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# Public Service Commission

August 19, 2022

Dianne M. Triplett  
Duke Energy Florida  
299 First Avenue North  
St. Petersburg, Florida 33701  
[Dianne.triplett@duke-energy.com](mailto:Dianne.triplett@duke-energy.com)

**STAFF'S FIRST DATA REQUEST**  
*VIA EMAIL*

RE: Docket No. 20220143-EI – Petition for limited proceeding to implement return on equity trigger provision of 2021 settlement agreement, by Duke Energy Florida, LLC.

Dear Ms. Triplett:

By this letter, the Commission staff requests that Duke Energy Florida, LLC (DEF) provide responses to the following data requests:

1. Please provide DEF's Petition Exhibits B, C, and D in electronic format, with cells unlocked and formulas intact.
2. Please refer to Exhibit C, page 2 of 2, attached to Duke Energy Florida's (DEF) Petition. On line (3), column (11), DEF lists a short term debt cost rate of 73.19 percent. Please explain how the cost rate was derived and provide supporting documentation for the forecasted cost rate.
3. Please refer to Exhibit C attached to Duke Energy Florida's (DEF) Petition. Please provide a detailed calculation for the Pro Rata Adjustments shown in column 8 of Exhibit C for both 2022 and 2023.
4. Please refer to paragraph 8 on page 5 of Duke Energy Florida's petition and Exhibit C attached to the petition. Please provide the discounted monthly AFUDC rate and calculation pursuant to Rule 25-6.0141(4), Allowance for Funds Used During Construction, Florida Administrative Code, for the following rates and years.
  - a. For January through July 2022; 6.09 percent.
  - b. For August through December 2022; 6.20 percent.
  - c. For 2023 and 2024; 6.26 percent.

5. In its petition, DEF states that the inclusion of a weather normalization adjustment of \$45.9 million to base revenues, as reflected in Schedule 2, page 2 of 3 of the Company's May 2022 Earnings Surveillance Report (ESR), along with the \$10 million increase due to the ROE trigger, results in an earned return on equity of 9.46 percent, based on a 12-month average rate base. Please identify the weather normalization adjustment to operating revenue that would result in the Company earning at the adjusted ROE mid-point of 10.10 percent and provide support calculations.
6. Please provide all workpapers (in electronic format, with cells unlocked and formulas intact) that contain all of DEF's calculations used to derive the weather normalization adjustment to operating revenue in the amount of \$45.9 million appearing in Schedule 2, page 2 of 3, of the Company's May 2022 ESR. It is assumed such calculations will involve some or all of the following monthly inputs: revenues prior to normalization, cooling and heating degree days, cooling and heating degree day coefficients, customers, and megawatt hour sales.
7. Please refer to Schedule 2, page 2 of 3, of DEF's May 2022 ESR for the following requests.
  - a. Please provide, in electronic format (Excel, with cells unlocked and formulas intact), DEF's weather data and normalization calculations used to derive the monthly normal weather for both Cooling Degree Days (CDD) and Heating Degree Days (HDD) that was in turn, used to calculate the weather normalization adjustment to operating revenues in the amount of \$45.9 million.
  - b. Please provide, in electronic format (Excel, with cells unlocked and formulas intact), DEF's weather data and normalization calculations used to derive the monthly actual weather for both CDD and HDD.
  - c. Please provide, in electronic format (Excel, with cells unlocked and formulas intact) all models, model equations, summary statistics, and model assumptions used to produce the HDD coefficients and the CDD coefficients (for each rate class) which were in turn, used to derive the weather normalization adjustment in the amount of \$45.9 million.
  - d. Is it correct that the monthly CDD - Normal weather data and the monthly HDD - Normal weather data used to calculate DEF's weather normalization adjustment were based on an average twenty years of historical data? If not, please explain.
  - e. Are DEF's proposed sales and revenue adjustments implemented for the purpose of removing the impact of atypical weather from actual sales? If not, please explain.
  - f. Does DEF assume that a 20-year average of CDD and HDD is the optimal representation of normal weather for the annual period ending May 2022 for the purpose of removing the impact of atypical sales for the purposes of the Petition?

- g. Please explain in detail and offer any document support for the Company's position (e.g. whitepapers, studies, etc.).
8. Please provide any relevant documentation in the Company's possession supporting the Company's selection of weather stations and the Company's data source in its weather normalization process as applied in DEF's Petition.
9. Referring to Request 3 above, please identify all public sources of the weather data known to the Company that were used to determine normal weather and actual weather which were in turn, used to calculate the weather normalization adjustment in the amount of \$45.9 million appearing on Schedule 2, page 2 of 3, of DEF's May 2022 ESR.
10. Please provide the last prior calculations of weather normalized monthly CDDs and HDDs prepared by the Company to support rate filing(s) before the Commission, specifying the rate filing docket number and, as available, the document number containing the data and/or calculations.
11. Please identify all changes, if any, in DEF's method and/or data sources for calculating weather normals or HDD/CDD coefficients used to calculate the weather normalization adjustment in this docket compared to its method and/or data sources of calculating weather normals or HDD/CDD coefficients in other Commission filings within the past 5 years.
12. Please discuss all planned customer communications (i.e., information on Duke's website, emails, bill inserts, bill messages) to notify customers of the proposed rate increase. In your response, please include the timing of any customer notifications.
13. With the requested January 1, 2023, effective date, please explain whether Duke intends to notify its customers of the proposed rate increase with the December 2022 billing cycle. If yes, please provide a copy of the customer notification scheduled to be included with the December billing cycle. If not, please explain why not.
14. For RS-1, please provide MFR schedule A-2 that demonstrates the impact of the revised base rates as presented in Exhibit E of the Petition, as well as the impact of the multi-year base rate increase permitted in paragraph 3 of the 2021 Settlement. Please use projected 2023 clause factors, where available.
15. For the following question, please refer to Exhibit D of the Petition, as well as Exhibit CAM-3, Form 5P (Page 100 of 102) of DN 02762-2022 in Docket No. 20220010-EI. Please explain why projected Billed Sales in Column 2 of Exhibit D vary when compared to projected Sales at Meter System Total in Column 3 of Exhibit CAM-3.

Staff's First Data Request

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Please file all responses electronically no later than the close of business day on Monday, August 29, 2022, via the Commission's website at [www.floridapsc.com](http://www.floridapsc.com), by selecting the Clerk's Office tab and Electronic Filing Web Form. Please feel free to call me at (850) 413-6218 if you have any questions.

Sincerely,

/s/ Suzanne Brownless

Suzanne Brownless

Special Counsel

SBr/ds

cc: Office of Commission Clerk