

Lisa Smith

From: Betty Leland
Sent: Monday, January 24, 2022 9:31 AM
To: Commissioner Correspondence
Subject: Letter from Charles Landrum re Duke Minimum Bill Charge
Attachments: Letter from Charles Landrum re DUKE.pdf

Good Morning:

Please place this email in Docket #20210016.

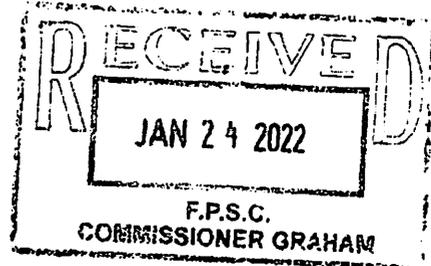
Thanks.

*Betty Leland, Executive Assistant to
Commissioner Art Graham
Florida Public Service Commission
bleland@psc.state.fl.us
(850) 413-6024*

Charles T. Landrum
5034 Sander Street
The Villages, Florida 32163-5572
352-494-7525

January 13, 2022

Mr. Richard Gentry, esq.
Office of Public Counsel ("OPC")
111 West Madison Street, Room 812
Tallahassee, Florida 32399-1400



Commissioner Gabriella Passidomo
Commissioner Gary F. Clark
Commissioner Andrew Giles Fay
Commissioner Art Graham
Commissioner Mike La Rosa
Florida Public Service Commission ("FPSC")
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Re: Order No. PSC-2021-0202-AS-EI, issued on June 4, 2021, in Docket No. 20210016-EI, and effective on January 1, 2022

Dear Mr. Gentry and Commissioners Passidomo, Clark, Fay, Graham and La Rosa,

Upon filing a complaint (#185392) with the Florida Public Service Commission, I received the attached timely email response regarding the application of a "Minimum Bill Charge" to residential and small commercial customers effective on January 1, 2022. While I appreciate to information that was provided and that the FPSC is looking at the "big picture", I would offer the following comments and request that these comments be added to the protest to the Duke's Rate Case, docket 20210016. I would further request that in light of the following comments, a representative of the OPC examine the testimony in the rate case to determine if any information provided as justification of the requested "minimum bill charge" rate increase was misrepresented by Duke Energy representatives, or others. Finally, if the OPC finds that testimony was misrepresented, I would request that the OPC move to have the settlement agreement voided as a matter of law in order that the subject "minimum bill charge" rate increase be refunded to affected Duke Energy customers.

The facts as I see them are:

- 1) For a number of years now, as a consequence of global climate change, energy consumers have been encouraged societally and by various levels of government to invest in the use of naturally occurring renewable sources of energy such as solar power.

- 2) In June of 2021, the undersigned complainant invested approximately \$23,000 in a roof top solar electric energy system designed to entirely offset consumption of electric power from Duke Energy, hereinafter referred to as "net metering". I was able to achieve this goal in the months of June, October, November and December of 2021 resulting in billable electric charges of less than \$30.
- 3) The \$30 minimum bill charge specifically impacts and targets Duke Energy customers who have invested, at their own expense, in individual solar electric technology resulting in net metering.
- 4) No other active Duke Energy customer could possibly be impacted by the application of the \$30 minimum bill charge. Based on current total electric rates of approximately 11.829 cents per kWh, consumption of only 254 kWh in one month would generate a bill in excess of \$30. The average home in central Florida consumes an average of 550 kWh in the winter months and in excess of 1,000 kWh during the summer months so no "normal" non-solar residential or small commercial customer could be impacted by application of the \$30 minimum bill charge.
- 5) The \$30 minimum bill charge represents a "rate" increase of over 240% by Duke Energy for net metering solar customers who would only normally pay a "Customer Charge" of \$12.45 for their electrical service.
- 6) The stated purpose of the minimum bill charge is to "...cover expenses necessary to maintain infrastructure and provide reliable, safe and cleaner energy to customers."

Based on these facts, I see the following logical conclusions:

- 7) The application of the minimum bill amount is patently and probably unlawfully discriminatory as it impacts only a specific targeted class of Duke Energy customers.
- 8) There is no conceivable scenario that would support the idea that Duke Energy was not fully aware of the specific customers whom would be impacted by application of the minimum bill amount.
- 9) Duke Energy customers who invest in net metering solar electric systems do so at their own expense. The only expense incurred by Duke Energy is the cost of labor and material to exchange a standard electric meter for a net metering meter.
- 10) Duke Energy customers who do not invest in solar electric systems would never be forced to pay a minimum bill amount because even minimum electric consumption would cause their bill to be over \$30.
- 11) Now that a minimum bill amount targeting net metering solar energy customers has been established, Duke Energy will steadily increase this minimum bill amount in subsequent rate cases before the FPSC.

12)Application of the minimum bill amount in this and subsequent rate cases will have a detrimental impact on the willingness of consumers to invest their own resources in naturally occurring renewable sources of energy such as solar power.

Based on these logical conclusions, I have the following questions related to Docket 20210016-EI and subsequent rate cases:

13)In their impact statement, did Duke Energy disclose or explain that the application of the minimum bill amount would specifically, singularly and in a discriminatory manner target residential and small commercial customers who have invested in net metering solar electric systems?

14)Did Duke Energy disclose in their impact statement that impacted customers would suffer as much as a 240% electric bill "rate" increase?

15)Is a 240% electric bill rate increase legal under the laws of the State of Florida?

16)Now that a minimum bill amount targeting net metering solar energy customers has been established, what will prevent Duke Energy from steadily increasing this minimum bill amount in subsequent rate cases before the FPSC?

17)Does Duke Energy oppose or have disdain for their customers who invest in the use of naturally occurring renewable sources of energy such as solar power?

18)How does approval of the settlement agreement in this case by the FPSC not demonstrate a willingness by the FPSC to unfairly and unlawfully discriminate against a specific targeted group of Duke Energy customers, regardless of the size of the group?

19)What justification is there for a consumer to benefit from this settlement agreement, who decides not to invest in naturally occurring renewable sources of energy such as solar power?

20)Why should a net metering solar electric customer who uses much less infrastructure and energy pay a higher rate than a customer who uses much more infrastructure and energy?

Respectfully submitted,

Charles T. Landrum

Charles T. Landrum

From: Contact@PSC.STATE.FL.US,
To: chasgatr@aol.com,
Subject: RE: Duke Energy
Date: Thu, Jan 13, 2022 11:31 am

01/13/2022

Dear Mr. Landrum:

This email is in response to your recent inquiry to the Florida Public Service Commission (FPSC) regarding Duke Energy and the minimum bill charge.

The Florida Public Service Commission approved Duke Energy Florida's (Duke) general base rate settlement agreement in Order No. PSC-2021-0202-AS-EI, issued on June 4, 2021, in Docket No. 20210016-EI, and effective on January 1, 2022. The settlement agreement was entered into by Duke and various parties representing consumers, including the Office of the Public Counsel (OPC) who advocates on behalf of Florida consumers. The settlement agreement includes numerous provisions with regards to Duke's base rates through the end of 2024. The agreement also contains a provision that will raise the minimum bill charge to \$30 for all residential and small commercial customers.

The minimum monthly bill does not replace the existing customer charge; instead, Duke will only charge the minimum bill when a customer's total monthly bill does not exceed \$30, excluding any taxes, other additional charges, or off-peak electric vehicle charging credits.

Duke explained that the minimum bill provision was included in the settlement agreement to ensure that all residential and small commercial customers contribute towards the fixed costs of maintaining the electric system, costs which exist as a result of serving even limited amounts of energy to customers. The Commission approved the settlement agreement as being in the public interest when taken as a whole, and providing a comprehensive and balanced resolution to Duke's original petition for a base rate increase that provides rate stability for Duke's customers.

We have added your concerns to our files as a protest to the Duke's Rate Case, docket 20210016. We have forwarded your concerns to Duke Energy and requested that a representative contact you.

Thank you for contacting the Florida Public Service Commission.

Sincerely,

Angela L. Calhoun
Regulatory Program Administrator
Office of Consumer Assistance & Outreach

Note: Florida has a very broad public records law. Most written communications to or from state officials regarding state business are considered to be public records and will be made available to the public and the media upon request. Therefore, your e-mail message may be subject to public disclosure.

-----Original Message-----

From: consumerComplaint@psc.state.fl.us <consumerComplaint@psc.state.fl.us>
Sent: Thursday, January 13, 2022 10:11 AM
To: Consumer Contact <Contact@PSC.STATE.FL.US>
Subject: E-Form Improper Billing TRACKING NUMBER: 185392

CUSTOMER INFORMATION

Name: Charles Landrum
Telephone: (352) 494-7525
Email: chasgatr@aol.com
Address: 5034 SANDER ST THE VILLAGES FL 32163

BUSINESS INFORMATION

Business Account Name: Charles T Landrum and Beth T Landrum Account Number: 910070609879
Address: 5034 SANDER ST THE VILLAGES FL 32163

COMPLAINT INFORMATION

Complaint: Improper Billing against Duke Energy Florida, LLC d/b/a Duke Energy

Details:

I have a solar electric system on my rooftop and I have net metering with Duke Energy. Most months I have produced more solar energy so I have been paying the minimum charge of a little less than \$13 plus tax. In my last bill, Duke Energy added a new charge called "Minimum Bill Adjustment" that is now set up to charge a minimum of \$30 plus tax per month. This new charge represents a 241% increase in my monthly cost, which I believe is illegal and improper as I never received any previous notice (or opportunity) to object to these charges. Finally, I filed an online complaint on Monday January 10 regarding this matter and I selected the option to send the complaint directly to Duke Energy. As of Thursday January 13, I have never been contacted by Duke Energy.