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BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of:

DOCKET NO. 20230020-EI

Petition for limited proceeding for
recovery of incremental storm restoration
costs related to Hurricanes Elsa, Eta,
Isaias, Ian, Nicole, and Tropical Storm Fred,
by Duke Energy Florida, LLC.

PROCEEDINGS: COMMISSION CONFERENCE AGENDA
ITEM NO. 5

COMMISSIONERS
PARTICIPATING: CHAIRMAN ANDREW GILES FAY
COMMISSIONER ART GRAHAM
COMMISSIONER GARY F. CLARK
COMMISSIONER MIKE LA ROSA
COMMISSIONER GABRIELLA PASSIDOMO

DATE: Tuesday, March 7, 2023

PLACE: Betty Easley Conference Center
Room 148
4075 Esplanade Way
Tallahassee, Florida

REPORTED BY: DEBRA R. KRICK
Court Reporter and
Notary Public in and for
the State of Florida at Large

PREMIER REPORTING
112 W. 5TH AVENUE
TALLAHASSEE, FLORIDA
(850) 894-0828

1 P R O C E E D I N G S

2 CHAIRMAN FAY: All right. Commissioners, next
3 we will LLC take up the third of to the storm
4 recovery, Item No. 5. We will give Mr. Snyder a
5 second here to get set up and then we will take up
6 that item.

7 Whenever you are ready, Mr. Snyder, you are
8 welcome to begin on this item.

9 MR. SNYDER: Good morning, Commissioners. I
10 am Paul Snyder with Commission staff.

11 Item 5 is staff's recommendation on Duke
12 Energy Florida, LLC's, request for approval to
13 implement an interim storm restoration recovery
14 charge.

15 On January 23rd, DEF filed a petition for a
16 limited proceeding seeking authority to implement
17 an interim storm restoration recovery charge to
18 recover an estimated \$442 million for incremental
19 storm restoration costs related to Hurricanes Elsa,
20 Eta, Isaias, Ian, Nicole and Tropical Storm Fred,
21 as well as to replenish its storm reserve.

22 The approval of an interim charge is
23 preliminary in nature and subject to refund pending
24 a further review once the total actual storm
25 restoration costs are known. Based on review of

1 the information provided by DEF in its petition,
2 staff recommends the Commission authorize DEF to
3 implement the interim storm restoration recovery
4 charge subject to refund. Once the total actual
5 storm costs are known, DEF should be required to
6 file documentation of the storm costs for
7 Commission review.

8 The Office of Public Counsel and Walmart have
9 intervened in this docket. Representatives from
10 DEF are also in attendance. Staff is available to
11 answer any questions.

12 Thank you.

13 CHAIRMAN FAY: Great. Thank you, Mr. Snyder.

14 (Whereupon, remarks by Charles Rehwinkel, on
15 behalf of the Office of Public Counsel, were inserted
16 into the record as follows:)

17 MR. REHWINKEL: Thank you again for allowing
18 me to present one time. I am presenting for the
19 FPL, Duke and Tampa Electric petitions for storm
20 cost recovery. We have intervened in all three
21 cases, and we have served significant discovery in
22 each of these three dockets.

23 The Public Counsel has been a party to the
24 development and implementation of the storm cost
25 recovery mechanism that is being applied here, and

1 we support it because it is interim in nature and
2 provides a true-up and final hearing opportunity
3 for the customers.

4 As I mentioned, we have served comprehensive
5 discovery to all three companies, but we have asked
6 the companies to hold off on responding, and I
7 would like to explain why.

8 In 2019, I think it was, the companies and the
9 customers, including the Public Counsel, entered
10 into a series of stipulations that were designed to
11 codify or implement practices, improvements to
12 practices and/or lessons learned from the 2017
13 Hurricane Irma experience, which caused nearly \$2
14 billion in damages to these IOUs. You approved
15 these stipulations and we think they have benefited
16 the customers and the companies.

17 In those stipulations, all three companies
18 agreed to conduct an independent audit of their
19 implementation of these process improvement
20 provisions in the next major storm restoration
21 recovery dockets. That storm is Ian, which was
22 similar to Irma in the scope and overall dollar
23 cost. It certainly exceeded the threshold for
24 conducting the audit, so we are at that point now.

25 Accordingly, we have agreed to let the

1 independent audit process play out as intended, and
2 we have asked the utilities to pause the process of
3 responding to the extensive discovery we served
4 until after the completion of the independent
5 audit. We did this in the hope and the belief that
6 a robust independent audit with well-designed
7 fieldwork, testing and sampling, and -- will
8 demonstrate significant compliance and improvement
9 such that we can eliminate or substantially cut
10 back on the discovery we served.

11 This was the intended goal when the process
12 was undertaken and the stipulations were entered.
13 We will reevaluate the scope of the discovery at
14 the conclusion of the audit, and we commit to the
15 Commission and the companies that we will work with
16 them on what, if any, discovery will be required
17 post audit.

18 The Public Counsel will continue to be deeply
19 engaged in this case, and we look forward to the
20 independent audit results while we hold discovery
21 in abeyance.

22 I thank you, Commissioners, and I am available
23 to answer questions.

24 CHAIRMAN FAY: With that, Commissioners, you
25 have a summary on Item No. 5. Mr. Bernier and

1 folks from Duke are here to answer questions, and
2 same with Office of Public Counsel.

3 Seeing no questions or comments, we will take
4 up a motion on Item No. 5.

5 COMMISSIONER CLARK: Move staff recommendation
6 on Item No. 5, Mr. Chairman.

7 COMMISSIONER GRAHAM: Second.

8 CHAIRMAN FAY: Okay. A motion and a second.

9 All that approve say aye.

10 (Chorus of ayes.)

11 CHAIRMAN FAY: Showing none opposed, show Item
12 5 passes unanimously.

13 Thank you.

14 (Agenda item concluded.)

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CERTIFICATE OF REPORTER


STATE OF FLORIDA)
COUNTY OF LEON)

I, DEBRA KRICK, Court Reporter, do hereby certify that the foregoing proceeding was heard at the time and place herein stated.

IT IS FURTHER CERTIFIED that I stenographically reported the said proceedings; that the same has been transcribed under my direct supervision; and that this transcript constitutes a true transcription of my notes of said proceedings.

I FURTHER CERTIFY that I am not a relative, employee, attorney or counsel of any of the parties, nor am I a relative or employee of any of the parties' attorney or counsel connected with the action, nor am I financially interested in the action.

DATED this 20th day of March, 2023.



DEBRA R. KRICK
NOTARY PUBLIC
COMMISSION #HH31926
EXPIRES AUGUST 13, 2024