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June 15, 2022

-VIA ELECTRONIC FILING-

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

RE: Docket No. 20220000-OT
Florida Power & Light Company's 2022-2031 Ten-Year Power Plant Site Plan

Dear Mr. Teitzman:

Please find attached Florida Power & Light Company's Post-Workshop Comments.

If there are any questions, please contact me at (561) 304-5662.

Sincerely,

/s/ William P. Cox
William P. Cox
Senior Attorney
Fla. Bar No. 00093531

WPC:ec
Enclosure
cc: Jacob Imig, Attorney, Regulatory Analysis Section, Office of the General Counsel
jimig@psc.state.fl.us

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: REVIEW OF TEN-YEAR SITE PLANS OF ELECTRIC UTILITIES	**Docket No. 20220000-OT FILED: June 15, 2022**

FLORIDA POWER & LIGHT COMPANY'S POST-WORKSHOP COMMENTS

Florida Power & Light Company ("FPL") hereby files comments in response to the Commission's workshop on June 1, 2022, in the above captioned proceeding. FPL thanks the Florida Public Service Commission ("Commission") and its Staff for conducting the workshop to discuss the 2022-2031 Ten-Year Site Plan ("TYSP") for FPL and the other Florida investor-owned electric utilities, Duke Energy Florida ("Duke") and Tampa Electric Company ("TECO"). For the reasons discussed more fully below, FPL continues to seek a Commission determination of suitability under Section 186.801, F. S. for its Recommended Plan that includes specific measures to address extreme Winter weather events. FPL maintains that its Recommended Plan goes further than the Business as Usual Plan to protect customers and the Florida economy from the occurrence of rolling and/or prolonged outages caused by an extreme Winter event. And as the Commission is well aware from the experiences and devastating impacts in Texas from Winter Storm Uri in 2021, a prolonged extreme cold weather event in Florida can also have significant adverse impacts for Florida utility customers. Both the Recommended Plan and Business as Usual Plan were provided in FPL's 2022 TYSP filing with the Commission on April 1, 2022.

I. Background for Winter Peak Load Forecast in FPL's 2022 TYSP: Recommended Plan and Business as Usual Plan

As discussed on pages 5 through 8 of FPL's 2022 TYSP, FPL proposed a significant change to its Winter peak load forecast for purposes of its Recommended Plan in its 2022 TYSP. This Winter peak load forecast was based, not on the 2021 extreme Winter event in Texas, but on an actual extreme Winter event FPL experienced in 1989, as well as specific load activity (load shape)

from another actual extreme Winter event that FPL experienced in January 2010. The Recommended Plan acknowledged the challenge of predicting **when** another extreme Winter event would occur in FPL's service territory, but also recognized the likelihood that such an event **will** occur at some point in the future, given that these are actual Winter weather events that have occurred in FPL's service territory. As a result, the Recommended Plan featured a Winter peak load forecast that differed from its Business as Usual plan forecast (a P50 load forecast for all 12 months). The Recommended Plan featured a hybrid forecast that projected a P50 load forecast for 11 months and an extreme Winter peak load for the month of January only.

The resulting impact on FPL's Recommended Plan was to include additional winterization measures, such as maintaining certain generating units available for extreme Winter event purposes only and accelerating the additions of future battery capacity to FPL's system beginning in 2027 (the latter half of the 2022 TYSP ten-year planning period). These winterization measures were introduced, and the associated resource plan was presented to the Commission as the Recommended Plan in FPL's 2022 TYSP to ensure continuity of uninterrupted electric service for FPL customers by minimizing and/or eliminating customer outages in the event that FPL's service territory experienced another event like the extreme Winter events FPL experienced in the past. FPL's system has grown significantly since those prior experienced extreme Winter events and so has our customers' expectations for reliable and dependable electric service. Not only the life, health, and safety of our customers, but also the entire communities and associated local economies that FPL serves depend on having safe and reliable electric service. FPL needs the ability to support our customers during extreme Winter weather events when they need it the most.

FPL proposed its Recommended Plan based on its awareness of the devastating impacts on the electric system in Texas due to Winter Storm Uri in 2021, as well as the trend of colder Winters

throughout the southeastern United States in recent years[1] and declining Winter reserve margins for FPL (and other Florida utilities) in recent years. Like many electric utilities throughout the southeastern United States following the 2021 Texas event, FPL undertook a serious and deliberate evaluation of how its system would perform in the face of another extreme Winter event applicable to its service area. However, FPL recognized that Florida and Texas do experience different Winter weather patterns, and that the costs of planning for an extreme Winter event comparable to that experienced with the Texas 2021 event would be significant. As a result, FPL proposed more modest winterization measures with its 2022 TYSP Recommended Plan to address actual extreme Winter events experienced by FPL in 1989 and 2010.

FPL also presented an alternative resource plan, referred to as the Business as Usual Plan, as a second alternative official plan for Commission review with its TYSP filing. The Business as Usual Plan continues to use a P50 Winter peak forecast for all 12 months of each year as has been used in prior TYSPs. "P50" means there is a 50% probability that the actual Winter peaks will be lower than the forecast, and the P50 forecast is based on 20-year normal weather, which is a 20-year rolling average. This Business as Usual Plan did not attempt to include winterization measures or accelerated battery additions that would prepare FPL to serve its customers in the event of an extreme Winter event comparable to the 1989 event and therefore would not minimize or eliminate outages in the same way that FPL's Recommended Plan is designed to do.

II. FPL's Determination to Seek Approval of its Recommended Plan

After participating in the Commission's June 1, 2022 workshop in this proceeding and hearing the presentations, comments, and questions from the other electric utilities, Commissioners and Staff, and other workshop participants, FPL has determined it will continue to support its

[1] This trend of colder Winters has led, for the first time, to the use of Winter reserve margin criteria in resource planning for certain Southeastern electric utilities such as Southern Company.

Recommended Plan for the Commission's determination of suitability under Section 186.801, F. S. for FPL's 2022 TYSP. FPL's continuing support for its Recommended Plan is based on a number of important considerations discussed further below.

Foremost, FPL maintains its ongoing concern with being prepared for extreme Winter weather events, which led to its proposed Recommended Plan. This concern is not new to FPL, other Florida electric utilities (as noted by Duke and TECO at the workshop and in their recent 2022 TYSP data request responses to Staff), or the Commission. The Commission has required that electric utilities maintain and file with the Commission emergency plans[2] that address severe Winter weather impacts that result in capacity shortfalls to serve customers, dating back to the Commission's 1990 investigation (Docket No. 900071-EG) of the 1989 weather event that FPL has used for its 2022 TYSP Recommended Plan Winter load forecast.[3] As noted above, in light of the Texas 2021 event, FPL now has a heightened concern for how its system would perform if confronted in the future with an extreme Winter event applicable to Florida, based on events experienced by FPL in the past. This concern extends beyond FPL's compliance with the requirements of FPL's current Emergency Plan and the Commission's related Capacity Shortfall rule, Rule 25-6.0185, F.A.C.

Emergency Plans do not address prevention of capacity shortfalls. Instead, they address electric utility coordination and communications that are triggered when weather or other factors cause generation or transmission outages that result in a capacity shortfall which impedes impede a utility's ability to serve its customers. FPL's 2022 TYSP Recommended Plan focuses on the suitability for planning to be able to serve extreme Winter loads regardless of when they happen.

[2] FPL's most recent Emergency Plan was filed with the Commission on February 1, 2021, pursuant to Rule 25-6.0185, F.A.C. and Order No. PSC-09-0232-PAA-EM . This Emergency Plan for Capacity Shortages/Transmission Limitations and Long Term Fuel was also filed with the Florida Reliability Coordinating Council.

[3] See *In re: Investigation into the Cold Weather Capacity Shortfall Emergency Occurring in Peninsular Florida, December 23-25, 1989*, Docket No. 900071-EG, Order No. 22708, iss. March 20, 1990.

The Recommended Plan adds investments to serve extreme Winter loads not covered by the FPL Business as Usual planning process.

FPL is mindful, of course, of the opposition to its Recommended Plan expressed by both the Commission Staff and the Office of Public Counsel ("OPC") at the recent workshop. Despite the claims of OPC and other opponents of the Recommended Plan at the workshop, the winterization proposals included in its FPL's 2022 TYSP Recommended Plan would likely result in only a modest estimated bill impact for its customers (no base rate bill impact through the end of 2025 and an estimated impact of $1.00 or less on a typical 1,000 kWh customer monthly bill by 2031). FPL always is sensitive to impacts of its expenditures on its customers' electric rates and bills, but this proposed winterization initiative would result in only a minimal impact on customers when considering the impacts that could result from an extreme Winter event like FPL's customers experienced in 1989.

FPL continues to support its plans to move forward with the specific winterization initiatives specified for its generation and fuel delivery systems in its 2022 TYSP that are part of the Recommended Plan. Those initiatives are discussed on page 7 of the 2022 TYSP and include: (i) adding the capability to burn backup distillate fuel oil at two Southwest Florida generating units (Manatee Unit 3 and Fort Myers Unit 3); (ii) near-term capacity additions by delaying retirement dates of specific generation units (Manatee Units 1 & 2, Gulf Clean Energy Center Units 4 & 5, and Lansing Smith Unit A) and making those units available for Winter-only use; (iii) adding capacity upgrades to FPL's combined-cycle generation units to increase their output in extreme cold temperatures; and (iv) long-term capacity additions in the form of accelerated battery additions in the second half of the ten-year reporting period for the 2022 TYSP. These initiatives support FPL's mission of providing best in class reliability for our customers and taking thoughtful, prudent, and reasonable steps to be prepared in the event of an extreme Winter event.

The initiatives that FPL proposes also include the specific winterization initiatives FPL included in its 2023-2032 Storm Protection Plan ("SPP") in Docket No. 20220051-EI. Those initiatives, undertaken pursuant to the SPP Statute, Sec. 366.96, F. S., involve improvements that will "protect and strengthen (existing) transmission and distribution electric utility infrastructure from extreme weather conditions …." See Sec. 366.96(1)(d), F. S. Extreme weather conditions include extreme cold weather conditions. The specific SPP programs will provide higher capacity distribution and transmission equipment to better withstand increased load during an extreme Winter weather event based on analysis of events over the past 45 years in FPL's service territory (1977, 1989, and 2010). These programs will help prevent outages and minimize the potential for transmission and distribution equipment failing during extreme Winter conditions.

In addition, the winterization initiatives in FPL's plan also include those initiated in 2021 as discussed on page 7 of the FPL 2022 TYSP, specifically: (i) enhanced winterization of FPL's nuclear and fossil-fueled generating units, and (ii) enhanced cooperation and preparation between FPL and its suppliers of natural gas and backup distillate fuel oil. These initiatives are all consistent with and build upon FPL's current aforementioned Emergency Plan for addressing capacity shortfalls.

III. Conclusion

FPL thanks the Commission for its careful and deliberate consideration of its winterization proposals in its 2022 TYSP. For the reasons discussed in these comments, FPL continues to support its Recommended Plan and requests that the Commission make a determination that FPL's Recommended Plan as contained in FPL's 2022 TYSP is suitable for planning purposes pursuant to Section 186.801, F. S.

Respectfully submitted,

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