

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Environmental Cost Recovery Clause

Docket No. 20240007-EI

Filed: October 11, 2024

FLORIDA POWER & LIGHT COMPANY’S PREHEARING STATEMENT

Florida Power & Light Company (“FPL”), pursuant to Order No. PSC-2024-0031-PCO-EI, hereby submits its Prehearing Statement regarding the issues to be addressed at the hearing scheduled for November 5-7, 2024.

1. WITNESSES

WITNESS	SUBJECT MATTER	ISSUE Nos.
Richard L. Hume	Presents Environmental Cost Recovery Clause (“ECRC”) final true-ups for FPL for 2023; FPL’s Actual/Estimated True-up for 2024; FPL’s Projections and ECRC factors for January through December 2025; and supports FPL’s Project Progress Report. Mr. Hume is an expert in electric utility rates and rate regulation.	1-10
Katharine MacGregor	Supports FPL O&M and capital variances for 2023; FPL’s O&M and capital variances for 2024; and FPL’s Project Progress Report. Ms. MacGregor is an expert in Florida environmental regulation and policy.	1-4

2. EXHIBITS

WITNESS	PROFFERED BY	EXHIBIT No.	DESCRIPTION	ISSUE Nos.
Richard L. Hume	FPL	RLH-1	2023 ECRC Final True-Up January 2023 – December 2023 Commission Forms 42-1A through 42-9A	1
Richard L. Hume	FPL	RLH-2	2024 ECRC Actual/Estimated True-up January 2024 - December 2024 Commission Forms 42-1E through 42-9E	2

WITNESS	PROFFERED BY	EXHIBIT No.	DESCRIPTION	ISSUE Nos.
Richard L. Hume, Katharine MacGregor	FPL	RLH-3	2025 ECRC Projection Filing January 2025 – December 2025 Commission Forms 42-1P through 42-8P (Form 42-P co-sponsored by Katharine MacGregor)	3-10 3-4
Richard L. Hume	FPL	RLH-4	2025 ECRC Projection Filing (Calculation of Stratified Separation Factors)	6

3. STATEMENT OF BASIC POSITION

FPL’s 2025 Environmental Cost Recovery Clause factors are reasonable and should be approved.

4. STATEMENT OF ISSUES AND POSITIONS

GENERIC ENVIRONMENTAL COST RECOVERY ISSUES

ISSUE 1: What are the final environmental cost recovery true-up amounts for the period January 2023 through December 2023?

FPL: \$7,623,275 over-recovery. (Hume, MacGregor)

ISSUE 2: What are the estimated/actual environmental cost recovery true-up amounts for the period January 2024 through December 2024?

FPL: \$18,176,707 under-recovery. (Hume, MacGregor)

ISSUE 3: What are the projected environmental cost recovery amounts for the period January 2025 through December 2025?

FPL: \$401,635,933. (Hume, MacGregor)

ISSUE 4: What are the environmental cost recovery amounts, including true-up amounts, for the period January 2025 through December 2025?

FPL: \$412,189,365. (Hume, MacGregor)

ISSUE 5: What depreciation rates should be used to develop the depreciation expense included in the total environmental cost recovery amounts for the period January 2025 through December 2025?

FPL: The depreciation rates used to calculate the depreciation expense should be the rates that are in effect during the period the allowed capital investment is in service. For the period January 2025 through December 2025, FPL will use the depreciation rates that were approved by the Commission in Order No. PSC-2021-0446-S-EI. (Hume)

ISSUE 6: What are the appropriate jurisdictional separation factors for the projected period January 2025 through December 2025?

FPL:	<u>ENERGY</u>	
	Retail Energy Jurisdictional Factor - Base/Solar	95.706242%
	Retail Energy Jurisdictional Factor - Intermediate	93.940532%
	Retail Energy Jurisdictional Factor - Peaking	95.601963%
	<u>DEMAND</u>	
	Retail Demand Jurisdictional Factor - Transmission	88.780684%
	Retail Demand Jurisdictional Factor - Base/Solar	96.010976%
	Retail Demand Jurisdictional Factor - Intermediate	95.415719%
	Retail Demand Jurisdictional Factor - Peaking	94.942846%
	Retail Demand Jurisdictional Factor - Distribution	100.0000%
	<u>GENERAL PLANT</u>	
	Retail General Plant Jurisdictional Factor - Labor	96.942531%
		(Hume)

ISSUE 7: What are the appropriate environmental cost recovery factors for the period January 2025 through December 2025 for each rate group?

FPL: FPL’s ECRC factors for the period January 2025 through December 2025 are:

RATE CLASS	Environmental Cost Recovery Factor (cents/kWh)
RS1/RTR1	0.361
GS1/GST1	0.324
GSD1/GSDT1/HLFT1/GSD1-EV	0.295
OS2	0.194
GSLD1/GSLDT1/CS1/CST1/HLFT2/GSLD1-EV	0.269
GSLD2/GSLDT2/CS2/CST2/HLFT3	0.256
GSLD3/GSLDT3/CS3/CST3	0.230
SST1T	0.237
SST1D1/SST1D2/SST1D3	0.753
CILC D/CILC G	0.245
CILC T	0.228
MET	0.275
OL1/SL1/SL1M/PL1	0.049
SL2/SL2M/GSCU1	0.233
	0.326
Total	0.361

(Hume)

ISSUE 8: What should be the effective date of the new environmental cost recovery factors for billing purposes?

FPL: The environmental cost recovery factors should be effective for meter readings that occur on or after January 1, 2025. These charges should continue in effect until modified by subsequent order of this Commission. (Hume)

ISSUE 9: Should the Commission approve revised tariffs reflecting the environmental cost recovery amounts and environmental cost recovery factors determined to be appropriate in this proceeding?

FPL: Yes. The Commission should approve FPL’s tariffs reflecting the environmental cost recovery amounts and environmental cost recovery factors as presented in this proceeding. (Hume)

ISSUE 10: Should this docket be closed?

FPL: No. This is a continuing docket and should remain open. (Hume)

5. **STIPULATED ISSUES**

None at this time.

6. **PENDING MOTIONS**

FPL has no pending motions at this time.

7. **PENDING REQUESTS FOR CONFIDENTIALITY**

FPL has no pending requests at this time.

8. **OBJECTIONS TO WITNESS QUALIFICATIONS AS AN EXPERT**

FPL does not object to any witness's qualifications as an expert at this time.

9. **REQUEST FOR SEQUESTRATION**

FPL does not request sequestration of any witnesses.

10. **COMPLIANCE WITH ORDER ESTABLISHING PROCEDURE**

There are no requirements of the Order Establishing Procedure with which FPL cannot comply.

Respectfully submitted,

By: s/ Maria Jose Moncada

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CERTIFICATE OF SERVICE
Docket No. 20240007-EI

I **HEREBY CERTIFY** that a true and correct copy of the foregoing has been furnished
by electronic service on this 11th day of October 2024 to the following:

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