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November 20, 2009

-VIA HAND DELIVERY -

Ms. Ann Cole
 Commission Clerk
 Florida Public Service Commission
 2540 Shumard Oak Blvd.
 Tallahassee, FL 32399-0850

080244-EI
 080522-EI

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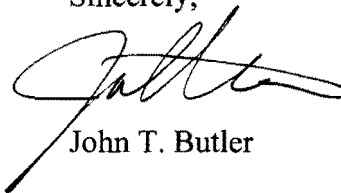
Re: Docket No. 09 _____ -EI

Dear Ms. Cole:

I am enclosing for filing in the above docket the original and fifteen (15) copies of the Petition of Florida Power & Light Company for Approval of Revised Tariff Sheets to Implement Settlement in Docket Nos. 080244-EI, 070231-EI and 080522-EI, together with a diskette containing the electronic version of same. The enclosed diskette is HD density, the operating system is Windows XP, and the word processing software in which the document appears is Word 2003.

If there are any questions regarding this transmittal, please contact me at 561-304-5639.

Sincerely,



John T. Butler

COM _____
 APA _____ Enclosures
 ECR 2 cc: Counsel for Parties of Record (w/encl.)
 GCL 2
 RAD 2
 SSC _____
 ADM _____
 OPC _____
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DOCUMENT NUMBER DATE

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition of Florida Power & Light)
Company to File Revised Tariff Sheets to)
Implement Settlement in Docket 080244-EI,)
Docket 070231-EI and Docket 080522-EI)
Involving Florida Power & Light)
Company's GAF Tariff and Related)
Provisions)
_____)

Docket No. 09 0244
0522 -EI

Filed: November 20, 2009

**PETITION OF FLORIDA POWER & LIGHT COMPANY FOR APPROVAL
OF REVISED TARIFF SHEETS TO IMPLEMENT SETTLEMENT
IN DOCKET NOS. 080244-EI, 070231-EI AND 080522-EI**

Florida Power & Light Company ("FPL"), pursuant to Chapter 120, Florida Statutes, and Rule 28-106.201, Florida Administrative Code ("F.A.C.") hereby petitions for approval of tariff revisions to which FPL and the parties to Docket Nos. 070231-EI, 080244-EI and 080522-EI agreed in connection with the Stipulation and Settlement Agreement dated June 4, 2009 that is attached hereto as Exhibit A (the "Settlement Agreement"). The tariff revisions that are the subject of this Petition relate to FPL's request for approval to make FPL's Governmental Adjustment Factor Waiver provisions ("the GAF Tariff")¹ a permanent tariff, and for approval of related revised tariff sheets also required to fully implement the Settlement Agreement. The revised tariff sheets for which FPL seeks approval are as follows: (1) Eighth Revised Sheet 9.725 (making the GAF permanent and allowing local government applicants to take advantage of federal and/or state funding in conjunction with qualifying conversion projects); (2) Thirty-Second Revised Sheet 6.100 (incorporating the appropriate adjustments for the overhead

¹ The provisions of the GAF Tariff are found in two portions of FPL's Electric Tariff: the General Rules and Regulations for Electric Service, Section 12 – Installation of Underground Electric Distribution Facilities for the Conversion of Overhead Electric Distribution Facilities (tariff sheet nos. 6.300 – 6.330); and in FPL's standard form entitled "Underground Facilities Conversion Agreement – Governmental Adjustment Factor Waiver" (tariff sheet nos. 9.725 – 9.727).

DOCUMENT NUMBER-DATE

vs. underground operational cost differential for URD installations); and (3) Fourth Revised Sheet No. 6.300 (incorporating appropriate adjustments for the overhead vs. underground operational cost differential for underground conversions and also identifying the reduced Direct Engineering, Supervision and Support (DESS) costs associated with applicant-performed work). FPL also respectfully requests this Commission to confirm that this petition satisfies the Commission's requirement in Order No. PSC-09-0755-TRF-EI, Docket No. 090422-EI, dated November 17, 2009, for an updated quantification of storm restoration benefits and a petition to continue, modify or discontinue the GAF Tariff. In support of this Petition, FPL states as follows:

1. FPL is a public utility subject to the jurisdiction of this Commission under Chapter 366, Florida Statutes. FPL's General Offices are located at 9250 West Flagler Street, Miami, FL, 33174.

2. Any pleading, motion, notice, order or other document required to be served upon the petitioner or filed by any party to this proceeding should be served upon the following individuals:

John T. Butler
Managing Attorney
Kenneth M. Rubin
Senior Attorney
Florida Power & Light Company
700 Universe Boulevard
Juno Beach, FL 33408-0420
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Kenneth A. Hoffman
Vice President, Regulatory Relations
Florida Power & Light Company
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Tallahassee, FL 32301
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(850) 521-3939 (Facsimile)
Ken.hoffman@fpl.com

3. On February 20, 2006, FPL filed a petition seeking the Commission's approval of revisions to its tariffs governing the Contribution-In-Aid of Construction

(CIAC) for conversions from overhead to underground distribution service. These revisions were intended to implement FPL's proposed GAF Tariff, by which FPL proposed to give local governments that sponsored eligible underground (UG) conversion projects a 25 percent waiver (reduction) in otherwise applicable CIAC. In turn, FPL sought approval to record as Plant in Service amounts equivalent to the credits against CIAC that FPL would provide as GAF Tariff waivers. FPL's petition was assigned Docket No. 060150-EI.

4. On September 21, 2006, FPL filed an amended proposed GAF Tariff and provided the Commission with an estimated range of storm restoration benefits from UG conversion of the large, contiguous areas to which the GAF Tariff applied. This estimated range of storm restoration benefits served as FPL's cost justification for the 25 percent GAF waiver.

5. On May 22, 2007, the Commission approved FPL's proposed GAF tariff revisions, with minor modifications. The GAF Tariff was approved as a pilot program that would be subject to Commission review in October 2008. *See* Order No. PSC-07-0442-TRF-EI, Docket No. 060150-EI.

6. On June 23, 2008, the Commission approved an extension of the GAF Tariff for an additional year, through October 30, 2009. *See* Order No. PSC-08-0414-TRF-EI, Docket No. 080223-EI.

7. In Order No. PSC-09-0755-TRF-EI, the Commission approved a further extension of the GAF Tariff for an additional year, through October 30, 2010.

8. Pursuant to Section 5 of the Settlement Agreement, FPL agreed to petition the Commission for approval of FPL's GAF Tariff as a permanent tariff, subject to the

Commission's continuing authority to conduct formal investigations and proceedings on those tariffs on its own motion.²

9. The Commission's original stated purpose for making the GAF Tariff a pilot program was to provide an opportunity and mechanism for review of the GAF Tariff after the Commission had completed its review of FPL's infrastructure storm hardening plan that was to be filed in May 2007 and had received the PURC study evaluating the costs and benefits of underground distribution facilities that was due in March 2008. *See* Order No. PSC-07-0442-TRF-EI, at page 14. The Commission completed its review and approved FPL's infrastructure storm hardening plan on December 28, 2007. *See* Order No. PSC-07-1023-FOF-EI, Docket No. 070301-EI. The last phase of the PURC study was submitted to the Commission in May 2008. The Commission has now had an ample opportunity to evaluate the GAF Tariff in light of the infrastructure storm hardening plan and the PURC study. Moreover, there have been no negative experiences with the GAF Tariff in the more than two years that have passed since the Commission first approved it as a pilot program.

10. FPL originally proposed the 25% GAF Waiver because many communities, customers, and local and state government officials had expressed interest in pursuing conversions from overhead to UG facilities. It was and remains in the public interest to promote local government-sponsored UG conversion projects.

² Prior to FPL seeking Commission approval through the filing of this Petition, the governing bodies of the intervenor municipalities were required to acknowledge their consent and approval of the settlement as a prerequisite of the final effectiveness of the Settlement Agreement. The individual MUUC Parties (the Town of Jupiter Inlet Colony, the Town of Palm Beach, and the City of Coconut Creek) filed resolutions approving the Settlement Agreement and providing contingent withdrawals of their protests, petitions and complaints in the 3 dockets identified on the Settlement Agreement on August 19, 2009, August 19, 2009 and August 26, 2009 respectively. On October 22, 2009, the sole remaining municipal party (the City of South Daytona) withdrew as an intervenor in these proceedings. As a result this Petition is now ripe for filing.

11. Approving the GAF Tariff on a permanent basis will help promote that public interest by reducing uncertainty over the availability and terms of the GAF Tariff. Underground conversion projects require substantial lead time for local governments to develop community consensus on undertaking the considerable financial obligations associated with the projects and then putting the financing in place to fund those obligations. Approval of the GAF Tariff as a permanent tariff would provide local governments with additional confidence in undertaking this lengthy process.

12. Consistent with Order No. PSC-09-0755-TRF-EI, FPL's Seventh Revised Tariff Sheet No. 9.725 presently provides that the Underground Facilities Conversion Agreement – Governmental Adjustment Factor Waiver is available for customers who sign it before October 30, 2010. In conjunction with approval of the GAF Tariff on a permanent basis, that availability limitation should be removed. Accordingly, FPL respectfully requests that the Commission approve FPL's Eighth Revised Tariff Sheet No. 9.725, which is attached hereto as Exhibit B in legislative and clean formats.

13. As can be seen in the legislative format, Eighth Revised Tariff Sheet No. 9.725 differs from its predecessor in two respects. First, the phrase "which is available to customers that sign the Agreement on or before October 30, 2010" has been deleted. Second, the existing tariff includes the following language at Paragraph 1(e): "There are no state or federal funds available to the Local Government Applicant to cover any portion of the cost of the Conversion." As contemplated by Section 7 of the Settlement Agreement and in order to accommodate efforts by Local Government Applicants to obtain other sources of federal or state funding to assist with underground conversions, that language has been replaced with the following in Eighth Revised Tariff Sheet No.

9.725: “The Local Government Applicant must demonstrate to the reasonable satisfaction of FPL that the sum of the GAF waiver credit plus any federal or state funds that the Local Government Applicant is able to use to support the Conversion does not exceed the otherwise applicable CIAC as calculated before application of the GAF waiver.”

14. Order No. PSC-09-0755-TRF-EI, at page 4, directs FPL, at least 60 days prior to the current October 30, 2010 expiration date for the GAF Tariff, to “file a report with this Commission providing an updated quantification of storm restoration benefits based on any new storm-restoration data. Based on the analysis, FPL shall also petition us at that time to continue, modify, or discontinue the tariff.” Attached hereto as Exhibit C is a report stating that, due to the relatively quiet storm seasons of 2006, 2007, 2008 and 2009, FPL has no additional storm restoration data at this time upon which to update the quantification of benefits from the GAF Tariff. FPL therefore respectfully requests the Commission to confirm that this petition satisfies the aforementioned requirements, including both the requirements of previous orders and the requirements of Order No. PSC-09-0755-TRF-EI.

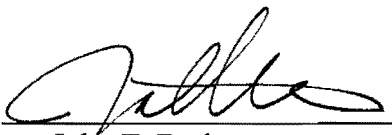
15. Sections 6 and 8 of the Settlement Agreement identify additional tariff revisions to be filed by FPL for Commission approval. In accordance with the terms and conditions of Sections 6 and 8 of the Settlement Agreement and contingent upon Commission approval of the GAF Tariff on a permanent basis, FPL respectfully requests Commission approval of FPL’s Thirty-Second Revised Sheet No. 6.100 which is attached hereto as Exhibit D in legislative and clean formats, and FPL’s Fourth Revised Sheet No. 6.300 which is attached hereto as Exhibit E in legislative and clean formats. As indicated

above, FPL's Thirty-Second Revised Sheet No. 6.100 incorporates the appropriate adjustments for the overhead vs. underground operational cost differential for URD installations, while FPL's Fourth Revised Sheet No. 6.300 incorporates appropriate adjustments for the overhead vs. underground operational cost differential for underground conversions and also identifies the agreed Direct Engineering, Supervision and Support (DESS) cost percentage that will be associated with applicant performed work.

WHEREFORE, for the foregoing reasons, Florida Power & Light Company respectfully requests the Florida Public Service Commission grant this petition and enter an order: (1) approving Eighth Revised Tariff Sheet No. 9.725; (2) approving Thirty-Second Revised Tariff Sheet No. 6.100; (3) approving Fourth Revised Tariff Sheet No. 6.300; and (4) confirming that this petition satisfies the requirements of Order No. PSC-09-0755-EI, for an updated quantification of storm restoration benefits and a petition to continue, modify or discontinue the GAF Tariff.

Respectfully submitted,

John T. Butler
Managing Attorney
Kenneth M. Rubin
Senior Attorney
Florida Power & Light Company
700 Universe Boulevard
Juno Beach, FL 33408-0420
Telephone: (561) 304-5649
Facsimile: (561) 691-7135

By: 
John T. Butler
Fla. Bar No. 283479

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by hand delivery (*) or U.S Mail on the 20th day of November, 2009, to the following persons:

Ralph Jaeger, Esq. *
Eric Sayler, Esq. *
Office of the General Counsel
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850
rjaeger@psc.state.fl.us
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Robert Scheffel Wright, Esq.
Jay T. LaVia, III, Esq.
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MUUC/City of Coconut Creek
Thomas G. Bradford, Deputy Town Mgr
c/o Town of Palm Beach, Florida
360 South County Road
Palm Beach, FL 33480
Telephone: (561) 838-5410
Facsimile: (561) 838-5411
Tbradford@TownofPalmBeach.com


By: 
John T. Butler
Fla. Bar No. 283479

EXHIBIT “A”

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for Approval of Underground Conversion Tariff Revisions.)	Docket No. 080244-EI
)	
)	
In re: Petition for approval of 2007 revisions to underground residential and commercial distribution tariff, by Florida Power & Light Company.)	Docket No. 070231-EI
)	
)	
In Re: Petition and Complaint of the Municipal Underground Utilities Consortium for Relief from Unfair Charges and Practices of Florida Power & Light Company)	Docket No. 080522-EI
)	Filed: June 4, 2009

STIPULATION AND SETTLEMENT AGREEMENT

WHEREAS, Florida Power & Light Company has filed certain tariff revisions that are the subject of the above-styled Docket No. 070231-EI and Docket No. 080244-EI, which have been approved by the Florida Public Service Commission ("Commission") subject to the protests thereof by the Municipal Underground Utilities Consortium, the Town of Palm Beach, Florida, the City of Coconut Creek, Florida, and the Town of Jupiter Inlet Colony, Florida, and the City of South Daytona, Florida, each of the foregoing individually a "Party" and collectively the "Parties," and

WHEREAS, the Municipal Underground Utilities Consortium, the Town of Palm Beach, the City of Coconut Creek, and the Town of Jupiter Inlet Colony have filed a petition and complaint with the Commission in the above-styled Docket No. 080522-EI, asserting that FPL's treatment for certain common engineering costs, in cases where a local government applicant performs part or all of underground conversion work itself, results in unfair, unjust, and unreasonable treatment of such applicants, and

WHEREAS, the Parties have conducted discovery regarding the issues in the above-styled dockets, and

WHEREAS, the Parties have engaged in good-faith negotiations toward resolving their disputes as to the issues raised in all three of the above-styled dockets,

NOW, THEREFORE, in consideration of the covenants contained herein and of the mutual benefits to be derived from the fulfillment of those covenants, the Parties hereby agree and stipulate as follows:

1. This Stipulation and Settlement Agreement ("Agreement") will become effective when the Commission's approval of this Agreement has become final and no longer subject to challenge or appeal under governing law. The Agreement is contingent upon the Commission's approval of the Agreement, and of the actions contemplated herein, in their entirety.

2. The Parties recognize and acknowledge that the effectiveness of this Agreement is also contingent upon the approvals of the respective governing bodies of the municipalities that are Parties to this Agreement. Upon execution of the Agreement, the staff and attorneys for the municipalities that are Parties to the Agreement will move forward as quickly as practicable to place the Agreement before the municipalities' governing bodies for their approval.

3. Upon the approval of the municipalities' governing bodies, the MUUC and the respective municipal Parties will file appropriate notices of withdrawals of their protests of the tariff provisions in PSC Docket Nos. 070231-EI and 080244-EI, such withdrawals to be contingent upon the Commission's final approval of all of the actions contemplated herein.

4. The MUUC, Palm Beach, Coconut Creek, and Jupiter Inlet Colony will withdraw their complaint filed in PSC Docket No. 080522-EI, such withdrawal to be contingent upon the Commission's final approval of all of the actions contemplated herein.

5. FPL will file a petition seeking the Commission's approval of its Governmental Adjustment Factor tariff provisions as permanent tariffs of FPL, i.e., not subject to any further mandatory Commission review but remaining subject to the Commission's continuing authority to conduct informal investigations and proceedings on those tariffs on its own motion.

6. FPL will file proposed tariff provisions with the Commission setting the estimated overhead vs. underground operational cost differential on FPL's Tariff Sheet No. 6.300 to zero, replacing the value of -\$11,300 per pole line mile presently in that tariff, and FPL will also file proposed revisions to FPL's Tariff Sheet No. 6.100 that will make the corresponding adjustments for the overhead vs. underground operational cost differential to be reflected in FPL's URD tariffs.

7. FPL will file proposed tariff provisions with the Commission replacing existing Section 1.e on its Tariff Sheet No. 9.725, UNDERGROUND FACILITIES CONVERSION AGREEMENT - GOVERNMENTAL ADJUSTMENT FACTOR WAIVER, with the following:

- e. The Local Government Applicant must demonstrate to the reasonable satisfaction of FPL that the sum of the GAF Waiver credit plus any federal or state funds that the Local Government Applicant is able to use to support the Conversion does not exceed

the otherwise-applicable CIAC as calculated before application of the GAF Waiver.

8. FPL will file proposed tariffs with the Commission that will set FPL's charge for Direct Engineering, Supervision, and Support costs applicable to any Applicant-performed work at 80% of the value that would have applied if FPL performed this work.

9. The MUUC and the municipalities that are Parties to this Agreement agree that they will not, before January 1, 2013, directly or indirectly raise claims relative to the "operational cost differential" between overhead and underground facilities.

10. The MUUC and the municipalities that are Parties to this Agreement agree that they will not, before January 1, 2013, directly or indirectly seek an increase in the Governmental Adjustment Factor waiver or credit, also known as the Avoided Storm Restoration Cost credit, for underground-conversion projects.

11. The MUUC and the municipalities that are Parties to this Agreement agree that they will not, before January 1, 2013, directly or indirectly raise any claims relative to the "contiguous underground facilities" or relative to FPL's proposed "tiered" GAF/ASRC credits for underground installations.

12. FPL agrees that it will not, before January 1, 2013, directly or indirectly seek to change any of the provisions agreed to in this Stipulation and Settlement Agreement, including specifically, not to seek to reduce the GAF or ASRC waiver or credit, nor to increase the "operational cost differential" applicable in calculating CIACs for underground-conversion projects, nor to increase the amount that FPL collects as Direct Engineering, Supervision, and Support costs for Applicant-performed work on underground-conversion projects.

13. All Parties to this Agreement acknowledge that nothing herein may be construed to prevent the Commission from conducting any proceedings that the Commission may initiate with regard to any of the tariff provisions and other matters that are the subject of this Agreement. The Parties agree and acknowledge that, in the event that the Commission or any other person initiates any proceedings relative to the matters that are the subject to this Agreement, including any matters with respect to which any Party or Parties have agreed not to initiate proceedings, then all Parties are free to participate in such Commission proceedings to protect their interests as they deem appropriate, and the Parties will not be bound by or subject to the positions stated in this Agreement.

14. The Parties will jointly move the Commission to schedule all of the petitions and withdrawals described herein for consideration at a single agenda conference, such that the Commission's action will be effective as to all of the Parties' actions contemplated above at the same time.

15. Nothing herein shall operate as a bar to any Party seeking the Commission's action to enforce any provision of this Agreement or of FPL's tariffs as they may be approved pursuant to this Agreement.

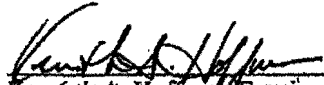
16. For the avoidance of doubt, the Parties agree that the adjustments reflected in this Agreement will be applicable to all Applicants who applied for underground conversions under FPL's GAF tariff after April 4, 2006, as provided for in Commission Order No. PSC-06-0339-FCO-EL, issued on April 24, 2006.

17. The Parties further agree that the adjustments to FPL's URD tariffs reflected in this Agreement will be applicable to all underground service installations under those tariffs for which applications were made on or after October 9, 2007, which was the effective date of the initial URD tariffs pursuant to Commission Order No. PSC-07-0835-TRF-EL.


18. The Parties have agreed to the positions stated in this Stipulation and Settlement Agreement solely for the purpose of settlement, and accordingly, the Parties are not bound by or subject to the positions stated herein in the event that the Agreement is not approved in its entirety by the Commission.

This Stipulation and Settlement Agreement is executed by the Parties through the signatures of their authorized representatives below, and this Agreement is respectfully filed with the Commission on this 4th day of June, 2009.

FLORIDA POWER & LIGHT COMPANY


Kenneth A. Hoffman, Esquire
Vice President, Regulatory Relations
Florida Power & Light Company
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THE CITY OF SOUTH DAYTONA, FLORIDA


Brian P. Armstrong, Esquire
Nabors, Giblin & Nickerson, P.A.
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Telephone: (850) 224-4070

THE MUNICIPAL UNDERGROUND UTILITIES CONSORTIUM,
THE TOWN OF PALM BEACH, FLORIDA,
THE CITY OF COCONUT CREEK, FLORIDA, AND
THE TOWN OF JUPITER INLET COLONY, FLORIDA

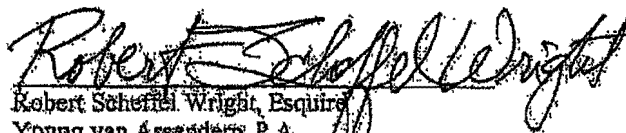

Robert Scheffel Wright, Esquire
Young van Assenderp, P.A.
225 South Adams Street, Suite 200
Tallahassee, Florida 32301
Telephone (850) 222-7206

EXHIBIT “B”

**UNDERGROUND FACILITIES CONVERSION AGREEMENT –
 GOVERNMENTAL ADJUSTMENT FACTOR WAIVER**

This Agreement, which is available to customers that sign the Agreement on or before October 30, 2010, is made and entered into this _____ day of _____, 20____, by and between _____ (“Local Government Applicant”), a Florida municipal corporation or county with an address of _____ and FLORIDA POWER & LIGHT COMPANY (“FPL”), a Florida corporation with an address of P.O. Box 14000, 700 Universe Boulevard, Juno Beach, FL 33408-0429.

WHEREAS, the Local Government Applicant has requested that FPL convert certain overhead electric distribution facilities located within the following boundaries (the “Conversion”):

(collectively, the “Existing Overhead Facilities”) to underground facilities, including transformers, switch cabinets and other appurtenant facilities installed above ground as set forth in Attachment A hereof (collectively, the “Underground Facilities”).

NOW THEREFORE, in consideration of the foregoing premises and the covenants and agreements set forth herein, and other consideration the sufficiency of which is hereby acknowledged, the parties intending to be legally bound, hereby covenant and agree as follows:

1. **Governmental Adjustment Factor Waiver (“GAF Waiver”) Eligibility Criteria.** The Local Government Applicant represents and warrants that it meets the following eligibility criteria for the Conversion:
 - a. In order for the Conversion to incorporate a sufficient amount of overhead facilities to provide electrical continuity, the Conversion must include a minimum of approximately 3 pole line miles or approximately 200 detached dwelling units within contiguous or closely proximate geographic areas (the “Conversion Area”). The Conversion may be completed in mutually agreed upon phases, with the project size minimums applying to the aggregate project – provided that any necessary subsequent phase begins within a 1 year period from completion of the prior phase and the minimums are met within, at most, 3 phases; and
 - b. The Local Government Applicant must require all customers within the Conversion Area who currently have overhead service directly from the Existing Overhead Facilities to convert their service entrances to underground within 6 months of completion of the Underground Facilities installation or each phase thereof; and
 - c. The Local Government Applicant must be willing and able to execute a right of way (“ROW”) agreement with FPL if the Local Government Applicant requests that facilities be placed in the ROW; and
 - d. For any affected laterals, the complete lateral must be converted, including all stages of any multi-stage lateral; and
 - e. ~~There are no state or federal funds available to the Local Government Applicant to cover any portion of the cost of the Conversion.~~ The Local Government Applicant must demonstrate to the reasonable satisfaction of FPL that the sum of the GAF Waiver credit plus any federal or state funds that the Local Government Applicant is able to use to support the Conversion does not exceed the otherwise applicable CIAC as calculated before application of the GAF Waiver.

Special Circumstances. Conversions which do not meet the project size minimums described in section 1.a are eligible for the GAF Waiver in the following special circumstances:

- i. 100% of the Existing Overhead Facilities within the Local Government Applicant’s corporate limits are to be converted, but are less than the pole line mileage or dwelling unit minimums; or
- ii. A single lateral that serves at least one Critical Infrastructure Facility as determined by the appropriate local agency with the mutual agreement of FPL; or
- iii. An island or peninsula where 100% of the Existing Overhead Facilities are to be converted; or

FLORIDA POWER & LIGHT COMPANY

Seventh~~Sixth~~ Revised Sheet No. 9.725
Replaces ~~Seventh~~ Revised Sheet No. 9.725

(Continued on Sheet No. 9.726)

Issued by: S. E. Romig, Director, Rates and Tariffs
Effective: ~~October 31, 2009~~

**UNDERGROUND FACILITIES CONVERSION AGREEMENT –
GOVERNMENTAL ADJUSTMENT FACTOR WAIVER**

This Agreement is made and entered into this _____ day of _____, 20____, by and between _____ (“Local Government Applicant”), a Florida municipal corporation or county with an address of _____ and FLORIDA POWER & LIGHT COMPANY (“FPL”), a Florida corporation with an address of P.O. Box 14000, 700 Universe Boulevard, Juno Beach, FL 33408-0429.

WHEREAS, the Local Government Applicant has requested that FPL convert certain overhead electric distribution facilities located within the following boundaries (the “Conversion”):

(collectively, the “Existing Overhead Facilities”) to underground facilities, including transformers, switch cabinets and other appurtenant facilities installed above ground as set forth in Attachment A hereof (collectively, the “Underground Facilities”).

NOW THEREFORE, in consideration of the foregoing premises and the covenants and agreements set forth herein, and other consideration the sufficiency of which is hereby acknowledged, the parties intending to be legally bound, hereby covenant and agree as follows:

1. **Governmental Adjustment Factor Waiver (“GAF Waiver”) Eligibility Criteria.** The Local Government Applicant represents and warrants that it meets the following eligibility criteria for the Conversion:
 - a. In order for the Conversion to incorporate a sufficient amount of overhead facilities to provide electrical continuity, the Conversion must include a minimum of approximately 3 pole line miles or approximately 200 detached dwelling units within contiguous or closely proximate geographic areas (the “Conversion Area”). The Conversion may be completed in mutually agreed upon phases, with the project size minimums applying to the aggregate project – provided that any necessary subsequent phase begins within a 1 year period from completion of the prior phase and the minimums are met within, at most, 3 phases; and
 - b. The Local Government Applicant must require all customers within the Conversion Area who currently have overhead service directly from the Existing Overhead Facilities to convert their service entrances to underground within 6 months of completion of the Underground Facilities installation or each phase thereof; and
 - c. The Local Government Applicant must be willing and able to execute a right of way (“ROW”) agreement with FPL if the Local Government Applicant requests that facilities be placed in the ROW; and
 - d. For any affected laterals, the complete lateral must be converted, including all stages of any multi-stage lateral; and
 - e. The Local Government Applicant must demonstrate to the reasonable satisfaction of FPL that the sum of the GAF Waiver credit plus any federal or state funds that the Local Government Applicant is able to use to support the Conversion does not exceed the otherwise applicable CIAC as calculated before application of the GAF Waiver.

Special Circumstances. Conversions which do not meet the project size minimums described in section 1.a are eligible for the GAF Waiver in the following special circumstances:

- i. 100% of the Existing Overhead Facilities within the Local Government Applicant’s corporate limits are to be converted, but are less than the pole line mileage or dwelling unit minimums; or
- ii. A single lateral that serves at least one Critical Infrastructure Facility as determined by the appropriate local agency with the mutual agreement of FPL; or
- iii. An island or peninsula where 100% of the Existing Overhead Facilities are to be converted; or

(Continued on Sheet No. 9.726)

EXHIBIT “C”

FLORIDA POWER AND LIGHT COMPANY EXHIBIT C

Additional Storm Restoration Data

Due to the lack of any additional major storms impacting FPL's service territory in 2006, 2007, 2008 and 2009, FPL has not been able to gather any additional storm restoration data.

Note: Since 2006, FPL has enhanced its forensics tools and processes, including gathering more information that will enable improved evaluation of its overhead vs. underground facilities' storm performance.

Overview/Status – Municipal Overhead vs. Underground Conversion Projects (2/06-10/09)

Ballpark cost estimates:	116
Binding cost estimates:	35
Projects completed:	10
Projects in engineering design:	18
Projects under construction:	10

EXHIBIT “D”

**SECTION 10.3 UNDERGROUND DISTRIBUTION FACILITIES FOR
 RESIDENTIAL SUBDIVISIONS AND DEVELOPMENTS**

10.3.1. Availability

When requested by the Applicant, the Company will provide underground electric distribution facilities, other than for multiple occupancy buildings, in accordance with its standard practices in:

- a) Recognized new residential subdivision of five or more building lots.
- b) Tracts of land upon which five or more separate dwelling units are to be located.

For residential buildings containing five or more dwelling units, see SECTION 10.6 of these Rules.

10.3.2. Contribution by Applicant

a) The Applicant shall pay the Company the average differential cost for single phase residential underground distribution service based on the number of service laterals required or the number of dwelling units, as follows:

		<u>Applicant's Contribution</u>	
1.	Where density is 6.0 or more dwelling units per acre:		
1.1	Buildings that do not exceed four units, townhouses, and mobile homes – per service lateral.		
	1. Subdivisions with 300 or more total service laterals	\$ 0.00	
	2. Subdivisions from 100 to 299 total service laterals	\$ 203.19	<u>0.00</u>
	3. Subdivisions less than 100 total service laterals	\$ 280.19	<u>63.19</u>
1.2	Mobile homes having Customer-owned services from meter center installed adjacent to the FPL primary trench route - per dwelling unit.		
	1. Subdivisions with 300 or more total service laterals	\$ 0.00	
	2. Subdivisions from 100 to 299 total service laterals	\$ 49.15	<u>0.00</u>
	3. Subdivisions less than 100 total service laterals	\$ 96.15	<u>0.00</u>
2.	Where density is 0.5 or greater, but less than 6.0 dwelling units per acre:		
	Buildings that do not exceed four units, townhouses, and mobile homes – per service lateral		
	1. Subdivisions with 200 or more total service laterals	\$ 424.23	<u>179.23</u>
	2. Subdivisions from 85 to 199 total service laterals	\$ 654.23	<u>409.23</u>
	3. Subdivisions less than 85 total service laterals	\$ 734.23	<u>486.23</u>
3.	Where the density is less than 0.5 dwelling units per acre, or the Distribution System is of non-standard design, individual cost estimates will be used to determine the differential cost as specified in Paragraph 10.2.5.		

Additional charges specified in Paragraphs 10.2.10 and 10.2.11 may also apply.

b) The above costs are based upon arrangements that will permit serving the local underground distribution system within the subdivision from overhead feeder mains. If feeder mains within the subdivision are deemed necessary by the Company to provide and/or maintain adequate service and are required by the Applicant or a governmental agency to be installed underground, the Applicant shall pay the Company the average differential cost between such underground feeder mains within the subdivision and equivalent overhead feeder mains, as follows:

	<u>Applicant's Contribution</u>
Cost per foot of feeder trench within the subdivision (excluding switches)	\$12.89
Cost per switch package	\$21,315.92

(Continued on Sheet No. 6.110)

**SECTION 10.3 UNDERGROUND DISTRIBUTION FACILITIES FOR
 RESIDENTIAL SUBDIVISIONS AND DEVELOPMENTS**

10.3.1. Availability

When requested by the Applicant, the Company will provide underground electric distribution facilities, other than for multiple occupancy buildings, in accordance with its standard practices in:

- a) Recognized new residential subdivision of five or more building lots.
- b) Tracts of land upon which five or more separate dwelling units are to be located.

For residential buildings containing five or more dwelling units, see SECTION 10.6 of these Rules.

10.3.2. Contribution by Applicant

a) The Applicant shall pay the Company the average differential cost for single phase residential underground distribution service based on the number of service laterals required or the number of dwelling units, as follows:

		<u>Applicant's Contribution</u>	
1.	Where density is 6.0 or more dwelling units per acre:		
1.1	Buildings that do not exceed four units, townhouses, and mobile homes – per service lateral.		
	1. Subdivisions with 300 or more total service laterals	\$ 0.00	
	2. Subdivisions from 100 to 299 total service laterals	\$ 203.19	<u>0.00</u>
	3. Subdivisions less than 100 total service laterals	\$ 280.19	<u>63.19</u>
1.2	Mobile homes having Customer-owned services from meter center installed adjacent to the FPL primary trench route - per dwelling unit.		
	1. Subdivisions with 300 or more total service laterals	\$ 0.00	
	2. Subdivisions from 100 to 299 total service laterals	\$ 19.15	<u>0.00</u>
	3. Subdivisions less than 100 total service laterals	\$ 96.15	<u>0.00</u>
2.	Where density is 0.5 or greater, but less than 6.0 dwelling units per acre:		
	Buildings that do not exceed four units, townhouses, and mobile homes – per service lateral		
	1. Subdivisions with 200 or more total service laterals	\$ 424.23	<u>179.23</u>
	2. Subdivisions from 85 to 199 total service laterals	\$ 654.23	<u>409.23</u>
	3. Subdivisions less than 85 total service laterals	\$ 731.23	<u>486.23</u>
3.	Where the density is less than 0.5 dwelling units per acre, or the Distribution System is of non-standard design, individual cost estimates will be used to determine the differential cost as specified in Paragraph 10.2.5.		

Additional charges specified in Paragraphs 10.2.10 and 10.2.11 may also apply.

b) The above costs are based upon arrangements that will permit serving the local underground distribution system within the subdivision from overhead feeder mains. If feeder mains within the subdivision are deemed necessary by the Company to provide and/or maintain adequate service and are required by the Applicant or a governmental agency to be installed underground, the Applicant shall pay the Company the average differential cost between such underground feeder mains within the subdivision and equivalent overhead feeder mains, as follows:

	<u>Applicant's Contribution</u>
Cost per foot of feeder trench within the subdivision (excluding switches)	\$12.89
Cost per switch package	\$21,315.92

(Continued on Sheet No. 6.110)

**SECTION 10.3 UNDERGROUND DISTRIBUTION FACILITIES FOR
 RESIDENTIAL SUBDIVISIONS AND DEVELOPMENTS**

10.3.1. Availability

When requested by the Applicant, the Company will provide underground electric distribution facilities, other than for multiple occupancy buildings, in accordance with its standard practices in:

- a) Recognized new residential subdivision of five or more building lots.
- b) Tracts of land upon which five or more separate dwelling units are to be located.

For residential buildings containing five or more dwelling units, see SECTION 10.6 of these Rules.

10.3.2. Contribution by Applicant

a) The Applicant shall pay the Company the average differential cost for single phase residential underground distribution service based on the number of service laterals required or the number of dwelling units, as follows:

	<u>Applicant's Contribution</u>
1. Where density is 6.0 or more dwelling units per acre:	
1.1 Buildings that do not exceed four units, townhouses, and mobile homes – per service lateral.	
1. Subdivisions with 300 or more total service laterals	\$ 0.00
2. Subdivisions from 100 to 299 total service laterals	\$ 0.00
3. Subdivisions less than 100 total service laterals	\$ 63.19
1.2 Mobile homes having Customer-owned services from meter center installed adjacent to the FPL primary trench route - per dwelling unit.	
1. Subdivisions with 300 or more total service laterals	\$ 0.00
2. Subdivisions from 100 to 299 total service laterals	\$ 0.00
3. Subdivisions less than 100 total service laterals	\$ 0.00
2. Where density is 0.5 or greater, but less than 6.0 dwelling units per acre:	
Buildings that do not exceed four units, townhouses, and mobile homes – per service lateral	
1. Subdivisions with 200 or more total service laterals	\$ 179.23
2. Subdivisions from 85 to 199 total service laterals	\$ 409.23
3. Subdivisions less than 85 total service laterals	\$ 486.23
3. Where the density is less than 0.5 dwelling units per acre, or the Distribution System is of non-standard design, individual cost estimates will be used to determine the differential cost as specified in Paragraph 10.2.5.	

Additional charges specified in Paragraphs 10.2.10 and 10.2.11 may also apply.

b) The above costs are based upon arrangements that will permit serving the local underground distribution system within the subdivision from overhead feeder mains. If feeder mains within the subdivision are deemed necessary by the Company to provide and/or maintain adequate service and are required by the Applicant or a governmental agency to be installed underground, the Applicant shall pay the Company the average differential cost between such underground feeder mains within the subdivision and equivalent overhead feeder mains, as follows:

	<u>Applicant's Contribution</u>
Cost per foot of feeder trench within the subdivision (excluding switches)	\$12.89
Cost per switch package	\$21,315.92

(Continued on Sheet No. 6.110)

EXHIBIT “E”

**INSTALLATION OF UNDERGROUND ELECTRIC DISTRIBUTION FACILITIES
FOR THE CONVERSION OF OVERHEAD ELECTRIC DISTRIBUTION FACILITIES**

SECTION 12.1 DEFINITIONS

APPLICANT - Any person, corporation, or entity capable of complying with the requirements of this tariff that has made a written request for underground electric distribution facilities in accordance with this tariff.

CONVERSION - Any installation of underground electric distribution facilities where the underground facilities will be substituted for existing overhead electric distribution facilities, including relocations.

CONTRIBUTION-IN-AID-OF-CONSTRUCTION (CIAC) – The CIAC to be paid by an Applicant under this tariff section shall be the result of the following formula:

CIAC =

- 1) The estimated cost to install the requested underground facilities;
- + 2) The estimated cost to remove the existing overhead facilities;
- + 3) The net book value of the existing overhead facilities;
- 4) The estimated cost that would be incurred to install new overhead facilities, in lieu of underground, to replace the existing overhead facilities (the “Hypothetical Overhead Facilities”);
- 5) The estimated salvage value of the existing overhead facilities to be removed;
- + 6) ~~\$11,300 per pole-line mile of the existing overhead facilities—the 30-year net present value of the estimated underground v. overhead operational costs differential~~ The 30-year net present value of the estimated non-storm underground v. overhead operational costs differential, which is set at \$0 (zero) per pole-line mile of the existing overhead facilities;
- 7) The 30-year net present value of the estimated average Avoided Storm Restoration Costs (“ASRC”) calculated as a percentage of the sum of lines 1) through 6). Simplified eligibility criteria for each ASRC Tier are summarized below. Applicants must enter into an Underground Facilities Conversion Agreement with the Company which provides full details on terms, conditions and compliance requirements.

Tier	Percentage	Pole-Line Miles	Customer Conversions	Completion
1 *	25%	3 or more	100%	3 phases
2	10%	1 to <3	100%	3 phases
3	5%	< 1	n/a	n/a

* The GAF Waiver will apply in lieu of Tier 1 ASRC for eligible conversions by Local Government Applicants.

GAF Waiver

For Applicants entering into an Underground Facilities Conversion Agreement – Governmental Adjustment Factor Waiver with the Company, the otherwise applicable CIAC amount, as calculated above, shall be reduced by the GAF Waiver. The amount of the GAF Waiver shall be calculated as follows:

GAF Waiver =

- 25% x the otherwise applicable CIAC;
- + 75% x the ASRC (avoids double-counting the ASRC embedded in the otherwise applicable CIAC.)

If the Applicant elects to construct and install all or part of the underground facilities, then for purposes of calculating the ASRC or the GAF Waiver amount only, the otherwise applicable CIAC shall be adjusted to add FPL’s estimated cost for the Applicant-performed work. In addition, the Direct Engineering, Supervision, and Support (DESS) costs associated with this Applicant-performed work will be reduced by 20% from the amount that would have applied if FPL performed this work.

DISTRIBUTION SYSTEM - Electric service facilities consisting of primary and secondary conductors, service drops, service laterals, conduits, transformers and necessary accessories and appurtenances for the furnishing of electric power at utilization voltage.

SERVICE FACILITIES - The entire length of conductors between the distribution source, including any conduit and or risers at a pole or other structure or from transformers, from which only one point of service will result, and the first point of connection to the service entrance conductors at a weatherhead, in a terminal, or meter box outside the building wall; the terminal or meter box; and the meter.

FLORIDA POWER & LIGHT COMPANY

(Continued on Sheet No. 6.301)

**Fourth Revised Sheet No. 6.300
Cancels Third Revised Sheet No. 6.300**

**INSTALLATION OF UNDERGROUND ELECTRIC DISTRIBUTION FACILITIES
 FOR THE CONVERSION OF OVERHEAD ELECTRIC DISTRIBUTION FACILITIES**

SECTION 12.1 DEFINITIONS

APPLICANT - Any person, corporation, or entity capable of complying with the requirements of this tariff that has made a written request for underground electric distribution facilities in accordance with this tariff.

CONVERSION - Any installation of underground electric distribution facilities where the underground facilities will be substituted for existing overhead electric distribution facilities, including relocations.

CONTRIBUTION-IN-AID-OF-CONSTRUCTION (CIAC) – The CIAC to be paid by an Applicant under this tariff section shall be the result of the following formula:

CIAC =

- 1) The estimated cost to install the requested underground facilities;
- + 2) The estimated cost to remove the existing overhead facilities;
- + 3) The net book value of the existing overhead facilities;
- 4) The estimated cost that would be incurred to install new overhead facilities, in lieu of underground, to replace the existing overhead facilities (the "Hypothetical Overhead Facilities");
- 5) The estimated salvage value of the existing overhead facilities to be removed;
- + 6) The 30-year net present value of the estimated non-storm underground v. overhead operational costs differential, which is set at \$0 (zero) per pole-line mile of the existing overhead facilities;
- 7) The 30-year net present value of the estimated average Avoided Storm Restoration Costs ("ASRC") calculated as a percentage of the sum of lines 1) through 6). Simplified eligibility criteria for each ASRC Tier are summarized below. Applicants must enter into an Underground Facilities Conversion Agreement with the Company which provides full details on terms, conditions and compliance requirements.

<u>Tier</u>	<u>Percentage</u>	<u>Pole-Line Miles</u>	<u>Customer Conversions</u>	<u>Completion</u>
1 *	25%	3 or more	100%	3 phases
2	10%	1 to <3	100%	3 phases
3	5%	< 1	n/a	n/a

* The GAF Waiver will apply in lieu of Tier 1 ASRC for eligible conversions by Local Government Applicants.

GAF Waiver

For Applicants entering into an Underground Facilities Conversion Agreement – Governmental Adjustment Factor Waiver with the Company, the otherwise applicable CIAC amount, as calculated above, shall be reduced by the GAF Waiver. The amount of the GAF Waiver shall be calculated as follows:

GAF Waiver =

- 25% x the otherwise applicable CIAC;
- + 75% x the ASRC (avoids double-counting the ASRC embedded in the otherwise applicable CIAC.)

If the Applicant elects to construct and install all or part of the underground facilities, then for purposes of calculating the ASRC or the GAF Waiver amount only, the otherwise applicable CIAC shall be adjusted to add FPL's estimated cost for the Applicant-performed work. In addition, the Direct Engineering, Supervision, and Support (DESS) costs associated with this Applicant-performed work will be reduced by 20% from the amount that would have applied if FPL performed this work.

DISTRIBUTION SYSTEM - Electric service facilities consisting of primary and secondary conductors, service drops, service laterals, conduits, transformers and necessary accessories and appurtenances for the furnishing of electric power at utilization voltage.

SERVICE FACILITIES - The entire length of conductors between the distribution source, including any conduit and or risers at a pole or other structure or from transformers, from which only one point of service will result, and the first point of connection to the service entrance conductors at a weatherhead, in a terminal, or meter box outside the building wall; the terminal or meter box; and the meter.

(Continued on Sheet No. 6.301)