

Christopher Cooney

From: Ellen Plendl
Sent: Tuesday, September 15, 2015 1:55 PM
To: Consumer Correspondence
Subject: Docket 150001-EI
Attachments: FW Duke Energy; Consumer Inquiry - Duke Energy Florida

See attached customer correspondence and PSC reply for correspondence side of Docket 150001-EI.

Christopher Cooney

From: Governor Rick Scott <GovernorRick.Scott@eog.myflorida.com>
Sent: Tuesday, September 15, 2015 9:47 AM
To: Ellen Plendl
Cc: Sunburst
Subject: FW: Duke Energy

Please review and respond as appropriate.

Thanks,

Peggy Kassees
Office of Citizen Services
Executive Office of the Governor
@FLGovScott

Governor Scott encourages Floridians to have a disaster preparedness plan. For information, please visit the Florida Department of Emergency Management's Web site at www.floridadisaster.org. Information about county emergency management agencies and other helpful resources can be obtained at <http://www.floridadisaster.org/DEMcom.asp#Quick>

-----Original Message-----

From: Kelly Pomeranz [<mailto:yaegermann@earthlink.net>]
Sent: Monday, September 14, 2015 3:56 PM
To: Governor Rick Scott <GovernorRick.Scott@eog.myflorida.com>
Subject: Duke Energy

From: Kelly Pomeranz <yaegermann@earthlink.net>

County: Pinellas

Zip Code: 33755

Phone Number:

Message Body: Hi Governor Scott.

I would like to know how we can get an alternative to Duke Energy. I am extremely unhappy with them. They raised energy bills by about 30% and the only thing I can see we've gotten is multi - million dollar tv commercials extolling their virtues which their PR dept. Must have made and are running (on the 30% increase they are charging us to fund it?). Apparently Florida is one of only 4 states in the nation that have no choice??
Sorry my first communication to you is a complaint. But just consider "no news is good news" otherwise. I have been a resident of FL for 13 years and have a lovely life style here.
Thanks for your service.

Christopher Cooney

From: Randy Roland
Sent: Tuesday, September 15, 2015 11:54 AM
To: 'yaegermann@earthlink.net'
Subject: Consumer Inquiry - Duke Energy Florida

Ms. Kelly Pomeranz
yaegermann@earthlink.net

Dear Ms. Pomeranz:

The Governor's office forwarded a copy of your email regarding Duke Energy Florida (DEF) to the Florida Public Service Commission (FPSC). The FPSC regulates investor-owned electric, and natural gas utilities throughout the state, and investor-owned water and wastewater utilities in those counties which have opted to transfer jurisdiction to the FPSC. The FPSC has authority in the telephone industry which is limited to the Lifeline Assistance Program, Florida Relay Service, and pay telephone service. You expressed a concern about electric rates.

On October 17, 2013, the FPSC approved a Revised and Restated Settlement Agreement (Agreement) for Duke Energy Florida, Inc. (DEF) that maintains customer base rates through 2018, terminates plans for DEF's Levy County nuclear units 1 & 2, and promotes community growth through economic development tariffs.

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

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

On November 25, 2014, the PSC set the 2015 fuel adjustment charges for DEF customers. The fuel adjustment charges were decided at a hearing where the PSC considered DEF's projected costs of fuel and the purchased power for 2015 as well as 'trued up' costs for 2014. As a result of the November 25 hearing, residential customers using 1000 kWh saw their bill decrease from \$125.29 to \$125.13. The fuel portion of the bill decreased by \$0.16. Between November 2, and November 5, 2015, the FPSC will conduct the next hearings to determine the 2016 fuel adjustment charges. You may watch the hearings live or afterwards by using the following link:

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

You also requested competition in the electric industry in Florida. It would be up to the Florida Legislature to make changes in the Florida Statutes to allow competition within the electric industry in Florida.

Thank you for sharing your views. We will add your comments to the correspondence side of Docket No. 150001-EI regarding the fuel cost adjustment.

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

Sincerely,

Randy Roland
Regulatory Program Administrator
Florida Public Service Commission