STATE OF FLORIDA
OFFICE OF THE GOVERNOR AND CABINET

IN RE: CABINET AIDES MEETING

CABINET AIDES: BEAU BEAUBIEN, CHAIR
                   LEAH TRILLING
                   ERIN SUMPTER
                   DAN OLSON
                   ROBERT TORNILLO
                   MEREDITH STANFIELD
                   TANYA COOPER
                   KYLE TROOP
                   LASHA WILLIAMS POTTs

DATE: JULY 17, 2019

LOCATION: CABINET MEETING ROOM
           LOWER LEVEL, THE CAPITOL
           TALLAHASSEE, FLORIDA

REPORTED BY: NANCY S. METZKE, RPR, FPR
             COURT REPORTER

C & N REPORTERS
POST OFFICE BOX 3093
TALLAHASSEE, FLORIDA 32315-3093
(850) 697-8314
nancy@metzke.com
candnreporters.com
<table>
<thead>
<tr>
<th>Agency</th>
<th>Page No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Division of Bond Finance</td>
<td>5</td>
</tr>
<tr>
<td>By Executive Director Watkins</td>
<td></td>
</tr>
<tr>
<td>Department of Revenue</td>
<td>8</td>
</tr>
<tr>
<td>By Debbie Longman</td>
<td></td>
</tr>
<tr>
<td>Office of Financial Regulation</td>
<td>10</td>
</tr>
<tr>
<td>By Caitlin Murray</td>
<td></td>
</tr>
<tr>
<td>State Board of Administration</td>
<td>13</td>
</tr>
<tr>
<td>By John Kuczwanski</td>
<td></td>
</tr>
<tr>
<td>Office of Insurance Regulation</td>
<td>18</td>
</tr>
<tr>
<td>By Alex Anderson</td>
<td></td>
</tr>
<tr>
<td>Board of Trustees of the Internal Improvement Trust Fund</td>
<td>22</td>
</tr>
<tr>
<td>By Rene Lewis</td>
<td></td>
</tr>
<tr>
<td>Power Plant Siting Board</td>
<td>27</td>
</tr>
<tr>
<td>By Justin Wolfe</td>
<td></td>
</tr>
</tbody>
</table>
MR. BEAUBIEN: Good morning. All right. Good morning. This is the July 17th meeting of the Cabinet Aides for the July 25th meeting of the Governor and Cabinet.

I just wanted to remind everybody up here and our friends in the audience and the public that the meeting next week, while normally on Tuesday, is on Thursday, the 25th. So just a friendly reminder there.

We're still working to finalize the agenda for that meeting. It will be posted to the Cabinet website as normal.

I just wanted to take a second to thank my colleagues for helping be flexible with everyone's schedule and working together to make sure we had a day that we could all get together next week. I know that's not an easy task for our principals, and so I'm thankful for your guy's help in that.

So today we have just a list of the anticipated agency items that will be coming up next week on Thursday, and so we'll proceed through those as normal. And then like I said, the regular agenda will be posted to the Cabinet website in
time for the meeting.

* * * * *
DIVISION OF BOND FINANCE

MR. BEAUBIEN: We'll start with Division of Bond Finance.

Ben, how are you doing.

EXECUTIVE DIRECTOR WATKINS: Good morning, Beau. Good morning, everyone.

Item 1 is minutes.

Item 2 is a report of award of -- well, two, Item A and B. Both of them refundings.

The first was a $19.8 million refunding for Florida International University. And so we were able to, again, reduce interest rates.

The bonds were sold at a 2.74, which allowed us to reduce interest rates from 4.4 percent to 2.74 percent. Generating gross debt service savings of 6.2 million; present value savings of 4.1 million, or 16.4 percent of the principal amount of the bonds refunded.

And then 2B is a competitive sale of $135.5 million of PECO refunding bonds, again to lower the interest rate on PECO bonds that were outstanding. So we reduced the interest rate from 3.8 percent to 2.58 percent. Generating gross debt service savings of 24.8 million; present value
savings of 19.3 million, or 12.2 percent of the principal amount of the refunded bonds.

And then lastly, Item 3 is a new-money issue. It's the inaugural issue of the GARVEE program. It's 224 and a half million dollars of GARVEE bonds.

GARVEE bonds are secured by federal revenue sharing. They're not -- they don't go to fund any specific project but rather fund the work program more generally.

So this is -- it was authorized back in the late '90s and statutory -- by statute. It's been planned for but never deployed. So this is the first time we're borrowing under this program.

That's the only thing that makes it any different than any other financing program we do.

It's -- there are also additional borrowings embedded within DOT's work program. So again, you will see this fairly routinely over the next several years in terms of deployment or utilizing this financing vehicle to generate money to fund DOT's work program.

MR. BEAUBIEN: Does anybody have any questions?

(NO RESPONSE).
MR. BEAUBIEN: All right. Thanks, Ben.

EXECUTIVE DIRECTOR WATKINS: Yeah, more generally, just sort of market-condition-wise, again this week was -- there were more inflows into the municipal space in terms of money coming into the muni space to be invested this last week than the first time since 2006. So it's -- money continues to flow into our space. The supply is limited, which creates very favorable market conditions.

Again, we have unexpected Federal Reserve, you know, talking of reducing interest rate. So all of it's helpful, so we're in the goldilocks in terms of market conditions from where we stand. So we will continue -- notwithstanding Congress eliminating our ability to go advance refund bonds, we will continue to execute refinancings as they come to us and the bonds are callable.

So we're in a good place. Thank you.

MR. BEAUBIEN: Thanks, Ben. Appreciate it.
DEPARTMENT OF REVENUE

MR. BEAUBIEN: All right. Next we'll do Department of Revenue.

MS. LONGMAN: Good morning. Debbie Longman, Department of Revenue.

The Department will have three agenda items for the Governor and Cabinet's consideration at the July 25th meeting.

Item Number 1 are the minutes of the June 4th, 2019 meeting.

Item Number 2, the Department requests approval to file for final adoption rules relating to child support. The Department is amending three rules to incorporate numerous administrative changes to forms used in establishing paternity and child support obligations.

Among the changes, clarifying language has been added to several forms to better reflect statutory requirements. And a family law affidavit required in judicial cases is being incorporated by rule.

These rules were first presented at the June 4th, 2019 Cabinet meeting. Notice of proposed rule was published June 7th, 2019. No
request for a rule hearing was received, and none
was held.

And the final item, Item Number 3, the
Department requests permission to file a notice of
proposed rule for rules relating to general tax
administration.

The Department is creating two rules and
amending one rule to incorporate seven forms used
in the implementation of two scholarship funding
programs created by the 2018 Legislature.
Emergency rules for both programs were filed last
summer, and permanent rules are now being
promulgated.

A notice of rule development was published
October 31st, 2018, and rule workshops were held
January 22nd, 2019. Public comments were received
and have been incorporated in the proposed rules.

MR. BEAUBIEN: Any questions?
(NO RESPONSE).

MR. BEAUBIEN: All right. Thank you.
MS. LONGMAN: That concludes the Department's
agenda. Thank you.
MR. BEAUBIEN: Next, Office of Financial Regulation.

Alex.

MR. ANDERSON: Good morning. Alex Anderson, OFR.

The Agency has two items on the agenda for consideration at the July 25th meeting of the Financial Services Commission.

Agenda Item Number 1, the OFR respectfully requests approval to publish notices of proposed rulemaking to amend rules under Chapter 69V-560, Florida Administrative Code.

These amendments create new rule language to address the implementation of legislation that passed in 2018, which created a new installment payday loan that is regulated by OFR. Additionally, these amendments change the rates for examination fees to a flat rate. This reduces the cost to licensees and creates a level playing field for how much licensees are charged. Other amendments provide clarity and cleanup throughout the rules.

Agenda Item Number 2, the OFR respectfully
requests approval to publish notices of proposed
rulemaking to amend rules under Chapter 69W-600,
69W-700, 69W-800, 69W-900, 69W-1000, Florida
Administrative Code; and repeal Rules 69W-301.002,
69W-600.020, 69W-800.003.

Generally, these rules are being made to align
the rules with updates to current industry
standards regarding education, testing, and forms
utilized, as well as aligning these with federal
rules and regulations. We delivered a CD to each
of your offices containing the materials to be
incorporated by reference.

Do you have any questions?

MR. BEAUBIEN: Any questions?

(NO RESPONSE).

MR. BEAUBIEN: All right. Thanks, Alex.

MR. ANDERSON: Thank you. That concludes
OFR's agenda.

We'll see you July 25th.

MR. BEAUBIEN: We quickly found that my
computer does not have a CD drive, so that was a
challenge that was unexpected.

MR. ANDERSON: If you'd like those delivered
on thumb drives in the future we will --

MR. BEAUBIEN: That's fine. That's fine.
Thanks.

MR. ANDERSON: Thank you.
STATE BOARD OF ADMINISTRATION

MR. BEAUBIEN: SBA. John.

MR. KUCZWANSKI: Hello. Good morning.

Item Number 1 is approval of the minutes for
the June 4th meeting.

Item Number 2 is a resolution of the State
Board of Administration for the Bond Finance
Department of Transportation reimbursement revenue
bonds that Ben explained earlier.

Item Number 3 is a resolution of the State
Board of Administration making the fiscal
determination in connection with the issuance of an
amount not exceeding $20 million Florida Housing
Finance Corporation multifamily mortgage revenue
bonds. This is for the Daytona Gardens Apartments
project in Volusia County.

Item Number 4 is a resolution of the State
Board of Administration of Florida making the
fiscal determination in connection with the
issuance of an amount not exceeding $11,050,000
Florida Housing Finance Corporation multifamily
mortgage revenue notes. This is for the Osprey
Point project. It's a 110-unit project in Pasco
County.
Items Number 5 through 8 are a re-presentation of what we saw back in April of the Florida Hurricane Catastrophe Fund's ratemaking formula. These are being re-presented due to the passage of House Bill 301, which increased the loss allowance from five percent to ten percent this past legislative session.

Item Number 5 is request approval of an authority to file a notice of proposed rule for Florida Hurricane Catastrophe Fund Rule 19-8.010, Florida Administrative Code, reimbursement contract; and to file this rule for adoption if no member of the public timely requests a rule hearing; or if a hearing is requested and no notice of change is needed.

Item Number 6 is request approval of the 2019/2020 Florida Hurricane Catastrophe Fund ratemaking formula report revised July 25th, 2019.

Item Number 7 is request approval of an authority to file a notice of proposed rule for Florida Hurricane Catastrophe Fund Rule 19-8.028, Florida Administrative Code, reimbursement premium formula and to file this rule, along with the incorporated form, for adoption if no member of the public timely requests a rule hearing; or if a
hearing is requested but no notice of change is needed.

Item Number 8 is request approval of an authority to file a notice of proposed rule for Florida Hurricane Catastrophe Fund Rule 19-8.029, Florida Administrative Code, insurer reporting requirements and responsibilities, and to file this rule, along with the incorporated form, for adoption if no member of the public timely requests a rule hearing; or if a hearing is requested and no notice of change is needed.

Does anyone have any questions on these?

(NO RESPONSE).

MR. KUCZWANSKI: I know we sent some information around to all of your offices yesterday. I think that pretty much explained everything in detail as to why the rates were being implemented for this contract year pursuant to the legislation and all that kind of stuff.

If you have any questions that come to mind, feel free to give us a call or shoot us an email, and we'll share the answers with all of your offices and happy to do that; because I know there are a lot of questions being asked about this by the public, so let us know.
Item Number 9 is request approval of the appointment of Todd Nevell effective July 25th, 2019, to the State Board of Administration Audit Committee.

Item Number 10 is request approval of the Florida Prime proposed Investment Policy Statement. If there are no questions, Item Number 11 is request approval of the Florida Prime 2019 best practices review.

Item Number 12 is request approval of the 2019 local government surplus funds trust fund statutory compliance review. This is also Florida Prime.

If there are no questions on any of those related to Florida Prime, Item Number 13 is the quarterly reports pursuant to Section 215.44(2)(e), Florida Statutes. These are the quarterly reports that Ash provides to the trustees and goes over with each of your offices.

If you don't have any questions, that's all we have for you.

MR. BEAUBIEN: Everybody good?

(NO RESPONSE).

MR. BEAUBIEN: All right. Thanks, John.

Appreciate it.
MR. KUCZWANSKI: Thank you.
MR. BEAUBIEN: All right. Next is Office of Insurance Regulation.

Caitlin.

MS. MURRAY: Good morning.

We have -- the Office has 11 quick agenda items for the July 25th meeting for the Financial Services Commission.

Agenda Item Number 1 is the request for approval of minutes from the March 12th FSC meeting.

Agenda Items Number 2 through 7 are requests for approval for publication. And then Items 8 through 11 are for final adoption.

Agenda Item Number 2, this is a rule to update the rules governing our organizational structure. We have dissolved our company mission into the respective financial oversight business units under P & C and life and health.

Agenda Item Number 3 is we're updating a rule. They're being amended to add a section for internal audits because the NAIC model rule has been adopted, so we -- or updated, so we have to adopt rules to reflect the model law -- model rule,
excuse me.

Agenda Item Number 4, we are amending the registration of insurers to include updated forms which were previously adopted. On one form, we're adding a signature box to certify that the statements in the form they know to be true and accurate. And then, additionally, we're modernizing two other forms to reflect the same changes in -- same changes at the bottom of the first form.

Agenda Item Number 5, this is an agenda item which is in response to a federal law that was passed. We are updating our rules so we may retain regulatory ownership of our Medicare supplement market.

Agenda Item Number 6 is a repeal of the supplementary payment of defense costs as a condition for the approval or denial of commercial general liability contracts. There is no statutory support for us to have this rule, so we are repealing it.

Agenda Item Number 7, we have been working on this. This is dealing with the approval for publication to amend workers' compensation applications and audit procedures. So we're
removing the notarization requirements in portions of the rule.

House Bill 301 passed this session, which also supports this rule change. So now we are amending our rule to reflect statutory changes.

Agenda Item Number 8 is the request for approval for final adoption of rules that relate to the reasonableness of benefits in relation to premiums and actuarial memorandum.

We are amending a rate guarantee to allow for the products in this rule to have a rate guarantee from 24 months to 60 months. Essentially these products are very stable, so we're allowing them to have that five-year guarantee.

Agenda Item Number 9 is amending the definitions to update commonly accepted actuarial practices as defined by the Actuarial Standards Board. This hasn't been updated since 2002, so we are updating it on July 25th.

Agenda Item Number 10, we're adopting a form, a template to provide on our website for companies requesting a deviation from prima facie rates because their experience may say that their rates should be something different than they are, and so this form is for consistency and uniformity.
Agenda Item Number 11 does several things, it cleans up some rules to update and delete out-of-date references to government agencies and the manner in which records can be retained. So now they can be retained electronically.

We're also having a -- implementing a pro forma projection form for an anticipated program. So if a company files a corrective action plan, this form would be the result of that corrective action plan. And then, finally, it deletes references to the Statewide Subscriber Panel because it's been repealed from statute.

And that's our agenda.

MR. BEAUBIEN: Any questions?

(NO RESPONSE).

MR. BEAUBIEN: Thanks, Caitlin.

MS. MURRAY: Thank you.

* * * *
MR. BEAUBIEN: All right. Board of Trustees.

Rene.

MS. LEWIS: Good morning. Rene Lewis, Department of Environmental Protection.

We have eight items on our Board of Trustees' agenda. I will be presenting Items 1 through 6, followed by Portia Sapp with DACS, Division of Aquaculture who will present Items 7 and 8. And Siting Board will be presented by Justin Wolfe, our General Counsel for the Department.

So kicking off with Item Number 1 is minutes from the June 4th meeting.

Item 2 is consideration of an option agreement to acquire approximately 129 acres within the Small (sic) Managed Area Land List, or SMALL Florida Forever project, from Zemel Family Ventures, LLC, for $395,650.

If federal wildlife and sport restoration funding is approved, the Board of Trustees' portion of the purchase price would be 25 percent or $98,913.

Florida Fish and Wildlife Conservation
Commission will manage the subject property as an addition to Babcock-Webb Wildlife Management Area.

Item Number 3 is consideration of the acceptance of an assignment of option agreement to acquire approximately 717 acres within the Wakulla Springs Protection Zone Florida Forever project from Conservation Florida, Incorporated for 4.2 million. If Federal Forest Legacy funding is approved, the Board of Trustees’ portion of the purchase price would be 40 percent or $1.66 million.

The subject parcel -- or the subject property will be managed by DEP’s Division of Recreation and Parks as an addition to the Edward Ball Wakulla Springs State Park.

Item 4, we know that many of the offices have received phone calls and emails in support of this item, commonly referred to as Fish Island.

Item 4 is consideration of the acceptance of an assignment of option agreement to acquire approximately 57 acres within the Northeast Florida -- excuse me, Northeast Florida Blueway Florida Forever project from North Florida Land Trust, Incorporated for 6.5 million.
The subject property will be managed by the City of St. Augustine as a passive recreational park, with interpretive features describing the natural amenities and archeological resources.

Item 5 is consideration of a request for a determination that it is in the public interest to allow nonwater dependent activities to occur on sovereignty submerged lands leased by Kevin and Jessica Finch and to allow these activities to be conducted on a total of 1,900 square feet of existing structures.

The appraised upland market rental value is $0.30 per square foot or $570 annually.

Item 6 is consideration of an application by the Town of Palm Beach for a determination that relocation and reconstruction of two existing nonwater dependent buildings is in the public interest and a modification of a ten-year sovereignty submerged land lease to increase the preempted area from 559,311 square feet to 895,649 square feet for their 85-slip public, commercial docking facility.

The Town of Palm Beach held more than a dozen public meetings on the proposed project.

Additionally, the lease modification and public
easement requests were noticed to 52 property
owners that are within a 500-mile radius of the
project, and no objections have been received.

MR. BEAUBIEN: 500-foot, I'm guessing, not
mile?

MS. LEWIS: What did I say?

MR. BEAUBIEN: Mile.

MS. LEWIS: 500 feet.

MR. BEAUBIEN: Just for clarification.

MS. LEWIS: Sorry. That would be a big
radius.

MR. BEAUBIEN: Yes.

MS. LEWIS: And no objections have been
received.

And Portia will do Items 7 and 8. Thank you.

MR. BEAUBIEN: Thanks, Rene.

Hey, Portia.

MS. SAPP: Good morning. Portia Sapp, Florida
Department of Agriculture and Consumer Services,
Division of Aquaculture.

So I have two new aquaculture leases for
you guys. The first one is Grayson Bay Oyster
Company. They've requested a new five-acre water
column lease in Escambia Bay in Santa Rosa County.

It is in Gulf sturgeon critical habitat, but
they're planning to use floating gear, which is authorized within our permit with the Army Corps. There's already two existing aquaculture leases in Santa Rosa County, so this would be the third, if approved. And the parcel is not located in an aquatic preserve.

Item 8 is another aquaculture lease in Santa Rosa County. This one is in East Bay which is off of Garcon Point.

So the applicant is Gulf Coast Oyster Farms, LLC, again in Gulf sturgeon critical habit, but they're planning to use off-bottom gear, so floating gear, which is authorized within our permit with the Army Corps.

As I mentioned, there are already two existing aquaculture leases, one that was approved by this Board a few months ago. So this would be the fourth if approved.

Any questions?

(NO RESPONSE).

MR. BEAUBIEN: Thank you.

MS. SAPP: Thank you.
MR. BEAUBIEN: All right. So we'll go -- yep, there we go. Next slide. So we'll move into the Power Plant Siting Board.

ATTORNEY WOLFE: Thank you. Justin Wolfe. I'm the General Counsel for the Department of Environmental Protection.

Because the Department serves as the staff to the Power Plant Siting Board, I'll be the counsel for the Board on this matter.

There are two items on the agenda for the Power Plant Siting Board. The first is approval of the minutes from the November 30th, 2018, Siting Board meeting.

The next item is consideration of a final order for certification under the Power Plant Siting Act to Tampa Electric Company to certify its existing Big Bend generating station, Units 1, 2, and 3, and its modernization project at its Big Bend power plant in Hillsborough County.

A draft final order has been prepared by the Department and has been provided to your offices and made available, which adopts the Administrative Law Judge's recommended order in approving
certification.

Because this is the first Power Plant Siting Board meeting for this Governor and Cabinet and for most of us, I thought it would be good to begin with an overview of the Power Plant Siting Act and then go into the specifics of the project, the recommended order, and the final order itself.

There's also representatives for Sierra Club today and Tampa Electric that would like to make statements. And so after I give my kind of summary overview of the matter, I'll be handing it off to them, which will be limited to ten minutes each.

So the Power Plant Siting Act is considered a one-stop shop to certify power plants in the State of Florida. It encapsulates a process to get all the state authorizations and permits that are necessary to site the plants. It does not include any federal authorizations; those need to be obtained separately.

So when an application comes into the Department, it comes to our Siting Coordination Office, who then immediately sends it over to the Division of Administrative Hearings to have an Administrative Law Judge assigned and to set up a
docket.

Once that's done, it's also provided out to reviewing agencies, so there's -- it will go to the Department of Transportation, FWC, the water management districts, local governments, any agency that would have regulatory authority over the licensing of the project. Those agencies then review it for their substantive rules and requirements and provide back to our Siting Coordination Office a report with both a recommendation and any conditions for certification that they would deem necessary if their recommendation is approval.

Once that occurs, our Siting Coordination Office then prepares what's called a Project Analysis Report; and it also looks at the Power Plant Siting Act and makes a recommendation on whether it should be approved, denied, or approved with conditions; and then also drafts whatever conditions for certification would be applicable to that plant.

At that point, if no party or agency objects to the certification of the power plant, the process would then be -- the Division of Administrative Hearings would relinquish
jurisdiction to the Department for entry of a final order when there is no dispute. However, if there is an objection from either an agency or an outside entity, as there is in the case here with Sierra Club, the matter stays with the Division of Administrative Hearings; and the Administrative Law Judge holds a certification hearing and ultimately issues a recommended order.

Once that recommended order is issued, the Siting Board must act on the application. Parties can file exceptions and responses to the exceptions; and then the Department, as staff to the Board, will prepare a draft final order. And then the Siting Board must determine whether the application should be approved, approved with conditions, or ultimately denied.

In making that review of the recommended order, the Florida Administrative Procedures Act provides a standard of review, as with any agency that is reviewing a recommended order, when you're looking at the findings of facts and conclusions of law made in a recommended order.

As to findings of facts, an agency cannot modify or reject a finding of fact unless it is wholly unsupported by competent substantial
evidence. Competent substantial evidence refers to
the quantity of the evidence.

So if an Administrative Law Judge makes a
finding and it's based on some evidence in the
record, it cannot be overturned. It's not a --
competent and substantial evidence is not a
qualitative measure. So the Board cannot reweigh
evidence, and it cannot judge the credibility of
the witnesses. That is for the Administrative Law
Judge to do.

Lastly, the Board cannot make additional or
independent findings of facts.

As to conclusions of law, an agency can reject
or modify conclusions of law that is within that
Agency's substantive jurisdiction or within its
field of expertise. So that's the overview of the
Power Plant Siting Act.

The project itself, Tampa Electric applied to
the Department in April of last year to certify its
existing Units 1, 2, and 3 at its Big Bend power
station. Unit 4 is also on the site but has
already been certified and is not the subject of
this application.

They also applied for changes to the plant,
which they call the modernization project.
Units 1, 2, and 3 are 1970's era units that can burn both coal or natural gas. Currently they're burning natural gas.

The modernization project would re-power Unit 1 to an efficient natural gas-fired, two-on-one combined cycle facility. Ultimately, they would retire Unit 2, and Unit 3 would remain as it is today.

Once the application came in, the Siting Coordination Office did as I described earlier; and then the application went to all of the reviewing agencies. Those reviewing agencies came back with all recommendations of approval or no objections and also submitted conditions for the certification.

During the certification process, Sierra Club intervened in the process and objected to the certification. And so in March of this year, a certification hearing was held by the Administrative Law Judge. Ultimately, that Administrative Law Judge issued a recommended order recommending that the Siting Board approve the certification.

And in making that recommendation, the Administrative Law Judge found that the
certification and modernization project would have a number of environmental benefits. She found that the generators at the facilities would be the most efficient generating technology currently available for a plant.

She also found that there would be a substantial reduction in air emissions at the plant, including greenhouse gas emissions; which if you compare the after the modernization project to the current Units 1 and 2 continuing to operate, there would be reductions -- she found that there would be reductions in over 18 million tons of greenhouse gasses over the next 30 years and 21 million pounds of other pollutants over the next 30 years. And if you compared it to Units 1 and 2 continuing to operate on coal, the reductions would even be more substantial.

The Administrative Law Judge also found that there would be reductions in water withdrawals by up to 25 percent, which would reduce the impingement and entrainment in fish mortality from the intake structure of taking in water for cooling the plants. The Judge also found that with the elimination of coal usage on Units 1 and 2, that that would reduce the amount of coal combustion...
residual waste and solid waste at the site.

After the recommended order was issued, the parties filed exceptions and responses to those exceptions. Sierra Club filed a number of exceptions. DEP's litigation side of the house filed some exceptions on scrivener's errors and typographical-type errors. And Tampa Electric did not file any exceptions.

Those exceptions are addressed at length in the draft final order that will be before the Board. And so the Power Plant Siting Act, as I said, requires the Board to act on that application, either approving, approving with modifications, or denying. And because this is an existing power plant, the Board must also consider whether the proposed changes will result in environmental or other benefits compared to the current utilization of the site and operations.

Based on the standard of review I provided earlier and the criteria of the Power Plant Siting Act, the Department, as staff to the Board, prepared a final order that ultimately rejects all the exceptions filed by the parties except for some of the minor scrivener errors pointed out by the Department.
And ultimately, the final order adopts the recommended order of the Administrative Law Judge approving certification. And that's what the Department's recommendation is here, is to approve that draft final order.

Unless there's any questions, I was going to ask the representatives of the parties to come and speak.

MR. BEAUBIEN: So just for kind of structure, next week you'll go through the same process with the principals, and then each side will --

ATTORNEY WOLFE: That's what -- yes. That's what I was planning on doing unless you -- I'll leave it up to you or the principals to head wherever they'd like to head.

MR. BEAUBIEN: Yeah. No, I think that would be great.

ATTORNEY WOLFE: Okay.

MR. TROOP: Good morning.

ATTORNEY WOLFE: Good morning.

MR. TROOP: Just to back up, if I heard you right, you said that the water intake would be reduced by 25 percent?

ATTORNEY WOLFE: That's right.

MR. TROOP: Thank you.
And as to -- I know they're myriad, but the agency reports, the reviewing agencies, specifically FWC's report as to the effects, if any, good, bad, or otherwise on the Manatee area, which is just south of this facility and just north of Apollo Beach, can you speak to that?

ATTORNEY WOLFE: Sure. And I believe probably maybe Sierra Club and Tampa Electric could probably speak a little bit more to it.

But ultimately FWC did recommend approval of the project. They did recommend that there be monitoring and mitigation plans submitted, long-term mitigation strategies for manatees. But ultimately they found that it was approvable.

MR. TROOP: Great.

ATTORNEY WOLFE: With that, I'll invite Diana Csank up for Sierra Club.

MR. BEAUBIEN: Good morning.

ATTORNEY CSANK: Good morning. Diana Csank representing Sierra Club and my own life-long connection to Tampa Bay.

Fundamentally, this matter concerns a dirty energy project that the company is proposing to site in one of the world's most dangerous locations. Tampa Bay is, as the record shows, one
of the places most vulnerable to devastating storm
surges, to flooding.

Moreover, the site that TECO has chosen for
its dirty energy project will harm -- has the
potential to harm communities that are already
vulnerable to dislocation from flooding:
Communities of color, low income communities.
That's what this matter is about.

And I'd like to spend my limited time here
today, assuming that you and your principals have
Sierra Club's exceptions which detail the grounds
for Sierra Club urging the Board to deny this
project, I'd like to focus on three key issues in
this case: Need, in other words, the state's
electric energy needs; and, relatedly, the issue of
reliability and whether this project can actually
viably serve that need; and the environmental
impacts of this dirty project and its impact on,
again, these already disadvantaged communities.

I urge you to listen closely and to read
closely the company's papers and the positions it
takes with respect to this issue of need. And to
be clear, this is an unprecedented position that
the company is taking; that its project that would
double the output of a power plant, an already
large, existing power plant, and commit Florida to relying on a fossil fuel, gas, that's coming from thousands of miles away for the next 30 years, that's undisputed. This is what the company plans to do. Their position is that no one should review whether that's even needed.

And it's really important to remember that the company at issue is a monopoly. It's a public utility. What it does is it takes public money, and it's supposed to take that public money to serve the public.

And that's why the Board is in this position. That's why it has jurisdiction under the Siting Act to scrutinize what these types of monopolies come forward with and how they want to spend public money to ensure that that is actually a prudent use of that money and will ultimately serve the broad interests of the people of Florida.

So Sierra Club maintains that under Florida law, the company is incorrect. It must obtain a need determination, and regardless of this threshold issue which we briefed under Section 403.5175 of the Siting Act, the fact remains that under Section 403.509 of the Act, which undisputedly applies to this case, the Board has
authority to consider need. The plain language says the Board shall consider need under the criteria in Subsection 3. And so need is a critical issue in this case, and the company's position is completely unprecedented and wrong.

Second, there's this issue of the site itself. This is a site certification case. And the problem is that the company is taking the position that in this very vulnerable site to flooding -- and the company admits that if its proposed, you know, 14-, 17-foot flood walls were overtopped by storm surges that all of the conservative government projections indicate are liable to fall here within the 30-year projected operating life of this project, that the facility, these electric generators that are supposed to reliably serve the people of Florida would be inundated.

They didn't put on any evidence. The Judge didn't make any findings below that it could actually operate when inundated, or that people would actually have reliable power; that nursing homes and all of these critical facilities would actually be able to serve the people of Florida.

This is a huge omission. And while your principals do not have the authority to supplement
missing findings of fact in the recommended order, you certainly have the authority to reject a project like this one on the company's failure to satisfy your principals that they are doing the right thing for the people of Florida.

And finally, there's this issue of environmental benefits. Mr. Wolfe rattled off a variety of claimed benefits of the project. The problem with those claimed benefits is that they are a measure, a projected change relative to a false base line.

So you heard Mr. Wolfe say that the facility -- the existing old power plants at Big Bend can burn gas and coal. Well, that's simply not true under the premise that these units are operating under. Today they can only burn gas.

And so what the company is trying to do is double count the benefits of an existing -- a past conversion. So again, these were -- the power plant we're talking about is one that burns -- that used to burn coal. Workers died because of those coal-burning operations.

The cleaner, greener approach that the company has put forward is to burn gas. They're already
doing that. Under their permits, they would have
to go back to DEP to get permission and make
additional changes to be able to burn gas again.
But they're trying to claim that this proposed
project would be the thing that produces these
benefits.

So there, too, as our briefing explains
further, there's a real problem; and the order
before you doesn't grapple with the evidence; and
furthermore, there were errors in the evidentiary
rulings below. And evidence that this Board --
that these principals considered in a site
certification case just last year were excluded
from the record wrongly.

And so for all of those reasons, Sierra Club
urges the Board to deny this project and, per
Section 403.509(1)(b), set forth actions that the
company would have to take to actually secure
approval from the Board. And if you'll permit me,
I can explain what those actions should include,
and of course they're not limited to:

Number 1, seeking and obtaining a need
determination that there's actually an unmet need
and whatever the company is proposing to do would
meet that need. And you'll hear from the company,
yes, the Florida Public Service Commission is
normally the one that makes that need
determination; but the company has evaded, in
unprecedented fashion, that need determination.
What are they trying to hide?

Number 2, they should alter this project. The
site they've chosen does not make sense. They do
not have any evidence. They never actually
analyzed whether it can viably serve the people of
Florida if it were inundated as government
projections say it very well could be.

And finally, there should be a meaningful
public participation opportunity here. Again, the
process that was described is effectively
meaningless, because the company all along has
obfuscated what this project really is and what the
environmental harms really are, moving to exclude
evidence, moving to block Sierra Club from
participating and protesting this matter.

And so we would urge you in issuing this order
to deny the project, to specify that meaningful
public participation is crucial, especially when
considering such a weighty matter.

I thank you for your time, and I welcome
questions.
MR. BEAUBIEN: Thank you.
Does anybody have any questions?
(NO RESPONSE).

MR. BEAUBIEN: All right. I think we're good.
Thank you.

ATTORNEY CURTIN: Good morning. My name is
Larry Curtin. I'm with Holland & Knight here in
Tallahassee representing Tampa Electric Company.

I have just a few comments. I think Mr. Wolfe
adequately described the project, did a good job of
describing the siting process.

With respect to the suggestion from the
Sierra Club that Tampa Electric Company is taking
the position that no one should review the project,
we're taking a fairly interesting path to
accomplish that by going through the Siting Act
with all of the public participation that's
involved in that, a five-day hearing, hours of
public testimony -- testimony from the public, and
now of course the Cabinet meeting.

It's a pretty open process, and the
Sierra Club may not -- you know, they may think
that it should be a different process, but we
followed to the letter what was presented in the
statute.
And so I think the public participation has been extremely meaningful. Several notices of intent to issue permits that are wrapped into this process, notices of intent to comment on land use determinations and other things have occurred during the entire process. And of course the Sierra Club obviously is participating and has participated fully. So I think that's, you know, sort of an interesting argument.

But in any event, you know, obviously as Mr. Wolfe has said, the recommended order has addressed all of these issues. All of these arguments that are being made now by the Sierra Club were presented and rejected, and the project has been determined to meet all of the standards that are applicable.

The standards for greenhouse gasses, emissions, are federal standards which the company will meet and exceed. That's been determined. There's going to be a significant reduction in carbon dioxide emissions. And with respect to the issue of flooding, the requirements that are applicable are Hillsborough County requirements, which the company is meeting and exceeding, and those are the requirements.
What the Sierra Club would like us to do is go into a hearing and litigate, you know, questions that are esoteric questions for which no one has set any standards. And the statute says that we're entitled to have the application reviewed under the standards that are adopted and applicable at the time we filed, and that's what we did.

And so, you know, the question of whether or not something should be done about climate change issues is really a larger question than one applicant can address. If this project was completely eliminated, it would have no effect, none. And because it's -- you know, obviously it's a wider problem than just the United States of America, certainly Tampa or Hillsborough County.

With respect to the argument that we should be able -- we should have to demonstrate that we can reliably deliver power when the plant is underwater, I find kind of amusing. But in any event, you know, a lot of evidence was submitted by Tampa Electric Company about the emergency plans, the storm preparedness plans that they have in place to protect the equipment and the employees, and which every utility has.

And what would happen if a major storm were
to, you know, present itself and was going to hit
the area, in coordination with the local
governments, we'd shut the plant down and we would
evacuate like every other person who, you know, is
fairly sane, get out of harm's way, and then come
back after. And that's why we have an electric
grid. That's why, you know, this plant will
contribute to the grid, but it isn't going to be
the entire grid. And, you know, not withstanding
the quip made by one of their expert witnesses,
most people are not going to be in the area if
there is a big storm.

You know, the plant is going to eliminate two
clean coal -- you know, two coal burning facilities and
replace them, re-power them. Natural gas is a very
clean fuel, and so there's going to be significant
improvements in emission reductions. You've heard
of the reductions in the water use and the water
discharges.

The plant is being constructed at a place
where it's already been disturbed, so there are
minimal impacts on the environment. There's
virtually no wetland impacts, very minuscule
wetland impacts. And there are a lot of safeguards
that are going to be in place in order to ensure
that, you know, archeological sites, if there are
any, are protected, and that sort of thing. And
that will all be monitored.

With respect, just briefly, to the manatee
issue, there is a manatee sanctuary there at Big
Bend. Tampa Electric Company operates a manatee
viewing center which gets literally hundreds of
thousands of visitors every year to come and view
that, and certainly we don't want to have anything
happen to the manatees. It's an important
component of the facility there.

So we spent literally four months or more
negotiating back and forth with the Fish and
Wildlife Conservation Commission to be sure that
they were satisfied that there wasn't going to be
any adverse impact. The main concern being the
construction period and whether or not there would
be units available to deliver the heated water so
that the manatees could come in and have the heated
sanctuary.

And we have submitted to them statistical
information and other information about the
operational aspects of the facilities that are
there and will remain there, and they're satisfied
that that will occur. And of course the conditions
of certification also have a number of monitoring
requirements and that sort of thing.

So I think, you know, sort of to wrap it up,
we think there's a lot of benefits to the plant.
We think that obviously there's a lot of different
things you can do. The reliability of the grid is
something that's kind of a very complex energy -- I
mean engineering task, and things just don't get
done overnight.

The Sierra Club would like us to turn to
solar. The company is doing that to a degree that
they can, but we can't do it, you know, completely
overnight, and they're not willing to wait.

We think this is a good first step, and the
company is committed to proceed along this basis.
It's got a lot of environmental benefits, and we
think it ought to be approved.

MR. BEAUBIEN: Does anybody have any questions
for TECO?

(NO RESPONSE).

MR. BEAUBIEN: Thank you, sir.

ATTORNEY CURTIN: Thank you.

ATTORNEY WOLFE: I believe that's it for the
Siting.

MR. BEAUBIEN: All right. Well, that
concludes the meeting of Cabinet Aides.

Just a reminder, the Cabinet meeting next week is on Thursday, July 25th, not Tuesday, Thursday.

Thank you very much. We're adjourned.

(WHEREUPON, THE MEETING WAS ADJOINED).

* * * *
CERTIFICATE

STATE OF FLORIDA )
COUNTY OF LEON )

I, NANCY S. METZKE, RPR, FPR, certify that I was authorized to and did stenographically report the foregoing proceedings and that the transcript is a true and complete record of my stenographic notes.

DATED this 29th day of July, 2019.

[Signature]
NANCY S. METZKE, RPR, FPR
Court Reporter
<table>
<thead>
<tr>
<th>Page</th>
<th>$</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>24.8[1] - 5.25</td>
<td>3</td>
<td>10</td>
<td>12</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>25th[1] - 5.5</td>
<td>14</td>
<td>16</td>
<td>18</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td>29th[1] - 50.7</td>
<td>14</td>
<td>16</td>
<td>18</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td>3[1] - 6.3, 9.3, 13.11, 18.21, 23.4</td>
<td>14</td>
<td>16</td>
<td>18</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td>3.8[1] - 5.24</td>
<td>14</td>
<td>16</td>
<td>18</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td>30[1] - 33.13, 33.14, 38.3</td>
<td>14</td>
<td>16</td>
<td>18</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td>301[1] - 14.5, 20.3</td>
<td>14</td>
<td>16</td>
<td>18</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td>3093[1] - 1.23</td>
<td>14</td>
<td>16</td>
<td>18</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td>30th[1] - 27.14</td>
<td>14</td>
<td>16</td>
<td>18</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td>31st[1] - 9.15</td>
<td>14</td>
<td>16</td>
<td>18</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td>32315-3093[1] - 1.24</td>
<td>14</td>
<td>16</td>
<td>18</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td>4.1[1] - 6.18</td>
<td>14</td>
<td>16</td>
<td>18</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>4.2[1] - 23.8</td>
<td>14</td>
<td>16</td>
<td>18</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>4.4[1] - 5.15</td>
<td>14</td>
<td>16</td>
<td>18</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>40[1] - 23.11</td>
<td>14</td>
<td>16</td>
<td>18</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>403.509[1] - 38.24</td>
<td>14</td>
<td>16</td>
<td>18</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>403.509<a href="b">1</a>[1] - 41.17</td>
<td>14</td>
<td>16</td>
<td>18</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>403.517[1] - 38.23</td>
<td>14</td>
<td>16</td>
<td>18</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>4th[1] - 8.10, 8.24, 13.6, 22.15</td>
<td>14</td>
<td>16</td>
<td>18</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>5[1] - 14.1, 14.8, 19.11, 24.5</td>
<td>14</td>
<td>16</td>
<td>18</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>500[1] - 25.8</td>
<td>14</td>
<td>16</td>
<td>18</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>500-foot[1] - 25.4</td>
<td>14</td>
<td>16</td>
<td>18</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>500-mile[1] - 25.2</td>
<td>14</td>
<td>16</td>
<td>18</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>52[1] - 25.1</td>
<td>14</td>
<td>16</td>
<td>18</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>559,311[1] - 24.20</td>
<td>14</td>
<td>16</td>
<td>18</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>57[1] - 23.22</td>
<td>14</td>
<td>16</td>
<td>18</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>6.2[1] - 5.17</td>
<td>14</td>
<td>16</td>
<td>18</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>6.5[1] - 23.25</td>
<td>14</td>
<td>16</td>
<td>18</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>697-9314[1] - 1.24</td>
<td>14</td>
<td>16</td>
<td>18</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>69V-660[1] - 10.13</td>
<td>14</td>
<td>16</td>
<td>18</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>69W-1000[1] - 11.3</td>
<td>14</td>
<td>16</td>
<td>18</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>69W-301.002[1] - 11.4</td>
<td>14</td>
<td>16</td>
<td>18</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>69W-600[1] - 11.2</td>
<td>14</td>
<td>16</td>
<td>18</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>69W-600.020[1] - 11.5</td>
<td>14</td>
<td>16</td>
<td>18</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>69W-700[1] - 11.3</td>
<td>14</td>
<td>16</td>
<td>18</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>69W-800[1] - 11.3</td>
<td>14</td>
<td>16</td>
<td>18</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>69W-800.003[1] - 11.5</td>
<td>14</td>
<td>16</td>
<td>18</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>69W-900[1] - 11.3</td>
<td>14</td>
<td>16</td>
<td>18</td>
<td>9</td>
</tr>
<tr>
<td><strong>W</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>---</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>waste [2] - 34:1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>welcome [1] - 42:24</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>wholly [1] - 30:25</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>wider [1] - 45:14</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>WILLIAMS [1] - 1:13</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>wise [1] - 7:3</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>withdrawals [1] - 33:19</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>words [1] - 37:14</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>workshops [1] - 9:15</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>world's [1] - 36:24</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>wrap [1] - 48:3</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>wrapped [1] - 44:3</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>wrongly [1] - 41:14</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>U</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>underwater [1] - 45:19</td>
</tr>
<tr>
<td>undiscussed [1] - 38:4</td>
</tr>
<tr>
<td>undisputedly [1] - 38:25</td>
</tr>
<tr>
<td>uniformity [1] - 20:25</td>
</tr>
<tr>
<td>unit [1] - 31:21</td>
</tr>
<tr>
<td>Unit [9] - 32:5, 32:7</td>
</tr>
<tr>
<td>United [1] - 45:14</td>
</tr>
<tr>
<td>University [1] - 5:12</td>
</tr>
<tr>
<td>unmet [1] - 41:23</td>
</tr>
<tr>
<td>updates [1] - 11:7</td>
</tr>
<tr>
<td>upland [1] - 24:12</td>
</tr>
<tr>
<td>urges [1] - 41:16</td>
</tr>
<tr>
<td>urging [1] - 37:12</td>
</tr>
<tr>
<td>usage [1] - 33:24</td>
</tr>
<tr>
<td>utilization [1] - 34:18</td>
</tr>
<tr>
<td>utilized [1] - 11:9</td>
</tr>
<tr>
<td>utilizing [1] - 6:20</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>V</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>variety [1] - 40:8</td>
</tr>
<tr>
<td>vehicle [1] - 6:21</td>
</tr>
<tr>
<td>view [1] - 47:8</td>
</tr>
<tr>
<td>visitors [1] - 47:8</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Y</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>yesterday [1] - 15:16</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Z</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Zone [1] - 23:7</td>
</tr>
</tbody>
</table>