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# FPL's Responses to Staff's Second Set of Interrogatories, Nos. 3-4, 7, 10

(Including Attachments)

Florida Power & Light Company Docket No. 20220001-EI Staff's 2nd Set of Interrogatories Interrogatory No. 3 Page 1 of 1

# **QUESTION**:

The following questions are with respect to Florida Power & Light's (FPL or Company) Petition for Approval of Fuel Cost Recovery and Capacity Cost Recovery Net Final True-Ups for the Period Ending December 2021 and 2021 Asset Optimization Incentive Mechanism Results (Petition).

Please refer to page 2 of the Petition, paragraph 3, footnote 2. Please identify the replacement power cost amount associated with the August 2020 outage of Plant Turkey Point Unit No. 3 alluded to in footnote 2. Please show how this amount was calculated with explanation.

#### **RESPONSE**:

The replacement power costs associated with the August 2020 outage of Plant Turkey Point Unit No. 3 were \$1,468,309. The calculation is provided in Attachment No. I to this Interrogatory. FPL applies the proportion of fuel used during the same period for each fuel type, as summarized on Schedule A3, to the amount of outage time, in hours, experienced. Fixed natural gas costs are removed from the calculation since those costs have already been incurred.

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# **QUESTION:**

The following questions are with respect to Florida Power & Light's (FPL or Company) Petition for Approval of Fuel Cost Recovery and Capacity Cost Recovery Net Final True-Ups for the Period Ending December 2021 and 2021 Asset Optimization Incentive Mechanism Results (Petition).

Please refer to the Direct Testimony of FPL witness Dean Curtland for the following question. Please provide the replacement power costs, if any, associated with the: July 2020 outage of Turkey Point Unit No. 4; November 2020 outage of Turkey Point Unit No. 3; January 2021 outage of St. Lucie Unit No. 2; March 2021 outage of Turkey Point Unit No. 3; May 2021 outage of St. Lucie Unit No. 1; and the August 2021 outage of Turkey Point Unit No. 3. Please also show how any replacement power cost amounts were calculated.

#### **RESPONSE**:

The replacement power cost for July 2020 outage of Turkey Point Unit No. 4 was \$1,453,970; November 2020 outage of Turkey Point Unit No. 3 was \$1,290,604; January 2021 outage of St. Lucie Unit No. 2 was \$1,180,450; March 2021 outage of Turkey Point Unit No. 3 was \$1,206,743; May 2021 outage of St. Lucie Unit No. 1 was \$1,517,511; August 2021 outage of Turkey Point Unit No. 3 was \$2,766,857. The calculations are provided in Attachment No. I to this Interrogatory. FPL applies the proportion of fuel used during the same period for each fuel type, as summarized on Schedule A3, to the amount of outage time, in hours, experienced. Fixed natural gas costs are removed from the calculation since those expenses have already been incurred.

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# **QUESTION:**

The following questions are with respect to Florida Power & Light's (FPL or Company) Petition for Approval of Fuel Cost Recovery and Capacity Cost Recovery Net Final True-Ups for the Period Ending December 2021 and 2021 Asset Optimization Incentive Mechanism Results (Petition).

Please refer to witness Deaton's testimony, Exhibit RBD-3, Page 2 of 3, for the following question. Please explain what specific costs are associated with (unnumbered lines) "Adjustments to Fuel Cost" in the (net) amount of (\$133,785), and "Adjustments" in the amount of \$1,245,162.

#### RESPONSE:

The amount of (\$133,655) represents a loss/(gain) on the sale of gas. The loss/(gain) on the sale of gas represents the resale of gas in the Southern pool to other electric entities. Gas resale revenue is a credit to fuel cost and the value of that gas sold is expensed at the time of sale. The (\$133,655) includes a \$130 non-fuel credit that was inadvertently booked to the loss/(gain) on the sale of gas. This amount will be reclassified in 2022.

The adjustment of \$1,245,162 represents a reclassification of base retail revenue to clause revenue. Subsequent to the close of the general ledger for the period ending December 31, 2020, it was identified that base retail revenues were overstated by \$2.0 million and clause revenues were understated by the same amount. The fuel portion of this revenue adjustment is \$1.2 million, which was moved from base to clause revenue in January 2021.

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# **<u>QUESTION</u>**:

The following questions are with respect to Florida Power & Light's (FPL or Company) Petition for Approval of Fuel Cost Recovery and Capacity Cost Recovery Net Final True-Ups for the Period Ending December 2021 and 2021 Asset Optimization Incentive Mechanism Results (Petition).

Please provide a workpaper showing the derivation of the SolarTogether credit/adjustment in the amount of \$81,015,148.

# RESPONSE:

The FPL SolarTogether ("ST") Subscription Credits are calculated in the FPL billing system and a report is provided monthly. In 2021, a total of approximately 53,000 customer accounts participated in the ST Program, therefore a workpaper showing each customer's credit calculation for each month is not available. Please see Attachments I and II to this response. Attachment I provides a summary of the monthly reports reflecting the credit amounts from FPL's billing system. Attachment II provides a reconciliation of billing system amounts with amounts on FPL's books and records, which include adjustments for the regulatory assessment fee and monthly billing adjustments.

The calculation of the ST Subscription Credit for participating customer accounts is based on the following formula:

ST Subscription Credit = FPL ST Credit (Benefit Rate) cents per kWh \* KW subscribed / Name Plate \* AMO / 100

- ST Credit (Benefit Rate) cents per kWh = factor determined by the customer's original subscription date. For example, Year 000 represents months 1-12 of ST billing, Year 001 represents months 13-24 of ST billing, etc.
- kW subscribed = the demand amount the customer has subscribed to.
- Name Plate = factor per the solar sites for which the customer has subscribed.
- AMO = Actual Monthly Output determined by the relative month of the corresponding billing period. For example, if billing is for the month of March 2022, the AMO used is from February 2022.

#### **DECLARATION**

I sponsored the answer to Interrogatory Nos. 3, 4, and 9b from STAFF'S SECOND SET OF INTERROGATORIES (NOS. 3-10) to Florida Power & Light Company in Docket No. 20220001-EI. The responses are true and correct based on my personal knowledge.

Under penalties 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.

Jew Jypp Gerard J. Yupp Date: \_\_\_\_\_\_5/10/22

#### **DECLARATION**

I sponsored the answer to Interrogatory Nos. 6 through 8 and 10 from **STAFF'S SECOND SET OF INTERROGATORIES (NOS. 3-10)** to Florida Power & Light Company in Docket No. 20220001-EI. The responses are true and correct based on my personal knowledge.

Under penalties 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.

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Renae B. Deaton

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