

Kenneth M. Rubin Assistant General Counsel Florida Power & Light Company 700 Universe Boulevard Juno Beach, FL 33408-0420 (561) 691-2512 (561) 691-7135 (Facsimile) E-mail: Ken.Rubin@fpl.com

February 17, 2020

Mr. Adam Teitzman
Division of the Commission Clerk and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Re: Docket No. 20180049-EI

Dear Mr. Teitzman:

I enclose for filing in the above docket the Hurricane Irma Settlement Implementation Agreement signed by representatives of Florida Power & Light Company and the Office of Public Counsel on this date.

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

Sincerely,

Kenneth M. Rubin

Enclosure

cc: Counsel for Parties of Record

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-EI

Dated: February 17, 2020

IMPLEMENTATION AGREEMENT

WHEREAS, Florida Power & Light Company ("FPL" or the "Company") and Citizens

through the Office of Public Counsel ("OPC") (FPL and OPC together are referred to as the

"Parties") entered into a Stipulation and Settlement (the "Irma Settlement Agreement") to resolve

the issues raised in Docket No. 20180049-EI (In re: Evaluation of storm restoration costs for

Florida Power & Light Company related to Hurricane Irma); and

WHEREAS, the Florida Public Service Commission issued its Final Order Approving

Stipulation and Settlement Agreement, Order No. PSC-2019-0319-S-EI, on August 1, 2019 which

approved the Irma Settlement Agreement; and

WHEREAS, paragraphs 5 through 20 of the Irma Settlement Agreement include a number

of Process Provisions, some of which relate to FPL's development, implementation and intended

use of a new smart phone application for entry, recording, and approval of time and expense for

line crews and vegetation management crews (the "App"); and

WHEREAS, although FPL intended to utilize the App during the 2019 season, additional

testing and training was still ongoing when Hurricane Dorian formed in late August 2019; and

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WHEREAS, because the testing and training in the use of the App was ongoing as Hurricane Dorian approached, FPL believed that the prudent course of action was to forego the use of the App in order to facilitate a more efficient restoration effort; and

WHEREAS, the Irma Settlement Agreement includes a process provision at paragraph 18 requiring FPL to engage an independent outside audit firm to conduct an audit of the Company's filed recoverable storm costs of the first named tropical system named by the National Hurricane Center for which claimed damages exceed \$250 million; and

WHEREAS, although Hurricane Dorian caused claimed damages in excess of \$250 million, the Parties agree that the most productive use of the one-time audit provision in paragraph 18 of the Irma Settlement Agreement will occur if the audit is undertaken in connection with FPL's use of the App during restoration efforts for a qualifying named tropical system; and

WHEREAS, in paragraph 19 of the Irma Settlement Agreement, the Parties agreed that the terms of the Irma Settlement Agreement are intended to reduce the amount of discovery in future storm cost recovery proceedings, and the Parties further agreed that they would meet within three months following the issuance of a final order in FPL's next storm cost recovery proceeding to discuss limitations on written discovery in future storm cost proceedings that the parties would provide to Staff for recommended use in future storm cost recovery proceedings.

WHEREAS, the Parties agree that although the one-time audit described in paragraph 18 of the Irma Settlement Agreement will be more productive if undertaken in connection with FPL's use of the App during restoration efforts for a qualifying named tropical system, the paragraph 19 provision for a meeting and potential agreement on proposed limitations on storm cost recovery discovery contains no reference to or condition on the use of the App, and accordingly the meeting

contemplated under paragraph 19 should still take place within three months following the issuance of a final order in the anticipated Hurricane Dorian docket.

IMPLEMENTATION AGREEMENT PROVISIONS

- 1. The Parties agree that the one-time audit provision described in paragraph 18 of the Irma Settlement Agreement will not be utilized or undertaken in connection with FPL's Hurricane Dorian restoration efforts or any docket to determine the prudence of FPL's Hurricane Dorian costs.
- 2. FPL will engage an independent outside audit firm to conduct an audit of the Company's filed recoverable storm costs of the first named tropical system named by the National Hurricane Center for which claimed damages exceed \$250 million, and for which FPL utilizes the App in connection with its restoration efforts.
- 3. In the event a docket is opened to determine the prudence of FPL's Hurricane Dorian costs, within three months following the issuance of a final order in that docket, and notwithstanding the unavailability of the App during the Hurricane Dorian event, the parties will still meet to discuss limitations on written discovery in future storm cost recovery proceedings.
- 4. In the event the Parties agree on any express limitations on written discovery for future storm cost recovery proceedings, the proposed limitations will be provided to Staff as

- recommended for inclusion in the Order Establishing Procedure issued in future FPL storm cost recovery proceedings.
- 5. The Parties agree that the provisions of this Implementation Agreement are in the public interest.
- 6. This Implementation Agreement may be executed in counterpart originals, and a scanned .pdf copy of an original signature shall be deemed an original. Any person or entity that executes a signature page to this Implementation Agreement shall become and be deemed a Party with the full range of rights and responsibilities provided hereunder, notwithstanding that such person or entity is not listed in the first recital above and executes the signature page subsequent to the date of this Implementation Agreement, it being expressly understood that the addition of any such additional Party(ies) shall not disturb or diminish the benefits of this Implementation Agreement to any current Party.

In Witness Whereof, the Parties evidence their acceptance and agreement with the provisions of this Implementation Agreement by their signature.

FLORIDA POWER & LIGHT COMPANY

R. Wade Litchfield, Esq. 700 Universe Boulevard Juno Beach, Florida 33408

Bv

R Wade Litchfield

Vice President and General Counsel

OFFICE OF PUBLIC COUNSEL

J.R. Kelly, Esq.

The Florida Legislature

111 West Madison Street

Room 812

Tallahassee, FL 32879-1400

By:

Public Counsel