

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-**

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**DATE:** December 18, 2015

**TO:** Carlotta S. Stauffer, Commission Clerk, Office of Commission Clerk

**FROM:** Robert L. Fisher, Government Analyst II, Office of Auditing and Performance Analysis

**RE:** Storage of confidential audit work papers related to document No. 04702-15, Docket 150217-EI

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Pursuant to Commission Administrative Procedures, Chapter 11, please store the following confidential work papers in Docket 150217-EI. The confidential information request was made in document number DN-04702-15, and was approved in Order No. PSC-15-0531-CFO-EI. These confidential work papers relate to information provided by Florida Power & Light Company during audit staff's *Review of Data Accuracy in Electric Reliability Reporting by Florida Electric IOUs* (PA-15-01-003).

cc: Carl Vinson  
Adria Harper

RECEIVED-FPSC  
2015 DEC 18 PM 1:50  
COMMISSION  
CLERK

**FLORIDA PUBLIC SERVICE COMMISSION  
AUDIT DOCUMENT/RECORD REQUEST  
NOTICE OF INTENT**

**REDACTED**

TO: Mr. Dave Bromley

UTILITY: Florida Power & Light Company

Lynn Fisher  
AUDIT MANAGER

FROM: Lynn Fisher

REQUEST NUMBER: DR-2

DATE OF REQUEST: 2/26/15

AUDIT PURPOSE: To review electric service reliability data collection and reporting.

REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: 3/10/15

REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE:        INCIDENT TO AN INQUIRY  
  X   OUTSIDE OF AN INQUIRY

DR-2.1 Please provide two paper copies of the following internal audit reports (requested confidential by company):

- a. The [REDACTED] and [REDACTED] reports in response to DR-1.1b.
- b. The [REDACTED] and [REDACTED] internal audit reports in response to DR-1.4b.
- c. The [REDACTED] and [REDACTED] reports in response to DR-1.31.
- d. The 2011-201 [REDACTED] Benchmark Studies provided in response to DR-1.32.

DR-2.2 Provide a summary showing the total number of verification/validation audits conducted monthly for the Pole Inspection Program, during the period 2010-2015 to date. (ref. DR-1.1b)

DR-2.3 a. Provide a summary showing the total number of audit/surveys conducted monthly for the Joint Use Pole Inspection Program, during the period 2010-2015 to date. (ref. DR-1.8)

DR-2.4 a. Provide a summary showing the total number of Transmission random sample verification audits conducted monthly for the Transmission Structure Inspection Program, during the period 2010-2015 to date. (ref. DR-1.10)

DR-2.5 Provide a list of any ongoing or planned audits of FPL's Pole Inspection Program, Vegetation Management Program, Storm Hardening Program, or Annual Reliability Reporting, during 2015.

DR-2.6 Please provide a copy of the most current Pole Inspection Deployment Plan.

**FLORIDA PUBLIC SERVICE COMMISSION  
AUDIT DOCUMENT/RECORD REQUEST  
NOTICE OF INTENT**

TO: Mr. Dave Bromley

UTILITY: Florida Power & Light Company

Lynn Fisher  
AUDIT MANAGER

FROM: Lynn Fisher

REQUEST NUMBER: DR-4

DATE OF REQUEST: 4/29/15

AUDIT PURPOSE: To review electric service reliability data collection and reporting.

REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: 5/4/15

REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE:        INCIDENT TO AN INQUIRY  
  X   OUTSIDE OF AN INQUIRY

- DR-4.1 a. Please provide [redacted] on [redacted] completed in [redacted] discussed in the 4/24/15 conference call.  
b. Please provide [redacted] completed in [redacted] on Contract Administration, discussed in the 4/24/15 conference call.
- DR-4.2 a. Provide an explanation of the reasons why FPL did not complete QA validation/verification reviews for the Pole Inspection Program and joint use poles during 2010-2011.  
b. Discuss why changes were made to re-implement the QA process again in 2013, and why it continues today.

TO: AUDIT MANAGER \_\_\_\_\_ DATE: \_\_\_\_\_

THE REQUESTED RECORD OR DOCUMENTATION:

- (1)  HAS BEEN PROVIDED TODAY
- (2)  CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY \_\_\_\_\_
- (3)  AND IN MY OPINION, ITEMS(S) \_\_\_\_\_ IS (ARE) PROPRIETARY AND CONFIDENTIAL BUSINESS INFORMATION AS DEFINED IN 364.183, 366.093, OR 367.156 F.S. TO MAINTAIN CONTINUED CONFIDENTIAL HANDLING OF THIS MATERIAL, THE UTILITY OR OTHER PERSON MUST, WITHIN 21 DAYS AFTER THE AUDIT EXIT CONFERENCE, FILE A REQUEST FOR CONFIDENTIAL CLASSIFICATION WITH THE DIVISION OF COMMISSION CLERK AND ADMINISTRATIVE SERVICES. REFER TO RULE 25-22.006, F.A.C.
- (4)  THE ITEM WILL NOT BE PROVIDED. (SEE ATTACHED MEMORANDUM)

\_\_\_\_\_  
SIGNATURE AND TITLE OF RESPONDENT



FLORIDA PUBLIC SERVICE COMMISSION  
AUDIT DOCUMENT/RECORD REQUEST  
NOTICE OF INTENT

TO: Mr. Dave Bromley

UTILITY: Florida Power & Light Company

Lynn Fisher  
AUDIT MANAGER

FROM: Lynn Fisher

REQUEST NUMBER: DR-4

DATE OF REQUEST: 4/29/15

AUDIT PURPOSE: To review electric service reliability data collection and reporting.

REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: 5/4/15

REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: INCIDENT TO AN INQUIRY

X OUTSIDE OF AN INQUIRY

DR-4.1 a. Please provide [redacted] on [redacted] completed in [redacted] discussed in the 4/24/15 conference call.  
b. Please provide [redacted] completed in [redacted] on [redacted] discussed in the 4/24/15 conference call.

DR-4.2 a. Provide an explanation of the reasons why FPL did not complete QA validation/verification reviews for the Pole Inspection Program and joint use poles during 2010-2011.  
b. Discuss why changes were made to re-implement the QA process again in 2013, and why it continues today.

TO: AUDIT MANAGER LYNN FISHER

DATE: 5/4/15

THE REQUESTED RECORD OR DOCUMENTATION:

- (1)  HAS BEEN PROVIDED TODAY
- (2)  CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY \_\_\_\_\_
- (3)  AND IN MY OPINION, ITEMS(S) 4.1 a & b IS (ARE) PROPRIETARY AND CONFIDENTIAL BUSINESS INFORMATION AS DEFINED IN 364.183, 366.093, OR 367.156 F.S. TO MAINTAIN CONTINUED CONFIDENTIAL HANDLING OF THIS MATERIAL, THE UTILITY OR OTHER PERSON MUST, WITHIN 21 DAYS AFTER THE AUDIT EXIT CONFERENCE, FILE A REQUEST FOR CONFIDENTIAL CLASSIFICATION WITH THE DIVISION OF COMMISSION CLERK AND ADMINISTRATIVE SERVICES. REFER TO RULE 25-22.006, F.A.C.
- (4)  THE ITEM WILL NOT BE PROVIDED. (SEE ATTACHED MEMORANDUM)

David T. Bromley  
SIGNATURE AND TITLE OF RESPONDENT

## Office of Auditing and Performance Analysis Document Summary and Control Log

<b>Company:</b> <u>Florida Power &amp; Light Company</u> <b>Area:</b> <u>Electric Reliability Reporting Review</u> <b>Auditor(s):</b> <u>L. Fisher</u>	<b>Workload Control #:</b> <u>PA-15-01-003</u> <b>File Name:</b> <u>I:/PERFORMANCE ANALYSIS SECTION\00\PERFORMANCE ANALYSIS AUDITS\Electric Reliability Reporting Review\Workpapers\3.3\Document Summaries\DSL DR-1.doc</u>
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<b>Document:</b> DR-1.1 <b>Date Requested:</b> 1/6/15 <b>Date Received:</b> 1/6/15 <b>Comments:</b> (i.e., Confidential)  <p style="text-align: center;">CONFIDENTIAL</p> <p>NOI Requests DR-1.1b information in FPL Tallahassee offices to be held confidential during the audit.</p>	<p><b>Document Title and Purpose of Review:</b> a. Please describe in detail the processes for planning, tracking, and auditing/validating the company's wood pole inspection results. b. Please provide all audits conducted on the wood pole inspection process over the first eight-year cycle.</p> <p><b>Summary of Contents:</b> a. FPL inspects approx. 1/8 of the total 1.2 million distribution poles annually; FPL has nine management areas as zones and annually performs pole inspections/necessary remediation in each zone; FPL and AT&amp;T partner w/pole inspection vendor to ensure FPL/AT&amp;T joint use poles are also inspected; Ranking/priority criteria used to determine which poles to inspect annually include: last inspection date, reliability (outage and momentary history), customer base, geographical/historic data (coastal areas, grade B vs. C construct. Older poles); Vendor uses mobile computing technology to record inspection data results and calculate pole strength and loading conditions; data is transferred to FPL Asset Management System (AMS) and the GIS; <u>Inspection Metrics tracked include:</u> number/percentage of poles reinforced/replaced due to decay/overload, number of joint use poles identified requiring transfer number of inaccessible locations, poles inspected, and inspection remediation costs (budget vs actual); Monthly, FPL selects 500 poles to verify/validate vendor inspection results to ensure FPL agrees w/inspection assessments, safety hazards are adequately addressed, inspection data is properly recorded, and contractor invoicing is accurate;  b. An example of a monthly random sample report provides the year, month, management area, substation, pole number, unique ID , GPS coordinate, location, reason for non-compliance, and feedback from vendor; Feedback from the pole inspection vendor is included in response to non-compliant poles identified by the vendor.  Confidential [redacted] and [redacted] were made available in FPL Tallahassee offices for staff review. FPL also provided a listing of all verification/validation audits completed in the Tallahassee office.</p> <p><b>Conclusions:</b></p> <p><b>Data Request(s) Generated:</b>  No. _____ Description:  No. _____ Description:</p> <p><b>Follow-up Required:</b></p>																					
<b>Document:</b> DR-1.2 <b>Date Requested:</b> 1/6/15 <b>Date Received:</b> 1/6/15 <b>Comments:</b> (i.e., Confidential)	<p><b>Document Title and Purpose of Review:</b> Please provide the budgeted and actual expenditures for wood pole inspection activities for each year 2010 through 2014, and projected 2015.</p> <p><b>Summary of Contents:</b> Budgeted and actual expenditures for 2010 through 2014 and projected 2015 are:</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Year</th> <th style="text-align: left;">Budget</th> <th style="text-align: left;">Actual</th> </tr> </thead> <tbody> <tr> <td>2010</td> <td>\$52.1</td> <td>\$50.0</td> </tr> <tr> <td>2011</td> <td>66.8</td> <td>67.0</td> </tr> <tr> <td>2012</td> <td>65.5</td> <td>67.5</td> </tr> <tr> <td>2013</td> <td>68.8</td> <td>69.7</td> </tr> <tr> <td>2014</td> <td>69.5</td> <td>70.1</td> </tr> <tr> <td>2015</td> <td>55.8</td> <td></td> </tr> </tbody> </table>	Year	Budget	Actual	2010	\$52.1	\$50.0	2011	66.8	67.0	2012	65.5	67.5	2013	68.8	69.7	2014	69.5	70.1	2015	55.8	
Year	Budget	Actual																				
2010	\$52.1	\$50.0																				
2011	66.8	67.0																				
2012	65.5	67.5																				
2013	68.8	69.7																				
2014	69.5	70.1																				
2015	55.8																					



	<p><b>Conclusions:</b></p> <p><b>Data Request(s) Generated:</b>  No. _____ Description:  No. _____ Description:</p> <p><b>Follow-up Required:</b></p>
<p><b>Document: DR-1.3</b>  <b>Date Requested: 1/6/15</b>  <b>Date Received: 1/6/15</b>  <b>Comments: (i.e., Confidential)</b></p>	<p><b>Document Title and Purpose of Review:</b> Please describe any changes that are being considered to the company's wood pole inspection processes and activities.</p> <p><b>Summary of Contents:</b> No changes are being considered by the company at this time.</p> <p><b>Conclusions:</b></p> <p><b>Data Request(s) Generated:</b>  No. _____ Description:  No. _____ Description:</p> <p><b>Follow-up Required:</b></p>
<p><b>Document: DR-1.4</b>  <b>Date Requested: 1/6/15</b>  <b>Date Received: 1/6/15</b>  <b>Comments: (i.e., Confidential)</b></p> <p><b>CONFIDENTIAL</b></p> <p>NOI Requests DR-1.4b information in FPL Tallahassee offices to be held confidential during the audit.</p>	<p><b>Document Title and Purpose of Review:</b> a. Please describe in detail the processes for planning, tracking, and auditing/validating the company's vegetation management results. b. Please provide all audits conducted on the vegetation management process over the first eight-year cycle.</p> <p><b>Summary of Contents:</b> a. Annually, FPL trims approximately 1/3 of its feeders (3 yr. average cycle) and 1/6 (6 yr. average cycle) ; FPL also has a mid-cycle program to address feeder conditions requiring trimming prior to the next 3-yr. cycle trim (for fast growing species); All feeders are assigned a 1, 2, or 3 to the year of the cycle they are trimmed; feeders are ranked/prioritized based on historical reliability performance; Laterals recently trimmed are removed from the list and laterals not yet trimmed are moved up in priority rank; As FPL tree contractors complete planned tree trimming, FPL's Work Management System (WMS) is updated to reflect plan progress; Actual miles trimmed is compared to the planned trim and budgeted costs to ensure miles actually trimmed and costs are in line w/budget expenditures; W/in 30 days of vendor notification that work is complete, <u>100% of vendor completed feeder work is inspected by FPL employees</u>, to ensure work is consistent w/FPL plan/standards and is appropriately recorded; <u>For laterals FPL selects, inspects, and validates a sample of completed lateral trimming</u>; to ensure conformance and compliance w/FPL plan/standards;</p> <p>b. FPL will list applicable verification/validation audits and internal audits conducted (for the first inspection cycle); copies of the internal audits and a sample of each verification/validation audit are provided in FPL Tallahassee offices for review; examples of the 100% feeder validation audits and random sample lateral validation audits are attached; An example of the Vegetation Management Quality Control &amp; Compliance PM Inspection Forms (Feeder Validation) were attached; Confidential [REDACTED] and [REDACTED] were made available in FPL Tallahassee offices for staff review. FPL also provided a listing of all verification/validation audits completed in the Tallahassee office.</p> <p><b>Conclusions:</b></p> <p><b>Data Request(s) Generated:</b>  No. _____ Description:  No. _____ Description:</p> <p><b>Follow-up Required:</b></p>

	<p><b>Data Request(s) Generated:</b> No. ____ Description: No. ____ Description:</p> <p><b>Follow-up Required:</b></p>
<p><b>Document: DR-1.31</b> <b>Date Requested: 1/6/15</b> <b>Date Received: 1/6/15</b> <b>Comments: (i.e., Confidential)</b></p> <p>CONFIDENTIAL</p>	<p><b>Document Title and Purpose of Review:</b> For the period 2010 to date, please provide a copy of all studies, audits, or assessments to ensure that the reliability indices are being implemented as prescribed.</p> <p><b>Summary of Contents:</b> See FPL's response to DR-1.27; Confidential internal audit reports dated [REDACTED] and [REDACTED] are available for review in FPL's Tallahassee office.</p> <p><b>Conclusions:</b></p> <p><b>Data Request(s) Generated:</b> No. ____ Description: No. ____ Description:</p> <p><b>Follow-up Required:</b></p>
<p><b>Document: DR-1.32</b> <b>Date Requested: 1/6/15</b> <b>Date Received: 1/6/15</b> <b>Comments: (i.e., Confidential)</b></p> <p>CONFIDENTIAL</p>	<p><b>Document Title and Purpose of Review:</b> For the period 2010 to date, please provide a copy of all benchmarking analyses performed on the company's reliability indices, including systems and databases used to track reliability information.</p> <p><b>Summary of Contents:</b> Confidential reports from [REDACTED] and [REDACTED] and [REDACTED] are available for review in FPL's Tallahassee office.</p> <p><b>Conclusions:</b></p> <p><b>Data Request(s) Generated:</b> No. ____ Description: No. ____ Description:</p> <p><b>Follow-up Required:</b></p>
<p><b>Document: DR-1.33</b> <b>Date Requested: 1/6/15</b> <b>Date Received: 1/6/15</b> <b>Comments: (i.e., Confidential)</b></p>	<p><b>Document Title and Purpose of Review:</b> Please describe how service reliability complaints to the company and the Commission are used to assess the accuracy of service reliability data or the adequacy of customer service.</p> <p><b>Summary of Contents:</b> Service reliability complaints are not used to assess the accuracy of service reliability data, but service reliability data (outages and momentaries) is used to confirm and assess service reliability complaints; Investigations of service reliability complaints/issues can result in opportunities to improve customer reliability through identifying necessary repairs, targeted tree trimming, equipment upgrades, etc.</p> <p><b>Conclusions:</b></p> <p><b>Data Request(s) Generated:</b> No. ____ Description: No. ____ Description:</p> <p><b>Follow-up Required:</b></p>
<p><b>Document: DR-1.34</b> <b>Date Requested: 1/6/15</b> <b>Date Received: 1/6/15</b> <b>Comments: (i.e., Confidential)</b></p>	<p><b>Document Title and Purpose of Review:</b> a. Please discuss the increases in FPL SAIDI during the period 2006-2011 and the changes made to reduce SAIDI levels during 2012-2013. b. Please discuss any FPL efforts and changes made to reduce SAIFI during the period 2008-2013. c. Please discuss FPL efforts and changes made to reduce MAIFI during the period 2010-2013. d. Please discuss FPL efforts and changes made to reduce CEMI5 during the period 2008-2013. e. Please discuss the causes of increased FPL CAIDI during 2009-2013 and any planned changes to further reduce CAIDI in the future. f. Please describe any changes in systems, processes, controls, measurements, or calculation methodology used to improve results discussed in response to</p>



## Office of Auditing and Performance Analysis Document Summary and Control Log

<b>Company:</b> <u>Florida Power &amp; Light Company</u> <b>Area:</b> <u>Electric Reliability Reporting Review</u> <b>Auditor(s):</b> <u>L. Fisher</u>	<b>Workload Control #:</b> <u>PA-14-10-004</u> <b>File Name:</b> <u>I:/PERFORMANCE ANALYSIS SECTION\00\PERFORMANCE ANALYSIS AUDITS\Electric Reliability Reporting Review\Workpapers\3.3\Document Summaries\DS\ DR-2.doc</u>
<b>Document:</b> DR-2.1 <b>Date Requested:</b> 2/26/15 <b>Date Received:</b> 3/10/15 <b>Comments:</b> (i.e., Confidential)  CONFIDENTIAL	<b>Document Title and Purpose of Review:</b> Please provide two paper copies of the following [REDACTED] (requested confidential by company): a. The [REDACTED] and [REDACTED] in response to DR-1.1b. b. The [REDACTED] and [REDACTED] in response to DR-1.4b. c. The [REDACTED] and [REDACTED] response to DR-1.31. d. The [REDACTED] provided in response to DR-1.32. <b>Summary of Contents:</b> Audits and benchmarking studies were reviewed and returned to company (a,b,c,d); <b>Conclusions:</b> <b>Data Request(s) Generated:</b> No. _____ Description: No. _____ Description: <b>Follow-up Required:</b>
<b>Document:</b> DR-2.2 <b>Date Requested:</b> 2/26/15 <b>Date Received:</b> 3/10/15 <b>Comments:</b> (i.e., Confidential)	<b>Document Title and Purpose of Review:</b> Provide a summary showing the total number of verification/validation audits conducted monthly for the Pole Inspection Program, during the period 2010-2015 to date. (ref. DR-1.1b) <b>Summary of Contents:</b> Chart of Pole Inspection Random Sample Verification/Validation Audits 2010-2015 (Feb.) <b>Conclusions:</b> <b>Data Request(s) Generated:</b> No. _____ Description: No. _____ Description: <b>Follow-up Required:</b>
<b>Document:</b> DR-2.3 <b>Date Requested:</b> 2/26/15 <b>Date Received:</b> 3/10/15 <b>Comments:</b> (i.e., Confidential)	<b>Document Title and Purpose of Review:</b> a. Provide a summary showing the total number of audit/surveys conducted monthly for the Joint Use Pole Inspection Program, during the period 2010-2015 to date. (ref. DR-1.8) <b>Summary of Contents:</b> summary of annual joint-use audits/surveys of approximately 20% of joint use poles 2010-2015. <b>Conclusions:</b> <b>Data Request(s) Generated:</b> No. _____ Description: No. _____ Description: <b>Follow-up Required:</b>
<b>Document:</b> DR-2.4 <b>Date Requested:</b> 2/26/15 <b>Date Received:</b> 3/10/15	<b>Document Title and Purpose of Review:</b> a. Provide a summary showing the total number of Transmission random sample verification audits conducted monthly for the Transmission Structure Inspection Program, during the period 2010-2015 to date. (ref. DR-1.10).



## Office of Auditing and Performance Analysis Document Summary and Control Log

<b>Company:</b> <u>Florida Power &amp; Light Company</u> <b>Area:</b> <u>Electric Reliability Reporting Review</u> <b>Auditor(s):</b> <u>L. Fisher</u>	<b>Workload Control #:</b> <u>PA-15-01-003</u> <b>File Name:</b> <u>I:/PERFORMANCE ANALYSIS SECTION\00\PERFORMANCE ANALYSIS AUDITS\Electric Reliability Reporting Review\Workpapers\3.3\Document Summaries\DSL DR-4.doc</u>
<b>Document:</b> DR-4.1 <b>Date Requested:</b> 4/29/15 <b>Date Received:</b> 5/4/15 <b>Comments:</b> (i.e., Confidential)  CONFIDENTIAL	<b>Document Title and Purpose of Review:</b> a. Please provide FPL's [REDACTED] on [REDACTED] completed in [REDACTED] discussed in the 4/24/15 conference call. b. Please provide FPL's [REDACTED] completed in [REDACTED] on [REDACTED] discussed in the 4/24/15 conference call. <b>Summary of Contents:</b> a. Company provided [REDACTED] (returned to company) b. Company provided [REDACTED] (returned to company) <b>Conclusions:</b> <b>Data Request(s) Generated:</b> No. _____ Description: No. _____ Description: <b>Follow-up Required:</b>
<b>Document:</b> DR-4.2 <b>Date Requested:</b> 4/29/15 <b>Date Received:</b> 5/4/15 <b>Comments:</b> (i.e., Confidential)	<b>Document Title and Purpose of Review:</b> a. Provide an explanation of the reasons why FPL did not complete QA validation/verification reviews for the Pole Inspection Program and joint use poles during 2010-2011. b. Discuss why changes were made to re-implement the QA process again in 2013, and why it continues today. <b>Summary of Contents:</b> a. Company responded that as provided in DR 2.2, the last seven months of 2010 and February and March 2011, no QA validation/verification audits were conducted due to the team (performing the audits) being disbanded, early retirements, and business unit reorganization; in April 2011 QA audits were re-established; In August and September 2011 the resources performing QA audits were temporarily reassigned to perform a pole pulling survey; according to data provided, from October 2011 to March 2015 FPL averaged the QA validation/verification audit target of 500 per month. b. The QA verification/validation audits were reestablished in April 2011; FPL believed /believes the QA audits help maintain the integrity of the pole inspection program and pole population. <b>Conclusions:</b> <b>Data Request(s) Generated:</b> No. _____ Description: No. _____ Description: <b>Follow-up Required:</b>

Tony Maceo Questions

[REDACTED] (DR-1.1b)

The [REDACTED] followed a [REDACTED] and [REDACTED] requested by Distribution Management.

1. Were the [REDACTED] and [REDACTED] requested by Distribution Management, over [REDACTED] of a specific nature?
2. Were the [REDACTED] reviewed in [REDACTED] and the [REDACTED] considered adequate with recommendation for improvement as was the [REDACTED]
3. Was the [REDACTED] due to [REDACTED] in the [REDACTED] and [REDACTED] that continued unresolved into [REDACTED] and [REDACTED]
4. Was there any concern expressed of [REDACTED]
5. Were there any concerns of [REDACTED] that would impact [REDACTED] to the FPSC?
6. Was the ultimate conclusion that differences [REDACTED] and the [REDACTED] were caused by [REDACTED]

[REDACTED] (DR-1.1b)

1. a. Was the Green Belt quality project mentioned [REDACTED] completed in [REDACTED] as estimated?  
b. If so, what were the results of the [REDACTED]  
c. If not, why was the [REDACTED]
2. Did the [REDACTED] resolve all issues and management concerns related to the [REDACTED] and [REDACTED] through [REDACTED]
3. Has Internal Audit conducted any additional [REDACTED] or [REDACTED] related audits since [REDACTED] or does it have any planned audits of this nature within the 2015-2016 timeframe?
4. Are there any current investigations or attorney-client engagements related to the [REDACTED] or any [REDACTED]

[REDACTED]

1. The [redacted] look at [redacted] and [redacted] was in regards to [redacted] that [redacted] and the customer counts on some tickets were [redacted].
  - a. Who expressed the [redacted] (employee, manager, other department?)
  - b. Was the [redacted] in the [redacted] alleged to be [redacted]
  - c. The term [redacted] was used in the [redacted] as a potential reason dispatchers made [redacted]. Is that technique used in today's environment, and would [redacted]
  - d. Is the same condition of [redacted] being limited to [redacted] the same [redacted] it was during [redacted]
  - e. Were the [redacted] from across the entire company or within specific areas? (explain if [redacted])
  - f. How were the [redacted] when the [redacted] states they could not be [redacted] or [redacted]
  - g. Once the dispatcher's Partners In Performance [redacted] and [redacted] were removed in [redacted] were there [redacted]

[redacted]

1. The IA statement in the first paragraph seems to indicate that [redacted] all the [redacted] as suggested in the [redacted]. Please explain whether [redacted] by the time of the [redacted] and whether [redacted]
2. In the [redacted] section 1C. [redacted] under Current Status, the response notes [redacted] has added additional measurements to this effect on the [redacted] in accuracy of processing tickets. This answer seems to [redacted] rather than [redacted]. Can you explain? Were measures [redacted] or [redacted]

[redacted]

1. The [redacted] page of this [redacted] stated that [redacted] but [redacted]. This seems to say [redacted] as of [redacted] all [redacted] made previously.
2. Based on the [redacted] does [redacted] believe [redacted] and [redacted] to the FPSC are [redacted] FPSC rules?



## Interview Topics

### **Wood Pole Inspections (DR 1.1-1.3)**

- Develop an understanding of the database that captures wood pole inspections results as well as the process flow
- How are QA audits conducted and performed?
  - Determination of random sample to verify/validate vendor inspection results
- Planning and tracking of wood pole inspections
  - Ranking of Wood Poles to be inspected annually
- Process of rejection and replacement of poles
- Understanding of verification of systems data accuracy in AMS/GIS with vendor work completed
- Discussion of improvements as a result of [REDACTED] and [REDACTED]

### **Initiative 1: Vegetation Management (DR 1.4-1.6)**

- Develop an understanding of the database that captures vegetation management results as well as the process flow
- Planning and tracking of vegetation management (work planned vs. completed, budget vs. actual, and vendor billing vs. paid)
- Process for auditing vegetation management work performed
- Discussion of 100% feeder validation audits inspection and validation process
- Random sample lateral validation audits selection criteria
- Updating WMS to measure plan progress
- Understanding of verification/validation of systems data accuracy
- Discussion of improvements as a result of [REDACTED] and [REDACTED]

### **Initiative 2: Joint-Use Pole Attachment Audits (DR1.7-1.9)**

- Planning and determination of joint-use pole inspections
- Develop an understanding of the database that captures joint-use pole attachment audit and load analysis results as well as the process flow
- How are inspections of audits of joint-use attachment poles conducted?
- Understand the process for reviewing attachment records
- Determining pole strength and remaining strength and records process
- How the 5 year cycle is tracked vs. completed inspections
- Annual 20% audits/survey completion and recording
- Pole replacements due to overloading and updating system data
- Discussion of improvements as a result of [REDACTED] and [REDACTED]

### **Initiative 3: Six-Year Transmission Structure Inspection Program (DR 1.10-1.12)**

- Planning and tracking of Transmission pole inspections
  - Ranking of Poles and Structures to be inspected annually
- Process tracking and auditing transmission inspection results
- Database and process flow
- Determination of random sample to verify/validate vendor inspection results
- Understanding of verification of systems data accuracy

**Initiative 4: Storm Hardening of Existing Transmission Structures (DR 1.13-1.15)**

- Develop an understanding of the database that captures storm hardening of transmission results as well as the process flow
- Monthly tracking of progress for Transmission hardening activities in the AMP system
- Tracking of inspections and replacements completed
- Understanding of verification/validation of systems data accuracy

**Initiative 5: GIS (DR 1.16-1.18)**

- Process flow for integrating facilities and assets into GIS
- Interactions between GIS and other applications (e.g. OMS, AMP, others)
- Data verification/validation for accuracy
- How GIS costs budgeted and tracked

**Initiative 6: Post-Storm Data Collection (DR.1.19-1.21)**

- Develop an understanding of the database that captures forensic analysis results as well as the process flow
- Experience with Post-storm Data Collection in FPL's annual company-wide dry run

**Initiative 7: Overhead vs. Underground Reliability (DR 1.22)**

- Capture and use of overhead/underground reliability results
- Experience with Post-storm Data Collection in FPL's annual company-wide dry run

**Reliability Indices (DR 1.23-1.33)**

- Overview of organizational structure and responsibilities
- Discussion of the system chart provided in DR 1.25 and Data Warehouse input/output for indices
  - Process of capturing interruptions (i.e. Are all individual customers included?)
  - TCMS validation process
  - Feeder Lockdown instructions
  - Ticket Coding and post-day ticket validation
  - CEMI customer validation process
- Verification and reconciliation of data
- Walk-through of Outage Auditing process
- Walk-through of exclusions and determination of areas affected
- Benchmarking analyses for reliability indices (██████ etc.)
- IEEE 1366
- Benefit of  $2.5\beta$  and other internal and external indices for measuring reliability performance
- Walk-through FPL's process to ensure that the Commission reliability indices are being implemented as prescribed
- Discuss FPL's use of service reliability complaints to improve reliability performance

## Bureau of Performance Analysis Interview Summary

Company: Florida Power & Light Company Area: Electric Reliability Report Auditor(s): L. Fisher/C. Vinson	Interview Number: IVS-5 File Name:
Name: Severinc Lopez, Regulatory & Distribution, Tony Maceo, Manager of Internal Audit	Date of Interview: 4/24/15 Location: Teleconference Telephone Number: FPL called into my office
1) Purpose of Interview: To understand [redacted] conducted for [redacted] during the period [redacted] to date	
(2) Interview Summary: <p>a. [redacted] The [redacted] and [redacted] follow-up [redacted] of the [redacted] were due to the [redacted] the program by the FPSC and company, and [redacted] of the [redacted] rather than [redacted] it was time to look at things; controls reviewed during the [redacted] and [redacted] were identified [redacted] according to Tony, [redacted] is a [redacted] for controls, meaning that the [redacted] as they should; [redacted] are made to [redacted]</p> <p>b. [redacted] The [redacted] followed a normal pattern of [redacted] and focused on [redacted] and [redacted] identified [redacted] that did not [redacted] of [redacted] ultimately an IT solution [redacted] AMS as the [redacted] was the more correct source;</p> <p>c. [redacted] unsure of the resolution for [redacted] however, remembers that the [redacted] but a management change [redacted]</p> <p>d. [redacted] and [redacted] not yet provided [redacted] audit in [redacted] and [redacted]</p> <p>e. [redacted] of the concerns [redacted] was making [redacted] about a part of the company where the [redacted] looked at what would be the incentive [redacted] and [redacted] all goals and incentives were [redacted] to move the needle on a [redacted] the [redacted] came at a [redacted] were being given to [redacted] to remove any potential [redacted] were [redacted] and [redacted] and their [redacted] was measured more on [redacted]</p> <p>f. [redacted] the changes expected [redacted] had been [redacted] during the period of the [redacted] however, all changes [redacted] asked whether, based on the [redacted] the [redacted] and [redacted] to the FPSC are accurate and in compliance with FPSC rules, [redacted]</p>	
(3) Conclusions:	
(4) Date Request(s) Generated: No. _____ No. _____ No. _____	
(5) Follow-up Required:	

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lateral lines experiencing more than 3 momentaries in a month; Area Managers receive daily outage recaps to FPL also has a 4+ Feeder program targeting the cause of feeders with more than 4 outages in a month; FPL noted that customer complaints have been useful in identifying system conditions that contribute to outages and momentaries; FPL has identified the CEMM measure to track customers with multiple momentaries as high as 50, due to low voltages and other causes; FPL noted that their effort to address CEMM50 was completed last year, and the next goal is to eliminate all CEMM35 events and further reduce customer momentaries; the benefit of AMI is to identify fault current and real-time information to determine the cause of the momentary; in the last few years the control center has had tools to find faults more quickly; Fault Current Identifiers (FCI) are part of the Smart Grid technology that is FPL's Energy Smart Florida;

g. FPL explained that the Data Warehouse is used to interface with FPL field systems which gather outage data used to calculate and report reliability metrics and data regarding the ten initiatives; the warehouse stores data that can be reviewed by company management and be used for further analysis and reporting to management;

h. [REDACTED] The interviewees did not know who initially [REDACTED] and [REDACTED] of [REDACTED] due to limited impact on individual and group [REDACTED] from [REDACTED] to [REDACTED] the root causes were identified as process-related [REDACTED] a small revision was reported to FPSC to ensure indices were reported correctly; a follow-up review of the [REDACTED] was to follow-up the [REDACTED] and found [REDACTED] a second [REDACTED] was completed on the [REDACTED] and found [REDACTED]

(3) Conclusions:

(4) Date Request(s) Generated:

No. \_\_\_\_\_  
No. \_\_\_\_\_  
No. \_\_\_\_\_

(5) Follow-up Required:

1. Clarify reporting numbers for Distribution Operations Lead and General Manager organizations
2. Review examples of Delivery Assurance monthly sampling reviews of ticket data
3. Provide the monthly control center error rates for Feeder and Lateral tickets during 2014 and 2015 to date
4. Provide a list of SLIDs of employees making errors for Feeder and Lateral tickets during 2014 and 2015 to date
5. Provide a copy of current Ticket Validation Procedures (if not in DR-1 or DR-2)

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Project Manager

technology consulting; all work is captured in the Work Management System (WMS); WMS allows contractors to input completed work directly through an interface; it also allows managers to track Work Requests (WRs), which include data regarding, feeder number, type line, miles of line, start date and finish date, percent complete; QA survey results are also tracked in WMS; QA is completed by Environmental Construction Inc. (ECI) and ACRC arborists; if rework is needed the inspector writes up needed rework on the existing WR;

h. The Vegetation Management Plan is loaded annually and progress is tracked continually; the plan is developed based on the feeder/lateral trim list, feeder reliability, PSC cycle target (1/6 of system per year) and develops a weighted index that considers CI, CEMI on each circuit; each circuit has a unique identifier as well; the Plan is built on a rolling three year basis, with targets developed monthly and quarterly; an automated controller interface takes work units and generates WMS Work Requests; FPL uses Asplundh and two other tree trim contractors to complete the work; Veg. Mgmt. is constantly balancing and prioritizing work to available contract labor resources; Vegetation Management also conducts interim cycle trimming through a separate mid-cycle plan; vendors are held to trim targets and QA inspections are completed by an independent contractor; QA is not a full time job for all areas; vendors input their vegetation trim work start date (form 599 start date), % complete, and complete dates (form 731 request inspection) to track and document whether work is completed on time; Billing is completed on a cost per mile rate for each contractor; any rework is free from the vendor; vendors are notified of rework conditions through WMS with an attached rework notice; FPL invoices vendors monthly;

i. [REDACTED] Overall results were [REDACTED]  
[REDACTED]  
[REDACTED] VM-TVS is used for hot spot, T&M, customer trim request work, and reliability work; if FPL cannot combine this work into regularly scheduled trim work they will "hot spot" trim to ensure fast growing trees are trimmed in their off cycle; some trees and shrubs are faster growing than others and must be trimmed between normal cycles to ensure reliability; this is when mid cycle and hot spot trimming are necessary; the WMS selects the 1% of CM jobs to be reviewed by QA;

[REDACTED] Overall results were [REDACTED]  
[REDACTED]

(3) Conclusions:

(4) Date Request(s) Generated:

No. \_\_\_\_\_

No. \_\_\_\_\_

No. \_\_\_\_\_

(5) Follow-up Required:

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Project Manager



## Bureau of Performance Analysis Interview Summary

<p>Company: Florida Power &amp; Light Company          Area: Electric Reliability Report          Auditor(s): L. Fisher/C. Vinson</p>	<p>Interview Number: IVS-1          File Name:</p>
<p>Name: Dave Bromley, Regulatory &amp; Distribution, Tom Allain, Gen. Mgr. Central Maintenance, James Pike, Pole Inspection Lead, Eileen Tomayo, Pole Engineering, Scott Gordon, Gen. Counsel</p>	<p>Date of Interview: 3/16/15          Location: 7200 NW 4<sup>th</sup> St., Plantation, FL          Telephone Number:</p>
<p>(1) Purpose of Interview: To understand the company's systems, processes and controls used to capture, analyze, and ensure the accuracy of reliability metrics reported to the FPSC</p>	
<p>(2) Interview Summary:</p> <p>a. Central Maintenance is responsible for construction work, OH/ UG conversions, cable services, Distribution pole inspections, and other duties; James Pike is the Pole Inspection Lead, responsible for ensuring pole inspections are completed on cycle per the inspection program and reports to Tom Allain, Gen. Mgr.;</p> <p>b. FPL's vendor completes inspections and uses portable computer to capture results; The vendor results were stored in their Fastgate system until 2012, when the system was retired; currently the vendor provides pole inspection data through a direct feed to FPL IT. Vendor inspection data is reviewed by their supervisors, prior to sending data and invoices to FPL; Monthly a 500 pole sample of vendor inspection data is reviewed by FPL QA; this second review of inspection data by FPL QA inspectors, determines whether the work ordered is comparable to the work performed by the vendor, verifies whether vendor charges are reflective of the contractual agreement, and whether unnecessary work is completed, or rework is necessary; administrative checks against contract prices are also conducted on a ongoing basis; AMS/GIS is updated internally by FPL upon completion, inspection, review, and approval of work completed;</p> <p>c. FPL Central Maintenance maintains updated inspection data in excel files; FPL Pole Inspection uses the raw data results from the vendor to update the Central Maintenance stored excel files and complete pole inspection reports; vendor raw data files are also uploaded via high density XML files to FPL Information Technology; pole data from the vendor is also loaded into the Asset Management System (AMS) to update pole records and other update purposes;</p> <p>d. Pole Inspection techniques include visual, sound, bore, and excavation to 18" deep for wood poles; The vendor also completes pole strength and load assessments to ensure poles do not violate NESC standards; Additionally, pole spans, equipment attachments, class of pole and height of pole are reviewed; all poles inspected are treated around the base of the pole excavation,</p> <p>e. FPL's Work Management System (WMS) tracks pole inspection work activity; weekly status of follow-up work and rework is monitored to ensure the activity is completed in a timely manner;</p> <p>f. As a result of the first pole inspection cycle, FPL requested that the Commission modify requirements for CCA pole inspection excavations and load calculations because of the low failure rate for CCA poles; the Commission approved an extension of the inspection excavation period for new CCA poles from 16 years to 28 years, and load calculation for wood poles to greater than 80% before required inspection in the second inspection cycle. There are cost savings for 2<sup>nd</sup> cycle inspections due to the FPSC change;</p> <p>g. An [REDACTED] identified [REDACTED] the work was completed by the vendor, [REDACTED] Central Maintenance worked [REDACTED] Today, [REDACTED] Tom Allain stated that the bottom line was the XML/Excel files are the document of record for pole inspections;</p>	
<p>(3) Conclusions:</p>	
<p>(4) Date Request(s) Generated:</p>	
<p>(5) Follow-up Required:</p> <ol style="list-style-type: none"> <li>1. Ask for the monthly reviews of the 500 sample pole inspections audited by QA inspectors.</li> <li>2. Describe the changes made to FPL's AMS/GIS systems to ensure [REDACTED]</li> <li>3. Provide a copy of the latest AMS/GIS reconciliation performed (through March 2015), showing the number of pole inspections performed.</li> <li>4. Provide a copy of the latest AMS/GIS/Deployment Plan reconciliation performed (through March 2015), showing the number of pole inspections performed.</li> <li>5. Provide a copy of the latest Central Maintenance stored excel files (through March 2015) showing the number of pole inspections performed.</li> </ol>	

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