State of Florida

Public Service Commission

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TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: October 22, 2013

TO: Ann Cole, Commission Clerk, Office of Commission Clerk

FROM: Lee Eng Tan, Senior Attorney, Office of the General Counsel
Kelley F. Corbari, Staff Attorney, Office of the General Counsel

RE: Docket No. 130198-EI - Petition for prudence determination regarding new pipeline system by Florida Power & Light Company.

Please include the attached letter from John Butler (FPL) to Tom Ballinger (Staff), with updated information regarding FPL's Summer Peak Demand Forecasts (2013-2042) in the docket file for Docket No. 130198-EI.

Thank you.

/kfc

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October 21, 2013

-VIA ELECTRONIC DELIVERY-

Mr. Thomas Ballinger
Director, Division of Engineering
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL32399-0850

Re: Docket No. 130198-EI

Dear Tom:

In the course of preparing for this Thursday's agenda conference, Florida Power & Light Company ("FPL") has become aware of an issue with Figure 1: Summer Peak Demand Forecasts (2013-2042) in the Staff recommendation that I want to bring to your attention. That table compares three forecasts of summer peak load: the base and risk-adjusted forecasts presented by Dr. Rosemary Morley in this docket, and the base forecast that was presented in Docket No. 090172-EI for the Florida EnergySecure Line ("FESL"). FPL understands that Staff took the FESL data for Figure 1 from FPL's response to Question 9 in Staff's Second Data Request, specifically Table 9a in that response. Unfortunately, FPL has discovered that it transposed the entries in Tables 9a and 9c, such that the level of installed generating capacity that FPL projected in the FESL docket (which should have been presented in Table 9c) was presented instead in Table 9a. Thus Figure 1 reflects the estimate of installed capacity from the FESL docket rather than the base summer peak load forecast from that document as is intended.

I am enclosing corrected copies of Tables 9a and 9c in which the data on the FESL base peak load forecast and installed generating capacity are reflected in their proper columns. FPL has reconfirmed that all of the other data are accurately reflected in the tables that respond to Question 9. Also enclosed is a graph comparing the same three forecasts that are shown on Figure 1, using the corrected data. As you can see, the graph shows that the risk-adjusted summer peak load forecast in this docket is very close to the base forecast from the FESL docket, especially over the decade from 2017-2027 during which the load forecasts have the most impact on assessing when FPL needs to procure capacity on the new pipeline system. FPL believes that the enclosed graph continues to support Staff's conclusion (detailed in the last full paragraph on page 6 of the recommendation) that

the risk-adjusted forecast is a reasonable approach for controlling the risk of under-forecasting future load growth and is appropriate for use in this docket.

Finally, let me point out that, as requested in Question 9, the responsive tables provide data on projected "firm summer peak demand," which is the forecast of total peak demand less available demand side management ("DSM"). Figure 1 and the supporting text in the Staff recommendation refer to "summer peak demand," which could be construed as the total peak demand with no reductions for DSM. For the purpose that Figure 1 is presented, FPL does not believe that the distinction between "firm summer peak demand" and "summer peak demand" is important, but wants to be sure Staff is aware of the distinction.

I apologize for any confusion that has resulted from the unfortunate data transposition on Tables 9a and 9c. If there are any questions regarding this transmittal, please contact me at 561-304-5639.

Sincerely,

John T. Butler

Enclosures

Cc: Traci Matthews (w/encl.)
Phillip Ellis (w/encl.)
Lee Eng Tan (w/encl.)
Kelley Corbari (w/encl.)

Figure 1: Summer Peak Demand Forecasts (2013-2042) - Revised

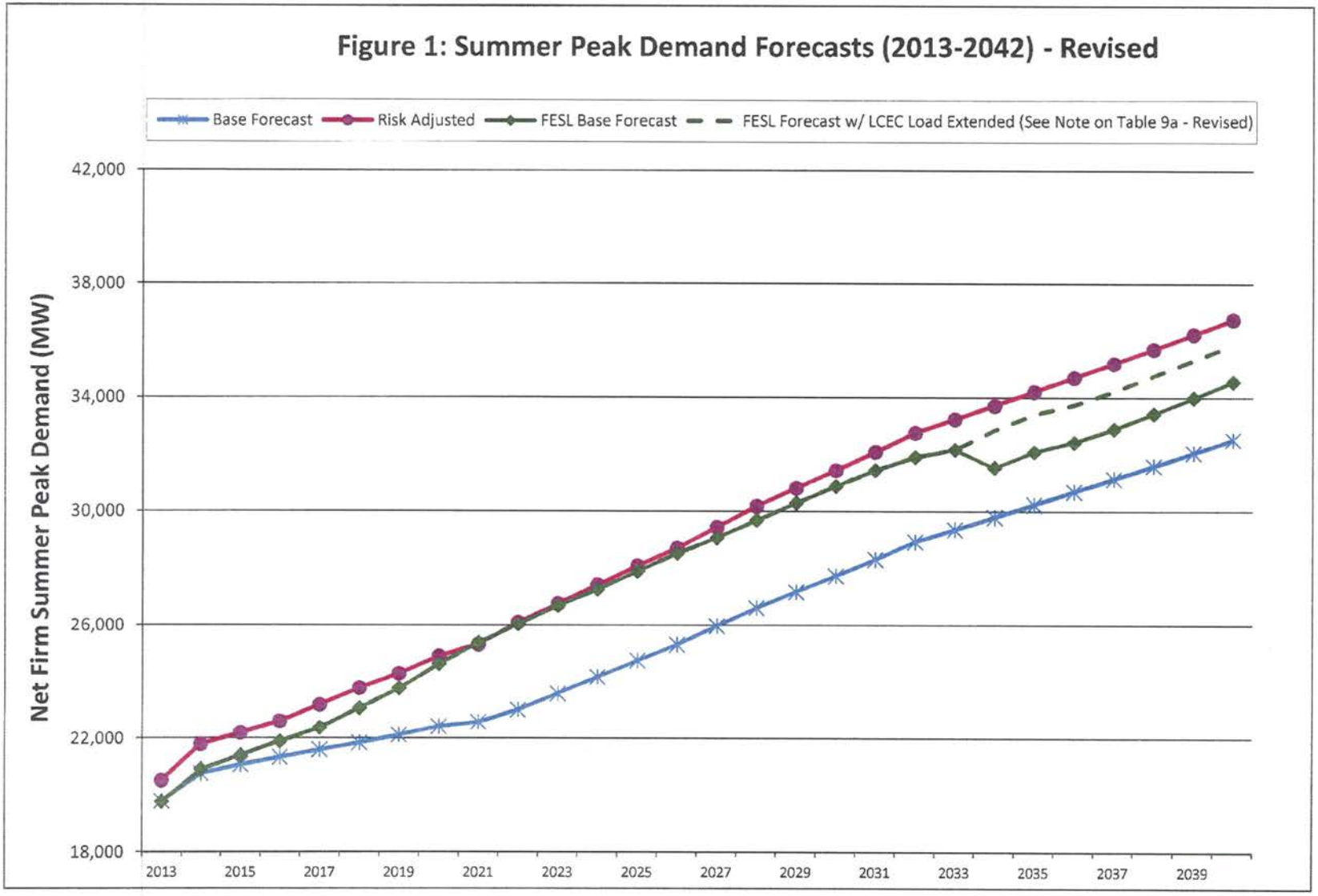

Table 9a - Revised

Net Firm Summer Peak Demand (MW)

Year	Base Case	Risk Adjusted Case	Risk Adjusted Nuclear Delay	Energy Secure Base Case	Energy Secure Nuclear Delay	Energy Secure Base Case With LCEC contract extended*	Energy Secure Nuclear Delay With LCEC contract extended*
2013	19,785	20,525	20,525	19,766	19,766	19,766	19,766
2014	20,775	21,780	21,780	20,918	20,918	20,918	20,918
2015	21,080	22,190	22,190	21,393	21,393	21,393	21,393
2016	21,329	22,606	22,606	21,888	21,888	21,888	21,888
2017	21,593	23,195	23,195	22,383	22,383	22,383	22,383
2018	21,839	23,791	23,791	23,079	23,079	23,079	23,079
2019	22,121	24,308	24,308	23,784	23,784	23,784	23,784
2020	22,422	24,916	24,916	24,651	24,651	24,651	24,651
2021	22,580	25,327	25,327	25,385	25,385	25,385	25,385
2022	23,025	26,096	26,096	26,045	26,045	26,045	26,045
2023	23,602	26,753	26,753	26,694	26,694	26,694	26,694
2024	24,194	27,427	27,427	27,275	27,275	27,275	27,275
2025	24,773	28,086	28,086	27,909	27,909	27,909	27,909
2026	25,320	28,709	28,709	28,532	28,532	28,532	28,532
2027	25,979	29,446	29,446	29,081	29,081	29,081	29,081
2028	26,625	30,167	30,167	29,690	29,690	29,690	29,690
2029	27,189	30,798	30,798	30,285	30,285	30,285	30,285
2030	27,746	31,421	31,421	30,867	30,867	30,867	30,867
2031	28,326	32,068	32,068	31,433	31,433	31,433	31,433
2032	28,942	32,757	32,757	31,900	31,900	31,900	31,900
2033	29,366	33,231	33,231	32,163	32,163	32,163	32,163
2034	29,796	33,712	33,712	31,527	31,527	32,857	32,857
2035	30,233	34,200	34,200	32,084	32,084	33,414	33,414
2036	30,676	34,695	34,695	32,421	32,421	33,751	33,751
2037	31,125	35,197	35,197	32,892	32,892	34,222	34,222
2038	31,582	35,707	35,707	33,439	33,439	34,769	34,769
2039	32,045	36,225	36,225	33,995	33,995	35,325	35,325
2040	32,515	36,751	36,751	34,558	34,558	35,888	35,888
2041	32,993	37,285	37,285				
2042	33,478	37,826	37,826				
2043	33,970	38,377	38,377				
2044	34,470	38,936	38,936				
2045	34,978	39,503	39,503				
2046	35,494	40,080	40,080				
2047	36,018	40,666	40,666				
2048	36,550	41,260	41,260				
2049	37,091	41,865	41,865				
2050	37,640	42,479	42,479				
2051	38,199	43,103	43,103				
2052	38,766	43,737	43,737				
2053	39,343	44,382	44,382				
2054	39,825	44,921	44,921				
2055	40,314	45,467	45,467				
2056	40,808	46,020	46,020				
2057	41,309	46,579	46,579				

* FPL's contract to serve Lee County Electric Cooperative (LCEC) load ends in 2033, with rollover rights. The load forecast used at the time of the Florida Energy Secure Line (FESL) filing assumed that the contract would end in 2033. FPL's more recent load forecasts, including the one used in the current filing, assume that FPL will continue to serve the LCEC load after 2033. FPL has added two columns which show the FESL load forecast with the addition of LCEC load beyond 2033.

Table 9c - Revised

Installed Capacity (MW) - Summer Rating

Year	Base Case	Risk Adjusted Case	Risk Adjusted Nuclear Delay	Energy Secure Base Case	Energy Secure Nuclear Delay
2013	24,215	24,215	24,215	25,514	25,514
2014	25,533	25,533	25,533	26,771	26,771
2015	25,604	25,604	25,604	26,771	26,771
2016	26,881	26,881	26,881	26,274	26,274
2017	26,441	26,441	26,441	27,096	27,096
2018	26,441	26,441	26,441	28,196	28,315
2019	26,441	26,441	26,441	28,626	28,745
2020	26,441	26,441	26,441	29,726	29,964
2021	26,441	26,441	26,441	30,622	30,407
2022	27,541	27,541	27,710	31,175	31,407
2023	28,641	28,641	27,710	32,281	31,960
2024	28,641	28,641	28,345	32,834	33,060
2025	29,910	29,910	29,615	33,690	33,363
2026	30,545	30,545	30,715	34,411	34,637
2027	31,180	31,180	31,815	34,949	35,175
2028	31,815	31,815	31,815	35,502	35,728
2029	32,450	32,450	32,450	36,608	36,281
2030	33,085	33,085	33,085	37,161	37,387
2031	33,720	33,720	33,720	37,714	37,940
2032	34,817	34,817	34,817	38,576	38,249
2033	35,279	35,279	35,279	38,885	38,558
2034	35,914	35,914	35,914	38,835	38,508
2035	36,549	36,549	36,549	38,835	38,508
2036	36,838	36,838	36,838	38,999	39,225
2037	37,473	37,473	37,473	39,552	39,778
2038	38,108	38,108	38,108	40,105	40,331
2039	38,743	38,743	38,743	40,658	40,884
2040	39,378	39,378	39,378	41,764	41,437
2041	40,013	40,013	40,013		
2042	40,013	40,013	40,013		
2043	40,826	40,826	40,826		
2044	41,461	41,461	41,461		
2045	42,096	42,096	42,096		
2046	42,731	42,731	42,731		
2047	43,366	43,366	43,366		
2048	44,001	44,001	44,001		
2049	44,636	44,636	44,636		
2050	45,271	45,271	45,271		
2051	45,906	45,906	45,906		
2052	46,541	46,541	46,541		
2053	47,811	47,811	47,811		
2054	47,811	47,811	47,811		
2055	48,446	48,446	48,446		
2056	49,081	49,081	49,081		
2057	49,716	49,716	49,716		