## CORRESPONDENCE 1/31/2022 DOCUMENT NO. 00892-2022

# **Lisa Smith**

From: Ellen Plendl

Sent: Monday, January 31, 2022 2:45 PM

To: Consumer Correspondence
Subject: Docket No. 20210015

Attachments: FY 2122-139 Referral from PSC OIG; Consumer Inquiry - Florida Power & Light Company

See attached customer correspondence and FPSC reply for Docket No. 20210015.

## **Lisa Smith**

From:

Jessica Metcalf

Sent:

Monday, January 31, 2022 2:25 PM

To: Cc: Ellen Plendl Jessica Metcalf

Subject:

FY 2122-139 Referral from PSC OIG

Attachments:

202201280013 Harris complaint 1.28.22.pdf

## Good Afternoon Ellen,

Our office received the attached email from Mr. Harris regarding Governor Ron Desantis and the Florida Power and Light Company rate increase. Could you please respond to Mr. Harris, as appropriate, and provide our office a copy of your correspondence?

#### Thank you!

Jessica Metcalf | Inspector Specialist Office of Inspector General Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, Florida 32399 Phone: (850) 413-6338

Email: JMetcalf@psc.state.fl.us

Website: http://www.floridapsc.com/AboutPSC/InspectorGeneral



Note: Florida has a very broad public records law. Most written communications to or from state officials regarding state business are considered to be public records and will be made available to the public and the media upon request. Therefore, your online submission may be subject to public disclosure.

#### **Lisa Smith**

From:

Shonna McCrav

Sent:

Monday, January 31, 2022 2:43 PM

To:

'pats57@gmail.com'

Cc:

Ellen Plendl

**Subject:** 

Consumer Inquiry - Florida Power & Light Company

Mr. Charles Harris pats57@gmail.com

RE: FPSC Inquiry 1388614C

Dear Mr. Harris:

This is in response to your E-mail to Inspector General Tiffany Hurst, Florida Public Service Commission (FPSC), regarding Florida Power & Light Company (FPL). Given the nature of your concerns, Inspector General Hurst feels it would be appropriate for the specialized staff of the FPSC's Office of Consumer Assistance and Outreach to respond directly to you.

When a utility company files an application for a rate increase with the FPSC, it must explain the need for the requested increase. Its petition must be accompanied by minimum filing requirements (MFRs), which are schedules and reports containing the operation, financial, economic, and rate information needed by the FPSC staff to evaluate the company's revenue increase request, rate structure, and quality of service. The company's proposal and financial information are closely analyzed before a Commission decision is made.

The utility also forecasts how much money is needed to cover its expenses in the next year. This includes a proposed return on its investment in assets used to provide service to its customers (such as power plants, electric lines, or gas mains), which the utility uses to pay interest on money it borrows and to compensate investors. The utility must also propose the classes of customers that will pay for the increase, usually categorized as residential, commercial, and industrial.

The utility application, the technical hearing and service hearing testimony and exhibits become part of the case record that Commissioners use to make decisions about the case.

FPSC staff makes a detailed review and analysis of the entire record and files a recommendation with the FPSC's Clerk detailing the staff's adjustments to the company's petition.

The Commissioners review the information, based on the record, and make their decisions about the case in an open meeting through a written "order."

After the FPSC's order is issued, any party may ask the Commission to reconsider its decision on the issues. After the reconsideration, the Public Counsel, the utility, or any other party involved in the proceeding may appeal the Commission's decision to the Florida Supreme Court.

On October 26, 2021 the FPSC approved a four-year rate settlement for FPL, reflecting an almost 40 percent reduction in its original rate revenue request for 2022. Parties to the settlement, filed on August 9, 2021, include the Office of Public Counsel, representing customers, the Florida Retail Federation; the Florida Industrial Power Users Group; and the Southern Alliance for Clean Energy.

As part of the evaluation process for FPL's rate request, the FPSC conducted 12 virtual service hearings in June and July to allow feedback from FPL and Gulf customers about utility service and the rate-setting process.

The settlement agreement reduces FPL's original revenue petition from \$1.1 billion to \$692 million in 2022 and from \$605 million to \$560 million in 2023. The utility's proposed return on equity midpoint was reduced from 11.5 to 10.6 percent.

You may review all the information filed for Commission consideration in docket 20210015 by accessing the FPSC website at http://www.floridapsc.com. Under the Clerk's Office tab at the top of the page, click on Dockets. Type in the docket number 20210015. Click the Search button. Then select Document Filings Index for a list of all filings in the docket. This procedure allows you to view all of the information filed by the utility and other parties in the docket.

We will add your feedback to Docket No. 20210015, regarding FPL's petition.

If you have any questions, please contact Ms. Ellen Plendl at 1-800-342-3552 or by fax at 1-800-511-0809.

Sincerely,

Shonna McCray
Regulatory Program Administrator
Florida Public Service Commission