State of Florida

Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

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

DATE: August 31, 2016

TO: Office of Commission Clerk (Stauffer)

FROM: Division of Economics (Ollila)
Division of Engineering (Wooten)
Office of the General Counsel (Janjic)

RE: Docket No. 160071-EI – Petition for approval of 2016 revisions to underground residential and commercial differential tariffs, by Florida Power & Light Company.

AGENDA: 09/13/16 – Regular Agenda – Tariff Filing – Interested Persons May Participate

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: Patronis

CRITICAL DATES: 12/01/16 (8-Month Effective Date)

SPECIAL INSTRUCTIONS: None

Case Background

On April 1, 2016, Florida Power & Light Company (FPL) filed a petition for approval of revisions to its underground residential differential (URD) and underground commercial differential (UCD) tariffs. The URD and UCD tariffs apply to new residential and commercial developments and represent the additional costs FPL incurs to provide underground distribution service in place of overhead service. The proposed URD tariffs are contained in Attachment 1 to the recommendation. FPL's current charges were approved in Order No. PSC-14-0467-TRF-EI (2014 order).[1]

[1] Order No. PSC-14-0467-TRF-EI, issued August 29, 2014, in Docket No. 140066-EI, *In re: Petition for approval of dment to underground residential and commercial differential tariffs, by Florida Power & Light Company.*

The Commission suspended FPL's proposed tariffs in Order No. PSC-16-0208-PCO-EI.[2] FPL responded to staff's first data request on May 10, 2016, and to staff's second data request on June 1, 2016. On July 29, 2016, FPL filed an amended petition and revised tariff pages. The amended petition removed a new provision FPL proposed in its original petition. The Commission has jurisdiction over this matter pursuant to Sections 366.03, 366.04, 366.05, and 366.06, Florida Statutes.

[2] Order No. PSC-16-0208-PCO-EI, issued May 23, 2016, in Docket No. 160071-EI, *In re: Petition for approval of 2016 revisions to underground residential and commercial differential tariffs, by Florida Power & Light Company.*

Discussion of Issues

Issue 1: Should the Commission approve FPL's proposed URD tariff and associated charges filed in the amended petition?

Recommendation: Yes. The Commission should approve FPL's proposed URD tariffs and associated charges filed in the amended petition, effective October 13, 2016. (Ollila, Wooten)

Staff Analysis: Rule 25-6.078, Florida Administrative Code (F.A.C.), defines investor-owned utilities' (IOU) responsibilities for filing updated URD tariffs. IOUs are required to file supporting data and analyses for URD tariffs at least once every three years. In October of each year, IOUs are required to file an updated cost differential using current labor and material costs. If the October cost differential varies from the Commission-approved differential by plus or minus 10 percent or more, then the IOU must file revised tariffs, supporting data and analyses the following April even if it has been less than three years. In its October 2015 filing, FPL reported that the updated cost differential, when compared to the 2014 order, decreased by more than 10 percent; therefore, FPL filed the instant petition.

The URD tariffs provide standard charges for underground service in new residential subdivisions and represent the additional costs, if any, the utility incurs to provide underground service in place of standard overhead service. The cost of standard overhead construction is recovered through base rates from all ratepayers. In lieu of overhead construction, customers have the option of requesting underground facilities. Any additional cost is paid by the customer as contribution-in-aid-of construction (CIAC). Typically, the URD customer is the developer of a subdivision.

Traditionally, three standard model subdivision designs have been the basis upon which each IOU submits URD tariff changes for Commission approval: low density, high density, and a high density subdivision where dwelling units take service at ganged meter pedestals (groups of meters at the same physical location). Examples of this last subdivision type include mobile home and recreational vehicle parks. While actual construction may differ from the model subdivisions, the model subdivisions are designed to reflect average overhead and underground subdivisions.

Table 1-1 shows the current and proposed per service lateral URD differential charges for the low and high density subdivisions. The current and proposed URD differential for a ganged meter installation is $0. As shown in Table 1-1, the proposed URD differentials show a decrease for all subdivisions. The primary reason for the decrease in the URD differentials are larger increases in overhead labor and material costs than in underground labor and material costs.

Table 1-1
Comparison of Differential Per Service Lateral

Types of Subdivision	Number of Service Laterals in Subdivision	Current URD Differential	Proposed URD Differential
Low Density	Tier 1 – 200 or more	$165.99	$0
	Tier 2 – 85 – 199	$415.99	$183.35
	Tier 3 – less than 85	$498.99	$266.35
High Density	Tier 1 – 300 or more	$0	$0
	Tier 2 – 100-299	$105.71	$0
	Tier 3 – less than 100	$188.71	$57.97
Ganged Meter	All Tiers	$0	$0

Source: 2014 order and FPL's 2016 filing

The calculations of the proposed URD charges include (1) updated labor and material costs and associated loading factors, and (2) operational costs. The costs are discussed below.

Labor and Material Costs

The installation costs of both underground and overhead facilities include the labor and material costs to provide primary, secondary, and service distribution lines as well as transformers. The costs of poles are specific to overhead service while the costs of trenching and backfilling are specific to underground service. Current URD charges are based on 2014 data and the proposed charges are based on 2016 data.

The cost of labor increased for overhead activities at approximately twice the rate it increased for underground activities, resulting in a decrease in the differential. FPL explained in response to staff's first data request that it uses a labor rate that reflects both FPL and contractor labor rates for all overhead and underground activities, as there are no overhead or underground activities that are exclusively performed by FPL or its contractors. Contractual agreements determine the labor rates for both FPL employees and contractors. The overall overhead labor cost increase is primarily the result of increased overhead contractor labor rates, which have increased more than contractor underground labor rates.

Material costs increased for overhead and decreased for underground from 2014 to 2016, further decreasing the differential. FPL explained in response to staff's first data request that FPL's 2016 overhead designs incorporated for the first time automated lateral switches or reclosers. These devices automatically mitigate the effects of a lateral interruption, including clearing temporary faults, isolating the impact of an outage, and avoiding field visits to replace blown fuses. Without the reclosers, 2016 overhead material costs would have been less than 2014 costs. According to FPL, the decline in underground material costs is primarily due to prices obtained through competitive bidding and favorable automatic price adjustments from commodity price changes, for example, resin in PVC conduit.

FPL's proposed URD tariff also includes updated charges to reflect current labor and material costs for additional customer-requested equipment such as feeder mains or switch packages and

credits if a customer performs trenching or installs equipment, such as a splice box. The proposed URD tariff also updates charges for installing underground service laterals from overhead systems, and for the replacement of existing overhead and underground services with underground service laterals.

Loading Factors

The stores loading factor is applied to material costs and declined from 9.3 percent in 2014 to 5.44 percent in this filing. The rate is a calculation, which divides year-to-date stores expense by the year-to-date total cost of inventory. FPL explained in its response to staff's first data request that the decrease is mainly due to an increased level of inventory because of a higher level of construction activity. The 2016 engineering factor is applied to labor and material. It incorporates both engineering and corporate overhead, which were shown separately in the 2014 filing. The combined factor declined from 27.8 percent in 2014 to 26.9 percent in 2016.

Table 1-2 provides the labor and material differential or pre-operational costs. As Table 1-2 shows, in 2016, only the low density cost differential is a positive number ($141.35), indicating that underground labor/material costs are higher than overhead labor/material costs for the low density subdivision.

Table 1-2
Labor and Material Costs (Pre-operational Costs)

Low Density	2014 Costs	2016 Costs	Difference
Underground labor/material costs	$2,325.60	$2,413.84	$88.24
Overhead labor/material costs	$1,951.61	$2,272.49	$320.88
Per service lateral differential	$373.99	$141.35	($232.64)
High Density			
Underground labor/material costs	$1,590.63	$1,640.45	$49.82
Overhead labor/material costs	$1,510.92	$1,691.48	$180.56
Per service lateral differential	$79.71	($51.03)	($130.74)
Ganged Meter			
Underground labor/material costs	$1,052.50	$1,051.82	($0.68)
Overhead labor/material costs	$1,213.77	$1,344.17	$130.40
Per service lateral differential	($161.27)	($292.35)	($131.08)

Source: 2014 Order and FPL's 2016 filing

Operational Costs

Rule 25-6.078, F.A.C., requires that the differences in net present value of operational costs between overhead and underground systems, including average historical storm restoration costs over the life of the facilities, be included in the URD charge. The non-storm operational costs represent the cost differential between maintaining and operating an underground versus an overhead system over the life of the facilities. The storm cost component represents storm restoration costs avoided when an area is undergrounded, thereby reducing the cost to restore an

overhead system. The avoided storm cost is subtracted from pre-operational and non-storm operational costs, thus reducing the URD differential charge.

FPL's operational costs, last updated for the 2014 filing, are a five-year average, which according to FPL, mitigate any significant future volatility. FPL explained that average changes in the non-storm and storm operational cost per lot were approximately 2 percent and 1 percent per year, respectively, from 2007-2014.

Table 1-3 presents the pre-operational, non-storm operational, and the avoided storm restoration cost differentials between overhead and underground systems. The proposed differential is $0 when the calculation results in a negative number.

Table 1-3
Components of the URD Charges

Type of Subdivision	Number of Service Laterals in Subdivision	Pre-operational Costs (A)	Non-storm operational costs (B)	Avoided Storm costs (C)	Proposed URD Differentials (A)+(B)+(C)
Low Density	Tier 1 – 200 or more	$141.35	$208	($416)	$0
	Tier 2 – 85 – 199		$208	($166)	$183.35
	Tier 3 – less than 85		$208	($83)	$266.35
High Density	Tier 1 – 300 or more	($51.03)	$192	($416)	$0
	Tier 2 – 100 – 299		$192	($166)	$0
	Tier 3 – less than 100		$192	($83)	$57.97
Ganged Meter	Tier 1 – 300 or more	($292.35)	$192	($416)	$0
	Tier 2 – 100 – 299		$192	($166)	$0
	Tier 3 – less than 100		$192	($83)	$0

Source: FPL's 2016 Filing

Conclusion

Staff has reviewed FPL's proposed URD tariffs and associated charges, its accompanying work papers, and its responses to staff's data requests. Staff believes the proposed URD tariffs and associated charges are reasonable and recommends approval. FPL requested that the tariffs be made effective 30 days after the Commission vote. Staff recommends that the Commission approve FPL's proposed URD tariffs and associated charges filed in the amended petition, effective October 13, 2016.

Issue 2: Should the Commission approve FPL's proposed UCD tariffs and associated charges filed in the amended petition?

Recommendation: Yes. The Commission should approve FPL's proposed UCD tariffs and associated charges filed in the amended petition, effective October 13, 2016. (Ollila, Wooten)

Staff Analysis: Utilities are not required to file UCD tariffs, as they are not governed by Rule 25-6.078, F.A.C.; however, FPL has chosen to include its proposed UCD tariffs in the instant petition. Although not required to do so, FPL has incorporated the cost effects of hardening its overhead system in the calculation of the UCD charges.

The UCD charges represent additional costs FPL incurs to provide commercial customers with underground distribution service in place of overhead service. Generally, the UCD charges are tailored to specific equipment and material that are utilized to provide underground service to a single or limited number of commercial buildings in distinct and widely varying circumstances.

The UCD tariffs contain charges for commercial underground distribution facilities such as laterals, risers, and hand-holes. In addition, the UCD tariffs provide for credits that apply if the applicant provides trenching and backfilling. The UCD charges are derived from cost estimates of underground commercial facilities and their equivalent overhead designs. The proposed charges are based on FPL's standard design, estimating practices, and costs as of 2016.

Staff believes the filing of the tariffs is reasonable and promotes transparency and efficiency and reduces controversy regarding the UCD charges. FPL requested that the tariffs be made effective 30 days after the Commission vote. Staff recommends that the Commission approve FPL's proposed UCD tariffs and associated charges filed in the amended petition, effective October 13, 2016.

Issue 3: Should this docket be closed?

Recommendation: If a protest is filed within 21 days of the issuance of the order, this tariff should remain in effect, with any revenues held subject to refund, pending resolution of the protest. If no timely protest is filed, this docket should be closed upon the issuance of a consummating order. (Janjic)

Staff Analysis: If a protest is filed within 21 days of the issuance of the order, this tariff should remain in effect, with any revenues held subject to refund, pending resolution of the protest. If no timely protest is filed, this docket should be closed upon the issuance of a consummating order.

FLORIDA POWER & LIGHT COMPANY

Fourteenth Revised Sheet No. 6.080
Cancels Thirteenth Revised Sheet No. 6.080

INSTALLATION OF UNDERGROUND ELECTRIC DISTRIBUTION FACILITIES TO SERVE RESIDENTIAL CUSTOMERS

SECTION 10.1 DEFINITIONS

The following words and terms, when used in Section 10, shall have the meaning indicated:

APPLICANT - Any person, partnership, association, corporation, or governmental agency controlling or responsible for the development of a new subdivision or dwelling unit who applies for the underground installation of distribution facilities.

BACKBONE - The distribution system excluding feeder and that portion of the service lateral which is on the lot being served by that service lateral.

BUILDING - Any structure designed for residential occupancy, excluding a townhouse unit, which contains less than five individual dwelling units.

CABLE IN CONDUIT SYSTEM - Underground residential distribution systems where all underground primary, secondary, service and street light conductors are installed in direct buried conduit. Other facilities associated with cable in conduit, such as transformers, may be above ground.

COMMISSION - The Florida Public Service Commission.

COMPANY - The Florida Power & Light Company.

DISTRIBUTION SYSTEM - Electric service facilities consisting of primary and secondary conductors, service laterals, conduits, transformers, and necessary accessories and appurtenances for the furnishing of electric power at utilization voltage.

DWELLING UNIT – A single unit providing complete, independent living facilities for one or more persons including permanent provisions for living, sleeping, eating, cooking, and sanitation.

FEEDER MAIN - A three-phase primary installation, including switches, which serves as a source for primary laterals and loops through suitable overcurrent devices.

FINAL GRADE - The ultimate elevation of the ground, paved or unpaved, which will prevail in a subdivision or tract of land.

MOBILE HOME (TRAILER) - A vehicle or conveyance, permanently equipped to travel upon the public highways, that is used either temporarily or permanently as a residence or living quarters.

MULTIPLE-OCCUPANCY BUILDING - A structure erected and framed of component structural parts and designed to contain five or more individual dwelling units.

OVERHEAD SYSTEM - Distribution system consisting of primary, secondary and service conductors and aerial transformers supported by poles.

POINT OF DELIVERY - The point where the Company's wires or apparatus are connected to those of the Customer. See Section 10.2.11.

PRIMARY LATERAL - That part of the electric distribution system whose function is to conduct electricity at the primary level from the feeder main to the transformers. It usually consists of a single-phase conductor or insulated cable, with conduit, together with necessary accessory equipment for supporting, terminating and disconnecting from the primary mains by a fusable element.

SERVICE LATERAL - The entire length of underground service conductors and conduit between the distribution source, including any risers at a pole or other structure or from transformers, from which only one point of service will result, and the first point of connection to the Service Entrance Conductors in a terminal or meter box outside the building wall.

SERVICE ENTRANCE CONDUCTORS – The Customer's conductors from point of connection at the service drop or service lateral to the service equipment.

(Continued on Sheet No. 6.085)

Issued by: S. E. Romig, Director, Rates and Tariffs
Effective:

(Continued from Sheet No. 6.090)

10.2.8.1 Credit for TUGs

If the Applicant installs the permanent electric service entrance such that FPL's service lateral can be subsequently installed and utilized to provide that building's construction service, the Applicant shall receive a credit in the amount of $60.00 per service lateral, subject to the following requirements:

a) TUGs must be inspected and approved by the local inspecting authority.
b) All service laterals within the subdivision must be installed as TUGs.
c) FPL must be able to install the service lateral, energize the service lateral, and set the meter to energize the load side of the meter can, all in a single trip. Subsequent visits other than routine maintenance or meter readings will void the credit.
d) Thereafter, acceptance and receipt of service by the Customer shall constitute certification that the Customer has met all inspection requirements, complied with all applicable codes and rules and, subject to section 2.7 Indemnity to Company, or section 2.71 Indemnity to Company – Governmental, FPL's General Rules and Regulations, the Customer releases, holds harmless and agrees to indemnify the Company from and against loss or liability in connection with the provision of electrical services to or through such Customer-owned electrical installations.
e) The Applicant shall be held responsible for all electric service used until the account is established in the succeeding occupant's name.

This credit applies only when FPL installs the service - it does not apply when the applicant installs the service conduits, or the service conduits and cable.

10.2.9. Location of Distribution Facilities

Underground distribution facilities will be located, as determined by the Company, to maximize their accessibility for maintenance and operation. The Applicant shall provide accessible locations for meters when the design of a dwelling unit or its appurtenances limits perpetual accessibility for reading, testing, or making necessary repairs and adjustments.

10.2.10. Special Conditions

The costs quoted in these rules are based on conditions which permit employment of rapid construction techniques. The Applicant shall be responsible for necessary additional hand digging expenses other than what is normally provided by the Company. The Applicant is responsible for clearing, compacting, boulder and large rock removal, stump removal, paving, and addressing other special conditions. Should paving, grass, landscaping or sprinkler systems be installed prior to the construction of the underground distribution facilities, the Applicant shall pay the added costs of trenching and backfilling and be responsible for restoration of property damaged to accommodate the installation of underground facilities.

10.2.11. Point of Delivery

The point of delivery shall be determined by the Company and will normally be at or near the part of the building nearest the point at which the secondary electric supply is available to the property. When a location for a point of delivery different from that designated by the Company is requested by the Applicant, and approved by the Company, the Applicant shall pay the estimated full cost of service lateral length, including labor and materials, required in excess of that which would have been needed to reach the Company's designated point of service. The additional cost per trench foot is $7.20. Where an existing trench is utilized, the additional cost per trench foot is $2.78. Where the Applicant provides the trenching, installs Company provided conduit according to Company specifications and backfilling, the cost per additional trench foot is $2.02. Any re-designation requested by the Applicant shall conform to good safety and construction practices as determined by the Company. Service laterals shall be installed, where possible, in a direct line to the point of delivery.

(Continued on Sheet No. 6.096)

Thirty-Sixth Revised Sheet No. 6.100
FLORIDA POWER & LIGHT COMPANY Cancels Thirty-Fifth Revised Sheet No. 6.100

SECTION 10.3 UNDERGROUND DISTRIBUTION FACILITIES FOR RESIDENTIAL SUBDIVISIONS AND DEVELOPMENTS

10.3.1. Availability

When requested by the Applicant, the Company will provide underground electric distribution facilities, other than for multiple occupancy buildings, in accordance with its standard practices in:

a) Recognized new residential subdivision of five or more building lots.
b) Tracts of land upon which five or more separate dwelling units are to be located.

For residential buildings containing five or more dwelling units, see SECTION 10.6 of these Rules.

10.3.2. Contribution by Applicant

a) The Applicant shall pay the Company the average differential cost for single phase residential underground distribution service based on the number of service laterals required or the number of dwelling units, as follows:

	Applicant's Contribution
1. Where density is 6.0 or more dwelling units per acre:	
1.1 Buildings that do not exceed four units, townhouses, and mobile homes – per service lateral.	
1. Subdivisions with 300 or more total service laterals	$ 0.00
2. Subdivisions from 100 to 299 total service laterals	$ 0.00
3. Subdivisions less than 100 total service laterals	$ 57.97
1.2 Mobile homes having Customer-owned services from meter center installed adjacent to the FPL primary trench route - per dwelling unit.	
1. Subdivisions with 300 or more total dwelling units	$ 0.00
2. Subdivisions from 100 to 299 total dwelling units	$ 0.00
3. Subdivisions less than 100 total dwelling units	$ 0.00
2. Where density is 0.5 or greater, but less than 6.0 dwelling units per acre:	
Buildings that do not exceed four units, townhouses, and mobile homes – per service lateral	
1. Subdivisions with 200 or more total service laterals	$ 0.00
2. Subdivisions from 85 to 199 total service laterals	$ 183.35
3. Subdivisions less than 85 total service laterals	$ 266.35

3. Where the density is less than 0.5 dwelling units per acre, or the Distribution System is of non-standard design, individual cost estimates will be used to determine the differential cost as specified in Paragraph 10.2.5.

Additional charges specified in Paragraphs 10.2.10 and 10.2.11 may also apply.

b) The above costs are based upon arrangements that will permit serving the local underground distribution system within the subdivision from overhead feeder mains. If feeder mains within the subdivision are deemed necessary by the Company to provide and/or maintain adequate service and are required by the Applicant or a governmental agency to be installed underground, the Applicant shall pay the Company the average differential cost between such underground feeder mains within the subdivision and equivalent overhead feeder mains, as follows:

	Applicant's Contribution
Cost per foot of feeder trench within the subdivision (excluding switches)	$9.02
Cost per switch package	$27,200.43

(Continued on Sheet No. 6.110)

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Effective:

FLORIDA POWER & LIGHT COMPANY

Thirty-Fifth Revised Sheet No. 6.110
Cancels Thirty-Fourth Revised Sheet No. 6.110

(Continued from Sheet No. 6.100)

c) Where primary laterals are needed to cross open areas such as golf courses, parks, other recreation areas and water retention areas, the Applicant shall pay the average differential costs for these facilities as follows:

Cost per foot of primary lateral trench within the subdivision

1) Single Phase - per foot	$0.71
2) Two Phase - per foot	$2.72
3) Three Phase - per foot	$4.38

d) For requests for service where underground facilities to the lot line are existing and a differential charge was previously paid for these facilities, the cost to install an underground service lateral to the meter is as follows:

Density less than 6.0 dwelling units per acre:	$348.83
Density 6.0 or greater dwelling units per acre:	$258.34

10.3.3. Contribution Adjustments

a) Credits will be allowed to the Applicant's contribution in Section 10.3.2.where, by mutual agreement, the Applicant provides all trenching and backfilling for the Company's distribution system, excluding feeder.

	Credit to Applicant's Contribution	
	Backbone	Service
1. Where density is 6.0 or more dwelling units per acre:		
1.1 Buildings that do not exceed four units, townhouses, and mobile homes - per service lateral.	$149.16	$156.59
1.2 Mobile homes having Customer-owned services from meter center installed adjacent to the FPL primary trench route - per dwelling unit.	$123.35	N/A
2. Where density is 0.5 or greater, but less than 6.0 dwelling units per acre:		
Buildings that do not exceed four units, townhouses, and mobile homes - per service lateral	$247.06	$219.22

b) Credits will be allowed to the Applicant's contribution in Section 10.3.2.where, by mutual agreement, the Applicant installs all Company-provided conduit excluding feeder per FPL instructions. This credit is:

	Backbone	Service
1. Where density is 6.0 or more dwelling units per acre:		
1.1 Buildings that do not exceed four units, townhouses, and mobile homes - per service lateral.	$62.07	$48.00

(Continued on Sheet No. 6.115)

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FLORIDA POWER & LIGHT COMPANY

Twenty-Third Revised Sheet No. 6.115
Cancels Twenty-Second Revised Sheet No. 6.115

(Continued from Sheet No. 6.110)

	Credit to Applicant's Contribution	
	Backbone	Service
1.2 Mobile homes having Customer-owned services from meter center installed adjacent to the FPL primary trench route - per dwelling unit	$50.61	N/A
2. Where density is .5 or greater, but less than 6.0 dwelling units per acre, per service lateral.	$99.47	$58.80

c) Credits will be allowed to the Applicant's contribution in Section 10.3.2. where, by mutual agreement, the Applicant provides a portion of trenching and backfilling for the Company's facilities, per foot of trench – $3.48.

d) Credits will be allowed to the Applicant's contribution in section 10.3.2. where, by mutual agreement, the Applicant installs a portion of Company-provided PVC conduit, per FPL instructions (per foot of conduit): 2" PVC - $0.60; larger than 2" PVC - $0.84.

e) Credit will be allowed to the Applicant's contribution in section 10.3.2., where, by mutual agreement, the Applicant installs an FPL-provided feeder splice box, per FPL instructions, per box - $664.74.

f) Credit will be allowed to the Applicant's contribution in section 10.3.2., where by mutual agreement, the Applicant installs an FPL-provided primary splice box, per FPL instructions, per box - $232.78.

g) Credit will be allowed to the Applicant's contribution in section 10.3.2., where, by mutual agreement, the Applicant installs an FPL-provided secondary handhole, per FPL instructions, per handhole: 17" handhole - $21.60; 24" or 30" handhole - $61.19.

h) Credit will be allowed to the Applicant's contribution in section 10.3.2., where, by mutual agreement, the Applicant installs an FPL-provided concrete pad for a pad-mounted transformer or capacitor bank, per FPL instructions, per pad - $60.00.

i) Credit will be allowed to the Applicant's contribution in Section 10.3.2., where, by mutual agreement, the Applicant installs a portion of Company-provided flexible HDPE conduit, per FPL instructions (per foot of conduit): $0.12.

j) Credit will be allowed to the Applicant's contribution in Section 10.3.2., where, by mutual agreement, the Applicant installs an FPL-provided concrete pad and cable chamber for a pad-mounted feeder switch, per pad and cable chamber - $565.15.

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FLORIDA POWER & LIGHT COMPANY

Thirty-Fifth Revised Sheet No. 6.120
Cancels Thirty-Fourth Revised Sheet No. 6.120

SECTION 10.4 UNDERGROUND SERVICE LATERALS FROM OVERHEAD ELECTRIC DISTRIBUTION SYSTEMS

10.4.1. New Underground Service Laterals
When requested by the Applicant, the Company will install underground service laterals from overhead systems to newly constructed residential buildings containing less than five separate dwelling units.

10.4.2. Contribution by Applicant
a) The Applicant shall pay the Company the following differential cost between an overhead service and an underground service lateral, as follows:

	Applicant's Contribution
1. For any density:	
Buildings that do not exceed four units, townhouses, and mobile homes	
a) per service lateral (includes service riser installation)	$683.84
b) per service lateral (from existing handhole or PM TX)	$348.83
2. For any density, the Company will provide a riser to a handhole at the base of a pole	$705.46

Additional charges specified in Paragraphs 10.2.10 and 10.2.11 may also apply. Underground service or secondary extensions beyond the boundaries of the property being served will be subject to additional differential costs as determined by individual cost estimates.

10.4.3. Contribution Adjustments
a) Credit will be allowed to the Applicant's contribution in Section 10.4.2 where, by mutual agreement, the Applicant provides trenching and backfilling for the Company's facilities. This credit is:

	Credit To Applicant's Contribution
1. For any density:	
Buildings that do not exceed four units, townhouses, and mobile homes - per foot	$3.48

(Continued on Sheet No. 6.125)

Issued by: S. E. Romig, Director, Rates and Tariffs
Effective:

FLORIDA POWER & LIGHT COMPANY

Twenty-First Revised Sheet No. 6.125
Cancels Twentieth Revised Sheet No. 6.125

(Continued from Sheet No. 6.120)

b) Credit will be allowed to the Applicant's contribution in Section 10.4.2, where by mutual agreement, the Applicant installs Company-provided conduit, per FPL instructions, as follows:

1. For any density:

Buildings that do not exceed four units, townhouses, and mobile homes - per foot:	2" PVC	$0.60
	Larger than 2" PVC	$0.84

c) Credit will be allowed to the Applicant's contribution in Section 10.4.2, where by mutual agreement, the Applicant requests the underground service to be installed as a TUG (subject to the conditions specified in Section 10.2.8.1), per service lateral, as follows:

1. For any density:

Buildings that do not exceed four units, townhouses, and mobile homes -per service lateral:	$60.00

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FLORIDA POWER & LIGHT COMPANY

Thirty-Second Revised Sheet No. 6.130
Cancels Thirty-First Revised Sheet No. 6.130

SECTION 10.5 UNDERGROUND SERVICE LATERALS REPLACING EXISTING RESIDENTIAL OVERHEAD AND UNDERGROUND SERVICES

10.5.1. Applicability
When requested by the Applicant, the Company will install underground service laterals from existing systems as replacements for existing overhead and underground services to existing residential buildings containing less than five individual dwelling units.

10.5.2. Rearrangement of Service Entrance
The Applicant shall be responsible for any necessary rearranging of his existing electric service entrance facilities to accommodate the proposed underground service lateral in accordance with the Company's specifications.

10.5.3 Trenching and Conduit Installation
The Applicant shall also provide, at no cost to the Company, a suitable trench, perform the backfilling and any landscape, pavement or other similar repairs and install Company provided conduit according to Company specifications. When requested by the Applicant and approved by the Company, the Company may supply the trench and conduit and the Applicant shall pay for this work based on a specific cost estimate. Should paving, grass, landscaping or sprinkler systems need repair or replacement during construction, the Applicant shall be responsible for restoring the paving, grass, landscaping or sprinkler systems to the original condition.

10.5.4. Contribution by Applicant

a) The charge per service lateral replacing an existing Company-owned overhead service for any density shall be:

	Applicant's Contribution
1. Where the Company provides an underground service lateral:	$651.49
2. Where the Company provides a riser to a handhole at the base of the pole:	$930.13

b) The charge per service lateral replacing an existing Company-owned underground service at Applicant's request for any density shall be:

1. Where the service is from an overhead system:	$643.46
2. Where the service is from an underground system:	$555.22

c) The charge per service lateral replacing an existing Customer-owned underground service from an overhead system for any density shall be: $426.82

d) The charge per service lateral replacing an existing Customer-owned underground service from an underground system for any density shall be: $91.81

The above charges include conversion of the service lateral from the last FPL pole to the meter location. Removal of any other facilities such as poles, downguys, spans of secondary, etc. will be charged based on specific cost estimates for the requested additional work.

Issued by: S. E. Romig, Director, Rates and Tariffs
Effective: