

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

Docket No.: 160021-EI

Filed: April 8, 2016

**PETITION TO INTERVENE OF SOUTH FLORIDA
HOSPITAL AND HEALTHCARE ASSOCIATION**

The South Florida Hospital and Healthcare Association (“SFHHA”), pursuant to Chapter 120, Florida Statutes, and Rules 25-22.039, 28-106.201 and 28-106.205 of the Florida Administrative Code, hereby petitions the Florida Public Service Commission (“Commission”) to intervene in the captioned docket regarding the rates and charges proposed to be charged by Florida Power & Light Company (“FPL”). FPL is a public utility that is subject to the Commission’s jurisdiction over the rates and service of public utilities in Florida.

In support of their Petition to Intervene, SFHHA states as follows:

1. The name and address of SFHHA is:

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2. All pleadings, orders and correspondence should be directed to Petitioners' representatives as follows:

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3. The agency affected by this Petition to Intervene is:

Florida Public Service Commission
2540 Shumard Oak Blvd
Tallahassee, Florida 32399-0850

4. SFHHA is an association of healthcare providers acting as an advocate, facilitator and educator for its members, primarily in South Florida and a voice for improving the health status of its community. Particularly, SFHHA advocates the interests, and encourages involvement, of its member organizations in communications with the public, to elected and government officials, and to the business community and engages in cost-effective projects and programs that benefit, or add value to the services offered by, its member organizations.

5. The individual healthcare institutions that are members of SFHHA are engaged in providing, *inter alia*, acute healthcare services. They receive electric power from and pay the rates of FPL.

6. **SFHHA Standing:** Under Florida law, to establish standing as an association representing its members' substantial interests, an association such as SFHHA must demonstrate three things:

- a. that a substantial number of its members, although not necessarily a majority, are substantially affected by the agency's decisions;
- b. that the intervention by the association is within the association's general scope of interest and activity; and
- c. that the relief requested is of a type appropriate for an association to obtain on behalf of its members.¹

7. SFHHA satisfies all of these "associational standing" requirements. First, substantially all of SFHHA's members are located in FPL's service area and receive their electric service from FPL, for which they are charged FPL's applicable service rates. Hence, they will be substantially affected by the Commission's determination of FPL's rates. Second, SFHHA exists, as previously noted, to act as an advocate, facilitator and educator for its members and advocates the interests of its member organizations to elected and government officials, such as the Commission. SFHHA was, in fact, an intervenor in FPL's four prior general rate cases and a signatory to the 2012, 2010 and 2005 settlements that resolved the issues in each docket, respectively. Therefore, intervention is within the association's general scope of interest and activity. Third, the relief requested -- intervention, and with it, the right to seek the lowest rates consistent with the Commission's governing law and policy -- is relief that will help reduce electric

¹ Florida Home Builders Ass'n v. Dep't of Labor and Employment Security, 412 So. 2d 351, 353-54 (Fla. 1982).

costs to SFHHA's members. Therefore, the requested relief is of a type appropriate for an association to obtain on behalf of its members. As demonstrated, SFHHA has established standing as an association representing its members' substantial interests.

8. **Statement of Substantial Interests Affected:** This docket was initiated by a petition dated March 15, 2016 by FPL requesting authority to increase its base rates effective on the first billing cycle day of January 2017. FPL's petition also proposed a subsequent year base rate increase of \$262 million to be effective January 1, 2018, as well as a subsequent base rate step adjustment to be effective on the Okeechobee Clean Energy Center's expected in-service date of June 1, 2019.

9. This proceeding thus will examine the rates that FPL will be authorized to charge to its customers. The Commission will necessarily have to decide whether any rate increases or decreases are justified, and if so, the Commission also will have to approve rates and charges in order to implement such increases or decreases. Thus, the disposition of this case will affect the rates charged by FPL, as well as the terms and conditions of service, impacting FPL's customers, including SFHHA's members that are connected to FPL's facilities. SFHHA's members require reliable, consistent and reasonably-priced electricity. Because SFHHA and its members will be directly and substantially affected by any action the Commission takes in FPL's current docket, SFHHA has a substantial interest in the proceeding that is not adequately represented by other parties to this proceeding.²

² Insofar as this is a petition for intervention and because there is presently no agency decision pending in this docket, SFHHA states that Rule 28-106.201(c) of the Florida Administrative Code is not applicable.

10. For a potential intervenor to demonstrate that its substantial interests will be affected by a proceeding, the potential intervenor must show: (a) it will suffer injury in fact as a result of the agency action contemplated in the proceeding that is of sufficient immediacy to entitle it to a hearing; and (b) the injury suffered is a type against which the proceeding is designed to protect.³ SFHHA satisfies these provisions. SFHHA seeks to protect its members' substantial interests as they will be affected by the Commission's decision in this case, and they face injury if the Commission were to approve FPL's proposed rates, which are not just and reasonable and would be unduly discriminatory. SFHHA's participation in this rate case is designed to protect against that injury. If granted leave to intervene, SFHHA will be able to attempt to protect its members' substantial interests, including the ability to receive reliable and consistent electricity at fair, just and reasonable and not unduly discriminatory rates.

11. **Disputed Issues of Material Fact:** Disputed issues of material fact in this proceeding may include, but will not necessarily be limited to, the issues listed below. The following statement of issues is general in nature and SFHHA reserves the right to identify and develop additional issues and refine those listed below as this docket progresses in accordance with the Commission's rules. SFHHA expects that, as in past rate cases, numerous additional, specific issues will be identified and developed as this docket progresses.

Issue 1: Determining appropriate jurisdictional levels of FPL's Plant in Service, Accumulated Depreciation, and Rate Base for setting FPL's rates.

Issue 2: Determining appropriate jurisdictional values of FPL's operation and maintenance expenses for setting FPL's rates.

³ See Ameristeel Corp. v. Clark, 691 So. 2d 473, 477 (Fla. 1997).

- Issue 3: Determining whether FPL's expenditures sought to be included in the derivation of the cost of service were prudently incurred.
- Issue 4: Determining the appropriate capital structure for FPL for the purpose of setting FPL's rates.
- Issue 5: Determining the appropriate rate of return on equity for FPL for the purpose of setting FPL's rates.
- Issue 6: Determining the appropriate allocation of FPL's costs of providing retail electric service among FPL's retail customer classes
- Issue 7: Determining the appropriate rates to be charged by FPL for its services to each customer class.
- Issue 8: Determining the appropriate amount to be included in FPL's base rates for storm restoration accrual.
- Issue 9: Determining the appropriate amount to be included in FPL's base rates for storm hardening accrual.
- Issue 10: Determining the appropriate amount to be included in FPL's base rates for gas reserve expense accrual.
- Issue 11: Designing rates for recovery of revenue requirements.
- Issue 12: Determining the propriety of FPL's proposed projected twelve-month period ending December 31, 2017 as the test year for the 2017 base rate increase.
- Issue 13: Determining the propriety of FPL's proposed projected twelve-month period ending December 31, 2018 as the test year for the permanent rate increase beginning January 1, 2018.
- Issue 14: Determining the propriety of FPL's proposed base rate step adjustment based on the in-service date of its new Okeechobee Clean Energy Center plant.

12. **Ultimate Facts Alleged:** Because SFHHA and the institutions supporting this filing have substantial interests that are subject to determination in this docket, SFHHA is entitled to intervene and participate in the proceeding which will determine the fair, just, and reasonable rates to be charged by FPL upon the expiration of 2012 settlement rates on the last billing cycle day of December 2016.

13. **Specific Statutes and Rules:** The applicable statutes and rules, include, but are not limited to:

- Chapters 120 and 366 of the Florida Statutes; and
- Florida Administrative Code Chapters 25-22 and 28-106.

14. **Relation of Alleged Facts to the Statutes and Rules:** Chapter 120 of the Florida Statutes relates to agency decisions which affect the substantial interests of a participant and related procedures.⁴ Chapter 366 of the Florida Statutes declares the Commission's jurisdiction over FPL's rates and provides the Commission the statutory mandate to ensure that FPL's rates are fair, just and reasonable, and that those rates are not unduly discriminatory. The facts alleged here demonstrate that: (1) the Commission's decisions herein will have a significant impact on FPL's rates and charges; (2) FPL's customers represented by SFHHA will be directly impacted by the Commission's decisions regarding FPL's rates and charges herein; and (3) accordingly, that the statutes herein, among others, provide the basis for the relief requested by SFHHA.

15. Rules 25-22.039 and 28-106.205 provide that persons whose substantial interests are subject to determination or will be affected through an agency proceeding are entitled to, and may petition for, leave to intervene. Both rules also state that the petition to intervene must conform with subsection 28-106.201(2) of the Florida Administrative Code. Because SFHHA's members are FPL electricity customers, they have a substantial interest in the rates determined by the Commission and will be affected by the Commission's decisions in this docket. Accordingly, as the representative association of its members who are FPL customers, SFHHA is entitled to intervene.

⁴ See Sections 120.569 and 120.57(1), Florida Statutes.

16. **Conclusion:** Consistent with the purposes of the SFHHA and the substantial interests of its members, SFHHA seeks to intervene in this general rate case docket. Because SFHHA has satisfied the elements necessary for standing as an association and because SFHHA members have a substantial interest in FPL's proposed rates and charges which will be affected by the proceeding, the Commission should allow the intervention of SFHHA, as prayed herein.

17. **Relief Requested:** WHEREFORE, SFHHA respectfully requests that the Commission grant this Petition to Intervene. SFHHA also respectfully requests that the Commission require that all parties to this proceeding serve copies of all pleadings, notices, and other documents on the SFHHA representatives indicated in paragraph 2 above.



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Attorneys for the South Florida Hospital and Healthcare Association

April 8, 2016

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been served by electronic mail, U.S. Mail, or Federal Express, this 8th day of April, 2016, to the following:

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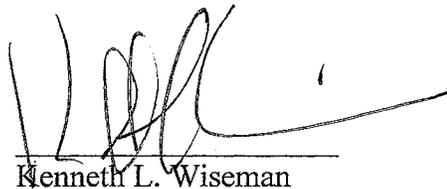
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