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080677-EI
090130-EI

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Subject: Attorney General McCollum's Memorandum in Docket No. 080677
Attachments: Memrandum.doc



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Attached is the Attorney General's Memorandum for filing in Docket No. 080677. Thank you for your consideration of this matter.

(See attached file: Memrandum.doc)

Please note that Florida has a broad public records law, and that all correspondence to me via email may be subject to disclosure.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by
Florida Power & Light Company

DOCKET NO.: 080677-EI
FILED: August 11 2009

In re: 2009 depreciation study by Florida
Power & Light Company.

DOCKET No.: 090130-EI
FILED: August 11, 2009

ATTORNEY GENERAL'S MEMORANDUM REGARDING INCLUSION OF ISSUE 171

Pursuant to Order No. PSC-09-0552-PCO-EI, the Citizens of the State of Florida, through Attorney General Bill McCollum, hereby submit this Memorandum Regarding Inclusion of Issue 171 (One Hundred and Seventy-One) and state in support thereof as follows:

ISSUE 171: *What is a fair and reasonable rate for the customers of Florida Power and Light Company? AGO*

Section 366.01, Florida Statutes, specifies that “[t]he regulation of public utilities as defined herein is **declared to be in the public interest** and this chapter shall be deemed to be an exercise of the police power of the state for the **protection of the public welfare and all the provisions hereof shall be liberally construed for the accomplishment of that purpose.**”

Section 366.041, Florida Statutes, provides “(1) In fixing the **just, reasonable and compensatory rates**, charges, fares, tolls, or rentals to be observed and charged for service within the state by any and all public utilities under its jurisdiction, the commission is authorized to give consideration, among other things, to the efficiency, sufficiency, and adequacy of the facilities provided and the service rendered; the cost of providing such service **and the value of such services to the public . . .**”

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FPSC-COMMISSION CLERK

Hundreds of Florida citizens testified under oath at the public hearings held around the state that they cannot afford a rate increase. Some spoke of having to move out of state to live with family and others spoke of moving to another state where the utility rates are more affordable.

A mother in tears testified that she had gone back to school to provide a better living for her two little boys. When the economy went bad, she had to drop out of school to look for a job but had been unable to find one. She testified that her parents are on a fixed income and cannot help except to provide her a jar of peanut butter for her boys to eat. She begged this commission not to raise her rates because she cannot afford it. Another lady testified that she had cut back so that she only used her air conditioner when the temperature went over 85 degrees during the day, she put blankets over her windows to try to keep it cooler, she only showered once a week and the rest of the week she sponged off using water she heated in a microwave.

Many seniors testified that they were on fixed incomes and could not afford this proposed increase. Some testified that they were not using air conditioners and were only taking their medication every other day. Many testified of the sacrifices they were making to try to pay their utility bills.

There were also small business owners who testified about the impact such an increase would have on their businesses and customers. These business owners testified that they had absorbed increased costs in other areas but would be unable to absorb the cost of the excessive rates which FPL has requested and they would have to pass these costs onto their customers. They feared that many of their customers would be unable to afford the increase and it would potentially end

their businesses, thus leaving them and their employees out of a job and increasing the current economic problems the state is facing.

This Commission has spent days listening to the testimony of the citizens of Florida. The Attorney General respectfully submits that the Commission would violate its legislative mandate if it disregarded such testimony at this stage of the proceedings and refused to address the issue of whether the requested rate increase is just and reasonable for customers and in the public interest.

Although this case includes an extensive list of issues, almost all of the consensus issues are focused on the operations of Florida Power & Light Company; none of them adequately address the issue of whether the requested rate increase is just and reasonable for the citizens and is in the public interest.¹

Respectfully submitted,

BILL McCOLLUM
Attorney General

s/ Cecilia Bradley
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¹ The Attorney General supports the use of specific issues as requested by the intervening parties. The use of specificity will help to prevent the confusion seen in certain recent hearings where the parties were not aware of all of the included issues until after the hearing had begun.

CERTIFICATE OF SERVICE
DOCKETS NOS. 080677-EI and 090130-EI

I HEREBY CERTIFY that a copy of the foregoing Attorney General Bill McCollum's Memorandum Regarding Inclusion of Issue 171 has been furnished by electronic mail and U.S. mail to the following parties on this 11th day of August, 2009 to the following:

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