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Public Service Commission

August 4, 2017

STAFF'S SECOND DATA REQUEST

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Re: Docket No. 20170150-EI - Petition for limited proceeding to include reliability and modernization projects in rate base by Florida Public Utilities Company.

Dear Ms. Keating:

By this letter, the Commission staff requests that Florida Public Utilities Company (FPUC) provide responses to the following data requests:

Please refer to the Petition:

1. On page 2, paragraph 5, FPUC reported that it has moved into the second phase of its modernization plan.
 - a) Please provide detailed information regarding the first phase of your modernization plan, including what activities were undertaken, amount spent, and dates projects were completed.
 - b) How many phases are involved in FPUC's modernization plan?
2. On pages 3 to 4, paragraph 7, FPUC reported that Hurricane Matthew, in October 2016, helped the Company identify additional upgrades that were needed to FPUC's systems.
 - a) What were the additional upgrades?
 - b) Are any of these additional upgrades included in this case?
3. On page 7, paragraph 15, FPUC reported the FPL interconnect project is a key component of FPUC's overall storm hardening effort, please explain in what way.

Please refer to Attachment B – Exhibit A:

4. Are any of the projects listed on this exhibit complete? Please provide a list of those projects. Please include:

- a) When were they completed?
- b) How much did FPUC spend on those projects?
- c) How were those project costs recovered?

5. What storm hardening and modernization/safety projects are included in current rates?

Please refer to witness Shelley's Testimony:

Modernization/Safety projects

6. On page 3, lines 12 through 15, witness Shelley testified that the "initial phase" focuses on capital projects.

- a) Is this "initial phase" the same as the first phase of FPUC modernization plan noted in the Petition?
- b) If not, please provide detailed information regarding this "initial phase", including what activities were undertaken, amount spent, and dates projects were completed.

Replace conduit/cable – Forest Ridge condos

7. On page 8, line 5 through 10, witness Shelley testified that the old underground cable in the Forest Ridge condos area experienced several failures as a result of corrosion of the concentric neutral and these failures resulted in extended customer outages.

- a) How did the concentric neutral become corroded?
- b) How will this project correct this issue?
- c) Please provide the age and specifications of the underground cable being replaced.
- d) Please provide the specifications of the new underground cable.
- e) Please provide outage information, such as the frequency and duration, related to this project for 2012 through 2017.
- f) What was the date this project was completed?

Installed a loop underground feed in Amelia Park subdivision

8. On page 8, lines 12 through 18, witness Shelley testified that when the original underground service to the Amelia Park subdivision was installed, a backup source was not FPUC's standard practice.

- a) When was the original underground service installed?
- b) When did FPUIC change its design standards to include loop (backup) feed on main underground services?
- c) Please provide outage information, such as frequency and duration, related to this project for 2012 through 2017.
- d) What was the date this project was completed?

Replaced underground cable NW Division

9. On page 8, lines 19 through 22 and page 9, lines 1 through 3, witness Shelley testified that the old underground cable in the Oaks and North Oaks subdivisions experienced several failures as a result of corrosion of the concentric neutral and these failures result in extended customer outages.

- a) What are the specifications of the underground cable being replaced and of the underground cable that will replace it?
- b) Please provide outage information, such as frequency and duration, related to this project for 2012 through 2017.
- c) When is this project estimated to be completed?

Replaced substation voltage regulators NW Division

10. On page 9, lines 4 through 10, witness Shelley testified that old voltage regulators were replaced with new units.
 - a) Please explain the difference between the old voltage regulators and the new voltage regulators.
 - b) Please describe how the old voltage regulators were failing.
 - c) What is the age of the old voltage regulators?
 - d) Please provide outage information, such as frequency and duration, related to this project for 2012 through 2017.
 - e) When is this project estimated to be completed?

Purchased and installed electronic reclosers NW Division

11. On page 9, lines 11 through 19, witness Shelley testified that strategically locating reclosers to replace fused disconnects greatly improves FPUC's ability to improve reliability to customers and reduces restoration costs.
 - a) Please explain the difference between the electronic reclosers and the fused disconnects the reclosers are replacing.
 - b) Please provide outage information, such as frequency and duration, related to this project for 2012 through 2017.
 - c) When is this project estimated to be completed?

Installed SCADA

12. On page 9, lines 20 through 22 and page 10, lines 1 through 8, witness Shelley testified that FPUC installed a new SCADA system at J.L. Terry, Stepdown and Gum Street substations.
 - a) Please provide outage information, such as frequency and duration, related to this project for 2012 through 2017.
 - b) What was the date this project was completed?

Installed Self-healing Network (SHN) reclosers NE Division

13. On page 10, lines 9 through 14, witness Shelley testified that the SHN reclosers project utilizes single phase lateral protection strategically installed so that momentary outages for customers are reduced.
 - a) Are the SHN reclosers replacing existing equipment?
 - b) If so, what type of equipment, why it is being replaced, and what is the age of the equipment being replaced?
 - c) What is the difference between the SHN reclosers and the equipment it is replacing if any?
 - d) Please provide outage information, such as frequency and duration, related to this project for 2012 through 2017. Please include MAIFIE information as well.
 - e) When is this project estimated to be completed?

14. On page 11, lines 5 through 7, witness Shelley testified that certain customers were experiencing longer outages due to the difficulty in locating and repairing underground services.

- a) Please clarify which customers witness Shelley is referring to.
- b) Please explain why the Forest Ridge condos, Amelia Park subdivision, the Oaks subdivision, the North Oaks subdivision were selected to be upgraded at this time.
- c) Are there plans to upgrade other neighborhoods? If so, when does FPUC anticipate upgrading these neighborhood?

15. On page 11, lines 20 through 22, and page 12, lines 1 through 4, witness Shelley testified that FPUC delayed the modernization/safety projects.

- a) Why were these projects delayed?

Storm Hardening

Extended underground feeder # 312 Airport to Fletcher

16. On page 12, lines 19 through 22, and page 13, lines 1 through 7, witness Shelley testified the extension of feeder #312 would provide an additional service line into an area located near the end of FPUC's distribution system.

- a) Is this feeder considered a main underground service?
- b) Will there be a loop or backup feed on this feeder?
- c) Please provide outage information, such as frequency and duration, related to this project for 2012 through 2017.
- d) What was the date this project was completed?

Replaced decayed pole replacement from Osmose Pole Inspections

17. On page 13, lines 8 through 22 and page 4, lines 1 through 5, witness Shelley testified that this project includes 2015, 2016, and 2017 decayed pole replacements.

- a) How many poles were or are going to be replaced in each year? Please differentiate between transmission and distribution poles.
- b) How were decayed pole replacement costs for the years prior to 2015 recovered?
- c) When is this project estimated to be completed?

Completed phase down – Highway 73

18. On page 14, lines 6 through 15, witness Shelley testified that FPUC installed a third phase on the single phase line serving this area.

- a) Please explain how installing a third phase on the single phase line corrects the low voltage issues?
- b) Please provide outage information, such as frequency and duration, related to this project for 2012 through 2017.
- c) What was the date this project was completed?

Storm hardened the prison feeder from substation to high school- NW Division

19. On page 14, lines 16 through 22, and page 15, lines 1 through 10, witness Shelley testified that part of this project is to replace wooden poles.

a) Are the poles being replaced under this project included in the earlier pole replacement project (Replaced decayed pole replacement from Osmose Pole Inspections)? If so, please explain why these poles are included in both projects.

b) Please provide outage information, such as frequency and duration, related to this project for 2012 through 2017.

c) What was the date this project was completed?

Replaced 69kV pole with concrete pole

20. On page 15, lines 11 through 22, and page 16, lines 1 through 2, witness Shelley testified the project included replacing transmission poles and installing transmission poles to connect the Gum Street substation to the J.L. Terry substation.

a) Are the poles being replaced under this project included in the earlier pole replacement project (Replaced decayed pole replacement from Osmose Pole Inspections)? If so, please explain why these poles are included in both projects.

b) How will connecting the two substations improve reliability?

Please provide outage information, such as frequency and duration, related to this project for 2012 through 2017.

c) What was the date this project was completed?

Overhead reconductor along south Fletcher- NE Division

21. On page 16, lines 3 through 10, witness Shelley testified that the old copper conductors had become brittle due to constant heating.

a) Why were aluminum conductors selected to replace the copper conductors?

b) Were there other options considered? Please explain your response.

c) Please provide outage information, such as frequency and duration, related to this project for 2012 through 2017.

d) When is this project estimated to be completed?

Rebuild Amelia Island substations – NE Division

22. On page 16, lines 11 through 22 and page 17, lines 1 through 10, witness Shelley testified that this project includes the new Gum Street substation, relocation of the Chip Mill substation, and re-building of the Amelia Island Plantation substation.

a) What is involved with the re-building of the Amelia Island Plantation substation?

b) Why did FPUC believe the Gum Street and Chip Mill substations projects took precedence over the Amelia Island Plantation substation?

c) Please provide outage information, such as frequency and duration, related to this project for 2012 through 2017.

d) What was the date this project was completed?

Storm harden Jackson County Hospital feeder – NW Division

23. On page 17, lines 11 through 18, witness Shelley testified that part of this project is replacing poles.

a) Are the poles being replaced under this project included in the earlier pole replacement project (Replaced decayed pole replacement from Osmose Pole Inspections)? If so, please explain why these poles are included in both projects.

b) What is the age and specifications of the line equipment being upgraded?

- c) Please explain what is involved with the line equipment upgrade.
- d) Please provide outage information, such as frequency and duration, related to this project for 2012 through 2017.
- e) When is this project estimated to be completed?

Apalachicola River crossing – NW Division

24. On page 17, lines 19 through 22, and page 18, lines 1 through 12, witness Shelley testifies that part of this project is to replace poles along the Apalachicola River.

- a) Are the wooden poles that will be replaced with concrete poles, distribution or transmission poles?
- b) Were there other options that FPUC considered to mitigate this situation? If not, why not?
- c) If so, what were the other options?
- d) Was this project the most cost effective option?
- e) Please provide outage information, such as frequency and duration, related to this project for 2012 through 2017.
- f) When is this project estimated to be completed?
- g) On page 19, lines 4 through 10, witness Shelley testified that FPUC delayed in addressing the decayed poles. Why did FPUC delay in addressing the decayed poles?

25. On page 23, lines 3 through 11, witness Shelley testified that a result of past storm hardening projects was that none of the storm-hardened poles failed during Hurricane Matthew.

- a) Please provide historical data on how many poles failed during major storm events (2004 to present). Include the strength of the weather event.

26. Please refer to witness Michael Cassel's direct testimony, Exhibits MDC-3, Page 1 of 1. Provide, in Excel format, FPUC's monthly energy sales by rate class for FPUC's Northeast Division, Northwest Division, and System-wide for January 2008 through June 2017, and projected monthly energy sales for these same series for July 2017 through December 2018. For each of these series, if any historical data points deviate from trend significantly such as constitute an outlier(s), please explain the reasons for all such outliers.

27. Please refer to witness Michael Cassel's direct testimony, Exhibits MDC-3, Page 1 of 1. Provide, in Excel format, FPUC's monthly peak demand by rate class for FPUC's Northeast Division, Northwest Division, and System-wide for January 2008 through June 2017, and projected monthly peak demand for these same series for July 2017 through December 2018. For each of these series, if any historical data points deviate from trend significantly such as constitute an outlier(s), please explain the reasons for all such outliers.

28. Please refer to witness Michael Cassel's direct testimony, Exhibits MDC-3, Page 1 of 1. Provide, in Excel format, population in FPUC's Northeast Division, Northwest Division, and System-wide for January 2008 through June 2017, and projected population for these same series for July 2017 through December 2018.

29. Please refer to witness Michael Cassel's direct testimony, Exhibits MDC-3, Page 1 of 1. Provide, in Excel format, customers by rate class for FPUC's Northeast Division, Northwest

Division, and System-wide for January 2008 through June 2017, and projected customers for these same series for July 2017 through December 2018. For each of these series, if any historical data points deviate from trend significantly such as to constitute an outlier(s), please explain the reasons for all such outliers.

30. Please refer to the direct testimony of witness Cassel, Exhibit MDC-3 and Exhibit MDC-4 for the following requests:

- a) Please describe the forecasting method(s) used by FPUC in arriving at its 2017 forecasts of energy sales.
- b) Please provide the energy sales forecasting models used by FPUC.
- c) Please identify, by model variable name, the dependent and independent variables in FPUC's energy sales forecasting model.
- d) Please provide FPUC's 2017 energy forecasts used to calculate the energy charges shown in Exhibit 4.
- e) Please provide FPUC's 2017 customer forecasts used to calculate the customer facilities charges shown in Exhibit 4.

31. Please refer to Exhibits MDC-3, page 1 of 1, and MDC-4, pp. 1 and 2 of 2

- a) Please describe the forecasting methods used by FPUC in arriving at its 2017 forecast of summer and winter peak demand.
- b) Please provide FPUC's summer and winter peak demand forecasting models.
- c) Please identify, by model variable name, the dependent variable and independent variables in FPUC's summer and winter peak demand models.
- d) Please provide FPUC's 2017 peak demand forecasts used to calculate the demand charges shown in Exhibit 4.

Please file all responses electronically no later than Friday, August 25, 2017, on the Commission's website at www.floridapsc.com by selecting the Clerk's Office tab and Electronic Filing Web Form. Please feel free to call me at (850) 413-6218 if you have any questions.

Sincerely,

s/ Suzanne Brownless
Suzanne Brownless
Special Counsel

SBr

cc: Office of Commission Clerk
Office of Public Counsel (C. Rehwinkel, P. Christensen)