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**DEF's Responses to Staff's Sixth Set of
Interrogatories, Nos. 17-19.**

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: October 10, 2022

**DUKE ENERGY FLORIDA, LLC'S RESPONSE TO
STAFF'S SIXTH SET OF INTERROGATORIES (NOS. 17-19)**

Duke Energy Florida, LLC ("DEF") responds to the Staff of the Florida Public Service Commission's ("Staff") Sixth Set of Interrogatories to DEF (Nos. 17-19) as follows:

INTERROGATORIES

17. Please refer to the Direct Testimony of Gary P. Dean (witness Dean), page 13, lines 12-18, that was filed with Duke Energy Florida's (DEF or Company) *Petition for Approval of Fuel and Purchase Power Cost Recovery Factors for the Period of January 2023 through December 2023* (Petition) for the following requests.¹
- a. Please further elaborate on the effect the spent fuel claim has on the Company's proposed capacity cost recovery rates for 2023.
 - b. Please discuss how the spent fuel claim in the amount of \$173 million was formulated.
 - c. Please refer to Exhibit GPD-3, part 3, page 1 of 2, (Schedule E-12A), footnote no. 2. Has DEF received an award with respects to spent nuclear fuel management costs

¹Document No. 05978-2022.

from the U.S. Department of Energy in the amount of \$154 million as referenced in this footnote?

- d. Please discuss any accounting treatment of the \$173 million identified in this footnote to date.

Response:

- a. The proposed average retail 2023 CCR rate of 1.162 cents/kWh is a 0.126 cents/kWh increase over the current 2022 factor of 1.036 cents/kWh. The DOE spent fuel claim represents 0.049 cents/kWh of the 0.126 cents/kWh, or approximately 49 cents based on 1,000 kWh.
- b. Please refer to DEF's response to Staff's First Data Request, Number 1, in Docket No. 20210016 filed on March 19, 2021, at this link:
<https://www.floridapsc.com/library/filings/2021/02976-2021/02976-2021.pdf>
- c. DEF has received payment of \$180 million, of which \$154 million is the retail portion. The calculation of the retail portion is consistent with the calculation in DEF's response to Staff's First Data Request, No. 1.d. in Docket No. 20210016. See DEF's response to 17(b) above.
- d. \$154 million has been recorded to a regulatory liability associated with the DOE receipt. In addition, as the \$19 million is received through the CCR clause in 2023, this regulatory liability will be credited, resulting in a total credit balance of \$173 million before considering any amortization that will take place from 2022-2024.
18. Please refer to witness Dean's testimony, Exhibit GPD-3, part 2, page 1 of 1 (Schedule E-1), and Exhibit GPD-3, part 2, page 1 of 1, Schedule E1-D for the following request. Please explain the difference in the jurisdictional sales amounts of 39,534,801 megawatt hours (mWh), and 39,534,788 mWh, respectively, shown on these two schedules.

Response:

The 13-megawatt hour difference is due to how the megawatt hours are totaled in the two schedules. DEF has since changed this calculation so the megawatt hours will be the same in both schedules going forward. There is no impact to any of the proposed rates associated with the difference in megawatt hours.

19. Please refer to DEF's Responses to Staff's First Set of Interrogatories, Nos. 3 and 4, DEF's Responses to Staff's Second Set of Interrogatories, No. 5 and DEF's Responses to Staff's Fifth Set of Interrogatories, No. 13 for the following requests.
- a. Regarding DEF's response to Staff Interrogatory No. 13, please elaborate/explain with specificity the steps DEF has taken with respect preventing gas of insufficient quality being accepted and burned at Plant Bartow.
 - b. Are there any replacement power costs directly or indirectly attributable to the quality of gas associated with the outages identified in DEF's Responses to Staff's First Set of Interrogatories, Nos. 3 and 4?
 - c. If the response to (b.) is affirmative, please specify the associated dollar amount.
 - d. If the response to (b.) is negative, please explain the reasons why the quality of gas is not directly or indirectly attributable to any portion of the entire (i.e., to including any extension) outage.
 - e. Are there any other costs to the Company directly or indirectly attributable to the quality of gas associated with the outages identified in DEF's Responses to Staff's First Set of Interrogatories, Nos. 3 and 4?
 - f. If the response to (d.) is affirmative, please specify the associated dollar amount.
 - g. Did DEF receive reimbursement or compensation of any kind from any entity associated with the purchasing, handling, or delivery of the natural gas associated with the equipment issues identified in Responses to Staff's First Set of Interrogatories, Nos. 3 and 4? If so, what was the amount and accounting treatment.

Response:

- a. Duke Energy Engineering and Bartow CC station have installed state of the art Coalescing Filtration on the gas admission system. These filters are in addition to the original design filter system on the main gas supply. While this will not eliminate the possibility of all gas contamination particulate it will provide a greater

margin of protection. Attached is the spec sheet for the Bartow Fuel Gas Coalescing Filter Skid bearing Bates numbers 20220001-DEF-002554 through 20220001-DEF-002560.

The documents are confidential, a redacted version has been provided. An unredacted copy has been filed with the Florida Public Service Commission along with DEF's Notice of Intent to Request for Confidential Classification dated October 10, 2022.

- b. Yes.
- c. The total replacement power costs attributable to the quality of gas for Bartow, which only impacts the gas turbines, is \$1.4 million (system and retail) for the months of January, April, and May of 2021.
- d. Not applicable.
- e. DEF restates and incorporates its objection to this interrogatory submitted on October 10, 2022.
- f. DEF restates and incorporates its objection to this interrogatory submitted on October 10, 2022.
- g. DEF restates and incorporates its objection to this interrogatory submitted on October 10, 2022.

Duke Energy Florida
Docket No. 20220001
DEF's Response to Staff's Sixth Set of Interrogatories (Nos. 17-19)
Q19a

Documents bearing Bates numbers
20220001-DEF-002554 through 20220001-DEF-002560
are **redacted** in their entirety.

AFFIDAVIT

STATE OF FLORIDA

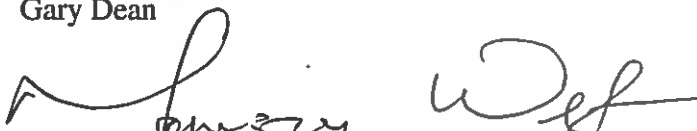
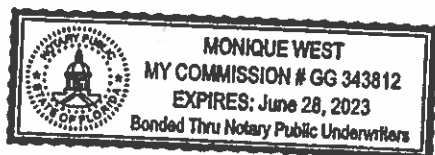
COUNTY OF PINELLAS

I hereby certify that on this 4th day of October, 2022, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared GARY DEAN, who is personally known to me or provided _____ as identification, and he acknowledged before me that he provided the answers to interrogatory numbers 17 (a-d), 18, and 19 (b-d) from STAFF'S SIXTH SET OF INTERROGATORIES TO DUKE ENERGY FLORIDA, LLC DBA DUKE ENERGY (NOS. 17-19) 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 4th day of October, 2022.



Gary Dean


Notary Public
State of Florida, at Large

My Commission Expires: _____

AFFIDAVIT

STATE OF FLORIDA

COUNTY OF PINELLAS

I hereby certify that on this 5th day of October, 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 or provided _____ as identification, and he acknowledged before me that he provided the answers to interrogatory numbers 19 (a and e-g) from STAFF'S SIXTH SET OF INTERROGATORIES TO DUKE ENERGY FLORIDA, LLC DBA DUKE ENERGY (NOS. 17-19) 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 5th day of October, 2022.



Anthony Salvarezza

Notary Public
State of Florida, at Large

My Commission Expires:
