

State of Florida



# Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD  
TALLAHASSEE, FLORIDA 32399-0850

**-M-E-M-O-R-A-N-D-U-M-**

**DATE:** July 25, 2019

**TO:** Office of Commission Clerk (Teitzman)

**FROM:** Division of Economics (Doherty) *RD MSC ESD JTH*  
Office of the General Counsel (Trierweiler) *WF TSC*

**RE:** Docket No. 20190081-EI – Petition for approval of 2019 revisions to underground residential and commercial differential tariffs, by Florida Power & Light Company.

**AGENDA:** 08/06/19 – Regular Agenda – Tariff Filing – Interested Persons May Participate

**COMMISSIONERS ASSIGNED:** All Commissioners

**PREHEARING OFFICER:** Administrative

**CRITICAL DATES:** 12/01/19 (8-Month Effective Date)

**SPECIAL INSTRUCTIONS:** None

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## Case Background

On April 1, 2019, Florida Power & Light Company (FPL or utility) filed a petition for approval of revisions to its underground residential differential (URD) and underground commercial differential (UCD) tariffs. The URD and UCD tariffs apply to new residential and commercial developments and represent the additional costs, if any, FPL incurs to provide underground distribution service in place of overhead service. As discussed in the recommendation, based on current cost, including long term operational cost, FPL does not incur any additional costs to provide residential underground service; therefore, the proposed URD differentials are \$0. The proposed (legislative version) URD and UCD tariffs are contained in Attachments A and B to the

Docket No. 20190081-EI

Date: July 25, 2019

recommendation. FPL's current URD and UCD tariffs were approved by Order No. PSC-16-0424-TRF-EI.<sup>1</sup>

The Commission suspended FPL's proposed tariffs in Order No. PSC-2019-0211-PCO-EI.<sup>2</sup> FPL responded to staff's first data request on May 31, 2019 and filed a revised response to staff's data request No. 6 on July 2, 2019. The Commission has jurisdiction over this matter pursuant to Sections 366.03, 366.04, 366.05, and 366.06, Florida Statutes (F.S.).

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<sup>1</sup> Order No. PSC-16-0424-TRF-EI, issued October 3, 2016, in Docket No. 160071-EI, *In re: Petition for approval of 2016 revisions to underground residential and commercial differential tariffs, by Florida Power & Light Company.*

<sup>2</sup> Order No. PSC-2019-0211-PCO-EI, issued June 3, 2019, in Docket No. 20190081-EI, *In re: Petition for approval of 2019 revisions to underground residential and commercial differential tariffs, by Florida Power & Light Company.*

## Discussion of Issues

**Issue 1:** Should the Commission approve FPL's proposed URD tariff and associated charges?

**Recommendation:** Yes. The Commission should approve FPL's proposed URD tariffs and associated charges as shown in Attachment A, effective September 5, 2019. (Doherty)

**Staff Analysis:** Rule 25-6.078, Florida Administrative Code (F.A.C.), defines investor-owned utilities' (IOU) responsibilities for filing updated URD tariffs. FPL has filed the instant petition pursuant to subsection (3) of the rule, which requires IOUs to file supporting data and analyses for URD tariffs at least once every three years.

The URD tariffs provide charges for underground service in new residential subdivisions and represent the additional costs, if any, the utility incurs to provide underground service in place of overhead service. The cost of standard overhead construction is recovered through base rates from all ratepayers. In lieu of overhead construction, customers have the option of requesting underground facilities. Any additional cost is paid by the customer as contribution-in-aid-of construction (CIAC). Typically, the URD customer is the developer of a subdivision.

Traditionally, three standard model subdivision designs have been the basis upon which each IOU submits URD tariff changes for Commission approval: low density, high density, and a high density subdivision where dwelling units take service at ganged meter pedestals (groups of meters at the same physical location). Examples of this last subdivision type include mobile home and recreational vehicle parks. While actual construction may differ from the model subdivisions, the model subdivisions are designed to reflect average overhead and underground subdivisions.

Costs for underground construction have historically been higher for standard overhead construction and the additional cost is paid by the customer as a CIAC. In FPL's 2016 underground differential tariff, the cost differential was zero for ganged meters and some tiers of the low and high density subdivisions. As shown on Table 1-1, FPL's proposed URD differential charges are now \$0 for all three subdivision models. Therefore, the URD customer will not be assessed a CIAC charge for requesting underground service in a new residential subdivision. FPL explained that the decrease in the differentials, for some subdivision tiers, is primarily attributable to changes in operational costs as discussed in more detail in the section of the recommendation titled operational costs.

Table 1-1 shows the current and proposed URD differentials for the low density, high density, and ganged meter subdivisions.

**Table 1-1  
 Comparison of Differential Per Service Lateral**

<b>Types of Subdivision</b>	<b>Number of Service Laterals in Subdivision</b>	<b>Current URD Differential</b>	<b>Proposed URD Differential</b>
Low Density	Tier 1 – 200 or more	\$0	\$0
	Tier 2 – 85 – 199	\$183.35	\$0
	Tier 3 – less than 85	\$266.35	\$0
High Density	Tier 1 – 300 or more	\$0	\$0
	Tier 2 – 100-299	\$0	\$0
	Tier 3 – less than 100	\$57.97	\$0
Ganged Meter	All Tiers	\$0	\$0

Source: 2016 order and FPL’s 2019 filing

The calculations of the proposed URD charges include (1) updated labor and material costs along with the associated loading factors and (2) operational costs. These costs are discussed below.

**Labor and Material Costs**

The installation costs of both underground and overhead facilities include the labor and material costs to provide primary, secondary, and service distribution lines as well as transformers. The costs of poles are specific to overhead service while the costs of trenching and backfilling are specific to underground service. The utilities are required, by Rule 25-6.078(5) F.A.C., to use current labor and material costs.

FPL explained that generally the majority of overhead and underground material and labor costs have increased since 2016. With respect to labor costs, the cost of underground labor increased at a higher rate than it increased for overhead labor. FPL stated that contractual arrangements driven by market conditions determine the labor rates for both FPL employees and contractors.

Table 1-2 provides the labor and material differential, or pre-operational, costs. As Table 1-2 shows, only the low density cost differential of \$210.53 is a positive number, indicating that underground labor/material costs are higher than overhead labor/material costs for the low density subdivision. For the high density and ganged meter subdivisions, overhead labor/material costs are higher than underground labor/material costs.

**Table 1-2  
 Labor and Material Costs (Pre-operational Costs)**

<b>Low Density</b>	<b>2016 Costs</b>	<b>2019 Costs</b>	<b>Difference</b>
Underground labor/material costs	\$2,413.84	\$2,558.39	\$144.55
Overhead labor/material costs	\$2,272.49	\$2,347.86	\$75.37
Per service lateral differential	\$141.35	\$210.53	\$69.18
<b>High Density</b>			
Underground labor/material costs	\$1,640.45	\$1,767.54	\$127.09
Overhead labor/material costs	\$1,691.48	\$1,773.71	\$82.23
Per service lateral differential	(\$51.03)	(\$6.17)	(\$44.86)
<b>Ganged Meter</b>			
Underground labor/material costs	\$1,051.82	\$1,125.49	\$73.67
Overhead labor/material costs	\$1,344.17	\$1,397.83	\$53.66
Per service lateral differential	(\$292.35)	(\$272.34)	(\$20.01)

Source: 2016 Order and FPL's 2019 filing

### **Operational Costs**

Rule 25-6.078, F.A.C., requires that the differences in net present value of operational costs between overhead and underground systems, including average historical storm restoration costs over the life of the facilities, be included in the URD charge. The non-storm operational costs represent the cost differential between maintaining and operating an underground versus an overhead system over the life of the facilities. The storm cost component represents storm restoration costs avoided when an area is undergrounded, thereby reducing the cost to restore an overhead system. The avoided storm cost is subtracted from pre-operational and non-storm operational costs, thus reducing the URD differential charge. FPL's methodology to calculate the operational costs was approved in Order No. PSC-08-0774-TRF-EI<sup>3</sup> and remains the same in the instant docket.

### **Non-storm Operational Costs**

FPL's operational costs for an overhead system are higher than the operational cost for an underground system, resulting in a negative number as shown in Column B in Table 1-3. For the low density subdivision, for example, the operational cost differential in 2016 was \$208 (indicating that underground operational costs were higher than overhead operational costs). As shown in Table 1-3, the operational cost differential for the low density subdivision is now -\$2,103. FPL explained that the primary reason for this change in operational cost is the increase in overhead operational costs as a result of FPL's increased capital investments associated with its distribution storm hardening initiatives. The utility used a 5-year average of historical operational costs (2014-2018) for its calculations in this docket.

<sup>3</sup> Order No. PSC-08-0774-TRF-EI, issued November 24, 2008, in Docket No. 070231-EI, *In re: Petition for approval of 2007 revisions to underground residential and commercial distribution tariff, by Florida Power & Light Company.*

**Storm Restoration Costs**

FPL explained that the 2016 and 2017 hurricane season significantly increased the avoided storm restoration cost impacts. Specifically, FPL stated that the utility incorporated more than \$1.5 billion in overhead storm restoration costs for hurricanes Matthew, Hermine, and Irma. Therefore, the amount representing avoided storm restoration costs increased significantly from 2016.

Table 1-3 presents the pre-operational, non-storm operational, and the avoided storm restoration cost differentials between overhead and underground systems. The proposed differential is \$0 when the calculation results in a negative number.

**Table 1-3  
 Components of the URD Charges**

Type of Subdivision	Number of Service Laterals in Subdivision	Pre-Operational Costs (A)	Non-storm Operational costs (B)	Avoided Storm costs (C)	Proposed URD Differentials (A)+(B)+(C)
Low Density	Tier 1 – 200 or more	\$210.53	(\$2,103)	(\$827)	\$0
	Tier 2 – 85 – 199		(\$2,103)	(\$331)	\$0
	Tier 3 – less than 85		(\$2,103)	(\$165)	\$0
High Density	Tier 1 – 300 or more	\$0.00	(\$1,796)	(\$827)	\$0
	Tier 2 – 100 – 299		(\$1,796)	(\$331)	\$0
	Tier 3 – less than 100		(\$1,796)	(\$165)	\$0
Ganged Meter	Tier 1 – 300 or more	\$0.00	(\$1,796)	(\$827)	\$0
	Tier 2 – 100 – 299		(\$1,796)	(\$331)	\$0
	Tier 3 – less than 100		(\$1,796)	(\$165)	\$0

Source: FPL’s 2019 Filing

**Conclusion**

Staff has reviewed FPL’s proposed URD tariffs and associated charges, its accompanying work papers, and its responses to staff’s data requests. Staff believes the proposed URD tariffs and associated charges are reasonable and recommends approval. FPL requested that the tariffs be made effective 30 days after the Commission vote. Staff recommends that the Commission approve FPL’s proposed URD tariffs and associated charges, effective September 5, 2019.

**Issue 2:** Should the Commission approve FPL's proposed UCD tariffs and associated charges?

**Recommendation:** Yes. The Commission should approve FPL's proposed UCD tariffs and associated charges as shown in Attachment B, effective September 5, 2019. (Doherty)

**Staff Analysis:** Utilities are not required to file UCD tariffs pursuant to Rule 25-6.078, F.A.C.; however, as in prior URD petitions, FPL included proposed UCD tariffs in its petition. The UCD tariffs apply to small commercial or industrial customers (applicant) that request the installation of underground electric distribution facilities for a new building. The requested underground distribution facilities consist of underground service conductors, placed in conduit, and associated equipment that is installed from overhead feeder mains (or overhead termination point) to the designed point of delivery (where the utility's wires are connected to those of the customer).

The UCD charges represent the differential costs for underground commercial facilities and their equivalent overhead design. The calculations provided by FPL in its petition employ FPL's standard engineering design criteria and are based on actual 2018 labor and material costs. Unlike the URD calculations, the UCD calculations do not include long term operational and avoided storm restoration costs. In addition, the UCD tariffs provide credits that apply if the applicant provides trenching, backfilling, or installs FPL provided conduit or a concrete pad for a pad-mounted transformer.

FPL explained that including cost-based UCD charges in its tariff provides clarity to customers and FPL's field employees regarding the costs for commercial underground distribution facilities.

Staff reviewed FPL's supporting documentation for the UCD charges and believes the charges are cost based and reasonable. FPL requested that the tariffs be made effective 30 days after the Commission vote. Staff recommends that the Commission approve FPL's proposed UCD tariffs and associated charges, effective September 5, 2019.

**Issue 3:** Should this docket be closed?

**Recommendation:** If a protest is filed within 21 days of the issuance of the order, this tariff should remain in effect, with any revenues held subject to refund, pending resolution of the protest. If no timely protest is filed, this docket should be closed upon the issuance of a consummating order. (Trierweiler)

**Staff Analysis:** If a protest is filed within 21 days of the issuance of the order, this tariff should remain in effect, with any revenues held subject to refund, pending resolution of the protest. If no timely protest is filed, this docket should be closed upon the issuance of a consummating order.



FLORIDA POWER & LIGHT COMPANY

Twenty-Sixth~~Seventh~~ Revised Sheet No. 6.095  
Cancels Twenty-Fifth~~Sixth~~ Revised Sheet No. 6.095

(Continued from Sheet No. 6.090)

10.2.8.1 Credit for TUGs

If the Applicant installs the permanent electric service entrance such that FPL's service lateral can be subsequently installed and utilized to provide that building's construction service, the Applicant shall receive a credit in the amount of ~~\$60.00~~70.12 per service lateral, subject to the following requirements:

- a) TUGs must be inspected and approved by the local inspecting authority.
- b) All service laterals within the subdivision must be installed as TUGs.
- c) FPL must be able to install the service lateral, energize the service lateral, and set the meter to energize the load side of the meter can, all in a single trip. Subsequent visits other than routine maintenance or meter readings will void the credit.
- d) Thereafter, acceptance and receipt of service by the Customer shall constitute certification that the Customer has met all inspection requirements, complied with all applicable codes and rules and, subject to section 2.7 Indemnity to Company, or section 2.71 Indemnity to Company -- Governmental, FPL's General Rules and Regulations, the Customer releases, holds harmless and agrees to indemnify the Company from and against loss or liability in connection with the provision of electrical services to or through such Customer-owned electrical installations.
- e) The Applicant shall be held responsible for all electric service used until the account is established in the succeeding occupant's name.

This credit applies only when FPL installs the service - it does not apply when the applicant installs the service conduits, or the service conduits and cable.

10.2.9. Location of Distribution Facilities

Underground distribution facilities will be located, as determined by the Company, to maximize their accessibility for maintenance and operation. The Applicant shall provide accessible locations for meters when the design of a dwelling unit or its appurtenances limits perpetual accessibility for reading, testing, or making necessary repairs and adjustments.

10.2.10. Special Conditions

The costs quoted in these rules are based on conditions which permit employment of rapid construction techniques. The Applicant shall be responsible for necessary additional hand digging expenses other than what is normally provided by the Company. The Applicant is responsible for clearing, compacting, boulder and large rock removal, stump removal, paving, and addressing other special conditions. Should paving, grass, landscaping or sprinkler systems be installed prior to the construction of the underground distribution facilities, the Applicant shall pay the added costs of trenching and backfilling and be responsible for restoration of property damaged to accommodate the installation of underground facilities.

10.2.11. Point of Delivery

The point of delivery shall be determined by the Company and will normally be at or near the part of the building nearest the point at which the secondary electric supply is available to the property. When a location for a point of delivery different from that designated by the Company is requested by the Applicant, and approved by the Company, the Applicant shall pay the estimated full cost of service lateral length, including labor and materials, required in excess of that which would have been needed to reach the Company's designated point of service. The additional cost per trench foot is ~~\$7.20~~7.91. Where an existing trench is utilized, the additional cost per trench foot is ~~\$2.78~~3.00. Where the Applicant provides the trenching, installs Company provided conduit according to Company specifications and backfilling, the cost per additional trench foot is ~~\$2.02~~2.16. Any re-designation requested by the Applicant shall conform to good safety and construction practices as determined by the Company. Service laterals shall be installed, where possible, in a direct line to the point of delivery.

(Continued on Sheet No. 6.096)

Issued by: ~~S. E. Romig~~Tiffany Cohen, Director, Rates and Tariffs  
Effective: ~~October 13, 2016~~

FLORIDA POWER & LIGHT COMPANY

Thirty-Sixth Revised Sheet No. 6.100  
 Cancels Thirty-Fifth Revised Sheet No. 6.100

**SECTION 10.3 UNDERGROUND DISTRIBUTION FACILITIES FOR  
 RESIDENTIAL SUBDIVISIONS AND DEVELOPMENTS**

**10.3.1. Availability**

When requested by the Applicant, the Company will provide underground electric distribution facilities, other than for multiple occupancy buildings, in accordance with its standard practices in:

- a) Recognized new residential subdivision of five or more building lots.
- b) Tracts of land upon which five or more separate dwelling units are to be located.

For residential buildings containing five or more dwelling units, see SECTION 10.6 of these Rules.

**10.3.2. Contribution by Applicant**

a) The Applicant shall pay the Company the average differential cost for single phase residential underground distribution service based on the number of service laterals required or the number of dwelling units, as follows:

	Applicant's Contribution
1. Where density is 6.0 or more dwelling units per acre:	
1.1 Buildings that do not exceed four units, townhouses, and mobile homes – per service lateral.	
1. Subdivisions with 300 or more total service laterals	\$ 0.00
2. Subdivisions from 100 to 299 total service laterals	\$ 0.00
3. Subdivisions less than 100 total service laterals	\$ <del>7,070.00</del>
1.2 Mobile homes having Customer-owned services from meter center installed adjacent to the FPL primary trench route - per dwelling unit.	
1. Subdivisions with 300 or more total dwelling units	\$ 0.00
2. Subdivisions from 100 to 299 total dwelling units	\$ 0.00
3. Subdivisions less than 100 total dwelling units	\$ 0.00
2. Where density is 0.5 or greater, but less than 6.0 dwelling units per acre:	
Buildings that do not exceed four units, townhouses, and mobile homes – per service lateral	
1. Subdivisions with 200 or more total service laterals	\$ 0.00
2. Subdivisions from 85 to 199 total service laterals	\$ <del>483,350.00</del>
3. Subdivisions less than 85 total service laterals	\$ <del>266,350.00</del>
3. Where the density is less than 0.5 dwelling units per acre, or the Distribution System is of non-standard design, Individual cost estimates will be used to determine the differential cost as specified in Paragraph 10.2.5.	

Additional charges specified in Paragraphs 10.2.10 and 10.2.11 may also apply.

b) The above costs are based upon arrangements that will permit serving the local underground distribution system within the subdivision from overhead feeder mains. If feeder mains within the subdivision are deemed necessary by the Company to provide and/or maintain adequate service and are required by the Applicant or a governmental agency to be installed underground, the Applicant shall pay the Company the average differential cost between such underground feeder mains within the subdivision and equivalent overhead feeder mains, as follows:

	Applicant's Contribution
Cost per foot of feeder trench within the subdivision (excluding switches)	\$9,0210.09
Cost per above ground padmounted switch package	<del>\$27,300.43</del> \$25,716.84

(Continued on Sheet No. 6.110)

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FLORIDA POWER & LIGHT COMPANY

~~Thirty-Fifth~~ Revised Sheet No. 6.110  
 Cancels ~~Thirty-Fourth Fifth~~ Revised Sheet No. 6.110

(Continued from Sheet No. 6.100)

- c) Where primary laterals are needed to cross open areas such as golf courses, parks, other recreation areas and water retention areas, the Applicant shall pay the average differential costs for these facilities as follows:

Cost per foot of primary lateral trench within the subdivision

1) Single Phase - per foot	<del>\$0-710.98</del>
2) Two Phase - per foot	<del>\$3-733.02</del>
3) Three Phase - per foot	<del>\$4-384.70</del>

- d) For requests for service where underground facilities to the lot line are existing and a differential charge was previously paid for these facilities, the cost to install an underground service lateral to the meter is as follows:

Density less than 6.0 dwelling units per acre:	<del>\$348-83198.76</del>
Density 6.0 or greater dwelling units per acre:	<del>\$258-34295.96</del>

10.3.3. Contribution Adjustments

- a) Credits will be allowed to the Applicant's contribution in Section 10.3.2. where, by mutual agreement, the Applicant provides all trenching and backfilling for the Company's distribution system, excluding feeder.

	Credit to Applicant's Contribution	
	Backbone	Service
1. Where density is 6.0 or more dwelling units per acre:		
1.1 Buildings that do not exceed four units, townhouses, and mobile homes - per service lateral.	<del>\$149-16174.32</del>	<del>\$156-59183.00</del>
1.2 Mobile homes having Customer-owned services from meter center installed adjacent to the FPL primary trench route - per dwelling unit.	<del>\$123-35144.16</del>	N/A
2. Where density is 0.5 or greater, but less than 6.0 dwelling units per acre:		
Buildings that do not exceed four units, townhouses, and mobile homes - per service lateral	<del>\$247-06288.73</del>	<del>\$219-33256.20</del>

- b) Credits will be allowed to the Applicant's contribution in Section 10.3.2. where, by mutual agreement, the Applicant installs all Company-provided conduit excluding feeder per FPL instructions. This credit is:

	Credit to Applicant's Contribution	
	Backbone	Service
1. Where density is 6.0 or more dwelling units per acre:		
1.1 Buildings that do not exceed four units, townhouses, and mobile homes - per service lateral.	<del>\$62-0772.54</del>	<del>\$48-0056.09</del>

(Continued on Sheet No. 6.115)

Issued by: ~~S. E. Romig~~ Tiffany Cohen, Director, Rates and Tariffs  
 Effective: ~~October 13, 2016~~

FLORIDA POWER & LIGHT COMPANY

Twenty-~~Third~~Fourth Revised Sheet No. 6.115  
 Cancels Twenty-~~Second~~Third Revised Sheet No. 6.115

(Continued from Sheet No. 6.110)

	Credit to Applicant's Contribution	
	Backbone	Service
1.2 Mobile homes having Customer-owned services from meter center installed adjacent to the FPL primary trench route - per dwelling unit.	\$50.64	N/A
2. Where density is .5 or greater, but less than 6.0 dwelling units per acre, per service lateral.	\$99.47	
	<del>\$58.80</del>	<del>68.71</del>
c) Credits will be allowed to the Applicant's contribution in Section 10.3.2, where, by mutual agreement, the Applicant provides a portion of trenching and backfilling for the Company's facilities, per foot of trench -		
<del>\$3.48</del>		<del>4.07</del>
d) Credits will be allowed to the Applicant's contribution in section 10.3.2, where, by mutual agreement, the Applicant installs a portion of Company-provided PVC conduit, per FPL instructions (per foot of conduit): 2" PVC -		
<del>\$0.60</del>		<del>0.70</del> ; larger than 2" PVC - <del>\$0.84</del>
<del>0.98</del>		
e) Credit will be allowed to the Applicant's contribution in section 10.3.2., where, by mutual agreement, the Applicant installs an FPL-provided feeder splice box, per FPL instructions, per box -		
<del>\$664.74</del>		<del>776.87</del>
f) Credit will be allowed to the Applicant's contribution in section 10.3.2., where by mutual agreement, the Applicant installs an FPL-provided primary splice box, per FPL instructions, per box -		
<del>\$222.78</del>		<del>272.05</del>
g) Credit will be allowed to the Applicant's contribution in section 10.3.2., where, by mutual agreement, the Applicant installs an FPL-provided secondary handhole, per FPL instructions, per handhole: 17" handhole -		
<del>\$21.60</del>		<del>25.24</del> ; 24" or 30" handhole - <del>\$64.19</del>
<del>71.52</del>		
h) Credit will be allowed to the Applicant's contribution in section 10.3.2., where, by mutual agreement, the Applicant installs an FPL-provided concrete pad for a pad-mounted transformer or capacitor bank, per FPL instructions, per pad -		
<del>\$60.00</del>		<del>70.12</del>
i) Credit will be allowed to the Applicant's contribution in Section 10.3.2., where, by mutual agreement, the Applicant installs a portion of Company-provided flexible HDPE conduit, per FPL instructions (per foot of conduit):		
<del>\$0.12</del>		<del>0.14</del>
j) Credit will be allowed to the Applicant's contribution in Section 10.3.2., where, by mutual agreement, the Applicant installs an FPL-provided concrete pad and cable chamber for a pad-mounted feeder switch, per pad and cable chamber -		
<del>\$565.15</del>		<del>660.48</del>

Issued by: ~~S. E. Romig~~ Tiffany Cohen, Director, Rates and Tariffs  
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FLORIDA POWER & LIGHT COMPANY

~~Thirty-Fifth~~ Revised Sheet No. 6.120  
 Cancels ~~Thirty-Fourth~~ Revised Sheet No. 6.120

**SECTION 10.4 UNDERGROUND SERVICE LATERALS FROM  
 OVERHEAD ELECTRIC DISTRIBUTION SYSTEMS**

**10.4.1. New Underground Service Laterals**

When requested by the Applicant, the Company will install underground service laterals from overhead systems to newly constructed residential buildings containing less than five separate dwelling units.

**10.4.2. Contribution by Applicant**

a) The Applicant shall pay the Company the following differential cost between an overhead service and an underground service lateral, as follows:

	<u>Applicant's Contribution</u>
1. For any density:	
Buildings that do not exceed four units, townhouses, and mobile homes	
a) per service lateral (includes service riser installation)	\$683,847.56.40
b) per service lateral (from existing handhole or PM TX)	\$348,833.98.76
2. For any density, the Company will provide a riser to a handhole at the base of a pole	\$705,467.67.83

Additional charges specified in Paragraphs 10.2.10 and 10.2.11 may also apply. Underground service or secondary extensions beyond the boundaries of the property being served will be subject to additional differential costs as determined by individual cost estimates.

**10.4.3. Contribution Adjustments**

a) Credit will be allowed to the Applicant's contribution in Section 10.4.2 where, by mutual agreement, the Applicant provides trenching and backfilling for the Company's facilities. This credit is:

	<u>Credit To Applicant's Contribution</u>
1. For any density:	
Buildings that do not exceed four units, townhouses, and mobile homes	
- per foot	\$3.48    \$4.07

(Continued on Sheet No. 6.125)

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 Effective: ~~October 13, 2016~~

FLORIDA POWER & LIGHT COMPANY

~~Twenty-First~~Second Revised Sheet No. 6.125  
Cancels ~~Twenty-First~~Twenty-First Revised Sheet No. 6.125

(Continued from Sheet No. 6.120)

b) Credit will be allowed to the Applicant's contribution in Section 10.4.2, where by mutual agreement, the Applicant installs Company-provided conduit, per FPL instructions, as follows:

1. For any density:

Buildings that do not exceed four units, townhouses, and mobile homes	
- per foot:	2" PVC <del>\$0-600.70</del>
	Larger than 2" PVC <del>\$0-840.98</del>

c) Credit will be allowed to the Applicant's contribution in Section 10.4.2, where by mutual agreement, the Applicant requests the underground service to be installed as a TUG (subject to the conditions specified in Section 10.2.8.1), per service lateral, as follows:

1. For any density:

Buildings that do not exceed four units, townhouses, and mobile homes	
-per service lateral:	<del>\$60-0070.12</del>

Issued by: ~~S. E. Romig~~Tiffany Cohen, Director, Rates and Tariffs  
Effective: ~~October 13, 2016~~

FLORIDA POWER & LIGHT COMPANY

Thirty-~~Second~~<sup>Third</sup> Revised Sheet No. 6.130  
 Cancels Thirty-~~First~~<sup>Second</sup> Revised Sheet No. 6.130

**SECTION 10.5 UNDERGROUND SERVICE LATERALS REPLACING  
 EXISTING RESIDENTIAL OVERHEAD AND UNDERGROUND SERVICES**

**10.5.1. Applicability**

When requested by the Applicant, the Company will install underground service laterals from existing systems as replacements for existing overhead and underground services to existing residential buildings containing less than five individual dwelling units.

**10.5.2. Rearrangement of Service Entrance**

The Applicant shall be responsible for any necessary rearranging of his existing electric service entrance facilities to accommodate the proposed underground service lateral in accordance with the Company's specifications.

**10.5.3. Trenching and Conduit Installation**

The Applicant shall also provide, at no cost to the Company, a suitable trench, perform the backfilling and any landscape, pavement or other similar repairs and install Company provided conduit according to Company specifications. When requested by the Applicant and approved by the Company, the Company may supply the trench and conduit and the Applicant shall pay for this work based on a specific cost estimate. Should paving, grass, landscaping or sprinkler systems need repair or replacement during construction, the Applicant shall be responsible for restoring the paving, grass, landscaping or sprinkler systems to the original condition.

**10.5.4. Contribution by Applicant**

a)	The charge per service lateral replacing an existing Company-owned overhead service for any density shall be:	<u>Applicant's Contribution</u>
1.	Where the Company provides an underground service lateral:	<u>\$654,40704.99</u>
2.	Where the Company provides a riser to a handhole at the base of the pole:	<u>\$930,431016.79</u>
b)	The charge per service lateral replacing an existing Company-owned underground service at Applicant's request for any density shall be:	
1.	Where the service is from an overhead system:	<u>\$643,46705.62</u>
2.	Where the service is from an underground system:	<u>\$555,22605.99</u>
c)	The charge per service lateral replacing an existing Customer-owned underground service from an overhead system for any density shall be:	<u>\$426,83456.03</u>
d)	The charge per service lateral replacing an existing Customer-owned underground service from an underground system for any density shall be:	<u>\$91,8198.38</u>

The above charges include conversion of the service lateral from the last FPL pole to the meter location. Removal of any other facilities such as poles, downguys, spans of secondary, etc. will be charged based on specific cost estimates for the requested additional work.

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 Effective: ~~October 13, 2016~~

**FLORIDA POWER & LIGHT COMPANY**

~~Fifth Revised Sheet No. 6.520~~  
~~Cancels Ninth Revised Sheet No. 6.520~~  
**Eleventh Revised Sheet No. 6.520**

(Continued from Sheet No. 6.510)

**13.2.12 Contribution by Applicant**

The Applicant shall pay the Company the average differential cost between installing overhead and underground distribution facilities based on the following:

- a) Primary lateral, riser (if from overhead termination point), pad mounted transformer and trench with cable-in-conduit not to exceed 150 feet in radials and 300 feet in loops.

	<u>Applicant's Contribution</u>	
	<u>From Overhead Termination Point</u>	<u>From Existing Underground Termination Point</u>
1) Single phase radial	\$ 0.00	\$ 0.00
2) Two phase radial	\$ 0.00	\$ 0.00
3) Three phase radial (150 KVA)	\$ 0.00	\$ 0.00
4) Three phase radial (300 KVA)	\$ 0.00	\$ 0.00
5) Single phase loop	\$ 0.00	\$ 0.00
6) Two phase loop	\$ 0.00	\$ 0.00
7) Three phase loop (150 KVA)	\$ 0.00	\$ 0.00
8) Three phase loop (300 KVA)	\$ 0.00	\$ 0.00

- b) Secondary riser and lateral, excluding handhole or junction box, with connection to Applicant's service cables no greater than 20 feet from Company riser pole.

1) Small single phase	\$ <del>553.54</del> 601.33
2) Large single phase	\$ <del>4,025.99</del> 1,085.49
3) Small three phase	\$ <del>804.99</del> 884.63
4) Large three phase	\$ <del>4,530.59</del> 1,609.40

- c) FPL service cable installed in customer provided and customer installed 2" PVC (for main line switch size limited to 60 amps for 120V, 2 wire service, or 125 amps for 120/240v, 3 wire service) where customer's meter can is at least 5 feet and no more than 100 feet from the FPL pole.

	<u>120v 60 amp 2 wire service</u>	<u>120/240v 125 amp 3 wire service</u>
1) Installed on a wood pole - accessible locations	\$ <del>474.23</del> 506.26	\$ <del>434.80</del> 463.18
2) Installed on a wood pole - inaccessible locations	\$ <del>545.29</del> 583.61	\$ <del>493.54</del> 528.23
3) Installed on a concrete pole - accessible locations	\$ <del>526.63</del> 569.74	\$ <del>487.49</del> 526.65

- d) Handholes and Padmounted Secondary Junction Box, excluding connections.

1) Handhole	
a. Small - per handhole	\$ <del>203.40</del> 232.68
b. Intermediate - per handhole	\$ <del>244.53</del> 286.94
c. Large - per handhole	\$ <del>272.30</del> 323.21

2) Pad Mounted secondary Junction Box - per box	\$ <del>2,567.39</del> 3,226.71
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- 3) Pad Mounted secondary Junction Cabinet, used when electrical loads exceed the capacity of the secondary junction box (above) or when the number of the service conductors exceed the capacity of the pad mounted transformer. This charge is only applicable if the majority of the customer's service conductor diameter is less than 500 MCM.

Per cabinet (includes connecting up to 12 sets of conductor)	\$ <del>44,993.48</del> 11,704.68
Tapping service conductors (if more than 12 sets) - per set	\$ <del>79.30</del> 88.00

(Continued on Sheet No. 6.530)

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FLORIDA POWER & LIGHT COMPANY

~~Tenth~~<sup>Eleventh</sup> Revised Sheet No. 6.530  
 Cancels ~~Ninth~~<sup>Tenth</sup> Revised Sheet No. 6.530

(Continued from Sheet No. 6.520)

- e) Primary splice box including splices and cable pulling set-up.
- |                           |                    |
|---------------------------|--------------------|
| 1) Single Phase - per box | \$1,349,641,109.75 |
| 2) Two Phase - per box    | \$1,859,161,660.91 |
| 3) Three Phase - per box  | \$2,070,151,867.45 |
- f) Additional installation charge for underground primary laterals including trench and cable-in-conduit which exceed the limits set in 13.2.12 a).
- |                            |             |
|----------------------------|-------------|
| 1) Single Phase - per foot | \$ 0.710.98 |
| 2) Two Phase - per foot    | \$ 2.733.02 |
| 3) Three Phase - per foot  | \$ 2.481.81 |
- g) Additional installation charge for underground primary laterals including trench and cable-in-conduit extended beyond the Company designated point of delivery to a remote point of delivery.
- |                            |               |
|----------------------------|---------------|
| 1) Single Phase - per foot | \$ 8.749.41   |
| 2) Two Phase - per foot    | \$ 43.0313.88 |
| 3) Three Phase - per foot  | \$ 45.2615.29 |
- h) The above costs are based upon arrangements that will permit serving the local underground distribution system within the commercial/industrial development from overhead feeder mains. If feeder mains within the commercial/industrial development are deemed necessary by the company to provide and/or maintain adequate service and are required by the Applicant or a governmental agency to be installed underground, the Applicant shall pay the company the average differential cost between such underground feeder mains within the commercial/industrial development and equivalent overhead feeder mains, as follows:
- |  |                             |
|--|-----------------------------|
|  | Applicant's<br>Contribution |
| Cost per foot of feeder trench within the commercial/industrial development (excluding switches) | \$ 9.0310.09                |
| Cost per <u>above ground padmounted</u> switch package   | \$27,200.4325,716.84        |
- i) The Company will provide one standby/assistance appointment at no additional charge to the Applicant adding new or additional load to assist with installation of the Applicant's conductors and conduit(s) into a padmounted transformer, pedestal or vault (not to exceed four hours in duration) during normal hours of operation. Additional appointments will be provided upon request, at the Applicant's expense.

(Continued on Sheet 6.540)

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FLORIDA POWER & LIGHT COMPANY

~~Sixth~~ Seventh Revised Sheet No. 6.540  
 Cancels ~~Fifth~~ Sixth Revised Sheet No. 6.540

(Continued from Sheet No. 6.530)

13.2.13 Contribution Adjustments

- |    |   |  |
|----|---|--|
| a) | Credits will be allowed to the Applicant's contribution in Section 13.2.12. where, by mutual agreement, the Applicant provides trenching and backfilling for the Company's facilities.  | Credit to the Applicant's Contribution |
|    | 1) Credit per foot of primary trench  | \$ <del>3,484.07</del>                 |
|    | 2) Credit per foot of secondary trench  | \$ <del>2,761.23</del>                 |
| b) | Credits will be allowed to the Applicant's contribution in section 13.2.12. where, by mutual agreement, the Applicant installs Company-provided conduit per Company instructions.   |  |
|    | 1) Credit per foot of 2" conduit  | \$ <del>0.690.70</del>                 |
|    | 2) Credit per foot of larger than 2" conduit  | \$ <del>0.849.98</del>                 |
| c) | Credit will be allowed to the Applicant's contribution in Section 13.2.12. where, by mutual agreement, the Applicant installs a Company-provided handhole per Company instructions,   |  |
|    | 1) Credit per large handhole/primary splice box   | \$ <del>332,782.05</del>               |
|    | 2) Credit per small handhole  | \$ <del>61,497.52</del>                |
| d) | Credit will be allowed to the Applicant's contribution in Section 13.2.12. where, by mutual agreement, the Applicant installs a Company-provided concrete pad for a pad-mounted transformer or pad-mounted capacitor bank per Company instructions, |  |
|    | Credit per pad  | \$ <del>60,8970.12</del>               |
| e) | Credit will be allowed to the Applicant's contribution in Section 13.2.12. where, by mutual agreement, the Applicant installs Company-provided concrete pad for a pad-mounted feeder switch chamber per Company instructions,                       |  |
|    | Credit per pad  | \$ <del>66,18660.48</del>              |
| f) | Credit will be allowed to the Applicant's contribution in Section 13.2.12. where, by mutual agreement, the Applicant installs Company-provided concrete pad for a feeder splice box per Company instructions,                                       |  |
|    | Credit per splice box   | \$ <del>664,74776.87</del>             |

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