

**BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION**

In re: Petition for limited proceeding for recovery of incremental storm restoration costs related to Hurricanes Elsa, Eta, Isaias, Ian, Nicole, and Tropical Storm Fred, by Duke Energy Florida, LLC : **DOCKET NO. 20230020-EI**
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: **Filed: March 7, 2023**

**COMMENTS OF
WALMART INC.**

Pursuant to the Order of the Florida Public Service Commission ("Commission") establishing this Docket, Walmart Inc. ("Walmart"), respectfully submits the following Comments regarding the *Petition for Limited Proceeding for Recovery of Incremental Storm Restoration Costs Related to Hurricanes Elsa, Eta, Isaias, Ian, Nicole, and Tropical Storm Fred* ("Petition") filed by Duke Energy Florida, LLC ("DEF" or "Utility") on January 23, 2023.

Walmart does not take a position as to the issues raised by the Commission Staff in its February 23, 2023, Recommendations, except for the cost-recovery aspect of Issue 3 ("Should the Commission approve the Utility's proposed interim storm restoration recovery charge tariff as shown in Attachment A to this recommendation?"). To the extent the Utility is recovering storm restoration costs from demand-metered customers through a \$/kWh energy charge, Walmart does object to that cost recovery method set forth on page 3 of its Petition to Intervene filed on March 6, 2023. Instead, the Utility should be required to recover these costs from demand-metered customers on a demand, or \$/kW, charge.

Walmart has raised this cost recovery issue in prior Dockets before this Commission.¹ Most recently, on September 2, 2022, Walmart filed the Direct Testimony of Lisa V. Perry in Docket 20220010-EI, *In re: Storm protection plan cost recovery clause* ("SPPCRC Docket"). As to rate design, DEF, Florida Power & Light Company ("FPL"), and Tampa Electric Company ("TECO") proposed to recover storm protection plan ("SPP") costs from their demand-metered customers through a demand charge.² Walmart intervened in the SPPCRC Docket to address Florida Public Utility Company's ("FPUC") proposal to allocate SPP-related transmission and distribution costs to its rate classes in a manner that would result in a per kWh charge that would be billed to customers. *See* Revised Direct Testimony of Michelle D. Napier (filed Aug. 18, 2022), p. 3, lines 5-16, and SPPCRC Form 1P, p. 1 (revised Aug. 12, 2022). Walmart expressed concerns regarding FPUC's proposal to recover demand-related costs through an energy charge, which is a problem because it could result in a shift in demand cost responsibility from lower load factor customers to higher load factor customers. *See* Direct Testimony of Lisa V. Perry, p. 14, lines 6-21. In response, FPUC "recognize[d] Walmart's concern" as set forth in the Rebuttal Testimony

¹ During the first year the SPP and SPPCRC Dockets arose, Walmart filed the Direct Testimony of Steve W. Chriss in Docket Nos. 20200067-EI, 20200069-EI, 20200070-EI, and 20200071-EI, but that testimony was withdrawn and the issues raised in Mr. Chriss' testimony were deferred to Docket No. 20200092-EI by Stipulation filed in those Dockets on July 20, 2020, Exhibit SWC-2, and granted at the July 28, 2020, Prehearing Conference in those Dockets. Thereafter, Walmart filed the Direct Testimony of Steve W. Chriss on August 28, 2020 ("Chriss Cost Recovery Testimony"). Walmart again intervened in the 2021 SPPCRC Docket, No. 20210010-EI, and filed the Direct Testimony of Lisa V. Perry on June 22, 2021. As part of settling its issues in Docket No. 20210016-EI, DEF and Walmart entered into a 2021 Settlement Agreement in which DEF agreed to bill demand-metered customers for SPP costs on a demand, or \$/kW, basis, which was approved by the Commission June 4, 2021. *See In re: Petition for limited proceeding to approve 2021 settlement agreement, including general base rate increases, by Duke Energy Florida, LLC*, Docket No. 20210016-EI, Order No. PSC-2021-0202-AS-EI (issued June 4, 2021), p. 6, Attachment A, p. 9, para. 12, and Ex. 3.

² *See* Direct Testimony of Christopher A. Menendez (filed May 2, 2022) ("Menendez May Direct"), p. 6, line 20 to p. 7, line 4 and Exh. No. ___ (CAM-3), Form 6P, p. 101 (listing the SPP Cost Recovery Factor as a \$/kW charge for General Service Demand Customers); *See Petition of Florida Power & Light Company for Approval of the 2022 Actual/Estimated Storm Protection Plan Cost Recovery Clause True-up and the 2023 Projected Storm Protection Plan Cost Recovery Clause Factors* (filed May 2, 2022) ("FPL May Petition"), Attachment A, Form 5P (listing the SPP Factor for demand-metered general service customers as a \$/kW charge); *See* Testimony and Exhibit of Mark R. Roche (revised August 9, 2022) ("Roche Revised Direct"), p. 28, lines 21-24 (listing the cost recovery factor for general service demand customers as a \$/kW charge).

of Robert C. Waruszewski, p 13, lines 6-9, and the two parties entered into a Stipulation. *See* Prehearing Order regarding Issue 7, p. 30 (filed Nov. 14, 2022). Walmart incorporates by reference the Testimony referenced in these Comments, and is happy to address questions the Commission may have on this discrete issue.

Respectfully submitted,

By /s/ Stephanie U. Eaton

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Dated: March 7, 2023

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by electronic mail to the following parties this 7th day of March, 2023.

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