

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Energy conservation cost recovery  
clause.

DOCKET NO. 20180002-EG  
ORDER NO. PSC-2018-0562-FOF-EG  
ISSUED: November 28, 2018

The following Commissioners participated in the disposition of this matter:

ART GRAHAM, Chairman  
JULIE I. BROWN  
DONALD J. POLMANN  
GARY F. CLARK  
ANDREW GILES FAY

APPEARANCES:

MATTHEW R. BERNIER, ESQUIRE, 106 East College Avenue, Suite 800,  
Tallahassee, Florida 32301, and DIANE M. TRIPLETT, ESQUIRE, 299 First  
Avenue North, St. Petersburg, Florida 33701  
On behalf of Duke Energy Florida, LLC (DEF).

MARIA J. MONCADA, and JOEL BAKER, ESQUIRES, 700 Universe  
Boulevard, Juno Beach, Florida 33408-0420.  
On behalf of Florida Power & Light Company (FPL).

BETH KEATING, ESQUIRE, Gunster, Yoakley & Stewart, P.A., 215 South  
Monroe Street, Suite 601, Tallahassee, Florida 32301  
On behalf of Florida Public Utilities Company (FPUC).

JEFFREY A. STONE, ESQUIRE, One Energy Place, Pensacola, Florida 32520-  
0100, and RUSSELL A. BADDERS and STEVEN R. GRIFFIN, ESQUIRES,  
Beggs & Lane, Post Office Box 12950, Pensacola, Florida 32591-2950  
On behalf of Gulf Power Company (GULF).

JAMES D. BEASLEY and J. JEFFRY WAHLEN, ESQUIRES, Ausley  
McMullen, Post Office Box 391, Tallahassee, Florida 32302  
On behalf of Tampa Electric Company (TECO).

PATRICIA A. CHRISTENSEN ESQUIRE, Associate Public Counsel,  
CHARLES REHWINKEL, ESQUIRE, Deputy Public Counsel, and J.R. KELLY,  
ESQUIRE, Public Counsel, Office of Public Counsel, c/o The Florida Legislature,  
111 West Madison Street, Room 812, Tallahassee, Florida 32399-1400  
On behalf of the Citizens of the State of Florida (OPC).

JON C. MOYLE, JR. and KAREN PUTNAL, ESQUIRES, Moyle Law Firm, P.A., 118 North Gadsden Street, Tallahassee, Florida 32312  
On behalf of the Florida Industrial Power Users Group (FIPUG).

JAMES W. BREW and LAURA A. WYNN, ESQUIRES, Stone Mattheis Xenopoulos & Brew, PC, 1025 Thomas Jefferson Street, NW, Eighth Floor, West Tower, Washington, D.C. 20007  
On behalf of White Springs Agricultural Chemicals, Inc. d/b/a PCS Phosphate – White Springs (PCS PHOSPHATE or PCS).

MARGO A. DUVAL, ESQUIRE, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850  
On behalf of the Florida Public Service Commission (Staff).

MARY ANNE HELTON, ESQUIRE, Deputy General Counsel, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850  
Advisor to the Florida Public Service Commission.

KEITH C. HETRICK, ESQUIRE, General Counsel, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850  
Florida Public Service Commission General Counsel.

FINAL ORDER APPROVING ENERGY CONSERVATION COST RECOVERY AMOUNTS AND RELATED TARIFFS AND ESTABLISHING ENERGY CONSERVATION COST RECOVERY FACTORS FOR THE PERIOD JANUARY 2019 THROUGH DECEMBER 2019

BY THE COMMISSION:

BACKGROUND

As part of the Florida Public Service Commission's continuing energy conservation cost recovery proceedings, an administrative hearing was held on November 5, 2018. Duke Energy Florida, LLC (DEF), Florida Power & Light Company (FPL), Florida Public Utilities Company (FPUC), Gulf Power Company (Gulf), and Tampa Electric Company (TECO) submitted testimony and exhibits in support of their proposed final and estimated true-up amounts, total conservation cost recovery amounts, and conservation cost recovery factors. Prior to the hearing, the parties reached an agreement concerning all issues identified for resolution at the hearing, with the intervenors, the Office of Public Counsel (OPC), Florida Industrial Power Users Group (FIPUG), and White Springs Agricultural Chemicals, Inc. d/b/a PCS Phosphate – White Springs (PCS Phosphate), taking no position. We have jurisdiction over the subject matter by the provisions of Chapter 366, Florida Statutes (F.S.), including Sections 366.04, 366.05, and 366.06, F.S.

The parties stipulated to the final and estimated true-up amounts, total conservation cost recovery amounts, and conservation cost recovery factors for each utility. The parties also stipulated to the company specific conservation cost recovery issues. We accept and approve the stipulations as reasonable and find they are supported by competent, substantial evidence of record, as set forth below.

### DECISION

#### Conservation Cost Recovery True-Up

We find that the appropriate final conservation cost recovery adjustment true-up amounts for the period January 2017 through December 2017 are as follows:

Duke Energy Florida	\$2,815,663	Over-recovery <sup>1</sup>
Florida Power & Light Company	\$8,637,401	Over-recovery
Florida Public Utilities Company	\$5,141	Under-recovery <sup>2</sup>
Gulf Power Company	\$43,106	Over-recovery
Tampa Electric Company	\$2,347,703	Over-recovery <sup>3</sup>

We find that the appropriate conservation adjustment actual/estimated true-up amounts for the period January 2018 through December 2018 are as follows:

Duke Energy Florida	\$5,499,116	Over-recovery <sup>4</sup>
Florida Power & Light Company	\$5,074,368	Over-recovery
Florida Public Utilities Company	\$80,500	Over-recovery
Gulf Power Company	\$1,968,828	Over-recovery
Tampa Electric Company	\$7,950,944	Under-recovery <sup>5</sup>

We find that the appropriate total conservation adjustment true-up amounts to be collected/refunded from January 2019 through December 2019 are as follows:

Duke Energy Florida	\$8,314,779	Over-recovery <sup>6</sup>
Florida Power & Light Company	\$13,711,769	Over-recovery
Florida Public Utilities Company	\$75,359	Over-recovery
Gulf Power Company	\$2,011,934	Over-recovery
Tampa Electric Company	\$5,603,241	Under-recovery <sup>7</sup>

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<sup>1</sup> Adjusted net true-up amount of over-recovery.

<sup>2</sup> Final end of period adjustment true-up of over-recovery.

<sup>3</sup> Adjusted net true-up amount of over-recovery, including interest.

<sup>4</sup> Adjusted net true-up over-recovery.

<sup>5</sup> Including interest.

<sup>6</sup> Adjusted net true-up amount of over-recovery.

<sup>7</sup> Including interest.

Total Conservation Cost Recovery

We find that the total conservation cost recovery amounts to be collected during the period January 2019 through December 2019 are as follows:

Duke Energy Florida	\$104,853,136
Florida Power & Light Company	\$153,423,778 <sup>8</sup>
Florida Public Utilities Company	\$653,441
Gulf Power Company	\$12,776,473 <sup>9</sup>
Tampa Electric Company	\$57,275,816 <sup>10</sup>

Conservation Cost Recovery Factors

We find that the appropriate conservation cost recovery factors for the period January 2019 through December 2019 are as follows:

<b>DEF:</b>	<u>Customer Class</u>	<u>ECCR Factor</u>
	Residential	0.297 cents/kWh
	General Service Non-Demand	0.286 cents/kWh
	@ Primary Voltage	0.283 cents/kWh
	@ Transmission Voltage	0.280 cents/kWh
	General Service 100% Load Factor	0.194 cents/kWh
	General Service Demand	0.94 \$/kW
	@ Primary Voltage	0.93 \$/kW
	@ Transmission Voltage	0.92 \$/kW
	Curtable	0.41 \$/kW
	@ Primary Voltage	0.41 \$/kW
	@ Transmission Voltage	0.40 \$/kW
	Interruptible	0.79 \$/kW
	@ Primary Voltage	0.78 \$/kW
	@ Transmission Voltage	0.77 \$/kW
	Standby Monthly	0.091 \$/kW
	@ Primary Voltage	0.090 \$/kW
	@ Transmission Voltage	0.089 \$/kW
	Standby Daily	0.043 \$/kW
	@ Primary Voltage	0.043 \$/kW
	@ Transmission Voltage	0.042 \$/kW
	Lighting	0.081 cents/kWh

<sup>8</sup> Including prior true-up amounts and revenues taxes.

<sup>9</sup> Including prior true-up amounts and revenue taxes.

<sup>10</sup> Including current period estimated true-up.

**FPL:**

RATE CLASS	Conservation Recovery Factor (\$/kw) <sup>(i)</sup>	Conservation Recovery Factor (\$/kwh) <sup>(i)</sup>	RDC (\$/KW) <sup>(k)</sup>	SDD (\$/KW) <sup>(l)</sup>
RS1/RTR1	-	0.00150	-	-
GS1/GST1	-	0.00148	-	-
GSD1/GSDT1/HLFT1	0.50	-	-	-
OS2	-	0.00079	-	-
GSLD1/GSLDT1/CS1/CST1/HLFT2	0.57	-	-	-
GSLD2/GSLDT2/CS2/CST2/HLFT3	0.57	-	-	-
GSLD3/GSLDT3/CS3/CST3	0.55	-	-	-
SST1T	-	-	\$0.07	\$0.03
SST1D1/SST1D2/SST1D3	-	-	\$0.07	\$0.03
CILC D/CILC G	0.61	-	-	-
CILC T	0.60	-	-	-
MET	0.51	-	-	-
OL1/SL1/SL1M/PL1	-	0.00042	-	-
SL2/SL2M/GSCU1	-	0.00111	-	-

**FPUC:** \$0.00097 per KWH (consolidated levelized conservation cost recovery factor).

**GULF:**

<b>RATE CLASS</b>	<b>CONSERVATION COST RECOVERY FACTORS</b>
RS	0.125 cents/kWh
RSVP Tier 1	(3.000) cents/kWh
RSVP Tier 2	(0.926) cents/kWh
RSVP Tier 3	7.591 cents/kWh
RSVP Tier 4	66.400 cents/kWh
RSTOU On-peak	17.100 cents/kWh
RSTOU Off-peak	(3.194) cents/kWh
RSTOU Critical Peak Credit	\$5.00 per event
GS	0.121 cents/kWh
GSD, GSDT, GSTOU	0.116 cents/kWh
LP, LPT	0.111 cents/kWh
LPT-CPO On-Peak	(\$4.89) per kW
LPT-CPO Critical	\$58.68 per kW
PX, PXT, RTP, SBS	0.109 cents/kWh
OSI, OSII	0.092 cents/kWh
OSIII	0.108 cents/kWh
CL Credit	(\$5.57) per kW

**TECO:**

<b><u>Rate Schedule</u></b>	<b><u>Cost Recovery Factors (cents per kWh)</u></b>
RS	0.321
GS and CS	0.292
GSD Optional – Secondary	0.272
GSD Optional – Primary	0.269
GSD Optional – Subtransmission	0.267
LS-1	0.180

<b><u>Rate Schedule</u></b>	<b><u>Cost Recovery Factors (dollars per kW)</u></b>
GSD – Secondary	1.17
GSD – Primary	1.15
GSD – Subtransmission	1.14
SBF – Secondary	1.17
SBF – Primary	1.15
SBF – Subtransmission	1.14
IS - Secondary	0.94
IS - Primary	0.93
IS - Subtransmission	0.92

**Conservation Cost Recovery Effective Date for 2019 Billing Cycle**

We find that the factors established above for each utility shall be effective beginning with the specified conservation cost recovery cycle and thereafter for the period January 2019 through December 2019. Billing cycles may start before January 1, 2019 and the last cycle may be read after December 31, 2019, so that each customer is billed for twelve months regardless of when the adjustment factor became effective. These charges shall continue in effect until modified by subsequent order of this Commission.

**Revised Tariffs Reflecting the Energy Conservation Cost Recovery Amounts and Establishing Energy Conservation Cost Recovery Factors**

We find that the revised tariffs reflecting the energy conservation cost recovery amounts and establishing energy conservation cost recovery factors determined to be appropriate in this

proceeding shall be approved. We direct our staff to verify that the revised tariffs are consistent with our decision.

Company Specific Conservation Cost Recovery Issues

**TECO**

We find that, in accordance with Order No. PSC-2017-0456-FOF-EI, issued November 27, 2017, in Docket No. 20170210, the Contracted Credit Value by Voltage Level for the forthcoming cost recovery period, January 2019 through December 2019, for the GSLM-2 and GSLM-3 rate riders will be:

<b><u>Voltage Level</u></b>	<b><u>Contracted Credit Value (dollars per kW)</u></b>
Secondary	10.23
Primary	10.13
Subtransmission	10.03

We further find that for the period January 2019 through December 2019 the Residential Price Responsive Load Management (RSVP-1) rates are as follows:

<b><u>Rate Tier</u></b>	<b><u>Cents per kWh</u></b>
P4	34.911
P3	5.936
P2	(0.877)
P1	(2.319)

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the stipulations, findings, and rulings are hereby approved. It is further

ORDERED that each investor-owned electric utility that was a party to this docket shall abide by the stipulations, findings, and rulings herein which are applicable to it. It is further

ORDERED that the utilities named herein are authorized to collect the energy conservation cost recovery amounts and utilize the factors approved herein for the period beginning with the specified conservation cost recovery cycle and thereafter for the period January 2019 through December 2019. Billing cycles may start before January 1, 2019 and the last cycle may be read after December 31, 2019, so that each customer is billed for twelve months regardless of when the adjustment factor became effective. These charges shall continue in effect until modified by subsequent order of this Commission. It is further



ORDERED that the revised tariffs reflecting the energy conservation cost recovery amounts and establishing energy conservation cost recovery factors determined to be appropriate in this proceeding are approved. Commission staff shall verify that the revised tariffs are consistent with our decision herein. It is further

ORDERED that while a separate docket number is assigned each year for administrative convenience, the Energy Conservation Cost Recovery Clause docket is a continuing docket and shall remain open.

By ORDER of the Florida Public Service Commission this 28th day of November, 2018.



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CARLOTTA S. STAUFFER  
Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399  
(850) 413-6770  
[www.floridapsc.com](http://www.floridapsc.com)

Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request:

- 1) reconsideration of the decision by filing a motion for reconsideration with the Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or
- 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water and/or

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copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.