

**BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION**

In re: Commission review of numeric  
Conservation goals by Duke Energy Florida, LLC

DOCKET NO.: 20240013-EG  
DATED: July 9, 2024

**PREHEARING STATEMENT OF  
NUCOR STEEL FLORIDA, INC.**

Pursuant to the Florida Public Service Commission’s *Order Consolidating Dockets and Establishing Procedure*, Order No. PSC-2024-0022-PCO-EG, issued January 23, 2024, and the *First Order Modifying Order Establishing Procedure*, Order No. PSC-2024-0159-PCO-EG, issued May 17, 2024, Nucor Steel Florida, Inc. (“Nucor”) hereby files its Prehearing Statement in this case.

**A. APPEARANCES**

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**B. WITNESSES**

<b>Witness</b>	<b>Subject Matter</b>	<b>Issue #</b>
Tony Georgis	Avoided generation and capacity costs; Curtailable and Interruptible Service credits and cost-effectiveness	2-5, 8, 12

**C. EXHIBITS**

<b>Witness</b>	<b>Proffered by</b>	<b>Exhibit No.</b>	<b>Description</b>	<b>Issue #</b>
Tony Georgis	PCS/Nucor	TMG-1	Resume and Record of Testimony of Tony Georgis	2-5, 8, 12
Tony Georgis	PCS/Nucor	TMG-2	Select Duke Responses to Interrogatories	2-5, 8, 12
Tony Georgis	PCS/Nucor	TMG-3	Select Duke Curtailable and Interruptible Service Tariffs	2-5, 8, 12
Tony Georgis	PCS/Nucor	TMG-4	Duke Energy Florida, LLC's 2024 Ten-Year Site Plan	2-5, 8, 12
Tony Georgis	PCS/Nucor	TMG-5	Progress Energy Florida, Inc.'s 2005 Ten-Year Site Plan	2-5, 8, 12

Nucor reserves the right to identify additional exhibits for the purpose of cross-examination or rebuttal.

**D. STATEMENT OF BASIC POSITION**

Nucor's basic position is that Duke Energy Florida, LLC ("DEF") bears the burden of proof to justify its DSM goals for the 2025-2034 period. As part of the filing in this case, DEF claims to have proposed changes to the existing Interruptible General Service ("IS") and Curtailable General Service ("CS") credit rates. However, DEF has not provided any support in this docket for the revised IS and CS credit rates, and regardless, the issue of the credit rates is more appropriately addressed in a base rate case proceeding. In fact, DEF has proposed revised IS and CS credit rates in its concurrently pending general base rate case (Docket No. 20240025-EI). Additionally, the DSM goals docket is a forward-looking assessment of technical and economic

potential, and the cost-effectiveness measures used in the DSM goals docket systematically understate the value historically DEF has realized by the IS and CS programs.

## **E. STATEMENT ON SPECIFIC ISSUES**

### **I. ALL FECCA ELECTRIC UTILITIES ISSUES**

**ISSUE 1:** Are the utility's proposed goals based on an adequate assessment of the full technical potential of all available demand-side and supply-side conservation and efficiency measures, including demand-side renewable energy systems?

- **Nucor:** No position.

**ISSUE 2:** Are the utility's proposed goals based on savings reasonably achievable through demand-side management programs over a ten year period?

- **Nucor:** No.

**ISSUE 3:** Do the utility's proposed goals adequately reflect the costs and benefits to customers participating?

- **Nucor:** No. DEF's cost-effectiveness tests systematically understate the value of the CS and IS programs. Further, DEF's chosen avoided cost generating unit (a brownfield combustion turbine), does not reflect actual planned additions and retirements and therefore understates the value of DEF's proposed DSM programs. Nucor takes no position regarding the other utilities.

**ISSUE 4:** Do the utility's proposed goals adequately reflect the costs and benefits to the general body of rate payers as a whole, including utility incentives and participant contributions?

- **Nucor:** No. DEF's cost-effectiveness tests systematically understate the value of the CS and IS programs. Further, DEF's chosen avoided cost generating unit (a brownfield combustion turbine), does not reflect actual planned additions and retirements and therefore understates the value of DEF's proposed DSM programs. Nucor takes no position regarding the other utilities.

**ISSUE 5:** Do the utility's proposed goals adequately reflect the need for incentives to promote both customer-owned and utility-owned energy efficiency and demand-side renewable energy systems?

- **Nucor:** DEF's proposed CS and IS credits do not adequately incentivize continued or additional participation in the CS and IS programs. Nucor takes no position regarding the other utilities.

**ISSUE 6:** Do the utility's proposed goals adequately reflect the costs imposed by state and federal regulations on the emissions of greenhouse gases?

- **Nucor:** No position.

**ISSUE 7:** Do the utility's proposed goals appropriately reflect consideration of free riders?

- **Nucor:** No position.

**CONTESTED ISSUE 8:** Should demand credit rates for interruptible service, curtailable service, stand-by generation, or similar potential demand response programs be addressed in this proceeding or in the base rate proceedings for the rate regulated FEECA Utilities? If this proceeding, what demand credit rates are appropriate for purposes of establishing the utilities' goals?

- **Nucor:** This issue is inappropriate for consideration in this docket. The credits for interruptible service, curtailable service, standby generation or similar tariff-based demand response programs should be set in base rate proceedings, where all the rates, terms and conditions of such tariffs may be considered. If the Commission nevertheless decides the appropriate credit rate should be set in this proceeding, the Commission should adopt a CS and IS credit level of \$9.00/kW for DEF as recommended in the testimony of Florida Industrial Power Users Group witness Jeffry Pollock. Nucor takes no position on the credit rates for other utilities.

## **II. FPL-SPECIFIC ISSUES**

**ISSUE 9:** Should the savings associated with FPL's Residential Low Income Renter Pilot program be included in its conservation goals?

- **Nucor:** No position.

**ISSUE 10:** Is FPL's proposed HVAC On-Bill option for its existing Residential On-Call program with its associated HVAC Services Agreement (proposed Tariff sheets 9.858 through 9.866) a regulated activity within the jurisdiction of the Commission? If not, should the savings associated with FPL's HVAC On-Bill option and HVAC Services Agreement be removed from its conservation goals?

- **Nucor:** No position.

**ISSUE 11:** Should the Commission approve FPL's proposed plan to cap participation for non-RIM Test passing programs once sector-level goals are achieved?

- **Nucor:** No position.

### **III. ALL FEECA ELECTRIC UTILITIES ISSUES**

**ISSUE 12:** What residential and commercial/industrial summer and winter megawatt (MW) and annual Gigawatt-hour (GWh) goals should be established for the period 2025-2034?

- **Nucor:** Nucor does not oppose DEF's MW and GWh goals, but Nucor notes that DEF's goals may be affected by the reduced CS and IS credit rates, which may lower CS and IS program participation levels.

**ISSUE 13:** What goals are appropriate for increasing the development of demand-side renewable energy systems?

- **Nucor:** No position.

### **F. PENDING MOTIONS**

None.

### **G. PENDING REQUESTS OR CLAIMS FOR CONFIDENTIALITY**

None.

### **H. OBJECTIONS TO QUALIFICATIONS OF WITNESS AS EXPERT**

None at this time.

### **I. REQUIREMENTS OF ORDER ESTABLISHING PROCEDURE**

There are no requirements of the Procedural Orders with which Nucor cannot comply.

Respectfully submitted,

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Dated: July 9, 2024

## CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing Prehearing Statement of Nucor Steel

Florida, Inc. has been furnished by electronic mail this 9<sup>th</sup> of July 2024, to the following:

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