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**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

**ON BEHALF OF COMMISSION STAFF**

**AMENDED DIRECT TESTIMONY OF CARL VINSON**

**DOCKET NO. 20230020-EI**

**FILED: MARCH 29, 2024**

**AMENDED: APRIL 3, 2024**

**Q. Please state your name and business address.**

A. My name is Carl Vinson. My business address is 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850.

**Q. By whom are you presently employed?**

A. I am employed by the Florida Public Service Commission (Commission) as the supervisor of the Performance Analysis Section within the Office of Auditing and Performance Analysis.

**Q. Please describe your current responsibilities.**

A. I oversee a team of five auditors who perform management or operational audits of Commission-regulated utilities. These audits focus on issues such as effectiveness of management and company practices, compliance with internal procedures, adequacy of internal controls, and regulatory compliance.

**Q. Briefly describe your educational and professional background.**

A. In 1980, I received a Bachelor of Business Administration Degree in Finance from Stetson University in DeLand, Florida. In 1984, I joined the consulting firm of Ben Johnson Associates, Inc. The firm served public service commissions and offices of public counsel around the U.S. in utility rate cases and other regulatory dockets.

In 1989, I joined the Commission staff and have served 34 years performing and

1 supervising management and operational audits of regulated electric, gas, water, and  
2 telecommunications utilities.

3 **Q. Have you presented testimony before this Commission or any other regulatory**  
4 **agency?**

5 A. Yes. In the Commission’s Nuclear Cost Recovery Clause Dockets No. 20080009-EI,  
6 20090009-EI, 20150009-EI, and 20170009-EI, I filed testimony presenting operational audit  
7 reports regarding Florida Power & Light Company (FPL) and Duke Energy Florida, LLC that  
8 evaluated project management internal controls over their nuclear plant extended uprates and  
9 the construction of proposed new nuclear units. In the Nuclear Cost Recovery Clause Dockets  
10 for the years 2010-2014 and 2016, I also directed and supervised the preparation of similar  
11 audits filed as staff testimony.

12 In 2020, I filed testimony regarding the Hurricane Michael storm cost management and  
13 payment processing practices of Duke Energy Florida-LLC, Gulf Power Company, and  
14 Florida Public Utility Company in Docket Numbers 20190110-EI, 20190038-EI, and  
15 20190156-EI, respectively.

16 In February 2024 I filed testimony in Docket No. 20240001-EI regarding my  
17 management audit of FPL Nuclear Operations.

18 **Q. Are you sponsoring any exhibits in this docket?**

19 A. No.

20 **Q. Please describe the purpose of your testimony in this docket.**

21 A. My testimony in this docket addresses Issue 2 regarding compliance by Duke Energy  
22 Florida, LLC (DEF) with the terms of its 2019 Storm Cost Settlement Agreement, approved  
23 by Order No. PSC-2019-0232-AS-EI.

24 **Q. Please describe the scope of your review and describe the methods used in your**  
25 **analysis.**

- 1 A. The scope of my review included evaluation of the following:
- 2 • DEF's compliance with the 2019 Storm Cost Settlement's process improvements
  - 3 related to Contracting and Vendor Engagement, Travel, and Work Policies.
  - 4 • DEF's efforts to control its restoration and recovery costs from Hurricanes Elsa,
  - 5 Eta, Isaias, Ian, Nicole, and Tropical Storm Fred.
  - 6 • Adequacy of the examination by PricewaterhouseCoopers (PwC) of Duke Energy
  - 7 Florida, LLC's invoice review process for the 2020-2022 Named Storms costs.

8 **Q. Please describe your process and methodology in performing this review.**

9 A. My review centered on evaluating DEF's compliance with the process improvements  
10 agreed to in the 2019 Storm Cost Settlement Agreement. I issued data requests and reviewed  
11 DEF's responses regarding its implementation of the process improvements. I also researched  
12 Duke Energy Florida, LLC's implementation of the process improvements by reviewing the  
13 work papers prepared by PwC in its evaluation of DEF's storm cost recovery processes and  
14 procedures. Finally, I evaluated DEF's efforts to control the costs of restoration and recovery  
15 by reviewing the testimony of DEF witnesses Fountain and Menendez.

16 **Q. What conclusions did you reach through your review?**

- 17 A. Based upon the information reviewed, I have made the following conclusions:
- 18 • DEF has complied with the 2019 Storm Cost Settlement Agreement's process
  - 19 improvements related to Contracting and Vendor Engagement, Travel, and Work
  - 20 Policies.
  - 21 • PwC's evaluation of DEF's invoice processing was adequate and appropriate, and
  - 22 complied with the requirements of the 2019 Storm Cost Settlement Agreement.
  - 23 • DEF has made appropriate efforts to minimize restoration and recovery costs
  - 24 through its processes for acquisition and deployment of contractors and DEF
  - 25 personnel.

1 **Q. Does this complete your testimony?**

2 **A. Yes.**

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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

DATED: April 3, 2024

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that the Amended testimony of Carl Vinson on behalf of the staff of the Florida Public Service Commission was electronically filed with the Office of Commission Clerk, Florida Public Service Commission, and copies were furnished by electronic mail to the following on this 3rd day of April, 2024.

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CERTIFICATE OF SERVICE

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*/s/ Suzanne S. Brownless*

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