

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Review of 2020-2029 Storm Protection
Plan Pursuant to Rule 25-6.030, F.A.C., Duke
Energy Florida, LLC

Docket No. 20200069-EI

Dated: July 20, 2020

DUKE ENERGY FLORIDA, LLC’S, PREHEARING STATEMENT

Pursuant to the Order Establishing Procedure, Order No. PSC-2020-00073-PCO-EI, First Order Modifying the Order Establishing Procedure, Order No. PSC-2020-0122-PCO-EI, and Second Modifying the Order Establishing Procedure, Order No. PSC-2020-0209-PCO-EI (collectively, the “OEP”), Duke Energy Florida, LLC (“DEF”) hereby submits its Prehearing Statement with respect to its 2020-2029 Storm Protection Plan Pursuant to Rule 25-6.030, F.A.C.

1. **Known Witnesses** - DEF intends to offer the testimony of:

Direct

Witness	Subject Matter	Issues#
Jay W. Oliver	Presentation of the Company’s Storm Protection Plan and the process used to evaluate various programs and projects that would meet the criteria set out in the SPP statute and rule.	1B, 2B, 3B, 4B, 5B, 7B
Thomas G. Foster	Calculation of revenue requirements for the SPP	1B, 6B, & 7B

Rebuttal

Witness	Subject Matter	Issues#
Jay W. Oliver	Rebuttal of OPC’s witnesses Schultz and Norwood and Walmart’s witness Perry	1B, 2B, 3B, 4B, & 5B
Thomas G. Foster	Rebuttal of OPC’s witness Schultz and Walmart’s witness Chriss	1B, 6B, & 7B

2. **Known Exhibits** - DEF intends to offer the following exhibits:

Witness	Proffered By	Exhibit #	Description
	Direct		
Jay W. Oliver	DEF	(JWO-1)	DEF 2020 Project-Level Detail
Jay W. Oliver	DEF	(JWO-2)	DEF SPP Plan Program Summaries
Jay W. Oliver	DEF	JWO-3)	DEF SPP 3-year Investment Summary
Jay W. Oliver	DEF	(JWO-4)	DEF SPP Support
Jay W. Oliver	DEF	(JWO-5)	DEF Service Area
Thomas G. Foster	DEF	(JWO-2)	DEF SPP Plan Program Summaries -Revenue Requirements and Rate Impact
	Rebuttal		
Jay W. Oliver	DEF	(JWO-6)	Excerpts of DEF’s responses to OPC discovery requests

DEF reserves the right to identify additional exhibits for the purpose of cross-examination or rebuttal.

3. **Statement of Basic Position** -

As required by Section 366.96, Florida Statutes (the “SPP Statute”), Rule 25-6.030, F.A.C. (the “SPP Rule”), and the OEP, on April 10, 2020, DEF filed its proposed Storm Protection Plan (“SPP” or the “Plan”). DEF’s transmission and distribution SPP covers the immediate 10-year planning period (2020-2029) and explains the systematic approach DEF will follow to achieve the objectives of reducing restoration costs and outage times associated with extreme weather events and enhancing reliability, as demonstrated by the pre-filed testimonies and exhibits of DEF’s witness Mr. Jay Oliver; and converted into the 3-year projected rates and revenue requirements as required by the SPP Rule and included in the testimony and exhibit of Mr. Thomas Foster. DEF’s SPP, which includes all elements required by the SPP Rule, is in the public interest and should be approved by this Commission.

4. **Statement of Facts**

ISSUE 1 **ELEMENTS OF RULE 25-6.030, F.A.C.**

ISSUE 1A: Does TECO’s 2020-2029 Storm Protection Plan contain all of the elements required by Rule 25-6.030, Florida Administrative Code?

DEF: No position

ISSUE 1B: Does DEF’s 2020-2029 Storm Protection Plan contain all of the elements required by Rule 25-6.030, Florida Administrative Code?

DEF: Yes. (Witnesses: Oliver, Foster)

ISSUE 1C: Does Gulf’s 2020-2029 Storm Protection Plan contain all of the elements required by Rule 25-6.030, Florida Administrative Code?

DEF: No position.

ISSUE 1D: Does FPL’s 2020-2029 Storm Protection Plan contain all of the elements required by Rule 25-6.030, Florida Administrative Code?

DEF: No position.

ISSUE 2 **CONSIDERATION OF 366.96(4)(a), F.S. – PART 1**

ISSUE 2A: Is TECO’s 2020-2029 Storm Protection Plan expected to reduce restoration costs and outage times associated with extreme weather events and enhance reliability?

DEF: No position.

ISSUE 2B: To what extent is DEF’s 2020-2029 Storm Protection Plan expected to reduce restoration costs and outage times associated with extreme weather events and enhance reliability?

DEF: The SPP’s expected reduction in restoration costs and outage times associated with extreme weather events is provided in Exhibit No. __ (JWO-2), and further detailed in Rebuttal Exhibit No. __ (JWO-6). Page 4 of Rebuttal Exhibit No. __ (JWO-6) demonstrates the annual ongoing expected reduction in restoration costs and outage times associated with extreme weather events as a result of DEF’s 2020-2029 Storm Protection Plan. The expected reductions in restoration costs and outage times are reasonable and achievable, . (Witness: Oliver)

ISSUE 2C: Is Gulf’s 2020-2029 Storm Protection Plan expected to reduce restoration costs and outage times associated with extreme weather events and enhance reliability?

DEF: No position.

ISSUE 2D: Is FPL’s 2020-2029 Storm Protection Plan expected to reduce restoration costs and outage times associated with extreme weather events and enhance reliability?

DEF: No position.

ISSUE 3 **CONSIDERATION OF 366.96(4)(a), F.S. – PART 2**

ISSUE 3A: Does TECO’s 2020-2029 Storm Protection Plan prioritize areas of lower reliability performance?

DEF: No position.

ISSUE 3B: To what extent does DEF’s 2020-2029 Storm Protection Plan prioritize areas of lower reliability performance?

DEF: The prioritization methodology for each SPP Program includes the “Probability of Damage” from extreme weather events for each major asset component. Historical reliability performance of these assets is correlated with simulated future weather exposure conditions. This technique prioritizes areas of lower reliability performance. This is more fully described in Exhibit No. __ (JWO-2). (Witness: Oliver)

ISSUE 3C: Does Gulf’s 2020-2029 Storm Protection Plan prioritize areas of lower reliability performance?

DEF: No position.

ISSUE 3D: Does FPL’s 2020-2029 Storm Protection Plan prioritize areas of lower reliability performance?

DEF: No position.

ISSUE 4 **CONSIDERATION OF 366.96(4)(b), F.S.**

ISSUE 4A: Is TECO’s 2020-2029 Storm Protection Plan regarding transmission and distribution infrastructure feasible, reasonable, or practical in certain areas of TECO’s service territory, including, but not limited to, flood zones and rural areas?

DEF: No position.

ISSUE 4B: To what extent is DEF’s 2020-2029 Storm Protection Plan regarding transmission and distribution infrastructure feasible, reasonable, or practical in certain areas of DEF’s service territory, including, but not limited to, flood zones and rural areas?

DEF: The model used to produce DEF’s SPP, detailed in Exhibit No. __ (JWO-4), considered the geographic location and characteristics of each asset as part of the analysis of the feasibility and reasonableness of implementing the various SPP Programs at each given location. (Witness: Oliver)

ISSUE 4C: Is Gulf’s 2020-2029 Storm Protection Plan regarding transmission and distribution infrastructure feasible, reasonable, or practical in certain areas of Gulf’s service territory, including, but not limited to, flood zones and rural areas?

DEF: No position.

ISSUE 4D: Is FPL’s 2020-2029 Storm Protection Plan regarding transmission and distribution infrastructure feasible, reasonable, or practical in certain areas of FPL’s service territory, including, but not limited to, flood zones and rural areas?

DEF: No position.

ISSUE 5 **CONSIDERATION OF 366.96(4)(c), F.S.**

ISSUE 5A: What are the estimated costs and benefits to TECO and its customers of making the improvements proposed in the 2020-2029 Storm Protection Plan?

DEF: No position.

ISSUE 5B: What are the estimated costs and benefits to DEF and its customers of making the improvements proposed in the 2020-2029 Storm Protection Plan?

DEF: The estimated costs and benefits are discussed in detail in Exhibit No. ___ (JWO-2), broken out by each Program, and further detailed in Rebuttal Exhibit No. ___ (JWO-6). Further, the total estimated cost of the first three-years of the Plan are provided in Exhibit No. ___ (JWO-3). (Witness: Oliver)

ISSUE 5C: What are the estimated costs and benefits to Gulf and its customers of making the improvements proposed in the 2020-2029 Storm Protection Plan?

DEF: No position.

ISSUE 5D: What are the estimated costs and benefits to FPL and its customers of making the improvements proposed in the 2020-2029 Storm Protection Plan?

DEF: No position.

ISSUE 6 **CONSIDERATION OF 366.96(4)(d), F.S.**

ISSUE 6A: What is the estimated annual rate impact resulting from implementation of TECO's 2020-2029 Storm Protection Plan during the first 3 years addressed in the plan?

DEF: No position.

ISSUE 6B: What is the estimated annual rate impact resulting from implementation of DEF's 2020-2029 Storm Protection Plan during the first 3 years addressed in the plan?

DEF: The estimated annual rate impacts for the first 3 years of DEF's SPP are provided in Exhibit No. ___ (JWO-2), page 40 of 40. (Witness: Foster).

ISSUE 6C: What is the estimated annual rate impact resulting from implementation of Gulf's 2020-2029 Storm Protection Plan during the first 3 years addressed in the plan?

DEF: No position.

ISSUE 6D: What is the estimated annual rate impact resulting from implementation of FPL's 2020-2029 Storm Protection Plan during the first 3 years addressed in the plan?

DEF: No position.

ISSUE 7 PUBLIC INTEREST DETERMINATION PER 366.96(5), F.S.

ISSUE 7A: Is approval of TECO's 2020-2029 Storm Protection Plan in the public interest? If not, should it be approved with modification or denied?

DEF: No position.

ISSUE 7B: Is it in the public interest to approve, approve with modification, or deny DEF's 2020-2029 Storm Protection Plan?

DEF: Yes, the Commission should determine that DEF's SPP is in the public interest and should be approved without modification. (Witnesses: Oliver, Foster)

ISSUE 7C: Is approval of Gulf's 2020-2029 Storm Protection Plan in the public interest? If not, should it be approved with modification or denied?

DEF: No position.

ISSUE 7D: Is approval of FPL's 2020-2029 Storm Protection Plan in the public interest? If not, should it be approved with modification or denied?

DEF: No position.

ISSUE 8: SHOULD THE DOCKET BE CLOSED?

ISSUE 8A: Should Docket No. 20200067-EI be closed?

DEF: No position.

ISSUE 8B: Should Docket No. 20200069-EI be closed?

DEF: Yes.

ISSUE 8C: Should Docket No. 20200070-EI be closed?

DEF: No position.

ISSUE 8D: Should Docket No. 20200071-EI be closed?

DEF: No position.

5. **Stipulated Issues** - None at this time.

6. **Pending Motions** - DEF does not have any pending motions at this time.

7. **Requests for Confidentiality**

DEF has the following pending request for confidential classification:

- May 14, 2020-DEF's Request for Confidential Classification concerning DEF's Response to OPC's First Request to Produce (Nos. 1-14)(DN 02573-2020);
- May 18, 2020-DEF's Request for Confidential Classification concerning DEF's Response to DEF's Response to OPC'S Second Request to Produce (Nos. 15-30)(DN 02623-2020);
- May 21, 2020-DEF's Request for Confidential Classification concerning DEF's Response to DEF's Response to OPC's Third Request to Produce (Nos. 31-53)(DN 02689-2020);
- May 26, 2020-DEF's Request for Confidential Classification concerning DEF's Response to OPC's Fourth Request to Produce (Nos. 54-67)(DN02736-2020);
- May 26, 2020-DEF's Request for Confidential Classification concerning DEF's Response to OPC's Fifth Request to Produce (Nos. 68-79)(DN 02737-2020);
- May 28, 2020-DEF's Request for Confidential Classification concerning DEF's Response to OPC's Sixth Request to Produce (Nos. 80-87)(DN 02826-2020); and
- June 11, 2020-DEF's Request for Confidential Classification concerning DEF's Response to OPC's Eighth Set of Interrogatories (Nos. 235-260)(DN 03052-2020).

8. **Objections to Qualifications** - DEF has no objection to the qualifications of any expert witnesses in this proceeding at this time, subject to further discovery in this matter.

9. **Sequestration of Witnesses** - DEF has not identified any witnesses for sequestration at this time.

10. **Requirements of Order** - At this time, DEF is unaware of any requirements of the Order Establishing Procedure of which it will be unable to comply.

/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 20th day of July, 2020.

/s/ Matthew R. Bernier

Attorney

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