BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

|  |  |
| --- | --- |
| In re: Petition for approval of accounting treatment for the transfer of proportional share of Plant Daniel Units 1 and 2 to Mississippi Power Company, by Florida Power & Light Company. | DOCKET NO. 20240155-EI  ORDER NO. PSC-2025-0222-S-EI  ISSUED: June 19, 2025 |

The following Commissioners participated in the disposition of this matter:

MIKE LA ROSA, Chairman

ART GRAHAM

GARY F. CLARK

ANDREW GILES FAY

GABRIELLA PASSIDOMO SMITH

FINAL ORDER APPROVING STIPULATION

AND SETTLEMENT AGREEMENT

BY THE COMMISSION:

Background

On November 8, 2024, Florida Power & Light Company (FPL or the Company) filed a petition for approval of the accounting treatment for the Company’s transfer of its fifty percent proportional share of Plant Daniel Units 1 & 2 to Mississippi Power Company (MPC). By Order No. PSC-2025-0139-PAA-EI (PAA Order) issued April 21, 2025, we approved the petition and the accounting treatment proposed by FPL, subject to any timely filed request for hearing. In that PAA Order, we approved the creation of regulatory assets totaling $36.02 million, and apportioned this total between base rates ($31.04 million) and environmental costs ($4.98 million). We also approved a recovery period of 10 years beginning at the next base rate reset, and a return on the unamortized asset balance at the Company’s overall weighted average cost of capital.

On May 12, 2025, the Office of Public Counsel (OPC) filed a Petition Protesting Proposed Agency Action. OPC specifically protested only the one following issue in the PAA Order:

The price to be paid by FPL to Mississippi Power Company (“MPC”), and associated necessary accounting treatment, pursuant to the transaction that supports the transfer that is the subject of the Petition, in order for MPC to take ownership of FPL’s share of Plant Daniel Units 1 & 2 and to relieve FPL of most Common Facilities costs related to the units.

On the following day, May 13, 2025, FPL and OPC filed a Joint Motion for Approval of Stipulation and Settlement Agreement. A copy of the Joint Motion and attached Stipulation and Settlement Agreement is appended to this Order as Attachment A. The parties stipulate in the Agreement that the regulatory assets established as the appropriate accounting treatment of the transfer price shall total $36 million. The allocation of this amount shall be $31.022 million for base rates and $4.978 million for environmental costs, with a ten-year amortization period commencing January 1, 2026. FPL and OPC represent in the Agreement that the remaining provisions of Order No. PSC-2025-0139-PAA-EI were not protested, and should remain unchanged and final.

Pursuant to notice, we conducted a hearing on the Joint Motion on June 3, 2025. At that hearing, the parties affirmed and explained the representations in the Joint Motion, and our staff presented an oral recommendation for approval of the Stipulation and Settlement Agreement.

We have jurisdiction pursuant to Sections 366.04, 366.06, and 366.07, Florida Statutes (F.S.).

Discussion

As explained by counsel for OPC at the June 3rd hearing, the protest of the PAA Order allowed OPC to conduct discovery to understand more fully the transaction involving Plant Daniel Units 1 & 2 and its relationship, if any, with FPL’s pending base rate proceeding. After completing its due diligence, OPC agreed to a Stipulation and Settlement Agreement that does not vary significantly from our approval in Order No. PSC-2025-0139-PAA-EI. The only material change in terms is a reduction of approximately $20,000 in the total amount of the regulatory asset. The other terms of the accounting treatment remain unchanged by the Stipulation and Settlement.

The protest identified only one issue in dispute. By operation of Section 120.80(13)(b), F.S., all other issues in the PAA Order are not in dispute and are deemed stipulated.

We find the proposed Stipulation and Settlement to be a reasonable resolution of the protest because it fully addresses the one disputed issue and does so a manner that is consistent with and furthers the other findings in our PAA Order. We find the Stipulation and Settlement to be in the public interest as it reduces the amount for which ratepayers are responsible. The Stipulation and Settlement also serves the public interest by facilitating a prompt resolution of this matter, thereby promoting administrative efficiency and avoiding the time and expense of a hearing. Therefore, the Joint Motion is granted and the proposed Stipulation and Settlement is hereby approved. Under Section 120.80(13)(b), F.S., all other issues in Order No. PSC-2025-0139-PAA-EI are deemed stipulated and are hereby rendered as final agency action.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the Joint Motion to Approve Stipulation and Settlement Agreement is granted. It is further

ORDERED by the Florida Public Service Commission that the Stipulation and Settlement Agreement is approved. It is further

ORDERED that under Section 120.80(13)(b), F.S., all other issues in Order No. PSC-2025-0139-PAA-EI are deemed stipulated and are hereby rendered as final agency action. It is further

ORDERED that this docket shall be closed.

By ORDER of the Florida Public Service Commission this 19th day of June, 2025.

|  |  |
| --- | --- |
|  | /s/ Adam J. Teitzman |
|  | ADAM J. TEITZMAN  Commission Clerk |

Florida Public Service Commission

2540 Shumard Oak Boulevard

Tallahassee, Florida 32399

(850) 413‑6770

www.floridapsc.com

Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

SPS

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water and/or wastewater utility by filing a notice of appeal with the Office of Commission Clerk, and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.

