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June 30, 2023

VIA ELECTRONIC FILING

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

Re: *Environmental Cost Recovery Clause; Docket No. 20230007-EI*

Dear Mr. Teitzman:

On behalf of Duke Energy Florida, LLC (“DEF”), I am writing to advise the Commission that at this time, DEF has identified the following new environmental projects for which it intends to seek approval for cost recovery in the above-referenced on-going docket:

Reclaimed Water Interconnection – DEF’s DeBary Station is governed by the Saint Johns River Water Management District (“SJRWMD”) Consumptive Use Permit (“CUP”) and Section 373.250 Florida Statute. DEF must comply with the District’s CUP, which requires DEF to use the lowest quality of water possible. This stipulation has been in the permit since 2007. In January 2022, the local water supplier, Volusia County, which serves the DeBary Station, notified SJRWMD that they had sufficient reclaimed water available for DEF to use. After further discussions with SJRWMD, DEF was ordered to proceed with making the site capable of using the reclaimed water as part of the CUP compliance.

To comply with the CUP, DEF will be required to design and construct a new Reverse Osmosis (“RO”) system along with associated pumps and piping to pre-treat the reclaimed water. Full project scope and design is expected to start mid-2024, and equipment procurement, construction and testing expected to occur in 2025. The estimated in-service date of this project is fourth quarter 2025. The full extent of compliance activities and associated expenditures cannot be determined until SJRWMD’s review of the proposed options has been completed and the CUP renewal issued.

DEF will further address this project in the 2024 Projection Filing in this Docket and provide additional details.

Lead and Copper Rule –The EPA Lead and Copper Rule 40 CFR 141 Subpart I Revisions (“LCRR”) was published in the national register January 15, 2021 and has an effective date of March 16, 2021. The State of Florida adopted Federal requirements for lead and copper regulation in potable water systems under section 62-550.800, F.A.C. Included with the revision is a requirement for all community and non-transient non-community (“NTNC”) water systems to conduct an initial lead service line (“LSL”) inventory and submit the results to the regulatory agency by October 16, 2024. DEF sites subject to this requirement are Citrus Combined Cycle, Crystal River, and Hines.

The EPA intends to amend the LCRR with the promulgation of the Lead and Copper Rule Improvements (“LCRI”) before Oct. 16, 2024. The EPA’s intent is to keep the LCRR requirements for initial LSL inventories even after the LCRR is amended by the LCRI, including the compliance date of Oct. 16, 2024, for completion of the initial LSL inventories. It is possible that after the revisions to the LCRR and LCRI, there could be additional requirements or actions. The full extent of compliance activities cannot be determined until the LCRI is published. DEF will be addressing this project in the 2024 Projection Filing in this Docket and provide further details.

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.

Respectfully,

/s/ Stephanie A. Cuello

Stephanie A. Cuello

CERTIFICATE OF SERVICE

Docket No. 20230007-EI

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished via electronic mail to the following this 30th day of June, 2023.

/s/ Stephanie A. Cuello

Attorney

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