

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Review of 2026-2035 Storm Protection)
Plan, pursuant to Rule 25-6.030, F.A.C., Duke) **Docket No. 20250015-EI**
Energy Florida, LLC) **Filed: April 28, 2025**
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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 and Consolidating Docket Nos. 20250014-EI, 20250015-EI, 20250016-EI, and 20250017-EI for Hearing*, Order No. PSC-2025-0029-PCO-EI, issued January 24, 2025, 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

Section 366.96, Florida Statutes, provides for a Transmission and Distribution Storm Protection Plan (“SPP” or “Plan”) “for the overhead hardening and increased resilience of electric transmission and distribution facilities, undergrounding of electric distribution facilities, and vegetation management.” The public utility must demonstrate that the investments proposed under the Plan will “achieve the objectives of reducing restoration costs and outage times associated with extreme weather events and enhancing reliability.”¹ The statute restricts Plan costs to those actions related to storm *hardening*, and does not serve as an alternative rate recovery vehicle for replacement of aging infrastructure.² With respect to the instant Plan proposed by Duke Energy Florida, LLC (“Duke” or “DEF”), the Office of the Public Counsel (“OPC”) correctly points out that DEF seeks to recover replacement costs for aging infrastructure that belong in base rates, not in the Plan. OPC witness Kevin J. Mara raises legitimate concerns in this proceeding that DEF has proposed several programs that target routine replacement of degrading infrastructure, and that DEF should recover such investments through base rates.³ Specifically, DEF’s new proposed Line Insulator Upgrades program, the Tower Upgrade subprogram, and the Overhead Ground Wire subprogram target replacement of deteriorated and/or aging infrastructure. DEF should recover the costs of such routine replacements through base rates rather than through the SPP. The Commission should therefore require DEF to modify its Plan to remove the above-noted programs.

Finally, in discovery, the Commission Staff inquired whether DEF should reduce the pace of deployment of certain SPP subprograms, and OPC witness Mara subsequently recommended

¹ § 366.96(3), Fla. Stat.

² *Citizens of the State of Fla. v. Fay*, 396 So. 3d 549, 552 & 555 (2024) (“[T]he SPP Statute stands apart from the rate making process, and in its unique language provides a separate procedure for the Commission’s review of storm hardening measures”).

³ See Direct Testimony of Kevin J. Mara, P.E. on Behalf of the Citizens of the State of Florida at 9-13.

such a reduction in his testimony.⁴ PCS Phosphate supports the OPC's recommendation. DEF's SPP as filed produces an estimated annual revenue requirement of approximately \$519 million by 2028 and will impose close to \$1 billion per year on DEF customers by the end of the Plan period of 2035.⁵ DEF's SPP lacks focus and restraint required to produce affordable rates. The Commission should either reject DEF's proposed Plan or modify it as recommended by the OPC to include only those hardening programs that DEF has precisely targeted to reduce restoration costs and outage times.

E. STATEMENT ON SPECIFIC ISSUES

ISSUE 1: Should the proposed Insulator Upgrade Sub-Program be included in DEF's proposed 2026-2035 SPP?

PCS Phosphate: Agree with OPC.

ISSUE 2: Should the Commission approve, approve with modification, or deny DEF's Storm Protection Plan?

PCS Phosphate: Agree with OPC.

ISSUE 3: Should this docket be closed?

PCS Phosphate: No position.

Contested Issues:

DEF- A: Has the scope of the Tower Upgrade subprogram been modified since it was approved in Docket No. 20220050-EI, and if so, what action, if any, should the Commission take with respect to the scope of the Tower Upgrade subprogram included in DEF's proposed 2026-2035 SPP?

PCS Phosphate: Agree with OPC.

DEF- B: Has the scope of the Overhead Wire Upgrade (OHGW) subprogram been modified since it was approved in Docket No. 20220050-EI, and if so, what action, if any,

⁴ See Exh. KJM-5 (DEF Resp. to Staff's Interrogatory No. 7).

⁵ See Revised Exh. No. BML-1 at 56.

should the Commission take with respect to the scope of the OHGW subprogram included in DEF's proposed 2026-2035 SPP?

PCS Phosphate: Agree with OPC.

DEF - C: What is the preclusive effect, if any, of the prior litigation in Docket No. 20220050-EI and resulting orders, Commission Order No. PSC-2022-0388-EI and *Citizens of the State of Fla. v. Fay*, 395 So. 3d 549 (Fla. 2024), on the OPC's right to challenge previously approved subprograms in this docket?

PCS Phosphate: Agree with OPC.

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. REQUEST FOR SEQUESTRATION OF WITNESSES

PCS Phosphate does not request the sequestration of witnesses at this time.

J. REQUIREMENTS OF ORDER ESTABLISHING PROCEDURE

There are no requirements of the Procedural Order with which PCS Phosphate cannot comply.

Respectfully submitted,

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Dated: April 28, 2025

CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing Prehearing Statement of White Springs Agricultural Chemicals, Inc. d/b/a PCS Phosphate – White Springs has been furnished by electronic mail and/or U.S. Mail this 28th day of April, 2025, to the following:

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