

**Sandra Soto**

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**From:** Ellen Plendl  
**Sent:** Friday, July 01, 2016 1:27 PM  
**To:** Consumer Correspondence  
**Subject:** Docket 160001-EI  
**Attachments:** FW fpl surcharge; Consumer Inquiry - Florida Power & Light Company

See attached correspondence and PSC reply for correspondence side of Docket 160001-EI.

## Sandra Soto

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**From:** Governor Scott's Office of Citizen Services <EOGCitizenServices@eog.myflorida.com>  
**Sent:** Friday, July 01, 2016 12:40 PM  
**To:** Ellen Plendl  
**Cc:** Sunburst  
**Subject:** FW: fpl surcharge

-----Original Message-----

From: terese naretta [<mailto:tnaretta@gmail.com>]  
Sent: Friday, July 01, 2016 12:31 PM  
To: Governor Rick Scott <[GovernorRick.Scott@eog.myflorida.com](mailto:GovernorRick.Scott@eog.myflorida.com)>  
Subject: fpl surcharge

From: terese naretta <[tnaretta@gmail.com](mailto:tnaretta@gmail.com)>

County: Out of State

Zip Code: 34105

Phone Number: 2392895542

Message Body: Dear govenor scott,

Why does Florida power and light continue to charge us a fuel surcharge? They were granted that by the state of florida when the cost of oil was over 100. The price of oil has stabilized around 40.

When is this surcharge suppose to end?

Thank you for your time,

Terese Naretta  
[tnaretta@gmail.com](mailto:tnaretta@gmail.com)

## Sandra Soto

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**From:** Randy Roland  
**Sent:** Friday, July 01, 2016 1:25 PM  
**To:** 'tnaretta@gmail.com'  
**Subject:** Consumer Inquiry - Florida Power & Light Company

Ms. Terese Naretta  
[tnaretta@gmail.com](mailto:tnaretta@gmail.com)

Dear Ms. Naretta:

The Governor's office forwarded a copy of your email regarding Florida Power & Light Company (FPL) to the Florida Public Service Commission (FPSC). The FPSC regulates investor-owned electric, and natural gas utilities throughout the state, and investor-owned water and wastewater utilities in those counties which have opted to transfer jurisdiction to the FPSC. The FPSC has authority in the telephone industry which is limited to the Lifeline Assistance Program, Florida Relay Service, and pay telephone service. You expressed a concern about the fuel cost adjustment.

The fuel cost charge allows the utility to recover the actual expenses associated with securing and processing fuel necessary to run the power plants used to generate electricity. Fuel rates mirror rising and falling fuel costs as reflected in the international marketplace. The revenue generated by the fuel adjustment charge does not add to the profit of the utility companies, but goes to pay fuel suppliers and transporters. The cost of fuel is shown as a separate cents per kilowatt-hour charge, and fuel costs are not contained in any other charge on your bill.

Each year, utilities file their projected fuel expenses for the upcoming calendar year. The FPSC, along with the Office of Public Counsel and other consumer representatives closely examine the fuel costs requested by the utilities. Public hearings are held annually to set the fuel factors for the next year. Since rates are set on projected costs, at the end of the year, the costs are "trued-up" or compared to the audited actual expenses incurred by the utility. If the utility recovered more than its actual costs, the amount of over-recovery is used to reduce the next year's costs. If the utility under-recovered (costs were higher than expected) that deficit is likewise rolled into the next year. The fuel cost adjustment is recognized by virtually all state commissions, by the Federal Energy Regulatory Commission, and is also used by most municipal electric utilities and rural electric cooperatives.

On December 3, 2015, the FPSC set the 2016 fuel adjustment charges for FPL customers. The fuel adjustment charges were decided at a hearing where the FPSC considered each utility's projected costs of fuel and the purchased power for 2016 as well as 'trued up' costs for 2015. As a result of the December 3 hearing, a residential customer using 1000 kWh saw their bill decreased from \$96.72 to \$ 93.38. The fuel portion of the bill decreased by \$3.34. The next fuel cost hearing for 2017 will be held between November 1, 2016 and November 4, 2016. Thank you for sharing your views. We will add your comments to the correspondence side of Docket 160001-EI regarding the fuel cost adjustment.

I hope this information is helpful. If you have any questions or concerns please contact Ellen Plendl at 1-800-511-0809.

Sincerely,

Randy Roland  
Regulatory Program Administrator  
Florida Public Service Commission