

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Evaluation of storm restoration costs for
Florida Power & Light Company related to
Hurricane Irma.

DOCKET NO.: 20180049-EI

FILED: October 22, 2018

CITIZENS' MOTION FOR EXTENSION OF TESTIMONY FILING DATES
ESTABLISHED BY ORDER NO. PSC 2018-0290-PCO-EI

The Citizens of the State of Florida (Citizens), by and through the Office of Public Counsel (OPC), pursuant to Rule 28-106.204, Florida Administrative Code (F.A.C.), hereby file Citizens' Motion for Extension of Testimony Filing Dates established by Order No. PSC 2018-0290-PCO-EI, issued June 7, 2018, in the above docket. The Citizens request that this Motion be granted for good cause, and as grounds therefor state the following:

1. On February 22, 2018, the Commission opened Docket No. 20180049-EI to review the storm restoration costs of Florida Power & Light Company (FPL) related to Hurricane Irma. By Order No. 2018-0290-PCO-EI, issued June 7, 2018, the Order Establishing Procedure set the filing date for FPL's direct testimony and exhibits as August 31, 2018.
2. Hurricane Irma hit Florida on September 10-11, 2017. As such, FPL had almost a year after the storm, and six months after the docket was established, to file its case. It appears FPL was provided such a lengthy amount of time to prepare its case because of the complexity and extraordinary volume of the cost documentation which forms the basis of FPL's case.
3. The remainder of the key activities dates for this case have been established as follows:
 - a) Intervenors' testimony and exhibits due November 9, 2016;
 - b) Staff's testimony and exhibits, if any, due November 16, 2016;
 - c) Rebuttal testimony and exhibits due December 14, 2016;
 - d) Prehearing Statements due January 18, 2019

- e) Discovery Cutoff established as February 4, 2019;
- f) Prehearing set February 4, 2019;
- g) Hearing set for February 26 through March 1, 2019; and
- h) Briefs due April 1, 2019.

4. In its effort to prepare for hearings related to Hurricane Irma, OPC hired an outside consultant, Larkin & Associates, to review the storm costs in this docket, along with the storm costs for Tampa Electric Company (TECO) in Docket No. 20170271-EI, Duke Energy Florida, LLC., (Duke) in Docket No. 20170272-EI, as well as Florida Public Utility Company (FPUC) in Docket No. 20180061-EI.

5. FPUC is scheduled for hearing December 11-12, 2018. TECO and Duke had been scheduled for hearing September 12-13, 2018 and October 10-11, 2018, respectively. Due to issues that arose in the discovery process related to the documentary evidence produced, both of those dockets were rescheduled for the week of May 21-24, 2019 – a postponement of approximately **eight months**.

6. Currently, FPL's Hurricane Irma hearing is scheduled for the week of February 26-March 1, 2019. Intervenors' Testimony is currently due November 9, 2018, which is roughly three months prior to the scheduled hearing. However, the sheer volume of the documents received by OPC to date for review dictates that extensive time will be required in order for OPC's consultant to conduct the necessary in-depth evaluation and analysis. OPC served its first set of interrogatories and requests for production to FPL on May 18, 2018. At FPL's request, OPC agreed to provide FPL an extension of time to serve the bulk of the documents requested; FPL produced its discovery responses over the course of two months after the deadlines established by the OEP.

7. OPC estimates that, in the discovery responses filed on or after July 31, 2018 (to the discovery served on May 18, 2018), in excess of 70,000 pages of invoices and receipts, or upwards of 10 gigabytes of data, have been received in discovery so far. Moreover, based on its preliminary review, OPC has determined that additional documents must be obtained in order to fully evaluate FPL's cost recovery requests. At this time, it is unknown how many pages over and above those already received will have to be reviewed and evaluated. Depending on the volume of documents still to be received, and which at this time is unknown, OPC may require a further extension once discovery has been completed.

8. The requisite in-depth review of costs, by vendor and invoice, necessitates substantially more time than the short period provided in the initial OEP for OPC to file testimony. Under the current schedule, OPC and its consultant were given less than two and half months to conduct this massive undertaking, which OPC has now determined is an unrealistic timeline, given the extraordinarily voluminous nature of the documentation received to date and the complexity of the analysis required. Thus, OPC is seeking an extension of time to file its testimony.

9. OPC notes that the Duke and TECO dockets were extended (and testimony accordingly delayed) for roughly 8 months, even though those cases involved substantially fewer documents to be analyzed. As stated above, OPC's expert consultants are **simultaneously** analyzing documents in the Duke, TECO and FPUC dockets. The document review and analytical work required on these multiple dockets operating under similar timelines unavoidably hinders the ability of OPC's consultants to work exclusively on the FPL document review.

10. Further, the extension of time requested will not harm or prejudice FPL in any way because the company has already written off the Hurricane Irma costs in 2017. As stated by FPL in the Petition it filed in this docket on August 31, 2018:

FPL is not seeking through this proceeding to establish a charge for the recovery of the Hurricane Irma costs or replenishment of the storm reserve FPL recorded the Hurricane Irma costs as a base operation and maintenance (“O&M”) expense and plans to offset this expense with the expected tax savings from the Tax Cuts and Jobs Act of 2017 (“Tax Act”).

Petition by Florida Power & Light Company for Evaluation of Storm Restoration Costs Related to Hurricane Irma, p. 1.

11. In other words, “FPL decided to forego seeking incremental rate recovery of the Hurricane Irma storm restoration costs ... and, instead, recorded the remaining amount of Hurricane Irma storm restoration costs accumulated in FERC Account 186 to base O&M expense.” Direct Testimony of Keith Ferguson, p. 11 (emphasis added). According to FPL, this accounting treatment avoided a multi-year storm charge to customers for recovery of the storm restoration costs and replenishment of the storm reserve. Therefore, granting this motion will not cause any delay in FPL’s ability to apply a storm charge or recover funds because FPL has already stated it does not plan to take those actions. Rather, this proceeding is simply designed to quantify the dollar amount of storm costs FPL may “offset” or retain from the amounts customers are owed in refunds as a result of the huge tax cut windfall FPL realized from the Tax Cuts and Jobs Act of 2017.

12. Therefore, for good cause shown, Citizens requests that Intervenors’ testimony filing date be moved to January 11, 2019 to allow OPC sufficient time to conduct a thorough analysis of FPL’s Hurricane Irma storm costs.

13. Citizens’ Counsel conferred with the Parties to this matter. Florida Retail Federation, and Florida Industrial Power User Group support the Motion. FPL advised OPC that it objects to the request for an extension through January 11, 2019 for the filing of Intervenor testimony.

WHEREFORE, the Citizens hereby request that the Prehearing Officer grant their Motion for Extension of Testimony Filing Dates established by Order No. PSC-2018-0290-PCO-EI, issued June 7, 2018, grant Intervenors an extension of time to and including January 11, 2019 to file their testimony, and amend the other key activity dates accordingly.

Respectfully Submitted

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing **Motion for Extension of Testimony Filing Dates** has been furnished by electronic mail on this 22nd day of October, 2018, to the following:

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