



Matthew R. Bernier
ASSOCIATE GENERAL COUNSEL

July 3, 2019

VIA ELECTRONIC FILING

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

Re: *Environmental Cost Recovery Clause; Docket No. 20190007-EI*

Dear Mr. Teitzman:

On behalf of Duke Energy Florida, LLC ("DEF"), I am writing to advise the Commission that at this time, DEF has identified the following new environmental project for which it intends to seek approval for cost recovery in the above-referenced on-going docket:

- **Crystal River Coal Combustion Residual ("CCR") Ash Landfill** - The Coal Combustion Residual ("CCR") Rule was previously approved for recovery through the Environmental Cost Recovery Clause ("ECRC") in Order No. PSC-2015-0536-FOF-EI. As explained in the prior testimonies of DEF Witness Miller in Docket 20150007-EI and DEF Witness Hill in Dockets 20170007-EI and 20180007-EI, the CCR landfill at the Crystal River complex required groundwater monitoring and, if necessary, corrective action. Based on results of groundwater analysis, additional actions are required per the Federal CCR Rule (40 C.F.R. Parts 257 & 261) ("Rule") to comply with groundwater assessment mandates. In accordance with 40 C.F.R. § 257.96(a), on January 14, 2019, an assessment of corrective measures ("ACM") was initiated. In accordance with 40 C.F.R. § 257.107(h)(8), the public was notified that an ACM report was developed. The final ACM report which lists and explains the options that DEF is evaluating has been posted to the publicly accessible CCR Rule Compliance Data and Information website for the Duke Energy Florida, LLC, Crystal River Energy Complex.

Based on the above timeline, as prescribed by the CCR Rule, DEF expects the selection of the compliance option(s) to occur as early as Q4 2019. As explained by DEF Witness Hill in last

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year's testimony, DEF will incur costs in 2019 and 2020 related to initial design, permitting, and preliminary engineering associated with the evaluation of compliance options as well as some potential preliminary engineering and design work on the selected option(s). DEF will include these costs in the 2019 Actual/Estimated and 2020 Projection Filings, as applicable. DEF will update the Commission on the selected compliance option(s), including project timeline and initial cost projections, in Docket 20200007-EI.

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

MRB/cw

CERTIFICATE OF SERVICE

Docket No. 20190007-EI

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished via electronic mail to the following this 3rd day of July, 2019.

/s/ Matthew R. Bernier

Attorney

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