

STATE OF FLORIDA



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DIVISION OF ENGINEERING
TOM BALLINGER
DIRECTOR
(850) 413-6910

Public Service Commission

August 23, 2016

Ms. Dianne Triplett
Duke Energy Florida, LLC
P.O. Box 14042
St. Petersburg, FL 33733-4692

**STAFF'S FIRST DATA REQUEST
VIA US MAIL & EMAIL**

Re: Docket No. 160178 – EI – Petition for Limited Proceeding for Approval to Include in Base Rates the Revenue Requirement Associated with the Acquisition of the Osprey Plant and Phase 2 of the Hines Chiller Uprate Project

Dear Ms. Triplett:

Please find Staff's First Data Request in the above referenced docket. The responses to these questions should be filed with the Commission Clerk no later than September 8, 2016.

Hines Chiller Uprate Project

1. Please provide a schedule explaining the variance in the updated cost estimate in comparison with the estimate provided in Docket No. 160128-EI.
2. Please provide documents and spreadsheets supporting the AFUDC for the Phase 2 Revenue Requirement.

Osprey Plant Acquisition

3. Referring to the \$198.2 million capital cost estimate in Exhibit C, please provide a breakdown of that cost estimate and explain the variance in comparison with the estimate provided in Docket No. 150043-EI.
4. Referring to the \$17.189 million O&M cost for 2017 in Page 2 of Exhibit C, please provide a breakdown of that cost estimate and explain the variance in comparison with the estimate provided in Docket No. 150043-EI.
5. Based on the updated cost, please provide a comparison with the cumulative present value revenue requirements (CPVRR) analysis of the cost effectiveness of acquiring the Osprey Plant that was prepared by DEF in Docket No. 150043-EI and explain the variance with a spreadsheet.

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6. Please provide documents supporting the routine O&M cost estimates for 2017 and explain the variance in comparison with the estimates provided in Docket No. 150043-EI. Please describe the cost components for DEF's internal costs, and if outside service providers are used, please provide the type of services provided and the contract value.
7. Please provide documents supporting the major O&M cost estimates for 2017, 2018, and 2019, and explain the variance in comparison with the estimates provided in Docket No. 150043-EI. Please describe the cost components for DEF's internal costs, and if outside service providers are used, please provide the type of services provided and the contract value.
8. Please provide documents supporting the capital major maintenance cost estimates for 2017, 2018, and 2019, including the inventory/spare parts, and explain the variance in comparison with the estimates provided in Docket No. 150043-EI. Please describe the cost components for DEF's internal costs, and if outside service providers are used, please provide the type of services provided and the contract value.
9. Referring to Exhibit D: Uniform Percentage Increase, please explain why the Billed MWH Sales (\$38,862,831) are not the same as the Billed MWH Sales shown in Docket No. 160128-EI, Exhibit C to the petition (\$38,672,405).

Please contact me by phone at (850) 413-6836, or email dqlee@psc.state.fl.us, if you have any questions.

Sincerely,



Daniel Lee
Engineering Specialist
Division of Engineering

DL:pz

cc: Office of Commission Clerk (Docket No. 160178-EI)