

August 15, 2016

Via electronic filing and email

Carlotta Stauffer Director, Office of Commission Clerk Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, Florida 32399-0850

# **Re:** Docket No. 160021

Dear Ms. Stauffer:

Enclosed for filing is Sierra Club's Amended Prehearing Statement in the above referenced docket. Should you have any questions regarding this filing, please contact me.

Sincerely,

/s/

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Enc.

### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Power & Light Company Docket No. 160021

Filed: August 15, 2016

# SIERRA CLUB'S AMENDED PREHEARING STATEMENT

Pursuant to the March 25, 2016, Order Establishing Procedure No. PSC-16-0125-PCO-EI, and the Prehearing Conference of August 12, 2016, Sierra Club submits the following Amended Prehearing Statement:

### 1. Witnesses

Sierra Club is prepared to present standing witnesses, as needed, to establish that Sierra Club has associational standing and is entitled to participate in this proceeding on its Florida members' behalf.

# 2. Prefiled Exhibits

Sierra Club prefiled a composite exhibit of nine standing affidavits by the following affiants: Nahaliel Kanfer, Sierra Club Deputy Director; Huda Fashho, Sierra Club Member Services Manager; Lesley Blackner, Sierra Club Member; Sheila Calderon, Sierra Club Member; Kris Cunningham, Sierra Club Member; Deborah Evans, Sierra Club Member; R. Stephen Mahoney, Sierra Club Member; Darryl Rutz, Sierra Club Member; James Teas, Sierra Club Member; and Mark Walters, Sierra Club Member. This standing exhibit is enclosed.

Additionally, Sierra Club reserves the right to present exhibits during cross-examination of the witnesses.

# 3. Statement of Basic Positions

Sierra Club meets the standing requirements to intervene in this docket for the reasons set out in its Intervention Petition of July 18, 2016, and as shown in its prefiled standing declarations. Sierra Club therefore has associational standing and is entitled to participate in the docket on its Florida members' behalf.

It is the Commission's duty to protect the public and the customers of Florida Power & Light Company (FPL) from rate increases that "are unjust, unreasonable, unjustly discriminatory, or in violation of law." Section 366.06, F.S. To fulfill its duties in this proceeding, the Commission should consider several statutory criteria, including:

a) "the value of [FPL's proposed] service to the public," including Sierra Club's members;

- b) FPL's use of "alternative energy resources," "conservation," and "efficiency;" and
- c) FPL's "ability to improve its services and facilities." Id.

FPL's requested rate increase for billion-dollar, natural gas-burning power plant projects and associated facilities is not responsive to the above criteria. The Commission should deny FPL's request because these projects are unjust, unreasonable, unjustly discriminatory, or in violation of law. In particular, FPL has not shown that the projects are even necessary for the provision of service to customers, much less reconcilable with the strategic imperative to mitigate Florida's over-reliance on natural gas imports. FPL has no excuse; there are abundantly available alternative clean, low cost, low risk alternatives and FPL has not offered any evidence to the contrary. Indeed, FPL offered virtually no alternatives analysis whatsoever, except for the narrow comparison of natural gas-burning options. The practical result is that FPL's natural gas projects and the associated rate increase impede the delivery of clean, low cost, low risk energy services to FPL's customers, including Sierra Club members.

# 4. Statement of Issues and Positions

# LEGAL ISSUES

- **ISSUE 1:** Does the Commission possess the authority to grant FPL's proposal to continue utilizing the storm cost recovery mechanism that was part of the settlement agreements approved in Order Nos. PSC-11-0089-S-EI and PSC-13-0023-S-EI?
- **POSITION:** No position.
- **ISSUE 2:** Does the Commission have the authority to approve FPL's requested limited scope adjustment for the new Okeechobee Energy Center in June of 2019?
- **POSITION:** Sierra Club adopts OPC's position.
- **ISSUE 3:** Does the Commission possess the authority to adjust FPL's authorized return on equity based on FPL's performance?
- **<u>POSITION</u>**: Sierra Club adopts OPC's position.
- **<u>ISSUE 4</u>**: Does the Commission have the authority to include non-electric transactions in an incentive mechanism?
- **<u>POSITION</u>**: Sierra Club adopts OPC's position.
- **ISSUE 5:** Does the Commission have the authority to approve proposed depreciation rates to be effective January 1, 2017, based upon a depreciation study that uses year-end 2017 plant balances?
- **POSITION:** Sierra Club adopts OPC's position.

- **ISSUE 6:** Are Commercial Industrial Load Control (CILC) and Commercial/Industrial Demand Reduction (CDR) credits subject to adjustment in this proceeding?
- **POSITION:** No position.

### STORM HARDENING ISSUES

- **ISSUE 7:** Does the Company's Storm Hardening Plan (Plan) comply with the National Electric Safety Code (ANSI C-2) (NESC) as required by Rule 25-6.0345, F.A.C.?
- **<u>POSITION</u>**: No position.
- **ISSUE 8:** Does the Company's Plan address the extreme wind loading standards specified in Figure 250-2(d) of the 2012 edition of the NESC for new distribution facility construction as required by Rule 25-6.0342(3)(b)1, F.A.C.?
- **POSITION:** No position.
- **ISSUE 9:** Does the Company's Plan address the extreme wind loading standards specified by Figure 250-2(d) of the 2012 edition of the NESC for major planned work on the distribution system, including expansion, rebuild, or relocation of existing facilities, assigned on or after the effective date of this rule distribution facility construction as required by Rule 25-6.0342(3)(b)2, F.A.C.?
- **POSITION:** No position.
- **ISSUE 10:** Does the Company's Plan address the extreme wind loading standards specified by Figure 250-2(d) of the 2012 edition of the NESC for distribution facilities serving critical infrastructure facilities and along major thoroughfares taking into account political and geographical boundaries and other applicable operational considerations as required by Rule 25-6.0342(3)(b)3, F.A.C.?
- **POSITION:** No position.
- **ISSUE 11:** Is the Company's Plan designed to mitigate damages to underground and supporting overhead transmission and distribution facilities due to flooding and storm surges as required by Rule 25-6.0342(3)(c), F.A.C.?
- **<u>POSITION</u>**: No position.
- **ISSUE 12:** Does the Company's Plan address the extent to which the placement of new and replacement distribution facilities facilitate safe and efficient access for installation and maintenance as required by Rule 25-6.0342(3)(d), F.A.C.?
- **<u>POSITION</u>**: No position.

- **ISSUE 13:** Does the Company's Plan provide a detailed description of its deployment strategy including a description of the facilities affected; including technical design specifications, construction standards, and construction methodologies employed as required by Rules 25-6.0341 and 25-6.0342(4)(a), F.A.C.?
- **POSITION:** No position.
- **ISSUE 14:** Does the Company's Plan provide a detailed description of its deployment strategy as it relates to the communities and areas within the utility's service area where the electric infrastructure improvements, including facilities identified by the utility as critical infrastructure and along major thoroughfares are to be made as required by Rules 25-6.0342(3)(b)3 and 25-6.0342(4)(b), F.A.C.?
- **POSITION:** No position.
- **ISSUE 15:** Does the Company's Plan provide a detailed description of its deployment strategy to the extent that the electric infrastructure improvements involve joint use facilities on which third-party attachments exist as required by Rule 25-6.0342(4)(c), F.A.C.?
- **POSITION:** No position.
- **ISSUE 16:** Does the Company's Plan provide a reasonable estimate of the costs and benefits to the utility of making the electric infrastructure improvements, including the effect on reducing storm restoration costs and customer outages as required by Rule 25-6.0342(4)(d), F.A.C.?
- **POSITION:** No position.
- **ISSUE 17:** Does the Company's plan provide an estimate of the costs and benefits to thirdparty attachers affected by the electric infrastructure improvements, including the effect on reducing storm restoration costs and customers outages realized by the third-party attachers as required by Rule 25-6.0342(4)(e), F.A.C.?
- **POSITION:** No position.
- **ISSUE 18:** Does the Company's Plan include a written Attachment Standards and Procedures addressing safety, reliability, pole loading capacity, and engineering standards and procedure for attachments by others to the utility's electric transmission and distribution poles that meet or exceed the edition of the National Electrical Safety Code (ANSI C-2) that is applicable as required by Rule 25-6.0342(5), F.A.C.?
- **POSITION:** No position.

# WOODEN POLE INSPECTION PROGRAM

- **ISSUE 19:** Does the Company's eight-year wooden pole inspection program comply with Order No. PSC-06-0144-PAA-EI, issued on February 27, 2006, in Docket No. 060078-EI, and Order No. PSC-06-0778-PAA-EU, issued on September 18, 2006, in Docket No. 060531-EU?
- **POSITION:** No position.

### **10 POINT STORM PREPAREDNESS INITIATIVES**

- **ISSUE 20:** Does the Company's 10-point initiatives plan comply with Order No. PSC-06-0351-PAA-EI, issued on April 25, 2006; Order No. PSC-06-0781-PAA-EI, issued on September 19, 2006; and Order No. PSC-07-0468-FOF-EI, issued on May 30, 2007, in Docket No. 060198-EI?
- **POSITION:** No position.

# APPROVAL OF STORM HARDENING PLAN

- **ISSUE 21:** Should the Company's Storm Hardening Plan for the period 2016 through 2018 be approved?
- **POSITION:** No position.

### **COSTS FOR STORM HARDENING AND 10 POINT INITIATIVES**

- **ISSUE 22:** What adjustments, if any, should be made to rate base associated with the storm hardening Rule 25-6.0342, F.A.C., and 10 point initiatives requirements?
- **<u>POSITION</u>**: No position.
- **ISSUE 23:** What adjustments, if any, should be made to operating expenses associated with the storm hardening Rule 25-6.0342, F.A.C., and 10 point initiatives requirements?
- **POSITION:** No position.

### **TEST PERIOD AND FORECASTING**

- **ISSUE 24:** Is FPL's projected test period of the 12 months ending December 31, 2017, appropriate?
- **<u>POSITION</u>**: Sierra Club adopts OPC's position.
- **<u>ISSUE 25</u>**: Do the facts of this case support the use of a subsequent test year ending December 31, 2018 to adjust base rates?

**POSITION:** Sierra Club adopts OPC's position.

- **<u>ISSUE 26</u>**: Has FPL proven any financial need for rate relief in any period subsequent to the projected test period ending December 31, 2017?
- **POSITION:** Sierra Club adopts OPC's position.
- **ISSUE 27:** Is FPL's projected subsequent test period of the 12 months ending December 31, 2018, appropriate?
- **<u>POSITION</u>**: Sierra Club adopts OPC's position.
- **<u>ISSUE 28</u>**: Are FPL's forecasts of Customers, KWH, and KW by Rate Schedule and Revenue Class, for the 2017 projected test year appropriate?
- **POSITION:** Sierra Club adopts OPC's position.
- **ISSUE 29:** Are FPL's forecasts of Customers, KWH, and KW by Rate Schedule and Revenue Class, for the 2018 projected test year appropriate, if applicable?
- **POSITION:** Sierra Club adopts OPC's position.
- **ISSUE 30:** Are FPL's forecasts of Customers, KWH, and KW by Rate Schedule and Revenue Class, for the period June 2019 to May 2020, appropriate, if applicable?
- **POSITION:** Sierra Club adopts OPC's position.
- **<u>ISSUE 31</u>**: Are FPL's projected revenues from sales of electricity by rate class at present rates for the 2016 prior year and projected 2017 test year appropriate?
- **<u>POSITION</u>**: Sierra Club adopts OPC's position.
- **ISSUE 32:** Are FPL's projected revenues from sales of electricity by rate class at present rates for the projected 2018 test year appropriate, if applicable?
- **<u>POSITION</u>**: Sierra Club adopts OPC's position.
- **<u>ISSUE 33</u>**: What are the appropriate inflation, customer growth, and other trend factors for use in forecasting the 2017 test year budget?
- **<u>POSITION</u>**: Sierra Club adopts OPC's position.
- **<u>ISSUE 34</u>**: What are the appropriate inflation, customer growth, and other trend factors for use in forecasting the 2018 test year budget, if applicable?
- **<u>POSITION</u>**: Sierra Club adopts OPC's position.

- **ISSUE 35:** Are FPL's estimated operating and tax expenses, for the projected 2017 test year, sufficiently accurate for purposes of establishing rates?
- **POSITION:** Sierra Club adopts OPC's position.
- **ISSUE 36:** Are FPL's estimated operating and tax expenses, for the projected 2018 subsequent year, sufficiently accurate for purposes of establishing rates, if applicable?
- **POSITION:** Sierra Club adopts OPC's position.
- **ISSUE 37:** Are FPL's estimated Net Plant in Service and other rate base elements, for the projected 2017 test year, sufficiently accurate for purposes of establishing rates?
- **POSITION:** Sierra Club adopts OPC's position.
- **ISSUE 38:** Are FPL's estimated Net Plant in Service and other rate base elements, for the projected 2018 subsequent year, sufficiently accurate for purpose of establishing rates, if applicable?
- **POSITION:** Sierra Club adopts OPC's position.

# **QUALITY OF SERVICE**

- **ISSUE 39:** Is the quality of the electric service provided by FPL adequate taking into consideration: a) the efficiency, sufficiency and adequacy of FPL's facilities provided and the services rendered; b) the cost of providing such services; c) the value of such service to the public; d) the ability of the utility to improve such service and facilities; e) energy conservation and the efficient use of alternative energy resources; and f) any other factors the Commission deems relevant.
- **POSITION:** No, FPL's billion-dollar, natural gas-burning power plant projects are not responsive to the above criteria. FPL has not shown that the projects will yield services that are of value to the public/customers. Specifically, FPL failed to show that the projects are even necessary for the provision of service to customers, much less reconcilable with the strategic imperative to mitigate Florida's over-reliance on natural gas imports. FPL has no excuse; there are abundantly available alternative clean, low cost, low risk alternatives and FPL has not offered any evidence to the contrary. Indeed, FPL offered virtually no alternatives analysis whatsoever, except for the narrow comparison of natural gas-burning options. The practical result is that FPL's projects and the associated requested rate impede the delivery of clean, low cost, low risk energy services to the public and FPL's customers.

# **DEPRECIATION STUDY**

**ISSUE 40:** What, if any, are the appropriate capital recovery schedules?

**POSITION:** No position.

- **ISSUE 41:** What is the appropriate depreciation study date?
- **POSITION:** No position.
- **ISSUE 42:** If the appropriate depreciation study date is not December 31, 2017, what action should the Commission take?
- **POSITION:** No position.
- **ISSUE 43:** Should accounts 343 and 364 be separated into subaccounts and different depreciation rates be set for the subaccounts using separate parameters? If so, how should the accumulated depreciation reserves be allocated and what parameters should be applied to each subaccount?
- **POSITION:** No position.
- **ISSUE 44:** What are the appropriate depreciation parameters (e.g., service lives, remaining lives, net salvage percentages, and reserve percentages) and resulting depreciation rates for the accounts and subaccounts related to each production unit?
- **POSITION:** No position.
- **ISSUE 45:** What are the appropriate depreciation parameters (e.g., service lives, remaining lives, and net salvage percentages) and resulting depreciation rates for each transmission, distribution, and general plant account, and subaccounts, if any? **POSITION:** No position.
- **ISSUE 46:** 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?
- **POSITION:** No position.
- **ISSUE 47:** If the Commission accepts FPL's depreciation study for purposes of establishing its proposed depreciation rates and related expense, what adjustments, if any, are necessary?
- **POSITION:** No position.
- **<u>ISSUE 48</u>**: What, if any, corrective reserve measures should be taken with respect to the imbalances identified in Issue 46?
- **<u>POSITION</u>**: No position.

- **<u>ISSUE 49</u>**: What should be the implementation date for revised depreciation rates, capital recovery schedules, and amortization schedules?
- **POSITION:** No position.
- **ISSUE 50:** Should FPL's currently approved annual dismantlement accrual be revised?
- **<u>POSITION</u>**: No position.
- **<u>ISSUE 51</u>**: What, if any, corrective dismantlement reserve measures should be approved?
- **<u>POSITION</u>**: No position.
- **<u>ISSUE 52</u>**: What is the appropriate annual accrual and reserve for dismantlement

A. For the 2017 projected test year?

B. If applicable, for the 2018 subsequent projected test year?

**POSITION:** No position.

### **RATE BASE**

- **ISSUE 53:** Should the revenue requirement associated with West County Energy Center Unit 3 currently collected through the Capacity Cost Recovery Clause be included in base rates?
- **POSITION:** Sierra Club adopts OPC's position.
- **<u>ISSUE 54</u>**: Has FPL appropriately accounted for the impact of the Cedar Bay settlement agreement

A. For the 2017 projected test year?

B. If applicable, for the 2018 subsequent projected test year?

- **<u>POSITION</u>**: No position at this time.
- **<u>ISSUE 55</u>**: Has FPL made the appropriate adjustments to remove all non-utility activities from Plant in Service, Accumulated Depreciation and Working Capital

A. For the 2017 projected test year?

B. If applicable, for the 2018 subsequent projected test year?

**<u>POSITION</u>**: Sierra Club adopts OPC's position.

- **<u>ISSUE 56</u>**: What is the appropriate amount of Plant in Service for FPL's Large Scale Solar Projects?
- **POSITION:** Sierra Club adopts OPC's position.
- **ISSUE 57:** Is FPL's replacement of its peaking units reasonable and prudent?

No, the \$800 million natural-gas burning peaker replacement projects are unjust, unreasonable, unjustly discriminatory, or in violation of law. FPL failed to get the prerequisite need determination from the Commission for these projects. FPL also failed to show that these projects yield services that are of value to customers/the public. Specifically, FPL failed to show that the projects are even necessary for the provision of service to customers, much less reconcilable with the strategic imperative to mitigate Florida's over-reliance on natural gas imports. FPL has no excuse; there are abundantly available alternative clean, low cost, low risk alternatives and FPL has not offered any evidence to the contrary. Indeed, FPL offered virtually no alternatives analysis whatsoever, except for the narrow comparison of natural gas-burning options. The Commission should deny FPL's requested rate increase for the \$800 million replacement projects.

**ISSUE 57A:** Are FPL's .05 compressor upgrades reasonable and prudent?

No, the \$450 million changes to FPL's 26 existing natural gas combustion turbines are unjust, unreasonable, unjustly discriminatory, or in violation of law. FPL failed to get the prerequisite need determination from the Commission for these changes. FPL also failed to show that these changes yield services that are of value to the public/customers. Specifically, FPL failed to show that the projects are even necessary for the provision of service to customers, much less reconcilable with the strategic imperative to mitigate Florida's over-reliance on out-of-state natural gas imports. FPL has no excuse; there are abundantly available alternative clean, low cost, low risk alternatives and FPL has not offered any evidence to the contrary. Indeed, FPL offered virtually no alternatives analysis whatsoever, except for the narrow comparison of natural gas-burning options. The Commission should deny FPL's requested rate increase for the \$450 million changes to FPL's 26 existing natural gas combustion turbines.

**<u>ISSUE 58</u>**: If adjustments are made to FPL's proposed depreciation and dismantling expenses, what is the impact on rate base

A. For the 2017 projected test year?

B. If applicable, for the 2018 subsequent projected test year?

**<u>POSITION</u>**: Sierra Club adopts OPC's position.

**ISSUE 59:** What is the appropriate level of Plant in Service (Fallout Issue)

A. For the 2017 projected test year?

B. If applicable, for the 2018 subsequent projected test year?

- **POSITION:** Sierra Club adopts OPC's position.
- **<u>ISSUE 60</u>**: What is the appropriate level of Accumulated Depreciation (Fallout Issue)

A. For the 2017 projected test year?

B. If applicable, for the 2018 subsequent projected test year?

- **POSITION:** Sierra Club adopts OPC's position.
- **ISSUE 61:** Are FPL's proposed adjustments to move certain CWIP projects from base rates to the Environmental Cost Recovery Clause appropriate?
- **POSITION:** Sierra Club adopts OPC's position.
- **<u>ISSUE 62</u>**: Are FPL's proposed adjustments to move certain CWIP projects from base rates to the Energy Conservation Cost Recovery Clause appropriate?
- **POSITION:** Sierra Club adopts OPC's position.
- **ISSUE 63:** Is the company's proposed adjustment to remove Fukushima-related costs from the rate base and recover all Fukushima-related capital costs in the Capacity Cost Recovery Clause appropriate?
- **POSITION:** No position.
- **<u>ISSUE 64</u>**: What is the appropriate level of Construction Work in Progress to be included in rate base

A. For the 2017 projected test year?

B. If applicable, for the 2018 subsequent projected test year?

- **POSITION:** Sierra Club adopts OPC's position.
- **ISSUE 65:** Are FPL's proposed reserves for Nuclear End of Life Material and Supplies and Last Core Nuclear Fuel appropriate

A. For the 2017 projected test year?

B. If applicable, for the 2018 subsequent projected test year?

- **POSITION:** Sierra Club adopts OPC's position.
- **ISSUE 66:** What is the appropriate level of Nuclear Fuel (NFIP, Nuclear Fuel Assemblies in Reactor, Spent Nuclear Fuel less Accumulated Provision for Amortization of Nuclear Fuel Assembilies)
  - A. For the 2017 projected test year?
  - B. If applicable, for the 2018 subsequent projected test year?
- **<u>POSITION</u>**: Sierra Club adopts OPC's position.
- **<u>ISSUE 67</u>**: What is the appropriate level of Property Held for Future Use

A. For the 2017 projected test year?

B. If applicable, for the 2018 subsequent projected test year?

- **<u>POSITION</u>**: Sierra Club adopts OPC's position.
- **<u>ISSUE 68</u>**: What is the appropriate level of fossil fuel inventories

A. For the 2017 projected test year?

- B. If applicable, for the 2018 subsequent projected test year?
- **<u>POSITION</u>**: Sierra Club adopts OPC's position.
- **<u>ISSUE 69</u>**: Should the unamortized balance of Rate Case Expense be included in Working Capital and, if so, what is the appropriate amount to include

A. For the 2017 projected test year?

- B. If applicable, for the 2018 subsequent projected test year
- **<u>POSITION</u>**: Sierra Club adopts OPC's position.
- **<u>ISSUE 70</u>**: What is the appropriate amount of injuries and damages (I&D) reserve to include in rate base?
- **<u>POSITION</u>**: Sierra Club adopts OPC's position.

**ISSUE 71:** What is the appropriate amount of deferred pension debit in working capital for FPL to include in rate base

A. For the 2017 projected test year?

B. If applicable, for the 2018 subsequent projected test year?

- **POSITION:** Sierra Club adopts OPC's position.
- **ISSUE 72:** Should the unbilled revenues be included in working capital
  - A. For the 2017 projected test year?
  - B. If applicable, for the 2018 subsequent projected test year?
- **POSITION:** Sierra Club adopts OPC's position.
- **ISSUE 73:** What is the appropriate methodology for calculating FPL's Working Capital
  - A. For the 2017 projected test year?
  - B. If applicable, for the 2018 subsequent projected test year?
- **POSITION:** Sierra Club adopts OPC's position.
- **ISSUE 74:** If FPL's balance sheet approach methodology for calculating its Working Capital is adopted, what adjustments, if any, should be made to FPL's proposed Working Capital
  - A. For the 2017 projected test year?
  - B. If applicable, for the 2018 subsequent projected test year?
- **<u>POSITION</u>**: Sierra Club adopts OPC's position.
- **ISSUE 75:** Should FPL's requested change in methodology for recovering nuclear maintenance outage costs from accrue-in-advance to defer-and-amortize be approved? If so, are any adjustments necessary

A. For the 2017 projected test year?

B. If applicable, for the 2018 subsequent projected test year?

- **<u>POSITION</u>**: Sierra Club adopts OPC's position.
- **ISSUE 76:** What is the appropriate level of Working Capital (Fallout Issue)

A. For the 2017 projected test year?

B. If applicable, for the 2018 subsequent projected test year?

- **<u>POSITION</u>**: Sierra Club adopts OPC's position.
- **<u>ISSUE 77</u>**: What is the appropriate level of rate base
  - A. For the 2017 projected test year?
  - B. If applicable, for the 2018 subsequent projected test year?
- **<u>POSITION</u>**: Sierra Club adopts OPC's position.

### **COST OF CAPITAL**

**<u>ISSUE 78</u>**: What is the appropriate amount of accumulated deferred taxes to include in the capital structure and should a proration adjustment to deferred taxes be included in capital structure

A. For the 2017 projected test year?

B. If applicable, for the 2018 subsequent projected test year?

- **<u>POSITION</u>**: No position.
- **<u>ISSUE 79</u>**: What is the appropriate amount and cost rate of the unamortized investment tax credits to include in the capital structure

A. For the 2017 projected test year?

B. If applicable, for the 2018 subsequent projected test year?

- **POSITION:** No position.
- **<u>ISSUE 80</u>**: What is the appropriate amount and cost rate for short-term debt to include in the capital structure

A. For the 2017 projected test year?

B. If applicable, for the 2018 subsequent projected test year?

**<u>POSITION</u>**: No position.

**ISSUE 81:** What is the appropriate amount and cost rate for long-term debt to include in the capital structure A. For the 2017 projected test year? B. If applicable, for the 2018 subsequent projected test year? **POSITION:** No position. What is the appropriate amount and cost rate for customer deposits to include in **ISSUE 82:** the capital structure A. For the 2017 projected test year? B. If applicable, for the 2018 subsequent projected test year? **<u>POSITION</u>**: No position. **ISSUE 83**: What is the appropriate equity ratio to use in the capital structure for ratemaking purposes A. For the 2017 projected test year? B. If applicable, for the 2018 subsequent projected test year? **<u>POSITION</u>**: No position. Should FPL's request for a 50 basis point performance adder to the authorized <u>ISSUE 84</u>: return on equity be approved? **<u>POSITION</u>**: Sierra Club adopts OPC's position. **ISSUE 85:** What is the appropriate authorized return on equity (ROE) to use in establishing FPL's revenue requirement A. For the 2017 projected test year? B. If applicable, for the 2018 subsequent projected test year? **POSITION:** Sierra Club adopts OPC's position. What is the appropriate weighted average cost of capital to use in establishing **ISSUE 86:** FPL's revenue requirement? A. For the 2017 projected test year?

- B. If applicable, for the 2018 subsequent projected test year?
- **POSITION:** No position.

#### **NET OPERATING INCOME**

- **ISSUE 87:** What are the appropriate projected amounts of other operating revenues
  - A. For the 2017 projected test year?
  - B. If applicable, for the 2018 subsequent projected test year?
- **POSITION:** No position at this time.
- **<u>ISSUE 88</u>**: What is the appropriate level of Total Operating Revenues
  - A. For the 2017 projected test year?
  - B. If applicable, for the 2018 subsequent projected test year?
- **POSITION:** No position at this time.
- **ISSUE 89:** Has FPL made the appropriate test year adjustments to remove fuel revenues and fuel expenses recoverable through the Fuel Adjustment Clause
  - A. For the 2017 projected test year?
  - B. If applicable, for the 2018 subsequent projected test year?
- **POSITION:** No position at this time.
- **ISSUE 90:** Has FPL made the appropriate test year adjustments to remove capacity revenues and capacity expenses recoverable through the Capacity Cost Recovery Clause

A. For the 2017 projected test year?

- B. If applicable, for the 2018 subsequent projected test year?
- **<u>POSITION</u>**: No position at this time.
- **ISSUE 91:** Has FPL made the appropriate test year adjustments to remove environmental revenues and environmental expenses recoverable through the Environmental Cost Recovery Clause

A. For the 2017 projected test year?

B. If applicable, for the 2018 subsequent projected test year?

- **POSITION:** No position at this time.
- **ISSUE 92:** Has FPL made the appropriate test year adjustments to remove conservation revenues and conservation expenses recoverable through the Energy Conservation Cost Recovery Clause
  - A. For the 2017 projected test year?

B. If applicable, for the 2018 subsequent projected test year?

- **POSITION:** No position at this time.
- **<u>ISSUE 93</u>**: Has FPL made the appropriate adjustments to remove all non-utility activities from operating revenues and operating expenses
  - A. For the 2017 projected test year?
  - B. If applicable, for the 2018 subsequent projected test year?
- **POSITION:** No position at this time.
- **ISSUE 94:** What is the appropriate percentage value (or other assignment value or methodology basis) to allocate FPL shared corporate services costs and/or expenses to its affiliates

A. For the 2017 projected test year?

B. If applicable, for the 2018 subsequent projected test year?

- **<u>POSITION</u>**: No position at this time.
- **ISSUE 95:** What is the appropriate amount of FPL shared corporate services costs and/or expenses (including executive compensation and benefits) to be allocated to affiliates

A. For the 2017 projected test year?

- B. If applicable, for the 2018 subsequent projected test year?
- **<u>POSITION</u>**: No position at this time.
- **<u>ISSUE 96</u>**: Should any adjustments be made to FPL's operating revenues or operating expenses for the effects of transactions with affiliated companies

A. For the 2017 projected test year?

B. If applicable, for the 2018 subsequent projected test year?

- **POSITION:** No position at this time.
- **<u>ISSUE 97</u>**: What is the appropriate amount of FPL's vegetation management expense
  - A. For the 2017 projected test year?
  - B. If applicable, for the 2018 subsequent projected test year?
- **POSITION:** No position.
- **ISSUE 98:** What is the appropriate level of generation overhaul expense

A. For the 2017 projected test year?

B. If applicable, for the 2018 subsequent projected test year?

- **<u>POSITION</u>**: Sierra Club adopts OPC's position.
- **ISSUE 99:** What is the appropriate amount of FPL's production plant O&M expense

A. For the 2017 projected test year?B. If applicable, for the 2018 subsequent projected test year?

- **<u>POSITION</u>**: Sierra Club adopts OPC's position.
- **ISSUE 100:** What is the appropriate amount of FPL's transmission O&M expense

A. For the 2017 projected test year?

B. If applicable, for the 2018 subsequent projected test year?

- **<u>POSITION</u>**: No position at this time.
- **ISSUE 101:** What is the appropriate amount of FPL's distribution O&M expense A. For the 2017 projected test year?

B. If applicable, for the 2018 subsequent projected test year?

**<u>POSITION</u>**: No position at this time.

- **ISSUE 102:** Should the Commission approve FPL's proposal to continue the interim storm cost recovery mechanism that was part of the settlement agreements approved in Order Nos. PSC-11-0089-S-EI and PSC-13-0023-S-EI?
- **POSITION:** No position.
- **<u>ISSUE 103</u>**: What is the appropriate annual storm damage accrual and storm damage reserve

A. For the 2017 projected test year?

B. If applicable, for the 2018 subsequent projected test year?

- **<u>POSITION</u>**: No position.
- **ISSUE 104:** What is the appropriate amount of Other Post Employment Benefits expense

A. For the 2017 projected test year?

B. If applicable, for the 2018 subsequent projected test year?

- **<u>POSITION</u>**: No position.
- **ISSUE 105:** What is the appropriate amount of FPL's requested level of Salaries and Employee Benefits

A. For the 2017 projected test year?

- B. If applicable, for the 2018 subsequent projected test year?
- **<u>POSITION</u>**: No position.
- **<u>ISSUE 106</u>**: What is the appropriate amount of Pension Expense

A. For the 2017 projected test year?

B. If applicable, for the 2018 subsequent projected test year?

- **POSITION:** No position.
- **ISSUE 107:** What is the appropriate amount and amortization period for Rate Case Expense

A. For the 2017 projected test year?

B. If applicable, for the 2018 subsequent projected test year? **POSITION:** No position.

**<u>ISSUE 108</u>**: What is the appropriate amount of uncollectible expense and bad debt rate

A. For the 2017 projected test year?

B. If applicable, for the 2018 subsequent projected test year?

- **<u>POSITION</u>**: No position at this time.
- **<u>ISSUE 109</u>**: Has FPL included the appropriate amount of costs and savings associated with the AMI smart meters
  - A. For the 2017 projected test year?
  - B. If applicable, for the 2018 subsequent projected test year?
- **POSITION:** No position.
- **ISSUE 110:** If the proposed change in accounting to defer and amortize the nuclear maintenance reserve is approved, is the company's proposed adjustment to nuclear maintenance expense appropriate?
- **POSITION:** No position.
- **<u>ISSUE 111</u>**: What are the appropriate expense accruals for: (1) end of life materials and supplies and 2) last core nuclear fuel
  - A. For the 2017 projected test year?
  - B. If applicable, for the 2018 subsequent projected test year?
- **POSITION:** No position.
- **<u>ISSUE 112</u>**: What are the appropriate projected amounts of injuries and damages (I&D) expense accruals
  - A. For the 2017 projected test year?
  - B. If applicable, for the 2018 subsequent projected test year?
- **POSITION:** No position.
- **<u>ISSUE 113</u>**: What is the appropriate level of O&M Expense (Fallout Issue)

A. For the 2017 projected test year?

B. If applicable, for the 2018 subsequent projected test year?

- **<u>POSITION</u>**: No position.
- **ISSUE 114:** What is the appropriate amount of depreciation, amortization, and fossil dismantlement expense (Fallout Issue)
  - A. For the 2017 projected test year?
  - B. If applicable, for the 2018 subsequent projected test year?
- **POSITION:** No position.
- **<u>ISSUE 115</u>**: What is the appropriate level of Taxes Other Than Income (Fallout Issue)

A. For the 2017 projected test year?

B. If applicable, for the 2018 subsequent projected test year?

- **POSITION:** No position.
- **ISSUE 116:** What is the appropriate level of Income Taxes

A. For the 2017 projected test year?

B. If applicable, for the 2018 subsequent projected test year?

- **<u>POSITION</u>**: No position.
- **ISSUE 117:** What is the appropriate level of (Gain)/Loss on Disposal of utility property

A. For the 2017 projected test year?

B. If applicable, for the 2018 subsequent projected test year?

- **<u>POSITION</u>**: Sierra Club adopts OPC's position.
- **ISSUE 118:** What is the appropriate level of Total Operating Expenses? (Fallout Issue)
  - A. For the 2017 projected test year?
  - B. If applicable, for the 2018 subsequent projected test year?
- **<u>POSITION</u>**: No position at this time.

- **ISSUE 119:** Is the company's proposed net operating income adjustment to remove Fukushima-related O&M expenses from base rates and recover all Fukushimarelated expenses in the capacity cost recovery clause appropriate?
- **POSITION:** No position.
- **<u>ISSUE 120</u>**: What is the appropriate level of Net Operating Income (Fallout Issue)
  - A. For the 2017 projected test year?
  - B. If applicable, for the 2018 subsequent projected test year?
- **<u>POSITION</u>**: No position.

#### **REVENUE REQUIREMENTS**

- **ISSUE 121:** Is the Section 199 Manufacturer's deduction properly reflected in the revenue expansion factor?
  - A. For the 2017 projected test year?
  - B. If applicable, for the 2018 subsequent projected test year?
- **<u>POSITION</u>**: No position.
- **<u>ISSUE 122</u>**: What are the appropriate revenue expansion factor and the appropriate net operating income multiplier, including the appropriate elements and rates for FPL

A. For the 2017 projected test year?

- B. If applicable, for the 2018 subsequent projected test year?
- **<u>POSITION</u>**: Sierra Club adopts OPC's position.
- **ISSUE 123:** What is the appropriate annual operating revenue increase or decrease (Fallout Issue)
  - A. For the 2017 projected test year?
  - B. If applicable, for the 2018 subsequent projected test year?
- **<u>POSITION</u>**: Sierra Club adopts OPC's position.

### **OKEECHOBEE LIMITED SCOPE ADJUSTMENT**

- **ISSUE 124:** Should the Commission approve or deny a limited scope adjustment for the new Okeechobee Energy Center? And if approved, what conditions/adjustments, if any should be included?
- **POSITION:** Sierra Club adopts OPC's position.
- **ISSUE 125:** Has FPL proven any financial need for single-issue rate relief in 2019, based upon only the additional costs associated with the Okeechobee generating unit, and with no offset for anticipated load and revenue growth forecasted to occur in 2019?
- **<u>POSITION</u>**: Sierra Club adopts OPC's position.
- **ISSUE 126:** What are the appropriate depreciation rates for the Okeechobee Energy Center?
- **POSITION:** Sierra Club adopts OPC's position.
- **<u>ISSUE 127</u>**: What is the appropriate treatment for deferred income taxes associated with the Okeechobee Energy Center?
- **<u>POSITION</u>**: Sierra Club adopts OPC's position.
- **ISSUE 128:** Is FPL's requested rate base of \$1,063,315,000 for the new Okeechobee Energy Center appropriate?
- **<u>POSITION</u>**: Sierra Club adopts OPC's position.
- **ISSUE 129:** What is the appropriate weighted average cost of capital, including the proper components, amounts and cost rates associated with the capital structure, to calculate the limited scope adjustment for the new Okeechobee Energy Center?
- **<u>POSITION</u>**: Sierra Club adopts OPC's position.
- **ISSUE 130:** Is FPL's requested net operating loss of \$33.868 million for the new Okeechobee Energy Center appropriate?
- **<u>POSITION</u>**: Sierra Club adopts OPC's position.
- **ISSUE 131:** What is the appropriate Net Operating Income Multiplier for the new Okeechobee Energy Center? (Fallout)
- **<u>POSITION</u>**: Sierra Club adopts OPC's position.
- **ISSUE 132:** Is FPL's requested limited scope adjustment of \$209 million for the new Okeechobee Energy Center appropriate?

- **POSITION:** Sierra Club adopts OPC's position.
- **<u>ISSUE 133</u>**: What is the appropriate effective date for implementing FPL's limited scope adjustment for the new Okeechobee Energy Center?
- **POSITION:** Sierra Club adopts OPC's position.

### ASSET OPTIMIZATION INCENTIVE MECHANISM

- **ISSUE 134:** Should the asset optimization incentive mechanism as proposed by FPL be approved?
- **<u>POSITION</u>**: Sierra Club adopts OPC's position.

### COST OF SERVICE AND RATE DESIGN ISSUES

- **<u>ISSUE 135</u>**: Is FPL's proposed separation of costs and revenues between the wholesale and retail jurisdictions appropriate?
- **<u>POSITION</u>**: Sierra Club adopts OPC's position.
- **<u>ISSUE 136</u>**: What is the appropriate methodology to allocate production costs to the rate classes?
- **<u>POSITION</u>**: No position at this time.
- **<u>ISSUE 137</u>**: What is the appropriate methodology to allocate transmission costs to the rate classes?
- **<u>POSITION</u>**: No position at this time.
- **<u>ISSUE 138</u>**: What is the appropriate methodology to allocate distribution costs to the rate classes?
- **<u>POSITION</u>**: No position at this time.
- **ISSUE 139:** Is FPL's proposal to recover a portion of fixed distribution costs through the customer charge instead of energy charge appropriate for residential and general service non-demand rate classes?
- **<u>POSITION</u>**: No position at this time.
- **<u>ISSUE 140</u>**: How should the change in revenue requirement be allocated to the customer classes?
- **<u>POSITION</u>**: No position at this time.

- **ISSUE 141:** What are the appropriate service charges (initial connection, reconnect for nonpayment, connection of existing account, field collection)
  - A. Effective January 1, 2017?
  - B. Effective January 1, 2018?
- **<u>POSITION</u>**: No position at this time.
- **ISSUE 142:** Is FPL's proposed new meter tampering penalty charge, effective on January 1, 2017, appropriate?
- **<u>POSITION</u>**: No position at this time.
- **ISSUE 143:** What are the appropriate temporary construction service charges
  - A. Effective January 1, 2017?
  - B. Effective January 1, 2018?
- **POSITION:** No position at this time.
- **<u>ISSUE 144</u>**: What is the appropriate monthly kilowatt credit for customers who own their own transformers pursuant to the Transformation Rider
  - A. Effective January 1, 2017?
  - B. Effective January 1, 2018?
- **POSITION:** No position at this time.
- **ISSUE 145:** What is the appropriate monthly credit for Commercial/Industrial Demand Reduction (CDR) Rider customers effective January 1, 2017?
- **<u>POSITION</u>**: No position at this time.
- **ISSUE 146:** What are the appropriate customer charges
  - A. Effective January 1, 2017?
  - B. Effective January 1, 2018?
- **<u>POSITION</u>**: No position at this time.
- **<u>ISSUE 147</u>**: What are the appropriate demand charges

- A. Effective January 1, 2017?
- B. Effective January 1, 2018?
- **<u>POSITION</u>**: No position at this time.
- **ISSUE 148:** What are the appropriate energy charges
  - A. Effective January 1, 2017?
  - B. Effective January 1, 2018?
- **<u>POSITION</u>**: No position at this time.
- **ISSUE 149:** What are the appropriate charges for the Standby and Supplemental Services (SST-1, ISST-1) rate schedules
  - A. Effective January 1, 2017?
  - B. Effective January 1, 2018?
- **<u>POSITION</u>**: No position at this time.
- **ISSUE 150:** What are the appropriate charges for the Commercial Industrial Load Control (CILC) rate schedule
  - A. Effective January 1, 2017?
  - B. Effective January 1, 2018?
- **<u>POSITION</u>**: No position at this time.
- **<u>ISSUE 151</u>**: What are the appropriate lighting rate charges
  - A. Effective January 1, 2017?
  - B. Effective January 1, 2018?
- **<u>POSITION</u>**: No position at this time.
- **ISSUE 152:** Is FPL's proposal to close the customer-owned street lighting service option of the Street Lighting (SL-1) rate schedule to new customers appropriate?
- **POSITION:** No position.
- **ISSUE 153:** Is FPL's proposal to close the current Traffic Signal (SL-2) rate schedule to new customers appropriate?

- **<u>ISSUE 154</u>**: Is FPL's proposed new metered Street Lighting (SL-1M) rate schedule appropriate and what are the appropriate charges
  - A. Effective January 1, 2017?
  - B. Effective January 1, 2018?
- **POSITION:** No position.
- **<u>ISSUE 155</u>**: Is FPL's proposed new metered Traffic Signal (SL-2M) rate schedule appropriate and what are the appropriate charges
  - A. Effective January 1, 2017?
  - B. Effective January 1, 2018?
- **POSITION:** No position.
- **ISSUE 156:** Is FPL's proposed allocation and rate design for the new Okeechobee Energy Center limited scope adjustment, currently scheduled for June 1, 2019, reasonable?
- **<u>POSITION</u>**: No position at this time.
- **ISSUE 157:** Should FPL's proposal to file updated base rates in the 2018 Capacity Clause proceeding to recover the Okeechobee Energy Center limited scope adjustment be approved?
- **<u>POSITION</u>**: No position at this time.
- **<u>ISSUE 158</u>**: Should the Commission approve the following modifications to tariff terms and conditions that have been proposed by FPL:
  - a. Close relamping option for customer-owned lights for Street Lighting (SL-1) and Outdoor Lighting (OL-1) customers;
  - b. Add a willful damage clause, require an active house account and clarify where outdoor lights can be installed for the Outdoor Lighting (OL-1) tariff;
  - c. Clarify the tariff application to pre-1992 parking lot customers and eliminate the word "patrol" from the services provided on the Street Lighting (SL-1) tariff;

- d. Remove the minimum 2,000 Kw demand from transmission–level tariffs;
- e. Standardize the language in the Service section of the distribution level tariffs to include three phase service and clarify that standard service is distribution level; and
- f. Add language to provide that surety bonds must remain in effect to ensure payments for electric service in the event of bankruptcy or other insolvency.
- **POSITION:** No position.
- **<u>ISSUE 159</u>**: Should the Commission require FPL to develop a tariff for a distribution substation level of service for qualifying customers?
- **<u>POSITION</u>**: No position at this time.
- **ISSUE 160:** Should the Commission give staff administrative authority to approve tariffs reflecting Commission approved rates and charges effective January 1, 2017, January 1, 2018, and tariffs reflecting the commercial operation of the new Okeechobee Energy Center (June 1, 2019)?
- **POSITION:** No position at this time.
- **ISSUE 161:** What are the effective dates of FPL's proposed rates and charges?
- **<u>POSITION</u>**: No position at this time.

# **OTHER ISSUES**

- **ISSUE 162:** Should the Commission approve FPL's proposal to transfer the Martin-Riviera pipeline lateral to Florida Southeast Connection?
- **POSITION:** Sierra Club adopts OPC's position.
- **ISSUE 163:** 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?
- **<u>POSITION</u>**: Sierra Club adopts OPC's position.
- **<u>ISSUE 164</u>**: Did FPL's Third Notice of Identified Adjustments remove the appropriate amount associated with the Woodford project and other gas reserve costs?
- **<u>POSITION</u>**: Sierra Club adopts OPC's position.

- **ISSUE 165:** What requirements, if any, should the Commission impose on FPL as a result of its affiliation with Sabal Trail Transmission, LLC (Sabal Trail)?
- **POSITION:** Sierra Club adopts OPC's position.
- **ISSUE 166:** Should this docket be closed?
- **POSITION:** Sierra Club adopts OPC's position.

# ADDITIONAL INCLUDED ISSUES

- **SFHHA ISSUE:** Should a mechanism be established to capture for the benefit of ratepayers savings, if any, that result from any mergers, acquisitions or reorganizations by NextEra Energy?
- **<u>POSITION</u>**: Sierra Club adopts SFHHA's position.

### 5. Stipulated Issues

Sierra Club stipulated issues 74 and 117.

### 6. Pending Motions or Other Matters

Sierra Club has no pending motions or other matters as this time.

# 7. Pending Requests or Claims for Confidentiality

Sierra Club has no pending confidentiality requests or claims.

### 8. Objections to Witness' Qualifications as an Expert

None at this time.

# 9. Compliance with Order Establishing Order, PSC-16-0125-PCO-EI

Sierra Club has complied with all applicable requirements of the Order Establishing Procedure in this docket.

### **10. Sequestration of Witnesses**

Sierra Club is not requesting the sequestration of any witnesses.

RESPECTFULLY SUBMITTED this 15th day of August, 2016.

/s/ Diana A. Csank Staff Attorney Sierra Club 50 F St. NW, 8th Floor Washington, DC 20001 (202) 548-4595 (direct) Diana.Csank@sierraclub.org

Qualified Representative for Sierra Club

# CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy and correct copy of the foregoing was served electronically on this 15<sup>th</sup> day of August, 2016 on:

Suzanne Brownless Office of the General Counsel Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-1400 sbrownle@psc.state.fl.us	J.R. Kelly/Patricia Christensen/ Charles J. Rehwinkel/Erik Sayler/ Stephanie Morse Office of Public Counsel 111 W. Madison Street, Room 812 Tallahassee, Florida 32311 kelly.jr@leg.state.fl.us christensen.patty@leg.state.fl.us rehwinkel.charles@leg.state.fl.us sayler.eric@leg.state.fl.us morse.stephanie@leg.state.fl.us
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wade.litchfield@fpl.com	ken.hoffman@fpl.com
John T. Butler Florida Power & Light Company 700 Universe Blvd. Juno Beach, FL 33408-0420 john.butler@fpl.com	Derrick Price Williamson Spilman Thomas & Battle, PLLC 1100 Bent Creek Boulevard, Suite 101 Mechanicsburg, Pennsylvania 17050 dwilliamson@spilmanlaw.com Attorney for Walmart Stores East, LP
Jon C. Moyle, Jr./Karen A. Putnal	Stephanie U. Roberts
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S. Florida Hospital and Healthcare Ass'n	K. Wiseman/M. Sundback/W. Rappolt/K. S
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jcaldwell@sfhha.com.	<i>Attorneys for SFHHA</i>

Federal Executive Agencies Thomas A. Jernigan c/o AFCEC/JA-ULFSC 139 Barnes Drive, Suite 1 Tyndall AFB FL32403 Thomas.Jernigan.3@us.af.mil	Gardner Law Firm Robert Scheffel Wright/John T. La Via, 1300 Thomaswood Drive Tallahassee FL32308 schef@gbwlegal.com <i>Attorneys for Florida Retail Federation</i>
Jack McRay AARP Florida 200 West College Avenue, # 304 Tallahassee, Florida 32301 jmcray@aarp.org	John B. Coffman John B. Coffman, LLC 871 Tuxedo Blvd. St. Louis, MO 63119-2044 john@johncoffman.net <i>Attorney for AARP</i>
Nathan A. Skop 420 NW 50th Blvd. Gainesville FL32607 n_skop@hotmail.com	

This 15<sup>th</sup> day of August, 2016.



August 11, 2016

Via electronic filing and email

Carlotta Stauffer Director, Office of Commission Clerk Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, Florida 32399-0850

# **Re: Docket No. 160021**

Dear Ms. Stauffer:

Enclosed for filing in the above referenced docket please find Sierra Club's Notice of Filing Standing Affidavits. Should you have any questions regarding this filing, please contact me.

Sincerely,

/s/

Diana A. Csank Staff Attorney Sierra Club 50 F St. NW, 8th Floor Washington, DC 20001 202-548-4595 (direct) Diana.Csank@SierraClub.org

Qualified Representative for Sierra Club

Enc.

### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Power & Light Company Docket No. 160021 Filed: August 11, 2016

# SIERRA CLUB'S NOTICE OF FILING STANDING AFFIDAVITS

Sierra Club, through its undersigned representative, gives notice of filing nine standing affidavits in above reference docket for the following affiants: Nahaliel Kanfer, Sierra Club Deputy Director; Huda Fashho, Sierra Club Member Services Manager; Lesley Blackner, Sierra Club Member; Sheila Calderon, Sierra Club Member; Kris Cunningham, Sierra Club Member; Deborah Evans, Sierra Club Member; R. Stephen Mahoney, Sierra Club Member; Darryl Rutz, Sierra Club Member; James Teas, Sierra Club Member; and Mark Walters, Sierra Club Member.

RESPECTFULLY SUBMITTED this 11th day of August, 2016.

/s/ Diana A. Csank Staff Attorney Sierra Club 50 F St. NW, 8th Floor Washington, DC 20001 (202) 548-4595 (direct) Diana.Csank@sierraclub.org

Qualified Representative for Sierra Club

# CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy and correct copy of the foregoing was served electronically on this 11<sup>th</sup> day of August, 2016 on:

Suzanne Brownless Office of the General Counsel Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-1400 sbrownle@psc.state.fl.us	J.R. Kelly/Patricia Christensen/ Charles J. Rehwinkel/Erik Sayler/ Stephanie Morse Office of Public Counsel 111 W. Madison Street, Room 812 Tallahassee, Florida 32311 kelly.jr@leg.state.fl.us christensen.patty@leg.state.fl.us rehwinkel.charles@leg.state.fl.us sayler.eric@leg.state.fl.us morse.stephanie@leg.state.fl.us
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S. Florida Hospital and Healthcare Ass'n Jaime Caldwell, Interim President 1855 Griffin Road Dania Beach FL33004 jcaldwell@sfhha.com.	K. Wiseman/M. Sundback/W. Rappolt/K. S 1350 I Street NW, Suite 1100 Washington DC20005 kwiseman@andrewskurth.com Attorneys for S. Florida Hospital and Healthcare Ass'n
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Jack McRay AARP Florida 200 West College Avenue, # 304 Tallahassee, Florida 32301 jmcray@aarp.org	John B. Coffman John B. Coffman, LLC 871 Tuxedo Blvd. St. Louis, MO 63119-2044 john@johncoffman.net <i>Attorney for AARP</i>
Nathan A. Skop 420 NW 50th Blvd. Gainesville FL32607 n_skop@hotmail.com	

This 11<sup>th</sup> day of August, 2016.

In re: Petition for rate increase by Florida Power & Light Company Docket No. 160021 Filed: August <u>11</u>, 2016

### DECLARATION OF NAHALIEL ("NACHY") KANFER

I, Nahaliel ("Nachy") Kanfer, declare as follows:

1. My name is Nachy Kanfer, and I am of legal age and competent to give this declaration. All information herein is based on my own personal knowledge unless otherwise indicated.

2. I am a Sierra Club employee. I serve as the Deputy Director (East Region) for Sierra Club's Beyond Coal Campaign. I am responsible for ensuring that all of Sierra Club's state-based teams in the East Region successfully execute the campaign's goals. I supervise six employees who each manage project teams in Florida and the other twelve states in the campaign's East Region. I regularly interact with dozens of employees and volunteers as part of my job responsibilities.

3. Sierra Club is a national non-profit membership organization.

4. Sierra Club has more than 30,000 members in Florida, including many Florida Power and Light Company customers.

5. Sierra Club and its Florida members are dedicated to reducing pollution through equitable public health and environmental safeguards, and through the rapid transition away from fossil fuel-burning generation. To achieve this transition, Sierra Club has championed policies and regulations, including rate designs, to remove barriers to energy efficiency, solar power, wind power, storage and batteries as low-cost, low-risk alternatives to fossil fuel-burning

generation. Sierra Club advocates for such policies and regulations nationwide, including Florida, by intervening, submitting comments, providing testimony, and presenting experts in state and federal energy-related proceedings; participating in public hearings and workshops; speaking to students, civic organizations, and other stakeholders; and holding seminars and symposia—all to ensure that clean energy solutions reach all communities.

6. Consistent with the goals and work described above, Sierra Club intervened in the FPL rate case before the Florida Public Service Commission to represent its members' interest in avoiding or else reducing FPL's requested rate increase. For a substantial number of Sierra Club members—those with FPL accounts—any approved amount of rate increase, and other issues the Commission will decide in the case may substantially increase their electric bills as early as January 1, 2017, and for years to come. Therefore, Sierra Club represents its members' interest in this case to avoid or else reduce the immediate and substantial financial burden of higher electric bills.

7. Sierra Club also represents its members' interest in improving or else preserving the value of their electric service. In the rate case, the Commission's decisions may substantially affect the value of FPL's service to the members as the decisions will guide if not bind FPL's selection of service offerings going forward, including whether to pursue, improve, or abandon certain activities and certain generation. Sierra Club members are particularly concerned that FPL's requested rate increase includes approximately \$1.25 billion expenditures for new and expanded natural gas-burning power plants. First, these plants may not even be necessary to provide electric service to FPL customers, including Sierra Club members. The members therefore will value FPL service less if it includes such plants that are not actually used and useful to provide them service. Second, clean, low-cost, low-risk alternatives to the gas-burning

plants are available, and Sierra Club members strongly prefer that FPL pursue those alternatives instead. Yet the vast sum FPL spends on the gas-burning plants ties up capital and reduces the amount available to invest in the alternatives. This hinders the alternatives from coming online now and in the future. Therefore, Sierra Club represents its members' interest in this case to improve or else preserve the value of their electric service by advocating against recovery for the gas-burning plants and for the preferred alternatives.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed in Cincinnati, Ohio on August 9, 2016.

Mili d Km

Nahaliel ("Nachy") Kanfer

#### STATE OF OHIO

COUNTY OF Hamilton

BEFORE ME, the undersigned authority, personally appeared  $N_1 + N_2 +$ 

Sworn to and subscribed before this  $\underline{Q^{H}}$  day of  $\underline{AUQUST}$ , 2016.

Notary Pubic



ALICIA TALLANT Notary Public, State of Ohlo My Commission Expires December 15, 2020

In re: Petition for rate increase by Florida Power & Light Company Docket No. 160021 Filed: August <u>11</u>, 2016

# **DECLARATION OF HUDA FASHHO**

I, Huda Fashho, declare as follows:

1. My name is Huda Fashho, and I am of legal age and competent to give this declaration. All information herein is based on my own personal knowledge unless otherwise indicated.

2. Sierra Club is a non-profit membership organization.

3. I am Sierra Club's Member Services Manager. I have held this position for five years.

4. As Member Services Manager, I manage Sierra Club's customer service functions vis-à-vis members, including maintaining an accurate list of members and managing Sierra Club's member database.

5. When an individual becomes a Sierra Club member, his or her current residential address is recorded in our member database. This database entry reflecting the member's residential address is verified and kept up to date.

6. The Sierra Club currently has more than 30,000 members in Florida, including more than 16,000 members in counties served by Florida Power and Light Company.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed in San Francisco, California on August \_\_\_\_\_, 2016.

ida Fashho

STATE OF CALIFORNIA COUNTY OF BEFORE ME, the undersigned authority, personally appeared who is personally known or produced as identification, and who was sworn and says that ulunger of\_ the foregoing averments are true. Sworn to and subscribed before this, , 2016. Notary Pubic

#### CALIFORNIA JURAT WITH AFFIANT STATEMENT

**GOVERNMENT CODE § 8202** 

See Attached Document (Notary to cross out lines 1–6 below) Signature of Document Signer No. 1 Signature of Document Signer No. 2 (if any) A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document. State of California Subscribed and sworn to (or affirmed) before me County of ( Unmeda Month day of <u></u> by HUDA ASHHO (and (2) **ROSA E. LUY LEE** Commission # 2143942 Name(s)-of Signer(s) Notary Public - California San Francisco County proved to me on the basis of satisfactory evidence My Comm. Expires Mar 23, 2020 to be the person(s) who appeared before me. Signature Signature of Notary Pul Seal Place Notary Seal Above **OPTIONAL** Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document. **Description of Attached Document** ►AS## \_\_Document Date: Title or Type of Document: DECLARATION OF HUDA 2016 Number of Pages: \_ Z\_ Signer(s) Other Than Named Above: \_

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In re: Petition for rate increase by Florida Power & Light Company Docket No. 160021 Filed: August <u>11</u>, 2016

# DECLARATION OF SIERRA CLUB MEMBER LESLEY G. BLACKNER

I, Lesley G. Blackner, declare as follows:

1. My name is Lesley G. Blackner, and I am of legal age and competent to give this declaration. All information herein is based on my own personal knowledge unless otherwise indicated.

2. I live at 123 Australian Ave., Palm Beach, FL 33480. I have lived at this address for twenty years. I have no plans to move. I also purchased a second home in 2014 that I am currently renovating: 609 South Beach Rd., Jupiter Island, FL 33469.

3. I am a customer of Florida Power and Light Company at both of my residences. I have been an FPL customer for over twenty years.

4. I have been a Sierra Club member since May 2005. I joined Sierra Club because I am concerned with the effects our actions have on our environment, and I appreciate Sierra Club's work to protect the environment and to transition our country to clean energy.

5. I fully support Sierra Club's intervention in the FPL rate case on behalf of Sierra Club members including me.

6. I oppose FPL's requested rate increase, especially because it includes approximately \$1.25 billion expenditures on new and expanded natural gas-burning power

plants. It upsets me that FPL does not give customers like me more say or more options to avoid spending tremendous sums on these plants that continue our reliance on out-of-state fossil fuel imports and needlessly pollute the environment.

7. I would much prefer that my electric service come from clean, low cost, low risk alternatives. This is why I am renovating my own home with "state-of-the-art" energy efficiency measures. FPL should expand and improve its energy efficiency programs so that all customers can do this, too, to save money on electric bills and reduce our environmental footprint. It upsets me that FPL is doing the opposite, by pushing to increase rates while decreasing energy efficiency offerings.

8. I am very concerned about the environmental impacts of FPL's new and expanded natural-gas burning power plants. Generating power at these plants will require extracting, transporting, and burning natural gas, with each step damaging the environment, both in terms of conventional air, water and land pollution, as well as greenhouse gas pollution. Because I live in a coastal community threatened by climate change induced sea level rise, I am particularly dismayed that FPL opted once more for power plants that exacerbate climate change.

9. Depending on the Commission's decision in the FPL rate case, I may face a rate increase as soon as January 1, 2017, and may have to pay for the gas power plants that I oppose. This is an imminent and substantial harm to me as an FPL customer with no plans to move, and thus no ability to opt out of buying electric service from FPL.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed in <u>PAM Busch</u>, Florida on August 9h, 2016.

Lehn BR

Lesley G. Blackne

STATE OF FLORIDA COUNTY OF PALM BLACK

BEFORE ME, the undersigned authority, personally appeared

LESLEY G BLACKNey who is personally known or produced as identification, and who was sworn FLAL

and says that the foregoing averments are true.

Sworn to and subscribed before this  $\underline{qh}$  day of August, 2016.

**Notary Pubic** 



In re: Petition for rate increase by Florida Power & Light Company Docket No. 160021 August 11, 2016

## AFFIDAVIT OF SIERRA CLUB MEMBER SHEILA CALDERON

 I, Sheila Calderon, am over 18 years of age and have personal knowledge of the following facts:

 I reside at 2807 Waters Edge Circle, Greenacres, Florida 33413 with my husband.
I am a customer of Florida Power and Light Company. I have been a customer since I moved into my current residence over 17 years ago.

I am a Sierra Club member. I have been a member since September 1996.

I am currently the Chair of Sierra Club's Palm Beach County Inspiring

Connections Outdoors committee, which connects youth from our underserved communities with limited access to the outdoors to outings in natural areas throughout south and central Florida. I have served in this position for the last 12 years. I am also a member of Sierra Club Florida Chapter's Loxahatchee Group Executive Committee and Conservation Committee. I joined Sierra Club because of my interest in the environment.

5. I am now retired. My husband and I live on a fixed income. I see prices across the board are rising, which is a problem for us. I must review and re-balance our budget when there is an increase in our living expenses.

6. I am aware that FPL requested Florida Public Service Commission approval of a rate increase including approximately \$1.25 billion in expenditures on new and expanded natural gas-burning power plants.

7. I strongly oppose the rate increase. If the Commission approves FPL's request, I will pay higher rates on my electric bills starting January 1, 2017. The higher rates and bills will go to the gas plants that I oppose and that may not even be necessary given the available clean, low cost, low risk alternatives. I am upset that I would have to pay additional money out of my fixed budget each month to cover the costs of these dubious gas plants.

8. Moreover, I am very concerned about the type of fuel Florida Power and Light uses to generate its electricity. I strongly support moving away from burning fossil fuels like natural gas for electricity generation to clean, low cost and low risk resources like solar power instead.

9. I am aware that Florida Power and Light is already over-reliant on natural gas as a fuel for generation. I am aware that in the past large swings in natural gas prices led to high electricity bills. If natural gas prices were to rise rapidly, my electricity bills could increase even more.

10. I am also very concerned that FPL's new and expanded gas power plants will increase the demand for natural gas and thus gas extraction. This may include hydraulic fracturing or "fracking" in Florida and across the nation. Because I am very concerned about the environmental impacts of natural gas extraction especially fracking, I want these impacts to be avoided or minimized.

11. Finally, I am very concerned about the impacts of climate change, especially sealevel rise, to my community and the state of Florida. I enjoy birding throughout the winter and I am concerned that burning gas contributes to climate change and imperils the birds and our planet.

12. I support Sierra Club's intervention in this proceeding. If Sierra Club is successful, I will not be forced to pay higher rates and bills, especially not for the construction and operation of the gas plants that I oppose.

FURTHER AFFIANT SAYETH NOT

ela Galdero Sheila Calderon

COUNTY OF ALM BEACH

BEFORE ME, the undersigned authority, personally appeared <u>SHELA</u> <u>CALDEBON</u> who is personally known or produced <u>PLCONDA DRIVERIC LICENSC</u> as identification, and who was sworn and says that the foregoing averments are true.

Sworn to and subscribed before this Ortheady of August, 2016.

Notary Public

**\*A**\*

BENJAMIN SAINT-CYR Notary Public, State of Florida Commission# FF 897364 My comm. expires July 8, 2019

In re: Petition for rate increase by Florida Power & Light Company Docket No. 160021 Filed: August <u>11</u>, 2016

# AFFIDAVIT OF SIERRA CLUB MEMBER KRIS CUNNINGHAM

1. I, Kris Cunningham, am over 18 years of age and have personal knowledge of the following facts:

2. I reside at 361 King James Court, Port Orange, FL 32129. I have lived here with my husband for the past four months, but in total, I have lived in Port Orange for approximately 30 years. I am a customer of Florida Power and Light Company. Throughout my life, I have been FPL's customer for approximately 23 years.

3. I am a Sierra Club member. I have been a member since May 2005. I first joined while living in Las Vegas, Nevada and served as the Sierra Club State Treasurer as well as a Chapter Executive Committee Member. Following a move to North Carolina, I likewise served as an Executive Committee Member. Now living in Florida, I currently serve as the Vice-Chair of the Florida Executive Committee.

4. I joined the Sierra Club because of my abiding interest in conservation and renewable energy.

5. I pay close attention to the fuel sources of our electric generation, and I follow FPL's updates regarding its existing and planned power plants. While I strongly support the transition from burning fossil fuels for electricity generation to using clean, low-cost, low-risk resources instead, I see that FPL does not.

6. I absolutely would prefer that my energy come from cleaner sources, especially as

renewable energy technologies have improved tremendously in recent years, both in terms of performance and price, such that they are competitive with fossil fuel burning power plants.

7. I am aware that the FPL requested Florida Public Service Commission approval of a historic rate increase including approximately \$1.25 billion in expenditures on new and expanded natural gas-burning power plants.

8. If the Commission approves FPL's request, I will pay higher rates on my electric bill starting January 1, 2017. This would be a significant financial hardship for me, straining my overall budget and ability to pay my living expenses.

9. In addition to the financial burden, I am greatly concerned about the climate change impacts of these gas plants. Specifically, as Florida resident of many decades, I fear these plants will contribute to climate disrupting pollution and thus to sea level rise. The impacts are acute in South Florida, where I regularly visit for recreation and vacation. I have a trip planned, for instance, on August 8, 2016, to visit Fort Lauderdale.

10. I am concerned that FPL's new and expanded gas plants will increase conventional air pollution in the Fort Lauderdale area.

11. I firmly believe that FPL can and should instead be pursuing alternatives instead, including solar power and energy efficiency.

12. I support Sierra Club's intervention in this proceeding. If Sierra Club succeeds, I will not be forced to pay for the new and expanded gas plants, and I will have the opportunity to voice my strongly support for transitioning to clean, low cost, low risk alternatives to burning fossil fuels for power.

I declare under penalty of perjury under the laws of t	
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Kris Cu	nningham
ity, per	onally appeared
	personally known or produced
as iden	ification, and who was sworn and
day of	August, 2016.
	ity, per who is as iden

In re: Petition for rate increase by Florida Power & Light Company Docket No. 160021

Filed: August <u>11</u>, 2016

## DECLARATION OF SIERRA CLUB MEMBER DEBORAH BEVERLY EVANS

I, Deborah Beverly Evans, declare as follows:

1. My name is Deborah B. Evans, and I am of legal age and competent to give this declaration. All information herein is based on my own personal knowledge unless otherwise indicated.

2. I live at 12307 Old Country Road North, Wellington FL 33414. I have lived at this address since April 1986. I have no plans to move.

3. I am a retired legal and administrative assistant. In my retirement, I work periodically for the Palm Beach County Supervisor of Elections Office.

4. I have been a Sierra Club member since 1987. I was raised to always be aware of the fact that we need to take care of our planet. With this in mind, I joined Sierra Club because of the work the organization does to help preserve the environment and promote energy efficiency. In the past, I served for a number of years as chairperson of the Energy Committee for Sierra Club's Florida State Chapter. Presently, I am the Energy Committee Chairperson for my local Loxahatchee Group of the Sierra Club.

5. I have been a Florida Power & Light, Co. ("FPL") customer since I moved to Florida in December 1976.

6. I am aware of Sierra Club's intervention in the FPL docket cited above on behalf of its members including myself, and I support that intervention.

7. I am concerned about the general rate increase requested here by FPL and how it will impact me. As someone who is retired, I am sensitive to any increase in my costs of living. As I grow older, my health care costs are increasing. In light of that, as well as the fact that you cannot ever be sure what the future will hold, I try to keep all of my expenses, including my electricity bills, as stable as possible.

8. I am also concerned with the fact that this rate increase is particularly onerous in that it affects the base rate. Therefore, the ability to avoid any financial burden associated with the rate increase is quite limited, and the social implications are much broader.

9. In addition to the financial impact this rate increase will have, I am also concerned with the fact that FPL has proposed new fossil fuel-fired electricity generation. As someone who is very concerned with the state of the environment, I would prefer that the energy I pay for comes from cleaner sources. I have long been familiar with the negative health and environmental impacts associated with fossil fuel-fired energy. My paternal grandfather worked as a coal miner and suffered and ultimately passed away from complications due to emphysema and black lung disease. My parents, particularly my father, made it a point to teach me to always be careful with how I use things, including electricity. As a result, I grew up with the awareness that in addition to the direct monetary costs associated with electricity generation, there are often personal costs that people bear which are not directly reflected in rates, such as impacts to their health from increased air pollution and damage to their surrounding environment.

10. I am also concerned with the fact that FPL's requested rate increase supports increased centralized electricity generation. I own an acre of land in Wellington, FL, the back

half of which contains a right of way easement for electricity transmission lines. I have already had two instances of new power line siting upgrades on my property since I purchased it. As long as FPL is permitted to continue "business as usual," I could lose additional portions of the property subject to the easement to additional energy grid expansions and upgrades. Likewise, any loss of tree canopy and natural areas on my property due to such upgrades will not only impact myself personally, but also the environment and my community. Trees are infrastructure; and these trees create a cooling microclimate, remove pollutants from the air, and absorb water. Any loss or disturbance of vegetation could affect the stability of the soil as well as its ability to absorb rainfall. In addition these trees help minimize damage to my home from hurricanes.

11. I support Sierra Club's intervention in this Commission docket. If the Sierra Club is successful, I will benefit by avoiding the unreasonable proposed rate increases to my electricity bills, and my concerns with the impact those rate increases would have on my retirement finances will be alleviated. I make an effort to try to control my expenses and keep my financial obligations as stable as possible, so this concern is particularly important to me. In addition, avoiding a rate increase will benefit me by allowing me to put that money towards energy efficiency improvements in my home. I have already taken several steps to make my home more energy efficient, most notably updating the air conditioning unit and ductwork, adding sun tubes, installing an Energy Star pool pump, replacing incandescent lights with LEDs and compact fluorescents, and using Energy Star appliances. I have seen noticeable impacts those energy efficiency of my home include improving its attic insulation and installing either ondemand or solar water heaters. Any rate increase by FPL would impact my ability to pay for those energy efficiency upgrades.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed in Wellengton, Florida on August \_\_\_\_\_, 2016.

orak B. Evans

STATE OF FLORIDA COUNTY OF Palm Beach

BEFORE ME, the undersigned authority, personally appeared Deborah B Evans \_\_\_\_\_ who is personally known or produced PUDL EISZ-162-52-701-0 as identification, and who was sworn

and says that the foregoing averments are true.

Sworn to and subscribed before this  $\frac{6}{2}$  day of August, 2016.

Notary Pubic



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

-22

Docket No. 160021 August 11, 2016

### AFFIDAVIT OF SIERRA CLUB MEMBER ROBERT STEPHEN MAHONEY

1. I, Robert Stephen Mahoney, am over 18 years of age and have personal knowledge of the following facts:

2. I reside at 444 NE 102 St., Miami Shores, Florida 33138. I am a customer of Florida Power and Light Company. I have been a customer since I moved into my current residence approximately 27 years ago.

3. I am a Sierra Club member. I have been a member since October 2000. I am currently the Conservation Chair for the Sierra Club Florida Chapter's Miami Group and serve on the Florida Chapter's Greater Everglades team and the national Marine Wildlife and Habitat team. I have also served as an Executive Committee member of the Florida Chapter.

4. I joined Sierra Club because of my interest in the environment. I have taught students about science, biology and environmental science, first as a high school teacher, and then, for the last 19 years, as a Professor at Johnson and Wales University.

5. I support the transition from burning fossil fuels for electricity generation to using clean, low-cost, low-risk resources instead. I support reducing the demand for fossil fuels like natural gas to generate electricity.

6. I believe FPL should increase the diversity of its fuel generation mix. I am aware that FPL is over-reliant on natural gas and I am concerned that increases in natural gas prices would cause my electricity bills to rise.

\*7. I am very concerned that FPL's large amounts of gas-burning generation exacerbate the impacts of climate change-induced sea level rise to my home, my community, and surrounding communities in South Florida. I live approximately a half-mile from Biscayne Bay and have experienced flooding in my neighborhood during high and king tides. During the school year, I work at the Johnson and Wales University campus, which is located approximately five miles from my home. The campus sits on a canal less than a mile away from Biscayne Bay. I have experienced flooding there as well. Sea level rise is likely to make this flooding worse.

8. I am also very concerned that FPL's gas-burning generation will exacerbate the salt-water intrusion in South Florida from climate change-induced sea level rise. This could contaminate drinking water supplies and adversely impact the Everglades. I enjoy visiting the Everglades about six times each year. Some of these visits are for my own enjoyment while others are to show student groups the extraordinary Everglades ecosystem. I am concerned that the Everglades will be irreversibly damaged by rising sea levels and salt water intrusion if we fail to curb climate change inducing greenhouse gas emissions.

9. I am aware that FPL requested Florida Public Service Commission approval of rate increase that includes approximately \$1.25 billion in expenditures on new and expanded natural gas-burning power plants. These new plants will do nothing to diversify FPL's generation mix or solve its over-reliance on natural gas. The plants will also increases greenhouse gas emissions through the burning of natural gas, as well as the upstream gas extraction and transportation processes.

10. If the Commission approves FPL's request, I will pay higher rates on my electric bill starting January 1, 2017, for the gas plants that are not only exacerbating the climate change

impacts that deeply concern me, but may not even be necessary given the available clean, low cost, low risk alternatives.

11. I support Sierra Club's intervention in this proceeding. If Sierra Club is successful, I will not be forced to pay for the construction and operation of the gas plants that I oppose.

FURTHER AFFIANT SAYETH NOT

Kobert Scephon Mahouer Stephen Mahoney

county of <u>Mani-Dade</u>

BEFORE ME, the undersigned authority, personally appeared Robert Stephen Manozey who is personally known or produced as identification, and who was sworn and

says that the foregoing averments are true.

Sworn to and subscribed before this  $\frac{\ell h}{D}$  day of August, 2016.

Notary Public



In re: Petition for rate increase by Florida Power & Light Company Docket No. 160021

Filed: August <u>11</u>, 2016

# DECLARATION OF SIERRA CLUB MEMBER DARRYL L. RUTZ

I, Darryl L. Rutz, declare as follows:

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1. My name is Darryl L. Rutz, and I am of legal age and competent to give this declaration. All information herein is based on my own personal knowledge unless otherwise indicated.

2. I live with my wife at 670 SW 67<sup>th</sup> Avenue, Pembroke Pines, FL 33023. I have lived at this address since 1977. I have no plans to move. I also purchased a second home in 2008 for rental income purposes but now maintain it as a secondary personal residence: 413 Briarcliff Circle, Sebastian FL, 32958. I am a customer of Florida Power & Light, Co. ("FPL") at both of my residences. I have been an FPL customer for over forty years.

3. I am retired. I was previously employed by the Florida Department of Labor.

4. I have been a Sierra Club member since February 2010. I joined Sierra Club because I am concerned with the effects our actions have on our natural environment and its wildlife. We have a "gold mine" of natural beauty in Florida, and we need to protect it. Presently, I am an executive committee member of both the Sierra Club Florida Chapter and the Broward County Group, serving so far in these positions for two and four years, respectively.

5. I am aware of Sierra Club's intervention in this FPL docket on behalf of its members including myself, and I fully support the intervention.

6. I am concerned about the financial impact to me of FPL's requested rate increase. Now that I am retired, I am more cautious about my expenditures. Basic living costs add up, and an increase in FPL's base rate will impact the way I budget my finances and my ability to pay for other necessities.

7. I am also concerned with the fact that my electric service from FPL currently comes largely from fossil fuels, rather than cleaner energy sources. I value clean energy and I am upset that FPL is not responsive to how I, and so many others, want to see FPL lead clean energy deployment in Florida. The historic requested rate increase and additional natural gas units are huge steps in the wrong direction.

8. If Sierra Club is successful, I will benefit by avoiding the proposed rate increases to my electricity bills. This is especially important to me since I am retired and increases in any one of my bills impacts my ability to pay all of my other bills. I will also benefit by avoiding or reducing the additional pollution and environmental impacts associated with the new and expanded natural gas units. Each step FPL takes to avoid additional new fossil fuel burning units will be a step toward cleaner air, cleaner water, and a stronger local economy.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed in  $\frac{penalty}{penalty}$ , Florida on August  $q_{-}$ , 2016.

STATE OF FLORIDA BROW COUNTY OF

BEFORE ME, the undersigned authority, personally appeared SCPI whojis personally known or produced VI \_\_\_\_\_as identification, and who was sworn

and says that the foregoing averments are true.

Sworn to and subscribed before this  $\underline{\bigcirc}$  day of August, 2016.

Notary Pubic

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In re: Petition for rate increase by Florida Power & Light Company Docket No. 160021 August 11, 2016

## AFFIDAVIT OF SIERRA CLUB MEMBER JIM TEAS

1. I, Jim Teas, am over 18 years of age and have personal knowledge of the following facts:

2. I reside at 8445 SW 181 Terrace, Miami, Florida 33157. I have lived here and paid my electric bills as a Florida Power and Light Company customer for almost 23 years, since October 1993.

3. I am a Sierra Club member.

4. I have served as Chair of the Sierra Club Miami Group.

5. I joined the Sierra Club because of my interest in the environment and outdoor outings. I am particularly concerned about climate change and its impacts in South Florida. I am dedicated to promoting public awareness of these impacts, and to promoting public action to prevent the worst impacts of climate change.

6. I support the transition from burning fossil fuels for electricity generation to using clean, low cost, low risk alternatives instead. This is the right thing to do to reduce our reliance on out-of-state fossil fuel imports, and to respond to the urgency of the climate change problem.

7. I strongly prefer that my electricity service come from clean, low cost, low risk alternatives to fossil fuel burning power plants.

8. I am aware that FPL requested Florida Public Service Commission approval of a historic rate increase, including approximately \$1.25 billion expenditures on new and expanded

natural gas-burning power plants. I am particularly concerned about the plants for two reasons costs and environmental impacts. It concerns me that FPL did not disclose all of the costs of the gas plants, especially if they were to run for their 30-year book lives or longer. Nor did FPL disclose that the plants would have far more adverse environmental impacts than alternatives such as solar power and energy efficiency.

9. If the Commission approves any rate increase, including any part of FPL's request to recover the \$1.25 billion gas plant expenditures, I may have to pay higher rates on my electric bills starting as soon as January 1, 2017. Moreover, because FPL did not disclose all the costs of the gas plants, I may have to pay even more in the future as FPL seeks to recover through rates other costs associated with the plants, such as higher fuel costs, financial hedging costs, and/or environmental compliance costs. Therefore, depending on the Commission's decision in the pending FPL rate case, I face the imminent and serious financial harm of paying higher electric bills in a matter of months and for many years to come.

10. In addition to financial harm, this case may seriously harm my electric service's value to me.

11. First, the service may lose value to me because it is not even clear if FPL's new and expanded gas plants are necessary to provide service to customers, so I may be paying for something that actually serves me very little if at all.

12. Second, the service may lose value to me because the plants impede our transition to clean, low cost, low risk alternatives. If FPL's capital goes to the plants, then we miss the opportunity for the capital to go to alternatives such as solar power and energy efficiency. This decreases the capital that is available for the alternatives (because FPL has finite capital) and slows their deployment.

13. Third, the service may lose value to me because it will increase air, water, and land pollution not just from the construction and operation of FPL's new and expanded gas plants, but also from gas extraction (often via hydraulic fracturing and horizontal drilling) and transportation via pipelines to these plants. Indeed, burning natural gas to generate electricity has tremendous environmental impacts, including methane leakage, methane being a particularly potent greenhouse gas. Therefore, I am particularly worried that the gas plants will exacerbate the climate change impacts in South Florida, and thus undermine my dedicated efforts, along with so many others, to prevent such impacts.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed in  $\underline{Miaui}$ , Florida on August  $\underline{S^{H}}$ , 2016.

STATE OF FLORIDA COUNTY OF Micmi - Dade

BEFORE ME, the undersigned authority, personally appeared $\overline{\sum_{q mes} \overline{lcqs}}$ who is personally known or produced $\overline{FbL}$ as identification, and who was sworn andsays that the foregoing averments are true.

Sworn to and subscribed before this  $\underline{\mathcal{S}^{\mathcal{H}}}$  day of August, 2016.

Notary Public



In re: Petition for rate increase by Florida Power & Light Company Docket No. 160021

Filed: August 11, 2016

### AFFIDAVIT OF SIERRA CLUB MEMBER WINSTON MARK WALTERS

1. I, Winston Mark Walters, am over 18 years of age and have personal knowledge of the following facts:

2. I reside at 315 Northwest 19<sup>th</sup> Street, Miami, FL 33136 and have done so for the past 10 years. I have been a Florida Power and Light Company customer for approximately 26 years.

3. I am a Sierra Club member. I first joined in 1997. I have served as Chair of the Florida Chapter and I am the Local Miami Groups Outings Chair.

4. I joined the Sierra Club to spend more time outdoors and to encourage children to spend more time and develop an appreciation for the outdoors. As a member of the Miami Group, I regularly organize outings and bring children and adults from Miami to visit local and National Parks in the South Florida (Monroe, Miami-Dade, Broward and Palm Beach Counties) area. These trips occur 2-3 times per month, and I personally attend these trips approximately 12 times per year.

5. During these trips we often canoe, kayak, snorkel, camp, and conduct a variety of service projects in the parks. My experience and the experiences of these children are extremely valuable and need to be protected for future generations. As a result, I deeply care about the impacts climate change is having on the state of Florida and believe it is our responsibility as the "Sunshine State" to invest in renewable energies, including our greatest resource, solar energy,

rather than continuing to invest in fossil fuels.

6. I support the transition from burning fossil fuels for electricity generation to using clean, low-cost, low-risk resources instead. I would prefer that my energy come from cleaner sources.

7. I am aware that the FPL requested Florida Public Service Commission approval for a rate increase including approximately \$1.25 billion in expenditures for new and expanded natural gas-burning power plants. These plants will emit carbon dioxide, a greenhouse gas that causes climate change.

8. If the Commission approves FPL's request, I personally, as well as my community, will pay higher rates on my electric bills starting January 1, 2017. This rate increase will financially burden me and my family. The rate increase of an average of \$13 per month starting in January 2017 will mean \$13 less that I can spend providing for my children on necessities-such as school supplies, their meals, and their clothing.

9. In addition to higher electricity rates, these plants are leading to climate change and may not even be necessary given the available clean, low cost, low risk alternatives. I support Sierra Club's intervention in this proceeding. If Sierra Club succeeds, I will definitely benefit, as will my family.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed in Minu-DADE , Florida on August 10, 2016.

Winston Mark Walters

- luc

STATE OF FLORIDA

COUNTY OF MIMMI - DADE

BEFORE ME, the undersigned authority, personally appeared

inston M. Walters \_\_\_\_\_ who is personally known or produced  $\frac{FLDL\#W436.893.63.332.0}{E\times 9-12-2017}$  as identification, and who was sworn and says that the foregoing averments are true.

Sworn to and subscribed before this  $10^{\circ}$  day of August, 2016.

Notary Public

CHANDRA ADDERLEY Notary Public - State of Florida Commission # FF 959733 My Comm. Expires Feb 11, 2020 Bonded through National Notary Assn.