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FILED 7/14/2021
DOCUMENT NO. 07892-2021
FPSC - COMMISSION CLERK

July 14, 2021

VIA ELECTRONIC FILING

Adam Teitzman, Commission Clerk
Division of the Commission Clerk and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Docket No. 20210015-EI
Petition by FPL for Base Rate Increase and Rate Unification

Dear Mr. Teitzman:

Attached for filing on behalf of Florida Power & Light Company ("FPL") in the above-referenced docket are the Rebuttal Testimony and Exhibit of FPL witness Michael Spoor.

Please let me know if you should have any questions regarding this submission.

(Document 4 of 15)

Sincerely,

A handwritten signature in blue ink, appearing to read "R. Wade Litchfield".

R. Wade Litchfield
Vice President & General Counsel
Florida Power & Light Company

RWL:ec
Attachment
cc: Counsel of Record

1 **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

2 **FLORIDA POWER & LIGHT COMPANY**

3 **REBUTTAL TESTIMONY OF MICHAEL SPOOR**

4 **DOCKET NO. 20210015-EI**

5 **JULY 14, 2021**

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I. INTRODUCTION

2

3 Q. Please state your name and business address.

4 A. My name is Michael Spoor, and my business address is One Energy Place, Pensacola,
5 Florida, 32520.

6 Q. Did you previously submit direct testimony in this proceeding?

7 A. Yes.

8 Q. Are you sponsoring or co-sponsoring any rebuttal exhibits in this case?

9 A. Yes. I am sponsoring the following exhibit:

- MS-7 – T&D Property Held for Future Use

11 I am co-sponsoring the following exhibit:

- LF-10 – FPL’s Notice of Identified Adjustments filed May 7, 2021 and Witness Sponsorship, filed with the rebuttal testimony of FPL witness Fuentes.

14 Q. What is the purpose of your rebuttal testimony?

15 A. The purpose of my rebuttal testimony is to respond to the direct testimony submitted
16 by CLEO Institute and Vote Solar (“CLEO-Vote Solar”) witness Curt Volkmann.
17 Additionally, I will address Office of Public Counsel (“OPC”) witness Ralph Smith’s
18 comments concerning adjustments for vegetation management and Storm Protection
19 Plan (“SPP”) costs, and comments regarding Property Held for Future Use (“PHFU”).

20 Q. Please summarize your rebuttal testimony.

21 A. Like my direct testimony, my rebuttal testimony provides support and context for
22 FPL's proposed capital expenditures focusing on growth and reliability/grid
23 modernization, which are necessary to meet our customer needs. I will explain why

1 these expenditures are necessary, reasonable, and prudent to maintain the current
2 excellent service reliability that we provide and to meet our obligation to serve new
3 and existing customer load. I will also describe how these proposed capital
4 expenditures are consistent with historical reliability and growth initiatives, which the
5 Florida Public Service Commission (“Commission”) has previously approved. Finally,
6 I will explain why witness Volkmann’s recommendations are unnecessary, not in the
7 best interests of customers, and should be rejected.

8

9 **II. FPL’S PROPOSED T&D CAPITAL EXPENDITURES FOR**
10 **RELIABILITY/GIRD MODERNIZATION ARE REASONABLE**

11

12 **Q. Starting on page 9, witness Volkmann contends that FPL’s proposed capital for**
13 **reliability/grid modernization is not supported in its filing. Do you agree with this**
14 **assessment?**

15 **A. No. Section VI of my direct testimony describes FPL’s Transmission and Distribution**
16 **(“T&D”) reliability programs that are critical for safe and reliable operation of the**
17 **system. Starting on page 18 of my direct testimony, I provide specific examples of our**
18 **reliability initiatives. I also note that as part of the discovery process, additional**
19 **program and initiative details were provided, which included a further breakdown of**
20 **the capital expenditures by categories and subcategories.**

21 **Q. Can you provide an overview of FPL’s T&D Grid and an overall breakdown of**
22 **the T&D reliability/grid modernization investments?**

23 **A. Yes, FPL currently serves more than 5.6 million customer accounts, or more than half**
24 **of our state’s population across 43 counties with 77,000 miles of distribution lines and**

1 9,000 miles of high-voltage transmission lines. Approximately 65% of the
2 reliability/grid modernization investments are transmission projects which are
3 necessary and critical to the continued reliable performance of the overall electric
4 system in Florida for now and in the future. The remaining 35% is associated with the
5 distribution system required to support and maintain our current system reliability.

6 **Q. Can you describe the component breakdown of the transmission programs
7 included in the reliability/grid modernization investments?**

8 A. Yes, the following transmission programs are included in FPL's reliability/grid
9 modernization investments:

10 • **Targeted assessment, maintenance, and prevention** – This program is based on
11 facility and system assessments, targeted maintenance, prevention through
12 prediction, and prevention of reoccurrence. These programs utilize diagnostic tools
13 to assess equipment and facility conditions to develop a plan for maintenance and
14 replacement for the reliable operation of the transmission and substation assets in a
15 cost-effective manner.

16 • **Major Projects Reliability** – This category contains a large part of the
17 transmission reliability projects as previously mentioned in my direct testimony.
18 The largest of these projects is the 500 kV rebuild program that began in 2019 to
19 replace the transmission structures associated with these critical lines as they reach
20 end of useful life. The 500 kV system is the backbone of the electric grid in Florida.
21 FPL had been utilizing a condition-based replacement program and had been
22 replacing structures associated with the system since the late 1990s as they were
23 identified during the annual inspection program. As the number of structures

1 requiring replacement began to increase starting around 2012, it was evident that
2 the system would need a more proactive and focused approach moving forward,
3 and in 2019 the current rebuild project began with a scheduled completion in 2025.

- 4 • **North Florida Resiliency Connection (“NFRC”)** – The final construction phase
5 and completion of the NFRC, a new 176-mile, 161 kV transmission line is currently
6 being constructed to enhance the existing electrical connection between the FPL
7 and Gulf systems, and is expected to be completed in mid-2022. FPL witness Sim
8 presents the analysis that demonstrates the NFRC’s economic benefits.

9 **Q. Can you describe the component breakdown of the distribution programs**
10 **included in the reliability/grid modernization investments?**

11 A. Yes, the following distribution programs are included in FPL’s reliability/grid
12 modernization investments:

- 13 • **Smart Grid** – The program includes the installation of automated devices, such as
14 Automated Feeder Switches (“AFS”), Automated Lateral Switches (“ALS”), and
15 Automated Transformer Switches (“ATS”) to detect and prevent outages and
16 reduce the number of customers impacted when an outage occurs. These devices
17 also reduce outage times through the use of communication protocols that either
18 communicate with other devices or the Distribution Control Center (“DCC”)
19 through the Supervisory Control and Data Acquisition System (“SCADA”). This
20 equipment allows an outage to be automatically resolved within seconds without
21 human intervention instead of requiring the deployment of a line crew to investigate
22 and subsequently resolve the issue, sometimes at the peak of rush hour. FPL also
23 installs Fault Current Indicators (“FCIs”) which provide real-time fault information

1 to our control center, allowing us to better dispatch our crews when a fault cannot
2 be automatically resolved by assisting in locating the fault and ultimately reducing
3 restoration time. FPL has been implementing this program and these initiatives for
4 over a decade and they are a proven component of the exceptional reliability our
5 customers experience today.

- 6 • **Underground Inspection and Repair Program** – This program provides several
7 layers of inspection of underground equipment such as switch cabinets, vaults,
8 manholes, and pad-mount transformers which are focused on reducing failures,
9 customer outages, and maintaining a safe and reliable electric grid.
- 10 • **Cable Rehabilitation Program** – This program was created to address the poor
11 reliability performance of certain sections of underground feeders and laterals. The
12 program mainly replaces direct buried feeder cables that have reached their end of
13 useful life.
- 14 • **Priority Feeder Program** – This program involves identifying the worst-
15 performing feeders and addresses reliability issues to improve performance. One
16 specific aspect of this program is to address the worst-performing feeders as
17 identified in the Reliability Report filed annually with the Commission.
- 18 • **Submarine Cable Program** – This program monitors the performance of over 670
19 submarine feeder sections for proactive replacement as these cables reach their end
20 of useful life. The program uses failure information to replace critical and high-
21 impact submarine cable sections, which take longer to execute due to
22 environmental permits and requirements.

- 1 • **Handhole/Pad-mount Transformers** – This program inspects handholes and pad-
2 mount transformers to ensure that they are safe and secure, replacing them as
3 necessary to avoid unplanned outages and increase reliability.
- 4 • **Distribution Reactive Maintenance** – This program involves the repair of issues
5 identified on feeders and laterals that have experienced recent sustained or
6 momentary outages.
- 7 • **Distribution Other Maintenance** – Replacement of small conductor circuits that
8 experience multiple outages, replacement of reclosers, capacitors, network
9 components, and other equipment that impact customers' reliability.

10 **Q. Based on the descriptions of these programs and investments, do you believe that
11 witness Volkmann's concerns regarding these programs is reasonable?**

12 A. No, I do not. The work that witness Volkmann takes issue with is not unusual in any
13 way. Rather, this work is fundamental, core T&D work that FPL has done for years. I
14 also note that witness Volkmann was the only intervenor witness that even questioned
15 the validity of these core electric service activities.

16 **Q. What is the test-year capital investment for reliability/grid modernization that
17 FPL is proposing and how does that compare to historical spending within Power
18 Delivery?**

19 A. The proposed capital investment for 2022 associated with reliability/grid
20 modernization, as outlined in my direct testimony on page 37, is \$1.12 billion. This
21 level of investment is consistent with recent historical spending trends as described in
22 my direct testimony.

1 Q. **On page 17 of his testimony, witness Volkmann suggests that FPL should not
2 perform any of its T&D work unless and until it conducts a benefit/cost analysis
3 for each component of that work. Do you agree with this suggestion?**

4 A. No. Witness Volkmann uses the Lawrence Berkeley National Lab's Interruption Cost
5 Estimate ("ICE") Calculator to estimate the economic value to customers from
6 improved reliability and implies that work should not be done unless it is
7 mathematically justified by this calculator. Although witness Volkmann distances
8 himself from the validity of the ICE calculator's results, he nonetheless attached them
9 as exhibits to his testimony in an apparent effort to suggest that FPL's T&D spends are
10 not cost-effective. While the ICE model may provide data points for some purposes,
11 even witness Volkmann concedes at page 16, line 14 of his testimony that "the ICE
12 Calculator is an imperfect tool." Importantly, the ICE calculator results fail to capture
13 the true benefits of these programs and investments as experienced by the FPL
14 customers when it comes to reliability. When evaluating the categories of programs
15 outlined above, it is clear that the vast majority of the outlined capital expenditures are
16 for maintenance of the existing large infrastructure. These investments are critical to
17 maintain the present level of outstanding reliability that FPL provides our customers.
18 Many of these long-term capital investments are necessary to maintain the system and
19 will pay dividends for decades to come. On page 17 of his testimony, witness
20 Volkmann attempts to tie these investments to a strict 2-4% annual improvement in
21 reliability. The application of such a test to these programs and investments is not valid
22 and clearly misplaced because the majority of the proposed expenditures, as outlined,
23 are based on continued deployment of historical investment in the infrastructure

1 necessary to maintain present reliability standards. Stated simply, the work that we
2 need to do to maintain the excellent performance of our system and to keep the lights
3 on is what I call “just do it” work that the Company should do as a matter of course.

4

5 Practical operational experience, not an academic or economic calculation, dictates that
6 you do the work that you need to do to keep your system maintained and functioning
7 at its current excellent level. Even witness Volkmann recognized this concept. On his
8 Exhibit CV-7 at page 7, it states that “In many instances utility-facing grid
9 modernization investments are required either for safety, reliability, or policy
10 requirements. In such cases, it may not be necessary or worth the effort to monetize
11 the benefits.” Thus, for the reasons that I’ve discussed above, witness Volkmann’s
12 suggestion that further analysis is needed before this work is performed should be
13 rejected by the Commission.

14 **Q. Are these reliability/grid modernization capital investments limited to short-term
15 benefits or do they provide long-term benefits?**

16 A. Reliability/grid modernization programs such as the 500kV rebuild program provide
17 long-term benefits through the replacement of transmission structures that are nearing
18 their end of useful life. Replacing structures with structures that meet the current
19 National Electric Safety Code standards will provide for the long-term reliability and
20 resiliency of the electric grid in Florida.

21 **Q. Can FPL maintain its present level of reliability without continued
22 reliability/grid modernization capital investments?**

23 A. No. As acknowledged in witness Volkmann’s testimony, “FPL’s reliability is very

1 good compared to other utilities.” This admission only confirms that FPL’s capital
2 investments in reliability have been successful. These continued investments are
3 necessary to maintain the current exceptional level of reliability and to continue to
4 make improvements over time.

5 **Q. Do geographic and weather-related challenges highlight the importance of**
6 **continued investments in reliability/grid modernization?**

7 A. Yes. Despite geographic and weather-related challenges, which I explain in detail on
8 Page 10, Line 17 through Page 11, Line 10 of my direct testimony, FPL’s reliability
9 has been the best for 15 consecutive years amongst the Florida investor-owned utilities
10 (“IOU”). Our continued investments in reliability/grid modernization are necessary
11 to continue providing reliable electric service to our customers, the majority of whom
12 live within 20 miles of the approximately 610 miles of coastline that FPL serves. As
13 we Floridians know, our state is more susceptible to tropical storms/hurricanes than
14 any other state and we often face significant seasonal weather in the form of
15 thunderstorms and lightning strikes.

16 **Q. On page 15 of his testimony, witness Volkmann contends that FPL’s**
17 **reliability/grid modernization investments will only yield four percent annual**
18 **improvements for SAIDI or approximately six minutes of cumulative reduction of**
19 **outage minutes for FPL by 2023. Is this an appropriate way to assess the**
20 **reasonableness of FPL’s proposed investments?**

21 A. No. First, witness Volkmann incorrectly attempts to portray the totality of FPL’s
22 proposed reliability/grid modernization investments in this matter as only providing six
23 minutes of cumulative improvements to SAIDI for our customers by 2023. In doing

1 so, witness Volkmann ignores the substantial investments that FPL has made and must
2 continue to make to maintain its current level of reliability, notwithstanding any further
3 improvements. These approved historical investments have improved reliability
4 greatly for our customers since 2016, and will continue to do so, not just a mere six
5 minutes as witness Volkmann implies. As discussed in my direct testimony, in 2020,
6 FPL was the first IOU in Florida to achieve T&D SAIDI of less than 50 minutes as
7 reported to the Commission. Witness Volkmann notably acknowledges on page 10 of
8 his testimony that “FPL-Gulf’s day-to-day reliability is very good compared to other
9 utilities.” Considering the current high level of reliability standard set by FPL and Gulf
10 with our best-ever reliability years in 2019 and 2020, it will require continued
11 investment and focus by FPL to just maintain that superior level of service for our
12 customers.

13 **Q. On page 15, witness Volkmann calculates that FPL’s proposed capital spend costs**
14 **approximately \$600-\$900 million per minute reduced customer outage time. Is**
15 **this accurate?**

16 A. No. Witness Volkmann’s erroneous calculation again ignores the fact that the
17 overwhelming majority of costs for the work detailed above is to maintain FPL’s
18 current reliability apart from any improvements to it. In addition, these capital
19 investments do not have a simple 1:1 static correlation to costs as witness Volkmann
20 implies, given that a vast majority of these capital investments will continue to benefit
21 the T&D system and FPL’s customers over the life of these investments.

22

1 Q. **Do you agree with witness Volkmann's attempt to minimize the additional impact
2 of the reliability/grid modernization investments, as only providing "six minutes"
3 of improvement?**

4 A. No, I do not. As a part of FPL's culture of continuous improvement, our goal is to not
5 only maintain our present level of reliability, but to strive for additional improvements
6 to support our customers by reducing outages, reducing the number of customers
7 impacted by an outage, and when those customers do experience an outage, ensuring
8 that the outage duration is extremely short. Notwithstanding witness Volkmann's
9 errors that I previously discussed, his general suggestion that a four percent
10 improvement in system reliability is not substantially impactful to customers is
11 misplaced. It is important to note that 1 minute of SAIDI improvement at the system
12 level equates to 5.6 million minutes of reduced outage time for our customers annually.
13 For FPL to improve reliability by four percent annually at the system level by 2023, it
14 would require reducing customer minutes of interruption across the whole system by
15 an additional 11 million minutes in 2021, 22 million minutes in 2022, and
16 approximately 34 million minutes in 2023, a cumulative total of an additional 67
17 million minutes of reduced outage times over the next three years while maintaining
18 FPL's existing superior service. Accordingly, when speaking about improvements in
19 FPL's system reliability, one must keep in mind that our efforts result in the avoidance
20 of millions of minutes of interruptions for our general body of customers and not just
21 six minutes as witness Volkmann contends.

22

1 **Q. CLEO-Vote Solar witness Volkmann on Page 22-23 of his testimony states FPL**
2 **should “increase transparency into the Company’s capital expenditures” and**
3 **provide metrics shown on his Exhibit CV-4. How does this recommended capital**
4 **expenditure framework compare to what FPL already provides to the**
5 **Commission?**

6 A. The Commission already requires much more information than that proposed by
7 witness Volkmann. This information is required of FPL and the other IOUs as part of
8 the annual Reliability Report and the annual Status Report on SPP Programs and
9 Projects. Both of these highly detailed annual reports (approximately 2,000 pages
10 combined) are reviewed by the Commission and the storm protection activities and
11 related costs and rate impact information from these reports are captured by the
12 Commission and reported to Florida’s Governor and the State Legislature. These
13 required reports to the Commission, as well as the Commission’s annual report to the
14 Governor and Legislature, underscore the importance of improving reliability and
15 system resiliency as a priority in Florida.

16 **Q. Does FPL provide feeder level reliability and performance information to the**
17 **Commission?**

18 A. Yes, feeder level detailed information on performance and reliability are provided to
19 the Commission annually as a part of the Reliability Report. Per Commission rules,
20 the report includes feeder-specific data which provides information such as feeder
21 number, the number of customers on the feeder, number and type of laterals (OH, UG,
22 Hybrid), feeder miles, customer interruptions per feeder, and feeder load information
23 in MVA. The Commission Staff’s comprehensive review of our annual Reliability

1 Report includes discovery associated with FPL's performance, programs, and
2 initiatives to improve reliability, specific outage data and system corrections, and plans
3 to ensure improved reliability performance on certain feeders in the future. Our past
4 performance and planned improvements are a result of our ongoing reliability/grid
5 modernization investments.

6 **Q. Do you have any final thoughts regarding FPL's reliability/grid modernization
7 investments?**

8 A. Yes, these reliability/grid modernization investments are consistent with historic
9 levels of investments and are necessary and required to maintain our T&D system to
10 continue to provide a high level of reliable and safe electric service.

11

12 **III. FPL'S PROPOSED CAPITAL EXPENDITURES FOR GROWTH ARE
13 REASONABLE**

14

15 **Q. On page 23, witness Volkmann asserts that FPL's proposed capital expenditures
16 for growth are unsupported in FPL's initial filing. Do you agree with his
17 statements?**

18 A. No. Section VIII of my direct testimony provides details on FPL's proposed capital
19 investments to support growth and expansion driven by our customers across the
20 service area. FPL has a mandated obligation to serve our customers. As described in
21 my direct testimony, Florida is the second fastest growing state in the nation and these
22 investments are necessary to provide service to approximately 425,000 new service
23 accounts by 2023 and to support new and existing customer load growth and expansion.

1 Forecasts are based on and consistent with recent spending trends associated with a
2 growing customer base.

3 **Q. Can you provide a breakdown of the programs included in the growth**
4 **investments?**

5 A. Yes, the following T&D programs are included in FPL's growth investments:

- 6 • **New Service Accounts** – Costs associated with installing new distribution
7 facilities necessary to serve new customers. Facilities include primary
8 distribution, secondary distribution, and meters to serve residential,
9 commercial, and industrial customers.
- 10 • **T&D System Upgrades** - Projects designed for transmission expansion and to
11 inject additional capacity into distribution areas in support of existing and new
12 customer load growth. These projects may require installation of new feeders
13 and/or other equipment upgrades or could be as simple as installing a single
14 service to a home or business.
- 15 • **Large Major Construction** – Costs associated with major projects installing
16 new distribution and transmission infrastructure necessary to serve new large
17 customers/load (e.g. large office buildings, commercial/industrial complexes,
18 large condominium buildings). Many of these projects are multi-year. Page 26
19 of my direct testimony provides examples of the major construction projects
20 such as the Florida Space Coast and the Baptist Hospital projects that are
21 categorized in this group.

1 **Q.** **On page 25, line 11, witness Volkmann recommends that the Commission require**
2 **FPL to establish a capital performance framework which includes growth capital**
3 **expenditures. Is that necessary?**

4 A. No. The capital performance framework as suggested by witness Volkmann is neither
5 required nor necessary when evaluating growth expenditures to meet our obligation to
6 serve. As stated earlier, capital investments in growth are necessary to provide electric
7 service to new service accounts and for new and existing customer load growth. Florida
8 Statutes section 366.03 states that “Each public utility shall furnish to each person
9 applying therefore reasonably sufficient, adequate, and efficient service upon terms as
10 required by the commission.” Further, FPSC Rule 25-6.046, F.A.C. requires FPL to
11 maintain standard nominal voltages to ensure equal and adequate service to all
12 customers. Providing service to new customers and for new customer load growth
13 should not be subject to witness Volkmann’s “capital investment framework” and his
14 apparent suggestion that FPL should deploy this framework to decide whether or not
15 FPL should serve new customers is not consistent with our obligation to serve.

IV. RATE CASE ADJUSTMENT FOR T&D PROGRAMS

19 Q. On pages 63-64, OPC witness Smith states that the Company should explain why
20 O&M expenses pertaining to the Feeder Hardening and Pole Inspection
21 Distribution programs reflected in its SPP were not included as part of FPL's
22 proposed Company adjustment to move costs from base rates to the SPP cost
23 recovery clause in the 2022 Test Year. Can you please explain why they were not
24 included?

1 A. Yes. As correctly explained by OPC witness Smith, FPL's Company adjustment to
2 move recovery of SPP O&M from base rates to the SPP cost recovery clause is
3 approximately \$3 million lower than the total amount of O&M reflected in its SPP
4 filing in 2020, which is comprised of approximately \$2 million within the current Gulf
5 SPP Feeder Hardening Program and \$800 thousand associated with the current Gulf
6 SPP Pole Inspection Distribution Program. FPL witness Fuentes can explain in greater
7 detail FPL's proposed Company adjustments, but in summary, the \$2 million related
8 to the SPP Feeder Hardening Program was forecasted as O&M expenses in the SPP
9 filing but not included in FPL's rate case forecast. This is due to Gulf Power receiving
10 a limited duration waiver from the Federal Energy Regulatory Commission ("FERC")
11 in August 2020.¹ to permit capitalization of costs to transfer existing conductors and
12 other attachment assets to new storm hardened distribution poles as part of Gulf
13 Power's Feeder Hardening program. Therefore, since the \$2 million was not reflected
14 as O&M expense, a Company adjustment was not required to move the costs from base
15 rates to clause recovery.

16
17 As noted in FPL's Notice of Identified Adjustments filed on May 7, 2021, the forecast
18 for the SPP Pole Inspection Distribution Program O&M expenses was understated by
19 approximately \$800 thousand in each of the forecasted periods. Because the rate case
20 forecast did not include these expenses, a Company adjustment was not required to
21 move the costs from base rates to clause recovery.

¹ Addressed in FPL witness Jarro's Direct Testimony in Docket No. 20210010-EI.

1 Q. **On pages 63-64 of his testimony, OPC witness Smith states the Company should
2 explain a perceived discrepancy pertaining to the amount of Distribution
3 Vegetation Management O&M expenses forecasted for 2022 between two
4 discovery responses provided by FPL. Is this a correct assertion?**

5 A. No. OPC witness Smith asserts that there may be a discrepancy in the \$64.9 million of
6 Distribution Vegetation Management O&M expenses in 2022 provided in FPL's
7 response to OPC's First Set of Interrogatories, No 79 Supplemental when compared to
8 \$62.1 million shown on FPL Bates Stamp No. 025813 provided in response to OPC's
9 First Set of Production of Documents No. 35 Supplemental. However, there is no
10 discrepancy and his assertion is incorrect. The referenced \$62.1 million represents the
11 total amount of SPP O&M forecasted in FERC account 593 – Maintenance of Overhead
12 Lines which contains only a portion of Distribution Vegetation Management along with
13 O&M for other non-vegetation SPP programs. In contrast, the \$64.9 million of SPP
14 Distribution Vegetation Management expenses is comprised of forecasted amounts
15 related to Operation Supervision and Engineering costs of \$4.7 million, Maintenance
16 of Overhead Lines of \$60.1 million and Employee Pension and Workers Compensation
17 of \$0.1 million. Instead of aggregating the cost horizontally by row on FPL Bates
18 Stamp No. 025813, the expenses associated with Distribution Vegetation Management
19 should have been added vertically by column to capture overhead costs (e.g.,
20 Supervision & Engineering, Employee Pension, Payroll Taxes). In summary, the \$64.9
21 million is inclusive of FPL's and Gulf Power's aggregated² Distribution Vegetation
22 Management costs in 2022, while the \$62.1 million represents Maintenance of

² Consistent with FPL and Gulf Power's SPP, both of which were approved by the Commission in Docket Nos. 20200071-EI and 20200070-EI, respectively.

Overhead Line costs for multiple SPP programs. Note, the total amount of \$64.9 million was included in FPL's Company adjustment to move the recovery of all SPP O&M expenses from base rates to the SPP cost recovery clause as described in the direct testimony of FPL witness Fuentes.

V. PROPERTY HELD FOR FUTURE USE

8 Q. On Page 51, Lines 1-3, OPC witness Smith raises concerns regarding in-service
9 dates related to T&DPHFU labeled as “to be determined.” Are his concerns
10 valid?

11 A. No. OPC witness Smith's assertion is unsupported and should be dismissed. FPL
12 provided expected in-service dates through 2028 for all T&D properties included in
13 PHFU in its supplemental response to OPC's First Request for Production of
14 Documents, No. 36. For ease of references, please refer to Exhibit MS-7, which
15 presents the T&D properties included in PHFU and their expected in-service dates that
16 FPL included in the referenced discovery response.

17 Q. Does this conclude your rebuttal testimony?

18 A. Yes.



Transmission and Distribution Property Held for Future Use

Expected In-Service Dates for T&D

BUSINESS UNIT	PROPERTY OR PROJECT NAME	EXPECTED IN-SERVICE DATE
Distribution Plant - Land & land rights	ALTON SUBSTATION	6/1/2022
Distribution Plant - Land & land rights	ARIEL SUBSTATION - ACQ SITE	12/1/2023
Distribution Plant - Land & land rights	ASANTE SUB (FKA HYPERNAP)	6/1/2028
Distribution Plant - Land & land rights	BROADMOOR(FORMERLY MELROSE)	4/1/2021
Distribution Plant - Land & land rights	CHESTER SUBSTATION	12/1/2028
Distribution Plant - Land & land rights	COMMERCE SUBSTATION - ACQ SITE	11/1/2023
Distribution Plant - Land & land rights	DEERWOOD SUBSTATION - ACQUIRE SITE	12/1/2028
Distribution Plant - Land & land rights	DOLPHIN SUBSTATION	11/30/2022
Distribution Plant - Land & land rights	ELY SUBSTATION EXPANSION	12/1/2028
Distribution Plant - Land & land rights	GREEN FROG	6/1/2028
Distribution Plant - Land & land rights	HARGROVE SUBSTATION - ACQUIRE SITE	12/1/2028
Transmission Plant - Land & land rights	HICKSON SUBSTATION	6/1/2028
Distribution Plant - Land & land rights	MEMPHIS SUBSTATION - ACQUIRE SITE	6/1/2028
Distribution Plant - Land & land rights	MINTON SUBSTATION - ACQ SITE (FKA HENRY)	12/1/2028
Distribution Plant - Land & land rights	MUSTANG - ACQ DI SUB	6/1/2021
Transmission Plant - Land & land rights	OYSTER SUBSTATION	12/1/2025
Transmission Plant - Land & land rights	PORTSAID SUBSTATION	6/1/2025
Distribution Plant - Land & land rights	POWERLINE SUBSTATION	6/1/2028
Distribution Plant - Land & land rights	RAINTREE SUBSTATION - ACQ SITE	6/1/2022
Distribution Plant - Land & land rights	RODEO SUBSTATION (FORMER HARMONY#2) - ACQ	6/1/2028
Distribution Plant - Land & land rights	SARTORI	12/1/2028
Distribution Plant - Land & land rights	SPEEDWAY SUBSTATION (FORMERLY PELICAN)	12/1/2028
Distribution Plant - Land & land rights	TERMINAL	6/1/2028
Transmission Plant - Land & land rights	TOWNSHIP	12/1/2028
Distribution Plant - Land & land rights	TREELINE SUBSTATION - ACQ SITE	6/1/2023
Distribution Plant - Land & land rights	VERMONT SUBSTATION-ACQUIRE SITE	12/1/2022
Distribution Plant - Land & land rights	WOLFSON SUB (FORMER INTERAMA)	2/1/2021
Distribution Plant - Land & land rights	ZILADEN SUB (FORMER DILLARD)	6/1/2028
Distribution Plant - Land & land rights	OWL CREEK SUBSTATION	11/22/2023
Transmission Plant - Land & land rights	ALEXANDER SUB (CALOOSA SC TLNE)	1/1/2026
Distribution Plant - Structures & Improvements	CHALLENGER (FORMERLY HARRISON ST SUB)	12/1/2024
Transmission Plant - Land & land rights	ARCH CREEK	6/1/2026
Transmission Plant - Land & land rights	CENTER SUB TRANS PULL OFF - ACQ EASMENTS	6/1/2025
Transmission Plant - Land & land rights	COMMERCE SUBSTATION TRANS LOOP-ACQ ESMNT	12/1/2023
Transmission Plant - Land & land rights	CONSERVATION - LEVEE 500KV LINE	6/1/2027
Transmission Plant - Land & land rights	DESOTO - ORANGE RIVER EHV R/W	12/1/2025
Transmission Plant - Land & land rights	DUVAL - KINGSLAND - O'NEIL RW-ACQ ESMNT	12/1/2022
Transmission Plant - Land & land rights	ENGLEWOOD - PLACIDA - MYAKKA	12/1/2025
Transmission Plant - Land & land rights	GALLOWAY - SOUTH MIAMI LOOP TO S WEST SUB	6/1/2027
Transmission Plant - Land & land rights	GREEN TRANS SWITCHING STATION-ACQ SITE	6/1/2026



BUSINESS UNIT	PROPERTY OR PROJECT NAME	EXPECTED IN-SERVICE DATE
Transmission Plant - Land & land rights	HARBOR PUNTA GORDA #2 - ACQ EASEMENTS	12/1/2027
Transmission Plant - Land & land rights	LINE TO PORTSAID SUB	6/1/2025
Transmission Plant - Land & land rights	MANATEE-RINGLING 138KV TRM LINE	12/1/2022
Transmission Plant - Land & land rights	MEMPHIS LOOP TRANSMISSION R/W	6/1/2025
Transmission Plant - Land & land rights	PENNSUCCO EXPANSION OF TRANS SUB	6/1/2027
Transmission Plant - Land & land rights	PIROLO INJECTION	1/1/2027
Transmission Plant - Land & land rights	POSSUM TRANSMISSION SWITCH STATION ACQ	12/1/2027
Transmission Plant - Land & land rights	PT SEWELL - SANDPIPER - ACQUIRE EASEMENTS	12/1/2027
Transmission Plant - Land & land rights	RIMA SUB & RIMA - VOLUSIA 230KV R/W LINE	12/1/2028
Transmission Plant - Land & land rights	TURKEY POINT - LEVEE (LEVEE-SOUTH DADE)	12/1/2027
Transmission Plant - Land & land rights	TURKEY POINT - LEVEE (LEVEE-SOUTH DADE)	12/31/2026
Transmission Plant - Land & land rights	TURKEY POINT - LEVEE (LEVEE-SOUTH DADE)	12/31/2026
Transmission Plant - Land & land rights	TURKEY POINT - LEVEE (LEVEE-SOUTH DADE)	12/31/2026
Transmission Plant - Land & land rights	VOLUSIA - SMYRNA 115KV R/W WILLOW SECT ACQ	12/1/2026
Transmission Plant - Land & land rights	WINKLER SUBSTATION EAST	12/1/2022
Transmission Plant - Land & land rights	COLLIER - TERRY HOME ENCROACHMENT	12/1/2021
Transmission Plant - Structures & Improvements	PIROLO - ACQUIRE TRANS R/W EASEMENTS	12/1/2025
Distribution Plant - Land & land rights	MOODY SUB - FCG HOMESTEAD LNG	6/1/2022
Power Delivery	SOUTH BAY SUBSTATION - EXPANSION	12/31/2021
Power Delivery	SOUTH BAY SUBSTATION - EXPANSION	12/31/2021
Power Delivery	SABAL PALM SOLAR T-LINE	4/30/2021