

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and purchased power cost recovery
clause with generating performance incentive
factor.

DOCKET NO. 20190001-EI
ORDER NO. PSC-2019-0484-FOF-EI
ISSUED: November 18, 2019

The following Commissioners participated in the disposition of this matter:

ART GRAHAM, Chairman
JULIE I. BROWN
DONALD J. POLMANN
GARY F. CLARK
ANDREW GILES FAY

FINAL ORDER APPROVING EXPENDITURES AND TRUE-UP AMOUNTS FOR FUEL
ADJUSTMENT FACTORS; GPIF TARGETS, RANGES, AND REWARDS; AND
PROJECTED EXPENDITURES AND TRUE-UP AMOUNTS FOR CAPACITY COST
RECOVERY FACTORS

APPEARANCES:

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North, St. Petersburg, Florida 33701
On behalf of Duke Energy Florida, LLC (DEF)

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33408-0420
On behalf of Florida Power & Light Company (FPL)

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Monroe St., Suite 601, Tallahassee, Florida 32301
On behalf of Florida Public Utilities Company (FPUC)

JEFFREY A. STONE, ESQUIRE, One Energy Place, Pensacola, Florida 32520-
0780; and RUSSELL A. BADDERS and STEVEN R. GRIFFIN, ESQUIRES,
Beggs & Lane, Post Office Box 12950, Pensacola, Florida 32591-2950
On behalf of Gulf Power Company (Gulf)

JAMES D. BEASLEY, MALCOLM N. MEANS, and J. JEFFRY WAHLEN,
ESQUIRES, Ausley McMullen, Post Office Box 391, Tallahassee, Florida 32302
On behalf of Tampa Electric Company (TECO)

J.R. KELLY, CHARLES REHWINKEL and PATRICIA A. CHRISTENSEN,
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Counsel, c/o The Florida Legislature, 111 West Madison Street, Room 812,
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On behalf of the Citizens of the State of Florida (OPC)

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The Perkins House, 118 North Gadsden Street, Tallahassee, Florida 32301

On behalf of the Florida Industrial Power Users Group (FIPUG)

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On behalf of White Springs Agricultural Chemicals, Inc. d/b/a PCS Phosphate –
White Springs (PCS Phosphate)

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On behalf of the Florida Public Service Commission (Staff)

LEE ENG TAN, ESQUIRE, Florida Public Service Commission, 2540 Shumard
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Advisor to the Florida Public Service Commission

KEITH HETRICK, ESQUIRE, General Counsel, Florida Public Service
Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850

Florida Public Service Commission General Counsel

BY THE COMMISSION:

As part of the continuing fuel and purchased power adjustment and generating performance incentive clause proceedings, an administrative hearing was held on November 5, 2019, in this docket.

At the hearing, we voted to approve stipulated issues 1A, 2A, 2B-2G, 2I-2N, 4A, 5A, 5B, 6-11, 16-21, 22 (as amended for DEF corrections), 23A, 23B, 24A-24D, 27-37 as set forth in Attachment A. As a result of our bench decisions on these issues, we have approved all issues associated with FPL, FPUC, Gulf, and TECO. The remaining DEF issues, Issues 1B and 1C,¹ which concern the 2017 Bartow outage, have been referred by Chairman Graham to the Division of Administrative Hearings.

We have jurisdiction over this subject matter pursuant to the provisions of Chapter 366, Florida Statutes (F.S.), including Sections 366.04, 366.05, and 366.06, F.S.

¹ Issue 1B: Was DEF prudent in its actions and decisions leading up to and in restoring the unit to service after the February 2017 forced outage at the Bartow plant and, if not, what action should the Commission take with respect to replacement power costs? Issue 1C: Has DEF made prudent adjustments, if any are needed, to account for replacement power costs associated with any impacts related to the de-rating of the Bartow plant? If adjustments are needed and have not been made, what adjustments(s) should be made?

FPL 2020 Solar Base Rate Adjustment (SoBRA) Projects

Issue 2H², FPL's 2020 SoBRA projects, was not stipulated, and FIPUG and FPL presented opening statements which addressed this issue with both parties waiving the filing of briefs. In its opening statements, FPL stated that the procedures for recovery of the 2020 SoBRA projects are outlined in Section 10 of the 2016 Settlement and have been fully complied with. There are several conditions which must be met in order to get recovery for SoBRA projects. First, FPL must request recovery for these projects during the term of the 2016 Settlement, or prior to December 31, 2020. Second, the cost of the components, engineering, and construction for the solar project is capped at \$1,750 per kilowatt alternating current (kWac). Third, for projects less than 75 MW (as are all the projects here): 1) the request for base rate recovery must be filed in the fuel clause docket as part of its final true-up filing; and 2) the issues are limited to the cost-effectiveness of each such project (i.e., will the project lower the projected system cumulative present value of revenue requirements (CPVRR) as compared to each CPVRR without the solar project) and the appropriate percentage increase in base rates needed to collect the estimated revenue requirements.

The uncontradicted testimony of Witness Enjamio is that the project cost is \$410.7 million or \$1,378/kWac and that CPVRR savings are \$26 million. Further, on an average annual basis, the 2020 SoBRA projects are projected to reduce FPL's use of natural gas by 4,734 million cubic feet and to reduce the use of coal by 459 tons. The reduced use of fossil fuel will, in turn, reduce CO₂ emissions by an average of 281,000 tons annually. Sulfur dioxide (SO₂) and nitrogen oxide (NO_x) emissions also are projected to decline by an annual average of 1 ton and 29 tons, respectively. As stated by the Florida Supreme Court in reviewing FPL's 2017 and 2018 SoBRA projects, there is no need to conduct either a need or prudence review of SoBRA projects which meet the criteria established by the 2016 Settlement.³ For these reasons, FPL argues that these projects are cost-effective and should be approved.

In its opening statement FIPUG conceded that the Florida Supreme Court has ruled that the cost recovery criteria set forth in Section 10 of the 2016 Settlement control and are met by the 2020 SoBRA projects at issue here. However, FIPUG argues that the Commission should review all solar projects from a broader perspective taking into account need as well as cost-effectiveness based on market conditions, not simply one number agreed to in a settlement. Further, FIPUG argues that the need for the 2020 SoBRA projects, none of which were subject to a Section 403.519, F.S., need determination proceeding, has not been established. In FIPUG's opinion, these plants could be pushing FPL's reserve margins to historically high percentages while being unable to provide reliable 24-hour base load capacity. In sum, FIPUG understands that the 2016 Settlement terms for recovery of the 2020 SoBRAs have been met, but wished to raise these issues for consideration in the Commission's future decisions regarding solar power.

² Issue 2H states as follows: Are the 2020 SoBRA projects (Hibiscus, Okeechobee, Southfork and Echo River) proposed by FPL cost effective? The 2020 SoBRA projects are related to FPL's 2016 rate case Stipulation and Settlement Agreement approved by Order No. PSC-2016-0560-AS-EI (the 2016 Settlement). Order No. PSC-2016-0560-AS-EI, issued on December 15, 2016, in Docket No. 20160021-EI, *In re: Petition for rate increase by Florida Power & Light Company*.

³ *Florida Industrial Power Users Group v. Brown*, 273 So. 3d 926, 929 (Fla. 2019).

The record before us clearly has uncontradicted, competent, and substantial evidence supporting the cost effectiveness of FPL's 2020 SoBRA projects: construction costs of \$1,378/kWac and CPVRR savings of \$26 million. That being the case, we find that the 2020 SoBRA projects proposed by FPL are cost effective.

Other Matters

Per stipulation of the parties, the new fuel adjustment and capacity factors shall become effective beginning with the first billing cycle for January 2020 through the last billing cycle for December 2020. The first billing cycle may start before January 1, 2020, and the last cycle may be read after December 31, 2020, so that each customer is billed for twelve months regardless of when the recovery factors became effective. The new factors shall continue in effect until modified by us.

We hereby approve revised tariffs reflecting the fuel adjustment factors and capacity cost recovery factors determined to be appropriate in this proceeding. We direct staff to verify that the revised tariffs are consistent with our decision.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the findings set forth in the body of, and Attachment A hereto, this Order are hereby approved. It is further

ORDERED that Florida Power & Light Company, Florida Public Utilities Company, Gulf Power Company, Duke Energy Florida, LLC, and Tampa Electric Company are hereby authorized to apply the fuel cost recovery factors set forth herein during the period January 2020 through December 2020. It is further

ORDERED that the estimated true-up amounts contained in the fuel cost recovery factors approved herein are hereby authorized subject to final true-up and further subject to proof of the reasonableness and prudence of the expenditures upon which the amounts are based. It is further

ORDERED that Florida Power & Light Company, Florida Public Utilities Company, Gulf Power Company, Duke Energy Florida, LLC, and Tampa Electric Company are hereby authorized to apply the capacity cost recovery factors set forth herein during the period January 2020 through December 2020. It is further

ORDERED that the estimated true-up amounts contained in the capacity cost recovery factors approved herein are hereby authorized subject to final true-up and further subject to proof of the reasonableness and prudence of the expenditures upon which the amounts are based. It is further

ORDERED that the revised tariffs reflecting the fuel adjustment factors and capacity cost recovery factors determined to be appropriate in this proceeding are hereby approved and we direct Commission staff to verify that the revised tariffs are consistent with our decision. It is further

ORDERED that while the Fuel and Purchased Power Cost Recovery Clause with Generating Performance Incentive Factor docket is assigned a separate docket number each year for administrative convenience, it is a continuing docket and shall remain open.

By ORDER of the Florida Public Service Commission this 18th day of November, 2019.



ADAM J. TEITZMAN
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399
(850) 413-6770
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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.

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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.

Any party adversely affected by the Commission's final action in this matter may request:
1) reconsideration of the decision by filing a motion for reconsideration with the Office of

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Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, 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 and/or wastewater utility by filing a notice of appeal with the Office of Commission Clerk, and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.

APPROVED TYPE 2 STIPULATIONS⁴

I. FUEL ISSUES

ISSUE 1A: Should the Commission approve as prudent DEF's actions to mitigate the volatility of natural gas, residual oil, and purchased power prices, as reported in DEF's April 2019 and August 2019 hedging reports?

STIPULATION:

Yes, the Commission should approve as prudent DEF's actions to mitigate the volatility of natural gas, residual oil, and purchased power prices that are reported in the August 2019 filing in Docket No. 20190001-EI. For the period reported in the April report, DEF's hedging activities resulted in a net savings of \$588,460. For the period reported in the August report, DEF's hedging activities resulted in a net savings of \$100,700, and the activities in these reports were pursuant to, and were consistent with, previously approved risk management plans. Pursuant to the 2017 RRSSA, DEF agreed not to enter into any additional hedges during the term of the Agreement.

ISSUE 2A: What is the appropriate revised SoBRA factor for the 2017 projects to reflect actual construction costs that are less than the projected costs used to develop the initial SoBRA factor?

STIPULATION:

The appropriate revised SoBRA factor for the 2017 projects is 0.888%, as reflected in Line E of Exhibit EJA-4, Page 1 of 1.

ISSUE 2B: What is the appropriate revised SoBRA factor for the 2018 projects to reflect actual construction costs that are less than the projected costs used to develop the initial SoBRA factor?

STIPULATION:

By agreement of the parties this matter will be addressed during the 2020 Fuel Clause cycle.

ISSUE 2C: What was the total gain under FPL's Incentive Mechanism approved by Order No. PSC-2016-0560-AS-EI that FPL may recover for the period

⁴ A Type 2 Stipulation is one in which all parties either agree with, do not object to, or take no position on, the stipulation presented.

January 2018 through December 2018, and how should that gain to be shared between FPL and customers?

STIPULATION:

The total gain under FPL's Incentive Mechanism approved by Order No. PSC-2016-0560-AS-EI that FPL may recover for the period January 2018 through December 2018 was \$62,404,332, as reflected in Column 5 of Table 1, Total Gains Schedule, (Exhibit GJY-1, Page 1 of 4). This amount exceeded the sharing threshold of \$40 million, and therefore the incremental gain above that amount should be shared between FPL and customers (60% and 40%, respectively), with FPL retaining \$13,442,599, as reflected in Column 9 of Table 2, Total Gains Schedule (Exhibit GJY-1, Page 1 of 4).

ISSUE 2D: What is the appropriate amount of Incremental Optimization Costs under FPL's Incentive Mechanism approved by Order No. PSC-2016-0560-AS-EI that FPL should be allowed to recover through the fuel clause for Personnel, Software, and Hardware costs for the period January 2018 through December 2018?

STIPULATION:

The appropriate amount of Incremental Optimization Costs under FPL's Incentive Mechanism approved by Order No. PSC-2016-0560-AS-EI that FPL should be allowed to recover through the fuel clause for Personnel, Software, and Hardware costs for the period January 2018 through December 2018 is \$516,451, as reflected in Columns 2 and 3 of the Incremental Optimization Costs Schedule (Exhibit GJY-1, Page 4 of 4).

ISSUE 2E: 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-2016-0560-AS-EI that FPL should be allowed to recover through the fuel clause for the period January 2018 through December 2018?

STIPULATION:

The appropriate amount of Variable Power Plant O&M Attributable to Off-System Sales under FPL's Incentive Mechanism approved by Order No. PSC-2016-0560-AS-EI that FPL should be allowed to recover through the fuel clause for the period January 2018 through December 2018 is \$1,611,119, as reflected in Column 6 of the Incremental Optimization Costs Schedule (Exhibit GJY-1, Page 4 of 4).

ISSUE 2F: 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-2016-0560-AS-EI that FPL should be allowed to recover through the fuel clause for the period January 2018 through December 2018?

STIPULATION:

The appropriate amount of Variable Power Plant O&M Avoided due to Economy Purchases under FPL's Incentive Mechanism approved by Order No. PSC-2016-0560-AS-EI that FPL should be allowed to recover through the fuel clause for the period January 2018 through December 2018 is (\$151,215), as reflected in Column 7 of the Incremental Optimization Costs Schedule (Exhibit GJY-1, Page 4 of 4).

ISSUE 2G: If the Commission approves the FPL SolarTogether Program and Tariff, what is the appropriate total FPL SolarTogether Credit amount to be recovered through the fuel cost recovery clause for the period January 2020 through December 2020?

STIPULATION:

\$0. Removal of the FPL SolarTogether Program costs from the cost recovery factors for 2020 is appropriate until a decision is made in FPL's SolarTogether Program docket (Docket No. 20190061-EI), for which the hearing is currently scheduled to begin on January 14, 2020. If the Program is approved, the actual FPL SolarTogether Credit amount for the 2020 calendar year will be reflected in FPL's True-Up filing to be submitted in 2021.

ISSUE 2I: What are the revenue requirements associated with the 2020 SoBRA projects?

STIPULATION:

The appropriate revenue requirements associated with the 2020 SoBRA projects is \$50,491,000, as reflected on Line 7 of the 2020 SoBRA Revenue Requirement Calculation Schedule (Exhibit LF-1, Page 1 of 5).

ISSUE 2J: What is the appropriate base rate percentage increase to be effective when all of the 2020 SoBRA projects are in service, currently projected to be May 1, 2020?

STIPULATION:

The appropriate base rate percentage increase to be effective when all of the 2020 SoBRA projects are in service, currently projected to be May 1, 2020, is 0.732%,

as reflected on Line C of the 2020 SoBRA Factor Calculation Schedule (Exhibit EJA-1, Page 1 of 1).

ISSUE 2K: Should the Commission approve revised tariffs for FPL reflecting the base rate percentage increase for the 2020 SoBRA projects determined to be appropriate in this proceeding?

STIPULATION:

Yes.

ISSUE 2L: Has the Commission made prudent adjustments, if any are needed, to account for replacement power costs associated with the April 2019 forced outage at Saint Lucie Unit 1 generating station? If adjustments are needed and have not been made, what adjustment(s) should be made?

STIPULATION:

The parties have agreed to defer this issue to the 2020 Fuel Cost Recovery Clause docket. It is understood that any amounts associated with the April 2019 St. Lucie outage included in this docket are subject to true-up in the subsequent proceeding in which this issue is heard and that no presumption of prudence attaches.

ISSUE 2M: What is the appropriate base rate percentage decrease associated with the true-up of the 2017 SoBRA?

STIPULATION:

The appropriate base rate percentage decrease associated with the true-up of the 2017 SoBRA is 0.045%, as reflected on Line C of the 2017 SoBRA Prospective Adjustment Schedule (Exhibit EJA-6, Page 1 of 1).

ISSUE 2N: Should the Commission approve revised tariffs for FPL reflecting the base rate percentage decrease for the true-up of the 2017 SoBRA projects determined to be reasonable in this proceeding?

STIPULATION:

Yes.

Gulf Power Company

ISSUE 4A: Should the Commission approve as prudent Gulf's actions to mitigate the volatility of natural gas, residual oil, and purchased power prices, as reported in Gulf's April 2019 and August 2019 hedging reports?

STIPULATION:

Yes, the Commission should approve as prudent Gulf's actions to mitigate the volatility of natural gas, residual oil, and purchased power prices that are reported in April 2019 and August 2019 filings in Docket No. 20190001-EI. For the period reported in the April report, Gulf's hedging activities resulted in a net cost of \$3,049,820. For the period reported in the August report, Gulf's hedging activities resulted in a net cost of \$3,629,330. and the activities in these reports were pursuant to, and were consistent with, previously approved risk management plans. Pursuant to the 2017 Stipulation and Settlement Agreement, Gulf agreed not to enter into any additional hedges during the term of the Agreement.

Tampa Electric Company

ISSUE 5A: Should the Commission approve as prudent TECO's actions to mitigate the volatility of natural gas, residual oil, and purchased power prices, as reported in TECO's April 2019 and August 2019 hedging reports?

STIPULATION:

Yes, the Commission should approve as prudent TECO's actions to mitigate the volatility of natural gas, residual oil, and purchased power prices that are reported in the April 2019 filing in Docket No. 20190001-EI. For the period August 1, 2018, through November 30, 2018, TECO's hedging activities resulted in a net gain of \$106,110, and these activities were pursuant to, and were consistent with, previously approved risk management plans. Pursuant to the 2017 Amended and Restated Stipulation and Settlement Agreement, TECO agreed not to enter into any additional hedges through December 31, 2022. TECO did not file an August 2019 hedging report.

ISSUE 5B: 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 2018 through December 2018, and how should that gain to be shared between TECO and customers?

STIPULATION:

The total gain under TECO's Optimization Mechanism approved by Order No. PSC-2017-0456-S-EI for the period January 2018 through December 2018 was \$6,367,256, as reflected in Column 5 of Table 1, Total Gains Threshold Schedule (Exhibit JCH-1, Page 1 of 3). This amount should be shared between TECO and customers (60% and 40%, respectively), with TECO customers receiving \$5,246,902, and TECO retaining \$1,120,353, as reflected in Columns 7 and 8 of Table 2, Total Gains Threshold Schedule (Exhibit JCH-1, Page 1 of 3).

ISSUE 6: **What are the appropriate actual benchmark levels for calendar year 2019 for gains on non-separated wholesale energy sales eligible for a shareholder incentive?**

STIPULATION:

The appropriate actual benchmark levels for calendar year 2019 for gains on non-separated wholesale energy sales eligible for a shareholder incentive are as follows:

DEF: \$1,333,709.

FPL: Pursuant to the Stipulation and Settlement that was approved in Order No. PSC-2016-0560-AS-EI, FPL revised its Incentive Mechanism program, which does not rely upon the three-year average Shareholder Incentive Benchmark specified in Order No. PSC-00-1744-PAA-EI. Setting the appropriate actual benchmark levels for calendar year 2019 for gains on non-separated wholesale energy sales eligible for a shareholder incentive is not applicable to FPL as part of its revised Incentive Mechanism.

Gulf: \$1,092,804.

TECO: The Company did not set a benchmark level for calendar year 2019. Pursuant to the Stipulation and Settlement that was approved in Order No. PSC-2017-0456-S-EI, the Company's Optimization Mechanism replaces the incentive program that used benchmark levels for gains on non-separated wholesale energy sales eligible for a shareholder incentive.

ISSUE 7: **What are the appropriate estimated benchmark levels for calendar year 2020 for gains on non-separated wholesale energy sales eligible for a shareholder incentive?**

STIPULATION:

The appropriate estimated benchmark levels for calendar year 2020 for gains on non-separated wholesale energy sales eligible for a shareholder incentive are as follows:

DEF: \$1,604,573.

FPL: Pursuant to the Stipulation and Settlement that was approved in Order No. PSC-2016-0560-AS-EI, FPL revised its Incentive Mechanism program, which does not rely upon the three-year average Shareholder Incentive Benchmark specified in Order No. PSC-00-1744-PAA-EI. Setting the appropriate estimated benchmark

levels for calendar year 2020 for gains on non-separated wholesale energy sales eligible for a shareholder incentive is not applicable to FPL as part of its revised Incentive Mechanism.

Gulf: \$900,572.

TECO: The Company did not set an estimated benchmark level for calendar year 2020. Pursuant to the Stipulation and Settlement that was approved in Order No. PSC-2017-0456-S-EI, the Company's Optimization Mechanism replaces the incentive program that used benchmark levels for gains on non-separated wholesale energy sales eligible for a shareholder incentive.

ISSUE 8: **What are the appropriate final fuel adjustment true-up amounts for the period January 2018 through December 2018?**

STIPULATION:

The appropriate final fuel adjustment true-up amounts for the period January 2018 through December 2018 are as follows:

DEF: \$54,428,676, under-recovery, as reflected on Line 13 of the Summary of Actual True-Up Amount Schedule (Exhibit CAM-1T, Sheet 1 of 6).

FPL: \$70,653,405, under-recovery, as reflected on Line 41 of Schedule E1b, (2019 FCR Actual/Estimated True-up, Exhibit RBD-3, Page 1 of 27).

FPUC: \$2,475,441, over-recovery, as reflected on Line 10 of Schedule A (Exhibit CDY-1, Page 1 of 3).

Gulf: \$4,512,071, over-recovery, as reflected on Line 3, Schedule 1, 2018 Final True-Up Schedules (Exhibit CSB-1, Page 1 of 8).

TECO: \$43,986,397, under-recovery, as reflected on Line 11, Final Fuel and Purchased Power Over/(Under) Recovery Schedule (Exhibit PAR-1, Document No.2, Page 1 of 1).

ISSUE 9: **What are the appropriate fuel adjustment actual/estimated true-up amounts for the period January 2019 through December 2019?**

STIPULATION:

The appropriate fuel adjustment actual/estimated true-up amounts for the period January 2019 through December 2019 are as follows:

DEF: \$39,965,991 over-recovery as reflected on Line 8 of Schedule E1-B (Exhibit CAM-2, Part 1, Page 2 of 2).

FPL: \$128,735,937 over-recovery as reflected on Lines 38 plus 39 of Schedule E1-B (2019 FCR Actual Estimated, Exhibit RBD-3, Page 1 of 27).

FPUC: \$4,409,893 under-recovery as reflected on Lines 83 and 84 of Schedule E-1b (Exhibit CDY-2, Page 2 of 3).

Gulf: \$5,178,904, under-recovery, as reflected on Line C9 of Schedule E-1B (Exhibit CSB-3, Page 2 of 32).

TECO: \$13,244,371, over-recovery as reflected on Schedule E1-A, Line 4 (Exhibit PAR-2, Document No. 1, Page 2 of 31).

ISSUE 10: **What are the appropriate total fuel adjustment true-up amounts to be collected/refunded from January 2020 through December 2020?**

STIPULATION:

The appropriate total fuel adjustment true-up amounts to be collected/refunded from January 2020 through December 2020 are as follows:

DEF: \$14,462,684 under-recovery as reflected on Line 13 of Schedule E1-B (Exhibit CAM-2, Part 1, Page 2 of 2).

FPL: \$58,082,532 over-recovery as reflected on Line 43 of Schedule E1-B (2019 FCR Actual Estimated, Exhibit RBD-3, Page 1 of 27).

FPUC: \$1,934,452 under-recovery as reflected Line 88 of Schedule E-1b (Exhibit CDY-2, Page 2 of 3).

Gulf: \$666,833, under-recovery, as reflected on Line 22, Schedule E-1 (Exhibit CSB-5, 2020 Projection Filing, Page 1 of 41).

TECO: \$30,742,026, under-recovery as reflected on Line 6, Schedule E1-A (Exhibit PAR-2, Document No. 1, Page 2 of 31).

ISSUE 11: **What are the appropriate projected total fuel and purchased power cost recovery amounts for the period January 2020 through December 2020?**

STIPULATION:

The appropriate projected total fuel and purchased power cost recovery amounts for the period January 2020 through December 2020 are as follows:

- DEF:** \$1,303,329,632. which is adjusted for line losses and excludes prior period true-up amounts, revenue taxes and GPIF amounts, as reflected on Line 21 of Schedule E1. This amount is subject to possible adjustments ordered in Issues 1B and C. If any adjustments are ordered by the Commission in relation to Issues 1B and 1C, that amount will be reflected in Duke's 2020 filing that reports the final true up of fuel costs for the period January through December, 2019.
- FPL:** \$2,488,782,409, which is adjusted for jurisdictional losses, and includes the jurisdictional savings amount associated with the 2020 solar Project, but excludes prior period true-up amounts, revenue taxes, GPIF amounts, and FPL's portion of Incentive Mechanism gains, as reflected on Line 28 of Schedule E1 (Discovery Response Version of 2020 FCR Projection Schedule, Page FCR-19-029127).
- FPUC:** \$42,849,420, as reflected on Line 27, Schedule E1 (Revised Exhibit MDN-1, Page 1 of 8).
- Gulf:** \$354,335,230, which is adjusted for line losses, but excluding prior period true-up amounts, revenue taxes and GPIF amounts, as reflected on Line 21, Schedule E1 (Exhibit CSB-5, 2020 Projection Filing, Page 1 of 41).
- TECO:** \$582,744,972, which is adjusted for jurisdictional separation, the results of the optimization program, and prior period true-up amounts, but excludes revenue taxes and GPIF amounts, as reflected on Line 30, Schedule E1 (Exhibit PAR-3, Document No. 2, Page 2 of 30).

GENERIC GPIF ISSUES

ISSUE 16: What is the appropriate generation performance incentive factor (GPIF) reward or penalty for performance achieved during the period January 2018 through December 2018 for each investor-owned electric utility subject to the GPIF?

STIPULATION:

The appropriate generation performance incentive factor (GPIF) reward or penalty for performance achieved during the period January 2018 through December 2018 for each investor-owned electric utility subject to the GPIF is as follows:

DEF: \$2,591,697, reward, as reflected on Original Sheet No. 6.101.1, GPIF Reward/Penalty Table (Exhibit JBD, Page 2 of 24).

FPL: \$8,577,071 reward, as reflected in Reward/Penalty Table (Actual) For the Period January through December, 2018 (Exhibit CRR-1, Page 2 of 20).

Gulf: \$10,384, reward, as reflected in GPIF 2018 Results Filing (Exhibit CLN-1, Page 28 of 51, Schedule 4, Page 2 of 2).

TECO: \$4,141,330 reward, as reflected GPIF Reward/Penalty Table (Exhibit BSB-1, Document No. 1, Page 2 of 32).

ISSUE 17: **What should the GPIF targets/ranges be for the period January 2020 through December 2020 for each investor-owned electric utility subject to the GPIF?**

STIPULATION:

The appropriate GPIF targets/ranges be for the period January 2020 through December 2020 for each investor-owned electric utility subject to the GPIF are shown in Tables 17-1 through 17-4 below:

DEF: See Table 17-1 below:

**Table 17-1
GPIF Targets/Ranges for the period January-December, 2020**

	Plant/Unit	EAF			ANOHR		
		Target	Maximum		Target	Maximum	
		EAF (%)	EAF (%)	Savings (\$000's)	ANOHR BTU/KWH	ANOHR BTU/KWH	Savings (\$000's)
DEF	Bartow 4	88.20	92.74	1,617	7,892	8,289	6,774
	Hines 1	87.02	89.01	160	7,261	7,600	2,659
	Hines 2	90.32	91.15	25	7,410	7,660	1,937
	Hines 3	93.73	94.89	159	7,266	7,514	2,089
	Hines 4	83.95	87.02	866	6,982	7,162	1,611
	Osprey 1	88.14	91.02	521	7,291	7,866	3,517
	Total			3,348			18,586

Source: GPIF Target and Range Summary (Exhibit JBD-1P, Page 4 of 67).

FPL: See Table 17-2 below:

Table 17-2
GPIF Targets/Ranges for the period January-December, 2020

	Plant/Unit	EAF			ANOHR		
		Target	Maximum		Target	Maximum	
		EAF (%)	EAF (%)	Savings (\$000's)	ANOHR BTU/KWH	ANOHR BTU/KWH	Savings (\$000's)
FPL	Canaveral 3	83.4	85.9	469	6,615	6,737	2,376
	Manatee 3	91.3	93.8	158	6,880	7,002	1,264
	Ft. Myers 2	90.1	92.6	232	7,342	7,455	2,277
	Port Everglades 5	81.8	84.8	822	6,525	6,695	3,847
	Riviera 5	84.7	87.2	446	6,567	6,684	2,389
	St. Lucie 1	87.4	90.9	3,728	10,421	10,525	413
	St. Lucie 2	85.7	88.7	2,576	10,262	10,355	278
	Turkey Point 3	85.7	88.7	2,403	11,228	11,418	661
	Turkey Point 4	82.7	85.7	2,250	10,865	11,035	561
	West County 1	68.5	71.0	496	7,060	7,218	2,532
	West County 2	90.2	92.7	614	6,918	7,064	3,126
	West County 3	85.3	88.3	608	6,921	7,084	3,274
	Total			14,802			22,998

Source: GPIF Target and Range Summary (Exhibit CRR-2, Pages 6-7 of 34).

Gulf: See Table 17-3 below:

Table 17-3
GPIF Targets/Ranges for the period January-December, 2020

	Plant/Unit	EAF			ANOHR		
		Target	Maximum		Target	Minimum	Maximum
		EAF (%)	EAF (%)	Savings (\$000's)	ANOHR BTU/KWH	ANOHR BTU/KWH	Savings (\$000's)
GULF	Scherer 3	96.8	97.8	23	10,616	10,298	1,211
	Crist 7	78.4	80.9	4	10,584	10,266	365
	Daniel 1	70.9	73.8	1	11,404	11,062	64
	Daniel 2	84.7	86.5	3	11,057	10,725	164
	Smith 3	89.9	90.8	66	6,900	6,693	3,011
		Total			97		

Source: GPIF Unit Performance Summary (Exhibit CLN-2, Schedule 3, Page 41 of 64).

TECO: See Table 17-4 below:

**Table 17-4
GPIF Targets/Ranges for the period January-December, 2020**

	Plant/Unit	Target	Maximum		Target	Maximum	
		EA (%)	EA (%)	Savings (\$000's)	ANOHR BTU/KWH	ANOHR BTU/KWH	Savings (\$000's)
TECO	Big Bend 4	55.4	61.0	301.8	10,837	11,264	956.4
	Polk 1	75.5	79.1	680.0	10,018	11,429	2,408.6
	Polk 2	84.9	86.1	1,477.8	7,209	7,603	7,768.2
	Bayside 1	91.7	92.4	1,216.3	7,379	7,498	1,649.5
	Bayside 2	88.9	90.1	1,811.8	7,499	7,749	3,332.3
	Total				5487.7		

Source: GPIF Target and Range Summary (Exhibit JC-1, Document 1, Page 4 of 31).

FUEL FACTOR CALCULATION ISSUES

ISSUE 18: 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 2020 through December 2020?

STIPULATION:

The appropriate projected total fuel and purchased power cost recovery amounts for the period January 2020 through December 2020 are as follows:

DEF: \$1,321,332,823 as reflected on Line 27 of Schedule E1. This amount is subject to possible adjustments ordered in Issues 1B and C. If any adjustments are ordered by the Commission in relation to Issues 1B and 1C, that amount will be reflected in Duke’s 2020 filing that reports the final true up of fuel costs for the period January through December, 2019.

FPL: \$2,453,813,512, which includes prior period true-up amounts, revenue taxes, the GPIF reward, FPL’s portion of Incentive Mechanism gains, and the jurisdictional savings amount associated with the 2020 solar Project, as reflected on Line 35 of Schedule E1 (Discovery Response Version of 2020 FCR Projection Schedule, Page FCR-19-029127).

FPUC: \$44,783,872 which includes prior period true-up amounts, as reflected on Line 31, Schedule E1 (Revised Exhibit MDN-1, Page 1 of 8).

Gulf: \$355,268,048 which is adjusted for line losses, and includes prior period true-up amounts, revenue taxes and GPIF amounts, as reflected on Line 28, Schedule E1 (Exhibit CSB-5, 2020 Projection Filing, Page 1 of 41).

TECO: \$587,305,878 which is adjusted for jurisdictional separation, and includes prior period true-up amounts, revenue taxes, and GPIF amounts and optimization mechanism, as reflected on Line 33, Schedule E1 (Exhibit PAR-3, Document No. 2, Page 2 of 30).

ISSUE 19: **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 2020 through December 2020?**

STIPULATION:

The appropriate revenue tax factor to be applied in calculating each investor-owned electric utility's levelized fuel factor for the projection period January 2020 through December 2020 is 1.00072.

ISSUE 20: **What are the appropriate levelized fuel cost recovery factors for the period January 2020 through December 2020?**

STIPULATION:

The appropriate levelized fuel cost recovery factors for the period January 2020 through December 2020 are as follows:

DEF: The appropriate levelized factor is 3.345 cents per kWh (adjusted for jurisdictional losses), as reflected on Line 6, Schedule E1-D (Exhibit CAM-3, Part 2, Page 1 of 1).

FPL: The appropriate levelized factors are as follows:

- A. 2.224 cents per kWh (adjusted for jurisdictional losses), for January 2020 through the day prior to the 2020 Project in-service date (projected to be April 30, 2020), as reflected on Line 37 of Schedule E1 (Discovery Response Version of 2020 FCR Projection Schedule, Page FCR-19-029115).
- B. 2.211 cents per kWh (adjusted for jurisdictional losses), from the 2020 Project in-service date (projected to be May 1, 2020) until the fuel factor is reset by the Commission, as reflected on Line 38 of Schedule E1 (Discovery Response Version of 2020 FCR Projection Schedule, Page FCR-19-029121).

FPUC: The appropriate levelized factor is 5.109 cents per kWh, as reflected on Line 43, Schedule E1 (Revised Exhibit MDN-1, Page 2 of 8).

Gulf: The appropriate levelized factor is 3.244 per kWh, as reflected on Line 31, Schedule E-1 (Exhibit CSB-5, 2020 Projection Filing, Page 1 of 41).

TECO: The appropriate factor is 3.012 cents per kWh before any application of time of use multipliers for on-peak or off-peak usage, as reflected on Line 34, Schedule E1 (Exhibit PAR-3, Document No. 2, Page 2 of 30).

ISSUE 21: **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?**

STIPULATION:

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 are shown below:

DEF: See Table 21-1 below:

**Table 21-1
DEF Fuel Recovery Line Loss Multipliers
for the period January-December, 2020**

Group	Delivery Voltage Level	Line Loss Multiplier
A	Transmission	0.98
B	Distribution Primary	0.99
C	Distribution Secondary	1.00
D	Lighting Service	1.00

Source: Menendez Testimony, dated September 3, 2019 (Page 3).

FPL: 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 are provided in response to Issue No. 22.

FPUC: The appropriate fuel recovery line loss multiplier to be used in calculating the fuel cost recovery factors charged to each rate class/delivery voltage level class is 1.0000, as reflected on Line 26a, Schedule E1 (Revised Exhibit MDN-1, Page 1 of 8).

Gulf: See Table 21-2 below:

**Table 21-2
GULF Fuel Recovery Line Loss Multipliers
for the period January-December, 2020**

Group	Rate Schedules	Fuel Recovery Loss Multipliers
A	RS, RSVP, RSTOU, GS, GSD, GSDT, GSTOU, OSIII, SBS(1)	1.00555
B	LP, LPT, SBS(2)	0.99188
C	PX, PXT, RTP, SBS(3)	0.97668
D	OSI/II	1.00560
(1) Includes SBS customers with a contract demand in the range of 100 to 499 kW (2) Includes SBS customers with a contract demand in the range of 500 to 7,499 kW (3) Includes SBS customers with a contract demand over 7,499 kW		

Source: Schedule E1-E (Exhibit CSB-5, 2020 Projection Filing, Page 8 of 41).

TECO: See Table 21-3 below:

**Table 21-3
TECO Fuel Recovery Line Loss Multipliers
for the period January-December, 2020**

Delivery Voltage Level	Line Loss Multiplier
Transmission	0.98
Distribution Primary	0.99
Distribution Secondary	1.00
Lighting Service	1.00

Source: Schedule E1-D, BSP 23 (Exhibit PAR-3, Document Number 2, Page 6 of 30).

ISSUE 22: What are the appropriate fuel cost recovery factors for each rate class/delivery voltage level class adjusted for line losses?

STIPULATION:

The appropriate fuel cost recovery factors for each rate class/delivery voltage level class adjusted for line losses are shown in Tables 22-1 through 22-8 below:

DEF: The appropriate fuel cost recovery factors for each rate class/delivery voltage level class adjusted for line losses for the period January 2020 through December 2020, are shown Table 22-1 below. DEF agrees in its next base rate case to consult with PCS Phosphate concerning DEF's on and off peak rate design.

Table 22-1
Fuel Cost Recovery Factors for the period January-December, 2020

Fuel Cost Recovery Factors For the Period January-December, 2020						
Group	Delivery Voltage Level	Fuel Cost Recovery Factors (cents/kWh)			Time of Use	
		First Tier	Second Tier	Levelized	On-Peak Multiplier 1.286	Off-Peak Multiplier 0.872
A	Transmission	--	--	3.283	4.222	2.863
B	Distribution Primary	--	--	3.317	4.266	2.892
C	Distribution Secondary	3.067	4.067	3.350	4.308	2.921
D	Lighting Service	--	--	3.181	--	--

Source: Schedule E1-E (Exhibit CAM-3, Part 2, Page 1 of 1).

FPL: The appropriate fuel cost recovery factors for each rate class/delivery voltage level class adjusted for line losses are shown below in Tables 22-2 through 22-5. The factors for January and April, 2020 are shown in Tables 22-2 and 22-3, and the factors for May through December, 2020 are shown in Tables 22-4 and 22-5:

Table 22-2
FPL Fuel Cost Recovery Factors for the period January-April, 2020

Fuel Recovery Factors – By Rate Group (Adjusted for Line Losses)				
For the Period January through April, 2020				
Group	Rate Schedule	Avg. Factor	Loss Multiplier	Fuel Recovery Factor
A	RS-1 first 1,000 kWh	2.224	1.00212	1.897
	RS-1, all addl. kWh	2.224	1.00212	2.897
	GS-1, SL-2, GSCU-1, WIES-1	2.224	1.00212	2.229
A-1	SL-1, OL-1, PL-1	2.158	1.00212	2.163
B	GSD-1	2.224	1.00207	2.229
C	GSLD-1, CS-1	2.224	1.00157	2.227
D	GSLD-2, CS-2, OS-2, MET	2.224	0.99555	2.214
E	GSLD-3, CS-3	2.224	0.97529	2.169
A	GST-1 On-Peak	2.555	1.00212	2.560

	GST-1 Off Peak	2.082	1.00212	2.086
	RTR-1 On-Peak	-	-	0.331
	RTR-1 Off-Peak	-	-	(0.143)
B	GSLDT-1, CILC-1(G), HLFT-1 (21-499 kW) On Peak	2.555	1.00207	2.560
	GSLDT-1, CILC-1(G), HLFT-1 (21-499 kW) Off Peak	2.082	1.00207	2.086
C	GSLDT-1, CST-1, HLFT-2 (500-1,999 kW) On Peak	2.555	1.00157	2.559
	GSLDT-1, CST-1, HLFT-2 (500-1,999 kW) Off Peak	2.082	1.00157	2.085
D	GSLDT-2, CST-2, HLFT-3 (2,000+ kW) On Peak	2.555	0.99588	2.544
	GSLDT-2, CST-2, HLFT-3 (2,000+ kW) Off Peak	2.082	0.99588	2.073
E	GSLDT-3, CST-3, CILC-1(T), ISST-1(T) On Peak	2.555	0.97529	2.492
	GSLDT-3, CST-3, CILC-1(T), ISST-1(T) Off Peak	2.082	0.97529	2.031
F	CILC-1(D), ISST-1(D) On Peak	2.555	0.99566	2.544
	CILC-1(D), ISST-1(D) Off Peak	2.082	0.99566	2.073

Source: Schedule E1-E, Page 1 of 2 (Discovery Response Version of 2020 FCR Projection Schedule, Page FCR-19-029116).

Table 22-3
FPL Fuel Cost Recovery Factors for the period January- April, 2020

Seasonal Demand Time of Use Rider (SDTR) Fuel Recovery Factors				
For the Period June through September, 2020				
Group	Rate Schedule	Avg. Factor	Loss Multiplier	Fuel Recovery Factor
B	GSD(T)-1 On-Peak	3.051	1.00207	3.057
	GSD(T)-1 Off-Peak	2.115	1.00207	2.119
C	GSLD(T)-1 On-Peak	3.051	1.00157	3.056
	GSLD(T)-1 Off-Peak	2.115	1.00157	2.118
D	GSLD(T)-2 On-Peak	3.051	0.99588	3.038
	GSLD(T)-2 Off-Peak	2.115	0.99588	2.106

Source: Schedule E1- E, Page 2 of 2 (Discovery Response Version of 2020 FCR Projection Schedule, Page FCR-19-029117).

Table 22-4**FPL Fuel Cost Recovery Factors for the period May through December, 2020**

Fuel Recovery Factors – By Rate Group (Adjusted for Line Losses)				
For the Period May through December, 2020				
Group	Rate Schedule	Avg. Factor	Loss Multiplier	Fuel Recovery Factor
A	RS-1 first 1,000 kWh	2.211	1.00212	1.884
	RS-1, all addl. kWh	2.211	1.00212	2.884
	GS-1, SL-2, GSCU-1, WIES-1	2.211	1.00212	2.216
A-1	SL-1, OL-1, PL-1	2.144	1.00212	2.149
B	GSD-1	2.211	1.00207	2.216
C	GSLD-1, CS-1	2.211	1.00157	2.214
D	GSLD-2, CS-2, OS-2, MET	2.211	0.99555	2.201
E	GSLD-3, CS-3	2.211	0.97529	2.156
A	GST-1 On-Peak	2.540	1.00212	2.545
	GST-1 Off Peak	2.069	1.00212	2.073
	RTR-1 On-Peak	-	-	0.329
	RTR-1 Off-Peak	-	-	(0.143)
B	GSDT-1, CILC-1(G), HLFT-1 (21-499 kW) On Peak	2.540	1.00207	2.545
	GSDT-1, CILC-1(G), HLFT-1 (21-499 kW) Off Peak	2.069	1.00207	2.073
C	GSLDT-1, CST-1, HLFT-2 (500-1,9999 kW) On Peak	2.540	1.00157	2.544
	GSLDT-1, CST-1, HLFT-2 (500-1,9999 kW) Off Peak	2.069	1.00157	2.072
D	GSLDT-2, CST-2, HLFT-3 (2,000+ kW) On Peak	2.540	0.99588	2.530
	GSLDT-2, CST-2, HLFT-3 (2,000+ kW) Off Peak	2.069	0.99588	2.060
E	GSLDT-3, CST-3, CILC-1(T), ISST-1(T) On Peak	2.540	0.97529	2.477
	GSLDT-3, CST-3, CILC-1(T), ISST-1(T) Off Peak	2.069	0.97529	2.018
F	CILC-1(D), ISST-1(D) On Peak	2.540	0.99566	2.529
	CILC-1(D), ISST-1(D) Off Peak	2.069	0.99566	2.060

Source: Schedule E1-E, Page 1 of 2 (Discovery Response Version of 2020 FCR Projection Schedule, Page FCR-19-029122).

Table 22-5
FPL Fuel Cost Recovery Factors for the period May through December, 2020

Seasonal Demand Time of Use Rider (SDTR) Fuel Recovery Factors				
For the Period June through September, 2020				
Group	Rate Schedule	Avg. Factor	Loss Multiplier	Fuel Recovery Factor
B	GSD(T)-1 On-Peak	3.033	1.00207	3.039
	GSD(T)-1 Off-Peak	2.103	1.00207	2.107
C	GSLD(T)-1 On-Peak	3.033	1.00157	3.038
	GSLD(T)-1 Off-Peak	2.103	1.00157	2.106
D	GSLD(T)-2 On-Peak	3.033	0.99588	3.021
	GSLD(T)-2 Off-Peak	2.103	0.99588	2.094

Source: Schedule E1- E, Page 2 of 2 (Discovery Response Version of 2020 FCR Projection Schedule, Page FCR-19-029123).

FPUC: The appropriate levelized fuel adjustment and purchased power cost recovery factors for the period January 2020 through December 2020 for the Consolidated Electric Division, adjusted for line loss multipliers and including taxes, are shown in Tables 22-8 through 22-10 below:

Table 22-8
FPUC Fuel Cost Recovery Factors for the period January-December, 2020

Fuel Recovery Factors – By Rate Schedule	
For the Period January through December, 2020	
Rate Schedule	Levelized Adjustment (cents/kWh)
RS	7.766
GS	7.535
GSD	7.228
GSLD	7.009
LS	5.621

Source: Schedule E1, Page 3 of 3 (Revised Exhibit MDN-1, Cost Recovery Clause Calculation, Page 3 of 8).

Table 22-9
FPUC Fuel Cost Recovery Factors for the period January-December, 2020

Step Rate Allocation For Residential Customers (RS Rate Schedule)	
For the Period January through December, 2020	
Rate Schedule and Allocation	Levelized Adjustment (cents/kWh)
RS Rate Schedule – Sales Allocation	7.766
RS Rate Schedule with less than or equal to 1,000 kWh/month	7.459
RS Rate Schedule with more than 1,000 kWh/month	8.709

Source: Schedule E1, Page 3 of 3 (Revised Exhibit MDN-1, Cost Recovery Clause Calculation, Page 3 of 8).

Table 22-10
FPUC Fuel Cost Recovery Factors for the period January-December, 2020

Fuel Recovery Factors for Time Of Use – By Rate Schedule		
For the Period January through December, 2020		
Rate Schedule	Levelized Adjustment On Peak (cents/kWh)	Levelized Adjustment Off Peak (cents/kWh)
RS	15.859	3.559
GS	11.535	2.535
GSD	11.228	3.978
GSLD	13.009	4.009
Interruptible	5.509	7.009

Source: Schedule E1, Page 3 of 3 (Revised Exhibit MDN-1, Cost Recovery Clause Calculation, Page 3 of 8).

Gulf: The appropriate fuel cost recovery factors for each rate class/delivery voltage level class adjusted for line losses for the period January 2020 through December 2020, are shown in Tables 22-11 and 22-12 below:

Table 22-11
Gulf Standard Fuel Cost Recovery Factors
for the period January-December, 2020

Group	Rate Schedules	Fuel Cost Recovery Factors ¢/KWH
A	RS, RSVP, RSTOU, GS, GSD, GSDT, GSTOU, OSIII	3.262
B	LP	3.218
C	PX, RTP	3.168
D	OSI/II	3.236

Source: Schedule E1-E (Exhibit CSB-5, 2020 Projection Filing, Page 7 of 41).

Table 22-12
Gulf Time-of-Use Fuel Cost Recovery Factors
for the period January-December, 2020

Group	Time-of-Use Rate Schedules	Fuel Recovery Loss Multipliers	Fuel Cost Recovery Factors ¢/KWH	
			On-Peak	Off-Peak
A	GSDT, SBS(1)	1.00555	3.762	3.059
B	LPT, SBS(2)	0.99188	3.711	3.017
C	PXT, SBS(3)	0.97668	3.654	2.971
(1) Includes SBS customers with a contract demand in the range of 100 to 499 kW (2) Includes SBS customers with a contract demand in the range of 500 to 7,499 kW (3) Includes SBS customers with a contract demand over 7,499 kW				

Source: Schedule E1-E (Exhibit CSB-5, 2020 Projection Filing, Page 8 of 41).

TECO: The appropriate fuel cost recovery factors for each rate class/delivery voltage level class adjusted for line losses for the period January 2020 through December 2020, are shown in Table 22-13 below:

**Table 22-13
TECO Fuel Cost Recovery Factors for the period January-December, 2020**

Metering Voltage Level	Fuel Cost Recovery Factors (cents per kWh)		
	Levelized Fuel Recovery Factor	First Tier (Up to 1,000 kWh)	Second Tier (Over 1,000 kWh)
STANDARD			
Distribution Secondary (RS only)	--	2.702	3.702
Distribution Secondary	3.016		
Distribution Primary	2.986		
Transmission	2.956		
Lighting Service	2.989		
TIME OF USE			
Distribution Secondary- On-Peak	3.162		
Distribution Secondary- Off-Peak	2.953		
Distribution Primary- On-Peak	3.130		
Distribution Primary- Off-Peak	2.923		
Transmission – On-Peak	3.099		
Transmission – Off-Peak	2.894		

Source: Schedule E1-E, Bates Stamped Page 23 (Exhibit PAR-3, Document Number 2, Page 6 of 30).

II. CAPACITY ISSUES

COMPANY-SPECIFIC CAPACITY COST RECOVERY FACTOR ISSUES

Duke Energy Florida, LLC

ISSUE 23A: What amount has DEF included in the capacity cost recovery clause for nuclear cost recovery?

STIPULATION:

Duke has included \$0 in the capacity cost recovery clause for nuclear cost recovery.

ISSUE 23B: What is the appropriate true-up adjustment amount associated with the Hamilton SoBRA project approved by Order No. PSC-2019-0159-FOF-EI to be refunded through the capacity clause in 2020?

STIPULATION:

The appropriate true-up adjustment amount associated with the Hamilton SoBRA project approved by Order No. PSC-2019-015-FOF-EI to be refunded through the capacity clause in 2020 is \$478,334, as reflected on Schedule E-12A, Line 26, in Exhibit CAM-3, Part 3.

Florida Power & Light Company

ISSUE 24A: What amount has FPL included in the capacity cost recovery clause for nuclear cost recovery?

STIPULATION:

\$0.

ISSUE 24B: What is the appropriate true-up adjustment amount associated with the 2017 SOBRA projects approved by Order No. PSC-2018-0028-FOF-EI to be refunded through the capacity clause in 2020?

STIPULATION:

\$6,657,892, as reflected in the 2017 Project Refund Calculation Schedule (EJA-5, Page 2 of 2).

ISSUE 24C: What is the appropriate true-up amount associated with the 2018 SOBRA projects approved by Order No. PSC-2018-0028-FOF-EI to be refunded through the capacity clause in 2020?

STIPULATION:

The parties have agreed to address this matter in the 2020 Fuel Clause cycle.

ISSUE 24D: What are the appropriate Indiantown non-fuel base revenue requirements to be recovered through the Capacity Clause pursuant to the Commission's approval of the Indiantown transaction in Docket No. 160154-EI for 2020?

STIPULATION:

The appropriate Indiantown non-fuel base revenue requirements to be recovered through the Capacity Clause pursuant to the Commission's approval of the Indiantown transaction in Docket No. 160154-EI for 2020 are \$3,687,779, as reflected on Line 15 of Rate Case Allocation of Indiantown Revenue Requirement Schedule in Appendix V – 2020 CCR Projections (Exhibit RBD-10, Page 18 of 32).

GENERIC CAPACITY COST RECOVERY FACTOR ISSUES

ISSUE 27: What are the appropriate final capacity cost recovery true-up amounts for the period January 2018 through December 2018?

STIPULATION:

The appropriate final capacity cost recovery true-up amounts for the period January 2018 through December 2018 are as follows:

DEF: \$845,393, under-recovery, as reflected on Line 9 of Capacity Cost Recovery Clause Summary of Actual True-Up Amount (Exhibit CAM-2T, Sheet 1 of 3).

FPL: \$7,161,719, over-recovery, as reflected on Line 32 of Capacity Cost Recovery Clause Summary Schedule (Exhibit RBD-10, 2020 CCR Projections, Page 2 of 32).

Gulf: \$384,798, over-recovery, as reflected on Line 3, Schedule CCA-1, 2018 Final True-Up Schedule (Exhibit CSB-1, Page 5 of 8).

TECO: \$0, as reflected on Line 3, CCR 2018 Final True-Up (Exhibit PAR-1, Document No. 1, Page 1 of 4). The appropriate final capacity cost recovery true-up amounts for the period January 2018 through December 2018, was addressed in Order No. PSC-2019-0109-PCO-EI, Order Approving TECO's Petition for Mid-Course Correction, issued March 22, 2019.

ISSUE 28: What are the appropriate capacity cost recovery actual/estimated true-up amounts for the period January 2019 through December 2019?

STIPULATION:

The appropriate capacity cost recovery actual/estimated true-up amounts for the period January 2019 through December 2019 are as follows:

DEF: \$2,693,901, over-recovery as reflected on Line 41, Schedule E12-B (Exhibit CAM-2, Part 2, Page 1 of 2).

FPL: \$9,002,615 over-recovery, as reflected on Lines 8 plus 9, Capacity Cost Recovery Calculation of Actual/Estimated True-Up Amount (Exhibit RBD-4, 2019 CCR Actual Estimated, Page 3 of 17).

Gulf: \$622,746, under-recovery, as reflected on Line 1, Schedule CCE-1A, 2020 Projection Filing (Exhibit CSB-5, Page 37 of 41).

TECO: \$2,179,217, under-recovery, as reflected on Line 15, Capacity Cost Recovery Calculation of the Actual/Estimated True-Up Amount (Exhibit PAR-2, Document No. 2, Page 2 of 4).

ISSUE 29: What are the appropriate total capacity cost recovery true-up amounts to be collected/refunded during the period January 2020 through December 2020?

STIPULATION:

The appropriate total capacity cost recovery true-up amounts to be collected/refunded during the period January 2020 through December 2020 are as follows:

DEF: \$1,848,509, over-recovery as reflected on Line 45, Schedule E12-B (Exhibit CAM-2, Part 2, Page 1 of 2).

FPL: \$16,164,334, over-recovery as reflected on Line 13, Capacity Cost Recovery Calculation of Actual/Estimated True-Up Amount (Exhibit RBD-4, 2019 CCR Actual Estimated, Page 3 of 17).

Gulf: \$237,948, under-recovery, as reflected on Line 3, Schedule CCE-1A, 2019 Est./Actual Schedules (Exhibit CSB-3, Page 28 of 32).

TECO: \$2,179,217, under-recovery, as reflected on Line 6, Capacity Cost Recovery Calculation of the Current Period True-Up (Exhibit PAR-2, Document No. 2, Page 1 of 4).

ISSUE 30: What are the appropriate projected total capacity cost recovery amounts for the period January 2020 through December 2020?

STIPULATION:

The appropriate projected total capacity cost recovery amounts for the period January 2020 through December 2020 are as follows:

DEF: \$409,624,753, as reflected on Line 28, Schedule E12-A (Exhibit CAM-2, Part 3, Page 1 of 2).

FPL: \$256,597,002, which excludes prior period true-up amounts, revenue taxes, and the Indiantown non-fuel base revenue requirement, as reflected on Line 30, Appendix VI - 2020 CCR Projections Schedule (Exhibit RBD-10, Page 2 of 32).

Gulf: \$83,486,772, which is adjusted for jurisdictional separation, but excludes prior period true-up amounts, and revenue taxes, as reflected on Line 7 of Schedule CCE-1, 2020 Projection Filing (Exhibit CSB-5, Page 36 of 41).

TECO: (\$560,376), which excludes prior period true-up amounts and revenue taxes, as reflected on Line 6, Capacity Cost Recovery Clause Calculation of Energy and

Demand Allocation By Rate Class (Exhibit PAR-3, Document No. 1, Page 2 of 4).

ISSUE 31: What are the appropriate projected net purchased power capacity cost recovery amounts to be included in the recovery factor for the period January 2020 through December 2020?

STIPULATION:

The appropriate projected net purchased power capacity cost recovery amounts to be included in the recovery factor for the period January 2020 through December 2020 are as follows:

DEF: \$414,954,634, as reflected on Line 36, Schedule E12-A (Exhibit CAM-3, Part 3, Page 1 of 2).

FPL: \$237,630,783, which includes the net total recoverable capacity costs of \$233,943,004, as reflected on Line 37, Appendix V - 2020 CCR Projections Schedule (Exhibit RBD-10, Page 2 of 32), plus \$3,687,779, the Indiantown non-fuel base revenue requirement, as reflected on Line 15, Appendix V - 2020 CCR Projections Schedule (Exhibit RBD-10, Page 18 of 32). The net total recoverable capacity costs includes the 2017 SoBRA true-up credit, the final true-up from 2018, and the actual/estimated true-up from 2019, and revenue taxes.

Gulf: \$83,785,002, which is adjusted for jurisdictional separation, and includes prior period true-up amounts and revenue taxes, as reflected on Line 11 of Schedule CCE-1, 2020 Projection Filing (Exhibit CSB-5, Page 36 of 41).

TECO: \$1,620,007, which includes prior period true-up amounts and revenue taxes, as reflected on Line 10, Capacity Cost Recovery Clause Calculation of Energy and Demand Allocation By Rate Class (Exhibit PAR-3, Document No. 1, Page 2 of 4).

ISSUE 32: What are the appropriate jurisdictional separation factors for capacity revenues and costs to be included in the recovery factor for the period January 2020 through December 2020?

STIPULATION

The appropriate jurisdictional separation factors for capacity revenues and costs to be included in the recovery factor for the period January 2020 through December 2020 are as follows:

DEF: Base – 92.885%, Intermediate – 72.703%, and Peaking – 95.924%, as reflected on Lines 8, 14, and 21, respectively, on Schedule E12-A (Exhibit CAM-3, Part 3, Page 1 of 2).

FPL:

2020 Projected Separation Factors	
	SUMMARY
DEMAND	
FPL101 - Transmission	0.899387
FPL102 – Non-Stratified Production	0.957922
FPL103INT – Intermediate Strata Production	0.941569
FPL103PEAK – Peaking Strata Production	0.950455
ENERGY	
FPL201 – Total Sales	0.950640
FPL202 – Non-Stratified Sales	0.958799
FPL203INT – Intermediate Strata Sales	0.942430
FPL203PEAK – Peaking Strata Sales	0.951325
GENERAL PLANT	
I900 - LABOR	0.969124

Source: Appendix V – 2020 CCR Projections (Exhibit RBD-10, Page 23 of 32).

Gulf: FPSC – 97.23427%, and FERC – 2.76573%, as reflected on Schedule CCE-1, 2020 Projection Filing (Exhibit CSB-5, Page 36 of 41).

TECO: The appropriate jurisdictional separation factor is 1.00, as reflected on Line 5, Capacity Cost Recovery Clause Calculation of Energy and Demand Allocation By Rate Class (Exhibit PAR-3, Document No. 1, Page 2 of 4).

ISSUE 33: What are the appropriate capacity cost recovery factors for the period January 2020 through December 2020?

STIPULATION

The appropriate capacity cost recovery factors for the period January 2020 through December 2020 are shown in Tables 33-1 through 33-6 below.

DEF: The appropriate capacity cost recovery factors for the period January 2020 through December 2020 are shown in Table 33-1 below.

**Table 33-1
DEF Capacity Cost Recovery Factors for the period January-December, 2020**

Rate Class	2020 Capacity Cost Recovery Factors	
	Cents / kWh	Dollars / kW-month
Residential (RS-1, RST-1, RSL-1, RSL-2, RSS-1) At Secondary Voltage	1.200	
General Service Non-Demand (GS-1, GST-1)		
	At Secondary Voltage	1.147
	At Primary Voltage	1.136
	At Transmission Voltage	1.124
General Service (GS-2)	0.690	
Lighting (LS-1)	0.147	
General Service Demand (GSD-1, GSDDT-1, SS-1)		
	At Secondary Voltage	3.60
	At Primary Voltage	3.56
	At Transmission Voltage	3.53
Curtaillable (CS-1, CST-1, CS-2, CST-2, CS-3, CST-3, SS-3)		
	At Secondary Voltage	1.38
	At Primary Voltage	1.37
	At Transmission Voltage	1.35
Interruptible (IS-1, IST-1, IS-2, IST-2, SS-2)		
	At Secondary Voltage	3.00
	At Primary Voltage	2.97
	At Transmission Voltage	2.94
Standby Monthly (SS-1, 2, 3)		
	At Secondary Voltage	0.349
	At Primary Voltage	0.346
	At Transmission Voltage	0.342
Standby Daily (SS-1, 2, 3)		
	At Secondary Voltage	0.166
	At Primary Voltage	0.164
	At Transmission Voltage	0.163

Source: Schedule E12-E (Exhibit CAM-3, Part 3).

FPL: The appropriate capacity cost recovery factors for the period January 2020 through December 2020 are shown in Tables 33-2 through 33-4 below:

Table 33-2
FPL Capacity Cost Recovery Factors for the period January-December, 2020

Rate Schedule	2020 Capacity Cost Recovery Factors, Excluding Indiantown			
	\$/kW	\$/kWh	Reservation Demand Charge (RDC) \$/kW	Sum of Daily Demand Charge (SDD) \$/kW
RS1/RTR1	-	0.00226	-	-
GS1/GST1	-	0.00222	-	-
GSD1/GSDT1/HLFT1	0.74	-	-	-
OS2	-	0.00093	-	-
GSLD1/GSLDT1/CS1/CST1/HLFT2	0.84	-	-	-
GSLD2/GSLDT2/CS2/CST2/HLFT3	0.80	-	-	-
GSLD3/GSLDT3/CS3/CST3	0.83	-	-	-
SST1T	-	-	0.10	0.05
SST1D1/SST1D2/SST1D3	-	-	0.10	0.05
CILC D/CILC G	0.86	-	-	-
CILC T	0.83	-	-	-
MET	0.74	-	-	-
OL1/SL1/SL1M/PL1	-	0.00017	-	-
SL2/SL2M/GSCU1	-	0.00151	-	-

Source: Appendix V – 2020 CCR Projections (Exhibit RBD-10, Page 4 of 32).

Table 33-3
FPL Capacity Cost Recovery Factors for the period January-December, 2020

Rate Schedule	2020 Indiantown Capacity Cost Recovery Factors			
	\$/kW	\$/kWh	Reservation Demand Charge (RDC) \$/kW	Sum of Daily Demand Charge (SDD) \$/kW
RS1/RTR1	-	0.00004	-	-
GS1/GST1	-	0.00003	-	-
GSD1/GSDT1/HLFT1	0.01	-	-	-
OS2	-	0.00002	-	-
GSLD1/GSLDT1/CS1/CST1/HLFT2	0.01	-	-	-
GSLD2/GSLDT2/CS2/CST2/HLFT3	0.01	-	-	-
GSLD3/GSLDT3/CS3/CST3	0.01	-	-	-
SST1T	-	-	-	-
SST1D1/SST1D2/SST1D3	-	-	-	-
CILC D/CILC G	0.01	-	-	-
CILC T	0.01	-	-	-
MET	0.01	-	-	-
OL1/SL1/SL1M/PL1	-	0.00001	-	-
SL2/SL2M/GSCU1	-	0.00002	-	-

Source: Appendix V – 2020 CCR Projections (Exhibit RBD-10, Page 19 of 32).

Table 33-4
FPL Capacity Cost Recovery Factors for the period January-December, 2020

Rate Schedule	2020 Total Capacity Cost Recovery Factors			
	\$/kW	\$/kWh	Reservation Demand Charge (RDC) \$/kW	Sum of Daily Demand Charge (SDD) \$/kW
RS1/RTR1	-	0.00230	-	-
GS1/GST1	-	0.00225	-	-
GSD1/GSDT1/HLFT1	0.75	-	-	-
OS2	-	0.00095	-	-
GSLD1/GSLDT1/CS1/CST1/HLFT2	0.85	-	-	-
GSLD2/GSLDT2/CS2/CST2/HLFT3	0.81	-	-	-
GSLD3/GSLDT3/CS3/CST3	0.84	-	-	-
SST1T	-	-	0.10	0.05
SST1D1/SST1D2/SST1D3	-	-	0.10	0.05
CILC D/CILC G	0.87	-	-	-
CILC T	0.84	-	-	-
MET	0.75	-	-	-
OL1/SL1/SL1M/PL1	-	0.00018	-	-
SL2/SL2M/GSCU1	-	0.00153	-	-

Source: Appendix V – 2020 CCR Projections (Exhibit RBD-10, Page 20 of 32).

Gulf: The appropriate capacity cost recovery factors for the period January 2020 through December 2020 are shown in Table 33-5 below:

**Table 33-5
GULF Capacity Cost Recovery Factors for the period January-December, 2020**

Rate Class	2019 Capacity Cost Recovery Factors	
	Cents / kWh	Dollars / kW-month
RS, RSVP, RSTOU	0.878	-
GS	0.893	
GSD, GSDT, GSTOU	0.703	
LP, LPT	-	2.92
PX, PXT, RTP, SBS	0.598	-
OS-I/II	0.121	
OSIII	0.543	

Source: Schedule CCE-2, Page 2 of 2 (Exhibit CSB-5, Columns G and I, Page 40 of 41).

TECO: The appropriate capacity cost recovery factors for the period January 2020 through December 2020 are shown in Table 33-6 below:

**Table 33-6
TECO Capacity Cost Recovery Factors for the period January-December, 2020**

Rate Class and Metering Voltage	2020 Capacity Cost Recovery Factors	
	Cents / kWh	Dollars / kW
RS Secondary	0.010	-
GS and CS	0.008	
GSD, SBF Standard		
Secondary	-	0.03
Primary		0.03
Transmission		0.03
GSD Optional		
Secondary	0.007	-
Primary	0.007	
Transmission	0.007	
IS, SBI		
Primary	-	0.03
Transmission		0.03
LS1 Secondary	0.002	-

Source: Exhibit PAR-3, Document Number 1, Columns 10 and 11, Page 3 of 4.

III. EFFECTIVE DATE

ISSUE 34: What should be the effective date of the fuel adjustment factors and capacity cost recovery factors for billing purposes?

STIPULATION

The new factors should be effective begin with the first billing cycle for January 2020 through the last billing cycle for December 2020. The first billing cycle may start before January 1, 2020, and the last cycle may be read after December 31, 2020, so that each customer is billed for twelve months regardless of when the recovery factors became effective. The new factors shall continue in effect until modified by this Commission.

ISSUE 35: Should the Commission approve revised tariffs reflecting the fuel adjustment factors and capacity cost recovery factors determined to be appropriate in this proceeding?

STIPULATION

Yes.

ISSUE 36: Should the Joint Motion to Modify Order No. PSC-2012-0425-PAA-EU regarding Weighted Average Cost of Capital Methodology be approved?

STIPULATION

No. The normalization provisions of the Internal Revenue Code (IRC) Treasury Regulation Section 1.167(1)-1(h)(6) shall be applied to the Weighted Average Cost of Capital (WACC) in this docket subject to true-up. The determination of the WACC to be applied in future clause dockets shall be the subject of a workshop to be held by Commission staff.

ISSUE 37: Should this docket be closed?

STIPULATION

No. While a separate docket number is assigned each year for administrative convenience, this is a continuing docket and should remain open.