39

DEF's Responses to Staff's Second Set of 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. 20220001-EI

Dated: April 18, 2022

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

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

INTERROGATORIES

- 5. Please refer to Duke Energy Florida's (DEF or Company) Response to Staff's First Set of Interrogatories, Nos. 3 and 4 for the following questions. The focus of the following questions relate to the "fuel gas quality" and "bad gas quality" portions of the above-cited responses.
 - a. Please define the term "fuel gas quality" as used in the Response to Staff's First Set of Interrogatories, No. 3.
 - Please define the term "bad gas quality" as used in the Response to Staff's First Set of Interrogatories, No. 4.
 - c. How are the conditions quoted in question subparts a. and b. above determined?

What metric(s) is/are used in determining overall gas quality?

Response:

The terms "fuel gas quality" and "bad gas quality" as used in the previous responses referred to natural gas delivered to DEF's delivery point that DEF believes fails to meet the natural gas quality standards as defined by the supplier's FERC Gas Tariff, Part 6 -General Terms and Conditions, Section 3. Quality.

20220001-EI Staff Hearing Exhibits 00010

Standards of gas quality are identified in the Tariff; for example, heat content, sulfur content, water content, hydrocarbon dew point to name a few. In addition, natural gas quality must be free from objectionable matter (dust, solid or liquid matter that interferes with merchantability) as well as a delivered temperature not in excess of 120 degrees or less than 40 degrees.

6. What are DEF's typical procedures for addressing matters relating to the quality of natural

gas purchased by the Company?

Response:

If a quality parameter were to be recognized out of tariff specifications, station personnel would engage DE Fuels organization as Liaison to Gas Supplier to resolve the quality issue(s). Prior to the gas issues discussed in response to Interrogatories 1.3 and 1.4, current station staff had no history of gas quality issues that led to similar forced outages.

7. Is DEF, or does it plan on, seeking compensation from any natural gas supplier(s) or natural

gas delivery/pipeline company related to the gas qualities referenced in the responses to

Staff's First Set of Interrogatories, Nos. 3 and 4?

Response:

DEF is continuing to analyze all available options. In addition to considering compensation-related options, DEF has also worked with the supplier in an effort to mitigate/avoid recurrences in the future and reviewed operations at other facilities to mitigate occurrences at those facilities.

a. If the response is in the affirmative, please discuss the current status of this effort

and the amount of compensation being sought.

b. If the response is in the negative, please discuss why the Company is not undertaking such efforts.

Response:

- a. Please see DEF's response to Interrogatory number 2.7.
- b. Please see DEF's response to Interrogatory number 2.7.

AFFIDAVIT

STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

I hereby certify that on this <u>day</u> of <u>July</u>, 2022, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared JIM MCCLAY, who is personally known to me, and he acknowledged before me that he provided the answers to interrogatory numbers 5 from STAFF'S SECOND SET OF INTERROGATORIES TO DUKE ENERGY FLORIDA, LLC DBA DUKE ENERGY (NOS. 5-7) in Docket No(s). 20220001-EI, and that the responses are true and correct based on his personal knowledge.

In Witness Whereof, I have hereunto set my hand and seal in the State and County aforesaid as of this $\underline{\&}$ day of $\underline{\label{eq:label}}$, 2022.

Jim McClay

Notary Public State of North Carolina

My Commission Expires: 10/17/2026



20220001-EI Staff Hearing Exhibits 00012

AFFIDAVIT

STATE OF FLORIDA

COUNTY OF PINELLAS

I hereby certify that on this ______ day of ______, 2022, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared ANTHONY SALVAREZZA, who is personally known to me, and he acknowledged before me that he provided the answers to interrogatory number 6 and 7, from STAFF'S SECOND SET OF INTERROGATORIES TO DUKE ENERGY FLORIDA, LLC DBA DUKE ENERGY (NOS. 5-7) in Docket No(s). 20220001-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 X online (video) notarization by ANTHONY SALVAREZZA, 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 $//b^{1/2}$ day of $//b^{1/2}$, 2022.



Salvarezza nthorty

Notary Public State of Flørida, at Large

My Commission Expires: