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August 24, 2021

### VIA HAND DELIVERY

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

### Re: Docket No. 20210015-EI

### REDACTED

Dear Mr. Teitzman:

I enclose for filing in the above docket Florida Power & Light Company's ("FPL") Request for Confidential Classification of Information contained in its responses to Florida Public Service Commission Staff's ("Staff") Fifth Data Request, Nos. 19 and 23. The request includes Exhibits A, B (two copies), C and D.

Exhibit A consists of the document containing confidential information that is the subject of FPL's Request for Confidential Classification. Exhibit A is submitted for filing in an envelope marked "EXHIBIT A" – CONFIDENTIAL. Exhibit B is an edited version of Exhibit A, in which the information FPL asserts is confidential has been redacted. Exhibit C is a justification table in support of FPL's Request for Confidential Classification. Exhibit D contains the declarations in support of FPL's Request. In accordance with Rule 25-22.006(3)(d), FPL requests confidential treatment of the information in Exhibit A pending disposition of FPL's Request for Confidential Classification.

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IDM		Fla. Bar No. 0773301		10	
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cc: Counsel for Parties of Record (w/ copy of FPL's Request for Confidential Classification)



### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition by Florida Power & Light Company for Rate Unification and for Base Rate Increase Filed: August 24, 2021

### FLORIDA POWER & LIGHT COMPANY'S REQUEST FOR CONFIDENTIAL CLASSIFICATION OF CERTAIN INFORMATION PROVIDED IN ITS RESPONSE TO THE STAFF OF THE FLORIDA PUBLIC SERVICE COMMISSION'S FIFTH DATA REQUEST (NOS. 19 AND 23)

Pursuant to Section 366.093, Florida Statutes, and Rule 25-22.006, Florida Administrative Code, Florida Power & Light Company ("FPL") requests confidential classification of certain information provided in its response to the Staff of the Florida Public Service Commission's ("Staff") Fifth Data Request, Nos. 19 and 23 (the "Confidential Information"). In support of this Request for Confidential Classification ("Request"), FPL states as follows:

- 1. FPL filed and served its responses to Staff's Fifth Data Request on August 24, 2021. This Request is being filed contemporaneously with the filing and service of those responses in order to request confidential classification of certain information contained in its responses to Staff's Fifth Data Request, Nos. 19 and 23, consistent with Rule 25-22.006, Florida Administrative Code.
  - 2. The following exhibits are included with and made a part of this request:
- a. Exhibit A consists of a copy of the confidential material on which all the information that FPL asserts is entitled to confidential treatment has been highlighted.
- b. Exhibit B consists of a copy of the confidential documents, on which all the information that is entitled to confidential treatment under Florida law has been redacted.
- c. Exhibit C is a table that identifies by column and line the information for which confidential treatment is being sought and references the specific statutory basis for the

claim of confidentiality. Exhibit C also identifies the declarants who support the requested classification.

d. Exhibit D contains the declarations of the individuals who support the requested classification.

3. The Confidential Information is intended to be and has been treated by FPL as private, its confidentiality has been maintained, and its disclosure would cause harm to FPL and its customers. Pursuant to Section 366.093, Florida Statutes, such materials are entitled to confidential treatment and are exempt from the disclosure provisions of the public records law. Thus, once the Commission determines that the information in question is proprietary confidential business information, the Commission is not required to engage in any further analysis or review such as weighing the harm of disclosure against the public interest in access to the information.

4. As described in the declarations in Exhibit D, the Confidential Information contained in FPL's response to Staff's Fifth Data Request No. 19 includes: information relating to bids or other contractual data, the disclosure of which would impair the efforts of the public utility or its affiliates to contract for goods or services on favorable terms. This information is protected by Section 366.093(3)(d), Florida Statutes.

5. As also described in the declaration included as Exhibit D, the Confidential Information consists of information relating to competitive interests, the disclosure of which would impair the competitive business of the provider of the information. Specifically, the information contains purchase and removal costs of electric smart panels, and projected costs associated with electric vehicle charging stations. This information is protected by Section 366.093(3)(e), Florida Statutes.

6. Upon a finding by the Commission that the Confidential Information is proprietary confidential business information, the information should not be declassified for a period of at least eighteen (18) months and should be returned to FPL as soon as the information is no longer necessary for the Commission to conduct its business. See Section 399.093(4), Florida Statutes

WHEREFORE, for the above and foregoing reasons, as more fully set forth in the supporting materials and declarations included herewith, FPL respectfully requests that its Request for Confidential Classification be granted.

### Respectfully submitted,

### FLORIDA POWER & LIGHT COMPANY

By: <u>/s/ Maria Jose Moncada</u>

R. Wade Litchfield Vice President and General Counsel Authorized House Counsel No. 0062190 wade.litchfield@fpl.com

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### CERTIFICATE OF SERVICE 20210015-EI

**I HEREBY CERTIFY** that a true and correct copy of the foregoing\* has been furnished by electronic mail this 24<sup>th</sup> day of August 2021 to the following parties:

Suzanne Brownless Bianca Lherisson Shaw Stiller Florida Public Service Commission Office of the General Counsel 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850 sbrownle@psc.state.fl.us blheriss@psc.state.fl.us sstiller@psc.state.fl.us

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Thomas A. Jernigan, GS-13, DAF AFIMSC/JA Holly L. Buchanan, Maj, USAF AF/JAOE-**ULFSC** Robert J. Friedman, Capt., USAF Arnold Braxton, TSgt, USAF Ebony M. Payton Scott L. Kirk, Maj, USAF 139 Barnes Drive, Suite 1 Tyndall Air Force Base, Florida 32403 ULFSC.Tyndall@us.af.mil thomas.jernigan.3@us.af.mil Holly.buchanan.1@us.af.mil robert.friedman.5@us.af.mil arnold.braxton@us.af.mil ebony.payton.ctr@us.af.mil scott.kirk.2@us.af.mil **Attorneys for Federal Executive Agencies** 

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By: s/ Maria Jose Moncada

Maria Jose Moncada Florida Bar No. 0773301

\* The exhibits to this Request are not included with the service copies, but copies of Exhibits B, C and D are available upon request.

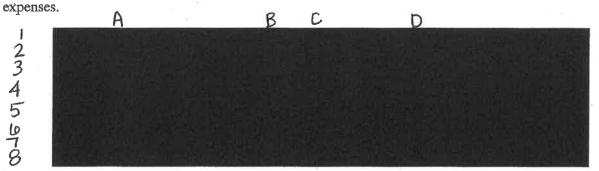
### EXHIBIT B

### REDACTED

Florida Power & Light Company Docket No. 20210015-EI Staff's Fifth Data Request Request No. 19 Page 2 of 5

The Monthly Program Charge is designed to recover the non-energy revenue requirements of the residential EV program over a ten-year period, thereby leaving non-participants harmless on a present value basis. The Monthly Program Charge was calculated by levelizing FPL's anticipated upfront costs for charging equipment, installation, technology costs, and customer acquisition (taking into account FPL's weighted average cost of capital, property tax and insurance rates); and then adding projected annual Operations and Maintenance (O&M) and General and Administrative (G&A) costs; all divided by 12 months per year.

The difference between the Full Installation and Equipment Only Installation charges is a function of FPL's projected costs for the Company's scope of the installation. These calculations are shown in the table below, where the 10-year levelization factor represents the ratio of the annual payment to the upfront costs, such that the present value of the 10-year payment stream is equal to the cumulative present value revenue requirements of the associated depreciation, return on capital, property tax, insurance costs, and upfront operating



The Monthly Off-Peak Energy Charge was determined by multiplying the expected average monthly residential charging usage in kilowatt-hours (kWh) by the off-peak energy charges consistent with the Residential Time of Use Rider (RTR-1 - Sheet No. 8.203).

The expected average monthly residential charging (kWh) was estimated by dividing the average monthly mileage of Florida drivers<sup>1</sup> by the weighted average efficiency of electric vehicles in FPL and Gulf service territory<sup>2</sup>; and then multiplying by the assumed percentage of time drivers charge at home<sup>3</sup>. Although the expected usage is based on high-level

<sup>&</sup>lt;sup>1</sup> According to the Federal Highway Administration, the annual vehicle miles per licensed driver in Florida is 11,836 miles. <u>https://www.fhwa.dot.gov/ohim/onh00/onh2p11.htm</u>

<sup>&</sup>lt;sup>2</sup> Based on weighted average efficiency of vehicles registered in FPL/Gulf service territory, using Florida Department of Motor Vehicles and US Department of Energy data.

<sup>&</sup>lt;sup>3</sup> FPL assumes EV drivers charge 85% at home, based on research of numerous sources with estimates that range from 70-90%, including, Consumer Reports, "Consumer Interest and Knowledge of EVs" (December 2020) <u>https://advocacy.consumerreports.org/wp-content/uploads/2020/12/CR-National-EV-Survey-December-2020-2.pdf</u>. Idaho National Laboratory, "Plugged In: How Americans Charge Their Electric Vehicles," 2015,

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### **QUESTION:**

The following questions refer to the proposed Smart Electrical Panels Pilot Program, paragraph 25 of the proposed Settlement. Please respond to the following questions:

- a. The proposed smart electrical panel pilot program will have up to 1,000 participants. What are FPL's criteria for a customer to participate in this 5-year pilot program?
- b. Explain which end-use appliances FPL would control, whether the participating customer has a choice as to which appliances FPL could control, and provide examples of when FPL would "control" a customer's appliance.
- c. Pursuant to the smart electrical panel pilot program agreement conditions 8 and 10 (Original Sheet No. 9.807 and 9.808), the proposed smart electrical panel pilot program will be limited to those customers in single family houses with homeowner's liability insurance policy with a minimum limit of \$300,000. Please discuss the reasons for these criteria.
- d. Paragraph 25 of the Settlement states that the pilot program will test the feasibility of employing command-and-control load management messaging and determining customer satisfaction. Please explain the customer satisfaction the pilot program intends to measure.
- e. Paragraph 25 of the Settlement states "the cost of the equipment associated with Smart Panel Pilot Program, including the installation and removal costs, would be includable in FPL's jurisdictional rate base until recovered from customers." Please expand on this statement.
- f. What is the estimated market value/typical cost of one residential smart electrical panel intended to be used in FPL's proposed pilot program? Has FPL purchased the smart electrical panels to be used in the pilot program?
- g. In addition to the smart electrical panel, what other electrical equipment will be needed to connect to and control (customers) end-use appliance circuits? Who will bear the cost of these other electrical equipment?
- h. Condition 5 of the proposed pilot program agreement (Original Sheet No. 9.807) states that the customer will bear all risk of loss or damage (to the extent such loss or damage is caused by weather or the actions of the customer) to the equipment installed in the customers residence. If damaged, how much will the customer be assessed?
- i. In Condition 3 of the proposed optional pilot program agreement, the customer grants to the company and its designees the right to access and use the data and information gathered via the company's equipment. Please discuss what type of data and information will be gathered and how that data and information will be used.

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- j. Condition 6 (Original Sheet No. 9.807) of the proposed pilot program agreement states that the customer shall pay an early termination fee which is an amount equal to the cost to uninstall and remove equipment, if termination is prior to the second anniversary of the Residential Operation Date. What is the estimated cost to uninstall and remove equipment from one residential unit?
- k. As a result of a customer's early termination from the pilot program, would the removed smart electrical panel be re-installed at a new program participant's residence? If not, how would FPL account for the removed panel?
- 1. Condition 12 (Original Sheet No. 9.808) of the proposed pilot program agreement states "that any action or proceeding arising out of or related to this agreement shall be brought to the Circuit Court of Palm Beach County or the US District Court of the Southern District of Florida." Please discuss this particular condition and Condition 12 as a whole.
- m. State how FPL will account for the one-time \$100 credit expense and who pays for this expense (general body of ratepayers or the shareholders).

### **RESPONSE**:

- a. The primary criterion for a customer to participate is that they own and occupy a single family detached home as detailed in Section 8 of the Optional Residential Smart Panel Equipment Agreement. FPL intends to seek a mix of residential customers in new and existing homes.
- b. FPL reserves the option to control any end-use appliance circuits connected to the smart electrical panel equipment. FPL's primary focus, however, is evaluating the feasibility of the smart panel to control air conditioning, heating, water heating and pool pump, as available, end-uses as part of the pilot program. FPL will control these end-uses in various testing scenarios and under peak load conditions as necessary to evaluate the overall performance of the smart electrical panel equipment and the customer's experience with such energy management. Likewise, the customer will be able to remotely view and control appliances at the circuit level via a mobile app, empowering the customer with proactive energy management capability.
- c. FPL is proposing to limit this pilot to single family detached homes in order to maximize the efficiencies of installation practices and to reduce the impacts of shared structures on the thermal profile of the residence. The liability insurance requirements are consistent with current industry recommendations for homeowners and are intended to provide protection of FPL's investment in the event of a loss.

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- d. The pilot program intends to evaluate the overall customer experience and satisfaction of receiving circuit-level energy usage insights, remote circuit operation, and potentially dynamic load management when coupled with distributed energy resources like solar with storage, batteries, and/or electric vehicles when weighed against granting FPL the ability to control circuits as discussed in subpart (b).
- e. FPL proposes to include all installation and any applicable removal costs associated with the Smart Panel Pilot Program in jurisdictional rate base in its monthly earnings surveillance reports and include these assets for recovery in its next base rate proceeding.
- f. FPL estimates the cost of each smart panel to be used in the pilot program to be the pilot program.
- g. FPL does not anticipate any additional electrical equipment will be required in order to control the target end-uses since each circuit will be connected to a breaker in the panel which can be remotely controlled. If any additional ancillary electrical equipment would be required in order to connect circuits to the smart panel, that equipment would be provided by FPL at no cost to the customer.
- h. If the installed equipment is damaged due to any conditions described in Condition 5 as a "Customer Casualty", the customer would be liable up to the full replacement cost of the installed equipment not to exceed the insurance proceeds for such loss.
- i. The types of data to be collected include circuit-level energy usage and atmospheric conditions (temperature and humidity) inside the home to the extent they are available. This data and information will be used to better understand end-use energy usage profiles and real-time available capacity for load control, as available. Also, FPL will monitor the customer interaction with and utilization of the companion mobile app to view circuit-level usage, control circuits and opt-out of control events, as available.
- j. The actual cost to uninstall and remove the Equipment will likely vary depending on many circumstances surrounding the specific installation. For budgetary purposes, FPL estimates such cost to be approximately This does not include any costs for (re)installation of a replacement panel at the customer's premise, if necessary, which would be borne fully by the customer.
- k. If a panel were removed as a result of a customer's early termination from the program, the panel would be evaluated for suitability to be re-installed in a new participant's home. If the panel is not suitable for re-installation it will be retired and accounted for appropriately.

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- 1. FPL included this language so that any dispute with respect to this standardized agreement being used across FPL's service area would be decided in the same venue and in a similar fashion. This approach helps avoid inconsistent interpretations of the same provision across different venues. The jury trial waiver was included to provide for a quick and impartial resolution of potentially complex disputes that could arise under the agreement.
- m. FPL proposes to record the \$100 credit to participants in the Smart Panel Pilot Program as a reduction to retail base revenues, which will be reflected in FPL's earnings surveillance reports. This has the effect of lowering the amount of revenues included in net operating income available to the general body of ratepayers.

### EXHIBIT C

## JUSTIFICATION TABLE

### **EXHIBIT C**

# COMPANY:Florida Power & Light CompanyTITLE:Petition by Florida Power & Light Company for Base Rate Increase and Rate Unification<br/>CompanyDOCKET NO.:20210015-EIDATE:August 24, 2021

Int/POD No.	Begin Bates Number	End Bates Number	Description	Confidential	Page No.	Line/Col	Florida Statute 366.093 (3) Subsection	Declarant
Staff 5 <sup>th</sup> Data Request, No. 19	070641	070641	Response to Staff's 5 <sup>th</sup> Data Request, No. 19, Part b.	Y	2	1-8/A- D	(d), (e)	Matt Valle
Staff 5 <sup>th</sup> Data Request, No. 23	N/A	N/A	Response to Staff's 5 <sup>th</sup> Data Request, No. 23, Part f.	Y	3	1/C to 2/A	(e)	Christopher Chapel
Staff 5 <sup>th</sup> Data Request, No. 23	N/A	N/A	Response to Staff's 5 <sup>th</sup> Data Request, No. 23, Part j.	Y	3	3/B	(e)	Christopher Chapel

### EXHIBIT D

### DECLARATIONS

#### EXHIBIT D

#### **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Petition by Florida Power & Light Company for Rate Unification and for Base Rate Increase Docket No: 20210015-EI

#### DECLARATION OF MATT VALLE

1. My name is Matt Valle. I am currently employed by Florida Power & Light Company ("FPL") as Vice-President, Development. I have personal knowledge of the matters stated in this written declaration.

2. I have reviewed the documents referenced and incorporated in FPL's Request for Confidential Classification, specifically the information contained in FPL's response to Staff's Fifth Data Request, No. 19. The documents or materials that I have reviewed and which are asserted by FPL to be proprietary confidential business information contain information relating to competitive interests, the disclosure of which would impair the competitive business of the provider of the information, as well as FPL's ability to contract for goods or services on favorable terms. Specifically, the information contains projected costs associated with electric vehicle program charges and costs. To the best of my knowledge, FPL has maintained the confidentiality of these documents and materials.

3. Consistent with the provisions of the Florida Administrative Code, such materials should remain confidential for a period of not less than 18 months. In addition, they should be returned to FPL as soon as the information is no longer necessary for the Commission to conduct its business so that FPL can continue to maintain the confidentiality of these documents.

4. Under penalties of perjury, I declare that I have read the foregoing declaration and that the facts stated in it are true to the best of my knowledge and belief.

Date:

### EXHIBIT D

### **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Petition by Florida Power & Light Company for Rate Unification and for Base Rate Increase Docket No: 20210015-EI

#### **DECLARATION OF CHRISTOPHER CHAPEL**

1. My name is Christopher Chapel. I am currently employed by Florida Power & Light Company ("FPL") as Vice President of customer service. I have personal knowledge of the matters stated in this written declaration.

2. I have reviewed the documents referenced and incorporated in FPL's Request for Confidential Classification, specifically the materials provided in FPL's response to Staff's Fifth Data Request, No. 23. The documents or materials that I have reviewed are proprietary confidential business information relating to competitive interests, the disclosure of which would impair the competitive business of the provider of the information. Specifically, the information contains purchase and removal costs of smart electric panels. To the best of my knowledge, FPL has maintained the confidentiality of these documents and materials.

3. Consistent with the provisions of the Florida Administrative Code, such materials should remain confidential for a period of not less than 18 months. In addition, they should be returned to FPL as soon as the information is no longer necessary for the Commission to conduct its business so that FPL can continue to maintain the confidentiality of these documents.

4. Under penalties of perjury, I declare that I have read the foregoing declaration and that the facts stated in it are true to the best of my knowledge and belief.

1

Christopher Chapel

Date: \_\_\_\_\_ 8.23.21