CORRESPONDENCE 12/6/2022 DOCUMENT NO. 11868-2022

Hiep Nguyen

From: Ellen Plendl

Sent: Tuesday, December 6, 2022 8:19 AM

To: Consumer Correspondence **Subject:** Docket No. 20220001

Attachments: FW Help the Panhandle from high energy rates; Consumer Inquiry - Florida Power &

Light Company

See attached customer correspondence and reply for Docket No. 20220001.

Hiep Nguyen

From: Governor's Office of Citizen Services <EOGCitizenServices@eog.myflorida.com>

Sent: Monday, December 5, 2022 4:58 PM

To: EOG-Referral

Subject: FW: Help the Panhandle from high energy rates

Please find attached email received by the Governor's Office of Citizen Services. This email is forwarded to your office for review and any response or action appropriate.

Thank you.

Sincerely,

Martha Lynn
Office of Citizen Services
Executive Office of the Governor

From: Kervaski, Kristi < kristi.kervaski@Imco.com>
Sent: Monday, November 21, 2022 12:46 PM
To: GovernorRon.DeSantis@eog.myflorida.com
Subject: Help the Panhandle from high energy rates

Gov Desantis,

FPL took over for Gulf Power about a year ago and hiked our rates double to what we were paying and they are now again asking to raise their rates. We in the panhandle of Florida cannot take anymore rate hikes. Either tell them know on raising their rates or allow consumers to change to a different energy company. We have two in the area. Please help us.

Respectfully,

Training Metrics Coordinator

for Eglin AFB, Hill AFB, Eielson AFB, & Burlington, VT

Mobile#: 850-319-4856 Office#: 689-205-0654

Kristi Kerwaski

Please note that under Florida law correspondence sent to the Governor's Office, which is not confidential or exempt pursuant to chapter 119 of the Florida Statutes, is a public record made available upon request.

Hiep Nguyen

From: Shonna McCray

Sent: Tuesday, December 6, 2022 8:16 AM

To: 'kristi.kervaski@lmco.com'

Cc: Ellen Plendl

Subject: Consumer Inquiry - Florida Power & Light Company

Ms. Kristi Kervaski kristi.kervaski@lmco.com

RE: FPSC Inquiry 1411280C

Dear Ms. Kervaski:

The Governor's office forwarded a copy of your email regarding Florida Power & Light Company (FPL) to the Florida Public Service Commission (FPSC). The FPSC regulates investor-owned electric, and natural gas utilities throughout the state, and investor-owned water and wastewater utilities in those counties which have opted to transfer jurisdiction to the FPSC. The FPSC has authority in the telephone industry which is limited to the Lifeline Assistance Program, Florida Relay Service, and pay telephone service. We appreciate the opportunity to respond directly to you.

FPL is in the process of their proposed annual fuel cost adjustment. The fuel adjustment charge recovers the actual expenses associated with securing and processing fuel necessary to run the power plants used to generate electricity. Fuel rates mirror rising and falling fuel costs as reflected in the international marketplace. The revenue generated by the fuel adjustment charge does not add to the profit of the utility companies, but goes to pay fuel suppliers and transporters. The cost of fuel is shown as a separate cents per kilowatt-hour charge, and fuel costs are not contained in any other charge on a customer's bill.

Each year, utilities file their projected fuel expenses for the upcoming calendar year. The Florida Public Service Commission (FPSC), along with the Office of Public Counsel and other consumer representatives closely examine the fuel costs requested by the utilities. Public hearings are held annually to set the fuel factors for the next year. Since rates are set on projected costs, at the end of the year, the costs are "trued-up" or compared to the audited actual expenses incurred by the utility. If the utility recovered more than its actual costs, the amount of over-recovery is used to reduce the next year's costs. If the utility under-recovered (costs were higher than expected) that deficit is likewise rolled into the next year. The fuel cost adjustment is recognized by virtually all state commissions, by the Federal Energy Regulatory Commission, and is also used by most municipal electric utilities and rural electric cooperatives.

Fuel costs for FPL were set by the FPSC during the November 2021 cost recovery clause hearing. By Florida Statute and established Commission policy, electric utilities may recover certain expenses from customers through cost recovery charges adjusted annually by the FPSC. Cost recovery is allowed on fuel and purchased power, capacity, conservation, and environmental requirements. Utilities may not, however, earn a profit on fuel charges.

On November 17, and November 18, 2022, held the first set of hearings to determine the 2023 fuel adjustment charges. Today, December 6, 2022, the FPSC will conduct the next hearing to determine the 2023 fuel adjustment charges. You may watch the hearings live or afterwards by using the following link:

http://www.floridapsc.com/agendas/audiovideo/index.aspx

Thank you for sharing your views. We will add your comments to the correspondence side Docket No. 20220001-EI regarding the utilities' petitions for the fuel cost adjustment.

You also requested competition in the electric industry in Florida. Florida is not a deregulated state. The Florida Public Service Commission cannot deregulate the electric industry. It would be up to the Florida Legislature to make changes in the Florida Statutes to deregulate the electric industry.

If you have any questions, please contact Ms. Ellen Plendl at 1-800-342-3552 or by fax at 1-800-511-0809.

Sincerely,

Shonna McCray Regulatory Program Administrator Florida Public Service Commission