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FPL's Response to FRF's First Interrogatories No. 2, 3, 6.

Confidential Document No. 04019-2021

QUESTION:

For this interrogatory, please reference Witness Sim's Direct Testimony at page 32. The testimony proposes a revised CDR credit of \$5.80/kw-mo. with a calculated RIM cost-benefit ratio of 1.45. What is the calculated credit at a RIM of 1.0?

RESPONSE:

A monthly incentive value of approximately \$8.45/kW would currently yield a RIM ratio of approximately 1.00 assuming no changes in future program costs and/or future avoided costs. However, FPL is not proposing such an incentive level for the reasons stated in FPL witness Sim's direct testimony, particularly regarding the trend of declining utility costs that are potentially avoidable by utility DSM programs such as CILC and CDR. The objective is to reset the incentive at a level that provides reasonable assurance that the programs will remain cost-effective for four to five years at which time the incentive payment levels will likely be reviewed again.



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May 11, 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

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 response to Florida Retail Federation's ("FRF") First Set of Interrogatories No. 3. The request includes Exhibits A, B (two copies), C, and D.

Exhibit A consists of the documents containing confidential information that is the subject of FPL's Request for Confidential Classification. 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.

Please contact me if you or your Staff has any questions regarding this filing.

Sincerely,

/s/ Maria Jose Moncada

Maria Jose Moncada
Senior Attorney
Fla. Bar No. 0773301

Enclosure

cc: Counsel for Parties of Record (w/ copy of FPL's Request for Confidential Classification)

QUESTION:

For this interrogatory, please reference Witness Sim's Direct Testimony at page 74. The testimony states that solar installations concentrated in the Gulf service area will benefit all customers on the integrated system, but also states that power flows on the NFRC will be from FPL to Gulf 98% of the time. Under what circumstances would solar energy production on the Gulf cause power flows on the NFRC to reverse?

RESPONSE:

The relevant portion of FPL witness Sim's direct testimony on page 74 states:

"Customers throughout the integrated utility's service area are projected to benefit from the ability to site new solar facilities in Gulf's former service area because these sites result in higher firm capacity values. The higher firm capacity values result in fewer MW of new capacity that must be added overall, thus reducing fixed costs for new capacity."

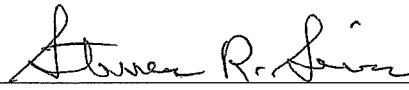
As this passage states, it is the higher firm capacity value of a solar facility sited in Gulf's former service area that provides benefits to all customers in the single, integrated system.

Recognizing that it is not possible to be sure where an electron produced at a specific power plant (regardless of whether that power plant is solar, nuclear, or gas-fueled) will actually "go" in regard to what electrical load it serves, it is very likely that the output of solar facilities sited in the former Gulf area will serve electrical load of customers in the former Gulf area.

DECLARATION

I, Steven R. Sim sponsored the answers to Interrogatory Nos. 1-2 and 5-6 and co-sponsored the answers to Interrogatory Nos. 3-4 from the Federal Retail Federation (FRF) First Set of Interrogatories to Florida Power & Light Company in Docket No. 20210015-EI, and the responses are true and correct based on my personal knowledge.

Under penalty of perjury, I declare that I have read the foregoing declaration and the interrogatory answers identified above, and that the facts stated therein are true.



Steven R. Sim

Date: 5/6/2021

DECLARATION

I, Michael Spoor co-sponsored the answers to Interrogatory Nos. 3-4 from the Federal Retail Federation (FRF) First Set of Interrogatories to Florida Power & Light Company in Docket No. 20210015-EI, and the responses are true and correct based on my personal knowledge.

Under penalty of perjury, I declare that I have read the foregoing declaration and the interrogatory answers identified above, and that the facts stated therein are true.



Michael G Spoor

Date: 5/10/2021