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FPL (Rubin) - (CONFIDENTIAL) Response to staff's 1st set of data requests; specifically attachment to response to data request No. 26; provided on CD only. [CLK note: No timely request filed, document declassified and forwarded to docket file.]

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FLORIDA POWER AND LIGHT GROUP

BUSINESS UNIT NAME: CUSTOMER SERVICE
FUNCTIONAL AREA: REVENUE RECOVERY
DEPARTMENT NAME: STRATEGY AND ANALYTICS
ANALYSIS: REVENUE RECOVERY COSTS FOR SMART METER OPT-OUT BACK-UP
AS OF DATE: 4/23/2013

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| ITEM | CALCULATION | DESCRIPTION | AMOUNT | SOURCE | FILING LINE NO. |
|-------------------------------------|-------------|---|-----------|---|-----------------|
| Field visits for Collections | | | | | |
| A | | 2012 Volume of payment in field | 221,529 | 2012 Field Collection Indicators | |
| B | | 2012 Number of customers | 4,576,442 | F&O Page 8- Average Retail Customers 2012 | |
| C | C= A/B | Avg % of customers that receive a field visit and pay in the field | 4.84% | | 3 |
| D | | Full cost for manual field collection charge | \$ 25.80 | 2013 rate case filing | 4 |
| E | | Current Approved Service charge in Order No. PSC-13-0023-S-EI, Docket No. 120015-EI | \$ 5.11 | Existing tariff | 5 |
| Disconnect/Reconnect | | | | | |
| F | | 2012 Volume of disconnects | 485,312 | 2012 Field Collection Indicators | |
| G | G =F/B | Avg % of customers disconnected for non-pay and reconnected | 10.60% | | 12 |
| H | | Full cost for manual reconnect for non-payment charge | \$ 59.27 | Back-up support for 2013 rate case | |
| I | | Current Approved Service charge in Order No. PSC-13-0023-S-EI, Docket No. 120015-EI | \$ 17.66 | Existing tariff | |

**FPL 000049
NSMR**

Development of Service Charge
Disconnect for Non-Payment and Reconnect - Manual

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| Activity | Responsibility | Allocated Cost | Note/Assumption |
|---|-------------------|-----------------------|--|
| 1 Send past due final notice | Revenue Recovery | \$3.25 | Final notice allocated cost was calculated by dividing total activity cost (\$2,284,948) by the total number of collections (field and reconnect for non-payment) service charge transactions (704,018). |
| 2 Execute outbound telephone collection call | Revenue Recovery | \$2.20 | Outbound Telephone Collections (OTC) allocated cost was calculated by dividing total OTC budget (\$1,551,845) by the total number of collections (field and reconnect for non-payment) service charge transactions (704,018). |
| 3 Execute field disconnect for non-payment | Field Collections | \$20.35 | Field Collection allocated cost was calculated by multiplying the Field Collections total budget (\$11,604,534) by the total disconnect activity workload (62.59% of total Field Collections workload) and then dividing by the total number of reconnect service charge transactions (490,083). |
| 5 Customer reconnect inquiry. Customers call the customer care center approximately 1 out of every 3 reconnect service charge transactions. | Customer Care | \$1.67 | Customer Care reconnect inquiry call allocated cost was calculated by multiplying the Customer Care total budget (\$49,341,735) by the total reconnect inquiry call activity workload (1.66% as a percent of total Customer Care workload) and then dividing by the total number of reconnect service charge transactions (490,083). |
| 6 Field meters manually reconnects meter | Field Meters | \$31.79 | Field Meters reconnect allocated cost was calculated by multiplying the Field Meters total budget (\$31,419,906) by the total reconnect activity workload (35.59% of total Field Meters workload) and then dividing by the total number of reconnect service charge transactions (490,083). |
| Total Cost | | <u><u>\$59.27</u></u> | |
| Existing Charge | | \$17.66 | |

**Development of Service Charge
Field Collection - Manual**

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| Activity | Responsibility | Allocated Cost | Note/Assumption |
|--|------------------------|-----------------------|--|
| 1 Send past due final notice | Revenue Recovery | \$3.25 | Final notice allocated cost was calculated by dividing total activity cost (\$2,284,948) by the total number of collections (field and reconnect for non-payment) service charge transactions (704,018). |
| 2 Execute outbound telephone collection call | Revenue Recovery | \$2.20 | Outbound Telephone Collections (OTC) allocated cost was calculated by dividing total OTC budget (\$1,551,845) by the total number of collections (field and reconnect for non-payment) service charge transactions (704,018). |
| 3 Collector visits account and accepts payment | Field Collections | \$20.35 | Field Collection allocated cost was calculated by multiplying the total Field Collections budget (\$11,623,881) by the total field collection activity (payment in field) workload (37.41% of total Field Collections workload) and then dividing by the total number of field collection service charge transactions (213,935). |
| | Total Cost | \$25.80 | |
| | Existing Charge | \$5.11 | |