

Regarding Docket Nos. 20230001-EI, 20230017-EI, 20230019-EI, and 20230020-EI
3/9/2023

New Fuel, Purchased Power, and Capacity Charges

Duke Energy Florida

On March 7, 2023, Duke Energy Florida, LLC (DEF) received Florida Public Service Commission (Commission) approval to adjust both its current fuel and capacity cost recovery charges. Specifically, the Commission approved decreases to DEF's fuel cost recovery charges to incorporate a projected 2023 over recovery of approximately \$710 million. This amount is netted against an approximate \$1.18 billion of unrecovered fuel costs from 2022. The Commission's decision included deferring approximately \$469 million of the 2022 under recovery for collection in 2024. The total length of time contemplated for recovering the 2022 fuel cost under recovery is 21 months, or from April 2023 through December 2024. With respect to capacity costs, DEF received approval to incorporate into its capacity cost recovery factors the 2022 tax-savings effect of the Inflation Reduction Act of 2022 of approximately \$11.7 million.¹ This reduction will have an effective period of April 2023 through December 2023.

Florida Power & Light Company

On March 7, 2023, Florida Power & Light Company (FPL) received Commission approval to adjust its current fuel cost recovery charges. Specifically, the Commission approved a decrease to FPL's fuel cost recovery charges to incorporate a projected 2023 over-recovery in the amount of approximately \$1.2 billion. This amount is netted against an approximate \$2.13 billion of unrecovered fuel costs from 2022. The Commission's decision included deferring approximately \$1.2 billion of the 2022 under recovery for collection in 2024. The total length of time contemplated for recovering the 2022 fuel cost under recovery is 21 months, or from April 2023 through December 2024.

Tampa Electric Company

On March 7, 2023, Tampa Electric Company (TECO) received Commission approval to adjust its current fuel cost recovery charges. Specifically, the Commission approved an increase to TECO's fuel cost recovery charges to incorporate a portion of its unrecovered fuel costs from 2022 of

¹Retroactively effective to January 1, 2022, the IRA expanded federal income tax benefits for renewable energy by allowing owners of solar projects which begin construction before 2025 the option to elect to receive Production Tax Credits rather than Investment Tax Credits for eligible facilities. The tax savings were produced by the Company electing to record Production Tax Credits rather than Investment Tax Credits for eligible facilities.

approximately \$518 million. However, due to an over recovery of 2023 fuel costs of approximately \$171 million, the net amount of unrecovered 2022 fuel to be recovered in 2023 is approximately \$65 million. The Commission's decision included deferring approximately \$296 million of the 2022 under recovery for collection in 2024. The total length of time contemplated for recovering the 2022 fuel cost under recovery is 21 months, or from April 2023 through December 2024.

Storm Restoration Recovery Charges

On March 7, 2023, the Commission approved interim storm restoration recovery charges for DEF, FPL, and TECO to recover costs associated with named storms and to replenish each utility's storm reserve fund. The interim surcharges are subject to refund, with interest, pending further review once the total actual storm restoration costs are known.

Duke Energy Florida

The Commission granted DEF preliminary approval for the recovery of \$442.1 million in incremental storm restoration costs associated with Hurricanes Elsa, Eta, Ian, Isaias, and Nicole, and Tropical Storm Fred. DEF's residential customers will see a \$13.14 monthly surcharge on a 1,000 kWh bill for 12 months beginning in April 2023.

Florida Power & Light Company

The Commission granted FPL preliminary approval for the recovery of \$1.5 billion in incremental storm restoration costs associated with Hurricanes Ian and Nicole, as well as the remaining costs from Hurricanes Michael, Sally, and Zeta, which had been previously approved by the Commission for Gulf Power Company. FPL's residential customers will see a \$15.30 monthly surcharge on a 1,000 kWh bill for 12 months beginning in April 2023.

Tampa Electric Company

The Commission granted TECO preliminary approval for the recovery of \$131.0 million in incremental storm restoration costs associated with Hurricanes Dorian, Elsa, Ian, Nicole, and Tropical Storms Alberto, Nestor, and Eta. TECO's residential customers will see a \$10.22 monthly surcharge on a 1,000 kWh bill for 12 months beginning in April 2023.