

464

Correction to Exhibit 433.

Incorrectly reflect pdf Exhibit 443 as 00674-  
00688 – inside folder.

FPL's Response to OPC's Seventeenth  
Interrogatories Nos. 263-273.

QUESTION:

State the total amount you paid to Southern Company (including any credit or offset to amounts otherwise receivable from the Southern Company) to resolve any dispute or claim or to otherwise compensate the Southern Company related to system impacts of the NFRC on Southern Company.

RESPONSE:

\$22.7 million has been paid to Southern Company for upgrades to its system out of FPL's total of approximately \$76 million cost responsibility, as set forth in the agreement approved by FERC in Docket No. ER20-2734. See Alabama Power Company, 174 FERC ¶ 61,018 (2021). The remaining balance with respect to each upgrade will be paid after Southern Company commences construction of such upgrade. The upgrades constructed under the agreement are designed to resolve impacts to the Southern Company's transmission system that were identified when studying power flows between FPL and Gulf Power on the NFRC.

QUESTION:

What, if any, alternative remedies to the total estimated cost of Impacted Facilities of approximately \$222 million, reflected in DEF's Affected System Study related to Gulf Power Company OASIS requests: 88952059 (GULF-FPL) and 88952025 (FPL-GULF), and Florida Power and Light OASIS requests: 88861164 (FPL-GULF) and 88861174 (GULF-FPL) were considered by FPL? Please identify each document describing, discussing, or analyzing each and every such remedy (whether such remedies were described, discussed or analyzed separately or in combination).

RESPONSE:

The DEF Affected System Study contains additional system impacts outside those attributable to the NFRC, and as such, the \$222 million identified is not wholly specific to the NFRC. With that said, FPL has had, and continues to have, discussions with DEF to review and consider proposed alternative remedies for the Impacted Facilities reflected in DEF's Affected System Study that specifically address the NFRC impacts. Negotiations with DEF are still ongoing to determine the most efficient and cost-effective means of mitigating impacts, and the associated costs are estimated to be much less than those identified in the DEF study.

For responsive documents, please refer to FPL's response to OPC's Fifteenth Request for Production of Documents, No. 139. FPL's documents responsive to OPC's Fifteenth Request for Production of Documents, No. 139 are designated as Highly Sensitive Information as that term is used in the Confidentiality Agreements in use in this proceeding. Responsive documents will be made available for inspection at The Radey Law Firm located at 301 South Bronough Street, Suite 200, Tallahassee, Florida 32301, provided the reviewing party has executed the Confidentiality Agreement and remains in compliance with the requirements of the Confidentiality Agreement associated with the review of Highly Sensitive Information.

QUESTION:

What, if any, alternative remedies to the total estimated cost of reliability facilities of approximately \$215 million, reflected in DEF's Affected System Study related to Gulf Power Company OASIS requests: 88952059 (GULF-FPL) and 88952025 (FPL-GULF), and Florida Power and Light OASIS requests: 88861164 (FPL-GULF) and 88861174 (GULF-FPL) were considered by FPL? Please identify each document describing, discussing, or analyzing each and every such remedy (whether such remedies were described, discussed or analyzed separately or in combination).

RESPONSE:

None. As recognized in DEF's Affected System Study, page 8, the reliability facilities are not assigned to the NFRC project and are therefore not FPL's responsibility. FPL has no documents responsive to this request.

QUESTION:

If you incur costs related to responding to DEF's Affected System Study, do you propose that those costs will or should be recovered from ratepayers and if yes, through what mechanism.

RESPONSE:

Yes. Upon final determination of the potential impact to DEF's system and subject to FERC's approval, FPL proposes that any costs incurred in responding to DEF's Affected System Study to be included in the overall construction costs of the NFRC project, which is proposed to be recovered through base rates.

**QUESTION:**

What, if any, additional (or ongoing but not completed) studies is FPL or Gulf performing, planning or otherwise required to conduct related to the NFRC prior to being able to bring the NFRC on-line for full commercial transmission purposes?

**RESPONSE:**

Neither FPL nor Gulf are performing, planning to perform, or required to conduct any additional studies related to the NFRC prior to being able to place the NFRC on-line for full commercial transmission purposes.

QUESTION:

Did the cost/benefit or CPVRR analyses for the NFRC study and account for all known, knowable, or reasonably expected impacts or costs (including payments to be made to others) on both FPL's and Gulf's individual and combined transmission systems? If the answer is no, please identify each document describing, discussing, or analyzing each and every such excluded (i.e., not analyzed) impact or cost (whether such impacts or costs were described, discussed or analyzed separately or in combination).

RESPONSE:

The economic analyses of the NFRC that were presented in FPL's March 12, 2021 filing in this docket accounted for all known costs that had been agreed to at that time by FPL and other affected parties. Please see pages 63 and 64, and Exhibit SRS-10, of the direct testimony of FPL witness Sim which presents these analyses.

At the time of FPL's filing, FPL and Southern Company had agreed to an FPL payment amount to Southern Company that would address impacts on the Southern Company transmission system as a result of the NFRC. Those costs are accounted for in FPL's analyses as noted in the footnote at the bottom of Exhibit SRS-10, Page 2 of 4.

At the time of FPL's filing, FPL and Duke Energy Florida (DEF) were discussing potential impacts on the DEF transmission system that might occur as a result of the NFRC. However, no agreement by the two parties regarding such associated costs for these potential impacts had been reached. The fact that other NFRC-related costs could occur was stated in footnote 7, page 13, of FPL witness Sim's direct testimony. This footnote also contains the following statement: "Although other potential costs might be identified at a later date, the magnitude of the current projected net benefits provides confidence that the projected net benefits will remain significant even if other potential costs are identified." The current projected direct and indirect net benefits resulting from the NFRC are \$677 million CPVRR which was presented and discussed on page 70 of FPL witness Sim's direct testimony.

Please see FPL's response to OPC's Seventeenth Set of Interrogatories No. 272 for the file name and location of the NFRC vs. wheeling analyses discussed above.

**QUESTION:**

Have you procured all equipment necessary to bring the NFRC into operation? If not, what equipment has the Company not yet procured and when does the Company anticipate the remaining equipment will be procured?

**RESPONSE:**

Yes.



**QUESTION:**

Have you completed all engineering and load flow analyses necessary to bring the NFRC into operation? If not, what engineering analyses remain to be completed and when does the Company anticipate the remaining analyses will be completed?

**RESPONSE:**

No. The remaining geotechnical investigations and alternating current mitigation studies are on track to be completed by year end 2021. No additional load flow analyses are necessary to bring the NFRC into operation.

QUESTION:

Have you completed all engineering or other analyses necessary to complete all of the procurement required for construction and completion of all work required to bring the NFRC on-line for full commercial transmission purposes? If not, what engineering analyses remain to be completed and when does the Company anticipate that the remaining, required engineering or other analyses will be completed?

RESPONSE:

Yes, all engineering necessary to complete procurement for construction is complete. See FPL's response to OPC's Seventeenth Set of Interrogatories, Nos. 269 and 270.

QUESTION:

Did you conduct a cost benefit analysis regarding the cost of wheeling power through Southern Company compared to constructing the NFRC? Please identify each document describing, discussing or analyzing each and every such cost/benefit analysis, including each version of such analysis.

RESPONSE:

Yes. FPL conducted a comparative economic analysis of the projected costs of the NFRC versus projected costs for wheeling through the Southern Company and DEF transmission systems. This was discussed on pages 63 and 64, and Exhibit SRS-10, of the direct testimony of FPL witness Sim which presents these analyses. Please refer to those pages of FPL witness Sim's direct testimony.

A working EXCEL version of Exhibit SRS-10 has been previously provided in this docket in response to LULAC, ECOSWF, and FL-Rising's First Request for Production of Documents No. 14. Other backup data for Exhibit SRS-10 was also provided in FPL's supplemental response to OPC's First Request for Production of Documents No. 36. The file name is: "Exhibit SRS-10 Projected CPVRR Costs for NFRC, Wheeling Through Southern & DEF". In addition, an extended version of Exhibit SRS-10, which separately shows the cost payment to Southern Company, was provided in FPL's response to Staff's Third Set of Interrogatories No. 85. The name of this file is: "20210015 - Staff's 3rd INT No. 85 - Attachment 1".

QUESTION:

Did you conduct a cost benefit analysis regarding the cost of wheeling power through Duke Energy Florida compared to constructing the NFRC? Please identify each document describing, discussing or analyzing each and every such cost/benefit analysis, including each version of such analysis.

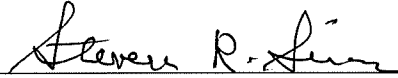
RESPONSE:

Yes. Please see FPL's response to OPC's Seventeenth Set of Interrogatories No. 272.

**DECLARATION**

I, Steven R. Sim sponsored the answers to Interrogatory Nos. 268 and 272-273 from the Office of Public Counsel (OPC) Seventeenth 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.

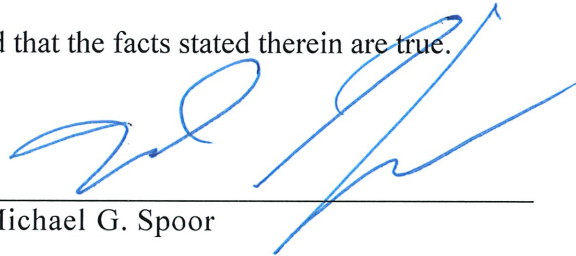
  
\_\_\_\_\_  
Steven R. Sim

Date: 7/8/2021

**DECLARATION**

I, Michael Spoor sponsored the answers to Interrogatory Nos. 263-267, and co-sponsored the answers to Interrogatory Nos 269-271 from the Office of Public Counsel (OPC) Seventeenth 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:

\_\_\_\_ 7/8/2021 \_\_\_\_\_

**DECLARATION**

I, Matthew Valle co-sponsored the answers to Interrogatory Nos. 269-271 from the Office of Public Counsel (OPC) Seventeenth 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.

  
\_\_\_\_\_  
Matthew Valle

Date: 7/9/21