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215 South Monroe, Suite 601
Tallahassee, Florida 32301-1804
850.222.2300
850.222.8410 Fax
www.steelhector.com

Charles A. Guyton 850.222.3423

Blanca S. Bayó, Director Records and Reporting Florida Public Service Commission 4075 Esplanade Way, Room 110 Tallahassee, Florida 32399-0850 **By Hand Delivery** 

Re: Adoption of Numeric Conservation Goals for Florida Power and Light Company Docket Number 971004-EG

Dear Ms. Bayó:

Enclosed for filing on behalf of Florida Power & Light Company ("FPL") in Docket No. 971004-EG are the original and fifteen (15) copies of FPL's Response to LEAF's Motion to Compel. Also enclosed is an additional copy of the Notice which we request that you stamp and return to our runner.

If you or your staff have any questions regarding this transmittal, please contact me at 222-2300.

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FPSC-WREAU OF RECORDS

Very truly yours,

Charles A. Guyton

Enc.

Miami

cc: Counsel for all parties of record

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São Paulo Rio de Janeiro

#### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Adoption of Numeric Conservation ) Docket No. 971004-EG for Florida Power & Light Company ) Date: June 2, 1999

# FLORIDA POWER & LIGHT COMPANY'S RESPONSE TO LEAF'S MOTION TO COMPEL

Florida Power & Light Company ("FPL"), pursuant to Rule 28-106.204, Florida Administrative Code responds to LEAF's Motion to Compel dated May 25, 1999 as follows:

1. LEAF argues in paragraph 1 of its motion that FPL's reference in its responses to interrogatories 11 and 42 to documents listed in Attachment 2 of FPL's response to LEAF Interrogatory 4 is not responsive because it provides a "blanket list of documents," "some of which appear unrelated to the questions asked." LEAF maintains that FPL has not answered these interrogatories "separately and fully." With all due respect, FPL is hard pressed to respond to LEAF's allegations, for LEAF has not identified a single document which LEAF believes is unrelated to the questions asked.

FPL maintains that each of the documents identified in the responses to Interrogatories 11 and 42 are related to the broad, "all documents" questions posed to FPL. All the documents identified by FPL on Attachment 2 in response to Interrogatory 4 were used in FPL's planning process that developed FPL's goals and the documents listed are interrelated. Interrogatories 11 and 42 relate to earlier LEAF interrogatories (10 and 41, respectively) that ask a series of questions about the avoided costs FPL used in its planning process. Each of the documents identified on Attachment 2 to the response to Interrogatory 4 relate to the calculation of FPL's avoided costs in some fashion.

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Avoided cost projections are dependent upon both the factors related to the cost of an item (capital, O&M, escalation rates, discount rates, etc.) and factors related to when costs would be incurred (load forecast, reliability studies, competing options, etc.). Consequently, FPL chose to list all such related documents as falling within the broad scope of questions 11 and 42, both of which ask FPL to "identify all documents which support said estimates and rationale, including all workpapaers and statements of data, assumptions, or calculations, the company referred to, created, or relies upon to support said estimates." (Emphasis added.) Simply stated, FPL's responses are broad because LEAF's questions are broad.

However, to accommodate LEAF's request for a narrower response and to address other alleged inadequacies in the responses to Interrogatories 10 and 41, to which the responses to 11 and 42 relate, FPL is revising its responses to Interrogatories 10, 11, 41 and 42. These revisions address the concerns raised by LEAF in paragraphs 1, 2a, and 2b in its motion to compel. In the revised responses FPL addresses why it believes the original responses were responsive, supplements those responses with additional documents showing data FPL has developed to respond to these interrogatories more fully and to extend the data beyond 10 years, and provides a much shortened list of supporting documents which might be considered key.

There is nothing the Commission should compel in response to paragraph 1 of the motion to compel.

2. In paragraph 2a of its motion to compel, LEAF argues that FPL employed a different definition of avoided costs in responding to Interrogatories 10, 11, 41, 44 and 63 than LEAF specified in its Interrogatory instructions. No one response to this argument is applicable to each

of the interrogatories mentioned by LEAF, so FPL will respond separately to applicable interrogatories.

# FPL Responses To Interrogatories 10, 11, 41

FPL performed two types of DSM screening: an initial measure screening and a final portfolio screening. While most of the starting value inputs were the same for each screening, FPL's answers to Interrogatories 10, 11 and 41 provided values from the final screening and not from the initial screening. To correct this omission, FPL will be filing revised interrogatory responses to Interrogatories 10, 11, 41, and there is no need to compel.

It should also be noted that although FPL served its responses to these interrogatories in March (10th or 25th), FPL did not learn from LEAF that LEAF had this concern until LEAF filed its motion to compel in late May. Moreover, LEAF has been provided every initial screening run has performed and from any of those runs LEAF could extract the information it seeks in Interrogatories 10 and 41 by multiplying the individual measure data by the ratio of the measure's savings to 419 MW, the size of the avoided unit.

## FPL Response To Interrogatory 44

Interrogatory 44 does not ask for avoided costs, despite the allegations of LEAF's Motion to Compel. It asks for information regarding units that FPL did not consider avoidable. Thus, LEAF's definition of avoided cost is simply inapplicable to this interrogatory. Moreover, because these resources were not considered avoidable, there were no values for these resources in FPL's initial screening (although the effects of these resources on production costing are included). FPL had to make special additional runs using its final screening model in order to supply the values that were reported in FPL's answer to Interrogatory 44.

Although LEAF did not mention the response to Interrogatory 44 in paragraph 2b of its motion to compel, the paragraph where it asked for more than ten years of projection data, to accommodate LEAF and to revise an error in the Ft. Myers data provided in subsection e of Interrogatory, FPL is filing a Second Revised Response to Interrogatory 44. Once again, there is nothing to compel, and FPL was not even apprised of LEAF's concern until LEAF filed its motion to compel.

## FPL Response To Interrogatory 63d

Interrogatory 63d requests total fixed costs in \$/kW-yr for the avoided marginal transmission cost component of the Company's avoided cost calculation. The values FPL provided, and which LEAF separately objected to in paragraph 2e, were, as stated in FPL's response, starting point values for avoided transmission costs as used in both the initial and final screenings. Nowhere in any of FPL's avoided cost calculations is there a calculation of what LEAF seeks. In short, FPL has not performed this calculation and cannot report the information requested. What FPL can provide is the information previously provided in the Interrogatory response to 63d. This is the starting point information used for the calculation of avoided transmission costs in both FPL DSM screenings. This is not a matter of FPL not employing the proper definition of avoided costs. This is a matter of FPL simply not having the data requested by LEAF.

FPL has already provided LEAF all its initial DSM screening runs (response to request to produce 38) and on those runs are any values calculated by FPL's model for total avoided transmission costs per year. This data is in \$/yr rather than \$/kW/yr. There is no one uniform avoided total fixed transmission cost in \$/kW-yr for all DSM measures. Transmission avoided costs

vary by measure depending upon the amount of assumed measure savings and the amount of the measures signed up.

To facilitate LEAF's potential calculation of avoided total fixed transmission costs in \$/kW-yr, FPL is revising its response to Interrogatory 63d explaining how LEAF might perform such a calculation using the data provided in FPL's discovery responses. However, FPL does not have the data requested by LEAF; it is not calculated by FPL's model nor is it a necessary input to FPL's planning process. There is nothing to compel.

3. In paragraph 2b of its motion to compel, LEAF asked that FPL be compelled to provide a 30 year projection for Interrogatories 31 and 41 rather than the ten year projection FPL provided. LEAF failed to define the terms "forecast period" (Interrogatory 31) or the term "projections period" (Interrogatory 41). In the absence of such definitions, in responding to these questions FPL reasonably employed the ten year period for which FPL was forecasting or projecting its reasonably achievable DSM goals in this proceeding. Until LEAF filed its motion to compel, FPL was unaware that LEAF took issue with this construction of their questions.

FPL is willing to provide data beyond the ten years it provided in the responses to interrogatories 31 and 41, and would have done so if LEAF had apprised it during the two plus months since FPL filed its interrogatory responses. FPL will file a revised response to interrogatory 31 showing FPL's generation expansion plan through 2016. (FPL's system reliability analyses looked out only through 2016.) FPL will also revise its response to Interrogatory 41 showing values for the twenty year periods (from the in-service date of the avoided capacity) used in the initial screening and the thirty year period used in the final screening. There is no need to compel any additional response.

- 4. In paragraph 2c to LEAF's motion to compel, LEAF correctly points out that FPL's responses to Interrogatories 53 and 54 address only new FPL generation facilities and do not address existing FPL generation facilities. The author simply misread the question and it was not picked up in review. FPL will revise the response to these interrogatories. Once again, FPL was not aware of this omission or LEAF's dissatisfaction with these responses until LEAF filed its motion to compel.
- 5. In paragraph 2d of its motion to compel LEAF asks that FPL be compelled to provide a response to Interrogatory 56 in "emissions in lbs/MMBTU." The original interrogatory and LEAF's motion to compel employ a mismatch of terms. They asks for emissions, which are total values normally expressed in tons/year, but they also ask for values in lbs/MMBTU, which is not emissions but an emission rate. In its response, which was served on March 10, 1999, almost three months ago, FPL provided emissions in the correct (and commonly used) units of tons/year. Until LEAF filed its motion to compel last week, FPL was unaware that LEAF considered FPL's response not to be responsive. Now that it is clear that LEAF is requesting something other than what FPL provided, FPL will provide a revised interrogatory response that provides emission rates rather than emissions. There is nothing to compel.
- 6. In paragraph 2e of its motion to compel, LEAF asks the Commission to compel total annual fixed costs in \$/kW/yr for Interrogatories 63d, 64d (both of which are transmission related) and 66d and 67d (both of which are distribution related). It alleges that FPL has mismatched in its answer an avoided investment per kW (not annualized) with annual fixed costs in \$/kW-yr.

The simple response to the motion to compel is that FPL's models and analyses used in this proceeding do not provide either a transmission or distribution total fixed cost in \$/kW-yr. Consequently, FPL cannot provide the values requested by LEAF. FPL provided in its interrogatory

responses starting point values from which LEAF might be able to calculate the requested information, but FPL does not have the values LEAF requested. FPL has not performed the calculations, as they are not necessary to performing FPL's analyses.

To facilitate LEAF's review of materials provided by FPL and to explain in more detail how LEAF might undertake the calculation of the values FPL does not have, FPL is supplementing its response to Interrogatories 63d, 64d, 66d and 67d. However, there is no response to these interrogatories for the Commission to compel, for FPL has not performed the calculations. Once again, FPL has been unaware since it filed its response in early March that LEAF took issue with FPL's response.

- 7. Paragraph 2f of LEAF's motion to compel asks the Commission to compel responses to Interrogatories 65 and 69 (although we think they meant 68) because FPL's responses assumed LEAF was asking about generating plant rather than transmission and distribution plant when the term "plant additions" was used. FPL's responses to these interrogatories were with LEAF for almost three months before FPL was apprised in a motion to compel that LEAF thought FPL misread the question. Now that LEAF has clarified its question in its motion to compel, FPL will filed revised responses; however, the revised responses will show that LEAF has had in its possession documents showing the information it requested in these interrogatories. There is nothing to compel.
- 8. Paragraph 3 of LEAF's motion to compel points out a faulty transcription of LEAF Interrogatory 28b and asks FPL be compelled to provide another response to Interrogatory 28. Interrogatory 28 asked, for the period 1985 1997, (a) coincident peak data by voltage level, and (b) any other available measure of kW demand by voltage level. LEAF maintains that it has a document

which shows that FPL has some load data by voltage level, but LEAF does not attach the document or otherwise identify it.

FPL does not have coincident peak data by voltage level, as it stated in its response to 28a.

FPL does have the average of 12 CP load data which FPL allocates to voltage level by calculation.

FPL performs this allocation of 12 CP load to voltage level in its load loss calculation. FPL does not perform any similar allocation of coincident peak demand to voltage level for any purpose.

The 12 CP allocations to voltage level are not properly characterized as a "measure of kW demand by voltage level," for they are not measured values at voltage levels. They are calculated values which employ averaged measurements of 12 CP load by rate class that are, in turn, allocated to voltage levels through a calculation.

If LEAF desires FPL's calculations of 12 CP load data by voltage levels, FPL will file a revised response to Interrogatory 28 for as many years FPL has 12 CP data, but FPL did not feel that it had data responsive to the question posed. At any rate, there is no need for the Commission to act to compel the data FPL would give voluntarily if requested.

9. Paragraph 4 of LEAF's motion to compel asks that FPL be compelled to provide a response to Interrogatory 27 by costing periods, and LEAF suggests that FPL's response to Interrogatory 27 identifies costing periods. LEAF misstates FPL's response to Interrogatory 27. As FPL stated in its response to Interrogatory 24, FPL's only costing period for its 1998 IRP work was an annual period. The blocks of hours referred to in FPL's response to Interrogatory 27 are not "costing periods." However, even if they were, as the response to Interrogatory 27 points out, documents 155 and 156 listed in Attachment 2 to FPL's Revised Response to Interrogatory number 4 (and previously provided to LEAF in document production) provides the average annual fuel

savings for the blocks of hours mentioned in FPL's response to Interrogatory 27, and the calculations are taken from POWRSYM runs also in LEAF's possession. Thus, even if LEAF had not mischaracterized FPL's costing periods, the values LEAF seeks for the blocks of hours in question are already in LEAF's possession. There is nothing to compel.

As to LEAF's ancillary request to compel a response to Interrogatory 44g by costing period, FPL has already provided that information by costing period - annual periods - see the response to Interrogatory 44 (the Second Revised Response to interrogatory 44 will also provide the data by annual costing periods). The blocks of hours mentioned in the response to Interrogatory 27 are not costing periods; the production from the Ft. Myers and Sanford units during the blocks of hours mentioned in response to Interrogatory 27 has not been requested by LEAF; and the production from the Ft. Myers and Sanford units during blocks of hours mentioned in response to Interrogatory 27 is not readily available.

### **SUMMARY**

The Commission is being asked to referee a motion to compel that should never have been filed. Until last week when the motion to compel was filed, FPL was unaware of any of LEAF's alleged deficiencies except LEAF's concern in paragraph 1 about interrogatories 11 and 42, and that concern was brought to FPL's attention only the prior week. LEAF has been sitting on its concerns for the better part of three months without contacting FPL. Moreover, many of LEAF's objections to FPL's answers arise from terms LEAF did not define in its Interrogatories and which FPL reasonably defined in its responses.

As one can see from FPL's responses herein, if an answer fell short of being completely responsive, FPL is prepared to address true deficiencies. FPL is also revising other responses to

assist LEAF calculate numbers FPL has not calculated or to clarify prior responsive answers. As a result, will be revising most of the Interrogatory responses in question to address LEAF's concerns. If FPL does not have the data requested, it does not have the data, and a motion to compel does not change the fact that FPL does not have the data. Short of calculating information unnecessary to FPL's planning process and formulation of goals, FPL will work with LEAF by revising or supplementing its responses as stated herein. In short, there is nothing for the Commission to compel. LEAF's motion should be denied.

Respectfully submitted,

Charles A. Guyton

Attorney for Florida Power

& Light Company

#### **CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of Florida Power & Light Company's Response to LEAF's Motion to Compel was served by Hand Delivery (when indicated with an \*) or mailed this 2nd day of June, 1999 to the following:

Robert V. Elias, Esquire \*
Division of Legal Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Gunter Building, Room 370
Tallahassee, Florida 32399-0850

Susan Geller Resource Insight 347 Broadway Cambridge, MA 02139-1715

McWhirter Law Firm Vicki Kaufman, Esquire 117 South Gadsden Street Tallahassee, Florida 32301 Legal Environmental Assistance \*
Foundation
Gail Kamaras
1114 Thomasville Road, Suite E
Tallahassee, Florida 32301

McWhirter Law Firm John McWhirter, Esquire Post Office Box 3350 Tampa, Florida 33601-3350 Jeffrey A. Stone, Esquire Beggs & Lane Post Office Box 12950 Pensacola, Florida 32576-2950

Lee L. Willis, Esquire
James D. Beasley, Esquire
Ausley & McMullen
227 South Calhoun Street
Tallahassee, Florida 32301

James A. McGee, Esquire Florida Power Corporation Post Office Box 14042 St. Petersburg, Florida 33733

Jack Shreve, Esquire Office of Public Counsel 111 West Madison Street Tallahassee, Florida 32399

Charles A. Guyton

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