

State of Florida



# 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 17, 2025

**TO:** Adam J. Teitzman, Commission Clerk, Office of Commission Clerk

**FROM:** Lynn Deamer, Bureau Chief, Office of Auditing & Performance Analysis *LD*

**RE:** Docket No.: 20250002-EG  
Company Name: Duke Energy Florida, LLC  
Company Code: EI801  
Audit Purpose: A3b: Energy Conservation Cost Recovery Clause (ECCR)  
Audit Control No.: 2025-013-1-2

---

Attached is the final audit report for the Utility stated above, I am sending the Utility a copy of this memo and the audit report. If the Utility desires to file a response to the audit report, it should send a response to the Office of the Commission Clerk. There are no confidential work papers associated with this audit.

Attachment: Audit Report

Cc: Office of Auditing & Performance Analysis

State of Florida



## Public Service Commission

Office of Auditing and Performance Analysis  
Bureau of Auditing

### Auditor's Report

Duke Energy Florida, LLC  
Energy Conservation Cost Recovery Clause

**Twelve Months Ended December 31, 2023 & 2024**

Docket No. 20250002-EG  
Audit Control No. 2025-013-1-2

**July 10, 2025**

A handwritten signature in blue ink, appearing to read "Wesley Thurmond", is written over a horizontal line.

Wesley Thurmond  
Audit Manager

A handwritten signature in blue ink, appearing to read "Lynn Deamer", is written over a horizontal line.

Lynn Deamer  
Reviewer

## Table of Contents

Purpose.....	1
Objectives and Procedures.....	2
Audit Findings	
None.....	4
Exhibits	
1: True-Up 2024.....	5
2: Interest Provision 2024 .....	6
3: True-Up 2023 .....	7
4: Interest Provision 2023 .....	8

## Purpose

To: Florida Public Service Commission

We have performed the procedures described later in this report to meet the objectives set forth by the Division of Economics in its audit service request dated January 13, 2025. We have applied these procedures to the attached summary exhibit and to several related schedules prepared by Duke Energy Florida, LLC in support of its 2024 and 2025 filings for the Energy Conservation Cost Recovery Clause in Docket Nos. 20250002-EG and 20240002-EG.

The report is intended only for internal Commission use.

## Objectives and Procedures

### **General**

#### Definition

Company refers to Duke Energy Florida, LLC.

ECCR refers to the Energy Conservation Cost Recovery Clause.

### **Revenue**

#### Operating Revenues

**Objectives:** The objectives were to determine the actual Kilowatt Hours (kWh) sold for the period January 1, 2023, through December 31, 2024, and whether the Company applied the Commission-approved cost recovery factor to actual KWH sales for the ECCR.

**Procedures:** We reconciled the 2023 & 2024 filings to the Company's monthly ECCR Revenue Reports. We computed the factors by rate code and compared them to Commission Order Nos. PSC-2023-0342-FOF-EG and PSC-2022-0422-FOF-EG. We judgmentally sampled and recalculated residential and commercial bills by rate class in Docket No. 20250001-EI, Audit Control Number 2025-003-1-3, to verify that the correct tariff rates were used. No exceptions were noted.

### **Expense**

#### Operation and Maintenance Expense

**Objectives:** The objectives were to verify that Operation and Maintenance (O&M) Expense listed on the Company's 2023 & 2024 Form CT-2 filing was supported by adequate documentation and that the expenses are appropriately recoverable through the ECCR.

**Procedures:** We traced 2023 & 2024 expenses in the filing to the general ledger detail. We judgmentally selected a sample of expenses for testing. The source documentation for selected items was reviewed to ensure that the expenses were for the current period, charged to the correct accounts, and appropriately recoverable through the ECCR. Advertising expenses were reviewed for compliance with Rule 25-17.015(5), Florida Administrative Code. No exceptions were noted.

### **True-up**

**Objective:** The objective was to determine if the True-Up and Interest Provisions as filed on the Company's 2023 & 2024 Form CT-3 were properly calculated.

**Procedures:** We traced the December 31, 2022 & 2023, True-Up Provision to the Commission Order. We recalculated the True-Up and Interest Provision amounts as of December 31, 2023 & 2024, using the Commission-approved beginning balance as of December 31, 2022, the Financial Commercial Paper rates, and the 2023 & 2024 ECCR revenues and costs. Audit staff found that the company used different interest rates to calculate the interest provision for 2023 and 2024. The effect on net the true up was deemed immaterial. No further work performed.

## **Other Issues**

**Objective:** The objective was to verify the number of program participants reported in the Company's Florida Energy Efficiency and Conservation Act (FEECA) filing.

**Procedures:** We requested and verified the number of program participants reported in the Company's 2024 & 2025 FEECA filings for the following programs: Neighborhood Energy Saver, Low-Income Weatherization Assistance Program, Technology Development, and Interruptible Service. We verified the type of the above-mentioned program participants, and whether the participants had access to the programs through walk-through, computer-assisted, online, phone, or other means. No exceptions were noted.

## **Analytical Review**

**Objective:** The objective was to perform an analytical review of the Company's ECCR revenues and expenses to determine if there were any material changes or inconsistencies from the prior year.

**Procedures:** We compared 2021 through 2024 revenues and expenses. Follow-up was not required.

Audit Findings

**None**

## Exhibits

### Exhibit 1: True-Up 2024

Duke Energy Florida, LLC  
Energy Conservation Cost Recovery  
Energy Conservation Adjustment  
Calculation of True-Up  
January 2024 - December 2024

Docket No. 20250002-EG  
Duke Energy Florida, LLC  
Witness: Karla Rodriguez  
Exhibit No. 1 (KR-1T)  
Schedule CT-3  
Page 2 of 4  
May 1, 2025

Line No	Act January	Act February	Act March	Act April	Act May	Act June	Act July	Act August	Act September	Act October	Act November	Act December	Total
1 ECCR Revenues	\$8,469,649	\$8,168,314	\$7,825,088	\$8,047,138	\$9,592,954	\$11,492,043	\$12,045,293	\$12,045,009	\$11,614,505	\$10,262,220	\$8,842,269	\$8,158,070	\$116,862,559
2 Prior Period True-Up Over/(Under) Recovery	771,198	771,198	771,198	771,198	771,198	771,198	771,198	771,198	771,198	771,198	771,198	771,198	9,254,377
3 ECCR Revenues Applicable to Period	9,240,847	8,939,512	8,596,286	8,818,334	10,364,152	12,263,241	12,816,491	12,816,207	12,385,703	11,033,418	9,613,467	8,929,268	126,118,935
4 ECCR Expenses	10,197,085	9,772,134	8,838,164	8,529,739	9,803,589	10,098,727	9,219,908	9,535,111	9,971,176	9,564,457	8,677,453	9,129,997	113,135,519
5 True-Up This Period (Over)/(Under) Recovery	956,239	832,622	241,878	(288,595)	(1,060,593)	(2,166,514)	(3,596,535)	(3,281,095)	(2,414,527)	(1,468,960)	(836,013)	200,728	(12,561,416)
6 Current Period Interest	(37,199)	(29,895)	(24,255)	(21,063)	(20,890)	(24,618)	(34,027)	(45,388)	(52,735)	(55,261)	(55,285)	(51,658)	(452,094)
7 Adjustments	0	0	0	0	0	0	0	0	0	0	0	0	0
8 True-Up & Interest Provision Beginning of Period	(9,254,377)	(7,564,138)	(5,950,213)	(5,001,402)	(4,539,882)	(4,849,958)	(6,269,902)	(9,129,316)	(11,684,601)	(13,380,664)	(14,133,688)	(14,353,768)	(9,254,377)
9 ORT Refunded	0	0	0	0	0	0	0	0	0	0	0	0	0
10 Prior Period True-Up Over/(Under) Recovery	771,198	771,198	771,198	771,198	771,198	771,198	771,198	771,198	771,198	771,198	771,198	771,198	9,254,377
11 End of Period Net True-Up	(\$7,564,138)	(\$5,990,213)	(\$5,001,402)	(\$4,539,882)	(\$4,849,958)	(\$6,269,902)	(\$9,129,316)	(\$11,684,601)	(\$13,380,664)	(\$14,133,688)	(\$14,353,768)	(\$13,433,500)	(\$13,433,500)



## Exhibit 2: Interest Provision 2024

Duke Energy Florida, LLC  
Energy Conservation Cost Recovery  
Calculation of Interest Provision  
January 2024 - December 2024

Docket No. 20250002-EG  
Duke Energy Florida, LLC  
Witness: Karla Rodriguez  
Exhibit No. 1 (KR-1T)  
Schedule CT-3  
Page 3 of 4  
May 1, 2025

Line No.	Act January	Act February	Act March	Act April	Act May	Act June	Act July	Act August	Act September	Act October	Act November	Act December	Total
1 Beginning True-Up Amount (C3, Page 7, Lines 7 & 8)	(\$9,254,377)	(\$7,564,138)	(\$5,990,213)	(\$5,001,402)	(\$4,535,852)	(\$4,649,968)	(\$6,259,902)	(\$9,129,316)	(\$11,554,601)	(\$13,380,554)	(\$14,133,688)	(\$14,353,768)	
2 Ending True-Up Amount Before Interest (C3, Page 7, Lines 5, 7-10)	(7,526,939)	(5,960,318)	(4,577,137)	(4,516,799)	(4,829,278)	(6,245,284)	(9,055,289)	(11,639,213)	(13,327,929)	(14,075,427)	(14,268,503)	(13,381,842)	
3 Total Beginning & Ending True-Up (Line 1 + Line 2)	(16,781,316)	(13,524,457)	(10,567,350)	(9,520,201)	(9,369,160)	(11,095,251)	(15,395,190)	(20,768,529)	(25,012,530)	(27,459,081)	(28,432,191)	(27,735,610)	
4 Average True-Up Amount (50% of Line 3)	(8,390,658)	(6,762,228)	(5,283,675)	(4,760,101)	(4,684,580)	(5,547,626)	(7,692,595)	(10,384,264)	(12,506,265)	(13,729,540)	(14,216,096)	(13,867,805)	
5 Interest Rate: First Day Reporting Business Month	5.32%	5.32%	5.29%	5.33%	5.30%	5.30%	5.35%	5.31%	5.21%	4.91%	4.75%	4.58%	
6 Interest Rate: First Day Subsequent Business Month	5.32%	5.29%	5.33%	5.30%	5.30%	5.35%	5.28%	5.21%	4.91%	4.75%	4.58%	4.36%	
7 Total (Line 5 & Line 6) (Line 5 + Line 6)	10.64%	10.61%	10.62%	10.63%	10.60%	10.65%	10.63%	10.52%	10.12%	9.66%	9.33%	8.94%	
8 Average Interest Rate (50% of Line 7)	5.32%	5.31%	5.31%	5.32%	5.30%	5.33%	5.32%	5.26%	5.06%	4.83%	4.67%	4.47%	
9 Interest Provision (Line 4 * Line 8) / 12	(\$37,189)	(\$29,895)	(\$24,265)	(\$21,083)	(\$20,890)	(\$24,618)	(\$34,027)	(\$45,388)	(\$52,735)	(\$55,261)	(\$55,265)	(\$51,658)	(\$452,034)

## Exhibit 3: True-Up 2023

Duke Energy Florida, LLC  
Energy Conservation Cost Recovery  
Energy Conservation Adjustment  
Calculation of True-Up  
January 2023 - December 2023

Docket No. 20240002-EG  
Duke Energy Florida  
Witness: Karla Rodriguez  
Exhibit KR-1T  
Schedule CT-3  
Page 2 of 4  
May 1, 2024

Line No.	Act January	Act February	Act March	Act April	Act May	Act June	Act July	Act August	Act September	Act October	Act November	Act December	Total
1 ECCR Revenues	\$8,556,739	\$7,145,949	\$8,171,424	\$8,419,998	\$8,645,278	\$10,176,466	\$11,185,332	\$11,718,556	\$11,485,164	\$9,446,159	\$7,635,284	\$7,684,662	\$110,271,011
2 Prior Period True-Up Over/(Under) Recovery	642,239	642,239	642,239	642,239	642,239	642,239	642,239	642,239	642,239	642,239	642,239	642,239	7,706,868
3 ECCR Revenues Applicable to Period	9,198,978	7,788,188	8,813,663	9,062,237	9,287,517	10,818,705	11,827,571	12,360,795	12,127,403	10,088,398	8,277,523	8,326,901	117,977,879
4 ECCR Expenses	9,879,767	8,365,491	9,655,279	8,458,473	8,325,282	10,005,816	9,525,896	9,137,944	9,434,932	8,935,586	8,383,139	8,969,082	109,076,687
5 True-Up This Period (Over)/Under Recovery	680,788	577,303	841,616	(603,764)	(962,235)	(812,889)	(2,301,675)	(3,222,851)	(2,692,470)	(1,152,812)	105,617	642,181	(8,901,192)
6 Current Period Interest	(26,361)	(22,404)	(17,717)	(15,330)	(16,441)	(17,705)	(22,133)	(32,191)	(42,697)	(48,466)	(48,018)	(43,722)	(353,185)
7 Adjustments	0	0	0	0	0	0	0	0	0	0	0	0	0
8 True-Up & Interest Provision Beginning of Period	(7,706,868)	(6,410,201)	(5,213,064)	(3,746,926)	(3,723,781)	(4,060,218)	(4,248,573)	(5,930,142)	(8,542,945)	(10,635,873)	(11,194,912)	(10,495,075)	(7,706,868)
9 GRT Refunded	0	0	0	0	0	0	0	0	0	0	0	0	0
10 Prior Period True-Up Over/(Under) Recovery	642,239	642,239	642,239	642,239	642,239	642,239	642,239	642,239	642,239	642,239	642,239	642,239	7,706,868
11 End of Period Net True-Up	(\$6,410,201)	(\$5,213,064)	(\$3,746,926)	(\$3,723,781)	(\$4,060,218)	(\$4,248,573)	(\$5,930,142)	(\$8,542,945)	(\$10,635,873)	(\$11,194,912)	(\$10,495,075)	(\$9,254,377)	(\$9,254,377)

## Exhibit 4: Interest Provision 2023

Duke Energy Florida, LLC  
Energy Conservation Cost Recovery  
Calculation of Interest Provision  
January 2023 - December 2023

Docket No. 20240002-EG  
Duke Energy Florida  
Witness: Karla Rodriguez  
Exhibit KR-1T  
Schedule CT-3  
Page 3 of 4  
May 1, 2024

Line No.	Act January	Act February	Act March	Act April	Act May	Act June	Act July	Act August	Act September	Act October	Act November	Act December	Total
1 Beginning True-Up Amount (C3, Page 7, Lines 7 & 8)	(\$7,706,868)	(\$6,410,201)	(\$5,213,064)	(\$3,746,926)	(\$3,723,781)	(\$4,060,218)	(\$4,248,573)	(\$5,930,142)	(\$8,542,945)	(\$10,635,873)	(\$11,194,912)	(\$10,495,075)	
2 Ending True-Up Amount Before Interest (C3, Page 7, Lines 5,7-10)	(\$6,383,840)	(\$5,190,660)	(\$3,729,209)	(\$3,708,451)	(\$4,043,777)	(\$4,230,868)	(\$5,908,009)	(\$8,510,754)	(\$10,593,176)	(\$11,146,446)	(\$10,447,057)	(\$9,210,656)	
3 Total Beginning & Ending True-Up (Line 1 + Line 2)	(\$14,090,708)	(\$11,600,861)	(\$8,942,273)	(\$7,455,377)	(\$7,767,557)	(\$8,291,085)	(\$10,156,582)	(\$14,440,896)	(\$19,136,121)	(\$21,782,320)	(\$21,641,969)	(\$19,705,729)	
4 Average True-Up Amount (50% of Line 3)	(\$7,045,354)	(\$5,800,430)	(\$4,471,136)	(\$3,727,688)	(\$3,883,779)	(\$4,145,543)	(\$5,078,291)	(\$7,220,448)	(\$9,568,061)	(\$10,891,160)	(\$10,820,985)	(\$9,852,865)	
5 Interest Rate: First Day Reporting Business Month	4.37%	4.61%	4.66%	4.85%	5.02%	5.14%	5.11%	5.35%	5.35%	5.36%	5.32%	5.33%	
6 Interest Rate: First Day Subsequent Business Month	4.61%	4.66%	4.85%	5.02%	5.14%	5.11%	5.35%	5.35%	5.36%	5.32%	5.33%	5.32%	
7 Total (Line 5 & Line 6) (Line 5 + Line 6)	8.98%	9.27%	9.51%	9.87%	10.16%	10.25%	10.46%	10.70%	10.71%	10.68%	10.65%	10.65%	
8 Average Interest Rate (50% of Line 7)	4.49%	4.64%	4.76%	4.94%	5.08%	5.13%	5.23%	5.35%	5.36%	5.34%	5.33%	5.33%	
9 Interest Provision (Line 4 * Line 8) / 12	(\$26,361)	(\$22,404)	(\$17,717)	(\$15,330)	(\$16,441)	(\$17,705)	(\$22,133)	(\$32,191)	(\$42,697)	(\$48,466)	(\$48,018)	(\$43,722)	(\$353,185)