



ORIGINAL

Public Service Commission

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TALLAHASSEE, FLORIDA 32399-0850

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

DATE: July 21, 2005

TO: Blanca S. Bayó, Commission Clerk and Administrative Services Director

FROM: William C. Keating, Senior Attorney, Office of the General Counsel

RE: Docket No. 050045-EI – Petition for Rate Increase by Florida Power & Light Company

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COMMISSION

Revised page 7 of 21 of Exhibit CSV/RLF-1 to the Joint Direct Testimony of Carl S. Vinson and R. Lynn Fisher, on behalf of Staff of the Florida Public Service Commission

Attached for filing in the above-referenced docket is revised page 7 of 21 of Exhibit CSV/RLF-1 to the Joint Direct Testimony of Carl S. Vinson and R. Lynn Fisher, originally filed July 8, 2005. Exhibit CSV/RLF-1 consists of an audit report entitled *Preliminary Review of Vegetation Management, Lightning Protection and Pole Inspection at Florida Power & Light Company*. At the time the testimony and exhibit were originally filed, Commission staff had not issued the audit report in its final form. On July 20, Commission staff issued the audit report in final form. As shown in the attached revision, the only differences between the audit report filed July 8 as Exhibit CSV/RLF-1 and the final version of the report are reflected in the following corrections to the table on the bottom of page 7 of 21 of the report:

1. The column labeled "System OH Miles" erroneously included both overhead and underground line miles. The numbers in this column have been corrected to show only overhead line miles.
2. As a fallout, the percentages in the column labeled "Percent of System OH Miles" have been corrected.

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PSC-COMMISSION CLERK

Transmission vegetation budget dollars increased 35 percent over the period, ranging between \$2.3 million in 1999 and \$3.1 million in 2004. Actual transmission vegetation expense increased 50 percent over the period and ranged from \$2.6 million in 1999 to \$3.9 million in 2004.

2.3 Reliability Results

FPL's Annual Distribution Reliability Reports for the period 1999-2003 show an increasing trend in vegetation-related outages. FPL's vegetation-related outages increased 23.8 percent during the period or about 4.0 percent on average per year. These outages increased 56.9 percent between 2000 and 2003, although vegetation-related outages dropped 21.1 percent in 2004. Vegetation-related outages in 2004 remained above the 1999 outage level by 23.8 percent. The following table shows FPL vegetation-related outages and the annual percent of increase during the period.

FPL Distribution Vegetation Outages		
Year	Outages	Customer Interruptions
1999	12,303	580,015
2000	12,394	537,434
2001	13,417	641,304
2002	16,906	679,954
2003	19,307	826,750
2004	15,225	726,900

Table 2

FPL states the increased vegetation-related outages during this period were primarily associated with reduced miles of lateral trimming. This means that lateral lines did not receive cyclical trimming similar to feeder circuits and were often the cause of vegetation-related outages during the period 2000-2003. The company said that the reduction in lateral trimming was primarily the result of competing resources associated with customer trim requests and increased restoration activities due to weather. The table below, shows that FPL reduced its trimming of lateral circuits during 2001-2003 and increased feeder miles trimmed.

FPL Distribution Lateral and Feeder Trimming Miles					
Year	Feeder Miles	Lateral Miles	Total Trimmed	System OH Miles	Percent of System OH Miles
1999	3,845	2,823	6,668	39,510	16.9%
2000	3,455	3,145	6,600	40,201	16.4%
2001	4,069	1,867	5,936	40,458	14.7%
2002	5,356	1,294	6,650	40,679	16.3%
2003	5,282	1,902	7,184	41,122	17.5%
2004	4,379	4,911	9,289	41,144	22.6%

Table 3

The total percent of system overhead miles trimmed decreased in 2000 and 2001, but increased during 2002-2004.

BEFORE THE PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Power & Light Company. | DOCKET NO. 050045-EI

In re: 2005 comprehensive depreciation study by Florida Power & Light Company. | DOCKET NO. 050188-EI

DATED: JULY 21, 2005

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of REVISED PAGE 7 OF 21 OF EXHIBIT CSV/RLF-1 TO THE JOINT DIRECT TESTIMONY OF CARL S. VINSON AND R. LYNN FISHER has been served by U. S. Mail to R. Wade Litchfield and Natalie F. Smith, Florida Power & Light Company, 700 Universe Blvd., Juno Beach, Florida, 33408-0420 on behalf of Florida Power & Light Company, and that a true and correct copy thereof has been furnished to the following, by U. S. Mail, this 21st day of July, 2005:

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DOCKET NO. 050045-EI and DOCKET NO. 050188-EI

PAGE 2

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