



Dianne M. Triplett
Deputy General Counsel
Duke Energy Florida, LLC

October 18, 2017

VIA ELECTRONIC FILING

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

Re: *Application for limited proceeding to approve 2017 second revised and restated settlement agreement, including certain rate adjustments, by Duke Energy Florida, LLC; Docket No. 20170183-EI*

Dear Ms. Stauffer:

Please find enclosed for electronic filing, Duke Energy Florida, LLC's (DEF) Response to Staff's Tenth Data Request (Nos. 68-72).

Thank you for your assistance in this matter. Please feel free to call me at (727) 820-4692 should you have any questions concerning this filing.

Respectfully,

s/Dianne M. Triplett

Dianne M. Triplett

DMT/mw
Enclosure

Duke Energy Florida, LLC
Docket No.: 20170183-EI
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 18th day of October, 2017.

s/Dianne M. Triplett

Attorney

<p>Kyesha Mapp Margo DuVal Suzanne S. Brownless Danijela Janjic Lee Eng Tan Rosanne Gervasi Stephanie Cuello Office of the General Counsel Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850 kmapp@psc.state.fl.us mduval@psc.state.fl.us asoete@psc.state.fl.us sbrownle@psc.state.fl.us djanjic@psc.state.fl.us ltan@psc.state.fl.us rgervasi@psc.state.fl.us scuello@psc.state.fl.us</p> <p>Kenneth Hoffman Vice President, Regulatory Affairs Florida Power & Light Company 215 S. Monroe Street, Suite 810 Tallahassee, FL 32301-1858 kenhoffman@fpl.com</p> <p>Jessica Cano / Kevin I.C. Donaldson Florida Power & Light Company 700 Universe Boulevard June Beach, FL 33408-0420 jessica.cano@fpl.com kevin.donaldson@fpl.com</p> <p>Jeffrey A. Stone, General Counsel Gulf Power Company One Energy Place Pensacola, FL 32520-0780 jastone@southernco.com</p> <p>Joseph Fichera Saber Partners, LLC 44 Wall Street New York, NY 10005 jfichera@saberpartners.com</p>	<p>J.R. Kelly Charles J. Rehwinkel Patty Christensen Office of Public Counsel c/o The Florida Legislature 111 West Madison Street, Room 812 Tallahassee, FL 32399 kelly.jr@leg.state.fl.us rehwinkel.charles@leg.state.fl.us christensen.patty@leg.state.fl.us</p> <p>Robert Scheffel Wright / John T. LaVia III Gardner Law Firm 1300 Thomaswood Drive Tallahassee, FL 32308 schef@gbwlegal.com jlavia@gbwlegal.com</p> <p>James W. Brew / Laura A. Wynn Stone Mattheis Xenopoulos & Brew, P.C. 1025 Thomas Jefferson Street, NW Eighth Floor, West Tower Washington, D.C. 20007 jbrew@smxblaw.com law@smxblaw.com</p> <p>James D. Beasley J. Jeffrey Wahlen Ausley McMullen P.O. Box 391 Tallahassee, FL 32302 jbeasley@ausley.com jwahlen@ausley.com</p> <p>Russell A. Badders / Steven R. Griffin Beggs & Lane P.O. Box 12950 Pensacola, FL 32591 rab@beggslane.com srg@beggslane.com</p> <p>Rhonda J. Alexander Regulatory and Pricing Manager Gulf Power Company One Energy Place Pensacola, FL 32520-0780 rjalexad@southernco.com</p>	<p>Beth Keating Gunster, Yoakley & Stewart, P.A. 215 South Monroe Street, Suite 601 Tallahassee, FL 32301 bkeating@gunster.com</p> <p>Ms. Paula K. Brown Manager, Regulatory Coordination Tampa Electric Company P.O. Box 111 Tampa, FL 33601 regdept@tecoenergy.com</p> <p>John T. Butler / Maria Jose Moncada Florida Power & Light Company 700 Universe Boulevard (LAW/JB) Juno Beach, FL 33408-0420 john.butler@fpl.com maria.moncada@fpl.com</p> <p>Dean E. Criddle Orrick, Herrington & Sutcliffe 405 Howard Street, #11 San Francisco, CA 94105 dcriddle@orrick.com</p> <p>Jon C. Moyle, Jr. Moyle Law Firm, P.A. 118 North Gadsden Street Tallahassee, FL 32301 jmoyle@moylelaw.com</p> <p>George Cavros 120 E. Oakland Park Blvd, Suite 105 Fort Lauderdale, FL 33334 george@cavros-law.com</p> <p>Mike Cassel, Director Regulatory Affairs Florida Public Utilities Company 1750 S 14th Street, Suite 200 Fernandina Beach, FL 32034 mcassel@fpuc.com</p>
--	---	---

**DUKE ENERGY FLORIDA, LLC'S RESPONSE TO STAFF'S TENTH DATA REQUEST
(NOS. 68-72) REGARDING DEF'S APPLICATION FOR LIMITED PROCEEDING TO
APPROVE 2017 SECOND REVISED AND RESTATED SETTLEMENT AGREEMENT,
INCLUDING CERTAIN RATE ADJUSTMENTS
DOCKET NO. 20170183-EI**

68. Please refer to the entries in Exhibit 2, column (A) of the Second Revised and Restated Stipulation and Settlement Agreement. There appears to be a discrepancy of approximately 4% between the sum of units in Exhibit 2, column (A), lines 2-6, titled 'Customer Charge - \$ per Line of Billing,' and the sum of units in Exhibit 2, column (A), lines 12-15, titled 'Energy Charge – cents per KWH.' Please clarify and reconcile this apparent discrepancy.

RESPONSE

The units in column (A) can be number of bills, kWh, kW, etc. Lines 2-6 represent customer bills multiplied by 12 months in order to determine the customer charge. Lines 12-15 represent kWh in order to determine the energy charge. It is a coincidence that the sum of these two sections are relatively close.

69. Please refer to DEF's response to Staff Data Request No. 23. For EVSE installed after Q1 2018, how does DEF proposes to fully depreciate, at a 20% depreciation rate, all such equipment during a period that is, cumulatively for any such installation, less than 5 years?

RESPONSE

Per Paragraph 17.g., the full revenue requirements, including capital expenditures for EVSE of up to \$8 million and operating expenses, will be deferred to a regulatory asset earning DEF's AFUDC rate during the term of the Settlement, with base revenues generated through the EVSE assets serving to offset the amounts deferred. DEF will be authorized to begin recovering the regulatory asset via a base rate increase over a four year period after the December 2021 expiration of the settlement. Concomitantly with the rate increase to recover the regulatory asset, the capital expenditures for the portion of the regulatory asset associated with the equipment will begin to be amortized at the 20% depreciation rate and the remaining balance in the regulatory asset will be amortized over the four year recovery period.

Please refer to Paragraph 17a.-f. for question 70.

70. How does DEF's Electric Vehicle Charging Station Pilot Program differ from other electric vehicle charging options currently available to DEF customers?

RESPONSE

DEF's Electric Vehicle Charging Station Pilot Program will differ from other options available to customers in that DEF will purchase, install, own and support the EVSE at DEF's customers' locations. All other options remain available to customers, including the options to utilize third party owned EVSE and to own their own EVSE. This Pilot will allow DEF to collect comprehensive data related to the Pilot as outlined in Paragraph 17.f.

- a. What benefits will DEF customers receive from the Electric Vehicle Charging Station Pilot Program?

RESPONSE

Benefits to customers will be more specifically determined based on the comprehensive data that will be collected during this Pilot. The collection of this data is expected to provide DEF with more detailed information on how EVSE impacts DEF's system, which allows DEF to better handle the impacts of increased EVSE, to evaluate customer use and responsiveness to EVSE availability, and to determine whether to deploy more DEF-owned EVSE installations.

71. Please refer to Paragraph 17.g.ii.

- a. Does DEF have any electric vehicles in its fleet, and if so, how does the Company charge its vehicles?

RESPONSE

The following plug-in electric vehicles are currently in use by Duke Energy Florida in fleet applications:

VIA Pickup – 6

Odyne Step Van – 4

Chevrolet Volt – 8

Nissan Leaf – 1

Electric Forklift – 22

Electric ATV – 1

Total: 42

The on-road vehicles are charged using Level 2 EVSEs located at company facilities.

- b. Please identify DEF’s current plant balance of EVSE and the reserve balance of EVSE.

RESPONSE

Duke Energy Florida						
Electric Vehicle Charging Station (in FERC account 394)						
Balances as of September 17						
				Data		
utility_account	vintage	retirement_unit		Book Cost	Allocated Reserve	Net Book Value
39400 - Tools, Shop & Garage Equip	2011	ELEC VEHICLE CHARGING STATION		14,575	14,817	(242)
	2012	ELEC VEHICLE CHARGING STATION		19,067	14,784	4,283
	2014	ELEC VEHICLE CHARGING STATION		16,424	8,271	8,153
	2015	ELEC VEHICLE CHARGING STATION		40,416	14,090	26,326
39400 - Tools, Shop & Garage Equipm Total				90,482	51,962	38,521

- c. If the plant and reserve balances for EVSE are non-zero, please specify the FERC accounts in which such plant and reserve is recorded and the history of the approval of the associated depreciation rates.

RESPONSE

Company used electric vehicle charging stations are in FERC account 394-Tools, Shop & Garage Equipment. The depreciation rate for this account was approved by the Commission in Order No. PSC-2010-0131-FOF-EI.

- d. If the plant and reserve balances are non-zero, please explain where such plant is deployed, the technical specifications of such plant, whether such plant is for company use, the recovery mechanism for such plant, and when such plant was put into service.

RESPONSE

See Vintage and Asset Location for the charging stations below:

Duke Energy Florida				
Electric Vehicle Charging Station (in FERC account 394)				
retirement	ELEC VEHICLE CHARGING STATION			
		Data		
vintage	asset location	Book Cost	Allocated Reserve	Net Book Value
2011	LAKE WALES DISTRICT OFF - Q19	-	-	-
	LAKE WALES OPERATING CENTER - LK W	5,247	5,081	166
	NORTHPOINT III OFFICE BUILDING 3501 Co	1,750	2,158	(408)
	ST PETERSBURG DIST OFF - A81	1,781	1,781	-
	WINTER GARDEN DIST OFF - U30	5,797	5,797	-
2012	CLEARWATER DISTRICT OFF - E16	15	15	-
	HINES ENERGY COMPLEX COMMON ARO	4,557	(893)	5,450
	OCALA DIVISION OFFICE (L - I33	4,511	4,511	-
	SEVEN SPRINGS OPERATIONS CENTER	4,016	4,016	-
	ST. PETE OFFICE TOWER (NEW): FAAS C	2,015	2,409	(394)
	PEF GM GRANT - SOUTH REGION OFFICE	3,952	4,725	(773)
2014	TARPON SPRNGS LINE-ENG B - E60	16,424	8,271	8,153
2015	ST. PETERSBURG OPERATING CENTER - I	40,416	14,090	26,326
Grand Total		90,482	51,962	38,521

- e. If the plant and reserve balances are non-zero, what is the basis for DEF maintaining a depreciation rate for such plant at a rate that may be different from the depreciation rate proposed in the EVSE Charging Station Pilot Program as proposed in the 2017 Settlement?

RESPONSE

Company used electric vehicle charging stations are in FERC account 394-Tools, Shop & Garage Equipment. The assets are depreciating with the depreciation rates (for FERC account 394) from the last approved depreciation study. The Agreement establishes a depreciation rate of 20% on its EVSE due to this being a pilot program which may or may not become a permanent program.

Please refer to Paragraph 39.

72. DEF states that “[t]he parties further agree that this 2017 Second Revised and Restated Settlement Agreement is in the public interest.” Please explain with particularity why the 2017 Second Revised and Restated Settlement Agreement is in the public interest.

RESPONSE

The 2017 Second Revised and Restated Settlement Agreement, when considered as a whole, is in the public interest because it determines, in a comprehensive, balanced, and fair manner, all remaining rate issues that may adversely affect DEF’s customers. In particular, the proposed agreement provides that, effective as of May 2015, there will

never be any additional Levy Nuclear Project (“LNP”)-related costs recovered from DEF’s retail customers. It settles all remaining issues between the parties in the Nuclear Cost Recovery Clause (“NCRC”) docket pertaining to the LNP and streamlines and continues the complete and final exit of DEF from the NCRC proceeding process by the end of 2019, with DEF participating in its last NCRC hearing in 2018. Approval of the 2017 Second Revised and Restated Settlement Agreement promotes administrative efficiency and avoids the time and expense associated with litigating the settled issues in the various existing and continuing Commission dockets and is further consistent with the Commission’s long-standing practice of encouraging parties to settle contested proceedings whenever possible. This 2017 Second Revised and Restated Settlement Agreement also addresses numerous base rate, infrastructure and clean energy matters that all parties support as timely, appropriate, and reasonable. It presents a base rate plan that would establish rates through the end of the year 2021 and represents both a short-term and longer-term moderation of future rate impacts that would otherwise likely occur as a result of conventional base rate proceedings in and after 2018. It is a fair, reasonable, and comprehensive resolution of matters that is in the best interests of DEF and its customers.

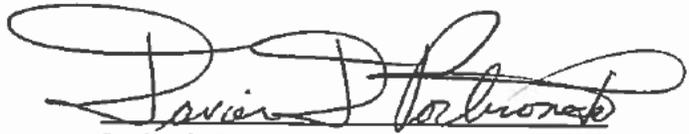
AFFIDAVIT

STATE OF FLORIDA

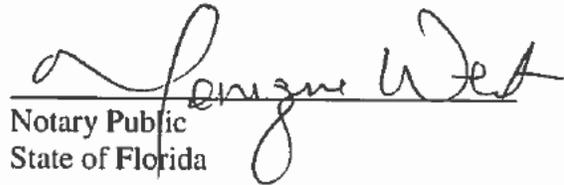
COUNTY OF PINELLAS

I hereby certify that on this 18th day of October, 2017, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared JAVIER J. PORTUONDO, who is personally known to me, and he acknowledged before me that he provided the responses to questions 68 through 72, from STAFF'S TENTH DATA REQUEST (NOS. 68-72) TO DUKE ENERGY FLORIDA, LLC in Docket No. 20170183-EI, and that the responses are true and correct based on his personal knowledge.

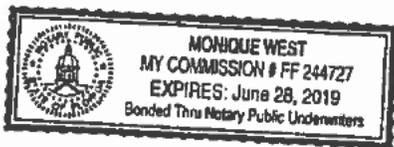
In Witness Whereof, I have hereunto set my hand and seal in the State and County aforesaid as of this 18th day of October, 2017.



Javier J. Portuondo



Notary Public
State of Florida



My Commission Expires:

June 28, 2019