CORRESPONDENCE 2/2/2023 DOCUMENT NO. 00824-2023

Antonia Hover

From: Ellen Plendl

Sent: Thursday, February 2, 2023 2:47 PM

To: Consumer Correspondence **Subject:** Docket No. 20230001

Attachments: Consumer Inquiry - Duke Energy Florida; FW Duke Energy monopolizing and taking

advantage of Pinellas County customers

See attached customer correspondence and reply for Docket No. 20230001.

Antonia Hover

From:

Ellen Plendl

Sent:

Thursday, February 2, 2023 2:45 PM

To:

'kellie@dunedinfamilydentistry.com'

Cc:

Shonna McCray

Subject:

Consumer Inquiry - Duke Energy Florida

Ms. Kellie Johnston

kellie@dunedinfamilydentistry.com

RE: FPSC Inquiry 1415017C

Dear Ms. Johnston:

The Governor's office forwarded a copy of your email including concern about Duke Energy Florida (DEF) to the Florida Public Service Commission (FPSC). The FPSC regulates investor-owned electric, and natural gas utilities throughout the state, and investor-owned water and wastewater utilities in those counties which have opted to transfer jurisdiction to the FPSC. The FPSC has authority in the telephone industry which is limited to the Lifeline Assistance Program, Florida Relay Service, and pay telephone service. We appreciate the opportunity to respond directly to you.

You expressed a concern about recent rate increases, including the fuel charge. The fuel charge recovers the actual cost to secure and process the fuel necessary to generate electricity. Fuel rates mirror rising and falling fuel costs as reflected in the international marketplace. Any revenue generated by the fuel charge pays fuel suppliers and transporters; utilities are not allowed to earn a profit on fuel costs. On your bill, fuel appears as a separate cents per kilowatt-hour charge.

Each year, utilities file their projected fuel costs for the upcoming calendar year. The FPSC, along with the Office of Public Counsel and other consumer representatives, closely examine the utilities' requested fuel costs. Public hearings are held to set the annual fuel factors. Since rates are set on projected costs, at the end of the year, the costs are "trued-up" or compared to the audited actual expenses incurred by the utility. Any over or under recovery from the utility's actual costs will be reflected in next year's costs. The fuel cost adjustment is recognized by state commissions, the Federal Energy Regulatory Commission, and is also used by most municipal electric utilities and rural electric cooperatives.

On December 6, 2022, the FPSC set the 2023 fuel charge for the customers of DEF after carefully considering testimony and evidence on its projected costs at a public hearing for bills dated on or after January 1, 2023.

Natural gas prices and resulting costs experienced in 2022 exceeded the revenues collected from customers and resulted in a significant under recovery.

DEF has filed a petition for a mid-course correction for fuel charges. Mid-course corrections are used by the Commission between annual fuel clause hearings whenever costs deviate from revenue by a significant margin. Cost recovery factors are usually effective for a period of 12 months. However, we require that if an investor-owned electric company's fuel or capacity cost recovery position is projected to exceed a specified range within the standard 12-month timeframe, then a filing and analysis into the continued reasonableness of the prevailing cost recovery factors must be performed. This requirement is codified by Rule 25- 6.0424, Florida Administrative Code (F.A.C.), and is commonly referred to as the "mid-course correction rule."

(Over or under collection is a credit or debit to the amount to be collected the next period (year). The total fuel factor may go up or down regardless of whether there was an over or under collection in the prior period.)

Thank you for your comments. They will be added to the correspondence filed in the Fuel Cost Recovery Clause Docket No. 20230001-EI. If you have any questions or concerns please contact me at 1-800-342-3552 or by fax at 1-800-511-0809.

Sincerely,

Ellen Plendl
Regulatory Consultant
Florida Public Service Commission
Office of Consumer Assistance & Outreach
1-800-342-3552 (phone)
1-800-511-0809 (fax)

Antonia Hover

From: Governor's Office of Citizen Services <EOGCitizenServices@eog.myflorida.com>

Sent: Thursday, February 2, 2023 11:26 AM

To: EOG-Referral

Subject: FW: Duke Energy monopolizing and taking advantage of Pinellas County customers

Attachments: Duke-Energy-Dec-bill1.pdf; Duke-energy-Jan-bill1.pdf

Please find attached email received by the Governor's Office of Citizen Services. This email is forwarded to your office for review and any response or action appropriate.

Thank you.

Sincerely,

Martha Lynn
Office of Citizen Services
Executive Office of the Governor

From: Kellie Johnston < kellie@dunedinfamilydentistry.com >

Sent: Thursday, February 2, 2023 8:08 AM To: GovernorRon.DeSantis@eog.myflorida.com

Subject: Duke Energy monopolizing and taking advantage of Pinellas County customers

Constituent message:

1. Name

Kellie Johnston

2. Email Address

kellie@dunedinfamilydentistry.com

3. **Phone Number** 7277874746

4. Subject

Duke Energy monopolizing and taking advantage of Pinellas County customers

Message

Hello Governor DeSantis. I write to you in concern of the drastically increasing electric costs for those of Pinellas County. In December the business I work for used 3,967 kWh of electricity (daily average 124 kWh) with the bill running \$664.05 to the month of January using 3,957 kWh (daily average 128 kWh) with a bill of #817.54. Both month's statements indicate the average outdoor temperatures were 64 degrees. So why the drastic hike? Duke explained several reasons that made little to no sense and are simply taking advantage of the Florida people in this area with unlimited rate increases. I belong to several community facebook groups where some homeowners complained of increases as high as \$180.00 in addition to their already outrageously expensive residential statements. I have attached the 2 billing statements for your viewing. Thank you for your time.

Kellie Johnston

6. Attach file (optional)

<u>Duke-Energy-Dec-bill1.pdf</u> <u>Duke-energy-Jan-bill1.pdf</u>

This message was sent from https://www.flgov.com.

Please note that under Florida law correspondence sent to the Governor's Office, which is not confidential or exempt pursuant to chapter 119 of the Florida Statutes, is a public record made available upon request.