

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for a limited proceeding to approve first solar base rate adjustment, by Duke Energy Florida, LLC.

DOCKET NO.: 20180149-EI

FILED: March 7, 2019

PREHEARING STATEMENT OF THE OFFICE OF PUBLIC COUNSEL

The Citizens of the State of Florida, through the Office of Public Counsel, pursuant to the Order Establishing Procedure in this docket, Order No. PSC- PSC-2018-0505-PCO-EI issued October 19, 2018, submit this Prehearing Statement.

APPEARANCES:

CHARLES J. REHWINKEL, Esquire
Deputy Public Counsel
Office of Public Counsel
c/o The Florida Legislature
111 West Madison Street, Room 812
Tallahassee, Florida 32399-1400
On behalf of the Citizens of the State of Florida.

A. **WITNESSES:**

None

B. **EXHIBITS:**

None

C. STATEMENT OF BASIC POSITION

Duke Energy Florida, LLC seeks approval of its first solar project for inclusion as a specific, discrete adjustment to base rates pursuant to the 2017 Second RRSSA approved in Order No. PSC-2017-0451-AS-EU (“2017 Second RRSSA”). Paragraph 15 of the Settlement Agreement

provides many criteria for eligibility under the streamlined, limited proceeding base rate freeze exception provided therein.

Citizens intend to conduct limited cross-examination at hearing intended to hold the Company to its burden to demonstrate compliance with the Settlement's terms. At this point, it has not been conclusively demonstrated that the burden has been met by Duke.

D. STATEMENT OF FACTUAL ISSUES AND POSITIONS

ISSUE 1: Are the projected installed costs of each of the Hamilton and Columbia projects proposed by DEF within the Installed Cost Cap of \$1,650 per kWac pursuant to subparagraph 15(a) of the 2017 Second RRSSA?

OPC: It appears these costs are less than or equal to the Installed Cost Cap of \$1,650 per kWac pursuant to subparagraph 15(a) of the 2017 Second RRSSA; however, while the estimated costs presented by Duke appear to be under the cost cap, to the extent that land and inverter costs are not adequately reflected in the actual costs, this threshold compliance may not be met.

ISSUE 2: Are the Hamilton and Columbia Solar Projects proposed by DEF cost effective pursuant to subparagraph 15(c) of the 2017 Second RRSSA?

OPC: No position at this time.

ISSUE 3: Are the Hamilton and Columbia Solar Projects proposed by DEF needed pursuant to subparagraph 15(c) of the 2017 Second RRSSA?

OPC: No position at this time.

ISSUE 4: **Are the Hamilton and Columbia Solar Projects otherwise in compliance with the Terms of Paragraph 15 of the 2017 Second RRSSA?**

OPC: No. At this point, Duke has not demonstrated that the costs included in the Hamilton and Columbia Projects meet the letter and intent of the 2017 Second RRSSA. The Commission should disallow the excessive costs related to inverter costs associated with the Hamilton Project and any imprudently incurred land acquisition-related costs for both projects.

ISSUE 5: **What is the annual revenue requirement associated with DEF’s Hamilton Project?**

OPC: No position at this time.

ISSUE 6: **What is the annual revenue requirements associated with DEF’s Columbia Project?**

OPC: No position at this time.

ISSUE 7: **What are the appropriate base rates needed to collect the estimated annual revenue requirement for the Columbia Project?**

OPC: No position at this time.

ISSUE 8: **Should the Commission modify the tariffs and associated base rates for the Hamilton Project approved in Order No. PSC-2018-0559-FOF-EI based on the Commission’s decision in Issue 5?**

OPC: To the extent the Commission finds that Duke has successfully met the criteria in Paragraph 15 of the 2017 Second RRSSA and has found affirmatively on Issues 1-4, the OPC agrees that the 2017 Second RRSSA requires the base rates to be increased through the appropriate tariffs.

ISSUE 9: **Should the Commission give staff administrative authority to approve tariffs and associated base rates reflecting the Commission’s decision on the Columbia Project in Issue 6?**

OPC: No position at this time.

ISSUE 10: **What should be the effective date of the Columbia Project tariffs?**

OPC: No position at this time.

ISSUE 11: **Should the docket be closed?**

OPC: No.

E. STIPULATED ISSUES:

None.

F. PENDING MOTIONS:

None.

G. REQUESTS FOR CONFIDENTIALITY

Citizens have no pending requests for claims for confidentiality.

H. OBJECTIONS TO WITNESS QUALIFICATIONS AS AN EXPERT

OPC has no objections to any witness’ qualifications as an expert in this proceeding.

I. REQUIREMENTS OF ORDER

There are no requirements of the Order Establishing Procedure with which the Office of Public Counsel cannot comply.

Dated this 7th day of March, 2019.

Respectfully submitted,

JR Kelly
Public Counsel

/s/Charles J. Rehwinkel
Charles J. Rehwinkel
Deputy Public Counsel
Office of Public Counsel
c/o The Florida Legislature
111 West Madison Street, Room 812
Tallahassee, FL 32399-1400
(850) 488-9330

CERTIFICATE OF SERVICE

I **HEREBY CERTIFY** that a true and correct copy of the foregoing Office of Public Counsel's Prehearing Statement to Duke Energy Florida, LLC has been furnished by electronic mail on this 7th day of March, 2019, to the following:

Dianne M. Triplett
Duke Energy Florida
299 First Avenue North
St. Petersburg FL 33701
Dianne.triplett@duke-energy.com

Matthew R. Bernier
Duke Energy Florida
106 E. College Avenue, Ste. 800
Tallahassee FL 32301
matthew.bernier@duke-energy.com

Jennifer Crawford
Johana Nieves
Lauren Davis
Office of General Counsel
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850
jcrawfor@psc.state.fl.us
ladavis@psc.state.fl.us

Jon C. Moyle, Jr./Karen A. Putnal
Florida Industrial Power Users Group
c/o Moyle Law Firm, PA
118 North Gadsden Street
Tallahassee FL 32301
jmoyle@moylelaw.com
kputnal@moylelaw.com

James W. Brew/Laura A. Wynn
PCS Phosphate - White Springs
1025 Thomas Jefferson Street, NW
Washington DC 20007
jbrew@smxblaw.com
law@smxblaw.com

/s/Charles J. Rehwinkel
Charles J. Rehwinkel
Deputy Public Counsel