

EXHIBIT NO. 1

In Re: Proposed Adoption of Rule 25-6.030, F.A.C.,
Storm Protection Plan and Rule 25-6.031, F.A.C.,
Storm Protection Plan Recovery Clause

Docket No.: 20190131-EU

“OPC Revised Proposed Rules
25-6.030 and 25-6.31 Redline”

Item 6A

FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 20190131 EXHIBIT 1

OPC / Behwinkel

DATE 11/5/19

1 25-6.030 Storm Protection Plan.

2 (1) Application and Scope. Each utility as defined in Section 366.96(2)(a), F.S., must
3 within 90 days after the effective date of this rule, file a petition with the Commission for
4 approval of a Transmission and Distribution Storm Protection Plan (Storm Protection Plan)
5 that covers the utility's immediate 10-year planning period. Thereafter each utility must file
6 on the third Monday of January of each year a Plan update to be considered, for Commission
7 approval, an updated Storm Protection Plan at least every 3 years.

8 (2) For the purpose of this rule, the following definitions apply:

9 (a) "Storm protection program" – a category, type, or group of related storm protection
10 projects that are undertaken to enhance the utility's existing infrastructure for the purpose of
11 reducing restoration costs related to extreme weather conditions and reducing outage times
12 associated with extreme weather conditions therefore improving overall service reliability
13 related to threats from extreme weather conditions.

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14 (b) "Storm protection project" – a specific activity within a storm protection program
15 designed for the enhancement of an identified portion or area of existing electric transmission
16 or distribution facilities and managing vegetation for the purpose of reducing restoration costs
17 and reducing outage times associated with extreme weather conditions therefore improving
18 overall service reliability due to ~~during and after~~ extreme weather conditions.

19 (c) "Transmission and distribution facilities" – all utility owned poles and fixtures, towers
20 and fixtures, overhead conductors and devices, substations and related facilities, land and land
21 rights, roads and trails, underground conduits, and underground conductors assets maintained
22 in accounts or subaccounts within the transmission and distribution functions in accordance
23 with the Uniform System of Accounts for Public Utilities and Licensees as found in the Code
24 of Federal Regulations, Title 18, Subchapter C, Part 101, for Major Utilities, as revised April
25 1, 2018. Meters recorded in Account 370 are not considered transmission and distribution

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1 ~~facilities for the purposes of this rule or Rule 25-6.031. Battery storage assets recorded in~~
2
3 ~~Account 348 are not considered transmission and distribution facilities for the purposes of this~~
4 ~~rule or Rule 25-6.031.~~

5 (3) Contents of the Storm Protection Plan. For each Storm Protection Plan, the following
6 information must be provided:

7 (a) A description of how implementation of the proposed Storm Protection Plan will
8 strengthen electric utility infrastructure to withstand extreme weather conditions by promoting
9 the overhead hardening of electrical transmission and distribution facilities, the
10 undergrounding of certain electrical distribution lines, and vegetation management.

11 (b) A description of how implementation of the proposed Storm Protection Plan will
12 reduce restoration costs and outage times associated with extreme weather conditions
13 therefore improving overall service reliability.

14 (c) A description of the utility's service area, including areas prioritized for enhancement
15 and any areas where the utility has determined that enhancement of the utility's existing
16 transmission and distribution facilities would not be feasible, reasonable, or practical. Such
17 description must include a general map, number of customers served within each area, and the
18 utility's reasoning for prioritizing certain areas for enhanced performance and for designating
19 other areas of the system as not feasible, reasonable, or practical. This description must
20 include a listing of each jurisdiction in the utility's service territory with whom the utility has
21 a franchise agreement, and the term and expiration or next renewal option date for each such
22 agreement. Any expired agreements under negotiation, litigation or some interim or
23 temporary arrangement must be noted and explained.

24 (d) A description of each proposed storm protection program that includes:
25 1. A description of how each proposed storm protection program is designed to enhance

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1 the utility's existing transmission and distribution facilities including an estimate of the
2 resulting reduction in outage times and restoration costs due to extreme weather conditions;
3 2. If applicable, the actual or estimated start and completion dates of the program;
4 3. A cost estimate including capital and operating expenses;
5 4. A comparison of the costs identified in subparagraph (3)(d)3. and the benefits identified
6 in subparagraph (3)(d)1.; and
7 5. A description of the criteria used to select and prioritize proposed storm protection
8 programs.
9 (e) For the first ~~three~~two years in a utility's Storm Protection Plan, the utility must provide
10 the following information:
11 1. ~~For the first year of the plan, a~~ description of each proposed storm protection project
12 that includes:
13 i. The actual or estimated construction start and completion dates and the project location;
14 ii. A description of the affected existing facilities, including number and type(s) of
15 customers served, historic service reliability performance during extreme weather conditions,
16 and how this data was used to prioritize the proposed storm protection project;
17 iii. A cost estimate including capital and operating expenses; and
18 iv. A description of the criteria used to select and prioritize proposed storm protection
19 projects.
20 v. A demonstration that there are no strategic business considerations that are applied in
21 such a way as to prioritize a project for reasons unrelated to or inconsistent with subsections
22 (3)(d)1. and (3)(e)2.
23 vi. A description of all alternative storm protection projects that were considered in
24 selecting and prioritizing the projects included in the proposed Plan, including analyses of all
25 projects considered based on objective engineering and cost-effectiveness principles.

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1 including engineering reliability considerations, and the reasons for selecting the projects
2 included in the Plan, and also including the reasons for not selecting alternative projects.

3
4 2. For the ~~second and third~~ years of the plan, project ~~related~~ information in sufficient
5 detail, such as estimated number and costs of projects under every specific program, to allow
6 the development of preliminary estimates of rate impacts as required by paragraph (3)(h) of
7 this rule.

8 (f) For each of the first three years in a utility's Storm Protection Plan, the utility must
9 provide a description of its proposed vegetation management activities including:

- 10 1. The projected frequency (trim cycle);
- 11 2. The projected miles of affected transmission and distribution overhead facilities;
- 12 3. The estimated annual labor and equipment costs for both utility and contractor

13 personnel; and

14 4. A description of how the vegetation management activity will reduce outage times and
15 restoration costs due to extreme weather conditions.

16 ~~5. A demonstration that there are no strategic business considerations that are applied in~~
17 ~~such a way as to prioritize a project for reasons unrelated to or inconsistent with subsections~~
18 ~~(3)(d)1, and (3)(e)2;~~

19 ~~6. A description of all alternative storm protection projects that were considered in~~
20 ~~selecting and prioritizing the projects included in the proposed Plan, including analyses of all~~
21 ~~projects considered based on objective engineering and cost effectiveness principles,~~
22 ~~including engineering reliability considerations, and the reasons for selecting the projects~~
23 ~~included in the Plan, and also including the reasons for not selecting alternative projects.~~

24 (g) An estimate of the annual jurisdictional revenue requirements for each year of the
25 Storm Protection Plan.

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1 (h) An estimate of rate impacts for each of the first ~~three~~ ~~threetwo~~ years of the Storm
2 Protection Plan for the utility's typical residential, commercial, and industrial customers.

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3 (i) A description of any implementation alternatives that could mitigate the resulting rate
4 impact for each of the first three years of the proposed Storm Protection Plan.

5 (j) Detailed project-specific information for the most recent historical period (prior to the
6 first year of each Plan), and for each of the first two ~~three~~ years of a Plan, showing by each
7 year and project what storm protection projects and storm protection project costs are being
8 recovered through base rates or any other cost recovery mechanism and the associated costs
9 by capital and expense, including depreciation expense. For each of the Plan years, the same
10 level of detail must be provided showing incremental costs that the utility intends to incur
11 which are not being, and will not be, recovered through base rates or any other cost recovery
12 mechanism.

13 ~~(k) Any other factors directly related to the purposes of Section 366.96, Florida Statutes,~~
14 ~~the utility requests the Commission to consider.~~

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15 (4) By June 1, each utility must submit to the Commission Clerk an annual status report on
16 the utility's Storm Protection Plan programs and projects. The annual status report shall
17 include:

18 (a) Identification of all Storm Protection Plan programs and projects completed in the prior
19 calendar year or planned for completion, and the status of all incomplete projects;

20 (b) Actual costs and rate impacts associated with completed activities under the Storm
21 Protection Plan as compared to the estimated costs and rate impacts for those activities; and

22 (c) Estimated costs and rate impacts associated with programs planned for completion
23 during the next calendar year.

24 Rulemaking Authority 366.96, FS. Law Implemented 366.96, FS. History—New
25 _____

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1 **25-6.031 Storm Protection Plan Cost Recovery Clause.**

2 (1) Application and Scope. This rule applies to each investor-owned electric utility
3 (utility).

4 (2) After the Commission has issued a final order approving a utility's -Transmission
5 and Distribution Storm Protection Plan (Storm Protection Plan), a utility may file a petition for
6 recovery ~~through the Storm Protection Plan cost recovery clause~~ of Storm Protection Plan
7 ~~associated costs that it has incurred since the approval of the Plan and prior to the filing of the~~
8 ~~petition through the Storm Protection Plan cost recovery clause.~~ The utility's petition shall be
9 supported by testimony that provides details on the annual Storm Protection Plan
10 implementation activities and associated costs, and how those activities and costs are
11 consistent with its approved Storm Protection Plan.

12 (3) An annual hearing ~~will be conducted no later than July 31 of each year after the~~
13 ~~calendar year in which the first Plan was approved~~ to address petitions for recovery of Storm
14 Protection Plan costs. ~~The hearing~~ will be limited to determining the reasonableness of
15 ~~projected Storm Protection Plan costs, the and~~ prudence of actual Storm Protection Plan costs
16 incurred by the utility, and to establish ~~the Storm Protection Plan cost recovery factors~~
17 consistent with the requirements of this rule.

18 (4) Deferred accounting treatment. Storm Protection Plan cost recovery clause true-up
19 amounts shall be afforded deferred accounting treatment at the 30-day commercial paper rate
20 ~~for variances recovered pursuant to subsection (7)(a).~~

21 (5) Subaccounts. To ensure separation of costs subject to recovery through the clause,
22 the utility filing for cost recovery shall maintain subaccounts for all items consistent with the
23 Uniform System of Accounts prescribed by this Commission, pursuant to Rule 25-6.014,
24 F.A.C.

25 (6) Recoverable costs.

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1 (a) The utility's petition for recovery of costs associated with its Storm Protection Plan
2 may include costs incurred after the filing of the utility's Storm Protection Plan.

3 (b) Storm Protection Plan costs recoverable through the clause shall not include costs
4 recovered through the utility's base rates or any other cost recovery mechanism. ~~The utility~~
5 ~~must file detailed information consistent with Rule 25-6.030(g), F.A.C., as a part of meeting~~
6 ~~its burden of demonstrating that clause-eligible costs are not being recovered in base rates or~~
7 ~~any other cost recovery mechanism.~~

8 (c) The utility may recover the annual depreciation expense on capitalized Storm
9 Protection Plan expenditures using the utility's most recent Commission-approved
10 depreciation rates. The utility may recover a return on the undepreciated balance of the costs
11 calculated at the utility's weighted average cost of capital using the return on equity ~~mid-point~~
12 most recently approved by the Commission.

13 (7) Pursuant to the order establishing procedure in the annual cost recovery
14 proceeding, a utility shall submit the following for Commission review and approval as part of
15 its cost recovery filings:

16 ~~(a) Final True-Up for Previous Year. The utility shall submit its final true-up of Storm~~
17 ~~Protection Plan revenue requirements based on actual costs for the prior year and previously~~
18 ~~filed costs and revenue requirements for such prior year and a description of the work actually~~
19 ~~performed during such year.~~

20 ~~(b) Estimated True-Up for Current Year. The utility shall submit its actual/estimated~~
21 ~~true-up of Storm Protection Plan revenue requirements based on a comparison of current year~~
22 ~~actual/estimated costs and the previously filed projected costs and revenue requirements for~~
23 ~~such current year and a description of the work projected to be performed during such year.~~

24 ~~(c) Projected Costs for Subsequent Year. The utility shall submit its projected Storm~~
25 ~~Protection Plan costs and revenue requirements for the subsequent year and a description of~~

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1 ~~the work projected to be performed during such year.~~

2 (ad) True-Up of Variances. The utility shall report observed true-up variances
3 including sales forecasting variances and changes in the utility's prices of services and/or
4 equipment and changes in the scope of work relative to the estimates provided pursuant to
5 subparagraphs (7)(b) and (7)(e). The utility shall also provide explanations for variances
6 regarding the implementation of the approved Storm Protection Plan.

7 (be) Proposed Storm Protection Plan Cost Recovery Factors. The utility shall provide
8 the calculations of its proposed factors and effective 12-month billing period.

9 (8) Recovery of costs under this rule does not preclude a utility from proposing
10 inclusion of future Storm Protection Plan costs in base rates in a subsequent rate proceeding.

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12 *Rulemaking Authority 366.96, FS. Law Implemented 366.96, FS. History—New_____.*

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EXHIBIT NO. 2

In Re: Proposed Adoption of Rule 25-6.030, F.A.C.,
Storm Protection Plan and Rule 25-6.031, F.A.C.,
Storm Protection Plan Recovery Clause

Docket No.: 20190131-EU

OPC October 29, 2019 Fact Discovery

Item 6A

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET NO. 20190131 EXHIBIT 2
OPC / Rehwinkel

DATE 11/15/19

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Re: Proposed adoption of Rule 25-6.030, F.A.C.,
Storm Protection Plan, and Rule 25-6.031, F.A.C.,
Storm Protection Plan Cost Recovery Claus

DOCKET NO. 20190131-EU

FILED: October 29, 2019

**NOTICE OF SERVICE OF CITIZENS' FIRST REQUEST FOR PRODUCTION OF
DOCUMENTS AND FIRST SET OF INTERROGATORIES
TO DUKE ENERGY**

Pursuant to Section 350.0611, Florida Statutes, the Citizens of the State of Florida, by and through J.R. Kelly, Public Counsel, serve this notice that they have served their First Request for Production of Documents (Nos. 1-11) and First Set of Interrogatories (Nos. 1-29). This discovery is being served to Matthew R. Bernier, Duke Energy, ("Duke"), 106 East College Avenue, Suite 800, Tallahassee, FL 32301 on this 29th day of October, 2019.

Respectfully submitted,

/s/ J.R. Kelly

J. R. Kelly
Public Counsel

Office of Public Counsel
c/o The Florida Legislature
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Attorneys for the Citizens
of the State of Florida

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Citizens' Notice of Service of First Request for Production of Documents (Nos. 1-11) and First Set of Interrogatories (No. 1-29) has been furnished by electronic mail on this 29th day of October 2019, to the following:

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Public Counsel

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Re: Proposed adoption of Rule 25-6.030, F.A.C. ,
Storm Protection Plan, and Rule 25-6.031, F.A.C.,
Storm Protection Plan Cost Recovery Claus

DOCKET NO. 20190131-EU

FILED: October 29, 2019

**CITIZENS' FIRST REQUEST FOR PRODUCTION OF DOCUMENTS TO
DUKE ENERGY (NOS. 1-11)**

Pursuant to § 350.0611(1), F.S., Rule 28-106.206, Fla. Admin. Code, and Rule 1.350, Fla. R. Civ. P., the Citizens of the State of Florida, through the Office of Public Counsel, request Duke Energy (Duke or Company) to produce the following documents for inspection and copying at the Office of Public Counsel, Claude Pepper Building, 111 West Madison Street, Room 812, Tallahassee, Florida 32399-1400, or at such other mutually agreed place, as provided by the Rules of Civil Procedure, and within the time period set out in Order No. PSC-2019-0272-PCO-EI, as amended by Amendatory Order PSC-2019-0272A-PCO-EI. **In lieu of hard copy responses, OPC requests that the Company provide the responses electronically as described below in the Instructions.**

DEFINITIONS

As used herein, the following words shall have the meanings indicated:

“You”, “your”, “Company” or “Duke” refers to Duke Energy, its employees, consultants, agents, representatives, attorneys of the Company, and any other person or entity acting on behalf of the Company. “Parent” means the holding company or parent of the Florida regulated Company. “Affiliate” means the affiliate or sister companies regulated in Florida or which are regulated by, or operate primarily in, another jurisdiction.

“Document” refers to written matter of any kind, regardless of its form, and to information recorded on any storage medium, whether in electrical, optical or electromagnetic form, and capable of reduction to writing by the use of computer hardware and software. The terms "document" and "documents" are meant to have the broadest possible meaning under applicable

law and includes, but is not necessarily limited to, any written, recorded, filmed or graphic matter, whether produced, reproduced, or on paper, e-mail, cards, tapes, film, electronic facsimile, computer storage device or any other media, including, but not limited to, memoranda, notes, minutes, records, photographs, correspondence, communications, telegrams, diaries, bookkeeping entries, financial statements, tax returns, checks, check stubs, reports, studies, charts, graphs, statements, notebooks, handwritten notes, applications, agreements, books, pamphlets, periodicals, appointment calendars, records and recordings of oral conversations, work papers, and notes, any of which are in your possession, custody, or control.

INSTRUCTIONS

1. If any document is withheld under any claim to privilege, please furnish a list identifying each document for which privilege is claimed, together with the following information: date, sender, recipients, recipients of copies, subject matter of the document, and the basis upon which such privilege is claimed.
2. Responsive documents available in an electronic format shall be provided in their native electronic format, unless the parties have reached a specific agreement in advance for production of the documents in a different, agreed-upon format or medium. OPC requests that responses for each production of document request be provided in separate electronic folders that include the documents responsive to the request.
3. If you have possession, custody, or control of the original of the documents requested, please produce a copy of the originals and all versions that are different in any way from the original, whether by interlineation, receipt stamp or notation. If you do not have possession, custody, or control of the originals of the documents requested, please produce a copy of the version(s) in your possession, custody, or control, however, made.
4. In providing documents, the Company, is requested to furnish all documents or items in its physical possession or custody, as well as those materials under the physical possession,

custody or control of any other person acting or purporting to act on behalf of the Company or any of the employees or representatives, whether as an agent, independent contractor, attorney, consultant, witness, or otherwise, of the Company.

5. Please construe "and" as well as "or" either disjunctively or conjunctively as necessary to bring within the scope of this production of documents any document which might otherwise be constructed to be outside the scope.
6. Please provide all responses that include workpapers, data, calculations and spreadsheets in non-password protected and executable PC-compatible computer program/models/software. Formulae, links, and cells, formatting, metadata and any other original features assisting in calculation should be intact. For example, Excel documents and documents of a similar format shall be produced in their native electronic format, with all spreadsheets, formulas, and links unlocked and intact. To the extent the data requested does not exist in the form requested, please notify the undersigned counsel so that the parties can confer to reach a resolution for timely production.
7. Documents should be produced in an OCR (Optical Character Recognition) searchable format.
8. Pursuant to the Commission's order establishing procedure, each page of every document produced pursuant to requests for production of documents shall be identified individually through the use of a Bates Stamp or other equivalent method of sequential identification.

PRODUCTION OF DOCUMENTS

1. Please provide all documents that describe the Company's policies and procedures for accounting for capital projects.
2. Please provide all documents that describe the Company's policies and procedures for applying Allowance for Funds Used During Construction (AFUDC) to capital projects in compliance with Rule 25-6.0141, Florida Administrative Code.
3. Please provide all documents that describe the Company's process and timeline for undergrounding laterals.
4. Please provide all documents that describe the Company's process and timeline for replacing transmission structures and components.
5. Please provide all documents that describe the Company's process and timeline for replacing wooden poles with concrete or more wind resistant materials.
6. Please provide all Company documents that describe how customer meters aid in the recovery from extreme weather events.
7. Please provide all literature known to the Company that describe how customer meters aid in the recovery from extreme weather events.
8. Please provide all Company documents that describe how battery installations aid in the recovery from extreme weather conditions.
9. Please provide all literature known to the Company that describe how battery installations aid in the recovery from extreme weather conditions.

10. Please provide all Company documents that describe the Company's policies and procedures for determining how storm protection plan projects are designed to enhance the Company's existing transmission and distribution facilities.

11. Please provide all Company documents that describe the Company's policies and procedures for determining how storm protection plan projects are to be prioritized.

Respectfully submitted,

/s/ J.R. Kelly

J.R. Kelly
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Attorneys for the Citizens
of the State of Florida

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Office of Public Counsel's First Request for Production of Documents to Duke Energy (Nos. 1-11) has been furnished by electronic mail on this 29th day of October 2019, to the following:

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Docket No. 20190131
Citizens' First Request for Production of Documents to Duke (No. 1-11)

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Public Counsel

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Re: Proposed adoption of Rule 25-6.030, F.A.C.,
Storm Protection Plan, and Rule 25-6.031,
F.A.C., Storm Protection Plan Cost Recovery
Claus

DOCKET NO. 20190131-EU

FILED: October 29, 2019

CITIZENS' FIRST SET OF INTERROGATORIES TO
DUKE ENERGY (NOS. 1-29)

Pursuant to § 350.0611(1), F.S., Rule 28-106.206, Fla. Admin. Code, and Rule 1.340, Fla. R. Civ. P., the Citizens of the State of Florida (Citizens), through the Office of Public Counsel (OPC), propound the following interrogatories to Duke Energy (Duke or Company). These interrogatories shall be answered under oath by you or your agent, who is qualified and who will be identified, with the answers being served as provided by the Rules of Civil Procedure, within the time period set out in Order No. PSC-2019-0272-PCO-EI, as amended by Amending Order PSC-2019-0272A-PCO-EI, or as mutually agreed. As provided by Rule 1.340(a), Florida Rules of Civil Procedure, each interrogatory shall be answered separately and fully in writing under oath unless it is objected to. Each answer shall be signed by the person making it. Please supply the name, address, and relationship to the Company of those persons providing the answers to each of the following interrogatories.

To the extent the Company provides documents in response to an interrogatory, Citizens request the Company produce the documents for inspection and copying at the Office of Public Counsel, Claude Pepper Building, 111 West Madison Street, Room 812, Tallahassee, Florida 32399-1400.

DEFINITIONS

As used herein, the following words shall have the meanings indicated:

“You”, “your”, “Company” or “Duke” refers to Duke Energy, its employees, consultants, agents, representatives, attorneys of the Company, and any other person or entity acting on behalf of the Company. “Parent” means the holding company or parent of the Florida regulated

Company. "Affiliate" means the affiliates or sister companies regulated in Florida or which are regulated by, or operate primarily in, another jurisdiction.

"Document" refers to written matter of any kind, regardless of its form, and to information recorded on any storage medium, whether in electrical, optical or electromagnetic form, and capable of reduction to writing by the use of computer hardware and software.

"Identify" means:

- (a) With respect to a person, to state the person's name, address and business relationship (e.g., "employee") to the Company;
- (b) With respect to a document, to state the nature of the document in sufficient detail for identification in a request for production, its date, its author, and to identify its custodian. If the information or document identified is recorded in electrical, optical or electromagnetic form, identification includes a description of the computer hardware or software required to reduce it to readable form.

INSTRUCTIONS

1. To the extent an interrogatory calls for information which cannot now be precisely and completely furnished, such information as can be furnished should be included in the answer, together with a statement that further information cannot be furnished, and a statement as to the reasons therefore. If you expect to obtain further information between the time answers are served and the time of hearing, you are requested to state this fact in each answer. If the information which cannot now be furnished is believed to be available to another person, identify such other person and the reasons for believing such person has the described information.
2. In the event any interrogatory herein calls for information or documents which you deem to be privileged, in whole or in part, you shall
 - (a) make the claim expressly and specify the grounds relied upon for the claim of privilege,
 - (b) produce the information or documents in redacted form, and
 - (c) to the extent any information or documents are withheld, you shall identify and describe the nature of each document not disclosed and each redacted provision in a manner that will enable other parties to assess the applicability of the privilege or protection.

3. Documents or reports to be identified shall include all documents in your possession, custody and control and all other documents of which you have knowledge. If a document is produced in response to an interrogatory, please produce a copy of the original and all versions that are different in any way from the original, whether by interlineation, receipt stamp or notation. If you do not have possession, custody, or control of the originals of the documents requested, please produce a copy of the version(s) in your possession, custody, or control, however, made.
4. Separate answers shall be furnished for each interrogatory, although where the context permits, an interrogatory may be answered by reference to the answer furnished to another interrogatory.
5. For each interrogatory, identify the name, address, telephone number and position of the person responsible for providing the answer.
6. Responsive documents available in an electronic format shall be provided in their native electronic format, unless the parties have reached a specific agreement in advance for production of the documents in a different, agreed-upon format or medium. OPC requests that responses for each production of document request be provided in separate electronic folders that include the documents responsive to the request.
7. Documents should be produced in an OCR (Optical Character Recognition) searchable format.
8. Please provide all responses to these interrogatories that include workpapers, data, calculations and spreadsheets in non-password protected and executable PC-compatible computer program/models/software. Formulae, links, and cells, formatting, metadata and any other original features assisting in calculation should be intact. For example, Excel documents and documents of a similar format shall be produced in their native electronic format, with all spreadsheets, formulas, and links unlocked and intact. To the extent the data requested does not exist in the form requested, please notify the undersigned counsel so that the parties can confer to reach a resolution for timely production.

INTERROGATORIES

1. Please describe in detail how the Company determines what encompasses a project in accordance with Definition 26 – Project, of the Code of Federal Regulation 18, Chapter 1.
2. Please describe in detail how your Company determines what encompasses a project that would be eligible for AFUDC?
3. Please describe in detail how your Company determines when a project is eligible for AFUDC treatment?
4. Please provide the amount equal to 0.5% of the sum of the total balance in Account 101 – Electric Plant In Service, and Account 106 – Completed Construction not Classified as of August 31, 2019?
5. Given the following hypothetical:
 - Three undergrounding of lateral projects located in three distinctly separate counties,
 - Company contracts for all three under one contract,
 - None of the three projects independently meet the AFUDC requirements of Rule 25-6.0141, Florida Administrative Code.
 - All three projects added together meet the threshold test of Rule 25-6.0141, Florida Administrative Code.

Do you believe the above projects would accrue AFUDC in accordance with your company policies and procedures? Explain your answer.

6. Please provide a detailed description of how the Company identifies, tracks, and accounts for current individual projects that they consider "storm hardening" as described in the Company's recent 2019-2021 storm hardening plan filed on March 1, 2019 and approved by the Commission on July 9, 2019?
7. Please provide a detailed description of each current individual project that the Company considers storm hardening as described in the Company's recent 2019-2021 storm hardening plan approved by the Commission on July 9, 2019?
8. Please provide a detailed description of the process that your Company uses to identify the need to harden or underground a service lateral?
9. Please provide a detailed description of how the company determines the priority to underground a service lateral?
10. Please provide the following for undergrounding a service lateral:
 - a. What government entities does the Company have to obtain a permit from for an undergrounding project?
 - b. At what point in time for an undergrounding project would the Company file for the needed permit(s)?

- c. Please explain in detail, once an undergrounding lateral project is identified, how long does the preliminary engineering of the project take. Please include a timeline of activities involved as well as a description of each activity.
 - d. Does your Company contract with a separate entity for the lateral undergrounding projects or do you complete the construction by using Company employees to perform the work? If your Company uses contractors to perform the lateral underground work, does each project require a new contract? If a new contract is required, please provide a detailed description of the activities required for a vendor search and to execute a new contract.
11. Please describe the types of storm hardening projects that your Company has (a) completed in 2019 and (b) has started construction in 2019?
12. Please provide a detailed list and description of all functions of the customer meters that your Company has currently installed. The list should be broken into two categories: 1) functions used for extreme weather events and 2) functions other than those used for extreme weather events. Extreme weather events are defined as named tropical storm or hurricane events.
13. Please provide a detailed list and description of all functions of current and future battery installations currently in place or planned for construction. If any functions are described as needed for extreme weather events, please provide a detailed description of how they would benefit customers during this type of event.

14. According to your storm hardening plans filed with the Commission prior to the new statute being signed into law and approved by the Commission on July 9, 2019, your Company already has plans to perform storm hardening activities for 2019 and 2020. Is it your Company's opinion that all of these activities and proposed dollar thresholds would be recovered through your Company's current base rates and therefore not be requested for recovery through the new Storm Protection Cost Recovery Clause? Explain your answer.

15. Proposed Rule 25-6.031(6)(b), Storm Protection Plan Cost Recovery Clause (SPPCRC) states that costs included in base rates or other cost recovery mechanisms are not recoverable through this clause. However, Proposed Rule 25-6.030, Storm Protection Plan (SPP), has no such language. Is it your Company's intention and/or opinion that the Storm Protection Plan should and will include storm protection costs, both capital costs and expensed costs, that are currently being recovered through the Company's base rates as well as the incremental costs above those already included in base rates?

16. If your answer to Question 14 is yes, please explain how the Commission will be able to distinguish between costs covered by base rates and the incremental costs above that covered by base rates based on the language in the proposed rule?

17. Please explain how your company currently accounts for and recovers tree trimming expenses?

18. Please explain in detail how the Company will distinguish between tree trimming expenses currently being recovered through base rates and those that you will be requesting as new incremental costs to be recovered through the SPPCRC?
19. Is it your Company's belief that undergrounding of new distribution systems would be considered an enhancement of the current infrastructure and therefore includable for recovery through the storm protection recovery clause?
20. Is it your company's intention that a storm protection program would include all projects of a specific type such as undergrounding laterals?
21. Proposed Rule 25-6.030(3)(e)1., Storm Protection Plan, requires the Company file a description of each storm protection project. Is it your Company's opinion that the rule does not require the Company to show how it selected and/or prioritized each of these projects?
 - a. Is it also the Company's opinion that the Commission does not need that information to determine the prudence of moving forward with a particular project included in the first year?
 - b. If the answer to 20(a) is yes, please explain how the Commission can decide whether a particular project should be included based on the Company's prioritization of a program.
22. Proposed Rule 25-6.030(3)(e)2, Storm Protection Plan does not require the Company to list the specific projects to be included in years 2 and 3. Please explain how the

Commission can make a determination that the programs included in year 2 and 3 do not include projects already being recovered through base rates if no project detail is given?

23. Please provide a detailed description of the process that your Company uses to identify the need to storm harden or enhance the wind capability of transmission structures and components?
24. Please provide a detail description of how the company determines the priority to storm harden or enhance the wind capability of transmission structures and components?
25. Please provide the following for storm hardening or enhancing the wind capability of transmission structures and components:
 - a. What government entities does the Company have to obtain a permit(s) from to storm harden or enhance the wind capability of transmission structures and components?
 - b. At what point in time for such a project would the Company file for the needed permit(s)?
 - c. Please explain in detail, once a transmission structure project is identified, the length of time the preliminary engineering of the project takes. Please include a timeline of activities involved as well as a description of each activity.
 - d. Does your Company contract for the transmission structure projects or does Company complete the construction using Company employees?
 - i. If your Company uses contractors, does each project require a new contract?

- ii. If a new contract is required, please provide a detailed description of the activities required to conduct a vendor search and to execute a new contract.
26. Please provide a detail description of the process that your Company uses to identify the need to replace wooden poles with concrete or other enhanced wind resistant structures?
27. Please provide a detailed description of how the company determines the priority to replace wooden poles with concrete or other enhanced wind resistant structures?
28. Please provide the following regarding the process for replacing wooden poles with concrete or other enhanced wind resistant structures and components:
- a. What government entities does the Company have to obtain a permit(s) from to replace wooden poles with concrete or other enhanced wind resistant structures and components?
 - b. At what point in time for such a project would the Company file for the needed permit(s)?
 - c. Please explain in detail, once a replacement of wooden poles with concrete or other enhanced wind resistant structures and components project is identified, the length of time the preliminary engineering of the project takes. Please include a timeline of activities involved as well as a description of each activity.
 - d. Does your Company contract with a separate entity for the replacement of wooden poles with concrete or other enhanced wind resistant structures and components

projects, or does the Company complete the construction by using Company employees?

- i. If your Company uses contractors, does each project require a new contract?
- ii. If a new contract is required, please provide a detail description of the activities required for a vendor search and to execute a new contract.

29. Proposed Rule 25-6.031(3), states that the annual hearing will be limited to determining the reasonableness of approved storm protection plan costs, determining the prudence of actual storm protection plan costs incurred by the utility, and establishing storm protection plan cost recovery factors consistent with the requirements of this rule. If no project information is required for years 2 and 3 of the plan, please explain how the Commission, Commission Staff or any intervenor can contest the inclusion of a particular project as being imprudent for inclusion in the clause for recovery?

Respectfully submitted,

/s/ J.R. Kelly

J.R. Kelly
Public Counsel

Office of Public Counsel
c/o The Florida Legislature
111 West Madison Street
Room 812
Tallahassee, FL 32399-1400

Attorneys for the Citizens
of the State of Florida

AFFIDAVIT

STATE OF FLORIDA)

COUNTY OF _____)

I hereby certify that on this _____ day of _____, 2019, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared _____, who is personally known to me, and he/she acknowledged before me that he/she provided the answers to interrogatory number(s) _____ from CITIZENS' FIRST SET OF INTERROGATORIES TO DUKE ENERGY (NOS. 1-29) in Docket No. 20190131-EU, and that the responses are true and correct based on his/her personal knowledge.

In Witness Whereof, I have hereunto set my hand and seal in the State and County aforesaid as of this _____ day of _____, 2019.

Notary Public
State of Florida, at Large

My Commission Expires:

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Office of Public Counsel's 1st Set of Interrogatories to Duke Energy (Nos. 1-29) has been furnished by electronic mail on this 29th day of October 2019, to the following:

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Tampa Electric Company
Ms. Paula K. Brown
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Represented By: Ausley Law Firm

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Beth Keating
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Represents: Florida Public Utilities
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matthew.bernier@duke-energy.com

Florida Public Utilities Company
Mike Cassel
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Docket No. 20190131
Citizens' First Set of Interrogatories to Duke (Nos. 1-29)

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jmoyle@moylelaw.com
Represents: Florida Industrial Power
Users Group

/s/ J.R. Kelly
J.R. Kelly
Public Counsel

BEFORE THE PUBLIC SERVICE COMMISSION

In Re: Proposed Adoption of Rule 25-6.030, F.A.C.,
Storm Protection Plan and Rule 25-6.031, F.A.C., Storm
Protection Plan Recovery Clause

Docket No.: 20190131-EU

Filed: October 30, 2019

CORRECTED
NOTICE OF DEPOSITION DUCES TECUM

TO: Duke Energy Florida, LLC
Dianne M. Triplett, Esq.
299 First Avenue North
St. Petersburg, FL 33701
dianne.triplett@duke-energy.com

Matthew R. Bernier, Esq.
106 East College Avenue, Suite 800
Tallahassee, FL 32301
matthew.bernier@duke-energy.com

NOTICE is hereby given that pursuant to Rule 28-106.206, Florida Administrative Code and Florida Rule of Civil Procedure 1.310, the Office of Public Counsel will take the deposition of the following named individuals at the location and time indicated below:

NAME	DATE and TIME	LOCATION
Duke Energy Florida, LLC (DEF) Corporate Representative, or Panel of Corporate Representatives, as described below.	Monday, November 18, 2019 3:00 p.m. Or date and time mutually agreed.	Office of Public Counsel 111 W. Madison Street, Rm 812 Tallahassee, Florida 32399-1400

Please produce as a corporate representative the following person or persons:

1. Who can explain in detail the entire planning process for undergrounding projects.
2. Who can explain the accounting treatment of AFUDC for such undergrounding projects.
3. Who can describe the ongoing undergrounding projects contained in the Storm Hardening Plans the Commission approved on July 9, 2019.

This deposition shall be taken upon oral examination before an official court reporter or other officer authorized by law to take depositions. The deposition is being taken for purposes of discovery, for use at trial, and for any other purposes allowed under the Florida Rules of Civil Procedure and the Rules of the Florida Public Service Commission.

Please govern yourselves accordingly.

Respectfully Submitted,

/s/J. R. Kelly

J. R. Kelly

Public Counsel

Office of Public Counsel
c/o The Florida Legislature
111 West Madison Street, Room 812
Tallahassee, FL 32399-1400
(850) 488-9330
Attorneys for the Citizens
of the State of Florida

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by electronic mail to the following parties on this 30th day of October, 2019.

Adria Harper
Andrew King
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/s/J. R. Kelly
J. R. Kelly
Public Counsel

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Re: Proposed adoption of Rule 25-6.030, F.A.C.,
Storm Protection Plan, and Rule 25-6.031, F.A.C.,
Storm Protection Plan Cost Recovery Claus

DOCKET NO. 20190131-EU

FILED: October 29, 2019

**NOTICE OF SERVICE OF CITIZENS' FIRST REQUEST FOR PRODUCTION OF
DOCUMENTS AND FIRST SET OF INTERROGATORIES
TO FLORIDA POWER & LIGHT COMPANY**

Pursuant to Section 350.0611, Florida Statutes, the Citizens of the State of Florida, by and through J.R. Kelly, Public Counsel, serve this notice that they have served their First Request for Production of Documents (Nos. 1-11) and First Set of Interrogatories (Nos. 1-29). This discovery is being served to Kenneth A. Hoffman, Florida Power & Light Company, ("FPL"), 134 W. Jefferson Street, Tallahassee, FL 32301 on this 29th day of October, 2019.

Respectfully submitted,

/s/ J.R. Kelly

J. R. Kelly
Public Counsel

Office of Public Counsel
c/o The Florida Legislature
111 West Madison Street
Room 812
Tallahassee, FL 32399-1400

Attorneys for the Citizens
of the State of Florida

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Citizens' Notice of Service of First Request for Production of Documents (Nos. 1-11) and First Set of Interrogatories (No. 1-29) has been furnished by electronic mail on this 29th day of October 2019, to the following:

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M. Means
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mmeans@ausley.com
Represents: Tampa Electric
Company

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Cindy Miller
1544 Cristobal Drive
Tallahassee, FL 32303
milcindy@gmail.com

Joint Administrative Procedures
Committee
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Tampa Electric Company
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Represented By: Ausley Law Firm

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/s/ J.R. Kelly
J. R. Kelly
Public Counsel

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Re: Proposed adoption of Rule 25-6.030, F.A.C.,
Storm Protection Plan, and Rule 25-6.031, F.A.C.,
Storm Protection Plan Cost Recovery Claus

DOCKET NO. 20190131-EU

FILED: October 29, 2019

**CITIZENS' FIRST REQUEST FOR PRODUCTION OF DOCUMENTS TO
FLORIDA POWER & LIGHT COMPANY (NOS. 1-11)**

Pursuant to § 350.0611(1), F.S., Rule 28-106.206, Fla. Admin. Code, and Rule 1.350, Fla. R. Civ. P., the Citizens of the State of Florida, through the Office of Public Counsel, request Florida Power & Light Company (FPL or Company) to produce the following documents for inspection and copying at the Office of Public Counsel, Claude Pepper Building, 111 West Madison Street, Room 812, Tallahassee, Florida 32399-1400, or at such other mutually agreed place, as provided by the Rules of Civil Procedure, and within the time period set out in Order No. PSC-2019-0272-PCO-EI, as amended by Amendatory Order PSC-2019-0272A-PCO-EI. **In lieu of hard copy responses, OPC requests that the Company provide the responses electronically as described below in the Instructions.**

DEFINITIONS

As used herein, the following words shall have the meanings indicated:

“You”, “your”, “Company” or “FPL” refers to Florida Power & Light Company, its employees, consultants, agents, representatives, attorneys of the Company, and any other person or entity acting on behalf of the Company. “Parent” means the holding company or parent of the Florida regulated Company. “Affiliate” means the affiliate or sister companies regulated in Florida or which are regulated by, or operate primarily in, another jurisdiction.

“Document” refers to written matter of any kind, regardless of its form, and to information recorded on any storage medium, whether in electrical, optical or electromagnetic form, and capable of reduction to writing by the use of computer hardware and software. The terms

"document" and "documents" are meant to have the broadest possible meaning under applicable law and includes, but is not necessarily limited to, any written, recorded, filmed or graphic matter, whether produced, reproduced, or on paper, e-mail, cards, tapes, film, electronic facsimile, computer storage device or any other media, including, but not limited to, memoranda, notes, minutes, records, photographs, correspondence, communications, telegrams, diaries, bookkeeping entries, financial statements, tax returns, checks, check stubs, reports, studies, charts, graphs, statements, notebooks, handwritten notes, applications, agreements, books, pamphlets, periodicals, appointment calendars, records and recordings of oral conversations, work papers, and notes, any of which are in your possession, custody, or control.

INSTRUCTIONS

1. If any document is withheld under any claim to privilege, please furnish a list identifying each document for which privilege is claimed, together with the following information: date, sender, recipients, recipients of copies, subject matter of the document, and the basis upon which such privilege is claimed.
2. Responsive documents available in an electronic format shall be provided in their native electronic format, unless the parties have reached a specific agreement in advance for production of the documents in a different, agreed-upon format or medium. OPC requests that responses for each production of document request be provided in separate electronic folders that include the documents responsive to the request.
3. If you have possession, custody, or control of the original of the documents requested, please produce a copy of the originals and all versions that are different in any way from the original, whether by interlineation, receipt stamp or notation. If you do not have possession, custody, or control of the originals of the documents requested, please produce a copy of the version(s) in your possession, custody, or control, however, made.

4. In providing documents, the Company, is requested to furnish all documents or items in its physical possession or custody, as well as those materials under the physical possession, custody or control of any other person acting or purporting to act on behalf of the Company or any of the employees or representatives, whether as an agent, independent contractor, attorney, consultant, witness, or otherwise, of the Company.
5. Please construe "and" as well as "or" either disjunctively or conjunctively as necessary to bring within the scope of this production of documents any document which might otherwise be constructed to be outside the scope.
6. Please provide all responses that include workpapers, data, calculations and spreadsheets in non-password protected and executable PC-compatible computer program/models/software. Formulae, links, and cells, formatting, metadata and any other original features assisting in calculation should be intact. For example, Excel documents and documents of a similar format shall be produced in their native electronic format, with all spreadsheets, formulas, and links unlocked and intact. To the extent the data requested does not exist in the form requested, please notify the undersigned counsel so that the parties can confer to reach a resolution for timely production.
7. Documents should be produced in an OCR (Optical Character Recognition) searchable format.
8. Pursuant to the Commission's order establishing procedure, each page of every document produced pursuant to requests for production of documents shall be identified individually through the use of a Bates Stamp or other equivalent method of sequential identification.

PRODUCTION OF DOCUMENTS

1. Please provide all documents that describe the Company's policies and procedures for accounting for capital projects.
2. Please provide all documents that describe the Company's policies and procedures for applying Allowance for Funds Used During Construction (AFUDC) to capital projects in compliance with Rule 25-6.0141, Florida Administrative Code.
3. Please provide all documents that describe the Company's process and timeline for undergrounding laterals.
4. Please provide all documents that describe the Company's process and timeline for replacing transmission structures and components.
5. Please provide all documents that describe the Company's process and timeline for replacing wooden poles with concrete or more wind resistant materials.
6. Please provide all Company documents that describe how customer meters aid in the recovery from extreme weather events.
7. Please provide all literature known to the Company that describe how customer meters aid in the recovery from extreme weather events.
8. Please provide all Company documents that describe how battery installations aid in the recovery from extreme weather conditions.
9. Please provide all literature known to the Company that describe how battery installations aid in the recovery from extreme weather conditions.

10. Please provide all Company documents that describe the Company's policies and procedures for determining how storm protection plan projects are designed to enhance the Company's existing transmission and distribution facilities.
11. Please provide all Company documents that describe the Company's policies and procedures for determining how storm protection plan projects are to be prioritized.

Respectfully submitted,

/s/ J.R. Kelly

J.R. Kelly

Public Counsel

Office of Public Counsel
c/o The Florida Legislature
111 West Madison Street
Room 812
Tallahassee, FL 32399-1400

Attorneys for the Citizens
of the State of Florida

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Office of Public Counsel's First Request for Production of Documents to Florida Power & Light Company (Nos. 1-11) has been furnished by electronic mail on this 29th day of October 2019, to the following:

Ausley Law Firm
J. Beasley
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M. Means
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mmeans@ausley.com
Represents: Tampa Electric
Company

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Florida Power & Light Company
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Beth Keating
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Represents: Florida Public Utilities
Company

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Docket No. 20190131
Citizens' First Request for Production of Documents to FPL (No. 1-11)

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Represents: Florida Industrial Power
Users Group

/s/ J.R. Kelly
J.R. Kelly
Public Counsel

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Re: Proposed adoption of Rule 25-6.030, F.A.C.,
Storm Protection Plan, and Rule 25-6.031,
F.A.C., Storm Protection Plan Cost Recovery
Claus

DOCKET NO. 20190131-EU

FILED: October 29, 2019

**CITIZENS' FIRST SET OF INTERROGATORIES TO
FLORIDA POWER & LIGHT COMPANY (NOS. 1-29)**

Pursuant to § 350.0611(1), F.S., Rule 28-106.206, Fla. Admin. Code, and Rule 1.340, Fla. R. Civ. P., the Citizens of the State of Florida (Citizens), through the Office of Public Counsel (OPC), propound the following interrogatories to Florida Power & Light Company (FPL or Company). These interrogatories shall be answered under oath by you or your agent, who is qualified and who will be identified, with the answers being served as provided by the Rules of Civil Procedure, within the time period set out in Order No. PSC-2019-0272-PCO-EI, as amended by Amending Order PSC-2019-0272A-PCO-EI, or as mutually agreed. As provided by Rule 1.340(a), Florida Rules of Civil Procedure, each interrogatory shall be answered separately and fully in writing under oath unless it is objected to. Each answer shall be signed by the person making it. Please supply the name, address, and relationship to the Company of those persons providing the answers to each of the following interrogatories.

To the extent the Company provides documents in response to an interrogatory, Citizens request the Company produce the documents for inspection and copying at the Office of Public Counsel, Claude Pepper Building, 111 West Madison Street, Room 812, Tallahassee, Florida 32399-1400.

DEFINITIONS

As used herein, the following words shall have the meanings indicated:

“You”, “your”, “Company” or “FPL” refers to Florida Power & Light Company, its employees, consultants, agents, representatives, attorneys of the Company, and any other person or entity acting on behalf of the Company. “Parent” means the holding company or parent of the

Florida regulated Company. "Affiliate" means the affiliates or sister companies regulated in Florida or which are regulated by, or operate primarily in, another jurisdiction.

"Document" refers to written matter of any kind, regardless of its form, and to information recorded on any storage medium, whether in electrical, optical or electromagnetic form, and capable of reduction to writing by the use of computer hardware and software.

"Identify" means:

- (a) With respect to a person, to state the person's name, address and business relationship (e.g., "employee") to the Company;
- (b) With respect to a document, to state the nature of the document in sufficient detail for identification in a request for production, its date, its author, and to identify its custodian. If the information or document identified is recorded in electrical, optical or electromagnetic form, identification includes a description of the computer hardware or software required to reduce it to readable form.

INSTRUCTIONS

1. To the extent an interrogatory calls for information which cannot now be precisely and completely furnished, such information as can be furnished should be included in the answer, together with a statement that further information cannot be furnished, and a statement as to the reasons therefore. If you expect to obtain further information between the time answers are served and the time of hearing, you are requested to state this fact in each answer. If the information which cannot now be furnished is believed to be available to another person, identify such other person and the reasons for believing such person has the described information.
2. In the event any interrogatory herein calls for information or documents which you deem to be privileged, in whole or in part, you shall
 - (a) make the claim expressly and specify the grounds relied upon for the claim of privilege,
 - (b) produce the information or documents in redacted form, and
 - (c) to the extent any information or documents are withheld, you shall identify and describe the nature of each document not disclosed and each redacted provision in a manner that will enable other parties to assess the applicability of the privilege or protection.

3. Documents or reports to be identified shall include all documents in your possession, custody and control and all other documents of which you have knowledge. If a document is produced in response to an interrogatory, please produce a copy of the original and all versions that are different in any way from the original, whether by interlineation, receipt stamp or notation. If you do not have possession, custody, or control of the originals of the documents requested, please produce a copy of the version(s) in your possession, custody, or control, however, made.
4. Separate answers shall be furnished for each interrogatory, although where the context permits, an interrogatory may be answered by reference to the answer furnished to another interrogatory.
5. For each interrogatory, identify the name, address, telephone number and position of the person responsible for providing the answer.
6. Responsive documents available in an electronic format shall be provided in their native electronic format, unless the parties have reached a specific agreement in advance for production of the documents in a different, agreed-upon format or medium. OPC requests that responses for each production of document request be provided in separate electronic folders that include the documents responsive to the request.
7. Documents should be produced in an OCR (Optical Character Recognition) searchable format.
8. Please provide all responses to these interrogatories that include workpapers, data, calculations and spreadsheets in non-password protected and executable PC-compatible computer program/models/software. Formulae, links, and cells, formatting, metadata and any other original features assisting in calculation should be intact. For example, Excel documents and documents of a similar format shall be produced in their native electronic format, with all spreadsheets, formulas, and links unlocked and intact. To the extent the data requested does not exist in the form requested, please notify the undersigned counsel so that the parties can confer to reach a resolution for timely production.

INTERROGATORIES

1. Please describe in detail how the Company determines what encompasses a project in accordance with Definition 26 – Project, of the Code of Federal Regulation 18, Chapter 1.
2. Please describe in detail how your Company determines what encompasses a project that would be eligible for AFUDC?
3. Please describe in detail how your Company determines when a project is eligible for AFUDC treatment?
4. Please provide the amount equal to 0.5% of the sum of the total balance in Account 101 – Electric Plant In Service, and Account 106 – Completed Construction not Classified as of August 31, 2019?
5. Given the following hypothetical:
 - Three undergrounding of lateral projects located in three distinctly separate counties,
 - Company contracts for all three under one contract,
 - None of the three projects independently meet the AFUDC requirements of Rule 25-6.0141, Florida Administrative Code.
 - All three projects added together meet the threshold test of Rule 25-6.0141, Florida Administrative Code.

Do you believe the above projects would accrue AFUDC in accordance with your company policies and procedures? Explain your answer.

6. Please provide a detailed description of how the Company identifies, tracks, and accounts for current individual projects that they consider "storm hardening" as described in the Company's recent 2019-2021 storm hardening plan filed on March 1, 2019 and approved by the Commission on July 9, 2019?
7. Please provide a detailed description of each current individual project that the Company considers storm hardening as described in the Company's recent 2019-2021 storm hardening plan approved by the Commission on July 9, 2019?
8. Please provide a detailed description of the process that your Company uses to identify the need to harden or underground a service lateral?
9. Please provide a detailed description of how the company determines the priority to underground a service lateral?
10. Please provide the following for undergrounding a service lateral:
 - a. What government entities does the Company have to obtain a permit from for an undergrounding project?
 - b. At what point in time for an undergrounding project would the Company file for the needed permit(s)?

- c. Please explain in detail, once an undergrounding lateral project is identified, how long does the preliminary engineering of the project take. Please include a timeline of activities involved as well as a description of each activity.
 - d. Does your Company contract with a separate entity for the lateral undergrounding projects or do you complete the construction by using Company employees to perform the work? If your Company uses contractors to perform the lateral underground work, does each project require a new contract? If a new contract is required, please provide a detailed description of the activities required for a vendor search and to execute a new contract.
11. Please describe the types of storm hardening projects that your Company has (a) completed in 2019 and (b) has started construction in 2019?
12. Please provide a detailed list and description of all functions of the customer meters that your Company has currently installed. The list should be broken into two categories: 1) functions used for extreme weather events and 2) functions other than those used for extreme weather events. Extreme weather events are defined as named tropical storm or hurricane events.
13. Please provide a detailed list and description of all functions of current and future battery installations currently in place or planned for construction. If any functions are described as needed for extreme weather events, please provide a detailed description of how they would benefit customers during this type of event.

14. According to your storm hardening plans filed with the Commission prior to the new statute being signed into law and approved by the Commission on July 9, 2019, your Company already has plans to perform storm hardening activities for 2019 and 2020. Is it your Company's opinion that all of these activities and proposed dollar thresholds would be recovered through your Company's current base rates and therefore not be requested for recovery through the new Storm Protection Cost Recovery Clause? Explain your answer.
15. Proposed Rule 25-6.031(6)(b), Storm Protection Plan Cost Recovery Clause (SPPCRC) states that costs included in base rates or other cost recovery mechanisms are not recoverable through this clause. However, Proposed Rule 25-6.030, Storm Protection Plan (SPP), has no such language. Is it your Company's intention and/or opinion that the Storm Protection Plan should and will include storm protection costs, both capital costs and expensed costs, that are currently being recovered through the Company's base rates as well as the incremental costs above those already included in base rates?
16. If your answer to Question 14 is yes, please explain how the Commission will be able to distinguish between costs covered by base rates and the incremental costs above that covered by base rates based on the language in the proposed rule?
17. Please explain how your company currently accounts for and recovers tree trimming expenses?

18. Please explain in detail how the Company will distinguish between tree trimming expenses currently being recovered through base rates and those that you will be requesting as new incremental costs to be recovered through the SPPCRC?
19. Is it your Company's belief that undergrounding of new distribution systems would be considered an enhancement of the current infrastructure and therefore includable for recovery through the storm protection recovery clause?
20. Is it your company's intention that a storm protection program would include all projects of a specific type such as undergrounding laterals?
21. Proposed Rule 25-6.030(3)(e)1., Storm Protection Plan, requires the Company file a description of each storm protection project. Is it your Company's opinion that the rule does not require the Company to show how it selected and/or prioritized each of these projects?
 - a. Is it also the Company's opinion that the Commission does not need that information to determine the prudence of moving forward with a particular project included in the first year?
 - b. If the answer to 20(a) is yes, please explain how the Commission can decide whether a particular project should be included based on the Company's prioritization of a program.
22. Proposed Rule 25-6.030(3)(e)2, Storm Protection Plan does not require the Company to list the specific projects to be included in years 2 and 3. Please explain how the

Commission can make a determination that the programs included in year 2 and 3 do not include projects already being recovered through base rates if no project detail is given?

23. Please provide a detailed description of the process that your Company uses to identify the need to storm harden or enhance the wind capability of transmission structures and components?
24. Please provide a detail description of how the company determines the priority to storm harden or enhance the wind capability of transmission structures and components?
25. Please provide the following for storm hardening or enhancing the wind capability of transmission structures and components:
 - a. What government entities does the Company have to obtain a permit(s) from to storm harden or enhance the wind capability of transmission structures and components?
 - b. At what point in time for such a project would the Company file for the needed permit(s)?
 - c. Please explain in detail, once a transmission structure project is identified, the length of time the preliminary engineering of the project takes. Please include a timeline of activities involved as well as a description of each activity.
 - d. Does your Company contract for the transmission structure projects or does Company complete the construction using Company employees?
 - i. If your Company uses contractors, does each project require a new contract?

- ii. If a new contract is required, please provide a detailed description of the activities required to conduct a vendor search and to execute a new contract.
26. Please provide a detail description of the process that your Company uses to identify the need to replace wooden poles with concrete or other enhanced wind resistant structures?
27. Please provide a detailed description of how the company determines the priority to replace wooden poles with concrete or other enhanced wind resistant structures?
28. Please provide the following regarding the process for replacing wooden poles with concrete or other enhanced wind resistant structures and components:
- a. What government entities does the Company have to obtain a permit(s) from to replace wooden poles with concrete or other enhanced wind resistant structures and components?
 - b. At what point in time for such a project would the Company file for the needed permit(s)?
 - c. Please explain in detail, once a replacement of wooden poles with concrete or other enhanced wind resistant structures and components project is identified, the length of time the preliminary engineering of the project takes. Please include a timeline of activities involved as well as a description of each activity.
 - d. Does your Company contract with a separate entity for the replacement of wooden poles with concrete or other enhanced wind resistant structures and components

projects, or does the Company complete the construction by using Company employees?

- i. If your Company uses contractors, does each project require a new contract?
- ii. If a new contract is required, please provide a detail description of the activities required for a vendor search and to execute a new contract.

29. Proposed Rule 25-6.031(3), states that the annual hearing will be limited to determining the reasonableness of approved storm protection plan costs, determining the prudence of actual storm protection plan costs incurred by the utility, and establishing storm protection plan cost recovery factors consistent with the requirements of this rule. If no project information is required for years 2 and 3 of the plan, please explain how the Commission, Commission Staff or any intervenor can contest the inclusion of a particular project as being imprudent for inclusion in the clause for recovery?

Respectfully submitted,

/s/ J.R. Kelly

J.R. Kelly
Public Counsel

Office of Public Counsel
c/o The Florida Legislature
111 West Madison Street
Room 812
Tallahassee, FL 32399-1400

Attorneys for the Citizens
of the State of Florida

AFFIDAVIT

STATE OF FLORIDA)

COUNTY OF _____)

I hereby certify that on this _____ day of _____, 2019, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared _____, who is personally known to me, and he/she acknowledged before me that he/she provided the answers to interrogatory number(s) _____ from CITIZENS' FIRST SET OF INTERROGATORIES TO FLORIDA POWER AND LIGHT COMPANY (NOS. 1-29) in Docket No. 20190131-EU, and that the responses are true and correct based on his/her personal knowledge.

In Witness Whereof, I have hereunto set my hand and seal in the State and County aforesaid as of this _____ day of _____, 2019.

Notary Public
State of Florida, at Large

My Commission Expires:

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Office of Public Counsel's 1st Set of Interrogatories to Florida Power & Light Company (Nos. 1-29) has been furnished by electronic mail on this 29th day of October 2019, to the following:

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Represents: Tampa Electric
Company

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Ms. Paula K. Brown
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Represents: Florida Public Utilities
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Florida Public Utilities Company
Mike Cassel
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Docket No. 20190131
Citizens' First Set of Interrogatories to FPL (Nos. 1-29)

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jmoyle@moylelaw.com
Represents: Florida Industrial Power
Users Group

/s/ J.R. Kelly
J.R. Kelly
Public Counsel

BEFORE THE PUBLIC SERVICE COMMISSION

In Re: Proposed Adoption of Rule 25-6.030, F.A.C.,
Storm Protection Plan and Rule 25-6.031, F.A.C., Storm
Protection Plan Recovery Clause

Docket No.: 20190131-EU

Filed: October 30, 2019

CORRECTED
NOTICE OF DEPOSITION DUCES TECUM

TO: Kenneth M. Rubin
Florida Power & Light Company
700 Universe Blvd.
Juno Beach, Florida 33408-0420
ken.rubin@fpl.com

Kenneth A. Hoffman
Florida Power & Light Company
134 West Jefferson Street
Tallahassee, FL 32301-1713
Ken.Hoffman@fpl.com

NOTICE is hereby given that pursuant to Rule 28-106.206, Florida Administrative Code and Florida Rule of Civil Procedure 1.310, the Office of Public Counsel will take the deposition of the following named individuals at the location and time indicated below:

NAME	DATE and TIME	LOCATION
Florida Power & Light Company (FPL) Corporate Representative, or Panel of Corporate Representatives, as described below.	Monday, November 18, 2019 9:00 a.m. Or date and time mutually agreed.	Office of Public Counsel 111 W. Madison Street, Rm 812 Tallahassee, Florida 32399-1400

Please produce as a corporate representative the following person or persons:

1. Who can explain in detail the entire planning process for undergrounding projects.
2. Who can explain the accounting treatment of AFUDC for such undergrounding projects.

3 Who can describe the ongoing undergrounding projects contained in the Storm Hardening Plans the Commission approved on July 9, 2019.

This deposition shall be taken upon oral examination before an official court reporter or other officer authorized by law to take depositions. The deposition is being taken for purposes of discovery, for use at trial, and for any other purposes allowed under the Florida Rules of Civil Procedure and the Rules of the Florida Public Service Commission.

Please govern yourselves accordingly.

Respectfully Submitted,

/s/J. R. Kelly

J. R. Kelly

Public Counsel

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c/o The Florida Legislature
111 West Madison Street, Room 812
Tallahassee, FL 32399-1400
(850) 488-9330
Attorneys for the Citizens
of the State of Florida

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by electronic mail to the following parties on this 30th day of October, 2019.

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Florida Power & Light Company
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/s/J. R. Kelly
J. R. Kelly
Public Counsel

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Re: Proposed adoption of Rule 25-6.030, F.A.C.,
Storm Protection Plan, and Rule 25-6.031, F.A.C.,
Storm Protection Plan Cost Recovery Claus

DOCKET NO. 20190131-EU

FILED: October 29, 2019

**NOTICE OF SERVICE OF CITIZENS' FIRST REQUEST FOR PRODUCTION OF
DOCUMENTS AND FIRST SET OF INTERROGATORIES
TO FLORIDA PUBLIC UTILITIES COMPANY**

Pursuant to Section 350.0611, Florida Statutes, the Citizens of the State of Florida, by and through J.R. Kelly, Public Counsel, serve this notice that they have served their First Request for Production of Documents (Nos. 1-11) and First Set of Interrogatories (Nos. 1-29). This discovery is being served to Mike Cassel, Florida Public Utilities Company, ("FPUC"), 1750 S. 14th Street, Suite 200, Fernandina Beach, FL 32034 on this 29th day of October, 2019.

Respectfully submitted,

/s/ J.R. Kelly

J. R. Kelly
Public Counsel

Office of Public Counsel
c/o The Florida Legislature
111 West Madison Street
Room 812
Tallahassee, FL 32399-1400

Attorneys for the Citizens
of the State of Florida

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Citizens' Notice of Service of First Request for Production of Documents (Nos. 1-11) and First Set of Interrogatories (No. 1-29) has been furnished by electronic mail on this 29th day of October 2019, to the following:

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Represents: Florida Public Utilities
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Jon C. Moyle, Jr.
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Tallahassee, FL 32301
jmoyle@moylelaw.com
Represents: Florida Industrial Power
Users Group

/s/ J.R. Kelly
J. R. Kelly
Public Counsel

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Re: Proposed adoption of Rule 25-6.030, F.A.C. ,
Storm Protection Plan, and Rule 25-6.031, F.A.C.,
Storm Protection Plan Cost Recovery Claus

DOCKET NO. 20190131-EU

FILED: October 29, 2019

**CITIZENS' FIRST REQUEST FOR PRODUCTION OF DOCUMENTS TO
FLORIDA PUBLIC UTILITES COMPANY (NOS. 1-11)**

Pursuant to § 350.0611(1), F.S., Rule 28-106.206, Fla. Admin. Code, and Rule 1.350, Fla. R. Civ. P., the Citizens of the State of Florida, through the Office of Public Counsel, request Florida Public Utilities Company (FPUC or Company) to produce the following documents for inspection and copying at the Office of Public Counsel, Claude Pepper Building, 111 West Madison Street, Room 812, Tallahassee, Florida 32399-1400, or at such other mutually agreed place, as provided by the Rules of Civil Procedure, and within the time period set out in Order No. PSC-2019-0272-PCO-EI, as amended by Amendatory Order PSC-2019-0272A-PCO-EI. **In lieu of hard copy responses, OPC requests that the Company provide the responses electronically as described below in the Instructions.**

DEFINITIONS

As used herein, the following words shall have the meanings indicated:

“You”, “your”, “Company” or “FPUC” refers to Florida Public Utilities Company, its employees, consultants, agents, representatives, attorneys of the Company, and any other person or entity acting on behalf of the Company. “Parent” means the holding company or parent of the Florida regulated Company. “Affiliate” means the affiliate or sister companies regulated in Florida or which are regulated by, or operate primarily in, another jurisdiction.

“Document” refers to written matter of any kind, regardless of its form, and to information recorded on any storage medium, whether in electrical, optical or electromagnetic form, and capable of reduction to writing by the use of computer hardware and software. The terms

"document" and "documents" are meant to have the broadest possible meaning under applicable law and includes, but is not necessarily limited to, any written, recorded, filmed or graphic matter, whether produced, reproduced, or on paper, e-mail, cards, tapes, film, electronic facsimile, computer storage device or any other media, including, but not limited to, memoranda, notes, minutes, records, photographs, correspondence, communications, telegrams, diaries, bookkeeping entries, financial statements, tax returns, checks, check stubs, reports, studies, charts, graphs, statements, notebooks, handwritten notes, applications, agreements, books, pamphlets, periodicals, appointment calendars, records and recordings of oral conversations, work papers, and notes, any of which are in your possession, custody, or control.

INSTRUCTIONS

1. If any document is withheld under any claim to privilege, please furnish a list identifying each document for which privilege is claimed, together with the following information: date, sender, recipients, recipients of copies, subject matter of the document, and the basis upon which such privilege is claimed.
2. Responsive documents available in an electronic format shall be provided in their native electronic format, unless the parties have reached a specific agreement in advance for production of the documents in a different, agreed-upon format or medium. OPC requests that responses for each production of document request be provided in separate electronic folders that include the documents responsive to the request.
3. If you have possession, custody, or control of the original of the documents requested, please produce a copy of the originals and all versions that are different in any way from the original, whether by interlineation, receipt stamp or notation. If you do not have possession, custody, or control of the originals of the documents requested, please produce a copy of the version(s) in your possession, custody, or control, however, made.

4. In providing documents, the Company, is requested to furnish all documents or items in its physical possession or custody, as well as those materials under the physical possession, custody or control of any other person acting or purporting to act on behalf of the Company or any of the employees or representatives, whether as an agent, independent contractor, attorney, consultant, witness, or otherwise, of the Company.
5. Please construe "and" as well as "or" either disjunctively or conjunctively as necessary to bring within the scope of this production of documents any document which might otherwise be constructed to be outside the scope.
6. Please provide all responses that include workpapers, data, calculations and spreadsheets in non-password protected and executable PC-compatible computer program/models/software. Formulae, links, and cells, formatting, metadata and any other original features assisting in calculation should be intact. For example, Excel documents and documents of a similar format shall be produced in their native electronic format, with all spreadsheets, formulas, and links unlocked and intact. To the extent the data requested does not exist in the form requested, please notify the undersigned counsel so that the parties can confer to reach a resolution for timely production.
7. Documents should be produced in an OCR (Optical Character Recognition) searchable format.
8. Pursuant to the Commission's order establishing procedure, each page of every document produced pursuant to requests for production of documents shall be identified individually through the use of a Bates Stamp or other equivalent method of sequential identification.

PRODUCTION OF DOCUMENTS

1. Please provide all documents that describe the Company's policies and procedures for accounting for capital projects.
2. Please provide all documents that describe the Company's policies and procedures for applying Allowance for Funds Used During Construction (AFUDC) to capital projects in compliance with Rule 25-6.0141, Florida Administrative Code.
3. Please provide all documents that describe the Company's process and timeline for undergrounding laterals.
4. Please provide all documents that describe the Company's process and timeline for replacing transmission structures and components.
5. Please provide all documents that describe the Company's process and timeline for replacing wooden poles with concrete or more wind resistant materials.
6. Please provide all Company documents that describe how customer meters aid in the recovery from extreme weather events.
7. Please provide all literature known to the Company that describe how customer meters aid in the recovery from extreme weather events.
8. Please provide all Company documents that describe how battery installations aid in the recovery from extreme weather conditions.
9. Please provide all literature known to the Company that describe how battery installations aid in the recovery from extreme weather conditions.

10. Please provide all Company documents that describe the Company's policies and procedures for determining how storm protection plan projects are designed to enhance the Company's existing transmission and distribution facilities.

11. Please provide all Company documents that describe the Company's policies and procedures for determining how storm protection plan projects are to be prioritized.

Respectfully submitted,

/s/ J.R. Kelly

J.R. Kelly
Public Counsel

Office of Public Counsel
c/o The Florida Legislature
111 West Madison Street
Room 812
Tallahassee, FL 32399-1400

Attorneys for the Citizens
of the State of Florida

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Office of Public Counsel's First Request for Production of Documents to Florida Public Utilities Company (Nos. 1-11) has been furnished by electronic mail on this 29th day of October 2019, to the following:

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Joint Administrative Procedures
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Docket No. 20190131
Citizens' First Request for Production of Documents to FPUC (No. 1-11)

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Represents: Florida Industrial Power
Users Group

/s/ J.R. Kelly
J.R. Kelly
Public Counsel

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Re: Proposed adoption of Rule 25-6.030, F.A.C. ,
Storm Protection Plan, and Rule 25-6.031,
F.A.C., Storm Protection Plan Cost Recovery
Claus

DOCKET NO. 20190131-EU

FILED: October 29, 2019

**CITIZENS' FIRST SET OF INTERROGATORIES TO FLORIDA PUBLIC UTILITIES
COMPANY (NOS. 1-29)**

Pursuant to § 350.0611(1), F.S., Rule 28-106.206, Fla. Admin. Code, and Rule 1.340, Fla. R. Civ. P., the Citizens of the State of Florida (Citizens), through the Office of Public Counsel (OPC), propound the following interrogatories to Florida Public Utilities Company (FPUC or Company). These interrogatories shall be answered under oath by you or your agent, who is qualified and who will be identified, with the answers being served as provided by the Rules of Civil Procedure, within the time period set out in Order No. PSC-2019-0272-PCO-EI, as amended by Amending Order PSC-2019-0272A-PCO-EI, or as mutually agreed. As provided by Rule 1.340(a), Florida Rules of Civil Procedure, each interrogatory shall be answered separately and fully in writing under oath unless it is objected to. Each answer shall be signed by the person making it. Please supply the name, address, and relationship to the Company of those persons providing the answers to each of the following interrogatories.

To the extent the Company provides documents in response to an interrogatory, Citizens request the Company produce the documents for inspection and copying at the Office of Public Counsel, Claude Pepper Building, 111 West Madison Street, Room 812, Tallahassee, Florida 32399-1400.

DEFINITIONS

As used herein, the following words shall have the meanings indicated:

“You”, “your”, “Company” or “FPUC” refers to Florida Public Utilities Company, its employees, consultants, agents, representatives, attorneys of the Company, and any other person or entity acting on behalf of the Company. “Parent” means the holding company or parent of the

Florida regulated Company. "Affiliate" means the affiliates or sister companies regulated in Florida or which are regulated by, or operate primarily in, another jurisdiction.

"Document" refers to written matter of any kind, regardless of its form, and to information recorded on any storage medium, whether in electrical, optical or electromagnetic form, and capable of reduction to writing by the use of computer hardware and software.

"Identify" means:

- (a) With respect to a person, to state the person's name, address and business relationship (e.g., "employee") to the Company;
- (b) With respect to a document, to state the nature of the document in sufficient detail for identification in a request for production, its date, its author, and to identify its custodian. If the information or document identified is recorded in electrical, optical or electromagnetic form, identification includes a description of the computer hardware or software required to reduce it to readable form.

INSTRUCTIONS

1. To the extent an interrogatory calls for information which cannot now be precisely and completely furnished, such information as can be furnished should be included in the answer, together with a statement that further information cannot be furnished, and a statement as to the reasons therefore. If you expect to obtain further information between the time answers are served and the time of hearing, you are requested to state this fact in each answer. If the information which cannot now be furnished is believed to be available to another person, identify such other person and the reasons for believing such person has the described information.
2. In the event any interrogatory herein calls for information or documents which you deem to be privileged, in whole or in part, you shall
 - (a) make the claim expressly and specify the grounds relied upon for the claim of privilege,
 - (b) produce the information or documents in redacted form, and
 - (c) to the extent any information or documents are withheld, you shall identify and describe the nature of each document not disclosed and each redacted provision in a manner that will enable other parties to assess the applicability of the privilege or protection.

3. Documents or reports to be identified shall include all documents in your possession, custody and control and all other documents of which you have knowledge. If a document is produced in response to an interrogatory, please produce a copy of the original and all versions that are different in any way from the original, whether by interlineation, receipt stamp or notation. If you do not have possession, custody, or control of the originals of the documents requested, please produce a copy of the version(s) in your possession, custody, or control, however, made.
4. Separate answers shall be furnished for each interrogatory, although where the context permits, an interrogatory may be answered by reference to the answer furnished to another interrogatory.
5. For each interrogatory, identify the name, address, telephone number and position of the person responsible for providing the answer.
6. Responsive documents available in an electronic format shall be provided in their native electronic format, unless the parties have reached a specific agreement in advance for production of the documents in a different, agreed-upon format or medium. OPC requests that responses for each production of document request be provided in separate electronic folders that include the documents responsive to the request.
7. Documents should be produced in an OCR (Optical Character Recognition) searchable format.
8. Please provide all responses to these interrogatories that include workpapers, data, calculations and spreadsheets in non-password protected and executable PC-compatible computer program/models/software. Formulae, links, and cells, formatting, metadata and any other original features assisting in calculation should be intact. For example, Excel documents and documents of a similar format shall be produced in their native electronic format, with all spreadsheets, formulas, and links unlocked and intact. To the extent the data requested does not exist in the form requested, please notify the undersigned counsel so that the parties can confer to reach a resolution for timely production.

INTERROGATORIES

1. Please describe in detail how the Company determines what encompasses a project in accordance with Definition 26 – Project, of the Code of Federal Regulation 18, Chapter 1.
2. Please describe in detail how your Company determines what encompasses a project that would be eligible for AFUDC?
3. Please describe in detail how your Company determines when a project is eligible for AFUDC treatment?
4. Please provide the amount equal to 0.5% of the sum of the total balance in Account 101 – Electric Plant In Service, and Account 106 – Completed Construction not Classified as of August 31, 2019?
5. Given the following hypothetical:
 - Three undergrounding of lateral projects located in three distinctly separate counties,
 - Company contracts for all three under one contract,
 - None of the three projects independently meet the AFUDC requirements of Rule 25-6.0141, Florida Administrative Code.
 - All three projects added together meet the threshold test of Rule 25-6.0141, Florida Administrative Code.

Do you believe the above projects would accrue AFUDC in accordance with your company policies and procedures? Explain your answer.

6. Please provide a detailed description of how the Company identifies, tracks, and accounts for current individual projects that they consider "storm hardening" as described in the Company's recent 2019-2021 storm hardening plan filed on March 1, 2019 and approved by the Commission on July 9, 2019?
7. Please provide a detailed description of each current individual project that the Company considers storm hardening as described in the Company's recent 2019-2021 storm hardening plan approved by the Commission on July 9, 2019?
8. Please provide a detailed description of the process that your Company uses to identify the need to harden or underground a service lateral?
9. Please provide a detailed description of how the company determines the priority to underground a service lateral?
10. Please provide the following for undergrounding a service lateral:
 - a. What government entities does the Company have to obtain a permit from for an undergrounding project?
 - b. At what point in time for an undergrounding project would the Company file for the needed permit(s)?

- c. Please explain in detail, once an undergrounding lateral project is identified, how long does the preliminary engineering of the project take. Please include a timeline of activities involved as well as a description of each activity.
 - d. Does your Company contract with a separate entity for the lateral undergrounding projects or do you complete the construction by using Company employees to perform the work? If your Company uses contractors to perform the lateral underground work, does each project require a new contract? If a new contract is required, please provide a detailed description of the activities required for a vendor search and to execute a new contract.
11. Please describe the types of storm hardening projects that your Company has (a) completed in 2019 and (b) has started construction in 2019?
12. Please provide a detailed list and description of all functions of the customer meters that your Company has currently installed. The list should be broken into two categories: 1) functions used for extreme weather events and 2) functions other than those used for extreme weather events. Extreme weather events are defined as named tropical storm or hurricane events.
13. Please provide a detailed list and description of all functions of current and future battery installations currently in place or planned for construction. If any functions are described as needed for extreme weather events, please provide a detailed description of how they would benefit customers during this type of event.

14. According to your storm hardening plans filed with the Commission prior to the new statute being signed into law and approved by the Commission on July 9, 2019, your Company already has plans to perform storm hardening activities for 2019 and 2020. Is it your Company's opinion that all of these activities and proposed dollar thresholds would be recovered through your Company's current base rates and therefore not be requested for recovery through the new Storm Protection Cost Recovery Clause? Explain your answer.
15. Proposed Rule 25-6.031(6)(b), Storm Protection Plan Cost Recovery Clause (SPPCRC) states that costs included in base rates or other cost recovery mechanisms are not recoverable through this clause. However, Proposed Rule 25-6.030, Storm Protection Plan (SPP), has no such language. Is it your Company's intention and/or opinion that the Storm Protection Plan should and will include storm protection costs, both capital costs and expensed costs, that are currently being recovered through the Company's base rates as well as the incremental costs above those already included in base rates?
16. If your answer to Question 14 is yes, please explain how the Commission will be able to distinguish between costs covered by base rates and the incremental costs above that covered by base rates based on the language in the proposed rule?
17. Please explain how your company currently accounts for and recovers tree trimming expenses?

18. Please explain in detail how the Company will distinguish between tree trimming expenses currently being recovered through base rates and those that you will be requesting as new incremental costs to be recovered through the SPPCRC?
19. Is it your Company's belief that undergrounding of new distribution systems would be considered an enhancement of the current infrastructure and therefore includable for recovery through the storm protection recovery clause?
20. Is it your company's intention that a storm protection program would include all projects of a specific type such as undergrounding laterals?
21. Proposed Rule 25-6.030(3)(e)1., Storm Protection Plan, requires the Company file a description of each storm protection project. Is it your Company's opinion that the rule does not require the Company to show how it selected and/or prioritized each of these projects?
 - a. Is it also the Company's opinion that the Commission does not need that information to determine the prudence of moving forward with a particular project included in the first year?
 - b. If the answer to 20(a) is yes, please explain how the Commission can decide whether a particular project should be included based on the Company's prioritization of a program.
22. Proposed Rule 25-6.030(3)(e)2, Storm Protection Plan does not require the Company to list the specific projects to be included in years 2 and 3. Please explain how the

Commission can make a determination that the programs included in year 2 and 3 do not include projects already being recovered through base rates if no project detail is given?

23. Please provide a detailed description of the process that your Company uses to identify the need to storm harden or enhance the wind capability of transmission structures and components?
24. Please provide a detail description of how the company determines the priority to storm harden or enhance the wind capability of transmission structures and components?
25. Please provide the following for storm hardening or enhancing the wind capability of transmission structures and components:
 - a. What government entities does the Company have to obtain a permit(s) from to storm harden or enhance the wind capability of transmission structures and components?
 - b. At what point in time for such a project would the Company file for the needed permit(s)?
 - c. Please explain in detail, once a transmission structure project is identified, the length of time the preliminary engineering of the project takes. Please include a timeline of activities involved as well as a description of each activity.
 - d. Does your Company contract for the transmission structure projects or does Company complete the construction using Company employees?
 - i. If your Company uses contractors, does each project require a new contract?

- ii. If a new contract is required, please provide a detailed description of the activities required to conduct a vendor search and to execute a new contract.
26. Please provide a detail description of the process that your Company uses to identify the need to replace wooden poles with concrete or other enhanced wind resistant structures?
27. Please provide a detailed description of how the company determines the priority to replace wooden poles with concrete or other enhanced wind resistant structures?
28. Please provide the following regarding the process for replacing wooden poles with concrete or other enhanced wind resistant structures and components:
- a. What government entities does the Company have to obtain a permit(s) from to replace wooden poles with concrete or other enhanced wind resistant structures and components?
 - b. At what point in time for such a project would the Company file for the needed permit(s)?
 - c. Please explain in detail, once a replacement of wooden poles with concrete or other enhanced wind resistant structures and components project is identified, the length of time the preliminary engineering of the project takes. Please include a timeline of activities involved as well as a description of each activity.
 - d. Does your Company contract with a separate entity for the replacement of wooden poles with concrete or other enhanced wind resistant structures and components

projects, or does the Company complete the construction by using Company employees?

- i. If your Company uses contractors, does each project require a new contract?
- ii. If a new contract is required, please provide a detail description of the activities required for a vendor search and to execute a new contract.

29. Proposed Rule 25-6.031(3), states that the annual hearing will be limited to determining the reasonableness of approved storm protection plan costs, determining the prudence of actual storm protection plan costs incurred by the utility, and establishing storm protection plan cost recovery factors consistent with the requirements of this rule. If no project information is required for years 2 and 3 of the plan, please explain how the Commission, Commission Staff or any intervenor can contest the inclusion of a particular project as being imprudent for inclusion in the clause for recovery?

Respectfully submitted,

/s/ J.R. Kelly

J.R. Kelly
Public Counsel

Office of Public Counsel
c/o The Florida Legislature
111 West Madison Street
Room 812
Tallahassee, FL 32399-1400

Attorneys for the Citizens
of the State of Florida

AFFIDAVIT

STATE OF FLORIDA)

COUNTY OF _____)

I hereby certify that on this _____ day of _____, 2019, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared _____, who is personally known to me, and he/she acknowledged before me that he/she provided the answers to interrogatory number(s) _____ from CITIZENS' FIRST SET OF INTERROGATORIES TO FLORIDA PUBLIC UTILITIES COMPANY (NOS. 1-29) in Docket No. 20190131-EU, and that the responses are true and correct based on his/her personal knowledge.

In Witness Whereof, I have hereunto set my hand and seal in the State and County aforesaid as of this _____ day of _____, 2019.

Notary Public
State of Florida, at Large

My Commission Expires:

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Office of Public Counsel's 1st Set of Interrogatories to Florida Public Utilities Company (Nos. 1-29) has been furnished by electronic mail on this 29th day of October 2019, to the following:

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Tampa Electric Company
Ms. Paula K. Brown
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Represented By: Ausley Law Firm

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Docket No. 20190131
Citizens' First Set of Interrogatories to FPUC (Nos. 1-29)

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Represents: Florida Industrial Power
Users Group

/s/ J.R. Kelly
J.R. Kelly
Public Counsel

BEFORE THE PUBLIC SERVICE COMMISSION

In Re: Proposed Adoption of Rule 25-6.030, F.A.C.,
Storm Protection Plan and Rule 25-6.031, F.A.C., Storm
Protection Plan Recovery Clause

Docket No.: 20190131-EU

Filed: October 30, 2019

CORRECTED
NOTICE OF DEPOSITION DUCES TECUM

TO: Beth Keating
Gunster, Yoakley & Stewart, P.A.
215 South Monroe Street, Suite 601
Tallahassee, FL 32301
bkeating@gunster.com

NOTICE is hereby given that pursuant to Rule 28-106.206, Florida Administrative Code and Florida Rule of Civil Procedure 1.310, the Office of Public Counsel will take the deposition of the following named individuals at the location and time indicated below:

NAME	DATE and TIME	LOCATION
Florida Public Utilities Company (FPUC) Corporate Representative, or Panel of Corporate Representatives, as described below.	Tuesday, November 19, 2019 1:00 p. m. Or date and time mutually agreed.	Office of Public Counsel 111 W. Madison Street, Rm 812 Tallahassee, Florida 32399-1400

Please produce as a corporate representative the following person or persons:

1. Who can explain in detail the entire planning process for undergrounding projects.
2. Who can explain the accounting treatment of AFUDC for such undergrounding projects.
3. Who can describe the ongoing undergrounding projects contained in the Storm Hardening Plans the Commission approved on July 9, 2019.

This deposition shall be taken upon oral examination before an official court reporter or other officer authorized by law to take depositions. The deposition is being taken for purposes of

discovery, for use at trial, and for any other purposes allowed under the Florida Rules of Civil Procedure and the Rules of the Florida Public Service Commission.

Please govern yourselves accordingly.

Respectfully Submitted,

/s/J. R. Kelly

J. R. Kelly
Public Counsel

Office of Public Counsel
c/o The Florida Legislature
111 West Madison Street, Room 812
Tallahassee, FL 32399-1400
(850) 488-9330

Attorneys for the Citizens
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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by electronic mail to the following parties on this 30th day of October, 2019.

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/s/J. R. Kelly
J. R. Kelly
Public Counsel

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Re: Proposed adoption of Rule 25-6.030, F.A.C. ,
Storm Protection Plan, and Rule 25-6.031, F.A.C.,
Storm Protection Plan Cost Recovery Claus

DOCKET NO. 20190131-EU

FILED: October 29, 2019

**NOTICE OF SERVICE OF CITIZENS' FIRST REQUEST FOR PRODUCTION OF
DOCUMENTS AND FIRST SET OF INTERROGATORIES
TO GULF POWER COMPANY**

Pursuant to Section 350.0611, Florida Statutes, the Citizens of the State of Florida, by and through J.R. Kelly, Public Counsel, serve this notice that they have served their First Request for Production of Documents (Nos. 1-11) and First Set of Interrogatories (Nos. 1-29). This discovery is being served to Russell Badders, Gulf Power Company, ("Gulf"), One Energy Place, Pensacola, FL 32520 on this 29th day of October, 2019.

Respectfully submitted,

/s/ J.R. Kelly

J. R. Kelly
Public Counsel

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111 West Madison Street
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Attorneys for the Citizens
of the State of Florida

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Citizens' Notice of Service of First Request for Production of Documents (Nos. 1-11) and First Set of Interrogatories (No. 1-29) has been furnished by electronic mail on this 29th day of October 2019, to the following:

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Represents: Florida Industrial Power
Users Group

/s/ J.R. Kelly
J. R. Kelly
Public Counsel

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Re: Proposed adoption of Rule 25-6.030, F.A.C.,
Storm Protection Plan, and Rule 25-6.031, F.A.C.,
Storm Protection Plan Cost Recovery Claus

DOCKET NO. 20190131-EU

FILED: October 29, 2019

**CITIZENS' FIRST REQUEST FOR PRODUCTION OF DOCUMENTS TO
GULF POWER COMPANY (NOS. 1-11)**

Pursuant to § 350.0611(1), F.S., Rule 28-106.206, Fla. Admin. Code, and Rule 1.350, Fla. R. Civ. P., the Citizens of the State of Florida, through the Office of Public Counsel, request Gulf Power (Gulf or Company) to produce the following documents for inspection and copying at the Office of Public Counsel, Claude Pepper Building, 111 West Madison Street, Room 812, Tallahassee, Florida 32399-1400, or at such other mutually agreed place, as provided by the Rules of Civil Procedure, and within the time period set out in Order No. PSC-2019-0272-PCO-EI, as amended by Amending Order PSC-2019-0272A-PCO-EI. **In lieu of hard copy responses, OPC requests that the Company provide the responses electronically as described below in the Instructions.**

DEFINITIONS

As used herein, the following words shall have the meanings indicated:

“You”, “your”, “Company” or “Gulf” refers to Gulf Power Company, its employees, consultants, agents, representatives, attorneys of the Company, and any other person or entity acting on behalf of the Company. “Parent” means the holding company or parent of the Florida regulated Company. “Affiliate” means the affiliate or sister companies regulated in Florida or which are regulated by, or operate primarily in, another jurisdiction.

“Document” refers to written matter of any kind, regardless of its form, and to information recorded on any storage medium, whether in electrical, optical or electromagnetic form, and capable of reduction to writing by the use of computer hardware and software. The terms “document” and “documents” are meant to have the broadest possible meaning under applicable

law and includes, but is not necessarily limited to, any written, recorded, filmed or graphic matter, whether produced, reproduced, or on paper, e-mail, cards, tapes, film, electronic facsimile, computer storage device or any other media, including, but not limited to, memoranda, notes, minutes, records, photographs, correspondence, communications, telegrams, diaries, bookkeeping entries, financial statements, tax returns, checks, check stubs, reports, studies, charts, graphs, statements, notebooks, handwritten notes, applications, agreements, books, pamphlets, periodicals, appointment calendars, records and recordings of oral conversations, work papers, and notes, any of which are in your possession, custody, or control.

INSTRUCTIONS

1. If any document is withheld under any claim to privilege, please furnish a list identifying each document for which privilege is claimed, together with the following information: date, sender, recipients, recipients of copies, subject matter of the document, and the basis upon which such privilege is claimed.

2. Responsive documents available in an electronic format shall be provided in their native electronic format, unless the parties have reached a specific agreement in advance for production of the documents in a different, agreed-upon format or medium. OPC requests that responses for each production of document request be provided in separate electronic folders that include the documents responsive to the request.

3. If you have possession, custody, or control of the original of the documents requested, please produce a copy of the originals and all versions that are different in any way from the original, whether by interlineation, receipt stamp or notation. If you do not have possession, custody, or control of the originals of the documents requested, please produce a copy of the version(s) in your possession, custody, or control, however, made.

4. In providing documents, the Company, is requested to furnish all documents or items in its physical possession or custody, as well as those materials under the physical possession,

custody or control of any other person acting or purporting to act on behalf of the Company or any of the employees or representatives, whether as an agent, independent contractor, attorney, consultant, witness, or otherwise, of the Company.

5. Please construe “and” as well as “or” either disjunctively or conjunctively as necessary to bring within the scope of this production of documents any document which might otherwise be constructed to be outside the scope.

6. Please provide all responses that include workpapers, data, calculations and spreadsheets in non-password protected and executable PC-compatible computer program/models/software. Formulae, links, and cells, formatting, metadata and any other original features assisting in calculation should be intact. For example, Excel documents and documents of a similar format shall be produced in their native electronic format, with all spreadsheets, formulas, and links unlocked and intact. To the extent the data requested does not exist in the form requested, please notify the undersigned counsel so that the parties can confer to reach a resolution for timely production.

7. Documents should be produced in an OCR (Optical Character Recognition) searchable format.

8. Pursuant to the Commission’s order establishing procedure, each page of every document produced pursuant to requests for production of documents shall be identified individually through the use of a Bates Stamp or other equivalent method of sequential identification.

PRODUCTION OF DOCUMENTS

1. Please provide all documents that describe the Company's policies and procedures for accounting for capital projects.
2. Please provide all documents that describe the Company's policies and procedures for applying Allowance for Funds Used During Construction (AFUDC) to capital projects in compliance with Rule 25-6.0141, Florida Administrative Code.
3. Please provide all documents that describe the Company's process and timeline for undergrounding laterals.
4. Please provide all documents that describe the Company's process and timeline for replacing transmission structures and components.
5. Please provide all documents that describe the Company's process and timeline for replacing wooden poles with concrete or more wind resistant materials.
6. Please provide all Company documents that describe how customer meters aid in the recovery from extreme weather events.
7. Please provide all literature known to the Company that describe how customer meters aid in the recovery from extreme weather events.
8. Please provide all Company documents that describe how battery installations aid in the recovery from extreme weather conditions.
9. Please provide all literature known to the Company that describe how battery installations aid in the recovery from extreme weather conditions.

10. Please provide all Company documents that describe the Company's policies and procedures for determining how storm protection plan projects are designed to enhance the Company's existing transmission and distribution facilities.
11. Please provide all Company documents that describe the Company's policies and procedures for determining how storm protection plan projects are to be prioritized.

Respectfully submitted,

/s/ J.R. Kelly

J.R. Kelly

Public Counsel

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Attorneys for the Citizens
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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Office of Public Counsel's First Request for Production of Documents to Gulf Power (Nos. 1-11) has been furnished by electronic mail on this 29th day of October 2019, to the following:

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Docket No. 20190131

Citizens' First Request for Production of Documents to Gulf (No. 1-11)

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Represents: Florida Industrial Power
Users Group

/s/ J.R. Kelly
J.R. Kelly
Public Counsel

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Re: Proposed adoption of Rule 25-6.030, F.A.C. ,
Storm Protection Plan, and Rule 25-6.031,
F.A.C., Storm Protection Plan Cost Recovery
Claus

DOCKET NO. 20190131-EU

FILED: October 29, 2019

CITIZENS' FIRST SET OF INTERROGATORIES TO
GULF POWER COMPANY (NOS. 1-29)

Pursuant to § 350.0611(1), F.S., Rule 28-106.206, Fla. Admin. Code, and Rule 1.340, Fla. R. Civ. P., the Citizens of the State of Florida (Citizens), through the Office of Public Counsel (OPC), propound the following interrogatories to Gulf Power (Gulf or Company). These interrogatories shall be answered under oath by you or your agent, who is qualified and who will be identified, with the answers being served as provided by the Rules of Civil Procedure, within the time period set out in Order No. PSC-2019-0272-PCO-EI, as amended by Amendatory Order PSC-2019-0272A-PCO-EI, or as mutually agreed. As provided by Rule 1.340(a), Florida Rules of Civil Procedure, each interrogatory shall be answered separately and fully in writing under oath unless it is objected to. Each answer shall be signed by the person making it. Please supply the name, address, and relationship to the Company of those persons providing the answers to each of the following interrogatories.

To the extent the Company provides documents in response to an interrogatory, Citizens request the Company produce the documents for inspection and copying at the Office of Public Counsel, Claude Pepper Building, 111 West Madison Street, Room 812, Tallahassee, Florida 32399-1400.

DEFINITIONS

As used herein, the following words shall have the meanings indicated:

“You”, “your”, “Company” or “Gulf” refers to Gulf Power, its employees, consultants, agents, representatives, attorneys of the Company, and any other person or entity action on behalf of the Company. “Parent” means the holding company or parent of the Florida regulated

Company. "Affiliate" means the affiliates or sister companies regulated in Florida or which are regulated by, or operate primarily in, another jurisdiction.

"Document" refers to written matter of any kind, regardless of its form, and to information recorded on any storage medium, whether in electrical, optical or electromagnetic form, and capable of reduction to writing by the use of computer hardware and software.

"Identify" means:

- (a) With respect to a person, to state the person's name, address and business relationship (e.g., "employee") to the Company;
- (b) With respect to a document, to state the nature of the document in sufficient detail for identification in a request for production, its date, its author, and to identify its custodian. If the information or document identified is recorded in electrical, optical or electromagnetic form, identification includes a description of the computer hardware or software required to reduce it to readable form.

INSTRUCTIONS

1. To the extent an interrogatory calls for information which cannot now be precisely and completely furnished, such information as can be furnished should be included in the answer, together with a statement that further information cannot be furnished, and a statement as to the reasons therefore. If you expect to obtain further information between the time answers are served and the time of hearing, you are requested to state this fact in each answer. If the information which cannot now be furnished is believed to be available to another person, identify such other person and the reasons for believing such person has the described information.
2. In the event any interrogatory herein calls for information or documents which you deem to be privileged, in whole or in part, you shall
 - (a) make the claim expressly and specify the grounds relied upon for the claim of privilege,
 - (b) produce the information or documents in redacted form, and
 - (c) to the extent any information or documents are withheld, you shall identify and describe the nature of each document not disclosed and each redacted provision in a manner that will enable other parties to assess the applicability of the privilege or protection.

3. Documents or reports to be identified shall include all documents in your possession, custody and control and all other documents of which you have knowledge. If a document is produced in response to an interrogatory, please produce a copy of the original and all versions that are different in any way from the original, whether by interlineation, receipt stamp or notation. If you do not have possession, custody, or control of the originals of the documents requested, please produce a copy of the version(s) in your possession, custody, or control, however, made.
4. Separate answers shall be furnished for each interrogatory, although where the context permits, an interrogatory may be answered by reference to the answer furnished to another interrogatory.
5. For each interrogatory, identify the name, address, telephone number and position of the person responsible for providing the answer.
6. Responsive documents available in an electronic format shall be provided in their native electronic format, unless the parties have reached a specific agreement in advance for production of the documents in a different, agreed-upon format or medium. OPC requests that responses for each production of document request be provided in separate electronic folders that include the documents responsive to the request.
7. Documents should be produced in an OCR (Optical Character Recognition) searchable format.
8. Please provide all responses to these interrogatories that include workpapers, data, calculations and spreadsheets in non-password protected and executable PC-compatible computer program/models/software. Formulae, links, and cells, formatting, metadata and any other original features assisting in calculation should be intact. For example, Excel documents and documents of a similar format shall be produced in their native electronic format, with all spreadsheets, formulas, and links unlocked and intact. To the extent the data requested does not exist in the form requested, please notify the undersigned counsel so that the parties can confer to reach a resolution for timely production.

INTERROGATORIES

1. Please describe in detail how the Company determines what encompasses a project in accordance with Definition 26 – Project, of the Code of Federal Regulation 18, Chapter 1.
2. Please describe in detail how your Company determines what encompasses a project that would be eligible for AFUDC?
3. Please describe in detail how your Company determines when a project is eligible for AFUDC treatment?
4. Please provide the amount equal to 0.5% of the sum of the total balance in Account 101 – Electric Plant In Service, and Account 106 – Completed Construction not Classified as of August 31, 2019?
5. Given the following hypothetical:
 - Three undergrounding of lateral projects located in three distinctly separate counties,
 - Company contracts for all three under one contract,
 - None of the three projects independently meet the AFUDC requirements of Rule 25-6.0141, Florida Administrative Code.
 - All three projects added together meet the threshold test of Rule 25-6.0141, Florida Administrative Code.

Do you believe the above projects would accrue AFUDC in accordance with your company policies and procedures? Explain your answer.

6. Please provide a detailed description of how the Company identifies, tracks, and accounts for current individual projects that they consider "storm hardening" as described in the Company's recent 2019-2021 storm hardening plan filed on March 1, 2019 and approved by the Commission on July 9, 2019?
7. Please provide a detailed description of each current individual project that the Company considers storm hardening as described in the Company's recent 2019-2021 storm hardening plan approved by the Commission on July 9, 2019?
8. Please provide a detailed description of the process that your Company uses to identify the need to harden or underground a service lateral?
9. Please provide a detailed description of how the company determines the priority to underground a service lateral?
10. Please provide the following for undergrounding a service lateral:
 - a. What government entities does the Company have to obtain a permit from for an undergrounding project?
 - b. At what point in time for an undergrounding project would the Company file for the needed permit(s)?

- c. Please explain in detail, once an undergrounding lateral project is identified, how long does the preliminary engineering of the project take. Please include a timeline of activities involved as well as a description of each activity.
 - d. Does your Company contract with a separate entity for the lateral undergrounding projects or do you complete the construction by using Company employees to perform the work? If your Company uses contractors to perform the lateral underground work, does each project require a new contract? If a new contract is required, please provide a detailed description of the activities required for a vendor search and to execute a new contract.
11. Please describe the types of storm hardening projects that your Company has (a) completed in 2019 and (b) has started construction in 2019?
12. Please provide a detailed list and description of all functions of the customer meters that your Company has currently installed. The list should be broken into two categories: 1) functions used for extreme weather events and 2) functions other than those used for extreme weather events. Extreme weather events are defined as named tropical storm or hurricane events.
13. Please provide a detailed list and description of all functions of current and future battery installations currently in place or planned for construction. If any functions are described as needed for extreme weather events, please provide a detailed description of how they would benefit customers during this type of event.

14. According to your storm hardening plans filed with the Commission prior to the new statute being signed into law and approved by the Commission on July 9, 2019, your Company already has plans to perform storm hardening activities for 2019 and 2020. Is it your Company's opinion that all of these activities and proposed dollar thresholds would be recovered through your Company's current base rates and therefore not be requested for recovery through the new Storm Protection Cost Recovery Clause? Explain your answer.
15. Proposed Rule 25-6.031(6)(b), Storm Protection Plan Cost Recovery Clause (SPPCRC) states that costs included in base rates or other cost recovery mechanisms are not recoverable through this clause. However, Proposed Rule 25-6.030, Storm Protection Plan (SPP), has no such language. Is it your Company's intention and/or opinion that the Storm Protection Plan should and will include storm protection costs, both capital costs and expensed costs, that are currently being recovered through the Company's base rates as well as the incremental costs above those already included in base rates?
16. If your answer to Question 14 is yes, please explain how the Commission will be able to distinguish between costs covered by base rates and the incremental costs above that covered by base rates based on the language in the proposed rule?
17. Please explain how your company currently accounts for and recovers tree trimming expenses?

18. Please explain in detail how the Company will distinguish between tree trimming expenses currently being recovered through base rates and those that you will be requesting as new incremental costs to be recovered through the SPPCRC?
19. Is it your Company's belief that undergrounding of new distribution systems would be considered an enhancement of the current infrastructure and therefore includable for recovery through the storm protection recovery clause?
20. Is it your company's intention that a storm protection program would include all projects of a specific type such as undergrounding laterals?
21. Proposed Rule 25-6.030(3)(e)1., Storm Protection Plan, requires the Company file a description of each storm protection project. Is it your Company's opinion that the rule does not require the Company to show how it selected and/or prioritized each of these projects?
 - a. Is it also the Company's opinion that the Commission does not need that information to determine the prudence of moving forward with a particular project included in the first year?
 - b. If the answer to 20(a) is yes, please explain how the Commission can decide whether a particular project should be included based on the Company's prioritization of a program.
22. Proposed Rule 25-6.030(3)(e)2, Storm Protection Plan does not require the Company to list the specific projects to be included in years 2 and 3. Please explain how the

Commission can make a determination that the programs included in year 2 and 3 do not include projects already being recovered through base rates if no project detail is given?

23. Please provide a detailed description of the process that your Company uses to identify the need to storm harden or enhance the wind capability of transmission structures and components?
24. Please provide a detail description of how the company determines the priority to storm harden or enhance the wind capability of transmission structures and components?
25. Please provide the following for storm hardening or enhancing the wind capability of transmission structures and components:
 - a. What government entities does the Company have to obtain a permit(s) from to storm harden or enhance the wind capability of transmission structures and components?
 - b. At what point in time for such a project would the Company file for the needed permit(s)?
 - c. Please explain in detail, once a transmission structure project is identified, the length of time the preliminary engineering of the project takes. Please include a timeline of activities involved as well as a description of each activity.
 - d. Does your Company contract for the transmission structure projects or does Company complete the construction using Company employees?
 - i. If your Company uses contractors, does each project require a new contract?

- ii. If a new contract is required, please provide a detailed description of the activities required to conduct a vendor search and to execute a new contract.
26. Please provide a detail description of the process that your Company uses to identify the need to replace wooden poles with concrete or other enhanced wind resistant structures?
27. Please provide a detailed description of how the company determines the priority to replace wooden poles with concrete or other enhanced wind resistant structures?
28. Please provide the following regarding the process for replacing wooden poles with concrete or other enhanced wind resistant structures and components:
- a. What government entities does the Company have to obtain a permit(s) from to replace wooden poles with concrete or other enhanced wind resistant structures and components?
 - b. At what point in time for such a project would the Company file for the needed permit(s)?
 - c. Please explain in detail, once a replacement of wooden poles with concrete or other enhanced wind resistant structures and components project is identified, the length of time the preliminary engineering of the project takes. Please include a timeline of activities involved as well as a description of each activity.
 - d. Does your Company contract with a separate entity for the replacement of wooden poles with concrete or other enhanced wind resistant structures and components

projects, or does the Company complete the construction by using Company employees?

- i. If your Company uses contractors, does each project require a new contract?
- ii. If a new contract is required, please provide a detail description of the activities required for a vendor search and to execute a new contract.

29. Proposed Rule 25-6.031(3), states that the annual hearing will be limited to determining the reasonableness of approved storm protection plan costs, determining the prudence of actual storm protection plan costs incurred by the utility, and establishing storm protection plan cost recovery factors consistent with the requirements of this rule. If no project information is required for years 2 and 3 of the plan, please explain how the Commission, Commission Staff or any intervenor can contest the inclusion of a particular project as being imprudent for inclusion in the clause for recovery?

Respectfully submitted,

/s/ J.R. Kelly

J.R. Kelly
Public Counsel

Office of Public Counsel
c/o The Florida Legislature
111 West Madison Street
Room 812
Tallahassee, FL 32399-1400

Attorneys for the Citizens
of the State of Florida

AFFIDAVIT

STATE OF FLORIDA)

COUNTY OF _____)

I hereby certify that on this _____ day of _____, 2019, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared _____, who is personally known to me, and he/she acknowledged before me that he/she provided the answers to interrogatory number(s) _____ from CITIZENS' FIRST SET OF INTERROGATORIES TO GULF POWER (NOS. 1-29) in Docket No. 20190131-EU, and that the responses are true and correct based on his/her personal knowledge.

In Witness Whereof, I have hereunto set my hand and seal in the State and County aforesaid as of this _____ day of _____, 2019.

Notary Public
State of Florida, at Large

My Commission Expires:

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Office of Public Counsel's 1st Set of Interrogatories to Gulf Power (Nos. 1-29) has been furnished by electronic mail on this 29th day of October 2019, to the following:

Ausley Law Firm
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Represents: Tampa Electric
Company

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Tampa Electric Company
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Represented By: Ausley Law Firm

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Docket No. 20190131
Citizens' First Set of Interrogatories to Gulf (Nos. 1-29)

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Jon C. Moyle, Jr.
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Tallahassee, FL 32301
jmoyle@moylelaw.com
Represents: Florida Industrial Power
Users Group

/s/ J.R. Kelly
J.R. Kelly
Public Counsel

BEFORE THE PUBLIC SERVICE COMMISSION

In Re: Proposed Adoption of Rule 25-6.030, F.A.C.,
Storm Protection Plan and Rule 25-6.031, F.A.C., Storm
Protection Plan Recovery Clause

Docket No.: 20190131-EU

Filed: October 30, 2019

CORRECTED
NOTICE OF DEPOSITION DUCES TECUM

TO: Holly Henderson
Gulf Power Company
215 S. Monroe St., Suite 618
Tallahassee, FL 32301
Holly.henderson@nexteraenergy.com

NOTICE is hereby given that pursuant to Rule 28-106.206, Florida Administrative Code and Florida Rule of Civil Procedure 1.310, the Office of Public Counsel will take the deposition of the following named individuals at the location and time indicated below:

NAME	DATE and TIME	LOCATION
Gulf Power Company (Gulf) Corporate Representative, or Panel of Corporate Representatives, as described below.	Monday, November 18, 2019 11:00 a.m. Or date and time mutually agreed.	Office of Public Counsel 111 W. Madison Street, Rm 812 Tallahassee, Florida 32399-1400

Please produce as a corporate representative the following person or persons:

1. Who can explain in detail the entire planning process for undergrounding projects.
2. Who can explain the accounting treatment of AFUDC for such undergrounding projects.
3. Who can describe the ongoing undergrounding projects contained in the Storm Hardening Plans the Commission approved on July 9, 2019.

This deposition shall be taken upon oral examination before an official court reporter or other officer authorized by law to take depositions. The deposition is being taken for purposes of

discovery, for use at trial, and for any other purposes allowed under the Florida Rules of Civil Procedure and the Rules of the Florida Public Service Commission.

Please govern yourselves accordingly.

Respectfully Submitted,

/s/J. R. Kelly

J. R. Kelly
Public Counsel

Office of Public Counsel
c/o The Florida Legislature
111 West Madison Street, Room 812
Tallahassee, FL 32399-1400
(850) 488-9330
Attorneys for the Citizens
of the State of Florida

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by electronic mail to the following parties on this 30th day of October, 2019.

Adria Harper
Andrew King
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Florida Public Service Commission
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Tallahassee, FL32399-0850
aharper@psc.state.fl.us
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James D. Beasley
J. Jeffrey Wahlen
Malcolm N. Means
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ken.rubin@fpl.com

/s/J. R. Kelly
J. R. Kelly
Public Counsel

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Re: Proposed adoption of Rule 25-6.030, F.A.C.,
Storm Protection Plan, and Rule 25-6.031, F.A.C.,
Storm Protection Plan Cost Recovery Claus

DOCKET NO. 20190131-EU

FILED: October 29, 2019

**NOTICE OF SERVICE OF CITIZENS' FIRST REQUEST FOR PRODUCTION OF
DOCUMENTS AND FIRST SET OF INTERROGATORIES
TO TAMPA ELECTRIC COMPANY**

Pursuant to Section 350.0611, Florida Statutes, the Citizens of the State of Florida, by and through J.R. Kelly, Public Counsel, serve this notice that they have served their First Request for Production of Documents (Nos. 1-11) and First Set of Interrogatories (Nos. 1-29). This discovery is being served to Paula K. Brown, Tampa Electric Company, ("TECO"), P.O. Box 111, Tampa, FL 33601 on this 29th day of October, 2019.

Respectfully submitted,

/s/ J.R. Kelly

J. R. Kelly
Public Counsel

Office of Public Counsel
c/o The Florida Legislature
111 West Madison Street
Room 812
Tallahassee, FL 32399-1400

Attorneys for the Citizens
of the State of Florida

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Citizens' Notice of Service of First Request for Production of Documents (Nos. 1-11) and First Set of Interrogatories (No. 1-29) has been furnished by electronic mail on this 29th day of October 2019, to the following:

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Represents: Tampa Electric
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Joint Administrative Procedures
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Tampa Electric Company
Ms. Paula K. Brown
Regulatory Affairs
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regdept@tecoenergy.com
Represented By: Ausley Law Firm

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118 North Gadsden Street
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jmoyle@moylelaw.com
Represents: Florida Industrial Power
Users Group

/s/ J.R. Kelly
J. R. Kelly
Public Counsel

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Re: Proposed adoption of Rule 25-6.030, F.A.C.,
Storm Protection Plan, and Rule 25-6.031, F.A.C.,
Storm Protection Plan Cost Recovery Claus

DOCKET NO. 20190131-EU

FILED: October 29, 2019

**CITIZENS' FIRST REQUEST FOR PRODUCTION OF DOCUMENTS TO
TAMPA ELECTRIC COMPANY (NOS. 1-11)**

Pursuant to § 350.0611(1), F.S., Rule 28-106.206, Fla. Admin. Code, and Rule 1.350, Fla. R. Civ. P., the Citizens of the State of Florida, through the Office of Public Counsel, request Tampa Electric Company (TECO or Company) to produce the following documents for inspection and copying at the Office of Public Counsel, Claude Pepper Building, 111 West Madison Street, Room 812, Tallahassee, Florida 32399-1400, or at such other mutually agreed place, as provided by the Rules of Civil Procedure, and within the time period set out in Order No. PSC-2019-0272-PCO-EI, as amended by Amending Order PSC-2019-0272A-PCO-EI. **In lieu of hard copy responses, OPC requests that the Company provide the responses electronically as described below in the Instructions.**

DEFINITIONS

As used herein, the following words shall have the meanings indicated:

“You”, “your”, “Company” or “TECO” refers to Tampa Electric Company, its employees, consultants, agents, representatives, attorneys of the Company, and any other person or entity acting on behalf of the Company. “Parent” means the holding company or parent of the Florida regulated Company. “Affiliate” means the affiliate or sister companies regulated in Florida or which are regulated by, or operate primarily in, another jurisdiction.

“Document” refers to written matter of any kind, regardless of its form, and to information recorded on any storage medium, whether in electrical, optical or electromagnetic form, and capable of reduction to writing by the use of computer hardware and software. The terms

"document" and "documents" are meant to have the broadest possible meaning under applicable law and includes, but is not necessarily limited to, any written, recorded, filmed or graphic matter, whether produced, reproduced, or on paper, e-mail, cards, tapes, film, electronic facsimile, computer storage device or any other media, including, but not limited to, memoranda, notes, minutes, records, photographs, correspondence, communications, telegrams, diaries, bookkeeping entries, financial statements, tax returns, checks, check stubs, reports, studies, charts, graphs, statements, notebooks, handwritten notes, applications, agreements, books, pamphlets, periodicals, appointment calendars, records and recordings of oral conversations, work papers, and notes, any of which are in your possession, custody, or control.

INSTRUCTIONS

1. If any document is withheld under any claim to privilege, please furnish a list identifying each document for which privilege is claimed, together with the following information: date, sender, recipients, recipients of copies, subject matter of the document, and the basis upon which such privilege is claimed.
2. Responsive documents available in an electronic format shall be provided in their native electronic format, unless the parties have reached a specific agreement in advance for production of the documents in a different, agreed-upon format or medium. OPC requests that responses for each production of document request be provided in separate electronic folders that include the documents responsive to the request.
3. If you have possession, custody, or control of the original of the documents requested, please produce a copy of the originals and all versions that are different in any way from the original, whether by interlineation, receipt stamp or notation. If you do not have possession, custody, or control of the originals of the documents requested, please produce a copy of the version(s) in your possession, custody, or control, however, made.

4. In providing documents, the Company, is requested to furnish all documents or items in its physical possession or custody, as well as those materials under the physical possession, custody or control of any other person acting or purporting to act on behalf of the Company or any of the employees or representatives, whether as an agent, independent contractor, attorney, consultant, witness, or otherwise, of the Company.
5. Please construe "and" as well as "or" either disjunctively or conjunctively as necessary to bring within the scope of this production of documents any document which might otherwise be constructed to be outside the scope.
6. Please provide all responses that include workpapers, data, calculations and spreadsheets in non-password protected and executable PC-compatible computer program/models/software. Formulae, links, and cells, formatting, metadata and any other original features assisting in calculation should be intact. For example, Excel documents and documents of a similar format shall be produced in their native electronic format, with all spreadsheets, formulas, and links unlocked and intact. To the extent the data requested does not exist in the form requested, please notify the undersigned counsel so that the parties can confer to reach a resolution for timely production.
7. Documents should be produced in an OCR (Optical Character Recognition) searchable format.
8. Pursuant to the Commission's order establishing procedure, each page of every document produced pursuant to requests for production of documents shall be identified individually through the use of a Bates Stamp or other equivalent method of sequential identification.

PRODUCTION OF DOCUMENTS

1. Please provide all documents that describe the Company's policies and procedures for accounting for capital projects.
2. Please provide all documents that describe the Company's policies and procedures for applying Allowance for Funds Used During Construction (AFUDC) to capital projects in compliance with Rule 25-6.0141, Florida Administrative Code.
3. Please provide all documents that describe the Company's process and timeline for undergrounding laterals.
4. Please provide all documents that describe the Company's process and timeline for replacing transmission structures and components.
5. Please provide all documents that describe the Company's process and timeline for replacing wooden poles with concrete or more wind resistant materials.
6. Please provide all Company documents that describe how customer meters aid in the recovery from extreme weather events.
7. Please provide all literature known to the Company that describe how customer meters aid in the recovery from extreme weather events.
8. Please provide all Company documents that describe how battery installations aid in the recovery from extreme weather conditions.
9. Please provide all literature known to the Company that describe how battery installations aid in the recovery from extreme weather conditions.

10. Please provide all Company documents that describe the Company's policies and procedures for determining how storm protection plan projects are designed to enhance the Company's existing transmission and distribution facilities.

11. Please provide all Company documents that describe the Company's policies and procedures for determining how storm protection plan projects are to be prioritized.

Respectfully submitted,

/s/ J.R. Kelly

J.R. Kelly

Public Counsel

Office of Public Counsel
c/o The Florida Legislature
111 West Madison Street
Room 812
Tallahassee, FL 32399-1400

Attorneys for the Citizens
of the State of Florida

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Office of Public Counsel's First Request for Production of Documents to Tampa Electric Company (Nos. 1-11) has been furnished by electronic mail on this 29th day of October 2019, to the following:

Ausley Law Firm
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Docket No. 20190131

Citizens' First Request for Production of Documents to TECO (No. 1-11)

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Represents: Florida Industrial Power
Users Group

/s/ J.R. Kelly
J.R. Kelly
Public Counsel

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Re: Proposed adoption of Rule 25-6.030, F.A.C. ,
Storm Protection Plan, and Rule 25-6.031,
F.A.C., Storm Protection Plan Cost Recovery
Claus

DOCKET NO. 20190131-EU

FILED: October 29, 2019

**CITIZENS' FIRST SET OF INTERROGATORIES TO
TAMPA ELECTRIC COMPANY (NOS. 1-29)**

Pursuant to § 350.0611(1), F.S., Rule 28-106.206, Fla. Admin. Code, and Rule 1.340, Fla. R. Civ. P., the Citizens of the State of Florida (Citizens), through the Office of Public Counsel (OPC), propound the following interrogatories to Tampa Electric Company (TECO or Company). These interrogatories shall be answered under oath by you or your agent, who is qualified and who will be identified, with the answers being served as provided by the Rules of Civil Procedure, within the time period set out in Order No. PSC-2019-0272-PCO-EI, as amended by Amendatory Order PSC-2019-0272A-PCO-EI, or as mutually agreed. As provided by Rule 1.340(a), Florida Rules of Civil Procedure, each interrogatory shall be answered separately and fully in writing under oath unless it is objected to. Each answer shall be signed by the person making it. Please supply the name, address, and relationship to the Company of those persons providing the answers to each of the following interrogatories.

To the extent the Company provides documents in response to an interrogatory, Citizens request the Company produce the documents for inspection and copying at the Office of Public Counsel, Claude Pepper Building, 111 West Madison Street, Room 812, Tallahassee, Florida 32399-1400.

DEFINITIONS

As used herein, the following words shall have the meanings indicated:

“You”, “your”, “Company” or “TECO” refers to Tampa Electric Company, its employees, consultants, agents, representatives, attorneys of the Company, and any other person or entity action on behalf of the Company. “Parent” means the holding company or parent of the Florida

regulated Company. "Affiliate" means the affiliates or sister companies regulated in Florida or which are regulated by, or operate primarily in, another jurisdiction.

"Document" refers to written matter of any kind, regardless of its form, and to information recorded on any storage medium, whether in electrical, optical or electromagnetic form, and capable of reduction to writing by the use of computer hardware and software.

"Identify" means:

- (a) With respect to a person, to state the person's name, address and business relationship (e.g., "employee") to the Company;
- (b) With respect to a document, to state the nature of the document in sufficient detail for identification in a request for production, its date, its author, and to identify its custodian. If the information or document identified is recorded in electrical, optical or electromagnetic form, identification includes a description of the computer hardware or software required to reduce it to readable form.

INSTRUCTIONS

1. To the extent an interrogatory calls for information which cannot now be precisely and completely furnished, such information as can be furnished should be included in the answer, together with a statement that further information cannot be furnished, and a statement as to the reasons therefore. If you expect to obtain further information between the time answers are served and the time of hearing, you are requested to state this fact in each answer. If the information which cannot now be furnished is believed to be available to another person, identify such other person and the reasons for believing such person has the described information.
2. In the event any interrogatory herein calls for information or documents which you deem to be privileged, in whole or in part, you shall
 - (a) make the claim expressly and specify the grounds relied upon for the claim of privilege,
 - (b) produce the information or documents in redacted form, and
 - (c) to the extent any information or documents are withheld, you shall identify and describe the nature of each document not disclosed and each redacted provision in a manner that will enable other parties to assess the applicability of the privilege or protection.

3. Documents or reports to be identified shall include all documents in your possession, custody and control and all other documents of which you have knowledge. If a document is produced in response to an interrogatory, please produce a copy of the original and all versions that are different in any way from the original, whether by interlineation, receipt stamp or notation. If you do not have possession, custody, or control of the originals of the documents requested, please produce a copy of the version(s) in your possession, custody, or control, however, made.
4. Separate answers shall be furnished for each interrogatory, although where the context permits, an interrogatory may be answered by reference to the answer furnished to another interrogatory.
5. For each interrogatory, identify the name, address, telephone number and position of the person responsible for providing the answer.
6. Responsive documents available in an electronic format shall be provided in their native electronic format, unless the parties have reached a specific agreement in advance for production of the documents in a different, agreed-upon format or medium. OPC requests that responses for each production of document request be provided in separate electronic folders that include the documents responsive to the request.
7. Documents should be produced in an OCR (Optical Character Recognition) searchable format.
8. Please provide all responses to these interrogatories that include workpapers, data, calculations and spreadsheets in non-password protected and executable PC-compatible computer program/models/software. Formulae, links, and cells, formatting, metadata and any other original features assisting in calculation should be intact. For example, Excel documents and documents of a similar format shall be produced in their native electronic format, with all spreadsheets, formulas, and links unlocked and intact. To the extent the data requested does not exist in the form requested, please notify the undersigned counsel so that the parties can confer to reach a resolution for timely production.

INTERROGATORIES

1. Please describe in detail how the Company determines what encompasses a project in accordance with Definition 26 – Project, of the Code of Federal Regulation 18, Chapter 1.
2. Please describe in detail how your Company determines what encompasses a project that would be eligible for AFUDC?
3. Please describe in detail how your Company determines when a project is eligible for AFUDC treatment?
4. Please provide the amount equal to 0.5% of the sum of the total balance in Account 101 – Electric Plant In Service, and Account 106 – Completed Construction not Classified as of August 31, 2019?
5. Given the following hypothetical:
 - Three undergrounding of lateral projects located in three distinctly separate counties,
 - Company contracts for all three under one contract,
 - None of the three projects independently meet the AFUDC requirements of Rule 25-6.0141, Florida Administrative Code.
 - All three projects added together meet the threshold test of Rule 25-6.0141, Florida Administrative Code.

Do you believe the above projects would accrue AFUDC in accordance with your company policies and procedures? Explain your answer.

6. Please provide a detailed description of how the Company identifies, tracks, and accounts for current individual projects that they consider "storm hardening" as described in the Company's recent 2019-2021 storm hardening plan filed on March 1, 2019 and approved by the Commission on July 9, 2019?
7. Please provide a detailed description of each current individual project that the Company considers storm hardening as described in the Company's recent 2019-2021 storm hardening plan approved by the Commission on July 9, 2019?
8. Please provide a detailed description of the process that your Company uses to identify the need to harden or underground a service lateral?
9. Please provide a detailed description of how the company determines the priority to underground a service lateral?
10. Please provide the following for undergrounding a service lateral:
 - a. What government entities does the Company have to obtain a permit from for an undergrounding project?
 - b. At what point in time for an undergrounding project would the Company file for the needed permit(s)?

- c. Please explain in detail, once an undergrounding lateral project is identified, how long does the preliminary engineering of the project take. Please include a timeline of activities involved as well as a description of each activity.
 - d. Does your Company contract with a separate entity for the lateral undergrounding projects or do you complete the construction by using Company employees to perform the work? If your Company uses contractors to perform the lateral underground work, does each project require a new contract? If a new contract is required, please provide a detailed description of the activities required for a vendor search and to execute a new contract.
11. Please describe the types of storm hardening projects that your Company has (a) completed in 2019 and (b) has started construction in 2019?
12. Please provide a detailed list and description of all functions of the customer meters that your Company has currently installed. The list should be broken into two categories: 1) functions used for extreme weather events and 2) functions other than those used for extreme weather events. Extreme weather events are defined as named tropical storm or hurricane events.
13. Please provide a detailed list and description of all functions of current and future battery installations currently in place or planned for construction. If any functions are described as needed for extreme weather events, please provide a detailed description of how they would benefit customers during this type of event.

14. According to your storm hardening plans filed with the Commission prior to the new statute being signed into law and approved by the Commission on July 9, 2019, your Company already has plans to perform storm hardening activities for 2019 and 2020. Is it your Company's opinion that all of these activities and proposed dollar thresholds would be recovered through your Company's current base rates and therefore not be requested for recovery through the new Storm Protection Cost Recovery Clause? Explain your answer.
15. Proposed Rule 25-6.031(6)(b), Storm Protection Plan Cost Recovery Clause (SPPCRC) states that costs included in base rates or other cost recovery mechanisms are not recoverable through this clause. However, Proposed Rule 25-6.030, Storm Protection Plan (SPP), has no such language. Is it your Company's intention and/or opinion that the Storm Protection Plan should and will include storm protection costs, both capital costs and expensed costs, that are currently being recovered through the Company's base rates as well as the incremental costs above those already included in base rates?
-
16. If your answer to Question 14 is yes, please explain how the Commission will be able to distinguish between costs covered by base rates and the incremental costs above that covered by base rates based on the language in the proposed rule?
17. Please explain how your company currently accounts for and recovers tree trimming expenses?

18. Please explain in detail how the Company will distinguish between tree trimming expenses currently being recovered through base rates and those that you will be requesting as new incremental costs to be recovered through the SPPCRC?
19. Is it your Company's belief that undergrounding of new distribution systems would be considered an enhancement of the current infrastructure and therefore includable for recovery through the storm protection recovery clause?
20. Is it your company's intention that a storm protection program would include all projects of a specific type such as undergrounding laterals?
21. Proposed Rule 25-6.030(3)(e)1., Storm Protection Plan, requires the Company file a description of each storm protection project. Is it your Company's opinion that the rule does not require the Company to show how it selected and/or prioritized each of these projects?
 - a. Is it also the Company's opinion that the Commission does not need that information to determine the prudence of moving forward with a particular project included in the first year?
 - b. If the answer to 20(a) is yes, please explain how the Commission can decide whether a particular project should be included based on the Company's prioritization of a program.
22. Proposed Rule 25-6.030(3)(e)2, Storm Protection Plan does not require the Company to list the specific projects to be included in years 2 and 3. Please explain how the

Commission can make a determination that the programs included in year 2 and 3 do not include projects already being recovered through base rates if no project detail is given?

23. Please provide a detailed description of the process that your Company uses to identify the need to storm harden or enhance the wind capability of transmission structures and components?
24. Please provide a detail description of how the company determines the priority to storm harden or enhance the wind capability of transmission structures and components?
25. Please provide the following for storm hardening or enhancing the wind capability of transmission structures and components:
 - a. What government entities does the Company have to obtain a permit(s) from to storm harden or enhance the wind capability of transmission structures and components?
 - b. At what point in time for such a project would the Company file for the needed permit(s)?
 - c. Please explain in detail, once a transmission structure project is identified, the length of time the preliminary engineering of the project takes. Please include a timeline of activities involved as well as a description of each activity.
 - d. Does your Company contract for the transmission structure projects or does Company complete the construction using Company employees?
 - i. If your Company uses contractors, does each project require a new contract?

- ii. If a new contract is required, please provide a detailed description of the activities required to conduct a vendor search and to execute a new contract.
26. Please provide a detail description of the process that your Company uses to identify the need to replace wooden poles with concrete or other enhanced wind resistant structures?
27. Please provide a detailed description of how the company determines the priority to replace wooden poles with concrete or other enhanced wind resistant structures?
28. Please provide the following regarding the process for replacing wooden poles with concrete or other enhanced wind resistant structures and components:
- a. What government entities does the Company have to obtain a permit(s) from to replace wooden poles with concrete or other enhanced wind resistant structures and components?
 - b. At what point in time for such a project would the Company file for the needed permit(s)?
 - c. Please explain in detail, once a replacement of wooden poles with concrete or other enhanced wind resistant structures and components project is identified, the length of time the preliminary engineering of the project takes. Please include a timeline of activities involved as well as a description of each activity.
 - d. Does your Company contract with a separate entity for the replacement of wooden poles with concrete or other enhanced wind resistant structures and components

projects, or does the Company complete the construction by using Company employees?

- i. If your Company uses contractors, does each project require a new contract?
- ii. If a new contract is required, please provide a detail description of the activities required for a vendor search and to execute a new contract.

29. Proposed Rule 25-6.031(3), states that the annual hearing will be limited to determining the reasonableness of approved storm protection plan costs, determining the prudence of actual storm protection plan costs incurred by the utility, and establishing storm protection plan cost recovery factors consistent with the requirements of this rule. If no project information is required for years 2 and 3 of the plan, please explain how the Commission, Commission Staff or any intervenor can contest the inclusion of a particular project as being imprudent for inclusion in the clause for recovery?

Respectfully submitted,

/s/ J.R. Kelly

J.R. Kelly
Public Counsel

Office of Public Counsel
c/o The Florida Legislature
111 West Madison Street
Room 812
Tallahassee, FL 32399-1400

Attorneys for the Citizens
of the State of Florida

AFFIDAVIT

STATE OF FLORIDA)

COUNTY OF _____)

I hereby certify that on this _____ day of _____, 2019, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared _____, who is personally known to me, and he/she acknowledged before me that he/she provided the answers to interrogatory number(s) _____ from CITIZENS' FIRST SET OF INTERROGATORIES TO TAMPA ELECTRIC COMPANY (NOS. 1-29) in Docket No. 20190131-EU, and that the responses are true and correct based on his/her personal knowledge.

In Witness Whereof, I have hereunto set my hand and seal in the State and County aforesaid as of this _____ day of _____, 2019.

Notary Public
State of Florida, at Large

My Commission Expires:

CERTIFICATE OF SERVICE

I **HEREBY CERTIFY** that a true and correct copy of the foregoing Office of Public Counsel's 1st Set of Interrogatories to Tampa Electric Company (Nos. 1-29) has been furnished by electronic mail on this 29th day of October 2019, to the following:

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Docket No. 20190131
Citizens' First Set of Interrogatories to TECO (Nos. 1-29)

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Represents: Florida Industrial Power
Users Group

/s/ J.R. Kelly
J.R. Kelly
Public Counsel

BEFORE THE PUBLIC SERVICE COMMISSION

In Re: Proposed Adoption of Rule 25-6.030, F.A.C.,
Storm Protection Plan and Rule 25-6.031, F.A.C., Storm
Protection Plan Recovery Clause

Docket No.: 20190131-EU

Filed: October 30, 2019

CORRECTED
NOTICE OF DEPOSITION DUCES TECUM

TO: Tampa Electric Company
Ms. Paula K. Brown
Regulatory Affairs
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Tampa, FL 33601-0111
regdept@tecoenergy.com

James D. Beasley
Tampa Electric Company
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Tallahassee, Florida 32302
jbeasley@ausley.com

NOTICE is hereby given that pursuant to Rule 28-106.206, Florida Administrative Code and Florida Rule of Civil Procedure 1.310, the Office of Public Counsel will take the deposition of the following named individuals at the location and time indicated below:

NAME	DATE and TIME	LOCATION
Tampa Electric Company (TECO) Corporate Representative, or Panel of Corporate Representatives, as described below.	Tuesday, November 19, 2019 9:00 a. m. Or date and time mutually agreed.	Office of Public Counsel 111 W. Madison Street, Rm 812 Tallahassee, Florida 32399-1400

Please produce as a corporate representative the following person or persons:

1. Who can explain in detail the entire planning process for undergrounding projects.
2. Who can explain the accounting treatment of AFUDC for such undergrounding projects.
3. Who can describe the ongoing undergrounding projects contained in the Storm Hardening Plans the Commission approved on July 9, 2019.

This deposition shall be taken upon oral examination before an official court reporter or other officer authorized by law to take depositions. The deposition is being taken for purposes of discovery, for use at trial, and for any other purposes allowed under the Florida Rules of Civil Procedure and the Rules of the Florida Public Service Commission.

Please govern yourselves accordingly.

Respectfully Submitted,

/s/J. R. Kelly

J. R. Kelly
Public Counsel

Office of Public Counsel
c/o The Florida Legislature
111 West Madison Street, Room 812
Tallahassee, FL 32399-1400
(850) 488-9330

Attorneys for the Citizens
of the State of Florida

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by electronic mail to the following parties on this day 30th day of October, 2019.

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/s/J. R. Kelly
J. R. Kelly
Public Counsel

EXHIBIT NO. 3

In Re: Proposed Adoption of Rule 25-6.030, F.A.C.,
Storm Protection Plan and Rule 25-6.031, F.A.C.,
Storm Protection Plan Recovery Clause

Docket No.: 20190131-EU

AFUDC Exhibit

Item 6 A

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET NO. 20190131 EXHIBIT 3

OPC / Reinwinkel

DATE

11/5/19

In re: Petition by Florida Power & Light Company for
Approval of FPL SolarTogether Program and Tariff

Docket No. 20190061

Filed: October 14, 2019

**FLORIDA POWER & LIGHT COMPANY'S NOTICE
OF SERVING ITS OBJECTIONS AND RESPONSES TO OFFICE OF
PUBLIC COUNSEL'S EIGHTH SET OF INTERROGATORIES (Nos. 34-38)
AND EIGHTH REQUEST FOR PRODUCTION OF DOCUMENTS (Nos. 32-36)**

Florida Power & Light Company hereby gives notice of service of its Objections and Responses to the Office of Public Counsel's Eighth Set of Interrogatories (Nos. 34-38) and Eighth Request for Production of Documents (Nos. 32-36).

Respectfully submitted this 14th day of October 2019.

Maria Jose Moncada
Senior Attorney
William P. Cox
Senior Attorney
Florida Power & Light Company
700 Universe Boulevard
Juno Beach, Florida 33408-0420
(561) 304-5795
(561) 691-7135 (fax)

By: s/ Maria Jose Moncada
Fla. Bar No. 0773301

**FLORIDA POWER & LIGHT COMPANY'S
OBJECTIONS AND RESPONSES TO OFFICE OF PUBLIC
COUNSEL'S EIGHTH SET OF INTERROGATORIES (Nos. 34-38) AND
EIGHTH REQUEST FOR PRODUCTION OF DOCUMENTS (Nos. 32-36)**

Florida Power & Light Company ("FPL") pursuant to Rules 1.340 and 1.350, Florida Rules of Civil Procedure and Rule 28-106.206, Florida Administrative Code, submits the following Objections and Responses to the Office of Public Counsel's ("OPC") Eighth Set of Interrogatories (Nos. 34-38) and Eighth Request for Production of Documents (Nos. 32-36).

I. General Objections

FPL objects to each and every discovery request that calls for information protected by the attorney-client privilege, the work product doctrine, the accountant-client privilege, the trade secret privilege, or any other applicable privilege or protection afforded by law, whether such privilege or protection appears at the time response is first made or is later determined to be applicable for any reason. FPL in no way intends to waive any such privilege or protection. The nature of the documents, if any, will be described in a privilege log prepared and provided by FPL.

FPL is a large corporation with employees located in many different locations. In the course of its business, FPL creates numerous documents that are not subject to Florida Public Service Commission or other governmental record retention requirements. These documents are kept in numerous locations and frequently are moved from site to site as employees change jobs or as business is reorganized. Therefore, it is possible that not every relevant document may have been consulted in developing FPL's responses to the discovery requests. Rather, these responses provide all of the information that FPL obtained after a reasonable and diligent search

conducted in connection with these discovery requests. To the extent that the discovery requests propose to require more, FPL objects on the grounds that compliance would impose an undue burden or expense on FPL.

FPL objects to each discovery request to the extent that it seeks information that is duplicative, not relevant to the subject matter of this docket, and is not reasonably calculated to lead to the discovery of admissible evidence.

FPL objects to each and every discovery request to the extent it is vague, ambiguous, overly broad, imprecise, or utilizes terms that are subject to multiple interpretations but are not properly defined or explained for purposes of such discovery requests. Any responses provided by FPL will be provided subject to, and without waiver of, the foregoing objection.

FPL also objects to each and every discovery request to the extent it calls for FPL to prepare information in a particular format or perform calculations or analyses not previously prepared or performed as unduly burdensome and purporting to expand FPL's obligations under applicable law.

FPL objects to providing information to the extent that such information is already in the public record before a public agency and available through normal procedures or is readily accessible through legal search engines.

FPL objects to each and every discovery request that calls for the production of documents and/or disclosure of information from NextEra Energy, Inc. and any subsidiaries and/or affiliates of NextEra Energy, Inc. that do not deal with transactions or cost allocations between FPL and either NextEra Energy, Inc. or any subsidiaries and/or affiliates. Such documents and/or information do not affect FPL's rates or cost of service to FPL's customers. Therefore, those documents and/or information are irrelevant and not reasonably calculated to

lead to the discovery of admissible evidence. Furthermore, FPL is the party appearing before the Florida Public Service Commission in this docket. To require any non-regulated entities to participate in irrelevant discovery is by its very nature unduly burdensome and overbroad. Subject to, and without waiving, any other objections, FPL will respond to the extent the request pertains to FPL and FPL's rates or cost of service charged to FPL's customers. To the extent any responsive documents contain irrelevant affiliate information as well as information related to FPL and FPL's rates or cost of service charged to its customers, FPL may redact the irrelevant affiliate information from the responsive documents.

Where any discovery request calls for production of documents, FPL objects to any production location other than the location established by FPL, at FPL's Tallahassee Office located at 215 South Monroe Street, Suite 810, Tallahassee, Florida, unless otherwise agreed by the parties.

FPL objects to each and every discovery request and any instructions that purport to expand FPL's obligations under applicable law.

In addition, FPL reserves its right to count discovery requests and their sub-parts, as permitted under the applicable rules of procedure, in determining whether it is obligated to respond to additional requests served by any party.

FPL expressly reserves and does not waive any and all objections it may have to the admissibility, authenticity or relevance of the information provided in its responses.

II. Responses

1. Attached are FPL's responses to OPC's Eighth Set of Interrogatories (Nos. 34-38), subject to FPL's objections, together with the supporting declarations.

2. Attached are FPL's responses to OPC's Eighth Request for Production of Documents (Nos. 32-36), subject to FPL's objections.

Respectfully submitted this 14th day of October 2019.

Maria Jose Moncada
Senior Attorney
William P. Cox
Senior Attorney
Florida Power & Light Company
700 Universe Boulevard
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(561) 304-5795
(561) 691-7135 (fax)

By: s/ Maria Jose Moncada
Fla. Bar No. 0773301

QUESTION:

Please provide supporting documents for the response provided to OPC's Eighth Set of Interrogatories, Question No. 38.

RESPONSE:

Please see responsive documents attached to this response. Additionally, see internal accounting criteria provided in FPL's response to OPC's Seventh Supplemental Request for Production of Documents No. 17.

Issue description:	Accounting for AFUDC on FPL SolarTogether 1 Project
Company relates to:	FPL
Date of request:	March 22, 2019
Prepared By:	FPL Property Accounting

Background

As filed with the Florida Public Service Commission, FPL will be constructing solar generation projects under the SolarTogether Program. The program is a new voluntary community solar program that will allow FPL customers to subscribe to a portion of the new universal solar capacity and receive a credit for a portion of the system savings produced by that solar capacity. To-date, more than 200 customers have reserved capacity totaling 1,120 MW, with many of these customers reserving a subscription equal to 75 to 100 percent of their annual energy usage.

The plan is to construct 74.5 MWs of universal solar generating facilities on three different parcels for a total of ~225 MW of generation ("SolarTogether 1 Project"). This project will be completed by January 31, 2020. FPL has identified three parcels of land related to the SolarTogether 1 Project.

1. **SolarTogether 1 Project:**
 - a. Northern Preserve
 - b. Sweetbay
 - c. Cattle Ranch

Moss Construction Inc. is the engineering, procurement and construction ("EPC") contractor responsible for the SolarTogether 1 Project. This EPC contractor is obligated to provide liquidated damages in the event of non-performance at the project level (group of three solar sites). Furthermore, FPL's Integrated Supply Chain ("ISC") has executed supply agreements with BYD America LLC to procure panels of the same technology resulting in savings and customer value.

Issue

How will FPL define a "project" for purposes of the solar build to take place throughout the settlement agreement?

Accounting Discussion

Neither the FPSC nor FERC define what constitutes a project for purposes of accruing AFUDC. Therefore, FPL has previously developed a set of criteria based on the guidance provided by both the FERC and FPSC related to the definition of a project and the ability to accrue AFUDC. This criterion is consistent with the ones used in the past for AFUDC projects. Examples of this application are three solar sites constructed by FPL as a project in 2016 and the SoBRA projects constructed in 2017, 2018, and 2019. Based on the application of its criteria for determination of a project, FPL will evaluate the group of sites to determine if each group constitutes three standalone projects or one project. FPL will consider the criteria as noted below:

1. *The work to be performed has the following characteristics:*
 - a. *One program or project manager.*
 - i. **The solar sites, commencing construction together, will have one project manager, Bill Brannen, from FPL's Engineering and Construction group responsible for ensuring the success of the collective development and construction of each group of sites. Further, each of the sites within the group will have a dedicated site manager who will report to the overall project manager.**

As noted above, FPL has contracted with one EPC contractor that will be responsible for the group of solar sites. The EPC contractor is responsible to meet performance and timing guarantees at all the solar sites within each group.

- b. *One schedule with interrelated, dependent activities*
 - i. **The solar sites will follow the same construction schedule such that all sites within the group will enter commercial operation on approximately the same date. In addition, all sites will utilize the same technology and design standards to allow for construction synergies.**
 - c. *A defined start and scheduled in service date(s)*
 - i. **Each site within the group of solar sites began development and permitting prior to January 2019 and will be placed in service by January 31, 2020¹.**
 - ii. **In the event that the estimated in-service date is not met for any site, the EPC contractor would be subject to delay penalties (liquidated damages) for each day past due based on its requirements for the applicable group of sites overall.**

¹ Targeted in-service date is January 31, 2020. In addition, the planned construction period will be greater than 12 months and all sites will enter commercial service on approximately the same day.

- d. *A program/project budget*
 - i. **The group of sites will have a construction budget for that group and will be managed by the project manager within Engineering & Construction. The installed cost of the group of sites will exceed the AFUDC threshold, which was approximately \$243.4M at the time of management approval at the end of January 2019 and will increase over time. The total cost for the project is approximately \$244.1M before AFUDC.**
 - e. *Project duration is in excess of one year*
 - i. **As noted above, the group of sites has a construction period of greater than one year. The construction period will commence at the time engineering efforts commence and last greater than one year as noted above.**
2. *No work stream or sub activity is discretionary*
 - a. **As the end goal is to place the solar sites in-service by the above noted date and begin to bill the subscribed customers accordingly, all of the construction activities required to place the asset in-service are required to take place prior to that date. In addition, FPL has executed contracts with the same PV module supplier to procure panels of the same technology. As such, all activities within the group of sites are interrelated and are required to achieve the above noted end goal and cost effectiveness of the project.**
 3. *The evaluation of the benefits of the project consider all of the component work streams which constitute the project*
 - a. **As noted above, each solar project must demonstrate that it is cost-effective to the system. The construction of the solar project allows for fuel diversification and savings as well as emissions-free generation. This in turn benefits our subscribed customers by providing low cost generation and lower fuel expense on their bills. By constructing each group of sites simultaneously as one project, FPL will be able to generate savings that will allow each group of sites to be more economical than were each site developed independently. For example, FPL has bid out and contracted the group of sites for EPC to achieve the lowest possible construction cost. The EPC contractor is responsible for the overall construction schedule for the group of sites under the supervision of the FPL project manager. This demonstrates that constructing each group of sites as one project will deliver procurement and construction synergies that are necessary to demonstrate the cost effectiveness to the Commission.**

4. *Each major component or sub activity of the project is interdependent to one another in some way such that the defined success requires each sub activity in order for that result to be obtained. In other words, the individual work streams do not have the same value independently as they do to the whole project; the interrelationship optimizes the result.*
 - a. **In addition to the synergies noted in criterion #3 above, EPC contractors are obligated to provide liquidated damages in the event of non-performance at the project level (group of sites) which provides increased protection to customers based on the grouping of sites.**

Conclusion

Based on the above noted facts and circumstances, FPL deems it appropriate to bundle the group of sites as a project for AFUDC recognition purposes.

FPL will establish separate internal orders for each site to track the charges; however, the internal orders will be grouped together for purposes of applying AFUDC. The internal orders will be placed in-service once the sites within each group go into commercial operations.

Issue description:	Accounting for AFUDC on FPL SolarTogether 2 Project
Company relates to:	FPL
Date of request:	March 22, 2019
Prepared By:	FPL Property Accounting

Background

As filed with the Florida Public Service Commission, FPL will be constructing solar generation projects under the SolarTogether Program. The program is a new voluntary community solar program that will allow FPL customers to subscribe to a portion of the new universal solar capacity and receive a credit for a portion of the system savings produced by that solar capacity. To-date, more than 200 customers have reserved capacity totaling 1,120 MW, with many of these customers reserving a subscription equal to 75 to 100 percent of their annual energy usage.

The plan is to construct 74.5 MWs of universal solar generating facilities on three different parcels for a total of ~225 MW of generation ("SolarTogether 2 Project"). This project will be completed by January 31, 2020. FPL has identified three parcels of land related to the SolarTogether 2 Project.

1. **SolarTogether 2 Project:**
 - a. Twin Lakes
 - b. Blue Heron
 - c. Babcock Preserve

Moss Construction Inc. is the engineering, procurement and construction ("EPC") contractor responsible for the SolarTogether 2 Project. This EPC contractor is obligated to provide liquidated damages in the event of non-performance at the project level (group of three solar sites). Furthermore, FPL's Integrated Supply Chain ("ISC") has executed supply agreements with Trina Solar (U.S.) Inc. to procure panels of the same technology resulting in savings and customer value.

Issue

How will FPL define a "project" for purposes of the solar build to take place throughout the settlement agreement?

Accounting Discussion

Neither the FPSC nor FERC define what constitutes a project for purposes of accruing AFUDC. Therefore, FPL has previously developed a set of criteria based on the guidance provided by both the FERC and FPSC related to the definition of a project and the ability to accrue AFUDC. This criterion is consistent with the ones used in the past for AFUDC projects. Examples of this application are three solar sites constructed by FPL as a project in 2016 and the SoBRA projects constructed in 2017, 2018, and 2019. Based on the application of its criteria for determination of a project, FPL will evaluate the group of sites to determine if each group constitutes three standalone projects or one project. FPL will consider the criteria as noted below:

1. *The work to be performed has the following characteristics:*
 - a. *One program or project manager.*
 - i. **The solar sites, commencing construction together, will have one project manager, Bill Brannen, from FPL's Engineering and Construction group responsible for ensuring the success of the collective development and construction of each group of sites. Further, each of the sites within the group will have a dedicated site manager who will report to the overall project manager.**

As noted above, FPL has contracted with one EPC contractor that will be responsible for the group of solar sites. The EPC contractor is responsible to meet performance and timing guarantees at all the solar sites within each group.

- b. *One schedule with interrelated, dependent activities*
 - i. **The solar sites will follow the same construction schedule such that all sites within the group will enter commercial operation on approximately the same date. In addition, all sites will utilize the same technology and design standards to allow for construction synergies.**
 - c. *A defined start and scheduled in service date(s)*
 - i. **Each site within the group of solar sites began development and permitting prior to January 2019 and will be placed in service by January 31, 2020¹.**
 - ii. **In the event that the estimated in-service date is not met for any site, the EPC contractor would be subject to delay penalties (liquidated damages) for each day past due based on its requirements for the applicable group of sites overall.**

¹ Targeted in-service date is January 31, 2020. In addition, the planned construction period will be greater than 12 months and all sites will enter commercial service on approximately the same day.

- d. *A program/project budget*
 - i. **The group of sites will have a construction budget for that group and will be managed by the project manager within Engineering & Construction. The installed cost of the group of sites will exceed the AFUDC threshold, which was approximately \$269.1 at the time of management approval at the end of January 2019 and will increase over time. The total cost for the project is approximately \$244.1M before AFUDC.**
 - e. *Project duration is in excess of one year*
 - i. **As noted above, the group of sites has a construction period of greater than one year. The construction period will commence at the time engineering efforts commence and last greater than one year as noted above.**
2. *No work stream or sub activity is discretionary*
- a. **As the end goal is to place the solar sites in-service by the above noted date and begin to bill the subscribed customers accordingly, all of the construction activities required to place the asset in-service are required to take place prior to that date. In addition, FPL has executed contracts with the same PV module supplier to procure panels of the same technology. As such, all activities within the group of sites are interrelated and are required to achieve the above noted end goal and cost effectiveness of the project.**
3. *The evaluation of the benefits of the project consider all of the component work streams which constitute the project*
- a. **As noted above, each solar project must demonstrate that it is cost-effective to the system. The construction of the solar project allows for fuel diversification and savings as well as emissions-free generation. This in turn benefits our subscribed customers by providing low cost generation and lower fuel expense on their bills. By constructing each group of sites simultaneously as one project, FPL will be able to generate savings that will allow each group of sites to be more economical than were each site developed independently. For example, FPL has bid out and contracted the group of sites for EPC to achieve the lowest possible construction cost. The EPC contractor is responsible for the overall construction schedule for the group of sites under the supervision of the FPL project manager. This demonstrates that constructing each group of sites as one project will deliver procurement and construction synergies that are necessary to demonstrate the cost effectiveness to the Commission.**

4. *Each major component or sub activity of the project is interdependent to one another in some way such that the defined success requires each sub activity in order for that result to be obtained. In other words, the individual work streams do not have the same value independently as they do to the whole project; the interrelationship optimizes the result.*
 - a. **In addition to the synergies noted in criterion #3 above, EPC contractors are obligated to provide liquidated damages in the event of non-performance at the project level (group of sites) which provides increased protection to customers based on the grouping of sites.**

Conclusion

Based on the above noted facts and circumstances, FPL deems it appropriate to bundle the group of sites as a project for AFUDC recognition purposes.

FPL will establish separate internal orders for each site to track the charges; however, the internal orders will be grouped together for purposes of applying AFUDC. The internal orders will be placed in-service once the sites within each group go into commercial operations.

QUESTION:

Please refer to the Rebuttal Testimony of Mr. Brannen at page 4, line 11 through page 5, line 8. Please identify whether SolarTogether Projects 1 and 2, completed under a single EPC agreement with the Company receiving AFUDC, has a lower projected CPVRR than if the projects were completed by awarding construction contracts on an individual site basis without the Company receiving AFUDC. If the Company did not evaluate this, please explain in detail why it did not evaluate this when it was considering for Projects 1 and 2 whether to use a single EPC agreement for each project versus awarding construction contracts on an individual site basis.

RESPONSE:

FPL engages in a robust solicitation and procurement process for all construction projects and determines the strategy that will result in the lowest cost to build. Based on the results of that process (selected EPC vendor, equipment suppliers, etc.), FPL then applies the FPSC rules and internal accounting policies to determine whether the project qualifies for recovery of allowance for funds used during construction (AFUDC). This process applies irrespective of project scope or generation resource.

FPL adhered to this process with respect to SolarTogether Projects 1 and 2: FPL sought competitive solicitations for the various components of each solar center, including, but not limited to, PV panels, EPC contract, major electrical equipment, substation and interconnection facilities. As has been the case for the past five years, when a contractor provides a bid for multiple sites, there are efficiencies of scale gained and the contractor is then able to pass along discounts to FPL. FPL was only able to accrue the benefits of these discounts as well as other project management and schedule synergies through awarding a single EPC contract for SolarTogether Project 1 and a single EPC contract for SolarTogether Project 2. This process ensured the lowest overall cost of construction.


Once FPL established this contracting structure would result in the lowest overall construction cost, FPL applied the FPSC's rules and the Company's accounting policies to determine whether SolarTogether Projects 1 and 2 qualify for AFUDC. Based on the FPSC's rules and the AFUDC eligibility requirements referenced in Mr. Bores Rebuttal Testimony, Projects 1 and 2 met the eligibility requirements for AFUDC.

FPL also followed this process with respect to SolarTogether Project 3. It obtained the lowest overall construction cost – in this instance, the lowest price required FPL to contract each site separately. FPL then applied FPSC's rules and the Company's accounting policies, and it determined that SolarTogether Project 3 does *not* qualify for AFUDC.

DECLARATION

I sponsored the answers to Interrogatory Nos. 35-36 and co-sponsored No. 37 from Office of Public Counsel's Eighth Set of Interrogatories to Florida Power & Light Company in Docket No. 20190061-EI, and the responses are true and correct based on my personal knowledge.

Under penalties of perjury, I declare that I have read the foregoing declaration and the interrogatory answers identified above, and that the facts stated therein are true.



Matthew Valle
Date: 10/11/19

DECLARATION

I co-sponsored the answers to Interrogatory Nos. 37-38 from the Office of Public Counsel's Eighth Set of Interrogatories to Florida Power & Light Company in Docket No. 20190061-EI, and the responses are true and correct based on my personal knowledge.

Under penalties of perjury, I declare that I have read the foregoing declaration and the interrogatory answers identified above, and that the facts stated therein are true.



Scott Bores

Date: 10/11/2019

DECLARATION

I co-sponsored the answer to Interrogatory No. 38 from the Office of Public Counsel's Eighth Set of Interrogatories to Florida Power & Light Company in Docket No. 20190061-EI, and the response is true and correct based on my personal knowledge.

Under penalties of perjury, I declare that I have read the foregoing declaration and the interrogatory answer identified above, and that the facts stated therein are true.



William F. Brannen

Date: October 11, 2019

DECLARATION

I sponsored the answers to Interrogatory No. 34 from OPC's Eighth Set of Interrogatories to Florida Power & Light Company in Docket No. 20190061-EI, and the response is true and correct based on my personal knowledge.

Under penalties of perjury, I declare that I have read the foregoing declaration and the interrogatory answer identified above, and that the facts stated therein are true.



Juan Enjamio

Date: Oct 14, 2019

In re: Petition by Florida Power & Light Company
for Approval of FPL SolarTogether Program and
Tariff

Docket No. 20190061

Filed: October 14, 2019

**FLORIDA POWER & LIGHT COMPANY'S NOTICE
OF SERVING SUPPLEMENTAL RESPONSES TO OFFICE OF
PUBLIC COUNSEL'S SEVENTH SET OF INTERROGATORIES (No. 17)**

Florida Power & Light Company hereby gives notice of service of its Supplemental Responses to the Office of Public Counsel's Seventh Set of Interrogatories (No. 17).

Respectfully submitted this 14th day of October 2019.

Maria Jose Moncada
Senior Attorney
William P. Cox
Senior Attorney
Florida Power & Light Company
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Juno Beach, Florida 33408-0420
(561) 304-5795
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By: s/ Maria Jose Moncada
Fla. Bar No. 0773301

CERTIFICATE OF SERVICE
Docket No. 20190061-EI

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by electronic service on this 14th day of October 2019 to the following:

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Florida Power & Light Company
Docket No. 20190061-EI
OPC's Seventh Request for Production of Documents
Request No. 17 - Supplemental
Page 1 of 1

QUESTION:

Please provide a complete copy of all analyses and studies performed by, or on behalf of, the Company related to the rebuttal testimony and exhibits of Company witnesses Valle, Brannen, Enjamio, Bores, Deason and Huber. Please provide the analyses and studies electronically in Microsoft Excel format with all formulae, links and underlying worksheets intact.

RESPONSE:

Responsive documents attached. FPL inadvertently excluded these documents in its filing on October 7, 2019.

	Electric Utility Plant	Policy #: FPL – 1.1
		Rev Date: 1/3/2017
		Former Policy #3.1

1. Scope & Overview

This document outlines FPL's accounting policies for significant accounts that are included in Electric Utility Plant (PPE) in FPL's consolidated balance sheets. Policies and procedures for Property Records and the Work Order System of Accounts are discussed in Property Procedures 601 through 604 located on the INFPL website at the Corporate Policies and Procedures website. This policy is organized as follows:

- Section 2 – Electric Utility Plant – FERC account descriptions
- Section 3 – Capitalization criteria and thresholds
- Section 4 – Construction Work in Progress, AFUDC and CIAC
- Section 5 – Additions, Betterments, Replacements and Retirements
- Section 6 – Specific Items

Detail processes and procedures are outlined in procedure manuals and Sarbanes-Oxley documents maintained by Property Accounting. Questions regarding the appropriate accounting for PPE should be directed as follows:

- Transmission, Distribution, General Plant and Land – Manager, Power Delivery Accounting
- Power Generation, Nuclear and Engineering & Construction – Manager, Power Generation Accounting

2. Electric Utility Plant - FERC account descriptions


Plant in Service (101) – This account shall include the original cost of electric plant, included in accounts 301 to 399 owned and used by the utility in its electric utility operations, and having an expectation of life in service of more than one year from date of installation, including such property owned by the utility but held by nominees. This account is included in rate base unless otherwise directed by the commission.

Property under Capital Leases (101.1) – This account shall include the amount recorded under capital leases for plant leased from others and used by the utility in utility operations. The electric property included in this account shall be classified separately according to the detailed accounts (301 to 399) prescribed for electric plant in service.

Electric Plant Purchased or Sold (102) – This account shall be charged with the cost of electric plant acquired as an operating unit or system by purchase, merger, consolidation, liquidation, or otherwise, and shall be credited with the selling price of like property transferred to others pending the distribution to appropriate accounts. Within six months from the date of acquisition or sale of property recorded herein, the utility shall file with the Federal Energy Regulatory Commission (FERC) the proposed journal entries to clear from this account the amounts recorded herein.

FPL defines an operating unit or system as a group or network of interconnected assets in a specific location or territory that are integrated with or dependent on one another in performing a specific function, whether production, transmission or distribution of electricity.

Plant Held for Future Use (105) – This account shall include the original cost of electric plant and land and land rights owned and held for future use in electric service under a definite plan respectively for such use, to include: (1) property acquired but never used by the utility in electric service, but held for such

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		Former Policy #3.1

service in the future under a definite plan, and (2) property previously used by the utility in service, but retired from such service and held pending its reuse in the future, under a definite plan, in electric service. **Completed Construction not Classified/Electric (106)** – This account shall include the total of the balances of work orders for electric plant which has been completed and placed in service but for which work orders have not been classified for transfer to the detailed electric plant accounts. The classification of electric plant in service by detailed account is required for purposes of reporting to the FERC. The utility shall also report the balance in this account as accurately as practicable according to prescribed account classifications. The purpose of this provision is to avoid any significant omission in Electric Plant in Service. There are three sub accounts used:

- Utility Plant in Review (106.1) - This account is used for work orders that will be transferred out to Utility Plant in Service Account 101.
- Nonutility Property in Review (106.2) – This account is used for work orders that will be transferred out to Nonutility Property Account 121.
- Future Use in Review (106.5) – This account is used for work orders that will be transferred out to Plant held for Future Use Account 105.

Electric Plant Acquisition Adjustments (114) – This account shall include the difference between (1) the cost to the accounting utility of electric plant acquired as an operating unit or system by purchase, merger, consolidation, liquidation, or otherwise to the extent it is less than or equal to fair value, and (2) the original cost, estimated, if not known, of such property, less the amount or amounts credited by the accounting utility at the time of acquisition to accumulated provisions for depreciation and amortization and contributions in aid of construction with respect to such property (i.e. net book value). To the extent the purchase price exceeds fair value, that portion must be recorded to goodwill in Account 186 (Miscellaneous deferred debits) pursuant to FERC policy as stated in 122 FERC ¶ 61,177 (2008).

Asset Retirement Costs – See Policy #3.6, Asset Retirement Obligations


Nuclear Fuel – See Policy #1.4, Nuclear Fuel

Nonutility Property (121) – This account shall include the book cost of land, structures, equipment, or other tangible or intangible property owned by the utility, but not used in utility service and not properly includible in account 105, Electric Plant Held for Future Use.

Construction Work in Progress (107) – This account shall include the total of the balances of work orders for electric plant in process of construction. Work orders shall be cleared from this account as soon as practicable after completion of the job and the asset being placed in-service. Further, if a project, such as a hydroelectric project, a steam station or a transmission line, is designed to consist of two or more units or circuits which may be placed in service at different dates, any expenditures which are common to and which will be used in the operation of the project as a whole shall be included in electric plant in service upon the completion and readiness for service of the first unit. Any expenditure that is identified exclusively with units of property not yet in service shall be included in this account. Expenditures on research, development, and demonstration projects for construction of utility facilities are to be included in a separate subdivision in this account. Records must be maintained to show separately each project along with detail of nature and purpose together with related costs.

Accumulated Provision for depreciation of electric utility plant (108) – See Policy 3.3, Depreciation

Accumulated Provision for amortization of electric utility plant (111) – See Policy 3.3, Depreciation

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		Former Policy #3.1

Note: The above FERC accounts are further described and defined in the FERC Code of Federal Regulations.

Plant Accounts and Property Units

The FERC has specified a **uniform system of accounts** that requires that the plant accounts “be stated on the basis of cost to the utility of plant constructed by it and the original cost, estimated if not known, of plant acquired as an operating unit or system.” The FERC further defines original cost as “the cost of such property to the person first devoting it to the public service”.

FPL's facilities are grouped by primary plant accounts according to five functional groups as stated below. These primary accounts are suffixed with 3 or 4 digit numbers, to create property retirement unit accounts as described in the appropriate Property Retirement Unit Catalog (PRUC) for each business area. (There are additional accounts in the plant account series which are used for accounting controls and for allocation and overhead purposes, but are not used for property retirement unit purposes.)


- Intangible Plant
- Production Plant
 - Steam
 - Nuclear
 - Other
- Transmission
- Distribution
- General Plant

The Property Retirement Unit Catalog (PRUC) identifies the individual retirement units that comprise the fixed assets of the Company. A retirement unit is defined as the smallest distinct component of property that is identified and costed individually in the plant records. **If an asset or component is not defined as a retirement unit, generally it cannot be capitalized and must be expensed in the appropriate Operations and Maintenance expense account.**

3. Capitalization criteria and thresholds

The criterion for the recording of costs as either capital or expense is established by generally accepted accounting principles (GAAP). FASB Concepts Statement No. 6 defines assets as probable future economic benefits obtained or controlled by a particular entity as a result of past transactions or events. Therefore, PPE expenditures that will benefit an organization beyond the current period shall be capitalized, i.e., recorded as an asset. An expenditure that benefits the operations of only the current period is recorded as an expense. A “current period” is defined as one fiscal year. The exceptions to this guideline are as follows:

- Generally, immaterial items, which otherwise qualify as capital costs, are not capitalized (**FPL threshold - \$1,000**).
- Research and development costs are expensed as incurred. For example the design, construction and testing of a prototype truck. If these costs were not considered research and development costs, they could be capitalized.

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- The ratemaking action of a regulator can determine that an item which otherwise qualifies for expense treatment can be capitalized (*Regulated Operations*, ASC 980, see policy #9.1, Accounting for Regulated Operations).
- Developments of software costs have specific guidelines outlining capital vs. expense treatment. See policy #1.7, Accounting for Costs Related to Internal Use Software.
- Leases have specific guidelines under ASC 840.

ASC 970-360 – *Real Estate – General, Property, Plant and Equipment*, provides guidance on accounting for direct and indirect costs associated with the development or construction of a real estate project. It specifically excludes from its scope real estate developed by an enterprise for its own operations. However, due to the lack of any specific guidance regarding the capitalization of costs in developing PPE for use in a company's own operations, the guidance in ASC 970-360 is referenced by analogy.

In addition, FERC allows all overhead construction costs, such as engineering, supervision, general office salaries and expenses, construction engineering and supervision by others than the accounting utility, law expenses, insurance, injuries and damages, relief and pensions, taxes and interest, to be charged to the applicable jobs using a reasonable allocation method.

Direct Costs:

In accordance with the guidance in ASC 970-360, all costs that are clearly associated with the construction of a real estate project should be capitalized. These costs include the portion of payroll-related costs attributable to personnel working directly on the project. Bonuses paid to employees should be included in the total compensation for purposes of allocating payroll-related costs to the project.


Indirect Costs:

Indirect costs that do not clearly relate to projects under development or construction, including most general and administrative expenses, are expensed as incurred. Capitalization of indirect costs is only appropriate when such costs are specifically identifiable with a particular project(s) and are identifiable in the accounting records. FPL considers severance payments made to employees who were hired to work on capital projects to be an indirect project cost. In order for severance payments to be capitalized, the payments must be clearly associated to a particular project(s), which is evidenced by appropriate documentation. For example, FPL believes it would be appropriate to capitalize severance costs paid to an employee who was hired to work on one specific job and was subsequently terminated at the end of that project. However, it would not be appropriate to capitalize severance paid to an employee who was originally hired for a specific capital project, but who was subsequently transferred to another project after the completion of the first project.

Indirect project costs that benefit more than one project should be allocated to the projects benefited based on appropriate statistical bases. For example, construction overhead should be allocated on the basis of construction labor costs.

FERC requires a "provable relationship" in order to capitalize indirect costs and disallows use of percentage distribution based on an assumed relationship between operating expense and cost of construction. If not incremental, an annual study supporting a provable relationship is required. The provable relationship study consists of:

- Relationship of particular function to construction activities
- Proportion of employee's time
- Method of determination – time studies, daily time reports, etc; not allocations.

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Examples of indirect costs include engineering, supervision, insurance, pensions, and taxes.

Additionally, some of the recurring fixed costs of *internal* development departments including *internal* payroll and related benefits for employees who work *directly* on construction stage projects are *capitalizable* if they are necessary costs to get the project to its intended use and place the asset in service. The timing of when these costs are incurred impacts whether or not costs can be capitalized. It must be determined that the capital project is probable and has been approved by accounting. See **Appendix A** for listing of the departments and examples of related activities that are considered capitalizable.

Prepaid Capital:

Prepaid capital consists of amounts paid to vendors for capital items that will not be received within the normal time frame for such items. In exchange for this advanced payment, FPL receives a discounted price on the capital items purchased.

Prepaid capital should be charged to Account 186 (*miscellaneous deferred debits*) when the payment is made. The cash outflow should be classified as an investing activity in the statement of cash flows.

When the capital asset is delivered the payment should be re-classified to one of the following FERC accounts:


1. Account 107 (*construction work in progress-Electric*) if the asset is delivered to a specific project site, or;
2. Account 101 (*electric plant in service*) if the asset goes straight into service or meets the definition of a capital spare part, or;
3. Account 154 (*plant materials and operating supplies*) if the asset is delivered and held for future use on a capital project.


Deposits or advanced payments for capital items

Any deposits or progress payments disbursed on behalf of a construction contract to secure the acquisition of assets that have a long construction lead times should be charged to Account 107 (*construction work in progress-Electric*).

General Plant Furniture, Tools and Equipment

Florida Public Service Commission (FPSC) Rule 25-6.0142 established a minimum capitalization criterion of \$1,000 per unit for each retirement unit recorded to Office Furniture and Equipment, Stores Equipment, Tools, Shop and Garage, Laboratory Equipment, and Communication Equipment Accounts. The account distribution is outlined as follows:

- Tools, shop and garage equipment ≥ \$1,000 each item
- Stores Equipment ≥ \$1,000 each item
- Laboratory Equipment ≥ \$1,000 each item
- Communication Equipment, non fiber optic accounts – refer to the PRUC  catalog for fiber optic property units.
- Office furniture and equipment, including miscellaneous power plant office furniture equipment, computer equipment and other miscellaneous equipment are generally capitalized. These items are charged to expense if they meet one of the following criteria:
 - are of small value (less than \$1,000), or

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- have a short life (less than one year), or
- can not be easily controlled/identified

The initial purchase of a complete office furniture set (including, but not limited to book case, desk, cabinet, chair, sofa, table, etc.) is considered the retirement unit. Replacement of or subsequent purchases of individual items of office furniture are to be expensed to the appropriate operations or maintenance account. Retirement units are identified in the PRUC Catalogs [\[1\]](#). In addition, computer equipment that can be bundled along with the labor costs needed to program, image and deliver the computer equipment may be capitalized.

The cost of small portable tools and safety equipment that are used directly in construction work, but do not meet the definition of a retirement unit shall be allocated to the work that directly benefits from the purchase of these items. This will result in the cost of these tools and equipment being allocated to both capital and O&M, dependent upon the nature of the work performed. The cost of such tools and equipment shall be capitalized to the plant accounts directly benefited as part of the construction.

4. Construction Work in Progress , AFUDC and CIAC

Definition of a Construction Project

A Project is defined as an identifiable unit of capital work including all associated labor, material, and other expenses which result in additions to and/or retirements from utility plant in service. Projects with different plant in-service dates must be recorded separately on unique work orders/internal orders. The scope of a work order/internal order must include all related retirement units required to make the project ready for service.

In certain instances and on an exception basis, some smaller jobs may be grouped together into a single ER if those jobs were projected with a high level of confidence to be completed within the same month.

If such additions and/or retirements, when completed, only become functional or useful when related or additional units of work are complete, then the group of related activities is considered a project. A project may include and involve the installation of numerous retirement units.


Preliminary Project Costs

GL Account 183, Preliminary Survey and Investigation Charges, is used for the recording of preliminary feasibility studies. CFR 18 Pt. 101 states "This account shall be charged with all expenditures for preliminary surveys, plans, investigations, etc. made for the purpose of determining the feasibility of utility projects under contemplation." Generally, this account is used for the larger projects under consideration that are anticipated to be capitalized and after they are approved all costs are transferred to the construction work order. If it is considered probable that the project will not be completed then costs are transferred to O&M. The costs should be transferred to O&M in the month the decision is made that the project will not be completed.

If a project qualifies as capital and construction is certain, Phase I Engineering costs (conceptual and design engineering studies) may be charged directly to capital work orders.

Land and Right-Of-Way Purchases

If land or right-of-way is purchased and construction on the land or right-of-way will commence within 1 year of the completion of the purchase, then the land or right-of-way work order shall remain in Account

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107, Construction Work in Progress, until the construction is completed. Only when the construction of the facility is completed and being used for its intended purpose will both the land and construction work orders be placed in-service. If the construction will commence more than one year from the completion of the land purchase, the land work order should be put in-service to Account 105, Plant Held for Future Use. Land purchases requiring more than 1 year for construction should be reviewed with Property Accounting.

When a land or right-of-way work order is opened, information on the related construction (current or future, budget activity of construction, etc.) is needed in order to determine the accounting treatment for the work order. In addition, land work orders must be properly segmented by its related construction. Land for a transmission line project that consists of more than one work order (where portions of the line will go in-service at different times) must be segmented into different work orders by the portions of land that relate to each line segment work order. Land for the segmented project should not be recorded in only one work order as this will violate regulatory rules.

When a transmission line, substation site prep or substation construction work order is opened, information regarding the related land is needed so that the land can be properly linked to the specific construction activity for accounting purposes and reporting to the regulatory commissions. This is especially important when the land is purchased more than 1 year before the construction commences and is placed in Account 105 for future use.

Site Preparation Costs of Substations

If the construction of a facility consists of more than one work order, i.e. work order #1 is for the clearing and erection of the fence on a substation site and work order #2 is for the structural and electrical portion of the substation, and the construction of work order #2 will commence within 1 year of the completion of work order #1 then both work orders shall remain in Account 107, Construction Work in Progress, until the substation is energized. If the construction of work order #2 will commence more than 1 year from the completion of work order #1 then work order #1 shall be put in-service to Account 105, Plant Held for Future Use.


The construction of a substation should not be split into 2 work orders until it is definitely known that the structural and electrical portion will not commence within 1 year of the site preparation activities. A single construction work order should be created instead. If due to changes in planning, the structural portion becomes delayed so that it will not commence within 1 year of the site preparation, the work order can be re-estimated and closed to Account 105, Plant Held for Future Use.

When a substation is placed in-service and the costs in the construction work order are moved out of account 107, information on the related site preparation work order (if any) and the related land work order is needed in order to move the costs accumulated in these work orders to in-service status at the same time the substation is placed in-service.

Contaminated Soil

Unless the below criteria are met, the removing and disposing of contaminated soil related to environmental regulations would be charged to O&M.

- Removal of Contaminated Soil directly caused to be removed as part of the construction of a new facility shall be capitalized as part of the cost of the new facility.
- Contaminated Soil removed as part of the removal of a retirement unit shall be charged to Account 108.3, Removal Cost, on the work order retiring the retirement unit.

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- Contaminated soil removed as part of the dismantlement of a generating facility shall be charged to the Dismantlement Reserve, Account 108.132.

Any questions related to how to account for contaminated soil should be directed to Property Accounting.

In-Service Date Of Projects

The Company defines a project as all the costs of the activities necessary to install or replace a system or a segment thereof, or to bring the condition of a specific asset to its intended use. A project can include one work order but in most cases it includes many work orders. A project is deemed in service when it is ready for its intended use. The FERC requirements use the term "ready for service".

Land purchased for a substation site is technically ready for service when FPL closes on the property, but if construction of the substation is not complete, then in the context of a project, the land is not ready for service until the substation is completed. Another example would be the construction of a new power plant. The completion of the water treatment and the waste water facilities are not ready for service until the unit which they serve is complete and producing electricity.

Substation and Transmission Line and New Power Plant In-Service Determination: A facility shall be determined ready for service when it is functioning as an integrated facility to serve customers of FPL. A substation or transmission line is not ready for service until energized for the purpose of supplying electricity to customers of FPL.

Transmission line projects that consist of more than one line segment (where portions of the line will go in-service at different times) must be separated into different work orders by line segment. A work order with one or more line segments cannot be proportionally placed in-service and placing incomplete portions of a line in-service before it is completed and energized violates regulatory rules.


Construction of a new power plant and its related switchyard and interconnections: The switchyard and interconnections would not be built if the plant was not constructed and the plant cannot properly function without the switchyard and the interconnections. Therefore the total project must include the plant and its related switchyard and interconnections which should be placed in service at the same time.

Allowance For Funds Used During Construction – AFUDC

Allowance for Funds Used During Construction is recorded monthly in the retail power plant ledger according to FPSC rule 25-6.0141 which states that CWIP or Nuclear Fuel in Process not under lease agreement that is not included in rate base may accrue AFUDC under the following conditions:

Eligibility test:

1. A work order or project becomes eligible once it receives charges if it meets the following requirements: a) estimated additions exceed 0.5 percent of the sum of the total balance in general ledger accounts 101.000 and 106.100 as of the prior month (See step 2 below) and b) the construction period is greater than a year. Note: Projects originally estimated to be completed in less than one year but are suspended for six months or more, or are not ready for service after one year become eligible for AFUDC on a prospective basis only.
2. Each month, Property Accounting will supply the business units with the current project threshold in order to qualify for AFUDC. Work orders that meet the criteria have the AFUDC button flagged within the fixed asset system, PowerPlant, so that the amount of AFUDC can be systematically calculated and applied.

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For FERC purposes, AFUDC is accrued on all capital work orders/projects that are expected to be under construction for more than one year.

An AFUDC rate is calculated annually as per FPSC rule and the FERC regulations including the monthly discounted AFUDC rate, the debt/equity split for the income statement and the debt/equity split to be used in calculating deferred income taxes. The Debt component is credited to AFUDC-Interest Sources and the Equity Component is reflected as a credit to Other Sources of Income. **Any questions regarding the currently approved AFUDC rate should be directed to Regulatory Accounting.**

Time Test:

The construction period must exceed 12 months to be eligible for AFUDC under rule #25-6.0141.

- The AFUDC time test is performed the month the work order has its first eligible charge (cash voucher, payroll or engineering – includes applied engineering).
- If the calculation of the estimated construction period in months equals or exceeds thirteen (13) months the work order would qualify for the AFUDC time period criteria.

Application of AFUDC on Land and Site Preparation:

AFUDC is not applied on land work orders which are to be transferred to Account 105, Plant Held for Future Use. AFUDC is applied to land work orders when the related on-going construction is eligible for AFUDC. AFUDC is applied to site preparation work orders that are either eligible for AFUDC on their own or eligible under the project concept. If the work order is subsequently transferred to Account 105, Plant Held for Future Use, no AFUDC is reversed. AFUDC is applied on all related land, site preparation and construction work orders when the first work order becomes eligible for AFUDC either on its own or through the project concept.

The AFUDC application is to be suspended prospectively when:

- Construction activity will cease for a period greater than six months due to circumstances within FPL's control. Construction activity is defined to include all preconstruction engineering, legal fees, licensing requirements, etc.
- A work order/project has not received charges for cash voucher, payroll or engineering for a period of six months. Suspension will be automatic on the seventh month.


Note that the FPSC Rule 25-6.0141 requires Commission notification when a capital project is expected to be suspended.

The AFUDC application is not suspended when:

- The construction delay is caused by circumstances beyond FPL's control. (i.e. government action, vendors, acts of God. etc.)
- The work order is part of a larger project and all activities for that project have not ceased.

Accounting Standards Codification 835-20, Capitalization of Interest:

In applying AFUDC, FPL considers the guidance provided in ASC 835-20, *Capitalization of Interest*. Under ASC 835-20-25-5, the capitalization period shall end when the asset is substantially complete and ready for its intended use. Some assets are completed in parts, and each part is capable of being used

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independently while work is continuing on other parts. An example is the RCB coatings. As the painting or coating of each fuel storage container is completed, that asset can be placed in service. For such assets, interest capitalization shall stop on each part when it is substantially complete and ready for use. Some assets must be completed in their entirety before any part of the asset can be used. An example is a facility designed to manufacture products by sequential processes. For such asset, interest capitalization shall continue until the entire asset is substantially complete and ready for use. Some assets cannot be used effectively until a separate facility has been completed. An example is a switchyard and a power plant. One asset can not function without the other; therefore, both assets must be placed in service at the same time. For such assets, interest capitalization shall continue until the separate facility is substantially complete and ready for use. Assets equal to or greater than \$10 million receive AFUDC until the day preceding the in service day. Property Accounting should be notified when an asset(s) of this magnitude exists.

FERC Requirements:

In 1968, the office of the Chief Accountant of FERC issued Accounting Release Number 5 addressing the proper period for capitalization of AFUDC. AR-5 states the following:

"Capitalization of AFUDC stops when the facilities have been tested and are placed in, or ready for, service. This would include those portions of construction projects completed and put into service although the project is not fully completed."


Contribution in Aid of Construction (CIAC):

Requests for new facilities, upgrades of existing facilities or relocations of electric plant resulting in a cost that is incremental to the normal cost of such service will necessitate a cash contribution from the customer known as a contribution in aid of construction ("CIAC"). (Note: The FPSC prescribes the minimum standards of service that FPL must adhere to when providing electric service to a customer.) CIAC is most often required when installing or relocating electrical lines underground or for upgraded highway street lighting and related facilities for government/municipal entities. These requests are made through the distribution, transmission and engineering departments who develop the estimate for the requested scope of work. The engineer designs the job within the respective Work Management System, which develops an estimate that is interfaced to PowerPlant. The PowerPlant system has a reimbursable billing module that utilizes the estimate to develop a bill for the customer, which includes overheads and the related tax, if applicable. The business unit initiating the work is responsible for the CIAC contract and the subsequent billing and collection. All proceeds are due prior to work commencing and are recorded as a customer deposit (government agencies such as FDOT do not have to pay in advance and are billed at the end of the project). Upon completion of the work and closure of the work order, the proceeds are cleared to the appropriate capital or expense accounts to offset the cost of work performed.

5. Additions, Betterments, Replacements and Retirements
(After Acquisition or Construction)

Addition – represents cost of additions to units of utility property added to existing plant, whether or not as replacements. Additions are capitalized if the addition meets the definition of a retirement unit and results in the affected property being either more useful, more efficient, of greater durability (increased service life) or of greater capacity.

Betterment – an enlargement or improvement of existing structures, facilities, or equipment by the replacement or improvement of parts without replacement of a complete unit. When a betterment consists of the substitution of a superior part for an inferior part of the same kind, the amount of the betterment is the excess cost of the new part over the cost of the part removed, less net salvage. This

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betterment amount is only capitalized if the addition results in the affected property being either more useful, more efficient, of greater durability (increased service life) or of greater capacity.

Replacement – the substitution of a new component for existing components that are worn out, damaged beyond repair, or have become inadequate in service. The substitution has substantially no greater capacity or benefit than the component for which it replaced. When it becomes necessary to replace some part of a unit and if the replacement does not result in substantial change of identity, or physical character of the item, the replacement is considered a repair and charged to operating expense. Replacement is applicable unless the component is defined as a retirement unit, at which point it would be treated as an addition and the replaced item would be retired.

Retirement – the removal of property from service, whether or not in the course of replacement. As an accounting transaction, a retirement may or may not coincide with either the removal from service or the physical removal of the plant affected. The system of accounts requires that the book cost of property permanently removed or not used or useful in service, whether or not replaced, be credited to the electric utility plant account and charged to the Accumulated Provision for Depreciation or Amortization of Electric Utility Plant. Retirement Units are prescribed by FERC although a lower level of detail may be maintained if practice is consistent. (Changes to or additions of retirement units must be filed annually with the FPSC). Any related costs to remove the utility plant from service should be charged to the Accumulated Provision for Depreciation and any proceeds received from the sale of the utility plant should be credited to the Accumulated Provision for Depreciation.


Buildings and Land retired or sold

If a building or land is retired, the net book value (NBV) is credited to the building or land account. If the building or land is sold, the difference between NBV and the sales price (less commissions and other expenses) is recorded as a Gain/Loss from disposition of Utility Plant. The Gain/Loss from the disposition of the property shall be deferred as a regulatory asset or liability and amortized as a gain or loss over a five year period in accordance with FPSC policy. Losses shall be accounted for as regulatory assets in Account 182.3 and amortized to Account 407.3 (Regulatory Debits). Gains will be recorded as regulatory liabilities in Account 254 and amortized to Account 407.4 (Regulatory Credits). The gain or loss from the sale of non-utility property is recorded to 421.1 or 421.2, if the property had never been included in future use or plant in service. Gains and losses associated with transactions where the building or land is currently or was previously recorded in Utility Plant In-Service or Future Use (Rate Base) are required by FPSC policy to be amortized over a 5 year period.

When any property recorded as intangible, such as franchises, intangibles, or other items of limited-term interest in land which are included in land and/or land rights are sold, relinquished or otherwise retired, Account 111 (Accumulated Provision for Amortization of Electric Utility Plant) shall be charged with the amount previously credited as related to such property. The book cost of the property retired, less the amount charged to Account 111 and the net proceeds realized, shall be deferred as a regulatory asset or liability and amortized as a gain or loss over a five year period in accordance with FPSC policy. Losses shall be accounted for as regulatory assets in Account 182.3 and amortized to Account 407.3 (Regulatory Debits). Gains will be recorded as regulatory liabilities in Account 254 and amortized to Account 407.4 (Regulatory Credits).

Unusual or significant utility plant sales

In accordance with FPSC historical practice, gains and losses arising from unusual or significant utility plant sales shall be deferred as regulatory assets or liabilities and amortized as gains or losses over a five year period. Losses shall be accounted for as regulatory assets in Account 182.3 and amortized to Account 407.3 (Regulatory Debits). Gains will be recorded as regulatory liabilities in Account 254 and amortized to Account 407.4 (Regulatory Credits).

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Additions and retirements of minor items of property

In accordance with FPSC rules, a minor item is any part or element of plant which is not designated as a retirement unit, but is a component part of the retirement unit. The addition of a minor item that did not previously exist that results in a substantial addition or betterment should be accounted for in the same manner as for the addition of a retirement unit. If the addition of the minor item does not result in a substantial addition or betterment, the costs would be charged to the appropriate operations and maintenance expense account.

When a minor item of property is retired and not replaced, no entry is recorded to the plant account as the item is being accounted for by its inclusion in the retirement unit of which it is a part.

When a minor item is replaced independently of the retirement unit, the cost of replacement shall be charged to the maintenance account, except that if the replacement results in a substantial betterment the excess of the cost of the replacement over the estimated cost at current prices of replacing without betterment shall be charged to the appropriate utility plant account.

6. Specific Items


The following outlines the accounting policy for specific issues that have arisen over time related to items within the PPE account. The information below reflects excerpts from previous memos (modified where necessary to reflect changes in GAAP or other changes in company policy) written to address the accounting in certain situations and is not comprehensive. Questions regarding the appropriate accounting for specific issues should be directed to the FPL Property Accounting group.

A. Engineering and Construction Overheads (Applied Engineering/EO's)

All engineering and associated costs that can be assignable to a specific capital work order are charged directly. The exceptions are the Distribution, Transmission, Power Generation and Information Management Business Units which allocate engineering costs and executive overhead costs to eligible capital projects based on a standard rate determined through a forecast of projected costs. The costs are charged to an overhead pool which is allocated to open projects using the standard rate. The overhead pool is monitored on a monthly basis and cleared on an annual basis.

B. Capitalized Spare Parts

Refer to Policy #1.6, Capital Spare Parts

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Appendix A

MATRIX OF EXPENDITURE EXAMPLES

Expenditure Type	Not probable or undetermined project	Probable Capital Project with accounting approval*	Construction***	Commercial Operations
Salaries, benefits & bonuses (Except as noted below)	<i>Expense</i>	<i>Expense</i>	<i>Expense</i>	<i>Expense</i>
Construction and Project Development Departments				
➤ Salaries, benefits & bonuses	<i>Expense</i>	<i>Capitalize</i>	<i>Capitalize</i>	<i>Expense</i>
Legal (Commercial)				
➤ Negotiations of project specific engineer, procurement, construction (EPC) and supply agreements, to the extent the contracts are not based on a pre-negotiated master form.	<i>Expense</i>	<i>Capitalize</i>	<i>Capitalize</i>	<i>N/A</i>
➤ Due diligence of construction and procurement related issues.	<i>Expense</i>	<i>Capitalize</i>	<i>Capitalize</i>	<i>N/A</i>
➤ Assistance during construction process with disputes, change orders, contract interpretation.	<i>Expense</i>	<i>Capitalize</i>	<i>Capitalize</i>	<i>N/A</i>
➤ Assistance with project financing.	<i>Expense</i>	<i>Expense</i>	<i>Expense</i>	<i>Expense</i>
➤ Assistance with general construction and procurement contract and project management.	<i>Expense</i>	<i>Capitalize</i>	<i>Capitalize</i>	<i>N/A</i>
Legal (Real Estate)				
➤ Order and review Title Reports or Commitments for drafted Agreements for Projects that have a high likelihood of getting built	<i>Expense</i>	<i>Capitalize</i>	<i>N/A</i>	<i>N/A</i>
➤ Order and review Preliminary Surveys for Projects that have a high likelihood of getting built	<i>Expense</i>	<i>Capitalize</i>	<i>N/A</i>	<i>N/A</i>
➤ Cure all Title Defects affecting the Projects (e.g. obtaining Subordination Non-Disturbance Agreements from landowner lenders, obtaining Title Affidavits, drafting Amendments based on new information received)	<i>Expense</i>	<i>Capitalize</i>	<i>Capitalize</i>	<i>N/A</i>
ISC Costs - during procurement of the EPC process				
➤ ISC works with Engineering to get the specifications on Capital job requirements.	<i>Expense</i>	<i>Capitalize**</i>	<i>Capitalize**</i>	<i>Expense</i>
➤ ISC bids the work and negotiates with the suppliers to mitigate construction and contract risks	<i>Expense</i>	<i>Capitalize**</i>	<i>Capitalize**</i>	<i>Expense</i>
➤ ISC processes change order to the construction jobs	<i>Expense</i>	<i>Capitalize**</i>	<i>Capitalize**</i>	<i>Expense</i>
➤ ISC helps with dispute resolution on construction jobs in relation to contract issues	<i>Expense</i>	<i>Capitalize**</i>	<i>Capitalize**</i>	<i>Expense</i>
➤ ISC moves the material to the jobs or oversees delivery to the construction site	<i>Expense</i>	<i>Capitalize**</i>	<i>Capitalize**</i>	<i>Expense</i>
Transmission Service Group				
➤ Engineering support for project construction & development processes (various engineering-related inputs into individual project construction and development processes)	<i>Expense</i>	<i>Capitalize</i>	<i>Capitalize</i>	<i>N/A</i>
➤ Required reactive studies on new generation projects to determine project is in compliance with regulatory requirements	<i>Expense</i>	<i>Capitalize</i>	<i>Capitalize</i>	<i>N/A</i>
Property Accounting				
➤ PowerPlan Master Data Set Up	<i>N/A</i>	<i>N/A</i>	<i>Capitalize</i>	<i>N/A</i>
➤ Internal order life cycle activities (including review	<i>N/A</i>	<i>N/A</i>	<i>Capitalize</i>	<i>N/A</i>



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and approval, in-service activities, unitization & close processes)				
➤ Business Unit Capital Support (including capitalization requests and analytics)	N/A	N/A	Capitalize	N/A
➤ Other Capital Support Activities (including providing accounting guidance & oversight related to proper recording of prepays & accelerated purchases)	N/A	N/A	Capitalize	N/A
Environmental				
➤ Preconstruction Surveys (avian, bat monitoring, habitat assessments) can span 2-3 years, but typically >1 year	Expense	Capitalize ^{***}	Capitalize ^{***}	N/A
➤ Completion of pre-construction avian/bat/wildlife surveys/raptor nest surveys	Expense	Capitalize ^{***}	Capitalize ^{***}	N/A
➤ Micrositing support with E&C (wetlands, cultural, biological surveys, etc. during construction)	Expense	Capitalize	Capitalize	N/A
➤ Agency Consultation (during final permitting)	Expense	Capitalize	Capitalize	N/A
➤ Litigation Support	Expense	Capitalize	Capitalize	Expense
➤ financing support	Expense	Expense	Expense	Expense
➤ Compliance assurance	Expense	Capitalize	Capitalize	Expense

**Refers to project costs that are deferred in FERC Account 183, Preliminary Survey and Investigation Charges*
***Must be related to a specific project. Not just general procurement of items for projects in the future.*
**** Includes activities that qualify for capital treatment once the assets are in construction phase.*
^if required by law/permit to get the asset ready for use

Issue description:	AFUDC Determination on FPL SolarTogether 3 Projects
Company relates to:	FPL
Date of request:	September XX, 2019
Prepared By:	FPL Property Accounting

Background

As filed with the Florida Public Service Commission, FPL will be constructing solar generation projects under the SolarTogether Program. The program is a new voluntary community solar program that will allow FPL customers to subscribe to a portion of the new universal solar capacity and receive a credit for a portion of the system savings produced by that solar capacity. To-date, more than 200 customers have reserved capacity totaling 1,120 MW, with many of these customers reserving a subscription equal to 75 to 100 percent of their annual energy usage.

The plan is to construct 74.5 MWs of universal solar generating facilities on six different parcels for a total of ~450 MW of generation ("SolarTogether 3A-3F Projects"). These projects will be starting and finishing on various dates, with the last project expected to be complete by December 31, 2020. FPL has identified six separate parcels of land related to the SolarTogether 3A-3F Projects.

1. SolarTogether 3 projects:

- 3A. Lakeside
- 3B. Trailside
- 3C. Union Springs
- 3D. Magnolia Springs
- 3E. Egret
- 3F. Nassau

The projects have procured contractors under separate contracts responsible for the engineering, procurement and construction ("EPC") of each project. The EPC contractors are obligated to provide liquidated damages at the individual project level in the event of non-performance on any of the individual projects.

Issue

How will FPL define a "project" for purposes of the solar build to take place throughout the SolarTogether Program?

Accounting Discussion

Neither the FPSC nor FERC define what constitutes a project for purposes of accruing AFUDC. Therefore, FPL has previously developed a set of criteria based on the guidance provided by both the FERC and FPSC related to the definition of a project and the ability

to accrue AFUDC. This criterion is consistent with the ones used in the past for projects that accrued AFUDC. Examples of this application are three solar projects constructed by FPL as a project in 2016 and the SoBRA projects constructed in 2017, 2018, 2019 and 2020. Based on the application of its criteria for determination of a project, FPL will evaluate the group of projects to determine if each group constitutes six standalone projects or one project. FPL will consider the criteria as noted below:

1. *The work to be performed has the following characteristics:*
 - a. *One program or project manager.*
 - i. **The solar projects, commencing construction together, have one project manager, Bill Brannen, from FPL's Engineering and Construction group responsible for ensuring the success of the collective development and construction of the six solar projects. Each of the projects have a dedicated on-site manager who report to the overall project manager.**

As noted above, FPL has contracted with two EPC contractors that are responsible for the six solar projects. The EPC contractors are responsible to meet project specific performance and timing guarantees for each individual solar project.

- b. *One schedule with interrelated, dependent activities*
 - i. **The solar projects have independent start and finish dates with separate construction activities that are not interrelated. There are no synergies between the projects, such that each project has a standalone schedule not dependent on any other project. Further, each of the six the projects will have separate commercial operation dates.**
 - c. *A defined start and scheduled in service date(s)*
 - i. **Each project began development and permitting on various dates prior to December 2019 and each will be placed in service on separate dates with the last project completed by December 31, 2020.**
 - ii. **Separate liquidated damages are in place for each of the 6 projects. In the event that the estimated in-service date is not met for any project, the EPC contractors would be subject to delay penalties (liquidated damages) for each day past due based on its requirements for the individual project schedule.**
 - d. *A program/project budget*
 - i. **The six projects have separate construction budgets and are managed by Engineering & Construction. None of the individual projects meet the capital cost AFUDC threshold, which was approximately \$243.4M at the time of management approval at the end of January 2019.**

The estimated cost noted above are for purposes of determining whether AFUDC should accrue. It is noted that an individual Site's cost may vary

either upward or downward. Notwithstanding potential variations in the cost of individual sites, FPL continues to expect the total cost for all the projects to be no more than \$1.79 billion as stated in FPL's Petition.

- e. *Project duration is in excess of one year*
 - i. **As noted above, the six projects have a construction period of greater than one year. The construction period commenced at the time engineering efforts commence and last greater than one year as noted above.**
- 2. *No work stream or sub activity is discretionary*
 - a. **As the end goal is to place the solar projects in-service by their individual planned commercial operation dates and begin to bill the subscribed customers accordingly, all of the construction activities required to place each asset in-service are required to take place prior to that date.**
- 3. *The evaluation of the benefits of the project consider all of the component work streams which constitute the project*
 - a. **Based on the 2019-2020 construction market and resource constraints, FPL has bid out and contracted the projects individually for EPC to achieve the lowest possible construction cost. The EPC contractor is responsible for the construction schedules for each of the six projects under the supervision of the individual FPL on-site managers and portfolio project manager. Further, each of the six projects have separate construction schedules and planned in-service dates, resulting in additional benefits to the subscribed customers. As noted above, each solar project must demonstrate that it is cost-effective to the system. The construction of the solar project allows for fuel diversification and savings as well as emissions-free generation. This in turn benefits our subscribed customers by providing low cost generation and lower fuel expense on their bills. By contracting and constructing each of the projects separately, FPL will be able to generate savings that will allow each of the projects to be more economical than if they were contracted together with one contractor.**
- 4. *Each major component or sub activity of the project is interdependent to one another in some way such that the defined success requires each sub activity in order for that result to be obtained. In other words, the individual work streams do not have the same value independently as they do to the whole project; the interrelationship optimizes the result.*
 - a. **The EPC contractors are obligated to provide liquidated damages in the event of non-performance at the individual project level which provides increased protection to customers based on the separation of projects.**

Conclusion

Based on the above noted facts and circumstances, FPL deems it appropriate to identify the projects as six individual projects and thus not record AFUDC.

FPL will establish separate internal orders for each project to track the charges, and the internal orders will not record AFUDC. Each of the internal orders will be placed in-service once each individual project achieves commercial operations.

Issue description:	AFUDC Determination on FPL SolarTogether 3A – 3F Projects
Company relates to:	FPL
Date of request:	October 4, 2019
Prepared By:	FPL Property Accounting

Background

As filed with the Florida Public Service Commission (“FPSC”) in Docket No. 20190061-EI, FPL will be constructing solar generation projects under the FPL SolarTogether Program. The program is a new voluntary community solar program that will allow FPL customers to subscribe to a portion of the new universal solar capacity and receive a credit for a portion of the system savings produced by that solar capacity.

In its petition to the FPSC, FPL initially planned to construct five different projects comprised of 20 universal solar energy centers. In the course of issuing and evaluating request for proposal for the engineering, procurement and construction (“EPC”) work associated with the solar energy centers, FPL’s Integrated Supply Chain (“ISC”) and Engineering & Construction (“E&C”) departments concluded that it is more cost beneficial for customers to construct the SolarTogether 3 project as six different projects commensurate with the six energy centers (“SolarTogether 3A-3F Projects”). These projects will start construction and attain commercial operations (“COD”) on various dates, with the last project expected to be complete by December 31, 2020. FPL has identified six separate parcels of land related to the SolarTogether 3A-3F Projects as indicated below:

FPL SolarTogether 3 projects:

- 3A. Lakeside
- 3B. Trailside
- 3C. Union Springs
- 3D. Magnolia Springs
- 3E. Egret
- 3F. Nassau

FPL has entered into separate agreements with two contractors responsible for the EPC of each site. The EPC contractors are required to provide liquidated damages at the individual project level in the event of non-performance on any of the individual projects.

Issue

How will FPL define a “project” for purposes of the SolarTogether 3A-3F projects as part of the SolarTogether Program?

Accounting Discussion

Neither the FPSC nor FERC define what constitutes a project for purposes of accruing AFUDC. Therefore, FPL has previously developed a set of criteria to define a project and the ability to accrue AFUDC as noted below. Examples of this application are three solar energy centers constructed by FPL as a project in 2016 and the SoBRA projects constructed in 2017, 2018, 2019 and 2020. Based on the application of its criteria for determination of a project, FPL will evaluate the group of energy centers to determine if each group constitutes six standalone projects or one project. FPL will consider the criteria as noted below:

1. *The work to be performed has the following characteristics:*

a. *One program or project manager.*

- i. **The solar projects have one project manager, Bill Brannen, from FPL's Engineering and Construction group responsible for ensuring the success of the collective development and construction of the six solar projects. Each of the projects have a dedicated on-site manager who report to the overall project manager.**

As noted above, FPL has contracted with two EPC contractors that are responsible for the six solar projects. The EPC contractors are responsible to meet project specific performance and timing guarantees for each individual solar project.

b. *One schedule with interrelated, dependent activities*

- i. **The solar projects have independent start and finish dates, with each project having its own schedule. Further, each of the six the projects will have separate commercial operation dates.**

c. *A defined start and scheduled in service date(s)*

- i. **Each project has begun development and permitting and will start construction prior to December 2019 and each will be placed in service on separate dates with the last project completed by December 31, 2020.**

- ii. **Separate liquidated damage provisions are in place for each of the 6 projects. In the event that the estimated in-service date is not met for any project, the EPC contractors would be subject to delay penalties (liquidated damages) for each day past due based on its requirements for the individual project schedule.**

d. *A program/project budget*

- i. **The six projects have separate construction budgets managed by Engineering & Construction. Individually, none of the projects meet the capital cost AFUDC threshold, which was approximately \$243.4M at the time of management approval at the end of January 2019.**

The individual project costs are only applicable to the six SolarTogether 3A – 3F. The previous SolarTogether 1 & 2 projects were grouped accordingly by meeting the parameters set forth in FPL's internal AFUDC qualification policy. FPL continues to expect the total cost for all the projects to be no more than \$1.79 billion as stated in FPL's Petition.

- e. *Project duration is in excess of one year*
 - 1. **As noted above, the six projects have a construction period of greater than one year. The construction period commenced at the time engineering efforts commence and will last greater than one year.**
- 2. *No work stream or sub activity is discretionary*
 - a. **As the end goal is to place the solar projects in-service by their individual planned CODs and begin to bill the subscribed customers accordingly, all of the construction activities required to place each asset in-service are required to take place prior to that date.**
- 3. *The evaluation of the benefits of the project consider all of the component work streams which constitute the project*
 - a. **FPL's ISC and E&C departments bid out and contracted the energy centers individually based on an assessment they performed that this approach resulted in a lower construction cost than if the energy centers were contracted as a single project. The EPC contractors are responsible for the construction schedules for each of the six projects under the supervision of the individual FPL on-site managers and portfolio project manager.**
- 4. *Each major component or sub activity of the project is interdependent to one another in some way such that the defined success requires each sub activity in order for that result to be obtained. In other words, the individual work streams do not have the same value independently as they do to the whole project; the interrelationship optimizes the result.*
 - a. **The EPC contractors are obligated to provide liquidated damages in the event of non-performance at the individual project level which provides increased protection to customers based on the separation of projects.**

Conclusion

Based on the facts and circumstances noted above, FPL does not meet all of the established criteria to accrue AFUDC and will treat each energy center as a separate project for Solar Together 3A-3F program.

FPL will establish separate internal orders for each project to track the charges, and the internal orders will not record AFUDC. Each of the internal orders will be placed in-service once each individual project achieves commercial operations.

EXHIBIT NO. 4

In Re: Proposed Adoption of Rule 25-6.030, F.A.C.,
Storm Protection Plan and Rule 25-6.031, F.A.C.,
Storm Protection Plan Recovery Clause

Docket No.: 20190131-EU

Marshall Willis' Timeline

Item 6A

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET NO. 20190131 EXHIBIT 4
WITNESS OPC/Rehwinkel
M. Willis
DATE 11/15/19

	Filings	2019	2020	2021	2022	2023
Storm Protection Plan Filing	Storm Hardening Plan (SHP) Recovered through Base Rates. Filed in March 2019 and Approved in July of 2019.	Program Level Information (Filed in 2019)	Program Level Information (Filed in 2019)	Program Level Information (Filed in 2019)	None Filed (Base Rate Recovery No Longer Includes Costs formally included in SHP)	None Filed
	Storm Protection Plan (SPP)	No filing	Project Level Information Filed	Program Level Information Filed	Program Level Information Filed	Second Plan Updating Next Three Years
	Storm Protection Plan Cost Recovery Clause (SPPCRC)	No filing	Project Level 2019 - No Actual 2020 – Actu./Est. 2021 – Estimated For Clause Rates Effective 1/1/21	Program Level 2020 – Actual 2021 – Actu./Est. 2022 – Estimated For Clause Rates Effective 1/1/22. Must include all cost included in both SPP and SHP.	Program Level 2021 – Actual 2022 – Actu./Est. 2023 - Estimated	Project Level 2022 – Actual 2023 – Actu./ 2024 - Estimated
	Utility Company Rate Case Filings (Anticipate All Five Companies will File in 2021 for Projected 2020 TY.)	No filing	- MFR's Historical Base Year	- Rate Case MFR's Filed - MFR's must have all 2020, 2021 and 2022 SPP Costs Removed - Rate Case Hearings Held - MFR's Intermediate Test Year	- Rates Effective as of 1/1/2020. - Rate Case MFR's Projected Test Year Year	Possible Second Projected Test Year

EXHIBIT NO. 5

In Re: Proposed Adoption of Rule 25-6.030, F.A.C.,
Storm Protection Plan and Rule 25-6.031, F.A.C.,
Storm Protection Plan Recovery Clause

Docket No.: 20190131-EU

Repeal of Rules:

- 28-103.001: Advance Notice of Agency Rulemaking Proceedings
- 28-103.002: Rule Development Workshops
- 28-103.003: Negotiated Rulemaking
- 28-103.004: Public Hearing
- 28-103.005: Evidentiary Proceeding During Rulemaking
- 28-103.006: Petitions to Initiate Rulemaking

Item 6A

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET NO. 20190131 EXHIBIT 5
OPC/Rehwinkel
DATE 11/5/19

Notice of Proposed Rule

ADMINISTRATION COMMISSION

RULE NO.: RULE TITLE:

28-103.001: Advance Notice of Agency Rulemaking Proceedings

28-103.002: Rule Development Workshops

28-103.003: Negotiated Rulemaking

28-103.004: Public Hearing

28-103.005: Evidentiary Proceeding During Rulemaking

28-103.006: Petitions to Initiate Rulemaking

PURPOSE AND EFFECT: The purpose and effect of the proposed rule amendment is to repeal rules identified during the comprehensive rule review required by Executive Order 11-01 as duplicative, unnecessarily burdensome and no longer necessary.

SUMMARY: The proposed rules are a restatement of statutory language and therefore are duplicative and unnecessary.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COSTS AND LEGISLATIVE RATIFICATION:

The Agency has determined that this will not have an adverse impact on small business or likely increase directly or indirectly regulatory costs in excess of \$200,000 in the aggregate within one year after the implementation of the rule. A SERC has not been prepared by the agency.

The Administration Commission has determined that the proposed rule repeal is not expected to require legislative ratification based on the fact that the rules are restatement of statutory language and are duplicative and unnecessary. Any person who wishes to provide information regarding a statement of estimated regulatory costs, or provide a proposal for a lower cost regulatory alternative must do so in writing within 21 days of this notice.

RULEMAKING AUTHORITY: 120.54(5) FS.

LAW IMPLEMENTED: 120.54(2)(a), 120.54(2)(c), 120.54(2)(d), 120.54(3)(a), 120.54(3)(c), 120.54(3)(c)2, 120.54(5), 120.54(7), 120.525 FS.

IF REQUESTED WITHIN 21 DAYS OF THE DATE OF THIS NOTICE, A HEARING WILL BE SCHEDULED AND ANNOUNCED IN THE FAW.

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS: Barbara Leighty, Office of the Governor, Room 1801, The Capitol, Tallahassee, Florida, (850)717-9513

THE FULL TEXT OF THE PROPOSED RULE IS:

28-103.001 Advance Notice of Agency Rulemaking Proceedings.

Rulemaking Specific Authority 120.54(5) FS. Law Implemented 120.54(2)(a), (3)(a) FS. History--New 4-1-97, Repealed _____.

28-103.002 Rule Development Workshops.

Rulemaking Specific Authority 120.54(5) FS. Law Implemented 120.54(2)(c), (5) FS. History--New 4-1-97, Amended 1-15-07, Repealed _____.

28-103.003 Negotiated Rulemaking.

Rulemaking Specific Authority 120.54(5) FS. Law Implemented 120.54(2)(d) FS. History--New 4-1-97, Repealed _____.

28-103.004 Public Hearing.

Rulemaking Specific Authority 120.54(5) FS. Law Implemented 120.525, 120.54(3)(c) FS. History--New 4-1-97, Repealed _____.

28-103.005 Evidentiary Proceeding During Rulemaking.

Rulemaking Specific Authority 120.54(5) FS. Law Implemented 120.54(3)(c)2. FS. History--New 4-1-97, Amended 3-18-98, Repealed _____.

28-103.006 Petitions to Initiate Rulemaking.

Rulemaking Specific Authority 120.54(5) FS. Law Implemented 120.54(7) FS. History--New 4-1-97, Repealed _____.

NAME OF PERSON ORIGINATING PROPOSED RULE: Administration Commission

NAME OF AGENCY HEAD WHO APPROVED THE PROPOSED RULE: Administration Commission

DATE PROPOSED RULE APPROVED BY AGENCY HEAD: September 18, 2012

Notice of Meeting/Workshop Hearing

ADMINISTRATION COMMISSION

RULE NO.: RULE TITLE:

28-103.001: Advance Notice of Agency Rulemaking Proceedings

28-103.002: Rule Development Workshops

28-103.003: Negotiated Rulemaking

28-103.004: Public Hearing

28-103.005: Evidentiary Proceeding During Rulemaking

28-103.006: Petitions to Initiate Rulemaking

The Administration Commission announces a public meeting to which all persons are invited.

DATE AND TIME: Tuesday, September 18, 2012, 9:00 a.m.

PLACE: Cabinet Meeting Room, Room LL03, The Capitol, Tallahassee, FL

GENERAL SUBJECT MATTER TO BE CONSIDERED: This meeting is a regularly scheduled Cabinet meeting. The Administration Commission will consider repeal of Rule Chapter 28-103, F.A.C., Rulemaking, and associated rules and to file for rule adoption if no member of the public timely requests a rule hearing. The rules within Chapter 28-103, F.A.C., are unnecessary as they are a restatement of statutory language.

A copy of the agenda may be obtained by contacting: Barbara Leighty, Office of the Governor, Room 1801, The Capitol, Tallahassee, FL 32399-0001, telephone: (850)717-9513.