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# Public Service Commission

March 1, 2023

Ms. Dianne M. Triplett  
Duke Energy Florida, LLC  
299 1st Avenue North  
St. Petersburg, Florida 33701  
[Dianne.Triplett@duke-energy.com](mailto:Dianne.Triplett@duke-energy.com)

## STAFF'S SECOND DATA REQUEST VIA EMAIL

**Re: Docket No. 20220202-EI - Petition for approval of new clean energy impact program, a new renewable energy certificates (REC) buying program, by Duke Energy Florida, LLC.**

Dear Ms. Triplett:

By this letter, Commission staff requests that Duke Energy Florida, LLC (DEF or Utility) provide responses to the following data request regarding the above-referenced docket.

1. For each class of customers (Residential, Commercial, and Industrial), please discuss whether they are able to purchase RECs from a third-party marketplace or other means. As part of your response, explain what difficulties or barriers, if any, customers would face in acquiring RECs in this manner.
2. What benefits, if any, would DEF's proposed Clean Energy Impact (CEI) program have for the general body of ratepayers?
  - a. What benefits, if any, would DEF's proposed CEI program have for residential and commercial participants?
3. If the CEI program is approved, would DEF change how it reports renewable generation sources to the Public Service Commission (PSC) in its Ten-Year Site Plan? If so, detail what changes would occur. Also, please identify if any other information reported by DEF in PSC filings would change with the approval of the CEI program and what those changes would be.
4. Is Duke aware of any requirements or agreements regarding the sale of RECs generated from non-Clean Energy Connection (CEC) solar facilities?
5. Please refer to paragraph 5 of the Utility's Petition. Please describe the REC certification process and third party entities involved, if any. As part of this explanation, provide the cost associated with certifying a REC on a dollars per REC (\$/REC) basis, and an explanation of how this value was determined.

- a. Does transferring and/or retiring a REC have additional costs, and if so, what is the amount of those costs on a \$/REC basis and would they fall upon the seller, buyer, retiree, or some combination thereof?
6. Explain if DEF has investigated selling RECs through a third party marketplace or other means, outside of the proposed CEI program. If so, detail the investigated options, and explain why DEF did not choose each option.
  - a. Why has Duke proposed to retire RECs from non-CEC solar facilities in its customer's name, as opposed to selling RECs on a currently-established tradeable REC market? Please explain.
7. For the following questions, assume that DEF sold its RECs in third party marketplaces or other means to any buyer instead of through the proposed CEI program to DEF customers exclusively.
  - a. Detail what harm, if any, DEF would be subject to if DEF were to sell RECs in this manner. As part of your response, please discuss how these harms, if any, would impact the general body of ratepayers.
  - b. Would DEF change how it reports renewable generation sources to the PSC in its Ten-Year Site Plan if it sold RECs in this manner? If so, detail what changes would occur. Also, please identify if any other information reported by DEF in PSC filings would change if DEF sold RECs in this manner and what those changes would be.
  - c. Provide the estimated annual number of RECs that could be sold, the estimated revenue generated from REC sales, associated administrative costs, and estimated net benefits of REC sales for the years 2023 – 2028 if DEF sold all its RECs in this manner. As a part of this response, explain if DEF would sell all RECs generated by the Utility. If not, explain why not.
8. Please refer to page 1 of the proposed CEI Tariff, the section titled "Rates."
  - a. What fees or administrative costs are associated with the certification, registration, transfer, and/or sale of RECs for the proposed CEI program? Provide the total annual cost and \$ per REC cost for the years 2023 - 2028.
  - b. Please describe in detail the administrative expenses associated with administering the proposed program. As part of this response, provide the proposed program's estimated total annual REC certification costs and administrative expenses incurred by DEF for the years 2023 - 2028. Detail the components that comprise the calculation of the total annual administrative expenses calculation, including components such as labor, software, market fees, and other categories as needed.

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- c. Provide the estimated annual program costs, revenue collected from administrative fees from program participants, and the net difference (if any) for the years 2023 - 2028.
  - d. Please identify each third party marketplace or other means DEF investigated for REC pricing information. For each, detail the investigated option and explain why DEF did or did not select them. If DEF investigated only one entity, explain why.
  - e. How Duke will handle any program revenues between rate classes? Please explain.
9. Please refer to page 2 of the proposed CEI Tariff, the section titled “Special Provisions.” Clarify what commercial customers may advertise about their participation if they choose to participate in the program.
10. For the following questions, please refer to Section 8 of proposed Tariff no. 6.421, which states that non-residential customers purchasing the stand-alone product will be required to enter into a service agreement which will be drafted by the Company.
- a. Please provide the service agreement a non-residential customer would sign if they purchase RECs as a stand-alone product.
  - b. Does Duke believe this contract should be included in the standard contracts and other agreement forms section of its tariffs? Please explain.
11. Please refer to DEF’s Response to Staff’s First Data Request, No. 2.a. Does DEF currently have rights to other unused RECs? If so please explain from what source.
12. Please refer to DEF’s Confidential Response to Staff’s First Data Request, No. 3.d. Explain when and how DEF will calculate the annual REC price. As a part of this response, provide an example of the annual REC price calculation.

Please file all responses no later than **March 13, 2023**, 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 (reference Docket No. 20220202-EI). Please contact me by phone at (850) 413-6686 or by email [OWooten@psc.fl.us](mailto:OWooten@psc.fl.us), if you have any questions.

Sincerely,

*/s/ Orlando Wooten*

Orlando Wooten

Engineering Specialist III

OW:jp

cc: Office of Commission Clerk (Docket No. 20220202)