

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for approval of accounting treatment for the transfer of proportional share of Plant Daniel Units 1 and 2 to Mississippi Power Company, by Florida Power & Light Company.

DOCKET NO. 20240155-EI
ORDER NO. PSC-2025-0222-S-EI
ISSUED: June 19, 2025

The following Commissioners participated in the disposition of this matter:

MIKE LA ROSA, Chairman
ART GRAHAM
GARY F. CLARK
ANDREW GILES FAY
GABRIELLA PASSIDOMO SMITH

FINAL ORDER APPROVING STIPULATION
AND SETTLEMENT AGREEMENT

BY THE COMMISSION:

Background

On November 8, 2024, Florida Power & Light Company (FPL or the Company) filed a petition for approval of the accounting treatment for the Company's transfer of its fifty percent proportional share of Plant Daniel Units 1 & 2 to Mississippi Power Company (MPC). By Order No. PSC-2025-0139-PAA-EI (PAA Order) issued April 21, 2025, we approved the petition and the accounting treatment proposed by FPL, subject to any timely filed request for hearing. In that PAA Order, we approved the creation of regulatory assets totaling \$36.02 million, and apportioned this total between base rates (\$31.04 million) and environmental costs (\$4.98 million). We also approved a recovery period of 10 years beginning at the next base rate reset, and a return on the unamortized asset balance at the Company's overall weighted average cost of capital.

On May 12, 2025, the Office of Public Counsel (OPC) filed a Petition Protesting Proposed Agency Action. OPC specifically protested only the one following issue in the PAA Order:

The price to be paid by FPL to Mississippi Power Company ("MPC"), and associated necessary accounting treatment, pursuant to the transaction that supports the transfer that is the subject of the Petition, in order for MPC to take ownership of FPL's share of Plant Daniel Units 1 & 2 and to relieve FPL of most Common Facilities costs related to the units.

On the following day, May 13, 2025, FPL and OPC filed a Joint Motion for Approval of Stipulation and Settlement Agreement. A copy of the Joint Motion and attached Stipulation and Settlement Agreement is appended to this Order as Attachment A. The parties stipulate in the Agreement that the regulatory assets established as the appropriate accounting treatment of the transfer price shall total \$36 million. The allocation of this amount shall be \$31.022 million for base rates and \$4.978 million for environmental costs, with a ten-year amortization period commencing January 1, 2026. FPL and OPC represent in the Agreement that the remaining provisions of Order No. PSC-2025-0139-PAA-EI were not protested, and should remain unchanged and final.

Pursuant to notice, we conducted a hearing on the Joint Motion on June 3, 2025. At that hearing, the parties affirmed and explained the representations in the Joint Motion, and our staff presented an oral recommendation for approval of the Stipulation and Settlement Agreement.

We have jurisdiction pursuant to Sections 366.04, 366.06, and 366.07, Florida Statutes (F.S.).

Discussion

As explained by counsel for OPC at the June 3rd hearing, the protest of the PAA Order allowed OPC to conduct discovery to understand more fully the transaction involving Plant Daniel Units 1 & 2 and its relationship, if any, with FPL's pending base rate proceeding. After completing its due diligence, OPC agreed to a Stipulation and Settlement Agreement that does not vary significantly from our approval in Order No. PSC-2025-0139-PAA-EI. The only material change in terms is a reduction of approximately \$20,000 in the total amount of the regulatory asset. The other terms of the accounting treatment remain unchanged by the Stipulation and Settlement.

The protest identified only one issue in dispute. By operation of Section 120.80(13)(b), F.S., all other issues in the PAA Order are not in dispute and are deemed stipulated.

We find the proposed Stipulation and Settlement to be a reasonable resolution of the protest because it fully addresses the one disputed issue and does so a manner that is consistent with and furthers the other findings in our PAA Order. We find the Stipulation and Settlement to be in the public interest as it reduces the amount for which ratepayers are responsible. The Stipulation and Settlement also serves the public interest by facilitating a prompt resolution of this matter, thereby promoting administrative efficiency and avoiding the time and expense of a hearing. Therefore, the Joint Motion is granted and the proposed Stipulation and Settlement is hereby approved. Under Section 120.80(13)(b), F.S., all other issues in Order No. PSC-2025-0139-PAA-EI are deemed stipulated and are hereby rendered as final agency action.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the Joint Motion to Approve Stipulation and Settlement Agreement is granted. It is further

ORDERED by the Florida Public Service Commission that the Stipulation and Settlement Agreement is approved. It is further

ORDERED that under Section 120.80(13)(b), F.S., all other issues in Order No. PSC-2025-0139-PAA-EI are deemed stipulated and are hereby rendered as final agency action. It is further

ORDERED that this docket shall be closed.

By ORDER of the Florida Public Service Commission this 19th day of June, 2025.



ADAM J. TEITZMAN
Commission Clerk
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.

SPS

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.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, 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 and/or

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wastewater utility by filing a notice of appeal with the Office of Commission Clerk, and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for approval of accounting treatment
for the transfer of proportional share of Plant Daniel
Units 1 and 2 to Mississippi Power Company, by
Florida Power & Light Company

Docket No: 20240155-EI
Date: May 13, 2025

**JOINT MOTION FOR APPROVAL OF STIPULATION
AND SETTLEMENT AGREEMENT**

Florida Power & Light Company ("FPL" or the "Company") and Citizens through the Office of Public Counsel (jointly referred to as the "Signatories") jointly move the Florida Public Service Commission ("Commission") to review and approve on an expedited basis the attached Stipulation and Settlement as full and complete resolution of all matters pending in Docket No. 20240155-EI in accordance with Section 120.57(4), Florida Statutes, and to enter a final order reflecting such approval to effectuate implementation of the Stipulation and Settlement. In support of this Joint Motion, the Signatories state:

1. The Signatories have been engaged in negotiations for the purpose of reaching a comprehensive stipulation and settlement of all issues in Docket No. 20240155-EI. Due to the timing of circumstances beyond the control of the Signatories, the OPC has filed a limited scope protest of Order No. PSC-2025-0139-PAA-EI. These negotiations have culminated in the Settlement Agreement attached hereto as Exhibit I, which resolves the limited protest filed by the OPC. The Signatories request that, following the Commission's review of this Joint Motion and the Stipulation and Settlement Agreement, the Commission grant the Joint Motion and approve the Stipulation and Settlement Agreement in order to allow for orderly implementation thereof and provide certainty to the parties and their respective constituents and customers with respect to the outcome of this proceeding.

2. Elements of the Stipulation and Settlement Agreement include:

a. The Stipulation and Settlement Agreement would become effective on the

date of the Final Order in Docket No. 20240155-EI (the “Implementation Date”).

- b. FPL shall create regulatory assets totaling \$36 million as the appropriate accounting treatment for recovery of the transfer price related to base rates and environmental costs for the Plant Daniel transfer, with an amortization period of 10 years beginning January 1, 2026. Consistent with the allocation percentages set forth in the original petition filed in Docket No. 20240155-EI these amounts are \$31.022 million for base rates and \$4.978 million for environmental costs.
- c. The Parties acknowledge and intend that the remaining findings of Order No. PSC-2025-0139-PAA-EI remain unchanged.
- d. Each of the Signatories agrees that it has entered into the Stipulation and Settlement Agreement voluntarily, that it fairly and reasonably balances the various positions of the parties on issues in this proceeding, and that it serves the best interests of the customers they represent and the public interest in general.

3. The Signatories believe that the Stipulation and Settlement Agreement is reasonable and in the public interest because it provides cost savings of approximately \$13.4 million for FPL customers. For this reason, approving the Stipulation and Settlement Agreement is fully consistent with the Commission’s long-standing policy of encouraging the settlement of contested proceedings in a manner that benefits the customers of utilities subject to the Commission’s regulatory jurisdiction.

4. The Signatories request that the Commission rule on this Joint Motion to Approve Stipulation and Settlement Agreement at the Commission’s Conference Agenda scheduled for

June 3, 2025.

5. The Signatories agree with and support this Joint Motion for approval of the Stipulation and Settlement Agreement.

WHEREFORE, Florida Power & Light Company and Citizens through the Office of Public Counsel respectfully request that the Commission approve the Stipulation and Settlement Agreement attached hereto as Exhibit I and issue an order finding that the Stipulation and Settlement Agreement; (i) is in the public interest; (ii) results in base rates and charges that are fair, just and reasonable; (iii) resolves all the issues in Docket No. 20240155-EI.

Respectfully submitted,

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By: 

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Attorneys for the Citizens of the State of Florida

By:  W.T.

EXHIBIT I

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for approval of accounting treatment
for the transfer of proportional share of Plant Daniel
Units 1 and 2 to Mississippi Power Company, by
Florida Power & Light Company

Docket No. 20240155-EI

Filed: May 13, 2025

STIPULATION AND SETTLEMENT AGREEMENT

WHEREAS, Florida Power & Light Company ("FPL" or the "Company") and Citizens through the Office of Public Counsel ("OPC") have signed this Stipulation and Settlement Agreement (the "Agreement"); unless the context clearly requires otherwise, the term "Party" or "Parties" means a signatory to this Agreement); and

WHEREAS, on November 8, 2024, FPL filed a petition with the Florida Public Service Commission ("Commission") requesting approval of accounting treatment and other related approvals related to the transfer of its proportional share of Plant Daniel Units 1 and 2 to Mississippi Power Company ("MPC"); and

WHEREAS, on April 21, 2025, the Commission issued Order No. PSC-2025-0139-PAA-EI, approving FPL's petition; and

WHEREAS, on May 12, 2025, OPC filed a protest of Order No. PSC-2025-0139-PAA-EI, requesting a hearing on the issue of the determination of the appropriate transfer price to be paid by FPL to MPC for the transfer of FPL's share of Plant Daniel along with the associated necessary accounting treatment of the transfer price; and

WHEREAS, the Parties to this Agreement have undertaken to resolve the issue of the transfer price and its associated accounting treatment raised by OPC in this docket; and

WHEREAS, the Parties have entered into this Agreement in compromise of positions taken in accord with their rights and interests under Chapters 350, 366 and 120, Florida Statutes, as applicable, and as a part of the negotiated exchange of consideration among the Parties to this

Agreement each has agreed to concessions to the other with the expectation that all provisions of the Agreement will be enforced by the Commission as to all matters addressed herein with respect to each Party regardless of whether a court ultimately determines such matters to reflect Commission policy, upon acceptance of the Agreement as provided herein and upon approval by the Commission in the public interest;

NOW THEREFORE, in consideration of the foregoing and the covenants contained herein, the Parties hereby stipulate and agree:

1. This Agreement will become effective on the date of the Final Order in Docket No. 20240155-EI (the "Implementation Date").
2. FPL shall create regulatory assets totaling \$36 million as the appropriate accounting treatment for recovery of the transfer price related to base rates and environmental costs for the Plant Daniel transfer, with an amortization period of 10 years beginning January 1, 2026. Consistent with the allocation percentages set forth in FPL's original petition filed in Docket No. 20240155-EI these amounts are \$31.022 million for base rates and \$4.978 million for environmental costs.
3. The Parties acknowledge and intend that the remaining findings of Order No. PSC-2025-0139-PAA-EI remain unchanged and final as provided for in Section 120.80(123(b), Florida Statutes.
4. Nothing in the Agreement will have precedential value. The provisions of the Agreement are contingent upon approval by the Commission in its entirety without modification. The Parties will support approval of the Agreement and will not request or support any order, relief, outcome or result in conflict with it. No Party to the Agreement will request, support or seek to impose a change to any provision

of the Agreement. Approval of the Agreement in its entirety will resolve all matters and issues in this docket. This docket will be closed effective on the date that the Commission Order approving this Agreement is final, and no Party to the Agreement shall seek appellate review of any order issued in this docket.

5. The Parties agree that approval of the Agreement is in the public interest.

In Witness Whereof, the Parties evidence their acceptance and agreement with the provisions of this Agreement by their signature.

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By: 

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