 3 from Nuclear Electric Insurance Limited?

**PEF**: The amount described by PEF witness Marcia Olivier in her projection testimony.

**OPC:** OPC agrees with and adopts the position of PCS.

**FEA:** No position.

**FIPUG:** Given that the first two delamination events are separated by more than 1 year in time, and occurred at different portions of the containment building, these two events, and possibly others, should be considered separate events for the purposes of NEIL replacement fuel insurance coverage. Consequently, additional replacement fuel insurance dollars, beyond coverage for only one event, should be assumed when establishing the fuel factor.

**FRF:** Agrees with PCS. The amount of fuel recoveries in 2013 should reflect all reimbursements authorized under the NEIL policy that has been funded by ratepayers. Upon a final disposition of PEF's insurance claims concerning the current CR3 extended outage, the Commission should require PEF to make a filing in an appropriate docket justifying the bases for its claims and ultimate cost reimbursement by NEIL.

**PCS:** The amount of fuel recoveries in 2013 should reflect all reimbursements authorized under the NEIL policy that has been funded by ratepayers. Upon a final disposition of PEF's insurance claims concerning the current CR3 extended outage, the Commission should require PEF to make a filing in an appropriate docket justifying the bases for its claims and ultimate cost reimbursement by NEIL.

**STAFF:** No position at this time.

**Florida Power and Light**

**ISSUE 2A:** *Proposed Type B Stipulation, See Section X*

**ISSUE 2B:** *Proposed Type B Stipulation, See Section X*

**ISSUE 2C:** *Proposed Type B Stipulation, See Section X*

**Florida Public Utilities Company**

**ISSUE 3A:** *Proposed Type B Stipulation. See Section X.*

**ISSUE 3B:** *Proposed Type B Stipulation. See Section X.*

**Gulf Power Company**

**ISSUE 4A:** *Proposed Type B Stipulation, See Section X*

**ISSUE 4B:** *Proposed Type B Stipulation, See Section X*

**Tampa Electric Company**

**ISSUE 5A:** *Proposed Type B Stipulation, See Section X*

**ISSUE 5B:** *Proposed Type B Stipulation, See Section X*

**FUEL ADJUSTMENT ISSUES**

**ISSUE 6:** *Proposed Type B Stipulation, See Section X*

**ISSUE 7:** *Proposed Type B Stipulation, See Section X*

**ISSUE 8:** What are the appropriate fuel adjustment true-up amounts for the period January 2011 through December 2011?

*Proposed Type B Stipulation for FPL, Gulf, FPUC, and TECO. See Section X*

**PEF:** $201,362,994 under-recovery.

**OPC:** No position.

**FEA:** No position.

**FIPUG:** No position.

**FRF:** No position.

**PCS:** No position.

**STAFF:** No position at this time with respect to PEF.

**ISSUE 9:** What are the appropriate fuel adjustment actual/estimated true-up amounts for the period January 2012 through December 2012?

*Proposed Type B Stipulation for FPL, Gulf, FPUC, and TECO. See Section X*

**PEF:** $55,996,082 over-recovery.

**OPC:** No position.

**FEA:** No position.

**FIPUG:** No position.

**FRF:** No position.

**PCS:** No position

**STAFF:** No position at this time with respect to PEF.

**<u>ISSUE 10</u>:** What are the appropriate total fuel adjustment true-up amounts to be collected/refunded from January 2013 to December 2013?

*Proposed Type B Stipulation for FPL, Gulf, FPUC, and TECO. See Section X*

**PEF:** $145,366,912 under-recovery.

**OPC:** No position.

**FEA:** No position.

**FIPUG:** No position.

**FRF:** No position.

**PCS:** No position.

**STAFF:** No position at this time with respect to PEF and FPUC Northwest.

**<u>ISSUE 11</u>:** What are the appropriate projected total fuel and purchased power cost recovery amounts for the period January 2013 through December 2013?

*Proposed Type B Stipulation for FPL, Gulf, FPUC, and TECO. See Section X.*

**PEF:** $1,234,709,629.

**OPC:** No position.

**FEA:** No position.

**FIPUG:** No position.

**FRF:** No position.

**PCS:** No position.

**STAFF:** No position at this time with respect to PEF and FPUC Northwest.

## COMPANY-SPECIFIC GENERATING PERFORMANCE INCENTIVE FACTOR ISSUES

**Progress Energy Florida, Inc.**

No company-specific issues for Progress Energy Florida, Inc. have been identified at this time. If such issues are identified, they shall be numbered 12A, 12B, 12C, and so forth, as appropriate.

**Florida Power & Light Company**

No company-specific issues for Florida Power & Light Company have been identified at this time. If such issues are identified, they shall be numbered 13A, 13B, 13C, and so forth, as appropriate.

**Gulf Power Company**

No company-specific issues for Gulf Power Company have been identified at this time. If such issues are identified, they shall be numbered 14A, 14B, 14C, and so forth, as appropriate.

**Tampa Electric Company**

No company-specific issues for Tampa Electric Company have been identified at this time. If such issues are identified, they shall be numbered 15A, 15B, 15C, and so forth, as appropriate.

**GENERATING PERFORMANCE INCENTIVE FACTOR (GPIF) ISSUES**

**ISSUE 16**: *Proposed Type B Stipulation. See Section X.*

**ISSUE 17**: *Proposed Type B Stipulation. See Section X.*

**FUEL FACTOR CALCULATION ISSUES**

**ISSUE 18**: What are the appropriate projected net fuel and purchased power cost recovery and Generating Performance Incentive amounts to be included in the recovery factor for the period January 2013 through December 2013?

*Proposed Type B Stipulation as to FPL, FPUC, Gulf and TECO. See Section X.*

**PEF**: $1,382,565,768.

**OPC:** No position.

**FEA:** No position.

**FIPUG:** No position.

**FRF:** No position.

**PCS:** No position.

**STAFF:** No position at this time with respect to PEF and FPUC Northwest.

**ISSUE 19**: *Proposed Type B Stipulation. See Section X.*

**ISSUE 20**: What are the appropriate levelized fuel cost recovery factors for the period January 2013 through December 2013?

*Proposed Type B Stipulation as to FPL, FPUC, Gulf and TECO. See Section X.*

**PEF**: 3.698 cents per kWh (adjusted for jurisdictional losses).

**OPC:** No position.

**FEA:** No position.

**FIPUG:** No position.

**FRF:** No position.

**PCS:** No position.

**STAFF:** No position at this time with respect to PEF and FPUC Northwest.

**ISSUE 21**: *Proposed Type B Stipulation. See Section X.*

**ISSUE 22**: What are the appropriate fuel cost recovery factors for each rate class/delivery voltage level class adjusted for line losses?

*Proposed Type B Stipulation as to FPL, FPUC, Gulf and TECO. See Section X.*

**PEF**:

| Fuel Cost Factors (cents/kWh) | | | | | | |
|---|---|---|---|---|---|---|
| | | | | | Time of Use | |
| Group | Delivery Voltage Level | First Tier Factor | Second Tier Factors | Levelized Factors | On-Peak | Off-Peak |
| A | Transmission | -- | -- | 3.629 | 5.128 | 2.914 |
| B | Distribution Primary | -- | -- | 3.666 | 5.180 | 2.944 |
| C | Distribution Secondary | 3.393 | 4.393 | 3.703 | 5.232 | 2.974 |
| D | Lighting | -- | -- | 3.396 | -- | -- |

**OPC:** No position.

**FEA:** No position.

**FIPUG:** No position.

**FRF:** No position.

**PCS:** No position.

**STAFF:** No position at this time.

## COMPANY-SPECIFIC CAPACITY COST RECOVERY FACTOR ISSUES

**Progress Energy Florida, Inc.**

**ISSUE 23A**: *Proposed Type B Stipulation. See Section X.*

**Florida Power and Light**

**ISSUE 24A**: *Proposed Type B Stipulation. See Section X.*

**ISSUE 24B**: Should an adjustment be made to transfer incremental security costs from the Capacity Cost Recovery Clause to base rates?

**FPL:** No. FPL believes the CCR is the most appropriate mechanism for recovery of post 9/11 security costs due to the volatile nature of these types of expenses. For example, since 2007, FPL has experienced fluctuations in incremental post 9/11 security costs of 40 percent. Additionally, the vast majority of these costs are related to nuclear generation facilities and there is a nexus between protecting these facilities and the fuel cost savings that result from the continued operation of these facilities.

**FPL proposed stipulation**: The issue of the transfer of incremental security costs to base rates is in Issues 67 and 68 in the pending rate case in Docket 120015-EI. Since the Commission will not have reached a decision on this issue in the rate case prior to the decision in Docket 120001-EI, incremental security rates should be treated per the terms of the Stipulation and Settlement Agreement approved in the prior FPL rate case, Docket No. 080677-EI.

**OPC:** Yes. The security costs are not the type of costs that the clause was intended to recover.

**FEA:** No position.

**FIPUG:** No position.

**FRF:** Agrees with OPC. These security costs are not the type of costs that the clause was intended to recover.

**PCS:** No position.

**STAFF:** No position at this time.

**ISSUE 24C:** What amount should be included in the capacity cost recovery clause for recovery of jurisdictional non-fuel revenue requirements associated with West County Energy Center Unit 3 (WCEC-3) for the period January 2013 through December 2013?

**FPL:** As explained in the affidavit of FPL's K. Ousdahl, Appendix VII, Page 1 of 2, the non-fuel revenue requirements for WCEC-3 in 2013 are $166.433 million.

**FPL proposed stipulation**: The Commission will not have addressed or reached a decision on the Settlement Agreement until the December 13, 2012 special agenda conference in Docket 120015-EI, after the date of the Commission's decision in Docket 120001-EI. The costs associated with the WCEC-3 should be treated in accordance with the terms of the Stipulation and Settlement approved in Docket No. 080677-EI, the prior FPL rate case.

**OPC:** In Docket No. 120015-EI, FPL originally proposed to move WCEC-3 revenue requirements from the capacity cost recovery clause to base rates. OPC did not oppose that proposal. OPC opposes the purported settlement agreement to which the issue refers on the grounds that it is facially invalid, and that the procedural measures that the Commission has announced for its consideration are inadequate to cure its deficiencies. OPC also opposes the purported agreement on the grounds that it is substantively a poor deal for customers. With respect to the quantification of WCEC-3 revenue requirements, OPC did not dispute the amount that FPL sponsored in the rate case when FPL's objective was to move the revenue requirements from the clause to base rates.

**FEA:** No position.

**FIPUG:** No position.

**FRF:** Agrees with OPC. The FRF did not dispute the amounts of WCEC-3 rate base and operating costs that FPL requested in the main/primary rate case when FPL's proposed to move the revenue requirements from the clause to base rates, nor did the FRF dispute FPL's proposal to move the revenue requirements for WCEC-3 to base rates. (The FRF, like all of the Consumer intervenor parties to the rate case, disputes the return to be earned on all of FPL's rate base, including WCEC-3.) However, the FRF opposes the proposed FPL/FIPUG/FEA/SFHHA Settlement Agreement because it is procedurally invalid and substantively contrary to the public interest.

**PCS:** No position.

**STAFF:** No position at this time.

**ISSUE 24D:** If the Commission approves the Proposed FPL Rate Case Settlement Agreement that was filed in Docket No. 120015-EI on August 15, 2012 (the "Proposed Settlement Agreement"), should the Commission approve FPL's proposed GBRA factor of 3.527 percent for the Canaveral Modernization Project?

**FPL:** Yes. As explained in the Affidavit of FPL's R. Deaton, Document No. RBD-2, Page 1 of 1, filed in this docket, consistent with the calculation outlined in Paragraph 8 of the Proposed Settlement Agreement, the resulting GBRA factor of 3.527 percent for the Canaveral Modernization Project should be approved if the Commission approves the Proposed Settlement Agreement.

**FPL proposed stipulation:** The Commission will not have addressed or reached a decision on the Settlement Agreement until the December 13, 2012 special agenda conference in Docket 120015-EI, which is after the date of the Commission's decision in Docket 120001-EI. The Commission should withhold ruling on this issue until it has decided whether or not to approve the Settlement Agreement.

FPL has filed affidavits in Docket No. 120001-EI supporting an estimated GBRA factor of 3.527 percent for the Canaveral Modernization project that would be applied to base rates. That percentage is based in part on an estimate for the EPU base rate revenue increase. The actual EPU base rate revenue increase will be approved by the Commission at its November 27, 2012 Agenda Conference in Docket No. 120244-EI. FPL will file in Docket No. 120001-EI a revised GBRA factor reflecting the approved EPU base rate revenue increase. If the Commission approves the Settlement Agreement, then the Commission should approve at the December 13, 2012 special agenda conference the revised GBRA factor that FPL files in Docket No. 120001-EI.

**OPC:** In Docket No. 120015-EI, OPC opposes the purported settlement agreement to which this issue refers on the grounds that the purported settlement is facially invalid and that the procedural measures that the Commission has announced for its consideration are inadequate to cure its deficiencies. OPC also opposes the purported agreement on the grounds that it is substantively a poor deal for customers. OPC takes no position as to whether the proposed Canaveral recovery factor is mathematically accurate.

**FEA:** No position.

**FIPUG:** No position.

**FRF:** Agrees with OPC.

**PCS:** No position.

**STAFF:** No position at this time.

## GENERIC CAPACITY COST RECOVERY FACTOR ISSUES

**ISSUE 27**: What are the appropriate capacity cost recovery true-up amounts for the period January 2011 through December 2011?

*Proposed Type B Stipulation as to FPL, Gulf and TECO. See Section X.*

**PEF**: $4,389,550 under-recovery.

**OPC:** No position

**FEA:** No position

**FIPUG:** No position

**FRF:** No position

**PCS:** With respect to PEF, the utility's proposed capacity cost recovery true-up amounts for the period January 2011 through December 2011 should be adjusted to reflect the removal of all 2011 expenditures, including carrying costs, for the CR3 EPU project.

**STAFF:** No position at this time as to PEF.

**ISSUE 28**: What are the appropriate capacity cost recovery actual/estimated true-up amounts for the period January 2012 through December 2012?

*Proposed Type B Stipulation as to FPL, Gulf and TECO. See Section X.*

**PEF**: $6,096,072 under-recovery.

**OPC:** No position.

**FEA:** No position.

**FIPUG:** No position.

**FRF:** No position.

**PCS:** With respect to PEF, PCS Phosphate agrees with and adopts the position of the OPC.

**STAFF:** No position at this time with respect to PEF.

**ISSUE 29**: What are the appropriate total capacity cost recovery true-up amounts to be collected/refunded during the period January 2013 through December 2013?

*Proposed Type B Stipulation as to FPL, Gulf and TECO. See Section X.*

**PEF**: $10,485,622 under-recovery.

**OPC:** No position.

**FEA:** No position.

**FIPUG:** No position.

**FRF:** No position.

**PCS:** With respect to PEF, the total capacity cost recovery true-up amounts to be collected/refunded during the period January 2013 through December 2013 should be adjusted to reflect the removal of all 2011 expenditures, including carrying costs, for the CR3 EPU project.

**STAFF:** No position at this time with respect to PEF.

**ISSUE 30:** What are the appropriate projected total capacity cost recovery amounts for the period January 2013 through December 2013?

*Proposed Type B Stipulation as to Gulf and TECO. See Section X.*

**FPL:** $518,848,705 jurisdictionalized capacity payments for the period January 2013 through December 2013 excluding prior period true-ups, revenue taxes, nuclear cost recovery amount, and WCEC-3 jurisdictional non-fuel revenue requirements.

**PEF**: $385,072,136.

**OPC:** Progress Energy Florida ("Progress" or "PEF") has requested that the Commission approve a Progress-specific capacity cost recovery factor that is premised, in part, on its claim in the Nuclear Cost Recovery Clause proceeding, Docket No. 120009-EI, that in 2011, Progress prudently expended approximately $66 million (including carrying costs) for the engineering, procurement and construction of the Crystal River Unit 3 ("CR3) Extended Power Uprate ("EPU") project. As PCS Phosphate explained in its post-hearing statement in that proceeding, Progress has failed to establish the feasibility of the EPU project and thus the 2011 expenditures cannot be deemed prudent. As a result, subject to the final outcome of Docket No. 120009-EI, the capacity cost recovery factor must be reduced to reflect the disallowance of Progress' 2011 expenditures for the CR3 EPU project.

Capacity cost recovery amounts and related factors must be based on a lawful, final order in Docket No. 120015-EI prior to FPL implementing changes in rates as a result of this Docket.

**FEA:** No position

**FIPUG:** No position

**FRF:** Agrees with OPC.

**PCS:** With respect to PEF, PCS Phosphate agrees with and adopts the position of the OPC.

**STAFF:** No position at this time with respect to FPL and PEF.

**ISSUE 31:** What are the appropriate projected net purchased power capacity cost recovery amounts to be included in the recovery factor for the period January 2013 through December 2013?

*Proposed Type B Stipulation as to Gulf and TECO.* See Section X.

**FPL:** The projected net purchased power capacity cost recovery amount to be recovered over the period January 2013 through December 2013 is $731,449,407 including prior period true-ups, revenue taxes, and the nuclear cost recovery amount.

If the Proposed Settlement Agreement is approved by the Commission, the projected net purchased power capacity cost recovery amount to be recovered over the period January 2013 through December 2013 is $897,882,191 including prior period true-ups, revenue taxes, the nuclear cost recovery amount and WCEC-3 jurisdictional non-fuel revenue requirements.

**PEF:** The appropriate projected net purchased power capacity cost recovery amount, excluding nuclear cost recovery, is $395,842,560. The appropriate nuclear cost recovery amount is that which is approved in Issue 23A.

**OPC:** Capacity cost recovery amounts and related factors must be based on a lawful, final order in Docket No. 120015-EI prior to FPL implementing changes in rates as a result of this Docket.

**FEA:** No position

**FIPUG:** No position

**FRF:** Agrees with OPC.

**PCS:** With respect to PEF, PCS Phosphate agrees with and adopts the position of the OPC.

**STAFF:** No position at this time with respect to FPL and PEF.

**ISSUE 32:** What are the appropriate jurisdictional separation factors for capacity revenues and costs to be included in the recovery factor for the period January 2013 through December 2013?

*Proposed Type B Stipulation as to Gulf, TECO, and PEF. See Section X.*

**FPL:** The appropriate jurisdictional separation factors are:

| | |
|---|---|
| FPSC | 97.97032% |
| FERC | 2.02968% |

**OPC:** Capacity cost recovery amounts and related factors must be based on a lawful, final order in Docket No. 120015-EI prior to FPL implementing changes in rates as a result of this Docket.

**FEA:** No position

**FIPUG:** No position

**FRF:** Agrees with OPC.

**PCS:** With respect to PEF, PCS Phosphate agrees with and adopts the position of the OPC.

**STAFF:** No position at this time with respect to FPL and PEF.

**ISSUE 33:** What are the appropriate capacity cost recovery factors for the period January 2013 through December 2013?

*Proposed Type B Stipulation as to Gulf and TECO.. See Section X.*

**FPL:** Excluding WCEC-3 the January 2013 through December 2013 factors are as follows:

| RATE SCHEDULE | Capacity Recovery Factor ($/KW) [i] | Capacity Recovery Factor ($/kwh) [j] | RDC ($/KW) [k] | SDD ($/KW) [l] |
|---|---|---|---|---|
| RS1/RST1 | - | 0.00798 | - | - |
| GS1/GST1/WIES1 | - | 0.00655 | - | - |
| GSD1/GSDT1/HLFT1 | 2.44 | - | - | - |
| OS2 | - | 0.00673 | - | - |
| GSLD1/GSLDT1/CS1/CST1/HLFT2 | 2.53 | - | - | - |
| GSLD2/GSLDT2/CS2/CST2/HLFT3 | 2.62 | - | - | - |
| GSLD3/GSLDT3/CS3/CST3 | 2.68 | - | - | - |
| SST1T | - | - | $0.34 | $0.16 |
| SST1D1/SST1D2/SST1D3 | - | - | $0.35 | $0.17 |
| CILC D/CILC G | 2.92 | - | - | - |
| CILC T | 2.80 | - | - | - |
| MET | 2.90 | - | - | - |
| OL1/SL1/PL1 | - | 0.00204 | - | - |
| SL2, GSCU1 | - | 0.00509 | - | - |
| TOTAL | | | | |

In the event the Proposed Settlement Agreement is approved, the 2013 Capacity Cost Recovery factors appearing in Appendix V, which includes WCEC-3 jurisdictional non-fuel revenue requirements should be approved.

**PEF**: The appropriate cost recovery factors for the period January 2013 through December 2013 will be the factors submitted in revised Schedule E12-E, column 10, in Exhibit MO-2, Part 3, after the Commission's vote on the appropriate nuclear cost recovery amounts to be included in the Capacity Cost Recovery Clause (see Issue 23A). If on November 26, 2012, the Commission approves the nuclear cost recovery amounts that have been submitted in revised Schedule E12-E, Exhibit MO-2, Part 3 on October 2, 2012, then a second revised Schedule E12-E will not be filed, and the factors will be those included in revised Schedule E12-E, Exhibit MO-2, Part 3, filed on October 2, 2012.

**OPC:** Capacity cost recovery amounts and related factors must be based on a lawful, final order in Docket No. 120015-EI prior to FPL implementing changes in rates as a result of this Docket.

**FEA:** No position.

**FIPUG:** No position.

**FRF:** No position.

**PCS:** With respect to PEF, the capacity cost recovery factors for the period January 2013 through December 2013 must reflect the removal all of 2011 expenditures, including carrying costs, for the CR3 EPU project.

**STAFF:** No position at this time.

**EFFECTIVE DATE**

**ISSUE 34:** *Proposed Type B Stipulation. See Section X*

**ISSUE 35:** *Proposed Type B Stipulation. See Section X.*

**OTHER: GPIF MECHANISM**

**ISSUE 36:** *Proposed Type B Stipulation. See Section X.*

## IX. EXHIBIT LIST

| Witness | Proffered By | | Description |
|---|---|---|---|
| Direct | | | |
| T.J. Keith | FPL | TJK-1 | Fuel Cost Recovery Final True Up for January 2011 through December 2011 |
| | | TJK-2 | Capacity Cost Recovery Final True Up for January 2011 through December 2011 |
| | | TJK-3 | Fuel Cost Recovery Actual/Estimated True Up for January 2012 through December 2012 |
| | | TJK-4 | Capacity Cost Recovery Actual/Estimated True Up for January 2012 through December 2012 |
| | | TJK-5 | Fuel Cost Recovery for January 2013 through May 2013 |

| Witness | Proffered By | | Description |
|---|---|---|---|
| T.J. Keith | | TJK-6 | Fuel Cost Recovery for June 2013 through December 2013 (including CCEC fuel savings) |
| | | TJK-7 | Fuel Cost Recovery for January 2013 through December 2013 (Traditional Methodology) |
| | | TJK-8 | Capacity Cost Recovery for January 2013 through December 2013 |
| G.J. Yupp | | GJY-1 | 2011 Hedging Activity |
| | | GJY-2 | 2013 Risk Management Plan |
| | | GJY-3 | Hedging Activity Report |
| | | GJY-4 | Fuel Cost Recovery Forecast Assumptions |
| J. Carine Bullock | FPL | JCB-1 | Generating Performance Incentive Factor for January 2011 through December 2011 |
| | | JCB-2 | Generating Performance Incentive Factor Targets for January 2013 through December 2013 |
| Will Garrett | PEF | WG-1T | Fuel Cost Recovery True-Up (Jan – Dec 2011) |
| | | WG-2T | Capacity Cost Recovery True-Up (Jan – Dec 2011) |
| | | WG-3T | Schedules A1 through A3, A6 and A12 for Dec 2011 |
| | | WG-4T | Capital Structure and Cost Rates (Jan – Dec 2011) |

| Witness | Proffered By | | Description |
|---|---|---|---|
| Marcia Olivier | PEF | MO-1 | Actual/Estimated True-Up Schedules for period January – December 2012 |
| | | MO-2 | Projection factors for January to December 2013 |
| Joseph McCallister | PEF | JM-1T | Summarized Hedging Information (2002 – 2011) |
| | | JM-1P | 2013 Risk Management Plan |
| | | JM-2P | Hedging results for January 2012 through July 2012 |
| Robert M. Oliver | PEF | RMO-1T | GPIF Reward/Penalty Schedules for 2011 |
| Matthew J. Jones | PEF | MJJ-1P | GPIF Targets/Ranges Schedules (for Jan – Dec 2013) |
| Curtis D. Young | FPUC | CDY-1 (Composite) | Final True Up Schedules (Schedules F-1 and M-1 for FPUC's Divisions) |
| | | CDY-2 (Composite) | Estimated/Actual (Schedules E1-A, E1-B, and E1-B1 for the Northwest Division and E1-A, E1-B, and E1-B1 for the Northeast Division (Second Revised)[1] |
| | | CDY-3 | Estimated/Actual (Schedules E1-A, E1-B, and E1-B1 for the Northwest Division including Amendment No. 1 to PPA with Gulf Power)[2] |

[1] Revised October 5, 2012.
[2] Revised October 5, 2012.

| Witness | Proffered By | | Description |
|---|---|---|---|
| Curtis D. Young | | CDY-4 (Composite) | Schedules E1, E1A, E2, E7, and E10 for the Northwest Division and E1, EIA, E2, E7, E8, and E10 for the Northeast Division with Revised Demand Allocation[3] |
| | | CDY-5 (Composite) | Schedules E1, E1A, E2, E7 and E10 for the Northwest Division with Amendment No. 1 and Revised Demand Allocation[4] |
| | | CDY-6 (Composite) | Schedules E1, E1A, E2, E7, and E10 for the Northwest Division and E1, E1A, E2, E7, E8, and E10 for the Northeast Division without Revised Demand Allocation[5] |
| | | CDY-7 (Composite) | Schedules E1, E1A, E2, E7, and E10 for the Northwest Division with Amendment No. 1 and without Revised Demand Allocation[6] |
| Robert J. Camfield | FPUC | RJC-1 | Weather Zones |
| | | RJC-2 | Housing and Demographics |
| | | RJC-3 | Regressions |
| | | RJC-4 | Regression Analysis for Residential |
| | | RJC-5 | Weather Sensitive and Non-Weather Sensitive Energy Use |
| | | RJC-6 | Allocation Results and kW Adjustment |

[3] Revised October 8, 2012.
[4] Revised October 8, 2012.
[5] Revised October 8, 2012.
[6] Revised October 8, 2012.

| Witness | Proffered By | | Description |
|---|---|---|---|
| Robert J. Camfield | | RJC-7 | Demand Methodology Study |
| H.R. Ball | Gulf | HRB-1 | Coal Suppliers, Natural Gas Price Variance, Hedging Effectiveness |
| | | HRB-2 | Projected vs. Actual Fuel Cost of System Generation Comparison 2002-2013 |
| | | HRB-3 | Hedging Information Report August – December 2011 |
| | | HRB-4 | Hedging Information Report January – July 2012 |
| | | HRB-5 | Risk Management Plan for Fuel Procurement for 2013 |
| R.W. Dodd | Gulf | RWD-1 | Calculation of Final True-Up and A-Schedules January 2011–December 2011 |
| | | RWD-2 | Estimated True-Up January 2012-December 2012 |
| | | RWD-3 | Projection January 2013-December 2013 |
| M.A. Young | Gulf | MAY-1 | Gulf Power Company GPIF Results January 2011-December 2011 |
| | | MAY-2 | Gulf Power Company GPIF Targets and Ranges January 2013-December 2013 |
| Carlos Aldazabal | TECO | CA-1 | Final True-up Capacity Cost Recovery January 2011-December 2011 |
| | | CA-1 | Final True-up Fuel Cost Recovery January 2011-December 2011 |
| | | CA-1 | Actual Fuel True-up compared Original Estimates January 2011-December 2011 |

| Witness | Proffered By | | Description |
|---|---|---|---|
| Carlos Aldazabal | | CA-1 | Schedules A-1, A-2 and A-6 through A-9 January 2011-December 2011 |
| | | CA-2 | Actual/Estimated True-Up Fuel Cost Recovery January 2012-December 2012 |
| | | CA-2 | Actual/Estimated True-Up Capacity Cost Recovery January 2012-December 2012 |
| | | CA-3 | Projected Fuel Cost Recovery January 2013-December 2013 |
| | | CA-3 | Projected Capacity Cost Recovery January 2013-December 2013 |
| | | CA-3 | Levelized and Tiered Fuel Rate January 2013-December 2013 |
| | | CA-3 | Projected Polk 1 Capital Costs January 2013-December 2013 |
| Jocelyn Y. Stephens | STAFF | JYS-1 | Audit Report – PEF Hedging Activities, August 1, 2011 through July 31, 2012 |
| Donna D. Brown | STAFF | DDB-1 | Audit Report – Gulf Hedging Activities, August 1, 2011 through July 31, 2012 |
| Kathy L. Welch | STAFF | KLW-1 | History of Testimony, Kathy L. Welch |
| | | KLW-2 | Audit Report – FPUC Audit Report, January 1, 2010 through December 2011 |
| Ronald A. Mavrides | STAFF | RAM-1 | Audit Report – TECO Hedging Activities, August 1, 2011 through July 31, 2012 |
| Yen Ngo | STAFF | YN-1 | Audit Report – FPL Hedging Activities, August 1, 2011 through July 31, 2012 |

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

**OPC**: No exhibits.

**FEA**: No exhibits.

**FIPUG:** No exhibits.

**FRF:** The Florida Retail Federation will not introduce any exhibits on direct examination, but reserves its rights to introduce exhibits through cross-examination of other parties' witnesses.

**PCS:** PCS Phosphate does not plan to offer any exhibits at this time, but may introduce exhibits during the course of cross-examination.

X. PROPOSED STIPULATIONS

As referenced in Section VIII, above, the parties have reached Type A, or Type B stipulations on the issues described below. *Type A Stipulation* reflects an agreement between all the parties on an issue; and *Type B Stipulation* reflects an agreement between the investor-owned utility and staff with all other parties taking no position on the issue.

**Progress Energy Florida**

**ISSUE 1A**: Should the Commission approve as prudent, PEF's actions to mitigate the volatility of natural gas, residual oil, and purchased power prices, as reported in PEF's April 2012 and August 2012 hedging reports?

***Type B Stipulation***

***Stipulation***: *Yes. PEF's actions to mitigate the price volatility of natural gas, residual oil, and purchased power prices were reasonable and prudent.*

**ISSUE 1B**: Should the Commission approve PEF's 2013 Risk Management Plan?

***Type B Stipulation***

***Stipulation***: *Yes. PEF's 2013 Risk Management Plan is consistent with the Hedging Guidelines.*

**Florida Power and Light**

**ISSUE 2A:** Should the Commission approve as prudent, FPL's actions to mitigate the volatility of natural gas, residual oil, and purchased power prices, as reported in FPL's April 2012 and August 2012 hedging reports?

***Type B Stipulation***

***Stipulation*:** *Yes. FPL's* actions to mitigate the price volatility of natural gas, residual oil, and purchased power prices were reasonable and prudent.

**ISSUE 2B:** Should the Commission approve FPL's 2013 Risk Management Plan?

***Type B Stipulation***

***Stipulation*:** *Yes. FPL's 2013 Risk Management Plan is consistent with the Hedging Guidelines.*

**ISSUE 2C:** Should FPL's proposed fuel factors for the new RTR-1 Rider be approved?

***Type B Stipulation***

**Stipulation:** In its rate case, Docket No. 120015-EI, FPL proposed and the Commission approved by stipulation a new optional residential time-of-use base rate rider, RTR-1. The stipulation contemplates that the RTR-1 rider will become effective after FPL's billing system has been modified to accommodate the rider, which FPL expects to be completed in mid-2013. Prior to the RTR-1 rider going into effect, FPL's existing residential time-of-use base rate (RST-1) will remain in effect. In Docket No. 120001-EI, FPL has provided fuel factors that correspond to both the RST-1 base rate and the RTR-1 rider. The Commission should approve the fuel factors for both the RST-1 base rate and the RTR-1 rider, with directions to FPL to apply the fuel factors for the RST-1 base rate until the RTR-1 rider goes into effect, and then to switch to the fuel factors for the RTR-1 rider with respect to customers who elect to take service under that rider.

**ISSUE 3A:** Is FPUC's proposed method to allocate demand costs to the rate classes appropriate?

***Type B Stipulation***

***Stipulation:*** *It is appropriate to recognize a modification of the demand allocation methodology applied to the Northeast (Fernandina Beach) Division such that demand is based upon load research data from Gulf Power Company's system, instead of FPL's load research data historically used. The demand allocation* *used for the Company's Northwest Division will remain consistent with that which has been historically applied to the Northwest Division.*

**ISSUE 3B:** Should FPUC be allowed to recover through the Fuel Clause the legal and consulting fees incurred in developing the Company's Time of Use and Interruptible Rates for its Northwest Division?

***Stipulation***: *FPUC shall remove the legal and consulting fees incurred in the development of its TOU and IS rates for its Northwest Division from its calculations of the fuel factors to be applied in 2013. The costs may then be moved into the regulatory asset established in Docket No. 120227-EI, and approved by the Commission at its October 16, 2012, Agenda Conference, upon Commission approval of this stipulation.*

**Gulf Power Company**

**ISSUE 4A:** Should the Commission approve as prudent, Gulf's actions to mitigate the volatility of natural gas, residual oil, and purchased power prices, as reported in Gulf's April 2012 and August 2012 hedging reports?

****Type B Stipulation (note that Gulf does not hedge residual oil)***

***Stipulation***: *Yes. Gulf's actions to mitigate the price volatility of natural gas and purchased power prices were reasonable and prudent.*

**ISSUE 4B**: Should the Commission approve Gulf's 2013 Risk Management Plan?

****Type B Stipulation***

***Stipulation***: *Yes. Gulf's* 2013 Risk Management Plan is consistent with the Hedging Guidelines.

**Tampa Electric Company**

**ISSUE 5A:** Should the Commission approve as prudent, TECO's actions to mitigate the volatility of natural gas, residual oil, and purchased power prices, as reported in TECO's April 2012 and August 2012 hedging reports?

***Type B Stipulation (note that TECO does not hedge residual oil)***

***Stipulation*:** *Yes. TECO's actions to mitigate the price volatility of natural gas and purchased power prices were reasonable and prudent.*

**ISSUE 5B:** Should the Commission approve TECO's 2013 Risk Management Plan?

***Type B Stipulation***

***Stipulation*:** *Yes. TECO's 2013 Risk Management Plan is consistent with the Hedging Guidelines.*

**FUEL ADJUSTMENT ISSUES**

**ISSUE 6:** What are the appropriate actual benchmark levels for calendar year 2012 for gains on non-separated wholesale energy sales eligible for a shareholder incentive?

***Type B Stipulation***

***Stipulation*:** *The appropriate actual benchmark levels for calendar year 2012 for gains on non-separated wholesale energy sales eligible for a shareholder incentive are:*

**FPL:** $6,680,369

**PEF:** $896,041.

**FPUC:** No position.

**GULF:** $749,310.

**TECO:** $2,461,613.

**ISSUE 7:** What are the appropriate estimated benchmark levels for calendar year 2013 for gains on non-separated wholesale energy sales eligible for a shareholder incentive?

***Type B Stipulation***

**Stipulation**: *The appropriate estimated benchmark levels for calendar year 2013 for gains on non-separated wholesale energy sales eligible for a shareholder incentive are*:

**FPL:** $4,430,522, which has been adjusted from $4,453,225, to include actual data for July 2012. This benchmark level is subject to adjustments in the 2012 final true-up filing to include all actual data for the year 2012.

**PEF**: $617,914.

**FPUC**: No position.

**GULF:** $626,203.

**TECO:** $1,365,169.

**ISSUE 8**: What are the appropriate fuel adjustment true-up amounts for the period January 2011 through December 2011?

***Type B Stipulation***

**Stipulation**: *The appropriate fuel adjustment true-up amounts for the period January 2011 through December 2011 are*:

**FPL:** $51,121,025 under-recovery.

**FPUC:** The appropriate amounts reflect the current status of FPUC's Generation Services Agreement with Gulf Power. In the event that FPUC and Gulf Power resume operation under Amendment No. 1 to that Generation Services Agreement, FPUC may petition the Commission for a mid-course correction to recognize the associated cost reductions and pass the associated savings on to its customers on an expedited basis. The appropriate amounts reflected below also recognize a modification of the demand allocation methodology applied to the Northeast (Fernandina Beach) division such that demand is based upon data from the Gulf Power Company system, instead of the FPL data historically used. The demand allocation used for the Company's Northwest division will remain consistent with that which has been historically applied to the Northwest Division. Recognizing these underlying precepts, the appropriate amounts are:

Northwest Division (Marianna) $1,289,837 under-recovery.

Northeast Division (Fernandina Beach) $360,592 over-recovery.

**GULF:** $13,538,423 over-recovery.

**TECO:** $11,885,179 over-recovery.

**ISSUE 9**: What are the appropriate fuel adjustment actual/estimated true-up amounts for the period January 2012 through December 2012?

***Type B Stipulation***

***Stipulation***: *The appropriate fuel adjustment actual/estimated true-up amounts for the period January 2012 through December 2012 are:*

**FPL:** $99,206,321 over-recovery.

**FPUC:** The appropriate amounts reflect the current status of FPUC's Generation Services Agreement with Gulf Power. In the event that FPUC and Gulf Power resume operation under Amendment No. 1 to that Generation Services Agreement, FPUC may petition the Commission for a mid-course correction to recognize the associated cost reductions and pass the associated savings on to its customers on an expedited basis. The appropriate amounts reflected below also recognize a modification of the demand allocation methodology applied to the Northeast (Fernandina Beach) division such that demand is based upon data from the Gulf Power Company system, instead of the FPL data historically used. The demand allocation used for the Company's Northwest division will remain consistent with that which has been historically applied to the Northwest Division. Recognizing these underlying precepts, the appropriate amounts are:

Northwest Division (Marianna) $187,767 under-recovery.

Northeast Division (Fernandina Beach) $101,956 under-recovery.

**GULF:** $26,425,418 over-recovery.

**TECO:** $57,434,679 over-recovery.

**ISSUE 10**: What are the appropriate total fuel adjustment true-up amounts to be collected/refunded from January 2013 to December 2013?

***Type B Stipulation***

***Stipulation***: *The appropriate total fuel adjustment true-up amounts to be collected/refunded from January 2013 to December 2013 are:*

**FPL:** $48,085,296 over-recovery.

**FPUC:** The appropriate amounts reflect the current status of FPUC's Generation Services Agreement with Gulf Power. In the event that FPUC and Gulf Power resume operation under Amendment No. 1 to that Generation Services Agreement, FPUC may petition the Commission for a mid-course correction to recognize the associated cost reductions and pass the associated savings on to its customers on an expedited basis. The appropriate amounts reflected below also recognize a modification of the demand allocation methodology applied to the Northeast (Fernandina Beach) division such that demand is based upon data from the Gulf Power Company system, instead of the FPL data historically used. The demand allocation used for the Company's Northwest division will remain consistent with that which has been historically applied to the Northwest Division. Recognizing these underlying precepts, the appropriate amounts are:

Northwest Division (Marianna) $1,477,604 under-recovery.

Northeast Division (Fernandina Beach) $258,636 over-recovery.

**GULF:** Refund of $26,425,418. The net final true-up for the period ending December 2011 has already been included in rates in 2012. Therefore, the proposed fuel cost recovery factors reflect only the refund of the estimated fuel cost true-up amount, $26,425,418, during the period of January 2013 through December 2013.

**TECO:** $69,319,858 over-recovery.

**<u>ISSUE 11</u>:** What are the appropriate projected total fuel and purchased power cost recovery amounts for the period January 2013 through December 2013?

***Type B Stipulation***

***<u>Stipulation</u>*:** *The appropriate projected total fuel and purchased power cost recovery amounts for the period January 2013 through December 2013 are:*

**FPL:** $3,097,095,340, including prior period true-ups and revenue taxes and excluding the GPIF reward.

**FPUC:** The appropriate amounts reflect the current status of FPUC's Generation Services Agreement with Gulf Power. In the event that FPUC and Gulf Power resume operation under Amendment No. 1 to that Generation Services Agreement, FPUC may petition the Commission for a mid-course correction to recognize the associated cost reductions and pass the associated savings on to its customers on an expedited basis. The appropriate amounts reflected below also recognize a modification of the demand allocation methodology applied to the Northeast (Fernandina Beach) division such that demand is based upon data from the Gulf Power Company system, instead of the FPL data historically used. The demand allocation used for the Company's Northwest division will remain consistent with that which has been historically applied to the Northwest Division. Recognizing these underlying precepts, the appropriate amounts are:

Northwest Division (Marianna): $30,935,242.
Northeast Division (Fernandina Beach): $36,030,023.

**GULF:** $428,996,843 including prior period true-up amounts and revenue taxes.

**TECO:** The total fuel and purchased power cost recovery amount for the period January 2013 through December 2013, is $745,333,956. The total recoverable fuel and purchased power recovery amount to be collected, adjusted by the jurisdictional separation factor excluding GPIF and revenue tax factor but including the true-up amount, is $676,014,098.

## GENERATING PERFORMANCE INCENTIVE FACTOR (GPIF) ISSUES

**ISSUE 16**: What is the appropriate generation performance incentive factor (GPIF) reward or penalty for performance achieved during the period January 2011 through December 2011 for each investor-owned electric utility subject to the GPIF?

***Type B Stipulation***

***Stipulation***: *The appropriate generation performance incentive factor (GPIF) rewards or penalties for performance achieved during the period January 2011 through December 2011 for each investor-owned electric utility subject to the GPIF are*:

**FPL:** $7,703,912 reward.

**PEF**: $1,495,572 reward.

**GULF:** $1,040,660 reward.

**TECO:** $538,019 penalty.

**ISSUE 17**: What should the GPIF targets/ranges be for the period January 2013 through December 2013 for each investor-owned electric utility subject to the GPIF?

***Type B Stipulation***

***Stipulation***: *The GPIF targets/ranges for the period January 2013 through December 2013 for each investor-owned electric utility subject to the GPIF are*:

**FPL**: The appropriate targets and ranges are shown on Pages 6 and 7 of Exhibit JCB-2 filed on August 31, 2012 with the Direct Testimony of J. Carine Bullock.

**PEF**: The appropriate targets and ranges are shown on Page 4 of Exhibit MJJ-1P filed on August 31, 2012 with the Direct Testimony of Matthew J. Jones.

**GULF:** The appropriate targets and ranges are shown in the table below:

| Unit | EAF | POF | EUOF | Heat Rate |
|---|---|---|---|---|
| Crist 6 | 81.2 | 15.9 | 2.9 | 12,243 |
| Crist 7 | 94.0 | 0.0 | 6.0 | 11,178 |
| Smith 3 | 91.1 | 6.6 | 2.3 | 6,842 |
| Daniel 1 | 94.7 | 0.0 | 5.3 | 10,591 |
| Daniel 2 | 97.1 | 0.0 | 2.9 | 10,611 |
| EAF = Equivalent Availability Factor (%)<br>POF = Planned Outage Factor (%)<br>EUOF = Equivalent Unplanned Outage Factor (%) | | | | |

**TECO:** The appropriate targets and ranges are shown in Exhibit No. ____ (BSB-2) to the prefiled testimony of Mr. Brian S. Buckley. Targets and ranges should be set according to the prescribed GPIF methodology established in 1981 by Commission Order No. 9558 in Docket No. 800400-CI and later modified in 2006 after meeting with Staff and intervening parties at the request of the Commission.

## FUEL FACTOR CALCULATION ISSUES

**ISSUE 18**: What are the appropriate projected net fuel and purchased power cost recovery and Generating Performance Incentive amounts to be included in the recovery factor for the period January 2013 through December 2013?

***Type B Stipulation***

***Stipulation***: *The appropriate projected net fuel and purchased power cost recovery and Generating Performance Incentive amounts to be included in the recovery factor for the period January 2013 through December 2013 are*:

**FPL:** $3,104,799,252 including prior period true-ups, revenue taxes and GPIF reward.

**FPUC:** The appropriate amounts reflect the current status of FPUC's Generation Services Agreement with Gulf Power. In the event that FPUC and Gulf Power resume operation under Amendment No. 1 to that Generation Services Agreement, FPUC may petition the Commission for a mid-course correction to recognize the associated cost reductions and pass the associated savings on to its customers on an expedited basis. The appropriate amounts reflected below also recognize a modification of the demand allocation methodology applied to the Northeast (Fernandina Beach) division such that demand is based upon data from the Gulf

Power Company system, instead of the FPL data historically used. The demand allocation used for the Company's Northwest division will remain consistent with that which has been historically applied to the Northwest Division. Recognizing these underlying precepts, the appropriate amounts are:

Northwest Division (Marianna): $30,935,242.

Northeast Division (Fernandina Beach): $36,030,023.

**GULF:** $430,037,503 including prior period true-up amounts and revenue taxes.

**TECO:** The projected net fuel and purchased power cost recovery amount to be included in the recovery factor for the period January 2013 through December 2013, adjusted by the jurisdictional separation factor, is $745,333,956. The total recoverable fuel and purchased power cost recovery amount to be collected, including the true-up and GPIF and adjusted for the revenue tax factor, is $675,962,809.

**ISSUE 19:** What is the appropriate revenue tax factor to be applied in calculating each investor-owned electric utility's levelized fuel factor for the projection period January 2013 through December 2013?

**** Type B Stipulation***

***Stipulation:*** *The appropriate revenue tax factor to be applied in calculating each investor-owned electric utility's levelized fuel factor for the projection period January 2013 through December 2013 is 1.00072.*

**ISSUE 20:** What are the appropriate levelized fuel cost recovery factors for the period January 2013 through December 2013?

**** Type B Stipulation***

***Stipulation:*** *The appropriate levelized fuel cost recovery factors for the period January 2013 through December 2013 are:*

**FPL:** FPL proposes that the fuel factors be reduced as of the in-service date of Cape Canaveral Energy Center (CCEC) to reflect the projected jurisdictional fuel savings for CCEC. FPL is proposing the following separate factors for January 2013 to May 2013 and for June 2013 through December 2013:

(a) 3.105 cents/kWh for January 2013 through the day prior to the CCEC in-service date (projected to be May 31, 2013);

(b) 2.950 cents/kWh from the CCEC in-service date (projected to be June 1, 2013) through December 2013.

**FPUC:** The appropriate amounts reflect the current status of FPUC's Generation Services Agreement with Gulf Power. In the event that FPUC and Gulf Power resume operation under Amendment No. 1 to that Generation Services Agreement, FPUC may petition the Commission for a mid-course correction to recognize the associated cost reductions and pass the associated savings on to its customers on an expedited basis. The appropriate amounts reflected below also recognize a modification of the demand allocation methodology applied to the Northeast (Fernandina Beach) division such that demand is based upon data from the Gulf Power Company system, instead of the FPL data historically used. The demand allocation used for the Company's Northwest division will remain consistent with that which has been historically applied to the Northwest Division. Recognizing these underlying precepts, the appropriate amounts are:

Northwest Division (Marianna): 5.790 ¢ / kwh
Northeast Division (Fernandina Beach): 6.420 ¢ /kwh

**GULF:** 3.803 cents/kWh.

**TECO:** The appropriate factor is 3.714 cents per kWh before any application of time of use multipliers for on-peak or off-peak usage.

**<u>ISSUE 21</u>:** What are the appropriate fuel recovery line loss multipliers to be used in calculating the fuel cost recovery factors charged to each rate class/delivery voltage level class?

***Type B Stipulation***

***<u>Stipulation</u>*:** *The appropriate fuel recovery line loss multipliers to be used in calculating the fuel cost recovery factors charged to each rate class/delivery voltage level class are:*

**FPL:** The appropriate Fuel Cost Recovery Loss Multipliers are provided in response to Issue No. 22.

**PEF:**

| Group | Delivery Voltage Level | Line Loss Multiplier |
|---|---|---|
| A. | Transmission | 0.9800 |
| B. | Distribution Primary | 0.9900 |
| C. | Distribution Secondary | 1.0000 |
| D. | Lighting Service | 1.0000 |

**FPUC:** Northwest Division (Marianna): 1.0000 (All rate schedules)
Northeast Division (Fernandina Beach): 1.0000 (All rate schedules)

**GULF:** See table below:

| Group | Rate Schedules | Line Loss Multipliers |
|---|---|---|
| A | RS, RSVP,GS, GSD, GSDT, GSTOU, OSIII, SBS(1) | 1.00773 |
| B | LP, LPT, SBS(2) | 0.98353 |
| C | PX, PXT, RTP, SBS(3) | 0.96591 |
| D | OSI/II | 1.00777 |
| (1) Includes SBS customers with a contract demand in the range of 100 to 499 KW<br>(2) Includes SBS customers with a contract demand in the range of 500 to 7,499 KW<br>(3) Includes SBS customers with a contract demand over 7,499 KW | | |

**TECO:** The appropriate fuel recovery line loss multipliers are as follows:

| Metering Voltage Schedule | Line Loss Multiplier |
|---|---|
| Distribution Secondary | 1.0000 |
| Distribution Primary | 0.9900 |
| Transmission | 0.9800 |
| Lighting Service | 1.0000 |

**ISSUE 22**: What are the appropriate fuel cost recovery factors for each rate class/delivery voltage level class adjusted for line losses?

**** Type B Stipulation***

***Stipulation***: *The appropriate fuel cost recovery factors for each rate class/delivery voltage level class adjusted for line losses are:*

**FPL:**

FLORIDA POWER & LIGHT COMPANY

FUEL RECOVERY FACTORS - BY RATE GROUP

(ADJUSTED FOR LINE/TRANSFORMATION LOSSES)

ESTIMATED FOR THE PERIOD OF: JANUARY 2013 THROUGH MAY 2013

| (1) | (2) | (3) | (4) | (5) |
|---|---|---|---|---|
| GROUPS | RATE SCHEDULE | JANUARY - DECEMBER | | |
| | | Average Factor | Fuel Recovery Loss Multiplier | Fuel Recovery Factor |
| A | RS-1 first 1,000 kWh | 3.105 | 1.00220 | 2.789 |
| A | RS-1 all additional kWh | 3.105 | 1.00220 | 3.789 |
| A | GS-1, SL-2, GSCU-1, WIES-1 | 3.105 | 1.00220 | 3.112 |
| A-1 | SL-1, OL-1, PL-1 (1) | 2.831 | 1.00220 | 2.837 |
| B | GSD-1 | 3.105 | 1.00211 | 3.112 |
| C | GSLD-1, CS-1 | 3.105 | 1.00109 | 3.108 |
| D | GSLD-2, CS-2, OS-2, MET | 3.105 | 0.99062 | 3.076 |
| E | GSLD-3, CS-3 | 3.105 | 0.96131 | 2.985 |

(1) WEIGHTED AVERAGE 16% ON-PEAK AND 84% OFF-PEAK

Note: Totals may not add due to rounding.

FLORIDA POWER & LIGHT COMPANY

SEASONALLY DIFFERENTIATED TIME OF USE FUEL RECOVERY FACTORS - BY RATE GROUP

ESTIMATED FOR THE PERIOD OF: JANUARY 2013 THROUGH MAY 2013

| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
|---|---|---|---|---|---|---|---|
| GROUPS | RATE SCHEDULE | JANUARY - MARCH / NOVEMBER - DECEMBER | | | APRIL - OCTOBER | | |
| | | Average Factor | Fuel Recovery Loss Multiplier | Fuel Recovery Factor | Average Factor | Fuel Recovery Loss Multiplier | Fuel Recovery Factor |
| A | RST-1, GST-1 On-Peak | 3.683 | 1.00220 | 3.691 | 4.698 | 1.00220 | 4.708 |
| | RST-1, GST-1 Off-Peak | 2.894 | 1.00220 | 2.900 | 2.288 | 1.00220 | 2.293 |
| A | RTR-1 On-Peak | - | - | 0.579 | - | - | 1.596 |
| | RTR-1 Off-Peak | - | - | (0.212) | - | - | (0.819) |
| B | GSDT-1, CILC-1(G), HLFT-1 (21-499 kW) On-Peak | 3.683 | 1.00211 | 3.691 | 4.698 | 1.00211 | 4.708 |
| | GSDT-1, CILC-1(G), HLFT-1 (21-499 kW) Off-Peak | 2.894 | 1.00211 | 2.900 | 2.288 | 1.00211 | 2.293 |
| C | GSLDT-1, CST-1, HLFT-2 (500-1,999 kW) On-Peak | 3.683 | 1.00109 | 3.687 | 4.698 | 1.00109 | 4.703 |
| | GSLDT-1, CST-1, HLFT-2 (500-1,999 kW) Off-Peak | 2.894 | 1.00109 | 2.897 | 2.288 | 1.00109 | 2.290 |
| D | GSLDT-2, CST-2, HLFT-3 (2,000+ kW) On-Peak | 3.683 | 0.99139 | 3.651 | 4.698 | 0.99139 | 4.658 |
| | GSLDT-2, CST-2, HLFT-3 (2,000+ kW) Off-Peak | 2.894 | 0.99139 | 2.869 | 2.288 | 0.99139 | 2.268 |
| E | GSLDT-3, CST-3, CILC-1(T), ISST-1(T) On-Peak | 3.683 | 0.96131 | 3.540 | 4.698 | 0.96131 | 4.516 |
| | GSLDT-3, CST-3, CILC-1(T), ISST-1(T) Off-Peak | 2.894 | 0.96131 | 2.782 | 2.288 | 0.96131 | 2.199 |
| F | CILC-1(D), ISST-1(D) On-Peak | 3.683 | 0.99102 | 3.650 | 4.698 | 0.99102 | 4.656 |
| | CILC-1(D), ISST-1(D) Off-Peak | 2.894 | 0.99102 | 2.868 | 2.288 | 0.99102 | 2.267 |

Note: Totals may not add due to rounding.

FLORIDA POWER & LIGHT COMPANY

DETERMINATION OF SEASONAL DEMAND TIME OF USE RIDER (SDTR)

FUEL RECOVERY FACTORS

ESTIMATED FOR THE PERIOD OF: JANUARY 2013 THROUGH MAY 2013

| (1) | (2) | (3) | (4) | (5) |
|---|---|---|---|---|
| GROUPS | RATE SCHEDULE | JUNE - SEPTEMBER | | |
| | | Average Factor | Fuel Recovery Loss Multiplier | Fuel Recovery Factor |
| B | GSD(T)-1 On-Peak | 5.344 | 1.00211 | 5.355 |
| | GSD(T)-1 Off-Peak | 2.701 | 1.00211 | 2.707 |
| C | GSLD(T)-1 On-Peak | 5.344 | 1.00109 | 5.350 |
| | GSLD(T)-1 Off-Peak | 2.701 | 1.00109 | 2.704 |
| D | GSLD(T)-2 On-Peak | 5.344 | 0.99139 | 5.298 |
| | GSLD(T)-2 Off-Peak | 2.701 | 0.99139 | 2.678 |

Note: On-Peak Period is defined as June through September, weekdays 3:00pm to 6:00pm
Off Peak Period is defined as all other hours.

Note: All other months served under the otherwise applicable rate schedule.
See Schedule E-1E, Page 1 of 3 and Page 2 of 3.

Note: Totals may not add due to rounding.

FLORIDA POWER & LIGHT COMPANY

FUEL RECOVERY FACTORS - BY RATE GROUP

(ADJUSTED FOR LINE/TRANSFORMATION LOSSES)

ESTIMATED FOR THE PERIOD OF: JUNE 2013 THROUGH DECEMBER 2013

| (1) | (2) | (3) | (4) | (5) |
|---|---|---|---|---|
| GROUPS | RATE SCHEDULE | JANUARY - DECEMBER | | |
| | | Average Factor | Fuel Recovery Loss Multiplier | Fuel Recovery Factor |
| A | RS-1 first 1,000 kWh | 2.950 | 1.00220 | 2.633 |
| A | RS-1 all additional kWh | 2.950 | 1.00220 | 3.633 |
| A | GS-1, SL-2, GSCU-1, WIES-1 | 2.950 | 1.00220 | 2.956 |
| A-1 | SL-1, OL-1, PL-1 (1) | 2.690 | 1.00220 | 2.696 |
| B | GSD-1 | 2.950 | 1.00211 | 2.956 |
| C | GSLD-1, CS-1 | 2.950 | 1.00109 | 2.953 |
| D | GSLD-2, CS-2, OS-2, MET | 2.950 | 0.99062 | 2.922 |
| E | GSLD-3, CS-3 | 2.950 | 0.96131 | 2.836 |

(1) WEIGHTED AVERAGE 16% ON-PEAK AND 84% OFF-PEAK

Note: Totals may not add due to rounding.

FLORIDA POWER & LIGHT COMPANY
SEASONALLY DIFFERENTIATED TIME OF USE FUEL RECOVERY FACTORS - BY RATE GROUP
ESTIMATED FOR THE PERIOD OF: JUNE 2013 THROUGH DECEMBER 2013

| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
|---|---|---|---|---|---|---|---|
| | | JANUARY - MARCH / NOVEMBER - DECEMBER | | | APRIL - OCTOBER | | |
| GROUPS | RATE SCHEDULE | Average Factor | Fuel Recovery Loss Multiplier | Fuel Recovery Factor | Average Factor | Fuel Recovery Loss Multiplier | Fuel Recovery Factor |
| A | RST-1, GST-1 On-Peak | 3.499 | 1.00220 | 3.507 | 4.463 | 1.00220 | 4.473 |
| | RST-1, GST-1 Off-Peak | 2.749 | 1.00220 | 2.755 | 2.174 | 1.00220 | 2.179 |
| A | RTR-1 On-Peak | - | - | 0.551 | - | - | 1.517 |
| | RTR-1 Off-Peak | - | - | (0.201) | - | - | (0.777) |
| B | GSDT-1, CILC-1(G), HLFT-1 (21-499 kW) On-Peak | 3.499 | 1.00211 | 3.506 | 4.463 | 1.00211 | 4.472 |
| | GSDT-1, CILC-1(G), HLFT-1 (21-499 kW) Off-Peak | 2.749 | 1.00211 | 2.755 | 2.174 | 1.00211 | 2.179 |
| C | GSLDT-1, CST-1, HLFT-2 (500-1,999 kW) On-Peak | 3.499 | 1.00109 | 3.503 | 4.463 | 1.00109 | 4.468 |
| | GSLDT-1, CST-1, HLFT-2 (500-1,999 kW) Off-Peak | 2.749 | 1.00109 | 2.752 | 2.174 | 1.00109 | 2.176 |
| D | GSLDT-2, CST-2, HLFT-3 (2,000+ kW) On-Peak | 3.499 | 0.99139 | 3.469 | 4.463 | 0.99139 | 4.425 |
| | GSLDT-2, CST-2, HLFT-3 (2,000+ kW) Off-Peak | 2.749 | 0.99139 | 2.725 | 2.174 | 0.99139 | 2.155 |
| E | GSLDT-3, CST-3, CILC-1(T), ISST-1(T) On-Peak | 3.499 | 0.96131 | 3.364 | 4.463 | 0.96131 | 4.290 |
| | GSLDT-3, CST-3, CILC-1(T), ISST-1(T) Off-Peak | 2.749 | 0.96131 | 2.643 | 2.174 | 0.96131 | 2.090 |
| F | CILC-1(D), ISST-1(D) On-Peak | 3.499 | 0.99102 | 3.468 | 4.463 | 0.99102 | 4.423 |
| | CILC-1(D), ISST-1(D) Off-Peak | 2.749 | 0.99102 | 2.724 | 2.174 | 0.99102 | 2.154 |

Note: Totals may not add due to rounding.

FLORIDA POWER & LIGHT COMPANY

DETERMINATION OF SEASONAL DEMAND TIME OF USE RIDER (SDTR)

FUEL RECOVERY FACTORS

ESTIMATED FOR THE PERIOD OF: JUNE 2013 THROUGH DECEMBER 2013

| (1) | (2) | (3) | (4) | (5) |
|---|---|---|---|---|
| | | JUNE - SEPTEMBER | | |
| GROUPS | RATE SCHEDULE | Average Factor | Fuel Recovery Loss Multiplier | Fuel Recovery Factor |
| B | GSD(T)-1 On-Peak | 5.077 | 1.00211 | 5.088 |
| | GSD(T)-1 Off-Peak | 2.567 | 1.00211 | 2.572 |
| C | GSLD(T)-1 On-Peak | 5.077 | 1.00109 | 5.083 |
| | GSLD(T)-1 Off-Peak | 2.567 | 1.00109 | 2.570 |
| D | GSLD(T)-2 On-Peak | 5.077 | 0.99139 | 5.033 |
| | GSLD(T)-2 Off-Peak | 2.567 | 0.99139 | 2.545 |

Note: On-Peak Period is defined as June through September, weekdays 3:00pm to 6:00pm
Off Peak Period is defined as all other hours.

Note: All other months served under the otherwise applicable rate schedule.
See Schedule E-1E, Page 1 of 3 and Page 2 of 3.

Note: Totals may not add due to rounding.

**GULF:** The appropriate fuel cost recovery factors for each rate class/delivery voltage level class adjusted for line losses are below:

| Group | Rate Schedules* | Line Loss Multipliers | Fuel Cost Factors ¢/KWH | | |
|---|---|---|---|---|---|
| | | | Standard | Time of Use | |
| | | | | On-Peak | Off-Peak |
| A | RS, RSVP,GS, GSD, GSDT, GSTOU, OSIII, SBS(1) | 1.00773 | 3.832 | 4.768 | 3.446 |
| B | LP, LPT, SBS(2) | 0.98353 | 3.740 | 4.654 | 3.363 |
| C | PX, PXT, RTP, SBS(3) | 0.96591 | 3.673 | 4.570 | 3.303 |
| D | OSI/II | 1.00777 | 3.776 | N/A | N/A |

*The recovery factor applicable to customers taking service under Rate Schedule SBS is determined as follows: (1) customers with a contract demand in the range of 100 to 499 KW will use the recovery factor applicable to Rate Schedule GSD; (2) customers with a contract demand in the range of 500 to 7,499 KW will use the recovery factor applicable to Rate Schedule LP; and (3) customers with a contract demand over 7,499 KW will use the recovery factor applicable to Rate Schedule PX.

**FPUC:** The appropriate amounts reflect the current status of FPUC's Generation Services Agreement with Gulf Power. In the event that FPUC and Gulf Power resume operation under Amendment No. 1 to that Generation Services Agreement, FPUC may petition the Commission for a mid-course correction to recognize the associated cost reductions and pass the associated savings on to its customers on an expedited basis. The appropriate amounts reflected below also recognize a modification of the demand allocation methodology applied to the Northeast (Fernandina Beach) division such that demand is based upon data from the Gulf Power Company system, instead of the FPL data historically used. The demand allocation used for the Company's Northwest division will remain consistent with that which has been historically applied to the Northwest Division. Recognizing these underlying precepts, the appropriate amounts are:

Northwest Division (Marianna):

**Northwest Division (without Amendment No. 1)**

| *Rate Schedule* | *Adjustment* |
|---|---|
| RS | $0.10242 |
| GS | $0.09854 |
| GSD | $0.09308 |
| GSLD | $0.08918 |
| OL,Ol1 | $0.07410 |
| SL1, SL2, and SL3 | $0.07473 |
| Step rate for RS | |
| RS with less than 1,000 kWh/month | $0.09883 |
| RS with more than 1,000 kWh/month | $0.10883 |

Consistent with the revised fuel projections for the 2013 period, the appropriate adjusted Time of Use (TOU) and Interruptible rates for the 2013 period are:

*Time of Use/Interruptible*

| *Rate Schedule* | *Adjustment On Peak* | *Adjustment Off Peak* |
|---|---|---|
| RS | $0.18283 | $0.05983 |
| GS | $0.13854 | $0.04854 |
| GSD | $0.13308 | $0.06058 |
| GSLD | $0.14918 | $0.05918 |
| Interruptible | $0.07418 | $0.08918 |

Northeast Division (Fernandina Beach):

The appropriate fuel cost recovery factors for each rate class/delivery voltage level class adjusted for line losses are below:

**Northeast Division (with Gulf Power Load Data)**

| *Rate Schedule* | *Adjustment* |
|---|---|
| RS | $0.10158 |
| GS | $0.09830 |
| GSD | $0.09377 |
| GSLD | $0.09052 |
| OL | $0.06738 |
| SL | $0.06718 |
| Step rate for RS | |
| RS with less than 1,000 kWh/month | $0.09786 |
| RS with more than 1,000 kWh/month | $0.10786 |

**TECO:** The appropriate factors are as follows:

| Metering Voltage Level | Fuel Charge Factor (cents per kWh) | |
|---|---|---|
| Secondary | 3.719 | |
| Tier I (Up to 1,000 kWh) | 3.369 | |
| Tier II (Over 1,000 kWh) | 4.369 | |
| Distribution Primary | 3.682 | |
| Transmission | 3.645 | |
| Lighting Service | 3.697 | |
| Distribution Secondary | 3.861 | (on-peak) |
| | 3.664 | (off-peak) |
| Distribution Primary | 3.822 | (on-peak) |
| | 3.627 | (off-peak) |
| Transmission | 3.784 | (on-peak) |
| | 3.591 | (off-peak) |

## COMPANY-SPECIFIC CAPACITY COST RECOVERY FACTOR ISSUES

**Progress Energy Florida, Inc.**

**ISSUE 23A:** What is the amount to be included in the Capacity Cost Recovery Clause, for PEF's 2013 nuclear cost recovery?

**** Type B Stipulation***

***Stipulation:*** *For the Crystal River 3 Uprate project, the amount to be included is that which is approved, if any, by the Commission at its November 26, 2012, Agenda Conference. For the Levy Nuclear Project, the amount will be a function of the rates approved for collection in PEF's Settlement Agreement consistent with page 147 of Order No. PSC-12-0104-FOF-EI. After the Commission votes on November 26, 2012, PEF will submit to the Commission, with copies to all parties, its revised schedules showing the calculation of the 2013 capacity cost recovery factors. Commission staff is granted administrative authority to verify that the schedules are consistent with the Commission's vote on November 26, 2012 and Order No. PSC-12-0104-FOF-EI as described above.*

**Florida Power and Light**

**ISSUE 24A:** What is the amount to be included in the Capacity Cost Recovery Clause, for FPL's 2013 nuclear cost recovery?

**** Type B Stipulation***

***Stipulation:*** *The amount to be included is that which is approved by the Commission at its November 26, 2012, Agenda Conference. After the Commission votes on November 26, 2012, FPL will submit to the Commission, with copies to all parties, its revised schedules showing the calculation of the 2013 capacity cost recovery factors. Commission staff is granted administrative authority to verify that the schedules are consistent with the Commission's vote on November 26, 2012.*

## GENERIC CAPACITY COST RECOVERY FACTOR ISSUES

**ISSUE 27:** What are the appropriate capacity cost recovery true-up amounts for the period January 2011 through December 2011?

**** Type B Stipulation***

***Stipulation:*** *The appropriate capacity cost recovery true-up amounts for the period January 2011 through December 2011 are:*

**FPL:** $44,704,575 under-recovery.

**GULF:** $353,030 under-recovery.

**TECO:** $1,311,897 under-recovery.

**<u>ISSUE 28</u>:** What are the appropriate capacity cost recovery actual/estimated true-up amounts for the period January 2012 through December 2012?

**** Type B Stipulation as to FPL, Gulf, and TECO.***

***<u>Stipulation</u>*:** *The appropriate capacity cost recovery actual/estimated true-up amounts for the period January 2012 through December 2012 are:*

**FPL:** $15,878,460 under-recovery.

**GULF:** Under recovery of $592,654.

**TECO:** $5,390,608 under-recovery.

**<u>ISSUE 29</u>:** What are the appropriate total capacity cost recovery true-up amounts to be collected/refunded during the period January 2013 through December 2013?

**** Type B Stipulation as to FPL, Gulf, and TECO.***

***<u>Stipulation</u>*:** *The appropriate total capacity cost recovery true-up amounts to be collected/refunded during the period January 2013 through December 2013 are:*

**FPL:** $60,583,035 under-recovery

**GULF:** Collection of $945,684.

**TECO:** $6,702,505 under-recovery.

**<u>ISSUE 30</u>:** What are the appropriate projected total capacity cost recovery amounts for the period January 2013 through December 2013?

**** Type B Stipulation as to Gulf and TECO.***

***<u>Stipulation</u>*:** *The appropriate projected total capacity cost recovery amounts for the period January 2013 through December 2013 are:*

**GULF:** $43,921,106.

**TECO:** The projected total capacity cost recovery amount for the period January 2013 through December 2013 is $29,728,488.

**<u>ISSUE 31</u>:** What are the appropriate projected net purchased power capacity cost recovery amounts to be included in the recovery factor for the period January 2013 through December 2013?

***Type B Stipulation as to Gulf and TECO.***

***<u>Stipulation</u>***: *The appropriate projected net purchased power capacity cost recovery amounts to be included in the recovery factor for the period January 2013 through December 2013 are:*

**GULF:** $44,899,094 including prior period true-up amounts and revenue taxes.

**TECO:** The purchased power capacity cost recovery amount to be included in the recovery factor for the period January 2013 through December 2013, adjusted by the jurisdictional separation factor, is $29,728,488. The total recoverable capacity cost recovery amount to be collected, including the true-up amount and adjusted for the revenue tax factor, is $36,457,223.

**<u>ISSUE 32</u>:** What are the appropriate jurisdictional separation factors for capacity revenues and costs to be included in the recovery factor for the period January 2013 through December 2013?

**** Type B Stipulation as to PEF, Gulf, and TECO.***

***<u>Stipulation</u>***: *The appropriate projected jurisdictional separation factors for capacity revenues and costs to be included in the recovery factor for the period January 2013 through December 2013 are:*

**PEF**: Base – 92.885%, Intermediate – 72.703%, Peaking – 95.924%, consistent with Exhibit 1 in the Stipulation and Settlement Agreement approved in Order No. PSC-12-0104-FOF-EI.

**GULF:** 96.57346%.

**TECO:** The appropriate jurisdictional separation factor is 1.0000000.

**<u>ISSUE 33</u>:** What are the appropriate capacity cost recovery factors for the period January 2013 through December 2013?

**** Type B Stipulation as to Gulf and TECO.***

***Stipulation***: *The appropriate capacity cost recovery factors for the period January 2013 through December 2013 are*:

**GULF:** See table below:

| **RATE CLASS** | **CAPACITY COST RECOVERY FACTORS ¢/KWH** |
|---|---|
| RS, RSVP | 0.467 |
| GS | 0.426 |
| GSD, GSDT, GSTOU | 0.369 |
| LP, LPT | 0.317 |
| PX, PXT, RTP, SBS | 0.280 |
| OS-I/II | 0.171 |
| OSIII | 0.277 |

**TECO:** The appropriate factors for January 2013 through December 2013 are as follows:

| Rate Class and Metering Voltage | Capacity Cost Recovery Factor Cents per kWh | $ per kW |
|---|---|---|
| RS Secondary | 0.232 | |
| GS and TS Secondary | 0.214 | |
| GSD, SBF Standard | | |
| Secondary | | .73 |
| Primary | | .72 |
| Transmission | | .72 |
| GSD Optional | | |
| Secondary | 0.173 | |
| Primary | 0.171 | |
| IS, SBI | | |
| Primary | | 0.60 |
| Transmission | | 0.60 |
| LS1 Secondary | 0.060 | |

## EFFECTIVE DATE

**ISSUE 34**: What should be the effective date of the fuel adjustment factors and capacity cost recovery factors for billing purposes?

** Type B Stipulation*

***Stipulation***: *Staff agrees with the positions of the utilities.*

**FPL:** FPL is requesting that the fuel adjustment factors and capacity cost recovery factors become effective with customer bills for January 2013 (cycle day 1) through December 2013 (cycle day 21). This will provide for 12 months of billing for all customers. Thereafter, FPL's fuel adjustment factors and capacity cost recovery factors should remain in effect until modified by the Commission.

**PEF**: The new factors should be effective beginning with the first billing cycle for January 2013 through the last billing cycle for December 2013. The first billing cycle may start before January 1, 2013, and the last billing cycle may end after December 31, 2013, so long as each customer is billed for twelve months regardless of when the factors became effective.

**FPUC:** The effective date for FPUC's cost recovery factors should be the first billing cycle for January 1, 2013, which could include some consumption from the prior month. Thereafter, customers should be billed the approved factors for a full 12 months, unless the factors are otherwise modified by the Commission.

**GULF:** The new fuel and capacity factors should be effective beginning with the first billing cycle for January 2013 and thereafter through the last billing cycle for December 2013. Billing cycles may start before January 1, 2013 and the last cycle may be read after December 31, 2013, so that each customer is billed for twelve months regardless of when the adjustment factor became effective.

**TECO:** The new factors should be effective beginning with the specified billing cycle and thereafter for the period January 2013 through the last billing cycle for December 2013. The first billing cycle may start before January 1, 2013, and the last billing cycle may end after December 31, 2013, so long as each customer is billed for 12 months regardless of when the fuel factors became effective.

**ISSUE 35:** Should the Commission authorize its staff to investigate a change in the annual fuel cost recovery clause effective date of the new factors to begin on or after the first billing cycle in January?"

** Type B Stipulation*[7]

[7] The utilities take no position and the intervenors agree with staff on the Issue 35 stipulation.

***Stipulation***: Yes. The Commission staff should be instructed to commence an investigation in the 2013 annual fuel cost recovery clause proceedings.

**ISSUE 36:** Should the Commission authorize it staff to initiate an investigation of the GPIF mechanism in the 2013 annual fuel cost recovery clause proceedings?

**** Type B Stipulation***[8]

***Stipulation***: Yes. The Commission staff should be instructed to commence an investigation of the GPIF mechanism in the 2013 annual fuel cost recovery clause proceedings.

XI. PENDING MOTIONS

There are no pending motions at this time.

XII. PENDING CONFIDENTIALITY MATTERS

**FPL:** Florida Power and Light Company's request for confidential classification of Forms423-1(a), 423-2, 2(a), and 2(b) for March/February 2012, DN 03216-12, dated May 12, 2012.

Florida Power and Light Company's request for confidential classification of Forms423-1(a), 423-2, 2(a), and 2(b) for April/March 2012, DN 04110-12, dated June 21, 2012.

Florida Power and Light Company's request for confidential classification of fuel hedging activities and market comparisons contained in Exhibit GJY-1 to testimony of Gerard J. Yupp, DN 04669-12, dated July 13, 2012.

Florida Power and Light Company's request for confidential classification of Forms423-1(a), 423-2, 2(a), and 2(b) for May/April 2012, DN 04986-12, dated July 25, 2012.

Florida Power and Light Company's request for confidential classification of Forms423-1(a), 423-2, 2(a), and 2(b) for June/May 2012, DN 06094-12, dated September 10, 2012.

Florida Power and Light Company's request for confidential classification of capacity payments to non-cogeneration identified in Schedule E12 of Appendix V to testimony of Terry J. Keith, DN 05961-12, dated August 31, 2012.

[8] The utilities take no position and the intervenors agree with staff on the Issue 36 stipulation.

**PEF:** PEF has the following pending requests for confidential classification:

- July 17, 2008 – Response to FIPUG's First Set of Interrogatories (1-21)
- April 22, 2010 – 423 Forms for March 2010
- May 24, 2010 – 423 Forms for April 2010
- June 30, 2010 – 423 Forms for May 2010
- August 10, 2010 – 423 Forms for June 2010
- September 1, 2010 – 423 Forms for July 2010
- October 5, 2010 – 423 Forms for August 2010
- August 1, 2011 – Exhibit MO-1 (Schedule E12-B, Page 2 of 2) to the direct testimony of Marcia Olivier & portions of the 2012 Risk Management Plan (Exhibit JM-1P)
- September 1, 2011 - Exhibit MO-2 to the projection testimony of Marcia Olivier
- November 7, 2011 - 423 Forms for September 2011
- December 8, 2011 – 423 Forms for October 2011
- August 13, 2012 – 423 Forms for June 2012
- August 31, 2012 – Exhibit MO-2 to projection testimony of Marcia Olivier & Pgs 4-6 to testimony of Joseph McCallister
- October 3, 2012 – 423 Forms for July 2012
- October 3, 2012 – 423 Forms for August 2012

**FPUC:** No pending requests for confidentiality at this time.

**GULF:** Request for confidentiality filed August 27, 2012, relating to Gulf's Form 423 for June, 2012 (DN 05819-12).

Request for confidentiality filed August 31, 2012, relating to Schedule CCE-4 of Exhibit RWD-3 to the direct testimony of R. W. Dodd (DN 05937-12).

Request for confidentiality filed September 28, 2012, relating to Gulf's Form 423 for July, 2012 (DN 06519-12).

**TECO:** Tampa Electric has pending a number of requests for confidential treatment of information relating to hedging practices, risk management strategies and fuel and fuel transportation contract matters.

## 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 of no more than 50 words, 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 5 minutes per party

It is therefore,

ORDERED by Commissioner Eduardo E. Balbis, 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 Commissioner Eduardo E. Balbis, as Prehearing Officer, this 1st day of November, 2012.

EDUARDO E. BALBIS
Commissioner and Prehearing 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.

MFB

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.