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-VIA ELECTRONIC FILING-

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

RE: Docket No. 20220072-EQ
FPL's Response to Staff's First Data Request

Dear Mr. Teitzman:

Attached is Florida Power & Light Company's response to Staff's First Data Request (Nos. 1-3) in Docket No. 20220072-EQ.

Please contact me should you or your staff have any questions regarding this filing.

Sincerely,

/s/ Joel T. Baker

Joel T. Baker
Fla. Bar No. 0108202

JTB
Enclosure

Cc: Donald Phillips, PSC Staff, Division of Engineering
Phillip Ellis, PSC Staff, Division of Engineering
Jacob Imig, PSC Staff, Office of the General Counsel

Florida Power & Light Company

700 Universe Boulevard, Juno Beach, FL 33408

QUESTION:

Please refer to Sheet No. 9.042 of the standard offer contract. Provide the rationale for the revisions in Section 15.2.

RESPONSE:

FPL is proposing to increase the standard offer contract's insurance aggregate limit from \$1 million to \$2 million in order to align limits with current market conditions and standard minimum insurance requirements. This insurance adjustment is minor in nature but affords parties meaningfully greater financial protection under the contract. Also, the Commission has previously approved adjustments to the insurance terms of other standard offer contracts in recognition that insurance market conditions change over time. *See* Order No. PSC-14-0391-PAA-EI at 4.

QUESTION:

Please specify whether the proposed 2032 avoided unit is derived from the Business As Usual (BAU) Resource Plan or the Extreme Winter Load/Recommended (EWL) Resource Plan in the Utility's Ten-Year Site Plan.

- a. If it is derived from the EWL Resource Plan, please identify what the next avoidable fossil fueled generating unit would be for the BAU Resource Plan.

RESPONSE:

The proposed 2032 combined cycle avoided unit was derived from FPL's Recommended Resource Plan.

However, an identical 2032 combined cycle unit is also included in FPL's Business as Usual Plan. Therefore, the next avoidable fossil fueled generating unit for the Business as Usual Plan would likewise be a 2032 combined cycle unit.

QUESTION:

Please complete the following table describing payments to a renewable provider based on the proposed tariffs included in the Utility's revised standard offer contract for each of the five scenarios listed below. For the calculations, assume a renewable generator with a 50 MW output providing firm capacity with an in-service date of January 1, 2023, operating at the minimum capacity factor required for full capacity payments and a contract duration of 20 years. As part of your response, state the capacity factor assumed for the calculations. Please calculate the total Net Present Value (NPV) of all payments in 2023 dollars, and also provide an explanation of the method and rate used to calculate the NPV.

- As-available energy (energy only payments)
- Normal capacity payments
- Levelized payments
- Early payments
- Early levelized payments

Year	Energy (MWh)	Capacity Rate (\$/kw-mo)	Total Capacity Payments (\$)	Energy Rate (\$/MWh)	Total Energy Payments (\$)	Total Payments (\$)
2023						
2024						
2025						
2026						
2027						
2028						
2029						
2030						
2031						
2032						
2033						
2034						
2035						
2036						
2007						
2038						
2039						
2040						
2041						
2042						
Total (Nominal)						
Total (NPV)						

RESPONSE:

Please see Attachment No. 1 to this response.

2032 CC Avoided Unit

Committed Capacity (MW) 50
 Capacity Factor (%) 94%
 Payment Type: **Energy Only**

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Calendar Year (Jan. 1 - Dec. 31)	Energy (MWh)	Capacity Rates (\$/kW-mo)	Total Capacity Payments (\$)	Energy Rates (\$/MWh)	Total Energy Payments (\$)	Total Payments (\$)
2023	411,720	-	-	26.35	10,849,048	10,849,048
2024	412,848	-	-	21.26	8,775,986	8,775,986
2025	411,720	-	-	21.69	8,929,418	8,929,418
2026	411,720	-	-	22.34	9,196,180	9,196,180
2027	411,720	-	-	21.66	8,917,349	8,917,349
2028	412,848	-	-	22.74	9,389,390	9,389,390
2029	411,720	-	-	24.68	10,159,751	10,159,751
2030	411,720	-	-	25.73	10,594,758	10,594,758
2031	411,720	-	-	26.38	10,860,797	10,860,797
2032	412,848	-	-	27.58	11,385,342	11,385,342
2033	411,720	-	-	27.52	11,330,516	11,330,516
2034	411,720	-	-	28.07	11,557,403	11,557,403
2035	411,720	-	-	33.17	13,654,720	13,654,720
2036	412,848	-	-	28.48	11,757,327	11,757,327
2037	411,720	-	-	31.90	13,133,426	13,133,426
2038	411,720	-	-	31.65	13,029,053	13,029,053
2039	411,720	-	-	32.41	13,345,437	13,345,437
2040	412,848	-	-	32.84	13,556,364	13,556,364
2041	411,720	-	-	31.66	13,034,891	13,034,891
2042	411,720	-	-	30.66	12,621,456	12,621,456
Total	8,240,040		-		226,078,613	226,078,613
Total NPV @7.49% Discount Rate					109,358,129	109,358,129

2032 CC Avoided Unit

Committed Capacity (MW) 50
 Capacity Factor (%) 94%
 Payment Type: **Normal**

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Calendar Year (Jan. 1 - Dec. 31)	Energy (MWh)	Capacity Rates (\$/kW-mo)	Total Capacity Payments (\$)	Energy Rates (\$/MWh)	Total Energy Payments (\$)	Total Payments (\$)
2023	411,720	-	-	26.35	10,849,048	10,849,048
2024	412,848	-	-	21.26	8,775,986	8,775,986
2025	411,720	-	-	21.69	8,929,418	8,929,418
2026	411,720	-	-	22.34	9,196,180	9,196,180
2027	411,720	-	-	21.66	8,917,349	8,917,349
2028	412,848	-	-	22.74	9,389,390	9,389,390
2029	411,720	-	-	24.68	10,159,751	10,159,751
2030	411,720	-	-	25.73	10,594,758	10,594,758
2031	411,720	-	-	26.38	10,860,797	10,860,797
2032	412,848	5.90	2,063,885	25.21	10,409,352	12,473,237
2033	411,720	6.02	3,581,507	24.19	9,958,025	13,539,532
2034	411,720	6.15	3,656,859	24.85	10,230,399	13,887,258
2035	411,720	6.28	3,733,812	25.57	10,527,457	14,261,269
2036	412,848	6.41	3,812,399	26.29	10,854,201	14,666,600
2037	411,720	6.54	3,892,655	26.77	11,023,041	14,915,696
2038	411,720	6.68	3,974,617	27.38	11,270,879	15,245,496
2039	411,720	6.82	4,058,321	27.80	11,444,783	15,503,104
2040	412,848	6.97	4,143,804	28.28	11,675,274	15,819,079
2041	411,720	7.11	4,231,105	28.52	11,743,378	15,974,483
2042	411,720	7.26	1,778,249	28.76	11,841,919	13,620,169
Total	8,240,040		38,927,214		208,651,384	247,578,598
Total NPV @7.49% Discount Rate					103,307,129	116,688,936

Note:

Avoided Unit-based capacity and energy rates begin on June 1st (the in-service day of the avoided unit) of each year and continue for 12 months. In the table above total capacity payments in each calendar year are determined with the prior year's rate for January through May and the current year's rate for June through December.

2032 CC Avoided Unit

Committed Capacity (MW) 50
 Capacity Factor (%) 94%
 Payment Type: **Levelized**

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Calendar Year (Jan. 1 - Dec. 31)	Energy (MWh)	Capacity Rates (\$/kW-mo)	Total Capacity Payments (\$)	Energy Rates (\$/MWh)	Total Energy Payments (\$)	Total Payments (\$)
2023	411,720	-	-	26.35	10,849,048	10,849,048
2024	412,848	-	-	21.26	8,775,986	8,775,986
2025	411,720	-	-	21.69	8,929,418	8,929,418
2026	411,720	-	-	22.34	9,196,180	9,196,180
2027	411,720	-	-	21.66	8,917,349	8,917,349
2028	412,848	-	-	22.74	9,389,390	9,389,390
2029	411,720	-	-	24.68	10,159,751	10,159,751
2030	411,720	-	-	25.73	10,594,758	10,594,758
2031	411,720	-	-	26.38	10,860,797	10,860,797
2032	412,848	6.41	2,242,892	25.21	10,409,352	12,652,244
2033	411,720	6.41	3,844,958	24.19	9,958,025	13,802,983
2034	411,720	6.41	3,844,958	24.85	10,230,399	14,075,357
2035	411,720	6.41	3,844,958	25.57	10,527,457	14,372,415
2036	412,848	6.41	3,844,958	26.29	10,854,201	14,699,159
2037	411,720	6.41	3,844,958	26.77	11,023,041	14,867,998
2038	411,720	6.41	3,844,958	27.38	11,270,879	15,115,837
2039	411,720	6.41	3,844,958	27.80	11,444,783	15,289,740
2040	412,848	6.41	3,844,958	28.28	11,675,274	15,520,232
2041	411,720	6.41	3,844,958	28.52	11,743,378	15,588,336
2042	411,720	6.41	1,602,066	28.76	11,841,919	13,443,985
Total	8,240,040		38,449,579		208,651,384	247,100,963
Total NPV @7.49% Discount Rate					103,307,129	116,688,936

Note:

Avoided Unit-based capacity and energy rates begin on June 1st (the in-service day of the avoided unit) of each year and continue for 12 months. In the table above total capacity payments in each calendar year are determined with the prior year's rate for January through May and the current year's rate for June through December.

2032 CC Avoided Unit

Committed Capacity (MW) 50
 Capacity Factor (%) 94%
 Payment Type: **Early**

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Calendar Year (Jan. 1 - Dec. 31)	Energy (MWh)	Capacity Rates (\$/kW-mo)	Total Capacity Payments (\$)	Energy Rates (\$/MWh)	Total Energy Payments (\$)	Total Payments (\$)
2023	411,720	-	-	26.35	10,849,048	10,849,048
2024	412,848	-	-	21.26	8,775,986	8,775,986
2025	411,720	-	-	21.69	8,929,418	8,929,418
2026	411,720	-	-	22.34	9,196,180	9,196,180
2027	411,720	-	-	21.66	8,917,349	8,917,349
2028	412,848	3.46	1,211,118	22.74	9,389,390	10,600,508
2029	411,720	3.53	2,101,681	24.68	10,159,751	12,261,432
2030	411,720	3.61	2,145,894	25.73	10,594,758	12,740,652
2031	411,720	3.68	2,191,037	26.38	10,860,797	13,051,833
2032	412,848	3.76	2,237,129	25.21	10,409,352	12,646,481
2033	411,720	3.84	2,284,192	24.19	9,958,025	12,242,217
2034	411,720	3.92	2,332,244	24.85	10,230,399	12,562,643
2035	411,720	4.00	2,381,308	25.57	10,527,457	12,908,764
2036	412,848	4.09	2,431,403	26.29	10,854,201	13,285,604
2037	411,720	4.17	2,482,552	26.77	11,023,041	13,505,593
2038	411,720	4.26	2,534,778	27.38	11,270,879	13,805,657
2039	411,720	4.35	2,588,102	27.80	11,444,783	14,032,884
2040	412,848	4.44	2,642,547	28.28	11,675,274	14,317,822
2041	411,720	4.54	2,698,139	28.52	11,743,378	14,441,516
2042	411,720	4.63	1,133,959	28.76	11,841,919	12,975,879
Total	8,240,040		33,396,082		208,651,384	242,047,466
Total NPV @7.49% Discount Rate					103,307,129	116,688,936

Note:

Avoided Unit-based capacity and energy rates begin on June 1st (the in-service day of the avoided unit) of each year and continue for 12 months. In the table above total capacity payments in each calendar year are determined with the prior year's rate for January through May and the current year's rate for June through December.

2032 CC Avoided Unit

Committed Capacity (MW) 50
 Capacity Factor (%) 94%
 Payment Type: **Early Levelized**

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2023	411,720	-	-	26.35	10,849,048	10,849,048
2024	412,848	-	-	21.26	8,775,986	8,775,986
2025	411,720	-	-	21.69	8,929,418	8,929,418
2026	411,720	-	-	22.34	9,196,180	9,196,180
2027	411,720	-	-	21.66	8,917,349	8,917,349
2028	412,848	3.88	1,358,274	22.74	9,389,390	10,747,663
2029	411,720	3.88	2,328,469	24.68	10,159,751	12,488,221
2030	411,720	3.88	2,328,469	25.73	10,594,758	12,923,227
2031	411,720	3.88	2,328,469	26.38	10,860,797	13,189,266
2032	412,848	3.88	2,328,469	25.21	10,409,352	12,737,821
2033	411,720	3.88	2,328,469	24.19	9,958,025	12,286,494
2034	411,720	3.88	2,328,469	24.85	10,230,399	12,558,868
2035	411,720	3.88	2,328,469	25.57	10,527,457	12,855,926
2036	412,848	3.88	2,328,469	26.29	10,854,201	13,182,670
2037	411,720	3.88	2,328,469	26.77	11,023,041	13,351,510
2038	411,720	3.88	2,328,469	27.38	11,270,879	13,599,348
2039	411,720	3.88	2,328,469	27.80	11,444,783	13,773,252
2040	412,848	3.88	2,328,469	28.28	11,675,274	14,003,743
2041	411,720	3.88	2,328,469	28.52	11,743,378	14,071,847
2042	411,720	3.88	970,196	28.76	11,841,919	12,812,115
Total	8,240,040		32,598,569		208,651,384	241,249,953
Total NPV @7.49% Discount Rate					103,307,129	116,688,936

Note:

Avoided Unit-based capacity and energy rates begin on June 1st (the in-service day of the avoided unit) of each year and continue for 12 months. In the table above total capacity payments in each calendar year are determined with the prior year's rate for January through May and the current year's rate for June through December.