

State of Florida



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: February 24, 2014

TO: Martha Barrera, Senior Attorney, Office of the General Counsel

FROM: Bart Fletcher, Public Utilities Supervisor, Division of Accounting & Finance
 Laura King, Economic Analyst, Division of Economics
 Robert Graves, Engineering Specialist III, Division of Engineering
 Pete Lester, Professional Accountant Specialist, Division of Accounting & Finance

RE: Docket No. 120015-EI - Petition for increase in rates by Florida Power & Light Company.
 Docket No. 140001-EI - Petition for Riviera Beach Energy Center Generation Base Rate Adjustment Factor by Florida Power & Light Company

Handwritten notes:
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On January 17, 2014, Florida Power & Light Company (FPL) filed a petition for approval of a Generation Base Rate Adjustment (GBRA) factor of 4.566 percent for the Riviera Beach Energy Center (RBEC) to become effective on RBEC's commercial in-service date currently projected to be April 1, 2014. This petition was filed pursuant to the stipulation approved in Order No. PSC-13-0023-S-EI¹ (Order) that established the GBRA to allow the inclusion of three power plant modernization projects upon the commencement of each project's commercial service. The Order also grants staff the authority to approve the GBRA factors administratively.

The 4.566 percent GBRA factor will increase base rates by \$233,613,000 on an annual basis or \$2.40 per month for a residential customer using 1,000 kWh. However, this increase will be offset by a \$1.20 reduction in the fuel factor resulting in a monthly net increase of \$1.20 for a residential customer using 1,000 kWh.

Staff has reviewed the calculation of the 4.566 percent GBRA factor for the RBEC and recommends that it be approved.

cc: Marshall Willis
 Tom Ballinger
 Jim Dean
 Carlotta Stauffer

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 COMMISSION
 CLERK

¹ See Order No. PSC-13-0023-S-EI, issued January 14, 2013, in Docket No. 120015-EI, In re: Petition for increase in rates by Florida Power & Light Company.