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From: Rhonda Dulgar [rdulgar@yvlaw.net]
Sent: Thursday, September 04, 2008 10:08 AM
To: Bryan Anderson; John T. Butler; R. Wade Litchfield; Brian Armstrong; Filings@psc.state.fl.us; Ralph Jaeger; Joseph Yarbrough; Thomas Bradford; Schef Wright
Subject: Electronic Filing - Docket 070231-EI
Attachments: MUUC.DataRequeststoFPL.9-4-08.pdf

a. Person responsible for this electronic filing:

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b. Docket No. 070231-EI

In Re: Petition for Approval of 2007 Revisions to Underground Residential and Commercial Distribution Tariff, by Florida Power & Light Company.

c. Document being filed on behalf of the Muncipal Underground Utilities Consortium and the City of Coconut Creek, Florida.

d. There are a total of 17 pages.

e. The document attached for electronic filing is MUUC's Data Requests to FPL.

(see attached file: MUUC.DataRequeststoFPL.9-4-08.pdf)

Thank you for your attention and assistance in this matter.

Rhonda Dulgar
Secretary to Schef Wright
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DOCUMENT NUMBER-DATE

08137 SEP-4 8

FPSC-COMMISSION CLERK

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September 4, 2008

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MUUC'S FIRST DATA REQUESTS
IN DOCKET NO. 080244-EI AND
DOCKET NO. 070231-EI

Re: Data Requests in Docket No. 070231-EI and
Docket No. 080244-EI

Dear Mr. Butler,

By this letter, the Municipal Underground Utilities Consortium ("MUUC"), the City of Coconut Creek, the Town of Palm Beach, and the Town of Jupiter Inlet Colony, request that Florida Power & Light Company ("FPL") provide responses to the following data requests. We are using the data request format hopefully for our mutual convenience, and also because the Florida Public Service Commission Staff are using this means in the above-mentioned dockets. We assume that FPL's responses will be of the same quality as if the MUUC had propounded formal discovery; if this is not the case, please advise me as soon as possible.

DATA REQUESTS

Many of the following data and information requests refer to the worksheet packages distributed by FPL to the Commission Staff and others titled "FAC 25-6.078 - URD Underground v. Overhead Operational Cost Differential" (abbreviated as "URD O&M Worksheets") and "FAC 25-6.115 - Conversions - Underground v. Overhead Operational Cost Differential" (abbreviated as "UG Conversion O&M Worksheets"); where appropriate, these are referred to collectively as the "O&M Worksheets." The term "UG" refers to underground distribution facilities, the term "OH" refers to overhead distribution facilities, and the term "PLM" refers to pole line miles of distribution facilities.

Basic FPL System Facts & Information

1. To the extent possible, please fill in the following table showing what percentages, by length of facilities, e.g., pole-line miles for OH or circuit or trench miles for UG, of FPL's UG and OH distribution facilities were installed in each of the time periods shown.

<u>Time Period</u>	<u>% of Total 2007 UG Installed in Period</u>	<u>% of Total 2007 OH Installed in Period</u>
Before 1950		
1950-1959		
1960-1969		
1970-1979		
1980-1989		
1990-1999		
2000 to present		

2. If it is not possible for FPL to answer the preceding question, please provide estimates of:

- a. the average age of FPL's OH facilities, preferably on a mileage-weighted basis, and
- b. the average age of FPL's UG facilities, preferably on a mileage-weighted basis.
- c. Alternately, provide length of facilities in service by PLM or trench miles for each year during this time period on the FPL system.

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1950-1959		
1960-1969		
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1980-1989		
1990-1999		
2000 to present		

2. If it is not possible for FPL to answer the preceding question, please provide estimates of:

- a. the average age of FPL's OH facilities, preferably on a mileage-weighted basis, and
- b. the average age of FPL's UG facilities, preferably on a mileage-weighted basis.
- c. Alternately, provide length of facilities in service by PLM or trench miles for each year during this time period on the FPL system.

3. Page 8 of 17 of the UG Conversion O&M Worksheet shows the mileage for OH and UG facilities on FPL's system for the years 2003-2007.

- a. Do these values include "service laterals" or "service drops"?
- b. Is it correct to conclude that these data show that approximately 60 percent of new FPL distribution facilities over the 2003-2007 period are UG facilities?
- c. Please provide the comparable values for installed UG facilities (trench or circuit miles) and installed OH facilities (PLM) for the years, 1980, 1985, 1990, 1995, and 2000.

4. For purposes of the following questions, "rear-lot applications" means that the facilities, whether OH or UG, are installed at the rear of properties, away from roads and road rights-of-way, and "front-lot applications" means that the facilities, whether OH or UG, are installed "adjacent to a public road, normally in front of the customer's premises" (language from PSC Rule 25-5.0341(1), F.A.C.). If FPL believes that different definitions of "rear-lot" and "front-lot" are appropriate, please provide those definitions.

a. Does FPL have any UG facilities on its system that are installed in "rear-lot" applications?

b. If so, please provide an estimate of the percentage of FPL's UG facilities that are installed in rear-lot applications and the percentage of FPL's UG facilities that are installed in front-lot applications.

c. Please provide an estimate of the percentage of FPL's OH facilities that are installed in rear-lot applications and in front-lot installations.

5. In what year did FPL first install UG facilities? Are they still in service?

6. What types of each of the following distribution equipment items were typical for FPL UG installations in each of the time

periods listed below? For each time period, please identify all types that were typically used in FPL UG installations.

Equipment/Types:

Cable: "Paper-lead" or "PILC"; "Solid dielectric"; "Cross-linked polyethylene" or "XLPE"; "Tree retardant cross-linked polyethylene" or "TRXLPE"; bare concentric neutral cable; All other types of cable, if any

Surge Arresters (All types typically used by FPL)

Switches or Switchgear:

Air-insulated; Oil-insulated; "SF6" (sulfur hexafluoride) insulated; Solid dielectric; All other types of switchgear, if any

Terminators (All types typically used by FPL)

Time Periods:

Before 1950
1950-1959
1960-1969
1970-1979
1980-1989
1990-1999
2000 to present

7. What are the current, or present-day, preferred FPL technologies for each of these equipment items?

- a. Cable
- b. Surge arresters
- c. Switches of switchgear
- d. Terminators

8. Does FPL have any "paper-lead (PILC)" UG facilities still in service? If so, please provide an estimate of how many circuit miles or trench miles (please specify which) of such facilities are still in service. If so, please also characterize these facilities as transmission or distribution and explain the nature of the application these facilities are used for.

9. Does FPL have any "solid dielectric" UG facilities still in service? If so, please provide an estimate of how many circuit

miles or trench miles (please specify which) of such facilities are still in service. If so, please also characterize these facilities as transmission or distribution and explain the nature of the application these facilities are used for.

10. Please provide the amount (in circuit miles, if possible, or in trench miles - please specify which) of FPL's 2007 UG distribution facilities that are:

- a. direct buried cable without conduit;
- b. "direct buried cable in conduit"; and
- c. cable in encased ductbank.

11. Does FPL have any bare concentric neutral cable in service? Is FPL still installing bare concentric neutral cable? Has FPL considered any analyses, trade information, studies, or other information relating to O&M costs associated with bare concentric neutral versus jacketed cable on the FPL system? If so, please provide any materials considered.

O&M Cost Differential Worksheets

12. Please provide all workpapers, source documents, studies, and any other documents that support FPL's O&M Worksheets.

13. Is it correct that FPL's O&M cost and Capital Expenditures values in the O&M Worksheets include estimated O&M costs and Capital Expenditures for all of FPL's OH and UG system? If not, please explain what the O&M and Capital Expenditures values do include.

14. Is it correct that FPL's O&M cost values and Capital Expenditures values therefore reflect the cost and expenditure values for OH and UG facilities of average age?

15. Is it correct that FPL's O&M cost values and Capital Expenditures values therefore reflect the cost and expenditure values for OH and UG facilities based on the average percentage of rear-lot and front-lot construction on FPL's system?

16. a. Is it correct that FPL's O&M cost values in the URD O&M Worksheets and UG Conversion O&M Worksheets include estimated O&M costs for all of FPL's UG distribution system and all of FPL's OH distribution system, based on average costs for the accounts and categories shown over the period 2003-2007?

b. If not, please explain in detail what the O&M values include.

17. a. Please explain in detail what costs are included in the "Capital" cost category for UG and OH facilities.

b. Please identify and provide any documents that support or relate to the calculations for Low Density and High Density UG and OH installations as reflected in the O&M Worksheets.

18. a. Please explain in detail what values are reflected in the "Adjustments" to the "Distribution Capital" costs shown on page 12 of 17 of the UG Conversion O&M Worksheets, and on page 14 of 23 of the URD O&M Worksheets.

b. Do the "Adjustments" reflect the cost of new UG installations on FPL's system in each year of the five-year study period, 2003-2007?

c. Is it FPL's intention that the net values resulting from subtracting the "Adjustments" from the "Distribution Capital" values should reflect the cost of repairs and replacements to all UG facilities on FPL's system, for the years and the period indicated? If not, please explain what the net values are intended to show or represent.

19. a. Does FPL agree that there are additional avoided restoration cost savings from undergrounding that result from non-major weather events, i.e., weather events, such as severe thunderstorms and microbursts, other than named tropical storms and hurricanes?

b. Is it FPL's belief that all such restoration cost savings are reflected in FPL's O&M differential, or in FPL's capital cost differential values?

c. If not, please explain whether such additional restoration costs are reflected in FPL's analysis of operational cost differences, and if so, where they are reflected.

20. Please explain why the values for Overhead facilities "exclude embedded Poles"?

21. Please explain the significant variation in supervision and engineering for stations for 2007 (as compared to the 2003-2006 values) in FERC Accounts 580 and 583.

22. Please explain the significant variation for 2007 (as compared to the 2003-2006 values) in FERC Account 588.

23. Without asking for specific values, do the litigation costs that are embedded in the O&M Worksheets include:

- a. settlements paid to or on behalf of claimants?
- b. damages awards?
- c. legal fees and costs?
- d. expert witness fees and costs?

e. any and all other costs that could be attributed to such litigation?

24. Please explain what the Public Utility Private Fixed Investment ("PUPFI") is and by whom or by what agency it is prepared.

25. Does FPL agree that materials costs and utility labor costs have increased substantially over the past 2 to 5 years?

26. Did FPL consider using indexes (e.g., Handy-Whitman indexes) that would more closely track cost escalation for utility materials and utility labor costs than the CPI and the PUPFI?

27. Is it correct that there is no depreciation expense assumed in the comparison analyses in the Worksheets?

28. Is it correct that, other than the net "Capital" costs for UG and OH facilities, there are no assumed wholesale or total replacements of either the hypothetical UG system or the hypothetical OH system reflected in the O&M Worksheets?

29. a. Does FPL have any "network underground distribution" installations on its system?

b. If so, how many miles of such network underground distribution facilities does FPL have on its system?

c. Are the O&M costs for FPL's network underground distribution facilities included in the cost values shown in the O&M Worksheets?

d. Are the Capital Expenditures for FPL's network underground distribution facilities included in the values shown in the O&M Worksheets?

e. Does FPL agree that the O&M costs and Capital Expenditures for network underground distribution facilities are higher, on average, than for direct burial in conduit UG facilities?

O&M Costs According to Age of Facilities

30. Has FPL considered any analyses, whether prepared by FPL or by others, of O&M costs relating to OH and UG facilities that attempt to measure or account for differences in such O&M costs by age or vintage of the facilities? If so, please identify all such analyses and provide copies of any such analyses that FPL has available.

31. Has FPL considered any analyses, whether prepared by FPL or by others, of Capital Expenditures relating to OH and UG facilities that attempt to measure or account for differences in such Capital Expenditures by age or vintage of the facilities? If so, please identify all such analyses and provide copies of any such analyses that FPL has available.

32. Has FPL considered any analyses, whether prepared by FPL or by others, of replacement experience relating to OH and UG facilities that attempt to measure or account for differences in such replacement experience or costs by age or vintage of the facilities? If so, please identify all such analyses and provide copies of any such analyses that FPL has available.

33. Does FPL have any analyses, whether prepared by FPL or others, of equipment failure causes and rates for UG facilities of different vintages? If so, please identify and provide such analyses.

34. Does FPL have any analyses, whether prepared by FPL or others, of equipment failure causes and rates for OH facilities of different vintages? If so, please identify and provide such analyses.

35. a. Does FPL agree in general that UG facilities constructed using current-day technologies, and using FPL's current construction standards and installation practices and techniques, are more reliable than UG facilities constructed using older technologies?

b. Does FPL have any analyses, whether prepared by FPL or others, of the reliability of UG facilities constructed using current-day technologies, and using FPL's current construction standards and installation practices and techniques, as compared to UG facilities constructed using older technologies?

c. If so, please identify and provide such analyses.

36. a. Does FPL agree in general that UG facilities constructed using current-day technologies, and using FPL's current construction standards and installation practices and techniques, are expected to have lower O&M costs than older UG facilities: (i) over the life of the new UG facilities, and (ii) over the first 10 years of the life of the new UG facilities?

b. Does FPL have any analyses, whether prepared by FPL or others, of O&M costs for UG facilities constructed using current-day technologies, and using FPL's current construction standards and installation practices and techniques, as compared to UG facilities constructed using older technologies?

c. If so, please identify and provide such analyses.

37. a. Does FPL agree in general that UG facilities constructed using current-day technologies, and using FPL's current construction standards and installation practices and techniques, are expected to have lower capital replacement costs than older UG facilities: (i) over the life of the new UG facilities, and (ii) over the first 10 years of the life of the new UG facilities?

b. Does FPL have any analyses, whether prepared by FPL or others, of capital replacement costs for UG facilities constructed using current-day technologies, and using FPL's current construction standards and installation practices and techniques, as compared to UG facilities constructed using older technologies?

c. If so, please identify and provide such analyses.

38. Since the projects undertaken pursuant to Rule 25-6.115, F.A.C., are per se conversion projects, will FPL agree that the UG facilities contemplated for such conversion projects are new as of the installation date? Is it correct that the analyses in the UG Conversion O&M Worksheets reflect an assumed installation date of 2008?

39. With regard to O&M costs, has FPL assumed that all new OH facilities, whether in new (URD) installations (Docket No. 070231) or in UG conversion installations (Docket No. 080244), would be installed using FPL's current construction standards and equipment specifications, in accordance with FPL's storm hardening plan? If not, please explain what assumptions FPL made in this regard.

40. Have FPL's installation practices and techniques for UG facilities changed over time? Does FPL believe that its current (2007 or 2008) UG installation practices and techniques are better than:

- a. in 2000?
- b. in 1990?
- c. in 1980?
- d. in 1970?

41. Does FPL agree that the UG equipment and materials that FPL uses for current (2007 or 2008) UG installations are better now than:

- a. in 2000?
- b. in 1990?
- c. in 1980?
- d. in 1970?

Costs for Rear-Lot and Front-Lot OH and UG Distribution Facilities

42. Has FPL considered any analyses, whether prepared by FPL or others, of vegetation management costs for OH facilities that are located in rear-lot applications as compared to the vegetation management costs for OH facilities located in front-lot applications? If so, please identify and provide all such analyses.

43. Has FPL considered any analyses, whether prepared by FPL or others, of O&M costs other than vegetation management costs for OH facilities that are located in rear-lot applications as compared to the O&M costs other than vegetation management costs for OH facilities located in front-lot applications? If so, please identify and provide all such analyses.

44. Has FPL considered any analyses, whether prepared by FPL or others, of storm restoration costs for OH facilities that are located in rear-lot applications as compared to the storm restoration costs for OH facilities located in front-lot applications? If so, please identify and provide all such analyses.

45. With regard to O&M costs, has FPL assumed that for new construction (Docket 070231), the UG facilities would all be installed as "direct buried cable in conduit underground electric distribution system" facilities in front-lot applications using FPL's current construction standards and equipment specifications? If not, please explain what assumptions FPL made in this regard.

46. With regard to O&M costs, has FPL assumed that for UG conversion projects (Docket 080244), the UG facilities would all be installed as "direct buried cable in conduit underground electric distribution system" facilities in front-lot applications using FPL's current construction standards and equipment specifications? If not, please explain what assumptions FPL made in this regard.

47. Is it correct that FPL does not install any new UG facilities in rear-lot applications?

48. Does FPL agree that Avoided Storm Restoration Costs ("ASRCs") for rear-lot OH facilities are greater on a dollars-per-pole-line-mile basis than for front-lot OH facilities?

49. Has FPL made any analyses of the differences between rear-lot and front-lot OH storm restoration costs? If so, please provide such analyses.

50. Has FPL performed any analyses of the ASRC factors making different assumptions regarding the proportions of rear-lot and front-lot construction in the area to be converted?

51. Does FPL agree that where a UG conversion project replaces rear-lot OH facilities with front-lot UG facilities, ASRC savings will be greater (at least on an expected-value basis) than if the UG conversion replaced front-lot OH facilities?

52. How, if at all, does FPL propose to reflect these facts or factors in its CIAC calculations? Is FPL willing to make adjustments to CIAC calculations on a case-by-case basis where an Applicant's UG conversion project will convert a significantly higher percentage of rear-lot OH facilities than the system average?

53. What did FPL assume regarding the proportions of rear-lot and front-lot OH construction in its GAF cost-effectiveness spreadsheet filed in Docket No. 060150-EI? Did FPL assume a system average value? If so, what is that value?

Vegetation Management Costs

54. Does FPL agree that Vegetation Management costs for rear-lot OH facilities are greater on a dollars-per-pole-line-mile basis than for front-lot OH facilities?

55. Has FPL performed any analyses of the differences between rear-lot and front-lot OH Vegetation Management costs? If so, please provide such analyses.

56. Does FPL agree that where a UG conversion project replaces rear-lot OH facilities with front-lot UG facilities, Vegetation Management cost savings will be greater than if the UG conversion replaced front-lot OH facilities?

57. Has FPL performed any analyses of Vegetation Management costs making different assumptions regarding the proportion of rear-lot construction in the area to be converted, e.g., system average percentage vs. 100% rear-lot vs. 100% front-lot facilities converted? If so, please provide such analyses.

58. How, if at all, does FPL propose to reflect these facts or factors in its CIAC calculations? Is FPL willing to make adjustments to CIAC calculations on a case-by-case basis where an Applicant's UG conversion project will convert a significantly higher percentage of rear-lot OH facilities than the system average?

O&M Costs Other Than Vegetation Management

59. Does FPL agree that O&M costs other than Vegetation Management costs for rear-lot OH facilities are greater on a dollars-per-pole-line-mile basis than for front-lot OH facilities?

60. Does FPL agree that where a UG conversion project replaces rear-lot OH facilities with front-lot UG facilities, non-Vegetation Management O&M cost savings will be greater than if the UG conversion replaced front-lot OH facilities?

61. Has FPL performed any analyses of the differences between rear-lot and front-lot O&M costs other than Vegetation Management costs? If so, please provide such analyses.

62. Has FPL performed any analyses of O&M costs other than Vegetation Management costs making different assumptions regarding the proportion of rear-lot construction in the area to be converted? If so, please provide such analyses.

63. How, if at all, does FPL propose to reflect these facts or factors in its CIAC calculations? Is FPL willing to make adjustments to CIAC calculations on a case-by-case basis where an

Applicant's UG conversion project will convert a significantly higher percentage of rear-lot OH facilities than the system average?

Capital Expenditures

64. Does FPL agree that Capital Expenditures for rear-lot OH facilities are greater on a dollars-per-pole-line-mile basis than for front-lot OH facilities?

65. Does FPL agree that where a UG conversion project replaces rear-lot OH facilities with front-lot UG facilities, Capital Expenditure savings will be greater than if the UG conversion replaced front-lot OH facilities?

66. Has FPL performed any analyses of the differences between rear-lot and front-lot Capital Expenditures costs? If so, please provide such analyses.

67. Has FPL performed any analyses of Capital Expenditures costs making different assumptions regarding the proportion of rear-lot construction in the area to be converted? If so, please provide such analyses.

68. How, if at all, does FPL propose to reflect these facts or factors in its CIAC calculations? Is FPL willing to make adjustments to CIAC calculations on a case-by-case basis where an Applicant's UG conversion project will convert a significantly higher percentage of rear-lot OH facilities than the system average?

ASRCs for UG Projects Between 1 and 3 Miles

69. Does FPL agree that the expected ASRC savings for a UG conversion project (or a new UG installation) of 2.8 miles (pole line miles or trench miles, as appropriate) are closer on a cost/savings-per-PLM basis to the savings of a 3.0 PLM conversion than to the savings associated with a 1.0 PLM conversion?

70. Please provide any and all analyses and workpapers showing how FPL determined that, in FPL's opinion, it would be appropriate to establish the Tier 1 and Tier 2 ASRC credits at 20 percent of the GAF and 40 percent of the GAF, respectively.

71. Did FPL consider proposing a sliding-scale formula for calculating the ASRC/storm-related cost credits for projects between 1 pole-line mile and 3 pole-line miles?

72. Would FPL be amenable to establishing a formula (which could be geometric or linear) for calculating the ASRC credit value between 1 and 3 PLM?

Following the form of the Staff's data requests, and per our verbal agreement, the MUUC asks that FPL file the original and five copies of the requested information with the Commission Clerk by October 3, 2008. The MUUC also asks that you furnish a copy of FPL's responses to these requests directly to me at the same time.

Thanks very much. If you have any questions, please call me any time. I look forward to talking with you soon.

Cordially yours,


Robert Scheffel Wright

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