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Public Service Commission

December 18, 2015

John T. Butler
Florida Power & Light Company
700 Universe Boulevard (LAW/JB)
Juno Beach, FL 33408-0420

STAFF'S FIRST DATA REQUEST

Re: Docket No. 150256-EQ - Petition for approval to terminate the North Broward Resource Recovery Facility electric power purchase agreement with Wheelabrator North Broward, Inc., by Florida Power & Light Company

Dear Mr. Butler:

By this letter, the Commission staff requests that Florida Power & Light Company (FPL or Company) provide responses to the following data requests, related to the Purchased Power Agreement between FPL and Wheelabrator North Broward, Inc. (WNB Second PPA) for capacity and energy from the North Broward Resource Recovery Facility (NBRR Facility).

1. The Company's petition refers to Rule 28-106.21, Florida Administrative Code, which discusses continuances of a hearing. Please specify if this Rule citation is in error, and if so, what is the proper citation?
2. Please refer to paragraph 10 of the petition. Please specify the portion of the WNB Second PPA that entitles FPL to terminate the contract based upon a decline of Annual Capacity Billing Factor (ACBF) below the 60% threshold.
3. Please refer to Section 9.4 of the WNB Second PPA. Does Waste Management's September 9, 2015, decision to shut down and close the NBRR Facility qualify as a failure to provide proper assurance of adequate performance?
4. Please provide, absent the agreement included as Exhibit B, the amount that would have been calculated for the Capacity Account for each month of September 2015 through December 2015.
5. Please provide the impact of the loss of the capacity associated with the WNB Second PPA to summer and winter reserve margins based on FPL's most recent planning forecast.

6. Please specify whether FPL would require the purchase of additional capacity to replace the WNB Second PPA for meeting either of its reserve margin planning criterions for summer or winter peak.
7. Please refer to paragraph 15 of the petition.
 - a. Please provide a copy of the analysis described herein, providing separate amounts for payments of capacity and energy.
 - b. Appendix E states that in the event that the ACBF is less than 60%, no monthly capacity payment shall be due. Are any capacity payments included in the calculation of the savings in part (a) above? If so, please explain.
 - c. If additional capacity purchases are not required to meet either of its reserve margin planning criterions, please provide an updated version of the net present value analysis without avoided capacity payments.
 - d. Are any energy payments to the NBRR Facility included in the calculation of the savings in part (a) above? If so, please explain.
8. Regarding the fuel forecasts used to perform the analysis discussed in paragraph 15 of the petition.
 - a. Please identify the sources and dates of FPL's fuel price forecast used in deriving the projected \$30.2 million savings figure.
 - b. Please explain how FPL utilized its fuel price forecasts in developing the projected \$30.2 million savings figure.
 - c. What is the name and date of each previous FPSC filing, if any, containing the same fuel price forecasts used in deriving the projected savings figure.
 - d. Please discuss FPL's fuel price forecasting methodologies for both Natural Gas and Coal.
 - e. Please identify the sources and dates of FPL's next fuel price forecasts.
 - f. Please explain all tests of reasonableness FPL conducted to compare its natural gas and coal price forecasts relied upon in this proceeding to any alternate fuel price forecasts the Company may have reviewed. Please discuss any conclusions drawn from such tests.
 - g. Please provide FPL's commodity, transportation, and delivered fuel price forecasts (exclusive of hedging for natural gas) for both coal and natural gas used in deriving the projected \$30.2 million savings figure.

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9. Please provide all alternative coal price forecasts the Company may have used to test the reasonableness of the coal commodity and transportation price forecasts filed in response to Request 8(g).
10. Please provide all alternative natural gas price forecasts the Company may have used to test the reasonableness of the natural gas commodity and transportation price forecasts filed in response to 8(g).

Please file a response with the Commission Clerk by January 8, 2016. Please feel free to contact me by phone at (850) 413-6626 or via email pellis@psc.state.fl.us if you have any questions.

Sincerely,



Phillip Ellis
Engineering Specialist
Division of Engineering

PE:tj

cc: Office of Commission Clerk (Docket No. 150256-EQ)
Kenneth Hoffman (Ken.Hoffman@fpl.com)
Kevin Donaldson (kevin.donaldson@fpl.com)