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Public Service Commission

September 20, 2013

Kenneth R. Rubin
Senior Counsel
Florida Power & Light Company
700 Universe Boulevard
Juno Beach, Florida 33408-0420

STAFF'S FIRST DATA REQUEST

Re: Docket No. 130223-EI - Petition for approval of optional non-standard meter rider, by Florida Power & Light Company.

Dear Mr. Rubin,

By this letter, the Commission staff requests that Florida Power & Light Company (FPL or utility) provide responses to the following data requests.

1. Please refer to Page 1 of the petition and also to Page 10, Paragraph 31 of the petition which indicate a proposed effective date for the optional non-standard meter rider (NSMR) tariff of April 1, 2014.
 - a. It is understood that the pilot project to inspect approximately 400 smart meter enclosures that is referred to in Order No. PSC-13-0387-DS-EI is expected to be completed "in the first quarter of 2014."¹ Please indicate if the referenced pilot project will be completed prior to the April 1, 2014 effective date proposed for the NSMR tariff. Please state if staff will have a copy of the report before the NSMR tariff goes into effect.
 - b. Please indicate if the results of the referenced pilot project will have an impact on the costs submitted in support of the proposed NSMR tariff including specific examples of whether the pilot project findings could be used to adjust any of the cost estimates that have been provided for the proposed Enrollment Fee and the proposed Monthly Surcharge.

¹ See Order No. PSC-13-0387-DS-EI, issued August 20, 2013, in Docket No. 130160-EI, *In re: Petition for declaratory statement regarding the inspection, repair and replacement of meter enclosures for smart meter analytical tool, by Florida Power & Light Company*, page 4.

2. Please refer to Page 7, Paragraph 23 of the petition, which refers to customers on the postpone list.
 - a. Please define smart meter eligible customers.
 - b. Are any customers exempt from being smart meter eligible?
 - c. Have any commercial customers asked to be on the postpone list?
3. Please refer to Page 7, Paragraph 24 of the petition. Please provide the work papers that comprise “the analysis performed by FPL in July 2013 [which] reflects that utilities throughout the United States that have provided an optional rate for non-standard service have experienced opt-out enrollment rates of between 17% and 72% of the populations that had been postponed during smart meter implementations.” For spreadsheets provided, please ensure that all formulas are intact and unlocked.
 - a. Please explain if the analysis included all utilities that provide a postpone option.
 - b. Please identify the utilities included in the analysis.
 - c. Please provide the complete set of data, including but not limited to, the number of opt-out customers identified per utility.
 - d. Please identify the number of smart meter eligible customers per utility.
 - e. Please identify the recurring and non-recurring fees assessed to opt-out for each of the utilities in the analysis.
4. Please refer to Page 7, Paragraph 25 of the petition which refers to limited data available as of July 2013 that reflects “.02% to 0.5% of all smart meter eligible customers in the majority of programs around the country have agreed to pay a fee to opt-out.” For spreadsheets provided, please ensure that all formulas are intact and unlocked.
 - a. Please provide the “data available as of July 2013” that led FPL to assert that “.02% to 0.5% of all smart meter eligible customers in the majority of programs around the country have agreed to pay a fee to opt out.
 - b. Please identify the utilities included in the data.
 - c. Please provide the complete set of data, including but not limited to, the number of opt-out customers identified per utility who were willing to pay an opt-out fee.
 - d. Please identify the number of smart meter eligible customers per utility.
 - e. Please identify the recurring and non-recurring fees assessed to opt-out for each of the utilities.

5. Please refer to Page 7, Paragraph 26 of the petition. Regarding the “14,000 additional eligible premises” on which FPL has been unable to install smart meters:
 - a. Please provide the number of customers that have failed to allow FPL representatives access to their premises to install smart meters.
 - b. Please provide the number of customers that have refused to allow FPL representatives access to their premises to install smart meters.
 - c. Please describe in detail the analysis performed by FPL to arrive at the conclusion that a small number of these customers may ultimately take service under the NSMR.
 - d. Please indicate the number of customers who have altered their structure in order to prevent a meter change out.
 - e. Please describe the ways customers have altered their structures in order to prevent a meter change out.
 - f. Has FPL conducted any research regarding acceptance of the opt-out tariff by the 14,000 customers?
 - g. If the response to Question No. 5f is yes, please provide the results of such research, including the data results and description of the methodology used.
 - h. How does FPL currently read the meter of the 14,000 customers?
6. Please provide the number of customers that are not currently on the postpone or the 14,000 list the company expects to take service under the NSMR tariff.
7. Please refer to Exhibit A of the petition, page 4 of 4 containing the terms of the proposed NSMR tariff. Pursuant to the second paragraph under the “Special Provisions” section, “A replacement for a non-standard meter may not be readily available should one require maintenance. Service. . . may require the temporary installation of a standard communicating meter in order to maintain electric service to the premise. All charges for NSMR shall continue to apply in this case.”
 - a. Please provide an estimate of the typical length of time necessary to repair or replace a non-standard meter for customers at whose premises temporary standard meters have been installed to maintain service.
 - b. In the event that a non-standard meter customer had to use a temporary standard meter for an interval in excess of one or more full billing cycles, please explain why the Monthly Surcharge should not be suspended during those billing cycles.


8. Describe the metering technology provided to net metering customers. Are net metering customers also considered to be customers who elect non-standard non-communicating meter service in lieu of the standard communicating smart meter service?
 - a. If yes, please explain why it is necessary for the net metering customers to pay the proposed opt-out fees.
 - b. If no, please advise where in the NSMR or other tariff sheets the net metering customers are exempt from the proposed NSMR?
9. Explain whether a “standard communicating meter” referenced in the Special Provisions Section is the same as a “standard communicating smart meter” that is referred to in the Application Section.
10. Please refer to the Application provision of the proposed NSMR tariff and define “non-communicating meter of the Company’s choice.” Will customers under the NSMR tariff keep their current meter, or be given a new non-communicating meter?
11. Please refer to Exhibit A, page 4 of 4 containing the terms of the proposed NSMR tariff. Explain “This Rider is available to customers who have not tampered with the electric meter service or used service in a fraudulent or unauthorized manner.” Does this provision preclude customers who have built around or made the meter box inaccessible from taking service under the rider?
12. Please provide electronic copies of the files and work papers used to produce pages 1-15 of Exhibit B. For spreadsheets provided, please ensure that all formulas are intact and unlocked.
13. Please identify how many new full-time and part-time employees FPL will be hiring to implement its non-standard meter program. For each new hire, identify the position title and describe the duties.
14. Please refer to Exhibit B, page 1 (Line 2) and page 2 of 15 (Line 7, Column (12)). Please explain why the revenue requirements [\$3,078,882] are calculated to be recovered during a three-year period rather than the five-year period over which the rate base is being depreciated.
15. Please refer to Exhibit B, page 1, and explain why the Enrollment fee was capped at \$105 and why up-front costs are to be recovered through a monthly surcharge.
16. Please refer to Exhibit B, page 1 (Line 12). If the “Remaining Up-Front and One Time Cost to be paid in Monthly Surcharge” were to be recovered in 36 months, please explain why the Monthly Surcharge should not be reduced by \$7.14 beginning in month 37.
17. Please refer to Exhibit B, page 4 (lines 15-18) and explain the need for additional handhelds.

18. Please refer to Exhibit B, page 5 and provide a complete listing of all languages the materials will be available in and state whether the foreign language translation shown on line 13 will be done by an FPL employee or outsourced.
19. Please refer to Exhibit B, page 5. Please indicate the cost per letter, and identify any special postal services needed and the number of letters to be sent out for the following:
 - a. Notification-Design and first mailing to both postponed and unable to complete (UTC) customers (letter + brochure)
 - b. Final notification to customers who have not responded – to be sent certified mail, return receipt requested
 - c. Opt out confirmation – Mailing to confirm request to opt out
20. Please refer to Exhibit B, page 5, line 11. How will customer feedback be obtained (phone call survey, e-mail inquiry, etc.)? Why does FPL believe it needs such feedback and how will the feedback be used as it relates to the non-standard meter program?
21. Please refer to Exhibit B, page 6 (Line 10) and page 11 of 15 (Lines 1-7 and 13-21). Please describe how the work duties listed for the support staff for which associated costs are presented on page 11 differ from the work duties performed by the “back office” support staff for which associated costs are presented on page 6.
22. Please refer to Exhibit B, page 7 (line 8). Please explain how wasted trips are an incremental cost associated with the NSMR tariff and what is meant by “downtime”.
23. Please refer to Exhibit B, page 8 and explain what is meant by “transaction” and how the number of transactions per hour were determined.
24. Please refer to Exhibit B, page 9. Please provide additional documentation to illustrate and support the derivation of the amounts shown on Lines 4, 5, 6, and 9.
25. Please refer to Exhibit B, page 10. Please provide additional documentation to illustrate and support the derivation of the amount shown on Line 4 and explain what Meter Reading OSHA and Vehicle Accident Cost are designed to recover. Are those costs exclusive to meter reading?
26. Please refer to Exhibit B, page 12. Please provide additional documentation to illustrate and support the derivation of the amounts shown on Lines 3, 5, 12 and 14.
27. Please refer to Exhibit B, page 14. Please provide additional supporting information describing the specific work responsibilities that would explain the need for a new senior level management position.

28. Please refer to Exhibit B, page 14 (Line 4) and page 15 (Line 4, Column 2). According to the documentation provided, the average annual salary (not loaded) for an exempt employee is \$71,189. Please explain why this amount was not used as the starting point to calculate the "Annual Salary With Loaders" amount shown on page 14, Line 4.
29. Please explain how long the average FPL residential customer takes service at a single location.
30. Please provide any customer acceptance studies, with results, the company has conducted with FPL customers on smart meter opt-out tariff terms and costs.
31. Please indicate the number of customers that were on the postpone list each month since the postpone list started.
 - a. Please indicate the number of smart meters installed each month since the postpone list started.
32. Does FPL plan to examine the accuracy of its assumption regarding the numbers of opt out customers at any point in the future? If so, when? If not, why not?

Please file the original and five copies of the requested information by Thursday, October 3, 2013, with Ms. Ann Cole, Commission Clerk, Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida, 32399-0850. Please feel free to call me at (850) 413-6076 if you have any questions.

Sincerely,



Michael T. Lawson
Senior Attorney

MTL/ace

cc: Office of Commission Clerk
Office of Public Counsel