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3 **RESOLUTION NO. 2012-22**  
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6 **RESOLUTION OF THE VILLAGE COMMISSION**  
7 **OF THE VILLAGE OF BISCAYNE PARK,**  
8 **FLORIDA, OPPOSING THE PROPOSED BASE**  
9 **RATE INCREASE BY FLORIDA POWER & LIGHT;**  
10 **AUTHORIZING THE MAYOR TO FILE THIS**  
11 **RESOLUTION WITH THE FLORIDA PUBLIC**  
12 **SERVICE COMMISSION; PROVIDING FOR**  
13 **SEVERABILITY; PROVIDING FOR AN**  
14 **EFFECTIVE DATE**  
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17 WHEREAS Florida Power and Light (“FPL”) provides electricity within the Village  
18 of Biscayne Park (“Village”), and the Village and its residents have no alternative but to  
19 purchase services from FPL; and the Village government purchases electricity from FPL to  
20 power Village Hall and all other municipal buildings in order to provide services to residents;  
21 and  
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23 WHEREAS, the residents of the Village must also purchase electric service from FPL;  
24 and  
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26 WHEREAS, the Village and its residents continue to face a depressed economy and  
27 limited resources wherein jobs are being lost, incomes and revenues are static or declining,  
28 and home mortgages are being foreclosed, requiring the Village and its residents to live within  
29 their means and budget accordingly; and  
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31 WHEREAS, in March 2012, FPL proposed a 16% base rate hike in order to ensure up  
32 to a 12.5% return on equity for its shareholders; and  
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34 WHEREAS, FPL benefits from more pass-through cost recovery mechanisms than any  
35 other regulated utility in the United States of America, including the Storm Cost Recovery  
36 Surcharge, the Fuel Cost Recovery Clause pass through, the Environmental Cost Recovery  
37 Clause pass-through, the Capacity Cost Recovery Clause pass-through, the Conservation Cost  
38 Recovery Clause pass-through, and the Nuclear Cost Recovery Clause pass-through, which  
39 pass-through mechanisms increase FPL’s current cash flow without the scrutiny employed in  
40 a traditional rate case; and  
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42 WHEREAS, currently approximately 52% of the rates paid by FPL customers are paid  
43 pursuant to these cost recovery mechanisms instead of through base rates; and  
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45 WHEREAS, in 2009 the Florida Public Service Commission (“PSC”) awarded FPL  
46 only 7% of its requested base rate relief, yet FPL continued in 2010 and 2011 to report  
47 substantial earnings growth, including an increase of 14% in 2010 and 13% in 2011; and  
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49 WHEREAS, October 4, 2010, the PSC Staff recommended that the PSC order FPL to  
50 hold \$400 million for possible refund to customers and that the PSC investigate over earning  
51 by the company, however the customers never received a refund; and  
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53 WHEREAS, the proposed rate increases will adversely affect the residents of the  
54 Village and further strain limited resources.  
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1 Approved as to form:

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Village Attorney

A handwritten signature in black ink, consisting of stylized initials and a long horizontal flourish, is written over a solid horizontal line. The signature is positioned to the right of the printed text 'Village Attorney'.