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BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of:

DOCKET NO. 20220089-EI

Petition for approval of modifications  
to rate schedule tariff sheet No. 4.122  
and determination under Rule 25-6.115(12),  
F.A.C, by Duke Energy Florida, LLC.

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PROCEEDINGS: COMMISSION CONFERENCE AGENDA  
ITEM NO. 5

COMMISSIONERS  
PARTICIPATING: CHAIRMAN ANDREW GILES FAY  
COMMISSIONER ART GRAHAM  
COMMISSIONER GARY F. CLARK  
COMMISSIONER MIKE LA ROSA  
COMMISSIONER GABRIELLA PASSIDOMO

DATE: Thursday, September 8, 2022

PLACE: Betty Easley Conference Center  
Room 148  
4075 Esplanade Way  
Tallahassee, Florida

REPORTED BY: DEBRA R. KRICK  
Court Reporter and  
Notary Public in and for  
the State of Florida at Large

PREMIER REPORTING  
112 W. 5TH AVENUE  
TALLAHASSEE, FLORIDA  
(850) 894-0828

## 1 P R O C E E D I N G S

2 CHAIRMAN FAY: All right. We will let the  
3 next folks get set up.

4 All right. We will make sure everybody gets  
5 set up here, and then, Mr. Ward, whenever you are  
6 set, you are recognized to present Item No. 5.

7 MR. WARD: Good morning, Commissioners.

8 Item 5 is a petition by Duke Energy Florida  
9 for approval of modifications to Tariff Sheet No.  
10 4.122 in a determination under rule 256-6.115(12)  
11 Florida Administrative Code, of the limited waiver  
12 of certain costs as warranted. Tariff Sheet No.  
13 4.1 22 sets out the process and charges required  
14 for conversion of existing overhead electrical  
15 distribution facilities to underground.

16 Duke's proposed modifications would exclude  
17 the cost of existing facilities from the  
18 calculation of the contribution in aid of  
19 construction, or a CIAC, for customers requesting  
20 to underground overhead facilities that have not  
21 been hardened under the utility's storm protection  
22 plan.

23 As required by Rule 25-6.115(12) Florida  
24 Administrative Code, Duke has provided an analysis  
25 quantifying the benefits of waiving certain costs

1 from the CIAC calculation for customers choosing to  
2 underground non-hardened overhead distribution  
3 facilities.

4 Staff recommends approval of the tariff  
5 proposal and is available to answer questions.

6 OPC and Duke are presented to address the  
7 Commission.

8 CHAIRMAN FAY: Great. Thank you, Mr. Ward. I  
9 appreciate the presentation on Item No. 5.

10 Mr. Rehwinkel, I will come you to first to  
11 address the Commission.

12 MR. REHWINKEL: Thank you, Mr. Chairman. And  
13 good morning again. Charles Rehwinkel and Marshall  
14 Willllis are here on behalf of the Public Counsel.

15 The Public Counsel has not yet intervened in  
16 this docket, but we are interested in it. I have  
17 spoken to Duke and relayed some theoretical  
18 concerns about the interplay between this tariff  
19 and the storm protection plan docket.

20 While we see differences between this  
21 situation and the 2018 FPL tariff, that this  
22 approach seems to be modeled after, we believe that  
23 there are some benefits to this approach and the  
24 materiality of this waiver of cost recovery  
25 minimizes the practical effect of our concerns.

1           While we have prepared a notice of  
2           intervention, our conversations with DEF have  
3           allowed us to reach an understanding that I believe  
4           will allow us to monitor this situation in parallel  
5           with the SPP process and the base rate recovery  
6           stipulation that's in effect over the next three  
7           years.

8           This understanding, if agreed to by the  
9           Commission and memorialized in the order approving  
10          the tariff, will obviate the need for us to  
11          intervene and ask for a hearing on the tariff. We  
12          will be satisfied if the approval order is  
13          accompanied by a commitment by Duke to do two  
14          things:

15                 First, to record any costs attributable to the  
16          waiver of the three elements of the calculation of  
17          CIAC as incurred. In other words, they will not  
18          seek to defer or create a regulatory asset for any  
19          net debits from the three elements of the waived  
20          costs. I believe they are willing to agree to  
21          this.

22                 Secondly, we have asked them to agree to take  
23          reasonable steps to cost effectively maintain the  
24          records to provide information on the number of and  
25          dollar amounts related to these waivers so they can

1 make their best efforts in the next SPP or rate  
2 case determination to answer discovery on dollar  
3 amounts and waivers from the com -- that are served  
4 by the Commission or intervenors. They can, at  
5 their discretion, their sole discretion, include it  
6 in the SPP if they want. I believe they are  
7 willing to agree to this.

8 We have prepared verbiage of this agreement  
9 and provided it to staff, and I can read it into  
10 the record if that's okay with you.

11 If this is accepted, OPC does not object to  
12 this tariff under these circumstances. And I want  
13 to thank DEF for working quickly to allay our  
14 concerns.

15 Thank you.

16 CHAIRMAN FAY: Great. Thank you, Mr.  
17 Rehwinkel.

18 Mr. Bernier, I am going to come to you next.  
19 I just want to make sure, staff, do you have a copy  
20 of this language that Mr. Rehwinkel referenced?  
21 Okay, good. Great.

22 Okay, Mr. Bernier, if you have anything you  
23 would like to add, you are welcome to do so.

24 MR. BERNIER: Thank you, Mr. Chairman, and  
25 good morning, Commissioners. Matt Bernier for Duke

1 Energy.

2 I will confirm for the record our agreement to  
3 the items that Mr. Rehwinkel just mentioned. We  
4 don't object to the language being included in the  
5 order, but my one lawyer comment for you,  
6 Commissioner Clark, our lack of objection to this  
7 language should not be understood as an agreement  
8 or a concession that this information is relevant,  
9 or will be relevant to any future SPP proceeding.  
10 But with that understanding, we don't have any  
11 objection.

12 CHAIRMAN FAY: Okay. With that caveat and  
13 agreeance to this language presented by OPC,  
14 Commissioners, do we have any -- we have no other  
15 parties -- Commissioners, do we have any comments  
16 or questions for either of the parties or staff on  
17 this?

18 All right. With that, we have a  
19 recommendation with -- that OPC stated that  
20 included language that has been agreed upon by the  
21 utility's counsel. I will entertain a motion.

22 COMMISSIONER PASSIDOMO: Mr. Chair, I move  
23 approval of staff's recommendation with the  
24 inclusion of OPC's language.

25 CHAIRMAN FAY: Great. We have a motion for

1 the recommendation with the included language. Do  
2 we have a second?

3 COMMISSIONER GRAHAM: Second.

4 CHAIRMAN FAY: We have a motion and a second.  
5 All that approve say aye.

6 (Chorus of ayes.)

7 CHAIRMAN FAY: Any no?

8 (No response.)

9 CHAIRMAN FAY: None opposed.

10 With that, Item 5 passes unanimously.

11 Thank you, Mr. Rehwinkel and Mr. Bernier.

12 Commissioners, with that, Commissioner Graham  
13 and I will be exiting so Commissioner Clark can  
14 take over for Item No. 8, which is a panel item.

15 Commissioner Clark, you are in charge.

16 COMMISSIONER CLARK: We will take a two-minute  
17 recess.

18 (Agenda item concluded.)

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CERTIFICATE OF REPORTER

STATE OF FLORIDA )  
COUNTY OF LEON )

I, DEBRA KRICK, Court Reporter, do hereby  
certify that the foregoing proceeding was heard at the  
time and place herein stated.

IT IS FURTHER CERTIFIED that I  
stenographically reported the said proceedings; that the  
same has been transcribed under my direct supervision;  
and that this transcript constitutes a true  
transcription of my notes of said proceedings.

I FURTHER CERTIFY that I am not a relative,  
employee, attorney or counsel of any of the parties, nor  
am I a relative or employee of any of the parties'  
attorney or counsel connected with the action, nor am I  
financially interested in the action.

DATED this 19th day of September, 2022.



DEBRA R. KRICK  
NOTARY PUBLIC  
COMMISSION #HH31926  
EXPIRES AUGUST 13, 2024