

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-**

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**DATE:** May 18, 2017  
**TO:** Carlotta S. Stauffer, Commission Clerk, Office of Commission Clerk  
**FROM:** Rosanne Gervasi, Office of the General Counsel  
**RE:** Docket Nos. 150148-EI and 150171-EI

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Please file the attached memo dated February 17, 2017, in the docket files listed above.

Thank you.

Attachment

RECEIVED-FPSC  
2017 MAY 18 AM 8:42  
COMMISSION  
CLERK

State of Florida



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TALLAHASSEE, FLORIDA 32399-0850

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

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**DATE:** February 17, 2017

**TO:** Gregory L. Shafer, Director, Division of Economics  
Karen O. Belcher, Professional Accountant Supervisor, Division of  
Administrative & Information Services

**FROM:** Rosanne Gervasi, Senior Attorney, Office of the General Counsel *RG*

**RE:** Regulatory Assessment Fee Checks Submitted by Duke Energy Florida Project Finance, LLC ("SPE") on Behalf of Duke Energy Florida, LLC

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This is to advise that Duke Energy Florida, LLC ("DEF") created Duke Energy Florida Project Finance, LLC, as a Special Purpose Entity (hereinafter referred to as "SPE"), under the authority of Financing Order No. PSC-15-0537-FOF-EI, issued November 19, 2015, in consolidated Docket Nos. 150148-EI and 150171-EI ("Financing Order"). Pursuant to the requirements of the Financing Order, the SPE is a bankruptcy remote, Delaware limited liability company and subsidiary of DEF, with DEF as its sole member. The Financing Order authorized DEF to form the SPE for the limited purpose of acquiring nuclear asset-recovery property and issuing nuclear asset-recovery bonds for the benefit of DEF, and performing other activities relating thereto or otherwise authorized by the Financing Order.

The Financing Order specifies that the SPE is not permitted to engage in any other activities and has no assets other than nuclear asset-recovery property and related assets to support its obligations under the nuclear asset-recovery bonds and the ongoing financing costs associated therewith.<sup>1</sup> The Financing Order expressly authorizes the SPE to collect Regulatory Assessment Fees (RAFs) as an ongoing financing cost pursuant to Section 366.95(1)(e), Florida Statutes. The SPE remits the Regulatory Assessment Fees to the Commission on behalf of DEF.

Though the SPE is not a Commission-regulated entity, because the Financing Order expressly authorizes the SPE to collect RAFs as an ongoing financing cost and because the SPE remits the RAFs to the Commission on behalf of DEF, the Commission is authorized and obligated to accept remittance of such fees on behalf of DEF.

If you have any further questions, please let me know.

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<sup>1</sup> These restrictions on the activities of the SPE and restrictions on the ability of DEF to take action on the SPE's behalf are imposed to achieve the objective that the SPE will be bankruptcy-remote and not be affected by a bankruptcy of DEF or any affiliate.