

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and purchased power cost recovery clause with generating performance incentive factor.

DOCKET NO. 150001-EI
ORDER NO. PSC-15-0419-PCO-EI
ISSUED: October 2, 2015

ORDER GRANTING INCLUSION OF CEDAR BAY ISSUES

On September 29, 2015, a noticed, informal meeting was held to develop an issue list for this docket. At that time, the Florida Industrial Power Users Group (FIPUG) raised an objection to the inclusion of issues related to the purchase by Florida Power & Light Company (FPL) of the Cedar Bay power plant approved by Order No. PSC-15-0401-AS-EI.¹ The contested issues state as follows:

Issue 3P: Has FPL properly reflected in the fuel and purchased power cost recovery clause the effects of acquiring the Cedar Bay facility and terminating the existing Cedar Bay power purchase agreement consistent with the terms of the settlement agreement between FPL and OPC approved in Docket No. 150075-EI?

Issue 14A: Has FPL properly reflected in its 2016 GPIF targets/ranges the effects of acquiring the Cedar Bay facility and terminating the existing Cedar Bay power purchase agreement consistent with the terms of the settlement agreement between FPL and OPC approved in Docket No. 150075-EI?

Issue 25C: Has FPL properly reflected in the capacity cost recovery clause the effects of acquiring the Cedar Bay facility and terminating the existing Cedar Bay power purchase agreement consistent with the terms of the settlement agreement between FPL and OPC approved in Docket No. 150075-EI?

FIPUG argues that these issues were raised by FPL for the first time in supplemental testimony filed on September 21, 2015, approximately 45 days after the filing dates for testimony related to actual and projected 2015 expenses (August 4) and 20 days after testimony related to projected 2016 expenses (September 1). That being the case, FIPUG argues that it simply has not had adequate time to review the extensive supplemental testimony filed by four FPL witnesses: Gerard J. Yupp, Don Grissette, Terry Keith, and Charles Rote. FPL states that on September 17, 2015, it finalized its purchase of the Cedar Bay facility and that the data contained in its earlier September 1 testimony reflected its purchase of power from the Cedar Bay facility rather than the capital and operational expenses of the Cedar Bay facility. Thus, its

¹ Order No. PSC-15-0401-AS-EI, issued on September 23, 2015, in Docket No. 150075-EI, In re: Petition for approval of arrangement to mitigate impact of unfavorable Cedar Bay power purchase obligation by Florida Power & Light Company.

September 1 testimony does not accurately reflect current financial data and projections. FPL also notes that the fuel cost recovery factor it is requesting in its September 21 testimony is lower than that requested in its earlier testimony. That being the case, FPL argues that deferring consideration of these issues results in its overcharging its ratepayers now and generating refunds next year.

Having given this matter due consideration, I find the better course of action is to include these issues. Deciding these issues now matches the actual expenses already incurred by FPL for the purchase of Cedar Bay and the projected expenses to be incurred by the utility in 2016, with the rates charged FPL's customers during that same time period. However, all parties should have an opportunity to file testimony in response to FPL's September 21 testimony which includes the purchase of Cedar Bay and to conduct discovery on Cedar Bay's included costs and projected costs. Therefore, I will allow all intervenors to file supplemental direct testimony limited to the Cedar Bay issues on October 5, 2015, and FPL to file supplemental rebuttal to the intervenor's Cedar Bay supplemental testimony on October 16, 2015. Further, discovery shall be extended until October 23, 2015 for the purposes of the Cedar Bay issues only.

Therefore, it is

ORDERED that Issues 3P, 14A and 25C shall be included as issues to be decided in this docket. It is further

ORDERED that intervenors will have until October 5, 2015, to file supplemental direct testimony limited to the Cedar Bay issues and Florida Power & Light Company will have until October 16, 2015, to file rebuttal testimony to the intervenor's Cedar Bay supplemental testimony on October 16, 2015. It is further

ORDERED that discovery will be extended until October 23, 2015 for the purposes of the Cedar Bay issues only.

ORDER NO. PSC-15-0419-PCO-EI
DOCKET NO. 150001-EI
PAGE 3

By ORDER of Chairman Art Graham, as Presiding Officer, this 2nd day
of October, 2015.



ART GRAHAM
Chairman and Presiding Officer
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.

SBr

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.