

Collin Roehner

From: Ellen Plendl
Sent: Thursday, August 11, 2016 3:39 PM
To: Consumer Correspondence
Subject: Docket 150171-EI
Attachments: FW Duke Energy; Consumer Inquiry - Duke Energy

See attached correspondence and reply to add to the correspondence side of Docket 150171-EI.

Collin Roehner

From: Governor Scott's Office of Citizen Services <EOGCitizenServices@eog.myflorida.com>
Sent: Thursday, August 11, 2016 2:21 PM
To: Ellen Plendl
Cc: Sunburst
Subject: FW: Duke Energy

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

From: A. Andriuli [<mailto:comedyhall@aol.com>]
Sent: Wednesday, August 10, 2016 10:52 AM
To: Governor Rick Scott <GovernorRick.Scott@eog.myflorida.com>
Subject: Duke Energy

From: A. Andriuli <comedyhall@aol.com>

County: Pinellas

Zip Code: 33777

Phone Number: (727) 541-7876

Message Body: Dear Governor Scott;

Once again Duke Energy has put their greedy hand into the pockets of Florida customers. Two more phony charges have been added to all Duke Customer bills such as the Customer Service Charge for \$8.76 and the Asset Securitization Charge for \$5.43. (This charge is so bogus that the word doesn't even show in the dictionary) Together they amount to taking another \$221 million dollars a year from Florida customers with these phony charges.

We the HOA of Pinellas County demand your office do something to stop this awful company from stealing money from Florida citizens. We will wait for your reply and than we will take our message to all the avenues possible including all the HOA's and the media.

Collin Roehner

From: Randy Roland
Sent: Thursday, August 11, 2016 3:38 PM
To: 'comedyhall@aol.com'
Subject: Consumer Inquiry - Duke Energy

A. Andriuli
comedyhall@aol.com

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 concern about DEF's customer charge.

The costs associated with the customer charge can be classified as either customer accounting costs or fixed operating expenses incurred in providing certain transmission and distribution facilities. For instance, meter reading and customer billing are done monthly regardless of the customer's kilowatt-hour consumption level. As a result, DEF bills the usage separately, as this amount may fluctuate each month. Other expenses included are depreciation on certain utility installed equipment such as meters, distribution lines from the pole to the customer's premises, line transformers, and other expenses incurred in the maintenance and operation of these items.

DEF's tariff, 6.120, allows the company to bill a monthly customer charge of \$8.76 to your residential account. You may review the tariff by using the following link:

<http://www.duke-energy.com/pdfs/pe-rates-RS-1.pdf>

Rule 25-6.100, Florida Administrative Code, requires electric utilities to bill the customer charge separately from the energy charge. I have also enclosed a copy of the rule for your review.

You also expressed concern about DEF's asset securitization charge. In 2015, the Florida Legislature passed, and Governor Scott signed into law, Section 366.95, Florida Statute, authorizing the issuance of nuclear-asset recovery bonds.

In July 2015, DEF filed its petition with the FPSC for approval to issue the bonds and to collect the nuclear-asset recovery charge on a per kWh basis from all customer rate classes over a period of 20 years. The nuclear asset recovery charge will be paid by all existing and future customers receiving transmission or distribution services from DEF. The funds DEF receives will allow it to recover its investment in the Crystal River III nuclear power plant regulatory asset.

In November 2015, the FPSC issued a nuclear-asset recovery bond financing order, authorizing DEF to issue the bonds to cover the Crystal River III nuclear plant retirement costs.

On June 16, 2016, the FPSC authorized the issuance of \$1.294 billion in nuclear asset-recovery bonds to cover the retirement costs of DEF's Crystal River III nuclear power plant.

Customers will now see an initial \$2.87 charge on a 1,000 kWh-per-month residential customer's bill compared to the traditional rate base method of recovery, which would have resulted in a charge of approximately \$5.00.

We will add your comments to the correspondence side of Docket No. 150171-EI regarding DEF's petition for issuance of nuclear asset-recovery financing order.

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

Sincerely,

Randy Roland
Regulatory Program Administrator
Florida Public Service Commission