



September 19, 2025

VIA ELECTRONIC FILING

Adam J. Teitzman  
Office of Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, Florida 32399-0850

**Re: Docket No. 20250011-EI, Petition by Florida Power & Light Company for Base Rate Increase**

Dear Mr. Teitzman,

On behalf of Intervenor Florida Rising, League of United Latin American Citizens ("LULAC"), and Environmental Confederation of Southwest Florida ("ECOSWF"), I have enclosed the settlement testimony and exhibits of Karl R. Rábago. Please file these documents in Docket No. 20250011-EI. Please contact me if there are any questions regarding this filing.

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of Southwest Florida*

## **CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true copy and correct copy of the foregoing was served on this 19th day of September, 2025, via electronic mail on:

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DATED this 19th day of September, 2025.

/s/ Bradley Marshall  
Attorney

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

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

DOCKET NO. 20250011-EI

**SETTLEMENT TESTIMONY OF**

**KARL R. RÁBAGO**

**ON BEHALF OF**

**FLORIDA RISING,**

**LEAGUE OF UNITED LATIN AMERICAN CITIZENS,**

**AND**

**ENVIRONMENTAL CONFEDERATION**

**OF SOUTHWEST FLORIDA, INC.**

**SEPTEMBER 19, 2025**

1     **Q.     Please state your name, business name, and address**

2     **A.**    My name is Karl R. Rábago. I am the principal of Rábago Energy LLC, a Colorado  
3           limited liability company, located at 1350 Gaylord Street, Denver, Colorado.

4     **Q.     On whose behalf are you appearing in this proceeding?**

5     **A.**    I appear here in my capacity as an expert witness on behalf of Florida Rising, Inc.  
6           (“FL Rising”), LULAC Florida Inc., better known as the League of United Latin  
7           American Citizens of Florida (“LULAC”), and the Environmental Confederation  
8           of Southwest Florida, Inc. (“ECOSWF”).

9     **Q.     Are you the same Karl R. Rábago who previously prepared direct testimony**  
10       **in this proceeding?**

11    **A.**    Yes.

12    **Q.     Please summarize your previously filed direct testimony.**

13    **A.**    In my direct testimony, I addressed FPL’s as-filed rate case, finding that several  
14           key elements of FPL’s proposals are not justified. I specifically focused on several  
15           deficiencies, most notably the Tax Adjustment Mechanism (“TAM”), the use of  
16           Investment Tax Credits (“ITCs”) in a single year, the Stochastic Loss of Load  
17           Probability (“SLOLP”) used to justify the batteries at issue in FPL’s case, and the  
18           excessive return on equity, especially in light of FPL’s proposed equity to debt ratio  
19           and overall capital structure.

20    **Q.     What is the purpose of your testimony?**

21    **A.**    The purpose of my testimony is to share my evaluation of the “settlement”  
22           agreement filed August 20, 2025 between Florida Power & Light Co. (“FPL”),  
23           Florida Industrial Power Users Group (“FIPUG”), Florida Retail Federation  
24           (“FRF”), Florida Energy for Innovation Association, Inc. (“FEIA”), Walmart Inc.  
25           (“Walmart”), EVgo Services, LLC (“EVgo”), Americans for Affordable Clean

1 Energy, Inc. (“AACE”), Circle K Stores, Inc. (“Circle K”), RaceTrac Inc.  
2 (“RaceTrac”), Wawa, Inc. (“Wawa”), Electrify America, LLC (“EA”), Federal  
3 Executive Agencies (“FEA”), Armstrong World Industries, Inc. (“AWI”), and  
4 Southern Alliance for Clean Energy (“SACE”), whom I collectively refer to as the  
5 “Special Interest Parties” (“SIPs”). I will refer to the “settlement agreement”  
6 proffered by the SIPs as the “SIP Proposal.”

7 I analyze and offer my opinion on several aspects of the SIP Proposal,  
8 including the excessive revenue requirement, the revenue allocation to the  
9 customer classes devoid of any cost of service methodology, excessive return on  
10 equity, excessive equity ratio, the Large Load Contract Service (“LLCS”) and  
11 Contribution in Aid of Construction (“CIAC”) provisions, the Rate Stabilization  
12 Mechanism (“RSM”) and its enabling of excessive returns for FPL at the cost to  
13 ratepayers, the asset optimization program, the EV giveaway fund program, the  
14 cost allocation for cost recovery clause factors, the solar base rate adjustment  
15 mechanism (“SoBRA”), capital recovery schedules, sale of the investment tax  
16 credits (“ITCs”) and production tax credits (“PTCs”), treatment of the Vandolah  
17 acquisition, the embedded excessive rate base additions (and the inferred  
18 continued reliance on the stochastic loss of load probability modeling “SLOLP”),  
19 and prohibition on natural gas hedging. I also address how there does not seem to  
20 be any real compromises by any of the SIPs, but rather the SIPs taking what they  
21 want by shifting the burden of the rate increase onto residential and small business  
22 customers. I therefore conclude that the SIP Proposal is decisively against the  
23 public interest and results in rates that are unfair, unjust, and unreasonable. I  
24 contrast this with the proposal of the Citizens of Florida (as represented by the  
25 Office of Public Counsel), Florida Rising, LULAC, ECOSWF, and Floridians

1       Against Increase Rates (“FAIR”), whom I collectively refer to as the “Customer  
2       Majority Parties” (“CMPs”), which would have resulted in fair, just, and  
3       reasonable rates that are in the public interest, treating all customers fairly rather  
4       than shifting the bulk of the increase on the hardworking families and small  
5       businesses of Florida as the SIP Proposal does. The CMP Proposal is attached to  
6       my testimony as Exhibit KRR-6.

7       **Q.   Do you have an opinion regarding the base rate revenue increases included in**  
8       **the SIP Proposal?**

9       **A.**   Yes. The base rate revenue increases are, for all intents and purposes, 100% of  
10       FPL’s as-filed original ask.

11       **Q.   Did FPL show this anywhere?**

12       **A.**   No. FPL claims that the \$945 million incremental base rate revenue requirement  
13       in 2026 is a compromise position.

14       **Q.   Then how do you know FPL is getting 100% of their as-filed original ask?**

15       **A.**   There are several interlocking elements of the SIP Proposal that support my  
16       finding. First, substituting a 10.95% return on equity for the 11.9% return on  
17       equity originally requested by FPL (which was never realistic to begin with, as I  
18       discuss further) covers most of the revenue reduction. There was never any  
19       reasonable or objectively legitimate justification for this added revenue request, so  
20       removing it in settlement is not a compromise. Simply substituting in the 10.95%  
21       return on equity into the cost of capital results in a weighted average cost of capital  
22       of 7.15% and reduces the incremental revenue requirement from the originally  
23       requested \$1,544,780,000 to \$1,065,463,000 in 2026. The reduction in proposed  
24       revenue from the unreasonable return on equity request alone accounts for \$480  
25       million of the 2026 revenue requirement reduction out of a total reduction of \$600



1 million (from \$1.545 billion to \$945 million) in the SIP Proposal. Next, according  
2 to the settlement testimony of Scott Bores, the move of Scherer 3's retirement date  
3 to 2047 from 2035 accounts for \$6.7 million in reduced revenue requirement in  
4 2026 (p. 13, line 9 of Bores settlement testimony). Further, according to that same  
5 testimony, moving the capital recovery schedules to a 20-year amortization over  
6 the as-filed 10-year amortization results in a reduction of \$9.4 million in revenue  
7 requirement. Totaled together, these changes would reduce the 2026 revenue  
8 requirement to \$1,049,363,000 but, again, many of these changes are not actual  
9 revenue reductions. They are accounting actions that change the annual recovery  
10 amounts, but not the totals. The rest of the less than \$105 million difference is  
11 easily explained by the Asset Optimization Program ("AOP"). Under the SIP  
12 Proposal, FPL gets to keep all of the money generated under the AOP under \$150  
13 million. Although FPL will claim that some of that money was already earmarked  
14 for "shareholder" value, that is illusory, as FPL has no permanent claim on that  
15 money. And since it is going to FPL either way, as against base revenues or to  
16 shareholders, all of that money should be counted as applied to base revenues  
17 (almost half of which is going to FPL's profits in any event). The only basis for  
18 FPL claiming the AOP balances for shareholders is the 2021 FPL rate case  
19 settlement, which Florida Rising, ECOSWF, and LULAC notably did not join, and  
20 therefore are by no means bound to respect the continuation of that settlement term  
21 indefinitely into the future. FPL, in recent years, has consistently generated  
22 funding considerably above \$105 million in the AOP.

23 In sum, the \$945 million revenue requirement in 2026 does not signify any  
24 concessions on the part of FPL, as the "lower" ROE is still well-above any ROE  
25 that could be reasonably justified, as I discuss further below.

1           As I discuss later in my testimony, and as I discussed in my testimony  
2 regarding the FPL as-filed case, the additional revenue requirement was founded  
3 on reliance on the stochastic-loss of load probability methodology (“SLOLP”).  
4 That purported foundation is riddled with errors or intentionally false assumptions  
5 that appear designed to create simulated loss of load events and thereby justify  
6 further spending.

7           It is also important to note that FPL expects to bill customers hundreds of  
8 millions of dollars for demand created by “favorable” weather--increased sales  
9 beyond those forecasted. FPL’s reliance on twenty-year normalization of historical  
10 weather for sales-forecasting purposes completely discounts the existence of  
11 climate change, resulting in higher rates (because revenue requirement is spread  
12 over lower sales forecasts) and allowing FPL to reap windfall revenues generated  
13 by hotter weather.

14   **Q.   Is the move of Scherer 3’s retirement date to 2047 justified?**

15   **A.**   No. There is no indication that Scherer 3’s retirement date has moved to 2047 in  
16 reality. It has only moved to 2047 for depreciation purposes, meaning that if  
17 Scherer 3 retires in 2035, as is currently expected by the operator and decision-  
18 maker regarding the retirement date, FPL’s customers will be left “holding the bag”  
19 and needing to set up yet another capital recovery schedule. A better explanation  
20 for the retirement date change appears to be that this provision of the SIP Proposal  
21 was a special giveaway to the current federal administration, as advocated for by  
22 the Federal Executive Agencies in this case. Despite what the FEA claimed in their  
23 testimony, there are no mandates from the current Administration extending the  
24 retirement date of the uneconomic Scherer 3 unit from 2035 to 2047. Nor does it  
25 appear that the Administration has the constitutional authority to mandate such a

1 change, even if it wanted to.

2 **Q. What is the total cost of extending the capital recovery schedules for retired**  
3 **plant to twenty years?**

4 **A.** No one knows, including the Commission and the supporters of the SIP Proposal.  
5 FPL refuses to provide that calculation. Given that FPL will be earning returns in  
6 the capital recovery schedule for an additional 10 years over the 10-year period  
7 originally proposed, there will be considerably more costs passed to future  
8 generations, reflecting another likely and grievous violation of the matching  
9 principle. Future generations will still be paying for assets that never served them.  
10 The generational economic inequity proposed in the SIP Proposal is not just  
11 patently short-sighted, it is grossly inconsistent with the public interest in  
12 affordable electric service.

13 **Q. What are the cumulative costs of FPL's proposed rate increase?**

14 **A.** As I address below, there are significantly more costs, well over \$1 billion, beyond  
15 the term of the SIP proposed agreement. During the cumulative term of the  
16 agreement, with \$945 million in 2026, \$705 million incremental plus an estimated  
17 \$61 million SoBRA incremental in 2027, an incremental \$316 million SoBRA in  
18 2028, and another estimated \$247 million SoBRA increment in 2029, the total  
19 cumulative increase over four years is \$6.957 billion. As far as I've been able to  
20 determine, this is the largest rate increase in United States history.

21 **Q. What is the revenue allocation in the SIP Proposal?**

22 **A.** The SIP Proposal includes an equal percentage increase across the customer  
23 classes except for residential customers. Residential customers are assigned an  
24 increase equivalent to 95% of the system average increase.

25 **Q. What cost of service methodology justifies this revenue allocation?**

1     **A.**     There is no cost of service methodology mentioned in the SIP Proposal. In  
2             testimony in support of the SIP Proposal, FPL argues that this somehow  
3             incorporates, by non-reference, the settlement “methodology” from the 2021 FPL  
4             settlement, even though on its own terms that black box “negotiated” methodology  
5             expires at the end of the 2021 settlement (i.e., 2025). Additionally, the SIP  
6             Proposal supporters have indicated, through their discovery answers and their  
7             depositions, that they did not believe the 2025 SIP Proposal adopted a cost of  
8             service methodology. FPL seems to be alone in its belief that the 2025 SIP  
9             Proposal adopted the 2021 settlement by not referencing any cost of service  
10            methodology. Bluntly stated, FPL references to a cost of service foundation for  
11            the rates in the SIP Proposal are an “incorporation by non-reference.” This is not  
12            a rational basis for just and reasonable rates.

13    **Q.     Why do you call it a black box methodology?**

14    **A.**     The distribution plant values in the previous settlement were negotiated, by FPL’s  
15             own admission, and therefore not subject to review. There is no cost of service  
16             study supporting the negotiated distribution plant values, nor do we even know  
17             what those negotiated values are. There is nothing in the SIP Proposal indicating  
18             that this 2021 methodology was being continued. FPL’s own analysis shows many  
19             classes quite far away from parity under the 2021 methodology and moving further  
20             from parity. This includes the almost 99% of customers included in the RS and  
21             GS classes, both of which are moving away from “parity” under this black box  
22             “methodology.”

23    **Q.     Should this black box methodology be used as a basis to justify the SIP**  
24             **Proposal’s revenue allocation?**

25    **A.**     Absolutely not. Not only is it not a defensible “methodology,” since it is a

1 negotiated methodology that is not open to review, it does not justify the revenue  
2 allocation since many customer classes are moved away from parity. Under the  
3 SIP revenue allocation proposal, the almost 99% of customers who are part of GS  
4 and RS classes are moved away from rate parity.

5 **Q. Aren't settlement negotiations confidential anyway?**

6 **A.** Yes. In my experience, parties may have different strategic intentions regarding  
7 their positions on settlement terms, but the terms themselves must be sufficient to  
8 support the Commission's conclusion that the proposed rates are just, reasonable,  
9 and in the public interest. There is no way the Commission can reach such a  
10 conclusion in the absence of a cost of service study.

11 **Q. What is the effect of the revenue allocation in the agreement?**

12 **A.** The effect is to give the large load customers a massive rate reduction from FPL's  
13 as-filed case.

14 **Q. If residential customers are getting 95% of the system average increase,**  
15 **shouldn't they be getting the largest reduction in any settlement?**

16 **A.** Residential customers should be getting an even larger reduction, as indicated by  
17 every cost of service methodology previously filed by SIP Proposal supporters in  
18 the case. Giving residential customers 95% of the system average increase is  
19 actually shifting hundreds of millions of dollars onto residential customers beyond  
20 that which they should be paying. As shown in KRR-7, which compares the as-  
21 filed rate increases with the SIP and CMP proposed increases, the SIP Proposal  
22 supporters give themselves massive rate breaks while shifting costs onto the RS,  
23 GS, and some of the governmental classes (like traffic lights and Miami metro  
24 service). Incredibly, GS customers, like Florida Rising, Inc., are getting more than  
25 three times the increase in 2026 than if FPL's original as-filed petition had been

approved in full.

**Q. What is the effect of the revenue allocation on parity?**

**A.** Using FPL's as-filed cost of service study and setting the revenue requirement deficiency to \$945 million, attached as Exhibit KRR-8,<sup>1</sup> shows that the SIP Proposal shifts hundreds of millions of dollars onto the GS and RS classes away from the large load classes, as shown by Table 1 for 2026.

**Table 1: Cost Shift According to FPL As-Filed Cost of Service Methodology**

Class	Base Rate Revenue \$945 million Increase under as-filed COS	Base Rate Revenue Increase under SIP Proposal	Difference - Subsidies Charged (Paid) to Other Customers	Percent of FPL's customers
CILC-1D	\$33,910,884	\$11,518,176	\$22,392,707	0.0040%
CILC-1G	\$1,060,994	\$533,554	\$527,441	0.0009%
CILC-1T	\$14,225,463	\$4,937,850	\$9,287,613	0.0002%
GS(T)-1	(\$40,205,259)	\$77,357,230	(\$117,562,489)	9.0721%
GSCU-1	(\$245,751)	\$252,896	(\$498,647)	0.0756%
GSD(T)-1	\$365,143,712	\$182,670,472	\$182,473,240	1.7073%
GSLD(1)-1	\$159,511,658	\$57,677,888	\$101,833,770	0.0507%
GSLD(T)-2	\$65,809,995	\$18,739,255	\$47,070,740	0.0034%
GSLD(T)-3	\$7,519,655	\$3,402,631	\$4,117,024	0.0003%
MET	\$240,871	\$460,638	(\$219,767)	0.0004%
OS-2	\$991,381	\$221,265	\$770,116	0.0048%
RS(T)-1	\$336,979,655	\$566,220,725	(\$229,241,069)	88.6574%
SL/OL-1	\$4,013,938	\$19,825,792	(\$15,811,854)	0.3510%
SL-1M	\$109,717	\$164,769	(\$55,052)	0.0169%
SL-2	\$34,862	\$196,642	(\$161,780)	0.0260%
SL-2M	(\$102,272)	\$59,434	(\$161,706)	0.0287%
SST-DST	(\$119,091)	\$18,895	(\$137,986)	0.0001%
SST-TST	(\$3,518,112)	\$741,873	(\$4,259,984)	0.0002%

<sup>1</sup> Start with "20250011 - FIPUG 1st INT No. 11 - Attachment No. 1." Go to the last tab and insert a rate of return on rate base of 7.0345% to approximate the revenue requirement of \$945 million and how that revenue requirement should be distributed using the as-filed 12CP and 25% AD cost of service methodology. Although I advocated for even more energy weighting in my original testimony, the 12CP and 25% AD cost of service methodology filed by FPL is a well-supported but conservative approach.

1                   As the rate increase was inflated, so too were the inter-class subsidies from  
2                   the RS and GS classes to FPL's large load customers. Just in 2026, under the SIP  
3                   Proposal, as compared to FPL's as-filed cost of service study, RS and GS customers  
4                   are paying almost \$350 million more than their fair share. Over the 4-year term of  
5                   the settlement, with the additional rate increases, this should amount to a \$1.5  
6                   billion transfer of wealth from FPL's residential and small business customers to  
7                   their largest and wealthiest customers. This kind of levelized increase, which  
8                   should under cost of service analysis be an overall decrease, does virtually nothing  
9                   to move the classes closer to parity, quite unlike FPL's originally filed cost of  
10                  service allocation proposals in this case.

11       **Q. Does FPL justify this over \$1.5 billion transfer of wealth in their testimony?**

12       **A.** No. FPL asserts that it is "favoring" residential customers by giving them a lower  
13                  than system average increase. FPL further asserts that the compound annual  
14                  growth rate for small businesses is lower than other commercial classes, but that  
15                  is only the result of small businesses currently paying a larger proportion of their  
16                  current bill to storm charges than larger businesses, so their bill will fall more as  
17                  those storm charges fall-off. It is disingenuous, at best, for FPL to claim that it is  
18                  treating residential or small businesses customers fairly.

19       **Q. Does FPL claim someone was representing GS and RS interests at the**  
20                  **negotiating table?**

21       **A.** Yes. Incredibly, FPL claims it was representing those classes' interests itself. One  
22                  such example where FPL makes this extraordinary claim is attached as Exhibit  
23                  KRR-9.

24       **Q. Does FPL have any documentation to back up this claim?**

25       **A.** No. FPL has not produced any representation agreements nor any other

1 documentation showing that residential or small business customers have asked or  
2 relied upon FPL to negotiate on their behalf against FPL regarding FPL's proposed  
3 rate increase. Not only is FPL's contention an extraordinary claim that would put  
4 them on both sides of the "v" in this rate case, given how much of the rate increase  
5 is pushed onto RS and GS customers, FPL's claim that it was negotiating on their  
6 behalf is simply not credible. FPL went into the negotiation asking, at 100% of its  
7 ask, for an increase a little under \$25 million in 2026 for GS class customers. By  
8 the end of the "negotiations" FPL, as representative of the GS class, supported a  
9 more-than \$77 million increase in 2026. Given that the worst-possible outcome in  
10 a litigation scenario at the Commission would be FPL getting 100% of everything  
11 it asked for in its petition for rate increase, including an 11.9% ROE (which is  
12 completely unrealistic, as I address later), this is not a reasonable outcome but  
13 rather a betrayal of the GS class. Residential customers only do marginally better.  
14 If FPL was representing RS and GS interests at the negotiating table, it did a  
15 terrible job. A true representative of RS and GS interests (i.e., almost 99% of FPL's  
16 customers) was necessary in crafting a settlement proposal that could support just  
17 and reasonable rates and garner Commission approval.

18 **Q. So what happens to parity under the SIP Proposal?**

19 **A.** It gets difficult to tell due to the additional CILC/CDR credits provided by the SIP  
20 Proposal. Those credits would give CDR and CILC customers approximately \$30  
21 million per year more than FPL originally proposed. Even though those credits  
22 are discounting the bills of the interruptible customers, the cost of service studies  
23 treat those credits as "revenue" from those customers. As witness Marcelin  
24 testifies, those credits are greatly overvalued and so are not properly reflected in  
25 the cost of service studies.



**Q. If RS and GS classes were not the primary beneficiaries of the reduction from the as-filed petition in the SIP Proposal, who won?**

**A.** As shown in Table 2, the large load classes were, by far and away, the largest beneficiaries of any reduction. When looking at the additional CILC/CDR offsets to see the true bill impacts, the impacts are even starker. With less CILC/CDR credits, bills will go up, and with more CILC/CDR credits, bills will go down. So to show the true rate impact going towards the bill, I net out the changes in CILC/CDR credits to show how much those customers would actually have had to pay under the as-filed proposal and how little they will have to pay under the SIP Proposal as compared to the as-filed initial rate increase proposal. Although I only present data for 2026, the effects are similar for 2027.

**Table 2: 2026 Revenue Requirements by Class Per SIP Proposal vs. As-Filed**

Class	As-filed Proposed Increase	As-filed Proposed Increase Net CDR/CILC Credits	SIP Proposal Increase	SIP Proposal Increase Net CDR/CILC Credits	Percent of As-filed Increase Net CDR/CILC Credits
CILC-1D	\$30,683,000	\$37,303,000	\$11,518,00	\$8,938,000	23.96%
CILC-1G	\$1,325,000	\$1,605,000	\$534,000	\$425,000	26.46%
CILC-1T	\$14,758,000	\$18,816,000	\$4,938,000	\$3,356,000	17.84%
GS(T)-1	\$24,932,000	\$24,932,000	\$77,357,000	\$77,357,000	310.27%
GSCU-1	\$85,000	\$85,000	\$253,000	\$253,000	298.37%
GSD(T)-1	\$439,605,000	\$444,237,000	\$182,670,000	\$180,865,000	40.71%
GSLD(1)-1	\$146,581,000	\$150,961,000	\$57,678,000	\$55,971,000	37.08%
GSLD(T)-2	\$49,827,000	\$51,889,000	\$18,739,000	\$17,935,000	34.56%
GSLD(T)-3	\$9,690,000	\$9,960,000	\$3,403,000	\$3,403,000	35.12%
MET	\$589,000	\$589,000	\$461,000	\$461,000	78.20%
OS-2	\$452,000	\$452,000	221000	\$221,000	48.90%
RS(T)-1	\$807,171,000	\$807,171,000	\$566,221,000	\$566,221,000	70.15%
SL/OL-1	\$18,392,000	\$18,392,000	\$19,826,000	\$19,826,000	107.80%
SL-1M	\$243,000	\$243,000	\$165,000	\$165,000	67.68%
SL-2	\$195,000	\$195,000	\$197,000	\$197,000	100.64%
SL-2M	\$19,000	\$19,000	\$59,000	\$59,000	318.72%
SST-DST	\$6,000	\$6,000	\$19,000	\$19,000	309.09%
SST-TST	\$228,000	\$228,000	\$742,000	\$742,000	325.50%

1 As can be seen in Table 2, large load customers got a great deal in the SIP  
2 Proposal, while RS, GS, and some of the governmental classes, like MET, and the  
3 SL classes, did not. From just looking at Table 2, no matter FPL's protestations, it  
4 is evident which classes had actual and effective representation at the negotiation  
5 table.

6 **Q. Doesn't the SIP Proposal contain a significant concession by FPL in regard to**  
7 **return on equity?**

8 **A.** No. The proposed return on equity of 10.95% is 45 basis points higher than the  
9 next highest in the lower 48 States. FPL has offered no justification for why its  
10 mid-point ROE should be so much higher than the rest of the industry, especially  
11 when considering how the ROE interacts with the Rate Stabilization Mechanism  
12 ("RSM"). I find Mr. Marcelin's analogy in his testimony apt. This is no more of  
13 a concession than offering to sell a normal cup of coffee for \$50, and then  
14 "conceding" to sell it for \$30, when all other cups of coffee are significantly  
15 cheaper.

16 **Q. Please explain?**

17 **A.** For FPL, given the current range of authorized ROEs nationally, a 10.95% ROE  
18 cannot be considered anything other than a total victory for FPL at great cost to  
19 customers. The RSM is an additional mechanism that mitigates risk by taking  
20 customer money and essentially creating a bank account that FPL can withdraw  
21 and deposit money into and out of at will in order to control its earnings with  
22 pinpoint precision, usually at or very near the top of its authorized range. Thus, a  
23 10.95% ROE, coupled with the RSM, should really be considered an 11.95% ROE,  
24 as it is much more likely that FPL will be earning an 11.95% ROE, or very close  
25 to it, than a 10.95% ROE. We know this from history and from FPL's stated intent

1 to use the RSM like it used the Reserve Surplus Amortization Mechanism  
2 (“RSAM”). This would allow unjust windfall profits to FPL far in excess of  
3 anything that could be considered a reasonable return, i.e., up to a full percentage  
4 point, or 100 basis points, above the “fair and reasonable” midpoint ROE. To go  
5 back to the coffee analogy, when all of the other coffee shops are selling a normal  
6 cup of coffee for \$4, FPL selling a cup of coffee for \$30, claiming it has conceded  
7 \$20 off of the cup, is not a reasonable proposition. This is further reinforced by  
8 the excessive equity to debt ratio, which, all things being equal, should mean lower  
9 risk and thus require a lower ROE.

10 **Q. How is the equity ratio excessive?**

11 **A.** FPL has one of the highest equity ratios in the entire nation, which costs FPL’s  
12 ratepayers more as a result since equity is more expensive than debt. FPL makes  
13 no concession regarding its requested equity ratio in the SIP Proposal. Such a high  
14 equity ratio should lead FPL’s ROE to be on the lower end of the spectrum, not to  
15 break the spectrum by being a far outlier on the high side of ROE. This also works  
16 in the opposite direction—a relatively high ROE should be balanced with a lower  
17 equity ratio in order to avoid an unjust allowed Rate of Return. Proposing both a  
18 higher-than-reasonable ROE and a higher-than-reasonable equity ratio is  
19 unconscionable. Coupled with the RSM, there is no reasonable argument that the  
20 SIP Proposal will not lead to excessive earnings. In fact, the RSM will actually  
21 allow FPL to draw down the cost-free deferred tax liability portion of their capital  
22 structure and allow FPL to replace that funding with even more equity. So, in fact,  
23 although the SIP Proposal keeps FPL’s equity to debt ratio the same as proposed  
24 and as it has been for many years (which is one of the highest in the nation), the  
25 SIP Proposal actually will lead to FPL increasing its equity share of its overall

1 capital structure, which will lead it to having one of the highest, if not the highest,  
2 proportion of equity as a total of its total capital structure in the nation. In  
3 combination, the ROE, equity ratio, and RSM interplay together and are  
4 completely excessive. Instead of leading to a lower ROE, or lower equity ratio, or  
5 no need for an RSM, FPL pushes the boundaries to the top on all three, leading it  
6 to be decisively against the public interest.

7 **Q. You've mentioned the RSM several times. What is it?**

8 **A.** The RSM is FPL's latest proposal for a slush fund of customer money that FPL can  
9 flexibly credit to and debit against to artificially ensure that it earns at the top of  
10 its authorized ROE range—just as it has previously done with the RSAM and  
11 proposed to do with the TAM proposed in FPL's original petition in this docket.  
12 FPL's representatives have testified that FPL will use the RSM in the exact same  
13 manner as it has used the RSAM.<sup>2</sup>

14 **Q. How does the RSM compare to the TAM and RSAM that FPL has previously**  
15 **proposed or used?**

16 **A.** In usage, it is the same in all respects. The only difference is the three sources of  
17 funds that would be used to seed the mechanism. The SIP Proposal RSM  
18 contemplates taking: 1) \$1.155 billion (roughly 70%) of the same deferred tax  
19 liabilities earmarked for the TAM proposed in FPL's original filing; 2) the ITCs  
20 associated with the 2025 NW FL batteries; and 3) the carryover amount remaining  
21 from the 2021 RSAM. Unlike the originally proposed TAM (excepting the \$1.155  
22 billion of TAM monies earmarked for the RSM), which at least gave a fixed  
23 amount authorized for inclusion, it is hard to pinpoint the total funding for the  
24 RSM, as the 2025 ITCs have an estimate of \$143,386,492 and any final carryover

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<sup>2</sup> Transcript of Sept. 5, 2025 Deposition of Scott Bores at 89–90.

1 of the 2021 RSAM is also just an estimate. As of the end of July, 2025, FPL  
2 reported a balance of \$304,929,480, which reflected an increase of more than \$50  
3 million over the previous balance. I would expect that in August it increased by a  
4 similar amount. Although FPL did not decrease the reserve at the end of 2024, it  
5 was targeting a lower ROE during that timeframe. As a result, I would expect FPL  
6 to use some of the reserve during the end months of 2025. However, I would also  
7 expect, based on the trends, something on the order of a couple hundred million  
8 dollars to remain in RSAM at the close of 2025.

9 **Q. Do you have any concerns about the initial funding sources for the RSM?**

10 **A.** Absolutely. Regarding the deferred tax liabilities, my previous testimony  
11 explained why this is such an inappropriate source to divert into FPL's already  
12 unnecessary earnings-maximizing slush fund. FPL has already collected the  
13 associated customer money, through rates, to pay its taxes. FPL acknowledges that  
14 all deferred tax funds the FPL spends will have to be recovered by customers in  
15 the future, so by appropriating those funds for a different use, FPL's customers are  
16 subject to a double-recovery of the deferred tax liabilities. It is even worse when  
17 the impact of drawing down the associated regulatory liability accelerates the  
18 depletion of a zero-cost capital source and allows FPL to backfill that with more  
19 equity spending at its excessive ROE. Opting out of normalization of deferred tax  
20 liabilities also violates the matching principle by giving customers a short-term  
21 reduction on deferred tax expense and then making future customers pay it back  
22 for decades. From the full use of this funding source alone, FPL expects to charge  
23 customers an additional \$38.5 million every year for 30 years, beginning in 2030.<sup>3</sup>

24 The 2025 ITCs also present several problems. First, if the general body of

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<sup>3</sup> FPL's Response to FEL Sixteenth Set of Interrogatories, No. 195.

1 ratepayers is on the hook to pay for the 2025 NW FL batteries, they should receive  
2 the full benefits of the associated tax credits. That means the ITCs should be  
3 normalized over the same depreciable life as customers will be charged for the  
4 capital costs of the 2025 batteries, so that the ITCs reduce the revenue requirement  
5 in every year of their depreciation. The SIP Proposal to allow FPL to appropriate  
6 those funds to increase shareholder profits shackles the customers who are actually  
7 paying for the batteries with a substantially higher total cost due to being deprived  
8 of the ITCs. Second, the 2025 batteries have never been approved, and are planned  
9 for addition during what should be a base rate freeze from FPL's last rate  
10 settlement, which is still in effect.

11 The carryover RSAM amount, too, is inappropriate to use for this  
12 mechanism. This is money that customers have already paid, through base rates,  
13 to cover depreciation expense. Any amount remaining in the RSAM at the end of  
14 this year, should be used to offset the increases in depreciation costs that FPL has  
15 proposed in this case—which are due primarily to manipulating depreciation lives  
16 across recent rate cases to create the “surplus” that has fed its past non-cash  
17 mechanisms. There is also the issue of the 2021 settlement agreement, which is  
18 still binding and in effect, and prohibits FPL from using the RSAM after 2025  
19 unless it forewent seeking new rates for 2026.<sup>4</sup> FPL has clearly not exercised its  
20 option to stay out for another year, so by the terms of the 2021 Settlement, those

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<sup>4</sup> “FPL may not amortize any portion of the Reserve Amount past December 31, 2025 unless it provides notice to the Parties by no later than March 31, 2025 that it does not intend to seek a general base rate increase to be effective any earlier than January 1, 2027, in which event the Minimum Term of this Agreement shall be extended by 12 months. Any amortization of the Reserve Amount after December 31, 2025 shall be in accord with this Paragraph.” *In re: Petition for rate increase by Florida Power & Light Company*, Docket No. 20210015-EI, Final Order Approving 2021 Stipulation and Settlement Agreement, Attachment 1 at 23 ¶ 16(g) (Dec. 2, 2021).

1 funds cannot be rolled into the proposed RSM.

2 **Q. FPL claims the SIP Proposal establishes “a number of conditions” regarding**  
3 **use of the RSM to “safeguard customers’ interests.”<sup>5</sup> Are these guardrails**  
4 **sufficient?**

5 **A.** I see no guardrails. Despite FPL’s position that it needs some sort of flexible  
6 amortization mechanism like the RSM to defer base rate increases in the second  
7 half of the proposed four year plan, the SIP Proposal allows FPL to use the RSM  
8 at its discretion from the very first day of the settlement period. No guardrails  
9 there. Despite FPL’s position that the TAM was sized to ensure FPL could earn its  
10 midpoint ROE, the SIP Proposal allows FPL to use the RSM at its discretion to  
11 achieve any ROE that would not cause FPL to exceed or fall below its authorized  
12 range. That is not a restriction. The SIP Proposal already sets a midpoint ROE  
13 and accompanying +/- 100 basis point range; intentionally using the RSM to  
14 achieve an ROE above that range would be a blatant violation of the SIP Proposal  
15 and would open FPL up to being hauled before the Commission for a rate  
16 reduction. The SIP Proposal requires FPL to spend away the 2025 ITCs and  
17 leftover RSAM before using the deferred tax liabilities. This is also not a real  
18 safeguard considering applying the 2025 ITCs and leftover RSAM to the RSM  
19 already misappropriates customer money, including money that is contractually  
20 required not to be amortized during the proposed settlement term by FPL’s last rate  
21 settlement. Virtually the only restriction whatsoever is the prohibition on debiting  
22 funds above the maximum RSM Amount, which, again, we can only guess at  
23 because FPL has not provided final amounts for two of the three RSM funding  
24 sources.

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<sup>5</sup> “The [SIP Proposal] includes a number of conditions that safeguard customers’ interests.”  
Scott Bores Settlement Testimony p. 18, ll. 15-16.

1           It is also worth noting that the language of the SIP Proposal does not  
2 actually terminate the RSM after the end of four years, as FPL has asserted.<sup>6</sup> SIP  
3 Proposal provides that “The RSM shall terminate upon the expiration of the  
4 Minimum Term of this Agreement and FPL may not amortize any portion of the  
5 RSM past December 31, 2029 unless FPL provides notice to the Parties . . . that it  
6 does not intend to seek a general base rate increase to be effective any earlier than  
7 January 1, 2030.” SIP Proposal at 25, ¶ 21(f). The minimum term of the agreement  
8 runs through December 31, 2029, so there is no earlier effective date for new rates  
9 than January 1, 2030 that would not violate the minimum term of the agreement.  
10 As such, FPL would only have to inform the SIPs that it did not intend to violate  
11 the minimum term of the agreement and it would be allowed to continue to use the  
12 RSM past the four-year period, even if it did seek rates to be effective in 2030. It  
13 is possible that this is a scrivener’s error and extension provision was intended to  
14 apply only if FPL deferred seeking rates to be effective until at least January 1,  
15 2031, but even if so, no correction has been made to Paragraph 21(f) of the SIP  
16 Proposal as of filing this testimony.

17   **Q.   What does the SIP Proposal propose for new large load customers?**

18   **A.**   The SIP Proposal proposes major modifications to the LLCS-1, LLCS-2, and  
19 LLCS Service Agreement tariff that substantially weaken the protections for the  
20 general body of ratepayers. The LLCS tariffs as proposed would apply to  
21 customers with new or incremental loads of 50 MW or more and a load factor of  
22 85% or higher. FPL proposes the minimum take-or-pay demand charge for the  
23 tariffs be set at 70%, meaning that customers must pay 70% of their contract even  
24 if they do not have the demand level anticipated.

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<sup>6</sup> Transcript of Sept. 5, 2025 Deposition of Scott Bores at 129.



1     **Q.     How does this compare to FPL's as-filed case?**

2     **A.**    The LLCS tariffs proposed in FPL's as filed case better protect the general body of  
3           customers from the risks associated with these new large load customers, which  
4           are predominantly going to be data centers. Not only do incoming data centers  
5           pose risks for communities associated with land use and water usage, but  
6           customers are also at risk of subsidizing the increased generation needed to power  
7           these loads if the commission and utilities do not properly insulate the everyday  
8           customer. FPL's as filed case proposed that the LLCS schedules apply to new or  
9           incremental loads of 25 MW or greater, with a load factor of 85% or higher, and a  
10          take-or-pay provision set at 90%. The departure from FPL's as-filed case to what  
11          is proposed in the SIP Proposal represents industry pressures that FPL did not stand  
12          firm against, risking the general body of ratepayers to appease big corporations  
13          looking to set up shop in Florida. The SIP Proposal also reduces the Incremental  
14          Generation Charge for LLCS-1 from \$28.07 per kW to \$12.18 per kW of demand.

15               Florida is not the only state dealing with the possibility of new large loads  
16          entering service. Recently, the Public Utilities Commission of Ohio (PUC)  
17          approved a settlement for a new data center tariff. The tariff applies to incoming  
18          data centers with loads of 25 MW or greater. The PUC approved this baseline over  
19          the recommendation put forward by a joint stipulation from a group of data centers  
20          recommending that the tariff apply to incoming loads of 50 MW or greater, which  
21          is similar to what FPL and the SIPs are proposing here. In so doing, the PUC  
22          approved a baseline that is more protective of current customers instead of favoring  
23          future data centers.

24               Notably, FPL changed positions on the LLCS tariffs after FEIA intervened  
25          in this case, a group representing data center developers. The LLCS proposals in

1 the SIP Proposal are largely similar to the positions FPL took on rebuttal, after  
2 responding to FEIA's witnesses. While these changes may better serve the  
3 interests of data centers, they do not better protect FPL's existing and future  
4 customers, who do not and will not require the vast increase in generation that data  
5 centers demand. The provisions in the SIP Proposal do not sufficiently protect  
6 customers from potentially subsidizing this new generation.

7 In FPL witness Cohen's pre-filed direct testimony, she stated that "a  
8 customer with a load of 25 MW or more and a load factor of 85% or more will  
9 have significant impacts on FPL's transmission system and generation resource  
10 plan. In order to serve a customer of this magnitude, FPL will need to make  
11 significant investments in new and incremental generation capacity". So, as it  
12 stands, these customers can now enter FPL's service territory without being subject  
13 to the LLCS, and these customers will not be required to pay the incremental  
14 generation charge associated with the new generation they require.

15 It is important to note that the data centers' consumption of energy and  
16 other resources is not currently regulated, meaning that it is crucial the  
17 Commission craft a protective rate schedule that does not merely consider the  
18 desires of big corporations coming into Florida with as few obstacles as possible.  
19 The concerns I addressed in my direct testimony still apply.

20 **Q. What is your opinion on FPL's Contribution-in-Aid of Construction tariff?**

21 **A.** FPL's Contribution-in-Aid of Construction tariff in its as-filed case applied to all  
22 non-governmental applicants with either projected load of 15 MW or greater or  
23 new or upgraded facilities totaling \$25 million or more. These customers would  
24 be required to pay the total costs to provide service to them and would later receive  
25 a refund of the advanced costs, subtracting the CIAC amount due. Customers will

1 receive credits to their monthly bill equal to the customer's actual monthly base  
2 energy and base demand charged for that billing cycle. This tariff goes hand in  
3 hand with the LLCs schedules, as it anticipates new transmission and distribution  
4 needs and seeks to protect customers from expected loads that do not materialize  
5 was intended to protect the general body of ratepayers.

6 Once again, FPL has walked back some of these protections in the CIAC  
7 proposal under the SIP Proposal. Here, FPL proposes the tariff apply to non-  
8 governmental entities with new or upgrades to facilities totaling \$50 million or  
9 more. Because this threshold is double what FPL initially proposed, this leaves  
10 customers open to subsidizing the transmission and distribution costs for new  
11 customers who still require significant investments into FPL's grid. There is no  
12 evidence as to the average or expected costs of upgrades or of the total amount of  
13 facilities upgrades FPL's customers would have to pay under this modification.  
14 This change in the CIAC tariffs represents only the interests of big corporations  
15 and is not in the public interest.

16 **Q. Please explain how the SIP Proposal modifies the Asset Optimization**  
17 **Program.**

18 **A.** The SIP Proposal takes the Asset Optimization Program ("AOP") and applies the  
19 customer portion of the earnings to base revenues. As pointed out by the Office of  
20 Public Counsel, almost 50% of base revenues go towards FPL's profits and the  
21 taxes on those profits. So, under the SIP Proposal, all earnings up to \$150 million  
22 go to FPL in one form or another, even though all of the assets being used to  
23 generate that funding are being paid for by FPL's customers and FPL is already  
24 earning a more than reasonable return on those assets. This results in FPL taking  
25 even more customer money via a mechanism that was not even an issue in the as-

1 filed case (although it probably should have been). In my opinion, it should be  
2 considered that all \$150 million will be going to FPL and therefore all should be  
3 considered as going towards the revenue requirement. As shown in Exhibit KRR-  
4 10, in recent years FPL has generated a total of between \$123 million to over \$130  
5 million using the mechanism. This should only be expected to increase as FPL  
6 brings additional solar plants online and is able to engage in additional solar  
7 renewable energy credit sales. This is further support for my testimony that FPL  
8 did not concede anything in negotiations from its as-filed position in regard to its  
9 profits, rate base, and revenue, the most important things to it, as the “concession”  
10 on ROE does not count for the reasons I discussed above.

11 **Q. Please explain the “Make-Ready” program included as part of the EV**  
12 **programs in the SIP Proposal**

13 **A.** In the SIP Proposal, FPL has proposed an investment of \$20 million over four  
14 years, to be used for a “Make-Ready” program for public direct current fast  
15 charging (public DC charging) infrastructure and for charging in public spaces,  
16 workplaces, fleet, and multifamily dwellings (level 2 chargers). The Make-Ready  
17 program provides financial credits to commercial customers who want to build  
18 public DC charging stations and level 2 chargers. Essentially, FPL is using the  
19 general body of ratepayers to fund third-party developers’ construction of these  
20 types of charging stations. Once again, FPL should not be using its monopoly  
21 power to influence the private and competitive EV market. This \$20 million  
22 investment is no more than a handout to the EV companies who intervened in this  
23 case so that FPL has an easier path forward in getting everything else it wants.

24 Although FPL states that the revenue from this program is “expected” to  
25 cover the costs of the \$20 million investment over the life of the assets, the upfront

1 investment still comes from the general body of ratepayers. FPL should not be  
2 utilizing customer money to influence a private market, especially one that does  
3 not benefit all FPL customers. This allocation of money is definitively not in the  
4 public interest and sets a precedent for FPL to continue to wrongfully influence  
5 private markets using customer money.

6 **Q. Do you have any additional concerns with the EV programs proposed in the**  
7 **SIP Proposal?**

8 **A.** Yes. In addition to the Make-Ready program, the SIP Proposal proposes to make  
9 permanent the GSD-1EV and GSDL-1EV tariffs, which also seeks to increase  
10 third-party investment in public charging stations. These tariffs allow for a lower  
11 initial electric rate and transitions customers to regular rates as their usage  
12 increases. These tariffs, in conjunction with the Make-Ready program,  
13 demonstrate FPL's overreach into the EV charging industry and risks subsidization  
14 from the general body of ratepayers for these programs that do not benefit FPL's  
15 customers and only benefit third-party developers.

16 **Q. What does the SIP Proposal provide regarding the cost of service methodology**  
17 **for purposes of clause recovery?**

18 **A.** Even though the settlement has no cost of service for base rate recovery, it goes  
19 out of its way to use data from a 4CP and 12% AD cost of service methodology.  
20 This appears to be another giveaway to the SIPs as a way of further decreasing  
21 their electric bills and shifting costs onto other classes. No party advocated for a  
22 4CP and 12% AD methodology. FPL, unlike for its 25% AD weighting in its as-  
23 filed case, has provided no basis for weighting energy at 12%. As FPL had already  
24 maintained in the as-filed case, a 25% AD weighting was, if anything, a bit  
25 conservative. Here, in addition to applying a 4CP demand allocation factor that

favors large, high-load-factor customers, the SIP Proposal cuts that average demand weighting by over half without any justification other than the SIP Proposal supporters wanted it. Again, this is just further evidence that the normal “give and take” of a settlement was upended with just “takes” by the SIP parties in the promotion of their own self-interests in a room devoid of residential and small business representation. In response to an interrogatory, FPL produced the breakdown in how the change from 12CP and 1/13th AD for clause recovery purposes to 4CP and 12% AD would impact the classes.

**Table 3: Clause Recovery Estimated Change by Class Caused by Change in Cost of Service Methodology Contained in SIP Proposal**

Change (\$000)	Capacity	Conservation	Environmental	SPP	Total
RS1/RST1	(\$25)	(\$51)	(\$8)	\$191	\$107
GS1/GST1	\$186	\$374	\$1,172	\$254	\$1,986
GSD1/GSDT1/HL TF(21-499 kW)	\$24	\$48	\$92	(\$43)	\$121
OS2	\$0	\$0	\$1	(\$1)	\$1
GSLD1/GSLDT1/ CS1/CST1/HLTF (500-1,999 kW)	(\$78)	(\$156)	(\$529)	(\$161)	(\$924)
GSLD2/GSLDT2/ CS2/CST2/HLTF (2,000+ kW)	(\$35)	(\$70)	(\$238)	(\$84)	(\$427)
GSLD3/GSLDT3/ CS3/CST3	(\$6)	(\$13)	(\$45)	(\$15)	(\$79)
SST1T	\$2	\$3	\$10	\$1	\$16
SST1D1/SST1D2/ SST1D3	\$0	\$0	\$0	\$0	\$0
CILC D/CILC G	(\$39)	(\$79)	(\$261)	(\$79)	(\$458)
CILC T	(\$35)	(\$71)	(\$229)	(\$59)	(\$394)
MET	(\$2)	(\$3)	(\$11)	(\$2)	(\$18)
OL1/SL1/PL1	\$10	\$21	\$58	\$0	\$88
SL2, GSCU1	(\$2)	(\$4)	(\$12)	(\$3)	(\$21)

1           Once again, the GS class is being saddled with the largest increase as a  
2           result of this term of the SIP Proposal. With no basis provided for this part of the  
3           SIP Proposal, this outcome is also unfair, unjust, and unreasonable, and should  
4           therefore be rejected.

5       **Q.    What does the SIP Proposal do to the SoBRAs?**

6       **A.**   The SIP Proposal allows FPL to petition for additional solar SoBRAs in 2027,  
7           2028, and 2029; and additional batteries in 2028 and 2029. Interestingly, even  
8           though the 2027 batteries are not economic and there has been no demonstrated  
9           need for them, they are simply deemed approved by the SIP Proposal, likely  
10          because they would be unlikely to pass any kind of prudence review or any other  
11          review that the SoBRA would offer. The SoBRAs allow FPL to get additional  
12          solar approved if they would be deemed beneficial at a ratio of 1.15 to 1 within 10  
13          years under a CPVRR (cumulative present value of revenue requirements)  
14          calculation. However, FPL continues to rely on the future imposition of carbon  
15          costs as a value inflator in these calculations—even though no such legislation  
16          with a realistic chance of passing is pending and the EPA continues to roll back the  
17          accounting of greenhouse gases—in order to pass this test. FPL, however, should  
18          and I believe must, do more than cease its reliance on faked value. The utility must  
19          show that the batteries project is the most economical method of meeting FPL's  
20          generation supply needs. Perversely, FPL might pass this test if the costs and  
21          obligations of serving new large loads from data centers are shifted to the general  
22          body of rate payers. However, because FPL plans to continue taking the ITCs for  
23          its battery projects in a single year, the swing-back effect of amortization expenses  
24          unmitigated by normalized tax credits is considerable and leaves large revenue  
25          requirement impacts in 2030. I also address this elsewhere. FPL's response to

Staff interrogatory number 525, attachment 1, provides an estimate of the cost of the SoBRAs in the SIP Proposal, with an estimate of an incremental increase of \$61 million in 2027, \$316 million in 2028, and \$247 million in 2029. In other words, FPL really does not give up anything in regard to the SoBRAs as compared to its as-filed case, except to hide additional rate increases in the SoBRAs in 2027 and 2028 as compared to the as-filed rate increase (which included the full revenue requirement of the 2027 solar in the base rate increases, and not in the SoBRA). This creates the “effect” of making the 2027 solar increase look somewhat reasonably smaller than the as-filed increase, but it is not, because there is every reason to believe that FPL will seek to increase rates pursuant to the SoBRA.

**Q. How does the SIP Proposal treat FPL’s originally proposed capital recovery schedules related to retired capital assets?**

**A.** The SIP Proposal includes a provision to extend the amortization period—the total recovery period—for retired capital assets related to power plants and transmission lines that are no longer used and useful to ratepayers. The proposal doubles the amortization period from ten years, as FPL included in its original petition, to twenty years. This is a sleight of hand, by which the SIP proposes to make the cost burdens of plant retirements appear to be lower by stretching out the payment term.

**Q. But doesn’t that save customers money?**

**A.** No, it only appears to do so. Spreading out the payments means customers will be paying a return on a larger principle for a longer period, such that FPL will ultimately extract a significantly higher sum from customers for the same retired assets as compared to a shorter schedule. This is the simple logic of paying a mortgage in 30 rather than 15 years. Not only does the proposal increase the total amount of money customers will be on the hook for, but it greenlights recovery of



1 the Company's inflated rate of return on every dollar of retired plants, all without  
2 any showing of cost-effectiveness or reasonableness. This accrues to the benefit  
3 of FPL's shareholders, but not its captive customers. FPL has not provided any  
4 estimate of the impact of doubling the capital recovery schedules to twenty years.

5 **Q. Are there any policy concerns with using a longer amortization period to pay**  
6 **for the Company's retired and unused plant?**

7 **A.** Yes. First, the Company hasn't shown that the amounts in the proposed regulatory  
8 asset account for retirements are just and reasonable, nor have the settling parties  
9 required such a showing. Second, the apparent savings achieved by the  
10 amortization sleight of hand directly burden almost an entire generation of  
11 customers that will have never received any electricity or electric service from any  
12 of those retired assets. The injustice of imposing the costs on future customers,  
13 and in increasing those costs through secret settlement negotiations violates almost  
14 every principle of sound rate making. The proposal deviates from cost-based rates  
15 and the matching principle, lavishes FPL with excessive returns, and imposes  
16 intergenerational inequity by transferring historical and current costs onto future  
17 customers.

18 **Q. What should the Commission do in regard to the SIP Proposal to increase the**  
19 **amortization term for regulatory assets created to recover retired plant?**

20 **A.** The Commission should reject the SIP Proposal in its entirety, and in the full  
21 hearing on the Company's as-filed case, demand a full accounting for the cost-  
22 effectiveness and reasonableness of the proposed regulatory asset treatment for  
23 retired plant.

24 **Q. How does the SIP Proposal deal with the ITCs and PTCs?**

25 **A.** The SIP Proposal again gives FPL everything they asked for, allowing FPL to take

1 ITCs in a single year, sell excess ITCs and PTCs at a discount, and thereby deprive  
2 customers of the rate impact mitigation effects of credits they are expected to pay  
3 to generate. I discuss in the testimony I originally filed as to the issues with taking  
4 the ITCs in a single year and how it creates a Ponzi-like scheme that will greatly  
5 burden customers with a rate shock should FPL ever stop constructing ever-larger  
6 battery projects. The SIP Proposal achieves exactly what FPL originally proposed  
7 and sets up a massive hole that will need to be backfilled in 2030, essentially  
8 guaranteeing a massive rate increase in 2030 even if FPL plans no additional  
9 capital expenditures (in addition to needing to payback the deferred tax liabilities,  
10 addressed above). Reviewing FPL's response to Staff's Interrogatory Number 525,  
11 attachment 1, provides a good basis for estimating the size of this hole. The 2029  
12 batteries are expected to be only slightly more expensive than the 2028 batteries.  
13 The 2028 batteries create a \$303 million hole to be filled in 2029, and due to the  
14 timing of when they are placed in service in 2028, due to the lagging effect of the  
15 averaging for rate base calculations, the 2028 solar facilities create a hole of \$29  
16 million in 2029. This \$303 million number will be higher in 2030 due to the  
17 increased cost of the batteries, and the \$29 million figure will be higher by about  
18 15% in 2030 (roughly \$33 million) due to the impacts of the larger solar facilities  
19 entering service later in the year. Therefore, a conservative estimate of a revenue  
20 requirement hole in 2030 of \$336 million is appropriate as being caused by the  
21 SoBRA's authorized by the SIP Proposal. In combination with having to pay back  
22 the deferred tax liabilities, a large rate increase in 2030 is all but guaranteed by the  
23 SIP Proposal.

24 **Q. Do you have an opinion on the SIP Proposal's treatment of the Vandolah**  
25 **power plant acquisition?**

1     **A.**     Yes. In both the SIP Proposal and supporting testimony, FPL states that it will not  
2             “exclusively” use Vandolah’s generating capacity to serve data centers or large  
3             load customers. SIP Proposal at 26, ¶ 24; Bores Settlement Testimony at 8, lines  
4             18–20. This unusually conditional denial is troublesome and not addressed with  
5             specificity in the SIP Proposal. FPL has not described any other resource addition  
6             proposed in this rate case, be that solar, battery, or capital upgrades to its gas fleet,  
7             as not being exclusively for the benefit of one class.

8     **Q.     How does the SIP Proposal deal with the SLOLP?**

9     **A.**     The SIP Proposal completely ignores the flaws in, and problems created by the  
10            SLOLP report. This is not surprising given how reliance on the SLOLP is  
11            indefensible given all of the errors in the SLOLP analysis of FPL’s system. I  
12            pointed out some of these errors in the testimony I filed earlier in the case.  
13            Unfortunately, FPL, in rebuttal, mischaracterized my testimony and still,  
14            apparently, does not seem to understand the fundamental errors it made in the  
15            SLOLP analysis. Of course, no SIP party actually challenged the SLOLP analysis.  
16            The SLOLP analysis is foundational to all of FPL’s generation resource additions  
17            in this case and thus the largest portion of the capital projects. Despite this absence  
18            of record evidence, the SIP parties purport to settle this issue anyway.

19            Putting all that aside for the moment, the SIP Proposal does nothing to  
20            address the maintenance schedule mismatch, the improbably high load events, the  
21            solar profile timing mismatch, and the forced outage factor mismatch. Each one  
22            of these errors, on its own, would be enough to throw out the entire SLOLP  
23            analysis. However, these errors compound on each other, and it is telling that for  
24            a simulated loss of load event to occur on FPL’s system, almost ALL of the  
25            following are necessary: units out for maintenance that are not actually expected

1 to be out for maintenance; multiple units out via forced outage, even though those  
2 units have been and are expected to remain far more reliable than the inputs used  
3 for the SLOLP analysis, thus making a statistically near impossible event using  
4 actual and actually expected forced outage rates; very high load events that FPL  
5 does not expect and are far higher than as indicated by the historical record; and  
6 solar outputs that are far lower than FPL's actual solar outputs due to a combination  
7 of inaccurate solar profiles, and inputting the wrong times from those solar profiles  
8 into the SLOLP analysis (even though FPL will have far more solar on its system  
9 in the future than the past, the SLOLP analysis consistently has solar output  
10 stopping, due to sunset, far earlier than it actually does in Florida). The SIP  
11 Proposal simply authorizes all of the billions of dollars of spending on battery  
12 energy storage systems anyway, as if there was an actual generation need for those  
13 systems and as if the SLOLP analysis had been conducted in a valid fashion.

14 None of the SIP parties took a position on the SLOLP or offered testimony  
15 on the SLOLP, so perhaps it is not a surprise that they were willing to waive away  
16 this foundational challenge to FPL's request for its rate increase. Florida Rising,  
17 LULAC, and ECOSWF, and the customers they advocate for, cannot be so cavalier  
18 as to allow such unchecked spending without any rational basis, let alone  
19 satisfaction of FPL's normal and proper requirement to show the prudence of  
20 billions of dollars in spending. The SIP Proposal's treatment of the SLOLP issues  
21 appears to be a joint effort by FPL and the SIP parties to bypass Commission  
22 review of the prudence of billions of dollars in capital spending.

23 **Q. How does the SIP Proposal address natural gas hedging?**

24 **A.** The SIP Proposal prohibits gas hedging, at no cost to FPL, but at significant  
25 potential cost for residential and small commercial customers. Even though this

1 was not an issue in the rate case, some SIP parties apparently believe natural gas  
2 hedging can cause undue costs, although it can alleviate the impact of spikes in the  
3 prices of natural gas. In 2023, FPL also was prohibited from natural gas hedging,  
4 and due to a spike in natural gas prices, FPL's residential customers had some of  
5 the highest electric bills in the nation. Should there be another spike in natural gas  
6 prices, or in combination with another major storm, FPL's residential customers  
7 could very well again see some of the highest electric bills in the entire nation.  
8 None of the settlement testimony offered by FPL or the other SIPs indicates why  
9 this prohibition would be in the public interest.

10 **Q. Are you aware of FPL's and the SIP's contentions as to the purported**  
11 **concessions and compromises reflected in their agreement?**

12 **A.** Yes. The SIPs claim that they have entered into their agreement "in compromise  
13 of their respective positions taken in accord with their rights and interests under  
14 Chapters 350, 366 and 120, Florida Statutes," and that "each Party has agreed to  
15 concessions to the others." SIP Proposal at 2. This narrative is unsupported in  
16 fact.

17 **Q. Why do you say so?**

18 **A.** First, at least two of the signatories to the SIP signatories appear to be  
19 unincorporated associations. I am not a Florida-barred attorney, but it is my  
20 understanding that unincorporated associations do not have any legal capacity to  
21 enter into a contract under Florida law. As a result, the SIP Proposal does not  
22 constitute a binding agreement between parties.

23 Second, looking at the activity of the intervenors to this docket, compared  
24 to the CMPs, the SIP's collective engagement in this case has been a mere fraction  
25 of that of the CMPs. My Exhibit KRR-11 documents these disparities. For

1 example, looking only at the pre-settlement phase of this proceeding, the five  
2 parties comprising the CMPs filed 771 interrogatories (76% of the total), 458  
3 requests for production of documents (69% of the total), 31 requests for admission  
4 (100% of the total), and noticed 33 depositions of FPL witnesses (100% of the  
5 total). Likewise, of the 795 total cross examination exhibits identified by all  
6 intervening parties, the SIPs were collectively responsible for just 47 exhibits (4%  
7 of the total), compared to the 748 exhibits (96% of the total) identified by the  
8 CMPs.

9 It is not only lack of depth that distinguishes the SIP's superficial  
10 participation, but also the narrowness of the issues of interest to the collective  
11 group. Leading up to the originally scheduled August 11, 2025, hearing, each party  
12 submitted a prehearing statement that identified that party's position on each of the  
13 123 issues determined to require resolution in this docket. Excluding the issues  
14 for which a party took no position or simply adopted the position of another party,  
15 on average, the SIPs affirmatively stated a position for just 11.6 issues (9% of the  
16 total issues) on average. *Id.* Counting every listed issue for which at least one of  
17 the SIPs took a position, the thirteen SIPs collectively took positions on less than  
18 half the issues—54 out of 123 (44%). In contrast, by the same counting criteria,  
19 the CMPs took affirmative positions on 86.3 issues on average and collectively  
20 covered 117 (95%) of the total issues. Even from a high level it is clear which  
21 group reflects the parties that have engaged across the breadth and depth of the  
22 case, and—due to having actually taken positions counter to FPL and other  
23 intervenors over the full spectrum of issues—can legitimately offer compromises  
24 and concessions on those positions.

**Q. Have you compared the SIP parties’ prehearing positions on FPL’s original petition to those reflected in the SIP Proposal?**

**A.** Yes. The Commission has identified a list of 25 “major elements” for evaluating the SIP. While several of these, such as “Support Proposal for Large Customer Opt-out of ECCR” were introduced for the first time in the SIP Proposal, most of the 25 elements relate to one or more existing issues from the originally-filed case. The Prehearing Order collects the positions of each party on each issue, which facilitates a comparison of the before and after positions. The table below presents several of the most important issues/elements that are common to both FPL’s original petition and the SIP Proposal.<sup>7</sup>

**Table 4: Major Elements**

<b>Major Element</b>	<b>Prehearing Order Issue Number</b>
2. Cost of Capital	49 (ROE)
	48 (Equity Ratio)
3. 2026 Base Rate Adjustment	87(a)
4. 2027 Base Rate Adjustment	87(b)
5. Revenue Requirement Allocation	89-92
6. CILC/CDR Credits	100
7. LLCS Tariff	105-106
8. CIAC Tariff	104
9. EV Charging Programs	111, 112
11. Storm Cost Recovery Mechanism	123
12. SoBRAs	121
14. Capital Recovery Schedules	16
15. Depreciation & Dismantlement	13-15 (depreciation)
	17-18 (dismantlement)
16. Sale of Excess ITCs and PTCs	81 (sale of ITCs/PTCs)
	82 (ITC treatment/flowthrough)
17. Rate Stabilization Mechanism	2 (TAM, legal authority), 118 (TAM)
20. Land for Solar Facilities & Sale of Property Held for Future Use	39
21. Vandolah	24

<sup>7</sup> Order Dismissing Customer Majority Parties’ Joint Motion to Approve Stipulation and Settlement Agreement, Denying Motion for Scheduling Order as Moot, and Establishing Major Elements at 3–4, Order No. PSC-2025-0345-PCO-EI (Sept. 12, 2025) & Prehearing Order, Order No. PSC-2025-0298-PHO-EI (Aug. 7, 2025).

1 Exhibit KRR-11 condenses, for ease of comparison, what issues each SIP  
2 and CMP party took a position on, deferred to another party on, or took no position  
3 on, all as shown in the Prehearing Order. In general, the SIPs did not take positions  
4 on many of the major elements of the case, opting instead to opine on the narrow  
5 issue or issues that were of special interest to that party. Again, there was no party  
6 in the SIP Proposal representing the interests of the vast majority of customers.

7 **Q. Did the SIPs take positions on the cost of capital in FPL's original petition?**

8 **A.** Regarding both ROE and equity ratio, FEIA, EVgo, AACE, Circle K, RaceTrac,  
9 Wawa, AWI and EA took no position, while FRF and SACE both adopted OPC's  
10 position. Only FIPUG, Walmart, and FEA took positions on cost of capital. KRR-  
11 11 (issues 48–49). However, in signing the SIP Proposal, Walmart specifically  
12 stated that it “takes no position on the ROE set forth” in the SIP Proposal. SIP  
13 Proposal at 34. Thus, as to the 10 out of 13 signatories who took no position on  
14 equity ratio and the 11 out of 13 signatories who took no position on ROE, it's hard  
15 to see how the SIP Proposal could reflect a compromise or concession by those  
16 parties on those subjects.

17 **Q. Did the SIPs take positions on the revenue requirement increases for 2026 and**  
18 **2027 in FPL's original petition?**

19 **A.** Not a single SIP stated an affirmative stance on the 2026 and 2027 operating  
20 revenue increase or decrease. FIPUG and FRF both deferred to OPC, and every  
21 other party took no position. KRR-11 (issue 87). Thus, as to all 13 signatories  
22 who took no specific position on the 2026 and 2027 proposed rate increases, it's  
23 hard to see how the SIP Proposal could reflect a compromise or concession by  
24 those parties on those subjects.



1     **Q.     Did the SIPs take positions on the revenue requirement allocations in FPL's**  
2     **original petition?**

3     **A.**    As to production costs, FEIA, EVgo, AACE, Circle K, RaceTrac, Wawa, AWI, and  
4           EA took no position; SACE adopted FPL's position; only FIPUG, FRF, Walmart,  
5           and FEA took an affirmative stance. KRR-11 (issue 89). As to transmission costs,  
6           FEIA, Walmart, EVgo, AACE, Circle K, RaceTrac, Wawa, AWI, and EA took no  
7           position; SACE adopted FPL's position; only FIPUG, FRF, and FEA took an  
8           affirmative stance. *Id.* (issue 90). As to distribution costs, FEIA, Walmart, EVgo,  
9           AACE, Circle K, RaceTrac, Wawa, AWI, and EA took no position; SACE adopted  
10          FPL's position and FRF adopted FIPUG's position; only FIPUG and FEA took an  
11          affirmative stance. *Id.* (issue 91). As to other costs, FEIA, Walmart, EVgo, AACE,  
12          Circle K, RaceTrac, Wawa, AWI, and EA took no position; SACE adopted FPL's  
13          position; only FIPUG, FRF, and FEA took an affirmative stance. *Id.* (issue 92).  
14          Under the SIP Proposal, every party who took an affirmative position received a  
15          smaller increase for the customer(s) or class(es) they represent, *see* Table 2, *supra*,  
16          so none of SIPs can be said to have compromised on cost of service issues.

17    **Q.     Did the SIPs take positions on the CILC/CDR credits in FPL's original**  
18    **petition?**

19    **A.**    FIPUG, FRF, and Walmart took a position, SACE adopted FEL's position, and all  
20           other parties took no position. *Id.* (issue 100). Thus, 10 of the 14 parties took no  
21           position and cannot have compromised on this issue.

22    **Q.     Did the SIPs take positions on the LLCs tariff in FPL's original petition?**

23    **A.**    As to the LLCs tariff, FIPUG, FEIA, Walmart, and FEA took positions; SACE  
24           adopted FEL's position; and all other SIPs took no position. KRR-11 (issue 105).  
25           As to the LLCs incremental generation charge, FIPUG, and FEIA took positions;

1 SACE adopted FEL's position and Walmart adopted FIPUG's position; and all  
2 other SIPs took no position. *Id.* (issue 106). As to these specific issues, it appears  
3 the parties may have reached a compromise.

4 **Q. Did the SIPs take positions on the CIAC tariff in FPL's original petition?**

5 **A.** FIPUG and Walmart took affirmative positions; FRF adopted FIPUG's position  
6 and SACE adopted FPL's position, and the remaining nine SIPs took no position.  
7 *Id.* (issue 104). The 11 of 13 parties who took no position could not compromise  
8 on positions on which they took no position.

9 **Q. Did the SIPs take positions on EV charging programs in FPL's original**  
10 **petition?**

11 **A.** Walmart, EVgo, AACE, Circle K, RaceTrac, Wawa, EA, and SACE took  
12 affirmative positions; FIPUG adopted OPC's position, and the remaining four  
13 parties took no position. *Id.* (issue 111). As to EV charging investments, EVgo,  
14 AACE, Circle K, RaceTrac, Wawa, and SACE; FIPUG adopted OPC's position,  
15 and the remaining six SIPs took no position.

16 **Q. Did the SIPs take positions on the Storm Cost Recovery Mechanism in FPL's**  
17 **original petition?**

18 **A.** FIPUG took a position, and the remaining twelve SIPs took no position. *Id.* (issue  
19 123). The SIP Proposal cannot reflect compromises with respect to the SCRM.

20 **Q. Did the SIPs take positions on the SoBRAs in FPL's original petition?**

21 **A.** Regarding the Commission's legal authority to approve a SoBRA, FIPUG alone  
22 took a position and FRF deferred to OPC. *Id.* (issue 3). Regarding whether to  
23 approve the SoBRAs, FIPUG, FRF, and SACE took positions, and the remaining  
24 eleven SIPs took no position. *Id.* (issue 121). The SoBRAs therefore would not  
25 seem to represent a compromise or concession.

- 1     **Q.     Did the SIPs take positions on the capital recovery schedules in FPL’s original**  
2     **petition?**
- 3     **A.**   No. FIPUG and FRF adopted OPC’s position, and every other SIP took no  
4     position. *Id.* (issue 16). Consequently, the SIP Proposal cannot reflect compromise  
5     on this issue.
- 6     **Q.     Did the SIPs take positions on depreciation and dismantlement parameters,**  
7     **accruals, and corrections in FPL’s original petition?**
- 8     **A.**   FEA took a position regarding both depreciation parameters/rates and the  
9     theoretical depreciation reserve balance. FIPUG and FRF adopted OPC’s position  
10    on all three depreciation issues, and none of the remaining SIPs took any other  
11    positions. *Id.* (issues 13–15). Regarding dismantlement accruals and  
12    dismantlement corrections, FIPUG and FRF adopted OPC’s positions, and no  
13    other SIPs took any position on these issues. *Id.* (issues 17–18). The SIP Proposal  
14    does not appear to reflect any compromise as to these issues.
- 15    **Q.     Did the SIPs take positions on the sale of ITCs in FPL’s original petition?**
- 16    **A.**   Regarding the sale of ITCs and PTCs, FIPUG took a position, FRF adopted OPC’s  
17    position, and the remaining twelve SIPs took no position. *Id.* (issue 81).  
18    Regarding the treatment of ITCs, including FPL’s proposed one year flowthrough  
19    of ITCs, FIPUG adopted OPC’s position, and none of the SIPs took an affirmative  
20    position. *Id.* (issue 82). Therefore, the SIP Proposal does not appear to reflect any  
21    compromise on these issues.
- 22    **Q.     Did the SIPs take positions on the RSM in FPL’s original petition?**
- 23    **A.**   The RSM was not introduced until the SIP Proposal, however it is primarily funded  
24    through the same deferred tax liabilities contemplated by the TAM. As for the  
25    TAM, specifically regarding the Commission’s legal authority to adopt it, FIPUG

1 took a position and FRF adopted OPC's position. None of the remaining twelve  
2 SIPs took any position. *Id.* (issue 2). Regarding whether to approve the TAM as  
3 filed, FIPUG, and FRF took positions, SACE deferred to FEL, and none of the  
4 remaining eleven SIPs took a position. *Id.* (issue 118). As to the overwhelming  
5 lack of positions taken on these issues, the SIP Proposal cannot reflect a  
6 compromise.

7 **Q. Did the SIPs take positions on Property Held for Future Use in FPL's original**  
8 **petition?**

9 **A.** No. FIPUG, FRF, and Walmart adopted OPC's position, and the remaining eleven  
10 SIPs took no position. *Id.* (issue 39). As to the overwhelming lack of positions  
11 taken on these issues, the SIP Proposal cannot reflect a compromise.

12 **Q. Did the SIPs take positions on the Vandolah acquisition in FPL's original**  
13 **petition?**

14 **A.** No. FIPUG, FRF, and Walmart adopted OPC's position, and the remaining ten  
15 SIPs took no position. *Id.* (issue 24). As to the overwhelming lack of positions  
16 taken on this issue, the SIP Proposal cannot reflect a compromise.

17 **Q. What is your overall conclusion of the SIPs' claimed compromises and**  
18 **concessions on positions between the originally filed case and the SIP**  
19 **Proposal?**

20 **A.** Based on a review of the SIPs' positions—and particularly the lack thereof—as to  
21 the major elements underlying the SIP Proposal, it is clear that the SIPs are not  
22 adverse parties in competition with the utility and each other. Instead, the SIP  
23 Proposal reflects a deal in which the SIPs gave FPL everything it wanted as to the  
24 overwhelming majority of the case on which they took no positions, and in  
25 exchange received giveaways for their particular classes and customers they

1 represent. In its rate case, FPL cares about the overall size of the pie, not how it's  
2 sliced. Reaching agreement with a handful of small, but well-resourced customer  
3 classes who agree to give much bigger slices (higher rates) to those who aren't at  
4 the table is not a compromise and it is not in the public interest.

5 **Q. Have you reviewed the corporate representative depositions of the SIPs?**

6 **A.** Yes, I have.

7 **Q. Have you been able to draw any conclusions from those depositions?**

8 **A.** Yes. First, not a single party, other than FPL, understands the SIP Proposal to adopt  
9 a cost of service methodology for setting base rates. Second, not a single SIP  
10 understood some of the key financial implications of the SIP Proposal, including  
11 an estimate of some of the key funding provisions of the RSM, like an estimate of  
12 the 2025 ITCs or leftover RSAM, an estimate of a revenue requirement for  
13 payback of the deferred tax liabilities (many of the SIPs did not even understand  
14 that they needed to be paid back), nor an estimate of the swing-back in revenue  
15 requirement in 2030 caused by the single-year flow through of the ITCs, including  
16 the 2029 battery energy storage systems. In other words, although each SIP has  
17 offered their opinion of the SIP Proposal as being in the public interest, not a single  
18 SIP signatory, other than FPL, truly understands the financial implications of the  
19 SIP Proposal on the general body of ratepayers, and therefore, their opinion that  
20 the SIP Proposal is in the public interest, is due to be disregarded.

21 **Q. Have you also evaluated the CMP Proposal?**

22 **A.** Yes. The purpose of my testimony is to share my evaluation of the Customer  
23 Majority Parties ("CMP") Proposal made by the Citizens of the State of Florida,  
24 Florida Rising, LULAC, ECOSWF, and Floridians Against Increased Rates  
25 ("FAIR"), including the reasonableness of the revenue requirement, return on

1 equity, overall cumulative rate increase, cost of service, and revenue allocation. I  
2 find that the CMP Proposal results in rates that are fair, just, and reasonable,  
3 yielding non-discriminatory rates that are in the public interest, while providing  
4 FPL with ample funding and return on its investment to supply safe and reliable  
5 electricity.

6 **Q. Please explain how the proposed revenue requirement for 2026 was**  
7 **developed.**

8 **A.** The CMP Proposal provides FPL with a 2026 revenue requirement increase of  
9 \$867 million. This figure is based on an overestimate of the revenue requirement  
10 for FPL at a 10.6% return on equity. The CMP Proposal includes the following  
11 key elements: removal of the 2026 batteries proposed by FPL, moving the ITCs to  
12 a four-year amortization period to smooth out their impact and improve adherence  
13 to the matching principle, application of approximately \$300 million from leftover  
14 RSAM and customer funding from the asset optimization methodology (as a one-  
15 time payment, shifting the revenue requirement to 2027), and other adjustments as  
16 supported by the CMP, which includes Office of Public Counsel.<sup>8</sup> The revenue  
17 requirement figure is likely an overestimate, because the CMP Proposal does not  
18 take into account customer deferred tax liabilities that have already been paid and  
19 removed from FPL's capital structure to create a shareholder slush fund. Restoring  
20 this unreasonable transfer would further reduce FPL's cost of capital.

21 **Q. Please explain how the revenue requirement for 2027 was developed.**

22 **A.** I used a very similar process to the 2026 revenue requirement, it applies a 10.6%

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<sup>8</sup> See MFR D-01a Test, MFR A-1 Test, and "SoBRA Revenue Requirements" (produced in response to OPC's First Set of Requests for Production of Documents, No. 15, under the Laney subfolder).

1 ROE and assumes the removal of the 2026 batteries.<sup>9</sup> This results in a revenue  
2 requirement of approximately \$403 million.<sup>10</sup> As FPL's assumed capital structure  
3 continues to remove zero-cost deferred tax liabilities, which is not contemplated  
4 by the CMP Proposal, this figure is likely to be even more of an overestimate than  
5 the 2026 revenue requirement number.

6 **Q. Please explain the revenue requirement impact if the 2027 SoBRAs are**  
7 **approved.**

8 **A.** I understand that the 2027 batteries could be approved via the SoBRA mechanism  
9 but given the timing of the entry of the 2027 batteries and the 4-year amortization  
10 of the associated ITCs. Should that occur, they would essentially be revenue  
11 neutral in 2027, although they would have impacts on the revenue requirement  
12 associated with the 2028 and 2029 SoBRAs. The 2027 solar, however, if not  
13 approved, would lower the revenue requirement by approximately \$59 million in  
14 2027.

15 **Q. Please explain the revenue requirement impact if the 2028 and 2029 SoBRAs**  
16 **are approved.**

17 **A.** Assuming the 2027 batteries are approved and using a 4-year amortization of the  
18 ITCs, the incremental revenue requirement in 2028 and 2029 is estimated to be  
19 \$195 million and \$169 million respectively.<sup>11</sup>

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<sup>9</sup> Removal of the 2026 batteries and 2027 batteries and 4-year amortization of the 2025 battery ITCs results in a revenue requirement in 2027 for batteries of \$29,677,428, a net swing of -\$40,304,036, all related to the 2025 batteries.

<sup>10</sup> See MFR D-01a 2027 TY and MFR A-1 2027 TY.

<sup>11</sup> See "SoBRA Revenue Requirements" (produced in response to OPC's First Set of Requests for Production of Documents, No. 15, under the Laney subfolder). The \$174 million filed with the CMP Proposal is an overestimate, although it does include some cushion if FPL files to approve 600 MW of batteries.

1     **Q.     Please explain the cost of service methodology used in the CMP Proposal and**  
2     **revenue allocation between the customer classes.**

3     **A.**     The CMP Proposal uses a 12CP and 1/13th AD cost of service methodology. This  
4     methodology is a compromise away from the cost of service methodology I  
5     proposed in my original testimony in this case. To derive the revenue allocation  
6     of the revenue requirement, I used FPL's as filed cost of service methodology, with  
7     the energy weight reduced from 25% to 1/13th, and applying the revenue  
8     requirement for 2026 and 2027 to develop the revenue shortfall to parity between  
9     the customer classes, and then applied the Commission's gradualism principle to  
10    limit any rate increases to 1.5x the system average increase, after taking into  
11    account clause revenue as FPL had done in its as-filed case.<sup>12</sup>

12    **Q.     Please explain the estimated bill impacts used in the CMP Proposal.**

13    **A.**     The estimated bill impacts take the revenue allocation developed above and use  
14    the MFR billing determinants to create estimated bill impacts for each customer  
15    class.<sup>13</sup> These estimated bill impacts are reflected in Exhibit B to the CMP  
16    Proposal.

17    **Q.     Do you have an opinion on whether the terms of the CMP Proposal should be**  
18    **adopted by the Commission for setting FPL's rates at the conclusion of this**  
19    **docket?**

20    **A.**     Yes. There are good arguments that the CMP Proposal is overly generous to FPL  
21    and the Special Interest Parties, awarding a cost of service methodology that is not  
22    as well supported in the record as FPL's as filed 12CP and 25% AD cost of service

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<sup>12</sup> Compare FPL Response to FIPUG's First Set of Interrogatories, No. 11, Attachment 1 ("20250011 - FIPUG 1st INT No. 11 - Attachment No. 1.xlsx") and Attachment 2 ("20250011 - FIPUG 1st INT No. 11 - Attachment No. 2.xlsx") with FPL's MFR E-08 Test (for 2026) and MFR E-08 2027 TY (for 2027).

<sup>13</sup> See MFR E-13c for the respective 2026 and 2027 years.



1 methodology, and applying gradualism, which is a principle not found in Florida  
2 statutory law or administrative rules, and exceptionally generous to FPL by  
3 bestowing the highest return on equity in the lower 48 States and one of the highest  
4 equity ratios in the nation, which should lead to a lower ROE, and the largest rate  
5 increase in United States history. Despite this largesse towards FPL and the SIPs,  
6 the CMP Proposal still saves all customers billions in base rate increases as  
7 compared to the SIP Proposal; avoids use of the RSM and its embedded TAM,  
8 which would both fairly benefit recent customers who paid for FPL's tax liabilities  
9 and save future customers well over a billion dollars; and doesn't result in a  
10 revenue requirement shortfall of hundreds of millions of dollars in 2030, due to the  
11 1-year flow-through of the battery ITCs and the start of the payback of the deferred  
12 tax liabilities taken in the SIP Proposal Rate stabilization mechanism (RSM). It  
13 also doesn't take customer money, in the form of the AOP or the appropriation of  
14 customer-funded deferred tax liabilities under the RSM to give FPL a shareholder  
15 slush fund that will allow it to stay at the top of its allowed range.

16 While I continue to believe that the CMP Proposal is overly generous to  
17 FPL and unnecessarily favorable to the SIPs, in my opinion, the resulting rates of  
18 the CMP Proposal are fair, just, and reasonable, and do not discriminate against  
19 any rate class. Accordingly, I believe the CMP Proposal is in the public interest,  
20 and that the PSC should approve it.

21 **Q. How does the CMP Proposal compare to the SIP Proposal?**

22 **A.** As these two proposals would impact the public interest—i.e., the general welfare  
23 of the 12 million Floridians who get their electric service from FPL and the general  
24 health of the Florida economy—the CMP Proposal is superior in every aspect,  
25 from both its lower short-term effects, to its dramatically improved long-term

1 aspects in ensuring that there is no revenue shortfall cliff in 2030 due to the 4-year  
2 amortization of the ITCs and not taking customer money in the form of the deferred  
3 tax liabilities. The CMP Proposal still allows FPL to have the highest ROE and  
4 equity ratio in combination in the lower 48 States, allowing FPL to have very  
5 healthy profitability and more than sufficient revenue to ensure it can provide safe  
6 and reliable electricity, not even accounting for the hundreds of millions of dollars  
7 FPL can expect in revenue due to sales beyond that indicated by 20-year  
8 normalization. In other words, the CMP Proposal gives FPL plenty of money.  
9 Also, unlike the SIP Proposal, the CMP Proposal treats all classes fairly,  
10 maintaining generous (but not non-cost-effective) credits to CDR/CILC  
11 customers. The CMP Proposal shows what a generous, but fair, settlement would  
12 actually look like. The CMP Proposal is therefore markedly unlike the SIP  
13 Proposal, which can only be characterized as a special deal for the special interests  
14 in the room with FPL. Ideally, the CMP proposal could mark the start of an era in  
15 which settlement proposals and Commission orders approving them are truly in  
16 the public interest. The SIP Proposal must be denied as being contrary to the public  
17 interest and because it cannot and will not result in fair, just, and reasonable rates.

18 **Q. Does that conclude your testimony?**

19 **A.** Yes.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for Rate Increase by Florida  
Power & Light Company

DOCKET NO. 20250011-EI  
DATED: August 26, 2025

**JOINT MOTION TO APPROVE CUSTOMER MAJORITY PARTIES'  
STIPULATION AND SETTLEMENT AGREEMENT**

The Citizens of the State of Florida, by and through the Florida Office of Public Counsel, Florida Rising, Inc., LULAC Florida, Inc., better known as the League of United Latin American Citizens of Florida, Environmental Confederation of Southwest Florida, Inc.,<sup>1</sup> and Floridians Against Increased Rates, Inc. ("FAIR"), (collectively the "Customer Majority Parties" or "CMPs")<sup>2</sup> pursuant to Rule 28-106.204, Florida Administrative Code., hereby requests that the Florida Public Service Commission ("FPSC" or "Commission") approve the Customer Majority Parties' Stipulation and Settlement Agreement included with this motion as Attachment One ("Majority Settlement Agreement"), and states:

**Background**

1. On February 28, 2025, Florida Power & Light Company ("FPL") filed a Petition for Rate Increase ("Petition") with the Commission, along with Minimum Filing Requirement schedules ("MFRs") and the accompanying pre-filed direct testimony and exhibits of 17 expert witnesses in support of its Petition (collectively "Initial Rate Case Filing").

<sup>1</sup> Florida Rising, Inc., LULAC Florida, Inc., better known as the League of United Latin American Citizens of Florida, Environmental Confederation of Southwest Florida, Inc. are collectively known as "FEL."

<sup>2</sup> "The Office of Public Counsel is the 'statutorily created representative of all FPL ratepayers' in proceedings before the Commission." *Floridians Against Increased Rates, Inc. v. Clark*, 371 So. 3d 905, 909 n. 10 (Fla. 2023) (*FAIR 2023*). See also § 350.0611. In a rate case, OPC is led by the overall public interest, emphasizing the need for reasonable revenue requirements. FAIR's and FEL's membership consists almost entirely of residential customers, plus some small businesses. Residential customers alone constitute 89% of FPL's customer base, and small commercial (GS) customers constitute 9% of FPL's customer base. Together, they represent over 61% of total energy sales.

2. The Customer Majority Parties consist of the OPC, FEL, and FAIR. The Customer Majority Parties collectively engaged in the vast majority of discovery, including 37 sets of written discovery consisting of over 1,000 interrogatories and requests for production of documents and noticed and primarily conducted all of the 35 depositions conducted in the case. The customer portion of the SIPs conducted significantly less discovery limited narrowly to their targeted and specific parochial interests. The OPC filed expert testimony of seven witnesses across a broad spectrum of the case challenging the merits of the Petition. FEL also filed testimony of four witnesses across a broad spectrum of the case, including a nationally renowned expert, challenging the merits of the Petition. FAIR also filed direct testimony of two witnesses. The Florida Industrial Power Users Group, Florida Retail Federation, Florida Energy for Innovation Association, Inc., Walmart Inc., EVgo Services LLC, Americans for Affordable Clean Energy, Inc., Circle K Stores, Inc., RaceTrac, Inc., Wawa, Inc., Electrify America LLC, Federal Executive Agencies, Armstrong World Industries, Inc. and Southern Alliance for Clean Energy (hereinafter, together with FPL, the “Special Interest Parties” or “SIPs”) also intervened in the docket. The Commission held customer service hearings between May 28, 2025, and June 6, 2025. OPC and FEL participated in the customer service hearings, while the SIPs did not. On July 9, 2025, FPL filed the rebuttal testimony and exhibits of 16 expert witnesses.

3. In its Petition, in exchange for a Commission-ordered multi-year stay out provision, which the Commission has previously held to be unenforceable under the rate case-litigated outcome,<sup>3</sup> FPL requested approval for a four-year rate plan consisting of two base rate revenue increases in 2026 and 2027 followed by Solar and Battery Base Rate Adjustments (“SoBRAs”) in

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<sup>3</sup> PSC Order No. PSC-2023-0177-FOF-GU, Docket No. 20220069-GU, p. 5, *In re: Petition for rate increase by Florida City Gas*.

2028 and 2029 totaling 4,470 MW of solar and battery storage. The initial total base revenue increase requested is \$1.545 billion based on a projected 2026 test year and an additional base rate revenue increase of \$927 million based on a projected 2027 test year. The Petition also includes FPL's request to be allowed to seize customer prepaid federal income taxes to establish a Tax Adjustment Mechanism ("TAM"), in the amount of \$1.717 billion to replace its current Reserve Surplus Amortization Mechanism ("RSAM"), in order to boost its monthly earnings and then to re-collect these funds seized from customers. FPL's Petition seeks Commission approval of an unconscionable return on equity ("ROE") of 11.9 percent, an inflated equity ratio of 59.6 percent, the rapid amortization of Battery ITC's and certain cost-of-service and rate design changes. On August 8, 2025, at approximately 4 P.M. on the last business day before the scheduled start of the hearing on the Petition, FPL filed a Notice of Settlement in Principle and Joint Motion to Suspend Schedule and Amend Procedural Order. The customer elements of the SIPs indicated their support for suspending the schedule and joined in the motion.<sup>4</sup> Although no signed term sheet or settlement document was indicated or produced, after hearing, the Commission granted the motion on Monday, August 11, 2025. This decision was memorialized in Order No. PSC-2025-0304-PCO-EI, issued on August 4, 2025. On August 20, 2025, the SIPs filed their proposal ("SIP Agreement") for resolution of the case.

4. As a result of the extensive discovery and expert testimony filed to oppose all aspects of this rate increase, the Consumer Majority Parties have a comprehensive grasp of the weaknesses in the company's Petition and have combined that knowledge to create a recommended Majority

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<sup>4</sup> On August 8, 2025, before the close of business, the Customer Majority Parties filed a letter notifying the Commission and parties of their opposition to continuance of the hearing. On the morning of Monday August 11, 2025, before the noticed start of the scheduled hearing, the CMPs also filed a Joint Response in Opposition to Joint Motion to Suspend Schedule and Amend Procedural Order despite being entitled to seven days to file the response.

Settlement Agreement that more closely represents the facts in the record and the controlling legal authority, to produce rates that are nondiscriminatory, fair, just, and reasonable for the general body of rate payers. This Majority Settlement Agreement is submitted as a counter proposal by parties representing a full spectrum of consumer interests, under a reservation of rights that does not waive the full legal rights of the CMP in the event the Commission fails to approve this agreement.<sup>5</sup> The Majority Settlement Agreement contains proposed resolutions which fully resolve all of the issues in Docket No. 20250011-EI and results in customer rates that are actually in the public interest and not disproportionately favorable to the Special Interest Parties.

5. The Majority Settlement Agreement, like the SIP Agreement, is not a unanimous agreement of all the parties in this docket. Each of the CMPs has expressly agreed that the Majority Settlement Agreement is in the public interest, that they will, subject to certain reservation of rights including the requirement to litigate certain foundational aspects of the FPL Petition, support approval of this Majority Settlement Agreement by the Commission, and that they will not appeal a final order approving it. The CMPs also expressly agree that no individual provision, by itself, necessarily represents a position of any substantially affected party in any future proceeding, and the CMPs further agree that no signatory to this Majority Settlement Agreement shall assert or

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<sup>5</sup> The CMPs acknowledge that 11 years ago, the Florida Supreme Court affirmed the Commission's approval of a non-unanimous, contested settlement where the OPC *was not* a party (see *Citizens v. Fla. Pub. Serv. Comm'n*, 146 So. 3d 1143 (Fla. 2014) (*Citizens 2014*) and that the Court recently affirmed a contested, non-unanimous settlement where the OPC *was* a party, it did so while expressly noting that the OPC represented all customers by statute (*FAIR 2023 at n. 10*). See also, Order PSC-2021-0446-S-EI as amended by Order PSC-2021-0446A-S-EI and supplemented by Order PSC-2024-0078-FOF-EI (hereinafter, the "2021 Rate Settlement Order"), *aff'd by Fla. Rising, Inc. v. Fla. Pub. Serv. Comm'n*, \_\_ So. 3d \_\_, 50 Fla. L. Weekly S198 (Fla. July 17, 2025) (*FAIR 2025*). No Court has ruled that the public interest standard requires the utility to be a party to a non-unanimous rate case settlement agreement. The totality of the circumstances presented by the current FPL rates case are such that a fair question is presented as to the applicability of *Citizens 2014* and *FAIR 2025*, given the acknowledgement in footnote 10 of *FAIR 2023*. Accordingly, the CMPs state that this stipulation and settlement agreement is offered in compromise of the positions of the Customer Majority Party signatories have taken in this docket. No position taken in this agreement by any Customer Majority Party shall be considered a waiver of any party's right to challenge FPL's Petition in a hearing and on appeal regarding disputed facts and law in this docket pursuant to Chapter 120 and Chapter 366, Florida Statutes and the Florida and United States Constitutions. The Customer Majority Parties are filing this in response to the Special Interest Parties' settlement agreement filed on August 20, 2025.

represent in any future proceeding in any forum that another signatory to this Majority Settlement Agreement endorses any specific provision of this Majority Settlement Agreement by virtue of that party's signature on, or participation in, this Majority Settlement Agreement.

6. The major elements, the evidence supporting them, and why the Majority Settlement Agreement and its major components are in the public interest are summarized in the table below. The CMPs would note that, importantly, the Majority Settlement Agreement does not include a double taxation scheme dubbed by FPL as the TAM or any other form of Reserve Surplus Mechanism.

Issue	FPL Filing	SIP Agreement	Majority
Midpoint ROE	11.9%	10.95%	10.6%
Residential Base Rates Bill 2026+	\$92.77 monthly/1,000kWh	\$89.17 monthly/1,000kWh	\$86.25 monthly/1,000kWh
General Service Base Rates Bill 2026+	\$103.00 monthly/1,200kWh	\$110.67 monthly/1,200kWh	\$96.31 monthly/1,200kWh
Cumulative Rate Increase+	\$9.819 billion	\$6.903 billion	\$5.241 billion
2026-2029 Excess Profit Opportunity from TAM+	\$1.717 billion	\$1.155 billion	\$0

+Estimates based on available information

A more comprehensive comparison of the major differences between FPL's Filing, the SIP Agreement, and the Majority Settlement Agreement is included in Exhibit A. Exhibit A indicates where the values are estimated.

7. The terms of the Majority Settlement Agreement are as follows:

a. *Term [paragraph 1]*. The Majority Settlement Agreement provides for a minimum term of two years ending December 31, 2027, with an option for FPL to extend the term for a limited proceeding agreement for GBRA filing after 2027 in lieu of a General Base Rate

proceeding [sub paragraph 4(h)] during which time FPL would not be allowed to petition for general base rate relief except for limited exceptions specified in the agreement.

b. *Ratemaking Adjustments. [paragraph 2].* The CMPs have agreed on adjustments in compromise of their positions taken in testimony filed by their experts. These adjustments are supported by competent substantial evidence and will support fair, just and reasonable rates. The Majority Settlement Agreement also requires FPL to record all remediation and repair costs of the damage resulting from multiple washouts of the Kayak Solar Energy Center construction site in Holt, Florida. The company should be required to reflect these adjustments below the line for all applicable regulatory purposes including earnings surveillance.

c. *Return on Equity and Equity Ratio and Overall Rate of Return [paragraph 3].* The Majority Settlement Agreement establishes a midpoint return on equity (“ROE”) of 10.60 percent with an ROE range from 9.60 percent to 11.6 percent, which the CMP agree will allow the company to earn a reasonable return on rate base as required by Section 366.041, Florida Statutes. This agreed-to midpoint ROE falls squarely within the middle of the range of ROE midpoints recommended by FPL’s expert (11.9 percent) and OPC’s expert (9.2 percent), is supported by testimony from FPL witness Coyne and OPC witness Lawton, and is near, but above, the midpoint ROEs approved by the FPSC through litigation and settlement in 2024, i.e., 10.5 percent for Tampa Electric<sup>6</sup> and 10.3 percent for Duke Energy Florida.<sup>7</sup> Moreover, the CMPs’ proposed compromise 10.6 percent midpoint ROE is higher than any ROE approved by any public utilities commission for any public utility in 2024 or 2025. The record evidence accordingly supports the Majority Settlement Agreement ROE midpoint of 10.6 percent, and that this midpoint ROE will result in

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<sup>6</sup> Order No. PSC-2025-0038-FOF-EI, issued February 3, 2025, in Docket Nos. 20240026-EI, 20230139-EI, and 20230090-EI (appeal pending).

<sup>7</sup> Order No. PSC-2024-0472-AS-EI, issued November 12, 2024, in Docket No. 20240025-EI.



rates that are fair just and reasonable. To award an ROE that is significantly higher, the Commission would have to find that the economic risk profile of Florida's largest electric utility is significantly higher than Florida's much smaller investor-owned utilities, which is counter to the record. The Majority Settlement Agreement preserves the company's equity ratio (investor sources) at 59.6 percent as proposed by the company in its Initial Rate Case Filing. This equity ratio is not only much higher than the Florida's other, smaller IOUs, but is noticeably larger than that of the companies in FPL's expert witness's proxy group of "similar companies." Although it is higher than the equity ratio(s) recommended by the CMPs [see, e.g., Direct Testimony of Lawton, pp. 55, 58, Rabago, pp. 18-19], the agreed-to equity ratio is the equity ratio approved by the Commission for the last 25 years [FPL witness Bores Direct Testimony, p. 47]. The resulting overall rate of return set in the Majority Settlement Agreement will be materially lower than the 7.57 percent overall rate of return proposed by the company in its Initial Rate Case Filing and will allow the company to earn a reasonable return on rate base as required by Section 366.041, Florida Statutes.

d. *Revenue Increases; Overall Revenues are Less Than Company's Initial Proposal and the SIP Agreement [paragraph 4(a) and 4(b)].* FPL will be authorized to increase base rates by \$867 million effective on the first day of the first billing cycle of January 2026 and by \$403 million effective the first day of the first billing cycle of January 2027. These rate increases are based on the revenue requirements inclusive of the annual impact of the four-year amortization of the full qualifying investment tax credits ("ITC") of all battery storage facilities added during the period of 2025 - 2027, where applicable. Relative to the company's Initial Rate Case Filing, the Majority Settlement Agreement reflects a significant overall reduction of the company's proposed total 2026 and 2027 revenue requirements. It authorizes new base rates and charges effective

January 1, 2026, a step-increase effective January 1, 2027, for a total increase in the level of base rates for the two-year term period of \$1.270 billion, as compared to the FPL proposed increase of \$2.472 billion and the \$1.650 billion increase the SIPs have proposed over the same period. As a percentage of the total revenue requested by the company, the total increases reflected in the Majority Settlement Agreement are: (i) within the range of the percentages of total increases approved by the Commission in recently litigated and settled electric and gas rate cases and (ii) result in rates that yield residential customer bills that are significantly lower than the bill that would have resulted from the Commission approving the company's proposed rate increase as filed. For example, a 1,000 kWh RS class (residential) current base rates customer bill will be approximately 6.15 percent higher under the Majority Settlement Agreement than current rates, which is only about 43.4 percent of the 14.18 percent increase that would have resulted from approval of base rates included in the company's Initial Rate Case Filing and is significantly less than the same rate from the SIP's Agreement. A 1,200 kWh GS class (small business) current base rates customer bill will be approximately 3.93 percent lower under the Majority Settlement Agreement than current rates, compared to the 10 percent increase in GS customer base rates that would have resulted from the SIP's Agreement. Exhibit B to this motion shows a calculation of the estimate of the selected, typical customer bills under current rates, the company's proposed rates, the SIP agreement's proposed rates, and the reasonably estimated rates and bills resulting from the Majority Settlement Agreement. The Majority Settlement Agreement reflects an express agreement by the CMPs that the resulting revenue increase included in the Majority Settlement Agreement is supported by the record, represents a fair compromise that considers the CMP and SIP positions, and results in rates that are fair, just, and reasonable, and as contemplated in

Florida's energy policy, the resulting typical customer bills are significantly more affordable than the bill impacts initially proposed.

e. *Customer Rates, Miscellaneous Service Charges, and Tariff Language. [sub paragraphs 4(c) and (a)].* The Majority Settlement Agreement includes a request for the Commission to direct FPL to develop tariffs to reflect the base rates and charges resulting from Paragraphs 4(c) and 4(d) of the Majority Settlement Agreement and are fair, just, and reasonable as discussed throughout this motion. The agreed-to tariff wording changes reflect edits identified by the CMPs during settlement negotiations. Because of the timing and circumstances of this motion coming on the heels of the last-minute filing of the SIPs' Agreement, the CMPs request that the Commission direct FPL to file tariffs conforming to the outcome of the expected approval of the more reasonable and fair outcome of this Majority Settlement Agreement.

f. *Commercial/Industrial Load Control ("CILC") Tariff and the Commercial/Industrial Demand Reduction ("CDR") Rider [sub paragraph 4(e)].* FPL proposed to reduce the level of these credits. The Majority Settlement Agreement preserves (and thus increases over the level filed by FPL) the currently effective benefits to the CILC and CDR customers of (i) the energy and demand charges for business and commercial rates and the utility-controlled demand rates resulting from the recalculation of rates and charges resulting from Paragraphs 4(c) and 4(d), and (ii) the level of utility-controlled demand credits for customers receiving service pursuant to FPL's CILC tariff and the CDR rider shall each be the same as those currently in effect. Recovery of the credits will continue through the CILC and CDR credits through the energy conservation cost recovery ("ECCR") Clause. FEL maintains that any CDR/CILC credits must be cost-effective and reflective of the reliability of FPL's

system. Maintaining the current levels is a compromise reflecting the importance of those credits to the signatories of the SIP agreement.

g. *Cost of Service Methodology and Revenue Allocation [sub paragraph 4(j)]*. In its Initial Rate Case Filing, the company proposed adopting the 12 CP and 25% Average Demand cost of service methodology. The Majority Settlement Agreement establishes the 12 CP and 1/13 Average Demand methodology for Production Plant, (ii) 12CP for Transmission Plant and (iii) FPL's proposed methodology for allocating Distribution Plant, limited by the Commission's traditional gradualism test. The resulting revenue allocation compromise is in the public interest because it fairly balances financial impacts across the company's customer classes and results in customer rates that are fair, just, and reasonable. FEL maintains that the FPL 12 CP and 25% Average Demand is well-supported by FPL's and FEL's pre-filed testimony in this case, but that this paragraph reflects a compromise in favor of the SIPs that can still be reasonably supported by the record that will be developed.

h. *Base Rates Frozen [sub paragraph 4(g)]*. The base rates and charges (and credits) established pursuant to the Majority Settlement Agreement are frozen during the initial two-year term. The Majority Settlement Agreement provides that FPL shall not be allowed to circumvent the base rate freeze by deferring costs incurred during the term of the Majority Settlement Agreement and recovering them later. Such base rate freeze provisions are instrumental in such agreements, along with other procedural provisions, and are common in rate case settlement agreements<sup>8</sup> and promote the public interest by promoting administrative certainty and efficiency and protecting the utility and its customers if unforeseen business conditions develop.

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<sup>8</sup> See, e.g., FPL's 2021 Settlement Agreement, Order No. PSC-2021-0446-S-EI, issued December 2, 2021; Tampa Electric Company's 2021 Agreement at, Order No. PSC-2021-0423-S-EI, issued November 10, 2021; and DEF 2024 Agreement at, Order No. PSC-2024-0472-AS-EI, issued November 12, 2024.

i. *Limited Proceeding Agreement for GBRA Filing After 2027 In Lieu of a General Base Rate Proceeding [sub paragraph 4(h)]*. Relative to FPL's concerns regarding cash and earnings in 2028 and 2029, the CMPs believe that FPL will receive significant cash in the form of Contributions in Aid of Construction (CIAC) from hyperscaler/data center customers that is not recognized in the Initial Rate Case Filing, and the CMPs further believe that FPL will realize additional revenues and earnings in 2028 and 2029 resulting from FPL's underforecasted sales and revenue growth that is not recognized in the CMP's proposal. Beyond these likely additional cash and revenue benefits to FPL, the Majority Settlement Agreement further addresses the out years' earnings situation by including a commitment by the CMPs that they could not and would not object to the filing of a Generation Base Rate Adjustment limited proceeding.

For the period January 1, 2027, through December 31, 2029, FPL may, one time only, file for limited rate relief as described in this paragraph. FPL shall have the option to extend the minimum term and increase base rates in 2028 and 2029 by adding resources with a demonstrated need as discussed below. FPL may elect, at its sole option, on a one time basis, to agree not to file a general base rate case for rates effective earlier than the first day of the first billing cycle of January 2030, if the company provides notice by January 15, 2027 that it intends to file a limited proceeding (or proceedings as may be necessary to implement the provisions of Paragraph 13) for a consolidated Generation Base Rate Adjustment ("GBRA") that may consist of, up to and including, the solar and battery resources contained in its Initial Rate Case Filing for the years 2028 and 2029, the calendar year revenue requirement of which (including the impacts of 2027 SoBRA additions) is estimated to be \$195 million in 2028 and \$174 million in 2029 – calculated using a 10.6 percent midpoint ROE – based on the filed in-service dates, subject to and calculated pursuant to the provisions of Paragraph 13. This filing may include the addition of the net revenue

requirement (including the impact of any battery storage resources that are avoided) associated with the Vandolah Generating Facility (“Vandolah”) (at approximately 660 MW) and including the required, directly associated transmission facilities calculated on an annual revenue requirement limit through December 31, 2029, using a 10.6 percent midpoint ROE. If FPL makes this election, the CMPs commit and agree that they will not oppose such a limited proceeding GBRA filing; however, the CMPs do not waive any rights to challenge solar and battery resources additions pursuant to Paragraph 13 or the economic or resource need of the Vandolah assets used and useful to serve the retail customers of FPL for cost-recovery purposes in the consolidated GBRA petition. The CMPs further commit to refrain from seeking to convert such proceeding into a vehicle for a “rate case” type inquiry concerning the expenses, investment, or financial results of operations of the company and shall not apply any form of earnings test or measure (other than application of the WACC containing the authorized ROE in calculating the GBRA revenue requirement for plant additions), or consider previous or current base rate earnings in such a proceeding.<sup>9</sup> Multiple base rate increases may be authorized pursuant to the single GBRA filing, but any base rate increase(s) implemented under this GBRA provision must be synchronized with the in-service date of the respective generation asset(s).

This provision is in the public interest because it reasonably balances the company’s need for timely recovery of the costs associated with resolving its claimed economic challenges with the desires of customers for rate predictability and safe and reliable electric services. The specialized and targeted nature of the limited proceeding opportunity facilitated the ability of the

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<sup>9</sup> The CMPs expect that the Commission would enforce these forbearance provisions as to all substantially affected parties to the same extent that it would be willing to do so in any consideration of the SIP Agreement.

CMs to reach agreement to propose a conditional third and fourth year (s) in the term of this Majority Settlement Agreement.

j. *Minimum Bill. [paragraph 4(i).]* The Majority Settlement Agreement preserves minimum bill for residential and commercial classes (RS-1, RS-T1, GS-1, and GS-T1) at \$25. FPL's own data shows a significant number of low-income, low energy users will be impacted by the proposal to increase the \$25 minimum bill to \$30. Maintaining the current minimum bill will ensure that the affordability crises gripping many Floridians will not be worsened for these low energy users and results in rates that are fair, just, and reasonable, and as contemplated in Florida's energy policy, more affordable bills.

k. *FPL/Gulf Transition Differential Eliminated. [paragraph 4(j)].* The Majority Settlement Agreement equalizes rates between the legacy FPL and Gulf Power territories effective on the first day of the first billing cycle of January 2026. These adjustments result in rates that are fair, just, and reasonable, and as contemplated in Florida's energy policy, the resulting typical customer bills are significantly more affordable than the bill impacts initially proposed.

l. *Earnings-Based Termination Provision. [paragraph 5].* This standard provision is substantially identical to the current provision from the 2021 FPL Settlement. The Majority Settlement Agreement contains standard settlement agreement provisions that specify the relief available to the company and substantially affected parties if the company's earned rate of return on equity falls below 9.6 percent or above 11.6 percent on a thirteen-month average basis during its term. These procedural provisions are common in rate case settlement agreements<sup>10</sup> and

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<sup>10</sup> Similar provisions are included in the agreements cited in footnote 8.

promote the public interest by promoting administrative certainty and efficiency and protecting the utility and its customers if unforeseen business conditions develop.

m. *FPL's Large Load Contract Service Tariffs LLCS-1, LLCS-2, and LLCS Service Agreement Tariffs ("LLCS Tariffs") [paragraph 6].* The LLCS Tariffs largely mirror the Initial Rate Case Filing, except that the take-or-pay demand charge is 80 percent of the otherwise applicable demand charge instead of the originally filed 90 percent level. This 80 percent requirement is bounded by the originally filed 90 percent, the 65 percent sought by the FEIA (data centers) party, and the 70 percent contained in the rebuttal testimony of FPL witness Cohen. While the CMPs have compromised to accept the 80 percent level as appropriate for settlement purposes, that provision alone is substantially insufficient to fully mitigate the subsidization that will be placed on the general body of rate payers and communities if any of these committed large load hyperscale data centers fail to materialize. FPL's retreat from the proposed 90 percent to 70 percent without negotiated value reflects a missed opportunity to require that these companies bring their "A" game to Florida and reflects a failure to balance the huge economic benefits of data center employment in Florida with the commensurate risks of subsidization.

The CMPs' 80 percent proposal also provides better protections for FPL's favorable credit metrics and ratings than SIP Agreement without creating a disincentive to financially responsible ultra large customers to connect to the FPL system. This provision also provides additional flexibility to prospective eligible customers in execution of required agreements in conjunction with necessary engineering studies. Under these circumstances, this provision is consistent with the public interest by promoting administrative certainty and efficiency and working to protect the utility and its customers if unforeseen business conditions develop.



Without proper safeguards, the rollout of data centers in Florida will likely encounter the well-known challenges detailed in EPRI's June 2025 White Paper on data centers.<sup>11</sup> The compromises contained within the proposed 80 percent "take or pay demand charge," do not fully insulate the general body of ratepayers and impacted local communities from potential financial repercussions resulting from the construction and operation of these large campuses. The CMPs' proposed Data Center Workshop provides a collaborative framework for impacted stakeholders to create a disciplined planning structure that anticipates and promptly resolves challenges as they arise. As data centers come on-line and more information about their financial impact becomes known, the Commission should exercise its oversight authority and the expertise of their talented Staff, to promote the positive implementation of data centers throughout Florida, while protecting the general body of rate paying customers from subsidization.

n. *FPL's Proposed Contribution in Aid of Construction ("CIAC") Tariff Modification [paragraph 7].* The Majority Settlement Agreement requires approval of the CIAC tariff modifications as proposed in the Initial Rate Case Filing. This provision is amply supported in the record by the testimony of FPL expert witnesses Cohen and DeVarona. Under these circumstances, this provision is consistent with the public interest by promoting administrative certainty and efficiency and working to protect the utility and its customers if unforeseen business conditions develop.

o. *FPL's Commercial Electric Vehicle Charging Services Rider (CEVCS-1), Electric Vehicle Charging Infrastructure Rider (GSD-IEV), Electric Vehicle Charging Infrastructure Rider (GSLD-IEV), Utility-Owned Public Charging for Electric Vehicles (UEV), and FPL's*

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<sup>11</sup> Electric Power Research Institute, Data Centers: Considerations for Community Integration and Affordability 1-6 (June 2025). <https://www.epri.com/research/products/00000000300203184>.

*Residential Electric Vehicle Charging Services (RS-1EV and RS-2EV) (the “EV Home Program”)* [paragraph 8]. The CMPs agree with the SIPs that FPL should exit the private, competitive EV industry so as not to undermine the private competitive market and to raise their rates on their existing chargers. The CMPs do not support the transfer of \$20 million of money provided by the general body of FPL customers to fund EV-charging “make ready” programs, which benefit only the special interest EV signatories of the SIP agreement. Thus, this provision of the SIP agreement has been excluded from the Majority Settlement Agreement.

p. *Cost Recovery Clause [paragraph 9].* The Majority Settlement Agreement preserves the 12CP and 1/13th Average Demand methodology for Production Plant and 12CP for Transmission Plant for applicable clause proceedings.

q. *Non-Base Rate Bypass Provision Exception. [paragraph 16].* This standard provision, when considered along with the provisions in Paragraph 4(g), is substantially identical to the current provision from the 2021 FPL Settlement. It creates a limited safety net exception to the base rate freeze and anti-bypass provisions in paragraph 4(g). These procedural provisions are common in rate case settlement agreements<sup>12</sup> and promote the public interest by promoting administrative certainty and efficiency and protecting the utility and its customers if unforeseen business conditions develop.

r. *Nuclear Cost Recovery Clause Statutes and Rule Implementation Preservation. [paragraph 11].* This standard provision is substantially identical to the current provision from the 2021 FPL Settlement. It preserves FPL’s right to continue the implementation of the provisions of the nuclear cost recovery law and rule, as provided in law.

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<sup>12</sup> Similar provisions are included in the agreements cited in footnote 8.

s. *Storm Accrual, Reserve, and Cost Recovery [paragraph 12]*. The Majority Settlement Agreement reflects agreement among the CMPs to adopt the storm cost recovery mechanism proposed in FPL's Initial Rate Case Filing which is supported in the direct testimony of FPL witness Bores, p. 50-53. It also includes standard settlement agreement language<sup>13</sup> governing the process under which the company may seek a storm damage cost recovery surcharge on customer bills and increases the monthly bill limit under certain circumstances as well as the circumstances under which the limit can be increased or the recovery period extended. The storm reserve target is increase to \$300 million. These provisions are in the public interest because they further enable the Commission's administratively efficient process for ensuring timely recovery of named tropical storm damage restoration costs and maintain the status quo for the company's storm accrual and reserve.

t. *Solar and Battery Base Rate Adjustments ("SoBRA") [paragraph 13]*. The CMPs have proposed that the Commission approve the SoBRA provisions as filed by the Commission and modified by the SIP Agreement, with certain modifications in the public interest. The CMPs' proposal adds additional guardrails in the form of including the 2027 batteries, which are subject to review, as necessary, to provide reliable generation capacity, and further acknowledges that the revenue requirement associated with the base rate increase included for recovery pursuant to Paragraph 4(b) impacts the potential for additional cost recovery pursuant to the GBRA provision of Paragraph 4(h). The Majority Settlement Agreement prohibits double-recovery of any approved of resource additions. The Majority Settlement Agreement also limits the impact of carbon emission taxes used in CPVRR analyses to the extent that the impact of such taxes is reflected in law.

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<sup>13</sup> Similar provisions are included in the agreements cited in footnote 8.

u. *Corporate Income Tax Changes [paragraph 14]*. Although the company did not propose a corporate income tax change provision in its Initial Rate Case Filing, the Majority Settlement Agreement includes standard income tax change language not inconsistent with the language included in the FPL 2021 settlement agreement,<sup>14</sup> Tampa Electric Company's 2017 and 2021 Settlement Agreements,<sup>15</sup> and Duke Energy Florida's 2024 rate case settlement agreement.<sup>16</sup> The provision updates the \$500 million threshold contained in the 2021 FPL Settlement in Paragraph 13(b)(ii) to \$750 million to account for the approximate 50% growth in rate base and reconciled capital structure over the period 2022 to 2026. This type of provision is common in rate case settlement agreements and is in the public interest because it promotes administrative certainty and efficiency and protect the public interest if unforeseen tax changes occur.

v. *Depreciation, Dismantlement, and Capital Recovery Schedules [paragraphs 15-18]*. The Majority Settlement Agreement requires that capital recovery schedules shall be amortized over ten (10) years as filed on February 28, 2025, and includes the amortization of Plant Daniel recovery costs, pursuant to Order No. PSC-2025-0222-S-EI. This provision is supported by the direct testimony of FPL witness Keith Ferguson, pp. 11-14, and avoids the increased accumulation of carrying costs associated with a longer amortization period and minimizes intergenerational inequity. The Majority Settlement Agreement also contains language accepting the depreciation and dismantlement parameters rates and accruals supported in the company's testimony to be used by the company during its term. It also synchronizes the filing of the company's next depreciation and dismantlement studies with the filing of the company's next general base rate increase request so that depreciation rates can be considered within the context

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<sup>14</sup> FPL 2021 Settlement Agreement at ¶8, Order No. PSC-2021-0446-S-EI, issued December 2, 2021.

<sup>15</sup> 2017 Amended and Restated Stipulation and Settlement Agreement at ¶9, PSC-2017-0456-S-EI, issued November 27, 2017, and 2021 Agreement at ¶11, Order No. PSC-2021-0423-S-EI, issued November 10, 2021.

<sup>16</sup> DEF 2024 Agreement at ¶19, Order No. PSC-2024-0472-AS-EI, issued November 12, 2024.

of a rate case. These procedural provisions are common in rate case settlement agreements<sup>17</sup> and promote the public interest by preventing FPL from affecting earnings by changing depreciation and amortization rates during the term while promoting administrative predictability and efficiency.

w. *Long Duration Battery Storage Pilot [paragraph 22]*. The Customer Majority Parties agree that FPL's decision to pursue the Long Duration Battery Storage Pilot is prudent, and they waive any right to challenge this Pilot, other than the reasonableness of amounts actually expended, in any proceeding addressing the recoverability of the Long Duration Battery Storage Pilot costs. The CMPs note that the Long Duration Battery Storage Pilot costs described herein are not incremental to the revenue requirements set forth in Paragraph 4 and do not create additional base rate recovery during the term of this Majority Settlement Agreement.

x. *Land Acquisition and Disposition [paragraph 23]*. Any land or land rights acquired by FPL during the term shall be included below-the-line for accounting purposes and shall not be included in rate base until a final prudence determination has been made in a future base rate proceeding. Upon approval of this Majority Settlement Agreement, FPL will utilize best commercial efforts to sell the long-held properties, which have been held but not placed into service for an average of 22 years. All sales of property held for future use by FPL shall be at fair market value. Gains or losses will be treated in accordance with Commission policy.

y. *Acquisition cf Vandolah Power Company, LLC [paragraph 24]*. If FPL's Section 203 Application for the acquisition of Vandolah Power Company, LLC, a natural gas/oil-fired 660 MW generating facility, is approved by the Federal Energy Regulatory Commission, and Vandolah is integrated into FPL's system, Vandolah shall be utilized and dispatched as a system resource for

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<sup>17</sup> Similar provisions are included in the agreements cited in footnote 8.

the benefit of the general body of ratepayers, to the same extent and in the same manner as all generation resources in service before August 26, 2025. Unlike the SIP agreement, the Majority Settlement Agreement ensures that Vandolah will benefit the general body of ratepayers.

z. *Financial Hedging Prohibition [paragraph 25]*. The CMPs agree that natural gas financial hedging shall be prohibited during the term of this agreement and any extensions thereof.

aa. *Assistance Programs and Policies for Residential Customers [paragraphs 26 and 27]*. The CMPs agree that the SIP agreement provides a reasonable starting point for protecting residential customers and agrees to the inclusion of those provisions of the SIP agreement in the Majority Settlement Agreement.

bb. *Other Standard Language [paragraphs 31 through 35]*. Paragraphs 31 through 35 reflect legal and procedural terms and conditions commonly included in rate case settlement agreements<sup>18</sup> and are in the public interest because they promote administrative certainty and efficiency and protect the procedural rights of all parties to this case.

8. The Majority Settlement Agreement, taken as a whole, and as further described in detail in this motion, is in the public interest and should be approved by the Commission because, among other things, the Majority Settlement Agreement:

- a. Results in customer base rates and charges that are fair, just, and reasonable;
- b. Gives the company an opportunity to earn a fair rate of return on equity and fair overall rate of return on rate base during the term while protecting the interests of customers and the company via an allowed earning range;
- c. Enhances certainty and predictability for customers, and financial certainty and predictability for the company;

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<sup>18</sup> Similar provisions are included in the agreements cited in footnote 8.

d. Remains the highest ROE currently authorized in the State of Florida and would remain the highest in the lower 48 states. The revenue opportunity that would result from this agreement over 4 years of \$5.241 billion<sup>19</sup> would be the largest cumulative revenue increase in the State of Florida and perhaps the country;

e. Provides sufficient revenues to allow FPL to continue to provide safe and reliable electric services and improving the customer experience;

f. Supports economic development within FPL's service territory and generally for Florida;

g. Results in typical bills that are more consistent with the affordability considerations contained in Florida's energy policy;

h. Promotes future administrative and regulatory efficiency by including agreed-to procedures that would apply if storm damage costs exceeded certain threshold levels or if tax changes occur;

i. Rejects the double taxation scheme dubbed by FPL as the TAM or any other form of RSM and preserves the Commission long-held adherence to the matching principle and avoiding intergenerational inequities;

j. Prevents a completely avoidable, large revenue requirement shortfall and rate increase beginning in 2030 that would otherwise be created by the TAM, RSM, and accelerated ITC flow-through;

k. Equitably distributes the revenue requirements among all customers, and moves all customer classes closer to parity; and

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<sup>19</sup> [(\$867 million \*4) + (\$403 million \*3) + (\$195 million\*2) +\$174 million = \$5.241 billion] Pursuant to Paragraph 4(h), this does not include the indeterminate revenue requirement associated with the future acquisition of Vandolah, pursuant to election by FPL and approval by the Commission.

1. Provides FPL an opportunity to extend the minimum term of the Majority Settlement Agreement by electing to exercise the GBRA option and thus further defer rate case expense.

9. The standard for approving a settlement agreement is whether it is in the public interest.<sup>20</sup> The Majority Settlement Agreement is in the public interest for the reasons specified above and as specified in the Majority Settlement Agreement itself. The signatories to the Majority Settlement Agreement agree and ask the Commission to find that the Majority Settlement Agreement is: (a) in the public interest; (b) results in base rates and charges that are fair, just, and reasonable; and (c) resolves all issues in the company's rate case.

10. The CMPs entered into the Majority Settlement Agreement and the discussions that resulted in it, each for their own reasons, but all in recognition that the cumulative total of the regulatory activity currently before the Commission is greater than normal. To maximize the administrative and regulatory efficiency benefits inherent in the Majority Settlement Agreement for all parties to the case, the Commission, and the public, the CMPs request that the Commission: (a) set this motion and the Majority Settlement Agreement for consideration at an appropriate

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<sup>20</sup> *Floridians Against Increased Rates v. Clark*, 371 So. 3d 905, 910 (Fla. 2023). *See also* Order No. PSC-2020-0084-S-EI, issued March 20, 2020, in Docket No. 20190061-EI (Petition for Approval of Solar Together program and tariff, by Florida Power & Light Company) at 5, citing *Sierra Club v. Brown*, 243 So. 3d 903, 910-913 (Fla. 2018); Order No. PSC-2013-0023-S-EI, issued on January 14, 2013, in Docket No. 20120015-EI, In re: Petition for increase in rates by Florida Power & Light Company; Order No. PSC-2011-0089-S-EI, issued February 1, 2011, in Docket Nos. 20080677-EI and 20090130-EI, In re: Petition for increase in rates by Florida Power & Light Company and In re: 2009 depreciation and dismantlement study by Florida Power & Light Company; Order No. PSC-10-0398-S-EI, issued June 18, 2010, in Docket Nos. 20090079-EI, 20090144-EI, 20090145-EI, and 20100136-EI, In re: Petition for increase in rates by Progress Energy Florida, Inc., In re: Petition for limited proceeding to include Bartow repowering project in base rates, by Progress Energy Florida, Inc., In re: Petition for expedited approval of the deferral of pension expenses, authorization to charge storm hardening expenses to the storm damage reserve, and variance from or waiver of Rule 25-6.0143(1)(c), (d), and (f), F.A.C., by Progress Energy Florida, Inc., and In re: Petition for approval of an accounting order to record a depreciation expense credit, by Progress Energy Florida, Inc.; Order No. PSC-2005-0945-S-EI, issued September 28, 2005, in Docket No. 20050078-EI, In re: Petition for rate increase by Progress Energy Florida, Inc.



special hearing as soon as possible, and (b) approve the Majority Settlement Agreement, and order that FPL file tariffs to implement the decision approving this Majority Settlement Agreement.

11. The undersigned counsel has consulted with counsel for FPL and the SIP's parties in this docket and is authorized to represent that they object to this motion.

12. The CMPs conferred with FPL, the Florida Industrial Power Users Group, Florida Retail Federation, Florida Energy for Innovation Association, Inc., Walmart Inc., EVgo Services LLC, Americans for Affordable Clean Energy, Inc., Circle K Stores, Inc., RaceTrac, Inc., Wawa, Inc., Electrify America LLC, Federal Executive Agencies, Armstrong World Industries, Inc. and Southern Alliance for Clean Energy. Collectively, they oppose the motion.

WHEREFORE, the Customer Majority Parties respectfully request that the Commission enter a Final Order:

(a) finding that the Majority Settlement Agreement, attached as Exhibit C, is: (i) in the public interest; (ii) results in base rates and charges that are fair, just and reasonable; and (iii) resolves all the issues in Docket No. 20250011-EI;

(b) approving the Majority Settlement Agreement and directing that FPL file tariffs implementing it; and

(c) closing this docket.

DATED this 26<sup>th</sup> day of August, 2025.

Respectfully submitted,

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**CERTIFICATE OF SERVICE**  
**DOCKET NO. 20250011-EI**

**I HEREBY CERTIFY** that a true and correct copy of the foregoing has been furnished  
by electronic mail on this 26<sup>th</sup> day of August, 2025, to the following:

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**EXHIBIT A**  
**COMPARISON OF MAJOR ELEMENTS OF FPL FILING, SIP AGREEMENT, AND  
MAJORITY SETTLEMENT AGREEMENT**

Issue	FPL Filing	SIP Agreement	Majority
Midpoint ROE	11.9%	10.95%	10.6%
Residential Base Rates Bill 2026+	\$92.77 monthly/1,000kWh	\$89.17 monthly/1,000kWh	\$86.25 monthly/1,000kWh
Residential Base Rates Bill 2027+	\$99.82	\$95.10	\$89.86
General Service Base Rates Bill 2026+	\$103.00 monthly/1,200kWh	\$110.67 monthly/1,200kWh	\$96.31 monthly/1,200kWh
General Service Base Rates Bill 2027+	\$109.67	\$118.93	\$98.02
2026 Revenue Requirements	\$1.545 billion	\$945 million	\$867 million
2027 Revenue Requirements+	\$927 million	\$770 million	\$403 million
2028 Revenue Requirements+	\$296 million*	\$283 million*	\$195 million**
2029 Revenue Requirements+	\$266 million*	\$247 million*	\$174 million**
Cumulative Rate Increase+	\$9.819 billion	\$6.903 billion	\$5.241 billion
2026-2029 Excess Profit Opportunity from TAM+	\$1.717 billion	\$1.155 billion	\$0
2030 Recollection+	\$57 million Recollection Cost  \$104 million ADIT loss effect on WACC  RSM Double Recovery  \$316 million ITC swing-back	\$38.5 million Recollection Cost  \$70 million ADIT loss effect on WACC  RSM Double Recovery  \$315 million ITC swing-back	\$0 No Recollection Cost  \$0 No loss effect on WACC  No RSM Double Recovery  \$0 No ITC swing-back

+Estimates based on available information    \*Excludes possible GBRA for Vandolah    \*\*Does not include revenue from possible Vandolah GBRA

Exhibit B

	Incremental Revenue Requirement	Percent of as-filed Incremental Revenue Requirement	Total Sample Base Rates Bill	*Typical* Base Rates Bill Percent Increase
RS Current 1,000 kWh			\$ 81.25	
RS 2026 As-filed	\$ 807,171,000.00		\$ 92.77	14.18%
RS 2026 SIP agreement	\$ 566,221,000.00	70.1%	\$ 89.17	9.75%
RS 2026 CMP Settlement*	\$ 343,237,000.00	42.5%	\$ 86.25	6.15%
GS Current 1,200 kWh			\$ 100.25	
GS 2026 As-filed	\$ 24,932,000.00		\$ 103.00	2.74%
GS 2026 SIP agreement	\$ 77,357,000.00	310.3%	\$ 110.67	10.39%
GS 2026 CMP Settlement*	\$ (27,787,000.00)	-111.5%	\$ 96.31	-3.93%
GSD Current 17,520 kWh/50 kW			\$ 1,049.99	
GSD 2026 As-filed	\$ 439,605,000.00		\$ 1,324.63	26.16%
GSD 2026 SIP agreement	\$ 182,670,000.00	41.6%	\$ 1,163.65	10.82%
GSD 2026 CMP Settlement*	\$ 329,519,000.00	75.0%	\$ 1,253.16	19.35%
GSLD-1 Current 219k kWh/600 kW			\$ 12,613.75	
GSLD-1 2026 As-filed	\$ 146,581,000.00		\$ 16,052.12	27.26%
GSLD-1 2026 SIP agreement	\$ 57,678,000.00	39.3%	\$ 13,942.70	10.54%
GSLD-1 2026 CMP Settlement*	\$ 134,000,000.00	91.4%	\$ 15,661.81	24.16%
GSLD-2 Current 1,124k kWh/2.8k kW			\$ 58,040.66	
GSLD-2 2026 As-filed	\$ 49,827,000.00		\$ 74,862.62	28.98%
GSLD-2 2026 SIP agreement	\$ 18,739,000.00	37.6%	\$ 64,229.87	10.66%
GSLD-2 2026 CMP Settlement*	\$ 45,750,000.00	91.8%	\$ 73,464.89	26.57%
RS Current 1,000 kWh			\$ 81.25	
RS 2027 As-filed	\$ 1,307,096,000.00		\$ 99.82	22.86%
RS 2027 SIP agreement	\$ 988,595,000.00	75.6%	\$ 95.10	17.05%
RS 2027 CMP Settlement*	\$ 597,608,000.00	45.7%	\$ 89.86	10.60%
GS Current 1,200 kWh			\$ 100.25	
GS 2027 As-filed	\$ 71,406,000.00		\$ 109.67	9.40%
GS 2027 SIP agreement	\$ 135,074,000.00	189.2%	\$ 118.93	18.63%
GS 2027 CMP Settlement*	\$ (15,737,000.00)	-22.0%	\$ 98.02	-2.22%
GSD Current 17,520 kWh/50 kW			\$ 1,049.99	
GSD 2027 As-filed	\$ 655,644,000.00		\$ 1,456.01	38.67%
GSD 2027 SIP agreement	\$ 319,483,000.00	48.7%	\$ 1,246.94	18.76%
GSD 2027 CMP Settlement*	\$ 397,990,000.00	60.7%	\$ 1,294.74	23.31%
GSLD-1 Current 219k kWh/600 kW			\$ 12,613.75	
GSLD-1 2027 As-filed	\$ 231,342,000.00		\$ 18,070.23	43.26%
GSLD-1 2027 SIP agreement	\$ 100,065,000.00	43.3%	\$ 14,945.38	18.48%
GSLD-1 2027 CMP Settlement*	\$ 161,373,000.00	69.8%	\$ 16,329.78	29.46%
GSLD-2 Current 1,124k kWh/2.8k kW			\$ 58,040.66	
GSLD-2 2027 As-filed	\$ 78,976,000.00		\$ 84,583.08	45.73%
GSLD-2 2027 SIP agreement	\$ 32,550,000.00	41.2%	\$ 68,802.91	18.54%
GSLD-2 2027 CMP Settlement*	\$ 65,651,000.00	83.1%	\$ 80,469.52	38.64%

\*Estimation based on best available information of impact of CMP Settlement and tariffs FPL would be directed to file.

## EXHIBIT C



BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

DOCKET NO.: 20250011-EI

FILED: August 26, 2025

**CUSTOMER MAJORITY PARTIES'**  
**STIPULATION AND SETTLEMENT AGREEMENT**

WHEREAS, Citizens of the State of Florida, through the Florida Office of Public Counsel, Florida Rising, Inc., LULAC Florida, Inc., better known as the League of United Latin American Citizens of Florida, Environmental Confederation of Southwest Florida, Inc., and Floridians Against Increased Rates, Inc., (collectively the “Customer Majority Parties” or “CMPs”) have signed this Stipulation and Settlement Agreement (the “Majority Settlement Agreement”); and

WHEREAS, on December 2, 2021, the Florida Public Service Commission (“FPSC” or “Commission”) entered Final Order PSC-2021-0446-S-EI approving a stipulation and settlement of FPL’s rate case in Docket No. 20210015-EI, and on December 9, 2021, the Commission entered Amendatory Final Order PSC-2021-0446A-S-EI, and on March 25, 2024, the Commission entered Supplemental Final Order PSC-2024-0078-FOF-EI; and

WHEREAS, on February 28, 2025, Florida Power & Light (“FPL”) filed a petition (“Petition”) with the Commission for approval of base rate increases consisting of (i) an increase in rates and charges sufficient to generate additional total annual revenues of \$1.545 billion to be effective January 1, 2026; (ii) an increase in rates and charges sufficient to generate additional total annual revenues of \$927 million to be effective January 1, 2027; (iii) a Solar and Battery Base Rate Adjustment (“SoBRA”) mechanism that authorizes FPL to recover costs associated with the installation and operation of solar generation and battery storage facilities in 2028 and 2029 upon a demonstration of a resource or economic need; (iv) a so-called “non-cash” mechanism that would accelerate the flowback of certain deferred tax liabilities (“DTL”) to customers, which would

operate in a similar manner to the so-called “non-cash” mechanisms contained in prior FPL multi-year settlements; (v) a storm cost recovery mechanism modeled after terms previously approved as part of various FPL rate settlements, updated to reflect changes in costs; and (iv) a mechanism to address potential changes to tax laws or regulations; and

WHEREAS, the Customer Majority Parties collectively engaged in the vast majority of discovery, including over 37 sets of written discovery consisting of over 1,000 interrogatories and requests for production of documents and noticed and primarily conducted all of the 35 depositions in the case; and

WHEREAS, the Customer Majority Parties to this Majority Settlement Agreement have undertaken to resolve the issues raised in Docket No. 20250011-EI so as to protect all FPL customers from the unfair, unjust, and unreasonable rates that would result from the Stipulation and Settlement Agreement, filed by FPL and a number of limited interest parties dominated by large industrial and commercial customer interests (hereinafter, together with FPL, the “Special Interest Parties” or “SIPs”), which parties collectively represent a tiny fraction of FPL customers; and

WHEREAS, the Customer Majority Parties have entered into this Majority Settlement Agreement in compromise of positions taken in accord with their rights and interests under Chapters 350, 366 and 120, Florida Statutes, as applicable, and as a part of the negotiated exchange of consideration among the Customer Majority Parties to this Majority Settlement Agreement, each has agreed to concessions to the others with the expectation that all provisions of the Majority Settlement Agreement will be enforced by the Commission as to all matters addressed herein with respect to all substantially affected persons regardless of whether a court ultimately determines such matters to reflect Commission policy, upon acceptance of the Majority Settlement Agreement as provided herein and upon approval in the public interest;

WHEREAS, as this Majority Settlement Agreement is offered in compromise of the positions the Customer Majority Party signatories have taken in this docket, and no position taken in this Majority Settlement Agreement by any Customer Majority Party shall be considered a waiver of any Customer Majority Party's right to challenge FPL's Petition in a hearing and in any appeal regarding disputed issues of fact and law in this docket pursuant to Chapters 120 and 366, Florida Statutes and the Florida and United States Constitutions. The Customer Majority Parties are filing this in response to the Special Interest Parties' stipulation and settlement agreement filed on August 20, 2025; and

NOW, THEREFORE, in consideration of the foregoing and the covenants contained herein, the Customer Majority Parties hereby stipulate and agree:

1. Upon approval by this Commission, this Majority Settlement Agreement will become effective on January 1, 2026 (the "Implementation Date") and continue until FPL's base rates are next reset in a general base rate proceeding (the "Term"); provided, however, that FPL may place interim rates into effect subject to refund pursuant to Paragraph 5 of this Majority Settlement Agreement. The minimum term of this Majority Settlement Agreement shall be two years, from the Implementation Date through December 31, 2027 (the "Minimum Term").
2. The Customer Majority Parties propose adjustments to rate base, net operating income, and cost of capital, as shown in Attachment A. Those adjustments will not be challenged during the Term for purposes of FPL's Earnings Surveillance Reports or clause filings and will be used for proceedings conducted pursuant to section 366.071, Florida Statutes. Additionally, all costs to fully remediate the damage resulting from multiple washouts of the Kayak Solar Energy Center construction site in Holt, Florida, to the

Wilkinson Creek communities shall not be charged to customers and shall be recorded below the line.

**Cost of Capital**

3. FPL's authorized rate of return on common equity ("ROE") shall be a range of 9.6 percent to 11.6 percent and shall be used for all purposes. All rates, including those established in clause proceedings during the Term, shall be set using a 10.6 percent ROE. An equity ratio of 59.6 percent equity ratio shall be used for all regulatory purposes from January 1, 2026 to the end of the Term (and thereafter until the company's general base rates and charges are revised by a Final Order of the Commission as the result of the next subsequent general base rate proceeding), including, but not limited to, cost recovery clauses, riders, recovery mechanism(s), interim rates (to the extent authorized), and earnings surveillance reporting.

**Base Revenue Requirements, Tariffs, Service Charges and Credits**

4.
  - (a) Effective on January 1, 2026, FPL shall be authorized to increase its base rates and service charges by an amount that is intended to generate an additional \$867 million of annual revenues, inclusive of the annual impact of the four-year amortization of the full qualifying investment tax credits ("ITC") of all battery storage facilities added during 2025, based on the projected 2026 test year billing determinants set forth in FPL's 2026 MFRs filed with the Petition.
  - (b) Effective January 1, 2027, FPL shall be authorized to increase its base rates by an amount that is intended to generate an additional \$403 million over the Company's then current base rates, inclusive of the annual impact of the four-year amortization of the full qualifying ITCs of all battery storage facilities added during 2025, based on the

projected 2027 test year billing determinants set forth in FPL's 2027 MFRs filed with the Petition. Additionally, to the extent that any batteries are approved for construction in 2027 pursuant to Paragraph 13, FPL would also be authorized to recover the revenue requirement associated with those batteries.

(c) The Customer Majority Parties have agreed that approval of this Majority Settlement Agreement requires that the Commission direct FPL to file tariffs conforming to this Majority Settlement Agreement, and the Customer Majority Parties request that the Commission order the company to file those tariffs, as described in Paragraph 4(a) above, which sheets shall become effective no sooner than the first day of the first billing cycle of January 2026. The Customer Majority Parties also request that the tariffs include the rates and charges resulting from approval of this Majority Settlement Agreement.

(d) The Customer Majority Parties have agreed that approval of this Majority Settlement Agreement requires that the Commission direct FPL to file tariffs conforming to this Majority Settlement Agreement, and the Customer Majority Parties request that the Commission order the company to file those tariffs, as described in Paragraph 4(b) above, which tariff sheets shall become effective no sooner than the first day of the first billing cycle of January 2027. The Customer Majority Parties also request that the tariffs include the rates and charges resulting from approval of this Majority Settlement Agreement. The company shall develop the base rates and charges for this increase using the billing determinants for 2027 that the company will use to develop its cost recovery clause factors for 2027. The Commission shall direct FPL to file its proposed tariffs to implement the 2027 increase and supporting schedules no later than July 31, 2026, to enable the Commission to consider and approve the tariffs such that the company may

provide timely notice to customers and implement the new tariffs effective no sooner than the first day of the first billing cycle of January 2027.

(e) As part of the negotiated exchange of consideration among the Customer Majority Parties to this Majority Settlement Agreement, (i) the energy and demand charges for business and commercial rates and the utility-controlled demand rates resulting from the recalculation of rates and charges resulting from Paragraphs 4(c) and 4(d), and (ii) the level of utility-controlled demand credits for customers receiving service pursuant to FPL's Commercial/Industrial Load Control ("CILC") tariff and the Commercial/Industrial Demand Reduction ("CDR") rider shall each be the same as those currently in effect. FPL shall be entitled to recover the CILC and CDR credits through the energy conservation cost recovery ("ECCR") Clause. The Customer Majority Parties agree that no changes in these credits shall be implemented any earlier than the effective date of new FPL base rates implemented pursuant to a general base rate proceeding, and that such new CILC and CDR credits shall only be implemented prospectively from such effective date. At such time as FPL's base rates are reset in a general base rate proceeding, the CILC and CDR credits shall be reset.

(f) The cost-of-service study that applies (i) the 12CP and 1/13 Average Demand methodology for Production Plant, (ii) 12CP for Transmission Plant and (iii) FPL's proposed methodology for allocating Distribution Plant, limited by the Commission's traditional gradualism test found in Order No. PSC-2009-0283-FOF-EI, pp. 86-87. The revenue allocation in the Majority Settlement Agreement is based on a policy that no rate or revenue class receives (nor shall receive) an increase greater than 1.5 times the system average percentage increase in total and no class receives (nor shall receive) a decrease in rates. To the extent that application of the revenue allocations resulting from

the Majority Settlement Agreement cost of service methodology causes there still to be excess revenues from classes overpaying after the application of the 1.5 times the system average percentage increase, the Customer Majority Parties either support or do not oppose the Commission directing that any excess be proportionately allocated to reduce the rates of rate classes that would otherwise be entitled to a rate decrease as indicated by the cost of service study.

(g) Base rates and credits applied to customer bills in accordance with this Paragraph 4 shall not be changed during the Minimum Term except as otherwise permitted in this Majority Settlement Agreement. As a part of this base rate freeze, the Company will not seek Commission approval to defer for later recovery in rates, any costs incurred or reasonably expected to be incurred from the Implementation Date through and including December 31, 2027, which are of the type which traditionally or historically have been or would be recovered in base rates, unless such deferral and subsequent recovery is expressly authorized herein or otherwise agreed to in writing by the Customer Majority Parties.

(h) Generation Base Rate Adjustment (“GBRA”)

For the period January 1, 2027, through December 31, 2029, FPL may, one time only, file for limited rate relief as described in this paragraph. FPL shall have the option to extend the Minimum Term and increase base rates in 2028 and 2029 by adding resources with a demonstrated need as discussed below. FPL may elect, at its sole option, on a one time basis, to agree not to file a general base rate case for rates effective earlier than the first day of the first billing cycle of January 2030, if the company provides notice by January 15, 2027 that it intends to file a limited proceeding (or proceedings as may be necessary to implement the provisions of Paragraph 13) for a consolidated Generation

Base Rate Adjustment (“GBRA”) that may consist of, up to and including, the solar and battery resources contained in its original filing for the years 2028 and 2029, the calendar year revenue requirement of which (including the impacts of 2027 SoBRA additions) is estimated to be \$195 million in 2028 and \$174 million in 2029 – calculated using a 10.6 percent midpoint ROE – based on the filed in-service dates, subject to and calculated pursuant to the provisions of Paragraph 13. This filing may include the addition of the net revenue requirement (including the impact of any battery storage resources that are avoided) associated with the Vandolah Generating Facility (at approximately 660 MW) and including the required, directly associated transmission facilities calculated on an annual revenue requirement limit through December 31, 2029, using a 10.6 percent midpoint ROE. If FPL makes this election, the CMPs commit and agree that they will not oppose such a limited proceeding GBRA filing; however, the CMPs do not waive any rights to challenge solar and battery resources additions pursuant to Paragraph 13 or the economic or resource need of the Vandolah Generating Facility for cost-recovery purposes, for purposes of the consolidated GBRA petition. The CMPs further commit to refrain from seeking to convert such proceeding into a vehicle for a “rate case” type inquiry concerning the expenses, investment, or financial results of operations of the Company and shall not apply any form of earnings test or measure (other than application of the WACC containing the authorized ROE in calculating the GBRA revenue requirement for plant additions), or consider previous or current base rate earnings in such a proceeding.<sup>1</sup> Multiple base rate increases may be authorized pursuant to the single GBRA filing, but any base rate increase(s) implemented under this GBRA

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<sup>1</sup> The CMPs expect that the Commission would enforce these forbearance provisions as to all substantially affected parties to the same extent that it would be willing to do so in any consideration of the SIP Agreement.



provision must be synchronized with the in-service date of the respective generation asset(s).

(i) Minimum Bill

The minimum bill for residential and commercial classes (RS-1, RS-T1, GS-1, and GS-T1) shall be no more than \$25.

(j) Transition Rider Charge and Credit

The transition rider charge for Northwest Florida (legacy Gulf Power), referenced on Tariff Sheet 8.030.3, and the transition rider credit, heretofore applicable to legacy FPL, referenced on Tariff Sheet 8.303.2, shall both be eliminated effective on the first day of the first billing cycle of January 2026.

**Termination**

5. (a) Notwithstanding Paragraph 4 above, if FPL's earned return on common equity falls below the bottom of its authorized range during the Minimum Term on an FPL monthly earnings surveillance report stated on an FPSC actual, adjusted basis (as defined below), FPL may petition the Commission to amend its base rates, either as a general base rate proceeding under Sections 366.06 and 366.07, Florida Statutes, or pursuant to a limited proceeding under Section 366.076, Florida Statutes. Throughout this Majority Settlement Agreement, "FPSC actual, adjusted basis" and "actual adjusted earned return" shall mean results reflecting all adjustments to FPL's books required by the Commission by rule or order, but excluding pro forma, weather-related adjustments. If FPL files a petition to initiate a general base rate proceeding pursuant to this provision, FPL may also request an interim rate increase pursuant to the provisions of Section 366.071, Florida Statutes. Further, it is not the intent of the Customer Majority Parties to limit the rights of any substantially affected person to petition the Commission for a

review of FPL's base rates. In any proceeding initiated pursuant to this Paragraph 5(a), nothing in this Majority Settlement Agreement shall limit the rights of any substantially affected person.

(b) Notwithstanding Paragraph 4 above, if during the Minimum Term of this Majority Settlement Agreement, FPL's earned return on common equity exceeds the top of its authorized ROE range reported in an FPL monthly earnings surveillance report stated on an FPSC actual, adjusted basis, any party shall be entitled to petition the Commission for a review of FPL's base rates. Further, it is not the intent of the Customer Majority Parties to limit the rights of any substantially affected person to petition the Commission for a review of FPL's base rates. In any proceeding initiated pursuant to this Paragraph 5(b), nothing in this Majority Settlement Agreement shall limit the rights of any substantially affected person.

(c) Notwithstanding Paragraph 4 above, this Majority Settlement Agreement shall terminate upon the effective date of any final order issued in any such proceeding pursuant to this Paragraph 5 that changes FPL's base rates.

(d) This Paragraph 5 shall not: (i) be construed to bar or limit FPL to any recovery of costs otherwise contemplated by this Majority Settlement Agreement nor, in any proceeding initiated after a base rate proceeding filed pursuant to this Paragraph 5, shall any substantially affected person be prohibited from taking any position or asserting the application of law or any right or defense in litigation related to FPL's efforts to recover such costs; (ii) apply to any request to change FPL's base rates that would become effective after this Majority Settlement Agreement terminates; or (iii) limit any substantially affected person's rights in proceedings concerning changes to base rates that would become effective subsequent to the termination of this Majority Settlement

Agreement to argue that FPL's authorized ROE range or any other element used in deriving its revenue requirements or rates should differ from the range set forth in this Majority Settlement Agreement.

**Large Load Contract Service**

6. FPL's Large Load Contract Service Tariffs LLCS-1, LLCS-2, and LLCS Service Agreement tariffs ("LLCS Tariffs") shall be approved as filed on February 28, 2025, with the following modifications:
  - (a) The minimum take-or-pay demand charge for the LLCS Tariffs shall be 80 percent.
  - (b) The Commission shall direct FPL to prepare schedules reflecting the LLCS base, non-fuel energy, and applicable demand charges based on the cost of capital in Paragraph 3 and the other relevant terms of this Majority Settlement Agreement.
  - (c) The language in the LLCS Tariffs requiring that "[a]ll service required by the Customer at a Single Location shall be furnished through primary metering at the available transmission voltage at the interconnecting transmission substation(s)," is not intended to aggregate load across multiple locations in order to apply LLCS Tariffs to the customer. The LLCS Tariffs specifically mandate that each location maintain its own dedicated metering arrangement.
  - (d) With respect to the engineering and system impact studies ("System Studies") required for applicants seeking service under the LLCS Tariffs:
    - (i) The customer will have six months to execute the Construction and Operating Agreement and pay the CIAC, if any, based on the tariff in effect at that time, such period to run from the later of (x) the date on which FPL provides the Engineering Study or (y) the date the LLCS Tariff becomes effective.

- (ii) The customer is entitled, upon request, to one 3-month extension per study (9 months total) to execute the Construction and Operating Agreement.
- (iii) The customer is not guaranteed capacity until the LLCS Service Agreement is executed and all deposits are paid.
- (iv) If the maximum acceptance period is reached and the customer does not complete paragraphs 6(d)(i) through (iii) above, the System Study will be considered null and void.
- (v) The System Study package includes a milestone schedule based on durations and not specific dates. The extension of the acceptance period does not shorten the milestone schedule. In the event the customer extends the acceptance period pursuant to Paragraph 6(d)(ii), the load ramp schedule may need to adjust to accommodate the milestone schedule.
- (vi) For System Studies accepted before the LLCS Tariff takes effect, upon approval by the Commission for good cause shown, the customer has until September 30, 2026 to execute the LLCS Service Agreement.

#### **Contribution in Aid of Construction Tariff**

- 7. FPL's proposed Contribution in Aid of Construction ("CIAC") tariff modification shall be approved as filed on February 28, 2025. FPL shall file a schedule attached to its monthly Earnings Surveillance Report that shows the incremental amount of CIAC collected pursuant to the tariff modification approved under this Paragraph.

#### **Electric Vehicle Programs**

- 8. (a) FPL's Commercial Electric Vehicle Charging Services Rider (CEVCS-1), Electric Vehicle Charging Infrastructure Rider (GSD-1EV), Electric Vehicle Charging Infrastructure Rider (GSLD-1EV), Utility-Owned Public Charging for Electric Vehicles

(UEV), and FPL's Residential Electric Vehicle Charging Services (RS-1EV and RS-2EV) (the "EV Home Program") tariffs shall be approved as filed, with the following modifications:

(i) FPL's GLD-1EV and GSLD-1EV Riders shall become permanent (i.e., nonpilot);

(ii) FPL shall create a new GSLD-2EV Rider to allow for demand greater than 2,000 kW, which Rider shall also be permanent (i.e., non-pilot). This new rate schedule will not become effective until the new rate can be established in FPL's upgraded billing system. Until such time as the new rate schedule is established, existing customers will be allowed to exceed 2,000 kW of demand and remain in GSLD-1EV.

(iii) FPL shall increase the rate for UEV to \$0.45/kWh. FPL agrees to increase the rate for UEV by an additional \$0.02/kWh (to \$0.47/kWh) on January 1, 2027, an additional \$0.01/kWh (to \$0.48/kWh) on January 1, 2028, and an additional \$0.01/kWh (to \$0.49/kWh) on January 1, in 2029.

(iv) The CEVCS-1 shall continue as a pilot program, i.e., it will not become a permanent tariff program, and shall not be expanded, i.e., there will be no changes to the eligibility and other requirements of the current pilot program.

(b) The Customer Majority Parties agree that these programs comply with the requirements of Section 366.94, Florida Statutes.

(c) FPL shall not initiate further new investment in or construction of new FPL-owned public fast-charging infrastructure during the Term of the Majority Settlement Agreement, other than maintenance of existing ports and other existing FPL-owned public fast-charging infrastructure. Provided, however, FPL shall be permitted to

complete any ongoing construction of FPL-owned public fast-charging infrastructure that was initiated prior to the Term of this Majority Settlement Agreement, for a total of not more than 585 FPL-owned ports.

**Cost Recovery Clauses**

9. Effective January 1, 2026, all clause factors shall be allocated using the 12CP and 1/13th Average Demand methodology for Production Plant and 12CP for Transmission Plant.
10. Nothing shall preclude the Company from requesting Commission approval for recovery of costs (a) that are of a type which traditionally, historically and ordinarily would be, have been, or are presently recovered through cost recovery clauses or surcharges, or (b) that are incremental costs not currently recovered in base rates which the Legislature or Commission determines are clause recoverable subsequent to the approval of this Majority Settlement Agreement. FPL will not be allowed to recover through cost recovery clauses costs of types or categories that have been, and traditionally, historically and ordinarily would be, recovered through base rates; the Customer Majority Parties recognize that an authorized governmental entity may impose requirements on FPL involving new or atypical kinds of costs (including but not limited to, for example, requirements related to cyber security) in connection with the imposition of such requirements, and the Legislature and/or Commission may authorize FPL to recover those related costs through a cost recovery clause.
11. Nothing in this Majority Settlement Agreement shall preclude FPL from requesting the Commission to approve the recovery of costs that are recoverable through base rates under the nuclear cost recovery statute, Section 366.93, Florida Statutes, and Commission Rule 26-6.0423, F.A.C. Nothing in this Majority Settlement Agreement

prohibits a substantially affected person from participating without limitation in nuclear cost recovery proceedings and proceedings related thereto and opposing FPL's requests.

**Storm Cost Recovery Mechanism**

12. FPL will be permitted to recover prudently incurred storm restoration costs through the storm cost recovery mechanism described below:
  - (a) Nothing in this Majority Settlement Agreement shall preclude FPL from petitioning the Commission to seek recovery of costs associated with any tropical systems named by the National Hurricane Center or its successor (Storm Costs) without the application of any form of earnings test or measure and irrespective of previous or current base rate earnings. Recovery of storm costs from customers will begin, on an interim basis, sixty days following the filing of a cost recovery petition and tariff with the Commission. Consistent with the rate design method approved in Order No. PSC-2006-0464-FOF-EI, the storm cost recovery (known as the Storm Surcharge) will be based on a 12-month recovery period if the estimated storm costs do not exceed \$5.00/1,000 kWh on monthly residential customer bills. The \$5.00/1,000 kWh cap will apply in aggregate for a calendar year for the purpose of the interim recovery.
  - (b) In the event the storm costs exceed that level, FPL may defer the additional storm restoration costs in excess of \$5.00/1,000 kWh on its balance sheet to be recovered in a subsequent year or years as determined by the Commission; provided, however, that FPL may petition the Commission to allow recovery of more than \$5.00/1,000 kWh in the event its storm costs in a given calendar year exceed that amount, inclusive of the amount needed to replenish the storm reserve to the level in Paragraph 12(c) below. The period of recovery for amounts in excess of \$5.00/1,000 kWh lies within the Commission's discretion. The Customer Majority Parties to this Majority Settlement

Agreement are not precluded from participating in any such proceedings and opposing the amount of FPL's claimed costs but not the mechanism agreed to herein, provided that it is applied in accordance with this Majority Settlement Agreement.

(c) All storm related costs subject to interim recovery under the storm cost recovery mechanism will be calculated and disposed of pursuant to Section 25-6.0143, F.A.C., and will be limited to costs resulting from a tropical system named by the National Hurricane Center or its successor, to the estimate of incremental costs above the level of storm reserve prior to the storm and to the replenishment of the storm reserve to \$300 million.

(d) Any proceeding to recover costs associated with any storm shall not be a vehicle for a "rate case" type inquiry concerning the expenses, investment, or financial results of operations of the Company and shall not apply any form of earnings test or measure or consider previous or current base rate earnings.

(e) To the extent FPL over-collects storm costs from customers pursuant to the storm cost recovery mechanism, FPL will refund the over-collected amounts in the same manner in which FPL collected those amounts from each customer.

#### **Solar and Battery Base Rate Adjustments ("SoBRA")**

13. FPL will be authorized to petition the Commission to recover through its base rates costs for solar generation projects that enter service in 2027, 2028 and 2029 and battery storage projects that enter service in 2027, 2028 and 2029 and to reflect in such request for cost recovery the associated impacts of projected Production Tax Credits ("PTCs") and the four-year amortization of any ITCs that result.

(a) FPL projects that for the purposes of cost recovery set forth in this Paragraph 13, it will undertake the construction of solar projects totaling approximately 1,192 MW in



2027, 1,490 MW in 2028, and 1,788 MW in 2029, and battery storage projects totaling 820 MW in 2027, 600 MW in 2028, and 600 MW in 2029. FPL is authorized to recover its costs of these projects through a SoBRA. FPL will demonstrate the prudence of any SoBRA project(s) at the time it makes its initial filing in the Fuel and Purchased Power Cost Recovery Docket the year prior to the project's expected in-service date (the "SoBRA Proceeding"). No substantially affected person is precluded from fully participating in any such SoBRA Proceeding but they may not object to FPL's right to petition for such recovery under this Paragraph 13.

(i) For solar projects, FPL must prove the prudence of any SoBRA project(s) by a preponderance of the evidence that the solar projects subject to its SoBRA petition are Cumulative Present Value Revenue Requirement ("CPVRR") beneficial within 10 years and have a cost benefit ratio of 1.15 to 1 compared to the projected system CPVRR without the solar projects. FPL must also demonstrate that the cost of the components, engineering, and construction are reasonable.

(ii) To demonstrate a resource need for the solar or battery storage projects subject to a SoBRA petition, FPL must prove by a preponderance of the evidence a reliability need for such incremental capacity or energy. FPL must also demonstrate that the selected portfolio of projects are the lowest cost resource available to timely meet the resource need, and the cost of the components, engineering, and construction are reasonable.

(iii) Any CPVRR analyses utilized under these subsections shall not include actual or projected state or Federal carbon emission taxes unless in effect. To the extent that legislation or regulation enacts carbon emission taxes, the impact of such taxes may only be included in a CPVRR analysis in the years they will be in effect.

(b) In a SoBRA proceeding, FPL also will submit for approval (i) the revenue requirements associated with the solar and battery projects to be installed during the in-service year and the impact of the conclusion of any four-year amortization of ITCs in the previous year, and (ii) the appropriate percentage increase in base rates needed to collect the estimated revenue requirements (“SoBRA Factor”). Paragraphs 13(c) through 13(e) below set forth the methodology for calculating the revenue requirements and SoBRA Factor. Under no circumstances shall anything in this Majority Settlement Agreement be interpreted to allow for double-recovery of any approved resource additions.

(c) The SoBRA revenue requirement is intended to recover the incremental jurisdictional revenue requirement based on the first 12 months of operations of the solar and battery storage projects and associated facilities (the “Annualized Base Revenue Requirement”) beginning no sooner than the date the project is placed in-service, and excluding any land component that is already included in base rates as Plant Held for Future Use. The revenue requirement computations for the SoBRAs will be based on the following: (i) estimated capital expenditures for each solar or battery storage project, net of any plant held for future use projected in FPL’s 2026 or 2027 Projected Test Years, (ii) estimated depreciation expense and related accumulated depreciation calculated using the depreciation rates for similar assets in FPL’s 2025 Depreciation Study, (iii) estimated operating and maintenance and property tax expenses, and (iv) estimated income tax expense, including tax credits. The revenue requirements will be calculated using FPL’s approved midpoint ROE and an incremental capital structure based on investor sources that is adjusted to reflect the depreciation-related accumulated

deferred income tax proration adjustment that is required by Treasury Regulation §1.167(1)-1(h)(6).

(d) The SoBRA revenue requirements will reflect the impacts associated with projected PTCs and the conclusion of four-year ITC amortization accounting related to battery storage facilities placed in-service and reflected in the previous years. At the time FPL calculates the revenue requirement, it will also include any revenue requirement reduction resulting from projected PTCs and the revenue needed to account for the conclusion of the four-year ITC amortization associated with the 2025 battery storage facilities (as part of the 2029 SoBRA revenue requirement).

(e) The SoBRA Factor is based on the ratio of projected jurisdictional annual revenue requirements of the SoBRA project and the projected retail base revenues from the sales of electricity during the first 12 months of operation. The corresponding fuel savings associated with the SoBRA project will be reflected in the fuel factors effective upon the in-service date. The SoBRA Factor, once approved by the Commission, will be implemented on the first billing cycle day following commercial operation of the solar and battery storage projects, by adjusting Base Charges (e.g., base charge, energy charge, demand charge) for all service classes by an equal percentage.

(f) In the event that actual capital costs are lower than the estimated capital costs reflected in the initial SoBRA revenue requirement filing, FPL will calculate a final SoBRA revenue requirement based on the same inputs and methodology used for the initial SoBRA revenue requirement, except the calculation will be updated with actual capital expenditures. The difference between the cumulative base revenues since the implementation of the initial adjustment and the cumulative base revenues that would have resulted if the revised adjustment had been in place during the same time period

will be credited to customers through the Capacity Cost Recovery Clause (“CCR Clause”) with interest at the 30-day commercial paper rate as specified in Rule 25-6.109, F.A.C.. In addition, on a going forward basis, base rates will be adjusted to reflect the revised SoBRA Factor.

(g) In the event that actual capital costs for the solar projects or battery storage projects are higher than the projection on which the revenue requirements are based, FPL would include the incremental costs in its monthly earnings surveillance report and reflect these costs in its next base rate proceeding. Any higher-than-projected costs are subject to a prudence review in FPL’s next base rate proceeding.

(h) For each solar project, battery storage project, and four-year ITC amortization and ITC conclusion approved pursuant to this Paragraph 13, the base rate increase shall be based upon FPL’s billing determinants for the first twelve (12) months following such project’s commercial in-service date, where such billing determinants are those used in FPL’s then most-current CCR Clause filings with the Commission, including, to the extent necessary, projections of such billing determinants into a subsequent calendar year so as to cover the first twelve (12) months of revenue requirements of each such solar project’s operation.

(i) Each SoBRA is to be reflected on FPL’s customer bills by increasing base charges and base non-clause recoverable credits by an equal percentage contemporaneously. The calculation of the percentage change in rates is based on the ratio of the jurisdictional Annualized Base Revenue Requirement and the forecasted retail base revenues from the sales of electricity during the first twelve months of operation. FPL will begin applying the incremental base rate charges for each SoBRA to meter readings made on and after the commercial in-service date of that solar or battery generation site.

(j) FPL's base rates applied to customer bills, including the effects of the SoBRAs as implemented pursuant to this Majority Settlement Agreement (i.e., uniform percent increase for all rate classes applied to base revenues), shall continue in effect until next reset by the Commission in a general base rate proceeding.

#### **Tax Law Changes**

14. The following terms will apply in the event any new permanent change in federal or state tax law or tax regulations (referred to herein as the "new tax law") is effective during the Minimum Term and until base rates are next modified by the Commission:

(a) FPL will submit within 60 days of the effective date of the change in law a petition to open a separate docket for the purpose and limited scope of addressing the base revenue requirement impact of the new tax law. FPL will submit the calculations reflecting the impact on base revenue requirements and ask the Commission to establish an expedited procedural schedule that will allow intervenors time to review and, if necessary, respond to FPL's filing. FPL will be authorized to adjust base rates upon confirmation by the Commission that FPL appropriately calculated the impacts pursuant to the methodology set forth in Paragraph 14(b).

(b) The impact of the new tax law shall be calculated as follows: FPL will compare FPL's revenue requirements utilizing the new tax law against FPL's Commission-approved revenue requirements utilizing current tax law. The difference in revenue requirements will demonstrate the impact of the new tax law and that difference will be the amount of FPL's base rate adjustments for 2026 and 2027, as applicable. The adjustment for 2027 revenue requirements will remain in place for 2028 and 2029 to the extent that FPL has not exercised the option to request a general base rate increase. To the extent applicable, rate adjustments approved through proposed SoBRA or GBRA

mechanism, pursuant to Paragraphs 4(h) or 13, in 2028 and 2029 will reflect then-current tax law.

(c) For the time period between the effective date of the new tax law and implementation of new tax-adjusted base rates, FPL will defer the impact of the new tax law to the balance sheet for collection or refund through the CCR Clause.

(d) Deficient or excess ADIT created by such tax law changes will be deferred as a regulatory asset or regulatory liability on the balance sheet and included within FPL's capital structure. If the new tax law continues to prescribe the use of the Average Rate Assumption Method, FPL will flow back or collect the protected excess or deficient ADIT over the underlying assets' remaining life to ensure compliance with Internal Revenue Service normalization rules. If the Tax Reform law or act is silent on the flow-back or collection period for parts or all of the Excess and/or Deficient Deferred Taxes, and there are no other statutes or rules that govern the flow-back or collection period for "unprotected" amounts, then there is a rebuttable presumption that the following flow-back or collection period(s) will apply: (i) if the cumulative "unprotected" regulatory asset/liability balance is less than \$750 million, the flow-back/collection period for the cumulative balance will be five years; or (ii) if the cumulative "unprotected" regulatory asset/liability balance is equal to or greater than \$750 million, the flowback/collection period for the cumulative balance will be ten years.

#### **Capital Recovery Schedules**

15. FPL shall be authorized to establish capital recovery schedules which shall be amortized over ten (10) years as filed on February 28, 2025.

**Depreciation and Dismantlement**

16. FPL's 2025 Depreciation Study, filed as Exhibit NWA-1, satisfies Rule 25-6.0436, F.A.C. and FPL's obligation to file a depreciation study.
17. FPL's 2025 Dismantlement Study, filed as Exhibit NWA-2, satisfies Rule 25-6.04364, F.A.C., and FPL's obligation to file a dismantlement study.
18. At such time as FPL shall next file a general base rate proceeding, it shall simultaneously file new depreciation and dismantlement studies and propose to reset depreciation rates and dismantlement accruals in accordance with the results of those studies. The Customer Majority Parties will support consolidation of proceedings, if needed, to reset FPL's base rates, depreciation rates and dismantlement accruals.
19. *Intentionally Left Blank*
20. *Intentionally Left Blank*
21. *Intentionally Left Blank*

**Long Duration Battery Storage Pilot**

22. FPL shall be authorized to implement its Long Duration Battery Storage Pilot described in the direct testimony of Tim Oliver. This Pilot will allow FPL to gain valuable experience with advanced battery storage technologies, including (a) validating the performance and grid reliability of long-duration energy systems, (b) evaluating alternative storage technologies as complements to conventional lithium-ion batteries, (c) developing criteria for vendors regarding safety and delivery schedules, (d) optimizing charging operations to leverage low-cost solar energy during periods of reduced load, and (e) optimizing discharging operations to complement conventional batteries during extended periods of high load. The Pilot will be limited to two long-

duration battery storage systems each capable of dispatching up to 10 MW of power and storing a total of 100 megawatt-hours of energy. FPL estimates that the Long Duration Battery Storage Pilot can be put in service in 2027 at an estimated cost of \$78 million. The Customer Majority Parties agree that FPL's decision to pursue the Long Duration Battery Storage Pilot is prudent, and they waive any right to challenge this Pilot, other than the reasonableness of amounts actually expended, in any proceeding addressing the recoverability of the Long Duration Battery Storage Pilot costs. The Long Duration Battery Storage Pilot costs described herein are not incremental to the revenue requirements set forth in Paragraph 4.

#### **Land Acquisition and Disposition**

23. Any land or land rights acquired by FPL during the Term shall be included below the line for accounting purposes and shall not be included in rate base until a final prudence determination has been made in a future base rate proceeding. Upon approval of this Majority Settlement Agreement, FPL will utilize best commercial efforts to sell the long-held properties listed in Attachment B, which have been held but not placed into service for an average of 22 years. All sales of property held for future use by FPL shall be at fair market value. Gains or losses will be treated in accordance with Commission policy.

#### **Acquisition of Vandolah Power Company, LLC**

24. If FPL's Section 203 Application for the acquisition of Vandolah Power Company, LLC ("Vandolah"), a natural gas/oil-fired 660 MW generating facility, is approved by the Federal Energy Regulatory Commission, and Vandolah is integrated into FPL's system, the Vandolah assets used and useful to serve the retail customers of FPL shall be utilized and dispatched as a system resource for the benefit of the general body of ratepayers, to



the same extent and in the same manner as all generation resources in service before August 26, 2025. It not the intent of this paragraph to limit the rights of any substantially affected person's participation in any proceeding relating to Vandolah, pursuant to Paragraph 4(h).

**Natural Gas Financial Hedges**

25. FPL shall not financially hedge natural gas during the Minimum Term and any extensions thereof. FPL shall not be prohibited from filing a petition and proposed risk management plan with the Commission to address natural gas financial hedging following expiration of the Minimum Term or any extensions thereof.

**Assistance Programs and Policies for Residential Customers**

26. During the Term of this Majority Settlement Agreement, FPL shall not disconnect for nonpayment of bills for any customer in an FPL operational district with either (i) a forecasted 95-degree or higher temperature for the day, based on FPL's meteorological forecasts, or where a heat advisory is issued by the National Weather Service; or (ii) a forecasted temperature of 32 degrees or lower for the day, based on FPL's meteorological forecasts.
27. FPL shall accrue and provide a one-time funding of \$15 million during the Term to provide payment assistance (offsetting receivables) to customers that satisfy the United Way's "Asset Limited Income Constrained, Employed" (ALICE) criteria. This funding is in addition FPL's Care To Share Program, which FPL states is funded from voluntary contributions by shareholders, employees and customers.
28. *Intentionally Left Blank*

**Miscellaneous**

29. The Commission shall establish a workshop to explore a less-restrictive data center tariff that optimizes the potential mutual benefits of Florida's roll-out of large load data centers while protecting the customers, natural resources, and beauty of our state.
30. The Commission shall establish a workshop to explore the uniform use of a stochastic loss of load probability model to evaluate the impact of the significant additions of renewable generation and storage resources on grid reliability in a transparent format.
31. No party to this Majority Settlement Agreement will request, support, or seek to impose a change in the application of any provision hereof. Except as provided in Paragraph 5, a party to this Majority Settlement Agreement will neither seek nor support any change in FPL's base rates or credits applied to customer bills, including limited, interim or any other rate decreases, that would take effect prior to expiration of the Minimum Term, except for any such reduction requested by FPL or as otherwise provided for in this Majority Settlement Agreement. No substantially affected person is prohibited from seeking interim, limited, or general base rate relief, or a change to credits, to be effective following the latter of the expiration of the Minimum Term or any extensions thereof.
32. Nothing in this Majority Settlement Agreement will preclude FPL from filing and the Commission from approving any new or revised tariff provisions or rate schedules requested by FPL, provided that such tariff request does not increase any existing base rate component of a tariff or rate schedule during the Term unless the application of such new or revised tariff, service or rate schedule is optional to FPL's customers.
33. The provisions of this Majority Settlement Agreement are contingent on approval of this Majority Settlement Agreement in its entirety by the Commission without

modification. The Customer Majority Parties agree that approval of this Majority Settlement Agreement is in the public interest. The Customer Majority Parties further agree that, subject to the rights and requirement of each of them to challenge, in a hearing in this docket, FPL's February 28, 2025 Petition and case as filed, they will support this Majority Settlement Agreement and will not request or support any order, relief, outcome, or result in conflict with the terms of this Majority Settlement Agreement in any administrative or judicial proceeding relating to, reviewing, or challenging the establishment, approval, adoption, or implementation of this Majority Settlement Agreement or the subject matter hereof. No Customer Majority Party will assert in any proceeding before the Commission or any court that this Majority Settlement Agreement or any of the terms in the Majority Settlement Agreement shall have any precedential value, except to enforce the provisions of this Majority Settlement Agreement. Approval of this Majority Settlement Agreement in its entirety will resolve all matters and issues in Docket No. 20250011-EI pursuant to and in accordance with Section 120.57(4), Florida Statutes. This docket will be closed effective on the date the Commission Order approving this Majority Settlement Agreement is final, and no Customer Majority Party shall seek appellate review of any order approving this Majority Settlement Agreement issued in this Docket and each Customer Majority Party shall oppose such review. This Majority Settlement Agreement is offered in compromise of the positions that the Customer Majority Party signatories have taken in this docket, and no position taken in this Majority Settlement Agreement by any Customer Majority Party shall be considered a waiver of any Customer Majority Party's right to challenge FPL's Petition in a hearing and in any appeal regarding disputed issues of fact and law in this docket pursuant to Chapters 120

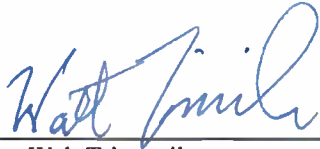
and 366, Florida Statutes and the Florida and United States Constitutions. The Customer Majority Parties are specifically filing this in response to the Special Interest Parties' settlement agreement filed on August 20, 2025.

34. This Majority Settlement Agreement is dated as of August 26, 2025. It may be executed in counterpart originals, and a scanned .pdf copy of an original signature shall be deemed an original. Any person or entity that executes a signature page to this Majority Settlement Agreement shall become and be deemed a party as if it was a Customer Majority Party with the full range of rights and responsibilities provided hereunder, notwithstanding that such person or entity is not listed in the first recital above and executes the signature page subsequent to the date of this Majority Settlement Agreement, it being expressly understood that the addition of any such additional party(ies) shall not disturb or diminish the benefits of this Majority Settlement Agreement to any current Customer Majority Party.
35. All provisions of this Majority Settlement Agreement survive the Minimum Term unless expressly stated herein.

In Witness Whereof, the Customer Majority Parties evidence their acceptance and agreement with the provisions of this Majority Settlement Agreement by their signature.

Florida Office of Public Counsel  
111 West Madison Street, Suite 812  
Tallahassee, FL 32399-1400

By:

A handwritten signature in blue ink, appearing to read "Walt Trierweiler", is written over a horizontal line.

Walt Trierweiler  
Public Counsel

*Counsel for the Citizens of the State of Florida*

Earthjustice  
111 S. Martin Luther King Jr. Blvd.  
Tallahassee FL 32301

By: Bradley Marshall  
Bradley Marshall

*Counsel for LULAC Florida Inc., Florida Rising, Inc., and Environmental Confederation  
of Southwest Florida, Inc.*

Floridians Against Increased Rates, Inc.  
Gardner, Bist, Bowden, Dee, LaVia, Wright, Perry & Harper, P.A.  
1300 Thomaswood Drive  
Tallahassee, FL 32308

By:   
Robert Scheffel Wright

*Counsel for Floridians Against Increased Rates, Inc.*





## Attachment B

Florida Power & Light  
Projected Test Year Ended December 31, 2026  
Projected Test Year Ended December 31, 2027

Docket No. 20250011-EI  
HWS Exhibit 4  
Plant Held For Future Use

Summary of Plant Held For Future Use - Long Held  
(Thousands of Dollars)

Line No.	(A) Plant Category Plant	(B) Beginning 2026	(C) Ending 2026	(D) Ending 2027	(E) Date Acquired	(F) In-Service Date	(G) Years Held
1	TRANSMISSION FL Line to Portsaid Sub	27	0	0	Jan-95	Nov-26	29
2	TRANSMISSION FL Englewood-Placida-Myakka	298	0	0	Dec-03	Dec-26	21
3	TRANSMISSION FL Galloway-South Miami Loop	1,834	1,834	0	Oct-05	Jun-27	19
4	TRANSMISSION FL Arch Creek	683	683	683	Dec-93	Dec-28	31
5	TRANSMISSION FL Memphis Loop Transmission	811	811	811	Jun-12	Jun-30	12
6	TRANSMISSION FL Commerce Substation	179	179	179	Oct-07	Nov-31	17
7	TRANSMISSION FL Conservation-Levee 500KV Line	5,672	5,672	5,672	Apr-95	Feb-32	29
8	TRANSMISSION FL Levee-South Dade	2,325	2,325	2,325	Jul-77	Jun-32	47
9	TRANSMISSION FL Volusia-Smyrna 115kv	566	566	566	Mar-02	Jan-34	22
10	TRANSMISSION FL Rima Sub & Rima Volusia	620	620	620	Oct-88	Mar-34	36
11	TRANSMISSION FL Green Transmission Switch Station	9,778	9,778	9,778	Sep-06	Jun-34	18
12	TRANSMISSION FL Harbor Punta Gorda	738	738	738	Sep-08	Jun-34	16
13	TRANSMISSION FL Pt Sewell Sandpiper	1,767	1,767	1,767	Feb-08	Jun-34	16
14	TRANSMISSION FL Desoto-Orange River	901	901	901	Jul-78	Dec-34	46
15	TRANSMISSION FL Pirolo	1,365	1,365	1,365	Dec-12	Dec-34	12
16	TRANSMISSION FL Possum Transmission Switch Station	752	752	752	Mar-08	Dec-34	16
17	DISTRIBUTION FU' Broadmoor	937	937	937	Aug-01	Sep-24	23
18	DISTRIBUTION FU' Treeline Substation	1,740	0	0	Jan-08	Oct-26	16
19	DISTRIBUTION FU' Portsaid Substation	487	0	0	Dec-95	Nov-26	29
20	DISTRIBUTION FU' Hickson Substation	2	2	2	Feb-02	Jun-28	22
21	DISTRIBUTION FU' Chester Substation	375	375	375	Feb-04	Nov-28	20
22	DISTRIBUTION FU' Deerwood Substation	787	787	787	Jan-06	Dec-29	18
23	DISTRIBUTION FU' Challenger	252	252	252	Nov-94	Jun-30	30
24	DISTRIBUTION FU' Terminal	135	135	135	Aug-94	Jun-30	30
25	DISTRIBUTION FU' Hargrove Substation	866	866	866	Jun-05	Dec-30	19
26	DISTRIBUTION FU' Minton Substation	1,001	1,001	1,001	Feb-04	Dec-30	20
27	DISTRIBUTION FU' Powerline Substation	2,510	2,510	2,510	Dec-02	Dec-30	22
28	DISTRIBUTION FU' Satori	118	118	118	Oct-94	Dec-30	30
29	DISTRIBUTION FU' Asante Substation	3,156	3,156	3,156	Jun-04	Jun-31	20
30	DISTRIBUTION FU' Commerce Substation	2,739	2,739	2,739	Feb-07	Nov-31	17
31	DISTRIBUTION FU' Ely Substation Expansion	508	508	508	Feb-02	Jun-32	22
32	DISTRIBUTION FU' Green Frog	232	232	232	Feb-01	Jun-32	23
33	DISTRIBUTION FU' Memphis Substation	1,029	1,029	1,029	Jan-07	Jun-32	17
34	DISTRIBUTION FU' Rodeo Substation	2,047	2,047	2,047	Dec-12	Jun-32	12
35	DISTRIBUTION FU' Ziladen Substation	2,510	2,510	2,510	Aug-02	Jun-32	22
36	DISTRIBUTION FU' Oyster Substation	469	469	469	Sep-04	Dec-34	20
37	DISTRIBUTION FU' Pennsocco Expansion	1,580	1,580	1,580	Dec-10	Dec-34	14
38	RENEWABLES FU' Hendry Solar Energy Center	5,139	5,139	0	Jun-11	Jan-27	13
39	RENEWABLES FU' Martin Solar Energy Center	217	217	217	Dec-09	Oct-30	15
40	RENEWABLES FU' Hendry Clean Energy Center	36,425	36,425	36,425	Jun-11	Jun-32	13
41		<u>93,577</u>	<u>91,024</u>	<u>84,050</u>			<u>874</u>
42	Average		92,300	87,537			21.85

Source: Company response to OPC 8-230.

[illegible]

[illegible]

Docket No. 20250011-EI  
SIP Proposal Revenue Allocation Versus Cost of Service  
Exhibit KRR-8, Page 1 of 6

FLORIDA POWER & LIGHT COMPANY AND SUBSIDIARIES  
DOCKET NO. 20250011-EI  
MFR NO. E-1, 2026 Projected Test Year  
ATTACHMENT NO. 2 OF 3  
PAGE 1 OF 6

	A	B	C	D	E	F	G	H	I	J	K
1		Florida Power & Light Company									
2		Docket No. 20250011-EI									
3											
4											
5											
6											
7											
8		MFR E-1 - COST OF SERVICE STUDY									
9		2026 EQUALIZED AT PROPOSED ROR									
10		(\$000 WHERE APPLICABLE)									
11											
12	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
13											
14	Line No.	Methodologies: 12CP and 25%	Total	CILC-1D	CILC-1G	CILC-1T	GS(T)-1	GSCU-1	GSD(T)-1	GS(LD(T)-1	GS(LD(T)-2
15	1	<b>RATE BASE -</b>									
16	2	Electric Plant In Service	86,274,360	1,104,317	48,510	454,926	5,806,058	17,458	16,683,940	5,554,435	1,876,100
17	3	Accum Depreciation & Amortization	(17,683,082)	(218,067)	(9,658)	(87,487)	(1,222,921)	(4,024)	(3,315,644)	(1,098,584)	(369,803)
18	4	Net Plant in Service	68,591,278	886,250	38,853	367,438	4,583,137	13,434	13,368,296	4,455,851	1,506,298
19	5	Plant Held For Future Use	1,475,168	21,966	929	11,514	98,543	280	309,214	105,618	36,865
20	6	Construction Work in Progress	2,012,666	26,030	1,136	10,980	135,100	415	388,354	130,240	44,153
21	7	Net Nuclear Fuel	745,109	14,205	574	8,163	49,138	184	170,272	62,731	22,819
22	8	Total Utility Plant	72,824,221	948,452	41,491	398,096	4,865,918	14,313	14,236,135	4,754,440	1,610,135
23	9	Working Capital - Assets	5,812,779	73,912	3,171	33,818	407,325	1,582	1,058,078	357,987	123,557
24	10	Working Capital - Liabilities	(3,507,123)	(44,628)	(1,908)	(20,551)	(245,665)	(948)	(636,240)	(215,576)	(74,554)
25	11	Working Capital - Net	2,305,655	29,284	1,263	13,267	161,660	633	421,839	142,411	49,003
26	12	<b>Total Rate Base</b>	<b>75,129,876</b>	<b>977,736</b>	<b>42,753</b>	<b>411,364</b>	<b>5,027,578</b>	<b>14,946</b>	<b>14,657,974</b>	<b>4,896,851</b>	<b>1,659,138</b>
27	13										
28	14	<b>TARGET REVENUE REQUIREMENTS (EQUALIZED) -</b>									
29	15	Equalized Base Revenue Requirements	10,562,894	119,804	5,584	51,853	805,257	2,655	1,908,821	604,131	195,424
30	16	Other Operating Revenues	266,875	2,228	95	704	18,524	38	35,921	11,491	3,949
31	17	<b>Total Target Revenue Requirements</b>	<b>10,829,769</b>	<b>122,032</b>	<b>5,678</b>	<b>52,557</b>	<b>823,781</b>	<b>2,693</b>	<b>1,944,742</b>	<b>615,622</b>	<b>199,373</b>
32	18										
33	19	<b>EXPENSES -</b>									
34	20	Operating & Maintenance Expense	(1,323,532)	(16,685)	(713)	(7,743)	(93,260)	(369)	(237,191)	(80,383)	(27,840)
35	21	Depreciation Expense	(3,081,922)	(38,817)	(1,710)	(16,735)	(208,824)	(654)	(592,160)	(194,440)	(65,730)
36	22	Taxes Other Than Income Tax	(903,354)	(11,643)	(510)	(4,840)	(60,506)	(180)	(175,402)	(58,477)	(19,779)
37	23	Amortization of Property Losses	(15,639)	(211)	(9)	(107)	(1,084)	(4)	(2,988)	(1,014)	(353)
38	24	Gain or Loss on Sale of Plant	420	5	0		29	0	85	29	9
39	25	<b>Total Operating Expenses</b>	<b>(5,324,027)</b>	<b>(67,351)</b>	<b>(2,941)</b>	<b>(29,424)</b>	<b>(363,644)</b>	<b>(1,208)</b>	<b>(1,007,657)</b>	<b>(334,285)</b>	<b>(113,693)</b>
40	26										
41	27	<b>Net Operating Income Before Taxes</b>	<b>5,505,742</b>	<b>54,681</b>	<b>2,737</b>	<b>23,132</b>	<b>460,137</b>	<b>1,486</b>	<b>937,085</b>	<b>281,337</b>	<b>85,679</b>
42	28	Income Taxes	(221,001)	(2,594)	(123)	(1,118)	(41,791)	(62)	(41,955)	(13,019)	(4,161)
43	29	<b>NOI Before Curtailment Adjustment</b>	<b>5,284,741</b>	<b>52,087</b>	<b>2,614</b>	<b>22,015</b>	<b>441,346</b>	<b>1,423</b>	<b>895,130</b>	<b>268,318</b>	<b>81,518</b>
44	30										
45	31	Curtailment Credit Revenue	469							329	141
46	32	Reassign Curtailment Credit Revenue	(469)	(7)	(0)	(4)	(31)	(0)	(97)	(32)	(11)
47	33	Net Curtailment Credit Revenue	(0)	(7)	(0)	(4)	(31)	(0)	(97)	297	130
48	34	Net Curtailment NOI Adjustment	(0)	(5)	(0)	(3)	(23)	(0)	(72)	221	97
49	35										
50	36	<b>Net Operating Income (NOI)</b>	<b>5,284,741</b>	<b>52,082</b>	<b>2,614</b>	<b>22,012</b>	<b>441,323</b>	<b>1,423</b>	<b>895,058</b>	<b>268,539</b>	<b>81,615</b>

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	A	B	L	M	N	O	P	Q	R	S	T
1		Florida Power & Light Company									
2		Docket No. 20250011-EI									
3											
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5											
6											
7											
8		MFR E-1 - COST OF SERVICE STUDY									
9		2026 EQUALIZED AT PROPOSED ROR									
10		(\$000 WHERE APPLICABLE)									
11											
12	(1)	(2)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
13											
14	Line No.	Methodologies: 12CP and 25%	GSLD(T)-3	MET	OS-2	RS(T)-1	SL/OL-1	SL-1M	SL-2	SL-2M	SST-DST
15	1	<b>RATE BASE -</b>									
16	2	Electric Plant In Service	302,111	37,933	25,472	52,606,466	1,686,151	13,628	15,331	3,722	833
17	3	Accum Depreciation & Amortization	(57,968)	(7,796)	(4,890)	(11,050,912)	(221,278)	(2,954)	(2,873)	(917)	(205)
18	4	Net Plant in Service	244,143	30,138	20,582	41,555,553	1,464,873	10,673	12,458	2,805	627
19	5	Plant Held For Future Use	7,614	698	137	878,454	1,971	162	268	48	3
20	6	Construction Work in Progress	7,266	857	544	1,229,041	36,892	324	367	92	15
21	7	Net Nuclear Fuel	5,240	385	82	407,592	2,696	217	180	37	0
22	8	Total Utility Plant	264,263	32,078	21,345	44,070,640	1,506,432	11,377	13,274	2,982	646
23	9	Working Capital - Assets	22,162	2,424	1,194	3,650,819	71,530	1,060	1,120	406	42
24	10	Working Capital - Liabilities	(13,455)	(1,442)	(694)	(2,206,532)	(41,775)	(643)	(678)	(248)	(23)
25	11	Working Capital - Net	8,707	981	499	1,444,287	29,755	417	442	158	19
26	12	<b>Total Rate Base</b>	<b>272,970</b>	<b>33,060</b>	<b>21,844</b>	<b>45,514,927</b>	<b>1,536,187</b>	<b>11,794</b>	<b>13,716</b>	<b>3,140</b>	<b>665</b>
27	13										
28	14	<b>TARGET REVENUE REQUIREMENTS (EQUALIZED) -</b>									
29	15	Equalized Base Revenue Requirements	35,563	4,829	2,253	6,605,168	209,002	1,717	2,047	616	200
30	16	Other Operating Revenues	799	76	101	190,828	1,952	35	46	16	3
31	17	<b>Total Target Revenue Requirements</b>	<b>36,362</b>	<b>4,905</b>	<b>2,354</b>	<b>6,795,997</b>	<b>210,954</b>	<b>1,752</b>	<b>2,093</b>	<b>633</b>	<b>203</b>
32	18										
33	19	<b>EXPENSES -</b>									
34	20	Operating & Maintenance Expense	(5,065)	(537)	(242)	(837,740)	(14,572)	(244)	(257)	(98)	(8)
35	21	Depreciation Expense	(11,097)	(1,367)	(832)	(1,894,288)	(52,764)	(455)	(536)	(139)	(32)
36	22	Taxes Other Than Income Tax	(3,214)	(396)	(268)	(548,396)	(18,998)	(141)	(164)	(38)	(8)
37	23	Amortization of Property Losses	(71)	(7)	(2)	(9,682)	(92)	(2)	(3)	(1)	(0)
38	24	Gain or Loss on Sale of Plant		0	0	260	2	0	0	0	0
39	25	<b>Total Operating Expenses</b>	<b>(19,446)</b>	<b>(2,306)</b>	<b>(1,344)</b>	<b>(3,289,846)</b>	<b>(86,425)</b>	<b>(642)</b>	<b>(960)</b>	<b>(276)</b>	<b>(48)</b>
40	26										
41	27	<b>Net Operating Income Before Taxes</b>	<b>16,915</b>	<b>2,599</b>	<b>1,010</b>	<b>3,506,150</b>	<b>124,529</b>	<b>910</b>	<b>1,133</b>	<b>356</b>	<b>155</b>
42	28	Income Taxes	(781)	(109)	(47)	(133,262)	(4,676)	(39)	(47)	(15)	(5)
43	29	<b>NOI Before Curtailment Adjustment</b>	<b>16,134</b>	<b>2,490</b>	<b>962</b>	<b>3,372,888</b>	<b>119,853</b>	<b>871</b>	<b>1,086</b>	<b>341</b>	<b>150</b>
44	30										
45	31	Curtailment Credit Revenue									
46	32	Reassign Curtailment Credit Revenue	(2)	(0)	(0)	(285)		(0)	(0)	(0)	(0)
47	33	Net Curtailment Credit Revenue	(2)	(0)	(0)	(285)		(0)	(0)	(0)	(0)
48	34	Net Curtailment NOI Adjustment	(2)	(0)	(0)	(212)		(0)	(0)	(0)	(0)
49	35										
50	36	<b>Net Operating Income (NOI)</b>	<b>16,132</b>	<b>2,489</b>	<b>962</b>	<b>3,372,676</b>	<b>119,853</b>	<b>871</b>	<b>1,085</b>	<b>341</b>	<b>150</b>

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	A	B	U	V
1		<b>Florida Power &amp; Light Company</b>		
2		<b>Docket No. 20250011-EI</b>		
3				
4				
5				
6				
7				
8		<b>MFR E-1 - COST OF SERVICE STUDY</b>		
9		<b>2026 EQUALIZED AT PROPOSED ROR</b>		
10		<b>(\$000 WHERE APPLICABLE)</b>		
11				
12	(1)	(2)	(21)	
13				
14	Line No.	Methodologies: 12CP and 25%	SST-TST	
15	1	<b>RATE BASE -</b>		
16	2	Electric Plant In Service	36,969	
17	3	Accum Depreciation & Amortization	(7,100)	
18	4	Net Plant in Service	29,869	
19	5	Plant Held For Future Use	883	
20	6	Construction Work in Progress	859	
21	7	Net Nuclear Fuel	593	
22	8	Total Utility Plant	32,205	
23	9	Working Capital - Assets	2,592	
24	10	Working Capital - Liabilities	(1,563)	
25	11	Working Capital - Net	1,029	
26	12	<b>Total Rate Base</b>	<b>33,234</b>	
27	13			
28	14	<b>TARGET REVENUE REQUIREMENTS (EQUALIZED) -</b>		
29	15	Equalized Base Revenue Requirements	7,971	
30	16	Other Operating Revenues	69	
31	17	<b>Total Target Revenue Requirements</b>	<b>8,040</b>	
32	18			
33	19	<b>EXPENSES -</b>		
34	20	Operating & Maintenance Expense	(586)	
35	21	Depreciation Expense	(1,343)	
36	22	Taxes Other Than Income Tax	(393)	
37	23	Amortization of Property Losses	(8)	
38	24	Gain or Loss on Sale of Plant		
39	25	<b>Total Operating Expenses</b>	<b>(2,329)</b>	
40	26			
41	27	<b>Net Operating Income Before Taxes</b>	<b>5,711</b>	
42	28	Income Taxes	(196)	
43	29	<b>NOI Before Curtailment Adjustment</b>	<b>5,514</b>	
44	30			
45	31	Curtailment Credit Revenue		
46	32	Reassign Curtailment Credit Revenue	(0)	
47	33	Net Curtailment Credit Revenue	(0)	
48	34	Net Curtailment NOI Adjustment	(0)	
49	35			
50	36	<b>Net Operating Income (NOI)</b>	<b>5,514</b>	

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FLORIDA POWER & LIGHT COMPANY AND SUBSIDIARIES  
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	A	B	C	D	E	F	G	H	I	J	K
7											
8		MFR E-1 - COST OF SERVICE STUDY									
9		2026 EQUALIZED AT PROPOSED ROR									
10		(\$000 WHERE APPLICABLE)									
11											
12	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
13											
14	Line No.	Methodologies: 12CP and 25%	Total	CILC-1D	CILC-1G	CILC-1T	GS(T)-1	GSCU-1	GSD(T)-1	GSLD(T)-1	GSLD(T)-2
51	37										
52	38	<b>Equalized Rate of Return (ROR)</b>	7.03%	5.33%	6.11%	5.35%	8.78%	9.52%	6.11%	5.48%	4.92%
53	39	Parity at Proposed Rate	21	0.757	0.869	0.761	1.248	1.354	0.868	0.780	0.699
54	40	<b>TARGET REVENUE REQUIREMENTS DEFICIENCY - <sup>(1)</sup></b>									
55	41	Base Revenue Requirements	945,441	11,518	534	4,938	77,305	251	182,640	57,676	18,739
56	42	Other Operating Revenues	(441)	0	0	0	53	1	30	2	0
57	43	<b>SIP Agreement Revenue Requirements Deficiency</b>	945,000	11,518	534	4,938	77,357	253	182,670	57,678	18,739
58	44	<b>Cost of Service Indicated Revenue Requirements Deficiency</b>	945,362	33,911	1,061	14,225	(40,205)	(246)	365,144	159,512	65,810
59	45	<b>Difference between SIP Proposal and Cost of Service</b>		\$ (22,392.707)	\$ (527.441)	\$ (9,287.613)	\$ 117,562.489	\$ 498.647	\$ (182,473.240)	\$ (101,833.770)	\$ (47,070.740)
60	46										
61	47	<sup>(1)</sup> Target Revenue Requirements at proposed ROR less									
62	48	Total Revenues at present rates from Attachment 1.									
63	49	<sup>(2)</sup> Total Revenues at present rates from Attachment 1									
64	50	divided by Target Revenue Requirements.									
65	51										
66	52	Note: Totals may not add due to rounding.									
67											
68											
69		<b>Equalized Revenue Requirement (ASK)</b>		CILC-1D	CILC-1G	CILC-1T	GS(T)-1	GSCU-1	GSD(T)-1	GSLD(T)-1	GSLD(T)-2
70			75,129,876	977,736	42,753	411,364	5,027,578	14,946	14,657,974	4,896,851	1,659,138
71		Requested ROR VIA A-1	7.03%	7.03%	7.03%	7.03%	7.03%	7.03%	7.03%	7.03%	7.03%
72		NOI Requested	5,285,011	68,779	3,007	28,937	353,665	1,051	1,031,115	344,469	116,712
73		Achieved NOI	4,580,123	43,494	2,216	18,330	383,643	1,235	758,854	225,533	67,642
74		Deficiency	704,888	25,285	791	10,607	(29,978)	(183)	272,261	118,936	49,070
75		NOI Multiplier	1.34	1.34	1.34	1.34	1.34	1.34	1.34	1.34	1.34
76		Total Requested Increase	945,362	11,518	534	4,938	77,357	253	182,670	57,678	18,739
77											
78											
79											
80				CILC-1D	CILC-1G	CILC-1T	GS(T)-1	GSCU-1	GSD(T)-1	GSLD(T)-1	GSLD(T)-2
81		<b>Tax Calculation</b>									
82											
83		Achieved		322	12	132	791	2	4,286	1,581	582
84											
85		Incremental Total Revenue		11,518	534	4,938	77,357	253	182,670	57,678	18,739
86		State Rate		5.493%	5.493%	5.493%	5.493%	5.493%	5.493%	5.493%	5.493%
87		Incremental State Taxes		(633)	(29)	(271)	(4,249)	(14)	(10,034)	(3,168)	(1,029)
88											
89		Federal Rate		19.820%	19.820%	19.820%	19.820%	19.820%	19.820%	19.820%	19.820%
90		Incremental Federal Taxes		(2,283)	(106)	(979)	(15,333)	(50)	(36,206)	(11,432)	(3,714)
91											
92		Total Taxes	(221,001)	(2,594)	(123)	(1,118)	(18,791)	(62)	(41,955)	(13,019)	(4,161)

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	A	B	L	M	N	O	P	Q	R	S	T
7											
8		MFR E-1 - COST OF SERVICE STUDY									
9		2026 EQUALIZED AT PROPOSED ROR									
10		(\$000 WHERE APPLICABLE)									
11											
12	(1)	(2)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
13											
14	Line No.	Methodologies: 12CP and 25%	GSLD(T)-3	MET	OS-2	RS(T)-1	SL/OL-1	SL-1M	SL-2	SL-2M	SST-DST
51	37										
52	38	<b>Equalized Rate of Return (ROR)</b>	5.91%	7.53%	4.41%	7.41%	7.80%	7.38%	7.91%	10.87%	22.51%
53	39	Parity at Proposed Rate	0.840	1.071	0.626	1.053	1.109	1.050	1.125	1.546	3.200
54	40	<b>TARGET REVENUE REQUIREMENTS DEFICIENCY - <sup>(1)</sup></b>									
55	41	Base Revenue Requirements	3,402	461	221	566,758	19,825	164	196	52	19
56	42	Other Operating Revenues	0	0	0	(537)	0	0	1	7	0
57	43	<b>SIP Agreement Revenue Requirements Deficiency</b>	3,403	461	221	566,221	19,826	165	197	59	19
58	44	<b>Cost of Service Indicated Revenue Requirements Deficiency</b>	7,520	241	991	336,980	4,014	110	35	(102)	(119)
59	45	<b>Difference between SIP Proposal and Cost of Service</b>	\$ (4,117.024)	\$ 219.767	\$ (770.116)	\$ 229,241.069	\$ 15,811.854	\$ 55.052	\$ 161.780	\$ 161.706	\$ 137.986
60	46										
61	47	<sup>(1)</sup> Target Revenue Requirements at proposed ROR less									
62	48	Total Revenues at present rates from Attachment 1.									
63	49	<sup>(2)</sup> Total Revenues at present rates from Attachment 1									
64	50	divided by Target Revenue Requirements.									
65	51										
66	52	Note: Totals may not add due to rounding.									
67											
68											
69		<b>Equalized Revenue Requirement (ASK)</b>	GSLD(T)-3	MET	OS-2	RS(T)-1	SL/OL-1	SL-1M	SL-2	SL-2M	SST-DST
70			272,970	33,060	21,844	45,514,927	1,536,187	11,794	13,716	3,140	665
71		Requested ROR VIA A-1	7.03%	7.03%	7.03%	7.03%	7.03%	7.03%	7.03%	7.03%	7.03%
72		NOI Requested	19,202	2,326	1,537	3,201,748	108,063	830	965	221	47
73		Achieved NOI	13,595	2,146	797	2,950,486	105,070	748	939	297	136
74		Deficiency	5,607	180	739	251,261	2,993	82	26	(76)	(89)
75		NOI Multiplier	1.34	1.34	1.34	1.34	1.34	1.34	1.34	1.34	1.34
76		Total Requested Increase	3,403	461	221	566,221	19,826	165	197	59	19
77											
78											
79											
80			GSLD(T)-3	MET	OS-2	RS(T)-1	SL/OL-1	SL-1M	SL-2	SL-2M	SST-DST
81		<b>Tax Calculation</b>									
82											
83		Achieved	80	7	9	10,069	342	3	3	0	(0)
84											
85		Incremental Total Revenue	3,403	461	221	566,221	19,826	165	197	59	19
86		State Rate	5.493%	5.493%	5.493%	5.493%	5.493%	5.493%	5.493%	5.493%	5.493%
87		Incremental State Taxes	(187)	(25)	(12)	(31,104)	(1,089)	(9)	(11)	(3)	(1)
88											
89		Federal Rate	19.820%	19.820%	19.820%	19.820%	19.820%	19.820%	19.820%	19.820%	19.820%
90		Incremental Federal Taxes	(674)	(91)	(44)	(112,228)	(3,930)	(33)	(39)	(12)	(4)
91											
92		Total Taxes	(781)	(109)	(47)	(133,262)	(4,676)	(39)	(47)	(15)	(5)



	A	B	U	V
7				
8		MFR E-1 - COST OF SERVICE STUDY		
9		2026 EQUALIZED AT PROPOSED ROR		
10		(\$000 WHERE APPLICABLE)		
11				
12	(1)	(2)	(21)	
13				
14	Line No.	Methodologies: 12CP and 25%	SST-TST	
51	37			
52	38	<b>Equalized Rate of Return (ROR)</b>	16.59%	
53	39	Parity at Proposed Rate	2.359	
54	40	<b>TARGET REVENUE REQUIREMENTS DEFICIENCY - <sup>(1)</sup></b>		
55	41	Base Revenue Requirements	742	
56	42	Other Operating Revenues	0	
57	43	<b>SIP Agreement Revenue Requirements Deficiency</b>	<b>742</b>	
58	44	<b>Cost of Service Indicated Revenue Requirements Deficiency</b>	<b>(3,518)</b>	
59	45	<b>Difference between SIP Proposal and Cost of Service</b>	<b>\$ 4,259.984</b>	
60	46			
61	47	<sup>(1)</sup> Target Revenue Requirements at proposed ROR less		
62	48	Total Revenues at present rates from Attachment 1.		
63	49	<sup>(2)</sup> Total Revenues at present rates from Attachment 1		
64	50	divided by Target Revenue Requirements.		
65	51			
66	52	Note: Totals may not add due to rounding.		
67				
68				
69		<b>Equalized Revenue Requirement (ASK)</b>	<b>SST-TST</b>	
70			33,234	
71		Requested ROR VIA A-1	7.03%	
72		NOI Requested	2,338	
73		Achieved NOI	4,961	
74		Deficiency	(2,623)	
75		NOI Multiplier	1.34	
76		Total Requested Increase	742	
77				
78				
79				
80			<b>SST-TST</b>	
81		<b>Tax Calculation</b>		
82				
83		Achieved	(8)	
84				
85		Incremental Total Revenue	742	
86		State Rate	5.493%	
87		Incremental State Taxes	(41)	
88				
89		Federal Rate	19.820%	
90		Incremental Federal Taxes	(147)	
91				
92		Total Taxes	(196)	

**Florida Power & Light Company**  
**Docket No. 20250011-EI**  
**FEL's Sixteenth Set of Interrogatories**  
**Interrogatory No. 196**  
**Page 1 of 1**

QUESTION:

Please refer to FPL's response to FEL's Fifteenth Set of Interrogatories, Interrogatory No. 184, that the "Proposed Settlement Agreement reflects a negotiated compromise of differing and competing positions by parties representing a broad range of interests and customers." Please explain whether that includes parties representing the interests of small business (GS) and residential (RS) customers, and, if so, which parties represented those interests in agreeing to the referenced cost of service methodology.

RESPONSE:

The Proposed Settlement Agreement reflects a negotiated compromise of differing and competing positions by parties representing a broad range of interests and customers. The settlement parties include organizations with diverse missions and customer bases that collectively considered impacts across all customer segments during negotiations. Throughout all such settlement negotiations, FPL represented the interests of all customer classes, including, but not limited to, the customers served under the GS and RS rate schedules.

The parties to the settlement engaged in comprehensive discussions that evaluated the effects of the proposed cost of service methodology on residential and small business customers, among others. The fact that several signatory parties maintain GS accounts as part of their operations demonstrates their direct familiarity with small business rate impacts and provides practical insight into how the settlement's provisions affect this customer segment. The resulting framework demonstrates a meaningful representation of customer interests, including residential and small business customers, that was achieved through the consideration and compromise of multiple parties and will benefit all customers.

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Asset Optimization Program  
Exhibit KRR-10, Page 1 of 1

**Florida Power & Light Company**  
**Docket No. 20250032-EI**  
**Staff's First Data Request**  
**Request No. 20**  
**Attachment 1 of 1**  
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Year	Wholesale Sales Gains (\$000)	Wholesale Purchases Savings (\$000)	Power Option Premiums (\$000)	Natural Gas Delivered City-Gate Sales (\$000)	Natural Gas Production Areas Sales (\$000)	Natural Gas Capacity Release Firm Transport (\$000)	Natural Gas Option Premiums (\$000)	Natural Gas Storage Optimization (\$000)	Natural Gas AMA Gains (\$000)	O&A Service Gains (\$000)	Delivered Natural Gas Savings (\$000)	Electric Transmission Capacity Release Firm Transmission (\$000)	Coal Sales Gains (\$000)	NOX Emissions Sales (\$000)	Back to Back Power Sale (\$000)	Sci w REC Sales (\$000)	Total Savings / Gains (\$000)
2013	\$106.82	\$3.206	\$471	\$909	\$2,650	\$679	\$3,163	\$1,570	\$0	\$0	\$0	\$1,077	\$0	\$0	\$0	\$0	\$24,564
2014	\$434.37	\$105.28	\$38	\$744	\$964	\$1,007	\$5,896	\$1,030	\$2,302	\$0	\$0	\$1,660	\$20	\$0	\$0	\$0	\$67,627
2015	\$23,197	\$9,578	\$201	\$1,260	\$472	\$856	\$6,964	\$725	\$1,545	\$0	\$0	\$2,086	\$0	\$0	\$0	\$0	\$4,684
2016	\$17,090	\$25,494	\$1,605	\$2,553	\$466	\$264	\$6,731	\$1,083	\$816	\$0	\$1,977	\$4,100	\$0	\$657	\$0	\$0	\$62,836
2017	\$14,911	\$7,821	\$2,367	\$3,538	\$603	\$3,218	\$8,945	\$861	\$1,478	\$0	\$0	\$0	\$0	\$119	\$0	\$0	\$43,862
2018	\$291.68	\$7,943	\$3,295	\$5,753	\$959	\$1,871	\$8,121	\$3,308	\$1,987	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$624,04
2019	\$222.01	\$149.14	\$1,722	\$2,871	\$764	\$2,188	\$7,503	\$721	\$2,365	\$0	\$0	\$0	\$0	\$1	\$0	\$0	\$55,249
2020	\$23,960	\$2,741	\$1,460	\$1,919	\$800	\$2,839	\$7,548	\$1,679	\$3,161	\$28	\$0	\$0	\$0	\$0	\$0	\$0	\$46,135
2021	\$365.51	\$2,628	\$3,569	\$1,719	\$539	\$3,614	\$7,784	\$2,393	\$4,247	\$48	\$0	\$0	\$0	\$0	\$0	\$0	\$63,093
2022	\$61,647	\$1,692.8	\$4,934	\$2,601	\$2,268	\$5,063	\$1,002.1	\$1,546	\$4,890	\$48	\$0	\$0	\$0	\$0	\$216	\$2,002.0	\$130,180
2023	\$60,111	\$8,669	\$2,933	\$2,010	\$300	\$6,189	\$1,696.2	\$916	\$9,063	\$48	\$0	\$0	\$0	\$0	\$0	\$1,600.6	\$123,207
2024 (*)	\$50,410	\$6,381	\$0	\$3,794	\$1,113	\$5,635	\$21,366	\$2,870	\$13,480	\$48	\$0	\$0	\$0	\$0	\$0	\$1,995.1	\$12,504.8

(\*) Information for 2024 is preliminary

## SUMMARY

### SIP and CMP Engagement with FPL's Originally-Filed Petition (as of deadlines for discovery & provision of cross exhibits)

<b>DISCOVERY</b>	FIPUG	FRF	FEIA	Walmart	EVgo	Fuel Retailers	FEA	AWI	EA	SACE	<b>SIP Total</b>	OPC	FEL	FAIR	<b>CMP Total</b>	<b>Total Requests</b>	<b>SIP % of Total</b>	<b>CMP % of Total</b>
Interrogatories to FPL	78	21	0	14	35	3	8	0	0	25	184	398	180	9	587	771	24%	76%
Requests for Production to FPL	55	9	0	4	6	6	39	0	0	25	144	170	141	3	314	458	31%	69%
Requests for Admission issued to FPL	0	0	0	0	0	0	0	0	0	0	0	0	31	0	31	31	0%	100%
Depositions noticed on FPL witnesses	0	0	0	0	0	0	0	0	0	0	0	31	2	0	33	33	0%	100%
Depositions noticed on other Intervenors	0	0	0	0	0	0	0	0	0	0	0	4	0	0	4	4	0%	100%

<b>PREHEARING</b>	FIPUG	FRF	FEIA	Walmart	EVgo	Fuel Retailers	FEA	AWI	EA	SACE	<b>Issues w/ SIP Position</b>	OPC	FEL	FAIR	<b>Issues w/ CMP Position</b>	<b>Total Hearing Issues</b>	<b>% Issues w/ SIP Position</b>	<b>% Issues w/ CMP Position</b>
Total Positions Taken	33	19	5	10	3	4	13	4	3	22	54	95	106	58	117	123	44%	95%

<b>HEARING</b>	FIPUG	FRF	FEIA	Walmart	EVgo	Fuel Retailers	FEA	AWI	EA	SACE	<b>SIP Cross Exhibits</b>	OPC	FEL	FAIR	<b>CMP Cross Exhibits</b>	<b>Total Cross Exhibits</b>	<b>SIP Exhs as % Total</b>	<b>CMP Exhs as % Total</b>
Total Cross Exhibits	7	8	0	23	9	0	0	0	0	0	47	372	359	17	748	795	6%	94%

**POSITIONS TAKEN**

SIP and CMP Positions Taken On Prehearing Statement																
ISSUE NO.	FIPUG	FRF	FEIA	Walmart	EVgo	Fuel Ret'rs	FEA	AWI	EA	SACE	SIPs COMPOSITE		OPC	FEL	FAIR	CMPs COMPOSITE
1	1	1	1	1	1	1	1	1	1	1	Yes		0	1	1	Yes
2	1	OPC	0	0	0	0	0	0	0	0	Yes		1	1	1	Yes
3	1	OPC	0	0	0	0	0	0	0	0	Yes		1	1	1	Yes
4	1	OPC	0	0	0	0	0	0	0	0	Yes		1	1	1	Yes
5	1	OPC	0	0	0	0	0	0	0	0	Yes		1	1	1	Yes
7	OPC	OPC	0	OPC	0	0	0	0	0	0	No		1	1	1	Yes
8	OPC	OPC	0	OPC	0	0	0	0	0	0	No		1	1	1	Yes
9	OPC	OPC	0	OPC	0	0	0	0	0	1	Yes		1	1	1	Yes
10	OPC	OPC	0	OPC	0	0	0	0	0	1	Yes		1	1	1	Yes
11	OPC	OPC	0	OPC	0	0	0	0	0	0	No		1	1	1	Yes
12	1	0	1	0	0	0	0	1	0	1	Yes		1	1	1	Yes
13	OPC	OPC	0	0	0	0	1	0	0	0	Yes		1	1	1	Yes
14	OPC	OPC	0	0	0	0	1	0	0	0	Yes		1	1	1	Yes
15	OPC	OPC	0	0	0	0	0	0	0	0	No		1	1	1	Yes
16	OPC	OPC	0	0	0	0	0	0	0	0	No		1	1	1	Yes
17	OPC	OPC	0	0	0	0	0	0	0	0	No		1	1	1	Yes
18	OPC	OPC	0	0	0	0	0	0	0	0	No		1	1	1	Yes
19	OPC	OPC	0	0	0	0	0	0	0	0	No		1	1	1	Yes
20	OPC	OPC	0	OPC	0	0	0	0	0	0	No		1	1	1	Yes
21	OPC	OPC	0	OPC	0	0	0	0	0	0	No		1	1	1	Yes
22	OPC	OPC	0	OPC	0	0	0	0	0	0	No		1	1	1	Yes
23	OPC	OPC	0	OPC	0	0	0	0	0	1	Yes		1	1	OPC	Yes
24	OPC	OPC	0	OPC	0	0	0	0	0	0	No		1	1	OPC	Yes
25	OPC	OPC	0	0	0	0	0	0	0	1	Yes		1	1	1	Yes
26	1	1	0	OPC	0	0	0	0	0	1	Yes		1	1	1	Yes
27	1	OPC	0	OPC	0	0	0	0	0	1	Yes		1	1	1	Yes
28	OPC	OPC	0	OPC	0	0	0	0	0	1	Yes		1	1	1	Yes
29	OPC	OPC	0	0	0	0	0	0	0	0	No		1	1	1	Yes
30	OPC	0	0	OPC	0	0	0	0	0	1	Yes		1	1	1	Yes
31	OPC	OPC	0	OPC	0	0	0	0	0	0	No		0	0	OPC	No
32	OPC	0	0	OPC	0	0	0	0	0	FEL	No		1	1	OPC	Yes
33	OPC	OPC	0	OPC	0	0	0	0	0	0	No		1	1	OPC	Yes
34	OPC	OPC	0	OPC	0	0	0	0	0	0	No		1	1	OPC	Yes
35	OPC	1	0	OPC	0	0	0	0	0	0	Yes		1	1	OPC	Yes
36	OPC	OPC	0	OPC	0	0	0	0	0	0	No		1	OPC	1	Yes
37	OPC	OPC	0	OPC	0	0	0	0	0	0	No		1	1	OPC	Yes

**POSITIONS TAKEN**

ISSUE NO.	FIPUG	FRF	FEIA	Walmart	EVgo	Fuel Ret'rs	FEA	AWI	EA	SACE	SIPs COMPOSITE		OPC	FEL	FAIR	CMPs COMPOSITE
38	OPC	OPC	0	OPC	0	0	0	0	0	0	No		1	1	OPC	Yes
39	OPC	OPC	0	OPC	0	0	0	0	0	0	No		1	1	OPC	Yes
40	OPC	OPC	0	OPC	0	0	0	0	0	0	No		1	1	OPC	Yes
41	OPC	1	0	OPC	0	0	0	0	0	1	Yes		1	1	OPC	Yes
42	OPC	OPC	0	OPC	0	0	0	0	0	OPC	No		1	1	OPC	Yes
43	OPC	OPC	0	OPC	0	0	0	0	0	OPC	No		1	1	OPC	Yes
44	OPC	OPC	0	OPC	0	0	1	0	0	OPC	Yes		1	1	OPC	Yes
45	OPC	OPC	0	OPC	0	0	0	0	0	OPC	No		1	1	OPC	Yes
46	OPC	OPC	0	OPC	0	0	0	0	0	OPC	No		1	1	OPC	Yes
47	OPC	OPC	0	OPC	0	0	0	0	0	OPC	No		1	OPC	OPC	Yes
48	1	OPC	0	1	0	0	1	0	0	OPC	Yes		1	1	1	Yes
49	1	OPC	0	1	0	0	1	0	0	OPC	Yes		1	1	1	Yes
50	1	OPC	0	1	0	0	1	0	0	OPC	Yes		1	1	OPC	Yes
51	OPC	OPC	0	OPC	0	0	0	0	0	0	No		1	1	1	Yes
52	OPC	OPC	0	OPC	0	0	0	0	0	0	No		1	1	OPC	Yes
53	OPC	OPC	0	OPC	0	0	0	0	0	1	Yes		1	1	OPC	Yes
54	OPC	OPC	0	OPC	0	0	0	0	0	1	Yes		1	1	OPC	Yes
55	OPC	OPC	0	OPC	0	0	0	0	0	0	No		1	OPC	OPC	Yes
56	OPC	OPC	0	OPC	0	0	0	0	0	0	No		0	0	0	No
57	OPC	OPC	0	OPC	0	0	0	0	0	OPC	No		1	1	1	Yes
58	OPC	OPC	0	OPC	0	0	0	0	0	OPC	No		1	1	1	Yes
59	OPC	OPC	0	OPC	0	0	0	0	0	OPC	No		1	1	1	Yes
60	OPC	OPC	0	OPC	0	0	0	0	0	OPC	No		1	1	1	Yes
61	OPC	OPC	0	OPC	0	0	0	0	0	OPC	No		1	1	1	Yes
62	OPC	OPC	0	OPC	0	0	0	0	0	OPC	No		1	1	1	Yes
63	OPC	OPC	0	OPC	0	0	0	0	0	0	No		1	1	1	Yes
64	OPC	OPC	0	OPC	0	0	0	0	0	0	No		1	1	OPC	Yes
65	OPC	OPC	0	0	0	0	0	0	0	0	No		1	1	OPC	Yes
66	OPC	OPC	0	0	0	0	0	0	0	0	No		0	OPC	OPC	No
67	OPC	OPC	0	0	0	0	0	0	0	0	No		1	1	OPC	Yes
68	OPC	OPC	0	0	0	0	0	0	0	0	No		1	1	OPC	Yes
69	OPC	OPC	0	0	0	0	0	0	0	0	No		1	OPC	OPC	Yes
70	OPC	OPC	0	0	0	0	0	0	0	0	No		1	OPC	OPC	Yes
71	OPC	OPC	0	0	0	0	0	0	0	0	No		1	1	OPC	Yes
72	OPC	OPC	0	OPC	0	0	0	0	0	0	No		1	1	OPC	Yes
73	OPC	OPC	0	OPC	0	0	0	0	0	0	No		1	OPC	OPC	Yes
74	OPC	OPC	0	OPC	0	0	0	0	0	0	No		0	OPC	0	No
75	OPC	OPC	0	OPC	0	0	0	0	0	1	Yes		1	1	OPC	Yes
76	OPC	OPC	0	OPC	0	0	0	0	0	0	No		1	1	OPC	Yes

**POSITIONS TAKEN**

ISSUE NO.	FIPUG	FRF	FEIA	Walmart	EVgo	Fuel Ret'rs	FEA	AWI	EA	SACE	SIPs COMPOSITE		OPC	FEL	FAIR	CMPs COMPOSITE
77	OPC	OPC	0	0	0	0	0	0	0	0	No		1	OPC	OPC	Yes
78	OPC	OPC	0	0	0	0	0	0	0	0	No		1	OPC	OPC	Yes
79	OPC	OPC	0	0	0	0	0	0	0	0	No		1	OPC	OPC	Yes
80	OPC	OPC	0	0	0	0	0	0	0	0	No		1	1	OPC	Yes
81	1	OPC	0	0	0	0	0	0	0	0	Yes		0	1	1	Yes
82	OPC	0	0	0	0	0	0	0	0	0	No		1	1	OPC	Yes
83	OPC	0	0	0	0	0	0	0	0	0	No		1	OPC	OPC	Yes
84	OPC	OPC	0	0	0	0	0	0	0	0	No		1	1	OPC	Yes
85	OPC	OPC	0	0	0	0	0	0	0	0	No		1	1	OPC	Yes
86	OPC	OPC	0	0	0	0	0	0	0	0	No		1	OPC	1	Yes
87	OPC	OPC	0	0	0	0	0	0	0	0	No		1	1	1	Yes
88	OPC	OPC	0	0	0	0	0	0	0	0	No		0	0	0	No
89	1	1	0	1	0	0	1	0	0	FPL	Yes		0	1	0	Yes
90	1	1	0	0	0	0	1	0	0	FPL	Yes		0	1	0	Yes
91	1	FIPUG	0	0	0	0	1	0	0	FPL	Yes		0	1	0	Yes
92	1	1	0	0	0	0	1	0	0	FPL	Yes		0	1	0	Yes
93	1	1	0	0	0	0	1	0	0	1	Yes		0	1	1	Yes
94	OPC	OPC	0	0	0	0	0	0	0	FEL	No		0	1	0	Yes
95	1	1	0	0	0	0	0	0	0	0	Yes		0	1	0	Yes
96	1	1	0	0	0	0	0	0	0	0	Yes		0	1	1	Yes
97	1	1	0	0	0	0	0	0	0	0	Yes		0	1	1	Yes
98	0	1	0	FIPUG	0	0	0	0	0	0	Yes		0	1	1	Yes
99	1	1	0	FIPUG	0	0	0	0	0	0	Yes		0	1	0	Yes
100	1	1	0	1	0	0	0	0	0	FEL	Yes		0	1	0	Yes
101	0	0	0	0	0	0	0	0	0	0	No		0	1	0	Yes
102	0	1	0	0	0	0	0	0	0	1	Yes		0	1	FEL	Yes
103	0	0	0	0	0	0	0	0	0	0	No		0	1	0	Yes
104	1	FIPUG	0	1	0	0	0	0	0	FPL	Yes		0	1	0	Yes
105	1	0	1	1	0	0	1	0	0	FEL	Yes		1	1	1	Yes
106	1	0	1	FIPUG	0	0	0	0	0	0	Yes		1	1	0	Yes
110	OPC	0	0	0	0	1	0	0	0	1	Yes		0	1	0	Yes
111	OPC	0	0	1	1	1	0	0	1	1	Yes		0	1	0	Yes
112	OPC	0	0	0	1	1	0	0	0	1	Yes		1	1	0	Yes
113	0	0	0	0	0	0	0	0	0	0	No		0	1	0	Yes
114	0	0	0	0	0	0	0	0	0	0	No		0	0	0	No
115	0	0	0	0	0	0	0	0	0	0	No		0	1	0	Yes
116	0	1	1	0	0	0	0	0	0	1	Yes		1	1	1	Yes
117	OPC	0	0	0	0	0	0	0	0	0	No		1	1	1	Yes
118	1	1	0	0	0	0	0	0	0	FEL	Yes		1	1	1	Yes

## POSITIONS TAKEN

ISSUE NO.	FIPUG	FRF	FELA	Walmart	EVgo	Fuel Ret'r's	FEA	AWI	EA	SACE	SIPs COMPOSITE		OPC	FEL	FAIR	CMPs COMPOSITE
121	1	1	0	0	0	0	0	0	0	1	Yes		1	1	1	Yes
123	1	0	0	0	0	0	0	0	0	0	Yes		1	1	1	Yes
125	OPC	1	0	0	0	0	0	0	0	FAIR	Yes		1	1	1	Yes
126	1	OPC	0	0	0	0	0	0	0	FEL	Yes		1	1	1	Yes
127A	0	OPC	0	0	0	0	0	0	0	0	No		1	1	1	Yes
127B	1	OPC	0	0	0	0	0	0	0	0	Yes		1	1	1	Yes
128	1	0	0	1	0	0	0	1	0	0	Yes		1	1	1	Yes
129	1	OPC	0	0	0	0	0	0	0	0	Yes		1	1	1	Yes
130	1	0	0	0	0	0	0	1	1	1	Yes		1	1	1	Yes
	FIPUG	FRF	FELA	Walmart	EVgo	Fuel Ret'r's	FEA	AWI	EA	SACE	SIPs COMPOSITE		OPC	FEL	FAIR	CMPs COMPOSITE
<b>TOTAL NO. ISSUES W/ REAL POSITION</b>	<b>33</b>	<b>19</b>	<b>5</b>	<b>10</b>	<b>3</b>	<b>4</b>	<b>13</b>	<b>4</b>	<b>3</b>	<b>22</b>	<b>54</b>		<b>95</b>	<b>106</b>	<b>58</b>	<b>117</b>
<i>NO. ISSUES ADOPT OPC</i>	<i>81</i>	<i>83</i>	<i>0</i>	<i>50</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>15</i>	N/A		N/A	<i>13</i>	<i>43</i>	N/A
<i>NO. ISSUES ADOPT ANY PARTY</i>	<i>81</i>	<i>85</i>	<i>0</i>	<i>53</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>27</i>	N/A		<i>0</i>	<i>13</i>	<i>44</i>	N/A
<b>PERCENT ISSUES W/ REAL POSITION</b>	<b>27%</b>	<b>15%</b>	<b>4%</b>	<b>8%</b>	<b>2%</b>	<b>3%</b>	<b>11%</b>	<b>3%</b>	<b>2%</b>	<b>18%</b>	<b>44%</b>		<b>77%</b>	<b>86%</b>	<b>47%</b>	<b>95%</b>
<b>KEY</b>			<b>METHODOLOGY/NOTES</b>													
0 = no position			Where a party solely stated a variation of "FPL has the burden", it was counted as no position. If a party prefaced an "FPL has the burden" statement with an affirmative position, it was counted as taking a position. Calling an issue a "Fallout Issue" was counted as a position, but taking "no position except as may be affected by other positions" was not. Adopting another party's position plus a reference to specific testimony or additional detail was counted as taking a position.													
[PARTY] = adopt [PARTY] position																
1 = position taken																