

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Energy conservation cost recovery
clause.

DOCKET NO. 20210002-EG
ORDER NO. PSC-2021-0427-FOF-EG
ISSUED: November 17, 2021

The following Commissioners participated in the disposition of this matter:

GARY F. CLARK, Chairman
ART GRAHAM
ANDREW GILES FAY
MIKE LA ROSA
GABRIELLA PASSIDOMO

FINAL ORDER APPROVING ENERGY CONSERVATION COST RECOVERY
AMOUNTS AND RELATED TARIFFS AND ESTABLISHING ENERGY
CONSERVATION COST RECOVERY FACTORS FOR THE PERIOD
JANUARY 2022 THROUGH DECEMBER 2022

APPEARANCES:

MARIA JOSE MONCADA, ESQUIRE, 700 Universe Boulevard, Juno Beach,
Florida 33408
On behalf of FLORIDA POWER & LIGHT COMPANY (FPL) and GULF
POWER COMPANY (GULF).

DIANNE M. TRIPLETT, ESQUIRE, 299 First Avenue North, St. Petersburg,
Florida 33701, MATTHEW R. BERNIER, and STEPHANIE A. CUELLO,
ESQUIRES, 106 East College Avenue, Suite 800, Tallahassee, Florida 32301
On behalf of DUKE ENERGY FLORIDA, LLC (DEF).

JAMES D. BEASLEY, J. JEFFRY WAHLEN, and MALCOLM N. MEANS,
ESQUIRES, Post Office Box 391, Tallahassee, Florida 32302
On behalf of TAMPA ELECTRIC COMPANY (TECO).

BETH KEATING, ESQUIRE, 215 South Monroe St., Suite 601, Tallahassee,
Florida 32301
On behalf of FLORIDA PUBLIC UTILITIES COMPANY (FPUC).

RICHARD GENTRY, CHARLES REHWINKEL, MARY A. WESSLING,
PATRICIA A. CHRISTENSEN, and ANASTACIA PIRRELLO, ESQUIRES,
111 West Madison Street, Room 812, Tallahassee, Florida 32399-1400
On behalf of OFFICE OF PUBLIC COUNSEL (OPC).

JON C. MOYLE, JR. and KAREN PUTNAL, ESQUIRES, 118 North Gadsden Street, Tallahassee, Florida 32312

On behalf of FLORIDA INDUSTRIAL POWER USERS GROUP (FIPUG).

PETER J. MATTHEIS and MICHAEL K. LAVANGA, ESQUIRES, 1025 Thomas Jefferson Street, NW, Eighth Floor, West Tower, Washington D.C. 20007

On behalf of Nucor Steel Florida, Inc. (NUCOR).

JAMES W. BREW and LAURA WYNN BAKER, ESQUIRES, 1025 Thomas Jefferson Street, NW, Eighth Floor, West Tower, Washington, D.C. 20007

On behalf of White Springs Agricultural Chemicals, Inc. d/b/a PCS Phosphate – White Springs (PCS).

GEORGE CAVROS, ESQUIRE, 120 E. Oakland Park Blvd., Suite 105, Fort Lauderdale, FL 33334

On behalf of Southern Alliance for Clean Energy (SACE).

WALTER TRIERWEILER, 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.

BACKGROUND

The Energy Conservation Cost Recovery Clause allows public utilities to seek recovery of costs for energy conservation programs on an annual basis, pursuant to Sections 366.80-366.83, Florida Statutes (F.S.), and Chapter 25-17, Florida Administrative Code (F.A.C.). As part of the Commission's continuing energy conservation cost recovery proceedings, an administrative hearing in this docket was held on November 2-4, 2021. Florida Power & Light Company (FPL), Gulf Power Company (GULF), Duke Energy Florida, LLC (DEF), Tampa Electric Company (TECO), and Florida Public Utilities Company (FPUC), submitted testimony and exhibits in support of their proposed final and estimated true-up amounts, total conservation cost recovery amounts, and conservation cost recovery factors.

Prior to the hearing, the utilities achieved a Type 2 Stipulation concerning all issues identified for resolution at the hearing, with the intervenors, the Office of Public Counsel (OPC), Florida Industrial Power Users Group (FIPUG), Nucor Steel Florida, Inc. (Nucor), Southern Alliance for Clean Energy (SACE), and White Springs Agricultural Chemicals, Inc. d/b/a PCS Phosphate – White Springs (PCS Phosphate), taking no position.¹ We have jurisdiction over the subject matter by the provisions of Chapter 366, F.S., including Sections 366.04, 366.05, and 366.06, F.S.

DECISION

We accept and approve the Type 2 stipulations² as reasonable and find they are supported by competent, substantial evidence of record, as set forth below.

FPL/Gulf, DEF, TECO, FPUC, and Commission staff support the Type 2 stipulations. OPC's position on each Type 2 stipulation is as follows:

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

FIPUG, Nucor, SACE, and PCS Phosphate have adopted the position of OPC on each Type 2 stipulation.

Conservation Cost Recovery True-Up

We find that the final conservation cost recovery adjustment true-up amounts for the period January 2020 through December 2020 are as follows:

Duke Energy Florida (DEF)
\$3,783,777 (Over-recovery).

Florida Public Utilities Company (FPUC)
\$34,158 (Over-recovery)

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.

Tampa Electric Company (TECO)

\$3,615,981 (Over-recovery).

Florida Power & Light Company (FPL)

\$2,529,096 (Over-recovery).

Gulf Power Company (Gulf)

\$226,949 (Under-recovery).

Effective January 1, 2021, Florida Power & Light Company (FPL) and Gulf Power Company (Gulf) were legally merged with FPL being the surviving entity. In its August 6, 2021 filing, FPL represented the merged and consolidated operations of FPL and the former Gulf, although for the purposes of this issue, stand-alone amounts are recorded.

We find that the appropriate total conservation adjustment actual/estimated true-up amounts for the period January 2021 through December 2021 are as follows:

Duke Energy Florida (DEF)

\$4,970,444 (Over-recovery).

Florida Public Utilities Company (FPUC)

\$ 64,426 (Under-recovery).

Tampa Electric Company (TECO)

The Commission voted to approve the 2021 Stipulation and Settlement Agreement proposed by TECO in Docket No. 20210034-EI. Therefore, the appropriate conservation adjustment actual/estimated true-up amounts for calculation of 2022 cost recovery factors but not collection by TECO during the period January 2022 through December 2022 is \$1,058,914, over-recovery (Exhibit MRR-2, Schedule C-3s, Page 11 of 12, as reflecting the 2021 Settlement Cost of Service Methodology, filed in Docket No. 20210034-EI on October 1, 2021, Document No. 11789-2021).

Florida Power & Light Company (FPL)

\$9,673,286 (Over-recovery).

Gulf Power Company (Gulf)

\$1,748,223 (Over-recovery).

Effective January 1, 2021, FPL and Gulf were legally merged with FPL being the surviving entity. In its August 6, 2021 filing, FPL represented the merged and consolidated operations of FPL and the former Gulf. The appropriate conservation adjustment actual/estimated true-up amounts for the period January 2021 through

December 2021 is \$11,421,509 Over-recovery, which is the sum of the stand-alone FPL and Gulf amounts shown above.

We find that the appropriate total conservation adjustment true-up amounts to be collected/refunded from January 2021 through December 2021 are as follows:

Duke Energy Florida

\$8,754,221 (Over-recovery).

Florida Public Utilities Company

\$ 30,268 (Under-recovery).

Tampa Electric Company

The Commission voted to approve the 2021 Stipulation and Settlement Agreement proposed by TECO in Docket No. 20210034-EI. Therefore, the appropriate total conservation adjustment true-up amounts for calculation of 2022 cost recovery factors but not collection by TECO during the period January 2022 through December 2022 is \$4,674,894, over-recovery (Exhibit MRR-2, Schedule C-1sa, Page 1 of 1, as reflecting the 2021 Settlement Cost of Service Methodology, filed in Docket No. 20210034-EI on October 1, 2021, in Document No. 11789-2021).

Florida Power & Light Company (FPL) / Gulf Power Company (Gulf)

Effective January 1, 2021, FPL and Gulf were legally merged with FPL being the surviving entity. In its August 6, 2021 filing, FPL represented the merged and consolidated operations of FPL and the former Gulf. The appropriate total conservation adjustment true-up amount to be collected/refunded from the period January 2021 through December 2021 is \$13,723,656 Over-recovery.

We find that the appropriate total conservation cost recovery amounts to be collected/refunded from January 2022 through December 2022 are as follows:

Duke Energy Florida (DEF):

The total conservation cost recovery amounts to be collected by DEF during the period January 2022 through December 2022 are \$99,861,410.

Florida Public Utility Company (FPUC):

The total conservation cost recovery amounts to be collected by FPUC during the period January 2022 through December 2022 are \$877,618.

Tampa Electric Company (TECO):

The Commission voted to approve the 2021 Stipulation and Settlement Agreement proposed by TECO in Docket No. 20210034-EI. Therefore, the appropriate conservation cost recovery amounts for the period January 2022 through December 2022 are \$41,933,119 (Exhibit MRR-2, Schedule C-1sa, Page

1 of 1, as reflecting the 2021 Settlement Cost of Service Methodology, filed in Docket No. 20210034-EI on October 1, 2021, in Document No. 11789-2021 and Exhibit MRR-2, Schedule C-1a, Page 1 of 1).

Florida Power & Light Company (FPL) / Gulf Power Company (Gulf):

Effective January 1, 2021, FPL and Gulf were legally merged with FPL being the surviving entity. In its August 6, 2021 filing, FPL represented the merged and consolidated operations of FPL and the former Gulf. The appropriate total conservation cost recovery amount to be collected during the period January 2022 through December 2022 is \$156,246,950.

Conservation Cost Recovery Factors

We find that the appropriate conservation cost recovery factors for the period January 2022 through December 2022 are as follows:

DEF:

2022 ECCR Cost Recovery Factors			
Retail Rate Schedule	Voltage Level		
	Secondary	Primary	Transmission
Residential (Cents/kWh)	0.283	N/A	N/A
General Service Non-Demand (Cents/kWh)	0.255	0.252	0.250
General Service 100% Load Factor (Cents/kWh)	0.194	N/A	N/A
General Service Demand (Dollars/kW)	0.770	0.760	0.750
Curtaillable (Dollars/kW)	0.350	0.350	0.340
Interruptible (Dollars/kW)	0.640	0.630	0.630
Standby Monthly (Dollars/kW)	0.074	0.073	0.073
Standby Daily (Dollars/kW)	0.035	0.035	0.034
Lighting (Cents/kWh)	0.108	N/A	N/A

Florida Power & Light Company (FPL) / Gulf Power Company (Gulf):

Effective January 1, 2021, FPL and Gulf were legally merged with FPL being the surviving entity. In its August 6, 2021 filing, FPL represented the merged and consolidated operations of FPL and the former Gulf.

We find that the merged and consolidated conservation cost recovery factors for the period January 2022 through December 2022 are as follows:

FPL and Gulf Merged and Consolidated, as reflected in Exhibit JNF-2				
Rate Class	Conservation Recovery Factor (\$/kw)	Conservation Recovery Factor (\$/kwh)	RDC (\$/KW)	SDD (\$/KW)
RS1/RTR1		0.00134	-	-
GS1/GST1	-	0.00137	-	-
GSD1/GSDT1/HLFT1/GSD1-EV	0.47	-	-	-
OS2	-	0.00093	-	-
GSLD1/GSLDT1/CS1/ CST1/HLFT2/GSLD1-EV	0.52	-	-	-
GSLD2/GSLDT2/CS2/ CST2/HLFT3	0.54	-	-	-
GSLD3/GSLDT3/ CS3/CST3	0.50	-	-	-
SST1T	-	-	\$0.06	\$0.03
SST1D1/SST1D2/SST1D3	-	-	\$0.06	\$0.03
CILC D/CILC G	0.56	-	-	-
CILC T	0.56	-	-	-
MET	0.45	-	-	-
OL1/SL1/SL1M/PL1/OSI/II	-	0.00042	-	-
SL2/SL2M/GSCU1	-	0.00101	-	-

FPUC:

\$.00134 per kWh (consolidated levelized conservation cost recovery factor).

Tampa Electric Company (TECO):

The Commission voted to approve the 2021 Stipulation and Settlement Agreement proposed by TECO in Docket No. 20210034-EI. Therefore, the cost recovery factors for the period January 2022 through December 2022 are shown below, based on the rate design and cost allocation as put forth in Docket No. 20210034-EI (2021 Settlement Cost of Service Methodology, as filed on October 1, 2021, in Document No. 11789-2021):

<u>Rate Schedule</u>	<u>Cost Recovery Factors (cents per kWh)</u>
RS	0.236
GS and CS	0.218
GSD Optional – Secondary	0.193
GSD Optional – Primary	0.191
GSD Optional – Subtransmission	0.189
LS-1 and LS-2	0.108

<u>Rate Schedule</u>	<u>Cost Recovery Factors (dollars per kWh)</u>
GSD, SBD, RSD – Secondary	0.81
GSD, SBD, RSD – Primary	0.80
GSD, SBD, RSD – Subtransmission	0.80
GSLD - Primary	0.84
GSLD - Subtransmission	0.74

Conservation Cost Recovery Effective Date for 2022 Billing Cycle

We find that the factors shall be effective beginning with the specified conservation cost recovery cycle and thereafter for the period January 2022 through December 2022. Billing cycles 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 adjustment factor became effective. These charges shall continue in effect until modified by our subsequent order.

Revised Tariffs Reflecting the Energy Conservation Cost Recovery Amounts and Establishing Energy Conservation Cost Recovery Factors

We hereby approve revised tariffs reflecting the energy conservation cost recovery amounts and establishing energy conservation cost recovery factors determined to be appropriate in this proceeding. Commission staff shall verify that the revised tariffs are consistent with our decision.

Company-Specific Conservation Cost Recovery Issues – Tampa Electric Company

We make the following finding regarding the Contracted Credit Value (CCV) for the GSLM-2 and GSLM-3 rate riders for TECO for the period January 2022 through December 2022:

When approved the 2021 Stipulation and Settlement Agreement, we accepted the revised the level of credits for CCV in Paragraph 6(i) in the Stipulation and Settlement proposal offered in Docket No. 20210034-EI. The approved credits are shown below. These credits are based on the rate design and cost allocation as put forth in Docket No. 20210034-EI (2021 Settlement Cost of Service Methodology, as filed on October 1, 2021, in Document No. 11789-2021).

<u>Voltage Level</u>	<u>Contracted Credit Value (dollars per kW)</u>
Secondary	11.75
Primary	11.63
Subtransmission	11.52

We make the following findings regarding TECO's Residential Price Responsive Load Management (RSVP-1) rates for January 2022 through December 2022:

When we approved TECO's 2021 Stipulation and Settlement Agreement, we accepted the Residential Price Responsive Load Management (RSVP-1) rate tiers for the period January 2022 through December 2022. The approved RSVP-1 on the rate design and cost allocation as put forth in Docket No. 20210034-EI (2021 Settlement Cost of Service Methodology, as filed on October 1, 2021, in Document No. 11789-2021).

<u>Rate Tier</u>	<u>Cents per kWh</u>
P1	-2.616
P2	-1.013
P3	6.237
P4	36.974

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the stipulations and findings herein are hereby approved. It is further

ORDERED that each investor-owned utility that was a party to this docket shall abide by the stipulations and findings herein which are applicable to it. It is further

ORDERED that the utilities named herein are authorized to collect the energy conservation cost recovery amounts and utilize the factors approved herein for the period beginning with the specified conservation cost recovery cycle and thereafter for the period January 2022 through December 2022. Billing cycles 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 adjustment factor became effective. These charges shall continue in effect until modified by subsequent order of this Commission. It is further

ORDERED that the revised tariffs reflecting the energy conservation cost recovery amounts and establishing energy conservation cost recovery factors determined to be appropriate in this proceeding are approved. Commission staff shall verify that the revised tariffs are consistent with our decision herein. It is further

ORDERED that while a separate docket number is assigned each year for administrative convenience, the Energy Conservation Cost Recovery Clause is a continuing docket and shall remain open.

By ORDER of the Florida Public Service Commission this 17th day of November, 2021.



ADAM J. TEITZMAN
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399
(850) 413-6770
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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.

WLT

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 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.

Any party adversely affected by the Commission's final action in this matter may request:

- 1) reconsideration of the decision by filing a motion for reconsideration with the Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, 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 and/or wastewater utility by filing a notice of appeal with the Office of Commission Clerk, and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.