

State of Florida



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Public Service Commission

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TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

090000 -0T

DATE: October 1, 2009
TO: Ann Cole, Commission Clerk - PSC, Office of Commission Clerk
FROM: Connie S. Kummer, Chief of Certification & Tariffs, Division of Economic Regulation 
RE: October 1, 2009 Letter from Progress Energy Florida regarding filing Estimated Average Cost Differential

Rule 25-6.078, Florida Administrative Code, requires investor-owned electric utilities to file, by October 15 each year, indicating whether the Estimated Average Cost Differential for the installation of underground electric facilities in new residential subdivisions varies by more than 10% from currently approved charges. This letter was hand-delivered to me October 1, 2009, and fulfills this rule requirement. No further Commission action is required on this document. Please add this document to the undocketed matters (090000) file.

DOCUMENT NUMBER-DATE

10171 OCT-28

FPSC-COMMISSION CLERK



*Rec
10/11/09
OSL*

October 1, 2009

Ms. Connie S. Kummer
Chief, Bureau of Certification, Economics & Tariffs
Florida Public Service Commission
250 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Dear Ms. Kummer:

In accordance with FPSC Rule 25-6.078, please find enclosed FORM PSC/EAG 13, Schedules 1-3, which utilize current material and labor costs for residential overhead and underground low density subdivision designs. This form demonstrates that the per lot differential for the low density subdivision (including the net present value of the lifecycle costs) is currently \$585. PEF's currently approved per lot differential for the low density subdivision is \$648. This is a decrease of \$63 per lot, or 9.7%. In accordance with the 10% threshold established in Rule 25-6.078, the Company will not be obligated to file additional data in April 2010, and will file an update to this information on or before October 1, 2010.

Please feel free to contact me at (727) 820-5481 if you have any questions.

Respectfully,

A handwritten signature in cursive script, appearing to read 'Nancy Holdstein', written in black ink.

Nancy Holdstein
Principal Regulatory Specialist
Regulatory Planning – Florida

Enclosures

DOCUMENT NUMBER-DATE

10171 OCT-28

FPSC-COMMISSION CLERK

**PROGRESS ENERGY FLORIDA
OVERHEAD/UNDERGROUND RESIDENTIAL COST ESTIMATE**

OVERHEAD vs. UNDERGROUND SUMMARY SHEET

SCHEDULE NO. 1

**LOW DENSITY 210 LOT SUBDIVISION
COST PER SERVICE LATERALS**

9/29/2009

ITEM	OVERHEAD	UNDERGROUND	DIFFERENTIAL
Labor	388	740	352
Material	415	618	203
Fleet	51	109	58
SUB TOTAL	854	1,467	613
NPV of Life Cycle Operational Cost Including Storm Restoration and Pole Attachment Revenue			(28)
Total including NPV of Life Cycle Cost			585

**PROGRESS ENERGY FLORIDA
OVERHEAD/UNDERGROUND RESIDENTIAL COST DATA**

COST PER SERVICE LATERAL OVERHEAD MATERIAL AND LABOR

SCHEDULE NO. 2

LOW DENSITY 210 LOT SUBDIVISION

ITEM	MATERIAL	LABOR	TOTAL
Service(2)	70.68	48.20	118.88
Primary	71.83	95.28	167.11
Secondary	45.96	17.74	63.70
Initial Tree Trim	0.00	0.00	0.00
Poles	52.16	23.43	75.59
Transformers	154.03	17.95	171.98
Sub-Total(1)	394.66	202.60	597.26
Stores Handling(3)	20.10	0.00	20.10
Sub-Total	414.76	202.60	617.36
Engineering(4)	0.00	185.21	185.21
TOTAL	414.76	387.81	802.56

1-Includes Sales Tax.

2-Includes Meter.

3-9.0% of all material:

excluding transformers with a cost of:
and meters with a cost of:

139.37

32.00

4-30% of all matl. and labor

**PROGRESS ENERGY FLORIDA
OVERHEAD/UNDERGROUND RESIDENTIAL COST DATA**

COST PER SERVICE LATERAL UNDERGROUND MATERIAL AND LABOR

SCHEDULE NO. 3

LOW DENSITY 210 LOT SUBDIVISION

ITEM	MATERIAL	LABOR	TOTAL
Service (2)	98.67	83.06	181.73
Primary	110.39	51.35	161.74
Secondary	163.39	41.05	204.44
Transformers	213.90	32.29	246.19
TRENCHING:			
Prim. & Secondary	0.00	136.34	136.34
Service	0.00	82.55	82.55
Sub-Total(1)	586.35	426.64	1012.99
Stores Handling(3)	31.90	0.00	31.90
Sub-Total	618.25	426.64	1044.89
Engineering(4)	0.00	313.47	313.47
TOTAL	618.25	740.11	1358.36

1-Includes Sales Tax.

2-Includes Meter.

3-9.0% of all material:

excluding transformers with a cost of:

199.90

and meters with a cost of:

32.00

4-30% of all matl. and labor

Progress Energy Florida
Actuals for 5 Year Period of 2004-2008
Summary of NPV Life Cycle Costs per mile for Overhead and Underground Distribution
Including Storm Costs and Pole Attachment Revenues

	Including Storm	Excluding Storm	Storm
5 year average OH Unit Costs in 2009 Dollars - Annual	\$ 2,941	\$ 2,407	\$ 534
5 year average UG Unit Costs in 2009 Dollars - Annual	\$ 3,043	\$ 2,893	\$ 150
Differential in 2009 Dollars - OH more (less) than UG	\$ (102)	\$ (486)	\$ 384

NPV of 35 Year Life Cycle - Costs per mile

Overhead	\$ 43,006	\$35,197	\$7,809
Underground	\$ 44,497	\$42,304	\$2,193
Differential - OH more (less) than UG	\$ (1,492)	\$ (7,107)	\$ 5,615

NPV Life Cycle Costs - Per Lot Differentials

	OHD	UG			
Low Density					
Feet of Line	19,272	17,920			
Miles of Line	3.65	3.4			
Number of Lots	210	210			
Per Lot - OHD			\$ 747	\$ 612	\$ 136
Per Lot - UG			\$ 719	\$ 684	\$ 35
Per Lot - Differential			\$ (28)	\$ 72	\$ (100)

DISTRIBUTION CONSTRUCTION COSTS

Progress Energy Florida
 LOW DENSITY OVERHEAD SUBDIVISION - 210 LOTS

DATE: 9/2/2009
 PAGE: 1

ITEM	QTY	DESCRIPTION	MATERIAL	LABOR	TOTAL
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*** OH Services					
S302 M	165	SVC L/CBL, TRI, NO POLE ATT DEV#2 AL	6.79	6.81	13.60
S301 M	36	SVC L/CBL, W/O POLE ATT DEV, 1/0 AL	4.76	1.49	6.25
S300 M	9	SVC L/CBL, W/O POLE ATT DEV, 4/0 AL	1.24	0.37	1.62
EN	116	EYE NUT 5/8"	0.99	0.24	1.23
KC12	276	COMPRESSION CONN 1/0 STR AL-2 STR AL	0.32	3.99	4.30
KC11	286	COMPRESSION CONN 1/0 STR AL-1/0 STR AL	0.69	4.13	4.83
KC01	66	COMPRESSION CONN 4/0 STR AL-1/0 STR AL	0.16	0.95	1.11
KC00	18	COMPRESSION CONN 4/0 STR AL-4/0 STR AL	0.04	0.26	0.30
KC02	186	COMPRESSION CONN 4/0 STR AL-2 STR AL	0.50	2.69	3.18
KC52	28	WEDGE CONN 500 MCM AL 2 STR AL	2.13	0.40	2.54
KC00	18	COMPRESSION CONN 4/0 STR AL-4/0 STR AL	0.04	0.26	0.30
C30S	360	AERIAL CABLE SVC 3W 4/0 AL 600V	2.11	0.74	2.85
S31	1440	SERVICE WIRE, 3 WIRE, #1/0AL	4.46	2.97	7.43
S32	6600	SERVICE CABLE, 3 WIRE #2 AL	14.46	13.62	28.08
USER-INPUT:MTR	210	METER	32.00	9.26	41.26
			-----	-----	-----
			70.68	48.20	118.88

*** OH Primary

WR1	15015	WIRE, #1/0 AAAC AL, ON 700 LB. REEL	12.87	31.00	43.87
V101 M	26	VERT 1PH 0 TO 5 DEG, 1/0 AAAC	2.97	1.23	4.20
V111 M	11	VERT 1PH 6 TO 15 DEG, 1/0AAAC	2.75	0.52	3.27
V121 M	11	VERTICAL 1PH 16 TO 59 DEG 1/0 AAAC	1.51	0.52	2.03
V141 M	24	VERTICAL 1 PH DEADEND 1/0 & #4 AAAC	2.64	1.14	3.78
V151 M	4	VERT 1PH SLACKSPAN, 1/0AAAC	0.35	0.16	0.51
V201 M	2	VERT 2PH, 0 TO 5 DEG, 1/0AAAC	0.46	0.19	0.65
V221 M	3	VERT. 2 PH 16 TO 59 DEG. 1/0 AAAC	0.82	0.28	1.11
V241 M	2	VERT 2PH DEADEND #1/0 & #4 AAAC	0.44	0.19	0.63
V251 M	5	VERTICAL 2PH SLACK SPAN 1/0 AAAC	0.88	0.40	1.28
N101 M	35	NEUTRAL 1 WIRE NO POLE ATTCH DEV 1/0AL	1.62	0.72	2.34
N1E1 M	7	NEUTRAL 1 WIRE EYEBOLT 1/0 AAAC AUTO DE	0.41	0.29	0.70
N1S1 M	1	NEUTRAL, 1 WIRE, W/SPOOL & BOLT 1/0 AAAC	0.04	0.05	0.08
N1S1S M	8	NEUTRAL 1 WIRE SPOOL&BOLT1/0AAAC SLCKSPN	0.29	0.32	0.61

DISTRIBUTION CONSTRUCTION COSTS

Progress Energy Florida
 LOW DENSITY OVERHEAD SUBDIVISION - 210 LOTS

DATE: 9/2/2009
 PAGE: 2

ITEM	QTY	DESCRIPTION	MATERIAL	LABOR	TOTAL
-----	---	-----	-----	-----	-----
N1R1 M	3	NEUTRAL 1 WIRE RACK W/SPOOL 1/0 DE GRIP	0.09	0.12	0.21
C3C0 M	12	SEC CBL 3W MESSENGER CLAMP 4/0 AL	0.77	0.25	1.01
C3E0 M	48	SEC CBL TRIPX W/EYEBOLT4/0AL	2.82	1.98	4.80
C3E0S M	34	SEC CBL TRIPLEX W/EYEBOLT 4/0AL SLCKSPN	2.78	1.40	4.18
C300 M	1	SECCBL TRIPX NO POLE ATTACH DEV 4/0AL	0.05	0.02	0.07
C300S M	2	SECCBL TRIPX NO POLE ATTACH 4/0SLCKSPN	0.14	0.04	0.18
C3E1 M	13	SEC CBL TRIPX W/EYEBOLTDE 1/0AL	0.76	0.54	1.30
C3E1S M	55	SEC CBL TRIPLEX W/EYEBOLT 1/0AL SLCKSPN	4.32	2.27	6.59
C301 M	3	SECCBL TRIPX NO POLE ATTACH 1/0AL	0.14	0.06	0.20
C301S M	4	SECCBL TRIPX NO POLE ATTACH 1/0AL SLCK	0.26	0.08	0.35
EN	38	EYE NUT 5/8"	0.32	0.08	0.40
SUPW	9	SETUP PILOT WINDER	0.00	1.86	1.86
SUTT	9	SETUP TENSIONER, TUGGER	0.00	7.43	7.43
GA111 M	44	GUY ASSY 1PH 1/0AAAC PH 5/16&N 5/16-10"	19.23	9.86	29.09
GA211 M	4	GUYASY 2PH 1/0AAACUP5/16LO5/16-10N5/16-8	2.64	1.42	4.06
FL7	48	FIBERGLASS LINK 78", 15M	3.27	0.50	3.77
GAS11 M	5	GUY ASSY SEC 1/0 OR 4/0 OPTION 1	1.18	0.71	1.88
GS75 M	1	GUY SPAN, W/78" LINK, 5/16" GUY	0.18	0.09	0.28
CP M	3	CUTOUT 15 KV POLE MTD "L" BRKT	0.77	3.79	4.56
MSC11	2	MID-SPAN CLAMP 1/0 AAAC TO 1/0 AAAC	0.27	0.10	0.38
CBF	2	CLAMP (BUTTERFLY) MIDSPAN	0.05	0.10	0.16
WORKLOC	128	Work Location for Framme	0.00	21.14	21.14
KC11	125	COMPRESSION CONN 1/0 STR AL-1/0 STR AL	0.30	1.81	2.11
KC01	69	COMPRESSION CONN 4/0 STR AL-1/0 STR AL	0.17	1.00	1.16
KC00	72	COMPRESSION CONN 4/0 STR AL-4/0 STR AL	0.16	1.04	1.20
KC50	14	WEDGE CONN 500 MCM AL 4/0 STR AL	1.05	0.20	1.26
KC51	23	WEDGE CONN 500 MCM AL 1/0 STR AL	1.68	0.33	2.02
KC71	3	WEDGE CONN 795 MCM AL 1/0 STR AL	0.37	0.04	0.41
			-----	-----	-----
			71.83	95.28	167.11
*** OH Secondary					
C31	2360	AERIAL CABLE, 3 WIRE,#1/0AL	9.44	4.87	14.31
C30	6235	AERIAL CABLE, 3 WIRE, 4/0 AL	36.52	12.87	49.39
			-----	-----	-----
			45.96	17.74	63.70

DISTRIBUTION CONSTRUCTION COSTS

Progress Energy Florida
 LOW DENSITY OVERHEAD SUBDIVISION - 210 LOTS

DATE: 9/2/2009
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ITEM -----	QTY ---	DESCRIPTION -----	MATERIAL -----	LABOR -----	TOTAL -----
*** OH Poles					
P30	53	POLE WOOD 30' CL 6	19.43	9.86	29.29
P35	64	POLE WOOD 35' CL 5	26.15	11.90	38.05
P40	9	POLE WOOD 40' CL 5	6.58	1.67	8.25
			-----	-----	-----
			52.16	23.43	75.59
*** OH Transformers					
TA1S25 M	1	XFMRASSY 1PH120/240V 7200Y 1B/C 25KVA	3.46	0.36	3.82
TA1S50 M	17	XFMR ASSY 1PH 120/240V 1 BUSHC 50KVA	91.02	8.04	99.05
TA1D75T M	7	XFMRASSY 1PH120/240V 2B/C75KVA TAPS	54.49	3.77	58.26
GO	25	GROUND, OVERHEAD	4.65	5.16	9.81
KSP1	25	COMPRESSION STIRRUP, 1/0 STR AL	0.41	0.62	1.03
			-----	-----	-----
			154.03	17.95	171.98

MATERIAL DOES NOT INCLUDE STORES CHARGES. LABOR ADJUSTED BY COMPANY BENEFITS LOADING AND PRODUCTIVITY.
 LABOR = (RATE X 1.51) / 1

DISTRIBUTION CONSTRUCTION COSTS

Progress Energy Florida
LOW DENSITY UNDERGROUND SUBDIVISION - 210 LOTSDATE: 9/2/2009
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ITEM	QTY	DESCRIPTION	MATERIAL	LABOR	TOTAL
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*** UG Services					
US320	8745	SEC CABLE D/B 2/0-2/0-#2 AL	35.81	11.64	47.46
US340	1430	4/0-4/0-2/0 AL D/B TRIPLEX SERVICE CABLE	8.10	1.90	10.01
US33	1375	UG D/B SERVICE CABLE 350-350-4/0 AL	12.18	1.83	14.01
MBR25	25	METER BASE RISER 2 1/2"	2.93	3.86	6.79
MBR2	185	METER BASE RISER 2"	7.65	28.54	36.19
USER-INPUT:MTR	210	METER	32.00	9.26	41.26
PMU	210	PREBEND, INSTALL AND MAKEUP IN CAN	0.00	19.08	19.08
TSC	210	TAP-UP SECONDARY AND CODE	0.00	6.94	6.94
			-----	-----	-----
			98.67	83.06	181.73
*** UG Primary					
UP11	17989	PRI CABLE 15 KV, 1PH, 1/0AL	97.65	17.87	115.52
TMP21 M	2	TERMINAL POLE RISER, 2 PH1/0 SOLID AL	2.43	3.80	6.24
TMP11 M	2	TERMINAL POLE RISER, 1 PH1/0 SOLID AL	1.29	3.21	4.50
CA2T M	2	CUTOUT/ARR 2 EA W/TRIPLE BRKT TERM POLE	2.53	0.59	3.12
CA1T M	2	CUTOUT AND ARR. W "T" BRKT TERM POLE	0.94	0.34	1.28
IP	4	INSULATOR, POST 15KV	0.32	0.11	0.43
KSP7	4	WEDGE STIRRUP 795 MCM AL	0.69	0.06	0.75
CHP	3	TEST HI POT OR PH PRI CBL FOR SETUP	0.00	0.56	0.56
GO	4	GROUND, OVERHEAD	0.74	0.83	1.57
AE1L M	3	ARR. ELBOW ASSY 1 PH LOOP DEADFRONT	2.60	0.57	3.17
B4932	44	BEND, SCH. 40, 90 DEG. 36" RAD 2" PVC	1.07	1.39	2.46
CCP2	88	CONDUIT CAP PLASTIC 2"	0.12	0.56	0.68
WORKLOC	130	Work Location for Framme	0.00	21.47	21.47
			-----	-----	-----
			110.39	51.35	161.74
*** UG Secondary					
UC320	3169	2/0 UG DIRECT BURIAL TRIPLEX CABLE	12.98	3.15	16.13
UC340	6500	4/0 UG D/ B TRIPLEX 4/0-4/0-2/0 AL	36.83	8.65	45.49
UC33	8094	SEC CABLE D/B 3/C 350-350-4/0 AL	71.69	10.78	82.47

DISTRIBUTION CONSTRUCTION COSTS

Progress Energy Florida
 LOW DENSITY UNDERGROUND SUBDIVISION - 210 LOTS

DATE: 9/2/2009
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ITEM	QTY	DESCRIPTION	MATERIAL	LABOR	TOTAL
-----	---	-----	-----	-----	-----
K034W	87	CONNECTOR PED 3 WAY 4/0 WATERPROOF	3.35	1.87	5.22
K040	111	CONNECTOR PEDESTAL 4 WAY 4/0 STR	1.95	2.39	4.33
K065	78	CONNECTOR PEDESTAL 6 WAY 500 MCM	2.96	1.68	4.63
K060W	33	CONNECTOR PEDESTAL 6 COND350 WATERPROOF	2.01	0.71	2.72
PED0	11	PED SEC 12X20	5.58	0.56	6.13
PED7	29	PED SEC FLUSH 9X14	4.39	3.51	7.91
PED4	63	PED SEC 9X14	21.66	3.20	24.86
TSC	138	TAP-UP SECONDARY AND CODE	0.00	4.56	4.56
			-----	-----	-----
			163.39	41.05	204.45
*** UG Transformers					
TA1L25 M	3	XFMR ASSY 120/240V PDMT DF LOOP 25KVA	21.13	2.74	23.87
TA1L50 M	19	XFMR ASSY 120/240V PDMT DF LP 50KVA	184.78	17.38	202.16
K580	36	CONNECTOR XFMR 5/8" STUD 8 WAY 4/0 STR	1.28	0.77	2.06
K585	30	CONNECTOR XFMR 5/8" STUD 8 WAY 500 MCM	1.26	0.64	1.90
TE1	44	TERMNR LDBRK 200 A, LDBRKELBOW	5.45	10.75	16.20
			-----	-----	-----
			213.90	32.29	246.19
*** UG Primary/Secondary Trenching					
TRM	17920	TRENCH W/TRCHNG MACH P/FTINCL BKFILLNG	0.00	136.34	136.34
			-----	-----	-----
			0.00	136.34	136.34
*** UG Service Trenching					
TRH	2100	TRENCH BY HAND PER FT, INC BACKFILLNG	0.00	34.62	34.62
TRM	6300	TRENCH W/TRCHNG MACH P/FTINCL BKFILLNG	0.00	47.93	47.93
			-----	-----	-----
			0.00	82.55	82.55

MATERIAL DOES NOT INCLUDE STORES CHARGES. LABOR ADJUSTED BY COMPANY BENEFITS LOADING AND PRODUCTIVITY.
 LABOR = (RATE X 1.51) / 1

DISTRIBUTION CONSTRUCTION COSTS

Progress Energy Florida
TRANSFORMERS ONLY - LOW DENSITY SUB

DATE: 9/2/2009
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ITEM -----	QTY ---	DESCRIPTION -----	MATERIAL -----	LABOR -----	TOTAL -----
*** OH Transformers Only					
T1S25	1	XFMR 120/240 7200/12470Y 1BC 25KVA	3.16	0.20	3.37
T1S50	17	XFMR 120/240 7200/12470Y 1BC 50KVA	85.74	5.37	91.11
T1D75T	7	XFMR 120/240V 7200/12470Y2B/C 75KVAW/TP	50.46	2.21	52.67
			-----	-----	-----
			139.37	7.78	147.15
*** UG Transformers Only					
T1L25	3	XFMR 1PH 120/240V PM DF LOOP, 25KVA	20.31	0.77	21.08
T1L50	19	XFMR 1PH 120/240V PM DF LOOP, 50KVA	179.59	4.90	184.49
			-----	-----	-----
			199.90	5.68	205.57

MATERIAL DOES NOT INCLUDE STORES CHARGES. LABOR ADJUSTED BY COMPANY BENEFITS LOADING AND PRODUCTIVITY.
LABOR = (RATE X 1.51) / 1