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BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of:

DOCKET NO. 20240173-EI

Petition for limited proceeding for  
recovery of incremental storm restoration  
costs related to Hurricanes Debby, Helene  
and Milton, by Duke Energy Florida, LLC.

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PROCEEDINGS: COMMISSION CONFERENCE AGENDA  
ITEM NO. 4

COMMISSIONERS  
PARTICIPATING: CHAIRMAN MIKE LA ROSA  
COMMISSIONER ART GRAHAM  
COMMISSIONER GARY F. CLARK  
COMMISSIONER ANDREW GILES FAY  
COMMISSIONER GABRIELLA PASSIDOMO

DATE: Tuesday, February 4, 2025

PLACE: Betty Easley Conference Center  
Room 148  
4075 Esplanade Way  
Tallahassee, Florida

REPORTED BY: DEBRA R. KRICK  
Court Reporter and  
Notary Public in and for  
the State of Florida at Large

PREMIER REPORTING  
TALLAHASSEE, FLORIDA  
(850) 894-0828

1 P R O C E E D I N G S

2 CHAIRMAN LA ROSA: Let's move now to a similar  
3 discussion but slightly different into Item No. 4,  
4 and -- we are all there.

5 Mr. Mason, you are recognized.

6 MR. MASON: Good morning, Commissioners. I am  
7 Ian Mason with the Division of Accounting and  
8 Finance.

9 Item 4 is staff's recommendation on Duke  
10 Energy Florida, LLC's request for approval to  
11 implement an interim storm restoration recovery  
12 charge.

13 On December 27th, 2024, DEF filed a petition  
14 for I limited proceeding seeking authority to  
15 implement an interim storm restoration recovery  
16 charge to recover an estimated \$1.09 billion for  
17 incremental storm restoration costs related to  
18 Hurricanes Debby, Helene and Milton. This amount  
19 includes approximately \$19.1 million interest  
20 expenses, as well as \$131.9 million to replenish  
21 its storm reserve.

22 Additionally, on January 31st, DEF filed an  
23 amended petition to remove distribution costs from  
24 transmission class customers. The filing of  
25 amended tariffs necessitated the revised

1 recommendation that was filed yesterday.

2 The approval of an interim storm restoration  
3 recovery charge is preliminary in nature and is  
4 subject to refund pending further review once the  
5 total actual storm restoration costs are known.

6 Based on a review of the information provided  
7 by DEF in its petition, staff recommends the  
8 Commission authorize DEF to implement this interim  
9 storm restoration recovery charge, subject to  
10 refund. Once the total actual storm costs are  
11 known, DEF should be required to file documentation  
12 of the storm costs for Commission review.

13 The Office of Public Counsel has intervened in  
14 this docket. There are nine consumer comments in  
15 the correspondence file, and representatives from  
16 DEF are in attendance to answer any questions in  
17 addition to staff.

18 Thank you.

19 CHAIRMAN LA ROSA: Excellent. Thank you.

20 And just checking, does anyone want to speak  
21 on this, or we are just here to answer questions?  
22 That's what I thought.

23 All right. Certainly, I have got a similar  
24 concern to the impact of residential customers, but  
25 I believe that we find ourselves in a little bit --

1 a little more limited position to set longer  
2 recovery periods. My thought, but we will  
3 obviously go through that.

4 Quick questions for staff. Page five, you  
5 include a response from the company as to why they  
6 did not consider a longer period. If I could just  
7 kind of clarify that in your response. Second to  
8 left paragraph.

9 MS. McCLELLAND: The company stated that their  
10 settlement required them to remain within a  
11 12-month recovery period.

12 CHAIRMAN LA ROSA: Thank you.

13 Commissioners, any thoughts or questions?

14 Commissioner Clark, you are recognized.

15 COMMISSIONER CLARK: Just to take a stab at  
16 it, Mr. Chairman.

17 Yeah, I think we are kind of in a little bit  
18 different posture when it comes to this one, we are  
19 constrained, is my understanding, by the settlement  
20 agreement that capped the recovery period for a  
21 12-month period.

22 We are also in a little bit different position  
23 in terms of what's happening within the rates of  
24 Duke, as I understand. And the proposals possibly  
25 can see some rate changes that won't have quite the

1 net impact. Can we get an estimate of what the net  
2 impact of this would be from Duke?

3 CHAIRMAN LA ROSA: Let's do that.

4 MS. CUELLO: Hi, Stephanie Cuello with Duke  
5 Energy.

6 Do you want the actual net impact numbers?

7 COMMISSIONER CLARK: Yes, please.

8 MS. CUELLO: Okay. That would be Mr.  
9 Menendez.

10 MR. MENENDEZ: Commissioner, for a residential  
11 customer using a thousand kilowatt hours, the net  
12 impact would be \$22.62.

13 CHAIRMAN LA ROSA: On a 12-month recovery?

14 MR. MENENDEZ: On a 24-month recovery,  
15 correct, Mr. Chairman.

16 CHAIRMAN LA ROSA: Commissioner Clark, any  
17 other thoughts or questions?

18 COMMISSIONER CLARK: Yes. Is that after the  
19 bill changes that are going into effect, that went  
20 in effect in January?

21 MR. MENENDEZ: Yes, sir, that is the net.

22 COMMISSIONER CLARK: 22.

23 MR. MENENDEZ: Actually, Commissioner, if I  
24 may. No, that is just the change from February to  
25 March. There was an additional decrease of a

1 little over \$9 for the residential customers that  
2 took place in January. So I misunderstood your  
3 question. That -- the 22 is outside of that. The  
4 \$9 would be in addition to the 22.

5 COMMISSIONER CLARK: Would be deducted from?

6 MR. MENENDEZ: Correct.

7 COMMISSIONER CLARK: So it's going to be  
8 afloat of 11, roughly?

9 MR. MENENDEZ: Yes, sir.

10 COMMISSIONER CLARK: Okay. That's the number  
11 I was trying to get to, is you are actually,  
12 instead of a 22-dollar increase, we are looking at  
13 closer to a net 11-dollar increase? Okay. Thank  
14 you. That's what I needed.

15 CHAIRMAN LA ROSA: Thank you. That's what I  
16 thought I was calculating too by reading how this  
17 was laid out.

18 Commissioners, any other thoughts or  
19 questions?

20 Commissioner Fay, you are second recognized.

21 COMMISSIONER FAY: Thank you, Mr. Chairman.

22 I just have one comment on this. I think,  
23 when we look at the rate impact components with  
24 everything else that occurred on the ratemaking  
25 side, and then this storm recovery, I think Duke

1 and all the parties to their rate case settlement  
2 did their customers a lot of justice.

3 You don't know this is coming, but the rate  
4 settlement that was put forward by Duke was a very,  
5 very good settlement. And I think that probably  
6 minimized impact to customers in a lot of ways.  
7 And so I think, once again, not a great -- we don't  
8 want to make this decision, but I think those  
9 parties that negotiated that really did a fantastic  
10 job to put customers in the right position for  
11 something like this type of adjustment, even though  
12 we don't -- thank you.

13 CHAIRMAN LA ROSA: Agreed. Right. This -- I  
14 mean, this is a balance, and it's -- we are talking  
15 about storms today. But obviously, when we are  
16 talking, you know, about rate design and structure,  
17 we are talking about a whole lot of other things.  
18 There is certainly a lot. I don't want to make  
19 this decision, but I understand what's before us  
20 and a decision has to be made.

21 Commissioners, any other further thoughts or  
22 questions?

23 Commissioner Fay, you are recognized.

24 COMMISSIONER FAY: I just have one quick  
25 question for staff, Mr. Chairman.

1           So these are all presented based on the  
2           language in the 2021 settlement agreement, which is  
3           included on page five of the recommendation. The  
4           timeline going forward I would imagine would be  
5           that any storms post this date would then fall  
6           under the 2024 settlement agreement, is that  
7           accurate?

8           MR. DOSE: That's accurate.

9           COMMISSIONER FAY: Okay. And then is it fair  
10          to say -- I think the recommendation says that  
11          similar language is presented in the 2024  
12          settlement as to the 2021 settlement. When I look  
13          at this 2024 language, it seems, to a large degree,  
14          it does the same thing. It says it will be based  
15          on a 24-month recovery period.

16          So I would presume that on this  
17          recommendation, and going forward, the same  
18          principles would apply, that the Commission has  
19          approved a settlement agreement that states  
20          recovery for storms, no matter over a certain  
21          amount or under, is done in a 12-month period for  
22          Duke?

23          MR. DOSE: That's correct.

24          COMMISSIONER FAY: Okay. Thank you, Mr.  
25          Chairman.

1 CHAIRMAN LA ROSA: Great. Thank you.

2 If there is no further thoughts or questions,  
3 open for a motion.

4 COMMISSIONER PASSIDOMO SMITH: Well, I --  
5 yeah, I move approval of staff's recommendation for  
6 the 12-month recovery period.

7 COMMISSIONER GRAHAM: Second.

8 CHAIRMAN LA ROSA: Hearing a motion and  
9 hearing a second.

10 All those in favor signify by saying yay.

11 (Chorus of yays.)

12 CHAIRMAN LA ROSA: Yay.

13 Opposed no?

14 (No response.)

15 CHAIRMAN LA ROSA: Show that Item No. 4  
16 passes.

17 (Agenda item concluded.)

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CERTIFICATE OF REPORTER

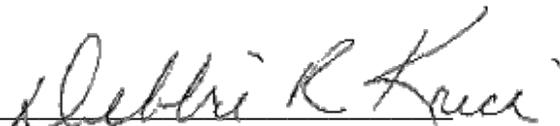
STATE OF FLORIDA     )  
COUNTY OF LEON     )

I, DEBRA KRICK, Court Reporter, do hereby certify that the foregoing proceeding was heard at the time and place herein stated.

IT IS FURTHER CERTIFIED that I stenographically reported the said proceedings; that the same has been transcribed under my direct supervision; and that this transcript constitutes a true transcription of my notes of said proceedings.

I FURTHER CERTIFY that I am not a relative, employee, attorney or counsel of any of the parties, nor am I a relative or employee of any of the parties' attorney or counsel connected with the action, nor am I financially interested in the action.

DATED this 26th day of February, 2025.

  
DEBRA R. KRICK  
NOTARY PUBLIC  
COMMISSION #HH575054  
EXPIRES AUGUST 13, 2028