

**BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION**

Fuel and purchased power cost recovery clause ) Docket No. 20240001-EI  
with generating performance incentive factor. ) Filed: October 7, 2024  
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**PREHEARING STATEMENT OF  
WHITE SPRINGS AGRICULTURAL CHEMICALS, INC.  
d/b/a PCS PHOSPHATE – WHITE SPRINGS**

Pursuant to the Florida Public Service Commission’s *Order Establishing Procedure*, Order No. PSC-2024-0027-PCO-EI, issued February 6, 2024, as amended by the *First Order Modifying Order Establishing Procedure*, Order No. PSC-2024-0211-PCO-EI, issued June 20, 2024, White Springs Agricultural Chemicals, Inc. d/b/a PCS Phosphate – White Springs (“PCS Phosphate”), through its undersigned attorneys, files its Prehearing Statement in the above matter.

**A. APPEARANCES**

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**B. WITNESSES**

PCS Phosphate does not plan to call any witnesses at this time.

**C. EXHIBITS**

PCS Phosphate does not plan to offer any exhibits at this time, but may introduce exhibits during the course of cross-examination.

**D. STATEMENT OF BASIC POSITION**

Only costs prudently incurred and legally authorized may be recovered through the fuel clause. Florida electric utilities, including in particular Duke Energy Florida, LLC (“DEF”), must satisfy the burden of proving the reasonableness of any expenditures for which recovery or other relief is sought in this proceeding.

**E. STATEMENT ON SPECIFIC ISSUES**

**I. FUEL ISSUES**

**COMPANY-SPECIFIC FUEL ADJUSTMENT CLAUSE ISSUES**

**Duke Energy Florida, LLC.**

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

**PCS Phosphate:** Pursuant to the 2024 Settlement Agreement in Docket No. 20240025-EI, *Petition for rate increase by Duke Energy Florida, LLC*, DEF has committed that it will not enter into any new financial natural gas hedging contracts in 2025 and throughout the term of the Settlement Agreement.<sup>1</sup> The Commission should approve only those elements of the 2025 Risk Management Plan that are consistent with the 2024 Settlement Agreement.

**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?

**PCS Phosphate:** Agree with Public Counsel.

**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?

**PCS Phosphate:** Agree with Public Counsel.

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<sup>1</sup> Docket No. 20240025-EI, *Petition for rate increase by Duke Energy Florida, LLC*, 2024 Settlement Agreement at 26 (July 15, 2024).

## **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?

**PCS Phosphate:** 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?

**PCS Phosphate:** 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?

**PCS Phosphate:** 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?

**PCS Phosphate:** No position.

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

**PCS Phosphate:** No position.

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

**PCS Phosphate:** No position.

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

**PCS Phosphate:** No position.

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

**PCS Phosphate:** 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?

**PCS Phosphate:** 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?

**PCS Phosphate:** 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?

**PCS Phosphate:** 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?

**PCS Phosphate:** 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?

**PCS Phosphate:** 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?

**PCS Phosphate:** No position.

### **Florida Public Utilities Company**

No company-specific fuel issues for Florida Public Utilities Company have been identified at this time. If such issues are identified, they shall be numbered 3A, 3B, 3C, and so forth, as appropriate.

### **Tampa Electric 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?

**PCS Phosphate:** No position.

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

**PCS Phosphate:** 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?

**PCS Phosphate:** Agree with OPC.

**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?

**PCS Phosphate:** Per the terms of the 2024 Settlement Agreement, filed in Docket No. 20240025-EI, *Petition for rate increase by Duke Energy Florida, LLC*, effective with the Term of the Settlement Agreement, which begins January 1, 2025, DEF may implement an Asset Optimization Mechanism, the terms of which are addressed in the 2024 Settlement Agreement.<sup>2</sup> The Commission should only approve estimated benchmark levels that are consistent with the 2024 Settlement Agreement.

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

**PCS Phosphate:** Agree with the Public Counsel.

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

**PCS Phosphate:** Agree with the Public Counsel.

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

**PCS Phosphate:** Agree with the Public Counsel.

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

**PCS Phosphate:** Agree with the Public Counsel.

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<sup>2</sup> *Id.* at 24-25.

## COMPANY-SPECIFIC GENERATING PERFORMANCE INCENTIVE FACTOR ISSUES

### Duke Energy Florida, LLC.

No company-specific GPIF issues for Duke Energy Florida, Inc. have been identified at this time. If such issues are identified, they shall be numbered 11A, 11B, 11C, and so forth, as appropriate.

### Florida Power & Light Company

No company-specific GPIF issues for Florida Power and Light Company have been identified at this time. If such issues are identified, they shall be numbered 12A, 12B, 12C, and so forth, as appropriate.

### Tampa Electric Company

No company-specific GPIF issues for Tampa Electric Company have been identified at this time. If such issues are identified, they shall be numbered 13A, 13B, 13C, and so forth, as appropriate.

## 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?

**PCS Phosphate:** Agree with the Public Counsel.

**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?

**PCS Phosphate:** No position at this time.

## 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?

**PCS Phosphate:** 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?

**PCS Phosphate:** No position.

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

**PCS Phosphate:** No position at this time.

**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?

**PCS Phosphate:** No position.

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

**PCS Phosphate:** Agree with the Public Counsel.

## **II. CAPACITY ISSUES**

### **COMPANY-SPECIFIC CAPACITY COST RECOVERY FACTOR ISSUES**

#### **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?

**PCS Phosphate:** Agree with the Public Counsel.

#### **Florida Power & Light Company**

No company-specific capacity cost recovery factor issues for Florida Power & Light Company have been identified at this time. If such issues are identified, they will be numbered 22A, 22B, 22C, and so forth, as appropriate.

#### **Tampa Electric Company**

No company-specific capacity cost recovery factor issues for Tampa Electric Company have been identified at this time. If such issues are identified, they will be numbered 23A, 23B, 23C, and so forth, as appropriate.

### **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?

**PCS Phosphate:** Agree with the Public Counsel.

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

**PCS Phosphate:** Agree with the Public Counsel.

**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?

**PCS Phosphate:** Agree with the Public Counsel.

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

**PCS Phosphate:** Agree with the Public Counsel.

**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?

**PCS Phosphate:** Agree with the Public Counsel.

**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?

**PCS Phosphate:** No position.

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

**PCS Phosphate:** Agree with the Public Counsel.

### **III. EFFECTIVE DATE**

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

**PCS Phosphate:** 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?

**PCS Phosphate:** No position.

**ISSUE 33:** Should this docket be closed?

**PCS Phosphate:** 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 PCS Phosphate cannot comply.

Respectfully submitted,

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*Attorneys for White Springs Agricultural Chemicals, Inc.  
d/b/a PCS Phosphate – White Springs*

Dated: October 7, 2024

**CERTIFICATE OF SERVICE**

I hereby certify that a true copy of the foregoing Prehearing Statement of PCS Phosphate has been furnished by electronic mail this 7th of October 2024, to the following:

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