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July 7, 2017

STAFF'S FIRST DATA REQUEST (CORRECTION)

-VIA ELECTRONIC FILING-

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

Re: Docket No. 20170122-EI - Florida Power & Light Company's Petition to Request Exemption under Rule 25-22.082(18), F.A.C, from Issuing a Request for Proposals for the Modernization of the Lauderdale Plant

Dear Ms. Stauffer:

Please find enclosed for filing a copy of Florida Power & Light Company's ("FPL") corrected response to Staff's First Data Request No. 1 in the above mentioned docket.

This filing corrects an inadvertent calculation error in FPL's response to Staff's Data Request No. 1 filed in this docket on June 16, 2017, lowering the cumulative present value of revenue requirements ("CPVRR") savings calculation from \$406 million to \$356 million. It does not substantively change FPL's petition or affect the grounds supporting the requested Bid Rule exemption, including the importance of the exemption in helping to ensure that FPL will be able to deliver the projected CPVRR savings to customers in a timely manner (the projected savings are characterized in the petition as "approximately \$400 million").

Thank you for your assistance. Please contact me should you or your staff have any questions regarding this filing.

Sincerely,

s/ William P. Cox
William P. Cox
Senior Attorney
Florida Bar No. 0093531

WPC/msw
Enclosure

cc: Takira Thompson, Traci Matthews, Phillip Ellis, Division of Engineering
Charles Murphy, Office of the General Counsel
Patricia A. Christensen, Office of the Public Counsel

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QUESTION:

Please provide the projected system annual revenue requirement costs for capital, O&M, fuel, and environmental emissions with and without the Project. Please provide all requested data electronically in MS Excel format with all formulae intact.

CORRECTED RESPONSE:

The projected annual revenue requirements for the two scenarios are provided in Attachment No. 1 to this response. The annual revenue requirement values are presented in five categories: the four categories requested and a fifth category that presents the projected annual costs from continuing to operate the currently existing Lauderdale Units 4 & 5.

In the "With the Modernization" scenario, the existing Lauderdale Units 4 & 5 are assumed to be retired in the 4th Quarter of 2018, and the planned new 2x1 combined cycle (CC) unit is added in mid-2022. In the "Without the Modernization" scenario, the existing Lauderdale Units 4 & 5 are assumed to remain in operation. The projected cost difference in cumulative present value of revenue requirements (CPVRR) is \$356 million.

Projected System Annual Revenue Requirements

	Without Modernization Project						With Modernization Project						col (12) - col (6)	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)		(13)
	System Capital Costs (Millions)	System Net Fuel Costs (Millions)	System O&M Costs (Millions)	System Emission Costs (Millions)	Lauderdale 4&5 Operational Costs (Millions)	Total Annual Costs (Millions)	System Capital Costs (Millions)	System Net Fuel Costs (Millions)	System O&M Costs (Millions)	System Emission Costs (Millions)	Lauderdale 4&5 Operational Costs (Millions)	Total Annual Costs (Millions)		Total Plan Cost Difference (Millions)
2017	0	2,187	39	2	16	2,244	0	2,187	39	2	13	2,241	(3)	
2018	17	2,068	28	1	15	2,130	17	2,068	28	1	5	2,120	(10)	
2019	49	2,375	33	1	49	2,507	44	2,380	35	1	(2)	2,458	(49)	
2020	47	2,349	33	1	74	2,504	42	2,353	35	1	(2)	2,429	(75)	
2021	45	2,539	31	1	72	2,688	40	2,541	33	1	(2)	2,613	(74)	
2022	43	2,412	31	1	70	2,557	126	2,400	36	1	(1)	2,561	4	
2023	41	2,571	32	1	69	2,713	183	2,547	37	1	(1)	2,767	54	
2024	40	2,721	33	1	67	2,862	177	2,696	40	1	(1)	2,912	51	
2025	75	2,861	35	1	66	3,038	215	2,831	44	1	(1)	3,090	51	
2026	79	3,015	35	1	69	3,200	231	2,982	44	1	(1)	3,258	57	
2027	258	3,110	41	1	68	3,478	249	3,107	47	1	(1)	3,403	(75)	
2028	351	3,216	48	119	66	3,801	374	3,205	62	119	(1)	3,758	(42)	
2029	402	3,395	51	145	65	4,058	524	3,360	64	143	0	4,090	32	
2030	469	3,566	55	258	63	4,410	540	3,537	63	255	0	4,395	(14)	
2031	435	3,624	59	341	70	4,528	535	3,592	76	336	0	4,539	11	
2032	437	3,591	72	425	79	4,603	525	3,563	76	420	0	4,585	(18)	
2033	564	3,835	82	582	78	5,141	639	3,805	92	575	0	5,111	(30)	
2034	742	3,983	82	734	77	5,619	798	3,953	103	727	0	5,582	(37)	
2035	868	4,167	83	902	75	6,094	932	4,137	100	894	0	6,063	(31)	
2036	1,107	4,521	86	1,104	71	6,889	1,154	4,489	100	1,096	0	6,838	(52)	
2037	1,213	4,653	84	1,247	84	7,282	1,267	4,622	101	1,237	0	7,227	(55)	
2038	1,278	4,816	104	1,422	81	7,701	1,339	4,783	105	1,409	0	7,637	(65)	
2039	1,323	4,983	99	1,609	79	8,093	1,380	4,950	128	1,597	0	8,054	(39)	
2040	1,397	5,111	108	1,803	76	8,495	1,453	5,078	120	1,790	0	8,442	(53)	
2041	1,439	5,276	109	1,975	73	8,872	1,497	5,243	128	1,961	0	8,828	(44)	
2042	1,524	5,470	113	2,162	80	9,349	1,581	5,437	132	2,147	0	9,297	(52)	
2043	1,699	5,764	114	2,435	76	10,088	1,743	5,730	130	2,423	0	10,027	(62)	
2044	1,852	5,987	128	2,687	71	10,725	1,905	5,953	136	2,673	0	10,667	(58)	
2045	1,905	6,185	127	2,937	72	11,226	1,967	6,149	155	2,919	0	11,189	(37)	
2046	1,979	6,346	147	3,184	96	11,752	2,038	6,310	145	3,165	0	11,659	(93)	
2047	2,043	6,530	152	3,465	122	12,311	2,078	6,493	176	3,444	0	12,190	(121)	
2048	1,992	6,661	136	3,729	129	12,646	2,045	6,623	155	3,706	0	12,529	(117)	
2049	1,971	6,794	153	4,013	126	13,058	2,020	6,755	171	3,989	0	12,935	(122)	
2050	1,940	6,930	155	4,319	121	13,465	1,982	6,891	154	4,293	0	13,321	(145)	
2051	1,911	7,069	156	4,535	118	13,789	1,978	7,028	187	4,508	0	13,702	(87)	
2052	1,883	7,210	155	4,756	114	14,118	1,949	7,169	167	4,727	0	14,012	(106)	
2053	1,874	7,354	174	4,981	127	14,511	1,934	7,312	190	4,951	0	14,387	(124)	
2054	1,833	7,501	171	5,211	129	14,845	1,899	7,459	177	5,179	0	14,714	(131)	
2055	1,803	7,651	183	5,444	123	15,204	1,865	7,608	210	5,411	0	15,093	(111)	
2056	1,784	7,804	171	5,680	122	15,561	1,845	7,760	185	5,646	0	15,435	(125)	
2057	1,736	7,960	188	5,919	118	15,921	1,796	7,915	206	5,883	0	15,800	(120)	
2058	1,699	8,120	169	6,160	115	16,262	1,755	8,073	189	6,123	0	16,141	(121)	
2059	1,653	8,282	195	6,403	123	16,656	1,707	8,235	213	6,364	0	16,520	(136)	
2060	1,620	8,448	178	6,647	116	17,009	1,673	8,400	194	6,607	0	16,874	(134)	
2061	1,570	8,616	197	6,892	109	17,385	1,618	8,568	214	6,850	0	17,250	(135)	
CPVRR	6,678	47,814	828	10,028	904	66,252	7,426	47,561	939	9,960	9	65,896	(356)	

Assumptions:

- The two resource plans included several common capacity additions including: the solar additions (2017-2023), the 2019 Okeechobee CC, Turkey Point 6 in 2031, and Turkey Point 7 in 2032. - Because the fixed costs for these projects are identical in the two resource plans, those fixed costs were not included in the analyses. However, the variable costs for those projects might differ in the two resource plans. Therefore, the variable costs for these projects were included in the analyses.
- The plan with the modernization assumes that the existing Lauderdale 4 and 5 units will retire in the 4th quarter of 2018. The plan without the modernization assumes the Lauderdale units 4 and 5 continue to run.
- The plan with the modernization project assumes the 2x1 modernization will be in service by June 2022.

Notes:

- Col. (1) and Col. (7) Capital Costs include: Generation Capital, Transmission Interconnection, Transmission Integration, Pipeline, Capital Replacement Costs, Firm Gas Transportation Cost, Lauderdale Net Book Value, and Short Term PPA
- Col. (3) and Col. (9) includes: Fixed O&M, Variable O&M and Startup Costs
- Col. (5) and Col. (11) includes: Lauderdale 4&5 Fixed O&M and Capital Replacement Costs. The negative values in Col. (11) represent credits from equipment that is projected to be sold over an amortized 10 year period.