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Public Service Commission

May 8, 2020

Dianne M. Triplett
299 1st Avenue North
St. Petersburg, FL 33701
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STAFF'S FIRST DATA REQUEST
via e-mail

Matthew R. Bernier
106 East College Avenue, Suite 800
Tallahassee, FL 32301
Matthew.Bernier@duke-energy.com

RE: Docket No. 20200110-EI: Duke Energy Florida, LLC's Petition for Approval of Revised Underground Residential Distribution Tariff Sheets.

Dear Ms. Triplett and Mr. Bernier,

By this letter, Commission staff respectfully requests that Duke Energy Florida (Duke) provide responses to the following data requests to the above referenced docket.

1. Referring to the spreadsheet for Overhead and Underground Distribution Including Storm Costs and Pole Attachment Revenues for the Summary of NPV Life Cycle Costs Per Mile for the Actual 5 year Period. Please provide the same excel spreadsheet, with the formulas intact, of the NPV Life Cycle calculations.
2. Please provide a discussion on any cost changes in the non-storm operational cost and in the storm operational costs (when compared to the NPV Life Cycle Cost provided in 2019 filing).

Please refer to Exhibit D, 11.03-Summary of cost changes for Residential Subdivision Designs, to answer the following questions.

3. In the first paragraph, the utility says that it will allow customers to install conduit per Duke's specifications.
 - a) What are the specification and guidelines for Duke's customers who want to install a conduit?

- b) Where can Duke's customers find these specifications? Please provide a link, if applicable.
4. In paragraph 3, the utility states "Duke Energy has recognized our current overhead cost estimating tool did not sufficiently account for the costs we were paying our overhead contract labor, specifically for setting poles and overhead transformers."
 - a) Please explain how long Duke believes that it has been underestimating its overhead contract labor cost.
 - b) How did Duke identify this calculation error and what steps were taken to ensure the correct cost estimates are represented in this petition?
 5. In paragraph 3, Duke states that "the labor rates for pole setting changed from \$164 to \$644." Please explain how this amount is embedded in Schedule Nos. 2, 6, and 9?

The following questions refer to the Schedules in Exhibit C, Duke trench and installed conduit.

6. In Schedule No. 1, Overhead vs. Underground summary sheet Low Density 21 Lot Subdivision cost per service laterals, please explain the \$254 increase from (646) in 2019 to (900) in 2020 for the NPV of Life Cycle Operational Cost including storm restoration and pole attachment revenue.
7. In Schedule No. 2- Cost per service lateral overhead material and labor low density 210 lot subdivision, please explain the reasons for the labor increase of \$1,033.61 from \$788 in 2019 to \$1,821 in 2020.
8. In Schedule No. 3- Cost per service lateral underground material and labor low density 210 lot subdivision,
 - a) Please explain the reason for the labor increase of \$426.78 from \$1,021 in 2019 to \$1,448 in 2020.
 - b) Please explain the reason for the increase in the line item "primary" from \$67.78 in 2019 to \$149.25 in 2020.
9. In Schedule 9- cost per service overhead material and labor high density 176 lot subdivision ganged meters.
 - a) Please explain the calculation of the "32.81% of labor" in footnote 5.
 - b) Please explain if the calculation of the 32.81% of labor applies to all schedules.
10. For Schedule Nos. 2, 3, 6, and 7, please explain the Fleet percentage change from 16.5% percent of labor in 2019 to "25.09% UG and 11.27% OH" in 2020.

11. In Exhibit C, Duke provided cost support for the three options: Duke Trench and Install Conduit, Customer Mainline - Duke Services, and Customer Trench, Provide and Install Conduit. Please discuss the different options in more detail, and specify which costs are not included in the second and third option that allows for customers to do part of the work.

Please file all responses electronically no later than May 22, 2020 via the Commission's website at www.floridapsc.com by selecting the Clerk's Office tab and Electronic Filing Web Form. Please email me at wtrierwe@psc.state.fl.us if you have any questions.

Sincerely,

/s/ Walt Trierweiler

Walt Trierweiler
Senior Attorney

WLT/lms

cc: Office of Commission Clerk