

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

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

DOCKET NO.: 20250001-EI

FILED: October 6, 2025

**PREHEARING STATEMENT OF THE OFFICE OF PUBLIC COUNSEL**

The Citizens of the State of Florida, by and through the Office of Public Counsel, pursuant to the Order Establishing Procedure, Order No. PSC-2025-0052-PCO-EI, issued February 10, 2025, hereby submit this Prehearing Statement.

**APPEARANCES:**

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On behalf of the Citizens of the State of Florida

**1. WITNESSES:**

<b>Witness</b>	<b>Subject Matter</b>	<b>Issue #</b>
<b>Direct</b>		
N/A		

**2. EXHIBITS:**

<b>Witness</b>	<b>Proffered by</b>	<b>Exhibit No.</b>	<b>Description</b>	<b>Issue #</b>
<b>Direct</b>				
N/A				

**3. STATEMENT OF BASIC POSITION**

The utilities bear the burden of proof to justify the recovery of costs they request in this docket and must carry this burden regardless of whether or not the intervenors provide evidence

to the contrary. Further, the utilities bear the burden of proof to support their proposal(s) seeking the Commission's adoption of policy statements (whether new or changed) or other affirmative relief sought. Even if the Commission has previously approved a program, recovery of a cost, factor, or adjustment as meeting the Commission's own requirements, the utilities still bear the burden of demonstrating that the costs submitted for final recovery meet any statutory test(s) and are reasonable in amount and prudently incurred. Further, the utilities bear the burden of proof to support that all costs sought to be recovered through this clause are correctly clause recovery costs and not base rate costs. Further, recovery of all costs is constrained by the Commission's obligation to set fair, just, and reasonable rates, based on projects that are prudent in purpose and scope and costs that are prudently incurred pursuant to Section 366.01, Florida Statutes. Additionally, the provisions of Chapter 366, Florida Statutes, must be liberally construed to protect the public welfare.

#### **4. STATEMENT OF FACTUAL ISSUES AND POSITIONS**

##### **I. COMPANY-SPECIFIC FUEL ISSUES**

**Duke Energy Florida, LLC.**

**ISSUE 1A:**    **Should the Commission approve DEF's 2026 Risk Management Plan?**

**OPC:**        No position; however, DEF cannot enter into any new natural gas hedging contracts during the term of the 2024 Settlement Agreement.

**ISSUE 1B:**    **What is the appropriate subscription bill credit associated with DEF's Clean Energy Connection Program, approved by Order No. PSC-2021-0059-S-EI, to be included for recovery in 2026?**

**OPC:**        The OPC is not in agreement at this time that DEF has demonstrated that it has met its burden to demonstrate that the subscription bill credit amounts associated with DEF's Clean Energy Connection Program are reasonable or prudent.

**ISSUE 1C:**    **What is the appropriate Clean Energy Impact (CEI) credit, approved by Order No. PSC-2023-0191-TRF-EI, to be included in the fuel clause in 2026?**

**OPC:** The OPC is not in agreement at this time that DEF has demonstrated that it has met its burden to demonstrate that the subscription bill credit amounts associated with DEF's Clean Energy Impact (CEI) are reasonable or prudent.

**ISSUE 1D:** **What is the appropriate amount of the storm cost recovery true-up to be credited to the fuel clause in the period January 2025 through December 2025 per Order No. PSC-2025-0204-FOF-EI?**

**OPC:** The OPC is not in agreement at this time that DEF has demonstrated that it has met its burden to demonstrate that the storm cost recovery true-up amounts to be credited to the fuel clause in the period January 2025 through December 2025 are reasonable or prudent.

#### **Florida Power & Light Company**

**ISSUE 2A:** **What was the total gain under FPL's Incentive Mechanism approved by Order No. PSC-2021-0446A-S-EI that FPL may recover for the period January 2024 through December 2024, and how should that gain to be shared between FPL and its customers?**

**OPC:** The OPC is not in agreement at this time that FPL has demonstrated that it has met its burden to demonstrate that the amount of gain and the gain to be shared between FPL and its customers for the period January 2024 through December 2024 is reasonable and prudent.

**ISSUE 2B:** **What is the appropriate amount of Incremental Optimization Costs under FPL's Incentive Mechanism approved by Order No. PSC-2021-0446A-S-EI that FPL should be allowed to recover through the fuel clause for Personnel, Software, and Hardware costs for the period January 2024 through December 2024?**

**OPC:** The OPC is not in agreement at this time that FPL has demonstrated that it has met its burden to demonstrate that the amount of Incremental Optimization Costs related to Personnel, Software, and Hardware costs for the period January 2024 through December 2024 to be recovered from its customers is reasonable and prudent.

**ISSUE 2C:** 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-2021-0446A-S-EI that FPL should be allowed to recover through the fuel clause for the period January 2024 through December 2024?

**OPC:** The OPC is not in agreement at this time that FPL has demonstrated that it has met its burden to demonstrate that the Variable Power Plant O&M Attributable to Off-System Sales for the period January 2024 through December 2024 to be recovered from its customers is reasonable and prudent.

**ISSUE 2D:** 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-2021-0446A-S-EI that FPL should be allowed to recover through the fuel clause for the period January 2024 through December 2024?

**OPC:** The OPC is not in agreement at this time that FPL has demonstrated that it has met its burden to demonstrate that the Variable Power Plant O&M Avoided due to Economy Purchases for the period January 2024 through December 2024 to be recovered from its customers is reasonable and prudent.

**ISSUE 2E:** What is the appropriate subscription credit associated with FPL’s SolarTogether Program approved by Order No. PSC-2020-0084-S-EI, to be included for recovery in 2026?

**OPC:** The OPC is not in agreement at this time that FPL has demonstrated that it has met its burden to demonstrate that the subscription bill credit amounts associated with its SolarTogether Program are reasonable.

**ISSUE 2F:** Should the Commission approve FPL’s 2026 Risk Management Plan?

**OPC:** No position at this time; however FPL was prohibited from entering into any new natural gas hedging contracts during the term of the 2021 Settlement Agreement. It is uncertain at this time whether such a prohibition will be extended beyond the term of that agreement. Nevertheless, the OPC is not in agreement at this time that

FPL has demonstrated that it has met its burden to demonstrate that its 2026 Risk Management Plan is reasonable and prudent.

### **Florida Public Utilities Company**

No company-specific fuel issues for Florida Public Utilities Company have been identified at this time. If such issues are identified, they shall be numbered 3A, 3B, 3C, and so forth, as appropriate.

### **Tampa Electric Company**

**ISSUE 4A:** What was the total gain under TECO's Optimization Mechanism approved by Order No. PSC-2021-0423-S-EI that TECO may recover for the period January 2024 through December 2024, and how should that gain to be shared between TECO and its customers?

**OPC:** The OPC is not in agreement at this time that Tampa Electric has demonstrated that it has met its burden to demonstrate that the amount of gain and the gain to be shared between Tampa Electric and its customers for the period January 2024 through December 2024 is reasonable and prudent

**ISSUE 4B:** Should the Commission approve TECO's 2026 Risk Management Plan?

**OPC:** The OPC is not in agreement at this time that Tampa Electric Company has demonstrated that it has met its burden to demonstrate that its 2026 Risk Management Plan is reasonable and prudent.

### **GENERIC FUEL ADJUSTMENT ISSUES**

**ISSUE 5:** What are the appropriate final fuel adjustment true-up amounts for the period January 2024 through December 2024?

**OPC:** The OPC is not in agreement at this time that the Companies have demonstrated that they have met their burden to demonstrate that these costs are reasonable and/or prudent. A significant percentage of the costs on a customer's bill are based on clause recovery in this docket and others. The Commission has not held a contested proceeding where testimony from witnesses was heard and discussed in open hearing. The OPC is not in a position to agree, given these circumstances, that the costs proposed for final true-up and proposed for recovery from customers can necessarily be deemed reasonable and prudent.

**ISSUE 6:** **What are the appropriate fuel adjustment actual/estimated true-up amounts for the period January 2025 through December 2025?**

**OPC:** The OPC is not in agreement at this time the Companies have demonstrated that they have met their burden to demonstrate that these costs are reasonable and/or prudent. A significant percentage of the costs on a customer's bill are based on clause recovery in this docket and others. The Commission has not held a contested proceeding where testimony from witnesses was heard and discussed in open hearing. The OPC is not in a position to agree, given these circumstances, that the costs proposed for actual/estimated true-up and proposed for recovery from customers can necessarily be deemed reasonable or prudent.

**ISSUE 7:** **What are the appropriate total fuel adjustment true-up amounts to be collected/refunded from January 2026 through December 2026?**

**OPC:** The OPC is not in agreement at this time that the Companies have demonstrated that they have met their burden to demonstrate that costs are reasonable and/or prudent. A significant percentage of the costs on a customer's bill is based on clause recovery in this docket and others. The Commission has not held a contested proceeding where testimony from witnesses was heard and discussed in open hearing. The OPC is not in a position to agree, given these circumstances, that total fuel adjustment true-up amounts to be collected/refunded from January 2026 through December 2026 can necessarily be deemed reasonable or prudent.

**ISSUE 8:**     **What are the appropriate projected total fuel and purchased power cost recovery amounts for the period January 2026 through December 2026?**

**OPC:**       The OPC is not in agreement at this time that the Companies have demonstrated that they have met their burden to demonstrate that these costs are reasonable and/or prudent. A significant percentage of the costs on a customer's bill are based on clause recovery in this docket and others. The Commission has not held a contested proceeding where testimony from witnesses was heard and discussed in open hearing. The OPC is not in a position to agree, given these circumstances, that the projected total fuel and purchased power cost recovery amounts for the period January 2026 through December 2026 proposed for recovery from customers can necessarily be deemed reasonable.

**COMPANY-SPECIFIC GENERATING PERFORMANCE INCENTIVE FACTOR ISSUES**

**Duke Energy Florida, LLC.**

No company-specific GPIF issues for Duke Energy Florida, Inc. have been identified at this time. If such issues are identified, they shall be numbered 9A, 9B, 9C, and so forth, as appropriate.

**Florida Power & Light Company**

No company-specific GPIF issues for Florida Power and Light Company have been identified at this time. If such issues are identified, they shall be numbered 10A, 10B, 10C, and so forth, as appropriate.

**Tampa Electric Company**

No company-specific GPIF issues for Tampa Electric Company have been identified at this time. If such issues are identified, they shall be numbered 11A, 11B, 11C, and so forth, as appropriate.

## **GENERIC GPIF ISSUES**

**ISSUE 12:**     **What is the appropriate GPIF reward or penalty for performance achieved during the period January 2024 through December 2024 for each investor-owned electric utility subject to the GPIF?**

**OPC:**           The OPC is not in agreement at this time that the Companies have demonstrated that they have met their burden to demonstrate that these costs are reasonable and/or prudent. A significant percentage of the costs on a customer's bill are based on clause recovery in this docket and others. The Commission has not held a contested proceeding where testimony from witnesses was heard and discussed in open hearing. The OPC is not in a position to agree, given these circumstances, that the costs proposed for determination of the GPIF reward or penalty for performance achieved during the period January 2024 through December 2024 can necessarily be deemed reasonable and prudent.

**ISSUE 13:**     **What should the GPIF targets/ranges be for the period January 2026 through December 2026 for each investor-owned electric utility subject to the GPIF?**

**OPC:**           The OPC is not in agreement at this time that the Companies have demonstrated that they have met their burden to demonstrate that these targets/ranges are reasonable and/or prudent. A significant percentage of the costs on a customer's bill are based on clause recovery in this docket and others. The Commission has not held a contested proceeding where testimony from witnesses was heard and discussed in open hearing. The OPC is not in a position to agree, given these circumstances, that the costs proposed for determination of the GPIF targets/ranges be for the period January 2026 through December 2026 can necessarily be deemed reasonable or appropriate.

## **FUEL FACTOR CALCULATION ISSUES**

**ISSUE 14:**     **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 2026 through December 2026?**

**OPC:** The OPC is not in agreement at this time that the Companies have demonstrated that they have met their burden to demonstrate that these costs are reasonable and/or prudent. A significant percentage of the costs on a customer's bill are based on clause recovery in this docket and others. The Commission has not held a contested proceeding where testimony from witnesses was heard and discussed in open hearing. The OPC is not in a position to agree, given these circumstances, that the costs proposed for determination of the projected net fuel and purchased power cost recovery and Generating Performance Incentive amounts to be included in the recovery factor the period January 2026 through December 2026 can necessarily be deemed reasonable or appropriate.

**ISSUE 15:** 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 2026 through December 2026?

**OPC:** The factors should be based on costs deemed reasonable in a hearing.

**ISSUE 16:** What are the appropriate levelized fuel cost recovery factors for the period January 2026 through December 2026?

**OPC:** The factors should be based on costs deemed reasonable or prudent in a hearing.

**ISSUE 17:** 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?

**OPC:** The multiplier used in calculating the factors should be based on costs deemed reasonable and prudent in a hearing.

**ISSUE 18:** What are the appropriate fuel cost recovery factors for each rate class/delivery voltage level class adjusted for line losses.

**OPC:** The factors should be based on costs deemed reasonable and prudent in a hearing.

## **II. CAPACITY ISSUES**

### **COMPANY-SPECIFIC CAPACITY COST RECOVERY FACTOR ISSUES**

#### **Duke Energy Florida, LLC.**

**ISSUE 19A:** What is the appropriate amount of costs for the Independent Spent Fuel Storage Installation (ISFSI) that DEF should be allowed to recover through the capacity cost recovery clause pursuant to DEF's 2017 Settlement for 2026?

**OPC:** The OPC is not in agreement at this time that DEF has demonstrated that it has met its burden to demonstrate that the appropriate amount of costs for the Independent Spent Fuel Storage Installation (ISFSI) that DEF are the correct ones to recover through the capacity cost recovery clause pursuant to DEF's 2017 Settlement for 2026

#### **Florida Power & Light Company**

No company-specific capacity cost recovery factor issues for Florida Power & Light Company have been identified at this time. If such issues are identified, they will be numbered 20A, 20B, 20C, and so forth, as appropriate.

#### **Tampa Electric Company**

No company-specific capacity cost recovery factor issues for Tampa Electric Company have been identified at this time. If such issues are identified, they will be numbered 21A, 21B, 21C, and so forth, as appropriate.

### **GENERIC CAPACITY COST RECOVERY FACTOR ISSUES**

**ISSUE 22:** What are the appropriate final capacity cost recovery true-up amounts for the period January 2024 through December 2024?

**OPC:** The final capacity cost recovery true-up amounts for the period January 2024 through December 2024 should be based on costs deemed reasonable and prudent in a hearing.

**ISSUE 23:** What are the appropriate capacity cost recovery actual/estimated true-up amounts for the period January 2025 through December 2025?

**OPC:** The capacity cost recovery actual/estimated true-up amounts for the period January 2025 through December 2025 should be based on costs deemed reasonable or prudent in a hearing.

**ISSUE 24:** What are the appropriate total capacity cost recovery true-up amounts to be collected/refunded during the period January 2026 through December 2026?

**OPC:** The projected net purchased power capacity cost recovery amounts to be included in the recovery factor for the period January 2026 through December 2026 should be based on costs deemed reasonable in a hearing.

**ISSUE 25:** What are the appropriate projected total capacity cost recovery amounts for the period January 2026 through December 2026?

**OPC:** The projected total capacity cost recovery amounts for the period January 2026 through December 2026 should be based on costs deemed reasonable in a hearing.

**ISSUE 26:** What are the appropriate projected net purchased power capacity cost recovery amounts to be included in the recovery factor for the period January 2026 through December 2026?

**OPC:** The projected net purchased power capacity cost recovery amounts to be included in the recovery factor for the period January 2026 through December 2026 should be based on costs deemed reasonable in a hearing.

**ISSUE 27:** What are the appropriate jurisdictional separation factors for capacity revenues and costs to be included in the recovery factor for the period January 2026 through December 2026?

**OPC:** The appropriate jurisdictional separation factors for capacity revenues and costs to be included in the recovery factor for the period January 2026 through December 2026 should be based on costs deemed reasonable in a hearing.

**ISSUE 28:** What are the appropriate capacity cost recovery factors for the period January 2026 through December 2026?

**OPC:** The appropriate capacity cost recovery factors for the period January 2026 through December 2026 should be based on costs deemed reasonable in a hearing.

### **III. EFFECTIVE DATE**

**ISSUE 29:** What should be the effective date of the fuel adjustment factors and capacity cost recovery factors for billing purposes?

**OPC:** The effective date for any rate change should be the first day of the first billing cycle in January 2026.

**ISSUE 30:** Should the Commission approve revised tariffs reflecting the fuel adjustment factors and capacity cost recovery factors determined to be appropriate in this proceeding?

**OPC:** The tariffs ultimately approved should be based on costs deemed reasonable or prudent in a hearing.

**ISSUE 31:** Should this docket be closed?

**OPC:** No position.

**5. STIPULATED ISSUES**

None at this time.

**6. PENDING MOTIONS**

OPC has no pending motions at the time.

**7. STATEMENT OF PARTY'S PENDING REQUESTS OR CLAIMS FOR CONFIDENTIALITY**

There are no pending requests for claims for confidentiality filed by OPC.

**8. OBJECTIONS TO QUALIFICATION OF WITNESSES AS AN EXPERT**

OPC has no objections to the qualification of any witnesses as an expert in the field which they pre-filed testimony as of the present date.

**9. SEQUESTRATION OF WITNESSES**

OPC does not request the sequestration of any witness at this time.

**10. STATEMENT OF COMPLIANCE WITH ORDER ESTABLISHING  
PROCEDURE**

There are no requirements of the Order Establishing Procedure with which OPC cannot comply.

Respectfully Submitted,

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Public Counsel

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**CERTIFICATE OF SERVICE**  
**DOCKET NO. 20250001-EI**

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by electronic mail on this 6th day of October 2025, to the following:

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