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June 3, 2011

VIA HAND DELIVERY

Ms. Ann Cole
Division of the Commission Clerk and
Administrative Services
Florida Public Service Commission
Betty Easley Conference Center
2540 Shumard Oak Boulevard, Room 110
Tallahassee, FL 32399-0850

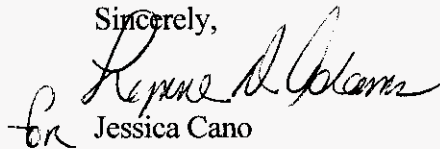
Re: Docket No. 110000 - Undocketed Filings - 2012 FEECA Report Data Collection

Dear Ms. Cole:

Enclosed for filing on behalf of Florida Power & Light Company ("FPL") are an original and 5 copies of FPL's responses to Staff's First Data Request dated May 19, 2011.

Please contact me should you or your staff have any questions regarding this filing.

Sincerely,


for Jessica Cano

Enclosure

CC: Lawrence Harris

- COM _____
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an FPL Group company

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Dckt 110000-Staff's First Data Request

Interrogatory No. 1

Page 1 of 1

Q.

Please provide two tables comparing the cumulative demand and energy savings achieved against the cumulative goals for the six year period 2005 - 2010. All savings reported should be "at the generator."

- a. For Table A, use the goals established in 2004 for all six years.
- b. For Table B, use the goals established in 2004 for years 2005-2009 and the goals established in 2009 for year 2010.

Table A

Cumulative Savings Achieved vs. Cumulative Goals (2004 goals)

Year	Winter Peak MW Reduction			Summer Peak MW Reduction			GWh Energy Reduction		
	Achieved	Goal	% Variance	Achieved	Goal	% Variance	Achieved	Goal	% Variance
2005									
2006									
2007									
2008									
2009									
2010									

Table B

Cumulative Savings Achieved vs. Cumulative Goals (2004 goals, 2009 goals for year 2010)

Year	Winter Peak MW Reduction			Summer Peak MW Reduction			GWh Energy Reduction		
	Achieved	Goal	% Variance	Achieved	Goal	% Variance	Achieved	Goal	% Variance
2005									
2006									
2007									
2008									
2009									
2010									

A.

Please see attached file. Please note that Commission-approved goals for FPL established in 2004 were set at the meter level. For purposes of this data request, those goals, as well as FPL's achieved savings, have been converted to generator level values. In 2009, the Commission-established goals were set at the generator level so no conversion was required.

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TABLE A

Cumulative Savings Achieved vs. Cumulative Goals (2004 Goals) At the Generator

Year	Winter Peak MW Reduction			Summer Peak MW Reduction			GWh Energy Reduction		
	Achieved	Goal	% Variance	Achieved	Goal	% Variance	Achieved	Goal	% Variance
2005	40.2	42.9	-6%	102.2	81.8	25%	198.9	131.6	51%
2006	122.5	87.7	40%	243.0	156.6	55%	414.7	234.2	77%
2007	257.4	135.4	90%	423.7	234.2	81%	640.5	330.6	94%
2008	344.8	188.5	83%	572.7	317.4	80%	813.6	433.3	88%
2009	430.3	244.9	76%	718.9	404.4	78%	980.1	541.4	81%
2010	489.7	304.2	61%	847.9	495.0	71%	1,184.7	654.7	81%

TABLE B

Cumulative Savings Achieved vs. Cumulative Goals (2004 Goals, 2009 Goals for Year 2010) At the Generator

Year	Winter Peak MW Reduction			Summer Peak MW Reduction			GWh Energy Reduction		
	Achieved	Goal	% Variance	Achieved	Goal	% Variance	Achieved	Goal	% Variance
2005	40.2	42.9	-6%	102.2	81.8	25%	198.9	131.6	51%
2006	122.5	87.7	40%	243.0	156.6	55%	414.7	234.2	77%
2007	257.4	135.4	90%	423.7	234.2	81%	640.5	330.6	94%
2008	344.8	188.5	83%	572.7	317.4	80%	813.6	433.3	88%
2009	430.3	244.9	76%	718.9	404.4	78%	980.1	541.4	81%
2010	489.7	286.2	71%	847.9	514.8	65%	1,184.7	745.7	59%

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Interrogatory No. 2

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Q.

If your utility had any active solar renewable programs in 2010, please complete the following table for each program. Please add rows as necessary to provide other pertinent information that may be helpful to staff in determining whether these programs have been successful.

Solar Renewable Programs Active in 2010

Name of Program	
Program Implementation Date	
Vendor Name (if applicable)	
Number of Installations	
kWh Savings Per Installation	
Summer kw Savings	
Winter kw Savings	
Cost of Equipment	
Incentive Amount Paid to Customer	
Other incentives/rebates customer received	
Total Expenditures (\$)	

A.

FPL did not have any active solar renewable programs in 2010 because FPL's proposed programs did not receive Commission approval until 2011.

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Interrogatory No. 3

Q.

As indicated on Page Three of FPL's Annual DSM Report filed on March 1, 2011, the summer demand and energy goals for 2010 were not met in the commercial sector. Please estimate how the difference between the goals and actual achievements for this sector has impacted your commercial customers by completing the tables below.

FPL - Commercial

Year	Summer (MW)			Avoided Capacity (\$/kw/month)	Total Cost (\$)
	Goal	Achieved	Difference		
2010	42.7	36.1	6.6		

Year	Energy (GWH)			Avg as Available Energy Rate	Total Cost (\$)
	Goal	Achieved	Difference		
2010	84.7	63.3	21.4		

A.

As indicated in FPL's Annual DSM Report filed on March 1, 2011, FPL exceeded its demand and energy goals in the residential sector and did so to an extent that resulted in FPL exceeding its combined total (residential and commercial) Winter Demand goals by 44%, its combined total Summer Demand goals by 17%, and its combined total Energy goals by approximately 0.15% (shown in the report as rounded to a 0% variance). This was achieved despite the fact that the Commission had not yet approved a DSM plan that was designed to meet the new DSM goals for 2010. FPL's DSM Plan is still pending Commission approval.

From a system perspective, a kW reduced in the commercial sector has the same value as a kW reduced in the residential sector in regard to avoided generation capacity. The same holds true for a kWh reduced in regard to system fuel savings. For this reason, just as residential customers can benefit from a kW (or kWh) reduced in the commercial sector, commercial customers can benefit from a kW (or kWh) reduced in the residential sector.

The table referred to in the Data Request attempts to address costs of what can be referred to as "unavoided" capacity and energy. However, the table focuses only on certain commercial goals. As indicated above, the combined result of the residential and commercial achievement is that all combined FPL goals were exceeded. Consequently, there is no "unavoided" net capacity or energy, nor associated costs, in regard to FPL's combined total DSM Goals for 2010.

In addition, the Data Request asks that an "avoided capacity (\$/kW/month)" value be developed for use in evaluating DSM achievement. This request presents at least two

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concerns. First, as evidenced by the Commission's approved cost-effectiveness methodology, there are numerous avoided cost impacts associated with DSM. These cost impacts include: DSM program costs; avoided generation capital and O&M; avoided transmission capital and O&M; avoided distribution capital and O&M; net system fuel costs; and net system environmental compliance costs. All of these types of cost impacts are driven, in part or wholly, by the kW reduction of DSM and these cost impacts vary from year-to-year, even for a kW reduced in a particular year. Therefore, there is no way to accurately portray the total avoided cost impact of a kW reduced with a single \$/kW value. The Commission's approved cost-effectiveness methodology does not attempt to create or utilize such a value for purposes of evaluating DSM. Second, at least in regard to avoided generation, a kW reduced in a given year may have no effect on the eventual cost impact of avoiding generation. What is important is that the total amount of demand reduction needed to avoid a generating unit is met by the year in which the unit is to be avoided. The fact that FPL may be a megawatt ahead or behind in any given earlier year is inconclusive. For example, if FPL must reduce demand by 200 MW by year 5 to avoid a generating unit, and by year 5 it has reduced demand by 200 MW, it does not matter if in a prior year FPL failed to meet, or exceeded, a particular kW or MW goal. At that point in time, it is simply too early to tell if the 200 MW total value will be met.

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Interrogatory No. 4

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Q.

Please also estimate how the difference between the goals and actual achievements referenced in Question three has impacted the general body of FPL ratepayers with regard to:

- a. generation costs
- b. fuel costs
- c. transmission costs
- d. distribution costs
- e. greenhouse gas emissions
- f. jobs with the State of Florida

A.

As indicated in FPL's response to Data Request No. 3, FPL's total combined DSM achievements (residential and commercial) exceed the total combined FPL DSM Goals for 2010. Consequently, there is no negative impact arising when considering actual DSM achievement versus DSM Goals for items (a) through (e) listed in this data request. (In addition, three of the items listed above; generation costs, transmission costs, and distribution costs, will not be impacted until a particular facility is actually avoided or deferred in the future.)

In regard to item (f), jobs within Florida, FPL does not project, capture, or track job creation impacts resulting from its DSM plan, nor does FPL presently have the means to accurately estimate this information. The primary goal of DSM programs is to promote customer installation of conservation measures as a means of reducing electricity consumption. Most of the work involved in installing these conservation measures at customers' premises is performed by third-party contractors who are not required to report employee counts to FPL.

Estimating jobs created as a result of conservation spending associated with FPL's DSM Plan is very different from estimating jobs created by FPL-run, large, capital intensive construction projects (such as commercial-scale solar projects), where job creation is relatively straightforward to track.

Q.

As indicated in FPL's Annual DSM Report filed on March 1, 2011, the following programs did not achieve projected cumulative participation levels in 2010: Residential Building Envelope Program and Residential New Construction (Buildsmart) Program. Please explain why the projected cumulative participation levels (2005-2010) have not been achieved for these programs as described below.

The Residential Building Envelope program was 25,500 participants short of the cumulative number of participants FPL projected this program would have in 2010. As of 2010, this program has only reached 7.82% of eligible customers, whereas FPL projected it would have reached 10.5% of eligible customers by 2010.

The Residential New Construction (Buildsmart) Program was 26,571 participants short of the cumulative number of participants FPL projected this program would have in 2010. As of 2010, this program has only reached 4.78% of eligible customers, whereas FPL projected it would have reached 12.2% of eligible customers by 2010.

A.

It should be noted that despite the fact that the two cited programs fell short of their originally forecasted cumulative participation levels for 2010, FPL still met its Commission-established Residential energy and demand savings goals for 2010 by achieving higher than forecasted participation in other programs. FPL expects, as the Commission and staff have previously noted, that since participation forecasts are merely estimates based on reasonable assumptions made at the time the forecasts are developed, actual results will deviate from the forecasts, both above and below. It is also plausible to expect that such deviations may increase as the time from the original forecast date to the present period grows.

- **Residential Building Envelope Program** - About 20,000 of 2010's 25,000 cumulative deficit is a carry-forward accrued in the first couple forecast years, 2005 and 2006. Beginning in 2007, FPL increased incentives which increased participation to approximately the originally-projected annual levels. However, beginning in 2009, participation began to fall short of projections, which FPL believes is primarily due to the impact of the general economic downturn on these types of voluntary measures which make up this program.
- **Residential New Construction (BuildSmart) Program** - The eligible customer base for FPL's BuildSmart program is comprised of new housing starts. The lower than originally forecasted 2010 and cumulative participation in the program is the direct result of the dramatic decline in the number of housing starts, which began several years ago, stemming from the cratering of the construction and housing industry and general economic recession.