

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and purchased power cost recovery
clause with generating performance incentive
factor.

DOCKET NO. 140001-EI
ORDER NO. PSC-14-0439-PCO-EI
ISSUED: August 22, 2014

ORDER ESTABLISHING PROCEDURE
FOR FLORIDA POWER & LIGHT COMPANY'S DEFERRED ISSUES

By its Order Establishing Procedure, Order No. PSC-14-0084-PCO-EI (OEP), issued February 4, 2014, the Florida Public Service Commission (Commission) set October 22-24, 2014, hearing dates to consider the fuel and generating performance incentive factors for Florida's investor-owned electric utilities. By petition dated June 25, 2014, Florida Power & Light Company (FPL) sought to add novel issues concerning gas reserves for the Commission's consideration during the October hearing. In particular, FPL requested:

a determination that it is prudent for FPL to acquire an interest in a natural gas reserve project that will provide price stability and projected fuel savings for customers; and that the revenue requirements associated with investing in and operating the gas reserves are eligible for recovery through the Fuel and Purchased Power Cost Recovery Clause ("Fuel Clause"). FPL further requests that the Commission establish guidelines under which FPL could participate in future gas reserve projects and recover their costs through the Fuel Clause without prior Commission approval, subject to the Commission's established process for reviewing fuel-related transactions in Fuel Clause proceedings.

FPL's petition was accompanied by three sets of prefiled testimony and exhibits in support of its request.

By motion filed August 1, 2014, FPL and the Office of Public Counsel (OPC) seek approval of a stipulation they entered to modify the OEP's schedule for discovery, prefiled testimony, and briefs so that the novel gas reserve issues could be heard at the October 22-24, 2014, hearing and a vote be taken before the end of the calendar year. FPL and OPC also proposed that "OPC's issue concerning the extended refueling outage at FPL's St. Lucie Unit 2 be deferred to next year's Fuel Clause proceeding." No party filed a response in opposition to the motion.

Gas Reserve Issues

In their motion, FPL and OPC raised their concern that "the current schedule in this docket does not adequately define a path forward for pre-filing testimony, conducting discovery, presenting evidence, briefing and ultimately a Commission decision on the gas reserve issues by the end of the year." FPL's June 25 petition is a case of first impression that will impact the Commission's consideration of gas reserves on a going forward basis; therefore, adequate time

must be provided to all parties and staff to prepare their case. To provide sufficient time, any issues raised concerning the gas reserve petition shall be deferred to a December 1-2, 2014 hearing.

The following controlling dates are established for the issues raised concerning FPL's gas reserve petition:

OPC/Intervenor Testimony and Exhibits, if any	September 22, 2014
Staff Testimony and Exhibits, if any	September 29, 2014
Rebuttal Testimony, if any	October 13, 2014
Prehearing Statements	October 27, 2014
Prehearing Conference	November 6, 2014
Last Day to Conduct Discovery	November 14, 2014
Hearing	December 1-2, 2014
Post-Hearing Statements of Issues and Positions, And Briefs, if any	December 12, 2014

As requested by FPL and OPC, there shall be a 20-day turnaround for written discovery on the gas reserve issues. The OEP is reaffirmed in all other respects.

St. Lucie Unit 2 Issues

As requested by FPL and OPC, OPC's issue concerning the costs of replacement power associated with the St. Lucie Unit 2 extended refueling outage shall be deferred to the 2015 Fuel Clause hearing, which is when the final true-up for 2014 fuel costs will be addressed. The proposal to hold until next year, subject to refund with interest, the actual fuel and purchased power costs incurred for the extended outage will be taken up by the full Commission at the October 22-24, 2014 Fuel Clause hearing.

It is, therefore,

ORDERED by Commissioner Julie I. Brown that FPL and OPC's Motion for Approval of Stipulation for Schedule to Decide on Gas Reserve Project Issues and Deferral of St. Lucie Unit 2 Extended Refueling Outage Issue is granted in part and denied in part, as discussed above. It is further

ORDERED that Order No. PSC-14-0084-PCO-EI is reaffirmed in all other respects.

By ORDER of Commissioner Julie I. Brown, as Prehearing Officer, this 22nd day of
August, 2014.



JULIE I. BROWN
Commissioner and Prehearing Officer
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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.

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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.