

STATE OF FLORIDA



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# Public Service Commission

May 11, 2017

Mr. John T. Butler  
Assistant General Counsel – Regulatory  
700 Universe Boulevard  
Juno Beach, FL 33408-0420

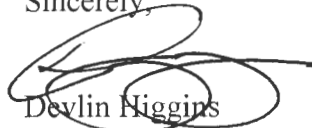
**Re: Docket No. 170097-EI, Petition for approval of a new depreciation class and rate for energy storage equipment, by Florida Power & Light Company.**

Dear Mr. Butler:

Staff has completed its initial review regarding Florida Power & Light Company's petition for approval of a new depreciation class and rate for energy storage equipment and we have some questions. Please provide your responses to the attached data and documents request by June 19, 2017.

Should you have any questions, or need further information, please do not hesitate to contact Devlin Higgins at (850) 413-6433.

Sincerely,

  
Devlin Higgins  
Public Utilities Analyst

Attachment  
cc: Office of Public Counsel  
Office of Commission Clerk

COMMISSION  
CLERK

2017 MAY 11 AM 11:39

RECEIVED-FPSC

DOCKET NO. 170097-EI

Staff's First Data Request

1. Please generally describe the type(s) of batteries contemplated and/or planned for use in effectuating Florida Power & Light's (FPL) 50 MW Battery Storage Pilot Program (Battery Storage Pilot). Please also note the function (i.e. production, transmission, distribution) if dissimilar assets will be used in each depreciable plant category.
2. How many batteries by type does FPL intend to install in order to achieve the full 50 MW of battery storage?
3. Has the Company begun installing any batteries and/or energy storage-associated equipment? If so, please identify the types of assets installed, dates of installation, number of MWs, and installation locations.
4. Please identify any currently scheduled installations of battery and/or energy storage-associated equipment.
5. Is FPL currently recording any plant depreciation associated with its Battery Storage Pilot?
  - a. If the response to Request No. 5 is affirmative, is the company requesting any plant in service and accumulated depreciation transfers be performed as part of this docket?
  - b. If the response to Request No. 5(a.) is affirmative, please specify: amounts to be transferred; accounts in which the property/balances are currently being depreciated; and accounts to which the property/balances are being transferred to.
6. Has FPL projected a date or timeframe when full implementation of the 50 MW Battery Storage Pilot will be achieved? If so, please specify the date or timeframe.
7. Has FPL estimated the total capital cost associated with the full 50 MW of battery storage? If so, please specify.
8. Is the Company aware of any other United States electric utility that has received regulatory approval for average service life and net salvage values for the purposes of depreciating energy storage equipment similar to the type(s) FPL will deploy? If so, please identify the utility or utilities and specify the approved service life and net salvage values.
9. Please refer to paragraph (5) of FPL's Petition for Approval of a New Depreciation Class and Rate for Energy Storage Equipment (Petition). Please elaborate on how battery/energy storage may "enhance" service for large commercial and industrial customers, small retail customers, and or large retail customers.
10. Please refer to paragraph (5) of FPL's Petition. Please list all known items which constitute "necessary equipment to connect such batteries to FPL's electric system."

11. Please refer to paragraph (6) of FPL's Petition. Please provide a hypothetical accounting example of how FPL would "allocate a single asset to multiple functions."
12. Please refer to paragraph (6) of FPL's Petition. According to the Company: "FPL consulted with its engineering subject matter experts, original equipment manufacturers for energy storage equipment and benchmarked with industry peers to conclude that a (10) year estimated useful life and net salvage of 0% is reasonable and appropriate."
  - a. Please identify the "subject matter experts" being referenced to in this passage.
  - b. Please identify the "original equipment manufacturers" being referenced to in this passage.
  - c. Concerning Request 12(b.), will the batteries/energy storage equipment carry a warranty when purchased from the manufacturers? If so, please specify or approximate the typical warranty period.
  - d. Please identify the "industry peers" being referenced to in this passage.

#### Documents Request

1. Please file with the Florida Public Service Commission (PSC) any documents the Company utilized in developing its proposed 10-year average service life and zero percent net salvage depreciation parameter request.
2. Please file with the PSC any documents the Company may have in support of its response to Data Request No. 12.