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KEITH C. HETRICK GENERAL COUNSEL (850) 413-6199

## **Public Service Commission**

May 20, 2019

Mr. Ken Hoffman Florida Power & Light Co. 215 S. Monroe Street, Suite 810 Tallahassee, Florida 32301-1858 Ken.Hoffman@fpl.com STAFF'S FIRST DATA REQUEST via e-mail

RE: Docket No. 20190081-EI – Petition for approval of 2019 revisions to underground residential and commercial differential tariffs, by Florida Power & Light Company.

Dear Mr. Hoffman:

By this letter, the Commission staff requests that Florida Power & Light Company (FPL) provide responses to the following data requests:

Some of the following questions pertain to the current filing (or 2019) while others ask about the differences between the current filing and FPL's 2016 underground differential filing in Docket No. 20160071-EI (2016 filing or 2016).

- 1. Referring to Appendix 3, Page 3, please provide a detailed explanation for the price increases in Section 10.4.2 and 10.5.4 (A-D).
- 2. Referring to Appendix 4, URD Summary Sheet, please explain why the underground and overhead labor costs increased for both the low and high density subdivisions when compared to the 2016 filing.
- 3. The following questions refer to Appendix 4, Exhibits II, III, VI, VII, IX, and X.
  - a. Please explain the decrease in engineering overhead from 26.9% in 2016 to 20.7% applied to all Material and Labor.
  - b. Please explain the increase in Stores Handling from 5.44% in 2016 to 5.82% of all material.
- 4. What overhead and underground activities are performed by in-house vs. contract employees? If this is a change from 2016, please describe any changes and provide the cost impact for the low and high density differentials.

PSC Website: http://www.floridapsc.com

Internet E-mail: contact@psc.state.fl.us

- 5. Please confirm whether FPL used the same methodology approved, in Order No. PSC-08-0774-TRF-EI, issued November 24, 2008, in Docket No. 070231-EI, for calculating the NPV of operational costs. For any changes in the methodology used, please provide a detailed description of the impact on the differential calculations from the prior docket.
- 6. Please refer to Appendix 4, Operational Costs Differential for High Density, Low Density, and Meter Pedestal. Provide the excel spreadsheet, with formulas intact, for each.
- 7. Please provide a detailed cost breakdown and explanation why the Low Density 30 year NPV Non-Storm Operational cost generated a credit of (\$2,103) in this filing, as compared to a charge of \$208 in the 2016 filing.
- 8. Please provide a detailed cost breakdown and explanation why the High Density and Meter Pedestal 30 year NPV Non-Storm Operational cost generated a credit of (\$1,796) in this filing, as compared to a charge of \$192 in the 2016 filing.
- 9. Please explain for the approximate doubling of the avoided storm restoration Operation and Maintenance cost in this filing, as compared to the 2016 filing.
- 10. Please confirm whether the model low density and high density URD subdivision designs used in this docket are the same designs that were used in Docket No. 160071-EI. If applicable, please provide a detailed description of any differences (including design drawings) and included supporting documentation illustrating the impact to the "per lot" differentials caused by the design changes.

Please file all responses electronically no later than Friday, May 31, 2019 from the Commission's website at <a href="https://www.floridapsc.com">www.floridapsc.com</a> by selecting the Clerk's Office tab and Electronic Filing Web Form. Please feel free to call me at (850) 413-6584 or Riley Doherty at (850) 413-6858 if you have any questions.

Sincerely,

/s/ Walt Trierweiler

Walt Trierweiler Senior Attorney

WLT/lms

cc: Office of Commission Clerk Ken Rubin- Florida Power & Light Co.