

BEFORE THE PUBLIC SERVICE COMMISSION

In re: Proposed amendment of Rule 25-6.0423, Florida Administrative Code, (F.A.C.) Nuclear or Integrated Gasification Combined Cycle Power Plant Cost Recovery	DOCKET NO. 130222-EI FILED: October 9, 2013
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**DUKE ENERGY FLORIDA, INC.'S
NOTICE OF SERVICE**

Duke Energy Florida, Inc. ("DEF"), hereby gives notice of service of DEF's Response to Staff's First Data Request (Nos. 1-3).

Respectfully submitted,

/s/ Matthew R. Bernier

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY a true and correct copy of the foregoing has been furnished via electronic mail this 9th day of October, 2013 to:

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BEFORE THE PUBLIC SERVICE COMMISSION

In re: Proposed amendment of Rule 25-6.0423,
Florida Administrative Code, (F.A.C.)
Nuclear or Integrated Gasification Combined
Cycle Power Plant Cost Recovery

DOCKET NO. 130222-EI

SERVED: October 9, 2013

**DUKE ENERGY FLORIDA, INC.'S RESPONSE TO
STAFF'S FIRST DATA REQUEST (NOS. 1-3)**

Duke Energy Florida, Inc. ("DEF") responds to Staff's First Data Request (Nos. 1-3) as follows:

1. Commission Rule 25-6.0423(2)(j), F.A.C., is being proposed to implement changes to Subsection 366.93(2), Florida Statutes (F.S.). In accordance with the statutory changes, carrying costs shall be calculated using the utility's most recently approved pretax allowance for funds used during construction (AFUDC) rate at the time an increment of cost recovery is sought. The following questions pertain to the changes in the carrying costs allowed by statute.
 - a. Please identify all projects for which the Company will apply a different pretax AFUDC rate as a result of the statutory change effective July 1, 2013.

Response:

None.

- b. For each project identified in response to item a., above, please provide the pretax AFUDC rate that was applied in cost recovery proceedings prior to the statutory change.

Response:

N/A.

- c. For each project identified in response to item a., above, please provide the current approved pretax AFUDC rate that would be applied if an increment of cost recovery were being sought at the present time.

Response:

N/A.

- d. For each project identified in response to item a., above, please provide a monetary estimate of the difference in the amount of the carrying cost recovery hypothetically allowable to the Company due to the application of the different AFUDC rates provided in response to items b. and c., above. Please show the monetary estimates as annual totals over the next five-year period.

Response:

N/A.

2. Revisions to Commission rules are being proposed to implement changes to Subsection 366.93(3), F.S. Effective July 1, 2013, Paragraph 366.93(3)(d), F.S., requires that “After a utility obtains approval to proceed with postlicensure or postcertification preconstruction work, it must petition the commission for approval of any preconstruction materials or equipment purchases that exceed 1 percent of the total projected cost for the project.”

If the approval required pursuant to Paragraph 366.93(3)(d), F.S., for any preconstruction materials or equipment purchases that exceed 1 percent of the total projected cost for the project is anticipated to add additional costs to the Company’s annual Nuclear Cost Recovery Clause (NCRC) filing in the year when the purchase approval information is submitted, please provide an estimate of these additional costs for each of the next five years including appropriate supporting documentation that describes the costs and shows how the estimates were derived.

Response:

N/A.

3. Proposed Rule 25-6.0423(3), F.A.C., provides that “a utility may file a petition for Commission approvals pursuant to Section 366.93(3), F.S., in the annual nuclear or integrated gasification combined cycle cost recovery proceeding, or in a separate proceeding limited in scope to address only the petition for approval.”
 - a. Please provide illustrative descriptions of circumstances in which the Company might find it more advantageous to file a petition for a limited proceeding outside of the annual cost recovery proceeding.

Response:

This analysis would likely center around timing, administrative efficiency and project schedule.

- b. If the approval required pursuant to Paragraph 366.93(3)(c), F.S., to proceed with preconstruction work is anticipated to add additional costs to the Company's annual NCRC filing in the year when the pre-construction approval information is submitted, please provide an estimate of these additional costs including appropriate supporting documentation that describes the costs and shows how the estimates were derived.

Response:

N/A.

- c. If the approval required pursuant to Paragraph 366.93(3)(e), F.S., to proceed with the construction phase is anticipated to add additional costs to the Company's annual NCRC filing in the year when the construction phase approval information is submitted, please provide an estimate of these additional costs including appropriate supporting documentation that describes the costs and shows how the estimates were derived.

Response:

N/A.

- d. If the proof of intent required pursuant to Subparagraph 366.93(3)(f)1.a., F.S., to demonstrate that the utility remains intent on building the plant is anticipated to add additional costs to the Company's annual NCRC filing in the year that is ten years subsequent to the receipt of the combined operating license, please provide an estimate of these additional costs including appropriate supporting documentation that describes the costs and shows how the estimates were derived.

Response:

N/A.

- e. If the demonstration required pursuant to Subparagraph 366.93(3)(f)(3), F.S., that the utility must show that "it has committed sufficient, meaningful, and available resources to enable the project to be completed and that its intent is realistic and practical" is anticipated to add additional costs to the Company's annual NCRC filing each year, please provide an estimate of these recurring annual costs including appropriate supporting documentation that describes the additional costs and shows how the estimates were derived.

Response:

N/A.