

**Antonia Hover**

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**From:** Angie Calhoun  
**Sent:** Thursday, July 18, 2019 9:56 AM  
**To:** Consumer Correspondence  
**Cc:** Diane Hood  
**Subject:** FW: To CLK Docket 20180049  
**Attachments:** Floridians seeking energy freedom – pv magazine USA.pdf; Last Call for 7.16.19 — A prime-time read of what's going down in Florida politics.pdf; Fulltext\_1810\_EN.pdf; FPL, Consumer Advocate Reach Deal on Ir...pdf; Editorial\_ State says\_ No breaks for FPL customers \_ Editorials \_ yoursun.com.pdf; You're not going to get a break from FPL after all - South Florida Sun-Sentinel.pdf; Consumer advocate strikes deal with FPL...pdf; State says FPL doesn't need to pass tax savings to customers \_ Tampa Bay Times.pdf; Commission delays case on FPL Irma costs \_ WPEC.pdf; Letters\_ Thunderstorms are testing FPL ...pdf; Justices reject challenge to FPL solar projects \_ WPEC.pdf; Florida Supreme Court Rejects Challenge To FPL Solar Projects – CBS Miami.pdf; Business Group Approves FPL Settlement ...pdf; Regulators approve FPL's \$1.3 billion in storm costs, applaud new mobile tech to track expenses - South Florida Sun-Sentinel.pdf; Florida Power & Light will keep rates stable despite high costs of hurricane restoration - Daily Energy Insider.pdf; FPL Settlement Approved on Irma Costs \_ Sunshine State News \_ Florida Political News.pdf

Consumer Correspondence for docket 20180049.

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**From:** Consumer Contact  
**Sent:** Thursday, July 18, 2019 9:48 AM  
**To:** Angie Calhoun  
**Subject:** To CLK Docket 20180049

**From:** Beatrice Balboa [<mailto:beatricebalboa@gmail.com>]  
**Sent:** Thursday, July 18, 2019 9:24 AM  
**To:** Consumer Contact  
**Subject:** Fwd: neverending FPL machinations?!

I noted additional issues with FPL (attached documentation). Please continue to keep an extremely close eye regarding FPL machinations with these issues as FPL ratepayers should NOT be "footing the bill" on FPL and/or NextEra out-of-state investment strategies, solar power "monopolization", "tax accounting sleight of hands" and "pollution" activities. FPL should be devoting all their energies in meeting and/or exceeding the 2017 National Electrical Safety Code® (NESC®) standards (which sets the ground rules and guidelines for practical safeguarding of utility workers and the public during the installation, operation, and maintenance of electric supply, communication lines and associated equipment) for storm hardening of the State of Florida electrical infrastructure. FPL should NOT be devoting all their energies requesting and lobbying for more storm hardening fees and rate increases as well as "accounting shenanigans" that should have already been completed after both Hurricane Andrew (1992) and Hurricane Irma (2017).

I look forward to your offices taking the necessary actions to address hardworking taxpayers citizens' concerns from the City of Pompano Beach, Broward County, State of Florida. Thank you for your time in this matter.

Sincerely,  
Beatrice Balboa

1010 South Ocean Boulevard, Unit. 1008  
Pompano Beach, Fl 33062-6631

## Floridians seeking energy freedom

Citizens for Energy Choices is pushing for a ballot amendment to create a competitive retail electricity market, the right to sell your own electricity, and to limit investor owned utilities to transmission and distribution.

JULY 16, 2019 **JOHN WEAVER**

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A ballot amendment in Florida for the creation of a competitive retail electricity market is what [Florida electricity utility FPL](#) sought retribution against in recent headlines. When [pv magazine USA](#) reported that [Warren Buffet said "maybe"](#) to a gigawatt of solar and 400 MWh of energy storage, it was legislation similar to this that was being fought against. And back in 2015, when a petition that would let regular people sell some of their own solar started gaining traction, we saw the famous ["political jiu jitsu"](#) phrase arise as Florida utilities came together to fund a fake pro-solar bill.

Saddle up.

Sponsored by [Citizens for Energy Choices](#), a petition – [Right to Competitive Energy Market for Customers of Investor-Owned Utilities; Allowing Energy Choice](#) – is one of 13 amendments that has gained preliminary qualification to be on the ballot when voters go to the polls in 2020. The initiative has approximately 345,000 of the 766,200 signatures needed by February 1, 2020 to get on the ballot. The initiative language must also be approved

by the Florida Supreme Court, with oral arguments scheduled for August 28. Per their [campaign finance page](#), Citizens for Energy Choices has collected just over \$3 million as of the end of June.

The Ballot Summary notes ([full text pdf](#)):

*Grants customers of investor-owned utilities the right to choose their electricity provider and to generate and sell electricity. Requires the Legislature to adopt laws providing for competitive wholesale and retail markets for electricity generation and supply, and consumer protections, by June 1, 2025, and repeals inconsistent statutes, regulations, and orders. Limits investor-owned utilities to construction, operation, and repair of electrical transmission and distribution systems. Municipal and cooperative utilities may opt into competitive markets.*

And while the more complete text of this pending amendment didn't specifically say anything about solar power, the document did point out that "electricity customers" will have rights to "producing electricity themselves or in association with others", as well, "nothing in this section shall be construed to limit the right of electricity customers to buy, sell, trade, or dispose of electricity".

With this language we would see the current legal position of solar in Florida change, as currently anyone who sells electricity to anyone else within the state is to be regulated as a utility, with all of the responsibilities of a utility.

Recently, residential lease companies – starting with [Sunrun](#), and followed by [Vivint](#), [Tesla](#), and [Sunnova](#) – had their residential equipment lease contracts approved by the state's Public Service Commission. As these company's leases for the Florida market are at a fixed price – not based directly on electricity generation – these companies were able to avoid the prohibition on sales of electricity by anyone but utilities. Equipment leasing of solar power had long been accepted in the Florida market, however, the large residential companies had skipped over the market – most likely due to murky legislative opinions.

The [case docket related to this potential amendment](#) includes comments filed by Duke Energy, the Florida Chamber of Commerce, the Tampa Electric Company, FPL, the State Attorney General, the President of the Florida Senate, and others. Supporters of the amendment include NRG Energy, Inc., Vistra Energy Corp., National Energy Marketers Association and The Energy Choice Coalition.

The Citizens for Energy Choice website notes that natural gas customers have been able to choose their suppliers since 1996, and estimates that this has saved those groups "billions".

A [document on the website focused on the Texas deregulation](#) experiment (pdf), suggests that residential and commercial prices have fallen since deregulation, with competitive residential just recently catching up to the price of regulated residential, and commercial electricity falling lower in price about a decade ago.

**Figure 8. Average Rates Across Sectors by Aggregate Market Area\***



Research by the Perryman Group estimates that if implemented in the near future, statewide competition in the Florida electric power market could generate benefits by 2030 including \$8.3 billion in additional business activity and energy savings and over 90,000 jobs under conservative assumptions, with the potential for \$9.7 billion in business activity and energy savings, as well as nearly 105,000 jobs.

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**JOHN WEAVER**



John Fitzgerald Weaver is a solar developer; known digitally as the 'Commercial Solar Guy'. His shop focuses on land and rooftop owners - helping them gain solar revenue through site origination, project development, finance, and project management.  
[More articles from John Weaver](#)

 [commercialsolarguy@gmail.com](mailto:commercialsolarguy@gmail.com)

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EMAILS & OPINIONS

# Last Call for 7.16.19 — A prime-time read of what's going down in Florida politics

A digest of the day's politics and policy while the bartender refreshes your drink.



By **Peter Schorsch** on July 16, 2019



Last Call — A prime-time read of what’s going down in Florida politics.

## First Shot

AT&T Florida has filed a federal complaint against Florida Power & Light (FPL), saying it’s paying too much rent for its equipment on the electric utility’s poles in the state.

A copy of the amended complaint, with financial information blacked out, was filed July 12 with the Federal Communications Commission (FCC).

FPL, the complaint said, “refuses to charge AT&T the lawful, just and reasonable new telecom rate” under a 2011 FCC rate order.



Instead, AT&T said it “continue(s) to pay excessive and ever-increasing rates on over 425,000 poles.”

The telecommunications company alleges its competitors are paying less, but “FPL (has) refused to discuss a new rate for AT&T, let alone provide AT&T access to its new telecom rates or data supporting them.”

The utility also is playing hardball: “It has increased the operational pressure on AT&T — claiming trespass and demanding that AT&T

must remove (equipment) from FPL's poles — because AT&T deigned to question the legal and contractual justification for FPL's rates.”

The complaint asked the FCC to enforce a presumably lower rate “to stop such gamesmanship.”

“Doing so will alert the industry that the Commission ... will not countenance tactics like FPL's, which serve only to delay rate relief and thwart deployment,” it said.



A request for comment to FPL is pending as of Tuesday afternoon.

### Evening Reads

[\*\*“America closes the doors to asylum-seekers from the South”\*\*](#) via The Economist.

[\*\*“What second-quarter fundraising can tell us about 2020”\*\*](#) via FiveThirtyEight.

[\*\*“Am I an American?”\*\*](#) via The Atlantic.

[\*\*“Marco Rubio and Rick Scott won’t call Donald Trump’s tweet racist”\*\*](#) via the Tampa Bay Times.

[\*\*“Ileana Ros-Lehtinen chips in, boosting Debbie Wasserman Schultz fundraising to nearly \\$230K”\*\*](#) via Florida Politics.

[\*\*“Perry Thurston: Importing prescription drugs into Florida more show than serious policy”\*\*](#) via Florida Politics.



# CONSTITUTIONAL AMENDMENT FULL TEXT

**Ballot Title:**

Right to Competitive Energy Market for Customers of Investor-Owned Utilities; Allowing Energy Choice

**Ballot Summary:**

Grants customers of investor-owned utilities the right to choose their electricity provider and to generate and sell electricity. Requires the Legislature to adopt laws providing for competitive wholesale and retail markets for electricity generation and supply, and consumer protections, by June 1, 2025, and repeals inconsistent statutes, regulations, and orders. Limits investor-owned utilities to construction, operation, and repair of electrical transmission and distribution systems. Municipal and cooperative utilities may opt into competitive markets.

**Article and Section Being Created or Amended:**

Article X, new section

**Full Text of the Proposed Amendment:**

(a) POLICY DECLARATION. It is the policy of the State of Florida that its wholesale and retail electricity markets be fully competitive so that electricity customers are afforded meaningful choices among a wide variety of competing electricity providers.

(b) RIGHTS OF ELECTRICITY CUSTOMERS. Effective upon the dates and subject to the conditions and exceptions set forth in subsections (c), (d), and (e), every person or entity that receives electricity service from an investor-owned electric utility (referred to in this section as "electricity customers") has the right to choose their electricity provider, including, but not limited to, selecting from multiple providers in competitive wholesale and retail electricity markets, or by producing electricity themselves or in association with others, and shall not be forced to purchase electricity from one provider. Except as specifically provided for below, nothing in this section shall be construed to limit the right of electricity customers to buy, sell, trade, or dispose of electricity.

(c) IMPLEMENTATION. By June 1, 2023, the Legislature shall adopt complete and comprehensive legislation to implement this section in a manner fully consistent with its broad purposes and stated terms, which shall take effect no later than June 1, 2025, and which shall:

(1) implement language that entitles electricity customers to purchase competitively priced electricity, including but not limited to provisions that are designed to (i) limit the activity of investor-owned electric utilities to the construction, operation, and repair of electrical transmission and distribution systems, (ii) promote competition in the generation and retail sale of electricity through various means, including the limitation of market power.

## Initiative Information

**Date Approved** 10/05/2018

**Serial Number** 18-10

**Sponsor Name:** Citizens for Energy Choices

**Sponsor Address:** Post Office Box 1101, Alachua, FL 32616

## CONSTITUTIONAL AMENDMENT FULL TEXT

(iii) protect against unwarranted service disconnections, unauthorized changes in electric service, and deceptive or unfair practices, (iv) prohibit any granting of either monopolies or exclusive franchises for the generation and sale of electricity, and (v) establish an independent market monitor to ensure the competitiveness of the wholesale and retail electric markets.

(2) Upon enactment of any law by the Legislature pursuant to this section, all statutes, regulations, or orders which conflict with this section shall be void.

(d) EXCEPTIONS. Nothing in this section shall be construed to affect the existing rights or duties of electric cooperatives, municipally-owned electric utilities, or their customers and owners in any way, except that electric cooperatives and municipally-owned electric utilities may freely participate in the competitive wholesale electricity market and may choose, at their discretion, to participate in the competitive retail electricity market. Nothing in this section shall be construed to invalidate this State's public policies on renewable energy, energy efficiency, and environmental protection, or to limit the Legislature's ability to impose such policies on participants in competitive electricity markets. Nothing in this section shall be construed to limit or expand the existing authority of this State or any of its political subdivisions to levy and collect taxes, assessments, charges, or fees related to electricity service.

(e) EXECUTION. If the Legislature does not adopt complete and comprehensive legislation to implement this section in a manner fully consistent with its broad purposes and stated terms by June 1, 2023, then any Florida citizen shall have standing to seek judicial relief to compel the Legislature to comply with its constitutional duty to enact such legislation under this section.

### Initiative Information

**Date Approved** 10/05/2018

**Serial Number** 18-10

**Sponsor Name:** Citizens for Energy Choices

**Sponsor Address:** Post Office Box 1101, Alachua, FL 32616

2 Comments

Politics

## FPL, Consumer Advocate Reach Deal on Irma Costs

By [JIM SAUNDERS NEWS SERVICE OF FLORIDA \(/SOURCE/JIM-SAUNDERS-NEWS-SERVICE-FLORIDA\)](#)

June 7, 2019 - 7:00am



*Utility trucks deployed after 2017's Irma*

Florida Power & Light and the state advocate for utility customers have reached agreement on about \$1.3 billion in costs to restore electricity after Hurricane Irma --- and on a system to better track expenses when major storms hit in the future.

The agreement between FPL and the state Office of Public Counsel was filed Thursday, five days before the scheduled start of a hearing at the Florida Public Service Commission to scrutinize the costs. Two business groups that are part of the case --- the Florida Retail Federation and the Florida Industrial Power Users Group --- had not signed onto the agreement Thursday, though it was not immediately clear how that could affect the commission's handling of the settlement.

FPL says it spent \$1.375 billion to restore electricity after massive Hurricane Irma blew through the state in 2017. But in filings as recent as late May, the Office of Public Counsel and the business groups questioned hundreds of millions of dollars in costs. The agreement includes \$50 million in adjustments to accounting for expenses.

"Considered as a whole, the agreement fairly and reasonably balances the interests of FPL's customers and FPL," the utility and Office of Public Counsel said in a motion Thursday asking the commission to approve the settlement. "Approving the agreement is consistent with the commission's long-standing policy of encouraging the settlement of contested proceedings in a manner that benefits the customers of utilities subject to the commission's regulatory jurisdiction. Accordingly, OPC (the Office of Public Counsel) and FPL submit that the agreement is in the public interest, and respectfully request that the commission review and approve the agreement in its entirety and without modification."

Utilities in the past have typically been allowed to recoup storm-restoration costs from customers through tacking on extra charges to monthly electric bills. But the utilities also have to go before the Public Service Commission to justify the details of the costs.

The situation with FPL and its Irma costs is different because the utility decided to use savings from a 2017 federal tax overhaul to cover the Irma restoration costs, rather than adding charges to customers' monthly bills. The Public Service Commission last month signed off on FPL's decision.

Nevertheless, the commission still needed to review the expenses, with the hearing scheduled to start Tuesday. Part of the complexity of tracking expenses is that utilities bring in large numbers of crews from other states to help restore power after major storms.

Adding to the difficulty are questions about whether utility operating expenses should be included in the hurricane-restoration costs --- or whether they are expenses that should be recouped through ordinary rates.

The settlement includes a series of steps aimed at better tracking expenses and establishing guidelines for expenses of outside contractors. As an example, FPL this year will start using a smart-phone app for recording time and expenses of crews and will expand the app's uses in 2020.

"Importantly, while the financial issues addressed by the agreement are premised upon issues raised during the litigation of this matter, the process issues, not part of the litigation, have been added to the agreement in an effort to facilitate more efficient storm cost recovery proceedings in the future," the motion for approval of the settlement said.

Hurricane Irma, which made initial landfall in the Florida Keys and then barreled up the state, knocked out power to more than 4.4 million FPL customers, according to the settlement. The utility used workers from 30 states and Canada to restore electricity.

In a statement late Thursday, the utility said the settlement "affirms that FPL never loses sight of our responsibility to operate efficiently while executing an aggressive and rapid response to a major hurricane. In line with the company's culture of continuous improvement, the agreement also highlights FPL's commitment to rolling out new, advanced technology to better track storm costs in a way that provides more transparency and facilitates more efficient regulatory reviews in the future."

## Comments

Submitted by Bill-1 on June 7, 2019 - 5:59pm

[Permalink \(/comment/88957#comment-88957\)](#)

Thank You FPL, for keeping costs in check, without you good folks keeping electricity running in Florida, nobody would ever live in hot and sunny Florida.

[reply \(/comment/reply/7349872/88957\)](#)

Submitted by VoteDem2020 on June 7, 2019 - 11:09am

[Permalink \(/comment/88947#comment-88947\)](#)

If any business today (especially in Florida) has the opportunity to gouge its customers, it will! (Even more so if the company has a monopoly or near-monopoly, e.g., utilities, drug production companies, Comcast, etc.)

[reply \(/comment/reply/7349872/88947\)](#)

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[https://www.yoursun.com/charlotte/opinion/editorials/editorial-state-says-no-breaks-for-fpl-customers/article\\_ad6f6c46-7665-11e9-9220-ab1df07b34af.html](https://www.yoursun.com/charlotte/opinion/editorials/editorial-state-says-no-breaks-for-fpl-customers/article_ad6f6c46-7665-11e9-9220-ab1df07b34af.html)

## Editorial: State says: No breaks for FPL customers

May 20, 2019 Updated May 21, 2019

**OUR POSITION:** *Florida's Public Service Commission once again proved its close ties to Florida Power & Light when it refused to allow its customers to benefit from the utility's huge tax savings.*

The 5 million customers of Florida Power & Light stood to get a sizable check in the mail — or rather a reduction in their utility rates — last week.

The scenario was all set up for that to happen.

FPL, like hundreds of large companies across the nation, got a windfall of money in savings when Congress passed President Trump's new tax package last year. The Florida utility had an annual \$772 million tax refund coming its way.

So what should they do with that money? They could:

- A) Invest in new technology.
- B) Give their shareholders a hefty benefit.
- C) Share it with customers in the form of rate reductions or refunds.

It was just a little surprising to find PSC staff actually recommended giving it back to customers. After all, the PSC has approved at least two significant rate hikes for the utility in the past three years. Those rate hikes were, among other things, approved to allow FP&L to recover from emergency expenses paid out during hurricanes.

“FPL should reduce its base rates by the \$772 million in annual tax savings stipulated by the parties,” the staff recommendation said.

Thanks for the recommendation, PSC board members said last week. But, no thanks. We’ll allow FPL to keep the tax savings.

The PSC determined FPL’s savings from the federal Tax Cuts and Jobs Act of 2017 are within the terms of the settlement of its last rate case. According to a news release, the commission ruled the savings can be used to replenish a company account that was tapped to pay for Hurricane Irma costs.

“FPL continues to earn a profit within the range permitted in the 2016 rate case settlement, which was intended to promote rate stability,” said PSC Chairman Art Graham in that news release.

Could we have expected anything more from the PSC?

Despite all the optimism about returning the tax savings to customers, those who have watched the PSC coddle FPL over the years likely knew it would never happen.

Florida Public Counsel was one of the watchdog groups that petitioned the PSC for a rate review of FPL.

The idea was that FPL customers paid taxes when they paid their monthly electric bills, so when the company got the huge tax break, shouldn’t the customers have seen some benefits? It’s unlikely anyone would have benefited enough to rush out and buy air conditioners with the money, but it would have sent a message that FPL does care about its customers.

FPL argues it did not seek a rate hike after Hurricane Irma as it had other storms. It used money from its reserves to pay the cost of recovery.

Meanwhile, Florida utilities Duke Energy and Tampa Electric Co. did agree to return their tax savings to customers, according to the Public Counsel and a Sun Sentinel story.

We all love FPL when their crews come in to restore power after a major storm. And we should. They are very efficient and caring in emergencies.

It’s hard to blame them for wanting to keep their tax refunds. But we can sure point a finger at the PSC which ignored the advice of its own staff to show some compassion to FPL customers.

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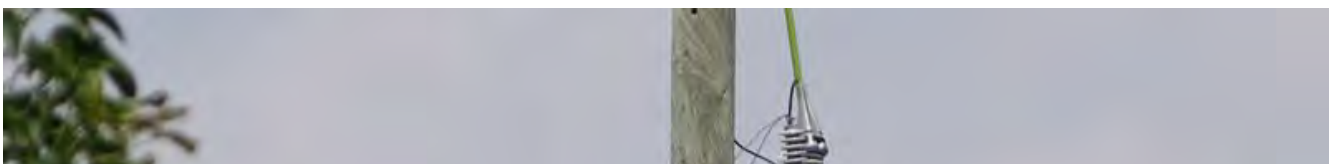
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BUSINESS

# You're not going to get a break from FPL after all



By **MARCIA HEROUX POUNDS**  
SOUTH FLORIDA SUN SENTINEL | MAY 14, 2019





A lineman working with Florida Power and Light replaces a transformer in Oakland Park after Hurricane Irma. (JOE CAVARETTA / Sun Sentinel)

The state's biggest electric utility won't have to **share its \$772 million tax savings** with its customers, a surprising decision by state regulators who rejected their own staff's advice.

The Florida Public Service Commission ruled Tuesday that Florida Power & Light Co. can keep the money because it used the savings to cover the costs of recovering from Hurricane Irma in 2017, without seeking to increase customers' bills.



FPL customers lose out, according to the Florida Office of Public Counsel, the state's consumer watchdog. How much the break would have meant to each customer is unknown because FPL has no estimate. But any potential savings disappeared with the commission's action.

“The commission's decision was a big win for FPL and a big loss for ratepayers. The commission failed to keep ratepayers' interest at heart,” said J.R. Kelly, the public counsel, whose office petitioned the commission to review FPL's rates, given its huge federal tax savings.

The savings resulted from the tax reform law of 2017, which lowered the corporate income tax rate from 35 percent to 21 percent. The tax changes were signed into law just three months after Irma. Other utilities in Florida, including Tampa Electric Co. and Duke Energy, passed on their tax savings to customers.

### [Plan to bury power lines advances — at a cost to residents »](#)

The commission ruled, however, that FPL can use the money to replenish a company account that was tapped to pay for **Hurricane Irma's costs**, which the company estimated at \$1.3 billion. Commissioners agreed that FPL's rates are “just and reasonable” and don't need to be reviewed.

The commission took the unusual step of going against its own staff recommendation, which had said FPL should deduct its costs from Irma but then pass the remainder to customers.

Jon Moyle, lawyer for the Florida Industrial Power Users Group, said his big power users group is “disappointed that the commission decided unanimously not to follow the recommendation of its professional staff to reduce FPL’s base rates by \$772 million.”

Commissioners said they considered FPL’s rates and the 11.5 percent profit the utility is allowed. “FPL continues to earn a profit within the range permitted,” said Commission Chairman Art Graham. Some commissioners said that if FPL went above that range, it would consider the need for new rates.

Commissioner Julie Brown said FPL has a unique rate structure, agreed to in 2016, that doesn’t include a provision for a tax windfall.

“Customers who would have otherwise seen a surcharge have benefited,” she said. “Customers have **continued to benefit** from fair and reasonable rates. The utility is not over-earning,” Brown said.

Kelly, the consumer watchdog, said in an interview that FPL’s rates were approved before the presidential election in November 2016. The tax provision was included in other utilities’ settlements because they were done after the election. As a result, FPL customers are overpaying on taxes through their monthly bills, he said.

The Florida Retail Federation and Florida Industrial Power Users had joined the public counsel in asking the commission to pass the tax savings to FPL customers.

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## Marcia Heroux Pounds

South Florida Sun Sentinel



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Marcia Heroux Pounds is a business writer for the Sun Sentinel. She writes about the job market, entrepreneurs, technology and the workplace. She's the author of I Found a Job!, a book about how some people found jobs during the worst years of the recession.

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### **Teacher arrested with 14-year-old student in Wilton Manors Airbnb, police say**

The 30-year-old biology teacher was shirtless and his 14-year-old student had no pants on when police came knocking, arrest report says.

Sun Sentinel

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BUSINESS

# Consumer advocate strikes deal with FPL over Hurricane Irma costs



By **MARCIA HEROUX POUNDS**

SOUTH FLORIDA SUN SENTINEL | JULY 27, 2018



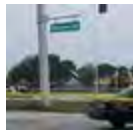
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A lineman with Florida Power and Light works on connecting a residence in Oakland Park after 2017's Hurricane Irma. (JOE CAVARETTA / Sun Sentinel)

Florida's Public Counsel has filed a settlement with Florida Power & Light Co. on its claimed \$1.3 billion cost recovery for 2017's Hurricane Irma.

The proposed settlement was filed Thursday with the Florida Public Service Commission ahead of the scheduled regulatory review of the expenses that begins Tuesday.



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In an interview Friday, Public Counsel J.R. Kelly said his office's priority is to secure new tracking procedures by FPL of its storm expenses.

"We got some concessions," Kelly said, pointing to about \$50 million in "reclassified" costs. "The most important to us is what we believe are tremendous improvements in the process for future cost recovery."

Kelly said he doesn't know what the commission's review of FPL's Irma expenses could

mean for consumers. FPL didn't implement a storm charge for Irma, saying it was using its tax windfall to cover the costs. But Kelly said FPL actually used the storm reserve, which is paid for by customers.

[\[More business\] Trump's net worth rises to \\$3 billion despite setbacks, including reduction in Mar-a-Lago business »](#)

"It's inaccurate to say FPL did not charge its customers," he said.

In the settlement, FPL agrees to new tracking methods of expenses when it uses out-of-state line crews to restore power after a storm, and of its vegetation management crews to prepare for storm season.

The commission is reviewing the proposed settlement, according to spokeswoman Cindy Muir. Tuesday's scheduled hearing will be reset for another date at which the settlement will be considered, she said.

Irma was a statewide storm that knocked out power to 90 percent of FPL's customers. FPL later said that most of its line and equipment damage came from overgrown trees and debris.

The parties came to the settlement, which has to be approved by the Florida Public Service Commission, after the failure in May of the Public Counsel's petition to force FPL to return its windfall tax savings to customers. The savings resulted from the federal tax overhaul in late 2017, which reduced the corporate tax rate from 35% to 21%.

But the commission voted for FPL to keep the \$772 million annual tax refund, going against its own staff's recommendation to return the tax savings.

[\[More business\] Ultimate Software names Adam Rogers new co-CEO »](#)

Kelly said the Public Counsel's Office may appeal the decision to the Florida Supreme Court, depending on the written order by the commission on the tax issue, which is pending.

In the settlement, FPL agrees to additional tracking of its costs, which include a new smartphone app to monitor expenses for line crews and vegetation management crews in 2019. The app would eliminate the paper time sheet and sets up new procedures for tracking travel, meals and other crew expenses.

In its settlement with FPL, the Public Counsel says it “thoroughly” examined the utility’s expenses for Irma recovery through a series of requests to FPL and interviewing five of its witnesses.

Two state business groups, the Florida Retail Federation and the Florida Industrial Power Users Group, had not joined the settlement as of its filing. Both groups took issue with FPL keeping its windfall tax savings.

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## Marcia Heroux Pounds

South Florida Sun Sentinel



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Marcia Heroux Pounds is a business writer for the Sun Sentinel. She writes about the job market, entrepreneurs, technology and the workplace. She's the author of *I Found a Job!*, a book about how some people found jobs during the worst years of the recession.

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THE BUZZ 

## State says FPL doesn't need to pass tax savings to customers

The state's top utility company chose to tap the company's reserve fund to pay for Irma-related costs and then use the tax savings to replenish the reserve.

By **Samantha J. Gross**

May 15



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TALLAHASSEE -- After Hurricane Irma, Florida Power & Light benefited from a major federal tax overhaul that saved the utility hundreds of millions of dollars.

With a windfall of cash, what was it to do for customers and investors?

The state's top utility company chose to tap the company's reserve fund to pay for Irma-related costs and then use the tax savings to replenish the reserve.

The state Office of Public Counsel, which represents utility consumers, and two business groups were not pleased with this decision and argued in April that FPL should have passed along tax savings to customers instead.

Florida's Public Service Commission, the state's utility regulatory board, decided Tuesday that FPL was not in the wrong, and ruled that the savings can be used to replenish the company account that was tapped to pay for Irma costs.





“I think the agreement allows FPL to use the funds this way,” Commissioner Gary Clark said. “Sometimes I’m not a big fan of the process that we use, but once we commit to the process it’s something we are stuck with ... and I don’t find any evidence that the rates aren’t fair and reasonable.”

The argument involved a series of issues that stem from a 2016 base-rate settlement agreement, where FPL was granted the ability to pass along storm-related costs to customers if a major storm like Hurricane Irma hit. The settlement also included provisions to set a maximum return on equity of 11.6 percent and approved FPL’s use of the financial reserve.

In late 2017, Congress passed the federal tax overhaul that reduced corporate income-tax rates from 35 percent to 21 percent, saving FPL about \$650 million, according to the Office of General Counsel.

Commissioner Julie Brown said under the settlement agreement, FPL customers were put in a unique position by benefiting from the rates. They avoided a surcharge on their bills after Irma, Brown said, and continue to benefit with rates that are “in the public interest.”

Brown pushed back against allegations by the Office of General Counsel and other groups that FPL is over earning.

“This commission will take action if the utility is over earning,” she said. “That is not the case today. Period.”

FPL spokesman Mark Bubrinski said the commission made the “right decision.” He said maintaining the settlement agreement is “beneficial to customers” and will continue to allow FPL to keep base rates “frozen through at least 2021,” or beyond the terms of the settlement.

“Hurricane Irma cost roughly \$1.3 billion. Our customers didn’t pay a dime,” he said. “We were pleased to be able to do that ... This keeps more money in our customers’ pockets over the long term.”

The commission also voted Tuesday to allow Gulf Power to pass along storm-related costs to customers who use at least 1,000 kilowatt hours per month. Gulf Power and FPL are both owned by NextEra Energy, based in Juno Beach.

Gulf Power will pass along \$342 million in Hurricane Michael-related costs to customers — a roughly \$8 increase for customers who use 1,000 kilowatt hours per month and more for those who go beyond that. Using an air-conditioner for eight hours a day, for example, would be about 340 kilowatt hours per month. A pool pump adds up to about 1,240 kilowatt hours per month.

The rate increase would start in July, and last about five years.

In its February petition, Gulf Power asserted that it incurred approximately \$350 million in costs as a result of Hurricane Michael, which barreled through the Panhandle in early October. The staff recommended that the commission approve the proposal, and it did so with little debate. The commission has signed off on such proposals from utilities after past storms. Also, Gulf Power operates under a 2017 rate settlement that anticipated the utility would be allowed to recover such costs if a major storm occurred.

Commissioner Clark said recovery is “not cheap,” and that most families will actually be paying more than \$8 per month. Clark said after seeing the damage and suffering the outage in the wake of the Category 5 storm, the cost will be worth it.

“Most houses use 2,000 kilowatt hours per month,” he said. “Some will see \$16 a month in charges or \$30 a month in charges. It is going to be difficult, but it is justifiable at this time.”

Bay County’s emergency management chief, Mark Bowen, said as more people are dependent on technology like home dialysis systems and oxygen generators, storm recovery is even more crucial.

“Even the most resilient components on our community were very depended on power,” he said, “In less than two weeks, we had over 95 percent of Gulf Power customers back. I know that timely restoration of power literally saved lives.”

Bay County’s economic development chief, Garret Wright, said energy restoration was crucial for the Panhandle’s economy, too.

“Immediately following Hurricane Michael, there was a lot of uncertainty regarding the future of our economy,” he said. “Our economy wouldn’t be how it is today if Gulf Power hadn’t responded in the way they did. We are all vulnerable to hurricanes and don’t know when the next hurricane will hit.”

**Samantha J. Gross** ✉ [sgross@miamiherald.com](mailto:sgross@miamiherald.com)

Times/Herald Tallahassee Bureau staff writer

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

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## Commission delays case on FPL Irma costs

by The News Service of Florida  
Monday, June 10th 2019

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*(News Service of Florida)*

TALLAHASSEE, Fla. — After Florida Power & Light and the state Office of Public Counsel reached a proposed settlement last week, regulators will delay taking up a case about the utility's costs to restore

FPL and the Office of Public Counsel, which represents consumers in utility issues, filed the proposed settlement Thursday at the state Public Service Commission. The move came five days before the commission was scheduled to start a hearing on power-restoration costs from the massive 2017 hurricane. But two business groups that have been part of the case --- the Florida Retail Federation and the Florida Industrial Power Users Group --- did not sign on to the settlement. As a result, Public Service Commission member Julie Brown, who is overseeing the case, issued an order delaying Tuesday's scheduled start of the hearing until July 9.

"Due process requires that both FRF and FIPUG (the Florida Retail Federation and the Florida Industrial Power Users Group) be given an adequate opportunity to review the settlement prior to taking a position on it," the order, dated Friday, said. Also, it said the positions the business groups take could affect how the hearing is handled. In the settlement, FPL and the Office of Public Counsel reached agreement on about \$1.3 billion in Irma-related costs --- and a process to better track costs during future storms.

FPL says it spent \$1.375 billion to restore electricity after Hurricane Irma blew through the state in 2017. But in filings as recent as late May, the Office of Public Counsel and the business groups questioned hundreds of millions of dollars in costs.

Utilities in the past have typically been allowed to recoup storm-restoration costs from customers through tacking on extra charges to monthly electric bills. But utilities also have to go before the Public Service Commission to justify the details of the costs.

The situation with FPL and its Irma costs is different because the utility decided to use savings from a 2017 federal tax overhaul to cover the Irma restoration costs, rather than adding charges to customers' monthly bills. The Public Service Commission last month signed off on that decision.

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## Letters: Thunderstorms are testing FPL hurricane readiness

Posted Jun 11, 2019 at 7:31 AM

Updated Jun 11, 2019 at 8:30 AM

I find it unbelievable that Florida Power & Light co. continues to spread the propaganda stating they are ready for hurricane season and all the improvements they have made. Yet a thunderstorm (like we've seen the last couple days) can come through and knock out power to "hundreds". How dumb do they think we are?

*Jan Belwood, Palm City*

### **McConnell needs to step up, move bills through Congress**

To the recent letter writers who criticize the Democrats for not joining with Republicans in passing legislation, I suggest we consider a deal. When Republican Senate Majority leader Mitch McConnell stops investing all his time in refusing to consider U.S. House-approved bills but manages to push through votes to stack the federal judicial benches around the country, maybe there is a mid-point at which both the House and Senate can begin to do their jobs as outlined in the U.S. Constitution.

*Harold Gittler, Lake Worth*

### **Cuba travel ban is long-overdue idea**

I happen to agree with President Donald Trump's decision to ban cruises to Cuba. Considering so much of the U.S. dollars spent in Cuba never seem to reach the poor impoverished Cuban citizens, and seem to only benefit the communist government, why would any American citizen want to spend money there? There are plenty of other countries to travel to rather than visit a country where life is made so intolerable for their own citizens.

*Ilean Guthartz, West Palm Beach*

### **Did the Russian believe Clinton was better candidate?**

For once, I agree with President Trump. We all know that the job of a stable worker is shoveling manure, and Trump is a genius at this.

A couple weeks ago, he let it slip that Russia did interfere in the 2016 presidential election to insure his win. Why would our strongest enemy in the world not want Democratic candidate Hillary Clinton to be president? Maybe because Russia knew she was the most capable candidate.

Trump supporters should really think about these facts.

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## Justices reject challenge to FPL solar projects

by Jim Turner/The News Service of Florida  
Thursday, June 13th 2019

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*FPL, consumer advocate reach deal on Irma costs (News Service of Florida)*

TALLAHASSEE, Fla. — The state Supreme Court on Thursday rejected a business group's challenge to a decision that allowed Florida Power & Light to recoup money from customers for a series of solar-energy

The Supreme Court unanimously ruled in favor of the Florida Public Service Commission, which in 2017 approved FPL's plan to recover the costs of the projects through base electric rates. The Florida Industrial Power Users Group, which includes large commercial electricity customers, challenged the approval, contending, in part, that the projects would not be cost-effective.

But Chief Justice Charles Canady, in a 16-page opinion, pointed to a 2016 settlement agreement that set base rates for FPL. Part of that agreement allowed FPL to go back to the Public Service Commission to seek increases for solar projects.

Canady wrote that the Florida Industrial Power Users Group, which frequently is involved in utility regulation cases at the Public Service Commission, declined to take part in the 2016 base-rate settlement with FPL.

"FIPUG (the group's acronym) was given an opportunity to review and challenge the provisions of the settlement agreement yet chose to take no position on the settlement agreement," Canady wrote. "By failing to object to the settlement agreement's provisions on the cost-effectiveness criteria and the base rate recovery mechanism for the (solar) projects at the time the settlement agreement was before the (Public Service) Commission and by failing to appeal the commission's final order approving the settlement agreement, FIPUG has waived its right to challenge these provisions."

The case involved commission decisions to approve eight FPL solar plants that came online in 2017 and 2018, according to the ruling. Those projects have been part of a broader push by FPL --- and other utilities in Florida --- to erect massive numbers of solar panels across the state.

In a filing last year at the Supreme Court, attorneys for the Florida Industrial Power Users Group said the commission's 2017 decision on the eight plants allowed FPL to recover nearly \$1 billion from ratepayers.

"FIPUG supports renewable energy. However, FIPUG made clear at the hearing below (at the Public Service Commission) that such support of renewable energy was conditioned on the cost-effectiveness and need for the renewable energy projects," the group's attorneys wrote. "In this case, FPL seeks commission approval to recover rates from ratepayers for solar energy projects that are neither needed nor cost effective."

The group contended, in part, that the Public Service Commission did not use a proper standard when it evaluated the solar projects. It said the commission should have looked at whether the projects are "prudent," a standard used in other types of utility regulatory cases.



Commission was not required to use that standard agreement. Canady also wrote that the

78°

86°

84°

rejected arguments about the standards in a Sierra Club challenge to another part of the FPL settlement.

“We rejected Sierra Club’s argument that it was necessary for the commission to independently apply a prudence standard to one of the other projects contained within the settlement agreement and held that the commission was only required to apply its public interest standard to the settlement agreement as a whole,” Thursday’s ruling said. “If, as FIPUG suggests here, the commission were later required to conduct a prudence or need determination for the (solar) projects, it would have had to vacate the settlement order, which is contrary to the doctrine of administrative finality.”

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# Florida Supreme Court Rejects Challenge To FPL Solar Projects

June 13, 2019 at 8:40 pm Filed Under: [Florida News](#), [Florida Power & Light](#), [Florida Supreme Court](#), [FPL](#), [Local TV](#), [Solar](#), [Solar Power](#)

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TALLAHASSEE (CBSMiami/NSF) — The Florida Supreme Court Thursday rejected a business group’s challenge to a decision that allowed Florida Power & Light to recoup money from customers for a series of solar-energy projects.

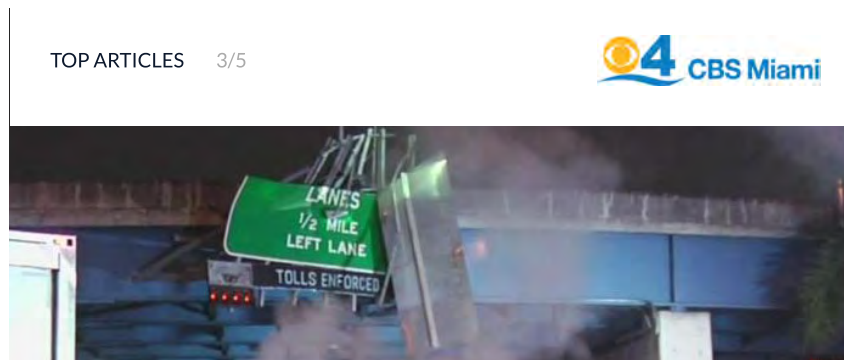
The Supreme Court unanimously ruled in favor of the Florida Public Service Commission, which in 2017 approved FPL’s plan to pass on the costs of the projects through base electric rates. The Florida Industrial Power Users Group, which includes large commercial and industrial customers, had argued that the plan was unfair and violated state law.

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electricity customers, challenged the approval, contending, in part, that the projects would not be cost-effective.

But Chief Justice Charles Canady, in a 16-page opinion, pointed to a 2016 settlement agreement that set base rates for FPL. Part of that agreement allowed FPL to go back to the Public Service Commission to seek increases for solar projects.



## Car Plunges Off Golden Glades Overpass, Two Dead

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Canady wrote that the Florida Industrial Power Users Group, which frequently is involved in utility regulation cases at the Public Service Commission, declined to take part in the 2016 base-rate settlement with FPL.

“FIPUG (the group’s acronym) was given an opportunity to review and challenge the provisions of the settlement agreement yet chose to take no position on the settlement agreement,” Canady wrote. “By failing to object to the settlement agreement’s provisions on the cost-effectiveness criteria and the base rate recovery mechanism for the (solar) projects at the time the settlement agreement was before the (Public Service) Commission and by failing to appeal the commission’s final order approving the settlement agreement, FIPUG has waived its right to challenge these provisions.”

The case involved commission decisions to approve eight FPL solar plants that came online in 2017 and 2018, according to the ruling. Those projects have been part of a broader push by FPL — and other utilities in Florida — to erect massive numbers of solar plants across the state.

In a filing last year at the Supreme Court, attorneys for the Industrial Power Users Group said the commission’s 2017 ruling on the eight plants allowed FPL to recover nearly \$1 billion from ratepayers.

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group's attorneys wrote. "In this case, FPL seeks commission approval to recover rates from ratepayers for solar energy projects that are neither needed nor cost-effective."

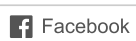
The group contended, in part, that the Public Service Commission did not use a proper standard when it evaluated the solar projects. It said the commission should have looked at whether the projects are "prudent," a standard used in other types of utility regulatory cases.

But the Supreme Court said the commission was not required to use that standard for projects contemplated in the 2016 settlement agreement. Canady also wrote that the Supreme Court last year rejected arguments about the standards in a Sierra Club challenge to another part of the FPL settlement.

"We rejected Sierra Club's argument that it was necessary for the commission to independently apply a prudence standard to one of the other projects contained within the settlement agreement and held that the commission was only required to apply its public interest standard to the settlement agreement as a whole," Thursday's ruling said. "If, as FIPUG suggests here, the commission were later required to conduct a prudence or need determination for the (solar) projects, it would have had to vacate the settlement order, which is contrary to the doctrine of administrative finality."

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# Business Group Approves FPL Settlement On Costs Stemming From Hurricane Irma

, 2019 at 10:18 pm

Filed Under: [Florida Industrial Power Users Group](#), [Florida News](#), [Florida Power & Light](#), [FPL](#), [Hurricane Irma](#), [Local TV](#)

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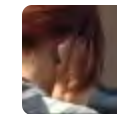
TALLAHASSEE (CBSMiami/NSF) – A group that represents major commercial electricity users has signed on to a settlement agreement about Florida Power & Light’s costs to restore electricity after Hurricane Irma in 2017.

The Florida Industrial Power Users Group, commonly known as FIPUG, filed a document Wednesday at the state Public Service Commission saying it has joined the settlement.

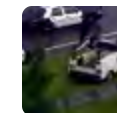
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“FIPUG believes that the settlement agreement sufficiently and satisfactorily addresses and resolves all issues in dispute in this

docket,” the group’s attorneys, Jon Moyle and Karen Putnal, wrote in the filing.

The settlement was reached last week by FPL and the state Office of Public Counsel, which represents consumers in utility issues.

FPL and the Office of Public Counsel reached agreement on about \$1.3 billion in Irma-related costs — and a process to better track costs during future storms.

FPL says it spent \$1.375 billion to restore electricity after Hurricane Irma blew through the state.

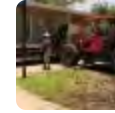
But in filings as recent as late May, the Office of Public Counsel, the Florida Industrial Power Users Group and the Florida Retail Federation questioned hundreds of millions of dollars in costs.

Utilities in the past have typically been allowed to recoup storm-restoration costs from customers through tacking on extra charges to monthly electric bills. But utilities also have to go before the Public Service Commission to justify the details of the costs.

The situation with FPL and its Irma costs is somewhat different because the utility decided to use savings from a 2017 federal tax overhaul to cover the Irma restoration costs, rather than adding charges to customers’ monthly bills.

The Public Service Commission is scheduled to take up the settlement and other potential issues July 9.

The settlement said the Florida Retail Federation indicated it did not anticipate joining the agreement.



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# Regulators approve FPL's \$1.3 billion in storm costs, applaud new mobile tech to track expenses



By **MARCIA HEROUX POUNDS**  
SOUTH FLORIDA SUN SENTINEL | JUL 09, 2019







A lineman working with Florida Power and Light connects residence in Oakland Park after 2017's Hurricane Irma. (JOE CAVARETTA / Sun Sentinel)

The state's utility regulators signed off Tuesday on a settlement with Florida Power & Light Co. that consumer advocates say could better protect customers from being overcharged for storm preparation or recovery.

FPL demonstrated its new smartphone app for commissioners that it says is more efficient in recording contractors' work hours and payments made for trimming trees before a storm and restoring power after a storm. The Florida Public Service Commission seemed enamored with FPL's smartphone app, which could be used for any storms this hurricane season, with plans to update by 2020.



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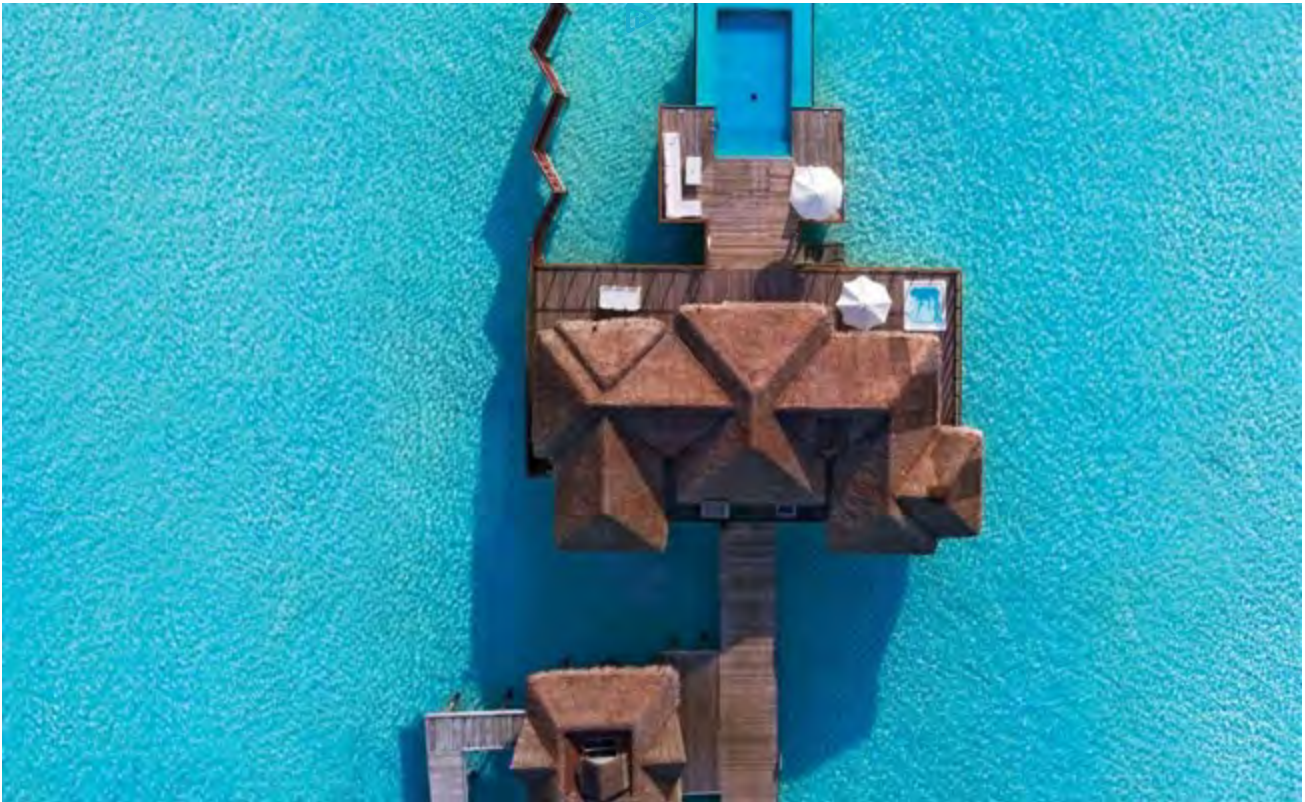
The state's largest electric utility, based in Juno Beach, had been relying on paper to record contractors' time worked and expenses paid.

As a result, commissioners also agreed to \$1.3 billion the utility says it spent to recover from 2017's Hurricane Irma. Tuesday's decision to approve the agreement avoids further review of FPL's Irma expenses, the commission staff said.

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Commissioners didn't go through a detailed review of the expenses, relying on the Office of Public Counsel's **settlement with FPL** struck in June.

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Public Counsel J.R. Kelly said new processes will help save money for electric utility customers. "The most important to us is what we believe are tremendous improvements in

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## Florida Power & Light will keep rates stable despite high costs of hurricane restoration

Published on July 11, 2019 by [Dave Kovaleski](#)

The Florida Public Service Commission (PSC) approved an agreement with Florida Power & Light Company that will not result in rates hikes stemming from Hurricane Irma restoration costs.

Hurricane Irma caused more than 4.4 million FPL customers to lose power when it hit Florida on Sept. 10, 2017. The cost to do so was around \$1.375 billion. The PSC allowed FPL to use savings from the federal Tax Cuts and Jobs Act of 2017 to replenish a utility account tapped to pay for Hurricane Irma recovery costs. This, in turn, will allow them to keep rates stable and avoid a surcharge on customer bills.

The agreement sets new guidelines and promotes the use of technology to track storm expenses and monitor costs paid to contractors.

“This agreement benefits the public interest. FPL customer bills will not increase to cover Hurricane Irma costs,” PSC Chairman Art Graham said. “Customers will also benefit from FPL’s new storm cost tracking app. With closer monitoring, future restoration costs will be reduced.”



Workers from 30 states and Canada helped FPL restore electricity in the region after Irma. Tracking storm restoration expenses is often difficult because of the large number of contractors that are required to quickly restore power after these types of storms. To remedy this, FPL will start using a smart-phone app to record the time and expenses of all crews.

[« BILL WOULD SPEED UP FEDERAL DEVELOPMENT OF LONG-DURATION ENERGY STORAGE TECHNOLOGIES](#)

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## FPL Settlement Approved on Irma Costs

By [JIM TURNER NEWS SERVICE OF FLORIDA \(/SOURCE/JIM-TURNER-NEWS-SERVICE-FLORIDA\)](#)

July 10, 2019 - 8:30am



Utility regulators on Tuesday signed-off on a \$1.3 billion agreement involving Florida Power & Light's costs for restoring electricity after Hurricane Irma plowed through the state in 2017.

The Florida Public Service Commission approved the settlement between FPL, the state Office of Public Counsel and the Florida Industrial Power Users Group. The agreement finalizes the costs, which will be covered by the utility's savings from a 2017

federal tax overhaul.

"The storm that we're dealing with, Irma, was a tremendous impact to your customers, throughout your service area," said Commissioner Donald Polmann. "I think everybody should recognize that this has come to a pretty quick closure with the settlement agreement. I do absolutely see this to be in the public interest that we move forward expeditiously."

The agreement also includes the development of technologies intended to better track future storm expenses for the utility.

Commission Chairman Art Graham predicted a new cost-tracking app will reduce future restoration costs.

FPL had contended it spent \$1.375 billion to restore electricity after Irma made landfall in Monroe County and then barreled through much of the state. But in filings as recent as late May, the Office of Public Counsel, which represents consumers, and business groups questioned hundreds of millions of dollars in costs.

The agreement includes \$50 million in adjustments to accounting for expenses.

The utility, saying it accomplished what the customers expected, reported that 50 percent of its 4.4 million customers that lost power from Hurricane Irma were back online within one day. Within 10 days of the storm, 99 percent of the customers were restored.

FPL spokesman Mark Bubriski said the agreement confirms the company "handled that storm properly."

"Hurricane Irma may seem like ancient history to some folks, but really it was less than two years ago," he said. "The regulatory process takes some time to review everything that goes into it."

As an example of the steps to better track expenses, FPL is starting to employ a smart-phone app for recording time and expenses of crews, which will expand the app's uses in 2020.

"We have been working on some new technologies to help us better manage, track, and increase transparency around the costs of restoring power after a hurricane," Bubriski said.

Part of the complexity of tracking expenses is that utilities bring in large numbers of crews from other states to help restore power after major storms.

The utility used workers from 30 states and Canada to restore electricity after Irma, deploying 28,000 workers across its coverage area.

State Public Counsel J.R. Kelly said high costs are expected as utility crews come in as customers demand quick restoration of power. However, he said "we don't want open checkbooks to these people, pay them exorbitant amounts of money."

## Comments

Submitted by [SophieHowarth \(/users/sophiehowarth\)](/users/sophiehowarth) on July 11, 2019 - 11:43am

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Submitted by [SophieHowarth \(/users/sophiehowarth\)](/users/sophiehowarth) on July 11, 2019 - 11:42am

[Permalink \(/comment/90393#comment-90393\)](/comment/90393#comment-90393)

On June 27, the motion to concur in the Senate Amendment for H.R. 3401, the emergency funding bill, was passed 305-102, with 25 not voting. To their credit, Wasserman Schultz and Shalala, regardless of their politics, voted "yes;" Mucarsel-Powell voted "no.".....<https://bit.ly/2XHEWoU>

[reply \(/comment/reply/7381903/90393\)](/comment/reply/7381903/90393)

Submitted by Anonymous on July 10, 2019 - 11:29am

[Permalink \(/comment/90345#comment-90345\)](/comment/90345#comment-90345)

How much did "the regulators" make in the settlement?

[reply \(/comment/reply/7381903/90345\)](/comment/reply/7381903/90345)