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FPL's Response to Staff's Third Set of  
Interrogatories Nos. 16-17

**QUESTION:**

Please refer to witness Jarro's direct testimony, exhibit MJ-1, pages 62 and Appendix C.

Witness Jarro provided the estimated rate impacts for 2023 through 2025. What would the estimated rate impacts for the SPP be for 2023 through 2025 if the following components, an average over the ten year plan, were completed in lieu of the Utility's current plans:

- a. If 125 feeders were hardened per year;
- b. If 530 laterals were hardened per year;
- c. If 480 transmission structures were hardened per year;
- d. If 100 distribution transformers were replaced for winterization per year;
- e. If 1 distribution power transformer was replaced for winterization per year;
- f. If 6 distribution regulators were replaced for winterization per year, and;
- g. If 7 transmission accesses were enhanced per year.

**RESPONSE:**

- a. See Attachment 1 for the estimated rate impacts if 125 feeders were hardened per year for a total of approximately 375 over the 3-year period 2023-2025 as compared to FPL's proposed plan of 216-300 feeders hardened per year for a total of approximately 650-900 over the same 3-year period 2023-2025. This would result in a total program cost reduction of \$916 million during 2023-2025 as shown in Attachment 2. However, such a reduction in the number of feeders to be hardened would delay completion of the program by 6 years, which would cumulatively impact 1.5 million customers during the same 3-year period 2023-2025 and expose them to extended outages after an extreme weather event.
- b. See Attachment 1 for the estimated rate impacts if 530 laterals were hardened per year for a total of approximately 1,590 over the 3-year period 2023-2025 as compared to FPL's proposed plan of 700-900 laterals hardened per year for a total of approximately 2,100-2,700 over the same 3-year period 2023-2025. This would result in a total program cost reduction of \$651 million during 2023-2025 as shown in Attachment 2. However, after the 10-year period 2023-2032 the Lateral Hardening Program would have only completed 51% of the laterals to be hardened under FPL's proposed plan, which would result in a delay of over 5,600 laterals being hardened as compared to FPL's proposed plan, or an additional 10+ years to complete the proposed plan. Such a reduction in the number of laterals to be hardened would cumulatively impact 1.0 million customers during the 10-year period 2023-2032 and expose them to extended outages after an extreme weather event.

- c. See Attachment 1 for the estimated rate impacts if 480 transmission structures were hardened per year for a total of approximately 1,440 over the 3-year period 2023-2025 as compared to FPL's proposed plan of 433-533 transmission structures hardened per year for a total of approximately 1,300-1,600 over the same 3-year period 2023-2025. This would result in a total program cost reduction of \$1.6 million during 2023-2025 as shown in Attachment 2. However, after the 3-year period 2023-2025 the Transmission Hardening Program would have delayed 120 structure replacements during the 2023-2025-time frame, which would expose customers to extended outages after an extreme weather event.
- d. See Attachment 1 for the estimated rate impacts<sup>1</sup> if 100 distribution transformers were installed per year for a total of approximately 300 installs over the 3-year period 2023-2025 as compared to FPL's proposed plan of approximately 2,400 distribution transformers installed per year for a total of 7,100 over the same 3-year period 2023-2025. This would result in a total program cost reduction of \$38.5 million during 2023-2025 as shown in Attachment 2. However, after the 10-year period 2023-2032 the Distribution Winterization Program would have completed only 10% of the distribution transformers to be hardened under FPL's proposed plan, which translates into 9,000 distribution transformers remaining to be hardened, or an additional 90 years to complete the plan, and would expose customers to extended outages after an extreme weather event.
- e. See Attachment 1 for the estimated rate impacts<sup>2</sup> if 1 distribution power transformer was installed per year for a total of approximately 3 installs over the 3-year period 2023-2025 as compared to FPL's proposed plan of approximately 5 distribution power transformers installed per year for a total of 16 over the same 3-year period 2023-2025. This would result in a total program cost reduction of \$28.8 million during 2023-2025 as shown in Attachment 2. However, after the 10-year period 2023-2032 the Distribution Winterization Program would have completed only 63% of the distribution power transformers to be hardened under FPL's proposed plan, which translates into 6 distribution power transformers pending to be installed, or an additional 6 years to complete the plan, and would expose customers to extended outages after an extreme weather event.
- f. See Attachment 1 for the estimated rate impacts<sup>3</sup> if 6 distribution regulators were installed per year for a total of approximately 18 installs over the 3-year period 2023-2025 as compared to FPL's proposed plan of approximately 30 distribution regulators installed in 2023 and 2024 and 0 in 2025 for a total of 60 over the same 3-year period 2023-2025. This would result in a total program cost reduction of \$1.5 million during 2023-2025 as shown in Attachment 2. However, such reduction would delay completion of the program by 8 years and expose customers to extended outages after an extreme weather event.

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<sup>1</sup> Please note that the changes to the Distribution Winterization Program proposed by subparts d, e, and f of Staff's Third Set of Interrogatories No. 16 have such a small rate impact that they were combined in Attachment 1 for purposes of showing the rate impacts to the Distribution Winterization Program.

<sup>2</sup> See footnote 1.

<sup>3</sup> See footnote 1.

- g. See Attachment 1 for the estimated rate impacts if 7 transmission access enhancements were implemented per year for a total of approximately 10 over the 3-year period 2023-2025 as compared to FPL's proposed plan of approximately 3 transmission accesses per year for a total of approximately 8 over the same 3-year period 2023-2025. This would result in a total program cost reduction of \$5.1 million during 2023-2025 as shown in Attachment 2.

Note that during the first two years of this program, FPL does not anticipate the completion of 7 transmission accesses, as suggested by the scenario in Staff's Third Set of Interrogatories No. 16. Below is the explanation behind this assumption.

- Each project will likely involve up to 2-years for permitting before large scale work/expenditures begin.
- FPL was using year 2023 and year 2024 for the permitting approval process before fully ramping up to large scale work starting in year 2025.
- It is highly unlikely FPL would be able to spend that amount of capital in year 2023 or 2024 due to the permitting requirements for the program.

Florida Power & Light Company  
Staff Hearing Exhibits 20220048-EI-20220051-EI-0000015  
Docket No. 20220051-EI  
Staff's Third Set of Interrogatories  
Interrogatory No. 16  
Attachment 1 of 2  
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No 16:	FPL's Proposed 2023 SPP	Average Projects Per Year	Factor RS-1 (\$/kWh)			Factor GSD-1 (\$/kW)			Factor GSLDT-3 (\$/kW)		
			2023	2024	2025	2023	2024	2025	2023	2024	2025
a.	Distribution Feeder Hardening	216-300 feeders	\$ 0.00199	\$ 0.00282	\$ 0.00350	\$ 0.31	\$ 0.45	\$ 0.56	\$ -	\$ -	\$ -
b.	Distribution Lateral Hardening	700- 900 laterals	\$ 0.00105	\$ 0.00176	\$ 0.00257	\$ 0.16	\$ 0.28	\$ 0.41	\$ -	\$ -	\$ -
c.	Transmission Replacing Wood Structures	433-533 transmission structures	\$ 0.00016	\$ 0.00021	\$ 0.00025	\$ 0.05	\$ 0.07	\$ 0.08	\$ 0.05	\$ 0.06	\$ 0.08
d., e., f.	Distribution Winterization	2,367 Dist TXs 2,367; 5 Power TX; 20 Regulators	\$ 0.00002	\$ 0.00005	\$ 0.00008	\$ -	\$ 0.01	\$ 0.01	\$ -	\$ -	\$ -
g.	Transmission Access Enhancement		\$ -	\$ -	\$ 0.00001	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Other SPP Programs		\$ 0.00112	\$ 0.00128	\$ 0.00143	\$ 0.22	\$ 0.24	\$ 0.30	\$ 0.06	\$ 0.09	\$ 0.10
	<b>Total</b>		<b>\$ 0.00434</b>	<b>\$ 0.00612</b>	<b>\$ 0.00784</b>	<b>\$ 0.74</b>	<b>\$ 1.05</b>	<b>\$ 1.36</b>	<b>\$ 0.11</b>	<b>\$ 0.15</b>	<b>\$ 0.18</b>

No 16:	Revised 2023 Plan Per Staff's Adjustments	Average Projects Per Year	Factor RS-1 (\$/kWh)			Factor GSD-1 (\$/kW)			Factor GSLDT-3 (\$/kW)		
			2023	2024	2025	2023	2024	2025	2023	2024	2025
a.	Distribution Feeder Hardening	125 feeders	\$ 0.00172	\$ 0.00202	\$ 0.00242	\$ 0.27	\$ 0.32	\$ 0.39	\$ -	\$ -	\$ -
b.	Distribution Lateral Hardening	530 laterals	\$ 0.00096	\$ 0.00146	\$ 0.00195	\$ 0.15	\$ 0.23	\$ 0.31	\$ -	\$ -	\$ -
c.	Transmission Replacing Wood Structures	480 transmission structures	\$ 0.00016	\$ 0.00020	\$ 0.00025	\$ 0.05	\$ 0.06	\$ 0.08	\$ 0.05	\$ 0.06	\$ 0.08
d., e., f.	Distribution Winterization	100 Dist TXs; 1 Power TX; 6 Regulators	\$ -	\$ 0.00001	\$ 0.00001	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
g.	Transmission Access Enhancement	7 transmission structures	\$ -	\$ 0.00000	\$ 0.00001	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Other SPP Programs		\$ 0.00112	\$ 0.00128	\$ 0.00142	\$ 0.21	\$ 0.25	\$ 0.29	\$ 0.06	\$ 0.09	\$ 0.10
	<b>Total</b>		<b>\$ 0.00396</b>	<b>\$ 0.00497</b>	<b>\$ 0.00606</b>	<b>\$ 0.68</b>	<b>\$ 0.86</b>	<b>\$ 1.07</b>	<b>\$ 0.11</b>	<b>\$ 0.15</b>	<b>\$ 0.18</b>

No 16:	Variance	Average Projects Per Year	Factor RS-1 (\$/kWh)			Factor GSD-1 (\$/kW)			Factor GSLDT-3 (\$/kW)		
			2023	2024	2025	2023	2024	2025	2023	2024	2025
a.	Distribution Feeder Hardening	feeders	\$ (0.00027)	\$ (0.00080)	\$ (0.00108)	\$ (0.04)	\$ (0.13)	\$ (0.17)	\$ -	\$ -	\$ -
b.	Distribution Lateral Hardening	laterals	\$ (0.00009)	\$ (0.00030)	\$ (0.00062)	\$ (0.01)	\$ (0.05)	\$ (0.10)	\$ -	\$ -	\$ -
c.	Transmission Replacing Wood Structures	transmission structures	\$ -	\$ (0.00001)	\$ -	\$ -	\$ (0.01)	\$ -	\$ -	\$ -	\$ -
d., e., f.	Distribution Winterization	Dist TXs; Power TX; Regulators	\$ (0.00002)	\$ (0.00004)	\$ (0.00007)	\$ -	\$ (0.01)	\$ (0.01)	\$ -	\$ -	\$ -
g.	Transmission Access Enhancement	transmission structures	\$ -	\$ 0.00000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Other SPP Programs		\$ -	\$ (0.00000)	\$ (0.00001)	\$ (0.01)	\$ 0.01	\$ (0.01)	\$ -	\$ -	\$ -
	<b>Total</b>		<b>\$ (0.00038)</b>	<b>\$ (0.00115)</b>	<b>\$ (0.00178)</b>	<b>\$ (0.06)</b>	<b>\$ (0.19)</b>	<b>\$ (0.29)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

## Interrogatory No. 16

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**\$ in Millions**

[illegible]

**QUESTION:**

Please refer to witness Jarro's direct testimony, exhibit MJ-1, pages 62 and Appendix C.

Please indicate the estimated program costs considering the components in Interrogatory No. 16.

**RESPONSE:**

Please see Attachment 2 to FPL's response to Staff's Third Set of Interrogatories No. 16.