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November 15, 2019

Adam J. Teitzman, Commission Clerk Office of Commission Clerk Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850

Re: Docket No. 20190061-EI – Petition for approval of FPL SolarTogether program and tariff,

by Florida Power & Light Company.

Dear Mr. Teitzman:

Pursuant to Order Nos. PSC-2019-0399-PCO-EI and PSC-2019-0431-PCO-EI, please find attached for filing the Supplemental Testimony of Jim Dauphinais. This filing is being made via the Florida Public Service Commission's Web Based Electronic Filing portal.

If you have any questions or concerns, please do not hesitate to contact me. Thank you for your assistance in this matter.

Sincerely,

/s/ Stephanie A. Morse
Stephanie A. Morse
Associate Public Counsel
Florida Bar No. 0068713

Enclosures cc: Parties of Record

#### CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the Supplemental Testimony and Exhibits of James R. Dauphinais has been furnished to the following parties by electronic mail on this 15<sup>th</sup> day of November, 2019.

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Sincerely,

/s/ Stephanie A. Morse Stephanie A. Morse Associate Public Counsel Florida Bar No. 0068713

### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition by Florida Power &	)	DOCKET NO. 20190061-EI
Light Company for Approval of FPL	)	
SolarTogether Program and Tariff	)	FILED: November 15, 2019
	)	

### SUPPLEMENTAL TESTIMONY

**OF** 

### **JAMES R. DAUPHINAIS**

### ON BEHALF OF THE CITIZENS OF THE STATE OF FLORIDA

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### **LIST OF EXHIBITS**

<b>Exhibit</b>	<u>Title</u>
Exhibit JRD-8:	FPL Rebuttal Testimony forecasted CPVRR Net Savings/(Cost) for Phase 1 SolarTogether Generation Facilities for FPL Customers as a Whole (FPL Base Case Only)
Exhibit JRD-9:	FPL Rebuttal Testimony forecasted CPVRR Net Savings/(Cost) for Phase 1 SolarTogether Generation Facilities for FPL Customers as a Whole (All FPL Cases)
Exhibit JRD-10:	FPL Rebuttal Testimony forecasted CPVRR Net Savings/(Cost) for Phase 1 SolarTogether Generation Facilities for Participating Customers (All FPL Cases)
Exhibit JRD-11:	FPL Rebuttal Testimony forecasted CPVRR Net Savings/(Cost) for Phase 1 SolarTogether Generation Facilities for Non-Participating Customers (All FPL Cases)
Exhibit JRD-12:	Discovery Responses Cited to by Mr. Dauphinais in his Supplemental Testimony

### SUPPLEMENTAL TESTIMONY

**OF** 

### JAMES R. DAUPHINAIS

On Behalf of the Office of Public Counsel

Before the

Florida Public Service Commission

Docket No. 20190061-EI

1		I. INTRODUCTION
2	Q.	PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.
3	A.	James R. Dauphinais. My business address is 16690 Swingley Ridge Road,
4		Suite 140, Chesterfield, MO 63017.
5		
6	Q.	ARE YOU THE SAME JAMES R. DAUPHINAIS WHO FILED DIRECT
7		TESTIMONY ON BEHALF OF FLORIDA OFFICE OF PUBLIC COUNSEL
8		("OPC") REGARDING THE ORIGINAL CASE THAT FPL FILED?
9	A.	Yes, I am.
10		
11	Q.	WHAT IS THE PURPOSE OF YOUR SUPPLEMENTAL TESTIMONY IN THIS
12		DOCKET?
13	A.	On September 23, 2019, Florida Power & Light Company ("FPL" or
14		"Company") filed what it called rebuttal testimony in this proceeding that: (i) made new
15		claims regarding its proposed SolarTogether Program that were not made in either its
16		March 13, 2019 petition ("Petition") or its July 29, 2019 direct testimony; (ii)

substantially changed the economic analysis FPL previously used in its attempt to justify its proposed SolarTogether Program; and (iii) substantially changed the terms and conditions of its proposed SolarTogether Program. This is essentially a new case. My supplemental testimony herein addresses FPL's new claims made in this new case, as well as its changes to its economic analysis and the proposed terms and conditions of the SolarTogether Program.

In addition, on October 9, 2019, FPL, Southern Alliance for Clean Energy, Walmart, Inc., and Vote Solar ("Joint Movants") filed a Joint Motion to Approve Settlement ("Joint Motion"), with the Joint Movants' non-unanimous Stipulation and Settlement Agreement attached as Exhibit A. My supplemental testimony also responds to the Joint Movants' Exhibit A.

The fact that I do not address any other particular issues in my testimony or am silent with respect to any portion of FPL's rebuttal testimony or the Joint Motion should not be interpreted as an approval of any position taken by FPL or any of the other Joint Movants.

A.

### Q. IN GENERAL, DO YOU OPPOSE THE ADDITION OF SOLAR GENERATION FACILITIES?

- No, I do not oppose the addition of solar generation facilities, so long as the additional solar generation facilities in question are either:
  - Needed to provide reliable electric service at the lowest reasonable cost; or
  - Supported by subsidies from the utility, the customers in a voluntary solar program or both, such that the customers <u>not</u> participating in the voluntary solar program are not economically harmed by the pursuit of the additional solar generation facilities on behalf of the customers who are allowed to voluntarily participate in the program.

Later in this testimony, I will explain why FPL's proposed solar generation facilities for its SolarTogether Program, with the modifications presented in FPL's rebuttal testimony and Joint Movants' Exhibit A, fail to meet either of these two criterion.

A.

### Q. IN GENERAL, DO YOU OPPOSE VOLUNTARY COMMUNITY SOLAR PROGRAMS?

No, I do not, provided the voluntary community solar program in question reduces the costs and risks faced by customers not participating in the program versus what they would be exposed to absent the program. This means that customers <u>not</u> participating in the program should not be any worse off economically under the program than they would be if the program did not exist. This is critical because, if this criterion is not met, the customers <u>not</u> participating in program will be forced to <u>involuntarily</u> subsidize the customers who are participating in the program and/or pay the utility for facilities that are uneconomic.

Later in my testimony, I will address why it is my opinion that FPL's proposed SolarTogether Program, with the modifications presented in FPL's rebuttal testimony and Joint Movants' Exhibit A, fails to meet this criterion.

Α.

### Q. PLEASE DESCRIBE WHAT YOU REVIEWED AND ANALYZED IN PREPARING YOUR SUPPLEMENTAL TESTIMONY.

In addition to the materials I reviewed and analyzed for my direct testimony, I also reviewed and analyzed: (i) FPL's rebuttal testimony and exhibits; (ii) the Joint Motion; and (iii) FPL's responses to Interrogatories and Requests for Production of

D	ocuments	since	the o	date	my	direct	testimor	y wa	s filed	l in	this	proce	eeding	. I	applied
n	ny knowle	dge an	d ex	perie	ence	in cor	ducting	my re	eview	and	ana	lyses	of the	for	egoing

### Q. PLEASE SUMMARIZE YOUR CONCLUSIONS AND RECOMMENDATIONS.

### 5 A. I conclude the following:

- Despite the claims in FPL's rebuttal testimony, FPL has failed to reasonably demonstrate that the solar generation facilities for its proposed SolarTogether Program, even with the modifications presented in the new case in FPL's rebuttal testimony and Joint Movants' Exhibit A, are needed to provide reliable electric service at the lowest reasonable cost; and

• Despite the claims in FPL's rebuttal testimony, FPL has failed to reasonably demonstrate that, even with the modifications presented in the new case contained in FPL's rebuttal testimony and Joint Movants' Exhibit A, Non-Participating Customers¹ are not any worse off economically under the proposed SolarTogether Program than they would be if the proposed SolarTogether Program was not pursued. Under the SolarTogether Program, I estimate Non-Participating Customers would, through the money they are required to pay FPL, pay a subsidy of approximately \$133 million on a Cumulative Present Value Revenue Requirement ("CPVRR") basis to support the Participating Customers' use of the SolarTogether Program. As a result, Non-Participating Customers would be substantially worse off under the SolarTogether Program than they would be if the SolarTogether Program was not in place.

For the above reasons, I recommend that the Commission deny FPL's Petition for its SolarTogether Program under either the original case or the new case filings, including any approval related to the increased rate base sought by FPL in this proceeding for its proposed Phase 1 SolarTogether solar generation facilities.

<sup>&</sup>lt;sup>1</sup> In my supplemental testimony, I am using the same definitions for Participating Customers and Non-Participating Customers as I did in my direct testimony on FPL's original case. Specifically, Participating Customers are those FPL customers who can and do voluntarily choose to subscribe to FPL's proposed SolarTogether Program. This term is also used by FPL. Non-Participating Customers are those FPL customers who have either chosen not to subscribe to the SolarTogether Program or are unable to subscribe to the SolarTogether Program. As I explained in my direct testimony, FPL uses the confusing term "general body of customers" when referring to Non-Participating Customers. Also consistent with my direct testimony, I use the term "FPL's customers as a whole" when referring to Participating and Non-Participating Customers combined. (Dauphinais Direct at 8-9).

### II. THE QUESTION OF NEED

A.

<b>Q.</b>	DID FPL IN ITS PETITION AND DIRECT TESTIMONY IN ITS ORIGINAL
3	CASE EVER CLAIM THE PROPOSED SOLARTOGETHER GENERATION
4	FACILITIES ARE NEEDED TO PROVIDE RELIABLE ELECTRIC SERVICE
5	TO ITS CUSTOMEDS AT THE LOWEST DEASONABLE COSTS

No, it did not. Nowhere in FPL's Petition or direct testimony in its original case did FPL claim it needs to pursue the SolarTogether generation facilities to provide reliable electric service at the lowest reasonable cost to FPL's customers as a whole. What FPL did claim is that: (i) it is proposing the SolarTogether Program "to meet the substantial demand from customers who are seeking expanded access to solar energy, including those who do not wish to or cannot install their own solar system through net metering" and (ii) the SolarTogether generation facilities would eliminate the need for certain future generation projects (Valle Direct at 6 and Enjamio Direct at 6). In addition, in response to discovery, FPL indicated that it would re-evaluate its pursuit of SolarTogether Projects 4 and 5 if its proposed SolarTogether Program is not approved (FPL's response to Staff's Interrogatory No. 100).<sup>2</sup> Furthermore, FPL indicated in discovery that the proposed SolarTogether generation facilities accelerate part of the projected solar generation capacity additions shown in its 2019 Ten-Year Site Plan ("TYSP") for the years 2022 to 2024 (FPL's response to Citizens' Interrogatory No. 8).

<sup>&</sup>lt;sup>2</sup> In Exhibit JRD-12, I have provided a copy of all of FPL's public responses to interrogatories and requests for production of documents to which I cite in my supplemental testimony.

# WHAT DOES FPL CLAIM IN ITS REBUTTAL TESTIMONY IN ITS NEW CASE WITH RESPECT TO WHETHER THE SOLARTOGETHER GENERATION FACILITIES ARE NEEDED?

FPL now claims it has demonstrated a need for the solar generation facilities associated with FPL's proposed SolarTogether Program through its responses to Staff's interrogatories. It also provided its Exhibit JE-5 in an effort to substantiate its new claim that the SolarTogether generation facilities are needed (Enjamio Rebuttal at 3).

Q.

A.

Q.

A.

#### HOW DO YOU RESPOND TO FPL'S CLAIM?

First, it is important to note that FPL is the party that has the burden to demonstrate in its direct testimony whether its proposed solar generation facilities are needed to provide reliable electric service at the lowest reasonable cost. As such, if FPL wanted to make such a claim, it had the responsibility to make and support such a claim in its direct testimony. It did not do so, and instead, indicated in response to discovery to its Petition and direct testimony that: (i) FPL may not necessarily pursue all of its proposed SolarTogether generation facility projects if the SolarTogether Program is not approved by the Commission and (ii) the SolarTogether generation facilities represent an acceleration of projected FPL solar generation additions that are in its TYSP. This posture undermines any claim that need is the motivation for the projects.

Furthermore, FPL's Exhibit JE-5 does not actually support FPL's need claim. In Table JRD-1 below, I compare the capacity that FPL in Exhibit JE-5 forecasts it needs to maintain what it describes as a minimum planning reserve margin of 20%, versus capacity provided by the proposed SolarTogether generation facilities.

TABLE JRD-1
SolarTogether Phase 1 Capacity in Excess of FPL's Forecasted Need

<u>Year</u>	FPL's Forecasted Summer MW Needed to Meet 20% Reserve Margin	Summer MW that would be Provided by SolarTogether	SolarTogether Summer MW in Excess of FPL Forecasted Need	SolarTogether Nameplate MWAC in Excess of FPL Forecasted Need
2020	19	246	227	412
2021	252	820	568	1,032
2022	400	820	420	763
2023	764	820	56	102
2024	1,216	820	0	0

As can be seen from Table JRD-1, even under FPL's own forecast, 412 MW<sub>AC</sub> of the 447 MW<sub>AC</sub> of SolarTogether generation projects that would enter service in 2020 would not be needed to meet what FPL suggests is the minimum planning reserve margin requirement of 20% that FPL is currently using.<sup>3</sup> Furthermore, only 11 MW<sub>AC</sub> of the 1,043 MW<sub>AC</sub> of SolarTogether generation projects that would enter service in 2021 would be needed to meet the 20% planning reserve margin requirement in 2021.

<sup>&</sup>lt;sup>3</sup> The OPC takes the position that Order No. PSC-1999-2507-S-EU and its attached stipulation at paragraph 6 make it clear that the 20% minimum reserve margin planning criterion was not an unbounded minimum, but instead was essentially a target that would be maintained "for the indefinite future." While deviations could occur to "adapt to relevant circumstances," the Commission reserved the right to take action in response to any changes in the planning criteria. (*Id.* at 9.) In other words, there is a presumption that the 20% is a target reserve margin planning criterion, and neither FPL nor any other utility has unbridled discretion to make the reserve margin planning criterion any number above 20%. My reading of the stipulation attached to Order No. PSC-1999-2507-S-EU, combined with my planning experience, leads me to believe that this is the correct view of how the reserve margin should operate.

In addition, in 2022, FPL is forecasting that only 280 MW<sub>AC</sub> of that 1,043 MW<sub>AC</sub> of SolarTogether generation would be needed to meet the 20% planning reserve margin requirement. Even in 2023, 102 MW<sub>AC</sub> of that 1,043 MW<sub>AC</sub> of proposed SolarTogether generation is still being forecasted by FPL as not being necessary to meet the planning reserve margin requirement of 20% that FPL is currently using.

Given all of the foregoing, the Phase 1 SolarTogether generation facilities should only be considered eligible for approval by the Commission if FPL can reasonably demonstrate that Non-Participating Customers will not be economically harmed by this accelerated deployment of projected solar generation additions by FPL. Otherwise, as I noted earlier, Non-Participating Customers will end up subsidizing Participating Customers or, worse yet, subsidizing FPL's shareholders, by paying for investment that is both uneconomic and not needed to provide reliable electric service at the lowest reasonable cost to FPL's customers.

A.

### III. FPL's REVISED ECONOMIC ANALYSIS

Q. PLEASE BRIEFLY REVIEW THE ECONOMIC ANALYSIS CONTAINED IN FPL'S DIRECT TESTIMONY FOR THE SOLARTOGETHER GENERATION FACILITIES FOR FPL'S CUSTOMERS AS A WHOLE.

Under its mid-level fuel / mid-level CO<sub>2</sub> emission price assumptions, FPL in the economic analysis contained in its direct testimony for its original case forecasted the Phase 1 SolarTogether generation projects would provide a net CPVRR savings for FPL's customers as a whole of \$139 million at the end of the 30-year book life of the projects in 2051, with a forecasted CPVRR payback for FPL's customers as a whole occurring in 2045 – approximately 24 years after the last of the Phase 1 SolarTogether

generation projects would enter service (Dauphinais Direct at 14-15). Additionally, in discovery, FPL provided the results of a sensitivity analysis it performed with respect to its fuel and CO<sub>2</sub> emission price assumptions. That sensitivity analysis showed that, for the range of assumption variations examined by FPL, the forecasted net CPVRR in 2051 for FPL's customers as a whole ranged from a net cost of \$121 million for FPL's low fuel / low CO<sub>2</sub> emission price case to a net savings of \$456 million for FPL's high fuel / high CO<sub>2</sub> emission price case (Dauphinais Direct 16-18).

Given these results, and the fact that FPL's extensive recent investments in its SoBRA solar projects likely have similar borderline economics, I concluded that the Phase 1 SolarTogether generation projects are not FPL's most cost effective solution for FPL's customers as a whole to meet FPL's current reliability needs, assuming the Phase 1 SolarTogether Projects are needed for reliability (Dauphinais Direct 18-21). I also noted that FPL failed to demonstrate in its Petition and direct testimony that the Phase 1 SolarTogether generation projects are needed for reliability (Dauphinais Direct at 21).

Q.

A.

### PLEASE DESCRIBE FPL'S REVISED ECONOMIC ANALYSIS PRESENTED IN ITS NEW CASE IN ITS REBUTTAL TESTIMONY.

In its revised economic analysis that it presented in its new case in its rebuttal testimony, FPL made two changes. First, it decided not to seek an Allowance for Funds Used During Construction ("AFUDC") amount for SolarTogether Projects 3, 4 and 5 (Valle Rebuttal at 10, Brannen Rebuttal at 4-5, Enjamio Rebuttal at 4, and Bores Rebuttal at 3). This decreased the 30-year book life CPVRR of the Phase 1

SolarTogether projects for FPL's customers as a whole by approximately \$45 million (Bores Rebuttal at 3).

Second, FPL decided to change its baseline resource addition assumptions in both its SolarTogether case and its reference No SolarTogether case to reflect a sensitivity analysis that the Commission Staff requested in Staff Interrogatory No. 190 (Enjamio Rebuttal at 4). Staff's sensitivity analysis request asked FPL to examine inclusion of the 2020 SoBRA projects and FPL's proposed Demand Side Management ("DSM") goals in both FPL's SolarTogether case and FPL's No SolarTogether reference case (Staff Interrogatory No. 190). Even though this change was made both in the SolarTogether case and the No SolarTogether reference case, it nevertheless resulted in a further \$65 million decrease in the forecasted 30-year book life CPVRR of the Phase 1 SolarTogether projects for FPL's customers as a whole.

A.

Q.

HAS FPL PROVIDED ANY EXPLANATION WITH RESPECT TO WHY ADDING THE 2020 SOBRA PROJECTS AND ITS PROPOSED DSM GOALS TO BOTH THE SOLARTOGETHER CASE AND THE NO SOLARTOGETHER REFERENCE CASE WOULD CAUSE THE 30-YEAR BOOK LIFE CPVRR OF THE PHASE 1 SOLARTOGETHER PROJECTS TO FALL BY \$65 MILLION FOR FPL'S CUSTOMERS AS A WHOLE?

No, it has not. However, FPL indicated in rebuttal testimony that it used its EGEAS resource optimization model to select new future resource portfolios with the 2020 SoBRA projects and DSM goals forced in (Enjamio Rebuttal at 4). This apparently caused changes to the assumed future resource portfolios for the two cases, such that it improved the 30-year book life CPVRR economics of the SolarTogether

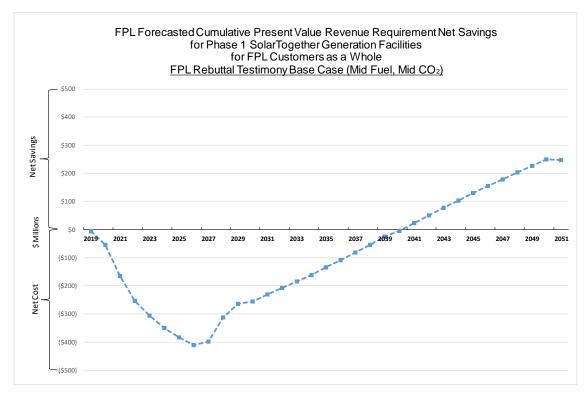
case by approximately \$65 million versus the No SolarTogether reference case (Enjamio Rebuttal at 7 and Bores Rebuttal at 3). However, FPL has failed to explain whether this is in fact what happened, and, if so why it happened.

Q.

# WHEN THESE CHANGES WERE CONSIDERED TOGETHER, HOW DID IT CHANGE FPL'S FORECASTED ECONOMICS FOR THE PHASE 1 SOLARTOGETHER GENERATION PROJECTS FOR FPL'S CUSTOMERS AS A WHOLE?

Under its mid-level fuel / mid-level CO<sub>2</sub> emission price assumptions, FPL in its rebuttal testimony economic analysis forecasted that the Phase 1 SolarTogether generation projects would provide a net CPVRR savings for FPL's customers as a whole of \$249 million at the end of the 30-year book life of the projects in 2051 with a forecasted CPVRR payback for FPL's customers as a whole occurring in 2041 – approximately 20 years after the last of the Phase 1 SolarTogether generation projects would enter service, as shown below in Figure JRD-6. I also present this information in tabular form in Exhibit JRD-8.

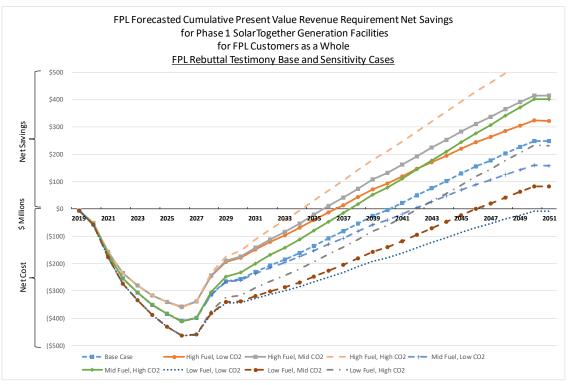
Figure JRD-6



Source: FPL Response to Staff Interrogatory No. 78 Amended.

Under its rebuttal testimony sensitivity analysis, for the range of assumption variations applied by FPL, the forecasted net CPVRR in 2051 for FPL's customers as a whole ranged from a net <u>cost</u> of 8 million for FPL's low fuel / low CO<sub>2</sub> emission price case to a net savings of \$563 million for FPL's high fuel / high CO<sub>2</sub> emission price case, as shown below in Figure JRD-7. I also present this information in tabular form in Exhibit JRD-9.

Figure JRD-7



Source: FPL Response to Staff Interrogatory No. 78 Amended.

While FPL's revised economic analysis is improved with respect to moving the CPVRR payback year for customers as a whole forward four years and reducing the forecasted risk for customers as a whole, there is still nevertheless a risk that the Phase 1 SolarTogether generation projects, which are not needed to provide reliable electric service at the lowest reasonable cost, would cause FPL's customers as a whole to experience a net CPVRR cost over the 30-year book life of the projects. More importantly, even if the Commission were to find the above economics reasonable, the above economics are not the economics being offered to Non-Participating Customers because FPL is not proposing these projects for its customers as a whole, such that their costs and benefits of the projects would be rolled into rates and the Fuel Clause like any other FPL generation project. Instead, as I discuss further below, FPL through its proposed SolarTogether Program, is proposing to impose significantly worse economics

on Non-Participating Customers by requiring them to fund, through rates and the Fuel Clause, a net \$137 million 30-year book life CPVRR payment to Participating Customers that the latter will receive through FPL's proposed SolarTogether Rider.

A.

### IV. FPL's SOLARTOGETHER PROGRAM IN REBUTTAL TESTIMONY

### 6 Q. PLEASE BRIEFLY DESCRIBE HOW FPL MODIFIED ITS PROPOSED 7 SOLARTOGETHER PROGRAM IN ITS REBUTTAL TESTIMONY.

In its rebuttal testimony, FPL changed the allocation of the cost and benefits between Participating and Non-Participating Customers of its proposed Phase 1 SolarTogether generation projects. Specifically, under FPL's rebuttal testimony, Participating Customers are paid 55% of the net mid-level fuel / mid-level CO<sub>2</sub> price forecasted benefit of the Phase 1 SolarTogether generation projects (Bores Rebuttal at 5). This amount is only subject to adjustment for differences between actual and forecasted energy production by the SolarTogether generation projects and the level of total customer subscription to the SolarTogether Program.

Non-Participating Customers are assigned the <u>actual</u> costs and benefits of the Phase 1 SolarTogether generation projects, less what is paid out on a net basis to Participating Customers. If the actual costs and benefits of the Phase 1 SolarTogether generation projects turned out to be exactly equal to FPL's mid-level fuel / mid-level CO<sub>2</sub> price forecasted costs and benefits for the generation projects, Non-Participating Customers would receive 45% of the forecasted net benefit of the Phase 1 SolarTogether generation projects. However, the actual costs and benefits for the projects can greatly deviate from FPL's mid-level fuel / mid-level CO<sub>2</sub> price forecasted costs and benefits for the projects because the actual results are very sensitive to fuel and emission prices

and also affected by actual construction costs, actual O&M costs, actual energy production and actual program subscription levels.

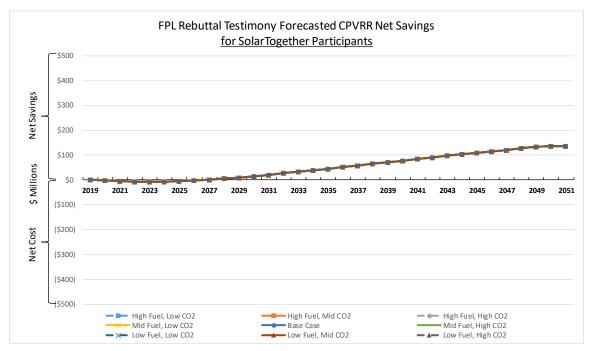
Q.

Α.

# WHAT ARE THE ECONOMICS FOR THE REBUTTAL TESTIMONY VERSION OF FPL'S PROPOSED SOLARTOGETHER PROGRAM UNDER FPL'S REVISED ECONOMIC ANALYSIS?

From FPL's amended response to Staff Interrogatory No. 79, I have performed the necessary calculations and have plotted FPL's rebuttal testimony forecasted year-by-year CPVRR net savings for the Phase 1 SolarTogether generation projects for Participating Customers for FPL's mid-level fuel / mid-level CO<sub>2</sub> price base case and FPL's eight sensitivity cases in Figure JRD-8 below. I also present this information in tabular form in Exhibit JRD-10.

Figure JRD-8

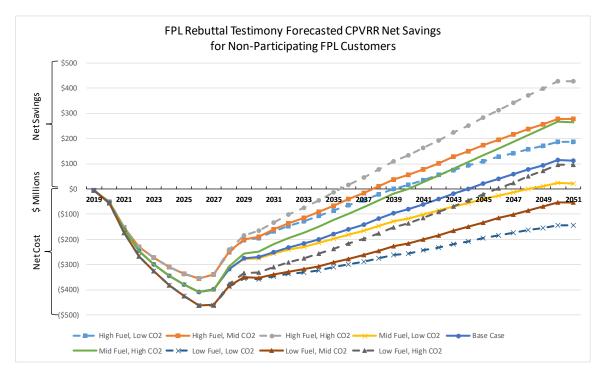


Source: FPL Response to Staff Interrogatory No. 79 Amended.

As can be seen from Figure JRD-8 above, subject only to variation in actual solar energy production from forecast and the actual level of customer subscription, Participating Customers will receive a net \$137 million benefit on a 30-year book life CPVRR basis and will receive a CPVRR payback in 2027 – less than 6 years after the last of the Phase 1 SolarTogether generation projects would enter service. As can be clearly seen, neither the net amount received by the Participating Customers nor the CPVRR payback year for Participating Customers is sensitive in any way to fuel and emission prices. Nor are they sensitive to the actual construction costs and actual O&M costs for the Phase 1 SolarTogether generation projects. As a result, Participating Customers are not exposed to any risk from fluctuating fuel and emission prices or cost overruns associated with the SolarTogether generation projects.

The economics for Non-Participating Customers for FPL's mid-level fuel / mid-level CO<sub>2</sub> price base case and FPL's eight other sensitivity cases are presented below in Figure JRD-9. I also present this information in tabular form in Exhibit JRD-11.

### Figure JRD-9



Source: FPL Response to Staff Interrogatory No. 79 Amended.

There are several striking things about these forecasted values for Non-

Participating Customers. Specifically:

#### • <u>Disparate Treatment for Non-Participants</u>:

Unlike for Participating Customers, the forecasted net CPVRR benefit for Non-Participating Customers is highly sensitive to variations in fuel and emission prices.

#### • Significantly Delayed Payback for Non-Participants:

The forecasted CPVRR payback year for Non-Participating Customers is significantly later than for Participating Customers, ranging from 2036 (15 years) for FPL's high-fuel / high-CO<sub>2</sub> price case to never in FPL's Low-Fuel / Mid-CO<sub>2</sub> price and Low-Fuel / Low-CO<sub>2</sub> price cases. Under the latter two sensitivity cases, Non-Participating Customers would be facing a 30-year book life net CPVRR cost of between \$54 million and \$145 million rather than a net CPVRR benefit.

### • Significantly Worse Economics for Non-Participants:

As can be seen by a comparison of my Figure JRD-9 to my Figure JRD-7, the economics are significantly worse for Non-Participating Customers under FPL's rebuttal testimony SolarTogether Program than they would be for those

customers if FPL instead pursued the SolarTogether generation projects as a normal generation addition for its customers as a whole.

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With respect to the last point, if the SolarTogether generation projects were pursued as normal FPL generation projects, Non-Participating Customers would have a forecasted CPVRR payback within 20 years (in 2041) under FPL's mid-level fuel / mid-level CO<sub>2</sub> price assumptions. With the projects pursued through the SolarTogether Program, the CPVRR payback for Non-Participating Customers is not until 24 years (in 2045). Furthermore, under the most adverse FPL fuel and emission price assumptions (low-fuel / low-CO<sub>2</sub> prices), if the SolarTogether generation projects were pursued as normal FPL generation projects, Non-Participating Customers have a forecasted 30-year book life net CPVRR cost of only \$8 million for the projects. With the projects pursued through the SolarTogether Program, Non-Participating Customers have a forecasted 30-year book life net CPVRR cost of \$145 million for the projects. Table JRD-2 below provides a more complete comparison of the adverse impact on Non-Participating Customers of FPL pursuing the SolarTogether projects through its proposed SolarTogether Program rather than as normal FPL generation projects.

TABLE JRD-2									
	Normal G Pro		Adverse Impact to Non-Participating Customers Due to SolarTogether Program						
<u>Scenario</u>	CPVRR Net Savings (millions)	CPVRR Payback Time (years)	CPVRR Net Savings (millions)	CPVRR Payback Time (years)	CPVRR Net Savings Decrease (millions)	Increase in Time to CPVRR Payback (years)			
Low Fuel Low CO <sub>2</sub>	(\$8)	No Payback	(\$145)	No Payback	\$137	No Payback			
Low Fuel Mid CO <sub>2</sub>	\$82	26	(\$54)	No Payback	\$137	No Payback			
Low Fuel High CO <sub>2</sub>	\$232	22	\$96	25	\$137	3			
Mid Fuel Low CO <sub>2</sub>	\$159	21	\$22	28	\$137	7			
Mid Fuel Mid CO <sub>2</sub>	\$249	20	\$112	24	\$137	4			
Mid Fuel High CO <sub>2</sub>	\$401	17	\$265	19	\$137	2			
High Fuel Low CO <sub>2</sub>	\$323	16	\$186	18	\$137	2			
High Fuel Mid CO <sub>2</sub>	\$414	15	\$277	17	\$137	2			
High Fuel High CO <sub>2</sub>	\$563	14	\$427	15	\$137	1			

### Q. WHAT DO YOU CONCLUDE FROM THE ABOVE?

SolarTogether Program rather than as normal FPL generation projects has a large adverse impact on Non-Participating Customers — customers who have either chosen not to subscribe to the SolarTogether Program or who are unable to subscribe to the SolarTogether Program. As a result, even as modified in FPL's rebuttal testimony, customers not participating in the program would be worse off economically under the SolarTogether Program than they would be if the SolarTogether Program did not exist. Therefore, the SolarTogether Program requires that Non-Participating Customers pay a subsidy to support Participating Customers. Thus, even if the Commission were to find the SolarTogether generation projects were needed to provide reliable electric service at the lowest reasonable cost or were to find the economics for the SolarTogether generation projects for FPL's customers as a whole were reasonable, it should still reject the SolarTogether Program itself because the program would require Non-Participating Customers to involuntarily subsidize Participating Customers.

Q.

A.

HAVE YOU ESTIMATED THE AMOUNT OF THE SUBSIDY THAT NON-PARTICIPATING CUSTOMERS, THROUGH THE MONEY THEY ARE REQUIRED TO PAY FPL, WOULD HAVE TO PAY PARTICIPATING CUSTOMERS UNDER THE SOLARTOGETHER PROGRAM AS MODIFIED IN FPL'S REBUTTAL TESTIMONY?

22 A. Yes, I have done so. In Exhibit C of FPL's Petition, FPL provided its annual 23 forecast of MWh of SolarTogether generation. This is typically most years 24 approximately 3,300,000 MWh per year for the period of 2020 through 2051. Page 401a of FPL's April 18, 2019 FERC Form 1 filing for calendar year 2018 reported annual retail sales of 110,072,760 MWh for FPL. As a result, only approximately 3% of FPL's total retail sales would be participating in Phase 1 of FPL's SolarTogether Program. 3% of the 30-year \$249 million CPVRR net savings for FPL customers as a whole that FPL is forecasting under its mid-level fuel / mid-level CO<sub>2</sub> price assumptions is only \$7.5 million. This is roughly the portion of the net savings that Participating Customers would have been entitled to if FPL was pursuing the SolarTogether generation facilities as a normal generation project. Under the SolarTogether Program, Participating Customers would instead receive a \$137 million CPVRR payment through subscription credits less subscription charges. In addition, Participating Customers under the SolarTogether Program would also receive, through normal retail rates and the Fuel Clause, approximately 3% of the \$112 million in CPVRR net savings forecasted for Non-Participating Customers under the SolarTogether Program under FPL's mid-level fuel / mid-level CO<sub>2</sub> price assumptions, or \$3.4 million. Given this, I estimate that under FPL's SolarTogether Program, as modified by its rebuttal testimony, Non-Participating Customers would, through the money they are required to pay FPL, pay Participating Customers a 30-year book life CPVRR subsidy of approximately \$133 million<sup>4</sup> under FPL's mid-level fuel / mid-level CO<sub>2</sub> price assumptions.<sup>5</sup> That \$133 million subsidy the Non-Participating Customers are required to pay accounts for nearly all of the \$137 million that Participating Customers would be paid through subscription

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 $<sup>^4</sup>$  \$133 million ≈ \$132.9 million = \$137 million - \$7.5 million + \$3.4 million

 $<sup>^5</sup>$  The subsidy is approximately \$133 million under all nine of FPL's sensitivity scenarios. For example, under FPL's high-fuel / high-CO<sub>2</sub> price scenario, 3% of the \$563 million in forecasted net CPVRR savings for FPL customers as a whole is \$16.9 million and 3% of the \$427 million in forecasted net CPVRR savings for Non-Participating Customers is \$12.8 million. \$137 million less \$16.9 million plus \$12.8 million is \$132.9 million or approximately \$133 million.

credits less subscription charges under the SolarTogether Program. Simply put, Non-Participating Customers – who are already on the hook for all the fuel and emission price risk – would also be required to pay for the benefits that FPL is assigning to Participating Customers.

A.

### V. JOINT MOVANTS' EXHIBIT A

### 7 Q. PLEASE BRIEFLY DESCRIBE JOINT MOVANTS' EXHIBIT A.

Joint Movants' Exhibit A is a non-unanimous Stipulation and Settlement Agreement between the Joint Movants. The Joint Movants filed a motion on October 9, 2019, requesting that the Commission approve Exhibit A. OPC is not a party to Exhibit A and filed a response in opposition to Exhibit A on October 16, 2019.

A.

### Q. HOW DO THE JOINT MOVANTS PROPOSE TO RESOLVE THIS CURRENT PROCEEDING?

In Exhibit A, the Joint Movants propose to essentially adopt FPL's rebuttal testimony version of the SolarTogether Program with only minor modifications to accommodate low income customers as Participating Customers (Joint Movants' Exhibit A at paragraphs 4 and 5 and FPL's response to Citizens' Interrogatory No. 57). These special provisions for low income Participating Customers would be solely funded by non-low income Participating Customers (*Id.*). Nothing in Exhibit A would change the costs and benefits allocated to Non-Participating Customers under the FPL rebuttal testimony version of the SolarTogether Program.

#### O. HOW DO YOU RESPOND TO EXHIBIT A?

A. I recommend that the Commission reject Exhibit A. The Joint Movants consist of FPL, advocates for solar generation expansion, and customers that plan on becoming Participating Customers. As a result, Exhibit A not surprisingly does nothing to resolve the concerns I have raised in my supplemental testimony herein, including the \$133 million subsidy that would be paid by Non-Participating Customers to Participating Customers under FPL's proposed SolarTogether Program.

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### VI. RESPONSE TO OTHER FPL REBUTTAL TESTIMONY CLAIMS

- FPL WITNESS VALLE SUGGESTS THE COMMISSION SHOULD NOT BE 10 Q. 11 CONCERNED THAT THE FPL SOLARTOGETHER PROGRAM IS 12 INVOLUNTARY FOR NON-PARTICIPATING CUSTOMERS, SINCE BOTH 13 PARTICIPATING CUSTOMERS AND NON-PARTICIPATING CUSTOMERS 14 ARE **PROJECTED** TO RECEIVE **BENEFITS AND** THE NON-15 PARTICIPATING CUSTOMERS ARE SUBJECT TO FLUCTUATIONS IN 16 FUEL AND EMISSION COSTS UNDER THE SOLARTOGETHER PROGRAM 17 JUST LIKE THEY ARE FOR FPL'S GENERATION IN GENERAL (VALLE 18 REBUTTAL AT 8-9). HOW DO YOU RESPOND?
  - A. Mr. Valle's reasoning ignores two important facts. First, the net benefit assigned to Participating Customers, unlike the net benefit assigned to Non-Participating Customers, is protected under the SolarTogether Program from being subject to fluctuations in fuel and emission costs. In addition, as I discussed earlier in this testimony, under the SolarTogether Program, Non-Participating Customers are involuntarily required, through FPL's rates and fuel charges, to surrender to

Participating Customers \$133 million of the CPVRR net benefit they would have otherwise been entitled to receive if the SolarTogether generation projects were pursued as normal FPL generation projects rather than through the SolarTogether Program.

Q.

MR. VALLE CLAIMS THAT PRIVATE CUSTOMER-OWNED SOLAR GENERATION UNDER THE STATE'S NET METERING RULE IS CAUSING FPL'S CUSTOMERS NOT OWNING SUCH GENERATION TO PAY THOSE THAT DO OWN SUCH GENERATION SUBSIDIES OF \$13 MILLION PER YEAR THAT FPL ESTIMATES WILL GROW TO \$121 MILLION PER YEAR BY 2022 (VALLE REBUTTAL AT 9). HE ALSO CLAIMS THE PROPOSED SOLARTOGETHER PROGRAM COMPARES VERY FAVORABLY TO THIS (ID.). SIMILARLY, FPL WITNESS DEASON ARGUES ONE OF THE ADVANTAGES OF THE SOLARTOGETHER PROGRAM IS RETENTION OF THE LOAD OF CUSTOMERS THAT WOULD OTHERWISE SEEK OTHER RENEWABLE GENERATION ALTERNATIVES (DEASON REBUTTAL AT 22-23). HOW DO YOU RESPOND?

First, even if Mr. Valle is correct with respect to the subsidies that FPL is claiming flow from its customers that do not own solar generation to those that do own solar generation, it does not justify requiring Non-Participating Customers to be required to pay a 30-year book life \$133 million CPVRR subsidy to benefit Non-Participating Customers under FPL's proposed SolarTogether Program. Furthermore, Mr. Valle implies and Mr. Deason essentially suggests that the SolarTogether Program would reduce the customer investment in their own solar generation facilities and as a result reduce the subsidies that FPL claims such customers receive from those without

such generation of their own under the state's net metering rule. However, when FPL was asked in Citizens' Interrogatory No. 37 and Citizens' Request for Production of Documents No. 43 to provide any studies it may have with respect to how the SolarTogether Program might affect the growth of customer-owned solar generation on its system or retain customer load, it indicated that the forecasts of customer-owned solar generation it has developed do not contemplate the SolarTogether Program and that it has not performed any studies with respect to the SolarTogether Program retaining customer load. Thus, there is no evidence to support the allegation by Mr. Deason or FPL that FPL's SolarTogether Program would reduce the cross-subsidies that FPL claims exist under the state net metering rule between those customers that own solar generation and those that do not. Nor is there any evidence that the SolarTogether Program would retain customer load.

A.

Q.

MR. VALLE CLAIMS THAT IN FPL'S NEW CASE THE SOLARTOGETHER PROGRAM REASONABLY ALLOCATES BENEFITS AND COSTS OF THE SOLARTOGETHER GENERATION FACILITIES TO PARTICIPATING AND NON-PARTICIPATING CUSTOMERS BY ALLOCATING 104.5% OF THE NET BASE REVENUE REQUIREMENT TO PARTICIPATING CUSTOMERS WHILE ALLOCATING 45% OF NET BENEFITS TO NON-PARTICIPATING CUSTOMERS (VALLE REBUTTAL AT 10-12). HOW DO YOU RESPOND?

Mr. Valle is mischaracterizing the situation. The benefits and costs of the SolarTogether generation facilities are not reasonably allocated between Participating and Non-Participating Customers under FPL's proposed SolarTogether Program.

Assuming full subscription, which is very likely, Participating Customers under the SolarTogether Program are essentially nearly guaranteed to receive the 55% of total *forecasted* net benefits that are allocated to them. This is because, short of subsequent changes by the Commission, over the life of the SolarTogether Program, the Participating Customer subscription charges are fixed and the Participating Customer subscription credits that are paid out are only subject to adjustment to the extent actual solar energy production deviates from the forecasted level. As a result, as I discussed at length in my direct testimony, Participating Customers are not taking on **any** risks of consequence (Dauphinais Direct at 33-34). Therefore, Participating Customers under the SolarTogether Program are at no significant risk of not recovering the \$1.315 billion net base revenue requirement allocated to them, or not being paid the \$1.452 billion in gross benefits allocated to them (*Id.* and Valle Rebuttal at 13). Participating Customers are nearly guaranteed to actually receive the \$137 million in forecasted net benefits that are allocated to them.

Non-Participating Customers, on the other hand, are in a different situation and it is one that is being involuntarily imposed upon them under the proposed SolarTogether Program. First, and foremost, under the SolarTogether Program, Non-Participating Customers are essentially guarantors of both the payment of the net benefits assigned to Participating Customers and FPL's recovery of, and return on, the investment in the SolarTogether generation facilities. This is because, unlike Participating Customers who are nearly guaranteed to receive their assigned net benefit, and FPL, who is basically guaranteed to recover and earn a return on its investment in the SolarTogether generation facilities, Non-Participating Customers are ultimately assigned *all* of the actual risks, costs and benefits of SolarTogether generation projects,

along with the obligation to fund the *forecasted* net benefit being provided to Non-Participating Customers. This is because FPL is proposing to place the entire investment in the SolarTogether generation projects into rate base and flow the entire actual impact of the SolarTogether generation facilities on its fuel and emission costs through the Fuel Clause.

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Assuming full subscription of the SolarTogether Program, Non-Participating Customers will receive via FPL \$1.315 billion in revenue credits on a 30-year book life CPVRR basis from the subscription charges assessed to Participating Customers; however, Non-Participants will also be required to pay, via the Fuel Clause, \$1.452 billion in subscription credits on a 30-year book life CPVRR basis to those same Participating Customers. Over the life of the SolarTogether Program, this results in Non-Participants paying \$137 million *more* through the Fuel Clause on a CPVRR basis than they stand to receive back in revenue credits. Furthermore, the collection of subscription charges and the payment of subscription charges is inseparable. This is to say that a Participating Customer cannot receive a subscription credit unless it also pays a subscription charge. As a result, what is really happening under the SolarTogether Program is that Non-Participating Customers, through the money they are required to pay to FPL, are essentially paying Participating Customers \$137 million on a 30-year book life CPVRR basis, while still taking on all of the costs and risks they would have if FPL instead pursued the SolarTogether generation facilities as a normal generation project. As I detailed earlier in this testimony, this results in Participating Customers, at the expense of Non-Participating Customers, receiving approximately \$133 million more on a 30-year CPVRR basis than they would have received without the SolarTogether Program, despite the fact that Non-Participating Customers are

ultimately taking on the same costs and risks as they would if the SolarTogether generation facilities were instead pursued as a normal FPL generation project. As a result, Non-Participating Customers are basically being required to pay a \$133 million subsidy to Participating Customers on a 30-year book life CPVRR basis.

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A.

# MR. VALLE CLAIMS THE USE OF PPAS WAS NOT SUITABLE FOR THE SOLAR GENERATION FACILITIES FOR THE SOLARTOGETHER PROGRAM (VALLE REBUTTAL AT 17-18). HOW DO YOU RESPOND?

Mr. Valle has not introduced any valid new reasons for not conducting a Request for Proposals ("RFP") for PPAs or other third-party arrangements for at least a portion of the Phase 1 SolarTogether generation facilities. As I addressed at length in my direct testimony, FPL should have performed such an RFP to provide for, at a minimum, a portion of the SolarTogether generation facilities; therefore, an important check on the costs of the Phase 1 SolarTogether projects was lost as a result of an RFP not being performed (Dauphinais Direct at 22-28).

Q.

PLACE ON LOW AND MEDIUM PRICING ASSUMPTIONS FOR NATURAL GAS AND CO2 EMISSIONS AND YOUR CONSIDERATION OF THE CPVRR PAYBACK TIME ARE IMPROPER AND SHORTSIGHTED (ENJAMIO REBUTTAL AT 9-10). MR. DEASON ALSO RAISES CONCERNS WITH YOUR GREATER WEIGHTING ON LOW AND MEDIUM PRICING ASSUMPTIONS FOR NATURAL GAS AND CO2 EMISSIONS (DEASON REBUTTAL AT 18-20). HOW DO YOU RESPOND?

Mr. Enjamio is essentially claiming that I gave no consideration to the high pricing assumptions for natural gas and CO<sub>2</sub> emissions (Enjamio Rebuttal at 9-10.) He also suggests the need to take all nine sensitivity cases into consideration (*Id.*) Mr. Deason also suggests I am cherry picking and should give equal weighting to all scenarios (Deason Rebuttal at 18-20).

A.

As is clear in my direct testimony, I did consider all nine sensitivity scenarios; and I plainly presented all nine scenarios in my direct testimony. (Dauphinais Direct at 16-19.) What I said in my direct testimony is that greater weight should be placed on the low and medium price assumption cases (given the projected abundance of natural gas and the current lack of carbon emission regulation), not that <u>no</u> weight should be placed on FPL's high price assumption cases (Dauphinais Direct at 17-18.) Also, it is important to note that FPL defined each of the nine scenarios. As a result, the nine scenarios are not necessarily unbiased such that they should all be given identical weighting. Furthermore, I find it highly ironic for FPL to emphasize the need to consider all nine sensitivity cases given that FPL only presented a single sensitivity case, its mid-level fuel and mid-level emission price case, in its Petition and direct testimony.

With respect to my consideration of CPVRR payback time, it was not without giving proper consideration to the 30-year book life net CPVRR results as well, because both are important. With that said, CPVRR payback is still an important consideration with respect to the degree of risk associated with a proposed utility investment, especially for proposed generation facility additions that are not needed to provide reliable electric service at the lowest reasonable cost.

MR. ENJAMIO ALSO CLAIMS THAT INTRODUCING CONSIDERATION OF CPVRR PAYBACK TIME INTO THE RESOURCE PLANNING PROCESS WOULD UPEND THE WAY IN WHICH UTILITIES PLAN FOR THE LONGTERM RELIABILITY OF THEIR SYSTEMS AND WOULD POTENTIALLY RESULT IN CUSTOMERS FORFEITING MILLIONS, OR EVEN BILLIONS, OF DOLLARS IN SYSTEM SAVINGS. (ENJAMIO REBUTTAL AT 14-15.) HOW DO YOU RESPOND?

A.

Q.

Consideration of CPVRR payback time will not upend the resource planning process or cause customers to forfeit millions or billions in system savings. First, as I have detailed earlier in this testimony, FPL has not shown the proposed SolarTogether generation facilities are needed to provide reliable electric service at the lowest reasonable cost. Instead, the subject facilities are an acceleration of the deployment of the solar generation facilities FPL is projecting it will pursue in the future. As such, the time to CPVRR payback is of great importance, as the question of whether to pursue these projects is purely an economic matter. Furthermore, it is important to remember that it is customers who will be taking on the economic risk associated with the projects — not FPL. FPL will receive its recovery of, *and return on*, this generation investment regardless of whether the economics for the proposed facilities "pans out" for customers.

In addition, even if the SolarTogether generation projects were needed to provide reliable electric service at the lowest reasonable cost, CPVRR payback is still relevant to consider in order to examine the degree to which a resource alternative is a "Hail Mary Play." By a "Hail Mary Play" alternative, I mean an alternative that requires a very large capital investment, that does not provide a CPVRR payback for customers

up nearly perfectly in order to provide that payback prior to the end of the alternative's book life. Given that uncertainty increases as a forecast horizon is extended, "Hail May Play" alternatives, and those alternatives that approach being "Hail Mary Play" alternatives, have a high risk of not ultimately providing a net CPVRR benefit to customers over their book life. As a result, customers are not forfeiting millions or billions of dollars of system savings by their utility not pursuing such alternatives, because there is a high risk that the forecasted net CPVRR savings from those alternatives will not actually materialize over their book life, and those alternatives will instead leave customers with a net CPVRR cost.

Q.

A.

## MR. DEASON INDICATES IT IS IMPORTANT TO CONSIDER THE RISK OF FUEL PRICE VOLATILITY AND POTENTIAL WAYS TO MITIGATE THAT RISK. (DEASON REBUTTAL AT 23-24.) HOW DO YOU RESPOND?

I agree those are important considerations; however, it is important to note that FPL made no effort in either its original case or its new case to: (i) reasonably quantify the risk exposure that currently exists, (ii) reasonably quantify the degree to which the SolarTogether generation facilities would reduce that risk exposure, or (iii) reasonably quantify whether pursuing the SolarTogether generation projects would be the lowest reasonable cost alternative to address that exposure. Furthermore, as with any generation project proposed by a utility that is not necessary to provide reliable electric service at the lowest reasonable cost, great scrutiny should be given to proposals to reduce the exposure to fuel volatility through generation resource additions. This is because utilities are inherently biased toward such proposals since such generation

1		additions allow utilities to convert customer fuel expense exposure into additional return									
2		on investment for the utility's shareholders.									
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4	Q.	FPL WITNESS HUBER CLAIMS YOUR ANALYSIS OF THE									
5		SOLARTOGETHER PROGRAM AND YOUR CONCLUSIONS REGARDING									
6		SUBSIDIES FOCUSED ONLY ON THOSE YEARS IN WHICH THE ANNUAL									
7		REVENUE REQUIREMENT IS GREATER THAN SUBSCRIPTION									
8		REVENUES RECEIVED FROM PARTICIPATING CUSTOMERS. (HUBER									
9		REBUTTAL AT 8.) HOW DO YOU RESPOND?									
10	A.	First, let me note in general that Mr. Huber, when citing my direct testimony in									
11		his rebuttal testimony, in no case referenced any specific page in my direct testimony.									
12		As a result, it is unclear in a number of cases exactly what he is referring to in my direct									
13		testimony.									
14		With specific respect to his claim, as can be plainly seen from pages 36 through									
15		40 of my direct testimony, I considered the SolarTogether Program over its entire life									
16		when considering whether Non-Participating Customers are subsidizing Participating									
17		Customers, not just the period prior to the forecasted CPVRR payback for Participating									
18		and Non-Participating Customers. Thus, Mr. Huber's claim is groundless.									
19											
20		VII. CONCLUSIONS AND RECOMMENDATIONS									
21	Q.	PLEASE SUMMARIZE YOUR CONCLUSIONS AND RECOMMENDATIONS.									
22	A.	I conclude the following:									
23 24 25		• Despite the claims in FPL's rebuttal testimony, FPL has failed to reasonably demonstrate that the solar generation facilities for its proposed SolarTogether Program, even with the modifications presented in the new case presented in									

- FPL's rebuttal testimony and in Joint Movants' Exhibit A, are needed to provide reliable electric service at the lowest reasonable cost; and
  - Despite the claims in FPL's rebuttal testimony, FPL has failed to reasonably demonstrate that, even with the modifications presented in the new case contained in FPL's rebuttal testimony and in Joint Movants' Exhibit A, Non-Participating Customers are not any worse off economically under the proposed SolarTogether Program than they would be if the proposed SolarTogether Program was not pursued. Under the SolarTogether Program, I estimate Non-Participating Customers would, through the money they are required to pay FPL, be required to pay a subsidy of approximately \$133 million on a CPVRR basis to support Participating Customers' use of the SolarTogether Program. As a result, Non-Participating Customers would be substantially worse off under the SolarTogether Program than they would be if the SolarTogether Program was not in place.
  - For the above reasons, I recommend that the Commission deny FPL's Petition for its SolarTogether Program under either the original case or the new case filings, including any approval related to the increased rate base sought by FPL in this proceeding for its proposed Phase 1 SolarTogether solar generation facilities.

#### 21 Q. DOES THIS CONCLUDE YOUR SUPPLEMENTAL TESTIMONY?

22 A. Yes, it does.

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FPL Rebuttal Testimony
forecasted CPVRR Net
Savings/(Cost) for Phase 1
SolarTogether Generation
Facilities for FPL Customers
as a Whole (FPL Base Case
Only)

Docket No. 20190061-EI FPL Rebuttal Testimony Forecasted CPVRR Net Savings/(Cost) for FPL Customers as a Whole (FPL Base Case Only) **Exhibit JRD-8** Page 1 of 1

## Florida Power & Light Company Docket No. 20190061-EI

FPL Forecasted Cumulative Present Value Revenue Requirement Net Savings/(Cost) for Phase 1 SolarTogether Generation Facilities for FPL Customers as a Whole
FPL Rebuttal Testimony Base Case (Mid Fuel, Mid CO2)

(\$ Millions)

<u>Year</u>	Base Case (1)
2019	(\$5.83)
2020	(54.56)
2021	(166.04)
2022	(253.47)
2023	(306.07)
2024	(350.70)
2025	(384.32)
2026	(410.38)
2027	(397.96)
2028	(311.54)
2029	(264.70)
2030	(256.22)
2031	(230.10)
2032	(206.39)
2033	(184.84)
2034	(160.65)
2035	(134.39)
2036	(107.99)
2037	(82.23)
2038	(53.68)
2039	(24.75)
2040	(3.60)
2041	22.48
2042	50.00
2043	77.08
2044	102.86
2045	129.74
2046	155.78
2047	178.70
2048	203.86
2049 2050	226.85 249.80
	249.80
2051	248.02

Source: FPL Response to Staff Interrogatory No. 78 Amended.

FPL Rebuttal Testimony forecasted CPVRR Net Savings/(Cost) for Phase 1 SolarTogether Generation Facilities for FPL Customers as a Whole (All FPL Cases)

## Florida Power & Light Company Docket No. 20190061-EI

FPL Forecasted Cumulative Present Value Revenue Requirement Net Savings/(Cost) for Phase 1 SolarTogether Generation Facilities for FPL Customers as a Whole
FPL Rebuttal Testimony Base and Sensitivity Cases

#### (\$ Millions)

<u>Year</u>	Base Case (1)	Low Fuel, Low CO2 (2)	Low Fuel, Mid CO2 (3)	Mid Fuel, Low CO2 (4)	Low Fuel, High CO2 (5)	Mid Fuel, <u>High CO2</u> (6)	High Fuel, Low CO2 (7)	High Fuel, Mid CO2 (8)	High Fuel, <u>High CO2</u> (9)
2019	(\$5.83)	(\$5.83)	(\$5.83)	(\$5.83)	(\$5.83)	(\$5.83)	(\$5.83)	(\$5.83)	(\$5.83)
2020	(54.56)	(58.01)	(58.01)	(54.56)	(58.01)	(54.56)	(51.79)	(51.79)	(51.79)
2021	(166.04)	(177.27)	(177.27)	(166.04)	(177.27)	(166.04)	(156.11)	(156.11)	(156.11)
2022	(253.47)	(273.09)	(273.09)	(253.47)	(273.09)	(253.47)	(235.52)	(235.52)	(235.52)
2023	(306.07)	(333.87)	(333.87)	(306.07)	(333.87)	(306.07)	(279.52)	(279.52)	(279.52)
2024	(350.70)	(387.41)	(387.41)	(350.70)	(387.41)	(350.70)	(315.49)	(315.49)	(315.49)
2025	(384.32)	(429.90)	(429.90)	(384.32)	(429.90)	(384.32)	(341.05)	(341.05)	(341.05)
2026	(410.38)	(464.37)	(464.03)	(410.71)	(464.37)	(410.71)	(358.94)	(358.33)	(358.94)
2027	(397.96)	(460.75)	(460.02)	(398.78)	(460.75)	(398.78)	(338.54)	(337.20)	(338.54)
2028	(311.54)	(382.89)	(380.78)	(313.50)	(372.04)	(302.61)	(245.70)	(243.80)	(234.89)
2029	(264.70)	(344.44)	(341.05)	(267.65)	(323.90)	(247.62)	(192.90)	(189.35)	(173.28)
2030	(256.22)	(343.18)	(338.88)	(260.15)	(316.02)	(232.71)	(178.76)	(173.98)	(151.90)
2031	(230.10)	(326.36)	(319.56)	(236.42)	(289.28)	(199.33)	(148.40)	(140.95)	(112.09)
2032	(206.39)	(311.71)	(302.24)	(215.35)	(264.99)	(168.67)	(120.81)	(110.58)	(75.05)
2033	(184.84)	(298.98)	(286.64)	(196.47)	(243.41)	(140.81)	(95.93)	(82.78)	(41.38)
2034	(160.65)	(283.56)	(268.08)	(175.18)	(219.23)	(110.93)	(69.32)	(52.81)	(5.98)
2035	(134.39)	(266.33)	(247.21)	(152.13)	(192.66)	(78.78)	(40.96)	(20.67)	31.10
2036	(107.99)	(248.89)	(225.66)	(129.04)	(165.80)	(46.68)	(13.14)	11.02	68.24
2037	(82.23)	(231.42)	(204.57)	(106.53)	(139.55)	(15.28)	13.88	41.79	104.25
2038	(53.68)	(211.67)	(180.92)	(82.03)	(110.58)	18.55	43.11	74.51	142.84
2039	(24.75)	(191.11)	(156.60)	(57.14)	(80.96)	52.40	72.48	107.57	180.86
2040	(3.60)	(178.09)	(139.37)	(39.97)	(58.92)	78.80	93.71	132.74	211.47
2041	22.48	(160.30)	(117.21)	(17.75)	(31.05)	110.61	119.99	162.83	247.17
2042	50.00	(140.95)	(93.23)	4.95	(1.13)	144.27	146.41	193.68	284.12
2043	77.08	(122.62)	(69.70)	27.04	28.22	177.22	171.70	224.09	320.50
2044	102.86	(105.04)	(47.49)	47.75	56.93	209.36	195.57	253.24	355.91
2045	129.74	(86.32)	(23.39)	69.00	87.90	243.54	220.14	282.78	393.17
2046	155.78	(68.51)	(0.17)	89.48	118.38	277.05	243.48	311.69	429.21
2047	178.70	(53.82)	19.76	106.67	146.04	307.48	263.35	337.35	462.43
2048	203.86	(36.78)	42.47	126.12	176.71	340.67	285.29	365.08	498.09
2049	226.85	(22.17)	62.90	143.00	205.23	371.85	304.66	390.31	531.61
2050	249.80	(7.13)	83.45	160.17	233.44	402.57	324.19	415.39	564.53
2051	248.62	(8.31)	82.27	158.99	232.26	401.40	323.01	414.21	563.35

Source: FPL Response to Staff Interrogatory No. 78 Amended.

FPL Rebuttal Testimony forecasted CPVRR Net Savings/(Cost) for Phase 1 SolarTogether Generation Facilities for Participating Customers (All FPL Cases)

## Florida Power & Light Company Docket No. 20190061-EI

#### FPL Rebuttal Testimony Forecasted CPVRR Net Savings/(Cost) for SolarTogether Participants (\$ Millions)

<u>Year</u>	Base Case (1)	Low Fuel, Low CO2 (2)	Low Fuel, Mid CO2 (3)	Mid Fuel, Low CO2 (4)	Low Fuel, High CO2 (5)	Mid Fuel, <u>High CO2</u> (6)	High Fuel, Low CO2 (7)	High Fuel, Mid CO2 (8)	High Fuel, <u>High CO2</u> (9)
	(1)	(2)	(0)	(4)	(0)	(0)	(')	(0)	(0)
2019	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2020	(\$1.37)	(\$1.37)	(\$1.37)	(\$1.37)	(\$1.37)	(\$1.37)	(\$1.37)	(\$1.37)	(\$1.37)
2021	(\$4.40)	(\$4.40)	(\$4.40)	(\$4.40)	(\$4.40)	(\$4.40)	(\$4.40)	(\$4.40)	(\$4.40)
2022	(\$6.35)	(\$6.35)	(\$6.35)	(\$6.35)	(\$6.35)	(\$6.35)	(\$6.35)	(\$6.35)	(\$6.35)
2023	(\$6.94)	(\$6.94)	(\$6.94)	(\$6.94)	(\$6.94)	(\$6.94)	(\$6.94)	(\$6.94)	(\$6.94)
2024	(\$6.09)	(\$6.09)	(\$6.09)	(\$6.09)	(\$6.09)	(\$6.09)	(\$6.09)	(\$6.09)	(\$6.09)
2025	(\$4.44)	(\$4.44)	(\$4.44)	(\$4.44)	(\$4.44)	(\$4.44)	(\$4.44)	(\$4.44)	(\$4.44)
2026	(\$1.87)	(\$1.87)	(\$1.87)	(\$1.87)	(\$1.87)	(\$1.87)	(\$1.87)	(\$1.87)	(\$1.87)
2027	\$1.47	\$1.47	\$1.47	\$1.47	\$1.47	\$1.47	\$1.47	\$1.47	\$1.47
2028	\$5.66	\$5.66	\$5.66	\$5.66	\$5.66	\$5.66	\$5.66	\$5.66	\$5.66
2029	\$10.23	\$10.23	\$10.23	\$10.23	\$10.23	\$10.23	\$10.23	\$10.23	\$10.23
2030	\$15.28	\$15.28	\$15.28	\$15.28	\$15.28	\$15.28	\$15.28	\$15.28	\$15.28
2031	\$20.72	\$20.72	\$20.72	\$20.72	\$20.72	\$20.72	\$20.72	\$20.72	\$20.72
2032	\$26.63	\$26.63	\$26.63	\$26.63	\$26.63	\$26.63	\$26.63	\$26.63	\$26.63
2033	\$32.65	\$32.65	\$32.65	\$32.65	\$32.65	\$32.65	\$32.65	\$32.65	\$32.65
2034	\$38.86	\$38.86	\$38.86	\$38.86	\$38.86	\$38.86	\$38.86	\$38.86	\$38.86
2035	\$45.23	\$45.23	\$45.23	\$45.23	\$45.23	\$45.23	\$45.23	\$45.23	\$45.23
2036	\$51.80	\$51.80	\$51.80	\$51.80	\$51.80	\$51.80	\$51.80	\$51.80	\$51.80
2037	\$58.33	\$58.33	\$58.33	\$58.33	\$58.33	\$58.33	\$58.33	\$58.33	\$58.33
2038	\$64.88	\$64.88	\$64.88	\$64.88	\$64.88	\$64.88	\$64.88	\$64.88	\$64.88
2039	\$71.42	\$71.42	\$71.42	\$71.42	\$71.42	\$71.42	\$71.42	\$71.42	\$71.42
2040	\$78.02	\$78.02	\$78.02	\$78.02	\$78.02	\$78.02	\$78.02	\$78.02	\$78.02
2041	\$84.48	\$84.48	\$84.48	\$84.48	\$84.48	\$84.48	\$84.48	\$84.48	\$84.48
2042	\$90.86	\$90.86	\$90.86	\$90.86	\$90.86	\$90.86	\$90.86	\$90.86	\$90.86
2043	\$97.15	\$97.15	\$97.15	\$97.15	\$97.15	\$97.15	\$97.15	\$97.15	\$97.15
2044	\$103.40	\$103.40	\$103.40	\$103.40	\$103.40	\$103.40	\$103.40	\$103.40	\$103.40
2045	\$109.46	\$109.46	\$109.46	\$109.46	\$109.46	\$109.46	\$109.46	\$109.46	\$109.46
2046	\$115.39	\$115.39	\$115.39	\$115.39	\$115.39	\$115.39	\$115.39	\$115.39	\$115.39
2047	\$121.18	\$121.18	\$121.18	\$121.18	\$121.18	\$121.18	\$121.18	\$121.18	\$121.18
2048	\$126.87	\$126.87	\$126.87	\$126.87	\$126.87	\$126.87	\$126.87	\$126.87	\$126.87
2049	\$132.36	\$132.36	\$132.36	\$132.36	\$132.36	\$132.36	\$132.36	\$132.36	\$132.36
2050	\$136.24	\$136.24	\$136.24	\$136.24	\$136.24	\$136.24	\$136.24	\$136.24	\$136.24
2051	\$136.75	\$136.75	\$136.75	\$136.75	\$136.75	\$136.75	\$136.75	\$136.75	\$136.75

Source: FPL Response to Staff Interrogatory No. 79 Amended.

FPL Rebuttal Testimony
forecasted CPVRR Net
Savings/(Cost) for Phase 1
SolarTogether Generation
Facilities for NonParticipating Customers (All
FPL Cases)

## Florida Power & Light Company Docket No. 20190061-EI

#### FPL Rebuttal Forecasted CPVRR Net Savings/(Cost) for Non-Participating FPL Customers (\$ Millions)

<u>Year</u>	Base Case (1)	Low Fuel, Low CO2 (2)	Low Fuel, Mid CO2 (3)	Mid Fuel, Low CO2 (4)	Low Fuel, High CO2 (5)	Mid Fuel, High CO2 (6)	High Fuel, Low CO2 (7)	High Fuel, Mid CO2 (8)	High Fuel, <u>High CO2</u> (9)
	` ,	` ,		` ,	, ,	` ,	` ,	` ,	` ,
2019	(\$5.83)	(\$5.83)	(\$5.83)	(\$5.83)	(\$5.83)	(\$5.83)	(\$5.83)	(\$5.83)	(\$5.83)
2020	(\$53.19)	(\$56.63)	(\$56.63)	(\$53.19)	(\$56.63)	(\$53.19)	(\$50.41)	(\$50.41)	(\$50.41)
2021	(\$161.64)	(\$172.87)	(\$172.87)	(\$161.64)	(\$172.87)	(\$161.64)	(\$151.71)	(\$151.71)	(\$151.71)
2022	(\$247.11)	(\$266.74)	(\$266.74)	(\$247.11)	(\$266.74)	(\$247.11)	(\$229.16)	(\$229.16)	(\$229.16)
2023	(\$299.14)	(\$326.94)	(\$326.94)	(\$299.14)	(\$326.94)	(\$299.14)	(\$272.58)	(\$272.58)	(\$272.58)
2024	(\$344.60)	(\$381.31)	(\$381.31)	(\$344.60)	(\$381.31)	(\$344.60)	(\$309.40)	(\$309.40)	(\$309.40)
2025	(\$379.89)	(\$425.47)	(\$425.47)	(\$379.89)	(\$425.47)	(\$379.89)	(\$336.62)	(\$336.62)	(\$336.62)
2026	(\$408.50)	(\$462.49)	(\$462.16)	(\$408.83)	(\$462.49)	(\$408.83)	(\$357.07)	(\$356.46)	(\$357.07)
2027	(\$399.42)	(\$462.22)	(\$461.49)	(\$400.25)	(\$462.22)	(\$400.25)	(\$340.00)	(\$338.67)	(\$340.00)
2028	(\$317.20)	(\$388.54)	(\$386.44)	(\$319.16)	(\$377.69)	(\$308.27)	(\$251.35)	(\$249.45)	(\$240.55)
2029	(\$274.93)	(\$354.68)	(\$351.28)	(\$277.89)	(\$334.13)	(\$257.85)	(\$203.13)	(\$199.59)	(\$183.51)
2030	(\$271.51)	(\$358.46)	(\$354.16)	(\$275.43)	(\$331.31)	(\$247.99)	(\$194.04)	(\$189.26)	(\$167.18)
2031	(\$250.82)	(\$347.08)	(\$340.28)	(\$257.15)	(\$310.00)	(\$220.06)	(\$169.13)	(\$161.67)	(\$132.81)
2032	(\$233.02)	(\$338.34)	(\$328.87)	(\$241.98)	(\$291.61)	(\$195.30)	(\$147.44)	(\$137.21)	(\$101.68)
2033	(\$217.48)	(\$331.63)	(\$319.29)	(\$229.12)	(\$276.06)	(\$173.46)	(\$128.58)	(\$115.43)	(\$74.03)
2034	(\$199.51)	(\$322.43)	(\$306.94)	(\$214.04)	(\$258.09)	(\$149.79)	(\$108.18)	(\$91.67)	(\$44.84)
2035	(\$179.62)	(\$311.56)	(\$292.44)	(\$197.36)	(\$237.89)	(\$124.00)	(\$86.19)	(\$65.90)	(\$14.13)
2036	(\$159.79)	(\$300.69)	(\$277.46)	(\$180.84)	(\$217.60)	(\$98.48)	(\$64.94)	(\$40.78)	\$16.44
2037	(\$140.56)	(\$289.74)	(\$262.90)	(\$164.85)	(\$197.87)	(\$73.61)	(\$44.45)	(\$16.54)	\$45.93
2038	(\$118.56)	(\$276.55)	(\$245.80)	(\$146.91)	(\$175.46)	(\$46.33)	(\$21.77)	\$9.64	\$77.96
2039	(\$96.18)	(\$262.53)	(\$228.02)	(\$128.57)	(\$152.38)	(\$19.03)	\$1.05	\$36.15	\$109.43
2040	(\$81.62)	(\$256.11)	(\$217.39)	(\$117.99)	(\$136.94)	\$0.78	\$15.69	\$54.71	\$133.44
2041	(\$62.01)	(\$244.78)	(\$201.69)	(\$102.23)	(\$115.53)	\$26.13	\$35.51	\$78.35	\$162.69
2042	(\$40.86)	(\$231.81)	(\$184.10)	(\$85.91)	(\$91.99)	\$53.41	\$55.54	\$102.82	\$193.26
2043	(\$20.08)	(\$219.77)	(\$166.85)	(\$70.11)	(\$68.93)	\$80.07	\$74.54	\$126.93	\$223.34
2044	(\$0.54)	(\$208.44)	(\$150.89)	(\$55.65)	(\$46.47)	\$105.96	\$92.17	\$149.84	\$252.51
2045	\$20.28	(\$195.78)	(\$132.85)	(\$40.46)	(\$21.56)	\$134.08	\$110.68	\$173.32	\$283.71
2046	\$40.39	(\$183.90)	(\$115.56)	(\$25.91)	\$3.00	\$161.67	\$128.09	\$196.30	\$313.82
2047	\$57.52	(\$175.00)	(\$101.41)	(\$14.51)	\$24.86	\$186.31	\$142.17	\$216.17	\$341.25
2048	\$76.99	(\$163.65)	(\$84.40)	(\$0.75)	\$49.83	\$213.80	\$158.42	\$238.21	\$371.22
2049	\$94.48	(\$154.53)	(\$69.46)	\$10.63	\$72.86	\$239.49	\$172.30	\$257.95	\$399.24
2050	\$113.56	(\$143.37)	(\$52.78)	\$23.93	\$97.20	\$266.34	\$187.95	\$279.15	\$428.29
2051	\$111.87	(\$145.06)	(\$54.48)	\$22.24	\$95.51	\$264.64	\$186.26	\$277.46	\$426.60

Source: FPL Response to Staff Interrogatory No. 79 Amended.

# Discovery Responses Cited to by Mr. Dauphinais in his Supplemental Testimony

Docket No. 20190061-EI Discovery Responses Cited to by Mr. Dauphinais Exhibit JRD-12 Page 1 of 10

Florida Power & Light Company Docket No. 20190061-EI Staff's First Set of Interrogatories Interrogatory No. 100-Amended Page 1 of 1

#### **QUESTION:**

If the SolarTogether petition is not approved, would FPL still construct the SolarTogether solar project sites? If not, please explain why not and provide a resource plan for that scenario. As part of your response, identify unit additions, retirements, and changes for each year.

#### **RESPONSE:**

See FPL's response to OPC's Second Set of Interrogatories No. 8. If the FPL SolarTogether Program is not approved, FPL will continue with the construction of Project 1 and Project 2 described in its Petition. FPL will reevaluate the amount and timing of additional solar capacity to be installed beyond these three projects as part of its late 2019/early 2020 integrated resource planning work. The results of those analyses will be accounted for in FPL's 2020 Ten-Year Site Plan filing.

Docket No. 20190061-EI Discovery Responses Cited to by Mr. Dauphinais Exhibit JRD-12 Page 2 of 10

Florida Power & Light Company Docket No. 20190061-EI OPC's Second Set of Interrogatories Interrogatory No. 8 Page 1 of 1

#### **OUESTION:**

Please refer to FPL's Petition at Paragraph 13 and FPL's April 2019 Ten Year Power Plant Site Plan 2019-2028 ("Ten Year Site Plan") at pages 12 and 14. Table ES-1 on page 14 of the Ten Year Site Plan has entries for 248 MW of firm capacity from Solar PV for 2020 and 248 MW of firm capacity from Solar PV for 2021. These amounts are in addition to 165 MW of firm capacity from the proposed 2020 SoBRA PV projects that is also indicated in Table ES-1. Assuming a firm capacity to nameplate capacity percentage of approximately 55%, the 496 MW of firm capacity from non-SoBRA Solar PV for 2020 and 2021 in the Ten Year Site Plan is about 900 MW of nameplate PV Solar capacity.

- a. Please explain in detail whether the 900 MW of nameplate non-SoBRA Solar PV capacity identified for 2020 and 2021 in Table ES-1 of the Ten Year Site Plan is in addition to the 1,490 MW of nameplate SolarTogether Solar PV that FPL is proposing or is part of the 1,490 MW of nameplate SolarTogether Solar PV that FPL is proposing.
- b. Please explain in detail whether, in the event its SolarTogether proposal is not approved by the Commission, FPL would, in place of the 1,490 MW of SolarTogether solar PV projects, pursue the 900 MW of nameplate non-SoBRA Solar PV capacity identified for 2020 and 2021 in Table ES-1 of its Ten Year Site Plan.
- c. Please explain in detail whether FPL views Phase 1 of its the SolarTogether proposal as accelerating its planned investment in non-SoBRA solar PV generation capacity from 900 MW of nameplate capacity for 2020 and 2021 to 1,490 MW of nameplate capacity for 2020 and 2021.

#### RESPONSE:

- a. At this point, FPL is not planning to build additional solar in 2020 and 2021 above the solar capacity included in FPL SolarTogether (1,490 MW) and the 2020 SoBRA Project. FPL will, however, continue to evaluate whether additional solar may be cost-effective in 2021 over the amount shown in the FPL SolarTogether Program.
- b. FPL still plans to proceed with the construction of the 900 MW of solar capacity shown in the 2019 Ten Year Site Plan (TYSP) even if the FPL SolarTogether Program is not approved.
- c. The FPL SolarTogether solar capacity replaces the 900 MW of solar nameplate capacity shown in the 2019 TYSP Resource Plan in 2020 and 2021. In addition, it accelerates part of the solar capacity shown in the 2019 TYSP for the years 2022 to 2024.

Docket No. 20190061-EI Discovery Responses Cited to by Mr. Dauphinais Exhibit JRD-12

Page 3 of 10

Florida Power & Light Company Docket No. 20190061-EI Staff's Second Set of Interrogatories Interrogatory No. 190-Amended Page 1 of 2

#### **QUESTION:**

Please develop revised versions of the SolarTogether Plan and No ST Plan resource plans including the company's proposed demand-side management (DSM) goals from Docket No. 20190015-EG, additional incremental DSM after the end of the goals period. Also, include the 2020 SoBRA Project in both cases as a committed project. Please also answer the following questions using these revised plans, providing electronic copies (in Excel format) of tables or charts:

- a. Please provide the resource plans for each of the Plans discussed. As part of this response, please provide annual reserve margin data similar to Schedule 7 of the Ten-Year Site Plan, and for each unit identified in the resource plans please provide information similar to Schedule 9 of the Ten-Year Site Plan.
- b. Please complete the table below for each scenario for each sensitivity, and the difference between them. Provide the annual revenue requirement of each plan by category. Provide a version of this table in nominal and present value dollars for each scenario.

[Scenar	[Scenario Name] – ([Nominal / NPV] \$ millions)													
Year	SolarTogether Remainder of System													
	Generation	Transmission	O&M	Total	Generation	Transmission	Fuel	Purchases	Fuel Transportation	О&М	Emissions (Non-carbon)	Emissions (Carbon-only)	Total	System Total
2020														
Total														

c. Complete the table below for each scenario for each sensitivity. Provide the annual and total value for the net system savings between the Plans, the total SolarTogether Charges, the SolarTogether Credits, and the remaining net system benefits to the general body of ratepayers. Provide a version of this table in nominal and present value dollars.

Net Im	Net Impacts - [Scenario Name] - ([Nominal / NPV] \$ millions)										
Year	Net System Savings	SolarTogether	SolarTogether	Remaining Net							
1 Cai	ivet System Savings	Charges	Credits	System Savings							
2020											
Total											

Docket No. 20190061-EI Discovery Responses Cited to by Mr. Dauphinais Exhibit JRD-12 Page 4 of 10

Florida Power & Light Company Docket No. 20190061-EI Staff's Second Set of Interrogatories Interrogatory No. 190-Amended Page 2 of 2

- d. For each plan, please provide an estimate of annual customer bills for a non-participating residential customer using 1,000 kWh/mo (in nominal and real values) excluding the proposed SolarTogether Charges and Credits.
- e. For each plan, please provide an estimate of annual customer bills for a non-participating residential customer using 1,000 kWh/mo (in nominal and real values) including the proposed SolarTogether Charges and Credits.

#### **RESPONSE:**

- a. See Attachment Nos. 1, 2 and 3 to this amended interrogatory response.
- b. See Attachment No. 4 to this amended interrogatory response.
- c. See Attachment No. 5 to this amended interrogatory response.
- d. See Attachment No. 6 to this amended interrogatory response.
- e. See Attachment No. 7 to this amended interrogatory response.

Docket No. 20190061-EI Discovery Responses Cited to by Mr. Dauphinais Exhibit JRD-12 Page 5 of 10

Florida Power & Light Company Docket No. 20190061-EI Staff's First Set of Interrogatories Interrogatory No. 78-Amended Page 1 of 1

#### **QUESTION**:

Please refer to paragraphs 21 and 22 of the Petition. Complete the table below for each scenarios listed (a) through (d). Provide the annual revenue requirement of each Plan, the "No ST Plan" and "FPL SolarTogether Plan," by category. These include SolarTogether costs for generation, transmission, and O&M, as well as FPL's remainder of system costs for generation, transmission, fuel, fuel transportation, O&M, emissions (excluding CO2 and CO2 only). Provide a version of this table in nominal and present value dollars for each scenario.

- A. Base Case scenario
- B. Low Fuel scenario.
- C. High Fuel scenario.
- D. No CO2 Cost scenario.

	[Scenario Name] – [No ST Plan / FPL SolarTogether Plan] – ([Nominal / NPV] \$ millions)													
Year		SolarTo	gethe	r				Re	mainder o	of Syst	em			
	Generation	Transmission	0&M	Total	Generation	Transmission	Fuel	Purchases	Fuel Transportation	0&M	Emissions (Non-carbon)	Emissions (Carbon-only)	Total	System Total
2020														
Total														

#### **RESPONSE:**

Please see Attachment No. 1 to this amended response that provides the annual revenue requirement in nominal and present values dollars, as well as CPVRR, for nine natural gas and CO<sub>2</sub> price scenarios. The CO<sub>2</sub> price scenarios considered included a low (i.e., zero) price scenario, as well as mid and high band CO<sub>2</sub> price scenarios.

Docket No. 20190061EI Discovery Responses Cited to by Mr. Dauphinais Exhibit JRD-12 Page 6 of 10

Florida Power & Light Company Docket No. 20190061-EI Staff's First Set of Interrogatories Interrogatory No. 79-Amended Page 1 of 1

#### **QUESTION:**

Please refer to paragraphs 21 and 22 and Exhibits B and C. Complete the table below for each scenarios listed (a) through (d). Provide the annual and total value for the net system savings between the "No ST Plan" and the "FPL Solar Together Plan," the total SolarTogether Charges, the SolarTogether Credits, and the remaining net system benefits to the general body of ratepayers. Provide a version of this table in nominal and present value dollars.

- A. Base Case scenario.
- B. Low Fuel scenario.
- C. High Fuel scenario.
- D. No CO2 Cost scenario.

	System Benefits and SolarTogether Program Impacts - [Nominal \$] or [NPV \$]													
Year	Net System Savings	SolarTogether Charges	Remaining Net System Savings											
2020														
Total														

#### **RESPONSE:**

Please see Attachment No. 1 to this amended response, that provides the total (tab 1) and annual (tab 2) value for the net system savings in nominal and present values dollars for the Base Case scenario (Mid Fuel and Mid CO<sub>2</sub>), Low Fuel scenario, High Fuel scenario, and the No CO<sub>2</sub> Cost scenario (the Low CO<sub>2</sub> scenario represents No CO<sub>2</sub> Costs). Along with these scenarios, FPL also provided a High CO<sub>2</sub> scenario.

Docket No. 20190061-EI Discovery Responses Cited to by Mr. Dauphinais Exhibit JRD-12 Page 7 of 10

Florida Power & Light Company Docket No. 20190061-EI OPC's Thirteenth Set of Interrogatories Interrogatory No. 57 Page 1 of 2

#### **QUESTION:**

Please refer to the October 9, 2019 Joint Motion to Approve Settlement (including exhibits and attachments) filed by FPL, SACE, Walmart and Vote Solar.

- a. Please confirm the SolarTogether proposal contained in Exhibit A is identical to FPL's SolarTogether proposal contained in its Rebuttal Testimony, except for the low income customer provisions outlined in paragraphs 4 and 5 of Exhibit A as implemented pursuant to the SolarTogether Rider tariff sheets contained in Attachment I to Exhibit A. If not unconditionally confirmed, please provide a detailed explanation of each additional change that is being proposed in Exhibit A to the SolarTogether program contained in FPL's Rebuttal testimony.
- b. Please confirm that the additional net cost for the low income customer provisions of Exhibit A will be solely borne by FPL customers participating in the SolarTogether Program and none of that additional net cost will be assigned to FPL customers not participating in the SolarTogether Program. If not unconditionally confirmed, please provide a detailed explanation of why this is not the case.
- c. Please confirm that under the SolarTogether proposal in Exhibit A, FPL continues to assign \$137 million of the projected total \$249 million net CPVRR savings under its mid-level fuel price and mid-level emission price assumptions to FPL's customers not participating in the SolarTogether Program. If not unconditionally confirmed, please provide a detailed explanation of why this is not the case.
- d. Please confirm that under the SolarTogether proposal in Exhibit A, the actual net CPVRR savings received by FPL's customers not participating in the SolarTogether Program continues to be a function of the actual SolarTogether credits and charges paid to and collected from customers participating in the SolarTogether Program and the actual fuel, purchased power and emission cost savings realized from the Phase 1 SolarTogether generation facilities. If not unconditionally confirmed, please provide a detailed explanation of why this is not the case.

#### **RESPONSE:**

- a. Yes, confirmed. Attachment I to Exhibit A, represents the modified SolarTogether Rider incorporating the low income program defined in the settlement agreement paragraph 4 subpart (a) these changes are as follows:
  - i. SolarTogether Rider, Sheet 8.932, Section "Monthly Subscription" has been expanded to show both "Participant" and "Low Income Participant" with references to the tariff sheet pages.
  - ii. SolarTogether Rider, Sheet 8.932, Section "Limitation of Service" includes a new sentence that reads: "Customers at or below the 200% of the poverty level are eligible for participation at the low income pricing provided by this tariff."

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- iii. SolarTogether Rider, Sheet 8.934, Section "Monthly Subscription" table has been expanded to show the subscription charge and subscription credit for both "Participant" and "Low Income Participant"
  - i. Where the Participant Subscription Charge is \$6.76 per kW-Month vs. \$6.73 per kW-Month as presented in the rebuttal testimony.
  - ii. Where the Participant Subscription Credit begins at 3.40468 cents per kWh escalating at 1.7% annually vs. 3.39101 cents per kWh escalating at 1.7% annually as presented in the rebuttal testimony.
  - iii. Where the Low Income Participant Subscription charge is fixed at \$5.57 per kW-Month.
  - iv. Where the Low Income Participant Subscription Credit is fixed at \$6.27 per kW-Month.
- b. FPL interprets the "additional net cost for the low income customer provisions" statement presented here to refer to the \$0.70 differential between the low income customers' Subscription Credit of \$6.27 per kW-Month and the Subscription Charge of \$5.57 per kW-Month. In which case, yes it is confirmed that the net cost will be borne by the FPL customers who elect to participate in the program.
- c. The assignment of the projected \$249 million net CPVRR savings remains unchanged, where \$137 million will be assigned to the program participants and \$112 million will be assigned to the general body. See also, Table 1 on page 13 of Witness Valle's rebuttal testimony and Exhibit A, page 4, item 3 subpart g.
- d. Yes, confirmed. The \$112 million in net CPVRR savings received by FPL's customers not participating in the Program are a function of both base and clause savings. The base savings of \$56 million result from participants contributing 104.5% of program costs via the Subscription Charges. The clause savings of \$56 million are a function of fuel and emissions savings net of credits paid to participants.

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#### **OUESTION:**

Please refer to the Rebuttal Testimony of Mr. Valle at page 9, lines 6-21.

- a. Please identify whether in the past five years the Company has performed, or had performed on its behalf, any analyses or studies regarding the expected growth of private customer-owned solar system on its system either with or without approval of the Company's proposed SolarTogether program. If so, please provide a complete copy of each such analysis or study.
- b. Please provide a detailed explanation with respect to how the Company estimated the general body of customers is paying cross-subsidies of \$13 million annually as a result of customerowned private solar installations.

#### **RESPONSE:**

- a. See Attachment Nos. 1-4 of this response. These forecasts were used for the TYSP and do not contemplate FPL SolarTogether.
- b. See FPL's response to OPC's Seventh Request for Production of Documents No. 19, Attachment No. 1.

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#### **QUESTION:**

Please refer to Mr. Deason's Rebuttal Testimony at page 23, lines 1-6. Please provide a complete copy of all analyses or studies the Company has performed, or had performed on its behalf, within the past five years examining or estimating the ability of any community solar program, including but not limited to, the proposed SolarTogether program, to retain the load of its customers and/or the contribution of those customers toward the fixed costs of the Company.

#### **RESPONSE:**

FPL has not performed nor had performed on its behalf any such studies.