

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Storm Protection Plan Cost Recovery
Clause

Docket No. 20220010-EI

Dated: October 7, 2022

**DUKE ENERGY FLORIDA, LLC'S
PREHEARING STATEMENT**

Pursuant to the Order Establishing Procedure No. PSC-2022-0044-PCO-EI and First Order Revising Order Establishing Procedure Order No. PSC-2022-0111-PCO-EI, Duke Energy Florida, LLC (“DEF”), hereby submits its Prehearing Statement for the Storm Protection Plan Cost Recovery Clause docket.

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

Witness	Direct Subject Matter	Issues#
Christopher A. Menendez	True-up costs associated with the SPPCRC activities for the period January 2021 through December 2021. Actual/Estimated true-up for the period January 2022 through December 2022, projected costs for the SPPCRC for the period January 2023 through December 2023, and DEF’s storm protection plan cost recovery factors for the period January 2023 through December 2023.	1-9
Brian M. Lloyd	Distribution-related costs associated with DEF’s Storm Protection Plan (“SPP”) proposed for recovery through the Storm Protection Plan Cost Recovery Clause (“SPPCRC”)	1-3
Robert E. Brong	Transmission-related costs associated with DEF’s Storm Protection Plan (“SPP”) proposed for recovery through the Storm Protection Plan Cost Recovery Clause (“SPPCRC”)	1-3

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

Witness	Proffered By	Exhibit #	Description
Christopher A. Menendez	DEF	Amended (CAM-1)	True-up costs associated with the SPPCRC activities for the period January 2021 through December 2021.
Christopher A. Menendez	DEF	Amended (CAM-2)	Actual/estimated true-up for the period January 2022 through December 2022.
Christopher A. Menendez	DEF	Amended (CAM-3)	Projected costs for the SPPCRC for the period January 2023 through December 2023, and DEF's storm protection plan cost recovery factors for the period January 2023 through December 2023.
Brian M. Lloyd	DEF	Amended (CAM-1)	Distribution-related costs associated with DEF's Storm Protection Plan ("SPP") proposed for recovery through the Storm Protection Plan Cost Recovery Clause ("SPPCRC") for 2021.
Brian M. Lloyd	DEF	Amended (CAM-2)	Distribution-related costs associated with DEF's Storm Protection Plan ("SPP") proposed for recovery through the Storm Protection Plan Cost Recovery Clause ("SPPCRC") for 2022.
Brian M. Lloyd	DEF	Amended (CAM-3)	Distribution-related costs associated with DEF's Storm Protection Plan ("SPP") proposed for recovery through the Storm Protection Plan Cost Recovery Clause ("SPPCRC") for 2023.
Ron A. Adams	DEF	Amended (CAM-2)	Transmission related Vegetation Management projected costs for 2022.
Ron A. Adams	DEF	Amended (CAM-3)	Transmission related Vegetation Management projected costs for 2023.

Robert E. Brong	DEF	Amended (CAM-1)	Transmission related costs associated with DEF's Storm Protection Plan ("SPP") proposed for recovery through the Storm Protection Plan Cost Recovery Clause ("SPPCRC") for 2021.
Robert E. Brong	DEF	Amended (CAM-2)	Transmission related costs associated with DEF's Storm Protection Plan ("SPP") proposed for recovery through the Storm Protection Plan Cost Recovery Clause ("SPPCRC") for 2022.
Robert E. Brong	DEF	Amended (CAM-3)	Transmission related costs associated with DEF's Storm Protection Plan ("SPP") proposed for recovery through the Storm Protection Plan Cost Recovery Clause ("SPPCRC") for 2023.

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

3. **Statement of Basic Position** - Not applicable. DEF's positions on specific issues are listed below.
4. **Statement of Facts**

GENERIC STORM PROTECTION PLAN COST RECOVERY ISSUES

ISSUE 1: What are the final Storm Protection Plan Cost Recovery Clause jurisdictional cost recovery true-up amounts for the period January 2021 through December 2021?

DEF: Over-recovery of \$2,492,172. (Menendez, Lloyd, Brong, Adams)

ISSUE 2: What are the actual/estimated Storm Protection Plan Cost Recovery Clause jurisdictional cost recovery true-up amounts for the period January 2022 through December 2022?

DEF: Over-recovery of \$5,124,373. (Menendez, Lloyd, Brong, Adams)

ISSUE 3: What are the projected Storm Protection Plan Cost Recovery Clause jurisdictional cost recovery amounts for the period January 2023 through December 2023?

DEF: \$148,089,537. (Menendez, Lloyd, Brong, Adams)

ISSUE 4: What are the Storm Protection Plan Cost Recovery Clause total jurisdictional cost recovery amounts, including true-ups, to be included in establishing Storm Protection Plan Cost Recovery factors for the period January 2023 through December 2023?

DEF: \$140,472,993. (Menendez)

ISSUE 5: What depreciation rates should be used to develop the depreciation expense included in the total Storm Protection Plan Cost Recovery Clause amounts for the period January 2023 through December 2023?

DEF: DEF should use the depreciation rates that were approved in Final Order PSC-2021-0202A-AS-EI.¹ (Menendez)

ISSUE 6: What are the appropriate jurisdictional separation factors for the projected period January 2023 through December 2023?

DEF: DEF should apply the appropriate jurisdictional separation factors that were approved in Final Order PSC-2021-0202A-AS-EI:

Distribution: 1.0000000
Transmission: 0.7204117
Labor: 0.9677918 (Menendez)

ISSUE 7: What are the appropriate Storm Protection Plan Cost Recovery Clause factors for the period January 2023 through December 2023 for each rate group?

DEF:	<u>Customer Class</u>	<u>SPPCRC Factor</u>
	Residential	0.414 cents/kWh
	General Service Non-Demand	0.401 cents/kWh
	@ Primary Voltage	0.397 cents/kWh
	@ Transmission Voltage	0.393 cents/kWh
	General Service 100% Load Factor	0.188 cents/kWh
	General Service Demand	1.05 \$/kW
	@ Primary Voltage	1.01 \$/kW
	@ Transmission Voltage	0.19 \$/kW
	Curtable	0.98 \$/kW
	@ Primary Voltage	0.97 \$/kW

@ Transmission Voltage	0.96 \$/kW
Interruptible	0.80 \$/kW
@ Primary Voltage	0.59 \$/kW
@ Transmission Voltage	0.14 \$/kW
Standby Monthly	0.094 \$/kW
@ Primary Voltage	0.093 \$/kW
@ Transmission Voltage	0.092 \$/kW
Standby Daily	0.045 \$/kW
@ Primary Voltage	0.045 \$/kW
@ Transmission Voltage	0.044 \$/kW
Lighting	0.306 cents/kWh
	(Menendez)

ISSUE 8: What should be the effective date of the new Storm Protection Plan Cost Recovery Clause factors for billing purposes?

DEF: The factors shall be effective beginning with the specified Storm Protection Plan Cost Recovery Clause cycle and thereafter for the period January 2023 through December 2023. Billing cycles may start before January 1, 2023 and the last cycle may be read after December 31, 2023, so that each customer is billed for twelve months, regardless of when the adjustment factor became effective. These charges shall continue in effect until modified by subsequent order of this Commission. (Menendez)

ISSUE 9: Should the Commission approve revised tariffs reflecting the new Storm Protection Plan Cost Recovery Clause factors determined to be appropriate in this proceeding?

DEF: Yes. The Commission should approve DEF's revised tariffs reflecting the Storm Protection Plan Cost Recovery Clause factors determined to be appropriate in this proceeding. The Commission should direct Staff to verify that the revised tariffs are consistent with the Commission's decision. The Commission should grant Staff Administrative authority to approve revised tariffs reflecting the new Storm Protection Plan Cost Recovery Clause factors determined to be appropriate in this proceeding. (Menendez)

ISSUE 10: Should this docket be closed?

DEF: Yes.

COMPANY SPECIFIC STORM PROTECTION PLAN COST RECOVERY ISSUES

Duke Energy Florida, LLC

No company specific SPPCRC issues for Duke Energy Florida, LLC have been identified at this time.

Florida Power & Light, Co.

No company specific SPPCRC issues for Florida Power and Light Company have been identified at this time.

Tampa Electric Company

No company specific SPPCRC issues for Tampa Electric Company have been identified at this time.

5. **Stipulated Issues** - None at this time.
6. **Pending Motions** - None at this time.
7. **Requests for Confidentiality-**
DEF has the following pending requests for confidential classification:
 - July 5, 2022 – DEF’s Request for Confidential Classification regarding DEF’s Response to Staff’s First Request to Produce (No. 1) (DN 04473-2022)
 - August 29, 2022 - DEF’s Request for Confidential Classification regarding its Staff’s Audit Workpapers (ACN 2021-314-1-2)(DN 05728-2022)
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.

RESPECTFULLY SUBMITTED this 7th day of October, 2022.

s/Matthew R. Bernier

DIANNE M. TRIPLETT

Deputy General Counsel
299 1st Avenue North
St. Petersburg, Florida 33701
T: (727) 820-4692
F: (727) 820-5041
E: dianne.triplett@duke-energy.com

MATTHEW R. BERNIER

Associate General Counsel
106 East College Avenue, Suite 800
Tallahassee, Florida 32301
T: (850) 521-1428
F: (727) 820-5041
E: matthew.bernier@duke-energy.com

STEPHANIE A. CUELLO

Senior Counsel
106 East College Avenue, Suite 800
Tallahassee, Florida 32301
T: (850) 521-1425
F: (727) 820-5041
E: Stephanie.Cuello@duke-energy.com
FLRegulatoryLegal@duke-energy.com

Attorneys for Duke Energy Florida, LLC

CERTIFICATE OF SERVICE

Docket No. 20220010-EI

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished via electronic mail to the following this 7th day of October, 2022.

s/ Matthew R. Bernier

Attorney

<p>Shaw Stiller Office of General Counsel FL Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850 ssstiller@psc.state.fl.us</p> <p>Kenneth Hoffman Florida Power & Light 134 West Jefferson St. Tallahassee, FL 32301-1713 ken.hoffman@fpl.com</p> <p>Christopher T. Wright Florida Power & Light 700 Universe Boulevard (JB/LAW) Juno Beach FL 33408-0420 (561) 691-7144 (561) 691-7135 christopher.wright@fpl.com</p> <p>James W. Brew / Laura W. Baker White Springs DBA PCS Phosphate Stone Mattheis Xenopoulos & Brew, P.C. 1025 Thomas Jefferson Street, N.W. Suite 800 West Washington, DC 20007-5201 jbrew@smxblaw.com lwb@smxblaw.com</p> <p>Peter J. Mattheis Michael K. Lavanga Joseph R. Briscar Stone, Mattheis, Xenopoulos, & Brew P.C. Nucor 1025 Thomas Jefferson Street, NW Eighth Floor, West Tower Washington, DC 20007 pjm@smxblaw.com mkl@smxblaw.com jrb@smxblaw.com</p>	<p>Mike Cassel, Vice President/Government & Regulatory Affairs FPUC 208 Wildlight Ave. Yulee, FL 32097 mcassel@fpuc.com</p> <p>Michelle Napier Director, Regulatory Affairs Distribution FPUC 1635 Meathe Drive West Palm Beach, FL 33411 mnapier@fpuc.com</p> <p>Stephanie U. Eaton Walmart 110 Oakwood Drive, Suite 500 Winston-Salem, NC 27103 seaton@spilmanlaw.com</p> <p>Derrick Price Williamson Barry A. Naum Walmart SPILMAN THOMAS & BATTLE, PLLC 1100 Bent Creek Boulevard, Suite 101 Mechanicsburg, PA 17050 dwilliamson@spilmanlaw.com bnaum@spilmanlaw.com</p> <p>Beth Keating Gunster, Yoakley, & Stewart, P.A. FPUC 215 South Monroe Street, Suite 601 Tallahassee, FL 32301 bkeating@gunster.com</p>	<p>Charles Rehwinkel / Richard Gentry Office of Public Counsel c/o The Florida Legislature 111 W. Madison St., Room 812 Tallahassee, FL 32399-1400 rehwinkel.charles@leg.state.fl.us gentry.richard@leg.state.fl.us morse.stephanie@leg.state.fl.us christensen.patty@leg.state.fl.us wessing.mary@leg@state.fl.us</p> <p>Paula K. Brown Tampa Electric Company Regulatory Affairs P.O. Box 11 Tampa, FL 33601-0111 regdept@tecoenergy.com</p> <p>J. Wahlen / M. Means / V. Ponder A. McMullen Tampa Electric Company P.O. Box 391 Tallahassee, FL 32302 jwahlen@ausley.com mmeans@ausley.com vponder@ausley.com</p> <p>Jon Moyle Jr./ M. Qualls FIPUG Moyle Law Firm 118 North Gadsden St. Tallahassee, FL 32301 jmoyle@moylelaw.com mqualls@moylelaw.com</p> <p>Corey Allain Nucor 22 Nucor Drive Frostproof, FL 33843 corey.allain@nucor.com</p>
--	--	--