

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Reduction of authorized) DOCKET NO. 930612-EI
return on equity for Florida) ORDER NO. PSC-93-1024-FOF-EI
Power and Light Company.) ISSUED: July 13, 1993
_____)

The following Commissioners participated in the disposition of this matter:

J. TERRY DEASON, Chairman
THOMAS M. BEARD
SUSAN F. CLARK
JULIA L. JOHNSON
LUIS J. LAUREDO

ORDER REDUCING AUTHORIZED RETURN ON EQUITY

BY THE COMMISSION:

Staff met with Florida Power & Light (FPL) on June 3, 1993, to discuss its currently authorized return on equity (ROE). The Office of Public Counsel (OPC) and the Florida Industrial Power Users Group (FIPUG) were represented at the meeting. At the meeting, Staff suggested that FPL's currently authorized ROE should be reduced given current market conditions and the authorized ROEs of other major electric companies in Florida.

On June 8, 1993, FPL, OPC, FIPUG, and Staff met again to continue the discussion. FPL verbally agreed to a reduced ROE of 12.0% for all prospective regulatory purposes and thereafter, on June 17, 1993, reiterated the agreement in writing.

We find that an ROE of 12% is reasonable for FPL. It is the same rate of return we approved in both the FPC and TECO rate cases (Order Nos. PSC-92-1197-FOF-EI and PSC-92-0165-FOF-EI respectively). It is also the rate of return we recently approved as the result of a stipulation between Gulf, OPC, and FIPUG (Order No. PSC-93-0771-FOF-EI).

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Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the authorized rate of return for Florida Power and Light Company is hereby reduced to 12.0% plus or minus 100 basis points for all regulatory purposes on a prospective basis from the date of this order. It is further

ORDERED that this docket shall be closed.

By ORDER of the Florida Public Service Commission this 13th day of July, 1993.

STEVE TRIBBLE, Director
Division of Records and Reporting

(S E A L)
MAP:bmi

by: Key Sign
Chief, Bureau of Records

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), 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.

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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 Director, Division of Records and Reporting 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 or sewer utility by filing a notice of appeal with the Director, Division of Records and Reporting 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 Civil Procedure. The notice of appeal must be in the form specified in Rule 9.900 (a), Florida Rules of Appellate Procedure.