

FLORIDA PUBLIC SERVICE COMMISSION

SPECIAL COMMISSION CONFERENCE AGENDA

CONFERENCE DATE AND TIME: Tuesday, December 15, 2020, 9:30 a.m.

LOCATION: Betty Easley Conference Center, Joseph P. Cresse Hearing Room 148

DATE ISSUED: December 3, 2020

NOTICE

Conference agendas, staff recommendations, and vote sheets are available from the PSC website, <http://www.floridapsc.com>, by selecting *Conferences & Meeting Agendas* and *Commission Conferences of the FPSC*. Once filed, a verbatim transcript of the Commission Conference will be available from this page by selecting the conference date, or by selecting *Clerk's Office* and the Item's docket number (you can then advance to the *Docket Details* page and the Document Filings Index for that particular docket). If you have any questions, contact the Office of Commission Clerk at (850) 413-6770 or Clerk@psc.state.fl.us.

In accordance with the Americans with Disabilities Act, persons needing a special accommodation to participate at this proceeding should contact the Office of Commission Clerk no later than five days prior to the conference at 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, 1-800-955-8770 (Voice) or 1-800-955-8771 (TDD), Florida Relay Service. Assistive Listening Devices are available at the Office of Commission Clerk, Gerald L. Gunter Building, Room 152.

The Commission Conference has a live video broadcast the day of the conference, which is available from the PSC website. Upon completion of the conference, the archived video will be available from the website by selecting *Conferences & Meeting Agendas*, then *Audio and Video Event Coverage*.

ITEM NO.

CASE

1

Docket No. 20200001-EI – Fuel and purchased power cost recovery clause with generating performance incentive factor.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Fay

Staff: AFD: Higgins

ECO: Draper

ENG: Ellis, Wooten

GCL: Brownless

(Post-Hearing Decision - Participation is Limited to Commissioners and Staff)

Issue 1A: What action should be taken in response to Commission Order No. PSC-2020-0368-FOF-EI regarding the Bartow Unit 4 February 2017 outage?

Recommendation: DEF was granted a stay of Commission Order Nos. PSC-2020-0368-FOF-EI and PSC-2020-0368A-FOF-EI on December 1, 2020. Thus, staff recommends that no further action be taken until the appellate review process is concluded.

Issue 6: What are the appropriate actual benchmark levels for calendar year 2020 for gains on non-separated wholesale energy sales eligible for a shareholder incentive?

Recommendation: Staff recommends the Commission find the appropriate actual benchmark level of gains on non-separated energy sales eligible for a shareholder incentive in 2020 is \$1,602,141.

Issue 7: What are the appropriate estimated benchmark levels for calendar year 2021 for gains on non-separated wholesale energy sales eligible for a shareholder incentive?

Recommendation: Staff recommends the Commission find the appropriate estimated benchmark level of gains on economy sales eligible for a shareholder incentive in 2021 is \$1,682,538.

Issue 8: What are the appropriate final fuel adjustment true-up amounts for the period January 2019 through December 2019?

Recommendation: Staff recommends the appropriate final fuel adjustment true-up amount for the period January 2019 through December 2019 is an under-recovery of \$21,535,230, which was incorporated in DEF's mid-course fuel factors approved by Order No. PSC-2020-0154-PCO-EI.

Issue 9: What are the appropriate fuel adjustment actual/estimated true-up amounts for the period January 2020 through December 2020?

Recommendation: Staff recommends the actual/estimated fuel revenue true-up amount for the period January 2020 through December 2020 is an over-recovery of \$160,850,438.

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Issue 10: What are the appropriate total fuel adjustment true-up amounts to be collected/refunded from January 2021 through December 2021?

Recommendation: Staff recommends the appropriate total fuel adjustment true-up amount to be refunded from January 2021 through December 2021 is an over-recovery of \$61,083,424.

Issue 11: What are the appropriate projected total fuel and purchased power cost recovery amounts for the period January 2021 through December 2021?

Recommendation: Staff recommends the total projected fuel and purchased power costs for the period of January 2021 through December 2021 is \$1,279,043,741.

Issue 16: What is the appropriate GPIF reward or penalty for performance achieved during the period January 2019 through December 2019 for each investor-owned electric utility subject to the GPIF?

Recommendation: Staff recommends the appropriate GPIF reward applicable to DEF for the period January 2019 through December 2019 is \$4,407,712.

Issue 17: What should the GPIF targets/ranges be for the period January 2021 through December 2021 for each investor-owned electric utility subject to the GPIF?

Recommendation: Staff recommends the appropriate GPIF targets and ranges applicable to DEF for the period January 2021 through December 2021 are as listed in Table 17-1 of staff's memorandum dated December 3, 2020.

Issue 18: 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 2021 through December 2021?

Recommendation: Staff recommends the appropriate projected net fuel and purchased power costs and GPIF amount to be included in setting the recovery factor for the period January 2021 through December 2021 is \$1,223,244,961.

Issue 19: 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 2021 through December 2021?

Recommendation: Staff recommends that the appropriate revenue tax factor to be applied in calculating DEF's levelized fuel factor for the period of January 2021 through December 2021 is 1.00072.

Issue 20: What are the appropriate levelized fuel cost recovery factors for the period January 2021 through December 2021?

Recommendation: Staff recommends the appropriate levelized fuel and purchased power cost recovery factor needed to recover the projected cost of fuel and purchased power for the period of January 2021 through December 2021 is 3.090 cents per kWh.

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Issue 21: 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?

Recommendation: Staff recommends 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 for the period January 2021 through December 2021 are as listed in Table 21-1 of staff's memorandum dated December 3, 2020.

Issue 22: What are the appropriate fuel cost recovery factors for each rate class/delivery voltage level class adjusted for line losses?

Recommendation: Staff recommends the appropriate fuel cost recovery factors for each rate class/delivery voltage level class, adjusted for line losses, are as listed in Table 22-1 of staff's memorandum dated December 3, 2020.

Issue 23A: What is the appropriate net book value of retired Plant Crystal River South (Units 1 and 2) assets to be recovered over a one-year period as approved by Order No. PSC-2017-0451-AS-EU?

Recommendation: Staff recommends the appropriate net book value of the retired Crystal River South assets to be included in the 2021 capacity factors is \$80,592,431.

Issue 23B: 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?

Recommendation: Staff recommends the CR3 ISFSI-associated cost to be included for capacity clause recovery in 2021 is \$6,879,837.

Issue 23C: Should the Commission approve the Third Implementation Stipulation and, if approved, what is the amount of state corporate income tax savings that should be refunded to customers through the capacity clause in 2021?

Recommendation: Staff recommends the Commission approve the proposed Third Implementation Stipulation regarding the 2019 Florida State Corporate Income Tax reduction. Approving the proposed Third Implementation Stipulation results in a total refund to customers in the amount of \$8,379,918.

Issue 23D: What adjustment amounts should the Commission approve to be refunded through the capacity clause in 2021 for the Columbia SoBRA I project approved in Docket No. 20180149-EI and the DeBary, Lake Placid, and Trenton SoBRA II projects approved in Docket No. 20190072-EI?

Recommendation: Staff recommends the total credit amount associated with solar plants: Columbia, DeBary, Lake Placid, and Trenton, to be included in the 2021 capacity factors is \$1,023,015.

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Issue 27: What are the appropriate final capacity cost recovery true-up amounts for the period January 2019 through December 2019?

Recommendation: Staff recommends the appropriate final capacity cost recovery true-up amount for the period January 2019 through December 2019 is an under-recovery of \$797,779.

Issue 28: What are the appropriate capacity cost recovery actual/estimated true-up amounts for the period January 2020 through December 2020?

Recommendation: Staff recommends the appropriate capacity cost recovery actual/estimated true-up amount for the period January 2020 through December 2020 is an over-recovery of \$334,694.

Issue 29: What are the appropriate total capacity cost recovery true-up amounts to be collected/refunded during the period January 2021 through December 2021?

Recommendation: Staff recommends the appropriate total capacity cost recovery true-up amount to be collected during the period January 2021 through December 2021 is an under-recovery of \$463,084.

Issue 30: What are the appropriate projected total capacity cost recovery amounts for the period January 2021 through December 2021?

Recommendation: Staff recommends the appropriate projected total capacity cost amount for the period January 2021 through December 2021 is \$479,983,370.

Issue 31: What are the appropriate projected net purchased power capacity cost recovery amounts to be included in the recovery factor for the period January 2021 through December 2021?

Recommendation: Staff recommends the appropriate projected net purchased power capacity cost to be included in the cost recovery factor for the period of January 2021 through December 2021 is \$487,677,167.

Issue 32: What are the appropriate jurisdictional separation factors for capacity revenues and costs to be included in the recovery factor for the period January 2021 through December 2021?

Recommendation: Staff recommends the appropriate jurisdictional separation factors for capacity revenues and costs to be included in the 2021 recovery factor are as listed in Table 32-1 of staff's memorandum dated December 3, 2020.

Issue 33: What are the appropriate capacity cost recovery factors for the period January 2021 through December 2021?

Recommendation: Staff recommends the appropriate capacity cost recovery factors for the period January 2021 through December 2021 are as listed in Table 33-1 of staff's memorandum dated December 3, 2020.

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Issue 34: What should be the effective date of the fuel adjustment factors and capacity cost recovery factors for billing purposes?

Recommendation: Staff recommends the new fuel and capacity factors should be effective beginning with the first billing cycle for January 2021 through the last billing cycle for December 2021.

Issue 35: Should the Commission approve revised tariffs reflecting the fuel adjustment factors and capacity cost recovery factors determined to be appropriate in this proceeding?

Recommendation: Yes. Staff recommends the Commission approve revised tariffs reflecting the fuel adjustment factors and capacity cost recovery factors determined to be reasonable in this proceeding.

Issue 36: Should this docket be closed?

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