

**BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION**

In re: Fuel and purchased power cost
recovery clause with generating
performance incentive factor

DOCKET NO.: 20240001-EI
FILED: October 7, 2024

**PREHEARING STATEMENT OF
NUCOR STEEL FLORIDA, INC.**

Pursuant to the Florida Public Service Commission's *Order Establishing Procedure*, Order No. PSC-2024-0027-PCO-EI, issued February 6, 2024, and the *First Order Modifying Order Establishing Procedure*, Order No. PSC-2024-0211-PCO-EI, issued June 20, 2024, Nucor Steel Florida, Inc. ("Nucor") hereby files its Prehearing Statement in this case.

A. APPEARANCES

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B. WITNESSES

Nucor does not plan to call any witnesses at this time.

C. EXHIBITS

Nucor does not plan to offer any exhibits at this time.

D. STATEMENT OF BASIC POSITION

Nucor’s basic position is that Duke Energy Florida, LLC (“DEF”) bears the burden of proof to justify the costs it seeks to recover through the fuel clause and capacity cost recovery clause and any other relief DEF requests in this proceeding. Fuel expense makes up a large portion of DEF’s revenues and therefore a large portion of the charges passed onto customers. The Commission should carefully review DEF’s fuel costs to ensure that they were reasonably and prudently incurred.

E. STATEMENT ON SPECIFIC ISSUES

COMPANY-SPECIFIC FUEL ISSUES

Duke Energy Florida, LLC

ISSUE 1A: Should the Commission approve DEF’s 2025 Risk Management Plan?

- **Nucor:** Agree with OPC.

ISSUE 1B: What is the appropriate subscription bill credit associated with DEF’s Clean Energy Connection Program, approved by Order No. PSC- 2021-0059-S-EI, to be included for recovery in 2025?

- **Nucor:** Agree with OPC.

ISSUE 1C: What is the appropriate Clean Energy Impact (CEI) credit, approved by Order No. PSC-2023-0191-TRF-EI, to be included in the fuel clause in 2025?

- **Nucor:** Agree with OPC.

Florida Power & Light Company

ISSUE 2A: What was the total gain under FPL’s Incentive Mechanism approved by Order No. PSC-2021-0446A-S-EI that FPL may recover for the period January 2023 through December 2023, and how should that gain to be shared between FPL and its customers?

- **Nucor:** No position.

ISSUE 2B: What is the appropriate amount of Incremental Optimization Costs under FPL's Incentive Mechanism approved by Order No. PSC- 2021-0446A-S-EI that FPL should be allowed to recover through the fuel clause for Personnel, Software, and Hardware costs for the period January 2023 through December 2023?

- **Nucor:** No position.

ISSUE 2C: What is the appropriate amount of Variable Power Plant O&M Attributable to Off-System Sales under FPL's Incentive Mechanism approved by Order No. PSC-2021-0446A-S-EI that FPL should be allowed to recover through the fuel clause for the period January 2023 through December 2023?

- **Nucor:** No position.

ISSUE 2D: What is the appropriate amount of Variable Power Plant O&M Avoided due to Economy Purchases under FPL's Incentive Mechanism approved by Order No. PSC-2021-0446A-S-EI that FPL should be allowed to recover through the fuel clause for the period January 2023 through December 2023?

- **Nucor:** No position.

ISSUE 2E: What is the appropriate subscription credit associated with FPL's SolarTogether Program approved by Order No. PSC-2020-0084-SEI, to be included for recovery in 2025?

- **Nucor:** No position.

ISSUE 2F: Should the Commission approve FPL's 2025 Risk Management Plan?

- **Nucor:** No position.

ISSUE 2G: Are the 2025 SoBRA units proposed by FPL cost effective?

- **Nucor:** No position.

ISSUE 2H: What are the revenue requirements associated with the 2025 SoBRA Project?

- **Nucor:** No position.

ISSUE 2I: What is the appropriate base rate percentage increase for the 2025 SoBRA Project, to be effective when all 2025 units are in service?

- **Nucor:** No position.

ISSUE 2J: Should the Commission approve revised tariffs for FPL reflecting the base rate percentage increases for the 2025 SoBRA project determined to be appropriate in this proceeding?

- **Nucor:** No position.

ISSUE 2K: Were FPL's actions related to the forced outage event(s) that occurred at St. Lucie Nuclear Unit No. 1 in July 2024 prudent? If not, what actions should the Commission take?

- **Nucor:** No position.

ISSUE 2L: How much replacement power cost did FPL incur due to the forced outage event(s) that occurred at St. Lucie Nuclear Unit No. 1 in July 2024?

- **Nucor:** No position.

ISSUE 2M: Were FPL's actions related to the forced outage event(s) that occurred at St. Lucie Nuclear Unit No. 2 in May/June 2024 prudent? If not, what actions should the Commission take?

- **Nucor:** No position.

ISSUE 2N: How much replacement power cost did FPL incur due to the forced outage event(s) that occurred at St. Lucie Nuclear Unit No. 2 in July 2024?

- **Nucor:** No position.

Tampa Electric Utilities Company

ISSUE 4A: What was the total gain under TECO's Optimization Mechanism approved by Order No. PSC-2021-0423-S-EI that TECO may recover for the period January 2023 through December 2023, and how should that gain to be shared between TECO and its customers?

- **Nucor:** No position.

ISSUE 4B: Should the Commission approve TECO's 2025 Risk Management Plan?

- **Nucor:** No position.

GENERIC FUEL ADJUSTMENT ISSUES

ISSUE 5: What are the appropriate actual benchmark levels for calendar year 2024 for gains on non-separated wholesale energy sales eligible for a shareholder incentive?

- **Nucor:** Regarding DEF, agree with OPC. For all other utilities, Nucor takes no position.

ISSUE 6: What are the appropriate estimated benchmark levels for calendar year 2025 for gains on non-separated wholesale energy sales eligible for a shareholder incentive?

- **Nucor:** Regarding DEF, agree with OPC. For all other utilities, Nucor takes no position.

ISSUE 7: What are the appropriate final fuel adjustment true-up amounts for the period January 2023 through December 2023?

- **Nucor:** Regarding DEF, agree with OPC. For all other utilities, Nucor takes no position.

ISSUE 8: What are the appropriate fuel adjustment actual/estimated true-up amounts for the period January 2024 through December 2024?

- **Nucor:** Regarding DEF, agree with OPC. For all other utilities, Nucor takes no position.

ISSUE 9: What are the appropriate total fuel adjustment true-up amounts to be collected/refunded from January 2025 through December 2025?

- **Nucor:** Regarding DEF, agree with OPC. For all other utilities, Nucor takes no position.

ISSUE 10: What are the appropriate projected total fuel and purchased power cost recovery amounts for the period January 2025 through December 2025?

- **Nucor:** Regarding DEF, agree with OPC. For all other utilities, Nucor takes no position.

COMPANY-SPECIFIC GENERATING PERFORMANCE INCENTIVE FACTOR ISSUES

None.

GENERIC GPIF ISSUES

ISSUE 14: What is the appropriate GPIF reward or penalty for performance achieved during the period January 2023 through December 2023 for each investor-owned electric utility subject to the GPIF?

- **Nucor:** Regarding DEF, agree with OPC. For all other utilities, Nucor takes no position.

ISSUE 15: What should the GPIF targets/ranges be for the period January 2025 through December 2025 for each investor-owned electric utility subject to the GPIF?

- **Nucor:** Regarding DEF, agree with OPC. For all other utilities, Nucor takes no position.

FUEL FACTOR CALCULATION ISSUES

ISSUE 16: What are the appropriate projected net fuel and purchased power cost recovery and Generating Performance Incentive amounts to be included in the recovery factor for the period January 2025 through December 2025?

- **Nucor:** Regarding DEF, agree with OPC. For all other utilities, Nucor takes no position.

ISSUE 17: What is the appropriate revenue tax factor to be applied in calculating each investor-owned electric utility's levelized fuel factor for the projection period January 2025 through December 2025?

- **Nucor:** Regarding DEF, agree with OPC. For all other utilities, Nucor takes no position.

ISSUE 18: What are the appropriate levelized fuel cost recovery factors for the period January 2025 through December 2025?

- **Nucor:** Regarding DEF, agree with OPC. For all other utilities, Nucor takes no position.

ISSUE 19: What are the appropriate fuel recovery line loss multipliers to be used in calculating the fuel cost recovery factors charged to each rate class/delivery voltage level class?

- **Nucor:** Regarding DEF, agree with OPC. For all other utilities, Nucor takes no position.

ISSUE 20: What are the appropriate fuel cost recovery factors for each rate class/delivery voltage level class adjusted for line losses?

- **Nucor:** Regarding DEF, agree with OPC. For all other utilities, Nucor takes no position.

COMPANY SPECIFIC CAPACITY COST RECOVERY FACTORS

Duke Energy Florida, LLC

ISSUE 21A: What is the appropriate amount of costs for the Independent Spent Fuel Storage Installation (ISFSI) that DEF should be allowed to recover through the capacity cost recovery clause pursuant to DEF's 2017 Settlement for 2025?

- **Nucor:** Agree with OPC.

GENERIC CAPACITY COST RECOVERY FACTOR ISSUES

ISSUE 24: What are the appropriate final capacity cost recovery true-up amounts for the period January 2023 through December 2023?

- **Nucor:** Regarding DEF, agree with OPC. For all other utilities, Nucor takes no position.

ISSUE 25: What are the appropriate capacity cost recovery actual/estimated true-up amounts for the period January 2024 through December 2024?

- **Nucor:** Regarding DEF, agree with OPC. For all other utilities, Nucor takes no position.

ISSUE 26: What are the appropriate total capacity cost recovery true-up amounts to be collected/refunded during the period January 2025 through December 2025?

- **Nucor:** Regarding DEF, agree with OPC. For all other utilities, Nucor takes no position.

ISSUE 27: What are the appropriate projected total capacity cost recovery amounts for the period January 2025 through December 2025?

- **Nucor:** Regarding DEF, agree with OPC. For all other utilities, Nucor takes no position.

ISSUE 28: What are the appropriate projected net purchased power capacity cost recovery amounts to be included in the recovery factor for the period January 2025 through December 2025?

- **Nucor:** Regarding DEF, agree with OPC. For all other utilities, Nucor takes no position.

ISSUE 29: What are the appropriate jurisdictional separation factors for capacity revenues and costs to be included in the recovery factor for the period January 2025 through December 2025?

- **Nucor:** Regarding DEF, agree with OPC. For all other utilities, Nucor takes no position.

ISSUE 30: What are the appropriate capacity cost recovery factors for the period January 2025 through December 2025?

- **Nucor:** Regarding DEF, agree with OPC. For all other utilities, Nucor takes no position.

EFFECTIVE DATE

ISSUE 31: What should be the effective date of the fuel adjustment factors and capacity cost recovery factors for billing purposes?

- **Nucor:** Regarding DEF, agree with OPC. For all other utilities, Nucor takes no position.

ISSUE 32: Should the Commission approve revised tariffs reflecting the fuel adjustment factors and capacity cost recovery factors determined to be appropriate in this proceeding?

- **Nucor:** Regarding DEF, agree with OPC. For all other utilities, Nucor takes no position.

ISSUE 33: Should this docket be closed?

- **Nucor:** No position.

F. PENDING MOTIONS

None.

G. PENDING REQUESTS OR CLAIMS FOR CONFIDENTIALITY

None.

H. OBJECTIONS TO QUALIFICATIONS OF WITNESS AS EXPERT

None at this time.

I. REQUIREMENTS OF ORDER ESTABLISHING PROCEDURE

There are no requirements of the Procedural Orders with which Nucor cannot comply.

Respectfully submitted,

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Dated: October 7, 2024

CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing Prehearing Statement of Nucor Steel

Florida, Inc. has been furnished by electronic mail this 7th of October, 2024, to the following:

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