




Office of
**INDIAN RIVER COUNTY
ATTORNEY**

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MEMORANDUM

TO: Board of County Commissioners
FROM: Dylan Reingold, County Attorney 
DATE: August 8, 2018
SUBJECT: Florida Public Service Commission Hearing

Docket No. 20170235-EI - Petition by Florida Power & Light Company (FPL) for authority to charge FPL rates to former City of Vero Beach customers and for approval of FPL's accounting treatment for City of Vero Beach transaction.

Docket No. 20170236-EU Joint petition to terminate territorial agreement, by Florida Power & Light and the City of Vero Beach.

BACKGROUND.

On July 2, 2018, the Florida Public Service Commission (PSC) entered a proposed agency action (PAA) order that authorized Florida Power & Light Company (FPL) to charge FPL rates to the City of Vero Beach (COVB) customers, approved the termination of FPL and COVB's territorial agreement, approved recovery through base rates a \$116.2 million positive acquisition adjustment, and, with regard to the short-term power purchase agreement between FPL and OUC, approved recovery of the energy portion of the charges through the Fuel and Purchased Power Cost Recovery Clause and approved recovery of the capacity charges component through the Capacity Cost Recovery Clause. Subsequently, petitions to challenge the PPA order were filed by the Civic Association of Indian River County, Inc., the Florida Industrial Power Users Group, Michael Moran, and Brian Heady. On July 25, 2018, the PSC issued an Order Establishing Procedure, which is attached, that states that the PAA order is null and void and sets a *de novo* hearing for October 10-11.

Per the Order Establishing Procedure, the schedule for the proceeding is as follows:

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| (1) Utility's supplemental testimony and exhibits | August 6, 2018 |
| (2) Issue Identification Meeting | August 27, 2018 |
| (3) Intervenors' testimony and exhibits | September 7, 2018 |
| (4) Staff's testimony and exhibits, if any | September 14, 2018 |
| (5) Utility's rebuttal testimony and exhibits | September 24, 2018 |
| (6) Prehearing Statements | September 26, 2018 |
| (7) Discovery deadline | October 2, 2018 |
| (8) Prehearing Conference | October 3, 2018 |

(9) Hearing
(10) Briefs

October 10-11, 2018
October 19, 2018

Currently, there are several parties of record in the combined matters, which include in alphabetical order, Brian T. Heady, City of Vero Beach, Civic Association of Indian River County, Inc., Florida Industrial Power Users Group, Florida Power & Light Company, Michael Moran, and the Office of Public Counsel. Additionally, Representative Erin Grall and the Town of Indian River Shores are listed as interested parties.

Although Indian River County had not requested to intervene or be a party in the initial proceeding, the County Attorney's Office believes that in order to support the City of Vero Beach and represent the ratepayers in the unincorporated areas of Indian River County, the Indian River County Board of County Commissioners (Board) should seek to intervene to participate in the process. If the Board decides to intervene and the PSC grants the request, the Board will be subject to the timelines and requirements set forth in the Order Establishing Procedure. These will include being subject to discovery requests and attending the mandatory meetings and hearings. Additionally, it may require working with outside counsel through the process.

FUNDING.

The funding for participation in the matter will come from the MSTU Fund.

RECOMMENDATION.

The County Attorney's Office recommends that the Board vote to approve the filing to intervene in the matter and authorize the County Attorney's Office to work with outside counsel Floyd Self throughout the process.

ATTACHMENT(S).

PSC Order Establishing Procedure