



Florida Power & Light Company, 215 S. Monroe Street, Suite 810, Tallahassee, FL 32301

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Kenneth M. Rubin
Senior Attorney
Florida Power & Light Company
700 Universe Boulevard
Juno Beach, FL 33408
(561) 691-2512
(561) 691-7135 (Facsimile)
Email: ken.rubin@fpl.com

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COMMISSION
CLERK

February 10, 2011

VIA HAND DELIVERY

Ms. Ann Cole
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard, Room 110
Tallahassee, FL 32399-0850

RE: Docket No. 110033-EI – Petition for declaratory statement regarding the repair and replacement of meter enclosures for smart meters by Florida Power & Light Company

Dear Ms. Cole:

Enclosed for filing on behalf of Florida Power & Light Company are the original and five (5) copies of its responses to Staff's First Data Request (Nos. 1-7), dated January 27, 2011.

Please contact me if you or your Staff has any questions regarding this filing.

Sincerely,

Kenneth M. Rubin

Enclosure

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- ECR _____
- GCL 5
- RAD _____
- SSC _____
- ADM _____
- OPC _____
- CLK _____

cc: Rosanne Gervasi, Associate General Counsel (w/encl.)

an FPL Group company

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Staff Data Request No.1, Questions 1 through 7
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Question No. 1:

How much does a residential meter enclosure cost? How much does a typical Commercial meter enclosure cost?

FPL Response:

Following FPL's receipt of Staff's First Data Request, and pursuant to the agreement subsequently reached between Staff Counsel and FPL's counsel, it was determined that FPL would respond to Data Request #1 by providing the average costs associated with the repair and replacement of the subject meter enclosures, along with a range of the associated costs.

The average cost associated with residential and commercial meter enclosure repair and replacement work, including single and multi-enclosure facilities, performed through year-end 2010 is \$251, with a range of \$32 to \$5,014.

Question No. 2:

The Petition states that FPL began replacing approximately 4,400,000 electromechanical meters with new smart meters in 2007. What percentage of RS meters have been changed out to smart meters? What percentage of Commercial meters have been changed out?

FPL Response:

Since 2007, FPL has replaced 37% of residential meters with new smart meters. During that same time frame, FPL has replaced 17% of commercial meters with new smart meters.

Question No. 3:

The Petition states that 0.4% of the meter change outs so far have required new meter enclosures. How many meter enclosures does the .4% represent? Are they primarily residential?

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FPL Response:

FPL's repair and replacement rate of 0.39% through year-end 2010 represented 5,191 meter enclosures. The repairs have been primarily on residential accounts.

Question No. 4:

How are the costs of the replaced meter enclosures being booked?

FPL Response:

In cases where the Company cannot say with certainty that the existing functional meter enclosure is clearly damaged by the change-out process, but there is enough doubt about the continued viability of the existing meter enclosure that the Company exercises its judgment and errs on the side of repairing or replacing the meter enclosure in order to be in the best position to safely and reliably serve the customer with the new meter, the cost of repairing or replacing the meter enclosure is charged to O&M.

In cases where the existing functional meter enclosure is unexpectedly damaged in the course of the change-out and must be repaired or replaced in order to allow the Company to be in the best position to safely and reliably serve the customer with the new meter, the associated cost is charged as part of the removal cost of the old meter.

Question No. 5:

Is any of the \$200M DOE Smart Grid Grant money being used to pay for the replacement of meter enclosures?

FPL Response:

No. Consistent with FPL's commitments made in seeking and accepting the DOE grant, and further in keeping with FPL's testimony and representations made in the context of its 2009 rate case filing (Docket 080677-EI), the \$200M Smart Grid Investment Grant is being used by FPL to fund incremental projects and the acceleration of AMI deployment. Meter enclosure repair and replacement associated with the installation of smart meters, the costs of which were sought in the 2009 rate case, are not considered incremental and therefore are not being submitted for reimbursement under the DOE Assistance Agreement.

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Question No. 6:

The Petition states that FPL cannot represent that the meter change outs (and associated meter enclosures replaced) so far is a statistically representative sample of what would be found in the full roll-out. What factors were used to determine the priority in which neighborhoods or areas were selected for smart meter change outs?

FPL Response:

FPL's smart meter deployment strategy was developed to ensure the efficient implementation of the AMI technology across contiguous FPL work areas (districts), the best utilization of deployment work sites, and timely support of pending Smart Grid initiatives.

FPL's deployment efforts move from district to adjacent district to maintain a contiguous and concurrent build-out of both the AMI communications network and meter mesh. As an area is saturated and transitions into an operational state, deployment moves to the adjoining area(s). Deployment was initiated in the South Florida area in order to support pending Energy Smart Florida initiatives utilizing the AMI network. This type of methodical and well planned deployment along geographic lines will continue until the smart meter change outs have been completed.

Question No. 7:

The Petition states that \$1.5M was included in FPL's last rate case for repair and replacement of unsafe meter conditions encountered during deployment and installation of smart meters. Based on experience so far, does FPL believe this amount will be sufficient to cover all replacement/repairs of meter enclosures throughout the service territory?

FPL Response:

As indicated in the Petition and in FPL's 2009 rate case discovery responses, \$1.5 million for repair and replacement of unsafe meter conditions was included for the test year which was the first full year (2010) of full scale deployment of the smart meters. FPL believes that this annual amount will be sufficient to cover all replacement/repairs of meter enclosures throughout its service territory for the duration of the project which is projected to be completed in 2013.