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Public Service Commission

June 3, 2014

Mr. John T. Butler
Florida Power & Light Company
700 Universe Boulevard
Juno Beach, FL 33408-0420

STAFF'S SECOND DATA REQUEST

Re: Docket No. 140070-EI - Petition for approval of voluntary solar partnership pilot program and tariff, by Florida Power & Light Company.

Dear Mr. John T. Butler:

By this letter, the Commission staff requests that Florida Power & Light Company (FPL) provide responses to the following data requests.

Costs

Note: For all cost questions, please include supporting documentation for any assumptions.

1. If revenues exceed costs for the program, how does FPL intend to treat this overage?
2. If costs exceed revenues for the program, who will be assuming risk for that amount?
3. Regarding the 20 percent maximum marketing and administrative expenses:
 - a. Is the expense of the website mentioned in the petition part of the 20 percent maximum?
 - b. If not, how will these costs be recovered?
 - c. What components will be included under marketing and administrative expenses?
4. Is operations and maintenance (O & M) included in the 20 percent of marketing and administrative expenses maximum?
 - a. If so, how much of this amount is anticipated to be assigned to cover operations and maintenance expenses?

- b. If not, who will be responsible for these O & M expenses, both during the pilot program and after?
5. Please provide the range of costs that FPL estimates for the entire project, both on a per kilowatt and a per kilowatt-hour basis.
 - a. How many kW and kWh will the customers' \$9 support?
 - b. How are these costs expected to compare to the per kW and per kWh costs for the pilot residential and commercial solar programs approved as part of FEECA?
6. What will the installed costs be for the initial 300 kW installation?
 - a. What specific technology (for example, tracking vs. non-tracking) will be used for this installation?
 - b. Please provide any cost estimates or site plans produced to date for this project.
7. Has FPL compared costs for tracking vs. non-tracking solar photovoltaic costs?
 - a. How do these compare to the costs for FPL's DeSoto and Space Coast solar photovoltaic project costs?
8. Page 4, paragraph 11 states that, "participant contributions will cover FPL's net revenue for the facilities." Will participants in the program be paying for the entire costs of the program, or just the costs above avoided costs?
9. Given that FPL anticipates rising investment in solar panels over the course of the three years of the program, why does Line F of Page 2 of Exhibit B have property taxes and remain almost flat for the low participation case?
10. How will any financial obligations for these installations, including O & M, be addressed after the end of the 3-year pilot?
11. How will costs for the 300 kW installation to be built prior to the opening of subscriptions be recovered if there is insufficient participation to cover its costs?
12. How will FPL treat any income from the sale of RECs associated with this program? Where will these sales be recorded?
13. Will the solar projects built as part of this program be eligible for the federal solar investment or production tax credits? If so, where will this credit be recorded?

Participation

14. Does FPL intend to alter the program if subscriptions exceed 13,500 or fail to reach 7,800? If so, how will FPL alter the program?
15. How were the numbers for high and low participation arrived at?

16. Please explain how the 2008 peak participation of nearly 39,000 in FPL's terminated Sunshine Energy Program could be instructive in estimating participation in the proposed solar partnership pilot program.

Locations and Installation

17. Page 5, paragraph 13 of the petition notes that FPL intends to place the panels in "high visibility" locations.
 - a. What is meant by "high visibility?" Please provide any examples.
 - b. Will the panels be located on FPL buildings?
 - c. Paragraph 13 of the petition notes that it may install panels on commercial parking canopies. If these (or other) facilities on which the panels are installed are not owned by FPL, who will assume liability for these panels?
 - d. Will these "high visibility" locations increase project costs?
18. Will FPL own the solar panels used in the program? If not, who does FPL anticipate owning them?
19. Will all panels be grid-tied, supply side systems, or does FPL anticipate wiring some of the systems to supply power to the buildings or structures they are mounted on?

Other

20. The petition cites Section 366.075, Florida Statutes, as the basis for the Commission's authority to approve this program. Section 366.075, Florida Statutes, addresses conservation and energy efficiency, but not renewable energy. Because this program appears to be a supply-side measure, what authority does the FPSC have to approve rates on an experimental basis for supply-side measures?
21. Has FPL considered including any net metering benefits for participants in the program? If so, why were these benefits not included in the program?
22. What regulatory treatment does FPL intend for the solar installations constructed by this program following the conclusion of the program?
23. How will FPL determine how much solar it will build?
 - a. What benchmarks must subscriptions reach before it exceeds the initial 300 kW installation?
 - b. Installations per dollar taken in by the program varies widely between the high and low scenarios. Does FPL anticipate as wide a variation in installation between the two scenarios?

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c. Has FPL determined benchmarks for participation that will trigger additional installations?

d. What are these benchmarks?

24. How does FPL intend to promote the program? What kinds of marketing are expected to encourage participation in the program?

Please file the original and five copies of the requested information by Tuesday, June 17, 2014, with Carlotta Stauffer, Commission Clerk, Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida, 32399-0850. Please feel free to call me at (850) 413-6187 if you have any questions.

Sincerely,



Martha C. Brown
Senior Attorney

MCB/ace

cc: Office of Commission Clerk