FPSC APPROVES

Accelerated Electric Bill Reductions

Customers of four investor-owned electric utilities saw a break on their bill, with the Florida Public Service Commission (FPSC) in April approving accelerated bill reductions for customers to assist with the economic effects of COVID-19.

> ***"With electric utilities experiencing lower fuel costs, it is the right time to accelerate these savings as bill reductions to help customers experiencing financial hardships as a result of COVID-19," said FPSC Chairman Gary Clark. "Together, we are navigating this unprecedented time, and I am pleased with all of Florida's investor-owned utilities' actions to assist customers and ensure reliable service continues."***

As a result of the Commission's approval, customers of Florida Power & Light Company (FPL), Duke Energy Florida, LLC (DEF), and Gulf Power Company (Gulf) received a one-time bill reduction in May to reflect over recovery of fuel and capacity cost recovery factors. Tampa Electric Company's (TECO) approved proposal will pass fuel-cost savings to customers from June through August, with smaller monthly savings through December.

The four utilities requested FPSC approval to reduce customer rates mainly to reflect lower projected natural gas prices. The approved adjustments will lower a monthly 1,000-kilowatt hour (kWh) residential bill as follows:

- ***FPL:*** A 1,000 kWh residential bill for May will be $73.36, a decrease of ***$23.07***.
- ***DEF:*** A 1,000 kWh residential bill for May will be $102.90, a decrease of ***$26.84***.
- ***Gulf:*** A 1,000 kWh residential bill for May will be $84.04, a decrease of ***$56.39***.
- ***TECO:*** A 1,000 kWh residential bill for June through August will be $78.82, a decrease of ***$23.37***; the same bill for September through December will be $97.69, a ***$4.50*** reduction from the current $102.19 monthly bill.

The fuel and capacity cost component of customers' bills is set for each calendar year, but mid-course corrections are used when a utility's costs increase or decrease significantly in the interim. Under Commission rules, a utility must notify the FPSC when it expects an under- or over-recovery greater than 10 percent, although lesser mid-course corrections are allowed, as in this case during the ongoing COVID-19 pandemic.

Current fuel factors for the utilities were set by the FPSC during the November 2019 cost recovery clause hearing.

CLICK HERE to view the FPSC's April 28 Commission Vote

Hosted by the Florida Channel - *ON THE LINE*