

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Environmental cost recovery clause.

DOCKET NO. 20240007-EI
ORDER NO. PSC-2024-0468-PHO-EI
ISSUED: October 31, 2024

PREHEARING ORDER

Pursuant to Notice and in accordance with Rule 28-106.209, Florida Administrative Code (F.A.C.), a Prehearing Conference was held on October 24, 2024, in Tallahassee, Florida, before Commissioner Gabriella Passidomo, as Prehearing Officer.

APPEARANCES:

MARIA JOSE MONCADA and JOEL T. BAKER, ESQUIRES, 700 Universe Boulevard, Juno Beach, Florida 33408-2863
On behalf of FLORIDA POWER & LIGHT COMPANY (FPL).

DIANNE M. TRIPLETT, ESQUIRE, 299 First Avenue North, St. Petersburg, Florida 33701

MATTHEW R. BERNIER, and STEPHANIE CUELLO, ESQUIRES, 106 East College Avenue, Suite 800, Tallahassee, Florida 32301
On behalf of DUKE ENERGY FLORIDA, LLC (DEF).

MALCOLM N. MEANS, J. JEFFRY WAHLEN, and VIRGINIA PONDER ESQUIRES, Ausley McMullen, Post Office Box 391, Tallahassee, Florida 32302
On behalf of TAMPA ELECTRIC COMPANY (TECO).

WALT TRIERWEILER, CHARLES REHWINKEL, PATRICIA A. CHRISTENSEN, MARY A. WESSLING, and OCTAVIO SIMOES-PONCE, and AUSTIN WATROUS ESQUIRES, c/o The Florida Legislature, 111 West Madison Street, Suite 812, Tallahassee, Florida 32399-1400
On behalf of OFFICE OF PUBLIC COUNSEL (OPC).

JON C. MOYLE, JR. and KAREN A. PUTNAL, ESQUIRES, Moyle Law Firm, P.A., 118 North Gadsden Street, Tallahassee, Florida 32301
On behalf of FLORIDA INDUSTRIAL POWER USERS GROUP (FIPUG).

JAMES W. BREW, LAURA WYNN BAKER and SARAH B. NEWMAN, ESQUIRES, Stone, Mattheis, Xenopoulos & Brew, PC, 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 Phosphate).

PETER J. MATTHEIS, MICHAEL K. LAVANGA, and JOSEPH R. BRISCAR, ESQUIRES, Stone, Mattheis, Xenopoulos & Brew, PC, 1025 Thomas Jefferson Street, NW, Eighth Floor, West Tower, Washington D.C. 20007
On behalf of Nucor Steel Florida, Inc. (NUCOR).

JACOB IMIG, SAAD FAROOQI, and ADRIA H. HARPER, ESQUIRES, 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.

I. CASE BACKGROUND

As part of the Florida Public Service Commission's (Commission) continuing Environmental Cost Recovery Clause (ECRC) proceeding, undertaken pursuant to Section 366.8255, Florida Statutes (F.S.), a hearing has been set in this Docket for November 5-7, 2024. The ECRC proceeding allows investor-owned electric utilities to seek recovery of their costs for approved environmental programs on an annual basis.

II. CONDUCT OF PROCEEDINGS

Pursuant to Rule 28-106.211, F.A.C., this Prehearing Order is issued to prevent delay and to promote the just, speedy, and inexpensive determination of all aspects of this case.

III. JURISDICTION

This Commission is vested with jurisdiction over the subject matter by the provisions of Chapters 120 and 366, Florida Statutes (F.S.). This hearing will be governed by said Chapters and Chapters 25-6, 25-22, and 28-106, F.A.C., as well as any other applicable provisions of law.

IV. PROCEDURE FOR HANDLING CONFIDENTIAL INFORMATION

Information for which proprietary confidential business information status is requested pursuant to Section 366.093, F.S., and Rule 25-22.006, F.A.C., shall be treated by the Commission as confidential. The information shall be exempt from Section 119.07(1), F.S., pending a formal ruling on such request by the Commission or pending return of the information to the person providing the information. If no determination of confidentiality has been made and the information has not been made a part of the evidentiary record in this proceeding, it shall be returned to the person providing the information. If a determination of confidentiality has been made and the information was not entered into the record of this proceeding, it shall be returned to the person providing the information within the time period set forth in Section 366.093, F.S. The Commission may determine that continued possession of the information is necessary for the Commission to conduct its business.

It is the policy of this Commission that all Commission hearings be open to the public at all times. The Commission also recognizes its obligation pursuant to Section 366.093, F.S., to protect proprietary confidential business information from disclosure outside the proceeding. Therefore, any party wishing to use any proprietary confidential business information, as that term is defined in Section 366.093, F.S., at the hearing shall adhere to the following:

- (1) When confidential information is used in the hearing that has not been filed as prefiled testimony or prefiled exhibits, parties must have copies for the Commissioners, necessary staff, and the court reporter, in red envelopes clearly marked with the nature of the contents and with the confidential information highlighted. Any party wishing to examine the confidential material that is not subject to an order granting confidentiality shall be provided a copy in the same fashion as provided to the Commissioners, subject to execution of any appropriate protective agreement with the owner of the material.
- (2) Counsel and witnesses are cautioned to avoid verbalizing confidential information in such a way that would compromise confidentiality. Therefore, confidential information should be presented by written exhibit when reasonably possible.

At the conclusion of that portion of the hearing that involves confidential information, all copies of confidential exhibits shall be returned to the proffering party. If a confidential exhibit has been admitted into evidence, the copy provided to the court reporter shall be retained in the Office of Commission Clerk's confidential files. If such material is admitted into the evidentiary record at hearing and is not otherwise subject to a request for confidential classification filed with the Commission, the source of the information must file a request for confidential classification of the information within 21 days of the conclusion of the hearing, as set forth in Rule 25-22.006(8)(b), F.A.C., if continued confidentiality of the information is to be maintained.

V. PREFILED TESTIMONY AND EXHIBITS; WITNESSES

Testimony of all witnesses to be sponsored by the parties (and Staff) has been prefiled and will be inserted into the record as though read after the witness has taken the stand and affirmed the correctness of the testimony and associated exhibits. All testimony remains subject to timely and appropriate objections. Upon insertion of a witness' testimony, exhibits appended thereto may be marked for identification. Each witness will have the opportunity to orally summarize his or her testimony at the time he or she takes the stand. Summaries of testimony shall be limited to three minutes.

Witnesses are reminded that, on cross-examination, responses to questions calling for a simple yes or no answer shall be so answered first, after which the witness may explain his or her answer. After all parties and Staff have had the opportunity to cross-examine the witness, the exhibit may be moved into the record. All other exhibits may be similarly identified and entered into the record at the appropriate time during the hearing.

The Commission frequently administers the testimonial oath to more than one witness at a time. Therefore, when a witness takes the stand to testify, the attorney calling the witness is directed to ask the witness to affirm whether he or she has been sworn.

The parties shall avoid duplicative or repetitious cross-examination. Further, friendly cross-examination will not be allowed. Cross-examination shall be limited to witnesses whose testimony is adverse to the party desiring to cross-examine. Any party conducting what appears to be a friendly cross-examination of a witness should be prepared to indicate why that witness's direct testimony is adverse to its interests.

VI. ORDER OF WITNESSES

<u>Witness</u>	<u>Proffered By</u>	<u>Issues #</u>
<u>Direct</u>		
+ Richard L. Hume	FPL	1-10
+ Katharine MacGregor	FPL	1-4
+ Gary P. Dean	DEF	1-10
+ Eric Szkolnyj	DEF	1-3
+ Reginald Anderson	DEF	1-3
+ Patricia Q. West	DEF	1-3

<u>Witness</u>	<u>Proffered By</u>	<u>Issues #</u>
+ Zel D. Jones	TECO	1-9 and 13-14
+ Byron T. Burrows	TECO	3 and 13-14

+ These witnesses have been excused from attending the final hearing.

VII. BASIC POSITIONS

FPL: FPL's 2025 Environmental Cost Recovery Clause factors are reasonable and should be approved.

DEF: DEF's positions to specific issues are listed below.

TECO: The Commission should approve the compliance programs described in the testimony and exhibits of Tampa Electric witnesses Jones and Burrows for environmental cost recovery. The Commission should also approve Tampa Electric's calculation of its environmental cost recovery final true-up for the period January 2023 through December 2023, the actual/estimated environmental cost recovery true-up for the current period January 2024 through December 2024, and the company's projected ECRC revenue requirement and the company's proposed ECRC factors for the period January 2025 through December 2025.

OPC: The utilities bear the burden of proof to justify the recovery of costs they request in this docket and must carry this burden regardless of whether or not the Interveners provide evidence to the contrary. Further, the utilities bear the burden of proof to support their proposal(s) seeking the Commission's adoption of policy statements (whether new or changed) or other affirmative relief sought. Even if the Commission has previously approved a program, recovery of a cost, factor, or adjustment as meeting the Commission's own requirements, the utilities still bear the burden of demonstrating that the costs submitted for final recovery meet any statutory test(s) and are reasonable in amount and prudently incurred. Further, recovery of all costs is constrained by the Commission's obligation to set fair, just, and reasonable rates, based on projects and/or costs that are prudent in magnitude and/or costs prudently incurred pursuant to Section 366.01, Florida Statutes. Additionally, the provisions of Chapter 366 must be liberally construed to protect the public welfare.

The Commission must independently determine that each cost submitted for recovery, deferred or new, meets each element of the statutory requirements for recovery through this clause, as set out in Section 366.8255, Florida Statutes.

Specifically, each activity proposed for recovery must be legally *required* to comply with a governmentally imposed environmental regulation that was enacted, became effective, or whose effect was triggered after the company's last test year upon which rates are based, and such costs may not be costs that are recovered through base rates or any other cost recovery mechanism. Any decision by the Commission on a new project submitted for approval and cost recovery must be limited to the scope and documented cost information provided to the Commission in the company filing in this docket.

FIPUG: The utilities bear the burden of proof to justify the recovery of costs they request in this docket as reasonable and prudent. The utilities must carry this burden regardless of whether FIPUG or other parties introduce evidence to the contrary. The utilities must also carry their burden of proof to support their proposal(s) asking the Commission's adoption of policy statements (whether new or changed) or other affirmative relief sought.

PCS

Phosphate: PCS Phosphate generally adopts the positions taken by the Florida Office of Public Counsel (“OPC”) unless a differing position is specifically stated.

NUCOR: 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 ECRC and any other relief DEF requests in this proceeding.

STAFF: Staff’s positions are preliminary and based on materials filed by the parties and on discovery. The preliminary positions are offered to assist the parties in preparing for the hearing. Staff’s final positions will be based upon all the evidence in the record and may differ from the preliminary positions stated herein.

VIII. ISSUES AND POSITIONS

GENERIC ENVIRONMENTAL COST RECOVERY ISSUES

ISSUE 1: What are the final environmental cost recovery true-up amounts for the period January 2023 through December 2023?

Proposed stipulation – See Section X.

ISSUE 2: What are the actual/estimated environmental cost recovery true-up amounts for the period January 2024 through December 2024?

Proposed stipulation – See Section X.

ISSUE 3: What are the projected environmental cost recovery amounts for the period January 2025 through December 2025?

Proposed stipulation – See Section X.

ISSUE 4: What are the environmental cost recovery amounts, including true-up amounts, for the period January 2025 through December 2025?

Proposed stipulation – See Section X.

ISSUE 5: What depreciation rates should be used to develop the depreciation expense included in the total environmental cost recovery amounts for the period January 2025 through December 2025?

Proposed stipulation – See Section X.

ISSUE 6: What are the appropriate jurisdictional separation factors for the projected period January 2025 through December 2025?

Proposed stipulation – See Section X.

ISSUE 7: What are the appropriate environmental cost recovery factors for the period January 2025 through December 2025 for each rate group?

Proposed stipulation – See Section X.

ISSUE 8: What should be the effective date of the new environmental cost recovery factors for billing purposes?

Proposed stipulation – See Section X.

ISSUE 9: Should the Commission approve revised tariffs reflecting the environmental cost recovery amounts and environmental cost recovery factors determined to be appropriate in this proceeding?

Proposed stipulation – See Section X.

ISSUE 10: Should this docket be closed?

Proposed stipulation – See Section X.

COMPANY-SPECIFIC ENVIRONMENTAL COST RECOVERY ISSUES

Duke Energy Florida, LLC (DEF)

ISSUE 11: Should the Commission approve DEF’s Citrus Combined Cycle (CCC) Water Treatment System Project for cost recovery through the ECRC?

Proposed stipulation – See Section X.

ISSUE 12: How should the approved costs related to DEF’s CCC Water Treatment System Project be allocated to the rate classes?

Proposed stipulation – See Section X.

Tampa Electric Company (TECO)

ISSUE 13: Should the Commission approve TECO’s Bayside 316 (a) Thermal Variance Study Project for cost recovery through the ECRC?

Proposed stipulation – See Section X.

ISSUE 14: How should the approved costs related to TECO’s Bayside (a) Thermal Variance Study Project be allocated to the rate classes?

Proposed stipulation – See Section X.

IX. EXHIBIT LIST

<u>Witness</u>	<u>Proffered By</u>		<u>Description</u>
<u>Direct</u>			
Richard L. Hume	FPL	RLH-1	2023 ECRC Final True-Up January 2023 – December 2023 Commission Forms 42-1A through 42-9A

<u>Witness</u>	<u>Proffered By</u>		<u>Description</u>
Richard L. Hume	FPL	RLH-2	2024 ECRC Actual/Estimated True-up January 2024 - December 2024 Commission Forms 42-1E through 42-9E
Richard L. Hume	FPL	RLH-3	2025 ECRC Projection Filing January 2025 – December 2025 Commission Forms 42-1P through 42-8P
Katharine MacGregor			Form 42-P
Richard L. Hume	FPL	RLH-4	2025 ECRC Projection Filing (Calculation of Stratified Separation Factors)
Gary P. Dean	DEF	GPD-1	Forms 42-1A - 42-9A January 2023 – December 2023
Gary P. Dean	DEF	GPD-2	Forms 42-1E – 42-9E January 2024 – December 2024
Gary P. Dean	DEF	GPD-3	Forms 42-1P – 42-8P January 2025 -December 2025
Eric Szkolnyj			Form 42-5P, page 23
Reginald Anderson			Form 42-5P, pages 7 and 20-22
Patricia Q. West			Form 42-5P, pages 1-4, 6, 7-19, and 24-26
Patricia Q. West	DEF	PQW-1	Review of Integrated Clean Air Compliance Plan
Zel D. Jones	TECO	ZDJ-1	Final Environmental Cost Recovery Commission Forms 42-1A through 42- 9A for the period January 2023 through December 2023
Zel D. Jones	TECO	ZDJ-2	Environmental Cost Recovery Commission Forms 42-1E through 42-9E for the period January 2024 through December 2024
Zel D. Jones	TECO	ZDJ-3	Environmental Cost Recovery Forms 42- 1P through 42-8P for the period January 2025 through December 2025

X. PROPOSED STIPULATIONS

Following the prehearing conference, Type 2 stipulations¹ were reached for all issues as set forth below. Duke Energy Florida, LLC (DEF), Florida Power & Light Company (FPL), Tampa Electric Company (TECO), and Commission staff supported the proposed stipulations. The OPC 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.

Florida Industrial Power Users Group (FIPUG), White Springs Agricultural Chemicals, Inc. d/b/a PCS Phosphate – White Springs (PCS Phosphate), and Nucor Steel Florida, Inc. (Nucor) have adopted the position of OPC on each Type 2 stipulation.

ISSUE 1: What are the final environmental cost recovery true-up amounts for the period January 2023 through December 2023?

STIPULATION:

FPL	\$7,623,275	Over-recovery
DEF	\$1,548,518	Over-recovery
TECO	\$4,203,268	Over-recovery

ISSUE 2: What are the actual/estimated environmental cost recovery true-up amounts for the period January 2024 through December 2024?

STIPULATION:

FPL	\$18,176,707	Under-recovery
DEF	\$1,936,104	Over-recovery
TECO	\$3,297,632	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.

ISSUE 3: What are the projected environmental cost recovery amounts for the period January 2025 through December 2025?

STIPULATION:

FPL	\$401,635,933
DEF	\$15,140,721
TECO	\$19,594,554

ISSUE 4: What are the environmental cost recovery amounts, including true-up amounts, for the period January 2025 through December 2025?

STIPULATION:

FPL	\$412,189,365
DEF	\$11,656,099
TECO	\$12,103,910

ISSUE 5: What depreciation rates should be used to develop the depreciation expense included in the total environmental cost recovery amounts for the period January 2025 through December 2025?

STIPULATION:

FPL will use the depreciation rates that were approved by the Commission in Order No. PSC-2021-0446-S-EI. The depreciation rates used by DEF to calculate depreciation expense shall be the rates that are in effect during the period the allowed capital investment is in service. Depreciation rates agreed to in TECO's 2021 Settlement Agreement were applied to TECO's 2025 projection.

ISSUE 6: What are the appropriate jurisdictional separation factors for the projected period January 2025 through December 2025?

STIPULATION:

The appropriate jurisdictional separation factors for the period January 2025 through December 2025 are as follows:

FPL: Retail Energy Jurisdictional Factor - Base/Solar 95.706242%
Retail Energy Jurisdictional Factor - Intermediate 93.940532%
Retail Energy Jurisdictional Factor - Peaking 95.601963%

Retail Demand Jurisdictional Factor - Transmission 88.780684%

Retail Demand Jurisdictional Factor - Base/Solar 96.010976%

Retail Demand Jurisdictional Factor - Intermediate 95.415719%

Retail Demand Jurisdictional Factor - Peaking 94.942846%

Retail Demand Jurisdictional Factor - Distribution 100.0000%

Retail General Plant Jurisdictional Factor - Labor 96.942531%

DEF: Transmission Average 12 CP Demand – 70.369%
Distribution Primary Demand – 100.000%

Production Demand:
Production Base – 100.000%
Production Intermediate – 95.212%
Production Peaking – 97.632%
Production A&G – 97.366%

TECO: Energy: 100.00%
Demand: 100.00%

ISSUE 7: What are the appropriate environmental cost recovery factors for the period January 2025 through December 2025 for each rate group?

STIPULATION:

The appropriate environmental cost recovery factors for the period January 2025 through December 2025 for each rate group are as follows:

FPL:

RATE	Environmental Cost Recovery Factor (cents/kWh)
RS1/RTR1	0.361
GS1/GST1	0.324
GSD1/GSDT1/HLFT1/GSD1-EV	0.295
OS2	0.194
GSLD1/GSLDT1/CS1/CST1/HLFT2/GSLD1-EV	0.269
GSLD2/GSLDT2/CS2/CST2/HLFT3	0.256
GSLD3/GSLDT3/CS3/CST3	0.230
SST1T	0.237
SST1D1/SST1D2/SST1D3	0.753
CILC D/CILC G	0.245
CILC T	0.228
MET	0.275
OL1/SL1/SL1M/PL1	0.049
SL2/SL2M/GSCU1	0.233
Total	0.326

DEF:

RATE CLASS	ECRC FACTORS
Residential	0.030 cents/kWh
General Service Non-Demand @ Secondary Voltage @ Primary Voltage @ Transmission Voltage	0.028 cents/kWh 0.028 cents/kWh 0.027 cents/kWh
General Service 100% Load Factor	0.026 cents/kWh
General Service Demand @ Secondary Voltage @ Primary Voltage @ Transmission Voltage	0.027 cents/kWh 0.027 cents/kWh 0.026 cents/kWh
Curtable @ Secondary Voltage @ Primary Voltage @ Transmission Voltage	0.025 cents/kWh 0.025 cents/kWh 0.025 cents/kWh
Interruptible @ Secondary Voltage @ Primary Voltage @ Transmission Voltage	0.025 cents/kWh 0.025 cents/kWh 0.025 cents/kWh
Lighting	0.021 cents/kWh

TECO:

Rate Class	Factors by Voltage Level (cents/kWh)
RS	0.063
GS, CS	0.060
GSD/GSDT, SBD/SBDT, GSD Optional	
Secondary	0.056
Primary	0.056
Transmission	0.055
GSLDPR/GSLDTPR/SBLDPR/SBLDTPR	0.048
GSLDSU/GSLDTSU/SBLDPR/SBLDTPR	0.051
LS1, LS2	0.038
Total	0.059

TECO has certain proposals pending in its current base rate case in Docket No. 20240026-EI that may affect the company’s environmental cost recovery charges

and associated tariffs. The above cost recovery clause factors may be amended to reflect revisions ordered by the Commission in that docket.

ISSUE 8: **What should be the effective date of the new environmental cost recovery factors for billing purposes?**

STIPULATION:

The factors shall be effective beginning with the specified environmental cost recovery cycle and thereafter for the period January 2025 through December 2025. Billing cycles may start before January 1, 2025 and the last cycle may read after December 31, 2025, so that each customer is billed for twelve months regardless of when the adjustment factor became effective. These charges will continue in effect until modified by the Commission.

ISSUE 9: **Should the Commission approve revised tariffs reflecting the environmental cost recovery amounts and environmental cost recovery factors determined to be appropriate in this proceeding?**

STIPULATION:

Yes. The Commission shall approve revised tariffs reflecting the environmental cost recovery factors determined to be appropriate in this proceeding. The Commission should direct staff to verify that the revised tariffs are consistent with the Commission's decision. The Commission should also grant staff administrative authority to approve revised tariffs reflecting amended cost recovery clause factors that incorporate any revisions that are necessary as a result of the Commission's decision in TECO's current base rate case in Docket No. 20240026-EI.

ISSUE 10: **Should this docket be closed?**

STIPULATION:

No. While a separate docket number is assigned each year for administrative convenience, this is a continuing docket and shall remain open.

COMPANY-SPECIFIC ENVIRONMENTAL COST RECOVERY ISSUES

Duke Energy Florida, LLC (DEF)

ISSUE 11: Should the Commission approve DEF’s Citrus Combined Cycle (CCC) Water Treatment System Project for cost recovery through the ECRC?

STIPULATION:

Yes. DEF’s proposed CCC Water Treatment System project meets the recovery criteria established in Order No. 94-044-FOF-EI, in that:

- a) All expenditures will be prudently incurred after April 13, 1993;
- b) The activities are legally required to comply with a governmentally imposed environmental regulation enacted, became effective, or whose effect was triggered after the Company’s last test year which rates are based; and
- c) None of the expenditures are being recovered through some other cost recovery mechanism or through base rates.

On January 10, 2023, the Florida Department of Environmental Protection (“FDEP”) issued Administrative Order AO-052SWD22 (“AO”) to provide an interim limit and compliance schedule to address exceedances of the Manganese ground water standard following the February 7, 2023 permit amendment which designated Citrus Combined Cycle compliance wells and implemented a site-specific manganese ground water standard based on background conditions. The AO was issued to provide DEF guidance on bringing the newly-designated compliance well up to standard.²

ISSUE 12: How should the approved costs related to DEF’s CCC Water Treatment System Project be allocated to the rate classes?

STIPULATION:

O&M and Capital costs associated with the CCC Water Treatment System Program should be allocated to rate classes on a Demand basis.

² DEF is not subject to an enforcement action or found in violation of any permit or regulation associated with this project.

Tampa Electric Company (TECO)

ISSUE 13: Should the Commission approve TECO’s Bayside 316 (a) Thermal Variance Study Project for cost recovery through the ECRC?

STIPULATION:

Yes, the Commission should approve TECO’s Bayside 316(a) Thermal Variance Study Project for cost recovery through the ECRC. The costs for this study are necessary to comply with a governmentally imposed environmental regulation which was enacted in 1972, and requested to be updated in the issuance of Bayside’s latest National Pollutant Discharge Elimination System Permit dated December 9, 2022. This occurred after the company’s last test year of 2022 and the costs for the study are not recovered through any other cost recovery mechanism or base rates.

ISSUE 14: How should the approved costs related to TECO’s Bayside (a) Thermal Variance Study Project be allocated to the rate classes?

STIPULATION:

The approved costs related to TECO’s Bayside 316(a) Thermal Variance Study Project should be allocated as an Energy-related cost as shown in the Company’s 2025 Projection, Form 42-6P, Column “(3)”

XI. PENDING MOTIONS

There are no pending motions.

XII. PENDING CONFIDENTIALITY MATTERS

There are no pending confidentiality matters.

XIII. POST-HEARING PROCEDURES

If no bench decision is made, each party shall file a post-hearing statement of issues and positions. A summary of each position, set off with asterisks, shall be included in that statement. If a party’s position has not changed since the issuance of this Prehearing Order, the post-hearing statement may simply restate the prehearing position; however, if the prehearing position is

longer than 75 words, it must be reduced to no more than 75 words. If a party fails to file a post-hearing statement, that party shall have waived all issues and may be dismissed from the proceeding.

Pursuant to Rule 28-106.215, F.A.C., a party's proposed findings of fact and conclusions of law, if any, statement of issues and positions, and brief, shall together total no more than 40 pages and shall be filed at the same time, no later the November 14, 2024.

XIV. RULINGS

Opening statements, if any, shall not exceed three minutes per party.

It is therefore,

ORDERED by Commissioner Gabriella Passidomo, as Prehearing Officer, that this Prehearing Order shall govern the conduct of these proceedings as set forth above unless modified by the Commission.

By ORDER of Commissioner Gabriella Passidomo, as Prehearing Officer, this 31st day of October, 2024.



Gabriella Passidomo
Commissioner and Prehearing Officer
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399
(850) 413-6770
www.floridapsc.com

Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

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.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

Any party adversely affected by this order, which is preliminary, procedural or intermediate in nature, may request: (1) reconsideration within 10 days pursuant to Rule 25-22.0376, 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 or wastewater utility. A motion for reconsideration shall be filed with the Office of Commission Clerk, in the form prescribed by Rule 25-22.0376, Florida Administrative Code. Judicial review of a preliminary, procedural or intermediate ruling or order is available if review of the final action will not provide an adequate remedy. Such review may be requested from the appropriate court, as described above, pursuant to Rule 9.100, Florida Rules of Appellate Procedure.