

State of Florida



# Public Service Commission

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TALLAHASSEE, FLORIDA 32399-0850

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

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**DATE:** April 28, 2020

**TO:** Adam J. Teitzman, Commission Clerk, Office of Commission Clerk

**FROM:** William F. Coston, Economic Supervisor, Division of Economics

**RE:** Docket 20200113 - Petition for approval of 2020 revisions to underground residential tariffs and for approval of initial commercial differential tariffs, by Gulf Power Company.

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Please add the following document, Staff's First Data Request—Docket 20200113, into the docket file.

COMMISSIONERS:  
GARY F. CLARK, CHAIRMAN  
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STATE OF FLORIDA



DIVISION OF ECONOMICS  
JUDY HARLOW  
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# Public Service Commission

April 28, 2020

Kenneth M. Rubin  
Assistant General Counsel  
Florida Power & Light Company  
700 Universe Boulevard  
Juno Beach, Florida 33408-0420  
[Ken.rubin@fpl.com](mailto:Ken.rubin@fpl.com)

**STAFF'S FIRST DATA REQUEST**  
*via e-mail*

Russell A. Badders  
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Gulf Power Company  
One Energy Place  
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Kenneth A. Hoffman  
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**RE: Docket No. 20200113-EI: Petition for approval of 2020 revisions to underground residential tariffs and for approval of initial commercial differential tariffs by Gulf Power Company**

Dear Mr. Rubin, Mr. Badders, and Mr. Hoffman:

By this letter, Commission staff respectfully requests that Gulf Power Company provide responses to the following data requests in the above referenced docket.

1. Please refer to Revised Tariff Sheet No 4.26.3 for the following questions.
  - a. Is there still a cost differential between the different types of motor sizes shown in the current tariff sheet No. 4.26.3? Please explain.
  - b. If so, how is this information reflected in the proposed tariff sheets?

2. Please refer to Appendix URD 4, Exhibits II, III, V, and VI for the following questions.
  - a. Please explain the reason for the increase in service and primary material costs when compared to the numbers presented in Docket No. 20190078-EI.
  - b. Please explain the increase in the low density overhead primary labor cost from \$34 (in Docket No. 20190078-EI) to \$170.41 in the instant docket.
  - c. Please explain why in Docket No. 20190078-EI engineering cost are only shown to be added to labor, while in this docket the engineering percentage is added to both material and labor.
  - d. Please explain why engineering costs as a percent of all material and labor decreased from 69 percent in 2019 to 46.28 percent in 2020. What factors led to this decrease?
3. Please explain the purpose of the utility restructuring the current tariff language to the proposed tariff language. How does this benefit consumers?
4. Please provide the utility's methodology in developing its proposed storm operational costs used in its calculations and discuss in detail the impacts of Hurricane Michael on the storm operation cost differential.
5. Are the 2020 charges for labor based on 2019 values? If not, what is the basis? Additionally, please discuss any changes in labor costs that impact the differential.
6. Please discuss the reasons for the increase in total overhead and underground material costs for both subdivisions compared to the 2019 docket.
7. Please refer to Appendix URD 2 for the follow questions.
  - a. If applicable, please provide a detailed description of any differences (including design drawings) and included supporting documentation illustrating the impact to the "per lot" differentials caused by the design changes.
  - b. Does the reduction of the minimum number of buildings per acre have an impact on the low density differential?
8. Please explain why there are no material costs for poles in Appendix URD 4, Exhibit V.

Please file all responses electronically no later than May 12, 2020 via the Commission's website at [www.floridapsc.com](http://www.floridapsc.com) by selecting the Clerk's Office tab and Electronic Filing Web Form. Please call me at 850.413.6554 if you have any questions.

Thank you,

*/s/Oakley Ward*  
Public Utility Analyst I  
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cc: Office of Commission Clerk