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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 Exhibits of FPL witness Tara B. DuBose.

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

(Document 10 of 15)

Sincerely,

Wade Litchfield

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

RWL:ec
Attachment
cc: Counsel of Record

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

FLORIDA POWER & LIGHT COMPANY

REBUTTAL TESTIMONY OF TARA B. DUBOSE

DOCKET NO. 20210015-EI

JULY 14, 2021

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I. INTRODUCTION

Q. Please state your name and business address.

A. My name is Tara B. DuBose. My business address is Florida Power & Light Company ("FPL" or the "Company"), 700 Universe Boulevard, Juno Beach, Florida 33408.

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

A. Yes.

Q. Are you sponsoring any rebuttal exhibits in this case?

A. Yes. I am sponsoring the following rebuttal exhibits:

- TBD-9 – Analysis of Monthly Peak Demands
- TBD-10 – FERC Three Peak Ratios Test
- TBD-11 – Target Revenue Requirements Comparison 4 CP to 12 CP

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

A. Yes. I am co-sponsoring Exhibit LF-11 – FPL's Second Notice of Identified Adjustments ("NOIAs") filed May 21, 2021 and Witness Sponsorship, which is attached to the rebuttal testimony of FPL witness Liz Fuentes.

Q. What is the purpose of your rebuttal testimony?

A. The purpose of my rebuttal testimony is to address certain portions of the direct testimonies of Florida Industrial Power Users Group ("FIPUG") witness Jeffery Pollock, Federal Executive Agencies ("FEA") witness Brian C. Collins, and Florida Retail Federation ("FRF") witness Tony Georgis related to FPL's cost of service study ("COSS"). Specifically, I will respond to the contentions of FRF witness

Georgis that FPL's COSS should only allocate production costs to the Commercial/Industrial Load Control ("CILC") and the Curtailable Demand Rider ("CDR") firm load and not to the non-firm or interruptible component. I will also respond to FIPUG witness Pollock's recommendation that FPL's demand-related production and transmission plant should be allocated using the 4 Coincident Peak ("CP") methodology and his assertions regarding how FPL allocates distribution costs to primary and secondary voltage level customers. Finally, I will respond to the proposal offered by each of these witnesses that FPL's distribution system costs should be allocated using a Minimum Distribution System ("MDS") cost allocation method.

Q. Please summarize your rebuttal testimony.

A. My rebuttal testimony affirms that the results of the consolidated FPL COSS submitted for the projected 2022 Test Year and 2023 Subsequent Year fairly presents each rate class's cost responsibility, rate of return ("ROR"), and parity position (*i.e.*, rate class ROR relative to system average ROR) and should be approved by the Florida Public Service Commission ("Commission") with the incorporation of FPL's NOIAs filed May 21, 2021, which are attached as Exhibit LF-11 to the rebuttal testimony of FPL witness Fuentes. The intervenors' limited criticisms of FPL's COSS allocation methods and alternative cost allocation proposals are based on flawed assumptions that do not properly reflect how FPL plans and builds its system.

My rebuttal testimony demonstrates that it is appropriate for the load assigned to CILC and CDR to be treated as firm load in the COSS, and that removing the non-firm load associated with CILC and CDR customers from COSS allocators, as suggested by FRF witness Georgis, would improperly result in a double count of the incentives provided to the CILC and CDR program customers. My rebuttal testimony also demonstrates that FPL's proposal to continue to use the 12 CP and $1/13^{th}$ method for allocating production plant and the 12 CP method for allocating transmission plant is consistent with how FPL plans and builds its system and meets FERC's three peak ratios test. I will also demonstrate that the alternative allocation methodologies proposed by FIPUG witness Pollock are not appropriate and would result in significant cost shifts between rate classes. Additionally, I will show that FPL has correctly sub-functionalized distribution assets between primary and secondary voltages. Finally, I will explain that the MDS cost allocation method for distribution costs is not the best method because FPL designs and builds its distribution system to meet current and future demand (kW) load requirements, system reliability, and storm hardening requirements.

II. ALLOCATION OF CILC AND CDR INCENTIVE PAYMENTS

Q. On pages 12 through 14 of his direct testimony, FRF witness Georgis contends that FPL should have made an adjustment to the customer class demand allocators in its COSS to account for the non-firm load of the CILC and CDR customers. Do you agree with this proposed adjustment?

A. No. The production and transmission load assigned to the CILC and CDR rate classes is treated as firm load in FPL's COSS to avoid a double count of the incentives provided to the CILC and CDR program customers. As further explained in the rebuttal testimony of FPL witness Cohen, FPL treats the CILC and CDR incentive payments as additional base revenues (or revenue credits), directly offsetting the revenue requirements of customer classes that participate in these programs, because these incentive payments are collected from all customers as part of a Demand Side Management program recovered through the Energy Conservation Cost Recovery clause. Providing a revenue credit in the COSS is a more direct method of crediting the CILC and CDR rate classes for these incentive payments than adjusting demand allocators. Further, removing the non-firm load associated with CILC and CDR customers from COSS allocators, while also giving these customers revenue credits, would double count the credits and inappropriately shift costs to other customers. For these reasons, it is appropriate for the load assigned to CILC and CDR to be treated as firm load in the COSS rather than being removed from demand allocators as non-firm customer load as suggested by FRF witness Georgis.

III. USE OF THE 12 CP FOR THE ALLOCATION OF PRODUCTION AND TRANSMISSION DEMAND-RELATED COST

Q. On pages 29 through 30 and 39 through 41 of his direct testimony, FIPUG witness Pollock recommends that the Commission should adopt the 4 CP

methodology to allocate FPL's production and transmission demand-related costs. Do you agree with this recommendation?

A. No. The 4 CP method to allocate production and transmission demand-related costs is inconsistent with FPL's historical practice of using the 12 CP and 1/13th methodology to allocate production plant and the 12 CP methodology to allocate transmission plant and does not properly reflect how FPL plans and builds its system.

Q. Please explain the difference between the 12 CP method and the 4 CP method.

A. Both methods allocate demand costs to each rate class on a coincident peak or CP basis. The 12 CP method utilizes the twelve monthly coincident peak demands for each rate class whereas the 4 CP method only utilizes the top four monthly coincident peak demands for each rate class, ignoring the other eight months of peak demand. If an asset (or set of assets) is only used during the four months with the highest peak demands, then a 4 CP would be appropriate; whereas, if an asset (or set of assets) is utilized and designed to meet all twelve months of peak demand then a 12 CP is most appropriate.

Q. Is FPL's use of the 12 CP method to allocate production and transmission demand-related costs appropriate?

A. Yes. Contrary to FIPUG witness Pollock's suggestion, FPL's generation capacity is needed to serve load every month, not just four months, of the year and to meet the criteria in FPL's resource planning process.

Q. What criteria are used by FPL's generation planning to determine the amount, timing, and type of generation additions?

A. The criteria used to determine the timing of generation additions and the amount and the type of generation resources include: (1) a minimum 20% summer reserve margin; (2) loss of load probability ("LOLP") of less than 0.1 days per year; (3) a minimum 20% winter reserve margin; and (4) the economics of different types of generation to ensure the lowest average generation cost for customers. To ensure that none of the criteria fails, FPL's generation planning must also consider the possibility of losing generation due to unscheduled outages, disruptions in fuel supplies, and planned maintenance in lower load months. Maintenance can result in an elevated LOLP during higher load months because the capacity reserve is reduced during these periods. To ensure these planned outages do not violate the LOLP planning criteria, planned maintenance is scheduled during lower load months or months when other generation is not scheduled for maintenance. Thus, all twelve months of the year must be considered during system planning.

Q. FIPUG witness Pollock contends that FPL is a strongly summer peaking utility with summer peak demands that are expected to consistently be more than 20% higher than winter peak demands. Do you agree?

A. No. As shown in Exhibit TBD-9 comparing FPL's highest peak demand to the peak demands of every other month of the year for historical standalone FPL and projected consolidated FPL, there are only four to five months each year where the difference between FPL's highest peak demand and the peak demand of other months is greater than 20%. In fact, FPL's peak demands are generally consistent seven to eight months of the year due to the high temperatures that occur on FPL's system throughout much of the year. For each year shown, Exhibit TBD-9 illustrates the number of months where the margin is greater than 20%. Historically, FPL has experienced peaks from April to November that are 80% or more of the highest system peak as shown for the years 2017 - 2019. With the addition of Gulf customers, the peaks for the consolidated system for the years 2022 and 2023 are also projected to be 80% or more of the highest system peak, including the winter month of January. Additionally, for the consolidated system, the monthly peak differentials are expected to decrease due to greater load diversity as explained by FPL witness Park on pages 40 and 41 of his direct testimony. Thus, the historical data for FPL, as well as the projected changes in the peak demands for the consolidated Company, support the continued use of the 12 CP allocation method for production and transmission demand-related costs for consolidated FPL.

Q. Would it be appropriate for FPL to use 4 CP to allocate production and transmission demand-related costs?

A. No. The 4 CP proposal fails to recognize the following important considerations in setting production plant allocations: (1) generation capacity is needed to serve load every month, not just four months of the year, to meet all of the criteria previously described in FPL's resource planning process; and (2) energy use and the monthly peak demands projected for the entire year influence the type of generating units added, which drives the level of capital expenditures on FPL's system.

While the decision to add generation capacity is driven by load requirements, the type of generation capacity added (and thus the total cost of the unit additions) is influenced by the number of hours the units are expected to run for the entire year. As FPL has explained in prior Commission dockets, the "type of resources that should be added is primarily based on a determination of the resources that result in the lowest average electric rates for FPL's customers." *See* Direct Testimony of Dr. Steven R. Sim, page 5, line 23 through page 6, line 2 in Docket No. 060225-EI. If megawatt capacity were the only consideration in the generation plan, the Company's generation portfolio would consist solely of peaking units that have the lowest fixed costs.

It is equally not appropriate to allocate transmission demand-related costs based on 4 CP as the transmission system is designed and built to provide capacity needs for all twelve months of the year and not just four months. Additionally, FPL's Open Access Transmission Tariff allocates transmission costs to wholesale customers using 12 CP. Shifting retail allocations to 4 CP would create a mismatch in cost recovery between the wholesale and retail jurisdictions.

Q. Are there other concerns with using summer-only allocations for production and transmission plant as suggested by FIPUG witness Pollock?

A. Yes. Summer-only allocation methods, such as the 4 CP, do not recognize that generation and transmission are needed to serve load every month of the year. This can result in some rate classes, such as street lighting, being allocated little or no production or transmission plant even though all rate classes clearly benefit from, and rely on, the system's production resources and transmission assets.

Q. Is there a test or analysis used in the utility industry to determine the appropriateness of the allocation method for production and transmission assets?

A. Yes. The Federal Energy Regulatory Commission ("FERC"), the body that regulates the wholesale rates of electricity in interstate commerce, has primarily affirmed the use of a 12 CP allocation method because it "believe[s] the majority of utilities plan their system to meet their twelve monthly peaks."[1] FERC will allow utilities to propose an alternative to 12 CP, but the utility must demonstrate that such alternative is consistent with the utility's system planning and would not result in an over-collection of the utility's revenue requirement. In evaluating such determinations, FERC uses the three peak ratios test established in *Golden Spread Electric Coop., Inc.*, 123 FERC ¶ 61,047 at 61,249 (2008):

- Test No. 1 – On and Off-Peak Test: This test first compares the average of the coincident peaks in the months with the highest system peaks as a percentage of the annual system peak. Second, it compares the average of the coincident peaks in the months with the lowest system peaks as a percentage of the annual system peak. A 12 CP allocation is considered appropriate where the difference between these two percentages is 19% or less.

[1] *Promoting Wholesale Competition through Open Access Non-discriminatory Transmission Services by Public Utilities*, 61 F.R. 21540-01 at 21599, Order No. 888 (1996).

- Test No. 2 – Low-to-Annual Peak Test: Compares the lowest monthly peak as a percentage of the annual system peak. A range of 66% or higher is considered indicative of a 12 CP system.
- Test No. 3 – Average to Annual Peak Test: Compares the average of the twelve monthly peaks as a percentage of the annual system peak. A range of 81% or higher is considered indicative of a 12 CP system.

FPL applied FERC's three peak ratios test to its FPL standalone load data (2015-2021) and two years of consolidated FPL projected load data (2022-2023) based on load data provided in MFR E-18. The results of the three peak ratios test are presented in Exhibit TBD-10. From 2015-2021, standalone FPL meets all three FERC tests for using 12 CP for each year except 2020, where standalone FPL meets two of the three tests. From 2022-2023, the projected monthly load for consolidated FPL easily meets or exceeds the criteria for all three FERC tests. Therefore, based on the FERC three peak ratio test, it is appropriate to use the 12 CP allocation method for production and transmission demand-related costs on FPL's system.

Q. Do you have any additional observations regarding the use of 4 CP to allocate production and transmission demand-related costs?

A. Yes. FPL recalculated its proposed COSS using the 4 CP method for allocating production and transmission demand-related costs. Exhibit TBD-11 attached to my rebuttal testimony shows the impacts on target rate class revenue requirements for the 2022 Test Year. As shown on page 1 of Exhibit TBD-11, the 4 CP method would shift $74 million in target revenue requirements for the 2022 Test Year from larger commercial and industrial ("CI") customers to the residential rate class.

IV. ALLOCATION OF PRIMARY AND SECONDARY COSTS

Q. On page 46 of his direct testimony, FIPUG witness Pollock contends that there are internal inconsistencies in how FPL separated the primary and secondary investments in FERC Accounts 364-367. Do you agree?

A. No. In the proposed COSS, FPL separated investments in FERC Account Nos. 364-367 between primary and secondary voltage based on the historical functionalization of each retirement unit included in the surviving balance reports. These designations were reviewed and verified by the FPL Power Delivery business unit, and this method has been consistently applied.

Q. On page 47 of his direct testimony, FIPUG witness Pollock recommends that if the Commission rejects the MDS COSS it should nevertheless use the primary/secondary separation from the MDS study. Do you agree with this recommendation?

A. No. For the reasons I explain below, the MDS COSS is not the best method for FPL's system and, therefore, it would be inappropriate to rely on only one component of that study.

V. MINIMUM DISTRIBUTION SYSTEM STUDY

Q. FIPUG witness Pollock, FEA witness Collins, and FRF witness Georgis each recommend that the Commission adopt the MDS method to allocate FPL's

distribution system costs. Is FPL proposing a COSS using the MDS methodology?

A. No. As explained in my direct testimony, FPL submitted a COSS with the MDS methodology for informational purposes pursuant to the settlement agreement in FPL's 2016 rate case.

Q. Please explain the MDS method for allocating distribution costs.

A. The MDS method recognizes both a customer and a demand component for poles, conductors, conduit, and transformers. The MDS is meant to represent a set of distribution facilities designed to serve the zero or minimum load requirements of customers. The process to develop the MDS involves determining the level of investment in poles, conductors, conduit, and transformers required solely to connect customers to the electric system without regard to demand requirements. Once this is determined, this minimum investment is allocated to customer classes based on the number of customers. The remaining distribution costs are allocated based on customer class demand requirements.

Q. Is the MDS method the only method for allocating distribution costs?

A. No. The MDS is only one method used by some utilities for allocating distribution costs.

Q. Please explain the method FPL used in its proposed COSS for allocating distribution plant.

A. FPL classifies meters, service drops, and primary pull-offs as customer-related because these costs are incurred to connect individual customers to the distribution system. The remaining balances of distribution plant, including poles, conductors, conduit, and transformers, are classified as demand-related because they can be shared by multiple customers depending on demand requirements. Demand-related distribution is allocated among the rate classes using various measures of peak demand.

Q. Is FPL's distribution cost allocation approach consistent with how FPL plans and builds its distribution system?

A. Yes. The central criterion used in planning and building FPL's distribution system is kW load requirements.

Q. Are there drawbacks with the MDS methodology for allocating distribution costs?

Yes. Under the MDS method, the minimum system has intrinsic load carrying capacity, which means that the minimum cost is the cost to serve the average customer. As a result, there may be a risk of double counting the allocations to smaller customers with less demand than the average customer. These smaller customers could receive an allocation of the minimum size equipment through the customer component and an allocation of the demand-related costs, even though a large portion of their demand may be served by the minimum sized equipment.

Q. Are there other drawbacks to using the MDS method to allocate distribution costs to FPL's customers?

A. Yes. FPL's distribution planning must account for system reliability and the fact that distribution assets in Florida must be storm hardened. Distribution system reliability and storm hardening are not based on the number of customers connected to the system. Thus, an MDS must be appropriately tailored to account for the requirements of system reliability and storm hardening in Florida.

Q. Does the National Association of Regulatory Utility Commissioners Electric Utility Cost Allocation Manual ("NARUC Manual") require the use of the MDS method for the allocation of distribution costs?

A. No. The NARUC Manual is to be used as a guideline and is not intended to prescribe one allocation method over another. Further, the NARUC Manual recognizes that MDS is not the only way to segregate customer- and demand-related costs. Specifically, the NARUC Manual states:

> "Cost analysts disagree on how much of the demand costs should be allocated to customers when the minimum-size distribution method is used to classify distribution plant. When using this distribution method, the analyst must be aware that the minimum-size distribution equipment has a certain load-carrying capability, which can be viewed as a demand-related cost." (*See* page 95).

Q. If the Commission were to adopt the MDS as recommended by FIPUG witness Pollock, FEA witness Collins, and FRF witness Georgis, what would be the cost allocation impacts of the MDS method?

A. More costs would be allocated to residential customers because the residential class has a larger percentage of total customers relative to total demand. While 88% of FPL customers are residential and only 2% are CI demand customers, the residential customers account for only 60% of FPL's load while the CI demand customers account for 32%.

The impacts to revenue requirements can be seen on Exhibit TBD-8 to my direct testimony, which provides a comparison of the Proposed Target Revenue Requirements by Rate Class with and without MDS. As shown on page 1 of Exhibit TBD-8, the residential rate class would be allocated $291.5 million of additional costs in the 2022 Test Year and $316.2 million of additional costs in the 2023 Subsequent Year using MDS compared to FPL's proposed COSS. Likewise, the small general service rate class would be allocated an additional $24.9 million in 2022 and an additional $25.6 million in 2023.

As stated previously, FPL's system is designed to serve customer loads, and CI customers have significantly higher loads per customer than residential. For this reason, MDS would shift costs to residential customers.

VI. CONCLUSION

Q. Can you provide a summary of the cost shifts to the residential class that would result from the intervenors' alternate cost allocation proposals discussed in your rebuttal testimony?

A. Yes. The resulting cost shifts to the residential class for each of the intervenors' methods discussed in my rebuttal testimony are summarized below for the 2022 Test Year:

- 4 CP: $74.3 million
- MDS: $291.5 million

- 4 CP + MDS: $365.8 million

Q. Would it be appropriate for FPL to change its COSS allocations resulting in the cost shifts you summarized above?

A. No. Unlike the alternate cost allocation proposals offered by the intervenors, the cost allocation methods proposed by FPL are consistent with how FPL plans and builds its system, and the results of the consolidated FPL COSS submitted by FPL for the projected 2022 Test Year and 2023 Subsequent Year fairly presents each rate class's cost responsibility, ROR, parity position, and should be approved by the Commission with the incorporation of FPL's NOIAs filed May 21, 2021, which are attached as Exhibit LF-11 to the rebuttal testimony of FPL witness Fuentes.

Q. Does this conclude your rebuttal testimony?

A. Yes.

Florida Power & Light Company
Analysis of Monthly Peak Demands
FPL Consolidated Projected Load Data
Comparison to Highest Annual Peak
For the Test Year 2022 and Subsequent Year 2023

	(1)	(2)	(3)	(4)
Line No.	Month-Year	Peak in MW	% of Highest Monthly Peak	% Diff from Highest Monthly Peak
37	Jan-22	22,436	82%	18%
38	Feb-22	20,503	75%	25%
39	Mar-22	20,527	75%	25%
40	Apr-22	21,970	81%	19%
41	May-22	24,487	90%	10%
42	Jun-22	26,258	97%	3%
43	Jul-22	26,686	98%	2%
44	Aug-22	27,205	100%	0%
45	Sep-22	26,102	96%	4%
46	Oct-22	24,205	89%	11%
47	Nov-22	21,224	78%	22%
48	Dec-22	20,270	75%	25%
49	Jan-23	22,826	83%	17%
50	Feb-23	20,841	75%	25%
51	Mar-23	20,867	75%	25%
52	Apr-23	22,337	81%	19%
53	May-23	24,899	90%	10%
54	Jun-23	26,698	97%	3%
55	Jul-23	27,132	98%	2%
56	Aug-23	27,661	100%	0%
57	Sep-23	26,541	96%	4%
58	Oct-23	24,610	89%	11%
59	Nov-23	21,582	78%	22%
60	Dec-23	20,611	75%	25%

Source: FPL Consolidated MFR E-18

Florida Power & Light Company
Analysis of Monthly Peak Demands
FPL Standalone Historical Load Data
Comparison to Highest Annual Peak
For the Historical Years 2017 - 2019

	(1)	(2)	(3)	(4)
Line No.	Month-Year	Peak in MW	% of Highest Monthly Peak	% Diff from Highest Monthly Peak
1	Jan-17	16,535	71%	29%
2	Feb-17	17,172	73%	27%
3	Mar-17	18,029	77%	23%
4	Apr-17	20,474	88%	12%
5	May-17	22,311	95%	5%
6	Jun-17	22,176	95%	5%
7	Jul-17	23,109	99%	1%
8	Aug-17	23,373	100%	0%
9	Sep-17	23,243	99%	1%
10	Oct-17	21,276	91%	9%
11	Nov-17	18,126	78%	22%
12	Dec-17	17,091	73%	27%
13	Jan-18	19,109	82%	18%
14	Feb-18	17,492	75%	25%
15	Mar-18	17,887	77%	23%
16	Apr-18	19,348	83%	17%
17	May-18	19,595	84%	16%
18	Jun-18	22,254	96%	4%
19	Jul-18	22,528	97%	3%
20	Aug-18	23,217	100%	0%
21	Sep-18	23,187	100%	0%
22	Oct-18	21,781	94%	6%
23	Nov-18	19,649	85%	15%
24	Dec-18	18,088	78%	22%
25	Jan-19	16,795	71%	29%
26	Feb-19	18,660	79%	21%
27	Mar-19	18,963	80%	20%
28	Apr-19	20,106	85%	15%
29	May-19	22,580	95%	5%
30	Jun-19	24,241	102%	-2%
31	Jul-19	23,578	100%	0%
32	Aug-19	22,861	97%	3%
33	Sep-19	23,653	100%	0%
34	Oct-19	21,776	92%	8%
35	Nov-19	19,855	84%	16%
36	Dec-19	17,249	73%	27%

Source: FPL Standalone MFR E-18

Florida Power & Light Company
FERC Three Peak Ratios
Test Results
FPL Historical and FPL Consolidated Projected

	(1)	(2)	(3)	(4)
Line No.	Year	Test 1: Peak - Off-Peak % Difference	Test 2: Low/Annual Peak Ratio	Test 3: Avg/Annual Peak Ratio
		≤ 19.0%	≥ 66.0%	≥ 81.0%
1	2023	17%	75%	86%
2	2022	17%	75%	86%
3	2021	16%	76%	87%
4	2020	19%	64%	87%
5	2019	17%	69%	86%
6	2018	16%	75%	88%
7	2017	18%	71%	87%
8	2016	18%	71%	84%
9	2015	14%	69%	89%

(1) Years 2015 - 2021 are FPL only; Projected Years 2022 - 2023 are for Consolidated FPL.

(2) Test No. 1 - On- and Off-Peak Test - This test first compares the average of the coincident peaks in the months with the highest system peaks as a percentage of the annual system peak. Second, it compares the average of the coincident peaks in the months with the lowest system peaks as a percentage of the annual system peak. A 12 CP allocation is considered appropriate where the difference between these two percentages is 19% or less.

(3) Test No. 2 - Low-to-Annual Peak Test - Compares the lowest monthly peak as a percentage of the annual system peak. A range of 66% or higher is considered indicative of a 12 CP system.

4) Test No. 3 - Average to Annual Peak Test – Compares the average of the twelve monthly peaks as a percentage of the annual system peak. A range of 81% or higher is considered indicative of a 12 CP system.

Florida Power & Light Company
FERC Three Peak Ratios
Test Data
FPL Historical and FPL Consolidated Projected

	1	2	3	4	5	6	7	8	9	10	11	12		Jun-Sep	Jan-May and Oct-Dec			
Peak Day MW	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Ave.	Ave. Peak/Peak	Ave. Off-Peak/Peak	[1]	[2]	[3]
2023	22,826	20,841	20,867	22,337	24,899	26,698	27,132	27,661	26,541	24,610	21,582	20,611	23,884	98%	81%	17%	75%	86%
2022	22,436	20,503	20,527	21,970	24,487	26,258	26,686	27,205	26,102	24,205	21,224	20,270	23,489	98%	81%	17%	75%	86%
2021	20,061	19,140	19,111	20,466	22,323	23,727	24,200	24,620	23,658	22,204	19,618	18,694	21,485	98%	82%	16%	76%	87%
2020	17,514	18,429	20,602	21,594	21,932	24,499	24,483	24,166	24,493	22,214	19,496	15,773	21,266	100%	80%	19%	64%	87%
2019	16,795	18,660	18,963	20,106	22,580	24,241	23,578	22,861	23,653	21,776	19,855	17,249	20,860	97%	80%	17%	69%	86%
2018	19,109	17,492	17,887	19,348	19,595	22,254	22,528	23,217	23,187	21,781	19,649	18,088	20,345	98%	82%	16%	75%	88%
2017	16,535	17,172	18,029	20,474	22,311	22,176	23,109	23,373	23,243	21,276	18,126	17,091	20,243	98%	81%	18%	71%	87%
2016	16,934	17,031	19,190	20,061	20,392	22,528	23,858	23,645	21,574	20,809	17,240	17,815	20,090	96%	78%	18%	71%	84%
2015	15,747	19,718	17,979	21,242	21,016	22,959	22,153	22,717	22,563	20,990	20,541	18,129	20,480	98%	85%	14%	69%	89%

% of Peak Day	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2023	83%	75%	75%	81%	90%	97%	98%	100%	96%	89%	78%	75%
2022	82%	75%	75%	81%	90%	97%	98%	100%	96%	89%	78%	75%
2021	81%	78%	78%	83%	91%	96%	98%	100%	96%	90%	80%	76%
2020	71%	75%	84%	88%	90%	100%	100%	99%	100%	91%	80%	64%
2019	69%	77%	78%	83%	93%	100%	97%	94%	98%	90%	82%	71%
2018	82%	75%	77%	83%	84%	96%	97%	100%	100%	94%	85%	78%
2017	71%	73%	77%	88%	95%	95%	99%	100%	99%	91%	78%	73%
2016	71%	71%	80%	84%	85%	94%	100%	99%	90%	87%	72%	75%
2015	69%	86%	78%	93%	92%	100%	96%	99%	98%	91%	89%	79%

(1) Years 2015 - 2021 are FPL only; Projected Years 2022 - 2023 are for Consolidated FPL.

Florida Power & Light Company
Consolidated Comparison of Proposed Target Revenue Requirements
12CP for Production and Transmission Demand-Related Costs VS.
4CP for Production and Transmission Demand-Related Costs
For the Test Year 2022
($000)

(1)	(2)	(3)	(4)	(5)
Rate Class	12CP Prod/Trans Demand Related [1]	4CP Prod/Trans Demand Related [2]	Targe Revenue Requirement Difference (3) - (2)	Percent Difference (4) / (2)
CILC-1D	$ 127,585.4	$ 122,380.4	$ (5,205.0)	-4.1%
CILC-1G	6,107.8	5,850.6	(257.2)	-4.2%
CILC-1T	52,145.1	48,323.0	(3,822.1)	-7.3%
GS(T)-1	652,113.2	647,904.2	(4,209.0)	-0.6%
GSCU-1	4,236.0	4,050.3	(185.8)	-4.4%
GSD(T)-1	1,754,967.8	1,724,088.3	(30,879.5)	-1.8%
GSLD(T)-1	643,443.9	621,939.8	(21,504.1)	-3.3%
GSLD(T)-2	200,690.9	193,121.0	(7,569.9)	-3.8%
GSLD(T)-3	36,012.3	36,625.4	613.2	1.7%
MET	4,865.5	4,525.8	(339.6)	-7.0%
OL-1	14,297.2	14,297.2	-	0.0%
OS-2	1,327.4	1,325.1	(2.3)	-0.2%
RS(T)-1	5,183,186.6	5,257,459.8	74,273.1	1.4%
SL-1	131,900.1	131,900.1	-	0.0%
SL-1M	988.1	998.1	10.0	1.0%
SL-2	2,080.9	1,910.7	(170.3)	-8.2%
SL-2M	192.3	186.9	(5.4)	-2.8%
SST-DST	1,357.7	1,363.8	6.1	0.4%
SST-TST	3,351.3	2,599.0	(752.3)	-22.4%
Total Revenue from Sales	**$ 8,820,849.3**	**$ 8,820,849.3**	**$ 0.0**	**0.0%**
Misc. Service Charges	100.1	100.1		
Other Operating Revenues	126.2	126.2	-	0.0%
Total Operating Revenues	**$ 8,821,075.6**	**$ 8,821,075.6**	**$ 0.0**	**0.0%**

Notes:
(1) Provided on MFR E-1, Attachment 2, Equalized at Proposed Rates,w/ RSAM
(2) Calculated by FPL

Totals may not add due to rounding.