

RESOLUTION NO. 12-118

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

WHEREAS, Florida Power and Light (FPL) provides electricity within the City of Doral, and the City's residents have no alternative but to purchase services from FPL and the City purchases electricity from FPL to power the Doral Government Center and numerous municipal buildings in order to provide services to residents; and

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

WHEREAS, the City, 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 City, 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 mechanism 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 tradition 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, on 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 City and further strain limited resources.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DORAL AS FOLLOWS:

Section 1. The foregoing “whereas” clauses are hereby ratified as true and correct and are incorporated herein by this reference.

Section 2. The City of Doral hereby objects to and opposes the Florida Public Service Commission approving FPL's request for a base rate increase.

Section 3. The City Clerk is hereby directed to distribute a copy of this Resolution via mail to the FPSC 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 4. 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 5. All Resolutions made in conflict with this Resolution are hereby repealed.

Section 6. This Resolution shall become effective immediately upon adoption.

The foregoing Resolution was offered by Vice Mayor DiPietro who moved its adoption. The motion was seconded by Councilman Cabrera and upon being put to a vote, the vote was as follows:

Mayor Juan Carlos Bermudez	Yes
Vice Mayor Michael DiPietro	Yes
Councilmember Luigi Boria	Yes
Councilmember Pete Cabrera	Yes
Councilmember Ana Maria Rodriguez	Yes

PASSED AND ADOPTED this 19th day of September, 2012.



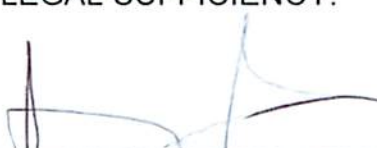
JUAN CARLOS BERMUDEZ, MAYOR

ATTEST:



BARBARA HERRERA, CITY CLERK

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY:



JIMMY L. MORALES, CITY ATTORNEY