

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

DOCKET NO. 20210001-EI
ORDER NO. PSC-2021-0403-PHO-EI
ISSUED: October 28, 2021

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 13, 2021, in Tallahassee, Florida, before Commissioner Andrew Giles Fay, as Prehearing Officer.

APPEARANCES:

MATTHEW BERNIER and STEPHANIE CUELLO, ESQUIRES, 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, WADE LITCHFIELD, RUSSELL A. BADDERS, and DAVID LEE, ESQUIRES, Florida Power & Light Company, 700 Universe Boulevard, Juno Beach, Florida 33408-0420
On behalf of Florida Power & Light Company (FPL) and Gulf Power Company (Gulf)

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)

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)

RICHARD GENTRY, CHARLES REHWINKEL, PATRICIA A. CHRISTENSEN, STEPHANIE MORSE, MARY WESSLING and ANASTACIA PIRRELLO, 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)

ROBERT SCHEFFEL WRIGHT, JOHN T. LAVIA, III, and TIMOTHY H. PERRY, ESQUIRES, Gardner, Bist, Bowden, Dee, LaVia, Wright, Perry & Harper, PA, 1300 Thomaswood Drive, Tallahassee, Florida 32308
On behalf of Florida Retail Federation (FRF)

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)

PETER J. MATTHEIS and MICHAEL K. LAVANGA, ESQUIRES, Stone Mattheis Xenopoulos & Brew, PC, 1025 Thomas Jefferson St., NW, Eighth Floor, West Tower, Washington, DC 20007
On behalf of Nucor Steel Florida, Inc.

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

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 2-4, 2021. 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, 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.

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 (and Staff) 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.

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>
Gary P. Dean	DEF	1B-1D, 6-11, 18-22, 23A-23B and 27-36
Mary Ingle Lewter	DEF	16, 17
Joseph Simpson	DEF	1C
Jim McClay	DEF	1A

R. B. Deaton	FPL	2G, 6-11, 18-22, 24C, 27-33, 34, 35, 36
Gerard J. Yupp	FPL	2C, 2D-2F, 2H, 4A, 2J, 6-11, 18
Dean Curtland	FPL	2K, 6-11, 18
Charles R. Rote	FPL	16, 17
Jason Chin	FPL	24A, 24B, 24D
Edward J. Anderson	FPL	2A, 2B, 2I, 24A, 24B, 24D
Curtis D. Young	FPUC	8, 3A, 9, 10, 11, 18-22, 34-36
P. Mark Cutshaw	FPUC	3A, 10, 11
M. Ashley Sizemore	TECO	6-11, 18-22, 27-36
Patrick A. Bokor	TECO	16-18
Benjamin F. Smith	TECO	18, 31
John C. Heisey	TECO	5A, 5B, 18

VII. BASIC POSITIONS

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

FPL: FPL's unified 2022 Fuel and Purchased Power Cost Recovery factors and Capacity Cost Recovery factors, including separate prior and current period true-ups for FPL and Gulf, are appropriate and reasonable and should be approved. In addition, FPL's refunds, including interest, of \$5.056 million, \$0.085 million and \$0.120 million associated with the true-ups of the Okeechobee Clean Energy Center ("OCEC") Limited Scope Adjustment ("LSA"), and the 2019 and 2020 SoBRA projects, respectively, should be approved.

FPUC: The Commission should approve Florida Public Utilities Company's final net true-up for the period January through December 2020, the estimated true-up for the period January through December, 2021, and the purchase power cost recovery factors for the period January through December, 2022, until subsequently revised by the Commission.

FRF: 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. Further, the utilities have the burden to prove they have dispatched generation and incurred fuel costs in the most efficient and prudent manner. 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.

GULF: See position for FPL above.

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 3.057 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 2022; a GPIF reward of \$3,673,726 for performance during 2020 and the company's proposed GPIF targets and ranges for 2022.

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. Further, the utilities have the burden to prove they have dispatched generation and incurred fuel costs in the most efficient and prudent manner. 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 may 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.

DEF recently has experienced significant fuel cost under-recoveries associated primarily with the sudden increase and volatility in natural gas prices. In these

circumstances, DEF has an obligation to take all reasonable measures to mitigate those under-recoveries and to mitigate consumer rate impacts. PCS Phosphate supports DEF's rate mitigation efforts that are reflected in the 2021 *Agreement Regarding DEF Rate Mitigation*, which is pending approval in this docket as well as in Docket No. 20210158-EI, and PCS Phosphate is a signatory to that proposed rate mitigation plan. The proposed mitigation plan reflects DEF's current estimate that its 2021 true-up balance will now be an under-recovery of at least \$246.8 million. PCS supports the rate mitigation plan recovery of that 2021 under-recovery over two years beginning in January 2022, among other rate items that are described in the rate mitigation plan. PCS Phosphate supports the recovery of prudently incurred DEF fuel costs that are consistent with that rate mitigation agreement.

NUCOR: Nucor's basic position is that Duke Energy Florida, LLC ("DEF") bears the burden of proof to justify the costs it seeks to recover through the fuel clause and any other relief DEF requests in this proceeding.

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.

VIII. ISSUES AND POSITIONS

I. FUEL ISSUES

Duke Energy Florida, LLC

ISSUE 1A: Should the Commission approve DEF's 2022 Risk Management Plan?

DEF: Yes. (McClay)

FPL: No position.

FPUC: No position.

FRF: No.

GULF: See FPL position above.

TECO: No position.

OPC: No.

FIPUG: No.

PCS

Phosphate: No. In prior fuel clause dockets, PCS did not support a hedging moratorium but was critical of DEF's hedging methods implemented in its Risk Management Plan. PCS opposes resumption of that demonstrably failed hedging approach but would consider supporting a more appropriate fuel cost hedging approach.

NUCOR: The Commission should not approve DEF's 2022 Risk Management Plan.

STAFF: Staff has no position at this time.

ISSUE 1B: **What is the appropriate subscription bill credit associated with DEF's Clean Energy Connection Program, approved by Order No. PSC-2021-0059-S-EI, to be included for recovery in 2022?**

DEF: \$11,109,749. (Dean)

FPL: No position.

FPUC: No position.

FRF: Adopt the position of OPC.

GULF: See FPL position stated above.

TECO: No position.

OPC: The OPC takes no position on the 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 the proposed stipulations between the Company and another party or Staff as a final resolution of the issues. No person is authorized to state that the OPC is a participant in, or party to, any of the stipulations on these issues, either in this docket, in an order of the Commission or in a representation to a Court.¹

FIPUG: Adopt the position of OPC.

¹ 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.

PCS

Phosphate: Agree with OPC.

NUCOR: No position.

STAFF: Staff has no position at this time.

ISSUE 1C: **Has DEF made appropriate adjustments, if any are needed, to account for replacement power costs associated with the January 2021 to April 2021 Crystal River Unit No. 4 outage? If appropriate adjustments are needed and have not been made, what adjustments should be performed?**

DEF: No adjustments were needed. (Dean, Simpson)

FPL: No position.

FPUC: No position.

FRF: No. The utility bears the burden of proof for recovery of costs claimed. At this time DEF has not demonstrated that its actions related to the outages were reasonable and prudent, or that replacement power costs should be borne by customers.

GULF: See FPL position stated above.

TECO: No position.

OPC: No. The utility bears the burden of proof for recovery of costs claimed. At this time, DEF has not demonstrated that its actions related to the outages were reasonable and prudent, or that replacement power costs should be borne by customers.

FIPUG: Adopt the position of OPC.

PCS

Phosphate: Agree with OPC.

NUCOR: No position.

STAFF: Staff has no position at this time.

ISSUE 1D: **Should the Commission allow the \$246.8 million estimated 2021 true-up to be recovered over 2022 and 2023?**

DEF: Yes. DEF's estimated 2021 true-up under-recovery balance is \$246,837,576. DEF seeks to recover this amount over two years (2022 and 2023) and has included \$123,418,788 of the total under-recovery in 2022 rates. (Dean)

FPL: No position.

FPUC: No position.

FRF: Yes. FRF supports the Rate Mitigation Plan which will be considered in Docket No. 20210158-EI.

GULF: See FPL position stated above.

TECO: No position.

OPC: Yes, OPC supports the Rate Mitigation Plan which will be considered in Docket No. 20210158.

FIPUG: Adopt the position of OPC.

PCS

Phosphate: Yes.

NUCOR: Nucor supports recovering the \$246.8 million estimated 2021 true-up over 2022 and 2023, consistent with the *Agreement Regarding DEF Rate Mitigation* pending approval in this docket and Docket No. 20210158-EI.

STAFF: Staff has no position at this time.

ISSUE 1E: **Has DEF made appropriate adjustments, if any are needed, to account for replacement power costs associated with the January 2021 to April 2021 outage in Bartow CC Unit 4A and/or the May 2021 to July 2021 outage in Bartow CC Unit 4C? If appropriate adjustments are needed and have not been made, what adjustments should be performed?**

This issue has been deferred. See Section XIV.

Florida Power & Light Company

ISSUE 2A: **What is the appropriate revised SoBRA factor for the 2019 projects to reflect actual construction costs that are less than the projected costs used to develop the initial SoBRA factor?**

DEF: No position.

FPL: The revised 2019 SoBRA factor is 0.7945%. (Anderson)

FPUC: No position.

GULF: See FPL position stated above.

TECO: No position.

OPC: The OPC takes no position on the 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 the proposed stipulations between the Company and another party or Staff as a final resolution of the issues. No person is authorized to state that the OPC is a participant in, or party to, any of the stipulations on these issues, either in this docket, in an order of the Commission or in a representation to a Court.²

FIPUG: Adopt the position of OPC.

FRF: No position.

PCS

Phosphate: No position.

NUCOR: No position.

STAFF: Staff has no position at this time.

ISSUE 2B: **What is the appropriate revised SoBRA factor for the 2020 projects to reflect actual construction costs that are less than the projected costs used to develop the initial SoBRA factor?**

DEF: No position.

FPL: The revised 2020 SoBRA factor is 0.731%. (Anderson)

FPUC: No position.

GULF: See FPL position stated above.

² 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.

TECO: No position.

OPC: The OPC takes no position on the 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 the proposed stipulations between the Company and another party or Staff as a final resolution of the issues. No person is authorized to state that the OPC is a participant in, or party to, any of the stipulations on these issues, either in this docket, in an order of the Commission or in a representation to a Court.

FIPUG: Adopt the position of OPC.

FRF: No position.

PCS

Phosphate: No position.

NUCOR: No position.

STAFF: Staff has no position at this time.

ISSUE 2C: **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 2020 through December 2020, and how should that gain to be shared between FPL and its customers?**

DEF: No position.

FPL: FPL's asset optimization activities in 2020 delivered total benefits of \$46,135,050. Of the total gains, FPL is allowed to retain \$3,681,030. (Yupp)

FPUC: No position.

GULF: See FPL's position stated above.

TECO: No position.

OPC: The OPC takes no position on the 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 the proposed stipulations between the Company and another party or Staff as a final resolution of the issues. No person is authorized to state that the OPC is a participant in, or party to, any of the stipulations on these issues, either in this docket, in an order of the Commission or in a representation to a Court.

FIPUG: Adopt the position of OPC.

FRF: No position.

PCS

Phosphate: No position.

NUCOR: No position.

STAFF: Staff has no position at this time.

ISSUE 2D: **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 2020 through December 2020?**

DEF: No position.

FPL: The amount of Incremental Optimization Costs for Personnel, Software, and Hardware Costs that FPL should be allowed to recover through the fuel clause is \$512,326 for the period January 2020 through December 2020. (Yupp)

FPUC: No position.

GULF: See FPL's position stated above.

TECO: No position.

OPC: The OPC takes no position on the 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 the proposed stipulations between the Company and another party or Staff as a final resolution of the issues. No person is authorized to state that the OPC is a participant in, or party to, any of the stipulations on these issues, either in this docket, in an order of the Commission or in a representation to a Court.

FIPUG: Adopt the position of OPC.

FRF: Agree with OPC.

PCS

Phosphate: No position.

NUCOR: No position.

STAFF: Staff has no position at this time.

ISSUE 2E: **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 2020 through December 2020?**

DEF: No position.

FPL: The amount of Incremental Optimization Costs under the Asset Optimization Program that FPL should be allowed to recover through the fuel clause for variable power plant O&M attributable to off-system sales for the period January 2020 through December 2020 is \$1,827,307. (Yupp)

FPUC: No position.

GULF: See FPL's position stated above.

TECO: No position.

OPC: The OPC takes no position on the 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 the proposed stipulations between the Company and another party or Staff as a final resolution of the issues. No person is authorized to state that the OPC is a participant in, or party to, any of the stipulations on these issues, either in this docket, in an order of the Commission or in a representation to a Court.

FIPUG: Adopt the position of OPC.

FRF: Agree with OPC.

PCS

Phosphate: No position.

NUCOR: No position.

STAFF: Staff has no position at this time.

ISSUE 2F: 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 2020 through December 2020?

DEF: No position.

FPL: FPL has included a credit of \$167,870 as the amount of Incremental Optimization Costs under the Asset Optimization Program for variable power plant O&M avoided due to economy purchases for the period January 2020 through December 2020. The Commission should authorize FPL to flow this credit to customers through the fuel clause. (Yupp)

FPUC: No position.

FRF: Agree with OPC.

GULF: See FPL's position stated above.

TECO: No position.

OPC: The OPC takes no position on the 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 the proposed stipulations between the Company and another party or Staff as a final resolution of the issues. No person is authorized to state that the OPC is a participant in, or party to, any of the stipulations on these issues, 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.

NUCOR: No position.

STAFF: Staff has no position at this time.

ISSUE 2G: What is the appropriate subscription credit associated with FPL's SolarTogether Program approved by Order No. PSC-2020-0084-S-EI, to be included for recovery in 2022?

DEF: No position.

FPL: \$113,512,426. (Deaton)

FPUC: No position.

GULF: See FPL's position stated above.

TECO: No position.

OPC: The OPC takes no position on the 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 the proposed stipulations between the Company and another party or Staff as a final resolution of the issues. No person is authorized to state that the OPC is a participant in, or party to, any of the stipulations on these issues, either in this docket, in an order of the Commission or in a representation to a Court.

FIPUG: Adopt the position of OPC.

FRF: Agree with OPC.

PCS

Phosphate: No position.

NUCOR: No position.

STAFF: Staff has no position at this time.

ISSUE 2H: **Should the Commission approve FPL's 2022 Risk Management Plan?**³

DEF: No position.

FPL: Yes. FPL and Gulf filed a single 2022 Risk Management Plan (RMP) applicable to both utilities. If the Commission approves the rate Settlement Agreement proposed in Docket No. 20210015-EI, FPL will adopt the RMP filed as Exhibit GJY-2S, which complies with the Hedging Guidelines established by this Commission and should be approved. (Yupp)

FPUC: No position.

GULF: See FPL's position stated above.

TECO: No position.

³ FPL and Gulf filed a single 2022 Risk Management Plan applicable to both utilities. Document No. 11768-2021.

OPC: No; however, if the pending rate case settlement agreement is approved this issue is moot as to hedging. OPC will facilitate a Type 2 Proposed Stipulation.

FIPUG: Adopt the position of OPC.

FRF: Agree with OPC. The FRF will not oppose a Type 2 Stipulation on this issue.

PCS

Phosphate: No position.

NUCOR: No position.

STAFF: Staff has no position at this time.

ISSUE 2I: **What is the appropriate revised base rate adjustment factor for the Okeechobee Clean Energy Center (OCEC) limited scope adjustment (LSA) to reflect actual construction costs that are less than the projected costs used to develop the initial factor?**

DEF: No position.

FPL: The revised OCEC factor is 3.014%. (Anderson)

FPUC: No position.

GULF: See FPL's position stated above.

TECO: No position.

OPC: The OPC takes no position on the 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 the proposed stipulations between the Company and another party or Staff as a final resolution of the issues. No person is authorized to state that the OPC is a participant in, or party to, any of the stipulations on these issues, either in this docket, in an order of the Commission or in a representation to a Court.

FIPUG: Adopt the position of OPC.

FRF: Agree with OPC.

PCS

Phosphate: No position.

NUCOR: No position.

STAFF: Staff has no position at this time.

ISSUE 2J: **Has FPL appropriately accounted for any redispatch related to its 2022 operation of the NFRC in its 2022 projections? If not, what adjustment, if any, should be made?**

DEF: No position.

FPL: Yes. FPL's fuel projections for 2022 are based on the economic dispatch of its system under normal operating conditions and therefore, do not include any potential redispatch related to the operation of the NFRC, or any other contingency. FPL does not adjust its projection model to account for real-time contingencies or system conditions, that may or may not occur, that would necessitate the redispatch of generation to alleviate transmission issues. As is the case for all redispatch occurrences, any redispatch related to the operation of the NFRC will be reflected as actuals in the subsequent actual/estimated and true-up filings. (Yupp)

FPUC: No position.

GULF: See FPL's position stated above.

TECO: No position.

OPC: Based on the representations by the Company at this time regarding their projections not having factored in re-dispatch at all, the Public Counsel does not presently dispute that any re-dispatch (or lack thereof) has been properly reflected in the 2022 cost projections; however, the OPC reserves the right to test those representations and any impact of re-dispatch on costs in future hearings after the NFRC becomes operational.

FIPUG: Agree with OPC.

FRF: Agree with OPC.

PCS

Phosphate: No position.

NUCOR: No position.

STAFF: Staff has no position at this time.

ISSUE 2K: Has FPL made appropriate adjustments, if any are needed, to account for replacement power costs associated with the outages at Turkey Point Units 3 and 4 that occurred after January 2, 2020? If appropriate adjustments are needed and have not been made, what adjustments should be performed?

This issue has been deferred. See Section XIV.

Florida Public Utilities Company

ISSUE 3A: Should an adjustment be made to remove any legal and/or consultant fees included for recovery in FPUC's 2022 fuel factors?

DEF: No position.

FPL: No position.

FPUC: No. As outlined in the testimony of FPUC Witness Mark Cutshaw and further elaborated upon in FPUC's Response to Staff Interrogatories Nos. 4 and 5, the Company currently does not have the in-house resources or expertise to identify and pursue projects as well as negotiate contract terms that will produce cost savings which will ultimately be passed through to the customers, nor the internal resources to pursue projects and initiatives designed to produce purchased power savings without engaging outside assistance for project analytics and due diligence. As the Commission has recognized in prior proceedings, namely Order No. PSC-2015-0586-FOF-EI, issued December 23, 2015, in Docket No. 20150001-EI, at pages 14-15, FPUC has "historically and traditionally" recovered these types of costs through the Fuel Clause. As in prior instances, the costs included for recovery are associated with legal and consulting fees incurred in the development and enactment of projects designed to reduce fuel rates to FPUC's customers, costs associated with the development and negotiations of power supply contracts, and new power supply projects aimed at reducing fuel costs to the Company in the long term. Consistent with the Commission's long-standing policy regarding recovery of fuel-related costs through the clause, as set forth in Order No. 14546⁴, the costs FPUC is requesting for recovery through the fuel clause are not related to FPUC's internal staff or legal for routine fuel and purchased power procurement and administration and were not included in base rates in the Company's last rate case, and FPUC projects that the opportunities being evaluated by its contracted consultants and legal professionals will result in fuel savings. As such, no adjustment should be made to the amounts included.

GULF: See FPL's position stated above.

⁴ Order No. 14546, issued on July 8, 1985, in Docket No. 850001-EI,-B, In re: Cost Recovery Methods for Fuel-Related Expenses.

TECO: No position.

OPC: Yes, the Commission should disallow all legal and consultant fees included for recovery in FPUC's 2022 fuel factor until FPUC can establish that the specific legal and consultant costs are tied to a fuel-related project for 2020, 2021, and/or 2022.

FIPUG: Adopt the position of OPC.

FRF: Yes, the Commission should disallow all legal and consultant fees included for recovery in FPUC's 2022 fuel factor until FPUC can establish that the specific legal and consultant costs are tied to a fuel-related project for 2020, 2021, and/or 2022.

PCS

Phosphate: No position.

NUCOR: No position.

STAFF: Staff has no position at this time.

Gulf Power Company

ISSUE 4A: Should the Commission approve FPL's 2022 Risk Management Plan?

DEF: No position.

FPL: Yes. FPL and Gulf filed a single 2022 Risk Management Plan (RMP) applicable to both utilities. If the Commission approves the rate Settlement Agreement proposed in Docket No. 20210015-EI, FPL will adopt the RMP filed as Exhibit GJY-2(S), which complies with the Hedging Guidelines established by this Commission and should be approved. (Yupp)

FPUC: No position.

GULF: See FPL's position stated above.

TECO: No position.

OPC: No position at this time; however if the pending rate case settlement agreement is approved this issue is moot as to hedging. OPC will facilitate a Type 2 Proposed Stipulation.

FIPUG: Adopt the position of OPC.

FRF: Agree with OPC. The FRF will not oppose a Type 2 Stipulation on this issue.

PCS

Phosphate: No position.

NUCOR: No position.

STAFF: Staff has no position at this time.

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 2020 through December 2020, and how should that gain to be shared between TECO and customers?

DEF: No position.

FPL: No position.

FPUC: No position.

GULF: See FPL's position stated above.

TECO: The total gain for the period January 2020 through December 2020 under the Optimization Mechanism approved by Order No. PSC-2017-0456-S-EI is \$6,642,047. Customers should receive \$5,356,819, and Tampa Electric should receive \$1,285,228. (Witness: Heisey)

OPC: The OPC takes no position on the 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 the proposed stipulations between the Company and another party or Staff as a final resolution of the issues. No person is authorized to state that the OPC is a participant in, or party to, any of the stipulations on these issues, either in this docket, in an order of the Commission or in a representation to a Court.

FIPUG: Adopt the position of OPC.

FRF: Agree with OPC.

PCS

Phosphate: No position.

NUCOR: No position.

STAFF: Staff has no position at this time.

ISSUE 5B: **Should the Commission take any action related to the optimization mechanism regarding pipeline capacity release gains or coal car leases for the period of October 21, 2021, through December 31, 2021?**

DEF: No position.

FPL: No position.

FPUC: No position.

GULF: See FPL's position stated above.

TECO: No. The Parties agree that TECO does not intend to engage in transactions described in Paragraph 12(i)-(ii) of the proposed 2021 Settlement Agreement during that time, and that no adjustment to Asset Optimization Mechanism sharing is required (notwithstanding the 2017 Settlement Agreement). Nevertheless, the Parties agree that to the extent circumstances change, sharing can be trued-up/adjusted in a future proceeding.

OPC: Stipulation: No. The Parties agree that TECO does not intend to engage in transactions described in Paragraph 12(i)-(ii) of the proposed 2021 Settlement Agreement during that time, and that no adjustment to Asset Optimization Mechanism sharing is required (notwithstanding the 2017 Settlement Agreement). Nevertheless, the Parties agree that to the extent circumstances change, sharing can be trued-up/adjusted in a future proceeding.

FIPUG: Adopt the position of OPC.

FRF: Stipulation: No. The Parties agree that TECO does not intend to engage in transactions described in Paragraph 12(i)-(ii) of the proposed 2021 Settlement Agreement during that time, and that no adjustment to Asset Optimization Mechanism sharing is required (notwithstanding the 2017 Settlement Agreement). Nevertheless, the Parties agree that to the extent circumstances change, sharing can be trued-up/adjusted in a future proceeding.

PCS

Phosphate: No position.

NUCOR: No position.

STAFF: Staff has no position at this time.

GENERIC FUEL ADJUSTMENT ISSUES

ISSUE 6: **What are the appropriate actual benchmark levels for calendar year 2021 for gains on non-separated wholesale energy sales eligible for a shareholder incentive?**

DEF: \$1,714,254. (Dean)

FPL: FPL's revised Asset Optimization Program approved by the Commission in Order No. PSC-16-0560-AS-EI does not rely upon the three-year average Shareholder Incentive Benchmark specified in Order No. PSC-00-1744-PAA-EI, so it is not applicable to FPL for calendar year 2021. (Yupp)

FPUC: No position.

GULF: See FPL's position stated above.

TECO: The company did not set an actual benchmark level for calendar year 2021. Pursuant to Tampa Electric's amended and restated settlement agreement approved by Order No. PSC-2017-0456-S-EI, the company's Optimization Mechanism replaces the non-separated wholesale energy sales incentive. (Witness: Sizemore)

OPC: The OPC takes no position on the 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 the proposed stipulations between the Company and another party or Staff as a final resolution of the issues. No person is authorized to state that the OPC is a participant in, or party to, any of the stipulations on these issues, either in this docket, in an order of the Commission or in a representation to a Court.

FIPUG: Adopt the position of OPC.

FRF: No position.

PCS

Phosphate: Agree with OPC.

NUCOR: No position.

STAFF: Staff has no position at this time.

ISSUE 7: **What are the appropriate estimated benchmark levels for calendar year 2022 for gains on non-separated wholesale energy sales eligible for a shareholder incentive?**

DEF: \$1,408,076. (Dean)

FPL: If the Commission approves the rate Settlement Agreement proposed in Docket No. 20210015-EI, the Asset Optimization Program contained therein does not rely upon the three-year average Shareholder Incentive Benchmark specified in Order No. PSC-00-1744-PAA-EI, so it would not be applicable to FPL for calendar year 2022. (Yupp)

FPUC: No position.

GULF: See FPL's position stated above.

TECO: The company did not set an estimated benchmark level for calendar year 2022. Pursuant to Tampa Electric's amended and restated settlement agreement approved by Order No. PSC-2017-0456-S-EI, the company's Optimization Mechanism replaces the non-separated wholesale energy sales incentive. However, if the settlement agreement is not approved by the Commission, then Tampa Electric's projected 2022 benchmark for non-separated wholesale sales would be \$767,628. (Sizemore)

OPC: The OPC takes no position on the 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 the proposed stipulations between the Company and another party or Staff as a final resolution of the issues. No person is authorized to state that the OPC is a participant in, or party to, any of the stipulations on these issues, either in this docket, in an order of the Commission or in a representation to a Court.

FIPUG: Adopt the position of OPC.

FRF: No position.

PCS

Phosphate: Agree with OPC.

NUCOR: No position.

STAFF: Staff has no position at this time.

ISSUE 8: **What are the appropriate final fuel adjustment true-up amounts for the period January 2020 through December 2020?**

DEF: \$39,503,838, which was collected as part of DEF's Fuel Midcourse approved in Order No. PSC-2021-0328-PCO-EI. (Dean)

FPL: \$72,891,803 under-recovery, which is being recovered as part of the midcourse correction approved by Order No. PSC-2021-0142-PCO-EI. (Deaton)

FPUC: For the period ended December 2020, the Company over-recovered \$2,937,906, reflecting an actual, end of period over recovery of \$3,235,074, as compared to the Company's projected amount.

GULF: \$6,085,680 over-recovery. (Deaton)

TECO: \$3,769,256 over-recovery. (Sizemore)

OPC: OPC will facilitate a Type 2 Proposed Stipulation, with the understanding that it shall not waive its rights related to any costs that are subsequently revised in the hearing or deferred and later adjudicated by the Commission.

FIPUG: Adopt the position of OPC.

FRF: Agree with OPC. The FRF will not oppose a Type 2 Stipulation on this issue.

PCS

Phosphate: Agree with OPC.

NUCOR: No position.

STAFF: Staff has no position at this time.

ISSUE 9: What are the appropriate fuel adjustment actual/estimated true-up amounts for the period January 2021 through December 2021?

DEF: \$246,837,576 under-recovery. (Dean)

FPL: \$288,304,271 under-recovery. (Deaton)

FPUC: The Company projects an under-recovery of \$680,436 for the 2021 period.

GULF: \$71,727,041 under-recovery. (Deaton)

TECO: \$4,094,674 under-recovery. (Sizemore)

OPC: OPC will facilitate a Type 2 Proposed Stipulation, with the understanding that it shall not waive its rights related to any costs that are subsequently revised in the hearing or deferred and later adjudicated by the Commission.

FIPUG: Adopt the position of OPC.

FRF: Agree with OPC. The FRF will not oppose a Type 2 Stipulation on this issue.

PCS

Phosphate: Agree with OPC.

NUCOR: No position.

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 2022 through December 2022?

DEF: \$123,418,788 under-recovery. Pursuant the Rate Mitigation Plan filed in Docket No. 20210158, DEF will recover the total 2021 net true-up under-recovery of \$246,837,576 over two years (2022 and 2023). (Dean)

FPL: \$353,945,632 under-recovery. (Deaton)

FPUC: The appropriate true up amount is an over-recovery of \$2,257,470, which incorporates a \$75,358 over-recovery in the calculation to address tax savings, as well as \$677,060 associated with the settlement of Covid-related costs in Docket No. 20200194-PU.

GULF: See FPL's position stated above.

TECO: \$325,418 under-recovery. (Sizemore)

OPC: OPC will facilitate a Type 2 Proposed Stipulation, with the understanding that it shall not waive its rights related to any costs that are subsequently revised in the hearing or deferred and later adjudicated by the Commission.

FIPUG: Adopt the position of OPC.

FRF: Agree with OPC. The FRF will not oppose a Type 2 Stipulation on this issue.

PCS

Phosphate: Agree with OPC.

NUCOR: No position.

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 2022 through December 2022?

DEF: \$1,431,565,051, which is adjusted for line losses and excludes prior period true-up GPIF amounts and CEC Bill Credits. (Dean)

FPL: \$3,348,601,615 unified and jurisdictionalized, excluding prior period true-ups, FPL's portion of Asset Optimization Program gains, FPL's 2022 SolarTogether Credit amount and the unified GPIF reward. (Deaton)

FPUC: The appropriate projected total fuel and purchased power cost recovery amount for the period January 2022 through December 2022 is \$48,707,195. (*Young, Cutshaw*)

GULF: See FPL's position above.

TECO: The total recoverable fuel and purchased power recovery amount to be collected, adjusted by the jurisdictional separation factor, is \$598,798,451. (Sizemore)

OPC: OPC will facilitate a Type 2 Proposed Stipulation, with the understanding that it shall not waive its rights related to any costs that are subsequently revised in the hearing or deferred and later adjudicated by the Commission.

FIPUG: Adopt the position of OPC.

FRF: Agree with OPC. The FRF will not oppose a Type 2 Stipulation on this issue.

PCS

Phosphate: Agree with OPC.

NUCOR: No position.

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, Inc. 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 2020 through December 2020 for each investor-owned electric utility subject to the GPIF?

DEF: \$2,657,279 reward. (Lewter)

FPL: \$6,390,846 reward. (Rote)

FPUC: No position.

GULF: \$1,642,650 penalty. (Rote)

TECO: A reward in the amount of \$3,673,726 for January 2020 through December 2020 performance to be applied to the January 2022 through December 2022 period. (Bokor)

OPC: The OPC takes no position on the 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 the proposed stipulations between the Company and another party or Staff as a final resolution of the issues. No person is authorized to state that the OPC is a participant in, or party to, any of the stipulations on these issues, either in this docket, in an order of the Commission or in a representation to a Court.

FIPUG: Adopt the position of OPC.

FRF: Agree with OPC.

PCS

Phosphate: Agree with OPC.

NUCOR: No position.

STAFF: Staff has no position at this time.

ISSUE 17: **What should the GPIF targets/ranges be for the period January 2022 through December 2022 for each investor-owned electric utility subject to the GPIF?**

DEF: The appropriate targets and ranges are shown on Page 4 of Exhibit MIL-1P filed on September 3, 2021 with the Direct Testimony of Mary Ingle Lewter. (Lewter)

FPL: FPL's unified GPIF targets and ranges for January 2022 through December 2022 are:

Plant/Unit	EAF			ANOHR		
	Target	Maximum		Target	Maximum	
	EAF (%)	EAF (%)	Savings (\$000's)	ANOHR BTU/KWH	ANOHR BTU/KWH	Savings (\$000's)
Cape Canaveral 3	81.5	84.0	61	6,726	6,804	1,321
Ft. Myers 2	91.7	94.2	50	7,121	7,270	4,793
Manatee 3	81.4	83.9	151	6,901	7,172	6,289
Martin 8	87.5	90.0	113	6,967	7,061	1,782
Port Everglades 5	82.1	85.1	409	6,597	6,685	2,622
Riviera 5	89.8	92.3	116	6,633	6,719	1,900
Sanford 5	92.2	94.7	33	7,275	7,438	2,837
St. Lucie 1	81.4	84.9	4,975	10,437	10,538	372
St. Lucie 2	93.6	96.6	4,072	10,297	10,392	294
Turkey Point 3	92.9	95.9	3,875	10,512	10,635	441
Turkey Point 4	85.7	88.7	3,482	10,900	11,188	1,045
Turkey Point 5	89.1	92.1	87	7,160	7,268	2,109
West County 1	83.5	86.0	128	7,220	7,492	3,848
West County 2	68.4	70.9	145	7,004	7,104	1,714
West County 3	90.1	92.6	183	6,997	7,114	2,571

(Rote)

FPUC: No position.

GULF: See FPL's position above.

TECO: The appropriate targets and ranges are shown in Exhibit No. __ (PAB-2) to the prefiled testimony of Mr. Patrick A. Bokor. Targets and ranges should be set according to the prescribed GPIF methodology established in 1981 by Commission Order No. 9558 in Docket No. 800400-CI and modified in 2006 by Commission Order No. PSC-2006-1057-FOF-EI in Docket No. 20060001-EI. (Bokor)

OPC: The OPC takes no position on the 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 the proposed stipulations between the Company and another party or Staff as a final resolution of the issues. No person is authorized to state that the OPC is a participant in, or party to, any of the stipulations on these issues, either in this docket, in an order of the Commission or in a representation to a Court.

FIPUG: Adopt the position of OPC.

FRF: Agree with OPC.

Phosphate: Agree with OPC.

NUCOR: No position.

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 2022 through December 2022?

DEF: \$1,568,750,867 (Dean)

FPL: \$3,824,311,080 including separate prior period true-ups for FPL and Gulf, FPL's portion of Asset Optimization gains, FPL's 2022 SolarTogether Credit amount and the unified GPIF reward. (Deaton)

FPUC: 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 2022 through December 2022 is \$46,449,725, which includes prior period true-ups. (Young)

GULF: See FPL's position above.

TECO: The projected net fuel and purchased power cost recovery amount to be included in the recovery factor for the period January 2022 through December 2022, adjusted by the jurisdictional separation factor, is \$598,798,451. The total recoverable fuel and purchased power cost recovery amount to be collected, including the true-up, optimization mechanism, and GPIF, adjusted for the revenue tax factor, is \$604,515,118. (Sizemore, Heisey, Bokor, Smith)

OPC: OPC will facilitate a Type 2 Proposed Stipulation, with the understanding that it shall not waive its rights related to any costs that are subsequently revised in the hearing or deferred and later adjudicated by the Commission.

FIPUG: Adopt the position of OPC.

FRF: Agree with OPC. The FRF will not oppose a Type 2 Stipulation on this issue.

PCS

Phosphate: Agree with OPC.

NUCOR: No position.

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 2022 through December 2022?

DEF: Pursuant to the 2021 Settlement approved in Order No. PSC-2021-0202-AS-EI, DEF has removed the Regulatory Assessment Fee from the 2022 Projection Filing and included it with the Gross Receipts Tax on customer bills. (Dean)

FPL: The revenue tax factor is comprised of the Regulatory Assessment Fee ("RAF"). FPL's 2021 Settlement Agreement proposes to remove the RAF from base and clause rates and collect it in the Gross Receipts Tax line item. As such, FPL's unified 2022 FCR Factors do not include a revenue tax factor. (Deaton)

FPUC: The appropriate tax revenue factor is 1.00072. (Young)

GULF: See FPL's position above.

TECO: The appropriate revenue tax factor is 1.00072. (Sizemore)

OPC: Agree with FPL, FPUC, Gulf, DEF and TECO.

FIPUG: Adopt the position of OPC.

FRF: Agree with OPC.

PCS

Phosphate: Agree with OPC.

NUCOR: No position.

STAFF: Staff has no position at this time.

ISSUE 20: What are the appropriate levelized fuel cost recovery factors for the period January 2022 through December 2022?

DEF: 3.986 cents/kWh (adjusted for jurisdictional losses) (Dean)

FPL: FPL is proposing a unified levelized factor of 3.132 cents/kWh. (Deaton)

FPUC: The appropriate factor is 4.580¢ per kWh. (Young)

GULF: See FPL's position above.

TECO: The appropriate factor is 3.052 cents per kWh before any application of time of use multipliers for on-peak or off-peak usage. (Sizemore)

OPC: OPC will facilitate a Type 2 Proposed Stipulation, with the understanding that it shall not waive its rights related to any costs that are subsequently revised in the hearing or deferred and later adjudicated by the Commission.

FIPUG: Adopt the position of OPC.

FRF: Agree with OPC. The FRF will not oppose a Type 2 Stipulation on this issue.

PCS

Phosphate: Agree with OPC.

NUCOR: No position.

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
		(Dean)

FPL: The appropriate unified fuel cost recovery line loss multipliers are provided in response to Issue No. 22. (Deaton)

FPUC: The appropriate line loss multiplier is 1.0000. (Young)

GULF: See FPL's position stated above.

TECO: The appropriate fuel recovery line loss multipliers are as follows:

<u>Metering Voltage Schedule</u>	<u>Line Loss Multiplier</u>
Distribution Secondary	1.0000

Distribution Primary 0.9900

Transmission 0.9800

Lighting Service 1.0000

(Witness: Sizemore)

OPC: The OPC takes no position on the 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 the proposed stipulations between the Company and another party or Staff as a final resolution of the issues. No person is authorized to state that the OPC is a participant in, or party to, any of the stipulations on these issues, either in this docket, in an order of the Commission or in a representation to a Court.

FIPUG: Adopt the position of OPC.

FRF: Agree with OPC.

PCS

Phosphate: Agree with OPC.

NUCOR: No position.

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	Super Off-Peak
A	Transmission	--	--	3.912	5.011	3.849	2.864
B	Distribution Primary	--	--	3.952	5.063	3.889	2.893
C	Distribution Secondary	3.681	4.751	3.992	5.114	3.928	2.922
D	Lighting Secondary	--	--	3.700	--		--

(Dean)

FPL:

GROUPS	RATE SCHEDULE	Average Factor	Fuel Recovery Loss Multiplier	Fuel Recovery Factor
A	RS-1 first 1,000 kWh	3.132	1.00291	2.822
A	RS-1 all additional kWh	3.132	1.00291	3.822
A	GS-1, SL-2, GSCU-1, WIES-1	3.132	1.00291	3.141
A-1	SL-1, OL-1, PL-1 ⁽¹⁾	3.069	1.00291	3.078
B	GSD-1	3.132	1.00284	3.141
C	GSLD-1, CS-1	3.132	1.00173	3.137
D	GSLD-2, CS-2, OS-2, MET	3.132	0.99371	3.112
E	GSLD-3, CS-3	3.132	0.97168	3.043
A	GST-1 On-Peak	3.445	1.00291	3.455
A	GST-1 Off-Peak	2.997	1.00291	3.006
A	RTR-1 On-Peak			0.314
A	RTR-1 Off-Peak			(0.135)
B	GSDT-1, CILC-1(G), HLFT-1 (21-499 kW) On-Peak	3.445	1.00284	3.455
B	GSDT-1, CILC-1(G), HLFT-1 (21-499 kW) Off-Peak	2.997	1.00284	3.006
C	GSLDT-1, CST-1, HLFT-2 (500-1,999 kW) On-Peak	3.445	1.00173	3.451
C	GSLDT-1, CST-1, HLFT-2 (500-1,999 kW) Off-Peak	2.997	1.00173	3.002
D	GSLDT-2, CST-2, HLFT-3 (2,000+ kW) On-Peak	3.445	0.99399	3.424
D	GSLDT-2, CST-2, HLFT-3 (2,000+ kW) Off-Peak	2.997	0.99399	2.979
E	GSLDT-3, CST-3, CILC-1(T), ISST-1(T) On-Peak	3.445	0.97168	3.347
E	GSLDT-3, CST-3, CILC-1(T), ISST-1(T) Off-Peak	2.997	0.97168	2.912
F	CILC-1(D), ISST-1(D) On-Peak	3.445	0.99429	3.425
F	CILC-1(D), ISST-1(D) Off-Peak	2.997	0.99429	2.980

⁽¹⁾Weighted average 16% On-peak and 84% off-peak

GROUPS	RATE SCHEDULE	Average Factor	Fuel Recovery Loss Multiplier	Fuel Recovery Factor
B	GSD(T)-1 On-Peak	3.834	1.00284	3.845
B	GSD(T)-1 Off-Peak	3.041	1.00284	3.050
C	GSLD(T)-1 On-Peak	3.834	1.00173	3.841
C	GSLD(T)-1 Off-Peak	3.041	1.00173	3.046
D	GSLD(T)-2 On-Peak	3.834	0.99399	3.811
D	GSLD(T)-2 Off-Peak	3.041	0.99399	3.023

(Deaton)

FPUC: The appropriate levelized fuel adjustment and purchased power cost recovery factors for the period January 2022 through December 2022 for the Consolidated Electric Division, adjusted for line loss multipliers and including taxes, are as follows:

Rate Schedule

Adjustment

RS	\$0.07346
GS	\$0.07389
GSD	\$0.06795
GSLD	\$0.06531
LS	\$0.04957
<u>Step rate for RS</u>	
RS Sales	\$0.07346
RS with less than 1,000 kWh/month	\$0.06989
RS with more than 1,000 kWh/month	\$0.08239

Consistent with the fuel projections for the 2022 period, the appropriate adjusted Time of Use (TOU) and Interruptible rates for the Northwest Division for 2022 period are:

Time of Use/Interruptible

<i>Rate Schedule</i>	<i>Adjustment On Peak</i>	<i>Adjustment Off Peak</i>
RS	\$0.15389	\$0.03089
GS	\$0.11389	\$0.02389
GSD	\$0.10795	\$0.03545
GSLD	\$0.12531	\$0.03531
Interruptible	\$0.05031	\$0.06531

(Young)

FRF: No position.

GULF: See FPL's position stated above.

TECO: Fuel Charge

<u>Metering Voltage Level</u>	<u>Factor (cents per kWh)</u>	
Secondary	3.057	
RS Tier I (Up to 1,000 kWh)	2.745	
RS Tier II (Over 1,000 kWh)	3.745	
Distribution Primary	3.026	
Transmission	2.996	
Lighting Service	3.008	
Distribution Secondary	3.318	(on-peak)
	2.944	(off-peak)
Distribution Primary	3.285	(on-peak)
	2.915	(off-peak)
Transmission	3.252	(on-peak)
	2.885	(off-peak)

(Sizemore)

OPC: No position.

FIPUG: Adopt the position of OPC.

PCS

Phosphate: No position at this time.

NUCOR: No position.

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 adjustment amounts should the Commission approve to be refunded through the capacity clause in 2022 associated with the SoBRA III project, specifically Plants Santa Fe and Twin Rivers approved in Docket No. 20200245-EI?

DEF: The Commission should approve credits of \$257,563 and \$355,679 through the capacity clause for the final cost true ups for the Santa Fe and Twin Rivers projects, respectively. The Commission should also approve credits of \$386,291 and \$533,447 for the reduction of the revenue requirements for Santa Fe and Twin Rivers, respectively, in lieu of reflecting these reductions in base rates. In addition, the Commission should approve \$7,386,099 in credits for the unexpected delay in the Charlie Creek and Sandy Creek in-service dates. (Dean)

FPL: No position.

FPUC: No position.

GULF: See FPL's position stated above.

TECO: No position was stated.

OPC: The adjustments to Plants Santa Fe and Twin Rivers should be as reflected in the Rate Mitigation Agreement Paragraph 2, which will be considered in Docket No. 20210158.

FIPUG: Adopt the position of OPC.

FRF: The adjustments to Plants Santa Fe and Twin Rivers should be as reflected in the Rate Mitigation Agreement Paragraph 2, which will be considered in Docket No. 20210158.

PCS

Phosphate: Agrees with DEF to the extent that such adjustments are addressed in the DEF Rate Mitigation Plan.

NUCOR: No position.

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: \$6,885,232 (Dean)

FPL: No position.

FPUC: No position.

GULF: See FPL's position stated above.

TECO: No position was stated.

OPC: The OPC takes no position on the 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 the proposed stipulations between the Company and another party or Staff as a final resolution of the issues. No person is authorized to state that the OPC is a participant in, or party to, any of the stipulations on these issues, either in this docket, in an order of the Commission or in a representation to a Court.

FIPUG: Adopt the position of OPC.

FRF: Agree with OPC.

PCS

Phosphate: Agree with OPC.

NUCOR: No position.

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 2019 SOBRA projects to be refunded through the capacity clause in 2022?

DEF: No position.

FPL: \$85,034. (Anderson, Chin)

FPUC: No position.

GULF: See FPL's position stated above.

TECO: No position was stated.

OPC: The OPC takes no position on the 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 the proposed stipulations between the Company and another party or Staff as a final resolution of the issues. No person is authorized to state that the OPC is a participant in, or party to, any of the stipulations on these issues, either in this docket, in an order of the Commission or in a representation to a Court.

FIPUG: Adopt the position of OPC.

FRF: Agree with OPC.

PCS

Phosphate: No position.

NUCOR: No position.

STAFF: Staff has no position at this time.

ISSUE 24B: What is the appropriate true-up adjustment amount associated with the 2020 SOBRA projects to be refunded through the capacity clause in 2022?

DEF: No position.

FPL: \$119,716 (Anderson, Chin)

FPUC: No position.

GULF: See FPL's position stated above.

TECO: No position.

OPC: The OPC takes no position on the 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 the proposed stipulations between the Company and another party or Staff as a final resolution of the issues. No person is authorized to state that the OPC is a participant in, or party to, any of the stipulations on these issues, either in this docket, in an order of the Commission or in a representation to a Court.

FIPUG: Adopt the position of OPC.

FRF: Agree with OPC.

PCS

Phosphate: No position.

NUCOR: No position.

STAFF: Staff has no position at this time.

ISSUE 24C: **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 for 2022?**

DEF: No position.

FPL: Per the rate Settlement Agreement proposed in Docket No. 20210015-EI, which proposes to discontinue the recovery of Indiantown non-fuel revenue requirements through the Capacity Clause and instead proposes to recover Indiantown site revenue requirements through base rates, FPL has not included Indiantown non-fuel base revenue requirements in the 2022 Capacity Clause. (Deaton)

FPUC: No position.

GULF: See FPL's position stated above.

TECO: No position was stated.

OPC: The OPC takes no position on the 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 the proposed stipulations between the

Company and another party or Staff as a final resolution of the issues. No person is authorized to state that the OPC is a participant in, or party to, any of the stipulations on these issues, either in this docket, in an order of the Commission or in a representation to a Court.

FIPUG: Adopt the position of OPC.

FRF: Agree with OPC.

PCS

Phosphate: No position.

NUCOR: No position.

STAFF: Staff has no position at this time.

ISSUE 24D: **What is the appropriate true-up adjustment amount associated with Okeechobee Clean Energy Center Generation Limited Scope Adjustment as required by Order No. PSC-2016-0560-AS-EI?**

DEF: No position.

FPL: \$5,055,917. (Anderson, Chin)

FPUC: No position.

GULF: See FPL's position stated above.

TECO: No position was stated.

OPC: The OPC takes no position on the 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 the proposed stipulations between the Company and another party or Staff as a final resolution of the issues. No person is authorized to state that the OPC is a participant in, or party to, any of the stipulations on these issues, either in this docket, in an order of the Commission or in a representation to a Court.

FIPUG: Adopt the position of OPC.

FRF: Agree with OPC.

PCS

Phosphate: No position.

NUCOR: No position.

STAFF: Staff has no position at this time.

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 2020 through December 2020?

DEF: \$6,533,167 over-recovery (Dean)

FPL: \$3,863,612 over-recovery. (Deaton)

FPUC: No position.

GULF: \$838,127 over-recovery. (Deaton)

TECO: \$3,354,779 under-recovery. (Sizemore)

OPC: OPC will facilitate a Type 2 Proposed Stipulation, with the understanding that it shall not waive its rights related to any costs that are subsequently revised in the hearing or deferred and later adjudicated by the commission.

FIPUG: Adopt the position of OPC.

FRF: Agree with OPC. The FRF will not oppose a Type 2 Stipulation on this issue.

PCS

Phosphate: Agree with OPC.

NUCOR: No position.

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 2021 through December 2021?

DEF: \$3,814,896 under-recovery (Dean)

FPL: \$4,916,997 over-recovery. (Deaton)

FPUC: No position.

GULF: \$1,687,693 over-recovery. (Deaton)

TECO: \$ 5,739,145 over-recovery. (Sizemore)

OPC: OPC will facilitate a Type 2 Proposed Stipulation, with the understanding that it shall not waive its rights related to any costs that are subsequently revised in the hearing or deferred and later adjudicated by the commission.

FIPUG: Adopt the position of OPC.

FRF: Agree with OPC. The FRF will not oppose a Type 2 Stipulation on this issue.

PCS

Phosphate: Agree with OPC.

NUCOR: No position.

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 2022 through December 2022?

DEF: \$2,718,273 over-recovery (Dean)

FPL: \$11,306,429 over-recovery. (Deaton)

FPUC: No position.

GULF: See FPL's position stated above.

TECO: \$25,180 under-recovery. (Sizemore)

OPC: OPC will facilitate a Type 2 Proposed Stipulation, with the understanding that it shall not waive its rights related to any costs that are subsequently revised in the hearing or deferred and later adjudicated by the commission.

FIPUG: Adopt the position of OPC.

FRF: Agree with OPC. The FRF will not oppose a Type 2 Stipulation on this issue.

PCS

Phosphate: Agree with OPC.

NUCOR: No position.

STAFF: Staff has no position at this time.

ISSUE 30: **What are the appropriate projected total capacity cost recovery amounts for the period January 2022 through December 2022?**

DEF: \$402,634,269 (Dean)

FPL: \$291,876,857 unified for the period January 2022 through December 2022, excluding separate current and prior period true-ups for FPL and Gulf, the OCEC LSA and 2019 and 2020 SoBRA projects true-up credits. (Deaton)

FPUC: No position.

GULF: See FPL's position stated above.

TECO: The projected total capacity cost recovery amount for the period January 2022 through December 2022 is \$5,184,806. (Sizemore)

OPC: OPC will facilitate a Type 2 Proposed Stipulation, with the understanding that it shall not waive its rights related to any costs that are subsequently revised in the hearing or deferred and later adjudicated by the commission.

FIPUG: Adopt the position of OPC.

FRF: Agree with OPC. The FRF will not oppose a Type 2 Stipulation on this issue.

PCS

Phosphate: Agree with OPC.

NUCOR: No position.

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 2022 through December 2022?

DEF: \$406,801,229 (Dean)

FPL: The unified projected net purchased power capacity cost recovery amount to be recovered over the period January 2022 through December 2022 is \$275,309,761, including current and prior period true-ups, the OCEC LSA and 2019 and 2020 SoBRA projects true-up credits. (Deaton)

FPUC: No position.

GULF: See FPL's position stated above.

TECO: The total recoverable capacity cost recovery amount to be collected, including the true-up amount, adjusted for the revenue tax factor, is \$5,128,028. (Sizemore, Smith)

OPC: OPC will facilitate a Type 2 Proposed Stipulation, with the understanding that it shall not waive its rights related to any costs that are subsequently revised in the hearing or deferred and later adjudicated by the commission.

FIPUG: Adopt the position of OPC.

FRF: Agree with OPC. The FRF will not oppose a Type 2 Stipulation on this issue.

PCS

Phosphate: Agree with OPC.

NUCOR: No position.

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 2022 through December 2022?

DEF: Base – 92.865%, Intermediate – 88.321%, Peaking – 90.678%, consistent with the 2021 Settlement approved in Order No. PSC-2017-0451-AS-EI. (Dean)

FPL:

ENERGY

Retail Energy Jurisdictional Factor - Base/Solar	95.8917%
Retail Energy Jurisdictional Factor - Intermediate	94.7558%
Retail Energy Jurisdictional Factor - Peaking	95.7721%

DEMAND

Retail Demand Jurisdictional Factor - Transmission	90.2581%
Retail Demand Jurisdictional Factor - Base/Solar	95.9314%
Retail Demand Jurisdictional Factor - Intermediate	95.4287%
Retail Demand Jurisdictional Factor - Peaking	95.1837%
Retail Demand Jurisdictional Factor - Distribution	100.0000%

GENERAL PLANT

Retail General Plant Jurisdictional Factor - Labor	96.9001%
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(Deaton)

FPUC: No position.

GULF: See FPL's position stated above.

TECO: The appropriate jurisdictional separation factor is 1.0000000. (Sizemore)

OPC: The OPC takes no position on the 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 the proposed stipulations between the Company and another party or Staff as a final resolution of the issues. No person is authorized to state that the OPC is a participant in, or party to, any of the stipulations on these issues, either in this docket, in an order of the Commission or in a representation to a Court.

FIPUG: Adopt the position of OPC.

FRF: Agree with OPC.

PCS

Phosphate: Agree with OPC.

NUCOR: No position.

STAFF: Staff has no position at this time.

ISSUE 33: What are the appropriate capacity cost recovery factors for the period January 2022 through December 2022?**DEF:**

Rate Class	Jan-Apr 2022 CCR Factor	May-Dec 2022 CCR Factor
Residential	1.103 cents/kWh	1.181 cents/kWh
General Service Non-Demand	0.966 cents/kWh	1.044 cents/kWh
@ Primary Voltage	0.956 cents/kWh	1.034 cents/kWh
@ Transmission Voltage	0.947 cents/kWh	1.023 cents/kWh
General Service 100% Load Factor	0.683 cents/kWh	0.730 cents/kWh
General Service Demand	2.85 \$/kW-month	3.04 \$/kW-month
@ Primary Voltage	2.82 \$/kW-month	3.01 \$/kW-month
@ Transmission Voltage	2.79 \$/kW-month	2.98 \$/kW-month
Curtaillable	1.19 \$/kW-month	1.26 \$/kW-month
@ Primary Voltage	1.18 \$/kW-month	1.25 \$/kW-month
@ Transmission Voltage	1.16 \$/kW-month	1.23 \$/kW-month
Interruptible	2.26 \$/kW-month	2.40 \$/kW-month
@ Primary Voltage	2.24 \$/kW-month	2.38 \$/kW-month
@ Transmission Voltage	2.21 \$/kW-month	2.35 \$/kW-month
Standby Monthly	0.274 \$/kW-month	0.292 \$/kW-month
@ Primary Voltage	0.271 \$/kW-month	0.289 \$/kW-month
@ Transmission Voltage	0.268 \$/kW-month	0.286 \$/kW-month
Standby Daily	0.130 \$/kW-month	0.139 \$/kW-month
@ Primary Voltage	0.129 \$/kW-month	0/138 \$/kW-month
@ Transmission Voltage	0.127 \$/kW-month	0/136 \$/kW-month
Lighting	0.285 cents/kWh	0.304 cents/kWh

(Dean)

FPL: FPL's unified 2022 capacity cost recovery factors for the period January 2022 through December 2022, based on unified FPL and Gulf Power capacity costs are:

Line No.	Rate Schedule	Capacity Recovery Factor (\$/KW)	Capacity Recovery Factor (\$/kwh)	RDC (\$/KW)	SDD (\$/KW)
1	RS1/RTR1		0.00239		
2	GS1/GST1		0.00248		
3	GSD1/GSDT1/HLFT1/GSD1-EV	0.81635			
4	OS2		0.00144		
5	GSLD1/GSLDT1/CS1/CST1/HLFT2/GSLD1-EV	0.90050			
6	GSLD2/GSLDT2/CS2/CST2/HLFT3	0.90087			
7	GSLD3/GSLDT3/CS3/CST3	0.81843			
8	SST1T			0.10	0.05
9	SST1D1/SST1D2/SST1D3			0.11	0.05
10	CILC D/CILC G	0.91616			
11	CILC T	0.88907			
12	MET	0.77422			
13	OL1/SL1/SL1M/PL1/OS/II		0.00018		
14	SL2/SL2M/GSCU1		0.00160		

(Deaton)

FPUC: No position.

GULF: See FPL's position stated above.

TECO: The appropriate factors for January 2022 through December 2022 are as follows:

<u>Rate Class and Metering Voltage</u>	<u>Capacity Cost Recovery Factor Cents per kWh</u>	<u>\$ per kW</u>
RS Secondary	0.031	
GS and CS Secondary	0.027	
GSD, RSD Standard		
Secondary		0.09
Primary		0.09
Transmission		0.09
GSD Optional		
Secondary	0.022	
Primary	0.022	
Transmission	0.022	
GSLDPR/GSLDTPR/SBLDPR/SBLDTPR		0.08
GSLDSU/GSLDTSU/SBLDSU/SBLDTSU		0.07
LS-1, LS-2	0.004	

(Sizemore)

OPC: OPC will facilitate a Type 2 Proposed Stipulation, with the understanding that it shall not waive its rights related to any costs that are subsequently revised in the hearing or deferred and later adjudicated by the commission.

FIPUG: Adopt the position of OPC.

FRF: Agree with OPC. The FRF will not oppose a Type 2 Stipulation on this issue.

PCS

Phosphate: Agree with OPC.

NUCOR: No position.

STAFF: Staff has no position at this time.

III. 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 2022 through the last billing cycle for December 2022. The first billing cycle may start before January 1, 2022, and the last billing cycle may end after December 31, 2022, so long as each customer is billed for twelve months regardless of when the factors became effective. (Dean)

FPL: The factors shall be effective for meter readings commencing January 1, 2022. These charges should continue in effect until modified by subsequent order of this Commission. (Deaton)

FPUC: The effective date for FPUC's cost recovery factors should be the first billing cycle for January 1, 2022, which could include some consumption from the prior month. Thereafter, customers should be billed the approved factors for a full 12 months, unless the factors are otherwise modified by the Commission. (Young)

GULF: See FPL's position stated above.

TECO: The new factors should be effective beginning with the first billing cycle for January 2022 through the last billing cycle for December 2022. The first billing cycle may start before January 1, 2022, and the last cycle may be read after December 31, 2022, 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. (Sizemore)

OPC: The OPC takes no position on the 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 the proposed stipulations between the Company and another party or Staff as a final resolution of the issues. No person is authorized to state that the OPC is a participant in, or party to, any of the stipulations on these issues, either in this docket, in an order of the Commission or in a representation to a Court.

FIPUG: Adopt the position of OPC.

FRF: The effective date for the 2022 fuel adjustment factors and capacity cost recovery factors cost should be the first day of the first billing cycle of January 2022.

PCS

Phosphate: Agree with OPC.

NUCOR: 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. (Dean)

FPL: 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 decision. (Deaton)

FPUC: 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's decision. (Young)

GULF: See FPL's position stated above.

TECO: Yes. (Sizemore)

OPC: Yes, but related or fallout issues in subsequent years should be tried-up when appropriate.

FIPUG: Adopt the position of OPC.

FRF: Agree with OPC.

PCS

Phosphate: Agree with OPC.

NUCOR: No position.

STAFF: Staff has no position at this time.

ISSUE 36: Should this docket be closed?

DEF: This is a continuing docket and should remain open.

FPL: This is a continuing docket and should remain open. (Deaton)

FPUC: This is a continuing docket and should remain open.

GULF: See the position of FPL stated above.

TECO: Yes.

OPC: This is a continuing docket and should remain open.

FIPUG: No position.

FRF: This is a continuing docket and should remain open.

PCS

Phosphate: No position.

NUCOR: No position.

STAFF: Staff has no position at this time.

CONTESTED ISSUES

Duke Energy Florida, LLC.

ISSUE 1F: What is the impact on this docket, if a decision is issued in Case SC20-1601 before January 1, 2022?

This issue has been deferred. See Section XIV.

ISSUE 1G: If the decision in Case SC20-1601 requires the return of replacement power costs to customers, what interest amount should be applied?

This issue has been deferred. See Section XIV.

IX. EXHIBIT LIST

<u>Witness</u>	<u>Proffered By</u>		<u>Description</u>
	<u>Direct</u>		
Gary Dean	DEF	(GPD-1T)	Fuel Cost Recovery True-Up (Jan – Dec. 2020)
Gary Dean	DEF	(GPD-2T)	Capacity Cost Recovery True-Up (Jan – Dec. 2020)
Gary Dean	DEF	(GPD-3T)	Schedules A1 through A3, A6 and A12 for Dec 2020
Gary Dean	DEF	(GPD-4T)	2020 Capital Structure and Cost Rates Applied to Capital Projects
Gary Dean	DEF	(GPD-2)	Actual/Estimated True-up Schedules for period January – December 2021
Gary Dean	DEF	(GPD-3)	Projection Factors for January - December 2022
Joseph Simpson	DEF	(JS-1)	Root Cause Analysis
Joseph Simpson	DEF	(JS-2)	Repair Evaluation Report

<u>Witness</u>	<u>Proffered By</u>		<u>Description</u>
Jim McClay	DEF	JM-1P	Hedging Testimony CONFIDENTIAL 2022 Risk Management Plan CONFIDENTIAL
Mary Ingle Lewter	DEF	(MIL-1T)	Calculation of GPIF Reward for January - December 2020
Mary Ingle Lewter	DEF	(MIL-1P)	GPIF Targets/Ranges Schedules for January – December 2022
R. B. Deaton	FPL	RBD-1	2020 FCR Final True-Up Calculation
R. B. Deaton	FPL	RBD-2	2020 CCR Final True-Up Calculation (Confidential)
R. B. Deaton	FPL	RBD-3	2021 FCR Actual/Estimated True-Up Calculation
R. B. Deaton	FPL	RBD-4	2021 CCR Actual/Estimated True-Up Calculation
R. B. Deaton	FPL	RBD-5	Appendix II Consolidated 2022 FCR Projections
R. B. Deaton	FPL	RBD-6	Appendix III-A Revised 2021 FCR Actual/Estimated True- Up Calculation – FPL
	Gulf		Appendix III-B Revised 2021 FCR Actual/Estimated True- Up Calculation – Gulf
R. B. Deaton	FPL	RBD-7	Appendix IV Consolidated 2022 CCR Projections
R. B. Deaton	Gulf	RLH-1	2020 FCR Final True-Up Calculation

<u>Witness</u>	<u>Proffered By</u>		<u>Description</u>
R. B. Deaton	Gulf	RLH-2	2020 CCR Final True-Up Calculation
R. B. Deaton	Gulf	RLH-3	2021 FCR Actual/Estimated True-Up Calculation
R. B. Deaton	Gulf	RLH-4	2021 CCR Actual/Estimated True-Up Calculation
G. J. Yupp	FPL	GJY-1	2020 Asset Optimization Program Results (Confidential)
G. J. Yupp	FPL	GJY-2	2022 Risk Management Plan (Confidential)
G. J. Yupp	FPL	GJY-2S	2022 Risk Management Plan
G. J. Yupp	FPL	GJY-3	Appendix I Consolidated Fuel Cost Recovery
C. R. Rote	FPL	CRR-1	Generating Performance Incentive Factor Performance Results for January 2020 through December 2020
C. R. Rote	Gulf	CR-1	Generating Performance Incentive Factor Performance Results for January 2020 through December 2020
C. R. Rote	Gulf	CCR-2	Generating Performance Incentive Factor Performance Results for January 2020 through December 2020
C. R. Rote	FPL	CRR-2	Generating Performance Incentive Factor Consolidated Performance Targets for January 2022 through December 2022
J. Chin	FPL	JC-2	2019 SoBRA Final Revenue Requirement Calculation
J. Chin	FPL	JC-3	2020 SoBRA Final Revenue Requirement Calculation

<u>Witness</u>	<u>Proffered By</u>		<u>Description</u>
J. Chin	FPL	JC-1	2019 OCEC Final Revenue Requirement Calculation
E. J. Anderson	FPL	EJA-2	Revised 2019 SoBRA Factor/Refund Calculation
E. J. Anderson	FPL	EJA-3	Revised 2020 SoBRA Factor/Refund Calculation
E. J. Anderson	FPL	EJA-1	Revised Okeechobee Factor/Refund Calculation
Curtis D. Young	FPUC	CDY-1	Final True-Up Schedules (Schedules A, C1 and 8 E1-B for FPUC's Divisions
Curtis D. Young	FPUC	CDY-2	Estimated/Actual (Schedules E1-A, E1-B and E1-B1)
Curtis D. Young	FPUC	CDY-3	Schedules E1, E1A, E2, E7, E8, E10 and Schedule A
M. Ashley Sizemore	TECO	MAS-1	Final True-Up Capacity Cost Recovery January 2020-December 2020 Final True-Up Fuel Cost Recovery January 2020-December 2020 Actual True-Up compared to original estimates January 2020-December 2020 Schedules A-1, A-2, A-6 through A-9, and A-12 January 2020 – December 2020 Capital Projects approved for Fuel Clause Recovery January 2020- December 2020

M. Ashley Sizemore	TECO	MAS-2	Actual/Estimated True-Up Fuel Cost Recovery January 2021-December 2021 Actual/Estimated True-Up Capacity Cost Recovery January 2021-December 2021
M. Ashley Sizemore	TECO	MAS-3	Projected Capacity Cost Recovery January 2022 – December 2022 Projected Fuel Cost Recovery January 2022 – December 2022 Levelized and Tiered Fuel Rate January 2022 –December 2022
M. Ashley Sizemore	TECO	MAS-4	Projected Capacity Cost Recovery using the 2021 Settlement Agreement Methodology January 2022 – December 2022 Projected Fuel Cost Recovery using the 2021 Settlement Agreement Methodology January 2022 – December 2022
Patrick A. Bokor	TECO	PAB-1	Final True-Up Generating Performance Incentive Factor January 2020 – December 2020 Actual Unit Performance Data January 2020 – December 2020
Patrick A. Bokor	TECO	PAB-2	Generating Performance Incentive Factor January 2022 –December 2022

			Summary of Generating Performance Incentive Factor Targets January 2022 – December 2022
John C. Heisey	TECO	JCH-1	Optimization Mechanism Results January 2020 – December 2020
John C. Heisey	TECO	JCH-2	Risk Management Plan January 2022 – December 2022

Parties and Staff reserve the right to identify additional exhibits for the purpose of cross-examination.

X. PROPOSED STIPULATIONS

The parties are in the process of working on proposed stipulations.

XI. PENDING MOTIONS

DEF filed an Unopposed Motion to Approve Rate Mitigation Agreement on September 3, 2021, in this docket and Docket Nos. 20210097-EI⁵ and 20210010-EI.⁶ The Unopposed Motion has been assigned Docket No. 20210158-EI and has been set for a separate hearing on November 2, 2021, prior to the commencement of the final hearing in this docket.

On October 12, 2021, FRF filed a Motion to Intervene in this proceeding. FRF's Motion will be addressed in a separate order.

XII. PENDING CONFIDENTIALITY MATTERS

The following requests for confidentiality for DEF are pending:

February 17, 2021 – DEF's First Request for Extension of Confidential Classification regarding DEF's Response to OPC's Second Request to Produce, originally filed in 20190001 (DN 02261-2021).

⁵ *In re: Petition for limited proceeding for recovery of incremental storm restoration costs related to Hurricane Eta and Isaias, by Duke Energy Florida, LLC.*

⁶ *In re: Storm Protection Plan Cost Recovery Clause.*

February 17, 2021 – DEF’s Second Request for Extension of Confidential Classification regarding certain information contained in Hedging Workpapers 2017-048-2-1, originally filed in 20170001 (DN 02262-2021).

April 15, 2021 – DEF’s First Request for Extension of Confidential Classification regarding certain information contained in Hedging Audit Workpapers 2019-070-2-1, originally filed in 20190001 (DN 03467-2021).

April 15, 2021 – DEF’s First Request for Extension of Confidential Classification regarding DEF’s Response to OPC’s Fourth Set of Interrogatories, originally filed in 20190001 (DN 03468-2021).

April 15, 2021 – DEF’s First Request for Extension of Confidential Classification regarding the Rebuttal Testimony of Jeffrey Swartz and Exhibit Nos. ___(JS-2), ___(JS-3), and ___(JS-4), originally filed in 20190001 (DN 03469-2021).

April 21, 2021 – DEF’s First Request for Extension of Confidential Classification regarding OPC’s Response and Amended Supplemental Response to DEF’s First Request for Production of Documents (Nos. 1-6), originally filed in 20190001 (DN 03637-2021).

April 21, 2021 – DEF’s First Request for Extension of Confidential Classification regarding the Direct Testimony of OPC’s Witness Richard Polich and Exhibit Nos. ___(RAP-3), ___(RAP-6), ___(RAP-7), and ___(RAP-8), originally filed in 20190001 (DN 03619-2021).

April 30, 2021 – DEF’s Request for Confidential Classification regarding certain information contained in DEF’s Response to OPC’s Amended First Request to Produce (Nos. 1-6) (DN 03776-2021).

June 18, 2021 – DEF’s Second Request for Extension of Confidential Classification for certain information provided in direct testimony of Jeffrey Swartz and Exhibit No. ___(JS-1) and Exhibit No. (CAM-2T) and Exhibit No. ___(CAM-3T) to the direct Testimony of Christopher Menendez, originally filed in 20190001 (DN 06182-2021).

July 27, 2021 – DEF’s Request for Confidential Classification regarding certain information contained in James McClay’s Testimony, Exhibit, and 2022 Risk Management Plan (DN 08414-2021).

July 30, 2021 – DEF’s Request for Confidential Classification regarding 423 Forms for

4/21 through 6/21 (DN 08539-2021)

August 4, 2021 – DEF’s Request for Confidential Classification regarding DEF’s Response to Staff’s First Data Request (DN 08707-2021).

The following requests for confidentiality for FPL/Gulf are pending:

Florida Power & Light Company’s request for confidential classification of certain information provided in response to OPC's 1st request for PODs (No. 2), dated March 8, 2021. [DN 02639-2021]

Florida Power & Light Company’s request for confidential classification of certain portions of Exh RBD-2 to direct testimony of Renae B. Deaton and Exh GJY-1 to direct testimony of Gerard J. Yupp, dated April 2, 2021. [DN 03228-2021]

Florida Power & Light Company’s request for confidential classification of certain information on Forms 423-1(a), 423-2(a), 423-2(b), and 423-2 for Plant Scherer for 1/21, 2/21, and 3/21, dated April 30, 2021. [DN 03795-2021]

Gulf Power Company’s request for confidential classification of information 423 Forms for the first quarter of 2021, dated April 30, 2021. [DN 03785-2021]

Gulf Power Company’s request for confidential classification of documents produced in connection with a review of 2020 fuel and purchased power transactions. (Audit Control No. 2021-007-1-1), dated June 14, 2021. [DN 04921-2021]

Gulf Power Company’s request for confidential classification of documents produced in connection with a review of 2020 capacity expenditures. (Audit Control No. 2021-007-1-2), dated June 14, 2021. [DN 04923-2021]

Florida Power & Light Company’s request for confidential classification of certain information on 2022 risk management plan, [(Exh GJY-2) to 2021 actual/estimated true-up petition], dated July 27, 2021. [DN 08349-2021]

Gulf Power Company’s request for confidential classification of information contained in Schedule CCE-4 of Exh RLH-4, dated July 27, 2021. [DN 08352-2021]

Florida Power & Light Company’s second request for extension for confidential classification of materials provided pursuant to Audit No. 2016-020-4-2, dated July 28, 2021. [DN 08404-2021]

Florida Power & Light Company’s first request for extension for confidential classification of materials provided pursuant to Audit No. 2018-019-4-1, dated July 28, 2021. [DN 08432-2021]

Florida Power & Light Company's first request for extension for confidential classification of materials provided pursuant to Audit No. 2018-019-4-2, dated July 28, 2021. [DN 08427-2021]

Gulf Power Company's request for confidential classification of information 423 Forms for the second quarter of 2021, dated July 30, 2021. [DN 08557-2021]

Florida Power & Light Company's request for confidential classification of Certain information on Forms 423-1(a), 2, 2(a), and 2(b) for the second quarter of 2021, dated July 30, 2021. [DN 08560-2021]

Florida Power & Light Company's request for confidential classification of certain information contained in capacity payments to non-cogenerator identified in Schedule E12, dated September 3, 2021. [DN 10076-2021]

Florida Power & Light Company's third request for extension for confidential classification of materials provided pursuant to Audit No. 2015-023-4-2, dated September 3, 2021. [DN 10078-2021]

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, 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 50 words, it must be reduced to no more than 50 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

Issues

Issue 1C concerns the replacement power costs associated with the January 2021 to April 2021 Crystal River Unit No. 4 outage. DEF takes the position that this matter has been discussed in the direct testimony of its witness Joseph Simpson filed on July 27 and that parties have had adequate time to conduct discovery on this issue. For these reasons, DEF argues that this issue should be resolved this year and not be deferred. However, there was outstanding discovery on this topic which was due to be filed October 14th and for this reason I deferred ruling on the inclusion of Issue 1C until the discovery was received. On October 14, 2021, DEF filed notice of providing its responses to this outstanding discovery (Document Numbers 12127-2021 and

12128-2021). To date, no party has filed any pleadings requesting additional discovery or additional time to consider this issue. Therefore, I find that it is appropriate for this issue to be litigated in this proceeding.

Issue 1E concerns replacement power costs in 2021 associated with DEF's Bartow Units 4A and 4C and Issue 2K concerns replacement power costs associated with FPL's Turkey Point Units 3 and 4 in January 2020. Issue 1F and 1G are related to DEF's Bartow Unit 4 Division of Administrative Hearing Case that is currently on appeal at the Florida Supreme Court. This case has been set for oral argument before the Court on December 7, 2021. A resolution of the pending appeal is necessary to resolve these issues. The parties have agreed to defer consideration of these issues at this time and I find that to be appropriate. Therefore, Issues 1E, 1F, 1G and 2K shall be deferred to a later date.

Final issue positions

Issue 2J concerns redispach related to the operation of the North Florida Regional Connection (NFRC) in 2022. OPC set the deposition of FPL's witness Gerard Yupp for October 7, 2021, but continued this deposition until October 20 at the request of FPL. Due to this request, OPC states that it is unable to take a position on this issue until after the deposition. I find this request to be reasonable and grant OPC until noon October 21 to provide its position on this issue.

Opening statements

Opening statements, if any, shall not exceed three minutes per party.

Witness summary

Each witness shall be given three minutes for a summary of their testimony.

Cross-examination exhibits

The parties shall provide cross-examination exhibits, including impeachment exhibits, to the Commission Clerk by the close of business on October 26, 2021, 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 28th day of October, 2021.



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 Subsection 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 26, 2021, 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 26, 2021, 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 26, 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.