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Public Service Commission

October 1, 2019

Matthew R. Bernier
Duke Energy Florida, LLC
106 E. College Avenue, Ste. 800
Tallahassee, FL 32301

RECEIVED-FPSC
2019 OCT -9 PM 5:58
COMMISSION CLERK
STAFF'S FIRST DATA REQUEST

Re: Docket No. 20190183-EI, Petition for approval of a new depreciation class and rate for energy storage equipment, by Duke Energy Florida, LLC.

Dear Mr. Bernier:

Staff has completed its initial review regarding Duke Energy Florida, LLC's petition for approval of a new depreciation class and rate for energy storage equipment. We ask that you please provide responses to the following data and documents request by November 1, 2019:

- 1) Please generally describe the type(s) of batteries contemplated and/or planned for use in effectuating Duke Energy Florida's (DEF) 50 MW Battery Storage Pilot Program (Battery Storage Pilot). Please also note the function (i.e. production, transmission, distribution) if dissimilar assets will be used in each depreciable plant category.
- 2) How many batteries by type does DEF intend to install in order to achieve the full 50 MW of battery storage?
- 3) Has the Company begun installing any batteries and/or energy storage-associated equipment? If so, please identify the types of assets installed, dates of installation, number of MWs, and installation locations.
- 4) Please identify any currently scheduled installations of battery and/or energy storage-associated equipment.

- 5) Is DEF currently recording any plant depreciation associated with its Battery Storage Pilot?
 - a. If the response to Request No. 5 is affirmative, is the company requesting any plant in service and accumulated depreciation transfers be performed as part of this docket?
 - b. If the response to Request No. 5(a.) is affirmative, please specify: amounts to be transferred; accounts in which the property/balances are currently being depreciated; and accounts to which the property/balances are being transferred to.
- 6) Has DEF projected a date or timeframe when full implementation of the 50 MW Battery Storage Pilot will be achieved? If so, please specify the date or timeframe.
- 7) Has DEF estimated the total capital cost associated with the full 50 MW of battery storage? If so, please specify.
- 8) Please refer to paragraph (4) of DEF's Petition for Approval of a New Depreciation Class and Rate for Energy Storage Equipment (Petition). Please elaborate on how battery/energy storage may "enhance" service for retail customers, and/or operations of existing or planned solar facilities?
- 9) Please refer to paragraph (4) of DEF's Petition. Please list all known items which constitute "necessary equipment to connect such batteries to DEF's electric system."
- 10) Please refer to paragraph (5) of DEF's Petition. Please provide a hypothetical accounting example of how DEF would "allocate a single asset to multiple functions."
- 11) Please refer to paragraph (5) of DEF's Petition. According to the Company: "DEF consulted with its engineering subject matter experts, original equipment manufacturers for energy storage equipment and benchmarked with industry peers to conclude that a (10) year estimated useful life and net salvage of 0% is reasonable and appropriate."
 - a. Please identify the "subject matter experts" being referenced in this passage.
 - b. Please identify the "original equipment manufacturers" being referenced in this passage.
 - c. Concerning data request 11(b.) above, will the batteries/energy storage equipment carry a warranty when purchased from the manufacturers? If so, please specify or approximate the typical warranty period.
 - d. Please identify the "industry peers" being referenced in this passage.

Documents Request

- 1) Please provide any documents the Company utilized in developing its proposed 10-year average service life and zero percent net salvage depreciation parameter request.
- 2) Please provide any documents the Company may have in support of its response to Data Request No. 11.

Should you have any questions, or need further information, please do not hesitate to contact Andrew Kunkler at (850) 413-6638.

Sincerely,



Andrew Kunkler
Public Utilities Analyst

Attachment

cc: Office of Public Counsel
Office of Commission Clerk
Dianne M. Triplett, DEF
Suzanne Brownless