BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

|  |  |
| --- | --- |
| In re: Petition for limited proceeding for recovery of incremental storm restoration costs related to Hurricanes Debby, Helene, and Milton, by Florida Power & Light Company. | DOCKET NO. 20240149-EI  ORDER NO. PSC-2025-0342-PAA-EI  ISSUED: September 12, 2025 |

The following Commissioners participated in the disposition of this matter:

MIKE LA ROSA, Chairman

ART GRAHAM

GARY F. CLARK

ANDREW GILES FAY

GABRIELLA PASSIDOMO SMITH

NOTICE OF PROPOSED AGENCY ACTION

ORDER GRANTING TEMPORARY RULE VARIANCE OR WAIVER

BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code (F.A.C.).

BACKGROUND

On October 29, 2024, Florida Power & Light Company (FPL or Company) filed a petition for a limited preceding seeking authority to implement an interim storm restoration recovery charge to recover $1.2 billion for the incremental restoration costs related to Hurricanes Debby, Helene, and Milton, as well as the replenishment of its retail storm reserve. FPL’s petition was granted by Order No. PSC-2024-0503-PCO-EI, issued December 17, 2024, approving an interim storm restoration recovery charge subject to final true-up once the total actual storm costs were known. Intervention by the Office of Public Counsel was acknowledged by Order No. PSC-2024-0490-PCO-EI, issued December 6, 2024.

On July 31, 2025, FPL filed a Petition for temporary variance from waiver of Rule 25-6.0143(1)(g), F.A.C. (Petition). Rule 25-6.0143, F.A.C., addresses electric utilities’ use of accumulated provision accounts 228.1, 228.2, and 228.4.[[1]](#footnote-1) Paragraph 1(g) of Rule 25-6.0143 requires that under the Incremental Cost and Capitalization Approach methodology for determining the allowable costs to be charged to cover storm-related damages, certain storm costs may be charged to Account 228.1 only after our review and approval. Before this Commission makes this determination, the utility may defer the costs if they were incurred prior to June 1 of the year following the storm event.

Rule 25-6.0143(1)(g), F.A.C., further requires that:

By September 30 a utility must file a petition for the disposition of any costs deferred prior to June 1 of the year following the storm event giving rise to the deferred costs.

Hurricanes Debby, Helene, and Milton impacted FPL’s service area during the 2024 storm season. Because FPL’s storm restoration costs related to those storms were incurred prior to June 1, 2025, FPL is required by Rule 25-6.0143(1)(g), F.A.C., to file its petition and documentation concerning the disposition of deferred storm costs related to Hurricanes Debby, Helene, and Milton no later than September 30, 2025.

FPL is asking for a temporary variance or waiver of the September 30 filing requirement. FPL is asking that it be allowed until December 31, 2025, to file its petition and supporting documentation.

Notice of FPL’s Petition was published in the August 5, 2025, edition of the *Florida Administrative Register*, as required by Section 120.542(6), Florida Statutes (F.S.). No one commented on the Petition within the 14-day comment period provided by Rule 28-104.003, F.A.C. Under Section 120.542(8), F.S., the we must approve or deny the Petition by October 29, 2025, or the Petition would be deemed approved.

The purpose of this order is to address only the request for waiver and variance. We have jurisdiction under Sections 120.542, 350.115, 366.04, 366.05, and 366.06, F.S.

DECISION

FPL is requesting that it be granted a temporary variance from, or waiver of, Rule 25-6.0143(1)(g), F.A.C. Pursuant to this rule provision, FPL is required to file its petition for disposition of certain deferred costs by September 30, 2025.

Legal Standard for Rule Variances or Waivers

Pursuant to Section 120.542(2), F.S., we are required to grant waivers and variances from its rules “when the person subject to the rule demonstrates that the purpose of the underlying statute will be or has been achieved by other means by the person and when application of a rule would create a substantial hardship or would violate principles of fairness.” A “substantial hardship” is defined by statute as a “demonstrated economic, technological, legal, or other type of hardship.”

Rule 25-6.0143, F.A.C., implements Section 350.115, F.S., which allows us to prescribe by rule uniform systems and classifications of accounts for each type of regulated company and approve or establish adequate, fair, and reasonable depreciation rates and charges. The rule also implements Section 366.04(2)(a), F.S., which gives us power over electric utilities to prescribe uniform systems and classifications of accounts.

FPL’s Petition

FPL stated that the application of Rule 25-6.0143(1)(g), F.A.C., to require the preparation and filing of the petition and documentation supporting the review and true-up of the total actual incremental storm restoration costs related to Hurricanes Debby, Helene, and Milton no later than September 30, 2025, will create a substantial hardship. In its October 29, 2024 petition, FPL estimated that the total storm-related restoration costs for Hurricanes Debby, Helene, and Milton to total $1.2 billion. Given the volume of invoices to be reviewed and the fact that three separate storms significantly impacted FPL’s system late in the 2024 hurricane season, additional time has been required to process, review, and finalize storm restoration invoices for payment. FPL does not estimate that its review process can be completed until late August or early September 2025.

FPL has also been engaged with the other investor-owned electric utilities (IOUs) with open storm dockets, the Office of Public Counsel, and Commission staff, to hire an outside auditor to review Hurricane Milton costs and develop a scope of audit applicable to all the IOUs. FPL is in the process of hiring an outside auditor but does not anticipate that the auditor’s review of Hurricane Milton costs will be complete until early December 2025. FPL argues that completing the outside audit before filing the petition for cost recovery will reduce the scope and volume of the discovery needed. Further, if forced to file prior to September 30, there is a risk that the outside audit results will conflict with the September 30 filing causing unnecessary confusion and the need for additional discovery.

Finally, FPL has requested that its petition for variance be considered at the our September 4th Agenda Conference so that it can become effective, if granted, on or before the September 30 filing deadline. FPL has stated that no anticipated party to the proceeding, and no customer will be adversely affected or prejudiced by granting its request. FPL has contacted OPC, the only current party to this docket, and is authorized to represent that OPC has no objection.

Purpose of Underlying Statutes

Sections 350.115 and 366.04(2)(a), F.S., give us the power to prescribe by rule uniform systems and classifications of accounts and to approve or establish adequate, fair, and reasonable rates and charges for electric utilities. The purpose of the September 30 filing date is to facilitate a timely review of storm restoration costs and afford us adequate oversight on the use of approved storm reserves (Account 228.1). Often the initial filings made pursuant to Rule 25-6.0143, F.A.C., reflect estimated costs used to implement an interim cost recovery mechanism. As such, we find that the purpose of Sections 350.115 and 366.04(2), F.S., will be unaffected by granting the requested temporary variance or waiver.

For these reasons, the purpose of the statutes will still be achieved as required by Section 120.542, F.S., if FPL’s Petition for temporary variance or waiver is granted. Further, no anticipated party to any proceedings and no customers will be prejudiced or adversely affected by granting FPL’s Petition for temporary variance or waiver.

Substantial Hardship

The facts presented by FPL to demonstrate a substantial hardship focus on the volume of work FPL needs to complete before filing its petition and supporting documentation for final storm restoration cost disposition. The cost estimates for restoration related to Hurricane Milton are $924.0 million. These costs are in addition to $134.8 million for Hurricane Debby and $177.0 million for Hurricane Helene. FPL needs to complete significant internal work on these hurricane costs before it can then turn to the task of an independent audit for Hurricane Milton. The audit, in turn, must be completed before FPL can then file for final disposition.

We considered and granted a similar request for waiver or variance from FPL in 2021.[[2]](#footnote-2) In that docket, the enhanced workload arose from a rate case hearing that was proceeding on a contemporaneous track as storm recovery. As noted in the order granting FPL’s petition in that docket, we have in the past granted petitions for variance or waiver on the basis that application of a rule’s filing deadline created substantial hardship because of utility staffing limitations caused by the specific circumstances alleged in those petitions.[[3]](#footnote-3) This was also the case in 2023, when FPL was granted a filing variance for costs associated with Hurricanes Ian and Nicole.[[4]](#footnote-4) Under the specific facts presented here, we find that FPL has demonstrated substantial hardship under Section 120.542, F.S.

For the reasons stated above, we hereby grant FPL’s Petition for a temporary variance or waiver of Rule 25-6.0143(1)(g), F.A.C., to allow FPL to file its petition for certain deferred costs no later than December 31, 2025.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Florida Power & Light Company’s Petition for a Temporary Variance From or Waiver of Rule 25-6.0143(1)(g), F.A.C., is granted. It is further

ORDERED that FPL shall file its petition for recovery of storm restoration costs no later than December 31, 2025. It is further

ORDERED that the provisions of this Order issued as proposed agency action, shall become final and effective upon issuance of a Consummating Order unless an appropriate petition in the form provided by Rule 25-106,201, F.A.C., is received by the Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth in the “Notice of Further Proceedings” which appears below. It is further

ORDERED that disposition of this petition for a waiver or variance serves only to extend the deadline for FPL to submit its petition and documentation supporting the review and true-up of the total actual incremental storm restoration costs related to Hurricanes Debby, Helene, and Milton. This docket shall remain open until that review is complete and the final true-up has been approved.

By ORDER of the Florida Public Service Commission this 12th day of September, 2025.

|  |  |
| --- | --- |
|  | /s/ Adam J. Teitzman |
|  | ADAM J. TEITZMAN  Commission Clerk |

Florida Public Service Commission

2540 Shumard Oak Boulevard

Tallahassee, Florida 32399

(850) 413‑6770

www.floridapsc.com

Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

SBr

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing that is available under Section 120.57, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

The action proposed herein is preliminary in nature. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on October 3, 2025.

In the absence of such a petition, this order shall become final and effective upon the issuance of a Consummating Order.

Any objection or protest filed in this/these docket(s) before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

1. Investor-owned electric utilities are required to maintain their accounts and records in conformity with the Uniform System of Accounts for Public Utilities and Licensees. Rule 25-6.014(1), F.A.C. [↑](#footnote-ref-1)
2. Order No. PSC-2021-0361-PAA-EI, issued September 16, 2021, in Docket No. 20210128-EI, *In re: Petition for temporary variance from or waiver of Rule 25-6.0143(1)(g), F.A.C., to file for prudence review of Florida Power & Light Company storm costs related to Hurricane Isaias and Tropical Storm Eta, and for prudence review and recovery of Gulf Power Company storms costs related to Hurricane Sally and Hurricane Zeta.* [↑](#footnote-ref-2)
3. Order No. PSC-2019-0067-GU, issued February 22, 2019, in Docket No. 20180230-GU, *In re: Petition for temporary waiver of Rule 25-7.045, F.A.C., by Florida Public Utilities Company;* Order No. PSC-12-0354-PAA-GU, issued July 9, 2012, in Docket No. 20120081-GU, *In re: Petition for waiver of requirement of Rule 25-7.045(8)(a), F.A.C., to file depreciation study within five years from date of filing previous study, and for authorization to file next depreciation study by August 17, 2012, by Florida Division of Chesapeake Utilities Corporation;* Order No. PSC-2002-0242-PAA-EI, issued February 25, 2002, in Docket No. 20011611-EI, *In re: Petition for Waiver of Depreciation Study Filing Requirement in Rule 25-6.0436(8)(a), F.A.C., by Florida Power Corporation;* Order No. PSC-01-2376-PAA-EI, issued December 10, 2001, in Docket No. 20011088-EI, *In re: Petition for waiver of depreciation study filing requirement in Rule 25-6.0436(8)(a), F.A.C., in order to extend time for filing study to April 30, 2003, by Florida Power & Light Company.* [↑](#footnote-ref-3)
4. Order No. PSC-2023-0298-PAA-EI, issued October 2, 2023, in Docket No. 20230017-EI, *In re:* *Petition for limited proceeding for recovery of incremental storm restoration costs related to Hurricanes Ian and Nicole, by Florida Power & Light Company.* [↑](#footnote-ref-4)