

BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

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In the Matter of: The :
2010 Annual Alternative :
Energy Resources Report : Case No. 11-2363-EL-ACP
for NextEra Energy :
Services Ohio, LLC, :

- - -

In the Matter of: The :
2011 Annual Alternative :
Energy Resources Report : Case No. 12-1285-EL-ACP
for NextEra Energy :
Services Ohio, LLC, :

- - -

PROCEEDINGS

before Mr. Jay S. Agranoff, Attorney Examiner, at the
Public Utilities Commission of Ohio, 180 East Broad
Street, 11th Floor, Room 11-D, Columbus, Ohio, called
at 9:59 a.m. on Wednesday, August 28, 2013.

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ARMSTRONG & OKEY, INC.
222 East Town Street, Second Floor
Columbus, Ohio 43215-5201
(614) 224-9481 - (800) 223-9481
Fax - (614) 224-5724

- - -

1 APPEARANCES:

2 Ohio Attorney General Mike DeWine
3 By Mr. Thomas G. Lindgren
4 180 East Broad Street, Sixth Floor
5 Columbus, Ohio 43215

6 On behalf of the Staff of the PUCO.

7 Vorys, Sater, Seymour and Pease LLP
8 By Mr. Stephen M. Howard
9 52 East Gay Street
10 PO Box 1008
11 Columbus, Ohio 43216-1008

12 On behalf of NextEra Energy Services
13 Ohio, LLC.

14 ALSO PRESENT:

15 Mr. Stuart M. Siegfried.

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Wednesday Morning Session,
August 28, 2013.

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EXAMINER AGRANOFF: Pursuant to the Commission's entry of August 9, 2013, the PUCO has assigned for hearing on a consolidated basis at this time and place Case No. 11-2363-EL-ACP, being In the Matter of: The Alternative Energy Resources Report for Calendar Year 2010 from NextEra Energy Services Ohio, LLC; and Case No. 12-1285-EL-ACP, being In the Matter of: The Alternative Energy Resources Report for Calendar Year 2011 from NextEra Energy Services Ohio, LLC.

My name is Jay Agranoff, and I'm the attorney examiner assigned to preside over this hearing. At this point in time, if we could have the appearances. On behalf of NextEra Energy.

MR. HOWARD: Thank you, your Honor. If it would please the Commission, would you please have the record reflect the appearance on behalf of NextEra Energy Services Ohio, LLC, the law firm of Vorys, Sater, Seymour and Pease LLP, 52 East Gay Street, Columbus, Ohio 43215, by M. Howard Petricoff and Stephen M. Howard. Thank you.

EXAMINER AGRANOFF: Thank you. And on

1 behalf of the Staff of the Public Utilities
2 Commission of Ohio?

3 MR. LINDGREN: On behalf of the Staff,
4 Ohio Attorney General Mike DeWine, by Thomas G.
5 Lindgren, Assistant Attorney General. The address
6 is: 180 East Broad Street, Sixth Floor, Columbus,
7 Ohio 43215.

8 EXAMINER AGRANOFF: Thank you.
9 Mr. Howard, would you like to proceed at this time?

10 MR. HOWARD: Yes, your Honor. The Staff
11 and NextEra Energy Services Ohio, LLC, has reached a
12 stipulation in this case. So to begin with, I'd like
13 to have marked as Joint Exhibit 1 an eight-page
14 document entitled, "Stipulation and Recommendation."
15 This is signed by Mr. Lindgren and Mr. Petricoff, and
16 we would -- we will move its admission.

17 I would also ask that a four-page
18 document entitled, "Direct Testimony of Aundrea,"
19 A-U-N-D-R-E-A, "Williams," on behalf of NextEra
20 Energy Services Ohio, LLC, be marked as NextEra
21 Exhibit 1 for identification purposes.

22 Mr. Lindgren and I have discussed this
23 issue. Ms. Williams is located in the state of
24 Texas, and Mr. Lindgren has indicated that he has no
25 cross-examination for Ms. Williams. We would

1 stipulate that if called to appear today,
2 Ms. Williams' testimony would be as set forth in
3 NextEra Exhibit 1.

4 We would also move the admission into
5 evidence of NextEra Energy Exhibit 1 at this time.
6 Thank you.

7 (EXHIBITS MARKED FOR IDENTIFICATION.)

8 EXAMINER AGRANOFF: Thank you.
9 Mr. Lindgren, do you agree with the representations
10 made by Mr. Howard?

11 MR. LINDGREN: Yes, I do, your Honor.

12 EXAMINER AGRANOFF: Okay. Therefore,
13 there is no objection. I will admit NextEra
14 Exhibit 1 at this point in time.

15 (EXHIBIT ADMITTED INTO EVIDENCE.)

16 EXAMINER AGRANOFF: And with respect to
17 Joint Exhibit 1, I will withhold ruling until
18 Mr. Siegfried had has an opportunity to testify.

19 With that, Mr. Lindgren, would you like
20 to proceed.

21 MR. LINDGREN: Thank you, your Honor. I
22 would like to call Mr. Stuart Siegfried to the stand.

23 EXAMINER AGRANOFF: Please come forward,
24 sir, and raise your right hand.

25 (Witness sworn.)

1 EXAMINER AGRANOFF: Thank you. Please
2 proceed.

3 MR. LINDGREN: Thank you.

4 - - -

5 STUART M. SIEGFRIED
6 being first duly sworn, as prescribed by law, was
7 examined and testified as follows:

8 DIRECT EXAMINATION

9 By Mr. Lindgren:

10 Q. Good morning, Mr. Siegfried.

11 A. Good morning.

12 Q. Would you please state your full name for
13 the record.

14 A. My name is Stuart Siegfried.

15 Q. Thank you. Where are you employed?

16 A. The Public Utilities Commission of Ohio.

17 Q. What is your position there?

18 A. I'm a utilities specialist in the Energy
19 and Environment Department.

20 Q. Thank you. What are your duties in that
21 position?

22 A. Numerous duties, including review of the
23 State's Alternative Energy Portfolio Standard and the
24 compliance efforts associated with that.

25 Q. Thank you. What was your role with

1 respect to the matter before us today?

2 A. I completed a review of the Annual
3 Compliance Status Reports filed by NextEra Energy
4 Services for the 2010 and 2011 compliance years. I
5 conducted my own independent analysis of those
6 filings and entered into discussions with the company
7 about my findings and possible resolution of the
8 issues presented as a result of my findings.

9 Q. Thank you. Are you familiar with the
10 stipulation that has been filed in this case?

11 A. Yes, sir.

12 Q. And were you involved in the negotiation
13 of the terms of that agreement?

14 A. Yes, sir.

15 Q. Do you believe that this
16 stipulation/recommendation was a product of serious
17 bargaining among capable and knowledgeable parties?

18 A. Yes, I do.

19 Q. Would you agree that the stipulation and
20 recommendation as a package benefits rate payers and
21 is in the public interest?

22 A. Yes, I would.

23 Q. Would you explain why.

24 A. I think the stipulation would fully
25 resolve these two cases, so there are efficiencies

1 with that. But I also think that the stipulation
2 would retain the policy objectives that are inherent
3 in the Alternative Energy Portfolio Standard while
4 also affording the company an opportunity to satisfy
5 its compliance obligations at a lower overall cost.

6 Q. Thank you. Are you familiar with the
7 regulatory principles and practices that apply in
8 this sort of proceeding?

9 A. In a nonlegal sense, yes.

10 Q. Thank you. Do you believe that this
11 stipulation and recommendation violates any of those
12 important regulatory principles or practice?

13 A. No, I do not.

14 Q. Thank you. Would you recommend that the
15 Commission adopt the stipulation?

16 A. Yes, I would. Yes.

17 Q. Thank you. Do you have anything further
18 to add?

19 A. No, I do not.

20 MR. LINDGREN: Thank you, Mr. Siegfried.
21 I have no further questions.

22 EXAMINER AGRANOFF: Any
23 cross-examination?

24 MR. HOWARD: No, your Honor. Thank you.
25 Thank you, Mr. Siegfried.

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EXAMINATION

By Examiner Agranoff:

Q. Mr. Siegfried, I do have just a little bit of a further clarifying question with respect to the questions that you were just asked. Can you elaborate a little bit more as to how the proposed stipulation is going to provide a benefit to rate payers?

A. The expectation is that by rolling forward the compliance obligation, the company will be able to satisfy that and be able to secure the necessary renewable energy credits and solar renewable energy credits to satisfy its obligations. They'll be able to secure those at a lower overall cost than if they were assigned the compliance payment to make up the deficiency. So as a result, the overall compliance obligation is still made whole; but it's done so at a lower overall cost.

Q. And that ultimately flows through to the rate payer?

A. Yes.

EXAMINER AGRANOFF: Anything further based on my clarifying questions?

MR. LINDGREN: Nothing, your Honor.

1 MR. HOWARD: No, your Honor. Thank you.

2 EXAMINER AGRANOFF: Thank you. Anything
3 further?

4 MR. LINDGREN: The Staff has nothing
5 further, your Honor.

6 EXAMINER AGRANOFF: Anything further?

7 MR. HOWARD: Nothing, other than we would
8 move for the admission of Joint Exhibit 1 that has
9 been previously marked.

10 EXAMINER AGRANOFF: Any objection?

11 MR. LINDGREN: No objection.

12 EXAMINER AGRANOFF: There being no
13 objection, Joint Exhibit 1 shall be admitted as part
14 of the record at this time.

15 (EXHIBIT ADMITTED INTO EVIDENCE.)

16 EXAMINER AGRANOFF: If there is nothing
17 further, this matter shall be considered as submitted
18 on the record. Thank you.

19 MR. LINDGREN: Thank you.

20 MR. HOWARD: Thank you, everybody.

21 EXAMINER AGRANOFF: Thank you.

22 (The hearing was concluded at 10:09 a.m.)

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CERTIFICATE

I do hereby certify that the foregoing is
a true and correct transcript of the proceedings
taken by me in this matter on Wednesday, August 28,
2013, and carefully compared with my original
stenographic notes.

Margaret A. Marsh, Registered
Professional Reporter.

(73242-MM)

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This foregoing document was electronically filed with the Public Utilities

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in

Case No(s). 11-2363-EL-ACP, 12-1285-EL-ACP

Summary: Transcript in the matter of 2010/2011 Annual Alternative Energy Resources Report for NextEra Energy Services Ohio, LLC hearing held on 08/28/13 electronically filed by Mrs. Jennifer Duffer on behalf of Armstrong & Okey, Inc. and Marsh, Margaret