

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Environmental cost recovery clause.

DOCKET NO. 20250007-EI
ORDER NO. PSC-2025-0437-FOF-EI
ISSUED: November 24, 2025

The following Commissioners participated in the disposition of this matter:

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

FINAL ORDER APPROVING ENVIRONMENTAL COST RECOVERY AMOUNTS AND
RELATED TARIFFS AND ESTABLISHING ENVIRONMENTAL COST RECOVERY
FACTORS FOR THE PERIOD JANUARY 2026 THROUGH DECEMBER 2026

APPEARANCES:

MARIA JOSE MONCADA and JOEL T. BAKER, ESQUIRES, 700 Universe
Boulevard, Juno Beach, Florida 33408-2863
On behalf of FLORIDA POWER & LIGHT COMPANY (FPL).

DIANNE M. TRIPLETT, ESQUIRE, 299 First Avenue North, St. Petersburg,
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MATTHEW R. BERNIER and STEPHANIE CUELLO, ESQUIRES, 106 East
College Avenue, Suite 800, Tallahassee, Florida 32301
On behalf of DUKE ENERGY FLORIDA, LLC (DEF).

J. JEFFRY WAHLEN, MALCOLM N. MEANS, and VIRGINIA PONDER,
ESQUIRES, Ausley McMullen, Post Office Box 391, Tallahassee, Florida 32302
On behalf of TAMPA ELECTRIC COMPANY (TECO).

WALT TRIERWEILER, CHARLES J. REHWINKEL, PATRICIA A.
CHRISTENSEN, MARY A. WESSLING, OCTAVIO PONCE, and AUSTIN
WATROUS, ESQUIRES, c/o The Florida Legislature, 111 West Madison Street,
Suite 812, Tallahassee, Florida 32399-1400
On behalf of the OFFICE OF PUBLIC COUNSEL (OPC).

JON C. MOYLE, JR. and KAREN A. PUTNAL, ESQUIRES, Moyle Law Firm,
P.A., 118 North Gadsden Street, Tallahassee, Florida 32301
On behalf of FLORIDA INDUSTRIAL POWER USERS GROUP (FIPUG).

CARLOS M. MARQUEZ II, JACOB IMIG, and SHAW STILLER, ESQUIRES,
Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee,
Florida 32399-0850

On behalf of Florida Public Service Commission Staff (Staff).

MARY ANNE HELTON, ESQUIRE, Deputy General Counsel, Florida Public
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0850

Advisor to the Florida Public Service Commission.

ADRIA E. HARPER, General Counsel, Florida Public Service Commission, 2540
Shumard Oak Boulevard, Tallahassee, Florida 32399-0850

Florida Public Service Commission General Counsel.

BY THE COMMISSION:

BACKGROUND

The Environmental Cost Recovery Clause (ECRC) allows investor-owned electric utilities to seek recovery of environmental compliance costs for approved environmental programs on an annual basis, pursuant to Section 366.8255, Florida Statutes (F.S.). As part of this Florida Public Service Commission's (Commission) continuing environmental cost recovery proceeding, an administrative hearing in this docket was held on November 4, 2025. We are vested with subject matter jurisdiction by the provisions of Chapters of 120 and 366, F.S., including Section 366.8255, F.S.

White Springs Agricultural Chemicals, Inc. d/b/a PCS Phosphate – White Springs (PCS Phosphate) and Nucor Steel Florida, Inc. (Nucor) were excused from appearing for this hearing.

DECISION

The three investor-owned electric utilities have reached proposed Type 2 stipulations¹ with our staff concerning all issues identified for resolution at the hearing. The position of the Office of Public Counsel (OPC), Florida Industrial Power Users Group (FIPUG), PCS Phosphate, and Nucor (collectively hereinafter Intervenors) on each of these Type 2 stipulations is as follows:

The Intervenors take no position on these issues nor do they have the burden of proof related to them. As such, they represent that they will not contest or oppose the Commission taking action approving a proposed stipulation between the utilities and another party or staff as a final resolution of these issues. No person

¹ A "Type 2 stipulation" occurs on an issue when the utility and staff, or the utility and at least one party adversarial to the utility, agree on the resolution of the issue and the remaining parties (including staff if it does not join in the agreement) do not object to the Commission relying upon the agreed language to resolve that issue in a final order.

is authorized to state that OPC, FIPUG, PCS Phosphate, or Nucor is a participant in, or party to, a stipulation on these issues, either in this Docket, in an order of the Commission, or in a representation to a Court.

In addition to the enumerated issues identified below, Florida Power & Light Company (FPL) and OPC have reached the following proposed Type 2 stipulation as it pertains to the impact of FPL's rate case in Docket No. 20250011-EI on the ECRC:

STIPULATION:

OPC will facilitate a Type 2 stipulation on: (i) approval of FPL's positions reflected in the Prehearing Order in this Docket in the event the Commission approves the settlement filed on August 20, 2025, in Docket No. 20250011-EI (FPL Rate Case Settlement); and (ii) approval of figures that reflect FPL's response to Staff's Fourth Set of Interrogatories No. 38 effective January 1, 2026, in the event the Commission does not approve the FPL Rate Case Settlement, provided that FPL will file updated clause recovery factors in this docket for administrative approval by staff as soon as practicable in 2026 after the Commission's vote in Docket No. 20250011-EI. Nothing in this facilitation shall be used to suggest that OPC supports approval of the FPL Rate Case Settlement, creates a waiver of its objections to the FPL Rate Case Settlement, or impairs the appellate rights of any party with respect to orders issued in Docket No. 20250011-EI and any impact such orders have on this Docket. FPL agrees that the willingness of OPC to facilitate a Type 2 stipulation on these matters shall obviate the need for OPC or any other substantially affected party to appeal the final order in this Docket in order for OPC to preserve its right to require the direct impact, if any, of any final decision by a court of competent jurisdiction related to the FPL Rate Case Settlement to be flowed through to this Docket.

FPL, Duke Energy Florida, LLC (DEF), and Tampa Electric Company (TECO) each submitted testimony and exhibits in support of their proposed final and estimated true-up amounts, total environmental cost recovery amounts, and environmental cost recovery factors. Our staff supplemented the record with interrogatory responses from the utilities' witnesses. Exhibits 1–22 were admitted into evidence without objection and the prefiled testimony of all witnesses listed in Section VI of the Prehearing Order, Order No. PSC-2025-0409-PHO-EI, was entered as though read. After reviewing the evidence before us and being duly advised in the premises, we accept and approve the Type 2 stipulations reflected in the Prehearing Order, finding them reasonable and supported by sufficient evidence.²

² Order No. PSC-2025-0409-PHO-EI, issued October 30, 2025, in Docket No. 20250007, *In re: Environmental cost recovery clause*, pp. 11–19.

GENERIC ENVIRONMENTAL COST RECOVERY ISSUES

ISSUE 1: What are the final environmental cost recovery true-up amounts for the period January 2024 through December 2024?

STIPULATION:

FPL	\$20,619,582	Over-recovery
DEF	\$2,943,654	Over-recovery
TECO	\$2,597,551	Over-recovery

TECO included \$1,145,253.91 over-recovery credited to the Environmental Cost Recovery Clause (ECRC) in the period January 2024 through December 2024 per Order No. PSC-2025- 0355-PAA-EI.

ISSUE 2: What are the estimated/actual environmental cost recovery true-up amounts for the period January 2025 through December 2025?

STIPULATION:

FPL	\$2,820,065	Under-recovery
DEF	\$1,379,869	Under-recovery
TECO	\$467,965	Over-recovery

ISSUE 3: What are the projected environmental cost recovery amounts for the period January 2026 through December 2026?

STIPULATION:

FPL (if FPL Rate Case Settlement is <i>approved</i>)	\$420,136,666
FPL (if FPL Rate Case Settlement is <i>not approved</i>)	\$406,418,313
DEF	\$17,408,413
TECO	\$19,429,354

ISSUE 4: **What are the environmental cost recovery amounts, including true-up amounts, for the period January 2026 through December 2026?**

STIPULATION:

FPL (if FPL Rate Case Settlement is <i>approved</i>)	\$402,337,149
FPL (if FPL Rate Case Settlement is <i>not approved</i>)	\$388,618,796
DEF	\$15,844,628
TECO	\$16,377,715

In the event the Commission approves for FPL a different clause cost allocation methodology in Docket No. 20250011-EI than the methodologies underpinning each of the options identified above, then the total amount of environmental cost to be collected will be consistent with the approved methodology in that Docket.

ISSUE 5: **What depreciation rates should be used to develop the depreciation expense included in the total environmental cost recovery amounts for the period January 2026 through December 2026?**

STIPULATION:

FPL

The depreciation rates used by FPL to calculate depreciation expense included in the environmental cost recovery amounts shall be the depreciation rates reflected in the proposed FPL Rate Case Settlement filed on August 20, 2025, by FPL and other signatory parties *if approved* in Docket No. 20250011-EI. If that proposed FPL Rate Case Settlement is *not approved*, then the depreciation rates used shall be the rates that are in effect during the period the allowed capital investment is in service.

DEF

The depreciation rates used by DEF to calculate depreciation expense shall be the rates that are in effect during the period the allowed capital investment is in service.

TECO

The depreciation rates used by TECO to calculate the depreciation expense shall be the depreciation rates approved by the Florida Public Service Commission in Order No. PSC-2025-0038-FOF-EI, issued on February 3, 2025, and were applied to the 2026 projection.

ISSUE 6: **What are the appropriate jurisdictional separation factors for the projected period January 2026 through December 2026?**

STIPULATION:

The appropriate jurisdictional separation factors for the period January 2026 through December 2026 are as follows:

FPL

Retail Energy Jurisdictional Factor - Base/Solar	95.700158%
Retail Energy Jurisdictional Factor - Intermediate	94.000442%
Retail Energy Jurisdictional Factor - Peaking	95.601959%

Retail Demand Jurisdictional Factor - Transmission	88.481311%
Retail Demand Jurisdictional Factor - Base/Solar	95.925995%
Retail Demand Jurisdictional Factor - Intermediate	95.353018%
Retail Demand Jurisdictional Factor - Peaking	94.516764%
Retail Demand Jurisdictional Factor - Distribution	100.0000%

Retail General Plant Jurisdictional Factor - Labor	96.917134%
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DEF

Transmission Demand	70.369%
Distribution Primary Demand	100.000%

Production Demand:	
Production Base	100.000%
Production Intermediate	95.212%
Production Peaking	97.632%
Production A&G	97.366%

TECO

Energy	100.00%
Demand	100.00%

ISSUE 7: **What are the appropriate environmental cost recovery factors for the period January 2026 through December 2026 for each rate group?**

STIPULATION:

The appropriate environmental cost recovery factors for the period January 2026 through December 2026 for each rate group are as follows:

FPL

If the proposed FPL Rate Case Settlement filed on August 20, 2025, by FPL and other signatory parties in Docket No. 20250011-EI is *approved*, then:

Rate Class	Environmental Cost Recovery Factor (cents/kWh)
RS1/RTR1/RS-2EV	0.345
GS1/GST1	0.331
GSD1/GSDT1/HLFT1/GSD1-EV	0.286
OS2	0.199
GSLD1/GSLDT1/CS1/CST1/HLFT2/GSLD1-EV	0.256
GSLD2/GSLDT2/CS2/CST2/HLFT3/GSLD-2EV	0.241
GSLD3/GSLDT3/CS3/CST3/LLCS-1/LLCS-2	0.214
SST1T	0.228
SST1D1/SST1D2/SST1D3	0.607
CILC D/CILC G	0.224
CILC T	0.195
MET	0.260
OL1/SL1/SL1M/PL1	0.059
SL2/SL2M/GSCU1	0.203
Total	0.313

If the proposed FPL Rate Case Settlement filed on August 20, 2025, by FPL and other signatory parties in Docket No. 20250011-EI is *not approved*, then:

Rate Class	Environmental Cost Recovery Factor (cents/kWh)
RS1/RTR1	0.333
GS1/GST1	0.306
GSD1/GSDT1/HLFT1/GSD1-EV	0.276
OS2	0.174
GSLD1/GSLDT1/CS1/CST1/HLFT2/GSLD1-EV	0.252
GSLD2/GSLDT2/CS2/CST2/HLFT3	0.238
GSLD3/GSLDT3/CS3/CST3	0.213
SST1T	0.213
SST1D1/SST1D2/SST1D3	0.497
CILC D/CILC G	0.227
CILC T	0.206
MET	0.267
OL1/SL1/SL1M/PL1	0.043
SL2/SL2M/GSCU1	0.214
Total	0.303

If the Commission approves something different in Docket No. 20250011-EI, then FPL shall file a petition as soon as practicable thereafter to implement corrected environmental cost recovery factors.

DEF

RATE CLASS	ECRC FACTORS
Residential	0.040 cents/kWh
General Service Non-Demand @ Secondary Voltage @ Primary Voltage @ Transmission Voltage	0.038 cents/kWh 0.038 cents/kWh 0.037 cents/kWh
General Service 100% Load Factor	0.036 cents/kWh
General Service Demand @ Secondary Voltage @ Primary Voltage @ Transmission Voltage	0.037 cents/kWh 0.037 cents/kWh 0.036 cents/kWh
Curtable @ Secondary Voltage @ Primary Voltage @ Transmission Voltage	0.035 cents/kWh 0.035 cents/kWh 0.034 cents/kWh
Interruptible @ Secondary Voltage @ Primary Voltage @ Transmission Voltage	0.035 cents/kWh 0.035 cents/kWh 0.034 cents/kWh
Lighting	0.031 cents/kWh

TECO

Rate Class	Factors by Voltage Level (cents/kWh)
RS	0.087
GS, CS	0.080
GSD/GSDT, SBD/SBDT, GSD Optional	
Secondary	0.072
Primary	0.071
Transmission	0.071
GSLDPR/GSLDTPR	0.064
GSLDSU/GSLDTSU/SBLDSU/SBLDTSU	0.063
LS1, LS2	0.049
Average Factor	0.079

ISSUE 8: **What should be the effective date of the new environmental cost recovery factors for billing purposes?**

STIPULATION:

The factors shall be effective beginning with the specified environmental cost recovery cycle and thereafter for the period January 2026 through December 2026. Billing cycles may start before January 1, 2026, and the last cycle may read after December 31, 2026, so that each customer is billed for 12 months regardless of when the adjustment factor became effective. These charges shall continue in effect until modified by the Commission.

ISSUE 9: **Should the Commission approve revised tariffs reflecting the environmental cost recovery amounts and environmental cost recovery factors determined to be appropriate in this proceeding?**

STIPULATION:

Yes. The Commission should approve revised tariffs reflecting the environmental cost recovery factors determined to be appropriate in this proceeding. The Commission should direct staff to verify that the revised tariffs are consistent with the Commission's decision. The Commission should also grant staff administrative authority to approve revised tariffs reflecting amended cost recovery clause factors that incorporate any revisions that are necessary as a result of the Commission's decision in FPL's current base rate case in Docket No. 20250011-EI.

COMPANY-SPECIFIC ENVIRONMENTAL COST RECOVERY ISSUES

Tampa Electric Company

ISSUE 10: **Should the Commission approve TECO's Big Bend CCR Rule Legacy Amendment Study project for cost recovery through the environmental cost recovery clause?**

STIPULATION:

Yes, the Commission should approve TECO's Big Bend CCR Rule Legacy Amendment Study project for cost recovery through the ECRC. The costs for this study are necessary to comply with a governmentally imposed environmental regulation. In May 2024, EPA promulgated the CCR Rule Legacy Amendment, regulating certain CCR impoundments or other management units not regulated under the original rule. Facility evaluations are required to be performed in 2026

to determine the rule's applicability to Big Bend Station. The costs for the study are not recovered through any other cost recovery mechanism or base rates.

ISSUE 11: **How should the approved costs related to TECO's Big Bend CCR Rule Legacy Amendment Study project be allocated to the rate classes?**

STIPULATION:

The approved costs related to TECO's Big Bend CCR Rule Legacy Amendment Study project should be allocated as an Energy-related cost as shown in TECO's 2026 Projection, Form 42-2P.

CLOSE THE DOCKET ISSUE

ISSUE 12: **Should this docket be closed?**

STIPULATION:

No. While a separate docket number is assigned each year for administrative convenience, the ECRC is a continuing docket and shall remain open.

CONCLUSION

Therefore, we accept and approve each Type 2 stipulation that was presented to us in this docket because they are reasonable and supported by sufficient evidence.

Based on the foregoing, it is

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

ORDERED that each utility that was a party to this docket shall abide by the stipulations and findings herein which are applicable to it. It is further

ORDERED that the utilities named herein are authorized to collect the environmental cost recovery amounts and utilize the factors approved herein for the period January 2026 through December 2026. Billing cycles may start before January 1, 2026, and the last cycle may end after December 31, 2026, so that each customer is billed for 12 months regardless of when the adjustment factor became effective. These charges shall continue in effect until modified by this Commission. It is further

ORDERED that the revised tariffs reflecting the environmental 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 herein. It is further

ORDERED that Commission staff shall have administrative authority to approve revised tariffs reflecting amended cost recovery clause factors that incorporate any revisions necessary as a result of this Commission's final decision in Florida Power & Light Company's current base rate case in Docket No. 20250011-EI. It is further

ORDERED that while a separate docket number is assigned each year for administrative convenience, the Environmental Cost Recovery Clause is a continuing docket and shall remain open.

By ORDER of the Florida Public Service Commission this 24th day of November, 2025.



ADAM J. FEIZMAN
Commission Clerk
Florida Public Service Commission
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Tallahassee, Florida 32399
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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.

CMM

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission (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 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 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.