



Matthew R. Bernier
SENIOR COUNSEL

June 27, 2017

VIA ELECTRONIC DELIVERY

Ms. Carlotta Stauffer, Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: *Nuclear Cost Recovery Clause; Docket No. 170009-EI*

Dear Ms. Stauffer:

On behalf of Duke Energy Florida, LLC ("DEF"), please find attached for electronic filing in the above-referenced docket DEF's Response in Support of the Motion of the Office of Public Counsel and White Springs Agricultural Chemicals, Inc., d/b/a PCS Phosphate-White Springs to Temporarily Hold in Abeyance and Reschedule the 2017 Hearing for Duke Energy Florida, LLC.

Thank you for your assistance in this matter. Please feel free to call me at (850) 521-1428 should you have any questions concerning this filing.

Respectfully,

/s/ Matthew R. Bernier

Matthew R. Bernier

MRB/db
Attachment

cc: Parties of Record

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Nuclear cost recovery clause.

DOCKET NO. 170009-EI

FILED: June 27, 2017

**DUKE ENERGY FLORIDA, LLC'S RESPONSE IN SUPPORT OF THE
MOTION OF THE OFFICE OF PUBLIC COUNSEL AND WHITE SPRINGS
AGRICULTURAL CHEMICALS, INC., D/B/A/ PCS PHOSPHATE-WHITE SPRINGS
TO TEMPORARILY HOLD IN ABEYANCE AND RESCHEDULE THE
2017 HEARING FOR DUKE ENERGY FLORIDA, LLC**

Duke Energy Florida, LLC, ("DEF") hereby provides this response in support of the Motion of the Office of Public Counsel ("OPC") and White Springs Agricultural Chemicals, Inc., d/b/a PCS Phosphate-White Springs ("PCS Phosphate", and collectively with OPC, the "Movants") to Temporarily Hold in Abeyance and Reschedule the 2017 Hearing for Duke Energy Florida, LLC (the "Motion").

In accordance with Rule 28-106.204(3), F.A.C., counsel for the Movants conferred with counsel for DEF prior to filing the Motion, and at that time DEF indicated it took no position regarding the Motion. However, DEF has had further discussions with the Movants and has determined that, for the reasons stated in the Motion, the relief sought is in the best interests of DEF and its customers, as well as the administrative efficiency of this Commission. Therefore, DEF has amended its position and supports the granting of the Motion.

DEF and the Movants have conferred regarding the procedural and logistical issues raised by the Motion, and DEF has agreed that, if the Motion is granted, the Crystal River Unit 3 Uprate Project ("CR3 Uprate") portion of the hearing in this docket can go forward on the dates set in Order No. PSC-17-0057-PCO-EI and Levy portion of the hearing can be held in October along with, or about the same time as, the hearing in the remaining cost recovery clause dockets. A determination on the merits of the Levy portions of DEF's petitions filed in this docket is not required prior to setting the 2018 cost recovery factors that will go into effect with the first billing cycle of January 2018.

To accommodate this bifurcation, in DEF's Capacity Clause Projection filing for the purpose of setting 2018 rates, DEF will include the CR3 Uprate costs in the capacity rate as normal and will separately show the proposed Levy rates, which will be calculated based on full-recovery of the Levy-related costs presented in DEF's March and May petitions and assuming recovery beginning with the first billing cycle of January 2018. By breaking out the Levy portion of DEF's NCRC petitions, the Commission will have the information necessary to set DEF's non-Levy related cost recovery factors beginning with the first billing cycle of 2018 and potentially delay its decision on the Levy-related costs if it determines additional time is necessary to consider the Levy-related issues. If the Commission determines a later decision on the Levy issues is necessary, DEF will include the approved Levy related costs in its capacity cost recovery clause factors as soon as practical after Commission approval. For purposes of capacity clause true up, regardless of when the rates go into effect in 2018, all Levy costs approved for recovery will be reflected in 2018 actuals and any difference between those costs and the revenues collected in capacity in 2018 will be included in the 2018 capacity true-up filed in March of 2019.

DEF is authorized to represent that counsel for OPC and PCS Phosphate were contacted prior to filing this Response and are in agreement with the substance of the Response.

/s/ Matthew R. Bernier

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished via electronic mail to the following this 27th day of June, 2017.

/s/ Matthew R. Bernier

Attorney

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