John T. Butler
Assistant General Counsel - Regulatory
Florida Power & Light Company
700 Universe Boulevard
Juno Beach, FL 33408-0420
(561) 304-5639
(561) 691-7135 (Facsimile)
John.butler@fpl.com

July 14, 2014

-HAND DELIVERED-

Ms. Carlotta S. Stauffer
Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Re: Docket No. 140066-EI / Staff's Second Data Request

Dear Ms. Stauffer:

Enclosed for filing on behalf of Florida Power & Light Company ("FPL") are the original and five (5) copies of FPL's responses to Staff's Second Data Request dated June 26, 2014, relating to FPL's Petition for approval of amendment to underground residential and commercial differential tariffs.

If you should have any questions, please do not hesitate to contact me.

Sincerely,

John T. Butler

Enclosures
cc: Martha Brown

COM _____
AFD _____
APA _____
ECO 3
ENG _____
GCL 2
IDM _____
TEL _____
CLK _____

Florida Power & Light Company
Docket No. 140066-EI
Staff's Second Data Request
Data Request No. 1

Q.

Please refer to the table below and discuss qualitative characteristics about FPL's distribution system and service territory that would contribute to the differences in "storm" and "non-storm" costs when compared to Duke Energy Florida.

	Florida Power & Light Docket No. 140066-EI 210-lot				Duke Energy Florida Docket No. 140067-EI 210-lot		
	OH	UG	Diff.		OH	UG	Diff.
Total Labor + Materials	$1,952	$2,326	$374		$1,168	$1,654	$486
Storm			($166)	(a)			($68)
Non-Storm			$208				$350
Total Per Lot charge			**$416**				**$768**

(a) FPL Tier 2

A.

While FPL has not conducted an analysis to compare its recent URD filing to Duke Energy Florida's (DEF) recent URD filing, it provides the following as support for system and service territory characteristics that would contribute to differences in FPL's vs. DEF's "storm" and "non-storm" costs.

"Storm"

There are many factors that can impact "storm" costs (also referred to as "avoided storm restoration costs"). These factors would include: actual size/strength of storm(s); the actual damage resulting from storm(s); the number of customer outages; the magnitude of need and availability of mutual aid/external assistance and other supplies and equipment (e.g., food, water, lodging, number of staging sites, poles, transformers); the age of the distribution system; the strength of the distribution system (e.g., Grade C, Grade B, extreme wind load); normal operation and maintenance (O&M) practices/programs, as well as established storm restoration processes.

FPL notes that its "storm" costs are based on its most recent storm restoration experience, the actual storm restoration costs incurred during the very active 2004 and 2005 seasons. During 2004 and 2005, FPL's system was impacted by seven hurricanes, with three of those hurricanes

making direct landfall in FPL's service territory with Category 3 or higher strength (Jeanne – Category 3; Wilma - Category 3; and Charley - Category 4). These seven hurricanes resulted in nearly $2 billion of restoration costs. While some of these storms also impacted DEF, FPL believes that the 2004 and 2005 restoration effort/cost impacts were greater for FPL due to the exact landfall and path locations. FPL also notes that historically its service territory has been impacted by more and stronger hurricanes than DEF's service territory. Of course, higher overhead restoration costs result in a larger credit for "storm" or "avoided storm restoration" costs.

"Non-storm"

There are also many factors that impact "non-storm" costs, which result from 30-year net present value analyses that incorporate capital expenditures and O&M expenses associated with overhead and underground distribution facilities. These factors would include: construction standards for overhead and underground distribution systems (e.g., Grade C, Grade B, extreme wind load); age of the distribution system; operation and maintenance programs (e.g., pole inspection, vegetation management programs, and other reliability improvement programs/initiatives); day-to-day restoration processes; depreciation rates; pole attachment policies; as well as property taxes and insurance.