FILED 7/15/2020 DOCUMENT NO. 03777-2020 FPSC - COMMISSION CLERK



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: July 14, 2020

TO: Gary F. Clark, Chairman Art Graham, Commissioner Julie I. Brown, Commissioner Donald J. Polmann, Commissioner Andrew Giles Fay, Commissioner

FROM: Andrew L. Maurey, Director, Division of Accounting & Finance *ALM*

RE: Docket No. 20150171-EI (Petition for Issuance of Nuclear Asset-Recovery Financing Order by Duke Energy Florida) Response to June 26, 2020, Request by Duke Energy Florida for a Routine Asset Securitization Charge True-Up Adjustment Effective for the September 2020 billing cycle.

Pursuant to Order No. PSC-2015-0537-FOF-EI (Financing Order) and Section 4.01(b)(i) of the Nuclear Asset-Recovery Property Servicing Agreement (Servicing Agreement), Duke Energy Florida, LLC (DEF) as Servicer of the Nuclear Asset-Recovery Bonds, Series A ("Bonds"), and on behalf of the New York Mellon Trust Company, National Association (the "Trustee") under the Indenture between Duke Energy Florida Project Finance, LLC, (the "Issuer") and the assignee of the Issuer, hereby requests an adjustment to the nuclear asset-recovery charges. This adjustment is intended to satisfy the requirements of Section 366.95 Florida Statutes (Statute) and the Financing Order by ensuring the Nuclear Asset Recovery Charges will recover amounts sufficient to timely provide all payments of debt service and other required amounts and charges in connections with the Bonds during the upcoming Remittance Period.

Paragraph 29 of the Financing Order states: "After issuance of nuclear asset-recovery bonds, the servicer will submit such true-up adjustment filings in the form attached as an exhibit to the Servicing Agreement (a "True-Up Adjustment Letter"). The nuclear asset-recovery bonds were issued on June 22, 2016. DEF filed its semi-annual True-Up Adjustment Letter on December 23, 2019.

Paragraph 29 of the Financing Order describes how such True-Up Adjustment Letters are to be handled:

Consistent with Section 366.95(2)(c)4., Florida Statutes, our staff, upon the filing of a True-Up Adjustment Letter made pursuant to this Order, will either administratively approve the requested true-up calculation in writing or inform the servicer of any mathematical errors in its calculation as expeditiously as possible but no later than 60 days following the servicer's true-up filing . . . If no action is

taken within 60 days of the true-up filing, the true-up calculation shall be deemed approved. Upon administrative approval or the passage of 60 days without notification of a mathematical error, no further action of this Commission will be required prior to implementation of the true-up.

DEF's True-Up Adjustment Letter dated June 26, 2020, and its 21 pages of supporting schedules were reviewed by staff and no mathematical errors were found.

Attached is DEF's Ninetieth Revised Sheet No. 6.105 in legislative format. The Asset Securitization Charge for the residential class will increase from \$2.35 to \$2.51 per 1,000 kWh. For the residential customer using 1,000 kWh, the residential bill will increase from \$130.09 to \$130.26 (including gross receipts tax).

Per DEF's request in its True-Up Adjustment Letter dated June 26, 2020 and in accordance with the Financing Order and Servicing Agreement, the proposed adjustments to the Nuclear Asset Recovery Charges will be effective for the September 2020 billing cycle. Staff is preparing the required approval letter for the new tariff sheets.

ALM/drb

cc Braulio Baez Keith Hetrick Mark Futrell Cheryl Bulecza-Banks Mark Cicchetti Adam Teitzman Mary Anne Helton Elisabeth Draper J.R. Kelly, Office of Public Counsel Dianne M. Triplett, Duke Energy Florida

Attachments

Attachment 1

COST RECOVERY FACTORS Rate Schedule/Metering Level Fuel Cost Recovery ⁽¹⁾ ECCR ⁽¹⁾ CCR ⁽²⁾ ECRC ⁽⁴⁾ ASC ⁽⁵⁾ RS-1, RSI-1, RSI-1, RS-1, RSI-1, RSI-1, S-1000 4.308 2.921 0.339 - 1.200 - 0.079 2.221 SSI-2, RSS-1 (Sec.) 4.308 2.921 0.327 - 1.147 - 0.079 2.220 Secondary 3.350 4.308 2.921 0.327 - 1.147 - 0.079 2.220 Primary 3.317 4.266 2.892 0.324 - 1.136 - 0.078 2.420 GS-1, GSD-1, GSD-1, SS-1 - - 0.2260 - 0.690 - 0.075 1.437 Secondary 3.350 - - 0.226 - 0.690 - 0.075 1.436 GSD-1, GSD-1, SS-1 - - 0.226 - 0.690 - 0.752 1.436 Primary 3.350 4.308					HEDULE B					Pa	age 1 of
Rate Level Fuel Cost Recovery ¹⁰ ECCR ¹⁰ CCR ¹⁰ ECRC ¹⁰ ASC ¹⁰ Rs1, RS1, RS1, RS1, S1, RS1, RS1, RS1, < 1000 4.308 2.921 0.339 - 1.200 - 0.079 2211 SS1, RS1, RS1, RS1, < 1000 4.067 - 0.339 - 1.200 - 0.079 2211 Secondary 3.350 4.308 2.921 0.327 - 1.147 - 0.079 2220 Primary 3.317 4.266 2.892 0.324 - 1.147 - 0.079 2251 Secondary 3.350 - - 0.226 - 1.147 - 0.075 2452 GSD-1, GSDT-1, SS - - 0.226 - 0.690 - 0.075 2452 GSD-1, GSDT-1, GSD - - 0.226 - 0.690 - 0.076 44560 GSD-1, GSDT-1, GSD - - 1.08 - 3.56 0.076 14560 </th <th>plicable:</th> <th></th> <th></th> <th>BILLING</th> <th>ADJUSTME</th> <th>NIS</th> <th></th> <th></th> <th></th> <th></th> <th></th>	plicable:			BILLING	ADJUSTME	NIS					
Rate Level Fuel Cost Recovery ¹⁰ ECCR ¹⁰ CCR ¹⁰ ECRC ¹⁰ ASC ¹⁰ Rs1, RS1, RS1, RS1, S1, RS1, RS1, RS1, < 1000 4.308 2.921 0.339 - 1.200 - 0.079 2211 SS1, RS1, RS1, RS1, < 1000 4.067 - 0.339 - 1.200 - 0.079 2211 Secondary 3.350 4.308 2.921 0.327 - 1.147 - 0.079 2220 Primary 3.317 4.266 2.892 0.324 - 1.147 - 0.079 2251 Secondary 3.350 - - 0.226 - 1.147 - 0.075 2452 GSD-1, GSDT-1, SS - - 0.226 - 0.690 - 0.075 2452 GSD-1, GSDT-1, GSD - - 0.226 - 0.690 - 0.076 44560 GSD-1, GSDT-1, GSD - - 1.08 - 3.56 0.076 14560 </th <th>the Rate Per Month pro</th> <th>vision in each</th> <th>of the Compar</th> <th>ry's filed rate s</th> <th>chedules w</th> <th>hich refere</th> <th>nce the bill</th> <th>ing adjus</th> <th>tments set f</th> <th>orth below.</th> <th></th>	the Rate Per Month pro	vision in each	of the Compar	ry's filed rate s	chedules w	hich refere	nce the bill	ing adjus	tments set f	orth below.	
				COST REC	OVERY FA	CTORS					
Schedule/Metering Level Levelized c/kWh On-Peak c/kWh Off-Peak c/kWh c/kWh <th rowspan="2">Schedule/Metering</th> <th colspan="4">Fuel Cost Recovery(1)</th> <th>R⁽²⁾</th> <th>CCF</th> <th>S(3)</th> <th>ECRC⁽⁴⁾</th> <th>ASC⁽⁵⁾</th> <th>SCRS</th>	Schedule/Metering	Fuel Cost Recovery(1)				R ⁽²⁾	CCF	S (3)	ECRC ⁽⁴⁾	ASC ⁽⁵⁾	SCRS
RSL-2, RSS-1 (Sec.) > 1000 3.067 4.067 3.067 2.52 0.030 1 1.120 1 0.073 251 Secondary 3.350 4.308 2.921 0.327 - 1.147 - 0.079 252 252 252 Primary 3.317 4.266 2.892 0.324 - 1.136 - 0.078 249 249 249 Transmission 3.283 4.222 2.863 0.320 - 1.124 - 0.076 249 249 GS-1 (GSD-1, GSD-1, SS- 1* 3.350 - - 0.226 - 0.690 - 0.076 1.189 Primary 3.317 4.266 2.892 - 1.08 - 3.56 0.075 1.189 Primary 3.317 4.266 2.892 - 1.08 - 3.56 0.075 1.189 CS1, CST, CS-2, CS-3, CST-3, SS-3* - - 0.46 - 1.38 0.072 1.33 Secondary 3.350 4.308 2.921 - 0.46 - 1.37 0.071 1.32					¢/ kWh	\$/ kW	¢/ kWh	\$/ kW	¢/ kWh		¢/ kV
> 1000 4.067 Image: constant of the secondary 0.067 Image: constant of the secondary 0.067 0.079 0.2220 Primary 3.350 4.308 2.921 0.327 Image: constant of the secondary 0.079 0.2220 Primary 3.317 4.268 2.892 0.324 Image: constant of the secondary 0.078 0.2290 Transmission 3.283 4.222 2.863 0.320 Image: constant of the secondary 0.077 0.2490 GSD-1, GSDT-1, GSD 3.350 Image: constant of the secondary 3.350 Image: constant of the secondary 0.326 Image: constant of the secondary 0.077 1151 GSD-1, GSDT-1, GSD Image: constant of the secondary 3.350 4.308 2.921 Image: constant of the secondary 0.075 1151 GSD-1, GSDT-1, GSD: for the secondary 3.350 4.308 2.921 Image: constant of the secondary 3.60 0.076 1188 Primary 3.317 4.266 2.892 Image: constant of the secondary 3.53 0.071 133	RSL-2, RSS-1 (Sec.)	3 067	4.308	2.921	0.339	•	1.200	199	0.079	0.235 <u>0.</u> 251	0.53
Secondary 3.350 4.308 2.921 0.327 - 1.147 - 0.079 $\frac{0.220}{252}$ Primary 3.317 4.266 2.892 0.324 - 1.136 - 0.078 $\frac{0.220}{252}$ Transmission 3.283 4.222 2.863 0.320 - 1.124 - 0.077 $\frac{0.220}{242}$ GS-2 (Sec.) 3.350 - - 0.226 - 0.690 - 0.075 $\frac{115}{151}$ GSD-1, GSD-1, SS- 1* - - 0.226 - 0.690 - 0.075 $\frac{115}{151}$ Secondary 3.350 4.308 2.921 - 1.09 - 3.60 0.076 $\frac{0.4720}{1.420}$ Primary 3.317 4.266 2.892 - 1.08 - 3.50 0.474 $\frac{1147}{1.426}$ 0.46 - 1.38 0.072 $\frac{1172}{1.426}$ CS-1, CS-1, CS-2, CS-3, CS-3, CS-3, CS-3, SS-3* - 0.46 - 1.36 <t< td=""><td></td><td>100017-00027-0</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></t<>		100017-00027-0									
Secondary 3.300 4.308 2.921 0.327 - 1.147 - 0.079 2250 Primary 3.317 4.266 2.892 0.324 - 1.136 - 0.078 2250 Transmission 3.283 4.222 2.863 0.320 - 1.124 - 0.075 247 GS-2 (Sec.) 3.350 - - 0.226 - 0.690 - 0.075 0.4380 GSD-1, GSDT-1, SS - - 0.226 - 0.690 - 0.075 0.4480 Primary 3.350 4.308 2.921 - 1.09 - 3.60 0.076 0.4480 Primary 3.317 4.266 2.892 - 1.08 - 3.56 0.074 194 CS-1, CS-1, CS-2, CS-3, CST-3, SS-3' - - - 0.46 - 1.38 0.072 0.44200 Primary 3.317 4.266 2.892 -	GS-1, GST-1			57111 SA4711			(2) 20 20 20 20 20			0.2220	
Finally 3.50 4.203 2.032 0.034 F 1.100 F 0.070 249 (247) (247) GS-2 (Sec.) 3.350 - - 0.226 - 0.690 - 0.075 4.1360 (247) GS-2 (Sec.) 3.350 - - 0.226 - 0.690 - 0.075 4.1360 (247) GSD-1, GSDT-1, SS 1* - 0.216 - 1.09 - 3.60 0.076 4.1360 (198) Primary 3.317 4.266 2.892 - 1.08 - 3.56 0.075 196 (4.1720) Transmission 3.283 4.222 2.863 - 1.07 - 3.53 0.071 196 (4.1720) CS-1, CST-1, CS-2, CS-3, CST-3, SS-3* - - 0.46 - 1.38 0.072 133 (4.1490) Primary 3.317 4.266 2.892 - 0.46 - 1.35 0.071 132 (133) IS-1, IST-1, IS-2, IST- 2, SS-2* - - 0.45 - 1.35 0.071 132 (132) IS-1, IST-1,	Secondary	3.350	4.308	2.921	0.327	•	1.147		0.079	252	0.44
Transmission 3.283 4.222 2.863 0.320 . 1.124 . 0.077 22490 22480 24450 GS-2 (Sec.) 3.350 0.226 0.690 0.075 14450 GSD-1, GSDT-1, SS	Primary	3.317	4.266	2.892	0.324		1.136	9	0.078		0.44
GSD (dec.) S.50 P GSD (dec.)	Transmission	3.283	4.222	2.863	0.320	340	1.124		0.077	0.2180. 247	0.43
GSD-1, GSD-1, GS- 1* 3.350 4.308 2.921 - 1.09 - 3.60 0.076 198 0.1730 Primary 3.317 4.266 2.892 - 1.08 - 3.60 0.076 198 0.4730 Transmission 3.283 4.222 2.863 - 1.07 - 3.53 0.074 194 CS-1, CS-2, CS-3, CST-3, SS-3* Secondary 3.350 4.308 2.921 - 0.46 - 1.38 0.072 134 Primary 3.317 4.266 2.892 - 0.46 - 1.38 0.072 133 Secondary 3.350 4.308 2.921 - 0.46 - 1.37 0.071 132 Transmission 3.283 4.222 2.863 - 0.45 - 1.35 0.071 132 IS-1, IST-1, IS-2, IST- 2, SS-2* Secondary 3.350 4.308 2.921 - 0.95 - 3.00 0.073 187	GS-2 (Sec.)	3.350	190	8	0.226		0.690		0.075	0.1350. 151	0.20
Secondary 3.350 4.308 2.921 - 1.09 - 3.60 0.076 198 198 Primary 3.317 4.266 2.892 - 1.08 - 3.56 0.075 198 0.1750 Transmission 3.283 4.222 2.863 - 1.07 - 3.53 0.074 194 CS-1, CST-1, CS-2, CST-2, CS-3, CST-3, SS-3* - 1.07 - 3.53 0.072 0.1290 Secondary 3.350 4.308 2.921 - 0.46 - 1.38 0.072 0.133 Primary 3.317 4.266 2.892 - 0.46 - 1.35 0.071 132 Transmission 3.283 4.222 2.863 - 0.45 - 1.35 0.071 130 IS-1, IST-1, IS-2, IST- 2, SS-2* - 2.862 - 0.95 - 3.00 0.072 165 Secondary 3.317 4.266 2.892 -											
Primary 3.317 4.266 2.892 - 1.08 - 3.56 0.075 199 194 Transmission 3.283 4.222 2.863 - 1.07 - 3.53 0.074 194 CS-1, CST-1, CS-2, CST-2, CS-3, CST-3, SS-3* - 1.07 - 3.53 0.074 194 CS-1, CST-1, CS-2, CST-2, CS-3, CST-3, SS-3* - 1.08 - 1.38 0.072 0.1290, 133 Secondary 3.350 4.308 2.921 - 0.46 - 1.38 0.071 0.1490, 132 Transmission 3.283 4.222 2.863 - 0.45 - 1.35 0.071 0.1490, 130 IS-1, IST-1, IS-2, IST- 2, SS-2* - - 0.45 - 1.35 0.071 0.1490, 167 Secondary 3.350 4.308 2.921 - 0.95 - 3.00 0.072 0.1490, 167 Primary 3.317 4.266 2.892 - 0.94 -		3.350	4.308	2.921	6	1.09	÷	3.60	0.076		0.32
Transmission 3.283 4.222 2.863 - 1.07 - 3.53 0.074 1220 184 CS-1, CST-1, CS-2, CST-2, CS-3, CST-3, SS-3* .<	Primary	3.317	4.266	2.892		1.08		3.56	0.075	0.1730.	0.31
CS-1, CST-1, CS-2, CST-3, SS-3* 3.350 4.308 2.921 - 0.46 - 1.38 0.072 133 0.1130 Primary 3.317 4.266 2.892 - 0.46 - 1.37 0.071 133 0.11400, 132 Transmission 3.283 4.222 2.863 - 0.45 - 1.35 0.071 132 IS-1, IST-1, IS-2, IST- 2, SS-2* - 0.45 - 1.35 0.071 130 Primary 3.317 4.266 2.892 - 0.45 - 1.35 0.071 132 Secondary 3.350 4.308 2.921 - 0.45 - 1.35 0.071 130 IS-1, IST-1, IS-2, IST- 2, SS-2* - - 0.95 - 3.00 0.073 167 Primary 3.317 4.266 2.892 - 0.94 - 2.97 0.072 165 Transmission 3.283 4.222 2.863 - 0.93 - 2.94 0.072 164 LS-1 (Sec.) 3.181 <td< td=""><td>Transmission</td><td>3.283</td><td>4.222</td><td>2.863</td><td></td><td>1.07</td><td></td><td>3.53</td><td>0.074</td><td>0.1720.</td><td>0.31</td></td<>	Transmission	3.283	4.222	2.863		1.07		3.53	0.074	0.1720.	0.31
Secondary 3.330 4.308 2.921 - 0.48 - 1.38 0.072 133 0.1190 Primary 3.317 4.266 2.892 - 0.46 - 1.37 0.071 132 0.1192 Transmission 3.283 4.222 2.863 - 0.45 - 1.35 0.071 132 0.1180 IS-1, IST-1, IS-2, IST- 2, SS-2* - 2.863 - 0.45 - 1.35 0.071 132 0.1180 Primary 3.350 4.308 2.921 - 0.95 - 3.00 0.073 167 0.1430 Primary 3.317 4.266 2.892 - 0.94 - 2.97 0.072 165 0.1430 Transmission 3.283 4.222 2.863 - 0.93 - 2.94 0.072 165 0.1440 LS-1 (Sec.) 3.181 - - 0.103 - 0.147 - 0.070 032 *Secondary - -	CST-2, CS-3, CST-3,										
Primary 3.317 4.266 2.892 - 0.46 - 1.37 0.071 0.1490 132 Transmission 3.283 4.222 2.863 - 0.45 - 1.35 0.071 132 IS-1, IS-2, IST- 2, SS-2* - 0.45 - 1.35 0.071 130 Secondary 3.350 4.308 2.921 - 0.95 - 3.00 0.072 1670 Primary 3.317 4.266 2.892 - 0.94 - 2.97 0.072 1670 Transmission 3.283 4.222 2.863 - 0.93 - 2.94 0.072 165 Transmission 3.283 4.222 2.863 - 0.93 - 2.94 0.072 164 LS-1 (Sec.) 3.181 - - 0.103 - 0.147 - 0.070 0322 *Secondary - - - 0.106 - 0.346	Secondary	3.350	4.308	2.921	18	0.46	-	1.38	0.072	0.1200. 133	0.51
Transmission 3.283 4.222 2.863 - 0.45 - 1.35 0.071 0.1480_130 IS-1, IST-1, IS-2, IST- 2, SS-2* 2, SS-2* - 0.95 - 3.00 0.073 0.1480_130 Secondary 3.350 4.308 2.921 - 0.95 - 3.00 0.073 0.1440_180_180 Primary 3.317 4.266 2.892 - 0.94 - 2.97 0.072 0.1430_185 Transmission 3.283 4.222 2.863 - 0.93 - 2.94 0.072 0.1430_185 LS-1 (Sec.) 3.181 - - 0.103 - 0.147 - 0.070 0.2270_1032 *SS-1, SS-2, SS-3 Monthly - - - 0.106 - 0.349 - - Secondary - - - 0.105 - 0.346 - -	Primary	3.317	4.266	2.892	100	0.46	×	1.37	0.071	0.1190.	0.51
IS-1, IST-1, IS-2, IST-2, SS-2* 3.350 4.308 2.921 - 0.95 - 3.00 0.073 0.1440, 167 Primary 3.317 4.266 2.892 - 0.94 - 2.97 0.072 0.1430, 165 Transmission 3.283 4.222 2.863 - 0.93 - 2.94 0.072 0.1430, 165 LS-1 (Sec.) 3.181 - - 0.103 - 0.147 - 0.070 0.0270, 032 *SS-1, SS-2, SS-3 Monthly - - - 0.106 - 0.349 - - Primary - - - 0.105 - 0.346 - -	Transmission	3.283	4.222	2.863	- 4	0.45	-	1.35	0.071	0.1180.	0.50
Secondary 3.350 4.308 2.921 - 0.95 - 3.00 0.073 167 Primary 3.317 4.266 2.892 - 0.94 - 2.97 0.072 167 Transmission 3.283 4.222 2.863 - 0.93 - 2.94 0.072 164 LS-1 (Sec.) 3.181 - - 0.103 - 0.147 - 0.070 00270 *SS-1, SS-2, SS-3 - - 0.106 - 0.349 - - Primary - - - 0.106 - 0.349 - -											
Primary 3.317 4.266 2.892 - 0.94 - 2.97 0.072 0.1430_1 165 Transmission 3.283 4.222 2.863 - 0.93 - 2.94 0.072 0.165 LS-1 (Sec.) 3.181 - - 0.103 - 0.147 - 0.070 0.0270_0 032 *SS-1, SS-2, SS-3 Monthly Secondary - - - 0.106 - 0.349 - - Primary - - - 0.105 - 0.346 - -	Secondary	3.350	4.308	2.921		0.95	-	3.00	0.073		0.19
Transmission 3.283 4.222 2.863 - 0.93 - 2.94 0.072 0.1410_184 LS-1 (Sec.) 3.181 - - 0.103 - 0.147 - 0.070 0.0270_032 *SS-1, SS-2, SS-3 Monthly Secondary - - - 0.106 - 0.349 - - Primary - - - 0.106 - 0.346 - -	Primary	3.317	4.266	2.892	15	0.94	~	2.97	0.072	0.143 <u>0.</u>	0.19
LS-1 (Sec.) 3.181 - 0.103 - 0.147 - 0.070 0.0270. *SS-1, SS-2, SS-3 Monthly Secondary 0.106 - 0.349 Primary 0.105 - 0.346	Transmission	3.283	4.222	2.863	125	0.93	<u>.</u>	2.94	0.072	0.1410.	0.19
*SS-1, SS-2, SS-3 Monthly Secondary 0.106 - 0.349 Primary 0.105 - 0.346	LS-1 (Sec.)	3.181	526		0.103	- 142	0.147	-	0.070	0.0270.	0.37
Secondary - - - 0.106 - 0.349 - - Primary - - - 0.105 - 0.346 - -											
	Secondary	<i></i>	3.70	-	10	1000103-06	100	1.11.11.11.11.11.11.11.11.11.11.11.11.1	352	100	
	Transmission	с. ж	-			0.105 0.104	-	0.346 0.342	1997 1992	(*) (*)	
Daily Secondary 0.050 - 0.166			-		-	0.050		0.166	-	-	
Primary 0.050 - 0.164		1	-	-	1	10000000000	-	140-00000000000		-	

(1) Fuel Cost Recovery Factor: The Fuel Cost Recovery Factors applicable to the Fuel Charge under the Company's various rate schedules are normally determined annually by the Florida Public Service Commission for the billing months of January through December. These factors are designed to recover the costs of fuel and purchased power (other than capacity payments) incurred by the Company to provide electric service to its customers and are

ISSUED BY: Javier J. Portuondo, Vice President, Rates & Regulatory Strategy - FL

L EFFECTIVE: June 1, 2020September 1, 2020

