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-VIA ELECTRONIC FILING-

Adam Teitzman Commission Clerk Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850

RE: Docket No. 20200000-OT Florida Power & Light Company and Gulf Power Company's 2020-2029 Ten Year Power Plant Site Plan

Dear Mr. Teitzman:

Please find attached Florida Power & Light Company and Gulf Power Company's responses to Staff's Fourth Data Request (Nos. 1-3).

If there are any questions, please contact me at (561)304-5662.

Sincerely,

/<u>s/William P. Cox</u>

William P. Cox Senior Attorney Fla. Bar No. 00093531

Enclosures

cc: Doug Wright Donald Phillips Damien Kistner

Florida Power & Light Company

Florida Power & Light Company Gulf Power Company Docket No. 20200000-OT Ten-Year Site Plan Staff's Fourth Data Request Request No. 1 Page 1 of 1

QUESTION:

Referring to Schedule 3.1, please discuss how the Company's Forecast of Summer Peak Demand would be expected to change (i.e. increase, decrease, and to what degree, in general terms) if updated to reflect the impacts of the COVID-19 Pandemic for 2020.

RESPONSE:

The Company's forecast of Summer Peak Demand is based on the behavioral relationship of peak demand to various factors including projected economic conditions. However, the COVID-19 Pandemic is unprecedented in modern history; therefore, the Company does not have any data as to the impact on Summer Peak Demand from such an event. Additionally, the economic impacts of the COVID-19 Pandemic are still highly uncertain at this time. Because of these reasons, the Company is unable to quantify the impacts of the COVID-19 Pandemic to the forecast of Summer Peak Demand.

Florida Power & Light Company Gulf Power Company Docket No. 20200000-OT Ten-Year Site Plan Staff's Fourth Data Request Request No. 2 Page 1 of 1

QUESTION:

Referring to Schedule 3.2, please discuss how the Company's Forecast of Winter Peak Demand would be expected to change (i.e. increase, decrease, and to what degree, in general terms) if updated to reflect the impacts of the COVID-19 Pandemic for 2020.

RESPONSE:

The Company's forecast of Winter Peak Demand is based on the behavioral relationship of peak demand to various factors including projected economic conditions. However, the COVID-19 Pandemic is unprecedented in modern history; therefore, the Company does not have any data as to the impact on Winter Peak Demand from such an event. Additionally, the economic impacts of the COVID-19 Pandemic are still highly uncertain at this time. Because of these reasons, the Company is unable to quantify the impacts of the COVID-19 Pandemic to the forecast of Winter Peak Demand.

Florida Power & Light Company Gulf Power Company Docket No. 20200000-OT Ten-Year Site Plan Staff's Fourth Data Request Request No. 3 Page 1 of 1

QUESTION:

Please discuss how the Company's Fuel Price Forecasts would be expected to change (i.e. increase, decrease, and to what degree, in general terms) if updated to reflect the impacts of the COVID-19 Pandemic for 2020.

RESPONSE:

FPL develops official long-term fuel price forecasts for its integrated resource planning work that is used for filings such as the Ten Year Site Plan (TYSP) each year. Additionally, the Company develops unofficial fuel price forecasts, for internal use, each month. These forecasts, which have a short-term perspective, rely upon forward market prices (forward curves) for both natural gas and fuel oil. The basic assumption made with respect to using the forward curves is that all available data that could impact the commodity prices in the short-term is incorporated into the curves at all times.

The most recent monthly fuel price forecast used forward price curves from June 1, 2020, along with the coal forecast from J.D. Energy, Inc. Based on the June 1 forward curve, the balance of year average forecasted natural gas price decreased by \$0.26/mmBTU, when compared to the January 6, 2020 forecast used in the resource planning work that led to the TYSP. At the same time, the average annual natural gas price forecast for 2021 increased by \$0.21/mmBTU when compared to the forecast used in the TYSP. These price changes reflect any impacts the COVID-19 Pandemic has had on markets to date, as well as all other market information. However, currently, the country is experiencing an unprecedented time with respect to the COVID-19 Pandemic, which has caused significant market swings, increased market volatility, and general uncertainty about future fuel prices. Ultimately, FPL cannot predict how future fuel price forecasts may be affected by impacts from the on-going COVID-19 Pandemic or other events. The fuel price forecast used in developing the 2020 TYSP remains FPL's official long-term fuel cost forecast for planning work.