



Village of Biscayne Park

640 NE 114th Street
Biscayne Park, FL 33161

Tel: 305 899 8000

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www.biscayneparkfl.gov

Noah Jacobs
Mayor

Roxanna Ross
Vice Mayor

Robert "Bob" Anderson
Commissioner

Bryan Cooper
Commissioner

Barbara Watts
Commissioner

Ana M. Garcia
Village Manager

John J. Hearn
Village Attorney

Maria C. Camara
Village Clerk

August 23, 2012

PSC Clerk
Attn: Docket 120015-E1
2540 Shumard Oak Blvd
Tallahassee, FL 32399-0850

Re: **Resolution 2012-22**

Dear PSC Clerk;

Attached please find Resolution 2012-22 of the Village of Biscayne Park opposing the proposed base rate increase by Florida Power & Light.

As a provision of this resolution, I am providing you with an executed copy.

Thank you.

Sincerely yours,
Village of Biscayne Park

Maria C. Camara
Maria C. Camara
Village Clerk

Encl:(1) Resolution 2012-22

RECEIVED-FPSC
12 AUG 30 AM 9:53
COMMISSION
CLERK

DOCUMENT NUMBER-DATE

05911 AUG 30 2012

FPSC-COMMISSION CLERK

1
2
3 **RESOLUTION NO. 2012-22**
4
5

6 **RESOLUTION OF THE VILLAGE COMMISSION**
7 **OF THE VILLAGE OF BISCAYNE PARK,**
8 **FLORIDA, OPPOSING THE PROPOSED BASE**
9 **RATE INCREASE BY FLORIDA POWER & LIGHT;**
10 **AUTHORIZING THE MAYOR TO FILE THIS**
11 **RESOLUTION WITH THE FLORIDA PUBLIC**
12 **SERVICE COMMISSION; PROVIDING FOR**
13 **SEVERABILITY; PROVIDING FOR AN**
14 **EFFECTIVE DATE**
15

16
17 WHEREAS Florida Power and Light (“FPL”) provides electricity within the Village
18 of Biscayne Park (“Village”), and the Village and its residents have no alternative but to
19 purchase services from FPL; and the Village government purchases electricity from FPL to
20 power Village Hall and all other municipal buildings in order to provide services to residents;
21 and
22

23 WHEREAS, the residents of the Village must also purchase electric service from FPL;
24 and
25

26 WHEREAS, the Village and its residents continue to face a depressed economy and
27 limited resources wherein jobs are being lost, incomes and revenues are static or declining,
28 and home mortgages are being foreclosed, requiring the Village and its residents to live within
29 their means and budget accordingly; and
30

31 WHEREAS, in March 2012, FPL proposed a 16% base rate hike in order to ensure up
32 to a 12.5% return on equity for its shareholders; and
33

34 WHEREAS, FPL benefits from more pass-through cost recovery mechanisms than any
35 other regulated utility in the United States of America, including the Storm Cost Recovery
36 Surcharge, the Fuel Cost Recovery Clause pass through, the Environmental Cost Recovery
37 Clause pass-through, the Capacity Cost Recovery Clause pass-through, the Conservation Cost
38 Recovery Clause pass-through, and the Nuclear Cost Recovery Clause pass-through, which
39 pass-through mechanisms increase FPL’s current cash flow without the scrutiny employed in
40 a traditional rate case; and
41

42 WHEREAS, currently approximately 52% of the rates paid by FPL customers are paid
43 pursuant to these cost recovery mechanisms instead of through base rates; and
44

45 WHEREAS, in 2009 the Florida Public Service Commission (“PSC”) awarded FPL
46 only 7% of its requested base rate relief, yet FPL continued in 2010 and 2011 to report
47 substantial earnings growth, including an increase of 14% in 2010 and 13% in 2011; and
48

49 WHEREAS, October 4, 2010, the PSC Staff recommended that the PSC order FPL to
50 hold \$400 million for possible refund to customers and that the PSC investigate over earning
51 by the company, however the customers never received a refund; and
52

53 WHEREAS, the proposed rate increases will adversely affect the residents of the
54 Village and further strain limited resources.
55

1 *
2 **NOW, THEREFORE, BE IT RESOLVED BY THE VILLAGE COMMISSION**
3 **OF THE VILLAGE OF BISCAIYNE PARK, FLORIDA:**

4 **Section 1.** The foregoing "WHEREAS" clauses are hereby ratified as true and
5 correct and are incorporated herein by this reference.
6

7 **Section 2.** The Village hereby objects to and opposes the Public Service
8 Commission ("PSC") approving FPL's request for a base rate increase.
9

10 **Section 3.** The Mayor is authorized on behalf of the Village to file this Resolution
11 with the PSC and present this Resolution opposing the rate increase at any public meeting,
12 conference or hearing, including those scheduled for the purpose of discussing or considering
13 any matters under consideration in PSC docket number 120015-E1.
14


15 **Section 4.** The Village Clerk is hereby directed to distribute a copy of this
16 resolution via mail to the PSC Clerk, Attention: Docket 120015-E1, 2540 Shumard Oak
17 Blvd., Tallahassee, FL 32399-0850, and via electronic mail to the Commission at
18 contact@psc.state.fl.us.
19

20 **Section 5.** If any section, subsection, sentence, clause, phrase, or portion of this
21 Resolution, or application hereof, is for any reason held invalid or unconstitutional by any
22 Court, such portion or application shall be deemed a separate, distinct, and independent
23 provision, and such holding shall not affect the validity of the remaining portions or
24 application hereof.
25

26 **Section 6.** All Resolutions made in conflict with this Resolution are hereby
27 repealed.
28


29 **Section 7.** This Resolution shall be effective immediately upon its adoption.
30
31

32 PASSED AND ADOPTED this 7th day of August, 2012.
33

34
35 
36
37 _____
38 Noah Jacobs, Mayor
39

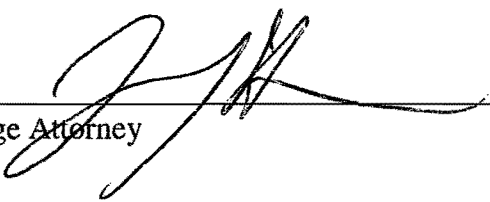
**The foregoing resolution upon being
Put to a vote, the vote was as follows:**

Mayor Jacobs: Yes
Vice Mayor Ross: No
Commissioner Anderson: Yes
Commissioner Cooper: Yes
Commissioner Watts: No

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44 Attest:
45 
46
47 _____
48 Maria C. Camara, Village Clerk
49
50

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Approved as to form:



Village Attorney