BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition by Duke Energy Florida, LLC, for limited proceeding for recovery of incremental storm restoration costs related to Hurricanes Debby, Helene, and Milton

DOCKET NO.: 20240173-EI FILED: March 13, 2025

NUCOR STEEL FLORIDA, INC.'S RESPONSE TO WHITE SPRINGS AGRICULTURAL CHEMICALS, INC. d/b/a PCS PHOSPHATE – WHITE SPRINGS' MOTION FOR RECONSIDERATION

Nucor Steel Florida, Inc. ("Nucor"), pursuant to Rule 25-22.0376, Florida Administrative Code, responds to White Springs Agricultural Chemicals, Inc. d/b/a PCS Phosphate – White Springs' ("PCS Phosphate") Motion for Reconsideration of the Florida Public Service Commission's ("Commission") decision in Order No. PSC-2025-0061-PCO-EI, issued on February 24, 2025. PCS Phosphate requests reconsideration because the allocation factors that Duke Energy Florida, LLC ("DEF") used to derive the storm restoration recovery charges do not align with the allocation factors used in the 2021 and 2024 rate case settlements. Nucor agrees with PCS Phosphate's request for reconsideration.

PCS Phosphate explains that while DEF intended to allocate the Storm Recovery Amount among rate classes consistent with the rate design of the 2021 rate case settlement, DEF failed to allocate distribution costs in this case consistent with the way in which DEF allocated the costs in the 2021 settlement. The inconsistency between the rate case settlement allocation and the allocation in this case is that DEF failed to subfunctionalize Distribution costs into "Distribution – Primary and Distribution – Secondary." Said another way, DEF allocated "Distribution Primary"

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¹ PCS Phosphate Motion for Reconsideration at 3.

² Id.

costs through "Class NCP at Primary" and allocated "Distribution Secondary" costs through

"Customer Max Demand at Secondary" in the 2021 and 2024 rate case settlements; in this case,

it appears that DEF allocates both "Distribution Primary" and "Distribution Secondary" costs

through "Class NCP at Primary." The result of this inconsistency is that DEF over-allocates

Distribution costs to Transmission and Primary voltage customers.⁴

As explained in Nucor's March 6, 2025, Motion for Reconsideration, our position is that

the final allocation and rate design of the storm restoration recovery charges remains an open

issue and that parties should be afforded the opportunity to conduct discovery and develop

positions on the appropriate cost allocation and rate design for the storm restoration costs under

consideration in this case. However, Nucor agrees that the interim allocation should be

consistent with DEF's stated allocation method. If DEF says that the costs are allocated consistent

with the 2021 and 2024 rate case settlements, then the Commission should ensure that this is

the case. Nucor agrees with PCS Phosphate that the Commission should order DEF to re-calculate

its storm restoration recovery charges for interim recovery to be consistent with the 2021 and

2024 rate case settlements. Nucor reserves the right to further address the final allocation and

rate design for the storm restoration recovery charges later in this case.

Respectfully submitted,

/s/ Michael K. Lavanga

Peter J. Mattheis Michael K. Lavanga

Joseph R. Briscar

Stone Mattheis Xenopoulos & Brew, PC

³ *Id.* at 5.

4 Id.

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1025 Thomas Jefferson Street, NW Suite 800 West Washington, DC 20007-5201 Phone: (202) 342-0800

Fax: (202) 342-0807 pjm@smxblaw.com mkl@smxblaw.com jrb@smxblaw.com

Attorneys for Nucor Steel Florida, Inc.

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CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing NUCOR STEEL FLORIDA, INC.'S

RESPONSE TO WHITE SPRINGS AGRICULTURAL CHEMICALS, INC. d/b/a PCS PHOSPHATE —

WHITE SPRINGS' MOTION FOR RECONSIDERATION has been furnished by electronic mail and/or

U.S. Mail this 13th day of March, 2025, to the following:

Duke Energy

Matthew R. Bernier
Stephanie Cuello
106 East College Avenue, Suite 800
Tallahassee, FL 32301
Matt.Bernier@Duke-Energy.com
Stephanie.Cuello@Duke-Energy.com
FLRegulatoryLegal@duke-energy.com

Office of Public Counsel

Walt Trierweiler
Charles J. Rehwinkel
The Florida Legislature
111 W. Madison St., Rm 812
Tallahassee, FL 32399
Trierweiler.walt@leg.state.fl.us
rehwinkel.charles@leg.state.fl.us

Florida Public Service Commission

Daniel Dose Office of General Counsel 2540 Shumard Oak Blvd. Tallahassee, Florida 32399-0850 ddose@psc.state.fl.us

Duke Energy

Dianne M. Triplett 229 First Avenue North St. Petersburg, FL 33701 Dianne.Triplett@Duke-Energy.com

PCS Phosphate - White Springs

James W. Brew
Laura Wynn Baker
Sarah B. Newman
Stone Mattheis Xenopoulos & Brew, PC
1025 Thomas Jefferson St., NW
Suite 800 West
Washington, DC 20007
jbrew@smxblaw.com
lwb@smxblaw.com
sbn@smxblaw.com

/s/ Joseph R. Briscar Joseph R. Briscar