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**FPL's response to staff's first set of
interrogatories Nos. 1-3**

QUESTION:

Please identify all documents that establish or memorialize any of the policies and practices the Company used during the 2021 period for program oversight, program deployment, program costs controls, and accounting for each of the following:

- a. All programs listed in Exhibit RBD-1, Form 4-A;**
- b. All programs listed in Exhibit RBD-1, Form 6-A;**
- c. All programs listed in Exhibit RBD-2, Form 4-A; and**
- d. All programs listed in Exhibit RBD-2, Form 6-A.**

RESPONSE:

FPL complied with the requirements of Order No. PSC-2020-0293-AS-EI, Docket No. 20200070-EI, 20200071-EI, and 20200092-EI, which states that only certain SPP program costs are recoverable through the SPPCRC in 2021. Based on the requirements of the referenced order, all recoverable SPP program costs incurred in 2021 are included for recovery through the SPPCRC and reflected on Forms 4-A and 6-A.

In addition, as required by Rule 25-6.031(5), Storm Protection Plan Cost Recovery Clause, FPL has created new FERC subaccounts for the recording and tracking of capital expenditures, accumulated depreciation, depreciation expense, and O&M expenses for SPP costs approved for recovery through the SPPCRC. FPL also utilized a new Business Area ("BA") within its accounting system (SAP) to track all costs recoverable through the SPPCRC, similar to how it identifies and tracks costs recoverable through other cost recovery mechanisms. FPL has also created unique master data in SAP (i.e., work order type and work breakdown structure) to record and track activity performed by employees and contractors for SPP projects approved for recovery through SPPCRC, which are summarized at the SPP program level.

FPL does not have any specific documents that establish or memorialize any of the policies and practices associated specifically for the Storm Protection Plan programs referenced in subparts a – d of this request, each SPP program is managed using FPL's already established internal process that is used for all other capital programs as detailed above and FPL's response to Staff's 1st set of Interrogatories No. 2.

QUESTION:

If the Company has not documented any of the policies and practices for oversight, deployment, and control it used for any of the following during the 2021 period, please explain why.

- a. All programs listed in Exhibit RBD-1, Form 4-A;**
- b. All programs listed in Exhibit RBD-1, Form 6-A;**
- c. All programs listed in Exhibit RBD-2, Form 4-A; and**
- d. All programs listed in Exhibit RBD-2, Form 6-A.**

RESPONSE:

FPL utilizes various systems in order to identify, track, and record costs and expenses associated with its SPP. As explained in FPL's Response to Staff's 1st Set of Interrogatories No. 1, FPL also accounts for SPP costs and expenses in the appropriate O&M and capital accounts in accordance with its capitalization policy and the requirements of the Uniform System of Accounts in the Code of Federal Regulation, Section 18, Part 101.

- Vegetation Management Program -
 - Distribution - FPL establishes a unique Work Request (WR) for each job in its Work Management System (WMS) to track costs. As work is completed, the charges on each WR interfaces with FPL's accounting system (SAP) and be recorded to FERC Account 593.
 - Transmission - FPL creates unique jobs in and issue them to a vendor in its Transmission Vegetation Management System (TVMS). As work is completed, the charges in its TVMS interfaces with SAP and be recorded to FERC account 571.
- All Other SPP Programs
 - Once a construction project has been identified to be engineered, FPL creates a unique WR in WMS for distribution projects and Project Unit Reporting (PUR) for transmission projects to track costs for each project, which is be mapped to a unique Work Breakdown Structure (WBS) in SAP. Based on the work scope of each project, a capital and O&M split is applied to each WR. As the job advances through each phase of construction, costs accumulate and interface with its fixed asset system (PowerPlan) and then ultimately, SAP. O&M is recorded to the appropriate FERC account depending the activity performed, and capital remains in FERC account, 107, Construction Work in Progress (CWIP) until the job is completed. Once the job is completed, the actual as-built is entered in WMS or PUR and the final capital and O&M split is determined. At that point, all O&M and capital costs is adjusted based on the final cost of the project. Subsequently, the capital portion of the job transfers from CWIP to Electric Plant in Service (FERC account

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101) to the appropriate plant accounts and begin being depreciated utilizing FPL's current FPSC approve depreciation rates. All O&M costs not associated with a WR are charged directly to the appropriate FERC account dependent upon the nature of work performed.

While FPL does not have any other documented policies and practices for oversight, deployment, and control process specifically designed for SPP programs other than described in FPL's response to Staff's 1st set of Interrogatories No. 1, each SPP program is managed using FPL's already established internal process that is used for all other capital programs, as detailed above.

QUESTION:

Please provide an estimate of the percentage of the Lateral Hardening (Undergrounding) Distribution program that was completed at the end 2021.

RESPONSE:

As part of the SPP, FPL completed 440 Lateral Hardening (Undergrounding) projects in 2021, which represents approximately 0.64% of the approximately 69,000 total overhead laterals on FPL's system.

As of the end of 2021, through the entire life of both the SSUP pilot program and the SPP, FPL has completed a total of 600 laterals, which represents approximately 0.87% of the approximately 69,000 total overhead laterals on FPL's system.

DECLARATION

I sponsored the answer to Interrogatory Nos. 1 and 2 from **STAFF'S FIRST SET OF INTERROGATORIES (NOS. 1-3)** to Florida Power & Light Company in Docket No. 20220010-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.

Jason Chin
Jason Chin

Date: 05/12/2022

DECLARATION

I sponsored the answer to Interrogatory No. 3 from **STAFF'S FIRST SET OF INTERROGATORIES (NOS. 1-3)** to Florida Power & Light Company in Docket No. 20220010-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.

A handwritten signature in blue ink that reads "Thomas Allain".

Thomas Allain

Date: May 13, 2022