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Duke Energy Florida, Inc.

July 18, 2014

**VIA ELECTRONIC FILING**

Phillip Ellis  
Division of Engineering  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

*Re: 2014 TYSP Supplemental Data Request #2; Undocketed*

Dear Mr. Ellis:

Please find enclosed for filing on behalf of Duke Energy Florida, Inc. ("DEF"), its response to questions #1-7 of Staff's 2014 Ten-Year Site Plan Data Request #2, issued on June 27, 2014. Pursuant to your request, DEF's response is provided in electronic format only.

Please let me know if you have any questions. Thank you for your assistance in this matter.

Sincerely,

s/Dianne M. Triplett

Dianne M. Triplett

DMT/mw  
Enclosures

**DEF'S RESPONSE TO**  
**2014 TYSP SUPPLEMENTAL DATA REQUEST #2**  
**(Questions 1 through 7 only)**

1. Please indicate if your Company will be materially affected by the proposed rules listed below. If the Company will be affected by the proposed rules, identify any compliance strategies the Company intends to employ for each rule. If a compliance strategy has not been completed, explain the timeline for completion of the compliance strategy, including any regulatory approvals, for each rule.
  - a. Carbon Pollution Standards for Modified and Reconstructed Power Plants (published in the Federal Register on June 18, 2014).
  - b. Clean Power Plan (published in the Federal Register on June 18, 2014).

**Response:**

If the rules are finalized in their proposed form, Duke Energy Florida (DEF) likely would be materially affected, particularly with respect to the Clean Power Plan. The proposed standards for modified and reconstructed power plants would apply only to significantly modified or reconstructed units, however, so the potential impact is uncertain and dependent on whether and to what extent DEF undertakes projects that would trigger the rule's requirements. Compliance with the rule would be determined on a project-by-project basis.

The proposed Clean Power Plan is currently in a 120-day public comment period that ends on October 16, 2014. Following consideration of comments, the EPA is scheduled to issue a final rule in June 2015. States will then have from one to three years to develop proposed implementation plans. States are given broad discretion in determining the components of their compliance plans; therefore, it is not possible for DEF to develop a specific compliance plan at the current early stage of the regulatory process. In the meantime, DEF has already reduced its CO<sub>2</sub> emissions significantly since 2005, and its current generation plan will act to reduce them further.

2. Please indicate if your Company has reviewed the data EPA used to set Florida's interim and final CO<sub>2</sub> emission rate goals in the proposed Clean Power Plan (see

<http://www2.epa.gov/carbon-pollution-standards/clean-power-plan-proposed-rule-technical-documents-spreadsheets>).

- a. If your Company has not completed its review of the data, please indicate when this analysis will be completed.
- b. Also, indicate when your Company will be able to provide its review of the CO<sub>2</sub> emission rate goal in the proposed Clean Power Plan.

**Response:**

Duke Energy is currently in the process of reviewing the large amount of data that EPA used to develop the emission rate goals for Florida. In conjunction with its review of the proposed rule and the other technical support information, DEF anticipates completing its review of both the data and the goals over approximately the next two months.

3. On May 19, 2014, the EPA proposed its final Cooling Water Intake Structures rule. Please revise your responses, if needed, to questions 32-34 from Staff's TYSP Informal Data Request No. 1, with any new information associated with the release of EPA's final Cooling Water Intake Structures rule.

**Response:**

Although EPA issued the final Cooling Water Intake Structures Rule on May 19, it has not yet been published in the *Federal Register*. DEF is in the process of reviewing the final rule and then determining the potential impacts and compliance options for each of its affected facilities.

4. Please provide the projection of your Company's total system-wide CO<sub>2</sub> emission amount (lbs) and CO<sub>2</sub> emission rate (lb/MWh) for 2024.

**Response:**

The year 2024 CO<sub>2</sub> projections for DEF are 49,880,360,000 lbs at a rate of 1,084 lb/MWh.

5. Please provide information regarding the CO<sub>2</sub> emissions for each of your coal-fired generating units by completing the Table below.

Plant Name	Unit #	Location	CO <sub>2</sub> Emission Amount (lb)			CO <sub>2</sub> Emission Rate (lb/MWh)		
			2012	2020	2024	2012	2020	2024

**Response:**

Please see the below Table: Table Q5: Coal Fired CO<sub>2</sub> Emission Information

Plant Name	Unit #	Location	CO <sub>2</sub> Emission Amount (lb)			CO <sub>2</sub> Emission Rate (lb/MWh)		
			2012	2020	2024	2012	2020	2024
Crystal River	1	Citrus	2,484,037,000	-	-	2,158	-	-
	2	Citrus	2,966,678,000	-	-	1,958	-	-
	4	Citrus	10,371,632,000	7,088,780,000	7,179,740,000	2,155	2,000	2,000
	5	Citrus	7,192,718,000	8,148,260,000	7,117,240,000	2,050	2,000	2,000


6. Please provide the depreciation information for each of your coal-fired generating units by completing the Table below.

Plant Name	Unit #	Location	(As of December 31, 2013)			(As of January 1, 2014)	
			Investment	Reserve	Depreciation Expense	Net Investment Balance	Depreciation Rate

**Response:**

Data below does not include Crystal River Units 1,2,4,5 Asset Retirement Obligation. Reserve amounts only reflect the Life component of Accumulated Depreciation, as the second table includes the Cost of Removal “COR” component of Accumulated Depreciation. The Net Investment Balance represents the Original Cost “Investment” less both the Life and COR reserves.

Plant Name	Unit #	Location	(As of December 31, 2013)			(As of January 1, 2014)	
			Investment	Reserve	Depreciation Expense	Net Investment Balance	Depreciation Rate
Crystal	1&2	Citrus	381,467,527	259,624,668	12,603,690	62,972,945	See DEF 2010

River		Co.						Depreciation Study attached:  DEF Depreciation Rates.pdf
Crystal River	4&5	Citrus Co.	2,439,930,064	681,313,649	49,547,229	1,704,729,071	See attachment above	
Crystal River	Common	Citrus Co.	78,755,300	61,663,953	3,163,963	-3,328,698	See attachment above	

7. Please provide the dismantlement information for each of your coal-fired generating units by completing the Table below.

Plant Name	Unit #	Commercial In-Service Date		Retirement Date		2013		Remaining Life on January	
		Month	Year	Month	Year	Dismantlement Cost	Reserve Balance	2014	2020

**Response:**

Plant Name	Unit #	Commercial In-Service Date		Retirement Date		2013		Remaining Life on January	
		Month	Year	Month	Year	Dismantlement Cost	Reserve Balance	2014	2020
Crystal River	1&2	Oct	1966		2020	32,097,229	58,869,914	4 years	-
Crystal River	4&5	Dec	1982		2035	26,630,663	53,887,343	21 years	15 years
Crystal River	Common	Oct	1984		2035	18,239,415	20,420,045	21 years	15 years