

State of Florida



# Public Service Commission

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TALLAHASSEE, FLORIDA 32399-0850

**-M-E-M-O-R-A-N-D-U-M-**

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**DATE:** April 5, 2018

**TO:** Office of Commission Clerk

**FROM:** Lynn M. Deamer, Chief of Auditing, Office of Auditing and Performance Analysis

**RE:** Docket No.: 20160251-EI  
Company Name: Florida Power & Light Company  
Company Code: EI802  
Audit Purpose: A3, A19: Supplemental Storm Restoration Revenues collected for Hurricane Matthew  
Audit Control No.: 2017-297-1-1

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Attached is the supplemental audit report for the Utility stated above. I am sending the Utility a copy of this memo and the audit report. If the Utility desires to file a response to the audit report, it should send a response to the Office of Commission Clerk. There are no confidential work papers associated with this audit.

LMD/cmm

Attachment: Audit Report

cc: Office of Auditing and Performance Analysis File

State of Florida



## Public Service Commission

Office of Auditing and Performance Analysis  
Bureau of Auditing  
Tallahassee District Office

### Auditor's Report

Florida Power & Light Company  
Storm Recovery Cost Audit – Hurricane Matthew  
Revenues

**As of February 28, 2018**

Docket No. 20160251-EI  
Audit Control No. 2017-297-1-1

**Supplemental  
April 04, 2018**

A handwritten signature in black ink, reading "Donna D. Brown", written over a horizontal line.

Donna D. Brown  
Audit Manager

A handwritten signature in blue ink, reading "Marisa N. Glover", written over a horizontal line.

Marisa N. Glover  
Reviewer

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## Purpose

To: Florida Public Service Commission

We have performed the procedures described later in this report to meet the objectives set forth by the Division of Accounting and Finance in its audit service request dated October 25, 2017. We have applied these procedures to the attached schedule prepared by Florida Power & Light Company in support of its filing for storm recovery costs in Docket No. 20160251-EI.

This audit was performed following General Standards and Fieldwork Standards found in the AICPA Statements on Standards for Attestation Engagements. The report is intended only for internal Commission use.

## Objectives and Procedures

### **General**

#### Definitions

NARUC refers to the National Association of Regulatory Utility Commissioners.

USOA refers to the NARUC Uniform Systems of Accounts as adopted by Rule 25-30.115, Florida Administrative Code (F.A.C.)

FPL or Utility refers to Florida Power & Light Company.

#### Background

This report is a follow up to the Florida Public Service Commission Auditor's report, issued January 5, 2018; ACN 2017-297-1-1. That audit focused on the costs incurred and revenues received from October 31, 2016 to September 30, 2017. This supplemental auditor's report focuses on the revenue received from October 1, 2017 to February 28, 2018.

### **Revenue**

#### Revenues

**Objectives:** The objectives were to determine whether: 1) Utility charges were those approved by the Commission in accordance with Commission Order PSC-2017-0055-PCO-EI and 2) Storm restoration recovery revenues collected from October 1, 2017 to February 28, 2018 were recorded and properly classified in compliance with Commission rules.

**Procedures:** We requested storm charge revenues by FERC account from FPL'S general ledger for the period October 1, 2017 through February 28, 2018. We determined that the Utility used the appropriate interim storm restoration recovery charges per Commission Order No. PSC-2017-0055-PCO-EI, and that the storm restoration recovery revenues collected were recorded and properly classified in compliance with the Commission rules. No exceptions were noted.

Exhibits

**Exhibit 1: Actual Revenues Under 2017 Interim Storm Charge**

Docket No. 20160251-EI  
Actual Revenues Under 2017 Interim Storm Charge  
Exhibit TCC-1, Page 1 of 1

**FLORIDA POWER & LIGHT COMPANY**  
March 2017-February 2018

<b>Year</b>	<b>Month</b>	<b>Amount</b>
2017	Mar	\$21,952,109
2017	Apr	\$24,044,294
2017	May	\$27,359,471
2017	Jun	\$30,431,583
2017	Jul	\$32,233,804
2017	Aug	\$31,999,392
2017	Sep	\$30,729,029
2017	Oct	\$29,087,645
2017	Nov	\$24,401,937
2017	Dec	\$23,435,139
2018	Jan	\$24,334,400
2018	Feb	\$22,440,364
<b>Total Recovery</b>		<b>\$322,449,167</b>