

Dianne M. Triplett DEPUTY GENERAL COUNSEL

April 12, 2021

VIA ELECTRONIC FILING

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

Re: Duke Energy Florida, LLC's Petition for Limited Proceeding to Approve

2021 Settlement Agreement, Including General Base Rate Increases;

Docket No. 20210016-EI

Dear Mr. Teitzman:

Enclosed for filing on behalf of Duke Energy Florida, LLC ("DEF") is DEF's Response to Staff's Third Data Request.

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

Sincerely,

/s/ Dianne M. Triplett

Dianne M. Triplett

DMT/cmk Enclosure

CERTIFICATE OF SERVICE

Docket No. 20210016-EI

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished via electronic mail to the following this 12th day of April, 2021.

s/Dianne M. Triplett
Attorney

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Duke Energy Florida, LLC's (DEF) Response to Staff's Third Data Request re. DEF's Petition for Limited Proceeding to Approve 2021 Settlement Agreement, Including General Base Rate Increases

Docket No. 20210016-EI

Paragraph 3

1. Commission Order No. PSC-2020-2089-FOF-EI (Order), page 17, includes the following excerpt as pertains to the anticipated DOE award:

DEF is requesting that all funds recovered from DOE be deposited into the NDT. DEF intends to do so in 2022 and convert the funds to a rainy-day fund to provide further protection from construction risks. The 2017 Settlement does not address the regulatory treatment of non-capital spent fuel management costs. These spent fuel management expenses are free to be deposited in the NDT as proposed by DEF

a. Paragraph 3 of the Settlement specifies that the DOE award will be used to manage earnings. What is the impact of that provision on the deposits in the NDT as originally proposed by DEF and allowed per the Order?

Response:

There is no impact. The NDF has two subaccounts. The first subaccount is the ISFSI-Only Interim (IOI) subaccount that pays the monthly invoices associated with the fixed-price of the Decommissioning Services Agreement to ADP. The second subaccount is the Reserve Subaccount that pays the DEF costs through 2038. The current NDF balance exceeds the Nuclear Regulatory Commission (NRC) financial assurance requirements for decommissioning without any deposits into the fund from any Department of Energy (DOE) award. The Order acknowledged DEF had full discretion to deposit the DOE award funds into the NDT but did not require it. The Parties have negotiated a resolution that will utilize these funds to provide current benefits to existing customers.

b. What is the lowest annual balance now projected for the NDT reserve subaccount through 2038 if the amount identified in response to Question No. 1.a. above is redirected as proposed, and in what year does that lowest balance occur?

Response:

The current Duke Energy Florida (DEF) estimate of owner's costs and the Reserve Subaccount annual balances do not include any deposits into the fund from any DOE litigation. Rather than being "redirected," the DOE award funds are being utilized in the first instance to benefit current customers as agreed by the Parties. The lowest annual balance of the Reserve Subaccount occurred on December 31, 2020. The balance at that time was \$158,865,279.

The current DEF estimate of owner's costs and Reserve Subaccount annual balances use a 3.8% rate of return and a 2.1% rate of cost escalation.

The current DEF estimate through 2038 demonstrate that the annual balance in the Reserve Subaccount is expected to increase each year through 2038.

c. What is the expected impact on the growth of the NDT reserve subaccount (in real dollars) through 2038 that would result from redirecting the anticipated DOE award to earnings?

Response:

Paragraph 3 of the settlement assumes an estimated retail portion of the DOE award of \$173M with \$71M associated with construction of the Dry Cask Storage facility (for crediting to income). If the remaining \$102M were added to the Reserve Subaccount in December 2023 instead of being directed to the benefit of the current customers as agreed by the Parties:

\$102M at 3.8% escalated for 15 years = approximately \$178M in nominal dollars. Discounting this amount back to current dollars using the 2.1% cost escalation rate as a proxy for the rate of inflation results in approximately \$131 million in real dollars.

Paragraph 17

1. What information resources does DEF plan to make available to its customers regarding DEF's proposed Electric Vehicle (EV) charging program(s)?

Response:

DEF will make comprehensive information about the programs available on the DEF website as well as conduct outbound marketing campaigns to ensure residential and non-residential customers are aware of the programs. Information posted on the website will include program terms and conditions, eligibility requirements, incentive levels (if applicable), and application forms.

2. Please refer to DEF's response to Staff's First Data Request, No. 8.g., which indicates customers must install EVSE and provide proof of installation to receive the rebate in the C&I rebate program. Please elaborate on the process by which customers would be guided by DEF to contract for EVSE, and what vendor information (names, contact information, specifications, rates, etc.) would be provided by DEF, if any.

Response:

At this time, DEF is not proposing to provide any vendor referrals for EVSE purchase or installation services. It will be the customer's responsibility to source EVSE hardware and installation services.

- 3. Please refer to DEF's Electric Vehicle Charging Station Pilot Program 3rd Annual Report (Document No. 13637-2020, filed in Docket No. 20170183-EI) for the following questions.
 - a. On Page 7 of the report, in the DEF Contractor section, DEF states that it selected NovaCharge to provide equipment, installation services, communications networking, and customer service support for the full term of the EV pilot period based on a competitive bid process. Now that the pilot period is nearing its conclusion, does DEF anticipate it will continue to contract NovaCharge to provide any of these services on behalf of DEF customers for the proposed C&I Rebate and/or Direct Current Fast Charging (DCFC) EV programs?

Response:

DEF has not contracted with any vendors for any services related to the proposed EV programs. DEF is in the process of evaluating different options from vendors to support EV charging deployments and will conduct competitive bid events following FPSC approval of the proposed programs. Going forward, DEF expects to bid out each component (hardware, network operations, installation, ongoing maintenance and support) separately to take advantage of economies of scale across the DE enterprise.

Aside from rebate processing, DEF does not anticipate contracting vendors for the C&I Rebate Program. DEF will most likely leverage existing rebate processing platforms used elsewhere by the enterprise (such as EE programs) to implement the proposed C&I rebate program as efficiently as possible.

b. If the response to 3.a. is affirmative, please specify how NovaCharge would administer the customer support demands pertaining to installed EVSE.

Response:

N/A

c. If the response to 3.a. is negative, please identify what entity(ies), as well as DEF's rationale for their selection, will be providing DEF with the following services/assets pertaining to the proposed EV charging programs: equipment, installation services, communications networking, and customer service support. Further, please also specify how the selected entity(ies) would administer the customer support demands pertaining to installed EVSE.

Response:

Please see DEF's Response to question 3. a.

d. On page 7 of the report, in the Network Communication section, DEF states that all EVSE deployed in the pilot program is connected to Greenlots communications network (via cellular nodes within each EVSE) which "allows data collection and remote management of units (i.e., price configuration, charging load management, and ability to "push" unit software upgrades)." Does DEF anticipate that it will continue to utilize Greenlots communications network for DEF's new EV program(s)? Further, please identify any other sources of EV charging data that will be available to DEF.

Response:

Please see DEF's Response to question 3. a. With respect to "other sources of EV charging data," DEF is planning to leverage a different data gathering platform for the Residential Off-Peak Credit than its existing installed base of DEF-operated EVSE, which will likely be either an AMI disaggregation solution or a vehicle telematics-based solution. Lastly, data from EVSE installed under the C&I rebate program will be collected directly from DEF's AMI data.

4. Please explain how DEF's proposed DCFC EV program is distinct from the EV fast charging options proposed under the proposed C&I Rebate Program in terms of geographic locations, target customers, and EV charging market.

Response:

The DCFC Program will target highway corridor locations needed to facilitate statewide EV travel along key highway corridors and evacuation routes. The DCFC segment under the C&I Rebate Program is open to all customers installing DCFC hardware, regardless of their location or charger use case. Furthermore, the DCFC Program will install next-generation, high-powered DC Fast Charging equipment to ensure the stations support new EVs coming on the market which are capable of charging at higher power capacities than previous generations. The C&I Rebate Program is open to all DCFC infrastructure above 20kW of charging capacity, making it much more flexible for customers to size infrastructure to their desired use case.

5. Please identify the technical specifications for what qualifies as a "fast charging" station (charging capacity, port size, etc.) for the proposed DCFC EV Program.

Response:

DEF is proposing a standard installation for the Fast Charge program of a minimum of two chargers per location, each capable of dispensing 150kW of power capacity via SAE J1772 CCS1 cables when there are two cars charging simultaneously at the site.

AFFIDAVIT

STATE OF FLORIDA

COUNTY OF CITRUS

In Witness Whereof, I have hereunto set my hand and seal in the State and County aforesaid as of this 7th day of 100, 2021.

Notary Public State of Florida Linda Fay Dye My Commission GG 285662 Expires 04/14/2023 Terry Hobbs

Notary Public State of Florida

My Commission Expires:

04/14/33

AFFIDAVIT

STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

In Witness Whereof, I have hereunto set my hand and seal in the State and County aforesaid as of this _____ day of ______, 2021.

Mary Kelly II Notary Public Mecklenburg County, NC My Commission Expires August 19, 2025 Lang Reynolds

April 8, 2021

Notary Public

State of North Carolina

My Commission Expires:

August 19,2025