



THE FLORIDA SENATE

Tallahassee, Florida 32399-1100

Statement by Senators John Legg, Jeff Brandes, Wilton Simpson, and Jack Latvala

We are here today to unveil plans to take on the fight for Florida consumers who are upset by the fact that two of Florida's investor-owned utilities have billed their rate-payers for upwards of \$1 billion in charges for cost recovery for new nuclear plants that may never be built.

We are announcing that we are moving forward with legislation to amend the 2006 Nuclear Cost Recovery Act to:

1. Reduce the amount of the carrying costs on the utility's projected construction cost balance, the allowance for funds during construction (AFUDC), by changing language fixing these charges at the AFUDC rate in effect at the beginning of the process to the rate in effect at the time recovery is sought.
2. Provide that if a utility decides not to complete construction of a nuclear project, it cannot recover or retain a rate of return and must refund any amount of costs attributable to a recovery of a rate of return that were incurred before that date the decision was made.
3. Provide a sunset date for the statute, unless before that date a utility begins construction of a new nuclear power plant and shows continuous progress on construction as determined by the Public Service Commission based upon production by the utility of any evidence the commission deems necessary to make its determination.

Since passage of the current law, utility companies have collected more than \$1 billion from Florida's families and businesses, and we are still years away from the opening of any new facility.

The bill filed by Senator John Legg and co-sponsored by the rest of us will change this unfair practice by requiring power companies to return the money they collect from customers if they choose not to follow through with a project that part of the customer's monthly fees were supposed to be applied toward. Under the bill, this provision will sunset or sundown unless a nuclear facility is actually placed under construction.

This bill will begin the conversation in the Legislature about our state's energy policy, the role nuclear energy will play, and how best to balance the interests of consumers with future energy needs of the state. "This legislation brings accountability and common sense into our energy policy discussion," states Senator John Legg. "Protecting rate payer's interests should be our primary concern. This will lead to a balanced approach to our state's energy plan."

This bill is a framework for this policy discussion. We look forward to having the views of our fellow legislators in shaping a final product.

Senate's Website: www.flsenate.gov

DON GAETZ
President of the Senate

GARRETT RICHTER
President Pro Tempore