



Scott A. Goorland
Senior Attorney
Florida Power & Light Company
700 Universe Boulevard
Juno Beach, FL 33408-0420
561-304-5633
(561) 691-7135 (Facsimile)
E-mail: Scott.Goorland@fpl.com

July 15, 2015

VIA HAND DELIVERY

Ms. Carlotta S. Stauffer
Division of the Commission Clerk and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

REDACTED

RECEIVED - FPSC
15 JUL 15 PM 12:00
COMMISSION
CLERK

**Re: Docket No. 150000
Electric Reliability Reporting by Florida Electric IOUs**

Dear Ms. Stauffer:

I enclose for filing in the above docket an original and seven (7) copies of Florida Power & Light Company's ("FPL's") Request for Confidential Classification of Review of Data Accuracy in Electric Reliability Reporting by Florida Electric IOUs. The original includes Exhibits A, B (two copies), Exhibit C and Exhibit D. The seven copies do not include copies of the Exhibits.

Exhibit A consists of the confidential documents, and all the information that FPL asserts is entitled to confidential treatment has been highlighted. Exhibit B is an edited version of Exhibit A, in which the information FPL asserts is confidential has been redacted. Exhibit C is a justification table in support of FPL's Request for Confidential Classification. Exhibit D contains one affidavit in support of FPL's Request for Confidential Classification.

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

Sincerely,

Jessica Cano
for Scott A. Goorland

COM _____
AFD _____
APA 5 + copy Redacted
ECO _____
ENG 1
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IDM _____
TEL _____
CLK _____

Enclosure

cc: Carl Vinson, Jr., Florida Public Service Commission

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Review of Data Accuracy in Electric
Reliability Reporting by Florida IOUs

Docket No: 150000
Date: July 15, 2015

**FLORIDA POWER & LIGHT COMPANY'S
REQUEST FOR CONFIDENTIAL CLASSIFICATION**

Pursuant to Section 366.093, Florida Statutes, and Rule 25-22.006, Florida Administrative Code, Florida Power & Light Company ("FPL") requests confidential classification of certain material provided to the Staff of the Florida Public Service Commission ("Staff") pursuant to the Commission's Review of Data Accuracy in Electric Reliability Reporting by Florida Electric IOUs (the "Audit"). In support of this request, FPL states as follows:

1. By letter dated June 24, 2015, Staff provided its draft Audit Report, including audit work papers. Pursuant to Rule 25-22.006(3)(a), FPL was given 21 days from the date of the letter to file a formal request for confidential classification with respect to the Audit Report and work papers. Accordingly, FPL is filing this Request for Confidential Classification to maintain continued confidential handling of the confidential materials.
2. The following exhibits are included with and made a part of this request:
 - a. Exhibit A consists of a copy the confidential materials, on which all information that is entitled to confidential treatment under Florida law has been highlighted.
 - b. Exhibit B consists of a copy of the confidential materials, on which all the information that is entitled to confidential treatment under Florida law has been redacted.
 - c. Exhibit C is a table that identifies the specific line, field or page references to the confidential materials for which FPL seeks confidential treatment. The table also

references the specific statutory bases for confidentiality and the affiants who support the requested classification.

d. Exhibit D contains the affidavit of David T. Bromley.

3. FPL submits that the highlighted information in Exhibit A is proprietary confidential business information within the meaning of Section 366.093(3). This information is intended to be and is treated by FPL as private, and its confidentiality has been maintained. Pursuant to Section 366.093, such information is entitled to confidential treatment and is exempt from the disclosure provisions of the public records law. Thus, once the Commission determines that the information in question is proprietary confidential business information, the Commission is not required to engage in any further analysis or review such as weighing the harm of disclosure against the public interest in access to the information.

4. As further detailed in the affidavit included as Exhibit D, certain documents contain information concerning internal auditing controls and reports of internal auditors. This information is protected by Section 366.093(3)(b), Fla. Stat.

5. In addition the documents or materials contain information concerning contractual data, the disclosure of which would impair the efforts of the public utility or its affiliates to contract for goods or services on favorable terms. Specifically, the information contains benchmarking analyses which FPL is required to maintain as confidential by contractual agreement. This information is protected by Section 366.093(3)(d), Fla. Stat. This information also relates to competitive interests, the disclosure of which would impair the competitive business of the provider of the information. This information is protected by Section 366.093(3)(e), Fla. Stat.

6. Upon a finding by the Commission that the information highlighted in Exhibit A, and referenced in Exhibit C, is proprietary confidential business information, the information should not be declassified for a period of at least eighteen (18) months and should be returned to FPL as soon as the information is no longer necessary for the Commission to conduct its business. *See* § 366.093(4), Fla. Stat.

WHEREFORE, for the above and foregoing reasons, as more fully set forth in the supporting materials and affidavits included herewith, Florida Power & Light Company respectfully requests that its Request for Confidential Classification be granted.

Respectfully submitted,

Scott A. Goorland
Senior Attorney
Florida Power & Light Company
700 Universe Boulevard
Juno Beach, FL 33408
Telephone: (561) 304-5633
Facsimile: (561) 691-7135
Email: scott.goorland@fpl.com

By: Jessica Cano
for Scott A. Goorland
Florida Bar No. 0066834

CERTIFICATE OF SERVICE
Docket No. 150000

I HEREBY CERTIFY that a true and correct copy of the foregoing* has been furnished by electronic mail on this 15th day of July, 2015 to the following:

Carl S. Vinson, Jr.
Public Utilities Supervisor
Office of Auditing and Performance Analysis
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

By: Jessica Cano
for Scott A. Goorland
Florida Bar No. 0066834

* The exhibits to this Request are not included with the service copies, but copies of Exhibits B, C and D are available upon request.

EXHIBIT A

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FILED UNDER SEPARATE COVER

EXHIBIT B

REDACTED COPIES

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- 1 ♦ Equipment code
- 2 ♦ Ticket notes

3 If necessary, the Delivery Assurance reviewer may access SCADA to determine whether an
 4 automated feeder switch (AFS) was activated during the outage. AFS equipment may limit the
 5 actual number of customers impacted by an outage by automatically re-directing the electrical
 6 service to another circuit for continued service. This reduces the number of customers out of
 7 service during an outage.

8 Delivery Assurance sample verifications are usually completed within 15-25 days after the
 9 outage has occurred. The ticket event log captures everything coded on the ticket, and the single
 10 login identifier shows the individual making any change in customer interruptions or customer
 11 minutes of interruption on the outage ticket. Additionally, ticket notes explain any changes made
 12 or critical information relative to completing the outage and restoring service.

13 To assist in the sample review, Delivery Assurance may make inquiries to the control centers
 14 regarding specific tickets. The Control Center Manager provides weekly feedback to Delivery
 15 Assurance to resolve any questions uncovered by the sampling review. These responses are
 16 maintained with the sample file results in Delivery Assurance.

17 During the period 2010-2015, FPL has conducted [REDACTED]
 18 [REDACTED] and Commission-ordered initiatives. FPL's Internal Audit department
 19 completed a total of nine audits of the processes surrounding:
 20

Comment [B5]: CONFIDENTIAL

- 21 ♦ Pole Inspection Replacement
- 22 ♦ Distribution Contract Administration for pole inspection
- 23 ♦ Distribution Feeder and Lateral Ticketing
- 24 ♦ Vegetation Management
- 25 ♦ FPSC Outage Reporting
- 26 ♦ Distribution Hardening

Comment [F6]: Place in Vegetation Management Section

Comment [F7]: Not applicable to audit scope.

27 **3.2 Wood Pole Inspections**

28 The Commission requires each IOU to implement an inspection program of wooden
 29 transmission, distribution and lighting poles on an eight-year cycle based on the requirements of
 30 the National Electric Safety Code. FPL inspects its distribution wood poles on an eight-year
 31 cycle. Transmission wood pole structures are inspected through climbing and bucket truck
 32 inspections over a six-year cycle. FPL completed its first eight-year pole inspection cycle in
 33 2014.

34 Accurate planning and tracking is essential to ensure all poles are accounted for during the
 35 inspection cycle. Poor inspection records, missing plant records, or inaccurate Geographical
 36 Information System listings can allow poles to go uninspected, and become weak links that may
 37 negatively impact pole reliability.

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1 Questionable results identified by the sample are returned to the contractor for clarification and
2 correction. Any corrective re-work necessary is performed at the expense of the contractor.

3 Random sample surveys of inspection results are conducted by FPL after Osmose has completed
4 pole inspection work. Additionally, a third-party audit of attachments is conducted every on a
5 five years cycle, and verified for accuracy by a multi-participant joint-use verification team.

6 Additionally, to ensure new joint-use requests will not overload existing poles, As a collaborative
7 effort between companies sharing joint-use poles with FPL utilizes, a third-party vendor Alpine
8 is used to complete joint-use pole loading evaluations. This contractor completes assessments of
9 joint-use facility pole strength and loading requirements and ensures appropriate clearances are
10 maintained for new attachments requests. This ensures new joint-use requests will not overload
11 existing poles under extreme wind-lead conditions.

12 During the period 2010-2015, FPL conducted [REDACTED]
13 [REDACTED]
14 [REDACTED]
15 [REDACTED]

Comment [BD9]: CONFIDENTIAL

16 3.3 Vegetation Management

17 Trees and vegetation are among the largest causes of electric system outages annually. Electric
18 power outages occur when trees, or portions of trees, grow or fall into overhead power lines.
19 Keeping trees and vegetation from conflicting with overhead conductors and triggering power
20 outages is critical to service reliability.

21 It is imperative that electric utilities implement adequate and consistent vegetation management
22 practices through accurate tracking of workloads and schedules. Vegetation management is
23 essential to maintaining tree clearances from distribution lines, and ensuring sustained electric
24 reliability during high wind and storm conditions.

25 3.3.1 Data Collection Process

26 Annually, FPL trims approximately one third of its feeders and one sixth of its lateral lines. FPL
27 also conducts a mid-cycle trimming program, to address fast-growing vegetation requiring
28 additional trimming prior to the next scheduled cycle.

29 FPL's vegetation management plan is loaded into the Work Management System (WMS)
30 annually and contractor trimming progress is tracked continually. A weighted index considering
31 customer interruptions and customer momentary interruptions is developed for each circuit.
32 Each circuit has a unique identifier and weighted index to establish trim priorities.

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1 As FPL's three tree contractors complete planned trimming, WMS is updated to reflect trim
2 progress. The miles trimmed are compared to the planned trim to ensure miles actually trimmed
3 are tracked and completed.

4 All trimming work is captured in WMS. The system allows contractors to input completed work
5 directly through a system interface. Contractors input their vegetation trim work start date,
6 percent complete, and complete date. This information is used to track and document whether
7 work is completed on time. Through WMS, FPL vegetation managers track trimming work
8 requests, including data regarding:

- 9 ♦ Feeder number
- 10 ♦ Type of line (Feeder / Lateral)
- 11 ♦ Miles of line
- 12 ♦ Start date and finish date
- 13 ♦ Percent complete

14 ~~If contractor re-work is required, the inspector documents the necessary work to be completed on~~
15 ~~the existing work request. Contractors are notified of re-work conditions through WMS with an~~
16 ~~attached re-work notice. If contractor re-work is required, the contractor completes the work at~~
17 ~~no cost to FPL.~~

18 3.3.2 Data Accuracy Validation

19 FPL vegetation management Quality Control & Compliance employees inspect 100 percent of
20 completed feeder trim work, within 30 days of contractor notification that the work is complete.
21 These inspections are completed to ensure work is consistent with FPL's vegetation plan
22 standards, and is appropriately recorded. FPL selects, inspects, and validates a sample of
23 completed lateral line trimming to ensure conformance and compliance with FPL's plan and
24 standards. Quality Control & Compliance survey results are also tracked in WMS. Upon
25 inspection, if contractor re-work is required, the inspector documents the necessary work to be
26 completed on the existing work request. Contractors are notified of re-work conditions through
27 WMS with an attached re-work notice. If contractor re-work is required, the contractor
28 completes the work at no cost to FPL.

29 During the period 2010-2015, FPL conducted [REDACTED]

30 [REDACTED]

Comment [BD10]: CONFIDENTIAL

31 3.4 Transmission Structure Inspections and Storm Hardening

32 The Commission requires investor-owned electric utilities to develop a plan for inspecting all
33 transmission towers and other line-supporting equipment based on at least a six-year inspection
34 cycle. At December 31, 2014, FPL's transmission system consists of approximately 11,550 wood
35 and approximately 53,300 66,000 steel and concrete structures.

36 FPL's annual reliability report updates the status of inspection and storm hardening actions for
37 transmission structures. The transmission structure inspection program identifies potential issues

1 2 3 4 5	A	B	C	D	E	F
<p align="center">Performance Analysis Workplan Office of Auditing and Performance Analysis Electric Service Reliability Data Reporting</p>						
6	Ref No.	Task	Standard	Audit Notes	Finding	
				6 every two to three days. These 7 reviews ensure outage tickets are 8 complete, accurate, and properly 9 coded. 10 c. Delivery Assurance sample 11 verifications are usually completed 12 within 15-25 days after the outage 13 has occurred. The ticket event log 14 captures everything coded on the 15 ticket, and the single login identifier 16 shows the individual making any 17 change in customer interruptions or 18 customer minutes of interruption on 19 the outage ticket. d. Ticket notes 20 explain any changes made or critical 21 information relative to completing 22 the outage and restoring service. 23 e. During the period 2010-2015, 24 FPL has conducted regular Internal 25 Audits of the processes related to 26 reliability measurement and 27 performance and Commission- 28 ordered initiatives. 29 30 31 32 33 34 35 36 37 38 39		
40 41 42 43 44	6	Document the company's use of IEEE methodology, standard 1366, to calculate its internal reliability metrics? If used, document how the company incorporates the IEEE standard 1366 methodology into the assessment of it's the reliability indices.	The Institute for Electrical and Electronic Engineers (IEEE) has established a set of guidelines related to Distribution Reliability Indices (IEEE Std 1366-2012.) The company should understand these guidelines and consider its relevance in monitoring and calculating its reliability indices.	45 a. Though not required by the 46 Commission, FPL internally tracks 47 the Institute of Electrical and Electronics Engineers (IEEE) 2.5 Beta methodology to calculate SAIDI, CAIDI, and MAIFI. The company captures the data internally to benchmark its reliability results		

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Performance Analysis Workplan
Office of Auditing and Performance Analysis
Electric Service Reliability Data Reporting

Ref No.	Task	Standard	Audit Notes	Finding
			coded. d. A third key level of data verification is completed monthly by FPL's Delivery Assurance Group in June. e. this group completes a random sample from the data warehouse of approximately 500 outage tickets monthly. These tickets are reviewed for accuracy and completeness of outage information.	
			[REDACTED]	

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25 I:\00 BUREAU PERFORMANCE ANALYSIS\00 ADMINISTRATIVE BPA\Audit Forms\1 INITIATION\Audit Notification letter - Telephone.doc

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1 FLORIDA PUBLIC SERVICE COMMISSION
2 AUDIT DOCUMENT/RECORD REQUEST
3 NOTICE OF INTENT

CONFIDENTIAL

4 TO: Mr. Dave Bromley

5 UTILITY: Florida Power & Light Company

Lynn Fisher
AUDIT MANAGER

6 FROM: Lynn Fisher

7 REQUEST NUMBER: DR-2

DATE OF REQUEST: 2/26/15

8 AUDIT PURPOSE: To review electric service reliability data collection and reporting.

9 REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: 3/10/15

10 REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: INCIDENT TO AN INQUIRY

11 X OUTSIDE OF AN INQUIRY

12 DR-2.1 Please provide two paper copies of the following internal audit reports (requested confidential by company):

13
14
15
16



17 DR-2.2 Provide a summary showing the total number of verification/validation audits conducted monthly for the Pole Inspection
18 Program, during the period 2010-2015 to date. (ref. DR-1.1b)

19 DR-2.3 a. Provide a summary showing the total number of audit/surveys conducted monthly for the Joint Use Pole Inspection
20 Program, during the period 2010-2015 to date. (ref. DR-1.8)

21 DR-2.4 a. Provide a summary showing the total number of Transmission random sample verification audits conducted monthly for
22 the Transmission Structure Inspection Program, during the period 2010-2015 to date. (ref. DR-1.10)

23 DR-2.5 Provide a list of any ongoing or planned audits of FPL's Pole Inspection Program, Vegetation Management Program, Storm
24 Hardening Program, or Annual Reliability Reporting, during 2015.

25 DR-2.6 Please provide a copy of the most current Pole Inspection Deployment Plan.

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FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT

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TO: Mr. Dave Bromley

UTILITY: Florida Power & Light Company

Lynn Fisher
AUDIT MANAGER

FROM: Lynn Fisher

REQUEST NUMBER: DR-4

DATE OF REQUEST: 4/29/15

AUDIT PURPOSE: To review electric service reliability data collection and reporting.

REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: 5/4/15

REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: INCIDENT TO AN INQUIRY

X OUTSIDE OF AN INQUIRY

DR-4.1



DR-4.2 a. Provide an explanation of the reasons why FPL did not complete QA validation/verification reviews for the Pole Inspection Program and joint use poles during 2010-2011.
b. Discuss why changes were made to re-implement the QA process again in 2013, and why it continues today.

TO: AUDIT MANAGER

DATE:

THE REQUESTED RECORD OR DOCUMENTATION:

(1) HAS BEEN PROVIDED TODAY

(2) CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY

(3) AND IN MY OPINION, ITEM(S) IS (ARE) PROPRIETARY AND CONFIDENTIAL BUSINESS INFORMATION AS DEFINED IN 364.183, 366.093, OR 367.156 F.S. TO MAINTAIN CONTINUED CONFIDENTIAL HANDLING OF THIS MATERIAL, THE UTILITY OR OTHER PERSON MUST, WITHIN 21 DAYS AFTER THE AUDIT EXIT CONFERENCE, FILE A REQUEST FOR CONFIDENTIAL CLASSIFICATION WITH THE DIVISION OF COMMISSION CLERK AND ADMINISTRATIVE SERVICES. REFER TO RULE 25-22.006, F.A.C.

(4) THE ITEM WILL NOT BE PROVIDED. (SEE ATTACHED MEMORANDUM)

SIGNATURE AND TITLE OF RESPONDENT

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		1	Conclusions:
		2	Data Request(s) Generated:
		3	No. _____ Description:
		4	No. _____ Description:
		5	Follow-up Required:
6	Document: DR-1.3		Document Title and Purpose of Review: Please describe any changes that are being considered to the company's wood pole inspection processes and activities.
7	Date Requested: 1/6/15		
8	Date Received: 1/6/15		Summary of Contents: No changes are being considered by the company at this time.
9	Comments: (i.e., Confidential)		
		10	Conclusions:
		11	Data Request(s) Generated:
		12	No. _____ Description:
		13	No. _____ Description:
		14	Follow-up Required:
15	Document: DR-1.4		Document Title and Purpose of Review: a. Please describe in detail the processes for planning, tracking, and auditing/validating the company's vegetation management results. b. Please provide all audits conducted on the vegetation management process over the first signature cycle <u>signature cycle</u> .
16	Date Requested: 1/6/15		
17	Date Received: 1/6/15		Summary of Contents: a. Annually, FPL trims approximately 1/3 of its feeders (3 yr. average cycle) and 1/6 (6 yr. average cycle) ; FPL also has a mid-cycle program to address feeder conditions requiring trimming prior to the next 3-yr. cycle trim (for fast growing species); All feeders are assigned a 1, 2, or 3 to the year of the cycle they are trimmed; feeders are ranked/prioritized based on historical reliability performance; Laterals recently trimmed are removed from the list and laterals not yet trimmed are moved up in priority rank; As FPL tree contractors complete planned tree trimming, FPL's Work Management System (WMS) is updated to reflect plan progress; Actual miles trimmed is compared to the planned trim and budgeted costs to ensure miles actually trimmed and costs are in line w/budget expenditures; W/in 30 days of vendor notification that work is complete, <u>100% of vendor completed feeder work is inspected by FPL employees</u> , to ensure work is consistent w/FPL plan/standards and is appropriately recorded; <u>For laterals FPL selects, inspects, and validates a sample of completed lateral trimming</u> ; to ensure conformance and compliance w/FPL plan/standards;
18	Comments: (i.e., Confidential)		
19	CONFIDENTIAL		b. FPL will list applicable verification/validation audits and internal audits conducted (for the first inspection cycle); copies of the internal audits and a sample of each verification/validation audit are provided in FPL Tallahassee offices for review; examples of the 100% feeder validation audits and random sample lateral validation audits are attached; An example of the Vegetation Management Quality Control & Compliance PM Inspection Forms (Feeder Validation) were attached; <u>_____ were made available in FPL Tallahassee offices for staff review. FPL also provided a listing of all verification/validation audits completed in the Tallahassee office.</u>
20	CONFIDENTIAL		
21		25	Conclusions:
22	NOI Requests DR-1.4b information in FPL Tallahassee offices to be held confidential during the audit.	26	Data Request(s) Generated:
23		27	No. _____ Description:
24		28	No. _____ Description:
		29	Follow-up Required:
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	1	Data Request(s) Generated:
	2	No. _____ Description:
	3	No. _____ Description:
	4	Follow-up Required:
5		Document: DR-1.31
6		Date Requested: 1/6/15
7		Date Received: 1/6/15
8		Comments: (i.e., Confidential)
9		CONFIDENTIAL
10		Document Title and Purpose of Review: For the period 2010 to date, please provide a copy of all studies, audits, or assessments to ensure that the reliability indices are being implemented as prescribed.
11		Summary of Contents: See FPL's response to DR-1.27; Confidential internal audit reports dated 5/2010, 3/2011, and 3/2013 are available for review in FPL's Tallahassee office.
12		Conclusions:
13		Data Request(s) Generated:
		No. _____ Description:
		No. _____ Description:
		Follow-up Required:
14		Document: DR-1.32
15		Date Requested: 1/6/15
16		Date Received: 1/6/15
17		Comments: (i.e., Confidential)
18		CONFIDENTIAL
19		Document Title and Purpose of Review: For the period 2010 to date, please provide a copy of all benchmarking analyses performed on the company's reliability indices, including systems and databases used to track reliability information.
20		Summary of Contents: Confidential reports from [REDACTED] are available for review in FPL's Tallahassee office.
21		Conclusions:
22		Data Request(s) Generated:
		No. _____ Description:
		No. _____ Description:
		Follow-up Required:
23		Document: DR-1.33
24		Date Requested: 1/6/15
25		Date Received: 1/6/15
26		Comments: (i.e., Confidential)
27		Document Title and Purpose of Review: Please describe how service reliability complaints to the company and the Commission are used to assess the accuracy of service reliability data or the adequacy of customer service.
28		Summary of Contents: Service reliability complaints are not used to assess the accuracy of service reliability data, but service reliability data (outages and momentaries) is used to confirm and assess service reliability complaints; Investigations of service reliability complaints/issues can result in opportunities to improve customer reliability through identifying necessary repairs, targeted tree trimming, equipment upgrades, etc.
29		Conclusions:
30		Data Request(s) Generated:
31		No. _____ Description:
32		No. _____ Description:
33		Follow-up Required:
34		Document: DR-1.34
35		Date Requested: 1/6/15
36		Date Received: 1/6/15
37		Comments: (i.e., Confidential)
38		Document Title and Purpose of Review: a. Please discuss the increases in FPL SAIDI during the period 2006-2011 and the changes made to reduce SAIDI levels during 2012-2013. b. Please discuss any FPL efforts and changes made to reduce SAIFI during the period 2008-2013. c. Please discuss FPL efforts and changes made to reduce MAIFIE during the period 2010-2013. d. Please discuss FPL efforts and changes made to reduce CEMIS during the period 2008-2013. e. Please discuss the causes of increased FPL CAIDI during 2009-2013 and any planned changes to further reduce CAIDI in the future. f. Please describe any changes in systems, processes, controls, measurements, or calculation methodology used to improve results discussed in response to

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Office of Auditing and Performance Analysis Document Summary and Control Log	
Company: <u>Florida Power & Light Company</u>	Workload Control #: <u>PA-14103004</u>
Area: <u>Electric Reliability Reporting Review</u>	File Name: <u>1/PERFORMANCE ANALYSIS SECTION/00PERFORMANCE ANALYSIS AUDITS/Electric Reliability Reporting</u>
Auditor(s): <u>L. Fisher</u>	Review Workpapers: <u>3.3 Document Summaries/DSE-DR-2.doc</u>
Document: DR-2.1 Date Requested: 2/26/15 Date Received: 3/10/15 Comments: (i.e., Confidential)	Document Title and Purpose of Review: Please provide two paper copies of the following internal audit reports (requested confidential by company): 
CONFIDENTIAL	Summary of Contents: Audits and benchmarking studies were reviewed and returned to company (a,b,c,d);
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document: DR-2.2 Date Requested: 2/26/15 Date Received: 3/10/15 Comments: (i.e., Confidential)	Document Title and Purpose of Review: Provide a summary showing the total number of verification/validation audits conducted monthly for the Pole Inspection Program, during the period 2010-2015 to date. (ref. DR-1.1b)
	Summary of Contents: Chart of Pole Inspection Random Sample Verification/Validation Audits 2010-2015 (Feb.)
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document: DR-2.3 Date Requested: 2/26/15 Date Received: 3/10/15 Comments: (i.e., Confidential)	Document Title and Purpose of Review: a. Provide a summary showing the total number of audit/surveys conducted monthly for the Joint Use Pole Inspection Program, during the period 2010-2015 to date. (ref. DR-1.8)
	Summary of Contents: summary of annual joint-use audits/surveys of approximately 20% of joint use poles 2010-2015.
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
Document: DR-2.4 Date Requested: 2/26/15 Date Received: 3/10/15	Document Title and Purpose of Review: a. Provide a summary showing the total number of Transmission random sample verification audits conducted monthly for the Transmission Structure Inspection Program, during the period 2010-2015 to date. (ref. DR-1.10).

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Office of Auditing and Performance Analysis Document Summary and Control Log	
Company: Florida Power & Light Company	Workload Control #: PA-15-01-003
Area: Electric Reliability Reporting Review	File Name: 1/PERFORMANCE ANALYSIS/SECTION 00 PERFORMANCE ANALYSIS/AUDITS/Electric Reliability Reporting Review/Workpapers/3.3 Document Summaries/DSL-DR-4.doc
Auditor(s): L. Fisher	
Document: DR-4.1	Document Title and Purpose of Review:
Date Requested: 4/29/15	[REDACTED]
Date Received: 5/4/15	[REDACTED]
Comments: (i.e., Confidential)	Summary of Contents:
CONFIDENTIAL	[REDACTED]
	Conclusions:
	Data Request(s) Generated:
	No. _____ Description:
	No. _____ Description:
	Follow-up Required:
Document: DR-4.2	Document Title and Purpose of Review:
Date Requested: 4/29/15	a. Provide an explanation of the reasons why FPL did not complete QA validation/verification reviews for the Pole Inspection Program and joint use poles during 2010-2011.
Date Received: 5/4/15	b. Discuss why changes were made to re-implement the QA process again in 2013, and why it continues today.
Comments: (i.e., Confidential)	Summary of Contents:
	a. Company responded that as provided in DR 2.2, the last seven months of 2010 and February and March 2011, no QA validation/verification audits were conducted due to the team (performing the audits) being disbanded, early retirements, and business unit reorganization; in April 2011 QA audits were re-established; In August and September 2011 the resources performing QA audits were temporarily reassigned to perform a pole pulling survey; according to data provided, from October 2011 to March 2015 FPL averaged the QA validation/verification audit target of 500 per month.
	b. The QA verification/validation audits were reestablished in April 2011; FPL believed /believes the QA audits help maintain the integrity of the pole inspection program and pole population.
	Conclusions:
	Data Request(s) Generated:
	No. _____ Description:
	No. _____ Description:
	Follow-up Required:

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Tony Maceo Questions

Pages 98 – 99

**ARE CONFIDENTIAL IN
THEIR ENTIRETY**

1 Interview Topics

2 **Wood Pole Inspections (DR 1.1-1.3)**

- 3 • Develop an understanding of the database that captures wood pole inspections results as
- 4 well as the process flow
- 5 • How are QA audits conducted and performed?
- 6 o Determination of random sample to verify/validate vendor inspection results
- 7 • Planning and tracking of wood pole inspections
- 8 o Ranking of Wood Poles to be inspected annually
- 9 • Process of rejection and replacement of poles
- 10 • Understanding of verification of systems data accuracy in AMS/GIS with vendor work
- 11 completed
- 12 • Discussion of improvements as a result of [REDACTED]

13 **Initiative 1: Vegetation Management (DR 1.4-1.6)**

- 14 • Develop an understanding of the database that captures vegetation management results as
- 15 well as the process flow
- 16 • Planning and tracking of vegetation management (work planned vs. completed, budget
- 17 vs. actual, and vendor billing vs. paid)
- 18 • Process for auditing vegetation management work performed
- 19 • Discussion of 100% feeder validation audits inspection and validation process
- 20 • Random sample lateral validation audits selection criteria
- 21 • Updating WMS to measure plan progress
- 22 • Understanding of verification/validation of systems data accuracy
- 23 • Discussion of improvements as a result of [REDACTED]

24 **Initiative 2: Joint-Use Pole Attachment Audits (DR1.7-1.9)**

- 25 • Planning and determination of joint-use pole inspections
- 26 • Develop an understanding of the database that captures joint-use pole attachment audit
- 27 and load analysis results as well as the process flow
- 28 • How are inspections of audits of joint-use attachment poles conducted?
- 29 • Understand the process for reviewing attachment records
- 30 • Determining pole strength and remaining strength and records process
- 31 • How the 5 year cycle is tracked vs. completed inspections
- 32 • Annual 20% audits/survey completion and recording
- 33 • Pole replacements due to overloading and updating system data
- 34 • Discussion of improvements as a result of [REDACTED]

35 **Initiative 3: Six-Year Transmission Structure Inspection Program (DR 1.10-1.12)**

- 36 • Planning and tracking of Transmission pole inspections
- 37 o Ranking of Poles and Structures to be inspected annually
- 38 • Process tracking and auditing transmission inspection results
- 39 • Database and process flow
- 40 • Determination of random sample to verify/validate vendor inspection results
- 41 • Understanding of verification of systems data accuracy

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- 1 **Initiative 4: Storm Hardening of Existing Transmission Structures (DR 1.13-1.15)**
- 2 • Develop an understanding of the database that captures storm hardening of transmission
- 3 results as well as the process flow
- 4 • Monthly tracking of progress for Transmission hardening activities in the AMP system
- 5 • Tracking of inspections and replacements completed
- 6 • Understanding of verification/validation of systems data accuracy

- 7 **Initiative 5: GIS (DR 1.16-1.18)**
- 8 • Process flow for integrating facilities and assets into GIS
- 9 • Interactions between GIS and other applications (e.g. OMS, AMP, others)
- 10 • Data verification/validation for accuracy
- 11 • How GIS costs budgeted and tracked

- 12 **Initiative 6: Post-Storm Data Collection (DR.1.19-1.21)**
- 13 • Develop an understanding of the database that captures forensic analysis results as well
- 14 as the process flow
- 15 • Experience with Post-storm Data Collection in FPL's annual company-wide dry run

- 16 **Initiative 7: Overhead vs. Underground Reliability (DR 1.22)**
- 17 • Capture and use of overhead/underground reliability results
- 18 • Experience with Post-storm Data Collection in FPL's annual company-wide dry run


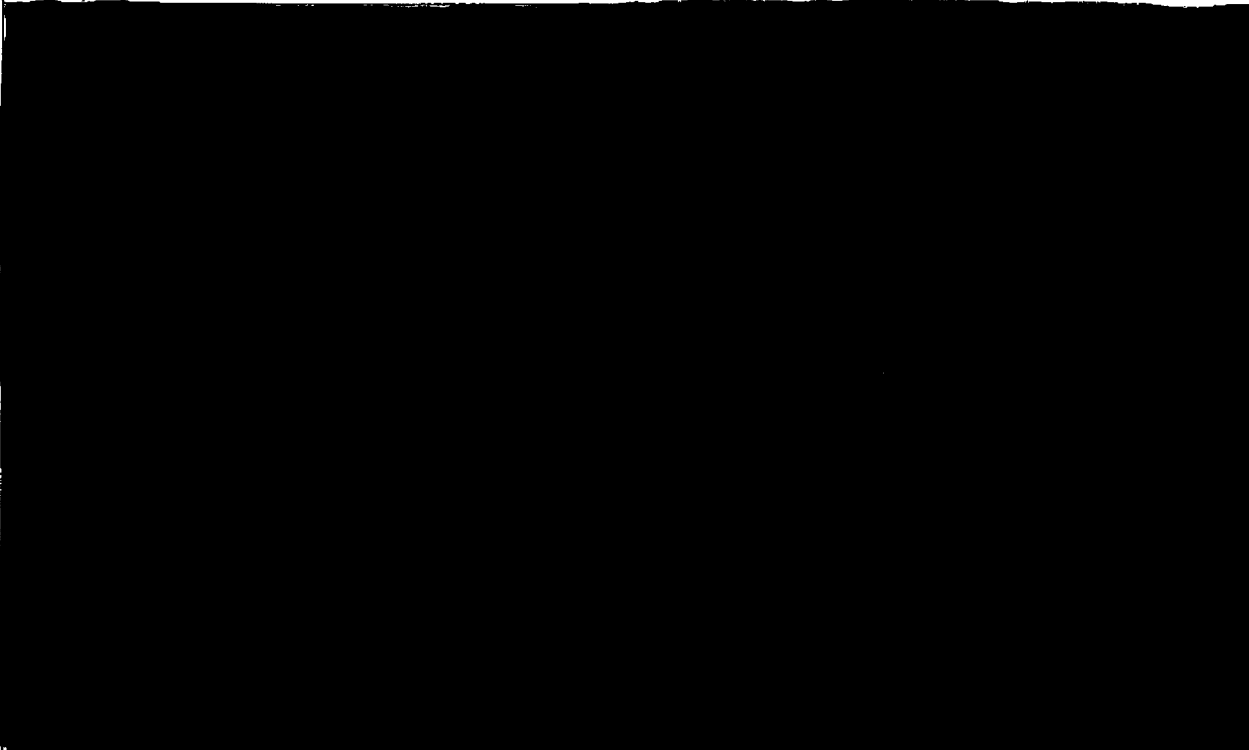
- 19 **Reliability Indices (DR 1.23-1.33)**
- 20 • Overview of organizational structure and responsibilities
- 21 • Discussion of the system chart provided in DR 1.25 and Data Warehouse input/output for
- 22 indices
- 23 ○ Process of capturing interruptions (i.e. Are all individual customers included?)
- 24 ○ TCMS validation process
- 25 ○ Feeder Lockdown instructions
- 26 ○ Ticket Coding and post-day ticket validation
- 27 ○ CEMI customer validation process
- 28 • Verification and reconciliation of data
- 29 • Walk-through of Outage Auditing process
- 30 • Walk-through of exclusions and determination of areas affected
- 31 • Benchmarking analyses for reliability indices [REDACTED] etc.)
- 32 • IEEE 1366
- 33 • Benefit of 2.5β and other internal and external indices for measuring reliability
- 34 performance
- 35 • Walk-through FPL's process to ensure that the Commission reliability indices are being
- 36 implemented as prescribed
- 37 • Discuss FPL's use of service reliability complaints to improve reliability performance

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Bureau of Performance Analysis Interview Summary	
Company: Florida Power & Light Company Area: Electric Reliability Report Auditor(s): L. Fisher/C. Vinson	Interview Number: IVS-5 File Name:
Name: Severino Lopez, Regulatory & Distribution, Tony Maceo, Manager of Internal Audit	Date of Interview: 4/24/15 Location: Teleconference Telephone Number: FPL called into my office
1) Purpose of Interview: To understand 	
	
(3) Conclusions:	
(4) Date Request(s) Generated: No. _____ No. _____ No. _____	
(5) Follow-up Required:	

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1 lateral lines experiencing more than 3 momentaries in a month; Area Managers receive daily outage recaps to FPL also has a 4+
2 Feeder program targeting the cause of feeders with more than 4 outages in a month; FPL noted that customer complaints have been
3 useful in identifying system conditions that contribute to outages and momentaries; FPL has identified the CEMM measure to track
4 customers with multiple momentaries as high as 50, due to low voltages and other causes; FPL noted that their effort to address
5 CEMM50 was completed last year, and the next goal is to eliminate all CEMM35 events and further reduce customer momentaries;
6 the benefit of AMI is to identify fault current and real-time information to determine the cause of the momentary; in the last few years
7 the control center has had tools to find faults more quickly; Fault Current Identifiers (FCI) are part of the Smart Grid technology that
8 is FPL's Energy Smart Florida;
9 g. FPL explained that the Data Warehouse is used to interface with FPL field systems which gather outage data used to calculate and
10 report reliability metrics and data regarding the ten initiatives; the warehouse stores data that can be reviewed by company
11 management and be used for further analysis and reporting to management;



20 (3) Conclusions:

21 (4) Date Request(s) Generated:

22 No. _____
23 No. _____
24 No. _____

25 (5) Follow-up Required:

- 26 1. Clarify reporting numbers for Distribution Operations Lead and General Manager organizations
27 2. Review examples of Delivery Assurance monthly sampling reviews of ticket data
28 3. Provide the monthly control center error rates for Feeder and Lateral tickets during 2014 and 2015 to date
29 4. Provide a list of SLIDs of employees making errors for Feeder and Lateral tickets during 2014 and 2015 to date
30 5. Provide a copy of current Ticket Validation Procedures (if not in DR-1 or DR-2)

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1 technology consulting; all work is captured in the Work Management System (WMS); WMS allows contractors to input completed
2 work directly through an interface; it also allows managers to track Work Requests (WRs), which include data regarding, feeder
3 number, type line, miles of line, start date and finish date, percent complete; QA survey results are also tracked in WMS; QA is
4 completed by Environmental Construction Inc. (ECI) and ACRC arborists; if rework is needed the inspector writes up needed rework
5 on the existing WR;
6 h. The Vegetation Management Plan is loaded annually and progress is tracked continually; the plan is developed based on the
7 feeder/lateral trim list, feeder reliability, PSC cycle target (1/6 of system per year) and develops a weighted index that considers CI,
8 CEMI on each circuit; each circuit has a unique identifier as well; the Plan is built on a rolling three year basis, with targets developed
9 monthly and quarterly; an automated controller interface takes work units and generates WMS Work Requests; FPL uses Asplundh
10 and two other tree trim contractors to complete the work; Veg. Mgmt. is constantly balancing and prioritizing work to available
11 contract labor resources; Vegetation Management also conducts interim cycle trimming through a separate mid-cycle plan; vendors
12 are held to trim targets and QA inspections are completed by an independent contractor; QA is not a full time job for all areas; vendors
13 input their vegetation trim work start date (form 599 start date), % complete, and complete dates (form 731 request inspection) to track
14 and document whether work is completed on time; Billing is completed on a cost per mile rate for each contractor; any rework is free
15 from the vendor; vendors are notified of rework conditions through WMS with an attached rework notice; FPL invoices vendors
16 monthly;



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31 (3) Conclusions:

32 (4) Date Request(s) Generated:

33 No. _____

34 No. _____

35 No. _____

36 (5) Follow-up Required:

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Bureau of Performance Analysis	
Interview Summary	
Company: Florida Power & Light Company Area: Electric Reliability Report Auditor(s): L. Fisher/C. Vinson	Interview Number: IVS-1 File Name:
Name: Dave Bromley, Regulatory & Distribution, Tom Allain, Gen. Mgr. Central Maintenance, James Pike, Pole Inspection Lead, Eileen Tomayo, Pole Engineering, Scott Gordon, Gen. Counsel	Date of Interview: 3/16/15 Location: 7200 NW 4 th St., Plantation, FL Telephone Number:
(1) Purpose of Interview: To understand the company's systems, processes and controls used to capture, analyze, and ensure the accuracy of reliability metrics reported to the FPSC	
(2) Interview Summary:	
a. Central Maintenance is responsible for construction work, OH/ UG conversions, cable services, Distribution pole inspections, and other duties; James Pike is the Pole Inspection Lead, responsible for ensuring pole inspections are completed on cycle per the inspection program and reports to Tom Allain, Gen. Mgr.;	
b. FPL's vendor completes inspections and uses portable computer to capture results; The vendor results were stored in their Fastgate system until 2012, when the system was retired; currently the vendor provides pole inspection data through a direct feed to FPL IT. Vendor inspection data is reviewed by their supervisors, prior to sending data and invoices to FPL; Monthly a 500 pole sample of vendor inspection data is reviewed by FPL QA; this second review of inspection data by FPL QA inspectors, determines whether the work ordered is comparable to the work performed by the vendor, verifies whether vendor charges are reflective of the contractual agreement, and whether unnecessary work is completed, or rework is necessary; administrative checks against contract prices are also conducted on an ongoing basis; AMS/GIS is updated internally by FPL upon completion, inspection, review, and approval of work completed;	
c. FPL Central Maintenance maintains updated inspection data in excel files; FPL Pole Inspection uses the raw data results from the vendor to update the Central Maintenance stored excel files and complete pole inspection reports; vendor raw data files are also uploaded via high density XML files to FPL Information Technology; pole data from the vendor is also loaded into the Asset Management System (AMS) to update pole records and other update purposes;	
d. Pole Inspection techniques include visual, sound, bore, and excavation to 18" deep for wood poles; The vendor also completes pole strength and load assessments to ensure poles do not violate NESC standards; Additionally, pole spans, equipment attachments, class of pole and height of pole are reviewed; all poles inspected are treated around the base of the pole excavation,	
e. FPL's Work Management System (WMS) tracks pole inspection work activity; weekly status of follow-up work and rework is monitored to ensure the activity is completed in a timely manner;	
f. As a result of the first pole inspection cycle, FPL requested that the Commission modify requirements for CCA pole inspection excavations and load calculations because of the low failure rate for CCA poles; the Commission approved an extension of the inspection excavation period for new CCA poles from 16 years to 28 years, and load calculation for wood poles to greater than 80% before required inspection in the second inspection cycle. There are cost savings for 2 nd cycle inspections due to the FPSC change;	
[REDACTED]	
(3) Conclusions:	
(4) Date Request(s) Generated:	
(5) Follow-up Required:	
1. Ask for the monthly reviews of the 500 sample pole inspections audited by QA inspectors.	
2. Describe the changes made to FPL's AMS/GIS systems to ensure pole inspection records are reconciled as a result of the March 2011 audit.	
3. Provide a copy of the latest AMS/GIS reconciliation performed (through March 2015), showing the number of pole inspections performed.	
4. Provide a copy of the latest AMS/GIS/Deployment Plan reconciliation performed (through March 2015), showing the number of pole inspections performed.	
5. Provide a copy of the latest Central Maintenance stored excel files (through March 2015) showing the number of pole inspections performed.	

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Project Manager

EXHIBIT C

JUSTIFICATION TABLE

EXHIBIT C

COMPANY: Florida Power & Light Company
TITLE: List of Confidential Workpapers
AUDIT: Review of Data Accuracy in Electric Reliability Reporting by Florida Electric IOUs
DATE: July 15, 2015

Description	Page No.	Conf. Y/N	Line No. Col No.	Florida Statute 366.093(3) Subsection	Affiant
EER Draft Report	5	Y	Line 17 Col C Line 18 Line 19 Col A	(b)	David T. Bromley
	8	Y	Line 12 Col C Lines 13 – 15		
	9	Y	Line 29 Col C Line 30 Col A		
Performance Analysis Work Plan	9	Y	Line 28 Col E Lines 29 – 39	(b)	David T. Bromley
	24	Y	Lines 17 - 24		
DR-2	44	Y	Lines 13 - 16	(b)	David T. Bromley
DR-4	50	Y	Lines 12 – 14 Col B	(b)	David T. Bromley
Document Summary and Control Log	68	Y	Line 33 Col D Line 34 Col B	(b)	David T. Bromley
	79	Y	Line 16 Col C	(d), (e)	
	82	Y	Lines 9 – 12 Col B	(b), (d), (e)	
	91	Y	Lines 8 – 9 Col B Lines 11 – 12 Col B	(b)	
Questions	98	Y	All	(b)	David T. Bromley
	99	Y	All		
Interview Topics	100	Y	Lines 12, 23, 34 Col B	(b)	David T. Bromley
	101	Y	Line 31 Col B	(d), (e)	
Interview Summary	107	Y	Line 9 Col B Lines 10 – 37	(b)	David T. Bromley
	110	Y	Lines 12 – 19		
	112	Y	Lines 17 – 30		
	113	Y	Lines 37 - 42		

EXHIBIT D

AFFIDAVIT

EXHIBIT D

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Review of Data Accuracy in Electric Reliability Reporting by Florida IOUs

Docket No: 150000
Date: July 14, 2015

STATE OF FLORIDA)
)
COUNTY OF BROWARD)

AFFIDAVIT OF DAVID T. BROMLEY

BEFORE ME, the undersigned authority, personally appeared David T. Bromley who, being first duly sworn, deposes and says:

1. My name is David T. Bromley. I am currently employed by Florida Power & Light Company ("FPL") as Manager, Regulatory Services. My business address is 7200 N.W. 4th Street, Plantation, Florida 33317. I have personal knowledge of the matters stated in this affidavit.

2. With respect to Exhibit C, I have reviewed the documents and information for which I am listed as Affiant and which are included in Exhibit A to FPL's Request for Confidential Classification regarding the audit report entitled Review of Data Accuracy in Electric Reliability Reporting by Florida Electric IOUs. Documents or materials that I have reviewed and which are asserted by FPL to be proprietary confidential business information contain or constitute internal auditing controls and reports of internal auditors. In addition, the documents or materials contain information concerning contractual data, the disclosure of which would impair the efforts of the public utility or its affiliates to contract for goods or services on favorable terms. Specifically, the information contains benchmarking analyses which FPL is required to maintain as confidential by contractual agreement. This information also relates to competitive interests, the disclosure of which would impair the competitive business of the provider of the information. To the best of my knowledge, FPL has maintained the confidentiality of these documents and materials.

3. This information should be maintained as confidential for a period of not less than eighteen months. In addition, these materials should be returned to FPL as soon as the information is no longer necessary for the Commission to conduct its business so that FPL can continue to maintain the confidentiality of these documents.

4. Affiant says nothing further.

David T. Bromley

David T. Bromley

SWORN TO AND SUBSCRIBED before me this 14 day of July 2015, by David T. Bromley, who is personally known to me and who did take an oath.

Anna V. Tupitsyna

Notary Public, State of Florida

My Commission Expires:

