



February 15, 2021

Adam Teitzman Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, Florida 32399-0850

Subject: Florida Power & Light Company to charge Hurricane Isaias storm-related costs as operating expenses rather than charging them to Account No. 228.1, as authorized by Rule 25-6.0143(1)(h), F.A.C.

Dear Mr. Teitzman,

Pursuant to Rule 25-6.0143(1)(h), F.A.C., Florida Power & Light Company ("FPL") is notifying the Commission that it charged its incremental Hurricane Isaias storm-related costs as operating expenses rather than charging them to Account No. 228.1. This notice is provided and filed in accordance with Rule 25-6.0143(1)(h), F.A.C. As a result of and in accordance with this decision, FPL will not request cost recovery for Hurricane Isaias storm-related costs through depletion of the storm reserve or through a storm surcharge.

Isaias posed a threat to peninsular Florida, and for several days FPL's service territory was within the National Hurricane Center's forecasted cone of uncertainty for the storm to make landfall with potential Hurricane force winds. As such, FPL followed its well developed and systematic plan to respond to such a weather event, which includes obtaining and pre-staging resources in advance of the storm. FPL mobilized a workforce of approximately 10,000 personnel (i.e., FPL employees, external utilities and contractor personnel from multiple states, including Florida) dedicated to the restoration effort. Even a slight deviation to the west of the forecasted track could have resulted in a significant number of customers experiencing power outages. During this period, FPL remained prepared for any potential outcome.

In total, FPL restored service to approximately 40,000 customers. Preliminary estimates show the Company's smart grid technology helped avoid approximately 18,000 outages. The leading cause of outages was vegetation blowing into power lines. Approximately 50 drones were deployed to help crews visualize damage in hard to access areas.

As a result of the preparations for and restoration activities following Hurricane Isaias, FPL incurred significant storm-related costs. Rule 25-6.0143(1)(h), F.A.C., requires a utility opting to charge storm-related costs as operating expenses to provide a schedule of the amounts charged to operating expenses for each incident exceeding \$5 million. FPL has previously advised the Commission that FPL's storm-related costs associated with Hurricane Isaias will exceed this threshold.<sup>1</sup> FPL has not yet

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<sup>1</sup> See FPL's letter dated August 14, 2020 from David Hughes, Assistant Controller of FPL, to Adam Teitzman, Commission Clerk.

concluded its analysis and settlement of all storm-related costs associated with Hurricane Isaias, and therefore is unable to provide a final schedule of all such costs. However, Exhibit A, attached to this letter, reflects the amounts FPL recorded to operating expense by FERC account in 2020 related to Hurricane Isaias.

If you have any questions, please do not hesitate to contact me at (561) 691-7554.

Regards,

A handwritten signature in black ink, appearing to read "David Hughes". The signature is written in a cursive, flowing style.

David Hughes  
Assistant Controller, FPL

cc: Andrew Maurey, Director of Accounting & Finance, Florida Public Service Commission  
Judy Harlow, Director of Economics, Florida Public Service Commission  
Charles Rehwinkel, Deputy Public Counsel

## Exhibit A

### Florida Power & Light Company Hurricane Isaias Storm Restoration Costs as of December 31, 2020 (\$000s)

Line No.	FERC Account	Description	Total System
1		<b><u>Base O&amp;M Expense</u></b>	
2	513	Maintenance of Electric Plant	\$ 1
3	532	Maintenance of Miscellaneous Nuclear	513
4	554	Maintenance of Other Power Generation Plant	98
5	573	Maintenance of Miscellaneous Transmission Plant	201
6	598	Maintenance of Miscellaneous Distribution Plant	75,373
7	910	Miscellaneous Customer Service	136
8	930	Miscellaneous General Expenses	1,147
9		Total Amount Charged to Base O&M	<u>\$ 77,469</u>
10			
11		<b><u>Capital</u></b>	
12	101	Plant in Service	\$ 3
13			
14		<b><u>ICCA Adjustments</u></b>	
15	Various	ICCA Adjustments	\$ 1,935
16			
17		<b><u>Below-the-line Expense</u></b>	
18	426.5	Other Deductions	<u>\$ -</u>
19			
20		<b>Total Hurricane Storm Isaias Storm Restoration Costs <sup>(A)</sup></b>	<u><u>\$ 79,407</u></u>
21			
22		<b>Notes:</b>	
23		<sup>(A)</sup> Storm costs reflect actuals through December 31, 2020. Amount is subject to change as FPL is still	
24		receiving invoices from contractors and mutual aid assistance from other utilities.	