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July 2, 2024

VIA ELECTRONIC MAIL

Mr. Adam J. Teitzman, Commission Clerk
Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: Docket 20240025-EI, Petition for Rate Increase by Duke Energy Florida, LLC

Dear Mr. Teitzman,

Please find enclosed for electronic filing on behalf of Duke Energy Florida, LLC (“DEF”), DEF’s Rebuttal Testimony and Exhibit TJD-2 of Timothy J. Duff.

Thank you for your assistance in connection with this matter. Please feel free to call me at (727) 820-4692 should you have any questions concerning this filing.

Respectfully submitted,

/s/Dianne M. Triplett

Dianne Triplett

DMT/mh

Attachments

CERTIFICATE OF SERVICE

Docket No. 20240025-EI

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished
by electronic mail this 2nd day of July, 2024, to the following:

/s/ Dianne M. Triplett
Dianne M. Triplett

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

**In re: Petition for rate increase by
Duke Energy Florida, LLC**

**Docket No. 20240025-EI
Submitted for filing: July 2, 2024**

REBUTTAL TESTIMONY

OF

TIMOTHY J. DUFF

On behalf of Duke Energy Florida, LLC

1 **I. INTRODUCTION AND SUMMARY**

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

3 A. My name is Timothy J. Duff. My business address is 525 South Tryon Street,
4 Charlotte, NC 28202.

5

6 **Q. By whom are you employed and in what capacity?**

7 A. I am the General Manager, Customer Solutions Regulatory Enablement for Duke
8 Energy Business Services, LLC (“DEBS”). DEBS provides various administrative
9 and other services to Duke Energy Florida, LLC (“DEF” or the “Company”) and
10 other affiliated companies of Duke Energy Corporation (“Duke Energy”).

11

12 **Q. Did you previously file direct testimony in this proceeding?**

13 A. Yes. I submitted pre-filed direct testimony in this docket on April 2, 2024.

14

15 **Q. What is the purpose of your rebuttal testimony?**

16 A. My rebuttal testimony responds to the recommendations of EVgo Service, LLC
17 Witness Lindsey R. Stegall regarding DEF’s proposed Make Ready Credit
18 (“MRC”) Program. Witness Stegall recommends adjustments to the credit amounts
19 for public Direct Current Fast Chargers (“DCFC”) and the proposed program
20 budget.

21

22 **Q. Do you have any exhibits to your rebuttal testimony?**

1 A. Yes, I am sponsoring Exhibit TJD-2, “Commercial Make-Ready Credit Program
2 Incentive Custom Calculation.” which provides additional detail supporting the
3 Company’s response to EVgo Services, LLC (“EVgo”) First Set of Interrogatories
4 to DEF, Nos. 5 and 7, also included in the exhibit. This exhibit is true and accurate.
5

6 **Q. Please summarize your rebuttal testimony.**

7 A. My rebuttal testimony clarifies certain aspect of the Company’s proposed MRC
8 offering and specifically responds to Witness Stegall’s two proposed modifications
9 related to the Company’s MRC program. No other witnesses challenged or
10 proposed modifications to the Company’s EV programs or costs.
11

12 **II. RESPONSE TO EVGO**

13 **Q. What recommendations does EVgo propose regarding the Company’s Make
14 Ready Credit Program?**

15 A. It is important to note that first and foremost, EVgo supports the Company’s non-
16 residential MRC Program. EVgo Witness Stegall recommends two minor
17 adjustments to the proposed program. Specifically, Witness Stegall recommends
18 that the Commission: (1) “increase the make ready credit maximum for public
19 DCFC greater than 60 kW to \$50,000 per stall and (2) adjust the MRC Program
20 budget to accommodate a larger credit cap while maintaining the forecasted
21 participation levels. Importantly, the second recommendation contemplates the
22 budget impacts of Witness Stegall’s first recommendation.

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Q. Does the Company agree with Witness Stegall’s recommendation to increase the maximum make ready credit for public DCFC?

A. No. The Company disagrees with the recommendation to increase the maximum DCFC make ready credits to \$50,000 per stall. The Company proposed no specific limit or maximum DCFC credit amount; therefore, this recommendation is not necessary. As demonstrated in the table showing the MRC maximum amounts for each segment on pages 17-18 of my Direct Testimony, the determination of the make ready credit for a public charger over 50 kW is a custom calculation and is *not* subject to a predefined maximum value. The detailed process used in calculating the custom credit is clearly depicted in Exhibit TJD-2 and described more fully in DEF’s response to Question 5 from EVgo’s First Set of Interrogatories. Page 20 of my Direct Testimony explains that the proposed parameters on the credit amount is that it cannot exceed the “demonstrated cost” for the DCFC installation or the expected increase in revenue to be achieved through such usage for the first four years of operations. The actual or custom calculation to determine the maximum incentive for customers with 50 kW of aggregate load will be based on required data collected from the customer in a Customer Usage Profile form. The Customer Usage Profile data includes details such as the type and quantity of EVSEs, customer segment usage, and estimated uses of each EVSE, including hours of daily and weekly usage.

1 **Q. Does DEF agree with Witness Stegall's recommendation that DEF should**
2 **modify the proposed MRC program budget to accommodate a larger credit cap**
3 **for the projected 164 DCFCs greater than 50 kW forecasted to be installed**
4 **during the 2025-2027 timeframe?**

5 A. No. DEF disagrees that modifying the \$20,000 representative value used to estimate
6 costs and revenues for DCFCs greater than 50 kW reflected in the cost of service for
7 two reasons. First, the Company maintains that the analysis used to develop the
8 \$20,000 representative value remains accurate and appropriate. DEF determined the
9 \$20,000 representative value after evaluating charger utilization data and
10 information available from jurisdictions across the Duke Energy enterprise as well
11 as data from similar utility programs. Second, the estimated costs, revenues, and
12 forecasted participation for each of the seven customer segments do not constitute
13 firm caps or limits for the proposed program. Thus, Witness Stegall's
14 recommendation would not create any more accuracy in the estimated MRC Program
15 revenues cost or forecasted participation. Witness Stegall's recommended
16 adjustments would warrant closer consideration and attention if the estimated costs
17 and participation levels shown in Direct Exhibit TJD-1 represented firm MRC credit
18 or participation caps.

19
20 **III. CONCLUSION**

21 **Q. Does this conclude your rebuttal testimony?**

22 A. Yes, it does.

Commercial Make-Ready Credit Program Incentive Custom Calculation

(Greater than 50 kW)

Illustrative Example

Commercial Customer (Applicant) Inputs

Nameplate kW of the EV Charger **A** **350**

Company Inputs

Load Diversity Factor **B** **70%**

Diversified Demand (**A x B**) **C** **245**

Load Factor* **D** **20%**

Hours

Average Hours Per Month **E** **730**

Operating Hours Per Month (**D x E**) **F** **146**

Rates (Company Inputs)

Demand Charge (Rate GSD-1) (\$/kW per month) **G** **\$7**

Base Energy Charge (Rate GSD-1) (\$/kWh per month) **H** **\$0.0306**

Usage

Calculated Monthly kWh (**C x F**) **I** **35,770**

Credits

Monthly Consumption Based Credit (**H x I**) **J** **\$1,095**

Monthly Estimated Demand Based Credit (**G x C**) **K** **\$1,715**

Total Monthly Credit (J + K) **\$2,810**

Make-Ready Credit Amount (Commercial) **\$134,859****

Notes:

*Assumes an Interstate Corridor Use Case

**Make-Ready Credit Incentive is calculated based on the total monthly credit multiplied by 48 months (4-years)

The Commercial MRC Incentive for chargers larger than 50 kW is the of the customer's calculated MRC incentive or the demonstrated cost for the customer

The proposed Make Ready Credit Program custom credit calculation process works as follows:

1. Applicant information informs both the connected kW of EV chargers as well as the use case of those chargers.
2. For lower utilization use cases, the Company assumes a load diversity factor of 50%. For higher utilization use cases, such as the interstate corridor example, a diversity factor of 70% is assumed. Along with the connected load, this value is used to determine a diversified demand.
3. Based on the diversified demand and applicable demand charges from the appropriate rate schedule, monthly demand-based custom credits are calculated.
4. An assumption for load factor for the site is determined by the use case for the installed chargers and ranges from 5% to 30%. For purposes of this illustrative example, 20% is the load factor value associated with an interstate corridor fast charging site.
5. That load factor and the diversified demand value are used to determine the monthly consumption.
6. Monthly consumption is multiplied by the applicable energy charge to determine the monthly consumption-based credit.
7. The month demand-based and consumption-based values are summed and then multiplied by 48 months to determine the custom credit calculation for the application, subject to any cap of the applicant's "demonstrated costs."

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Duke Energy
Florida, LLC.

Docket No. 20240025-EI

Dated: June 13, 2024

**DUKE ENERGY FLORIDA, LLC'S RESPONSE TO
EVGO'S FIRST SET OF INTERROGATORIES (NOS. 1-7)**

Duke Energy Florida, LLC ("DEF") responds to EVgo Services, LLC ("EVgo") First Set
of Interrogatories to DEF (Nos. 1-7) as follows:

INTERROGATORIES

5. The Company states that it will perform custom calculations to determine the maximum incentive for charging installations with more than 50 kW aggregate load. Please explain in detail how the Company will perform the customer calculations and provide an illustrative example using a 350 kW charger. Please also explain how the Company's custom calculation will address power sharing chargers.

Response:

Duke Energy utilizes a Customer Usage Profile form to calculate custom credit amounts for loads higher than 50 kW. Upon program approval, the form will be provided by DEF

on the Company website and will require details such as type and quantity of EVSEs, customer segment usage, estimated uses of each EVSE, including hours of usage per day and per week. All data points are required to perform the calculation to determine the maximum incentive for customers that have more than 50 kW aggregate load.

To that end, to consider an illustrative example using a 350 kW charger, this response makes several assumptions. Namely, a single EVSE with 350 kW nameplate power rating is deployed in an interstate corridor charging scenario and is used several hours daily. Given such assumptions the Company estimates a maximum credit of approximately \$135,000 or the demonstrated cost of the invoice with the installation of the Make-Ready Infrastructure.

This amount is an estimate and provides an illustrative example of the potential credit available for a customer with a 350 kW charger with assumptions provided by DEF.

For EVSEs that employ charging towers that support multiple charging ports, the credit is based off the maximum kW output that is supported by the charging tower.

7. Referring to Exhibit TJD-1, please explain in detail how the Company estimated a \$20,000 credit per install for the custom calculation DCFC, i.e. DCFC over 50 kW loads.

Response:

The Company evaluated charger utilization data and information available in other Duke Energy jurisdictions as well as utilities that offer similar programs. Based on this analysis, DEF estimates that a \$20,000 credit per charger for the custom calculation over 50 kW loads is an appropriate representative value for the maximum credit amount. In practice, as described in the response to EVGO ROG 1-5, actual credit calculations for such installations are dependent on the details of the specific project.