

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: May 13, 2025
TO: All Parties of Record & Interested Persons
FROM: Shaw Stiller, Special Counsel, Office of the General Counsel *SPS*
RE: Docket No. 20250011-EI - Petition for rate increase by Florida Power & Light Company.

Please note that an informal meeting between Commission Staff and parties in the above captioned docket has been scheduled for:

Wednesday, May 21, 2025 at 3:00 p.m.
Gerald L. Gunter Building, Room 105
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

The purpose of the meeting is to identify issues in this docket. A preliminary issue list is attached. Attendance is not required; however, all parties are encouraged to attend. Parties may participate telephonically in this meeting by dialing 888-585-9008, Conference Code 617-088-868, then #. If you have any questions about the meeting, please call Shaw Stiller at (850) 413-6187.

If settlement of the case or a named storm or other disaster requires cancellation of the meeting, Commission staff will attempt to give timely direct notice to the parties. Notice of cancellation will also be provided on the Commission's website (<http://www.floridapsc.com>) under the Hot Topics link found on the home page. Cancellation can also be confirmed by calling the Office of the General Counsel at (850) 413-6199.

SPS/crv

**FPL RATE CASE
DOCKET NO. 20250011-EI
PRELIMINARY ISSUE LIST
04/11/2025**

TEST PERIOD AND FORECASTING

- ISSUE 1:** Is FPL’s projected test period appropriate: (ECO-Kunkler)
- a. For the 12 months ending December 31, 2026?
 - b. For the 12 months ending December 31, 2027?
- ISSUE 2:** Are FPL’s forecasts of Customers, KWH, and KW by revenue and rate class appropriate: (ECO-Kunkler)
- a. For the 2026 projected test year?
 - b. For the 2027 projected test year?
- ISSUE 3:** What are the inflation, customer growth, and other trend factors that should be approved for use in forecasting the test year budget: (ECO-Prewett, Kunkler)
- a. For the 2026 projected test year?
 - b. For the 2027 projected test year?

QUALITY OF SERVICE

- ISSUE 4:** Is the quality of the electric service provided by FPL adequate? (ENG – Lewis)

DEPRECIATION AND DISMANTLEMENT STUDIES

- ISSUE 5:** Based on FPL’s 2025 Depreciation Study, what are the appropriate depreciation parameters and resulting depreciation rates for each depreciable plant account? (ECO-Wu)
- ISSUE 6:** Based on the application of the depreciation parameters and resulting depreciation rates that the Commission deems appropriate, and a comparison of the theoretical reserves to the book reserves, what are the resulting imbalances? (ECO)
- ISSUE 7:** What, if any, corrective reserve measures should be taken with respect to the imbalances identified in Issue 6? (ECO-Wu)
- ISSUE 8:** Should the Commission approve FPL’s requested capital recovery schedules and amortization schedules, if any? (ECO-Wu)
- ISSUE 9:** What is the appropriate annual accrual and reserve for dismantlement: (ECO-Richards/AFD – Vogel)
- a. For the 2026 projected test year?
 - b. For the 2027 projected test year?

ISSUE 10: What, if any, corrective dismantlement reserve measures should be approved? (ECO-Richards/AFD – Vogel)

ISSUE 11: What should be the implementation date for new depreciation rates and the provision for dismantlement? (ECO-Wu, Richards)

RATE BASE

ISSUE 13: Has FPL made the appropriate adjustments to remove all non-utility activities from Plant in Service, Accumulated Depreciation, and Working Capital: (AFD – Gatlin)

- a. For the 2026 projected test year?
- b. For the 2027 projected test year?

ISSUE 14: Should FPL’s proposed solar generation projects be included in rate base: (ENG – G. Davis/O. Wooten, AFD – Gatlin)

- a. For the 2026 projected test year?
- b. For the 2027 projected test year?

ISSUE 15: Should FPL’s proposed battery storage projects be included in rate base: (ENG – Sanchez, AFD – Gatlin)

- a. For the 2026 projected test year?
- b. For the 2027 projected test year?

ISSUE 16: Should FPL’s proposed generation maintenance capital expense be included in rate base: (ENG – G. Davis/O. Wooten, AFD – Gatlin)

- a. For the 2026 projected test year?
- b. For the 2027 projected test year?

ISSUE 17: Should FPL’s proposed Customer Information System replacement be included in rate base for the 2027 projected test year? (ENG – Lewis, AFD – Gatlin)

ISSUE 18: Should FPL’s proposed long-duration battery pilot program be included in rate base for the 2027 projected test year? (ENG – Sanchez, AFD – Holloway)

ISSUE 19: Should FPL’s proposed biogas upgrade be included in rate base: (ENG – T. Thompson, AFD - Holloway)

- a. For the 2026 projected test year?
- b. For the 2027 projected test year?

ISSUE 20: Should FPL’s proposed transmission plant additions be included in rate base: (ENG – P. Buys, AFD - Holloway)

- c. For the 2026 projected test year?
- d. For the 2027 projected test year?

- ISSUE 21:** Should FPL’s proposed distribution plant additions be included in rate base: (ENG – P. Buys, AFD - Holloway)
- a. For the 2026 projected test year?
 - b. For the 2027 projected test year?
- ISSUE 22:** What amount of Plant in Service should be approved: (AFD – Holloway) (Fallout Issue)
- a. For the 2026 projected test year?
 - b. For the 2027 projected test year?
- ISSUE 23:** What amount of Accumulated Depreciation should be approved: (AFD – Holloway) (Fallout Issue)
- a. For the 2026 projected test year?
 - b. For the 2027 projected test year?
- ISSUE 24:** What amount of Construction Work in Progress should be approved: (AFD – Holloway)
- a. For the 2026 projected test year?
 - b. For the 2027 projected test year?
- ISSUE 25:** What amount of Property Held for Future Use should be approved: (AFD – Gatlin, ENG – G. Davis)
- a. For the 2026 projected test year?
 - b. For the 2027 projected test year?
- ISSUE 26:** What amount of Working Capital should be approved: (AFD – Gatlin)
- a. For the 2026 projected test year?
 - b. For the 2027 projected test year?
- ISSUE 27:** What amount of rate base should be approved: (AFD – Holloway) (Fallout Issue)
- a. For the 2026 projected test year?
 - b. For the 2027 projected test year?

COST OF CAPITAL

- ISSUE 28:** What amount of accumulated deferred taxes should be approved for inclusion in the capital structure: (AFD F&T)
- a. For the 2026 projected test year?
 - b. For the 2027 projected test year?
- ISSUE 29:** What amount and cost rate of the unamortized investment tax credits should be approved for inclusion in the capital structure: (AFD F&T)
- a. For the 2026 projected test year?
 - b. For the 2027 projected test year?

ISSUE 30: What amount and cost rate for short-term debt should be approved for inclusion in the capital structure: (AFD F&T)

- a. For the 2026 projected test year?
- b. For the 2027 projected test year?

ISSUE 31: What amount and cost rate for long-term debt should be approved for inclusion in the capital structure: (AFD F&T)

- a. For the 2026 projected test year?
- b. For the 2027 projected test year?

ISSUE 32: What amount and cost rate for customer deposits should be approved for inclusion in the capital structure: (AFD F&T)

- a. For the 2026 projected test year?
- b. For the 2027 projected test year?

ISSUE 33: What equity ratio should be approved for use in the capital structure for ratemaking purposes: (AFD F&T)

- a. For the 2026 projected test year?
- b. For the 2027 projected test year?

ISSUE 34: What authorized return on equity (ROE) should be approved for use in establishing FPL's revenue requirement: (AFD F&T)

- a. For the 2026 projected test year?
- b. For the 2027 projected test year?

ISSUE 35: What capital structure and weighted average cost of capital should be approved for use in establishing FPL's revenue requirement: (AFD F&T) (Fallout Issue)

- a. For the 2026 projected test year?
- b. For the 2027 projected test year?

NET OPERATING EXPENSES

ISSUE 36: Has FPL correctly calculated the revenues at current rates: (ECO-Kunkler)

- a. For the 2026 projected test year?
- b. For the 2027 projected test year?

ISSUE 37: What projected amounts of Other Operating Revenues should be approved: (ECO-Barrett)

- a. For the 2026 projected test year?
- b. For the 2027 projected test year?

ISSUE 38: What amount of Total Operating Revenues should be approved: (ECO-Kunkler)

- a. For the 2026 projected test year?
- b. For the 2027 projected test year?

- ISSUE 39:** What amount of generation O&M expense should be approved: (ENG/AFD – Hinson)
- a. For the 2026 projected test year?
 - b. For the 2027 projected test year?
- ISSUE 40:** What amount of FPL’s transmission O&M expense should be approved: (ENG/AFD – Hinson)
- a. For the 2026 projected test year?
 - b. For the 2027 projected test year?
- ISSUE 41:** What amount of FPL’s distribution O&M expense should be approved: (ENG/AFD – Hinson)
- a. For the 2026 projected test year?
 - b. For the 2027 projected test year?
- ISSUE 42:** Has FPL made the appropriate test year adjustments to remove fuel revenues and fuel expenses recoverable through the Fuel Adjustment Clause: (AFD F&T)
- a. For the 2026 projected test year?
 - b. For the 2027 projected test year?
- ISSUE 43:** Has FPL made the appropriate test year adjustments to remove conservation revenues and conservation expenses recoverable through the Energy Conservation Cost Recovery Clause: (ECO-Pope)
- a. For the 2026 projected test year?
 - b. For the 2027 projected test year?
- ISSUE 44:** Has FPL made the appropriate test year adjustments to remove capacity revenues and capacity expenses recoverable through the Capacity Cost Recovery Clause: (AFD F&T)
- a. For the 2026 projected test year?
 - b. For the 2027 projected test year?
- ISSUE 45:** Has FPL made the appropriate test year adjustments to remove environmental revenues and environmental expenses recoverable through the Environmental Cost Recovery Clause: (ENG)
- a. For the 2026 projected test year?
 - b. For the 2027 projected test year?
- ISSUE 46:** Has FPL made the appropriate adjustments to remove all storm hardening revenues and expenses recoverable through the Storm Protection Plan Cost Recovery Clause: (IDM)
- a. For the 2026 projected test year?
 - b. For the 2027 projected test year?
- ISSUE 47:** Has FPL made the appropriate adjustments to remove all non-utility activities from operating revenues and operating expenses: (AFD – Hinson)

- a. For the 2026 projected test year?
- b. For the 2027 projected test year?

ISSUE 48: What annual storm damage accrual and storm damage reserve should be approved? (ENG)

ISSUE 49: What amount of salaries and benefits expense, including incentive compensation, should be approved: (AFD – Mason)

- a. For the 2026 projected test year?
- b. For the 2027 projected test year?

ISSUE 50: Should any adjustments be made to FPL’s operating revenues or operating expenses for the effects of transactions with affiliated companies: (AFD – Mason)

- a. For the 2026 projected test year?
- b. For the 2027 projected test year?

ISSUE 51: Should any adjustments be made to Directors and Officers Liability Insurance expense: (AFD – Mason)

- a. For the 2026 projected test year?
- b. For the 2027 projected test year?

ISSUE 52: What amount of Economic Development expense should be approved: (ECO)

- a. For the 2026 projected test year?
- b. For the 2027 projected test year?

ISSUE 53: What amount and amortization period for Rate Case Expense should be approved: (AFD – Mason)

- a. For the 2026 projected test year?
- b. For the 2027 projected test year?

ISSUE 54: What expense accruals for: (1) end of life materials and supplies and 2) last core nuclear fuel should be approved: (AFD – Hinson)

- a. For the 2026 projected test year?
- b. For the 2027 projected test year?

ISSUE 55: What amount of O&M Expense should be approved: (AFD – Mason) (Fallout Issue)

- a. For the 2026 projected test year?
- b. For the 2027 projected test year? (AFD)

ISSUE 56: What amount of depreciation, amortization, and fossil dismantlement expense should be approved: (AFD – Mason, ECO-Wu, Richards) (Fallout Issue)

- a. For the 2026 projected test year?
- b. For the 2027 projected test year?

ISSUE 57: What amount of Taxes Other Than Income Taxes should be approved: (AFD – Mason)

- a. For the 2026 projected test year?
- b. For the 2027 projected test year?

ISSUE 58: What amount of Production Tax Credits should be approved and what is the proper accounting treatment: (AFD F&T)

- a. For the 2026 projected test year?
- b. For the 2027 projected test year?

ISSUE 59: What treatment and amount of the Investment Tax Credits pursuant to the Inflation Reduction Act should be approved: (AFD F&T)

- a. For the 2026 projected test year?
- b. For the 2027 projected test year?

ISSUE 60: What amount of Income Tax expense should be approved: (AFD – Hinson)

- a. For the 2026 projected test year?
- b. For the 2027 projected test year?

ISSUE 61: What amount of Total Operating Expenses should be approved: (AFD – Mason) (Fallout Issue)

- a. For the 2026 projected test year?
- b. For the 2027 projected test year?

ISSUE 62: What amount of Net Operating Income should be approved: (AFD – Mason) (Fallout Issue)

- a. For the 2026 projected test year?
- b. For the 2027 projected test year?

REVENUE REQUIREMENTS

ISSUE 63: What revenue expansion factor and net operating income multiplier, including the appropriate elements and rates, should be approved: (AFD – Gatlin)

- a. For the 2026 projected test year?
- b. For the 2027 projected test year?

ISSUE 64: What amount of annual operating revenue increase or decrease should be approved: (AFD – Gatlin) (Fallout Issue)

- a. For the 2026 projected test year?
- b. For the 2027 projected test year?

COST OF SERVICE AND RATE DESIGN ISSUES

ISSUE 65: Is FPL's proposed separation of costs and revenues between the wholesale and retail jurisdictions appropriate: (ECO – McClelland)

- a. For the 2026 projected test year?

b. For the 2027 projected test year?

ISSUE 66: What is the appropriate methodology to allocate production costs to the rate classes: (ECO – McClelland)

a. For the 2026 projected test year?

b. For the 2027 projected test year?

ISSUE 67: What is the appropriate methodology to allocate transmission costs to the rate classes: (ECO – McClelland, ENG - Ellis)

a. For the 2026 projected test year?

b. For the 2027 projected test year?

ISSUE 68: What is the appropriate methodology to allocate distribution costs to the rate classes: (ECO – McClelland)

a. For the 2026 projected test year?

b. For the 2027 projected test year?

ISSUE 69: How should any change in revenue requirement approved by the Commission be allocated to the customer classes: (ECO – McClelland)

a. For the 2026 projected test year?

b. For the 2027 projected test year?

ISSUE 70: What are the appropriate service charges (initial connection, reconnection, connection of existing service, field visit, and temporary/construction service) (sheet nos. 4.020-4.030): (ECO – P. Kelley)

a. For the 2026 projected test year?

b. For the 2027 projected test year?

ISSUE 71: What are the appropriate base charges: (ECO – P. Kelley) (Fallout Issue)

a. For the 2026 projected test year?

b. For the 2027 projected test year?

ISSUE 72: What are the appropriate demand charges: (ECO – P. Kelley) (Fallout Issue)

a. For the 2026 projected test year?

b. For the 2027 projected test year?

ISSUE 73: What are the appropriate energy charges: (ECO – P. Kelley) (Fallout Issue)

a. For the 2026 projected test year?

b. For the 2027 projected test year?

ISSUE 74: What are the appropriate charges for the Standby and Supplemental Services (SST-1, ISST-1) rate schedules (sheet nos. 8.750-8.765): (ECO – P. Kelley) (Fallout Issue)

a. For the 2026 projected test year?

b. For the 2027 projected test year?

- ISSUE 75:** What is the appropriate charges for the Commercial Industrial Load Control (CILC) rate schedule (sheet nos. 8.650-8.659): (ECO – Hampson, ENG) (Fallout Issue)
- a. For the 2026 projected test year?
 - b. For the 2027 projected test year?
- ISSUE 76:** What is the appropriate credit and monthly administrative fee for the Commercial/Industrial Demand Reduction (CDR) Rider rate schedule (sheet nos. 8.680-8.685): (ECO – Hampson, ECO)
- a. For the 2026 projected test year?
 - b. For the 2027 projected test year?
- ISSUE 77:** What are the appropriate Lighting Service rate schedule charges: (ECO – P. Kelley) (Fallout Issue)
- a. For the 2026 projected test year?
 - b. For the 2027 projected test year?
- ISSUE 78:** What is the appropriate minimum monthly bill for Residential Service and General Service Non-Demand? (ECO – P. Kelley)
- ISSUE 79:** Should the Commission approve the proposed modification to the Contribution-in-Aid of Construction (CIAC) tariff (sheet no. 6.199)? (ECO – Hampson)
- ISSUE 80:** Should the Commission approve the proposed new Large Load Contract Service tariffs, LLCS-1 and LLCS-2 (sheet nos. 8.950-8.956) and associated service agreement (sheet nos. 9.960-9.983)? (ECO – McClelland, ENG – Ellis, Wooten)
- ISSUE 81:** Should the Commission approve the proposed new Residential Electric Vehicle Charging Service Rider, RS-2EV (sheet no. 8.215) and associated service agreement (sheet nos. 9.846-9.848) and close the existing Residential Electric Vehicle Charging Service pilot program (sheet no. 8.213) to new customers? (ECO – Hampson,)
- ISSUE 82:** Should the Commission approve FPL’s proposal to make the following riders or pilot programs permanent: Supplemental Power Services (sheet no. 8.845), Solar Power Facilities (sheet nos. 8.939-8.940), Commercial Electric Vehicle Charging Services (sheet nos. 8.942-8.943), Electric Vehicle Charging Infrastructure to GSLD (sheet no. 8.311), and Utility-owned Public Charging Electric Vehicles (sheet no. 8.936)? (ECO – P. Kelley)
- ISSUE 83:** Should the Commission approve the proposed cancellation of the following tariffs currently closed to new customers? Curtailable Service (CS-3, CST-3) (sheet nos. 8.542-8.548); Existing Facility Economic Development Rider (sheet no. 8.900); Business Incentive Rider (sheet nos. 8.901-8.904) (ECO – Hampson)

ISSUE 84: Should the Commission approve the proposal to close the Street Lighting (SL-1), Outdoor Service (OS-I/II), Outdoor Lighting (OL-1) to new customers and to cancel the tariffs by December 31, 2029? (ECO – Hampson)

ISSUE 85: Should the Commission approve the proposed modifications to the Economic Development Rider (sheet nos. 8.800-8.801) and Large Economic Development Rider (sheet nos. 8.802-8.802.1)? (ECO – Hampson)

ISSUE 86: Should the Commission approve tariffs reflecting Commission approved rates and charges: (ECO – P. Kelley)

- a. For the 2026 projected test year?
- b. For the 2027 projected test year?

ISSUE 87: What are the effective dates of FPL’s proposed rates and charges: (ECO – P. Kelley)

- a. For the 2026 projected test year?
- b. For the 2027 projected test year?

OTHER ISSUES

ISSUE 88: Should the Commission approve FPL’s requested Tax Adjustment Mechanism (TAM)? If so, should any changes or adjustments be made to the mechanism? (AFD)

ISSUE 89: Should the Commission approve FPL’s requested Solar Base Rate Adjustment mechanisms in 2028 and 2029? (ENG/AFD – Vogel)

ISSUE 90: Should the Commission approve FPL’s requested continuation of the Storm Cost Recovery mechanism? (ENG/AFD – Vogel)

ISSUE 91: Should the Commission approve FPL’s proposed mechanism for addressing a change in tax law? (AFD)

ISSUE 92: Should FPL be required to file, within 90 days after the date of the final order in this docket, a description of all entries or adjustments to its annual report, rate of return reports, and books and records which will be required as a result of the Commission’s findings in this rate case? (AFD – Vogel)

ISSUE 93: Should this docket be closed? (GCL)