

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition by Florida Power & Light Company (FPL) for authority to charge FPL rates to former City of Vero Beach customers and for approval of FPL's accounting treatment for City of Vero Beach transaction.

DOCKET NO. 20170235-EI

In re: Joint petition to terminate territorial agreement, by Florida Power & Light and the City of Vero Beach.

DOCKET NO. 20170236-EU

DATED: September 26, 2018

COMMISSION STAFF'S PREHEARING STATEMENT

Pursuant to The Order Establishing Procedure, Order No. PSC-2018-0370-PCO-EU, issued July 25, 2018, the First Order Modifying Order Establishing Procedure, Order No. PSC-2018-0397-PCO-EU, issued on August 9, 2018, and the Second Order Modifying Order Establishing Procedure, Order No. PSC-2018-0445-PCO-EU, issued on August 31, 2018, the Staff of the Florida Public Service Commission files its Prehearing Statement.

1. All Known Witnesses

There are no known witnesses at this time.

2. All Known Exhibits

There are no known exhibits at this time.

3. Staff's Statement of Basic Position

Staff's positions are preliminary and based on materials filed by the parties and on discovery. The preliminary positions are offered to assist the parties in preparing for the hearing. Staff's final positions will be based upon all the evidence in the record and may differ from the preliminary positions stated herein.

4. Staff's Position on the Issues

ISSUE 1: What statutory provisions or other legal authority, if any, grant the Commission the authority and jurisdiction to approve the acquisition adjustment requested by FPL in this case?

POSITION: Staff has no position at this time.

COMMISSION STAFF'S PREHEARING STATEMENT

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ISSUE 2: How should the Commission weigh any unproven factual assertions in FPL's Petition?

POSITION: Staff has no position at this time.

ISSUE 3: Does FPL's request of a return of, and a return on, the requested acquisition adjustment violate the terms of FPL's current rate case settlement agreement?

POSITION: Staff has no position at this time.

ISSUE 4: What legal authority to increase rates, if any, supports FPL's request for the Commission to consider and approve rate making principles related to acquisition adjustment?

POSITION: Staff has no position at this time.

ISSUE 5: Should the Commission grant FPL the authority to charge FPL's rates and charges to City of Vero Beach's ("COVB") customers upon the closing date of the Asset Purchase and Sale Agreement ("PSA")?

POSITION: Staff has no position at this time.

ISSUE 6: Should the Commission approve the joint petitioners' request to terminate the existing territorial agreement between FPL and COVB upon the closing date of the PSA?

POSITION: Staff has no position at this time.

ISSUE 7: What extraordinary circumstances, if any, exist to support the Commission's consideration of authorizing a positive acquisition adjustment in this case?

POSITION: Staff has no position at this time.

ISSUE 8: Should the Commission consider alternatives other than what has been proposed by FPL with respect to the acquisition adjustment?

POSITION: Staff has no position at this time.

ISSUE 9: Should the Commission approve a positive acquisition adjustment associated with the purchase of the COVB electric utility system?

POSITION: Staff has no position at this time.

ISSUE 10: If the Commission should approve a positive acquisition adjustment associated with the purchase of the COVB electric utility system, what is the appropriate economic analysis to determine the amount of the positive acquisition adjustment?

POSITION: Staff has no position at this time.

ISSUE 11: What is the appropriate amount, if any, of a positive acquisition adjustment to be recorded on FPL's books for the purchase of the COVB electric utility system?

POSITION: Staff has no position at this time.

ISSUE 12: If a positive acquisition adjustment is permitted, what is the appropriate accounting treatment for FPL to utilize for recovery and amortization of the acquisition adjustment?

POSITION: Staff has no position at this time.

ISSUE 13: Should the projected cost savings supporting FPL's request for a positive acquisition adjustment be subject to review in future FPL rate cases?

POSITION: Staff has no position at this time.

ISSUE 14: Are the several contracts [OUC, FMPA] "costs of service" for FPL that are eligible for recovery in customer rates?

POSITION: Staff has no position at this time.

ISSUE 15: Should the Commission approve recovery of costs associated with the short-term power purchase agreement with Orlando Utilities Commission?

POSITION: Staff has no position at this time.

ISSUE 16: Is granting the relief requested by the applicants in the public interest?

POSITION: Staff has no position at this time.

ISSUE 17: Does the Civic Association of Indian River County, Inc. have standing to protest the Commission's proposed agency action granting FPL's petition for authority to charge FPL rates to former COVB customers and for approval of accounting treatment for the COVB transaction, and granting the joint petition of FPL and COVB to terminate the territorial agreement (Order No. PSC-2018-0336-PAA-EU)?

POSITION: Staff has no position at this time.

ISSUE 18: Does Michael Moran have standing to protest the Commission's proposed agency action granting FPL's petition for authority to charge FPL rates to former COVB customers and for approval of accounting treatment for the COVB transaction, and granting the joint petition of FPL and COVB to terminate the territorial agreement (Order No. PSC-2018-0336-PAA-EU)?

POSITION: Staff has no position at this time.

ISSUE 19: Does Brian Heady have standing to protest the Commission's proposed agency action granting FPL's petition for authority to charge FPL rates to former COVB customers and for approval of accounting treatment for the COVB transaction, and granting the joint petition of FPL and COVB to terminate the territorial agreement (Order No. PSC-2018-0336-PAA-EU)?

POSITION: Staff has no position at this time.

ISSUE 20: Should this docket be closed?

POSITION: Staff has no position at this time.

5. Stipulated Issues

None at this time.

6. Pending Motions

None.

7. Pending Confidentiality Claims or Requests

None.

8. Objections to Witness Qualifications as an Expert

None.

9. Compliance with Order No. PSC-2018-0370-PCO-EU

Staff has complied with all requirements of the Order Establishing Procedure entered in this docket.

Respectfully submitted this 26th day of September, 2018.

/s/ Charles W. Murphy

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that STAFF'S PREHEARING STATEMENT has been filed with the Office of Commission Clerk and that a true copy has been furnished to the following by electronic mail this 26th day of September, 2018:

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