

FLORIDA PUBLIC SERVICE COMMISSION

Item 8

VOTE SHEET

December 12, 2017

FILED 12/12/2017
DOCUMENT NO. 10557-2017
FPSC - COMMISSION CLERK

Docket No. 20170007-EI – Environmental cost recovery clause.

Issue 10A: Should FPL be allowed to recover, through the ECRC, prudently incurred costs, if any, associated with the June 20, 2016 Consent Order between FPL and the Florida Department of Environmental Protection and the October 2015 Consent Agreement between FPL and the Miami-Dade County Department of Environmental Resources Management (as amended by the August 15, 2016 Consent Agreement Addendum)?

Recommendation: Yes. FPL should be allowed to recover the TPCCMP Disputed Costs, if prudently incurred, through the ECRC. The TPCCMP Disputed Costs are costs incurred after the inception of the ECRC and are not being recovered through another clause mechanism or base rates. Staff recommends that FPL is subject to new governmentally imposed environmental requirements enacted after FPL's last test year on the date of filing in the 2016 ECRC proceeding. The prudence of the TPCCMP Disputed Cost activities is addressed in Issue 10B.

APPROVED

COMMISSIONERS ASSIGNED: All Commissioners

COMMISSIONERS' SIGNATURES

MAJORITY

DISSENTING



REMARKS/DISSENTING COMMENTS:

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Issue 10B: Which costs, if any, associated with the June 20, 2016 Consent Order between FPL and the Florida Department of Environmental Protection and the October 2015 Consent Agreement between FPL and the Miami-Dade County Department of Environmental Resources Management (as amended by the August 15, 2016 Consent Agreement Addendum) were prudently incurred?

Recommendation: Staff recommends that FPL has prudently incurred the 2015 and 2016 TPCCMP Disputed Costs, and that FPL's request for 2017 and 2018 TPCCMP Disputed Costs are reasonable. However, FPL has not met its burden of proof that the \$1.5 million escrow deposit component is associated with the operation of the CCS for the direct benefit of FPL's customers. Staff notes that the 2017 and 2018 TPCCMP Disputed Costs and removal of the escrow payment are subject to true-up in future ECRC proceedings.

APPROVED

Issue 10C: Should the costs FPL seeks to recover in this docket be considered part of its Turkey Point Cooling Canal Monitoring Plan project?

Recommendation: Yes. Based on the TPCCMP Approval Order, the TPCCMP Disputed Costs should be considered part of the existing TPCCMP project. The costs FPL is requesting to recover are the result of the anticipated evolution of the original TPCCMP program.

APPROVED

Issue 10D: Is FPL's proposed allocation of costs associated with the June 20, 2016 Consent Order between FPL and the Florida Department of Environmental Protection and the October 2015 Consent Agreement between FPL and the Miami-Dade County Department of Environmental Resources Management (as amended by the August 15, 2016 Consent Agreement Addendum) between O&M and capital appropriate? If not, what is the correct allocation of costs between O&M and capital?

Recommendation: Yes. Staff recommends that the RWS and related activities perform both remediation and containment functions. Consistent with accounting principles, remediation expenses should be recovered as O&M, and containment should be recovered as capital. Based on the record, staff recommends that the Company's proposed allocation of costs is appropriate, and should be 74 percent containment (capital) and 26 percent remediation (O&M) for the RWS and related activities.

APPROVED

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Issue 10E: How should the costs associated with the June 20, 2016 Consent Order between FPL and the Florida Department of Environmental Protection and the October 2015 Consent Agreement between FPL and the Miami-Dade County Department of Environmental Resources Management (as amended by the August 15, 2016 Consent Agreement Addendum) be allocated to the rate classes?

Recommendation: TPCCMP Disputed Costs should be allocated pursuant to the Commission's Order No. PSC-09-0759-FOF-EI.

APPROVED