

STATE OF FLORIDA

COMMISSIONERS:
JULIE I. BROWN, CHAIRMAN
ART GRAHAM
RONALD A. BRISÉ
JIMMY PATRONIS
DONALD J. POLMANN



DIVISION OF ECONOMICS
GREG SHAFER
DIRECTOR
(850) 413-6410

Public Service Commission

June 28, 2017

RECEIVED-FPSC
2017 JUN 28 AM 11:46
COMMISSION
CLERK

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 review of the Company's responses to the first data request regarding Florida Power & Light Company's petition for approval of a new depreciation class and rate for energy storage equipment issued in this docket and we have some follow-up questions. Please provide your responses to the attached data request by July 24, 2017.

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

Sincerely,

A handwritten signature in black ink, appearing to read "Devlin Higgins".

Devlin Higgins
Public Utilities Analyst

Attachment

cc: Office of Public Counsel
Office of Commission Clerk

DOCKET NO. 170097-EI

Staff's Second Data Request

1. Please refer to both Florida Power & Light Company's (FPL) initial and Supplemental Response to Staff's First Data Request, No. 5.
 - a. The Company indicated that the assets listed in response No. 5 are not associated with its "50 MW Battery Storage Pilot" (Battery Storage Pilot) as approved by Florida Public Service Commission (Commission) Order No. PSC-16-0560-AS-EI, but rather the specific assets comprise "six smaller battery storage project installations."¹ Are the "six smaller battery storage project installations" the same project components of the energy storage project launched in conjunction with the "White House Summit on Scaling Renewable Energy and Storage" (Energy Storage Pilot)?²
 - b. If the response to (a.) is affirmative, are there any grants or financial awards being provided to the Company by the U.S. Federal Government for undertaking/participating in the Energy Storage Pilot? If so, please discuss, with specificity, any arrangement between the FPL and the U.S. Federal Government, which has, or will lead to, any financial transfers (to FPL) associated with the Energy Storage Pilot?
 - c. Are there any key distinctions between the information being sought (i.e. study objectives) in FPL's Energy Storage Pilot and Battery Storage Pilot? If so, please identify such distinctions.
2. Please refer to Page 86, Section c), of FPL's 2017 Ten Year Site Plan.
 - a. Is FPL describing the assets used in effectuating what is being referred to in this data request as the "Energy Storage Pilot" in the first paragraph of Section c)? If not, please explain.
 - b. If the response to (a.) is affirmative, why has FPL chosen to describe the assets used in effectuating what is being referred to in this data request as the "Energy Storage Pilot," in the same section of the 2017 TYSP as the Battery Storage Pilot?
 - c. Please reconcile the statements: "[a]t the time this Site plan is being readied for filing, FPL is in the midst of planning the details of this 50 MW *expansion* [emphasis added] of the pilot program (2017 TYSP, Page 86, Section c), second paragraph), and "as of the date of this response, FPL has not installed any assets associated with the Battery

¹ Order No. PSC-16-0560-AS-EI, issued December 15, 2016, in Docket No. 160021-EI, In re: Petition for rate increase by Florida Power & Light Company., Docket No. 160061-EI, Petition for approval of 2016-2018 storm hardening plan, by Florida Power & Light Company., Docket No. 160062-EI, 2016 depreciation and dismantlement study by Florida Power & Light Company., and Docket No. 160088-EI, Petition for limited proceeding to modify and continue incentive mechanism, by Florida Power & Light Company.

² Please see FPL Newsroom release: <http://newsroom.fpl.com/2016-06-16-FPL-launches-innovative-energy-storage-project-in-conjunction-with-White-House-summit-on-scaling-renewable-energy-and-storage>

Storage Pilot” (FPL’s Supplemental Response to Staff’s First Data Request, No. 5, filed: 6/26/17).

3. Has the Commission previously reviewed any costs associated with the Energy Storage Pilot for prudence and/or inclusion in the Company’s rate base? If so, please explain.
4. If the response to (3.) is negative, please discuss FPL’s position on whether the costs associated with the Energy Storage Pilot are eligible for inclusion in the Company’s rate base.
5. Does FPL consider the Commission’s approval (assuming it does so) of the transfer of assets into the proposed-to-be-established Federal Energy Regulatory Commission (FERC) Accounts (Accounts 348 – Energy Storage Equipment - Production and 363 – Energy Storage Equipment - Distribution) a determination of prudence with regards to those assets?