

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: 04/05/2022
TO: Office of Commission Clerk
FROM: Bureau of Consumer Assistance, Office of Consumer Assistance & Outreach
RE: Customer Correspondence

Please add the attached customer correspondence to Docket Correspondence-Consumers and their Representatives, in Docket 20210015.

RECEIVED-PPSC
2022 APR -5 AM 9:12
COMMISSION
CLERK



SANTA ROSA COUNTY BOARD OF COMMISSIONERS

Administrative Offices | 6495 Caroline Street, Suite M | Milton, Florida 32570-4592

SAM PARKER, District 1
ROBERT A. "BOB" COLE, District 2
JAMES CALKINS, District 3
DAVE PIECH, District 4
COLTEN WRIGHT, District 5

DEVANN COOK, County Administrator
BRAD BAKER, Asst. County Administrator

March 24, 2022

Florida Public Service Commission
Office of Consumer Assistance & Outreach
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850



RE: Florida Power & Light Rate Increases

Dear Sir or Madam,

This letter is on behalf of Santa Rosa County, Florida and its citizens, concerning your December 2, 2021 approval of rate increases by Florida Power & Light Company ("FPL")¹.

The Santa Rosa County Board of County Commissioners requests PSC staff re-investigate FPL's rate increase filings for accuracy, review the current rates effective January 1, 2022 to ensure they are fair and reasonable, and, if necessary, direct FPL to address inadequacies in fuel diversity and fuel supply reliability² which have resulted in unconscionable fuel surcharges to FPL customers. The following passage is taken from the December 2, 2021 *Final Order Approving 2021 Stipulation and Settlement Agreement*:

The 2021 Settlement has a minimum four year term through December 31, 2026. Base rates and service charges will be increased to generate an additional \$692 million of annual revenue effective January 1, 2022. Effective January 1, 2023, FPL's base rates and service charges will be increased to generate an additional \$560 million in annual revenue. FPL is authorized to expand its Solar Base Rate Adjustments to construct an additional 1,788 megawatts of solar projects in 2024 and 2025. FPL's regulatory return on common equity is set at 10.6% for all purposes with a range of 9.7% to 11.7%. The 2021 Settlement continues a storm cost recovery mechanism and creates a theoretical depreciation reserve surplus of \$1.45 billion which FPL may amortize up to a \$200 million cap in 2022, but at its sole discretion each year thereafter.

While FPL's plan to continue building a surplus for hurricane recovery is noteworthy, the notion that FPL will collect \$1,250,000,000 in additional revenues from 2022 – 2023, while Floridians suffer from record setting inflation³, increasing fuel costs, and continued economic impacts from the COVID-19 pandemic is morally unsettling. While average Americans are concerned with nationwide increases to the cost of living and the cost of doing business, FPL is guaranteed a 10.6% profit margin from customers who cannot choose from competing electric utility companies.

FPL's rate increases are having devastating impacts on individuals and families across Santa Rosa County, and the rate increases could not have come at a more economically difficult time for many of our residents. As such, we are requesting the Public Service Commission a) re-evaluate the accuracy of the figures and data presented by FPL that informed the PSC's decision to approve the rate increase, b) re-examine the fairness and reasonableness of the rate

¹ ORDER NO. PSC-2021-0446-S-EI: In re: to Petition for rate increase by Florida Power & Light Company
<http://www.psc.state.fl.us/library/filings/2021/12919-2021/12919-2021.pdf>

² 366.05(8), Florida Statutes

³ "US inflation highest in forty years, with no letup in sight"

<https://apnews.com/article/business-long-beach-inflation-prices-consumer-prices-d412bce554693de469765b34351773d>



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increase in light of present market conditions, and c) consider any inadequacies in fuel diversity and fuel supply reliability on the part of FPL which may have resulted in significant fuel costs being passed along to consumers.

Most respectfully,

Robert A. "Bob" Cole
Chairman, Board of County Commissioners

ATTEST:

Jason Eyll, Chief Deputy
Donald C. Spencer, Clerk of Court



Board of County Commissioners
Santa Rosa County, Florida
6495 Caroline Street
Milton, Florida 32570-4592

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DISTRIBUTION CENTER

2022 APR -5 AM 7:11



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