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Public Service Commission

January 25, 2023

Matthew R. Bernier 106 E. College Avenue, Suite 800 Tallahassee, Florida 32301 matthew.bernier@duke-energy.com robert.pickels@duke-energy.com

Dianne M. Triplett 299 First Avenue North St. Petersburg, FL 33701 Dianne.triplett@duke-energy.com STAFF'S FIRST DATA REQUEST

via e-mail

RE: Docket No. 20230001-EI – Fuel and purchased power cost recovery clause with generating performance incentive factor.

Dear Mr. Bernier and Ms. Triplett:

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

- Please refer to Duke Energy Florida (DEF or Company) "Petition for Mid-Course Correction of its Fuel Cost Recovery Factors and Capacity Cost Recovery Factors" (MCC Petition), dated January 23, 2023, filed in Docket No. 20230001-EI.¹
 - a. Please discuss DEF's understanding of the factors which drove the volatility in natural gas prices in 2022.
 - b. Please refer to paragraphs 10-14. Is the effect of Commission Order No. PSC-2022-0425-TRF-EI the only driver leading to changes in the Company's capacity costs? If not, please detail any other change(s).

PSC Website: http://www.floridapsc.com

¹Document No. 00417-2023.

²Order No. PSC-2022-0425-TRF-EI, issued December 14, 2022, in Docket No. 20220172-EI, *In re: Petition for limited proceeding to approve rate reductions associated with the Inflation Reduction Act of 2022, by Duke Energy Florida, LLC.*

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- 2. Please identify the exact date when the 2023 fuel factors, authorized by Order No. PSC-2023-0026-FOF-EI, began being charged to customers.³
- 3. Please specify the exact ranges/beginning and ending dates of DEF's March, April, and May 2023 billing cycles.
- 4. Please describe the Company's anticipated process and timeline for notifying its customers of the proposed action it has requested through its MCC Petition. Please also provide copies of any notifications that were previously, or will be, provided to customers regarding the actions requested in the MCC Petition.
- 5. Please provide the fuel price (commodity only) forecast underlying the fuel cost recovery rates approved in the Company's 2022 midcourse correction proceeding.⁴
- 6. Please discuss whether the Company plans on instituting any different processes, procedures, and/or measures related to fuel cost and fuel revenue forecasting as a result of requiring a mid-course correction of its fuel-related charges. If so, please explain.

³Order No. PSC-2023-0026-FOF-EI, issued January 6, 2023, in Docket No. 20230001-EI, *In re: Fuel and purchased power cost recovery clause with generating performance incentive factor*.

⁴Order No. PSC-2023-0061-PCO-EI, issued February 17, 2022, in Docket No. 20230001-EI, *In re: Fuel and purchased power cost recovery clause with generating performance incentive factor*.

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- 7. Is it possible for the Company to recover its deferred 2022 fuel cost over different time periods for individual rate classes/groups? If so, please explain how both the cost apportionment and recovery (i.e., through normal fuel charge, separate surcharge, etc.) would be achieved.
 - a. If the response to Data Request No. 7 is affirmative, please populate the below chart with rates and monthly bill impacts for the specified customer classes.

Rate Class Impact and Relative Recovery Period	9-Month Recovery	12-Month Recovery	21-Month Recovery	24-Month Recovery
Residential Dollars				
Residential Rate				
Typical Monthly Res. Bill Impact				
Small Commercial Dollars				
Small Commercial Rate				
Typical Monthly Small Comm. Bill Impact				
Large Commercial Dollars				
Large Commercial Rate				
Typical Monthly Large Comm. Bill Impact				
Industrial Dollars				
Industrial Rate				
Typical Monthly Ind. Bill Impact				
All Other Rate Classes Dollars				

8. Please refer to the MCC Petition, Schedule E1-B, pages 1-2. Please specify the source and exact monthly interest rates (and if available, the series title, i.e., 30-day commercial paper, Federal Funds Rate, etc.) used in the derivation of the true-up shown on this schedule.

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- 9. Please refer to the MCC Petition, Schedule E1-B (Proj.), pages 1-2. If different than identified in Question No. 8, please specify the source and exact monthly interest rates (and if available, the series title, i.e., 30-day commercial paper, Federal Funds Rate, etc.) used in the derivation of the projected true-up shown on this schedule.
- 10. Please provide the monthly (April 2023-March 2024) sales figures corresponding to the value shown on Schedule E1-D (Proj.), line 2.
- 11. Please refer to Schedule E-10. Please provide the 2023 bill impacts (fuel only) to typical (i.e., typical based on a conventional or average level of usage) industrial- and commercial-class (large and small) customers similarly to that performed for the residential class shown on this schedule.

Please file all responses electronically no later than February 3, 2023 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 S. Brownless Suzanne S. Brownless Special Counsel

SBr/ds

cc: Office of Commission Clerk

Internet E-mail: contact@psc.state.fl.us

PSC Website: http://www.floridapsc.com