

# LP WATERWORKS, INC.

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FPSC - COMMISSION CLERK

February 6, 2017

Office of Commission Clerk  
Florida Public Service Commission  
Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, FL 32399

*Re: Re: Docket No. 160222-WS - Application for Staff Assisted Rate Case (SARC)  
in Highlands County by LP Waterworks, Inc. – Additional Pro Forma Purchase  
Power Adjustment*

Dear Commission Clerk,

LP Waterworks, Inc. (LPWW) recently received the attached notice of rate increase by Duke Energy in its February 2017 electric bills. This was after the filing of the SARC in the above referenced docket. This is also in addition to the notice received in December 2016 for the rate increase which took effect on January 1, 2017

Since these additional rate increases will become effective on February 1, 2017, LPWW is requesting the Commission take into consideration these rate increases in the SARC. There should be pro forma adjustments calculated and included in the SARC for both water and wastewater purchased power. The test year invoices have previously been provided to the Commission's audit during the audit process.

Please include this letter and attachment in the above reference docket.

Respectfully Submitted,



Troy Rendell  
Manager of Regulated Utilities  
// For LP Waterworks, Inc.

# Commercial/Industrial RATE SCHEDULES

All rates effective with February 2017 billing

## Important information about a change to Duke Energy Florida's 2017 rates

Duke Energy's vision is to lead the way to cleaner, smarter energy solutions that customers value.

Duke Energy Florida's electric rates are set by the state. As a regulated utility, Duke Energy Florida's rates cover the costs necessary to produce and deliver reliable power to the company's 1.7 million customers who rely on electricity as part of their daily lives.

We received Florida Public Service Commission approval to recover the costs related to purchasing the Osprey Energy Complex starting with February 2017 billing. The addition of the clean natural gas plant will help support long-term growth and future energy needs in a cost effective manner. Commercial and industrial customers should expect to see increases of 1.0 to 1.5 percent in February.

In March, we anticipate a change to the Asset Securitization Charge (ASC). While the total dollars collected in rates will stay relatively constant, customer rates may change, at least twice a year, due to fluctuations in sales. The required formula-based true-up process adjusts for the difference between the estimated and actual amounts collected. Pending final approval by the Public Service Commission, we expect the ASC charges for commercial and industrial customers to decrease, which will result in bill reductions of less than 0.5 percent. We work hard on behalf of our customers to ensure safe, reliable, cleaner energy 24/7. We are leveraging innovative technology across our Florida service territory to upgrade the energy grid, improve reliability and help customers become more energy efficient - all while keeping energy costs below the state and national averages.

You can help reduce your electric bill by managing your energy use. Duke Energy provides free business energy audits and tips for customers. Visit [duke-energy.com/FLbusiness](http://duke-energy.com/FLbusiness), call 877.372.8477 or send an email to [fl.bec@duke-energy.com](mailto:fl.bec@duke-energy.com).



Please note the information concerning billing adjustments that is listed following the rate schedules.

Unless stated otherwise, all rates are quoted at secondary voltage.

## General Service

### Non-Demand (GS-1)

Customer Charges:	
Unmetered Accounts	..... \$6.54 per month
Metered Accounts:	
Secondary Delivery Voltage	..... \$11.59 per month
Primary Delivery Voltage	..... \$146.56 per month
Transmission Delivery Voltage	..... \$722.90 per month
Energy and Demand Charge	..... 6.970¢ per kWh

### Non-Demand – Optional Time of Use (GST-1)

Customer Charges:	
Secondary Delivery Voltage:	
For Single-Phase Service	..... \$19.01 per month
For Three-Phase Service	..... \$19.01 per month
Primary Delivery Voltage	..... \$153.99 per month
Transmission Delivery Voltage	..... \$730.32 per month
Energy and Demand Charges:	
On-Peak	..... 17.183¢ per kWh
Off-Peak	..... 2.269¢ per kWh

### Non-Demand – 100 Percent Load Factor Usage (GS-2)

(For customers with fixed wattage loads operating continuously throughout the billing period)

Customer Charges:	
Unmetered Accounts	..... \$6.54 per month
Metered Accounts	..... \$11.59 per month
Energy and Demand Charge	..... 3.157¢ per kWh

### Demand (GSD-1)

(For customers with a measured annual kWh consumption of 24,000 kWh or greater)

Customer Charges:	
Secondary Delivery Voltage	..... \$11.59 per month
Primary Delivery Voltage	..... \$146.56 per month
Transmission Delivery Voltage	..... \$722.90 per month
Demand Charge	..... \$9.85 per kW
Energy Charge	..... 2.464¢ per kWh

### Demand Optional Time of Use (GSDT-1)

Customer Charges:	
Secondary Delivery Voltage	..... \$19.01 per month
Primary Delivery Voltage	..... \$153.99 per month
Transmission Delivery Voltage	..... \$730.32 per month
Demand Charges:	
Base	..... \$5.93 per kW
On-Peak	..... \$3.87 per kW
Energy Charges:	
On-Peak	..... 5.194¢ per kWh
Off-Peak	..... 0.991¢ per kWh

### Optional Load Management (GSLM-1)

(Energy Management Program)

(Under this rate, a customer receives load management monthly credits for allowing specified electrical equipment to be interrupted at the option of the company by means of load management devices installed on the customer's premises.) Restricted to existing customers as of July 20, 2000.

### Optional Load Management (GSLM-2)

(Under this rate, customers receive monthly credit for running their backup generator when Duke Energy requests.)

## Interruptible Service (IS-1,\* IS-2)

(Under this rate, customers receive load management monthly credits for allowing their entire electrical service to be interrupted during any time period that the company's generating resources are required to maintain service to the company's firm power customers.)

Customer Charges:	
Secondary Delivery Voltage	\$278.95 per month
Primary Delivery Voltage	\$413.94 per month
Transmission Delivery Voltage	\$990.26 per month
Demand Charge	\$10.72 per kW
Demand Credit (IS-1*)	\$6.24 per kW
Demand Credit (IS-2) (Load factor adjusted)	\$10.88 per kW
Energy Charge	1.160¢ per kWh

### Optional Time of Use (IST-1,\* IST-2)

Customer Charges:	
Secondary Delivery Voltage	\$278.95 per month
Primary Delivery Voltage	\$413.94 per month
Transmission Delivery Voltage	\$990.26 per month
Demand Charges:	
Base	\$4.77 per kW
On-Peak	\$6.19 per kW
Demand Credit (IST-1*)	\$6.24 per kW
Demand Credit (IST-2) (Load factor adjusted)	\$10.88 per kW
Energy Charges:	
On-Peak	1.570¢ per kWh
Off-Peak	0.973¢ per kWh

\*IS-1 and IST-1 closed to new accounts 4/16/96

## Standby Service (SS-1, SS-2, SS-3)

(Rate schedules available upon request)

### On-Peak Periods for Time-of-Use Rates

On-Peak periods for TOU rates are Monday through Friday as follows:

November through March	6 to 10 a.m. / 6 to 10 p.m.
April through October	noon to 9 p.m.

All other hours, including Saturday, Sunday and six major holidays (New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving and Christmas) and the adjacent weekday if a holiday falls on Saturday or Sunday, are considered Off-Peak.

## Curtable Service (CS-1,† CS-2, CS-3)

(Under this rate, customers receive monthly credits for agreeing to curtail a portion of their average billing kW – minimum of 500 kW – during any time period that the company's generating resources are required to maintain electrical service to the company's firm power customers.)

Customer Charges:	
Secondary Delivery Voltage	\$75.96 per month
Primary Delivery Voltage	\$210.93 per month
Transmission Delivery Voltage	\$787.26 per month
Demand Charge	\$12.05 per kW
Demand Credit (CS-1†)	\$4.68 per kW
Demand Credit (CS-2) (Load factor adjusted)	\$8.16 per kW
Demand Credit (CS-3) (Contracted kW)	\$8.16 per kW
Energy Charge	1.695¢ per kWh

### Optional Time of Use (CST-1,† CST-2, CST-3)

Customer Charges:	
Secondary Delivery Voltage	\$75.96 per month
Primary Delivery Voltage	\$210.93 per month
Transmission Delivery Voltage	\$787.26 per month
Demand Charges:	
Base	\$4.93 per kW
On-Peak	\$7.05 per kW
Demand Credit (CST-1†)	\$4.68 per kW
Demand Credit (CST-2) (Load factor adjusted)	\$8.16 per kW
Demand Credit (CST-3) (Contracted kW)	\$8.16 per kW
Energy Charges:	
On-Peak	2.970¢ per kWh
Off-Peak	1.010¢ per kWh

†CS-1 and CST-1 closed to new accounts 4/16/96

## Lighting Service (LS-1)

(Rate schedules available upon request)

Fixture and Maintenance Metered Charge depends upon fixture type

Customer Charges (per line of billing):

Metered	\$3.42 per month
Unmetered	\$1.19 per month
Energy and Demand Charge	2.644¢ per kWh

## Temporary Service (TS-1)

(Rates from appropriate General Service schedules are applied to service under TS-1.)

## Service charges

Opening account at new service location .....	\$61.00
Reconnect service after normal disconnection .....	\$28.00
Reconnect service after disconnection for nonpayment or violation of a rule or regulation .....	\$40.00
after normal business hours .....	\$50.00
Temporary line extension .....	\$227.00

## Billing adjustments

Each of the rate schedules listed is subject to a Fuel Cost Recovery Factor (the cost of fuel) and an Asset Securitization Charge Factor (the cost of nuclear asset-recovery bonds). The Energy Charges include an Energy Conservation Cost Recovery Factor (the cost of energy conservation programs), a Capacity Cost Recovery Factor (a portion of the cost of purchasing electricity from sources other than Duke Energy Florida), and an Environmental Cost Recovery Clause Factor (the cost of new environmental programs not in base rates). These factors are reviewed annually by the Florida Public Service Commission and adjusted to reflect changes in the annual costs incurred.

### Fuel Cost Recovery Factor

(Based on metering voltage)

For General Service Non-Demand and General Service 100% Load Factor Rate Classes:

Distribution Secondary	
Levelized .....	3.667¢ per kWh
On-Peak .....	4.573¢ per kWh
Off-Peak .....	3.245¢ per kWh
Distribution Primary	
Levelized .....	3.630¢ per kWh
On-Peak .....	4.527¢ per kWh
Off-Peak .....	3.213¢ per kWh
Transmission	
Levelized .....	3.594¢ per kWh
On-Peak .....	4.482¢ per kWh
Off-Peak .....	3.181¢ per kWh

For General Service Demand, Curtailable and Interruptible Rate Classes:

Distribution Secondary	
Levelized .....	3.667¢ per kWh
On-Peak .....	4.573¢ per kWh
Off-Peak .....	3.245¢ per kWh
Distribution Primary	
Levelized .....	3.630¢ per kWh
On-Peak .....	4.527¢ per kWh
Off-Peak .....	3.213¢ per kWh