



Dianne M. Triplett  
DEPUTY GENERAL COUNSEL

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 of Lesley G. Quick.

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

Attachment

**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 2<sup>nd</sup> day of July, 2024, to the following:

*/s/ Dianne M. Triplett*  
Dianne M. Triplett

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**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

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

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

**REBUTTAL TESTIMONY**

**OF**

**LESLEY G. QUICK**

**On behalf of Duke Energy Florida, LLC**

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1 **I. INTRODUCTION AND SUMMARY**

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

3 A. My name is Lesley G. Quick. My business address is 525 South Tryon Street,  
4 Charlotte, North Carolina 28202.

5  
6 **Q. By whom are you employed and in what capacity?**

7 A. I am Vice President of Customer Advocacy, Regulatory Engagement, and Support  
8 within Customer Services for Duke Energy Corporation, including Duke Energy  
9 Florida, LLC (“DEF” or the “Company”).

10

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

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

13

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

15 A. My rebuttal testimony responds to Office of Public Counsel (“OPC”) Witness  
16 Schultz’s recommendation to adjust the Company’s uncollectible expense rate by  
17 using the four-year average of the uncollectible expense rate from 2018-2021. In  
18 addition, my rebuttal testimony addresses OPC Witness Dismukes’ affordability-  
19 related testimony.

20

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

22 A. My rebuttal testimony addresses OPC Witness Schultz’s recommended

1 adjustments to uncollectible expense. I explain that the test period uncollectible  
2 expense, as proposed and calculated by the Company, is reasonable and  
3 appropriate. The Company calculated the test period amount using recent  
4 experience with uncollectible accounts.  
5

6 **II. OPC'S PROPOSED UNCOLLECTIBLE EXPENSE ADJUSTMENT**

7 **Q. Please summarize OPC Witness Schultz's uncollectible expense-related**  
8 **recommendation.**

9 A. OPC Witness Schultz recommends that the Company calculate uncollectible  
10 expense rate using the four-year average amount from 2018-2021 to "reflect a more  
11 normal rate."<sup>1</sup> According to Witness Schultz, uncollectible expense levels from  
12 2022-2023 are anomalous and a departure from normal course due to the impacts  
13 of the COVID-19 pandemic on collections.  
14

15 **Q. Does the Company agree with OPC's proposed uncollectible expense**  
16 **adjustments?**

17 A. No. The proposed test period uncollectible expense reflects actual data and recent  
18 experience with uncollectible accounts in Florida. As explained further below, DEF  
19 disagrees with Witness Schultz and his proposal to normalize uncollectible expense  
20 using a four-year average from 2018-2021.  
21

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<sup>1</sup> Direct Testimony of Helmuth W. Schultz, III, page 59; Exhibit HWS-2, Schedule C-8.

1 **Q. Why does the Company disagree with OPC's recommended approach?**

2 A. By using a four-year average of the uncollectible expense rate, which incorporates  
3 pre-pandemic uncollectible expenses to normalize test period expenses, Witness  
4 Schultz compromises the accuracy of the Company's uncollectible expense and  
5 disregards relevant data and trends. Therefore, it is reasonable and appropriate to  
6 calculate the Company's uncollectible expense as proposed in the Petition.

7

8 **Q. Does the Company agree that the 2022 and 2023 uncollectible expense**  
9 **amounts represent anomalies that should be ignored?**

10 A. No. DEF continues to experience higher uncollectible expense amounts, as  
11 explained below, which demonstrates that this increase is not anomalous or an  
12 outlier event.

13

14 **Q. Please explain why uncollectible expense amounts trended higher in 2022 and**  
15 **2023.**

16 A. As mentioned in my Direct Testimony, in 2020, DEF, along with other Florida  
17 investor-owned electric utilities, temporarily suspended disconnections for several  
18 months. As the Company resumed normal business practices, we continued  
19 offering flexible options and assistance needed by many customers, especially for  
20 our most vulnerable customer segments. For example, when setting payment  
21 arrangements, DEF continued offering terms that included no down payments and  
22 up to six-month terms and restructured defaulted arrangements without penalty to

1 customers. These efforts helped support customers to keep the lights on during and  
2 in the immediate aftermath of an unprecedented period. Additionally, this  
3 flexibility afforded the Company more time to work with customers to connect  
4 them with financial assistance programs to help them pay their energy bill. In fact,  
5 in 2022 and 2023 these efforts assisted over 64,000 customers. As a result of this  
6 flexibility and support, the uncollectible expense amount has trended higher when  
7 compared to pre-COVID levels, as shown in years 2018-2021.

8  
9 **Q. How does the 2024 uncollectible expense compare to 2022-2023 and the MFR**  
10 **C-11 projections?**

11 A. The year-to-date uncollectible expenses for 2024 are approximately \$13.3 million.  
12 If this trend continues, the 2024 uncollectible expense would be approximately \$32  
13 million. The projected uncollectible expense during 2025 – 2027 test period of \$15,  
14 \$17, and \$18 million would constitute very conservative forecasts for all the reasons  
15 stated above.

16  
17 **Q. How has the Company continued assisting customers and proactively**  
18 **addressing uncollectible expense levels?**

19 A. The Company has made several changes to gradually move closer to pre-COVID  
20 credit policies to help mitigate the impact to uncollectible expenses. However, the  
21 effects of such changes will take time to be fully realized. For example, the  
22 Company reduced its standard payment plan offer in early 2023 to two months,

1 DEF is also reducing the option to restructure after default to one default in a 12-  
2 month span. Furthermore, DEF now evaluates customer deposit amounts annually  
3 to ensure appropriate account security is held. The Company will continue  
4 monitoring, assessing, and adjusting policies, as necessary.  
5

6 **Q. Please react to the energy affordability and energy burden estimates provided**  
7 **by OPC Witness Dismukes.**

8 A. DEF requested the underlying support for Witness Dismukes' affordability-related  
9 testimony and Exhibit DED-8, which the Company received shortly before filing  
10 this rebuttal testimony. Although DEF has not yet fully analyzed how Witness  
11 Dismukes compiled the estimated data<sup>2</sup> into Exhibit DED-8, it appears that the  
12 energy burden, as defined and described by Witness Dismukes, has decreased since  
13 2015.  
14

15 **Q. How is the Company supporting all customers including the most vulnerable**  
16 **populations?**

17 A. The Company takes customer support seriously and provides information on  
18 Company programs, several resourceful links on our website to help connect our  
19 customers to efficiency programs and assistance, agency information, as well as  
20 tips and information on renewable energy opportunities. These options can provide  
21 energy usage savings or even financial assistance which could potentially help

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<sup>2</sup> It appears that Witness Dismukes utilized average energy consumption data from across the South along with U.S. Census data in preparing his estimates.



1 address affordability concerns customers may have when paying their bills, which  
2 ultimately supports a lower uncollectible expense.

- 3 • Energy Efficiency: [https://www.duke-energy.com/energy-education/energy-](https://www.duke-energy.com/energy-education/energy-savings-and-efficiency)  
4 [savings-and-efficiency](https://www.duke-energy.com/energy-education/energy-savings-and-efficiency)
- 5 • Renewable Energy: [https://www.duke-energy.com/our-company/environment](https://www.duke-energy.com/our-company/environment/renewable-energy)  
6 [/renewable-energy](https://www.duke-energy.com/our-company/environment/renewable-energy)
- 7 • Solar Programs: [https://www.duke-energy.com/Home/Products/Clean-Energy-](https://www.duke-energy.com/Home/Products/Clean-Energy-Connection)  
8 [Connection](https://www.duke-energy.com/Home/Products/Clean-Energy-Connection) and [https://www.duke-energy.com/Home/Products/Clean-Energy-](https://www.duke-energy.com/Home/Products/Clean-Energy-Connection/IncomeQualified)  
9 [Connection/IncomeQualified](https://www.duke-energy.com/Home/Products/Clean-Energy-Connection/IncomeQualified)
- 10 • Special Assistance: <https://www.duke-energy.com/home/billing/special-assistance>
- 11 • **Share The Light** – The Company’s Share the Light Fund brings together customers  
12 and communities to help individuals and families struggling to pay their energy  
13 bills. The Company relays Share the Light opportunities through the Duke Energy  
14 website, bill inserts, and emails, as well as our residential newsletter, Spring  
15 awareness message, and Community Pop-up events.
- 16 • **Weatherization Programs** – The Company launched a weatherization marketing  
17 campaign for customers that were identified as potentially eligible participants.  
18 These customers received a direct invitation to apply and, through Interactive Voice  
19 Response (“IVR”), the potential participants receive a proactive message when they  
20 call the customer service line.
- 21 • **Neighborhood Energy Saver (“NES”) Program** – Duke Energy uses a variety of  
22 methods to reach out to customers in neighborhoods identified as eligible for the

1 NES Program, including distribution of marketing materials and door-to-door  
2 campaigns. In addition, the NES Program managers host kick-off events to explain  
3 how customers can participate in this program.

- 4 • **Centralized Agency Team and Agency Portal** – The Company stood up the  
5 Agency Team based on the needs of customers during the pandemic. To streamline  
6 and efficiently apply pledges to customers’ accounts, our Centralized Agency Team  
7 became the single point of contact for utility assistance agencies. In addition, a new  
8 digital, self-service portal was developed providing agencies a confidential and  
9 secure way to view customer account details, process agency commitments and  
10 make payments.

- 11 • **Usage Alerts** – Customers with a registered email address have the option to  
12 receive usage alerts, which offer a mid-cycle notification of energy usage translated  
13 into a dollar amount. These usage alerts allow customers to understand their  
14 account activity and consumption patterns, and include links to relevant resources,  
15 such as the Bill Assistance Guide.

16  
17 **III. CONCLUSION**

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

19 A. Yes, it does.