

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Evaluation of storm restoration costs for
Florida Power & Light Company related to
Hurricane Irma.

DOCKET NO.: 20180049
FILED: May 6, 2019

**THE FLORIDA INDUSTRIAL POWER USERS GROUP'S
PREHEARING STATEMENT**

The Florida Industrial Power Users Group (FIPUG), pursuant to Order No. PSC-2018-0290-PCO-EI, files its Prehearing Statement.

A. APPEARANCES:

Jon C. Moyle, Jr.
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Attorneys for the Florida Industrial Power Users Group

B. WITNESSES AND EXHIBITS:

None

C. STATEMENT OF BASIC POSITION:

Florida Power and Light Company ("FPL") must carry its burden of proof to establish that Hurricane Irma expenditures, for which it seeks Commission approval to recover such expenditures from rate payers, are reasonable and prudent. Adjustments as recommended by the Office of Public Counsel should be enacted.

ISSUE 1: Should the incremental cost and capitalization approach (ICCA) found in Rule 25-6.0143, F.A.C., be used to determine the reasonable and prudent amounts to be included in the Hurricane Irma restoration costs?

FIPUG: Adopt position of Office of Public Counsel.

ISSUE 2 What is the reasonable and prudent amount of regular payroll expense to be included in the Hurricane Irma restoration costs?

FIPUG: Adopt position of Office of Public Counsel.

ISSUE 3: What is the reasonable and prudent amount of overtime payroll expense to be included in the Hurricane Irma restoration costs?

FIPUG: Adopt position of Office of Public Counsel.

ISSUE 4: What is the reasonable and prudent amount of contractor costs to be included in the Hurricane Irma restoration costs?

FIPUG: Adopt position of Office of Public Counsel.

ISSUE 5: What is the reasonable and prudent amount of vegetation and line clearing costs to be included in the Hurricane Irma restoration costs?

FIPUG: Adopt position of Office of Public Counsel.

ISSUE 6: What is the reasonable and prudent amount of employee expenses to be included in the Hurricane Irma restoration costs?

FIPUG: Adopt position of Office of Public Counsel.

ISSUE 7: What is the reasonable and prudent amount of materials and supplies expense to be included in the Hurricane Irma restoration costs?

FIPUG: Adopt position of Office of Public Counsel.

ISSUE 8: What is the reasonable and prudent amount of logistics costs to be included in the Hurricane Irma restoration costs?

FIPUG: Adopt position of Office of Public Counsel.

ISSUE 9: What is the reasonable and prudent total amount of costs to be included in the Hurricane Irma restoration costs?

FIPUG: Adopt position of Office of Public Counsel.

ISSUE 10: What is the reasonable and prudent amount of storm-related costs that should be capitalized?

FIPUG: Adopt position of Office of Public Counsel.

ISSUE 11: What is the appropriate accounting treatment associated with any storm costs found to have been imprudently incurred?

FIPUG: Adopt position of Office of Public Counsel.

ISSUE 12: Should this docket be closed?

FIPUG: Yes.

CONTESTED ISSUES

FRF ISSUE 1A: Was FPL required to use the Storm Cost Recovery Mechanism (SCRM) described in Order No. PSC-2016-0560-AS-EI for the recovery of FPL's reasonable and prudent Hurricane Irma restoration costs?

FIPUG: Adopt position of Office of Public Counsel.

OPC ISSUE 4A: What is the reasonable and prudent amount of contractor costs associated with standby time, mobilization time, and demobilization time to be included in the Hurricane Irma restoration costs?

FIPUG: Adopt position of Office of Public Counsel.

OPC ISSUE 4B: Should the incremental cost recovery and capitalization approach (ICCA) be applied to determine the reasonable and prudent amount of contractor costs associated with embedded crew expense (crews working year-round for FPL) to be included in the Hurricane Irma restoration costs?

FIPUG: Adopt position of Office of Public Counsel.

OPC ISSUE 4C: As a result of the evidence in this case, what action should the Florida Public Service Commission take to ensure contractor rates charged to utilities are reasonable and prudent?

FIPUG: Adopt position of Office of Public Counsel.

D. STIPULATED ISSUES:

None at this time.

E. PENDING MOTIONS:

None at this time.

F. STATEMENT OF PARTY'S PENDING REQUESTS OR CLAIMS FOR CONFIDENTIALITY:

None.

G. OBJECTIONS TO QUALIFICATION OF WITNESSES AS AN EXPERT:

To the extent that any expert witness has not identified his or her area(s) of expertise, FIPUG objects.

H. STATEMENT OF COMPLIANCE WITH ORDER ESTABLISHING PROCEDURE:

There are no requirements of the Order Establishing Procedure with which the Florida Industrial Power Users Group cannot comply at this time.

/s/ Jon C. Moyle

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CERTIFICATE OF SERVICE

I **HEREBY CERTIFY** that a true and correct copy of the foregoing has been furnished by electronic mail this 6th day of May, 2019, to the following:

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