COMMISSIONERS: NANCY ARGENZIANO, CHAIRMAN LISA POLAK EDGAR NATHAN A. SKOP

STATE OF FLORIDA

MARSHALL WILLIS, DIRECTOR DIVISION OF ECONOMIC REGULATION (850)413-6900

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Hublic Service Commission

June 24, 2010

Mr. Paul Lewis, Jr. Progress Energy Florida, Inc. 106 East College Avenue, Suite 800 Tallahassee, FL 32301-7740

Re: Docket No. 100262-EI, Progress Energy Florida, Inc.'s updated 2010-2012 Storm Hardening Plan

Dear Mr. Lewis:

The staff is in the process of reviewing the company's updated 2010-2012 Storm Hardening Plan, and our review has generated some questions for which we ask that PEF provide responses.

We ask that you please provide your responses to the attached data request by July 12, 2010. If there are any questions, please contact me at (850) 413-6980.

Sincerely,

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Melissa L'Amoreaux Engineering Specialist Cost Analysis Section

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Attachment

cc: Office of the General Counsel (Bennett) Office of Commission Clerk (Docket No. 100262-EI) FPSC-COLECTION

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For the following questions, please refer to the 2010-2012 Storm Hardening Plan filed May 3, 2010.

- 1. On page 5 of the updated storm hardening plan, PEF states reasons for not adopting EWL standards for all new distribution construction.
 - a. PEF states "utility experience from around the country." Please identify to which utility companies PEF is referring.
 - b. What experiences do these utilities have with respect to EWL standards?
 - c. Where are these utilities located?
 - d. How do these utilities compare to Florida with respect to geography, weather conditions, and the number of customers served?
 - e. Please provide any research supporting PEF's position that the increase in cost and design complexity would not result in a commensurate benefit.
 - f. Please identify the number of pole failures due to distribution pole breakages for each of the years 2007, 2008, and 2009.
- 2. On page 7, PEF asserts that it has identified areas in its service territory where current underground equipment should be replaced with overhead.
 - a. Please describe under what circumstances these conversions will take place
 - b. What are the costs associated with these conversions?
- 3. On page 7, PEF references a prioritization model.
 - a. Explain, in detail, how the prioritization model operates.
 - b. What types of information is needed for this model?
 - c. What does this model prioritize and for what purpose is it used?
 - d. Please provide available documentation for the prioritization model.
 - e. Please clarify how PEF has improved and enhanced the original prioritization model.
 - f. Please indicate when PEF completed its enhancements to Davies Consulting's prioritization model.

- 4. Please explain why Davies Consulting was retained, the analysis that was performed, and the results of this analysis.
- 5. Was Davies Consulting's analysis jointly funded with other IOUs? If so, please indicate the other IOUs.
- 6. What are PEF's estimated total costs of its 2010-2012 storm hardening plan?
- 7. What were PEF's total costs of its 2007-2009 storm hardening plan?

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