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March 14, 2008

VIA OVERNIGHT MAIL

Ms. Ann Cole Commission Clerk Florida Public Service Commission 2540 Shumard Oak Boulevard, Room 110 Tallahassee, FL 32399-0850

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RE: Florida Power & Light Company's 2008 Status/Update Report on Storm Hardening/Preparedness and Distribution Reliability

Dear Ms. Cole:

On March 3, 2008, Florida Power & Light Company (FPL) filed its 2008 Status/Update Report on Storm Hardening/Preparedness and Distribution Reliability (the "March 3 Filing"). Subsequently, FPL has discovered a minor discrepancy in the vegetation management costs that were reported for 2007. The March 3 Filing reflected those costs as \$62.6 million, whereas the correct figure is \$65.2 million. I am enclosing for filing replacement pages 2, 47, 51 and 58-60 to the March 3 Filing reflecting the correct 2007 vegetation management costs.

If there are any questions regarding this transmittal, please contact me at 561-304-5639.

Sincerely,

ohn T. Butler

Enclosures cc: Timothy Devlin, Director, Division of Economic Regulation

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10 STORM PREPAREDNESS INITIATIVES

(1) Vegetation Cycles – In 2007, FPL continued with its 3-year cycle for feeders and began to implement its 6-year cycle for laterals. Costs for 2007 totaled \$65.2 million and costs for 2008 are estimated to be \$63.4 million.

(2) Joint Use Audits – Approximately 20% of FPL's jointly used poles are audited annually. 2007 audit results continue to show that FPL's joint use processes and procedures, along with cooperation from joint pole owners and 3rd party attachers, indicate that joint use facilities are being properly maintained.

(3) 6-Year Transmission Structure Inspection Cycle – See Transmission pole inspection results/discussion above

(4) Hardening the Transmission System – In 2007, FPL continued with its approved hardening plan, replacing single pole un-guyed wood structures and ceramic post transmission line insulators. Total costs for these replacements were \$6.5 million. In 2008, FPL will continue with these replacements at an estimated cost of \$6.2 million. In addition, a new program, the wood pole replacement program, is being initiated in 2008. This program plans to replace additional single pole-un-guyed wood structures as well as other wood poles, so that all wood structures are brought to current standards over the next 25 years.

(5) Distribution GIS – In 2007 FPL continued its efforts to better capture and store asset data for its distribution system. This includes improving systems to better collect and store post hurricane forensic data, adding field inspection data associated with FPL's pole inspection program, preparing for the incorporation of joint use data, as well as preparing to capture information associated with FPL's hardening activities. These activities will continue into 2008.

(6) Post-Storm Forensic Collection/Analysis – In 2007, FPL implemented a forensic module into an existing mobile mapping and field automation software in order to provide forensic teams one single software tool for forensic work. Since there were no major storms impacting FPL' service territory in 2007, no forensic teams were deployed.

(7) Overhead vs. Underground Storm Performance – Since almost all of FPL's distribution feeders are "hybrids", i.e., they contain both overhead and underground facilities, FPL will utilize laterals as a proxy for assessing overhead vs. underground be performance. Storm performance results will be obtained from forensics and available storm work tickets.

(8) Increased Coordination with Local Governments – In 2007, FPL continued its efforts to improve local government coordination. Activities included: utilizing the email distribution network implemented in 2006 to share important news and updates with local officials; arranging for local and state officials, including Governor Crist, to observe FPL's hurricane dry-run event, initiating regional government workshops and 80

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Summary – 10 Storm Preparation Initiatives

1. Establish a three-year distribution vegetation management cycle

In 2007, FPL continued its 3-year average trim cycle for feeders and began the implementation of its 6-year average trimming cycle for laterals. Additionally, all feeders serving critical customers were trimmed prior to peak storm season and mid-cycle (hotspot) feeder trimming was performed throughout the year to address specific circuits with faster growth rate vegetation. Costs for 2007 were approximately \$65.2 million and costs for 2008 are estimated to be \$63.4 million.

2. Conduct an audit of joint use agreements

Approximately 20% of FPL's jointly used poles are audited annually. 2007 audit results continue to show that FPL's joint use processes and procedures, along with cooperation from joint pole owners and 3rd party attachers, indicate that joint use facilities are being properly maintained.

3. Initiate a six-year transmission structure inspection program

- In 2007, FPL continued its six year transmission structure inspection program by inspecting 3,535 wood structures and 9,976 steel or concrete structures or approximately 21% of all FPL transmission structures.
- For 2008, FPL plans to inspect at least 1/6 of its transmission structures.

4. Develop a program for hardening the existing transmission system

- In 2007, FPL continued its two approved transmission system hardening plans replacing 339 existing single pole un-guyed wood (SPUW) transmission structures and 773 ceramic post insulators on concrete poles (CPOC).
- For 2008, FPL plans to replace 229 SPUW structures and 443 CPOC insulators under the existing SPUW and CPOC hardening programs.
- Beginning in 2008, Transmission's structure hardening plan is being enhanced to include upgrading all wood structures to current standards within 25 years. Additional SPUW and CPOC structures will be replaced under this program. Wood pole replacements will be coordinated and engineered with system expansion projects, line relocations, pro-active maintenance rebuilds, and storm hardening projects. Upgrading entire line sections will result in a more effective overall hardening of the system and have a greater impact on overall system integrity as opposed to the localized improvements resulting from the current SPUW program approach.

5. Develop a distribution GIS information system

- In 2007 FPL continued its efforts to better capture and store asset data for its distribution system. By year end, FPL had incorporated asset data collected from 115,000 pole inspections into its existing GIS based Asset Management System.
- Throughout 2008, FPL plans to continue key initiatives to better capture and store asset data for its distribution system. These include improving systems for collecting and storing post-hurricane forensic data, for adding data from

Initiative 1

Three-Year Vegetation Cycle <u>Performance Metrics</u>: Adjusted data includes only activities that are budgeted and included in the Company's vegetation management plan. Unadjusted data is to include all performance data including hurricane performance and all other vegetation caused outage events that the The tables below provide guidance for the data being sought by staff. If customer minutes of interruptions are not recorded or tracked, then provide an explanatory note and substitute whatever performance data is recorded.

		Feeders					
2007	Unadjusted	Adjusted	Diff.	Unadjusted	Adjusted	Diff.	Total
(A) Number of Outages	N/A	180		N/A	12,019		
(B) Customer Interruptions	N/A	275,625		N/A	204,732		
(C) Miles Cleared	N/A	4,454		N/A	2,215		
(D) Remaining Miles	N/A	9,015		N/A	20,229		
(E) Outages per Mile [A + (C + D)]	N/A	0.0134		N/A	0.5355		
F) Vegetation CI per Mile [B + (C + D)]	N/A	20.5		N/A	9.1		
G) Number of Hotspot Trims	N/A	167		N/A	19,118		
H) All Vegetation Management Costs	N/A	N/A		N/A	N/A		\$ 65.2 M
1) Customer Minutes of Interruption	N/A	10,662,414		N/A	32,656,760		
J) Outage restoration costs	N/A	N/A		N/A	N/A		\$ 3.9 M
K) Vegetation Budget (current year) 2007	N/A	N/A		N/A	N/A		\$ 65.1 M
L) Vegetation Goal (current year) 2007	N/A	4,400		N/A	1,900		
M) Vegetation Budget (next year) 2008	N/A	N/A		N/A	N/A		\$ 63.4 M
N) Vegetation Goal (next year) 2008	N/A	4,421		N/A	2,007		
O) Trim-Back Distance	N/A	N/A		N/A	N/A		
Aid Cycle Miles		5,207	5,207		64	64	

System Vegetation Management Performance Metrics

1) REGIONS - Management Area (MA) Vegetation Management Performance Metrics

2007	Feeders						
SOUTH	Unadjusted	Adjusted	Diff.	Unadjusted	Adjusted	Diff.	Total
(A) Number of Outages	N/A	45		N/A	3,011		
(B) Customer Interruptions	N/A	50,763		N/A	35,306		
C) Miles Cleared	N/A	876		N/A	486		
D) Remaining Miles	N/A	1,798		N/A	2,589		
E) Outages per Mile [A + (C + D)]	N/A	0.0168		N/A	0.9792		
F) Vegetation CI per Mile [B + (C + D)]	N/A	19.0		N/A	11.5		
G) Number of Hotspot Trims	N/A	36		N/A	5,773		
H) All Vegetation Management Costs	N/A	N/A		N/A	N/A		\$ 9.2 N
I) Customer Minutes of Interruption	N/A	1,958,020		N/A	6,394,313		
J) Outage restoration costs	N/A	N/A		N/A	N/A		\$ 0.5 N
K) Vegetation Budget (current year)	N/A	N/A		N/A	N/A		N/A
L) Vegetation Goal (current year)	N/A	875		N/A	447		
M) Vegetation Budget (next year)	N/A	N/A		N/A	N/A		N/A
N) Vegetation Goal (next year)	N/A	959		N/A	379		
O) Trim-Back Distance	N/A	N/A		N/A	N/A		
1id Cycle Miles		660			7	<u> </u>	

2007		Feeders					
EAST	Unadjusted	Adjusted	Diff.	Unadjusted	Adjusted	Diff.	Total
(A) Number of Outages	N/A	18		N/A	2,440		
(B) Customer Interruptions	N/A	30,283		N/A	37,612		
(C) Miles Cleared	N/A	1,698		N/A	515		
(D) Remaining Miles	N/A	2,989		N/A	5,497		
(E) Outages per Mile [A + (C + D)]	N/A	0.0038		N/A	0.4059		
(F) Vegetation CI per Mile [B + (C + D)]	N/A	6.5		N/A	6.3		
(G) Number of Hotspot Trims	N/A	28	T	N/A	3,384		
(H) All Vegetation Management Costs	N/A	N/A		N/A	N/A		\$ 28.2 N
(I) Customer Minutes of Interruption	N/A	1,718,949	1	N/A	6,220,643		
(J) Outage restoration costs	N/A	N/A		N/A	N/A		\$ 0.7 M
(K) Vegetation Budget (current year)	N/A	N/A		N/A	N/A		N/A
(L) Vegetation Goal (current year)	N/A	1,680		N/A	520		
M) Vegetation Budget (next year)	N/A	N/A		N/A	N/A		N/A
(N) Vegetation Goal (next year)	N/A	1,584		N/A	511		
(O) Trim-Back Distance	N/A	N/A		N/A	N/A		
Mid Cycle Miles		1,620			7		

2) REGIONS - Management Area (MA) Vegetation Management Performance Metrics

3) REGIONS - Management Area (MA) Vegetation Management Performance Metrics

2007	Feeders						
NORTH	Unadjusted	Adjusted	Diff.	Unadjusted	Adjusted	Diff.	Total
(A) Number of Outages	N/A	87		N/A	3,250		
(B) Customer Interruptions	N/A	136,502		N/A	60,042		
(C) Miles Cleared	N/A	791		N/A	699		
(D) Remaining Miles	N/A	2,332	1	N/A	5,938		
E) Outages per Mile [A + (C + D)]	N/A	0.0279		N/A	0.4897		
(F) Vegetation CI per Mile [B + (C + D)]	N/A	43.7		N/A	9.0		
(G) Number of Hotspot Trims	N/A	39		N/A	6,787		
H) All Vegetation Management Costs	N/A	N/A		N/A	N/A		\$ 14.2 M
1) Customer Minutes of Interruption	N/A	4,750,121		N/A	8,861,960		
J) Outage restoration costs	N/A	N/A	1	N/A	N/A		\$ 1.6 M
K) Vegetation Budget (current year)	N/A	N/A		N/A	N/A		N/A
L) Vegetation Goal (current year)	N/A	782		N/A	472	1	
M) Vegetation Budget (next year)	N/A	N/A		N/A	N/A		N/A
N) Vegetation Goal (next year)	N/A	825		N/A	547		
O) Trim-Back Distance	N/A	N/A		N/A	N/A		
Vid Cycle Miles		1644	1		25		<u> </u>

4) REGIONS	- Management Area	(MA) Vegetation Mana	gement Performance Metrics

2007		Feeders			Laterais		
WEST	Unadjusted	Adjusted	Diff.	Unadjusted	Adjusted	Diff.	Total
(A) Number of Outages	N/A	30		N/A	3,318		
(B) Customer Interruptions	N/A	58,077		N/A	71,772		
(C) Miles Cleared	N/A	1,089		N/A	515		
(D) Remaining Miles	N/A	1,896		N/A	6,205		
(E) Outages per Mile [A + (C + D)]	N/A	0.0101		N/A	0.4938		
(F) Vegetation CI per Mile [B + (C + D)]	N/A	19.5		N/A	10.7		
(G) Number of Hotspot Trims	N/A	64	1	N/A	3,174		
(H) All Vegetation Management Costs	N/A	N/A		N/A	N/A		\$ 13.6 N
(I) Customer Minutes of Interruption	N/A	2,235,324		N/A	11,179,844		
(J) Outage restoration costs	N/A	N/A		N/A	N/A		\$ 1.0 M
(K) Vegetation Budget (current year)	N/A	N/A		N/A	N/A		N/A
(L) Vegetation Goal (current year)	N/A	1,063		N/A	461		
(M) Vegetation Budget (next year)	N/A	N/A		N/A	N/A		N/A
(N) Vegetation Goal (next year)	N/A	1,053	1	N/A	570		
(O) Trim-Back Distance	N/A	N/A	1	N/A	N/A		
Mid Cycle Miles		1283	<u> </u>		25		

<u>Comparison with a Three-Year Program</u>: Provide a comparison of a three-year trim cycle program and the achieved performance of the program implemented on both an adjusted and unadjusted basis.

Note: FPL's feeders are on a 3 year cycle

Feeder Comparison with A Three-Year Cycle Based Program

	Three-Year Cycle Program			Company Program			
	Unadjusted	Adjusted	Diff.	Unadjusted	Adjusted	Diff.	
(A) Number of Outages							
(B) Customer Interruptions							
(C) Miles Cleared							
(D) Remaining Miles							
(E) Outages per Mile [A + (C + D)]							
(F) Vegetation CI per Mile [B + (C + D)]							
(G) Number of Hotspot trims							
(H) All Vegetation Management Costs							
(I) Customer Minutes of Interruption							
(J) Outage Restoration Costs							
(K) Trim-Back Distance							
Suggested Alternatives					1997 - 198		

Lateral Comparison with A Three-Year Cycle Based Program N/A

	Three-Year Cycle Program			Corr	pany Program		
	Unadjusted	Adjusted	Diff.	Unadjusted	Adjusted	Diff.	
(A) Number of Outages							
(B) Customer Interruptions							
(C) Miles Cleared							
(D) Remaining Miles							
(E) Outages per Mile [A ● (C + D)]							
(F) Vegetation CI per Mile [B + (C + D)]	1 1		1				
(G) Number of Hotspot trims	1 1						
(H) All Vegetation Management Costs							
(I) Customer Minutes of Interruption							
(J) Outage Restoration Costs							
(K) Trim-Back Distance							
Suggested Alternatives			1 2.2	810 (j.).		1 1.3	ang tao ang p

Definitions:

(H) All O&M expenditures includes R-1, Storm Secure, Staff (FMIP)

(I) Vegetation Restoration - day to day, call out (FMIP)
(K) Current year budget includes R-1, Storm Secure, Staff (FMIP)
(M) Next year projected budget includes R-1, Storm Secure, Staff (FMIP)