

RESOLUTION NO. 2012-20

A RESOLUTION OF THE VILLAGE OF PINECREST, FLORIDA, OPPOSING THE PROPOSED BASE RATE INCREASE BY FLORIDA POWER AND LIGHT; AUTHORIZING THE MAYOR TO FILE THIS RESOLUTION WITH THE FLORIDA PUBLIC SERVICE COMMISSION; PROVIDING FOR DISTRIBUTION BY THE VILLAGE CLERK; PROVIDING FOR SEVERABILITY; PROVIDING FOR CONFLICTING RESOLUTIONS; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Florida Power and Light ("FPL") provides electricity within the Village of Pinecrest ("Village"), and the Village and its residents have no alternative but to purchase services from FPL; and the Village government purchases electricity from FPL to power Village Hall and numerous municipal buildings in order to provide services to residents; and

WHEREAS, the residents and businesses of the Village must also purchase electric service from FPL; and

WHEREAS, the Village, its residents and businesses continue to face a depressed economy with limited resources wherein jobs are being lost, incomes and revenues are static or declining, and home mortgages are being foreclosed, requiring the Village, its residents and businesses to live within their means and budget accordingly; and

WHEREAS in March 2012, FPL proposed a 16% base rate hike in order to ensure up to a 12.5% return on equity for its shareholders; and

WHEREAS, FPL benefits from more pass-through cost recovery mechanisms than any other regulated utility in the United States of America, including the Storm Cost Recovery Surcharge, the Fuel Cost Recovery Clause pass-through, the Environmental Cost Recovery Clause pass-through, the Capacity Cost Recovery Clause pass-through, the Conservation Cost Recovery Clause pass-through, and the Nuclear Cost Recovery Clause pass-through, which

pass-through mechanisms increase FPL's current cash flow without the scrutiny employed in a traditional rate case; and

WHEREAS, currently approximately 52% of the rates paid by FPL customers are paid pursuant to these cost recovery mechanisms instead of through base rates; and

WHEREAS, in 2009 the Florida Public Service Commission ("PSC") awarded FPL only 7% of its requested base rate relief, yet FPL continued in 2010 and 2011 to report substantial earnings growth, including an increase of 14% in 2010 and 13% in 2011; and

WHEREAS, October 4, 2010, the PSC Staff recommended that the PSC order FPL to hold \$400 million for possible refund to customers and that the PSC investigate over earning by the company, however the customers never received a refund; and

WHEREAS, the proposed rate increases will adversely affect the residents of the Village and further strain limited resources.

NOW, THEREFORE, BE IT RESOLVED BY THE VILLAGE COUNCIL OF THE VILLAGE OF PINECREST, FLORIDA:

Section 1. The foregoing "WHEREAS" clauses are hereby ratified as true and correct and are incorporated herein by this reference.

Section 2. The Village hereby objects to and opposes the Public Service Commission ("PSC") approving FPL's request for a base rate increase.

Section 3. The Mayor is authorized on behalf of the Village to file this Resolution with the PSC and present this Resolution opposing the rate increase at any public meeting, conference or hearing, including those scheduled for the purpose of discussing or considering any matters under consideration in PSC docket number 120015-EI.

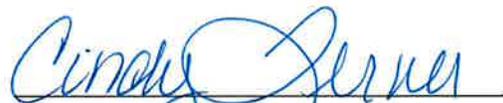
Section 4. The Village Clerk is hereby directed to distribute a copy of this resolution via mail to the PSC Clerk, Attention: Docket 120015-EI, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0850, and via electronic mail to the Commission at contact@psc.state.fl.us.

Section 5. If any section, subsection, sentence, clause, phrase, or portion of this Resolution, or application hereof, is for any reason held invalid or unconstitutional by any Court, such portion or application shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions or application hereof.

Section 6. All Resolutions made in conflict with this Resolution are hereby repealed.

Section 7. This Resolution shall be effective immediately upon its adoption.

PASSED AND ADOPTED this 10th day of April, 2012.


Cindy Lerner, Mayor

Attest:



Guido H. Inguanzo, Jr., CMC
Village Clerk

Approved as to Form and Legal Sufficiency



Cynthia A. Everett
Village Attorney

Consent Agenda



Guido H. Inguanzo, Jr. (OVC)

From: Guido H. Inguanzo, Jr. (OVC)
Sent: Tuesday, April 24, 2012 10:53 AM
To: 'contact@psc.state.fl.us'
Cc: 'clerk@psc.state.fl.us'
Subject: Resolution Opposing Proposed Base Rate Increase by FPL (Docket 120015-E1)
Attachments: 20120423151811.pdf

Commission Clerk:

The attached resolution, relating to the Village of Pinecrest's opposition to the proposed base rate increase by FPL, is provided to you at the request of the Pinecrest Village Council.

Guido H. Inguanzo, Jr., CMC
Village Clerk

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Village of Pinecrest
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Pinecrest, Florida 33156
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 pinecrest-fl.gov



Guido H. Inguanzo, Jr. (OVC)

From: Filings@psc.state.fl.us
Sent: Tuesday, April 24, 2012 11:45 AM
To: Guido H. Inguanzo, Jr. (OVC)
Subject: PSC electronic filing

Your electronic filing has been received by the Florida Public Service Commission, Office of Commission Clerk.

The filing date for an electronically transmitted document is the date that the Office of Commission Clerk receives the complete document. If the document is received on a non-business day, or after 5:00 p.m. (EST) on a business day, it will be considered filed as of 8:00 a.m. on the following business day.

E-filings are accepted in accordance with the Commission's Electronic Filing Requirements, which can be accessed on the Commission's Web Site at <http://www.floridapsc.com/dockets/e-filings/> or by contacting the Office of Commission Clerk at (850) 413-6770 during normal business hours. By electing to file electronically, you agree to abide by and accept the electronic filing requirements posted on the PSC's Web site.

Questions should be directed to the Office of Commission Clerk, Clerk@psc.state.fl.us, or call (850) 413-6770.