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ASSOCIATE GENERAL COUNSEL

July 14, 2021

VIA ELECTRONIC FILING

Adam J. Teitzman, Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: *Fuel and Purchased Power Clause with Generating Performance Incentive
Factor*; Docket No. 20210001-EI

Dear Mr. Teitzman:

Please find attached for electronic filing Duke Energy Florida, LLC's Response to Staff's First Data Request.

Thank you for your assistance in this matter. Please feel free to call me at (850) 521-1428 should you have any questions concerning this filing.

Sincerely,

s/ Matthew R. Bernier

Matthew R. Bernier

MRB/mw
Attachment

CERTIFICATE OF SERVICE

Docket No. 20210001-EI

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished via electronic mail to the following this 14th day of July, 2020.

s/ Matthew R. Bernier

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**DUKE ENERGY FLORIDA, LLC’S (DEF), RESPONSE TO
STAFF’S FIRST DATA REQUEST REGARDING FUEL AND PURCHASED POWER
CLAUSE WITH GENERATING PERFORMANCE INCENTIVE FACTOR**

Docket No. 20210001-EI

1. Please refer to Duke Energy Florida’s (DEF or Company) “Petition for Fuel Recovery Clause Mid[-]Course Correction” (MCC Petition), dated July 9, 2021, filed in Docket No. 20210001-EI.¹
 - a. Please specify the numerators and denominators of the calculations resulting in the quotients of “10.6%” and “~5.7%” as shown on page two, paragraph 5.
 - b. Please specify the numerators and denominators of the calculations resulting in the quotients of “16.6%” and “5.3%” as shown on page three, paragraph 8.

RESPONSE:

- a. For the 10.6%, the numerator is \$131,365,484 (estimated total retail balance based on actual through May 2021) and the denominator is \$1,240,814,136 (estimated 2021 fuel revenue based on actuals through May 2021).

For the 5.7%, the numerator is \$-0.166 and the denominator is \$2.912. The denominator represents the average NYMEX Henry Hub natural gas futures commodity price for the period March 2021 – December 2021 based on the February 26, 2021 COB figures, while the \$-0.166 represents the difference between the average NYMEX Henry Hub natural gas futures commodity price as of the COB March 22, 2021 for the same period and the denominator.

- b. The U.S. Energy Information Administration (EIA) publishes the “Weekly Natural Gas Storage Report” and provides the current U.S. storage levels as well as comparisons to year ago levels and the 5-year average levels. EIA reported, working gas in storage was 2,558 Bcf as of Friday, June 25, 2021. Stocks were 510 Bcf (numerator for year ago) or 16.6% less than last year at this time and 143 Bcf (numerator for five-year) or 5.3% below the five-year average. Reported by EIA, current stocks were 2,558 Bcf, year ago levels were 3,068 Bcf (denominator for year ago) and 5-year average levels were 2,701 Bcf (denominator for five-year). This information including percentages can be found in the “Stocks Table” and “History Table” sections from the following EIA links: https://www.eia.gov/naturalgas/weekly/archivenew_ngwu/2021/07_01/#tabs-storage-2 and https://www.eia.gov/naturalgas/weekly/archivenew_ngwu/2021/07_01/#tabs-storage-3

2. Please specify the exact ranges/beginning and ending dates of DEF’s August, September, and October 2021 billing cycles.

¹Document No. 07679-2021.

RESPONSE:

The August 2021 billing cycle begins on July 29, 2021 and ends on August 27, 2021. The September billing cycle begins on August 27, 2021 and ends on September 29, 2021. The October 2021 billing cycle begins on September 29, 2021 and ends on October 27, 2021.

3. Hypothetically, if the Florida Public Service Commission (FPSC) deems it appropriate, are there any technical or other limitations, including desirability of such from the Company's perspective, to implementing new fuel rates on a date that does not begin with the (exact) monthly-beginning billing date(s) identified in the response to question No. 2?

RESPONSE:

Yes, there are technical limitations with implementing a "mid-cycle" rate change, as DEF's current billing system is not able to accommodate rate changes that occur outside of the beginning of the normal monthly billing cycle. A mid-cycle adjustment occurred in 2008, causing customer bill cancels and re-bills with a rate adjustment line item to capture the differences. Implementing this rate change required an enormous technical effort and quite a bit of customer confusion. Moreover, at present DEF does not desire implementing mid-cycle rate changes; in addition to the technical issues with accomplishing the change, the Company believes the customer confusion this could cause counsels against such an approach.

4. Please identify the exact date when the 2021 fuel factors, authorized by Order No. PSC-2021-0024-FOF-EI, began to be charged to customers.²

RESPONSE:

The 2021 fuel factors were charged to customers beginning on December 29, 2020 with the first January 2021 billing cycle.

5. Please refer to page 3 of the MCC Petition. As contemplated in paragraph 9, please provide a reasonable estimate of the incremental revenue that would be collected for the remainder of 2021 if new fuel rates were ordered to begin in September as opposed to October. Please also provide an estimated interest effect between the two aforementioned rate implementation scenarios.

RESPONSE:

A reasonable estimate of the incremental revenue that would be collected for the remainder of 2021 if new fuel rates were ordered to begin in September as opposed to October is approximately \$16.4M. This represents the incremental revenue associated with September 2021.

Based on new fuel rates effective October 2021 – December 2021, the currently estimated interest for 2021 is (\$49,160). Should new fuel rates be ordered to begin in September 2021 as

²²Order No. PSC-2021-0024-FOF-EI, issued January 6, 2021, in Docket No. 20200001-EI, *In re: Fuel and purchased power cost recovery clause with generating performance incentive factor*.

opposed to October 2021, the interest for the 2021 period would be (\$46,293). The result is a \$2,867 benefit to customers.

These amounts are estimates based on projected true-up balances and projected commercial paper rates. The actual interest provision will be calculated using the actual commercial paper rates and true-up balances during the year.

6. Please refer to MCC petition, Exhibit A, Schedule E-10. Please provide the bill impacts (fuel only) to typical (i.e., typical based on a conventional or average level of usage) industrial- and commercial-class (large and small) customers similarly to that performed for the residential class shown on this schedule.

RESPONSE:

The changes in the MCC petition are a 13.57% increase in the levelized fuel rate and a 13.56% and 13.59% increase in the respective on-peak and off-peak fuel rates. Typical non-residential customers will see a total bill increase between 3.2% and 7.4%, depending on rate schedule and typical usage. A small commercial GS-1 customer using 1,500 kWh will see an increase in their bill of \$6.46 (from \$201.14 to \$207.60, including GRT), which is a 3.2% increase. A larger commercial GSD-1 customer using 30,000 kWh with a 41.1% load factor will see an increase of \$129.23 (from \$3,157.69 to \$3,286.92, including GRT), which is a 4.1% increase. An industrial GSDT-1 customer using 220,000 kWh with a 75.3% load factor will see an increase of \$937.68 (from \$18,029.69 to \$18,967.37, including GRT), which is a 5.2% increase.

7. Due to the COVID-19 pandemic and associated economic effects, please discuss general terms if the Company is currently experiencing increased service disconnections, late payments, non-payments, possible payment deferrals etc., over what it would consider typical for a similar timeframe in the recent past? If so, please generally discuss how possible customer-payment issues are currently affecting the Company's fuel-related revenue, if at all.

RESPONSE:

In March 2020, in response to the pandemic, the company immediately launched a sweeping series of steps to help customers, including suspending disconnections for non-payment, as well as late-payment fees and fees for credit card payments and other payment types. In general, Duke Energy Florida experienced higher past due balances in 2020 stemming from economic impacts from the COVID-19 pandemic and the suspension of disconnections and other collections activities. During the suspension months and as the Company began returning to normal billing and collection practices, it was both diligent and flexible in its efforts to communicate, help, and assist customers. DEF worked to ensure disconnection was a last resort and it worked to maintain disconnections at reasonable or lower levels to prior years. Additionally, DEF proactively contacted customers with past due balances to offer them the opportunity to enroll in a long-term payment arrangement and provided information through the Company dedicated webpage, DukeEnergyUpdates.com, sent emails, bill inserts, credit notification inserts, and bill messages to customers so that they would understand their options

given the resumption of billing practices, including payment arrangements and how to contact assistance agencies.

In 2020, the company experienced higher bad debt expense, slower payment from customers, and longer-term deferred payment arrangements to ease the financial burden of customers. Through mid-2021 the past due balances and overall payment delinquency have started to trend more closely with historical levels. While the trend is more favorable, it is still unknown what overall impact to bad debt expense will be incurred from changes in post-pandemic customer payment behaviors and collectability of longer-term payment arrangements. Fuel revenues are not impacted by customer payment issues. Bad debt expense is charged to base rates.

8. Please describe the Company's anticipated process and timeline for notifying its customers of the proposed action it has requested through its MCC Petition. Please also provide copies of any notifications that were previously, or will be, provided to customers regarding the actions requested in the MCC Petition.

RESPONSE:

All DEF customers are being notified of the proposed rate change in their August 2021 bill, through a bill insert. The bill insert will also be posted on the duke-energy.com website. A draft version of the residential and C&I bill inserts is attached to this response. In addition, large account customers will receive notification by their DEF account manager representative.

9. Please discuss whether the Company plans on instituting any different processes, procedures, and/or measures related to fuel cost and fuel revenue forecasting as a result of requiring a mid-course correction of its fuel-related charges. If so, please explain.

RESPONSE:

DEF does not plan to institute any different processes related to fuel cost/revenue forecasting. DEF will continue to use the most up-to-date information that is available at the time to produce its fuel cost forecasts.

10. Please discuss how, if at all, the Company's updated fuel costs detailed in its MCC Petition have affected its planned power market purchases for the remainder of 2021.

RESPONSE:

DEF has not revised any of its planned power market purchases for the remainder of 2021. DEF continuously monitors the power purchase market and evaluates opportunities to utilize power purchases, when needed, to economically and reliably support the needs of the system and our customers.

11. Please provide schedules detailing DEF's 2021 (system) natural gas fuel cost separated by fuel commodity and fuel transportation that is embedded in its current 2021 fuel rates, and an "actual/estimated" 12-month (2021) schedule underlying the MCC petition.³

RESPONSE:

Please refer to the attachment titled "Natural Gas Fuel Costs".

Portions of the attachment is confidential: a redacted version is attached hereto and unredacted copies have been submitted with the Florida Public Service Commission along with DEF's Notice of Intent to Request Confidential Classification dated July 14, 2021.

12. Please provide a "Projected Market Price by Fuel Type" associated with DEF's Original or Revised Petition for Approval of Fuel Cost Recovery and Capacity Cost Recovery Actual/Estimated True-Up for the Period January 2020 through December 2020 (Document Nos. 04044-2020 and 05805-2020), similar to that shown in/filed with its Petition for Mid-Course Correction.

RESPONSE:

Please refer to the attachment titled "Fuel Type".

13. When (or approximate date) was the fuel price forecast underlying DEF's 2021 projection filing (Document No. 05916-2020) sourced or developed?

RESPONSE:

DEF's 2021 Projection Filing was based on commodity prices as of COB June 12, 2020.

³Document Nos. 05805-2020 and 07679-2021, respectively.

(FRONT PANEL) - Draft 7.13.2021

Draft language for August bill insert – Notice: Summary of rate changes for September 2021

Rates effective with September 2021 bills

Important information about a change to Duke Energy Florida's September 2021 rates

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

On July 9, 2021, Duke Energy Florida (DEF) filed a mid-year adjustment to its fuel cost recovery factors with the Florida Public Service Commission (FPSC). DEF estimates residential customers will see an increase of \$4.28, or about 3.3%, for a total cost of \$132.24 on a typical 1,000 kWh monthly bill.

The company makes no profit from the fuel component of rates.

Dependent upon the FPSC approved date, the increase may begin with the September or October 2021 billing cycle and end with the last billing cycle of December 2021.

The proposed increase is due mainly to higher natural gas prices. Duke Energy Florida works to actively manage its fuel contracts and keep costs as low as possible for customers. Fuel costs for 2020 through 2021 were higher than projected.

Additionally, if approved by the Florida Public Service Commission, effective with September billing there will be an increase in the Asset Securitization Charge (ASC) from 0.245 cents per kWh to 0.248 cents per kWh. This change will result in an increase in residential bills of less than 0.1%. While the total dollars collected in rates will stay relatively constant, the customer rate 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. The company makes no profit from the ASC component of rates.

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.

You can help reduce your electric bill by managing your energy use. Duke Energy provides free home energy audits and tips for customers. Visit duke-energy.com/save or call 1.877.574.0340.

(INSIDE 2-PANELS)

Breakdown of the new September 2021 *(*or October, depending on FPSC approval*)* monthly bill statement

This bill belongs to a sample customer who uses 1,500 kWh of electricity each month.

Notice how we've presented the September 2021 residential rates so you can clearly see the costs for the first 1,000 kWh as compared to the costs per kWh above 1,000. To help you better understand the bill, we've provided the definitions below of the items included in most residential bills.

- 1 Customer charge: A fixed monthly amount to cover the cost of providing service to your location. This charge is applicable whether or not electricity is used.
- 2 Energy charge: All the costs, other than fuel, involved in producing and distributing electricity.
- 3 Fuel charge: This includes the actual cost of fuel used to produce electricity. The company's two largest fuel sources are natural gas and coal. Fuel costs are passed through from fuel suppliers to customers with no profit to the company. This charge is adjusted annually to reflect changes in the cost of fuel.
- 4 Asset Securitization Charge: The result of a bond issuance process put in place to lower the cost of the company's retired nuclear plant. This saves customers more than \$800 million over the next 20 years – or approximately \$2 per month per 1,000 kWh – compared to traditional cost recovery methods.
- 5 EnergyWise HomeSM program credit: EnergyWise Home is a free program that offers qualified participants a credit of up to \$147 a year depending on their monthly energy usage and the appliances enrolled in the program.
- 6 Gross receipts tax: Collected in accordance with Florida state statutes, this tax is assessed on all electric public utilities and paid directly to the

state. Duke Energy Florida does not keep these tax monies.

- 7 Franchise fee: This is a fee that we collect to compensate communities for using their rights of way. The entire fee is sent back to the local community. Duke Energy Florida does not keep any franchise fees. Fees vary by community.
- 8 County/municipal utility tax: In accordance with state law, a county/municipality may levy a tax on the purchase of electricity within that area. This tax is paid directly to your county/municipality. Duke Energy Florida does not keep any of these taxes.

(BACK PANEL)

Our residential rates as of September 2021 (*or October, depending on FPSC approval*)

Residential Service (RS-1, RSL-1, RSL-2)

Customer charge.....	\$11.52 per month
Energy charge	
First 1,000 kWh.....	8 265¢ per kWh
All kWh above 1,000.....	9 998¢ per kWh
Fuel charge	
First 1,000 kWh.....	3 228¢ per kWh
All kWh above 1,000.....	4 228¢ per kWh
Asset Securitization Charge	
All kWh.....	0 248¢ per kWh

Residential Service Time of Use (RST-1)

(Closed to new customers as of 2/10/10.)

Customer charge.....	\$21.30 per month*
Energy charge	
On-peak.....	21.495¢ per kWh
Off-peak.....	3.014¢ per kWh
Fuel charge	
On-peak.....	4 396¢ per kWh
Off-peak.....	3.117¢ per kWh
Asset Securitization Charge	
All kWh.....	0 248¢ per kWh

*For most residential customers. Where an advance special meter payment is made, the charge is \$11.52.

Residential Seasonal Service (RSS-1)

You can reduce your customer charge from \$11.52 per month to \$6.04 per month if you are gone for at least three months during the billing periods of March through October and do not use more than 210 kWh per month (or 7 kWh per day). All other charges as stated in otherwise applicable rate schedules still apply.

Lighting Service (LS-1)

This service is available from dusk to dawn with various automatically controlled light fixtures.

Fixture and maintenance charge depends upon fixture type	
Customer charge (per line of billing)	
Metered.....	\$4.49 per month
Unmetered.....	\$1.56 per month
Energy charge.....	3.140¢ per kWh
Fuel charge.....	3 356¢ per kWh
Asset Securitization Charge.....	0.030¢ per kWh

Billing Adjustments (BA-1)

All the energy charges listed above include the following amounts for energy conservation (ECCR), environmental (ECRC), purchased power capacity (CCR), storm protection plan cost recovery clause (SPPCRC), and storm cost recovery surcharge (SCRS):

Residential – RS-1, RSS-1, RSL-1, RSL-2, and RST-1:

ECCR	0.338¢ per kWh
ECRC	0.099¢ per kWh
CCR	1.405¢ per kWh
SPPCRC	0.031¢ per kWh
SCRS	0.055¢ per kWh

Lighting – LS-1:

ECCR	0.098¢ per kWh
ECRC	0.091¢ per kWh
CCR	0.172¢ per kWh
SPPCRC	0.017¢ per kWh
SCRS	0.047¢ per kWh

If there is a discrepancy between the rates shown on this insert and the effective, Commission approved tariff, the rates in the tariff prevail in all instances.

RSL-1/2 091 Residential Load Management				
BILLING PERIOD..09-01-21 TO 09-30-21		30 Days		
CUSTOMER CHARGE			\$	11.52
ENERGY CHARGE				
	FIRST 1000 KWH	1000 KWH @	8.265	82.65
	ABOVE 1000 KWH	500 KWH @	9.998	49.99
FUEL CHARGE				
	FIRST 1000 KWH	1000 KWH @	3.228	32.28
	ABOVE 1000 KWH	500 KWH @	4.228	21.14
ASSET SECURITIZATION CHARGE		1500 KWH @	0.248	<u>3.72</u>
TOTAL ELECTRIC COST				201.30
EnergyWise Home (Load Management) CREDIT				11.50 CR
GROSS RECEIPTS TAX				4.87
MUNICIPAL FRANCHISE FEE			6%	11.68
MUNICIPAL UTILITY TAX			10%	<u>16.34</u>
TOTAL CURRENT BILL				222.69
TOTAL DUE THIS STATEMENT			\$	<u>222.69</u>

Commercial/Industrial

RATE SCHEDULES

Rates effective with September 2021(*or October, depending on FPSC approval*) bills

Important information about a change to Duke Energy Florida's September 2021 rates

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 1.9 million customers who rely on electricity as part of their daily lives.

On July 9, 2021, Duke Energy Florida (DEF) filed a mid-year adjustment to its fuel cost recovery factors with the Florida Public Service Commission (FPSC).

Commercial and industrial customers will see an increase between 3.2% to 7.4%. The specific bill impact will vary depending on several factors.

The company makes no profit from the fuel component of rates.

Dependent upon the FPSC approved date, the increase may begin with the September or October 2021 billing cycle and end with the last billing cycle of December 2021.

The proposed increase is due mainly to higher natural gas prices. Duke Energy Florida works to actively manage its fuel contracts and keep costs as low as possible for customers. Fuel costs for 2020 through 2021 were higher than projected.

Additionally, if approved by the Florida Public Service Commission, effective with September billing there will a change to the Asset Securitization Charge (ASC) for commercial and industrial customers, which results in a bill change ranging from a 0.1 percent increase to a maximum of a 0.2 percent increase for commercial and industrial customers. While the total dollars collected in rates will stay relatively constant, the customer rate 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. The company makes no profit from the ASC component of rates.

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.

You can help reduce your electric bill by managing your energy use. Duke Energy provides free home energy audits and tips for customers. Visit duke-energy.com/save or call 1.877.574.0340.

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

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

Rates as of September 2021 (*or October, depending on FPSC approval*)

GENERAL SERVICE

Non-Demand (GS-1)

Customer Charges:

Unmetered Accounts\$8.62 per month

Metered Accounts:

Secondary Delivery Voltage\$15.25 per month

Primary Delivery Voltage\$192.81 per month

Transmission Delivery Voltage\$951.04 per month

Energy and Demand Charge 8.719¢ per kWh

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

Customer Charges:

Secondary Delivery Voltage:

For Single-Phase Service\$25.01 per month

For Three-Phase Service\$25.01 per month

Primary Delivery Voltage\$202.60 per month

Transmission Delivery Voltage\$960.80 per month

Energy and Demand Charges:

On-Peak 21.372¢ per kWh

Off-Peak 2.896¢ per kWh

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

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

Customer Charges:

Unmetered Accounts\$8.62 per month

Metered Accounts\$15.25 per month

Energy and Demand Charge 3.771¢ per kWh

Demand (GSD-1)

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

Customer Charges:

Secondary Delivery Voltage\$15.25 per month

Primary Delivery Voltage\$192.81 per month

Transmission Delivery Voltage\$951.04 per month

Demand Charge \$11.72 per kW

Energy Charge 3.019¢ per kWh

Demand Optional Time of Use (GSDT-1)

Customer Charges:

Secondary Delivery Voltage\$25.01 per month

Primary Delivery Voltage\$202.60 per month

Transmission Delivery Voltage\$960.80 per month

Demand Charges: Base \$6.88 per kW

On-Peak \$4.78 per kW

Energy Charges: On-Peak 6.400¢ per kWh

Off-Peak 1.193¢ 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\$307.15 per month
- Primary Delivery Voltage\$455.77 per month
- Transmission Delivery Voltage\$1,090.36 per month

- Demand Charge \$13.20 per kW
- Demand Credit (IS-1*) \$6.71 per kW
- Demand Credit (IS-2) (Load factor adjusted) \$11.70 per kW
- Energy Charge..... 1.387¢ per kWh

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

Customer Charges:

- Secondary Delivery Voltage\$307.15 per month
- Primary Delivery Voltage\$455.77 per month
- Transmission Delivery Voltage\$1,090.36 per month
- Demand Charges: Base \$5.83 per kW
- On-Peak..... \$7.65 per kW
- Demand Credit (IST-1*)..... \$6.71 per kW
- Demand Credit (IST-2) (Load factor adjusted) \$11.70 per kW
- Energy Charges: On-Peak..... 1.893¢ per kWh
- Off-Peak..... 1.156¢ 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.

CURTAILABLE 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 \$83.65 per month
- Primary Delivery Voltage \$232.25 per month
- Transmission Delivery Voltage \$866.82 per month
- Demand Charge \$11.91 per kW
- Demand Credit (CS-1†)..... \$5.03 per kW
- Demand Credit (CS-2) (Load factor adjusted) \$8.77 per kW
- Demand Credit (CS-3) (Contracted kW)..... \$8.77 per kW
- Energy Charge 2.056¢ per kWh

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

Customer Charges:

- Secondary Delivery Voltage \$83.65 per month
- Primary Delivery Voltage\$232.25 per month
- Transmission Delivery Voltage\$866.82 per month
- Demand Charges: Base..... \$3.12 per kW
- On-Peak \$8.72 per kW
- Demand Credit (CST-1†)..... \$5.03 per kW
- Demand Credit (CST-2) (Load factor adjusted) \$8.77 per kW
- Demand Credit (CST-3) (Contracted kW) .. \$8.77 per kW
- Energy Charges: On-Peak 3.634¢ per kWh
- Off-Peak..... 1.210¢ per kWh

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

LIGHTING SERVICE (LS-1)

(Rate schedule available upon request)
 Fixture and Maintenance Metered Charge depends upon fixture type
 Customer Charges (per line of billing):
 Metered\$4.49 per month
 Unmetered\$1.56 per month
 Energy and Demand Charge 3.140¢ 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
 Late payment charge 1.5% per month or \$5.00,
 whichever is greater
 Change of account (with LSA).....\$10.00
 Returned check..... as allowed by Florida Statute 68.065
 Investigation of unauthorized use charge.....minimum \$75.00

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), an Environmental Cost Recovery Clause Factor (the cost of new environmental programs not in base rates), a Storm Protection Plan Cost Recovery Clause Factor, and a Storm Cost Recovery Surcharge Clause Factor. 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 except LS-1)

Distribution Secondary
 Levelized 3.514¢ per kWh
 On-Peak 4.396¢ per kWh
 Off-Peak 3.117¢ per kWh
 Distribution Primary
 Levelized 3.479¢ per kWh
 On-Peak 4.352¢ per kWh
 Off-Peak 3.086¢ per kWh
 Transmission
 Levelized 3.444¢ per kWh
 On-Peak 4.308¢ per kWh
 Off-Peak 3.055¢ per kWh
 For Lighting Service LS-1
 Levelized 3.356¢ per kWh

Asset Securitization Charge Factor (ASC)

(based on metering voltage)

For General Service Non-Demand Rate Class:
 Distribution Secondary..... 0.244¢ per kWh
 Distribution Primary.....0.242¢ per kWh
 Transmission.....0.239¢ per kWh
 For General Service 100% Load Factor Rate Class:
 Distribution Secondary.....0.147¢ per kWh
 For General Service Demand Rate Class:
 Distribution Secondary..... 0.192¢ per kWh
 Distribution Primary.....0.190¢ per kWh
 Transmission.....0.188¢ per kWh

For Curtailable Rate Class:
 Distribution Secondary.....0.128¢ per kWh
 Distribution Primary.....0.127¢ per kWh
 Transmission.....0.125¢ per kWh
 For Interruptible Rate Class:
 Distribution Secondary.....0.160¢ per kWh
 Distribution Primary.....0.158¢ per kWh
 Transmission.....0.157¢ per kWh
 For Lighting Service LS-1:
 Distribution Secondary.....0.030¢ per kWh

Energy Conservation Cost Recovery Factor (ECCR)
Capacity Cost Recovery Factor (CCR)
Environmental Cost Recovery Clause (ECRC)
Storm Protection Plan Cost Recovery Clause (SPPCRC)
Storm Cost Recovery Surcharge (SCRS)

(Included in the Energy Charge or Demand Charge as applicable)

	ECCR		CCR		ECRC	SPPCRC	SCRS
	¢/kWh	\$/kW*	¢/kWh	\$/kW*	¢/kWh	¢/kWh	¢/kWh
General Service Non-Demand							
Secondary	0.326		1.342		0.098	0.026	0.045
Primary	0.323		1.329		0.097	0.026	0.045
Transmission	0.319		1.315		0.096	0.025	0.044
General Service – 100% LF	0.223		0.808		0.095	0.013	0.022
General Service Demand							
Secondary		1.08		4.20	0.096	0.019	0.030
Primary		1.07		4.16	0.095	0.019	0.030
Transmission		1.06		4.12	0.094	0.019	0.029
Curtailable Service							
Secondary		0.35		1.22	0.091	0.026	0.051
Primary		0.35		1.21	0.090	0.026	0.050
Transmission		0.34		1.20	0.089	0.025	0.050
Interruptible Service							
Secondary		0.94		3.50	0.093	0.013	0.016
Primary		0.93		3.47	0.092	0.013	0.016
Transmission		0.92		3.43	0.091	0.013	0.016
Lighting Service	0.098		0.172		0.091	0.017	0.047

* For TOU rates the \$/kW charge will be included in the base demand only.

These schedules are also subject to a Gross Receipts Tax Factor (2.5641 percent), municipal utility taxes, state and county taxes, and franchise fees.

CHOOSE THE BEST RATE FOR YOUR BUSINESS

You have the option of choosing the best rate schedule for your business. We offer three categories of commercial and industrial rates: General Service, Curtailable Service and Interruptible Service. We also offer time-of-use rates that provide incentives to shift as much consumption as possible to off-peak periods.

Your current rate schedule can be obtained from your most recent electric bill. For information about the rate schedule, visit www.duke-energy.com/rates.

FOR ADDITIONAL INFORMATION

If you would like more information on these or other rate schedules, or require assistance in determining the most economic rates for you, please contact Duke Energy Florida by calling the number shown on your electric bill.

Duke Energy Florida also provides an enhanced Web page for commercial and industrial customers offering you online access to your account information. The Web page can be reached at www.duke-energy.com/business.

If there is a discrepancy between the rates shown on this insert and the effective, Commission approved tariff, the rates in the tariff prevail in all instances.

REDACTED

Natural Gas Costs - Embedded in Current 2021 Fuel Rates

Month	System		
	System Commodity Costs	Transportation Costs	System Fuel Costs
1/1/2021	\$ 43,837,886	\$ 32,556,387	\$ 76,394,273
2/1/2021	\$ 38,992,459	\$ 29,449,363	\$ 68,441,822
3/1/2021	\$ 39,331,967	\$ 32,404,829	\$ 71,736,796
4/1/2021	\$ 43,522,173	\$ 31,700,538	\$ 75,222,711
5/1/2021	\$ 50,965,552	\$ 35,780,877	\$ 86,746,429
6/1/2021	\$ 58,059,473	\$ 34,940,434	\$ 92,999,907
7/1/2021	\$ 63,611,457	\$ 36,069,752	\$ 99,681,209
8/1/2021	\$ 63,030,145	\$ 36,115,766	\$ 99,145,911
9/1/2021	\$ 59,805,175	\$ 35,071,726	\$ 94,876,901
10/1/2021	\$ 50,248,933	\$ 32,566,602	\$ 82,815,535
11/1/2021	\$ 38,185,702	\$ 31,114,852	\$ 69,300,554
12/1/2021	\$ 44,679,302	\$ 32,424,551	\$ 77,103,853
	<u>\$ 594,270,224</u>	<u>\$ 400,195,677</u>	<u>\$ 994,465,901</u>

Natural Gas Costs - Actual-Estimate Underlying MCC Petition

Month	System		
	System Commodity Costs	Transportation Costs	System Fuel Costs
1/1/2021			\$ 81,334,212
2/1/2021			\$ 70,298,733
3/1/2021			\$ 78,097,880
4/1/2021			\$ 69,902,652
5/1/2021			\$ 94,560,786
6/1/2021	\$ 59,503,765	\$ 34,751,304	\$ 94,255,069
7/1/2021	\$ 72,515,606	\$ 34,717,755	\$ 107,233,361
8/1/2021	\$ 75,612,940	\$ 33,743,874	\$ 109,356,814
9/1/2021	\$ 68,010,448	\$ 34,782,248	\$ 102,792,696
10/1/2021	\$ 54,398,055	\$ 32,487,102	\$ 86,885,157
11/1/2021	\$ 50,961,624	\$ 30,331,860	\$ 81,293,484
12/1/2021	\$ 50,624,102	\$ 31,303,917	\$ 81,928,019
	<u>\$ 431,626,539</u>	<u>\$ 232,118,061</u>	<u>\$ 1,057,938,863</u>

Staff Question 12:

PROJECTED MARKET PRICE BY FUEL TYPE - FROM 2020 PROJECTION *

Month	Light Oil		Coal Crystal River 4 & 5		Natural Gas
	\$/barrel	\$/mmbtu	\$/ton	\$/mmbtu	\$/mmbtu
Jan 2020	75.48	13.02	72.54	3.08	2.80
Feb 2020	80.01	13.80	72.49	3.08	2.78
Mar 2020	81.68	14.09	72.44	3.07	2.71
Apr 2020	84.59	14.60	72.39	3.06	2.51
May 2020	83.60	14.42	72.34	3.06	2.49
Jun 2020	74.56	12.86	72.28	3.05	2.52
Jul 2020	75.23	12.98	72.18	3.04	2.56
Aug 2020	75.60	13.04	71.62	3.03	2.57
Sep 2020	76.04	13.12	71.25	3.03	2.56
Oct 2020	76.08	13.13	70.80	3.02	2.58
Nov 2020	75.65	13.05	70.63	3.01	2.64
Dec 2020	75.33	13.00	70.64	3.01	2.79
Average	77.82	13.43	71.80	3.05	2.63

* Based on commodity prices as of COB June 14, 2019

PROJECTED MARKET PRICE BY FUEL TYPE - FROM 2020 ACTUAL-ESTIMATE FILING **

Month	Light Oil		Coal Crystal River 4 & 5		Natural Gas
	\$/barrel	\$/mmbtu	\$/ton	\$/mmbtu	\$/mmbtu
Jan 2020					
Feb 2020					
Mar 2020					
Apr 2020					
May 2020					
Jun 2020					
Jul 2020	45.39	7.79	81.30	3.50	1.73
Aug 2020	46.39	7.96	80.56	3.45	1.82
Sep 2020	47.24	8.11	79.87	3.40	1.87
Oct 2020	47.54	8.16	79.11	3.34	1.96
Nov 2020	47.52	8.16	78.34	3.28	2.35
Dec 2020	47.71	8.19	74.21	3.11	2.83
Average	46.96	8.06	78.90	3.35	2.09

** Based on commodity prices as of COB June 12, 2020