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## **PSC Approves Cedar Bay Agreement between FPL and OPC**

**TALLAHASSEE** — The Florida Public Service Commission (PSC) today approved a Settlement Agreement (Settlement) between the Office of Public Counsel (OPC)—representing consumers in PSC proceedings—and Florida Power & Light Company (FPL) on FPL's Cedar Bay generating facility purchase.

Filed with the PSC on July 24, the Settlement will free FPL customers of the high cost of purchasing power from the coal-fired Cedar Bay plant. PSC Commissioners questioned and heard testimony from witnesses and parties to the case during a hearing in late July.

Although FPL is expected to pay \$520.5 million for the 250-megawatt plant, purchasing Cedar Bay is more cost effective for customers than continuing the existing purchase power contract, which extends through 2024.

“Today the Florida PSC found that the Settlement Agreement is in the public interest. It will save FPL customers money and reduce CO2 emissions in Florida,” said PSC Commissioner Lisa Edgar.

With the expected plant purchase, FPL will terminate the contract and its customer costs. FPL also plans to decrease Cedar Bay plant operations by about 90 percent, thus reducing carbon dioxide emissions, and expects to retire the plant nearly eight years sooner than it would have without the purchase.

In 1988, the PSC approved a purchased-power agreement between FPL and Cedar Bay plant owner, Cedar Bay Generating Company, Limited Partnership. The contract—based on the cost of power at that time—includes fixed payments, with annual increases, for capacity and operating and maintenance that total more than \$120 million each year until the contract's 2024 expiration. FPL now generates electricity at a much lower cost.

FPL serves more than 4.7 million customers in Florida.

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