

Angela Charles

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**From:** Ruth McHargue  
**Sent:** Friday, September 19, 2014 1:12 PM  
**To:** Consumer Correspondence  
**Cc:** Diane Hood  
**Subject:** FW: To CLK Docket 120015  
**Attachments:** FPL BILLS.xlsx

Customer correspondence

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**From:** Consumer Contact  
**Sent:** Friday, September 19, 2014 8:28 AM  
**To:** Ruth McHargue  
**Subject:** To CLK Docket 120015

Copy on file, see 1160050C. DHood

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**From:** Mark Brown [<mailto:erikschoen1@mac.com>]  
**Sent:** Thursday, September 18, 2014 7:28 PM  
**To:** Consumer Contact  
**Subject:** Thank you for your help

Dear PSC Commissioners:

Thank you so much for your concern with Florida residents. I was just looking t my Florida power and Light bills. It appears that FPL raised their pricers by 29.9198 percent.

As a retired Registered Nurse living on Social Security, my SS benefit has not increased by 29.098%. If my SS benefit had increased by 29.9080% I would be receiving \$474.51 more per month.  
I find it interesting that you can allow FLP to raise their prices when my income has not increased commensurate with the cost of living.

I find it most interesting that our Republican state government has no concern for those of us on fixed income, as long as our corporation can continue to make a profit.

Thank you for your compassion.  
Mark  
Sent from iCloud



**Angela Charles**

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**From:** Terry Holdnak  
**Sent:** Friday, August 29, 2014 9:10 AM  
**To:** Commissioner Correspondence  
**Subject:** Docket No. 120015-EI  
**Attachments:** FW Settlement Agreement 1st DCAAppeals Court Litigation FW 11192012 Vol 39 after Vol 38 with Lane Kollen Testimony Testimony that has been published online; FW Settlement Agreement 1st DCAAppeals Court Litigation FW 11192012 Vol 39 after Vol 38 with Lane Kollen Testimony Testimony that has been published online

Please place the attached correspondence in Docket Correspondence of Consumers and their Representatives, in Docket No. 120015-EI.

Thank you,  
Terry

*Ms. Terry Holdnak  
Executive Assistant to Commissioner Julie I. Brown  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850  
[tholdnak@psc.state.fl.us](mailto:tholdnak@psc.state.fl.us)  
(850) 413-6030 (Office)  
(850) 413-6031 (Fax)*

*Please 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 e-mail message may be subject to public disclosure.*

**Angela Charles**

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**From:** rsmith <rsmith@myacc.net>  
**Sent:** Thursday, August 28, 2014 9:56 PM  
**To:** Curt Kiser  
**Cc:** 'Robert H. Smith'; 'Governor Rick Scott'; Office of Commissioner Brisé; Office of Commissioner Balbis; Office Of Commissioner Edgar; Office Of Commissioner Graham; Office of Commissioner Brown; 'Mcglothlin, Joseph'; 'Kelly, JR'  
**Subject:** FW: Settlement Agreement / 1st DCA/Appeals Court Litigation? / FW: 11/19/2012 Vol 39 after Vol 38 with Lane Kollen Testimony/ Testimony that has been published online

Dear Mr. Kiser,

The email address below was incorrect. I resent to keep you in the loop by a concerned ratepayer/citizen of Florida.

Have a good night!

Thanks,

Robert H. Smith

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**From:** rsmith [mailto:rsmith@myacc.net]  
**Sent:** Thursday, August 28, 2014 9:53 PM  
**To:** 'Mcglothlin, Joseph'; 'Kelly, JR'  
**Cc:** 'Governor Rick Scott'; 'supremecourt@fcourts.org'; 'curtis.kiser@psc.state.fl.us'; 'Commissioner.Brown@psc.state.fl.us'; 'Commissioner.Graham@psc.state.fl.us'; 'Commissioner.Edgar@psc.state.fl.us'; 'Commissioner.Balbis@psc.state.fl.us'; 'Office of Commissioner Brisé'; 'Robert H. Smith'  
**Subject:** FW: Settlement Agreement / 1st DCA/Appeals Court Litigation? / FW: 11/19/2012 Vol 39 after Vol 38 with Lane Kollen Testimony/ Testimony that has been published online

Dear Florida Supreme Court Justices and Governor Scott,

Please do not retaliate against me for writing this email but I think that this process has to be an impartial process that balances the interests of all ratepayer's and not just select ratepayers.

I have been so busy at work and want to make sure that my involvement as a ratepayer, shareholder of FPL and concerned citizen of your state, that my current/future employment will not be impacted by my public service work.

I have to take a look at the opinion but like I have indicated from inception this is going to have to be heard outside the State of Florida to receive a fair and impartial hearing regarding these type of ratecase proceedings. Remember the Judicial and Legislative branches are supposed to govern for the people in a fair and equitable manner. With all the press about connection to the special interest money with the Utilities, it appears that the way the nominating commission and the way the members of the PSC are being appointed does not serve the regular public very well.

Remember I was out of work for almost 5 years working on this public service work and in all this time I have not received a technical response from anyone regarding my concerns with a non-cash give back of an amortization that was over recovered in cash rates. What is going on with this process? I will get back to everyone once I read the opinion. I did not see the opinion posted on the Supreme Court site. Is this available on the Supreme Court Site or is there a delay in the publishing of the opinion. I was able to obtain a copy from a link in a newspaper story about the recent decision.

Please do not retaliate against me for asking if an appeal is going to be filed on behalf of the ratepayers/citizens of Florida.

Once I am able to take a look at the Supreme Courts rationale to support the settlement agreement I will ask them to provide the accounting journal entries to support how over recoveries are being refunded in cash rates just like they have been collected in cash rates. Is this a two way street or a one way street?

I think that the OPC should not keep a running ledger of any over recovery that is returned as a non-cash amortization by nature of not reducing rates and/or by nature of not requiring an excess/over earnings test. What a shame!

Everyone have a good night but this just does not make sense. Stay tuned and I want to see if the opinion makes sense.

Thanks,

Robert H. Smith

Dear Mr. Kelly and Mr. McGlothlin,

Will there be an appeal to the ruling by the Florida Supreme Court?

The way I see this is since the nominating commission and PSC appears to be controlled by the legislative branch and the settlements are being approved in favor of special interests groups the only place that this can be heard to receive an impartial hearing would appear to be outside the State in a Federal Court. In my years experience with these rate proceedings I have never seen a disregard for looking at the details of the accounting transactions in a ratecase. It appears that just by the appointments that are being made there are people being put on the PSC commission without the Utility experience that would

be in a position to understand the issues with regulatory accounting versus GAAP accounting. I have indicated this with all my correspondence from the get go that I knew that this type of proceeding could not be heard within the State considering all the over turned cases at the Federal Level. Considering how over recovered real hard cash is being refunded to the ratepayers I think that the Florida ratepayers should be very concerned that the process might not be a fair and impartial process.

What is going to happen to the OPC if there is a continued settlement agreement put in place without taking a look how over recoveries are being refunded to the citizens of Florida?

I understand that a settlement agreement can be negotiated but in all the settlement decisions that I have seen in my experience with these types of rate cases I have never seen a situation in which a potential non-cash give back for over recoveries would be put into place and the expectation that the citizens would also pay for the a tax bill on the non-cash give backs. What about an over earnings test? This was totally disregarded with this settlement agreement. What is troubling is that even the CFO of the Company during the proceedings indicated that he would like to see cash earnings and not non cash earnings in their rate increases. This is a two way street therefore if there is a very large over recovery the Commission should rule to refund any over recovery with a cash refund and not a non cash amortization. No one responded from the Commission with regard to see if the company is recording an M-1 adjustment to make sure that as they amortize the over recovery without an adjustment in cash rates that the customer would not be expected to pay FIT on the non-cash amortization that is being refunded. The OPC should start with looking at these type of accounting details to bring some bite to the negotiation process so that continuity/balance can be maintained with any type of settlement agreement. This is what I remember happened when I modeled any type of adjudicated settlement agreement in our 5 year forecast models. When there was an over recovery in cash rates and there was an over earnings as a result the commission process would make sure that the customer received a cash refund in their rates and not just a non-cash amortization with the potential expectation that they would have to pay FIT on the non-cash income as result of the non-cash amortization.

Please see email below. I would like to know what the future holds for OPC as the representative of the citizens of Florida with regard to Utility ratecases/increases. I see no issue with a negotiated settlement but a very large over recovery was quantified and if they give this back as a non-cash item will the ratepayers be expected to pay for the FIT related to this non-cash give back or will they record an M-1 adjustment for this since the ratepayer should not have to pay for tax on non-cash income that they have already paid in their rates when they were paying for the over recovery? Remember that when they build their base rates it includes recovery for depreciation therefore in the cost of service this would be recorded as revenue which would flow through to the corporate tax return and the ratepayers would have to pay tax on this income. If they over recovered the depreciation then they should have been sitting on a pile of cash related to this over recovery. We all know that this is not the case therefore this has to be very alarming with the way the process is functioning.

As ratepayers I think that the citizens of Florida deserve an explanation on how they will be able to make sure that the nominating commission and the PSC is not being controlled by special interest groups and they are receiving an impartial ratecase process.

I am sorry to hear about this ruling and how this was unanimous but I will be looking at the brief to see their position on their ruling. It appears that based upon the unanimous ruling that the only avenue would be to take this to a Federal Venue. The only issue I see with this is that will a Federal Court defer this to the State Court since the way this is structured rates are set at the state level.

If this continues what recourse with the ratepayers of Florida have to have fair representation at the Commission for their Utility rates and any other State regulated rate environment?

Let me know if there will be an appeal or if this over?

I am looking forward to your response.

Thanks,

Robert H. Smith

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08-28-2014	DISP-AFFIRMED		Based on the foregoing, Citizens has not demonstrated that the Commission violated the essential requirements of the law or committed a material error in procedure by approving the negotiated settlement agreement over Citizens' active objection. Citizens' due process rights were not violated, and the Commission's findings and conclusions are supported by competent, substantial evidence and are not clearly erroneous. For these reasons, we affirm the Commission's final order approving the settlement agreement authorizing FPL to adjust its rates. It is so ordered.
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Individual briefs and other documents in Acrobat format:

2013

[Filed\\_02-08-2013\\_Note\\_of\\_Appeal.pdf](#)

[Filed\\_02-08-2013\\_Order.pdf](#)

[Filed\\_02-21-2013\\_Appellee\\_Motion\\_Relinquish.pdf](#)

[Filed\\_02-21-2013\\_Appellee\\_Motion\\_Toll\\_Time.pdf](#)

[Filed\\_02-27-2013\\_Saporito\\_Motion.pdf](#)

[Filed\\_02-27-2013\\_Saporito\\_Motion2.pdf](#)

[Filed\\_03-01-2013\\_Nelson\\_Motion.pdf](#)

[Filed\\_03-20-2013\\_Order\\_Denial.pdf](#)

[Filed\\_04-02-2013\\_Order\\_Denying\\_Saporito\\_Motion\\_as\\_Moot.pdf](#)

[Filed\\_04-15-2013\\_Note\\_of.Appearance\\_Appellee.pdf](#)

[Filed\\_04-16-2013\\_Note\\_of.Appearance\\_Appellee.pdf](#)

[Filed\\_04-17-2013\\_Initial\\_Brief.pdf](#)

[Filed\\_04-17-2013\\_Initial\\_Brief\\_Appendix.pdf](#)

[Filed\\_04-24-2013\\_Motion\\_Toll\\_Time.pdf \(corrected\)](#)

[Filed\\_04-24-2013\\_Motion\\_Extension\\_Time\\_Answer\\_Briefs.pdf \(corrected\)](#)

[Filed\\_04-29-2013\\_Motion\\_Pro\\_Hac\\_Vice\\_AARP.pdf](#)

[Filed\\_04-29-2013\\_Motion\\_Amicus\\_AARP.pdf](#)

[Filed\\_04-29-2013\\_Brief\\_Amicus\\_AARP.pdf](#)

[Filed\\_05-01-2013\\_Motion\\_Amicus\\_Saporito.pdf](#)

[Filed\\_05-09-2013\\_Order.pdf](#)

[Filed\\_05-10-2013\\_Response\\_In\\_Opposition.pdf](#)

[Filed\\_05-14-2013\\_Order\\_Amicus\\_Granted.pdf](#)

[Filed\\_05-14-2013\\_Order\\_Counsel\\_Granted.pdf](#)

[Filed\\_05-31-2013\\_Answer\\_Brief\\_FPC.pdf](#)

[Filed\\_05-31-2013\\_Answer\\_Brief\\_Florida\\_Power.pdf](#)

[Filed\\_05-31-2013\\_Appendix\\_Florida\\_Power.pdf](#)

[Filed\\_06-07-2013\\_Motion\\_Extension\\_Time\\_Reply\\_Brief.pdf](#)

[Filed\\_06-07-2013\\_Motion\\_Toll\\_Time.pdf](#)

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**From:** RSmith [rpjrb@yahoo.com] [mailto:[rpjrb@yahoo.com](mailto:rpjrb@yahoo.com)]  
**Sent:** Friday, February 1, 2013 4:44 PM  
**To:** 'rick.scott@eog.myflorida.com'; 'jennifer.carroll@eog.myflorida.com'; 'Rehwinkel.Michelle'; 'Mike.Fasano@myfloridahouse.gov'; 'Florida Supreme Court Public Information <[publicinfo@fcourts.org](mailto:publicinfo@fcourts.org)>'  
**Cc:** 'Bill@billnelson.senate.gov'; 'president@whitehouse.gov'; 'vice\_president@whitehouse.gov'; 'chairmanoffice@sec.gov'; 'fellowsprogram@supremecourt.gov'  
**Subject:** FW: Settlement Agreement / 1st DCA/Appeals Court Litigation? / FW: 11/19/2012 Vol 39 after Vol 38 with Lane Kollen Testimony/ Testimony that has been published online

Dear Mr. Scott and Ms. Carroll,

I noticed a **typo(s)** below. Mr. Scott if you have any questions regarding the comments below feel free to contact me via email to discuss. This is very important and this is why I am taking a very hard line on the reconciliation of the cash. Accounting 101!

I am looking forward to your response to the email(s) below.

Thanks,

Robert H. Smith

Mr. Fasano,

When you talk about the nuclear recovery clauses please make sure that if they continue this recovery under the current process that there is a full accounting of the cash to make sure that the costs that they have paid for are truly related to the nuclear plant construction. Be careful if they are receiving the money in rates and yet to spend the money on nuclear plant costs that the actual cash is not being utilized for other purposes. If they over recover any of the funds collected that is related to the nuclear recovery clause then the money should be in the bank. If they do over collect and they do not keep the cash around but just the over recovery as a regulatory liability on the company's books then when the time comes to pay for the nuclear plant expenditures the actual cash might not be available to pay for the actual nuclear plant expenditures. This is why I have been taking a hard line on making sure that all over recoveries are being refunded in cash to the ratepayers. This is accounting 101 and would require a quick reconciliation of the cash.

This is a very important piece since the current ratepayers are paying for nuclear costs within the recovery clauses upfront on the anticipation that the plant will be completed. If they spend the cash somewhere else then they will probably ask for more money. This is sort of like pension accounting in that if you have a liability based upon the Net Present Value of the future liabilities and they are funding these liabilities based upon the NPV calculations it is **imperative** that the cash is on the side to adequately fund the current/future pension liabilities (the problem with utilizing the standard 8% return versus the actual market returns). I used to forecast the pension liabilities when I prepared the ratecases up North. They are probably not utilizing a present value calculation on the nuclear recovery clause but it is very important to make sure that there is ample cash to fund the expenditures. The cash funding requirement would be the same. The cash should be on the side to pay for what it was collected for. This is probably why there is trouble with the pension across America. The assumptions of what the earned interest rates were going to be were not in line with the real market rates. I noticed the issues that have been brought up with some of the Pension legislation.

Of course as long as the costs are prudent and they keep the cash around to fund the current/future construction they should be OK for ratecase purposes. It is when they keep collecting the money in rates and if they realize that they over recover and then want the Commission to give them an ROE that would provide the cushion to keep the line on the excess earnings calculations (surveillance reports), amortize the over recovery as a non-cash amortization, expect the ratepayer to pay for and Federal Income taxes based upon the non-cash amortization and do not refund the over recovery in cash.

The cash should be kept (in the bank) to make sure that they have the adequate funding for the current/future nuclear cost expenditures. You have to remember that the possibility exists that the current ratepayers that are paying for the advanced recovery might not be around when the actual plant is built/placed in service. If the commission upon audit finds that there is imprudent costs that should be refunded to the rate payer then a non-cash amortization would not work. The ratepayer would be due a refund of the over recovery in cash.

If you have any questions please do not hesitate to ask. I am sorry that I have been talking about my issue with being out of work for 4 years but it is very important to keep your skill set up while you are trying to secure a position. I do not know if there is any type of coercion going on but based upon what I have shown the legislature with regard to some of the work I have been working on I would have thought that I would have secured a position by now.

This totally does not make sense and this appears to be the difference between the GOP norm and the new right wing GOP.

This has me extremely concerned. Hopefully there are no typo(s).

Thanks,

Robert H. Smith

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**From:** RSmith [rpjrb@yahoo.com] [mailto:[rpjrb@yahoo.com](mailto:rpjrb@yahoo.com)]  
**Sent:** Friday, February 01, 2013 10:12 AM  
**To:** 'rick.scott@eog.myflorida.com'; 'jennifer.carroll@eog.myflorida.com'; 'Rehwinkel.Michelle'; 'Mike.Fasano@myfloridahouse.gov'; 'Florida Supreme Court Public Information <[publicinfo@flcourts.org](mailto:publicinfo@flcourts.org)>'  
**Cc:** 'Bill@billnelson.senate.gov'; 'president@whitehouse.gov'; 'vice\_president@whitehouse.gov'; 'chairmanoffice@sec.gov'; 'fellowsprogram@supremecourt.gov'  
**Subject:** FW: Settlement Agreement / 1st DCA/Appeals Court Litigation? / FW: 11/19/2012 Vol 39 after Vol 38 with Lane Kollen Testimony/ Testimony that has been published online

Dear Mr. Scott and Ms. Carroll,

Here is what I sent to the Commission today regarding the accounting needed to provide the proper level of transparency that would be needed to support the settlement agreement(s).

This is accounting 101 and there should be no reason why I have received a response from AHCA regarding the Medicaid expansion numbers versus the support of whether or not the ratepayers/shareholders of the Company received a fair deal and received any over recovery in cash and not a non-cash amortization.

I used the example that I have sent to you in a previous email.

I am looking forward to a response from your office. At this time the control of the appointment process for the Commission is being controlled in the Legislative Branch and by the nominating committee that your office directly appoints members to the committee to vote for the Commissioner's at the Florida Public Service Commission.

The questions in the email below are simple audit procedures that would be required by the Companies accounting firms to ensure that there is proper compliance with Federal tax law. There should be no reason why a ratepayer should be required to pay additional Federal Income tax when they have not received the cash to pay for the increased tax liability.

This is Accounting 101. Where is the response from the Commission, OPC and your office?

I am looking forward to your response.

There is no reason why this should have an impact on me securing an accounting position within the geographic area that I am seeking. As far as I am concerned based upon my Constitutional rights I should be able to work where I want based upon the experience on my resume. There should be no retaliation for this communication. I have just sent an email for a Controller position that is located in Coral Springs. I am waiting to hear back regarding this posting.

The experience required for the position as well as the experience on my resume supports that I would be a very good candidate for this position. If you would like a copy of the posting please let me know.

It appears that based upon the 1000's of jobs that I have posted for within the geographic area that I want to work that I should have secured a position within the 4 year timeframe. It is not what the perception of the recruiters and/or anyone who might be coercively only providing me with positions that are outside the area in which I want to work. You have to remember my accounting, IT and legal experience provides me with the ability to work anywhere I want. There should be no geographic issue since I am utilizing my accounting knowledge base to secure a position where I want to work. This is why I went to college to obtain my accounting degree. Since my degree is in accounting there should be no reason why the state would not make sure that I am not being coerced into working in another location if I meet the qualifications to work close to my area. You are well aware of my situation and there is no reason why this coercion should continue. I would think that you are fully aware of any type of coercion issues since the State just took the lead in the ACA litigation for the Medicaid expansion in which the States position is that they felt that the legislation was coercive. This is my constitutional right. It is not anyone's right to coerce a person to work where they do not want to work. There really is no excuse since I have posted for 1000's of positions. One recruiter indicates that they do not want to work with me since I did not buy into their coercive approach to where they felt I should be working. When you utilize your knowledge base (mind) to work there is no reason why a person should be coerced into working in a location that they do not want to work. It is my Constitutional right to work where I want to therefore there should be no reason why after 4 years I have not secured a position.

If there is nothing to hide your office would be forthright with the answers that I have been working on with the ACHA Medicaid expansion as well as this Utility rate case. Your position as Governor is that you are the Governor for the people not for special interests only. There really is no excuse and my situation should be corrected immediately. What did I do so wrong in that I am not working for over 4 years?

I trust you fully understand my concerns.

These are accounting issues that should be very easy to be answered by the appropriate state agency that would have to support the settlement agreement(s) to make sure that the shareholders/ratepayers are receiving a fair deal.

I am looking forward to your response. Hopefully there are no typo(s). I will check.

Thanks,

Robert H. Smith

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---

**From:** RSmith [rpjrb@yahoo.com] [mailto:[rpjrb@yahoo.com](mailto:rpjrb@yahoo.com)]

**Sent:** Friday, February 01, 2013 9:44 AM

**To:** 'J.R. Kelly (OPC)'; 'Joseph A. McGlothlin (OPC)'; 'Rehwinkel, Charles'; 'Curt Kiser'; 'Commissioner.Balbis@psc.state.fl.us'; 'Commissioner.Edgar@psc.state.fl.us'; 'Chairman.Brise@psc.state.fl.us'; 'Commissioner.Graham@psc.state.fl.us'; 'Commissioner.Brown@psc.state.fl.us'; 'Records Clerk'

**Subject:** FW: Settlement Agreement / 1st DCA/Appeals Court Litigation? / FW: 11/19/2012 Vol 39 after Vol 38 with Lane Kollen Testimony/ Testimony that has been published online

Dear Mr. Kiser, Commissioners, Mr. Kelly, Mr. McGlothlin and Mr. Rehwinkel,

Here is an example of why any over recovered amounts must be refunded in cash and not through a non-cash amortization.

How would you feel if you received interest in your bank account as a **non-cash transaction** yet when you fill out your tax return you would have to fill out your schedule B with the interest income and pay income tax on the interest **without the cash in the bank** to pay for the tax liability?

**This is accounting 101. You would need the cash from the interest to pay the tax bill on the interest.**

Just like the rate payers would need a cash reduction in their bill to pay for the increased federal income taxes for the amortization of the over recovered depreciation surplus amortization as well as any other over recovered item that the company is going to amortize on a non-cash basis. The cash reduction in the bill would be just like receiving money for an overpayment and then they would be able to pay the

additional tax for the refund of the over recovery. I will be keeping track of this on a cumulative basis since this can add up to a lot of money. The manipulation of an ROE to provide for a non-cash amortization to shield the company from directly paying the ratepayer back in cash is not even proper accounting. They need the cash refund to pay the tax bill. This is very simple? Correct? Please answer Yes or No?

Did they record a permanent difference to eliminate the non-cash income to make sure that the ratepayer does not pay Federal Income tax on the non-cash amortization? Please answer Yes or No? This is not a deferred income tax item like they record for the difference between their tax depreciation and book depreciation. This would have to be a permanent difference due to them recording the amortization as a non-cash amortization. If they never return any over recovery in cash then they would have to mitigate the increases tax liability to their ratepayers so that they are not being required to pay tax on non cash income/amortization.

How does the IRS feel of the recording of non-cash amortization that is being closed out to retained earnings as non-cash equity? Will the IRS make sure that basis is not received for any of the non-cash amortization? Please answer Yes or No?

Will the company remove the any non-cash amortization from the Equity balance when they calculate the company's earned returns to make sure that the ratepayer is not being charged on non-cash equity? Please answer Yes or No?

Did they receive a ruling from the IRS with regard to the recording of this non-cash amortization to retained earnings? Over time if the Company continues to record non-cash amortizations to retained earnings it appears that there should be no basis for the recording of the non cash earnings. What is the Commissions/Staff's understanding of the basis implications of these transactions?

This is not full transparency that would be needed to support the settlement agreement.

What do you think? So far I have not heard a response.

So far I have received a lot of read receipts without a response to all the emails below. A response should be in writing to support the settlement agreement(s).

As a party with a full legal interest from a shareholder and ratepayer perspective it would be my legal right to receive an answer to these questions. This is supported by Federal/State law. What is your position on this? The response that you would have to be an intervening party is not a valid response for a party with a full legal interest in these proceedings.

I am looking forward to your response.

Thanks,

Robert H. Smith

**SCHEDULE B**  
(Form 1040A or 1040)

Department of the Treasury  
Internal Revenue Service 2012

**Interest and Ordinary Dividends**

► Attach to Form 1040A or 1040.  
► Information about Schedule B (Form 1040A or 1040) and its instructions is at [www.irs.gov/form1040](http://www.irs.gov/form1040).

Name(s) shown on return

OMB No. 1545-0014

**2012**  
Attachment  
Sequence No. 08

Your social security number

- Part I**      1 List name of payer. If any interest is from a seller-financed mortgage and the buyer used the property as a personal residence, see instructions on back and list this interest first. Also, show that buyer's social security number and address ►

(See instructions  
on back and the  
instructions for  
Form 1040A, or  
Form 1040,  
line 8a.)

- Note.** If you  
received a Form  
1099-INT, Form  
1099-OID, or  
substitute  
statement from  
a brokerage firm,  
list the firm's  
name as the  
payer and enter  
the total interest  
shown on that  
form.
- 2 Add the amounts on line 1  
3 Excludable interest on series EE and I U.S. savings bonds issued after 1989.  
Attach Form 8815.  
4 Subtract line 3 from line 2. Enter the result here and on Form 1040A, or Form  
1040, line 8a ►

**Note.** If line 4 is over \$1,500, you must complete Part III.

- Part II**      5 List name of payer ►

	Amount
1	
2	
3	
4	

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**From:** RSmith [rpjrb@yahoo.com] [mailto:[rpjrb@yahoo.com](mailto:rpjrb@yahoo.com)]

**Sent:** Thursday, January 31, 2013 11:22 AM

**To:** 'J.R. Kelly (OPC)'; 'Joseph A. McGlothlin (OPC)'; 'Rehwinkel, Charles'; 'Curt Kiser'; 'Commissioner.Balbis@psc.state.fl.us'; 'Commissioner.Edgar@psc.state.fl.us'; 'Chairman.Brise@psc.state.fl.us';

'Commissioner.Graham@psc.state.fl.us'; 'Commissioner.Brown@psc.state.fl.us'; 'Records Clerk'

**Subject:** FW: Settlement Agreement / 1st DCA/Appeals Court Litigation? / FW: 11/19/2012 Vol 39 after Vol 38 with Lane Kollen Testimony/ Testimony that has been published online

Dear Mr. Kiser, Commissioners, Mr. Kelly, Mr. McGlothlin and Mr. Rehwinkel,

Where are we with the bank/cash reconciliation schedule that has to be completed below?

How are the ratepayers going to pay for the increased tax liability if they do not receive a cash refund for most of the depreciation surplus amortization?

How come I have not received a response?

Thanks,

Robert H. Smith

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**From:** RSmith [rpjrb@yahoo.com] [mailto:[rpjrb@yahoo.com](mailto:rpjrb@yahoo.com)]

**Sent:** Wednesday, January 23, 2013 4:45 PM

**To:** 'J.R. Kelly (OPC)'; 'Joseph A. McGlothlin (OPC)'; 'Rehwinkel, Charles'; 'Curt Kiser'; 'Commissioner.Balbis@psc.state.fl.us'; 'Commissioner.Edgar@psc.state.fl.us'; 'Chairman.Brise@psc.state.fl.us'; 'Commissioner.Graham@psc.state.fl.us'; 'Commissioner.Brown@psc.state.fl.us'; 'Records Clerk'

**Cc:** 'Robert H. Smith'

**Subject:** FW: Settlement Agreement / 1st DCA/Appeals Court Litigation? / FW: 11/19/2012 Vol 39 after Vol 38 with Lane Kollen Testimony/ Testimony that has been published online

Dear Mr. Kiser, Commissioners, Mr. Kelly, Mr. McGlothlin and Mr. Rehwinkel,

I notice one quick **typo** below. I am looking forward to a response to my email in its entirety. The first request for this information has been made back in November 2012.

I am looking forward to a response in order to track the actual cash bill reduction on a cumulative basis.

Have a good night and let me know the eta. for a response.

Thanks,

Robert H. Smith

Dear Records clerk,

Please make this email part of the consumer correspondence file just like any other consumers correspondence that is being populated into the file.

Thanks in advance for your help.

Thanks,

Robert H. Smith

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**From:** RSmith [rpjrb@yahoo.com] [mailto:[rpjrb@yahoo.com](mailto:rpjrb@yahoo.com)]

**Sent:** Wednesday, January 23, 2013 4:18 PM

**To:** 'J.R. Kelly (OPC)'; 'Joseph A. McGlothlin (OPC)'; 'Rehwinkel, Charles'; 'Curt Kiser'; 'Commissioner.Balbis@psc.state.fl.us'; 'Commissioner.Edgar@psc.state.fl.us'; 'Chairman.Brise@psc.state.fl.us'; 'Commissioner.Graham@psc.state.fl.us'; 'Commissioner.Brown@psc.state.fl.us'; 'Records Clerk'

**Subject:** FW: Settlement Agreement / 1st DCA/Appeals Court Litigation? / FW: 11/19/2012 Vol 39 after Vol 38 with Lane Kollen Testimony/ Testimony that has been published online

Dear Mr. Kiser and Commissioners,

How come my email correspondence is not being made party of the consumer file just like other consumers with concerns in this case? I think that based upon the Sunshine laws and Federal E-Discovery laws this information would be very important to publish in the consumer file since if the trend continues and the company is not refunding over collections for items that have been prepaid by the ratepayer then we should keep track on a cumulative basis how much money has been returned in cash as a bill reduction versus a non-cash amortization to quantify this over time. This is very important and I think that this email should be answered without delay.

What is there to hide?

Can you assist OPC with the answer below? I have not heard back from the Commission regarding the completion of this schedule as well as the answers to the tax impacts by the recording of the non-cash amortization. Did this increase the tax provision to the customers without providing the actual refund in cash for them to pay for this additional tax liability?

The ask for an answer to the completion of the cash flow reconciliation was asked in November 2012. To date I have not received an answer to the email.

What is the hold up?

Thanks,

Robert H. Smith

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Dear Mr. Kelly, Mr. McGlothlin and Mr. Rehwinkel,

Does OPC have a completed copy of the schedule below? What is the hold up for the release of this information? In addition, has OPC determined if they are going to pursue this in the Florida Supreme Court? This is very important since if the schedule below yields a percentage of cash give back to the ratepayers that is very low then how can the deal be in the best interests of the ratepayers and/or shareholders if this trend continues. The new settlement is now potentially creating a non-cash give back for the dismantlement reserve based upon new life estimates in which they also collected the cash in advance. Is OPC going to take the position of swapping bill reductions in cash for prepaid amounts as non-cash amortization being absorbed by increased ROE's?

What about the tax impacts of the company recording the amortization of any over collection as non-cash which is having a direct impact on the equity ratio as well as an impact on the tax liability that the ratepayer would pay for non-cash income that would be reflected in the tax provision of the company?

I thought that a decision was going to be made by the weekend. Is the schedule below very difficult to provide in order to have a sign off by the Company, the Commission and OPC with regard to the actual bill reduction **that has been recorded**?

I will send these emails on a daily basis since the schedule below and the answer to the email questions below should not be that difficult to answer. This is Accounting 101 and this is a very simple bank/cash reconciliation. Do you agree? Yes or No?

I am looking forward to your response.

Thanks,

Robert H. Smith

	(\$ millions)		Bill Reduction
	As filed	Revised	Cash
2010 (actual)	4.0	2010 (actual)	4.0
2011 (est)	173.0	2011 (est)	187.0
2012 (est)	526.0	2012 (est)	488.0
2013 (est)	191.0	2013 (est)	215.0
	<b>894.0</b>	<b>894.0</b>	-

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**From:** RSmith [rpjrb@yahoo.com] [mailto:[rpjrb@yahoo.com](mailto:rpjrb@yahoo.com)]  
**Sent:** Monday, January 14, 2013 12:27 PM  
**To:** 'J.R. Kelly (OPC)'; 'Joseph A. McGlothlin (OPC)'; 'Rehwinkel, Charles'; 'Curt Kiser'; 'Commissioner.Balbis@psc.state.fl.us'; 'Commissioner.Edgar@psc.state.fl.us'; 'Chairman.Brise@psc.state.fl.us'; 'Commissioner.Graham@psc.state.fl.us'; 'Commissioner.Brown@psc.state.fl.us'; 'Records Clerk'  
**Subject:** FW: Settlement Agreement / 1st DCA/Appeals Court Litigation? / FW: 11/19/2012 Vol 39 after Vol 38 with Lane Kollen Testimony/ Testimony that has been published online

Dear Mr. Kiser and Commissioners,

I noticed that the order has been populated in the Docket. Where is the answer to the bank/cash flow reconciliation below as well as a response to the earlier emails regarding the tax impacts of the non-cash amortization? Since it appears that the Commission is going to issue the order without OPC sign off the Commission should not have a problem with providing the appropriate completed schedule for any party with a legal interest.

I have not heard a response from the Commission with regard to whether or not this updated schedule will be made available.

Please provide the reasoning why it appears that the Commission has not responded to numerous emails regarding whether or not this information is going to be made available. Will I receive a response from the Commission?

If there is nothing to hide then the Commission would support the order with the appropriate information to support the decision by the Commission. There really is no reason why this schedule would not be made forthright without requiring a party with a legal interest to have to file a petition in the appropriate jurisdiction to make sure that this information is provided. Based upon Sunshine law and Federal E-Discovery laws this information should be forthright to any party with a legal interest that would require the appropriate support to any decision that is being issued by the Commission.

I trust you fully understand why I am looking for this information and why I have asked for this information with the prior settlement as well as this settlement. Without the full reconciliation of the cash it would be very difficult to determine if the ratepayers and/or shareholders have received a settlement that is fair, reasonable and just. Since I have a shareholder right to this information there should be no reason why there would be any impediment/barrier to receive this information to support the order that is being issued by the commission.

I am looking forward to your response.

Thanks,

Robert H. Smith

Dear Mr. Kelly, Mr. McGlothlin, Mr. Rehwinkel,

Since OPC is representing the public from a ratepayer perspective there should be no reason why this schedule would not be provided to any party with a legal interest from a ratepayer perspective.

Why would there be a problem with releasing this information as backup support to the order that has been issued? These emails below are very specific and there should be no reason why the Commission and/or OPC would not support this type of required information to be made available in the record to support the order that is being issued by the Commission.

I am looking forward to your response.

Thanks,

Robert H. Smith

Document	Order	Date Filed	Description	Files
00264-13		1/14/2013		<ul style="list-style-type: none"><li>00264-13_13-0023.ord. (37.0MB)</li></ul>

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**From:** RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]

**Sent:** Friday, January 11, 2013 9:35 AM

**To:** 'J.R. Kelly (OPC)'; 'Joseph A. McGlothlin (OPC)'; 'Rehwinkel, Charles'; 'Curt Kiser'; 'Commissioner.Balbis@psc.state.fl.us'; 'Commissioner.Edgar@psc.state.fl.us'; 'Chairman.Brise@psc.state.fl.us'; 'Commissioner.Graham@psc.state.fl.us'; 'Commissioner.Brown@psc.state.fl.us'; 'Records Clerk'

**Subject:** FW: Settlement Agreement / 1st DCA/Appeals Court Litigation? / FW: 11/19/2012 Vol 39 after Vol 38 with Lane Kollen Testimony/ Testimony that has been published online

Dear Mr. Kelly, Mr. McGlothlin, Mr. Rehwinkel, Mr. Kiser and Commissioners,

Has this bank/cash reconciliation been completed?

	(\$ millions)		Bill Reduction
	As filed	Revised	Cash
2010 (actual)	4.0	2010 (actual)	4.0
2011 (est)	173.0	2011 (est)	187.0
2012 (est)	526.0	2012 (est)	488.0
2013 (est)	191.0	2013 (est)	215.0
	<b>894.0</b>	<b>894.0</b>	-

Thanks for your help in advance.

Thanks,

Robert H. Smith

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**From:** RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]

**Sent:** Thursday, December 13, 2012 7:38 PM

**To:** 'J.R. Kelly (OPC)'; 'Joseph A. McGlothlin (OPC)'; 'Rehwinkel, Charles'

**Cc:** 'Curt Kiser'; 'Commissioner.Balbis@psc.state.fl.us'; 'Commissioner.Edgar@psc.state.fl.us'; 'Chairman.Brise@psc.state.fl.us'; 'Commissioner.Graham@psc.state.fl.us'; 'Commissioner.Brown@psc.state.fl.us'; 'Records Clerk'

**Subject:** Settlement Agreement / 1st DCA/Appeals Court Litigation? / FW: 11/19/2012 Vol 39 after Vol 38 with Lane Kollen Testimony/ Testimony that has been published online

Dear Mr. Kelly, Mr. McGlothlin and Mr. Rehwinkel,

I have been ill for the past couple of days and I heard that they modified the settlement agreement and it was approved by the Commission.

Did OPC receive the information below to support the actual cash refunds? I would like to know if this information has been made available. This information would be very pertinent to have as backup support to the refunds in actual bill reductions versus non-cash amortization.

What impact does the Commission approval have on the District's court of appeal filing? Does OPC have the ability to file at the 1<sup>st</sup> DCA level with regard to the Commission ruling?

Who would check the current Commission appointment process that is primarily controlled by the Legislative Branch and/or the Nominating Committee? If I recall correctly, the court appointments have also been controlled by the Legislative Branch and/or Judicial Nominating Committee.

The reason why I am asking this question is that based upon the former Governor of the State of Florida there was a proposed settlement agreement to refund the \$894 million at \$125 million per year. When the new Governor took over this proposal was not entertained and the new 4 year amortization was brought up. It is very important to approach these cases talking about cash/bill impacts versus just non-cash amortization.

I am looking forward to your response.

Thanks,

Robert H. Smith

Dear Commissioner's,

Does the Commission have a completed copy of the schedule request below?

I would like to see this information for my records on the actual cash/bill reductions versus non cash amortization.

I am looking forward to your response.

Thanks in advance.

Thanks,

Robert H. Smith

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**From:** RSmith [rpjrb@yahoo.com] [mailto:[rpjrb@yahoo.com](mailto:rpjrb@yahoo.com)]

**Sent:** Wednesday, November 28, 2012 4:04 PM

**To:** 'J.R. Kelly (OPC)'; 'Joseph A. McGlothlin (OPC)'; 'Rehwinkel, Charles'; 'Curt Kiser'; 'Commissioner.Balbis@psc.state.fl.us'; 'Commissioner.Edgar@psc.state.fl.us'; 'Chairman.Brise@psc.state.fl.us'; 'Commissioner.Graham@psc.state.fl.us'; 'Commissioner.Brown@psc.state.fl.us'; 'Records Clerk'; 'Keino Young'  
**Cc:** 'Charles Milsted, Associate State Director'; 'George E. Humphrey (Andrews Kurth LLP - Texas)'; 'J. Peter Ripley (Andrews Kurth LLP)'; 'John T. Butler (FPL)'; 'John T. La Via, III (FRF)'; 'Jon C. Moyle, Jr. (FIPUG)'; 'Ken Hoffman (FPL)'; 'Kenneth L. Wiseman (Andrews Kurth LLP)'; 'Linda S. Quick, President (SFHHA)'; 'Lisa M. Purdy (Andrews Kurth LLP)'; 'Mark F. Sundback (Andrews Kurth LLP)'; 'R. Wade Litchfield (FPL)'; 'Robert Scheffel Wright (FRF)'; 'Vicki G. Kaufman (FIPUG)'; 'William M. Rappolt (Andrews Kurth LLP)'  
**Subject:** FW: 11/19/2012 Vol 39 after Vol 38 with Lane Kollen Testimony/ Testimony that has been published online

Dear Mr. Kelly, Mr. McGlothlin, Mr. Rehwinkel, Mr. Kiser and Commissioners,

Below is an interrogatory response with regard to the current accounting for the amortization of the depreciation surplus reserve.

Based upon this schedule please have the Commission and/or the Company sign off on the actual Cash refunds that have been reflected in the customers bills.

Do these amortization amounts reflect cash refunds as a reduction to the customer's bills?

Please provide each year's amortization and cash refund that has been reflected in rates as a reduction to the customer's bill?

	(\$ millions)		Bill Reduction Cash
	As filed	Revised	
2010 (actual)	4.0	2010 (actual) 4.0	?
2011 (est)	173.0	2011 (est) 187.0	?
2012 (est)	526.0	2012 (est) 488.0	?
2013 (est)	191.0	2013 (est) 215.0	?
	<b>894.0</b>	<b>894.0</b>	-

Since the company is also moving to amortize the dismantlement surplus please have them provide a similar schedule that will show the amount of amortization give back as well as the actual cash refund that has been given back to the customer in their bill for the prepayment of the original accrual estimates that have since been revised due to the extended lives.

Since there was a base rate freeze with the 2010 settlement agreement please explain how the customer received a cash refund for the amortization amounts reflected below.

According to the testimony Mr. Dewhurst has indicated that the company would prefer cash profits versus non cash profits. I would think that any settlement deal would also make sure that the customer would receive a direct cash refund for any surplus amounts that they have prepaid in cash. This would be supported by Mr. Dewhurst's testimony that the company would like to see cash profits versus non-cash profits to meet their allowed return on equity (ROE).

Likewise, the customers would like to see that they are receiving a corresponding cash refund for any amounts that have been prepaid. These amounts should be refunded within a short period of time to ensure that customers that are leaving the service territory are receiving a refund for amounts that have been prepaid in advance.

I trust that this would be a very easy schedule for the Commission/Company to complete from a cash perspective.

Can OPC provide the cash information based upon the schedule that has been put together in the interrogatory request?

How much on a percentage basis of the original depreciation surplus was refunded as a non cash amortization versus a cash bill reduction.

A ratio can be added to the schedule below and above once we receive the information from the Commission and/or the Company regarding the cash bill impacts to the customers.

I trust that everyone fully understands my concerns from both a shareholder and ratepayer perspective.

Has anyone taken a look at the impacts related to the close out to retained earnings for the non-cash amortization? These amortization amounts will directly be closed out to retained earnings. This will cause a change in the equity ratio due to the amortization of the full amount of the surplus depreciation. You have to remember that the company collected these amounts in cash therefore if these amounts are being amortized as a non-cash amortization the close out to retained earnings would represent a non-cash income which will impact the equity ratio of the company.

Has anyone taken a look at the tax impacts of the non-cash amortization of the surplus depreciation as it relates to the tax basis in the Company? The close out of non-cash amortization would potentially create non-cash basis that would be reflected in the Company's retained earnings and equity ratio. How did the company address the non-cash amortization from a tax perspective? Based upon the amortization the customer of the company would potentially see increased tax liability for the non-cash amortization that they would be required to pay tax on at the Company effective tax rate. The customer would then have to pay for this cost when the company files their corporate tax return. If the customer has not received a cash refund of the surplus amortization, why should the customer potentially be expected to pay for tax liability that they have not received cash for to pay for the income tax bill?

Has anyone taken a look at this issue? How did the company account for the income tax issues related to this non-cash amortization?

This information would be needed to determine if the old settlement and new settlement are fair, reasonable and just for the ratepayers of the company and are in the public interest.

I am looking forward to your response. I will check in periodically with regard to an answer to this email.

Thanks,

Robert H. Smith

c. & d. As reflected in FPL's response to OPC's Fourteenth Request for Production of Documents No. 108, the Company projects it will record \$488M of depreciation reserve surplus in the calendar year 2012 instead of the \$526M originally forecasted and included in FPL's March 2012 base rate petition. This revision in surplus amortization for 2012 is reflected below along with the revised surplus flowback breakdown, totaling the \$894M ordered by the Commission in FPL's 2010 Rate Order and 2010 Rate Settlement. Note that this projection for 2012 is still subject to the normal fluctuations in revenues and expenses for the balance of the year.

(\$ millions)

	<u>As-Filed</u>		<u>Revised</u>
2010 (actual)	\$ 4.0	2010 (actual)	\$ 4.0
2011 (est)	173.0	2011 (actual)	187.0
2012 (est)	526.0	2012 (est)	488.0
2013 (est)	191.0	2013 (est)	215.0
Total	<u>\$ 894.0</u>	Total	<u>\$ 894.0</u>

If the currently projected higher level of depreciation reserve surplus remaining to be amortized in 2013 is realized, then the amount of dismantlement reserve available for amortization during the settlement term will be lower. Specifically, the amortization of dismantlement reserve would be capped at \$185M (\$400M total reserve amortization less \$215M of depreciation reserve surplus amortization), rather than the \$209M originally anticipated.

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**From:** RSmith [rpjrb@yahoo.com] [mailto:[rpjrb@yahoo.com](mailto:rpjrb@yahoo.com)]  
**Sent:** Wednesday, November 21, 2012 1:26 PM  
**To:** 'Rehwinkel, Charles'  
**Cc:** 'J.R. Kelly (OPC)'; 'Joseph A. McGlothlin (OPC)'  
**Subject:** FW: 11/19/2012 Vol 39 after Vol 38 with Lane Kollen Testimony/ Testimony that has been published online

Mr. Rehwinkel,

I forgot to add you to the email below.

Let me know if a cash reconciliation schedule can be provided.

Thanks,

Robert H. Smith

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**From:** RSmith [rpjrb@yahoo.com] [mailto:[rpjrb@yahoo.com](mailto:rpjrb@yahoo.com)]  
**Sent:** Wednesday, November 21, 2012 1:23 PM  
**To:** 'J.R. Kelly (OPC)'; 'Joseph A. McGlothlin (OPC)'  
**Subject:** FW: 11/19/2012 Vol 39 after Vol 38 with Lane Kollen Testimony/ Testimony that has been published online

Dear Mr. Kelley and Mr. McGlothlin,

Is it very difficult to obtain a cash reconciliation of the actual cash bill impacts for the actual refunding of the over recoveries?

Does this schedule exist?

I think that this information should be forthright to support a fair, just and reasonable deal.

I am looking forward to a response.

Thanks,

Robert H. Smith

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**From:** RSmith [rpjrb@yahoo.com] [mailto:[rpjrb@yahoo.com](mailto:rpjrb@yahoo.com)]

**Sent:** Wednesday, November 21, 2012 1:01 PM

**To:** 'Curt Kiser'; 'Commissioner.Balbis@psc.state.fl.us'; 'Commissioner.Edgar@psc.state.fl.us'; 'Chairman.Brise@psc.state.fl.us'; 'Commissioner.Graham@psc.state.fl.us'; 'Commissioner.Brown@psc.state.fl.us'; 'Records Clerk'; 'Keino Young'; 'J.R. Kelly (OPC)'; 'Joseph A. McGlothlin (OPC)'

**Cc:** 'Charles Milsted, Associate State Director'; 'George E. Humphrey (Andrews Kurth LLP - Texas)'; 'J. Peter Ripley (Andrews Kurth LLP)'; 'John T. Butler (FPL)'; 'John T. La Via, III (FRF)'; 'Jon C. Moyle, Jr. (FIPUG)'; 'Ken Hoffman (FPL)'; 'Kenneth L. Wiseman (Andrews Kurth LLP)'; 'Linda S. Quick, President (SFHHA)'; 'Lisa M. Purdy (Andrews Kurth LLP)'; 'Mark F. Sundback (Andrews Kurth LLP)'; 'R. Wade Litchfield (FPL)'; 'Robert Scheffel Wright (FRF)'; 'Vicki G. Kaufman (FIPUG)'; 'William M. Rappolt (Andrews Kurth LLP)'

**Subject:** 11/19/2012 Vol 39 after Vol 38 with Lane Kollen Testimony/ Testimony that has been published online

Dear Mr. Kiser and Commissioner's,

Where is the transcript of Lane Kollen's testimony? I wanted to compare this testimony to Mr. Dewhurst's testimony regarding cash profits versus non cash profits.

This is very important to comparison/contrast since there has been no schedule that shows the actual return of cash for any of the over recoveries that are being utilized by the company. As per Mr. Dewhurst's testimony it talks about that the company would rather earn cash profits versus non cash profits. The customer's would like to see an actual cash reduction in their billing instead of a non-cash amortization based upon a rate freeze in a settlement agreement. This is very critical to this case since if the company feels that the cash profits is what is in the best interests of the company then likewise they should also want to afford the customer with an actual cash bill reduction for any of the over recoveries including the depreciation surplus over recovery. This is why the company should continue to prepare the depreciation study as due diligence to make sure that after 4 years there is not another large over recovery to deal with that might be returned as a non-cash amortization. They already reflected cash revenues when the money was collected in advance for the depreciation rates that were set to generate the large depreciation surplus.

There was talk about the last depreciation study being completed in 2009. What about the depreciation study prior to this one. Did the previous study before the 2009 study create a large over recovery? If so, then it would be very important from a due diligence stand point to monitor the surplus accordingly. What was very alarming about some of the testimony was that there was testimony that there was no knowledge of extended lives as it relates to the depreciation study but when it came time to talk about the dismantlement over recovery surplus there was talk that since the lives of the plants have been extended the accruals for the recovery for the dismantlement reserves would be reduced therefore allowing the company to utilize the surplus in the dismantlement reserves.

Again, is this just a non-cash amortization or an actual cash bill reduction?

I want to formulate the actual testimony that has been given in writing to support that an actual cash reconciliation should be forthright to support the actual cash refunds that were given to the customer as a bill reduction as a cash refund versus a non cash refund which supports Mr. Dewhurst's testimony about the company rather having cash profits versus non-cash profits.

Lane Kollen's testimony and Mr. Barrett's testimony is equally important as it relates to the extension of depreciable lives that could create another depreciation/dismantlement surplus in the future due to extended lives of the plants .

Let me know when the Docket will be populated with the actual written transcripts of the rest of the 11/19/2012 testimony.

Yes, they are talking about cash profits but I have not seen an actual schedule of the actual cash reduction to the customer's bills.

Considering that the ruling as to be fair, reasonable and just, I think that this is an avenue to explore. I have asked to be part of the settlement talks as well and I have not been asked to negotiate as well. There is no reason why only intervening parties should have the right to participate. Any party with a legal interest should also reserve these rights as well. Any person with a legal interest as a shareholder and/or ratepayer should be able to fully participate without intervening. This appears to be supported by Federal law since it talks about parties and not just intervening parties.

I am looking forward to seeing the rest of the transcripts.

Let me know if the Vol 40 is not correct?

Please do not allow this communication to have any impact on my current/future employment as well as the well being of my family. There should be no reason why a person who is utilizing their Constitutional rights as well as their legal rights to participate in these proceedings to be impacted by these communications. Any party with a legal interest would reserve their right to participate in these proceedings to see if they are receiving a fair deal.

I trust that everyone fully understands my concerns.

Hopefully there are no typo(s). I will check.

Thanks,

Robert H. Smith

Please let me know if the Docket is accurate:

The Volume that is showing up in the opened file does not match the VOL 39 as indicated on the Docket. Is the transcript for the hearing from 6:10PM when approximately the live feed went down until the close of the hearing of 11/19/2012 available in the same file or has it been populated yet? I am specifically looking for Mr. Kollen's transcript and testimony that talks about the treatment of the depreciation surplus over recovery. In addition, I would like to take a look at the testimony as it pertains to the extended lives testimony for the dismantlement surplus versus the depreciation surplus asset lives that have been extended to create the depreciation surplus.

00:00:15 / 10:26:48

Hearing - 120015-EI - Day 11

Index Share

as through read.

- Exhibits 672-674.
- E. Sam Forrest (FPL)
- Exhibits 714 and 715 identified.
- E. Sam Forrest (FPL)
- FPL Exhibits 672-674 moved into the record.
- OPC's Exhibits 714 and 715 moved into the record.
- The hearing will resume shortly.
- B. Lane Kollen (SFHHA)
- Mr. Kollen's prefiled testimony entered into the record as though read.
- B. Lane Kollen (SFHHA)
- Exhibit Nos. 716, 717, and 718 identified.
- B. Lane Kollen (SFHHA)
- Exhibit 716 entered into evidence.
- 10. CONCLUDING MATTERS

Here is the last person that testified in the Vol 38 file that was made available on the Docket.

BY MS. CHRISTENSEN:

Q. Good evening, Mr. Forrest.

A. Good evening.

16 come from the sale side of things. There are the same  
17 activities, the same personnel doing the same  
18 activities. This is just a reflection of maybe today's  
19 market realities that both savings and gains from  
20 purchases and sales do provide significant benefits.

21 MS. CHRISTENSEN: I have no further questions.

22 CHAIRMAN BRISÉ: Thank you.

23 \* \* \* \* \*

24

Document	Order	Date filed	Description	Files
07785-12		11/21/2012	TRANSCRIPT - Vol 39, pages 5728-5919 of 11/20/12 hearing in Tallahassee.	<ul style="list-style-type: none"><li>• <a href="#">*07785-12.pdf (3.9MB)</a></li></ul>

005728

1 BEFORE THE  
2 FLORIDA PUBLIC SERVICE COMMISSION

3 DOCKET NO. 120015-EI

4 In the Matter of:

5 PETITION FOR INCREASE IN RATES  
6 BY FLORIDA POWER & LIGHT COMPANY.

7 VOLUME 40

8 Pages 5728 through 5919

9  
10 PROCEEDINGS: HEARING

11 COMMISSIONERS  
12 PARTICIPATING: CHAIRMAN RONALD A. BRISÉ  
COMMISSIONER LISA POLAK EDGAR  
COMMISSIONER ART GRAHAM

RECEIVED FPSC

12 NOV 21 AM 9:45  
COMMISSION  
CLERK

005726

BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 120015-EL

In the Matter of:

PETITION FOR INCREASE IN RATES  
BY FLORIDA POWER & LIGHT COMPANY.

VOLUME 40

Pages 5728 through 5919

10 PROCEEDINGS: HEARING

11 COMMISSIONERS  
12 PARTICIPATING: CHAIRMAN RONALD A. BRISÉ  
13 COMMISSIONER LISA POLAK EDGAR  
COMMISSIONER ART GRAHAM  
COMMISSIONER EDUARDO E. BALBIS  
COMMISSIONER JULIE I. BROWN

DATE: Tuesday, November 20, 2012

TIME: Commenced at 9:06 a.m.  
16 Concluded at 11:55 a.m.

B. L. BODDIE, JR., AND J. S. SCHAFFNER

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005490

1  
2 BEFORE THE  
3 FLORIDA PUBLIC SERVICE COMMISSION

4 DOCKET NO. 120015-EI

5 In the Matter of:

PETITION FOR INCREASE IN RATES

12 NOV

FEC

Agenda 11/19/2012.

**1. CALL HEARING TO ORDER**

**2. READ NOTICE**

**3. TAKE APPEARANCES**

**4. PRELIMINARY MATTERS**

**5. OPENING STATEMENTS**

**6. EXHIBITS**

**7. TESTIMONY OF WITNESSES (DIRECT)**

- A. Terry Deason (FPL)
- B. Ryan M. Allen (FEA)
- C. Renae Deaton (FPL)
- D. Jeffry Pollock (FIPUG)
- E. Sam Forrest (FPL)
- F. Lane Kollen (SFHHA)
- G. Robert E. Barrett (FPL)
- H. Moray Dewhurst (FPL)
- I. James W. Daniel (OPC)
- J. Kevin W. O'Donnell (OPC)
- K. Jacob Pous (OPC)
- L. Donna Ramas (OPC)
- M. John W. Hendricks (Hendricks)

**8. TESTIMONY OF WITNESSES (REBUTTAL)**

- A. Jeffry Pollock (FIPUG)
- B. Lane Kollen (SFHHA)
- C. Terry Deason (FPL)
- D. Sam Forrest (FPL)
- E. Robert E. Barrett (FPL)
- F. Moray Dewhurst (FPL)

**9. POST-HEARING PROCEDURES**

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**Angela Charles**

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**From:** rsmith <rsmith@myacc.net>  
**Sent:** Thursday, August 28, 2014 9:53 PM  
**To:** 'McGlothlin, Joseph'; 'Kelly, JR'  
**Cc:** 'Governor Rick Scott'; supremecourt@flcourts.org; curtis.kiser@psc.state.fl.us; Office of Commissioner Brown; Office Of Commissioner Graham; Office Of Commissioner Edgar; Office of Commissioner Balbis; Office of Commissioner Brisé; 'Robert H. Smith'  
**Subject:** FW: Settlement Agreement / 1st DCA/Appeals Court Litigation? / FW: 11/19/2012 Vol 39 after Vol 38 with Lane Kollen Testimony/ Testimony that has been published online

Dear Florida Supreme Court Justices and Governor Scott,

Please do not retaliate against me for writing this email but I think that this process has to be an impartial process that balances the interests of all ratepayer's and not just select ratepayers.

I have been so busy at work and want to make sure that my involvement as a ratepayer, shareholder of FPL and concerned citizen of your state, that my current/future employment will not be impacted by my public service work.

I have to take a look at the opinion but like I have indicated from inception this is going to have to be heard outside the State of Florida to receive a fair and impartial hearing regarding these type of ratecase proceedings. Remember the Judicial and Legislative branches are supposed to govern for the people in a fair and equitable manner. With all the press about connection to the special interest money with the Utilities, it appears that the way the nominating commission and the way the members of the PSC are being appointed does not serve the regular public very well.

Remember I was out of work for almost 5 years working on this public service work and in all this time I have not received a technical response from anyone regarding my concerns with a non-cash give back of an amortization that was over recovered in cash rates. What is going on with this process? I will get back to everyone once I read the opinion. I did not see the opinion posted on the Supreme Court site. Is this available on the Supreme Court Site or is there a delay in the publishing of the opinion. I was able to obtain a copy from a link in a newspaper story about the recent decision.

Please do not retaliate against me for asking if an appeal is going to be filed on behalf of the ratepayers/citizens of Florida.

Once I am able to take a look at the Supreme Courts rationale to support the settlement agreement I will ask them to provide the accounting journal entries to support how over recoveries are being refunded in cash rates just like they have been collected in cash rates. Is this a two way street or a one way street?

I think that the OPC should not keep a running ledger of any over recovery that is returned as a non-cash amortization by nature of not reducing rates and/or by nature of not requiring an excess/over earnings test. What a shame!

Everyone have a good night but this just does not make sense. Stay tuned and I want to see if the opinion makes sense.

Thanks,

Robert H. Smith

Dear Mr. Kelly and Mr. McGlothlin,

Will there be an appeal to the ruling by the Florida Supreme Court?

The way I see this is since the nominating commission and PSC appears to be controlled by the legislative branch and the settlements are being approved in favor of special interests groups the only place that this can be heard to receive an impartial hearing would appear to be outside the State in a Federal Court. In my years experience with these rate proceedings I have never seen a disregard for looking at the details of the accounting transactions in a ratecase. It appears that just by the appointments that are being made there are people being put on the PSC commission without the Utility experience that would be in a position to understand the issues with regulatory accounting versus GAAP accounting. I have indicated this with all my correspondence from the get go that I knew that this type of proceeding could not be heard within the State considering all the over turned cases at the Federal Level. Considering how over recovered real hard cash is being refunded to the ratepayers I think that the Florida ratepayers should be very concerned that the process might not be a fair and impartial process.

What is going to happen to the OPC if there is a continued settlement agreement put in place without taking a look how over recoveries are being refunded to the citizens of Florida?

I understand that a settlement agreement can be negotiated but in all the settlement decisions that I have seen in my experience with these types of rate cases I have never seen a situation in which a potential non-cash give back for over recoveries would be put into place and the expectation that the citizens would also pay for the a tax bill on the non-cash give backs. What about an over earnings test? This was totally disregarded with this settlement agreement. What is troubling is that even the CFO of the Company during the proceedings indicated that he would like to see cash earnings and not non cash earnings in their rate increases. This is a two way street therefore if there is a very large over recovery the Commission should rule to refund any over recovery with a cash refund and not a non cash amortization. No one responded from the Commission with regard to see if the company is recording an M-1 adjustment to make sure that as they amortize the over recovery without an adjustment in cash rates that the customer would not be expected to pay FIT on the non-cash amortization that is being refunded. The OPC should start with looking at these type of accounting details to bring some bite to the negotiation process so that continuity/balance can be maintained with any type of settlement agreement. This is what I remember happened when I modeled any type of adjudicated settlement agreement in our 5 year forecast models. When there was an over recovery in cash rates and there was an over earnings as a result the commission process would make sure that the customer received a cash refund in their rates and not just a non-cash amortization with the potential expectation that they would have to pay FIT on the non-cash income as result of the non-cash amortization.

Please see email below. I would like to know what the future holds for OPC as the representative of the citizens of Florida with regard to Utility ratecases/increases. I see no issue with a negotiated settlement but a very large over recovery was quantified and if they give this back as a non-cash item will the ratepayers be expected to pay for the FIT related to this non-cash give back or will they record an M-1 adjustment for this since the ratepayer should not have to pay for tax on non-cash income that they have already paid in their rates when they were paying for the over recovery? Remember that when they build their base rates it includes recovery for depreciation therefore in the cost of service this would be recorded as revenue which would flow through to the corporate tax return and the ratepayers would have to pay tax on this income. If they over recovered the depreciation then they should have been sitting on a pile of cash related to this over recovery. We all know that this is not the case therefore this has to be very alarming with the way the process is functioning.

As ratepayers I think that the citizens of Florida deserve an explanation on how they will be able to make sure that the nominating commission and the PSC is not being controlled by special interest groups and they are receiving an impartial ratecase process.

I am sorry to hear about this ruling and how this was unanimous but I will be looking at the brief to see their position on their ruling. It appears that based upon the unanimous ruling that the only avenue would be to take this to a Federal Venue. The only issue I see with this is that will a Federal Court defer this to the State Court since the way this is structured rates are set at the state level.

If this continues what recourse with the ratepayers of Florida have to have fair representation at the Commission for their Utility rates and any other State regulated rate environment?

Let me know if there will be an appeal or if this over?

I am looking forward to your response.

Thanks,

Robert H. Smith

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08/28/2014	DISP-AFFIRMED		Based on the foregoing, Citizens has not demonstrated that the Commission violated the essential requirements of the law or committed a material error in procedure by approving the negotiated settlement agreement over Citizens' active objection. Citizens' due process rights were not violated, and the Commission's findings and conclusions are supported by competent, substantial evidence and are not clearly erroneous. For these reasons, we affirm the Commission's final order approving the settlement agreement authorizing FPL to adjust its rates. It is so ordered.
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Individual briefs and other documents in Acrobat format:

2013

[Filed\\_02-08-2013\\_Notify\\_of\\_Appeal.pdf](#)

[Filed\\_02-08-2013\\_Order.pdf](#)

[Filed\\_02-21-2013\\_Appellee\\_Motion\\_Relinquish.pdf](#)

[Filed\\_02-21-2013\\_Appellee\\_Motion\\_Toll\\_Time.pdf](#)

[Filed\\_02-27-2013\\_Saporito\\_Motion.pdf](#)

[Filed\\_02-27-2013\\_Saporito\\_Motion2.pdf](#)

[Filed\\_03-01-2013\\_Nelson\\_Motion.pdf](#)

[Filed\\_03-20-2013\\_Order\\_Denial.pdf](#)

[Filed\\_04-02-2013\\_Order\\_Denying\\_Saporito\\_Motion\\_as\\_Moot.pdf](#)

[Filed\\_04-15-2013\\_Notify\\_of.Appearance\\_Appellee.pdf](#)

[Filed\\_04-16-2013\\_Notify\\_of.Appearance\\_Appellee.pdf](#)

[Filed\\_04-17-2013\\_Initial\\_Brief.pdf](#)

[Filed\\_04-17-2013\\_Initial\\_Brief\\_Appendix.pdf](#)

[Filed\\_04-24-2013\\_Motion\\_Toll\\_Time.pdf \(corrected\)](#)

[Filed\\_04-24-2013\\_Motion\\_Extension\\_Time\\_Answer\\_Briefs.pdf \(corrected\)](#)

[Filed\\_04-29-2013\\_Motion\\_Pro\\_Hac\\_Vice\\_AARP.pdf](#)

[Filed\\_04-29-2013\\_Motion\\_Amicus\\_AARP.pdf](#)

[Filed\\_04-29-2013\\_Brief\\_Amicus\\_AARP.pdf](#)

[Filed\\_05-01-2013\\_Motion\\_Amicus\\_Saporito.pdf](#)

[Filed\\_05-09-2013\\_Order.pdf](#)

[Filed\\_05-10-2013\\_Response\\_In\\_Opposition.pdf](#)

[Filed\\_05-14-2013\\_Order\\_Amicus\\_Granted.pdf](#)

[Filed\\_05-14-2013\\_Order\\_Counsel\\_Granted.pdf](#)

[Filed\\_05-31-2013\\_Answer\\_Brief\\_FPC.pdf](#)

[Filed\\_05-31-2013\\_Answer\\_Brief\\_Florida\\_Power.pdf](#)

[Filed\\_05-31-2013\\_Appendix\\_Florida\\_Power.pdf](#)

[Filed\\_06-07-2013\\_Motion\\_Extension\\_Time\\_Reply\\_Brief.pdf](#)

[Filed\\_06-07-2013\\_Motion\\_Toll\\_Time.pdf](#)

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**From:** RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]

**Sent:** Friday, February 1, 2013 4:44 PM

**To:** 'rick.scott@eog.myflorida.com'; 'jeniffer.carroll@eog.myflorida.com'; 'Rehwinkel.Michelle'; 'Mike.Fasano@myfloridahouse.gov'; 'Florida Supreme Court Public Information <publicinfo@flcourts.org>'

**Cc:** 'Bill@billnelson.senate.gov'; 'president@whitehouse.gov'; 'vice\_president@whitehouse.gov'; 'chairmanoffice@sec.gov'; 'fellowsprogram@supremecourt.gov'

**Subject:** FW: Settlement Agreement / 1st DCA/Appeals Court Litigation? / FW: 11/19/2012 Vol 39 after Vol 38 with Lane Kollen Testimony/ Testimony that has been published online

Dear Mr. Scott and Ms. Carroll,

I noticed a **typo(s)** below. Mr. Scott if you have any questions regarding the comments below feel free to contact me via email to discuss. This is very important and this is why I am taking a very hard line on the reconciliation of the cash. Accounting 101!

I am looking forward to your response to the email(s) below.

Thanks,

Robert H. Smith

Mr. Fasano,

When you talk about the nuclear recovery clauses please make sure that if they continue this recovery under the current process that there is a full accounting of the cash to make sure that the costs that they have paid for are truly related to the nuclear plant construction. Be careful if they are receiving the money in rates and yet to spend the money on nuclear plant costs that the actual cash is not being utilized for other purposes. If they over recover any of the funds collected that is related to the nuclear recovery clause then the money should be in the bank. If they do over collect and they do not keep the cash around but just the over recovery as a regulatory liability on the company's books then when the time comes to pay for the nuclear plant expenditures the actual cash might not be available to pay for the actual nuclear plant expenditures. This is why I have been taking a hard line on making sure that all over recoveries are being refunded in cash to the ratepayers. This is accounting 101 and would require a quick reconciliation of the cash.

This is a very important piece since the current ratepayers are paying for nuclear costs within the recovery clauses upfront on the anticipation that the plant will be completed. If they spend the cash somewhere else then they will probably ask for more money. This is sort of like pension accounting in that if you have a liability based upon the Net Present Value of the future liabilities and they are funding these liabilities based upon the NPV calculations it is **imperative** that the cash is on the side to adequately fund the current/future pension liabilities (the problem with utilizing the standard 8% return versus the actual market returns). I used to forecast the pension liabilities when I prepared the ratecases up North. They are probably not utilizing a present value calculation on the nuclear recovery clause but it is very important to make sure that there is ample cash to fund the expenditures. The cash funding requirement would be the same. The cash should be on the side to pay for what it was collected for. This is probably why there is trouble with the pension across America. The assumptions of what the earned interest rates were going to be were not in line with the real market rates. I noticed the issues that have been brought up with some of the Pension legislation.

Of course as long as the costs are prudent and they keep the cash around to fund the current/future construction they should be OK for ratecase purposes. It is when they keep collecting the money in rates and if they realize that they over recover and then want the Commission to give them an ROE that would provide the cushion to keep the line on the excess earnings calculations (surveillance reports), amortize the over recovery as a non-cash amortization, expect the ratepayer to pay for and Federal Income taxes based upon the non-cash amortization and do not refund the over recovery in cash.

The cash should be kept (in the bank) to make sure that they have the adequate funding for the current/future nuclear cost expenditures. You have to remember that the possibility exists that the current ratepayers that are paying for the advanced recovery might not be around when the actual plant is built/placed in service. If the commission upon audit finds that there is imprudent costs that should be refunded to the rate payer then a non-cash amortization would not work. The ratepayer would be due a refund of the over recovery in cash.

If you have any questions please do not hesitate to ask. I am sorry that I have been talking about my issue with being out of work for 4 years but it is very important to keep your skill set up while you are trying to secure a position. I do not know if there is any type of coercion going on but based upon what I have shown the legislature with regard to some of the work I have been working on I would have thought that I would have secured a position by now.

This totally does not make sense and this appears to be the difference between the GOP norm and the new right wing GOP.

This has me extremely concerned. Hopefully there are no typo(s).

Thanks,

Robert H. Smith

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**From:** RSmith [rpjrb@yahoo.com] [mailto:[rpjrb@yahoo.com](mailto:rpjrb@yahoo.com)]  
**Sent:** Friday, February 01, 2013 10:12 AM  
**To:** 'rick.scott@eog.myflorida.com'; 'jennifer.carroll@eog.myflorida.com'; 'Rehwinkel.Michelle'; 'Mike.Fasano@myfloridahouse.gov'; 'Florida Supreme Court Public Information <[publicinfo@flcourts.org](mailto:publicinfo@flcourts.org)>'  
**Cc:** 'Bill@billnelson.senate.gov'; 'president@whitehouse.gov'; 'vice\_president@whitehouse.gov'; 'chairmanoffice@sec.gov'; 'fellowsprogram@supremecourt.gov'  
**Subject:** FW: Settlement Agreement / 1st DCA/Appeals Court Litigation? / FW: 11/19/2012 Vol 39 after Vol 38 with Lane Kollen Testimony/ Testimony that has been published online

Dear Mr. Scott and Ms. Carroll,

Here is what I sent to the Commission today regarding the accounting needed to provide the proper level of transparency that would be needed to support the settlement agreement(s).

This is accounting 101 and there should be no reason why I have received a response from AHCA regarding the Medicaid expansion numbers versus the support of whether or not the ratepayers/shareholders of the Company received a fair deal and received any over recovery in cash and not a non-cash amortization.

I used the example that I have sent to you in a previous email.

I am looking forward to a response from your office. At this time the control of the appointment process for the Commission is being controlled in the Legislative Branch and by the nominating committee that your office directly appoints members to the committee to vote for the Commissioner's at the Florida Public Service Commission.

The questions in the email below are simple audit procedures that would be required by the Companies accounting firms to ensure that there is proper compliance with Federal tax law. There should be no reason why a ratepayer should be required to pay additional Federal Income tax when they have not received the cash to pay for the increased tax liability.

This is Accounting 101. Where is the response from the Commission, OPC and your office?

I am looking forward to your response.

There is no reason why this should have an impact on me securing an accounting position within the geographic area that I am seeking. As far as I am concerned based upon my Constitutional rights I should be able to work where I want based upon the experience on my resume. There should be no retaliation for this communication. I have just sent an email for a Controller position that is located in Coral Springs. I am waiting to hear back regarding this posting.

The experience required for the position as well as the experience on my resume supports that I would be a very good candidate for this position. If you would like a copy of the posting please let me know.

It appears that based upon the 1000's of jobs that I have posted for within the geographic area that I want to work that I should have secured a position within the 4 year timeframe. It is not what the perception of the recruiters and/or anyone who might be coercively only providing me with positions that are outside the area in which I want to work. You have to remember my accounting, IT and legal experience provides me with the ability to work anywhere I want. There should be no geographic issue since I am utilizing my accounting knowledge base to secure a position where I want to work. This is why I went to college to obtain my accounting degree. Since my degree is in accounting there should be no reason why the state would not make sure that I am not being coerced into working in another location if I meet the qualifications to work close to my area. You are well aware of my situation and there is no reason why this coercion should continue. I would think that you are fully aware of any type of coercion issues since the State just took the lead in the ACA litigation for the Medicaid expansion in which the States position is that they felt that the legislation was coercive. This is my constitutional right. It is not anyone's right to coerce a person to work where they do not want to work. There really is no excuse since I have posted for 1000's of positions. One recruiter indicates that they do not want to work with me since I did not buy into their coercive approach to where they felt I should be working. When you utilize your knowledge base (mind) to work there is no reason why a person should be coerced into working in a location that they do not want to work. It is my Constitutional right to work where I want to therefore there should be no reason why after 4 years I have not secured a position.

If there is nothing to hide your office would be forthright with the answers that I have been working on with the ACHA Medicaid expansion as well as this Utility rate case. Your position as Governor is that you are the Governor for the people not for special interests only. There really is no excuse and my situation should be corrected immediately. What did I do so wrong in that I am not working for over 4 years?

I trust you fully understand my concerns.

These are accounting issues that should be very easy to be answered by the appropriate state agency that would have to support the settlement agreement(s) to make sure that the shareholders/ratepayers are receiving a fair deal.

I am looking forward to your response. Hopefully there are no typo(s). I will check.

Thanks,

Robert H. Smith

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**From:** RSmith [rpjrb@yahoo.com] [mailto:[rpjrb@yahoo.com](mailto:rpjrb@yahoo.com)]

**Sent:** Friday, February 01, 2013 9:44 AM

**To:** 'J.R. Kelly (OPC)'; 'Joseph A. McGlothlin (OPC)'; 'Rehwinkel, Charles'; 'Curt Kiser'; 'Commissioner.Balbis@psc.state.fl.us'; 'Commissioner.Edgar@psc.state.fl.us'; 'Chairman.Brise@psc.state.fl.us'; 'Commissioner.Graham@psc.state.fl.us'; 'Commissioner.Brown@psc.state.fl.us'; 'Records Clerk'

**Subject:** FW: Settlement Agreement / 1st DCA/Appeals Court Litigation? / FW: 11/19/2012 Vol 39 after Vol 38 with Lane Kollen Testimony/ Testimony that has been published online

Dear Mr. Kiser, Commissioners, Mr. Kelly, Mr. McGlothlin and Mr. Rehwinkel,

Here is an example of why any over recovered amounts must be refunded in cash and not through a non-cash amortization.

How would you feel if you received interest in your bank account as a **non-cash transaction** yet when you fill out your tax return you would have to fill out your schedule B with the interest income and pay income tax on the interest **without the cash in the bank** to pay for the tax liability?

**This is accounting 101. You would need the cash from the interest to pay the tax bill on the interest.**

Just like the rate payers would need a cash reduction in their bill to pay for the increased federal income taxes for the amortization of the over recovered depreciation surplus amortization as well as any other over recovered item that the company is going to amortize on a non-cash basis. The cash reduction in the bill would be just like receiving money for an overpayment and then they would be able to pay the

additional tax for the refund of the over recovery. I will be keeping track of this on a cumulative basis since this can add up to a lot of money. The manipulation of an ROE to provide for a non-cash amortization to shield the company from directly paying the ratepayer back in cash is not even proper accounting. They need the cash refund to pay the tax bill. This is very simple? Correct? Please answer Yes or No?

Did they record a permanent difference to eliminate the non-cash income to make sure that the ratepayer does not pay Federal Income tax on the non-cash amortization? Please answer Yes or No? This is not a deferred income tax item like they record for the difference between their tax depreciation and book depreciation. This would have to be a permanent difference due to them recording the amortization as a non-cash amortization. If they never return any over recovery in cash then they would have to mitigate the increases tax liability to their ratepayers so that they are not being required to pay tax on non cash income/amortization.

How does the IRS feel of the recording of non-cash amortization that is being closed out to retained earnings as non-cash equity? Will the IRS make sure that basis is not received for any of the non-cash amortization? Please answer Yes or No?

Will the company remove the any non-cash amortization from the Equity balance when they calculate the company's earned returns to make sure that the ratepayer is not being charged on non-cash equity? Please answer Yes or No?

Did they receive a ruling from the IRS with regard to the recording of this non-cash amortization to retained earnings? Over time if the Company continues to record non-cash amortizations to retained earnings it appears that there should be no basis for the recording of the non cash earnings. What is the Commissions/Staff's understanding of the basis implications of these transactions?

This is not full transparency that would be needed to support the settlement agreement.

What do you think? So far I have not heard a response.

So far I have received a lot of read receipts without a response to all the emails below. A response should be in writing to support the settlement agreement(s).

As a party with a full legal interest from a shareholder and ratepayer perspective it would be my legal right to receive an answer to these questions. This is supported by Federal/State law. What is your position on this? The response that you would have to be an intervening party is not a valid response for a party with a full legal interest in these proceedings.

I am looking forward to your response.

Thanks,

Robert H. Smith

**SCHEDULE B**  
(Form 1040A or 1040)

Department of the Treasury  
Internal Revenue Service 2012  
Name(s) shown on return

**Interest and Ordinary Dividends**

► Attach to Form 1040A or 1040.

► Information about Schedule B (Form 1040A or 1040) and its instructions is at [www.irs.gov/form1040](http://www.irs.gov/form1040).

OMB No. 1545-0074

**2012**  
Attachment  
Sequence No. 08

Your social security number

- Part I**      1. List name of payer. If any interest is from a seller-financed mortgage and the buyer used the property as a personal residence, see instructions on back and list this interest first. Also, show that buyer's social security number and address ►

(See instructions on back and the instructions for Form 1040A, or Form 1040, line 8a.)

**Note.** If you received a Form 1099-INT, Form 1099-OID, or substitute statement from a brokerage firm, list the firm's name as the payer and enter the total interest shown on that form.

2. Add the amounts on line 1.  
3. Excludable interest on series EE and I U.S. savings bonds issued after 1989. Attach Form 8815.  
4. Subtract line 3 from line 2. Enter the result here and on Form 1040A, or Form 1040, line 8a. ►

**Note.** If line 4 is over \$1,500, you must complete Part III.

- Part II**      5. List name of payer ►

	Amount
1	
2	
3	
4	

Amount

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**From:** RSmith [rpjrb@yahoo.com] [mailto:[rpjrb@yahoo.com](mailto:rpjrb@yahoo.com)]

**Sent:** Thursday, January 31, 2013 11:22 AM

**To:** 'J.R. Kelly (OPC)'; 'Joseph A. McGlothlin (OPC)'; 'Rehwinkel, Charles'; 'Curt Kiser'; 'Commissioner.Balbis@psc.state.fl.us'; 'Commissioner.Edgar@psc.state.fl.us'; 'Chairman.Brise@psc.state.fl.us';

'Commissioner.Graham@psc.state.fl.us'; 'Commissioner.Brown@psc.state.fl.us'; 'Records Clerk'  
**Subject:** FW: Settlement Agreement / 1st DCA/Appeals Court Litigation? / FW: 11/19/2012 Vol 39 after Vol 38 with Lane Kollen Testimony/ Testimony that has been published online

Dear Mr. Kiser, Commissioners, Mr. Kelly, Mr. McGlothlin and Mr. Rehwinkel,

Where are we with the bank/cash reconciliation schedule that has to be completed below?

How are the ratepayers going to pay for the increased tax liability if they do not receive a cash refund for most of the depreciation surplus amortization?

How come I have not received a response?

Thanks,

Robert H. Smith

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**From:** RSmith [rpjrb@yahoo.com] [mailto:[rpjrb@yahoo.com](mailto:rpjrb@yahoo.com)]  
**Sent:** Wednesday, January 23, 2013 4:45 PM  
**To:** 'J.R. Kelly (OPC)'; 'Joseph A. McGlothlin (OPC)'; 'Rehwinkel, Charles'; 'Curt Kiser'; 'Commissioner.Balbis@psc.state.fl.us'; 'Commissioner.Edgar@psc.state.fl.us'; 'Chairman.Brise@psc.state.fl.us'; 'Commissioner.Graham@psc.state.fl.us'; 'Commissioner.Brown@psc.state.fl.us'; 'Records Clerk'  
**Cc:** 'Robert H. Smith'  
**Subject:** FW: Settlement Agreement / 1st DCA/Appeals Court Litigation? / FW: 11/19/2012 Vol 39 after Vol 38 with Lane Kollen Testimony/ Testimony that has been published online

Dear Mr. Kiser, Commissioners, Mr. Kelly, Mr. McGlothlin and Mr. Rehwinkel,

I notice one quick **typo** below. I am looking forward to a response to my email in its entirety. The first request for this information has been made back in November 2012.

I am looking forward to a response in order to track the actual cash bill reduction on a cumulative basis.

Have a good night and let me know the eta. for a response.

Thanks,

Robert H. Smith

Dear Records clerk,

Please make this email part of the consumer correspondence file just like any other consumers correspondence that is being populated into the file.

Thanks in advance for your help.

Thanks,

Robert H. Smith

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**From:** RSmith [rpjrb@yahoo.com] [mailto:[rpjrb@yahoo.com](mailto:rpjrb@yahoo.com)]

**Sent:** Wednesday, January 23, 2013 4:18 PM

**To:** 'J.R. Kelly (OPC)'; 'Joseph A. McGlothlin (OPC)'; 'Rehwinkel, Charles'; 'Curt Kiser'; 'Commissioner.Balbis@psc.state.fl.us'; 'Commissioner.Edgar@psc.state.fl.us'; 'Chairman.Brise@psc.state.fl.us'; 'Commissioner.Graham@psc.state.fl.us'; 'Commissioner.Brown@psc.state.fl.us'; 'Records Clerk'

**Subject:** FW: Settlement Agreement / 1st DCA/Appeals Court Litigation? / FW: 11/19/2012 Vol 39 after Vol 38 with Lane Kollen Testimony/ Testimony that has been published online

Dear Mr. Kiser and Commissioners,

How come my email correspondence is not being made party of the consumer file just like other consumers with concerns in this case? I think that based upon the Sunshine laws and Federal E-Discovery laws this information would be very important to publish in the consumer file since if the trend continues and the company is not refunding over collections for items that have been prepaid by the ratepayer then we should keep track on a cumulative basis how much money has been returned in cash as a bill reduction versus a non-cash amortization to quantify this over time. This is very important and I think that this email should be answered without delay.

What is there to hide?

Can you assist OPC with the answer below? I have not heard back from the Commission regarding the completion of this schedule as well as the answers to the tax impacts by the recording of the non-cash amortization. Did this increase the tax provision to the customers without providing the actual refund in cash for them to pay for this additional tax liability?

The ask for an answer to the completion of the cash flow reconciliation was asked in November 2012. To date I have not received an answer to the email.

What is the hold up?

Thanks,

Robert H. Smith

Dear Mr. Kelly, Mr. McGlothlin and Mr. Rehwinkel,

Does OPC have a completed copy of the schedule below? What is the hold up for the release of this information? In addition, has OPC determined if they are going to pursue this in the Florida Supreme Court? This is very important since if the schedule below yields a percentage of cash give back to the ratepayers that is very low then how can the deal be in the best interests of the ratepayers and/or shareholders if this trend continues. The new settlement is now potentially creating a non-cash give back for the dismantlement reserve based upon new life estimates in which they also collected the cash in advance. Is OPC going to take the position of swapping bill reductions in cash for prepaid amounts as non-cash amortization being absorbed by increased ROE's?

What about the tax impacts of the company recording the amortization of any over collection as non-cash which is having a direct impact on the equity ratio as well as an impact on the tax liability that the ratepayer would pay for non-cash income that would be reflected in the tax provision of the company?

I thought that a decision was going to be made by the weekend. Is the schedule below very difficult to provide in order to have a sign off by the Company, the Commission and OPC with regard to the actual bill reduction **that has been recorded**?

I will send these emails on a daily basis since the schedule below and the answer to the email questions below should not be that difficult to answer. This is Accounting 101 and this is a very simple bank/cash reconciliation. Do you agree? Yes or No?

I am looking forward to your response.

Thanks,

Robert H. Smith

	(\$ millions)		Bill Reduction
	As filed	Revised	Cash
2010 (actual)	4.0	2010 (actual)	4.0
2011 (est)	173.0	2011 (est)	187.0
2012 (est)	526.0	2012 (est)	488.0
2013 (est)	191.0	2013 (est)	215.0
	<b>894.0</b>	<b>894.0</b>	-

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**From:** RSmith [rpjrb@yahoo.com] [mailto:[rpjrb@yahoo.com](mailto:rpjrb@yahoo.com)]

**Sent:** Monday, January 14, 2013 12:27 PM

**To:** 'J.R. Kelly (OPC)'; 'Joseph A. McGlothlin (OPC)'; 'Rehwinkel, Charles'; 'Curt Kiser'; 'Commissioner.Balbis@psc.state.fl.us'; 'Commissioner.Edgar@psc.state.fl.us'; 'Chairman.Brise@psc.state.fl.us'; 'Commissioner.Graham@psc.state.fl.us'; 'Commissioner.Brown@psc.state.fl.us'; 'Records Clerk'

**Subject:** FW: Settlement Agreement / 1st DCA/Appeals Court Litigation? / FW: 11/19/2012 Vol 39 after Vol 38 with Lane Kollen Testimony/ Testimony that has been published online

Dear Mr. Kiser and Commissioners,

I noticed that the order has been populated in the Docket. Where is the answer to the bank/cash flow reconciliation below as well as a response to the earlier emails regarding the tax impacts of the non-cash amortization? Since it appears that the Commission is going to issue the order without OPC sign off the Commission should not have a problem with providing the appropriate completed schedule for any party with a legal interest.

I have not heard a response from the Commission with regard to whether or not this updated schedule will be made available.

Please provide the reasoning why it appears that the Commission has not responded to numerous emails regarding whether or not this information is going to be made available. Will I receive a response from the Commission?

If there is nothing to hide then the Commission would support the order with the appropriate information to support the decision by the Commission. There really is no reason why this schedule would not be made forthright without requiring a party with a legal interest to have to file a petition in the appropriate jurisdiction to make sure that this information is provided. Based upon Sunshine law and Federal E-Discovery laws this information should be forthright to any party with a legal interest that would require the appropriate support to any decision that is being issued by the Commission.

I trust you fully understand why I am looking for this information and why I have asked for this information with the prior settlement as well as this settlement. Without the full reconciliation of the cash it would be very difficult to determine if the ratepayers and/or shareholders have received a settlement that is fair, reasonable and just. Since I have a shareholder right to this information there should be no reason why there would be any impediment/barrier to receive this information to support the order that is being issued by the commission.

I am looking forward to your response.

Thanks,

Robert H. Smith

Dear Mr. Kelly, Mr. McGlothlin, Mr. Rehwinkel,

Since OPC is representing the public from a ratepayer perspective there should be no reason why this schedule would not be provided to any party with a legal interest from a ratepayer perspective.

Why would there be a problem with releasing this information as backup support to the order that has been issued? These emails below are very specific and there should be no reason why the Commission and/or OPC would not support this type of required information to be made available in the record to support the order that is being issued by the Commission.

I am looking forward to your response.

Thanks,

Robert H. Smith

Document	Order	Date filed	Description	Files
00264-13		1/14/2013		<ul style="list-style-type: none"><li>00264-13_13-6023.ord. (37.0MB)</li></ul>

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**From:** RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]

**Sent:** Friday, January 11, 2013 9:35 AM

**To:** 'J.R. Kelly (OPC)'; 'Joseph A. McGlothlin (OPC)'; 'Rehwinkel, Charles'; 'Curt Kiser'; 'Commissioner.Balbis@psc.state.fl.us'; 'Commissioner.Edgar@psc.state.fl.us'; 'Chairman.Brise@psc.state.fl.us'; 'Commissioner.Graham@psc.state.fl.us'; 'Commissioner.Brown@psc.state.fl.us'; 'Records Clerk'

**Subject:** FW: Settlement Agreement / 1st DCA/Appeals Court Litigation? / FW: 11/19/2012 Vol 39 after Vol 38 with Lane Kollen Testimony/ Testimony that has been published online

Dear Mr. Kelly, Mr. McGlothlin, Mr. Rehwinkel, Mr. Kiser and Commissioners,

Has this bank/cash reconciliation been completed?

	(\$ millions)		Bill Reduction	
	As filed	Revised	Cash	
2010 (actual)	4.0	2010 (actual)	4.0	?
2011 (est)	173.0	2011 (est)	187.0	?
2012 (est)	526.0	2012 (est)	488.0	?
2013 (est)	191.0	2013 (est)	215.0	?
	894.0		894.0	-

Thanks for your help in advance.

Thanks,

Robert H. Smith

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**From:** RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]  
**Sent:** Thursday, December 13, 2012 7:38 PM  
**To:** 'J.R. Kelly (OPC)'; 'Joseph A. McGlothlin (OPC)'; 'Rehwinkel, Charles'  
**Cc:** 'Curt Kiser'; 'Commissioner.Balbis@psc.state.fl.us'; 'Commissioner.Edgar@psc.state.fl.us'; 'Chairman.Brise@psc.state.fl.us'; 'Commissioner.Graham@psc.state.fl.us'; 'Commissioner.Brown@psc.state.fl.us'; 'Records Clerk'  
**Subject:** Settlement Agreement / 1st DCA/Appeals Court Litigation? / FW: 11/19/2012 Vol 39 after Vol 38 with Lane Kollen Testimony/ Testimony that has been published online

Dear Mr. Kelly, Mr. McGlothlin and Mr. Rehwinkel,

I have been ill for the past couple of days and I heard that they modified the settlement agreement and it was approved by the Commission.

Did OPC receive the information below to support the actual cash refunds? I would like to know if this information has been made available. This information would be very pertinent to have as backup support to the refunds in actual bill reductions versus non-cash amortization.

What impact does the Commission approval have on the District's court of appeal filing? Does OPC have the ability to file at the 1<sup>st</sup> DCA level with regard to the Commission ruling?

Who would check the current Commission appointment process that is primarily controlled by the Legislative Branch and/or the Nominating Committee? If I recall correctly, the court appointments have also been controlled by the Legislative Branch and/or Judicial Nominating Committee.

The reason why I am asking this question is that based upon the former Governor of the State of Florida there was a proposed settlement agreement to refund the \$894 million at \$125 million per year. When the new Governor took over this proposal was not entertained and the new 4 year amortization was brought up. It is very important to approach these cases talking about cash/bill impacts versus just non-cash amortization.

I am looking forward to your response.

Thanks,

Robert H. Smith

Dear Commissioner's,

Does the Commission have a completed copy of the schedule request below?

I would like to see this information for my records on the actual cash/bill reductions versus non cash amortization.

I am looking forward to your response.

Thanks in advance.

Thanks,

Robert H. Smith

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**From:** RSmith [rpjrb@yahoo.com] [mailto:[rpjrb@yahoo.com](mailto:rpjrb@yahoo.com)]

**Sent:** Wednesday, November 28, 2012 4:04 PM

**To:** 'J.R. Kelly (OPC)'; 'Joseph A. McGlothlin (OPC)'; 'Rehwinkel, Charles'; 'Curt Kiser'; 'Commissioner.Balbis@psc.state.fl.us'; 'Commissioner.Edgar@psc.state.fl.us'; 'Chairman.Brise@psc.state.fl.us'; 'Commissioner.Graham@psc.state.fl.us'; 'Commissioner.Brown@psc.state.fl.us'; 'Records Clerk'; 'Keino Young'

**Cc:** 'Charles Milsted, Associate State Director'; 'George E. Humphrey (Andrews Kurth LLP - Texas)'; 'J. Peter Ripley (Andrews Kurth LLP)'; 'John T. Butler (FPL)'; 'John T. La Via, III (FRF)'; 'Jon C. Moyle, Jr. (FIPUG)'; 'Ken Hoffman (FPL)'; 'Kenneth L. Wiseman (Andrews Kurth LLP)'; 'Linda S. Quick, President (SFHHA)'; 'Lisa M. Purdy (Andrews Kurth LLP)'; 'Mark F. Sundback (Andrews Kurth LLP)'; 'R. Wade Litchfield (FPL)'; 'Robert Scheffel Wright (FRF)'; 'Vicki G. Kaufman (FIPUG)'; 'William M. Rappolt (Andrews Kurth LLP)'

**Subject:** FW: 11/19/2012 Vol 39 after Vol 38 with Lane Kollen Testimony/ Testimony that has been published online

Dear Mr. Kelly, Mr. McGlothlin, Mr. Rehwinkel, Mr. Kiser and Commissioners,

Below is an interrogatory response with regard to the current accounting for the amortization of the depreciation surplus reserve.

Based upon this schedule please have the Commission and/or the Company sign off on the actual Cash refunds that have been reflected in the customers bills.

Do these amortization amounts reflect cash refunds as a reduction to the customer's bills?

Please provide each year's amortization and cash refund that has been reflected in rates as a reduction to the customer's bill?

	(\$ millions)		Bill Reduction
	As filed	Revised	Cash
2010 (actual)	4.0	2010 (actual)	4.0
2011 (est)	173.0	2011 (est)	187.0
2012 (est)	526.0	2012 (est)	488.0
2013 (est)	191.0	2013 (est)	215.0
	894.0		894.0

Since the company is also moving to amortize the dismantlement surplus please have them provide a similar schedule that will show the amount of amortization give back as well as the actual cash refund that has been given back to the customer in their bill for the prepayment of the original accrual estimates that have since been revised due to the extended lives.

Since there was a base rate freeze with the 2010 settlement agreement please explain how the customer received a cash refund for the amortization amounts reflected below.

According to the testimony Mr. Dewhurst has indicated that the company would prefer cash profits versus non cash profits. I would think that any settlement deal would also make sure that the customer would receive a direct cash refund for any surplus amounts that they have prepaid in cash. This would be supported by Mr. Dewhurst's testimony that the company would like to see cash profits versus non-cash profits to meet their allowed return on equity (ROE).

Likewise, the customers would like to see that they are receiving a corresponding cash refund for any amounts that have been prepaid. These amounts should be refunded within a short period of time to ensure that customers that are leaving the service territory are receiving a refund for amounts that have been prepaid in advance.

I trust that this would be a very easy schedule for the Commission/Company to complete from a cash perspective.

Can OPC provide the cash information based upon the schedule that has been put together in the interrogatory request?

How much on a percentage basis of the original depreciation surplus was refunded as a non cash amortization versus a cash bill reduction.

A ratio can be added to the schedule below and above once we receive the information from the Commission and/or the Company regarding the cash bill impacts to the customers.

I trust that everyone fully understands my concerns from both a shareholder and ratepayer perspective.

Has anyone taken a look at the impacts related to the close out to retained earnings for the non-cash amortization? These amortization amounts will directly be closed out to retained earnings. This will cause a change in the equity ratio due to the amortization of the full amount of the surplus depreciation. You have to remember that the company collected these amounts in cash therefore if these amounts are being amortized as a non-cash amortization the close out to retained earnings would represent a non-cash income which will impact the equity ratio of the company.

Has anyone taken a look at the tax impacts of the non-cash amortization of the surplus depreciation as it relates to the tax basis in the Company? The close out of non-cash amortization would potentially create non-cash basis that would be reflected in the Company's retained earnings and equity ratio. How did the company address the non-cash amortization from a tax perspective? Based upon the amortization the customer of the company would potentially see increased tax liability for the non-cash amortization that they would be required to pay tax on at the Company effective tax rate. The customer would then have to pay for this cost when the company files their corporate tax return. If the customer has not received a cash refund of the surplus amortization, why should the customer potentially be expected to pay for tax liability that they have not received cash for to pay for the income tax bill?

Has anyone taken a look at this issue? How did the company account for the income tax issues related to this non-cash amortization?

This information would be needed to determine if the old settlement and new settlement are fair, reasonable and just for the ratepayers of the company and are in the public interest.

I am looking forward to your response. I will check in periodically with regard to an answer to this email.

Thanks,

Robert H. Smith

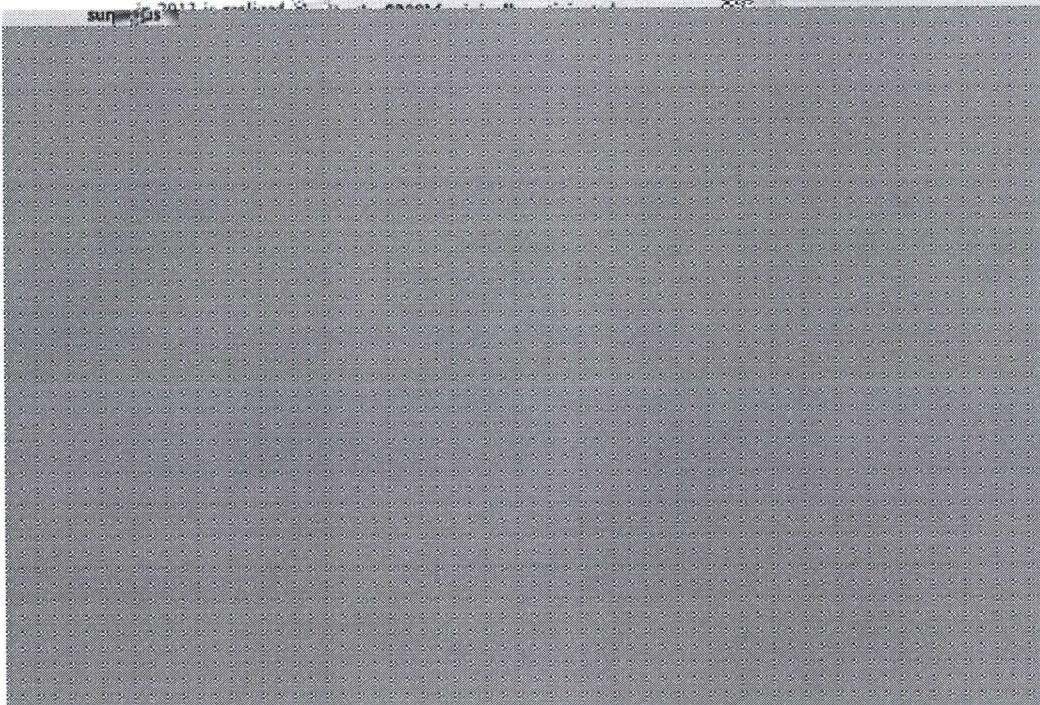
Florida Power & Light Company  
Docket No. 120015-EI  
Staff's Twenty-Fourth Set of Interrogatories  
Interrogatory No. 623  
Page 2 of 2

c. & d. As reflected in FPL's response to OPC's Fourteenth Request for Production of Documents No. 108, the Company projects it will record \$488M of depreciation reserve surplus in the calendar year 2012 instead of the \$526M originally forecasted and included in FPL's March 2012 base rate petition. This revision in surplus amortization for 2012 is reflected below along with the revised surplus flowback breakdown, totaling the \$894M ordered by the Commission in FPL's 2010 Rate Order and 2010 Rate Settlement. Note that this projection for 2012 is still subject to the normal fluctuations in revenues and expenses for the balance of the year.

(\$ millions)

	As-Filed		Revised
2010 (actual)	\$ 4.0	2010 (actual)	\$ 4.0
2011 (est)	173.0	2011 (actual)	187.0
2012 (est)	526.0	2012 (est)	488.0
2013 (est)	191.0	2013 (est)	215.0
Total	\$ 894.0	Total	\$ 894.0

If the currently projected higher level of depreciation reserve surplus remaining to be amortized in 2012 is realized, the \$894M total will be reduced to \$888M.



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**From:** RSmith [rpjrb@yahoo.com] [<mailto:rpjrb@yahoo.com>]  
**Sent:** Wednesday, November 21, 2012 1:26 PM  
**To:** 'Rehwinkel, Charles'  
**Cc:** 'J.R. Kelly (OPC)'; 'Joseph A. McGlothlin (OPC)'  
**Subject:** FW: 11/19/2012 Vol 39 after Vol 38 with Lane Kollen Testimony/ Testimony that has been published online

Mr. Rehwinkel,

I forgot to add you to the email below.

Let me know if a cash reconciliation schedule can be provided.

Thanks,

Robert H. Smith

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**From:** RSmith [rpjrb@yahoo.com] [<mailto:rpjrb@yahoo.com>]  
**Sent:** Wednesday, November 21, 2012 1:23 PM  
**To:** 'J.R. Kelly (OPC)'; 'Joseph A. McGlothlin (OPC)'  
**Subject:** FW: 11/19/2012 Vol 39 after Vol 38 with Lane Kollen Testimony/ Testimony that has been published online

Dear Mr. Kelley and Mr. McGlothlin,

Is it very difficult to obtain a cash reconciliation of the actual cash bill impacts for the actual refunding of the over recoveries?

Does this schedule exist?

I think that this information should be forthright to support a fair, just and reasonable deal.

I am looking forward to a response.

Thanks,

Robert H. Smith

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**From:** RSmith [rpjrb@yahoo.com] [mailto:[rpjrb@yahoo.com](mailto:rpjrb@yahoo.com)]

**Sent:** Wednesday, November 21, 2012 1:01 PM

**To:** 'Curt Kiser'; 'Commissioner.Balbis@psc.state.fl.us'; 'Commissioner.Edgar@psc.state.fl.us'; 'Chairman.Brise@psc.state.fl.us'; 'Commissioner.Graham@psc.state.fl.us'; 'Commissioner.Brown@psc.state.fl.us'; 'Records Clerk'; 'Keino Young'; 'J.R. Kelly (OPC)'; 'Joseph A. McGlothlin (OPC)'

**Cc:** 'Charles Milsted, Associate State Director'; 'George E. Humphrey (Andrews Kurth LLP - Texas)'; 'J. Peter Ripley (Andrews Kurth LLP)'; 'John T. Butler (FPL)'; 'John T. La Via, III (FRF)'; 'Jon C. Moyle, Jr. (FIPUG)'; 'Ken Hoffman (FPL)'; 'Kenneth L. Wiseman (Andrews Kurth LLP)'; 'Linda S. Quick, President (SFHHA)'; 'Lisa M. Purdy (Andrews Kurth LLP)'; 'Mark F. Sundback (Andrews Kurth LLP)'; 'R. Wade Litchfield (FPL)'; 'Robert Scheffel Wright (FRF)'; 'Vicki G. Kaufman (FIPUG)'; 'William M. Rappolt (Andrews Kurth LLP)'

**Subject:** 11/19/2012 Vol 39 after Vol 38 with Lane Kollen Testimony/ Testimony that has been published online

Dear Mr. Kiser and Commissioner's,

Where is the transcript of Lane Kollen's testimony? I wanted to compare this testimony to Mr. Dewhurst's testimony regarding cash profits versus non cash profits.

This is very important to comparison/contrast since there has been no schedule that shows the actual return of cash for any of the over recoveries that are being utilized by the company. As per Mr. Dewhurst's testimony it talks about that the company would rather earn cash profits versus non cash profits. The customer's would like to see an actual cash reduction in their billing instead of a non-cash amortization based upon a rate freeze in a settlement agreement. This is very critical to this case since if the company feels that the cash profits is what is in the best interests of the company then likewise they should also want to afford the customer with an actual cash bill reduction for any of the over recoveries including the depreciation surplus over recovery. This is why the company should continue to prepare the depreciation study as due diligence to make sure that after 4 years there is not another large over recovery to deal with that might be returned as a non-cash amortization. They already reflected cash revenues when the money was collected in advance for the depreciation rates that were set to generate the large depreciation surplus.

There was talk about the last depreciation study being completed in 2009. What about the depreciation study prior to this one. Did the previous study before the 2009 study create a large over recovery? If so, then it would be very important from a due diligence stand point to monitor the surplus accordingly. What was very alarming about some of the testimony was that there was testimony that there was no knowledge of extended lives as it relates to the depreciation study but when it came time to talk about the dismantlement over recovery surplus there was talk that since the lives of the plants have been extended the accruals for the recovery for the dismantlement reserves would be reduced therefore allowing the company to utilize the surplus in the dismantlement reserves.

Again, is this just a non-cash amortization or an actual cash bill reduction?

I want to formulate the actual testimony that has been given in writing to support that an actual cash reconciliation should be forthright to support the actual cash refunds that were given to the customer as a bill reduction as a cash refund versus a non cash refund which supports Mr. Dewhurst's testimony about the company rather having cash profits versus non-cash profits.

Lane Kollen's testimony and Mr. Barrett's testimony is equally important as it relates to the extension of depreciable lives that could create another depreciation/dismantlement surplus in the future due to extended lives of the plants .

Let me know when the Docket will be populated with the actual written transcripts of the rest of the 11/19/2012 testimony.

Yes, they are talking about cash profits but I have not seen an actual schedule of the actual cash reduction to the customer's bills.

Considering that the ruling as to be fair, reasonable and just, I think that this is an avenue to explore. I have asked to be part of the settlement talks as well and I have not been asked to negotiate as well. There is no reason why only intervening parties should have the right to participate. Any party with a legal interest should also reserve these rights as well. Any person with a legal interest as a shareholder and/or ratepayer should be able to fully participate without intervening. This appears to be supported by Federal law since it talks about parties and not just intervening parties.

I am looking forward to seeing the rest of the transcripts.

Let me know if the Vol 40 is not correct?

Please do not allow this communication to have any impact on my current/future employment as well as the well being of my family. There should be no reason why a person who is utilizing their Constitutional rights as well as their legal rights to participate in these proceedings to be impacted by these communications. Any party with a legal interest would reserve their right to participate in these proceedings to see if they are receiving a fair deal.

I trust that everyone fully understands my concerns.

Hopefully there are no typo(s). I will check.

Thanks,

Robert H. Smith

Hong Wang

**From:** Betty Leland  
**Sent:** Friday, August 29, 2014 8:20 AM  
**To:** Commissioner Correspondence  
**Subject:** FW: Settlement Agreement / 1st DCA/Appeals Court Litigation? / FW: 11/19/2012 Vol 39 after Vol 38 with Lane Kollen Testimony/ Testimony that has been published online

Good Morning:

Please place the attached e-mail in docket correspondence consumers and their representatives in Docket No. 120015.

Thanks.

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**From:** rsmith [mailto:rsmith@myacc.net]  
**Sent:** Thursday, August 28, 2014 9:53 PM  
**To:** 'Mcglothlin, Joseph'; 'Kelly, JR'  
**Cc:** 'Governor Rick Scott'; supremecourt@flcourts.org; curtis.kiser@psc.state.fl.us; Office of Commissioner Brown; Office Of Commissioner Graham; Office Of Commissioner Edgar; Office of Commissioner Balbis; Office of Commissioner Brisé; 'Robert H. Smith'  
**Subject:** FW: Settlement Agreement / 1st DCA/Appeals Court Litigation? / FW: 11/19/2012 Vol 39 after Vol 38 with Lane Kollen Testimony/ Testimony that has been published online

Dear Florida Supreme Court Justices and Governor Scott,

Please do not retaliate against me for writing this email but I think that this process has to be an impartial process that balances the interests of all ratepayer's and not just select ratepayers.

I have been so busy at work and want to make sure that my involvement as a ratepayer, shareholder of FPL and concerned citizen of your state, that my current/future employment will not be impacted by my public service work.

I have to take a look at the opinion but like I have indicated from inception this is going to have to be heard outside the State of Florida to receive a fair and impartial hearing regarding these type of ratecase proceedings. Remember the Judicial and Legislative branches are supposed to govern for the people in a fair and equitable manner. With all the press about connection to the special interest money with the Utilities, it appears that the way the nominating commission and the way the members of the PSC are being appointed does not serve the regular public very well.

Remember I was out of work for almost 5 years working on this public service work and in all this time I have not received a technical response from anyone regarding my concerns with a non-cash give back of an amortization that was over recovered in cash rates. What is going on with this process? I will get back to everyone once I read the opinion. I did not see the opinion posted on the Supreme Court site. Is this available on the Supreme Court Site or is there a delay in the publishing of the opinion. I was able to obtain a copy from a link in a newspaper story about the recent decision.

Please do not retaliate against me for asking if an appeal is going to be filed on behalf of the ratepayers/citizens of Florida.

Once I am able to take a look at the Supreme Courts rationale to support the settlement agreement I will ask them to provide the accounting journal entries to support how over recoveries are being refunded in cash rates just like they have been collected in cash rates. Is this a two way street or a one way street?

I think that the OPC should not keep a running ledger of any over recovery that is returned as a non-cash amortization by nature of not reducing rates and/or by nature of not requiring an excess/over earnings test. What a shame!

Everyone have a good night but this just does not make sense. Stay tuned and I want to see if the opinion makes sense.

Thanks,

Robert H. Smith

Dear Mr. Kelly and Mr. McGlothlin,

Will there be an appeal to the ruling by the Florida Supreme Court?

The way I see this is since the nominating commission and PSC appears to be controlled by the legislative branch and the settlements are being approved in favor of special interests groups the only place that this can be heard to receive an impartial hearing would appear to be outside the State in a Federal Court. In my years experience with these rate proceedings I have never seen a disregard for looking at the details of the accounting transactions in a ratecase. It appears that just by the appointments that are being made there are people being put on the PSC commission without the Utility experience that would be in a position to understand the issues with regulatory accounting versus GAAP accounting. I have indicated this with all my correspondence from the get go that I knew that this type of proceeding could not be heard within the State considering all the over turned cases at the Federal Level. Considering how over recovered real hard cash is being refunded to the ratepayers I think that the Florida ratepayers should be very concerned that the process might not be a fair and impartial process.

What is going to happen to the OPC if there is a continued settlement agreement put in place without taking a look how over recoveries are being refunded to the citizens of Florida?

I understand that a settlement agreement can be negotiated but in all the settlement decisions that I have seen in my experience with these types of rate cases I have never seen a situation in which a potential non-cash give back for over recoveries would be put into place and the expectation that the citizens would also pay for the tax bill on the non-cash give backs. What about an over earnings test? This was totally disregarded with this settlement agreement. What is troubling is that even the CFO of the Company during the proceedings indicated that he would like to see cash earnings and not non cash earnings in their rate increases. This is a two way street therefore if there is a very large over recovery the Commission should rule to refund any over recovery with a cash refund and not a non cash amortization. No one responded from the Commission with regard to see if the company is recording an M-1 adjustment to make sure that as they amortize the over recovery without an adjustment in cash rates that the customer would not be expected to pay FIT on the non-cash amortization that is being refunded. The OPC should start with looking at these type of accounting details to bring some bite to the negotiation process so that continuity/balance can be maintained with any type of settlement agreement. This is what I remember happened when I modeled any type of adjudicated settlement agreement in our 5 year forecast models. When there was an over recovery in cash rates and there was an over earnings as a result the commission process would make sure that the customer received a cash refund in their rates and not just a non-cash amortization with the potential expectation that they would have to pay FIT on the non-cash income as result of the non-cash amortization.

Please see email below. I would like to know what the future holds for OPC as the representative of the citizens of Florida with regard to Utility ratecases/increases. I see no issue with a negotiated settlement but a very large over recovery was quantified and if they give this back as a non-cash item will the ratepayers be expected to pay for the FIT related to this non-cash give back or will they record an M-1 adjustment for this since the ratepayer should not have to pay for tax on non-cash income that they have already paid in their rates when they were paying for the over recovery? Remember that when they build their base rates it includes recovery for depreciation therefore in the cost of service this would be recorded as revenue which would flow through to the corporate tax return and the ratepayers would have to pay tax on this income. If they over recovered the depreciation then they should have been sitting on a pile of cash related to this over recovery. We all know that this is not the case therefore this has to be very alarming with the way the process is functioning.

As ratepayers I think that the citizens of Florida deserve an explanation on how they will be able to make sure that the nominating commission and the PSC is not being controlled by special interest groups and they are receiving an impartial ratecase process.

I am sorry to hear about this ruling and how this was unanimous but I will be looking at the brief to see their position on their ruling. It appears that based upon the unanimous ruling that the only avenue would be to take this to a Federal Venue. The only issue I see with this is that will a Federal Court defer this to the State Court since the way this is structured rates are set at the state level.

If this continues what recourse with the ratepayers of Florida have to have fair representation at the Commission for their Utility rates and any other State regulated rate environment?

Let me know if there will be an appeal or if this over?

I am looking forward to your response.

Thanks,

Robert H. Smith

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08-28-2014	DISP-AFFIRMED	Based on the foregoing, Citizens has not demonstrated that the Commission violated the essential requirements of the law or committed a material error in procedure by approving the negotiated settlement agreement over Citizens' active objection. Citizens' due process rights were not violated, and the Commission's findings and conclusions are supported by competent, substantial evidence and are not clearly erroneous. For these reasons, we affirm the Commission's final order approving the settlement agreement authorizing FPL to adjust its rates. It is so ordered.
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Individual briefs and other documents in Acrobat format:

2013

[Filed\\_02-08-2013\\_Note\\_of\\_Appeal.pdf](#)

[Filed\\_02-08-2013\\_Order.pdf](#)

[Filed\\_02-21-2013\\_Appellee\\_Motion\\_Relinquish.pdf](#)

[Filed\\_02-21-2013\\_Appellee\\_Motion\\_Toll\\_Time.pdf](#)

[Filed\\_02-27-2013\\_Saporito\\_Motion.pdf](#)

[Filed\\_02-27-2013\\_Saporito\\_Motion2.pdf](#)

[Filed\\_03-01-2013\\_Nelson\\_Motion.pdf](#)

[Filed\\_03-20-2013\\_Order\\_Denial.pdf](#)

[Filed\\_04-02-2013\\_Order\\_Denying\\_Saporito\\_Motion\\_as\\_Moot.pdf](#)

[Filed\\_04-15-2013\\_Note\\_of.Appearance\\_Appellee.pdf](#)

[Filed\\_04-16-2013\\_Note\\_of.Appearance\\_Appellee.pdf](#)

[Filed\\_04-17-2013\\_Initial\\_Brief.pdf](#)

[Filed\\_04-17-2013\\_Initial\\_Brief\\_Appendix.pdf](#)

[Filed\\_04-24-2013\\_Motion\\_Toll\\_Time.pdf \(corrected\)](#)

[Filed\\_04-24-2013\\_Motion\\_Extension\\_Time\\_Answer\\_Briefs.pdf \(corrected\)](#)

[Filed\\_04-29-2013\\_Motion\\_Pro\\_Hac\\_Vice\\_AARP.pdf](#)

[Filed\\_04-29-2013\\_Motion\\_Amicus\\_AARP.pdf](#)

[Filed\\_04-29-2013\\_Brief\\_Amicus\\_AARP.pdf](#)

[Filed\\_05-01-2013\\_Motion\\_Amicus\\_Saporito.pdf](#)

[Filed\\_05-09-2013\\_Order.pdf](#)

[Filed\\_05-10-2013\\_Response\\_In\\_Opposition.pdf](#)

[Filed\\_05-14-2013\\_Order\\_Amicus\\_Granted.pdf](#)

[Filed\\_05-14-2013\\_Order\\_Counsel\\_Granted.pdf](#)

[Filed\\_05-31-2013\\_Answer\\_Brief\\_FPC.pdf](#)

[Filed\\_05-31-2013\\_Answer\\_Brief\\_Florida\\_Power.pdf](#)

[Filed\\_05-31-2013\\_Appendix\\_Florida\\_Power.pdf](#)

[Filed\\_06-07-2013\\_Motion\\_Extension\\_Time\\_Reply\\_Brief.pdf](#)

[Filed\\_06-07-2013\\_Motion\\_Toll\\_Time.pdf](#)

[Filed\\_06-11-2013\\_Order\\_Amicus\\_Granted\\_Saporito.pdf](#)

[Filed\\_06-14-2013\\_Order\\_Granting\\_Extension\\_Time.pdf](#)

[Filed\\_07-02-2013\\_Request\\_for\\_OA.pdf](#)

[Filed\\_07-02-2013\\_Reply\\_Brief.pdf](#)

[Filed\\_07-02-2013\\_Appendix\\_to\\_Reply-Brief.pdf](#)

[Filed\\_07-16-2013\\_OA\\_order.pdf](#)

**From:** RSmith [rpjrb@yahoo.com] [mailto:[rpjrb@yahoo.com](mailto:rpjrb@yahoo.com)]

**Sent:** Friday, February 1, 2013 4:44 PM

**To:** 'rick.scott@eog.myflorida.com'; 'jennifer.carroll@eog.myflorida.com'; 'Rehwinkel.Michelle'; 'Mike.Fasano@myfloridahouse.gov'; 'Florida Supreme Court Public Information <[publicinfo@flcourts.org](mailto:publicinfo@flcourts.org)>'

**Cc:** 'Bill@billnelson.senate.gov'; 'president@whitehouse.gov'; 'vice\_president@whitehouse.gov'; 'chairmanoffice@sec.gov'; 'fellowsprogram@supremecourt.gov'

**Subject:** FW: Settlement Agreement / 1st DCA/Appeals Court Litigation? / FW: 11/19/2012 Vol 39 after Vol 38 with Lane Kollen Testimony/ Testimony that has been published online

Dear Mr. Scott and Ms. Carroll,

I noticed a **typo(s)** below. Mr. Scott if you have any questions regarding the comments below feel free to contact me via email to discuss. This is very important and this is why I am taking a very hard line on the reconciliation of the cash. Accounting 101!

I am looking forward to your response to the email(s) below.

Thanks,

Robert H. Smith

Mr. Fasano,

When you talk about the nuclear recovery clauses please make sure that if they continue this recovery under the current process that there is a full accounting of the cash to make sure that the costs that they have paid for are truly related to the nuclear plant construction. Be careful if they are receiving the money in rates and yet to spend the money on nuclear plant costs that the actual cash is not being utilized for other purposes. If they over recover any of the funds collected that is related to the nuclear recovery clause then the money should be in the bank. If they do over collect and they do not keep the cash around but just the over recovery as a regulatory liability on the company's books then when the time comes to pay for the nuclear plant expenditures the actual cash might not be available to pay for the actual nuclear plant expenditures. This is why I have been taking a hard line on making sure that all over recoveries are being refunded in cash to the ratepayers. This is accounting 101 and would require a quick reconciliation of the cash.

This is a very important piece since the current ratepayers are paying for nuclear costs within the recovery clauses upfront on the anticipation that the plant will be completed. If they spend the cash somewhere else then they will probably ask for more money. This is sort of like pension accounting in that if you have a liability based upon the Net Present Value of the future liabilities and they are funding these liabilities based upon the NPV calculations it is **imperative** that the cash is on the side to adequately fund the current/future pension liabilities (the problem with utilizing the standard 8% return versus the actual market returns). I used to forecast the pension liabilities when I prepared the ratecases up North. They are probably not utilizing a present value calculation on the nuclear recovery clause but it is very important to make sure that there is ample cash to fund the expenditures. The cash funding requirement would be the same. The cash should be on the side to pay for what it was collected for. This is probably why there is trouble with the pension across America. The assumptions of what the earned interest rates were going to be were not in line with the real market rates. I noticed the issues that have been brought up with some of the Pension legislation.

Of course as long as the costs are prudent and they keep the cash around to fund the current/future construction they should be OK for ratecase purposes. It is when they keep collecting the money in rates and if they realize that they over recover and then want the Commission to give them an ROE that would provide the cushion to keep the line on the excess earnings calculations (surveillance reports), amortize the over recovery as a non-cash amortization, expect the ratepayer to pay for and Federal Income taxes based upon the non-cash amortization and do not refund the over recovery in cash.

The cash should be kept (in the bank) to make sure that they have the adequate funding for the current/future nuclear cost expenditures. You have to remember that the possibility exists that the current ratepayers that are paying for the advanced recovery might not be around when the actual plant is built/placed in service. If the commission upon audit finds that there is imprudent costs that should be refunded to the rate payer then a non-cash amortization would not work. The ratepayer would be due a refund of the over recovery in cash.

If you have any questions please do not hesitate to ask. I am sorry that I have been talking about my issue with being out of work for 4 years but it is very important to keep your skill set up while you are trying to secure a position. I do not know if there is any type of coercion going on but based upon what I have shown the legislature with regard to some of the work I have been working on I would have thought that I would have secured a position by now.

This totally does not make sense and this appears to be the difference between the GOP norm and the new right wing GOP.

This has me extremely concerned. Hopefully there are no typo(s).

Thanks,

Robert H. Smith

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**From:** RSmith [rpjrb@yahoo.com] [mailto:[rpjrb@yahoo.com](mailto:rpjrb@yahoo.com)]  
**Sent:** Friday, February 01, 2013 10:12 AM  
**To:** 'rick.scott@eog.myflorida.com'; 'jennifer.carroll@eog.myflorida.com'; 'Rehwinkel.Michelle'; 'Mike.Fasano@myfloridahouse.gov'; 'Florida Supreme Court Public Information <[publicinfo@flcourts.org](mailto:publicinfo@flcourts.org)>'  
**Cc:** 'Bill@billnelson.senate.gov'; 'president@whitehouse.gov'; 'vice\_president@whitehouse.gov'; 'chairmanoffice@sec.gov'; 'fellowsprogram@supremecourt.gov'  
**Subject:** FW: Settlement Agreement / 1st DCA/Appeals Court Litigation? / FW: 11/19/2012 Vol 39 after Vol 38 with Lane Kollen Testimony/ Testimony that has been published online

Dear Mr. Scott and Ms. Carroll,

Here is what I sent to the Commission today regarding the accounting needed to provide the proper level of transparency that would be needed to support the settlement agreement(s).

This is accounting 101 and there should be no reason why I have received a response from AHCA regarding the Medicaid expansion numbers versus the support of whether or not the ratepayers/shareholders of the Company received a fair deal and received any over recovery in cash and not a non-cash amortization.

I used the example that I have sent to you in a previous email.

I am looking forward to a response from your office. At this time the control of the appointment process for the Commission is being controlled in the Legislative Branch and by the nominating committee that your office directly appoints members to the committee to vote for the Commissioner's at the Florida Public Service Commission.

The questions in the email below are simple audit procedures that would be required by the Companies accounting firms to ensure that there is proper compliance with Federal tax law. There should be no reason why a ratepayer should be required to pay additional Federal Income tax when they have not received the cash to pay for the increased tax liability.

This is Accounting 101. Where is the response from the Commission, OPC and your office?

I am looking forward to your response.

There is no reason why this should have an impact on me securing an accounting position within the geographic area that I am seeking. As far as I am concerned based upon my Constitutional rights I should be able to work where I want based upon the experience on my resume. There should be no retaliation for this communication. I have just sent an email for a Controller position that is located in Coral Springs. I am waiting to hear back regarding this posting.

The experience required for the position as well as the experience on my resume supports that I would be a very good candidate for this position. If you would like a copy of the posting please let me know.

It appears that based upon the 1000's of jobs that I have posted for within the geographic area that I want to work that I should have secured a position within the 4 year timeframe. It is not what the perception of the recruiters and/or anyone who might be coercively only providing me with positions that are outside the area in which I want to work. You have to remember my accounting, IT and legal experience provides me with the ability to work anywhere I want. There should be no geographic issue since I am utilizing my accounting knowledge base to secure a position where I want to work. This is why I went to college to obtain my accounting degree. Since my degree is in accounting there should be no reason why the state would not make sure that I am not being coerced into working in another location if I meet the qualifications to work close to my area. You are well aware of my situation and there is no reason why this coercion should continue. I would think that you are fully aware of any type of coercion issues since the State just took the lead in the ACA litigation for the Medicaid expansion in which the States position is that they felt that the legislation was coercive. This is my constitutional right. It is not anyone's right to coerce a person to work where they do not want to work. There really is no excuse since I have posted for 1000's of positions. One recruiter indicates that they do not want to work with me since I did not buy into their coercive approach to where they felt I should be working. When you utilize your knowledge base (mind) to work there is no reason why a person should be coerced into working in a location that they do not want to work. It is my Constitutional right to work where I want to therefore there should be no reason why after 4 years I have not secured a position.

If there is nothing to hide your office would be forthright with the answers that I have been working on with the ACHA Medicaid expansion as well as this Utility rate case. Your position as Governor is that you are the Governor for the people not for special interests only. There really is no excuse and my situation should be corrected immediately. What did I do so wrong in that I am not working for over 4 years?

I trust you fully understand my concerns.

These are accounting issues that should be very easy to be answered by the appropriate state agency that would have to support the settlement agreement(s) to make sure that the shareholders/ratepayers are receiving a fair deal.

I am looking forward to your response. Hopefully there are no typo(s). I will check.

Thanks,

Robert H. Smith

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**From:** RSmith [rpjrb@yahoo.com] [mailto:[rpjrb@yahoo.com](mailto:rpjrb@yahoo.com)]

**Sent:** Friday, February 01, 2013 9:44 AM

**To:** 'J.R. Kelly (OPC)'; 'Joseph A. McGlothlin (OPC)'; 'Rehwinkel, Charles'; 'Curt Kiser'; 'Commissioner.Balbis@psc.state.fl.us'; 'Commissioner.Edgar@psc.state.fl.us'; 'Chairman.Brise@psc.state.fl.us'; 'Commissioner.Graham@psc.state.fl.us'; 'Commissioner.Brown@psc.state.fl.us'; 'Records Clerk'

**Subject:** FW: Settlement Agreement / 1st DCA/Appeals Court Litigation? / FW: 11/19/2012 Vol 39 after Vol 38 with Lane Kollen Testimony/ Testimony that has been published online

Dear Mr. Kiser, Commissioners, Mr. Kelly, Mr. McGlothlin and Mr. Rehwinkel,

Here is an example of why any over recovered amounts must be refunded in cash and not through a non-cash amortization.

How would you feel if you received interest in your bank account as a **non-cash transaction** yet when you fill out your tax return you would have to fill out your schedule B with the interest income and pay income tax on the interest **without the cash in the bank** to pay for the tax liability?

**This is accounting 101. You would need the cash from the interest to pay the tax bill on the interest.**

Just like the rate payers would need a cash reduction in their bill to pay for the increased federal income taxes for the amortization of the over recovered depreciation surplus amortization as well as any other over recovered item that the company is going to amortize on a non-cash basis. The cash reduction in the bill would be just like receiving money for an overpayment and then they would be able to pay the additional tax for the refund of the over recovery. I will be keeping track of this on a cumulative basis since this can add up to a lot of money. The manipulation of an ROE to provide for a non-cash amortization to shield the company from directly paying the ratepayer back in cash is not even proper accounting. They need the cash refund to pay the tax bill. This is very simple? Correct? Please answer Yes or No?

Did they record a permanent difference to eliminate the non-cash income to make sure that the ratepayer does not pay Federal Income tax on the non-cash amortization? Please answer Yes or No? This is not a deferred income tax item like they record for the difference between their tax depreciation and book depreciation. This would have to be a permanent difference due to them recording the amortization as a non-cash amortization. If they never return any over recovery in cash then they would have to mitigate the increases tax liability to their ratepayers so that they are not being required to pay tax on non cash income/amortization.

How does the IRS feel of the recording of non-cash amortization that is being closed out to retained earnings as non-cash equity? Will the IRS make sure that basis in not received for any of the non-cash amortization? Please answer Yes or No?

Will the company remove the any non-cash amortization from the Equity balance when they calculate the company's earned returns to make sure that the ratepayer is not being charged on non-cash equity? Please answer Yes or No?

Did they receive a ruling from the IRS with regard to the recording of this non-cash amortization to retained earnings? Over time if the Company continues to record non-cash amortizations to retained earnings it appears that there should be no basis for the recording of the non cash earnings. What is the Commissions/Staff's understanding of the basis implications of these transactions?

This is not full transparency that would be needed to support the settlement agreement.

What do you think? So far I have not heard a response.

So far I have received a lot of read receipts without a response to all the emails below. A response should be in writing to support the settlement agreement(s).

As a party with a full legal interest from a shareholder and ratepayer perspective it would be my legal right to receive an answer to these questions. This is supported by Federal/State law. What is your position on this? The response that you would have to be an intervening party is not a valid response for a party with a full legal interest in these proceedings.

I am looking forward to your response.

Thanks,

Robert H. Smith

SCHEDULE B (Form 1040A or 1040)		Interest and Ordinary Dividends	
		OMB No. 1545-0078	
		► Attach to Form 1040A or 1040.	
		► Information about Schedule B (Form 1040A or 1040) and its instructions is at <a href="http://www.irs.gov/form1040">www.irs.gov/form1040</a> .	
		Name(s) shown on return _____ Your social security number _____	
<b>Part I</b>		<b>Amount</b>	
<b>Interest</b>	1	List name of payer. If any interest is from a seller-financed mortgage and the buyer used the property as a personal residence, see instructions on back and list this interest first. Also, show that buyer's social security number and address ►	
(See instructions on back and the instructions for Form 1040A or Form 1040, line 8a.)		_____	
Note. If you received a Form 1099-INT, Form 1099-CID, or substitute statement from a brokerage firm, list the firm's name as the payer and enter the total interest shown on that form.		_____	
2 Add the amounts on line 1		2 _____	
3 Excludable interest on series EE and I U.S. savings bonds issued after 1989. Attach Form 8815.		3 _____	
4 Subtract line 3 from line 2. Enter the result here and on Form 1040A, or Form 1040, line 8a. ►		4 _____	
Note. If line 4 is over \$1,500, you must complete Part II.		<b>Amount</b>	
<b>Part II</b>		5 List name of payer ►	

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**From:** RSmith [rpjrb@yahoo.com] [mailto:[rpjrb@yahoo.com](mailto:rpjrb@yahoo.com)]

**Sent:** Thursday, January 31, 2013 11:22 AM

**To:** 'J.R. Kelly (OPC)'; 'Joseph A. McGlothlin (OPC)'; 'Rehwinkel, Charles'; 'Curt Kiser'; 'Commissioner.Balbis@psc.state.fl.us'; 'Commissioner.Edgar@psc.state.fl.us'; 'Chairman.Brise@psc.state.fl.us'; 'Commissioner.Graham@psc.state.fl.us'; 'Commissioner.Brown@psc.state.fl.us'; 'Records Clerk'

**Subject:** FW: Settlement Agreement / 1st DCA/Appeals Court Litigation? / FW: 11/19/2012 Vol 39 after Vol 38 with Lane Kollen Testimony/ Testimony that has been published online

Dear Mr. Kiser, Commissioners, Mr. Kelly, Mr. McGlothlin and Mr. Rehwinkel,

Where are we with the bank/cash reconciliation schedule that has to be completed below?

How are the ratepayers going to pay for the increased tax liability if they do not receive a cash refund for most of the depreciation surplus amortization?

How come I have not received a response?

Thanks,

Robert H. Smith

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**From:** RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]

**Sent:** Wednesday, January 23, 2013 4:45 PM

**To:** 'J.R. Kelly (OPC)'; 'Joseph A. McGlothlin (OPC)'; 'Rehwinkel, Charles'; 'Curt Kiser'; 'Commissioner.Balbis@psc.state.fl.us'; 'Commissioner.Edgar@psc.state.fl.us'; 'Chairman.Brise@psc.state.fl.us'; 'Commissioner.Graham@psc.state.fl.us'; 'Commissioner.Brown@psc.state.fl.us'; 'Records Clerk'

**Cc:** 'Robert H. Smith'

**Subject:** FW: Settlement Agreement / 1st DCA/Appeals Court Litigation? / FW: 11/19/2012 Vol 39 after Vol 38 with Lane Kollen Testimony/ Testimony that has been published online

Dear Mr. Kiser, Commissioners, Mr. Kelly, Mr. McGlothlin and Mr. Rehwinkel,

I notice one quick **typo** below. I am looking forward to a response to my email in its entirety. The first request for this information has been made back in November 2012.

I am looking forward to a response in order to track the actual cash bill reduction on a cumulative basis.

Have a good night and let me know the eta. for a response.

Thanks,

Robert H. Smith

Dear Records clerk,

Please make this email part of the consumer correspondence file just like any other consumers correspondence that is being populated into the file.

Thanks in advance for your help.

Thanks,

Robert H. Smith

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**From:** RSmith [rpjrb@yahoo.com] [mailto:[rpjrb@yahoo.com](mailto:rpjrb@yahoo.com)]

**Sent:** Wednesday, January 23, 2013 4:18 PM

**To:** 'J.R. Kelly (OPC)'; 'Joseph A. McGlothlin (OPC)'; 'Rehwinkel, Charles'; 'Curt Kiser'; 'Commissioner.Balbis@psc.state.fl.us'; 'Commissioner.Edgar@psc.state.fl.us'; 'Chairman.Brise@psc.state.fl.us'; 'Commissioner.Graham@psc.state.fl.us'; 'Commissioner.Brown@psc.state.fl.us'; 'Records Clerk'

**Subject:** FW: Settlement Agreement / 1st DCA/Appeals Court Litigation? / FW: 11/19/2012 Vol 39 after Vol 38 with Lane Kollen Testimony/ Testimony that has been published online

Dear Mr. Kiser and Commissioners,

How come my email correspondence is not being made party of the consumer file just like other consumers with concerns in this case? I think that based upon the Sunshine laws and Federal E-Discovery laws this information would be very important to publish in the consumer file since if the trend continues and the company is not refunding over collections for items that have been prepaid by the ratepayer then we should keep track on a cumulative basis how much money has been returned in cash as a bill reduction versus a non-cash amortization to quantify this over time. This is very important and I think that this email should be answered without delay.

What is there to hide?

Can you assist OPC with the answer below? I have not heard back from the Commission regarding the completion of this schedule as well as the answers to the tax impacts by the recording of the non-cash amortization. Did this increase the tax provision to the customers without providing the actual refund in cash for them to pay for this additional tax liability?

The ask for an answer to the completion of the cash flow reconciliation was asked in November 2012. To date I have not received an answer to the email.

What is the hold up?

Thanks,

Robert H. Smith

Dear Mr. Kelly, Mr. McGlothlin and Mr. Rehwinkel,

Does OPC have a completed copy of the schedule below? What is the hold up for the release of this information? In addition, has OPC determined if they are going to pursue this in the Florida Supreme Court? This is very important since if the schedule below yields a percentage of cash give back to the ratepayers that is very low then how can the deal be in the best interests of the ratepayers and/or shareholders if this trend continues. The new settlement is now potentially creating a non-cash give back for the dismantlement reserve based upon new life estimates in which they also collected the cash in advance. Is OPC going to take the position of swapping bill reductions in cash for prepaid amounts as non-cash amortization being absorbed by increased ROE's?

What about the tax impacts of the company recording the amortization of any over collection as non-cash which is having a direct impact on the equity ratio as well as an impact on the tax liability that the ratepayer would pay for non-cash income that would be reflected in the tax provision of the company?

I thought that a decision was going to be made by the weekend. Is the schedule below very difficult to provide in order to have a sign off by the Company, the Commission and OPC with regard to the actual bill reduction **that** has been recorded?

I will send these emails on a daily basis since the schedule below and the answer to the email questions below should not be that difficult to answer. This is Accounting 101 and this is a very simple bank/cash reconciliation. Do you agree? Yes or No?

I am looking forward to your response.

Thanks,

Robert H. Smith

	(\$ millions)		Bill Reduction
	As filed	Revised	Cash
2010 (actual)	4.0	2010 (actual)	4.0
2011 (est)	173.0	2011 (est)	187.0
2012 (est)	526.0	2012 (est)	488.0
2013 (est)	191.0	2013 (est)	215.0
	<b>894.0</b>		<b>894.0</b>

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**From:** RSmith [rpjrb@yahoo.com] [mailto:[rpjrb@yahoo.com](mailto:rpjrb@yahoo.com)]

**Sent:** Monday, January 14, 2013 12:27 PM

**To:** 'J.R. Kelly (OPC)'; 'Joseph A. McGlothlin (OPC)'; 'Rehwinkel, Charles'; 'Curt Kiser'; 'Commissioner.Balbis@psc.state.fl.us'; 'Commissioner.Edgar@psc.state.fl.us'; 'Chairman.Brise@psc.state.fl.us'; 'Commissioner.Graham@psc.state.fl.us'; 'Commissioner.Brown@psc.state.fl.us'; 'Records Clerk'

**Subject:** FW: Settlement Agreement / 1st DCA/Appeals Court Litigation? / FW: 11/19/2012 Vol 39 after Vol 38 with Lane Kollen Testimony/ Testimony that has been published online

Dear Mr. Kiser and Commissioners,

I noticed that the order has been populated in the Docket. Where is the answer to the bank/cash flow reconciliation below as well as a response to the earlier emails regarding the tax impacts of the non-cash amortization? Since it appears that the Commission is going to issue the order without OPC sign off the Commission should not have a problem with providing the appropriate completed schedule for any party with a legal interest.

I have not heard a response from the Commission with regard to whether or not this updated schedule will be made available.

Please provide the reasoning why it appears that the Commission has not responded to numerous emails regarding whether or not this information is going to be made available. Will I receive a response from the Commission?

If there is nothing to hide then the Commission would support the order with the appropriate information to support the decision by the Commission. There really is no reason why this schedule would not be made forthright without requiring a party with a legal interest to have to file a petition in the appropriate jurisdiction to make sure that this information is provided. Based upon Sunshine law and Federal E-Discovery laws this information should be forthright to any party with a legal interest that would require the appropriate support to any decision that is being issued by the Commission.

I trust you fully understand why I am looking for this information and why I have asked for this information with the prior settlement as well as this settlement. Without the full reconciliation of the cash it would be very difficult to determine if the ratepayers and/or shareholders have received a settlement that is fair, reasonable and just. Since I have a shareholder right to this information there should be no reason why there would be any impediment/barrier to receive this information to support the order that is being issued by the commission.

I am looking forward to your response.

Thanks,

Robert H. Smith

Dear Mr. Kelly, Mr. McGlothlin, Mr. Rehwinkel,

Since OPC is representing the public from a ratepayer perspective there should be no reason why this schedule would not be provided to any party with a legal interest from a ratepayer perspective.

Why would there be a problem with releasing this information as backup support to the order that has been issued? These emails below are very specific and there should be no reason why the Commission and/or OPC would not support this type of required information to be made available in the record to support the order that is being issued by the Commission.

I am looking forward to your response.

Thanks,

Robert H. Smith

Document	Order	Date filed	Description	Files
00264-13		1/14/2013		<ul style="list-style-type: none"><li>• 00264-13_13-0023.ord (37.0MB)</li></ul>

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**From:** RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]

**Sent:** Friday, January 11, 2013 9:35 AM

**To:** 'J.R. Kelly (OPC)'; 'Joseph A. McGlothlin (OPC)'; 'Rehwinkel, Charles'; 'Curt Kiser'; 'Commissioner.Balbis@psc.state.fl.us'; 'Commissioner.Edgar@psc.state.fl.us'; 'Chairman.Brise@psc.state.fl.us'; 'Commissioner.Graham@psc.state.fl.us'; 'Commissioner.Brown@psc.state.fl.us'; 'Records Clerk'

**Subject:** FW: Settlement Agreement / 1st DCA/Appeals Court Litigation? / FW: 11/19/2012 Vol 39 after Vol 38 with Lane Kollen Testimony/ Testimony that has been published online

Dear Mr. Kelly, Mr. McGlothlin, Mr. Rehwinkel, Mr. Kiser and Commissioners,

Has this bank/cash reconciliation been completed?

	(\$ millions)		<b>Bill Reduction</b> Cash
	<b>As filed</b>	<b>Revised</b>	
2010 (actual)	4.0	2010 (actual) 4.0	?
2011 (est)	173.0	2011 (est) 187.0	?
2012 (est)	526.0	2012 (est) 488.0	?
2013 (est)	191.0	2013 (est) 215.0	?
	<b>894.0</b>	<b>894.0</b>	-

Thanks for your help in advance.

Thanks,

Robert H. Smith

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**From:** RSmith [rpjrb@yahoo.com] [mailto:[rpjrb@yahoo.com](mailto:rpjrb@yahoo.com)]

**Sent:** Thursday, December 13, 2012 7:38 PM

**To:** 'J.R. Kelly (OPC)'; 'Joseph A. McGlothlin (OPC)'; 'Rehwinkel, Charles'

**Cc:** 'Curt Kiser'; 'Commissioner.Balbis@psc.state.fl.us'; 'Commissioner.Edgar@psc.state.fl.us'; 'Chairman.Brise@psc.state.fl.us'; 'Commissioner.Graham@psc.state.fl.us'; 'Commissioner.Brown@psc.state.fl.us'; 'Records Clerk'

**Subject:** Settlement Agreement / 1st DCA/Appeals Court Litigation? / FW: 11/19/2012 Vol 39 after Vol 38 with Lane Kollen Testimony/ Testimony that has been published online

Dear Mr. Kelly, Mr. McGlothlin and Mr. Rehwinkel,

I have been ill for the past couple of days and I heard that they modified the settlement agreement and it was approved by the Commission.

Did OPC receive the information below to support the actual cash refunds? I would like to know if this information has been made available. This information would be very pertinent to have as backup support to the refunds in actual bill reductions versus non-cash amortization.

What impact does the Commission approval have on the District's court of appeal filing? Does OPC have the ability to file at the 1<sup>st</sup> DCA level with regard to the Commission ruling?

Who would check the current Commission appointment process that is primarily controlled by the Legislative Branch and/or the Nominating Committee? If I recall correctly, the court appointments have also been controlled by the Legislative Branch and/or Judicial Nominating Committee.

The reason why I am asking this question is that based upon the former Governor of the State of Florida there was a proposed settlement agreement to refund the \$894 million at \$125 million per year. When the new Governor took over this proposal was not entertained and the new 4 year amortization was brought up. It is very important to approach these cases talking about cash/bill impacts versus just non-cash amortization.

I am looking forward to your response.

Thanks,

Robert H. Smith

Dear Commissioner's,

Does the Commission have a completed copy of the schedule request below?

I would like to see this information for my records on the actual cash/bill reductions versus non cash amortization.

I am looking forward to your response.

Thanks in advance.

Thanks,

Robert H. Smith

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**From:** RSmith [rpjrb@yahoo.com] [mailto:[rpjrb@yahoo.com](mailto:rpjrb@yahoo.com)]

**Sent:** Wednesday, November 28, 2012 4:04 PM

**To:** 'J.R. Kelly (OPC)'; 'Joseph A. McGlothlin (OPC)'; 'Rehwinkel, Charles'; 'Curt Kiser'; 'Commissioner.Balbis@psc.state.fl.us'; 'Commissioner.Edgar@psc.state.fl.us'; 'Chairman.Brise@psc.state.fl.us'; 'Commissioner.Graham@psc.state.fl.us'; 'Commissioner.Brown@psc.state.fl.us'; 'Records Clerk'; 'Keino Young'

**Cc:** 'Charles Milsted, Associate State Director'; 'George E. Humphrey (Andrews Kurth LLP - Texas)'; 'J. Peter Ripley (Andrews Kurth LLP)'; 'John T. Butler (FPL)'; 'John T. La Via, III (FRF)'; 'Jon C. Moyle, Jr. (FIPUG)'; 'Ken Hoffman (FPL)'; 'Kenneth L. Wiseman (Andrews Kurth LLP)'; 'Linda S. Quick, President (SFHHA)'; 'Lisa M. Purdy (Andrews Kurth LLP)'; 'Mark F. Sundback (Andrews Kurth LLP)'; 'R. Wade Litchfield (FPL)'; 'Robert Scheffel Wright (FRF)'; 'Vicki G. Kaufman (FIPUG)'; 'William M. Rappolt (Andrews Kurth LLP)'

**Subject:** FW: 11/19/2012 Vol 39 after Vol 38 with Lane Kollen Testimony/ Testimony that has been published online

Dear Mr. Kelly, Mr. McGlothlin, Mr. Rehwinkel, Mr. Kiser and Commissioners,

Below is an interrogatory response with regard to the current accounting for the amortization of the depreciation surplus reserve.

Based upon this schedule please have the Commission and/or the Company sign off on the actual Cash refunds that have been reflected in the customers bills.

Do these amortization amounts reflect cash refunds as a reduction to the customer's bills?

Please provide each year's amortization and cash refund that has been reflected in rates as a reduction to the customer's bill?

	(\$ millions)		Bill Reduction
	As filed	Revised	Cash
2010 (actual)	4.0	2010 (actual)	4.0
2011 (est)	173.0	2011 (est)	187.0
2012 (est)	526.0	2012 (est)	488.0
2013 (est)	191.0	2013 (est)	215.0
	<b>894.0</b>		<b>894.0</b>

Since the company is also moving to amortize the dismantlement surplus please have them provide a similar schedule that will show the amount of amortization give back as well as the actual cash refund that has been given back to the customer in their bill for the prepayment of the original accrual estimates that have since been revised due to the extended lives.

Since there was a base rate freeze with the 2010 settlement agreement please explain how the customer received a cash refund for the amortization amounts reflected below.

According to the testimony Mr. Dewhurst has indicated that the company would prefer cash profits versus non cash profits. I would think that any settlement deal would also make sure that the customer would receive a direct cash refund for any surplus amounts that they have prepaid in cash. This would be supported by Mr. Dewhurst's testimony that the company would like to see cash profits versus non-cash profits to meet their allowed return on equity (ROE).

Likewise, the customers would like to see that they are receiving a corresponding cash refund for any amounts that have been prepaid. These amounts should be refunded within a short period of time to ensure that customers that are leaving the service territory are receiving a refund for amounts that have been prepaid in advance.

I trust that this would be a very easy schedule for the Commission/Company to complete from a cash perspective.

Can OPC provide the cash information based upon the schedule that has been put together in the interrogatory request?

How much on a percentage basis of the original depreciation surplus was refunded as a non cash amortization versus a cash bill reduction.

A ratio can be added to the schedule below and above once we receive the information from the Commission and/or the Company regarding the cash bill impacts to the customers.

I trust that everyone fully understands my concerns from both a shareholder and ratepayer perspective.

Has anyone taken a look at the impacts related to the close out to retained earnings for the non-cash amortization? These amortization amounts will directly be closed out to retained earnings. This will cause a change in the equity ratio due to the amortization of the full amount of the surplus depreciation. You have to remember that the company collected these amounts in cash therefore if these amounts are being amortized as a non-cash amortization the close out to retained earnings would represent a non-cash income which will impact the equity ratio of the company.

Has anyone taken a look at the tax impacts of the non-cash amortization of the surplus depreciation as it relates to the tax basis in the Company? The close out of non-cash amortization would potentially create non-cash basis that would be reflected in the Company's retained earnings and equity ratio. How did the company address the non-cash amortization from a tax perspective? Based upon the amortization the customer of the company would potentially see increased tax liability for the non-cash amortization that they would be required to pay tax on at the Company effective tax rate. The customer would then have to pay for this cost

when the company files their corporate tax return. If the customer has not received a cash refund of the surplus amortization, why should the customer potentially be expected to pay for tax liability that they have not received cash for to pay for the income tax bill?

Has anyone taken a look at this issue? How did the company account for the income tax issues related to this non-cash amortization?

This information would be needed to determine if the old settlement and new settlement are fair, reasonable and just for the ratepayers of the company and are in the public interest.

I am looking forward to your response. I will check in periodically with regard to an answer to this email.

Thanks,

Robert H. Smith

c. & d. As reflected in FPL's response to OPC's Fourteenth Request for Production of Documents No. 108, the Company projects it will record \$488M of depreciation reserve surplus in the calendar year 2012 instead of the \$526M originally forecasted and included in FPL's March 2012 base rate petition. This revision in surplus amortization for 2012 is reflected below along with the revised surplus flowback breakdown, totaling the \$894M ordered by the Commission in FPL's 2010 Rate Order and 2010 Rate Settlement. Note that this projection for 2012 is still subject to the normal fluctuations in revenues and expenses for the balance of the year.

(\$ millions)

	As Filed	Revised
2010 (actual)	\$ 4.0	\$ 4.0
2011 (est)	173.0	187.0
2012 (est)	526.0	488.0
2013 (est)	191.0	215.0
Total	\$ 894.0	\$ 894.0

If the currently projected higher level of depreciation reserve surplus remaining to be amortized in 2013 is realized, the revised surplus projection for 2013 would be approximately \$100 million.

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**From:** RSmith [rpjrb@yahoo.com] [mailto:[rpjrb@yahoo.com](mailto:rpjrb@yahoo.com)]  
**Sent:** Wednesday, November 21, 2012 1:26 PM  
**To:** 'Rehwinkel, Charles'

**Cc:** 'J.R. Kelly (OPC)'; 'Joseph A. McGlothlin (OPC)'

**Subject:** FW: 11/19/2012 Vol 39 after Vol 38 with Lane Kollen Testimony/ Testimony that has been published online

Mr. Rehwinkel,

I forgot to add you to the email below.

Let me know if a cash reconciliation schedule can be provided.

Thanks,

Robert H. Smith

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**From:** RSmith [rpjrb@yahoo.com] [mailto:[rpjrb@yahoo.com](mailto:rpjrb@yahoo.com)]

**Sent:** Wednesday, November 21, 2012 1:23 PM

**To:** 'J.R. Kelly (OPC)'; 'Joseph A. McGlothlin (OPC)'

**Subject:** FW: 11/19/2012 Vol 39 after Vol 38 with Lane Kollen Testimony/ Testimony that has been published online

Dear Mr. Kelley and Mr. McGlothlin,

Is it very difficult to obtain a cash reconciliation of the actual cash bill impacts for the actual refunding of the over recoveries?

Does this schedule exist?

I think that this information should be forthright to support a fair, just and reasonable deal.

I am looking forward to a response.

Thanks,

**Confidentiality Statement**

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**From:** RSmith [rpjrb@yahoo.com] [mailto:[rpjrb@yahoo.com](mailto:rpjrb@yahoo.com)]

**Sent:** Wednesday, November 21, 2012 1:01 PM

**To:** 'Curt Kiser'; 'Commissioner.Balbis@psc.state.fl.us'; 'Commissioner.Edgar@psc.state.fl.us'; 'Chairman.Brise@psc.state.fl.us'; 'Commissioner.Graham@psc.state.fl.us'; 'Commissioner.Brown@psc.state.fl.us'; 'Records Clerk'; 'Keino Young'; 'J.R. Kelly (OPC)'; 'Joseph A. McGlothlin (OPC)'

**Cc:** 'Charles Milsted, Associate State Director'; 'George E. Humphrey (Andrews Kurth LLP - Texas)'; 'J. Peter Ripley (Andrews Kurth LLP)'; 'John T. Butler (FPL)'; 'John T. La Via, III (FRF)'; 'Jon C. Moyle, Jr. (FIPUG)'; 'Ken Hoffman (FPL)'; 'Kenneth L. Wiseman (Andrews Kurth LLP)'; 'Linda S. Quick, President (SFHHA)'; 'Lisa M. Purdy (Andrews Kurth LLP)'; 'Mark F. Sundback (Andrews Kurth LLP)'; 'R. Wade Litchfield (FPL)'; 'Robert Scheffel Wright (FRF)'; 'Vicki G. Kaufman (FIPUG)'; 'William M. Rappolt (Andrews Kurth LLP)'

**Subject:** 11/19/2012 Vol 39 after Vol 38 with Lane Kollen Testimony/ Testimony that has been published online

Dear Mr. Kiser and Commissioner's,

Where is the transcript of Lane Kollen's testimony? I wanted to compare this testimony to Mr. Dewhurst's testimony regarding cash profits versus non cash profits.

This is very important to comparison/contrast since there has been no schedule that shows the actual return of cash for any of the over recoveries that are being utilized by the company. As per Mr. Dewhurst's testimony it talks about that the company would rather earn cash profits versus non cash profits. The customer's would like to see an actual cash reduction in their billing instead of a non-cash amortization based upon a rate freeze in a settlement agreement. This is very critical to this case since if the company feels that the cash profits is what is in the best interests of the company then likewise they should also want to afford the customer with an actual cash bill reduction for any of the over recoveries including the depreciation surplus over recovery. This is why the company should continue to prepare the depreciation study as due diligence to make sure that after 4 years there is not another large over recovery to deal with that might be returned as a non-cash amortization. They already reflected cash revenues when the money was collected in advance for the depreciation rates that were set to generate the large depreciation surplus.

There was talk about the last depreciation study being completed in 2009. What about the depreciation study prior to this one. Did the previous study before the 2009 study create a large over recovery? If so, then it would be very important from a due diligence stand point to monitor the surplus accordingly. What was very alarming about some of the testimony was that there was testimony that there was no knowledge of extended lives as it relates to the depreciation study but when it came time to talk about the dismantlement over recovery surplus there was talk that since the lives of the plants have been extended the accruals for the recovery for the dismantlement reserves would be reduced therefore allowing the company to utilize the surplus in the dismantlement reserves.

Again, is this just a non-cash amortization or an actual cash bill reduction?

I want to formulate the actual testimony that has been given in writing to support that an actual cash reconciliation should be forthright to support the actual cash refunds that were given to the customer as a bill reduction as a cash refund versus a non cash refund which supports Mr. Dewhurst's testimony about the company rather having cash profits versus non-cash profits.

Lane Kollen's testimony and Mr. Barrett's testimony is equally important as it relates to the extension of depreciable lives that could create another depreciation/dismantlement surplus in the future due to extended lives of the plants .

Let me know when the Docket will be populated with the actual written transcripts of the rest of the 11/19/2012 testimony.

Yes, they are talking about cash profits but I have not seen an actual schedule of the actual cash reduction to the customer's bills.

Considering that the ruling as to be fair, reasonable and just, I think that this is an avenue to explore. I have asked to be part of the settlement talks as well and I have not been asked to negotiate as well. There is no reason why only intervening parties should have the right to participate. Any party with a legal interest should also reserve these rights as well. Any person with a legal interest as a shareholder and/or ratepayer should be able to fully participate without intervening. This appears to be supported by Federal law since it talks about parties and not just intervening parties.

I am looking forward to seeing the rest of the transcripts.

Let me know if the Vol 40 is not correct?

Please do not allow this communication to have any impact on my current/future employment as well as the well being of my family. There should be no reason why a person who is utilizing their Constitutional rights as well as their legal rights to participate in these proceedings to be impacted by these communications. Any party with a legal interest would reserve their right to participate in these proceedings to see if they are receiving a fair deal.

I trust that everyone fully understands my concerns.

Hopefully there are no typo(s). I will check.

Thanks,

Robert H. Smith

**1. CALL HEARING TO ORDER**

**2. READ NOTICE**

**3. TAKE APPEARANCES**

**4. PRELIMINARY MATTERS**

**5. OPENING STATEMENTS**

**6. EXHIBITS**

**7. TESTIMONY OF WITNESSES (DIRECT)**

- A. Terry Deason (FPL)**
- B. Ryan M. Allen (FEA)**
- C. Renae Deaton (FPL)**
- D. Jeffry Pollock (FIPUG)**
- E. Sam Forrest (FPL)**
- F. Lane Kollen (SFHHA)**
- G. Robert E. Barrett (FPL)**
- H. Moray Dewhurst (FPL)**
- I. James W. Daniel (OPC)**
- J. Kevin W. O'Donnell (OPC)**
- K. Jacob Pous (OPC)**
- L. Donna Ramas (OPC)**
- M. John W. Hendricks (Hendricks)**

**8. TESTIMONY OF WITNESSES (REBUTTAL)**

- A. Jeffry Pollock (FIPUG)**
- B. Lane Kollen (SFHHA)**
- C. Terry Deason (FPL)**
- D. Sam Forrest (FPL)**
- E. Robert E. Barrett (FPL)**
- F. Moray Dewhurst (FPL)**

**9. POST-HEARING PROCEDURES**

**10. CONCLUDING MATTERS**

**11. ADJOURN**

1960 DECEMBER 19

BY MS. CHRISTENSEN:

Q. Good evening, Mr. Forrest.

A. Good evening.

## Hearing - 120015-EI - Day 11

[Index](#)[Share](#)

as though read.

- Exhibits 672-674.
- E. Sam Forrest (FPL)
- Exhibits 714 and 715 identified.
- E. Sam Forrest (FPL)
- FPL Exhibits 672-674 moved into the record.
- OPC's Exhibits 714 and 715 moved into the record.
- The hearing will resume shortly.
- B. Lane Kollen (SFHHA)
- Mr. Kollen's prefiled testimony entered into the record as though read.
- B. Lane Kollen (SFHHA)
- Exhibit Nos. 716, 717, and 718 identified.
- B. Lane Kollen (SFHHA)
- Exhibit 716 entered into evidence.
- 10. CONCLUDING MATTERS

16                   come from the sale side of things. There are the same  
17                   activities, the same personnel doing the same  
18                   activities. This is just a reflection of maybe today's  
19                   market realities that both savings and gains from  
20                   purchases and sales do provide significant benefits.

21                   **MS. CHRISTENSEN:** I have no further questions.

22                   **CHAIRMAN BRISÉ:** Thank you.

23                   \* \* \* \* \*

24

005728

RECEIVED-FPSC

12 NOV 21 AM 9:45

COMMISSION  
CLERK

1 BEFORE THE  
2 FLORIDA PUBLIC SERVICE COMMISSION

3 DOCKET NO. 120015-EI

4 In the Matter of:

5 PETITION FOR INCREASE IN RATES  
6 BY FLORIDA POWER & LIGHT COMPANY.

7 VOLUME 40

8 Pages 5728 through 5919

9  
10 PROCEEDINGS: HEARING

11 COMMISSIONERS  
12 PARTICIPATING: CHAIRMAN RONALD A. BRISÉ  
COMMISSIONER LISA POLAK EDGAR  
COMMISSIONER ART GRAHAM

005728

1 BEFORE THE  
2 FLORIDA PUBLIC SERVICE COMMISSION

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COMMISSION  
CLERK

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8 Pages 5728 through 5919

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11 COMMISSIONERS  
12 PARTICIPATING: CHAIRMAN RONALD A. BRISÉ  
COMMISSIONER LISA POLAK EDGAR  
COMMISSIONER ART GRAHAM  
COMMISSIONER EDUARDO E. BALBIS  
COMMISSIONER JULIE I. BROWN

14 DATE: Tuesday, November 20, 2012

15 TIME: Commenced at 9:06 a.m.  
16 Concluded at 11:55 a.m.

005490

BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 120015-EI

In the Matter of:

PETITION FOR INCREASE IN RATES  
BY FLORIDA POWER & LIGHT COMPANY.

COMMISSIONER  
CLERK

RECEIVED-FPS

VOLUME 38

Pages 5490 through 5589

PROCEEDINGS : HEARING

COMMISSIONERS  
PARTICIPATING : CHAIRMAN RONALD A. BRISÉ  
COMMISSIONER LISA POLAK EDGAR  
COMMISSIONER ART GRAHAM  
COMMISSIONER EDUARDO E. BALBIS  
COMMISSIONER JULIE I. BROWN

DATE : Monday, November 19, 2012

TIME : Commenced at 4:31 p.m.  
Concluded at 6:55 p.m.

STATE OF FLORIDA

COMMISSIONERS:  
RONALD A. BRISÉ, CHAIRMAN  
LISA POLAK EDGAR  
ART GRAHAM  
EDUARDO E. BALBIS  
JULIE I. BROWN



OFFICE OF  
CONSUMER ASSISTANCE & OUTREACH  
CYNTHIA L. MUIR  
DIRECTOR  
(850) 413-6482

# Public Service Commission

November 25, 2013

13 NOV 25 PM 3:21  
RECEIVED-FPSC  
COMMISSION  
CLERK

Mr. Len Smally  
Meadows Community Association, Inc.  
2004 Longmeadow  
Sarasota, FL 34235

Dear Mr. Smally:

This is in response to your inquiry with the Florida Public Service Commission (FPSC) regarding Florida Power & Light Company (FPL). You expressed a concern about the rate increase for your neighborhood street lights.

The FPSC reviewed FPL's request for an increase in rates with respect to Docket No. 120015-EI. Each customer class was reviewed to ensure that each class was paying the appropriate proportionate share for services. The analysis revealed that the lighting class overall was under parity and not covering the cost to serve. As a result, the lighting class received an overall increase that was higher than the system average increase. The monthly bills Meadows Community Association received for street lights were directly impacted by the overall increase to bring parity to the lighting class. We will add your comments to the correspondence side of Docket 120015-EI.

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

Sincerely,

A handwritten signature in black ink, appearing to read "Randy Roland".

Randy Roland  
Regulatory Program Administrator  
Office of Consumer Assistance & Outreach

RR:mep

# Meadows Community Association, Inc.

Utility  
PSC

August 14, 2013

Mr. Ronald A. Brise, Chairman  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, Fl. 32399-0850

Re: Case Ref. Number 1118531E

Dear Mr. Brise:

This is in regard to the above referenced case concerning an extreme rate increase, by FPL, for our not-for-profit homeowners association. Between December, 2012, and June, of this year, several factors in our street lighting bill went up over 60%, causing an increase in our bill of about 23%. For our 376 streetlights, this caused an increase of about \$1500 per month, or, \$18,000 per year. Although we did budget for an annual increase, an increase of this magnitude has caused us to have to take funds from our reserves to make up the shortfall.

I was under the impression that the function of the PSC was to protect the public from onerous, oppressive increases in utility rates, causing hardships. Increases of the magnitude we have experienced indicate that the PSC has not fulfilled its mission in this case. I wonder how many HOA's in Florida are affected by these excessive increases and will be hurt by it.

A copy of our complaint to your agency and backup info was sent to Ruth McHargue, of your staff, on August 5<sup>th</sup>. Another copy is attached.

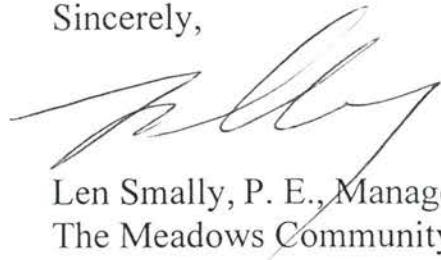
It should have been obvious to your staff that the "form letter" they sent was inappropriate in our case. Did they think FPL was going to change their rate structure? You, and your staff, should know they are not permitted to do that for one entity. Your suggestion that we work this out with "the utility" has resulted in an offer by FPL to lower the wattage on some of our street lights, in order to lower our monthly bills. **That has nothing whatsoever to do with our complaint!** Nevertheless, we appreciate the response from Mike Sole and FPL; at least they are trying to help.

Page 2: Meadows Community Association to PSC August 13, 2013

I would appreciate it if someone would discuss with me how the PSC can allow such a large rate increase for a public utility; one that would result in hardships for many of the citizens of Florida.

Thank you for your cooperation.

Sincerely,

A handwritten signature in black ink, appearing to read "L.S.", which is likely the initials of Len Smally.

Len Smally, P. E., Manager  
The Meadows Community Association

C: Florida Governor Rick Scott

Bob Friedlander, MCA President

Jay Brady, AICP, CAM, MCA Ops. Mgr.

Mike Sole, FPL, VP, State Gov. Affairs

J. R. Kelly, Esq., Office of Public Council

Len Smally, Manager  
Meadows Community Association  
2004 Longmeadow  
Sarasota, FL 34235  
Phone: (941) 377-2300  
Fax: (941) 377-2248  
Email: lensmally@mycomcast.com

**Meadows  
Community  
Association**

# Fax

To: RUTH McHARGUE From: Len Smally, Manager

Fax: 1-800-511-0809 Pages: 6 (INCL. COVER)

Phone: Date: 8-5-13

Re: 1113409C CC:

Urgent     For Review     Please Comment     Please Reply     Please Recycle

• Comments:

RUTH - THANKS FOR CALLING BACK.  
ATT: (1) PLEASE FIND MY COMPLAINT  
OF JUNE 17, 2013.

(2) ELEC. BILL SHOWING  
BEFORE (DEC. 12 FACTORS) +  
CURRENT FACTORS ON  
PAGES 3 & 4.

CALL IF you HAVE QUESTIONS.  
THANKS LEN SMALLY

# Consumer Complaints Form

(81515- PVER-  
(800) 342-3552 net  
COMPL. # 1113409C

The Public Service Commission no longer has the authority to accept as many of the consumer telecommunications complaints as we have in the past. The PSC may still accept consumer complaints dealing with the Lifeline Program, Relay Service, and Pay Phone Service. Other consumer telecommunications complaints (excluding Slamming) should be filed with the Department of Agriculture and Consumer Services. Complaints about Slamming should be filed with the Federal Communications Commission.

For consumer telecommunications complaints, you may contact the Florida Department of Agriculture, Division of Consumer Services at:

Florida Department of Agriculture and Consumer Services  
2005 Apalachee Parkway  
Tallahassee, FL 32399-6500  
General telephone number: 1-850-410-3800  
Toll-free Consumer Hotline (within Florida): 1-800-435-7352  
Toll-free Spanish Hotline: 1-800-352-9832  
[www.800helpfla.com](http://www.800helpfla.com)

To learn about companies the PSC regulates, read [When to Call the PSC](#) (PDF Size 564 KB)

For slamming complaints you may contact the Federal Communications Commission at:

Federal Communications Commission  
445 12th Street SW  
Washington, DC 20554  
Toll-free Telephone: 1-888-225-5322  
TTY: 1-888-835-5322  
[www.fcc.gov/complaints](http://www.fcc.gov/complaints)

Ruth  
McKADIE

800 342-3552

[Help - Instructions for using this form](#)

McHARGU

## Company Information

<input checked="" type="radio"/> Electric	<input type="radio"/> Delay in Service
<input type="radio"/> Natural Gas	<input type="radio"/> Improper Billing
<input type="radio"/> Telecommunications	<input type="radio"/> Service Outage
<input type="radio"/> Water & Wastewater	<input type="radio"/> Repairs
<input checked="" type="radio"/> Other Complaint	

Duke Energy Florida, Inc. d/b/a Duke Energy  
**Florida Power & Light Company**  
Florida Public Utilities Company  
Gulf Power Company  
Tampa Electric Company

FY 1-800-511-0809

Electric Companies Regulated by the PSC: 5 (Must select one)

## Consumer Information

### Contact Information (\* required)

*First Name	<input type="text" value="The Meadows Community"/>	*Last Name	<input type="text" value="Association Inc"/>
Telephone	<input type="text" value="941 3772300"/>	Email	<input type="text" value="lensmally@meadowscac.c"/>
*Home Address	<input type="text" value="2004 Longmeadow"/>		
*City	<input type="text" value="Sarasota"/>	State	<input type="text" value="FL"/> *Zip <input type="text" value="34235"/>

### Service Account Information

*Account Name	<input type="text" value="The Meadows Community"/>	Account Number	<input type="text" value="35705-49778"/>
*Service Address	<input type="text" value="2004 Longmeadow"/>		
*City	<input type="text" value="Sarasota"/>	*Zip	<input type="text" value="34235"/>

PSC was contacted previously regarding this complaint

Service and Contact Information are the same

## Complaint Details

We have 386 streetlights, owned by FPL, for which we pay monthly charges. Between Dec. of 2012 and May of this year, our rates for several items went up substantially. Component code PMC001, Non-energy fixtures, went from rate/unit 3.85 to 5.96, an increase of 54.8%. Component code UNCP, Non-energy Maintenance, went up from rate/unit .021 to .034, and increase of 61.9%. Another similar factor, listed just as Component Code, Non-energy Maintenance, went from .0514 to .0833, a rise of 62%. This has caused our monthly bills to go up by about \$1500/month. I have talked with FPL; they state that these increases are approved by the PSC.  
I thought there were controls in place, by the PSC, to govern the increases. We are a Not-for-Profit, Homeowners Association, and we do not have a budget in place for these large increases.

## Submit Complaint

## Submission Options

The company you have selected has agreed to participate in a pilot project designed to shorten the length of time it takes to resolve complaints from customers

- Option 1: (This option may result in a quicker resolution of your complaint.) As a utility customer who is filing a complaint with the Public Service Commission's web site, you may choose to send your online complaint directly to the company. The company is then required to contact you to acknowledge receipt of your complaint by the next business day.
- Option 2: You may file a complaint with the PSC if you desire, or if the company's response to your complaint is unsatisfactory.

Send complaint to:

- Florida Power & Light Company
- Florida Public Service Commission

2540 shanard  
OAKBLV  
TAC 32399



Florida Power & Light Company  
PO Box 025576  
Miami, FL 33102

/ 27

34  
5611357054977848532080000

Please request changes on the back.  
Notes on the front will not be detected.

The amount enclosed includes the following donation:  
FPL Care To Share \$ \_\_\_\_\_

A A 5

5611 4

#BWNJDJNQ \*\*\*  
#1819843BQ386538#  
THE MEADOWS COMMUNITY  
ASSOCIATION INC  
2004 LONGMEADOW  
SARASOTA FL 34235-1844

1 450036

Make check payable to FPL in U.S. funds  
and mail along with this coupon to:

FPL  
GENERAL MAIL FACILITY  
MIAMI FL 33188-0001

Account number	Total amount you owe	New charges due by	Amount enclosed
35705-49778	\$8,023.58	Jun 06 2013	\$

## Your electric statement

For: Apr 16 2013 to May 16 2013 (30 days)

Customer name: THE MEADOWS COMMUNITY  
Service address: STREET LIGHTS #MEADOWS

Account number: 35705-49778

Statement date: May 16 2013  
Next bill date: Jun 15 2013

Amount of your last bill	Payments (-)	Additional activity (+ or -)	Balance before new charges (=)	New charges (+)	Total amount you owe (=)	New charges due by
7,801.59	7,801.59 CR	0.00	0.00	8,023.58	\$8,023.58	Jun 06 2013

Total kWh used 14564

### Energy usage

	Last Year	This Year
kWh this month	14564	14564
Service days	29	30
kWh per day	502	485

\*\*The electric service amount  
includes the following charges:

Non-fuel energy charge:

\$0.029840 per kWh

Fuel charge:

\$0.026960 per kWh

Amount of your last bill	7,801.59
Payment received - Thank you	7,801.59 CR
Balance before new charges	\$0.00
<b>New charges (Rate: SL-1 STREET LIGHTING SERVICE)</b>	
Electric service amount	6,989.17**
Storm charge	145.50
Gross receipts tax	24.93
Franchise charge	422.42
Florida sales tax	391.56
Discretionary sales surtax	50.00
Total new charges	\$8,023.58

**Total amount you owe** \$8,023.58

- 6300  
KG  
b
- Payments received after June 06, 2013 are considered late; a late payment charge, the greater of \$5.00 or 1.5% of your past due balance will apply. Your account may also be billed a deposit adjustment.
  - Charges and energy usage are based on the facilities contracted. Facility, energy and fuel costs are available upon request.
  - The Florida Public Service Commission approved a quarterly storm charge adjustment, which will apply to your bill beginning June 1. Visit [www.FPL.com/rates](http://www.FPL.com/rates) to learn more about the charges on your bill.

MAY 20 2013



Florida Power & Light Company  
PO Box 025576  
Miami, FL 33102

2 450036

5611 000099

Detail of Rate Schedule Charges for  
Street Lights

#BWNDJNQ \*\*\*  
#76805RFMS472345#  
THE MEADOWS COMMUNITY  
ASSOCIATION INC  
2004 LONGMEADOW  
SARASOTA FL 34235-1844

**Account Number:** 35705-49778  
Service From: 04-16-2013  
Service To: 05-16-2013  
Service Days: 30  
KWH/Day: 485

**Service Address:** STREET LIGHTS #MEADOWS, SARASOTA FL 34230

COMPONENT CODE	WATTS	LUMENS	OWNER/MAINT	QUANTITY	RATE/UNIT	KWH USED	AMOUNT
29 KWH Energy			E	1	.720000	29	.72
60 KWH Energy			E	8	1.500000	480	12.00
HPS0070 Energy	70	6300	F	332	.720000	9,628	239.04
Non-energy					3.580000		1,188.56
Fixtures					1.680000		557.76
Maintenance							
HPS0100 Energy	100	9500	F	7	1.020000	287	7.14
Non-energy					3.640000		25.48
Fixtures					1.690000		11.83
Maintenance							
HPS0150	150	16000	F	59		3,540	

MAY 20 2013

\* F - FPL OWNS & MAINTAINS E - CUSTOMER OWNS & MAINTAINS R - CUSTOMER OWNS, FPL RELAMPS

Florida Power & Light Company  
PO Box 025576  
Miami, FL 33102

RFMS43AA.201305

Print Date: May 16, 2013

Page 1



Florida Power & Light Company  
PO Box 025576  
Miami, FL 33102

3 450036

5611 000099

Detail of Rate Schedule Charges for  
Street Lights

#BWNDJNQ \*\*\*  
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**Service Address:** STREET LIGHTS #MEADOWS, SARASOTA FL 34230

COMPONENT CODE	WATTS	LUMENS	OWNER/MAINT	QUANTITY	RATE/UNIT	KWH USED	AMOUNT
Energy					1.500000		88.50
Non-energy							
Fixtures					3.760000		221.84
Maintenance					1.720000		101.48
HPS0150	150	16000	R	10		600	
Energy					1.500000		15.00
Non-energy					1.750000		17.50
Relamp							
PMC0001				386			
Non-energy					5.960000		2,300.56
Fixtures					034000		
UCNP							
Non-energy							
Maintenance							1514.97
UCUP							
MAY 20 2013							

\* F - FPL OWNS & MAINTAINS E - CUSTOMER OWNS & MAINTAINS R - CUSTOMER OWNS, FPL RELAMPS

Florida Power & Light Company  
Customer Service

Print Date: May 16, 2013



- Florida Power & Light Company  
P.O. Box 925576  
Miami, FL 33102

4 450036

## Detail of Rate Schedule Charges for Street Lights

5611 000099

#BWNDJNQ \*\*\*  
#76805RFMS472345#  
THE MEADOWS COMMUNITY  
ASSOCIATION INC  
2004 LONGMEADOW  
SARASOTA FL 34235-1844

**Account Number:** 35705-49778  
**Service From:** 04-16-2013  
**Service To:** 05-16-2013  
**Service Days:** 30  
**KWH/Day:** 485

**Service Address:** STREET LIGHTS #MEADOWS, SARASOTA FL 34230

E - EPI OWNS & MAINTAINS      E - CUSTOMER OWNS & MAINTAINS      R - CUSTOMER OWNS, EPI RELIABLES

Print Date: May 16, 2013

# Meadows Community Association, Inc.

August 14, 2013

Mr. Ronald A. Brise, Chairman  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, Fl. 32399-0850

Re: Case Ref. Number 1118531E



Dear Mr. Brise:

This is in regard to the above referenced case concerning an extreme rate increase, by FPL, for our not-for-profit homeowners association. Between December, 2012, and June, of this year, several factors in our street lighting bill went up over 60%, causing an increase in our bill of about 23%. For our 376 streetlights, this caused an increase of about \$1500 per month, or, \$18,000 per year. Although we did budget for an annual increase, an increase of this magnitude has caused us to have to take funds from our reserves to make up the shortfall.

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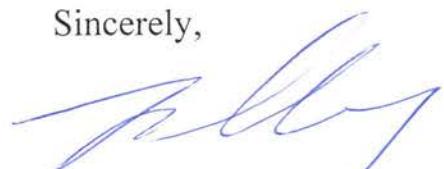
It should have been obvious to your staff that the "form letter" they sent was inappropriate in our case. Did they think FPL was going to change their rate structure? You, and your staff, should know they are not permitted to do that for one entity. Your suggestion that we work this out with "the utility" has resulted in an offer by FPL to lower the wattage on some of our street lights, in order to lower our monthly bills. **That has nothing whatsoever to do with our complaint!** Nevertheless, we appreciate the response from Mike Sole and FPL; at least they are trying to help.

Page 2: Meadows Community Association to PSC August 13, 2013

I would appreciate it if someone would discuss with me how the PSC can allow such a large rate increase for a public utility; one that would result in hardships for many of the citizens of Florida.

Thank you for your cooperation.

Sincerely,

A handwritten signature in blue ink, appearing to read "J. R. Kelly".

Len Smally, P. E., Manager  
The Meadows Community Association

C: Florida Governor Rick Scott  
Bob Friedlander, MCA President  
Jay Brady, AICP, CAM, MCA Ops. Mgr.  
Mike Sole, FPL, VP, State Gov. Affairs  
J. R. Kelly, Esq., Office of Public Council

**Eyvonne Estelle**

---

**From:** Maria\_Gonzalez@fpl.com  
**Sent:** Thursday, August 08, 2013 4:16 PM  
**To:** PSCREPLY  
**Subject:** 3-Day Response - #1118531E - The Meadows Community Association Inc - Len Smally  
**Attachments:** 3-Day Response - #1118531E - The Meadows Community Association Inc - Len Smally.pdf

(See attached file: 3-Day Response - #1118531E - The Meadows Community Association Inc - Len Smally.pdf)

Thank you,

*Maria Gonzalez*

Distribution Customer Resolution Specialist  
305-626-7509

The information transmitted is intended only for the person or entity to which it is addressed and may contain confidential, proprietary, and/or privileged material. Any review, retransmission, dissemination or other use of, or taking of any action in reliance upon this information by persons or entities other than the intended recipient is prohibited. If you received this in error, please contact the sender and delete the material from all computers.



## 3 Day Resolution Response

Customer's First Name:

Last / Business Name: THE

ON INC

Alternate Name:

Service Address:

FPSC Log:

Account #:

Date of customer contact:

Status of Account:

Brief description of custom  
streetlight billing

The customer's complaint has  
the matter:

Use some of  
the language in  
the 3-day response  
Leave out ref to Mr. Sole  
+ Mr. Smally  
Not sure who completed  
the "analysis" FPL

Jie Calhoun

7-2300

crease in

Item No.	Action	Date Completed	Date Pending Completion
1.	<p>Ms. Maria Gonzalez, FPL's Distribution Customer Resolution Specialist, made an unsuccessful attempt to contact Mr. Len Smally, to acknowledge receipt of his FPSC inquiry. A telephone message was left asking Mr. Smally to contact Ms. Gonzalez to further discuss his concern. Ms. Gonzalez provided her contact information should Mr. Smally have any additional concerns.</p> <p>Prior to the receipt of his FPSC inquiry, Mr. Smally contacted Mr. Michael Sole, FPL's VP of State Government Affairs, and expressed concern that the street light costs for the Meadows Community Association had increased dramatically. Mr. Sole apologized and explained he would research the specifics of the increase and advise him of the findings.</p> <p>On July 15, 2013, Mr. Sole sent an email to Mr. Smally informing him that while the FPSC was reviewing FPL's request for a rate increase, an analysis of each customer class was conducted to ensure that each class was paying their appropriate proportionate share for services. The</p>	08/05/13	Docket# ?

	analysis revealed that the lighting class overall was under parity, meaning it was not covering the cost to serve, and as a result the class received an overall increase that was higher than the system average increase when the FPSC approved the rate settlement. The email further explained that certain components within the lighting class were below cost and received more of an increase than other components, which had a direct impact on the amount of the monthly billing for the Meadows Community Association based on the makeup of the Association's account with FPL. Mr. Sole provided Mr. Smally with his contact information in the event he has additional concerns.		
2.	Mr. Mike Purvis, FPL Engineer, contacted Mr. Smally and discussed the options available to lower the Association's lighting bill by changing the servicing of the lights and lowering the wattage of the existing lights. Mr. Smally indicated that he would review these options and contact Mr. Purvis if necessary. Mr. Purvis provided his contact information should Mr. Smally have further questions or concerns.	08/06/13	
3.	On August 7, 2013, Ms. Gonzalez spoke with Mr. Smally who expressed satisfaction with the information provided by Mr. Sole and Mr. Purvis.	08/07/13	

**Amount of Refund/Credit, if appropriate:**

Date FPSC received:08/05/13

3 Day Response Submitted:

08/08/13

**Company Contact Information:** Roseanne Lucas, (305)552-3372,  
FPL\_FPSC\_Complaints@fpl.com

Len Smally, Manager  
Meadows Community Association  
2004 Longmeadow  
Sarasota, FL 34235  
Phone: (941) 377-2300  
Fax: (941) 377-2248  
Email: lensmally@mycomcast.com

**Meadows  
Community  
Association**

# Fax

To: RUTH McHARGUE From: Len Smally, Manager

Fax: 1-800-511-0809 Pages: 6 (INCL. COVER)

Phone: Date: 8-5-13

Re: 1113409C CC:

Urgent    For Review    Please Comment    Please Reply    Please Recycle

• Comments:

RUTH- THANKS FOR CALLING BACK.

ATT:(1) PLEASE FIND MY COMPLAINT  
OF JUNE 17, 2013.

(2) ELEC. BILL SHOWING  
BEFORE (DEC. 12 FACTORS) +  
CURRENT FACTORS ON  
PAGES 3 & 4.

CALL IF you HAVE QUESTIONS.  
THANKS LEN SMALLY



# Consumer Complaints Form

Page 1 of 2

The Public Service Commission no longer has the authority to accept as many of the consumer telecommunications complaints as we have in the past. The PSC may still accept consumer complaints dealing with the Lifeline Program, Relay Service, and Pay Phone Service. Other consumer telecommunications complaints (excluding Slamming) should be filed with the Department of Agriculture and Consumer Services. Complaints about Slamming should be filed with the Federal Communications Commission.

For consumer telecommunications complaints, you may contact the Florida Department of Agriculture, Division of Consumer Services at:

Florida Department of Agriculture and Consumer Services  
2005 Apalachee Parkway  
Tallahassee, FL 32399-6500  
General telephone number: 1-850-410-3800  
Toll-free Consumer Hotline (within Florida): 1-800-435-7352  
Toll-free Spanish Hotline: 1-800-352-9832  
[www.800helpfla.com](http://www.800helpfla.com)

To learn about companies the PSC regulates, read [When to Call the PSC](#) (PDF Size 564 KB)

For slamming complaints you may contact the Federal Communications Commission at:

Federal Communications Commission  
445 12th Street SW  
Washington, DC 20554  
Toll-free Telephone: 1-888-225-5322  
TTY: 1-888-835-5322  
[www.fcc.gov/complaints](http://www.fcc.gov/complaints)

*Ruth  
McAfee*

*800 342-3552*

*McHARGUE*

[Help - Instructions for using this form](#)

## Company Information

<input checked="" type="radio"/> Electric	<input type="radio"/> Delay in Service
<input type="radio"/> Natural Gas	<input type="radio"/> Improper Billing
<input type="radio"/> Telecommunications	<input type="radio"/> Service Outage
<input type="radio"/> Water & Wastewater	<input type="radio"/> Repairs
<input checked="" type="radio"/> Other Complaint	

Duke Energy Florida, Inc. d/b/a Duke Energy  
Florida Power & Light Company  
Florida Public Utilities Company  
Gulf Power Company  
Tampa Electric Company

*Fix 1-800-511-0809*

Electric Companies Regulated by the PSC: 5 (Must select one)

## Consumer Information

### Contact Information (\* required)

*First Name	The Meadows Communit	*Last Name	Association Inc
Telephone	941 3772300	Email	<a href="mailto:lensamally@meadowscsa.c">lensamally@meadowscsa.c</a>
*Home Address	2004 Longmeadow		
*City	Sarasota	State	*Zip 34235

### Service Account Information

*Account Name	The Meadows Communit	Account Number	35705-48778
*Service Address	2004 Longmeadow		
*City	Sarasota	*Zip	34235

PSC was contacted previously regarding this complaint

Service and Contact Information are the same

## Complaint Details

We have 386 streetlights, owned by FPL, for which we pay monthly charges. Between Dec. of 2012 and May of this year, our rates for several items went up substantially. Component code PMC001, Non-energy fixtures, went from rate/unit .85 to .96, an increase of 34.8%. Component code UNCP, Non-energy Maintenance, went up from rate/unit .021 to .034, and increase of 61.9%. Another similar factor, listed just as Component Code, Non-energy Maintenance, went from .0314 to .0833, a rise of 62%. This has caused our monthly bills to go up by about \$1500/month. I have talked with FPL; they state that these increases are approved by the PSC.  
I thought there were controls in place, by the PSC, to govern the increases. We are a Not-for-Profit Homeowners Association, and we do not have a budget in place for these large increases.

## Submit Complaint

## Submission Options

The company you have selected has agreed to participate in a pilot project designed to shorten the length of time it takes to resolve complaints from customers

- Option 1: (This option may result in a quicker resolution of your complaint.) As a utility customer who is filing a complaint with the Public Service Commission's web site, you may choose to send your online complaint directly to the company. The company is then required to contact you to acknowledge receipt of your complaint by the next business day.
- Option 2: You may file a complaint with the PSC if you desire, or if the company's response to your complaint is unsatisfactory.

Send complaint to:

- Florida Power & Light Company
- Florida Public Service Commission

*2540 shanard  
OAKBLW  
TAC 52399*



FPL Power & Light Company  
P.O. Box 321576  
Miami, FL 33186

/ 27

34  
5611357054977848532080000

Please request changes on the back.  
Notes on the front will not be detected.

The amount enclosed includes the following donation:  
FPL Care To Share \$ \_\_\_\_\_

A A 5

5611 4

#BWNDJNQ \*\*\*  
#1819843BQ386538#  
THE MEADOWS COMMUNITY  
ASSOCIATION INC  
2004 LONGMEADOW  
SARASOTA FL 34235-1844

1 450036

Make check payable to FPL in U.S. funds  
and mail along with this coupon to:

FPL  
GENERAL MAIL FACILITY  
MIAMI FL 33188-0001

Account number	Total amount you owe	New charges due by	Amount enclosed
35705-49778	\$8,023.58	Jun 06 2013	\$

### Your electric statement

For: Apr 16 2013 to May 16 2013 (30 days)

Customer name: THE MEADOWS COMMUNITY

Service address: STREET LIGHTS #MEADOWS

Account number: 35705-49778

Statement date: May 16 2013

Next bill date: Jun 15 2013

Amount of your last bill	Payments (-)	Additional activity (+ or -)	Balance before new charges (=)	New charges (+)	Total amount you owe (=)	New charges due by
7,801.59	7,801.59 CR	0.00	0.00	8,023.58	\$8,023.58	Jun 06 2013

otal kWh used 14564

#### Energy usage

	Last Year	This Year	Amount of your last bill	7,801.59
Wh this month	14564	14564	Payment received - Thank you	7,801.59 CR
Service days	29	30	Balance before new charges	\$0.00
Wh per day	502	485		

The electric service amount  
includes the following charges:

on-fuel energy charge:

\$0.029840 per kWh

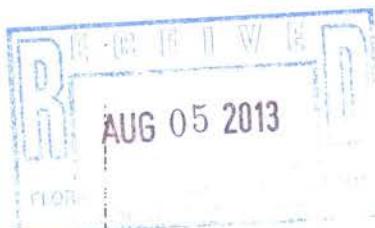
fuel charge: \$0.026960 per kWh

New charges (Rate: SL-1 STREET LIGHTING SERVICE)	
Electric service amount	6,989.17**
Storm charge	145.50
Gross receipts tax	24.93
Franchise charge	422.42
Florida sales tax	391.56
Discretionary sales surtax	50.00
Total new charges	\$8,023.58

Total amount you owe \$8,023.58

- 6300  
KG  
b
- Payments received after June 06, 2013 are considered late; a late payment charge, the greater of \$5.00 or 1.5% of your past due balance will apply. Your account may also be billed a deposit adjustment.
  - Charges and energy usage are based on the facilities contracted. Facility, energy and fuel costs are available upon request.
  - The Florida Public Service Commission approved a quarterly storm charge adjustment, which will apply to your bill beginning June 1. Visit [www.FPL.com/rates](http://www.FPL.com/rates) to learn more about the charges on your bill.

MAY 20 2013



Please have your account number ready when contacting FPL.

Customer service: 1-800-375-2434

Outside Florida: 1-800-226-3545

To report power outages: 1-800-4OUTAGE (468-8243)

Hearing/speech Impaired: 711 (Relay Service)

Online at: [www.FPL.com](http://www.FPL.com)





Florida Power & Light Company  
PO Box 025576  
Miami, FL 33102

2 450036

5611 000099

Detail of Rate Schedule Charges for  
Street Lights

#BWNQJNQ \*\*\*  
#76805RFMS472345#  
THE MEADOWS COMMUNITY  
ASSOCIATION INC  
2004 LONGMEADOW  
SARASOTA FL 34235-1844

Account Number: 35705-49778  
Service From: 04-16-2013  
Service To: 05-16-2013  
Service Days: 30  
KWH/Day: 485

Service Address: STREET LIGHTS #MEADOWS, SARASOTA FL 34230

COMPONENT CODE	WATTS	LUMENS	OWNER/MAINT	QUANTITY	RATE/UNIT	KWH USED	AMOUNT
29 KWH Energy			E	1	.720000	29	.72
60 KWH Energy			E	8	1.500000	480	12.00
HPS0070 Energy Non-energy Fixtures Maintenance	70	6300	F	332	.720000 3.580000 1.680000	9,628	239.04 1,188.56 557.76
HPS0100 Energy Non-energy Fixtures Maintenance	100	9500	F	7	1.020000 3.640000 1.690000	287	7.14 25.48 11.83
HPS0150	150	16000	F	59		3,540	

AUG 05 2013

MAY 20 2013

\* F - FPL OWNS & MAINTAINS E - CUSTOMER OWNS & MAINTAINS R - CUSTOMER OWNS, FPL RELAMPS



Florida Power & Light Company  
PO Box 055078  
Mirrored FL 33102

3 450036

5611 000099

Detail of Rate Schedule Charges for  
Street Lights

#BWNQJNQ \*\*\*  
#76805RFMS472345#  
THE MEADOWS COMMUNITY  
ASSOCIATION INC  
2004 LONGMEADOW  
SARASOTA FL 34235-1844

Account Number: 35705-49778  
Service From: 04-16-2013  
Service To: 05-16-2013  
Service Days: 30  
KWH/Day: 485

Service Address: STREET LIGHTS #MEADOWS, SARASOTA FL 34230

COMPONENT CODE	WATTS	LUMENS	OWNER/MAINT	QUANTITY	RATE/UNIT	KWH USED	AMOUNT
Energy					1.500000		88.50
Non-energy					3.760000		221.84
Fixtures					1.720000		101.48
Maintenance							
HPS0150	150	16000	R	10	1.500000	600	15.00
Energy					1.750000		17.50
Non-energy							
Relamp							
PMC0001				386	5.960000		2,300.56
Non-energy					034000		
Fixtures							
UCNP					2,671		1514.97
Non-energy							
Maintenance							
UCUP							
MAY 20 2013							
<p>NOT under road 44,558</p> <p>Under road 2,671</p> <p>WAS .021000</p> <p>WAS .021000</p> <p>up 61.9</p> <p>up 54.89</p> <p>RECEIVED AUG 05 2013</p>							

\* F - FPL OWNS & MAINTAINS E - CUSTOMER OWNS & MAINTAINS R - CUSTOMER OWNS, FPL RELAMPS

Print Date: May 16, 2013



Florida Power & Light Company  
P.O. Box 925572  
Miami, FL 33102

4 450036

### **Detail of Rate Schedule Charges for Street Lights**

5611 000099

#BWNDJNQ \*\*\*  
#76805RFMS472345#  
THE MEADOWS COMMUNITY  
ASSOCIATION INC  
2004 LONGMEADOW  
SARASOTA FL 34235-1844

**Account Number:** 35705-49778  
**Service From:** 04-16-2013  
**Service To:** 05-16-2013  
**Service Days:** 30  
**KWH/Day:** 485

**Service Address:** STREET LIGHTS #MEADOWS, SARASOTA FL 34230

MAY 20 1968

E - EPL OWNS & MAINTAINS      E - CUSTOMER OWNS & MAINTAINS      R - CUSTOMER OWNS, EPL RELAMPS

Print Date: May 16, 2013

Page 3

**Diane Hood**

---

**From:** PSC Fax Server <Fax@psc.state.fl.us>  
**Sent:** Monday, August 05, 2013 2:26 PM  
**To:** Consumer Contact  
**Subject:** FPSC , 6 page(s)  
**Attachments:** FAX-2013-08-05 14\_25\_57.tif

\*New Fax Received!\*

You have received a 6 page fax from FPSC ().

It was sent to 8504136362. The fax is attached to this email, open the attachment to view your fax.



**.Angie Calhoun**

---

**From:** consumerComplaint@psc.state.fl.us  
**Sent:** Monday, June 17, 2013 9:30 AM  
**Cc:** Consumer Contact  
**Subject:** E-Form Other Complaint TRACKING NUMBER: 33798

**CUSTOMER INFORMATION**

Name: The Meadows Community Association Inc  
Telephone: 941 3772300  
Email: [lensmally@meadowsca.com](mailto:lensmally@meadowsca.com)  
Address: 2004 Longmeadow Sarasota FL 34235

**BUSINESS INFORMATION**

Business Account Name: The Meadows Community Association Inc Account Number: 35705-49778  
Address: 2004 Longmeadow Sarasota Florida 34235

**COMPLAINT INFORMATION**

Complaint: Other Complaint against Florida Power & Light Company

Details:

We have 386 streetlights, owned by FPL, for which we pay monthly charges. Between Dec. of 2012 and May of this year, our rates for several items went up substantially. Component code PMC001, Non-energy fixtures, went from rate/unit 3.85 to 5.96, an increase of 54.8%. Component code UNCP, Non-energy Maintenance, went up from rate/unit .021 to .034, and increase of 61.9%. Another similar factor, listed just as Component Code, Non-energy Maintenance, went from .0514 to .0833, a rise of 62%. This has caused our monthly bills to go up by about \$1500/month. I have talked with FPL; they state that these increases are approved by the PSC. I thought there were controls in place, by the PSC, to govern the increases. We are a Not-for-Profit, Homeowners Association, and we do not have a budget in place for these large increases.

TRANSMISSION VERIFICATION REPORT

TIME : 08/07/2013 14:20  
NAME : FPSC  
FAX : 8507170116  
TEL : 8507170116  
SER. # : L8J825925

DATE, TIME	08/07 14:14
FAX NO./NAME	FPL
DURATION	00:05:09
PAGE(S)	12
RESULT	OK
MODE	STANDARD



To: Roseanne Lucas

Office/Business: Florida Power & Light

Fax: 305-552-4592

From: Division of Regulatory  
Compliance and Consumer Assistance

Voice: 850-413-6100

Fax: 850-413-7168

No. of Pages (Including Cover):

12

Re:

Inquiry # 1118531 E

Notes: If you have any questions, please contact Ruth McHargue at 850-413-6117.

Len Smally, Manager  
Meadows Community Association  
2004 Longmeadow  
Sarasota, FL 34235  
Phone: (941) 377-2300  
Fax: (941) 377-2248  
Email: lensmally@mycomcast.com

**Meadows  
Community  
Association**

# Fax

To: RUTH McHARGUE From: Len Smally, Manager  
Fax: 1-800-511-0809 Pages: 6 (INCL. COVER)  
Phone: Date: 8-5-13  
Re: 1113409C cc:

Urgent     For Review     Please Comment     Please Reply     Please Recycle

• Comments:

RUTH- THANKS FOR CALLING BACK.  
ATT:(1) PLEASE FIND MY COMPLAINT  
OF JUNE 17, 2013.

(2) ELEC. BILL SHOWDOWN  
BEFORE (DEC. 12 FACTORS) +  
CURRENT FACTORS ON  
PAGES 3 & 4.

CALL IF you HAVE QUESTIONS.  
THANKS LEN SMALLY

# Consumer Complaints Form

Page 1 of 2

The Public Service Commission no longer has the authority to accept as many of the consumer telecommunications complaints as we have in the past. The PSC may still accept consumer complaints dealing with the Lifeline Program, Relay Service, and Pay Phone Service. Other consumer telecommunications complaints (excluding Slamming) should be filed with the Department of Agriculture and Consumer Services. Complaints about Slamming should be filed with the Federal Communications Commission.

For consumer telecommunications complaints, you may contact the Florida Department of Agriculture, Division of Consumer Services at:

Florida Department of Agriculture and Consumer Services  
2005 Apalachee Parkway  
Tallahassee, FL 32399-6500  
General telephone number: 1-850-410-3800  
Toll-free Consumer Hotline (within Florida): 1-800-435-7352  
Toll-free Spanish Hotline: 1-800-352-9832  
[www.800helpfla.com](http://www.800helpfla.com)

To learn about companies the PSC regulates, read [When to Call the PSC](#) (PDF Size 564 KB)

For slamming complaints you may contact the Federal Communications Commission at:

Federal Communications Commission  
445 12th Street SW  
Washington, DC 20554  
Toll-free Telephone: 1-888-225-5322  
TTY: 1-888-835-5322  
[www.fcc.gov/complaints](http://www.fcc.gov/complaints)

*Ruth  
McKeehan*

*800 342-3552*

[Help - Instructions for using this form](#)

*M HARGU*

## Company Information

<input checked="" type="radio"/> Electric	<input type="radio"/> Delay in Service
<input type="radio"/> Natural Gas	<input type="radio"/> Improper Billing
<input type="radio"/> Telecommunications	<input type="radio"/> Service Outage
<input type="radio"/> Water & Wastewater	<input type="radio"/> Repairs
<input checked="" type="radio"/> Other Complaint	

Duke Energy Florida, Inc. d/b/a Duke Energy  
**Florida Power & Light Company**  
Florida Public Utilities Company  
Gulf Power Company  
Tampa Electric Company

*Fx 1-800-511-0809*

Electric Companies Regulated by the PSC: 5 (Must select one)

## Consumer Information

### Contact Information (\* required)

*First Name	The Meadows Communit	*Last Name	Association Inc
Telephone	941 3772300	Email	<a href="mailto:lensmally@meadowsca.c">lensmally@meadowsca.c</a>
*Home Address	2004 Longmeadow		
*City	Sarasota	State	*Zip 34235
	FL		

### Service Account Information

*Account Name	The Meadows Communit	Account Number	35705-49778
*Service Address	2004 Longmeadow		
*City	Sarasota	*Zip	34235

PSC was contacted previously regarding this complaint

Service and Contact Information are the same

## Complaint Details

We have 386 streetlights, owned by FPL, for which we pay monthly charges. Between Dec. of 2012 and May of this year, our rates for several items went up substantially. Component code FMC001, Non-energy fixtures, went from rate/unit 3.85 to 5.96, an increase of 54.8%. Component code UNCP, Non-energy Maintenance, went up from rate/unit .021 to .034, and increase of 61.9%. Another similar factor, listed just as Component Code, Non-energy Maintenance, went from .0514 to .0833, a rise of 62%. This has caused our monthly bills to go up by about \$1500/month. I have talked with FPL; they state that these increases are approved by the PSC.  
I thought there were controls in place, by the PSC, to govern the increases. We are a Not-for-Profit, Homeowners Association, and we do not have a budget in place for these large increases.

## Submit Complaint

## Submission Options

The company you have selected has agreed to participate in a pilot project designed to shorten the length of time it takes to resolve complaints from customers

- Option 1: (This option may result in a quicker resolution of your complaint.) As a utility customer who is filing a complaint with the Public Service Commission's web site, you may choose to send your online complaint directly to the company. The company is then required to contact you to acknowledge receipt of your complaint by the next business day.
- Option 2: You may file a complaint with the PSC if you desire, or if the company's response to your complaint is unsatisfactory.

Send complaint to:

- Florida Power & Light Company
- Florida Public Service Commission

*2540 shaward  
OAKBLW  
TAC 32399*



Florida Power & Light Company  
PO Box 025576  
Miami, FL 33102

/ 27

34  
5611357054977848532080000

Please request changes on the back.  
Notes on the front will not be detected.

The amount enclosed includes the following donation:  
FPL Care To Share \$ \_\_\_\_\_

A A 5

5611 4

#BWNJDJNQ \*\*\*  
#1819843BQ386538#  
THE MEADOWS COMMUNITY  
ASSOCIATION INC  
2004 LONGMEADOW  
SARASOTA FL 34235-1844

1 450036

Make check payable to FPL in U.S. funds  
and mail along with this coupon to:

FPL  
GENERAL MAIL FACILITY  
MIAMI FL 33188-0001

Account number	Total amount you owe	New charges due by	Amount enclosed
35705-49778	\$8,023.58	Jun 06 2013	\$

## Your electric statement

For: Apr 16 2013 to May 16 2013 (30 days)

Customer name: THE MEADOWS COMMUNITY

Service address: STREET LIGHTS #MEADOWS

Account number: 35705-49778

Statement date: May 16 2013  
Next bill date: Jun 15 2013

Amount of your last bill	Payments (-)	Additional activity (+ or -)	Balance before new charges (=)	New charges (+)	Total amount you owe (=)	New charges due by
7,801.59	7,801.59 CR	0.00	0.00	8,023.58	\$8,023.58	Jun 06 2013

Total kWh used 14564

### Energy usage

	Last Year	This Year	Amount of your last bill		7,801.59
kWh this month	14564	14564	Payment received - Thank you		7,801.59CR
Service days	29	30	Balance before new charges		\$0.00
kWh per day	502	485	<b>New charges (Rate: SL-1 STREET LIGHTING SERVICE)</b>		

**\*\*The electric service amount  
includes the following charges:**

Non-fuel energy charge:

\$0.029840 per kWh

Fuel charge: \$0.026960 per kWh

Electric service amount	6,989.17**
Storm charge	145.50
Gross receipts tax	24.93
Franchise charge	422.42
Florida sales tax	391.56
Discretionary sales surtax	50.00
<b>Total new charges</b>	<b>\$8,023.58</b>

**Total amount you owe** \$8,023.58

- 6300  
KG  
b
- Payments received after June 06, 2013 are considered late; a late payment charge, the greater of \$5.00 or 1.5% of your past due balance will apply. Your account may also be billed a deposit adjustment.
  - Charges and energy usage are based on the facilities contracted. Facility, energy and fuel costs are available upon request.
  - The Florida Public Service Commission approved a quarterly storm charge adjustment, which will apply to your bill beginning June 1. Visit [www.FPL.com/rates](http://www.FPL.com/rates) to learn more about the charges on your bill.

MAY 20 2013



Florida Power & Light Company  
P.O. Box 025576  
Miami, FL 33102

2 450036

5611 000099

Detail of Rate Schedule Charges for  
Street Lights

#BWNDJNQ \*\*\*  
#76805RFMS472345#  
THE MEADOWS COMMUNITY  
ASSOCIATION INC  
2004 LONGMEADOW  
SARASOTA FL 34235-1844

**Account Number:** 35705-49778  
**Service From:** 04-16-2013  
**Service To:** 05-16-2013  
**Service Days:** 30  
**KWH/Day:** 485

**Service Address:** STREET LIGHTS #MEADOWS, SARASOTA FL 34230

COMPONENT CODE	WATTS	LUMENS	OWNER/MAINT	QUANTITY	RATE/UNIT	KWH USED	AMOUNT
29 KWH Energy			E	1	.720000	29	.72
60 KWH Energy			E	8	1.500000	480	12.00
HPS0070 Energy Non-energy Fixtures Maintenance	70	6300	F	332	.720000 3.580000 1.680000	9,628	239.04 1,188.56 557.76
HPS0100 Energy Non-energy Fixtures Maintenance	100	9500	F	7	1.020000 3.640000 1.690000	287	7.14 25.48 11.83
HPS0150	150	16000	F	59		3,540	

MAY 20 2013

\* F - FPL OWNS & MAINTAINS E - CUSTOMER OWNS & MAINTAINS R - CUSTOMER OWNS, FPL RELAMPS

Florida Power & Light Company  
P.O. Box 025576  
Miami, FL 33102

RFMS43AA.201305

Print Date: May 16, 2013

Page 1



Florida Power & Light Company  
PO Box 025576  
Miami, FL 33102

3 450036

5611 000099

Detail of Rate Schedule Charges for  
Street Lights

#BWNDJNQ \*\*\*  
#76805RFMS472345#  
THE MEADOWS COMMUNITY  
ASSOCIATION INC  
2004 LONGMEADOW  
SARASOTA FL 34235-1844

Account Number: 35705-49778  
Service From: 04-16-2013  
Service To: 05-16-2013  
Service Days: 30  
KWH/Day: 485

Service Address: STREET LIGHTS #MEADOWS, SARASOTA FL 34230

COMPONENT CODE	WATTS	LUMENS	OWNER/MAINT	QUANTITY	RATE/UNIT	KWH USED	AMOUNT
Energy					1.500000		88.50
Non-energy							
Fixtures					3.760000		221.84
Maintenance					1.720000		101.48
HPS0150	150	16000	R	10		600	
Energy					1.500000		15.00
Non-energy					1.750000		17.50
PMC0001				386			
Non-energy					5.960000		2,300.56
Fixtures					0.034000		
UCNP							
Non-energy							
Maintenance							1514.97
UCUP							

MAY 20 2013  
 NOT under  
 road 44,558  
 Under  
 road 2,671  
 up 61.9%  
 WAS .021000  
 61.999%  
 WAS  
 34.89

\* F - FPL OWNS & MAINTAINS E - CUSTOMER OWNS & MAINTAINS R - CUSTOMER OWNS, FPL RELAMPS

Florida Power & Light Company  
FLORIDA POWER  
AND LIGHT COMPANY

Print Date: May 16, 2013

Page 2



Florida Power & Light Company  
P.O. Box 025576  
Miami, FL 33102

4 450036

### **Detail of Rate Schedule Charges for Street Lights**

5611 000099

#BWNJDJNQ \*\*\*  
#76805RFMS472345#  
THE MEADOWS COMMUNITY  
ASSOCIATION INC  
2004 LONGMEADOW  
SARASOTA FL 34235-1844

**Account Number:** 35705-49778  
**Service From:** 04-16-2013  
**Service To:** 05-16-2013  
**Service Days:** 30  
**KWH/Day:** 485

**Service Address:** STREET LIGHTS #MEADOWS, SARASOTA FL 34230

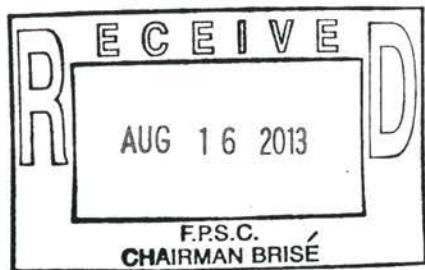
E - EPL OWNS & MAINTAINS      E - CUSTOMER OWNS & MAINTAINS      R - CUSTOMER OWNS EPL RELAMPS

Print Date: May 16, 2013

**Meadows Community Association, Inc.**  
**2004 Longmeadow**  
**Sarasota, Florida 34235**

DISTRIBUTION CENTER

13 AUG 16 AM 7:09



Mr. Ronald A. Brise, Chairman  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, FL 32399-0850

32399085099

Request No. 1113409C

Name ,

Business: THE MEADOWS COMMUNITY ASSOCIATION



FLORIDA PUBLIC SERVICE COMMISSION  
CONSUMER REQUEST  
2540 SHUMARD OAK BOULEVARD  
TALLAHASSEE, FL. 32399-850  
850-413-6100

PLEASE RETURN THIS FORM  
WITH REPORT OF ACTION TO:  
ANGIE CALHOUN

## Public Service Commission

Name , Company FLORIDA POWER & LIGHT COMPANY Request No. 1113409C  
Business Name THE MEADOWS COMMUNITY ASSOCIATION Company Code EI802  
Address 2004 LONGMEADOW By AC Time 09:52 Date 06/17/2013  
  
County Sarasota Consumer's Type GI-14 Phone E-FORM  
Telephone # (941)-377-2300  
City/Zip Sarasota 34235- Can be Reached   
Account Number  E-Mail Address lensmally@meadowsca.com Outreach  Date 06/17/2013  
Public Official N

Customer email regarding increase in rates. Forwarding to supervisor for review. ACalhoun

"-----Original Message-----

From: consumerComplaint@psc.state.fl.us [mailto:consumerComplaint@psc.state.fl.us]

Sent: Monday, June 17, 2013 9:30 AM

Cc: Consumer Contact

Subject: E-Form Other Complaint TRACKING NUMBER: 33798

## CUSTOMER INFORMATION

Name: The Meadows Community Association Inc

Telephone: 941 3772300

Email: lensmally@meadowsca.com

Address: 2004 Longmeadow Sarasota FL 34235

## BUSINESS INFORMATION

Business Account Name: The Meadows Community Association Inc Account Number: 35705-49778

Address: 2004 Longmeadow Sarasota Florida 34235

COMPLAINT INFORMATION

Complaint: Other Complaint against Florida Power & Light Company

Details:

We have 386 streetlights, owned by FPL, for which we pay monthly charges. Between Dec. of 2012 and May of this year, our rates for several items went up substantially. Component code PMC001, Non-energy fixtures, went from rate/unit 3.85 to 5.96, an increase of 54.8%. Component code UNCP, Non-energy Maintenance, went up from rate/unit .021 to .034, and increase of 61.9%. Another similar factor, listed just as Component Code, Non-energy Maintenance, went from .0514 to .0833, a rise of 62%. This has caused our monthly bills to go up by about \$1500/month. I have talked with FPL; they state that these increases are approved by the PSC.

I thought there were controls in place, by the PSC, to govern the increases. We are a Not-for-Profit, Homeowners Association, and we do not have a budget in place for these large increases."

08/05/2013 - Caller states he's wondering about status of this complaint because he hasn't heard anything from the PSC or from the Company since the complaint was filed. Advised caller that he will receive a call back once the file is pulled. Caller's name is Len Smally and his best contact is 941-377-2300. MBermudez

8/5/2013 - I called Len Smally and left a message that we needed a copy of the bill in dispute to verify what he is being billed. Also advised we were contacting FPL regarding his billing concerns.

08/05/2013 - Caller request to speak with RMchargue. Sup not available at time of call. Caller states he received a call from Sup requesting that he send a bill copy to the PSC and he was wondering what address or fax he could send that information too. Provided address and fax number. MBermudez

08/05/13 - Customer correspondence received via fax; forwarded to RMchargue. /ewe

08/05/2013 See complaint 1118531E. ACalhoun

8/5/2013 - bill copy added to file. rmchargue