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FPL's response to Staff's fourth data request,
Nos. 1-3.

QUESTION:

Please refer to FPL's Response to Staff's Fifth Set of Interrogatories, No. 105, Attachment 1 of 2, as well as Schedule 2.1 (Forecast) of FPL/Gulf's 2021 Ten-Year Site Plan for the following.

- a. Is it correct that FPL's forecasted standalone average annual commercial customers for 2021, as provided in FPL's response to Staff Interrogatory No. 105, includes 564,021 small/medium customers and 3,078 large customers, for a total of 567,099 commercial customers?
- b. If response to Question 1.a. is affirmative, please explain why Schedule 2.1 (Forecast) of FPL/Gulf's 2021 Ten-Year Site Plan appears to forecast 576,415 average annual total commercial customers for FPL's standalone system in 2021 (Column 8), which is 9,406 more customers than the 567,099 total which was provided in FPL's response to Staff Interrogatory No. 105.
- c. Please explain if and/or how the customer differential in 1.b. was considered (i.e. 9,406 commercial customers) in the 2021 Stipulation and Settlement Agreement.
- d. Please explain any and all other anomalies between the annual customer amounts, both historical and forecasted, appearing in FPL's Response to Staff's Fifth Set of Interrogatories, No. 105, Attachment 1 of 2, and the FPL/Gulf 2021 Ten Year Site Plan, Schedule 2.1.

RESPONSE:

FPL assumes that this data request is referring to the Company's response to Staff's Fifth Set of Interrogatories, No. 107.

- a. Yes. FPL's 2021 standalone customer forecast for 2021 includes 564,021 small/medium commercial customers and 3,078 large commercial customers, for a total of 567,099 small/medium and large commercial customers. These numbers do not include FPL's 2021 forecast of 9,316 commercial lighting customers. Including lighting customers, FPL's forecasted standalone average annual commercial customers for 2021 is 576,415.
- b. Schedule 2.1 of FPL/Gulf's 2021 TYSP lists a forecast of 576,415 average annual commercial customers for FPL's standalone system for 2021 and this is 9,316 more than the 567,099 small/medium and large commercial customers provided in the response to Staff Interrogatory No. 107 because that response did not include the 9,316 commercial lighting customers. The response to Staff Interrogatory No. 107 only included the small/medium and large commercial customers because the request specifically referred to MFR Schedule F-7, which lists the historical and projected values for all input variables and output variables for the forecasting models used to estimate test year projections. No forecasting models were used to develop the commercial lighting customer forecasts; these were provided by FPL's lighting services team.

- c. There is no customer differential that needs to be considered. See responses to 1.a and 1.b above.
- d. The historical and forecasted numbers of residential and commercial customers shown in Schedule 2.1 of FPL/Gulf's 2021 TYSP include lighting customers for FPL standalone, Gulf standalone, and FPL consolidated. The FPL standalone commercial customer numbers shown in the response to Staff Interrogatory No. 107 do not include commercial lighting customers. The Gulf standalone residential and commercial customer numbers shown in the response to Staff Interrogatory 107 do not include lighting customers.

QUESTION:

Please refer to Paragraph 4.(a) and (b) as pertains to projected 2022 test year billing determinants set forth in Schedules E-13C and E-13d. Please provide actual monthly number of customers by rate class for the months of May, June, and July 2021 for FPL and Gulf on both a standalone and consolidated basis.

RESPONSE:

See Attachment 1 in XLS tabs labeled “FPL” and “Gulf” for the actual monthly number of customers by rate class for the months of May, June, and July 2021 for FPL and Gulf. FPL and Gulf were not consolidated during the months of May, June, and July 2021 and, therefore, the requested information is not available on a consolidated basis. Assuming the proposed Settlement Agreement is approved, actual information on a consolidated basis will not be available until after January 1, 2022.

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Florida Power & Light Company

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Staff's Fourth Data Request

Request No. 2

Attachment 1 of 1

Tab 1 of 2

Attachment 1

FPL CUSTOMERS BY RATE CLASS

Rate Class	May 2021	June 2021	July 2021
CILC-1D	253	253	252
CILC-1G	65	63	64
CILC-1T	16	16	16
GS(T)-1	465,709	466,423	466,717
GSCU-1	8,351	8,222	8,097
GSD(T)-1	103,560	103,779	103,876
GSLD(T)-1	2,626	2,634	2,644
GSLD(T)-2	148	149	146
GSLD(T)-3	8	8	8
MET	27	27	27
OL-1	4,756	4,752	4,742
OS-2	159	159	159
RS(T)-1	4,608,578	4,614,505	4,620,546
SL-1	10,181	10,219	10,248
SL-1M	489	501	512
SL-2	838	835	834
SL-2M	854	873	892
SST-DST	6	6	6
SST-TST	10	10	10
Total	5,206,634	5,213,434	5,219,796

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Attachment 1

GULF POWER CUSTOMERS BY RATE CLASS

Rate Class	May 2021	June 2021	July 2021
G - GS	34,906	35,063	35,097
G - GSD/GSDT	14,977	14,974	14,953
G - OS	10,161	10,161	10,165
G - Residential	415,663	416,805	417,666
G - LP/LPT	202	202	202
G - Major Accts	130	130	130
G - SBS	2	2	2
Total	476,041	477,337	478,215

QUESTION:

Please refer to FPL's response to Staff's 17th Set of Interrogatories, No. 215. FPL indicates in its response that somewhat lower forecasted customer growth in 2021 and 2022 relative to 2015-2020 is due to slower household growth forecasted by IHS Markit as a result of the recession caused by the pandemic and the acquisition of the City of Vero Beach in late 2018 and early 2019. Please reconcile this causation statement with the apparent increase in 2022 household growth and decrease in 2022 customer growth rate based on data appearing in MFR Schedule F, Attachment 12 (see table below, "Year over Year Growth Rate – Households" for 2022, showing 1.69 percent growth rate, an increase from 2021 percent growth rate of 0.52%, and "Year over Year Growth Rate – Customers", for 2022, showing 0.94 percent growth rate, a decrease from 2021 percent growth rate of 1.06).

Year	Month	Residential Customers Model Output*	Month over 12 Months Prior Growth Rate - Customers	Year over Year Growth Rate - Customers	IHS Markit Number of Florida Households* (1,000's)	Month over 12 Months Prior Growth Rate - Households	Year over Year Growth Rate - Households
2019	1	4,450,543			8,266		
2019	2	4,455,884			8,274		
2019	3	4,461,679			8,282		
2019	4	4,466,611			8,290		
2019	5	4,471,736			8,298		
2019	6	4,476,842			8,306		
2019	7	4,482,261			8,315		
2019	8	4,487,915			8,323		
2019	9	4,491,556			8,332		
2019	10	4,497,317			8,342		
2019	11	4,502,140			8,351		
2019	12	4,507,783			8,360		
2020	1	4,514,328	1.43%		8,372	1.28%	
2020	2	4,522,088	1.49%		8,379	1.27%	
2020	3	4,528,056	1.49%		8,384	1.23%	
2020	4	4,533,622	1.50%		8,387	1.17%	
2020	5	4,539,306	1.51%		8,389	1.10%	
2020	6	4,547,303	1.57%		8,390	1.00%	
2020	7	4,553,350	1.59%		8,386	0.86%	

Year	Month	Residential Customers Model Output*	Month over 12 Months Prior Growth Rate - Customers	Year over Year Growth Rate - Customers	IHS Markit Number of Florida Households*	Month over 12 Months Prior Growth Rate - Households	Year over Year Growth Rate - Households
2020	8	4,558,411	1.57%		8,386	0.76%	
2020	9	4,559,690	1.52%		8,388	0.67%	
2020	10	4,561,768	1.43%		8,393	0.61%	
2020	11	4,566,839	1.44%		8,395	0.53%	
2020	12	4,572,756	1.44%	1.50%	8,398	0.45%	0.91%
2021	1	4,578,788	1.43%		8,399	0.33%	
2021	2	4,584,708	1.38%		8,402	0.28%	
2021	3	4,590,453	1.38%		8,405	0.25%	
2021	4	4,593,251	1.32%		8,406	0.23%	
2021	5	4,591,601	1.15%		8,411	0.27%	
2021	6	4,592,387	0.99%		8,418	0.34%	
2021	7	4,594,073	0.89%		8,427	0.49%	
2021	8	4,597,196	0.85%		8,436	0.59%	
2021	9	4,597,501	0.83%		8,447	0.70%	
2021	10	4,599,054	0.82%		8,459	0.79%	
2021	11	4,603,899	0.81%		8,471	0.90%	
2021	12	4,609,843	0.81%	1.06%	8,484	1.03%	0.52%
2022	1	4,616,161	0.82%		8,498	1.18%	
2022	2	4,622,604	0.83%		8,512	1.31%	
2022	3	4,629,090	0.84%		8,526	1.45%	
2022	4	4,632,877	0.86%		8,542	1.61%	
2022	5	4,632,392	0.89%		8,555	1.72%	
2022	6	4,634,456	0.92%		8,569	1.79%	
2022	7	4,637,448	0.94%		8,580	1.81%	
2022	8	4,641,891	0.97%		8,592	1.85%	
2022	9	4,643,517	1.00%		8,605	1.88%	
2022	10	4,646,379	1.03%		8,620	1.90%	
2022	11	4,652,497	1.06%		8,633	1.90%	
2022	12	4,659,657	1.08%	0.94%	8,645	1.90%	1.69%

RESPONSE:

The following table was developed using data appearing in MFR Schedule F-7, Attachment 12.

	Residential Customers	YOY Growth	Households 000s	YOY Growth
2005	3,828,374		7,284	
2006	3,906,267	2.0%	7,378	1.3%
2007	3,981,451	1.9%	7,406	0.4%
2008	3,992,257	0.3%	7,409	0.1%
2009	3,984,490	-0.2%	7,394	-0.2%
2010	4,004,366	0.5%	7,442	0.6%
2011	4,026,760	0.6%	7,516	1.0%
2012	4,052,174	0.6%	7,592	1.0%
2013	4,097,172	1.1%	7,629	0.5%
2014	4,169,028	1.8%	7,743	1.5%
2015	4,227,425	1.4%	7,872	1.7%
2016	4,284,159	1.3%	7,985	1.4%
2017	4,338,224	1.3%	8,102	1.5%
2018	4,391,832	1.2%	8,215	1.4%
2019	4,479,356	2.0%	8,312	1.2%
2020	4,546,460	1.5%	8,387	0.9%
2021	4,594,396	1.1%	8,430	0.5%
2022	4,637,414	0.9%	8,573	1.7%
	Residential Customers	Avg Growth	Households	Avg Growth
	2015-2020	1.5%	2015-2020	1.3%
	2020-2022	1.0%	2020-2022	1.1%

FPL's response to Staff's 17th Set of Interrogatories, No. 215 correctly states that the forecasted growth in customers for years 2021 and 2022 are somewhat lower than the historical growth for years 2015-2020 due to slower household growth and the acquisition of the City of Vero Beach. This statement is supported by the average annual growth rates presented in the table above. The 2020 to 2022 average annual customer growth rate of 1.0 percent is lower than the 1.5 percent growth rate for 2015 to 2020 and this corresponds to the lower household growth of 1.1 percent for 2020 to 2022 compared to 1.3 percent for 2015 to 2020. The acquisition of the City of Vero Beach contributed approximately 0.2 percent to the 2015 to 2020 growth rate, thus the 2015 to 2020 growth rate is approximately 1.3 percent after adjusting for the City of Vero Beach.

Regarding the 0.9 percent increase in customers in 2022 compared to the 1.7 percent increase in households, the year over year growth rates for customers do not move in lockstep with year over year growth rates for households. The table above clearly shows that the annual growth rates for customers and households can and do differ significantly for any individual year. But over longer time periods, the growth rates are positively correlated, which is logically consistent with the relationship between customers and households. FPL's residential customer forecasting model accounts for the difference in the timing of customer growth versus household growth with the inclusion of lagged dependent variables.

DECLARATION

I, Jun K. Park, sponsored the answers to Data Request Nos. 1 and 3 from Staff's Fourth Data Request 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.

Jun Park

Jun K. Park

Date: 8/23/2021

DECLARATION

I, Tiffany C. Cohen, sponsored the answer to Data Request No. 2 from Staff's Fourth Data Request 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 answer identified above, and that the facts stated therein are true.

Tiffany Cohen

Tiffany C. Cohen

Date: 8/23/2021