BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for approval of 2013-2015 storm hardening plan, pursuant to Rule 25-6.0342, F.A.C., by Florida Power & Light Company.

DOCKET NO. 130132-EI ORDER NO. PSC-13-0639-PAA-EI ISSUED: December 3, 2013

The following Commissioners participated in the disposition of this matter:

RONALD A. BRISÉ, Chairman LISA POLAK EDGAR ART GRAHAM EDUARDO E. BALBIS JULIE I. BROWN

<u>NOTICE OF PROPOSED AGENCY ACTION</u> ORDER APPROVING FLORIDA POWER & LIGHT COMPANY'S UPDATED STORM HARDENING PLAN FOR 2013-2015

BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code (F.A.C.).

Background

The hurricanes of 2004 and 2005 that made landfall in Florida resulted in extensive storm restoration costs and lengthy electric service interruptions for millions of electric investor-owned utility (IOU) customers. On January 23, 2006, Commission staff conducted a workshop to discuss the damage to electric utility facilities resulting from these hurricanes and to explore ways of minimizing future storm damages and customer outages. State and local government officials, independent technical experts, and Florida's electric utilities participated in the workshop.

On February 27, 2006, this Commission issued Order No. PSC-06-0144-PAA-EI, in Docket No. 060078-EI, requiring the IOUs to begin implementing an eight-year inspection cycle of their respective wooden poles.¹ In that Order, we noted:

The severe hurricane season of 2004 and 2005 have underscored the importance of system maintenance activities of Florida's electric IOUs. These efforts to maintain system components can reduce the impact of hurricanes and

¹ Docket No. 060078-EI, <u>In re: Proposal to require investor-owned electric utilities to implement ten-year wood pole</u> inspection program.

tropical storms upon utilities' transmission and distribution systems. An obvious key component in electric infrastructure is the transmission and distribution poles. If a pole fails, there is a high chance that the equipment on the pole will be damaged, and failure of one pole often causes other poles to fail. Thus, wooden poles must be maintained or replaced over time because they are prone to deterioration. Deteriorated poles have lost some or most of their original strength and are more prone to fail under certain environmental conditions such as high winds or ice loadings. The only way to know for sure which poles must be replaced is through periodic inspections.

Order No. PSC-06-0144-PAA-EI, p. 2.

At the February 27, 2006, internal affairs meeting, we were briefed by staff on additional actions to address the effects of extreme weather events on electric infrastructure. We also heard comments from interested persons and Florida's electric utilities regarding staff's recommended actions.

On April 25, 2006, this Commission issued Order No. PSC-06-0351-PAA-EI, in Docket No. 060198-EI, requiring all IOUs to file plans and estimated implementation costs for ten ongoing storm preparedness initiatives (Ten Initiatives) on or before June 1, 2006.² The Ten Initiatives are:

- 1. A Three-Year Vegetation Management Cycle for Distribution Circuits.
- 2. An Audit of Joint-Use Attachment Agreements.
- 3. A Six-Year Transmission Structure Inspection Program.
- 4. Hardening of Existing Transmission Structures.
- 5. A Transmission and Distribution Geographic Information System.
- 6. Post-Storm Data Collection and Forensic Analysis.
- 7. Collection of Detailed Outage Data Differentiating Between the Reliability Performance of Overhead and Underground Systems.
- 8. Increased Utility Coordination with Local Governments.
- 9. Collaborative Research on Effects of Hurricane Winds and Storm Surge.
- 10. A Natural Disaster Preparedness and Recovery Program.

² Docket No. 060198-EI, <u>In re: Requirement for investor-owned electric utilities to file ongoing storm preparedness</u> plans and implementation cost estimates.

These Ten Initiatives were not intended to encompass all reasonable ongoing storm preparedness activities. Rather, we viewed these initiatives as a starting point of an ongoing process.³ By Order Nos. PSC-06-0781-PAA-EI (addressing Tampa Electric Company and Florida Public Utilities Company), PSC-06-0947-PAA-EI (addressing Progress Energy Florida, Inc. and Gulf Power Company), and PSC-07-0468-FOF-EI (addressing Florida Power & Light Company), we addressed the adequacy of the IOU's plans for implementing the Ten Initiatives.

We also pursued rulemaking to address the adoption of distribution construction standards more stringent than the minimum safety requirements of the NESC and the identification of areas and circumstances where distribution facilities should be required to be constructed underground.⁴ Rule 25-6.0342, F.A.C., was ultimately adopted.⁵

Rule 25-6.0342, F.A.C., requires each IOU to file an Electric Infrastructure Storm Hardening Plan for review and approval by the FPSC. The Rule also requires a description of construction standards, policies, practices, and procedures to enhance the reliability of overhead and underground electrical transmission and distribution facilities. The Rule requires, at a minimum, that each IOU's plan address the following items.

- a. Compliance with NESC.
- b. Extreme wind loading (EWL) standards for: (i) new construction; (ii) major planned work, including expansion, rebuild, or relocation of existing facilities; (iii) critical infrastructure facilities and along major thoroughfares.
- c. Mitigation of damage due to flooding and storm surges.
- d. Placement of facilities to facilitate safe and efficient access for installation and maintenance.
- A deployment strategy that includes: (i) the facilities affected; (ii) technical design specifications, construction standards, and construction methodologies; (iii) the communities and areas where the electric infrastructure improvements are to be made; (iv) the impact on joint-use facilities on which third-party attachments exist; (v) an estimate of the costs and benefits to the utility of making the electric

³ Order No. PSC-06-0947-PAA-El, p.2, issued November 13, 2006, in Docket No. 060198-El, <u>In re: Requirements</u> for investor-owned electric utilities to file ongoing storm preparedness plans and implementation costs estimates.

⁴ Order No. PSC-06-0556-NOR-EU, issued June 28, 2006, in Docket No. 060172-EU, <u>In re: Proposed rules</u> governing placement of new electric distribution facilities underground, and conversion of existing overhead distribution facilities to underground facilities, to address effects of extreme weather events; and Docket No. 060173-EU, <u>In re: Proposed amendments to rules regarding overhead electric facilities to allow more stringent</u> construction standards than required by National Electric Safety Code.

⁵ Order No. PSC-07-0043A-FOF-EU, issued January 17, 2007, in Docket No. 060172-EU, <u>In re: Proposed rules</u> governing placement of new electric distribution facilities underground, and conversion of existing overhead distribution facilities to underground facilities, to address effects of extreme weather events; and Docket No. 060173-EU, <u>In re: Proposed amendments to rules regarding overhead electric facilities to allow more stringent</u> construction standards than required by National Electric Safety Code.

infrastructure improvements; and (vi) an estimate of the costs and benefits to thirdparty attachers affected by the electric infrastructure improvements.

f. The inclusion of Attachment Standards and Procedures for Third-Party Attachers.

On May 7, 2007, the storm hardening plans were filed by Tampa Electric Company (TECO), Progress Energy Florida, Inc. (formerly PEF, now Duke Energy Florida, Inc., or DEF), Gulf Power Company (Gulf), and Florida Power & Light Company (FPL). Docket Nos. 070297-EI (TECO), 070298-EI (PEF), 070299-EI (Gulf), and 070301-EI (FPL) were opened to address each filing. On June 19, 2007, we voted to set the dockets directly for an informal administrative hearing with the additional mandate for our staff to conduct a series of informal workshops to allow the parties and staff to identify disputed issues and potential areas for stipulation. By Order No. PSC-07-0573-PCO-EI, issued July 10, 2007, the dockets were consolidated for purposes of the hearing with the understanding that each utility's plan would be ruled on separately.⁶ Florida Public Utilities Company (FPUC) requested to file its storm hardening plan as part of its petition for general rate increase and have it addressed concurrently.⁷ FPUC's storm hardening plan was approved May 19, 2008.⁸

A formal administrative hearing was held October 3-4, 2007. During the course of the hearing, the parties reached agreement on a number of issues and the dockets were subsequently stipulated. We were also presented with a stipulated agreement entitled "Process to Engage Third-Party Attachers." This process, as designed, would allow for the exchange of information between the parties. Per the stipulation, annual status reports would be filed with this Commission.⁹ In addition, the stipulation stated that any disputes or challenges to issues related to a utility's plan would be resolved by the Commission in accordance with Rule 25-6.0342(7), F.A.C. A customer, applicant for service, or attaching entity could file a request for dispute resolution at any time.

On May 3, 2010, FPL, PEF, TECO, Gulf, and FPUC each filed 2010-2012 storm hardening plan updates as required by Rule 25-6.0342(2), F.A.C.. Docket Nos. 100262-EI (PEF), 100263-EI (TECO), 100264-EI (FPUC), 100265-EI (Gulf), and 100266-EI (FPL) were

⁶ Docket Nos. 070297-EI, <u>In re: Review of 2007 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342</u>, F.A.C., submitted by Tampa Electric Company; 070298-EI, <u>In re: Review of 2007 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342</u>, F.A.C., submitted by Progress Energy Florida, Inc.; 070299-EI, In re: Review of 2007 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342, F.A.C., submitted by Gulf Power Company; 070301-EI, <u>In re: Review of 2007 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342</u>, F.A.C., submitted by Gulf Power Company; 070301-EI, <u>In re: Review of 2007 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342</u>, F.A.C., submitted by Florida Power & Light Company.

⁷ Order No. PSC-08-0019-POC-EI, issued January 4, 2008, in Docket No. 070300-EI, <u>In re: Review of 2007</u> Electric Infrastructure Storm Hardening Plans files pursuant to Rule 25-6.0342 F.A.C., submitted by Florida Public <u>Utilities Company</u>, and in Docket No. 070304-EI, <u>In re: Petition for rate increase by Florida Public Utilities</u> <u>Company</u>.

⁸ Order No. PSC-08-0327-FOF-EI, issued May 19, 2008, in Docket No. 070300-EI, <u>In re: Review of 2007 Electric</u> <u>Infrastructure Storm Hardening Plan files pursuant to Rule 25-6.0342 F.A.C.</u>, submitted by Florida Public Utilities <u>Company</u>, and in Docket No. 070304-EI, <u>In re: Petition for rate increase by Florida Public Utilities Company</u>.

⁹ Order Nos. PSC-07-1020-FOF-EI, PSC-07-1021-FOF-EI, PSC-07-1022-FOF-EI, PSC-07-1023-FOF-EI, issued December 28, 2007, in Docket Nos. 070297-EI, 070299-EI, and 070301-EI, and Order No. PSC-08-0327-FOF-EI, issued May 19, 2008, in Docket No. 070300-EI.

opened to address the updates. FPUC filed an amended storm hardening update on May 28, 2010. On June 10, 2010, Commission staff conducted a workshop to better understand each IOU's plan. We approved the first updated storm hardening plans for PEF, TECO, Gulf, and FPUC at our October 26, 2010 Commission Conference. FPL's recommendation was deferred until the January 11, 2011 Commission Conference.¹⁰

On May 3, 2013, the five IOU's filed 2013-2015 storm hardening plan updates as required. Docket Nos. 130129-EI (DEF), 130131-EI (FPUC), 130132-EI (FPL), 130138-EI (TECO), and 130139-EI (Gulf) were opened. Staff did not conduct a workshop for these updated storm hardening plans; data request responses were sufficient in understanding the updated plans.

This Order addresses FPL's plan updates as required by Rule 25-6.0342, F.A.C. This Order will address:

- I. Wooden Pole Inspection Program
- II. Ten Initiatives
- III. National Electric Safety Code (NESC) Compliance
- IV. Extreme Wind Loading (EWL) Standards
- V. Mitigation of Flooding and Storm Surge Damage
- VI. Facility Placement
- VII. Deployment Strategies

Attachment A to this Order describes the storm hardening requirements for each IOU. Attachments B contain a comparison provisions of FPL's 2010-2012 approved and updated 2013-2015 storm hardening plans, and the cost of implementing the approved and updated plans.

This Commission has jurisdiction over this matter pursuant to Sections 360.04 and 366.05, Florida Statutes (F.S.).

Decision

A summary of FPL's currently approved storm hardening plan and the proposed changes contained in its updated plan is provided in Attachment B to this Order. In addition, where available, the costs associated with the 2010-2012 and 2013-2015 plans are shown. Components of FPL's updated plan are summarized below.

I. Wooden Pole Inspection Program

¹⁰ See Order Nos. PSC-10-0684-PAA-EI (DEF), PSC-10-0686-PAA-EI (TECO), PSC-10-0687-PAA-EI (FPUC), PSC-10-0688-PAA-EI (Gulf), PSC-11-0082-PAA-EI (FPL).

FPL proposes to continue its eight-year wooden pole inspection as required by Commission Order No. PSC-07-0078-PAA-EU. FPL will continue to file the results of these inspections in FPL's Annual Electric Utility Distribution Reliability Report.

II. Ten Initiatives

Initiative One - Three-Year Vegetation Management cycle for Distribution Circuits

FPL seeks to continue its previously approved plan for Initiative One. Currently, FPL has a three-year average trim cycle for feeders and a six-year average cycle for distribution laterals. FPL also proposes to continue targeted trimming and maintenance of tree species that often grow faster than others; tress that are leaning, damaged, or dead; tree removal; and trees reported by customers as needing attention. FPL maintains that it is on schedule with this initiative.

Initiative Two - Audits of Joint-Use Attachment Agreements

FPL wishes to continue collaborating with cable television companies, telecommunication companies, and governmental entities to complete system-wide pole attachment surveys on a five-year cycle. The pole attachment survey focuses on compliance with existing pole attachment agreements for all FPL-owned and joint-use poles. FPL proposes to continue conducting pole strength assessments in conjunction with its eight-year wooden pole inspection program.

Initiative Three - Six-Year Transmission Structure Inspection Program

FPL proposes to continue inspection of all transmission lines and structures on a six-year cycle and continue conducting inspections of substations each year.

Initiative Four - Hardening of Existing Transmission Structures

FPL plans to replace all wooden transmission structures with round spun concrete poles and replacing ceramic post insulators on concrete poles with polymer post insulators. In addition, FPL has plans to increase the replacement rate for wood transmission structures, and ceramic post insulators on square concrete poles. FPL will prioritize these two existing transmission storm hardening initiatives based on factors including proximity to high wind areas, system importance, customer count, and coordination with the distribution Critical Infrastructure storm initiative.

Initiative Five - Transmission and Distribution Geographic Information System (GIS)

FPL has established GIS databases for data on its distribution and transmission systems, such as pole inspection records (e.g., pole locations and attributes), joint-use audit data, levels of

hardening, and information on streetlights. FPL will continue to update its GIS as needed and maintain updated information on both the Company's distribution and transmission systems.

Initiative Six – Post-Storm Data Collection and Forensic Analysis

To conduct forensic data collection and analysis, FPL will continue to select a random sample of locations from the total GIS pole set (all distribution poles in the wind band area) without any consideration of pole attributes or specific pole location data. Forensic teams will then observe all damaged locations, including damage to poles, wires, and distribution equipment. While storm damage data is collected in certain areas, restoration crews will begin their work in other locations. This will allow the collection of sample observations for forensic analysis without impeding early restoration work. FPL has not experienced a hurricane event during 2010-2012; therefore, no significant forensic data is available at this time.

Initiative Seven – Collection of Detailed Outage Data Differentiating Between the Reliability Performance of Overhead and Underground Systems

FPL's updated plan proposes to continue managing its assets and performing forensic analyses to differentiate between overhead and underground performance, depending on the severity of a given storm. However, distinguishing between overhead and underground performance has been very difficult since no significant hurricanes were experienced between 2010 through 2012.

Initiative Eight - Increased Coordination with Local Governments

FPL proposes to continue meeting with county emergency operations managers and municipalities to discuss critical infrastructure, line clearing, storm readiness, and underground conversions. The company has developed an enhanced e-mail distribution process and network to target key messages to all governmental audiences. In addition, meetings and workshops will be held with local governments to explain FPL's efforts to enhance service reliability and to provide information on hardening projects within the locale.

Initiative Nine - Collaborative Research on Effects of Hurricane Winds and Storm Surge

The electric utilities previously established a non-profit, member-financed organization to coordinate all research efforts through the Public Utility Research Center (PURC), located in the Warrington College of Business at the University of Florida. PURC's work is focused on three main areas of concern: hurricane wind effects, vegetation management, and undergrounding of electric infrastructure. FPL entered into a Memorandum of Understanding with PURC that extends PURC's research efforts for the IOUs through December 31, 2013.

Initiative Ten - Natural Disaster Preparedness and Recovery Program

FPL wishes to continue refining its Storm Emergency Management plan, which identifies emergency conditions and the responsibilities and duties of the FPL emergency response

organization for severe storms. This plan covers the roles and responsibilities of key positions and includes FPL's overall severe storm emergency processes. These processes describe the planning activities, restoration work, public communications, coordination with government, training, practice exercises, and lessons learned evaluation systems. This plan is reviewed and revised annually.

III. National Electric Safety Code Compliance

FPL's updated plan proposes the extent to which, at a minimum, FPL complies with the National Electric Safety Code pursuant to Rule 25-6.0345(2), F.A.C. FPL's distribution facilities comply with, and in most cases exceed, the minimum requirements of the NESC. FPL's transmission structures also comply with the National Electric Safety Code.

IV. Extreme Wind Loading (EWL) Standards

New Construction

FPL's updated plan continues a three-prong approach to hardening distribution infrastructure: proactive implementation of EWL for critical facilities; incremental hardening for commercial facilities that serve important roles following a storm; and revision of design guidelines intended to gradually move FPL's total system to EWL hardening over time.

Major Planned Work

In addition to the facilities serving critical infrastructure customers, FPL proposes to complete incremental hardening on feeders associated with five community projects. Community projects serve local needs such as grocery stores, gas stations, and pharmacies. The objective of incremental hardening is to optimize the existing distribution infrastructure and increase the overall wind profile of a feeder to a higher wind rating, up to and including EWL. Incremental hardening will apply appropriate combinations of cost-effective engineering options to eliminate weaker links and take advantage of the existing storm resilience of a feeder.

Critical Infrastructure

FPL defines critical infrastructure as facilities serving critical customers, such as hospitals, 911 centers, special needs shelters, water treatment plants, and police and fire stations. In 2013, FPL proposes to utilize EWL standards to harden 80 critical infrastructure feeders serving 156 critical infrastructure customer accounts. FPL will focus on hardening to EWL three overhead highway crossings on I-95, I-75, and Sawgrass Expressway as well as 12 additional critical poles, each being the first distribution feeder pole outside of a substation. These projects have been targeted because of their criticality in expediting restoration efforts. Additionally, FPL proposes to complete incremental hardening on 11 community project feeders.

V. Mitigation of Flooding and Storm Surge Damage

FPL proposes to continue adherence to guidelines in place for the prompt post-storm inspection and mitigation of damage to equipment exposed to flooding or storm surge. These guidelines outline the necessary steps to purge any sand and water that has invaded equipment and to restore it to service.

VI. Facility Placement

Pursuant to Rule 25-6.0341, F.A.C., FPL's updated plan proposes safe and efficient access for installation and maintenance placement of new and replacement distribution facilities. FPL proposes to continue its Distribution Guidelines, which address the location of new and replacement poles in private easements, and location of overhead lines.

VII. Deployment Strategies

Facilities Affected, Including Specifications and Standards

FPL's updated plan contains technical design specification, construction standards and methodologies. FPL seeks to continue to utilize its design toolkit that focuses on evaluating and using cost-effective hardening options for each location. For example, FPL's toolkit includes information on equipment relocation, upgrading pole classes, and undergrounding facilities.

Areas of Infrastructure Improvements

FPL's updated plan describes how the Company expects a reduction in storm restoration costs as well as non-storm restoration costs as a result of its planned hardening activities. FPL does not feel that it has sufficient information at this time to distinguish between the benefits attributable to one type of hardening activity versus another due to lack of storm events.

Joint-Use Facilities

As discussed above, FPL partners with cable television and telecommunication companies to complete system-wide pole attachment surveys on a five-year cycle. In addition, FPL continues to include pole strength assessments addressing the impacts of existing pole attachments in conjunction with its eight-year wooden pole inspection program.

Utility Cost/Benefit Estimates

FPL provided estimates of costs to be incurred in connection to its updated plan. These costs seem to be reasonable as compared to the last approved storm hardening plan. FPL states analyses and forensic observations performed after Hurricanes Katrina and Wilma serve as the foundation for FPL's hardening efforts, but there is presently limited or no historical data available for purposes of conducting overall cost and benefit analyses on many of its actions. As additional storm experience is encountered, better detailed cost and benefit analyses will be

performed and more cost-effective hardening solutions implemented. Attachment B shows the costs associated with implementing FPL's current and updated storm hardening plan.

Attachers Cost/Benefit Estimates

On April 15, 2013, FPL mailed an informational package regarding its 2013-2015 updated plan, as well as the current draft of its Attachment Standards and Procedures, to all attaching entities. FPL was contacted by 11 attaching entities; however, there were no suggested changes or issues. In addition, attachers did not provide any benefit information.

VIII. Attachment Standards and Procedures

FPL's updated plan includes attachment standards and procedures. These standards and procedures reflect the attachments and standards previously in place, which incorporate FPL's proposed hardening construction standards and design guidelines.

IX. Conclusion

FPL's updated plan is largely a continuation of its current Commission-approved plan. Since Florida has not been affected by any named storms in the past few years, no data are available to evaluate the effects of hardening efforts on FPL's infrastructure. However, we find that FPL is taking proactive steps to improve its system to withstand severe weather events and thus presents a reasonable approach to storm hardening that has the potential to enhance reliability and reduce restoration costs and outage times. Therefore, we hereby approve FPL's updated 2013-2015 storm hardening plan.

Based on the foregoing, it is

ORDERED that Florida Power & Light Company's updated 2013-2015 Storm Hardening Plan is hereby approved. It is further

ORDERED that the findings set forth in the body of this Order are hereby approved. It is further

ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective upon the issuance of a Consummating Order unless an appropriate petition, in the form provided by Rule 28-106.201, Florida Administrative Code, is received by the Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth in the "Notice of Further Proceedings" attached hereto. It is further

ORDERED that in the event this Order becomes final, this docket shall be closed upon the issuance of a consummating order.

By ORDER of the Florida Public Service Commission this 3rd day of December, 2013.

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CARLOTTA S. STAUFFER Commission Clerk Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399 (850) 413-6770 www.floridapsc.com

Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing that is available under Section 120.57, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

The action proposed herein is preliminary in nature. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on December 24, 2013.

In the absence of such a petition, this order shall become final and effective upon the issuance of a Consummating Order.

Any objection or protest filed in this/these docket(s) before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

Storm Hardening Requirements: Wooden Pole Inspection Program & 10 Initiatives

Eight-Year Wooden Pole Inspection Program

- 1. Implement an eight-year wooden pole inspection cycle by Order Nos. PSC-06-0144-PAA-EI and PSC-07-0078-PAA-EU.
- 2. File an annual report with the Commission.
- 3. Provide cost estimates.

Initiative 1 - A Three-Year Vegetation Management Cycle for Distribution Circuits

- 1. Three-year tree trim cycle for primary feeders (minimum).
- 2. Three-year cycle for laterals as well, if not cost-prohibitive.
- 3. Provide cost estimate.

Initiative 2 – Audit of Joint-Use Attachment Agreements

- (a) Each investor-owned electric utility shall develop a plan for auditing joint-use agreements that includes pole strength assessments.
 - (b) These audits shall include both poles owned by the electric utility poles owned by other utilities to which the electric utility has attached its electrical equipment.
- 2. The location of each pole, the type and ownership of the facilities attached, and the age of the pole and the attachments to it should be identified.
- 3. Each investor-owned utility shall verify that such attachments have been made pursuant to a current joint-use agreement.
- Stress calculations shall be made to ensure that each joint-use pole is not overloaded or approaching overloading for instances not already addressed by Order No. PSC-06-0144-PAA-EI.
- 5. Provide compliance cost estimate and cost estimate for alternative action, if any.

Initiative 3 - Six-Year Transmission Inspection Program

- 1. Develop a plan to fully inspect all transmission towers and other transmission supporting equipment (such as insulators, guying, grounding, splices, cross-braces, bolts, etc.).
- 2. Develop a plan to fully inspect all substations (including relay, capacitor, and switching stations).
- 3. Provide compliance cost estimate and cost estimate for alternative actions, if any.

Initiative 4 - Hardening of Existing Transmission Structures

- 1. Develop a plan to upgrade and replace existing transmission structures. Provide a scope of activity, limiting factors, and criteria for selecting structure to upgrade and replace.
- 2. Provide a timeline for implementation.
- 3. Provide compliance cost estimate and cost estimate for alternative actions, if any.

Initiative 5 – Transmission and Distribution Geographic Information System

- 1. To conduct forensic review.
- 2. To assess the performance of underground systems relative to overhead systems.
- 3. To determine whether appropriate maintenance has been performed.

4. To evaluate storm hardening options.

5. Provide a timeline for implementation.

The utilities have the flexibility to propose a methodology that is efficient and cost-effective.

Initiative 6 - Post-Storm Data Collection and Forensic Analysis

- 1. Develop a program that collects post-storm information for performing forensic analyses.
- 2. Provide a timeline for implementation.

The utilities have the flexibility to propose a methodology that is efficient and cost-effective.

Initiative 7 – Collection of Detailed Outage Data Differentiating between the Reliability Performance of Overhead and Underground Systems

- Collect specific storm performance data that differentiates between overhead and underground systems, to determine the percentage of storm-caused outages that occur on overhead and underground systems, and to assess the performance and failure mode of competing technologies, such as direct bury cable versus cable-in-conduit, concrete poles versus wooden poles, location factors such as front-lot versus back-lot, and pad-mounted versus vault.
- 2. Provide a timeline for implementation.

The Utilities have the flexibility to propose a methodology that is efficient and cost-effective.

Initiative 8 - Increased Coordination with Local Governments

- 1. Each utility should actively work with local communities year-round to identify and address issues of common concern, including the period following a severe storm like a hurricane and also ongoing, multi-hazard infrastructure issues such as flood zones, area prone to wind damage, development trends in land use and coastal development, joint-use of public right-of-way, undergrounding facilities, tree trimming, and long-range planning and coordination.
- 2. Incremental plan costs.

Initiative 9 - Collaborative Research

- 1. Must establish a plan that increases collaborative research.
- 2. Must identify collaborative research objective.
- 3. Must solicit municipals, cooperatives, educational and research institutions.
- 4. Must establish a timeline for implementation.
- 5. Must identify the incremental costs necessary to fund the organization and perform the research.

Initiative 10 - A Natural Disaster Preparedness and Recovery Program

1. Develop a formal Natural Disaster Preparedness and Recovery Plan that outlines the utility's disaster recovery procedures if the utility does not already have one.

Florida Power & Light Company

	-Year Wooden Pole Inspection Program		
Current Plan		Updated Plan	
1.	Implement an eight-year wooden pole inspection cycle for distribution poles.	1. No change	
2.	File the progress of this inspection in the Annual Reliability Report.	2. No change	
3.	Costs for 2010-2012 were \$184.5 million.	3. Costs for 2013 are estimated to be \$65 to \$75 million.	

Current Plan	Updated Plan
 Average three-year trim cycle for feeders. 	1. No change
 Average six-year trim cycle for laterals. Targeted trimming is also achieved through its "mid-cycle" program that addresses critical circuits. 	2. No change
3. Costs for 2010-2012 were \$179.9 million.	 Costs for 2013 are estimated to be \$65.7 million.

Current Plan	Updated Plan
 (a) Includes auditing 20% of its joint- use facilities annually. 	1. (a) No change
(b) Includes auditing all FPL-owned and third-party poles during the eight- year wooden pole inspection cycle.	(b) No change
2. All required data will be collected during inspections and stored in the attachment information database.	2. No change
 Verify attachments have been made pursuant to current joint-use agreements through a five-year system wide pole attachment survey. 	3. No change
 Stress calculations will be performed during eight-year wooden pole inspection cycle. 	4. No change
 Cost for 2010-2012 are not specifically tracked or budgeted. 	5. Costs for 2013 are not available.

Initia	tive 3 - Six-Year transmission Inspectio	n Program (1)	
Curren	nt Plan	Updated Plan	
1.	Wooden pole inspection activities (PSC-06-0144-PAA-EI, Docket No. 060078-EI). Circuits with structures containing wooden cross-arm structures inspected at least every four years.	1. No change	
2.	Substations are fully inspected quarterly.	2. No change	
3.	Costs for 2010-2012 were \$73.4 million.	3. Costs for 2013 are estimated to be \$27.8 million.	

Curren	t Plan	Updated Plan	
1.	Incremental upgrades during relocations and other maintenance. Upgrade un-guyed single wooden pole structures. Ceramic post line insulator replacements.	1. No change	
2.	In 2008, FPL enhanced its hardening initiative to include replacement of all wooden transmission structures over the next 25 to 30 years.	2. No change	
3.	Costs for 2010-2012 were \$88 million.	3. Costs for 2013 are estimated to be \$5 to \$80 million.	

Initiative 5 – Transmission and Distribution	Geographic Information System
Current Plan	Updated Plan
1. FPL's plan includes forensic reviews.	1. No change
 FPL's plan includes underground versus overhead. 	2. No change
 Plan includes determination of appropriate maintenance. 	3. No change
 Plan includes evaluation of storm hardening options. 	4. No change
5. Currently being implemented.	5. No change

Curren	nt Plan	Updated Plan	
1.	Divide a sample of damaged poles among forensics teams; observations will be made on all damaged samples. Capture information such as location, attachments, and area wind speed.	1. No change	
2.	Data is dependent upon storm events in FPL's service area.	2. No change	

Initiative 7 – Collection of Detailed Outage Data Differentiating between the Reliability Performance of Overhead and Underground Systems (4)

Currer	nt Plan	Updated Plan	
1.	FPL's distribution feeders are hybrids, i.e., they contain both overhead and underground facilities. FPL will utilize laterals as a proxy for assessing overhead versus underground system performance.	1. No change	
2.	Implementation is ongoing and storm performance results are obtained from forensics and available storm work tickets.	2. No change	

Current Plan	Updated Plan	
 FPL focuses on storm preparation coordination and communication with External Affairs representatives working with county planners and post storm communications. In addition, FPL implements ongoing planning wit External Affairs representative, special e-mail program, government websites, and Community Outreach Teams. 	n	
 Costs for 2010-2012 are not specifically tracked or budgeted. 	2. Costs for 2013 are not available.	

Initiative 9 – Collaborative Research		
Current Plan	Updated Plan	
 Collaborative research efforts, led b PURC, which began in 2007. 	y 1. No change	
2. Research vegetation management	2. No change	

	during storm and non-storm times, wind during storm and non-storm events, hurricane and damage modeling towards further understanding the costs and benefits of undergrounding.		
3.	FPL will solicit participation from other utilities and organizations.	3.	No change
4.	Implementation is ongoing	4.	FPL has entered into a Memorandum of Understanding with the University of Florida's PURC, which extends research through December 31, 2013.
5.	Costs for 2010-2012 were \$0	5.	Costs for 2013 are \$0.

Initiative 10 - A Natural Disaster Preparedno	ess and Recovery Program	
Current Plan	Updated Plan	
Disaster Preparedness/Recovery Plan has been developed and filed.	Continue to refine.	

- (1) Includes inspection and follow-up work (repairs/replacements).
- (2) While costs for pole inspections are tracked, the breakdown between joint-use poles and non-joint-use poles is not tracked.
- (3) All years include replacement of wood structures and CPOC's costs. Storm surge/flood projects are included in 2013-2015.
- (4) Since these costs are incurred only if a major storm impacts FPL's service territory, FPL does not budget for these costs.