

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for approval of modifications to rate schedule tariff sheet No. 4.122 and determination under Rule 25-6.115(12), F.A.C., by Duke Energy Florida, LLC.

DOCKET NO. 20220089-EI
ORDER NO. PSC-2022-0209-PCO-EI
ISSUED: June 16, 2022

The following Commissioners participated in the disposition of this matter:

ANDREW GILES FAY, Chairman
ART GRAHAM
GARY F. CLARK
MIKE LA ROSA
GABRIELLA PASSIDOMO

ORDER SUSPENDING TARIFF

BY THE COMMISSION:

Background

On April 29, 2022, Duke Energy Florida, LLC (Duke or utility) filed a petition for approval of modifications to Tariff Sheet No. 4.122 and determination under Rule 25-6.115(12), Florida Administrative Code, (F.A.C.). This tariff sets out the process and charges required for the conversion of existing overhead electrical distribution facilities to underground. The customer requesting the conversion is responsible for the conversion cost.

Duke's proposed modifications would exclude the cost of existing facilities from the calculation of the charge for customers requesting to underground overhead facilities that have not been hardened under the utility's Storm Protection Plan filed pursuant to Section 366.96, Florida Statutes (F.S.), and Rule 25-6.030, F.A.C. The specific items that Duke proposed to exclude are: (1) the remaining net book value of existing facilities to be removed; (2) the removal cost of existing overhead facilities; and (3) the salvage value of existing overhead facilities. To support its petition, Duke stated the utility intends to eventually harden all overhead facilities as part of its Storm Protection Plan and seek cost recovery through the Storm Protection Plan Cost Recovery Clause paid by all customers. Duke contends that customers who pay to underground non-hardened facilities are effectively hardening the facilities and, thereby, save the general body of ratepayers from the cost of having to harden those facilities.

Rule 25-6.115(12), F.A.C., states nothing in this rule shall be construed to prevent any utility from waiving all or any portion of the cost for providing underground facilities. If, however, the utility waives any charge, the utility shall reduce net plant in service as though those charges had been collected unless we determine that there are quantifiable benefits to the general body of ratepayers commensurate with the waived charge. Duke requests that we approve the proposed tariff modification and determine that there are quantifiable benefits to the general body of ratepayers if certain costs are being waived for customers wishing to underground facilities that have not been hardened. We have jurisdiction over this matter

pursuant to Sections 366.03, 366.04, 366.05, and 366.06, F.S.

Decision

Pursuant to Section 366.06(3), F.S., we may withhold consent to the operation of all or any portion of a new rate schedule, delivering to the utility requesting such a change, a reason, or written statement of good cause for doing so within 60 days. Given the unique circumstances presented by this proposed tariff, we shall suspend Duke's proposed tariff changes to allow our staff sufficient time to review the petition and gather all pertinent information in order to present us with an informed recommendation on the tariff proposal. We find that that the reason stated above constitutes good cause consistent with the requirements of Section 366.06(3), F.S.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Duke Energy Florida, LLC's proposed modifications to Tariff Sheet No. 4.122 shall be suspended to allow Commission staff sufficient time to review the petition and gather all pertinent information in order to present us with an informed recommendation on the tariff proposal. It is further

ORDERED that this docket shall remain open pending our decision on the proposed tariff.

By ORDER of the Florida Public Service Commission this 16th day of June, 2022.



ADAM J. TEITZMAN
Commission Clerk
Florida Public Service Commission
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Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

JSC

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and

time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

Any party adversely affected by this order, which is preliminary, procedural or intermediate in nature, may request: (1) reconsideration within 10 days pursuant to Rule 25-22.0376, Florida Administrative Code; or (2) judicial review by the Florida Supreme Court, in the case of an electric, gas or telephone utility, or the First District Court of Appeal, in the case of a water or wastewater utility. A motion for reconsideration shall be filed with the Office of Commission Clerk, in the form prescribed by Rule 25-22.0376, Florida Administrative Code. Judicial review of a preliminary, procedural or intermediate ruling or order is available if review of the final action will not provide an adequate remedy. Such review may be requested from the appropriate court, as described above, pursuant to Rule 9.100, Florida Rules of Appellate Procedure.