

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

DATED: May 6, 2019

COMMISSION STAFF'S PREHEARING STATEMENT

Pursuant to Order No. PSC-2018-0539-PCO-EI, filed November 16, 2018, the Staff of the Florida Public Service Commission files its Prehearing Statement.

1. All Known Witnesses

There are no known witnesses at this time.

2. All Known Exhibits

There are no known exhibits at this time.

3. Staff's Statement of Basic Position

Staff's positions are preliminary and based on materials filed by the parties and on discovery. The preliminary positions are offered to assist the parties in preparing for the hearing. Staff's final positions will be based upon all the evidence in the record and may differ from the preliminary positions stated herein.

4. Staff's Position on the Issues

ISSUE 1: Should the incremental cost and capitalization approach (ICCA) found in Rule 25-6.0143, F.A.C., be used to determine the reasonable and prudent amounts to be included in the Hurricane Irma restoration costs?

POSITION: No position at this time pending evidence adduced at hearing.

ISSUE 2 What is the reasonable and prudent amount of regular payroll expense to be included in the Hurricane Irma restoration costs?

POSITION: No position at this time pending evidence adduced at hearing.

ISSUE 3: What is the reasonable and prudent amount of overtime payroll expense to be included in the Hurricane Irma restoration costs?

POSITION: No position at this time pending evidence adduced at hearing.

ISSUE 4: What is the reasonable and prudent amount of contractor costs to be included in the Hurricane Irma restoration costs?

POSITION: No position at this time pending evidence adduced at hearing.

ISSUE 5: What is the reasonable and prudent amount of vegetation and line clearing costs to be included in the Hurricane Irma restoration costs?

POSITION: No position at this time pending evidence adduced at hearing.

ISSUE 6: What is the reasonable and prudent amount of employee expenses to be included in the Hurricane Irma restoration costs?

POSITION: No position at this time pending evidence adduced at hearing.

ISSUE 7: What is the reasonable and prudent amount of materials and supplies expense to be included in the Hurricane Irma restoration costs?

POSITION: No position at this time pending evidence adduced at hearing.

ISSUE 8: What is the reasonable and prudent amount of logistics costs to be included in the Hurricane Irma restoration costs?

POSITION: No position at this time pending evidence adduced at hearing.

ISSUE 9: What is the reasonable and prudent total amount of costs to be included in the Hurricane Irma restoration costs?

POSITION: No position at this time pending evidence adduced at hearing.

ISSUE 10: What is the reasonable and prudent amount of storm-related costs that should be capitalized?

POSITION: No position at this time pending evidence adduced at hearing.

ISSUE 11: What is the appropriate accounting treatment associated with any storm costs found to have been imprudently incurred?

POSITION: No position at this time pending evidence adduced at hearing.

ISSUE 12: Should this docket be closed?

POSITION: No position at this time pending evidence adduced at hearing.

CONTESTED ISSUES

FRF ISSUE 1A: Was FPL required to use the Storm Cost Recovery Mechanism (SCRM) described in Order No. PSC-2016-0560-AS-EI for the recovery of FPL's reasonable and prudent Hurricane Irma restoration costs?

POSITION: No position at this time pending evidence adduced at hearing.

OPC ISSUE 4A: What is the reasonable and prudent amount of contractor costs associated with standby time, mobilization time, and demobilization time to be included in the Hurricane Irma restoration costs?

POSITION: No position at this time pending evidence adduced at hearing.

OPC ISSUE 4B: Should the incremental cost recovery and capitalization approach (ICCA) be applied to determine the reasonable and prudent amount of contractor costs associated with embedded crew expense (crews working year-round for FPL) to be included in the Hurricane Irma restoration costs?

POSITION: No position at this time pending evidence adduced at hearing.

OPC ISSUE 4C: As the result of the evidence in this case, what action should the Florida Public Service Commission take to ensure contractor rates charged to utilities are reasonable and prudent?

POSITION: No position at this time pending evidence adduced at hearing.

5. **Stipulated Issues**

There are no proposed stipulations at this time.

6. **Pending Motions**

There are no pending motions at this time.

7. **Pending Confidentiality Claims or Requests**

There are no pending confidentiality requests at this time.

8. **Objections to Witness Qualifications as an Expert**

Commission staff does not object to the expertise of any witness in this case.

9. Compliance with Order No. PSC-2018-0539-PCO-EI

Staff has complied with all requirements of the Order Establishing Procedure entered in this docket.

Respectfully submitted this 6th day of May, 2019.

/s/ Suzanne Brownless

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that STAFF'S PREHEARING STATEMENT has been filed with the Office of Commission Clerk and that a true copy has been furnished to the following by electronic mail this 6th day of May, 2019.

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