



Florida Power & Light Company, 215 S. Monroe Street, Suite 810, Tallahassee, FL 32301

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October 28, 2010

**VIA HAND DELIVERY**

Ms. Ann Cole  
Division of the Commission Clerk and  
Administrative Services  
Florida Public Service Commission  
Betty Easley Conference Center  
2540 Shumard Oak Boulevard, Room 110  
Tallahassee, FL 32399-0850

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Re: Docket No. 100419-EI; Petition for Approval of Base Rate Increase for Extended Power Uprate Systems Placed in Commercial Service

Dear Ms. Cole:

Enclosed for filing on behalf of Florida Power & Light Company ("FPL") are an original and 5 copies of FPL's Responses to Staff's First Data Request No. 1, and Staff's Second Data Request Nos. 1, 3, and 4 (there is no question No. 2).

Please contact me should you or your staff have any questions regarding this filing.

Sincerely,

*Jessica Cano*  
for Jessica Cano

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APA \_\_\_\_\_  
ECR 4 \_\_\_\_\_ Enclosures  
GCL \_\_\_\_\_  
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Request No. 1  
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Q. Please refer to paragraph 12 of the petition and explain why FPL is proposing to increase the base energy charges only (as opposed to increasing both demand and energy charges) to recover the Extended Power Uprate Systems placed in commercial service.

A. FPL's proposal simplifies the implementation of the increase by changing one billing factor, for the energy charge, rather than changing both the demand and the energy charge. FPL believes that this simplified approach is appropriate in part because of the comparatively small magnitude of the increase -- being only \$0.00002/kWh on average, or about two cents per 1,000 kWh. With such a small increase, changing the energy charge, rather than also changing the demand charge, is expected to result in more accurate recovery of the revenue requirement. This is because affecting both the energy and demand charges would introduce additional rounding, resulting in less accurate recovery of the revenue requirement. Finally, FPL notes that the Commission has approved generally similar but larger energy-only rate increases for nuclear uprate projects in Docket Nos. 080603-EI and 090421-EI.

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**Q.**

Please refer to Appendix B of the petition and the revised exhibit WP-6 of Winnie Powers, filed August 16, in Docket 100009-EI.

- a. For each item in Appendix B, explain why differences for the 2010 plant-in-service items exist in the two filings and identify the variance amount.
- b. For each item in revised exhibit WP-6 but not in Appendix B, explain why differences for the 2010 plant-in-service items exist in the two filings and identify the variance amount.

**A.**

See attached. Please also see response to Data Request 2 question No. 3.

Florida Power & Light Company  
Docket No. 100419-EI  
Staff's Second Data Request No. 1

Item	WO #	Assets Being Placed in Service during 2010	Attachment B	Revised WP-6	Variance
			Total Company Estimated In-Service Costs (net of participants)	Total Company Estimated In-Service Costs (net of participants)	
<b>Items in Attachment B not included in Revised WP-6</b>					
1A)	06992-070-0915-007	PSL-1 Turbine Gantry Crane Modifications (Nuclear)	\$5,725,459	\$5,814,841	\$89,382 (a)
	08103-070-0914-007	PTN-3 Generating Step Up Transformer (GSU) Upgrade (Transmission)	\$3,302,765	\$3,619,483	\$316,718 (a)
	01152-070-0914-008	PTN Temporary Warehouse (Nuclear)	\$1,629,347		(\$1,629,347) (e)
	00718-009-0465-000, 00717-009-0465-000, 00718-009-0465-000	PSL SwitchYard Upgrades (Transmission)	\$1,601,682		(\$1,601,682) (d)
	06414-070-0914-007	PTN-3 Heater Drain Valves (Nuclear)	\$1,398,341	\$126,876,828	\$125,478,487 (b)
	00380-009-0379	PTN Switchyard Upgrades (Transmission)	\$531,881		(\$531,881) (c)
	01317-070-0929-008	PSL Simulator (Nuclear)	\$467,019		(\$467,019) (a)
	01343-070-0914-008	PTN Sheet Metal Tooling (Nuclear)	\$186,450		(\$186,450) (a)
	01483-070-0914-008	PTN-3 Condensate Pump (Nuclear)	\$148,000		(\$148,000) (a)
	01383-070-0929-008	PSL HVAC (Nuclear)	\$25,730		(\$25,730) (a)
<b>Total for Items in Attachment B</b>			<b>\$15,016,672</b>	<b>\$136,311,152</b>	<b>\$121,294,479</b>
<b>Items in Revised WP-6 not included in Attachment B</b>					
1B)	01285-009-0888-000	November 2010 - Transmission	\$0	\$197,292	\$197,292 (e)
	00378-009-0379-000, 00384-009-0379-000	December 2010 - Transmission	\$0	\$1,970,271	\$1,970,271 (f)
		December 2010 - Turbine Gantry Crane - Turkey Point	\$0	\$509,844	\$509,844 (g)
<b>Total for Items in Revised WP-6 not included in Attachment B</b>			<b>\$0</b>	<b>\$2,677,406</b>	<b>\$2,677,406</b>
<b>Total</b>			<b>\$15,016,672</b>	<b>\$138,988,557</b>	<b>\$123,971,885</b>

**Variance Explanations:**

(a) Prior to the May 3, 2010 filing, FPL froze assumptions in order to prepare the testimony and exhibits. The assumptions at that time were based on the most current data available. When Attachment B was prepared for the base rate increase filing, FPL froze assumptions as of August 31, 2010, at which time the projections were revised using more current data and actual costs incurred through August 31, 2010.

(b) FPL decided to perform a large amount of Turkey Point Unit 3 feedwater heater work during the unit's 2012 outage rather than 2010 outage because the main steam line break analysis showed that NRC approval would first be required prior to operating the plant with the new feedwater heaters. Additionally, several other Turkey Point Unit 3 modifications were initiated during the 2010 outage, with other portions of the modifications planned for completion in 2012. The Turkey Point Unit 3 Heater Drain Valves (Nuclear) continue to be expected to be placed into service in November 2010.

(c) This work order is for the upgrade of the six switches in the switchyard Bay #7 to 3000 amps. The original schedule for this work order was March 2012 based on available transmission system clearance schedule at the time. After the May 3, 2010 filing, it was determined that five of the six switches could be completed during the Turkey Point Unit 3 outage in 2010 due to transmission system conditions and clearance opportunities. The 6th switch will be completed in 2012 during the next Turkey Point Unit 3 scheduled outage.

(d) The PSL Switchyard Upgrades were originally planned to start in 2010 and go into service in 2012; however, FPL was able to complete these upgrades in 2010, ahead of schedule due to transmission system conditions and clearance opportunities.

(e) This work order is for Turkey Point Switchyard work that was rescheduled from 2010 to February 2012 during the next Turkey Point Unit 3 plant outage due to transmission system conditions and clearance opportunities.

(f) This item represents two scopes of work: 1) The in-service date for replacing breaker failure panels at the Flagami Substation was scheduled for December 2010. This project had to be integrated into the scheduled work and clearances of other projects required to meet NERC/FERC requirements. The revised in-service date is now February 2011 due to transmission system conditions and clearance opportunities; and 2) The original in-service date for the Turkey Point Switchyard site expansion remains 2010. This item was originally estimated to go into service in 2010, and thought to be pushed to 2011 at the time of FPL's filing. FPL notes, however, that it now again expects for this item to be placed into service in 2010.

(g) The PTN Turbine Gantry Crane upgrade was initially planned to complete in 2010 and was subsequently rescheduled to complete in 2011.

**Q.**

Identify each activity included in the petition that was not identified in prefiled testimony in Docket 100009-EI as estimated plant-in-service for 2010. When did FPL determine that such asset would clear to plant-in-service?

**A.**

The following activities were included in FPL's Base Rate Increase Petition dated 10/7/10, but were not identified in prefiled testimony in Docket 100009-EI as estimated plant-in-service for 2010:

- **PTN-3 Temporary Warehouse**  
The warehouse construction was completed in June 2010. FPL determined in June 2010 that the warehouse would clear to plant-in-service.
- **PSL Switchyard Upgrades**  
The PSL Switchyard Upgrades were originally planned to start in 2010 and go into service in 2012; however, FPL was able to complete these upgrades in 2010, ahead of schedule. FPL determined in June 2010 that the switchyard upgrades would clear to plant-in-service in 2010.
- **PTN Switchyard Upgrades**  
The PTN Switchyard Upgrades were originally planned to go into service in 2012. As of August 2010, FPL expected that all six switches of the switchyard upgrades would clear to plant-in-service in 2010. FPL was able to upgrade five switches and put them in service in October 2010.
- **PSL Simulator**  
FPL determined in August 2010 that the PSL simulator upgrade would clear to plant-in-service in October 2010.
- **PTN Sheet Metal Tooling**  
The sheet metal tooling was installed in September 2010. FPL determined in August 2010 that the PTN Sheet Metal Tooling would clear to plant-in-service in September 2010.
- **PTN-3 Condensate Pump**  
FPL estimated in August 2010 that the PTN-3 condensate pump motor would clear to plant-in-service in December 2010.

- PSL HVAC  
The PSL HVAC activities were completed in October 2010. FPL determined in August 2010 that the PSL HVAC activities would clear to plant-in-service in October 2010.

**Q.**

For each activity included in the petition that was not identified in prefiled testimony in Docket 100009-EI as estimated plant-in-service for 2010, provide documentation that the specific activity has been included in the Extend Power Uprate (EPU) project.

**A.**

The following activities were included in FPL's Base Rate Increase Petition dated 10/7/10, but were not identified in prefiled testimony in Docket 100009-EI as estimated plant-in-service for 2010:

- PTN Temporary Warehouse (Nuclear)  
Work Order: 01152-070-0914-008
  
- PSL Switchyard Upgrades (Transmission)  
Work Orders:  
00716-009-0465-000  
00717-009-0465-000  
00718-009-0465-000
  
- PTN Switchyard Upgrades (Transmission)  
Work Order: 00380-009-0379-000
  
- PSL Simulator (Nuclear)  
Work Order: 01317-070-0929-008
  
- PTN Sheet Metal Tooling (Nuclear)  
Work Order: 01343-070-0914-008
  
- PTN-3 Condensate Pump (Nuclear)  
Work Order: 01483-070-0914-008
  
- PSL HVAC (Nuclear)  
Work Order: 01383-070-0929-008

The Extended Power Uprate Project (EPU) is defined by eight specific budget activities. A budget activity describes a broad category of work which then is broken down to specific activities by work order. Attached is an excerpt from a weekly system generated alert that Powerplant (FPL's asset management system) provides. The alert identifies all work orders included in the Uprate Project by extracting the work orders associated with the specific EPU

budget activities. The specific numerical designation for each budget activity is included in the funding project field within each work order. The excerpt attached shows that each scope of work listed above is included in the EPU Project.

**Budget Activities for the EPU Project (Numerical Designation)**

St. Lucie - 00398, 00392, 00511

Turkey Point -- 00393, 00399, 00546

Transmission -- 00195, 00196



Florida Power & Light Company  
Docket No. 100419-EI  
Staff's Second Data Request No. 4

work order number	wo desc	wo funding project	budget activity	lerr msg
01152-070-0914-008	EPU PTN Warehouse	00393-000000	00393	These are nuclear WOs for the Uprate Project only for BAs:00195,00511,00392,00398,00196,00546,00393,00399
00716-009-0465-000	mid-st#2 230kv:	00195-ZT0005	00195	These are nuclear WOs for the Uprate Project only for BAs:00195,00511,00392,00398,00196,00546,00393,00399
00717-009-0465-000	mid-st#1 230kv:	00195-ZT0005	00195	These are nuclear WOs for the Uprate Project only for BAs:00195,00511,00392,00398,00196,00546,00393,00399
00718-009-0465-000	mid-st#3 230kv:	00195-ZT0005	00195	These are nuclear WOs for the Uprate Project only for BAs:00195,00511,00392,00398,00196,00546,00393,00399
00390-009-0379-000	turkey point - switch replacement:	00196-ZT0008	00196	These are nuclear WOs for the Uprate Project only for BAs:00195,00511,00392,00398,00196,00546,00393,00399
01317-070-0929-008	PSL EPU Simulator Mod Phase 1	00398-930888	00398	These are nuclear WOs for the Uprate Project only for BAs:00195,00511,00392,00398,00196,00546,00393,00399
01343-070-0914-008	PTN EPU Sheet Metal Fab Eq	00393-000000	00393	These are nuclear WOs for the Uprate Project only for BAs:00195,00511,00392,00398,00196,00546,00393,00399
01483-070-0914-008	PTN3 EPU Condensate Motor Refurb	00393-000000	00393	These are nuclear WOs for the Uprate Project only for BAs:00195,00511,00392,00398,00196,00546,00393,00399
01383-070-0929-008	PSL EPU Fabric Building D HVAC	00392-000000	00392	These are nuclear WOs for the Uprate Project only for BAs:00195,00511,00392,00398,00196,00546,00393,00399