

1 P R O C E E D I N G S

2 CHAIRMAN CLARK: Item No. 12, Mr. Futrell.

3 MR. FUTRELL: Item 12 is staff's
4 recommendation on Duke Energy Florida's petition
5 for approval of its -- of revisions to its
6 underground residential distribution tariffs.

7 These tariffs apply to new residential
8 subdivisions and represent the additional costs, if
9 any, Duke incurs to provide underground
10 distribution service in place of overhead service.

11 Duke's proposed underground cost differentials
12 remain zero dollars per lot for the load density
13 and gained meter subdivisions. For the high
14 density subdivision, the proposed differential
15 decrease from the current \$34 to zero dollars per
16 lot.

17 The decrease in the differentials is primarily
18 attributable to changes in Duke's labor, material
19 and operational costs.

20 In addition, Duke is proposing two additional
21 undergrounding cost options in its tariffs, these
22 changes would allow developers the option to
23 purchase and install primary and secondary conduit
24 in the subdivision.

25 Mr. David, with the Office of Public Counsel,

1 would like to address the Commission, and
2 representatives of the utility are available to
3 reply to his comments in and your questions.

4 CHAIRMAN CLARK: All right. Mr. David, you
5 are recognized.

6 MR. DAVID: Yes, sir. This is Tad David for
7 the Office of Public Counsel, appearing on behalf
8 of J.R. Kelly and the citizens of the State of
9 Florida.

10 I would request the comments I am making made
11 part of the record of both Docket 20200110, which
12 is the Duke docket, and -- and also Docket
13 20200113, which is Item 13, the Gulf docket. And I
14 was just -- I was just going to make the comment
15 one time, and then request that they be inserted
16 into the records of each of those dockets so that I
17 didn't -- I was not redundant in any commentary
18 unnecessarily.

19 I am not here also to oppose Duke's or Gulf's
20 request, or staff's recommendation necessarily in
21 these dockets. However, OPC wants to ensure that
22 Duke's and Gulf's customers do not pay for
23 undergrounding which these utilities were otherwise
24 compensated.

25 I would like assurances that the rates charged

1 for Duke's or Gulf's proposed revisions to their
2 residential -- residential tariffs not only --
3 excuse me, are not also included in any request for
4 recovery under the Storm Protection Plan Cost
5 Recovery Clause.

6 Further, since the rule expressly requires the
7 cost estimate to reflect the requirements of
8 25-6.0342 the Florida Administrative Code for the
9 storm hardening, that that rule has been repealed
10 in light of the adoption of the storm protection
11 plan rules. I would request the Commission
12 consider all costs these companies might recover
13 through the SPP mechanism under Section 366.96
14 Florida Statutes, and Rules 25-6.030 and 25-6.031
15 of the Florida Administrative Code, and request
16 this recovery be reflected in any charge under any
17 of the proposed tariffs in these dockets.

18 At a minimum, OPC requests that the
19 Commission, in approving any change under the URD
20 tariff in these dockets -- proposed in either
21 docket, expressly include a requirement that the
22 company verify in writing that any project paid
23 through the URD tariff would not also be included
24 in any program in the can company's SPPs or
25 requests recovery under the SPP CR3. We would

1 request that that requirement be explicitly
2 included in the order in each of these dockets.

3 This can be done by requiring a report within
4 30 days of the Commission's approval of any
5 recovery requested through the SPP CR3, with such
6 report clearly demonstrating that no project paid
7 through the URD tariff is or will be included in
8 any of the program in the company's SPPs or request
9 for recovery under its SPP.

10 This will simply ensure that the spirit of
11 Rule 25-6.078, and Section 366.96(8) of Florida
12 Statutes will be upheld and will provide protection
13 to Duke's and Gulf's customers, and assure that
14 there will not be a double recovery either under
15 either the SPP CR3 or the URD tariffs proposed
16 herein.

17 Thank you for the time this morning -- or this
18 afternoon now, and I am here for any questions that
19 the Commissioners may have.

20 CHAIRMAN CLARK: Thank you.

21 MR. FUTRELL: Mr. Chairman, if I may, I am
22 sorry --

23 CHAIRMAN CLARK: Mr. Futrell.

24 MR. FUTRELL: -- but we were not -- the staff
25 was not aware that Mr. David's comments went to

1 both Items 12 and 13. So perhaps if you -- if you
2 wish to -- to take these up simultaneously, since
3 his comments went to both dockets, that way that
4 will give both companies an opportunity to respond,
5 and for the Commission to entertain both at the
6 same time.

7 CHAIRMAN CLARK: Yeah, I have no objection.
8 Any of Commissioner object?

9 We have no objections from the Commissioners.
10 Ms. Helton, is that good with you?

11 MS. HELTON: Mr. Futrell checked with me
12 first, and I am all good.

13 CHAIRMAN CLARK: All right. We are going to
14 take both of these items up simultaneously to keep
15 Mr. David from having to repeat his comments again.

16 MR. DAVID: Thank you.

17 CHAIRMAN CLARK: All right. First of all, Mr.
18 Bernier, any response?

19 MR. BERNIER: Just very briefly, Mr. Chairman.

20 I -- I will verify right now on the record
21 that Duke Energy will not be double recovering any
22 costs through SPP and through the URD. That's our
23 intention, and we take appropriate steps to make
24 sure that that does not occur.

25 CHAIRMAN CLARK: Thank you very much.

1 Mr. Badders, can you swear and affirm the
2 same?

3 MR. RUBIN: Thank you, Mr. Chairman, this is
4 Ken Rubin. I am appearing on behalf of Gulf.

5 Certainly, we will not be double recovering,
6 or seek to make any kind of double recovery. This
7 is the first we have heard of Public Counsel's
8 additional requests, which were not part of the
9 staff recommendation, were not part of the docket,
10 and so I was a little bit taken aback by the
11 comments, but we fully support the staff
12 recommendation and would oppose any additional
13 conditions that Public Counsel had suggested.

14 Thank you, sir.

15 CHAIRMAN CLARK: Thank you Mr. Rubin.

16 All right. Commissioners, any questions?

17 Commissioner Graham?

18 COMMISSIONER GRAHAM: Yes, Mr. Chairman.

19 I move staff recommendation on Items 12 and
20 13.

21 CHAIRMAN CLARK: Can I have a second?

22 COMMISSIONER BROWN: Second.

23 CHAIRMAN CLARK: I have a motion and a second
24 to approve Items 12 and 13, staff recommendation.

25 Any discussion on any of the items?

1 Commissioner Fay, I am sorry, your green light
2 came on. You are good? Okay. It was on for half
3 a second.

4 All right. Any -- any other Commissioner, any
5 comments?

6 All right. On the motion, all in favor, say
7 aye.

8 (Chorus of ayes.)

9 CHAIRMAN CLARK: Opposed?

10 (No response.)

11 CHAIRMAN CLARK: The motion is approved.

12 All right. That concludes all of our items
13 for this particular Agenda Conference. So we are
14 going to take a 50-minute break. We are going
15 to -- excuse me, we are going to take a one-hour
16 break. We are going to come back at exactly 1:40,
17 and begin with our hearing.

18 Just a special note, we do need those of you
19 that will be joining us for the Duke hearing to
20 please plan to log in at 10 after 1:00, at 10
21 minutes after 1:00, we need you to log in so that
22 we can test all the system. It's going to take
23 about 20 minutes to go through and test everyone
24 and make sure they are ready. So please log in at
25 1:10 p.m. for the hearing this afternoon.

1 Okay. We will return and begin at exactly
2 1:40 p.m. Enjoy your lunch.

3 Thank you.

4 (Agenda item concluded.)

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CERTIFICATE OF REPORTER

STATE OF FLORIDA)
COUNTY OF LEON)

I, DEBRA KRICK, Court Reporter, do hereby certify that the foregoing proceeding was heard at the time and place herein stated.

IT IS FURTHER CERTIFIED that I stenographically reported the said proceedings; that the same has been transcribed under my direct supervision; and that this transcript constitutes a true transcription of my notes of said proceedings.

I FURTHER CERTIFY that I am not a relative, employee, attorney or counsel of any of the parties, nor am I a relative or employee of any of the parties' attorney or counsel connected with the action, nor am I financially interested in the action.

DATED this 17th day of July, 2020.



DEBRA R. KRICK
NOTARY PUBLIC
COMMISSION #GG015952
EXPIRES JULY 27, 2020