

DEF's response to Staff's Fourth Interrogatories
Nos. 5-7.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and purchased power cost recovery
clause with generating performance incentive
factor

Docket No. 20210001-EI

Dated: October 11, 2021

**DUKE ENERGY FLORIDA, LLC'S RESPONSE TO
STAFF'S FOURTH SET OF INTERROGATORIES (NOS. 5-7)**

Duke Energy Florida, LLC ("DEF") responds to the Staff of the Florida Public Service Commission ("Staff") Fourth Set of Interrogatories (Nos. 5-7) as follows:

INTERROGATORIES

5. Please refer to the Direct Testimony of Duke Energy Florida (DEF or Company) witness Gary P. Dean, filed with DEF's Petition for Approval of Fuel Cost Recovery and Capacity Cost Recovery Factors for the Period of January 2022 through December 2022, Exhibit GPD-3, Part 2, Schedule E1, for the following requests.¹

- a. Are there any replacement power costs associated with the December 2020 – January 2021 outage of Crystal River Unit No. 4 contained in the amount shown on line 26?

Response:

Yes.

- b. If the response to subpart a. is yes, please identify the total replacement power cost associated with the December 2020 – January 2021 outage of Crystal River Unit No. 4 that is included for recovery in DEF's requested 2022 fuel cost recovery amount.

¹Document No. 10081-2021, filed September 3, 2021.

Response:

Total replacement power costs associated with the CR4 outage from January-April 2021 are approximately \$14.4 million retail (\$14.5 million system).

6. Please refer to the direct testimony of DEF witness Dean, Exhibit GPD-3, Part 1, page 1 of 1 for the following questions.

- a. When was the “forward” data appearing in this exhibit sourced?

Response:

The forward data was sourced at COB July 21, 2021.

- b. Assuming the Company sourced its 2022 natural gas “forward curve” pricing data in early August (2021) or before, staff observes that both spot and forward pricing (short and medium term) have increased considerably since that time. Does the Company still believe the estimated natural gas pricing data underlying its cost projection of 2022 remains adequate for setting the 2022 fuel cost recovery factor?

Response:

DEF has continued to monitor current and forward fuel prices as part of its normal operations, and as a result of the price changes witnessed, DEF is preparing an update of its fuel schedules and 2022 projected fuel factors to incorporate the updated prices in order to evaluate whether the Sept. 3rd filing requires modification.

7. Please show and explain how the projected 2022 Clean Energy Connection credit amount was formulated. Please show all calculations.

Response:

Please see the attached document bearing bates number 20210001-DEF-000074.

CEC Bill Credit Projection - Calendar Year 2022

	Unit 1			Start Month			Unit 2			Start Month			
	Rate Class	Carve Out	Subscription	Rate Class	Carve Out	Subscription							
		Allocation			Allocation								
		(MW)			(MW)								
Res. & Small Business	16.13	100.0%	Res. & Small Business	16.13	100.0%								
C&I	48.69	100.0%	C&I	48.69	100.0%								
Local Government	7.49	100.0%	Local Government	7.49	100.0%								
Low Income	2.60	100.0%	Low Income	2.60	100.0%								
	74.90			74.90									
Unit 1	1	2	3	4	5	6	7	8	9	10	11	12	Total
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
Days Per Month	31	28	31	30	31	30	31	31	30	31	30	31	
Combined Estimated Capacity Factor (%)	0.00%	0.00%	15.11%	33.96%	34.70%	31.55%	30.36%	29.26%	28.10%	27.04%	23.49%	20.26%	
Residential & Small Business (MWh)	-	-	1,812	3,943	4,163	3,663	3,642	3,510	3,263	3,244	2,727	2,431	
C&I (MWh)	-	-	5,472	11,904	12,570	11,059	10,997	10,598	9,851	9,794	8,235	7,339	
Local Government (MWh)	-	-	842	1,831	1,934	1,701	1,692	1,631	1,516	1,507	1,267	1,129	
MW In Service	-	-	8,126	17,678	18,668	16,424	16,331	15,739	14,629	14,544	12,229	10,900	
Bill Credit Rate (cents/KWh)			4.037	4.037	4.037	4.037	4.037	4.037	4.037	4.037	4.037	4.037	4.04
Bill Credit	\$ -	\$ -	\$ 328,057	\$ 713,652	\$ 753,614	\$ 663,032	\$ 659,269	\$ 635,384	\$ 590,570	\$ 587,140	\$ 493,694	\$ 440,014	\$ 5,864,427
Residential Low Income (MW)	-	-	2.6	2.6	2.6	2.6	2.6	2.6	2.6	2.6	2.6	2.6	26.0
Bill Credit Rate (\$/KW-month)			9.03	9.03	9.03	9.03	9.03	9.03	9.03	9.03	9.03	9.03	9.03
Bill Credit	\$ -	\$ -	\$ 23,478	\$ 23,478	\$ 23,478	\$ 23,478	\$ 23,478	\$ 23,478	\$ 23,478	\$ 23,478	\$ 23,478	\$ 23,478	\$ 234,780
Total Bill Credits	\$ -	\$ -	\$ 351,535	\$ 737,130	\$ 777,092	\$ 686,510	\$ 682,747	\$ 658,862	\$ 614,048	\$ 610,618	\$ 517,172	\$ 463,492	\$ 6,099,207

AFFIDAVIT

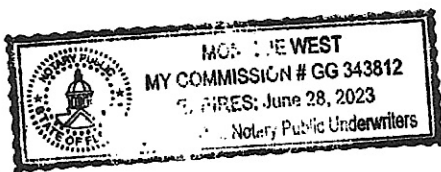
STATE OF FLORIDA

COUNTY OF PINELLAS

I hereby certify that on this 6th day of October 2021, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared GARY P. DEAN, who is personally known to me, and has acknowledged before me that he provided the answers to interrogatory numbers 5, 6, and 7, of STAFF'S FOURTH SET OF INTERROGATORIES TO DUKE ENERGY FLORIDA, LLC (NOS. 5-7) in Docket No. 20210001-EI, and that the responses are true and correct based on his personal knowledge.

THE FOREGOING INSTRUMENT was sworn to and subscribed before me by means of ☐ physical presence or ☒ online (video) notarization by Gary Dean, who is personally known to me.

In Witness Whereof, I have hereunto set my hand and seal in the State and County aforesaid as of this 6th day of October, 2021.



[Signature]
Gary P. Dean

[Signature]
Notary Public
State of Florida

My Commission Expires: 6/28/2023