

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition by Florida Power & Light Company (FPL) for authority to charge FPL rates to former City of Vero Beach customers and for approval of FPL's accounting treatment for City of Vero Beach transaction.

DOCKET NO. 20170235-EI

In re: Joint petition to terminate territorial agreement, by Florida Power & Light and the City of Vero Beach.

DOCKET NO. 20170236-EU
ORDER NO. PSC-2018-0445-PCO-EU
ISSUED: August 31, 2018

SECOND ORDER MODIFYING ORDER ESTABLISHING PROCEDURE
TO ESTABLISH ADDITIONAL ISSUES FOR HEARING AND
TO PROVIDE FOR SWORN PUBLIC TESTIMONY AT HEARING

This Order is issued pursuant to Rule 28-106.211, Florida Administrative Code, which authorizes the presiding officer to issue any orders necessary to effectuate discovery, to prevent delay, and to promote the just, speedy, and inexpensive determination of all aspects of the case.

Issues for Hearing

The issues for hearing are set forth in Attachment A of this Order. There appears to be agreement on the inclusion of all issues except issues 2, 3, 4, 10, and 14, which are opposed by FPL. Consistent with Section III of the Order Establishing Procedure, the issues will be finalized during the prehearing conference.

Sworn Public Testimony

In addition to prefiled testimony made by parties to this proceeding, sworn public testimony by individuals who are not parties shall be taken at the hearing in these dockets. Those providing sworn public testimony shall be subject to cross examination by the parties, and the testimony offered shall be subject to objections that may be raised by the parties. The sworn public testimony shall be limited to two minutes per person plus the time required to address any objections and to respond to cross examination by the parties. The general practice at Commission hearings is to not permit friendly cross examination. Members of the public must refrain from giving repetitive or duplicative testimony and must provide testimony that is germane to the issues.

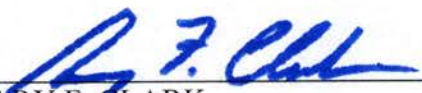
Therefore, it is

ORDERED that subject to being finalized at the prehearing conference, the issues for hearing are set forth in Attachment A of this Order. It is further

ORDERED that sworn public testimony shall be taken at the hearing in these dockets. It is further,

ORDERED that, except as set forth in this Order, the Order Establishing Procedure, Order No. PSC-2018-0370-PCO-EU, as previously modified by the First Order Modifying Order Establishing Procedure, Order No. PSC-2018-0397-PCO-EU, is affirmed in every respect.

By ORDER of Commissioner Gary F. Clark, as Prehearing Officer, this 31st day of August, 2018.



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

CWM

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.

Issues For Hearing

- ISSUE 1: What statutory provisions or other legal authority, if any, grant the Commission the authority and jurisdiction to approve the acquisition adjustment requested by FPL in this case?
- ISSUE 2: How should the Commission weigh any unproven factual assertions in FPL's Petition?
- ISSUE 3: Does FPL's request of a return of, and a return on, the requested acquisition adjustment violate the terms of FPL's current rate case settlement agreement?
- ISSUE 4: What legal authority to increase rates, if any, supports FPL's request for the Commission to consider and approve rate making principles related to acquisition adjustment?
- ISSUE 5: Should the Commission grant FPL the authority to charge FPL's rates and charges to City of Vero Beach's ("COVB") customers upon the closing date of the Asset Purchase and Sale Agreement ("PSA")?
- ISSUE 6: Should the Commission approve the joint petitioners' request to terminate the existing territorial agreement between FPL and COVB upon the closing date of the PSA?
- ISSUE 7: What extraordinary circumstances, if any, exist to support the Commission's consideration of authorizing a positive acquisition adjustment in this case?
- ISSUE 8: Should the Commission consider alternatives other than what has been proposed by FPL with respect to the acquisition adjustment?
- ISSUE 9: Should the Commission approve a positive acquisition adjustment associated with the purchase of the COVB electric utility system?
- ISSUE 10: If the Commission should approve a positive acquisition adjustment associated with the purchase of the COVB electric utility system, what is the appropriate economic analysis to determine the amount of the positive acquisition adjustment?
- ISSUE 11: What is the appropriate amount, if any, of a positive acquisition adjustment to be recorded on FPL's books for the purchase of the COVB electric utility system?
- ISSUE 12: If a positive acquisition adjustment is permitted, what is the appropriate accounting treatment for FPL to utilize for recovery and amortization of the acquisition adjustment?

- ISSUE 13: Should the projected cost savings supporting FPL's request for a positive acquisition adjustment be subject to review in future FPL rate cases?
- ISSUE 14: Are the several contracts [OUC, FMPA] "costs of service" for FPL that are eligible for recovery in customer rates?
- ISSUE 15: Should the Commission approve recovery of costs associated with the short-term power purchase agreement with Orlando Utilities Commission?
- ISSUE 16: Is granting the relief requested by the applicants in the public interest?
- ISSUE 17: Does the Civic Association of Indian River County, Inc. have standing to protest the Commission's proposed agency action granting FPL's petition for authority to charge FPL rates to former COVB customers and for approval of accounting treatment for the COVB transaction, and granting the joint petition of FPL and COVB to terminate the territorial agreement (Order No. PSC-2018-0336-PAA-EU)?
- ISSUE 18: Does Michael Moran have standing to protest the Commission's proposed agency action granting FPL's petition for authority to charge FPL rates to former COVB customers and for approval of accounting treatment for the COVB transaction, and granting the joint petition of FPL and COVB to terminate the territorial agreement (Order No. PSC-2018-0336-PAA-EU)?
- ISSUE 19: Does Brian Heady have standing to protest the Commission's proposed agency action granting FPL's petition for authority to charge FPL rates to former COVB customers and for approval of accounting treatment for the COVB transaction, and granting the joint petition of FPL and COVB to terminate the territorial agreement (Order No. PSC-2018-0336-PAA-EU)?
- ISSUE 20: Should this docket be closed?