

STATE OF FLORIDA

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Public Service Commission

June 6, 2022

Stephanie A. Cuello
Senior Counsel
Duke Energy Florida, LLC
106 East College Avenue Suite 800
Tallahassee, Florida 32301
stephanie.cuello@duke-energy.com

STAFF'S FIRST DATA REQUEST
via e-mail

RE: Docket No. 20220089-EI – Petition for approval of modifications to rate schedule tariff sheet No. 4.122 and determination under Rule 25-6.115(12), F.A.C, by Duke Energy Florida, LLC.

Dear Ms. Cuello:

By this letter, the Commission staff requests that Duke Energy Florida, LLC. (DEF) provide responses to the following data requests:

1. Please confirm that the distribution lines eligible for conversion pursuant to tariff sheet No. 4.122 all qualify for hardening under Duke's Storm Protection Plan (SPP). If not, please explain.
2. In general, what is the average cost for one mile of overhead to be hardened under Duke's SPP?
3. Please explain what percentage of eligible overhead lines are left to underground. What year does Duke estimate completion of undergrounding the remaining eligible overhead lines?
4. In paragraph 7 of the petition, Duke highlights that Rule 25-6.115(12), F.A.C., states that where:

the utility waives any charge, the utility shall reduce net plant in service as though those charges had been collected unless the Commission determines that there is quantifiable benefits to the general body of ratepayers commensurate with the waived charge.”

Please provide the analysis quantifying the benefit to the general body of ratepayers for waiving the charges mentioned in the petition.

5. Paragraph 7 of the petition states that excluding the Existing Facilities Cost from the facilities charge for the conversion of existing non-hardened overhead facilities to underground will reduce the cost of conversion thereby incentivizing more conversions. Please provide a discussion and any available documentation that supports this statement.
6. When a customer contacts Duke for converting distribution lines from overhead to underground, does the utility notify the customer if and when that particular distribution line is scheduled to be hardened under the SPP?
7. Assuming the proposed tariff change is approved by the Commission, will customers who have already contacted Duke and received an estimate for the conversion cost (facilities charge), but the conversion has not been completed yet, receive a reduction in the facilities charge pursuant to the new approved tariff? Please explain.
8. Please clarify if Rule 25-6.08(4), F.A.C. is the correct rule referencing the quote in paragraph 8 of the petition.
9. Please discuss how the exclusion of the Existing Facilities Cost from the calculation affects Duke's earnings and the general body of ratepayers.
 - a. During the term of the current rate case settlement and base rate freeze
 - b. In the MFRs for Duke's next rate case.
10. For the most recent 12 months, please state the following:
 - a. How many customers paid CIAC to convert pursuant to this tariff?
 - b. Describe the type of customers.
 - c. What's the average CIAC of those customers for converting under this tariff?
 - d. What's the total CIAC paid by these customers in the most recent 12 months?
11. Please provide a hypothetical example of a typical facility charge formula calculation pursuant to the current and the proposed tariff sheet 4.122. Please show each component of the calculation separately.
12. Please discuss, explain, and quantify the potential savings to the SPP that are referenced in paragraph 6 of the petition.
13. Please assume the following hypothetical example. A customer converts distribution lines in 2023 from overhead to underground. Pursuant to current tariff sheet No. 4.122 the facilities charge, or contribution in aid of construction (CIAC), is \$500. Under the proposed tariff, assuming it receives approval, the CIAC is \$300, and the waived \$200 is reflected as a reduction to net plant in service pursuant to Rule 25-6.115, Florida

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Administrative Code. Please show and explain the reduction to the SPP if the distribution line was scheduled to be hardened through the SPP in 2027. In which year will the reduction in the SPP be reflected (2023 or 2027) and by what amount?

Please file all responses electronically no later than June 20, 2022 from the Commission's website at www.floridapsc.com, by selecting the Clerk's Office tab and Electronic Filing Web Form. Please feel free to call me at (850) 413-6218 if you have any questions.

Sincerely,

/s/ Suzanne Brownless

Suzanne Brownless

Senior Attorney

SBr/ds

cc: Office of Commission Clerk