

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Fuel and Purchased Power Cost)
Recovery Clause with Generating)
Performance Incentive Factor)
_____)

DOCKET NO. 20230001-EI
FILED: October 6, 2023

PREHEARING STATEMENT OF THE FLORIDA RETAIL FEDERATION

The Florida Retail Federation ("FRF"), pursuant to the Order Establishing Procedure in this docket, Order No. PSC-2023-0066-PCO-EI, issued February 3, 2023, hereby submits this Prehearing Statement.

APPEARANCES:

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On behalf of the Florida Retail Federation

1. **WITNESSES:**

The Florida Retail Federation does not intend to call any witnesses for direct examination but reserves its rights to cross-examine all witnesses and to rely upon the prefiled testimony of witnesses in this docket, as well as testimony on their cross-examination.

2. **EXHIBITS:**

The Florida Retail Federation will not introduce any exhibits on direct examination but reserves its rights to introduce exhibits through cross-examination of other parties' witnesses.

3. STATEMENT OF BASIC POSITION

The Commission’s task in the Fuel Docket, as in all ratemaking proceedings, is to ensure that the rates charged by Florida public utilities are fair, just, reasonable, non-discriminatory, and neither insufficient nor excessive. In this context, Florida public utilities are only allowed to recover reasonable and prudent costs that are fully authorized by Florida Statutes, Commission rules, and Commission orders through their Fuel Cost Recovery and Capacity Cost Recovery charges (collectively herein, “Fuel Charges”). The utilities bear the burden of proof that their proposed Fuel Charges satisfy the statutory criteria articulated above.

4. STATEMENT OF FACTUAL ISSUES AND POSITIONS

I. FUEL ISSUES

Duke Energy Florida, LLC.

ISSUE 1A: Should the Commission approve DEF’s 2024 Risk Management Plan?

FRF: No.

ISSUE 1B: What is the appropriate subscription bill credit associated with DEF’s Clean Energy Connection Program, approved by Order No. PSC-2021-0059-S-EI, to be included for recovery in 2024?

FRF: No position at this time.

ISSUE 1C: What is the impact on this docket, if a decision is issued in Case SC22-94 before January 1, 2024?

FRF: No position at this time.

ISSUE 1D: If the decision in Case SC22-94 requires the return of replacement power costs to customers, what interest amount should be applied?

FRF: No position at this time.

ISSUE 1E: What is the appropriate Clean Energy Impact (CEI) credit, approved by Order No. PSC-2023-0191-TRF-EI, to be included in the fuel clause in 2024?

FRF: No position at this time.

Florida Power & Light Company

ISSUE 2A: What was the total gain under FPL's Incentive Mechanism approved by Order No. PSC-2021-0446-AS-EI that FPL may recover for the period January 2022 through December 2022, and how should that gain be shared between FPL and customers?

FRF: No position at this time.

ISSUE 2B: What is the appropriate amount of Incremental Optimization Costs under FPL's Incentive Mechanism approved by Order No. PSC-2021-0446-AS-EI that FPL should be allowed to recover through the fuel clause for Personnel, Software, and Hardware costs for the period January 2022 through December 2022?

FRF: No position at this time.

ISSUE 2C: What is the appropriate amount of Variable Power Plant O&M Attributable to Off-System Sales under FPL's Incentive Mechanism approved by Order No. PSC-2021-0446-AS-EI that FPL should be allowed to recover through the fuel clause for the period January 2022 through December 2022?

FRF: No position at this time.

ISSUE 2D: What is the appropriate amount of Variable Power Plant O&M Avoided due to Economy Purchases under FPL's Incentive Mechanism approved by Order No. PSC-2021-0446-AS-EI that FPL should be allowed to recover through the fuel clause for the period January 2022 through December 2022?

FRF: No position at this time.

ISSUE 2E: What is the appropriate subscription credit associated with FPL's SolarTogether Program approved by Order No. PSC-2020-0084-S-EI, to be included for recovery in 2024?

ISSUE 2F: Should the Commission approve FPL’s 2024 Risk Management Plan?

FRF: No position at this time.

ISSUE 2G: Are the 2024 SoBRA units (12 total) proposed by FPL cost effective?

FRF: No position at this time.

ISSUE 2H: What are the revenue requirements associated with the 2024 SoBRA Project?

FRF: No position at this time.

ISSUE 2I: What is the appropriate base rate percentage increase for the 2024 SoBRA Project to be effective when all 2024 units are in service, currently projected to be January 31, 2024?

FRF: No position at this time.

ISSUE 2J: Should the Commission approve revised tariffs for FPL reflecting the base rate percentage increases for the 2024 SoBRA Project determined to be appropriate in this proceeding?

FRF: No position at this time.

Florida Public Utilities Company

ISSUE 3A: Should the Commission modify the previously ordered (Order No. PSC-2023-0026-FOF-EI) recovery schedule for FPUC’s under-recovery of 2022 fuel costs from three years to two years?

FRF: No position at this time.

Tampa Electric Company

ISSUE 4A: What was the total gain under TECO’s Optimization Mechanism approved by Order No. PSC-2017-0456-S-EI that TECO may recover for the period January 2022 through December 2022, and how should that gain be shared between TECO and customers?

FRF: No position at this time.

ISSUE 4B: Should the Commission approve TECO’s 2024 Risk Management Plan?

FRF: No position at this time.

GENERIC FUEL ADJUSTMENT ISSUES

ISSUE 5: What are the appropriate actual benchmark levels for calendar year 2023 for gains on non-separated wholesale energy sales eligible for a shareholder incentive?

FRF: No position at this time.

ISSUE 6: What are the appropriate estimated benchmark levels for calendar year 2024 for gains on non-separated wholesale energy sales eligible for a shareholder incentive?

FRF: No position at this time.

ISSUE 7: What are the appropriate final fuel adjustment true-up amounts for the period January 2022 through December 2022?

FRF: Agree with the Office of Public Counsel (OPC).

ISSUE 8: What are the appropriate fuel adjustment actual/estimated true-up amounts for the period January 2023 through December 2023?

FRF: Agree with OPC.

ISSUE 9: What are the appropriate total fuel adjustment true-up amounts to be collected/refunded from January 2024 through December 2024?

FRF: Agree with OPC.

ISSUE 10: What are the appropriate projected total fuel and purchased power cost recovery amounts for the period January 2024 through December 2024?

FRF: Agree with OPC.

COMPANY-SPECIFIC GENERATING PERFORMANCE INCENTIVE FACTOR ISSUES

Duke Energy Florida, LLC.

No company-specific GPIF issues for Duke Energy Florida, Inc. have been identified at this time. If such issues are identified, they shall be numbered 11A, 11B, 11C, and so forth, as appropriate.

Florida Power & Light Company

No company-specific GPIF issues for Florida Power and Light Company have been identified at this time. If such issues are identified, they shall be numbered 12A, 12B, 12C, and so forth, as appropriate.

Tampa Electric Company

No company-specific GPIF issues for Tampa Electric Company have been identified at this time. If such issues are identified, they shall be numbered 13A, 13B, 13C, and so forth, as appropriate.

GENERIC GPIF ISSUES

ISSUE 14: What is the appropriate GPIF reward or penalty for performance achieved during the period January 2022 through December 2022 for each investor-owned electric utility subject to the GPIF?

FRF: No position at this time.

ISSUE 15: What should the GPIF targets/ranges be for the period January 2024 through December 2024 for each investor-owned electric utility subject to the GPIF?

FRF: No position at this time.

FUEL FACTOR CALCULATION ISSUES

ISSUE 16: 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 2024 through December 2024?

FRF: No position at this time.

ISSUE 17: 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 2024 through December 2024?

FRF: No position at this time.

ISSUE 18: What are the appropriate levelized fuel cost recovery factors for the period January 2024 through December 2024?

FRF: No position at this time.

ISSUE 19: 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?

FRF: No position at this time.

ISSUE 20: What are the appropriate fuel cost recovery factors for each rate class/delivery voltage level class adjusted for line losses?

FRF: No position at this time.

II. CAPACITY ISSUES

COMPANY-SPECIFIC CAPACITY COST RECOVERY FACTOR ISSUES

Duke Energy Florida, LLC.

ISSUE 21A: 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 for 2024?

FRF: Agree with OPC.

ISSUE 21B: What adjustment amount should the Commission approve to be refunded through the capacity clause associated with the Solar Base Rate Adjustment true-up for Plant Sandy Creek?

FRF: Agree with OPC.

ISSUE 21C: What adjustment amount should the Commission approve to be refunded through the capacity clause associated with the Solar Base Rate Adjustment true-up for Plant Santa Fe?

FRF: Agree with OPC.

ISSUE 21D: What adjustment amount should the Commission approve to be refunded through the capacity clause associated with the Solar Base Rate Adjustment true-up for Plant Twin Rivers?

FRF: Agree with OPC.

Florida Power & Light Company

ISSUE 22A: Should the Commission approve a \$7.92 million refund related to the incremental impact of the Inflation Reduction Act for years 2022 and 2023 due to the application of the Tax Provision contained in FPL'S current Rate Settlement Agreement?

FRF: Agree with OPC.

Tampa Electric Company

No company-specific capacity cost recovery factor issues for Tampa Electric Company have been identified at this time. If such issues are identified, they will be numbered 23A, 23B, 23C, and so forth, as appropriate.

GENERIC CAPACITY COST RECOVERY FACTOR ISSUES

ISSUE 24: What are the appropriate final capacity cost recovery true-up amounts for the period January 2022 through December 2022?

FRF: Agree with OPC.

ISSUE 25: What are the appropriate capacity cost recovery actual/estimated true-up amounts for the period January 2023 through December 2023?

FRF: Agree with OPC.

ISSUE 26: What are the appropriate total capacity cost recovery true-up amounts to be collected/refunded during the period January 2024 through December 2024?

FRF: Agree with OPC.

ISSUE 27: What are the appropriate projected total capacity cost recovery amounts for the period January 2024 through December 2024?

FRF: Agree with OPC.

ISSUE 28: What are the appropriate projected net purchased power capacity cost recovery amounts to be included in the recovery factor for the period January 2024 through December 2024?

FRF: Agree with OPC.

ISSUE 29: What are the appropriate jurisdictional separation factors for capacity revenues and costs to be included in the recovery factor for the period January 2024 through December 2024?

FRF: Agree with OPC.

ISSUE 30: What are the appropriate capacity cost recovery factors for the period January 2024 through December 2024?

FRF: Agree with OPC.

III. EFFECTIVE DATE

ISSUE 31: What should be the effective date of the fuel adjustment factors and capacity cost recovery factors for billing purposes?

FRF: The effective date of the Fuel Charges approved by the Commission in this proceeding should be the first day of the first billing cycle of January 2024.

ISSUE 32: Should the Commission approve revised tariffs reflecting the fuel adjustment factors and capacity cost recovery factors determined to be appropriate in this proceeding?

FRF: Yes.

ISSUE 33: Should this docket be closed?

FRF: No. This is a continuing docket that should remain open and then continued in its successor docket for 2024.

5. **STIPULATED ISSUES:**

The FRF is not aware of any stipulated issues at this time.

6. **PENDING MOTIONS:**

The FRF has no pending motions before the Commission in this docket.

7. **STATEMENT OF PARTY'S PENDING REQUESTS OR CLAIMS FOR CONFIDENTIALITY:**

The FRF has no pending requests or claims for confidentiality.

8. **OBJECTIONS TO QUALIFICATION OF WITNESSES AS AN EXPERT:**

As of the time of filing its prehearing statement, the FRF does not expect to challenge the qualification of any witness. However, the FRF believes that each party that intends to rely upon a witness's testimony as expert testimony should be required to identify the field or fields of expertise of such witness and to provide the basis for the witness's claimed expertise.

9. **STATEMENT OF COMPLIANCE WITH ORDER ESTABLISHING PROCEDURE:**

There are no requirements of the Order Establishing Procedure with which the Florida Retail Federation cannot comply.

Respectfully submitted this 6th day of October, 2023.

/s/ Robert Scheffel Wright

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been served by electronic mail on this 6th day of October, 2023.

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