

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and purchased power cost recovery
clause with generating performance incentive
factor.

DOCKET NO. 20200001-EI
ORDER NO. PSC-2020-0415-PHO-EI
ISSUED: October 30, 2020

PREHEARING ORDER

Pursuant to Notice and in accordance with Rule 28-106.209, Florida Administrative Code (F.A.C.), a Prehearing Conference was held on October 26, 2020, in Tallahassee, Florida, before Commissioner Andrew Giles Fay, as Prehearing Officer.

APPEARANCES:

MATTHEW BERNIER, ESQUIRE, 106 East College Avenue, Tallahassee, Florida 32301-7740; and DIANNE M. TRIPLETT, ESQUIRE, 299 First Avenue North, St. Petersburg, Florida 33701
On behalf of Duke Energy Florida, LLC (DEF)

MARIA J. MONCADA and DAVID LEE, ESQUIRES, Florida Power & Light Company, 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 St., Suite 601, Tallahassee, Florida 32301
On behalf of Florida Public Utilities Company (FPUC)

RUSSELL A. BADDERS, ESQUIRE, Gulf Power Company, One Energy Place, Pensacola, Florida 32520; and MARIA J. MONCADA, ESQUIRE, Florida Power & Light Company, 700 Universe Boulevard, Juno Beach, Florida 33408-0420
On behalf of Gulf Power Company (Gulf)

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

J.R. KELLY, CHARLES REHWINKEL, PATRICIA A. CHRISTENSEN, STEPHANIE MORSE, A. MIREILLE FALL-FRY, and THOMAS A. DAVID, ESQUIRES, 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, PA, The Perkins House, 118 North Gadsden Street, Tallahassee, Florida 32301
On behalf of the Florida Industrial Power Users Group (FIPUG)

JAMES W. BREW and LAURA WYNN BAKER, ESQUIRES, Stone Mattheis Xenopoulos & Brew, PC, 1025 Thomas Jefferson St., NW, Eighth Floor, West Tower, Washington, DC 20007

On behalf of White Springs Agricultural Chemicals, Inc. d/b/a PCS Phosphate – White Springs (PCS Phosphate)

SUZANNE BROWNLESS, 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 HETRICK, ESQUIRE, General Counsel, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850

Florida Public Service Commission General Counsel

PREHEARING ORDER

I. CASE BACKGROUND

As part of the continuing fuel and purchased power adjustment and generating performance incentive clause proceedings, an administrative hearing will be held by the Florida Public Service Commission (Commission) on November 3-5, 2020. The purpose of this docket is to review and approve purchased wholesale electric power charges, electric generation facilities' fuel and fuel related costs, and incentives associated with the efficient operation of generation facilities which are passed through to ratepayers through the fuel adjustment factor. The Commission will address those issues listed in this prehearing order. The Commission has the option to render a bench decision with agreement of the parties on any or all of the issues listed below.

II. CONDUCT OF PROCEEDINGS

Pursuant to Rule 28-106.211, Florida Administrative Code (F.A.C.), this Prehearing Order is issued to prevent delay and to promote the just, speedy, and inexpensive determination of all aspects of this case.

State buildings are currently closed to the public and other restrictions on gathering remain in place due to COVID-19. Accordingly, the hearing will be conducted remotely, and all parties and witnesses shall be prepared to present argument and testimony by communications media technology. The Commission shall act as the host of the hearing and will use a combination of technologies to ensure full participation. The Commission will employ

GoToMeeting as an audio and video platform for the hearing, which will include a telephone number for audio-only participation.

A GoToMeeting invitation shall be provided to counsel for each party. It shall be the responsibility of counsel to provide their clients, client representatives, and witnesses with the invitation, which will allow them to access the hearing, as necessary. Counsel for each party will also be provided the call-in number for audio participation.

Any member of the public who wants to observe or listen to the proceedings may do so by accessing the live video broadcast on each day of the hearing, which is available from the Commission website. Upon completion of the hearing, the archived video will also be available.

III. JURISDICTION

This Commission is vested with jurisdiction over the subject matter by the provisions of Chapter 366, Florida Statutes (F.S.). This hearing will be governed by said Chapter and Chapters 25-6, 25-22, and 28-106, F.A.C., as well as any other applicable provisions of law.

IV. PROCEDURE FOR HANDLING CONFIDENTIAL INFORMATION

Information for which proprietary confidential business information status is requested pursuant to Section 366.093, F.S., and Rule 25-22.006, F.A.C., shall be treated by the Commission as confidential. The information shall be exempt from Section 119.07(1), F.S., pending a formal ruling on such request by the Commission or pending return of the information to the person providing the information. If no determination of confidentiality has been made and the information has not been made a part of the evidentiary record in this proceeding, it shall be returned to the person providing the information. If a determination of confidentiality has been made and the information was not entered into the record of this proceeding, it shall be returned to the person providing the information within the time period set forth in Section 366.093, F.S. The Commission may determine that continued possession of the information is necessary for the Commission to conduct its business.

It is the policy of this Commission that all Commission hearings be open to the public at all times. The Commission also recognizes its obligation pursuant to Section 366.093, F.S., to protect proprietary confidential business information from disclosure outside the proceeding. Therefore, any party wishing to use any proprietary confidential business information, as that term is defined in Section 366.093, F.S., at the hearing shall adhere to the following:

- (1) When confidential information is used in the hearing that has not been filed as prefiled testimony or prefiled exhibits, parties must follow the procedures for providing confidential electronic exhibits to the Commission Clerk prior to the hearing.

- (2) Counsel and witnesses are cautioned to avoid verbalizing confidential information in such a way that would compromise confidentiality. Therefore, confidential information should be presented by electronic exhibit.

If a confidential exhibit has been admitted into evidence, the copy provided to the court reporter shall be retained in the Office of Commission Clerk's confidential files. If such material is admitted into the evidentiary record at hearing and is not otherwise subject to a request for confidential classification filed with the Commission, the source of the information must file a request for confidential classification of the information within 21 days of the conclusion of the hearing, as set forth in Rule 25-22.006(8)(b), F.A.C., if continued confidentiality of the information is to be maintained.

V. PREFILED TESTIMONY AND EXHIBITS; WITNESSES

Testimony of all witnesses to be sponsored by the parties has been prefiled and will be inserted into the record as though read after the witness has taken the stand and affirmed the correctness of the testimony and associated exhibits. All testimony remains subject to timely and appropriate objections. Upon insertion of a witness' testimony, exhibits appended thereto may be marked for identification. Each witness will have the opportunity to orally summarize his or her testimony at the time he or she takes the stand. Summaries of testimony shall be limited to three minutes.

Witnesses are reminded that, on cross-examination, responses to questions calling for a simple yes or no answer shall be so answered first, after which the witness may explain his or her answer. After all parties and Staff have had the opportunity to cross-examine the witness, the exhibit may be moved into the record. All other exhibits may be similarly identified and entered into the record at the appropriate time during the hearing.

The Commission frequently administers the testimonial oath to more than one witness at a time. Therefore, when a witness takes the stand to testify, the attorney calling the witness is directed to ask the witness to affirm whether he or she has been sworn.

The parties shall avoid duplicative or repetitious cross-examination. Further, friendly cross-examination will not be allowed. Cross-examination shall be limited to witnesses whose testimony is adverse to the party desiring to cross-examine. Any party conducting what appears to be a friendly cross-examination of a witness should be prepared to indicate why that witness's direct testimony is adverse to its interests.

VI. ORDER OF WITNESSES

<u>Witness</u>	<u>Proffered By</u>	<u>Issues #</u>
<u>Direct</u>		
Christopher A. Menendez	DEF	6-11, 18-23 (A-D), 27-36
*James McClay	DEF	18
*Mary Ingle Lewter	DEF	16, 17
*R. B. Deaton	FPL	2H, 6-11, 18-22, , 24B, 27-33, 34-36
*G. J. Yupp	FPL	2B, 2C-2E, 6-11, 18
R. Coffey	FPL	2F, 2G, 6-11, 18
*C. R. Rote	FPL	16, 17
*L. Fuentes	FPL	2A, 24A
*E. J. Anderson	FPL	2A, 24A
*Curtis D. Young ¹	FPUC	3A, 8, 9, 10, 11, 18-22, 34-36
*P. Mark Cutshaw	FPUC	10, 11
*Richard L. Hume	Gulf	4A, 6-11, 18-22, 27-36
*Charles Rote ²	Gulf	16, 17
*M. Ashley Sizemore	TECO	6-11, 18-22, 27-35
*Jeremy B. Cain	TECO	16-18

¹ Revised 2021 Projection Testimony filed October 22, 2020.

² Adopts the GPIF Results Testimony and exhibit of Jarvis Van Norman filed on March 16, 2020.

<u>Witness</u>	<u>Proffered By</u>	<u>Issues #</u>
*Benjamin F. Smith	TECO	18, 31
*John C. Heisey	TECO	5A, 18
*Debra M. Dobiac	Staff	4A

* These witnesses have been stipulated to by the parties.

VII. BASIC POSITIONS

DEF: Not applicable. DEF's positions on specific issues are listed below.

FPL: FPL's 2021 Fuel and Purchased Power Cost Recovery factors and Capacity Cost Recovery factors, including its prior period true-ups, are appropriate and reasonable and should be approved. In addition, FPL's refund, including interest, of \$12.4 million and base rate decrease of 0.059% associated with the true-up of the 2018 SoBRA should be approved.

FPUC: The Commission should approve Florida Public Utilities Company's final net true-up for the period January through December 2019, the estimated true-up for the period January through December, 2020, and the purchase power cost recovery factors for the period January through December, 2021.

GULF: It is the basic position of Gulf Power Company that the fuel and capacity cost recovery factors proposed by the Company present the best estimate of Gulf's fuel and capacity expense for the period January 2021 through December 2021 including the true-up calculations, GPIF and other adjustments allowed by the Commission.

TECO: The Commission should approve Tampa Electric's calculation of its fuel adjustment, capacity cost recovery, and GPIF true-up and projection calculations, including the proposed fuel adjustment factor of 3.167 cents per kWh before any application of time of use multipliers for on-peak or off-peak usage; the company's proposed capacity factor for the period January through December 2021; a GPIF reward of \$2,858,056 for performance during 2019 and the company's proposed GPIF targets and ranges for 2021.

OPC: The utilities have the burden of proof to justify and support the recovery of costs and their proposal(s) seeking the Commission's adoption of policy statements (whether new or changed) or other affirmative relief sought, regardless of whether

the Interveners provide evidence to the contrary. Regardless of whether the Commission has previously approved a program as meeting the Commission's requirements, the utilities must still meet their burden of demonstrating that the costs submitted for final recovery meet the statutory test(s) and are reasonable in amount and prudently incurred.

FIPUG: Only reasonable and prudent costs legally authorized and reviewed for prudence should be recovered through the fuel clause. FIPUG maintains that the respective utilities must satisfy their burden of proof for any and all monies or other relief sought in this proceeding.

PCS

Phosphate: Only costs prudently incurred and legally authorized should be recovered through the fuel clause. Florida electric utilities, including in particular Duke Energy Florida, LLC ("DEF"), must satisfy the burden of proving the reasonableness of any expenditures for which recovery or other relief is sought in this proceeding.

At its agenda conference held on September 1, 2020, the Commission voted to adopt, without modifications, the findings and recommendations ("Recommended Order") of the Department of Administrative Hearings ("DOAH") which concluded that DEF should not be permitted to recover in consumer rates the replacement power costs associated with the 2017 DEF Bartow Unit 4 outage and subsequent de-rating. The disputed costs had previously been included in fuel clause charges pending that Commission determination. In its recommendation memorandum, Public Service Commission Staff stated that DEF "should be required to refund \$11.1 million in replacement power associated with its April 2017 Bartow Unit 4 outage and \$5,016,782 for the de-rating of the unit from May 2017 until December of 2019, for a total refund of \$16,116,782."³ Based on the Commission's final Order No. PSC-2020-0368-FOF-EI, issued October 15, 2020, DEF should credit a refund of those costs in the determination of its fuel clause factor to be collected in 2021.

STAFF: Staff's positions are preliminary and based on materials filed by the parties and on discovery. The preliminary positions are offered to assist the parties in preparing for the hearing. Staff's final positions will be based upon all the evidence in the record and may differ from the preliminary positions stated herein.

VIII. ISSUES AND POSITIONS

COMPANY SPECIFIC ISSUES

Duke Energy Florida, LLC.

³ Docket No. 20200001, Fuel and purchased power cost recovery clause with generating performance incentive factor, *Memorandum from Public Service Commission Staff* at 23 (Aug. 6, 2020).

ISSUE 1A: What action should be taken in response to Commission Order No. PSC-2020-0368-FOF-EI regarding the Bartow Unit 4 February 2017 outage?

DEF: No action is appropriate at this time. The Commission's Order, PSC-2020-0368-FOF-EI, denying DEF's exceptions and adopting the ALJ's Recommended Order without modification was rendered on October 15, 2020, approximately a month and a half after DEF filed its 2021 projection filing and proposed 2021 fuel factors; given the date the order was rendered in relation to the filing schedule in this docket, the appropriate action will be to incorporate the refund (if any) as part of the true-up process in next year's docket, pending resolution of any appeal or motion for reconsideration. Moreover, pursuant to section 120.68(2)(a), Fla. Stat., DEF is entitled to seek appellate review within thirty days of the rendering of the final order; therefore, DEF is permitted to take an appeal on or before November 15, 2020, twelve days after the final hearing in this docket is scheduled to occur. Under Rule 25-22.061(1), F.A.C., if DEF seeks appellate review it is entitled to a stay of the order's effectiveness pending resolution of that appeal.

FPL: No position given.

FPUC: No position.

GULF: No position given.

TECO: No position given.

OPC: The Commission voted in Order No. PSC-2020-0368-FOF-EI that DEF was imprudent in causing \$16,116,782 (excluding interest) in replacement power costs related to the Bartow Unit 4 outage and de-rating. These costs should be refunded to customers in the fuel factor applicable to 2021 billings.

FIPUG: Adopt the position of OPC.

PCS

Phosphate: The Commission should issue its order consistent with Order No. PSC-2020-0368-FOF-EI, issued October 15, 2020, but no further independent action is required. Based on that Order, the Commission should direct DEF to reduce its proposed cost recovery amounts for January 2021 through December 2021 by \$16.1 million, plus interest, to refund costs relating to the replacement power and de-rating costs due to the outage of Bartow Unit 4 in April 2017. To the extent that this reduction in allowed cost recovery reduces the fuel cost recovery factors for DEF, corresponding adjustments should be made to those proposed.

STAFF: No position at this time.

Florida Power & Light Company

ISSUE 2A: What is the appropriate revised SoBRA factor for the 2018 projects to reflect actual construction costs that are less than the projected costs used to develop the initial SoBRA factor?

Proposed stipulation – See Section X.

ISSUE 2B: What is the total gain under FPL’s Incentive Mechanism approved by Order No. PSC-2016-0560-AS-EI that FPL may recover for the period January 2019 through December 2019, and how should that gain to be shared between FPL and customers?

Proposed stipulation – See Section X.

ISSUE 2C: What is the appropriate amount of Incremental Optimization Costs under FPL’s Incentive Mechanism approved by Order No. PSC-2016-0560-AS-EI that FPL should be allowed to recover through the fuel clause for Personnel, Software, and Hardware costs for the period January 2019 through December 2019?

Proposed stipulation – See Section X.

ISSUE 2D: What is the appropriate amount of Variable Power Plant O&M Attributable to Off-System Sales under FPL’s Incentive Mechanism approved by Order No. PSC-2016-0560-AS-EI that FPL should be allowed to recover through the fuel clause for the period January 2019 through December 2019?

Proposed stipulation – See Section X.

ISSUE 2E: What is the appropriate amount of Variable Power Plant O&M Avoided due to Economy Purchases under FPL’s Incentive Mechanism approved by Order No. PSC-2016-0560-AS-EI that FPL should be allowed to recover through the fuel clause for the period January 2019 through December 2019?

Proposed stipulation – See Section X.

ISSUE 2F: Has FPL made reasonable and prudent adjustments, if any are needed, to account for replacement power costs associated with the April 2019 forced outage at St. Lucie Nuclear Power Plant, Unit No. 1?

DEF: No position.

FPL: No adjustments are needed for the replacement power costs associated with the April 2019 outage at St. Lucie Nuclear Power Plant, Unit No. 1. The Commission

has consistently based clause recovery of replacement fuel costs on whether a utility's actions were prudent in the circumstances that led to the need for replacement power. FPL acted prudently with respect to the circumstances that resulted in the April 2019 outage and the associated need for replacement power. Therefore, the replacement power costs should be recovered through the fuel cost recovery clause. (Coffey)

FPUC: No position.

GULF: No position provided.

TECO: No position provided.

OPC: No. At this time FPL has not demonstrated that its actions related to the outage attributed to the magnetic termite were prudent and that replacement power costs should be borne by customers. Likewise, FPL has not demonstrated that its overall stewardship of the nuclear program activities at the St. Lucie and Turkey Point sites are reasonable and prudent.

FIPUG: Adopt the position of OPC.

PCS

Phosphate: No position.

STAFF: Staff has no position at this time.

ISSUE 2G: **Has FPL made reasonable and prudent adjustments, if any are needed, to account for replacement power costs associated with the March 2020 return-to-service delay at St. Lucie Nuclear Power Plant, Unit No. 2?**

DEF: No position.

FPL: No adjustments are needed for the replacement power costs associated with the March 2020 return-to-service delay at St. Lucie Power Plant Unit No. 2. The Commission has consistently based clause recovery of replacement fuel costs on whether a utility's actions were prudent in the circumstances that led to the need for replacement power. FPL acted prudently with respect to the circumstances that resulted in the March 2020 return-to-service delay and the associated need for replacement power. Therefore, the replacement power costs should be recovered through the fuel cost recovery clause. (Coffey)

FPUC: No position.

GULF: No position provided.

TECO: No position provided.

OPC: No. At this time FPL has not demonstrated that its actions related to the outage were prudent and that replacement power costs should be borne by customers. Likewise, FPL has not demonstrated that its overall stewardship of the nuclear program activities at the St. Lucie and Turkey Point sites are reasonable and prudent.

FIPUG: Adopt the position of OPC.

PCS

Phosphate: No position.

STAFF: Staff has no position at this time.

ISSUE 2H: What is the appropriate subscription credit associated with FPL's Solar Together Program, approved by Order No. PSC-2020-0084-S-EI, to be included for recovery in 2021?

Proposed stipulation – See Section X.

Florida Public Utilities Company

ISSUE 3A: Should the Commission approve FPUC's revised Fuel and Purchased Power Cost Recovery factors filed in accordance with the Stipulation and Settlement approved in Docket No. 20190156-EI, which reflect the flow-through of interim rate over-recovery calculated based on 9 months actual and 1 month estimated revenues?

Proposed stipulation – See Section X.

Gulf Power Company

ISSUE 4A: Should the Commission approve as prudent Gulf's actions to mitigate the volatility of natural gas, residual oil, and purchased power prices, as reported in Gulf's April 2020 hedging report?

Proposed stipulation – See Section X.

Tampa Electric Company

ISSUE 5A: What was the total gain under TECO's Optimization Mechanism approved by Order No. PSC-2017-0456-S-EI that TECO may recover for the period January 2019 through December 2019, and how should that gain to be shared between TECO and customers?

Proposed stipulation – See Section X.

GENERIC FUEL ADJUSTMENT ISSUES

ISSUE 6: **What are the appropriate actual benchmark levels for calendar year 2020 for gains on non-separated wholesale energy sales eligible for a shareholder incentive?**

DEF: \$1,602,141. (Menendez)

FPL: *Proposed stipulation – See Section X.*

FPUC: No position.

GULF: *Proposed stipulation – See Section X.*

TECO: *Proposed stipulation – See Section X.*

OPC: OPC takes no position on this issue nor does it have the burden of proof related to it. As such, the OPC represents that it will not contest or oppose the Commission taking action approving a proposed stipulation between the Company and another party or Staff as a final resolution of the issue. No person is authorized to state that the OPC is a participant in, or party to, a stipulation on this issue, either in this docket, in an order of the Commission or in a representation to a Court.

FIPUG: Adopt the position of OPC.

PCS

Phosphate: Agree with OPC.

STAFF: Staff has no position at this time.

ISSUE 7: **What are the appropriate estimated benchmark levels for calendar year 2021 for gains on non-separated wholesale energy sales eligible for a shareholder incentive?**

DEF: \$1,682,538. (Menendez)

FPL: *Proposed stipulation – See Section X.*

FPUC: No position.

GULF: *Proposed stipulation – See Section X.*

TECO: *Proposed stipulation – See Section X.*

OPC: OPC takes no position on this issue nor does it have the burden of proof related to it. As such, the OPC represents that it will not contest or oppose the Commission taking action approving a proposed stipulation between the Company and another party or Staff as a final resolution of the issue. No person is authorized to state that the OPC is a participant in, or party to, a stipulation on this issue, either in this docket, in an order of the Commission or in a representation to a Court.

FIPUG: Adopt the position of OPC.

PCS

Phosphate: Agree with OPC.

STAFF: Staff has no position at this time.

ISSUE 8: **What are the appropriate final fuel adjustment true-up amounts for the period January 2019 through December 2019?**

DEF: \$21,535,230 under-recovery, which was collected as part of DEF's Fuel Midcourse approved in Order No. PSC-2020-0154-PSC-EI. (Menendez)

FPL: \$51,621,690 under-recovery. (Deaton)

FPUC: *Proposed stipulation – See Section X.*

GULF: *Proposed stipulation – See Section X.*

TECO: *Proposed stipulation – See Section X.*

OPC: OPC takes no position on this issue nor does it have the burden of proof related to it. As such, the OPC represents that it will not contest or oppose the Commission taking action approving a proposed stipulation between the Company and another party or Staff as a final resolution of the issue. No person is authorized to state that the OPC is a participant in, or party to, a stipulation on this issue, either in this docket, in an order of the Commission or in a representation to a Court.

FIPUG: Adopt the position of OPC.

PCS

Phosphate: Agree with OPC.

STAFF: Staff has no position at this time.

ISSUE 9: **What are the appropriate fuel adjustment actual/estimated true-up amounts or the period January 2020 through December 2020?**

DEF: \$160,850,438 over-recovery. (Menendez)

FPL: \$30,951,780 over-recovery. (Deaton)

FPUC: *Proposed stipulation – See Section X.*

GULF: *Proposed stipulation – See Section X.*

TECO: *Proposed stipulation – See Section X.*

OPC: OPC takes no position on this issue nor does it have the burden of proof related to it. As such, the OPC represents that it will not contest or oppose the Commission taking action approving a proposed stipulation between the Company and another party or Staff as a final resolution of the issue. No person is authorized to state that the OPC is a participant in, or party to, a stipulation on this issue, either in this docket, in an order of the Commission or in a representation to a Court.

FIPUG: Adopt the position of OPC.

PCS

Phosphate: Agree with OPC.

STAFF: Staff has no position at this time.

ISSUE 10: **What are the appropriate total fuel adjustment true-up amounts to be collected/refunded from January 2021 through December 2021?**

DEF: \$61,083,424 over-recovery. (Menendez)

FPL: \$20,669,910 under-recovery. (Deaton)

FPUC: *Proposed stipulation – See Section X.*

GULF: *Proposed stipulation – See Section X.*

TECO: *Proposed stipulation – See Section X.*

OPC: The OPC believes this is a fallout issue that is subject to the resolution of Issues 1A and 11.

FIPUG: Adopt the position of OPC.

PCS

Phosphate: Agree with OPC.

STAFF: Staff has no position at this time.

ISSUE 11: **What are the appropriate projected total fuel and purchased power cost recovery amounts for the period January 2021 through December 2021?**

DEF: \$1,279,043,741, which is adjusted for line losses and excludes prior period true-up amounts, revenue taxes and GPIF amounts. (Menendez)

FPL: *Proposed stipulation – See Section X.*

FPUC: *Proposed stipulation – See Section X.*

GULF: *Proposed stipulation – See Section X.*

TECO: *Proposed stipulation – See Section X.*

OPC: The Commission issued Order No. PSC-2020-0368-FOF-EI finding that DEF was imprudent in causing \$16,116,782 (excluding interest) in replacement power costs related to the Bartow Unit 4 outage and de-rating. These costs should be refunded to customers in the fuel factor applicable to 2021 billings. Accordingly, DEF's cost recovery amounts for January 2021 through December 2021 should be reduced by \$16.1 million, plus interest. Furthermore, these costs should be returned in the manner in which they were collected.

FIPUG: Adopt the position of OPC.

PCS

Phosphate: Pursuant to Order No. PSC-2020-0368-FOF-EI, issued October 15, 2020, DEF's cost recovery amounts for January 2021 through December 2021 should be reduced by \$16.1 million, plus interest, to refund costs relating to the replacement power and de-rating costs due to the outage of Bartow Unit 4 in April 2017. These costs should be returned in the manner in which they were collected.

STAFF: Staff has no position at this time.

COMPANY-SPECIFIC GENERATING PERFORMANCE INCENTIVE FACTOR ISSUES

Duke Energy Florida, LLC.

No company-specific GPIF issues for Duke Energy Florida, LLC. have been identified at this time. If such issues are identified, they shall be numbered 12A, 12B, 12C, and so forth, as appropriate.

Florida Power & Light Company

No company-specific GPIF issues for Florida Power and Light Company have been identified at this time. If such issues are identified, they shall be numbered 13A, 13B, 13C, and so forth, as appropriate.

Gulf Power Company

No company-specific GPIF issues for Gulf Power Company have been identified at this time. If such issues are identified, they shall be numbered 14A, 14B, 14C, and so forth, as appropriate.

Tampa Electric Company

No company-specific GPIF issues for Tampa Electric Company have been identified at this time. If such issues are identified, they shall be numbered 15A, 15B, 15C, and so forth, as appropriate.

GENERIC GPIF ISSUES

ISSUE 16: What is the appropriate GPIF reward or penalty for performance achieved during the period January 2019 through December 2019 for each investor-owned electric utility subject to the GPIF?

DEF: For DEF, a \$4,407,712 reward. (Lewter)

FPL: *Proposed stipulation – See Section X.*

FPUC: No position.

GULF: *Proposed stipulation – See Section X.*

TECO: *Proposed stipulation – See Section X.*

OPC: OPC takes no position on this issue nor does it have the burden of proof related to it. As such, the OPC represents that it will not contest or oppose the Commission taking action approving a proposed stipulation between the Company and another party or Staff as a final resolution of the issue. No person is authorized to state that the OPC is a participant in, or party to, a stipulation on this issue, either in this docket, in an order of the Commission or in a representation to a Court.

FIPUG: Adopt the position of OPC.

PCS

Phosphate: Agree with OPC.

STAFF: Staff has no position at this time.

ISSUE 17: What should the GPIF targets/ranges be for the period January 2021 through December 2021 for each investor-owned electric utility subject to the GPIF?

DEF: For DEF, the appropriate targets and ranges are shown on Page 4 of Exhibit MIL-1P filed on September 3, 2020 with the Direct Testimony of Mary Ingle Lewter. (Lewter)

FPL: *Proposed stipulation – See Section X.*

FPUC: No position.

GULF: *Proposed stipulation – See Section X.*

TECO: *Proposed stipulation – See Section X.*

OPC: OPC takes no position on this issue nor does it have the burden of proof related to it. As such, the OPC represents that it will not contest or oppose the Commission taking action approving a proposed stipulation between the Company and another party or Staff as a final resolution of the issue. No person is authorized to state that the OPC is a participant in, or party to, a stipulation on this issue, either in this docket, in an order of the Commission or in a representation to a Court.

FIPUG: Adopt the position of OPC.

PCS

Phosphate: Agree with OPC.

STAFF: Staff has no position at this time.

FUEL FACTOR CALCULATION ISSUES

ISSUE 18: What are the appropriate projected net fuel and purchased power cost recovery and Generating Performance Incentive amounts to be included in the recovery factor for the period January 2021 through December 2021?

DEF: \$1,223,244,961 (Menendez)

FPL: \$2,732,181,548 including prior period true-ups, revenue taxes, FPL's portion of Incentive Mechanism gains, FPL's 2021 SolarTogether Credit amount and the GPIF reward. (Deaton)

FPUC: *Proposed stipulation – See Section X.*

GULF: *Proposed stipulation – See Section X.*

TECO: *Proposed stipulation – See Section X.*

OPC: OPC believes that this is a fallout issue that is subject to the resolution of Issues 1A and 11.

FIPUG: Adopt the position of OPC.

PCS

Phosphate: Agree with OPC.

STAFF: Staff has no position at this time.

ISSUE 19: **What is the appropriate revenue tax factor to be applied in calculating each investor-owned electric utility’s levelized fuel factor for the projection period January 2021 through December 2021?**

DEF: 1.00072 (Menendez)

FPL: *Proposed stipulation – See Section X.*

FPUC: *Proposed stipulation – See Section X.*

GULF: *Proposed stipulation – See Section X.*

TECO: *Proposed stipulation – See Section X.*

OPC: OPC takes no position on this issue nor does it have the burden of proof related to it. As such, the OPC represents that it will not contest or oppose the Commission taking action approving a proposed stipulation between the Company and another party or Staff as a final resolution of the issue. No person is authorized to state that the OPC is a participant in, or party to, a stipulation on this issue, either in this docket, in an order of the Commission or in a representation to a Court.

FIPUG: Adopt the position of OPC.

PCS

Phosphate: Agree with OPC.

STAFF: Staff has no position at this time.

ISSUE 20: **What are the appropriate levelized fuel cost recovery factors for the period January 2021 through December 2021?**

DEF: 3.090 cents/kWh (adjusted for jurisdictional losses) (Menendez)

FPL: FPL is proposing a levelized factor of 2.444 cents/kWh. (Deaton)

FPUC: *Proposed stipulation – See Section X.*

GULF: *Proposed stipulation – See Section X.*

TECO: *Proposed stipulation – See Section X.*

OPC: The OPC believes that this is a fallout issue that is subject to the resolution of Issues 1A and 11.

FIPUG: Adopt the position of OPC.

PCS

Phosphate: Pursuant to Order No. PCS-2020-0368-FOF-EI, issued October 15, 2020, approving the Recommended Order submitted by the Administrative Law Judge, DEF’s cost recovery amounts for January 2021 through December 2021 should be reduced by \$16.1 million, plus interest, to refund costs relating to the replacement power and de-rating costs due to the outage of Bartow Unit 4 in April 2017. To the extent this reduction in allowed cost recovery reduces the fuel cost recovery factors for DEF, the levelized factors should be adjusted in a conforming manner.

STAFF: Staff has no position at this time.

ISSUE 21: **What are the appropriate fuel recovery line loss multipliers to be used in calculating the fuel cost recovery factors charged to each rate class/delivery voltage level class?**

DEF:	<u>Group</u>	<u>Delivery Voltage Level</u>	<u>Line Loss Multiplier</u>
	A	Transmission	0.9800
	B	Distribution Primary	0.9900
	C	Distribution Secondary	1.0000
	D	Lighting Service	1.0000

(Menendez)

FPL: *Proposed stipulation – See Section X.*

FPUC: *Proposed stipulation – See Section X.*

GULF: *Proposed stipulation – See Section X.*

TECO: *Proposed stipulation – See Section X.*

OPC: OPC takes no position on this issue nor does it have the burden of proof related to it. As such, the OPC represents that it will not contest or oppose the Commission taking action approving a proposed stipulation between the Company and another party or Staff as a final resolution of the issue. No person is authorized to state that the OPC is a participant in, or party to, a stipulation on this issue, either in this docket, in an order of the Commission or in a representation to a Court.

FIPUG: Adopt the position of OPC.

PCS

Phosphate: Agree with OPC.

STAFF: Staff has no position at this time.

ISSUE 22: **What are the appropriate fuel cost recovery factors for each rate class/delivery voltage level class adjusted for line losses?**

DEF:

Fuel Cost Factors (cents/kWh)						
Group	Delivery Voltage Level	First Tier Factor	Second Tier Factors	Levelized Factors	Time of Use	
					On-Peak	Off-Peak
A	Transmission	--	--	3.032	3.793	2.689
B	Distribution Primary	--	--	3.063	3.832	2.717
C	Distribution Secondary	2.811	3.811	3.094	3.871	2.744
D	Lighting Secondary	--	--	2.955	--	--

FPL:

GROUPS	RATE SCHEDULE	JANUARY - DECEMBER		
		Average Factor	Fuel Recovery Loss Multiplier	Fuel Recovery Factor
A	RS-1 first 1,000 kWh	2.444	1.00226	2.123
A	RS-1 all additional kWh	2.444	1.00226	3.123
A	GS-1, SL-2, GSCU-1, WIES-1	2.444	1.00226	2.449
A-1	SL-1, OL-1, PL-1 ⁽¹⁾	2.352	1.00226	2.357
B	GSD-1	2.444	1.00220	2.449
C	GSLD-1, CS-1	2.444	1.00164	2.448
D	GSLD-2, CS-2, OS-2, MET	2.444	0.99483	2.431
E	GSLD-3, CS-3	2.444	0.97357	2.379
A	GST-1 On-Peak	2.896	1.00226	2.903
A	GST-1 Off-Peak	2.248	1.00226	2.253
A	RTR-1 On-Peak			0.454
	RTR-1 Off-Peak			(0.196)
B	GSDT-1, CILC-1(G), HLFT-1 (21-499 kW) On-Peak	2.896	1.00220	2.902
B	GSDT-1, CILC-1(G), HLFT-1 (21-499 kW) Off-Peak	2.248	1.00220	2.253
C	GSLDT-1, CST-1, HLFT-2 (500-1,999 kW) On-Peak	2.896	1.00164	2.901
C	GSLDT-1, CST-1, HLFT-2 (500-1,999 kW) Off-Peak	2.248	1.00164	2.252
D	GSLDT-2, CST-2, HLFT-3 (2,000+ kW) On-Peak	2.896	0.99518	2.882
D	GSLDT-2, CST-2, HLFT-3 (2,000+ kW) Off-Peak	2.248	0.99518	2.237
E	GSLDT-3, CST-3, CILC-1(T), ISST-1(T) On-Peak	2.896	0.97357	2.819
E	GSLDT-3, CST-3, CILC-1(T), ISST-1(T) Off-Peak	2.248	0.97357	2.189
F	CILC-1(D), ISST-1(D) On-Peak	2.896	0.99485	2.881
	CILC-1(D), ISST-1(D) Off-Peak	2.248	0.99485	2.236

⁽¹⁾ WEIGHTED AVERAGE 16% ON-PEAK AND 84% OFF-PEAK

GROUPS	RATE SCHEDULE	JUNE - SEPTEMBER		
		Average Factor	Fuel Recovery Loss Multiplier	Fuel Recovery Factor
B	GSD(T)-1 On-Peak	3.685	1.00220	3.693
	GSD(T)-1 Off-Peak	2.280	1.00220	2.285
C	GSLD(T)-1 On-Peak	3.685	1.00164	3.691
	GSLD(T)-1 Off-Peak	2.280	1.00164	2.284
D	GSLD(T)-2 On-Peak	3.685	0.99518	3.667
	GSLD(T)-2 Off-Peak	2.280	0.99518	2.269

(Deaton)

FPUC: *Proposed stipulation – See Section X.*

GULF: *Proposed stipulation – See Section X.*

TECO: *Proposed stipulation – See Section X.*

OPC: The OPC believes that this is a fallout issue that is subject to the resolution of Issues 1A and 11.

FIPUG: Adopt the position of OPC.

PCS

Phosphate: Pursuant to Order No. PSC-2020-0368-FOF-EI, issued October 15, 2020, approving the Recommended Order submitted by the Administrative Law Judge, DEF's cost recovery amounts for January 2021 through December 2021 should be reduced by \$16.1 million to refund costs relating to the replacement power and de-rating costs due to the outage of Bartow Unit 4 in April 2017. To the extent that this reduction in allowed cost recovery reduces the fuel cost recovery factors for DEF, those factors should be adjusted.

STAFF: Staff has no position at this time.

II. CAPACITY ISSUES

COMPANY-SPECIFIC CAPACITY COST RECOVERY FACTOR ISSUES

Duke Energy Florida, LLC.

ISSUE 23A: **What is the appropriate net book value of retired Plant Crystal River South (Units 1 and 2) assets to be recovered over a one-year period as approved by Order No. PSC-2017-0451-AS-EU?**

DEF: The estimated CR1&2 net book value of retired assets recovered over a one-year period in 2021 is \$80,592,431; the final CR1&2 net book value will be included in DEF's 2020 Final True-Up filing. (Menendez)

FPL: No position given.

FPUC: No position.

GULF: No position given.

TECO: No position given.

OPC: OPC takes no position on this issue nor does it have the burden of proof related to it. As such, the OPC represents that it will not contest or oppose the Commission taking action approving a proposed stipulation between the Company and another party or Staff as a final resolution of the issue. No person is authorized to state that the OPC is a participant in, or party to, a stipulation on this issue, either in this docket, in an order of the Commission or in a representation to a Court.

FIPUG: Adopt the position of OPC.

PCS

Phosphate: Agree with OPC.

STAFF: Staff has no position at this time.

ISSUE 23B: **What is the appropriate amount of costs for the Independent Spent Fuel Storage Installation (ISFSI) that DEF should be allowed to recover through the capacity cost recovery clause pursuant to DEF's 2017 Settlement?**

DEF: \$6,879,837 (Menendez)

FPL: No position given.

FPUC: No position.

GULF: No position given.

TECO: No position given.

OPC: OPC takes no position on this issue nor does it have the burden of proof related to it. As such, the OPC represents that it will not contest or oppose the Commission taking action approving a proposed stipulation between the Company and another party or Staff as a final resolution of the issue. No person is authorized to state that the OPC is a participant in, or party to, a stipulation on this issue, either in this docket, in an order of the Commission or in a representation to a Court.

FIPUG: Adopt the position of OPC.

PCS

Phosphate: Agree with OPC.

STAFF: Staff has no position at this time.

ISSUE 23C: **Should the Commission approve the Third Implementation Stipulation and, if approved, what is the amount of state corporate income tax savings that should be refunded to customers through the capacity clause in 2021?**

DEF: Yes, the Commission should approve the Third Implementation Stipulation and \$8,379,918 of income tax savings refunded to customers through the capacity clause in 2021. (Menendez)

FPL: No position given.

FPUC: No position.

GULF: No position given.

TECO: No position given.

OPC: OPC takes no position on this issue nor does it have the burden of proof related to it. As such, the OPC represents that it will not contest or oppose the Commission taking action approving a proposed stipulation between the Company and another party or Staff as a final resolution of the issue. No person is authorized to state that the OPC is a participant in, or party to, a stipulation on this issue, either in this docket, in an order of the Commission or in a representation to a Court.

FIPUG: Adopt the position of OPC.

PCS

Phosphate: Yes, the Commission should approve the Third Implementation Stipulation filed in this docket on July 27, 2020. PCS Phosphate was a signatory to that agreement.

STAFF: Staff has no position at this time.

ISSUE 23D: **What adjustment amounts should the Commission approve to be refunded through the capacity clause in 2021 for the Columbia SoBRA I project approved in Docket No. 20180149-EI and the DeBary, Lake Placid, and Trenton SoBRA II projects approved in Docket No. 20190072-EI?**

DEF: \$1,023,015 (Menendez)

FPL: No position given.

FPUC: No position.

GULF: No position given.

TECO: No position given.

OPC: OPC takes no position on this issue nor does it have the burden of proof related to it. As such, the OPC represents that it will not contest or oppose the Commission taking action approving a proposed stipulation between the Company and another

party or Staff as a final resolution of the issue. No person is authorized to state that the OPC is a participant in, or party to, a stipulation on this issue, either in this docket, in an order of the Commission or in a representation to a Court.

FIPUG: Adopt the position of OPC.

PCS

Phosphate: Agree with OPC.

STAFF: Staff has no position at this time.

Florida Power & Light Company

ISSUE 24A: What is the appropriate true-up adjustment amount associated with the 2018 SOBRA projects approved by Order No. PSC-2018-0028-FOF-EI to be refunded through the capacity clause in 2021?

Proposed stipulation – See Section X.

ISSUE 24B: What are the appropriate Indiantown non-fuel base revenue requirements to be recovered through the Capacity Clause pursuant to the Commission's approval of the Indiantown transaction in Docket No. 160154-EI (Order No. PSC-16-0506-FOF-EI) for 2021?

Proposed stipulation – See Section X.

Gulf Power Company

No company-specific capacity cost recovery factor issues for Gulf Power Company have been identified at this time. If such issues are identified, they will be numbered 25A, 25B, 25C, and so forth as appropriate.

Tampa Electric Company

No company-specific capacity cost recovery factor issues for Tampa Electric Company have been identified at this time. If such issues are identified, they will be numbered 26A, 26B, 26C, and so forth as appropriate.

GENERIC CAPACITY COST RECOVERY FACTOR ISSUES

ISSUE 27: What are the appropriate final capacity cost recovery true-up amounts for the period January 2019 through December 2019?

DEF: \$797,779 under-recovery (Menendez)

FPL: *Proposed stipulation – See Section X.*

FPUC: No position.

GULF: *Proposed stipulation – See Section X.*

TECO: *Proposed stipulation – See Section X.*

OPC: OPC takes no position on this issue nor does it have the burden of proof related to it. As such, the OPC represents that it will not contest or oppose the Commission taking action approving a proposed stipulation between the Company and another party or Staff as a final resolution of the issue. No person is authorized to state that the OPC is a participant in, or party to, a stipulation on this issue, either in this docket, in an order of the Commission or in a representation to a Court.

FIPUG: Adopt the position of OPC.

PCS

Phosphate: Agree with OPC.

STAFF: Staff has no position at this time.

ISSUE 28: **What are the appropriate capacity cost recovery actual/estimated true-up amounts for the period January 2020 through December 2020?**

DEF: \$334,694 over-recovery (Menendez)

FPL: *Proposed stipulation – See Section X.*

FPUC: No position

GULF: *Proposed stipulation – See Section X.*

TECO: *Proposed stipulation – See Section X.*

OPC: OPC takes no position on this issue nor does it have the burden of proof related to it. As such, the OPC represents that it will not contest or oppose the Commission taking action approving a proposed stipulation between the Company and another party or Staff as a final resolution of the issue. No person is authorized to state that the OPC is a participant in, or party to, a stipulation on this issue, either in this docket, in an order of the Commission or in a representation to a Court.

FIPUG: Adopt the position of OPC.

PCS

Phosphate: Agree with OPC.

STAFF: Staff has no position at this time.

ISSUE 29: **What are the appropriate total capacity cost recovery true-up amounts to be collected/refunded during the period January 2021 through December 2021?**

DEF: \$463,084 under-recovery (Menendez)

FPL: *Proposed stipulation – See Section X.*

FPUC: No position

GULF: *Proposed stipulation – See Section X.*

TECO: *Proposed stipulation – See Section X.*

OPC: OPC takes no position on this issue nor does it have the burden of proof related to it. As such, the OPC represents that it will not contest or oppose the Commission taking action approving a proposed stipulation between the Company and another party or Staff as a final resolution of the issue. No person is authorized to state that the OPC is a participant in, or party to, a stipulation on this issue, either in this docket, in an order of the Commission or in a representation to a Court.

FIPUG: Adopt the position of OPC.

PCS

Phosphate: Agree with OPC.

STAFF: Staff has no position at this time.

ISSUE 30: **What are the appropriate projected total capacity cost recovery amounts for the period January 2021 through December 2021?**

DEF: \$479,983,370 (Menendez)

FPL: *Proposed stipulation – See Section X.*

FPUC: No position

GULF: *Proposed stipulation – See Section X.*

TECO: *Proposed stipulation – See Section X.*

OPC: OPC takes no position on this issue nor does it have the burden of proof related to it. As such, the OPC represents that it will not contest or oppose the Commission

taking action approving a proposed stipulation between the Company and another party or Staff as a final resolution of the issue. No person is authorized to state that the OPC is a participant in, or party to, a stipulation on this issue, either in this docket, in an order of the Commission or in a representation to a Court.

FIPUG: Adopt the position of OPC.

PCS

Phosphate: Agree with OPC.

STAFF: Staff has no position at this time.

ISSUE 31: **What are the appropriate projected net purchased power capacity cost recovery amounts to be included in the recovery factor for the period January 2021 through December 2021?**

DEF: \$487,677,167 (Menendez)

FPL: *Proposed stipulation – See Section X.*

FPUC: No position

GULF: *Proposed stipulation – See Section X.*

TECO: *Proposed stipulation – See Section X.*

OPC: OPC takes no position on this issue nor does it have the burden of proof related to it. As such, the OPC represents that it will not contest or oppose the Commission taking action approving a proposed stipulation between the Company and another party or Staff as a final resolution of the issue. No person is authorized to state that the OPC is a participant in, or party to, a stipulation on this issue, either in this docket, in an order of the Commission or in a representation to a Court.

FIPUG: Adopt the position of OPC.

PCS

Phosphate: Agree with OPC.

STAFF: Staff has no position at this time.

ISSUE 32: **What are the appropriate jurisdictional separation factors for capacity revenues and costs to be included in the recovery factor for the period January 2021 through December 2021?**

DEF: Base – 92.885%, Intermediate – 72.703%, Peaking – 95.924%, consistent with the 2017 Settlement approved in Order No. PSC-2017-0451-AS-EI. (Menendez)

FPL: *Proposed stipulation – See Section X.*

FPUC: No position

GULF: *Proposed stipulation – See Section X.*

TECO: *Proposed stipulation – See Section X.*

OPC: OPC takes no position on this issue nor does it have the burden of proof related to it. As such, the OPC represents that it will not contest or oppose the Commission taking action approving a proposed stipulation between the Company and another party or Staff as a final resolution of the issue. No person is authorized to state that the OPC is a participant in, or party to, a stipulation on this issue, either in this docket, in an order of the Commission or in a representation to a Court.

FIPUG: Adopt the position of OPC.

PCS

Phosphate: Agree with OPC.

STAFF: Staff has no position at this time.

ISSUE 33: **What are the appropriate capacity cost recovery factors for the period January 2021 through December 2021?**

DEF:	<u>Rate Class</u>	<u>CCR Factor</u>
	Residential	1.405 cents/kWh
	General Service Non-Demand	1.342 cents/kWh
	@ Primary Voltage	1.329 cents/kWh
	@ Transmission Voltage	1.315 cents/kWh
	General Service 100% Load Factor	0.808 cents/kWh
	General Service Demand	4.20 \$/kW-month
	@ Primary Voltage	4.16 \$/kW-month
	@ Transmission Voltage	4.12 \$/kW-month
	Curtaillable	1.22 \$/kW-month
	@ Primary Voltage	1.21 \$/kW-month
	@ Transmission Voltage	1.20 \$/kW-month
	Interruptible	3.50 \$/kW-month
	@ Primary Voltage	3.47 \$/kW-month
	@ Transmission Voltage	3.43 \$/kW-month
	Standby Monthly	0.404 \$/kW-month
	@ Primary Voltage	0.400 \$/kW-month
	@ Transmission Voltage	0.396 \$/kW-month

Standby Daily	0.192 \$/kW-month
@ Primary Voltage	0.190 \$/kW-month
@ Transmission Voltage	0.188 \$/kW-month
Lighting	0.172 cents/kWh (Menendez)

FPL: *Proposed stipulation – See Section X.*

FPUC: No position

GULF: *Proposed stipulation – See Section X.*

TECO: *Proposed stipulation – See Section X.*

OPC: OPC takes no position on this issue nor does it have the burden of proof related to it. As such, the OPC represents that it will not contest or oppose the Commission taking action approving a proposed stipulation between the Company and another party or Staff as a final resolution of the issue. No person is authorized to state that the OPC is a participant in, or party to, a stipulation on this issue, either in this docket, in an order of the Commission or in a representation to a Court.

FIPUG: Adopt the position of OPC.

PCS

Phosphate: Agree with OPC.

STAFF: Staff has no position at this time.

I. EFFECTIVE DATE

ISSUE 34: **What should be the effective date of the fuel adjustment factors and capacity cost recovery factors for billing purposes?**

DEF: The new factors should be effective beginning with the first billing cycle for January 2021 through the last billing cycle for December 2021. The first billing cycle may start before January 1, 2021, and the last billing cycle may end after December 31, 2021, so long as each customer is billed for twelve months regardless of when the factors became effective. (Menendez)

FPL: *Proposed stipulation – See Section X.*

FPUC: *Proposed stipulation – See Section X.*

GULF: *Proposed stipulation – See Section X.*

TECO: *Proposed stipulation – See Section X.*

OPC: OPC takes no position on this issue nor does it have the burden of proof related to it. As such, the OPC represents that it will not contest or oppose the Commission taking action approving a proposed stipulation between the Company and another party or Staff as a final resolution of the issue. No person is authorized to state that the OPC is a participant in, or party to, a stipulation on this issue, either in this docket, in an order of the Commission or in a representation to a Court.

FIPUG: Adopt the position of OPC.

PCS

Phosphate: No position.

STAFF: Staff has no position at this time.

ISSUE 35: **Should the Commission approve revised tariffs reflecting the fuel adjustment factors and capacity cost recovery factors determined to be appropriate in this proceeding?**

DEF: Yes. The Commission should approve revised tariffs reflecting the fuel adjustment factors and capacity cost recovery factors determined to be appropriate in this proceeding. The Commission should direct Staff to verify that the revised tariffs are consistent with the Commission decision. (Menendez)

FPL: *Proposed stipulation – See Section X.*

FPUC: *Proposed stipulation – See Section X.*

GULF: *Proposed stipulation – See Section X.*

TECO: *Proposed stipulation – See Section X.*

OPC: OPC takes no position on this issue nor does it have the burden of proof related to it. As such, the OPC represents that it will not contest or oppose the Commission taking action approving a proposed stipulation between the Company and another party or Staff as a final resolution of the issue. No person is authorized to state that the OPC is a participant in, or party to, a stipulation on this issue, either in this docket, in an order of the Commission or in a representation to a Court.

FIPUG: Adopt the position of OPC.

PCS

Phosphate: No position.

STAFF: Staff has no position at this time.

ISSUE 36: **Should this docket be closed?**

DEF: Yes. (Menendez)

FPL: *Proposed stipulation – See Section X.*

FPUC: *Proposed stipulation – See Section X.*

GULF: *Proposed stipulation – See Section X.*

TECO: *Proposed stipulation – See Section X.*

OPC: OPC takes no position on this issue nor does it have the burden of proof related to it. As such, the OPC represents that it will not contest or oppose the Commission taking action approving a proposed stipulation between the Company and another party or Staff as a final resolution of the issue. No person is authorized to state that the OPC is a participant in, or party to, a stipulation on this issue, either in this docket, in an order of the Commission or in a representation to a Court.

FIPUG: Adopt the position of OPC.

PCS

Phosphate: No position.

STAFF: Staff has no position at this time.

IX. EXHIBIT LIST

<u>Witness</u>	<u>Proffered By</u>		<u>Description</u>
	<u>Direct</u>		
Christopher A. Menendez	DEF	(CAM-1T)	Fuel Cost Recovery True-Up (Jan – Dec. 2019)
Christopher A. Menendez	DEF	(CAM-2T)	Capacity Cost Recovery True-Up (Jan – Dec. 2019)
Christopher A. Menendez	DEF	(CAM-3T)	Schedules A1 through A3, A6 and A12 for Dec 2019

<u>Witness</u>	<u>Proffered By</u>		<u>Description</u>
Christopher A. Menendez	DEF	(CAM-4T)	2019 Capital Structure and Cost Rates Applied to Capital Projects
Christopher A. Menendez	DEF	(CAM-2)	Actual/Estimated True-up Schedules for period January – December 2020
Christopher A. Menendez	DEF	(CAM-3)	Projection Factors for January - December 2021
Mary Ingle Lewter	DEF	(MIL-1T)	Calculation of GPIF Reward for January - December 2019
Mary Ingle Lewter	DEF	(MIL-1P)	GPIF Targets/Ranges Schedules for January – December 2021
R. B. Deaton	FPL	(RBD-1)	2019 FCR Final True-Up Calculation
R. B. Deaton	FPL	(RBD-2)	2019 CCR Final True-Up Calculation (Confidential)
R. B. Deaton	FPL	(RBD-3)	2020 FCR Actual/Estimated True-Up Calculation
R. B. Deaton	FPL	(RBD-4)	2020 CCR Actual/Estimated True-Up Calculation
R. B. Deaton	FPL	(RBD-5)	2019 FCR Final True-Up Calculation REVISED
R. B. Deaton	FPL	(RBD-6)	Appendix II 2021 FCR Projections
R. B. Deaton	FPL	(RBD-7)	Appendix III 2021 CCR Projections
G. J. Yupp	FPL	(GJY-1)	2019 Incentive Mechanism Results (Confidential)

<u>Witness</u>	<u>Proffered By</u>		<u>Description</u>
G. J. Yupp	FPL	(GJY-2)	Appendix I Fuel Cost Recovery
C. R. Rote	FPL	(CRR-1)	Generating Performance Incentive Factor Performance Results for January 2019 through December 2019
C. R. Rote	FPL	(CRR-2)	Generating Performance Incentive Factor Performance Targets for January 2021 through December 2021
L. Fuentes	FPL	(LF-1)	2018 SoBRA Final Revenue Requirement Calculation
E. J. Anderson	FPL	(EJA-1)	Revised 2018 SoBRA Factor/Refund Calculation
E. J. Anderson	FPL	(EJA-2)	2018 SoBRA Prospective Adjustment for January 1, 2021
E. J. Anderson	FPL	(EJA-3)	Projected Retail Base Revenues for January 1, 2021
E. J. Anderson	FPL	(EJA-4)	Summary of Tariff Changes for January 1, 2021
E. J. Anderson	FPL	(EJA-5)	Typical Bill Projections
Curtis D. Young	FPUC	(CDY-1)	Final True-Up Schedules (Schedules A, C1, and E1-B for FPUC's Division)
Curtis D. Young	FPUC	(CDY-2) ⁴	Estimated/Actual (Schedules E1A, E1-B, and E1-B1)
Curtis D. Young	FPUC	(CDY-3)	Revised Monthly True-Up for January through June 2020
Curtis D. Young	FPUC	(CDY-4) ⁵	Schedules E1, E1A, E2, E7, E8, E10 and Schedule A

⁴ Revised October 22, 2020.

⁵ Revised October 22, 2020.

<u>Witness</u>	<u>Proffered By</u>		<u>Description</u>
Richard L. Hume	Gulf	(RLH-1)	Calculation of Final True-Up January 2019 – December 2019
Richard L. Hume	Gulf	(RLH-2)	A-Schedules December 2019
Richard L. Hume	Gulf	(RLH-3)	Estimated Fuel True-Up January 2020 – December 2020
Richard L. Hume	Gulf	(RLH-4)	Estimated Capacity True-up January 2020 – December 2020
Richard L. Hume	Gulf	(RLH-5)	Projection January 2021 – December 2021
Richard L. Hume	Gulf	(RLH-6)	Hedging Information Report August 2019 – December 2019
Richard L. Hume	Gulf	(RLH-7)	Hedging Information Report January 2020– March 2020
Richard L. Hume	Gulf	(RLH-8)	Calculation of the stratified separation factors
Charles Rote	Gulf	(JAV-1)	Gulf Power Company GPIF Results January 2019 – December 2019
Charles Rote	Gulf	(CR-1)	Gulf Power Company GPIF Targets and Ranges January 2021 – December 2021
M. Ashley Sizemore	TECO	(MAS-1)	Final True-up Capacity Cost Recovery January 2019- December 2019

<u>Witness</u>	<u>Proffered By</u>	<u>Description</u>
		Final True-up Fuel Cost Recovery January 2019-December 2019
		Actual Fuel True-up Compared to Original Estimates January 2019 – December 2019
		Schedules A-1, A-2, A-6 through A-9, and A-12 January 2019 – December 2019
		Capital Projects Approved for Fuel Clause Recovery January 2019 – December 2019
M. Ashley Sizemore	TECO	(MAS-2) Actual/Estimated True-Up Fuel Cost Recovery January 2020 – December 2020
		Actual/Estimated True-Up Capacity Cost Recovery January 2020 – December 2020
		Capital Projects Approved for Fuel Clause Recovery January 2020 – December 2020
		Lake Hancock Stipulated Issue Fuel Savings January 2019 – December 2019
M. Ashley Sizemore	TECO	(MAS-3) Projected Capacity Cost Recovery January 2021 – December 2021
		Projected Fuel Cost Recovery January 2021 – December 2021

<u>Witness</u>	<u>Proffered By</u>	<u>Description</u>
		Levelized and Tiered Fuel Rate January 2021 – December 2021
Jeremy B. Cain	TECO (JBC-1)	Final True-Up Generating Performance Incentive Factor January 2019 – December 2019
		Actual Unit Performance Data January 2019 – December 2019
Jeremy B. Cain	TECO (JC-1)	Generating Performance Incentive Factor January 2021 – December 2021
		Summary of Generating Performance Incentive Factor Targets
John C. Heisey	TECO (JCH-1)	Optimization Mechanism Results January 2019 – December 2019
Debra M. Dobiac	Staff (DMD-1)	Auditor's Report – Hedging Activities

X. PROPOSED STIPULATIONS

There are proposed Type 2 stipulations⁶ as stated below. The OPC position on each Type 2 stipulation (except for Issues 34-36) stated below is as follows:

OPC takes no position on these issues nor does it have the burden of proof related to them. As such, the OPC represents that it will not contest or oppose the Commission taking action approving a proposed stipulation between the Company and another party or staff as a final resolution of these issues. No person is authorized to state that the OPC is a participant in, or party to, a

⁶ A Type 2 stipulation occurs on an issue when the utility and the staff, or the utility and at least one party adversarial to the utility, agree on the resolution of the issue and the remaining parties (including staff if they do not join in the agreement) do not object to the Commission relying on the agreed language to resolve that issue in a final order.

stipulation on these issues, either in this docket, in an order of the Commission or in a representation to a Court.

I. COMPANY SPECIFIC ISSUES

Florida Power & Light

ISSUE 2A: What is the appropriate revised SoBRA factor for the 2018 projects to reflect actual construction costs that are less than the projected costs used to develop the initial SoBRA factor?

Stipulation: The appropriate revised SoBRA factor for the 2018 projects reflecting the actual construction cost is 0.856%.

ISSUE 2B: What was the total gain under FPL's Incentive Mechanism approved by Order No. PSC-2016-0560-AS-EI that FPL may recover for the period January 2019 through December 2019, and how should that gain be shared between FPL and customers?

Stipulation: The total gain under FPL's Incentive Mechanism approved by Order No. PSC-2016-0560-AS-EI that FPL may recover for the period January 2019 through December 2019 is \$55,249,313, as reflected in Column 5 of Table 1, Total Gains Schedule, (Exhibit GJY-1, Page 1 of 4). This amount exceeded the sharing threshold of \$40 million, and therefore the incremental gain above that amount should be shared between FPL and customers, with FPL retaining \$9,149,588, as reflected in Column 9 of Table 2, Total Gains Schedule (Exhibit GJY-1, Page 1 of 4).

ISSUE 2C: What is the appropriate amount of Incremental Optimization Costs under FPL's Incentive Mechanism approved by Order No. PSC-2016-0560-AS-EI that FPL should be allowed to recover through the fuel clause for Personnel, Software, and Hardware costs for the period January 2019 through December 2019?

Stipulation: The appropriate amount of Incremental Optimization Costs under FPL's Incentive Mechanism, approved by Order No. PSC-2016-0560-AS-EI, that FPL should be allowed to recover through the fuel clause for Personnel, Software, and Hardware costs for the period January 2019 through December 2019 is \$533,064, as reflected in Columns 2 and 3 of the Incremental Optimization Costs Schedule (Exhibit GJY-1, Page 4 of 4).

ISSUE 2D: What is the appropriate amount of Variable Power Plant O&M Attributable to Off-System Sales under FPL's Incentive Mechanism approved by Order No. PSC-2016-0560-AS-EI that FPL should be allowed to recover through the fuel clause for the period January 2019 through December 2019?

Stipulation: The appropriate amount of Variable Power Plant O&M Attributable to Off-System Sales under FPL's Incentive Mechanism approved by Order No. PSC-2016-0560-AS-EI, that it should be allowed to recover through the fuel clause for the period January 2019 through December 2019 is \$1,754,273, as reflected in Column 6 of the Incremental Optimization Costs Schedule (Exhibit GJY-1, page 4 of 4).

ISSUE 2E: **What is the appropriate amount of Variable Power Plant O&M Avoided due to Economy Purchases under FPL's Incentive Mechanism approved by Order No. PSC-2016-0560-AS-EI that FPL should be allowed to recover through the fuel clause for the period January 2019 through December 2019?**

Stipulation: The appropriate amount of Variable Power Plant O&M Avoided due to Economy Purchases under FPL's Incentive Mechanism approved by Order No. PSC-2016-0560-AS-EI that it should be allowed to recover through the fuel clause for the period January 2019 through December 2019 is a credit of \$358,272, as reflected in Column 7 of the Incremental Optimization Costs Schedule (Exhibit GJY-1, page 4 of 4).

ISSUE 2H: **What is the appropriate subscription credit associated with FPL's Solar Together Program, approved by Order No. PSC-2020-0084-S-EI, to be included for recovery in 2021?**

Stipulation: The appropriate subscription credit associated with FPL's Solar Together Program is \$98,939,400.

Gulf Power Company

ISSUE 4A: **Should the Commission approve as prudent Gulf's actions to mitigate the volatility of natural gas, residual oil, and purchased power prices, as reported in Gulf's April 2020 and August 2020 hedging reports?**

Stipulation: Yes, the Commission should approve as prudent Gulf's actions to mitigate the volatility of natural gas, residual oil, and purchased power prices that are reported in the April 2020 and August 2020 filing in Docket No. 20200001-EI. For the period August 1, 2019 through March 31, 2020, Gulf's hedging activities resulted in a net cost of \$5,154,160. These activities were pursuant to, and were consistent with, previously approved risk management plans. Pursuant to the 2017 Stipulation and Settlement Agreement, Gulf agreed not to enter into any additional hedges during the term of the Agreement.

Tampa Electric Company

ISSUE 5A: What was the total gain under TECO's Optimization Mechanism approved by Order No. PSC-2017-0456-S-EI that TECO may recover for the period January 2019 through December 2019, and how should that gain to be shared between TECO and customers?

Stipulation: The total gain under TECO's Optimization Mechanism, approved by Order No. PSC-2017-0456-S-EI, for the period January 2019 through December 2019 was \$6,468,033, as reflected in Table 1, Column 5 of the Total Gains Threshold Schedule (Exhibit JCH-1, Page 1 of 3). This amount should be shared between TECO and customers (60% and 40%, respectively), with customers receiving \$5,287,213, and TECO retaining \$1,180,820, as reflected in Columns 7 and 8 of Table 2, Total Gains Threshold Schedule (Exhibit JCH-1, Page 1 of 3).

GENERIC FUEL ADJUSTMENT ISSUES

ISSUE 6: What are the appropriate actual benchmark levels for calendar year 2020 for gains on non-separated wholesale energy sales eligible for a shareholder incentive?

Stipulation: The appropriate actual benchmark levels for calendar year 2020 for gains on non-separated wholesale energy sales eligible for a shareholder incentive are as follows:

FPL: The appropriate actual benchmark levels for calendar year 2020 for gains on non-separated wholesale energy sales eligible for a shareholder incentive are as follows:

Pursuant to the Stipulation and Settlement that was approved in Order No. PSC-2016-0560-AS-EI, FPL revised its Incentive Mechanism program, which does not rely upon the three-year average Shareholder Incentive Benchmark specified in Order No. PSC-00-1744-PAA-EI. Setting the appropriate actual benchmark levels for calendar year 2020 for gains on non-separated wholesale energy sales eligible for a shareholder incentive is not applicable to FPL as part of its revised Incentive Mechanism.

GULF: \$912,580.

TECO: The Company did not set a benchmark level for calendar year 2020. Pursuant to the Stipulation and Settlement that was approved in Order No. PSC-2017-0456-S-EI, the Company's Optimization Mechanism replaces the incentive program that used benchmark levels for gains on non-separated wholesale energy sales eligible for a shareholder incentive.

ISSUE 7: What are the appropriate estimated benchmark levels for calendar year 2021 for gains on non-separated wholesale energy sales eligible for a shareholder incentive?

Stipulation:

FPL: Pursuant to the Stipulation and Settlement that was approved in Order No. PSC-2016-0560-AS-EI, FPL revised its Incentive Mechanism program, which does not rely upon the three-year average Shareholder Incentive Benchmark specified in Order No. PSC-00-1744-PAA-EI. Setting the appropriate estimated benchmark levels for calendar year 2021 for gains on non-separated wholesale energy sales eligible for a shareholder incentive is not applicable to FPL as part of its revised Incentive Mechanism.

GULF: \$274,562.

TECO: The Company did not set an estimated benchmark level for calendar year 2021. Pursuant to the Stipulation and Settlement that was approved in Order No. PSC-2017-0456-S-EI, the Company's Optimization Mechanism replaces the incentive program that used benchmark levels for gains on non-separated wholesale energy sales eligible for a shareholder incentive.

ISSUE 8: What are the appropriate final fuel adjustment true-up amounts for the period January 2019 through December 2019?

Stipulation:

FPUC: An under-recovery of \$2,017,896.

GULF: An over-recovery of \$8,868,596.

TECO: An over-recovery of \$35,821,098.

ISSUE 9: What are the appropriate fuel adjustment actual/estimated true-up amounts for the period January 2020 through December 2020?

Stipulation:

FPUC: An over-recovery of \$2,315,064.

GULF: An under-recovery of \$9,968,285.

TECO: An under-recovery of \$61,300,153.

ISSUE 10: What are the appropriate total fuel adjustment true-up amounts to be collected/refunded from January 2021 through December 2021?

Stipulation:

FPUC: An over-recovery of \$297,168.

GULF: An under-recovery of \$1,099,690.

TECO: An under-recovery of \$25,479,055.

ISSUE 11: What are the appropriate projected total fuel and purchased power cost recovery amounts for the period January 2021 through December 2021?

Stipulation:

FPL: \$2,593,860,560.

FPUC: \$44,407,969.

GULF: \$326,225,315.

TECO: \$588,143,346.

COMPANY-SPECIFIC GENERATING PERFORMANCE INCENTIVE FACTOR ISSUES

Gulf Power Company

No company-specific GPIF issues for Gulf Power Company have been identified at this time. If such issues are identified, they shall be numbered 14A, 14B, 14C, and so forth, as appropriate.

Tampa Electric Company

No company-specific GPIF issues for Tampa Electric Company have been identified at this time. If such issues are identified, they shall be numbered 15A, 15B, 15C, and so forth, as appropriate.

GENERIC GPIF ISSUES

ISSUE 16: What is the appropriate GPIF reward or penalty for performance achieved during the period January 2019 through December 2019 for each investor-owned electric utility subject to the GPIF?

Stipulation:

FPL: A reward of \$8,125,681.

GULF: A reward of \$62,232.

TECO: A reward of \$2,858,056.

ISSUE 17: What should the GPIF targets/ranges be for the period January 2021 through December 2021 for each investor-owned electric utility subject to the GPIF?

Stipulation:

FPL:

**Table 17-2
GPIF Targets/Ranges for the period January-December, 2021**

	Plant/Unit	EAF			ANOHR		
		Target	Maximum		Target	Maximum	
		EAF (%)	EAF (%)	Savings (\$000's)	ANOHR BTU/KWH	ANOHR BTU/KWH	Savings (\$000's)
FPL	Canaveral 3	90.1	92.6	430	6,640	6,724	1,581
	Sanford 5	90.4	92.9	209	7,372	7,549	2,158
	Ft. Myers 2	91.2	93.7	288	7,189	7,343	3,276
	Port Everglades 5	84.0	87.0	949	6,566	6,671	2,558
	Riviera 5	84.6	87.1	512	6,545	6,636	1,818
	St. Lucie 1	80.6	84.1	3,807	10,422	10,522	363
	St. Lucie 2	84.0	87.0	2,815	10,297	10,389	267
	Turkey Point 3	85.7	88.7	2,769	11,234	11,492	828
	Turkey Point 4	93.6	96.6	2,816	10,888	11,041	643
	Turkey Point 5	80.6	83.6	194	7,350	7,468	1,186
	West County 1	91.0	93.5	581	7,098	7,260	3,025
	West County 2	89.7	92.2	643	6,882	7,053	3,572
	West County 3	83.2	85.7	622	6,919	7,074	3,118
	Total*			16,635			24,393

Source: GPIF Target and Range Summary (Exhibit CRR-2, Pages 6-7 of 36).

*May not compute due to rounding.

GULF:

**Table 17-3
 GPIF Targets/Ranges for the period January-December, 2021**

GULF	Plant/Unit	EAF			ANOHR		
		Target	Maximum		Target	Maximum	
		EAF (%)	EAF (%)	Savings (\$000's)	ANOHR BTU/KWH	ANOHR BTU/KWH	Savings (\$000's)
	Scherer 3	95.3	95.5	1	11,339	11,679	57
	Crist 7	89.0	92.4	16	10,882	11,208	519
	Daniel 1	93.9	97.1	1	10,650	10,970	45
	Daniel 2	93.4	94.8	2	10,334	10,644	205
	Smith 3	91.2	92.3	<u>110</u>	6,913	7,120	<u>3,315</u>
	Total			<u>130</u>			<u>4,141</u>

Source: GPIF Unit Performance Summary (Exhibit CR-1, Schedule 3, Page 5 of 28).

TECO:

**Table 17-4
 GPIF Targets/Ranges for the period January-December, 2021**

TECO	Plant/Unit	Target	Maximum		Target	Maximum	
		EAF (%)	EAF (%)	Savings (\$000's)	ANOHR BTU/KWH	ANOHR BTU/KWH	Savings (\$000's)
			Big Bend 4	54.0	60.7	181.0	11,576
	Polk 1	77.7	82.1	675.5	9,684	10,348	1,167.3
	Polk 2	80.6	82.1	213.7	6,940	7,125	3,324.1
	Bayside 1	93.9	94.5	2,242.6	7,352	7,460	1,516.3
	Bayside 2	90.9	92.2	<u>1,043.8</u>	7,439	7,560	<u>1,723.2</u>
	Total			<u>4356.6</u>			<u>9,647.3</u>

Source: GPIF Target and Range Summary (Exhibit JC-1, Document 1, Page 4 of 32).

FUEL FACTOR CALCULATION ISSUES

ISSUE 18: What are the appropriate projected net fuel and purchased power cost recovery and Generating Performance Incentive amounts to be included in the recovery factor for the period January 2021 through December 2021?

Stipulation:

FPUC: \$44,110,801.

GULF: \$327,622,911.

TECO: \$618,103,935.

ISSUE 19: What is the appropriate revenue tax factor to be applied in calculating each investor-owned electric utility's levelized fuel factor for the projection period January 2021 through December 2021?

Stipulation:

FPL: 1.00072.

FPUC: 1.00072.

GULF: 1.00072.

TECO: 1.00072.

ISSUE 20: What are the appropriate levelized fuel cost recovery factors for the period January 2021 through December 2021?

Stipulation:

FPUC: 4.540 cents per kWh.

GULF: 3.053 cents per kWh.

TECO: 3.162 cents per kWh.

ISSUE 21: What are the appropriate fuel recovery line loss multipliers to be used in calculating the fuel cost recovery factors charged to each rate class/delivery voltage level class?

Stipulation:

FPL: The appropriate fuel recovery line loss multipliers to be used in calculating the fuel cost recovery factors charged to each rate class/delivery voltage level class are provided in response to Issue No. 22.

FPUC: The appropriate fuel recovery line loss multiplier to be used in calculating the fuel cost recovery factors charged to each rate class/delivery voltage level class is 1.0000.

GULF: See Table 21-2 below:

**Table 21-2
GULF Fuel Recovery Line Loss Multipliers
for the period January-December, 2021**

Group	Rate Schedules	Fuel Recovery Loss Multipliers
A	RS, RSVP, RSTOU, GS, GSD, GSDT, GSTOU, OSIII, SBS(1)	1.00555
B	LP, LPT, SBS(2)	0.99188
C	PX, PXT, RTP, SBS(3)	0.97668
D	OSI/II	1.00560
(1) Includes SBS customers with a contract demand in the range of 100 to 499 kW (2) Includes SBS customers with a contract demand in the range of 500 to 7,499 kW (3) Includes SBS customers with a contract demand over 7,499 kW		

Source: Schedule E1-E (Exhibit RLH-5, 2021 Projection Filing, Page 7 of 41).

TECO: See Table 21-3 below:

**Table 21-3
TECO Fuel Recovery Line Loss Multipliers
for the period January-December, 2020**

Delivery Voltage Level	Line Loss Multiplier
Transmission	0.98
Distribution Primary	0.99
Distribution Secondary	1.00
Lighting Service	1.00

Source: Schedule E1-D.

ISSUE 22: What are the appropriate fuel cost recovery factors for each rate class/delivery voltage level class adjusted for line losses?

Stipulation:

FPUC: The appropriate levelized fuel adjustment and purchased power cost recovery factors for the period January 2021 through December 2021 for the Consolidated Electric Division, adjusted for line loss multipliers and including taxes, are shown in Table 22-4 below:

Table 22-4
FPUC Fuel Cost Recovery Factors for the period January-December, 2021

Fuel Recovery Factors – By Rate Schedule	
For the Period January through December, 2021	
Rate Schedule	Levelized Adjustment (cents/kWh)
RS	7.269
GS	7.034
GSD	6.719
GSLD	6.495
LS	5.072

Source: Schedule E1, Page 3 of 3.

Table 22-9
FPUC Fuel Cost Recovery Factors for the period January-December, 2021

Step Rate Allocation for Residential Customers (RS Rate Schedule)	
For the Period January through December, 2021	
Rate Schedule and Allocation	Levelized Adjustment (cents/kWh)
RS Rate Schedule – Sales Allocation	7.269
RS Rate Schedule with less than or equal to 1,000 kWh/month	6.961
RS Rate Schedule with more than 1,000 kWh/month	8.211

Source: Schedule E1, Page 3 of 3.

Table 22-10
FPUC Fuel Cost Recovery Factors for the period January-December, 2021

Fuel Recovery Factors for Time of Use – By Rate Schedule		
For the Period January through December, 2021		
Rate Schedule	Levelized Adjustment On Peak (cents/kWh)	Levelized Adjustment Off Peak (cents/kWh)
RS	15.361	3.061
GS	11.034	2.034
GSD	10.719	3.469
GSLD	12.495	3.495
Interruptible	4.995	6.495

Source: Schedule E1, Page 3 of 3.

GULF: The appropriate fuel cost recovery factors for each rate class/delivery voltage level class adjusted for line losses for the period January 2021 through December 2021, are shown in Tables 22-11 and 22-12 below:

Table 22-11
Gulf Standard Fuel Cost Recovery Factors
for the period January-December, 2021

Group	Rate Schedules	Fuel Cost Recovery Factors (cents/kWh)
A	RS, RSVP, RSTOU, GS, GSD, GSDT, GSTOU, OSIII, SBS(1)	3.070
B	LP, LPT, SBS(2)	3.028
C	PX, PXT, RTP, SBS(3)	2.982
D	OSI/II	3.045

Source: Schedule E1-E (Exhibit RLH-5, 2021 Projection Filing, Page 7 of 41).

Table 22-12
Gulf Time-of-Use Fuel Cost Recovery Factors
for the period January-December, 2021

Group	Time-of-Use Rate Schedules	Fuel Recovery Loss Multipliers	Fuel Cost Recovery Factors (cents/kWh)	
			On-Peak	Off-Peak
A	GSDT, SBS(1)	1.00555	3.539	2.879
B	LPT, SBS(2)	0.99188	3.490	2.840
C	PXT, SBS(3)	0.97668	3.437	2.796
(1) Includes SBS customers with a contract demand in the range of 100 to 499 kW (2) Includes SBS customers with a contract demand in the range of 500 to 7,499 kW (3) Includes SBS customers with a contract demand over 7,499 kW				

Source: Schedule E1-E (Exhibit RLH-5, 2021 Projection Filing, Page 7 of 41).

TECO: The appropriate fuel cost recovery factors for each rate class/delivery voltage level class adjusted for line losses for the period January 2021 through December 2021, are shown in Table 22-13 below:

Table 22-13
TECO Fuel Cost Recovery Factors for the period January-December, 2021

Metering Voltage Level	Fuel Cost Recovery Factors (cents per kWh)		
	Levelized Fuel Recovery Factor	First Tier (Up to 1,000 kWh)	Second Tier (Over 1,000 kWh)
STANDARD			
Distribution Secondary (RS only)	--	2.856	3.856
Distribution Secondary	3.167		
Distribution Primary	3.135		
Transmission	3.104		
Lighting Service	3.136		
TIME OF USE			
Distribution Secondary- On-Peak	3.335		
Distribution Secondary- Off-Peak	3.095		
Distribution Primary- On-Peak	3.302		
Distribution Primary- Off-Peak	3.064		
Transmission – On-Peak	3.268		
Transmission – Off-Peak	3.033		

Source: Schedule E1-E.

II. **CAPACITY ISSUES**

COMPANY-SPECIFIC CAPACITY COST RECOVERY FACTOR ISSUES

Florida Power & Light Company

ISSUE 24A: What is the appropriate true-up adjustment amount associated with the 2018 SOBRA projects approved by Order No. PSC-2018-0028-FOF-EI to be refunded through the capacity clause in 2021?

Stipulation: \$12,401,882.

ISSUE 24B: What are the appropriate Indiantown non-fuel base revenue requirements to be recovered through the Capacity Clause pursuant to the Commission's approval of the Indiantown transaction in Docket No. 160154-EI, Order No. PSC-16-0506-FOF-EI, for 2021?

Stipulation: \$1,356,055.

Gulf Power Company

No company-specific capacity cost recovery factor issues for Gulf Power Company have been identified at this time. If such issues are identified, they will be numbered 25A, 25B, 25C, and so forth, as appropriate.

Tampa Electric Company

No company-specific capacity cost recovery factor issues for Tampa Electric Company have been identified at this time. If such issues are identified, they will be numbered 26A, 26B, 26C, and so forth, as appropriate.

GENERIC CAPACITY COST RECOVERY FACTOR ISSUES

ISSUE 27: What are the appropriate final capacity cost recovery true-up amounts for the period January 2019 through December 2019?

Stipulation:

FPL: An over-recovery of \$5,141,967.

GULF: An over-recovery of \$452,844.

TECO: An over-recovery of \$111,228.

ISSUE 28: What are the appropriate capacity cost recovery actual/estimated true-up amounts for the period January 2020 through December 2020?

Stipulation:

FPL: An over-recovery of \$7,388,454.

GULF: An under-recovery of \$2,700,587.

TECO: An over-recovery of \$1,660,252.

ISSUE 29: What are the appropriate total capacity cost recovery true-up amounts to be collected/refunded during the period January 2021 through December 2021?

Stipulation:

FPL: An over-recovery of \$12,530,421.

GULF: An under-recovery of \$2,247,743.

TECO: An over-recovery of \$1,771,480.

ISSUE 30: What are the appropriate projected total capacity cost recovery amounts for the period January 2021 through December 2021?

Stipulation:

FPL: \$237,781,299.

GULF: \$83,552,876.

TECO: \$2,125,115.

ISSUE 31: What are the appropriate projected net purchased power capacity cost recovery amounts to be included in the recovery factor for the period January 2021 through December 2021?

Stipulation:

FPL: \$214,358,302.

GULF: \$85,862,394.

TECO: \$353,890.

ISSUE 32: What are the appropriate jurisdictional separation factors for capacity revenues and costs to be included in the recovery factor for the period January 2021 through December 2021?

Stipulation:

The appropriate jurisdictional separation factors are as follows:

FPL: Demand: Transmission 90.2300 percent, Non-Stratified Production 95.6891 percent, Intermediate Strata Production 95.0081 percent, Peaking Strata Production 95.2778 percent, Distribution 100 percent.

Energy: Total Sales 95.2084 percent, Non-Stratified Sales 95.6788 percent, Intermediate Strata Sales 94.9979 percent, Peaking Strata Sales 95.2675 percent.

General Plant: Labor 96.9888 percent.

GULF: Demand: Total Production/Transmission 97.2343 percent, Non-Stratified Production 100 percent, Intermediate Strata Production 97.5922 percent, Peaking Strata Production 76.0860 percent, Distribution 98.1419 percent.

Energy: Total Sales 97.4597 percent, Non-Stratified Sales 100 percent, Intermediate Strata Sales 97.5922 percent, Peaking Strata Sales 76.0860 percent.

General Plant: 96.9888 percent.

TECO: The appropriate jurisdictional separation factor is 1.00.

ISSUE 33: What are the appropriate capacity cost recovery factors for the period January 2021 through December 2021?

Stipulation:

FPL: The appropriate capacity cost recovery factors for the period January 2021 through December 2021 is shown in Tables 33-2 through 33-4:

**Table 33-2
FPL Capacity Cost Recovery Factors for the period January-December, 2021**

Rate Schedule	2021 Capacity Cost Recovery Factors			
	\$/kW	\$/kWh	Reservation Demand Charge (RDC) \$/kW	Sum of Daily Demand Charge (SDD) \$/kW
RS1/RTR1	-	0.00203	-	-
GS1/GST1	-	0.00205	-	-
GSD1/GSDT1/HLFT1/GSD1-EV	0.68	-	-	-
OS2	-	0.00088	-	-
GSLD1/GSLDT1/CS1/CST1/HLFT2/GSLD1-EV	0.76	-	-	-
GSLD2/GSLDT2/CS2/CST2/HLFT3	0.73	-	-	-
GSLD3/GSLDT3/CS3/CST3	0.74	-	-	-
SST1T	-	-	0.09	0.04
SST1D1/SST1D2/SST1D3	-	-	0.09	0.04
CILC D/CILC G	0.77	-	-	-
CILC T	0.74	-	-	-
MET	0.66	-	-	-
OL1/SL1/SL1M/PL1	-	0.00016	-	-
SL2/SL2M/GSCU1	-	0.00135	-	-

Source: Appendix III – 2021 CCR Projections (Exhibit RBD-7, Page 20 of 38).

Table 33-3
FPL Capacity Cost Recovery Factors for the period January-December, 2021

Rate Schedule	2020 Indiantown Capacity Cost Recovery Factors			
	Capacity Recovery Factor (\$/kW)	Capacity Recovery Factor (\$/kWh)	Reservation Demand Charge (RDC) \$/kW	Sum of Daily Demand Charge (SDD) \$/kW
RS1/RTR1	-	0.00001	-	-
GS1/GST1	-	0.00001	-	-
GSD1/GSDT1/HLFT1/GSD1-EV	-	-	-	-
OS2	-	0.00001	-	-
GSLD1/GSLDT1/CS1/CST1/HLFT2/GSLD1-EV	-	-	-	-
GSLD2/GSLDT2/CS2/CST2/HLFT3	-	-	-	-
GSLD3/GSLDT3/CS3/CST3	-	-	-	-
SST1T	-	-	-	-
SST1D1/SST1D2/SST1D3	-	-	-	-
CILC D/CILC G	0.01	-	-	-
CILC T	0.01	-	-	-
MET	0.01	-	-	-
OL1/SL1/SL1M/PL1	-	-	-	-
SL2/SL2M/GSCU1	-	0.00001	-	-

Source: Appendix III – 2021 CCR Projections (Exhibit RBD-7, Page 20 of 38).

Table 33-4
FPL Capacity Cost Recovery Factors for the period January-December, 2021

Rate Schedule	2021 Total Capacity Cost Recovery Factors			
	\$/kW	\$/kWh	Reservation Demand Charge (RDC) \$/kW	Sum of Daily Demand Charge (SDD) \$/kW
RS1/RTR1	-	0.00204	-	-
GS1/GST1	-	0.00206	-	-
GSD1/GSDT1/HLFT1/GSD1-EV	0.68	-	-	-
OS2	-	0.00089	-	-
GSLD1/GSLDT1/CS1/CST1/HLFT2/GSLD1-EV	0.76	-	-	-
GSLD2/GSLDT2/CS2/CST2/HLFT3	0.73	-	-	-
GSLD3/GSLDT3/CS3/CST3	0.74	-	-	-
SST1T	-	-	0.09	0.04
SST1D1/SST1D2/SST1D3	-	-	0.09	0.04
CILC D/CILC G	0.78	-	-	-
CILC T	0.75	-	-	-
MET	0.67	-	-	-
OL1/SL1/SL1M/PL1	-	0.00016	-	-
SL2/SL2M/GSCU1	-	0.00136	-	-

Source: Appendix III – 2021 CCR Projections (Exhibit RBD-7, Page 20 of 38).

GULF: The appropriate capacity cost recovery factors for the period January 2021 through December 2021 is shown in Table 33-5 below:

Table 33-5
GULF Capacity Cost Recovery Factors for the period January-December, 2021

Rate Class	2021 Capacity Cost Recovery Factors	
	Cents / kWh	Dollars / kW-month
RS, RSVP, RSTOU	0.915	-
GS	0.931	
GSD, GSDT, GSTOU	0.733	
LP, LPT	-	2.86
PX, PXT, RTP, SBS	0.623	-
OS-I/II	0.127	
OSIII	0.566	

Source: Schedule CCE-2, Page 2 of 2 (Exhibit RLH-5, Columns G and I, Page 40 of 41).

TECO: The appropriate capacity cost recovery factors for the period January 2021 through December 2021 is shown in Table 33-6 below:

**Table 33-6
 TECO Capacity Cost Recovery Factors for the period January-December, 2021**

Rate Class and Metering Voltage	2021 Capacity Cost Recovery Factors	
	Cents / kWh	Dollars / kW
RS	0.002	-
GS and CS	0.002	
GSD, SBF Standard		
Secondary	-	0.01
Primary		0.01
Transmission		0.01
GSD Optional		
Secondary	0.002	-
Primary	0.002	
Transmission	0.002	
IS, SBI		
Primary	-	0.00
Transmission		0.00
LS1 Secondary	0.0000	-

Source: Exhibit MAS-3, Document Number 1, Page 3 of 4.

III. EFFECTIVE DATE

ISSUE 34: What should be the effective date of the fuel adjustment factors and capacity cost recovery factors for billing purposes?

Stipulation:

FPL, FPUC, GULF, TECO: The new factors should be effective begin with the first billing cycle for January 2021 through the last billing cycle for December 2021. The first billing cycle may start before January 1, 2021, and the last cycle may be read after December 31, 2021, so that each customer is billed for twelve months regardless of when the recovery factors became effective. The new factors shall continue in effect until modified by this Commission.

ISSUE 35: Should the Commission approve revised tariffs reflecting the fuel adjustment factors and capacity cost recovery factors determined to be appropriate in this proceeding?

Stipulation:

FPL, FPUC,

GULF, TECO: Yes. The Commission should approve revised tariffs reflecting the fuel adjustment factors and capacity cost recovery factors determined to be reasonable in this proceeding. The Commission should direct staff to verify that the revised tariffs are consistent with the Commission's decisions.

ISSUE 36: Should this docket be closed?

Stipulation:

FPL, FPUC,

GULF, TECO: No. While a separate docket number is assigned each year for administrative convenience, this is a continuing docket and should remain open.

XI. PENDING MOTIONS

There are no pending motions at this time.

XII. PENDING CONFIDENTIALITY MATTERS

There are no pending confidentiality matters.

XIII. POST-HEARING PROCEDURES

If no bench decision is made, each party shall file a post-hearing statement of issues and positions. A summary of each position of no more than 75 words, set off with asterisks, shall be included in that statement. If a party's position has not changed since the issuance of this Prehearing Order, the post-hearing statement may simply restate the prehearing position; however, if the prehearing position is longer than 75 words, it must be reduced to no more than 75 words. If a party fails to file a post-hearing statement, that party shall have waived all issues and may be dismissed from the proceeding.

Pursuant to Rule 28-106.215, F.A.C., a party's proposed findings of fact and conclusions of law, if any, statement of issues and positions, and brief, shall together total no more than 40 pages and shall be filed at the same time.

XIV. RULINGS

Opening statements, if any, shall not exceed five minutes per party unless a party chooses to waive its opening statement. Each witness shall be given three minutes for a summary of their testimony.

The parties shall provide cross-examination exhibits, including impeachment exhibits, to the Commission Clerk by the close of business on October 27, 2020, following the procedures set forth in Attachment A. The exhibits that are pre-filed and designated as cross-examination or impeachment exhibits shall not be viewed by opposing witnesses or opposing counsel or otherwise have their contents or identity communicated to such witnesses or counsel.

It is therefore,

ORDERED by Commissioner Andrew Giles Fay, as Prehearing Officer, that this Prehearing Order shall govern the conduct of these proceedings as set forth above unless modified by the Commission.

By ORDER of Commissioner Andrew Giles Fay, as Prehearing Officer, this 30th day of October, 2020.



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

SBr

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.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

Any party adversely affected by this order, which is preliminary, procedural or intermediate in nature, may request: (1) reconsideration within 10 days pursuant to Rule 25-22.0376, 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 or wastewater utility. A motion for reconsideration shall be filed with the Office of Commission Clerk, in the form prescribed by Rule 25-22.0376, Florida Administrative Code. Judicial review of a preliminary, procedural or intermediate ruling or order is available if review of the final action will not provide an adequate remedy. Such review may be requested from the appropriate court, as described above, pursuant to Rule 9.100, Florida Rules of Appellate Procedure.

ATTACHMENT A

Requirements related to providing Cross-Examination Exhibits prior to Hearing

By October 27, 2020, each party must provide the Commission Clerk an electronic copy of all cross-examination exhibits, including impeachment exhibits, the party plans to use during the hearing. All cross-examination exhibits must be provided to the Clerk's Office on either USB flash drives or CDs. Confidential documents must be placed on one USB flash drive or CD, and non-confidential exhibits must be placed on a different or separate USB flash drive or CD. This is because the Clerk's Office will process the confidential exhibits, and will transmit all non-confidential exhibits to the General Counsel's Office for processing. All USB flash drives or CDs provided to the Clerk's Office must be clearly labeled as confidential or non-confidential, and the label must also include the Docket Number(s) and the name of the party providing the exhibits.

Each party must also provide to the Clerk by October 27, 2020, a table listing the exhibit numbers and short titles of each cross-examination exhibit provided to the Clerk. Pursuant to Rule 25-22.006(3), F.A.C., a notice of intent to request confidential classification must be filed for all confidential information.

Each party must pre-number each exhibit with the following sequential numbering system that clearly denotes confidential exhibits. For example, DEF will pre-identify its cross-examination exhibits DEF-1, DEF-2, DEF-3, etc. All confidential exhibits must include the letter "C" placed after the number. Thus, if DEF's third exhibit is confidential, it will be labeled DEF-3C.

Each exhibit must be saved as a separate electronic file, and each file must be labeled with the exhibit number that reflects the information contained in the exhibit. The exhibit number will serve as the filename in the virtual folder during the hearing. Each exhibit must also include a cover page that includes the exhibit number. In addition, each exhibit must include sequentially numbered pages. The page numbers must be placed in the upper right-hand corner of each page.

The confidential and non-confidential cross-examination exhibits will be made available to the parties in virtual folders the day before the hearing. The cross-examination exhibits will be made available to the parties for the sole purpose of providing the witnesses and their counsel with the opportunity to print the exhibits or download them to their electronic devices for use during the hearing.⁷ The parties must not view or read the exhibits prior to the hearing. Parties will be provided usernames and passwords by Commission staff that will give them access to the confidential exhibits and any other confidential information that will be used during the hearing. By October 27, 2020, parties must provide the Commission Clerk with the list of names of those persons who should be given a user name and password to access confidential information.

⁷ Microsoft Chrome is the best internet browser to use to access the virtual folder.