

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition of Florida Power & Light Company for Temporary Variance from or Waiver of Rule 25-6.0143(1)(g), Florida Administrative Code, to file for prudence review of FPL storm costs related to Hurricane Isaias and Tropical Storm Eta, and for prudence review and cost recovery of Gulf Power storm costs related to Hurricane Sally and Hurricane Zeta

Docket No. _____

Filed: August 3, 2021

FLORIDA POWER & LIGHT COMPANY'S PETITION FOR TEMPORARY VARIANCE FROM OR WAIVER OF RULE 25-6.0143(1)(g), FLORIDA ADMINISTRATIVE CODE, TO FILE FOR PRUDENCE REVIEW OF FPL STORM COSTS RELATED TO HURRICANE ISAIAS AND TROPICAL STORM ETA, AND FOR PRUDENCE REVIEW AND RECOVERY OF GULF POWER STORM COSTS RELATED TO HURRICANE SALLY AND HURRICANE ZETA

Pursuant to Rule 28-104.002, Florida Administrative Code ("F.A.C") and Section 120.542, Florida Statutes ("F.S."), Florida Power & Light Company ("FPL" or the "Company") respectfully petitions the Florida Public Service Commission (the "Commission") for a three-month variance from or waiver of Rule 25-6.0143(1)(g), F.A.C. (the "Petition"), such that FPL and Gulf Power Company ("Gulf"), shall file for prudence review of FPL's Hurricane Isaias and Tropical Storm Eta storm costs and for prudence review and recovery of Gulf's Hurricane Sally and Hurricane Zeta storm costs no later than December 31, 2021.

FPL respectfully requests that the Commission consider this Petition for a temporary variance or waiver on an expedited basis. As explained below, expedited consideration is appropriate to facilitate the orderly and efficient preparations and filing of petitions in which the Commission will be asked to determine the prudence of storm costs incurred by FPL related to Hurricane Isaias and Tropical Storm Eta, and the prudence and recovery of storm costs incurred by Gulf related to Hurricane Sally and Hurricane Zeta.

In support of this Petition, FPL states:

I. PRELIMINARY INFORMATION

1. The name and address of the Petitioner is:

Florida Power & Light Company
700 Universe Boulevard
Juno Beach, Florida 33408

2. Any pleading, motion, notice, order or other document required to be served upon FPL or Gulf or filed by any party to this proceeding should be served upon the following individual(s):

Kenneth A. Hoffman
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3. FPL is a corporation organized and existing under the laws of the State of Florida and is an electric utility as defined in Section 366.02(2), F.S.

4. The Commission has jurisdiction pursuant to Sections 366.03, 366.04, 366.05, 366.06, 366.076, and 120.542, F.S.

5. This Petition is being filed consistent with Rule 28-104.002, F.A.C., and Section 120.542, F.S., and although this Petition is not being filed pursuant to Rules 28-104.004 and 28-104.005, F.A.C., FPL is seeking expedited consideration of this petition.

II. REQUEST FOR TEMPORARY VARIANCE OR WAIVER

6. Rule 25-6.0143(1)(g), F.A.C., (the “Rule”) provides in pertinent part as follows:

(1)(g) Under the ICCA methodology for determining the allowable costs to be charged to cover storm-related damages, certain costs may be charged to Account 228.1 only after review and approval by the Commission. Prior to the Commission’s determination of the appropriateness of including such costs in Account No. 228.1, the costs may be deferred in Account No. 186, Miscellaneous

Deferred Debits. The deferred costs must be incurred prior to June 1 of the year following the storm event. By September 30 a utility must file a petition for the disposition of any costs deferred prior to June 1 of the year following the storm event giving rise to the deferred costs.

7. FPL's storm costs related to Hurricane Isaias and Tropical Storm Eta, and Gulf's storm costs related to Hurricane Sally and Hurricane Zeta, were incurred during the 2020 storm season, such that storm costs for these four storms were incurred prior to June 1, 2021. As such, in accordance with the Rule, FPL and Gulf¹ are arguably obligated to file their respective petitions for disposition of those costs by September 30, 2021.²

8. As this Petition is being filed, FPL, Gulf, the Office of Public Counsel ("OPC"), and the Commission Staff are all engaged in the litigation of and preparations for the technical hearing in Docket No. 20210015-EI (the "FPL Rate Case") which is scheduled to take place from August 16, 2021 through August 27, 2021.

9. In addition to the foregoing, FPL, Gulf, OPC and Commission Staff are also engaged in discovery and preparations related to a number of other proceedings, including but not limited to clause proceedings which are scheduled for final hearings November 2, 2021 through November 4, 2021.³

10. FPL's Power Delivery Business Unit provides much of the information and data necessary to the preparations and filing of the referenced storm dockets. In addition to the

¹ With respect to Hurricane Sally, Gulf's Petition for Limited Proceeding for Recovery of Incremental Storm Restoration Costs filed November 10, 2020, is pending in Docket No. 20200241-EI. Order No. PSC-2021-0112-PCO-EI issued March 22, 2021 approved Gulf's request for an interim storm restoration recovery charge, subject to refund, while adding the following requirement: "Once the total actual costs are known, the utility shall file the documentation of the storm costs for our review and true up of any excess or shortfall."

² Because FPL's non-capital storm costs related to Hurricane Isaias and Tropical Storm Eta have already been charged to O&M, as permitted by Rule 25-6.0143(h), F.A.C., these storm costs have not technically been deferred as that term is used in the Rule.

³ FPL and Gulf recognize that OPC and Commission Staff are also engaged in the litigation of other matters, including but not limited to the TECO Rate Case, Docket No. 20210034-EI, which is scheduled for hearing from October 18, 2021 through October 22, 2021.

significant FPL Rate Case demands on Power Delivery employees, this group is also responsible for maintaining the grid, preparing for and responding to tropical storms and hurricanes, and standing ready to assist other utilities whose service territories are impacted by natural disasters and other emergency events. The Power Delivery team has already responded to Hurricane Elsa in July in what is projected to be another extremely active storm season. Requiring the preparation and filing of the identified storm cost proceedings will necessarily detract from and adversely impact the Company's and specifically the Power Delivery Business Unit's ability to devote its full attention and resources to these critical tasks.

11. For the reasons addressed above, the preparation and filing of the petitions related to the four named storms identified in this Petition no later than September 30, 2021 will create a substantial hardship, as that term is used in Section 120.542(2), F.S. Further, no anticipated party to the proceedings, and no customers, will be prejudiced by the granting of this Petition.

12. In light of the foregoing, FPL and Gulf respectfully request a three-month variance from or waiver of Rule 25-6.0143(1)(g), F.A.C., such that the storm cost petitions (prudence for FPL, and prudence and storm cost recovery for Gulf) may be filed no later than December 31, 2021.

13. This requested variance or waiver is temporary in nature. After implementing this one-time request, should it be granted by the Commission, FPL and Gulf will comply with the filing deadlines for future proceedings brought pursuant to Rule 25-6.0143, F.A.C., absent extraordinary circumstances which could potentially result in a future request for a variance or waiver.

14. The underlying statutes that Rule 25.6.0143, F.A.C., is implementing are Sections 366.03, 366.04(2), 366.05(1) and 366.06(1), F.S. FPL's request does not contravene any of these

sections of the Florida Statutes, and in light of the foregoing, FPL's request would serve the underlying purposes of the statutes.

15. OPC has no objection to the relief requested in this Petition.

III. REQUEST FOR EXPEDITED CONSIDERATION

16. Although this petition is not filed pursuant to Rules 28-104.004 and 28-104.005, F.A.C., FPL is requesting expedited consideration of this petition.

17. FPL is requesting that the Commission place this item for consideration on the September 2021 Agenda.

IV. CONCLUSION

WHEREFORE, FPL respectfully requests that the Florida Public Service Commission:

- (i) consider this petition on an expedited basis;
- (ii) publish notice of this petition on an expedited basis;
- (iii) issue an order granting FPL a temporary variance from or waiver of Rule 25-6.0143(1)(g), F.A.C.; and
- (iv) grant such other relief as the Commission deems appropriate.

Respectfully submitted this 3rd day of August 2021.

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