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August 16, 2022

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. 20200241-EI; Petition for limited proceeding for recovery of incremental storm restoration costs related to Hurricane Sally, by Gulf Power Company.

Docket No. 20210178-EI; Petition for evaluation of Hurricane Isaias and Tropical Storm Eta storm costs, by Florida Power & Light Company.

Docket No. 20200179-EI; Petition for limited proceeding for recovery of incremental storm restoration costs and associated true-up process related to Hurricane Zeta, by Gulf Power Company.

Dear Mr. Teitzman:

Please find enclosed for filing in the above-referenced docket (Docket No. 20200241-EI) Florida Power & Light Company and Gulf Power Company's Post-Hearing Brief and Statement of Issues and Positions.

Please contact me if you or your staff have any questions regarding this filing at (561) 694-3850 or kate.cotner@fpl.com.

Sincerely,

/s/ Kate P. Cotner
Kate P. Cotner

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for limited proceeding for recovery of incremental storm restoration costs related to Hurricane Sally, by Gulf Power Company.

In re: Petition for evaluation of Hurricane Isaias and Tropical Storm Eta storm costs, by Florida Power & Light Company.

In re: Petition for limited proceeding for recovery of incremental storm restoration costs and associated true-up process related to Hurricane Zeta, by Gulf Power Company.

Docket No: 20200241-EI
Docket No. 20210178-EI
Docket No. 20210179-EI

Date: August 16, 2022

**FLORIDA POWER & LIGHT COMPANY AND GULF POWER COMPANY’S
POST-HEARING BRIEF AND STATEMENT OF ISSUES AND POSITIONS**

Consistent with Order No. PSC-2022-0242-PHO-EI issued on June 27, 2022, Florida Power & Light Company (“FPL”) and Gulf Power Company (“Gulf”) (collectively the “Companies”)¹ respectfully submit this Post-Hearing Brief and Statement of Issues and Positions.

On November 10, 2020, Gulf filed a petition for a limited proceeding for recovery of incremental storm restoration and associated true-up process related to Hurricane Sally. Thereafter, on November 12, 2021, FPL filed a petition for an evaluation the prudence of FPL’s activities and the reasonableness of the costs incurred in responding to Hurricane Isaias and Tropical Storm Eta storm costs. On the same day, Gulf filed a petition for a limited proceeding for recovery of incremental storm restoration costs and associated true-up process related to Hurricane Zeta.

¹ At the time Hurricane Sally and Hurricane Zeta impacted the service area formerly served by Gulf, and at the time the instant Petitions were filed with the Commission, Gulf was a subsidiary of NextEra Energy, Inc and operated as a ratemaking entity separate and distinct from Florida Power & Light Company. Gulf no longer exists as a corporate entity, and effective January 1, 2022, Gulf no longer exists as a separate ratemaking entity. However, the storm surcharges requested in this proceeding, to the extent approved by the Commission, will be applied to northwest Florida customers of Florida Power & Light Company. As a result, to avoid confusion, petitioner will continue to use the name of the former Gulf Power Company in this proceeding.

The Companies and the Office of Public Counsel (“OPC”) engaged in extensive discovery and exchanged multiple rounds of testimony and exhibits. On January 26, 2022, an order was issued by the Commission consolidating the three petitions for hearing and final disposition. *See* Order No. PSC-2022-0042-PCO-EI as amended by PSC-2022-0100-PCO-EI issued March 2, 2022. Commission staff (“Staff”) also conducted a comprehensive audit of the restoration costs associated with the four referenced storms and determined the Companies properly followed the requirements set forth in Rule 25-6.0143, Florida Administrative Code (F.A.C.)², including the application of the incremental cost and capitalization approach (the “ICCA”) methodology, where applicable. *See* Exs. 64-66³. Staff’s audit found the storm-related costs to be reasonable and prudent, and that the ICCA adjustments were calculated as allowed by Rule 25-6.0143, F.A.C. *See Id.* Staff’s audit did not recommend any disallowances or note any audit findings. *See Id.*

At the Prehearing Conference, the Companies, OPC, and Staff agreed to 14 issues. The Companies and OPC presented arguments concerning a contested 15th issue which OPC proposed to address what changes, if any, should be made by the Companies to their storm preparedness and restoration processes. Thereafter, on June 27, 2022, the Prehearing Officer, Commissioner Graham, issued a Prehearing Order and ruled “OPC’s proposed issue is beyond the scope of this proceeding and will not be included.” Order No: PSC-2022-0242-PHO-EI page 44. The order stated the “[d]isputed facts and issues related to potential new processes for the future are not material to the Commission’s assessment of past actions for cost recovery purposes.” *Id.* The appropriate relief, failure to demonstrate entitlement to cost recovery, “is disallowance of the disputed cost, not the imposition of new procedural requirements to govern future requests for recovery.” *Id.*

² Unless otherwise noted, all citations to Rule 25-6.0143, Florida Administrative Code, will be to the version that was in place in 2020 when the storms occurred.

³ Unless otherwise noted, all citations to the Trial Exhibits (Ex.) refer to the exhibits entered into the record at the July 7, 2022 hearing.

On July 7, 2022, the Commission held a hearing on the consolidated dockets. Gulf's five witnesses (Talley, Priore, Gerard, Hughes and Cohen), FPL's three witnesses (Miranda, Gerard and Hughes), and OPC's two witnesses (Kollen and Futral) all submitted pre-filed direct testimony and were made available for cross-examination. FPL witnesses Miranda and Hughes also pre-filed rebuttal testimony. At the hearing, only OPC conducted cross examination.

The Companies submit this Post-Hearing Statement of Issues and Positions and Post-Hearing Brief in support of a determination by the Commission that the clear preponderance of the evidence demonstrates the Companies' final/actual storm restoration costs related to Hurricane Sally, Hurricane Zeta, Hurricane Isaias and Tropical Storm Eta were prudently incurred and reasonable as well as accounted for in manner consistent with Rule 25-6.0143, F.A.C, and applicable prior FPSC orders including Commission-approved settlement agreements. Specifically, Gulf is requesting this determination to recover \$186.6 million and \$10.1 million of incremental jurisdictionalized storm-related costs for Hurricane Sally and Hurricane Zeta, respectively. *See* Tr. 299 (Hughes)⁴; Exs. 12, 43, and 44. FPL is requesting a determination from the Commission that its activities were prudent and the costs incurred were reasonable because it charged the non-capital costs to base O&M expense pursuant to Rule 25-6.0143(1)(h), F.A.C. The Commission should approve these costs as prudent and reasonable and authorize recovery of the incremental storm costs for Hurricanes Sally and Zeta through storm surcharges pursuant to the tariffs filed in these proceedings.

BACKGROUND AND OVERVIEW

The 2020 Atlantic hurricane season was one of the most active in recorded history. Additionally, the COVID-19 pandemic presented a host of logistical challenges potentially impacting restoration during the 2020 storm season. Despite these significant difficulties, the

⁴ Unless otherwise noted, all citations to the Transcript (Tr.) refer to the July 7, 2022 hearing.

Companies pivoted and followed their well-developed, systematic, and tested plan to respond to Hurricanes Sally, Isaias, and Zeta, as well as Tropical Storm Eta.

Hurricane Sally (Docket No. 20200241-EI)

Hurricane Sally (“Sally”) was the eighteenth named storm of an active 2020 Atlantic hurricane season. Tr. 111 (Talley). Sally was monitored over the Bahamas on September 11, 2020 as a tropical depression, reaching the coast of southeastern Florida near Cutler Bay on September 12, 2020. *Id.* As Sally crossed southern Florida and entered the Gulf of Mexico, it was not projected to impact Gulf’s service area, but was forecasted to make landfall near the Texas/Louisiana state line as a tropical depression or a minimal tropical storm. *Id.*; Ex. 2. On September 14, 2020, Sally intensified, becoming a Category 2 hurricane. *Id.*

Late on September 15, 2020, the storm made a drastic shift to the east and made landfall on the morning of September 16, 2020 near Gulf Shores, Alabama as a strong Category 2. Tr. 112 (Talley); Exs. 3 and 4. The landfall location was on the border with the state of Florida and heavily impacted Gulf’s service area across the panhandle of Florida for most of the day on September 16, 2020, hampering early restoration activities. *Id.*; Ex. 5. Sally caused widespread flooding in creeks, rivers, bays, and low-lying areas along the Florida Panhandle, which resulted in numerous road closures. *Id.* Additionally, incoming storm surge was measured at 5.6 feet, which compounded the coastal flooding, and the U.S. Highway 98 – Pensacola Bay Bridge was heavily damaged during the storm. *Id.* This bridge is a major corridor between Escambia, Santa Rosa, and other counties in Gulf’s coastal service area, and therefore it impacted Gulf’s storm restoration efforts. *Id.*

Sally caused significant damage to Gulf’s service area resulting in approximately 285,000 customer outages from September 15 – 22, 2020. Tr. 114 (Talley). Leading causes of the

widespread outages were toppled trees, vegetation outside of Gulf's trim zone, and wind-blown debris impacting distribution facilities. *Id.*

Sally also damaged Gulf's Plant Crist (now known as the Gulf Clean Energy Center). Tr. 118 (Talley). Plant Crist prepared for Sally by implementing its hurricane preparation procedure – an extensive list of items that are addressed whenever the facility becomes aware of a potential extreme weather event. Tr. 165 (Priore). However, due to the heavy rain and sustained wind from Sally, Plant Crist experienced significant storm surge that flooded the sub-basements of the facility with approximately 18 feet of water. Tr. 166 (Priore). The flooding of brackish river water into the facility damaged numerous pieces of equipment at the plant. Tr. 166-167 (Priore); Exs. 9 and 10.

Gulf followed its well developed, systematic, and well tested plan to respond to such a weather event, which included obtaining resources in advance of the storm. Tr. 114 (Talley); Tr. 165 (Priore). However, the late shift in the actual storm track and the change in the storm's intensity presented early challenges for the team as it responded to ensure a successful restoration. Tr. 114 (Talley). Gulf was able to quickly pivot, engage additional resources, and respond in a timely manner to complete a safe and rapid restoration. *Id.* Despite the increased challenges of road and bridge closures due to flooding and damage that limited crew movement and access to damaged areas, while at the same time maintaining COVID-19 protocols, restoration was completed in just 5 days for Sally. *Id.*

Hurricane Isaias and Tropical Storm Eta (Docket No. 20210178-EI)

Hurricane Isaias ("Isaias") was the ninth named storm of the 2020 hurricane season. Florida remained within the National Hurricane Center ("NHC") forecasted cone of uncertainty for Isaias from July 28, 2020 to August 2, 2020. Tr. 39 (Miranda). The NHC began issuing public advisories on July 28th for the system which strengthened to a Tropical Storm on July 29th. *Id.*

On the evening of July 30, 2020, as Isaias approached the Florida peninsula, the NHC forecasted that the environment was conducive for Isaias to become a hurricane within 24 to 36 hours and issued a tropical storm watch for the east coast of Florida. *Id.* Shortly before midnight on July 30, 2020, the NHC determined that Isaias had strengthened to a hurricane. *Id.* On July 31, 2020, the NHC issued a hurricane watch for the east coast of Florida. *Id.*; Ex. 18. The NHC's afternoon forecast on July 31, 2020 acknowledged both the European and British hurricane models projected Isaias to make landfall within 36 to 48 hours along the southeast Florida coast. *Id.*; Ex. 18. On the evening of July 31, 2020, the NHC's forecast advisory upgraded the hurricane watch into a hurricane warning and storm surge for southeast Florida with hurricane conditions expected along portions of the Florida east coast by the next day. *Id.* Ex. 18.

Isaias approached southeastern Florida with the center of the hurricane coming within 40 miles of West Palm Beach and Ft. Lauderdale. Tr. 62 (Miranda); Ex. 19. During this time, FPL initiated preparation for logistics, system operations, and resource requirements. *Id.* The resource needs were continually reviewed and adjusted based on the updated NHC forecast and FPL's corresponding storm damage model results. *Id.* Thankfully, FPL's service area was spared from the worst of the storms. *Id.* However, even a slight deviation by Isaias to the west of the actual track within the NHC forecasted cone of uncertainty could have resulted in a significant number of customers experiencing power outages. Tr. 59 (Miranda). As these severe storms approached FPL's service area, FPL took all prudent and reasonable steps to be prepared to restore service safely and quickly to our customers. *Id.* FPL's preparation and ensuing coordinated response enabled the Company to restore service to more than 40,000 customers for Isaias. Tr. 41 (Miranda). On average, customers' outages were restored in approximately 85 minutes for Isaias. Tr. 42 (Miranda).

Tropical Storm Eta (“Eta”) was the 28th named storm of the active 2020 hurricane season. Florida remained within the NHC’s forecasted cone of uncertainty for Eta from November 3, 2020 to November 12, 2020. Tr. 42 (Miranda); Ex. 20. The NHC’s forecast advisory on November 6, 2020 highlighted the likelihood of an impact to the Florida Keys and South Florida. Tr. 43 (Miranda). The NHC also expected the wind shield to increase in size. *Id.* On November 7, 2020, the NHC issued a Hurricane Watch for the coast of Southern Florida and predicted the impact would likely cover areas of the southern and central Florida peninsula. *Id.*

FPL followed its well-developed systematic and well-tested plan to respond to Eta. Tr. 45 (Miranda). Eta made its first landfall on November 8, 2020 in Lower Matecumbe Key, Florida as a Tropical Storm. Tr. 43 (Miranda). While Eta weakened after making landfall, the NHC advised that the storm could approach Florida’s Gulf Coast later in the week with the possibility of strengthening to a hurricane. Tr. 43-44 (Miranda); Ex. 21. Eta made a second landfall near Cedar Key, Florida on November 12, 2020 with the center of the storm moving across North Florida by late afternoon. Tr. 44 (Miranda); Ex. 22. FPL’s preparation and ensuing coordinated response enabled it to restore service to more than 420,000 customers for Eta. Tr. 45 (Miranda). On average, customers’ outages were restored in approximately 2.5 hours for Eta. *Id.*

Hurricane Zeta (Docket No. 20210179-EI)

Hurricane Zeta (“Zeta”) was the 27th named storm of the 2020 Atlantic hurricane season. Tr. 145 (Talley). Zeta initially made landfall in the Yucatan Peninsula on October 26, 2020. *Id.* Zeta then moved back into the Gulf of Mexico and began reorganizing and re-strengthening. *Id.* Zeta turned northeasterly, approaching the Gulf Coast as a Category 3 hurricane. *Id.* The forecasts on October 28 and 29, 2020 from the NHC projected Zeta to make landfall in Louisiana, and as a result, the western Florida Panhandle would be impacted with strong, sustained tropical storm force winds as Zeta’s outer bands directly impacting Gulf’s service area. Tr. 145-146 (Talley); Ex.

7. Zeta made landfall at Cocodrie, Louisiana on October 28, 2020 as a strong Category 3 Hurricane. Tr. 146 (Talley). While Hurricane Zeta did not directly make landfall in Gulf's service area, Gulf was impacted by severe weather and feeder bands as the large storm tracked toward the northeast. *Id.* Wind gusts in excess of 50 mph were recorded in Pensacola, Florida, Gulf's western-most service area. *Id.*

Gulf used its developed, systematic and well tested plan to respond to such a weather event, which includes obtaining and pre-staging resources in advance of the storm. Tr. 147 (Talley). Gulf's preparation, and ensuing coordinated response, enabled the Company to restore service to approximately 52,000 customers within 24 hours for Zeta, many of whom were still trying to recover from Hurricane Sally. Tr. 148 (Talley). Gulf's execution of its restoration plan was effective in safely and quickly restoring power in response to Zeta. Tr. 151 (Talley).

I. LEGAL STANDARDS

A. Prudence Review of Storm Restoration Costs

The fundamental purpose of this proceeding is to determine whether the Companies' actual storm restoration costs associated with Hurricanes Sally, Zeta and Isaias, as well as Tropical Storm Eta, were reasonable and prudent in compliance with Rule 25-6.0143, F.A.C., as applicable, and adhered to previously approved orders and settlement agreement. The standard for determining prudence is well established by the Commission and the Florida Supreme Court and requires the Commission to determine "what a reasonable utility manager would do in light of the conditions and circumstances which he knew or reasonably should have known at the time the decision was made." *Southern Alliance For Clean Energy v. Graham*, 113 So. 3d 742, 750 (Fla. 2013) (quoting *In re Nuclear Cost Recovery Clause*, Docket No. 110009-EI, Order No. PSC-11-0547-FOF-EI, 2011 WL 5904236, at 26 (FPSC Nov. 23, 2011); *See also* Florida Law Weekly: *Duke Energy Florida v. Clark*, 47 Fla. L. weekly S183 (Fla. July 7, 2022).

The evidentiary standard applied to prudence proceedings is whether there is a preponderance of evidence to support a finding of prudence. See *In Re Fuel & Purchased Power Cost Recovery Clause*, Docket No. 080001-EI, Order No. PSC-09-0024-FOF-EI, 2009 WL 692572 (FPSC Jan. 7, 2009). A “preponderance” of the evidence is defined as “the greater weight of the evidence,” or evidence that “more likely than not” tends to prove a certain proposition. *In Re Colony Beach & Tennis Club, Inc.*, Docket No. 991680-EI, Order No. PSC-01-2090-FOF-EI, 2001 WL 1489893 (FPSC Oct. 22, 2001) (citing *Gross v. Lyons*, 763 So. 2d 276, 280 (Fla. 2000)).

Importantly, the Commission has explained that when making its decision in prudence proceedings, “we will not apply hindsight review.” *In Re Fuel & Purchased Power Cost Recovery Clause*, Docket No. 080001-EI, Order No. PSC-09-0024-FOF-EI, 2009 WL 692572 (FPSC Jan. 7, 2009) (emphasis added) (citing *Richter v. FPSC*, 366 So. 2d 798 (Fla. 2d DCA 1979) (hindsight makes a different course of action look preferable)). Thus, the standard to be applied to both the Companies’ actions in providing service restoration and to the storm related costs incurred is whether the evidence demonstrates that the storm restoration costs incurred by the Companies concerning Hurricanes Sally, Zeta, and Isaias as well as Tropical Storm Eta were reasonable and prudent based on the information that was available to the Companies at the time the costs were incurred.

II. SUMMARY OF THE ARGUMENT

Gulf is seeking approval to recover the incremental restoration costs incurred in its response to Hurricanes Sally and Zeta through a storm surcharge. Gulf undertook reasonable, necessary and prudent measures to prepare for and respond to the impacts of the referenced hurricanes. These preparations included complex and comprehensive logistical planning and arrangements executed through the mobilization of Gulf’s employees, external contractors, and mutual aid utilities to support the restoration effort. Logistical arrangements and coordination of

resources included, but were not limited to, staging sites, lodging, food, communications, and fuel delivery. Gulf's accounting for Hurricanes Sally and Zeta storm restoration costs is consistent with the ICCA methodology under Rule 25-6.0143, F.A.C., the approved settlement agreement by Order Nos. PSC-2019-0319-S-EI issued on August 1, 2019, and PSC-2020-0104-PAA-EI issued on April 14, 2020, in Docket No. 20180049-EI, *In re: Evaluation of storm restoration costs for Florida Power & Light Company related to Hurricane Irma* (collectively "the Irma Settlement Agreement"), the approved settlement agreement by Order No. PSC-2020-0349-S-EI issued on October 8, 2020, in Docket No. 20190038-EI *In re: Petition for limited proceeding for recovery of incremental storm restoration costs related to Hurricane Michael, by Gulf Power Company* ("the Hurricane Michael Settlement Agreement"), the approved settlement agreement by Order No. PSC-2018-0359-FOF-EI issued on July 24, 2018, as amended by Order No. PSC-2018-0359A-FOF-EI issued on August 8, 2018, in Docket No. 20160251-EI *In re: Petition for limited proceeding for recovery of incremental storm restoration costs related to Hurricane Matthew by Florida Power & Light Company* (collectively "Hurricane Matthew Settlement Agreement"), and Order No. PSC-2006-0464-FOF-EI issued on May 30, 2006 in Docket No. 20060038-EI *In re: Petition for issuance of a storm recovery financing order, by Florida Power & Light Company* ("the 2006 Storm Order").

FPL is not seeking approval in this proceeding to recover any of the Hurricane Isaias or Tropical Storm Eta storm-related costs through a storm surcharge because all non-capitalized storm-related costs were charged to base O&M expense as permitted under Rule 25-6.0143(1)(h), F.A.C. There is nothing in Rule 25.60143, F.A.C., or FPL's 2016 Stipulation and Settlement Agreement approved by the Commission in Order No. PSC-2016-0560-AS-EI in Docket No. 20160021-EI that requires FPL to file a petition for and obtain Commission approval to charge storm-related costs to base O&M expense. *See* Order No. PSC-2016-0560-AS-EI, issued on

December 15, 2016, Docket No. 20160021-EI, *In re: Petition for rate increase by Florida Power & Light Company* (“2016 Settlement Agreement”). To the contrary, FPL is expressly allowed to do so “at its own option.” Rule 25-6.0143(1)(h), F.A.C. *See also* Tr. 464 (Hughes). FPL then used the Reserve Amount (now known as the Reserve Surplus Amortization Mechanism or RSAM) to offset the non-capitalized storm restoration costs charged to base O&M expense. *See* Order No. PSC-2019-0225-FOF-EI, issued on June 10, 2019, Docket No. 20180046, *In re: Consideration of the tax impacts associated with Tax Cuts and Jobs Act of 2017 for Florida Power & Light Company*; *See Also* Tr. 463 (Hughes). In all, FPL’s storm accounting for Hurricane Isaias and Tropical Storm Eta storm restoration costs is consistent with Rule 25-6.0143, F.A.C., the Irma Settlement Agreement, the Hurricane Matthew Settlement Agreement, Order No. PSC-2019-0225-FOF-EI, and the 2006 Storm Order. OPC does not contest the prudence of any of FPL’s costs incurred for restoration of service for any of these storms. OPC’s recommendations to “disallow” costs as non-incremental run contrary to the applicable language in Rule 25-6.0143, F.A.C., and relevant Commission precedent, are arbitrary and random in nature, and are not supported by the evidence. Beyond that, the efforts of OPC to expand the scope of this proceeding to impose future mandates and requirements on the Companies for storm planning and reporting has already been rejected by Commissioner Graham in his role as prehearing officer. *See* Order No. PSC-2022-0242-PHO-EI. Finally, OPC’s protest of FPL’s use of the Reserve Amount (now known as RSAM) to offset storm-related costs is without merit and has already been addressed by the Commission in Order No. PSC-2019-0225-FOF-EI, Docket No. 20180046.

III. POST-HEARING STATEMENT OF ISSUES AND POSITIONS

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

FPL/ Gulf: ** Yes, in part. The applicable ICCA methodology should be used to determine the reasonableness and prudence of storm costs charged to Account 228.1. Previously approved settlement agreements and orders from this Commission should also be used to determine the reasonable and prudent restoration costs. Additionally, certain provisions of the ICCA methodology related to incremental O&M costs are not applicable in calculating storm restoration costs for Hurricane Isaias and Tropical Storm Eta.

The applicable provisions of the ICCA methodology should be used to calculate Gulf's incremental restoration costs for Hurricanes Sally and Zeta together with applicable provisions from the Hurricane Irma Settlement Agreement, the Hurricane Michael Settlement Agreement (which incorporates paragraphs 5-20 of the Hurricane Irma Settlement Agreement), the Hurricane Matthew Settlement Agreement, and the 2006 Storm Order.

In the case of Hurricane Isaias and Tropical Storm Eta, where FPL charged all non-capital storm-related costs to operating expense pursuant to Rule 25-6.0143(1)(h), F.A.C., certain provisions of Rule 25-6.0143, F.A.C., are not applicable. Said another way, since all of FPL's storm related costs were prudently incurred and are therefore recoverable from customers, any non-capital costs considered non-incremental under the ICCA methodology would have been recorded to base O&M expense anyway.

While there are multiple versions of Rule 25-6.0143, F.A.C., the 2007 version should be used for Docket Nos. 20200241-EI, 20210178-EI, and 20210179-EI because the underlying storms took place during the 2020 hurricane season prior to the 2021 version of Rule 25-6.0143, F.A.C., being adopted. OPC does not dispute using the 2007 version. *See* Tr. 318-319. *See also* Ex. 67.

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

GULF: * For Docket No. 20200241-EI, \$2.1 million for Hurricane Sally and for Docket No. 20210179-EI, \$304,000 for Hurricane Zeta are the reasonable and prudent amounts of regular payroll expenses spent in direct support of storm-related activities.

FPL: *For Docket No. 20210178-EI, \$671,000 for Hurricane Isaias and \$2.3 million for Tropical Storm Eta are the reasonable and prudent amounts of regular payroll expenses spent in direct support of storm-related activities.

Gulf and FPL's accounting for regular payroll storm restoration costs for Hurricanes Sally, Zeta, and Isaias as well as Tropical Storm Eta is consistent with the ICCA methodology under Rule 25-6.0143, F.A.C., and prior Commission orders and approved settlements. As will be explained, the storm restoration costs were reasonable and prudent. OPC's recommendation to "disallow" all additional regular payroll and related payroll overheads for employee time spent in direct support of the storm restoration for the referenced storms is unsupported and should be rejected.

In general, the Companies' regular payroll costs recovered through base O&M are non-incremental. However, during a storm event, the Companies' regular payroll normally recovered through capital or cost recovery clauses can be charged to the storm reserve based the 2006 Storm Order which states, "otherwise, the costs would effectively be disallowed because there is no provision to recover those costs in base rate operation and maintenance costs....". 2006 Storm Order, pgs. 17-18; Tr. 455-456 (Hughes). The Companies determined the amount of non-incremental payroll by calculating the respective company's budgeted base O&M payroll percentage as compared to total budgeted payroll for the month in which the storm occurred, including cost recovery clauses and capital by cost center, and then multiplied that percent by the total actual payroll costs incurred (excluding overtime) for the Companies' employees directly supporting storm restoration. Tr. 271-272, 291-292 (Hughes). This is consistent with the intent and purpose of the ICCA methodology because it reflects the actual amount of regular payroll expense that would be charged to base O&M expense in the absence of the storm. *Id.* Further, the use of the budgeted amount of regular payroll expenses to calculate the baseline from which incremental recoverable costs are derived properly recognizes that: (1) the base rates in effect were the result of a comprehensive settlement with a significantly reduced revenue requirement from

what was initially requested; and (2) the actual amount of regular O&M payroll to be charged to base rates can and does fluctuate from year to year. Tr. 458 (Hughes).

While Rule 25-6.0143, F.A.C., does not expressly state how the ICCA methodology should be applied to regular payroll, Rule 25-6.0143, F.A.C., does provide guidance on the purpose and intent of the rule. Rule 25-6.0143(1)(f)1, F.A.C., prohibits “base rate recoverable regular payroll and regular payroll-related costs for utility managerial and non-managerial personnel” from being charged to the storm reserve, and Rule 25-6.0143(1)(d), F.A.C., provides that “... costs charged to cover storm-related damages shall exclude those costs that normally would be charged to non-cost recovery clause operating expenses in the absence of a storm.” In addition, Rule 25-6.0143(1)(f)7, F.A.C., specifically refers to the use of budgeted call center and customer service costs when calculating incremental costs for those functions. When these parts of Rule 25-6.0143, F.A.C., are read together, it is clear, that the purpose of the rule is to exclude the normal regular payroll base O&M expense that would have been incurred in the absence of the storm. Tr. 457 (Hughes). There is nothing in Rule 25-6.0143, F.A.C., that states all regular payroll expense must be disallowed for recovery or considered non-incremental.

OPC’s recommendation to the Commission is to “disallow” all additional regular payroll and related payroll overheads for employee time spent in direct support of the storm restoration for the referenced storms. Tr. 376, 400 (Kollen). OPC’s recommendation is based on an erroneous application of the ICCA methodology, reflecting either an inappropriate attempt to reclassify non-incremental costs as imprudent or perhaps just a mistake based on a lack of understanding of how storm-related costs are accounted for in general. It’s worth noting again: OPC does not even assert much less demonstrate that any of the referenced costs were imprudent or unreasonable. OPC relies on a misapplication of the ICCA methodology and simply ignores that regular payroll recovered through capital or cost recovery clauses can be charged to the storm reserve based on

the 2006 Storm Order, “otherwise, the costs would effectively be disallowed because there is no provision to recover those costs in base rate operation and maintenance costs....” The 2006 Storm Order pgs. 17-18. As such, the Commission should reject OPC’s recommendation. The Commission should also find the Companies appropriately accounted for regular payroll storm restoration costs for the Hurricanes Sally, Isaias, and Zeta as well as Tropical Storm Eta in a manner consistent with the ICCA methodology under Rule 25-6.0143, F.A.C., and prior Commission orders.

Even if the Commission were to find part of the referenced costs to be non-incremental, which it should not, OPC’s position fails to acknowledge that prudently incurred non-incremental costs are not disallowed as a base O&M expense. Categorizing the costs as non-incremental simply means the cost is not recovered from customers as part of a storm surcharge or charged to the storm reserve. In the case of Hurricanes Sally and Zeta, any determination that prudently incurred costs were not incremental would require that the costs be moved from the storm reserve to base O&M expense. OPC’s arbitrary reduction in regular payroll misapplies the ICCA methodology and is not consistent with Rule 25-6.0143, F.A.C.

a. Docket No. 20200241-EI for Gulf’s Hurricane Sally.

The total amount of storm restoration costs related to regular payroll and related overhead costs for Hurricane Sally is \$2.1 million. Exs. 11, 43. After the application of the ICCA methodology, approximately \$1.1 million was identified as non-incremental, and therefore \$968,000 is considered incremental as it would have been incurred as a component of capital or cost recovery clauses absent the Hurricane Sally storm restoration efforts. *Id.* The \$1.1 million of non-incremental storm restoration costs was charged to base O&M expense pursuant to the 2006 Storm Order. Tr. 456 (Hughes).

b. Docket No. 20210178-EI for FPL’s Hurricane Isaias

c. Docket No. 20210178-EI for FPL’s Tropical Storm Eta.

The total amount of storm restoration costs related to regular payroll and related overhead costs for Hurricane Isaias is \$671,000 and for Tropical Storm Eta is \$2.3 million. Exs. 25, 26, 45, 46. Pursuant to Rule 25-6.0143(1)(h), F.A.C., except for approximately \$3,000 which was charged to capital for Tropical Storm Eta, FPL charged all regular payroll and related overheads, associated with these storms to base O&M expense.

d. Docket No. 20210179-EI for Gulf's Hurricane Zeta.

The total amount of storm restoration costs related to regular payroll and related overhead costs for Hurricane Zeta is \$304,000. Exs. 12, 44. After application of the ICCA, \$37,000 was identified as capital and \$135,000 was identified as non-incremental. *Id.* Therefore, \$132,000 is considered incremental as it would have been incurred as a component of capital or cost recovery clauses absent the Hurricane Zeta storm restoration efforts. *Id.*

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

Gulf: *For Docket No. 20200241-EI, \$3.2 million for Hurricane Sally and for Docket No. 20210179-EI, \$339,000 for Hurricane Zeta are the reasonable and prudent amounts of overtime payroll expenses spent in direct support of storm-related activities.

FPL: *For Docket No. 20210178-EI, \$4.7 million for Hurricane Isaias and \$8.8 million for Tropical Storm Eta are the reasonable and prudent amounts of overtime payroll expenses spent in direct support of storm-related activities.

Gulf and FPL's accounting for overtime payroll storm restoration costs for Hurricanes Sally, Zeta, and Isaias as well as Tropical Storm Eta is consistent with the ICCA methodology under Rule 25-6.0143, F.A.C., in effect at the time the storm events took place and prior Commission orders. As will be explained, the costs were reasonable and prudent. OPC's arbitrary recommendation to reduce the amount by 25% without any detailed justification is unsupported and should be rejected.

The ICCA methodology permits overtime payroll and payroll-related costs for utility personnel storm restoration activities to be charged to the storm reserve. *See* Rule 25-

6.0143(1)(e)8, F.A.C. Moreover, the Companies do not budget for overtime payroll expenses for qualifying storm events such as tropical storms when setting base rates, and as such, they are unplanned and incremental as they relate to the ICCA methodology. While Gulf charged overtime payroll and payroll-related costs associated with Hurricanes Sally and Zeta to the storm reserve, FPL charged all overtime payroll and related overheads associated with Hurricane Isaias and Tropical Storm Eta to base O&M expense pursuant Rule 25-6.0143(1)(h), F.A.C.

OPC does not claim that any of the storm restoration costs presented for the storm events in this proceeding are unreasonable or imprudent. OPC's recommendation to the Commission to "disallow" an arbitrary 25% of the overtime amount should be rejected because it is unsupported, has no legal basis, and is based on an inaccurate assumption. Namely, OPC assumes without any factual support that 75% of the storms' overtime was incremental and 25% was non-incremental. Tr. 402 (Kollen) and 459, 503 (Hughes). To justify this assumption, OPC suggests that the Companies "failed" to provide the amount of overtime revenues included in base rate revenue which it claims is needed to accurately calculate the adjustments. Tr. 401 (Kollen). The information does not exist. The Companies explained to OPC in Interrogatory No. 31 Response On Docket No. 20210179-EI, Interrogatory No. 33 Response on Docket No. 20200241-EI and Interrogatory No. 34 Response on Docket No. 20210178-EI: (1) that base rates in effect during 2020 were the result of full comprehensive settlement agreements entered by both FPL and Gulf Power in separate rate case dockets and approved by the Commission, and that the fixed base rates approved were designed to achieve the settled revenue requirement, not the as-filed revenue requirement; and (2) that overtime payroll for the storm events (as a qualifying storm event) were neither budgeted nor planned, and that as a result any and all associated overtime payroll is, by definition, incremental. Tr. 460, 503, 504 (Hughes); *See also* Ex. 28.

OPC also fails to recognize or acknowledge two important facts. The first is the qualifying storm events and the associated overtime payroll expense are neither budgeted nor planned. As such, they are, by definition, incremental in nature. The second, as it relates to Hurricane Isaias and Tropical Storm Eta specifically, is that all of the overtime payroll expense associated with these two storms were charged to base O&M expense and is recoverable (here, through the use of the Reserve Account/RSAM), unless the non-incremental overtime payroll expense is found to be unreasonable or imprudent. Once again, the record cannot support any such finding as OPC did not contest the reasonableness or prudence of any of the restoration costs; only arbitrary reductions and unsupported arguments directed at reducing the amount of incremental costs. As such, OPC's recommendations should be rejected by the Commission. The Commission should also find the Companies appropriately accounted for overtime payroll and related overhead costs consistent with Rule 25-6.0143, F.A.C. and prior Commission orders.

a. Docket No. 20200241-EI for Gulf's Hurricane Sally.

The total amount of overtime payroll and related overhead costs is \$3.2 million. Exs. 11, 43.

b. Docket No. 20210178-EI for FPL's Hurricane Isaias.

The total amount of overtime payroll and related overheads is \$4.7 million. Exs. 25, 45.

c. Docket No. 20210178-EI for FPL's Tropical Storm Eta.

The total amount of overtime payroll and related overheads is \$8.8 million. Exs. 26, 46.

d. Docket No. 20210179-EI for Gulf's Hurricane Zeta.

The total amount of overtime and related overheads for is \$339,000. Exs. 12, 44.

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

Gulf: *For Docket No. 20200241-EI, \$125.6 million for Hurricane Sally and for Docket No. 20210179-EI, \$5.8 million for Hurricane Zeta are the reasonable and prudent amounts of contractor that were necessary to support Gulf's storm restoration effort.

FPL: *For Docket No. 20210178-EI, \$36.3 million for Hurricane Isaias and \$77.4 million for Tropical Storm Eta are the reasonable and prudent amounts of contractor costs that were necessary to support storm restoration effort.

Gulf and FPL's accounting for contractor storm restoration costs for Hurricanes Sally, Zeta, and Isaias as well as Tropical Storm Eta is consistent with the ICCA methodology under Rule 25-6.0143, F.A.C., and prior Commission orders. As will be explained, the costs were reasonable and prudent. OPC's recommendation to reduce the amount by 2% without any detailed justification is unsupported and should be rejected.

An important component of each restoration effort is FPL/Gulf's ability to scale and adjust resources to match the anticipated workload to respond to a storm event and restore electricity service. Tr. 33 (Miranda). The Companies use a mix of experience and technology to anticipate how many contractors will be needed during any given storm event. The Companies have a model which provides an estimate of the amount of construction man-hours it can expect to restore service. Tr. 67-68 (Miranda). However, the model does not have an output that says what types of resources are needed or how many workers from each resource category (e.g., line crews, vegetation crews, etc.) will be needed to restore service to the customers. Tr. 68 (Miranda). The Companies' staff use the model information, along with their experience from responding to previous storm events and go through a "very systematic discussion" as a team to make the most prudent decision to respond quickly and safely. Tr. 81 (Miranda); *see also* Tr.139 (Talley).

While safe and rapid restoration (the primary restoration objective) does not necessarily permit the least overall cost for restoration, the Companies are always mindful of costs when acquiring resources. Tr. 34 (Miranda). FPL also considers travel distance when procuring storm restoration resources, as longer distances require increased drive times and can result in higher mobilization/demobilization costs. Tr. 35 (Miranda). Final contractor and mutual-aid resource decisions take into consideration the number, availability, relative labor costs, and travel distances of required resources. *Id.* This information is then evaluated relative to the expected time to restore customers. *Id.* The Companies' contractor costs for the referenced storms were different for each

event based on the circumstances and needs for restoration at the time. Based on the best information available at the given time, the Companies made prudent decisions to be able to respond as quickly and safely as possible to our customers *See* Tr. 71-72. 81 (Miranda).

The Companies are permitted to charge costs for additional contract labor hired for storm restoration activities (*i.e.*, contractor costs) to the storm reserve pursuant to Rule 25-6.0143(e)(1), F.A.C. Similar to overtime payroll, contractor costs for qualifying storm event restoration are neither budgeted nor planned and are, therefore, incremental in nature. *See* Tr. 461 (Hughes). Indeed, but for each storm, the Companies would not have incurred the contractor expense. *Id.* While Gulf charged the overtime payroll and payroll-related costs related to Hurricanes Sally and Zeta to the storm reserve, FPL charged all the storm restoration costs associated with Hurricane Isaias and Tropical Storm Eta to base O&M expense pursuant to Rule 25-6.0143(1)(h), F.A.C. For Hurricanes Sally, Zeta, and Isaias as well as Tropical Storm Eta, the contractor costs were reasonable and prudent.

OPC does not allege any of the costs are imprudent or unreasonable. Rather, OPC recommends the Commission reduce the contractor costs associated with restoration efforts for Hurricanes Sally, Isaias, and Zeta as well as Tropical Storm Eta by 2% without any supporting evidence to justify the reduction. Any contractor costs not recovered through normal base rates are eligible to be recovered as part of the storm reserve. Tr. 326 (Hughes). To justify its 2% reduction, OPC alleges the Companies “refused” to give a three-year historical average on its embedded line contractor costs. Tr. 375 (Kollen). However, OPC seems to ignore the fact that it agreed the 2007 version of Rule 25-6.0143, F.A.C. applies to these storms and the 2007 version of the Rule does not require historical average data to be given to justify the costs. Additionally, as the Companies explained to OPC in OPC’s First Set of Interrogatories, No. 5 for Docket Nos. 20200241-EI, 20210178-EI, and 20210179-EI, (1) that base rates in effect during 2020 were the

result of full comprehensive settlement agreements entered by both FPL and Gulf Power in separate rate case dockets and approved by the Commission, and the settlement agreements did not specify an amount attributable to embedded line contractors to be charged to base rate in any given year; and (2) that embedded line contractor costs for the storm events (as a qualifying storm event) were neither budgeted nor planned, and that as a result any and all associated overtime payroll is, by definition, incremental. *See* Ex. 29; *See* Tr. 461 (Hughes). As such, OPC's recommendation should be rejected. The Commission should also determine the Companies appropriately accounted for contractor costs associated with the referenced storms consistent with the ICCA methodology under Rule 25-6.0143, F.A.C., and prior Commission orders.

a. Docket No. 20200241-EI for Gulf's Hurricane Sally.

The total amount of contractor costs necessary to support Gulf's Hurricane Sally storm restoration effort is \$125.6 million. Ex 11, 43. After application of the ICCA methodology, \$16.4 million was identified as capital, \$16.1 million was identified as recoverable from insurance, and \$93.4 million is considered incremental. *Id.*

b. Docket No. 20210178-EI for FPL's Hurricane Isaias

c. Docket No. 20210178-EI for FPL's Tropical Storm Eta

The total amount of contractor costs necessary to support FPL's Hurricane Isaias storm restoration effort is \$36.3 million. Ex. 25, 45. The total amount of contractor costs necessary to support FPL's Tropical Storm Eta storm restoration effort is \$77.4 million. Ex. 26, 46. OPC's proposed adjustment further fails to recognize that all of these expenses associated with Hurricane Isaias and Tropical Storm Eta were charged to base O&M expense and, unless the contractor expense is found to be unreasonable or imprudent, no adjustment is necessary.

d. Docket No. 20210179-EI for Gulf's Hurricane Zeta.

The total amount of contractor costs necessary to support Gulf's Hurricane Zeta storm restoration

effort is \$5.8 million. Ex. 12, 44. After application of the ICCA methodology, \$71,000 was identified as capital and \$5.7 million is considered incremental. *Id.*

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

Gulf: *For Docket No. 20200241-EI, \$27.3 million for Hurricane Sally and for Docket No. 20210179-EI, \$1.9 million for Hurricane Zeta are the reasonable and prudent amounts of vegetation and line clearing costs associated Gulf's storm restoration effort.

FPL: *For Docket No. 20210178-EI, \$13.0 million for Hurricane Isaias and \$11.2 million for Tropical Storm Eta are the reasonable and prudent amounts of vegetation and line clearing costs associated with its storm restoration effort.

Gulf and FPL's accounting for vegetation and line clearing costs for Hurricanes Sally, Zeta and Isaias as well as Tropical Storm Eta is consistent with the ICCA methodology under Rule 25-6.0143, F.A.C., the Hurricane Irma Settlement Agreement, and the Hurricane Michael Settlement Agreement. As will be explained, the costs were reasonable and prudent. In fact, OPC praised the Companies' accounting, auditing and verification processes as systematic, comprehensive, and effective. Tr. 439, 441-442 (Futral). OPC's recommendation to reduce line and vegetation clearing costs for the referenced storms is unsupported and should be rejected.

In 2019, FPL entered into the Hurricane Irma Settlement Agreement with OPC and it was approved by the Commission. Thereafter, in 2020, Gulf entered into the Hurricane Michael Settlement Agreement with OPC and it was approved by the Commission. Based on these settlement agreements, the Companies provided OPC with records for overhead line and vegetation crew in an electronic and searchable format, called "flat files." See the Hurricane Irma Settlement, paragraph 16 and the Hurricane Michael Settlement, paragraph 4. The Companies also implemented what is known as the iStormed App. (the "App"). The App contains electronic timesheets and expense information for line and vegetation contractors. Tr. 184, 201, 219 (Gerard). The App facilitates the process of collecting and processing information for the purpose of

approving contractor invoices. Tr. 231 (Gerard). It is important to note that Gulf was not required to start using the App until 2021 pursuant to the Hurricane Michael Settlement agreement. Tr. 308 (Hughes). However, Gulf chose to use the App and provide sortable spreadsheets of line and vegetation contractor costs. *Id.*

All of the contractor invoices were then reviewed in great detail by FPL's cost finalization team using the information from the App for all allowable charges. Tr. 183, 200, 218 (Gerard). Based on this detailed review, any applicable adjustments were made in the App and any approved exceptions were documented in the flat file. *Id.* If an exception was presented, the reviewer documented the reason why the transaction was deemed appropriate or consulted with the appropriate Storm Approver for confirmation that the exception had been approved. Tr. 191 (Gerard). For each identified discrepancy (e.g., labor hours, charges not authorized by contract terms, unauthorized expenses, etc.), the team worked with the contractor to obtain additional information. *Id.* If appropriate supporting documentation was thereafter provided to validate the invoice, the issue was documented as resolved, and payment was approved. Otherwise, the reviewer had the authority to modify invoices, as appropriate, to reflect only validated amounts. Tr.192-193 (Gerard).

OPC's witness Futral praised the Companies' App and its accounting processes. *See* Tr. 441-442 (Futral). Specifically, OPC stated the "app and its resulting audit and verification processes were systematic, comprehensive and effective in auditing and processing the applicable contractor invoices." Tr. 441-442 (Futral). OPC did not recommend any adjustments related to line or vegetation crews. *See Id; see also* Tr. 418, 431 (Futral).

OPC alleges certain amounts associated with various vendors were accrued as estimates and posted to the general ledger, but the invoices were either double posted, not received and paid, or different in amounts compared to the original estimates. Tr. 418-419 (Futral). Both Companies

provided additional cost support, workpapers, contracts, and invoices to support the payments and made appropriate minor adjustments (representing less than 0.2% of the total final cost for any storm), which were reflected in the final costs reflected in witness Hughes rebuttal testimony exhibits. Tr. 465 (Hughes); Exs. 43-46. Any recommendation to disallow these costs is inappropriate because there is no evidence the costs were imprudent. The Commission should reject OPC's recommendation.

OPC also made several recommendations that fall outside the scope of the underlying proceeding. One recommendation is to expand the App's use in the future to include underground crews, arborists, transmission storm restoration contractors, and damage assessors. Tr. 439, 442 (Futral). Another OPC recommendation relates to directing the Companies to institute a binder file structure whereby a physical binder would be provided to OPC. Tr. 419, 438, 443-444 (Futral). These recommendations are inappropriate and were determined by the Prehearing Officer to be beyond the scope of this proceeding. *See* Order No: PSC-2022-0242-PHO-EI page 44. As the Prehearing Officer correctly pointed out, the appropriate relief, if the Companies fail to demonstrate they are entitled to cost recovery, "is disallowance of the disputed cost, not the imposition of new procedural requirements to govern future requests for recovery." *Id.* Therefore, these recommendations should be afforded no weight and rejected by this Commission. The Commission should also find, based on the record, the Companies have appropriately accounted for vegetation and line clearing costs associated with Hurricane Sally consistent with the ICCA methodology under Rule 25-6.0143 and prior Commission orders.

a. Docket No. 20200241-EI for Gulf's Hurricane Sally.

The total amount of vegetation and line clearing costs associated with Hurricane Sally is \$27.3 million. Exs.11, 43. After application of the ICCA methodology, \$692,000 was identified as non-incremental, and therefore \$26.7 million is considered incremental.

- b. Docket No. 20210178-EI for FPL’s Hurricane Isaias.**
- c. Docket No. 20210178-EI for FPL’s Tropical Storm Eta.**

The total amount of vegetation and line clearing costs associated with Hurricane Isaias is \$13.0 million. Exs. 25, 45. The total amount of vegetation and line clearing costs associated with Tropical Storm Eta is \$11.2 million. Ex 26, 46. Pursuant to Rule 25-6.0143(1)(h), F.A.C., FPL charged all vegetation and line clearing costs associated with Hurricane Isaias and Tropical Storm Eta to base O&M expense.

- d. Docket No. 20210179-EI for Gulf’s Hurricane Zeta.**

The total amount of vegetation and line clearing costs associated with Hurricane Zeta is \$1.9 million. Exs. 12, 44. After application of the ICCA methodology, \$652,000 was identified as non-incremental, and therefore \$1.2 million is considered incremental.

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

Gulf: *For Docket No. 20200241-EI, \$278,000 for Hurricane Sally and for Docket No. 20210179-EI, \$53,000 for Hurricane Zeta are the reasonable and prudent amounts of employee assistance expenses associated with Gulf’s storm restoration effort.

FPL: *For Docket No. 20210178-EI, \$14,000 for Hurricane Isaias and \$37,000 for Tropical Storm Eta are the reasonable and prudent amounts of employee assistance associated with its storm restoration effort.

Employee assistance expenses are not recoverable under the ICCA methodology pursuant to Rule 25-6.0143(1)(f), F.A.C., and are considered non-incremental costs. Tr. 273, 293, 310 (Hughes). The Companies accurately reflected the removal of these expenses from the total amount of restoration costs for each storm as shown on Exhibits 11, 12, 25, 26, 43, 44, 45, and 46.

OPC does not assert that the employee assistance expenses were unreasonable or imprudent. OPC only recommends this Commission should “disallow” these particular restoration costs in their entirety because they are non-incremental. However, just because a storm cost is non-incremental under the ICCA methodology, does not mean the cost is disallowed as a base O&M

expense (i.e., not charged to customers). It simply means the cost is not recovered from customers as part of a storm surcharge or the storm reserve. Again, OPC misconstrues Rule 25-6.0143, F.A.C., reflecting a general misunderstanding of the proper accounting of non-incremental costs. As such, unless the referenced costs are found to be imprudent, which has not been alleged much less proven by OPC, the Commission should reject OPC's recommendation and find the employee expenses are reasonable and prudent (and not considered incremental) consistent with the ICCA methodology under Rule 25-6.0143, F.A.C. and prior Commission orders.

a. Docket No. 20200241-EI for Gulf's Hurricane Sally.

The total of amount of employee assistance expenses associated with Hurricane Sally is \$278,000. Exs. 11 and 43. After application of the ICCA methodology, the entire \$278,000 is considered non-incremental.

b. Docket No. 20210178-EI for FPL's Hurricane Isaias.

c. Docket No. 20210178-EI for FPL's Tropical Storm Eta.

The total amount of employee assistance expenses associated with Hurricane Isaias is \$14,000. Exs. 25 and 45. The total amount of employee assistance expenses associated with Tropical Storm Eta is \$37,000. Exs. 26 and 46. Pursuant to Rule 25-6.0143(1)(h), F.A.C., FPL charged all employee assistance expenses associated with Hurricane Isaias and Tropical Storm Eta to base O&M expense.

d. Docket No. 20210179-EI for Gulf's Hurricane Zeta.

The total amount of employee assistance expenses associated with Hurricane Zeta is \$53,000. Exs. 12 and 44. After application of the ICCA methodology, the entire \$53,000 is considered non-incremental.

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

Gulf: *\$10.3 million for Docket No. 20200241-EI and \$179,000 for Docket No. 20210179-EI are the reasonable and prudent amounts of material and supplies expenses associated with Gulf's storm restoration effort.

FPL: *For Docket No. 20210178-EI, \$42,000 for Hurricane Isaias and \$532,000 for Tropical Storm Eta are the reasonable and prudent amounts of material and supplies expenses associated with its storm restoration effort.

The ICCA methodology allows the costs for materials and supplies used to repair and restore service and facilities to pre-storm conditions such as poles, transformers, meters, light fixtures, wires and other electrical equipment to be charged to the storm reserve unless the costs would normally be charged to the non-cost recovery clause operating expenses in the absence of a storm. *See* Rule 25-6.0143(1)(e)7 F.A.C.

The Companies are requesting recovery for materials and supplies and expenses that are not contemplated in base rates specific to named storm events. Tr. 327 (Hughes). They are, by nature, incremental because they were not contemplated in setting base rates. *Id.* While it is true the Companies increase material inventory during storm season so they have access to materials and supplies in the event it is needed in a storm event, the materials and supplies are not expensed as a cost unless they are used. Tr. 328 (Hughes).

OPC does not allege the underlying costs for materials and supplies are unreasonable or imprudent. Rather, OPC alleges the Companies failed to eliminate all non-incremental costs for materials and supplies. OPC's recommended adjustments to the Companies' materials and supplies expense claims are without merit, have no legal basis, and should be rejected by the Commission. The Commission should also find, based on the evidence and testimony in the record, the Companies have appropriately accounted for materials and supplies expenses associated with Hurricane Sally consistent with the ICCA methodology under Rule 25-6.0143, F.A.C., and prior Commission orders

a. Docket No. 20200241-EI for Gulf's Hurricane Sally.

The total amount of material and supplies expenses associated with Hurricane Sally is \$10.3 million. Exs. 11, 43. After application of the ICCA methodology, \$3.0 million was identified as capital and \$7.3 million is considered incremental.

b. Docket No. 20210178-EI for FPL’s Hurricane Isaias.

The total of amount of material and supplies expenses associated with Hurricane Isaias is \$42,000. Exs. 25, 45. Pursuant to Rule 25-6.0143(1)(h), F.A.C., except for \$3,000 charged to capital, FPL charged all materials and supplies expenses associated with Hurricane Isaias to base O&M expense.

c. Docket No. 20210178-EI for FPL’s Tropical Storm Eta.

The total amount of material and supplies expenses associated with Tropical Storm Eta is \$532,000. Exs. 26, 46. Pursuant to Rule 25-6.0143(1)(h), F.A.C., except for \$347,000 charged to capital, FPL charged all materials and supplies expenses associated with Tropical Storm Eta to base O&M expense.

d. Docket No. 20210179-EI for Gulf’s Hurricane Zeta.

The total amount of material and supplies expenses associated with Hurricane Zeta is \$179,000. Exs. 12 and 44. After application of the ICCA methodology, \$104,000 was identified as capital and \$75,000 is considered incremental.

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

Gulf: *For Docket No. 20200241-EI, \$42.2 million for Hurricane Sally and for Docket No. 20210179-EI, \$1.4 million for Hurricane Zeta of logistics costs were reasonably and prudently incurred by Gulf with its storm restoration effort.

FPL: *For Docket No. 20210178-EI, \$9.3 million for Hurricane Isaias and \$9.1 million for Tropical Storm Eta of logistics costs were reasonably and prudently incurred by FPL with its storm restoration effort.

The Companies' logistics costs for Hurricanes Sally, Zeta, and Isaias and Tropical Storm Eta were reasonable and prudent. These costs were analyzed by both Staff and OPC and no disallowances are recommended. *See* Exs. 64-66.

The ICCA methodology allows the incremental costs charged related to logistics, and transportation of crews, and rental equipment for storm restoration activities to be charged to the storm reserve. *See* Rule 25-6.0143(1)(e)2-3, 6, F.A.C. FPL and Gulf incurred logistics costs for staging and processing sites, meals, lodging, buses, and transportation used by employees and contractors in direct support of storm restoration. Exs. 11, 12, 25, 26, 43-47. These logistics costs were reasonable and prudent, supported by the record and discovery provided, and should be approved.

Logistics functions serve a key role in any successful restoration effort, i.e., ensuring that basic needs and supplies are adequately available and provided to the thousands of restoration personnel involved. Tr. 37 (Miranda). Agreements with primary vendors are also in place prior to the storm season as part of FPL's comprehensive storm-planning process. *Id.* FPL personnel from all parts of the company meet additional logistics staffing needs. Most of these employees are pre-identified, trained and assigned to provide site logistics management and support other restoration workforce needs. *Id.*

The OPC is not recommending any adjustments to the Companies' logistics costs. As such, the record demonstrates that the Companies have appropriately accounted for the logistics costs associated with the referenced storms consistent with the ICCA methodology under Rule 25-6.0143 and prior Commission orders. As such, the Commission should determine the logistics costs were prudently incurred and reasonable.

a. Docket No. 20200241-EI for Gulf's Hurricane Sally.

The total amount of logistics costs associated with Hurricane Sally is \$42.2 million, which is considered all incremental. Exs. 11, 43.

b. Docket No. 20210178-EI for FPL’s Hurricane Isaias.

c. Docket No. 20210178-EI for FPL’s Tropical Storm Eta.

The total amount of logistics costs associated with Hurricane Isaias is \$9.3 million. Exs. 25,45. The total amount of logistics costs associated with Tropical Storm Eta is \$9.1 million. Exs. 26, 46. Pursuant to Rule 25-6.0143(1)(h), F.A.C., FPL charged all logistics costs associated with Hurricane Isaias and Tropical Storm Eta to base O&M expense.

d. Docket No. 20210179-EI for Gulf’s Hurricane Zeta.

The total amount of logistics costs associated with Hurricane Zeta is \$1.4 million, which is considered all incremental. Exs. 12,44.

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

Gulf: *For Docket No. 20200241-EI, \$227.3 million for Hurricane Sally and for Docket No. 20210179-EI, \$11.4 million for Hurricane Zeta are the reasonable and prudent amounts of costs incurred by Gulf with its storm restoration effort.

FPL: *For Docket No. 20210178-EI, \$68.5 million for Hurricane Isaias and \$115.8 million for Tropical Storm Eta are the reasonable and prudent amounts costs incurred by FPL with its storm restoration effort.

Gulf and FPL appropriately accounted for the total amount of costs to be included in the storm restoration costs for Hurricanes Sally, Zeta, and Isaias as well as Tropical Storm Eta. The accounting for these costs is consistent with the ICCA methodology under Rule 25-6.0143, Order No. PSC-2018-0359-FOF-EI, Docket No. 20160251-EI Hurricane Matthew Settlement Agreement, the Hurricane Irma Settlement Agreement, the Hurricane Michael Settlement Agreement, and the 2006 Storm Order.

OPC does not dispute the vast majority of the Companies’ storm restoration costs. OPC, however, does recommend the Commission reduce the costs for regular payroll, overtime payroll, contractors, line and vegetation crews, employee assistance expenses, and materials and supplies.

In recommending these reductions, however, OPC does not allege and has failed to demonstrate that any of the costs are imprudent. OPC has also created a faulty thesis that equates non-incremental costs with disallowance of those costs. Further, OPC has not correctly applied Rule 25-6.0143, F.A.C., nor has it acknowledged the relevant, applicable language contained in the Hurricane Matthew Settlement Agreement, the Hurricane Irma Settlement Agreement, the Hurricane Michael Settlement Agreement, and the 2006 Storm Order by the Commission that support the Companies' accounting for restoration costs. As such, OPC's recommendations are unsupported with any evidence to show the Companies' restoration costs were unreasonable or imprudent and they should be rejected.

OPC also takes issue with Gulf's inclusion of interest on the unamortized storm costs for Hurricanes Sally and Zeta. While it is correct that Rule 25-6.0143, F.A.C., does not address the recovery of interest on unrecovered storm costs, the Commission has addressed this issue with previous storms. Tr. 329 (Hughes) and Tr. 394 (Kollen). The Commission has approved the inclusion of interest on the unamortized storm costs until the costs are fully recovered from customers for both Hurricane Matthew and Hurricane Michael. Tr. 329 (Hughes). Additionally, the Commission approved the inclusion of interest on the unamortized storm costs in the 2006 Order. See 2006 Order, at page 24. Based on the foregoing, Gulf and FPL have appropriately accounted for storm restoration costs associated with the referenced storms consistent with the ICCA methodology under Rule 25-6.0143 and prior Commission orders.

a. Docket No. 20200241-EI for Gulf's Hurricane Sally.

The total amount of Hurricane Sally storm-related costs is \$227.3 million. Exs. 11, 43. After the application of the ICCA methodology, approximately \$21.2 million was identified as capital, \$16.1 million was identified as recoverable under insurance, \$2.3 million was identified as non-incremental, and \$187.8 million was identified as incremental.

b. Docket No. 20210178-EI for FPL’s Hurricane Isaias.

The total of amount of Hurricane Isaias storm-related costs is \$68.5 million. Exs. 25, 45. As permitted by Rule 25-6.0143(1)(h), F.A.C., and Section 6 of the 2016 Settlement Agreement, FPL charged all storm restoration costs associated with Hurricane Isaias to base O&M expense except for \$3,000 that was charged to capital. *See* Rule 25-6.0143(1)(h), F.A.C.

c. Docket No. 20210178-EI for FPL’s Tropical Storm Eta.

The total amount of Tropical Storm Eta storm-related costs is \$115.8 million. Exs. 26, 46. As permitted by Rule 25-6.0143(1)(h), F.A.C., and Section 6 of the 2016 Settlement Agreement, FPL charged all storm restoration costs associated with Tropical Storm Eta to base O&M expense except for \$439,000 which was charged to capital.

d. Docket No. 20210179-EI for Gulf’s Hurricane Zeta.

The total amount of Hurricane Zeta storm-related costs is \$11.4 million. Exs.12, 44. After the application of the ICCA methodology, approximately \$292,000 was identified as capital, \$1.0 million was identified as non-incremental, and \$10.1 million was identified as incremental.

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

Gulf: *For Docket No. 20200241-EI, \$21.2 million for Hurricane Sally and for Docket No. 20210179-EI, \$292,000 for Hurricane Zeta are the reasonable and prudent amounts of storm-related costs that should be and were capitalized.

FPL: *For Docket No. 20210178-EI, \$3,000 for Hurricane Isaias and \$439,000 for Tropical Storm Eta are the reasonable and prudent amounts of storm-related costs that should be and were capitalized.

The Companies' capitalized costs for Hurricanes Sally, Zeta, and Isaias as well as Tropical Storm Eta are reasonable and prudent. To determine the amount of capitalized costs, Gulf and FPL used Rule 25-6.0143(1)(d), F.A.C, which states that “...the normal cost for the removal, retirement and replacement of those facilities in the absence of a storm, is the basis for calculating

storm restoration capital.” *See* Tr. 265, 267 (Hughes). The Companies also adhered to paragraph 20 of the Hurricane Irma Settlement, which was adopted by Gulf pursuant to paragraph 4 of the Hurricane Michael Settlement Agreement, which states they will “use a combined simple average of hourly internal Company and embedded contractor rates that are the type normally incurred in the absence of a storm to determine amounts to capitalize to plant, property, and equipment along with materials and other cost of equipment.” Hurricane Irma Settlement Agreement pgs. 10-11 and Hurricane Michael Settlement Agreement page 4. Based on the Companies analysis, and the fact OPC is not disputing these costs, the Commission should determine the references capitalized costs are prudent and reasonable.

a. Docket No. 20200241-EI for Gulf’s Hurricane Sally.

The total amount of Hurricane Sally storm-related costs that should be capitalized is \$21.2 million, which includes \$16.4 million for contractor costs, \$3.0 million for materials and supplies, and \$1.8 million for other. Exs. 11, 43.

b. Docket No. 20210178-EI for FPL’s Hurricane Isaias.

The total amount of Hurricane Isaias storm-related costs that should be capitalized is \$3,000, all which relates to materials and supplies. Exs. 25, 45.

c. Docket No. 20210178-EI for FPL’s Tropical Storm Eta.

The total amount of Tropical Storm Eta storm-related costs that should be capitalized is \$439,000, which includes \$3,000 for regular payroll and related overhead costs, \$28,000 for contractor costs, \$347,000 for materials and supplies, and \$61,000 for other. Exs. 26,46.

d. Docket No. 20210179-EI for Gulf’s Hurricane Zeta.

The total amount of Hurricane Zeta storm-related costs that should be capitalized is \$292,000, which includes \$37,000 for regular payroll and related overhead costs, \$71,000 for contractor costs, \$104,000 for materials and supplies, and \$80,000 for other. Exs. 12, 44

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

FPL: *All of FPL's costs associated with Hurricane Isaias and Tropical Storm Eta have been charged as either capital costs or base O&M expenses. Should the Commission find that any of FPL's storm-related costs charged as either capital or base O&M expense were imprudently incurred based on the actual conditions and circumstances at the time decisions were made, such costs would be charged below-the-line with a corresponding reduction in capital or above-the-line base O&M.

- a. Docket No. 20210178-EI for FPL's Hurricane Isaias.**
- b. Docket No. 20210178-EI for FPL's Tropical Storm Eta.**

All of FPL's costs associated with Hurricane Isaias and Tropical Storm Eta have been charged as either capital costs or base O&M expenses. FPL is not seeking approval in this proceeding to recover, through a storm surcharge, any of the Hurricane Isaias or Tropical Storm Eta storm-related costs, because all storm-related costs were charged as either capital costs or base O&M expenses as permitted under Rule 25-6.0143(1)(h), F.A.C. There is nothing in Rule 25-6.0143, F.A.C., or the 2021 Settlement Agreement that requires FPL to file a petition for and obtain Commission approval to charge storm-related costs to base O&M expense. To the contrary, Rule 25-6.0143(1)(h), F.A.C., expressly allows a utility to do so "at its own option." *Id.* Accordingly, although the Commission initiated this docket to evaluate the Hurricane Isaias and Tropical Storm Eta storm-related costs incurred by FPL, the recovery of these costs, through a storm surcharge or due to depletion of the storm reserve, has not been requested by FPL and is not an issue in this proceeding.

Staff conducted a comprehensive audit of the storm-related costs for Hurricane Isaias and Tropical Storm Eta and found the costs were prudent and there was no reason for any disallowances. Exs. 44-45. However, in the event that the Commission were to find that any of

FPL's Hurricane Isaias or Tropical Storm Eta storm-related costs charged as either capital or base O&M expense were impudently incurred based on the actual conditions and circumstances at the time decisions were made, such costs would be charged below-the-line with a corresponding reduction in capital or above-the-line base O&M. For above-the-line base O&M, this would effectively increase the balance in FPL's reserve surplus amortization mechanism (a.k.a. RSAM).

OPC offered no legal argument supporting the disallowance of any storm-related costs and instead chose to protest FPL's use of the Reserve Account (a.k.a. RSAM) and mischaracterize it as ratemaking. Tr. 398 (Kollen). In doing so, OPC conveniently looked past the recent Commission order which rejected OPC's arguments and authorized the application of the Reserve Account (a.k.a. RSAM) to prudently incurred storm costs. *See* Order No. PSC-2019-0225-FOF-EI, Docket No. 20180046. Under the applicable test for prudence, the Commission must ask "what a reasonable utility manager would do in light of the conditions and circumstances which he knew or reasonably should have known at the time the decision was made." *In Re Fuel & Purchased Power Cost Recovery Clause*, Docket No. 080001-EI, Order No. PSC-09-0024-FOF-EI, 2009 WL 692572 (FPSC Jan. 7, 2009) (emphasis added) (citation omitted). In this case, in this record, OPC chose to not contest prudence leaving no doubt that under this unequivocal record, ALL costs were prudently incurred.

ISSUE 12: Should the Commission approve Gulf Power Company's proposed tariffs and associated charges?

Gulf: *Yes. Gulf's proposed tariff and associated charge will allow Gulf to recover the reasonable and prudent storm-related costs, in incurrence and amount.

- a. Docket No. 20200241-EI for Gulf's Hurricane Sally.**
- b. Docket No. 20210179-EI for Gulf's Hurricane Zeta.**

The costs for Hurricane Sally have been allocated to each retail rate class based on the rate class allocations presented Exhibit 13. Tr. 338 (Cohen). In Order No. PSC-2021-0112 PCO-EI, the Commission approved Gulf's proposal to establish an interim storm restoration recovery

charge for Hurricane Sally of 0.3 cents per kilowatt-hour (“kWh”), or \$3.00/1,000 kWh, until September 2023 at which time it was projected the current residential Hurricane Michael surcharge of 0.8 cents per kWh, or \$8.00/\$1,000 kWh, would terminate. *Id.* Based upon actual financial information through October 2021, Gulf has determined that the storm restoration recovery charge for Hurricane Michael is projected to terminate October 2023. Exhibit 13 reflects Gulf’s proposal to maintain the currently approved residential surcharge of \$3.00/1,000 kWh for Hurricane Sally through October 2023. *Id.* Thereafter, Gulf proposes to increase the \$3.00/1,000 kWh residential storm charge for Hurricane Sally to \$10.00/1,000 kWh, or 1.0 cent per kWh, for a total of 44 months, inclusive of the interim surcharge period, through October 2024 (“Proposed Recovery Period”). *Id.* Proposed rates upon Commission approval are set forth in the First Revised Tariff Sheet No. 8.030.5 as shown on Exhibit 14. Proposed rates effective November 1, 2023 are set forth in the Second Revised Tariff Sheet No. 8.030.5 as shown on Exhibit 15. *Id.*

The costs for Hurricane Zeta have been allocated to each retail rate class based on the rate class allocations presented in Exhibit 16 and were designed to recover the final/actual recoverable storm amount for Hurricane Zeta. Tr. 344, 345 (Cohen). Once the Hurricane Sally surcharge of 1.0 cent per kWh, or \$10.00/1,000 kWh is complete, which is expected to be by October 2024, Gulf proposes to commence recovery of the proposed Hurricane Zeta surcharge of 0.934 cents per kWh, or \$9.34/1,000 kWh, for a total of 2 months, through December 31, 2024 (“Proposed Recovery Period”). Proposed rates effective November 1, 2024 are set forth in Original Tariff Sheet No. 8.030.6 as shown on Exhibit 17.

OPC recommends that Gulf should be required to file a new tariff that reflects its recommended reductions. As previously stated, OPC has not provided the Commission with any evidence which demonstrates that the restoration costs are not reasonable and prudent. As such, it is unnecessary to make any modifications to the proposed tariff.

ISSUE 13: If applicable, how should any under-recovery or over-recovery be handled?

Gulf: *When appropriate, Gulf will make a compliance filing with the Commission to provide notice of its intent to terminate the Proposed Storm Charges. Within 45 days of the charges expiration, Gulf will compare the approved recovery amount to actual revenues received from the storm charges and determine any excess or shortfalls. Gulf will calculate final true-up rates and file it with the Commission for approval to apply those rates to customer bills.

Specifically, no fewer than 90 days prior to the date Gulf expects to fully recover its final/actual recoverable storm amounts for Hurricanes Sally and Zeta, Gulf will make a compliance filing with the Commission to provide notice of its intent to terminate the Proposed Storm Charges. Within 45 days after the Proposed Storm Charges expire, the Company will compare the final Recoverable Storm Amount approved for recovery to actual revenues received from the Interim Storm Charge and Proposed Storm Charges and determine any excess or shortfall in recovery. Tr. 339, 345 (Cohen). Gulf will calculate final true-up rates and file with the Commission for approval to apply those rates to customer bills for a one-month period in order to refund the excess or collect the shortfall. *Id.* The final true-up rates will be designed in a manner that is consistent with the rate class cost allocation used in the Proposed Storm Charges filed herein, unless modified by this Commission. *Id.* The final true-up rates will be approved by the Commission in this docket. Gulf will apply the true-up rates to customer bills starting on Cycle 1 of the first month that is more than 30 days after the date of Commission approval. *Id.*

ISSUE 14: Should this docket be closed?

Gulf: *Yes. The dockets should be closed following the establishment of a final Recoverable Storm Amount and the approval of final true-up rates to be applied to customer bills for a one-month period starting on Cycle 1 of the first month that is more than 30 days after the date of Commission approval.

FPL: * Yes. The dockets should be closed upon the issuance of an order finding that FPL's costs were reasonable and prudent.

a. Docket No. 20200241-EI for Gulf's Hurricane Sally.

The docket should be closed following the establishment of a final Recoverable Storm Amount and the approval of final true-up rates to be applied to customer bills for a one-month period starting on Cycle 1 of the first month that is more than 30 days after the date of Commission approval.

b. Docket No. 20210178-EI for FPL’s Hurricane Isaias.

c. Docket No. 20210178-EI for FPL’s Tropical Storm Eta.

Yes. FPL is not seeking approval in this proceeding to recover any of the Hurricane Isaias and Tropical Storm Eta storm-related costs through depletion of the storm reserve or through a storm surcharge, because all non-capitalized storm-related costs were charged to base O&M expense as permitted under Rule 25-6.0143(1)(h), F.A.C. Upon the issuance of an order finding that FPL’s costs were reasonable and its activities in restoring power following Hurricane Isaias and Tropical Storm Eta were prudent, this docket should be closed.

d. Docket No. 20210179-EI for Gulf’s Hurricane Zeta.

The docket should be closed following the establishment of a final Recoverable Storm Amount and the approval of final true-up rates to be applied to customer bills for a one-month period starting on Cycle 1 of the first month that is more than 30 days after the date of Commission approval.

IV. CONCLUSION

For all the foregoing reasons, based upon Florida law, the evidentiary record in this proceeding, and Commission precedent, FPL respectfully requests that the Commission:

- (i) Approve the following for Hurricane Sally: the final/actual Recoverable Storm Amount of \$186.6 million of incremental storm restoration costs, the Proposed Storm Restoration Recovery Surcharges; the Proposed Recovery Period and the proposed process for determining a one-time true-up to be applied to customer bills

once the approved Recoverable Storm Amount and actual revenues collected through the end of the Proposed Recovery Period is known.

- (ii) Find FPL's activities and actions taken in response to Hurricane Isaias and Tropical Storm Eta were prudent and the related costs were reasonable.
- (iii) Approve the following for Hurricane Zeta: the final/actual Recoverable Storm Amount of \$10.1 million of incremental storm restoration costs, the Proposed Storm Restoration Recovery Surcharges; the Proposed Recovery Period and the proposed process for determining a one-time true-up to be applied to customer bills once the approved Recoverable Storm Amount and actual revenues collected through the end of the Proposed Recovery Period is known.

Respectfully submitted this 16th day of August 2022,

By: s/ Russell A. Badders

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CERTIFICATE OF SERVICE

Docket No. 20200241-EI

Docket No. 20210178-EI

Docket No. 20210179-EI

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by electronic service on this 16th day of August 2022 to the following:

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s/ Kate Cotner

Kate Cotner