BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Power & Light Company.

In re: Petition for approval of 2016-2018 storm hardening plan, by Florida Power & Light Company.

In re: 2016 depreciation and dismantlement study by Florida Power & Light Company.

In re: Petition for limited proceeding to modify and continue incentive mechanism, by Florida Power & Light Company. DOCKET NO. 160021-EI

DOCKET NO. 160061-EI

DOCKET NO. 160062-EI

DOCKET NO. 160088-EI ORDER NO. PSC-16-0299-PCO-EI ISSUED: July 27, 2016

ORDER GRANTING SIERRA CLUB'S PETITION TO INTERVENE

On January 15, 2016, Florida Power & Light Company (FPL) filed a test year letter, as required by Rule 25-6.140, Florida Administrative Code (F.A.C.), notifying this Commission of its intent to file a petition between March 15 and March 31, 2016, for an increase in rates effective 2017. Pursuant to the provisions of Chapter 366, Florida Statutes (F.S.), and Rules 25-6.0425 and 25-6.043, F.A.C. The hearing for the FPL rate case is scheduled on August 22 through September 2, 2016.

Petition for Intervention

By petition dated July 18, 2016, the Sierra Club filed its Petition to Intervene (Petition). The Sierra Club states that it is an ad hoc association having 30,000 members who reside in Florida, many in FPL's service area, and whose goal is reducing pollution through equitable public health and environmental safeguards, and through the rapid transition away from fossil fuel burning generation. The Sierra Club asserts that its interests are of the type that this proceeding is designed to protect since this proceeding is to evaluate FPL's request for a rate increase, phased in over a four year period, which seeks to recover the costs of nearly \$1.65 billion in upgrades to three of its existing fossil fuel generation plants. Therefore, the purpose of the hearing coincides with the Sierra Club's substantial interests: to transition electric utilities away from burning fossil fuels and toward low cost, low risk clean energy alternatives. The Sierra Club also points out that a substantial number of its Florida members are customers of FPL and directly affected by the rates that will be established in this proceeding. Finally, the Sierra Club states that it has contacted all the parties to this proceeding and none oppose its intervention.

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Standards for Intervention

Pursuant to Rule 25-22.039, F.A.C.,

Persons, other than the original parties to a pending proceeding, who have a substantial interest in the proceeding, and who desire to become parties may petition the presiding officer for leave to intervene. Petitions for leave to intervene must be filed at least five (5) days before the final hearing, must conform with Uniform subsection 28-106.201(2), F.A.C., and must include allegations sufficient to demonstrate that the intervenor is entitled to participate in the proceeding as a matter of constitutional or statutory right or pursuant to Commission rule, or that the substantial interests of the intervenor are subject to determination or will be affected through the proceeding....

To have standing, the intervenor must meet the two-prong standing test set forth in Agrico Chemical Company v. Department of Environmental Regulation, 406 So. 2d 478, 482 (Fla. 2nd DCA 1981). The intervenor must show that (1) he will suffer injury in fact which is of sufficient immediacy to entitle him to a Section 120.57, F.S., hearing, and (2) this substantial injury is of a type or nature which the proceeding is designed to protect. The first prong of the test addresses the degree of injury. The second addresses the nature of the injury. The "injury in fact" must be both real and immediate and not speculative or conjectural. International Jai-Alai Players Assn. v. Florida Pari-Mutuel Commission, 561 So. 2d 1224, 1225-26 (Fla. 3rd DCA 1990). See also, Village Park Mobile Home Assn., Inc. v. State Dept. of Business Regulation, 506 So. 2d 426, 434 (Fla. 1st DCA 1987), rev. den., 513 So. 2d 1063 (Fla. 1987) (speculation on the possible occurrence of injurious events is too remote).

The test for associational standing was established in Florida Home Builders v. Dept. of Labor and Employment Security, 412 So. 2d 351 (Fla. 1982), and Farmworker Rights Organization, Inc. v. Dept. of Health and Rehabilitative Services, 417 So. 2d 753 (Fla. 1st DCA 1982), which is also based on the basic standing principles established in Agrico. Associational standing may be found where: (1) the association demonstrates that a substantial number of an association's members may be substantially affected by the Commission's decision in a docket; (2) the subject matter of the proceeding is within the association's general scope of interest and activity; and (3) the relief requested is of a type appropriate for the association to receive on behalf of its members.

Analysis & Ruling

Based upon a review of the materials provided by the Sierra Club, it appears that the Sierra Club meets the two-prong standing test in <u>Agrico</u> as well as the three-prong associational standing test established in <u>Florida Home Builders</u>. The Sierra Club's members' substantial interests are affected since increases in the cost of electricity directly affect their monthly electric bills. This proceeding is to determine the just and reasonable electric rates to be charged by FPL. Therefore, the Sierra Club's members meet the two-prong standing test of Agrico.

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With respect to the first prong of the associational standing test, the Sierra Club asserts that some of its members are located in FPL's service area and receive electric service from FPL, for which they are charged FPL's applicable service rates. Accordingly, the Sierra Club states that its members will be substantially affected by this Commission's determination in this rate proceeding. With respect to the second prong of the associational standing test, the subject matter of the proceeding appears to be within the Sierra Club's general scope of interest and activity. The Sierra Club is an association organized with the purpose of advocating for the use of clean energy alternatives to the fossil fuel generation for which recovery is sought in this rate case. As for the third prong of the associational standing test, the Sierra Club seeks intervention in this docket to represent the interests of its members before the Commission. The relief requested by the Sierra Club is of a type appropriate for an association to obtain on behalf of its members.

Because the Sierra Club meets the two-prong standing test established in <u>Agrico</u> as well as the three-prong associational standing test established in <u>Florida Home Builders</u>, the Sierra Club's petition for intervention shall be granted. Pursuant to Rule 25-22.039, F.A.C., the Sierra Club takes the case as it finds it.

Based on the foregoing, it is

ORDERED by Commissioner Lisa Polak Edgar, as Prehearing Officer, that the Petition to Intervene filed by the Sierra Club is hereby granted as set forth in the body of this Order. It is further

ORDERED that all parties to this proceeding shall furnish copies of all testimony, exhibits, pleadings and other documents which may hereinafter be filed in this proceeding to:

Diana Csank Staff Attorney Sierra Club 50 F Street NW, 8th Floor Washington, D.C. 20001 Telephone: (202) 548-4595

E-mail: diana.csank@sierraclub.org

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By ORDER of Commissioner Lisa Polak Edgar, as Prehearing Officer, this <u>27th</u> day of <u>July</u>, <u>2016</u>.

Lisa Polak Edgar ISA POLAK EDGAR

Commissioner and Prehearing Officer Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399 (850) 413-6770 www.floridapsc.com

Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

SBr

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.