Commissioners: Ronald A. Brisé, Chairman Lisa Polak Edgar Art Graham Eduardo E. Balbis Julie I. Brown

STATE OF FLORIDA

GENERAL COUNSEL S. CURTIS KISER (850) 413-6199

Jublic Service Commission

September 18, 2013

STAFF'S SECOND DATA REQUEST

John T. Burnett Duke Energy Florida, Inc. 299 1st Avenue North Saint Petersburg, Florida 33701

Re: Docket No. 130208-EI - Petition for limited proceeding to approve revised and restated stipulation and settlement agreement by Duke Energy Florida, Inc. d/b/a Duke Energy.

Dear Mr. Burnett:

By this letter, the Commission staff requests that Duke Energy Florida, Inc. (DEF or utility) provide responses to the following data requests regarding the Revised and Restated Stipulation and Settlement Agreement (RRSSA) in the above-referenced docket.

- 58. Please provide a schedule in a same format similar to DEF's response to Data Request No. 41.a. assuming that the 2012 settlement remains in effect and the RRSSA is not approved. In your response, please include the estimated revenue generated, in both nominal and present value, for both scenarios (with and without the RRSSA).
- 59. Please identify and explain in detail what cost recovery mechanism(s) DEF will pursue when it seeks to recover the continued cost of the Levy Nuclear Plant licenses. In your response, please identify the AFUDC rate, if any, that will be applied to the carrying charge for the aforementioned costs.
- 60. Paragraph 5.c. provides that "DEF shall not cease but shall continue deferral accounting for any other CR3-related cost subject to deferral accounting pursuant to paragraph 5b" of the RRSSA. Please explain what is meant by the phrase "for any other CR3-related cost subject to deferral accounting pursuant to paragraph 5b" as it appears in this paragraph. In your response, please identify and explain the types of costs contemplated for the continued deferred accounting treatment contemplated in this provision.
- 61. Please refer to Exhibit 8 attached to the RRSSA which provides information on the interruptible and curtailable credits. Please provide a schedule containing the \$/kw credit and revenue impact of these credits for the years 2012 through 2019.

- 62. In response to Data Request No. 26, the parties cross-referenced the response to Data Request No. 24 which explained the litigation undertaken by DEF regarding the nuclear spent fuel costs and the results thereof. In the event that DEF prevailed in litigation pertaining to nuclear spent fuel costs, what impact would any funds obtained have on the Regulatory Asset?
- 63. Please refer to DEF's response to Data Request No. 30 in which DEF explained that it will continue to depreciate the Crystal River units 1 & 2 through December 2020. Please explain how DEF will recover the annual depreciation expense of the Crystal River units 1 & 2 if the units are retired early (for example in the years 2014-2019).
- 64. Please refer to DEF's response to Data Request No. 51. Using the summary brief provided in response to Data Request No. 51, please provide a step by step explanation, including numeric examples and references to specific provisions to the NEIL policy, used to derive the \$500 million NEIL reimbursement amount used for the retirement case. In your response, please provide specific references and copies of any supporting information contained in the NEIL insurance policy.
- 65. Please provide a schedule which reflects the claimed \$1.5 billion dollars of customers' savings and indicate how NEIL payments were broken out for fuel and repair costs.
- 66. Please provide a schedule showing DEF's estimated time frame for any filing, between the remainder of 2013 through 2018, with the FPSC arising from the RRSSA. In your response please include both rate and non-rate filings.
- 67. Currently, the Levy project portion of the NCRC recovery factor is fixed for all rate classes pursuant to paragraph 4 of the 2012 settlement "until the estimated remaining LNP balance of approximately \$350 million (retail), and carrying costs, is recovered (estimated to be 5 years), with true up occurring in the final year of recovery." The RRSSA continues the fixed factors until the earlier of all costs being recovered or the first billing cycle of January 2018. Please provide an estimate of the annual and total revenue that has been and will be collected for each rate class for the Levy project pursuant to the 2012 settlement and the RRSSA.
- 68. Please refer to DEF's response to Data Request No. 41. If the intent of the RRSSA is to continue the fixed NCRC charges in order to recover all costs associated with the Levy project, please explain why the estimated bill impact shown on DEF's response to Staff's Data Request No. 41 does not show a credit of \$2.67 starting in 2018?
- 69. Please refer to paragraphs 7.c and 7.d of the RRSSA. The ratio of retail to system in paragraph 7.c. is 0.92 (\$489/\$530) and the same ratio in 7.d. is 0.99 (\$326/\$328). Please explain why these values are different. If corrections are necessary to any portions of the RRSSA or responses to previous data requests, please provide such revisions.

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Please file the original and five copies of the requested information by Monday, September 30, 2013, with Ms. Ann Cole, Commission Clerk, Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida, 32399-0850. Please feel free to call me at (850) 413-6226 if you have any questions.

Sincerely, Keino Young Senior Attorney

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cc: Office of Commission Clerk