



Matthew R. Bernier
Associate General Counsel
Duke Energy Florida, LLC.

August 3, 2020

VIA ELECTRONIC FILING

Mr. Adam Teitzman, Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: *Review of 2020-2029 Storm Protection Plan Pursuant to Rule 25-6.030, F.A.C. Duke Energy Florida, LLC; Docket No. 20200069-EI*

Dear Mr. Teitzman:

On July 31, 2020, Duke Energy Florida, LLC (“DEF”), filed a Joint Motion for Expedited Approval of Stipulation and Settlement Agreement Regarding the Storm Protection Plan (“Joint Motion”), on behalf of DEF, the Office of Public Counsel (“OPC”), and White Springs Agricultural Chemicals, Inc. d/b/a PCS Phosphate (“PCS Phosphate”). Walmart did not provide a position at the time the Motion was filed. Walmart has agreed to become a signatory to the Settlement Agreement and therefore supports the Joint Motion. There are no other changes to the Settlement Agreement.

Attached for filing is an Updated Stipulation and Settlement Agreement Regarding the Storm Protection Plan.

Thank you for your assistance in this matter. Please feel free to call me at (850) 521-1428 should you have any questions concerning this filing.

Respectfully,

s/Matthew R. Bernier

Matthew R. Bernier
Matt.Bernier@duke-energy.com

MRB/mw
Enclosures

CERTIFICATE OF SERVICE

Docket No. 20200069-EI

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished to the following by electronic mail this 3rd day of August, 2020, to all parties of record as indicated below.

s/ Matthew R. Bernier

Attorney

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Review of 2020-2029 Storm Protection Plan
pursuant to Rule 25-6.030, F.A.C., Duke Energy
Florida, LLC

Docket No. 20200069-EI

Filed: August 3, 2020

UPDATED STIPULATION AND SETTLEMENT AGREEMENT

WHEREAS, Duke Energy Florida, LLC (“DEF”), Citizens through the Office of Public Counsel (“OPC”), White Springs Agricultural Chemicals, Inc. d/b/a PCS Phosphate (“PCS Phosphate”), and Walmart Inc. (collectively, the “Parties) have signed this Stipulation and Settlement Agreement (the “Agreement”); unless the context clearly requires otherwise, the term “Party” or “Parties” means a signatory to this Agreement;

WHEREAS, On June 27, 2019, the Governor of Florida signed CS/CS/CS/SB 796 addressing Storm Protection Plan Cost Recovery, which was codified in Section 366.96, F.S.;

WHEREAS, the Florida Legislature found in Section 366.96(1)(c), F.S., that it was in the State’s interest to “strengthen electric utility infrastructure to withstand extreme weather conditions by promoting the overhead hardening of electrical transmission and distribution facilities, the undergrounding of certain electrical distribution lines, and vegetation management,” and for each electric utility to “mitigate restoration costs and outage times to utility customers when developing transmission and distribution storm protection plans.” Section 366.96(1)(e), F.S.;

WHEREAS, the Florida Legislature directed each utility to file a ten-year Storm

Protection Plan (“SPP”) that explains the storm hardening programs and projects the utility will implement to achieve the legislative objectives of reducing restoration costs and outage times associated with extreme weather events and enhancing reliability. *See* Section 366.96(3), F.S.;

WHEREAS, The Florida Legislature directed the Florida Public Service Commission (“Commission”) to conduct an annual proceeding to determine the utility’s prudently incurred SPP costs and to allow the utility to recover such costs through a charge separate and apart from its base rates, to be referenced as the Storm Protection Plan Cost Recovery Clause (“SPPCRC”). *See* Section 366.96(7), F.S.;

WHEREAS, Rule 25-6.030, F.A.C., requires each utility to file an updated SPP at least every three years that covers the utility’s immediate ten-year planning period and specifies the information to be included in each utility’s SPP;

WHEREAS, Rule 25-6.031, F.A.C., provides that after a utility has filed its SPP it may petition the Commission for recovery of the costs associated with the SPP and implementation activities and specifies the information to be included in each utility’s SPPCRC filings;

WHEREAS, the Parties engaged in significant discovery in the SPP docket, and have thoroughly reviewed and evaluated DEF’s 2020-2029 SPP;

WHEREAS, the Parties have entered into this Agreement in compromise of positions taken in accord with their rights and interests under Chapters 350, 366, and 120, Florida Statutes, as applicable, and as a part of the negotiated exchange of consideration among the Parties to this Agreement each has agreed to concessions to the others with the expectation that all provisions of the Agreement will be enforced by the Commission as to all matters addressed herein with respect to all Parties regardless of whether a court ultimately determines such matters to reflect Commission policy, upon acceptance of the Agreement as provided herein and upon approval as

in the public interest; and

NOW THEREFORE, in consideration of the foregoing and the covenants contained herein, the Parties hereby stipulate and agree:

DEF 2020-2029 Storm Protection Plan
(Docket Nos. 20200069-EI)

1. The Parties agree that the record supports a Commission finding that DEF's Feeder Hardening Program is in the public interest and that DEF proceeding to implement the program (consistent with any action taken pursuant to the provisions of paragraph 11) is not evidence of imprudence.
2. The Parties agree that the record supports a Commission finding that DEF's Lateral Hardening Program is in the public interest and that DEF proceeding to implement the program (consistent with any action taken pursuant to the provisions of paragraph 11) is not evidence of imprudence.
3. The Parties agree that the record supports a Commission finding that DEF's Self-Optimizing Grid – SOG Program is in the public interest and that DEF proceeding to implement the program (consistent with any action taken pursuant to the provisions of paragraph 11) is not evidence of imprudence.
4. The Parties agree that the record supports a Commission finding that DEF's Underground Flood Mitigation Program is in the public interest and that DEF proceeding to implement the program (consistent with any action taken pursuant to the provisions of paragraph 11) is not evidence of imprudence.
5. The Parties agree that the record supports a Commission finding that DEF's Distribution Vegetation Management Program is in the public interest and that DEF proceeding to implement the program (consistent with any action taken pursuant to the provisions of

paragraph 11) is not evidence of imprudence.

6. The Parties agree that the record supports a Commission finding that DEF's Transmission Structure Hardening Program is in the public interest and that DEF proceeding to implement the program (consistent with any action taken pursuant to the provisions of paragraph 11) is not evidence of imprudence.
7. The Parties agree that the record supports a Commission finding that DEF's Substation Flood Mitigation Program is in the public interest and that DEF proceeding to implement the program (consistent with any action taken pursuant to the provisions of paragraph 11) is not evidence of imprudence.
8. The Parties agree that the record supports a Commission finding that DEF's Loop Radially-Fed Substations Program is in the public interest and that DEF proceeding to implement the program (consistent with any action taken pursuant to the provisions of paragraph 11) is not evidence of imprudence.
9. The Parties agree that the record supports a Commission finding that DEF's Substation Hardening Program is in the public interest and that DEF proceeding to implement the program (consistent with any action taken pursuant to the provisions of paragraph 11) is not evidence of imprudence.
10. The Parties agree that the record supports a Commission finding that DEF's Transmission Vegetation Management Program is in the public interest and that DEF proceeding to implement the program (consistent with any action taken pursuant to the provisions of paragraph 11) is not evidence of imprudence.
11. The Parties agree that, in 2022, DEF will file its updated SPP for the period 2023-2032, required by section 366.96(6), F.S., to be filed at least every 3 years after approval of the

Company's SPP. DEF agrees that it will not materially expand the scope of the programs and associated expenditures it seeks to recover in the SPPCRC for the years 2020 – 2022 beyond those that are included in the estimates shown on page 40 of Exhibit JWO-2 (the DEF SPP) filed on April 10, 2020, updated on June 24, 2020, and as modified in the filing made on July 24, 2020, in the SPPCRC. DEF will base its requests for cost recovery through the SPPCRC for the years 2023, 2024 and 2025 on the SPP update to be filed in 2022.

12. The Parties agree that the approval hereunder should not include or imply any determination of prudence for any particular project under said Program. OPC, PCS Phosphate, FIPUG, and Walmart retain the right to challenge the prudence or reasonableness of any projects or costs for any project submitted through the SPPCRC.

OTHER PROVISIONS

13. The Parties Stipulate to entry into the record the direct and rebuttal testimonies and exhibits of DEF witnesses Jay Oliver and Geoff Foster; the direct testimonies and exhibits of OPC witnesses Scott Norwood and Helmuth Schultz III, and the testimony and exhibits of Walmart witness Lisa Perry.
14. The Parties waive cross examination of all witnesses.
15. The Parties waive the right to file a post-hearing brief.
16. Nothing in the Agreement will have precedential value.
17. The provisions of the Agreement are contingent upon approval by the Commission in its entirety without modification. Except as expressly set out herein, no Party agrees, concedes, or waives any position with respect to any of the issues identified in the Prehearing Order, and this Agreement does not expressly address any specific issue or

any position taken thereon. The Parties will support approval of the Agreement and will not request or support any order, relief, outcome, or result in conflict with it. No Party to the Agreement will request, support, or seek to impose a change to any provision of the Agreement. Approval of the Agreement in its entirety will resolve all matters and issues in this docket. This docket will be closed effective on the date that the Commission Order approving this Agreement is final, and no Party to the Agreement will seek appellate review of any order issued in this docket.

18. The Parties agree that approval of the Agreement is in the public interest.
19. This Agreement may be executed in counterpart originals, and a scanned .pdf copy of an original signature shall be deemed an original, or via electronic signature. Any person or entity that executes a signature page to this Agreement shall become and be deemed a Party with the full range of rights and responsibilities provided hereunder, notwithstanding that such person or entity is not listed in the first recital above and executes the signature page subsequent to the date of this Agreement, it being expressly understood that the addition of any such additional Party(ies) shall not disturb or diminish the benefits of this Agreement to any current Party.

Executed the 31st day of July, 2020, Updated the 3rd day of August, 2020.

By: /s/ Catherine Stempien
Catherine Stempien
State President
Duke Energy Florida, LLC
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For Duke Energy Florida, LLC

By: /s/ J.R. Kelly
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For Office of Public Counsel

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For White Springs Agricultural Chemicals, Inc. d/b/a PCS Phosphate

By: /s/ Stephanie U. Eaton
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For Walmart Inc.