

Antonia Hover

From: Ellen Plendl
Sent: Thursday, February 23, 2023 1:07 PM
To: Consumer Correspondence
Subject: Docket No. 20230001
Attachments: FW Duke Energy Wasteful Monopoly; Consumer Inquiry - Duke Energy Florida

See attached customer correspondence and reply for Docket No. 20230001.

Antonia Hover

From: Governor's Office of Citizen Services <EOGCitizenServices@eog.myflorida.com>
Sent: Thursday, February 23, 2023 12:03 PM
To: EOG-Referral
Subject: FW: Duke Energy Wasteful Monopoly

Please find attached email received by the Governor's Office of Citizen Services. This email is forwarded to your office for review and any response or action appropriate.

Thank you.

Sincerely,

Martha Lynn
Office of Citizen Services
Executive Office of the Governor

From: Paul Self <paulhself@gmail.com>
Sent: Monday, February 13, 2023 1:57 PM
To: GovernorRon.DeSantis@eog.myflorida.com
Subject: Duke Energy Wasteful Monopoly

I listened to your press conference regarding the need to reduce our dependence on foreign energy. I agree. However, the west coast of FL including the Tampa Bay area is dependant on buying power from other states due to severe mismanagement of Duke Energy. Ever since they failed to maintain and had to shutter the Crystal River power plant, there have been endless surcharges from gas power purchased from TECO and Florida Power and Light. We need an investment in power plants and not an investment that costs the residents of these areas extra like when we were charged for a new nuclear plant that was never constructed. I also think a rebate for rooftop solar for both homes and businesses would also help us gain energy independence.

Let's continue to keep FL great.

Paul
Please note that under Florida law correspondence sent to the Governor's Office, which is not confidential or exempt pursuant to chapter 119 of the Florida Statutes, is a public record made available upon request.

Antonia Hover

From: Shonna McCray
Sent: Thursday, February 23, 2023 12:46 PM
To: 'paulhself@gmail.com'
Cc: Ellen Plendl
Subject: Consumer Inquiry - Duke Energy Florida

Mr. Paul Self
paulhself@gmail.com

RE: FPSC Inquiry 1416355C

Dear Mr. Self:

The Governor's office forwarded a copy of your email including concern about 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. We appreciate the opportunity to respond directly to you.

You expressed a concern about DEF's fuel charge. The fuel charge recovers the actual cost to secure and process the fuel necessary to generate electricity. Fuel rates mirror rising and falling fuel costs as reflected in the international marketplace. Any revenue generated by the fuel charge pays fuel suppliers and transporters; utilities are not allowed to earn a profit on fuel costs. On your bill, fuel appears as a separate cents per kilowatt-hour charge.

Each year, utilities file their projected fuel costs for the upcoming calendar year. The FPSC, along with the Office of Public Counsel and other consumer representatives, closely examine the utilities' requested fuel costs. Public hearings are held to set the annual fuel factors. 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. Any over or under recovery from the utility's actual costs will be reflected in next year's costs. The fuel cost adjustment is recognized by state commissions, the Federal Energy Regulatory Commission, and is also used by most municipal electric utilities and rural electric cooperatives.

On December 6, 2022, the FPSC set the 2023 fuel charge for the customers of DEF after carefully considering testimony and evidence on its projected costs at a public hearing.

Below is a breakdown of DEF residential customer bills for 1,000 kilowatt-hours of electricity prior to January 2023, as well as bills effective January 2023.

TOTAL MONTHLY BILL - RESIDENTIAL SERVICE - 1,000 KILOWATT HOURS

January 2023

<u>Present</u>	Duke Energy
<u>September - December 2022</u>	Florida
Base Rate Charges	\$80.91
Fuel and Purchased Power Cost Recovery Clause	\$44.69
Energy Conservation Cost Recovery Clause	\$2.83
Environmental Cost Recovery Clause	\$0.28
Capacity Cost Recovery Clause	\$11.81
Storm Damage Cost Surcharge	\$0.00

Storm Protection Plan Cost Recovery	\$3.00
Asset Securitization Charge	\$2.65
Transition Rider/Credit	N/A
Clean Energy Transition Mechanism	N/A
Gross Receipts Tax and Regulatory Assessment Fee	\$3.85
Total	<u>\$150.02</u>

Revised	Duke Energy
January 2023	Florida
Base Rate Charges	\$81.46
Fuel and Purchased Power Cost Recovery Clause	\$59.61
Energy Conservation Cost Recovery Clause	\$3.20
Environmental Cost Recovery Clause	\$0.22
Capacity Cost Recovery Clause	\$13.28
Storm Damage Cost Surcharge	\$0.00
Storm Protection Plan Cost Recovery	\$4.14
Asset Securitization Charge	\$2.65
Transition Rider/Credit	N/A
Clean Energy Transition Mechanism	N/A
Gross Receipts Tax and Regulatory Assessment Fee	\$4.34
Total	<u>\$168.90</u>

Increase / (Decrease)	Duke Energy
	Florida
Base Rate Charges	\$0.55
Fuel and Purchased Power Cost Recovery Clause	\$14.92
Energy Conservation Cost Recovery Clause	\$0.37
Environmental Cost Recovery Clause	-\$0.06
Capacity Cost Recovery Clause	\$1.47
Storm Damage Cost Surcharge	\$0.00
Storm Protection Plan Cost Recovery	\$1.14
Asset Securitization Charge	\$0.00
Transition Rider/Credit	N/A
Clean Energy Transition Mechanism	N/A
Gross Receipts Tax and Regulatory Assessment Fee	\$0.49
Total	<u>\$18.88</u>

For Duke the Regulatory Assessment Fee has been removed from base rates and clauses and is included on bills with Gross Receipts Taxes, effective 2022.

Duke's 2023 base rates represents a weighted average; the December - February bill is \$89.39; the March - November bill is \$78.82. $((\$89.39 \times 3) + (78.82 \times 9)) / 12 = \81.46

DEF has filed for a mid-course correction for fuel charges. Mid-course corrections are used by the Commission between annual fuel clause hearings whenever costs deviate from revenue by a significant margin. Cost recovery factors are usually effective for a period of 12 months. However, we require that if an investor-owned electric company's fuel or capacity cost recovery position is projected to exceed a specified range within the standard 12-month timeframe, then a filing and analysis into the continued reasonableness of the prevailing cost recovery factors must be performed. This requirement is codified by Rule 25- 6.0424, Florida Administrative Code (F.A.C.), and is commonly referred to as the "mid-course correction rule."

(Over or under collection is a credit or debit to the amount to be collected the next period (year). The total fuel factor may go up or down regardless of whether there was an over or under collection in the prior period.)

We appreciate you sharing your views and will add your correspondence to Docket 20230001.

You may review all the information filed for Commission consideration in the docket by accessing the FPSC website at <http://www.floridapsc.com>. Under the Clerk's Office tab at the top of the page, click on Dockets. Type in docket number 20230001. Click the Search button. Then select Document Filings Index for a list of all filings in the docket. This procedure allows you to view all of the information filed by the utility and other parties in the docket.

Finally, you may contact the Office of Energy by calling 850-617-7470 or by E-mail at Energy@FDACS.gov regarding your views about Florida's energy policy.

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

Sincerely,

Shonna McCray
Regulatory Program Administrator
Florida Public Service Commission