



Stephanie A. Cuello
SENIOR COUNSEL

November 6, 2025

VIA ELECTRONIC FILING

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

Re: *Duke Energy Florida, LLC's Petition for Limited Proceeding to Approve
Second Solar Base Rate Adjustment*; Docket No. _____

Dear Mr. Teitzman:

Enclosed for filing on behalf of Duke Energy Florida, LLC ("DEF") is DEF's Petition for Limited Proceeding to Approve Second Solar Base Rate Adjustment, along with the following:

- Direct Testimony of Vanessa Goff with Exhibit No. VG-1 through Exhibit No. VG-8;
- Direct Testimony of Benjamin M. H. Borsch with Exhibit No. BMHB-1 through Exhibit No. BMHB-5;
- Direct Testimony of Marcia Olivier with Exhibit No. MJO-1;

Thank you for your assistance in this matter. Please feel free to call me at (850) 521-1425 should you have any questions concerning this filing.

Sincerely,

/s/ Stephanie A. Cuello

Stephanie A. Cuello

SAC/clg
Attachments

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by electronic mail this 6th day of November, 2025, to the following:

/s/ Stephanie A. Cuello

Stephanie A. Cuello

Office of General Counsel J. Crawford / Z. Bloom Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850 jcrawfor@psc.state.fl.us zbloom@psc.state.fl.us discovery-gcl@psc.state.fl.us	
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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Duke Energy Florida, LLC
Petition for limited proceeding to
approve second solar base rate adjustment

Docket No.:

Dated: November 6, 2025

**DUKE ENERGY FLORIDA, LLC’S PETITION FOR A LIMITED PROCEEDING
TO APPROVE DEF’S SECOND SOLAR BASE RATE ADJUSTMENT**

Duke Energy Florida, LLC (“DEF”), pursuant to Sections 366.076(1) and 366.06(3), Florida Statutes (“F.S.”), Rule 28-106.201, Florida Administrative Code (“F.A.C.”), and the 2024 Settlement Agreement approved by the Florida Public Service Commission (“Commission”) in Order No. PSC-2024-0472-AS-EI, Docket No. 20240025-EI (the “2024 Settlement”), hereby petitions the Florida Public Service Commission (“FPSC” or the “Commission”) for a limited proceeding to approve DEF’s second solar base rate adjustment. Specifically, pursuant to Paragraph 16 of the 2024 Settlement, DEF is authorized to request approval from the Commission for cost recovery of up to 900 MW of solar generation during the term of the 2024 Settlement. In this filing, DEF presents four solar projects: the Banner Solar Center (“Banner Project”), the Jumper Creek Solar Center (“Jumper Creek Project”), Lonesome Camp Solar Center (“Lonesome Camp Project”), and Turnpike Solar Center (“Turnpike Project”).

As explained further below and in the supporting testimonies and exhibits of Vanessa Goff, Benjamin Borsch, and Marcia Olivier filed with this Petition, DEF’s solar projects meet the requirements set forth in the 2024 Settlement; namely, they lower the projected system CPVRR as compared to such CPVRR without the solar projects, the projects show positive benefits that exceed costs within ten years, the solar projects meet a 1.15 to 1 benefit to cost ratio; and the solar projects are 100 percent dedicated to serve DEF’s retail load.

Accordingly, DEF requests that its solar projects be approved for rate recovery so that new rates for the first solar project can be implemented for bills by the currently excepted effective date of July 2026.

In support of this Petition, DEF states:

Introduction

1. The Petitioner's name and address is:

Duke Energy Florida, LLC
299 1st Avenue North
St. Petersburg, Florida 33701

2. Any pleading, motion, notice, order, or other document required to be served upon

DEF or filed by any party to this proceeding should be served upon the following individuals:

Dianne M. Triplett
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Duke Energy Florida, LLC
106 E. College Avenue, Ste. 800
Tallahassee, FL 32301
(850) 521-1425

3. DEF is an investor-owned electric utility regulated by the Commission pursuant to Chapter 366, Fla. Stat., and is a wholly-owned subsidiary of Duke Energy Corporation. The Company's principal place of business is located at 299 1st Avenue North, St. Petersburg, Florida 33701.

4. DEF serves more than 2 million customers in Florida. Its service area comprises

approximately 20,000 square miles, including the densely populated areas of Pinellas and western Pasco Counties and the greater Orlando area in Orange, Osceola, and Seminole Counties. DEF supplies electricity at retail to approximately 350 communities and at wholesale to Florida municipalities, utilities, and power agencies in the State of Florida.

5. This Petition is being filed consistent with Rule 28-106.201, Florida Administrative Code. The agency affected is the Florida Public Service Commission, located at 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399. This case does not involve reversal or modification of an agency decision or an agency's proposed action. Therefore, subparagraph (c) and portions of subparagraphs (b), (e), (f), and (g) of subsection (2) of that rule are not applicable to this Petition. In compliance with subparagraph (d), DEF states that it is not known at this time which, if any, of the issues of material fact set forth in the body of this Petition may be disputed by any others who may plan to participate in this proceeding.

2024 Settlement Requirements and DEF's Proposed Solar Facilities

6. Paragraph 16(a) of the 2024 Settlement authorizes the Company to seek Commission approval of up to 900 MW of solar projects during the term of the 2024 Settlement Agreement or within one year following expiration of the Term.

7. For projects not subject to the Power Plant Siting Act (i.e. less than 75 MW), Paragraph 16(c) of the 2024 Settlement obligates DEF to file a separate proceeding for approval of the solar projects and determination of the following issues: (a) the reasonableness and cost effectiveness of the solar generation projects (i.e., will the projects lower the projected requirement CPVRR as compared to such CPVRR without the solar projects and whether the projects show positive benefits that exceed costs within ten years); (b) whether the solar projects meet a 1.15 to 1 benefit to cost ratio; (c) whether the solar projects are 100 percent dedicated to serve DEF's retail

load; and (d) the amount of revenue requirements. DEF has filed this Petition for the purpose of resolving these issues.

8. DEF is proposing four new solar facilities for approval. The first is a 74.9 MW facility in Sumter County, called the Jumper Creek Solar Power Plant (“Jumper Creek Project”) which will come into service in June 2026. Next is a 74.9 MW facility located in Osceola County which will be called the Turnpike Solar Power Plant (“Turnpike Project”) and which will come into service in December 2026, the third is a 74.9 MW facility located in Osceola County as well, called the Lonesome Camp Solar Project (“Lonesome Camp Project”) which is projected to come into service in February 2027, and the fourth is the Banner Solar Power Plant (“Banner Project”), is a 74.5 MW facility located in Columbia County which will come into service in March 2027. DEF anticipates that the four proposed projects will have a total capital cost of approximately \$607 million as presented in the testimony of Mr. Borsch and Ms. Goff.

9. The testimony of Ms. Goff, filed simultaneously with and incorporated by reference into this Petition, focuses on the characteristics of the solar projects presented for approval in this filing. It also provides details as to the Company’s competitive solicitation processes, as well as the costs for the solar projects.

10. As explained in the testimony of Mr. Borsch, filed simultaneously with and incorporated by reference into this Petition, the proposed solar projects are cost-effective and needed. Specifically, the projects, when considered together, will lower DEF’s CPVRR when compared to the CPVRR without the projects. Mr. Borsch’s testimony also demonstrates that the project benefits will meet the tests identified in Paragraph 16(a) of the 2024 Settlement. Finally, Mr. Borsch explains the benefits of fuel diversity and other attributes that contribute to the Company’s need for the facilities

11. The 2024 Settlement, specifically Paragraphs 16(e) and (f) contain detailed requirements as to the calculation of revenue requirements to implement the solar base rate adjustment. DEF's request complies with these requirements, as demonstrated in the testimony of witness Marcia Olivier, filed simultaneously with and incorporated by reference into this Petition. Applying the 2024 Settlement, DEF requests approval of approximately \$53 million in total annual revenue requirements associated with this group of solar projects.

Effective Date of Requested Changes

12. The solar projects in this filing have differing commercial in-service dates. The revenue requirements for each of the four projects are set forth in Ms. Olivier's testimony and exhibits. Rate impacts will be filed with the Commission for approval approximately two months prior to the intended effective dates.

Conclusion

WHEREFORE, DEF respectfully requests that the Commission enter an order:

- (1) approving the revenue requirements associated with its solar projects, as presented in this filing; and
- (2) providing its Staff the authority to administratively approve the tariff sheets once filed.

Respectfully submitted,

/s/ Stephanie A. Cuello

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**IN RE: DUKE ENERGY FLORIDA, LLC’S PETITION FOR A LIMITED
PROCEEDING TO APPROVE SECOND SOLAR BASE RATE ADJUSTMENT**

DOCKET NO. _____

DIRECT TESTIMONY OF VANESSA GOFF

NOVEMBER 6, 2025

I. INTRODUCTION AND PURPOSE.

Q. By whom are you employed and what is your position?

A. I am employed by Duke Energy Corporation as a Director of Renewables Business Development.

Q. Please describe your duties and responsibilities in that position.

A. As Director of Renewables Development, I am responsible for the development of new solar facilities in Florida on behalf of Duke Energy Florida, LLC (“DEF” or the “Company”). I lead a team that conducts solar development activities including project siting, land acquisition, resource assessment, permitting, obtaining interconnection rights, project layout and design, and arranging contracts for engineering, procurement, and construction (“EPC”) services, as well as originating, structuring, and executing transactions to acquire rights to existing solar development projects.

1
2 **Q. Please describe your educational background and professional experience.**

3 A. I received a Bachelor of Science in Chemical Engineering from Lafayette College
4 in 2002. I began my career as an engineer focusing on coal boilers and steam
5 turbines for Cinergy Solutions. Cinergy was procured by Duke Energy, at which
6 time I moved to development engineering for biomass plants. In 2008, I earned my
7 Masters in Business Administration (“MBA”) from St. John Fisher College. I
8 continued to work for the commercial arm of Duke Energy and in 2009 worked as
9 a development engineer focusing on solar, where I helped site new solar energy
10 facilities across the United States. I moved to the regulated side of Duke Energy
11 and worked in siting and licensing for one year and then became a Business
12 Development Manager for solar and wind, and most recently Director of
13 Renewable Development within the Regulated Renewables Development (“RRD”)
14 group. In total, I have over 20 years of professional work experience, including 16
15 years of renewable energy business development.

16
17 **Q. What is the purpose of your testimony?**

18 A. My testimony is provided to support DEF’s request for cost recovery approval of
19 the second portfolio of its solar power plants or projects authorized under the
20 approved 2024 Settlement Agreement (“2024 Settlement”), in Docket No.
21 20240025-EI. My testimony describes the solar power plants that DEF plans to
22 build to serve its customers and includes an overview of the process DEF has used
23 to ensure that the project costs meet the requirements of the 2024 Settlement. My

1 testimony supports the reasonableness of the proposed project costs. As required
2 by the 2024 Settlement, Mr. Borsch’s testimony will demonstrate that this group of
3 four solar projects, on a Cumulative Present Value Revenue Requirements
4 (“CPVRR”) basis, shows positive benefits that exceed costs within ten years of the
5 commercial in service date, and his testimony will demonstrate that this group of 4
6 solar projects meets a 1.15 to 1 benefit to cost ratio. Ms. Olivier’s testimony will
7 provide the revenue requirements of these four solar projects.
8

9 **Q. Are you presenting exhibits in this proceeding?**

10 A. Yes. They consist of the following exhibits:

11 Exhibit No. VG-1 Banner Solar Center Site Plan;

12 Exhibit No. VG-2 Banner Solar Center Costs;

13 Exhibit No. VG-3 Jumper Creek Solar Center Site Plan;

14 Exhibit No. VG-4 Jumper Creek Solar Center Costs;

15 Exhibit No. VG-5 Lonesome Camp Solar Center Site Plan;

16 Exhibit No. VG-6 Lonesome Camp Solar Center Costs;

17 Exhibit No. VG-7 Turnpike Solar Center Site Plan; and

18 Exhibit No. VG-8 Turnpike Solar Center Costs

19 These exhibits are true and accurate to the best of my knowledge.
20

21 **Q. What solar projects is DEF proposing for approval in this filing?**

22 A. DEF is proposing the following projects (a) Banner Solar Center, (“Banner Project”),
23 (b) the Jumper Creek Solar Center (“Jumper Creek Project”), (c) the Lonesome

1 Camp Solar Center (“Lonesome Camp Project”), and (d) the Turnpike Solar Center
2 (“Turnpike Project”).
3

4 **Q. How did DEF select and develop the solar projects included in this filing?**

5 A. DEF considers several factors while developing a greenfield project, with
6 interconnection and the ability to connect to the grid as primary factors. For this
7 portfolio of projects DEF conducted desktop analyses using publicly available data
8 to locate buildable sites adjacent to existing DEF transmission lines. This desktop
9 study will look at parcel size, wetlands, floodplains, slope, soils, and any known
10 environmentally sensitive areas. Once a site has been identified, DEF will work
11 with landowners to execute site control agreements. DEF will then file an
12 interconnection request. If the interconnection studies are favorable, DEF will
13 conduct site due-diligence to make sure the site is buildable with minimal
14 environmental impacts. Some of these studies include environmental assessment
15 for species, wetlands delineation, ESA Phase I, cultural assessment, topographical
16 surveys, geotechnical surveys, and American Land Title Association surveys. If all
17 results are positive, DEF will add these projects to the solar portfolio.

18
19 DEF has several greenfield projects in the interconnection queue with favorable
20 queue positions and will continue to develop most of these solar projects. DEF is
21 willing to purchase solar projects in various stages of completion from third-party
22 developers, but projects must meet DEF’s standards of development and
23 construction and fit into our strategic build plan. The factors when considering the

1 purchase of a third-party developed site include interconnection queue position for
2 transmission connection to the grid and expected grid upgrades, environmental
3 impacts, constructability of the site, development status and schedule, overall cost,
4 project location, zoning entitlements, experience and competencies of developer,
5 and construction schedule.

6
7 **Q. Are any of the solar projects in this filing subject to the Power Plant Siting**
8 **Act?**

9 A. The solar generation projects in this filing are not subject to the Florida Electrical
10 Power Plant Siting Act and are all less than 75MWac at the point that are metered
11 at the Point of Interconnect.

12
13 **Q. With the recent changes in law, will these projects still qualify for production**
14 **tax credits?**

15 A. Yes, DEF expects that these four solar projects will qualify for production tax
16 credits. On July 4, 2025, the President signed into law a number of changes
17 affecting tax credit eligibility for solar and storage facilities under the IRA. Solar
18 projects must start construction by July 4, 2026 in order to be eligible for the
19 ITC/PTC (full amount, no phase out, and have current year plus four calendar years
20 to achieve placed-in-service, i.e. a project that starts construction in 2025 must be
21 online by the end of 2029, and a project starting construction in 2026 must be online
22 by the end of 2030).

1 Additionally, for projects that start construction after Dec. 31, 2025, new
2 requirements were created pertaining to equipment sourcing, support and project
3 ownership from Foreign Entities of Concern (“FEOC”) and Prohibited Foreign
4 Entities (“PFE”).

5
6 On August 15, 2025, the US Treasury published updated start of construction
7 guidance which only applies to projects establishing start of construction after
8 September 2, 2025 (Notice 2025-42). These new requirements are nearly identical
9 to previous guidance and include establishing start of construction based on the
10 beginning of physical work of a significant nature (“PWSN”). For these projects,
11 DEF will meet this PWSN requirement by having started manufacture of project
12 GSU’s under a binding contract with sufficient work completed prior to December
13 31, 2025. By doing so, DEF will not be required to meet the FEOC requirements
14 passed as part of the One Big Beautiful Bill Act. Tax credit transferability remains
15 intact and unaltered.

16
17 **Q. Please Describe the Banner Project?**

18 A. The Banner Project is a 74.5 MWac / 102.3 MWdc single-axis tracking facility
19 located in Columbia County, FL, with an expected design capacity factor of
20 approximately 25.9%. The design capacity does not take into any expected
21 operational losses. For the determination of PTCs and other economic calculations,
22 the production forecast assumes 1) an annual 3.5% loss due to expected downtime
23 for preventative maintenance, forced outages, and weather events; 2) annual

1 module degradation and; 3) commissioning and testing in Year 1. The project will
2 use 660-watt modules, procured from Trina (a leading, Tier I manufacturer), and
3 the racking system will be procured from Array Technologies (“ATI”). ATI is a
4 global leader in solar racks and solar tracking rack systems. The company has 30
5 years of experience. ATI manufactures their products in Albuquerque, New
6 Mexico, and has supplied more than 8 gigawatts to commercial and utility projects
7 around the world. Inverters will be sourced from TMEIC, which was established in
8 2003 from the integration of Toshiba and Mitsubishi Electric Corporation’s
9 industrial systems divisions. The TMEIC group’s PV inverters and energy storage
10 systems have been installed in renewable energy systems worldwide, over 50 GW
11 as of July 2024. In North America alone, TMEIC’s installed base exceeds 28 GW.
12 They recently opened a manufacturing facility in Waller County, Texas that is
13 capable of producing 9 GWs annually. The project will be constructed on
14 approximately 460-acres that is secured under a lease option and consists of
15 agricultural land used for cattle and crops. The point of interconnection (“POI”) is
16 a new 230kV terminal in the existing 230kV Radiant Switching Station that is
17 located on the DEF owned Santa Fe Solar project site. M.A Mortenson Company
18 (“Mortenson”) was selected to perform final facility engineering, design and
19 construction. DEF had selected Mortenson as the preferred EPC contractor on ten
20 (10) other DEF solar projects. Mortenson has proven to be a reliable and bankable
21 EPC partner. Banner is a project acquisition from Florida Renewable Partners
22 (“FRP”), a subsidiary of NextEra Energy. An Asset Purchase Agreement (“APA”) was
23 executed in February 2025. FRP was responsible for securing all land rights,

1 filing the interconnection application and completing all cultural, habitat, and
2 wetlands surveys. The Project will be required to receive approval as a Special
3 Exception by the Columbia County Board of Adjustment and final site plan
4 approval by county staff but will not need a Conditional Use Permit. This is due to
5 Florida Statute §163.3205 (3), which allows solar facilities to be permitted by right
6 on land zoned for agricultural uses. This approval will be obtained by FRP prior to
7 closing on the APA. The initial environmental site assessment has been completed,
8 resulting in no evidence of Recognized Environmental Concerns (“RECs”). A
9 wetland delineation, habitat assessment, and cultural assessment have also been
10 completed, resulting in no impacts. There are no wetlands on site. The Project also
11 has a completed Environmental Resource Permit. The project is required to obtain
12 a site plan. A minimal number of Gopher Tortoises were present on site and have
13 been relocated after obtaining a Gopher tortoise relocation permit from Florida Fish
14 and Wildlife Services.

15
16 The project is expected to start construction in February 2026 and is expected to
17 achieve placed in-service in March of 2027. My Exhibit No. VG-1 show the site
18 plan for the Banner Project.

19
20 **Q. What is the projected installed cost for the Banner Project?**

21 A. The projected cost of the Banner Project is \$125.7 million inclusive of network
22 upgrades and capital carrying cost. Pursuant to Paragraph 16.a. of DEF’s 2024
23 Settlement, DEF will be allowed to accrue a carrying charge to be added to the

1 construction work in progress balances based on the applicable AFUDC rate on all
2 solar projects while under construction 1 during the term of the 2024 Settlement.
3 My Exhibit No. VG-2 shows the categories that make up the total installed cost.
4

5 **Q. Please Describe the Jumper Creek Project**

6 A. The Jumper Creek project is a 74.9 MWac / 103.0 MWdc single-axis tracking
7 facility located in Sumter County, FL with an expected capacity factor of
8 approximately 26.6%. The design capacity does not take into any expected
9 operational losses. For the determination of PTCs and other economic calculations,
10 the production forecast assumes 1) an annual 3.5% loss due to expected downtime
11 for preventative maintenance, forced outages, and weather events; 2) annual
12 module degradation and; 3) commissioning and testing in Year 1. The project will
13 be constructed on a portion of approximately 650-acres of mostly flat agricultural
14 and timber land that is secured under a lease option. DEF acquired the early stage
15 development assets of the Jumper Creek Project from Southeast Solar and Power,
16 LLC. The Membership Interest Purchase Agreement was executed by the end of
17 September 2024. This was DEF's third transaction with Southeast Solar & Power.
18 Southeast Solar and Power, LLC was responsible for securing all land rights, filing
19 the interconnection and completing all cultural, habitat and wetland surveys. The
20 project is a mixture of 455-watt and 460-watt modules (with an average bin class
21 of 459W), procured from First Solar (a leading, Tier I manufacturer) and the single-
22 axis racking system from ATI. Inverters were sourced from Sungrow, which is a
23 \$35 billion company founded in 1997, with global installed 22 solar production

1 capacity in excess of 340GW. The project site is zoned Agricultural and is
2 permitted by right under Florida Senate Bill 896 and therefore a local permit is not
3 required. In March of 2025, DEF obtained Final Site Plan Approval from Sumter
4 County as well as the ERP from FDEP. An environmental assessment has been
5 completed, resulting in minimal concerns or impacts. A wetland delineation, habitat
6 assessment, and cultural assessment were completed. Gopher Tortoises were
7 present on site and have been relocated after obtaining a Gopher Tortoise
8 Relocation Permit from Florida Fish and Wildlife Services. A Scrub Jay survey was
9 also completed due to the presence of habitat, but no Scrub Jay were found on site.
10 The POI is a new breakered terminal in the Crescent 230kV switching station on the
11 Central Florida to Holder 230kV line which intersects the project site. M.A
12 Mortenson Company ("Mortenson") was selected to perform final facility
13 engineering, design and construction. DEF had selected Mortenson as the preferred
14 EPC contractor on ten (10) other DEF solar projects. Mortenson has proven to be a
15 reliable and bankable EPC partner.

16
17 The project started construction in May 2025 and has an expected backfeed in April
18 2026. The project will be placed in service in June 2026. My Exhibit No. VG-3
19 shows the site plan for the Jumper Creek Project.

20
21 **Q. What is the projected installed cost for the Jumper Creek Project?**

22 A. The projected cost of the Jumper Creek Project is \$123.3 million. My Exhibit No.
23 VG-4 shows the categories that make up the total installed cost.

1
2 **Q. Please Describe the Lonesome Camp Project**

3 A. The Lonesome Camp Project is a 74.9 MWac / 101.8 MWdc single-axis tracking
4 facility located in Osceola County, FL with an expected design capacity factor of
5 approximately 26.4%. The design capacity does not take into any expected
6 operational losses. For the determination of PTCs and other economic calculations,
7 the production forecast assumes 1) an annual 3.5% loss due to expected downtime
8 for preventative maintenance, forced outages, and weather events; 2) annual
9 module degradation and; 3) commissioning and testing in Year 1. The project will
10 be constructed on a portion of approximately 650 acres of pastureland that is
11 secured under a lease option. The project will use a mixture of 460-watt, 465-watt
12 and 470-watt modules, procured from First Solar (a leading, Tier I manufacturer)
13 and the single-axis racking system will be procured from ATI. Inverters will be
14 sourced from TMEIC. The project site is zoned Agricultural and is permitted by
15 right under Florida Senate Bill 896 and therefore a local permit is not required. DEF
16 will need to obtain its Final Site Plan Approval from Osceola County as well as its
17 approval of the ERP from FDEP. An environmental assessment has been
18 completed, resulting in minimal concerns or impacts. A wetland delineation, habitat
19 assessment, and cultural assessment were completed. These have all been verified
20 on site by FDEP. Gopher Tortoises were present on site and have been relocated
21 after obtaining a Gopher Tortoise Relocation Permit from Florida Fish and Wildlife
22 Services. The POI is a new breaker terminal in the new Whippoorwill 230kV
23 Switching Station on the West Lake Wales to Holopaw 230kV transmission line.

1 Moss & Associates (“Moss”) was selected to perform final facility engineering,
2 design and construction. Moss is a proven and reliable Engineering, Procurement,
3 and Construction (“EPC”) partner, based in Florida, having constructed six (6)
4 other DEF solar facilities. The network upgrades for this project include the projects
5 portion of the required 18-mile line upgrade required for the West Lake Wales to
6 Holopaw 230kV transmission line required for Designated Resource Status.

7
8 The project is expected to start construction in January 2026 with an expected
9 backfeed in November 2026. The project will be placed in service in February 2027.
10 My Exhibit No. VG-5 shows the site plan for the Lonesome Camp Project.

11
12 **Q. What is the projected installed cost for the Lonesome Camp Project?**

13 A. The projected cost of the Lonesome Camp Project is \$166.5 million. My Exhibit
14 No. VG-6 shows the categories that make up the total installed cost.

15
16 **Q. Please Describe the Turnpike Project**

17 A. The Turnpike Project is a 74.9 MWac / 100.8 MWdc single-axis tracking facility
18 located in Osceola County, FL with an expected design capacity factor of
19 approximately 26.1%. The design capacity does not take into any expected
20 operational losses. For the determination of PTCs and other economic calculations,
21 the production forecast assumes 1) an annual 3.5% loss due to expected downtime
22 for preventative maintenance, forced outages, and weather events; 2) annual
23 module degradation and; 3) commissioning and testing in Year 1. The project will

1 be constructed on a portion of approximately 650 acres of pastureland that is
2 secured under a lease option. The project will use a mixture of 460-watt, 465-watt
3 and 470-watt modules, procured from First Solar (a leading, Tier I manufacturer)
4 and the single-axis racking system will be procured from ATI. Inverters will be
5 sourced from TMEIC. The project site is zoned Agricultural and is permitted by
6 right under Florida Senate Bill 896 and therefore a local permit is not required. DEF
7 will need to obtain its Final Site Plan Approval from Osceola County As well as its
8 approval of the ERP from FDEP. An environmental assessment has been
9 completed, resulting in minimal concerns or impacts. A wetland delineation, habitat
10 assessment, and cultural assessment were completed. These have all been verified
11 on site by FDEP. Gopher Tortoises were present on site and have been relocated
12 after obtaining a Gopher Tortoise Relocation Permit from Florida Fish and Wildlife
13 Services. The POI is a new breaker terminal in the new Whippoorwill 230kV
14 Switching Station on the West Lake Wales to Holopaw 230kV transmission line.
15 DEF selected Moss & Associates to perform final facility engineering, design and
16 construction. The network upgrades for this project include the projects portion of
17 the required 18-mile line upgrade required for the West Lake Wales to Holopaw
18 230kV transmission line required for Designated Resource Status.

19
20 The project is expected to start construction in December 2025 with an expected
21 backfeed in November 2026. The project will be placed in service in December
22 2026. My Exhibit No. VG-5 shows the site plan for the Turnpike Project.
23

1 **Q. What is the projected installed cost for the Turnpike Project?**

2 A. The projected cost of the Turnpike Project is \$191.9 million. My Exhibit No.

3 VG-8 shows the categories that make up the total installed cost.

4

5 **Q. Does that conclude your testimony?**

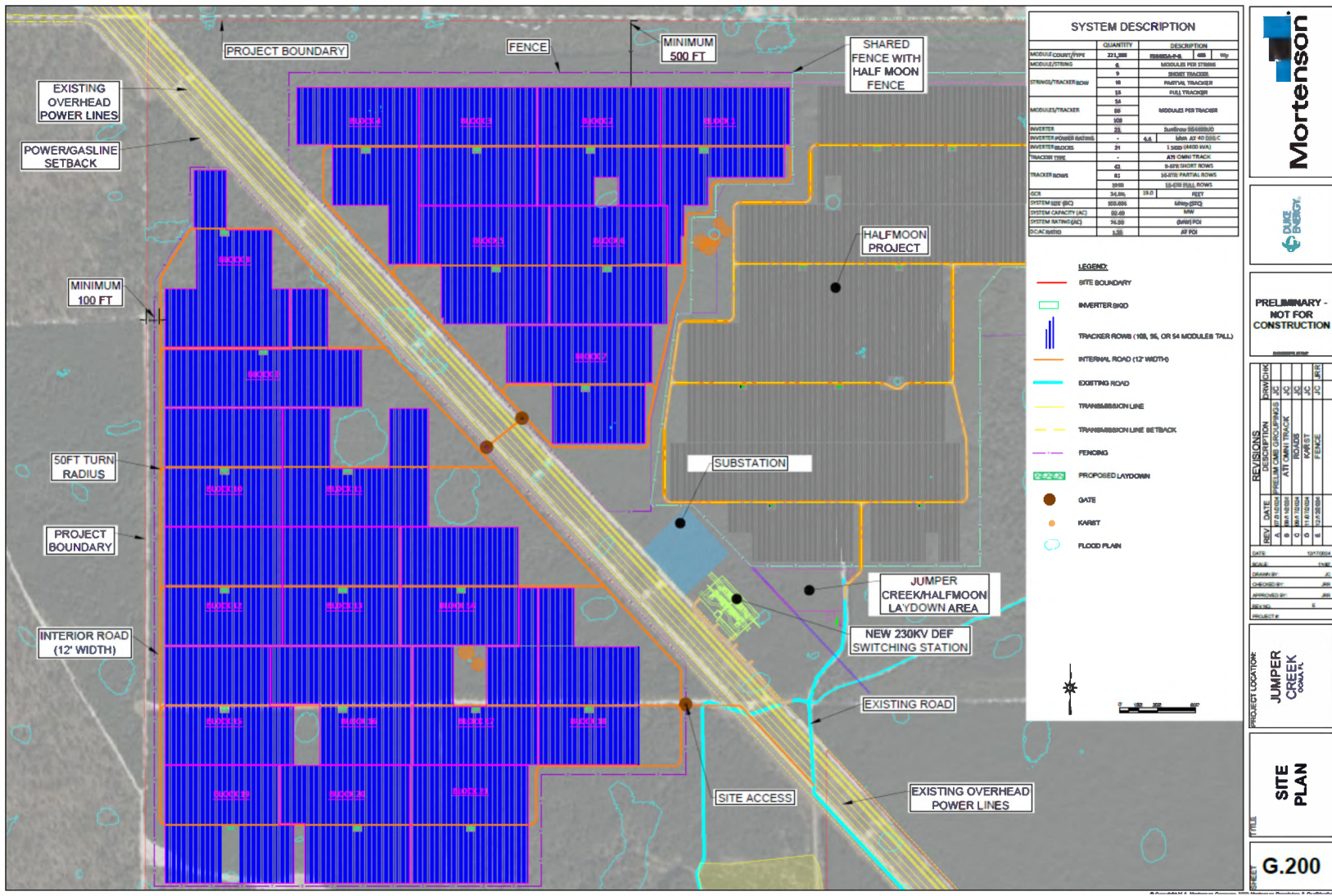
6 A. Yes.

Banner Solar Center Estimated Installed Cost by Category

Estimated Costs (\$MM)	
Project Output (MW-ac)	74.5
Major Equipment ¹	\$29.5
Balance of System ²	73.5
Construction Management	2.7
Development and Permitting ³	8.4
Transmission Interconnect ⁴	2.4
Land ⁵	0.0
Total Installed Cost	\$116.5
Total (\$kW-ac)	\$1,564
Network Upgrades (NU)	\$2.4
Carrying Charge	6.7
Total	\$125.7

1. Includes equipment such as solar panels, project transformer, high side breaker, and any other equipment that was not included in EPC contract.
2. Includes remaining equipment such as racking, posts, inverters, and collection cables and EPC services.
3. Includes items such as lease rental payments during construction, legal fees, development costs, development fees, and title insurance.
4. Includes Interconnection Customer charges identified in the Large Generator Interconnection Agreement and associated with affected third-party systems. Excludes Network Upgrades.
5. Transmission substation located on land purchased by Duke Energy Florida, remainder of solar project occupies land leased to Duke Energy Florida.

Jumper Creek Solar Center Site Plan



Jumper Creek Solar Center Estimated Installed Cost by Category

Estimated Costs (\$MM)	
Project Output (MW-ac)	74.9
Major Equipment ¹	\$34.0
Balance of System ²	75.1
Construction Management	2.7
Development and Permitting ³	4.8
Transmission Interconnect ⁴	1.9
Land ⁵	0.0
Total Installed Cost	\$118.5
Total (\$kW-ac)	\$1,582
Network Upgrades (NU)	\$1.5
Carrying Charge	3.3
Total	\$123.3

1. Includes equipment such as solar panels, project transformer, high side breaker, and any other equipment that was not included in EPC contract.
2. Includes remaining equipment such as racking, posts, inverters, and collection cables and EPC services.
3. Includes items such as lease rental payments during construction, legal fees, development costs, development fees, and title insurance.
4. Includes Interconnection Customer charges identified in the Large Generator Interconnection Agreement and associated with affected third-party systems. Excludes Network Upgrades.
5. Transmission substation located on land purchased by Duke Energy Florida, remainder of solar project occupies land leased to Duke Energy Florida.

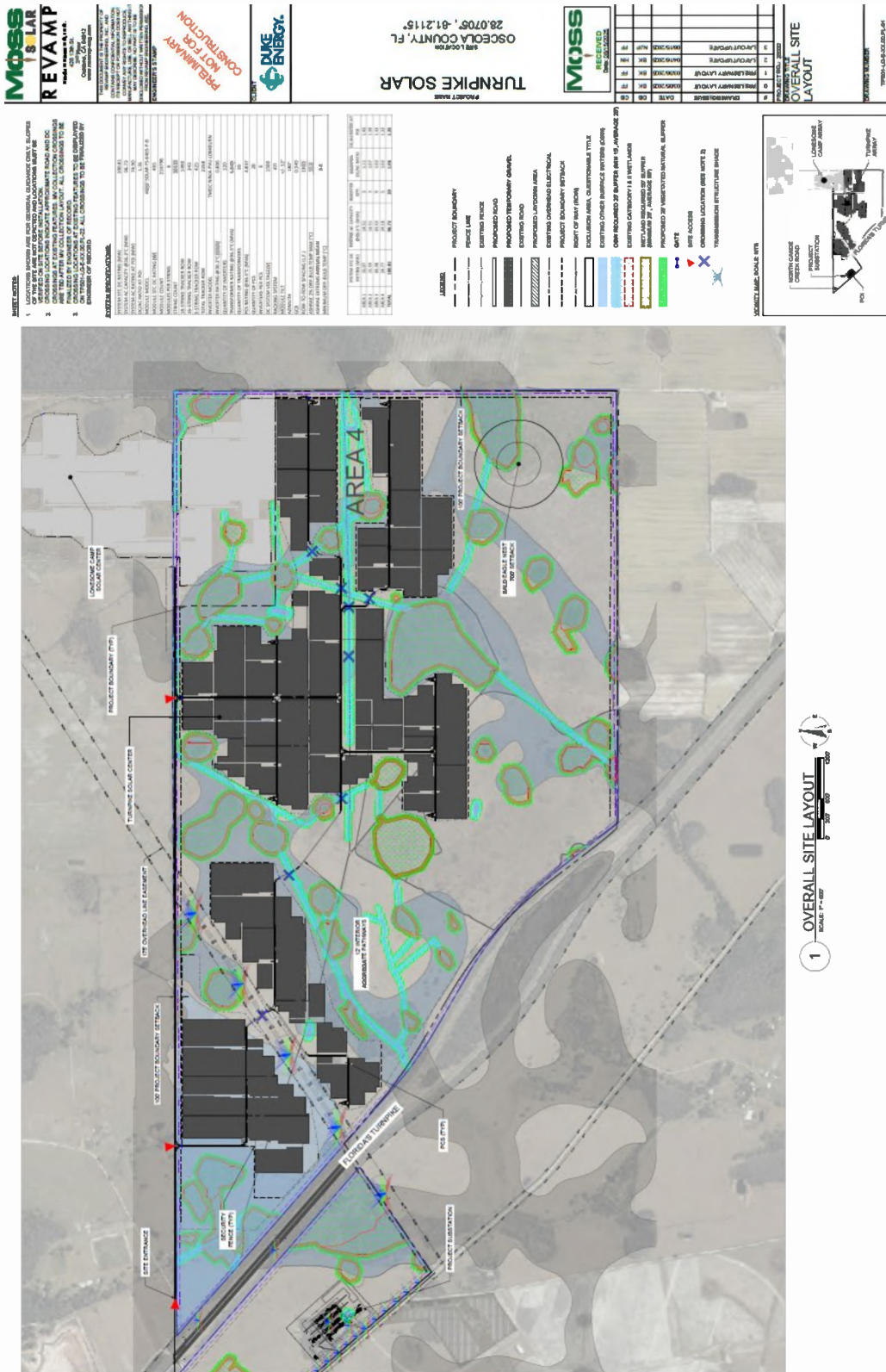


Lonesome Camp Solar Center Estimated Installed Cost by Category

Estimated Costs (\$MM)	
Project Output (MW-ac)	74.9
Major Equipment ¹	\$35.3
Balance of System ²	88.0
Construction Management	2.7
Development and Permitting ³	3.6
Transmission Interconnect ⁴	2.2
Land ⁵	0.0
Total Installed Cost	\$131.8
Total (\$kW-ac)	\$1,760
Network Upgrades (NU)	\$28.9
Carrying Charge	5.8
Total	\$166.5

1. Includes equipment such as solar panels, project transformer, high side breaker, and any other equipment that was not included in EPC contract.
2. Includes remaining equipment such as racking, posts, inverters, and collection cables and EPC services.
3. Includes items such as lease rental payments during construction, legal fees, development costs, development fees, and title insurance.
4. Includes Interconnection Customer charges identified in the Large Generator Interconnection Agreement and associated with affected third-party systems. Excludes Network Upgrades.
5. Transmission substation located on land purchased by Duke Energy Florida, remainder of solar project occupies land leased to Duke Energy Florida.

Turnpike Solar Center Site Plan



Turnpike Solar Center Estimated Installed Cost by Category

Estimated Costs (\$MM)	
Project Output (MW-ac)	74.9
Major Equipment ¹	\$35.1
Balance of System ²	88.5
Construction Management	2.7
Development and Permitting ³	2.9
Transmission Interconnect ⁴	3.1
Land ⁵	0.3
Total Installed Cost	\$132.6
Total (\$kW-ac)	\$1,771
Network Upgrades (NU)	\$53.3
Carrying Charge	6.0
Total	\$191.9

1. Includes equipment such as solar panels, project transformer, high side breaker, and any other equipment that was not included in EPC contract.
2. Includes remaining equipment such as racking, posts, inverters, and collection cables and EPC services.
3. Includes items such as lease rental payments during construction, legal fees, development costs, development fees, and title insurance.
4. Includes Interconnection Customer charges identified in the Large Generator Interconnection Agreement and associated with affected third-party systems. Excludes Network Upgrades.
5. Transmission substation located on land purchased by Duke Energy Florida, remainder of solar project occupies land leased to Duke Energy Florida.

**IN RE: DUKE ENERGY FLORIDA, LLC’S PETITION FOR A LIMITED
PROCEEDING TO APPROVE SECOND SOLAR BASE RATE ADJUSTMENT**

FPSC DOCKET NO.

DIRECT TESTIMONY OF BENJAMIN M. H. BORSCH

NOVEMBER 6, 2025

1 **Q. Please state your name and business address.**

2 A. My name is Benjamin M. H. Borsch. My business address is Duke Energy Florida,
3 LLC, 299 1st Avenue North, St. Petersburg, Florida 33701.

4

5 **Q. By whom are you employed and what is your position?**

6 A. I am employed by Duke Energy Florida, LLC (“DEF” or the “Company”) as the
7 Managing Director, IRP & Analytics.

8

9 **Q. Please describe your duties and responsibilities in that position.**

10 A. I am responsible for resource planning for DEF. I am responsible for directing the
11 resource planning process in an integrated approach in order to find the most cost-
12 effective alternatives to meet the Company’s obligation to serve its customers in
13 Florida. I oversee the completion of the Company’s Ten-Year Site Plan (“TYSP”) filed
14 each April.

15

16 **Q. Please describe your educational background and professional experience.**

1 A. I received a Bachelor of Science and Engineering degree in Chemical Engineering from
2 Princeton University. I joined Progress Energy in 2008 supporting the project
3 management and construction department in the development of power plant projects.
4 In 2009, I became Manager of Generation Resource Planning for Progress Energy
5 Florida, and following the 2012 merger with Duke Energy Corporation, I accepted my
6 current position. Prior to joining Progress Energy, I was employed for more than five
7 years by Calpine Corporation where I was Manager (later Director) of Environmental
8 Health and Safety for Calpine's Southeastern Region. In this capacity, I supported
9 development and operations and oversaw permitting and compliance for several gas-
10 fired power plant projects in nine states. I was also employed for more than eight years
11 as an environmental consultant with projects including development, permitting, and
12 compliance of power plants and transmission facilities. I am a professional engineer
13 licensed in Florida and North Carolina.

14
15 **Q. Please give an overview of the Company's presentation in this filing.**

16 A. The Company is presenting testimony from three witnesses. My testimony will focus
17 on the Company's demonstration of cost effectiveness for the proposed projects and
18 their compliance with the terms set forth in DEF's 2024 Rate Case Settlement (the
19 "2024 Settlement"). The testimony of Ms. Vanessa Goff focuses on the characteristics
20 of the solar projects presented for approval in this filing. It also provides details as to
21 the Company's competitive solicitation processes, as well as the costs for the solar
22 projects. The testimony of Ms. Marcia Olivier presents the revenue requirements for
23 the solar projects.

1

2 **Q. What is the purpose of your testimony?**

3 A. The purpose of my testimony is to present the results of the economic analysis which
4 shows that DEF's proposed four solar projects presented in this filing are cost effective
5 and consistent with the terms of the 2024 Settlement. My testimony covers several
6 areas. First, I discuss details of the four specific solar projects covered by this filing.
7 Second, I discuss the major assumptions and methodology used to perform the
8 economic analysis. Third, I present the results of the economic analysis, demonstrating
9 that the addition of the proposed solar projects is cost effective and consistent with the
10 terms of the 2024 Settlement.

11

12 **Q. Are you presenting exhibits in this proceeding?**

13 A. Yes. They consist of the following exhibits which are attached to my testimony:
14 Exhibit No. BMHB-1, "Solar Power Plant Assumptions;"
15 Exhibit No. BMHB-2, "Load Forecast;"
16 Exhibit No. BMHB-3, "Fuel Forecasts;"
17 Exhibit No. BMHB-4, "Cost Effectiveness (CPVRR) Analysis Results;" and
18 Exhibit No. BMHB-5, "Cost Effectiveness (CPVRR) Ten Year Analysis Results."
19 These exhibits are true and accurate.

20

21 **Q. Please summarize your testimony.**

22 A. In the 2024 Settlement, DEF is authorized to request cost recovery of up to twelve solar
23 projects totaling approximately 900 MW of solar generation in three tranches over the

1 course of the 2024 Settlement period, including one year following the expiration of
2 the Term of the 2024 Settlement subject to the demonstration of cost effectiveness and
3 other provisions specified in the settlement. In this filing, DEF is proposing the
4 construction and operation of the second tranche of solar resources, 299.2 MW_{ac} of
5 solar PV generation, consisting of one project of 74.5 MW_{ac} and three separate projects
6 of 74.9 MW_{ac} capacity each, coming into service between June 2026 and March 2027.
7 DEF performed an economic analysis and determined that these projects result in a
8 reduction in the Cumulative Present Value Revenue Requirements (“CPVRR”) to DEF
9 customers for a total savings of approximately \$118 million.

10
11 **Q. Please describe the solar projects DEF is presenting for approval.**

12 A. In this filing, DEF proposes four solar facilities. The first is a 74.9 MW facility in
13 Sumter County, called the Jumper Creek Solar Power Plant (“Jumper Creek Project”)
14 which will come into service in June 2026. Next is a 74.9 MW facility located in
15 Osceola County which will be called the Turnpike Solar Power Plant (“Turnpike
16 Project”) and which will come into service in December 2026, the third is a 74.9 MW
17 facility located in Osceola County as well, called the Lonesome Camp Solar Project
18 (“Lonesome Camp Project”) which is projected to come into service in February 2027,
19 and the fourth is the Banner Solar Power Plant (“Banner Project”), is a 74.5 MW facility
20 located in Columbia County which will come into service in March 2027. Collectively,
21 these projects will generate approximately 650,000 MWhs per year. Key data
22 regarding these projects are provided in Exhibit No. BMHB-1. The projects are
23 described in greater detail in Ms. Goff’s testimony.

1

2 **Q. What will these proposed solar projects cost?**

3 A. DEF anticipates that the four proposed projects will have a total generation capital cost
4 of approximately \$499 million. These costs translate to an average per kW cost of
5 \$1,669/kW_{ac}. The costs are described in more detail in Ms. Goff's testimony.

6

7 **Q. What does the 2024 Settlement require DEF to demonstrate to obtain cost**
8 **recovery for the solar projects?**

9 A. DEF must demonstrate that the projected solar projects in each filing meet several
10 required elements. DEF must calculate the annual revenue requirements, as explained
11 in Ms. Olivier's testimony. These revenue requirements are used to test two cases, one
12 with and one without the new solar projects. An analysis of the Cumulative Present
13 Value of the Revenue Requirements (CPVRR) for each case demonstrates whether the
14 projects are cost effective and whether they meet the tests set out in the 2024 settlement,
15 specifically that the overall benefits shall exceed the costs by a ratio of greater than
16 1.15 to 1 and that the CPVRR shall be positive in or before the tenth year of operation
17 of the projects. Finally, the solar projects must be limited to a certain total MW size
18 through one year following the Term of the 2024 Settlement, be cost effective on DEF's
19 system, and DEF must demonstrate a need for the solar projects. The remainder of my
20 testimony will focus on these last three requirements.

21

22 **Q. Do the proposed solar projects meet the project limitations set forth in the 2024**
23 **Settlement?**

1 A. Yes. Paragraph 16(a) of the 2024 Settlement states that DEF may install up to 900 MW
2 of solar generation over the term of the 2024 Settlement. The Paragraph states that
3 DEF shall make efforts to ensure that projects generally fall into one-year blocks and
4 that DEF will not bring a large number of the projects into service in a single year. This
5 filing is in accordance with the intent of that agreement. The four projects proposed
6 here will come into service over a 10-month period and represent approximately 300
7 MW being brought into service between June 2026 and March 2027.

8

9 **Q. Are the proposed solar projects cost effective?**

10 A. Yes. As explained below, DEF analyzed the total system cost of the DEF system with
11 the projects as compared to the total DEF system costs without the projects and found
12 that the solar projects as proposed reduce the total system cost and are thus cost
13 effective for DEF's customers.

14

15 **Q. How did DEF evaluate the cost effectiveness of the solar projects?**

16 A. DEF calculated the cost effectiveness in the same manner that it performs cost
17 effectiveness evaluations of numerous projects including the development of the Ten-
18 Year Site Plan and the previous SoBRA program. DEF calculates the total system cost
19 projected over the life of the solar projects for a scenario with the solar projects and
20 compares it to the total system cost calculated for a scenario without the solar projects.
21 Lower total system costs for the scenario with the solar projects represent savings to
22 DEF's customers. As with our Ten-Year Site Plan, this analysis is performed using the
23 EnCompass® Power System Planning software from YES Energy (formerly Anchor

1 Power Systems) to evaluate the production cost results. Project specific capital costs
2 come from the project development teams and revenue requirements are then
3 developed. Project specific solar performance projections are developed using the
4 PVSyst model and provided to the production cost model. This data becomes inputs to
5 derive the system costs for the two cases developed with and without the solar projects
6 in service.

7 Results of these differential CPVRR analyses, the difference between with and without
8 the solar projects are shown below and in Exhibit No. BMHB-4.

9 **Q. Please describe the major assumptions used in developing the CPVRR analyses.**

10 A.

- 11 • Load Forecast – The analysis uses DEF’s most recent official load forecast developed
12 in the fall of 2024, which will was presented as the base case load forecast in the DEF
13 2025 Ten-Year Site Plan (“TYSP”) filed with the commission in April 2025. This load
14 forecast is attached as Exhibit No. BMHB-2.
- 15 • Fuel Price Forecast – The analysis uses DEF’s most recent fuel price forecast also
16 utilized in DEF’s 2025 TYSP. This fuel price forecast was developed using short-term
17 and long-term spot market price projections from industry-recognized sources. The
18 cost for coal is based on the existing contracts and spot market coal prices and
19 transportation arrangements between DEF and its various suppliers. For the longer
20 term, the prices are based on spot market forecasts reflective of expected market
21 conditions. Oil and natural gas prices are estimated based on current and expected
22 contracts and spot purchase arrangements as well as near-term and long-term market
23 forecasts. Oil and natural gas commodity prices are driven primarily by open market

1 forces of supply and demand. Natural gas firm transportation cost is determined
2 primarily by pipeline tariff rates. The fuel price forecast used is shown in Exhibit No.
3 BMHB-3 attached to this testimony.

- 4 • Production Tax Credits – DEF assumes that the solar projects will be eligible for
5 production tax credits as described under Section 45Y of the 2022 Inflation Reduction
6 Act.

7
8 **Q. What are the results of DEF’s cost effectiveness evaluation for these projects?**

9 A. DEF has found that the projects are cost effective for its customers. The total system
10 costs calculated over the project lives when including the projects in the DEF resource
11 plan are lower when compared to the total system costs excluding the projects. The net
12 results of this analysis (system costs with the projects minus system costs without the
13 projects) are summarized in the table below and in Exhibit No. BMHB-4.

14

15 **Q. Does the cost effectiveness evaluation show that the projects meet the additional**
16 **criteria specified in the 2024 Settlement?**

17 A. Yes. The cost benefit ratio test is shown as an outcome of the cost effectiveness results
18 presented in Exhibit No. BMHB-4. Exhibit No. BMHB-5 presents the CPVRR over
19 the first ten full years of operation, showing a positive CPVRR in year 10 (2036),
20 satisfying the criterion specified in the Settlement.

21

22 **Q. What benefits do the proposed solar facilities bring to DEF’s system and**
23 **customers?**

1 A. The primary purpose of the proposed DEF solar projects is to provide customers with
2 cost-effective, clean, renewable energy. These large-scale solar projects and additional
3 future projects to be filed under the 2024 Settlement will diversify DEF's fuel mix with
4 dependable energy, and provide firm summer capacity, helping to meet DEF's needs
5 for future capacity and satisfy DEF's need for future generation capacity.

6
7 The solar resources contribute value in several ways. The firm capacity reduces the
8 need for other resources in the future. Solar energy is also an important low-cost
9 resource that serves to offset the use of fuel fired resources, providing significant fuel
10 cost reductions. This also serves as a physical hedge against future variability in the
11 price of fuel, especially natural gas. Finally, a new value stream comes in the form of
12 tax credits associated with the 2022 Inflation Reduction Act. These tax credits create
13 savings for each megawatt-hour of solar energy produced which serves to reduce costs
14 to customers. While DEF is not currently ascribing additional value to these facilities
15 for future Greenhouse gas (GHG) emissions regulations (e.g., a carbon price), the clean
16 generation from these units and the resulting reduction in emissions from fossil fired
17 generation also insulates DEF customers from the impact of potential future GHG
18 regulation.

19

20 **Q. Will the proposed solar units reduce fossil fuel consumption?**

21 A. Yes. DEF projects that the four solar units contemplated in this filing will displace
22 nearly 4.5 billion cubic feet of natural gas, 37,000 tons of coal and 49,000 barrels of
23 fuel oil per year. These values will continue annually throughout the first several years

1 of unit operation. Over the longer term, as the fuel mix changes, the fuel offset will
2 change, but the solar sites will continue to produce meaningful fuel savings.

3

4 **Q. How does this translate into savings for the customer?**

5 A. At 2025 market prices, these four solar units are projected to reduce the DEF fuel
6 expenditure by over \$25 million per year. Fuel prices in 2022 were roughly double
7 what they were in 2025 and the attendant fuel cost savings from solar generation to
8 DEF customers was roughly double the 2024 price-based estimate, demonstrating that,
9 in addition to direct near-term savings, the solar units provide a natural hedge against
10 future volatility in the price of fuel. Further, generation from the solar facilities will
11 generate tax credits for DEF, the value of which will flow back to customers in the
12 form of rate reductions. For the four solar facilities, these are expected to be
13 approximately \$21 million per year for the first 10 years of operation.

14

15 **Q. Given all these benefits, does DEF have a need for these solar projects?**

16 A. Yes. DEF has a need for cost-effective clean generation that will diversify its fuel mix
17 and defer the need for future gas-fired generation.

18

19 **Q. Should the Commission approve DEF's request for approval of this first group of**
20 **solar projects?**

21 A. Yes. As demonstrated above, these solar projects are cost effective and will provide
22 DEF's customers with an additional 299.2 MW of clean, reliable, renewable energy to
23 meet its needs.

1

2 **Q. Does that conclude your testimony?**

3 A. Yes.

Docket No.: _____

Duke Energy Florida

Witness: Benjamin Borsch

Exhibit No: BMHB-1

Page 1 of 1

Solar Power Plant Assumptions

Solar Energy Centers	In-service date	Name Plate Capacity (Mwac)	Projected 1st Year Net Capacity Factor	Generation Capital Cost (\$M)	Capital Cost (\$/Kwac)
Jumper Creek	Jun-26	74.9	25.7%	\$118.52	\$ 1,582
Turnpike	Dec-26	74.9	25.1%	\$132.62	\$ 1,771
Lonesome Camp	Feb-27	74.9	25.5%	\$131.83	\$ 1,760
Banner	Mar-27	74.5	24.9%	\$116.49	\$ 1,564

Load Forecast

Year	Summer Firm Peak MW	Winter Firm Peak MW	Net Energy for Load Mwh
2025	8,792	9,105	43,447,217
2026	8,908	9,269	44,417,535
2027	8,971	9,328	44,664,655
2028	8,962	8,796	45,072,775
2029	9,009	8,853	45,314,041
2030	9,143	8,910	45,664,821
2031	9,202	8,876	45,046,757
2032	9,305	8,907	45,434,809
2033	9,390	8,954	45,738,504
2034	9,504	9,050	46,358,600
2035	9,622	9,160	47,051,713
2036	9,491	8,892	47,822,802
2037	9,704	9,012	48,472,515
2038	9,866	9,110	49,054,525
2039	9,945	9,225	49,709,214
2040	10,045	9,380	50,591,260
2041	10,230	9,485	51,091,581
2042	10,450	9,635	51,816,945
2043	10,668	9,747	52,547,309
2044	10,805	9,891	53,433,630
2045	10,951	10,036	54,154,385
2046	11,134	10,193	54,993,251
2047	11,399	10,353	55,851,114
2048	11,655	10,536	56,934,402
2049	11,949	10,720	57,837,325
2050	12,249	10,919	58,915,135

Fuel Forecasts (Delivered Costs)

Fuel Mid Price Forecast			
(2025 TYSP)			
Year	Natural Gas	CRN Coal	Distillate Oil
	\$/MMBTU		
2025	3.46	2.95	15.54
2026	3.85	3.60	15.79
2027	3.89	3.68	16.03
2028	3.81	3.77	16.51
2029	3.74	3.84	17.09
2030	3.82	3.98	17.43
2031	4.16	4.08	17.72
2032	4.67	4.23	18.00
2033	5.21	4.38	18.30
2034	5.39	4.46	18.66
2035	5.69		18.97
2036	5.93		19.26
2037	6.09		19.54
2038	6.32		20.01
2039	6.56		20.50
2040	6.88		21.02
2041	7.22		21.54
2042	7.48		22.08
2043	7.72		22.63
2044	8.01		23.20
2045	8.33		23.78
2046	8.81		24.37
2047	9.14		24.98
2048	9.58		25.61
2049	9.93		26.25
2050	10.37		26.90

Docket No.: _____

Duke Energy Florida

Witness: Benjamin Borsch

Exhibit No: BMHB-4

Page 1 of 1

CPVRR over the life of the solar units through 2061			
CPVRR \$M (2025\$)	Base Case	Change Case	Base Case - Change Case
Fuel Cost	\$ 18,030	\$ 17,725	\$ 305
Environmental Costs	\$ 55	\$ 53	\$ 2
Variable Costs	\$ 2,483	\$ 2,466	\$ 17
PTC	\$ (3,805)	\$ (3,805)	\$ 0
Inc Fixed O&M Cost	\$ 4,673	\$ 4,744	\$ (70)
Inc Gas Reserv Charges	\$ 5,391	\$ 5,264	\$ 127
Inc Gen and Transm Capital	\$ 22,423	\$ 22,141	\$ 281
	\$ 49,249	\$ 48,588	\$ 661
Fixed O&M Add Solar	\$ -	\$ 35	\$ (35)
Gen Capital Add Solar	\$ -	\$ 573	\$ (573)
Transm Capital Add Solar	\$ -	\$ 103	\$ (103)
	\$ -	\$ 711	\$ (711)
PTC Add Solar	\$ -	\$ (167)	\$ 167
Savings from Add Solar	\$ 49,249	\$ 49,132	\$ 118

Discount Rate

7.55%

Benefit	\$ 829		
Cost	\$ 711		
Benefit to Cost Ratio	1.17	>	1.15

Note: Base Case has no new Duke owned stand alone solar after year 2025

Change Case adds 4 Solar Units between 2026 and early 2027

Docket No.: _____

Duke Energy Florida

Witness: Benjamin Borsch

Exhibit No: BMHB-5

Page 1 of 1

CPVRR through 2037			
CPVRR \$M (2025\$)	Base Case	Change Case	Base Case - Change Case
Fuel Cost	\$ 11,216	\$ 11,054	\$ 161
Environmental Costs	\$ 52	\$ 50	\$ 1
Variable Costs	\$ 1,156	\$ 1,147	\$ 9
PTC	\$ (772)	\$ (772)	\$ 0
Inc Fixed O&M Cost	\$ 317	\$ 337	\$ (20)
Inc Gas Reserv Charges	\$ 3,301	\$ 3,260	\$ 41
Inc Gen and Transm Capital	\$ 1,968	\$ 1,745	\$ 223
	\$ 17,237	\$ 16,822	\$ 416
Fixed O&M Add Solar	\$ -	\$ 18	\$ (18)
Gen Capital Add Solar	\$ -	\$ 388	\$ (388)
Transm Capital Add Solar	\$ -	\$ 73	\$ (73)
	\$ -	\$ 480	\$ (480)
PTC Add Solar	\$ -	\$ (167)	\$ 167
Savings from Add Solar	\$ 17,237	\$ 17,134	\$ 103

Discount Rate

7.55%

Note: Base Case has no new Duke owned stand alone solar after year 2025

Change Case adds 4 Solar Units between 2026 and early 2027

**IN RE: DUKE ENERGY FLORIDA, LLC’S PETITION FOR A LIMITED
PROCEEDING TO APPROVE SECOND SOLAR BASE RATE ADJUSTMENT**

FPSC DOCKET NO. _____-EI

DIRECT TESTIMONY OF MARCIA J. OLIVIER

NOVEMBER 6, 2025

1 **Q. Please state your name and business address.**

2 A. My name is Marcia J. Olivier. My business address is 299 1st Avenue North, St.
3 Petersburg, Florida 33701.

4

5 **Q. By whom are you employed, and what is your position?**

6 A. I am employed by Duke Energy Florida, LLC (“DEF” or the “Company”) as the
7 Director of Rates and Regulatory Planning.

8

9 **Q. Please describe your duties and responsibilities in that position.**

10 A. I am responsible for the preparation of jurisdictional separation studies and class cost
11 of service studies, overseeing rate case activities, reporting actual and forecasted
12 earnings surveillance results, and supporting various regulatory filings and initiatives.

13

14 **Q. Please describe your educational background and professional experience.**

15 A. I hold a Bachelor of Science degree in Accounting and a Bachelor of Science degree in
16 Finance from the University of South Florida and have over 25 years of utility
17 experience, primarily in the regulatory area.

1

2 **Q. What is the purpose of your testimony?**

3 A. Pursuant to the 2024 Settlement Agreement approved in Order No. PSC-2024-0472-
4 AS-EI, Docket No. 20240025-EI (“2024 Settlement”), my testimony will provide the
5 annualized revenue requirements for each of the four solar projects included in this
6 Second Solar Base Rate Adjustment (“SoBRA”) filing: Jumper Creek, Turnpike,
7 Lonesome Camp, and Banner. I will also present the process for submitting the
8 customer rate impacts and tariff sheets. Vanessa Goff will present direct testimony
9 describing these solar projects and the reasonableness of the costs, and Benjamin
10 Borsch will present direct testimony demonstrating the cost effectiveness of the solar
11 projects.

12

13 **Q. Have you prepared, or caused to be prepared under your direction, supervision,**
14 **or control, exhibits in this proceeding?**

15 A. Yes. I am sponsoring the following exhibit:

- 16 • Exhibit No. MJO-1, “Second SoBRA First Year Annualized Revenue
17 Requirement”

18 This exhibit is true and accurate to the best of my knowledge.

19

20 **Q. Please describe the SoBRA filing requirements in DEF’s 2024 Settlement.**

21 A. Paragraph 16 of the 2024 Settlement provides for solar base rate adjustments.
22 Specifically, Paragraph 16.c. states:

1 Solar generation projects not subject to the Florida Electrical Power
2 Plant Siting Act (i.e., fewer than 75 MW), also will be subject to
3 approval by the Commission as follows: (i) DEF will file a request for
4 approval of the solar generation project in a separate docket; and (ii) the
5 issues for determination are limited to: the reasonableness and cost
6 effectiveness of the solar generation projects (i.e., will the projects
7 lower the projected system CPVRR as compared to such CPVRR
8 without the solar projects and whether the projects show positive
9 benefits that exceed costs within ten years); whether the solar projects
10 meet a 1.15 to 1 benefit cost ratio; whether the solar projects are 100
11 percent dedicated to serve DEF's retail load; and the amount of revenue
12 requirements Any Party may challenge the reasonableness of DEF's
13 actual or projected solar project costs. If approved, DEF will calculate
14 and submit for Commission confirmation the base rate adjustment for
15 each such solar project, consistent with Subparagraphs 16.d. and 16.e.
16

17 **Q. Have you calculated the revenue requirements for the solar projects consistent**
18 **with the 2024 Settlement?**

19 A. Yes. Based on the cost information provided in Ms. Goff's testimony, I have calculated
20 in Exhibit MJO-1 "Second SoBRA First Year Annualized Revenue Requirement" the
21 annualized revenue requirements for the Jumper Creek, Turnpike, Lonesome Camp,
22 and Banner projects in accordance with Paragraph 16.e. of the 2024 Settlement, which
23 states:

1 Each base rate adjustment created by this Paragraph will be calculated
2 using a 10.3% ROE and DEF's projected 13-month average capital
3 structure for the first 12 months of operation, including all specific
4 adjustments consistent with DEF's most recently filed December
5 earnings surveillance report, and adjusted to include an ADIT proration
6 adjustment consistent with 26 C.F.R. Section 1.167(l)-1(h)(6) and
7 adjusted to reflect the inclusion of investment tax credits on a
8 normalized basis if normalization is required by the Internal Revenue
9 Service.

10 The revenue requirement for each of these solar sites includes the carrying costs
11 accumulated during construction at the AFUDC rate established in the 2024 Settlement.
12 Further, the revenue requirement for each of the first five SoBRA projects going into
13 service during the Term of the 2024 Settlement includes foregone Clean Energy
14 Connection ("CEC") expansion revenues of \$7.5M. Four of these sites were included
15 in the First SoBRA filing (Docket No. 20250034). Jumper Creek is the fifth and final
16 site, and the revenue requirement calculation includes the foregone CEC expansion
17 revenues of \$7.5 million as provided in Paragraph 16 of the 2024 Settlement
18 Agreement:

19 Solar investment costs will be removed from rate base in DEF's filed
20 2025 COSS, including any construction costs on solar projects that are
21 forecasted to go in service beyond the Term of this 2024 Settlement
22 Agreement, and as such, DEF will be allowed to accrue a carrying
23 charge to be added to the construction work in progress balances based

on the applicable AFUDC rate on all solar projects while under construction during the Term of this Settlement Agreement. The SoBRA Annualized Base Revenue Requirement shall include the foregone Clean Energy Connection expansion revenues of \$7.5 million for each of the first five solar facilities that served to reduce DEF's base rate revenue requirements in its Minimum Filing Requirements ("MFR").

The following table provides the estimated in-service date, estimated rate effective date, revenue requirement, and preliminary estimated base rate impact for each project. The estimated levelized fuel savings for each project have not been included in the table but are approximately \$0.17 on the 1,000 kWh residential bill.

	Jumper Creek	Turnpike	Lonesome Camp	Banner
Est. In-Service Date	Jun-26	Dec-26	Feb-27	Mar-27
Est. Rate Effective Date	Jul-26	Jan-27	Mar-27	Apr-27
Revenue Requirement	\$16.6 million	\$14.7 million	\$12.6 million	\$9.0 million
Est. Base Rate Impact per 1,000 kWh Residential Bill	\$0.49	\$0.42	\$0.36	\$0.26

Q. Please explain DEF's expected process for calculating and submitting the final base rate adjustments for each solar project.

1 A. Paragraph 16.d. in the 2024 Settlement requires DEF to use the sales forecast in DEF's
2 then-most-current Capacity Cost Recovery (CCR) Clause projection filing to calculate
3 the base rate adjustments. The base rate adjustments for these sites are expected to be
4 implemented between July 2026 and April 2027. Since DEF's 2027 CCR projection
5 filing is expected to be due in August or September 2026, DEF will use the 2026 spring
6 sales forecast which will also be used in DEF's 2027 CCR projection filing to calculate
7 the base rate adjustments for all four projects. DEF will file the base rate adjustment
8 amounts and tariff sheets for Commission confirmation approximately two months
9 prior to the effective date of each of the base rate adjustments. For example, DEF will
10 file the base rate adjustments and tariff sheets on approximately May 1, 2026, for the
11 Jumper Creek rate adjustment expected on July 1, 2026.

12
13 **Q. Does the 2024 Settlement provide for a true-up mechanism to be applied to SoBRA**
14 **rates?**

15 A. Yes. Paragraph 16.f. of the 2024 Settlement states:

16 In the event that the actual capital expenditures are less than the
17 approved projected costs, included in the petition for cost recovery and
18 used to develop the initial base rate adjustment, the lower figure shall
19 be the basis for the full revenue requirements and a one-time credit will
20 be made through the CCR Clause. In order to determine the amount of
21 this credit, a revised base rate adjustment will be computed using the
22 same data and methodology incorporated in the initial base rate
23 adjustment, with the exception that the actual capital expenditures will

1 be used in lieu of the estimated capital expenditures on which the
2 Annualized Base Revenue Requirement was based. On a going-forward
3 basis, base rates will be adjusted to reflect the revised base rate
4 adjustment. The difference between the cumulative base revenues since
5 the implementation of the initial base rate adjustment and the
6 cumulative base revenues that would have resulted if the revised base
7 rate adjustment had been in-place during the same time period will be
8 credited to customers through the CCR Clause with interest at the 30-
9 day commercial paper rate as specified in Rule 25-6.109, F.A.C.

10 Once the capital expenditures are final, if they are less than the amount approved by
11 the Commission, then DEF will make a true-up filing to reduce base rates going
12 forward and provide a refund through the CCR clause consistent with the provisions in
13 Paragraph 16.f. of the 2024 Settlement.

14
15 **Q. How will DEF notify the Commission of the commercial operation date of each**
16 **solar facility?**

17 A. DEF will submit to the Commission a letter that declares the commercial operation date
18 of each solar facility prior to any Solar base rate changes.

19
20 **Q. Does that conclude your testimony?**

21 A. Yes.

Duke Energy Florida, LLC
Second SoBRA First Year Annualized Revenue Requirement
(\$000)

Docket No. _____-EI
Witness: Marcia Olivier
Exhibit No. MJO-1
Page 1 of 6

		(1)	(2)	(3)	(4)	
Line	Description	Reference	Jumper Creek	Turnpike	Lonesome Camp	Banner
1	Projected In-Service Date		Jun-26	Dec-26	Feb-27	Mar-27
2	Jurisdictional Adjusted Rate Base	Page 2	\$120,909	\$173,250	\$155,511	\$122,900
3	Rate of Return on Rate Base	Pages 3, 4, 5, & 6	<u>6.670%</u>	<u>6.700%</u>	<u>6.700%</u>	<u>6.700%</u>
4	Net Operating Income Required	Line 2 x Line 3	8,065	11,608	10,419	8,234
5	Net Operating Income Achieved	Page 2	<u>(4,277)</u>	<u>655</u>	<u>1,045</u>	<u>1,510</u>
6	Net Operating Income Deficiency/(Excess)	Line 4 - Line 5	12,341	10,953	9,375	6,724
7	Net Operating Income Multiplier	Note 1	<u>1.344</u>	<u>1.344</u>	<u>1.344</u>	<u>1.344</u>
8	Revenue Requirement	Line 6 x Line 7	<u>\$16,583</u>	<u>\$14,717</u>	<u>\$12,596</u>	<u>\$9,035</u>

9 Note 1: Net Operating Income Multiplier is based on MFR C-44 in Docket No. 20240025

Duke Energy Florida, LLC
Second SoBRA First Year Annualized Revenue Requirement
(\$000)

Docket No. _____-EI
Witness: Marcia Olivier
Exhibit No. MJO-1
Page 2 of 6

Line	Description	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		Jumper Creek		Turnpike		Lonesome Camp		Banner		Jurisdictional
		Total	FPSC	Total	FPSC	Total	FPSC	Total	FPSC	Separation
		Company	Jurisdictional	Company	Jurisdictional	Company	Jurisdictional	Company	Jurisdictional	Factor ¹
1	Rate Base (13 month average):									
2	Plant - Solar Production ²	\$119,863	\$119,863	\$135,238	\$135,238	\$135,321	\$135,321	\$121,134	\$121,134	100.0000%
3	Plant - GSU ²	1,928	1,928	2,255	2,255	2,101	2,101	1,970	1,970	100.0000%
4	Plant - Network Upgrades ²	1,557	1,096	54,153	38,107	29,082	20,465	2,556	1,799	70.3692%
5	Transmission Substation Land Purchase ²			263	185					70.3692%
6	Accumulated Depreciation - Solar Production	(1,710)	(1,710)	(1,929)	(1,929)	(1,930)	(1,930)	(1,728)	(1,728)	100.0000%
7	Accumulated Depreciation - GSU	(17)	(17)	(20)	(20)	(19)	(19)	(18)	(18)	100.0000%
8	Accumulated Depreciation - Network Upgrades	(14)	(10)	(491)	(346)	(264)	(186)	(23)	(16)	70.3692%
9	Accumulated Reserve - Dismantlement	(240)	(240)	(240)	(240)	(240)	(240)	(240)	(240)	100.0000%
10	Rate Base (13 month average):	\$121,366	\$120,909	\$189,228	\$173,250	\$164,050	\$155,511	\$123,651	\$122,900	
11										
12	Net Operating Income Achieved:									
13	Revenue:									
14	Foregone CEC 2.0 Revenue ³	(\$7,505)	(\$7,505)							100.0000%
15	Operating Expense:									
16	O&M (Including Land Lease)	1,165	1,165	958	958	952	952	978	978	100.0000%
17	Depreciation Expense - Solar Production ⁴	3,419	3,419	3,858	3,858	3,860	3,860	3,456	3,456	100.0000%
18	Depreciation Expense - GSU ⁵	35	35	41	41	38	38	36	36	100.0000%
19	Depreciation Expense - Network Upgrades ⁵	28	20	982	691	528	371	46	33	70.3692%
20	Dismantlement Expense ⁶	481	481	481	481	481	481	481	481	100.0000%
21	Property Insurance	109	109	170	170	147	147	111	111	100.0000%
22	Property Tax - Solar Production ⁷	278	278	404	404	400	400	338	338	100.0000%
23	Property Tax - GSU ⁷	19	19	42	42	30	30	32	32	100.0000%
24	Property Tax - Network Upgrades ⁷	15	11	376	265	42	30	33	23	70.3692%
25	Total Operating Expenses	\$5,550	\$5,537	\$7,312	\$6,910	\$6,479	\$6,310	\$5,510	\$5,487	
26	Net Operating Income:									
27	Net Operating Income Before Tax (NOIBT)		(13,042)		(6,910)		(6,310)		(5,487)	
28	Income Tax - (NOIBT x 25.345%)		3,305		1,751		1,599		1,391	
29	Income Tax - Interest Expense (Rate Base x WACD x 25.345%)		590		864		780		617	
30	Income Tax - Production Tax Credits ⁸		4,869		4,949		4,976		4,989	
31	Net Operating Income Achieved		(\$4,277)		\$655		\$1,045		\$1,510	

33 Note 1: 2024 Settlement Agreement, Par. 7 and Exh. 3

34 Note 2: Total Plant per testimony and exhibits of Ms. Goff

35 Note 3: 2024 Settlement Agreement, Par. 16.a.

36 Note 4: 35 year life per 2024 Settlement Agreement, Par. 22

37 Note 5: Depreciation rate of 1.81% for Plant Account 353 per 2024 Settlement Agreement, Exhibit 7

38 Note 6: 2024 Settlement Agreement, Exh. 1

39 Note 7: Property tax rates are based on the applicable county rate and expected assessed value (reduced by an 80% abatement for solar facilities)

40 Note 8: Production Tax Credits for years 2025-2027 are calculated per 2024 Settlement, Par. 23 and Exh. JRP-1 in 2024 Rate Case filing. 2028 PTCs are calculated using a rate provided by Andrew Wehn at E&Y.

Duke Energy Florida, LLC
Second SoBRA First Year Annualized Revenue Requirement
Rate of Return on Rate Base and Accumulated Deferred Income Tax Calculation
(\$000)

Docket No. _____-EI
Witness: Marcia Olivier
Exhibit No. MJO-1
Page 3 of 6

Jumper Creek

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1		System Per	Proration	System Per	Retail Per	Pro Rata	Specific	Adjusted	Cap	Cost	Weighted
2		Books	Adjustment	Books Adj'd	Books	Adj	Adj	Retail	Ratio	Rate	Cost
3	Common Equity	\$12,698,914	\$3,746	\$12,702,660	\$11,728,739	(\$1,781,718)	(\$110,188)	\$9,836,833	45.25%	10.30%	4.66%
4	Long Term Debt	10,841,164	3,198	10,844,362	10,012,918	(1,521,067)	97,550	8,589,402	39.52%	4.76%	1.88%
5	Short Term Debt	216,810	64	216,874	200,246	(30,419)	1,951	171,777	0.79%	4.54%	0.04%
6	Cust Dep Active	158,877	47	158,924	158,924	(24,142)		134,782	0.62%	2.61%	0.02%
7	Invest Tax Cr	241,119	71	241,190	222,698	(33,830)		188,868	0.87%	7.72%	0.07%
8	Deferred Inc Tax	3,865,063	(7,125)	3,857,937	3,562,147	(541,127)	(205,899)	2,815,120	12.95%		
9	Total	\$28,021,947	\$0	\$28,021,947	\$25,885,673	(\$3,932,304)	(\$216,586)	\$21,736,783	100.00%		6.67%
10											
11	Proration Adjustment to Reflect Projected ADFIT Consistent with Projection Year										
12											
13			ADIT	Deprec-Related	Deprec-Related	Days to	Future Days	Prorated	Prorated		
14	Month		Bal.	ADFIT Bal.	ADFIT Activity	Prorate	in Period	ADFIT Activity	ADFIT Bal.		
15	Jul-26			3,224,857					3,224,857		
16	projected Aug-26			3,239,733	14,876	31	335	13,653	3,238,510		
17	projected Sep-26			3,256,890	17,157	30	305	14,337	3,252,847		
18	projected Oct-26			3,273,406	16,516	31	274	12,398	3,265,246		
19	projected Nov-26			3,289,282	15,876	30	244	10,613	3,275,858		
20	projected Dec-26			3,308,578	19,296	31	213	11,261	3,287,119		
21	projected Jan-27			3,325,372	16,794	31	182	8,374	3,295,493		
22	projected Feb-27			3,336,882	11,510	28	154	4,856	3,300,349		
23	projected Mar-27			3,353,278	16,396	31	123	5,525	3,305,874		
24	projected Apr-27			3,365,139	11,860	30	93	3,022	3,308,896		
25	projected May-27			3,376,657	11,518	31	62	1,956	3,310,853		
26	projected Jun-27			3,397,568	20,911	30	32	1,833	3,312,686		
27	projected Jul-27			3,410,363	12,795	31	1	35	3,312,721		
28	13 Mo Avg Bal			3,319,847		365		87,864	3,312,721		
29								13 Mo Avg Bal	3,319,847		
30								Proration Adj.	(7,125)		

Docket No. _____-El
Witness: Marcia Olivier
Exhibit No. MJO-1
Page 4 of 6

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
	Turnpike										
1		System Per	Proration	System Per	Retail Per	Pro Rata	Specific	Adjusted	Cap	Cost	Weighted
2		Books	Adjustment	Books Adj'd	Books	Adj	Adj	Retail	Ratio	Rate	Cost
3	Common Equity	\$13,031,741	\$2,932	\$13,034,673	\$12,035,022	(\$1,850,082)	(\$142,545)	\$10,042,395	45.20%	10.30%	4.66%
4	Long Term Debt	11,052,514	2,486	11,055,001	10,207,174	(1,569,096)	\$129,447	8,767,525	39.46%	4.87%	1.92%
5	Short Term Debt	233,813	53	233,866	215,930	(33,194)	\$2,738	185,475	0.83%	4.37%	0.04%
6	Cust Dep Active	158,877	36	158,913	158,913	(24,429)		134,484	0.61%	2.61%	0.02%
7	Invest Tax Cr	229,952	52	230,004	212,364	(32,646)		179,719	0.81%	7.77%	0.06%
8	Deferred Inc Tax	3,979,839	(5,558)	3,974,280	3,669,486	(564,091)	(197,993)	2,907,402	13.09%		
9	Total	\$28,686,736	\$0	\$28,686,736	\$26,498,889	(\$4,073,537)	(\$208,353)	\$22,216,999	100.00%		6.70%

11 Proration Adjustment to Reflect Projected ADFIT Consistent with Projection Year:

							Prorated	Prorated
		ADIT	Deprec-Related	Deprec-Related	Days to	Future Days	Deprec-Related	Deprec-Related
	Month	Bal.	ADFIT Bal.	ADFIT Activity	Prorate	in Period	ADFIT Activity	ADFIT Bal
	Jan-27		3,325,372	-	-	-	-	3,325,372
16 projected	Feb-27		3,336,882	11,510	28	338	10,659	3,336,031
17 projected	Mar-27		3,353,278	16,396	31	307	13,791	3,349,822
18 projected	Apr-27		3,365,139	11,860	30	277	9,001	3,358,822
19 projected	May-27		3,376,657	11,518	31	246	7,763	3,366,585
20 projected	Jun-27		3,397,568	20,911	30	216	12,375	3,378,960
21 projected	Jul-27		3,410,363	12,795	31	185	6,485	3,385,445
22 projected	Aug-27		3,421,784	11,421	31	154	4,819	3,390,264
23 projected	Sep-27		3,436,164	14,380	30	124	4,885	3,395,149
24 projected	Oct-27		3,448,171	12,007	31	93	3,059	3,398,209
25 projected	Nov-27		3,459,796	11,625	30	63	2,006	3,400,215
26 projected	Dec-27		3,475,131	15,335	31	32	1,344	3,401,559
27 projected	Jan-28		3,486,633	11,502	31	1	32	3,401,591
28 13 Mo Avg Bal			<u>3,407,149</u>		365		76,219	3,401,591
29							13 Mo Avg Bal	<u>3,407,149</u>
30							Proration Adj.	<u>(5,558)</u>

Docket No. _____-EI
Witness: Marcia Olivier
Exhibit No. MJO-1
Page 5 of 6

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
	Lonesome Camp										
1		System Per	Proration	System Per	Retail Per	Pro Rata	Specific	Adjusted	Cap	Cost	Weighted
2		Books	Adjustment	Books Adj'd	Books	Adj	Adj	Retail	Ratio	Rate	Cost
3	Common Equity	\$13,143,196	\$3,254	\$13,146,450	\$12,138,088	(\$1,867,766)	(\$154,160)	\$10,116,162	45.19%	10.30%	4.65%
4	Long Term Debt	11,199,793	2,773	11,202,565	10,343,303	(1,591,591)	\$141,863	8,893,576	39.72%	4.89%	1.94%
5	Short Term Debt	161,414	40	161,454	149,070	(22,938)	\$2,045	128,176	0.57%	4.69%	0.03%
6	Cust Dep Active	158,877	39	158,916	158,916	(24,454)		134,463	0.60%	2.61%	0.02%
7	Invest Tax Cr	232,208	57	232,266	214,450	(32,999)		181,452	0.81%	7.77%	0.06%
8	Deferred Inc Tax	4,011,952	(6,163)	4,005,789	3,698,536	(569,118)	(195,134)	2,934,284	13.11%		
9	Total	\$28,907,440	\$0	\$28,907,440	\$26,702,364	(\$4,108,865)	(\$205,387)	\$22,388,112	100.00%		6.70%
10											
11	Proration Adjustment to Reflect Projected ADFIT Consistent with Projection Year										
12								Prorated	Prorated		
13			ADIT	Deprec-Related	Deprec-Related	Days to	Future Days	Deprec-Related	Deprec-Related		
14		Month	Bal.	ADFIT Bal.	ADFIT Activity	Prorate	in Period	ADFIT Activity	ADFIT Bal		
15		Mar-27		3,353,278	-	-	-	-	3,353,278		
16	projected	Apr-27		3,365,139	11,860	30	337	10,921	3,364,199		
17	projected	May-27		3,376,657	11,518	31	306	9,630	3,373,829		
18	projected	Jun-27		3,397,568	20,911	30	276	15,769	3,389,598		
19	projected	Jul-27		3,410,363	12,795	31	245	8,565	3,398,163		
20	projected	Aug-27		3,421,784	11,421	31	214	6,678	3,404,841		
21	projected	Sep-27		3,436,164	14,380	30	184	7,229	3,412,070		
22	projected	Oct-27		3,448,171	12,007	31	153	5,019	3,417,089		
23	projected	Nov-27		3,459,796	11,625	30	123	3,907	3,420,996		
24	projected	Dec-27		3,475,131	15,335	31	92	3,855	3,424,851		
25	projected	Jan-28		3,486,633	11,502	31	61	1,917	3,426,768		
26	projected	Feb-28		3,498,010	11,377	29	32	995	3,427,763		
27	projected	Mar-28		3,512,865	14,855	31	1	41	3,427,803		
28	13 Mo Avg Bal			3,433,966		366		74,525	3,427,803		
29								13 Mo Avg Bal	3,433,966		
30								Proration Adj.	(6,163)		

Duke Energy Florida, LLC
Second SoBRA First Year Annualized Revenue Requirement
Rate of Return on Rate Base and Accumulated Deferred Income Tax Calculation
(\$000)

Docket No. _____-EI
Witness: Marcia Olivier
Exhibit No. MJO-1
Page 6 of 6

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
	Banner										
1		System Per	Proration	System Per	Retail Per	Pro Rata	Specific	Adjusted	Cap	Cost	Weighted
2		Books	Adjustment	Books Adj'd	Books	Adj	Adj	Retail	Ratio	Rate	Cost
3	Common Equity	\$13,199,828	\$3,395	\$13,203,223	\$12,190,453	(\$1,879,916)	(\$163,770)	\$10,146,767	45.17%	10.30%	4.65%
4	Long Term Debt	11,273,446	2,899	11,276,346	10,411,380	(1,605,561)	\$151,977	8,957,795	39.87%	4.90%	1.95%
5	Short Term Debt	118,232	30	118,263	109,191	(16,839)	\$1,594	93,947	0.42%	4.85%	0.02%
6	Cust Dep Active	158,877	41	158,918	158,918	(24,507)		134,411	0.60%	2.61%	0.02%
7	Invest Tax Cr	233,809	60	233,869	215,930	(33,299)		182,631	0.81%	7.77%	0.06%
8	Deferred Inc Tax	4,031,256	(6,426)	4,024,830	3,716,101	(573,068)	(193,785)	2,949,248	13.13%		
9	Total	\$29,015,449	\$0	\$29,015,449	\$26,801,972	(\$4,133,190)	(\$203,984)	\$22,464,799	100.00%		6.70%

10

11 **Proration Adjustment to Reflect Projected ADFIT Consistent with Projection Year:**

		ADIT	Deprec-Related	Deprec-Related	Days to	Future Days	Prorated	Prorated
	Month	Bal.	ADFIT Bal.	ADFIT Activity	Prorate	in Period	ADFIT Activity	ADFIT Bal
15	Apr-27		3,365,139	-	-	-	-	3,365,139
16	projected May-27		3,376,657	11,518	31	335	10,571	3,375,710
17	projected Jun-27		3,397,568	20,911	30	305	17,474	3,393,184
18	projected Jul-27		3,410,363	12,795	31	274	9,605	3,402,789
19	projected Aug-27		3,421,784	11,421	31	243	7,604	3,410,392
20	projected Sep-27		3,436,164	14,380	30	213	8,392	3,418,784
21	projected Oct-27		3,448,171	12,007	31	182	5,987	3,424,771
22	projected Nov-27		3,459,796	11,625	30	152	4,841	3,429,612
23	projected Dec-27		3,475,131	15,335	31	121	5,084	3,434,696
24	projected Jan-28		3,486,633	11,502	31	90	2,836	3,437,532
25	projected Feb-28		3,498,010	11,377	28	62	1,933	3,439,465
26	projected Mar-28		3,512,865	14,855	31	31	1,262	3,440,726
27	projected Apr-28		3,525,132	12,267	30	1	34	3,440,760
28	13 Mo Avg Bal		<u>3,447,186</u>		365		75,621	3,440,760
29							13 Mo Avg Bal	<u>3,447,186</u>
30							Proration Adj.	<u>(6,426)</u>