Diamond Williams 080677-EI

From: Dorothy Menasco
Sent: Thursday, March 24, 2011 7:51 AM
To: Diamond Williams; Matilda Sanders
Cc: Ann Cole; Hong Wang; Marguerite McLean
Subject: FW: Correspondence from Mr. Robert H. Smith

Attachments: 06674-09.pdf

FPSC, CLK - CORRESPONDENCE
☐ Administrative ☒ Parties ☐ Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION: _____

06674-09.pdf
(690 KB)

FYI, regarding Mr. Smith's future correspondence. Let me know if you have any questions.

-----Original Message-----
From: Mary Anne Helton
Sent: Wed 3/23/2011 4:39 PM
To: 'rpjrb@yahoo.com'
Cc: Office Of Commissioner Edgar; Office Of Commissioner Graham; Office of Commissioner Brisé; Office of Commissioner Balbis; Office of Commissioner Brown; 'rick.scott@eog.myflorida.com'; 'jennifer.carroll@eog.myflorida.com'; 'danlarson@bellsouth.net'; 'kelly.sullivan.woods@gmail.com'; 'ken.hoffman@fpl.com'; 'vkaufman@kagmlaw.com'; 'mcglothlin.joseph@leg.state.fl.us'; 'John.'; Ann Cole; Curt Kiser; Dorothy Menasco; Lisa Bennett; John Slemkewicz; Jennifer Crawford; Marshall Willis
Subject: Correspondence from Mr. Robert H. Smith

Dear Mr. Smith,

Due to the extraordinary volume and repetitious nature of information you send to the Commission, we are instituting a new process by which your correspondence will be maintained by the Commission Clerk. This change has become necessary due to the demands in staff time and resources that have been required to process your correspondence, in multiple dockets, as you've requested. This has a profound impact on the time and resources available for this office.

According to the Statement of Agency Organization and Operations, the Office of Commission Clerk, Documents Section, accepts official filings and maintains the official case files, including the correspondence files. The Clerk relies on the expertise of the Deputy Commission Clerk to ensure that filed documents and correspondence documents are processed correctly. Filings and documents placed in the correspondence files must have relevance to those dockets. The FPSC strives to make as many records, reports, and other documents filed with or produced by the Commission available at no charge on the Web site. Although the Commission finds it helpful to know what documents the public is interested in viewing, documents cannot be posted on the internet upon demand. Providing accessibility of documents on the Web site is an Agency decision.

The Clerk's Office does not have the resources, nor does it offer the service of responding to inquiries asking

when scanned documents will be available on the Web site. Most filings are available on the Web site within four hours of filing, or the next business day, if filed after 1:00 p.m. Correspondence documents are not official filings; however, these document are also available on the Web site as soon as they can be processed by the Documents Section, and within a reasonable timeframe. Although the Clerk's Office is responsible for assisting the public, persons making inquiries should be mindful that unnecessary interruptions delay document processing and extend the reasonable timeframe that the Documents Section is able to display the official filings and correspondence documents.

On a going-forward basis, all future corresondence from you should be directed solely to Ann Cole, and will be placed in the Clerk's Office where it will be avialable for review and copying, consistent with Florida's Public Records Law. The clerk will no longer place your correspondence on the website. A copy of this e-mail will be placed in the correspondence files for Docket Nos. 080677-EI, 100410-EI, and 110009-EI, so that the record is clear that future correspondence will be maintained with the records of the Commission Clerk.

Should you intervene in a docket, your participation as a party will be processed in accordance with our standard procedures for parties for that docket.

I am attaching for your reference a letter that was sent to you on July 9, 2009, from then-General Counsel Patrick Imhof. The letter addresses many of the same concerns and difficulties that continue to be posed by the volume and nature of the correspondence and information requests that you send. I hope that the information discussed in the attached letter may be helpful.

Sincerely,

Mary Anne Helton, Deputy General Counsel

Mary Anne Helton
Deputy General Counsel
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0862
(850) 413-6096 (voice)
(850) 413-6250 (fax)
mhelton@psc.state.fl.us

COMMISSIONERS:
MATTHEW M. CARTER II, CHAIRMAN
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NATHAN A. SKOP

STATE OF FLORIDA

GENERAL COUNSEL
PATRICK L. "BOOTER" IMHOF
(850) 413-6199

Public Service Commission

RECEIVED-FPSC
09 JUL -2 AM 10:58
COMMISSION CLERK

July 2, 2009

Mr. Robert H. Smith
11340 Heron Bay Blvd.
Coral Springs, FL 33076

Re: Document Requests in Docket No. 080677-EI - Petition for increase in rates by Florida Power & Light Company.

Dear Mr. Smith:

I am responding to your multiple requests for documents and for assistance in developing information related to the FPL rate case. You have transmitted multiple requests, some including questions you wish for us to send to FPL for response. The Commission has established rules and procedures to guide persons who wish to intervene in a proceeding. You, as a person requesting to be a party intervenor, must follow the same procedures and rules laid out for all other party intervenors to this docket. As Anna Williams explained in the letter attached to her May 29, 2009, email to you, a proper request for intervention must be filed in accordance with Rules 25-22.039 and 28-106.201(2), Florida Administrative Code. The emails you have sent are insufficient to establish you as an intervening party in this proceeding. Procedures for filing a petition to intervene can be found on our website at http://www.psc.state.fl.us/dockets/e-filings/.

Allow me a moment to explain the role of the Commission and Commission staff in this proceeding. The Commission, as regulator of investor-owned utilities, functions in a quasi-judicial capacity. The Commission considers the testimony filed by the utility and intervenors. The Commission does not and cannot represent the interests of an individual party to this or any proceeding. Rather, the Commission's job is to weigh and evaluate all of the information provided to it in the record. Each party to the proceeding has the opportunity to provide the Commission with testimony and exhibits. Each party also has the opportunity to conduct discovery and to cross-examine witnesses, much as a party to a court proceeding would do.

The legislature, realizing that ratepayers often do not have the financial resources to intervene in these proceedings, created a separate agency to represent consumers. The Office of Public Counsel (OPC) represents consumer interests before the Public Service Commission and has intervened as a party in this proceeding. You can contact OPC for assistance at 1-800-342-0222 or http://www.floridaopc.gov/.

DOCUMENT NUMBER-DATE
06674 JUL -2 08
FPSC-COMMISSION CLERK

However, if you wish for FPL to answer your specific questions in this matter, you must become a party to this rate proceeding so that you may directly engage in discovery and issue development. You must file your own Petition to Intervene, as Anna Williams previously explained. In your email to Anna Williams, you requested that our office place your correspondence in the docket so that it would be considered as a petition to intervene. Please be advised that the General Counsel's office cannot do that for you. We represent the Public Service Commission and not any individual party to this docket.

Finally, you have sent numerous emails to the Clerk of the Commission stating that you were requesting Freedom of Information Act (FOIA) responses. While some of the requests merely ask for documents, many of your requests seek Commission staff to provide you with an analysis of FPL's filings. The FOIA is a federal law directed to federal agencies. In Florida, governmental agencies are governed by the Public Records Act (Chapter 119, Florida Statutes). As such, when an individual requests documents, we are required to provide those documents to that person at a nominal charge. The Public Records Act does not require a governmental agency to conduct in-depth research and analysis to answer an individual's questions. It does require a governmental agency, in response to a records request, to provide copies of the documents responsive to that request. As a governmental agency, working for the public, we attempt to help individuals as much as possible to answer questions. In your case, we have performed records searches to make certain we provide you with links to or copies of documents that contain information which you may use to answer your questions. But, as I stated above, we also have specific duties we perform in developing the record for the rate proceeding and we have limited resources to perform those duties. Accordingly, please consider the following as the Commission's complete response to the Public Records requests you have previously forwarded by electronic mail.

1. Your May 28, 2009, electronic mail to Kimberly Pena, asked:

   - Is FPL the only regulated entity of FPL Group, FPL?

     PSC Response: Commission's Website link provided by Kim Pena for your research. No further PSC action required.

   - If so, is each company maintaining the following? 1. Separate Cash Account. How is the company accounting for the intercompany cash transactions? 2. Separate Billing System. Is the only billing system that is being maintained by FPL Group for the utility? If not, then are there separate billing systems of the non-regulated subsidiaries? 3. Separate Work Order System. What type of work order system is being utilized to record direct expenses at FPL and FPL Group? Is there a separate system for each entity? If not, what type of controls has been put into place to ensure that all capital expenditures/expenses are being cleared to the appropriate company account?

     PSC Response: Website link provided by Kim Pena for your research. Questions do not constitute a public records request. No further PSC action will be taken on these questions.

- When the company was incorporated in 2000 and the fiber cable was transferred from FPL to FPL FiberNet what valuation was used to transfer these assets? Where they transferred at market value or historical cost? If they were transferred at market value then did the ratepayers receive a benefit for the quasi sale of these assets? Are there any revenues being generated by FPL Fibernet?

  PSC Response: Website link provided by Kim Pena for your research. Questions do not constitute a public records request. No further PSC action will be taken on these questions.

2. Your May 7, 2009, electronic mail to Andrew Maurey

   - Requested 12 months of rate year surveillance reports.

     PSC Response: Requested public record copied and provided to you.

3. Your May 7, 2009, electronic mail to Ann Cole, Commission Clerk

   - Requested accounting information related to specific questions or alternatively requesting staff send your questions as interrogatories to FPL.

     PSC Response: No documents in PSC possession responsive to request. It appears you are asking Commission staff to create documents in response to your requests which does not constitute a public records request. As noted above you may submit interrogatories to FPL if you intervene in the proceeding. No further PSC action will be taken.

4. Your May 6, 2009, electronic mail to Andrew Maurey and Tim Devlin responding to Andrew Maurey's prior email

   - Included numerous additional questions in response to a prior correspondence from Mr. Maurey in which Mr. Maurey answered many of your original questions and also made arrangements to provide you with documents from a prior public record request.

     PSC Response: Your responses to Mr. Maurey are not public records requests, with the exception of your response to request #5 to provide all interrogatory responses with regard to accepting the current (2005 rate case) stipulation. There are no interrogatories or responses to interrogatories regarding the 2005 rate case stipulation. Mr. Maurey previously provided all public records responsive to the prior inquiry. No further PSC action will be taken on this email.

5. Your April 28, 2009, electronic mail to Andrew Maurey and Tim Devlin

   - You requested surveillance reports in this email. You also had numerous questions about studies being conducted for the revenue sharing plan. You asked about the fuel

adjustment clause reconciliation and specifically how that affects the base rate case. You requested that the holding company structure be reviewed. You asked how the revenue sharing plan works. You asked several questions about the terms of the 2005 stipulation to which Mr. Maurey provided answers.

PSC Response: Except for the surveillance reports and the fuel adjustment reconciliation, there are no documents responsive to a public records request. Surveillance reports have been provided to you. The fuel adjustment reconciliation for 2008 can be found at Order No. PSC-08-0824-FOF-EI, in Docket No. 080001-EI. The fuel adjustment reconciliation for 2009 will occur in Docket No. 090001-EI at the November 2009 fuel adjustment hearing. Further information on dates and times of fuel adjustment proceeding can be found in Docket No. 090001-EI, Order No. PSC-09-0142-PCO-EI. The PSC website is at www.psc.state.fl.us/. No further PSC action will be taken on this email.

6. Your Original Web Request dated April 21, 2009

- Requested a PSC annual report for Florida Power & Light Group that includes the compensation of officers and directors of FPL Group. You asked about the allowed ROE of 11.75% referred to in FPL's 10K, and a copy of FPL's depreciation study

PSC Response: PSC annual Report for FPL Group – There is no document responsive to this request.
Allowed ROE of 11.75% - There is no document responsive to this request.
Depreciation Study – can be viewed on the Commission web-site in Docket No 090130-EI. Hard copies could be provided upon request at the cost established by the Commission and published on its website. No further PSC action on this request will be taken unless you indicate that you wish to receive hard copies of the depreciation study.

This concludes the Commission's response to all public records requests the Commission has received from you. We have provided you either with the documents you requested or access to those documents if they are available on the website. In addition, Commission staff has spent in excess of three hours answering your specific questions that are not considered public records requests. As always, we will comply with the public records law, but at this juncture, Commission staff will not be able to spend any more time responding to your information requests. If you have additional public records requests, you will be charged pursuant to Commission's policy which is posted on our web-site. If you wish to become a party to the rate proceeding, you may do so and ask your questions of FPL through the discovery process.

Sincerely,

Patrick L. "Booter" Imhof
General Counsel

PLI:lcb

cc: Office of Commission Clerk
Office of Public Counsel
Division of Economic Regulation

Dorothy Menasco

080077-EI

From: rpjrb@yahoo.com

Sent: Tuesday, March 08, 2011 10:41 AM

To: Ann Cole; Curt Kiser; Records Clerk; Lisa Bennett; John Slemkewicz; Jennifer Crawford; Marshall Willis

Cc: Office Of Commissioner Edgar; Office Of Commissioner Graham; Office of Commissioner Brisé; Office Of Commissioner Graham; Office of Commissioner Balbis; Office of Commissioner Brown; rick.scott@eog.myflorida.com; jennifer.carroll@eog.myflorida.com; danlarson@bellsouth.net; kelly.sullivan.woods@gmail.com; ken.hoffman@fpl.com; vkaufman@kagmlaw.com; mcglothlin.joseph@leg.state.fl.us; John.Butler@fpl.com

Subject: Docket 100410 / 3/7/2011 Butler Response not available 3/8/2011

To all,

When will this be made available? Was this document filed on 3/7/2011? If this information is being put on the public record based upon the Certificate of Service below then I would think that any party with a legal interest should receive a copy of any response at the same time as all interested parties.

This is for the 2/28/2011 response which I think is being sent to all the parties listed below. How come I am being excluded? I am still an interested party in the case and all other parties have included me with their response.

Please let me know

Why would there be a delay?

I have not seen my correspondence put on the record for all three Dockets. What is the delay?

Will I be receiving a response to my email correpondence?

Thanks,

Robert H. Smith

FPSC, CLK - CORRESPONDENCE
☐ Administrative ☒ Parties ☐ Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION: _____

CERTIFICATE OF SERVICE
Dockets 100410-EI

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished electronically this 28th day of February, 2011, to the following:

Jennifer Crawford, Esquire
Office of the General Counsel
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-1400
jcrawfor@PSC.STATE.FL.US

J.R. Kelly, Esquire
Joseph A. McGlothlin, Esquire
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
Kelly.jr@leg.state.fl.us
mcglothlin.joseph@leg.state.fl.us

Kelly Sullivan, Esq. *
570 Osprey Lakes Circle
Chuluota, FL 32766-6658
Kelly.sullivan.woods@gmail.com

Mr. and Mrs. Daniel R. Larson*
16933 W. Narlena Dr.
Loxahatchee, FL 33470
danlarson@bellsouth.net

*Not a Party

By: */s/John T. Butler*
John T. Butler
Florida Bar No. 283479

Page or Application Error

The page you were looking for is unknown or the service you have requested is temporarily unavailable.

Please try your request again later.

If the problem persists, please Contact Us.

Document Detail for Docket Number: 100410 (49 documents)

Document	Order	Date filed	Description
01494-11		3/7/2011	FPL (Butler) - Response in opposition to FIPUG's petition to intervene and prote No. PSC-11-0103-FOF-EI.

Confidentiality Statement

The documents accompanying this telecopy transmission contain information which is confidential and/or legally privileged. The information is intended only for the use of the individual or entity named on this transmission sheet. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this telecopied information is strictly prohibited, and the documents should be returned. In this regard, if you received this telecopy in error, please contact the sender by reply E-mail and destroy all copies of the original.

Dorothy Menasco 080677-EI

FPSC, CLK - CORRESPONDENCE
Administrative X Parties Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION:

From: Ann Cole
Sent: Friday, March 04, 2011 11:11 AM
To: Dorothy Menasco
Subject: FW: December 2010 ESR overearnings Calculations / Preliminary Rob Analysis Draft

Please please all non-duplicate correspondence from Mr. Smith in Docket Nos. 080677-EI, 100410-EI, and 110009-EI and e-mail Mr. Smith when this has been done. Thank you.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, March 04, 2011 10:05 AM
To: Ann Cole; Curt Kiser; Records Clerk; Lisa Bennett; John Slemkewicz; Jennifer Crawford; Marshall Willis
Cc: Office Of Commissioner Edgar; Office Of Commissioner Graham; Office of Commissioner Brisé; Office Of Commissioner Graham; Office of Commissioner Balbis; Office of Commissioner Brown; rick.scott@eog.myflorida.com; jennifer.carroll@eog.myflorida.com; danlarson@bellsouth.net; kelly.sullivan.woods@gmail.com; ken.hoffman@fpl.com; vkaufman@kagmlaw.com; mcglothlin.joseph@leg.state.fl.us; John.Butler@fpl.com
Subject: RE: December 2010 ESR overearnings Calculations / Preliminary Rob Analysis Draft

Dear Records Clerk,

What would be the delay to putting the email correspondence on the record below?

As per below it indicates that the "places correspondence in dockets, when appropriate". In the past all my correspondence has been made part of the public record therefore this appears to be a delay.

Based upon the email(s) below it was indicated that any information would be made available on the web within 24 hours. Based upon the emails below it appears that this process was already reviewed therefore my email information should be made part of the public record with no delay.

As per my previous motion(s) it would be within my rights to be heard on the public docket from both a Federal and State law perspective. Please see my pervious motion(s) that have been filed. In order to prevent "Ex parte" communications my information must be made part of the public record. There should be no delay.

The Administrative Procedure prohibition of ex parte communications applies only when a statute requires an agency to issue a rule or to resolve an adjudicatory dispute "on the record after opportunity for agency hearing. The two cases of agency proceedings are often referred to as formal rulemaking and formal adjudication.

Any rate case that the Florida Public Service Commission is hearing would be considered a formal rulemaking and formal adjudication therefore "ex parte communications would be prohibited based upon Title 5 of the Administrative Procedure Act.

Here is the rules that were file with my previous motion(s).

As per Title 5 of §557(d) (1), §557(a), §556, §553(c), §554(a) of the Administrative Procedure Act:

§557(d) (1) prohibits ex parte communication in any agency proceeding that is subject to the Administrative Procedure Act

§557(a). This section applies "when a hearing is required to be conducted in accordance with §556 of this title

§556 applies "to hearings required by §553 and §554 of the Administrative Procedure Act

§553(c) makes §556 and §557 applicable to a rulemaking proceeding "when rules are required by statute to be made on the record after opportunity for an agency hearing".

§554(a) makes §556 and §557 applicable "in every case of adjudication required by statute to be determined by an agency hearing

The Administrative Procedure prohibition of ex parte communications applies only when a statute requires an agency to issue a rule or to resolve an adjudicatory dispute "on the record after opportunity for agency hearing. The two cases of agency proceedings are often referred to as formal rulemaking and formal adjudication.

Any rate case that the Florida Public Service Commission is hearing would be considered a formal rulemaking and formal adjudication therefore "ex parte communications would be prohibited based upon Title 5 of the Administrative Procedure Act.

"Based upon Chapter 350.042 of the Florida Statutes it appears that I would reserve the right to be fully heard on the public record. This would include all email(s)/motion(s)/response(s). There should be no reason why I would not be able to practice before the commission in order to protect my legal interests in these proceedings. Why would I be treated differently than these public speakers?"

350.042

Ex parte communications.

—

(1) A commissioner should accord to every person who is legally interested in a proceeding, or the person's lawyer, full right to be heard according to law, and, except as authorized by law, shall neither initiate nor consider ex parte communications concerning the merits, threat, or offer of reward in any proceeding other than a proceeding under s. 120.54 or s. 120.565, workshops, or internal affairs meetings. No individual shall discuss ex parte with a commissioner the merits of any issue that he or she knows will be filed with the commission within 90 days. The provisions of this subsection shall not apply to commission staff.

In addition, as per rule 25-22.033 "The Commission recognizes that Commission employees must exchange information with parties who have an interest in Commission proceedings. However, the Commission also recognizes that all parties to adjudicatory proceedings need to be notified and given an opportunity to participate in certain communication. The intent of this rule is not to prevent or hinder in any way the exchange of information, but to provide all parties to adjudicatory proceedings notification of and the opportunity to participate in certain communications."

Rule 25-22.033 would also support making my emails part of the public record in order for me to be able to participate in the process.

25-22.033 Communications Between Commission Employees and Parties.

The Commission recognizes that Commission employees must exchange information with parties who have an interest in Commission proceedings. However, the Commission also recognizes that all parties to adjudicatory proceedings need to be notified and given an opportunity to participate in certain communications. The intent of this rule is not to prevent or hinder in any way the exchange of information, but to provide all parties to adjudicatory proceedings notification of and the opportunity to participate in certain communications.

When my information will be made part of the public record?

This information should be made part of the public record before any hearings so that all interested parties would have access to this information as provided by Federal and State "Ex parte" communication regulations.

There should be no further delay.

Thanks,

Robert H. Smith

Confidentiality Statement

The documents accompanying this telecopy transmission contain information which is confidential and/or legally privileged. The information is intended only for the use of the individual or entity named on this transmission sheet. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this telecopied information is strictly prohibited, and the documents should be returned. In this regard, if you received this telecopy in error, please contact the sender by reply E-mail and destroy all copies of the original.

From: Dorothy Menasco [mailto:DMenasco@PSC.STATE.FL.US]
Sent: Wednesday, November 03, 2010 5:21 PM
To: rpjrb@yahoo.com
Cc: Lisa Bennett; Ann Cole
Subject: RE: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Based on today's e-mail, this e-mail, the three November 1, 2010 e-mails, your Friday, October 29, 2010, 6:28 PM e-mail, and this response will be placed in *Docket Correspondence - Parties and Interested Persons*, in Docket Nos. 080677-EI, 100410-EI, and 100009-EI. Please give the system 24 hours to update these records.

Unless otherwise instructed, future new e-mails from you will be added to all three dockets. Duplicate e-mails will not be added.

From: Ann Cole [mailto:ACOLE@PSC.STATE.FL.US]
Sent: Monday, November 01, 2010 2:39 PM
To: rpjrb@yahoo.com; Dorothy Menasco
Cc: Lisa Bennett; Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé
Subject: RE: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Please allow 24 hours for the PSC to make records available on the Web site.

All referenced attachments are already in *Docket Correspondence - Parties and Interested Persons,* in Docket No. 080677-EI. Ms. Menasco has provided you with page numbers in her previous e-mails; page numbers are subject to change, as new pages are appended.

Your Friday, October 29, 2010, 6:28 PM e-mail and this response will be added to *Docket Correspondence - Parties and Interested Persons,* in Docket No. 080677-EI.

From: Ann Cole [mailto:ACOLE@PSC.STATE.FL.US]
Sent: Friday, March 04, 2011 9:09 AM
To: Curt Kiser; rpjrb@yahoo.com; Records Clerk; Lisa Bennett; John Slemkewicz
Cc: Office Of Commissioner Edgar; Office Of Commissioner Graham; Office of Commissioner Brisé; Office Of Commissioner Graham; Office of Commissioner Balbis; Office of Commissioner Brown; rick.scott@eog.myflorida.com; jennifer.carroll@eog.myflorida.com; danlarson@bellsouth.net; kelly.sullivan.woods@gmail.com; ken.hoffman@fpl.com; kaufman@kagmlaw.com; mcglothlin.joseph@leg.state.fl.us; John.Butler@fpl.com
Subject: RE: December 2010 ESR overearnings Calculations / Preliminary Rob Analysis Draft

The Office of Commission Clerk responds to information requests, provices support for Web site research, gives estimates concerning copy charges for Commission records, invoices for services, and places correspondence in the dockets, when appropriate. We are currently reviewing Mr. Smith's concerns.

From: Curt Kiser
Sent: Thursday, March 03, 2011 3:13 PM
To: 'rpjrb@yahoo.com'; Records Clerk; Lisa Bennett; John Slemkewicz
Cc: Ann Cole; Office Of Commissioner Edgar; Office Of Commissioner Graham; Office of Commissioner Brisé; Office Of Commissioner Graham; Office of Commissioner Balbis; Office of Commissioner Brown; rick.scott@eog.myflorida.com; jennifer.carroll@eog.myflorida.com; danlarson@bellsouth.net; kelly.sullivan.woods@gmail.com; ken.hoffman@fpl.com; kaufman@kagmlaw.com; mcglothlin.joseph@leg.state.fl.us; John.Butler@fpl.com
Subject: RE: December 2010 ESR overearnings Calculations / Preliminary Rob Analysis Draft

Who is responding to Mr. Smith's various e-mails?

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, March 03, 2011 10:27 AM
To: Records Clerk; Curt Kiser; Lisa Bennett; John Slemkewicz
Cc: Ann Cole; Office Of Commissioner Edgar; Office Of Commissioner Graham; Office of Commissioner Brisé; Office Of Commissioner Graham; Office of Commissioner Balbis; Office of Commissioner Brown; rick.scott@eog.myflorida.com; jennifer.carroll@eog.myflorida.com; danlarson@bellsouth.net; kelly.sullivan.woods@gmail.com; ken.hoffman@fpl.com; kaufman@kagmlaw.com; mcglothlin.joseph@leg.state.fl.us; John.Butler@fpl.com
Subject: FW: December 2010 ESR overearnings Calculations / Preliminary Rob Analysis Draft

Dear Records Clerk, Dear Commissioner's, Mr. Kiser and Mr. Slemkewicz,

Due to the delicate nature of this information I would like to make sure that this correspondence request/communication does not have any impact on my current/future employment. I can only hope that this request is viewed as a public service request and does not have any impact on my family's well being.

When will my emails be made part of the public record and my questions in my emails answered?

Staff would at least be able to answer my emails.

This is the 8th request for the information to be made part of the public record.

Since they have received the emails it appears that it would be appropriate for the Commission to make them part of the public record for all parties with a legal interest to have this information.

The reason why I have not filed another motion is due to the fact that my original emails/motion(s) and motions to strike were not answered specifically in a question and answer format. My original motions asked about the similar questions before the December 2010 ESR report was published. The questions were the same and the new analysis is supporting my concerns with my original motion(s) and motion to strike. These emails/motion(s) have been filed before the approval of the stipulation and settlement agreement.

Based upon my Federal/State rights I feel that I should be able to be heard on the public record. As I have indicated in my motion(s) I should be afforded all my rights in order to protect my legal interests in these proceedings.

I trust the both the Commission and FPL understand my concerns with regard to protecting my legal interests as afforded by Federal/State laws.

I have sent a copy of this email to the rest of the parties.

Dear Records Clerk,

Why has there been a delay with making my emails part of the public record as afforded by both Federal/State law?

Thanks,

Robert H. Smith

Confidentiality Statement

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Tuesday, March 01, 2011 12:15 PM
To: 'Records Clerk'; 'Curt Kiser'; 'Lisa Bennett'; 'John Slemkewicz'
Cc: 'Ann Cole'; 'Office Of Commissioner Edgar'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Office Of Commissioner Graham'; 'Office of Commissioner Balbis'; 'Office of Commissioner Brown'; 'rick.scott@eog.myflorida.com'; 'jennifer.carroll@eog.myflorida.com'; 'danlarson@bellsouth.net'; 'kelly.sullivan.woods@gmail.com'; 'ken.hoffman@fpl.com'
Subject: FW: December 2010 ESR overearnings Calculations / Preliminary Rob Analysis Draft

Dear Records Clerk, Dear Commissioner's, Mr. Kiser and Mr. Slemkewicz,

Do we have an eta on the PDF files for Docket 100410 below? These were posted on 2/28/2011 without the files.

What about the status of the answers to me emails below?

Thanks,

Robert H. Smith

Document Detail for Docket Number: 100410 (47 documents)

Document	Order	Date filed	Description	Files
01313-11		2/28/2011	FIPUG (Kaufman) - Petition to intervene and protest of Order PSC-11-0103-FOF-EI.	
01312-11		2/28/2011	FPL (Butler) - Response in opposition to petition of Frank Woods and Kelly Sullivan to intervene, motion for reconsideration, notice of protest, and request for formal hearing.	
01311-11		2/28/2011	FPL (Butler) - Notice of appearance.	
01310-11		2/28/2011	Office of Public Counsel [OPC] (McGlothlin) - Notice of intervention and limited response to pending motions for reconsideration of Order PSC-11-0103-FOF-EI.	

Confidentiality Statement

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reply E-mail and destroy all copies of the original.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Monday, February 28, 2011 2:05 PM
To: 'Records Clerk'; 'Curt Kiser'; 'Lisa Bennett'; 'John Slemkewicz'
Cc: 'Ann Cole'; 'Office Of Commissioner Edgar'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Office Of Commissioner Graham'; 'Office of Commissioner Balbis'; 'Office of Commissioner Brown'; 'rick.scott@eog.myflorida.com'; 'jennifer.carroll@eog.myflorida.com'; 'danlarson@bellsouth.net'; 'kelly.sullivan.woods@gmail.com'; 'ken.hoffman@fpl.com'
Subject: FW: December 2010 ESR overearnings Calculations / Preliminary Rob Analysis Draft

Dear Records Clerk, Dear Commissioner's, Mr. Kiser and Mr. Slemkewicz,

How come my information has not been updated on the record?

How come I have not received a response from the Commission regarding my emails below?

It appears that the last update was for February 15th, 2011. It is now February 28, 2011 and my information has not been updated on the record.

I have sent numerous emails asking about the update of all three public dockets with the email up until the one below (Saturday February 19th, 2011 11:27 AM).

How come the public dockets have not been updated with my email correspondence?

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Saturday, February 19, 2011 11:27 AM
To: 'Records Clerk'; 'Curt Kiser'; 'Lisa Bennett'; 'John Slemkewicz'
Cc: 'Ann Cole'; 'Office Of Commissioner Edgar'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Office Of Commissioner Graham'; 'Office of Commissioner Balbis'; 'Office of Commissioner Brown'; 'rick.scott@eog.myflorida.com'; 'jennifer.carroll@eog.myflorida.com'; 'danlarson@bellsouth.net'; 'ken.hoffman@fpl.com'
Subject: FW: December 2010 ESR overearnings Calculations / Preliminary Rob Analysis Draft

I noticed the 10K disclosure of the depreciation surplus over recovery.

$776 million 3 year cap versus $772 million = $4 million give back for 2010. This ties out to the numbers in the email below on a year-end basis.

How was the new deal a better deal for the customers?

The old deal would have provided for a definite $125 million give back in 2010.

With the new deal when do they expect to refund the over depreciation surplus?

- FPL can vary the amount of surplus depreciation credit taken in any calendar year up to a cap in 2010 of $267 million, a cap in subsequent years of $267 million plus the amount of any unused portion from prior years, and a cap of $776 million (surplus depreciation credit cap) over the course of the 2010 rate agreement, provided that in any year of the 2010 rate agreement, including 2010, FPL must use at least enough surplus depreciation credit to maintain a 9% earned regulatory ROE but may not use any amount of surplus depreciation credit that would result in an earned regulatory ROE in excess of 11%. As of December 31, 2010, approximately $772 million of the surplus depreciation credit cap remains.

Please let me know when my information is going to be updated on the public dockets.

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, February 24, 2011 10:17 AM
To: 'kelly.sullivan.woods@gmail.com'
Cc: 'Records Clerk'; 'Curt Kiser'; 'Lisa Bennett'; 'John Slemkewicz'; 'Ann Cole'; 'Office Of Commissioner Edgar'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Office Of Commissioner Graham'; 'Office of Commissioner Balbis'; 'Office of Commissioner Brown'; 'danlarson@bellsouth.net'; 'ken.hoffman@fpl.com'; 'rick.scott@eog.myflorida.com'
Subject: FW: December 2010 ESR overearnings Calculations / Preliminary Rob Analysis Draft

Dear Ms. Sullivan,

Here is what I have sent to the Commission and interested parties in this proceeding.

This is for your information.

Attached you will find a copy of the motion(s) that I have filed with regard to these proceedings.

FPL filed a motion to strike and I filed a motion to strike FPL's motion to strike. The response that I have received did not specifically answer in a question and answer format what would be normal due diligence questions with these proceedings. I have asked for a check book reconciliation of the $1.2 billion dollars of over recovery of the depreciation as well as a tax payment reconciliation between the regulated and non-regulated entities. These were very specific questions and I have not received a direct answer to these questions as well as my other questions as outlined in my email correspondence.

These are related to all Dockets that would be impacted by any decision with the original rate case that was filed. It appears that the position was to break out the Dockets to deal with each issue independently. From a pure ratecase perspective this would not make sense since the ruling on the Stipulation and Settlement agreement would impact any of the Dockets. This case should have been heard as one proceeding.

Since you filed to intervene after my email correspondence I thought that I would send you what I have worked on.

Due to the delicate nature of this information I would like to make sure that this correspondence request/communication does not have any impact on my current/future employment. I can only hope that this request is viewed as a public service request and does not have any impact on my family's well being.

I am trying to help out with these proceedings. I am unemployed and I am working on public service work (community service) until I go back to work.

In my previous experience with these types of proceedings full transparency is usually afforded. Usually any party with a legal interest would be able to provided an interrogatory question and expect an answer in a question and answer format regarding any issue that might protect any parties legal interest.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com.

Thanks,

Robert H. Smith

Kelly Sullivan
570 Osprey Lakes Circle
Chuluota, FL 32766-6658
Phone: 321-287-5062
Email: kelly.sullivan.woods@gmail.com

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, February 23, 2011 11:32 AM
To: 'Records Clerk'; 'Curt Kiser'; 'Lisa Bennett'; 'John Slemkewicz'
Cc: 'Ann Cole'; 'Office Of Commissioner Edgar'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Office Of Commissioner Graham'; 'Office of Commissioner Balbis'; 'Office of Commissioner Brown'; 'rick.scott@eog.myflorida.com'; 'jennifer.carroll@eog.myflorida.com'; 'danlarson@bellsouth.net'; 'ken.hoffman@fpl.com'
Subject: FW: December 2010 ESR overearnings Calculations / Preliminary Rob Analysis Draft

Dear Records Clerk, Dear Commissioner's, Mr. Kiser and Mr. Slemkewicz,

Due to the delicate nature of this information I would like to make sure that this correspondence request/communication does not have any impact on my current/future employment. I can only hope that this request is viewed as a public service request and does not have any impact on my family's well being.

Were the docket files updated with my email correspondence through Saturday February 19th, 2011?

Will I be receiving a legal response regarding my concerns as outlined in my previous emails below?

I noticed a **typo** below.

Thanks,

Robert H. Smith

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Cc: 'Ann Cole'; 'Office Of Commissioner Edgar'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Office Of Commissioner Graham'; 'Office of Commissioner Balbis'; 'Office of Commissioner Brown'; 'rick.scott@eog.myflorida.com'; 'jennifer.carroll@eog.myflorida.com'; 'danlarson@bellsouth.net'; 'ken.hoffman@fpl.com'
Subject: FW: December 2010 ESR overearnings Calculations / Preliminary Rob Analysis Draft

Dear Records Clerk, Dear Commissioner's, Mr. Kiser and Mr. Slemkewicz,

Due to the delicate nature of this information I would like to make sure that this correspondence request/communication does not have any impact on my current/future employment. I can only hope that this request is viewed as a public service request and does not have any impact on my family's well being.

Below I laid out the ESR reports to take a look at the 13 month averages. I noticed that the Aviation Costs below were not broken **out** until May. I trended the system average back to see what would be required to obtain the 13 month average of $40.8 million and $40.3 million respectively. The Year End balance is $53 million and $52.4 million respectively. In the prior months for April 2010 to January 2010 was this plant in service in another plant category? If it was then the adjustment of the $40.33 million might be inaccurate. I realize that this might be in another plant category on the schedule, but I thought that I would ask the question to see if has to be changed or reclassified from one plant account to the Aviation Plant cost to reflect a 13 month average for this category to bring it closer to the $53 million dollar level.

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
SYSTEM ADJUSTMENTS
DECEMBER, 2010

SCHEDULE 2 PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
AVIATION - PLANT	40,802,612	40,333,801

Since these costs are being removed from ratebase for the calculation of FPSC adjusted ratebase and they represent $53 million dollars of cost. Where did the cash flow come from to pay for these costs? In 2009 the FERC cash balance was $34.3 million dollars. The plant in service costs related to the Aviation costs are $53 million dollars. Did the regulated Utility receive a cash payment for the aviation costs from the Corporate Holding Company depending on the cost allocation for the use of the planes? What is the allocation percentage breakout for the cost of the planes?

If the plant in service was not isolated until May 2010, where were these costs recovered prior to the breakout of these costs?

Does the plant in service for the Aviation Costs represent the cost for the aircraft below?

4. The amount of plant in service by plant account numbers and/or sub-account number(s). Please show the amounts before and after allocations from FPL to affiliates. Please identify the gross book value of each aircraft and other types of asset (parts, supplies, etc.) within each plant account and/or sub-account. If any amounts are allocated to an affiliate and then subsequently allocated back to FPL, please show these amounts separately.

		13 Month Average	
		2010	2011
Plant Sub-Account	Account Name	Plant in Service	Plant in Service
392.01	Aircraft-Fix Wing (Jet)	$ 44,785,207	$ 53,715,141
392.02	Aircraft-Rotary Wing (Helicopter)	8,926,387	8,926,387
	Total	$ 53,711,594	$ 62,641,528

Notes:
The plant in service accounts are not allocated to affiliates. However, affiliates are charged depreciation and ROI as shown in response to Question No. 3.

Jurisdictional amounts are shown in responses to Question No. 7 herein.

4. This list refers to corporate aircraft by tail numbers. These tail numbers tie to the following aircraft:

N1128B:	Falcon 2000 Jet
N346XL:	Cessna Citation XL Jet
N868XL:	Cessna Citation XL Jet
N197J:	Agusta 109 Power Helicopter
N298R:	Agusta 109 Power Helicopter

DOCUMENT NUMBER-DATE

You will notice that the 13 month averages might be off slightly. This might be due to prior period Year End adjustments which would not be reflected the hard copy reports that I have used to calculate the 13 month averages. Unless they retroactively fix the old ESR reports this might not fully work its way out.

Sorry I noticed a **typo.** I fixed the $516,065 to $516,055 for the 13 month average. The Year End System and Jurisdictional Rate of Return numbers are OK.

It is apparent the give back of the surplus depreciation amortization for 2010 for the 13 month average ($516,055) and the Year End ($3,958,226) for the December 2010 represents a minimal return of the surplus depreciation amortization.

Since the $3,958,226 represents the jurisdictional Year End, does this match the credit to the FERC 403 depreciation cost of service account?

Please let me know when all my email correspondence will be made part of the public record and when I will be receiving a response from the Commission regarding my questions in my email(s).

Please let me know if the December 2010 ESR report has to be revised.

Thanks,

Robert H. Smith

	Other Rate Case Adjustments (1)				Aviation - Plant				Environmental			
	System	Jurisdictional	System	Jurisdictional	System	Jurisdictional	System	Jurisdictional	System	Jurisdictional	System	Jur
	Average Rate of Return		Year End Rate of Return		Average Rate of Return		Year End Rate of Return		Average Rate of Return		Year End Rate of F	
12/31/2009									282,577,506	279,288,530	428,632,814	4
1/31/2010									300,367,542	298,952,423	432,066,871	4
2/28/2010					13,590		176,670	-	318,417,478	314,887,279	435,632,650	4
3/31/2010					4,092,492		53,025,731	51,684,289	338,417,421	334,764,070	461,030,876	4
4/30/2010					8,171,394		53,025,731	52,567,613	367,929,870	364,043,353	611,298,801	6
5/31/2010					12,250,296	12,144,459	53,025,731	52,567,613	399,021,703	392,804,187	632,059,212	6
6/30/2010					16,329,198	16,188,121	53,025,731	52,567,613	429,580,979	422,594,901	643,687,645	6
7/31/2010					20,408,100	20,231,784	53,025,731	52,567,613	460,022,358	452,800,237	645,701,893	6
8/31/2010					24,487,003	24,275,446	53,025,731	52,567,613	488,562,707	480,090,297	648,531,718	6
9/30/2010					28,565,905	28,319,109	53,025,731	52,567,613	517,330,965	508,143,581	651,973,084	6
10/31/2010					32,644,807	32,269,728	53,025,731	52,416,480	545,969,224	536,064,414	654,722,025	6
11/30/2010	216,415	213,929	2,813,398	2,781,073	36,723,710	36,301,765	53,025,731	52,416,480	563,653,489	553,164,743	654,502,510	6
12/31/2010	527,859	516,055	4,048,764	3,958,226	40,802,612	40,333,801	53,025,731	52,416,480	611,876,797	600,193,132	1,054,555,261	1,0
13 Month Avg			527,859	518,408			40,802,614	40,333,801			611,876,566	6

(1) Reflects a Portion of The Depreciation Reserve Surplus Adjustment Provided Under Paragraph 7 of the 2010 Stipulation and Settlement Agreemen

Prepared by Robert H Smith from 2010 Earnings Surveillance Reports - Draft

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, February 18, 2011 2:12 PM

To: 'Records Clerk'; 'Curt Kiser'; 'Lisa Bennett'; 'John Slemkewicz'
Cc: 'Ann Cole'; 'Office Of Commissioner Edgar'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Office Of Commissioner Graham'; 'Office of Commissioner Balbis'; 'Office of Commissioner Brown'; 'rick.scott@eog.myflorida.com'; 'jennifer.carroll@eog.myflorida.com'; 'danlarson@bellsouth.net'; 'ken.hoffman@fpl.com'
Subject: FW: December 2010 ESR overearnings Calculations / Preliminary Rob Analysis Draft

Dear Records Clerk, Dear Commissioner's, Mr. Kiser and Mr. Slemkewicz,

Sorry I noticed a typo.

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, February 18, 2011 10:25 AM
To: 'Records Clerk'; 'Curt Kiser'; 'Lisa Bennett'; 'John Slemkewicz'
Cc: 'Ann Cole'; 'Office Of Commissioner Edgar'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Office Of Commissioner Graham'; 'Office of Commissioner Balbis'; 'Office of Commissioner Brown'; rick.scott@eog.myflorida.com; jennifer.carroll@eog.myflorida.com; danlarson@bellsouth.net; ken.hoffman@fpl.com
Subject: FW: December 2010 ESR overearnings Calculations / Preliminary Rob Analysis Draft

Dear Records Clerk, Dear Commissioner's, Mr. Kiser and Mr. Slemkewicz,

I was looking at the rest of the pages and noticed these numbers. Since the return on equity is measured by the FPSC adjusted amount of $1,157,319,418 of operating income and $16,800,538,432 of ratebase, the adjustment that is being considered for the return of the depreciation surplus amortization is **$516,055** which is shown as an adjustment to ratebase. Has this **been** amortized as a credit to the depreciation account (FERC 403 Account)?

Is this the disclosure of the numbers?

Is the report indicating that **$516,055** on an average rate of return basis and $3,958,226 on a year end rate of return basis is the recovery that has been given back for 2010?

This is a very immaterial number for 2010.

The Stipulation and Settlement agreement indicated that it had to give back up to $267,000,000 in year one.

The Old Settlement Agreement indicated that it had to give back $125,000,000 in 2010.

At this rate when does the company expect to return the over recovery of the depreciation surplus reserve amortization?

Please sign off that these are the actual numbers that are being reflected for both ratemaking and GAAP purposes for the return of the over recovery of the depreciation surplus amortization.

If this is the surplus refund then the Weather Normalization revenues would have been subject to the overearnings test at the 10% level and some of these revenues have been absorbed by the increase in the ROE to 11%.

What does the $30,000 represent in the Forecasted Earnings Surveillance report?

This would have potentially resulted in over earnings.

Again please answer the questions in my emails below.

Thanks,

Robert H. Smith

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
SYSTEM ADJUSTMENTS
DECEMBER, 2010

OTHER RATE CASE ADJUSTMENTS (1)	527,859	516,055

NOTE :
(1) REFLECTS A PORTION OF THE DEPRECIATION RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER PARAGRAPH 7 OF THE 2010 STIPULATION AND SETTLEMENT

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
YEAR END RATE OF RETURN
SYSTEM ADJUSTMENTS
DECEMBER, 2010

OTHER RATE CASE ADJUSTMENTS (1)	4,048,764	3,958,226

NOTE:
(1) REFLECTS A PORTION OF THE DEPRECIATION RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER PARAGRAPH 7 OF THE 2010 STIPULATION AND SETTLEMENT

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
SYSTEM ADJUSTMENTS
DECEMBER, 2010

SCHEDULE 2 PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
PLANT IN SERVICE:		
ENVIRONMENTAL	$ 611,876,797	$ 600,193,132
FUEL AND CAPACITY	52,675,594	51,622,038
AVIATION - PLANT	40,802,612	40,333,801
LOAD CONTROL	33,681,525	33,681,525
ASSET RETIREMENT OBLIGATION	110,260,556	108,993,693
TOTAL	$ 849,297,083	$ 834,824,189
ACCUMULATED PROVISION FOR DEPRECIATION:		
ENVIRONMENTAL	$ (50,183,683)	$ (49,225,436)
ACCUM PROV DECOMMISSIONING COSTS	(2,675,562,919)	(2,643,942,768)
ASSET RETIREMENT OBLIGATION	(16,090,492)	(15,905,616)
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	2,472,005,475	2,443,602,824
AVIATION - RESERVE	(22,226,963)	(21,971,582)
FUEL AND CAPACITY	(49,691,831)	(48,697,041)
OTHER RATE CASE ADJUSTMENTS (1)	527,859	516,055
LOAD CONTROL	(16,562,949)	(16,562,949)
TOTAL	$ (357,785,503)	$ (352,186,514)
CONSTRUCTION WORK IN PROGRESS:		
CONSTRUCTION WORK IN PROGRESS	$ 1,302,091,978	$ 1,281,734,769
CWIP - ECRC PROJECTS	522,555,103	512,577,018
TOTAL	$ 1,824,647,081	$ 1,794,311,787
NUCLEAR FUEL:		
NUCLEAR FUEL IN PROCESS	$ 0	$ 0
NUCLEAR FUEL CAPITAL LEASES	87,777,905	86,865,660
TOTAL	$ 87,777,905	$ 86,865,660
WORKING CAPITAL: (SEE SCHEDULE 2, PAGE 3B OF 3)	$ (1,691,517,783)	$ (1,664,343,494)
TOTAL ADJUSTMENTS	**$ 712,418,784**	**$ 699,471,630**

NOTE :
(1) REFLECTS A PORTION OF THE DEPRECIATION RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER PARAGRAPH 7 OF THE 2010 STIPULATION AND SETTLEMENT AGREEMENT

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
YEAR END RATE OF RETURN
SYSTEM ADJUSTMENTS
DECEMBER, 2010

SCHEDULE 3 PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
PLANT IN SERVICE:		
ENVIRONMENTAL	$ 1,054,555,261	$ 1,034,418,739
FUEL AND CAPACITY	62,611,090	61,361,922
AVIATION - PLANT	53,025,731	52,416,480
LOAD CONTROL	34,238,151	34,238,151
ASSET RETIREMENT OBLIGATION	8,718,156	8,617,987
TOTAL	$ 1,213,148,389	$ 1,191,053,279
ACCUMULATED PROVISION FOR DEPRECIATION:		
ENVIRONMENTAL	$ (56,271,551)	$ (55,197,057)
ACCUM PROV DECOMMISSIONING COSTS	(2,835,090,040)	(2,801,584,577)
ASSET RETIREMENT OBLIGATION	38,548,399	38,105,489
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	2,627,755,014	2,597,562,845
AVIATION - RESERVE	(30,435,733)	(30,086,035)
FUEL AND CAPACITY	(49,777,201)	(48,780,727)
OTHER RATE CASE ADJUSTMENTS (1)	4,048,764	3,958,226
LOAD CONTROL	(19,431,857)	(19,431,857)
TOTAL	$ (320,654,204)	$ (315,453,692)
CONSTRUCTION WORK IN PROGRESS:		
CONSTRUCTION WORK IN PROGRESS	$ 1,685,947,064	$ 1,659,213,371
CWIP - ECRC PROJECTS	253,768,894	248,923,227
TOTAL	$ 1,939,715,957	$ 1,908,136,599
NUCLEAR FUEL:		
NUCLEAR FUEL IN PROCESS	$ 0	$ 0
NUCLEAR FUEL CAPITAL LEASES	0	0
TOTAL	$ 0	$ 0
WORKING CAPITAL: (SEE SCHEDULE 2, PAGE 3B OF 3)	$ (1,691,517,783)	$ (1,664,343,494)
TOTAL ADJUSTMENTS	**$ 1,140,692,359**	**$ 1,119,392,692**

NOTE:
(1) REFLECTS A PORTION OF THE DEPRECIATION RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER PARAGRAPH 7 OF THE 2010 STIPULATION AND SETTLEMENT AGREEMENT

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Subject: December 2010 ESR overearnings Calculations / Preliminary Rob Analysis Draft

Dear Records Clerk, Dear Commissioner's, Mr. Kiser and Mr. Slemkewicz,

I have taken a look at the December 2010 Earnings Surveillance Report. The report is not transparent with the actual depreciation surplus amortization. It discloses that it "(1) Reflects a portion of the Depreciation Reserve Surplus Adjustment Provided under Paragraph 7 of the 2010 Stipulation and Settlement Agreement". Where is the disclosure of the number? This number is very important to determine if the agreement was in the best interests of the customers and shareholders.

Has this 12 month number for 2010 (amortization of the depreciation reserve surplus adjustment) been disclosed on the ESR report?

To just footnote the ESR report that it reflects a portion of the depreciation reserve surplus adjustment does not provide the appropriate transparency to determine whether or not any of the Weather normalization revenues have been absorbed by the reduction of the depreciation reserve adjustment amortization.

Since there was no transparency with these reports before the approval of the Stipulation and Settlement agreement all parties might have not had the opportunity to fully protect their legal interests since the information was not made available in a timely manner. In my previous emails I have asked about the level of the depreciation surplus amortization for 2010. I have been asking this question for a while now and I have not received a response from the Commission. I have also asked for the 2009 ESR reports in which I have not received a response back as to why it cannot be furnished electronically as per 119.01(2) and 119.01(3) respectively.

Since the footnote disclosure has been made on the ESR report there is no reason why the number has not been disclosed. If the intent was to just footnote this disclosure this gives the appearance that there might have been intent to non-disclose the actual number to provide the proper transparency needed to see if the ESR report is in full compliance with the agreement. This would be to disclose the actual 12 month amortization to provide the transparency

There is no reason why this number would not be disclosed. This is a very important aspect of this case and any non disclosure might have an impact on the rights of any party with a legal interest. Since there is an agreed upon Stipulation and Settlement agreement in place as approved by the Commission and certain interveners in this case the requirement of this agreement would provide for full disclosure to ensure that the depreciation reserve surplus amortization is in line to what has been agreed upon. This does not preclude another party with a legal interest who did not have access to any of the electronic documents prior to the approval of the Stipulation and Settlement agreement to have the ability to question the validity of the agreement. I have been asking for the full transparency way before the agreement was approved. It is apparent by the reluctance of the Commission to release this information prior to the agreement of the Stipulation and Settlement agreement that all parties with a legal interest might have not been afforded the transparency in order to timely file motion(s) to refute or question the validity of the agreement.

This number should be disclosed to determine if any of the Weather Normalization revenues would have been subject to an over earnings test (refund or deferral for future disposition).

Please let me know if this has to serve as a motion. It just does not make sense that I have not received any answers from the Commission regarding any of my emails at this point regarding the transparency needed for a party with a legal interest to protect their interests.

Mr. Graham,

Please let me know why I have not received a response from the Commission. My emails questions are very simple to answer. If

the Commission is not going to provide the answers to my email questions then I would think that it would the responsibility of the Commission legal staff to issue an opinion of why I am not being afforded the transparency to protect my legal interests in this case.

I am continuing to review the ESR report(s). Please let me know if I will be receiving an electronic copy of 2009 as discussed in my previous email(s) below. I want to trend out the debt to equity ratios to see how the company has managed this mix.

I will follow up tomorrow on the status of the answers to my emails.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com.

Thanks,

Robert H. Smith

NOTE:
(1) REFLECTS A PORTION OF THE DEPRECIATION RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER PARAGRAPH 7 OF THE 2010 STIPULATION AND SETTLEMENT AGREEMENT

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
INCOME STATEMENT
DECEMBER, 2010

SCHEDULE 2, PAGE 2 OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE FUEL & NET INTERCHANGE	OPERATION & MAINTENANCE OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	(GAIN)/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME (A)
SYSTEM PER BOOKS	$ 10,482,016,931	4,992,718,047	1,621,943,205	1,079,749,032	1,028,585,599	166,940,367	406,862,139	(1,558,738)	(1,797,503)	9,213,442,382	$ 1,268,574,549
JURISDICTIONAL PER BOOKS	$ 10,304,092,818	4,857,856,882	1,596,991,376	1,011,033,977	1,020,864,108	165,213,269	402,619,520	(1,522,448)	(1,792,540)	9,051,263,941	$ 1,252,828,877
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	$ (455,968,016)	0	0	0	(11,764,349)	(171,027,534)	0	0	0	(182,791,884)	$ (272,336,132)
FRANCHISE EXPENSE	0	0	0	0	(443,361,975)	171,026,882	0	0	0	(272,335,093)	272,335,093
GROSS RECEIPTS TAX	(232,358,676)	0	0	0	(231,838,674)	(200,591)	0	0	0	(232,039,265)	(319,411)
FINANCIAL PLANNING SERVICES	0	0	(448,543)	0	0	173,025	0	0	0	(275,517)	275,517
INDUSTRY ASSOCIATION DUES	0	0	(555,853)	0	0	214,420	0	0	0	(341,433)	341,433
ECONOMIC DEVELOPMENT 5%	0	0	(11,018)	0	0	4,250	0	0	0	(6,768)	6,768
AVIATION - EXPENSES	0	0	484,865	(3,374,553)	0	1,114,697	0	0	0	(1,774,991)	1,774,991
EXECUTIVE COMPENSATION	0	0	(25,850,086)	0	0	9,971,671	0	0	0	(15,878,415)	15,878,415
NOI FUEL COST REC RETAIL	(4,352,762,413)	(4,329,079,173)	(8,640,586)	0	(3,117,946)	238,218,211	(243,818,167)	0	0	(4,345,437,663)	(7,324,751)
CONSERVATION COST RECOVERY	(102,406,804)	0	(93,704,816)	(8,808,199)	(73,733)	10,731,272	(11,433,359)	0	0	(101,288,835)	(1,117,970)
CAPACITY COST RECOVERY	(606,345,513)	(501,487,165)	(48,709,677)	(62,676,369)	(436,540)	6,348,027	(4,433,072)	0	0	(609,394,796)	3,049,283
ENVIRONMENTAL COST RECOVERY	(140,568,022)	0	(21,313,756)	(13,904,095)	(101,209)	(53,990,552)	13,296,254	0	244,509	(75,768,852)	(64,799,670)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	(226)	6,758,751	0	(2,567,798)	0	0	0	4,190,687	(4,190,687)
STORM DEFICIENCY RECOVERY	(101,657,876)	0	(1,127,414)	(71,652,004)	0	(11,139,863)	0	0	0	(83,919,283)	(17,738,593)
GAIN ON SALE LAND (PROPERTY)	0	0	0	0	0	0	0	0	0	0	0
INTEREST TAX DEFICIENCIES	0	0	1,644,480	0	0	(634,358)	0	0	0	1,010,122	(1,010,122)
INTEREST SYCHRONIZATION	0	0	0	0	0	27,509,150	(7,105,527)	0	0	20,403,623	(20,403,623)
TOTAL FPSC ADJUSTMENTS	$ (5,991,167,820)	(4,830,566,338)	(196,232,632)	(151,706,507)	(690,634,429)	226,730,907	(253,493,871)	0	244,509	(5,895,658,362)	$ (95,509,458)
FPSC ADJUSTED	$ 4,312,924,998	27,290,544	1,400,758,744	859,327,470	330,229,679	391,944,172	149,125,649	(1,522,448)	(1,548,031)	3,155,605,579	$ 1,157,319,418
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 2, PAGE 2A OF 3)	$ (182,479,227)	0	0	0	(131,385)	(70,340,680)	0	0	0	(70,472,065)	$ (112,007,162)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	$ 4,130,445,771	27,290,544	1,400,758,744	859,327,470	330,098,294	321,603,492	149,125,649	(1,522,448)	(1,548,031)	3,085,133,514	$ 1,045,312,256

(A) THE ADDITION OF EARNINGS FROM AFUDC
WOULD INCREASE THE SYSTEM NOI BY $ 49,592,126
AND THE JURISDICTIONAL NOI BY $ 48,483,154

(B) ECONOMIC DEVELOPMENT COSTS RELATED TO THE PERIOD ARE:
ON A TOTAL COMPANY BASIS $ 232,912
ON A JURISDICTIONAL BASIS $ 220,351

CURRENT MONTH AMOUNT											
SYSTEM PER BOOKS	$ 812,051,324	373,086,247	162,471,010	97,154,830	81,968,968	(114,551,890)	141,358,775	(264,430)	(151,273)	741,072,017	$ 70,979,306
JURISDICTIONAL PER BOOKS	$ 796,203,400	365,070,858	159,966,006	95,338,337	81,372,754	(113,964,532)	140,612,812	(258,290)	(150,876)	727,985,123	$ 70,218,274

NOTE:
(1) REFLECTS A PORTION OF THE DEPRECIATION RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER PARAGRAPH 7 OF THE 2010 STIPULATION AND SETTLEMENT AGREEMENT

THE PROFORMA ADJUSTMENTS ARE NOT NECESSARILY ALL THE PROFORMA THAT WOULD BE MADE IN A BASE RATE FILING

Records Clerk,

Please make sure that the attached file ESRWeatherNormalization02172011.pdf and ESROverEarningsDecember201002172011.pdf is scanned with this document when it is made part of the public record.

Dear Commissioner's, Mr. Kiser and Mr. Slemkewicz,

Here are some additional questions in addition to the questions that I have already asked in my previous emails. I have not heard back from the Commission regarding an answer to my emails below.

Questions/Observations:

1. What is the total portion of the Depreciation Surplus Amortization Provided under Paragraph 7 of the 2010 Stipulation and Settlement Agreement? How much was amortized in 2010?

2. The increase in ROE from 10% to 11% represents $78.5 million dollars of additional cushion to prevent overearnings. There was a 10% ROE during good economic times. Why has the ROE increased?

3. The Weather Normalization Clause finished at $112 million. Since there was an increased ROE a portion of these revenues would have been subject to the over earnings test if the ROE remained at 10%.

4. Based upon the old amortization of the depreciation surplus amortization they would have potentially been put into an over earnings situation since the amortization would have been locked at $125 million per year. This is based upon comparing the actual depreciation surplus amortization versus the Old (2) adjudicated amount. If the actual is less, then they might have over earned under the Old (2) amount.

5. If the actual depreciation surplus amortization is less than the New (1) and Old (2) adjudicated amounts then the Weather Normalization revenues have been absorbed by reducing the depreciation surplus amortization. These Weather Normalization revenues might have been subject to an over earnings test if there was a set amortization in the agreement. This will defer the give back of the surplus.

6. The New Amortization reflects an accelerated amortization only if the Company is amortizing at the adjudicated level. If the amortization is substantially less, then this will defer the amortization.

7. There was no minimum amortization set in the new agreement whereas in the old agreement a minimum amortization was set. Since they are allowing the company to control the amortization this might defer the return of the surplus amortization over a longer period of time.

8. Where is the Cash reconciliation of the Use of the $1.21 billion of the depreciation surplus? Based upon the Balance in the FERC 131 Cash account the balance of depreciation surplus has not been maintained.

	12 month Weather Normalization	Monthly	Cum Chk	FERC 131 CASH	Actual Surplus Amortization	Remaining Balance	Annual Amortization	New Surplus Amortization(1)	Remaining Balance	Annual Amortization	Old Surplus Amortization (2)	Remaining Balance	Annual Amortization
12/31/2009	$ 50,771,175	$ 50,771,175	$ 50,771,175	$ 34,255,751	$ -	$ 894,600,000			$ 894,600,000			$ 894,600,000	
1/31/2010	$ 85,381,929	$ 34,610,754	$ 85,381,929			894,600,000		(22,250,000)	872,350,000		(10,416,667)	884,183,333	
2/28/2010	$ 87,483,710	$ 2,101,781	$ 87,483,710			894,600,000		(22,250,000)	850,100,000		(10,416,667)	873,766,667	
3/31/2010	$ 90,064,511	$ 2,580,801	$ 90,064,511			894,600,000		(22,250,000)	827,850,000		(10,416,667)	863,350,000	
4/30/2010	$ 77,766,253	$ (12,298,258)	$ 77,766,253			894,600,000		(22,250,000)	805,600,000		(10,416,667)	852,933,333	
5/31/2010	$ 89,322,808	$ 11,556,555	$ 89,322,808			894,600,000		(22,250,000)	783,350,000		(10,416,667)	842,516,667	
6/30/2010	$ 110,217,167	$ 20,894,359	$ 110,217,167			894,600,000		(22,250,000)	761,100,000		(10,416,667)	832,100,000	
7/31/2010	$ 120,481,846	$ 10,264,679	$ 120,481,846			894,600,000		(22,250,000)	738,850,000		(10,416,667)	821,683,333	
8/31/2010	$ 122,984,092	$ 2,502,246	$ 122,984,092			894,600,000		(22,250,000)	716,600,000		(10,416,667)	811,266,667	
9/30/2010	$ 129,422,439	$ 6,438,347	$ 129,422,439			894,600,000		(22,250,000)	694,350,000		(10,416,667)	800,850,000	
10/31/2010	$ 107,322,526	$ (22,099,913)	$ 107,322,526			894,600,000		(22,250,000)	672,100,000		(10,416,667)	790,433,333	
11/30/2010	$ 99,387,740	$ (7,934,786)	$ 99,387,740			894,600,000		(22,250,000)	649,850,000		(10,416,667)	780,016,667	
12/31/2010	$ 112,007,162	$ 12,619,422	$ 112,007,162	?		894,600,000	-	(22,250,000)	627,600,000	(267,000,000)	(10,416,667)	769,600,000	(125,000.00
1/31/2011						894,600,000		(22,250,000)	605,350,000		(10,416,667)	759,183,333	
2/28/2011						894,600,000		(22,250,000)	583,100,000		(10,416,667)	748,766,667	
3/31/2011						894,600,000		(22,250,000)	560,850,000		(10,416,667)	738,350,000	
4/30/2011						894,600,000		(22,250,000)	538,600,000		(10,416,667)	727,933,333	
5/31/2011						894,600,000		(22,250,000)	516,350,000		(10,416,667)	717,516,667	
6/30/2011						894,600,000		(22,250,000)	494,100,000		(10,416,667)	707,100,000	
7/31/2011						894,600,000		(22,250,000)	471,850,000		(10,416,667)	696,683,333	
8/31/2011						894,600,000		(22,250,000)	449,600,000		(10,416,667)	686,266,667	
9/30/2011						894,600,000		(22,250,000)	427,350,000		(10,416,667)	675,850,000	
10/31/2011						894,600,000		(22,250,000)	405,100,000		(10,416,667)	665,433,333	
11/30/2011						894,600,000		(22,250,000)	382,850,000		(10,416,667)	655,016,667	
12/31/2011				?		894,600,000	-	(22,250,000)	360,600,000	(267,000,000)	(10,416,667)	644,600,000	(125,000.00
1/31/2012						894,600,000		(20,166,667)	340,433,333		(10,416,667)	634,183,333	
2/29/2012						894,600,000		(20,166,667)	320,266,667		(10,416,667)	623,766,667	
3/31/2012						894,600,000		(20,166,667)	300,100,000		(10,416,667)	613,350,000	
4/30/2012						894,600,000		(20,166,667)	279,933,333		(10,416,667)	602,933,333	
5/31/2012						894,600,000		(20,166,667)	259,766,667		(10,416,667)	592,516,667	
6/30/2012						894,600,000		(20,166,667)	239,600,000		(10,416,667)	582,100,000	
7/31/2012						894,600,000		(20,166,667)	219,433,333		(10,416,667)	571,683,333	
8/31/2012						894,600,000		(20,166,667)	199,266,667		(10,416,667)	561,266,667	
9/30/2012						894,600,000		(20,166,667)	179,100,000		(10,416,667)	550,850,000	
10/31/2012						894,600,000		(20,166,667)	158,933,333		(10,416,667)	540,433,333	
11/30/2012						894,600,000		(20,166,667)	138,766,667		(10,416,667)	530,016,667	
12/31/2012				?		894,600,000	-	(20,166,667)	118,600,000	(242,000,000)	(10,416,667)	519,600,000	(125,000.00
1/31/2013						894,600,000		(10,416,667)	108,183,333		(10,416,667)	509,183,333	
2/28/2013						894,600,000		(10,416,667)	97,766,667		(10,416,667)	498,766,667	
3/31/2013						894,600,000		(10,416,667)	87,350,000		(10,416,667)	488,350,000	
4/30/2013						894,600,000		(10,416,667)	76,933,333		(10,416,667)	477,933,333	
5/31/2013						894,600,000		(10,416,667)	66,516,667		(10,416,667)	467,516,667	
6/30/2013						894,600,000		(10,416,667)	56,100,000		(10,416,667)	457,100,000	
7/31/2013						894,600,000		(10,416,667)	45,683,333		(10,416,667)	446,683,333	
8/31/2013						894,600,000		(10,416,667)	35,266,667		(10,416,667)	436,266,667	
9/30/2013						894,600,000		(10,416,667)	24,850,000		(10,416,667)	425,850,000	

Prepared by Robert H Smith from 2010 Earnings Surveillance Reports - Draft

	12 month Weather Normalization	Monthly	Cum Chk	FERC 131 CASH	Actual Surplus Amortization	Remaining Balance	Annual Amortization	New Surplus Amortization(1)	Remaining Balance	Annual Amortization	Old Surplus Amortization (2)	Remaining Balance	Annual Amortization
10/31/2013						894,600,000		(10,416,667)	14,433,333		(10,416,667)	415,433,333	
11/30/2013						894,600,000		(10,416,667)	4,016,667		(10,416,667)	405,016,667	
12/31/2013			?			894,600,000	-	(4,016,667)	(0)	(118,600,000)	(10,416,667)	394,600,000	(125,000,000)

	Total/Year
2010	-
2011	-
2012	-
2013	-
	-
Balance	894,600,000

	Total/Year
2010	(267,000,000)
2011	(267,000,000)
2012	(242,000,000)
2013	(118,600,000)
	(894,600,000)
Balance	-

	Total/Year
2010	(125,000,000)
2011	(125,000,000)
2012	(125,000,000)
2013	(125,000,000)
	(500,000,000)
Balance	394,600,000
Over 22 Years	(17,936,364)

(1) Depreciation Reserve Surplus Adjustment Provided Under Paragraph 7 of the 2010 Stipulation and Settlement Agreement. Max. $267 Million per year Max. $776 3 yrs. Remaining based on old $125 million ($118.6 million).
(2) Depreciation Reserve Surplus Adjustment Provided by original order. $125 million for 4 years ($500 million), $17.9 million for 22 yrs. ($394.6 million).

Questions:

What is the total portion of the Depreciation Surplus Amortization Provided under Paragraph 7 of the 2010 Stipulation and Settlement Agreement? How much was amortized in 2010?

The increase in ROE from 10% to 11% represents $78.5 million dollars of additional cushion to prevent overearnings. There was a 10% ROE during good economic times. Why has the ROE increased?

The Weather Normalization Clause finished at $112 million. Since there was an increased ROE a portion of these revenues would have been subject to the over earnings test if the ROE remained at 10%.

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If the actual depreciation surplus amortization is less than the New (1) and Old (2) adjudicated amounts then the Weather Normalization revenues have been absorbed by reducing the depreciation surplus amortization. These Weather Normalization revenues might have been subject to an over earnings test if there was a set amortization in the agreement. This will defer the give back of the surplus.

The New Amortization reflects an accelerated amortization only if the Company is amortizing at the adjudicated level. If the amortization is substantially less then this will defer the amortization. There was no minimum amortization set in the new agreement whereas in the old agreement a minimum amortization was set. Since they are allowing the company to control the amortization this might defer the return of the surplus amortization over a longer period of time.

Where is the Cash reconciliation of the Use of the $1.21 billion of the depreciation surplus? Based upon the Balance in the FERC 131 Cash account the balance of depreciation surplus has not been maintained.

Prepared by Robert H Smith from 2010 Earnings Surveillance Reports - Draft

Florida Power & Light Company
and Subsidiaries
Capital Structure
FPSC Adjusted Basis 13 Month Avergage
2010

FPSC Adjusted Average Jurisdictional Return on Common Equity			Dec-10
Rate Base			16,800,538,432
FPSC Adjusted/Allowed Rate of Return			6.89%
FPSC Adjusted Operating Income			1,157,319,418
Weather Normalization Clause			(112,007,162)
Proforma Adjusted			1,045,312,256
Company Calculated Return on Common Equity			9.57%
Rate Base			16,800,538,432
FPSC Adjusted/Allowed Rate of Return @		10.00%	6.42%
Operating Income			1,078,834,105
Over Earnings			78,485,313
Pro Forma FPSC Allowed Common Equity w/o Weather Norm Adj			10.00%
Rate Base			16,800,538,432
FPSC Adjusted/Allowed Rate of Return @		10.75%	6.77%
Operating Income			1,137,530,550
Over Earnings			19,788,868
Pro Forma FPSC Allowed Common Equity w/o Weather Norm Adj			10.75%
Rate Base			16,800,538,432
FPSC Adjusted/Allowed Rate of Return @		11.00%	6.89%
Operating Income			1,157,319,418
Over Earnings			(0)
Pro Forma FPSC Allowed Common Equity w/o Weather Norm Adj			11.00%
Difference Allowed ROE	11.00%	10.00%	0.47%
Difference in Over Earnings			78,485,313
Check			78,485,313
			-
FPSC Adjusted Rate of Return			6.89%
Less: Average Retail Weighted Cost Rates For:			
Long Term Debt			1.53%
Short Term Debt			0.03%
Peferred Stock			0.00%
Customer Deposits			0.20%
Tax Credits - WTD Cost			0.00%
Subtotal			1.76%
Pro Forma ROR Less Non Equity Cost			5.13%
Pro Forma Common Equity Ratio			46.58%
Pro Forma Return on Common Equity Company w/o Weather Norm Ad			11.00%

Florida Power & Light Company
and Subsidiaries
Capital Structure
FPSC Adjusted Basis 13 Month Avergage
2010

FPSC Adjusted Average Jurisdictional Return on Common Equity	Dec-10
Average RateBase	16,800,538,432
Average Rate of Return	6.89%
Actual Net Operating Income	1,157,319,418
Capital Components	
Long Term Debt	4,859,391,851
Short Term Debt	510,727,045
Preferred Stock	-
Customer Deposits	549,103,614
Common Equity	7,826,192,572
Deferred Income Tax	3,048,789,083
Investment Tax Credits	6,334,267
Total	16,800,538,432
Capital Ratio	
Long Term Debt	28.92%
Short Term Debt	3.04%
Preferred Stock	0.00%
Customer Deposits	3.27%
Common Equity	46.58%
Deferred Income Tax	18.15%
Investment Tax Credits	0.04%
Total	100.00%
Cost of Capital	
Long Term Debt	5.30%
Short Term Debt	1.00%
Preferred Stock	0.00%
Customer Deposits	6.01%
Common Equity	10.00%
Deferred Income Tax	0.00%
Investment Tax Credits	8.82%

Return on Equity (ROE)	ROE	ROE	ROE
Weighted Cost Adjudicated	10.00%	10.75%	11.00%
Long Term Debt	1.53%	1.53%	1.53%
Short Term Debt	0.03%	0.03%	0.03%
Preferred Stock	0.00%	0.00%	0.00%
Customer Deposits	0.20%	0.20%	0.20%
Common Equity	4.66%	5.01%	5.12%
Deferred Income Tax	0.00%	0.00%	0.00%
Investment Tax Credits	0.00%	0.00%	0.00%
Total	6.42%	6.77%	6.89%

Confidentiality Statement

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From: Ann Cole [mailto:ACOLE@PSC.STATE.FL.US]
Sent: Tuesday, February 15, 2011 2:00 PM
To: rpjrb@yahoo.com
Subject: FW: June 2010 ESR overearnings Calculations / Preliminary Rob Analysis Draft

Dear Mr. Smith,

In response to your e-mail of February 15, 2011, please note that future ESRs will be made available from the FPSC's Web site; however, the Commission does not anticipate putting older ESRs on line. If you wish to review FPL's ESRs for November 2009 and earlier, I will assist you with making arrangements to view them at the Commission at no cost. Alternatively, the Commission can provide you with copies upon payment of copying charges, if applicable.

Should you wish copies of FPL's ESRs for November 2009 and earlier, please provide the date range that you are interested in.

I hope you find this information helpful. I will await further instructions.

Sincerly,
Ann Cole, Commission Clerk
Office of Commission Clerk

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Tuesday, February 15, 2011 11:20 AM + Pgs 30-71 are *
To: Records Clerk; Curt Kiser; Lisa Bennett; John Slemkewicz
Cc: Ann Cole; Office Of Commissioner Edgar; Office Of Commissioner Graham; Office of Commissioner Brisé; Office Of Commissioner Graham; Office of Commissioner Balbis; Office of Commissioner Brown; rick.scott@eog.myflorida.com; jennifer.carroll@eog.myflorida.com; danlarson@bellsouth.net; ken.hoffman@fpl.com
Subject: FW: June 2010 ESR overearnings Calculations / Preliminary Rob Analysis Draft

Dear Records Clerk,

(*Duplicate)* + have

As indicated in my previous e-mail I already know that the information from December 2009 to November 2010 was made available. My original request was for all of 2009 as well.

Since December 2009 has been made part of the Electronic record what would be the reasoning for not populating the rest of the 2009 information?

been removed

What was the reasoning behind not populating the rest of 2009 when it is apparent that this should be a very easy thing to do?

3/4/2011

3/4/11 -pcm

available on the web portal instead of suggesting that I should travel 6 hours to view the documents. This does not make economic sense considering that I am unemployed and I try not to travel long distances on my own.

Since this information has been made available on the web already then this would support compliance with 119.01(2)(a), F.S. and 119.01(3), F.S. respectively.

Please let me know if the information can be made available electronically. This just does not make sense.

Please let me know when all my emails/information is going to be populated into the docket files.

Thanks for your response and help.

Thanks,

Robert H. Smith

119.01 General state policy on public records.--

(1) It is the policy of this state that all state, county, and municipal records shall be open for personal inspection by any person.

(2) The Legislature finds that, given advancements in technology, providing access to public records by remote electronic means is an additional method of access that agencies should strive to provide to the extent feasible. If an agency provides access to public records by remote electronic means, then such access should be provided in the most cost-effective and efficient manner available to the agency providing the information.

(3) The Legislature finds that providing access to public records is a duty of each agency and that automation of public records must not erode the right of access to those records. As each agency increases its use of and dependence on electronic recordkeeping, each agency must ensure reasonable access to records electronically maintained.

(4) Each agency shall establish a program for the disposal of records that do not have sufficient legal, fiscal, administrative, or archival value in accordance with retention schedules established by the records and information management program of the Division of Library and Information Services of the Department of State.

STATEMENT OF AGENCY ORGANIZATION & OPERATIONS

COPYING CHARGES FOR COMMISSION RECORDS

Copies of Documents

§ 119.07(2)(a), F.S.	Records provided electronically	no charge
§ 119.07(4)(a)1, F.S.	Single-sided pages	$ 0.15
§ 119.07(4)(a)2, F.S.	Duplexed pages	$ 0.20
§ 119.07(4)(c), F.S.	Certified copies	$ 1.00 each
§ 28.24(27), F.S.	Certified or registered mailing	cost of mailing
§ 350.06(6), F.S.	Where fee would be < $ 1.00	no charge

Florida State Agencies

§ 28.24(12)(e)1, F.S. — no charge

All court records are the property of the State of Florida. The clerk of the court shall not charge for copies generated by CMS or held by the court.

§ 119.011(2), F.S.

"Agency" means any state, county, district, authority, or municipal officer, department, division, board, bureau, commission, or other separate unit of government created or established by law.

Media Charges

§ 119.07(4)(a)3, F.S.	Thumb drive	$ 10.00 each
	Video tape	$ 2.56 each
	Audio tape	$ 0.46 each
	DVD	$ 0.60 each
	CD	$ 0.19 each
§ 350.06(6), F.S.	Where fee would be < $ 1.00	no charge

Dear Commissioner's, Mr. Kiser and Mr. Slemkewicz,

Please provide a legal response to my emails below. Since the information has not been provided in a transparent manner before a ruling has been made I trust you understand why I filed my motion(s). The transparency should have taken place before any rulings have been made in these proceedings to afford every person that has a legal interest in these proceedings full due process in order to protect their legal interests.

I have sent to you my concerns regarding the new pending legislation regarding 350.041 and 350.042.

Please make sure that these are in compliance with Federal legislation.

I am still waiting to hear from FERC regarding my concerns with the tax payments reconciliation that I have requested.

Thanks,

Robert H. Smith

Confidentiality Statement

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From: Ann Cole [mailto:ACOLE@PSC.STATE.FL.US]
Sent: Tuesday, February 15, 2011 2:00 PM
To: rpjrb@yahoo.com
Subject: FW: June 2010 ESR overearnings Calculations / Preliminary Rob Analysis Draft

Dear Mr. Smith,

In response to your e-mail of February 15, 2011, please note that future ESRs will be made available from the FPSC's Web site; however, the Commission does not anticipate putting older ESRs on line. If you wish to review FPL's ESRs for November 2009 and earlier, I will assist you with making arrangements to view them at the Commission at no cost. Alternatively, the Commission can provide you with copies upon payment of copying charges, if applicable.

Should you wish copies of FPL's ESRs for November 2009 and earlier, please provide the date range that you are interested in.

I hope you find this information helpful. I will await further instructions.

Sincerly,
Ann Cole, Commission Clerk
Office of Commission Clerk

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Tuesday, February 15, 2011 11:20 AM
To: Records Clerk; Curt Kiser; Lisa Bennett; John Slemkewicz
Cc: Ann Cole; Office Of Commissioner Edgar; Office Of Commissioner Graham; Office of Commissioner Brisé; Office Of Commissioner Graham; Office of Commissioner Balbis; Office of Commissioner Brown; rick.scott@eog.myflorida.com; jennifer.carroll@eog.myflorida.com; danlarson@bellsouth.net; ken.hoffman@fpl.com
Subject: FW: June 2010 ESR overearnings Calculations / Preliminary Rob Analysis Draft

+Pgs 30-71 are *

Dear Records Clerk,

(*Duplicate) + have been removed

As indicated in my previous e-mail I already know that the information from December 2009 to November 2010 was made available. My original request was for all of 2009 as well.

Since December 2009 has been made part of the Electronic record what would be the reasoning for not populating the rest of the 2009 information?

What was the reasoning behind not populating the rest of 2009 when it is apparent that this should be a very easy thing to do?

080677-EI

Diamond Williams

From: Ann Cole
Sent: Tuesday, February 15, 2011 11:41 AM
To: Diamond Williams
Cc: Dorothy Menasco
Subject: FW: June 2010 ESR overearnings Calculations / Preliminary Rob Analysis Draft
Attachments: ESRWeatherNormalization02102011.pdf; ESROverEarningsJune201002112011.pdf

Please append most current emails, which have not already been included in the correspondence files for Docket Nos. 080677, 100009, 110009, and 100410.

Thank you.
Ann Cole

FPSC, CLK - CORRESPONDENCE
☐ Administrative ☒ Parties ☐ Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION:

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Tuesday, February 15, 2011 11:20 AM
To: Records Clerk; Curt Kiser; Lisa Bennett; John Slemkewicz
Cc: Ann Cole; Office Of Commissioner Edgar; Office Of Commissioner Graham; Office of Commissioner Brisé; Office Of Commissioner Graham; Office of Commissioner Balbis; Office of Commissioner Brown; rick.scott@eog.myflorida.com; jennifer.carroll@eog.myflorida.com; danlarson@bellsouth.net; ken.hoffman@fpl.com
Subject: FW: June 2010 ESR overearnings Calculations / Prellminary Rob Analysis Draft

Dear Records Clerk,

As indicated in my previous email I already know that the information from December 2009 to November 2010 was made available. My original request was for all of 2009 as well.

Since December 2009 has been made part of the Electronic record what would be the reasoning for not populating the rest of the 2009 information?

What was the reasoning behind not populating the rest of 2009 when it is apparent that this should be a very easy thing to do?

The population of these documents should have been very easy to complete therefore it would make sense for all of the reports to be made part of the record.

Here is my reasoning why this is a very important issue and it must be made transparent. There is an issue with the over earnings as it relates cash flow and debt to equity ratio mix. This is a very important issue with the current status of this case. I want to trend out the debt to equity mix to see how the company has been managing this mix. Debt is always cheaper than equity therefore I want to be able to take a look at how the ratio has changed from 2008 until 2010.

I need an answer on how much of the depreciation over recovery surplus has been returned for 2010? Again, I have not received a response from the Commission.

I have prepared all the monthly analysis for all of 2010 and December 2009. I want to put together graphs of how the debt to equity has been managed as well as the cash flow as it relates to the Weather Normalization and any potential over earnings that were above the 10% level and the 11% level.

I have been waiting for a legal opinion from the Florida Public Service Commission regarding my analysis that I have sent in my previous email. In addition, all my email correspondence has not been made part of the public record within the 24 hour timeframe as indicated in a previous email that I have received from the Commission.

When will all my email be made part of the public record? I will check with the records clerk tomorrow to make sure that all my email correspondence has been made part of the public record. Please make sure that the previous attachments are added if the images in this email correspondence is not scanned correctly.

When will I be receiving a legal response to my concerns as outlined in my previous email?

Please make sure that all my correspondence is being made part of the public record to meet the requirements of "Ex Parte" Communications.

Here is an email that I have sent to the Governor regarding the pending changes to Chapter 350.041 and 350.042. Any of these rules must be in compliance with Federal Legislation.

This is a very important issue as well.

Thanks,

Robert H. Smith

Confidentiality Statement

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Friday, February 04, 2011 9:47 AM
To: 'fasano.mike.web@flsenate.gov'
Cc: 'rick.scott@eog.myflorida.com'; 'jennifer.carroll@eog.myflorida.com'; 'Bill@billnelson.senate.gov'
Subject: SB 212 Relating to Public Service Commission (2011 Session) / Change to 350.041 and 350.042

Dear Mr. Fasano,

Did anyone look to see that this act will conform to Federal laws based upon preemption?

The Federal Administrative Procedures Act and the Energy Policy Act of 2005 is very specific with regard to some of the Ex parte communication issues that are being changed in this bill. Just because this legislation is changing "ex parte" to "prohibited" does not mean that this will pass the Ex parte communications test at the Federal level. Federal Preemption would require coverage for any type of Ex parte communication with these types of proceedings.

I am communicating with the Federal Regulatory Commission regarding some of the issues that have surfaced in the current ratecase process in Florida.

Legally interested should also mean a shareholder and or ratepayer.

I was taking a look at the new proposed legislation regarding the change to Chapter 350.041 and 350.042.

Based upon the Federal Administrative Procedures Act Title 5 of §557(d) (1), §557(a), §556, §553(c), §554(a) would prohibit Ex parte communication for formal ruling making processes.

As per Title 5 of §557(d) (1), §557(a), §556, §553(c), §554(a) of the Administrative Procedure Act:

§557(d) (1) prohibits ex parte communication in any agency proceeding that is subject to the Administrative Procedure Act

§557(a). This section applies "when a hearing is required to be conducted in accordance with §556 of this title

§556 applies "to hearings required by §553 and §554 of the Administrative Procedure Act

§553(c) makes §556 and §557 applicable to a rulemaking proceeding "when rules are required by statute to be made on the record after opportunity for an agency hearing".

§554(a) makes §556 and §557 applicable "in every case of adjudication required by statute to be determined by an agency hearing

A legally interested person with these proceedings would have to be defined as a shareholder as well since the ratemaking earnings of the company will have a direct correlation to the GAAP earnings at the company. Any issues discussed at the Commission would be subject to review by an owner of the corporation. Since a shareholder by definition is an owner of the corporation (Utility) they would have the legal basis to be considered a legally interested party. Since the word "Corporation" has been added a Shareholder should be added as well.

If a shareholder becomes an interested party in the proceeding then they would have become a legally interested party. As a ratepayer a person can be considered a legally interested party as well.

Another issue is that these types of proceedings are governed under is the Energy Policy Act of 2005.

Both Federal Acts would preempt any State legislation therefore I would think that the test of Federal compliance should be looked at before any of this legislation is passed.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com.

Thanks,

Robert H. Smith

350.042 Prohibited ~~Ex parte~~ communications.-

(1) This section governs communications made by or directed to commissioners and their direct reporting staff which concern proceedings before the Public Service Commission. The purpose of this section is to ensure the fairness of the commission's proceedings by assuring the public that the decisions by the commission are not influenced by prohibited communications between commissioners and legally interested persons.

1. "Legally interested person" means any party to a proceeding before the commission, or a representative of a party to a proceeding pending before the commission, and includes corporations, partnerships, limited liability companies, elected or appointed officials of state government, and other public and elected officials.

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From: Ann Cole [mailto:ACOLE@PSC.STATE.FL.US]
Sent: Tuesday, February 15, 2011 10:52 AM
To: rpjrb@yahoo.com
Cc: Dorothy Menasco
Subject: FW:

Dear Mr. Smith,

I am writing in response to your request for copies of the Earnings Surveillance Reports (ESRs) of Florida Power & Light Company. You had requested that these documents be provided electronically to you. At the time of your request, the documents were not kept at the Commission in electronic format.

I have since been notified that the FPSC has an in-house project to place certain electric and gas filings online, such as annual reports and ESRs. I understand that our information technology staff have completed portions of this project more quickly than predicted, and that the ESRs are now available online. The scope of the project includes only ESRs for December 2009 through all of 2010 for Florida's electric and gas investor-owned utilities. If you wish, you may now access FPL's ESRs at the following link: http://www.floridapsc.com/utilities/mcd/details.aspx?compcode=EI802.

I hope you find this information helpful.

Sincerely,

Ann Cole, Commission Clerk

Office of Commission Clerk

From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Friday, February 11, 2011 9:55 AM
To: 'Curt Kiser'; 'Records Clerk'; 'Lisa Bennett'; 'John Slemkewicz'
Cc: 'Ann Cole'; 'Office Of Commissioner Edgar'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Office Of Commissioner Graham'; 'Office of Commissioner Balbis'; 'Office of Commissioner Brown'; 'rick.scott@eog.myflorida.com'; 'jennifer.carroll@eog.myflorida.com'; 'danlarson@bellsouth.net'; 'ken.hoffman@fpl.com'
Subject: June 2010 ESR overearnings Calculations / Preliminary Rob Analysis Draft

Dear Mr. Kiser and Mr. Slemkewicz,

Due to the delicate nature of this information I would like to make sure that this correspondence request/communication does not have any impact on my current/future employment. I can only hope that this request is viewed as a public service request and does not have any impact on my family's well being.

Attached you will find a copy of the June 2010 Over Earnings Calculation summarized. I have completed this type of presentation of the analysis to take a look at the overearnings for 2010. This can now be used for 2008, 2009, 2010 and 2011. I have 2008 and I have December 2009 and through November 2010.

Is the rest of 2009 going to be populated on the web? We are waiting for the December 2010 year end to see how this relates to the 2010 Forecasted Earnings Surveillance report.

What is the status of my email correspondence being made part of the public record? It has been a long time and the information still has not been made part of the public Docket. Why has this information not be made as part of the public record?

Please make sure that the attached file ESRWeatherNormalization02102011.pdf and ESROverEarningsJune201002112011.pdf is scanned with this document when it is made part of the public record.

I sent a copy of this email to the following interested parties to make sure that everyone is in the loop.

a. Person responsible for this electronic filing:

Mr. & Mrs. Daniel R. Larson

16933 W. Narlena Dr.

Loxahatchee, FL 33470

Phone: (561) 791-0875
danlarson@bellsouth.net

Florida Power & Light Company
Mr. Ken Hoffman
215 South Monroe Street, Suite 810
Tallahassee, FL 32301-1858
Phone: (850) 521-3900
Fax: (850) 521-3939
Email: ken.hoffman@fpl.com

Please provide me with the backup to the calculated $53.5 million Dollars of overearnings estimated at June 30, 2010. I would like to compare the copy that I downloaded electronically versus the one that was used to calculate the $53.5 million dollars. Was this calculation at an allowed ROE of 10.75%?

Based upon the downloaded ESR report for June 2010 I calculated based upon a 10%, 10.75% and 11% allowed ROE excess earnings of $108 million, $51.4 million and $32.5 million dollars respectively. This is before the Weather Normalization Clause. If this adjustment does not reverse out by year end then a decision should be made to include this into the over earnings test based upon my discussion in my email below.

I would like to compare your calculation that was put into the record with the calculation below to see if the test is in line.

Here is what I see as a problem. What is the normal Allowed ROE at Utilities across the United States for 2010 and 2011? The National Average below based upon a SNI Forecast by Utility is an average of 10.22%.

The Economy is very bad and I cannot see how the Commission would increase the allowed ROE to 11% when they had a 10% allowed ROE during better economic times. How come the allowed ROE was increased?

Since the Stipulation and Settlement agreement has taking away the control of the over recovery of depreciation amortization the company can back off on this amortization to keep the over earnings. This will delay the return of the depreciation over recovery. Based upon my email discussion below we still need to see the actual over recovery of depreciation amortization that the company has amortized in 2010. This should be disclosed to gauge how much was given back on a cumulative basis. If the company is earning around the 11% the company will potentially stop the amortization to keep the return on equity around the 11% so that the cumulative refund to the customer might not come close to the original amortization that was set in the order prior to the Stipulation and Settlement Agreement. This might delay the return of the over recovery.

By increasing the allowed ROE to 11% this gave room for some of the over earnings at the old ROE of 10% to be absorbed and kept by the company. In addition, by nature that the company now controls the over recovery of the depreciation surplus they are in a position to return the money to the customer over a longer period of time since they can now have more room to over earn plus the ability to only amortize the over recovery up until the 11% ROE.

Based upon the Forecasted Earnings Surveillance Reports I have asked the company what the assumption was for the amortization of the depreciation over recovery.

I have asked what the $30,000 represents since this number is not-transparent in the Forecasted Earnings Surveillance reports. This should be disclosed on the monthly ESR reports as well. What has happened in this case is that there is full control of the return of the depreciation over recovery. If the company earns at 9.0% it is being allowed just to amortize an amount to make sure that they do not earn above the 11% ROE. If company earns near or above the 11% ROE then it can pull back on the return of the over recovered depreciation surplus. This assumes that the 11% is a fair return based upon the average. It appears that this was running at 10.22% which is below the 11% agreed upon with the Stipulation and Settlement agreement. If the agreed upon ROE was in the 10% range then it appears that the company would be over earning and unless the Stipulation and Settlement agreement was put into place the company would have to return any over earnings above its allowed ROE in addition to the over recovered depreciation surplus. This would have caused a potential rate decrease to the customer.

The rates are now locked for two years and if the company does not return a majority of the depreciation surplus it appears that after the two year rate freeze that if this surplus is not returned that there might be more room to freeze the rates for a longer period of time. When will the next depreciation study be completed to make sure that the surplus is not growing. Have the lives of the plant been changed to reflect a longer period of over recovery for the assets that generated the over recovery of depreciation?

They should probably compute this study at least once a year to determine if the surplus is going down or if it is increasing. Now that there is a base rate freeze the possibility exists that they can be still over recovering depreciation related to these assets.

Please see email dated to the company

Sent: Monday, November 22, 2010 11:25 AM
To: 'John.Butler@fpl.com <John.Butler@fpl.com>'; 'ken.rubin@fpl.com'; 'Pat.Brian@fpl.com'
Cc: 'Charles_Sieving@fpl.com'; 'Lew_Hay@fpl.com'
Subject: Withdrawal of the Confidential Classification of Provisional Electric Forecasted Earnings Surveillance Report / Questions regarding the forecast assumptions

With the depreciation reserve surplus amortization below, what would be the difference between the amortization below of $30,000 and the original amount as set by the Florida public Service Commission? According to note 3 it indicates that this "Assumes FPSC approval of the August 20, 2010 Stipulation and Settlement Agreement. Does this represent $30 million since there is no ($000's) on the top of the Forecast Assumption page. Is this an annual amount of amortization? If this is an annual amortization how come it is significantly lower than the original amount as set by the original order? The original order has indicated that there will be a base rate increase of $75 million but a depreciation amortization that is $500 million over 4 years or $125 million per year for 4 years. In addition, there was $394.6 million being amortized at $17.9 million over 22 years. If the $30,000 represents $30 million then does this replace the original amortization?

C. OTHER CORPORATE ASSUMPTIONS	
INTEREST RATES -	
1) 30 DAY COMMERCIAL PAPER	0.5%
2) LONG TERM DEBT	5.8%
DEPRECIATION RESERVE SURPLUS AMORTIZATION (3)	$30,000

(3) Assumes FPSC approval of the August 20, 2010 Stipulation & Settlement Agreement.

Attachment C

Cases 09-E-0539, 09-E-0714 and 09-G-0795

National Authorized ROE's - RRA Data (Jan - June 2010)

State	Electric Co.	Service	Date	Electric Authorized Rate Base ($ Mil)	Electric Authorized Equity Ratio (%)	Electric Authorized ROE (%)	Gas Authorized Rate Base ($ Mil)	Gas Authorized Equity Ratio (%)	Gas Authorized ROE (%)	Test Year End	Rate Base ($ Mil)	Rate Base Valuation Method	Litigated (Y/N)
Arkansas	Entergy Arkansas Inc	Electric	6/28/2010	2.5	5.04	10.20				09/2009	4,040.90	Year-end	N
Arizona	UNS Gas Inc	Natural Gas	4/1/2010	3.5	5.60	9.50				06/2008	180.16	Year-end	Y
District of Columbia	Potomac Electric Power Co	Electric	3/2/2010	19.8	8.01	9.63				12/2009	1,016.30	Average	N
Florida	Florida Power & Light Co	Electric	3/17/2010	78.5	6.65	10.00				12/2010	16,787.40	Average	N
Florida	Florida Power Corp.	Electric	3/5/2010	126.7	7.66	10.80				12/2010	6,302.30	Average	N
Georgia	Atmos Energy Corp.	Natural Gas	3/31/2010	2.9	8.61	10.70				09/2010	90.05	Average	N
Iowa	Interstate Power & Light Co.	Electric	1/4/2010	83.7	8.91	10.60				12/2008	1,820.90	Average	N
Illinois	Central Illinois Light Co	Electric	4/28/2010	2.2	5.06	9.99				12/2008	278.20	Year-end	N
Illinois	Central Illinois Light Co.	Natural Gas	4/28/2010	2.4	7.63	9.49				12/2008	178.00	Year-end	N
Illinois	Central Illinois Public	Electric	4/28/2010	17.9	9.02	10.08				12/2008	480.00	Year-end	N
Illinois	Central Illinois Public	Natural Gas	4/28/2010	1.7	7.58	9.19				12/2008	177.20	Year-end	N
Illinois	Illinois Power Co.	Electric	4/28/2010	15.4	8.37	10.26				12/2008	1,826.40	Year-end	N
Illinois	Illinois Power Co.	Natural Gas	4/28/2010	11.3	8.59	9.40				12/2008	464.10	Year-end	N
Illinois	Midamerican Energy Co.	Natural Gas	3/24/2010	2.7	7.90	10.13				12/2008	37.10	Year-end	N
Illinois	North Shore Gas Co.	Natural Gas	1/21/2010	13.9	8.16	10.33				12/2009	163.10	Average	N
Illinois	Peoples Gas Light & Coke Co	Natural Gas	1/21/2010	49.6	8.05	10.20				12/2009	1,201.40	Average	N
Kansas	Kansas Gas and Electric Co.	Electric	1/27/2010	8.6	8.49	10.30				53.12	NA	NA	NA	Y
Kansas	Westar Energy Inc	Electric	1/27/2010	8.6	8.49	10.40				53.13	NA	NA	NA	Y
Kentucky	Atmos Energy Corp.	Natural Gas	5/28/2010	6.1	NA	NA				NA	NA	NA	NA	Y
Michigan	Consumers Energy Co.	Natural Gas	5/17/2010	65.9	7.07	10.50				40.78	09/2010	2,736.70	Average	N
Michigan	Detroit Edison Co.	Electric	1/11/2010	217.4	7.02	11.00				39.68	09/2010	9,173.20	Average	N
Michigan	Michigan Consolidated Gas Co	Natural Gas	6/3/2010	113.6	7.19	11.00				38.78	12/2010	2,566.80	Average	N
Minnesota	CenterPoint Energy Resources	Natural Gas	1/11/2010	46.8	8.09	10.54				52.56	12/2009	400.90	Average	N
Missouri	Empire District Gas Co	Natural Gas	1/20/2010	3.6	NA	NA				NA	NA	NA	NA	N
Missouri	Southern Union Co	Natural Gas	2/18/2010	16.2	7.72	10.90				38.66	12/2008	419.20	Year-end	N
Missouri	Union Electric Co	Electric	5/26/2010	229.8	8.06	10.10				51.28	03/2009	6,000.00	Year-end	N
Nebraska	SourceGas Distribution LLC	Natural Gas	3/9/2010	1.8	7.50	9.60				49.96	12/2009	36.10	Year-end	N
New Jersey	Atlantic City Electric Co	Electric	5/12/2010	25.0	9.69	10.30				49.10	12/2009	761.60	Year-end	N
New Jersey	Public Service Electric Gas	Electric	6/7/2010	73.5	8.21	10.30				51.20	12/2009	3,750.00	Year-end	N
New Jersey	Public Service Electric Gas	Natural Gas	6/18/2010	36.9	8.21	10.30				51.20	12/2009	2,270.00	Year-end	N
New Jersey	Rockland Electric Company	Electric	5/12/2010	6.8	8.21	10.30				49.85	12/2009	148.60	Year-end	N
New York	Central Hudson Gas & Electric	Electric	6/16/2010	11.8	7.44	10.00				48.06	06/2011	592.90	Average	N
New York	Central Hudson Gas & Electric	Natural Gas	6/16/2010	4.7	7.44	10.00				48.02	06/2011	160.10	Average	N
New York	Consolidated Edison Co of NY	Electric	3/25/2010	582.8	7.76	10.15				48.00	03/2011	14,887.00	Average	N
Oregon	Idaho Power Co	Electric	2/24/2010	6.9	8.06	10.18				49.80	NA	108.60	NA	N
Oregon	PacifiCorp	Electric	1/26/2010	41.8	8.09	10.13				51.00	12/2010	2,507.80	Average	N
Rhode Island	Narragansett Electric Co.	Electric	2/9/2010	23.5	7.20	9.50				42.75	12/2008	550.00	Average	N
South Carolina	Duke Energy Carolinas LLC	Electric	1/27/2010	74.1	8.41	10.70				53.00	12/2008	3,199.30	Year-end	N
South Dakota	Northern States Power Co - MN	Electric	1/5/2010	10.9	8.32	NA				NA	NA	NA	NA	N
Tennessee	Chattanooga Gas Company	Natural Gas	5/24/2010	0.1	7.41	10.05				46.06	04/2011	90.80	Average	N
Texas	Atmos Energy Corp.	Natural Gas	1/28/2010	2.7	8.60	10.40				48.91	09/2009	1,279.80	Year-end	N
Texas	CenterPoint Energy Resources	Natural Gas	2/23/2010	5.1	9.55	10.50				55.40	04/2009	359.00	Year-end	N
Texas	Southwestern Electric Power Co	Electric	4/16/2010	25.6	NA	NA				NA	09/2009	NA	NA	Y
Utah	PacifiCorp	Electric	2/18/2010	30.4	8.34	10.60				51.02	06/2010	4,628.40	Average	N
Utah	Questar Gas Co	Natural Gas	4/8/2010	2.6	8.42	10.35				NA	12/2010	625.09	Average	N
Virginia	Kentucky Utilities Co.	Electric	3/4/2010	19.8	7.65	10.50				53.02	12/2008	163.60	Average	N
Virginia	Virginia Electric & Power Co.	Electric	3/11/2010	NA	NA	11.00				NA	12/2008	NA	NA	Y
Washington	Puget Sound Energy Inc	Electric	4/2/2010	74.1	8.10	10.10				46.00	12/2008	3,796.60	Average	N
Washington	Puget Sound Energy Inc.	Natural Gas	4/2/2010	10.1	8.10	10.10				46.00	12/2008	1,497.50	Average	N
West Virginia	Mountaineer Gas Company	Natural Gas	3/19/2010	19.0	8.72	NA				NA	12/2008	172.40	Average	N
Wyoming	MDU Resources Group Inc.	Electric	4/27/2010	2.7	8.25	10.00				49.77	12/2008	71.90	Year-end	N
Wyoming	PacifiCorp	Electric	5/14/2010	35.9	8.33	NA				NA	NA	NA	NA	Y
						10.22 Average								

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Based on the most recent ESR submitted to the Commission for the 12-month period ended June 30, 2010, staff estimates the current amount of overearnings to be approximately $53.5 million. This amount could fluctuate up or down based on the actual level of earnings through the 12-month period ending March 31, 2011. As discussed in the Case Background, FPL has not submitted a Forecasted ESR for calendar year 2010.

	12 month Weather Normalization	Monthly	Cum Chk	FERC 131 CASH
12/31/2009	$ 50,771,175		$ 50,771,175	$ 34,255,751
1/31/2010	$ 85,381,929	$ 34,610,754	$ 85,381,929	
2/28/2010	$ 87,483,710	$ 2,101,781	$ 87,483,710	
3/31/2010	$ 90,064,511	$ 2,580,801	$ 90,064,511	
4/30/2010	$ 77,766,253	$ (12,298,258)	$ 77,766,253	
5/31/2010	$ 89,322,808	$ 11,556,555	$ 89,322,808	
6/30/2010	$ 110,217,167	$ 20,894,359	$ 110,217,167	
7/31/2010	$ 120,481,846	$ 10,264,679	$ 120,481,846	
8/31/2010	$ 122,984,092	$ 2,502,246	$ 122,984,092	
9/30/2010	$ 129,422,439	$ 6,438,347	$ 129,422,439	
10/31/2010	$ 107,322,526	$ (22,099,913)	$ 107,322,526	
11/30/2010	$ 99,387,740	$ (7,934,786)	$ 99,387,740	
12/31/2010				?
1/31/2011				
2/28/2011				
3/31/2011				
4/30/2011				
5/31/2011				
6/30/2011				
7/31/2011				
8/31/2011				
9/30/2011				
10/31/2011				
11/30/2011				
12/31/2011				?

Florida Power & Light Company
and Subsidiaries
Capital Structure
FPSC Adjusted Basis 13 Month Average
2010

FPSC Adjusted Average Jurisdictional Return on Common Equity			Jun-10
Rate Base			16,362,315,134
FPSC Adjusted/Allowed Rate of Return			7.01%
FPSC Adjusted Operating Income			1,146,702,149
Weather Normalization Clause			(110,217,167)
Proforma Adjusted			1,036,484,982
Company Calculated Return on Common Equity			9.97%
Rate Base			16,362,315,134
FPSC Adjusted/Allowed Rate of Return @		10.00%	6.35%
Operating Income			1,038,735,097
Over Earnings			107,967,052
Pro Forma FPSC Allowed Common Equity w/o Weather Norm Adj.			10.00%
Rate Base			16,362,315,134
FPSC Adjusted/Allowed Rate of Return @		10.75%	6.69%
Operating Income			1,095,331,778
Over Earnings			51,370,371
Pro Forma FPSC Allowed Common Equity w/o Weather Norm Adj.			10.75%
FPSC Adjusted Operating Income			1,146,702,149
Rate Base			16,362,315,134
FPSC Adjusted/Allowed Rate of Return @		11.00%	6.81%
Operating Income			1,114,197,338
Over Earnings			32,504,811
Pro Forma FPSC Allowed Common Equity w/o Weather Norm Adj.			11.00%
Difference Allowed ROE	11.00%	10.00%	0.46%
Difference in Over Earnings			75,462,240
Check			107,967,052
			-
FPSC Adjusted Rate of Return			7.01%
Less: Average Retail Weighted Cost Rates For:			
Long Term Debt			1.51%
Short Term Debt			0.02%
Preferred Stock			0.00%
Customer Deposits			0.20%
Tax Credits - WTD Cost			0.00%
Subtotal			1.74%
Pro Forma ROR Less Non Equity Cost			5.27%
Pro Forma Common Equity Ratio			46.12%
Pro Forma Return on Common Equity Company w/o Weather Norm Adj.			11.43%

Florida Power & Light Company
and Subsidiaries
Capital Structure
FPSC Adjusted Basis 13 Month Avergage
2010

FPSC Adjusted Average Jurisdictional Return on Common Equity	Jun-10
Average RateBase	16,362,315,134
Average Rate of Return	7.01%
Actual Net Operating Income	1,146,702,149
Capital Components	
Long Term Debt	4,699,755,164
Short Term Debt	543,627,162
Preferred Stock	-
Customer Deposits	554,628,290
Common Equity	7,546,224,028
Deferred Income Tax	3,014,381,991
Investment Tax Credits	3,698,459
Total	16,362,315,134
Capital Ratio	
Long Term Debt	28.72%
Short Term Debt	3.32%
Preferred Stock	0.00%
Customer Deposits	3.39%
Common Equity	46.12%
Deferred Income Tax	18.42%
Investment Tax Credits	0.02%
Total	100.00%
Cost of Capital	
Long Term Debt	5.27%
Short Term Debt	0.56%
Preferred Stock	0.00%
Customer Deposits	5.97%
Common Equity	10.00%
Deferred Income Tax	0.00%
Investment Tax Credits	7.57%

Return on Equity (ROE)	ROE	ROE	ROE
Weighted Cost Adjudicated	11.00%	10.75%	10.00%
Long Term Debt	1.51%	1.51%	1.51%
Short Term Debt	0.02%	0.02%	0.02%
Preferred Stock	0.00%	0.00%	0.00%
Customer Deposits	0.20%	0.20%	0.20%
Common Equity	5.07%	4.95%	4.61%
Deferred Income Tax	0.00%	0.00%	0.00%
Investment Tax Credits	0.00%	0.00%	0.00%
Total	6.81%	6.69%	6.35%

Prepared by Robert R Smith from 2010 Earnings Surveillance Reports - Draft 2 of 2 2/11/2011

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Monday, November 22, 2010 11:25 AM
To: 'John.Butler@fpl.com <John.Butler@fpl.com>'; 'ken.rubin@fpl.com'; 'Pat.Brian@fpl.com'

Cc: 'Charles_Sieving@fpl.com'; 'Lew_Hay@fpl.com'
Subject: Withdrawal of the Confidential Classification of Provisional Electric Forecasted Earnings Surveillance Report / Questions regarding the forecast assumptions

Dear Mr. Butler, Mr. Rubin and Mr. Brian,

Thanks for your patience in this matter.

I left a voicemail on Friday and sent quick email regarding this report (Docket 080677-EI Document number 09517-10). I am sorry I could not speak to you on Friday. I was in the middle of a phone interview for a CFO position.

Thank you for a copy of the Provisional Electric Forecasted Earnings Surveillance report. I noticed that the information contains the exact same pages that are in the normal operating report (Rate of Return Surveillance report 24 pages including the cover letter (12/31/2008)). The provisional report contains 7 pages. I would expect to see that these similar reports will be provided with the final order in this case.

Here are some preliminary questions regarding the Provisional Electric Forecasted Earnings Surveillance Report. Did the company prepare any 2011 and 2012 forecasted earnings surveillance reports? This would be needed to see if there would be further cost of service reductions in the years that the base rates would be set if the Settlement and Stipulation agreement was approved based upon the 2010 forecasted earnings surveillance report. If there are other reduction(s) in cost in the years in which the base rates are frozen then the customer might not see a benefit for these reduction since there is no forecast to show what will happen in 2011 and 2012. Will there be an excess earning test to keep track of any future over earnings?

How come the long term debt assumption is 5.8%? Is this assumption for 2010? If so, are there any plans to refinance the debt for 2011 and 2012? If so, and the cash rates are set will the customer receive the benefit of the refinancing of this debt through a cash rate reduction in base rates or will this reduction be returned through an excess earnings mechanism?

Are there any plans to refinance the debt to lower interest rates with the current economic climate? If so, then how come we do not see any reduction in the overall cost of Long term debt cost rate below? Is this due to not being able to refinance this during 2010 since we are already in November?

If there are no plans to refinance the Long term debt below did they ask the financial community if there was an opportunity to refinance any of their debt? Have they completed any economic analysis regarding the impacts of retiring higher cost long term debt with refinancing this debt at lower interest rates? This would include early retirement costs that the company would have to potentially pay with the refinancing and early retirement of the existing debt? Are there plans to refinance in 2011 and 2012? If so, then the customer would not see a reduction for this in their cash base rates since the rates will be set based upon the 2010 test year and the assumption that have been provided in the Provisional Electric Forecasted Earnings Surveillance report.

If the commission decides to use an Excess Earnings mechanism to return any cost reductions/interest savings to its customers what will be the annual rate of return (carrying charges) that will recorded to FERC Account 253 (deferred credits)? This amount should equal the same rate of return as the actual overall cost of money or the customer might not receive the full benefit for the refinancing of the debt. If this was trued up into base rates then the customer would receive the full benefit therefore any carrying charges calculated on excess earnings should be at the overall cost of money.

There is an adjustment of $525,901 ($610,457-$84,556 ($000's)) to reduce the total long term debt outstanding. Do we know what this adjustment represents? Is this a normal retirement of debt? By the nature of this adjustment the debt to equity ratio will change. The equity component will increase therefore increasing the equity component. This will translate to increased revenue requirements. Are there any plans to issue new debt? What would be the targeted debt to equity ratio that the company would expect to maintain? Do we know what the interest rate impact for a ratings change at the company if the company issues more debt?

Any change in the debt to equity ratio will impact revenue requirements. If you just reduce the debt below without a change in interest rates then the equity component of the debt to equity ratio will increase therefore increasing revenue requirements. If the cash rates are set in 2010 without taking into account any future change in debt/equity ratio based upon any issuance or refinancing of debt then how will any potential cost savings be given back to the customer? Will this be refunded through an excess earnings test? If so, at what rate of return will the carrying charges be calculated at to refund this money?

With the depreciation reserve surplus amortization below, what would be the difference between the amortization below of $30,000 and the original amount as set by the Florida public Service Commission? According to note 3 it indicates that this "Assumes FPSC approval of the August 20, 2010 Stipulation and Settlement Agreement. Does this represent $30 million since there is no ($000's) on the top of the Forecast Assumption page. Is this an annual amount of amortization? If this is an annual amortization how come it is significantly lower than the original amount as set by the original order? The original order has indicated that there will be a base rate increase of $75 million but a depreciation amortization that is $500 million over 4 years or $125 million per year for 4 years. In addition, there was $394.6 million being amortized at $17.9 million over 22 years. If the $30,000 represents $30 million then does this replace the original amortization?

I noticed that the 30 day commercial paper rate of .5% has been put onto the assumption page. What specific items are being considered with this interest rate assumption?

What annual interest rate assumptions (carrying charges) are being used to calculate the carrying charges for the any recovery clause that is being collected in base rates but is being returned through a separate recovery clause? (i.e fuel recovery clause, nuclear uprate recovery clause etc.) Are these rates lower than the overall cost of money?

If I have any additional questions I will let you know.

I have sent prior emails to both Mr. Hay and Mr. Sieving regarding the holding company structure at the company as well as the same type of questions that has been asked in the email above.

Again thank you for sending me the information and I am looking forward to hearing from the company.

Hopefully there are no typo(s).

If you have any questions regarding this email please do not hesitate to email me at rpirb@yahoo.com or give me a call at 954-340-4956.

Thanks,

Robert H. Smith

This schedule below has been sent to the Commission in my email dated May 13th, 2010.

Surplus Amort	1,208.8		
Less: Recov. Sch	(314.2)		
	894.6		
Less Credits	(500.0)	Amortize at $125 m over 4 yrs	
	394.6	Amortize at $17.9 m over 22 yrs	

Sites to Recovery Sched.	Plant in Service	Reserve Balance	Rem Plant
Cape Canaveral Site	187.5	(152.2)	35.3
Riviera Site	103.7	(94.1)	9.6
	291.2	(246.3)	44.9

Recovery Schedule		
As per Above	314.2	
Cape & Riviera Site	44.9	Are these going to be added to the new repowered generating units? If so then, then how is the new cost going to take into account the old book costs for ledger 3 purposes? Since they have been fully recovered by the surplus reserve is the new ledger 3 amounts only going to reflect the new costs only? How is the vintage year issues being addressed for the old costs? If it will reflect only the new costs then all old ledger 3 amounts will be removed. This might not follow GAAP since from a strict asset perspective these assets might still exist with the new repowered generating units. How will the going forward depreciation reflect this vintage year issue?
Nuclear Uprates	168.2	Removed from Base Rates. Recovered through Nuclear Cost Recovery Clause. Removed from RateBase? Calculated Carrying Charges? Will the cash recovery in Base rates equal the new recovery in cash rates based upon the new Nuclear Cost Recovery Clause? Is this a break even for cash recovery or has the amount of time to recover these costs changed?
Obsolete Meters	101.1	Retired. Is there any salvage money that can be recovered for the scrap sale or sale of these meters? Will there be any cost of removal or are these being left in place? If they are being left in place then and they will be considered fully recovered will ledger 10 be adjusted to match ledger 3 to keep track of these assets? Ledger 3 plant should match ledger 10 accumulated depreciation reserves. These should be kept on the books until they are removed/sold or scrapped. Any money should be credited to the ratepayers.
	314.2	

Based upon the above reduction of the Depreciation Surplus/OverRecovery it appears that the Recovery Schedule items are being reduced against surplus refund immediately. What is going to be done with these plants? Are they being retired or sold? If they are going to be sold then if there is any gain on the sale of the plants then this would have to be refunded to the ratepayer. If these plants are not sold, what would be the new recovery period for these plants since it appears that they are being moved out of the normal depreciation recovery? Are they going to remain in Ledger 3 for book purposes since the normal depreciation recovery will be stopped?

C. OTHER CORPORATE ASSUMPTIONS

INTEREST RATES -	
1) 30 DAY COMMERCIAL PAPER	**0.5%**
2) LONG TERM DEBT	**5.8%**
DEPRECIATION RESERVE SURPLUS AMORTIZATION (3)	**$30,000**

FLORIDA PUBLIC SERVICE COMMISSION
ELECTRIC FORECASTED EARNINGS SURVEILLANCE REPORT
CAPITAL STRUCTURE ($000'S)
FPSC ADJUSTED BASIS

SCHEDULE 5
PAGE 1 OF 1

Company: Florida Power & Light Company and Subsidiaries
Year 2010

AVERAGE	SYSTEM PER BOOKS	RETAIL PER BOOKS	ADJUSTMENTS PRORATA	ADJUSTMENTS SPECIFIC	ADJUSTED RETAIL	RATIO	LOWPOINT COST RATE	LOWPOINT WEIGHTED COST	MIDPOINT COST RATE	MIDPOINT WEIGHTED COST	HIGHPOINT COST RATE	HIGHPOINT WEIGHTED COST
LONG TERM DEBT	$5,610,039	$5,368,846	$84,566	($610,457)	$4,862,945	29.02%	5.32%	1.54%	5.32%	1.54%	5.32%	1.54%
SHORT TERM DEBT	496,874	466,628	6,611	0	495,240	2.96%	0.75%	0.02%	0.75%	0.02%	0.75%	0.02%
PREFERRED STOCK	0	0	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
CUSTOMER DEPOSITS	545,611	545,385	9,651	0	556,036	3.31%	5.98%	0.20%	5.98%	0.20%	5.98%	0.20%
COMMON EQUITY	7,932,700	7,737,980	136,928	0	7,874,908	47.00%	9.00%	4.23%	10.00%	4.70%	11.00%	5.17%
DEFERRED INCOME TAXES	3,310,199	3,238,990	51,461	(327,718)	2,960,753	17.67%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TAX CREDITS WEIGHTED COST	78,796	77,985	111	(71,723)	6,373	0.04%	7.60%	0.00%	8.21%	0.00%	8.83%	0.00%
TOTAL	$17,976,220	$17,473,814	$291,338	($1,009,898)	$16,756,254	100.00%		6.00%		6.47%		6.94%

Company: Florida Power & Light Company
Month of: December 2008

LINE NO.		CURRENT MONTH ACTUAL	CURRENT MONTH REVISED ACTUAL (b)	CURRENT MONTH DIFFERENCE AMOUNT	CURRENT MONTH DIFFERENCE %	YEAR TO DATE ACTUAL	YEAR TO DATE ESTIMATED / ACTUAL (b)	YEAR TO DATE DIFFERENCE AMOUNT	YEAR TO DATE DIFFERENCE %
C	True-up Calculation								
1	Jurisdictional Fuel Revenues (Net of Revenue Taxes)	$ 481,992,385	$ 527,156,101	$ (45,163,716)	(8.6) %	$ 6,048,436,723	$ 6,163,762,784	$ (115,326,061)	(1.9) %
	Fuel Adjustment Revenues Not Applicable to Period								
2 a	Prior Period True-up (Collected)/Refunded This Period	(6,610,188)	(6,610,188)	0	0.0 %	(79,322,258)	(79,322,258)	0	0.0 %
b	GPIF, Net of Revenue Taxes (a)	(749,568)	(749,568)	0	0.0 %	(8,994,819)	(8,994,819)	0	0.0 %
c	Prior Period True-up (Collected)/Refunded This Period	(24,207,221)	(24,207,221)	0	0.0 %	(121,036,106)	(121,036,106)	0	0.0 %
3	Jurisdictional Fuel Revenues Applicable to Period	$ 450,425,408	$ 495,589,123	$ (45,163,715)	(9.1) %	$ 5,839,073,540	$ 5,954,409,601	$ (115,336,061)	(1.9) %
4 a	Adjusted Total Fuel Costs & Net Power Transactions (Line A-7)	$ 320,870,039	$ 330,597,200	$ (9,727,161)	(2.9) %	$ 6,081,078,500	$ 6,116,439,801	$ (35,361,301)	(0.6) %
b	Nuclear Fuel Expense - 100% Retail	0	0	0	N/A	0	0	0	N/A
c	RTP incremental Fuel - 100% Retail	0	0	0	N/A	0	0	0	N/A
d	D&D Fund Payments - 100% Retail	0	0	0	N/A	0	0	0	N/A
e	Adj. Total Fuel Costs & Net Power Transactions - Excluding 100% Retail Items (C4a-C4b-C4c-C4d)	320,870,039	330,597,200	(9,727,161)	(2.9) %	6,081,078,500	6,116,439,801	(35,361,301)	(0.6) %
5	Jurisdictional Sales % of Total kWh Sales (Line B-6)	99.99306 %	99.99378 %	(0.00072) %	0.0 %	N/A	N/A	N/A	N/A
6	Jurisdictional Total Fuel Costs & Net Power Transactions (Line C4e x C5 x 1.00065(b)) +(Lines C4b,c,d)	$321,056,321	$330,791,513	$ (9,735,192)	(2.9) %	$ 6,084,621,246	$ 6,120,012,059	$ (35,390,813)	(0.6) %
7	True-up Provision for the Month - Over/(Under) Recovery (Line C3 - Line C6)	$ 129,369,087	$ 164,797,610	$ (35,428,523)	(21.5) %	$ (245,547,706)	$ (165,602,458)	$ (79,945,248)	48.3 %
8	Interest Provision for the Month (Line D10)	(283,694)	(672,148)	388,454	(57.8) %	(10,057,683)	(10,681,919)	624,236	(5.8) %
9	True-up & Interest Provision Beg of Period-Over/(Under) Recovery	(294,472,086)	(250,191,144)	(44,280,942)	N/A	(79,322,258)	(79,322,258)	0	0.0 %
a	Deferred True-up Beginning of Period - Over/(Under) Recovery	(121,036,106)	(121,036,106)	0	0.0 %	(121,036,106)	(121,036,106)	0	0.0 %
10 a	Prior Period True-up Collected/(Refunded) This Period	6,610,188	6,610,188	(0)	0.0 %	79,322,258	79,322,258	0	0.0 %
b	Prior Period True-up Collected/(Refunded) This Period	24,207,221	24,207,221	(0)	0.0 %	121,036,105	121,036,106	(1)	0.0 %
11	End of Period Net True-up Amount Over/(Under) Recovery (Lines C7 through C10)	$ (255,605,390)	$ (176,284,378)	$ (79,321,012)	45.0 %	$ (255,605,390)	$ (176,284,378)	$ (79,321,012)	45.0 %
D	Interest Provision								
1	Beginning True-up Amount (Lines C9 + C9a)	$ (415,908,192)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2	Ending True-up Amount Before Int. (C7+C9+C9a+C10)	$ (255,321,696)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
3	Total of Beginning & Ending True-up Amount	$ (670,829,888)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
4	Average True-up Amount (50% of Line D3)	$ (335,414,944)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
5	Interest Rate - First Day Reporting Business Month	1.49000 %	N/A	N/A	N/A	N/A	N/A	N/A	N/A
6	Interest Rate - First Day Subsequent Business Month	0.54000 %	N/A	N/A	N/A	N/A	N/A	N/A	N/A
7	Total (Line D5 + Line D6)	2.03000 %	N/A	N/A	N/A	N/A	N/A	N/A	N/A
8	Average Interest Rate (50% of Line D7)	1.01500 %	N/A	N/A	N/A	N/A	N/A	N/A	N/A
9	Monthly Average Interest Rate (Line D8 / 12)	0.08458 %	N/A	N/A	N/A	N/A	N/A	N/A	N/A
10	Interest Provision (Line D4 x Line D9)	$ (283,694)	N/A	N/A	N/A	N/A	N/A	N/A	N/A

NOTES
(a) Generating Performance Incentive Factor is ($9,861,300) x 99.9280%) - See Order No. PSC-08-0830-POF-EI.
(b) Per Revised Estimates from Mid-course correction filed on 11/17/08 and approved on 12/2/08 Agenda Conference

Schedule A 2
Page 2 of 2

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Tuesday, February 08, 2011 8:01 PM
To: 'Curt Kiser'; 'Records Clerk'; 'Lisa Bennett'
Cc: 'Ann Cole'; 'Office Of Commissioner Edgar'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Office Of Commissioner Graham'; 'Office of Commissioner Balbis'; 'Office of Commissioner Brown'; 'rick.scott@eog.myflorida.com'; 'jennifer.carroll@eog.myflorida.com'
Subject: FW: Response to E-mail dated January 27, 2011 1:47 PM

Dear Mr. Kiser, Commissioner's, Ms. Bennett and Records Clerk,

I noticed that the December 2009 and 2010 Earnings Surveillance reports are now being populated. Is the rest of 2009 going to be populated?

We are still waiting for December 2010 in order to answer my questions about the depreciation amortization for the over recovery (12 months) 2010 as well as to see how the Weather Normalization Clause is going to reverse out. Based upon my previous email with regard to the 12 months 2009 the Weather Normalization amount was lower. It would be very interesting to see if this issue existed in 2009 and to see how it is going to reverse out from 2009 to 2010 as well.

Sorry for the typo below. I should have said 2009.

I will be working on how this has adjusted in 2010 tomorrow. I am curious to see how this adjustment is going to reverse out year to year.

I have the 2008 and 2010 ESR reports. The only ones that I am missing is the 2009 rest of the year. It will be interesting to take a look at this adjustment month to month which reflects the moving 12 month number. This way we can take a look at the adjustment on a monthly and annual basis. This will show the trend in seasonality which usually is a timing adjustment only. Since this would be a typical adjustment it appears that measuring the over earnings with this adjustment omitted does not make sense unless this adjustment is being reflected for ratemaking/GAAP earnings as I have indicated in detail in my email below.

What is the status of making my emails as part of the record?

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Monday, February 07, 2011 3:53 PM
To: 'Curt Kiser'; 'Records Clerk'; 'Lisa Bennett'
Cc: 'Ann Cole'; 'Office Of Commissioner Edgar'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Office Of Commissioner Graham'; 'Office of Commissioner Balbis'; 'Office of Commissioner Brown'; 'rick.scott@eog.myflorida.com'; 'jennifer.carroll@eog.myflorida.com'
Subject: FW: Response to E-mail dated January 27, 2011 1:47 PM

Dear Mr. Kiser, Commissioner's, Ms. Bennett and Records Clerk,

I noticed that the Weather Normalization adjustment has gone down for the 12 months ended December **2009**.

What is the status of populating all the ESR reports for 2009 and the rest of 2010?

When will the current files be updated with my latest email correspondence? It is February 7th, 2011 and the last email that I have sent was on February 3rd, 2011. The files should have been updated. Have the files been updated?

What is the level of depreciation amortization for the over recovery (12 months) that is being reflected in the December 2010 Earnings Surveillance report?

This is not transparent on the report and I would like to know what the total amount was for 2010.

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, February 03, 2011 12:57 PM
To: 'Records Clerk'; 'Lisa Bennett'; 'Curt Kiser'
Cc: 'Ann Cole'; 'Office Of Commissioner Edgar'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Office Of Commissioner Graham'; 'Office of Commissioner Balbis'; 'Office of Commissioner Brown'; 'rick.scott@eog.myflorida.com'; 'jennifer.carroll@eog.myflorida.com'
Subject: FW: Response to E-mail dated January 27, 2011 1:47 PM

Dear Commissioner's, Ms. Bennett, Mr. Kiser, and Records Clerk,

I noticed that the November 2010 ESR has been published on the web site for download. Thank you all for instituting this.

Will the rest of the ESR's be published? This would be furnished at no cost therefore this would be much cheaper. I am sure that all the reports can be scanned and published on the web site since it would be very cost effective for the process to be able to track the over earnings at the company.

I see that they have adjusted their pro forma Net Operating Income for the twelve months ended November 2010. This adjustment was for $99.4 million dollars.

If I recall in the testimony Florida Power & Light has made the argument that this adjustment will reverse out.

Based upon my previous experience with these cases normally the weather normalization clause was used for a ratecase filing to normalize the seasonal revenues for earnings purposes. Over the period of a rateyear forecast these usually reversed out by the end of the rateyear.

Since they are removing these revenues from the ESR calculation to calculate the over earnings at the company, did the company make an adjustment to their GAAP/ratemaking earnings to defer (253 Deferred Credit) these amounts to see if these reverse out by the end of the rateyear? If not, then by the end of the year these should be included in the final ESR report to calculate the over earnings.

The adjustment on the ESR is just an ESR adjustment for presentation purposes only if they did not in fact defer (253 Deferred Credits) these revenues on the Companies GAAP/ratemaking (FERC) books for the Utility.

According to the testimony the company had indicated that these will reverse out. What time frame are they talking about? By the end of the year if these are not deferred for GAAP/ratemaking (FERC) they should be included in the over earnings test. This might put the company into an over earnings position for 2010 which would be subject to commission review for the disposition of these over earnings.

As I have indicated based upon the receipt of the November 2010 ESR over earnings report on January 18th, 2011 the ruling on the over earnings in this proceeding on January 11th, 2011 might have been a premature decision.

Did the commission have electronic access to the November 2010 report before the January 18th, 2011? Was this through electronic means?

Where is the December 2010 ESR over earnings report to substantiate the reversal of the Weather Normalization Adjustment as they have indicated in their testimony?

If this does not occur by the end of the year (rateyear) then the December 2010 ESR report should reflect these revenues (Weather Normalization Adjustment) and they should be subject to the overearnings calculation.

The argument that the over earnings should not be held or reviewed for disposition based upon the agreement with the Stipulation and Settlement agreement does not make sense.

The reason for this is that the Stipulation and Settlement agreement identified a range of allowed return on equity that the company was going to be allowed to earn for the period in the Stipulation and Settlement agreement. If there are any over earnings above the agreed upon 11% rate of return then these should be deferred and subject to review for disposition. The Stipulation and Settlement agreement allows the company to file another rate proceeding if the return on equity falls below the minimum (9%) as required by the Stipulation and Settlement agreement.

This appears to be a one sided approach.

Why should the company expect to keep any over earnings (above 11%) related to the Weather Normalization adjustment if they do not reverse out by the end of the year (rateyear)?

The agreement gives them a range to adjust the reversal of the over recovery of depreciation to allow them to earn at the agreed upon 11% rate of return. The intent of the Stipulation and Settlement agreement was to allow the company to use the over recovery of the depreciation to earn at the 11% rate of return. This was to ensure that the over recovery in cash rates was going to be returned to the customer.

It would not make sense that an argument would be used that the Stipulation and Settlement agreement would cover any over earnings above the 11% return on equity for the term of the agreement.

Based upon the Stipulation and Settlement agreement language below it indicates "Other key provisions of the Settlement Agreement include, but are not limited to: (a) the ability of the Signatories other than FPL to initiate a rate proceeding during the term of the Settlement Agreement if the FPL's surveillance reports show that it is earning a return on common equity ("ROE") above 11% and for FPL to do so if its ROE fall below 9%;"

This would lead me to believe that any over earnings above the 11% threshold would be subject to review and should be held for disposition. I think that the intent of the agreement is that they should be using the over recovery of depreciation to bring the company to the 11% agreed upon ROE so that the over funding of the depreciation is being returned to the customer. Based upon the language below would also support that a review of the over earnings would be warranted if they are earning over their 11% return on common equity ("ROE"). The language in the agreement below supports this position.

I am sure that FPL would initiate a rate proceeding if their return on common equity ("ROE") was below the 9%. This should work for anything over the 11% as well.

> 3. The Settlement Agreement provides, among other things, that FPL's base rates will remain at existing levels, except as otherwise provided for in the Settlement Agreement, through the last billing cycle of 2012. Other key provisions of the Settlement Agreement include, but are not limited to: (a) the ability of the Signatories other than FPL to initiate a rate proceeding during the term of the Settlement Agreement if FPL's surveillance reports show that it is earning a return on common equity ("ROE") above 11% and for FPL to do so if its ROE falls below 9%; (b) flexibility for FPL to vary the annual amortization of theoretical depreciation reserve surplus, subject to constraints that are intended to keep FPL's ROE within the previously approved range of 9% to 11% and to limit FPL's amortization to $776 million out of the total $894 million of reserve surplus during the term of the Settlement Agreement; and (c) the ability

Please let me know when December 2010 will be available (February 12th, 2011?).

I would like to see if the Weather Normalization Adjustment has reversed out by the end of the year or if not, when will they reverse out? You have to remember that any over earnings should be maintained in the company's Utility cash account (131 FERC account). I need to see the full year to determine how the Weather Normalization adjustment has changed monthly to see if the accumulated cash was being maintained in the cash (131) account. This would be the only way to see the monthly change of cash flow. Based upon this type of analysis if the Weather Normalization adjustment does not reverse out by the end of the year then the cash (131) account should have an accumulated balance of this excess cash since any revenues over the 11% would be subject to review and disposition based upon the Stipulation and Settlement agreement. I know that based upon my legal interest I would want an over earnings review if they earned above the 11% return on equity from both a ratepayer and shareholder's perspective. The reason for this is if the company has over earned above it allowed 11% then the company should be maintaining the excess cash in its cash account (131). From a ratepayer perspective they would be interested in a refund of their money. From a shareholder perspective they would want to know if there is any exposure related to these over earnings from a cash flow perspective.

I cannot fully see this until I see the final December 2010 ESR report.

Will the rest of the ESR's be published? (2009, 2010, 2011) These can be scanned and populated on the web site just like the November 2011 ESR.

This will allow parties all parties with a legal interest to be able to obtain these types of documents at no cost.

As I have indicated based upon the receipt of the November 2010 ESR over earnings report on January 18th, 2011 the ruling on the over earnings in this proceeding on January 11th, 2011 might have been a premature decision.

I think that we would have to take a look at what December 2010 shows.

What is the level of depreciation amortization that is being reflected in the Earnings Surveillance reports (ESR)? This is very pertinent to what is being presented. This is flowing through the Depreciation and Amortization Section. This adjustment should be disclosed to show the user of the report what the actual level of depreciation over recovery amortization is. If this is not disclosed the transparency needed to identify the actual return of the cash over recovery will not be transparent. This will also have an impact on the actual overearnings that is being presented in the ESR report since the company based upon the Stipulation and Settlement agreement is allowed to control the level of depreciation over recovery amortization. It is very important to know what the cash impact is on the return of the depreciation over recovery. Depending on the level of depreciation over recovery amortization this can have an impact on the return on equity that is being furnished in the Earnings Surveillance reports. A person would not have the transparency needed to see how much of this has been returned to the customer. This can also have an impact on any over earnings above the 11% return on equity ('ROE").

This is just for 2010.

I do not know about 2009 until I take a look at the reports. I am starting with 2010 for cost reasons.

I still want to take a look at the cash impacts of the tax payments as well. If there is anything that comes up as I review the November 2010 ESR I will let you know.

Please let me know when the rest of the information will be available.

Please let me know when all the Docket files will be updated with any new email correspondence that I have sent to the Commission.

Thanks,

Robert H. Smith

2/3/2011 PSC Company Information Company C...

A company like Gulf Power Co. Florida Power & Light Co. etc.

Currently Regulated by the Florida Public Service Commission

Company Code	EI802
Regulated Counties	No county information
Name	Florida Power & Light Company
Certificates	No certificates issued
Address	215 South Monroe Street, Suite 810 Tallahassee, FL 32301-1858

Home Page http://www.fpl.com

Current Open Dockets
View Associated Open Dockets (24)

Current Closed Dockets
View Associated Closed Dockets (652)

Annual Reports (ARs) Year	File Name	File Size	56K modem	Broadband
2000	EI802-00-AR.PDF	31.8 MB	1 hr 19 min 34 sec	1 min 32 sec
2001	EI802-01-AR.PDF	31.6 MB	1 hr 19 min 4 sec	1 min 31 sec
2002	EI802-02-AR.PDF	28.3 MB	1 hr 10 min 46 sec	1 min 22 sec
2003	EI802-03-AR.PDF	36.7 MB	1 hr 31 min 34 sec	1 min 46 sec
2004	EI802-04-AR.PDF	53.7 MB	2 hr 14 min 9 sec	2 min 33 sec
2005	EI802-05-AR.PDF	60.4 MB	2 hr 30 min 52 sec	2 min 52 sec
2006	EI802-06-AR.PDF	58.3 MB	2 hr 25 min 33 sec	2 min 46 sec
2007	EI802-07-AR.PDF	19 MB	47 min 30 sec	56 sec
2008	EI802-08-AR.PDF	15.6 MB	38 min 56 sec	47 sec
2009	EI802-09-AR.PDF	31 MB	1 hr 17 min 22 sec	1 min 30 sec
1998	EI802-98-AR.PDF	24.7 MB	1 hr 1 min 46 sec	1 min 12 sec
1998	EI802-98-AR.PDF	16.7 MB	41 min 43 sec	50 sec
1999	EI802-99-AR.PDF	16.6 MB	41 min 37 sec	50 sec

Earnings Surveillance Reports (ESRs) Month/Year	File Name	File Size	56K modem	Broadband
Nov 2010	EI802-11-10-ESR.PDF	437 KB	1 min 5 sec	4 sec

Tariff Website Not available

www.psc.state.fl.us/.../details.aspx?co... 1/1

FLORIDA PUBLIC SERVICE COMMISSION

10

VOTE SHEET

January 11, 2011

Docket No. 100410-EI – Review of Florida Power & Light Company's earnings. (Deferred from the Decemeber 14, 2010 Commission Conference.)

Issue 1: Should the Commission initiate a review of Florida Power & Light Company's earnings?
Recommendation: Yes.

DENIED

Issue 2: Should the Commission order FPL to hold earnings, for the 12-month period ending March 31, 2011, in excess of the authorized 11.00 percent maximum of the ROE range subject to refund under bond or corporate undertaking?
Recommendation: Yes. The Commission should order FPL to hold earnings, for the 12-month period ending March 31, 2011, in excess of the authorized 11.00 percent maximum of the ROE range subject to refund under a corporate undertaking.

DENIED

COMMISSIONERS ASSIGNED: All Commissioners

COMMISSIONERS' SIGNATURES

MAJORITY	DISSENTING

REMARKS/DISSENTING COMMENTS:

0275 JAN 11 =

PSC-10-0033-E (Rev 03/07)

Confidentiality Statement

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, February 02, 2011 8:55 AM
To: 'Records Clerk'; 'Lisa Bennett'; 'curt.kiser@psc.state.fl.us'
Cc: 'Ann Cole'; 'Office Of Commissioner Edgar'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Office Of Commissioner Graham'; 'Office of Commissioner Balbis'; 'Office of Commissioner Brown'; 'rick.scott@eog.myflorida.com'; 'jennifer.carroll@eog.myflorida.com'; 'Curt Kiser'
Subject: FW: Response to E-mail dated January 27, 2011 1:47 PM

Dear Records Clerk,

Do you have November 2010 and December 2010 Earnings Surveillance reports?

How did the commission rule on the over earnings without the November 2010 and December 2010 Earnings Surveillance reports?

Did someone at the commission receive this information electronically? I would think that based upon the testimony in which staff recommended that the over earnings should be deferred that they had this information to determine this position.

If it is not available in a paper format as indicated, then how would the staff and/or the commissioners come up to the conclusion to not defer the over earnings until all the proper due diligence was completed?

I have not heard back.

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, January 28, 2011 2:19 PM
To: 'Records Clerk'; 'Lisa Bennett'
Cc: 'Ann Cole'; 'Office Of Commissioner Edgar'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Office Of Commissioner Graham'; 'Office of Commissioner Balbis'; 'Office of Commissioner Brown'; 'rick.scott@eog.myflorida.com'; 'jennifer.carroll@eog.myflorida.com'; 'Curt Kiser'
Subject: FW: Response to E-mail dated January 27, 2011 1:47 PM

Dear Records Clerk,

I noticed a **typo** below.

What is the status of an answer to the email below with regard to the actual counts and when the 2010 information will be fully available?

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, January 28, 2011 9:29 AM
To: 'Records Clerk'; 'Lisa Bennett'; 'skiser@psc.state.fl.us'
Cc: 'Ann Cole'; 'Office Of Commissioner Edgar'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Office Of Commissioner Graham'; 'Office of Commissioner Balbis'; 'Office of Commissioner Brown'; 'rick.scott@eog.myflorida.com'; 'jennifer.carroll@eog.myflorida.com'
Subject: RE: Response to E-mail dated January 27, 2011 1:47 PM

Dear Commissioner's and S. Curtis Kiser,

I need legal to answer this since this would be an electronic discovery issue.

Please have legal provide me a response to my email correspondence below.

I need a sign-off from legal that no electronic earnings surveillance reports have been sent by the Utility to the Commission. If they have been sent by email then the least cost approach based upon 119.01 (2) and 119.011 (1) if the information is available it would have to be sent electronically based upon the following schedule?

If there are any electronic documents then they would be free of charge. I am unemployed. I am working on public service initiatives for the benefit of the general public. I need an answer from legal why Federal Preemption would not take precedence over State law. I know that at the Federal level it appears that preemption should take care of the fee waiver. I will forward this correspondence to FERC for an opinion on this issue since I am trying to find out based upon the FERC form 1 cash balances to Earnings Surveillance reports reconciliation for months that there were over earnings that the cash has been maintained in the Utility (131) account. If not, then a reconciliation of the cash would be warranted to account for the over collection of approximately $400 million dollars of cash. If based upon my reconciliation I find that the over earnings was mostly accumulated in the last months of 2010 then a monthly cash reconciliation from both the PSC and the Utility would be warranted to account for where the $400 million dollars is residing or has been spent.

This is a very important issue and I will be following up with FERC regarding this issue.

Section 119.01 (2), that if the records are available in an electronic format that the records should be provided in the "most cost-effective and efficient manner available to the agency providing the information".

Based upon 119.011 (1) it indicates "Public records" means all documents, paper, letters, maps, books, tapes, photographs, films, sound recordings, data processing software, or other material, regardless of the physical form, characteristics, or means of transmission, made or received pursuant to law or ordinance or in connection with the transaction of official business by any agency." This would mean email communication as well.

I need all of the Earnings Surveillance reports for 2010 therefore when all the information is available and the answers to all the questions below are answered we can then proceed with the request. I need a legal opinion from legal to support that there are no other electronic communications with regard to any work related to these Earnings Surveillance reports.

STATEMENT OF AGENCY ORGANIZATION & OPERATIONS

COPYING CHARGES FOR COMMISSION RECORDS

Copies of Documents		
§ 119.07(2)(a), F.S.	Records provided electronically	no charge
§ 119.07(4)(a)1, F.S.	Single-sided pages	$ 0.15
§ 119.07(4)(a)2, F.S.	Duplexed pages	$ 0.20
§ 119.07(4)(c), F.S.	Certified copies	$ 1.00 each
§ 28.24(27), F.S.	Certified or registered mailing	cost of mailing
§ 350.06(6), F.S.	Where fee would be < $ 1.00	no charge
Florida State Agencies		
§ 28.24(12)(e)1, F.S.		no charge
All court records are the property of the State of Florida. The clerk of the court shall not charge for copies generated by CMS or held by the court.		
§ 119.011(2), F.S.		
"Agency" means any state, county, district, authority, or municipal officer, department, division, board, bureau, commission, or other separate unit of government created or established by law.		
Media Charges		
§ 119.07(4)(a)3, F.S.	Thumb drive	$ 10.00 each
	Video tape	$ 2.56 each
	Audio tape	$ 0.46 each
	DVD	$ 0.60 each
	CD	$ 0.19 each
§ 350.06(6), F.S.	Where fee would be < $ 1.00	no charge

Dear Records Clerk,

Did you forward the email correspondence to legal for a response? There are very specific questions regarding electronic email communications between staff and the Utility. Is your area the area that would handle this request? I think that based upon the previous information request logs that a determination should be able to be determined if there was any electronic communications between staff and the Utility with regard to any emails with any Earnings Surveillance reports as attachments.

We will start to work our way backwards since the primary concern is the over earnings for 2010.

Where is the rest of 2010? I need the last couple of months. November 2010 should have been received by about January 15th, 2011. December 2010 should have been received by about February 15th, 2011.

Based upon the PSC rule 25-6.1352 Earnings Surveillance Report each month's reports should be filed based upon the time requirements listed in the rule. I am sure that by February 12th, 2011 **that both the November 2010 and December 2010 reports would be available.**

Did the company ask for an extension?

Based upon what I have in my possession for 2008 it appears that there is approximately 12 pages which are duplex pages per month.

Why is the estimate below much higher by month? Are you counting each side of the page? Each two sided page would be considered one duplex page.

Are there any blank pages in which there is only one side of information? If so, then I do not want to be charged for a blank page.

What about the forecasted Earnings Surveillance Report based upon rule 25-6.1353?

2010
Jan-Feb - 19
Mar - 24
Apr-Jun - 19
Jul - 20
Aug-Oct - 19
Total 196 - Estimated cost is 98 pages X .20 per duplexed page = $19.60

25-6.1352 Earnings Surveillance Report.

(1) Each investor-owned electric utility shall file rate of return data using Commission Form PSC/ECR 14 (6/94), which is incorporated by reference into this rule. Form PSC/ECR 14, entitled "Investor-Owned Electric Utility Earnings Surveillance Report," may be obtained from the Commission's Division of Economic Regulation.

(2) The report shall be filed:

(a) Monthly, by the 15th day of the second month following the reported month for electric utilities with 50,000 or more customers.

(b) Quarterly, by the 15th day of the second month following the reported quarter for electric utilities with less than 50,000 customers.

(3) A utility may file a written request for an extension of time with the Division of Economic Regulation prior to the due date of the report. One extension of 31 days will be granted upon request. A request for Commission approval of a longer extension must be accompanied by a statement of good cause and shall specify the date by which the report will be filed.

Specific Authority 350.127(2), 366.05(1) FS. Law Implemented 350.117(1), 366.04(2)(f) FS. History–New 6-9-94, Amended 3-14-96.

25-6.1353 Forecasted Earnings Surveillance Report.

(1) Each investor-owned electric utility that is not under an incentive regulation plan or not subject to an earnings cap shall file with the Commission its forecasted financial information on Commission Form PSC/ECR 22 (1/95) which is incorporated into this rule by reference. Form PSC/ECR 22, entitled "Investor-Owned Electric Utility Forecasted Earnings Surveillance Report", may be obtained from the Commission's Division of Economic Regulation. The report shall be verified by the responsible officer of the utility making the report. The report shall be due on or before March 1 of each year, and shall contain the forecasted financial information for that calendar year.

(2) A utility may file a written request for an extension of time with the Division of Economic Regulation no later than March 1. One extension of 15 days will be granted upon request. A request for a longer extension must be accompanied by a statement of good cause and shall specify the date by which the report will be filed.

(3) If during the course of the forecast year the utility should revise its forecasted financial information as a result of a change in a forecast assumption such that its forecasted annual Return on Equity changes by more than 25 basis points, whether as a result of a single or several events or assumptions, the utility shall provide the Commission with the following information within 30 days of the revised forecast:

(a) A description of the revised forecast assumptions or other events that caused the forecasted return on equity to be revised.

(b) An estimate of the revised annual Return on Equity.

Specific Authority 350.127(2), 366.05(1) FS. Law Implemented 350.117(1), 366.04(2)(f), 366.05(1) FS. History–New 1-11-95.

Confidentiality Statement

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From: Ann Cole [mailto:ACOLE@PSC.STATE.FL.US]
Sent: Friday, January 28, 2011 8:06 AM

To: rpjrb@yahoo.com
Cc: Dorothy Menasco
Subject: Response to E-mail dated January 27, 2011 1:47 PM

Dear Mr. Smith,

In response to your e-mail directed to the Records Clerk, please note that the Charges for Commission Copies were revised by the Florida Public Service Commission on September 13, 2010. These charges were placed on the Web site and in the Statement of Agency Organization and Operation, pursuant to the requirements of Rule 28-101.001(1)(c), Florida Administrative Code.

FPL ESR pages are as follows:

2009
Jan-Oct - 19
Nov-Dec - 24
Total 239 - Extimated cost is 120 pages X .20 per duplexed page = $24.00

2010
Jan-Feb - 19
Mar - 24
Apr-Jun - 19
Jul - 20
Aug-Oct - 19
Total 196 - Estimated cost is 98 pages X .20 per duplexed page = $19.60

Depending on the amount of staff time it takes to copy the requested records, a special service charge of $11.29, per hour, may be included in the Invoice. Please note that this information is not an official Invoice for services, but an estimate of charges.

I will await further instructions from you regarding this request.

Sincerely,
Ann Cole, Commission Clerk
Office of Commission Clerk

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, January 27, 2011 1:47 PM
To: Records Clerk
Cc: Ann Cole; Office Of Commissioner Edgar; Office Of Commissioner Graham; Office of Commissioner Brisé; Office Of Commissioner Graham; Office of Commissioner Balbis; Office of Commissioner Brown; rick.scott@eog.myflorida.com; jennifer.carroll@eog.myflorida.com
Subject: FW: Freedom of Information Act Request (FOIA), 5 U.S.C. § 552 / Actual Earnings Surveillance Reports as filed by Florida Power & Light / Docket 080677 /Docket 100009/110009 / Docket 100410

Dear Records Clerk,

This PSC log was sent with another email that was cut off with the previous response below. I sent it again to find out why my charges would not conform to the similar requests below.

Here is a PSC log in which the charges were significantly less. How come my charges would not be similar or match what is in the logs?

These are 2010 requests. Are you indicating that Documents + 2 CD's are going to cost less than my request? Why?

The same Florida Statutes were in effect when these requests have been answered. Correct?

Please break out the charges by year. How much would it cost for 2010 and 2009?

Thanks,

Robert H. Smith

in that many document requests are responded to directly during the normal course of business

Requested By	Rec'd	Ackn'd.	Docket or Subject Matter	Status	Completed	Charges

Requested By	Rec'd	Ackn'd.	Docket or Subject Matter	Status	Completed	Charges
			2010; and any further communications or			

10.	Mary Ellen Klas	03/04/10 as modified	03/04/10	All written requests for information, including but not limited to public records requests, made between 02/01/10 and 03/03/10.	E-mailed PRRs. Faxed documents requests.	03/05/10 03/08/10	n/a n/a
11.	Mary Ellen Klas	03/08/10	03/08/10	Copies of the documents provided to Diana Caldwell as a result of her 03/02/10 PRR, and any other documents, e-mails and other information provided to Ms. Caldwell and Senate Committee on Communications, Energy, and Public Utilities since 02/01/10.	Documents+2 CDs E-mailed responsive documents	03/09/10 3/16/09	$12.75 n/a
12.	Julie Patel	03/08/10 03/09/10	03/09/10 03/09/10	1. A copy of all information (documents relate to the Inspector General's investigation of the November 6 fuel hearing) provided recently to Diana Caldwell, from the Senate's utilities committee. 2. Inspector General's letter to FDLE.	1. Documents +2 CDs mailed 2. Exempt pursuant to 119.08(1), F.S. and 24(a), Art 1 of the State Constitution.	03/15/10	$12.75
34.	Mary Ellen Klas	07/12/10 (received after 5:00 pm)	07/13/10	Copies of any internal memos sent to staff between May 1st and July 12th from Chairman Argenziano, Commissioner Skop, or Commissioner Edgar.	Completed; e-mailed.	07/14/10	n/a
7.	Diana Caldwell	03/02/10	03/02/10	All documents, letters, memorandum, e-mails, and any other information related to a preliminary investigation of an internal ex parte communication complaint initiated around January 26,	Documents+2 CDs	03/05/10	n/a

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Thursday, January 27, 2011 12:28 PM
To: 'Records Clerk'
Cc: 'Ann Cole'; 'Office Of Commissioner Edgar'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Office Of Commissioner Graham'; 'Office of Commissioner Balbis'; 'Office of Commissioner Brown'; 'rick.scott@eog.myflorida.com'; 'jennifer.carroll@eog.myflorida.com'
Subject: RE: Freedom of Information Act Request (FOIA), 5 U.S.C. § 552 / Actual Earnings Surveillance Reports as filed by Florida Power & Light / Docket 080677 /Docket 100009/110009 / Docket 100410

Dear Records Clerk,

Please let me know why there is a price change and why other requests have been released at no charge?

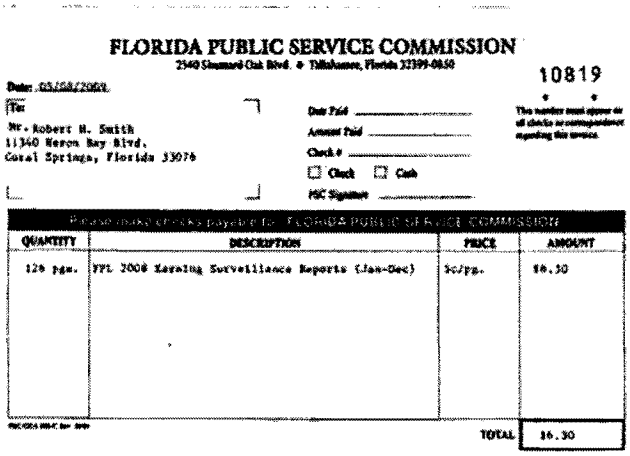
Based upon Federal Preemption under the Freedom of Information Act Request (FOIA), 5 U.S.C. § 552 this would be in the best interest of the general public therefore based upon Federal Preemption I am requesting a Fee waiver or for the information to be released based upon what I was charged previously. The Freedom of Information Act would apply to a State Agency since this would be covered under the Public Utility Holding Company Act of 1935 (PUHCA) or Public Utility Holding Company Act of 2005 ("PUHCA 2005"). This act is governed under FERC (Federal Energy Regulatory Commission). Since this would be covered under these both acts and the State would have to make sure that they are in compliance with this Act it appears that Preemption would cover a fee waiver. I am trying to track the cash balances as they relate to the earned returns at the company. I have asked for a tax payment reconciliation to see how the tax payments are being accounted for between regulated and non-regulated entities. This would be covered under the Federal Acts therefore preemption should afford a fee waiver since this would be the required "because furnishing the information can be considered as a primarily benefiting the general public".

There is no reason why the Commission should not release this information at a minimum cost and/or should not conform to Federal regulations with regard these issues.

Please let me know if the Commission will be providing a legal opinion why the Federal Acts would not preempt the State position.

I am unemployed and I will only pay a minimum cost. I need a records request for email communications between PSC Staff and the Utility to see if this information has been emailed to Staff. I think that legal should be able to answer this question. I was charged for 126 pages at 5¢/page for a total of $6.30. How many of the pages are blank? If there are no blank pages then the total charge should be based upon the previous invoice $21.70. If there are blank pages the total charges should be less.

Please answer why I am not being charged the same amount as last time. Why is there a change when the invoice was a 5/08/2009 invoice which at this time the same Florida Statutes were in effect?



FLORIDA PUBLIC SERVICE COMMISSION

2540 Shumard Oak Blvd. • Tallahassee, Florida 32399-0850

10819

Date: 05/08/2009

To:

Mr. Robert H. Smith
11340 Heron Bay Blvd.
Coral Springs, Florida 33076

Date Paid _____
Amount Paid _____
Check # _____
☐ Check ☐ Cash
PSC Signature _____

The number must appear on all checks or correspondence regarding this invoice.

Please make checks payable to: FLORIDA PUBLIC SERVICE COMMISSION

QUANTITY	DESCRIPTION	PRICE	AMOUNT
126 pgs.	FPL 2008 Earning Surveillance Reports (Jan-Dec)	5¢/pg.	$6.30
		TOTAL	$6.30

Section 119.01 (2), that if the records are available in an electronic format that the records should be provided in the "most cost-effective and efficient manner available to the agency providing the information".

Based upon 119.011 (1) it indicates "Public records" means all documents, paper, letters, maps, books, tapes, photographs, films, sound recordings, data processing software, or other material, regardless of the physical form, characteristics, or means of transmission, made or received pursuant to law or ordinance or in connection with the transaction of official business by any agency." This would mean email communication as well.

Please provide a legal response from the General Counsel that based upon looking at the all electronic logs at the Commission that this information is not available in any type of electronic format.

I am still waiting for a response to the rest of the emails. Please forward this email to the General Counsel at the Commission. I need a legal response from the Commission.

Please send me the email address of the General Counsel at the Commission.

Thanks,

Robert H. Smith

119.01 General state policy on public records.--

(1) It is the policy of this state that all state, county, and municipal records shall be open for personal inspection by any person.

(2) The Legislature finds that, given advancements in technology, providing access to public records by remote electronic means is an additional method of access that agencies should strive to provide to the extent feasible. If an agency provides access to public records by remote electronic means, then such access should be provided in the most cost-effective and efficient manner available to the agency providing the information.

(3) The Legislature finds that providing access to public records is a duty of each agency and that automation of public records must not erode the right of access to those records. As each agency increases its use of and dependence on electronic recordkeeping, each agency must ensure reasonable access to records electronically maintained.

(4) Each agency shall establish a program for the disposal of records that do not have sufficient legal, fiscal, administrative, or archival value in accordance with retention schedules established by the records and information management program of the Division of Library and Information Services of the Department of State.

119.011 Definitions.--For the purpose of this chapter:

(1) "Public records" means all documents, papers, letters, maps, books, tapes, photographs, films, sound recordings, data processing software, or other material, regardless of the physical form, characteristics, or means of transmission, made or received pursuant to law or ordinance or in connection with the transaction of official business by any agency.

(2) "Agency" means any state, county, district, authority, or municipal officer, department, division, board, bureau, commission, or other separate unit of government created or established by law including, for the purposes of this chapter, the Commission on Ethics, the Public Service Commission, and the Office of Public Counsel, and any other public or private agency, person, partnership, corporation, or business entity acting on behalf of any public agency.

119.02 Penalty.--A public officer who knowingly violates the provisions of s. 119.07(1) is subject to suspension and removal or impeachment and, in addition, is guilty of a misdemeanor of the first degree, punishable as provided in s. 775.082 or s. 775.083.

119.07 Inspection, examination, and duplication of records; exemptions.--

(1)(a) Every person who has custody of a public record shall permit the record to be inspected and examined by any person desiring to do so, at any reasonable time, under reasonable conditions, and under supervision by the custodian of the public record or the custodian's designee. The custodian shall furnish a copy or a certified copy of the record upon payment of the fee prescribed by law or, if a fee is not prescribed by law, for duplicated copies of not more than 14 inches by 81/2 inches, upon payment of not more than 15 cents per one-sided copy, and for all other copies, upon payment of the actual cost of duplication of the record. An agency may charge no more than an additional 5 cents for each two-sided duplicated copy. For purposes of this section, duplicated copies shall mean new copies produced by duplicating, as defined in s. 283.30. The phrase "actual cost of duplication" means the cost of the material and supplies used to duplicate the record, but it does not include the labor cost or overhead cost associated with such duplication. However, the charge for copies of county maps or aerial photographs supplied by county constitutional officers may also include a reasonable charge for the labor and overhead associated with their duplication. Unless otherwise provided by law, the fees to be charged for duplication of public records shall be collected, deposited, and accounted for in the manner prescribed for other operating funds of the agency. An agency may charge up to $1 per copy for a certified copy of a public record.

(b) If the nature or volume of public records requested to be inspected, examined, or copied pursuant to this subsection is such as to require extensive use of information technology resources or extensive clerical or supervisory assistance by personnel of the agency involved, or both, the agency may charge, in addition to the actual cost of duplication, a special service charge, which shall be reasonable and shall be based on the cost incurred for such extensive use of information technology resources or the labor cost of the personnel providing the service that is actually incurred by the agency or attributable to the agency for the clerical and supervisory assistance required, or both. "Information technology resources" shall have the same meaning as in s. 282.303(12).

119.10 Violation of chapter; penalties.--

(1) Any public officer who violates any provision of this chapter is guilty of a noncriminal infraction, punishable by fine not exceeding $500.

(2) Any person willfully and knowingly violating any of the provisions of this chapter is guilty of a misdemeanor of the first degree, punishable as provided in s. 775.082 or s. 775.083.

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From: Dorothy Menasco [mailto:DMenasco@PSC.STATE.FL.US] **On Behalf Of** Records Clerk
Sent: Thursday, January 27, 2011 11:42 AM
To: rpjrb@yahoo.com
Cc: Ann Cole
Subject: RE: Freedom of Information Act Request (FOIA), 5 U.S.C. § 552 / Actual Earnings Surveillance Reports as filed by Florida Power & Light / Docket 080677 /Docket 100009/110009 / Docket 100410

Mr. Smith:

By e-mail of January 13, 2011, I advised you that the estimated charge for copying the documents you requested is $54.69. In response to this e-mail, you requested a fee waiver "based upon Federal Preemption under 5 U.S.C. § 552 Section 1803."

Please be advised that the Federal Freedom of Information Act does not apply to state agencies. Instead, the FPSC is governed by Chapter 119, Florida Statutes, Public Records. Pursuant to Section 119.07(4)(a), Florida Statutes, the FPSC's current charge for two-sided copies is .20¢ each. There is no charge if the total copy cost would be less than $1.00, but since your request is for 434 pages (217 duplexed), it does not fall within this provision. In addition, a special service charge for staff's copying time has been added as allowed by Section 119.07(4)(d), Florida Statutes. This information about charges is published on the FPSC's website, www.floridapsc.com (click on "Public Records Requests"). As you have been previously informed, we do not have this information electronically.

As previously instructed, please provide confirmation of whether you would like us to make the copies. On verification that you would like us to make the copies, we will begin the copying process, and the documents will be mailed to you on receipt of your payment.

As an alternative, Section 119.07(1), Florida Statutes, provides that you may come to the FPSC to inspect the documents, at any reasonable time, under reasonable conditions, and under supervision by the custodian of the public records. Please be advised that if you wish to copy any documents, the standard copy charges apply.

Dorothy Menasco
Deputy Clerk Supervisor
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

Please note: Florida has a very broad public records law. Most written communications to or from state officials regarding state business are public records available to the public and media upon request. Your e-mail communications may therefore be subject to public disclosure.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, January 26, 2011 5:03 PM
To: Records Clerk; Lisa Bennett; John Slemkewicz
Cc: Office Of Commissioner Edgar; Office Of Commissioner Graham; Office of Commissioner Brisé; Office Of Commissioner Graham; Office of Commissioner Balbis; Office of Commissioner Brown; Ann Cole; rick.scott@eog.myflorida.com; jennifer.carroll@eog.myflorida.com
Subject: FW: Freedom of Information Act Request (FOIA), 5 U.S.C. § 552 / Actual Earnings Surveillance Reports as filed by Florida Power & Light / Docket 080677 /Docket 100009/110009 / Docket 100410

To all,

When I will be receiving a response with regard to processing my request for the ESR's for 2009, 2010 and 2011? I want to lay out the actual earned returns against the adjudicated level of operating income at the company on a monthly/yearly basis. I then want to compare this to the actual cash balances that are being maintained in the Utility 131 Account. I would like to receive a response before the Standard order is issued to see how 2009 and 2010 earnings compares to the actual cash balances that are being maintained at the company.

I requested a fee waiver based upon Federal Freedom of Information Act 5 U.S.C. § 552 and I have not received a legal response regarding the status of releasing this information based upon a fee waiver and/or minimal cost.

According to Chapter 119.01 of the Florida Public Records Statute, if the documents are available in an electronic format, then these should be made available electronically. Please let me know based upon the email logs at the Commission if there is electronic email correspondence between commission staff and/or the utility that would have this information in an electronic format. If so, then this information should be considered public information subject to Federal and State laws in which they should be made available by electronic means. This is supported by both the Freedom of Information Act 5 U.S.C. § 552 and Chapter 119.01 of the Florida Statutes.

If not, then please let me know if this is going to be processed based upon similar requests that have been honored at no charge. This information should be released based upon a fee waiver, "because furnishing the information can be considered as a primarily benefiting the general public".

What was very interesting today was that there was talk about the pending merger of Duke Energy and Progress Energy. There was a comment made during the meeting that if the company earned above the allowed rate of return that they would be subject to an over earnings review by the Commission. How would this be any different than the over earnings at FPL that exceeded their 11% allowed return on equity as indicated by the Stipulation and Settlement Agreement? Since the agreement has indicated that they are only allowed to earn up to 11%, there is no reason why the over earnings in 2010 has not been deferred for future disposition. Based upon the Stipulation and Settlement agreement, they are only allowed to earn up to the 11% return on equity. They are not allowed to earn over the 11% therefore it would appear that a deferral of these over earnings would have been warranted. This is similar to the comment made in the meeting today.

Please explain the actual rule of law that would support this exception to normal/typical Commission ratecase proceedings related to over earnings at a Utility. What rules would provide for the legal ruling to support the non-deferral of the $400 million of over earnings for Florida Power & Light? Why would this situation be different than any other deferral or requirement of another Utility to give back any over earnings that exceed an agreed upon return on equity? This would be for a standard rate order and/or any other type of agreement. Why was this handled differently? Will this have an impact on future ratecase rulings with regard to how other Utilities over earnings will be treated?

I noticed that the commission has been reorganized. Who on the legal staff will be responding to this request? I noticed that in the past Ms. Bennett has been providing the legal responses.

Information Directory

(Area Code 850)

COMMISSIONERS:

Art Graham - Chairman - 413-6040
Mark Long - Chief Advisor to the Chairman - 413-6022
Betty Leland - Executive Assistant to the Chairman - 413-6024

Lisa Polak Edgar - 413-6044
Roberta Bass - Chief Advisor to the Commissioner - 413-6016
Kelly McLanahan - Executive Assistant to the Commissioner - 413-6018

Ronald A. Brisé
Baldwyn English - Chief Advisor to the Commissioner - 413-6036
Pamela Paultre - Executive Assistant to the Commissioner - 413-6036

Eduardo E. Balbis - 413-6038
Lisa Bennett - Chief Advisor to the Commissioner - 413-6002
Cristina Slaton - Executive Assistant to the Commissioner - 413-6004

Julie Imanuel Brown - 413-6042
Samantha Cibula - Chief Advisor to the Commissioner - 413-6028
Kathleen Stewart - Executive Assistant to the Commissioner - 413-6030

EXECUTIVE DIRECTOR:
Timothy J. Devlin - 413-6068

DEPUTY EXECUTIVE DIRECTOR:
Charles Hill - 413-6055

GENERAL COUNSEL:
S. Curtis Kiser - 413-6199

INSPECTOR GENERAL:
Steven J. Stolting - 413-6071

CHAPTER 119
PUBLIC RECORDS

119.01 General state policy on public records.--

(1) It is the policy of this state that all state, county, and municipal records shall be open for personal inspection by any person.

(2) The Legislature finds that, given advancements in technology, providing access to public records by remote electronic means is an additional method of access that agencies should strive to provide to the extent feasible. If an agency provides access to public records by remote electronic means, then such access should be provided in the most cost-effective and efficient manner available to the agency providing the information.

(3) The Legislature finds that providing access to public records is a duty of each agency and that automation of public records must not erode the right of access to those records. As each agency increases its use of and dependence on electronic recordkeeping, each agency must ensure reasonable access to records electronically maintained.

(4) Each agency shall establish a program for the disposal of records that do not have sufficient legal, fiscal, administrative, or archival value in accordance with retention schedules established by the records and information management program of the Division of Library and Information Services of the Department of State.

Dear Records Clerk,

Please let me know if there are minutes to today's internal affairs meeting that took place at 9:30AM Today. Will the minutes have a list of all the people who attended the meeting?

Upcoming Events

Name	Date
Tipp Test	February 05, 2011 - 6:22 AM
Commission Conference	February 08, 2011 - 9:15 AM
Internal Affairs Meeting	February 09, 2011 - 9:15 AM
Commission Conference	February 22, 2011 - 9:15 AM
Internal Affairs Meeting	February 23, 2011 - 9:15 AM
Prehearing - 090539-GU	March 07, 2011 - 9:15 AM
Commission Conference - IA following immediately	March 08, 2011 - 9:15 AM
Internal Affairs Meeting	March 08, 2011 - 2:45 PM

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Commission Conference Agenda

Hearing

Internal Affairs

Name	Date	Duration				
Internal Affairs Meeting	Jan 12, 2011	00h 45m	Agenda	Video	MP3 Audio	MP4 Video
Internal Affairs Meeting	Dec 14, 2010	00h 56m	Agenda	Video	MP3 Audio	MP4 Video
Internal Affairs Meeting	Nov 30, 2010	02h 04m	Agenda	Video	MP3 Audio	MP4 Video
Internal Affairs	Nov 9, 2010	01h 38m	Agenda	Video	MP3 Audio	MP4 Video
Internal Affairs Meeting	Oct 12, 2010	00h 18m	Agenda	Video	MP3 Audio	MP4 Video
Internal Affairs Meeting	Sep 28, 2010	00h 05m	Agenda	Video	MP3 Audio	MP4 Video
Internal Affairs Meeting	Sep 14, 2010	00h 29m	Agenda	Video	MP3 Audio	MP4 Video
Internal Affairs Meeting	Aug 17, 2010	01h 14m	Agenda	Video	MP3 Audio	MP4 Video
Internal Affairs Meeting	Aug 3, 2010	00h 28m	Agenda	Video	MP3 Audio	MP4 Video

Other Meetings

There was talk about compliance issues regarding Sunshine Laws (Chapter 286), Florida Administrative Procedure Act (Chapter 120) and Florida Ex Parte Communications (Chapter 350).

The meeting talked about what would be required compliance under these provisions at the State level.

Please let me know if the minutes are available.

State of Florida
Public Service Commission
INTERNAL AFFAIRS AGENDA
Wednesday – January 26, 2011
9:30 a.m.
Room 140 - Betty Easley Conference Center

1. Approve January 12, 2011, Internal Affairs Meeting Minutes. (Attachment 1)
2. Presentation by Progress Energy Florida on the Duke Energy/Progress Energy Merger. (Attachment 2)
3. Presentation by Staff on Hedging Practices in the Electric Industry. (Attachment 3)
4. Discussion of Sunshine Law. (No attachment)
5. Legislative Update. (No Attachment)
6. Other matters, if any.

TD/sa

OUTSIDE PERSONS WISHING TO ADDRESS THE COMMISSION ON ANY OF THE AGENDAED ITEMS SHOULD CONTACT THE OFFICE OF THE EXECUTIVE DIRECTOR AT (850) 413-6068.

Thanks,

Robert H. Smith

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	12 month Weather Normalization	Monthly	Cum Chk	FERC 131 CASH
12/31/2009	$ 50,771,175		$ 50,771,175	$ 34,255,751
1/31/2010	$ 85,381,929	$ 34,610,754	$ 85,381,929	
2/28/2010	$ 87,483,710	$ 2,101,781	$ 87,483,710	
3/31/2010	$ 90,064,511	$ 2,580,801	$ 90,064,511	
4/30/2010	$ 77,766,253	$ (12,298,258)	$ 77,766,253	
5/31/2010	$ 89,322,808	$ 11,556,555	$ 89,322,808	
6/30/2010	$ 110,217,167	$ 20,894,359	$ 110,217,167	
7/31/2010	$ 120,481,846	$ 10,264,679	$ 120,481,846	
8/31/2010	$ 122,984,092	$ 2,502,246	$ 122,984,092	
9/30/2010	$ 129,422,439	$ 6,438,347	$ 129,422,439	
10/31/2010	$ 107,322,526	$ (22,099,913)	$ 107,322,526	
11/30/2010	$ 99,387,740	$ (7,934,786)	$ 99,387,740	
12/31/2010				?
1/31/2011				
2/28/2011				
3/31/2011				
4/30/2011				
5/31/2011				
6/30/2011				
7/31/2011				
8/31/2011				
9/30/2011				
10/31/2011				
11/30/2011				
12/31/2011				?

Florida Power & Light Company
and Subsidiaries
Capital Structure
FPSC Adjusted Basis 13 Month Avergage
2010

FPSC Adjusted Average Jurisdictional Return on Common Equity			Jun-10
Rate Base			16,362,315,134
FPSC Adjusted/Allowed Rate of Return			7.01%
FPSC Adjusted Operating Income			1,146,702,149
Weather Normalization Clause			(110,217,167)
Proforma Adjusted			1,036,484,982
Company Calculated Return on Common Equity			9.97%
Rate Base			16,362,315,134
FPSC Adjusted/Allowed Rate of Return @		10.00%	6.35%
Operating Income			1,038,735,097
Over Earnings			107,967,052
Pro Forma FPSC Allowed Common Equity w/o Weather Norm Adj.			10.00%
Rate Base			16,362,315,134
FPSC Adjusted/Allowed Rate of Return @		10.75%	6.69%
Operating Income			1,095,331,778
Over Earnings			51,370,371
Pro Forma FPSC Allowed Common Equity w/o Weather Norm Adj.			10.75%
FPSC Adjusted Operating Income			1,146,702,149
Rate Base			16,362,315,134
FPSC Adjusted/Allowed Rate of Return @		11.00%	6.81%
Operating Income			1,114,197,338
Over Earnings			32,504,811
Pro Forma FPSC Allowed Common Equity w/o Weather Norm Adj.			11.00%
Difference Allowed ROE	11.00%	10.00%	0.46%
Difference in Over Earnings			75,462,240
Check			107,967,052
			-
FPSC Adjusted Rate of Return			7.01%
Less: Average Retail Weighted Cost Rates For:			
Long Term Debt			1.51%
Short Term Debt			0.02%
Peferred Stock			0.00%
Customer Deposits			0.20%
Tax Credits - WTD Cost			0.00%
Subtotal			1.74%
Pro Forma ROR Less Non Equity Cost			5.27%
Pro Forma Common Equity Ratio			46.12%
Pro Forma Return on Common Equity Company w/o Weather Norm Adj.			11.43%

Florida Power & Light Company
and Subsidiaries
Capital Structure
FPSC Adjusted Basis 13 Month Avergage
2010

FPSC Adjusted Average Jurisdictional Return on Common Equity	Jun-10
Average RateBase	16,362,315,134
Average Rate of Return	7.01%
Actual Net Operating Income	1,146,702,149
Capital Components	
Long Term Debt	4,699,755,164
Short Term Debt	543,627,162
Preferred Stock	-
Customer Deposits	554,628,290
Common Equity	7,546,224,028
Deferred Income Tax	3,014,381,991
Investment Tax Credits	3,698,499
Total	16,362,315,134
Capital Ratio	
Long Term Debt	28.72%
Short Term Debt	3.32%
Preferred Stock	0.00%
Customer Deposits	3.39%
Common Equity	46.12%
Deferred Income Tax	18.42%
Investment Tax Credits	0.02%
Total	100.00%
Cost of Capital	
Long Term Debt	5.27%
Short Term Debt	0.56%
Preferred Stock	0.00%
Customer Deposits	5.97%
Common Equity	10.00%
Deferred Income Tax	0.00%
Investment Tax Credits	7.57%

Return on Equity (ROE)	ROE	ROE	ROE
Weighted Cost Adjudicated	11.00%	10.75%	10.00%
Long Term Debt	1.51%	1.51%	1.51%
Short Term Debt	0.02%	0.02%	0.02%
Preferred Stock	0.00%	0.00%	0.00%
Customer Deposits	0.20%	0.20%	0.20%
Common Equity	5.07%	4.96%	4.61%
Deferred Income Tax	0.00%	0.00%	0.00%
Investment Tax Credits	0.00%	0.00%	0.00%
Total	6.81%	6.69%	6.35%

Florida Power & Light Company
and Subsidiaries
Capital Structure
FPSC Adjusted Basis 13 Month Avergage
2010

FPSC Adjusted Average Jurisdictional Return on Common Equity			Jun-10
Rate Base			16,362,315,134
FPSC Adjusted/Allowed Rate of Return			7.01%
FPSC Adjusted Operating Income			1,146,702,149
Weather Normalization Clause			(110,217,167)
Proforma Adjusted			1,036,484,982
Company Calculated Return on Common Equity			9.97%
Rate Base			16,362,315,134
FPSC Adjusted/Allowed Rate of Return @		10.00%	6.35%
Operating Income			1,038,735,097
Over Earnings			107,967,052
Pro Forma FPSC Allowed Common Equity w/o Weather Norm Adj.			10.00%
Rate Base			16,362,315,134
FPSC Adjusted/Allowed Rate of Return @		10.75%	6.69%
Operating Income			1,095,331,778
Over Earnings			51,370,371
Pro Forma FPSC Allowed Common Equity w/o Weather Norm Adj.			10.75%
FPSC Adjusted Operating Income			1,146,702,149
Rate Base			16,362,315,134
FPSC Adjusted/Allowed Rate of Return @		11.00%	6.81%
Operating Income			1,114,197,338
Over Earnings			32,504,811
Pro Forma FPSC Allowed Common Equity w/o Weather Norm Adj.			11.00%
Difference Allowed ROE	11.00%	10.00%	0.46%
Difference in Over Earnings			75,462,240
Check			107,967,052
			-
FPSC Adjusted Rate of Return			7.01%
Less: Average Retail Weighted Cost Rates For:			
Long Term Debt			1.51%
Short Term Debt			0.02%
Peferred Stock			0.00%
Customer Deposits			0.20%
Tax Credits - WTD Cost			0.00%
Subtotal			1.74%
Pro Forma ROR Less Non Equity Cost			5.27%
Pro Forma Common Equity Ratio			46.12%
Pro Forma Return on Common Equity Company w/o Weather Norm Adj.			11.43%

Florida Power & Light Company
and Subsidiaries
Capital Structure
FPSC Adjusted Basis 13 Month Avergage
2010

FPSC Adjusted Average Jurisdictional Return on Common Equity	Jun-10
Average RateBase	16,362,315,134
Average Rate of Return	7.01%
Actual Net Operating Income	1,146,702,149
Capital Components	
Long Term Debt	4,699,755,164
Short Term Debt	543,627,162
Preferred Stock	-
Customer Deposits	554,628,290
Common Equity	7,546,224,028
Deferred Income Tax	3,014,381,991
Investment Tax Credits	3,698,499
Total	16,362,315,134
Capital Ratio	
Long Term Debt	28.72%
Short Term Debt	3.32%
Preferred Stock	0.00%
Customer Deposits	3.39%
Common Equity	46.12%
Deferred Income Tax	18.42%
Investment Tax Credits	0.02%
Total	100.00%
Cost of Capital	
Long Term Debt	5.27%
Short Term Debt	0.56%
Preferred Stock	0.00%
Customer Deposits	5.97%
Common Equity	10.00%
Deferred Income Tax	0.00%
Investment Tax Credits	7.57%

Return on Equity (ROE)	ROE	ROE	ROE
Weighted Cost Adjudicated	11.00%	10.75%	10.00%
Long Term Debt	1.51%	1.51%	1.51%
Short Term Debt	0.02%	0.02%	0.02%
Preferred Stock	0.00%	0.00%	0.00%
Customer Deposits	0.20%	0.20%	0.20%
Common Equity	5.07%	4.96%	4.61%
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Investment Tax Credits	0.00%	0.00%	0.00%
Total	6.81%	6.69%	6.35%

Diamond Williams

080677-EI

From: Ann Cole
Sent: Monday, February 14, 2011 4:46 PM
To: Diamond Williams
Cc: Mary Anne Helton; Kathryn Cowdery; Lisa Bennett; Hong Wang; Dorothy Menasco
Subject: FW: June 2010 ESR overearnings Calculations / Preliminary Rob Analysis Draft
Attachments: ESRWeatherNormalizaton02102011.pdf; ESROverEarningsJune201002112011.pdf

SC, CLK - CORRESPONDENCE
☐ Administrative ☒ Parties ☐ Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION:

Diamond,

Please review this e-mail with the correspondence files and be sure that any new information from Mr. Smith is placed in the correspondence file for Docket Nos 080677, 100009, 110009, and 100410.

Thank you
Ann Cole

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, February 11, 2011 9:55 AM
To: Curt Kiser; Records Clerk; Lisa Bennett; John Slemkewicz
Cc: Ann Cole; Office Of Commissioner Edgar; Office Of Commissioner Graham; Office of Commissioner Brisé; Office Of Commissioner Graham; Office of Commissioner Balbis; Office of Commissioner Brown; rick.scott@eog.myflorida.com; jennifer.carroll@eog.myflorida.com; danlarson@bellsouth.net; ken.hoffman@fpl.com
Subject: June 2010 ESR overearnings Calculations / Preliminary Rob Analysis Draft

Dear Mr. Kiser and Mr. Slemkewicz,

Due to the delicate nature of this information I would like to make sure that this correspondence request/communication does not have any impact on my current/future employment. I can only hope that this request is viewed as a public service request and does not have any impact on my family's well being.

Attached you will find a copy of the June 2010 Over Earnings Calculation summarized. I have completed this type of presentation of the analysis to take a look at the overearnings for 2010. This can now be used for 2008, 2009, 2010 and 2011. I have 2008 and I have December 2009 and through November 2010.

Is the rest of 2009 going to be populated on the web? We are waiting for the December 2010 year end to see how this relates to the 2010 Forecasted Earnings Surveillance report.

What is the status of my email correspondence being made part of the public record? It has been a long time and the information still has not been made part of the public Docket. Why has this information not be made as part of the public record?

Please make sure that the attached file ESRWeatherNormalization02102011.pdf and ESROverEarningsJune201002112011.pdf is scanned with this document when it is made part of the public record.

I sent a copy of this email to the following interested parties to make sure that everyone is in the loop.

a. Person responsible for this electronic filing:

Mr. & Mrs. Daniel R. Larson

16933 W. Narlena Dr.

Loxahatchee, FL 33470

Phone: (561) 791-0875
danlarson@bellsouth.net

Florida Power & Light Company
Mr. Ken Hoffman
215 South Monroe Street, Suite 810
Tallahassee, FL 32301-1858
Phone: (850) 521-3900
Fax: (850) 521-3939

Please provide me with the backup to the calculated $53.5 million Dollars of overearnings estimated at

June 30, 2010. I would like to compare the copy that I downloaded electronically versus the one that was used to calculate the $53.5 million dollars. Was this calculation at an allowed ROE of 10.75%?

Based upon the downloaded ESR report for June 2010 I calculated based upon a 10%, 10.75% and 11% allowed ROE excess earnings of $108 million, $51.4 million and $32.5 million dollars respectively. This is before the Weather Normalization Clause. If this adjustment does not reverse out by year end then a decision should be made to include this into the over earnings test based upon my discussion in my email below.

I would like to compare your calculation that was put into the record with the calculation below to see if the test is in line.

Here is what I see as a problem. What is the normal Allowed ROE at Utilities across the United States for 2010 and 2011? The National Average below based upon a SNL Forecast by Utility is an average of 10.22%.

The Economy is very bad and I cannot see how the Commission would increase the allowed ROE to 11% when they had a 10% allowed ROE during better economic times. How come the allowed ROE was increased?

Since the Stipulation and Settlement agreement has taking away the control of the over recovery of depreciation amortization the company can back off on this amortization to keep the over earnings. This will delay the return of the depreciation over recovery. Based upon my email discussion below we still need to see the actual over recovery of depreciation amortization that the company has amortized in 2010. This should be disclosed to gauge how much was given back on a cumulative basis. If the company is earning around the 11% the company will potentially stop the amortization to keep the return on equity around the 11% so that the cumulative refund to the customer might not come close to the original amortization that was set in the order prior to the Stipulation and Settlement Agreement. This might delay the return of the over recovery.

By increasing the allowed ROE to 11% this gave room for some of the over earnings at the old ROE of 10% to be absorbed and kept by the company. In addition, by nature that the company now controls the over recovery of the depreciation surplus they are in a position to return the money to the customer over a longer period of time since they can now have more room to over earn plus the ability to only amortize the over recovery up until the 11% ROE.

Based upon the Forecasted Earnings Surveillance Reports I have asked the company what the assumption was for the amortization of the depreciation over recovery.

I have asked what the $30,000 represents since this number is not-transparent in the Forecasted Earnings Surveillance reports. This should be disclosed on the monthly ESR reports as well. What has happened in this case is that there is full control of the return of the depreciation over recovery. If the company earns at 9.0% it is being allowed just to amortize an amount to make sure that they do not earn above the 11% ROE. If company earns near or above the 11% ROE then it can pull back on the return of the over recovered depreciation surplus. This assumes that the 11% is a fair return based upon the average. It appears that this was running at 10.22% which is below the 11% agreed upon with the Stipulation and Settlement agreement. If the agreed upon ROE was in the 10% range then it appears that the company would be over earning and unless the Stipulation and Settlement agreement was put into place the company would have to return any over earnings above its allowed ROE in addition to the over recovered depreciation surplus. This would have caused a potential rate decrease to the customer.

The rates are now locked for two years and if the company does not return a majority of the depreciation surplus it appears that after the two year rate freeze that if this surplus is not returned that there might be more room to freeze the rates for a longer period of time. When will the next depreciation study be completed to make sure that the surplus is not growing. Have the lives of the plant been changed to reflect a longer period of over recovery for the assets that generated the over recovery of depreciation?

They should probably compute this study at least once a year to determine if the surplus is going down or if it is increasing. Now that there is a base rate freeze the possibility exists that they can be still over recovering depreciation related to these assets.

Please see email dated to the company

Sent: Monday, November 22, 2010 11:25 AM
To: 'John.Butler@fpl.com <John.Butler@fpl.com>'; 'ken.rubin@fpl.com'; 'Pat.Brian@fpl.com'
Cc: 'Charles_Sieving@fpl.com'; 'Lew_Hay@fpl.com'
Subject: Withdrawal of the Confidential Classification of Provisional Electric Forecasted Earnings Surveillance Report / Questions regarding the forecast assumptions

With the depreciation reserve surplus amortization below, what would be the difference between the amortization below of $30,000 and the original amount as set by the Florida public Service Commission? According to note 3 it indicates that this "Assumes FPSC approval of the August 20, 2010 Stipulation and Settlement Agreement. Does this represent $30 million since there is no ($000's) on the top of the Forecast Assumption page. Is this an annual amount of amortization? If this is an annual amortization how come it is significantly lower than the original amount as set by the original order? The original order has indicated that there will be a base rate increase of $75 million but a depreciation amortization that is $500 million over 4 years or $125 million per year for 4 years. In addition, there was $394.6 million being amortized at $17.9 million over 22 years. If the $30,000 represents $30 million then does this replace the original amortization?

C. OTHER CORPORATE ASSUMPTIONS	
INTEREST RATES -	
1) 30 DAY COMMERCIAL PAPER	0.5%
2) LONG TERM DEBT	5.8%
DEPRECIATION RESERVE SURPLUS AMORTIZATION (3)	$30,000

(3) Assumes FPSC approval of the August 20, 2010 Stipulation & Settlement Agreement.

Attachment C

Cases 09-E-0539, 09-E-0794 and 09-G-0795

National Authorized ROE's - RRA Data (Jan - June 2010)

State	Company	Service	Date	Rate Increase ($M)	Return on Rate Base(%)	Increase Authorized: Return on Equity (%)	Increase Authorized: Common Equity Ratio (%)	Test Year End	Rate Base ($M)	Rate Base Valuation Method	Litigated?
Arkansas	Entergy Arkansas Inc	Electric	5/28/2010	23.8	8.08	10.20	29.32	06/2009	4,042.89	Year-end	E
Arizona	UNS Gas Inc	Natural Gas	4/14/2010	3.5	8.65	9.50	49.90	09/2008	160.10	Year-end	LP
District of Columbia	Potomac Electric Power Co	Electric	3/2/2010	19.8	8.01	9.83	46.19	12/2008	1,010.30	Average	E
Florida	Florida Power & Light Co	Electric	9/17/2010	75.5	8.85	10.00	47.00	12/2010	16,787.40	Average	LP
Florida	Florida Power Corp.	Electric	3/5/2010	126.2	7.98	10.50	48.74	12/2010	6,302.30	Average	LP
Georgia	Atmos Energy Corp.	Natural Gas	3/31/2010	2.9	8.61	10.70	47.73	12/2010	90.29	Average	E
Iowa	Interstate Power & Light Co.	Electric	1/4/2010	83.7	8.91	10.80	49.32	12/2008	1,820.90	Average	E
Illinois	Central Illinois Light Co	Electric	4/29/2010	2.2	8.05	9.83	45.81	12/2008	279.29	Year-end	LP
Illinois	Central Illinois Light Co.	Natural Gas	4/29/2010	-7.4	7.80	9.40	43.81	12/2008	199.93	Year-end	LP
Illinois	Central Illinois Public	Electric	4/29/2010	17.9	8.09	10.00	48.67	12/2008	463.00	Year-end	LP
Illinois	Central Illinois Public	Natural Gas	4/29/2010	-1.7	7.58	9.19	48.67	12/2008	177.29	Year-end	LP
Illinois	Illinois Power Co	Electric	4/29/2010	16.8	8.67	10.26	43.55	12/2008	1,306.40	Year-end	LP
Illinois	Illinois Power Co	Natural Gas	4/29/2010	+11.3	8.59	9.40	43.55	12/2008	484.10	Year-end	LP
Illinois	MidAmerican Energy Co.	Natural Gas	3/24/2010	2.3	7.60	10.13	47.06	12/2008	37.19	Year-end	E
Illinois	North Shore Gas Co	Natural Gas	1/21/2010	1.56	8.19	10.33	56.09	12/2010	163.10	Average	LP
Illinois	Peoples Gas Light & Coke Co	Natural Gas	1/21/2010	69.5	8.05	10.33	54.09	12/2010	1,201.40	Average	LP
Kansas	Kansas Gas and Electric Co.	Electric	1/27/2010	8.6	8.19	10.40	59.13	NA	NA	NA	E
Kansas	Westar Energy Inc	Electric	1/27/2010	9.6	8.49	10.40	59.13	NA	NA	NA	E
Kentucky	Atmos Energy Corp.	Natural Gas	5/28/2010	6.1	NA	NA	NA	NA	NA	NA	E
Michigan	Consumers Energy Co	Natural Gas	3/17/2010	68.9	7.03	10.55	40.79	09/2010	2,736.20	Average	LP
Michigan	Detroit Edison Co	Electric	1/13/2010	217.4	7.02	11.00	39.44	09/2010	9,172.20	Average	LP
Michigan	Michigan Consolidated Gas Co	Natural Gas	6/3/2010	118.5	7.19	11.00	39.76	12/2010	2,368.80	Average	LP
Minnesota	CenterPoint Energy Resources	Natural Gas	1/11/2010	40.8	8.09	10.34	52.56	12/2009	935.90	Average	LP
Missouri	Empire District Gas Co.	Natural Gas	1/26/2010	2.6	NA	NA	NA	NA	NA	NA	E
Missouri	Southern Union Co.	Natural Gas	2/16/2010	16.2	7.72	10.50	38.66	12/2008	419.29	Year-end	LP
Missouri	Union Electric Co.	Electric	6/29/2010	279.6	8.06	10.10	51.28	03/2009	6,500.00	Year-end	LP
Nebraska	SourceGas Distribution LLC	Natural Gas	3/9/2010	1.8	7.69	9.50	49.00	12/2008	85.10	Year-end	E
New Jersey	Atlantic City Electric Co	Electric	5/12/2010	20.0	8.68	10.30	49.10	12/2009	761.60	Year-end	E
New Jersey	Public Service Electric Gas	Electric	5/7/2010	73.5	8.21	10.30	51.29	12/2009	3,750.00	Year-end	LP
New Jersey	Public Service Electric Gas	Natural Gas	5/18/2010	26.9	8.21	10.30	51.29	12/2009	2,275.00	Year-end	LP
New Jersey	Rockland Electric Company	Electric	5/12/2010	9.8	8.21	10.30	49.85	12/2009	149.80	Year-end	E
New York	Central Hudson Gas & Electric	Electric	6/16/2010	11.8	7.44	10.00	48.00	06/2011	362.90	Average	LP
New York	Central Hudson Gas & Electric	Natural Gas	6/16/2010	5.7	7.44	10.00	48.00	06/2011	150.10	Average	LP
New York	Consolidated Edison Co. of NY	Electric	3/25/2010	540.8	7.75	10.15	48.00	03/2011	14,687.00	Average	LP
Oregon	Idaho Power Co.	Electric	2/24/2010	5.0	7.96	10.18	49.95	NA	109.63	NA	E
Oregon	PacifiCorp	Electric	1/26/2010	41.5	8.08	10.13	51.00	12/2010	2,307.30	Average	E
Rhode Island	Narragansett Electric Co.	Electric	3/4/2010	23.5	7.20	9.45	42.76	12/2008	500.90	Average	E
South Carolina	Duke Energy Carolinas LLC	Electric	1/27/2010	74.1	8.41	10.70	53.00	12/2008	3,199.30	Year-end	E
South Dakota	Northern States Power Co - MN	Electric	1/5/2010	10.9	8.32	NA	NA	NA	NA	NA	E
Tennessee	Chattanooga Gas Company	Natural Gas	5/24/2010	0.1	7.41	10.05	46.58	09/2011	50.80	Average	E
Texas	Atmos Energy Corp.	Natural Gas	1/28/2010	2.7	8.60	10.40	48.81	06/2009	1,279.90	Year-end	E
Texas	CenterPoint Energy Resources	Natural Gas	2/23/2010	5.1	8.50	10.30	50.60	03/2009	106.00	Year-end	E
Texas	Southwestern Electric Power Co	Electric	4/19/2010	25.0	NA	NA	NA	03/2009	NA	NA	E
Utah	PacifiCorp	Electric	2/18/2010	32.4	8.31	10.60	51.00	06/2010	4,528.40	Average	E
Utah	Questar Gas Co.	Natural Gas	4/8/2010	7.6	8.42	10.35	NA	12/2010	526.09	Average	E
Virginia	Kentucky Utilities Co.	Electric	3/4/2010	10.6	7.85	10.50	53.62	12/2008	153.60	Average	E
Virginia	Virginia Electric & Power Co	Electric	3/11/2010	NA	NA	11.90	NA	12/2008	NA	NA	LP
Washington	Puget Sound Energy Inc	Electric	4/2/2010	74.1	8.10	10.10	46.00	12/2008	3,190.60	Average	LP
Washington	Puget Sound Energy Inc.	Natural Gas	4/2/2010	10.1	8.10	10.10	46.00	12/2008	1,467.50	Average	LP
West Virginia	Mountaineer Gas Company	Natural Gas	3/19/2010	4.9	8.73	NA	NA	12/2008	172.40	Average	E
Wyoming	MDU Resources Group Inc	Electric	4/27/2010	2.7	8.26	10.60	49.77	12/2008	71.90	Year-end	E
Wyoming	PacifiCorp	Electric	5/14/2010	28.5	8.33	NA	NA	NA	NA	NA	E
						10.32 Average					

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Based on the most recent ESR submitted to the Commission for the 12-month period ended June 30, 2010, staff estimates the current amount of overearnings to be approximately $53.5 million. This amount could fluctuate up or down based on the actual level of earnings through the 12-month period ending March 31, 2011. As discussed in the Case Background, FPL has not submitted a Forecasted ESR for calendar year 2010.

	12 month Weather Normalization	Monthly	Cum Chk	FERC 131 CASH
12/31/2009	$ 50,771,175		$ 50,771,175	$ 34,255,751
1/31/2010	$ 85,381,929	$ 34,610,754	$ 85,381,929	
2/28/2010	$ 87,483,710	$ 2,101,781	$ 87,483,710	
3/31/2010	$ 90,064,511	$ 2,580,801	$ 90,064,511	
4/30/2010	$ 77,766,253	$ (12,298,258)	$ 77,766,253	
5/31/2010	$ 89,322,808	$ 11,556,555	$ 89,322,808	
6/30/2010	$ 110,217,167	$ 20,894,359	$ 110,217,167	
7/31/2010	$ 120,481,846	$ 10,264,679	$ 120,481,846	
8/31/2010	$ 122,984,092	$ 2,502,246	$ 122,984,092	
9/30/2010	$ 129,422,439	$ 6,438,347	$ 129,422,439	
10/31/2010	$ 107,322,526	$ (22,099,913)	$ 107,322,526	
11/30/2010	$ 99,387,740	$ (7,934,786)	$ 99,387,740	
12/31/2010				?
1/31/2011				
2/28/2011				
3/31/2011				
4/30/2011				
5/31/2011				
6/30/2011				
7/31/2011				
8/31/2011				
9/30/2011				
10/31/2011				
11/30/2011				
12/31/2011				?

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Difference Allowed ROE	11.00%	10.00%	0.48%
Difference in Over Earnings			75,462,240
Check			107,967,052
			-
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Short Term Debt			0.02%
Preferred Stock			0.00%
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Subtotal			1.74%
Pro Forma ROR Less Non Equity Cost			5.27%
Pro Forma Common Equity Ratio			46.12%
Pro Forma Return on Common Equity Company w/o Weather Norm Adj.			11.43%

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Customer Deposits	554,628,290
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Investment Tax Credits	3,698,499
Total	16,362,315,134
Capital Ratio	
Long Term Debt	28.72%
Short Term Debt	3.32%
Preferred Stock	0.00%
Customer Deposits	3.39%
Common Equity	46.12%
Deferred Income Tax	18.42%
Investment Tax Credits	0.02%
Total	100.00%
Cost of Capital	
Long Term Debt	5.27%
Short Term Debt	0.56%
Preferred Stock	0.00%
Customer Deposits	5.97%
Common Equity	10.00%
Deferred Income Tax	0.00%
Investment Tax Credits	7.57%

Return on Equity (ROE)	ROE	ROE	ROE
Weighted Cost Adjudicated	11.00%	10.75%	10.00%
Long Term Debt	1.51%	1.51%	1.51%
Short Term Debt	0.02%	0.02%	0.02%
Preferred Stock	0.00%	0.00%	0.00%
Customer Deposits	0.20%	0.20%	0.20%
Common Equity	5.07%	4.96%	4.61%
Deferred Income Tax	0.00%	0.00%	0.00%
Investment Tax Credits	0.00%	0.00%	0.00%
Total	6.81%	6.69%	6.35%

Confidentiality Statement

The documents accompanying this telecopy transmission contain information which is confidential and/or legally privileged. The information is intended only for the use of the individual or entity named on this transmission sheet. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this telecopied information is strictly prohibited, and the documents should be returned. In this regard, if you received this telecopy in error, please contact the sender by reply E-mail and destroy all copies of the original.

From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Monday, November 22, 2010 11:25 AM
To: 'John.Butler@fpl.com <John.Butler@fpl.com>'; 'ken.rubin@fpl.com'; 'Pat.Brian@fpl.com'

Cc: 'Charles_Sieving@fpl.com'; 'Lew_Hay@fpl.com'
Subject: Withdrawal of the Confidential Classification of Provisional Electric Forecasted Earnings Surveillance Report / Questions regarding the forecast assumptions

Dear Mr. Butler, Mr. Rubin and Mr. Brian,

Thanks for your patience in this matter.

I left a voicemail on Friday and sent quick email regarding this report (Docket 080677-EI Document number 09517-10). I am sorry I could not speak to you on Friday. I was in the middle of a phone interview for a CFO position.

Thank you for a copy of the Provisional Electric Forecasted Earnings Surveillance report. I noticed that the information contains the exact same pages that are in the normal operating report (Rate of Return Surveillance report 24 pages including the cover letter (12/31/2008)). The provisional report contains 7 pages. I would expect to see that these similar reports will be provided with the final order in this case.

Here are some preliminary questions regarding the Provisional Electric Forecasted Earnings Surveillance Report. Did the company prepare any 2011 and 2012 forecasted earnings surveillance reports? This would be needed to see if there would be further cost of service reductions in the years that the base rates would be set if the Settlement and Stipulation agreement was approved based upon the 2010 forecasted earnings surveillance report. If there are other reduction(s) in cost in the years in which the base rates are frozen then the customer might not see a benefit for these reduction since there is no forecast to show what will happen in 2011 and 2012. Will there be an excess earning test to keep track of any future over earnings?

How come the long term debt assumption is 5.8%? Is this assumption for 2010? If so, are there any plans to refinance the debt for 2011 and 2012? If so, and the cash rates are set will the customer receive the benefit of the refinancing of this debt through a cash rate reduction in base rates or will this reduction be returned through an excess earnings mechanism?

Are there any plans to refinance the debt to lower interest rates with the current economic climate? If so, then how come we do not see any reduction in the overall cost of Long term debt cost rate below? Is this due to not being able to refinance this during 2010 since we are already in November?

If there are no plans to refinance the Long term debt below did they ask the financial community if there was an opportunity to refinance any of their debt? Have they completed any economic analysis regarding the impacts of retiring higher cost long term debt with refinancing this debt at lower interest rates? This would include early retirement costs that the company would have to potentially pay with the refinancing and early retirement of the existing debt? Are there plans to refinance in 2011 and 2012? If so, then the customer would not see a reduction for this in their cash base rates since the rates will be set based upon the 2010 test year and the assumption that have been provided in the Provisional Electric Forecasted Earnings Surveillance report.

If the commission decides to use an Excess Earnings mechanism to return any cost reductions/interest savings to its customers what will be the annual rate of return (carrying charges) that will recorded to FERC Account 253 (deferred credits)? This amount should equal the same rate of return as the actual overall cost of money or the customer might not receive the full benefit for the refinancing of the debt. If this was trued up into base rates then the customer would receive the full benefit therefore any carrying charges calculated on excess earnings should be at the overall cost of money.

There is an adjustment of $525,901 ($610,457-$84,556 ($000's)) to reduce the total long term debt outstanding. Do we know what this adjustment represents? Is this a normal retirement of debt? By the nature of this adjustment the debt to equity ratio will change. The equity component will increase therefore increasing the equity component. This will translate to increased revenue requirements. Are there any plans to issue new debt? What would be the targeted debt to equity ratio that the company would expect to maintain? Do we know what the interest rate impact for a ratings change at the company if the company issues more debt?

Any change in the debt to equity ratio will impact revenue requirements. If you just reduce the debt below without a change in interest rates then the equity component of the debt to equity ratio will increase therefore increasing revenue requirements. If the cash rates are set in 2010 without taking into account any future change in debt/equity ratio based upon any issuance or refinancing of debt then how will any potential cost savings be given back to the customer? Will this be refunded through an excess earnings test? If so, at what rate of return will the carrying charges be calculated at to refund this money?

With the depreciation reserve surplus amortization below, what would be the difference between the amortization below of $30,000 and the original amount as set by the Florida public Service Commission? According to note 3 it indicates that this "Assumes FPSC approval of the August 20, 2010 Stipulation and Settlement Agreement. Does this represent $30 million since there is no ($000's) on the top of the Forecast Assumption page. Is this an annual amount of amortization? If this is an annual amortization how come it is significantly lower than the original amount as set by the original order? The original order has indicated that there will be a base rate increase of $75 million but a depreciation amortization that is $500 million over 4 years or $125 million per year for 4 years. In addition, there was $394.6 million being amortized at $17.9 million over 22 years. If the $30,000 represents $30 million then does this replace the original amortization?

I noticed that the 30 day commercial paper rate of .S% has been put onto the assumption page. What specific items are being considered with this interest rate assumption?

What annual interest rate assumptions (carrying charges) are being used to calculate the carrying charges for the any recovery clause that is being collected in base rates but is being returned through a separate recovery clause? (i.e fuel recovery clause, nuclear uprate recovery clause etc.) Are these rates lower than the overall cost of money?

If I have any additional questions I will let you know.

I have sent prior emails to both Mr. Hay and Mr. Sieving regarding the holding company structure at the company as well as the same type of questions that has been asked in the email above.

Again thank you for sending me the information and I am looking forward to hearing from the company.

Hopefully there are no typo(s).

If you have any questions regarding this email please do not hesitate to email me at rpjrb@yahoo.com or give me a call at 954-340-4956.

Thanks,

Robert H. Smith

This schedule below has been sent to the Commission in my email dated May 13th, 2010.

Surplus Amort	1,208.8			
Less: Recov. Sch	(314.2)			
	894.6			
Less Credits	(500.0)	Amortize at $125 m over 4 yrs		
	394.6	Amortize at $17.9 m over 22 yrs		
Sites to Recovery Sched.	Plant in Service	Reserve Balance	Rem Plant	
Cape Canaveral Site	187.5	(152.2)	35.3	
Riviera Site	103.7	(94.1)	9.6	
	291.2	(246.3)	44.9	
Recovery Schedule				
As per Above	314.2			
Cape & Riviera Site	44.9	Are these going to be added to the new repowered generating units? If so then, then how is the new cost going to take into account the old book costs for ledger 3 purposes? Since they have been fully recovered by the surplus reserve is the new ledger 3 amounts only going to reflect the new costs only? How is the vintage year issues being addressed for the old costs? If it will reflect only the new costs then all old ledger 3 amounts will be removed. This might not follow GAAP since from a strict asset perspective these assets might still exist with the new repowered generating units. How will the going forward depreciation reflect the vintage year issue?		
Nuclear Uprates	168.2	Removed from Base Rates. Recovered through Nuclear Cost Recovery Clause. Removed from RateBase? Calculated Carrying Charges? Will the cash recovery in Base rates equal the new recovery in cash rates based upon the new Nuclear Cost Recovery Clause? Is this a break even for cash recovery or has the amount of time to recover these costs changed?		
Obsolete Meters	101.1	Retired. Is there any salvage money that can be recovered for the scrap sale or sale of these meters? Will there be any cost of removal or are these being left in place? If they are being left in place then and they will be considered fully recovered will ledger 10 be adjusted to match ledger 3 to keep track of these assets? Ledger 3 plant should match ledger 10 accumulated depreciation reserves. These should be kept on the books until they are removed/sold or scrapped. Any money should be credited to the ratepayers.		
	314.2			

Based upon the above reduction of the Depreciation Surplus/OverRecovery it appears that the Recovery Schedule items are being reduced against surplus refund immediately. What is going to be done with these plants? Are they being retired or sold?
If they are going to be sold then if there is any gain on the sale of the plants then this would have to be refunded to the ratepayer.
If these plants are not sold, what would be the new recovery period for these plants since it appears that they are being moved out of the normal depreciation recovery?
Are they going to remain in Ledger 3 for book purposes since the normal depreciation recovery will be stopped?

C. OTHER CORPORATE ASSUMPTIONS

INTEREST RATES -	
1) 30 DAY COMMERCIAL PAPER	**0.5%**
2) LONG TERM DEBT	**5.8%**
DEPRECIATION RESERVE SURPLUS AMORTIZATION (3)	**$30,000**

FLORIDA PUBLIC SERVICE COMMISSION
ELECTRIC FORECASTED EARNINGS SURVEILLANCE REPORT
CAPITAL STRUCTURE ($000'S)
FPSC ADJUSTED BASIS

SCHEDULE 3
PAGE 1 OF 1

Company: Florida Power & Light Company and Subsidiaries
Year 2010

AVERAGE	SYSTEM PER BOOKS	RETAIL PER BOOKS	ADJUSTMENTS PRORATA	ADJUSTMENTS SPECIFIC	ADJUSTED RETAIL	RATIO	LOWPOINT COST RATE	LOWPOINT WEIGHTED COST	MIDPOINT COST RATE	MIDPOINT WEIGHTED COST	HIGHPOINT COST RATE	HIGHPOINT WEIGHTED COST
LONG TERM DEBT	$5,610,039	$5,388,646	$84,556	($610,457)	$4,862,945	29.02%	5.32%	1.54%	5.32%	1.54%	5.32%	1.54%
SHORT TERM DEBT	498,874	486,628	8,611	0	495,240	2.95%	0.75%	0.02%	0.75%	0.02%	0.75%	0.02%
PREFERRED STOCK	0	0	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
CUSTOMER DEPOSITS	546,611	546,385	9,651	0	555,036	3.31%	5.98%	0.20%	5.98%	0.20%	5.98%	0.20%
COMMON EQUITY	7,932,700	7,737,980	136,928	0	7,874,908	47.00%	9.00%	4.23%	10.00%	4.70%	11.00%	5.17%
DEFERRED INCOME TAXES	3,310,199	3,238,990	51,481	(327,718)	2,960,753	17.67%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TAX CREDITS WEIGHTED COST	78,796	77,985	111	(71,723)	6,373	0.04%	7.60%	0.00%	8.21%	0.00%	8.83%	0.00%
TOTAL	$17,878,220	$17,473,814	$291,338	($1,009,898)	$16,765,254	100.00%		6.00%		6.47%		6.94%

Company: Florida Power & Light Company
Month of: December 2008

LINE NO		CURRENT MONTH ACTUAL	CURRENT MONTH REV EST/ ACTUAL (b)	CURRENT MONTH DIFFERENCE AMOUNT	CURRENT MONTH DIFFERENCE %	YEAR TO DATE ACTUAL	YEAR TO DATE ESTIMATED/ ACTUAL (b)	YEAR TO DATE DIFFERENCE AMOUNT	YEAR TO DATE DIFFERENCE %
C	True-up Calculation								
1	Jurisdictional Fuel Revenues (Net of Revenue Taxes)	$ 481,992,385	$ 527,156,101	$ (45,163,716)	(8.6) %	$ 6,048,426,223	$ 6,163,762,754	$ (115,336,061)	(1.9) %
	Fuel Adjustment Revenues Not Applicable to Period								
2	a Prior Period True-up (Collected)/Refunded This Period	(6,610,188)	(6,610,188)	0	0.0 %	(79,322,258)	(79,322,258)	0	0.0 %
	b GPIF, Net of Revenue Taxes (a)	(749,368)	(749,368)	0	0.0 %	(8,994,819)	(8,994,819)	0	0.0 %
	c Prior Period True-up (Collected)/Refunded This Period	(24,207,221)	(24,207,221)	0	0.0 %	(121,036,106)	(121,036,106)	0	0.0 %
3	Jurisdictional Fuel Revenues Applicable to Period	$ 450,425,608	$ 495,589,323	$ (45,163,715)	(9.1) %	$ 5,839,073,340	$ 5,954,409,601	$ (115,336,061)	(1.9) %
4	a Adjusted Total Fuel Costs & Net Power Transactions (Line A-7)	$ 320,870,039	$ 330,597,200	$ (9,727,161)	(2.9) %	$ 6,081,078,500	$ 6,116,439,801	$ (35,361,301)	(0.6) %
	b Nuclear Fuel Expense - 100% Retail	0	0	0	N/A	0	0	0	N/A
	c RTP incremental Fuel - 100% Retail	0	0	0	N/A	0	0	0	N/A
	d D&D Fund Payments - 100% Retail	0	0	0	N/A	0	0	0	N/A
	e Adj Total Fuel Costs & Net Power Transactions - Excluding 100% Retail Items (C4a-C4b-C4c-C4d)	320,870,039	330,597,200	(9,727,161)	(2.9) %	6,081,078,500	6,116,439,801	(35,361,301)	(0.6) %
5	Jurisdictional Sales % of Total kWh Sales (Line B-6)	99.99306 %	99.99178 %	0.00072 %	0.0 %	N/A	N/A	N/A	N/A
6	Jurisdictional Total Fuel Costs & Net Power Transactions (Line C4e x C5 x 1.00065(b)] +(Lines C4b,c,d)	$321,056,321	$330,791,513	$ (9,735,192)	(2.9) %	$ 6,084,621,246	$ 6,120,012,059	$ (35,390,813)	(0.6) %
7	True-up Provision for the Month - Over/(Under) Recovery (Line C3 - Line C6)	$ 129,369,087	$ 164,797,810	$ (35,428,723)	(21.5) %	$ (245,547,906)	$ (165,602,658)	$ (79,945,248)	48.3 %
8	Interest Provision for the Month (Line D10)	(283,664)	(672,118)	388,454	(57.8) %	(10,051,683)	(10,681,919)	624,236	(5.8) %
9	True-up & Interest Provision Beg of Period-Over/(Under) Recovery	(294,472,066)	(250,191,144)	(44,280,922)	N/A	(79,322,258)	(79,322,258)	0	0.0 %
	a Deferred True-up Beginning of Period - Over/(Under) Recovery	(121,036,106)	(121,036,106)	0	0.0 %	(121,036,106)	(121,036,106)	0	0.0 %
10	a Prior Period True-up Collected/(Refunded) This Period	6,610,188	6,610,188	(0)	0.0 %	79,322,258	79,322,258	0	0.0 %
	b Prior Period True-up Collected/(Refunded) This Period	24,207,221	24,207,221	(0)	0.0 %	121,036,106	121,036,106	(0)	0.0 %
11	End of Period Net True-up Amount Over/(Under) Recovery (Lines C7 through C10)	$ (255,665,390)	$ (176,284,378)	$ (79,321,012)	45.0 %	$ (255,665,390)	$ (176,284,378)	$ (79,321,012)	45.0 %
D	Interest Provision								
1	Beginning True-up Amount (Lines C9 + C9a)	$ (415,508,172)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2	Ending True-up Amount Before Int. (C7+C9+C9a+C10)	$ (255,321,696)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
3	Total of Beginning & Ending True-up Amount	$ (670,829,868)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
4	Average True-up Amount (50% of Line D3)	$ (335,414,934)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
5	Interest Rate - First Day Reporting Business Month	1.49000 %	N/A	N/A	N/A	N/A	N/A	N/A	N/A
6	Interest Rate - First Day Subsequent Business Month	0.54000 %	N/A	N/A	N/A	N/A	N/A	N/A	N/A
7	Total (Line D5 + Line D6)	2.03000 %	N/A	N/A	N/A	N/A	N/A	N/A	N/A
8	Average Interest Rate (50% of Line D7)	1.01500 %	N/A	N/A	N/A	N/A	N/A	N/A	N/A
9	Monthly Average Interest Rate (Line D8 / 12)	0.08458 %	N/A	N/A	N/A	N/A	N/A	N/A	N/A
10	Interest Provision (Line D4 x Line D9)	$ (283,664)	N/A	N/A	N/A	N/A	N/A	N/A	N/A

NOTES (a) Generating Performance Incentive Factor is ($5,991,200) x 99.9387%) - See Order No. PSC-06-0830-FOF-EI.
(b) Per Revised Estimates from Mid-course correction filed on 11/17/08 and approved on 12/2/08 Agenda Conference.

Schedule A 2
Page 2 of 2

Confidentiality Statement

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Tuesday, February 08, 2011 8:01 PM
To: 'Curt Kiser'; 'Records Clerk'; 'Lisa Bennett'
Cc: 'Ann Cole'; 'Office Of Commissioner Edgar'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Office Of Commissioner Graham'; 'Office of Commissioner Balbis'; 'Office of Commissioner Brown'; 'rick.scott@eog.myflorida.com'; 'jennifer.carroll@eog.myflorida.com'
Subject: FW: Response to E-mail dated January 27, 2011 1:47 PM

Dear Mr. Kiser, Commissioner's, Ms. Bennett and Records Clerk,

I noticed that the December 2009 and 2010 Earnings Surveillance reports are now being populated. Is the rest of 2009 going to be populated?

We are still waiting for December 2010 in order to answer my questions about the depreciation amortization for the over recovery (12 months) 2010 as well as to see how the Weather Normalization Clause is going to reverse out. Based upon my previous email with regard to the 12 months 2009 the Weather Normalization amount was lower. It would be very interesting to see if this issue existed in 2009 and to see how it is going to reverse out from 2009 to 2010 as well.

Sorry for the typo below. I should have said 2009.

I will be working on how this has adjusted in 2010 tomorrow. I am curious to see how this adjustment is going to reverse out year to year.

I have the 2008 and 2010 ESR reports. The only ones that I am missing is the 2009 rest of the year. It will be interesting to take a look at this adjustment month to month which reflects the moving 12 month number. This way we can take a look at the adjustment on a monthly and annual basis. This will show the trend in seasonality which usually is a timing adjustment only. Since this would be a typical adjustment it appears that measuring the over earnings with this adjustment omitted does not make sense unless this adjustment is being reflected for ratemaking/GAAP earnings as I have indicated in detail in my email below.

What is the status of making my emails as part of the record?

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Monday, February 07, 2011 3:53 PM
To: 'Curt Kiser'; 'Records Clerk'; 'Lisa Bennett'
Cc: 'Ann Cole'; 'Office Of Commissioner Edgar'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Office Of Commissioner Graham'; 'Office of Commissioner Balbis'; 'Office of Commissioner Brown'; 'rick.scott@eog.myflorida.com'; 'jennifer.carroll@eog.myflorida.com'
Subject: FW: Response to E-mail dated January 27, 2011 1:47 PM

Dear Mr. Kiser, Commissioner's, Ms. Bennett and Records Clerk,

I noticed that the Weather Normalization adjustment has gone down for the 12 months ended December **2009**.

What is the status of populating all the ESR reports for 2009 and the rest of 2010?

When will the current files be updated with my latest email correspondence? It is February 7th, 2011 and the last email that I have sent was on February 3rd, 2011. The files should have been updated. Have the files been updated?

What is the level of depreciation amortization for the over recovery (12 months) that is being reflected in the December 2010 Earnings Surveillance report?

This is not transparent on the report and I would like to know what the total amount was for 2010.

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, February 03, 2011 12:57 PM
To: 'Records Clerk'; 'Lisa Bennett'; 'Curt Kiser'
Cc: 'Ann Cole'; 'Office Of Commissioner Edgar'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Office Of Commissioner Graham'; 'Office of Commissioner Balbis'; 'Office of Commissioner Brown'; 'rick.scott@eog.myflorida.com'; 'jennifer.carroll@eog.myflorida.com'
Subject: FW: Response to E-mail dated January 27, 2011 1:47 PM

Dear Commissioner's, Ms. Bennett, Mr. Kiser, and Records Clerk,

I noticed that the November 2010 ESR has been published on the web site for download. Thank you all for instituting this.

Will the rest of the ESR's be published? This would be furnished at no cost therefore this would be much cheaper. I am sure that all the reports can be scanned and published on the web site since it would be very cost effective for the process to be able to track the over earnings at the company.

I see that they have adjusted their pro forma Net Operating Income for the twelve months ended November 2010. This adjustment was for $99.4 million dollars.

If I recall in the testimony Florida Power & Light has made the argument that this adjustment will reverse out.

Based upon my previous experience with these cases normally the weather normalization clause was used for a ratecase filing to normalize the seasonal revenues for earnings purposes. Over the period of a rateyear forecast these usually reversed out by the end of the rateyear.

Since they are removing these revenues from the ESR calculation to calculate the over earnings at the company, did the company make an adjustment to their GAAP/ratemaking earnings to defer (253 Deferred Credit) these amounts to see if these reverse out by the end of the rateyear? If not, then by the end of the year these should be included in the final ESR report to calculate the over earnings.

The adjustment on the ESR is just an ESR adjustment for presentation purposes only if they did not in fact defer (253 Deferred Credits) these revenues on the Companies GAAP/ratemaking (FERC) books for the Utility.

According to the testimony the company had indicated that these will reverse out. What time frame are they talking about? By the end of the year if these are not deferred for GAAP/ratemaking (FERC) they should be included in the over earnings test. This might put the company into an over earnings position for 2010 which would be subject to commission review for the disposition of these over earnings.

As I have indicated based upon the receipt of the November 2010 ESR over earnings report on January 18th, 2011 the ruling on the over earnings in this proceeding on January 11th, 2011 might have been a premature decision.

Did the commission have electronic access to the November 2010 report before the January 18th, 2011? Was this through electronic means?

Where is the December 2010 ESR over earnings report to substantiate the reversal of the Weather Normalization Adjustment as they have indicated in their testimony?

If this does not occur by the end of the year (rateyear) then the December 2010 ESR report should reflect these revenues (Weather Normalization Adjustment) and they should be subject to the overearnings calculation.

The argument that the over earnings should not be held or reviewed for disposition based upon the agreement with the Stipulation and Settlement agreement does not make sense.

The reason for this is that the Stipulation and Settlement agreement identified a range of allowed return on equity that the company was going to be allowed to earn for the period in the Stipulation and Settlement agreement. If there are any over earnings above the agreed upon 11% rate of return then these should be deferred and subject to review for disposition. The Stipulation and Settlement agreement allows the company to file another rate proceeding if the return on equity falls below the minimum (9%) as required by the Stipulation and Settlement agreement.

This appears to be a one sided approach.

Why should the company expect to keep any over earnings (above 11%) related to the Weather Normalization adjustment if they do not reverse out by the end of the year (rateyear)?

The agreement gives them a range to adjust the reversal of the over recovery of depreciation to allow them to earn at the agreed upon 11% rate of return. The intent of the Stipulation and Settlement agreement was to allow the company to use the over recovery of the depreciation to earn at the 11% rate of return. This was to ensure that the over recovery in cash rates was going to be returned to the customer.

It would not make sense that an argument would be used that the Stipulation and Settlement agreement would cover any over earnings above the 11% return on equity for the term of the agreement.

Based upon the Stipulation and Settlement agreement language below it indicates "Other key provisions of the Settlement Agreement include, but are not limited to: (a) the ability of the Signatories other than FPL to initiate a rate proceeding during the term of the Settlement Agreement if the FPL's surveillance reports show that it is earning a return on common equity ("ROE") above 11% and for FPL to do so if its ROE fall below 9%;"

This would lead me to believe that any over earnings above the 11% threshold would be subject to review and should be held for disposition. I think that the intent of the agreement is that they should be using the over recovery of depreciation to bring the company to the 11% agreed upon ROE so that the over funding of the depreciation is being returned to the customer. Based upon the language below would also support that a review of the over earnings would be warranted if they are earning over their 11% return on common equity ("ROE"). The language in the agreement below supports this position.

I am sure that FPL would initiate a rate proceeding if their return on common equity ("ROE") was below the 9%. This should work for anything over the 11% as well.

> 3. The Settlement Agreement provides, among other things, that FPL's base rates will remain at existing levels, except as otherwise provided for in the Settlement Agreement, through the last billing cycle of 2012. Other key provisions of the Settlement Agreement include, but are not limited to: (a) the ability of the Signatories other than FPL to initiate a rate proceeding during the term of the Settlement Agreement if FPL's surveillance reports show that it is earning a return on common equity ("ROE") above 11% and for FPL to do so if its ROE falls below 9%; (b) flexibility for FPL to vary the annual amortization of theoretical depreciation reserve surplus, subject to constraints that are intended to keep FPL's ROE within the previously approved range of 9% to 11% and to limit FPL's amortization to $776 million out of the total $894 million of reserve surplus during the term of the Settlement Agreement; and (c) the ability

Please let me know when December 2010 will be available (February 12th, 2011?).

I would like to see if the Weather Normalization Adjustment has reversed out by the end of the year or if not, when will they reverse out? You have to remember that any over earnings should be maintained in the company's Utility cash account (131 FERC account). I need to see the full year to determine how the Weather Normalization adjustment has changed monthly to see if the accumulated cash was being maintained in the cash (131) account. This would be the only way to see the monthly change of cash flow. Based upon this type of analysis if the Weather Normalization adjustment does not reverse out by the end of the year then the cash (131) account should have an accumulated balance of this excess cash since any revenues over the 11% would be subject to review and disposition based upon the Stipulation and Settlement agreement. I know that based upon my legal interest I would want an over earnings review if they earned above the 11% return on equity from both a ratepayer and shareholder's perspective. The reason for this is if the company has over earned above it allowed 11% then the company should be maintaining the excess cash in its cash account (131). From a ratepayer perspective they would be interested in a refund of their money. From a shareholder perspective they would want to know if there is any exposure related to these over earnings from a cash flow perspective.

I cannot fully see this until I see the final December 2010 ESR report.

Will the rest of the ESR's be published? (2009, 2010, 2011) These can be scanned and populated on the web site just like the November 2011 ESR.

This will allow parties all parties with a legal interest to be able to obtain these types of documents at no cost.

As I have indicated based upon the receipt of the November 2010 ESR over earnings report on January 18th, 2011 the ruling on the over earnings in this proceeding on January 11th, 2011 might have been a premature decision.

I think that we would have to take a look at what December 2010 shows.

What is the level of depreciation amortization that is being reflected in the Earnings Surveillance reports (ESR)? This is very pertinent to what is being presented. This is flowing through the Depreciation and Amortization Section. This adjustment should be disclosed to show the user of the report what the actual level of depreciation over recovery amortization is. If this is not disclosed the transparency needed to identify the actual return of the cash over recovery will not be transparent. This will also have an impact on the actual overearnings that is being presented in the ESR report since the company based upon the Stipulation and Settlement agreement is allowed to control the level of depreciation over recovery amortization. It is very important to know what the cash impact is on the return of the depreciation over recovery. Depending on the level of depreciation over recovery amortization this can have an impact on the return on equity that is being furnished in the Earnings Surveillance reports. A person would not have the transparency needed to see how much of this has been returned to the customer. This can also have an impact on any over earnings above the 11% return on equity ('ROE").

This is just for 2010.

I do not know about 2009 until I take a look at the reports. I am starting with 2010 for cost reasons.

I still want to take a look at the cash impacts of the tax payments as well. If there is anything that comes up as I review the November 2010 ESR I will let you know.

Please let me know when the rest of the information will be available.

Please let me know when all the Docket files will be updated with any new email correspondence that I have sent to the Commission.

Thanks,

Robert H. Smith

2/3/2011 PSC Company Information Company C...

Company: Florida Power & Light Company

Currently Regulated by the Florida Public Service Commission

Company Code	EI802
Regulated Counties	No county information
Name	Florida Power & Light Company
Certificates	No certificates issued
Address	215 South Monroe Street, Suite 810 Tallahassee, FL 32301-1858

Home Page http://www.fpl.com

Current Open Dockets
View Associated Open Dockets (24)

Current Closed Dockets
View Associated Closed Dockets (652)

Annual Reports (ARs) Year	File Name	File Size	56K modem	Broadband
2000	EI802-00-AR.PDF	31.8 MB	1 hr 19 min 34 sec	1 min 32 sec
2001	EI802-01-AR.PDF	31.6 MB	1 hr 19 min 4 sec	1 min 31 sec
2002	EI802-02-AR.PDF	28.3 MB	1 hr 10 min 46 sec	1 min 22 sec
2003	EI802-03-AR.PDF	36.7 MB	1 hr 31 min 34 sec	1 min 46 sec
2004	EI802-04-AR.PDF	33.7 MB	2 hr 14 min 9 sec	2 min 33 sec
2005	EI802-05-AR.PDF	60.4 MB	2 hr 30 min 52 sec	2 min 52 sec
2006	EI802-06-AR.PDF	58.5 MB	2 hr 25 min 33 sec	2 min 46 sec
2007	EI802-07-AR.PDF	19 MB	47 min 39 sec	56 sec
2008	EI802-08-AR.PDF	15.6 MB	38 min 96 sec	47 sec
2009	EI802-09-AR.PDF	31 MB	1 hr 17 min 22 sec	1 min 38 sec
1997	EI802-97-AR.PDF	24.7 MB	1 hr 1 min 46 sec	1 min 12 sec
1998	EI802-98-AR.PDF	16.2 MB	41 min 43 sec	50 sec
1999	EI802-99-AR.PDF	16.6 MB	41 min 37 sec	50 sec

Earnings Surveillance Reports (ESRs) Month/Year	File Name	File Size	56K modem	Broadband
Nov 2010	EI802-11-10-ESR.PDF	437 KB	1 min 7 sec	14 sec

Tariff Website Not available

www.psc.state.fl.us/.../details.aspx?co... 1/1

FLORIDA PUBLIC SERVICE COMMISSION

10

VOTE SHEET

January 11, 2011

Docket No. 100410-EI – Review of Florida Power & Light Company's earnings. (Deferred from the December 14, 2010 Commission Conference.)

Issue 1: Should the Commission initiate a review of Florida Power & Light Company's earnings?
Recommendation: Yes.

DENIED

Issue 2: Should the Commission order FPL to hold earnings, for the 12-month period ending March 31, 2011, in excess of the authorized 11.00 percent maximum of the ROE range subject to refund under bond or corporate undertaking?
Recommendation: Yes. The Commission should order FPL to hold earnings, for the 12-month period ending March 31, 2011, in excess of the authorized 11.00 percent maximum of the ROE range subject to refund under a corporate undertaking.

DENIED

COMMISSIONERS ASSIGNED: All Commissioners

COMMISSIONERS' SIGNATURES

MAJORITY	DISSENTING

REMARKS/DISSENTING COMMENTS:

03275 JAN 31

PSC/CLK Form (Rev 03/07)

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, February 02, 2011 8:55 AM
To: 'Records Clerk'; 'Lisa Bennett'; 'curt.kiser@psc.state.fl.us'
Cc: 'Ann Cole'; 'Office Of Commissioner Edgar'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Office Of Commissioner Graham'; 'Office of Commissioner Balbis'; 'Office of Commissioner Brown'; 'rick.scott@eog.myflorida.com'; 'jennifer.carroll@eog.myflorida.com'; 'Curt Kiser'
Subject: FW: Response to E-mail dated January 27, 2011 1:47 PM

Dear Records Clerk,

Do you have November 2010 and December 2010 Earnings Surveillance reports?

How did the commission rule on the over earnings without the November 2010 and December 2010 Earnings Surveillance reports?

Did someone at the commission receive this information electronically? I would think that based upon the testimony in which staff recommended that the over earnings should be deferred that they had this information to determine this position.

If it is not available in a paper format as indicated, then how would the staff and/or the commissioners come up to the conclusion to not defer the over earnings until all the proper due diligence was completed?

I have not heard back.

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, January 28, 2011 2:19 PM
To: 'Records Clerk'; 'Lisa Bennett'
Cc: 'Ann Cole'; 'Office Of Commissioner Edgar'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Office Of Commissioner Graham'; 'Office of Commissioner Balbis'; 'Office of Commissioner Brown'; 'rick.scott@eog.myflorida.com'; 'jennifer.carroll@eog.myflorida.com'; 'Curt Kiser'
Subject: FW: Response to E-mail dated January 27, 2011 1:47 PM

Dear Records Clerk,

I noticed a **typo** below.

What is the status of an answer to the email below with regard to the actual counts and when the 2010 information will be fully available?

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, January 28, 2011 9:29 AM
To: 'Records Clerk'; 'Lisa Bennett'; 'skiser@psc.state.fl.us'
Cc: 'Ann Cole'; 'Office Of Commissioner Edgar'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Office Of Commissioner Graham'; 'Office of Commissioner Balbis'; 'Office of Commissioner Brown'; 'rick.scott@eog.myflorida.com'; 'jennifer.carroll@eog.myflorida.com'
Subject: RE: Response to E-mail dated January 27, 2011 1:47 PM

Dear Commissioner's and S. Curtis Kiser,

I need legal to answer this since this would be an electronic discovery issue.

Please have legal provide me a response to my email correspondence below.

I need a sign-off from legal that no electronic earnings surveillance reports have been sent by the Utility to the Commission. If they have been sent by email then the least cost approach based upon 119.01 (2) and 119.011 (1) if the information is available it would have to be sent electronically based upon the following schedule?

If there are any electronic documents then they would be free of charge. I am unemployed. I am working on public service initiatives for the benefit of the general public. I need an answer from legal why Federal Preemption would not take precedence over State law. I know that at the Federal level it appears that preemption should take care of the fee waiver. I will forward this correspondence to FERC for an opinion on this issue since I am trying to find out based upon the FERC form 1 cash balances to Earnings Surveillance reports reconciliation for months that there were over earnings that the cash has been maintained in the Utility (131) account. If not, then a reconciliation of the cash would be warranted to account for the over collection of approximately $400 million dollars of cash. If based upon my reconciliation I find that the over earnings was mostly accumulated in the last months of 2010 then a monthly cash reconciliation from both the PSC and the Utility would be warranted to account for where the $400 million dollars is residing or has been spent.

This is a very important issue and I will be following up with FERC regarding this issue.

Section 119.01 (2), that if the records are available in an electronic format that the records should be provided in the "most cost-effective and efficient manner available to the agency providing the information".

Based upon 119.011 (1) it indicates "Public records" means all documents, paper, letters, maps, books, tapes, photographs, films, sound recordings, data processing software, or other material, regardless of the physical form, characteristics, or means of transmission, made or received pursuant to law or ordinance or in connection with the transaction of official business by any agency." This would mean email communication as well.

I need all of the Earnings Surveillance reports for 2010 therefore when all the information is available and the answers to all the questions below are answered we can then proceed with the request. I need a legal opinion from legal to support that there are no other electronic communications with regard to any work related to these Earnings Surveillance reports.

STATEMENT OF AGENCY ORGANIZATION & OPERATIONS

COPYING CHARGES FOR COMMISSION RECORDS

Copies of Documents		
§ 119.07(2)(a), F.S.	Records provided electronically	no charge
§ 119.07(4)(a)1, F.S.	Single-sided pages	$ 0.15
§ 119.07(4)(a)2, F.S.	Duplexed pages	$ 0.20
§ 119.07(4)(c), F.S.	Certified copies	$ 1.00 each
§ 28.24(27), F.S.	Certified or registered mailing	cost of mailing
§ 350.06(6), F.S.	Where fee would be < $ 1.00	no charge
Florida State Agencies		
§ 28.24(12)(e)1, F.S.		no charge
All court records are the property of the State of Florida. The clerk of the court shall not charge for copies generated by CMS or held by the court.		
§ 119.011(2), F.S.		
"Agency" means any state, county, district, authority, or municipal officer, department, division, board, bureau, commission, or other separate unit of government created or established by law.		
Media Charges		
§ 119.07(4)(a)3, F.S.	Thumb drive	$ 10.00 each
	Video tape	$ 2.56 each
	Audio tape	$ 0.46 each
	DVD	$ 0.60 each
	CD	$ 0.19 each
§ 350.06(6), F.S.	Where fee would be < $ 1.00	no charge

Dear Records Clerk,

Did you forward the email correspondence to legal for a response? There are very specific questions regarding electronic email communications between staff and the Utility. Is your area the area that would handle this request? I think that based upon the previous information request logs that a determination should be able to be determined if there was any electronic communications between staff and the Utility with regard to any emails with any Earnings Surveillance reports as attachments.

We will start to work our way backwards since the primary concern is the over earnings for 2010.

Where is the rest of 2010? I need the last couple of months. November 2010 should have been received by about January 15th, 2011. December 2010 should have been received by about February 15th, 2011.

Based upon the PSC rule 25-6.1352 Earnings Surveillance Report each month's reports should be filed based upon the time requirements listed in the rule. I am sure that by February 12th, 2011 **that both the November 2010 and December 2010 reports would be** available.

Did the company ask for an extension?

Based upon what I have in my possession for 2008 it appears that there is approximately 12 pages which are duplex pages per month.

Why is the estimate below much higher by month? Are you counting each side of the page? Each two sided page would be considered one duplex page.

Are there any blank pages in which there is only one side of information? If so, then I do not want to be charged for a blank page.

What about the forecasted Earnings Surveillance Report based upon rule 25-6.1353?

2010
Jan-Feb - 19
Mar - 24
Apr-Jun - 19
Jul - 20
Aug-Oct - 19
Total 196 - Estimated cost is 98 pages X .20 per duplexed page = $19.60

25-6.1352 Earnings Surveillance Report.

(1) Each investor-owned electric utility shall file rate of return data using Commission Form PSC/ECR 14 (6/94), which is incorporated by reference into this rule. Form PSC/ECR 14, entitled "Investor-Owned Electric Utility Earnings Surveillance Report," may be obtained from the Commission's Division of Economic Regulation.

(2) The report shall be filed:

(a) Monthly, by the 15th day of the second month following the reported month for electric utilities with 50,000 or more customers.

(b) Quarterly, by the 15th day of the second month following the reported quarter for electric utilities with less than 50,000 customers.

(3) A utility may file a written request for an extension of time with the Division of Economic Regulation prior to the due date of the report. One extension of 31 days will be granted upon request. A request for Commission approval of a longer extension must be accompanied by a statement of good cause and shall specify the date by which the report will be filed.

Specific Authority 350.127(2), 366.05(1) FS. Law Implemented 350.117(1), 366.04(2)(f) FS. History–New 6-9-94, Amended 3-14-96.

25-6.1353 Forecasted Earnings Surveillance Report.

(1) Each investor-owned electric utility that is not under an incentive regulation plan or not subject to an earnings cap shall file with the Commission its forecasted financial information on Commission Form PSC/ECR 22 (1/95) which is incorporated into this rule by reference. Form PSC/ECR 22, entitled "Investor-Owned Electric Utility Forecasted Earnings Surveillance Report", may be obtained from the Commission's Division of Economic Regulation. The report shall be verified by the responsible officer of the utility making the report. The report shall be due on or before March 1 of each year, and shall contain the forecasted financial information for that calendar year.

(2) A utility may file a written request for an extension of time with the Division of Economic Regulation no later than March 1. One extension of 15 days will be granted upon request. A request for a longer extension must be accompanied by a statement of good cause and shall specify the date by which the report will be filed.

(3) If during the course of the forecast year the utility should revise its forecasted financial information as a result of a change in a forecast assumption such that its forecasted annual Return on Equity changes by more than 25 basis points, whether as a result of a single or several events or assumptions, the utility shall provide the Commission with the following information within 30 days of the revised forecast:

(a) A description of the revised forecast assumptions or other events that caused the forecasted return on equity to be revised.

(b) An estimate of the revised annual Return on Equity.

Specific Authority 350.127(2), 366.05(1) FS. Law Implemented 350.117(1), 366.04(2)(f), 366.05(1) FS. History–New 1-11-95.

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From: Ann Cole [mailto:ACOLE@PSC.STATE.FL.US]
Sent: Friday, January 28, 2011 8:06 AM

To: rpjrb@yahoo.com
Cc: Dorothy Menasco
Subject: Response to E-mail dated January 27, 2011 1:47 PM

Dear Mr. Smith,

In response to your e-mail directed to the Records Clerk, please note that the Charges for Commission Copies were revised by the Florida Public Service Commission on September 13, 2010. These charges were placed on the Web site and in the Statement of Agency Organization and Operation, pursuant to the requirements of Rule 28-101.001(1)(c), Florida Administrative Code.

FPL ESR pages are as follows:

2009
Jan-Oct - 19
Nov-Dec - 24
Total 239 - Extimated cost is 120 pages X .20 per duplexed page = $24.00

2010
Jan-Feb - 19
Mar - 24
Apr-Jun - 19
Jul - 20
Aug-Oct - 19
Total 196 - Estimated cost is 98 pages X .20 per duplexed page = $19.60

Depending on the amount of staff time it takes to copy the requested records, a special service charge of $11.29, per hour, may be included in the Invoice. Please note that this information is not an official Invoice for services, but an estimate of charges.

I will await further instructions from you regarding this request.

Sincerely,
Ann Cole, Commission Clerk
Office of Commission Clerk

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, January 27, 2011 1:47 PM
To: Records Clerk
Cc: Ann Cole; Office Of Commissioner Edgar; Office Of Commissioner Graham; Office of Commissioner Brisé; Office Of Commissioner Graham; Office of Commissioner Balbis; Office of Commissioner Brown; rick.scott@eog.myflorida.com; jennifer.carroll@eog.myflorida.com
Subject: FW: Freedom of Information Act Request (FOIA), 5 U.S.C. § 552 / Actual Earnings Surveillance Reports as filed by Florida Power & Light / Docket 080677 /Docket 100009/110009 / Docket 100410

Dear Records Clerk,

This PSC log was sent with another email that was cut off with the previous response below. I sent it again to find out why my charges would not conform to the similar requests below.

Here is a PSC log in which the charges were significantly less. How come my charges would not be similar or match what is in the logs?

These are 2010 requests. Are you indicating that Documents + 2 CD's are going to cost less than my request? Why?

The same Florida Statutes were in effect when these requests have been answered. Correct?

Please break out the charges by year. How much would it cost for 2010 and 2009?

Thanks,

Robert H. Smith

In that many document requests are responded to directly during the normal course of business

Requested By	Rec'd	Ackn'd.	Docket or Subject Matter	Status	Completed	Charges

Requested By	Rec'd	Ackn'd.	Docket or Subject Matter	Status	Completed	Charges
			2010; and any further communications or			

10.	Mary Ellen Klas	03/04/10 as modified	03/04/10	All written requests for information, including but not limited to public records requests, made between 02/01/10 and 03/03/10.	E-mailed PRRs. Faxed documents requests.	03/05/10 03/08/10	n/a n/a
11.	Mary Ellen Klas	03/08/10	03/08/10	Copies of the documents provided to Diana Caldwell as a result of her 03/02/10 PRR, and any other documents, e-mails and other information provided to Ms. Caldwell and Senate Committee on Communications, Energy, and Public Utilities since 02/01/10.	Documents+2 CDs E-mailed responsive documents	03/09/10 3/16/08	$12.75 n/a
12.	Julie Patel	03/08/10 03/09/10	03/09/10 03/09/10	1. A copy of all information (documents relate to the Inspector General's investigation of the November 6 fuel hearing) provided recently to Diana Caldwell, from the Senate's utilities committee. 2. Inspector General's letter to FDLE.	1. Documents +2 CDs mailed 2. Exempt pursuant to 119.08(1), F.S. and 24(a), Art 1 of the State Constitution.	03/15/10	$12.75
34.	Mary Ellen Klas	07/12/10 (received after 5:00 pm)	07/13/10	Copies of any internal memos sent to staff between May 1st and July 12th from Chairman Argenziano, Commissioner Skop, or Commissioner Edgar.	Completed; e-mailed.	07/16/10	n/a
7.	Diana Caldwell	03/02/10	03/02/10	All documents, letters, memorandum, e-mails, and any other information related to a preliminary investigation of an internal ex parte communication complaint initiated around January 26.	Documents+2 CDs	03/05/10	n/a

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Thursday, January 27, 2011 12:28 PM
To: 'Records Clerk'
Cc: 'Ann Cole'; 'Office Of Commissioner Edgar'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Office Of Commissioner Graham'; 'Office of Commissioner Balbis'; 'Office of Commissioner Brown'; 'rick.scott@eog.myflorida.com'; 'jennifer.carroll@eog.myflorida.com'
Subject: RE: Freedom of Information Act Request (FOIA), 5 U.S.C. § 552 / Actual Earnings Surveillance Reports as filed by Florida Power & Light / Docket 080677 /Docket 100009/110009 / Docket 100410

Dear Records Clerk,

Please let me know why there is a price change and why other requests have been released at no charge?

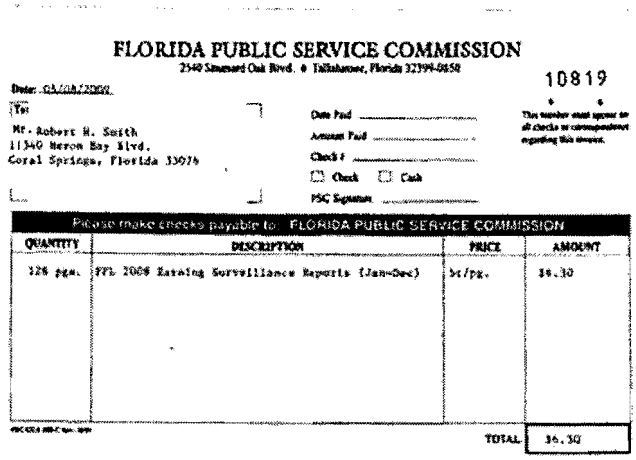
Based upon Federal Preemption under the Freedom of Information Act Request (FOIA), 5 U.S.C. § 552 this would be in the best interest of the general public therefore based upon Federal Preemption I am requesting a Fee waiver or for the information to be released based upon what I was charged previously. The Freedom of Information Act would apply to a State Agency since this would be covered under the Public Utility Holding Company Act of 1935 (PUHCA) or Public Utility Holding Company Act of 2005 ("PUHCA 2005"). This act is governed under FERC (Federal Energy Regulatory Commission). Since this would be covered under these both acts and the State would have to make sure that they are in compliance with this Act it appears that Preemption would cover a fee waiver. I am trying to track the cash balances as they relate to the earned returns at the company. I have asked for a tax payment reconciliation to see how the tax payments are being accounted for between regulated and non-regulated entities. This would be covered under the Federal Acts therefore preemption should afford a fee waiver since this would be the required "because furnishing the information can be considered as a primarily benefiting the general public".

There is no reason why the Commission should not release this information at a minimum cost and/or should not conform to Federal regulations with regard these issues.

Please let me know if the Commission will be providing a legal opinion why the Federal Acts would not preempt the State position.

I am unemployed and I will only pay a minimum cost. I need a records request for email communications between PSC Staff and the Utility to see if this information has been emailed to Staff. I think that legal should be able to answer this question. I was charged for 126 pages at 5¢/page for a total of $6.30. How many of the pages are blank? If there are no blank pages then the total charge should be based upon the previous invoice $21.70. If there are blank pages the total charges should be less.

Please answer why I am not being charged the same amount as last time. Why is there a change when the invoice was a 5/08/2009 invoice which at this time the same Florida Statutes were in effect?



FLORIDA PUBLIC SERVICE COMMISSION

2540 Shumard Oak Blvd. • Tallahassee, Florida 32399-0850

10819

Date: 03/08/2009

To:

Mr. Robert H. Smith
11340 Heron Bay Blvd.
Coral Springs, Florida 33076

Date Paid _____

Amount Paid _____

Check # _____

☐ Check ☐ Cash

PSC Signature _____

This number must appear on all checks or correspondence regarding this invoice.

Please make checks payable to: FLORIDA PUBLIC SERVICE COMMISSION

QUANTITY	DESCRIPTION	PRICE	AMOUNT
128 pgs.	FPL 2008 Earning Surveillance Reports (Jan-Dec)	$.25/pg.	$6.30
		TOTAL	$6.30

Section 119.01 (2), that if the records are available in an electronic format that the records should be provided in the "most cost-effective and efficient manner available to the agency providing the information".

Based upon 119.011 (1) it indicates "Public records" means all documents, paper, letters, maps, books, tapes, photographs, films, sound recordings, data processing software, or other material, regardless of the physical form, characteristics, or means of transmission, made or received pursuant to law or ordinance or in connection with the transaction of official business by any agency." This would mean email communication as well.

Please provide a legal response from the General Counsel that based upon looking at the all electronic logs at the Commission that this information is not available in any type of electronic format.

I am still waiting for a response to the rest of the emails. Please forward this email to the General Counsel at the Commission. I need a legal response from the Commission.

Please send me the email address of the General Counsel at the Commission.

Thanks,

Robert H. Smith

119.01 General state policy on public records.--

(1) It is the policy of this state that all state, county, and municipal records shall be open for personal inspection by any person.

(2) The Legislature finds that, given advancements in technology, providing access to public records by remote electronic means is an additional method of access that agencies should strive to provide to the extent feasible. If an agency provides access to public records by remote electronic means, then such access should be provided in the most cost-effective and efficient manner available to the agency providing the information.

(3) The Legislature finds that providing access to public records is a duty of each agency and that automation of public records must not erode the right of access to those records. As each agency increases its use of and dependence on electronic recordkeeping, each agency must ensure reasonable access to records electronically maintained.

(4) Each agency shall establish a program for the disposal of records that do not have sufficient legal, fiscal, administrative, or archival value in accordance with retention schedules established by the records and information management program of the Division of Library and Information Services of the Department of State.

119.011 Definitions.--For the purpose of this chapter:

(1) "Public records" means all documents, papers, letters, maps, books, tapes, photographs, films, sound recordings, data processing software, or other material, regardless of the physical form, characteristics, or means of transmission, made or received pursuant to law or ordinance or in connection with the transaction of official business by any agency.

(2) "Agency" means any state, county, district, authority, or municipal officer, department, division, board, bureau, commission, or other separate unit of government created or established by law including, for the purposes of this chapter, the Commission on Ethics, the Public Service Commission, and the Office of Public Counsel, and any other public or private agency, person, partnership, corporation, or business entity acting on behalf of any public agency.

119.02 Penalty.--A public officer who knowingly violates the provisions of s. 119.07(1) is subject to suspension and removal or impeachment and, in addition, is guilty of a misdemeanor of the first degree, punishable as provided in s. 775.082 or s. 775.083.

119.07 Inspection, examination, and duplication of records; exemptions.--

(1)(a) Every person who has custody of a public record shall permit the record to be inspected and examined by any person desiring to do so, at any reasonable time, under reasonable conditions, and under supervision by the custodian of the public record or the custodian's designee. The custodian shall furnish a copy or a certified copy of the record upon payment of the fee prescribed by law or, if a fee is not prescribed by law, for duplicated copies of not more than 14 inches by 81/2 inches, upon payment of not more than 15 cents per one-sided copy, and for all other copies, upon payment of the actual cost of duplication of the record. An agency may charge no more than an additional 5 cents for each two-sided duplicated copy. For purposes of this section, duplicated copies shall mean new copies produced by duplicating, as defined in s. 283.30. The phrase "actual cost of duplication" means the cost of the material and supplies used to duplicate the record, but it does not include the labor cost or overhead cost associated with such duplication. However, the charge for copies of county maps or aerial photographs supplied by county constitutional officers may also include a reasonable charge for the labor and overhead associated with their duplication. Unless otherwise provided by law, the fees to be charged for duplication of public records shall be collected, deposited, and accounted for in the manner prescribed for other operating funds of the agency. An agency may charge up to $1 per copy for a certified copy of a public record.

(b) If the nature or volume of public records requested to be inspected, examined, or copied pursuant to this subsection is such as to require extensive use of information technology resources or extensive clerical or supervisory assistance by personnel of the agency involved, or both, the agency may charge, in addition to the actual cost of duplication, a special service charge, which shall be reasonable and shall be based on the cost incurred for such extensive use of information technology resources or the labor cost of the personnel providing the service that is actually incurred by the agency or attributable to the agency for the clerical and supervisory assistance required, or both. "Information technology resources" shall have the same meaning as in s. 282.303(12).

119.10 Violation of chapter; penalties.--

(1) Any public officer who violates any provision of this chapter is guilty of a noncriminal infraction, punishable by fine not exceeding $500.

(2) Any person willfully and knowingly violating any of the provisions of this chapter is guilty of a misdemeanor of the first degree, punishable as provided in s. 775.082 or s. 775.083.

Confidentiality Statement

The documents accompanying this telecopy transmission contain information which is confidential and/or legally privileged. The information is intended only for the use of the individual or entity named on this transmission sheet. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this telecopied information is strictly prohibited, and the documents should be returned. In this regard, if you received this telecopy in error, please contact the sender by reply E-mail and destroy all copies of the original.

From: Dorothy Menasco [mailto:DMenasco@PSC.STATE.FL.US] **On Behalf Of** Records Clerk
Sent: Thursday, January 27, 2011 11:42 AM
To: rpjrb@yahoo.com
Cc: Ann Cole
Subject: RE: Freedom of Information Act Request (FOIA), 5 U.S.C. § 552 / Actual Earnings Surveillance Reports as filed by Florida Power & Light / Docket 080677 /Docket 100009/110009 / Docket 100410

Mr. Smith:

By e-mail of January 13, 2011, I advised you that the estimated charge for copying the documents you requested is $54.69. In response to this e-mail, you requested a fee waiver "based upon Federal Preemption under 5 U.S.C. § 552 Section 1803."

Please be advised that the Federal Freedom of Information Act does not apply to state agencies. Instead, the FPSC is governed by Chapter 119, Florida Statutes, Public Records. Pursuant to Section 119.07(4)(a), Florida Statutes, the FPSC's current charge for two-sided copies is .20¢ each. There is no charge if the total copy cost would be less than $1.00, but since your request is for 434 pages (217 duplexed), it does not fall within this provision. In addition, a special service charge for staff's copying time has been added as allowed by Section 119.07(4)(d), Florida Statutes. This information about charges is published on the FPSC's website, www.floridapsc.com (click on "Public Records Requests"). As you have been previously informed, we do not have this information electronically.

As previously instructed, please provide confirmation of whether you would like us to make the copies. On verification that you would like us to make the copies, we will begin the copying process, and the documents will be mailed to you on receipt of your payment.

As an alternative, Section 119.07(1), Florida Statutes, provides that you may come to the FPSC to inspect the documents, at any reasonable time, under reasonable conditions, and under supervision by the custodian of the public records. Please be advised that if you wish to copy any documents, the standard copy charges apply.

Dorothy Menasco
Deputy Clerk Supervisor
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

Please note: Florida has a very broad public records law. Most written communications to or from state officials regarding state business are public records available to the public and media upon request. Your e-mail communications may therefore be subject to public disclosure.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, January 26, 2011 5:03 PM
To: Records Clerk; Lisa Bennett; John Slemkewicz
Cc: Office Of Commissioner Edgar; Office Of Commissioner Graham; Office of Commissioner Brisé; Office Of Commissioner Graham; Office of Commissioner Balbis; Office of Commissioner Brown; Ann Cole; rick.scott@eog.myflorida.com; jennifer.carroll@eog.myflorida.com
Subject: FW: Freedom of Information Act Request (FOIA), 5 U.S.C. § 552 / Actual Earnings Surveillance Reports as filed by Florida Power & Light / Docket 080677 /Docket 100009/110009 / Docket 100410

To all,

When I will be receiving a response with regard to processing my request for the ESR's for 2009, 2010 and 2011? I want to lay out the actual earned returns against the adjudicated level of operating income at the company on a monthly/yearly basis. I then want to compare this to the actual cash balances that are being maintained in the Utility 131 Account. I would like to receive a response before the Standard order is issued to see how 2009 and 2010 earnings compares to the actual cash balances that are being maintained at the company.

I requested a fee waiver based upon Federal Freedom of Information Act 5 U.S.C. § 552 and I have not received a legal response regarding the status of releasing this information based upon a fee waiver and/or minimal cost.

According to Chapter 119.01 of the Florida Public Records Statute, if the documents are available in an electronic format, then these should be made available electronically. Please let me know based upon the email logs at the Commission if there is electronic email correspondence between commission staff and/or the utility that would have this information in an electronic format. If so, then this information should be considered public information subject to Federal and State laws in which they should be made available by electronic means. This is supported by both the Freedom of Information Act 5 U.S.C. § 552 and Chapter 119.01 of the Florida Statutes.

If not, then please let me know if this is going to be processed based upon similar requests that have been honored at no charge. This information should be released based upon a fee waiver, "because furnishing the information can be considered as a primarily benefiting the general public".

What was very interesting today was that there was talk about the pending merger of Duke Energy and Progress Energy. There was a comment made during the meeting that if the company earned above the allowed rate of return that they would be subject to an over earnings review by the Commission. How would this be any different than the over earnings at FPL that exceeded their 11% allowed return on equity as indicated by the Stipulation and Settlement Agreement? Since the agreement has indicated that they are only allowed to earn up to 11%, there is no reason why the over earnings in 2010 has not been deferred for future disposition. Based upon the Stipulation and Settlement agreement, they are only allowed to earn up to the 11% return on equity. They are not allowed to earn over the 11% therefore it would appear that a deferral of these over earnings would have been warranted. This is similar to the comment made in the meeting today.

Please explain the actual rule of law that would support this exception to normal/typical Commission ratecase proceedings related to over earnings at a Utility. What rules would provide for the legal ruling to support the non-deferral of the $400 million of over earnings for Florida Power & Light? Why would this situation be different than any other deferral or requirement of another Utility to give back any over earnings that exceed an agreed upon return on equity? This would be for a standard rate order and/or any other type of agreement. Why was this handled differently? Will this have an impact on future ratecase rulings with regard to how other Utilities over earnings will be treated?

I noticed that the commission has been reorganized. Who on the legal staff will be responding to this request? I noticed that in the past Ms. Bennett has been providing the legal responses.

Information Directory

(Area Code 850)

COMMISSIONERS:

Art Graham - **Chairman** - 413-6040
Mark Long - Chief Advisor to the Chairman - 413-6022
Betty Lekind - Executive Assistant to the Chairman - 413-6024

Lisa Polak Edgar - 413-6044
Roberta Bass - Chief Advisor to the Commissioner - 413-6016
Kelly McLanahan - Executive Assistant to the Commissioner - 413-6018

Ronald A. Brisé
Baldwyn English - Chief Advisor to the Commissioner - 413-6036
Pamela Paulite - Executive Assistant to the Commissioner - 413-6036

Eduardo E. Balbis - 413-6038
Lisa Bennett - Chief Advisor to the Commissioner - 413-6002
Cristina Slaton - Executive Assistant to the Commissioner - 413-6004

Julie Imanuel Brown - 413-6042
Samantha Cibula - Chief Advisor to the Commissioner - 413-6028
Kathleen Stewart - Executive Assistant to the Commissioner - 413-6030

EXECUTIVE DIRECTOR:
Timothy J. Devlin - 413-6068

DEPUTY EXECUTIVE DIRECTOR:
Charles Hill - 413-6055

GENERAL COUNSEL:
S. Curtis Kiser - 413-6199

INSPECTOR GENERAL:
Steven J. Stolting - 413-6071

CHAPTER 119
PUBLIC RECORDS

119.01 General state policy on public records.--

(1) It is the policy of this state that all state, county, and municipal records shall be open for personal inspection by any person.

(2) The Legislature finds that, given advancements in technology, providing access to public records by remote electronic means is an additional method of access that agencies should strive to provide to the extent feasible. If an agency provides access to public records by remote electronic means, then such access should be provided in the most cost-effective and efficient manner available to the agency providing the information.

(3) The Legislature finds that providing access to public records is a duty of each agency and that automation of public records must not erode the right of access to those records. As each agency increases its use of and dependence on electronic recordkeeping, each agency must ensure reasonable access to records electronically maintained.

(4) Each agency shall establish a program for the disposal of records that do not have sufficient legal, fiscal, administrative, or archival value in accordance with retention schedules established by the records and information management program of the Division of Library and Information Services of the Department of State.

Dear Records Clerk,

Please let me know if there are minutes to today's internal affairs meeting that took place at 9:30AM Today. Will the minutes have a list of all the people who attended the meeting?

Upcoming Events

Name	Date
Tipp Test	February 05, 2011 - 6:22 AM
Commission Conference	February 08, 2011 - 9:15 AM
Internal Affairs Meeting	February 09, 2011 - 9:15 AM
Commission Conference	February 22, 2011 - 9:15 AM
Internal Affairs Meeting	February 23, 2011 - 9:15 AM
Prehearing - 090539-GU	March 07, 2011 - 9:15 AM
Commission Conference - IA following immediately	March 08, 2011 - 9:15 AM
Internal Affairs Meeting	March 08, 2011 - 2:45 PM

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Commission Conference Agenda

Hearing

Internal Affairs

Name	Date	Duration				
Internal Affairs Meeting	Jan 12, 2011	00h 45m	Agenda	Video	MP3 Audio	MP4 Video
Internal Affairs Meeting	Dec 14, 2010	00h 56m	Agenda	Video	MP3 Audio	MP4 Video
Internal Affairs Meeting	Nov 30, 2010	02h 04m	Agenda	Video	MP3 Audio	MP4 Video
Internal Affairs	Nov 9, 2010	01h 38m	Agenda	Video	MP3 Audio	MP4 Video
Internal Affairs Meeting	Oct 12, 2010	00h 18m	Agenda	Video	MP3 Audio	MP4 Video
Internal Affairs Meeting	Sep 28, 2010	00h 05m	Agenda	Video	MP3 Audio	MP4 Video
Internal Affairs Meeting	Sep 14, 2010	00h 29m	Agenda	Video	MP3 Audio	MP4 Video
Internal Affairs Meeting	Aug 17, 2010	01h 14m	Agenda	Video	MP3 Audio	MP4 Video
Internal Affairs Meeting	Aug 3, 2010	00h 28m	Agenda	Video	MP3 Audio	MP4 Video

Other Meetings

There was talk about compliance issues regarding Sunshine Laws (Chapter 286), Florida Administrative Procedure Act (Chapter 120) and Florida Ex Parte Communications (Chapter 350).

The meeting talked about what would be required compliance under these provisions at the State level.

Please let me know if the minutes are available.

State of Florida
Public Service Commission
INTERNAL AFFAIRS AGENDA
Wednesday – January 26, 2011
9:30 a.m.
Room 140 - Betty Easley Conference Center

1. Approve January 12, 2011, Internal Affairs Meeting Minutes. (Attachment 1)
2. Presentation by Progress Energy Florida on the Duke Energy/Progress Energy Merger. (Attachment 2)
3. Presentation by Staff on Hedging Practices in the Electric Industry. (Attachment 3)
4. Discussion of Sunshine Law. (No attachment)
5. Legislative Update. (No Attachment)
6. Other matters, if any.

TD/sa

OUTSIDE PERSONS WISHING TO ADDRESS THE COMMISSION ON ANY OF THE AGENDAED ITEMS SHOULD CONTACT THE OFFICE OF THE EXECUTIVE DIRECTOR AT (850) 413-6068.

Thanks,

Robert H. Smith

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	12 month Weather Normalization	Monthly	Cum Chk	FERC 131 CASH
12/31/2009	$ 50,771,175		$ 50,771,175	$ 34,255,751
1/31/2010	$ 85,381,929	$ 34,610,754	$ 85,381,929	
2/28/2010	$ 87,483,710	$ 2,101,781	$ 87,483,710	
3/31/2010	$ 90,064,511	$ 2,580,801	$ 90,064,511	
4/30/2010	$ 77,766,253	$ (12,298,258)	$ 77,766,253	
5/31/2010	$ 89,322,808	$ 11,556,555	$ 89,322,808	
6/30/2010	$ 110,217,167	$ 20,894,359	$ 110,217,167	
7/31/2010	$ 120,481,846	$ 10,264,679	$ 120,481,846	
8/31/2010	$ 122,984,092	$ 2,502,246	$ 122,984,092	
9/30/2010	$ 129,422,439	$ 6,438,347	$ 129,422,439	
10/31/2010	$ 107,322,526	$ (22,099,913)	$ 107,322,526	
11/30/2010	$ 99,387,740	$ (7,934,786)	$ 99,387,740	
12/31/2010				?
1/31/2011				
2/28/2011				
3/31/2011				
4/30/2011				
5/31/2011				
6/30/2011				
7/31/2011				
8/31/2011				
9/30/2011				
10/31/2011				
11/30/2011				
12/31/2011				?

Florida Power & Light Company
and Subsidiaries
Capital Structure
FPSC Adjusted Basis 13 Month Avergage
2010

FPSC Adjusted Average Jurisdictional Return on Common Equity			Jun-10
Rate Base			16,362,315,134
FPSC Adjusted/Allowed Rate of Return			7.01%
FPSC Adjusted Operating Income			1,146,702,149
Weather Normalization Clause			(110,217,167)
Proforma Adjusted			1,036,484,982
Company Calculated Return on Common Equity			9.97%
Rate Base			16,362,315,134
FPSC Adjusted/Allowed Rate of Return @		10.00%	6.35%
Operating Income			1,038,735,097
Over Earnings			107,967,052
Pro Forma FPSC Allowed Common Equity w/o Weather Norm Adj.			10.00%
Rate Base			16,362,315,134
FPSC Adjusted/Allowed Rate of Return @		10.75%	6.69%
Operating Income			1,095,331,778
Over Earnings			51,370,371
Pro Forma FPSC Allowed Common Equity w/o Weather Norm Adj.			10.75%
FPSC Adjusted Operating Income			1,146,702,149
Rate Base			16,362,315,134
FPSC Adjusted/Allowed Rate of Return @		11.00%	6.81%
Operating Income			1,114,197,338
Over Earnings			32,504,811
Pro Forma FPSC Allowed Common Equity w/o Weather Norm Adj.			11.00%
Difference Allowed ROE	11.00%	10.00%	0.46%
Difference in Over Earnings			75,462,240
Check			107,967,052
FPSC Adjusted Rate of Return			7.01%
Less: Average Retail Weighted Cost Rates For:			
Long Term Debt			1.51%
Short Term Debt			0.02%
Peferred Stock			0.00%
Customer Deposits			0.20%
Tax Credits - WTD Cost			0.00%
Subtotal			1.74%
Pro Forma ROR Less Non Equity Cost			5.27%
Pro Forma Common Equity Ratio			46.12%
Pro Forma Return on Common Equity Company w/o Weather Norm Adj.			11.43%

Florida Power & Light Company
and Subsidiaries
Capital Structure
FPSC Adjusted Basis 13 Month Avergage
2010

FPSC Adjusted Average Jurisdictional Return on Common Equity	Jun-10
Average RateBase	16,362,315,134
Average Rate of Return	7.01%
Actual Net Operating Income	1,146,702,149
Capital Components	
Long Term Debt	4,699,755,164
Short Term Debt	543,627,162
Preferred Stock	-
Customer Deposits	554,628,290
Common Equity	7,546,224,028
Deferred Income Tax	3,014,381,991
Investment Tax Credits	3,698,499
Total	16,362,315,134
Capital Ratio	
Long Term Debt	28.72%
Short Term Debt	3.32%
Preferred Stock	0.00%
Customer Deposits	3.39%
Common Equity	46.12%
Deferred Income Tax	18.42%
Investment Tax Credits	0.02%
Total	100.00%
Cost of Capital	
Long Term Debt	5.27%
Short Term Debt	0.56%
Preferred Stock	0.00%
Customer Deposits	5.97%
Common Equity	10.00%
Deferred Income Tax	0.00%
Investment Tax Credits	7.57%

Return on Equity (ROE)	ROE	ROE	ROE
Weighted Cost Adjudicated	11.00%	10.75%	10.00%
Long Term Debt	1.51%	1.51%	1.51%
Short Term Debt	0.02%	0.02%	0.02%
Preferred Stock	0.00%	0.00%	0.00%
Customer Deposits	0.20%	0.20%	0.20%
Common Equity	5.07%	4.96%	4.61%
Deferred Income Tax	0.00%	0.00%	0.00%
Investment Tax Credits	0.00%	0.00%	0.00%
Total	6.81%	6.69%	6.35%

Dorothy Menasco 080677-EI

FPSC, CLK - CORRESPONDENCE
__Administrative X Parties __Consumer
DOCUMENT NO. 10744-08
DISTRIBUTION: _____

From: Ann Cole
Sent: Friday, January 28, 2011 8:06 AM
To: 'rpjrb@yahoo.com'
Cc: Dorothy Menasco
Subject: Response to E-mail dated January 27, 2011 1:47 PM

Dear Mr. Smith,

In response to your e-mail directed to the Records Clerk, please note that the Charges for Commission Copies were revised by the Florida Public Service Commission on September 13, 2010. These charges were placed on the Web site and in the Statement of Agency Organization and Operation, pursuant to the requirements of Rule 28-101.001(1)(c), Florida Administrative Code.

FPL ESR pages are as follows:

2009
Jan-Oct - 19
Nov-Dec - 24
Total 239 - Extimated cost is 120 pages X .20 per duplexed page = $24.00

2010
Jan-Feb - 19
Mar - 24
Apr-Jun - 19
Jul - 20
Aug-Oct - 19
Total 196 - Estimated cost is 98 pages X .20 per duplexed page = $19.60

Depending on the amount of staff time it takes to copy the requested records, a special service charge of $11.29, per hour, may be included in the Invoice. Please note that this information is not an official Invoice for services, but an estimate of charges.

I will await further instructions from you regarding this request.

Sincerely,
Ann Cole, Commission Clerk
Office of Commission Clerk

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, January 27, 2011 1:47 PM
To: Records Clerk
Cc: Ann Cole; Office Of Commissioner Edgar; Office Of Commissioner Graham; Office of Commissioner Brisé; Office Of Commissioner Graham; Office of Commissioner Balbis; Office of Commissioner Brown; rick.scott@eog.myflorida.com; jennifer.carroll@eog.myflorida.com
Subject: FW: Freedom of Information Act Request (FOIA), 5 U.S.C. § 552 / Actual Earnings Surveillance Reports as filed by Florida Power & Light / Docket 080677 /Docket 100009/110009 / Docket 100410

Dear Records Clerk,

This PSC log was sent with another email that was cut off with the previous response below. I sent it again to find out why my charges would not conform to the similar requests below.

Here is a PSC log in which the charges were significantly less. How come my charges would not be similar or match what is in the logs?

These are 2010 requests. Are you indicating that Documents + 2 CD's are going to cost less than my

request? Why?

The same Florida Statutes were in effect when these requests have been answered. Correct?

Please break out the charges by year. How much would it cost for 2010 and 2009?

Thanks,

Robert H. Smith

In that many document requests are responded to directly during the normal course of business

	Requested By	Rec'd	Ackn'd.	Docket or Subject Matter	Status	Completed	Charges
	Requested By	Rec'd	Ackn'd.	Docket or Subject Matter	Status	Completed	Charges
				2010; and any further communications or			
10.	Mary Ellen Klas	03/04/10 as modified	03/04/10	All written requests for information, including but not limited to public records requests, made between 02/01/10 and 03/03/10.	E-mailed PRRs. Faxed documents requests.	03/05/10 03/08/10	n/a n/a
11.	Mary Ellen Klas	03/08/10	03/08/10	Copies of the documents provided to Diana Caldwell as a result of her 03/02/10 PRR, and any other documents, e-mails and other information provided to Ms. Caldwell and Senate Committee on Communications, Energy, and Public Utilities since 02/01/10.	Documents+2 CDs E-mailed responsive documents	03/09/10 3/16/09	$12.75 n/a
12.	Julie Patel	03/08/10 03/09/10	03/09/10 03/09/10	1. A copy of all information (documents relate to the Inspector General's investigation of the November 6 fuel hearing) provided recently to Diana Caldwell, from the Senate's utilities committee. 2. Inspector General's letter to FDLE.	1. Documents +2 CDs mailed 2. Exempt pursuant to 119.08(1), F.S. and 24(a), Art 1 of the State Constitution.	03/15/10	$12.75
34.	Mary Ellen Klas	07/12/10 (received after 5:00 pm)	07/13/10	Copies of any internal memos sent to staff between May 1st and July 12th from Chairman Argenziano, Commissioner Skop, or Commissioner Edgar.	Completed; e-mailed.	07/16/10	n/a
7.	Diana Caldwell	03/02/10	03/02/10	All documents, letters, memorandum, e-mails, and any other information related to a preliminary investigation of an internal ex parte communication complaint initiated around January 26,	Documents+2 CDs	03/05/10	n/a

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Thursday, January 27, 2011 12:28 PM
To: 'Records Clerk'
Cc: 'Ann Cole'; 'Office Of Commissioner Edgar'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Office Of Commissioner Graham'; 'Office of Commissioner Balbis'; 'Office of Commissioner Brown'; 'rick.scott@eog.myflorida.com'; 'jennifer.carroll@eog.myflorida.com'
Subject: RE: Freedom of Information Act Request (FOIA), 5 U.S.C. § 552 / Actual Earnings Surveillance Reports as filed by Florida Power & Light / Docket 080677 /Docket 100009/110009 / Docket 100410

Dear Records Clerk,

Please let me know why there is a price change and why other requests have been released at no charge?

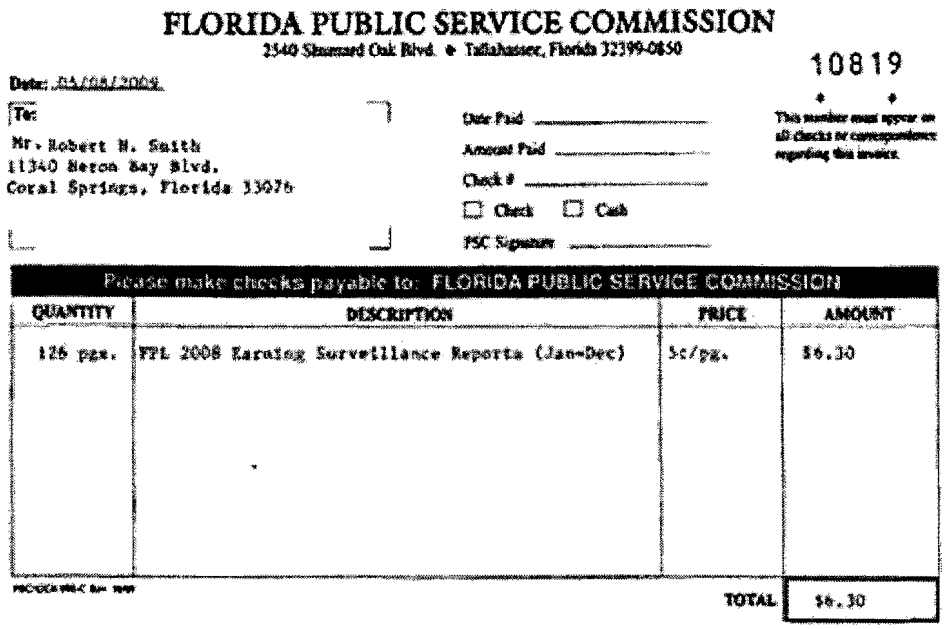
Based upon Federal Preemption under the Freedom of Information Act Request (FOIA), 5 U.S.C. § 552 this would be in the best interest of the general public therefore based upon Federal Preemption I am requesting a Fee waiver or for the information to be released based upon what I was charged previously. The Freedom of Information Act would apply to a State Agency since this would be covered under the Public Utility Holding Company Act of 1935 (PUHCA) or Public Utility Holding Company Act of 2005 ("PUHCA 2005"). This act is governed under FERC (Federal Energy Regulatory Commission). Since this would be covered under these both acts and the State would have to make sure that they are in compliance with this Act it appears that Preemption would cover a fee waiver. I am trying to track the cash balances as they relate to the earned returns at the company. I have asked for a tax payment reconciliation to see how the tax payments are being accounted for between regulated and non-regulated entities. This would be covered under the Federal Acts therefore preemption should afford a fee waiver since this would be the required "because furnishing the information can be considered as a primarily benefiting the general public".

There is no reason why the Commission should not release this information at a minimum cost and/or should not conform to Federal regulations with regard these issues.

Please let me know if the Commission will be providing a legal opinion why the Federal Acts would not preempt the State position.

I am unemployed and I will only pay a minimum cost. I need a records request for email communications between PSC Staff and the Utility to see if this information has been emailed to Staff. I think that legal should be able to answer this question. I was charged for 126 pages at 5¢/page for a total of $6.30. How many of the pages are blank? If there are no blank pages then the total charge should be based upon the previous invoice $21.70. If there are blank pages the total charges should be less.

Please answer why I am not being charged the same amount as last time. Why is there a change when the invoice was a 5/08/2009 invoice which at this time the same Florida Statutes were in effect?



FLORIDA PUBLIC SERVICE COMMISSION

2540 Shumard Oak Blvd. • Tallahassee, Florida 32399-0850

10819

Date: 05/08/2009

To:

Mr. Robert H. Smith
11340 Heron Bay Blvd.
Coral Springs, Florida 33076

Date Paid _____
Amount Paid _____
Check # _____
☐ Check ☐ Cash
PSC Signature _____

This number must appear on all checks or correspondence regarding this invoice.

Please make checks payable to: FLORIDA PUBLIC SERVICE COMMISSION

QUANTITY	DESCRIPTION	PRICE	AMOUNT
126 pgs.	FPL 2008 Earning Surveillance Reports (Jan-Dec)	5¢/pg.	$6.30

TOTAL $6.30

Section 119.01 (2), that if the records are available in an electronic format that the records should be provided in the "most cost-effective and efficient manner available to the agency providing the information".

Based upon 119.011 (1) it indicates "Public records" means all documents, paper, letters, maps, books, tapes, photographs, films, sound recordings, data processing software, or other material, regardless of the physical form, characteristics, or means of transmission, made or received pursuant to law or ordinance or in connection with the transaction of official business by any agency." This would mean email communication as well.

Please provide a legal response from the General Counsel that based upon looking at the all electronic logs at the Commission that this information is not available in any type of electronic format.

I am still waiting for a response to the rest of the emails. Please forward this email to the General Counsel at the Commission. I need a legal response from the Commission.

Please send me the email address of the General Counsel at the Commission.

Thanks,

Robert H. Smith

119.01 General state policy on public records.--

(1) It is the policy of this state that all state, county, and municipal records shall be open for personal inspection by any person.

(2) The Legislature finds that, given advancements in technology, providing access to public records by remote electronic means is an additional method of access that agencies should strive to provide to the extent feasible. If an agency provides access to public records by remote electronic means, then such access should be provided in the most cost-effective and efficient manner available to the agency providing the information.

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(4) Each agency shall establish a program for the disposal of records that do not have sufficient legal, fiscal, administrative, or archival value in accordance with retention schedules established by the records and information management program of the Division of Library and Information Services of the Department of State.

119.011 Definitions.--For the purpose of this chapter:

(1) "Public records" means all documents, papers, letters, maps, books, tapes, photographs, films, sound recordings, data processing software, or other material, regardless of the physical form, characteristics, or means of transmission, made or received pursuant to law or ordinance or in connection with the transaction of official business by any agency.

(2) "Agency" means any state, county, district, authority, or municipal officer, department, division, board, bureau, commission, or other separate unit of government created or established by law including, for the purposes of this chapter, the Commission on Ethics, the Public Service Commission, and the Office of Public Counsel, and any other public or private agency, person, partnership, corporation, or business entity acting on behalf of any public agency.

119.02 Penalty.--A public officer who knowingly violates the provisions of s. 119.07(1) is subject to suspension and removal or impeachment and, in addition, is guilty of a misdemeanor of the first degree, punishable as provided in s. 775.082 or s. 775.083.

119.07 Inspection, examination, and duplication of records; exemptions.--

(1)(a) Every person who has custody of a public record shall permit the record to be inspected and examined by any person desiring to do so, at any reasonable time, under reasonable conditions, and under supervision by the custodian of the public record or the custodian's designee. The custodian shall furnish a copy or a certified copy of the record upon payment of the fee prescribed by law or, if a fee is not prescribed by law, for duplicated copies of not more than 14 inches by 81/2 inches, upon payment of not more than 15 cents per one-sided copy, and for all other copies, upon payment of the actual cost of duplication of the record. An agency may charge no more than an additional 5 cents for each two-sided duplicated copy. For purposes of this section, duplicated copies shall mean new copies produced by duplicating, as defined in s. 283.30. The phrase "actual cost of duplication" means the cost of the material and supplies used to duplicate the record, but it does not include the labor cost or overhead cost associated with such duplication. However, the charge for copies of county maps or aerial photographs supplied by county constitutional officers may also include a reasonable charge for the labor and overhead associated with their duplication. Unless otherwise provided by law, the fees to be charged for duplication of public records shall be collected, deposited, and accounted for in the manner prescribed for other operating funds of the agency. An agency may charge up to $1 per copy for a certified copy of a public record.

(b) If the nature or volume of public records requested to be inspected, examined, or copied pursuant to this subsection is such as to require extensive use of information technology resources or extensive clerical or supervisory assistance by personnel of the agency involved, or both, the agency may charge, in addition to the actual cost of duplication, a special service charge, which shall be reasonable and shall be based on the cost incurred for such extensive use of information technology resources or the labor cost of the personnel providing the service that is actually incurred by the agency or attributable to the agency for the clerical and supervisory assistance required, or both. "Information technology resources" shall have the same meaning as in s. 282.303(12).

119.10 Violation of chapter; penalties.--

(1) Any public officer who violates any provision of this chapter is guilty of a noncriminal infraction, punishable by fine not exceeding $500.

(2) Any person willfully and knowingly violating any of the provisions of this chapter is guilty of a misdemeanor of the first degree, punishable as provided in s. 775.082 or s. 775.083.

Confidentiality Statement

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Dorothy Menasco 080677-EI

FPSC, CLK - CORRESPONDENCE
Administrative X Parties Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION: _____

From: Dorothy Menasco on behalf of Records Clerk
Sent: Thursday, January 27, 2011 11:42 AM
To: 'rpjrb@yahoo.com'
Cc: Ann Cole
Subject: RE: Freedom of Information Act Request (FOIA), 5 U.S.C. § 552 / Actual Earnings Surveillance Reports as filed by Florida Power & Light / Docket 080677 /Docket 100009/110009 / Docket 100410

Mr. Smith:

By e-mail of January 13, 2011, I advised you that the estimated charge for copying the documents you requested is $54.69. In response to this e-mail, you requested a fee waiver "based upon Federal Preemption under 5 U.S.C. § 552 Section 1803."

Please be advised that the Federal Freedom of Information Act does not apply to state agencies. Instead, the FPSC is governed by Chapter 119, Florida Statutes, Public Records. Pursuant to Section 119.07(4)(a), Florida Statutes, the FPSC's current charge for two-sided copies is .20¢ each. There is no charge if the total copy cost would be less than $1.00, but since your request is for 434 pages (217 duplexed), it does not fall within this provision. In addition, a special service charge for staff's copying time has been added as allowed by Section 119.07(4)(d), Florida Statutes. This information about charges is published on the FPSC's website, www.floridapsc.com (click on "Public Records Requests"). As you have been previously informed, we do not have this information electronically.

As previously instructed, please provide confirmation of whether you would like us to make the copies. On verification that you would like us to make the copies, we will begin the copying process, and the documents will be mailed to you on receipt of your payment.

As an alternative, Section 119.07(1), Florida Statutes, provides that you may come to the FPSC to inspect the documents, at any reasonable time, under reasonable conditions, and under supervision by the custodian of the public records. Please be advised that if you wish to copy any documents, the standard copy charges apply.

Dorothy Menasco
Deputy Clerk Supervisor
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

Please note: Florida has a very broad public records law. Most written communications to or from state officials regarding state business are public records available to the public and media upon request. Your e-mail communications may therefore be subject to public disclosure.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, January 26, 2011 5:03 PM
To: Records Clerk; Lisa Bennett; John Slemkewicz
Cc: Office Of Commissioner Edgar; Office Of Commissioner Graham; Office of Commissioner Brisé; Office Of Commissioner Graham; Office of Commissioner Balbis; Office of Commissioner Brown; Ann Cole; rick.scott@eog.myflorida.com; jennifer.carroll@eog.myflorida.com
Subject: FW: Freedom of Information Act Request (FOIA), 5 U.S.C. § 552 / Actual Earnings Surveillance Reports as filed by Florida Power & Light / Docket 080677 /Docket 100009/110009 / Docket 100410

To all,

When I will be receiving a response with regard to processing my request for the ESR's for 2009, 2010 and 2011? I want to lay out the actual earned returns against the adjudicated level of operating income at the company on a monthly/yearly basis. I then want to compare this to the actual cash balances that are being maintained in the Utility 131 Account. I would like to receive a response before the Standard order is issued to see how 2009 and 2010 earnings compares to the actual cash balances that are being maintained at the company.

I requested a fee waiver based upon Federal Freedom of Information Act 5 U.S.C. § 552 and I have not received a legal response regarding the status of releasing this information based upon a fee waiver and/or minimal cost.

According to Chapter 119.01 of the Florida Public Records Statute, if the documents are available in an electronic format, then these should be made available electronically. Please let me know based upon the email logs at the Commission if there is electronic email correspondence between commission staff and/or the utility that would have this information in an electronic format. If so, then this information should be considered public information subject to Federal and State laws in which they should be made available by electronic means. This is supported by both the Freedom of Information Act 5 U.S.C. § 552 and Chapter 119.01 of the Florida Statutes.

If not, then please let me know if this is going to be processed based upon similar requests that have been honored at no charge. This information should be released based upon a fee waiver, "because furnishing the information can be considered as a primarily benefiting the general public".

What was very interesting today was that there was talk about the pending merger of Duke Energy and Progress Energy. There was a comment made during the meeting that if the company earned above the allowed rate of return that they would be subject to an over earnings review by the Commission. How would this be any different than the over earnings at FPL that exceeded their 11% allowed return on equity as indicated by the Stipulation and Settlement Agreement? Since the agreement has indicated that they are only allowed to earn up to 11%, there is no reason why the over earnings in 2010 has not been deferred for future disposition. Based upon the Stipulation and Settlement agreement, they are only allowed to earn up to the 11% return on equity. They are not allowed to earn over the 11%therefore it would appear that a deferral of these over earnings would have been warranted. This is similar to the comment made in the meeting today.

Please explain the actual rule of law that would support this exception to normal/typical Commission ratecase proceedings related to over earnings at a Utility. What rules would provide for the legal ruling to support the non-deferral of the $400 million of over earnings for Florida Power & Light? Why would this situation be different than any other deferral or requirement of another Utility to give back any over earnings that exceed an agreed upon return on equity? This would be for a standard rate order and/or any other type of agreement. Why was this handled differently? Will this have an impact on future ratecase rulings with regard to how other Utilities over earnings will be treated?

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Information Directory

(Area Code 850)

COMMISSIONERS:

Art Graham - **Chairman** - 413-6040
Mark Long - Chief Advisor to the Chairman - 413-6022
Betty Leland - Executive Assistant to the Chairman - 413-6024

Lisa Polak Edgar - 413-6044
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DEPUTY EXECUTIVE DIRECTOR:
Charles Hill - 413-6055

GENERAL COUNSEL:
S. Curtis Kiser - 413-6199

INSPECTOR GENERAL:
Steven J. Stolting - 413-6071

CHAPTER 119
PUBLIC RECORDS

119.01 General state policy on public records.--

(1) It is the policy of this state that all state, county, and municipal records shall be open for personal inspection by any person.

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Dear Records Clerk,

Please let me know if there are minutes to today's internal affairs meeting that took place at 9:30AM Today. Will the minutes have a list of all the people who attended the meeting?

Upcoming Events

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Commission Conference Agenda

Hearing

Internal Affairs

Name	Date	Duration				
Internal Affairs Meeting	Jan 12, 2011	00h 45m	Agenda	Video	MP3 Audio	MP4 Video
Internal Affairs Meeting	Dec 14, 2010	00h 56m	Agenda	Video	MP3 Audio	MP4 Video
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Internal Affairs Meeting	Aug 3, 2010	00h 28m	Agenda	Video	MP3 Audio	MP4 Video

Other Meetings

There was talk about compliance issues regarding Sunshine Laws (Chapter 286), Florida Administrative Procedure Act (Chapter 120) and Florida Ex Parte Communications (Chapter 350).

The meeting talked about what would be required compliance under these provisions at the State level.

Please let me know if the minutes are available.

State of Florida
Public Service Commission
INTERNAL AFFAIRS AGENDA
Wednesday – January 26, 2011
9:30 a.m.
Room 140 - Betty Easley Conference Center

1. Approve January 12, 2011, Internal Affairs Meeting Minutes. (Attachment 1)
2. Presentation by Progress Energy Florida on the Duke Energy/Progress Energy Merger. (Attachment 2)
3. Presentation by Staff on Hedging Practices in the Electric Industry. (Attachment 3)
4. Discussion of Sunshine Law. (No attachment)
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TD\sa

OUTSIDE PERSONS WISHING TO ADDRESS THE COMMISSION ON ANY OF THE AGENDAED ITEMS SHOULD CONTACT THE OFFICE OF THE EXECUTIVE DIRECTOR AT (850) 413-6068.

Thanks,

Robert H. Smith

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FPSC, CLK - CORRESPONDENCE
☐ Administrative ☒ Parties ☐ Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION: _____

080677-EI

Ann Cole

From: Ann Cole
Sent: Thursday, January 27, 2011 9:38 AM
To: Samantha Cibula
Cc: Commissioners Advisors; Administrative Assistants - Commission Suite
Subject: FW: Freedom of Information Act Request (FOIA), 5 U.S.C. § 552 / Actual Earnings Surveillance Reports as filed by Florida Power & Light / Docket 080677 /Docket 100009/110009 / Docket 100410

Correction. This information will be placed in *Docket Correspondence - Parties and Interested Persons*, in Docket Nos. 080677-EI, 100009-EI, 100410-EI, and 110009-EI.

From: Ann Cole
Sent: Thursday, January 27, 2011 8:47 AM
To: Samantha Cibula
Cc: Commissioners Advisors; Administrative Assistants - Commission Suite
Subject: RE: Freedom of Information Act Request (FOIA), 5 U.S.C. § 552 / Actual Earnings Surveillance Reports as filed by Florida Power & Light / Docket 080677 /Docket 100009/110009 / Docket 100410

Thank you for this information, which will be placed in *Docket Correspondence - Consumers and their Representatives*, in Docket Nos. 080677-EI, 100009-EI, 100410-EI, and 110009-EI.

From: Samantha Cibula
Sent: Thursday, January 27, 2011 8:36 AM
To: Ann Cole
Cc: Kathleen Stewart
Subject: FW: Freedom of Information Act Request (FOIA), 5 U.S.C. § 552 / Actual Earnings Surveillance Reports as filed by Florida Power & Light / Docket 080677 /Docket 100009/110009 / Docket 100410

Ann,

Please place this e-mail in the docket file for Docket Nos. 080677-EI, 100009-EI, 100410-EI, and 110009-EI.

Thanks,
Samantha

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, January 26, 2011 5:03 PM
To: Records Clerk; Lisa Bennett; John Slemkewicz
Cc: Office Of Commissioner Edgar; Office Of Commissioner Graham; Office of Commissioner Brisé; Office Of Commissioner Graham; Office of Commissioner Balbis; Office of Commissioner Brown; Ann Cole; rick.scott@eog.myflorida.com; jennifer.carroll@eog.myflorida.com
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Internal Affairs

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Public Service Commission
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mail and destroy all copies of the original.

From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Thursday, January 20, 2011 10:09 AM
To: 'Records Clerk'; 'Lisa Bennett'; 'John Slemkewicz'
Cc: 'Office Of Commissioner Edgar'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Office Of Commissioner Graham'; 'Office of Commissioner Balbis'; 'Office of Commissioner Brown'; 'Ann Cole'; 'rick.scott@eog.myflorida.com'; 'jennifer.carroll@eog.myflorida.com'; 'John Slemkewicz'; 'rick.scott@eog.myflorida.com'
Subject: FW: Freedom of Information Act Request (FOIA), 5 U.S.C. § 552 / Actual Earnings Surveillance Reports as filed by Florida Power & Light / Docket 080677 /Docket 100009/110009 / Docket 100410

To all,

When I will be receiving a response with regard to processing my request for the ESR's for 2009, 2010 and 2011?

Dear Records Clerk,

Has the public record been updated with any additional emails since the last update?

Based upon the Public Docket file in Docket 100410 it has only been updated through the January 11th, 2011 email. It is January 20th, 2011 and the files have not been updated with the new information.

What about Docket 080677 and Docket 100009/110009?

Thanks,

Robert H. Smith

Page 1 of

Dorothy Menasco 100410-EI

FPSC, CLK - CORRESPONDENCE
Administrative X Parties Consumer
DOCUMENT NO. 08633-10
DISTRIBUTION:

From: Dorothy Menasco on behalf of Records Clerk
Sent: Tuesday, January 11, 2011 3:30 PM
To: 'rpjrb@yahoo.com'
Cc: Office Of Commissioner Edgar; Office Of Commissioner Graham; Office of Commissioner Brisé; Office Of Commissioner Graham; Office of Commissioner Balbis; Office of Commissioner Brown; Lisa Bennett; Ann Cole
Subject: RE: Freedom of Information Act Request (FOIA), 5 U.S.C. § 552 / Actual Earnings Surveillance Reports as filed by Florida Power & Light / Docket 080677 /Docket 100009/110009 / Docket 100410

Mr. Smith:

There are no responsive documents to this request. Please note that Florida Public Records Law does not recognize a continuing request (in other words, one that attaches to documents not yet in existence or custody of the agency). If you wish, you may renew this request at a future time. Please also note that the document you describe, at such time as it may be filed with this agency, [illegible]

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Monday, January 17, 2011 7:40 AM
To: 'Lisa Bennett'; 'John Slemkewicz'
Cc: 'Office Of Commissioner Edgar'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Office Of Commissioner Graham'; 'Office of Commissioner Balbis'; 'Office of Commissioner Brown'; 'Ann Cole'; 'rick.scott@eog.myflorida.com'; 'jennifer.carroll@eog.myflorida.com'; 'John Slemkewicz'; 'rick.scott@eog.myflorida.com'; 'jennifer.carroll@eog.myflorida.com'; 'Records Clerk'
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I found a **typo** below.

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Robert H. Smith

Confidentiality Statement

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Friday, January 14, 2011 10:12 AM
To: 'Lisa Bennett'; 'John Slemkewicz'
Cc: 'Office Of Commissioner Edgar'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Office Of Commissioner Graham'; 'Office of Commissioner Balbis'; 'Office of Commissioner Brown'; 'Ann Cole'; 'rick.scott@eog.myflorida.com'; 'jennifer.carroll@eog.myflorida.com'; 'John Slemkewicz'; 'rick.scott@eog.myflorida.com'; 'jennifer.carroll@eog.myflorida.com'; 'Records Clerk'
Subject: FW: Freedom of Information Act Request (FOIA), 5 U.S.C. § 552 / Actual Earnings Surveillance Reports as filed by Florida Power & Light / Docket 080677 /Docket 100009/110009 / Docket 100410

Dear Ms. Bennett,

Here are samples from a FOIA request log from the Florida Public Service Commission site. I was taking a look at the request and the fees charged. It appears that a majority of the requests below have been completed at a nominal or no charge. How can the charges quoted be more than the charges for Documents + 2 CD's below?

Based upon one of the requests below it indicates that one of the requests asks for copies of internal memos communications between the Public Service Commission Staff and the Commissioner's. There is another one talking about all documents, letters, memorandum, e-mails and any other information related to a preliminary investigation of ex parte communications. Some of the responses have been made through emails and provided on CD's at no charge.

With the legal response please provide for why some of the fees below have been waived and if any of the Florida Public Service

Commission Staff has received any email correspondence with PDF/Excel attachments for any of the Earnings Surveillance reports. These can be for Preliminary reports and/or final reports.

Does the Commission maintain an email database for communications between Commission Staff and Florida Power & Light? If so, then I am sure that the Commission could check the logs in order to see if the Earnings Surveillance reports (Preliminary and/or Final) have been sent electronically from the Utility.

Since this information should be made part of the public record, and it would be in the best interest of the public to monitor the cash balances at the company and the Actual Earned returns at the company I think that the fee should be waived based upon the Freedom of Information Act 5 U.S.C. § 552.

If you have any questions please do not hesitate to ask.

Thanks,

Robert H. Smith

in that many document requests are responded to directly during the normal course of business

Requested By	Rec'd	Ackn'd.	Docket or Subject Matter	Status	Completed	Charges

Requested By	Rec'd	Ackn'd.	Docket or Subject Matter	Status	Completed	Charges
			2010; and any further communications or			

10.	Mary Ellen Klas	03/04/10 as modified	03/04/10	All written requests for information, including but not limited to public records requests, made between 02/01/10 and 03/03/10.	E-mailed PRRs. Faxed documents requests.	03/05/10 03/08/10	n/a n/a
11.	Mary Ellen Klas	03/08/10	03/08/10	Copies of the documents provided to Diana Caldwell as a result of her 03/02/10 PRR, and any other documents, e-mails and other information provided to Ms. Caldwell and Senate Committee on Communications, Energy, and Public Utilities since 02/01/10.	Documents+2 CDs E-mailed responsive documents	03/09/10 3/16/09	$12.75 n/a
12.	Julie Patel	03/08/10 03/09/10	03/09/10 03/09/10	1. A copy of all information (documents relate to the Inspector General's investigation of the November 6 fuel hearing) provided recently to Diana Caldwell, from the Senate's utilities committee. 2. Inspector General's letter to FDLE.	1. Documents +2 CDs mailed 2. Exempt pursuant to 119.08(2), F.S. and 24(e), Art 1 of the State Constitution.	03/15/10	$12.75
14.	Mary Ellen Klas	07/12/10 (received after 5:00 pm)	07/13/10	Copies of any internal memos sent to staff between May 1st and July 12th from Chairman Argenziano, Commissioner Skop, or Commissioner Edgar.	Completed; e-mailed.	07/16/10	n/a
7.	Diana Caldwell	03/02/10	03/02/10	All documents, letters, memorandum, e-mails, and any other information related to a preliminary investigation of an internal ex parte communication complaint initiated around January 26,	Documents+2 CDs	03/05/10	n/a

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Thursday, January 13, 2011 6:52 PM
To: 'John Slemkewicz'; 'Lisa Bennett'
Cc: 'Office Of Commissioner Edgar'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Office Of Commissioner Graham'; 'Office of Commissioner Balbis'; 'Office of Commissioner Brown'; 'Ann Cole'; 'rick.scott@eog.myflorida.com'; 'jennifer.carroll@eog.myflorida.com'; 'John Slemkewicz'; 'rick.scott@eog.myflorida.com'; 'jennifer.carroll@eog.myflorida.com'; 'Records Clerk'
Subject: FW: Freedom of Information Act Request (FOIA), 5 U.S.C. § 552 / Actual Earnings Surveillance Reports as filed by Florida Power & Light / Docket 080677 /Docket 100009/110009 / Docket 100410

Dear Ms. Bennett,

Here is a fee waiver that the US Treasury has honored based upon a Freedom of Information Act request for TARP with regard to Financial Regulatory reform.

A copy of the response for the fee waiver is below. This has been whited/redacted for any privacy related issues. I am using this letter to support a potential fee waiver for my Freedom of Information Act request that I have sent to the Commission.

I trust that the Commission understands my concern.

This information should be provided at a minimal cost or a fee waiver should be granted based upon Federal Preemption under 5 U.S.C. § 552 Section 1803.

This is a very important issue.

If you have any questions please do not hesitate to give me a call.

Thanks,

Robert H. Smith

954-340-4956

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

JUL 1 2009

Robert Smith
11340 Heron Bay Boulevard
Coral Springs, Florida 33076

Dear Mr. Smith:

This is the Department's third interim response to your Freedom of Information Act (FOIA) request dated April 27, 2009, in which you requested accounting records relating to TARP transactions.

In response to the portion of your request for access to records reflecting cash outflows to banks, the Office of Financial Stability conducted a further search of its files and located an additional forty-eight pages that are responsive to your request.

In light of my email to you , and your subsequent response, I am waiving all fees assessed by the Office of Financial Stability

Please note that within the Department of the Treasury, the Office of the Executive Secretary is continuing to process your request.

Enclosures

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Thursday, January 13, 2011 6:21 PM
To: 'Dorothy Menasco'; 'John Slemkewicz'; 'Lisa Bennett'
Cc: 'Office Of Commissioner Edgar'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Office Of Commissioner Graham'; 'Office of Commissioner Balbis'; 'Office of Commissioner Brown'; 'Ann Cole'; 'rick.scott@eog.myflorida.com'; 'jennifer.carroll@eog.myflorida.com'; 'John Slemkewicz'; 'rick.scott@eog.myflorida.com'; 'jennifer.carroll@eog.myflorida.com'
Subject: FW: Freedom of Information Act Request (FOIA), 5 U.S.C. § 552 / Actual Earnings Surveillance Reports as filed by Florida Power & Light / Docket 080677 /Docket 100009/110009 / Docket 100410

Dear Ms. Bennett,

Since my request is under the Federal Freedom of information Act I trust that based upon Federal Preemption that a fee waiver should/would be considered with the processing of my request.

As per

"Such fees shall be limited to reasonable standard charges for document search and duplication and provide for recovery of only the direct costs of such search and duplication. Documents shall be furnished without charge or at a reduced charge where the agency determines that waiver or reduction of the fee is in the public interest because furnishing the information can be considered as primarily benefiting the general public."

The statement above would give rise to a reduced fee or a waiver of the fee "because furnishing the information can be considered as a primarily benefiting the general public".

This would give rise to providing this information at the least possible cost.

Please issue a legal opinion to support the position of the Commission.

Thanks,

Robert H. Smith

Under the FOIA Reform Act, the Office of Management and Budget was charged with the responsibility of promulgating, pursuant to notice and receipt of public comment, a "uniform schedule of fees"[6] for individual agencies to follow when promulgating their FOIA fee regulations.[7] In March 1987, OMB issued its Uniform Freedom of Information Act Fee Schedule and Guidelines [hereinafter OMB Fee Guidelines].[8] As mandated by the 1986 FOIA amendments, agencies are obligated to conform their fee schedules to these guidelines.[9]

The FOIA Reform Act also required agencies to promulgate specific "procedures and guidelines for determining when such fees should be

FEES AND FEE WAIVERS

waived or reduced."[10] The Department of Justice, in accordance with its statutory responsibility to encourage agency compliance with the FOIA,[11] developed new governmentwide policy guidance on the waiver of FOIA fees, to replace its previously issued guidance implementing the predecessor statutory fee waiver standard.[12] In April 1987, to assist federal agen-

[10] § 1803, 100 Stat. at 3207-49.

5 USC Sec. 552

1986 - Subsec. (a)(4)(A). Pub. L. 99-570, Sec. 1803, amended subpar. (A) generally. Prior to amendment, subpar. (A) read as follows: "In order to carry out the provisions of this section, each agency shall promulgate regulations, pursuant to notice and receipt of public comment, specifying a uniform schedule of fees applicable to all constituent units of such agency. Such fees shall be limited to reasonable standard charges for document search and duplication and provide for recovery of only the direct costs of such search and duplication. Documents shall be furnished without charge or at a reduced charge where the agency determines that waiver or reduction of the fee is in the public interest because furnishing the information can be considered as primarily benefiting the general public.

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Thursday, January 13, 2011 5:33 PM
To: 'Dorothy Menasco'; 'John Slemkewicz'; 'Lisa Bennett'
Cc: 'Office Of Commissioner Edgar'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Office Of Commissioner Graham'; 'Office of Commissioner Balbis'; 'Office of Commissioner Brown'; 'Ann Cole'; 'rick.scott@eog.myflorida.com'; 'jennifer.carroll@eog.myflorida.com'; 'John Slemkewicz'; 'rick.scott@eog.myflorida.com'; 'jennifer.carroll@eog.myflorida.com'
Subject: RE: Freedom of Information Act Request (FOIA), 5 U.S.C. § 552 / Actual Earnings Surveillance Reports as filed by Florida Power & Light / Docket 080677 /Docket 100009/110009 / Docket 100410

Dear Ms. Menasco,

The last time this was completed the charge was $.05 per page for 126 pgs. What is going on and technology is getting better therefore if this was scanned and sent it would be much cheaper than the original cost in the invoice below.

Are any of the 434 pages blank? If so, then I should not have to pay for any of these pages.

Even at 434 pages it would only come out to $21.70 as per the invoice below. This seems very expensive and does not make sense based upon the invoice below.

Please have legal answer the question about receiving this correspondence in an automated fashion to save time.

I need legal to sign off that no one at the Commission has received any electronic document regarding these reports. If these were received electronically then the electronic files would be part of the public docket and should be available in an electronic format.

Ms. Bennett,

I need a legal response that the Commission staff is not receiving any of these reports in an electronic fashion from any FPL staff and why the cost would be different than the last invoice.

If I recall correctly the cost charged for replication of the documents should be completed at the least cost.

This does not make sense and I am unemployed and need this information as soon as possible.

There is no reason for any of the cost to be more than the last invoice.

Thanks,

Robert H. Smith

FLORIDA PUBLIC SERVICE COMMISSION

2540 Shumard Oak Blvd. ♦ Tallahassee, Florida 32399-0850

10819

Date: 05/08/2009

To:

Mr. Robert H. Smith
11340 Heron Bay Blvd.
Coral Springs, Florida 33076

Date Paid _____
Amount Paid _____
Check # _____
☐ Check ☐ Cash
PSC Signature _____

This number must appear on all checks or correspondence regarding this invoice.

Please make checks payable to: FLORIDA PUBLIC SERVICE COMMISSION

QUANTITY	DESCRIPTION	PRICE	AMOUNT
126 pgs.	FPL 2008 Earning Surveillance Reports (Jan-Dec)	5¢/pg.	$6.30
		TOTAL	$6.30

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From: Dorothy Menasco [mailto:DMenasco@PSC.STATE.FL.US]
Sent: Thursday, January 13, 2011 5:03 PM
To: rpjrb@yahoo.com; John Slemkewicz
Cc: Office Of Commissioner Edgar; Office Of Commissioner Graham; Office of Commissioner Brisé; Office Of Commissioner Graham; Office of Commissioner Balbis; Office of Commissioner Brown; Lisa Bennett; Ann Cole; rick.scott@eog.myflorida.com; jennifer.carroll@eog.myflorida.com; John Slemkewicz
Subject: RE: Freedom of Information Act Request (FOIA), 5 U.S.C. § 552 / Actual Earnings Surveillance Reports as filed by Florida Power & Light / Docket 080677 /Docket 100009/110009 / Docket 100410

Mr. Smith,

I have been advised that there are an estimated 434 pages of ESRs. There will be a charge for the time it will take to copy the document. Please note that the estimated charges are $54.89 and is broken down as follows:

$43.40 (for 217 duplexed pages at .20 cents per page);
+ 11.29 (special service charge - staff's copying time);
= $54.69 (estimated total)

Please provide confirmation of whether you would like us to make those copies. On verification that you would like us to make the copies, we will begin the copying process, and the documents will be mailed to you on receipt of your payment.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

Please note: Florida has a very broad public records law. Most written communications to or from state officials regarding state business are public records available to the public and media upon request. Your e-mail communications may therefore be subject to public disclosure.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, January 13, 2011 2:13 PM
To: John Slemkewicz
Cc: Dorothy Menasco; Office Of Commissioner Edgar; Office Of Commissioner Graham; Office of Commissioner Brisé; Office Of Commissioner Graham; Office of Commissioner Balbis; Office of Commissioner Brown; Lisa Bennett; Ann Cole; rick.scott@eog.myflorida.com; jennifer.carroll@eog.myflorida.com
Subject: FW: Freedom of Information Act Request (FOIA), 5 U.S.C. § 552 / Actual Earnings Surveillance Reports as filed by Florida Power & Light / Docket 080677 /Docket 100009/110009 / Docket 100410

To all,

I noticed a **typo.**

Thanks,

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Thursday, January 13, 2011 12:08 PM
To: 'John Slemkewicz'
Cc: 'Dorothy Menasco'; 'Office Of Commissioner Edgar'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Office Of Commissioner Graham'; 'Office of Commissioner Balbis'; 'Office of Commissioner Brown'; 'Lisa Bennett'; 'Ann Cole'; 'rick.scott@eog.myflorida.com'; 'jennifer.carroll@eog.myflorida.com'
Subject: FW: Freedom of Information Act Request (FOIA), 5 U.S.C. § 552 / Actual Earnings Surveillance Reports as filed by Florida Power & Light / Docket 080677 /Docket 100009/110009 / Docket 100410

Dear Mr. Slemkewicz,

Here is a way that the cost can be minimized. Just like the Commission is scanning the documents for the rate case. These documents can be scanned and sent electronically as well. This will save time and money as well since if you are making a copy I am sure that the Commission is utilizing a high speed scanner to keep up with the electronic documents that are being made part of the record in any ratecase proceeding.

Is this correct?

I have a $150 printer, copier, scanner, fax machine that lets me scan to a PDF file very quickly. This information then can be attached to an email to be sent much quicker than a hard copy sent through the mail. As a CFO I used this type of printer to help with answering audit questions for my year end audits. I also used this technology to send information to the US Treasury and CMS regarding Healthcare and Financial Regulatory reform. This would work very well and save the Commission money.

Please let me know when I will be receiving a response to my full email below. If a legal response is needed, please have the legal staff at the commission sign off on the response. Since the cash balances are very low as indicated by the FERC form 1 my concerns are warranted therefore I would like a response as soon as possible.

Thanks,

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Thursday, January 13, 2011 11:52 AM
To: 'John Slemkewicz'
Cc: 'Dorothy Menasco'; 'Office Of Commissioner Edgar'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Office Of Commissioner Graham'; 'Office of Commissioner Balbis'; 'Office of Commissioner Brown'; 'Lisa Bennett'; 'Ann Cole'; 'rick.scott@eog.myflorida.com'; 'jennifer.carroll@eog.myflorida.com'
Subject: RE: Freedom of Information Act Request (FOIA), 5 U.S.C. § 552 / Actual Earnings Surveillance Reports as filed by Florida Power & Light / Docket 080677 /Docket 100009/110009 / Docket 100410

Dear Mr. Slemkewicz,

What about the answers to the rest of the email?

Thanks,

Robert H. Smith

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From: John Slemkewicz [mailto:JSlemkew@PSC.STATE.FL.US]
Sent: Thursday, January 13, 2011 11:48 AM
To: rpjrb@yahoo.com
Cc: Dorothy Menasco
Subject: RE: Freedom of Information Act Request (FOIA), 5 U.S.C. § 552 / Actual Earnings Surveillance Reports as filed by Florida Power & Light / Docket 080677 /Docket 100009/110009 / Docket 100410

FPL's monthly ESRs are submitted to the PSC in a hard copy format (paper). The ESRs are not submitted electronically, by email or on disk. The ESRs are not on line.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, January 13, 2011 11:32 AM
To: John Slemkewicz
Cc: Dorothy Menasco; Office Of Commissioner Edgar; Office Of Commissioner Graham; Office of Commissioner Brisé; Office Of Commissioner Graham; Office of Commissioner Balbis; Office of Commissioner Brown; Lisa Bennett; Ann Cole; rick.scott@eog.myflorida.com; jennifer.carroll@eog.myflorida.com
Subject: RE: Freedom of Information Act Request (FOIA), 5 U.S.C. § 552 / Actual Earnings Surveillance Reports as filed by Florida Power & Light / Docket 080677 /Docket 100009/110009 / Docket 100410

Dear Mr. Slemkewicz, Ms. Bennett and all Commissioners,

Thanks for the link to the FERC Form 1 reports. Is there a link to the ESR reports as well? According to one of the email responses there was. Was this a correct statement?

Just by taking a look at the FERC 1 for 2009 it appears that there was only $34.3 million in 2009 and $94.0 million in 2008

respectively in the FERC 131 Utility Cash account.

Where did all the over recovered money go? This would include the depreciation and excess earnings over recovery.

This is why I need access to the ledgers to see the accounting for the over recoveries.

According to the over earnings estimates there was $400 million dollars of overearnings. Where did the money go? This can be determined by looking at the Cash 131 Account Ledger.

My concerns based upon this page have merit therefore I want to make sure that I have all the appropriate information in order to complete my analysis.

Name of Respondent: Florida Power & Light Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr): / /	Year/Period of Report: End of 2009/Q4

COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
1	UTILITY PLANT			
2	Utility Plant (101-106, 114)	200-201	28,706,410,344	26,487,111,508
35	Cash (131)		34,255,751	93,987,390

Name of Respondent: Florida Power & Light Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr): / /	Year/Period of Report: End of 2008/Q4

COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
1	UTILITY PLANT			
2	Utility Plant (101-106, 114)	200-201	26,487,111,508	25,577,923,370
35	Cash (131)		93,987,390	59,516,339

Are the ESR's sent to you electronically? If so, just like in the rate case these were filed electronically therefore I would like these sent electronically to save money.

I am sure that you receive these by email from Florida Power & Light just like I received the forecasted ESR from the company. This will save postage costs and turnaround time.

There should be no reason why these reports cannot be sent this way when these reports are being filed electronically by the company.

Do you receive these reports electronically in a PDF file?

Attached is an invoice for the 2008 reports that were sent. This must include postage therefore if these reports are being sent

electronically to the Commission the postage costs can be saved therefore reducing the cost below.

If they are being sent electronically when they file to any staff member then they should be available with a public records request. This is no different when FPL responded to my motion for the declassification to the classified forecasted ESR report. This report was sent in a PDF format in an automated email.

Please provide a response with regard to the ledgers of the company. Does the Commission receive any of these documents? Does the Commission receive these electronically? I am sure that these are being sent to the Commission Electronically as well for the Commission to conduct its due diligence. This is the normal current business practice.

If so, then this would be part of a public records request as well. These should be fully transparent from both a ratepayer's and a shareholder's perspective.

I also would like these reports electronically since I have a nerve issue that acts up at times therefore I would like to have access to this information electronically so that I can work with the information in an automated way and not have to rekey all the hard copy materials. I am unemployed therefore I want these costs kept to a minimum.

Due to the delicate nature of this information I would like to make sure that this correspondence request/communication does not have any impact on my current/future employment. I can only hope that this request is viewed as a public service request for the ratepayers of the Florida Power & Light and does not have any impact on my family's well being.

I know that when I dealt with the US Treasury with regard to the TARP programs when I was working on Financial Regulatory reform they accommodated me with sending me the information electronically. When I worked with CMS with regard to third party downstream billing they also sent me my information in an electronic format as well. They both accommodated me with regard to my nerve condition that I have in my elbow and with me having numbness in my two lower fingers at times.

Based upon my rights as a ratepayer and shareholder and Federal/State laws this information should be fully transparent therefore I trust that this information will be made available for me to complete my analysis.

Please respond to my email in full since I need to bring this to a resolution quickly so that I can start my **analysis, since** the cash balances in the FERC form 1 for 2009 **are low.**

If you have any questions please do not hesitate to ask.

Dear all Commissioner's,

Based upon the cash balances my concerns have merit therefore my request should be fully accommodated in order for me to ascertain the accounting of the over recovered money.

This is my right as a shareholder and a ratepayer. Please expedite my request so that I am ready to go then the first ESR reports for 2011 become available. I have started to lay out an ESR summary that I have put together yesterday. This will track the adjudicated decision versus the actual earned returns that are being quoted in the monthly ESR reports. I am working on 2008 and I want to make sure that I can lay out 2009 and 2010 to track the Cash balances. I want to make sure that we are tracking the over recoveries as it relates to the cash balances that are being supported by the FERC form 1 reports.

This is very critical and if need be I will be seeking all avenues to ascertain the full accounting of all the over recovered monies. Just by taking a look at the year end balances in the FERC form 1 for **2010,** where did the $400 million dollars go? This is why this is a very important issue to monitor. Now that the commission has not set aside the over recovered over earnings in a 253 account this analysis is even more critical. There is no reason why this information cannot be supplied to take a look at the accounting of the cash. This would be part of normal due diligence. This is just a check book reconciliation exercise which has to be completed considering the magnitude of the over recoveries.

I have cc'd the Governor's office since I know that there is a current legislative process in which commission members are put into place. There is the Public Service Commission Nominating Council and the Joint Committee on Public Counsel Oversight Committees in which these are legislative processes in which commission appointments are being made. In addition, the Joint Committee on Public Counsel Oversight is the Committee for the selection of Public Counsel. Since these are both legislative branches that govern the makeup of the Commission I have cc'd the Governor in order to keep them in the loop with regard to my concerns.

Joint Committee on Public Counsel Oversight
Rules of Procedure

1.1 General Rules.

The committee shall be governed by the rules of the Senate in the even-numbered years and the rules of the House in odd-numbered years.

1.2 Selection of the Public Counsel.

(1) The term of the Public Counsel begins on the date the Public Counsel is appointed to office. The date of appointment is the date on which the letter of appointment is signed by the Chair. A copy of the letter must be filed with the President of the Senate and Speaker of the House of Representatives. A vacancy occurs in the office of Public Counsel when the Public Counsel is not reconfirmed, resigns, or is removed by the committee by majority vote.

I also would like these reports electronically since I have a nerve issue that acts up at times therefore I would like to have access to this information electronically so that I can work with the information in an automated way and not have to rekey all the hard copy materials. I am unemployed therefore I want these costs kept to a minimum.

Due to the delicate nature of this information I would like to make sure that this correspondence request/communication does not have any impact on my current/future employment. I can only hope that this request is viewed as a public service request for the ratepayers of the Florida Power & Light and does not have any impact on my family's well being.

If you have any questions please do not hesitate to email me. Please make sure that all these communications are being made available to all the parties with a legal interest..

Thanks,

Robert H. Smith

FLORIDA PUBLIC SERVICE COMMISSION

2540 Shumard Oak Blvd. • Tallahassee, Florida 32399-0850

10819

Date: 05/08/2009

To:

Mr. Robert H. Smith
11340 Heron Bay Blvd.
Coral Springs, Florida 33076

Date Paid _____

Amount Paid _____

Check # _____

☐ Check ☐ Cash

PSC Signature _____

This number must appear on all checks or correspondence regarding this invoice.

Please make checks payable to: FLORIDA PUBLIC SERVICE COMMISSION

QUANTITY	DESCRIPTION	PRICE	AMOUNT
126 pgs.	FPL 2008 Earning Surveillance Reports (Jan-Dec)	5¢/pg.	$6.30
		TOTAL	$6.30

Name of Respondent: Florida Power & Light Company	This Report Is: (1) [X] An Original (2) [ ] A Resubmission	Date of Report (Mo, Da, Yr): / /	Year/Period of Report: End of 2008/Q4

COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
1	UTILITY PLANT			
2	Utility Plant (101-106, 114)	200-201	28,708,410,348	28,487,111,508
3	Construction Work in Progress (107)	200-201	1,721,563,757	1,854,804,768
4	TOTAL Utility Plant (Enter Total of lines 2 and 3)		30,427,974,101	28,341,916,276
5	(Less) Accum. Prov. for Depr. Amort, Depl. (108, 110, 111, 115)	200-201	12,462,045,834	12,055,232,913
6	Net Utility Plant (Enter Total of line 4 less 5)		17,965,928,267	16,286,683,363
7	Nuclear Fuel in Process of Ref., Conv.,Enrich., and Fab. (120.1)	202-203	0	0
8	Nuclear Fuel Materials and Assemblies-Stock Account (120.2)		0	0
9	Nuclear Fuel Assemblies in Reactor (120.3)		0	0
10	Spent Nuclear Fuel (120.4)		0	0
11	Nuclear Fuel Under Capital Leases (120.6)		388,688,592	337,862,650
12	(Less) Accum. Prov. for Amort. of Nucl. Fuel Assemblies (120.5)	202-203	0	0
13	Net Nuclear Fuel (Enter Total of lines 7-11 less 12)		388,688,592	337,862,650
14	Net Utility Plant (Enter Total of lines 6 and 13)		18,354,616,859	16,624,546,013
15	Utility Plant Adjustments (116)		0	0
16	Gas Stored Underground - Noncurrent (117)		0	0
17	OTHER PROPERTY AND INVESTMENTS			
18	Nonutility Property (121)		14,519,499	9,519,499
19	(Less) Accum. Prov. for Depr. and Amort. (122)		0	0
20	Investments in Associated Companies (123)		0	0
21	Investment in Subsidiary Companies (123.1)	224-225	0	0
22	(For Cost of Account 123.1, See Footnote Page 224, line 42)			
23	Noncurrent Portion of Allowances	228-229	0	0
24	Other Investments (124)		0	243,085
25	Sinking Funds (125)		0	0
26	Depreciation Fund (126)		0	0
27	Amortization Fund - Federal (127)		0	0
28	Other Special Funds (128)		2,445,156,869	2,201,837,616
29	Special Funds (Non Major Only) (129)		0	0
30	Long-Term Portion of Derivative Assets (175)		0	0
31	Long-Term Portion of Derivative Assets - Hedges (176)		0	0
32	TOTAL Other Property and Investments (Lines 18-21 and 23-31)		2,459,676,368	2,211,600,200
33	CURRENT AND ACCRUED ASSETS			
34	Cash and Working Funds (Non-major Only) (130)		0	0
35	Cash (131)		34,255,751	93,987,590
36	Special Deposits (132-134)		44,829	44,829
37	Working Fund (135)		18,550	21,550
38	Temporary Cash Investments (136)		43,068,719	28,900,363
39	Notes Receivable (141)		0	0
40	Customer Accounts Receivable (142)		737,183,551	699,297,156
41	Other Accounts Receivable (143)		344,326,590	241,817,997
42	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)		21,965,709	19,862,911
43	Notes Receivable from Associated Companies (145)		0	0
44	Accounts Receivable from Assoc. Companies (146)		18,515,335	34,019,746
45	Fuel Stock (151)	227		302,116,817
46	Fuel Stock Expenses Undistributed (152)	227	0	0
47	Residuals (Elec) and Extracted Products (153)	227	0	0
48	Plant Materials and Operating Supplies (154)	227		260,435,903
49	Merchandise (155)	227		0
50	Other Materials and Supplies (156)	227		0
51	Nuclear Materials Held for Sale (157)	202-205/227		0
52	Allowances (158.1 and 158.2)	228-229		0

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From: John Slemkewicz [mailto:JSlemkew@PSC.STATE.FL.US]
Sent: Thursday, January 13, 2011 9:47 AM
To: rpjrb@yahoo.com
Cc: Dorothy Menasco
Subject: RE: Freedom of Information Act Request (FOIA), 5 U.S.C. § 552 / Actual Earnings Surveillance Reports as filed by Florida Power & Light / Docket 080677 /Docket 100009/110009 / Docket 100410

Mr. Smith:

The Commission has the following documents in response to your requests:

ANNUAL REPORTS

The annual reports are available on line at the PSC's website and can be accessed as follows:

www.floridapsc.com
Point on "Utility Regulation" tab
Click on "Electric and Natural Gas" link
Click on "Electric Companies" link
In "Industry" box, select "Company Code"
Enter "EI802" in "Company Code" box
Click on "View" button
Click on "EI802" link
The Annual Reports are listed by year for 1985 and 1998-2009

EARNINGS SURVEILLANCE REPORTS (ESR)

Ms. Menasco will be contacting you concerning the charge for the monthly ESRs for the 22 months beginning with January 2009 and ending with October 2010, the most recently filed report.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, January 12, 2011 5:21 PM
To: Records Clerk; John Slemkewicz
Cc: Office Of Commissioner Edgar; Office Of Commissioner Graham; Office of Commissioner Brisé; Office Of Commissioner Graham; Office of Commissioner Balbis; Office of Commissioner Brown; Lisa Bennett; Ann Cole
Subject: RE: Freedom of Information Act Request (FOIA), 5 U.S.C. § 552 / Actual Earnings Surveillance Reports as filed by Florida Power & Light / Docket 080677 /Docket 100009/110009 / Docket 100410

Dear Ms. Menasco,

Thanks for the information and your response.

I am not sure that you would have the answers to the questions below. If you do not, please forward this email to the appropriate party for a response.

How does the Florida Public Service Commission tie out to any of the reports that are furnished to the commission for a rate case proceeding?

All reports that are supplied to the Commission (i.e. earnings surveillance reports, FERC Form 1 reports) would have to tie out to balance sheets, Income statements and cash flows. Up North we would have to furnish a copy of Ledgers to the Commission in order for them to conduct their normal due diligence. This included subsidiary ledgers (i.e. Plant (Plant additions, Plant retirements etc.), Accumulated depreciation (Depreciation expense, Cost of Removal charges, Salvage), Balance sheet ledgers,

income statement ledgers and cash flow statements to tie out to Utility FERC account 131.

How does the Commission test for compliance with the Public Utility Holding Act with regard to regulated versus non-regulated monies? Reviewing the ledgers would be a requirement to conduct prudency testing of costs at the Utility.

Is the company using a pooling of cash method or is the company keeping the cash between regulated and non-regulated entities separate? This is very important when a rate case proceeding is being ruled on since there must be a tie out to the cash on FERC Form 1 for the Utility 131 Account and to all other reports that are being utilized for any rate case proceeding.

My previous experience with these filings we made available all ledgers in order for the commission to be able to complete their normal due diligence with a rate case proceeding. This is going to be very critical information since when I start receiving the 2011 Earnings surveillance reports I would like to identify the cash balances at the Utility. As I have indicated in my initial FOIA request this information would be needed in order to take a look at what the potential cash balances should be with regard to any cash surpluses as a result of over recovery of costs.

I want to monitor the actual depreciation surplus amortization as well as any amortization that would be related to the $400 million dollars of over earnings that was identified at the company. If the company is not going to have to return the over earnings then these over earnings should be in the cash balance (FERC 131 account) at the Utility. If not, then a reconciliation of the cash flows of the over collection of these monies would be warranted. Between the Earnings Surveillance reports and the ledgers of the company I should be able to track the cash flow of any over earnings surplus at the company.

At the end of each rate year once we identify the actual depreciation surplus amortization that the company has recorded we can determine if some of the over collection of cash depreciation in rates has been returned to the customer. Does the company still have the $400 million dollars of over earnings in the cash 131 account?

Based upon my rights as both a ratepayer and shareholder I know that I would be entitled to this information.

Again, thanks for your help and response.

Please let me know if you will be able to answer the questions above or who would be able to answer these questions.

Mr. Slemkewicz,

Do you have electronic copies of 2009 and 2010 Earnings Surveillance reports? In the previous email there was mention that this information is available on the web site. Is this correct? If not, then please provide me with a copy of the Earnings Surveillance reports for 2009 and 2010. It appears that these would be filed electronically just like the ratecase proceeding so this should be readily available for me to receive in a electronic format.

I want to make sure that since there was approximately $1.4 billion dollars of over recovered dollars that if the money does not exist in the Utility Cash 131 there is appropriate backup to support that this money was kept in the Utility 131 Cash account. The only way that this can be determined is by looking at the balance sheets, income statements and cash flow statements at the company. I know that the FERC Form 1 would have this information in more detail. Has the company filed the 2008, 2009 and 2010 FERC Form 1 reports with the commission? If so, then please let me know if these were electronically filed so that I can obtain a copy to tie out to the Utility 131 cash account balance to cross reference to the Earnings Surveillance reports that are being furnished to the Commission. Has the commission conducted due diligence to tie out to the FERC Form 1 reports to the Earnings Surveillance reports? I need these reports in order from a Generally Accepted Accounting Principle basis to tie out the Earnings Surveillance reports to the balance sheets and income statements of the company. The cash flows would be needed to test for Cash in the regulated Utility Cash 131 Account.

I am not sure if the Records Clerk area is the area in which the above questions can be answered.

As a ratepayer and a shareholder I know that I would be entitled to this information.

Please let me know when this information can be made available.

I sent my original FOIA request early in order to make sure that this information would be made available when the first monthly earnings surveillance report is filed.

Thanks in advance for your help.

Dear all Commissioner's,

This is very important to monitor the cash aspects of these over recoveries. Since the rates have not been changed, the cash collections for any depreciation items are the same in base rates therefore there is a continuation of the over recovery of depreciation in the current base rates. I want to make sure that after the term of the Stipulation and Settlement agreement that when they conduct their next depreciation study that the theoretical depreciation reserve does not reflect more over recovered depreciation. If so, then these cash over recoveries should be maintained in the Cash 131 Account for future disposition as the company would have to return any over recovered dollars. This would include any type of over recovery. I want to make sure that since there was an over recovery of $1.4 billion dollars that the cash for these over collections is being maintained or is given back to the customer. From the Public Utility Holding Act perspective this is very important and the only way to determine how the money has been used is to take a look at the cash flows at the company.

Based upon my rights as a ratepayer and shareholder and Federal/State laws this information should be fully transparent therefore I trust that this information will be made available for me to complete my analysis.

Thanks,

Robert H. Smith

Confidentiality Statement

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From: Dorothy Menasco [mailto:DMenasco@PSC.STATE.FL.US] **On Behalf Of** Records Clerk
Sent: Wednesday, January 12, 2011 4:26 PM
To: rpjrb@yahoo.com
Cc: Office Of Commissioner Edgar; Office Of Commissioner Graham; Office of Commissioner Brisé; Office Of Commissioner Graham; Office of Commissioner Balbis; Office of Commissioner Brown; Lisa Bennett; Ann Cole; John Slemkewicz
Subject: RE: Freedom of Information Act Request (FOIA), 5 U.S.C. § 552 / Actual Earnings Surveillance Reports as filed by Florida Power & Light / Docket 080677 /Docket 100009/110009 / Docket 100410

Mr. Smith:

The Florida Public Service Commission does not have any documents in response to your request to provide all accounting journal entries based upon Generally Accepted Accounting Principles, including a chronological record of accounting journal entries for the recording of all journal entries related to any regulated ratemaking assumptions; accounting entries supporting the actual earnings surveillance reports; and a cash flow statement to show the changes in cash balances as a result of these transactions. Staff has advised that this information would be found on the books of the company, of which the Florida Public Service Commission does not have copies.

For future surveillance report questions, please contact John Slemkewicz in the Division of Economic Regulation, Surveillance Section. The phone number for the Division of Economic Regulation is 850-413-6900. Mr. Slemkewicz's e-mail address is: JSlemkew@psc.state.fl.us.

I hope you find this information helpful.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

Please note: Florida has a very broad public records law. Most written communications to or from state officials regarding state business are public records available to the public and media upon request. Your e-mail communications may therefore be subject to public disclosure.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Tuesday, January 11, 2011 3:50 PM
To: Records Clerk
Cc: Office Of Commissioner Edgar; Office Of Commissioner Graham; Office of Commissioner Brisé; Office Of Commissioner Graham; Office of Commissioner Balbis; Office of Commissioner Brown; Lisa Bennett; Ann Cole
Subject: RE: Freedom of Information Act Request (FOIA), 5 U.S.C. § 552 / Actual Earnings Surveillance Reports as filed by Florida Power & Light / Docket 080677 /Docket 100009/110009 / Docket 100410

Dear Ms. Menasco,

Are you indicating that these documents are available on the web site for 2009 and 2010 as well?

If so, please provide the link in which these documents are posted so that I can review and copy these documents for 2009 and 2010 respectively. Was 2008 available electronically as well?

Thanks for your response help.

Thanks,

Robert H. Smith

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Dorothy Menasco 080677-EI

FPSC, CLK - CORRESPONDENCE
Administrative X Parties Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION:

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, January 20, 2011 10:09 AM
To: Records Clerk; Lisa Bennett; John Slemkewicz
Cc: Office Of Commissioner Edgar; Office Of Commissioner Graham; Office of Commissioner Brisé; Office Of Commissioner Graham; Office of Commissioner Balbis; Office of Commissioner Brown; Ann Cole; rick.scott@eog.myflorida.com; jennifer.carroll@eog.myflorida.com; John Slemkewicz; rick.scott@eog.myflorida.com
Subject: FW: Freedom of Information Act Request (FOIA), 5 U.S.C. § 552 / Actual Earnings Surveillance Reports as filed by Florida Power & Light / Docket 080677 /Docket 100009/110009 / Docket 100410

To all,

When I will be receiving a response with regard to processing my request for the ESR's for 2009, 2010 and 2011?

Dear Records Clerk,

Has the public record been updated with any additional emails since the last update?

Based upon the Public Docket file in Docket 100410 it has only been updated through the January 11th, 2011 email. It is January 20th, 2011 and the files have not been updated with the new information.

What about Docket 080677 and Docket 100009/110009?

Thanks,

Robert H. Smith

FPSC, CLK - CORRESPONDENCE
__Administrative X Parties__Consumer
DOCUMENT NO. 10141-08
DISTRIBUTION: _____

Dorothy Menasco 080677-EI

From: rpjrb@yahoo.com
Sent: Monday, January 17, 2011 7:40 AM
To: Lisa Bennett; John Slemkewicz
Cc: Office Of Commissioner Edgar; Office Of Commissioner Graham; Office of Commissioner Brisé; Office Of Commissioner Graham; Office of Commissioner Balbis; Office of Commissioner Brown; Ann Cole; rick.scott@eog.myflorida.com; jennifer.carroll@eog.myflorida.com; John Slemkewicz; rick.scott@eog.myflorida.com; jennifer.carroll@eog.myflorida.com; Records Clerk
Subject: FW: Freedom of Information Act Request (FOIA), 5 U.S.C. § 552 / Actual Earnings Surveillance Reports as filed by Florida Power & Light / Docket 080677 /Docket 100009/110009 / Docket 100410

To all,

When I will be receiving a response with regard to processing my request for the ESR's for 2009, 2010 and 2011?

I found a **typo** below.

Thanks,

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Friday, January 14, 2011 10:12 AM
To: 'Lisa Bennett'; 'John Slemkewicz'
Cc: 'Office Of Commissioner Edgar'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Office Of Commissioner Graham'; 'Office of Commissioner Balbis'; 'Office of Commissioner Brown'; 'Ann Cole'; 'rick.scott@eog.myflorida.com'; 'jennifer.carroll@eog.myflorida.com'; 'John Slemkewicz'; 'rick.scott@eog.myflorida.com'; 'jennifer.carroll@eog.myflorida.com'; 'Records Clerk'
Subject: FW: Freedom of Information Act Request (FOIA), 5 U.S.C. § 552 / Actual Earnings Surveillance Reports as filed by Florida Power & Light / Docket 080677 /Docket 100009/110009 / Docket 100410

Dear Ms. Bennett,

Here are samples from a FOIA request log from the Florida Public Service Commission site. I was taking a look at the request and the fees charged. It appears that a majority of the requests below have been completed at a nominal or no charge. How can the charges quoted be more than the charges for Documents + 2 CD's below?

Based upon one of the requests below it indicates that one of the requests asks for copies of internal memos communications between the Public Service Commission Staff and the Commissioner's. There is another one talking about all documents, letters, memorandum, e-mails and any other information related to a preliminary investigation of ex parte communications. Some of the responses have been made through emails and provided on CD's at no charge.

With the legal response please provide for why some of the fees below have been waived and if any of the Florida Public Service Commission Staff has received any email correspondence with PDF/Excel attachments for any of the Earnings Surveillance reports. These can be for Preliminary reports and/or final reports.

Does the Commission maintain an email database for communications between Commission Staff and Florida Power & Light? If so, then I am sure that the Commission could check the logs in order to see if the Earnings Surveillance reports (Preliminary and/or Final) have been sent electronically from the Utility.

Since this information should be made part of the public record, and it would be in the best interest of the public to monitor the cash balances at the company and the Actual Earned returns at the company I think that the fee should be waived based upon the Freedom of Information Act 5 U.S.C. § 552.

If you have any questions please do not hesitate to ask.

Thanks,

Robert H. Smith

in that many document requests are responded to directly during the normal course of business

Requested By	Rec'd	Ackn'd.	Docket or Subject Matter	Status	Completed	Charges

Requested By	Rec'd	Ackn'd.	Docket or Subject Matter	Status	Completed	Charges
			2010; and any further communications or			

10.	Mary Ellen Klas	03/04/10 as modified	03/04/10	All written requests for information, including but not limited to public records requests, made between 02/01/10 and 03/03/10.	E-mailed PRRs. Faxed documents requests.	03/05/10 03/08/10	n/a n/a
11.	Mary Ellen Klas	03/08/10	03/08/10	Copies of the documents provided to Diana Caldwell as a result of her 03/02/10 PRR, and any other documents, e-mails and other information provided to Ms. Caldwell and Senate Committee on Communications, Energy, and Public Utilities since 02/01/10.	Documents+2 CDs E-mailed responsive documents	03/09/10 3/16/09	$12.75 n/a
12.	Julie Patel	03/08/10 03/09/10	03/09/10 03/09/10	1. A copy of all information (documents relate to the Inspector General's investigation of the November 6 fuel hearing) provided recently to Diana Caldwell, from the Senate's utilities committee. 2. Inspector General's letter to FDLE.	1. Documents +2 CDs mailed 2. Exempt pursuant to 119.08(1), F.S. and 24(a), Art 1 of the State Constitution.	03/15/10	$12.75

34.	Mary Ellen Klas	07/12/10 (received after 5:00 pm)	07/13/10	Copies of any internal memos sent to staff between May 1st and July 12th from Chairman Argenziano, Commissioner Skop, or Commissioner Edgar.	Completed; e-mailed.	07/16/10	n/a
7.	Diana Caldwell	03/02/10	03/02/10	All documents, letters, memorandum, e-mails, and any other information related to a preliminary investigation of an internal ex parte communication complaint initiated around January 26.	Documents+2 CDs	03/05/10	n/a

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Thursday, January 13, 2011 6:52 PM
To: 'John Slemkewicz'; 'Lisa Bennett'
Cc: 'Office Of Commissioner Edgar'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Office Of Commissioner Graham'; 'Office of Commissioner Balbis'; 'Office of Commissioner Brown'; 'Ann Cole'; 'rick.scott@eog.myflorida.com'; 'jennifer.carroll@eog.myflorida.com'; 'John Slemkewicz'; 'rick.scott@eog.myflorida.com'; 'jennifer.carroll@eog.myflorida.com'; 'Records Clerk'
Subject: FW: Freedom of Information Act Request (FOIA), 5 U.S.C. § 552 / Actual Earnings Surveillance Reports as filed by Florida Power & Light / Docket 080677 /Docket 100009/110009 / Docket 100410

Dear Ms. Bennett,

Here is a fee waiver that the US Treasury has honored based upon a Freedom of Information Act request for TARP with regard to Financial Regulatory reform.

A copy of the response for the fee waiver is below. This has been whited/redacted for any privacy related issues. I am using this letter to support a potential fee waiver for my Freedom of Information Act request that I have sent to the Commission.

I trust that the Commission understands my concern.

This information should be provided at a minimal cost or a fee waiver should be granted based upon Federal Preemption under 5 U.S.C. § 552 Section 1803.

This is a very important issue.

If you have any questions please do not hesitate to give me a call.

Thanks,

Robert H. Smith

954-340-4956

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

JUL 1 2009

Robert Smith
11340 Heron Bay Boulevard
Coral Springs, Florida 33076

Dear Mr. Smith:

This is the Department's third interim response to your Freedom of Information Act (FOIA) request dated April 27, 2009, in which you requested accounting records relating to TARP transactions.

In response to the portion of your request for access to records reflecting cash outflows to banks, the Office of Financial Stability conducted a further search of its files and located an additional forty-eight pages that are responsive to your request.

In light of my email to you , and your subsequent response, I am waiving all fees assessed by the Office of Financial Stability

Please note that within the Department of the Treasury, the Office of the Executive Secretary is continuing to process your request.

Enclosures

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Thursday, January 13, 2011 6:21 PM
To: 'Dorothy Menasco'; 'John Slemkewicz'; 'Lisa Bennett'
Cc: 'Office Of Commissioner Edgar'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Office Of Commissioner Graham'; 'Office of Commissioner Balbis'; 'Office of Commissioner Brown'; 'Ann Cole'; 'rick.scott@eog.myflorida.com'; 'jennifer.carroll@eog.myflorida.com'; 'John Slemkewicz'; 'rick.scott@eog.myflorida.com'; 'jennifer.carroll@eog.myflorida.com'
Subject: FW: Freedom of Information Act Request (FOIA), 5 U.S.C. § 552 / Actual Earnings Surveillance Reports as filed by Florida Power & Light / Docket 080677 /Docket 100009/110009 / Docket 100410

Dear Ms. Bennett,

Since my request is under the Federal Freedom of information Act I trust that based upon Federal Preemption that a fee waiver should/would be considered with the processing of my request.

As per

"Such fees shall be limited to reasonable standard charges for document search and duplication and provide for recovery of only the direct costs of such search and duplication. Documents shall be furnished without charge or at a reduced charge where the agency determines that waiver or reduction of the fee is in the public interest because furnishing the information can be considered as primarily benefiting the general public."

The statement above would give rise to a reduced fee or a waiver of the fee "because furnishing the information can be considered as a primarily benefiting the general public".

This would give rise to providing this information at the least possible cost.

Please issue a legal opinion to support the position of the Commission.

Thanks,

Robert H. Smith

Under the FOIA Reform Act, the Office of Management and Budget was charged with the responsibility of promulgating, pursuant to notice and receipt of public comment, a "uniform schedule of fees"[6] for individual agencies to follow when promulgating their FOIA fee regulations.[7] In March 1987, OMB issued its Uniform Freedom of Information Act Fee Schedule and Guidelines [hereinafter OMB Fee Guidelines].[8] As mandated by the 1986 FOIA amendments, agencies are obligated to conform their fee schedules to these guidelines.[9]

The FOIA Reform Act also required agencies to promulgate specific "procedures and guidelines for determining when such fees should be

FEES AND FEE WAIVERS

waived or reduced."[10] The Department of Justice, in accordance with its statutory responsibility to encourage agency compliance with the FOIA,[11] developed new governmentwide policy guidance on the waiver of FOIA fees, to replace its previously issued guidance implementing the predecessor statutory fee waiver standard.[12] In April 1987, to assist federal agen-

[10] § 1803, 100 Stat. at 3207-49.

5 USC Sec. 552

1986 - Subsec. (a)(4)(A). Pub. L. 99-570, Sec. 1803, amended subpar. (A) generally. Prior to amendment, subpar. (A) read as follows: 'In order to carry out the provisions of this section, each agency shall promulgate regulations, pursuant to notice and receipt of public comment, specifying a uniform schedule of fees applicable to all constituent units of such agency. Such fees shall be limited to reasonable standard charges for document search and duplication and provide for recovery of only the direct costs of such search and duplication. Documents shall be furnished without charge or at a reduced charge where the agency determines that waiver or reduction of the fee is in the public interest because furnishing the information can be considered as primarily benefiting the general public.'

Confidentiality Statement

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Thursday, January 13, 2011 5:33 PM
To: 'Dorothy Menasco'; 'John Slemkewicz'; 'Lisa Bennett'
Cc: 'Office Of Commissioner Edgar'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Office Of Commissioner

Graham'; 'Office of Commissioner Balbis'; 'Office of Commissioner Brown'; 'Ann Cole'; 'rick.scott@eog.myflorida.com'; 'jennifer.carroll@eog.myflorida.com'; 'John Slemkewicz'; 'rick.scott@eog.myflorida.com'; 'jennifer.carroll@eog.myflorida.com'
Subject: RE: Freedom of Information Act Request (FOIA), 5 U.S.C. § 552 / Actual Earnings Surveillance Reports as filed by Florida Power & Light / Docket 080677 /Docket 100009/110009 / Docket 100410

Dear Ms. Menasco,

The last time this was completed the charge was $.05 per page for 126 pgs. What is going on and technology is getting better therefore if this was scanned and sent it would be much cheaper than the original cost in the invoice below.

Are any of the 434 pages blank? If so, then I should not have to pay for any of these pages.

Even at 434 pages it would only come out to $21.70 as per the invoice below. This seems very expensive and does not make sense based upon the invoice below.

Please have legal answer the question about receiving this correspondence in an automated fashion to save time.

I need legal to sign off that no one at the Commission has received any electronic document regarding these reports. If these were received electronically then the electronic files would be part of the public docket and should be available in an electronic format.

Ms. Bennett,

I need a legal response that the Commission staff is not receiving any of these reports in an electronic fashion from any FPL staff and why the cost would be different than the last invoice.

If I recall correctly the cost charged for replication of the documents should be completed at the least cost.

This does not make sense and I am unemployed and need this information as soon as possible.

There is no reason for any of the cost to be more than the last invoice.

Thanks,

Robert H. Smith

FLORIDA PUBLIC SERVICE COMMISSION
2540 Shumard Oak Blvd. • Tallahassee, Florida 32399-0850

10819

Date: 05/08/2009

To:
Mr. Robert H. Smith
11340 Heron Bay Blvd.
Coral Springs, Florida 33076

Date Paid _____
Amount Paid _____
Check # _____
☐ Check ☐ Cash
PSC Signature _____

This number must appear on all checks or correspondence regarding this invoice.

Please make checks payable to: FLORIDA PUBLIC SERVICE COMMISSION

QUANTITY	DESCRIPTION	PRICE	AMOUNT
126 pgs.	FPL 2008 Earning Surveillance Reports (Jan-Dec)	5c/pg.	$6.30
		TOTAL	$6.30

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From: Dorothy Menasco [mailto:DMenasco@PSC.STATE.FL.US]
Sent: Thursday, January 13, 2011 5:03 PM
To: rpjrb@yahoo.com; John Slemkewicz
Cc: Office Of Commissioner Edgar; Office Of Commissioner Graham; Office of Commissioner Brisé; Office Of Commissioner Graham; Office of Commissioner Balbis; Office of Commissioner Brown; Lisa Bennett; Ann Cole; rick.scott@eog.myflorida.com; jennifer.carroll@eog.myflorida.com; John Slemkewicz
Subject: RE: Freedom of Information Act Request (FOIA), 5 U.S.C. § 552 / Actual Earnings Surveillance Reports as filed by Florida Power & Light / Docket 080677 /Docket 100009/110009 / Docket 100410

Mr. Smith,

I have been advised that there are an estimated 434 pages of ESRs. There will be a charge for the time it will take to copy the document. Please note that the estimated charges are $54.89 and is broken down as follows:

$43.40 (for 217 duplexed pages at .20 cents per page);
+ 11.29 (special service charge - staff's copying time);
= $54.69 (estimated total)

Please provide confirmation of whether you would like us to make those copies. On verification that you would like us to make the copies, we will begin the copying process, and the documents will be mailed to you on receipt of your payment.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

Please note: Florida has a very broad public records law. Most written communications to or from state officials regarding state business are public records available to the public and media upon request. Your e-mail communications may therefore be subject to public disclosure.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, January 13, 2011 2:13 PM
To: John Slemkewicz
Cc: Dorothy Menasco; Office Of Commissioner Edgar; Office Of Commissioner Graham; Office of Commissioner Brisé; Office Of Commissioner Graham; Office of Commissioner Balbis; Office of Commissioner Brown; Lisa Bennett; Ann Cole; rick.scott@eog.myflorida.com; jennifer.carroll@eog.myflorida.com
Subject: FW: Freedom of Information Act Request (FOIA), 5 U.S.C. § 552 / Actual Earnings Surveillance Reports as filed by Florida Power & Light / Docket 080677 /Docket 100009/110009 / Docket 100410

To all,

I noticed a **typo.**

Thanks,

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Thursday, January 13, 2011 12:08 PM
To: 'John Slemkewicz'
Cc: 'Dorothy Menasco'; 'Office Of Commissioner Edgar'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Office Of Commissioner Graham'; 'Office of Commissioner Balbis'; 'Office of Commissioner Brown'; 'Lisa Bennett'; 'Ann Cole'; 'rick.scott@eog.myflorida.com'; 'jennifer.carroll@eog.myflorida.com'

Subject: FW: Freedom of Information Act Request (FOIA), 5 U.S.C. § 552 / Actual Earnings Surveillance Reports as filed by Florida Power & Light / Docket 080677 /Docket 100009/110009 / Docket 100410

Dear Mr. Slemkewicz,

Here is a way that the cost can be minimized. Just like the Commission is scanning the documents for the rate case. These documents can be scanned and sent electronically as well. This will save time and money as well since if you are making a copy I am sure that the Commission is utilizing a high speed scanner to keep up with the electronic documents that are being made part of the record in any ratecase proceeding.

Is this correct?

I have a $150 printer, copier, scanner, fax machine that lets me scan to a PDF file very quickly. This information then can be attached to an email to be sent much quicker than a hard copy sent through the mail. As a CFO I used this type of printer to help with answering audit questions for my year end audits. I also used this technology to send information to the US Treasury and CMS regarding Healthcare and Financial Regulatory reform. This would work very well and save the Commission money.

Please let me know when I will be receiving a response to my full email below. If a legal response is needed, please have the legal staff at the commission sign off on the response. Since the cash balances are very low as indicated by the FERC form 1 my concerns are warranted therefore I would like a response as soon as possible.

Thanks,

Robert H. Smith

Confidentiality Statement

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Thursday, January 13, 2011 11:52 AM
To: 'John Slemkewicz'
Cc: 'Dorothy Menasco'; 'Office Of Commissioner Edgar'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Office Of Commissioner Graham'; 'Office of Commissioner Balbis'; 'Office of Commissioner Brown'; 'Lisa Bennett'; 'Ann Cole'; 'rick.scott@eog.myflorida.com'; 'jennifer.carroll@eog.myflorida.com'
Subject: RE: Freedom of Information Act Request (FOIA), 5 U.S.C. § 552 / Actual Earnings Surveillance Reports as filed by Florida Power & Light / Docket 080677 /Docket 100009/110009 / Docket 100410

Dear Mr. Slemkewicz,

What about the answers to the rest of the email?

Thanks,

Robert H. Smith

Confidentiality Statement

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From: John Slemkewicz [mailto:JSlemkew@PSC.STATE.FL.US]
Sent: Thursday, January 13, 2011 11:48 AM
To: rpjrb@yahoo.com
Cc: Dorothy Menasco
Subject: RE: Freedom of Information Act Request (FOIA), 5 U.S.C. § 552 / Actual Earnings Surveillance Reports as filed by Florida Power & Light / Docket 080677 /Docket 100009/110009 / Docket 100410

FPL's monthly ESRs are submitted to the PSC in a hard copy format (paper). The ESRs are not submitted electronically, by email or on disk. The ESRs are not on line.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, January 13, 2011 11:32 AM
To: John Slemkewicz
Cc: Dorothy Menasco; Office Of Commissioner Edgar; Office Of Commissioner Graham; Office of Commissioner Brisé; Office Of Commissioner Graham; Office of Commissioner Balbis; Office of Commissioner Brown; Lisa Bennett; Ann Cole; rick.scott@eog.myflorida.com; jennifer.carroll@eog.myflorida.com
Subject: RE: Freedom of Information Act Request (FOIA), 5 U.S.C. § 552 / Actual Earnings Surveillance Reports as filed by Florida Power & Light / Docket 080677 /Docket 100009/110009 / Docket 100410

Dear Mr. Slemkewicz, Ms. Bennett and all Commissioners,

Thanks for the link to the FERC Form 1 reports. Is there a link to the ESR reports as well? According to one of the email responses there was. Was this a correct statement?

Just by taking a look at the FERC 1 for 2009 it appears that there was only $34.3 million in 2009 and $94.0 million in 2008 respectively in the FERC 131 Utility Cash account.

Where did all the over recovered money go? This would include the depreciation and excess earnings over recovery.

This is why I need access to the ledgers to see the accounting for the over recoveries.

According to the over earnings estimates there was $400 million dollars of overearnings. Where did the money go? This can be determined by looking at the Cash 131 Account Ledger.

My concerns based upon this page have merit therefore I want to make sure that I have all the appropriate information in order to

complete my analysis.

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Florida Power & Light Company	(1) ☒ An Original (2) ☐ A Resubmission	/ /	End of 2009/Q4

COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
1	UTILITY PLANT			
2	Utility Plant (101-106, 114)	200-201	28,706,410,344	26,487,111,508
35	Cash (131)		34,255,751	93,987,390

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Florida Power & Light Company	(1) ☒ An Original (2) ☐ A Resubmission	/ /	End of 2008/Q4

COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
1	UTILITY PLANT			
2	Utility Plant (101-106, 114)	200-201	26,487,111,508	25,577,923,370
35	Cash (131)		93,987,390	59,516,339

Are the ESR's sent to you electronically? If so, just like in the rate case these were filed electronically therefore I would like these sent electronically to save money.

I am sure that you receive these by email from Florida Power & Light just like I received the forecasted ESR from the company. This will save postage costs and turnaround time.

There should be no reason why these reports cannot be sent this way when these reports are being filed electronically by the company.

Do you receive these reports electronically in a PDF file?

Attached is an invoice for the 2008 reports that were sent. This must include postage therefore if these reports are being sent electronically to the Commission the postage costs can be saved therefore reducing the cost below.

If they are being sent electronically when they file to any staff member then they should be available with a public records request. This is no different when FPL responded to my motion for the declassification to the classified forecasted ESR report. This report was sent in a PDF format in an automated email.

Please provide a response with regard to the ledgers of the company. Does the Commission receive any of these documents? Does the Commission receive these electronically? I am sure that these are being sent to the Commission Electronically as well for the Commission to conduct its due diligence. This is the normal current business practice.

If so, then this would be part of a public records request as well. These should be fully transparent from both a ratepayer's and a shareholder's perspective.

I also would like these reports electronically since I have a nerve issue that acts up at times therefore I would like to have access to this information electronically so that I can work with the information in an automated way and not have to rekey all the hard copy materials. I am unemployed therefore I want these costs kept to a minimum.

Due to the delicate nature of this information I would like to make sure that this correspondence request/communication does not have any impact on my current/future employment. I can only hope that this request is viewed as a public service request for the ratepayers of the Florida Power & Light and does not have any impact on my family's well being.

I know that when I dealt with the US Treasury with regard to the TARP programs when I was working on Financial Regulatory reform they accommodated me with sending me the information electronically. When I worked with CMS with regard to third party downstream billing they also sent me my information in an electronic format as well. They both accommodated me with regard to my nerve condition that I have in my elbow and with me having numbness in my two lower fingers at times.

Based upon my rights as a ratepayer and shareholder and Federal/State laws this information should be fully transparent therefore I trust that this information will be made available for me to complete my analysis.

Please respond to my email in full since I need to bring this to a resolution quickly so that I can start my **analysis, since** the cash balances in the FERC form 1 for 2009 **are low.**

If you have any questions please do not hesitate to ask.

Dear all Commissioner's,

Based upon the cash balances my concerns have merit therefore my request should be fully accommodated in order for me to ascertain the accounting of the over recovered money.

This is my right as a shareholder and a ratepayer. Please expedite my request so that I am ready to go then the first ESR reports for 2011 become available. I have started to lay out an ESR summary that I have put together yesterday. This will track the adjudicated decision versus the actual earned returns that are being quoted in the monthly ESR reports. I am working on 2008 and I want to make sure that I can lay out 2009 and 2010 to track the Cash balances. I want to make sure that we are tracking the over recoveries as it relates to the cash balances that are being supported by the FERC form 1 reports.

This is very critical and if need be I will be seeking all avenues to ascertain the full accounting of all the over recovered monies. Just by taking a look at the year end balances in the FERC form 1 for **2010,** where did the $400 million dollars go? This is why this is a very important issue to monitor. Now that the commission has not set aside the over recovered over earnings in a 253 account this analysis is even more critical. There is no reason why this information cannot be supplied to take a look at the accounting of the cash. This would be part of normal due diligence. This is just a check book reconciliation exercise which has to be completed considering the magnitude of the over recoveries.

I have cc'd the Governor's office since I know that there is a current legislative process in which commission members are put into place. There is the Public Service Commission Nominating Council and the Joint Committee on Public Counsel Oversight Committees in which these are legislative processes in which commission appointments are being made. In addition, the Joint Committee on Public Counsel Oversight is the Committee for the selection of Public Counsel. Since these are both legislative branches that govern the makeup of the Commission I have cc'd the Governor in order to keep them in the loop with regard to my concerns.

Joint Committee on Public Counsel Oversight
Rules of Procedure

1.1 General Rules.

The committee shall be governed by the rules of the Senate in the even-numbered years and the rules of the House in odd-numbered years.

1.2 Selection of the Public Counsel.

(1) The term of the Public Counsel begins on the date the Public Counsel is appointed to office. The date of appointment is the date on which the letter of appointment is signed by the Chair. A copy of the letter must be filed with the President of the Senate and Speaker of the House of Representatives. A vacancy occurs in the office of Public Counsel when the Public Counsel is not reconfirmed, resigns, or is removed by the committee by majority vote.

I also would like these reports electronically since I have a nerve issue that acts up at times therefore I would like to have access to this information electronically so that I can work with the information in an automated way and not have to rekey all the hard copy materials. I am unemployed therefore I want these costs kept to a minimum.

Due to the delicate nature of this information I would like to make sure that this correspondence request/communication does not have any impact on my current/future employment. I can only hope that this request is viewed as a public service request for the ratepayers of the Florida Power & Light and does not have any impact on my family's well being.

If you have any questions please do not hesitate to email me. Please make sure that all these communications are being made available to all the parties with a legal interest..

Thanks,

Robert H. Smith

FLORIDA PUBLIC SERVICE COMMISSION

2540 Shumard Oak Blvd. ◆ Tallahassee, Florida 32399-0850

10819

Date: 05/08/2009

To:

Mr. Robert H. Smith
11340 Heron Bay Blvd.
Coral Springs, Florida 33076

Date Paid _____
Amount Paid _____
Check # _____
☐ Check ☐ Cash
PSC Signature _____

This number must appear on all checks or correspondence regarding this invoice.

Please make checks payable to: FLORIDA PUBLIC SERVICE COMMISSION

QUANTITY	DESCRIPTION	PRICE	AMOUNT
126 pgs.	FPL 2008 Earning Surveillance Reports (Jan-Dec)	5c/pg.	$6.30
		TOTAL	$6.30

PSC/CCA 009-C (Rev. 08/06)

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Florida Power & Light Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2009/Q4

COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
1	UTILITY PLANT			
2	Utility Plant (101-106, 114)	200-201	28,708,410,344	28,487,111,508
3	Construction Work in Progress (107)	200-201	1,721,563,757	1,854,804,768
4	TOTAL Utility Plant (Enter Total of lines 2 and 3)		30,427,974,101	28,341,916,276
5	(Less) Accum. Prov. for Depr. Amort. Depl. (108, 110, 111, 115)	200-201	12,462,046,834	12,055,232,913
6	Net Utility Plant (Enter Total of line 4 less 5)		17,965,928,267	16,286,683,363
7	Nuclear Fuel in Process of Ref., Conv.,Enrich., and Fab. (120.1)	202-203	0	0
8	Nuclear Fuel Materials and Assemblies-Stock Account (120.2)		0	0
9	Nuclear Fuel Assemblies in Reactor (120.3)		0	0
10	Spent Nuclear Fuel (120.4)		0	0
11	Nuclear Fuel Under Capital Leases (120.6)		388,888,582	337,862,690
12	(Less) Accum. Prov. for Amort. of Nucl. Fuel Assemblies (120.5)	202-203	0	0
13	Net Nuclear Fuel (Enter Total of lines 7-11 less 12)		388,888,582	337,862,690
14	Net Utility Plant (Enter Total of lines 6 and 13)		18,354,816,858	16,624,546,013
15	Utility Plant Adjustments (116)		0	0
16	Gas Stored Underground - Noncurrent (117)		0	0
17	OTHER PROPERTY AND INVESTMENTS			
18	Nonutility Property (121)		14,519,499	9,519,499
19	(Less) Accum. Prov. for Depr. and Amort. (122)		0	0
20	Investments in Associated Companies (123)		0	0
21	Investment in Subsidiary Companies (123.1)	224-225	0	0
22	(For Cost of Account 123.1, See Footnote Page 224, line 42)			
23	Noncurrent Portion of Allowances	228-229	0	0
24	Other Investments (124)		0	243,085
25	Sinking Funds (125)		0	0
26	Depreciation Fund (126)		0	0
27	Amortization Fund - Federal (127)		0	0
28	Other Special Funds (128)		2,446,186,869	2,201,837,616
29	Special Funds (Non Major Only) (129)		0	0
30	Long-Term Portion of Derivative Assets (175)		0	0
31	Long-Term Portion of Derivative Assets – Hedges (176)		0	0
32	TOTAL Other Property and Investments (Lines 18-21 and 23-31)		2,459,676,368	2,211,600,200
33	CURRENT AND ACCRUED ASSETS			
34	Cash and Working Funds (Non-major Only) (130)		0	0
35	Cash (131)		34,255,751	93,987,390
36	Special Deposits (132-134)		44,829	44,829
37	Working Fund (135)		18,550	21,550
38	Temporary Cash Investments (136)		43,069,719	26,900,362
39	Notes Receivable (141)		0	0
40	Customer Accounts Receivable (142)		737,163,581	699,297,156
41	Other Accounts Receivable (143)		344,326,560	241,817,997
42	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)		21,955,709	19,862,911
43	Notes Receivable from Associated Companies (145)		0	0
44	Accounts Receivable from Assoc. Companies (146)		18,515,335	34,019,748
45	Fuel Stock (151)	227		302,116,817
46	Fuel Stock Expenses Undistributed (152)	227	0	0
47	Residuals (Elec) and Extracted Products (153)	227	0	0
48	Plant Materials and Operating Supplies (154)	227		260,439,903
49	Merchandise (155)	227		0
50	Other Materials and Supplies (156)	227		0
51	Nuclear Materials Held for Sale (157)	202-203/227		0
52	Allowances (158.1 and 158.2)	228-229		0

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From: John Slemkewicz [mailto:JSlemkew@PSC.STATE.FL.US]
Sent: Thursday, January 13, 2011 9:47 AM
To: rpjrb@yahoo.com
Cc: Dorothy Menasco
Subject: RE: Freedom of Information Act Request (FOIA), 5 U.S.C. § 552 / Actual Earnings Surveillance Reports as filed by Florida Power & Light / Docket 080677 /Docket 100009/110009 / Docket 100410

Mr. Smith:

The Commission has the following documents in response to your requests:

ANNUAL REPORTS

The annual reports are available on line at the PSC's website and can be accessed as follows:

www.floridapsc.com
Point on "Utility Regulation" tab
Click on "Electric and Natural Gas" link
Click on "Electric Companies" link
In "Industry" box, select "Company Code"
Enter "EI802" in "Company Code" box
Click on "View" button
Click on "EI802" link
The Annual Reports are listed by year for 1985 and 1998-2009

EARNINGS SURVEILLANCE REPORTS (ESR)

Ms. Menasco will be contacting you concerning the charge for the monthly ESRs for the 22 months beginning with January 2009 and ending with October 2010, the most recently filed report.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, January 12, 2011 5:21 PM
To: Records Clerk; John Slemkewicz
Cc: Office Of Commissioner Edgar; Office Of Commissioner Graham; Office of Commissioner Brisé; Office Of Commissioner Graham; Office of Commissioner Balbis; Office of Commissioner Brown; Lisa Bennett; Ann Cole
Subject: RE: Freedom of Information Act Request (FOIA), 5 U.S.C. § 552 / Actual Earnings Surveillance Reports as filed by Florida Power & Light / Docket 080677 /Docket 100009/110009 / Docket 100410

Dear Ms. Menasco,

Thanks for the information and your response.

1/18/2011

I am not sure that you would have the answers to the questions below. If you do not, please forward this email to the appropriate party for a response.

How does the Florida Public Service Commission tie out to any of the reports that are furnished to the commission for a rate case proceeding?

All reports that are supplied to the Commission (i.e. earnings surveillance reports, FERC Form 1 reports) would have to tie out to balance sheets, Income statements and cash flows. Up North we would have to furnish a copy of Ledgers to the Commission in order for them to conduct their normal due diligence. This included subsidiary ledgers (i.e. Plant (Plant additions, Plant retirements etc.), Accumulated depreciation (Depreciation expense, Cost of Removal charges, Salvage), Balance sheet ledgers, income statement ledgers and cash flow statements to tie out to Utility FERC account 131.

How does the Commission test for compliance with the Public Utility Holding Act with regard to regulated versus non-regulated monies? Reviewing the ledgers would be a requirement to conduct prudency testing of costs at the Utility.

Is the company using a pooling of cash method or is the company keeping the cash between regulated and non-regulated entities separate? This is very important when a rate case proceeding is being ruled on since there must be a tie out to the cash on FERC Form 1 for the Utility 131 Account and to all other reports that are being utilized for any rate case proceeding.

My previous experience with these filings we made available all ledgers in order for the commission to be able to complete their normal due diligence with a rate case proceeding. This is going to be very critical information since when I start receiving the 2011 Earnings surveillance reports I would like to identify the cash balances at the Utility. As I have indicated in my initial FOIA request this information would be needed in order to take a look at what the potential cash balances should be with regard to any cash surpluses as a result of over recovery of costs.

I want to monitor the actual depreciation surplus amortization as well as any amortization that would be related to the $400 million dollars of over earnings that was identified at the company. If the company is not going to have to return the over earnings then these over earnings should be in the cash balance (FERC 131 account) at the Utility. If not, then a reconciliation of the cash flows of the over collection of these monies would be warranted. Between the Earnings Surveillance reports and the ledgers of the company I should be able to track the cash flow of any over earnings surplus at the company.

At the end of each rate year once we identify the actual depreciation surplus amortization that the company has recorded we can determine if some of the over collection of cash depreciation in rates has been returned to the customer. Does the company still have the $400 million dollars of over earnings in the cash 131 account?

Based upon my rights as both a ratepayer and shareholder I know that I would be entitled to this information.

Again, thanks for your help and response.

Please let me know if you will be able to answer the questions above or who would be able to answer these questions.

Mr. Slemkewicz,

Do you have electronic copies of 2009 and 2010 Earnings Surveillance reports? In the previous email there was mention that this information is available on the web site. Is this correct? If not, then please provide me with a copy of the Earnings Surveillance reports for 2009 and 2010. It appears that these would be filed electronically just like the ratecase proceeding so this should be readily available for me to receive in a electronic format.

I want to make sure that since there was approximately $1.4 billion dollars of over recovered dollars that if the money does not exist in the Utility Cash 131 there is appropriate backup to support that this money was kept in the Utility 131 Cash account. The only way that this can be determined is by looking at the balance sheets, income statements and cash flow statements at the company. I know that the FERC Form 1 would have this information in more detail. Has the company filed the 2008, 2009 and 2010 FERC Form 1 reports with the commission? If so, then please let me know if these were electronically filed so that I can obtain

a copy to tie out to the Utility 131 cash account balance to cross reference to the Earnings Surveillance reports that are being furnished to the Commission. Has the commission conducted due diligence to tie out to the FERC Form 1 reports to the Earnings Surveillance reports? I need these reports in order from a Generally Accepted Accounting Principle basis to tie out the Earnings Surveillance reports to the balance sheets and income statements of the company. The cash flows would be needed to test for Cash in the regulated Utility Cash 131 Account.

I am not sure if the Records Clerk area is the area in which the above questions can be answered.

As a ratepayer and a shareholder I know that I would be entitled to this information.

Please let me know when this information can be made available.

I sent my original FOIA request early in order to make sure that this information would be made available when the first monthly earnings surveillance report is filed.

Thanks in advance for your help.

Dear all Commissioner's,

This is very important to monitor the cash aspects of these over recoveries. Since the rates have not been changed, the cash collections for any depreciation items are the same in base rates therefore there is a continuation of the over recovery of depreciation in the current base rates. I want to make sure that after the term of the Stipulation and Settlement agreement that when they conduct their next depreciation study that the theoretical depreciation reserve does not reflect more over recovered depreciation. If so, then these cash over recoveries should be maintained in the Cash 131 Account for future disposition as the company would have to return any over recovered dollars. This would include any type of over recovery. I want to make sure that since there was an over recovery of $1.4 billion dollars that the cash for these over collections is being maintained or is given back to the customer. From the Public Utility Holding Act perspective this is very important and the only way to determine how the money has been used is to take a look at the cash flows at the company.

Based upon my rights as a ratepayer and shareholder and Federal/State laws this information should be fully transparent therefore I trust that this information will be made available for me to complete my analysis.

Thanks,

Robert H. Smith

Confidentiality Statement

The documents accompanying this telecopy transmission contain information which is confidential and/or legally privileged. The information is intended only for the use of the individual or entity named on this transmission sheet. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this telecopied information is strictly prohibited, and the documents should be returned. In this regard, if you received this telecopy in error, please contact the sender by reply E-mail and destroy all copies of the original.

From: Dorothy Menasco [mailto:DMenasco@PSC.STATE.FL.US] **On Behalf Of** Records Clerk
Sent: Wednesday, January 12, 2011 4:26 PM
To: rpjrb@yahoo.com
Cc: Office Of Commissioner Edgar; Office Of Commissioner Graham; Office of Commissioner Brisé; Office Of Commissioner Graham;

Office of Commissioner Balbis; Office of Commissioner Brown; Lisa Bennett; Ann Cole; John Slemkewicz
Subject: RE: Freedom of Information Act Request (FOIA), 5 U.S.C. § 552 / Actual Earnings Surveillance Reports as filed by Florida Power & Light / Docket 080677 /Docket 100009/110009 / Docket 100410

Mr. Smith:

The Florida Public Service Commission does not have any documents in response to your request to provide all accounting journal entries based upon Generally Accepted Accounting Principles, including a chronological record of accounting journal entries for the recording of all journal entries related to any regulated ratemaking assumptions; accounting entries supporting the actual earnings surveillance reports; and a cash flow statement to show the changes in cash balances as a result of these transactions. Staff has advised that this information would be found on the books of the company, of which the Florida Public Service Commission does not have copies.

For future surveillance report questions, please contact John Slemkewicz in the Division of Economic Regulation, Surveillance Section. The phone number for the Division of Economic Regulation is 850-413-6900. Mr. Slemkewicz's e-mail address is: JSlemkew@psc.state.fl.us.

I hope you find this information helpful.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

Please note: Florida has a very broad public records law. Most written communications to or from state officials regarding state business are public records available to the public and media upon request. Your e-mail communications may therefore be subject to public disclosure.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Tuesday, January 11, 2011 3:50 PM
To: Records Clerk
Cc: Office Of Commissioner Edgar; Office Of Commissioner Graham; Office of Commissioner Brisé; Office Of Commissioner Graham; Office of Commissioner Balbis; Office of Commissioner Brown; Lisa Bennett; Ann Cole
Subject: RE: Freedom of Information Act Request (FOIA), 5 U.S.C. § 552 / Actual Earnings Surveillance Reports as filed by Florida Power & Light / Docket 080677 /Docket 100009/110009 / Docket 100410

Dear Ms. Menasco,

Are you indicating that these documents are available on the web site for 2009 and 2010 as well?

If so, please provide the link in which these documents are posted so that I can review and copy these documents for 2009 and 2010 respectively. Was 2008 available electronically as well?

Thanks for your response help.

Thanks,

Robert H. Smith

Confidentiality Statement

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FPSC, CLK - CORRESPONDENCE
__Administrative X Parties __Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION: _____

Dorothy Menasco 080677-EI

From: Dorothy Menasco on behalf of Records Clerk
Sent: Tuesday, January 11, 2011 3:30 PM
To: 'rpjrb@yahoo.com'
Cc: Office Of Commissioner Edgar; Office Of Commissioner Graham; Office of Commissioner Brisé; Office Of Commissioner Graham; Office of Commissioner Balbis; Office of Commissioner Brown; Lisa Bennett; Ann Cole
Subject: RE: Freedom of Information Act Request (FOIA), 5 U.S.C. § 552 / Actual Earnings Surveillance Reports as filed by Florida Power & Light / Docket 080677 /Docket 100009/110009 / Docket 100410

Mr. Smith:

There are no responsive documents to this request. Please note that Florida Public Records Law does not recognize a continuing request (in other words, one that attaches to documents not yet in existence or custody of the agency). If you wish, you may renew this request at a future time. Please also note that the document you describe, at such time as it may be filed with this agency, would be posted to the agency's website, where it may be reviewed and copied if you so desire.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

Please note: Florida has a very broad public records law. Most written communications to or from state officials regarding state business are public records available to the public and media upon request. Your e-mail communications may therefore be subject to public disclosure.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Tuesday, January 11, 2011 11:18 AM
To: Records Clerk; Lisa Bennett
Cc: Office Of Commissioner Edgar; Office Of Commissioner Graham; Office of Commissioner Brisé; Office Of Commissioner Graham; Office of Commissioner Balbis; Office of Commissioner Brown
Subject: Freedom of Information Act Request (FOIA), 5 U.S.C. § 552 / Actual Earnings Surveillance Reports as filed by Florida Power & Light / Docket 080677 /Docket 100009/110009 / Docket 100410

Dear Records Clerk and Commissioner's,

I have been listening to the testimony regarding the disposition of the depreciation surplus and over earnings surplus. In order to see the progress of the return of the cash surplus I am respectively requesting my Freedom of Information Act request below. My previous email(s) to both the Commission and Florida Power & Light has asked for this type of information in the past. Now that the Stipulation and Settlement agreement has been approved and there is testimony that the potential exists that the excess earnings disposition might not be reviewed and is being covered by the agreement, I feel that the monitoring of the progress of the return of the cash surplus is warranted.

I fully understand that this request will not be started until the end of January 2011. Please provide this information as soon as possible when the information is available.

Please see my Freedom of Information Act request below. This email is to serve as a Freedom of Information Act request as per The Freedom of Information Act (FOIA), 5 U.S.C. § 552.

This Freedom of information Act request should be made part of the following Dockets:

Docket 080677
Docket 100009/Docket 110009
Docket 100410

Thanks,

Robert H. Smith

January 11, 2011

Director, Office of Commission Clerk
ATTN: Records Clerk/Ann Cole

Re: Request for a copy of the Actual Earnings Surveillance reports as filed. / Ongoing for the duration of the Stipulation and Settlement Agreement.

To whom it may concern:

Pursuant to the Freedom of Information Act (FOIA), 5 U.S.C. § 552, I request a copy of all accounting information related to the specific answers to all questions below.

I am requesting access to identify the records as clearly and specifically as possible. If there are any fees, please let me know before you work on my request. Since these records have been provided on an electronic basis please provide this information electronically when they become available. Since the company is sending these reports as PDF files it appears that this should be the way that this correspondence can be sent to keep the costs to a minimum since these requests are part of the normal due diligence requirements of the company.

If you deny all or any part of this request, please cite each specific exemption (Federal) you think justifies your refusal to release the information and notify me of appeal procedures available under the law (Federal).

Please provide a copy of all actual Earnings Surveillance reports as they are filed. Please list the assumptions of the actual depreciation surplus amortization that is being amortized in the actual earnings surveillance reports and answer the email dated Monday, November 22, 2010 11:25 AM that was sent to Florida Power & Light's Senior Management. A list of assumptions should be provided to reflect what the company is actually recording to meet the requirements of the approved Stipulation and Settlement agreement that the Florida Public Service Commission has approved.

Please provide all accounting journal entries based upon Generally Accepted Accounting Principles. This should include a chronological record of accounting journal entries for the recording of all journal entries related to any regulated ratemaking assumptions below.

All accounting entries should be able to support the actual earnings surveillance reports.

Please provide a cash flow statement to show the changes in cash balances as a result of these transactions. This should be completed on a segmented cash flow basis to potentially show the movement of cash to holding/affiliated companies of FPL.

For example:

Total over recoveries approximately are $1.4 billion (Depreciation $1.0 billion plus, $400 million of over earnings). Each earnings surveillance report is going to reflect a depreciation amortization assumption that as it is refunded would go against the over recovered depreciation reserve. In addition, pending the disposition of the $400 million of over earnings this cash balance should be reflected in the cash accounts at the company (FERC 131 account). The total over recoveries in cash should equal approximately $1.4 billion dollars. If the current cash balance does not reflect this total surplus, please provide an explanation of the use of the cash surplus.

I understand that the resources at the commission is limited but since I have extensive experience with these type of proceedings as long as the specific information is provided I would be able calculate the appropriate studies on my own which would not require help from the commission staff. Since I am both a ratepayer and a shareholder there should be no problem with the release of all specific information in order for me to complete my own analysis. This will ensure from both a

ratepayer and shareholder perspective I am receiving the best possible rates and return on my investment.

On March 19th, 2009, The Office of the Attorney General has issued a memorandum regarding the release of information under The Freedom of Information Act (FOIA), 5 U.S.C. § 552.

This indicates "The Freedom of Information Act should be administered with clear presumption: In the case of doubt, openness prevails".

"This memorandum is meant to underscore that commitment and to ensure that it is realized in practice"

Due to the new nature of this program a need to clarify some of the underlying assumptions under this request might be required.

Due to the delicate nature of this information I would like to make sure that this correspondence request/communication does not have any impact on my current/future employment. I can only hope that this request is viewed as a public service request for the ratepayers of the Florida Power & Light and does not have any impact on my family's well being.

Please forward this information to the following address:

Robert H. Smith

11340 Heron Bay Blvd.

Coral Springs, Florida 33076

Or email this information to rpjrb@yahoo.com.

If you have any questions about this request please do not hesitate to ask.

Thank you for your consideration and cooperation.

Very truly yours,

Robert H. Smith

Confidentiality Statement

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Monday, November 22, 2010 11:25 AM
To: 'John.Butler@fpl.com <John.Butler@fpl.com>'; 'ken.rubin@fpl.com'; 'Pat.Brian@fpl.com'

Cc: 'Charles_Sieving@fpl.com'; 'Lew_Hay@fpl.com'
Subject: Withdrawal of the Confidential Classification of Provisional Electric Forecasted Earnings Surveillance Report / Questions regarding the forecast assumptions

Dear Mr. Butler, Mr. Rubin and Mr. Brian,

Thanks for your patience in this matter.

I left a voicemail on Friday and sent quick email regarding this report (Docket 080677-EI Document number 09517-10). I am sorry I could not speak to you on Friday. I was in the middle of a phone interview for a CFO position.

Thank you for a copy of the Provisional Electric Forecasted Earnings Surveillance report. I noticed that the information contains the exact same pages that are in the normal operating report (Rate of Return Surveillance report 24 pages including the cover letter (12/31/2008)). The provisional report contains 7 pages. I would expect to see that these similar reports will be provided with the final order in this case.

Here are some preliminary questions regarding the Provisional Electric Forecasted Earnings Surveillance Report. Did the company prepare any 2011 and 2012 forecasted earnings surveillance reports? This would be needed to see if there would be further cost of service reductions in the years that the base rates would be set if the Settlement and Stipulation agreement was approved based upon the 2010 forecasted earnings surveillance report. If there are other reduction(s) in cost in the years in which the base rates are frozen then the customer might not see a benefit for these reduction since there is no forecast to show what will happen in 2011 and 2012. Will there be an excess earning test to keep track of any future over earnings?

How come the long term debt assumption is 5.8%? Is this assumption for 2010? If so, are there any plans to refinance the debt for 2011 and 2012? If so, and the cash rates are set will the customer receive the benefit of the refinancing of this debt through a cash rate reduction in base rates or will this reduction be returned through an excess earnings mechanism?

Are there any plans to refinance the debt to lower interest rates with the current economic climate? If so, then how come we do not see any reduction in the overall cost of Long term debt cost rate below? Is this due to not being able to refinance this during 2010 since we are already in November?

If there are no plans to refinance the Long term debt below did they ask the financial community if there was an opportunity to refinance any of their debt? Have they completed any economic analysis regarding the impacts of retiring higher cost long term debt with refinancing this debt at lower interest rates? This would include early retirement costs that the company would have to potentially pay with the refinancing and early retirement of the existing debt? Are there plans to refinance in 2011 and 2012? If so, then the customer would not see a reduction for this in their cash base rates since the rates will be set based upon the 2010 test year and the assumption that have been provided in the Provisional Electric Forecasted Earnings Surveillance report.

If the commission decides to use an Excess Earnings mechanism to return any cost reductions/interest savings to its customers what will be the annual rate of return (carrying charges) that will recorded to FERC Account 253 (deferred credits)? This amount should equal the same rate of return as the actual overall cost of money or the customer might not receive the full benefit for the refinancing of the debt. If this was trued up into base rates then the customer would receive the full benefit therefore any carrying charges calculated on excess earnings should be at the overall cost of money.

There is an adjustment of $525,901 ($610,457-$84,556 ($000's)) to reduce the total long term debt outstanding. Do we know what this adjustment represents? Is this a normal retirement of debt? By the nature of this adjustment the debt to equity ratio will change. The equity component will increase therefore increasing the equity component. This will translate to increased revenue requirements. Are there any plans to issue new debt? What would be the targeted debt to equity ratio that the company would expect to maintain? Do we know what the interest rate impact for a ratings change at the company if the company issues more debt?

Any change in the debt to equity ratio will impact revenue requirements. If you just reduce the debt below without a change in interest rates then the equity component of the debt to equity ratio will increase therefore increasing revenue requirements. If the cash rates are set in 2010 without taking into account any future change in debt/equity ratio based upon any issuance or refinancing of debt then how will any potential cost savings be given back to the customer? Will this be refunded through an excess earnings test? If so, at what rate of return will the carrying charges be calculated at to refund this money?

With the depreciation reserve surplus amortization below, what would be the difference between the amortization below of $30,000 and the original amount as set by the Florida public Service Commission? According to note 3 it indicates that this "Assumes FPSC approval of the August 20, 2010 Stipulation and Settlement Agreement. Does this represent $30 million since there is no ($000's) on the top of the Forecast Assumption page. Is this an annual amount of amortization? If this is an annual amortization how come it is significantly lower than the original amount as set by the original order? The original order has indicated that there will be a base rate increase of $75 million but a depreciation amortization that is $500 million over 4 years or $125 million per year for 4 years. In addition, there was $394.6 million being amortized at $17.9 million over 22 years. If the $30,000 represents $30 million then does this replace the original amortization?

I noticed that the 30 day commercial paper rate of .5% has been put onto the assumption page. What specific items are being considered with this interest rate assumption?

What annual interest rate assumptions (carrying charges) are being used to calculate the carrying charges for the any recovery clause that is being collected in base rates but is being returned through a separate recovery clause? (i.e fuel recovery clause, nuclear uprate recovery clause etc.) Are these rates lower than the overall cost of money?

If I have any additional questions I will let you know.

I have sent prior emails to both Mr. Hay and Mr. Sieving regarding the holding company structure at the company as well as the same type of questions that has been asked in the email above.

Again thank you for sending me the information and I am looking forward to hearing from the company.

Hopefully there are no typo(s).

If you have any questions regarding this email please do not hesitate to email me at rpjrb@yahoo.com or give me a call at 954-340-4956.

Thanks,

Robert H. Smith

This schedule below has been sent to the Commission in my email dated May 13th, 2010.

Surplus Amort	1,208.8	
Less: Recov. Sch	(314.2)	
	894.6	
Less Credits	(500.0)	Amortize at $125 m over 4 yrs
	394.6	Amortize at $17.9 m over 22 yrs

Sites to Recovery Sched.	Plant in Service	Reserve Balance	Rem Plant
Cape Canaveral Site	187.5	(152.2)	35.3
Riviera Site	103.7	(94.1)	9.6
	291.2	(246.3)	44.9

Recovery Schedule		
As per Above	314.2	
Cape & Riviera Site	44.9	Are these going to be added to the new repowered generating units? If so then, then how is the new cost going to take into account the old book costs for ledger 3 purposes? Since they have been fully recovered by the surplus reserve is the new ledger 3 amounts only going to reflect the new costs only? How is the vintage year issues being addressed for the old costs? If it will reflect only the new costs then all old ledger 3 amounts will be removed. This might not follow GAAP since from a strict asset perspective these assets might still exist with the new repowered generating units. How will the going forward depreciation reflect this vintage year issue?
Nuclear Uprates	168.2	Removed from Base Rates. Recovered through Nuclear Cost Recovery Clause. Removed from RateBase? Calculated Carrying Charges? Will the cash recovery in Base rates equal the new recovery in cash rates based upon the new Nuclear Cost Recovery Clause? Is this a break even for cash recovery or has the amount of time to recover these costs changed?
Obsolete Meters	101.1	Retired. Is there any salvage money that can be recovered for the scrap sale or sale of these meters? Will there be any cost of removal or are these being left in place? If they are being left in place then and they will be considered fully recovered will ledger 10 be adjusted to match ledger 3 to keep track of these assets? Ledger 3 plant should match ledger 10 accumulated depreciation reserves. These should be kept on the books until they are removed/sold or scrapped. Any money should be credited to the ratepayers.
	314.2	

Based upon the above reduction of the Depreciation Surplus/OverRecovery it appears that the Recovery Schedule items are being reduced against surplus refund immediately. What is going to be done with these plants? Are they being retired or sold?
If they are going to be sold then if there is any gain on the sale of the plants then this would have to be refunded to the ratepayer.
If these plants are not sold, what would be the new recovery period for these plants since it appears that they are being moved out of the normal depreciation recovery?
Are they going to remain in Ledger 3 for book purposes since the normal depreciation recovery will be stopped?

C. OTHER CORPORATE ASSUMPTIONS

INTEREST RATES -	
1) 30 DAY COMMERCIAL PAPER	**0.5%**
2) LONG TERM DEBT	**5.8%**
DEPRECIATION RESERVE SURPLUS AMORTIZATION (3)	**$30,000**

FLORIDA PUBLIC SERVICE COMMISSION
ELECTRIC FORECASTED EARNINGS SURVEILLANCE REPORT
CAPITAL STRUCTURE ($000'S)
FPSC ADJUSTED BASIS

SCHEDULE 3
PAGE 1 OF 1

Company: Florida Power & Light Company and Subsidiaries
Year 2010

AVERAGE	SYSTEM PER BOOKS	RETAIL PER BOOKS	ADJUSTMENTS PRORATA	ADJUSTMENTS SPECIFIC	ADJUSTED RETAIL	RATIO	LOWPOINT COST RATE	LOWPOINT WEIGHTED COST	MIDPOINT COST RATE	MIDPOINT WEIGHTED COST	HIGHPOINT COST RATE	HIGHPOINT WEIGHTED COST
LONG TERM DEBT	$5,510,039	$5,368,846	$84,556	($810,457)	$4,862,945	29.02%	5.32%	1.54%	5.32%	1.54%	5.32%	1.54%
SHORT TERM DEBT	496,874	488,628	8,811	0	495,240	2.96%	0.75%	0.02%	0.75%	0.02%	0.75%	0.02%
PREFERRED STOCK	0	0	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
CUSTOMER DEPOSITS	545,611	545,385	9,651	0	555,036	3.31%	5.98%	0.20%	5.98%	0.20%	5.98%	0.20%
COMMON EQUITY	7,932,700	7,737,980	136,928	0	7,874,908	47.00%	9.00%	4.23%	10.00%	4.70%	11.00%	5.17%
DEFERRED INCOME TAXES	3,310,199	3,238,990	51,461	(327,718)	2,960,753	17.67%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TAX CREDITS WEIGHTED COST	78,796	77,985	111	(71,723)	6,373	0.04%	7.60%	0.00%	8.21%	0.00%	8.83%	0.00%
TOTAL	$17,878,220	$17,473,814	$291,338	($1,009,898)	$16,755,254	100.00%		6.00%		6.47%		6.94%

Company: Florida Power & Light Company
Month of: December 2008

LINE NO		CURRENT MONTH ACTUAL	CURRENT MONTH REVISED ACTUAL (b)	CURRENT MONTH DIFFERENCE AMOUNT	CURRENT MONTH DIFFERENCE %	YEAR TO DATE ACTUAL	YEAR TO DATE ESTIMATED/ ACTUAL (b)	YEAR TO DATE DIFFERENCE AMOUNT	YEAR TO DATE DIFFERENCE %
C	True-up Calculation								
1	Jurisdictional Fuel Revenues (Net of Revenue Taxes)	$ 481,992,385	$ 527,156,101	$ (45,163,716)	(8.6) %	$ 6,048,426,723	$ 6,163,762,784	$ (115,336,061)	(1.9) %
	Fuel Adjustment Revenues Not Applicable to Period								
2	a Prior Period True-up (Collected)/Refunded This Period	(6,610,188)	(6,610,188)	0	0.0 %	(79,322,258)	(79,322,258)	0	0.0 %
	b GPIF, Net of Revenue Taxes (a)	(749,568)	(749,568)	0	0.0 %	(8,994,819)	(8,994,819)	0	0.0 %
	c Prior Period True-up (Collected)/Refunded This Period	(24,207,221)	(24,207,221)	0	0.0 %	(121,036,106)	(121,036,106)	0	0.0 %
3	Jurisdictional Fuel Revenues Applicable to Period	$ 450,425,408	$ 495,589,123	$ (45,163,715)	(9.1) %	$ 5,839,073,540	$ 5,954,409,601	$ (115,336,061)	(1.9) %
4	a Adjusted Total Fuel Costs & Net Power Transactions (Line A-7)	$ 320,870,039	$ 330,597,200	$ (9,727,161)	(2.9) %	$ 6,081,078,500	$ 6,116,439,801	$ (35,361,301)	(0.6) %
	b Nuclear Fuel Expense - 100% Retail	0	0	0	N/A	0	0	0	N/A
	c RTP incremental Fuel -100% Retail	0	0	0	N/A	0	0	0	N/A
	d D&D Fund Payments - 100% Retail	0	0	0	N/A	0	0	0	N/A
	e Adj Total Fuel Costs & Net Power Transactions - Excluding 100% Retail Items (C4a-C4b-C4c-C4d)	320,870,039	330,597,200	(9,727,161)	(2.9) %	6,081,078,500	6,116,439,801	(35,361,301)	(0.6) %
5	Jurisdictional Sales % of Total kWh Sales (Line B-6)	99.99306 %	99.99378 %	(0.00072) %	0.0 %	N/A	N/A	N/A	N/A
6	Jurisdictional Total Fuel Costs & Net Power Transactions (Line C4e x C5 x 1.00065(b)) +(Lines C4b,c,d)	$321,056,321	$330,791,513	$ (9,735,192)	(2.9) %	$ 6,084,621,246	$ 6,120,012,059	$ (35,390,813)	(0.6) %
7	True-up Provision for the Month - Over/(Under) Recovery (Line C3 - Line C6)	$ 129,369,087	$ 164,797,610	$ (35,428,523)	(21.5) %	$ (245,547,706)	$ (165,602,458)	$ (79,945,248)	48.3 %
8	Interest Provision for the Month (Line D10)	(283,694)	(672,148)	388,454	(57.8) %	(10,057,683)	(10,681,919)	624,236	(5.8) %
9	True-up & Interest Provision Beg of Period-Over/(Under) Recovery	(294,472,086)	(250,191,144)	(44,280,942)	N/A	(79,322,258)	(79,322,258)	0	0.0 %
	a Deferred True-up Beginning of Period - Over/(Under) Recovery	(121,036,106)	(121,036,106)	0	0.0 %	(121,036,106)	(121,036,106)	0	0.0 %
10	a Prior Period True-up Collected/(Refunded) This Period	6,610,188	6,610,188	(0)	0.0 %	79,322,258	79,322,258	0	0.0 %
	b Prior Period True-up Collected/(Refunded) This Period	24,207,221	24,207,221	(0)	0.0 %	121,036,105	121,036,106	(1)	0.0 %
11	End of Period Net True-up Amount Over/(Under) Recovery (Lines C7 through C10)	$ (255,605,390)	$ (176,284,378)	$ (79,321,012)	45.0 %	$ (255,605,390)	$ (176,284,378)	$ (79,321,012)	45.0 %
D	Interest Provision								
1	Beginning True-up Amount (Lines C9 + C9a)	$ (415,508,192)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2	Ending True-up Amount Before Int. (C7+C9+C9a+C10)	$ (255,321,696)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
3	Total of Beginning & Ending True-up Amount	$ (670,829,888)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
4	Average True-up Amount (50% of Line D3)	$ (335,414,944)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
5	Interest Rate - First Day Reporting Business Month	1.49000 %	N/A	N/A	N/A	N/A	N/A	N/A	N/A
6	Interest Rate - First Day Subsequent Business Month	0.54000 %	N/A	N/A	N/A	N/A	N/A	N/A	N/A
7	Total (Line D5 + Line D6)	2.03000 %	N/A	N/A	N/A	N/A	N/A	N/A	N/A
8	Average Interest Rate (50% of Line D7)	1.01500 %	N/A	N/A	N/A	N/A	N/A	N/A	N/A
9	Monthly Average Interest Rate (Line D8 / 12)	0.08458 %	N/A	N/A	N/A	N/A	N/A	N/A	N/A
10	Interest Provision (Line D4 x Line D9)	$ (283,694)	N/A	N/A	N/A	N/A	N/A	N/A	N/A

NOTES
(a) Generation Performance Incentive Factor is ((59,681,280) x 99.9280%) - See Order No. PSC-08-0630-POF-EI
(b) Per Revised Estimates from Mid-course correction filed on 11/17/08 and approved on 12/2/08 Agenda Conference

Schedule A 2
Page 2 of 2

Confidentiality Statement

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Friday, November 19, 2010 12:51 PM
To: 'John.Butler@fpl.com <John.Butler@fpl.com>'; 'ken.rubin@fpl.com'; 'Pat.Brian@fpl.com'
Cc: 'Charles_Sieving@fpl.com'; 'Lew_Hay@fpl.com'
Subject: FW: Electronic Service / Docket 080677-EI / FPL's N/Withdrawing its Request for Confidential Classification re: Surveillance Report

Dear Mr. Butler, Mr. Rubin and Mr. Brian,

I have received your email regarding the release of the Forecasted Earnings Surveillance report.

I received both attachments and I noticed that these documents are going to be filed into Docket 080677-EI.

I am in the process of taking a look at the report and I know that I have a couple of questions regarding some of the assumptions in the report.

I have been working on a draft email to send with questions but I was on a phone call that I had scheduled this morning. I will be working on this information today and over the weekend to hopefully put together my final questions.

Thank you for sending me the report.

Mr. Rubin and Mr. Brian I am sorry I missed your call. I have left a voicemail at the office which was after 12:00PM. Please give me a call on Monday or I will follow up with a call and/or email on Monday.

Hopefully I have the proper email addresses.

I am going to take a look at the report and I am looking forward to speaking with you on Monday.

Regards,

Robert H. Smith

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From: Butler, John [mailto:John.Butler@fpl.com]
Sent: Thursday, November 18, 2010 4:41 PM
To: 'LBENNETT@PSC.STATE.FL.US'; 'ANWILLIA@PSC.STATE.FL.US'; 'mbrown@psc.state.fl.us'; 'Kelly.jr@leg.state.fl.us'; 'mcglothlin.joseph@leg.state.fl.us'; 'jess@sugarmansusskind.com'; 'sugarman@sugarmansusskind.com'; 'mbraswell@sugarmansusskind.com'; 'msundback@andrewskurth.com'; 'kwiseman@andrewskurth.com'; 'jspina@andrewskurth.com'; 'lisapurdy@andrewskurth.com'; 'linomendiola@andrewskurth.com'; 'meghangriffiths@andrewskurth.com'; 'swright@yvlaw.net'; 'jlavia@yvlaw.net'; 'jmoyle@kagmlaw.com'; 'vkaufman@kagmlaw.com'; 'jmcwhirter@mac-law.com'; 'barmstrong@ngnlaw.com'; 'cecilia.bradley@myfloridalegal.com'; 'sda@trippscott.com'; 'tperdue@aif.com'; 'karen.white@tyndall.af.mil'; 'margaret-ray.kemper@ruden.com'; 'richardb@gtlaw.com'; 'allan.jungels@tyndall.af.mil'; 'rpjrb@yahoo.com'
Subject: Electronic Service / Docket 080677-EI / FPL's N/Withdrawing its Request for Confidential Classification re: Surveillance Report

Everyone

Please see attached (1) Florida Power & Light Company's Notice of Withdrawing its Request for Confidential Classification of Provisional Electric Forecasted Earnings Surveillance Report, and (2) Florida Power & Light Company's Response to Robert H. Smith's Motion to Inspect and Examine Confidential Material, filed today with the FPSC.

John T. Butler, Esq.

700 Universe Boulevard
Juno Beach, FL 33408
561-304-5639
John.Butler@fpl.com

Dorothy Menasco 080677-EI

FPSC, CLK - CORRESPONDENCE
__Administrative_X_Parties__Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION: _____

From: rsmith [rsmith@myacc.net]
Sent: Thursday, December 09, 2010 12:46 PM
To: 'Butler, John'; Investors@fpl.com; ken_rubin@fpl.com; Pat_Bryan@fpl.com; Charles_Sieving@fpl.com; Lew_Hay@fpl.com; 'Thaman, Mike'; 'Rudy E. Schupp'
Cc: Records Clerk; Lisa Bennett; Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé; Office Of Commissioner Graham; Office of Commissioner Balbis
Subject: FW: Public Speakers / Docket 100009 Document No. / Docket 080677-EI, Docket 100009-EI and Docket 100410-EI

Dear Mr. Butler, Mr. Rubin, Mr. Bryan, Mr. Sieving and Mr. Hay,

I am resending this email since I received an undeliverable on my end. I do not understand why I received an undeliverable.

Please let me know why your server is not allowing rpjrb@yahoo.com to be accepted when it has in the past.

I have sent this on rpjrb@myacc.net to make sure that you receive this email.

Please see message below.

Thanks for your patience in this matter.

Thanks,

Robert H. Smith

Confidentiality Statement

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Thursday, December 09, 2010 12:42 PM
To: 'LBENNETT@PSC.STATE.FL.US'; 'ANWILLIA@PSC.STATE.FL.US'; 'KYOUNG@PSC.STATE.FL.US'; 'mbrown@psc.state.fl.us'; 'JHARTMAN@PSC.STATE.FL.US'; 'KPena@PSC.STATE.FL.US'; 'Commissioner.Edgar@PSC.STATE.FL.US'; 'Commissioner.Skop@PSC.STATE.FL.US'; 'Chairman.Graham@psc.state.fl.us'; 'Commissioner.Brise@PSC.STATE.FL.US'; 'Commissioner.Balbis@PSC.STATE.FL.US'; 'John.Butler@fpl.com'; 'Ken_rubin@fpl.com'; 'Pat_Bryan@fpl.com'; 'Charles_Sieving@fpl.com'; 'Lew_Hay@fpl.com'; 'sugarman@sugarmansusskind.com'; 'mbraswell@sugarmansusskind.com'; 'Kelly.jr@leg.state.fl.us'; 'mcglothlin.joseph@leg.state.fl.us'; 'Rehwinkel.Charles@leg.state.fl.us'; 'swright@yvlaw.net'; 'jlavia@yvlaw.net'; 'kwiseman@andrewskurth.com'; 'msundback@andrewskurth.com'; 'jspina@andrewskurth.com'; 'lisapurdy@andrewskurth.com'; 'linomendiola@andrewskurth.com'; 'meghangriffiths@andrewskurth.com'; 'jmoyle@kagmlaw.com'; 'vkaufman@kagmlaw.com'; 'jmcwhirter@mac-law.com'; 'barmstrong@ngnlaw.com'; 'tips@fpscreports.com'; 'cecilia.bradley@myfloridalegal.com'; 'sda@trippscott.com'; 'tperdue@aif.com'; 'shayla.mcneill@tyndall.af.mil'; 'richardb@gtlaw.com'; 'margaret-ray.kemper@ruden.com'; 'mwalls@carltonfields.com'; 'bhuhta@carltonfields.com'; 'dianne.triplett@pgnmail.com';

'alex.glenn@pgnmail.com'; 'john.burnett@pgnmail.com'; 'jbrew@bbrslaw.com'; 'ataylor@bbrslaw.com'; 'RMiller@pcsphosphate.com'; 'paul.lewisjr@pgnmail.com'; 'Gadavis@enviroattorney.com'; 'jwhitlock@enviroattorney.com'; 'Ljacobs50@comcast.net'; 'Records Clerk'
Subject: FW: Public Speakers / Docket 100009 Document No. / Docket 080677-EI, Docket 100009-EI and Docket 100410-EI

Dear Ms. Bennett and Commissioner's,

Here is an email that I have tried to send to FPL to support my position. I want this email put into the public record to make sure that it indicates that I have tried to send this email to them. I want to make sure that this email chain has been made part of the public record.

I have kept their email addresses on this email but I think that it will not be delivered. I will try on rpjrb@myacc.net to send the email to them.

Thanks for your patience in this matter.

Thanks,

Robert H. Smith

Confidentiality Statement

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Thursday, December 09, 2010 12:34 PM
To: 'LBENNETT@PSC.STATE.FL.US'; 'ANWILLIA@PSC.STATE.FL.US'; 'KYOUNG@PSC.STATE.FL.US'; 'mbrown@psc.state.fl.us'; 'JHARTMAN@PSC.STATE.FL.US'; 'KPena@PSC.STATE.FL.US'; 'Commissioner.Edgar@PSC.STATE.FL.US'; 'Commissioner.Skop@PSC.STATE.FL.US'; 'Chairman.Graham@psc.state.fl.us'; 'Commissioner.Brise@PSC.STATE.FL.US'; 'Commissioner.Balbis@PSC.STATE.FL.US'; 'John.Butler@fpl.com'; 'Ken_rubin@fpl.com'; 'Pat_Bryan@fpl.com'; 'Charles_Sieving@fpl.com'; 'Lew_Hay@fpl.com'; 'sugarman@sugarmansusskind.com'; 'mbraswell@sugarmansusskind.com'; 'Kelly.jr@leg.state.fl.us'; 'mcglothlin.joseph@leg.state.fl.us'; 'Rehwinkel.Charles@leg.state.fl.us'; 'swright@yvlaw.net'; 'jlavia@yvlaw.net'; 'kwiseman@andrewskurth.com'; 'msundback@andrewskurth.com'; 'jspina@andrewskurth.com'; 'lisapurdy@andrewskurth.com'; 'linomendiola@andrewskurth.com'; 'meghangriffiths@andrewskurth.com'; 'jmoyle@kagmlaw.com'; 'vkaufman@kagmlaw.com'; 'jmcwhirter@mac-law.com'; 'barmstrong@ngnlaw.com'; 'tips@fpscreports.com'; 'cecilia.bradley@myfloridalegal.com'; 'sda@trippscott.com'; 'tperdue@aif.com'; 'shayla.mcneill@tyndall.af.mil'; 'richardb@gtlaw.com'; 'margaret-ray.kemper@ruden.com'; 'mwalls@carltonfields.com'; 'bhuhta@carltonfields.com'; 'dianne.triplett@pgnmail.com'; 'alex.glenn@pgnmail.com'; 'john.burnett@pgnmail.com'; 'jbrew@bbrslaw.com'; 'ataylor@bbrslaw.com'; 'RMiller@pcsphosphate.com'; 'paul.lewisjr@pgnmail.com'; 'Gadavis@enviroattorney.com'; 'jwhitlock@enviroattorney.com'; 'Ljacobs50@comcast.net'; 'Records Clerk'
Subject: FW: Public Speakers / Docket 100009 Document No. / Docket 080677-EI, Docket 100009-EI and Docket 100410-EI

Dear Mr. Butler, Mr. Rubin, Mr. Bryan, Mr. Sieving and Mr. Hay,

I am resending this email since I received an undeliverable on my end. I do not understand why I received an undeliverable. Other people on the recipient list have received this message.

Please see Commission file Docket 100009-EI Document No. 07529-10. Pages 1761, 1764, 1765, 1766, 1767, 1768 and 1769

I resent without the embedded images to see if this is what the problem. I am trying to get this email to you to support my position.

Please see message below.

Thanks for your patience in this matter.

Thanks,

Robert H. Smith

Confidentiality Statement

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From: postmaster@fpl.com [mailto:postmaster@fpl.com]
Sent: Thursday, December 09, 2010 11:37 AM
To: rpjrb@yahoo.com
Subject: Undeliverable: FW: Public Speakers / Docket 100009 Document No. / Docket 080677-EI, Docket 100009-EI and Docket 100410-EI

Delivery has failed to these recipients or distribution lists:

DL-IM-COLLSVC-INFRASTRUCTURE-FOREFRONT-POLICY@exchange.fpl.com
Your message wasn't delivered because of security policies. Microsoft Exchange will not try to redeliver this message for you. Please provide the following diagnostic text to your system administrator.

From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Thursday, December 09, 2010 11:37 AM
To: 'LBENNETT@PSC.STATE.FL.US'; 'ANWILLIA@PSC.STATE.FL.US'; 'KYOUNG@PSC.STATE.FL.US'; 'mbrown@psc.state.fl.us'; 'JHARTMAN@PSC.STATE.FL.US'; 'KPena@PSC.STATE.FL.US'; 'Commissioner.Edgar@PSC.STATE.FL.US'; 'Commissioner.Skop@PSC.STATE.FL.US'; 'Chairman.Graham@psc.state.fl.us'; 'Commissioner.Brise@PSC.STATE.FL.US'; 'Commissioner.Balbis@PSC.STATE.FL.US'; 'John.Butler@fpl.com'; 'Ken_rubin@fpl.com'; 'Pat_Bryan@fpl.com'; 'Charles_Sieving@fpl.com'; 'Lew_Hay@fpl.com'; 'sugarman@sugarmansusskind.com'; 'mbraswell@sugarmansusskind.com'; 'Kelly.jr@leg.state.fl.us'; 'mcglothlin.joseph@leg.state.fl.us'; 'Rehwinkel.Charles@leg.state.fl.us'; 'swright@yvlaw.net'; 'jlavia@yvlaw.net'; 'kwiseman@andrewskurth.com'; 'msundback@andrewskurth.com'; 'jspina@andrewskurth.com'; 'lisapurdy@andrewskurth.com'; 'linomendiola@andrewskurth.com'; 'meghangriffiths@andrewskurth.com'; 'jmoyle@kagmlaw.com'; 'vkaufman@kagmlaw.com'; 'jmcwhirter@mac-law.com'; 'barmstrong@ngnlaw.com'; 'tips@fpscreports.com';

'cecilia.bradley@myfloridalegal.com'; 'sda@trippscott.com'; 'tperdue@aif.com'; 'shayla.mcneill@tyndall.af.mil'; 'richardb@gtlaw.com'; 'margaret-ray.kemper@ruden.com'; 'mwalls@carltonfields.com'; 'bhuhta@carltonfields.com'; 'dianne.triplett@pgnmail.com'; 'alex.glenn@pgnmail.com'; 'john.burnett@pgnmail.com'; 'jbrew@bbrslaw.com'; 'ataylor@bbrslaw.com'; 'RMiller@pcsphosphate.com'; 'paul.lewisjr@pgnmail.com'; 'Gadavis@enviroattorney.com'; 'jwhitlock@enviroattorney.com'; 'Ljacobs50@comcast.net'; 'Records Clerk'
Subject: FW: Public Speakers / Docket 100009 Document No. / Docket 080677-EI, Docket 100009-EI and Docket 100410-EI

To all interested parties,

I am sending this information to all the interested parties to make sure that there is no "ex parte" communications.

I feel that I am within my rights to have all my email(s)/motion(s)/response(s) made part of the public record.

As per below this was allowed for ratepayers that called the Commission by telephone during a hearing.

I think that based upon my Federal/States laws I am within my rights.

"Based upon Chapter 350.042 of the Florida Statutes it appears that I would reserve the right to be fully heard on the public record. This would include all email(s)/motion(s)/response(s). There should be no reason why I would not be able to practice before the commission in order to protect my legal interests in these proceedings. Why would I be treated differently than these public speakers?"

Thanks,

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Thursday, December 09, 2010 11:29 AM
To: 'Records Clerk'; "Lisa Bennett' <LBENNETT@PSC.STATE.FL.US>'
Cc: "Office Of Commissioner Edgar' <Commissioner.Edgar@PSC.STATE.FL.US>'; "Office of Commissioner Skop' <Commissioner.Skop@PSC.STATE.FL.US>'; "Office Of Commissioner Graham' <Commissioner.Graham@PSC.STATE.FL.US>'; "Office of Commissioner Brisé' <Commissioner.Brise@PSC.STATE.FL.US>'; 'Office Of Commissioner Graham'; 'Commissioner.Balbis@psc.state.fl.us'
Subject: FW: Public Speakers / Docket 100009 Document No. / Docket 080677-EI, Docket 100009-EI and Docket 100410-EI

Dear Ms. Bennett and Commissioner's,

12/9/2010

Sorry for the typo.

Thanks,

Robert H. Smith

Confidentiality Statement

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Thursday, December 09, 2010 11:22 AM
To: 'Records Clerk'; "Lisa Bennett' <LBENNETT@PSC.STATE.FL.US>'
Cc: "Office Of Commissioner Edgar' <Commissioner.Edgar@PSC.STATE.FL.US>'; "Office of Commissioner Skop' <Commissioner.Skop@PSC.STATE.FL.US>'; "Office Of Commissioner Graham' <Commissioner.Graham@PSC.STATE.FL.US>'; "Office of Commissioner Brisé' <Commissioner.Brise@PSC.STATE.FL.US>'; 'Office Of Commissioner Graham'; 'Commissioner.Balbis@psc.state.fl.us'
Subject: Public Speakers / Docket 100009 Document No. / Docket 080677-EI, Docket 100009-EI and Docket 100410-EI

Dear Ms. Bennett and Commissioner's,

Here is the public testimony that would also support my position with regard to being able to make my email(s)/motion (s)/response(s) part of the public record.

This testimony was made part of the public record through a telephone conversation. Why would **my** communication be any different?

Thanks,

Robert H. Smith

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Dorothy Menasco 080677-EI

FPSC, CLK - CORRESPONDENCE
__Administrative X Parties __Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION: _____

From: rpjrb@yahoo.com

Sent: Thursday, December 09, 2010 11:37 AM

To: Lisa Bennett; Anna Williams; Keino Young; Martha Brown; JHARTMAN@PSC.STATE.FL.US; Kimberley Pena; Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé; Office of Commissioner Balbis; John.Butler@fpl.com; Ken_rubin@fpl.com; Pat_Bryan@fpl.com; Charles_Sieving@fpl.com; Lew_Hay@fpl.com; sugarman@sugarmansusskind.com; mbraswell@sugarmansusskind.com; Kelly.jr@leg.state.fl.us; mcglothlin.joseph@leg.state.fl.us; Charles Rehwinkel; swright@yvlaw.net; jlavia@yvlaw.net; kwiseman@andrewskurth.com; msundback@andrewskurth.com; jspina@andrewskurth.com; lisapurdy@andrewskurth.com; linomendiola@andrewskurth.com; meghangriffiths@andrewskurth.com; jmoyle@kagmlaw.com; vkaufman@kagmlaw.com; jmcwhirter@mac-law.com; barmstrong@ngnlaw.com; tips@fpscreports.com; cecilia.bradley@myfloridalegal.com; sda@trippscott.com; tperdue@aif.com; shayla.mcneill@tyndall.af.mil; richardb@gtlaw.com; margaret-ray.kemper@ruden.com; mwalls@carltonfields.com; bhuhta@carltonfields.com; dianne.triplett@pgnmail.com; alex.glenn@pgnmail.com; john.burnett@pgnmail.com; jbrew@bbrslaw.com; ataylor@bbrslaw.com; RMiller@pcsphosphate.com; paul.lewisjr@pgnmail.com; Gadavis@enviroattorney.com; jwhitlock@enviroattorney.com; Ljacobs50@comcast.net; Records Clerk

Subject: FW: Public Speakers / Docket 100009 Document No. / Docket 080677-EI, Docket 100009-EI and Docket 100410-EI

To all interested parties,

I am sending this information to all the interested parties to make sure that there is no "ex parte" communications.

I feel that I am within my rights to have all my email(s)/motion(s)/response(s) made part of the public record.

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I think that based upon my Federal/States laws I am within my rights.

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Thanks,

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]

12/9/2010

Sent: Thursday, December 09, 2010 11:29 AM
To: 'Records Clerk'; "Lisa Bennett' <LBENNETT@PSC.STATE.FL.US>'
Cc: "Office Of Commissioner Edgar' <Commissioner.Edgar@PSC.STATE.FL.US>'; "Office of Commissioner Skop' <Commissioner.Skop@PSC.STATE.FL.US>'; "Office Of Commissioner Graham' <Commissioner.Graham@PSC.STATE.FL.US>'; "Office of Commissioner Brisé' <Commissioner.Brise@PSC.STATE.FL.US>'; 'Office Of Commissioner Graham'; 'Commissioner.Balbis@psc.state.fl.us'
Subject: FW: Public Speakers / Docket 100009 Document No. / Docket 080677-EI, Docket 100009-EI and Docket 100410-EI

Dear Ms. Bennett and Commissioner's,

Sorry for the typo.

Thanks,

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Thursday, December 09, 2010 11:22 AM
To: 'Records Clerk'; "Lisa Bennett' <LBENNETT@PSC.STATE.FL.US>'
Cc: "Office Of Commissioner Edgar' <Commissioner.Edgar@PSC.STATE.FL.US>'; "Office of Commissioner Skop' <Commissioner.Skop@PSC.STATE.FL.US>'; "Office Of Commissioner Graham' <Commissioner.Graham@PSC.STATE.FL.US>'; "Office of Commissioner Brisé' <Commissioner.Brise@PSC.STATE.FL.US>'; 'Office Of Commissioner Graham'; 'Commissioner.Balbis@psc.state.fl.us'
Subject: Public Speakers / Docket 100009 Document No. / Docket 080677-EI, Docket 100009-EI and Docket 100410-EI

Dear Ms. Bennett and Commissioner's,

Here is the public testimony that would also support my position with regard to being able to make my email(s)/motion (s)/response(s) part of the public record.

This testimony was made part of the public record through a telephone conversation. Why would **my** communication be any different?

Thanks,

Robert H. Smith

07529-10 09/08/2010 TRANSCRIPT - Vol 9, pages 1761-1831 of 9/7/10 hearing in Tallahassee.

File Name	File Size	Download 56	Download DSL
07529-10-trn.doc	278 KB	44 sec	4 sec
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BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 100009-EI

In the Matter of:

NUCLEAR COST RECOVERY CLAUSE.
_____/

VOLUME 9

Pages 1761 through 1831

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PROCEEDINGS:	HEARING
COMMISSIONERS PARTICIPATING:	CHAIRMAN NANCY ARGENZIANO COMMISSIONER LISA POLAK EDGAR COMMISSIONER NATHAN A. SKOP COMMISSIONER ART GRAHAM COMMISSIONER RONALD A. BRISE
DATE:	Tuesday, September 7, 2010
TIME:	Commenced at 9:48 a.m. Concluded at 11:42 a.m.
PLACE:	Betty Easley Conference Center Room 148 4075 Esplanade Way Tallahassee, Florida
REPORTED BY:	LINDA BOLES, RPR, CRR Official FPSC Reporter (850) 413-6734
APPEARANCES:	(As heretofore noted.)

PROCEEDINGS

(Transcript follows in sequence from Volume 8.)

CHAIRMAN ARGENZIANO: All right. We're back on, and we'll make sure everybody has come back in and is in the room. And I believe we have two people via telephone. I think it's Alex Larson and Sharon. Are you with us?

MS. WAITE: Yes, ma'am.

MS. LARSON: Yes.

CHAIRMAN ARGENZIANO: Okay. Is that one -- are two people there? Was that Alex or Sharon?

MS. WAITE: It was both of us.

MS. LARSON: Both.

CHAIRMAN ARGENZIANO: Both of you. Okay. All right. And I guess -- can we just go ahead? Hold on one second. Can we go ahead with the telephone -- are these ratepayers? Who are they?

MS. BENNETT: They -- I don't know who they are.

MS. HELTON: Madam Chairman, I'm not -- I just learned that a request, I guess, has been made to the Commission this morning that there are two people on the phone who would like to address the Commission.

CHAIRMAN ARGENZIANO: Okay.

MS. HELTON: This is irregular. The notice of the proceeding did not contemplate public testimony. So if there were other folks in the, in the, listening that wanted to participate that didn't because the notice did not contemplate it, that may create an issue, number one.

Number two, to my knowledge, none of the parties had notice that this would be happening. And number three, if they speak, they would -- I'm not sure where their testimony would fall as far as what to do with it. Is it part of the record? Is it, is it -- for what, for what purpose? So this is, this is a little bit irregular, and I'm really not sure what it is that they want to speak to.

CHAIRMAN ARGENZIANO: Well, I'm not going to deny the public speaking. Anybody else want to deny them for speaking?

And, Commissioner Skop, did you have a comment? If they want to call in and speak, I'm not denying them.

COMMISSIONER SKOP: Not at this time, Madam Chair.

CHAIRMAN ARGENZIANO: Anybody else?

Okay. I don't know your last name. I know Ms. Alex Larson. And then, Sharon, I don't know your

last name. I apologize. So whoever wants to go first. If we can, if we can give it a few minutes, please, and then we, we need to move on. Okay?

MS. WAITE: Yes, ma'am.

CHAIRMAN ARGENZIANO: Who is speaking?

MS. WAITE: This is Sharon Waite.

CHAIRMAN ARGENZIANO: Waite, is it?

MS. WAITE: Yes.

CHAIRMAN ARGENZIANO: Okay. Good morning.

MS. WAITE: Good morning. Good morning, Commissioners.

We are -- I am a ratepayer. I have followed FP&L ever since the early 2000s when they were getting ready to put in the West County Energy Center. I also follow the fact that now they want to ask for money for nuclear plants. And since ratepayers are supposed to pay all of that upfront before they start building a nuclear power plant, I think it's imperative that the ratepayers know exactly what the figures are and that they should be accurate.

And I think Mr. Olivera, from what I've noticed about him here locally, he's a very slippery character and he's hard to pin down. And I'm glad that there's a subpoena there for him to make him appear and make him speak the truth. It doesn't seem like anyone

else has been able to do that.

And as far as not knowing what to do with my testimony, I feel that every effort has been made to keep the public unaware. None of this became -- I didn't become aware of any of this until Saturday, August 28th, when it was in the *Palm Beach Post*.

I feel that Florida Power & Light has done everything to sub, submit nothing for the public to see or know about anything. And so the fact that Commissioner Argenziano has issued a subpoena, and I pray that that's been done, I hope he's there -- I was packed and ready to drive up there last night. And so not being able to see him face to face, I want him to realize that as a ratepayer there are a great many people that feel as I do, that their handling of the West County Energy Center was deplorable, they built it on a cert (phonetic) project, and now they're using the water that's our drinking water for that cert project, taxpayer funded, to cool their turbines, and I find that deplorable. And the Sunshine Energy fraud. They don't have a very good record, and I have a great many concerns and that's why I called in today. Thank you very much.

CHAIRMAN ARGENZIANO: Thank you.

Ms. Larson.

MS. LARSON: Good morning, Commissioners.

I, I hear, I hear the doubt in our minds, but we were, I mean, we are prepared. I mean, if, if there's any doubt in the Chair's mind or the --

CHAIRMAN ARGENZIANO: Ms. Larson, hang on one second.

MS. LARSON: Okay.

CHAIRMAN ARGENZIANO: Chris, can you bump up the volume a little bit? We're just having a hard time hearing you. Hang on one moment.

MS. LARSON: I apologize.

CHAIRMAN ARGENZIANO: Are we there? Okay. Try that.

MS. LARSON: Is that better?

CHAIRMAN ARGENZIANO: Yes. Yes, I think so.

MS. LARSON: Okay. If they have any doubts about our testimony and if they needed 24 hours notice, I can do that. I can drive up to Tallahassee and be there tomorrow morning at 9:00, if they so desire, if this is a problem to include our testimony or include our thoughts. So I do want to offer that to the board as an option because I did hear the serious doubts of one of the members there saying that they didn't know anything about this and there was no notice and whatever. I mean, I'm willing to do that. Is that, is

that the option of the board that they'd rather we do that?

CHAIRMAN ARGENZIANO: No. I think your opportunity is now. So if you want --

MS. LARSON: Okay. Well, no. I just wanted to be --

CHAIRMAN ARGENZIANO: No. I appreciate that. Thank you.

MS. LARSON: Well, I was, I was ready to get into my truck at noon yesterday, so.

We have, we are, we are the ratepayers and we are really concerned. And I haven't slept in 24 hours because I went back and read your transcripts of -- because it's true what Sharon had said, we weren't made aware of some of the things, that you are not aware until it comes out in the newspaper. And one particular article did not come out until September 3rd, on Friday, that gave me great pause. Because when I read that even members of the board are being questioned with their integrity, and then I go back and read your transcripts and see that you guys have bent over backwards to accommodate FPL when, when it comes to nuclear power, because I think it's Statute 25-6.042 is the one that covers costs, that they are allowed to recover costs prior to building or even thinking about building a

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Dorothy Menasco 080677-EI

FPSC, CLK - CORRESPONDENCE
__Administrative X Parties __Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION: _____

From: rpjrb@yahoo.com

Sent: Thursday, December 09, 2010 10:06 AM

To: Lisa Bennett; Anna Williams; Keino Young; Martha Brown; JHARTMAN@PSC.STATE.FL.US; Kimberley Pena; Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé; Office of Commissioner Balbis; John.Butler@fpl.com; Ken_rubin@fpl.com; Pat_Bryan@fpl.com; Charles_Sieving@fpl.com; Lew_Hay@fpl.com; sugarman@sugarmansusskind.com; mbraswell@sugarmansusskind.com; Kelly.jr@leg.state.fl.us; mcglothlin.joseph@leg.state.fl.us; Charles Rehwinkel; swright@yvlaw.net; jlavia@yvlaw.net; kwiseman@andrewskurth.com; msundback@andrewskurth.com; jspina@andrewskurth.com; lisapurdy@andrewskurth.com; linomendiola@andrewskurth.com; meghangriffiths@andrewskurth.com; jmoyle@kagmlaw.com; vkaufman@kagmlaw.com; jmcwhirter@mac-law.com; barmstrong@ngnlaw.com; tips@fpscreports.com; cecilia.bradley@myfloridalegal.com; sda@trippscott.com; tperdue@aif.com; shayla.mcneill@tyndall.af.mil; richardb@gtlaw.com; margaret-ray.kemper@ruden.com; mwalls@carltonfields.com; bhuhta@carltonfields.com; dianne.triplett@pgnmail.com; alex.glenn@pgnmail.com; john.burnett@pgnmail.com; jbrew@bbrslaw.com; ataylor@bbrslaw.com; RMiller@pcsphosphate.com; paul.lewisjr@pgnmail.com; Gadavis@enviroattorney.com; jwhitlock@enviroattorney.com; Ljacobs50@comcast.net; Records Clerk

Subject: Electronic Service / Dockets 100410-EI / 100009-EI / 080677-EI / Robert H. Smith Motion to Strike FPL's Motion to Strike Robert H. Smith's Response to FPL Response to Robert Smith's M/for FPL to Answer Staff's Data Request

Attachments: 12092010MotiontoStrikeFPLMotiontoStrike.pdf

To all interested parties,

Please see attached Robert H. Smith motion to strike Florida Power & Light's Motion to Strike Robert H. Smith's response to Florida Power & Light's response to motion for Florida Power & Light to Answer Question 3 to Staff's Data request No. 1 in order to inspect and examine and answer to question 3.

Thanks,

Robert H. Smith

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CLK note: Attachment to this email was filed on 12/9/10. See DN 09830-10.

-pm

12/9/2010

Dorothy Menasco 080677-EI

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DOCUMENT NO. 10741-08
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From: rpjrb@yahoo.com

Sent: Tuesday, December 07, 2010 3:51 PM

To: Lisa Bennett; Anna Williams; Keino Young; Martha Brown; JHARTMAN@PSC.STATE.FL.US; Kimberley Pena; Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé; Office of Commissioner Balbis; John.Butler@fpl.com; Ken_rubin@fpl.com; Pat_Bryan@fpl.com; Charles_Sieving@fpl.com; Lew_Hay@fpl.com; sugarman@sugarmansusskind.com; mbraswell@sugarmansusskind.com; Kelly.jr@leg.state.fl.us; mcglothlin.joseph@leg.state.fl.us; Charles Rehwinkel; swright@yvlaw.net; jlavia@yvlaw.net; kwiseman@andrewskurth.com; msundback@andrewskurth.com; jspina@andrewskurth.com; lisapurdy@andrewskurth.com; linomendiola@andrewskurth.com; meghangriffiths@andrewskurth.com; jmoyle@kagmlaw.com; vkaufman@kagmlaw.com; jmcwhirter@mac-law.com; barmstrong@ngnlaw.com; tips@fpscreports.com; cecilia.bradley@myfloridalegal.com; sda@trippscott.com; tperdue@aif.com; shayla.mcneill@tyndall.af.mil; richardb@gtlaw.com; margaret-ray.kemper@ruden.com; mwalls@carltonfields.com; bhuhta@carltonfields.com; dianne.triplett@pgnmail.com; alex.glenn@pgnmail.com; john.burnett@pgnmail.com; jbrew@bbrslaw.com; ataylor@bbrslaw.com; RMiller@pcsphosphate.com; paul.lewisjr@pgnmail.com; Gadavis@enviroattorney.com; jwhitlock@enviroattorney.com; Ljacobs50@comcast.net; Records Clerk

Subject: Electronic Service / Dockets 100410-EI / 100009-EI / 080677-EI / Robert H. Smith Response to FPL Response to Robert Smith's M/for FPL to Answer Staff's Data Request

Attachments: 12072010 Robert H Smith response to FPL response to Smith Question 3 Motion.pdf

To all interested parties,

Please see attached Robert H. Smith response to Florida Power & Light's response to motion for Florida Power & Light to Answer Question 3 to Staff's Data request No. 1 in order to inspect and examine and answer to question 3.

Thanks,

Robert H. Smith

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From: Butler, John [mailto:John.Butler@fpl.com]
Sent: Monday, December 06, 2010 4:24 PM
To: 'LBENNETT@PSC.STATE.FL.US'; 'ANWILLIA@PSC.STATE.FL.US'; 'mbrown@psc.state.fl.us'; 'Kelly.jr@leg.state.fl.us'; 'rehwinkel.charles@leg.state.fl.us'; 'hartman@psc.state.fl.us'; 'mcglothlin.joseph@leg.state.fl.us'; 'jess@sugarmansusskind.com'; 'sugarman@sugarmansusskind.com'; 'mbraswell@sugarmansusskind.com'; 'msundback@andrewskurth.com'; 'kwiseman@andrewskurth.com'; 'jspina@andrewskurth.com'; 'lisapurdy@andrewskurth.com'; 'linomendiola@andrewskurth.com'; 'meghangriffiths@andrewskurth.com'; 'swright@yvlaw.net'; 'jlavia@yvlaw.net'; 'jmoyle@kagmlaw.com'; 'vkaufman@kagmlaw.com'; 'jmcwhirter@mac-law.com'; 'barmstrong@ngnlaw.com'; 'cecilia.bradley@myfloridalegal.com'; 'sda@trippscott.com'; 'tperdue@aif.com'; 'karen.white@tyndall.af.mil'; 'margaret-ray.kemper@ruden.com'; 'richardb@gtlaw.com'; 'allan.jungels@tyndall.af.mil'; 'tips@fpscreports.com'; 'sda@trippscott.com'; 'tperdue@aif.com'; 'shayla.mcneill@tyndall.af.mil'; 'richardb@gtlaw.com'; 'margaret-ray.kemper@ruden.com'; 'rpjrb@yahoo.com'
Subject: Electronic Service / Dockets 100410-EI / 100009-EI / 080677-EI / FPL Response to Robert Smith's M/for FPL to Answer Staff's Data Request

Everyone on service lists for Docket Nos. 100410-EI, 100009-EI and 080677-EI:

Please see attached Florida Power & Light Company's Response to Robert H. Smith's Motion for Florida Power & Light Company to Answer Question 3 to Staff's Data Request No. 1 in Order to Inspect and Examine the Answer to Question 3, filed today with the FPSC.

Best Regards

John T. Butler, Esq.
700 Universe Boulevard
Juno Beach, FL 33408
561-304-5639
John.Butler@fpl.com

CLK note: Attachment to this email (Robert Smith's response) was filed on 12/7/10. See DN 09802-10.

-DM

12/8/2010

Dorothy Menasco 080677-EI

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, December 03, 2010 8:46 PM
To: Lisa Bennett; Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé; Office Of Commissioner Graham; Office of Commissioner Balbis; Records Clerk
Subject: FW: SEC Disclosures / Shareholder's Rights to Inspection Chapter 607 of the Florida Statutes

Dear Ms. Bennett and Commissioner's,

Please make this email part of Dockets 080677-EI, 100009-EI and 100410-EI respectively. This is to insure that my communications are in compliance with Federal/State laws regarding "ex parte" communications.

I wanted to make sure that all of the Commissioner's have seen my emails to make sure that there is no "ex parte" communications on my end.

I can only hope that none of these communications regarding these rate cases will impact my prospects for current/future employment and the well being of my family.

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, December 03, 2010 8:43 PM
To: 'Butler, John'; 'Investors@fpl.com'; 'ken_rubin@fpl.com'; 'Pat_Bryan@fpl.com'; 'Charles_Sieving@fpl.com'; 'Lew_Hay@fpl.com'; 'Thaman, Mike'; 'Rudy E. Schupp'
Subject: FW: SEC Disclosures / Shareholder's Rights to Inspection Chapter 607 of the Florida Statutes

To all,

I noticed a couple of typo(s).

Hopefully there is no more typo(s).

I am waiting for a response from the Company.

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, December 03, 2010 11:54 AM
To: 'Butler, John'
Cc: Investors@fpl.com; ken_rubin@fpl.com; Pat_Bryan@fpl.com; Charles_Sieving@fpl.com; Lew_Hay@fpl.com; 'Thaman, Mike'; 'Rudy E. Schupp'
Subject: FW: SEC Disclosures / Shareholder's Rights to Inspection Chapter 607 of the Florida Statutes

Dear Mr. Butler,

Please pick this email up from rpjrb@yahoo.com. I need to have this correspondence linked to this email address since it corresponds to all three public dockets.

I only have one issue with the requirements of Section 607.1602.

The issue is that I try to limit my travel alone on long trips due to a medical condition with the fingers in my hand. I have a nerve condition in my elbow that sometimes acts up. Please see the email that I have sent that has been made part of the public record (Wednesday, July 22, 2009 11 :52 AM). This email has been made part of the public Docket in all three cases. This is primarily why I have been working on these proceedings through email.

I have travelled to the shareholders meeting since I feel that there are some very important issues that have to be looked into with these ratecase proceedings from both a ratepayer and shareholder perspective. At this meeting the time was limited for a person to ask pertinent questions. This is why I followed up with the emails asking the appropriate questions of investor relations.

If I really need to come to Juno I will, but I want to try and limit the amount of time of travel.

I think that my prior emails are very specific with regard to the questions that I have and I want to make sure that all the answers to the emails are going to be provided before I make a trip.

It does not appear that Chapter 607 provides for an exception for a person who might have a medical condition that might limit the ability of the person to travel to the corporation's principal office. I would think that there would be coverage for this type of situation under Federal Legislation. I would also think that since this type of correspondence can be made part of the public docket in a ratecase proceeding by e-filing, that the answers to my emails can also be completed this way. I have no problem with putting together the ask just like the previous motions that I have made. I

know that you are working on one pending motion that I have filed in Docket 100410. I wanted to make sure that all the accounting data was made fully transparent to support the case since there have been numerous issues with this case.

Does Florida Power & Light provide any institutional investor(s) any electronic correspondence to support any questions that they have asked on behalf of their shareholder's to protect their legal interest? If so, then I think that I should be afforded the same type of courtesy.

If accommodations cannot be made to communicate through electronic means and/or through US mail to limit my travel, I will try and make the trip to your office since I feel that this information is very important for the current ratecase proceedings and for both the ratepayers and shareholders of the company. If the pending Stipulation and Settlement agreement is ruled upon before affording everyone with a legal interest to ask appropriate questions that might impact the current/future rates of the company then the case might be considered impartial since the proper due diligence might have not been completed.

My intent with reviewing this information is to make sure that there is proper disclosure under Regulation S-K and FAS131. This is very important since the 10K is disclosing the combined tax liability of the company. Without the ability to see that the tax liability on a segmented (Cash) basis between the regulated and non-regulated entities I feel that this type of disclosure is warranted under Regulation S-K and FAS131. Since I would have to inspect the books to see if this information is made available I would respectively request that all my emails that I have sent to the Company Senior Management would be answered prior to me coming into to inspect the information. There are specific question in these emails that would have to be answered in order for me to have the ability to protect my legal interest as a ratepayer and a shareholder. I have sent these emails for a long time to the company since I thought that they would have been fully answered by now in order to see if another motion would be warranted to ask before there is approval of the pending Stipulation and Settlement agreement.

I am sure that my schedule breaking out the tax liability between regulated and non-regulated entities would be very easy to compile. I would then need to see the cancelled checks from each respective entity to see that there was an actual check cut or cash transfer made from the company to support each individual entities tax liability. You would have to see the cash entry back into the utility 131 account if this is where the consolidated tax liability payment for the consolidated tax return was cut. I have sent this schedule to the commission and it has been made part of the public docket. So far I have not heard back regarding the breakout of the tax liability on an individual (cash) basis. I would think that this information would be very easy to provide to tie out to the corporate tax return that is filed.

If a situation occurs in which there is a subsidization then based upon the Energy Policy Act of 2005 I would feel that answers to my questions would be warranted to protect both the ratepayers and shareholders of FPL. From a ratepayer perspective this will have an impact on the cash revenue requirements that might be needed currently or in the future. From a shareholder perspective this might have an impact on the dividend that the company is paying currently or in the future. This information would be pertinent for both parties of legal interest therefore I feel that my request has merit and an answer to my emails is warranted.

This reconciliation is very important from both a ratepayer and shareholder perspective. This type of reconciliation would be in the fiduciary duty of the Commission in order to provide the due diligence necessary to rule on the Stipulation and Settlement agreement.

This type of reconciliation would be very important to make sure that there is coverage under the Energy Policy Act of 2005. This reconciliation is very important to ensure that no regulated monies are being used to subsidize any non-regulated entities. I am not saying that this is actual happening but what I am saying is that the current 10K disclosures and the current testimony in these rate case proceedings is not transparent enough ensure that this issue is not occurring at the Company.

This would be the only way to make sure that there is full compliance with the Energy Policy Act of 2005. There should be no reason why this information cannot be provided.

When I was up North we would provide this type of analysis all the time to make sure that any ratecase could stand on the merits of the accounting data that was provided. This was a requirement at the Commission level as well as the Board of Directors level.

The schedule below **is** very specific as to the actual tax liability and tax payments that are being made from each entity.

Can the company accommodate the answers to my emails or does the information have to be put together?

Can something can be done with answering this information via electronically just like the ratecase proceedings?

If not, then I want to make sure that all the email correspondence has been fully answered in a question and answer format in order to facilitate and expedite the process. If I really have to travel to Juno I will, considering the importance of these proceedings.

I want to limit this travel.

If the pending Stipulation and Settlement Agreement is approved and an issue surfaces later on then it would be apparent that the proper due diligence might not have been completed to ensure that the proper ruling has been made.

If the Commission can take the position that they can review the progression of the Stipulation and Settlement agreement if approved then this would be OK as long as the merits of the agreements can be audited and monitored throughout the term of the agreement. I am not sure that these protections have been put into place since it appears that the cash base rates will be frozen for the term of the agreement.

I am not saying that there is a definitive subsidization problem with the tax payments. There is not enough information out in the public docket/10K in order to see if this is an issue. If based upon my schedule, **an** issue surfaces after there is approval of the agreement what recourse will a ratepayer/shareholder have for this type of exposure? The possibility exists that there might be a cross State ratepayer subsidization issue. If one of the non-regulated entities outside the state of Florida has taxable income without the ample cash flow to pay for its individual tax liability and the company makes the actual payment on a consolidated basis from the Utility 131 account then from a cash flow perspective a current Florida ratepayer possibly would have subsidized an out of State ratepayers tax liability. For example, If one of the Nextera Solar or Wind projects is servicing ratepayers that are outside the Florida service area located in another State and these non-regulated entities are not providing the cash transfer back to the regulated subsidiary (Florida Utility) (if the payment for the consolidated tax liability has been made from the Florida Utility 131 account) then the current Florida ratepayer might have subsidized another States ratepayer for tax liability that is the not the responsibility of the Florida Utility ratepayer. An intercompany transfer would not be an acceptable accounting entry unless there was a cash entry to make sure that any non-regulated entity would be paying its own tax liability. This would also be a requirement of any Holding company, Finance Company etc. Every entity would have to stand on its own and there should be a corresponding cash entry to support each entities tax liability.

Under regulation S-K and FAS131 this would be a disclosure requirement since this would be a situation in which segmented reporting would be required. FAS131 specifically talks about consolidated income tax liability. This the primary purpose of the Energy Policy Act of 2005.

Please keep the HTML formatting to make sure that the tax schedule below is intact for this communication.

I do not want to be perceived as a problem. My experience with these cases has always led to letting the accounting transparency be the guide to any decision that might or will be rendered in any ratecase proceeding. This accounting

data would be pertinent to ensure that all parties with a legal interest would be afforded the transparency needed to protect their interests.

I trust considering the company's position with their concern with impartiality with these proceedings that the Board of Directors and Senior Management of the Company would feel the same way.

I can only hope that none of these communications regarding these rate cases will impact my prospects for current/future employment and the well being of my family.

Let me know if the answers can be provided electronically or my emails can be answered in a question and answer format so that all my pertinent questions can be answered in order for me to protect my legal interest from both a ratepayer and shareholder perspective.

If not, then let me know if all the questions will be answered and there will be documentation to support the answers to my questions before I have to travel to Juno.

This email can serve as what my intention is with regard to obtaining this information. I have been upfront with all of the pertinent agencies (Federal/State) with regard to my concerns and what questions I would like the company and commission to answer.

If you need a sign-off to this email I can sign and fax it to the company for it to serve as a request for the company to answer all my email correspondence that I have sent from a shareholder's perspective.

There have been other Federal Agencies in which I have dealt with an electronic filing (Freedom of information act request etc) to obtain answers to specific email correspondence. As long as the law was cited and the ask was signed off on there was never a problem.

Let me know what can be done.

If you have any questions regarding this email be do not hesitate to email me at rpjrb@yahoo.com.

Thanks,

Robert H. Smith

-----Original Message-----
From: Butler, John [mailto:John.Butler@fpl.com]
Sent: Thursday, December 02, 2010 6:06 PM
To: rsmith
Subject: RE: SEC Disclosures / Shareholder's Rights to Inspection Chapter 607 of the Florida Statutes

Mr. Smith, we have received your e-mail message.

To the extent that your e-mail references the provisions of Chapter 607, Florida Statutes (2010)(the "Act"), we would like to point out that Section 607.1602 of the Act has specific enumerated requirements. You should review that section carefully and, to the extent that you are a shareholder of NextEra Energy, Inc. (the "Company") that is eligible for and wishes to seek inspection rights, please comply with that section's requirements.

Once a shareholder contemplated by the Act has provided notice to the Company of his or her demand to inspect and copy records pursuant to and in accordance with the Act, the Company will review the request and respond accordingly.

We hope this information is of assistance and appreciate your interest.

Best regards, John Butler

FPSC, CLK - CORRESPONDENCE
Administrative X Parties Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION:

Dorothy Menasco 080677-EI

From: rpjrb@yahoo.com
Sent: Wednesday, December 01, 2010 11:19 AM
To: Lisa Bennett; Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé; Office Of Commissioner Graham; Office of Commissioner Balbis; Records Clerk
Subject: FW: SEC Disclosures / Shareholder's Rights to Inspection Chapter 607 of the Florida Statutes

Dear Ms. Bennett and Commissioner's,

Please make this email part of Dockets 080677-EI, 100009-EI and 100410-EI respectively. This is to insure that my communications are in compliance with Federal/State laws regarding "ex parte" communications.

I wanted to make sure that all of the Commissioner's have seen my emails to make sure that there is no "ex parte" communications on my end.

I can only hope that none of these communications regarding these rate cases will impact my prospects for current/future employment and the well being of my family.

Thanks,

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Wednesday, December 01, 2010 11:09 AM
To: 'Investors@fpl.com'; 'John.Butler@fpl.com'; 'ken_rubin@fpl.com'; 'Pat_Bryan@fpl.com'; 'Charles_Sieving@fpl.com'; 'Lew_Hay@fpl.com'
Cc: 'Thaman, Mike'; 'Rudy E. Schupp'
Subject: SEC Disclosures / Shareholder's Rights to Inspection Chapter 607 of the Florida Statutes

To whom it may concern, Mr. Butler, Mr. Rubin, Mr. Bryan, Mr. Sieving and Mr. Hay,

Thanks for your patience in this matter.

Please provide me with the accounting records to support the consolidated tax liability that is currently being paid at the company. I have filed as a matter of public record a tax payment schedule (see email dated Thursday, April 01, 2010 10:28 PM) that I have asked from a ratepayer's/shareholder's perspective to be completed in order to verify that each regulated and non-regulated entity is paying for its own tax liability respectively. This is from a segmented cash flow approach and based upon Regulation FD, S-K, S-X and FAS131 the need for segmented reporting would require for "Situations may arise when information should be disclosed about a segment although the information in quantitative terms may not appear significant to the registrant's business taken as a whole". The current 10K disclosure does not provide segmented cash flows in order to see the impacts of these payments.

Based upon Regulation FD, S-K, S-X, FAS 131 and Title XXXVI Chapter 607 SEC 1601 to 1604 of the Florida Statutes my rights to this information should be fully made transparent by the company.

Has any of this information been furnished or requested by the Florida Public Service Commission?

Currently Mr. Butler is working on answering a motion regarding these issues that has been filed in Docket 100410-EI.

Considering the issues that keep surfacing with this ratecase, I trust that based upon the Company's concern about impartiality and my concern about full transparency to protect my legal interest in these proceedings from both a ratepayer/shareholder's perspective that the company would fully furnish the requested information about its cash tax payments by regulated/non-regulated entities in order to tie out to its consolidated tax liability that has been paid.

My recent concern was with the dialogue that took place in the internal affairs meeting yesterday. Apparently there was dialogue and a potential allegation that one of the Commissioner's was being partial to Florida Power & Light. Another issue that surfaced was that there was a concern about the communication between the council's of record. Apparently, there was a concern that other outside communications has been taking place. If this is occurring, I would think that the potential for "ex parte" communications might be another concern. This is why I feel that my question(s) from both a ratepayer/shareholder perspective should be answered fully in order to protect my legal interest(s) with these proceedings. This is why I have also made sure that everyone has received a copy of my email communication in order to keep my email correspondence fully transparent for any party with a legal interest to have access to information that might be pertinent to these proceedings.

This is of great cause of concern since the members of the Commission has changed throughout the term of the current ratecase proceeding.

There was also talk about a motion that is going to be filed in the District Court of Appeal (DCA) to regain jurisdiction over some of the items that were deferred at yesterday's agenda meeting. This motion is going to be put together and if it is unopposed by the Company it will be filed. If it is opposed by the Company the motion would be withdrawn.

I am sending this email to let investor relations know about my concern with the transparency that would be required under both Federal and State laws.

I trust that considering the past issues and the new issues that keep surfacing with this case that the Board of Directors and/or the Senior Management team would want to be proactive to provide the full transparency that would be needed for any party with a legal interest to protect their interest(s) in these proceedings.

I am looking forward to a response from the Company from both a ratepayer and shareholder perspective.

I can only hope that none of these communications regarding these rate cases will impact my prospects for current/future employment and the well being of my family.

If you have any questions regarding this email be do not hesitate to email me at rpjrb@yahoo.com.

Thanks,

Robert H. Smith

As per FAS 131 / Accounting Principles and Allocations

84. **The Board decided not to require that segment information be provided in accordance with the same generally accepted accounting principles used to prepare the consolidated financial statements for several reasons. Preparing segment information in accordance with the generally accepted accounting principles used at the consolidated level would be difficult because some generally accepted accounting principles are not intended to apply at a segment level.** Examples include allocation of the cost of an acquisition to individual assets and liabilities of a subsidiary using the purchase method of accounting, accounting for the cost of enterprise-wide employee benefit plans, **accounting for income taxes in an enterprise that files a consolidated income tax return**, and accounting for inventory on a last-in, first-out basis if the pools include items in more than one segment. **In addition, there are no generally accepted accounting principles for allocating joint costs, jointly used assets, or jointly incurred liabilities to segments or for pricing intersegment transfers. As a consequence, it generally is not feasible to present segment profitability in accordance with generally accepted accounting principles.**

87. The Board believes that the information required by this Statement meets the objective of reliability of which both representational faithfulness and verifiability are components. An auditor can determine whether the information reported in the notes to the financial statements came from the required source by reviewing management reports or minutes from meetings of the board of directors. **The information is not required to be provided on a specified basis, but the enterprise is required to explain the basis on which it is provided and to reconcile the segment information to consolidated enterprise totals. Adequate explanation and an appropriate reconciliation will enable a user to understand the information and its limitations in the context of the enterprise's financial statements. The auditor can test both the explanation of segment amounts and the reconciliations to consolidated totals. Furthermore, because management uses that information in its decision-making processes, that information is likely to be highly reliable.**

The information provided to comply with Statement 14 was more difficult to verify in many situations and was less reliable. Because it was prepared solely for external reporting purposes, it required allocations that may have been arbitrary, and it was based on accounting principles that may have been difficult to apply at the segment level.

Title 17: Commodity and Securities Exchanges

Browse Previous | Browse Next

PART 210—FORM AND CONTENT OF AND REQUIREMENTS FOR FINANCIAL STATEMENTS, SECURITIES ACT OF 1933, SECURITIES EXCHANGE ACT OF 1934, PUBLIC UTILITY HOLDING COMPANY ACT OF 1935, INVESTMENT COMPANY ACT OF 1940, INVESTMENT ADVISERS ACT OF 1940, AND ENERGY POLICY AND CONSERVATION ACT OF 1975

Regulation S-X

Special Requirements as to Public Utility Holding Companies

Reg. § 210.3A-05.

There shall be shown in the consolidated balance sheet of a public utility holding company the difference between the amount at which the parent's investment is carried and the underlying book equity of subsidiaries as at the respective dates of acquisition.

Regulation S-K

§ 229.10 (Item 10) General.

Instructions to Item 101.

1. In determining what information about the segments is material to any understanding of the registrant's business taken as a whole and therefore required to be disclosed pursuant to paragraph (c) of this Item, the registrant should take into account both quantitative and qualitative factors such as the significance of the matter to the registrant (e.g., whether a matter with a relatively minor impact on the registrant's business is represented by management to be important to its future profitability), the pervasiveness of the matter (e.g., whether it affects or may affect numerous items in the segment information), and the impact of the matter (e.g., whether it distorts the trends reflected in the segment information). Situations may arise when information should be disclosed about a segment although the information in quantitative terms may not appear significant to the registrant's business taken as a whole.
2. Base the determination of whether information about segments is required for a particular year upon an evaluation of interperiod comparability. For instance, interperiod comparability would require a registrant to report segment information in the current period even if not material under the criteria for reportability of SFAS No. 131 if a segment has been significant in the immediately preceding period and the registrant expects it to be significant in the future.
3. The Commission, upon written request of the registrant and where consistent with the protection of investors, may permit the omission of any of the information required by this Item or the furnishing in substitution thereof of appropriate information of comparable character.

Select Year: 2008 Go

The 2008 Florida Statutes

Title XXXVI BUSINESS ORGANIZATIONS | Chapter 607 CORPORATIONS | View Entire Chapter

607.1601 Corporate records.--

(1) A corporation shall keep as permanent records minutes of all meetings of its shareholders and board of directors, a record of all actions taken by the shareholders or board of directors without a meeting, and a record of all actions taken by a committee of the board of directors in place of the board of directors on behalf of the corporation.

(2) A corporation shall maintain accurate accounting records.

(3) A corporation or its agent shall maintain a record of its shareholders in a form that permits preparation of a list of the names and addresses of all shareholders in alphabetical order by class of shares showing the number and series of shares held by each.

(4) A corporation shall maintain its records in written form or in another form capable of conversion into written form within a reasonable time.

(5) A corporation shall keep a copy of the following records:

(a) Its articles or restated articles of incorporation and all amendments to them currently in effect;

(b) Its bylaws or restated bylaws and all amendments to them currently in effect;

(c) Resolutions adopted by its board of directors creating one or more classes or series of shares and fixing their relative rights, preferences, and limitations, if shares issued pursuant to those resolutions are outstanding;

(d) The minutes of all shareholders' meetings and records of all action taken by shareholders without a meeting for the past 3 years;

(e) Written communications to all shareholders generally or all shareholders of a class or series within the past 3 years, including the financial statements furnished for the past 3 years under s. 607.1620;

(f) A list of the names and business street addresses of its current directors and officers; and

(g) Its most recent annual report delivered to the Department of State under s. 607.1622.

History.--s. 150, ch. 89-154.

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The 2008 Florida Statutes

Title XXXVI BUSINESS ORGANIZATIONS | Chapter 607 CORPORATIONS | View Entire Chapter

607.1602 Inspection of records by shareholders.--

(1) A shareholder of a corporation is entitled to inspect and copy, during regular business hours at the corporation's principal office, any of the records of the corporation described in s. 607.1601(5) if the shareholder gives the corporation written notice of his or her demand at least 5 business days before the date on which he or she wishes to inspect and copy.

(2) A shareholder of a corporation is entitled to inspect and copy, during regular business hours at a reasonable location specified by the corporation, any of the following records of the corporation if the shareholder meets the requirements of subsection (3) and gives the corporation written notice of his or her demand at least 5 business days before the date on which he or she wishes to inspect and copy:

(a) Excerpts from minutes of any meeting of the board of directors, records of any action of a committee of the board of directors while acting in place of the board of directors on behalf of the corporation, minutes of any meeting of the shareholders, and records of action taken by the shareholders or board of directors without a meeting, to the extent not subject to inspection under subsection (1);

(b) Accounting records of the corporation;

(c) The record of shareholders; and

(d) Any other books and records.

(3) A shareholder may inspect and copy the records described in subsection (2) only if:

(a) The shareholder's demand is made in good faith and for a proper purpose;

(b) The shareholder describes with reasonable particularity his or her purpose and the records he or she desires to inspect; and

(c) The records are directly connected with the shareholder's purpose.

(4) A shareholder of a Florida corporation, or a shareholder of a foreign corporation authorized to transact business in this state who resides in this state, is entitled to inspect and copy, during regular business hours at a reasonable location in this state specified by the corporation, a copy of the records of the corporation described in s. 607.1601.

Select Year: 2008 Go

The 2008 Florida Statutes

Title XXXVI BUSINESS ORGANIZATIONS | Chapter 607 CORPORATIONS | View Entire Chapter

607.1603 Scope of inspection right.--

(1) A shareholder's agent or attorney has the same inspection and copying rights as the shareholder he or she represents.

(2) The right to copy records under s. 607.1602 includes, if reasonable, the right to receive copies made by photographic, xerographic, or other means.

(3) The corporation may impose a reasonable charge, covering the costs of labor and material, for copies of any documents provided to the shareholder. The charge may not exceed the estimated cost of production or reproduction of the records. If the records are kept in other than written form, the corporation shall convert such records into written form upon the request of any person entitled to inspect the same. The corporation shall bear the costs of converting any records described in s. 607.1601(5). The requesting shareholder shall bear the costs, including the cost of compiling the information requested, incurred to convert any records described in s. 607.1602 (2).

(4) If requested by a shareholder, the corporation shall comply with a shareholder's demand to inspect the records of shareholders under s. 607.1602(2)(c) by providing him or her with a list of its shareholders of the nature described in s. 607.1601(3). Such a list must be compiled as of the last record date for which it has been compiled or as of a subsequent date if specified by the shareholder.

History.--s. 152, ch. 89-154; s. 43, ch. 97-102.

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Title XXXVI BUSINESS ORGANIZATIONS | Chapter 607 CORPORATIONS | View Entire Chapter

607.1604 Court-ordered inspection.--

(1) If a corporation does not allow a shareholder who complies with s. 607.1602(1) or (4) to inspect and copy any records required by that subsection to be available for inspection, the circuit court in the county where the corporation's principal office (or, if none in this state, its registered office) is located may summarily order inspection and copying of the records demanded at the corporation's expense upon application of the shareholder.

(2) If a corporation does not within a reasonable time allow a shareholder to inspect and copy any other record, the shareholder who complies with s. 607.1602(2) and (3), may apply to the circuit court in the county where the corporation's principal office (or, if none in this state, its registered office) is located for an order to permit inspection and copying of the records demanded. The court shall dispose of an application under this subsection on an expedited basis.

(3) If the court orders inspection or copying of the records demanded, it shall also order the corporation to pay the shareholder's costs, including reasonable attorney's fees, reasonably incurred to obtain the order and enforce its rights under this section unless the corporation, or the officer, director, or agent, as the case may be, proves that it or she or he refused inspection in good faith because it or she or he had a reasonable basis for doubt about the right of the shareholder to inspect or copy the records demanded.

(4) If the court orders inspection or copying of the records demanded, it may impose reasonable restrictions on the use or distribution of the records by the demanding shareholder.

History.--s. 153, ch. 89-154; s. 44, ch. 97-102.

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Thursday, April 01, 2010 10:28 PM
To: 'Lisa Bennett'; 'Ann Cole'; 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office of Commissioner Klement'; 'Office of Commissioner Stevens'; 'Marshall Willis'; 'Cheryl Bulecza-Banks'; 'Andrew Maurey'; 'Tim Devlin'
Subject: RE: Docket No. 080677-E1 / responses to Staffs Data Request No. 2 dated March 4,2010

Dear Commissioner's,

Here is some question that I have for these answers. Please see my reconciliation to support my questions below. Did anyone use my reconciliation? Did FPL fill out the reconciliation to help with this process? Did they prepare a segmented cash flow statement for the tax payments? Did we get copies of the cancelled checks? I think that this is a very good idea.

Florida Power & Light Company
Response to Staff 3/4/10 Data Request No. 2

Re: Docket No. 080677-EI – Petition for increase in rates by Florida Power & Light Company.

1. For the years 2007, 2008, and 2009, provide a detailed description of FPL's accounting treatment for the excess tax benefits received by FPL Group. By excess tax benefits staff means the dollar difference between actual tax payments made on behalf of FPL by FPL Group and the tax amounts for which the ratepayers would have been charged under the "stand-alone" method.

Response: There are no 'excess tax benefits' under the definition provided in this request. FPL Group makes a consolidated tax filing, in which it pays a single, consolidated tax liability. FPL Group does not make separate tax payments "on behalf of" FPL or any other subsidiary. The tax liability recorded by FPL is calculated on a stand-alone or "separate return" method. Under that method, the tax liability that FPL records, and charges to customers, is the same regardless of whether or not FPL is filing as part of a consolidated tax return. In other words, if FPL were not one of the consolidated FPL Group businesses, its tax liabilities would be exactly the same as they are recorded now.

As FPL's Vice President of Accounting and Chief Accounting Officer pointed out in his January 5, 2010 letter to the Commissioners on this topic, Florida utilities and the overwhelming majority of electric utilities around the country use the stand-alone basis to calculate income taxes for ratemaking purposes. This approach ensures that the income taxes for which an electric utility's customers are responsible through electric rates are determined only on the basis of electric utility operations, not on the basis of other, unrelated business activities in which unregulated affiliates may be engaged. To do otherwise would expose customers to constant shifts in the utility's tax obligations for reasons that would have nothing to do with providing electric service. This would be unfair, confusing and counterproductive to the Commission's goal of avoiding subsidies between utility and affiliate operations.

Rob Smith Questions/Response:

"The tax liability recorded by FPL is calculated on a stand-alone or "separate return" method. Under that method, the tax liability that FPL records, and charges to customers, is the same regardless of whether or not FPL is filing as part of a consolidated tax return. In other words, if FPL were not one of the consolidated FPL Group businesses, its tax liabilities would be exactly the same as they are recorded now".

"Florida utilities and the overwhelming majority of electric utilities around the country use the stand-alone basis to calculate income taxes for ratemaking purposes. This approach ensures that the income taxes for which an electric utility's customers are responsible through electric rates are determined only on the basis of electric utility operations, not on the basis of other, unrelated business activities in which unregulated affiliates may be engaged. To do otherwise would expose customers to constant shifts in the utility's tax obligations for reasons that would have nothing to do with providing electric service. This would be unfair, confusing and counterproductive to the Commission's goal of avoiding subsidies between utility and affiliate operations."

Based upon the response above it is only talking about the tax liability on an individual basis. This makes total sense since it would be correct that all tax liabilities should be recorded separately. If you take a look at my previous email you will notice that I have laid out each individual company which would show the current/deferred tax provisions. This would backup up by the FPL response that the tax liabilities are recorded separately. What it talks about is the fact that the tax liabilities are recorded separately. What it does not talk about is the segmented cash flow aspect of the actual payments that are being made.

We now have to switch to the cash aspect of the payments of these liabilities:

"FPL Group makes a consolidated tax filing, in which it pays a single, consolidated tax liability. FPL

Group does not make separate tax payments "on behalf of" FPL or any other subsidiary."

By the nature of this statement it does not talk about the segmented cash flow aspect of the "consolidated tax filing, in which it pays a single, consolidated tax liability.

FPL Group does not make separate tax payments" on behalf of" FPL or any other subsidiary. By nature of paying a "single , consolidated tax liability" segmented cash flows would have to be provided to make sure that there was ample cash flow in each entity to cover their individual tax liability. FPL Group would have to show cancelled checks to support that there was ample cash flow in each entity to support each entities tax liability. This is supported by the reconciliation that I have sent in my previous email asking for a breakout of the tax liability by entity and supporting cancelled check to support that there is ample cash flow in each subsidiary to cover each entities liability. If there is not ample cash flow in each subsidiary then the possibility exists that there might be a subsidization by an entity that has ample cash flow to cover the tax liability.

Where is the actual check cut from? Is it an FPL Group cash account or does this come from a regulated subsidiary cash account (131)? We have to be careful that we look at the actual cash transactions and not just intercompany transactions.

When it pays its consolidated tax liability and does not make separate payments how does it make sure that the cash payment with regard to each entities tax liability is being charged to "FPL or any other subsidiary"?

In order to determine if there is ample cash flow in each entity, a segmented cash flow reconciliation would have to be completed to see if there was ample cash in FPL and its subsidiaries to cover each individual tax liability. There should be cancelled check from each individual entity to backup their respective tax liability. Based upon their response above it appears that they are only cutting one check as FPL Group. Where is the cash coming from?

Please see my email below/my reconciliation that I have sent previously.

2. For the years 2007, 2008, and 2009, provide a detailed description of the accounting

treatment for the excess tax benefits that were derived from filing a consolidated tax return

by FPL Group versus each subsidiary filing a separate tax return.

Response: As explained above, there are no "excess tax benefits" as Staff has defined that term. The tax liability for each subsidiary, including FPL, is calculated based on the separate return method. Tax benefits, if any, that could not be used by a subsidiary on a separate return basis, but are used on the consolidated tax return, are recorded by the subsidiary that generated the tax benefits.

Rob Smith Questions/Response:

Based upon the response above it is only talking about the tax liability on an individual basis. This makes total sense since it would be correct that all tax liabilities should be recorded separately.

Again, this response does not talk about cash payments by each subsidiary since there is an individual tax liability. There can be no subsidization of cash payments between regulated and non-regulated entities. No exceptions! My reconciliation would be able to show this detail to support each entities individual tax liability and each entities separate tax payments.

Just because FPL Group "pays a single, consolidated tax liability. FPL Group does not make separate tax payments "on behalf of" FPL or any other subsidiary." This does not eliminate the requirement that each entity would be responsible to cover its own tax payments from a cash flow perspective. No exceptions!

The response above does not provide enough information to make sure that there is no subsidization of regulated to non-regulated payments and non-regulated to regulated payments. This would work both ways and can only be determined by segmented cash flows. No exceptions!

This is why there are issues with the holding company concept. There is no talk of segmented cash flows to make sure that the recorded individual tax liabilities are supported by individual tax payments.

3. For the years 2007, 2008, 2009, and 2010, provide a copy of FPL Group's tax-sharing agreement with its subsidiaries.

Response: Please see Attachment 1.

Rob Smith Questions/Response:

"Pay" or "Payment" means the physical transfer of cash, cash equivalents, or an equivalent intercompany book entry.

Be careful here! An intercompany book entry can just be a book entry and if it does not have a corresponding cash entry it might not show that the individual subsidiary had ample cash to support its individual tax liability.

The only way that this can be determined is by a segmented cash flow statement to show that the intercompany book entry had a corresponding cash impact in the individual entity. If not, then there might be room for subsidization between the entities. This cannot happen. This agreement might have to be revised.

There should be no room to share any NOL's to be allocated. Each individual entity should stand on its own. If an entity generates an NOL only the entity in which the NOL was generated should be able to use the NOL to use to offset its taxable income. There should be NO ALLOCATION's of NOL's.

For example:

The utility generates a large NOL for the abandonment of a plant. This would possibly create an NOL carry forward that might be used for a long time to shelter taxable income for the utility and to minimize its tax liability. No non-regulated subsidiary should benefit by the utilization of this NOL if it was generated by a regulated subsidiary. This is from both a liability perspective as well as a cash flow perspective. No exceptions!

If there was any allocation then the ratepayer would have to be made whole since if there was any type of allocation the possibility exists that a regulated subsidiary would have subsidized a non-regulated subsidiary. This would work in the same way if a non-regulated subsidiary generated an NOL if it went out of business at a loss.

There should be no allocations from a true tax perspective. Any allocation would give rise to a possible subsidization and this should not happen.

Segmented cash flows would be able to provide the proper details to make sure that this does not happen. There is no reason for any allocation methodology since if an entity filed its own tax return it would be required to keep all NOL's and tax credits individually. There should be no reason why this cannot be done with a FPL Group filing since as long as the tax liabilities and cash payments are being accounted for on an individual basis there really should be no issue.

Any allocation might lead to a subsidization issue which might require the ratepayer and/or subsidiary to be made whole.

When I was up North we had an issue with a large NOL due to a closure of a Nuclear Power Plant. This NOL' provides for minimum tax payments for the Electric business for at about 10 years (if I remember but it was a long time). Since we had a regulated gas entity with ample cash flow to pay its own tax liability from a consolidated basis the use of the NOL was OK. We tracked this NOL on the electric side of the business only. We did not provide for any allocation. If there was no ample cash flow in the Gas business to cover its individual tax liability and there was an allocation of NOL's this would have not been fair to the electric ratepayer since the Electric ratepayer had to absorb the loss on the closure of the plant therefore it should not lose the use of an NOL for its own tax liability due to some type of allocation.

This agreement should be amended to make sure that there are no allocations. Period!

4. For the years 2007, 2008, and 2009, would FPL Group have been able to take full advantage (each year without regard to tax carryforward or carryback) of the wind related production tax credits without the benefit of FPL regulated utility taxable income?

Response: FPL Group has not been able to take full advantage of the wind related production tax credits with, or without, the inclusion of the FPL regulated utility taxable income in the FPL Group consolidated tax return for the years 2007,2008 or 2009.

Rob Smith Questions/Response:

When will these credits be taken and what is holding up the use of these credits?

Is this an indication where these credits are available there is not ample taxable income to use these credits? If so, then this might make sense but there is not enough information in this response to determine whether or not the wind related production tax credits can be utilized.

We know that each entity should be entitled to its own tax credits as generated on an individual basis. What we do not know by this response is why they cannot currently use these credits. The answer might be that there is not enough taxable income/liability in the subsidiary in which generated these credits. I am sure that if there was taxable income in a subsidiary the entity if it had wind related production tax credits and it was able to take it as a tax credit to minimize its liability it would. There has to be another reason why they are not using these credits where they have been earned.

It would make sense that you cannot utilize these if you included FPL regulated utility taxable income. Each entity generates its own tax credits. They can only utilize these credits for the respective individual tax liabilities only.

What I am concerned with is the cash implications of the utilization of these wind related production tax credits if they were generated by the regulated utility or a non-regulated subsidiary.

The cash flow impact is that the credit should be utilized against the cash payment by each individual entities tax liability only. There should be no benefit to any regulated entity for a tax credit generated by a non-regulated subsidiary and no benefit for a non-regulated subsidiary for a tax credit as generated by a regulated entity.

This can only be determined by a segmented cash flow breakout of the payments to match each entities individual tax liability. Any single payment will not provide enough information to determine if there is no subsidization between a regulated entity and non-regulated entity.

If my reconciliation was used to show cancelled checks to support each entities individual tax liability you would be able to determine if any entity (regulated/non-regulated) was subsidized.

I am going to send this out as a draft tonight to send what I have observed by the responses. I will be taking a look at this tomorrow. If I have any changes I will follow up since it is late and I am tired.

Hand is acting up a little. I want to make sure can take a look at the attachment a little longer since I am tired. Hopefully there are no typo(s). I will check.

Thanks for your patience in this matter.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or call me at 954-340-4956.

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, March 12, 2010 8:45 PM
To: 'Records Clerk'
Cc: 'Lisa Bennett'; 'Ann Cole'; 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office of Commissioner Klement'; 'Office of Commissioner Stevens'; 'Marshall Willis'; 'Cheryl Bulecza-Banks'; 'Andrew Maurey'; 'Tim Devlin'; 'Dorothy Menasco'
Subject: FW: FPL is accused of not sharing its tax break

Dear Ms. Menasco on behalf of the records clerk,

Here we go with the excel document embedded into the email.

Hopefully this works in conjunction with the file. Please let me know if you can print out the PDF to put on the record. The second page has been put on Legal paper and would have to be printed out of the PDF for backup and scan. There is a portrait version of the second page as well.

Thanks for all of your patience. This issue is a very important issue and I hope that this helps with the analysis.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com.

Thanks,

Robert H. Smith

Utility Regulated/Non-Regulated Company's - Tax Entries - Cash Reconciliation Summary - Draft

		Regulated		Non-Regulated Holdco	Non-Regulated	Non-Regulated	
FERC		Ratepayer Funds / Utility (1)		Holding Company (2)	Financing Company (2)	Subsidiary /Subsidiary (*) (2)	(3)
Acct	Account		Amount	Acct Amount	Amount	Amount	Total
236	DR Taxes Accrued Fed Inc Tax	Payment of Curr Fed Inc Tx	0	? 0	0	0	0
131	CR Cash	Cash Account	0	? 0	0	0	0
409	DR Inc Taxes Utility Operations	Inc Tx Expense	0	? 0	0	0	0
236	CR Taxes Accrued	Taxes Accrued	0	? 0	0	0	0
410	Prov for Def Inc Tx Util Operations	Prov for Def Inc Taxes	0	? 0	0	0	0
411	Prov for Def Inc Tx Credit Util Op.	Prov for Def Inc Taxes	0				
190	Accum. Deferred Inc Tax	Accum Def Inc Tax	0	? 0	0	0	0
281	Accum. Deferred Inc Tax	Accum Def Inc Tax	0				
282	Accum. Deferred Inc Tax	Accum Def Inc Tax	0				
283	Accum. Deferred Inc Tax	Accum Def Inc Tax	0				
		Total - Should be zero	0	0	0	0	0

(1) Cash From Ratepayers Regulated by FERC/PSC - Full Current/Deferred Taxes Collected in Rates - 10K filed on Consolidated Basis. No separation of Cash Accounts. If current Taxes paid is less than the Full tax provision then surplus cash should be maintained as a balance in the Utility FERC 131 Account.

(2) Tax Accounts do not have to follow FERC Account Numbers. There will still be Current/Deferred Taxes Payments for Current Taxes must be paid out of the individual Non Reg. Company and not paid from Utility Operations (FERC Account 131 Account). Deferred Tax Account numbers do not have to meet FERC account guidelines

(3) This is the total Current/Deferred Tax Provision filed with the Consolidated Tax Return for FPL Group. The Total Current Tax Provision (Cash) should have cash entries in each respective company to make sure that the cash disbursements are being made out of each Regulated and Non Regulated separately.

Since most companies are set up as independent companies accountability must be controlled by the Public Service Commission since the Commission is responsible for the accountability of the ratepayer funds. All Management Agreement Negotiations should be over seen by the Public Service Commission to keep Control of the Regulated/Non-Regulated Cash Flow. Segmented Cash Flows would be required for a full Accounting. The journal entries above are on a cash basis only. There may be accrual entries that would be recorded per Generally Accepted Accounting Principles. There may also be regulatory Accounting Journal Entries as required by FERC/PSC Accounting.

* All Non-Regulated Subsidiaries/Subsidiaries should generate enough cash flow to support the operations of the company. If there is Goodwill Acquisition Indebtedness, then it should be fully funded by the operations of the Non-Regulated Subsidiary.

Regulated Utility / Holding Company Cash Flow Issues:

1) Segmented Cash Flows would have to be prepared to properly account for Regulated versus Non-Regulated Cash Movement.
Public Utility Holding Company Act (PUHCA) (1935) Regulated by State Public Service Commissions/Federal Energy Regulatory Commission

2) Full Accounting for the funding of dividends/executive compensation plans at the Holding Company Level.
This should include the back up Cash Flow Accounting to support the level of dividends paid out.

3) Separate Cash Accounts (i.e. Utility cash account is 131 account)

This has to be done to make sure that there is a separation of Regulated Cash from Non-Regulated Cash.

4) How is the company accounting for the intercompany cash transactions?
Assets transfers? Are these being made at historical cost or at market value?
If Financed by the Utility, is the ratepayer receiving a fair return on capital? What rate of return are they earning?

5) Separate billing systems/ Is the only billing system that is being maintained for the Utility?
If not, then are there separate billing systems for non-regulated subsidiaries/subsidiaries?

6) Separate work order systems
This is very critical since the work order system is probably used for capital expenditures/expenses. Usually there is utility coding for the type of capital expenditure that clears to the ledgers or utility accounts. These can be Plant, CWIP etc.

7) Separate Accounting Systems for each Entity
Is there a separate system for each entity? If not, what type of internal controls has been put into place to ensure that all capital expenditures/expenses are being cleared to the appropriate company accounts?

Confidentiality Statement

The documents accompanying this telecopy transmission contain information which is confidential and/or legally privileged. The information is intended only for the use of the individual or entity named on this transmission sheet. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this telecopied information is strictly prohibited, and the documents should be returned. In this regard, if you received this telecopy in error, please contact the sender by reply E-mail and destroy all copies of the original.

Dorothy Menasco 080677-EI

FPSC, CLK - CORRESPONDENCE
Administrative X Parties Consumer
DOCUMENT NO. 10744-08
DISTRIBUTION:

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Tuesday, November 30, 2010 4:59 PM
To: Lisa Bennett; Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé; Office Of Commissioner Graham; Records Clerk
Subject: FW: MOTION FOR FLORIDA POWER & LIGHT TO ANSWER QUESTION 3 TO STAFF'S DATA REQUEST NO.1 IN ORDER TO INSPECT AND EXAMINE THE ANSWER TO QUESTION 3

Dear Ms. Bennett and Commissioner's,

I am resending this from rpjrb@yahoo.com since this is the main email address on all of the Dockets. I have sent correspondence through rsmith@myacc.net in order to make sure that FPL is receiving my emails.

Sorry for the duplication.

Thanks,

Robert H. Smith

Confidentiality Statement

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From: rsmith [mailto:rsmith@myacc.net]
Sent: Tuesday, November 30, 2010 4:57 PM
To: "Lisa Bennett' <LBENNETT@PSC.STATE.FL.US>'; "Office Of Commissioner Edgar' <Commissioner.Edgar@PSC.STATE.FL.US>'; "Office of Commissioner Skop' <Commissioner.Skop@PSC.STATE.FL.US>'; "Office Of Commissioner Graham' <Commissioner.Graham@PSC.STATE.FL.US>'; "Office of Commissioner Brisé' <Commissioner.Brise@PSC.STATE.FL.US>'; 'Office Of Commissioner Graham'; 'Records Clerk'
Subject: FW: MOTION FOR FLORIDA POWER & LIGHT TO ANSWER QUESTION 3 TO STAFF'S DATA REQUEST NO.1 IN ORDER TO INSPECT AND EXAMINE THE ANSWER TO QUESTION 3

Dear Ms. Bennett and Commissioner's,

Please make this email part of Dockets 080677-EI, 100009-EI and 100410-EI respectively. This is to insure that my communications are in compliance with Federal/State laws regarding "ex parte" communications.

I wanted to make sure that all of the Commissioner's have seen my emails to make sure that there is no "ex parte" communications on my end.

I have heard back from:

Dorothy Menasco

Email: John T. Butler / John.Butler@fpl.com
Email: Ken Rubin / Ken_rubin@fpl.com
Email: Pat Bryan / Pat_Bryan@fpl.com
Email: Charles Sieving / Charles_Sieving@fpl.com

Florida Power & Light Company
700 Universe Boulevard
Juno Beach, FL 33408-0420

I have not heard back from Mr. Hay.

Email: Lew Hay / Lew_Hay@fpl.com
Florida Power & Light Company
700 Universe Boulevard
Juno Beach, FL 33408-0420

Hopefully I hear back from Mr. Hay.

I can only hope that none of these communications regarding these rate cases will impact my prospects for current/future employment and the well being of my family.

I am sorry for the duplication of some of the emails below.

Thanks,

Robert H. Smith

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From: Sieving, Charles [mailto:Charles.Sieving@NextEraEnergy.com]
Sent: Tuesday, November 30, 2010 4:35 PM
To: rsmith
Cc: Butler, John; Rubin, Ken; Pat_Bryan@fpl.com; Litchfield, Wade
Subject: RE: MOTION FOR FLORIDA POWER & LIGHT TO ANSWER QUESTION 3 TO STAFF'S DATA REQUEST NO.1 IN ORDER TO INSPECT AND EXAMINE THE ANSWER TO QUESTION 3

Dorothy Menasco

Thank you. Mr. Butler is working on a response.

From: Bryan, Patrick [mailto:Patrick.Bryan@fpl.com]
Sent: Tuesday, November 30, 2010 4:34 PM
To: rsmith
Subject: Read: MOTION FOR FLORIDA POWER & LIGHT TO ANSWER QUESTION 3 TO STAFF'S DATA REQUEST NO.1 IN ORDER TO INSPECT AND EXAMINE THE ANSWER TO QUESTION 3

Your message was read on Tuesday, November 30, 2010 4:34:21 PM (GMT-05:00) Eastern Time (US & Canada).

From: Butler, John [mailto:John.Butler@fpl.com]
Sent: Tuesday, November 30, 2010 4:32 PM
To: rsmith
Subject: Read: MOTION FOR FLORIDA POWER & LIGHT TO ANSWER QUESTION 3 TO STAFF'S DATA REQUEST NO.1 IN ORDER TO INSPECT AND EXAMINE THE ANSWER TO QUESTION 3

Your message was read on Tuesday, November 30, 2010 4:32:17 PM (GMT-05:00) Eastern Time (US & Canada).

From: Rubin, Ken [mailto:Ken.Rubin@fpl.com]
Sent: Tuesday, November 30, 2010 4:30 PM
To: rsmith
Subject: Read: MOTION FOR FLORIDA POWER & LIGHT TO ANSWER QUESTION 3 TO STAFF'S DATA REQUEST NO.1 IN ORDER TO INSPECT AND EXAMINE THE ANSWER TO QUESTION 3

Your message was read on Tuesday, November 30, 2010 4:29:33 PM (GMT-05:00) Eastern Time (US & Canada).

FPSC, CLK - CORRESPONDENCE
__Administrative X Parties __Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION: _____

Dorothy Menasco 080677-EI

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Tuesday, November 30, 2010 4:35 PM
To: Lisa Bennett; Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé; Office Of Commissioner Graham; Records Clerk
Subject: FW: MOTION FOR FLORIDA POWER & LIGHT TO ANSWER QUESTION 3 TO STAFF'S DATA REQUEST NO.1 IN ORDER TO INSPECT AND EXAMINE THE ANSWER TO QUESTION 3

Dear Ms. Bennett and Commissioner's,

Please make this email part of Dockets 080677-EI, 100009-EI and 100410-EI respectively. This is to insure that my communications are in compliance with Federal/State laws regarding "ex parte" communications.

I wanted to make sure that all of the Commissioner's have seen my emails to make sure that there is no "ex parte" communications on my end.

I can only hope that none of these communications regarding these rate cases will impact my prospects for current/future employment and the well being of my family.

Thanks,

Robert H. Smith

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The documents accompanying this telecopy transmission contain information which is confidential and/or legally privileged. The information is intended only for the use of the individual or entity named on this transmission sheet. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this telecopied information is strictly prohibited, and the documents should be returned. In this regard, if you received this telecopy in error, please contact the sender by reply E-mail and destroy all copies of the original.

From: rsmith [mailto:rsmith@myacc.net]
Sent: Tuesday, November 30, 2010 4:29 PM
To: 'Sieving, Charles'
Cc: 'Butler, John'; 'Rubin, Ken'; 'Pat_Bryan@fpl.com'; 'Hay, Lew'; 'Litchfield, Wade'
Subject: RE: MOTION FOR FLORIDA POWER & LIGHT TO ANSWER QUESTION 3 TO STAFF'S DATA REQUEST NO.1 IN ORDER TO INSPECT AND EXAMINE THE ANSWER TO QUESTION 3

Dear Mr. Sieving,

Thank you for your response.

The public information that must be furnished has to meet the guidelines of very specific Federal laws. When Mr. Butler takes a look at the motion it specifically talks about public disclosure under FAS 131 with regard to segmented information reporting. There has been various emails regarding the consolidated tax liability at the company and this

type of information under FAS 131 would have to be provided with segment reporting since it would be difficult to see the cash impacts of the payments by regulated and non-regulated entities at the company.

This is the reason why I am asking for information regarding the segmented reporting at the Company.

I have sent numerous information requests to the investor contact below and I have not heard back from them for over one year.

I trust that Mr. Butler will be answering the motion that was filed regarding the impacts of the Federal laws with regard to these proceedings.

Since the SEC and accounting regulations support the need for segmented tax payment reporting I would think that this information would be able to be provided.

Hopefully this will be addressed by the company. Between the answer to my pending motion that has been filed with the Public Service Commission this would have to be addressed in order for any party with a legal interest to be able to ask any pertinent questions regarding the current ratecase. This is from a ratepayer perspective.

From a shareholder perspective based upon Regulation FD, S-K, S-X and FAS 131 there is no reason why the company would not be able to provide the appropriate tax payment backup to the consolidated tax liability at the company. I need this to identify that the cash payments being made by each company to tie out to the consolidated tax liability at the company. It appears that the current SEC regulations would support this type of reporting therefore I do not understand why I did not receive a response from both the Florida Public Service Commission from a ratepayer perspective as well as from the company from a shareholder's perspective.

I am looking forward to the company's response to both the motion and the shareholder request.

You can contact me with your response through email at rpjrb@yahoo.com.

Thanks again for your response.

Thanks,

Robert H. Smith

Confidentiality Statement

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Dorothy Menasco

From: Sieving, Charles [mailto:Charles.Sieving@NextEraEnergy.com]
Sent: Tuesday, November 30, 2010 4:07 PM
To: rsmith
Cc: Butler, John; Rubin, Ken; Pat_Bryan@fpl.com; Hay, Lew; Litchfield, Wade
Subject: RE: MOTION FOR FLORIDA POWER & LIGHT TO ANSWER QUESTION 3 TO STAFF'S DATA REQUEST NO.1 IN ORDER TO INSPECT AND EXAMINE THE ANSWER TO QUESTION 3

Dear Mr. Smith:

We have received your communication, thank you.

We will take your suggestions and your offer into consideration and be in touch should we conclude that doing so would be in the best interests of Florida Power & Light Company and its stakeholders.

In the meantime, should you have the desire for further communications with FPL or NextEra Energy, Inc., we would appreciate it if you would please communicate directly with Mr. Butler on regulatory matters or, if the communication concerns shareholdings in NextEra Energy, Inc., to the appropriate contact listed here: http://www.nexteraenergy.com/investors/contact_relations.shtml. This would allow us to serve our stakeholders more efficiently. Please be assured that Mr. Butler and shareholder services will keep us informed appropriately, but please understand that we are restricted in the nonpublic information we furnish.

Thank you again for your interest.

Regards,

Charlie

Charles E. Sieving
Executive Vice President & General Counsel
NextEra Energy, Inc.
Executive Vice President
Florida Power & Light Company

(FL Authorized House Counsel
Admitted: DC, NY, OH only)

ABA-EPA Law Office Climate Challenge Partner

NOTICE: This email message and attachments (if any) are intended solely for the use of the addressees and may contain legally privileged, protected or confidential information. If you have received this message in error, please notify the sender immediately by email reply, delete this message from your computer and destroy any copies.

FPSC, CLK - CORRESPONDENCE
__Administrative X Parties __Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION: _____

Dorothy Menasco 080677-EI

From: rpjrb@yahoo.com
Sent: Tuesday, November 30, 2010 9:00 AM
To: Lisa Bennett; Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé; Office Of Commissioner Graham; Records Clerk
Subject: FW: MOTION FOR FLORIDA POWER & LIGHT TO ANSWER QUESTION 3 TO STAFF'S DATA REQUEST NO.1 IN ORDER TO INSPECT AND EXAMINE THE ANSWER TO QUESTION 3

Dear Ms. Bennett and Commissioner's,

I am resending this from rpjrb@yahoo.com since this is the main email address on all of the Dockets. I have sent correspondence through rsmith@myacc.net in order to make sure that FPL is receiving my emails.

Sorry for the duplication.

Thanks,

Robert H. Smith

Confidentiality Statement

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From: rsmith [mailto:rsmith@myacc.net]
Sent: Tuesday, November 30, 2010 8:55 AM
To: "Lisa Bennett' <LBENNETT@PSC.STATE.FL.US>'; "Office Of Commissioner Edgar' <Commissioner.Edgar@PSC.STATE.FL.US>'; "Office of Commissioner Skop' <Commissioner.Skop@PSC.STATE.FL.US>'; "Office Of Commissioner Graham' <Commissioner.Graham@PSC.STATE.FL.US>'; "Office of Commissioner Brisé' <Commissioner.Brise@PSC.STATE.FL.US>'; 'Office Of Commissioner Graham'; 'Records Clerk'
Subject: FW: MOTION FOR FLORIDA POWER & LIGHT TO ANSWER QUESTION 3 TO STAFF'S DATA REQUEST NO.1 IN ORDER TO INSPECT AND EXAMINE THE ANSWER TO QUESTION 3

Dear Ms. Bennett and Commissioner's,

Please make this email part of Dockets 080677-EI, 100009-EI and 100410-EI respectively. This is to insure that my communications are in compliance with Federal/State laws regarding "ex parte" communications.

I wanted to make sure that all of the Commissioner's have seen my emails to make sure that there is no "ex parte" communications on my end.

Mr. Butler, Mr. Rubin, Mr. Bryan has picked up the motion/appeal filing email.

Mr. Hay has picked up the original email motion/appeal.

I have not received a read receipt from Mr. Sieving regarding the motion/appeal email. Mr. Sieving has indicated that he would be

looking at my concerns that I have outlined in multiple emails regarding issues from a shareholder and ratepayer perspective.

As soon as I hear from Mr. Sieving I will sent the read receipt to the commission to put on the public record.

I can only hope that none of these communications regarding these rate cases will impact my prospects for current/future employment and the well being of my family.

Thanks,

Robert H. Smith

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From: Butler, John [mailto:John.Butler@fpl.com]
Sent: Monday, November 29, 2010 5:20 PM
To: rsmith
Subject: Read: MOTION FOR FLORIDA POWER & LIGHT TO ANSWER QUESTION 3 TO STAFF'S DATA REQUEST NO.1 IN ORDER TO INSPECT AND EXAMINE THE ANSWER TO QUESTION 3

Your message was read on Monday, November 29, 2010 5:19:40 PM (GMT-05:00) Eastern Time (US & Canada).

From: Rubin, Ken [mailto:Ken.Rubin@fpl.com]
Sent: Monday, November 29, 2010 5:17 PM
To: rsmith
Subject: Read: MOTION FOR FLORIDA POWER & LIGHT TO ANSWER QUESTION 3 TO STAFF'S DATA REQUEST NO.1 IN ORDER TO INSPECT AND EXAMINE THE ANSWER TO QUESTION 3

Your message was read on Monday, November 29, 2010 5:17:11 PM (GMT-05:00) Eastern Time (US & Canada).

From: Bryan, Patrick [mailto:Patrick.Bryan@fpl.com]
Sent: Monday, November 29, 2010 5:17 PM

To: rsmith
Subject: Read: MOTION FOR FLORIDA POWER & LIGHT TO ANSWER QUESTION 3 TO STAFF'S DATA REQUEST NO.1 IN ORDER TO INSPECT AND EXAMINE THE ANSWER TO QUESTION 3

Your message was read on Monday, November 29, 2010 5:17:02 PM (GMT-05:00) Eastern Time (US & Canada).

From: Hay, Lew [mailto:Lew.Hay@NextEraEnergy.com]
Sent: Friday, November 26, 2010 2:53 PM
To: rsmith
Subject: Read: FW: Docket 100410 / FPL Response to Staff Data Request 11/16/2010 / Docket 080677 / Docket 100009

Your message was read on Friday, November 26, 2010 2:53:20 PM (GMT-05:00) Eastern Time (US & Canada).

From: rsmith [mailto:rsmith@myacc.net]
Sent: Monday, November 29, 2010 5:14 PM
To: 'John.Butler@fpl.com <John.Butler@fpl.com>'; 'ken_rubin@fpl.com'; 'Pat_Bryan@fpl.com'; 'Charles_Sieving@fpl.com'; 'Lew_Hay@fpl.com'
Subject: FW: MOTION FOR FLORIDA POWER & LIGHT TO ANSWER QUESTION 3 TO STAFF'S DATA REQUEST NO.1 IN ORDER TO INSPECT AND EXAMINE THE ANSWER TO QUESTION 3

Dear Mr. Butler, Mr. Rubin, Mr. Bryan, Mr. Sieving and Mr. Hay,

I am sending this from my other email account to make sure that you all receive my motion that I had sent to the commission today at 4:15PM.

I trust that you understand that considering the issues with this case, that full transparency should be afforded with any information that is being asked of the company. Pending the approval of the Stipulation and Settlement agreement it appears that the cash base rates are going to be locked for the term of the agreement. I know that based upon my experience we have completed this type of analysis in order to support our position with any ratecase proceeding and/or Stipulation and Settlement agreement(s). We would furnish this information for the full term of a Stipulation and Settlement agreement in order to provide support to the Commission and all interested parties with a legal interest in the proceeding(s). This would include any overearnings tests for both historic (2010) and forecasted (2011 and 2012) rateyear(s).

I would think that the original filing made by the Company could be updated for the original order issued by the Commission and/or the pending Stipulation and Settlement agreement to see the impacts on the 2010, 2011 and 2012 rateyear(s) respectively.

This is to protect every party's legal interest with these proceedings.

If the company needs my help with regard to providing this information please let me know. As long as the Company is utilizing a detailed forecast model this process should be able to be automated. I have done this in the 90's and I know that the modeling technology should have improved.

Thanks for your patience with this matter.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or give me a call at 954-340-4956.

Thanks,

Robert H. Smith

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Monday, November 29, 2010 4:33 PM
To: "Lisa Bennett' <LBENNETT@PSC.STATE.FL.US>'; 'John.Butler@fpl.com <John.Butler@fpl.com>'; 'ken_rubin@fpl.com'; 'Pat_Bryan@fpl.com'; 'Charles_Sieving@fpl.com'; 'Lew_Hay@fpl.com'
Cc: "Office Of Commissioner Edgar' <Commissioner.Edgar@PSC.STATE.FL.US>'; "Office of Commissioner Skop' <Commissioner.Skop@PSC.STATE.FL.US>'; "Office Of Commissioner Graham' <Commissioner.Graham@PSC.STATE.FL.US>'; "Office of Commissioner Brisé' <Commissioner.Brise@PSC.STATE.FL.US>'; 'Office Of Commissioner Graham'; 'Records Clerk'
Subject: FW: MOTION FOR FLORIDA POWER & LIGHT TO ANSWER QUESTION 3 TO STAFF'S DATA REQUEST NO.1 IN ORDER TO INSPECT AND EXAMINE THE ANSWER TO QUESTION 3

Dear Ms. Bennett and Records Clerk,

Thanks for your patience in this matter.

Here is my email with the attachment that has been sent to the two appropriate email addresses.

I have sent the motion in at 4:15PM since I did not hear back from the Commission. I will send another email with the motion dated Monday November 29, 2010 with the motion in an email format for the records clerk.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com.

You forwarded this message on 11/29/2010 4:17 PM.

Blue Category

From: rpjrb@yahoo.com
To: 'filings@psc.state.fl.us'; 'John.Butler@fpl.com <John.Butler@fpl.com>'
Cc:
Subject: MOTION FOR FLORIDA POWER & LIGHT TO ANSWER QUESTION 3 TO STAFF'S DATA REQUEST NO.1 IN ORDER TO INSPECT AND EXAMINE THE ANSWER TO QUESTION 3
Sent: Mon 11/29/2010 4:15 PM

Message | Motionletterdated11292010Docket100410.pdf (1 MB)

Dear Ann Cole, Office of Commission Clerk and Apryl Lynn, Division of Administrative Services and Mr. Butler,

Attached is the PDF filing for the motion email that I have sent on Friday, November 26th, 2010 at 10:11 AM. The attached PDF file is to serve as the electronically filed document based upon the E-Filing requirements as per Florida Public Service Commission Electronic Filing Requirements.

I am sending this to the above email addresses only to meet the E-Filing requirements as per Florida Public Service Commission Electronic Filing Requirements

Thanks,

Robert H. Smith

Confidentiality Statement

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-----Original Message-----
From: Filings@psc.state.fl.us [mailto:Filings@PSC.STATE.FL.US]
Sent: Monday, November 29, 2010 4:16 PM
To: rpjrb@yahoo.com
Subject: PSC electronic filing

Your electronic filing has been received by the Florida Public Service Commission, Office of Commission Clerk.

The filing date for an electronically transmitted document is the date that the Office of Commission Clerk receives the complete document. If the document is received on a non-business day, or after 5:00 p.m. (EST) on a business day, it will be considered filed as of 8:00 a.m. on the following business day.

E-filings are accepted in accordance with the Commission's Electronic Filing Requirements, which can be accessed on the Commission's Web Site at http://www.floridapsc.com/dockets/e-filings/ or by contacting the Office of Commission Clerk at (850) 413-6770 during normal business hours. By electing to file electronically, you agree to abide by and accept the electronic filing requirements posted on the PSC's Web site.

Questions should be directed to the Office of Commission Clerk, Clerk@psc.state.fl.us, or call (850) 413-6770.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Monday, November 29, 2010 4:15 PM
To: 'filings@psc.state.fl.us'; 'John.Butler@fpl.com <John.Butler@fpl.com>'
Subject: MOTION FOR FLORIDA POWER & LIGHT TO ANSWER QUESTION 3 TO STAFF'S DATA REQUEST NO.1 IN ORDER TO INSPECT AND EXAMINE THE ANSWER TO QUESTION 3

Dear Ann Cole, Office of Commission Clerk and Apryl Lynn, Division of Administrative Services and Mr. Butler,

Attached is the PDF filing for the motion email that I have sent on Friday, November 26th, 2010 at 10:11 AM. The attached PDF file is to serve as the electronically filed document based upon the E-Filing requirements as per Florida Public Service Commission Electronic Filing Requirements.

I am sending this to the above email addresses only to meet the E-Filing requirements as per Florida Public Service Commission Electronic Filing Requirements

Thanks,

Robert H. Smith

Confidentiality Statement

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__Administrative X Parties __Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION: _____

Dorothy Menasco 080667-EI

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Monday, November 22, 2010 2:49 PM
To: Lisa Bennett
Cc: Ann Cole; Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé; Kimberley Pena; Ann Cole; Office Of Commissioner Graham; Records Clerk
Subject: FW: Withdrawal of the Confidential Classification of Provisional Electric Forecasted Earnings Surveillance Report / Questions regarding the forecast assumptions

Dear Ms. Bennett and Commissioner's,

I heard back from the Company and I had a conversation with Pat Bryan at FPL. Mr. Bryan had indicated that he will take a look at my email correspondence and get back to me with a response.

As per our conversation I have indicated that there should be full transparency with regard to this case with the release of any accounting data that might be pertinent with this case. Any normal operating reports should be fully made transparent. I have asked Mr. Bryan to take a look at the 10K reporting as it relates to Regulation FD, S-X and S-K. I specifically talked about FAS 131 reporting in which it talks about segmented reporting.

This would be related to the tax payment emails that I have sent to the commission. I have explained to Mr. Bryan about my past experience with these cases and I have indicated that I was concerned with the issues that have surfaced with this case.

Hopefully I will receive the information that I have outlined in my email request regarding the holding company structure and more information from a shareholders perspective.

I think that all information that might be pertinent to all these cases should be made fully transparent.

As of this email I have not received a read receipt from Mr. Pat Bryan.

I told Mr. Bryan that I would have spoke to them on Friday before noon but I had a phone interview for a CFO position.

I can only hope that none of these communications regarding these rate cases will impact my prospects for current/future employment and the well being of my family.

Hopefully there are **no** typo(s).

If you have any questions please do not hesitate to ask.

Thanks,

Robert H. Smith

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From: Hay, Lew [mailto:Lew.Hay@NextEraEnergy.com]
Sent: Monday, November 22, 2010 2:26 PM
To: rsmith
Subject: Read: FW: Withdrawal of the Confidential Classification of Provisional Electric Forecasted Earnings Surveillance Report / Questions regarding the forecast assumptions

Your message was read on Monday, November 22, 2010 2:26:26 PM (GMT-05:00) Eastern Time (US & Canada).

From: Rubin, Ken [mailto:Ken.Rubin@fpl.com]
Sent: Monday, November 22, 2010 2:14 PM
To: rsmith
Subject: Read: FW: Withdrawal of the Confidential Classification of Provisional Electric Forecasted Earnings Surveillance Report / Questions regarding the forecast assumptions

Your message was read on Monday, November 22, 2010 2:14:01 PM (GMT-05:00) Eastern Time (US & Canada).

From: Hay, Lew [mailto:Lew.Hay@NextEraEnergy.com]
Sent: Monday, November 22, 2010 1:55 PM
To: rsmith
Subject: Read: FW: Withdrawal of the Confidential Classification of Provisional Electric Forecasted Earnings Surveillance Report / Questions regarding the forecast assumptions

Your message was read on Monday, November 22, 2010 1:54:51 PM (GMT-05:00) Eastern Time (US & Canada).

From: Rubin, Ken [mailto:Ken.Rubin@fpl.com]

Dorothy Menasco

Sent: Monday, November 22, 2010 1:52 PM
To: rsmith
Subject: Read: FW: Withdrawal of the Confidential Classification of Provisional Electric Forecasted Earnings Surveillance Report / Questions regarding the forecast assumptions

Your message was read on Monday, November 22, 2010 1:52:03 PM (GMT-05:00) Eastern Time (US & Canada).

From: rsmith
Sent: Monday, November 22, 2010 2:11 PM
To: John.Butler@fpl.com; ken_rubin@fpl.com; Pat_Bryan@fpl.com
Cc: Charles_Sieving@fpl.com; Lew_Hay@fpl.com
Subject: FW: Withdrawal of the Confidential Classification of Provisional Electric Forecasted Earnings Surveillance Report / Questions regarding the forecast assumptions

Dear Mr. Butler, Mr. Rubin and Mr. Bryan,

I am resending through another email account to make sure that you receive this email.

Mr. Bryan,

I think that the resend I did not change Brian to Bryan.

Thank you for your time.

I am looking forward for a response from the company.

Thanks,

Robert H. Smith

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Dorothy Menasco

080677-EI

From: rpjrb@yahoo.com
Sent: Monday, November 22, 2010 11:34 AM
To: Lisa Bennett
Cc: Ann Cole; Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé; Kimberley Pena; Ann Cole; Office Of Commissioner Graham; Records Clerk
Subject: FW: Withdrawal of the Confidential Classification of Provisional Electric Forecasted Earnings Surveillance Report / Questions regarding the forecast assumptions

Dear Ms. Bennett and Commissioner's,

Here is an email that I have sent to Florida Power & Light regarding the declassified Provisional Electric Forecasted Surveillance Report. The questions below are related to the assumptions that have been used in the report.

Florida Power & Light called me on Friday regarding this report. I left a voicemail as well as sent an email regarding the receipt of this report. I was on a phone call for a CFO position.

I am looking forward to hearing from the company regarding the assumptions that have been modeled in the report.

I can only hope that none of these communications regarding these rate cases will impact my prospects for current/future employment and the well being of my family.

Hopefully there are **no** typo(s).

If you have any questions please do not hesitate to ask.

Thanks,

Robert H. Smith

FPSC, CLK - CORRESPONDENCE
☐ Administrative ☒ Parties ☐ Consumer
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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Monday, November 22, 2010 11:25 AM
To: 'John.Butler@fpl.com <John.Butler@fpl.com>'; 'ken.rubin@fpl.com'; 'Pat.Brian@fpl.com'
Cc: 'Charles_Sieving@fpl.com'; 'Lew_Hay@fpl.com'
Subject: Withdrawal of the Confidential Classification of Provisional Electric Forecasted Earnings Surveillance Report / Questions regarding the forecast assumptions

Dear Mr. Butler, Mr. Rubin and Mr. Brian,

Thanks for your patience in this matter.

I left a voicemail on Friday and sent quick email regarding this report (Docket 080677-EI Document number 09517-10). I am sorry I could not speak to you on Friday. I was in the middle of a phone interview for a CFO position.

Thank you for a copy of the Provisional Electric Forecasted Earnings Surveillance report. I noticed that the information contains the exact same pages that are in the normal operating report (Rate of Return Surveillance report 24 pages including the cover letter (12/31/2008)). The provisional report contains 7 pages. I would expect to see that these similar reports will be provided with the final order in this case.

Here are some preliminary questions regarding the Provisional Electric Forecasted Earnings Surveillance Report. Did the company prepare any 2011 and 2012 forecasted earnings surveillance reports? This would be needed to see if there would be further cost of service reductions in the years that the base rates would be set if the Settlement and Stipulation agreement was approved based upon the 2010 forecasted earnings surveillance report. If there are other reduction(s) in cost in the years in which the base rates are frozen then the customer might not see a benefit for these reduction since there is no forecast to show what will happen in 2011 and 2012. Will there be an excess earning test to keep track of any future over earnings?

How come the long term debt assumption is 5.8%? Is this assumption for 2010? If so, are there any plans to refinance the debt for 2011 and 2012? If so, and the cash

rates are set will the customer receive the benefit of the refinancing of this debt through a cash rate reduction in base rates or will this reduction be returned through an excess earnings mechanism?

Are there any plans to refinance the debt to lower interest rates with the current economic climate? If so, then how come we do not see any reduction in the overall cost of Long term debt cost rate below? Is this due to not being able to refinance this during 2010 since we are already in November?

If there are no plans to refinance the Long term debt below did they ask the financial community if there was an opportunity to refinance any of their debt? Have they completed any economic analysis regarding the impacts of retiring higher cost long term debt with refinancing this debt at lower interest rates? This would include early retirement costs that the company would have to potentially pay with the refinancing and early retirement of the existing debt? Are there plans to refinance in 2011 and 2012? If so, then the customer would not see a reduction for this in their cash base rates since the rates will be set based upon the 2010 test year and the assumption that have been provided in the Provisional Electric Forecasted Earnings Surveillance report.

If the commission decides to use an Excess Earnings mechanism to return any cost reductions/interest savings to its customers what will be the annual rate of return (carrying charges) that will recorded to FERC Account 253 (deferred credits)? This amount should equal the same rate of return as the actual overall cost of money or the customer might not receive the full benefit for the refinancing of the debt. If this was trued up into base rates then the customer would receive the full benefit therefore any carrying charges calculated on excess earnings should be at the overall cost of money.

There is an adjustment of $S25,901 ($610,457-$84,556 ($000's)) to reduce the total long term debt outstanding. Do we know what this adjustment represents? Is this a normal retirement of debt? By the nature of this adjustment the debt to equity ratio will change. The equity component will increase therefore increasing the equity component. This will translate to increased revenue requirements. Are there any plans to issue new debt? What would be the targeted debt to equity ratio that the company would expect to maintain? Do we know what the interest rate impact for a ratings change at the company if the company issues more debt?

Any change in the debt to equity ratio will impact revenue requirements. If you just reduce the debt below without a change in interest rates then the equity component of the debt to equity ratio will increase therefore increasing revenue requirements. If the cash rates are set in 2010 without taking into account any future change in debt/equity ratio based upon any issuance or refinancing of debt then how will any potential cost savings be given back to the customer? Will this be refunded through an excess earnings test? If so, at what rate of return will the carrying charges be calculated at to refund this money?

With the depreciation reserve surplus amortization below, what would be the difference between the amortization below of $30,000 and the original amount as set by the Florida public Service Commission? According to note 3 it indicates that this "Assumes FPSC approval of the August 20, 2010 Stipulation and Settlement Agreement. Does this represent $30 million since there is no ($000's) on the top of the Forecast Assumption page. Is this an annual amount of amortization? If this is an annual amortization how come it is significantly lower than the original amount as set by the original order? The original order has indicated that there will be a base rate increase of $75 million but a depreciation amortization that is $500 million over 4 years or $125 million per year for 4 years. In addition, there was $394.6 million being amortized at $17.9 million over 22 years. If the $30,000 represents $30 million then does this replace the original amortization?

I noticed that the 30 day commercial paper rate of .5% has been put onto the assumption page. What specific items are being considered with this interest rate assumption?

What annual interest rate assumptions (carrying charges) are being used to calculate the carrying charges for the any recovery clause that is being collected in base rates but is being returned through a separate recovery clause? (i.e fuel recovery clause, nuclear uprate recovery clause etc.) Are these rates lower than the overall cost of money?

If I have any additional questions I will let you know.

I have sent prior emails to both Mr. Hay and Mr. Sieving regarding the holding company structure at the company as well as the same type of questions that has been asked in the email above.

Again thank you for sending me the information and I am looking forward to hearing from the company.

Hopefully there are no typo(s).

If you have any questions regarding this email please do not hesitate to email me at rpjrb@yahoo.com or give me a call at 954-340-4956.

Thanks,

Robert H. Smith

This schedule below has been sent to the Commission in my email dated May 13th, 2010.

Surplus Amort	1,208.8	
Less: Recov. Sch	(314.2)	
	894.6	
Less Credits	(500.0)	Amortize at $125 m over 4 yrs
	394.6	Amortize at $17.9 m over 22 yrs

Sites to Recovery Sched.	Plant in Service	Reserve Balance	Rem Plant
Cape Canaveral Site	187.5	(152.2)	35.3
Riviera Site	103.7	(94.1)	9.6
	291.2	(246.3)	44.9

Recovery Schedule

As per Above	314.2	
Cape & Riviera Site	44.9	Are these going to be added to the new repowered generating units? If so then, then how is the new cost going to take into account the old book costs for ledger 3 purposes? Since they have been fully recovered by the surplus reserve is the new ledger 3 amounts only going to reflect the new costs only? How is the vintage year issues being addressed for the old costs? If it will reflect only the new costs then all old ledger 3 amounts will be removed. This might not follow GAAP since from a strict asset perspective these assets might still exist with the new repowered generating units. How will the going forward depreciation reflect this vintage year issue?
Nuclear Uprates	168.2	Removed from Base Rates. Recovered through Nuclear Cost Recovery Clause. Removed from RateBase? Calculated Carrying Charges? Will the cash recovery in Base rates equal the new recovery in cash rates based upon the new Nuclear Cost Recovery Clause? Is this a break even for cash recovery or has the amount of time to recover these costs changed?
Obsolete Meters	101.1	Retired. Is there any salvage money that can be recovered for the scrap sale or sale of these meters? Will there be any cost of removal or are these being left in place? If they are being left in place then and they will be considered fully recovered will ledger 10 be adjusted to match ledger 3 to keep track of these assets? Ledger 3 plant should match ledger 10 accumulated depreciation reserves. These should be kept on the books until they are removed/sold or scrapped. Any money should be credited to the ratepayers.
	314.2	

Based upon the above reduction of the Depreciation Surplus/OverRecovery it appears that the Recovery Schedule items are being reduced against surplus refund immediately. What is going to be done with these plants? Are they being retired or sold?
If they are going to be sold then if there is any gain on the sale of the plants then this would have to be refunded to the ratepayer.
If these plants are not sold, what would be the new recovery period for these plants since it appears that they are being moved out of the normal depreciation recovery?
Are they going to remain in Ledger 3 for book purposes since the normal depreciation recovery will be stopped?

C. OTHER CORPORATE ASSUMPTIONS

INTEREST RATES -	
1) 30 DAY COMMERCIAL PAPER	**0.5%**
2) LONG TERM DEBT	**5.8%**
DEPRECIATION RESERVE SURPLUS AMORTIZATION (3)	**$30,000**

FLORIDA PUBLIC SERVICE COMMISSION
ELECTRIC FORECASTED EARNINGS SURVEILLANCE REPORT
CAPITAL STRUCTURE ($000'S)
FP&C ADJUSTED BASIS

SCHEDULE 3
PAGE 1 OF 1

Company: Florida Power & Light Company and Subsidiaries
Year 2010

AVERAGE	SYSTEM PER BOOKS	RETAIL PER BOOKS	ADJUSTMENTS PRORATA	ADJUSTMENTS SPECIFIC	ADJUSTED RETAIL	RATIO	LOWPOINT COST RATE	LOWPOINT WEIGHTED COST	MIDPOINT COST RATE	MIDPOINT WEIGHTED COST	HIGHPOINT COST RATE	HIGHPOINT WEIGHTED COST
LONG TERM DEBT	$5,510,039	$5,388,846	$84,556	($610,457)	$4,862,945	28.02%	5.32%	1.54%	5.32%	1.54%	5.32%	1.54%
SHORT TERM DEBT	498,874	486,628	8,611	0	495,240	2.96%	0.76%	0.02%	0.76%	0.02%	0.76%	0.02%
PREFERRED STOCK	0	0	0	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
CUSTOMER DEPOSITS	545,611	545,385	9,651	0	555,036	3.31%	5.98%	0.20%	5.98%	0.20%	5.98%	0.20%
COMMON EQUITY	7,932,700	7,737,980	136,928	0	7,874,908	47.00%	9.00%	4.23%	10.00%	4.70%	11.00%	5.17%
DEFERRED INCOME TAXES	3,310,199	3,236,990	51,481	(327,718)	2,960,753	17.67%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TAX CREDITS WEIGHTED COST	78,796	77,985	111	(71,723)	6,373	0.04%	7.60%	0.00%	8.21%	0.00%	8.83%	0.00%
TOTAL	$17,876,220	$17,473,814	$291,338	($1,009,898)	$16,755,254	100.00%		6.00%		6.47%		6.94%

Company: Florida Power & Light Company
Month of: December 2008

LINE NO			ACTUAL	REV EST/ ACTUAL (b)	DIFFERENCE AMOUNT	DIFFERENCE %	ESTIMATED/ ACTUAL	ESTIMATED/ ACTUAL (b)	DIFFERENCE AMOUNT	DIFFERENCE %
C		True-up Calculation								
1		Jurisdictional Fuel Revenues (Net of Revenue Taxes)	$ 481,992,385	$ 527,156,101	$ (45,163,716)	(8.6) %	$ 6,048,426,723	$ 6,163,762,784	$ (115,336,061)	(1.9) %
		Fuel Adjustment Revenues Not Applicable to Period								
2	a	Prior Period True-up (Collected)/Refunded This Period	(6,610,188)	(6,610,188)	0	0.0 %	(79,322,258)	(79,322,258)	0	0.0 %
	b	GPIF, Net of Revenue Taxes (a)	(749,568)	(749,568)	0	0.0 %	(8,994,819)	(8,994,819)	0	0.0 %
	c	Prior Period True-up (Collected)/Refunded This Period	(24,207,221)	(24,207,221)	0	0.0 %	(121,036,106)	(121,036,106)	0	0.0 %
3		Jurisdictional Fuel Revenues Applicable to Period	$ 450,425,408	$ 495,589,123	$ (45,163,715)	(9.1) %	$ 5,839,073,540	$ 5,954,409,601	$ (115,336,061)	(1.9) %
4	a	Adjusted Total Fuel Costs & Net Power Transactions (Line A-7)	$ 320,870,039	$ 330,597,200	$ (9,727,161)	(2.9) %	$ 6,081,078,500	$ 6,116,439,801	$ (35,361,301)	(0.6) %
	b	Nuclear Fuel Expense - 100% Retail	0	0	0	N/A	0	0	0	N/A
	c	RTP incremental Fuel -100% Retail	0	0	0	N/A	0	0	0	N/A
	d	D&D Fund Payments -100% Retail	0	0	0	N/A	0	0	0	N/A
	e	Adj Total Fuel Costs & Net Power Transactions - Excluding 100% Retail Items (C4a-C4b-C4c-C4d)	320,870,039	330,597,200	(9,727,161)	(2.9) %	6,081,078,500	6,116,439,801	(35,361,301)	(0.6) %
5		Jurisdictional Sales % of Total kWh Sales (Line B-6)	99.99306 %	99.99378 %	(0.00072) %	0.0 %	N/A	N/A	N/A	N/A
6		Jurisdictional Total Fuel Costs & Net Power Transactions (Line C4e x C5 x 1.00065(b)) +(Lines C4b,c,d)	$321,056,321	$330,791,513	$ (9,735,192)	(2.9) %	$ 6,084,621,246	$6,120,012,059	$ (35,390,813)	(0.6) %
7		True-up Provision for the Month - Over/(Under) Recovery (Line C3 - Line C6)	$ 129,369,087	$ 164,797,610	$ (35,428,523)	(21.5) %	$ (245,547,706)	$ (165,602,458)	$ (79,945,248)	48.3 %
8		Interest Provision for the Month (Line D10)	(283,694)	(672,148)	388,454	(57.8) %	(10,057,683)	(10,681,919)	624,236	(5.8) %
9		True-up & Interest Provision Beg of Period-Over/(Under) Recovery	(294,472,086)	(250,191,144)	(44,280,942)	N/A	(79,322,258)	(79,322,258)	0	0.0 %
	a	Deferred True-up Beginning of Period - Over/(Under) Recovery	(121,036,106)	(121,036,106)	0	0.0 %	(121,036,106)	(121,036,106)	0	0.0 %
10	a	Prior Period True-up Collected/(Refunded) This Period	6,610,188	6,610,188	(0)	0.0 %	79,322,258	79,322,258	0	0.0 %
	b	Prior Period True-up Collected/(Refunded) This Period	24,207,221	24,207,221	(0)	0.0 %	121,036,105	121,036,106	(1)	0.0 %
11		End of Period Net True-up Amount Over/(Under) Recovery (Lines C7 through C10)	$ (255,605,390)	$ (176,284,378)	$ (79,321,012)	45.0 %	$ (255,605,390)	$ (176,284,378)	$ (79,321,012)	45.0 %
D		Interest Provision								
1		Beginning True-up Amount (Lines C9 + C9a)	$ (415,508,192)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2		Ending True-up Amount Before Int. (C7+C9+C9a+C10)	$ (255,321,696)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
3		Total of Beginning & Ending True-up Amount	$ (670,829,888)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
4		Average True-up Amount (50% of Line D3)	$ (335,414,944)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
5		Interest Rate - First Day Reporting Business Month	1.49000 %	N/A	N/A	N/A	N/A	N/A	N/A	N/A
6		Interest Rate - First Day Subsequent Business Month	0.54000 %	N/A	N/A	N/A	N/A	N/A	N/A	N/A
7		Total (Line D5 + Line D6)	2.03000 %	N/A	N/A	N/A	N/A	N/A	N/A	N/A
8		Average Interest Rate (50% of Line D7)	1.01500 %	N/A	N/A	N/A	N/A	N/A	N/A	N/A
9		Monthly Average Interest Rate (Line D8 / 12)	0.08458 %	N/A	N/A	N/A	N/A	N/A	N/A	N/A
10		Interest Provision (Line D4 x Line D9)	$ (283,694)	N/A	N/A	N/A	N/A	N/A	N/A	N/A

NOTES (a) Generation Performance Incentive Factor is ($9,801,300) x 99.9380%) - See Order No. PSC-08-0830-POF-EI.
(b) Per Revised Estimates from Mid-course correction filed on 11/17/08 and approved on 12/2/08 Agenda Conference

Schedule A 2
Page 2 of 2

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Friday, November 19, 2010 12:51 PM
To: 'John.Butler@fpl.com <John.Butler@fpl.com>'; 'ken.rubin@fpl.com'; 'Pat.Brian@fpl.com'
Cc: 'Charles_Sieving@fpl.com'; 'Lew_Hay@fpl.com'
Subject: FW: Electronic Service / Docket 080677-EI / FPL's N/Withdrawing its Request for Confidential Classification re: Surveillance Report

Dear Mr. Butler, Mr. Rubin and Mr. Brian,

I have received your email regarding the release of the Forecasted Earnings Surveillance report.

I received both attachments and I noticed that these documents are going to be filed into Docket 080677-EI.

I am in the process of taking a look at the report and I know that I have a couple of questions regarding some of the assumptions in the report.

I have been working on a draft email to send with questions but I was on a phone call that I had scheduled this morning. I will be working on this information today and over the weekend to hopefully put together my final questions.

Thank you for sending me the report.

Mr. Rubin and Mr. Brian I am sorry I missed your call. I have left a voicemail at the office which was after 12:00PM. Please give me a call on Monday or I will follow up with a call and/or email on Monday.

Hopefully I have the proper email addresses.

I am going to take a look at the report and I am looking forward to speaking with you on Monday.

Regards,

Robert H. Smith

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From: Butler, John [mailto:John.Butler@fpl.com]
Sent: Thursday, November 18, 2010 4:41 PM
To: 'LBENNETT@PSC.STATE.FL.US'; 'ANWILLIA@PSC.STATE.FL.US'; 'mbrown@psc.state.fl.us'; 'Kelly.jr@leg.state.fl.us'; 'mcglothlin.joseph@leg.state.fl.us'; 'jess@sugarmansusskind.com'; 'sugarman@sugarmansusskind.com'; 'mbraswell@sugarmansusskind.com'; 'msundback@andrewskurth.com'; 'kwiseman@andrewskurth.com'; 'jspina@andrewskurth.com'; 'lisapurdy@andrewskurth.com'; 'linomendiola@andrewskurth.com'; 'meghangriffiths@andrewskurth.com'; 'swright@yvlaw.net'; 'jlavia@yvlaw.net'; 'jmoyle@kagmlaw.com'; 'vkaufman@kagmlaw.com'; 'jmcwhirter@mac-law.com'; 'barmstrong@ngnlaw.com'; 'cecilia.bradley@myfloridalegal.com'; 'sda@trippscott.com'; 'tperdue@aif.com'; 'karen.white@tyndall.af.mil'; 'margaret-ray.kemper@ruden.com'; 'richardb@gtlaw.com'; 'allan.jungels@tyndall.af.mil'; 'rpjrb@yahoo.com'
Subject: Electronic Service / Docket 080677-EI / FPL's N/Withdrawing its Request for Confidential Classification re: Surveillance Report

Everyone

Please see attached (1) Florida Power & Light Company's Notice of Withdrawing its Request for Confidential Classification of Provisional Electric Forecasted Earnings Surveillance Report, and (2) Florida Power & Light Company's Response to Robert H. Smith's Motion to Inspect and Examine Confidential Material, filed today with the FPSC.

John T. Butler, Esq.

700 Universe Boulevard
Juno Beach, FL 33408
561-304-5639
John.Butler@fpl.com

FPSC, CLK - CORRESPONDENCE
Administrative X Parties Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION:

Dorothy Menasco 080677-EI

From: rpjrb@yahoo.com
Sent: Thursday, November 18, 2010 2:32 PM
To: Lisa Bennett; John.Butler@fpl.com; Charles_Sieving@fpl.com; Lew_Hay@fpl.com
Cc: Ann Cole; Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé; Kimberley Pena; Ann Cole; Office Of Commissioner Graham; Records Clerk
Subject: FW: Appeal Document 09219-10 Docket 080677/Docket No. 100410-E1 - Review of Florida Power & Light Company's earnings.

Dear Ms. Bennett,

I was on a phone call with the company rescheduling my phone interview for a CFO position tomorrow.

I noticed a typo below.

Thanks for your patience in this matter.

Thanks,

Robert H. Smith

Confidentiality Statement

The documents accompanying this telecopy transmission contain information which is confidential and/or legally privileged. The information is intended only for the use of the individual or entity named on this transmission sheet. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this telecopied information is strictly prohibited, and the documents should be returned. In this regard, if you received this telecopy in error, please contact the sender by reply E-mail and destroy all copies of the original.

From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Thursday, November 18, 2010 1:08 PM
To: "Lisa Bennett' <LBENNETT@PSC.STATE.FL.US>'; 'John.Butler@fpl.com <John.Butler@fpl.com>'; 'Charles_Sieving@fpl.com'; 'Lew_Hay@fpl.com'
Cc: 'Ann Cole'; 'Office Of Commissioner Edgar'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Kimberley Pena'; 'Ann Cole'; "Office Of Commissioner Graham' <Commissioner.Graham@PSC.STATE.FL.US>'; 'Records Clerk'
Subject: Appeal Document 09219-10 Docket 080677/Docket No. 100410-E1 - Review of Florida Power & Light Company's earnings.

Dear Ms. Bennett,

Thanks for your patience in this matter.

I was waiting for a call for a phone interview for a CFO position. I am still waiting to hear from the company so I thought that I would send this since I want to make sure that the commission understands why based upon my appeal that I feel that the confidential earnings surveillance report(s) should be fully disclosed just like the 9/30/2010 10Q disclosure.

I was taking a look at the letter dated November 16th, 2010 from the Commission to FPL regarding the impact on the 10Q. According to the question 3 the 10 Q that the company filed for the period ended 9/30/2010 reflects the effects of the proposed, but not yet approved, stipulation and settlement agreement.

If this is being disclosed by the 10Q filed on 11/3/2010 for the period ended 9/30/2010, then why would a surveillance report be classified as confidential? The request for the classification of the surveillance report was asked for on the same date. This would contradict the reasons as to why a normal operating report would be considered confidential. The reasoning below was that the report "contains material, non-public financial forecast information, which unless kept confidential, would require disclosure to investors under the United States Securities and Exchange Commission Regulation FD.

Does the classified document contain information for a forecast period in the rate case? If so, then if the information that has been disclosed in a public document (10Q) for disclosure to shareholders contains impacts of the proposed Settlement and Stipulation agreement then the forecasted information should be disclosed as well. Any forecasted report would be considered a normal operating reporting that would provide information to show the impacts on the future rates that a ratepayer would expect to see. A final order that would be issued by the commission would have to provide a cost of service with the impacts of the settlement and stipulation agreement. If the agreement is signed before this information is disclosed then an interested party would not have the ability to see the impacts of the settlement and stipulation agreement before the cash rates have been set. My concerns in my appeal are very specific with regard to the disclosure of this normal operating report.

If they are disclosing the information in a public document for the shareholders then the classified normal operating report (surveillance report) should be released for disclosure to any interested party with a legal interest in these proceedings. This should be done before the cash rates are being set. I see that you are asking Florida Power & Light to refile the Earnings Surveillance reports without the impacts of the Settlement and Stipulation agreement. This will show what the company would earn without the agreement. This is why any party with a legal interest should have access to this information before any agreement is signed. This is a very critical piece to whether or not the Stipulation and Settlement agreement should be signed. If the agreement is signed before all parties with a legal interest sees this normal operating report then the cash rates might be set before any party would be able to ask any additional questioning that might be important to the decision to sign the agreement or not.

I have brought up issues with regard to forecast assumptions in this case (i.e. interest rates on refinancing etc.) If the forecast does not contain fully accurate assumptions to whether or not the company can lower its cost of service through cost reductions and this is not disclosed to a party with a legal interest then the cash base rates would have been set and they would not be subject to review through the end of 2012. The only way the commission would be able to review this is through an excess earnings test. If the cash base rates are set and there are future reductions to the cost of service and the agreement calls for no adjustments to base rates through 2012, will the Commission through an excess earnings test be able to require the company to refund any money to the ratepayers if the Settlement and Stipulation agreement is signed and base cash rates have been set through 2012?

How come it is OK for the company to disclose the proposed Settlement and Stipulation agreement in their earnings through 9/30/2010 but the commission through a normal operating report (Surveillance report) that will have to be represented the same exact way in a final order cannot disclose this information before the settlement and stipulation agreement is signed?

The Surveillance reports will have to be sent to the commission anyway whether or not the agreement is signed or not. This in itself would subject the report to be released under a normal Freedom of information request. The commission has provided this information in the past.

The final order is going to contain the same exact information that is being presented in the Earnings Surveillance report therefore it should be fully disclosed to all interested parties before any agreement is signed.

Balance between all interested parties must be maintained.

I am waiting to hear from Mr. Sieving regarding my emails that I have sent to Florida Power & Light from a shareholder perspective.

This is why I feel that my appeal for the right to inspect and examine the confidential report before the agreement is signed is warranted.

11/18/2010

I am looking forward to a response from both the company and the commission regarding my appeal.

I am waiting for hear from a company for a phone interview that I have scheduled for today for a CFO position.

I can only hope that none of these communications regarding these rate cases will impact my prospects for current/future employment and the well being of my family.

Hopefully there are **no** typo(s).

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com.

Thanks,

Robert H. Smith

BEFORE ME, the undersigned authority, personally appeared Robert E. Barrett, Jr. who. being first duly sworn, deposes and says:

1. My name is Robert E. Barrett, Jr. I am currently employed by Florida Power & Light Company ("FPL") as Vice President of Finance. I have personal knowledge of the matters stated in this affidavit.

2. I have reviewed the Provisional Electric Forecasted Earnings Surveillance Report (the "Report") that is included in Exhibit A to FPL's Request for Confidential Classification. The Report contains material, non-public financial forecast information, which unless kept confidential, would require disclosure to investors under United States Securities and Exchange Commission Regulation FD. Regulation FD is an issuer disclosure rule intended to avoid selective disclosure of material financial information by publicly traded companies such as FPL's parent, NextEra Energy, Inc. Since the information contained in the Report is provisional, and presents only one view of FPL's forecasted financial results for 2010, it is inappropriate to disclose this information to the investment community at the present time and such disclosure would adversely affect FPL's competitive interests in financial markets. Thus, filing the Report on a non-confidential basis would raise a different, and more significant, Regulation FD issue than the filing of a final forecasted earnings surveillance report pursuant to Rule 25-6.1353, which would represent the filer's consensus view of expected financial results and would be more appropriate for disclosure to the investment community.

3. The document should remain confidential until FPL files its final Forecasted Earnings Surveillance Report. In addition, the document should be returned to FPL as soon as the information is no longer necessary for the Commission to conduct its business so that FPL can continue to maintain the confidentiality of the document.

The above-referenced confidential material was filed along with a **request for confidential classification**. Please check all applicable information and forward a copy to the attorney assigned to the docket, along with a brief memorandum supporting your recommendation. Copies of your recommendation should also be filed with the Office of Commission Clerk and the Office of General Counsel.

X The document(s) is (are), in fact, what the utility asserts it (them) to be.
X The utility has provided enough details to perform a reasoned analysis of its request.
___ The material has been received incident to an inquiry.
X The material is confidential business information because it includes:
- ___ (a) Trade secrets;
- ___ (b) Internal auditing controls and reports of internal auditors;
- ___ (c) Security measures, systems, or procedures;
- ___ (d) Information concerning bids or other contractual data, the disclosure of which would impair the efforts of the public utility or its affiliates to contract for goods or services on favorable terms;
- X (e) Information relating to competitive interests, the disclosure of which would impair the competitive business of the provider of information;
- ___ (f) Employee personnel information unrelated to compensation, duties, qualifications, or responsibilities;

X The material appears to be confidential in nature and harm to the company or its ratepayers will result from public disclosure.
___ The material appears not to be confidential in nature.
___ The material is a periodic or recurring filing and each filing contains confidential information.

Response prepared by JOHN SLEMKEWICZ Date: 11-3-10

FLORIDA POWER & LIGHT CO

10-Q

Quarterly report pursuant to sections 13 or 15(d)
Filed on 11/3/2010
Filed Period 9/30/2010

COMMISSIONERS:
ART GRAHAM, CHAIRMAN
LISA POLAK EDGAR
NATHAN A. SKOP
RONALD A. BRISÉ

STATE OF FLORIDA

OFFICE OF THE GENERAL COUNSEL
S. CURTIS KISER
GENERAL COUNSEL
(850) 413-6199

Public Service Commission

November 16, 2010

John T. Butler
Florida Power & Light Company
700 Universe Boulevard
Juno Beach, FL 33408-0420

STAFF DATA REQUEST NO. 1

Re: Docket No. 100410-EI - Review of Florida Power & Light Company's earnings.

Dear Mr. Butler:

By this letter, the Commission staff requests that Florida Power & Light Company (FPL or utility) provide responses to the following data requests.

1. Per FPL's Earnings Surveillance Reports (ESR), the reported annual FPSC Adjusted Depreciation & Amortization Expense was $767.8 million and $851.7 million for August and September 2010, respectively, an increase of $83.9 million. Please explain the reason(s) for the increase

2. For each month for the period March through September 2010, please provide the monthly and cumulative amount of the depreciation expense credit related to the amortization of the depreciation reserve surplus included in the ESRs.

3. Per pages 30 and 35 of the Company's Form 10-Q for the quarter ended September 30, 2010, the condensed consolidated financial statements reflect the effects of the proposed, but not yet approved, stipulation and settlement in Docket No. 080677-EI. Has FPL included the effects of the proposed stipulation and settlement in any of its filed ESRs for 2010? If so, please identify which month(s) and refile the ESRs excluding the effects of the proposed stipulation and settlement.

4. Has FPL included the effects of the proposed stipulation and settlement in its actual results of operations in its books and records? If so, please identify which month(s) and provide the justification for recording the effects of the proposed stipulation and settlement as actual results of operations.

09457 NOV 16 10
FPSC-COMMISSION CLERK

On August 20, 2010, FPL, the State of Florida Office of Public Counsel, the Florida Attorney General's Office and all other principal parties in FPL's 2009 rate case signed a stipulation and settlement regarding FPL's retail base rates (2010 rate agreement). Key elements of the 2010 rate agreement are as follows:

- Subject to the provisions of the 2010 rate agreement, retail base rates will remain frozen through the end of 2012.
- Incremental cost recovery through FPL's capacity clause for the new combined-cycle natural gas unit at FPL's West County Energy Center (WCEC), which is expected to be placed in service by mid-2011, will be permitted up to the amount of the projected fuel savings for customers during the term of the 2010 rate agreement.
- Future storm restoration costs would be recoverable on an accelerated basis beginning 60 days from the filing of a petition but capped at an amount that produces no more than a $4 surcharge for every 1,000 kwh of usage on residential bills during the first 12 months. Any additional costs would be eligible for recovery in subsequent years. If storm restoration costs exceed $800 million in any given calendar year, FPL may request an increase to the $4 surcharge for the amount above $800 million.
- The midpoint of FPL's authorized regulatory ROE range will remain 10%. If the earned regulatory ROE falls below 9%, FPL may seek retail base rate relief. If the earned regulatory ROE rises above 11%, the parties to the 2010 rate agreement may seek a reduction in FPL's retail base rates.
- FPL can vary the amount of surplus depreciation taken in any one calendar year up to a maximum of $267 million (with any unused portion of the maximum rolling over to and available in subsequent years), provided its earned regulatory ROE remains within the range of 9% to 11%. In determining the regulatory ROE for all purposes under the 2010 rate agreement, earnings will be calculated using an actual, non-weather-adjusted basis. FPL may use up to a maximum of $776 million in surplus depreciation over the course of the 2010 rate agreement.
- All motions for reconsideration of the FPSC rate order, including FPL's motion, will be withdrawn, and all parties agree to not appeal that order.

The 2010 rate agreement is subject to, and will not become effective until, approval by the FPSC, and action by the FPSC is pending. If approved, the 2010 rate agreement will be effective through December 31, 2012, and will resolve all matters in FPL's 2009 rate case. NextEra Energy's and FPL's 2010 condensed consolidated financial statements contained herein reflect the effects of the 2010 rate agreement because management believes it is probable that the 2010 rate agreement will ultimately be approved by the FPSC. However, if the 2010 rate agreement is not approved by the FPSC, based on the terms of the FPSC rate order NextEra Energy's and FPL's depreciation and amortization expense as reflected in the 2010 condensed consolidated statements of income herein would have been reduced by approximately $168 million ($200 million assuming FPL's motion is granted) and NextEra Energy's and FPL's net income would have increased by approximately $103 million ($123 million assuming FPL's motion is granted) for the three and nine months ended September 30, 2010. FPL cannot predict with certainty whether or when the 2010 rate agreement will be approved by the FPSC, or if not approved, the outcome of the FPL motion proceedings, which could be different from that requested.

11. Segment Information

NextEra Energy's reportable segments include FPL, a rate-regulated utility, and NextEra Energy Resources, a competitive energy business. Beginning in 2010, NextEra Energy Resources' financial statements include non-utility interest expense on a deemed capital structure of 70% debt and allocated shared service costs. These changes were made to reflect an expected average capital structure at FPL Group Capital and more accurately reflect NextEra Energy Resources' operating costs. Corporate and Other represents other business activities, other segments that are not separately reportable and eliminating entries. NextEra Energy's segment information is as follows:

	Three Months Ended September 30							
	2010				2009			
	FPL	NextEra Energy Resources(a)	Corporate & Other	NextEra Energy Consoli-dated	FPL	NextEra Energy Resources(a)(c)	Corporate & Other(c)	NextEra Energy Consoli-dated
	(millions)							
Operating revenues	$ 3,116	$ 1,528	$ 47	$ 4,691	$ 3,301	$ 1,136	$ 36	$ 4,473
Operating expenses	$ 2,532	$ 997	$ 37	$ 3,566	$ 2,747	$ 850	$ 27	$ 3,624
Net income (loss)(b)	$ 308	$ 386	$ 26	$ 720	$ 306	$ 212	$ 15	$ 533

On April 1, 2010, FPL filed a motion asking the FPSC to correct the reconsideration errors and to clarify the depreciation inconsistency. Regardless of whether the FPSC ultimately concludes that revenue requirements should be higher or lower than the retail base rates implemented on March 1, 2010, the FPL motion requested that the FPSC resolve the reconsideration errors and depreciation inconsistency through an adjustment to depreciation expense which would keep retail base rates and revenues the same as set forth in the FPSC rate order and currently in effect. The FPSC's ruling on the FPL motion is pending. However, on August 20, 2010, FPL and all the principal parties in FPL's 2009 rate case signed a 2010 rate agreement which is subject to, and will not become effective until, approval by the FPSC, and action by the FPSC is pending. If approved, the 2010 rate agreement will be effective through December 31, 2012, and will resolve all matters in FPL's 2009 rate case. See Note 10 - Regulatory Proceedings. NextEra Energy's and FPL's 2010 condensed consolidated financial statements contained herein reflect the effects of the 2010 rate agreement because management believes it is probable that the 2010 rate agreement will ultimately be approved by the FPSC. However, if the 2010 rate agreement is not approved by the FPSC, based on the terms of the FPSC rate order NextEra Energy's and FPL's depreciation and amortization expense as reflected in the 2010 condensed consolidated statements of income herein would have been reduced by approximately $168 million ($200 million assuming FPL's motion is granted) and NextEra Energy's and FPL's net income would have increased by approximately $103 million ($123 million assuming FPL's motion is granted) for the three and nine months ended September 30, 2010. FPL cannot predict with certainty whether or when the 2010 rate agreement will be approved by the FPSC, or if not approved, the outcome of the FPL motion proceedings, which could be different from that requested.

FPL suspended activity on the modernization of its Cape Canaveral and Riviera Beach power plants in January 2010 in order to appropriately evaluate the impact of the FPSC's 2009 rate case decision, including its effect on FPL's credit quality and implications for the cost of capital. Following an in-depth analysis, FPL subsequently determined that it is appropriate to move ahead with the modernizations of its Cape Canaveral and Riviera Beach power plants. The units are expected to go into service in 2013 and 2014, respectively, as originally planned, and are expected to provide customers with substantial savings over the life of the plants. FPL had also suspended activity on its proposed natural gas pipeline. FPL believes Florida needs a third natural gas pipeline to enhance fuel security and give customers access to additional markets. However, given a revised load forecast, new natural gas transport capacity is not projected to be needed any sooner than 2015. As a result, FPL expects to evaluate options in 2011 for developing a third pipeline in the future. FPL expects to continue a stepwise approach to development activities regarding the two additional nuclear units at FPL's Turkey Point site with the focus on obtaining the combined operating license. The plan is not to proceed with construction of the two additional nuclear units until at least the combined operating license is obtained. If constructed, FPL expects the in-service dates of the two additional nuclear units to be 2022 and 2023. FPL is currently monitoring the federal government's loan guarantee program for the construction of new nuclear units to determine whether FPL might be able to pursue such a guarantee for the two additional nuclear units. The effect of the decisions discussed above and those regarding other infrastructure projects are reflected in FPL's estimated planned capital expenditures. See Note 10 - Commitments.

NextEra Energy Resources' results for the three and nine months ended September 30, 2010 increased primarily due to net unrealized after-tax gains from non-qualifying hedges in the current year compared to losses on such hedges in the prior year. See table below for details of NextEra Energy Resources' net unrealized after-tax gains and losses from non-qualifying hedges, after-tax OTTI losses on securities held in its nuclear decommissioning funds and after-tax OTTI reversals, all of which are included in NextEra Energy's and NextEra Energy Resources' net income.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2010	2009	2010	2009
	(millions)			
Net unrealized mark-to-market after-tax gains (losses) from non-qualifying hedge activity	$ 114	$ (32)	$ 245	$ (33)
OTTI after-tax losses on securities held in nuclear decommissioning funds	$ –	$ –	$ (9)	$ (33)
OTTI after-tax reversals	$ 5	$ 3	$ 13	$ 7

The change in unrealized mark-to-market activity from non-qualifying hedges is primarily attributable to changes in forward power and natural gas prices, as well as the reversal of previously recognized unrealized mark-to-market gains or losses as the underlying transactions were realized. As a general rule, a gain (loss) in the non-qualifying hedge category is offset by decreases (increases) in the fair value of related physical asset positions in the portfolio or contracts, which are not marked to market under generally accepted accounting principles.

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Dorothy Menasco 080677-EI

From: Dorothy Menasco on behalf of Records Clerk
Sent: Friday, November 12, 2010 10:05 AM
To: 'rpjrb@yahoo.com'
Cc: Ann Cole

FPSC, CLK - CORRESPONDENCE
__Administrative X Parties__Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION: _____

Subject: RE: Appeal to the Classification of the Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification Document Number 08713-10

Your e-mails listed below will be added to Docket Correspondence - Parties and Interested Persons, in Dockets 080677-EI, 100009-EI, and 100410-EI.

Thursday, November 11, 2010 10:08 AM
Monday, November 08, 2010 3:47 PM
Monday, November 08, 2010 2:21 PM
Monday, November 08, 2010 3:32 PM
Monday, November 08, 2010 3:25 PM
The e-mails listed below are duplicates and will not be added to the correspondence files.

Monday, November 08, 2010 2:03 PM
Monday, November 08, 2010 3:02 PM
Monday, November 08, 2010 11:15 AM
Wednesday, November 03, 2010 7:39 PM
Wednesday, October 20, 2010 12:52 PM
Tuesday, October 19, 2010 5:52 PM
Tuesday, October 19, 2010 3:14 PM
Tuesday, October 19, 2010 2:21 PM
Tuesday, October 19, 2010 1:26 PM
Tuesday, October 19, 2010 12:54 PM
Friday, October 15, 2010 5:32 PM
Thursday, October 14, 2010 12:39 PM

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, November 11, 2010 10:08 AM
To: Lisa Bennett; Kimberley Pena; John.Butler@fpl.com; Records Clerk
Cc: Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé; Office Of Commissioner Graham
Subject: FW: Appeal to the Classification of the Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification Document Number 08713-10

Dear Ms. Bennett and Commissioner's,

Thanks for your patience in this matter.

Here is a case in which a municipal Judge was cited for coaching in an "ex parte" communications. I am just trying to support my appeal since I feel that all communications with regard to this case has to be made part of the public record. Considering the issues that have surfaced with this case, I think that my appeal should be honored and the full release of a normal operating report is warranted.

I have not received a read receipt from Chairman Graham that he has taken a look at my emails. I am trying to make sure on my end that all my communications with the Commission is being made part of the public record and there is no "ex parte"

communications.

There have been similar issues that have already surfaced with this ratecase and I want to make sure that everyone is being kept apprised of my concerns.

Any appearance of any "ex parte" communications might lead to potential impartiality with these proceedings. I feel my concerns are fully supported by all my email correspondence including this email.

Florida Power & Light has concerns with impartiality issues as well therefore I trust that all interested parties with a legal interest would share my same concerns.

I think that we have to be very careful with these proceedings.

Thanks,

Robert H. Smith

To the records clerk,

Thanks for your patience in this matter.

I feel that this email has to be made part of all the Dockets:

Docket 080677-EI

Docket 100410-EI

Docket 100009-EI

Please make this email part of the public record since I feel that this will support my appeal position.

Thanks,

Robert H. Smith

Here is the New Jersey Case that was listed in the New Jersey Law Journal.

FILED
NOV 0 3 2010
A. C. J. C.

SUPREME COURT OF NEW JERSEY
ADVISORY COMMITTEE ON
JUDICIAL CONDUCT

DOCKET NO. ACJC 2010-283

IN THE MATTER OF GREGORY R. McCLOSKEY, JUDGE OF THE MUNICIPAL COURT	FORMAL COMPLAINT

Code of Judicial Conduct.

17. By his conduct in denying the defendant in the Grabovich Matter his Constitutional right to a fair trial, demonstrating a partiality for the State, and displaying an interest in the outcome of the Grabovich Matter, as determined by the Burlington County Superior Court, Respondent has violated Canons 1, 2A, and 3C(1)(a) of the Code of Judicial Conduct and Rule 1:12-1(e) and (f) of the New Jersey Court Rules.

WHEREFORE, Complainant charges that Respondent, Municipal Court Judge Gregory R. McCloskey, has violated the following Canons of the Code of Judicial Conduct:

Complainant also charges that Respondent's conduct in failing to recuse himself from the Grabovich Matter despite his partiality for the State and his interest in the outcome of

the case violated Rule 1:12-1(e) and (f), which precludes a judge from sitting in any matter in which the judge has an interest or in which there exists any reason that might preclude a fair and unbiased hearing and judgment of the matter.

AS per New Jersey Law Journal

November 11, 2010

JUDGE CITED FOR COACHING PROSECUTOR IN EX PARTE TALK

A municipal judge who fed questions to the prosecutor during an ex parte chat in a drunken driving case is facing ethics charges. In a formal complaint released Tuesday, the Advisory Committee on Judicial Conduct says Gregory McCloskey, while sitting as a judge in Mount Laurel, initiated an impermissible communication and displayed an interest in the outcome of the case. The conversation, part of it on the record, took place at the end of the second day of Thomas Grabovich's trial, after he and his lawyer, Kevin Leckerman, had left the courtroom. According to the ACJC, McCloskey "directed the prosecutor to ask certain questions of his witnesses concerning issues relevant to the State's case and critical to the defense."

New Jersey Law Journal
STATEWIDE LEGAL AUTHORITY SINCE 1878

NEWS BRIEFS

November 11, 2010

JUDGE CITED FOR COACHING PROSECUTOR IN EX PARTE TALK

A municipal judge who fed questions to the prosecutor during an ex parte chat in a drunken driving case is facing ethics charges. In a formal complaint released Tuesday, the Advisory Committee on Judicial Conduct says Gregory McCloskey, while sitting as a judge in Mount Laurel, initiated an impermissible communication and displayed an interest in the outcome of the case. The conversation, part of it on the record, took place at the end of the second day of Thomas Grabovich's trial, after he and his lawyer, Kevin Leckerman, had left the courtroom. According to the ACJC, McCloskey "directed the prosecutor to ask certain questions of his witnesses concerning issues relevant to the State's case and critical to the defense."

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Monday, November 08, 2010 3:47 PM
To: 'Lisa Bennett'; 'Kimberley Pena'; 'John.Butler@fpl.com'; 'Records Clerk'
Cc: 'Office Of Commissioner Edgar'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'
Subject: FW: Appeal to the Classification of the Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification Document Number 08713-10

Dear Ms. Bennett and Ms. Menasco,

Thanks for your patience in this matter.

Here is my email with the attachment that has been sent to the two appropriate email addresses.

FW: Appeal to the Classification of the Provisional Electric Forecasted Earnings Surveillance Report ("Report") /

rpjrb@yahoo.com

You forwarded this message on 11/8/2010 3:33 PM.

Sent: Mon 11/8/2010 3:32 PM

To: 'filings@psc.state.fl.us'; 'John.Butler@fpl.com'

Message | Appealletterdated10202010ElectronicallyfiledPDF11082010.pdf (104 KB)

Dear Ann Cole, Office of Commission Clerk and Apryl Lynn, Division of Administrative Services and Mr. Butler,

Attached is the PDF filing for the appeal email that I have sent on Wednesday, October 20th, 2010 at 12:52 PM. The attached PDF file is to serve as the electronically filed document based upon the E-Filing requirements as per Florida Public Service Commission Electronic Filing Requirements.

I am sending this to the above email addresses only to meet the E-Filing requirements as per Florida Public Service Commission Electronic Filing Requirements

Thanks,

Robert H. Smith

Confidentiality Statement

The documents accompanying this telecopy transmission contain information which is confidential and/or legally privileged. The information is intended only for the use of the individual or entity named on this transmission sheet. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this telecopied information is strictly prohibited, and the documents should be returned. In this regard, if you received this telecopy in error, please contact the sender by reply E-mail and destroy all copies of the original.

Please make sure that all email correspondence with regard to this matter has been made part of the Public Dockets.

This includes the following email:

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Monday, November 08, 2010 2:21 PM
To: 'Lisa Bennett'; 'Kimberley Pena'; 'Records Clerk'
Cc: 'Office Of Commissioner Edgar'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Office Of Commissioner Graham'
Subject: FW: Appeal to the Classification of the Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification Document Number 08713-10

This email has the appeal filed as per the E-Filing requirements as per Florida Public Service Commission Electronic Filing Requirements.

I trust that this would be OK as per your requirements below. I will follow up to make sure that everything is set to go.

Thanks,

Robert H. Smith

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-----Original Message-----
From: Filings@psc.state.fl.us [mailto:Filings@PSC.STATE.FL.US]
Sent: Monday, November 08, 2010 3:32 PM
To: rpjrb@yahoo.com
Subject: PSC electronic filing

Your electronic filing has been received by the Florida Public Service Commission, Office of Commission Clerk.

The filing date for an electronically transmitted document is the date that the Office of Commission Clerk receives the complete document. If the document is received on a non-business day, or after 5:00 p.m. (EST) on a business day, it will be considered filed as of 8:00 a.m. on the following business day.

E-filings are accepted in accordance with the Commission's Electronic Filing Requirements, which can be accessed on the Commission's Web Site at http://www.floridapsc.com/dockets/e-filings/ or by contacting the Office of Commission Clerk at (850) 413-6770 during normal business hours. By electing to file electronically, you agree to abide by and accept the electronic filing requirements posted on the PSC's Web site.

Questions should be directed to the Office of Commission Clerk, Clerk@psc.state.fl.us, or call (850) 413-6770.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Monday, November 08, 2010 3:32 PM
To: 'filings@psc.state.fl.us'; 'John.Butler@fpl.com'
Subject: FW: Appeal to the Classification of the Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification Document Number 08713-10

Dear Ann Cole, Office of Commission Clerk and Apryl Lynn, Division of Administrative Services and Mr. Butler,

Attached is the PDF filing for the appeal email that I have sent on Wednesday, October 20th, 2010 at 12:52 PM. The attached PDF file is to serve as the electronically filed document based upon the E-Filing requirements as per Florida Public Service Commission Electronic Filing Requirements.

I am sending this to the above email addresses only to meet the E-Filing requirements as per Florida Public Service Commission Electronic Filing Requirements

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Monday, November 08, 2010 3:25 PM
To: 'Lisa Bennett'; 'filings@psc.state.fl.us'; 'Kimberley Pena'; 'John.Butler@fpl.com'
Cc: 'Office Of Commissioner Edgar'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'
Subject: FW: Appeal to the Classification of the Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification Document Number 08713-10

Dear Ms. Menasco,

It is understood that the email below is not considered but the attached PDF has been accepted by the following email address:

filings@psc.state.fl.us

According to the e-filing requirements this is acceptable.

I have received an email receipt from this address that the filing has been accepted.

Are you indicating that the attached PDF has to be sent directly to the filings@psc.state.fl.us email address and FPL only? If yes, I will send under a separate email addressed only to the two pertinent email addresses. If this is the case then make sure that this email chain is being made part of the public dockets.

Manner of Electronic Transmission

Filings submitted by electronic transmission must be attached to an e-mail sent to filings@psc.state.fl.us . Documents sent to any other Commission e-mail address will not be considered filed.

Rob Smith Response:

This has been completed since both parties are in the To: section of the email. Are you indicating that it can only be sent to the two email addresses? This would not make sense since I want to comply with the "ex parte" requirements that everyone has been made apprised of the filing. I can just send it with the two email addresses if you want, but I will send another email to be made part of the public record separately to make sure everyone receives the email..

The attachment containing the document to be filed must be in one of the following formats:

Adobe .PDF

Rob Smith response:

This has been completed with the attachment

Native word processing format (e.g., Word or WordPerfect) with numbered paragraphs. Use the document extension .doc for documents filed in Word format and .wpd for those in WordPerfect format.

Documents shall be signed by typing "s/" followed by the signatory:

s/ First M. Last

Rob Smith response:

This has been completed.

When an e-mail enters the mailbox, an acknowledgment e-mail will be generated automatically and sent to the address from which the filing originated. If the filer does not receive an acknowledgment, it is the filer's responsibility to contact the Office of Commission Clerk.

Rob Smith response:

I have received an email response that the email has been accepted into the system.

The acknowledgment indicates the document has been received, but does not confirm the document meets the requirements for electronic filing.

The Commission does not accept filings submitted by facsimile ("fax") transmission.

Documents Eligible for Electronic Filing

All documents permitted or required to be filed with the Commission shall be eligible for electronic filing, except those documents listed under "Documents Not Eligible."

All documents filed electronically must be capable of being printed as paper documents without loss of content or appearance. Documents must be prepared using a clearly readable font which, when printed, will fit on an 8.5 by 11-inch page.

Rob Smith response:

This has been completed with the attached document.

Confidentiality Statement

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FPSC, CLK - CORRESPONDENCE
Administrative Parties Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION:

Dorothy Menasco 080677-EI

From: Dorothy Menasco
Sent: Monday, November 08, 2010 3:02 PM
To: 'rpjrb@yahoo.com'
Subject: FW: Appeal to the Classification of the Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification Document Number 08713-10
Attachments: Appealletterdated10202010ElectronicallyfiledPDF11082010.pdf

Mr. Smith:

We are in receipt of your filing below. Per the Commission's e-filing requirements, the e-mail message transmitting the document(s) is not itself considered a filing. Therefore, documents contained within the text of an e-mail transmission will not be considered filed.

Please note that any cover letter or certificate of service must be included in the electronic document to which it relates, and shall not be submitted as a separate attachment to the e-mail.

The link to the Commission's e-filing requirements is included for your convenience:

http://www.psc.state.fl.us/dockets/e-filings/

Your filing will need to be revised and resubmitted in order to be officially accepted for filing.

Please feel free to call our office if you have any questions.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

Please note: Florida has a very broad public records law. Most written communications to or from state officials regarding state business are public records available to the public and media upon request. Your e-mail communications may therefore be subject to public disclosure.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Monday, November 08, 2010 2:03 PM
To: Lisa Bennett; Filings@psc.state.fl.us; Kimberley Pena; John.Butler@fpl.com
Cc: Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé
Subject: RE: Appeal to the Classification of the Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification Document Number 08713-10

Dear Ms. Bennett,

Thanks for your patience in this matter.

Attached is the PDF filing for the appeal email that I have sent on Wednesday, October 20th, 2010 at 12:52 PM. The attached PDF file is to serve as the electronically filed document based upon the E-Filing requirements as per Florida Public Service Commission Electronic Filing Requirements.

The PDF represents the electronic email that has been sent on October 20th, 2010. This document has only been updated to incorporate the accepted format as outlined by the sample that you have sent. I do not understand why the original email was not acceptable since the intent of the email has all the pertinent language to meet the requirements under the appeal request for the release of the Confidential Surveillance report. I understand that you would need a PDF file as part of your requirement but I know that based upon a Freedom of information act requirement you would only need to cite the law in which you are requiring the release of information as well as a sign off. In the email that was sent the appropriate citation was quoted in addition to the reasons why I am concerned that this information is not being released.

I am trying to make sure that all pertinent questions are asked before a ruling is made on the Settlement and Stipulation agreement. Since it appears that the lack of transparency might have an impact on the due process for a party with a legal interest in this proceeding I feel that this would have to be done to ensure that all parties are afforded the proper information in order to determine if their legal interest in this proceeding has been protected.

Considering that there is a potential $400 million dollars of excess earnings that is being held pending a decision in Docket 100410 I feel that full transparency should be afforded with the release of any document that might be considered a normal operating report. This would be the only way to make sure that there is no appearance that there might be "ex parte" communications with this proceeding and to make sure that everyone with a legal interest is afforded the same type of discovery (due process) to ask potential questions to ensure that their legal interest is protected.

I heard back from Mr. Sieving from Florida Power & Light in an email. They have received a copy of the same appeal email that I have sent to the commission dated October 20th, 2010. Mr. Sieving has informed me that they will be contacting me regarding my email after their review.

Considering the circumstances with this proceeding I feel that full transparency should be afforded to make sure that balance is being maintained between the ratepayers and shareholders with a legal interest in this proceeding. Since the company is worried about an impartial hearing I feel that it would be in the best interest of the Company and the Commission to be fully transparent. This is one reason why I am filing the appeal. As you are aware I have concerns with some of the technical accounting disclosures that have been made from a shareholder perspective with regard to certain Federal regulations. The only way that my questions will be able to be answered is

for full transparency from both the Commission and/or Florida Power & Light Company. I trust that you understand my concerns and do not perceive this as a problem since I have experienced these types of issues in the past. In my past experience when problems of impartiality existed with our ratecase process we had always made sure that full transparency was afforded. This was to make sure that everyone with a legal interest in any of our rate proceedings were afforded full discovery to ask any question(s) that they felt was pertinent to protect their legal position in any rate proceeding.

I trust that all of the interested parties in this proceeding would feel the same.

I will send the attached PDF as an email to incorporate the filing into the Public Docket.

Hopefully the attached PDF file backups the email that I have sent on October 20th, 2010.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com.

Thanks,

Robert H. Smith

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From: Lisa Bennett [mailto:LBENNETT@PSC.STATE.FL.US]
Sent: Monday, November 08, 2010 11:15 AM
To: rpjrb@yahoo.com
Subject: RE: Appeal to the Classification of the Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification Document Number 08713-10

Mr. Smith,

The email you sent with the subject matter noted as an appeal does not constitute a Petition to Inspect and Examine Material as contemplated by Rule 25-22.006(7)(a), F.A.C. I have taken the liberty of attaching two examples of such a petition filed in different dockets. The first sample petition is from the telecommunications industry and is governec by paragraph 5 of Rule 25-22.006, F.A.C., but paragraph 5 is similar to paragraph 7. The second sample was filed by the Office of Public Counsel under a prior rule.

You must file the petition in accordance with the procedures set out on the Commission's website for e-filing documents. A detailed explanation of E-Filing Requirements is found under the heading Agency Info. and Public Records.

Finally, you are required to serve a copy of the petition on the utility when you file with the clerk.

Lisa C. Bennett
Office of the General Counsel
2540 Shumard Oak Boulevard
Tallahassee, FL
850-413-6230

Dorothy Menasco 080677-EI

FPSC, CLK - CORRESPONDENCE
__Administrative X Parties __Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION: _____

From: Dorothy Menasco
Sent: Thursday, November 04, 2010 5:06 PM
To: 'rpjrb@yahoo.com'
Subject: RE: Appeal to the Classification of the Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification Document Number 08713-10

Your e-mails listed below will be added to Docket Correspondence - Parties and Interested Persons, in Dockets 080677-EI, 100009-EI, and 100410-EI.

Thursday, November 04, 2010 3:37 PM
Thursday, November 04, 2010 12:18 PM
Thursday, November 04, 2010 10:11 AM

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, November 04, 2010 3:37 PM
To: Records Clerk; Dorothy Menasco; Ann Cole
Cc: Lisa Bennett; Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé; Office Of Commissioner Graham
Subject: FW: Appeal to the Classification of the Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification Document Number 08713-10

Dear Records Clerk,

Thanks for your patience in this matter.

Here an email that I did not cc the records clerk to enter into all three public Dockets. I just took a look at the files. They have been updated again today and I noticed that the appeal email dated October 20th, 2010 has made into Docket 100009 and 100410 but it did not make it into Docket 080677. I will be checking to see that my emails that I have sent today as well as the email below is entered into all three Dockets within the 24 hours. I will check later to see that the appeal email dated October 20th, 2010 has made it into Docket 080677 as well. I thought that this would have been completed within the 24 hour timeframe as indicated by the Commission.

I am sending this to make sure that the records clerk is kept in the loop to enter the information into the Public Docket.

I would like to see that this information is updated in Docket 080677.

Thanks for everyone help in this matter.

Robert H. Smith

Name	Size	Type	Date Modified
10741-08revrobCase08067711042010 2nd	64,573 KB	PDF...	11/4/2010 2:45 PM
10741-08revrobCase08067711042010	64,573 KB	PDF...	11/4/2010 12:43 PM
09153-10DrvofEconomicsindicatedClassificationofDo...	319 KB	PDF...	11/4/2010 11:45 AM
10741-08revrobCase08067711032010	64,432 KB	PDF...	11/3/2010 1:55 PM

Name	Size	Type	Date Modified
08633-10robtestimoney100410ExcessEarnings110420102nd	53,827 KB	PDF-XChange View...	11/4/2010 2:42 PM
08633-10robtestimoney100410ExcessEarnings11042010	52,926 KB	PDF-XChange View...	11/4/2010 12:50 PM
08633-10robtestimoney100410ExcessEarnings11032010	52,792 KB	PDF-XChange View...	11/3/2010 2:06 PM
08633-10robtestimoney100410ExcessEarnings11022010	52,651 KB	PDF-XChange View...	11/2/2010 9:29 AM

11/4/2010

Name	Size	Type	Date Modified
00774-10RobTestimony110420 10Case100009 2nd	21,299 KB	PDF-XChange View...	11/4/2010 2:43 PM
00774-10RobTestimony110420 10Case100009	20,442 KB	PDF-XChange View...	11/4/2010 12:48 PM
00774-10RobTestimony110320 10Case100009	20,173 KB	PDF-XChange View...	11/3/2010 2:05 PM
00774-10RobTestimony110220 10Case100009	20,173 KB	PDF-XChange View...	11/2/2010 9:28 AM

Confidentiality Statement

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Thursday, November 04, 2010 12:18 PM
To: 'Lisa Bennett'; 'John.Butler@fpl.com'
Cc: 'Office Of Commissioner Edgar'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Office Of Commissioner Graham'
Subject: FW: Appeal to the Classification of the Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification Document Number 08713-10

Dear Ms. Bennett and Mr. Butler,

When will I be receiving a direct response to my appeal email below dated October 20th, 2010?

How can this be correct when Federal Preemption would provide for the full transparency of this document under Title 5 of §557(d)(1), §557(a), §556, §553(c), §554(a) of the Administrative Procedure Act? How is this ruling in compliance with section 350.042 of the Florida Statutes?

How can a normal Earnings Surveillance report be considered" information concerning bids or other contractual data, the disclosure would impair the efforts the public utility or its affiliates to contract for goods or services on favorable terms"?

Is the information any different than a normal Surveillance report/final order that has been given to the commission? If not, then these documents would be considered normal operating reports that would be subject to normal FOIA requests. This information has been released in the past. Why would there be a change with the normal reporting disclosures by the Commission? How can a ruling on cash rates be decided without affording all parties with a legal interest the opportunity to ask pertinent questions regarding information that might impact their legal interest in a proceeding? If these document remains confidential and the cash rates are impacted by this information then how can this proceeding be considered impartial? This might be a violation of rights as a shareholder and as a ratepayer.

Does the memo from John Slemkewicz, Division of Economic Regulation serve as a legal opinion on this issue? Has the Legal Council of the Commission signed off on this response? Did the Commission take a look at Federal preemption issues with regard to this ruling?

11/4/2010

I am waiting for a response from both the Commission and FPL with regard to my email dated October 20th, 2010. This appeal email has not been made part of the public record as of today. According to the Commission this information should have been made part of the public record within 24 hours of receipt. How come this information was not made part of the public record prior to the 11/03/2010 memo from the commission?

Thanks,

Robert H. Smith

X The material is confidential business information because it includes:

___ (a) Trade secrets;

___ (b) Internal auditing controls and reports of internal auditors;

___ (c) Security measures, systems, or procedures;

___ (d) Information concerning bids or other contractual data, the disclosure of which would impair the efforts of the public utility or its affiliates to contract for goods or services on favorable terms;

X (e) Information relating to competitive interests, the disclosure of which would impair the competitive business of the provider of information;

___ (f) Employee personnel information unrelated to compensation, duties, qualifications, or responsibilities;

X The material appears to be confidential in nature and harm to the company or its ratepayers will result from public disclosure.

FPL requests confidentiality under Subsection 366.093(3)(e), Florida Statutes (F.S.), which states:

(3) Proprietary confidential business information means information, regardless of form or characteristics, which is owned or controlled by the person or company, is intended to be and is treated by the person or company as private in that the disclosure of the information would cause harm to the ratepayers or the person's or company's business operations, and has not been disclosed unless disclosed pursuant to a statutory provision, an order of a court or administrative body, or private agreement that provides that the information will not be released to the public. Proprietary confidential business information includes, but is not limited to:

(a) Trade secrets.

(b) Internal auditing controls and reports of internal auditors.

(c) Security measures, systems, or procedures.

(d) Information concerning bids or other contractual data, the disclosure of which would impair the efforts of the public utility or its affiliates to contract for goods or services on favorable terms.

(e) Information relating to competitive interests, the disclosure of which would impair the competitive business of the provider of the information.

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, November 04, 2010 10:11 AM
To: 'Office Of Commissioner Edgar'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Office Of Commissioner Graham'
Cc: 'Lisa Bennett'
Subject: FW: Appeal to the Classification of the Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification Document Number 08713-10

Dear Commissioner's,

Thanks for your patience in this matter.

I have noticed that the following commissioner's have been picking up my email correspondence with regard to my hardcopy email correspondence and the appeal email with regard to the confidentiality of any Provisional Electric Forecasted Earnings Surveillance Reports.

Mr. Brise, Mr. Skopp and Ms. Edgar have picked up the emails.

Chairman Graham has not picked up the appeal email and the hardcopy emails. Mr. Graham has picked up the emails in the past and I want to make sure that Mr. Graham has all my email correspondence with regard to these cases in order to make sure that every commissioner has seen the email correspondence. I want to make sure that everyone receives my emails in order to meet compliance with any potential "ex parte" communication issues.

Mr. Graham,

I just want to make sure that everyone has seen my emails with regard to my concerns with the Confidentiality of the Forecasted Earnings Surveillance Report. Since it is understood that FPL has overearnings that has to be held pending a decision by the Commission to return the overearnings to the ratepayers, I think that my concern with the Transparency of the Classification of the Provisional Forecasted Earnings Surveillance Report(s) has merit. Full transparency should be afforded with the release of this document before any agreement is made with the Stipulation and Settlement agreement. I have not heard back from both the commission and FPL with regard to my appeal for the release of this report.

Knowing that there is approximately $400 million dollars of potential overearnings that might have to be refunded would support my stance with the appeal as well. The books have to be made fully transparent for any party with a legal interest in these proceedings. This would include both ratepayers and shareholders.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com. I will have no problem with sharing any of my email correspondence with any party in this case that has a legal interest in any of these proceedings. I want to make sure that there is full compliance with Federal and State laws regarding "ex parte" communications.

Thanks,

11/4/2010

Robert H. Smith

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FPSC, CLK - CORRESPONDENCE
__Administrative X Parties __Consumer
DOCUMENT NO. 10741-09
DISTRIBUTION: _____

Dorothy Menasco 080677-EI

From: Dorothy Menasco on behalf of Records Clerk
Sent: Thursday, November 04, 2010 9:08 AM
To: 'rpjrb@yahoo.com'
Cc: Ann Cole; Lisa Bennett
Subject: RE: Appeal to the Classification of the Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification Document Number 08713-10

Please allow 24 hours for the PSC to make records available on the Web site.

Your e-mails shown below and this response will be added to Docket Correspondence - Parties and Interested Persons, in Dockets 080677-EI, 100410-EI, and 100009-EI:

Wednesday, November 03, 2010 7:39 PM
Wednesday, October 20, 2010 12:52 PM
Tuesday, October 19, 2010 5:52 PM
Tuesday, October 19, 2010 5:10 PM
Tuesday, October 19, 2010 3:14 PM
Tuesday, October 19, 2010 2:21 PM
Tuesday, October 19, 2010 1:26 PM
Tuesday, October 19, 2010 12:54 PM
Friday, October 15, 2010 5:32 PM
Thursday, October 14, 2010 12:39 PM

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, November 03, 2010 7:39 PM
To: Lisa Bennett; Kimberley Pena; John.Butler@fpl.com; Records Clerk
Cc: Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé; Office Of Commissioner Graham
Subject: FW: Appeal to the Classification of the Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification Document Number 08713-10

Dear Ms. Bennett, Ms. Pena and Mr. Butler,

Thanks for your patience in this matter.

When will this information be available? Will I be receiving an answer to the questions to the appeal below? At times this information is posted as the date below without the memo. How come there would be a delay with adding the memo when the posting is dated 11/03/2010? What is the ETA on the 11/03/2010 posting of the memo?

I have not received a response back from Mr. Butler at FPL and or the Commission regarding the answer to the questions in my appeal below.

Are DNS 08713-10 and 08743-10 duplicates or are they different filings. If they are different then I would request that both be made available based upon my appeal request below. There should be no reason for duplicate provisional Electric Forecasted Earnings reports to be made part of the record. I would appeal any classified provisional earnings report that would be classified as confidential if it is related to any of the three Dockets.

Document	Date	Description			
09153-10	11/03/2010	ECR/Slemkewicz - Memo dated 11/3/10 to GCL/Bennett providing recommendation on confidential DNs 08713-10 and 08743-10; with attached memo.			
09057-10	11/01/2010	TRANSCRIPT - 10/26/10 Commission conference, Item 21, regular Commission conference.			
		File Name	**File Size**	**Download 56**	**Download DSL**
		09057-10-trn.doc	28 KB	7 sec	3 sec
		* 09057-10.pdf	1.6 MB	4 min 10 sec	8 sec

I have sent this email to the records clerk since I did not see the appeal email below added to the three dockets:

Docket No 080677-EI

Docket No 100410-EI

Docket No 100009-EI

Thanks in advance.

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, October 20, 2010 12:52 PM
To: Lisa Bennett <LBENNETT@PSC.STATE.FL.US>; 'Kimberley Pena'; 'John.Butler@fpl.com'
Cc: 'Office Of Commissioner Edgar'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'
Subject: Appeal to the Classification of the Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification Document Number 08713-10

Dear Ms. Bennett, Ms. Pena and Mr. Butler,

I am concerned that the lack of transparency with the release of this Surveillance report might not allow for the proper questioning that might give rise to making sure that balance is being maintained between the shareholder's and ratepayers of this rate case proceeding. My prior experience with these types of proceedings up North has been that full transparency was always afforded to make sure that all potential questions were being allowed to be asked to ensure that the interests of all parties of this proceeding are being balanced, maintained and protected. Any lack of transparency might lead to a ruling that might not take into account additional pertinent questions that might benefit ratepayers and/or shareholders. Balance in this proceeding should be fully afforded by full transparency.

I would respectively request a copy of the forecasted provisional Electric Forecasted Earnings Surveillance Report. I feel that as an interested party with a legal interest in these proceedings from both a ratepayer and shareholder perspective that I would have legal basis to be afforded full transparency with the release of this document prior to the ruling. There are prior emails that have not been answered in its entirety regarding forecast assumptions in this case. If there is any future cost reductions to the cost of service of the company (i.e. interest savings etc.) that have not been modeled in this classified report then there might be additional adjustments that would have to be taken into account before a ruling can be made

Why would this information be hidden from an person with a legal interest in this proceeding? This is both from a ratepayer and shareholder perspective.

This email is to serve as the appeal under 25-22.006 (7) (a) of the Florida Administrative Code based upon the concerns that have been outlined in the email(s) below. Under Section 119.07(1) of the Florida Statutes access to this information by an inspection should be granted.

Furthermore I am requesting this information under Title 5 of §557(d) (1), §557(a), §556, §553(c), §554(a) of the Administrative Procedure Act.

§557(d) (1) prohibits ex parte communication in any agency proceeding that is subject to the Administrative Procedure Act

§557(a). This section applies "when a hearing is required to be conducted in accordance with §556 of this title

§556 applies "to hearings required by §553 and §554 of the Administrative Procedure Act

§553(c) makes §556 and §557 applicable to a rulemaking proceeding "when rules are required by statute to be made on the record after opportunity for an agency hearing".

§554(a) makes §556 and §557 applicable "in every case of adjudication required by statute to be determined by an agency hearing

The Administrative Procedure prohibition of ex parte communications applies only when a statute requires an agency to issue a rule or to resolve an adjudicatory dispute "on the record after opportunity for agency hearing. The two cases of agency proceedings are often referred to as formal rulemaking and formal adjudication.

Any rate case that the Florida Public Service Commission is hearing would be considered a formal rulemaking and formal adjudication therefore "ex parte communications would be prohibited based upon Title 5 of the Administrative Procedure Act.

The following question(s) have to be answered by both the Utility and the Public Service Commission:

(1) Did any of the interveners in the ratecase proceeding have access to the information that Florida Power & Light has furnished to the Commission which was classified as confidential?

If so, then this would be "ex parte" communications as outlined for the reasons under Title 5 of the Administrative Procedure Act. This information not being made part of the public record as required for a formal rulemaking and formal adjudication.

(2) Does the document that has been classified as confidential contain similar information as provided with the normal monthly accounting Surveillance reports that have been submitted to the Public Service Commission in the past?

If so, then the documents submitted does not constitute a report that should be classified as confidential since under normal reporting procedures to the Commission these reports would be made available through a typical Freedom of Information Act request. This type of information has been fully released in the past with this type of request therefore if the information in the confidential report contains the same exact information then there would be no reason to classify

this document as confidential before a ruling is made on the Stipulation and Settlement agreement and then declassify the document after the ruling in the proceeding. This in its self can lead to "ex parte" communications. This information might be pertinent for any person with a legal interest in the proceeding.

(3) Does a rate order that is issued by the Commission contain similar information that is being furnished by this confidential report?

If so, then the documents submitted does not constitute a report that should be classified as confidential since a typical rate order that has been issued by the Commission would require full disclosure of the same type of information. This has already happened once in this proceeding in which a standard order was issued and there was ample time for intervener's and/or parties with a legal interest to ask pertinent questions regarding the standard order.

(4) Why is the Surveillance report being classified as confidential prior to the ruling on the Stipulation and Settlement agreement and being declassified after the ruling? If the information is released after the ruling, how would a person with a legal interest have the ability to potentially ask pertinent questions about the information that has been classified after the commission has already ruled on the Stipulation and Settlement agreement?

The cash rates would have been set and there would be no recourse for a person with a legal interest to be able to question the information before a ruling. Once the cash rates are set for the duration of time in the Stipulation and Settlement agreement, how will the commission address any future cost reductions to the cost of service of the company (i.e. interest savings etc.) that would potentially have to be given back to the ratepayer? Will this be taken care of with an excess earnings test or will the Stipulation and Settlement agreement lock the cash rates in place for a set period of time even though there might be future cost reductions to the cost of service of the company?

Full transparency should be afforded for any party that would have a legal interest in this proceeding. Is there something to hide?

(5) Does the lake of transparency (whited/redacted) with the confidential classification of this report meet the requirements under the Freedom of Information Act (FOIA), 5 U.S.C. § 552?

If not, then based upon the Office of the Attorney General's memorandum regarding the release of this information should be "administered with clear presumption: In the case of doubt, openness prevails". " This memorandum is meant to underscore that commitment and to ensure that it is realized in practice".

On March 19th, 2009, The Office of the Attorney General has issued a memorandum regarding the release of information under The Freedom of Information Act (FOIA), 5 U.S.C. § 552.

This indicates "The Freedom of Information Act should be administered with clear presumption: In the case of doubt, openness prevails". "This memorandum is meant to underscore that commitment and to ensure that it is realized in practice"

I can email you a Freedom of Information request to ask for this information as well. If this is a normal type of accounting report that is similar to the normal monthly accounting surveillance reports and/or rate orders that are issued by the Commission then there would be no reason for this type of information to be classified as confidential before a ruling is made on the Stipulation and Settlement agreement and then declassified after the ruling in the proceeding. This type of information should be made fully transparent based upon the rules in the Freedom of Information Act (FOIA), 5 U.S.C. § 552

The above question(s) would have to be answered to support why both the Utility and Commission feel that full transparency should not be afforded with release of the Forecasted Earnings Surveillance Report Document Number 08713-10 that has been classified.

If you have any question regarding this appeal please feel free to contact me through email at rpjrb@yahoo.com or give me a call.

Sincerely,

Robert H. Smith

(7)(a) Any person may file a petition to inspect and examine any material which the Commission has ruled exempt from Section119.07(1), Florida Statutes, or which is exempted under paragraph (3)(d) pending the Commission's ruling or as the result of the filing of a notice of intent to request confidentiality. A copy of the petition must be served on the affected utility or person which shall have 10 days to file a response as to why the material should remain exempt. The petitioner shall have 7 days to file a reply to the filed response. The Commission may set the matter for hearing or issue a ruling on the pleadings. Material obtained by the Commission in connection with an inquiry shall not be subject to requests for inspection and examination until after the inquiry is terminated.

(b) A finding of confidentiality notwithstanding, a source may consent to inspection or examination by any person. Such consent shall not constitute a waiver of confidentiality and only the person specified in the consent may inspect or examine the material. The Commission may be requested to issue a protective order to recognize the terms and conditions of the consent. All persons are urged to seek mutual agreement regarding access prior to bringing a controversy to the Commission.

119.07 Inspection, examination, and duplication of records; exemptions.--

(1)(a) Every person who has custody of a public record shall permit the record to be inspected and examined by any person desiring to do so, at any reasonable time, under reasonable conditions, and under supervision by the custodian of the public record or the custodian's designee. The custodian shall furnish a copy or a certified copy of the

record upon payment of the fee prescribed by law or, if a fee is not prescribed by law, for duplicated copies of not more than 14 inches by 81/2 inches, upon payment of not more than 15 cents per one-sided copy, and for all other copies, upon payment of the actual cost of duplication of the record. An agency may charge no more than an additional 5 cents for each two-sided duplicated copy. For purposes of this section, duplicated copies shall mean new copies produced by duplicating, as defined in s. 283.30. The phrase "actual cost of duplication" means the cost of the material and supplies used to duplicate the record, but it does not include the labor cost or overhead cost associated with such duplication. However, the charge for copies of county maps or aerial photographs supplied by county constitutional officers may also include a reasonable charge for the labor and overhead associated with their duplication. Unless otherwise provided by law, the fees to be charged for duplication of public records shall be collected, deposited, and accounted for in the manner prescribed for other operating funds of the agency. An agency may charge up to $1 per copy for a certified copy of a public record.

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Tuesday, October 19, 2010 5:52 PM
To: Lisa Bennett <LBENNETT@PSC.STATE.FL.US>
Cc: Kimberley Pena <KPena@PSC.STATE.FL.US>
Subject: RE: Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification

Dear Ms. Bennett,

Thanks for the information. I will take a look at the attached regulations. If (7)(a) works I will ask for an appeal for the declassification of this information based upon making sure that both the Florida and PSC regulations are in compliance with the Federal regulation as I have indicated in my previous email. There really is no reason for the making a normal accounting report confidential when the final order would have to disclose this information anyway. The only difference here is that it is confidential for the decision making process and then not confidential after the agreement has been signed. This has the appearance of "ex parte" communications based upon the Federal regulation as outlined below.

It just seems strange that normal accounting reports that are used in final orders and normal business is being made confidential when it appears that this type of information has been made public in the past.

Do you know off hand if the whited/redacted out email correspondence has been made part of the public docket for all the cases that I am an interested party?

I will get back to the Commission tomorrow once I am able to review the two files that you have sent.

As part of the appeal I would want the commission to rule on the compliance perspective with the Federal law as indicated in the emails below.

Again, thanks for the information.

Thanks,

Robert H. Smith

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From: Lisa Bennett [mailto:LBENNETT@PSC.STATE.FL.US]
Sent: Tuesday, October 19, 2010 5:10 PM
To: rpjrb@yahoo.com

Cc: Kimberley Pena
Subject: RE: Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification

Mr. Smith,

Florida Power & Light Company has filed a Request for Confidential Classification of its Provisional Electric Forecasted Earnings Surveillance Report, Document Number 08713-10, filed in Docket No. 080677-EI. As you are aware, all documents filed with public agencies are public records pursuant to Section 119.07, Florida Statutes, unless the legislature provides an exemption for those records. The legislature did provide for confidential classification of certain documents filed with the Public Service Commission. The process for requesting confidential classification is found in Section 366.093, Florida Statutes. I am attaching a copy of that statute for your review. In compliance with Chapter 120 Florida Statutes, and Section 366.093, Florida Statutes, the Public Service Commission adopted a rule for handling confidential documents, Rule 25-22.006, Florida Administrative Code. I am attaching a copy of that rule for your reference. Paragraph (3)(d) of the rule exempts the document from disclosure pending a ruling by the Commission. Currently, the document in question is pending review at the Commission and therefore is confidential.

You may wish to pay particular attention to paragraph (7)(a) of the rule as it provides you with an avenue to request inspection of the document in question.

Lisa C. Bennett
Office of the General Counsel
2540 Shumard Oak Boulevard
Tallahassee, FL
850-413-6230

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Tuesday, October 19, 2010 3:14 PM
To: Kimberley Pena
Cc: Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé; Lisa Bennett
Subject: FW: Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification

Dear Ms. Pena,

I would respectively request a copy of the forecasted provisional Electric Forecasted Earnings Surveillance Report. I feel that as an interested party with a legal interest in these proceedings from both a ratepayer and shareholder perspective that I would have legal basis to be afforded full transparency with the release of this document.

This document is a document that would be no different than prior Surveillance reports that have been issued in the past (made part of the public record) and/or any final orders in which the Commission has provided full disclosure of the calculated returns on equity based upon an adjudicated level of rate relief.

Since this information would normally be provided with a final order before the case is closed there would be no reason to classify this document before agreeing to the Stipulation and Settlement agreement and then declassify the document after the Stipulation and Settlement agreement is signed. This would not allow for the full transparency that would be afforded to any party with a legal interest in this proceeding.

Base upon the Federal Law Title 5 Administrative Procedures Act USC 551 to USC 559 and 350.042 of the Florida Statutes this might be "ex parte" communications since the document might be furnished to specific interested parties in this case and not furnished to other parties with a legal interest in these proceedings. If these documents are being utilized by Commission personnel I am sure that the interveners in this case would potentially consider this "ex parte" communications and ask for the immediate release of this information if it might have an impact on their fiduciary duty to protect their legal interests in this case. This might also be considered "ex parte" communications since this type of information would be information that would normally made available in all rate case proceedings.

In the past I have requested through a FOIA request the historic Surveillance Reports. This request was granted.

In the past the Commission issued a final order before closing the case with the same type of disclosures that would be furnished in the Forecasted Earnings Surveillance Report.

What has changed?

If your response is to deny my request please support your answer on how this would **not** be a violation of Federal law Title 5 USC 551 to 559 of the Administrative Procedures Act and Section 350.042 of the Florida Statutes. The Federal law might preempt the Florida State Law. Before the Commission rules on this issue I think that a full legal review of compliance with both Federal/State laws is warranted.

Please let me know if you need a hard copy of this email so that when this is added to the public docket all the images will be made part of the public record.

An expedited answer would be very important considering that these issues might be taken up on 10/26/2010.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com.

Thanks,

State of Florida

Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

John T. Burnett
700 Universe Blvd
Juno Beach FL 33408

Re: Acknowledgement of Confidential Filing in Docket No. 080677-EI

This will acknowledge receipt by the Florida Public Service Commission, Office of Commission Clerk, of a CONFIDENTIAL DOCUMENT filed on October 18, 2010, **in the above-referenced docket.**

Document Number 08713-10 has been assigned to this filing, which will be maintained in locked storage.

If you have any questions regarding this document, please contact Kim Peña, Records Management Assistant, at (850) 413-6393.

PSC/CLK 019-C (Rev. 05/10) C:\Documents and Settings\dwillis\Desktop\DIME WORD FOLDER\NEW-CLK 019-C-Conf Ackn.doc

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Tuesday, October 19, 2010 2:21 PM
To: 'Office Of Commissioner Edgar'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'
Cc: 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Subject: FW: Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification

Dear Commissioner's and Ms. Bennett,

Are the whited out/redacted emails going to be made part of the public record? Do you need a copy of the hardcopies of my emails?

Noticed a couple of **typo(s).** Sorry.

Thanks,

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Tuesday, October 19, 2010 1:26 PM
To: 'Office Of Commissioner Edgar'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'
Cc: 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Subject: FW: Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification

Dear Commissioner's and Ms. Bennett,

Sorry for the **typo.**

Both Regulation FD and SX would impact information that should be made available to the public. If this forecast contains material information to its shareholders then there would be no reason for the company to seek classification of the surveillance report based upon Regulation FD and Based upon Regulation SX they would be required to report segmented information when the need for this information is warranted.

Thanks,

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Tuesday, October 19, 2010 12:54 PM
To: 'Office Of Commissioner Edgar'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'
Cc: 'Lisa Bennett'
Subject: Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification

Dear Commissioner's and Ms. Bennett,

According to this classification there is another part of Regulation **FD/SX** that would require this information to be not classified as confidential since this would "Situations may arise when information should be disclosed about a segment although the information in quantitative terms may not appear significant to the registrant's business taken as a whole."

This is why from both a shareholder and ratepayer perspective this is a critical piece of information when deciding both the issues in a ratecase as well for an investor to understand the regulatory impacts on the earnings of the company.

With item number 5 below, why would the company after a determination in the case declassify the documents? This may be construed as "ex parte" communication. Will the interveners have access to this information? If so, then as a ratepayer under 350.042 of the Florida Statutes and as per the SEC requirements below as a shareholder

there should be no reason why the Company would classify this before the decision and declassify it after there is an agreement on the Stipulation and Settlement agreement. You have to remember that the over earnings of the company is also to test the rates that would be required therefore if the forecasted surveillance reports show that the company is over earning all interested parties should have access to this information in order to have the ability to ask any other pertinent questions that might impact a decision on agreeing to the Stipulation and Settlement agreement.

I would be very careful here since any lack of transparency from both the ratepayer and shareholder perspective might give rise to an impartial process which the Company has gone on the record that they are very concerned about. It has to be a two way street therefore I do not see the point of why they would want to classify this document as confidential when all the other actual surveillance reports have been made public?

This type of reporting is used to determine if the cash rates are ample enough to support the cost of service of the company. Without this type of disclosure in a ratecase proceeding, this might be construed as "ex parte" communication under section 350.042 of the Florida Statutes. Another issue to take a look at is any potential issues with "ex parte" communication under Title 5 Administrative Procedures Act USC 551 to USC 559. This is at the Federal level. Any Federal **law** would preempt any of the State Statutes and any State Statute would preempt any PSC administrative procedure.

This makes no sense since the original cost of service as filed in the case was made public therefore why would this surveillance report be made confidential when this type of information has been published in the past?

If you take a look at a typical surveillance report you will notice that none of the schedules would include confidential and proprietary information since this is the type of accounting schedule that is primarily used in a ratecase proceeding to set rates. Take a look at the final order that was issued by the Public Service Commission. You will notice that earned returns on equity are made available to the public therefore it does not make sense that they feel that this is a forecasted surveillance report that would require confidential classification. If this is considered classified then how would this not be considered "ex parte" communication since only certain interested parties are being able to see this information?

I know that from a shareholders perspective as well as a ratepayers perspective I would need this information to be able to determine what my rates are going to be as a customer and what any future stock price impacts would be on my ownership of common stock.

This lack of transparency might be considered "ex parte" communications under Title 5 of the Administrative Procedures act since this might be construed as "one sided" transparency.

How could only certain parties with a legal interest be allowed to see this information and **others** are not?

I am waiting to hear from Mr. Hay and Mr. Sieving regarding my shareholder questions that based upon the SEC regulations below would be in their purview to answer a shareholder.

If I cannot rely on the transparency of information from a ratecase proceeding to see how the Stipulation and Settlement agreement will impact my rates as a customer then how is the ratecase process protecting the customers from a ratepayer perspective?

If I do not receive the appropriate information from Mr. Hay and Mr. Sieving regarding segmented cash flows from a shareholder perspective then how can I have assurance based upon the SEC regulation below that this ratecase will not have an impact on my future value of my stock.

Full transparency should be afforded with this case. Are any of the interveners in the case going to have access to the Forecasted Earnings Surveillance Reports? If so, then any party with a legal interest should be able to see this information as well.

Did staff publish my whited/redacted out information that was missing from my emails? I have provided hardcopy through a PDF file for them to append to the Public Service Commission file.

If you need a hardcopy of this email so when this email is added to the consumer file it is put into the public record with all of its images intact. I have no problem with providing this information.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com.

Thanks for your patience in this matter.

Robert H. Smith

FEDERAL ENERGY REGULATORY COMMISSION EX PARTE REGULATIONS AND PRACTICES

Title 5 Administrative Procedures Act

Title 17: Commodity and Securities Exchanges

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PART 210—FORM AND CONTENT OF AND REQUIREMENTS FOR FINANCIAL STATEMENTS, SECURITIES ACT OF 1933, SECURITIES EXCHANGE ACT OF 1934, PUBLIC UTILITY HOLDING COMPANY ACT OF 1935, INVESTMENT COMPANY ACT OF 1940, INVESTMENT ADVISERS ACT OF 1940, AND ENERGY POLICY AND CONSERVATION ACT OF 1975

Special Requirements as to Public Utility Holding Companies

Reg. § 210.3A-05.

There shall be shown in the consolidated balance sheet of a public utility holding company the difference between the amount at which the parent's investment is carried and the underlying book equity of subsidiaries as at the respective dates of acquisition.

§ 229.10 (Item 10) General.

Instructions to Item 101.

1. In determining what information about the segments is material to any understanding of the registrant's business taken as a whole and therefore required to be disclosed pursuant to paragraph (c) of this Item, the registrant should take into account both quantitative and qualitative factors such as the significance of the matter to the registrant (e.g., whether a matter with a relatively minor impact on the registrant's business is represented by management to be important to its future profitability), the pervasiveness of the matter (e.g., whether it affects or may affect numerous items in the segment information), and the impact of the matter (e.g., whether it distorts the trends reflected in the segment information). Situations may arise when information should be disclosed about a segment although the information in quantitative terms may not appear significant to the registrant's business taken as a whole.
2. Base the determination of whether information about segments is required for a particular year upon an evaluation of interperiod comparability. For instance, interperiod comparability would require a registrant to report segment information in the current period even if not material under the criteria for reportability of SFAS No. 131 if a segment has been significant in the immediately preceding period and the registrant expects it to be significant in the future.
3. The Commission, upon written request of the registrant and where consistent with the protection of investors, may permit the omission of any of the information required by this Item or the furnishing in substitution thereof of appropriate information of comparable character.

4. As the affidavit included in Exhibit D indicates, the information provided by FPL contains material, non-public financial forecast information, which unless kept confidential, would require disclosure to investors under United States Securities and Exchange Commission Regulation FD. Regulation FD is an issuer disclosure rule intended to avoid selective disclosure of material financial information by publicly traded companies such as FPL's parent, NextEra Energy, Inc. Since the information contained in the Report is provisional, and presents only one view of FPL's forecasted financial results for 2010, it is inappropriate to disclose this information to the investment community at the present time and such disclosure would adversely affect FPL's competitive interests in financial markets.[1] Such information is proprietary confidential business information under Section 366.093, including subsection (3)(e) thereof.

5. Upon a finding by the Commission that the information highlighted in Exhibit A, and referenced in Exhibit C, is proprietary confidential business information, the information should not be declassified until FPL files its final Forecasted Earnings Surveillance Report, which FPL has committed to filing within 30 days of the Commission's approval of the Stipulation and Settlement that FPL and the major intervenors filed on August 20, 2010 or, if the settlement agreement is not approved, the Commission's decision on pending motions for reconsideration. Additionally, the Report should be returned to FPL as soon as the information is no longer necessary for the Commission to conduct its business. *See* § 366.093(4), F.S.

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, October 15, 2010 5:32 PM
To: 'Samantha Cibula <SCibula@PSC.STATE.FL.US>'
Cc: 'Lisa Bennett'; 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Mary Anne Helton <MHelton@PSC.STATE.FL.US>'; 'Curt Kiser <CKiser@PSC.STATE.FL.US>'; 'Cindy Miller <CMiller@PSC.STATE.FL.US>'
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Dear Ms. Cibula,

This is for your information regarding some of my email correspondence being whited/redacted out and not being added to the public record.

The fact that some of my images in my emails are not being made part of the record might be considered "ex parte" communications in that some of the people at the commission are receiving technical accounting that might have an impact on the decision's made in a rate case. My technical accounting and any correspondence questioning any of the testimony in the case should be made fully transparent to all parties of a rate proceeding.

This information should be being fully shared in the public record since other people (other parties with a legal interest in a rate proceeding) might be able to benefit from my email communications and give rise to additional questioning with regard to any rate proceeding.

This is why full transparency/full disclosure should be a requirement for any rate proceeding. This would provide full due process/discovery with any proceeding.

Without this approach the possibility exists that "ex parte" communication might exist. This might lead to the possibility of an impartial proceeding and/or lack of due process to protect the interests of both the ratepayers and/or shareholders of the Utility in the proceeding. This might also create an "ex parte" communication situation for other parties with a legal interest in a rate proceeding as well. If they are not afforded the same type of discovery as members of the Commission staff and/or Commissioner's this might lead to an impartial proceeding.

I understand that the company is concerned with impartiality with these proceedings. If it is a concern for the Company, then the same concerns for impartiality should also be a concern for ratepayers and/or shareholders of the company as well as any other party that might have a legal interest in any rate proceeding.

I know that based upon 350.042 of the Florida Statutes I have this right as a ratepayer and based upon my rights as a shareholder I would have the right to ask these questions as well.

Full transparency/discovery should be afforded.

Just a thought on making sure that the new administrative procedure provides for full due process and transparency and meets the test of compliance with the Florida Statutes since preemption would provide that any administrative procedure has to meet the State Statutes in order for it to meet compliance with current Florida State Laws.

This is a very important issue since the Company has made it very clear that they are concerned with partiality in the proceeding. This has to be a two way street.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or give me a call.

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, October 14, 2010 12:39 PM
To: Samantha Cibula <SCibula@PSC.STATE.FL.US>
Cc: 'Lisa Bennett'; 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; Mary Anne Helton <MHelton@PSC.STATE.FL.US>; Curt Kiser <CKiser@PSC.STATE.FL.US>; Cindy Miller <CMiller@PSC.STATE.FL.US>
Subject: RE: Communication Between Commission Employees and Parties

Dear Ms. Cibula,

Thank you for the information and I am looking forward to receiving a copy of the transcript from the workshop on rule 25-22.033. I noticed that during the workshop there was limited discussion on to how the proposed legislation was derived. Most outside people (ratepayers and/or shareholders) would need clear and concise language as to what would be acceptable communication with the Commission. I noticed that a ratepayer is still allowed to communicate with the Commissioner's under section 350.042 of the Florida Statutes. Here are some comments but I will continue to take a look at the rule.

Section (1) of 25-22.033 reads "Legal interest in the proceeding"?

What does this mean in plain language? Any ratepayer of any regulated entity would have a legal interest in a proceeding therefore they would be in a position to have communications with Commission staff and/or the Commissioner's based upon 350.042. A shareholder would also have a legal interest in a proceeding with regard to any ratemaking matters that might have an impact on the earnings of the Utility therefore they would also be in a position to have communications with Commission staff and/or the Commissioner's just like the Senior Management of the Utility. Since both a ratepayer and/or shareholder would have a legal interest in a rate case proceeding then any communication between Commission staff and/or the Commissioner's should be fully made part of the public record and available to all parties and interested parties. There should be no exception(s) as to what communications are being made part of the public record or not.

This would provide for full transparency which would be a requirement under 350.042. How come all of my correspondence with the Commission has not been fully made part of the public record? This is a very critical issue since if some of the communication is made part of the record and some is excluded it might lead to an "ex parte" communication in that some of the communication was made part of the public record and some was not. If you look at some of my communication that has not been made part of the public record you will notice that only certain emails have not been made part of the public record. If some are excluded and some are included then the person must be notified by the Commission as to why some of the communication (written and/or oral) was excluded from the public record.

I also noticed that an interested person's communication is made part of a Docket correspondence - Parties and Interested Persons. This file is often kept in the same chronological spot as the previous communications that have been populated in this file. A lot of the communications that I have sent had a chronological importance with regard to the testimony that was made by the Utility and/or Expert Witnesses. In order for there to be full transparency the communications or the file should be moved to most recent date of information that is placed into these files or the parties and/or interested parties might not be made fully aware of this information that might be pertinent to the rate case proceeding. This is very important since some of my email correspondence provided technical accounting responses to direct testimony. Some of it was excluded from these files and some was included. In order for there to be no "ex parte" communications all information has to be made part of the public record so that all parties and/or interested parties would have access to the information. Since these files are not being moved to the top Docket index the average party and/or interested party might not know where this pertinent information resides therefore they might not be made aware of an issue that might be pertinent to the rate case that they should have been made aware of.

How come some of my communications was made part of the public record and some was not?

Section (2)(c) of 25-22.033 reads:

(c) "Impermissible Communication" means any communication with a party or interested person, if written, is not served on all parties, or, if oral, is made without notice to all parties or interested persons.

Rob Smith Comments

Under this rule all written communications from an interested party has to be made available to all parties or interested parties. Correct? If the information received is made part of the public record then it would be permissible communication. If a Commissioner received written or oral Communication then this information should be made part of the public record so that all parties or interested parties have been made aware of the Communication. What happens if a Commissioner receives a written or oral communication and it is not shared with all parties? Does it become "impermissible Communication"? This should not happen since this might lead to information that might be pertinent to the rate case proceeding. I know that some of my email correspondence has been made part of the public record and some as of today has not been made part of the public record. Some of the email correspondence is very pertinent to some of the technical aspects of the Holding company concept at the Utility as it pertains to the Public Utility Holding Company Act of 1935 (PUHCA) or Public Utility Holding Company Act of 2005 ("PUHCA 2005"). This act is governed under FERC (Federal Energy Regulatory Commission). In order for there to be full transparency and to make sure that all parties and/or interested parties are provided full notice, all written and/or oral communication should be fully made part of the record. There should be no instance in which certain information would be excluded as part of the public record or not. Since some of my email correspondence has not been made part of the public record, what would be the Commission rule as to why some was made part of the public record and some was not? This in itself might lead to "ex parte" communication since all of my information has not been made part of the public record.

I am going to continue to look at the rule but I think that all communications should be made part of the public record and if not the Commission should provide a response as to why certain information was excluded. This would be needed to make sure that there was no "ex parte" communications. If some information was excluded then some of the Commission staff and/or Commissioner's might be exposed to an "ex parte" communications issue since the information was not made fully transparent and disclosed. All parties, interested parties and any other party that has a "legal interest" in any rate case proceeding should have full access to all information that was made available to both the Commission staff and/or Commissioner's in any rate proceeding that is being administered by the Florida Public Service Commission. Without this approach the possibility exists that "ex parte" communication might exist. This might lead to the possibility of an impartial proceeding and/or lack of due process to protect the interests of both the ratepayers and/or shareholders of the Utility in the proceeding.

Please let me know if the information that I have provided that has not been made part of the public record is going to be part of the public record. If it is not going to be made part of the public record please let me know why it has not been made part of the public record. Please provide me with the rule that would support why some of the information was not made part of the public record. If you need copies of the emails that I have sent with regard to what is currently missing from the public record please do not hesitate to ask.

I will continue to look at the proposed rule.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or give me a call.

As per SB 1034 of the Florida Statutes with regard to communication with a ratepayer:

4 **SB 1034**
Fasano
(Identical H 565)

Section 350.042, F. S., provides for ex parte communications. The term "ex parte" is not defined in the statute but according to *Black's Law Dictionary* means "on one side only, by or for one party, done for, in behalf of, or on the application of, one party only." According to the *American Heritage Dictionary*, the term means "from or on one side only; one sided, partisan." Subsection (1) provides that a commissioner should accord to every person who is legally interested in a proceeding full right to be heard according to law, and except as authorized by law, shall neither initiate nor consider ex parte communications concerning the merits, threat, or offer of reward in any proceeding other than a proceeding under s. 120.54, F. S., (rulemaking) or 120.565, F.S., (declaratory statements by agencies), workshops, or internal affairs meetings. No individual shall discuss ex parte with a commissioner the merits of any issue that he or she knows will be filed with the commission within 90 days. The subsection does not apply to commission staff.

Individual residential ratepayers are allowed to communicate with a commissioner, provided that the ratepayer is representing only himself or herself, without compensation. In addition, the section does not apply to oral communications or discussions in scheduled and noticed open public meetings of educational programs of a conference or other meeting of an association of regulatory agencies.

Confidentiality Statement

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Dorothy Menasco 080677-EI

FPSC, CLK - CORRESPONDENCE
Administrative X Parties Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION:

From: Dorothy Menasco
Sent: Wednesday, November 03, 2010 5:21 PM
To: 'rpjrb@yahoo.com'
Cc: Lisa Bennett; Ann Cole
Subject: RE: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Based on today's e-mail, this e-mail, the three November 1, 2010 e-mails, your Friday, October 29, 2010, 6:28 PM e-mail, and this response will be placed in *Docket Correspondence - Parties and Interested Persons*, in Docket Nos. 080677-EI, 100410-EI, and 100009-EI. Please give the system 24 hours to update these records.

Unless otherwise instructed, future new e-mails from you will be added to all three dockets. Duplicate e-mails will not be added.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, November 03, 2010 2:14 PM
To: Ann Cole; Dorothy Menasco
Cc: Lisa Bennett; Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé
Subject: RE: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Dear Ms. Cole,

I noticed that Docket 100410 was updated with the last email correspondence. I do not think that Docket 080677 and 100009 has been updated with the email below. I was just checking and I noticed that Docket 100410 appears to be the only one that was updated.

Is there an ETA on the update to Docket 080677 and Docket 100009?

Your Friday, October 29, 2010, 6:28 PM e-mail and this response will be added to *Docket Correspondence - Parties and Interested Persons*, in Docket No. 080677-EI.

Thanks,

Robert H. Smith

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From: Ann Cole [mailto:ACOLE@PSC.STATE.FL.US]
Sent: Monday, November 01, 2010 2:53 PM
To: rpjrb@yahoo.com; Dorothy Menasco

Subject: RE: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Your welcome.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Monday, November 01, 2010 2:47 PM
To: Ann Cole; Dorothy Menasco
Cc: Lisa Bennett; Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé
Subject: RE: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Dear Ms. Cole and Ms. Menasco,

I noticed that this morning that the file has been updated this morning.

I will check to see if the update has been made for my email correspondence that I have sent on October 29th, 2010 at 6:28PM.

Thanks for your help with this matter.

Thanks,

Robert H. Smith

Name	Size	Type	Date Modified
10741-08revrobCase080677110120 10	57,632 KB	PDF...	11/1/2010 9:16 AM
10741-08revrobCase08067710292010	47,568 KB	PDF...	10/29/2010 5:29 PM
10741-08	47,568 KB	PDF...	10/28/2010 9:56 PM
10741-08revrobCase080677102820102	47,568 KB	PDF...	10/28/2010 3:47 PM
08942-10testimony10262010FPLforStipandSettleme...	1,351 KB	PDF...	10/28/2010 3:08 PM
10741-08revrobCase08067710282010	47,568 KB	PDF...	10/28/2010 11:53 AM
10741-08revrobCase08067710272010	47,568 KB	PDF...	10/27/2010 2:19 PM
FPLPSC10262010webcastmeetingagenda	103 KB	PDF...	10/26/2010 9:29 AM
10741-08revrobCase08067710222010	31,600 KB	PDF...	10/22/2010 2:21 PM

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From: Ann Cole [mailto:ACOLE@PSC.STATE.FL.US]

Sent: Monday, November 01, 2010 2:39 PM
To: rpjrb@yahoo.com; Dorothy Menasco
Cc: Lisa Bennett; Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé
Subject: RE: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Please allow 24 hours for the PSC to make records available on the Web site.

All referenced attachments are already in *Docket Correspondence - Parties and Interested Persons,* in Docket No. 080677-EI. Ms. Menasco has provided you with page numbers in her previous e-mails; page numbers are subject to change, as new pages are appended.

Your Friday, October 29, 2010, 6:28 PM e-mail and this response will be added to *Docket Correspondence - Parties and Interested Persons,* in Docket No. 080677-EI.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, October 29, 2010 6:28 PM
To: Dorothy Menasco; Ann Cole
Cc: Ann Cole; Lisa Bennett; Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Dear Records Clerk, Ms. Bennett, Ms. Edgar, Mr. Skop, Mr. Graham and Mr. Brise,

I have looked at the file again. Please see the 10/29/2010 5:29PM file. The file still has not been updated. Where are the evaluation pages from the attached email correspondence to show my experience to support the email correspondence that I have sent? These are not currently in the file. Will these appear when the file is updated?

These evaluations show the following:

That I have worked with the CFO and Public Service Commission on very technical matters as it pertains to the ratecase process. These evaluations are very important to support my email correspondence in that it shows that I have worked on these matters for a long time and I had over a decade of experience with preparing these cases and consulting directly with Senior Management and the Public Service Commission on these matters.

Where is the email regarding the Telephone call on May 11th, 2010? This is not currently in the file.

According to the email below the file has not been updated yet. The only reason why there are duplicate pages is due to that I had to trace to see what information has been missing from the Docket correspondence files. I have resent the emails that with the information that has been missing.

If I search the above attachments in the Docket 080677 10741-08 file I do not see the above attached emails with the appropriate correspondence. Some of the information in the email is only a duplicate since I am trying to let you know about the information that is not currently in Docket 080677 10741-08 file.

This email is only a 4 MB file. The Docket 080677 10741-08 file is 47.6 MB's without being updated. Using a PDF Join Utility would not make this an issue to add the four files above (4 MB). This would not take very long at all. I do not understand why this file has not been updated for over a week. This is a very simple thing to do and I have not had any issues with any of my prior

correspondence to the commission in the past. What has changed? These emails above are the emails that I did not see added to the Docket 080677 10741-08 file. I do not think that this 4 MB file will impact the processing since the PSC has files in this Docket that are over 200 MB's.

The redundancy is only due to trying to make sure that the information has been added to this Docket file. It has been over 1 week since and this information has not been added. I am sending a PDF of the most current email in order to provide the commission hard copy as has been previously instructed in a previous email.

If a PDF join utility was used this would have been completed with the initial emails. This would have been very easy to complete.

Until I see that all the attached correspondence is in Docket 080677 10741-08 file with a search of the email headers or a search of the information that is contained in the attached documents I will keep sending an email updated to ensure that these emails are added before any ruling is made on the Stipulation and Settlement agreement.

This is part of my rights from both a Federal/State perspective. This is also a right under 350.0402.

Why would the Commission delay the adding of the attached correspondence? There really is no reason when in the past this was not the case.

Why is there an issue? This makes no sense. Is there a legal issue that Ms. Bennett or the PSC council has to address since this information is being delayed to be put into the file?

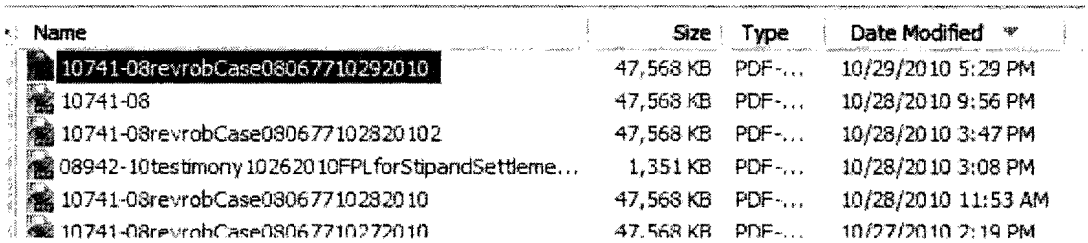
Some of this information is in Docket 100009 and Docket 100410. The evaluations are in Docket 100410. How come these emails have not been added to Docket 080677 and/or Docket 100009 file? I would think that this information should be shared with all of the parties that have a legal interest in these cases. This would include the interveners as well.

I will check on Monday to see if the file has been updated. If not, I will follow up with an email to make sure that this information is updated to be in conformity with 350.042. I do not want to have any information considered "ex parte" communications. If some of the information is omitted then this may be a possibility.

Again, thanks for your continued help with resolving this matter.

Thanks,

Robert H. Smith



Name	Size	Type	Date Modified
10741-08revrobCase080677102920 10	47,568 KB	PDF-...	10/29/2010 5:29 PM
10741-08	47,568 KB	PDF-...	10/28/2010 9:56 PM
10741-08revrobCase080677102820102	47,568 KB	PDF-...	10/28/2010 3:47 PM
08942-10testimony10262010FPLforStipandSettleme...	1,351 KB	PDF-...	10/28/2010 3:08 PM
10741-08revrobCase080677102820 10	47,568 KB	PDF-...	10/28/2010 11:53 AM
10741-08revrobCase080677102720 10	47,568 KB	PDF-...	10/27/2010 2:19 PM

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Ann Cole

FPSC, CLK - CORRESPONDENCE
☐ Administrative ☒ Parties ☐ Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION: _____

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To: 'rpjrb@yahoo.com'; Dorothy Menasco
Cc: Lisa Bennett; Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé
Subject: RE: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

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If I search the above attachments in the Docket 080677 10741-08 file I do not see the above attached emails

with the appropriate correspondence. Some of the information in the email is only a duplicate since I am trying to let you know about the information that is not currently in Docket 080677 10741-08 file.

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I will check on Monday to see if the file has been updated. If not, I will follow up with an email to make sure that this information is updated to be in conformity with 350.042. I do not want to have any information considered "ex parte" communications. If some of the information is omitted then this may be a possibility.

Again, thanks for your continued help with resolving this matter.

Thanks,

Robert H. Smith

10741-08re...bCase08067710272010 47.568 KB PDF-... 10/27/2010 2:19 PM

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FPSC, CLK - CORRESPONDENCE
__Administrative ✓ Parties __Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION: _____

Dorothy Menasco 080677-EI

From: Dorothy Menasco
Sent: Friday, October 29, 2010 4:40 PM
To: 'rpjrb@yahoo.com'
Cc: Ann Cole
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.
Attachments: PDFTools.HomePage - PDFToolsscreenprint10152010.pdf; Comissioneremail10142010654PMPrintoutwithjointoolemail.pdf; TelephonecallMay11thMeeting05112010emailhardcopy10212010.pdf; EmailtoFixPublicDocketFile080677sent10292010.pdf

Mr. Smith:

Your first three attachments are currently in the correspondence file. See pages 38-80 and 179-185. The first nine pages of the forth attachment are in your e-mail below. The rest of the forth attachment is already located in the correspondence file. See pages 1-37. Once the correspondence file is updated, those page numbers will change, but the information will remain in the file.

Accordingly, only this e-mail response will be included *Docket correspondence - Parties and Interested Persons* in Dockets 080677-EI. You may find it helpful to verify the information on the website before making duplicate requests. Please be advised that your e-mails now exceed 145 pages. These pages contain duplicate information that have been put in the correspondence file multiple times.

In an effort to ensure that your e-mails are posted promptly on the Web site, I have consulted our Information and Technology Systems office and confirmed that large e-mails delay the efficiency in our electronic efforts to timely provide your information and our responses on the Web site. Thus, we have been experiencing an unwanted delay in the availability of these voluminous records.

It would be mutually beneficial if only your latest e-mail and the Office of Commission Clerk's responsive e-mail were added to the correspondence file, thus eliminating the multiple duplicate pages.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

Please note: Florida has a very broad public records law. Most written communications to or from state officials regarding state business are public records available to the public and media upon request. Your e-mail communications may therefore be subject to public disclosure.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, October 29, 2010 12:21 PM
To: Records Clerk; Dorothy Menasco
Cc: Ann Cole; Lisa Bennett; Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Dear Records Clerk, Ms. Bennett, Ms. Edgar, Mr. Skop, Mr. Graham and Mr. Brise,

I found another PDF file that I had sent in hardcopy that was not put into Docket 080677.

The file in the email below was TelephonecallMay11thMeeting05112010emailhardcopy10212010.pdf.

10/29/2010

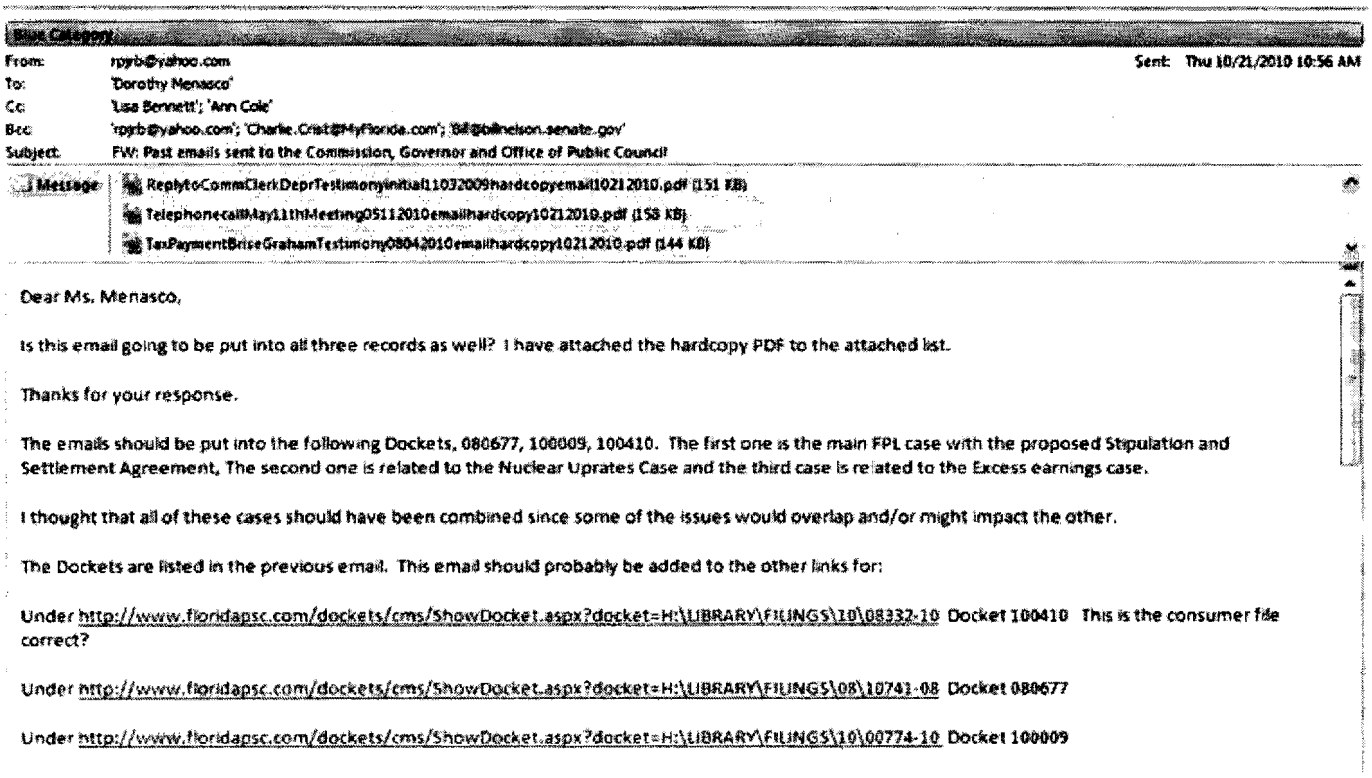
This file was also sent with the email dated October 21st, 2010. This was the email with all of the hardcopy emails that had to be attached to all of the pertinent cases.

I have attached an additional file that was missing. I have also attached a hardcopy print out of this email as well so that the images can be entered into the record as well.

Thanks for all of your help with resolving getting this information on Public Docket 080677.

Thanks,

Robert H. Smith


Blue Category:

From: rpjrb@yahoo.com Sent: Thu 10/21/2010 10:56 AM
To: 'Dorothy Menasco'
Cc: 'Lisa Bennett'; 'Ann Cole'
Bcc: 'rpjrb@yahoo.com'; 'Charlie.Crist@MyFlorida.com'; 'Bill@billnelson.senate.gov'
Subject: FW: Past emails sent to the Commission, Governor and Office of Public Council

Message
ReplytoCommClerkDeprTestimonyinitial11032009hardcopyemail10212010.pdf (151 KB)
TelephonecallMay11thMeeting05112010emailhardcopy10212010.pdf (158 KB)
TaxPaymentBriseGrahamTestimony08042010emailhardcopy10212010.pdf (144 KB)

Dear Ms. Menasco,

Is this email going to be put into all three records as well? I have attached the hardcopy PDF to the attached list.

Thanks for your response.

The emails should be put into the following Dockets, 080677, 100009, 100410. The first one is the main FPL case with the proposed Stipulation and Settlement Agreement, The second one is related to the Nuclear Uprates Case and the third case is related to the Excess earnings case.

I thought that all of these cases should have been combined since some of the issues would overlap and/or might impact the other.

The Dockets are listed in the previous email. This email should probably be added to the other links for:

Under http://www.floridapsc.com/dockets/cms/ShowDocket.aspx?docket=H:\LIBRARY\FILINGS\10\08332-10 Docket 100410 This is the consumer file correct?

Under http://www.floridapsc.com/dockets/cms/ShowDocket.aspx?docket=H:\LIBRARY\FILINGS\08\10741-08 Docket 080677

Under http://www.floridapsc.com/dockets/cms/ShowDocket.aspx?docket=H:\LIBRARY\FILINGS\10\00774-10 Docket 100009

Confidentiality Statement

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, October 29, 2010 9:39 AM
To: 'Records Clerk'; 'Dorothy Menasco'
Cc: 'Ann Cole'; 'LBENNETT@PSC.STATE.FL.US'; 'LBENNETT@PSC.STATE.FL.US'; 'Office Of Commissioner Edgar'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

10/29/2010

Dear Ms. Bennett, Commissioner's and Records Clerk,

Here are the attached files that were sent in the previous email below if you need the files again. These files were originally sent on October 20th, 2010 and sent in various emails after this date.

Today is October 29th, 2010 and this information has not been added to the Docket 080677 Public correspondence file.

I want to make sure that all my information has been updated based upon Federal/State laws. Section 350.042 of the Florida Statutes provides that this information should be able to be made part of the public record to uphold the right "to be heard according to law". I want to make sure that there is no "ex parte" communications by not making this information part of the public record for all parties with a legal interest to have access to this information before an agreement is made with the Stipulation and Settlement agreement.

I sending another email since I do not understand why there would be a delay.

Thanks for everyone's help with this issue.

Thanks,

Robert H. Smith

350.042 Ex parte communications.--

(1) A commissioner should accord to every person who is legally interested in a proceeding, or the person's lawyer, full right to be heard according to law, and, except as authorized by law, shall neither initiate nor consider ex parte communications concerning the merits, threat, or offer of reward in any proceeding other than a proceeding under s. 120.54 or s. 120.565, workshops, or internal affairs meetings. No individual shall discuss ex parte with a commissioner the merits of any issue that he or she knows will be filed with the commission within 90 days. The provisions of this subsection shall not apply to commission staff.

(2) The provisions of this section shall not prohibit an individual residential ratepayer from communicating with a commissioner, provided that the ratepayer is representing only himself or herself, without compensation.

What is the delay?

Thanks,

Robert H. Smith

Confidentiality Statement

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, October 29, 2010 9:19 AM
To: 'Records Clerk'; 'Dorothy Menasco'
Cc: 'Ann Cole'; LBENNETT@PSC.STATE.FL.US; LBENNETT@PSC.STATE.FL.US; 'Office Of Commissioner Edgar'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

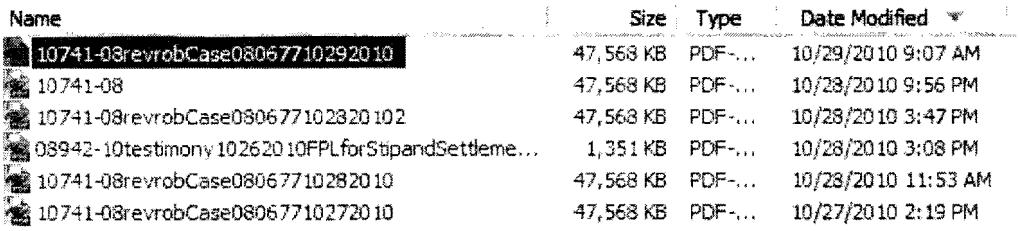
Dear Ms. Menasco,

Here is the latest file download for today. According to your email below the file was being updated in the morning. What is the delay? The attached PDF tool would make the appending of the PDF file below very quick and easy.

Please let me know why there is a delay.

Thanks for your help.

Robert H. Smith



Name	Size	Type	Date Modified
10741-08revrobCase08067710292010	47,568 KB	PDF-...	10/29/2010 9:07 AM
10741-08	47,568 KB	PDF-...	10/28/2010 9:56 PM
10741-08revrobCase08067710282010 2	47,568 KB	PDF-...	10/28/2010 3:47 PM
08942-10testimony102620 10FPLforStipandSettleme...	1,351 KB	PDF-...	10/28/2010 3:08 PM
10741-08revrobCase08067710282010	47,568 KB	PDF-...	10/28/2010 11:53 AM
10741-08revrobCase08067710272010	47,568 KB	PDF-...	10/27/2010 2:19 PM

FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

rpjrb@yahoo.com

Sent: Thu 10/28/2010 10:19 AM

To: 'Dorothy Menasco <DMenasco@PSC.STATE.FL.US>'; Records Clerk <CLERK@PSC.STATE.FL.US>; 'Ann Cole <ACOLE@PSC.STATE.FL.US>'

Cc: 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'; 'Office Of Commissioner Edgar'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'

Message | PDFTools.HomePage - PDFToolsscreenprint10152010.pdf (369 KB) | Comissioneremail10142010654PMPrintoutwithjointoolemail.pdf (906 KB)

Dear Ms. Menasco and records clerk,

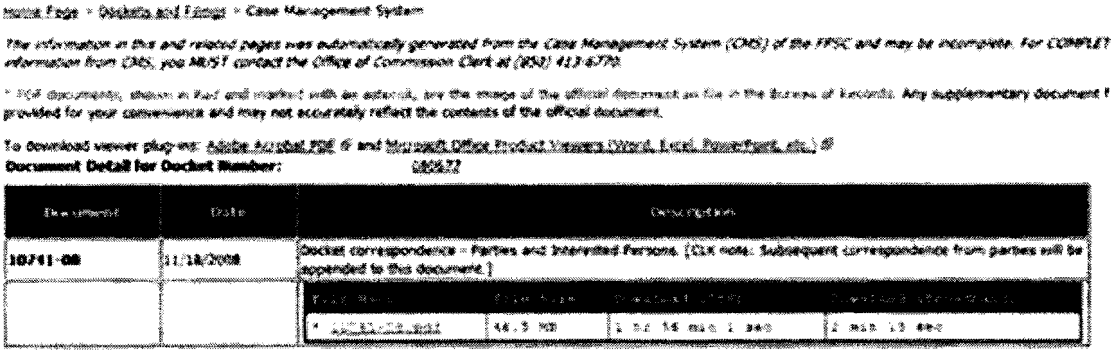
Is 10741-08.pdf the file that the attached correspondence was added to? Was this added to another file or has the file not been updated yet?

Thanks,

Robert H. Smith

I took a look at the following:

http://www.floridapsc.com/dockets/cms/ShowDocket.aspx?docket=H:\LIBRARY\FILINGS\08\10741-08



Home Page > Dockets and Filings > Case Management System

The information in this and related pages was automatically generated from the Case Management System (CMS) of the FPSC and may be incomplete. For COMPLETE information from CMS, you MUST contact the Office of Commission Clerk at (850) 413-6770.

** PDF documents, shown in Red and marked with an asterisk, are the image of the official document on file in the Bureau of Records. Any supplementary document provided for your convenience and may not accurately reflect the contents of the official document.*

To download viewer plug-ins: Adobe Acrobat PDF ® and Microsoft Office Product Viewers (Word, Excel, PowerPoint, etc.) ®

Document Detail for Docket Number: 100477

Document	Date	Description
10741-08	11/18/2008	Docket correspondence - Parties and Interested Persons. [CLK note: Subsequent correspondence from parties will be appended to this document.]

Dear Ms. Bennett and Commissioner's,

Do you know why there would be a delay with updating the attached files?

Thanks,

Robert H. Smith

Confidentiality Statement

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only for the use of the individual or entity named on this transmission sheet. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this telecopied information is strictly prohibited, and the documents should be returned. In this regard, if you received this telecopy in error, please contact the sender by reply E-mail and destroy all copies of the original.

From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Thursday, October 28, 2010 3:55 PM
To: 'Records Clerk'
Cc: 'Ann Cole'; 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'; 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'; 'Office Of Commissioner Edgar'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'
Subject: RE: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Dear Ms. Menasco,

The file size appears to be exactly the same. I have been downloading the file for specific dates to see if the updates are there.

46.5 x 1024 = 47.6

Please let me know when this will be updated.

Do you have an ETA?

Thanks for your help in this matter.

Robert H. Smith

Name	Size
10741-08	47,568 KB
10741-08revrobCase080677102820102	47,568 KB
08942-10testimony102620 10FPLforStipandSettleme...	1,351 KB
10741-08revrobCase08067710282010	47,568 KB
10741-08revrobCase08067710272010	47,568 KB

Confidentiality Statement

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From: Dorothy Menasco [mailto:DMenasco@PSC.STATE.FL.US] **On Behalf Of** Records Clerk
Sent: Thursday, October 28, 2010 3:25 PM
To: rpjrb@yahoo.com
Cc: Ann Cole
Subject: RE: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Mr. Smith:

10/29/2010

It updated this morning. Please trying viewing it again.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

Please note: Florida has a very broad public records law. Most written communications to or from state officials regarding state business are public records available to the public and media upon request. Your e-mail communications may therefore be subject to public disclosure.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, October 28, 2010 2:53 PM
To: Dorothy Menasco; Records Clerk
Cc: Ann Cole; Lisa Bennett; Lisa Bennett; Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Dear Ms. Menasco,

Do we have an ETA on the update to the file for the email below?

Thanks,

Robert H. Smith

FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

rpjrb@yahoo.com

Sent: Thu 10/28/2010 10:19 AM

To: 'Dorothy Menasco <DMenasco@PSC.STATE.FL.US>'; Records Clerk <CLERK@PSC.STATE.FL.US>; 'Ann Cole <ACOLE@PSC.STATE.FL.US>'

Cc: 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'; 'Office Of Commissioner Edgar'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'

Message | PDFTools.HomePage - PDFToolsscreenprint10152010.pdf (369 KB)
Comissioneremail10142010654PMPrintoutwithjointoolemail.pdf (906 KB)

Dear Ms. Menasco and records clerk,

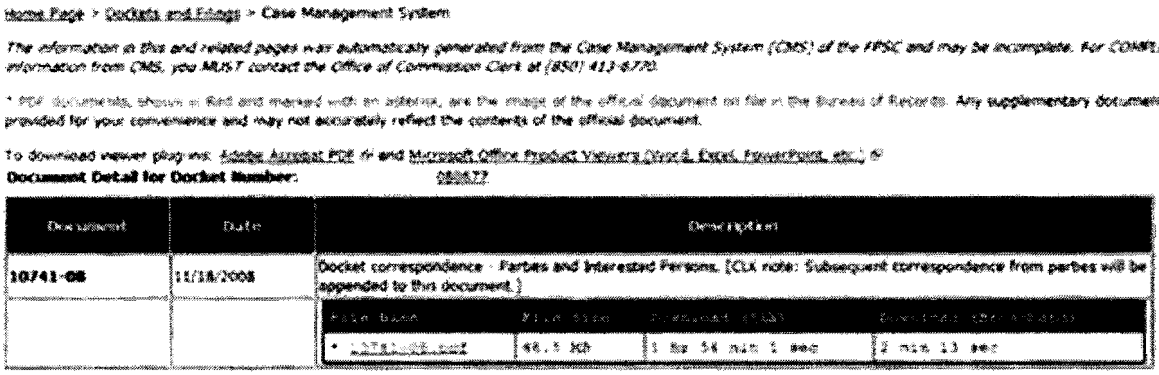
Is 10741-08.pdf the file that the attached correspondence was added to? Was this added to another file or has the file not been updated yet?

Thanks,

Robert H. Smith

I took a look at the following:

http://www.floridapsc.com/dockets/cms/ShowDocket.aspx?docket=H:\LIBRARY\FILINGS\08\10741-08



Home Page > Dockets and Filings > Case Management System

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* PDF documents, shown in Red and marked with an asterisk, are the image of the official document on file in the Bureau of Records. Any supplementary document provided for your convenience and may not accurately reflect the contents of the official document.

To download viewer plug-ins: Adobe Acrobat PDF ® and Microsoft Office Product Viewers (Word & Excel, PowerPoint, etc.) ®

Document Detail for Docket Number: 080677

Document	Date	Description
10741-08	11/18/2008	Docket correspondence - Parties and Interested Persons. [CLK note: Subsequent correspondence from parties will be appended to this document.]
		File Name / File Size / Document (Click) / Downloads (Click to download)
		48.5 KB / 1 hr 54 min 1 sec / 2 min 13 sec

Confidentiality Statement

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From: Dorothy Menasco [mailto:DMenasco@PSC.STATE.FL.US] **On Behalf Of** Records Clerk
Sent: Thursday, October 28, 2010 2:39 PM
To: rpjrb@yahoo.com
Cc: Ann Cole

10/29/2010

Subject: RE: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Mr. Smith:

The file had not updated yet.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

Please note: Florida has a very broad public records law. Most written communications to or from state officials regarding state business are public records available to the public and media upon request. Your e-mail communications may therefore be subject to public disclosure.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, October 28, 2010 10:19 AM
To: Dorothy Menasco; Records Clerk; Ann Cole
Cc: Lisa Bennett; Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Dear Ms. Menasco and records clerk,

Is 10741-08.pdf the file that the attached correspondence was added to? Was this added to another file or has the file not been updated yet?

Thanks,

Robert H. Smith

I took a look at the following:

http://www.floridapsc.com/dockets/cms/ShowDocket.aspx?docket=H:\LIBRARY\FILINGS\08\10741-08

Home Page > Dockets and Filings > Case Management System

The information in this and related pages was automatically generated from the Case Management System (CMS) of the FPSC and may be incomplete. For COMPLET information from CMS, you MUST contact the Office of Commission Clerk at (850) 413-6770.

* PDF documents, shown in Red and marked with an asterisk, are the image of the official document on file in the Bureau of Records. **Any supplementary document f provided for your convenience and may not accurately reflect the contents of the official document.**

To download viewer plug-ins: Adobe Acrobat PDF and Microsoft Office Product Viewers (Word, Excel, PowerPoint, etc.)

Document Detail for Docket Number: 080677

Document	Date	Description
10741-08	11/18/2008	Docket correspondence - Parties and Interested Persons. [CLK note: Subsequent correspondence from parties will be appended to this document.]

File Name	File Size	Download (56K)	Download (Broadband)
* 10741-08.pdf	46.5 MB	1 hr 56 min 1 sec	2 min 13 sec

Confidentiality Statement

The documents accompanying this telecopy transmission contain information which is confidential and/or legally privileged. The information is intended only for the use of the individual or entity named on this transmission sheet. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this telecopied information is strictly prohibited, and the documents should be returned. In this regard, if you received this telecopy in error, please contact the sender by reply E-mail and destroy all copies of the original.

From: Dorothy Menasco [mailto:DMenasco@PSC.STATE.FL.US] **On Behalf Of** Records Clerk
Sent: Wednesday, October 27, 2010 12:55 PM
To: rpjrb@yahoo.com
Cc: Ann Cole; Lisa Bennett
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Thank you for this information, which will be placed in *Docket correspondence - Parties and Interested Persons* in Dockets 080677-EI.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

Please note: Florida has a very broad public records law. Most written communications to or from state officials regarding state business are public records available to the public and media upon request. Your e-mail communications may therefore be subject to public disclosure.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, October 27, 2010 12:39 PM
To: Dorothy Menasco; Records Clerk; Ann Cole
Cc: Lisa Bennett; Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Dear Ms. Menasco,

How come this correspondence is not being added to Docket 080677?

My original email was to the Senior Executives which is related to Docket 080677.

The email correspondence is related to all of the three cases and I have received an email from the Commission indicating that all the information will be placed in all Dockets.

Docket 080677, Docket 100009 and Docket 100410.

I want to make sure that all of the email correspondence is being put into the record of any case that might be impacted by the information in all the email correspondence. This will eliminate any "ex parte" communications that has been set by Federal/State laws.

Thanks for your help.

Thanks,

Robert H. Smith

Confidentiality Statement

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From: Dorothy Menasco [mailto:DMenasco@PSC.STATE.FL.US]
Sent: Wednesday, October 27, 2010 12:27 PM
To: rpjrb@yahoo.com
Cc: Ann Cole; Lisa Bennett
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Correction #2:

This information will be placed in *Docket correspondence - Parties and Interested Persons*, in Docket 100410, **DN 08633-10**.

Sorry for the confusion.

10/29/2010

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk

Please note: Florida has a very broad public records law. Most written communications to or from state officials regarding state business are public records available to the public and media upon request. Your e-mail communications may therefore be subject to public disclosure.

From: Dorothy Menasco
Sent: Wednesday, October 27, 2010 12:21 PM
To: 'rpjrb@yahoo.com'
Cc: Ann Cole; Lisa Bennett
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Correction to the message below:

this information, which will be placed in ***Docket correspondence - Parties and Interested Persons***, in Docket 100410, DN 10741-08.

From: Dorothy Menasco
Sent: Wednesday, October 27, 2010 9:51 AM
To: 'rpjrb@yahoo.com'
Cc: Ann Cole; Lisa Bennett
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Thank you for this information, which will be placed in *Docket Correspondence - Consumers and their* Representatives, in Docket 100410.

As mentioned previously, in order to ensure that your information is handled efficiently and accurately, please forward these types of requests to **clerk@psc.state.fl.us**.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

Please note: Florida has a very broad public records law. Most written communications to or from state officials regarding state business are public records available to the public and media upon request. Your e-mail communications may therefore be subject to public disclosure.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Monday, October 25, 2010 8:27 PM
To: Dorothy Menasco
Cc: Ann Cole; Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé; Lisa Bennett
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Dear Ms. Menasco,

I was looking at the new PDF file for Docket 080677. I did not notice these two PDF being scanned into this file. I think that the attached

PDF's are pertinent to this case as well.

Please let me know if this information is going to be added to Docket 080677 as well.

http://www.floridapsc.com/dockets/cms/ShowDocket.aspx?docket=H:\LIBRARY\FILINGS\08\10741-08

Thanks,

Robert H. Smith

Confidentiality Statement

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, October 15, 2010 3:49 PM
To: 'Marguerite McLean <mmclean@psc.state.fl.us>'
Cc: 'Office Of Commissioner Edgar'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Lisa Bennett'; 'Dorothy Menasco <DMenasco@PSC.STATE.FL.US>'
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Dear Ms. Mclean,

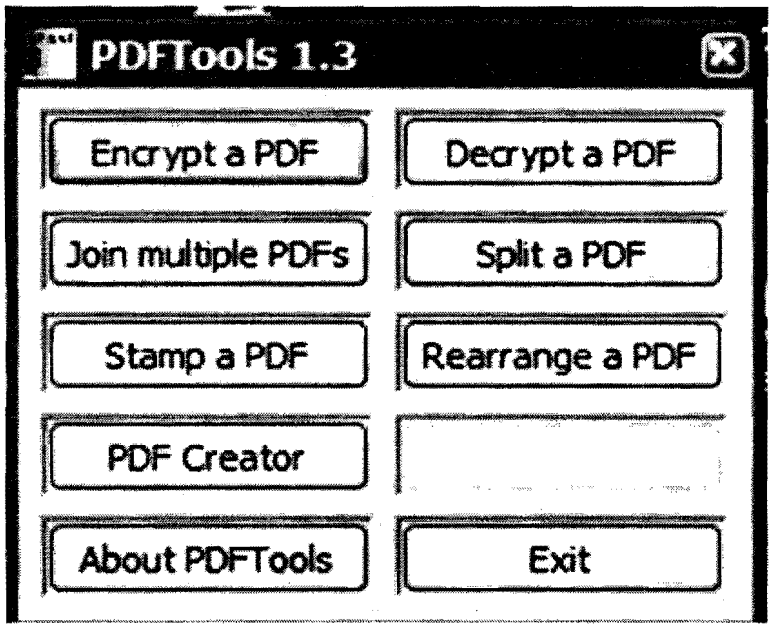
There is a free PDF file joiner that would allow you to append these emails directly to the PDF that is posted on line. This will help the Florida Public Service Commission with their process to expedite the appending of the information to the PDF file in the docket. If you receive a PDF file you will be able to append the file directly to the PDF file on the Docket.

Cost is free for personal use.

I am trying to keep the cost down and since all the interveners in the case are filing direct testimony by email and the information is being scanned and attached to other docket files I would like to keep my cost down as well. This would work very well since the attached files are very clear and readable. If an a person wants to view the docket PDF they will have a clear copy to look at since it would not require a scan.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com.

Here is a sample of the screen print.



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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, October 15, 2010 3:25 PM
To: Marguerite McLean <mmclean@psc.state.fl.us>
Cc: 'Office Of Commissioner Edgar'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Lisa Bennett'; 'Dorothy Menasco'
Subject: RE: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Dear Ms. Mclean,

Did you print out the attached PDF file? This would be a hardcopy and you would be able to print it out and then scan with the images intact. I just tried to print out the attached document an it exactly appears just like the email.

Please let me know if you can print out the attached document.

Thanks,

Robert H. Smith

Confidentiality Statement

The documents accompanying this telecopy transmission contain information which is confidential and/or legally privileged. The information is intended only for the use of the individual or entity named on this transmission sheet. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this telecopied information is strictly prohibited, and the documents should be returned. In this regard, if you received this telecopy in error, please contact the sender by reply E-mail and destroy all copies of the original.

From: Marguerite McLean [mailto:mmclean@psc.state.fl.us]
Sent: Friday, October 15, 2010 3:20 PM
To: rpjrb@yahoo.com
Cc: Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé; Lisa Bennett; Dorothy Menasco
Subject: RE: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Mr. Smith,
Unfortunately, when your e-mail is printed to a hard copy, not all of the information appears clear/readable. The PDF document has been scanned twice, reviewed and the version online of your e-mail is the best PDF available.

The only thing i can suggest is to file a hard copy of the information through the U. S. mail, with a cover letter identifying the Docket No. and the explanation for the filing. If the Clerk's Office receives a hard copy of a document that is clear/readable, then the PDF version online should be clear/readable.

Thank you,
Marguerite H. McLean
Public Service Commission
Office of Commission Clerk
850-413-6770

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, October 15, 2010 2:42 PM
To: Marguerite McLean
Cc: Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé; Lisa Bennett
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

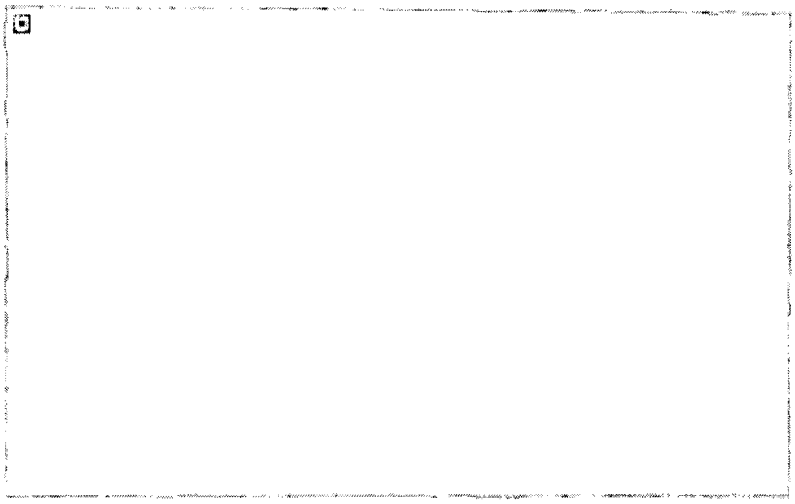
Dear Ms. Mclean,

I took a look at the "Docket correspondence - Parties and Interested Persons." in Docket 100410-EI file. I noticed that the images from my email have not been scanned correctly into the file. Do you have any idea why this has happened?

Attached is a PDF file of the email. I do not understand why you were not able to produce the images in the file with the scan. This has happened with a lot of the file correspondence in which there were calculations in the emails.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com.

Thanks,



10/5/2010

Thanks,

10/29/2010

Robert H. Smith

Confidentiality Statement

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, October 15, 2010 8:54 AM
To: Marguerite McLean <mmclean@psc.state.fl.us>
Cc: 'Office Of Commissioner Edgar'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Lisa Bennett'
Subject: RE: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Dear Ms. Mclean,

Thanks,

Robert H Smith

Confidentiality Statement

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From: Marguerite McLean [mailto:mmclean@psc.state.fl.us]
Sent: Friday, October 15, 2010 8:21 AM
To: rpjrb@yahoo.com
Cc: Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé; Lisa Bennett
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Mr. Smith:
Your name has been added as an interested party in Docket 100410-EI.
A copy of this e-mail will be placed in *"Docket correspondence - Parties and Interested Persons."* in Docket 100410-EI.

10/29/2010

Marguerite H. McLean
Public Service Commission
Office of Commission Clerk
850-413-6770

From: Ann Cole
Sent: Friday, October 15, 2010 8:00 AM
To: Marguerite McLean
Cc: Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé; Lisa Bennett
Subject: RE: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Good morning, Marguerite,

Please add Robert H. Smith as an interested party in Docket 100410 and respond.

Thank you.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, October 14, 2010 6:54 PM
To: Office Of Commissioner Edgar; Office of Commissioner Argenziano; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé
Cc: Lisa Bennett; Ann Cole
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Dear Commission Staff,

I would like to be added as an interested party in Docket 100410 Review of Florida Power & Light Company's earnings.

My contact information is:

Robert H. Smith
11340 Heron Bay Blvd. #2523
Coral Springs, FL 33076
Email: rpjrb@yahoo.com

Thanks,

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Monday, October 04, 2010 4:23 PM
To: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham <Commissioner.Graham@psc.state.fl.us>'; 'Office of Comissioner Brise <commissioner.Brise@psc.state.fl.us>'
Cc: 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Subject: FW: Will high profit margin for FPL mean refund for customers?

Dear Commissioner's and Ms. Bennett,

This is for your information. Is there an assumption list for the current rate case with regard to debt/equity financing including refinancing assumptions?

I think that all of my email correspondence should probably be made part of the hearing record just like the two other public people who have been entered into the record. Email or verbal correspondence if it is important to this case should be made part of the public record.

Thanks,

Robert H. Smith

Confidentiality Statement

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Monday, October 04, 2010 4:13 PM
To: jvpatel@sun-sentinel.com; jpatel@sunsentinel.com; meklas@MiamiHerald.com; susan_salisbury@pbpost.com; dara_kam@pbpost.com; aclough@pbpost.com; tim_Burke@pbpost.com
Subject: FW: Will high profit margin for FPL mean refund for customers?

To all,

I sent this to the nominating council. This is for all of your information as to my background and how involved I was with the preparation of these cases.

I want to make sure that if any of the newspapers uses any of this information in any of their reporting that my email correspondence is referenced as per the disclosures below. This includes all attachments and email correspondence.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or give me a call.

Thanks,

Robert H. Smith

Confidentiality Statement

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Monday, October 04, 2010 4:04 PM
To: 'bennett.mike.web@flsenate.gov'; 'atwater.jeff.web@flsenate.gov'; 'larry.cretul@myfloridahouse.gov'; 'tracy.duda-chapman@duda.com'; 'steve.precourt@myfloridahouse.gov'; 'mark.pafford@myfloridahouse.gov'; 'oelrich.steve.web@flsenate.gov'; 'dave.murzin@myfloridahouse.gov'; 'joyner.arthenia.web@flsenate.gov'; 'Bbeaudet@pbcwater.com'; 'scott@lawyers-jacksonville.com'; 'ennis.connie@leg.state.fl.us'
Cc: 'Charlie.Crist@MyFlorida.com'; 'Bill@billnelson.senate.gov'; 'rpjrb@yahoo.com'
Subject: FW: Will high profit margin for FPL mean refund for customers?

Dear Nominating Council,

Here are some of my evaluations with regard to preparing these cases. I was primarily responsible for preparing these cases in detail. I was primarily responsible for full balance sheet, profit & loss and cash flow forecasting.

This included calculations of over earnings, modeling of cost of money financing/refinancing assumptions, calculation of debt/equity ratios for GAAP purposes, work on 10K disclosure issues as it pertained to both GAAP and Ratemaking issues.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or give me a call to discuss.

Balance for all of the interested parties is very important to this process.

Thanks,

Robert H. Smith

PERFORMANCE RATING DEFINITIONS

Use the rating scale below when evaluating the employee's performance objectives:

1. PERFORMANCE SIGNIFICANTLY EXCEEDS ALL JOB STANDARDS IN TERMS OF QUALITY AND QUANTITY. ACHIEVEMENTS ARE EXCEPTIONAL AND CONSISTENTLY EXCEED EXPECTED RESULTS.

2. PERFORMANCE CONSISTENTLY EXCEEDS MOST JOB STANDARDS IN BOTH QUALITY AND QUANTITY. ACHIEVEMENTS EXCEED EXPECTED RESULTS.

3. PERFORMANCE MEETS ALL EXPECTED REQUIREMENTS OF THE POSITION AND IS CLEARLY IN ACCORD WITH JOB DEMANDS.

4. PERFORMANCE MEETS SOME BUT NOT ALL EXPECTED JOB REQUIREMENTS. FURTHER IMPROVEMENT IS REQUIRED.

5. PERFORMANCE DOES NOT MEET BASIC REQUIREMENTS OF THE JOB. IMMEDIATE ATTENTION AND ACTION IS REQUIRED.

ACTUAL RESULTS AND COMMENTS	RATING 5	4	3	2	1
Rob is the department's lead person in maintaining the CFM data base, logic and reports, with some assistance from the section's other financial analyst. CFM is now fully downloaded into the PC environment and was used in the recent Compliance Filing effort.				X	
Rob's PC knowledge is a valuable asset to Financial Planning. However, the need for a department PC coordinator has diminished over time due to the establishment of new procedures such as AMPS. In the future, Rob will no longer be evaluated on this objective, although he will be expected to provide support to department personnel if it is necessary.			X		
Rob's duties include the preparation of the monthly Outlook Forecast. He works independently in gathering and modelling the revised forecast data and performing variance analyses. Rob is creative in his analysis of the data and is often consulted directly by the Company's Chief Financial Officer on such matters. He also did a good job of quickly revising the 1995 earnings plan in July to accurately reflect the impacts of the electric rate decision.				X	
Rob played a major role in the preparation of the electric and gas Compliance Filings in September. He made a good effort in dealing with major assumption changes in the week before the filing and he had good working relationships with other members of this project.				X	
Rob has assisted in performing analyses on miscellaneous topics when requested. His work on OPEB's related to FAS106 was very helpful as part of a project that is critical to the development of strategic plans for LILCO.			X		

ACTUAL RESULTS AND COMMENTS	RATING 5	4	3	2	1
Rob is the department's lead person in maintaining the CFM data base, logic and reports, with some assistance from the section's other financial analyst. CFM is now fully downloaded into the PC environment and was used in the recent Compliance Filing effort.				X	
Rob's PC knowledge is a valuable asset to Financial Planning. However, the need for a department PC coordinator has diminished over time due to the establishment of new procedures such as AMPS. In the future, Rob will no longer be evaluated on this objective, although he will be expected to provide support to department personnel if it is necessary.			X		
Rob's duties include the preparation of the monthly Outlook Forecast. He works independently in gathering and modelling the revised forecast data and performing variance analyses. Rob is creative in his analysis of the data and is often consulted directly by the Company's Chief Financial Officer on such matters. He also did a good job of quickly revising the 1995 earnings plan in July to accurately reflect the impacts of the electric rate decision.				X	
Rob played a major role in the preparation of the electric and gas Compliance Filings in September. He made a good effort in dealing with major assumption changes in the week before the filing and he had good working relationships with other members of this project.				X	
Rob has assisted in performing analyses on miscellaneous topics when requested. His work on OPEB's related to FAS106 was very helpful as part of a project that is critical to the development of strategic plans for LILCO.			X		

ACTUAL RESULTS AND COMMENTS	RATING 5	4	3	2	1
Rob takes the lead role in maintaining the consolidated financial model data base, logic and reports, with assistance from the section's other short range modelling analyst. He has made comparison tests of the mainframe and PC versions of CFM and is providing assistance to the department programmer to resolve the printing problems that exist in the PC version.				X	
Rob's extensive knowledge of the PC environment is highly regarded. He has downloaded the Revenue/Fuel model from the mainframe onto the PC, which will ultimately help Financial Planning's budget by reducing mainframe computer charges.				X	
Rob took the lead role in putting together the 1995 Profit Plan, with some assistance from other members of the section. He did an excellent job, considering the difficulties of forecasting the 1995 rate year without benefit of a final Opinion and Order. Rob also has the responsibility of preparing the monthly Outlook forecast; loading actuals, gathering and modelling revised forecast data, performing variance analysis, and communicating the results to senior management and the business units.					X
Rob's assistance in the modelling of the September gas compliance filing was helpful to the successful completion of that project.			X		
Currently, there are no plans to have Rob train on the new long range model. However, on his own initiative, Rob cross-trained on the quarterly excess earnings and the monthly RMC and LRPP deferrals.			X		

ACTUAL RESULTS AND COMMENTS	RATING 5	4	3	2	1
Rob has continued to maintain the consolidated financial model data base, logic and reports as expected. Rob shows a real talent for programming and often implements logic changes in order to modify the financial model to satisfy the requirements of senior management.			X		
Rob prepares the monthly outlook forecast for senior management. Rob does a good job of analyzing and explaining variances between actual and forecasted amounts and extrapolating their impact on year-end results.			X		
Rob played a lead role in the preparation of the September electric rate filing ordered by the Public Service Commission. He completed the project on a timely basis under the severe time constraints imposed by the PSC and dealt with internal delays effectively. Rob worked smoothly with the section's other Financial Analyst on this assignment. He has also provided technical assistance to accounting in the preparation of footnotes to the quarterly financial statements with respect to ratemaking issues.				X	
Rob put forward an outstanding effort in the modelling of the long-term Gas Cost of Service Study. This assignment required him to make extensive modifications to CFM in order to run for a five year period. He is currently in the process of updating the study to reflect the latest electric forecasts that will enable him to put together a long-term electric Cost of Service.				X	

F.T.
2/12/97

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the original.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Monday, October 04, 2010 3:22 PM
To: 'bennett.mike.web@flsenate.gov'; 'atwater.jeff.web@flsenate.gov'; 'larry.cretul@myfloridahouse.gov'; 'tracy.duda-chapman@duda.com'; 'steve.precourt@myfloridahouse.gov'; 'mark.pafford@myfloridahouse.gov'; 'oelrich.steve.web@flsenate.gov'; 'dave.murzin@myfloridahouse.gov'; 'joyner.arthenia.web@flsenate.gov'; 'Bbeaudet@pbcwater.com'; 'scott@lawyers-jacksonville.com'; 'ennis.connie@leg.state.fl.us'
Subject: FW: Will high profit margin for FPL mean refund for customers?

To the PSC Nominating Council,

This is for your information. This is a very important issue. Balance must be maintained.

I think that all of my email correspondence should probably be made part of the hearing record just like the two other public people who have been entered into the record. Email or verbal correspondence if it is important to this case should be made part of the public record.

Please send a copy of this email to the following people who I do not have an email address for:

Mike Hightower

Gerri McPherson

John Vogt

Do you have these email addresses?

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Monday, October 04, 2010 3:13 PM
To: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham <Commissioner.Graham@psc.state.fl.us>'; 'Office of Comissioner Brise <commissioner.Brise@psc.state.fl.us>'
Cc: 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Subject: FW: Will high profit margin for FPL mean refund for customers?

Dear Commissioner's and Ms. Bennett,

This is for your information. Is there an assumption list for any refinancing assumptions in the rate case? This is why I had the rate of return surveillance reports sent to me a long time ago from the Commission. This would be the measure to calculate any over earnings at the company. It would be interesting to see if there are any refinancing assumptions in the current rate case that model lower interest rates. Do you have this information?

I asked if there was a sharing mechanism for over earnings with my original emails to the Commission. This was last year.

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Monday, October 04, 2010 3:02 PM
To: 'Patel, Julie <jvpatel@sun-sentinel.com>'; 'jpatel@sunsentinel.com'
Cc: 'meklas@MiamiHerald.com'; 'susan_salisbury@pbpost.com'; 'dara_kam@pbpost.com'; 'aclough@pbpost.com'; 'tim_Burke@pbpost.com'
Subject: Will high profit margin for FPL mean refund for customers?

Dear Ms. Patel,

I have brought this issue up over a year ago with my original requests to the Florida Public Service Commission since I was concerned with this type of approach. Usually a Utility has incentive payments based upon approved Public Service Commission goals. Any over earnings that are derived from Utility Operations should be returned 100% to the customer since these incentive payments are made based upon benchmarks that have been set by the Company/Commission for performance benchmarks. This is why an allowed Return on Equity is set by the Commission.

This is why I brought up all these issues back in April 2009. I specifically asked the Commission Staff about any sharing mechanisms regarding overearnings.

The return on equity that is being set for the Company should be set based upon a balance of the needs of shareholders and ratepayers. This return on equity is set to give a shareholder a return on their investment. Any over earnings should be given back if they are generated by Utility operations.

If they set precedence with regard to keeping over earnings that are being generated by Utility operations then what is going to happen with the asset sales that I have been asking about?

Seabrook Asset Transfer

FPL Fibernet Assets

Any type of asset transfer where there is a gain on sale for both book/tax purposes. These gains might be very large and should be given back to the ratepayers/customers since they financed/paid for the assets through their rates. The shareholder gets a return through their return on equity therefore there would be no need to keep any over earnings.

Any over earnings due to refinancing of their Utility debt would lower their cost of money. If their actual earnings come in higher due to the cash rates being set on a higher cost of service, then any over earnings generated for the reduction of interest cost due to refinancing of debt should be given back to the ratepayer 100%. This would be trued up with an over earnings calculation through a reduced cost of money. I have provided this type of analysis in my prior email regarding the refinancing of the debt. If this is a driver of over earnings, then the Utility ratepayer should benefit by these savings in their cash rates as well. What were the interest rate assumptions in the ratecase? Did they model any refinancing of the Utility debt at lower rates? If they did then this would be reflected in the cost of money as a reduced interest rate for Long term Debt. If they used interest rate assumptions for refinancing that is higher than what they can refinance their debt on the open market then this would cause the cost of money for Long term debt to be higher. This would lead to the Company to ask for more in cash rates. Likewise if the actual refinancing of their debt comes in lower than their model assumptions for the ratecase, the ratepayers should benefit for any interest cost savings.

Again the shareholder receives their return on equity based upon an approved rate of return.

Equity always will cost more than debt.

This is a very important issue to take a look at.

I saw that the Company was pursuing a settlement agreement for a base rate freeze. Would this be a good idea if their cost of service might be reduced due to the economy? Lower borrowing costs etc.

From a Company perspective they would want to keep the cash rates the same. From a ratepayer's perspective they would want to benefit for any reduction of costs due to the Economy. Lower borrowing costs etc.

If the Commission decides to let them keep any earnings over their allowed rate of return and there is an agreement to freeze cash base rates then how would there be balance for the ratepayer/shareholder?

The shareholder might benefit by the overearnings and the ratepayer might not see a cash reduction in rates for over earnings and reductions in costs (interest etc.) by nature of a base rate freeze.

Balance must be maintained between the ratepayers and shareholders.

I received an email from one of the Board of Directors of the Company. I have been told that I will be hearing from Mr. Hay and Mr. Sieving regarding my accounting questions that I would need answered since I am a shareholder of the Company as well. I have not heard back as of today but I received an email from one of the directors.

It will be very interesting to see how the Commission will rule.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or give me a call.

Hopefully there are not typo(s). I will check.

Thanks,

Robert H. Smith

House Keys

Buying, selling, insuring your property

<< Previous entry: Are Florida home insurers spending too much on overhead?

Will high profit margin for FPL mean refund for customers?

By Julie Patel October 4, 2010 09:35 AM
Regulators are exploring whether FPL should refund to customers a profit on shareholders' investment this year that may exceed the 11 percent cap approved for the company.
The Public Service Commission staff plans to issue a recommendation today about the issue. In January, the PSC rejected all but 6 percent of Florida Power & Light's proposed $1.27 billion rate hike. As part of the decision, the commission approved a return on equity of 9 percent to 11 percent.
FPL Attorney John Butler wrote last week that a refund is not warranted because the profit margin, as it's measured to set rates, did not exceed 11 percent; the record cold weather in January and hot weather in June led to a spike in electricity sales and utilities shouldn't be rewarded or punished for unusual weather; and the PSC doesn't have the authority order a refund because it would be considered "retroactive ratemaking."
Butler encouraged the PSC to approve the rate freeze agreement FPL, the Attorney General's office and consumer groups "worked long and hard to negotiate" as an alternative to weighing the idea of a refund.
FPL, the state's largest utility, reported a 24 percent increase in net income in the second quarter compared to the year before and a 50 percent increase in net profit in the first quarter.

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, September 22, 2010 1:51 PM
To: 'jpatel@sunsentinel.com'
Subject: FW: Overall Cost of money Caluclations for $400 Million refinance/equity issuance / FW: Preliminary 2008 10K questions 8th Request / Robert H. Smith Investor

Dear Ms. Patel,

Here is the latest that I have sent to the both the Nominating Council and the Commission.

I think that some of my email correspondence should be made part of the hearing record just like the other two people who got to enter their testimony into the record. Balance must be maintained with these cases. I am concerned that new Commissioner's are being appointed. There really is no reason for this as long as there is full accounting transparency to directly debate the issues in both of these cases.

Hopefully I hear back from Florida Power & Light regarding my concerns with the new debt and equity that has been issued.

I want to make sure that if any of the newspapers uses any of this information in any of their reporting that my email correspondence is referenced as per the disclosures below. This includes all attachments and email correspondence.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or give me a call.

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, September 22, 2010 1:38 PM
To: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham <Commissioner.Graham@psc.state.fl.us>'; 'Office of Comissioner Brise <commissioner.Brise@psc.state.fl.us>'
Cc: 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Subject: FW: Overall Cost of money Caluclations for $400 Million refinance/equity issuance / FW: Preliminary 2008 10K questions 8th Request / Robert H. Smith Investor

Dear Commissioner's and Ms. Bennett,

I am sending this to the Commissioner's as well since there was a **typo** that I just had noticed. I have forwarded my email that I had sent to the Nominating Council since I feel that everyone should be kept in the loop regarding these two ratecases. Considering what has been going on I want to make sure that any new Commissioner's receive my email correspondence with regard to the issues and concerns that I have about the balance in these two ratecases.

I have sent an email to two Board members at Florida Power & Light to see if they can facilitate a response from Mr. Hay and Mr. Sieving. I want to see the actual accounting behind the new issuances of debt and equity at the company. In addition, there are other emails that have to be answered as well in which I have not received a response as of today.

Balance must be maintained with these cases and when new Commissioner's are appointed they will have to get up to speed with all the old testimony and public correspondence that is available with these cases.

Once the two new Commissioners come on board I will send my email correspondence to them as well.

I think that all of my email correspondence should probably be made part of the hearing record just like the two other public people who have been entered into the record. Email or verbal correspondence if it is important to this case should be made part of the public record.

Hopefully we have the final Commissioner's for these cases. What has been going on does not appear to be in the best interest of both the ratepayers and the Company.

If all the accounting is made fully transparent then I am sure that these cases can be decided very quickly with balance being maintained for all the interested parties in this case.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com.

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, September 22, 2010 1:17 PM
To: 'bennett.mike.web@flsenate.gov'; 'atwater.jeff.web@flsenate.gov'; 'larry.cretul@myfloridahouse.gov'; 'tracy.duda-chapman@duda.com'; 'steve.precourt@myfloridahouse.gov'; 'mark.pafford@myfloridahouse.gov'; 'oelrich.steve.web@flsenate.gov'; 'dave.murzin@myfloridahouse.gov'; 'joyner.arthenia.web@flsenate.gov'; 'Bbeaudet@pbcwater.com'; 'scott@lawyers-jacksonville.com'; 'ennis.connie@leg.state.fl.us'
Subject: FW: Overall Cost of money Caluclations for $400 Million refinance/equity issuance / FW: Preliminary 2008 10K questions 8th Request / Robert H. Smith Investor

To the PSC Nominating Council,

I fixed a typo with the previous email. I know that Mr. Bennett's office (MACMENOMAY.JENNIFER.S21@flsenate.gov) has picked up the email below. I am resending to everyone to keep everyone in the loop regarding the issues that are very important with the case. The reason why the Nominating Council has to get involved is that it appears that new Commissioner's are being appointed and I want to make sure that all of the remaining and newly appointed Commissioner's receive all the email correspondence that I have sent to the Florida Public Service Commission regarding this case. This information has been made part of the public record but there was not mention of it in the hearings. I do not understand why this was not made part of the record just like the two other people who got to address the Commission. Email and verbal communication to me would be exactly the same thing therefore I would have thought that all my email correspondence would have been made part of the hearings just like the opportunity was afforded to two other people with these proceedings. I contacted the Board of Directors at Florida Power & Light regarding the newly issued debt and common equity since I want to see the actual accounting behind these transactions. This might have an impact on the two ratecase proceedings and this is very important to both the ratepayers and/or shareholders of this company.

Once the new Commissioner's are appointed and put into place I will be sending all my email correspondence to them as well.

Hopefully I hear back from the Audit /Finance and Investment Directors from Florida Power & Light regarding the debt/equity issues as well as my former email correspondence that has not been answered. I have sent numerous emails to Mr. Hay and Mr. Sieving from a shareholders perspective to find out the actual accounting behind the Holding Company structure at the Company. I have not heard back from them so I sent an email to the two directors on the Board to see if they can facilitate a response to my emails.

This is the transparency that is needed to fully and accurately take a look at the issues surrounding both Docket No 080677-EI Petition for increase in rates by Florida Power & Light Company and Docket No 100009 Nuclear cost recovery clause.

I am sending this information to the Nominating Council to make sure that the information that I have been sending to the Commissioner's is being considered with regard to this case.

This email correspondence would serve as a resume for the proper skill set that would be needed to make unbiased and balanced decisions with any ratecase type proceeding.

Please send a copy of this email to the following people who I do not have an email address for:

Mike Hightower

Gerri McPherson

John Vogt

Do you have these email addresses?

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com.

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, September 15, 2010 3:55 PM
To: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham <Commissioner.Graham@psc.state.fl.us>'; 'Office of Comissioner Brise <commissioner.Brise@psc.state.fl.us>'
Cc: 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Subject: Overall Cost of money Caluclations for $400 Million refinance/equity issuance / FW: Preliminary 2008 10K questions 8th Request / Robert H. Smith Investor

To all,

Attached is a preliminary/revised overall cost of money calculation to run scenarios for the issuance of $400 million of equity with a refinancing of $400million of debt at the same rate and at a reduced Long Term Debt rates. Any change in the equity ratio will give rise to increased revenue requirements. The question still has to be asked about a ratings drop based upon the equity ratios at the company? How much of an impact would there be based upon a certain percentage drop in the equity ratio? If it is minimal and it cannot compensate for the increase in revenue requirements as outlined by the assumptions below then it would not make sense to issue equity instead of refinancing the debt. Again the collateral question would come into play for each debt or equity issuance.

I have not heard any testimony about what it would cost in increased Long Term Debt interest for a lower equity ratio. This question should be answered.

Here is the overall cost of money revised for the following assumptions:

Refinance $400 million at the same debt rate / Issuance of $400 million of common equity will cost $11.8 Million in increase revenue requirements. (Cost the Customer more in rates)

Refinance $400 million at $3.50% overall cost of money / Issuance of $400 million of common equity will cost $15.6 Million in increased revenue requirements. (Cost the Customer more in rates)

Once the Equity ratio is changed for the issuance of equity the capital ratios will provide more weight to equity which will increase revenue requirements. (Cost the Customer more in rates)

Equity will always cost more than debt unless interest rates on Long Term Debt rises to make the cost of capital for Long Term Debt to be higher than Common Equity (ROE 10%). This might not occur since a higher ROE (10%) would probably be asked for in a market with higher Long Term Debt Interest rates. If the Long Term Debt rates are less risky than equity then Equity would command a higher rate of return to make the purchasing of common equity attractive.

Hopefully I hear back from Mr. Hay and Mr. Sieving since this balance is critical. This mix might have an impact on the Nuclear Uprates case (100009) as well.

I will review what I had put together and I will let you know if there are any changes. I did this quick to see what the potential impacts can be on the revenue requirements if equity is issued instead of debt.

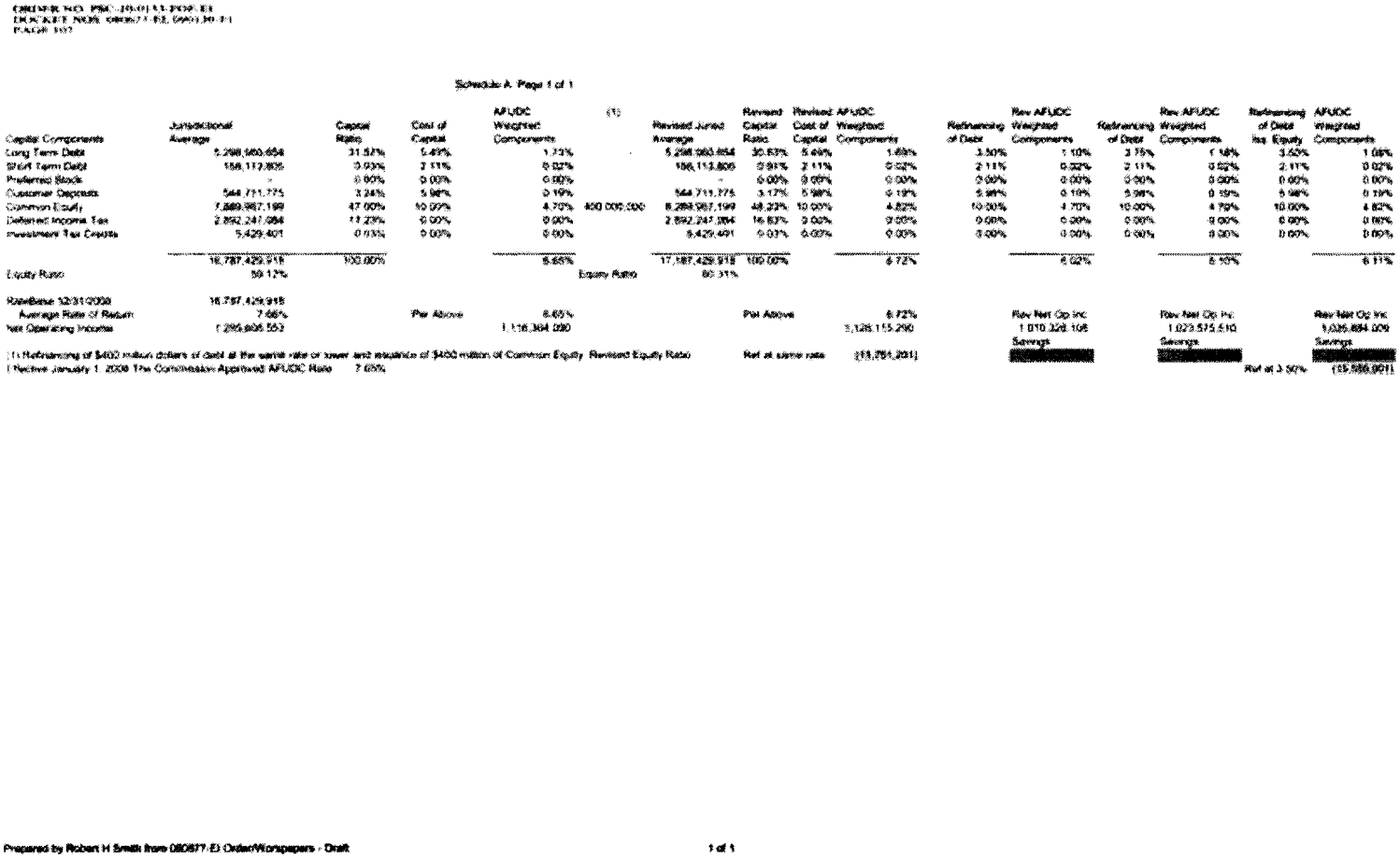
If any of this information is used then I want to make sure that I receive credit for any of my knowledge that I have provided with this case. I want to make sure that balance is maintained for the shareholder's and ratepayers.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com.

Hopefully there are no typo(s).

Thanks,

Robert H. Smith



Schedule A Page 1 of 1

Capital Components	Jurisdictional Average	Capital Ratio	Cost of Capital	AFUDC Weighted Components	(1)	Revised Jurisd Average	Revised Capital Ratio	Revised Cost of Capital	Revised AFUDC Weighted Components	Refinancing of Debt	Rev AFUDC Weighted Components	Refinancing of Debt	Rev AFUDC Weighted Components	Refinancing of Debt less Equity	AFUDC Weighted Components
Long Term Debt	5,298,660,654	31.53%	5.49%	1.73%		5,298,660,654	30.53%	5.49%	1.68%	3.50%	1.10%	3.75%	1.18%	3.62%	1.08%
Short Term Debt	158,113,805	0.93%	2.11%	0.02%		158,113,805	0.91%	2.11%	0.02%	2.11%	0.02%	2.11%	0.02%	2.11%	0.02%
Preferred Stock	-	0.00%	0.00%	0.00%		-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Customer Deposits	544,711,775	3.24%	5.98%	0.19%		544,711,775	3.17%	5.98%	0.19%	5.98%	0.19%	5.98%	0.19%	5.98%	0.19%
Common Equity	7,889,987,199	47.00%	10.00%	4.70%	400,000,000	8,289,987,199	48.23%	10.00%	4.82%	10.00%	4.70%	10.00%	4.70%	10.00%	4.82%
Deferred Income Tax	2,892,247,084	17.23%	0.00%	0.00%		2,892,247,084	16.83%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Investment Tax Credits	5,429,491	0.03%	0.00%	0.00%		5,429,491	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	16,787,429,918	100.00%		6.65%		17,187,429,918	100.00%		6.72%		6.02%		6.10%		6.11%
Equity Ratio	59.12%				Equity Ratio	60.31%									
RateBase 12/31/2009	16,787,429,918														
Average Rate of Return	7.66%		Per Above	6.65%				Per Above	6.72%		Rev Net Op Inc		Rev Net Op Inc		Rev Net Op Inc
Net Operating Income	1,286,606,553			1,116,384,080					1,128,155,290		1,010,328,108		1,023,575,510		1,026,884,009
											Savings		Savings		Savings
(1) Refinancing of $400 million dollars of debt at the same rate or lower and issuance of $400 million of Common Equity Revised Equity Ratio								Ref at same rate		(11,754,201)					
Effective January 1, 2008 The Commission Approved AFUDC Rate	7.65%													Ref at 3.50%	(15,566,001)

Prepared by Robert H Smith from 080677-EI Order/Workpapers - Draft

1 of 1

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, September 15, 2010 2:11 PM
To: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham <Commissioner.Graham@psc.state.fl.us>'; 'Office of Comissioner Brise <commissioner.Brise@psc.state.fl.us>'
Cc: 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Subject: FW: Preliminary 2008 10K questions 8th Request / Robert H. Smith Investor

Dear Commissioner's and Ms. Bennett,

I noticed a **typo.**

Thanks,

10/29/2010

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, September 15, 2010 2:01 PM
To: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham <Commissioner.Graham@psc.state.fl.us>'; 'Office of Comissioner Brise <commissioner.Brise@psc.state.fl.us>'
Cc: 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Subject: FW: Preliminary 2008 10K questions 8th Request / Robert H. Smith Investor

Dear Commissioner's and Ms. Bennett,

I sent this email to FPL as a shareholder to find out what the exact accounting will be for the issuance of these equity units. I want to make sure that they will not have an impact on the Utility Cost of Service since equity is usually more expensive than debt.

Hopefully I hear back from Mr. Hay and Mr. Sieving since this would be very important to know going forward. Based upon the language it appears that there should be no impact but I want to make sure that this is the case since the Prospectus is very involved.

I also asked about the collateralization of these securities as it relates to this issuance. I would like to know which assets are being used as collateral. Since it appears that they are using the financing company (FPL Group Capital Inc.) I thought that the collateral questions would be a very important issue.

In addition, below when I talked about refinancing the debt at lower rates to create savings, if equity is issued in addition to refinancing the debt the overall cost of money might not be impacted since any issuance of common equity will cost more than a debt issuance. For example:

Issuance of $400 million of debentures that might be used to refinance debt to lower the long term debt rates. If there is a corresponding issuance of equity of $400 million dollars to offset the debt refinancing than just based upon the Cost of Capital of (2.6% Long term debt rate) versus (equity cost of capital of 10%) the overall cost of money might not change or even go **up.** This might cause in increase in the level of operating income that would be earned at the Utility. (ratebase x overall cost of money (i.e. 6.65%)).

Was any issuance of common equity modeled into the existing ratecase? Docket Nos. 080677-EI.

This would be very important to take a look at.

Thanks,

Robert H. Smith

ORDER NO. PSC-10-0153-FOF-EI
DOCKET NOS. 080677-EI, 090130-EI
PAGE 157

Schedule A: Page 1 of 1

Capital Components	Jurisdictional Average	Capital Ratio	Cost of Capital	AFUDC Weighted Components	Refinancing of Debt	Rev AFUDC Weighted Components	Refinancing of Debt	Rev AFUDC Weighted Components
Long Term Debt	5,298,960,654	31.57%	5.49%	1.73%	3.50%	1.10%	3.75%	1.18%
Short Term Debt	156,113,805	0.93%	2.11%	0.02%	2.11%	0.02%	2.11%	0.02%
Preferred Stock	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Customer Deposits	544,711,775	3.24%	5.98%	0.19%	5.98%	0.19%	5.98%	0.19%
Common Equity	7,889,867,189	47.00%	10.00%	4.70%	10.00%	4.70%	10.00%	4.70%
Deferred Income Tax	2,892,247,064	17.23%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Investment Tax Credits	5,429,401	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	16,787,429,918	100.00%		6.65%		6.02%		6.10%
Equity Ratio	59.12%							
RateBase 12/31/2005	16,787,429,918							
Average Rate of Return	7.66%		Per Above	6.65%		Rev Net Op Inc		Rev Net Op Inc
Net Operating Income	1,285,608,553			1,116,364,090		1,010,328,108		1,023,575,510
						Savings		Savings
Effective January 1, 2006 The Commission Approved AFUDC Rate is		7.66%						

Prepared by Robert H Smith from 080677-EI Order/Workpapers - Draft 1 of 1

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, September 15, 2010 1:37 PM
To: 'Lew_Hay@fpl.com'; 'Charles_Sieving@fpl.com'; 'Investors@fpl.com'
Subject: FW: Preliminary 2008 10K questions 8th Request / Robert H. Smith Investor

Dear Mr. Hay and Mr. Sieving,

Thanks in advance for your help.

If you would be so kind I have another question in addition to the previous emails below.

Please provide the accounting for the new issuance of the equity units as per the Prospectus below. This accounting should show the journal entries as per entity on the issuance of these equity units. For example:

Debit Cash $402.5 Million / FPL Group Capital Inc. Is this the proper company?

Credit Common Equity $402.5 Million Will this be put on FPL Group Capital's Inc's books? If not, let me know which company this equity will reside.

What is the collateral that is backing the issuance of these securities?

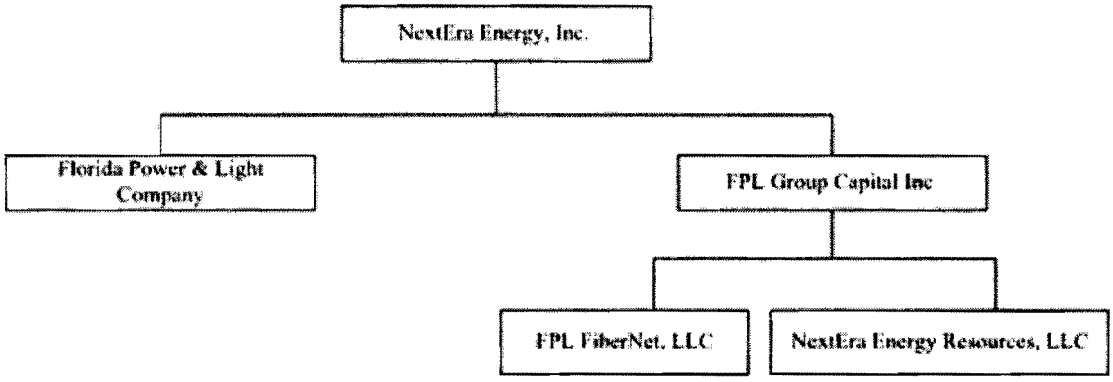
When it talks about a debenture conversion (term sheet 1.90 %?) will these equity units be converted into debentures? If so, then what will the collateral be to back the debentures?

Will any of these entries impact Florida Power & Light Company? I would like to know if the cost of service for the Utility (Common Equity) will be impacted by this issuance.

Thanks,

Robert H. Smith

The organizational structure of NextEra Energy and its principal subsidiaries is shown in the following diagram.



NextEra Energy to raise $403M in equity

NextEra Energy to sell up to $402.5 million in equity units

Associated Press Share 0 Email Print

Companies: Gas Natural Inc. FPL Group Capital Inc Jr Sub De NextEra Energy, Inc.

On Wednesday September 15, 2010, 10:54 am EDT

JUNO BEACH, Fla. (AP) -- NextEra Energy Inc., which owns Florida Power & Light Co., said Wednesday it plans to raise up to $402.5 million by selling equity units.

The Juno Beach energy company said proceeds of the sale will go to a general fund that pays for independent power projects and other administrative purposes.

The equity units consist of a contractual right to purchase NextEra Energy common stock in the future and a 5 percent undivided beneficial ownership interest in an FPL Group Capital Inc. debenture due Sept. 1, 2015, in the principal amount of $1,000.

The deal is expected to close Sept. 21.

NextEra shares fell $1.46, nearly 3 percent, to $53.56 in morning trading.

333-160987-02, 333-160987-03,
333-160987-04, 333-160987-05,
333-160987-06, 333-160987-07,
and 333-160987-08

The information in this preliminary prospectus supplement is not complete and may be changed. Neither this preliminary prospectus supplement nor the accompanying prospectus is an offer to sell the securities described herein and neither is soliciting any offer to buy these securities in any jurisdiction where the solicitation, offer to sell is not permitted.

Subject to Completion
Preliminary Prospectus Supplement dated September 14, 2010

PROSPECTUS SUPPLEMENT
(To prospectus dated August 3, 2009)

7,000,000 Equity Units

NEXTera ENERGY

(Initially Consisting of 7,000,000 Corporate Units)

This is an offering of Equity Units by NextEra Energy, Inc. ("NextEra Energy"), formerly known as FPL Group, Inc. Each Equity Unit will have a stated amount of $50 and will consist of (1) a purchase contract issued by NextEra Energy and (2) initially a 1/20, or 5%, undivided beneficial ownership interest in a Series D Debenture due September 1, 2015 issued in the principal amount of $1,000 by FPL Group Capital Inc ("FPL Group Capital"), a wholly-owned subsidiary of NextEra Energy, which is referred to as a Corporate Unit.

- The purchase contract will obligate holders of Equity Units to purchase from NextEra Energy, no later than September 1, 2013, for a price of $50 in cash, the following number of shares of NextEra Energy common stock, subject to anti-dilution adjustments:
  - if the applicable market value of NextEra Energy common stock, which will be determined by reference to average closing prices of NextEra Energy common stock over the 20-trading day period ending on the third trading day prior to September 1, 2013, equals or is greater than the threshold appreciation price of $, shares of NextEra Energy common stock;
  - if the applicable market value is less than the threshold appreciation price of $, but greater than the reference price of $, a number of shares of NextEra Energy common stock having a value, based on the applicable market value, equal to $50; and
  - if the applicable market value is less than or equal to the reference price of $, shares of NextEra Energy common stock.
- The FPL Group Capital debentures will initially bear interest at a rate of % per year, payable quarterly in arrears. NextEra Energy has agreed to absolutely, irrevocably and unconditionally guarantee the payment of principal, interest and premium, if any, on the FPL Group Capital debentures. The FPL Group Capital debentures will be remarketed as described in this prospectus supplement. If this remarketing is successful, the interest rate on the FPL Group Capital debentures will be reset and thereafter interest will be payable semi-annually at the reset rate.
- NextEra Energy will also pay quarterly contract adjustment payments at a rate of % per year on the stated amount of $50 per Corporate Unit, or $ per year, subject to NextEra Energy's right to defer contract adjustment payments, as described in this prospectus supplement.
- The FPL Group Capital debentures will not trade separately from the Corporate Units unless and until substitution is made, the Corporate Units are settled early or the FPL Group Capital debentures are successfully remarketed, all as described in this prospectus supplement.

	commissions
FPL Group Capital Debenture Interest Rate:	1.90%
Contract Adjustment Payment Rate:	5.10% per year of the Stated Amount per Equity Unit, subject to NextEra Energy's right to defer contract adjustment payments, as described in the preliminary prospectus supplement dated September 14, 2010
Deferred Contract Adjustment Payments:	Deferred contract adjustment payments would accrue additional contract adjustment payments at the rate of 7.00% per year until paid, compounded quarterly
Payment Dates on Corporate Units:	March 1, June 1, September 1 and December 1, beginning December 1, 2010, subject to NextEra Energy's right to defer contract adjustment payments, as described in the preliminary prospectus supplement, dated September 14, 2010
Total Corporate Unit Cash Distribution Rate:	7.00% of the Stated Amount per Equity Unit

JUNO BEACH, Fla. (AP) -- Power-plant operator FPL Group Capital Inc. said Friday it sold $400 million in debentures.

The debentures bear interest at 2.6 percent per year and will mature Sept. 1, 2015. The debentures will be guaranteed by FPL Group Capital's parent company, NextEra Energy Inc.

The debentures were offered to the public at 99.967 percent of face value to yield 2.607 percent when held to maturity.

Net proceeds will be added to FPL Group Capital's general funds, which the company expects to use to repay debt.

Shares of FPL Group Capital rose 84 cents to close at $53.89.

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, July 02, 2009 11:58 AM
To: Lew_Hay@fpl.com; Charles_Sieving@fpl.com; Investors@fpl.com
Subject: FW: Preliminary 2008 10K questions 8th Request / Robert H. Smith Investor

Dear Mr. Hay and Mr. Sieving,

This is the 8th request and I am a shareholder. I need the email answered below. I have sent numerous requests and so far I have not heard from anyone.

What is going on? I know that your major shareholders would probably be in contact with FPL and I would think that from a shareholder perspective that I would receive the same treatment and respect with regard to receiving specific answers to my questions in my emails below.

How come there has been no response?

Thanks,

Robert H. Smith

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Tuesday, June 23, 2009 10:17 AM
To: 'Lew_Hay@fpl.com'; 'Charles_Sieving@fpl.com'; 'Investors@fpl.com'
Subject: Preliminary 2008 10K questions 7th Request / Robert H. Smith Investor

Dear Mr. Hay and Mr. Sieving,

What is the status with answering of the email correspondence below?

This is the 7th request.

Thanks,

Robert H. Smith

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Monday, June 15, 2009 10:08 AM
To: 'Lew_Hay@fpl.com'; 'Charles_Sieving@fpl.com'; 'Investors@fpl.com'
Subject: Preliminary 2008 10K questions 6th Request / Robert H. Smith Investor

Dear Mr. Hay and Mr. Sieving,

What is the status with answering of the email correspondence below?

This is the 6th request.

Thanks,

Robert H. Smith

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, June 05, 2009 1:19 PM
To: Lew_Hay@fpl.com; Charles_Sieving@fpl.com; Investors@fpl.com
Subject: FW: Preliminary 2008 10K questions 5th Request / Robert H. Smith Investor

Dear Mr. Hay and Mr. Sieving,

What is the status with the answering of the email correspondence below?

This is the 5th request.

Thanks,

Robert H. Smith

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, June 03, 2009 12:56 PM
To: Lew_Hay@fpl.com; Investors@fpl.com
Cc: Charles_Sieving@fpl.com
Subject: FW: Preliminary 2008 10K questions 4th Request / Robert H. Smith Investor

Dear Mr. Hay,

I sent this fax in order for you to obtain the appropriate information with regard to the email correspondence below.

Your help with this would be greatly appreciated.

Dear Mr. Sieving,

Your help with this matter would be greatly appreciated.

Thanks,

Robert H. Smith

From Preferred Customer to 1-561-691-7815 at 6/3/2009 12:45 PM 001/005

Classic PhoneTools

BVRP software

11340 Heron Bay Blvd #2523
Coral Springs Florida
33076
UNITED STATES

Phone:
Fax:

Message :

Dear Mr. Hay,

What is the status of handling this request? I have not heard back even from investor relations.

I would like to receive this information since the company is in the middle of a rate case. I do not want any of the information to be delayed since the rate case is proceeding forward and I think that the questions that I will be asking will be very easy to answer.

If you have any questions regarding the email below please do not hesitate to call me at (954)-340-4956 or (954)-798-6127.

In addition I can be contacted by email at rpjrb@yahoo.com.

Thanks,

Robert H. Smith

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From: Rob Smith	**To:** Florida Power & Light Group Mr. Lew Hay
Date: 6/3/2009	**Page(s):** 5

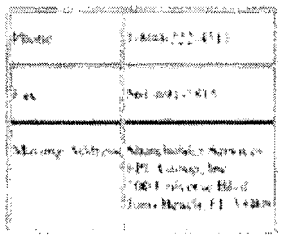
From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Wednesday, June 03, 2009 12:39 PM
To: 'Lew_Hay@fpl.com'; 'Investors@fpl.com'
Subject: FW: Preliminary 2008 10K questions 4th Request

Dear Mr. Hay,

What is the status of handling this request? I have not heard back even from investor relations.

I would like to receive this information since the company is in the middle of a rate case. I do not want any of the information to be delayed since the rate case is proceeding forward and I think that the questions that I will be asking will be very easy to answer.

I will be sending a fax to:



Thanks,

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Wednesday, June 03, 2009 12:39 PM
To: 'Lew_Hay@fpl.com'; 'Investors@fpl.com'
Subject: FW: Preliminary 2008 10K questions 4th Request

Dear Mr. Hay,

What is the status of handling this request? I have not heard back even from investor relations.

I would like to receive this information since the company is in the middle of a rate case. I do not want any of the information to be delayed since the rate case is proceeding forward and I think that the questions that I will be asking will be very easy to answer.

I will be sending a fax to:

Phone	1-800-222-4511
Fax	561-691-7815
Mailing Address	Shareholder Services FPL Group, Inc. 700 Universe Blvd. Juno Beach, FL 33408

Thanks,

Robert H. Smith

Confidentiality Statement

The documents accompanying this telecopy transmission contain information which is confidential and/or legally privileged. The information is intended only for the use of the individual or entity named on this transmission sheet. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this telecopied information is strictly prohibited, and the documents should be returned. In this regard, if you received this telecopy in error, please contact the sender by reply E-mail and destroy all copies of the original.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Tuesday, June 02, 2009 3:06 PM
To: Lew_Hay@fpl.com; Investors@fpl.com
Subject: Preliminary 2008 10K questions 3rd Request

Dear Mr. Hay,

What is the status of the handling of this request?

Thanks,

Robert H. Smith

Confidentiality Statement

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, May 29, 2009 10:55 AM
To: Investors@fpl.com
Cc: Lew_Hay@fpl.com
Subject: FW: Preliminary 2008 10K questions

To whom it may concern:

Please let me know if this information is available. It was indicated that FiberNet is a regulated entity. Please verify that this is the case.

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, May 28, 2009 1:44 PM
To: Investors@fpl.com
Subject: Preliminary 2008 10K questions

To whom it may concern:

I am a shareholder at FPL Group and I was taking a look at the 10K. I am in the process of becoming familiar with the financial statements of FPL Group.

If you could be so kind I would like a couple of preliminary questions answered regarding the 10K.

I would like a break out of the Corporate & Other that is on Page 97 in Section 16. Segment Information. Please describe the revenue inflow and expense outflows with detailed descriptions.

It shows operating revenues of $191 million and operating expenses of $190 million.

Please provide me with a list of regulated and non-regulated entities at FPL Group. Please provide the governing body of each entity. I have put together a preliminary list of what I could determine from the 10K.

Company	Incorporation	Regulated (Yes or No)	Primary Business Descrip.
FPL Group	1984	Parent Corp. Consold.	Regulated Utility/NextEra Energy/FPL Group Capital,FPL Operations(FiberNet)
FPL	1925	Yes	Regulated Supplier of Electric Service / Utility
FPL Group Capital	1984	Holding Company	Provides Capital Funding for Subsidiaries including NextEra Energy
NextEra Energy	1998	No ?	Competitive Energy Subsidiary / Clean & Renewable Fuels
FPL Group Operations/FPL FiberNet	2000	No ?	FPL Utility Fiber Optic Line Transfer to FPL FiberNet

Does FPL have a schedule of segmented cash flows for each entity?

Does FPL have a schedule of approved vendors? I know that the utility must put these contracts out to competitive bid.

Is FPL utilizing outside placement agencies for temporary personnel? If so, is this part of the competitive bidding process and is this list available?

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or call me at 954-798-6127.

Thanks,

Robert H. Smith

11340 Heron Bay Blvd. #2523

Coral Springs, Florida 33076

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FPSC, CLK - CORRESPONDENCE
Administrative √ Parties Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION:

080677-EI

Dorothy Menasco

From: Dorothy Menasco
Sent: Friday, October 29, 2010 2:52 PM
To: Ann Cole; Commissioners Advisors; Administrative Assistants - Commission Suite
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.
Attachments: PDFTools.HomePage - PDFToolsscreenprint10152010.pdf; Comissioneremail10142010654PMPrintoutwithjointoolemail.pdf

Thank you for this information. Mr. Smith is an interested person in Docket 080677-EI. Unless instructed otherwise, we will add this correspondence to ***Docket Correspondence - Parties and Interested Persons*** rather than Consumers and their Representatives.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

Please note: Florida has a very broad public records law. Most written communications to or from state officials regarding state business are public records available to the public and media upon request. Your e-mail communications may therefore be subject to public disclosure.

From: Ann Cole
Sent: Friday, October 29, 2010 10:42 AM
To: Office Of Commissioner Graham
Cc: Commissioners Advisors; Administrative Assistants - Commission Suite; Dorothy Menasco
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Thank you for this information. The two attachment have been printed and will be placed in *Docket Correspondence - Consumers and their Representatives*, in Docket No. 080677-EI, along with this e-mail.

From: Betty Leland **On Behalf Of** Office Of Commissioner Graham
Sent: Friday, October 29, 2010 10:15 AM
To: Ann Cole
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Please add to docket #080677

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, October 29, 2010 9:39 AM
To: Records Clerk; Dorothy Menasco
Cc: Ann Cole; Lisa Bennett; Lisa Bennett; Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Dear Ms. Bennett, Commissioner's and Records Clerk,

Here are the attached files that were sent in the previous email below if you need the files again. These files were originally sent on October 20th, 2010 and sent in various emails after this date.

Today is October 29th, 2010 and this information has not been added to the Docket 080677 Public correspondence file.

I want to make sure that all my information has been updated based upon Federal/State laws. Section 350.042 of the Florida Statutes provides that this information should be able to be made part of the public record to uphold the right "to be heard according to law". I want to make sure that there is no "ex parte" communications by not making this information part of the public record for all parties with a legal interest to have access to this information before an agreement is made with the Stipulation and Settlement agreement.

I sending another email since I do not understand why there would be a delay.

Thanks for everyone's help with this issue.

Thanks,

Robert H. Smith

350.042 Ex parte communications.--

(1) A commissioner should accord to every person who is legally interested in a proceeding, or the person's lawyer, full right to be heard according to law, and, except as authorized by law, shall neither initiate nor consider ex parte communications concerning the merits, threat, or offer of reward in any proceeding other than a proceeding under s. 120.54 or s. 120.565, workshops, or internal affairs meetings. No individual shall discuss ex parte with a commissioner the merits of any issue that he or she knows will be filed with the commission within 90 days. The provisions of this subsection shall not apply to commission staff.

(2) The provisions of this section shall not prohibit an individual residential ratepayer from communicating with a commissioner, provided that the ratepayer is representing only himself or herself, without compensation.

What is the delay?

Thanks,

Robert H. Smith

Confidentiality Statement

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, October 29, 2010 9:19 AM
To: 'Records Clerk'; 'Dorothy Menasco'
Cc: 'Ann Cole'; LBENNETT@PSC.STATE.FL.US; LBENNETT@PSC.STATE.FL.US; 'Office Of Commissioner Edgar'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's

earnings.

Dear Ms. Menasco,

Here is the latest file download for today. According to your email below the file was being updated in the morning. What is the delay? The attached PDF tool would make the appending of the PDF file below very quick and easy.

Please let me know why there is a delay.

Thanks for your help.

Robert H. Smith

Name	Size	Type	Date Modified
10741-08revrobCase08067710292010	47,568 KB	PDF-...	10/29/2010 9:07 AM
10741-08	47,568 KB	PDF-...	10/28/2010 9:56 PM
10741-08revrobCase08067710282010 2	47,568 KB	PDF-...	10/28/2010 3:47 PM
08942-10testimony10262010FPLforStipandSettleme...	1,351 KB	PDF-...	10/28/2010 3:08 PM
10741-08revrobCase08067710282010	47,568 KB	PDF-...	10/28/2010 11:53 AM
10741-08revrobCase08067710272010	47,568 KB	PDF-...	10/27/2010 2:19 PM

FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

rpjrb@yahoo.com

Sent: Thu 10/28/2010 10:19 AM

To: 'Dorothy Menasco <DMenasco@PSC.STATE.FL.US>'; Records Clerk <CLERK@PSC.STATE.FL.US>; 'Ann Cole <ACOLE@PSC.STATE.FL.US>'

Cc: 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'; 'Office Of Commissioner Edgar'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'

Message | PDFTools.HomePage - PDFToolsscreenprint10152010.pdf (369 KB)
Comissioneremail10142010654PMPrintoutwithjointoolemail.pdf (906 KB)

Dear Ms. Menasco and records clerk,

Is 10741-08.pdf the file that the attached correspondence was added to? Was this added to another file or has the file not been updated yet?

Thanks,

Robert H. Smith

I took a look at the following:

http://www.floridapsc.com/dockets/cms/ShowDocket.aspx?docket=H:\LIBRARY\FILINGS\08\10741-08

Home Page > Dockets and Filings > Case Management System

The information in this and related pages was automatically generated from the Case Management System (CMS) of the FPSC and may be incomplete. For COMPLETE information from CMS, you MUST contact the Office of Commission Clerk at (850) 413-6770.

** PDF documents, shown in Red and marked with an asterisk, are the image of the official document on file in the Bureau of Records. Any supplementary document provided for your convenience and may not accurately reflect the contents of the official document.*

To download viewer plug-ins, Adobe Acrobat PDF ® and Microsoft Office Product Viewers (Word, Excel, PowerPoint, etc.) ®

Document Detail for Docket Number: [illegible]

[illegible]	Date	Description
10741-08	11/18/2008	Docket correspondence - Parties and Interested Persons. [CLK note: Subsequent correspondence from parties will be appended to this document.]
		[illegible]

Dear Ms. Bennett and Commissioner's,

Do you know why there would be a delay with updating the attached files?

Thanks,

Robert H. Smith

Confidentiality Statement

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only for the use of the individual or entity named on this transmission sheet. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this telecopied information is strictly prohibited, and the documents should be returned. In this regard, if you received this telecopy in error, please contact the sender by reply E-mail and destroy all copies of the original.

From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Thursday, October 28, 2010 3:55 PM
To: 'Records Clerk'
Cc: 'Ann Cole'; 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'; 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'; 'Office Of Commissioner Edgar'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'
Subject: RE: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Dear Ms. Menasco,

The file size appears to be exactly the same. I have been downloading the file for specific dates to see if the updates are there.

46.5 x 1024 = 47.6

Please let me know when this will be updated.

Do you have an ETA?

Thanks for your help in this matter.

Robert H. Smith

Name	Size
10741-08	47,568 KB
10741-08revrobCase080677102820102	47,568 KB
08942-10testimony10262010FPLforStipandSettleme...	1,351 KB
10741-08revrobCase08067710282010	47,568 KB
10741-08revrobCase08067710272010	47,568 KB

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From: Dorothy Menasco [mailto:DMenasco@PSC.STATE.FL.US] **On Behalf Of** Records Clerk
Sent: Thursday, October 28, 2010 3:25 PM
To: rpjrb@yahoo.com
Cc: Ann Cole
Subject: RE: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Mr. Smith:

It updated this morning. Please trying viewing it again.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

Please note: Florida has a very broad public records law. Most written communications to or from state officials regarding state business are public records available to the public and media upon request. Your e-mail communications may therefore be subject to public disclosure.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, October 28, 2010 2:53 PM
To: Dorothy Menasco; Records Clerk
Cc: Ann Cole; Lisa Bennett; Lisa Bennett; Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Dear Ms. Menasco,

Do we have an ETA on the update to the file for the email below?

Thanks,

Robert H. Smith

FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

rpjrb@yahoo.com

Sent: Thu 10/28/2010 10:19 AM

To: 'Dorothy Menasco <DMenasco@PSC.STATE.FL.US>'; Records Clerk <CLERK@PSC.STATE.FL.US>; 'Ann Cole <ACOLE@PSC.STATE.FL.US>'

Cc: 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'; 'Office Of Commissioner Edgar'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'

Message | PDFTools.HomePage - PDFToolsscreenprint10152010.pdf (369 KB)

Comissioneremail10142010654PMPrintoutwithjointoolemail.pdf (906 KB)

Dear Ms. Menasco and records clerk,

Is 10741-08.pdf the file that the attached correspondence was added to? Was this added to another file or has the file not been updated yet?

Thanks,

Robert H. Smith

I took a look at the following:

http://www.floridapsc.com/dockets/cms/ShowDocket.aspx?docket=H:\LIBRARY\FILINGS\08\10741-08

Home Page > Dockets and Filings > Case Management System

The information in this and related pages was automatically generated from the Case Management System (CMS) of the FPSC and may be incomplete. For COMPLETE information from CMS, you MUST contact the Office of Commission Clerk at (850) 413-6770.

* PDF documents, shown in Red and marked with an asterisk, are the image of the official document on file in the Bureau of Records. Any supplementary document is provided for your convenience and may not accurately reflect the contents of the official document.

To download viewer plug-ins: Adobe Acrobat PDF and Microsoft Office Product Viewers (Word, Excel, PowerPoint, etc.)

Document Detail for Docket Number: 080677

Document #	Date	Description
10741-08	11/18/2008	Docket correspondence - Parties and Interested Persons. (CLK note: Subsequent correspondence from parties will be appended to this document.)
		* 10741-08.pdf 44.5 MB 1 hr 34 min 1 sec 2 min 13 sec

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From: Dorothy Menasco [mailto:DMenasco@PSC.STATE.FL.US] **On Behalf Of** Records Clerk
Sent: Thursday, October 28, 2010 2:39 PM
To: rpjrb@yahoo.com
Cc: Ann Cole

Subject: RE: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Mr. Smith:

The file had not updated yet.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, October 28, 2010 10:19 AM
To: Dorothy Menasco; Records Clerk; Ann Cole
Cc: Lisa Bennett; Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Dear Ms. Menasco and records clerk,

Is 10741-08.pdf the file that the attached correspondence was added to? Was this added to another file or has the file not been updated yet?

Thanks,

Robert H. Smith

I took a look at the following:

http://www.floridapsc.com/dockets/cms/ShowDocket.aspx?docket=H:\LIBRARY\FILINGS\08\10741-08

Home Page > Dockets and Filings > Case Management System

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To download viewer plug-ins: Adobe Acrobat PDF and Microsoft Office Product Viewers (Word, Excel, PowerPoint, etc.)

Document Detail for Docket Number: 080677

Document	Date	Description
10741-08	11/18/2008	Docket correspondence - Parties and Interested Persons. [CLK note: Subsequent correspondence from parties will be appended to this document.]

File Name	File Size	Download (56K)	Download (Broadband)
* 10741-08.pdf	46.5 MB	1 hr 56 min 1 sec	2 min 13 sec

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From: Dorothy Menasco [mailto:DMenasco@PSC.STATE.FL.US] **On Behalf Of** Records Clerk
Sent: Wednesday, October 27, 2010 12:55 PM
To: rpjrb@yahoo.com
Cc: Ann Cole; Lisa Bennett
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Thank you for this information, which will be placed in *Docket correspondence - Parties and Interested Persons* in Dockets 080677-EI.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, October 27, 2010 12:39 PM
To: Dorothy Menasco; Records Clerk; Ann Cole
Cc: Lisa Bennett; Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Dear Ms. Menasco,

How come this correspondence is not being added to Docket 080677?

My original email was to the Senior Executives which is related to Docket 080677.

The email correspondence is related to all of the three cases and I have received an email from the Commission indicating that all the information will be placed in all Dockets.

Docket 080677, Docket 100009 and Docket 100410.

I want to make sure that all of the email correspondence is being put into the record of any case that might be impacted by the information in all the email correspondence. This will eliminate any "ex parte" communications that has been set by Federal/State laws.

Thanks for your help.

Thanks,

Robert H. Smith

Confidentiality Statement

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From: Dorothy Menasco [mailto:DMenasco@PSC.STATE.FL.US]
Sent: Wednesday, October 27, 2010 12:27 PM
To: rpjrb@yahoo.com
Cc: Ann Cole; Lisa Bennett
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Correction #2:

This information will be placed in *Docket correspondence - Parties and Interested Persons*, in Docket 100410, **DN 08633-10**.

Sorry for the confusion.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk

Please note: Florida has a very broad public records law. Most written communications to or from state officials regarding state business are public records available to the public and media upon request. Your e-mail communications may therefore be subject to public disclosure.

From: Dorothy Menasco
Sent: Wednesday, October 27, 2010 12:21 PM
To: 'rpjrb@yahoo.com'
Cc: Ann Cole; Lisa Bennett
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Correction to the message below:

this information, which will be placed in ***Docket correspondence - Parties and Interested Persons***, in Docket 100410, DN 10741-08.

From: Dorothy Menasco
Sent: Wednesday, October 27, 2010 9:51 AM
To: 'rpjrb@yahoo.com'
Cc: Ann Cole; Lisa Bennett
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Thank you for this information, which will be placed in *Docket Correspondence - Consumers and their* Representatives, in Docket 100410.

As mentioned previously, in order to ensure that your information is handled efficiently and accurately, please forward these types of requests to **clerk@psc.state.fl.us**.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Monday, October 25, 2010 8:27 PM
To: Dorothy Menasco
Cc: Ann Cole; Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé; Lisa Bennett
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Dear Ms. Menasco,

I was looking at the new PDF file for Docket 080677. I did not notice these two PDF being scanned into this file. I think that the attached

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk

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From: Dorothy Menasco
Sent: Wednesday, October 27, 2010 12:21 PM
To: 'rpjrb@yahoo.com'
Cc: Ann Cole; Lisa Bennett
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Correction to the message below:

this information, which will be placed in ***Docket correspondence - Parties and Interested Persons***, in Docket 100410, DN 10741-08.

From: Dorothy Menasco
Sent: Wednesday, October 27, 2010 9:51 AM
To: 'rpjrb@yahoo.com'
Cc: Ann Cole; Lisa Bennett
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Thank you for this information, which will be placed in *Docket Correspondence - Consumers and their* Representatives, in Docket 100410.

As mentioned previously, in order to ensure that your information is handled efficiently and accurately, please forward these types of requests to **clerk@psc.state.fl.us**.

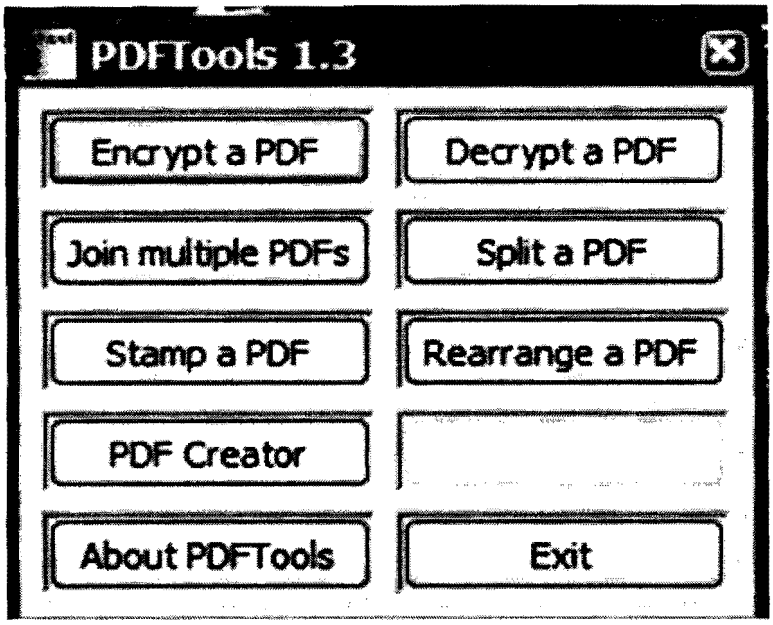
Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

Please note: Florida has a very broad public records law. Most written communications to or from state officials regarding state business are public records available to the public and media upon request. Your e-mail communications may therefore be subject to public disclosure.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Monday, October 25, 2010 8:27 PM
To: Dorothy Menasco
Cc: Ann Cole; Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé; Lisa Bennett
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Dear Ms. Menasco,

I was looking at the new PDF file for Docket 080677. I did not notice these two PDF being scanned into this file. I think that the attached



Confidentiality Statement

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, October 15, 2010 3:25 PM
To: Marguerite McLean <mmclean@psc.state.fl.us>
Cc: 'Office Of Commissioner Edgar'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Lisa Bennett'; 'Dorothy Menasco'
Subject: RE: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Dear Ms. Mclean,

Did you print out the attached PDF file? This would be a hardcopy and you would be able to print it out and then scan with the images intact. I just tried to print out the attached document an it exactly appears just like the email.

Please let me know if you can print out the attached document.

Thanks,

Robert H. Smith

Confidentiality Statement

The documents accompanying this telecopy transmission contain information which is confidential and/or legally privileged. The information is intended only for the use of the individual or entity named on this transmission sheet. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this telecopied information is strictly prohibited, and the documents should be returned. In this regard, if you received this telecopy in error, please contact the sender by reply E-mail and destroy all copies of the original.

From: Marguerite McLean [mailto:mmclean@psc.state.fl.us]
Sent: Friday, October 15, 2010 3:20 PM
To: rpjrb@yahoo.com
Cc: Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé; Lisa Bennett; Dorothy Menasco
Subject: RE: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Mr. Smith,
Unfortunately, when your e-mail is printed to a hard copy, not all of the information appears clear/readable. The PDF document has been scanned twice, reviewed and the version online of your e-mail is the best PDF available.

The only thing i can suggest is to file a hard copy of the information through the U. S. mail, with a cover letter identifying the Docket No. and the explanation for the filing. If the Clerk's Office receives a hard copy of a document that is clear/readable, then the PDF version online should be clear/readable.

Thank you,
Marguerite H. McLean
Public Service Commission
Office of Commission Clerk
850-413-6770

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, October 15, 2010 2:42 PM
To: Marguerite McLean
Cc: Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé; Lisa Bennett
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

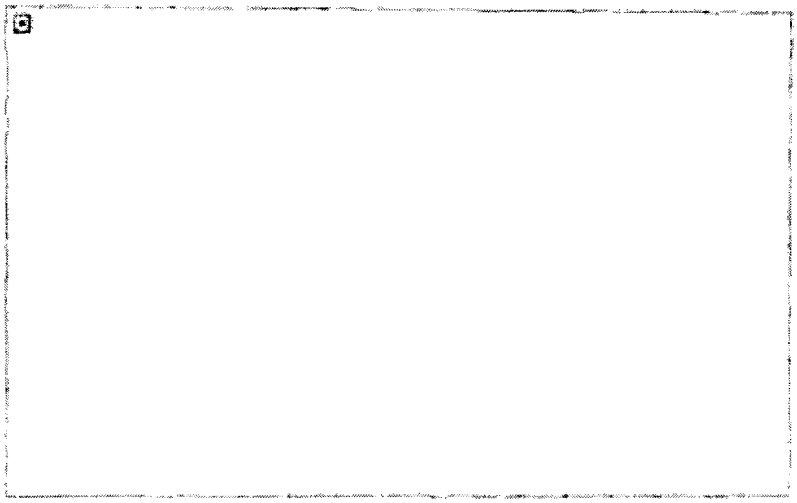
Dear Ms. Mclean,

I took a look at the "Docket correspondence - Parties and Interested Persons." in Docket 100410-EI file. I noticed that the images from my email have not been scanned correctly into the file. Do you have any idea why this has happened?

Attached is a PDF file of the email. I do not understand why you were not able to produce the images in the file with the scan. This has happened with a lot of the file correspondence in which there were calculations in the emails.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com.

Thanks,



10/5/2010

Thanks,

10/29/2010

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, October 15, 2010 8:54 AM
To: Marguerite McLean <mmclean@psc.state.fl.us>
Cc: 'Office Of Commissioner Edgar'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Lisa Bennett'
Subject: RE: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Dear Ms. Mclean,

Thanks,

Robert H Smith

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From: Marguerite McLean [mailto:mmclean@psc.state.fl.us]
Sent: Friday, October 15, 2010 8:21 AM
To: rpjrb@yahoo.com
Cc: Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé; Lisa Bennett
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Mr. Smith:
Your name has been added as an interested party in Docket 100410-EI.
A copy of this e-mail will be placed in *"Docket correspondence - Parties and Interested Persons."* in Docket 100410-EI.

10/29/2010

Marguerite H. McLean
Public Service Commission
Office of Commission Clerk
850-413-6770

From: Ann Cole
Sent: Friday, October 15, 2010 8:00 AM
To: Marguerite McLean
Cc: Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé; Lisa Bennett
Subject: RE: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Good morning, Marguerite,

Please add Robert H. Smith as an interested party in Docket 100410 and respond.

Thank you.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, October 14, 2010 6:54 PM
To: Office Of Commissioner Edgar; Office of Commissioner Argenziano; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé
Cc: Lisa Bennett; Ann Cole
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Dear Commission Staff,

I would like to be added as an interested party in Docket 100410 Review of Florida Power & Light Company's earnings.

My contact information is:

Robert H. Smith
11340 Heron Bay Blvd. #2523
Coral Springs, FL 33076
Email: rpjrb@yahoo.com

Thanks,

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Monday, October 04, 2010 4:23 PM
To: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham <Commissioner.Graham@psc.state.fl.us>'; 'Office of Comissioner Brise <commissioner.Brise@psc.state.fl.us>'
Cc: 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Subject: FW: Will high profit margin for FPL mean refund for customers?

Dear Commissioner's and Ms. Bennett,

This is for your information. Is there an assumption list for the current rate case with regard to debt/equity financing including refinancing assumptions?

I think that all of my email correspondence should probably be made part of the hearing record just like the two other public people who have been entered into the record. Email or verbal correspondence if it is important to this case should be made part of the public record.

Thanks,

Robert H. Smith

Confidentiality Statement

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Monday, October 04, 2010 4:13 PM
To: jvpatel@sun-sentinel.com; jpatel@sunsentinel.com; meklas@MiamiHerald.com; susan_salisbury@pbpost.com; dara_kam@pbpost.com; aclough@pbpost.com; tim_Burke@pbpost.com
Subject: FW: Will high profit margin for FPL mean refund for customers?

To all,

I sent this to the nominating council. This is for all of your information as to my background and how involved I was with the preparation of these cases.

I want to make sure that if any of the newspapers uses any of this information in any of their reporting that my email correspondence is referenced as per the disclosures below. This includes all attachments and email correspondence.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or give me a call.

Thanks,

Robert H. Smith

Confidentiality Statement

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Monday, October 04, 2010 4:04 PM
To: 'bennett.mike.web@flsenate.gov'; 'atwater.jeff.web@flsenate.gov'; 'larry.cretul@myfloridahouse.gov'; 'tracy.duda-chapman@duda.com'; 'steve.precourt@myfloridahouse.gov'; 'mark.pafford@myfloridahouse.gov'; 'oelrich.steve.web@flsenate.gov'; 'dave.murzin@myfloridahouse.gov'; 'joyner.arthenia.web@flsenate.gov'; 'Bbeaudet@pbcwater.com'; 'scott@lawyers-jacksonville.com'; 'ennis.connie@leg.state.fl.us'
Cc: 'Charlie.Crist@MyFlorida.com'; 'Bill@billnelson.senate.gov'; 'rpjrb@yahoo.com'
Subject: FW: Will high profit margin for FPL mean refund for customers?

Dear Nominating Council,

Here are some of my evaluations with regard to preparing these cases. I was primarily responsible for preparing these cases in detail. I was primarily responsible for full balance sheet, profit & loss and cash flow forecasting.

This included calculations of over earnings, modeling of cost of money financing/refinancing assumptions, calculation of debt/equity ratios for GAAP purposes, work on 10K disclosure issues as it pertained to both GAAP and Ratemaking issues.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or give me a call to discuss.

Balance for all of the interested parties is very important to this process.

Thanks,

Robert H. Smith

PERFORMANCE RATING DEFINITIONS

Use the rating scale below when evaluating the employee's performance objectives:

1. PERFORMANCE SIGNIFICANTLY EXCEEDS ALL JOB STANDARDS IN TERMS OF QUALITY AND QUANTITY. ACHIEVEMENTS ARE EXCEPTIONAL AND CONSISTENTLY EXCEED EXPECTED RESULTS.

2. PERFORMANCE CONSISTENTLY EXCEEDS MOST JOB STANDARDS IN BOTH QUALITY AND QUANTITY. ACHIEVEMENTS EXCEED EXPECTED RESULTS.

3. PERFORMANCE MEETS ALL EXPECTED REQUIREMENTS OF THE POSITION AND IS CLEARLY IN ACCORD WITH JOB DEMANDS.

4. PERFORMANCE MEETS SOME BUT NOT ALL EXPECTED JOB REQUIREMENTS. FURTHER IMPROVEMENT IS REQUIRED.

5. PERFORMANCE DOES NOT MEET BASIC REQUIREMENTS OF THE JOB. IMMEDIATE ATTENTION AND ACTION IS REQUIRED.

ACTUAL RESULTS AND COMMENTS	RATING 5	4	3	2	1
Rob is the department's lead person in maintaining the CFM data base, logic and reports, with some assistance from the section's other financial analyst. CFM is now fully downloaded into the PC environment and was used in the recent Compliance Filing effort.				X	
Rob's PC knowledge is a valuable asset to Financial Planning. However, the need for a department PC coordinator has diminished over time due to the establishment of new procedures such as AMPS. In the future, Rob will no longer be evaluated on this objective, although he will be expected to provide support to department personnel if it is necessary.			X		
Rob's duties include the preparation of the monthly Outlook Forecast. He works independently in gathering and modelling the revised forecast data and performing variance analyses. Rob is creative in his analysis of the data and is often consulted directly by the Company's Chief Financial Officer on such matters. He also did a good job of quickly revising the 1995 earnings plan in July to accurately reflect the impacts of the electric rate decision.				X	
Rob played a major role in the preparation of the electric and gas Compliance Filings in September. He made a good effort in dealing with major assumption changes in the week before the filing and he had good working relationships with other members of this project.				X	
Rob has assisted in performing analyses on miscellaneous topics when requested. His work on OPEB's related to FAS106 was very helpful as part of a project that is critical to the development of strategic plans for LILCO.			X		

ACTUAL RESULTS AND COMMENTS	RATING 5	4	3	2	1
Rob is the department's lead person in maintaining the CFM data base, logic and reports, with some assistance from the section's other financial analyst. CFM is now fully downloaded into the PC environment and was used in the recent Compliance Filing effort.				X	
Rob's PC knowledge is a valuable asset to Financial Planning. However, the need for a department PC coordinator has diminished over time due to the establishment of new procedures such as AHPS. In the future, Rob will no longer be evaluated on this objective, although he will be expected to provide support to department personnel if it is necessary.			X		
Rob's duties include the preparation of the monthly Outlook Forecast. He works independently in gathering and modelling the revised forecast data and performing variance analyses. Rob is creative in his analysis of the data and is often consulted directly by the Company's Chief Financial Officer on such matters. He also did a good job of quickly revising the 1995 earnings plan in July to accurately reflect the impacts of the electric rate decision.				X	
Rob played a major role in the preparation of the electric and gas Compliance Filings in September. He made a good effort in dealing with major assumption changes in the week before the filing and he had good working relationships with other members of this project.				X	
Rob has assisted in performing analyses on miscellaneous topics when requested. His work on OPEB's related to FAS106 was very helpful as part of a project that is critical to the development of strategic plans for LILCO.			X		

ACTUAL RESULTS AND COMMENTS	RATING 5	4	3	2	1
Rob takes the lead role in maintaining the consolidated financial model data base, logic and reports, with assistance from the section's other short range modelling analyst. He has made comparison tests of the mainframe and PC versions of CFM and is providing assistance to the department programmer to resolve the printing problems that exist in the PC version.				X	
Rob's extensive knowledge of the PC environment is highly regarded. He has downloaded the Revenue/Fuel model from the mainframe onto the PC, which will ultimately help Financial Planning's budget by reducing mainframe computer charges.				X	
Rob took the lead role in putting together the 1995 Profit Plan, with some assistance from other members of the section. He did an excellent job, considering the difficulties of forecasting the 1995 rate year without benefit of a final Opinion and Order. Rob also has the responsibility of preparing the monthly Outlook forecast; loading actuals, gathering and modelling revised forecast data, performing variance analysis, and communicating the results to senior management and the business units.					X
Rob's assistance in the modelling of the September gas compliance filing was helpful to the successful completion of that project.			X		
Currently, there are no plans to have Rob train on the new long range model. However, on his own initiative, Rob cross-trained on the quarterly excess earnings and the monthly RMC and LRPP deferrals.			X		

ACTUAL RESULTS AND COMMENTS	RATING 5	4	3	2	1
Rob has continued to maintain the consolidated financial model data base, logic and reports as expected. Rob shows a real talent for programming and often implements logic changes in order to modify the financial model to satisfy the requirements of senior management.			X		
Rob prepares the monthly outlook forecast for senior management. Rob does a good job of analyzing and explaining variances between actual and forecasted amounts and extrapolating their impact on year-end results.			X		
Rob played a lead role in the preparation of the September electric rate filing ordered by the Public Service Commission. He completed the project on a timely basis under the severe time constraints imposed by the PSC and dealt with internal delays effectively. Rob worked smoothly with the section's other Financial Analyst on this assignment. He has also provided technical assistance to accounting in the preparation of footnotes to the quarterly financial statements with respect to ratemaking issues.				X	
Rob put forward an outstanding effort in the modelling of the long-term Gas Cost of Service Study. This assignment required him to make extensive modifications to CFM in order to run for a five year period. He is currently in the process of updating the study to reflect the latest electric forecasts that will enable him to put together a long-term electric Cost of Service.				X	

K.T.
2/12/97

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the original.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Monday, October 04, 2010 3:22 PM
To: 'bennett.mike.web@flsenate.gov'; 'atwater.jeff.web@flsenate.gov'; 'larry.cretul@myfloridahouse.gov'; 'tracy.duda-chapman@duda.com'; 'steve.precourt@myfloridahouse.gov'; 'mark.pafford@myfloridahouse.gov'; 'oelrich.steve.web@flsenate.gov'; 'dave.murzin@myfloridahouse.gov'; 'joyner.arthenia.web@flsenate.gov'; 'Bbeaudet@pbcwater.com'; 'scott@lawyers-jacksonville.com'; 'ennis.connie@leg.state.fl.us'
Subject: FW: Will high profit margin for FPL mean refund for customers?

To the PSC Nominating Council,

This is for your information. This is a very important issue. Balance must be maintained.

I think that all of my email correspondence should probably be made part of the hearing record just like the two other public people who have been entered into the record. Email or verbal correspondence if it is important to this case should be made part of the public record.

Please send a copy of this email to the following people who I do not have an email address for:

Mike Hightower

Gerri McPherson

John Vogt

Do you have these email addresses?

Thanks,

Robert H. Smith

Confidentiality Statement

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Monday, October 04, 2010 3:13 PM
To: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham <Commissioner.Graham@psc.state.fl.us>'; 'Office of Comissioner Brise <commissioner.Brise@psc.state.fl.us>'
Cc: 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Subject: FW: Will high profit margin for FPL mean refund for customers?

Dear Commissioner's and Ms. Bennett,

This is for your information. Is there an assumption list for any refinancing assumptions in the rate case? This is why I had the rate of return surveillance reports sent to me a long time ago from the Commission. This would be the measure to calculate any over earnings at the company. It would be interesting to see if there are any refinancing assumptions in the current rate case that model lower interest rates. Do you have this information?

I asked if there was a sharing mechanism for over earnings with my original emails to the Commission. This was last year.

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Monday, October 04, 2010 3:02 PM
To: 'Patel, Julie <jvpatel@sun-sentinel.com>'; 'jpatel@sunsentinel.com'
Cc: 'meklas@MiamiHerald.com'; 'susan_salisbury@pbpost.com'; 'dara_kam@pbpost.com'; 'aclough@pbpost.com'; 'tim_Burke@pbpost.com'
Subject: Will high profit margin for FPL mean refund for customers?

Dear Ms. Patel,

I have brought this issue up over a year ago with my original requests to the Florida Public Service Commission since I was concerned with this type of approach. Usually a Utility has incentive payments based upon approved Public Service Commission goals. Any over earnings that are derived from Utility Operations should be returned 100% to the customer since these incentive payments are made based upon benchmarks that have been set by the Company/Commission for performance benchmarks. This is why an allowed Return on Equity is set by the Commission.

This is why I brought up all these issues back in April 2009. I specifically asked the Commission Staff about any sharing mechanisms regarding overearnings.

The return on equity that is being set for the Company should be set based upon a balance of the needs of shareholders and ratepayers. This return on equity is set to give a shareholder a return on their investment. Any over earnings should be given back if they are generated by Utility operations.

If they set precedence with regard to keeping over earnings that are being generated by Utility operations then what is going to happen with the asset sales that I have been asking about?

Seabrook Asset Transfer

FPL Fibernet Assets

Any type of asset transfer where there is a gain on sale for both book/tax purposes. These gains might be very large and should be given back to the ratepayers/customers since they financed/paid for the assets through their rates. The shareholder gets a return through their return on equity therefore there would be no need to keep any over earnings.

Any over earnings due to refinancing of their Utility debt would lower their cost of money. If their actual earnings come in higher due to the cash rates being set on a higher cost of service, then any over earnings generated for the reduction of interest cost due to refinancing of debt should be given back to the ratepayer 100%. This would be trued up with an over earnings calculation through a reduced cost of money. I have provided this type of analysis in my prior email regarding the refinancing of the debt. If this is a driver of over earnings, then the Utility ratepayer should benefit by these savings in their cash rates as well. What were the interest rate assumptions in the ratecase? Did they model any refinancing of the Utility debt at lower rates? If they did then this would be reflected in the cost of money as a reduced interest rate for Long term Debt. If they used interest rate assumptions for refinancing that is higher than what they can refinance their debt on the open market then this would cause the cost of money for Long term debt to be higher. This would lead to the Company to ask for more in cash rates. Likewise if the actual refinancing of their debt comes in lower than their model assumptions for the ratecase, the ratepayers should benefit for any interest cost savings.

Again the shareholder receives their return on equity based upon an approved rate of return.

Equity always will cost more than debt.

This is a very important issue to take a look at.

I saw that the Company was pursuing a settlement agreement for a base rate freeze. Would this be a good idea if their cost of service might be reduced due to the economy? Lower borrowing costs etc.

From a Company perspective they would want to keep the cash rates the same. From a ratepayer's perspective they would want to benefit for any reduction of costs due to the Economy. Lower borrowing costs etc.

If the Commission decides to let them keep any earnings over their allowed rate of return and there is an agreement to freeze cash base rates then how would there be balance for the ratepayer/shareholder?

The shareholder might benefit by the overearnings and the ratepayer might not see a cash reduction in rates for over earnings and reductions in costs (interest etc.) by nature of a base rate freeze.

Balance must be maintained between the ratepayers and shareholders.

I received an email from one of the Board of Directors of the Company. I have been told that I will be hearing from Mr. Hay and Mr. Sieving regarding my accounting questions that I would need answered since I am a shareholder of the Company as well. I have not heard back as of today but I received an email from one of the directors.

It will be very interesting to see how the Commission will rule.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or give me a call.

Hopefully there are not typo(s). I will check.

Thanks,

Robert H. Smith

House Keys

Buying, selling, insuring your property

<< Previous entry: Are Florida home insurers spending too much on overhead?

Will high profit margin for FPL mean refund for customers?

By Julie Patel October 4, 2010 09:35 AM
Regulators are exploring whether FPL should refund to customers a profit on shareholders' investment this year that may exceed the 11 percent cap approved for the company.
The Public Service Commission staff plans to issue a recommendation today about the issue. In January, the PSC rejected all but 6 percent of Florida Power & Light's proposed $1.27 billion rate hike. As part of the decision, the commission approved a return on equity of 9 percent to 11 percent.
FPL Attorney John Butler wrote last week that a refund is not warranted because the profit margin, as it's measured to set rates, did not exceed 11 percent; the record cold weather in January and hot weather in June led to a spike in electricity sales and utilities shouldn't be rewarded or punished for unusual weather; and the PSC doesn't have the authority order a refund because it would be considered "retroactive ratemaking."
Butler encouraged the PSC to approve the rate freeze agreement FPL, the Attorney General's office and consumer groups "worked long and hard to negotiate" as an alternative to weighing the idea of a refund.
FPL, the state's largest utility, reported a 24 percent increase in net income in the second quarter compared to the year before and a 50 percent increase in net profit in the first quarter.

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, September 22, 2010 1:51 PM
To: 'jpatel@sunsentinel.com'
Subject: FW: Overall Cost of money Caluclations for $400 Million refinance/equity issuance / FW: Preliminary 2008 10K questions 8th Request / Robert H. Smith Investor

Dear Ms. Patel,

Here is the latest that I have sent to the both the Nominating Council and the Commission.

I think that some of my email correspondence should be made part of the hearing record just like the other two people who got to enter their testimony into the record. Balance must be maintained with these cases. I am concerned that new Commissioner's are being appointed. There really is no reason for this as long as there is full accounting transparency to directly debate the issues in both of these cases.

Hopefully I hear back from Florida Power & Light regarding my concerns with the new debt and equity that has been issued.

I want to make sure that if any of the newspapers uses any of this information in any of their reporting that my email correspondence is referenced as per the disclosures below. This includes all attachments and email correspondence.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or give me a call.

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, September 22, 2010 1:38 PM
To: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham <Commissioner.Graham@psc.state.fl.us>'; 'Office of Comissioner Brise <commissioner.Brise@psc.state.fl.us>'
Cc: 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Subject: FW: Overall Cost of money Caluclations for $400 Million refinance/equity issuance / FW: Preliminary 2008 10K questions 8th Request / Robert H. Smith Investor

Dear Commissioner's and Ms. Bennett,

I am sending this to the Commissioner's as well since there was a **typo** that I just had noticed. I have forwarded my email that I had sent to the Nominating Council since I feel that everyone should be kept in the loop regarding these two ratecases. Considering what has been going on I want to make sure that any new Commissioner's receive my email correspondence with regard to the issues and concerns that I have about the balance in these two ratecases.

I have sent an email to two Board members at Florida Power & Light to see if they can facilitate a response from Mr. Hay and Mr. Sieving. I want to see the actual accounting behind the new issuances of debt and equity at the company. In addition, there are other emails that have to be answered as well in which I have not received a response as of today.

Balance must be maintained with these cases and when new Commissioner's are appointed they will have to get up to speed with all the old testimony and public correspondence that is available with these cases.

Once the two new Commissioners come on board I will send my email correspondence to them as well.

I think that all of my email correspondence should probably be made part of the hearing record just like the two other public people who have been entered into the record. Email or verbal correspondence if it is important to this case should be made part of the public record.

Hopefully we have the final Commissioner's for these cases. What has been going on does not appear to be in the best interest of both the ratepayers and the Company.

If all the accounting is made fully transparent then I am sure that these cases can be decided very quickly with balance being maintained for all the interested parties in this case.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com.

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, September 22, 2010 1:17 PM
To: 'bennett.mike.web@flsenate.gov'; 'atwater.jeff.web@flsenate.gov'; 'larry.cretul@myfloridahouse.gov'; 'tracy.duda-chapman@duda.com'; 'steve.precourt@myfloridahouse.gov'; 'mark.pafford@myfloridahouse.gov'; 'oelrich.steve.web@flsenate.gov'; 'dave.murzin@myfloridahouse.gov'; 'joyner.arthenia.web@flsenate.gov'; 'Bbeaudet@pbcwater.com'; 'scott@lawyers-jacksonville.com'; 'ennis.connie@leg.state.fl.us'
Subject: FW: Overall Cost of money Caluclations for $400 Million refinance/equity issuance / FW: Preliminary 2008 10K questions 8th Request / Robert H. Smith Investor

To the PSC Nominating Council,

I fixed a typo with the previous email. I know that Mr. Bennett's office (MACMENOMAY.JENNIFER.S21@flsenate.gov) has picked up the email below. I am resending to everyone to keep everyone in the loop regarding the issues that are very important with the case. The reason why the Nominating Council has to get involved is that it appears that new Commissioner's are being appointed and I want to make sure that all of the remaining and newly appointed Commissioner's receive all the email correspondence that I have sent to the Florida Public Service Commission regarding this case. This information has been made part of the public record but there was not mention of it in the hearings. I do not understand why this was not made part of the record just like the two other people who got to address the Commission. Email and verbal communication to me would be exactly the same thing therefore I would have thought that all my email correspondence would have been made part of the hearings just like the opportunity was afforded to two other people with these proceedings. I contacted the Board of Directors at Florida Power & Light regarding the newly issued debt and common equity since I want to see the actual accounting behind these transactions. This might have an impact on the two ratecase proceedings and this is very important to both the ratepayers and/or shareholders of this company.

Once the new Commissioner's are appointed and put into place I will be sending all my email correspondence to them as well.

Hopefully I hear back from the Audit /Finance and Investment Directors from Florida Power & Light regarding the debt/equity issues as well as my former email correspondence that has not been answered. I have sent numerous emails to Mr. Hay and Mr. Sieving from a shareholders perspective to find out the actual accounting behind the Holding Company structure at the Company. I have not heard back from them so I sent an email to the two directors on the Board to see if they can facilitate a response to my emails.

This is the transparency that is needed to fully and accurately take a look at the issues surrounding both Docket No 080677-EI Petition for increase in rates by Florida Power & Light Company and Docket No 100009 Nuclear cost recovery clause.

I am sending this information to the Nominating Council to make sure that the information that I have been sending to the Commissioner's is being considered with regard to this case.

This email correspondence would serve as a resume for the proper skill set that would be needed to make unbiased and balanced decisions with any ratecase type proceeding.

Please send a copy of this email to the following people who I do not have an email address for:

Mike Hightower

Gerri McPherson

John Vogt

Do you have these email addresses?

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com.

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, September 15, 2010 3:55 PM
To: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham <Commissioner.Graham@psc.state.fl.us>'; 'Office of Comissioner Brise <commissioner.Brise@psc.state.fl.us>'
Cc: 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Subject: Overall Cost of money Caluclations for $400 Million refinance/equity issuance / FW: Preliminary 2008 10K questions 8th Request / Robert H. Smith Investor

To all,

Attached is a preliminary/revised overall cost of money calculation to run scenarios for the issuance of $400 million of equity with a refinancing of $400million of debt at the same rate and at a reduced Long Term Debt rates. Any change in the equity ratio will give rise to increased revenue requirements. The question still has to be asked about a ratings drop based upon the equity ratios at the company? How much of an impact would there be based upon a certain percentage drop in the equity ratio? If it is minimal and it cannot compensate for the increase in revenue requirements as outlined by the assumptions below then it would not make sense to issue equity instead of refinancing the debt. Again the collateral question would come into play for each debt or equity issuance.

I have not heard any testimony about what it would cost in increased Long Term Debt interest for a lower equity ratio. This question should be answered.

Here is the overall cost of money revised for the following assumptions:

Refinance $400 million at the same debt rate / Issuance of $400 million of common equity will cost $11.8 Million in increase revenue requirements. (Cost the Customer more in rates)

Refinance $400 million at $3.50% overall cost of money / Issuance of $400 million of common equity will cost $15.6 Million in increased revenue requirements. (Cost the Customer more in rates)

Once the Equity ratio is changed for the issuance of equity the capital ratios will provide more weight to equity which will increase revenue requirements. (Cost the Customer more in rates)

Equity will always cost more than debt unless interest rates on Long Term Debt rises to make the cost of capital for Long Term Debt to be higher than Common Equity (ROE 10%). This might not occur since a higher ROE (10%) would probably be asked for in a market with higher Long Term Debt Interest rates. If the Long Term Debt rates are less risky than equity then Equity would command a higher rate of return to make the purchasing of common equity attractive.

Hopefully I hear back from Mr. Hay and Mr. Sieving since this balance is critical. This mix might have an impact on the Nuclear Uprates case (100009) as well.

I will review what I had put together and I will let you know if there are any changes. I did this quick to see what the potential impacts can be on the revenue requirements if equity is issued instead of debt.

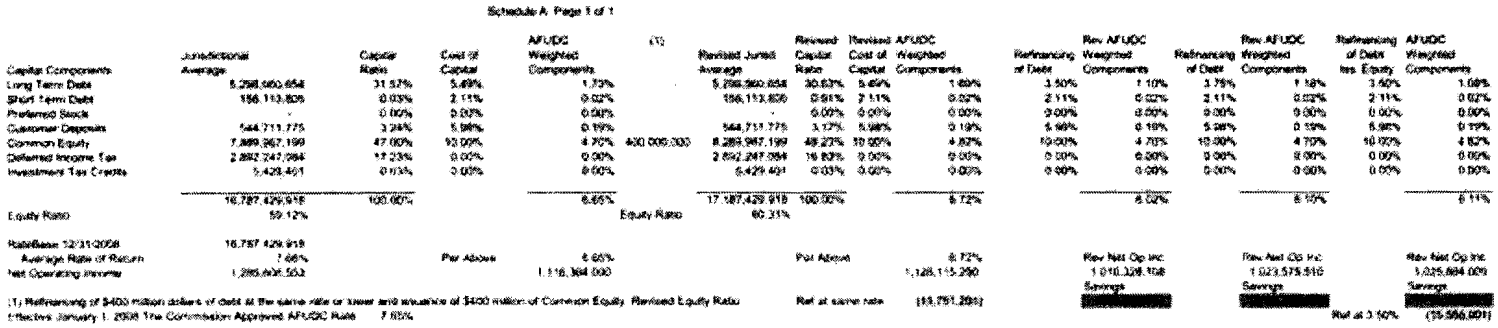
If any of this information is used then I want to make sure that I receive credit for any of my knowledge that I have provided with this case. I want to make sure that balance is maintained for the shareholder's and ratepayers.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com.

Hopefully there are no typo(s).

Thanks,

Robert H. Smith



Schedule A Page 1 of 1

Capital Components	Jurisdictional Average	Capital Ratio	Cost of Capital	AFUDC Weighted Components	(1)	Revised Jurisd. Average	Revised Capital Ratio	Revised Cost of Capital	Revised AFUDC Weighted Components	Refinancing at Debt	Rev AFUDC Weighted Components	Refinancing of Debt	Rev AFUDC Weighted Components	Refinancing of Debt less Equity	AFUDC Weighted Components
Long Term Debt	5,298,660,658	31.57%	5.49%	1.73%		5,298,660,658	30.63%	5.49%	1.68%	3.50%	1.10%	3.75%	1.18%	3.50%	1.08%
Short Term Debt	156,113,826	0.93%	2.11%	0.02%		156,113,826	0.91%	2.11%	0.02%	2.11%	0.02%	2.11%	0.02%	2.11%	0.02%
Preferred Stock	-	0.00%	0.00%	0.00%		-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Customer Deposits	544,711,775	3.24%	5.98%	0.19%		544,711,775	3.17%	5.98%	0.19%	5.98%	0.19%	5.98%	0.19%	5.98%	0.19%
Common Equity	7,889,267,199	47.00%	10.00%	4.70%	400,000,000	8,289,267,199	48.27%	10.00%	4.83%	10.00%	4.70%	10.00%	4.70%	10.00%	4.82%
Deferred Income Tax	2,892,247,284	17.23%	0.00%	0.00%		2,892,247,284	16.83%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Investment Tax Credits	5,429,491	0.03%	0.00%	0.00%		5,429,491	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	16,787,429,918	100.00%		6.65%		17,187,429,918	100.00%		6.72%		6.02%		6.19%		6.11%
Equity Ratio	59.12%				Equity Ratio	60.31%									
Rate Base 12/31/2008	16,787,429,918														
Average Rate of Return	7.66%		Per Above	6.65%				Per Above	6.72%		Rev Net Op Inc		Rev Net Op Inc		Rev Net Op Inc
Net Operating Income	1,285,605,553			1,116,364,000					1,128,115,290		1,010,328,108		1,023,575,910		1,025,884,009
											Savings		Savings		Savings
(1) Refinancing of $400 million dollars of debt at the same rate or lower and issuance of $400 million of Common Equity. Revised Equity Ratio									Ref at same rate		(89,791,298)				
Effective January 1, 2008 The Commission Approved AFUDC Rate 7.65%														Ref at 3.50%	(39,566,601)

Prepared by Robert H Smith from 080677-EI Order/Workpapers - Draft 1 of 1

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, September 15, 2010 2:11 PM
To: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham <Commissioner.Graham@psc.state.fl.us>'; 'Office of Comissioner Brise <commissioner.Brise@psc.state.fl.us>'
Cc: 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Subject: FW: Preliminary 2008 10K questions 8th Request / Robert H. Smith Investor

Dear Commissioner's and Ms. Bennett,

I noticed a **typo.**

Thanks,

10/29/2010

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, September 15, 2010 2:01 PM
To: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham <Commissioner.Graham@psc.state.fl.us>'; 'Office of Comissioner Brise <commissioner.Brise@psc.state.fl.us>'
Cc: 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Subject: FW: Preliminary 2008 10K questions 8th Request / Robert H. Smith Investor

Dear Commissioner's and Ms. Bennett,

I sent this email to FPL as a shareholder to find out what the exact accounting will be for the issuance of these equity units. I want to make sure that they will not have an impact on the Utility Cost of Service since equity is usually more expensive than debt.

Hopefully I hear back from Mr. Hay and Mr. Sieving since this would be very important to know going forward. Based upon the language it appears that there should be no impact but I want to make sure that this is the case since the Prospectus is very involved.

I also asked about the collateralization of these securities as it relates to this issuance. I would like to know which assets are being used as collateral. Since it appears that they are using the financing company (FPL Group Capital Inc.) I thought that the collateral questions would be a very important issue.

In addition, below when I talked about refinancing the debt at lower rates to create savings, if equity is issued in addition to refinancing the debt the overall cost of money might not be impacted since any issuance of common equity will cost more than a debt issuance. For example:

Issuance of $400 million of debentures that might be used to refinance debt to lower the long term debt rates. If there is a corresponding issuance of equity of $400 million dollars to offset the debt refinancing than just based upon the Cost of Capital of (2.6% Long term debt rate) versus (equity cost of capital of 10%) the overall cost of money might not change or even go **up.** This might cause in increase in the level of operating income that would be earned at the Utility. (ratebase x overall cost of money (i.e. 6.65%)).

Was any issuance of common equity modeled into the existing ratecase? Docket Nos. 080677-EI.

This would be very important to take a look at.

Thanks,

Robert H. Smith

ORDER NO. PSC-10-0153-FOF-EI
DOCKET NOS. 080677-EI, 090130-EI
PAGE 107

Schedule A Page 1 of 1

Capital Components	Jurisdictional Average	Capital Ratio	Cost of Capital	AFUDC Weighted Components	Retirement of Debt	Rev AFUDC Weighted Components	Retirement of Debt	Rev AFUDC Weighted Components
Long Term Debt	5,299,960,654	31.57%	5.49%	1.73%	3.50%	1.10%	3.75%	1.18%
Short Term Debt	156,113,605	0.93%	2.11%	0.02%	2.11%	0.02%	2.11%	0.02%
Preferred Stock	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Customer Deposits	544,711,735	3.24%	5.98%	0.19%	5.98%	0.19%	5.98%	0.19%
Common Equity	7,888,967,199	47.00%	10.00%	4.70%	10.00%	4.70%	10.00%	4.70%
Deferred Income Tax	2,892,247,084	17.23%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Investment Tax Credits	5,429,401	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	16,787,429,918	100.00%		6.65%		6.02%		6.10%
Equity Ratio	59.12%							
RateBase 12/31/2008	16,787,429,918							
Average Rate of Return	7.66%		Per Above	6.65%		Rev Net Op Inc		Rev Net Op Inc
Net Operating Income	1,285,608,553			1,116,364,090		1,010,328,168		1,023,575,910
						Savings		Savings
Effective January 1, 2008 The Commission Approved AFUDC Rate is		7.85%						

Prepared by Robert H Smith from 080677-EI Order/Workpapers - Draft 1 of 1

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, September 15, 2010 1:37 PM
To: 'Lew_Hay@fpl.com'; 'Charles_Sieving@fpl.com'; 'Investors@fpl.com'
Subject: FW: Preliminary 2008 10K questions 8th Request / Robert H. Smith Investor

Dear Mr. Hay and Mr. Sieving,

Thanks in advance for your help.

If you would be so kind I have another question in addition to the previous emails below.

Please provide the accounting for the new issuance of the equity units as per the Prospectus below. This accounting should show the journal entries as per entity on the issuance of these equity units. For example:

Debit Cash $402.5 Million / FPL Group Capital Inc. Is this the proper company?

Credit Common Equity $402.5 Million Will this be put on FPL Group Capital's Inc's books? If not, let me know which company this equity will reside.

What is the collateral that is backing the issuance of these securities?

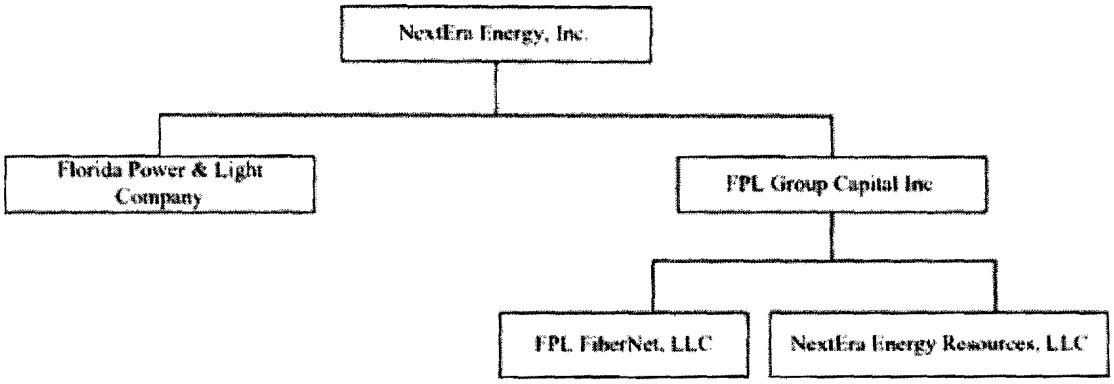
When it talks about a debenture conversion (term sheet 1.90 %?) will these equity units be converted into debentures? If so, then what will the collateral be to back the debentures?

Will any of these entries impact Florida Power & Light Company? I would like to know if the cost of service for the Utility (Common Equity) will be impacted by this issuance.

Thanks,

Robert H. Smith

The organizational structure of NextEra Energy and its principal subsidiaries is shown in the following diagram.



NextEra Energy to raise $403M in equity

NextEra Energy to sell up to $402.5 million in equity units

AP Associated Press Share 0 Email Print

Companies: Gas Natural Inc. FPL Group Capital Inc Jr Sub De NextEra Energy, Inc.

On Wednesday September 15, 2010, 10:54 am EDT

JUNO BEACH, Fla. (AP) – NextEra Energy Inc., which owns Florida Power & Light Co., said Wednesday it plans to raise up to $402.5 million by selling equity units.

The Juno Beach energy company said proceeds of the sale will go to a general fund that pays for independent power projects and other administrative purposes.

The equity units consist of a contractual right to purchase NextEra Energy common stock in the future and a 5 percent undivided beneficial ownership interest in an FPL Group Capital Inc. debenture due Sept. 1, 2015, in the principal amount of $1,000.

The deal is expected to close Sept. 21.

NextEra shares fell $1.46, nearly 3 percent, to $53.56 in morning trading.

333-160987-02, 333-160987-03,
333-160987-04, 333-160987-05,
333-160987-06, 333-160987-07,
and 333-160987-08

The information in this preliminary prospectus supplement is not complete and may be changed. Neither this preliminary prospectus supplement nor the accompanying prospectus is an offer to sell the securities described herein and neither is soliciting any offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to Completion
Preliminary Prospectus Supplement dated September 14, 2010

PROSPECTUS SUPPLEMENT
(To prospectus dated August 5, 2009)

7,000,000 Equity Units

NEXTera ENERGY

(Initially Consisting of 7,000,000 Corporate Units)

This is an offering of Equity Units by NextEra Energy, Inc. ("NextEra Energy"), formerly known as FPL Group, Inc. Each Equity Unit will have a stated amount of $50 and will consist of (1) a purchase contract issued by NextEra Energy and (2) initially a 1/20, or 5%, undivided beneficial ownership interest in a Series D Debenture due September 1, 2015 issued in the principal amount of $1,000 by FPL Group Capital Inc ("FPL Group Capital"), a wholly-owned subsidiary of NextEra Energy, which is referred to as a Corporate Unit.

- The purchase contract will obligate holders of Equity Units to purchase from NextEra Energy, no later than September 1, 2013, for a price of $50 in cash, the following number of shares of NextEra Energy common stock, subject to anti-dilution adjustments:
  - if the applicable market value of NextEra Energy common stock, which will be determined by reference to average closing prices of NextEra Energy common stock over the 20-trading day period ending on the third trading day prior to September 1, 2013, equals or is greater than the threshold appreciation price of $, shares of NextEra Energy common stock;
  - if the applicable market value is less than the threshold appreciation price of $, but greater than the reference price of $, a number of shares of NextEra Energy common stock having a value, based on the applicable market value, equal to $50; and
  - if the applicable market value is less than or equal to the reference price of $, shares of NextEra Energy common stock.
- The FPL Group Capital debentures will initially bear interest at a rate of % per year, payable quarterly in arrears. NextEra Energy has agreed to absolutely, irrevocably and unconditionally guarantee the payment of principal, interest and premium, if any, on the FPL Group Capital debentures. The FPL Group Capital debentures will be remarketed as described in this prospectus supplement. If this remarketing is successful, the interest rate on the FPL Group Capital debentures will be reset and thereafter interest will be payable semi-annually at the reset rate.
- NextEra Energy will also pay quarterly contract adjustment payments at a rate of % per year on the stated amount of $50 per Corporate Unit, or $ per year, subject to NextEra Energy's right to defer contract adjustment payments, as described in this prospectus supplement.
- The FPL Group Capital debentures will not trade separately from the Corporate Units unless and until substitution is made, the Corporate Units are settled early or the FPL Group Capital debentures are successfully remarketed, all as described in this prospectus supplement.

	commissions
FPL Group Capital Debenture Interest Rate:	1.90%
Contract Adjustment Payment Rate:	5.10% per year of the Stated Amount per Equity Unit, subject to NextEra Energy's right to defer contract adjustment payments, as described in the preliminary prospectus supplement dated September 14, 2010
Deferred Contract Adjustment Payments:	Deferred contract adjustment payments would accrue additional contract adjustment payments at the rate of 7.00% per year until paid, compounded quarterly
Payment Dates on Corporate Units:	March 1, June 1, September 1 and December 1, beginning December 1, 2010, subject to NextEra Energy's right to defer contract adjustment payments, as described in the preliminary prospectus supplement, dated September 14, 2010
Total Corporate Unit Cash Distribution Rate:	7.00% of the Stated Amount per Equity Unit

JUNO BEACH, Fla. (AP) -- Power-plant operator FPL Group Capital Inc. said Friday it sold $400 million in debentures.

The debentures bear interest at 2.6 percent per year and will mature Sept. 1, 2015. The debentures will be guaranteed by FPL Group Capital's parent company, NextEra Energy Inc.

The debentures were offered to the public at 99.967 percent of face value to yield 2.607 percent when held to maturity.

Net proceeds will be added to FPL Group Capital's general funds, which the company expects to use to repay debt.

Shares of FPL Group Capital rose 84 cents to close at $53.89.

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, July 02, 2009 11:58 AM
To: Lew_Hay@fpl.com; Charles_Sieving@fpl.com; Investors@fpl.com
Subject: FW: Preliminary 2008 10K questions 8th Request / Robert H. Smith Investor

Dear Mr. Hay and Mr. Sieving,

This is the 8th request and I am a shareholder. I need the email answered below. I have sent numerous requests and so far I have not heard from anyone.

What is going on? I know that your major shareholders would probably be in contact with FPL and I would think that from a shareholder perspective that I would receive the same treatment and respect with regard to receiving specific answers to my questions in my emails below.

How come there has been no response?

Thanks,

Robert H. Smith

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Tuesday, June 23, 2009 10:17 AM
To: 'Lew_Hay@fpl.com'; 'Charles_Sieving@fpl.com'; 'Investors@fpl.com'
Subject: Preliminary 2008 10K questions 7th Request / Robert H. Smith Investor

Dear Mr. Hay and Mr. Sieving,

What is the status with answering of the email correspondence below?

This is the 7th request.

Thanks,

Robert H. Smith

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Monday, June 15, 2009 10:08 AM
To: 'Lew_Hay@fpl.com'; 'Charles_Sieving@fpl.com'; 'Investors@fpl.com'
Subject: Preliminary 2008 10K questions 6th Request / Robert H. Smith Investor

Dear Mr. Hay and Mr. Sieving,

What is the status with answering of the email correspondence below?

This is the 6th request.

Thanks,

Robert H. Smith

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, June 05, 2009 1:19 PM
To: Lew_Hay@fpl.com; Charles_Sieving@fpl.com; Investors@fpl.com
Subject: FW: Preliminary 2008 10K questions 5th Request / Robert H. Smith Investor

Dear Mr. Hay and Mr. Sieving,

What is the status with the answering of the email correspondence below?

This is the 5th request.

Thanks,

Robert H. Smith

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, June 03, 2009 12:56 PM
To: Lew_Hay@fpl.com; Investors@fpl.com
Cc: Charles_Sieving@fpl.com
Subject: FW: Preliminary 2008 10K questions 4th Request / Robert H. Smith Investor

Dear Mr. Hay,

I sent this fax in order for you to obtain the appropriate information with regard to the email correspondence below.

Your help with this would be greatly appreciated.

Dear Mr. Sieving,

Your help with this matter would be greatly appreciated.

Thanks,

Robert H. Smith

From Preferred Customer to 1-561-691-7815 at 6/3/2009 12:45 PM 001/005

Classic PhoneTools

BVRP software

11340 Heron Bay Blvd #2523
Coral Springs Florida
33076
UNITED STATES

Phone:

Fax:

Message :

Dear Mr. Hay,

What is the status of handling this request? I have not heard back even from investor relations.

I would like to receive this information since the company is in the middle of a rate case. I do not want any of the information to be delayed since the rate case is proceeding forward and I think that the questions that I will be asking will be very easy to answer.

If you have any questions regarding the email below please do not hesitate to call me at (954)-340-4956 or (954)-798-6127.

In addition I can be contacted by email at rpjrb@yahoo.com.

Thanks,

Robert H. Smith

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From: Rob Smith	**To:** Florida Power & Light Group Mr. Lew Hay
Date: 6/3/2009	**Page(s):** 5

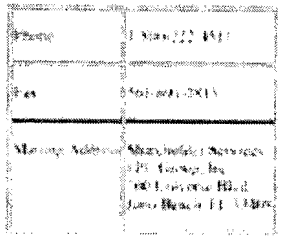
From: RSmith [rprb@yahoo.com] [mailto:rprb@yahoo.com]
Sent: Wednesday, June 03, 2009 12:39 PM
To: 'Lew_Hay@fpl.com'; 'Investors@fpl.com'
Subject: FW: Preliminary 2008 10K questions 4th Request

Dear Mr. Hay,

What is the status of handling this request? I have not heard back even from investor relations.

I would like to receive this information since the company is in the middle of a rate case. I do not want any of the information to be delayed since the rate case is proceeding forward and I think that the questions that I will be asking will be very easy to answer.

I will be sending a fax to:



Thanks,

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Wednesday, June 03, 2009 12:39 PM
To: 'Lew_Hay@fpl.com'; 'Investors@fpl.com'
Subject: FW: Preliminary 2008 10K questions 4th Request

Dear Mr. Hay,

What is the status of handling this request? I have not heard back even from investor relations.

I would like to receive this information since the company is in the middle of a rate case. I do not want any of the information to be delayed since the rate case is proceeding forward and I think that the questions that I will be asking will be very easy to answer.

I will be sending a fax to:

Phone	1-800-222-4511
Fax	561-691-7815
Mailing Address	Shareholder Services FPL Group, Inc. 700 Universe Blvd. Juno Beach, FL 33408

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Tuesday, June 02, 2009 3:06 PM
To: Lew_Hay@fpl.com; Investors@fpl.com
Subject: Preliminary 2008 10K questions 3rd Request

Dear Mr. Hay,

What is the status of the handling of this request?

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, May 29, 2009 10:55 AM
To: Investors@fpl.com
Cc: Lew_Hay@fpl.com
Subject: FW: Preliminary 2008 10K questions

To whom it may concern:

Please let me know if this information is available. It was indicated that FiberNet is a regulated entity. Please verify that this is the case.

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, May 28, 2009 1:44 PM
To: Investors@fpl.com
Subject: Preliminary 2008 10K questions

To whom it may concern:

I am a shareholder at FPL Group and I was taking a look at the 10K. I am in the process of becoming familiar with the financial statements of FPL Group.

If you could be so kind I would like a couple of preliminary questions answered regarding the 10K.

I would like a break out of the Corporate & Other that is on Page 97 in Section 16. Segment Information. Please describe the revenue inflow and expense outflows with detailed descriptions.

It shows operating revenues of $191 million and operating expenses of $190 million.

Please provide me with a list of regulated and non-regulated entities at FPL Group. Please provide the governing body of each entity. I have put together a preliminary list of what I could determine from the 10K.

Company	Incorporation	Regulated (Yes or No)	Primary Business Descrip
FPL Group	1984	Parent Corp. Consold.	Regulated Utility/NextEra Energy/FPL Group Capital,FPL Operations(FiberNet)
FPL	1925	Yes	Regulated Supplier of Electric Service / Utility
FPL Group Capital	1984	Holding Company	Provides Capital Funding for Subsidiaries including NextEra Energy
NextEra Energy	1998	No?	Competitive Energy Subsidiary / Clean & Renewable Fuels
FPL Group Operations/FPL FiberNet	2000	No?	FPL Utility Fiber Optic Line Transfer to FPL FiberNet

Does FPL have a schedule of segmented cash flows for each entity?

Does FPL have a schedule of approved vendors? I know that the utility must put these contracts out to competitive bid.

Is FPL utilizing outside placement agencies for temporary personnel? If so, is this part of the competitive bidding process and is this list available?

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or call me at 954-798-6127.

Thanks,

Robert H. Smith

11340 Heron Bay Blvd. #2523

Coral Springs, Florida 33076

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PDFTools 1.3

PDFTools is a PDF management application. It can encrypt, decrypt, join, split, stamp, create and rearrange a PDF file.
Version 1.1+ includes a very powerful and simple to use XML to PDF converter.

Issue Tracker

Please use Issue Tracker to submit any defects, feature requests and suggestions.

License

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Changes in 1.3

1) Fixed window location issue with multiple monitor.

Applications
DB Explorer
PDFTools
SWTML
S3B2
SmartDoc
WebBlocks

Links
Blogs
Issues Tracker

PDFTools Links
PDFTools Home
XML to PDF Guide

Share this Page
del.icio.us
digg
reddit
Add to Google
StumbleUpon

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powered by WebBlocks

Search

2) Encryption feature now supports encryption options without a password.
3) Fixed memory issue with joining/splitting of large PDF files.
4) Added status bar to Join and Split options to display progress message during operation.
5) Fixed issues with page number generation logic for Split feature.

Known Issue : The 'decrypt' function is broken in 1.3. Please use older version if you need decrypt function. I will include fix in next release.

Changes in 1.2

1) Fixed size of windows to work with very low and very high resolutions.
2) More settings in Join PDF files option.

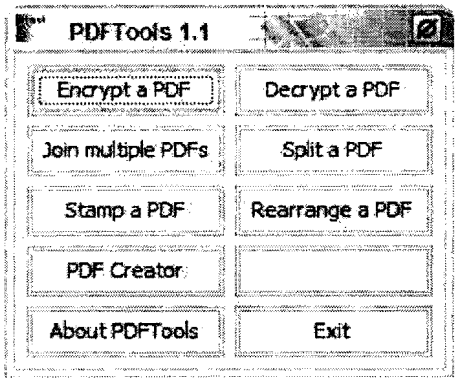
Changes in 1.1

1) Allow multiple file selection in Join's File open dialog window
2) **Added new feature to generate PDF from xml file.**

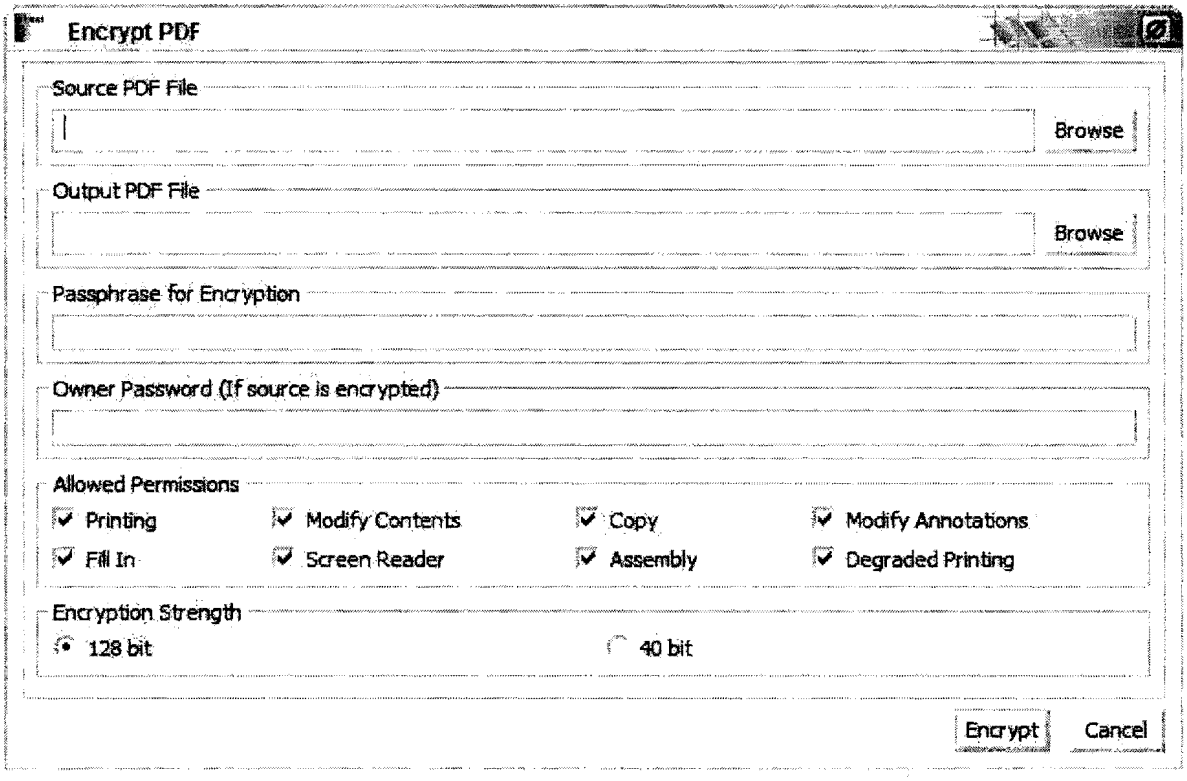
Please note JRE/JDK (version 1.4 or above) is required to run PDFTools. If you have any questions please email to PDFTools at sheelapps dot com.

Features

PDFTools is easy to use application. Its main window gives easy access to all features available in PDFTools.



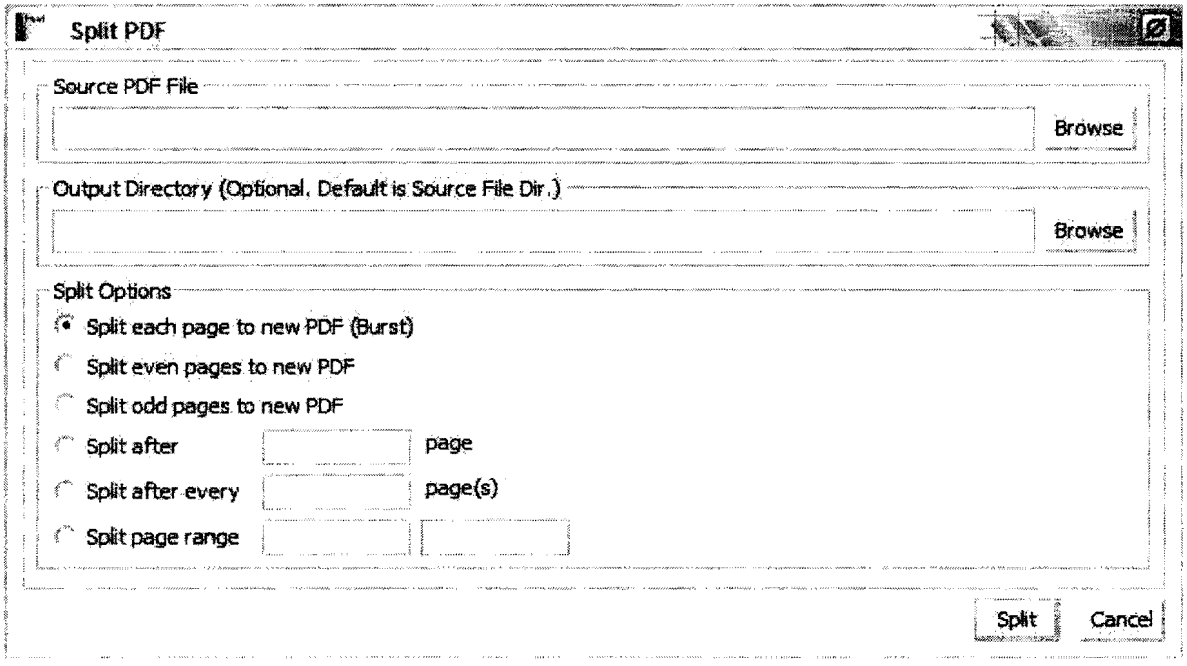
- **Encrypt PDF :**
  This option allows you to password protect any PDF file. Also, you can specify additional features for protected PDF.
  Note: Some of the features are only available if you select 128 bit encryption.



- **Decrypt PDF :**
  This option allows you to create a protection-free version of a encrypted PDF file.

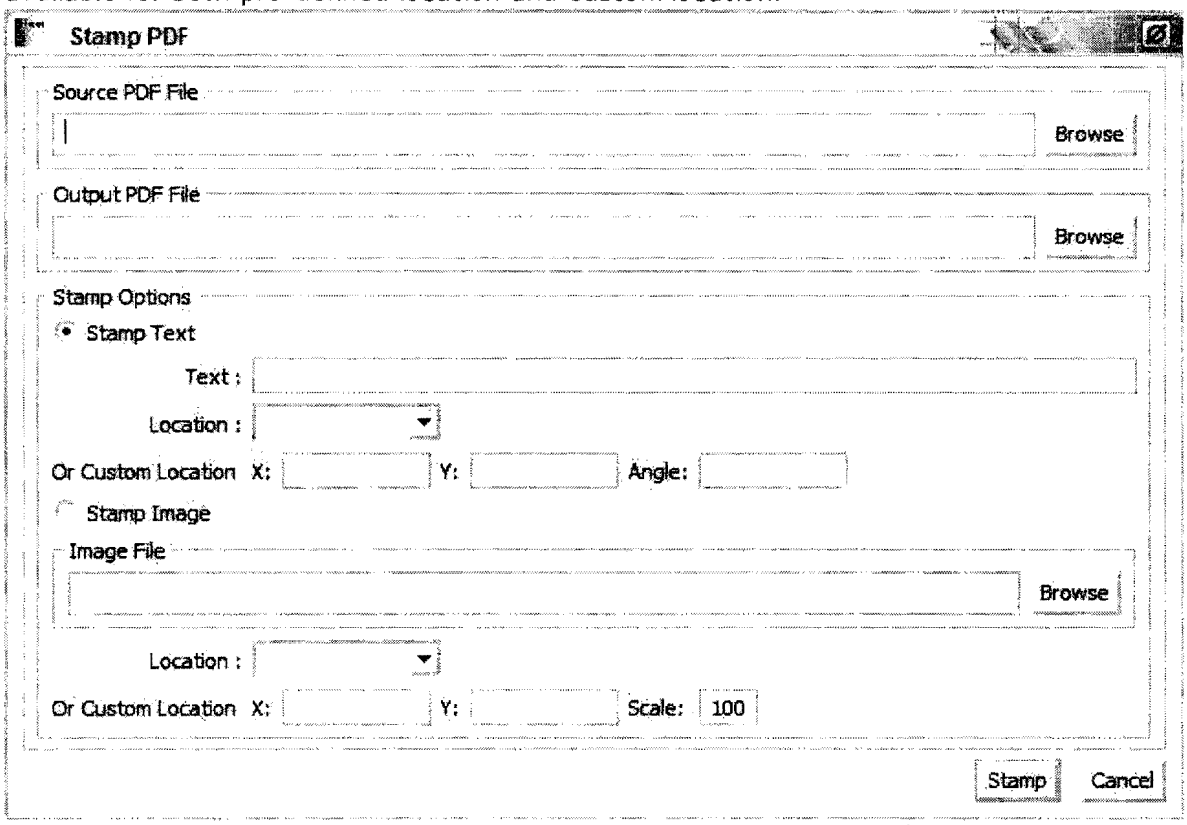
- **Join PDFs :**
  This option allows you to create a PDF file by joining multiple PDF files.

- **Split PDF :**
  This option allows you to split a PDF file in multiple ways. You can split each page to new PDF, split even pages to new PDF, split odd pages to new PDF, split after given page number, split at every given page count or split a range of pages to new PDF file.



- **Stamp PDF :**
  This option allows you to overlay (or stamp) a Text or Image over a PDF file.

You can overlay Text/Image at pre-defined location in pages or at any custom location by giving its X and Y position.
For text, in custom position you can define angle (in Degrees) for text.
For Image, you can define the scaling for image. Scale option is available for both pre-defined location and custom location.



- **Rearrange PDF :**
  This option allows you arrange pages in a PDF file. You can reverse all pages, copy multiple pages on single page or create handout style pages.

- **Create PDF :**

This option allows you create a PDF file from xml file. For more information see PDFTools's XML to PDF guide.

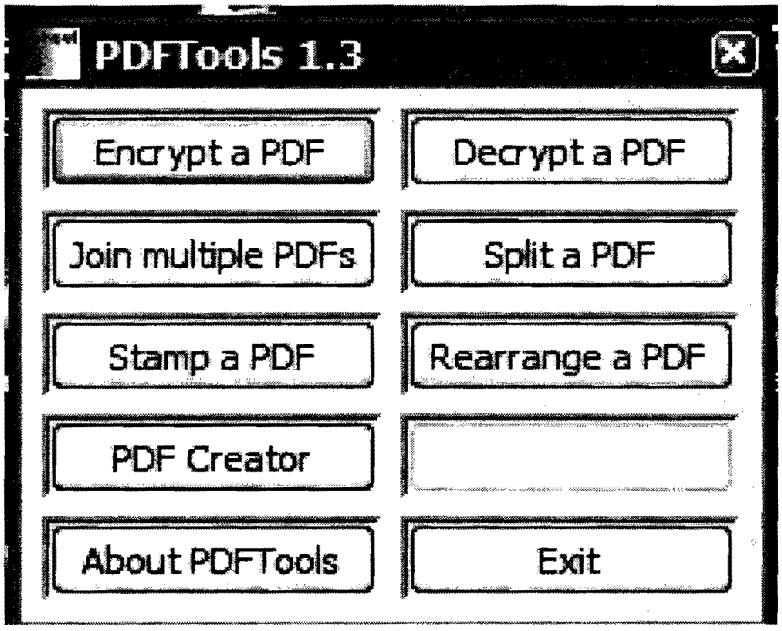
RSmith [rpjrb@yahoo.com]

To:	Marguerite McLean <mmclean@psc.state.fl.us>
Cc:	'Office Of Commissioner Edgar'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Lisa Bennett'; Dorothy Menasco <DMenasco@PSC.STATE.FL.US>
Subject:	FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.
Attachments:	Comissioneremail10142010654PMPrintout.pdf; PDFTools.HomePage - PDFToolsscreenprint10152010.pdf

Dear Ms. Mclean,

There is a free PDF file joiner that would allow you to append these emails directly to the PDF that is posted on line. This will help the Florida Public Service Commission with their process to expedite the appending of the information to the PDF file in the docket.

Here is a sample of the screen print.



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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, October 15, 2010 3:25 PM
To: Marguerite McLean <mmclean@psc.state.fl.us>
Cc: 'Office Of Commissioner Edgar'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Lisa Bennett'; 'Dorothy Menasco'
Subject: RE: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Dear Ms. Mclean,

Did you print out the attached PDF file? This would be a hardcopy and you would be able to print it out and then scan with the images intact. I just tried to print out the attached document an it exactly appears just like the email.

Please let me know if you can print out the attached document.

Thanks,

Robert H. Smith

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From: Marguerite McLean [mailto:mmclean@psc.state.fl.us]
Sent: Friday, October 15, 2010 3:20 PM
To: rpjrb@yahoo.com
Cc: Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé; Lisa Bennett; Dorothy Menasco
Subject: RE: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Mr. Smith,

Unfortunately, when your e-mail is printed to a hard copy, not all of the information appears clear/readable. The PDF document has been scanned twice, reviewed and the version online of your e-mail is the best PDF available.

The only thing i can suggest is to file a hard copy of the information through the U. S. mail, with a cover letter identifying the Docket No. and the explanation for the filing. If the Clerk's Office receives a hard copy of a document that is clear/readable, then the PDF version online should be clear/readable.

Thank you,
Marguerite H. McLean
Public Service Commission
Office of Commission Clerk
850-413-6770

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, October 15, 2010 2:42 PM
To: Marguerite McLean
Cc: Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé; Lisa Bennett
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Dear Ms. Mclean,

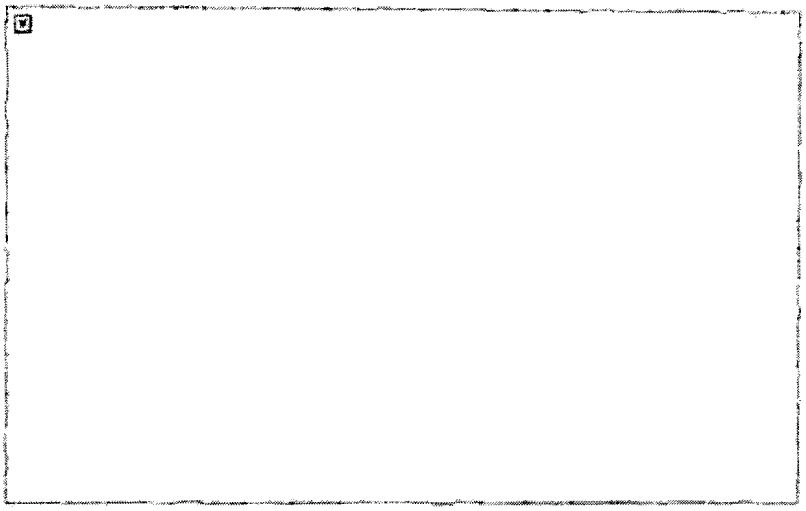
I took a look at the "Docket correspondence - Parties and Interested Persons." in Docket 100410-EI file. I noticed that the images from my email have not been scanned correctly into the file. Do you have any idea why this has happened?

Attached is a PDF file of the email. I do not understand why you were not able to produce the images in the file with the scan. This has happened with a lot of the file correspondence in which there were calculations in the emails.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com.

Thanks,

Robert H. Smith



10/5/2010

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, October 15, 2010 8:54 AM
To: Marguerite McLean <mmclean@psc.state.fl.us>
Cc: 'Office Of Commissioner Edgar'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Lisa Bennett'
Subject: RE: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Dear Ms. Mclean,

Thanks,

Robert H Smith

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From: Marguerite McLean [mailto:mmclean@psc.state.fl.us]
Sent: Friday, October 15, 2010 8:21 AM
To: rpjrb@yahoo.com
Cc: Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé; Lisa Bennett
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Mr. Smith:
Your name has been added as an interested party in Docket 100410-EI.
A copy of this e-mail will be placed in *"Docket correspondence - Parties and Interested Persons."* in Docket 100410-EI.

Marguerite H. McLean
Public Service Commission
Office of Commission Clerk
850-413-6770

From: Ann Cole
Sent: Friday, October 15, 2010 8:00 AM
To: Marguerite McLean
Cc: Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé; Lisa Bennett
Subject: RE: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Good morning, Marguerite,

Please add Robert H. Smith as an interested party in Docket 100410 and respond.

Thank you.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, October 14, 2010 6:54 PM
To: Office Of Commissioner Edgar; Office of Commissioner Argenziano; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé
Cc: Lisa Bennett; Ann Cole
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Dear Commission Staff,

I would like to be added as an interested party in Docket 100410 Review of Florida Power & Light Company's earnings.

My contact information is:

Robert H. Smith
11340 Heron Bay Blvd. #2523
Coral Springs, FL 33076
Email: rpjrb@yahoo.com

Thanks,

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Monday, October 04, 2010 4:23 PM
To: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham <Commissioner.Graham@psc.state.fl.us>'; 'Office of Comissioner Brise <commissioner.Brise@psc.state.fl.us>'
Cc: 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Subject: FW: Will high profit margin for FPL mean refund for customers?

Dear Commissioner's and Ms. Bennett,

This is for your information. Is there an assumption list for the current rate case with regard to debt/equity financing including refinancing assumptions?

I think that all of my email correspondence should probably be made part of the hearing record just like the two other public people who have been entered into the record. Email or verbal correspondence if it is important to this case should be made part of the public record.

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Monday, October 04, 2010 4:13 PM
To: jvpatel@sun-sentinel.com; jpatel@sunsentinel.com; meklas@MiamiHerald.com; susan_salisbury@pbpost.com; dara_kam@pbpost.com; aclough@pbpost.com; tim_Burke@pbpost.com
Subject: FW: Will high profit margin for FPL mean refund for customers?

To all,

I sent this to the nominating council. This is for all of your information as to my background and how involved I was with the preparation of these cases.

I want to make sure that if any of the newspapers uses any of this information in any of their reporting that my email correspondence is referenced as per the disclosures below. This includes all attachments and email correspondence.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or give me a call.

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Monday, October 04, 2010 4:04 PM
To: 'bennett.mike.web@flsenate.gov'; 'atwater.jeff.web@flsenate.gov'; 'larry.cretul@myfloridahouse.gov'; 'tracy.duda-chapman@duda.com'; 'steve.precourt@myfloridahouse.gov'; 'mark.pafford@myfloridahouse.gov'; 'oelrich.steve.web@flsenate.gov'; 'dave.murzin@myfloridahouse.gov'; 'joyner.arthenia.web@flsenate.gov'; 'Bbeaudet@pbcwater.com'; 'scott@lawyers-jacksonville.com'; 'ennis.connie@leg.state.fl.us'
Cc: 'Charlie.Crist@MyFlorida.com'; 'Bill@billnelson.senate.gov'; 'rpjrb@yahoo.com'
Subject: FW: Will high profit margin for FPL mean refund for customers?

Dear Nominating Council,

Here are some of my evaluations with regard to preparing these cases. I was primarily responsible for preparing these cases in detail. I was primarily responsible for full balance sheet, profit & loss and cash flow forecasting.

This included calculations of over earnings, modeling of cost of money financing/refinancing assumptions, calculation of debt/equity ratios for GAAP purposes, work on 10K disclosure issues as it pertained to both GAAP and Ratemaking issues.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or give me a call to discuss.

Balance for all of the interested parties is very important to this process.

Thanks,

Robert H. Smith

PERFORMANCE RATING DEFINITIONS

Use the rating scale below when evaluating the employee's performance objectives:

1. PERFORMANCE SIGNIFICANTLY EXCEEDS ALL JOB STANDARDS IN TERMS OF QUALITY AND QUANTITY. ACHIEVEMENTS ARE EXCEPTIONAL AND CONSISTENTLY EXCEED EXPECTED RESULTS.

2. PERFORMANCE CONSISTENTLY EXCEEDS MOST JOB STANDARDS IN BOTH QUALITY AND QUANTITY. ACHIEVEMENTS EXCEED EXPECTED RESULTS.

3. PERFORMANCE MEETS ALL EXPECTED REQUIREMENTS OF THE POSITION AND IS CLEARLY IN ACCORD WITH JOB DEMANDS.

4. PERFORMANCE MEETS SOME BUT NOT ALL EXPECTED JOB REQUIREMENTS. FURTHER IMPROVEMENT IS REQUIRED.

5. PERFORMANCE DOES NOT MEET BASIC REQUIREMENTS OF THE JOB. IMMEDIATE ATTENTION AND ACTION IS REQUIRED.

ACTUAL RESULTS AND COMMENTS	RATING 5	4	3	2	1
Rob is the department's lead person in maintaining the CFM data base, logic and reports, with some assistance from the section's other financial analyst. CFM is now fully downloaded into the PC environment and was used in the recent Compliance Filing effort.				X	
Rob's PC knowledge is a valuable asset to Financial Planning. However, the need for a department PC coordinator has diminished over time due to the establishment of new procedures such as AMPS. In the future, Rob will no longer be evaluated on this objective, although he will be expected to provide support to department personnel if it is necessary.			X		
Rob's duties include the preparation of the monthly Outlook Forecast. He works independently in gathering and modelling the revised forecast data and performing variance analyses. Rob is creative in his analysis of the data and is often consulted directly by the Company's Chief Financial Officer on such matters. He also did a good job of quickly revising the 1995 earnings plan in July to accurately reflect the impacts of the electric rate decision.				X	
Rob played a major role in the preparation of the electric and gas Compliance Filings in September. He made a good effort in dealing with major assumption changes in the week before the filing and he had good working relationships with other members of this project.				X	
Rob has assisted in performing analyses on miscellaneous topics when requested. His work on OPEB's related to FAS106 was very helpful as part of a project that is critical to the development of strategic plans for LILCO.			X		

ACTUAL RESULTS AND COMMENTS	RATING 5	4	3	2	1
Rob is the department's lead person in maintaining the CFM data base, logic and reports, with some assistance from the section's other financial analyst. CFM is now fully downloaded into the PC environment and was used in the recent Compliance Filing effort.				X	
Rob's PC knowledge is a valuable asset to Financial Planning. However, the need for a department PC coordinator has diminished over time due to the establishment of new procedures such as AMPS. In the future, Rob will no longer be evaluated on this objective, although he will be expected to provide support to department personnel if it is necessary.			X		
Rob's duties include the preparation of the monthly Outlook Forecast. He works independently in gathering and modelling the revised forecast data and performing variance analyses. Rob is creative in his analysis of the data and is often consulted directly by the Company's Chief Financial Officer on such matters. He also did a good job of quickly revising the 1995 earnings plan in July to accurately reflect the impacts of the electric rate decision.				X	
Rob played a major role in the preparation of the electric and gas Compliance Filings in September. He made a good effort in dealing with major assumption changes in the week before the filing and he had good working relationships with other members of this project.				X	
Rob has assisted in performing analyses on miscellaneous topics when requested. His work on OPEB's related to FAS106 was very helpful as part of a project that is critical to the development of strategic plans for LILCO.			X		

ACTUAL RESULTS AND COMMENTS	RATING 5	4	3	2	1
Rob takes the lead role in maintaining the consolidated financial model data base, logic and reports, with assistance from the section's other short range modelling analyst. He has made comparison tests of the mainframe and PC versions of CFM and is providing assistance to the department programmer to resolve the printing problems that exist in the PC version.				X	
Rob's extensive knowledge of the PC environment is highly regarded. He has downloaded the Revenue/Fuel model from the mainframe onto the PC, which will ultimately help Financial Planning's budget by reducing mainframe computer charges.				X	
Rob took the lead role in putting together the 1995 Profit Plan, with some assistance from other members of the section. He did an excellent job, considering the difficulties of forecasting the 1995 rate year without benefit of a final Opinion and Order. Rob also has the responsibility of preparing the monthly Outlook forecast; loading actuals, gathering and modelling revised forecast data, performing variance analysis, and communicating the results to senior management and the business units.					X
Rob's assistance in the modelling of the September gas compliance filing was helpful to the successful completion of that project.			X		
Currently, there are no plans to have Rob train on the new long range model. However, on his own initiative, Rob cross-trained on the quarterly excess earnings and the monthly RMC and LRPP deferrals.			X		

ACTUAL RESULTS AND COMMENTS	RATING 5	4	3	2	1
Rob has continued to maintain the consolidated financial model data base, logic and reports as expected. Rob shows a real talent for programming and often implements logic changes in order to modify the financial model to satisfy the requirements of senior management.			X		
Rob prepares the monthly outlook forecast for senior management. Rob does a good job of analyzing and explaining variances between actual and forecasted amounts and extrapolating their impact on year-end results.			X		
Rob played a lead role in the preparation of the September electric rate filing ordered by the Public Service Commission. He completed the project on a timely basis under the severe time constraints imposed by the PSC and dealt with internal delays effectively. Rob worked smoothly with the section's other Financial Analyst on this assignment. He has also provided technical assistance to accounting in the preparation of footnotes to the quarterly financial statements with respect to ratemaking issues.				X	
Rob put forward an outstanding effort in the modelling of the long-term Gas Cost of Service Study. This assignment required him to make extensive modifications to CFM in order to run for a five year period. He is currently in the process of updating the study to reflect the latest electric forecasts that will enable him to put together a long-term electric Cost of Service.				X	

F.T.
2/12/97

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Monday, October 04, 2010 3:22 PM
To: 'bennett.mike.web@flsenate.gov'; 'atwater.jeff.web@flsenate.gov'; 'larry.cretul@myfloridahouse.gov'; 'tracy.duda-chapman@duda.com'; 'steve.precourt@myfloridahouse.gov'; 'mark.pafford@myfloridahouse.gov'; 'oelrich.steve.web@flsenate.gov'; 'dave.murzin@myfloridahouse.gov'; 'joyner.arthenia.web@flsenate.gov'; 'Bbeaudet@pbcwater.com'; 'scott@lawyers-jacksonville.com'; 'ennis.connie@leg.state.fl.us'
Subject: FW: Will high profit margin for FPL mean refund for customers?

To the PSC Nominating Council,

This is for your information. This is a very important issue. Balance must be maintained.

I think that all of my email correspondence should probably be made part of the hearing record just like the two other public people who have been entered into the record. Email or verbal correspondence if it is important to this case should be made part of the public record.

Please send a copy of this email to the following people who I do not have an email address for:

Mike Hightower

Gerri McPherson

John Vogt

Do you have these email addresses?

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Monday, October 04, 2010 3:13 PM
To: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham <Commissioner.Graham@psc.state.fl.us>'; 'Office of Comissioner Brise <commissioner.Brise@psc.state.fl.us>'
Cc: 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Subject: FW: Will high profit margin for FPL mean refund for customers?

Dear Commissioner's and Ms. Bennett,

This is for your information. Is there an assumption list for any refinancing assumptions in the rate case? This is why I had the rate of return surveillance reports sent to me a long time ago from the Commission. This would be the measure to calculate any over earnings at the company. It would be interesting to see if there are any refinancing assumptions in the current rate case that model lower interest rates. Do you have this information?

I asked if there was a sharing mechanism for over earnings with my original emails to the Commission. This was last year.

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Monday, October 04, 2010 3:02 PM
To: 'Patel, Julie <jvpatel@sun-sentinel.com>'; 'jpatel@sunsentinel.com'
Cc: 'meklas@MiamiHerald.com'; 'susan_salisbury@pbpost.com'; 'dara_kam@pbpost.com'; 'aclough@pbpost.com'; 'tim_Burke@pbpost.com'
Subject: Will high profit margin for FPL mean refund for customers?

Dear Ms. Patel,

I have brought this issue up over a year ago with my original requests to the Florida Public Service Commission since I was concerned with this type of approach. Usually a Utility has incentive payments based upon approved Public Service

Commission goals. Any over earnings that are derived from Utility Operations should be returned 100% to the customer since these incentive payments are made based upon benchmarks that have been set by the Company/Commission for performance benchmarks. This is why an allowed Return on Equity is set by the Commission.

This is why I brought up all these issues back in April 2009. I specifically asked the Commission Staff about any sharing mechanisms regarding overearnings.

The return on equity that is being set for the Company should be set based upon a balance of the needs of shareholders and ratepayers. This return on equity is set to give a shareholder a return on their investment. Any over earnings should be given back if they are generated by Utility operations.

If they set precedence with regard to keeping over earnings that are being generated by Utility operations then what is going to happen with the asset sales that I have been asking about?

Seabrook Asset Transfer

FPL Fibernet Assets

Any type of asset transfer where there is a gain on sale for both book/tax purposes. These gains might be very large and should be given back to the ratepayers/customers since they financed/paid for the assets through their rates. The shareholder gets a return through their return on equity therefore there would be no need to keep any over earnings.

Any over earnings due to refinancing of their Utility debt would lower their cost of money. If their actual earnings come in higher due to the cash rates being set on a higher cost of service, then any over earnings generated for the reduction of interest cost due to refinancing of debt should be given back to the ratepayer 100%. This would be trued up with an over earnings calculation through a reduced cost of money. I have provided this type of analysis in my prior email regarding the refinancing of the debt. If this is a driver of over earnings, then the Utility ratepayer should benefit by these savings in their cash rates as well. What were the interest rate assumptions in the ratecase? Did they model any refinancing of the Utility debt at lower rates? If they did then this would be reflected in the cost of money as a reduced interest rate for Long term Debt. If they used interest rate assumptions for refinancing that is higher than what they can refinance their debt on the open market then this would cause the cost of money for Long term debt to be higher. This would lead to the Company to ask for more in cash rates. Likewise if the actual refinancing of their debt comes in lower than their model assumptions for the ratecase, the ratepayers should benefit for any interest cost savings.

Again the shareholder receives their return on equity based upon an approved rate of return.

Equity always will cost more than debt.

This is a very important issue to take a look at.

I saw that the Company was pursuing a settlement agreement for a base rate freeze. Would this be a good idea if their cost of service might be reduced due to the economy? Lower borrowing costs etc.

From a Company perspective they would want to keep the cash rates the same. From a ratepayer's perspective they would want to benefit for any reduction of costs due to the Economy. Lower borrowing costs etc.

If the Commission decides to let them keep any earnings over their allowed rate of return and there is an agreement to freeze cash base rates then how would there be balance for the ratepayer/shareholder?

The shareholder might benefit by the overearnings and the ratepayer might not see a cash reduction in rates for over earnings and reductions in costs (interest etc.) by nature of a base rate freeze.

Balance must be maintained between the ratepayers and shareholders.

I received an email from one of the Board of Directors of the Company. I have been told that I will be hearing from Mr. Hay and Mr. Sieving regarding my accounting questions that I would need answered since I am a shareholder of the Company as well. I have not heard back as of today but I received an email from one of the directors.

It will be very interesting to see how the Commission will rule.

If you have any questions please do not hesitate to email me at rpirb@yahoo.com or give me a call.

Hopefully there are not typo(s). I will check.

Thanks,

Robert H. Smith

House Keys

Buying, selling, insuring your property

<< Previous entry: Are Florida home insurers spending too much on overhead?

Will high profit margin for FPL mean refund for customers?

By Julie Patel October 4, 2010 09:35 AM

Regulators are exploring whether FPL should refund to customers a profit on shareholders' investment this year that may exceed the 11 percent cap approved for the company.

The Public Service Commission staff plans to issue a recommendation today about the issue. In January, the PSC rejected all but 6 percent of Florida Power & Light's proposed $1.27 billion rate hike. As part of the decision, the commission approved a return on equity of 9 percent to 11 percent.

FPL Attorney John Butler wrote last week that a refund is not warranted because the profit margin, as it's measured to set rates, did not exceed 11 percent; the record cold weather in January and hot weather in June led to a spike in electricity sales and utilities shouldn't be rewarded or punished for unusual weather; and the PSC doesn't have the authority order a refund because it would be considered "retroactive ratemaking."

Butler encouraged the PSC to approve the rate freeze agreement FPL, the Attorney General's office and consumer groups "worked long and hard to negotiate" as an alternative to weighing the idea of a refund.

FPL, the state's largest utility, reported a 24 percent increase in net income in the second quarter compared to the year before and a 50 percent increase in net profit in the first quarter.

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, September 22, 2010 1:51 PM
To: 'jpatel@sunsentinel.com'
Subject: FW: Overall Cost of money Caluclations for $400 Million refinance/equity issuance / FW: Preliminary 2008 10K questions 8th Request / Robert H. Smith Investor

Dear Ms. Patel,

Here is the latest that I have sent to the both the Nominating Council and the Commission.

I think that some of my email correspondence should be made part of the hearing record just like the other two people who got to enter their testimony into the record. Balance must be maintained with these cases. I am concerned that new Commissioner's are being appointed. There really is no reason for this as long as there is full accounting transparency to directly debate the issues in both of these cases.

Hopefully I hear back from Florida Power & Light regarding my concerns with the new debt and equity that has been issued.

I want to make sure that if any of the newspapers uses any of this information in any of their reporting that my email correspondence is referenced as per the disclosures below. This includes all attachments and email correspondence.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or give me a call.

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, September 22, 2010 1:38 PM
To: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham <Commissioner.Graham@psc.state.fl.us>'; 'Office of Comissioner Brise <commissioner.Brise@psc.state.fl.us>'
Cc: 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Subject: FW: Overall Cost of money Caluclations for $400 Million refinance/equity issuance / FW: Preliminary 2008 10K questions 8th Request / Robert H. Smith Investor

Dear Commissioner's and Ms. Bennett,

I am sending this to the Commissioner's as well since there was a **typo** that I just had noticed. I have forwarded my email that I had sent to the Nominating Council since I feel that everyone should be kept in the loop regarding these two ratecases. Considering what has been going on I want to make sure that any new Commissioner's receive my email correspondence with regard to the issues and concerns that I have about the balance in these two ratecases.

I have sent an email to two Board members at Florida Power & Light to see if they can facilitate a response from Mr. Hay and Mr. Sieving. I want to see the actual accounting behind the new issuances of debt and equity at the company. In addition, there are other emails that have to be answered as well in which I have not received a response as of today.

Balance must be maintained with these cases and when new Commissioner's are appointed they will have to get up to speed with all the old testimony and public correspondence that is available with these cases.

Once the two new Commissioners come on board I will send my email correspondence to them as well.

I think that all of my email correspondence should probably be made part of the hearing record just like the two other public people who have been entered into the record. Email or verbal correspondence if it is important to this case should be made part of the public record.

Hopefully we have the final Commissioner's for these cases. What has been going on does not appear to be in the best interest of both the ratepayers and the Company.

If all the accounting is made fully transparent then I am sure that these cases can be decided very quickly with balance being maintained for all the interested parties in this case.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com.

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, September 22, 2010 1:17 PM
To: 'bennett.mike.web@flsenate.gov'; 'atwater.jeff.web@flsenate.gov'; 'larry.cretul@myfloridahouse.gov'; 'tracy.duda-chapman@duda.com'; 'steve.precourt@myfloridahouse.gov'; 'mark.pafford@myfloridahouse.gov'; 'oelrich.steve.web@flsenate.gov'; 'dave.murzin@myfloridahouse.gov'; 'joyner.arthenia.web@flsenate.gov'; 'Bbeaudet@pbcwater.com'; 'scott@lawyers-jacksonville.com'; 'ennis.connie@leg.state.fl.us'
Subject: FW: Overall Cost of money Caluclations for $400 Million refinance/equity issuance / FW: Preliminary 2008 10K questions 8th Request / Robert H. Smith Investor

To the PSC Nominating Council,

I fixed a typo with the previous email. I know that Mr. Bennett's office (MACMENOMAY.JENNIFER.S21@flsenate.gov) has picked up the email below. I am resending to everyone to keep everyone in the loop regarding the issues that are very important with the case. The reason why the Nominating Council has to get involved is that it appears that new Commissioner's are being appointed and I want to make sure that all of the remaining and newly appointed Commissioner's receive all the email correspondence that I have sent to the Florida Public Service Commission regarding this case. This information has been made part of the public record but there was not mention of it in the hearings. I do not understand why this was not made part of the record just like the two other people who got to address the Commission. Email and verbal communication to me would be exactly the same thing therefore I would have thought that all my email correspondence would have been made part of the hearings just like the opportunity was afforded to two other people with these proceedings. I contacted the Board of Directors at Florida Power & Light regarding the newly issued debt and common equity since I want to see the actual accounting behind these transactions. This might have an impact on the two ratecase proceedings and this is very important to both the ratepayers and/or shareholders of this company.

Once the new Commissioner's are appointed and put into place I will be sending all my email correspondence to them as well.

Hopefully I hear back from the Audit /Finance and Investment Directors from Florida Power & Light regarding the debt/equity issues as well as my former email correspondence that has not been answered. I have sent numerous emails to Mr. Hay and Mr. Sieving from a shareholders perspective to find out the actual accounting behind the Holding Company structure at the Company. I have not heard back from them so I sent an email to the two directors on the Board to see if they can facilitate a response to my emails.

This is the transparency that is needed to fully and accurately take a look at the issues surrounding both Docket No 080677-EI Petition for increase in rates by Florida Power & Light Company and Docket No 100009 Nuclear cost recovery clause.

I am sending this information to the Nominating Council to make sure that the information that I have been sending to the Commissioner's is being considered with regard to this case.

This email correspondence would serve as a resume for the proper skill set that would be needed to make unbiased and balanced decisions with any ratecase type proceeding.

Please send a copy of this email to the following people who I do not have an email address for:

Mike Hightower

Gerri McPherson

John Vogt

Do you have these email addresses?

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com.

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, September 15, 2010 3:55 PM
To: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham <Commissioner.Graham@psc.state.fl.us>'; 'Office of Comissioner Brise <commissioner.Brise@psc.state.fl.us>'
Cc: 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Subject: Overall Cost of money Caluclations for $400 Million refinance/equity issuance / FW: Preliminary 2008 10K questions 8th Request / Robert H. Smith Investor

To all,

Attached is a preliminary/revised overall cost of money calculation to run scenarios for the issuance of $400 million of equity with a refinancing of $400million of debt at the same rate and at a reduced Long Term Debt rates. Any change in the equity ratio will give rise to increased revenue requirements. The question still has to be asked about a ratings drop based upon the equity ratios at the company? How much of an impact would there be based upon a certain percentage drop in the equity ratio? If it is minimal and it cannot compensate for the increase in revenue requirements as outlined by the assumptions below then it would not make sense to issue equity instead of refinancing the debt. Again the collateral question would come into play for each debt or equity issuance.

I have not heard any testimony about what it would cost in increased Long Term Debt interest for a lower equity ratio. This question should be answered.

Here is the overall cost of money revised for the following assumptions:

Refinance $400 million at the same debt rate / Issuance of $400 million of common equity will cost $11.8 Million in increase revenue requirements. (Cost the Customer more in rates)

Refinance $400 million at $3.50% overall cost of money / Issuance of $400 million of common equity will cost $15.6 Million in increased revenue requirements. (Cost the Customer more in rates)

Once the Equity ratio is changed for the issuance of equity the capital ratios will provide more weight to equity which will increase revenue requirements. (Cost the Customer more in rates)

Equity will always cost more than debt unless interest rates on Long Term Debt rises to make the cost of capital for Long Term Debt to be higher than Common Equity (ROE 10%). This might not occur since a higher ROE (10%) would probably be asked for in a market with higher Long Term Debt Interest rates. If the Long Term Debt rates are less risky than equity then Equity would command a higher rate of return to make the purchasing of common equity attractive.

Hopefully I hear back from Mr. Hay and Mr. Sieving since this balance is critical. This mix might have an impact on the Nuclear Uprates case (100009) as well.

I will review what I had put together and I will let you know if there are any changes. I did this quick to see what the potential impacts can be on the revenue requirements if equity is issued instead of debt.

If any of this information is used then I want to make sure that I receive credit for any of my knowledge that I have provided with this case. I want to make sure that balance is maintained for the shareholder's and ratepayers.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com.

Hopefully there are no typo(s).

Thanks,

Robert H. Smith

Schedule A Page 1 of 1

Capital Components	Jurisdictional Average	Capital Ratio	Cost of Capital	AFUDC Weighted Components	(1)	Revised Juried Average	Revised Capital Ratio	Revised Cost of Capital	Revised AFUDC Weighted Components	Refinancing of Debt	Rev AFUDC Weighted Components	Refinancing of Debt	Rev AFUDC Weighted Components	Refinance of Debt less Equit
Long Term Debt	5,298,960,654	31.57%	5.49%	1.73%		5,298,960,654	30.63%	5.49%	1.68%	3.50%	1.10%	3.75%	1.18%	3.5
Short Term Debt	156,113,805	0.93%	2.11%	0.02%		156,113,805	0.91%	2.11%	0.02%	2.11%	0.02%	2.11%	0.02%	2.1
Preferred Stock	-	0.00%	0.00%	0.00%		-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.0
Customer Deposits	544,711,775	3.24%	5.98%	0.19%		544,711,775	3.17%	5.98%	0.19%	5.98%	0.19%	5.98%	0.19%	5.9
Common Equity	7,889,987,199	47.00%	10.00%	4.70%	400,000,000	8,289,987,199	48.23%	10.00%	4.82%	10.00%	4.70%	10.00%	4.70%	10.0
Deferred Income Tax	2,892,247,084	17.23%	0.00%	0.00%		2,892,247,084	16.83%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.0
Investment Tax Credits	5,429,401	0.03%	0.00%	0.00%		5,429,401	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.0
	16,787,429,918	100.00%		6.65%		17,187,429,918	100.00%		6.72%		6.02%		6.10%	
Equity Ratio	59.12%				Equity Ratio	60.31%								
RateBase 12/31/2008	16,787,429,918													
Average Rate of Return	7.66%		Per Above	6.65%				Per Above	6.72%		Rev Net Op Inc		Rev Net Op Inc	
Net Operating Income	1,285,608,553			1,116,364,090					1,128,115,290		1,010,328,108		1,023,575,510	
											Savings		Savings	
(1) Refinancing of $400 million dollars of debt at the same rate or lower and issuance of $400 million of Common Equity. Revised Equity Ratio								Ref at same rate						Ref at 3 M
Effective January 1, 2008 The Commission Approved AFUDC Rate	7.66%													

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, September 15, 2010 2:11 PM
To: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham <Commissioner.Graham@psc.state.fl.us>'; 'Office of Comissioner Brise <commissioner.Brise@psc.state.fl.us>'
Cc: 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Subject: FW: Preliminary 2008 10K questions 8th Request / Robert H. Smith Investor

Dear Commissioner's and Ms. Bennett,

I noticed a **typo.**

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, September 15, 2010 2:01 PM
To: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham <Commissioner.Graham@psc.state.fl.us>'; 'Office of Comissioner Brise <commissioner.Brise@psc.state.fl.us>'
Cc: 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Subject: FW: Preliminary 2008 10K questions 8th Request / Robert H. Smith Investor

Dear Commissioner's and Ms. Bennett,

I sent this email to FPL as a shareholder to find out what the exact accounting will be for the issuance of these equity units. I want to make sure that they will not have an impact on the Utility Cost of Service since equity is usually more expensive than debt.

Hopefully I hear back from Mr. Hay and Mr. Sieving since this would be very important to know going forward. Based upon the language it appears that there should be no impact but I want to make sure that this is the case since the Prospectus is very involved.

I also asked about the collateralization of these securities as it relates to this issuance. I would like to know which assets are being used as collateral. Since it appears that they are using the financing company (FPL Group Capital Inc.) I thought that the collateral questions would be a very important issue.

In addition, below when I talked about refinancing the debt at lower rates to create savings, if equity is issued in addition to refinancing the debt the overall cost of money might not be impacted since any issuance of common equity will cost more than a debt issuance. For example:

Issuance of $400 million of debentures that might be used to refinance debt to lower the long term debt rates. If there is a corresponding issuance of equity of $400 million dollars to offset the debt refinancing than just based upon the Cost of Capital of (2.6% Long term debt rate) versus (equity cost of capital of 10%) the overall cost of money might not

change or even go **up.** This might cause in increase in the level of operating income that would be earned at the Utility. (ratebase x overall cost of money (i.e. 6.65%)).

Was any issuance of common equity modeled into the existing ratecase? Docket Nos. 080677-EI.

This would be very important to take a look at.

Thanks,

Robert H. Smith

ORDER NO. PSC-10-0153-FOF-EI
DOCKET NOS. 080677-EI, 080678-EI
PAGE 107

Schedule A Page 1 of 1

Capital Components	Jurisdictional Average	Capital Ratio	Cost of Capital	AFUDC Weighted Components	Rev AFUDC Refinancing of Debt	Rev AFUDC Weighted Components	Refinancing of Debt	Rev A Weigh Comp
Long Term Debt	5,298,980,654	31.57%	5.49%	1.73%	3.50%	1.10%	3.75%	
Short Term Debt	156,113,805	0.93%	2.11%	0.02%	2.11%	0.02%	2.11%	
Preferred Stock	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
Customer Deposits	544,711,775	3.24%	5.98%	0.19%	5.98%	0.19%	5.98%	
Common Equity	7,889,867,199	47.00%	10.00%	4.70%	10.00%	4.70%	10.00%	
Deferred Income Tax	2,892,247,084	17.23%	0.00%	0.00%	0.00%	0.00%	0.00%	
Investment Tax Credits	5,420,401	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	
	16,787,420,918	100.00%		6.65%		6.02%		
Equity Ratio	59.12%							
RateBase 12/31/2008	16,787,429,918							
Average Rate of Return	7.66%		Per Above	6.65%		Rev Net Op Inc		Rev I
Net Operating Income	1,285,606,553			1,116,364,090		1,010,328,108		1,00
						Savings		Savin

Effective January 1, 2009 The Commission Approved AFUDC Rate is 7.66%

Prepared by Robert H Smith from 080677-EI Order/Workpapers - Draft 1 of 1

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, September 15, 2010 1:37 PM
To: 'Lew_Hay@fpl.com'; 'Charles_Sieving@fpl.com'; 'Investors@fpl.com'
Subject: FW: Preliminary 2008 10K questions 8th Request / Robert H. Smith Investor

Dear Mr. Hay and Mr. Sieving,

Thanks in advance for your help.

If you would be so kind I have another question in addition to the previous emails below.

Please provide the accounting for the new issuance of the equity units as per the Prospectus below. This accounting should show the journal entries as per entity on the issuance of these equity units. For example:

Debit Cash $402.5 Million / FPL Group Capital Inc. Is this the proper company?

Credit Common Equity $402.5 Million Will this be put on FPL Group Capital's Inc's books? If not, let me know which company this equity will reside.

What is the collateral that is backing the issuance of these securities?

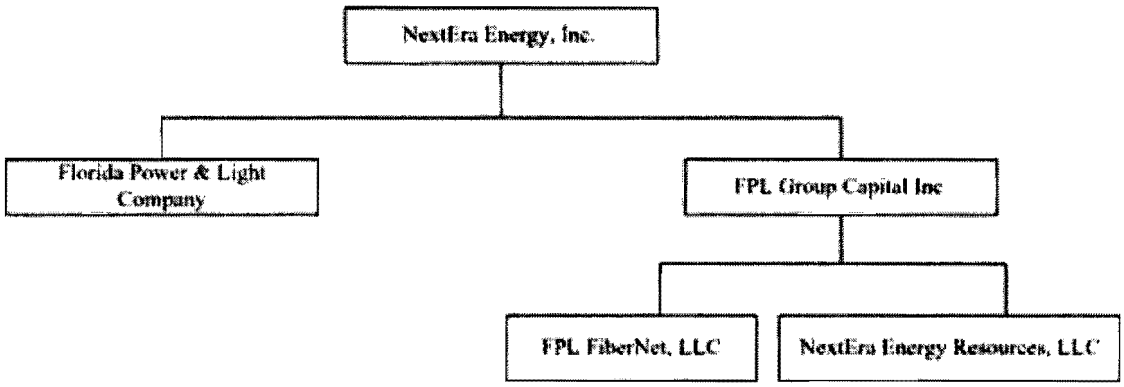
When it talks about a debenture conversion (term sheet 1.90 %?) will these equity units be converted into debentures? If so, then what will the collateral be to back the debentures?

Will any of these entries impact Florida Power & Light Company? I would like to know if the cost of service for the Utility (Common Equity) will be impacted by this issuance.

Thanks,

Robert H. Smith

The organizational structure of NextEra Energy and its principal subsidiaries is shown in the following diagram.



NextEra Energy to raise $403M in equity

NextEra Energy to sell up to $402.5 million in equity units

Companies: Gas Natural Inc. FPL Group Capital Inc Jr Sub De NextEra Energy, Inc.

On Wednesday September 15, 2010, 10:54 am EDT

JUNO BEACH, Fla. (AP) – NextEra Energy Inc., which owns Florida Power & Light Co., said Wednesday it plans to raise up to $402.5 million by selling equity units.

The Juno Beach energy company said proceeds of the sale will go to a general fund that pays for independent power projects and other administrative purposes.

The equity units consist of a contractual right to purchase NextEra Energy common stock in the future and a 5 percent undivided beneficial ownership interest in an FPL Group Capital Inc. debenture due Sept. 1, 2015, in the principal amount of $1,000.

The deal is expected to close Sept. 21.

NextEra shares fell $1.46, nearly 3 percent, to $53.56 in morning trading.

333-160987-02, 333-160987-03,
333-160987-04, 333-160987-05,
333-160987-06, 333-160987-07,
and 333-160987-08

The information in this preliminary prospectus supplement is not complete and may be changed. Neither this preliminary prospectus supplement nor the accompanying prospectus is an offer to sell the securities described herein and neither is soliciting any offer to buy these securities in any jurisdiction where the solicitation, offer or sale is not permitted.

Subject to Completion
Preliminary Prospectus Supplement dated September 14, 2010

PROSPECTUS SUPPLEMENT
(To prospectus dated August 3, 2009)

7,000,000 Equity Units

NEXTera ENERGY

(Initially Consisting of 7,000,000 Corporate Units)

This is an offering of Equity Units by NextEra Energy, Inc. ("NextEra Energy"), formerly known as FPL Group, Inc. Each Equity Unit will have a stated amount of $50 and will consist of (1) a purchase contract issued by NextEra Energy and (2) initially a 1/20, or 5%, undivided beneficial ownership interest in a Series D Debenture due September 1, 2015 issued in the principal amount of $1,000 by FPL Group Capital Inc ("FPL Group Capital"), a wholly-owned subsidiary of NextEra Energy, which is referred to as a Corporate Unit.

- The purchase contract will obligate holders of Equity Units to purchase from NextEra Energy, no later than September 1, 2013, for a price of $50 in cash, the following number of shares of NextEra Energy common stock, subject to anti-dilution adjustments:
  - if the applicable market value of NextEra Energy common stock, which will be determined by reference to average closing prices of NextEra Energy common stock over the 20-trading day period ending on the third trading day prior to September 1, 2013, equals or is greater than the threshold appreciation price of $, shares of NextEra Energy common stock;
  - if the applicable market value is less than the threshold appreciation price of $, but greater than the reference price of $, a number of shares of NextEra Energy common stock having a value, based on the applicable market value, equal to $50; and
  - if the applicable market value is less than or equal to the reference price of $, shares of NextEra Energy common stock.
- The FPL Group Capital debentures will initially bear interest at a rate of % per year, payable quarterly in arrears. NextEra Energy has agreed to absolutely, irrevocably and unconditionally guarantee the payment of principal, interest and premium, if any, on the FPL Group Capital debentures. The FPL Group Capital debentures will be remarketed as described in this prospectus supplement. If this remarketing is successful, the interest rate on the FPL Group Capital debentures will be reset and thereafter interest will be payable semi-annually at the reset rate.
- NextEra Energy will also pay quarterly contract adjustment payments at a rate of % per year on the stated amount of $50 per Corporate Unit, or $ per year, subject to NextEra Energy's right to defer contract adjustment payments, as described in this prospectus supplement.
- The FPL Group Capital debentures will not trade separately from the Corporate Units unless and until substitution is made, the Corporate Units are settled early or the FPL Group Capital debentures are successfully remarketed, all as described in this prospectus supplement.

	commissions
FPL Group Capital Debenture Interest Rate:	1.90%
Contract Adjustment Payment Rate:	5.10% per year of the Stated Amount per Equity Unit, subject to NextEra Energy's right to defer contract adjustment payments, as described in the preliminary prospectus supplement dated September 14, 2010
Deferred Contract Adjustment Payments:	Deferred contract adjustment payments would accrue additional contract adjustment payments at the rate of 7.00% per year until paid, compounded quarterly
Payment Dates on Corporate Units:	March 1, June 1, September 1 and December 1, beginning December 1, 2010, subject to NextEra Energy's right to defer contract adjustment payments, as described in the preliminary prospectus supplement, dated September 14, 2010
Total Corporate Unit Cash Distribution Rate:	7.00% of the Stated Amount per Equity Unit

JUNO BEACH, Fla. (AP) -- Power-plant operator FPL Group Capital Inc. said Friday it sold $400 million in debentures.

The debentures bear interest at 2.6 percent per year and will mature Sept. 1, 2015. The debentures will be guaranteed by FPL Group Capital's parent company, NextEra Energy Inc.

The debentures were offered to the public at 99.967 percent of face value to yield 2.607 percent when held to maturity.

Net proceeds will be added to FPL Group Capital's general funds, which the company expects to use to repay debt.

Shares of FPL Group Capital rose 84 cents to close at $53.89.

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, July 02, 2009 11:58 AM
To: Lew_Hay@fpl.com; Charles_Sieving@fpl.com; Investors@fpl.com
Subject: FW: Preliminary 2008 10K questions 8th Request / Robert H. Smith Investor

Dear Mr. Hay and Mr. Sieving,

This is the 8th request and I am a shareholder. I need the email answered below. I have sent numerous requests and so far I have not heard from anyone.

What is going on? I know that your major shareholders would probably be in contact with FPL and I would think that from a shareholder perspective that I would receive the same treatment and respect with regard to receiving specific answers to my questions in my emails below.

How come there has been no response?

Thanks,

Robert H. Smith

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Tuesday, June 23, 2009 10:17 AM
To: 'Lew_Hay@fpl.com'; 'Charles_Sieving@fpl.com'; 'Investors@fpl.com'
Subject: Preliminary 2008 10K questions 7th Request / Robert H. Smith Investor

Dear Mr. Hay and Mr. Sieving,

What is the status with answering of the email correspondence below?

This is the 7th request.

Thanks,

Robert H. Smith

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Monday, June 15, 2009 10:08 AM
To: 'Lew_Hay@fpl.com'; 'Charles_Sieving@fpl.com'; 'Investors@fpl.com'
Subject: Preliminary 2008 10K questions 6th Request / Robert H. Smith Investor

Dear Mr. Hay and Mr. Sieving,

What is the status with answering of the email correspondence below?

This is the 6th request.

Thanks,

Robert H. Smith

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, June 05, 2009 1:19 PM
To: Lew_Hay@fpl.com; Charles_Sieving@fpl.com; Investors@fpl.com
Subject: FW: Preliminary 2008 10K questions 5th Request / Robert H. Smith Investor

Dear Mr. Hay and Mr. Sieving,

What is the status with the answering of the email correspondence below?

This is the 5th request.

Thanks,

Robert H. Smith

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, June 03, 2009 12:56 PM
To: Lew_Hay@fpl.com; Investors@fpl.com
Cc: Charles_Sieving@fpl.com
Subject: FW: Preliminary 2008 10K questions 4th Request / Robert H. Smith Investor

Dear Mr. Hay,

I sent this fax in order for you to obtain the appropriate information with regard to the email correspondence below.

Your help with this would be greatly appreciated.

Dear Mr. Sieving,

Your help with this matter would be greatly appreciated.

Thanks,

Robert H. Smith

Classic PhoneTools

BVRP software

11340 Heron Bay Blvd #2523
Coral Springs Florida
33076
UNITED STATES

Phone:

Fax:

Message :

Dear Mr. Hay,

What is the status of handling this request? I have not heard back even from investor relations.

I would like to receive this information since the company is in the middle of a rate case. I do not want any of the information to be delayed since the rate case is proceeding forward and I think that the questions that I will be asking will be very easy to answer.

If you have any questions regarding the email below please do not hesitate to call me at (954)-340-4956 or (954)-798-6127.

In addition I can be contacted by email at rpjrb@yahoo.com.

Thanks,

Robert H. Smith

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From: Rob Smith	**To:** Florida Power & Light Group Mr. Lew Hay
Date: 6/3/2009	**Page(s):** 5

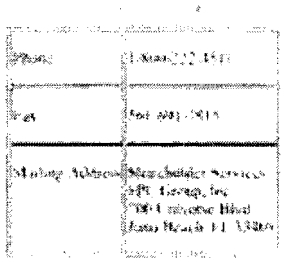
From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Wednesday, June 03, 2009 12:39 PM
To: 'Lew_Hay@fpl.com'; 'Investors@fpl.com'
Subject: FW: Preliminary 2008 10K questions 4th Request

Dear Mr. Hay,

What is the status of handling this request? I have not heard back even from investor relations.

I would like to receive this information since the company is in the middle of a rate case. I do not want any of the information to be delayed since the rate case is proceeding forward and I think that the questions that I will be asking will be very easy to answer.

I will be sending a fax to:



Thanks,

Robert H. Smith

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recipient, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this telecopied information is strictly prohibited, and the documents should be returned. In this regard, if you received this telecopy in error, please contact the sender by reply E-mail and destroy all copies of the original.

From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Wednesday, June 03, 2009 12:39 PM
To: 'Lew_Hay@fpl.com'; 'Investors@fpl.com'
Subject: FW: Preliminary 2008 10K questions 4th Request

Dear Mr. Hay,

What is the status of handling this request? I have not heard back even from investor relations.

I would like to receive this information since the company is in the middle of a rate case. I do not want any of the information to be delayed since the rate case is proceeding forward and I think that the questions that I will be asking will be very easy to answer.

I will be sending a fax to:

Phone	1-800-222-4511
Fax	561-691-7815
Mailing Address	Shareholder Services FPL Group, Inc. 700 Universe Blvd. Juno Beach, FL 33408

Thanks,

Robert H. Smith

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recipient, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this telecopied information is strictly prohibited, and the documents should be returned. In this regard, if you received this telecopy in error, please contact the sender by reply E-mail and destroy all copies of the original.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Tuesday, June 02, 2009 3:06 PM
To: Lew_Hay@fpl.com; Investors@fpl.com
Subject: Preliminary 2008 10K questions 3rd Request

Dear Mr. Hay,

What is the status of the handling of this request?

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, May 29, 2009 10:55 AM
To: Investors@fpl.com
Cc: Lew_Hay@fpl.com
Subject: FW: Preliminary 2008 10K questions

To whom it may concern:

Please let me know if this information is available. It was indicated that FiberNet is a regulated entity. Please verify that this is the case.

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, May 28, 2009 1:44 PM
To: Investors@fpl.com
Subject: Preliminary 2008 10K questions

To whom it may concern:

I am a shareholder at FPL Group and I was taking a look at the 10K. I am in the process of becoming familiar with the financial statements of FPL Group.

If you could be so kind I would like a couple of preliminary questions answered regarding the 10K.

I would like a break out of the Corporate & Other that is on Page 97 in Section 16. Segment Information. Please describe the revenue inflow and expense outflows with detailed descriptions.

It shows operating revenues of $191 million and operating expenses of $190 million.

Please provide me with a list of regulated and non-regulated entities at FPL Group. Please provide the governing body of each entity. I have put together a preliminary list of what I could determine from the 10K.

Company	Incorporation	Regulated (Yes or No)	Primary Business Descrip.
FPL Group	1984	Parent Corp. Consold.	Regulated Utility/NextEra Energy/FPL Group Capital,FPL Ope
FPL	1925	Yes	Regulated Supplier of Electric Service / Utility
FPL Group Capital	1984	Holding Company	Provides Capital Funding for Subsidiaries including NextEra E
NextEra Energy	1998	No ?	Competitive Energy Subsidiary / Clean & Renewable Fuels
FPL Group Operations/FPL FiberNet	2000	No ?	FPL Utility Fiber Optic Line Transfer to FPL FiberNet

Does FPL have a schedule of segmented cash flows for each entity?

Does FPL have a schedule of approved vendors? I know that the utility must put these contracts out to competitive bid.

Is FPL utilizing outside placement agencies for temporary personnel? If so, is this part of the competitive bidding process and is this list available?

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or call me at 954-798-6127.

Thanks,

Robert H. Smith

11340 Heron Bay Blvd. #2523

Coral Springs, Florida 33076

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Dorothy Menasco

080677-EI

FPSC. CLK - CORRESPONDENCE
Administrative ✓ Parties Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION:

From: Dorothy Menasco on behalf of Records Clerk
Sent: Wednesday, October 27, 2010 12:55 PM
To: 'rpjrb@yahoo.com'
Cc: Ann Cole; Lisa Bennett
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.
Attachments: PDFTools.HomePage - PDFToolsscreenprint10152010.pdf; Comissioneremail10142010654PMPrintoutwithjointoolemail.pdf

Thank you for this information, which will be placed in *Docket correspondence - Parties and Interested Persons* in Dockets 080677-EI.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

Please note: Florida has a very broad public records law. Most written communications to or from state officials regarding state business are public records available to the public and media upon request. Your e-mail communications may therefore be subject to public disclosure.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, October 27, 2010 12:39 PM
To: Dorothy Menasco; Records Clerk; Ann Cole
Cc: Lisa Bennett; Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Dear Ms. Menasco,

How come this correspondence is not being added to Docket 080677?

My original email was to the Senior Executives which is related to Docket 080677.

The email correspondence is related to all of the three cases and I have received an email from the Commission indicating that all the information will be placed in all Dockets.

Docket 080677, Docket 100009 and Docket 100410.

I want to make sure that all of the email correspondence is being put into the record of any case that might be impacted by the information in all the email correspondence. This will eliminate any "ex parte" communications that has been set by Federal/State laws.

Thanks for your help.

Thanks,

Robert H. Smith

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The documents accompanying this telecopy transmission contain information which is confidential and/or legally privileged. The information is intended only for the use of the individual or entity named on this transmission sheet. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this telecopied information is strictly prohibited, and the documents should be returned. In this regard, if you received this telecopy in error, please contact the sender by reply E-mail and destroy all copies of the original.

From: Dorothy Menasco [mailto:DMenasco@PSC.STATE.FL.US]
Sent: Wednesday, October 27, 2010 12:27 PM
To: rpjrb@yahoo.com
Cc: Ann Cole; Lisa Bennett
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Correction #2:

This information will be placed in *Docket correspondence - Parties and Interested Persons*, in Docket 100410, **DN 08633-10**.

Sorry for the confusion.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk

Please note: Florida has a very broad public records law. Most written communications to or from state officials regarding state business are public records available to the public and media upon request. Your e-mail communications may therefore be subject to public disclosure.

From: Dorothy Menasco
Sent: Wednesday, October 27, 2010 12:21 PM
To: 'rpjrb@yahoo.com'
Cc: Ann Cole; Lisa Bennett
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Correction to the message below:

this information, which will be placed in ***Docket correspondence - Parties and Interested Persons***, in Docket 100410, DN 10741-08.

From: Dorothy Menasco
Sent: Wednesday, October 27, 2010 9:51 AM
To: 'rpjrb@yahoo.com'
Cc: Ann Cole; Lisa Bennett
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Thank you for this information, which will be placed in *Docket Correspondence - Consumers and their* Representatives, in Docket 100410.

10/27/2010

As mentioned previously, in order to ensure that your information is handled efficiently and accurately, please forward these types of requests to **clerk@psc.state.fl.us**.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

Please note: Florida has a very broad public records law. Most written communications to or from state officials regarding state business are public records available to the public and media upon request. Your e-mail communications may therefore be subject to public disclosure.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Monday, October 25, 2010 8:27 PM
To: Dorothy Menasco
Cc: Ann Cole; Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé; Lisa Bennett
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Dear Ms. Menasco,

I was looking at the new PDF file for Docket 080677. I did not notice these two PDF being scanned into this file. I think that the attached PDF's are pertinent to this case as well.

Please let me know if this information is going to be added to Docket 080677 as well.

http://www.floridapsc.com/dockets/cms/ShowDocket.aspx?docket=H:\LIBRARY\FILINGS\08\10741-08

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, October 15, 2010 3:49 PM
To: 'Marguerite McLean <mmclean@psc.state.fl.us>'
Cc: 'Office Of Commissioner Edgar'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Lisa Bennett'; 'Dorothy Menasco <DMenasco@PSC.STATE.FL.US>'
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Dear Ms. Mclean,

There is a free PDF file joiner that would allow you to append these emails directly to the PDF that is posted on line. This will help the Florida Public Service Commission with their process to expedite the appending of the information to the PDF file in the docket. If you receive a PDF file you will be able to append the file directly to the PDF file on the Docket.

Cost is free for personal use.

I am trying to keep the cost down and since all the interveners in the case are filing direct testimony by email and the information is being scanned and attached to other docket files I would like to keep my cost down as well. This would work very well since the attached files are very clear and readable. If an a person wants to view the docket PDF they will have a clear copy to look at since it would not require a scan.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com.

Here is a sample of the screen print.

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, October 15, 2010 3:25 PM

To: Marguerite McLean <mmclean@psc.state.fl.us>
Cc: 'Office Of Commissioner Edgar'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Lisa Bennett'; 'Dorothy Menasco'
Subject: RE: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Dear Ms. Mclean,

Did you print out the attached PDF file? This would be a hardcopy and you would be able to print it out and then scan with the images intact. I just tried to print out the attached document an it exactly appears just like the email.

Please let me know if you can print out the attached document.

Thanks,

Robert H. Smith

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From: Marguerite McLean [mailto:mmclean@psc.state.fl.us]
Sent: Friday, October 15, 2010 3:20 PM
To: rpjrb@yahoo.com
Cc: Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé; Lisa Bennett; Dorothy Menasco
Subject: RE: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Mr. Smith,
Unfortunately, when your e-mail is printed to a hard copy, not all of the information appears clear/readable. The PDF document has been scanned twice, reviewed and the version online of your e-mail is the best PDF available.

The only thing i can suggest is to file a hard copy of the information through the U. S. mail, with a cover letter identifying the Docket No. and the explanation for the filing. If the Clerk's Office receives a hard copy of a document that is clear/readable, then the PDF version online should be clear/readable.

Thank you,
Marguerite H. McLean
Public Service Commission

Office of Commission Clerk
850-413-6770

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, October 15, 2010 2:42 PM
To: Marguerite McLean
Cc: Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé; Lisa Bennett
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Dear Ms. Mclean,

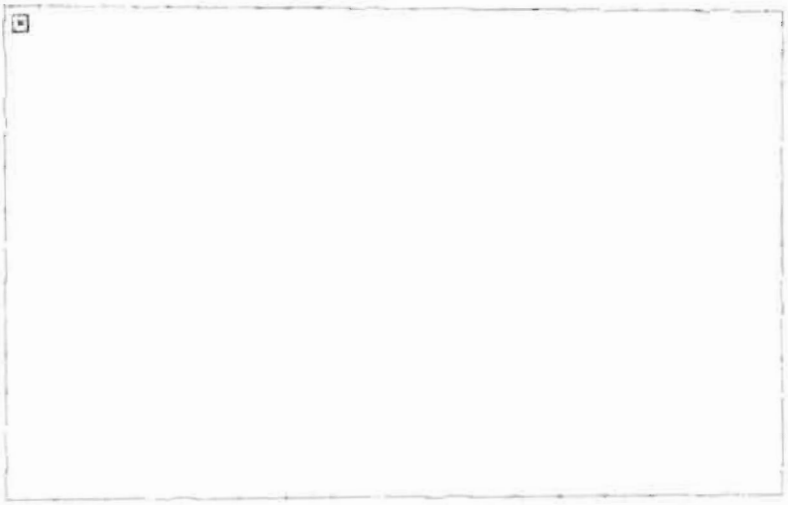
I took a look at the "Docket correspondence - Parties and Interested Persons." in Docket 100410-EI file. I noticed that the images from my email have not been scanned correctly into the file. Do you have any idea why this has happened?

Attached is a PDF file of the email. I do not understand why you were not able to produce the images in the file with the scan. This has happened with a lot of the file correspondence in which there were calculations in the emails.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com.

Thanks,

Robert H. Smith



10/5/2010

Thanks,

10/27/2010

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, October 15, 2010 8:54 AM
To: Marguerite McLean <mmclean@psc.state.fl.us>
Cc: 'Office Of Commissioner Edgar'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Lisa Bennett'
Subject: RE: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Dear Ms. Mclean,

Thanks,

Robert H Smith

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From: Marguerite McLean [mailto:mmclean@psc.state.fl.us]
Sent: Friday, October 15, 2010 8:21 AM
To: rpjrb@yahoo.com
Cc: Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé; Lisa Bennett
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Mr. Smith:
Your name has been added as an interested party in Docket 100410-EI.
A copy of this e-mail will be placed in *"Docket correspondence - Parties and Interested Persons."* in Docket 100410-EI.

Marguerite H. McLean
Public Service Commission
Office of Commission Clerk
850-413-6770

From: Ann Cole
Sent: Friday, October 15, 2010 8:00 AM
To: Marguerite McLean
Cc: Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé; Lisa Bennett
Subject: RE: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Good morning, Marguerite,

Please add Robert H. Smith as an interested party in Docket 100410 and respond.

Thank you

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, October 14, 2010 6:54 PM
To: Office Of Commissioner Edgar; Office of Commissioner Argenziano; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé
Cc: Lisa Bennett; Ann Cole
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Dear Commission Staff,

I would like to be added as an interested party in Docket 100410 Review of Florida Power & Light Company's earnings.

My contact information is:

Robert H. Smith
11340 Heron Bay Blvd. #2523
Coral Springs, FL 33076
Email: rpjrb@yahoo.com

Thanks,

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Monday, October 04, 2010 4:23 PM
To: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham <Commissioner.Graham@psc.state.fl.us>'; 'Office of Comissioner Brise <commissioner.Brise@psc.state.fl.us>'
Cc: 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Subject: FW: Will high profit margin for FPL mean refund for customers?

Dear Commissioner's and Ms. Bennett,

This is for your information. Is there an assumption list for the current rate case with regard to debt/equity financing including refinancing assumptions?

I think that all of my email correspondence should probably be made part of the hearing record just like the two other public people who have been entered into the record. Email or verbal correspondence if it is important to this case should be made part of the public record.

Thanks,

Robert H. Smith

Confidentiality Statement

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Monday, October 04, 2010 4:13 PM
To: jvpatel@sun-sentinel.com; jpatel@sunsentinel.com; meklas@MiamiHerald.com; susan_salisbury@pbpost.com; dara_kam@pbpost.com; aclough@pbpost.com; tim_Burke@pbpost.com
Subject: FW: Will high profit margin for FPL mean refund for customers?

To all,

I sent this to the nominating council. This is for all of your information as to my background and how involved I was with the preparation of these cases.

I want to make sure that if any of the newspapers uses any of this information in any of their reporting that my email correspondence is referenced as per the disclosures below. This includes all attachments and email correspondence.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or give me a call.

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Monday, October 04, 2010 4:04 PM
To: 'bennett.mike.web@flsenate.gov'; 'atwater.jeff.web@flsenate.gov'; 'larry.cretul@myfloridahouse.gov'; 'tracy.duda-chapman@duda.com'; 'steve.precourt@myfloridahouse.gov'; 'mark.pafford@myfloridahouse.gov'; 'oelrich.steve.web@flsenate.gov'; 'dave.murzin@myfloridahouse.gov'; 'joyner.arthenia.web@flsenate.gov'; 'Bbeaudet@pbcwater.com'; 'scott@lawyers-jacksonville.com'; 'ennis.connie@leg.state.fl.us'
Cc: 'Charlie.Crist@MyFlorida.com'; 'Bill@billnelson.senate.gov'; 'rpjrb@yahoo.com'
Subject: FW: Will high profit margin for FPL mean refund for customers?

Dear Nominating Council,

Here are some of my evaluations with regard to preparing these cases. I was primarily responsible for preparing these cases in detail. I was primarily responsible for full balance sheet, profit & loss and cash flow forecasting.

This included calculations of over earnings, modeling of cost of money financing/refinancing assumptions, calculation of debt/equity ratios for GAAP purposes, work on 10K disclosure issues as it pertained to both GAAP and Ratemaking issues.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or give me a call to discuss.

Balance for all of the interested parties is very important to this process.

Thanks,

Robert H. Smith

PERFORMANCE RATING DEFINITIONS

Use the rating scale below when evaluating the employee's performance objectives:

1. PERFORMANCE SIGNIFICANTLY EXCEEDS ALL JOB STANDARDS IN TERMS OF QUALITY AND QUANTITY. ACHIEVEMENTS ARE EXCEPTIONAL AND CONSISTENTLY EXCEED EXPECTED RESULTS.

2. PERFORMANCE CONSISTENTLY EXCEEDS MOST JOB STANDARDS IN BOTH QUALITY AND QUANTITY. ACHIEVEMENTS EXCEED EXPECTED RESULTS.

3. PERFORMANCE MEETS ALL EXPECTED REQUIREMENTS OF THE POSITION AND IS CLEARLY IN ACCORD WITH JOB DEMANDS.

4. PERFORMANCE MEETS SOME BUT NOT ALL EXPECTED JOB REQUIREMENTS. FURTHER IMPROVEMENT IS REQUIRED.

5. PERFORMANCE DOES NOT MEET BASIC REQUIREMENTS OF THE JOB. IMMEDIATE ATTENTION AND ACTION IS REQUIRED.

ACTUAL RESULTS AND COMMENTS	RATING 5	4	3	2	1
Rob is the department's lead person in maintaining the CFM data base, logic and reports, with some assistance from the section's other financial analyst. CFM is now fully downloaded into the PC environment and was used in the recent Compliance Filing effort.				x	
Rob's PC knowledge is a valuable asset to Financial Planning. However, the need for a department PC coordinator has diminished over time due to the establishment of new procedures such as AMPS. In the future, Rob will no longer be evaluated on this objective, although he will be expected to provide support to department personnel if it is necessary.			x		
Rob's duties include the preparation of the monthly Outlook Forecast. He works independently in gathering and modelling the revised forecast data and performing variance analyses. Rob is creative in his analysis of the data and is often consulted directly by the Company's Chief Financial Officer on such matters. He also did a good job of quickly revising the 1995 earnings plan in July to accurately reflect the impacts of the electric rate decision.				x	
Rob played a major role in the preparation of the electric and gas Compliance Filings in September. He made a good effort in dealing with major assumption changes in the week before the filing and he had good working relationships with other members of this project.				x	
Rob has assisted in performing analyses on miscellaneous topics when requested. His work on OPEB's related to FAS106 was very helpful as part of a project that is critical to the development of strategic plans for LILCO.			x		

	5		3	2	
epartment's lead person in maintaining the CFM cata base, logic and reports, with some assistance from the section's other financial analyst. CFM is now fully downloaded into the PC and d in the recent Compliance Filin effort.				x	
Rob's PC knowledge is valuable et to Financial Planning. However, the need for departmer C coordinator has diminished over time due to the establishment of new procedures such as AMPS. In the future, Rob will no longer be evaluated on this objective, although he will be expected to provide support to department personnel if is necessary.			x		
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Rob played a major role in eparation of the electric and gas Compliance Filings in Septemb e made a good effort in dealing with major assumption changes in the week before the filing and he had good working relationship with other members of this project.					
ed requested. His work on OPEB's related to FAS106 was very helpful as part of a project that is critical to the development of strategic plans for LILCO.			x		

ACTUAL RESULTS AND COMMENTS	RATING 5	4	3	2	1
Rob takes the lead role in maintaining the consolidated financial model data base, logic and reports, with assistance from the section's other short range modelling analyst. He has made comparison tests of the mainframe and PC versions of CFM and is providing assistance to the department programmer to resolve the printing problems that exist in the PC version.				x	
Rob's extensive knowledge of the PC environment is highly regarded. He has downloaded the Revenue/Fuel model from the mainframe onto the PC, which will ultimately help Financial Planning's budget by reducing mainframe computer charges.				x	
Rob took the lead role in putting together the 1995 Profit Plan, with some assistance from other members of the section. He did an excellent job, considering the difficulties of forecasting the 1995 rate year without benefit of a final Opinion and Order. Rob also has the responsibility of preparing the monthly Outlook forecast; loading actuals, gathering and modelling revised forecast data, performing variance analysis, and communicating the results to senior management and the business units.					x
Rob's assistance in the modelling of the September gas compliance filing was helpful to the successful completion of that project.			x		
Currently, there are no plans to have Rob train on the new long range model. However, on his own initiative, Rob cross-trained on the quarterly excess earnings and the monthly RMC and LRPP deferrals.			x		

ACTUAL RESULTS AND COMMENTS					
Rob has continued to maintain the consolidated financial model data base, logic and reports as expected. Rob shows a real talent for programming and often implements logic changes in order to modify the financial model to satisfy the re[illegible]					
Rob prepares the monthly outlook forec[illegible] management. Rob does a good job of analyzing and explai[illegible]s between actual and forecasted amounts and extrapolati[illegible]t on year-end results.			X		
[illegible]yed a lead role in the prepar[illegible]on of t[illegible] Septembe[illegible]e [illegible]ling ordered by the Public Ser ice Commi sion. [illegible]p e th[illegible]ject on a timely basi[illegible]nder the severe time constraints imposed by the PSC and dealt with internal delays effectively. Rob [illegible] smoothly with the section's other Financial Analyst on this assignment. He has also provided te[illegible]ical assistance to accounting in the preparation of footnotes to [illegible]uarterly financial statements with respect to ratemaking issues.				X	
Rob put forward an outstanding e fort in the modellin[illegible] of the [illegible]ong-term Gas Cost of Service Study. This assignment required him to make extensive modifications to CPM in order to run for a five year period. He is currently in the process of updating the study to reflect the latest electric forecasts that will enable him to put together a long-term electric Cost of Servic[illegible].				X	

L.T.
2/12/97

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the original.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Monday, October 04, 2010 3:22 PM
To: 'bennett.mike.web@flsenate.gov'; 'atwater.jeff.web@flsenate.gov'; 'larry.cretul@myfloridahouse.gov'; 'tracy.duda-chapman@duda.com'; 'steve.precourt@myfloridahouse.gov'; 'mark.pafford@myfloridahouse.gov'; 'oelrich.steve.web@flsenate.gov'; 'dave.murzin@myfloridahouse.gov'; 'joyner.arthenia.web@flsenate.gov'; 'Bbeaudet@pbcwater.com'; 'scott@lawyers-jacksonville.com'; 'ennis.connie@leg.state.fl.us'
Subject: FW: Will high profit margin for FPL mean refund for customers?

To the PSC Nominating Council,

This is for your information. This is a very important issue. Balance must be maintained.

I think that all of my email correspondence should probably be made part of the hearing record just like the two other public people who have been entered into the record. Email or verbal correspondence if it is important to this case should be made part of the public record.

Please send a copy of this email to the following people who I do not have an email address for:

Mike Hightower

Gerri McPherson

John Vogt

Do you have these email addresses?

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Monday, October 04, 2010 3:13 PM
To: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham <Commissioner.Graham@psc.state.fl.us>'; 'Office of Comissioner Brise <commissioner.Brise@psc.state.fl.us>'
Cc: 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Subject: FW: Will high profit margin for FPL mean refund for customers?

Dear Commissioner's and Ms. Bennett,

This is for your information. Is there an assumption list for any refinancing assumptions in the rate case? This is why I had the rate of return surveillance reports sent to me a long time ago from the Commission. This would be the measure to calculate any over earnings at the company. It would be interesting to see if there are any refinancing assumptions in the current rate case that model lower interest rates. Do you have this information?

I asked if there was a sharing mechanism for over earnings with my original emails to the Commission. This was last year.

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Monday, October 04, 2010 3:02 PM
To: 'Patel, Julie <jvpatel@sun-sentinel.com>'; 'jpatel@sunsentinel.com'
Cc: 'meklas@MiamiHerald.com'; 'susan_salisbury@pbpost.com'; 'dara_kam@pbpost.com'; 'aclough@pbpost.com'; 'tim_Burke@pbpost.com'
Subject: Will high profit margin for FPL mean refund for customers?

Dear Ms. Patel,

I have brought this issue up over a year ago with my original requests to the Florida Public Service Commission since I was concerned with this type of approach. Usually a Utility has incentive payments based upon approved Public Service Commission goals. Any over earnings that are derived from Utility Operations should be returned 100% to the customer since these incentive payments are made based upon benchmarks that have been set by the Company/Commission for performance benchmarks. This is why an allowed Return on Equity is set by the Commission.

This is why I brought up all these issues back in April 2009. I specifically asked the Commission Staff about any sharing mechanisms regarding overearnings.

The return on equity that is being set for the Company should be set based upon a balance of the needs of shareholders and ratepayers. This return on equity is set to give a shareholder a return on their investment. Any over earnings should be given back if they are generated by Utility operations.

If they set precedence with regard to keeping over earnings that are being generated by Utility operations then what is going to happen with the asset sales that I have been asking about?

Seabrook Asset Transfer

FPL Fibernet Assets

Any type of asset transfer where there is a gain on sale for both book/tax purposes. These gains might be very large and should be given back to the ratepayers/customers since they financed/paid for the assets through their rates. The shareholder gets a return through their return on equity therefore there would be no need to keep any over earnings.

Any over earnings due to refinancing of their Utility debt would lower their cost of money. If their actual earnings come in higher due to the cash rates being set on a higher cost of service, then any over earnings generated for the reduction of interest cost due to refinancing of debt should be given back to the ratepayer 100%. This would be trued up with an over earnings calculation through a reduced cost of money. I have provided this type of analysis in my prior email regarding the refinancing of the debt. If this is a driver of over earnings, then the Utility ratepayer should benefit by these savings in their cash rates as well. What were the interest rate assumptions in the ratecase? Did they model any refinancing of the Utility debt at lower rates? If they did then this would be reflected in the cost of money as a reduced interest rate for Long term Debt. If they used interest rate assumptions for refinancing that is higher than what they can refinance their debt on the open market then this would cause the cost of money for Long term debt to be higher. This would lead to the Company to ask for more in cash rates. Likewise if the actual refinancing of their debt comes in lower than their model assumptions for the ratecase, the ratepayers should benefit for any interest cost savings.

Again the shareholder receives their return on equity based upon an approved rate of return.

Equity always will cost more than debt.

This is a very important issue to take a look at.

I saw that the Company was pursuing a settlement agreement for a base rate freeze. Would this be a good idea if their cost of service might be reduced due to the economy? Lower borrowing costs etc.

From a Company perspective they would want to keep the cash rates the same. From a ratepayer's perspective they would want to benefit for any reduction of costs due to the Economy. Lower borrowing costs etc.

If the Commission decides to let them keep any earnings over their allowed rate of return and there is an agreement to freeze cash base rates then how would there be balance for the ratepayer/shareholder?

The shareholder might benefit by the overearnings and the ratepayer might not see a cash reduction in rates for over earnings and reductions in costs (interest etc.) by nature of a base rate freeze.

Balance must be maintained between the ratepayers and shareholders.

I received an email from one of the Board of Directors of the Company. I have been told that I will be hearing from Mr. Hay and Mr. Sieving regarding my accounting questions that I would need answered since I am a shareholder of the Company as well. I have not heard back as of today but I received an email from one of the directors.

It will be very interesting to see how the Commission will rule.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or give me a call.

Hopefully there are not typo(s). I will check.

Thanks,

Robert H. Smith

House Keys

Buying, selling, insuring your property

<< Previous entry: Are Florida homeowners spending too much on overhead?

Will high profit margin for FPL mean refund for customers?

By Julie Patel October 4, 2010 09:35 AM

Regulators are exploring whether FPL should refund to customers a profit on shareholders' investment this year that exceed the 11 percent cap approved for the company.

The Public Service Commission staff plans to issue a recommendation today about the issue. In January, the PSC rejected all but 6 percent of Florida Power & Light's proposed $1.27 billion rate hike. As part of the decision, the commission approved a return on equity of 9 percent to 11 percent.

FPL Attorney John Butler wrote last week that a refund is not warranted because the profit margin, as it's measured to set rates, did not exceed 11 percent; the record cold weather in January and hot weather in June led to a spike in electricity sales and utilities shouldn't be rewarded or punished for unusual weather; and the PSC doesn't have the authority order a refund because it would be considered "retroactive ratemaking."

Butler encouraged the PSC to approve the rate freeze agreement FPL, the Attorney General's office and consumer groups "worked long and hard to negotiate" as an alternative to weighing the idea of a refund.

FPL, the state's largest utility, reported a 24 percent increase in net income in the second quarter compared to the year before and a 50 percent increase in net profit in the first quarter.

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, September 22, 2010 1:51 PM
To: 'jpatel@sunsentinel.com'
Subject: FW: Overall Cost of money Caluclations for $400 Million refinance/equity issuance / FW: Preliminary 2008 10K questions 8th Request / Robert H. Smith Investor

Dear Ms. Patel,

Here is the latest that I have sent to the both the Nominating Council and the Commission.

I think that some of my email correspondence should be made part of the hearing record just like the other two people who got to enter their testimony into the record. Balance must be maintained with these cases. I am concerned that new Commissioner's are being appointed. There really is no reason for this as long as there is full accounting transparency to directly debate the issues in both of these cases.

Hopefully I hear back from Florida Power & Light regarding my concerns with the new debt and equity that has been issued.

I want to make sure that if any of the newspapers uses any of this information in any of their reporting that my email correspondence is referenced as per the disclosures below. This includes all attachments and email correspondence.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or give me a call.

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, September 22, 2010 1:38 PM
To: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham <Commissioner.Graham@psc.state.fl.us>'; 'Office of Comissioner Brise <commissioner.Brise@psc.state.fl.us>'
Cc: 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Subject: FW: Overall Cost of money Caluclations for $400 Million refinance/equity issuance / FW: Preliminary 2008 10K questions 8th Request / Robert H. Smith Investor

Dear Commissioner's and Ms. Bennett,

I am sending this to the Commissioner's as well since there was a **typo** that I just had noticed. I have forwarded my email that I had sent to the Nominating Council since I feel that everyone should be kept in the loop regarding these two ratecases. Considering what has been going on I want to make sure that any new Commissioner's receive my email correspondence with regard to the issues and concerns that I have about the balance in these two ratecases.

I have sent an email to two Board members at Florida Power & Light to see if they can facilitate a response from Mr. Hay and Mr. Sieving. I want to see the actual accounting behind the new issuances of debt and equity at the company. In addition, there are other emails that have to be answered as well in which I have not received a response as of today.

Balance must be maintained with these cases and when new Commissioner's are appointed they will have to get up to speed with all the old testimony and public correspondence that is available with these cases.

Once the two new Commissioners come on board I will send my email correspondence to them as well.

I think that all of my email correspondence should probably be made part of the hearing record just like the two other public people who have been entered into the record. Email or verbal correspondence if it is important to this case should be made part of the public record.

Hopefully we have the final Commissioner's for these cases. What has been going on does not appear to be in the best interest of both the ratepayers and the Company.

If all the accounting is made fully transparent then I am sure that these cases can be decided very quickly with balance being maintained for all the interested parties in this case.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com.

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, September 22, 2010 1:17 PM
To: 'bennett.mike.web@flsenate.gov'; 'atwater.jeff.web@flsenate.gov'; 'larry.cretul@myfloridahouse.gov'; 'tracy.duda-chapman@duda.com'; 'steve.precourt@myfloridahouse.gov'; 'mark.pafford@myfloridahouse.gov'; 'oelrich.steve.web@flsenate.gov'; 'dave.murzin@myfloridahouse.gov'; 'joyner.arthenia.web@flsenate.gov'; 'Bbeaudet@pbcwater.com'; 'scott@lawyers-jacksonville.com'; 'ennis.connie@leg.state.fl.us'
Subject: FW: Overall Cost of money Caluclations for $400 Million refinance/equity issuance / FW: Preliminary 2008 10K questions 8th Request / Robert H. Smith Investor

To the PSC Nominating Council,

I fixed a typo with the previous email. I know that Mr. Bennett's office (MACMENOMAY.JENNIFER.S21@flsenate.gov) has picked up the email below. I am resending to everyone to keep everyone in the loop regarding the issues that are very important with the case. The reason why the Nominating Council has to get involved is that it appears that new Commissioner's are being appointed and I want to make sure that all of the remaining and newly appointed Commissioner's receive all the email correspondence that I have sent to the Florida Public Service Commission regarding this case. This information has been made part of the public record but there was not mention of it in the hearings. I do not understand why this was not made part of the record just like the two other people who got to address the Commission. Email and verbal communication to me would be exactly the same thing therefore I would have thought that all my email correspondence would have been made part of the hearings just like the opportunity was afforded to two other people with these proceedings. I contacted the Board of Directors at Florida Power & Light regarding the newly issued debt and common equity since I want to see the actual accounting behind these transactions. This might have an impact on the two ratecase proceedings and this is very important to both the ratepayers and/or shareholders of this company.

Once the new Commissioner's are appointed and put into place I will be sending all my email correspondence to them as well.

Hopefully I hear back from the Audit /Finance and Investment Directors from Florida Power & Light regarding the debt/equity issues as well as my former email correspondence that has not been answered. I have sent numerous emails to Mr. Hay and Mr. Sieving from a shareholders perspective to find out the actual accounting behind the Holding Company structure at the Company. I have not heard back from them so I sent an email to the two directors on the Board to see if they can facilitate a response to my emails.

This is the transparency that is needed to fully and accurately take a look at the issues surrounding both Docket No 080677-EI Petition for increase in rates by Florida Power & Light Company and Docket No 100009 Nuclear cost recovery clause.

I am sending this information to the Nominating Council to make sure that the information that I have been sending to the Commissioner's is being considered with regard to this case.

This email correspondence would serve as a resume for the proper skill set that would be needed to make unbiased and balanced decisions with any ratecase type proceeding.

Please send a copy of this email to the following people who I do not have an email address for:

Mike Hightower

Gerri McPherson

John Vogt

Do you have these email addresses?

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com.

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, September 15, 2010 3:55 PM
To: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham <Commissioner.Graham@psc.state.fl.us>'; 'Office of Comissioner Brise <commissioner.Brise@psc.state.fl.us>'
Cc: 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Subject: Overall Cost of money Caluclations for $400 Million refinance/equity issuance / FW: Preliminary 2008 10K questions 8th Request / Robert H. Smith Investor

To all,

Attached is a preliminary/revised overall cost of money calculation to run scenarios for the issuance of $400 million of equity with a refinancing of $400million of debt at the same rate and at a reduced Long Term Debt rates. Any change in the equity ratio will give rise to increased revenue requirements. The question still has to be asked about a ratings drop based upon the equity ratios at the company? How much of an impact would there be based upon a certain percentage drop in the equity ratio? If it is minimal and it cannot compensate for the increase in revenue requirements as outlined by the assumptions below then it would not make sense to issue equity instead of refinancing the debt. Again the collateral question would come into play for each debt or equity issuance.

I have not heard any testimony about what it would cost in increased Long Term Debt interest for a lower equity ratio. This question should be answered.

Here is the overall cost of money revised for the following assumptions:

Refinance $400 million at the same debt rate / Issuance of $400 million of common equity will cost $11.8 Million in increase revenue requirements. (Cost the Customer more in rates)

Refinance $400 million at $3.50% overall cost of money / Issuance of $400 million of common equity will cost $15.6 Million in increased revenue requirements. (Cost the Customer more in rates)

Once the Equity ratio is changed for the issuance of equity the capital ratios will provide more weight to equity which will increase revenue requirements. (Cost the Customer more in rates)

Equity will always cost more than debt unless interest rates on Long Term Debt rises to make the cost of capital for Long Term Debt to be higher than Common Equity (ROE 10%). This might not occur since a higher ROE (10%) would probably be asked for in a market with higher Long Term Debt Interest rates. If the Long Term Debt rates are less risky than equity then Equity would command a higher rate of return to make the purchasing of common equity attractive.

Hopefully I hear back from Mr. Hay and Mr. Sieving since this balance is critical. This mix might have an impact on the Nuclear Uprates case (100009) as well.

I will review what I had put together and I will let you know if there are any changes. I did this quick to see what the potential impacts can be on the revenue requirements if equity is issued instead of debt.

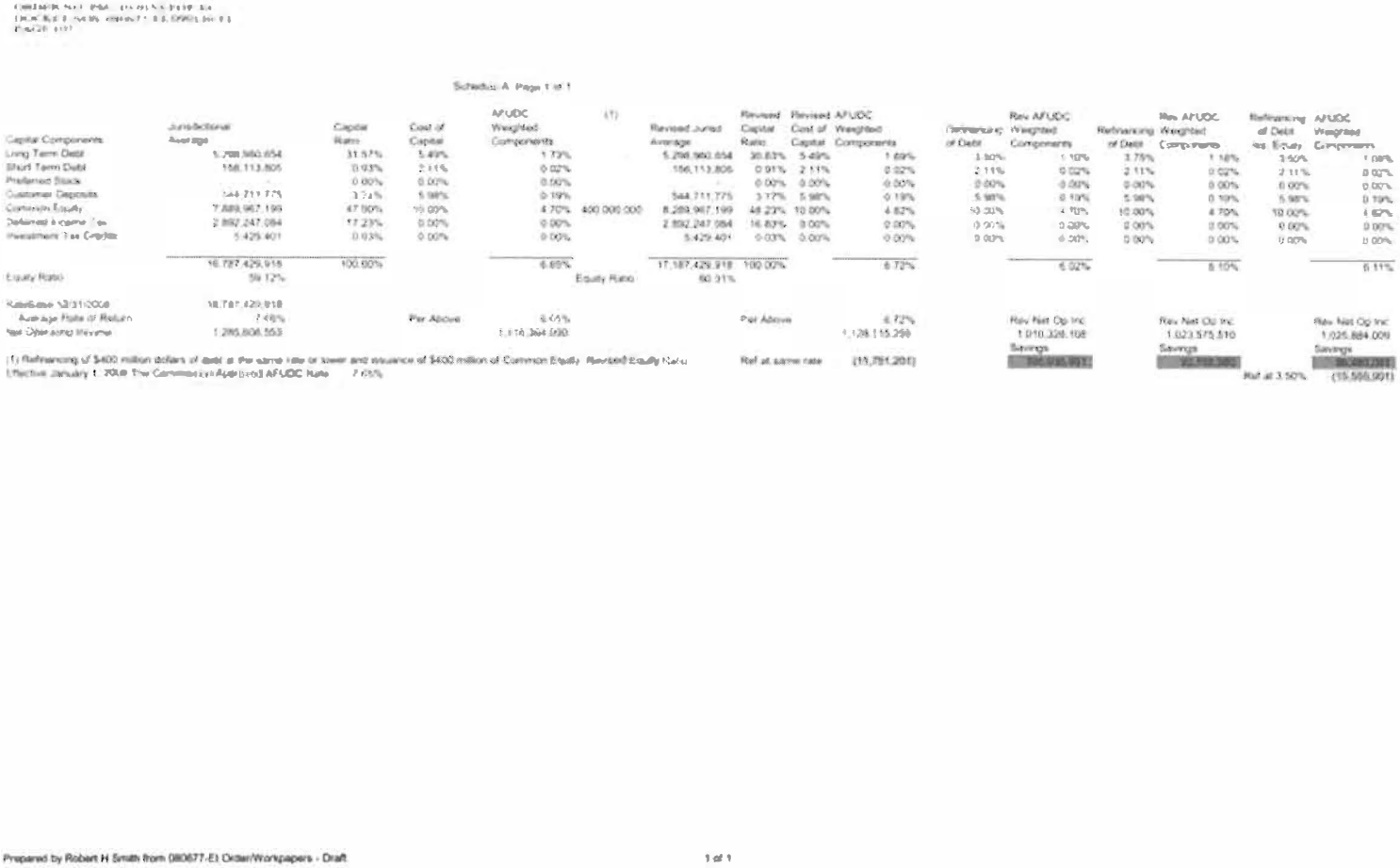
If any of this information is used then I want to make sure that I receive credit for any of my knowledge that I have provided with this case. I want to make sure that balance is maintained for the shareholder's and ratepayers.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com.

Hopefully there are no typo(s).

Thanks,

Robert H. Smith



Schedule A Page 1 of 1

Capital Components	Jurisdictional Average	Capital Ratio	Cost of Capital	AFUDC Weighted Components	(1)	Revised Jurisd Average	Revised Capital Ratio	Revised Cost of Capital	AFUDC Weighted Components	Tolerance of Debt	Rev AFUDC Weighted Components	Refinancing of Debt	Rev AFUDC Weighted Components	Refinancing of Debt less Equity	AFUDC Weighted Components
Long Term Debt	5,798,960,654	31.97%	5.49%	1.73%		5,798,960,654	30.83%	5.49%	1.69%	3.50%	1.10%	3.75%	1.18%	3.50%	1.08%
Short Term Debt	156,113,805	0.93%	2.11%	0.02%		156,113,805	0.91%	2.11%	0.02%	2.11%	0.02%	2.11%	0.02%	2.11%	0.02%
Preferred Stock	0	0.00%	0.00%	0.00%		0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Customer Deposits	544,711,775	3.74%	5.98%	0.19%		544,711,775	3.17%	5.98%	0.19%	5.98%	0.19%	5.98%	0.19%	5.98%	0.19%
Common Equity	7,889,967,199	47.00%	10.00%	4.70%	400,000,000	8,289,967,199	48.23%	10.00%	4.82%	10.00%	4.70%	10.00%	4.70%	10.00%	4.82%
Deferred Income Tax	2,892,247,084	17.23%	0.00%	0.00%		2,892,247,084	16.83%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Investment Tax Credits	5,429,401	0.03%	0.00%	0.00%		5,429,401	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	16,787,429,918	100.00%		6.65%		17,187,429,918	100.00%		6.72%		6.02%		6.10%		6.11%
Equity Ratio	59.12%				Equity Ratio	60.31%									
Rate Base 12/31/2008	16,787,429,918														
Average Rate of Return	7.48%		Per Above	6.65%				Per Above	6.72%		Rev Net Op Inc		Rev Net Op Inc		Rev Net Op Inc
Net Operating Income	1,255,806,553			1,116,364,930					1,128,115,259		1,010,328,108		1,023,575,510		1,025,884,009
											Savings		Savings		Savings
(1) Refinancing of $400 million dollars of debt at the same rate or lower and issuance of $400 million of Common Equity. Revised Equity Ratio								Ref at same rate	(11,791,201)						
Effective January 1, 2010 The Commission's Approved AFUDC Rate	7.65%													Ref at 3.50%	(15,569,901)

Prepared by Robert H Smith from 080677-EI Order/Workpapers - Draft

1 of 1

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, September 15, 2010 2:11 PM
To: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham <Commissioner.Graham@psc.state.fl.us>'; 'Office of Comissioner Brise <commissioner.Brise@psc.state.fl.us>'
Cc: 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Subject: FW: Preliminary 2008 10K questions 8th Request / Robert H. Smith Investor

Dear Commissioner's and Ms. Bennett,

I noticed a **typo.**

Thanks,

10/27/2010

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, September 15, 2010 2:01 PM
To: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham <Commissioner.Graham@psc.state.fl.us>'; 'Office of Comissioner Brise <commissioner.Brise@psc.state.fl.us>'
Cc: 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Subject: FW: Preliminary 2008 10K questions 8th Request / Robert H. Smith Investor

Dear Commissioner's and Ms. Bennett,

I sent this email to FPL as a shareholder to find out what the exact accounting will be for the issuance of these equity units. I want to make sure that they will not have an impact on the Utility Cost of Service since equity is usually more expensive than debt.

Hopefully I hear back from Mr. Hay and Mr. Sieving since this would be very important to know going forward. Based upon the language it appears that there should be no impact but I want to make sure that this is the case since the Prospectus is very involved.

I also asked about the collateralization of these securities as it relates to this issuance. I would like to know which assets are being used as collateral. Since it appears that they are using the financing company (FPL Group Capital Inc.) I thought that the collateral questions would be a very important issue.

In addition, below when I talked about refinancing the debt at lower rates to create savings, if equity is issued in addition to refinancing the debt the overall cost of money might not be impacted since any issuance of common equity will cost more than a debt issuance. For example:

Issuance of $400 million of debentures that might be used to refinance debt to lower the long term debt rates. If there is a corresponding issuance of equity of $400 million dollars to offset the debt refinancing than just based upon the Cost of Capital of (2.6% Long term debt rate) versus (equity cost of capital of 10%) the overall cost of money might not change or even go **up.** This might cause in increase in the level of operating income that would be earned at the Utility. (ratebase x overall cost of money (i.e. 6.65%)).

Was any issuance of common equity modeled into the existing ratecase? Docket Nos. 080677-EI.

This would be very important to take a look at.

Thanks,

Robert H. Smith

EXHIBIT NO. PSC-10-0155-FOF-EI
DOCKET NOS. 080677-EI, 090130-EI
PAGE 107

Schedule A Page 1 of 1

Capital Components	Jurisdictional Average	Capital Ratio	Cost of Capital	AFUDC Weighted Components	Refinancing of Debt	Rev AFUDC Weighted Components	Refinancing of Debt	Rev AFUDC Weighted Components
Long Term Debt	5,298,960,654	31.57%	5.49%	1.73%	3.50%	1.10%	3.75%	1.18%
Short Term Debt	156,113,805	0.93%	2.11%	0.02%	2.11%	0.02%	2.11%	0.02%
Preferred Stock	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Customer Deposits	544,711,775	3.24%	5.98%	0.19%	5.98%	0.19%	5.98%	0.19%
Common Equity	7,889,967,199	47.00%	10.00%	4.70%	10.00%	4.70%	10.00%	4.70%
Deferred Income Tax	2,892,247,084	17.23%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Investment Tax Credits	5,429,401	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	16,787,429,918	100.00%		6.65%		6.02%		6.10%
Equity Ratio	59.12%							
RateBase 12/31/2008	16,787,429,918							
AverageRate of Return	7.66%		Per Above	6.65%		Rev Net Op Inc		Rev Net Op Inc
Net Operating Income	1,285,608,553			1,116,364,090		1,010,328,108		1,023,575,510
						Savings		Savings
						[redacted]		[redacted]
Effective January 1, 2008 The Commission Approved AFUDC Rate is		7.85%						

Prepared by Robert H Smith from 080677-EI Order/Workpapers - Draft 1 of 1

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, September 15, 2010 1:37 PM
To: 'Lew_Hay@fpl.com'; 'Charles_Sieving@fpl.com'; 'Investors@fpl.com'
Subject: FW: Preliminary 2008 10K questions 8th Request / Robert H. Smith Investor

Dear Mr. Hay and Mr. Sieving,

Thanks in advance for your help.

If you would be so kind I have another question in addition to the previous emails below.

Please provide the accounting for the new issuance of the equity units as per the Prospectus below. This accounting should show the journal entries as per entity on the issuance of these equity units. For example:

Debit Cash $402.5 Million / FPL Group Capital Inc. Is this the proper company?

Credit Common Equity $402.5 Million Will this be put on FPL Group Capital's Inc's books? If not, let me know which company this equity will reside.

What is the collateral that is backing the issuance of these securities?

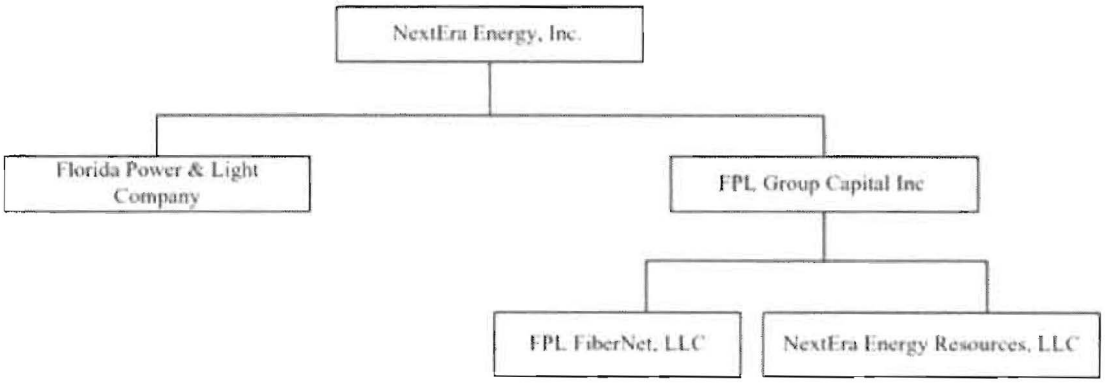
When it talks about a debenture conversion (term sheet 1.90 %?) will these equity units be converted into debentures? If so, then what will the collateral be to back the debentures?

Will any of these entries impact Florida Power & Light Company? I would like to know if the cost of service for the Utility (Common Equity) will be impacted by this issuance.

Thanks,

Robert H. Smith

The organizational structure of NextEra Energy and its principal subsidiaries is shown in the following diagram.



NextEra Energy to raise $403M in equity

NextEra Energy to sell up to $402.5 million in equity units

Share 0 Email Print

Companies: Gas Natural Inc FPL Group Capital Inc Jr Sub De NextEra Energy, Inc.

On Wednesday September 15, 2010, 10:54 am EDT

JUNO BEACH, Fla. (AP) – NextEra Energy Inc., which owns Florida Power & Light Co., said Wednesday it plans to raise up to $402.5 million by selling equity units.

The Juno Beach energy company said proceeds of the sale will go to a general fund that pays for independent power projects and other administrative purposes.

The equity units consist of a contractual right to purchase NextEra Energy common stock in the future and a 5 percent undivided beneficial ownership interest in an FPL Group Capital Inc. debenture due Sept. 1, 2015, in the principal amount of $1,000.

The deal is expected to close Sept. 21.

NextEra shares fell $1.46, nearly 3 percent, to $53.56 in morning trading.

333-160987-02, 333-160987-03,
333-160987-04, 333-160987-05,
333-160987-06, 333-160987-07,
and 333-160987-08

The information in this preliminary prospectus supplement is not complete and may be changed. Neither this preliminary prospectus supplement nor the accompanying prospectus is an offer to sell the securities described herein and neither is soliciting any offer to buy these securities in any jurisdiction where the solicitation, offer or sale is not permitted.

Subject to Completion
Preliminary Prospectus Supplement dated September 14, 2010

PROSPECTUS SUPPLEMENT
(To prospectus dated August 3, 2009)

7,000,000 Equity Units

NEXTera ENERGY

(Initially Consisting of 7,000,000 Corporate Units)

This is an offering of Equity Units by NextEra Energy, Inc. ("NextEra Energy"), formerly known as FPL Group, Inc. Each Equity Unit will have a stated amount of $50 and will consist of (1) a purchase contract issued by NextEra Energy and (2) initially a 1/20, or 5%, undivided beneficial ownership interest in a Series D Debenture due September 1, 2015 issued in the principal amount of $1,000 by FPL Group Capital Inc ("FPL Group Capital"), a wholly- owned subsidiary of NextEra Energy, which is referred to as a Corporate Unit.

- The purchase contract will obligate holders of Equity Units to purchase from NextEra Energy, no later than September 1, 2013, for a price of $50 in cash, the following number of shares of NextEra Energy common stock, subject to anti-dilution adjustments:
  - if the applicable market value of NextEra Energy common stock, which will be determined by reference to average closing prices of NextEra Energy common stock over the 20-trading day period ending on the third trading day prior to September 1, 2013, equals or is greater than the threshold appreciation price of $, shares of NextEra Energy common stock;
  - if the applicable market value is less than the threshold appreciation price of $, but greater than the reference price of $, a number of shares of NextEra Energy common stock having a value, based on the applicable market value, equal to $50; and
  - if the applicable market value is less than or equal to the reference price of $, shares of NextEra Energy common stock.
- The FPL Group Capital debentures will initially bear interest at a rate of % per year, payable quarterly in arrears. NextEra Energy has agreed to absolutely, irrevocably and unconditionally guarantee the payment of principal, interest and premium, if any, on the FPL Group Capital debentures. The FPL Group Capital debentures will be remarketed as described in this prospectus supplement. If this remarketing is successful, the interest rate on the FPL Group Capital debentures will be reset and thereafter interest will be payable semi- annually at the reset rate.
- NextEra Energy will also pay quarterly contract adjustment payments at a rate of % per year on the stated amount of $50 per Corporate Unit, or $ per year, subject to NextEra Energy's right to defer contract adjustment payments, as described in this prospectus supplement.
- The FPL Group Capital debentures will not trade separately from the Corporate Units unless and until substitution is made, the Corporate Units are settled early or the FPL Group Capital debentures are successfully remarketed, all as described in this prospectus supplement.

	commissions
FPL Group Capital Debenture Interest Rate:	1.90%
Contract Adjustment Payment Rate:	5.10% per year of the Stated Amount per Equity Unit, subject to NextEra Energy's right to defer contract adjustment payments, as described in the preliminary prospectus supplement dated September 14, 2010
Deferred Contract Adjustment Payments:	Deferred contract adjustment payments would accrue additional contract adjustment payments at the rate of 7.00% per year until paid, compounded quarterly
Payment Dates on Corporate Units:	March 1, June 1, September 1 and December 1, beginning December 1, 2010, subject to NextEra Energy's right to defer contract adjustment payments, as described in the preliminary prospectus supplement, dated September 14, 2010
Total Corporate Unit Cash Distribution Rate:	7.00% of the Stated Amount per Equity Unit

JUNO BEACH, Fla. (AP) -- Power-plant operator FPL Group Capital Inc. said Friday it sold $400 million in debentures.

The debentures bear interest at 2.6 percent per year and will mature Sept. 1, 2015. The debentures will be guaranteed by FPL Group Capital's parent company, NextEra Energy Inc.

The debentures were offered to the public at 99.967 percent of face value to yield 2.607 percent when held to maturity.

Net proceeds will be added to FPL Group Capital's general funds, which the company expects to use to repay debt.

Shares of FPL Group Capital rose 84 cents to close at $53.89.

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, July 02, 2009 11:58 AM
To: Lew_Hay@fpl.com; Charles_Sieving@fpl.com; Investors@fpl.com
Subject: FW: Preliminary 2008 10K questions 8th Request / Robert H. Smith Investor

Dear Mr. Hay and Mr. Sieving,

This is the 8th request and I am a shareholder. I need the email answered below. I have sent numerous requests and so far I have not heard from anyone.

What is going on? I know that your major shareholders would probably be in contact with FPL and I would think that from a shareholder perspective that I would receive the same treatment and respect with regard to receiving specific answers to my questions in my emails below.

How come there has been no response?

Thanks,

Robert H. Smith

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Tuesday, June 23, 2009 10:17 AM
To: 'Lew_Hay@fpl.com'; 'Charles_Sieving@fpl.com'; 'Investors@fpl.com'
Subject: Preliminary 2008 10K questions 7th Request / Robert H. Smith Investor

Dear Mr. Hay and Mr. Sieving,

What is the status with answering of the email correspondence below?

This is the 7th request.

Thanks,

Robert H. Smith

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Monday, June 15, 2009 10:08 AM
To: 'Lew_Hay@fpl.com'; 'Charles_Sieving@fpl.com'; 'Investors@fpl.com'
Subject: Preliminary 2008 10K questions 6th Request / Robert H. Smith Investor

Dear Mr. Hay and Mr. Sieving,

What is the status with answering of the email correspondence below?

This is the 6th request.

Thanks,

Robert H. Smith

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, June 05, 2009 1:19 PM
To: Lew_Hay@fpl.com; Charles_Sieving@fpl.com; Investors@fpl.com
Subject: FW: Preliminary 2008 10K questions 5th Request / Robert H. Smith Investor

Dear Mr. Hay and Mr. Sieving,

What is the status with the answering of the email correspondence below?

This is the 5th request.

Thanks,

Robert H. Smith

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, June 03, 2009 12:56 PM
To: Lew_Hay@fpl.com; Investors@fpl.com
Cc: Charles_Sieving@fpl.com
Subject: FW: Preliminary 2008 10K questions 4th Request / Robert H. Smith Investor

Dear Mr. Hay,

I sent this fax in order for you to obtain the appropriate information with regard to the email correspondence below.

Your help with this would be greatly appreciated.

Dear Mr. Sieving,

Your help with this matter would be greatly appreciated.

Thanks,

Robert H. Smith

From Preferred Customer to 1-561-691-7815 at 6/3/2009 12:45 PM 001/005

Classic PhoneTools

BVRP software

11340 Heron Bay Blvd #2523
Coral Springs Florida
33076
UNITED STATES

Phone:
Fax:

Message :

Dear Mr. Hay,

What is the status of handling this request? I have not heard back even from investor relations.

I would like to receive this information since the company is in the middle of a rate case. I do not want any of the information to be delayed since the rate case is proceeding forward and I think that the questions that I will be asking will be very easy to answer.

If you have any questions regarding the email below please do not hesitate to call me at (954)-340-4956 or (954)-798-6127.

In addition I can be contacted by email at rpjrb@yahoo.com.

Thanks,

Robert H. Smith

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From:	To: Florida Power & Light Group
Rob Smith	Mr. Lew Hay
Date: 6/3/2009	Page(s): 5

From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Wednesday, June 03, 2009 12:39 PM
To: 'Law_Hay@fpl.com'; 'Investors@fpl.com'
Subject: FW: Preliminary 2008 10K questions +Oh Request

Dear Mr. Hay,

What is the status of handling this request? I have not heard back even from investor relations.

I would like to receive this information since the company is in the middle of a rate case. I do not want any of the information to be delayed since the rate case is proceeding forward and I think that the questions that I will be asking will be very easy to answer.

I will be sending a fax to:

Phone	[illegible]
Fax	[illegible]
Mailing Address	[illegible]

Thanks.

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Wednesday, June 03, 2009 12:39 PM
To: 'Lew_Hay@fpl.com'; 'Investors@fpl.com'
Subject: FW: Preliminary 2008 10K questions 4th Request

Dear Mr. Hay,

What is the status of handling this request? I have not heard back even from investor relations.

I would like to receive this information since the company is in the middle of a rate case. I do not want any of the information to be delayed since the rate case is proceeding forward and I think that the questions that I will be asking will be very easy to answer.

I will be sending a fax to:

Phone	1-800-222-4511
Fax	561-691-7815
Mailing Address	Shareholder Services FPL Group, Inc. 700 Universe Blvd. Juno Beach, FL 33408

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Tuesday, June 02, 2009 3:06 PM
To: Lew_Hay@fpl.com; Investors@fpl.com

Subject: Preliminary 2008 10K questions 3rd Request

Dear Mr. Hay,

What is the status of the handling of this request?

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, May 29, 2009 10:55 AM
To: Investors@fpl.com
Cc: Lew_Hay@fpl.com
Subject: FW: Preliminary 2008 10K questions

To whom it may concern:

Please let me know if this information is available. It was indicated that FiberNet is a regulated entity. Please verify that this is the case.

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, May 28, 2009 1:44 PM
To: Investors@fpl.com
Subject: Preliminary 2008 10K questions

To whom it may concern:

I am a shareholder at FPL Group and I was taking a look at the 10K. I am in the process of becoming familiar with the financial statements of FPL Group.

If you could be so kind I would like a couple of preliminary questions answered regarding the 10K.

I would like a break out of the Corporate & Other that is on Page 97 in Section 16. Segment Information. Please describe the revenue inflow and expense outflows with detailed descriptions.

It shows operating revenues of $191 million and operating expenses of $190 million.

Please provide me with a list of regulated and non-regulated entities at FPL Group. Please provide the governing body of each entity. I have put together a preliminary list of what I could determine from the 10K.

Company	Incorporation	Regulated (Yes or No)	Primary Business Descrip.
FPL Group	1984	Parent Corp. Consol.	Regulated Utility/NextEra Energy/FPL Group Capital,FPL Operations(FiberNet)
FPL	1925	Yes	Regulated Supplier of Electric Service / Utility
FPL Group Capital	1984	Holding Company	Provides Capital Funding for Subsidiaries including NextEra Energy
NextEra Energy	1998	No?	Competitive Energy Subsidiary / Clean & Renewable Fuels
FPL Group Operations/FPL FiberNet	2000	No?	FPL Utility Fiber Optic Line Transfer to FPL FiberNet

Does FPL have a schedule of segmented cash flows for each entity?

Does FPL have a schedule of approved vendors? I know that the utility must put these contracts out to competitive bid.

Is FPL utilizing outside placement agencies for temporary personnel? If so, is this part of the competitive bidding process and is this list available?

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or call me at 954-798-6127.

Thanks,

Robert H. Smith

11340 Heron Bay Blvd. #2523

Coral Springs, Florida 33076

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PDFTools is a PDF management application. It can encrypt, decrypt, join, split, stamp, create and rearrange a PDF file.
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Issue Tracker

Please use Issue Tracker to submit any defects, feature requests and suggestions.

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( )	Main Site
PDFTools-Setup.exe 1.3 08/26/2007 (2.8 MB)	cnet DOWNLOAD.COM Download now!

Changes in 1.3

1) Fixed window location issue with multiple monitor.

Explorer
SWTML
S3B2
Blogs
racker
PDFTools Home
XML to PDF Guic
Share this Page
del.icio.us
reddit
Add to Google
StumbleUpon
PayPal Donate
powered by WebBlocks
Search

2) Encryption feature now supports encryption options without a password.
3) Fixed memory issue with joining/splitting of large PDF files.
4) Added status bar to Join and Split options to display progress message during operation.
5) Fixed issues with page number generation logic for Split feature.

Known Issue : The 'decrypt' function is broken in 1.3. Please use older version if you need decrypt function. I will include fix in next release.

Changes in 1.2

1) Fixed size of windows to work with very low and very high resolutions.
2) More settings in Join PDF files option.

Changes in 1.1

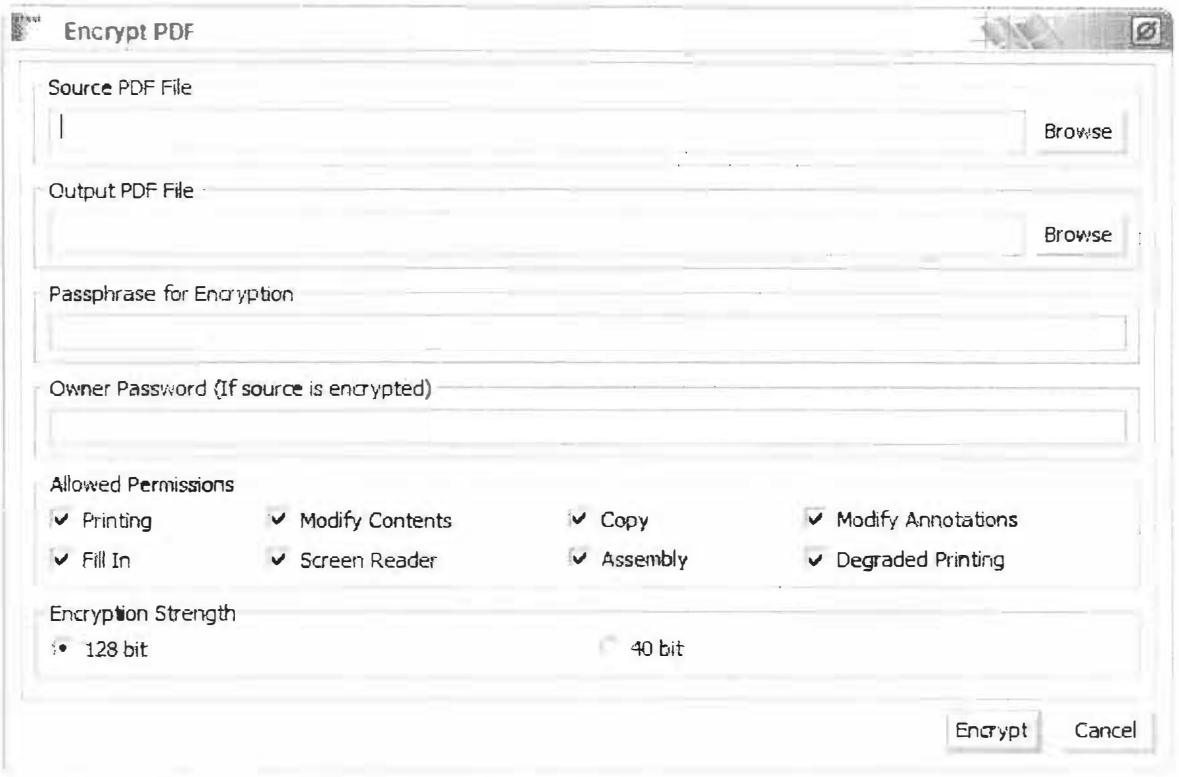
1) Allow multiple file selection in Join's File open dialog window
2) **Added new feature to generate PDF from xml file.**

Please note JRE/JDK (version 1.4 or above) is required to run PDFTools. If you have any questions please email to PDFTools at sheelapps dot com.

Features

PDFTools is easy to use application. Its main window gives easy access to all features available in PDFTools.

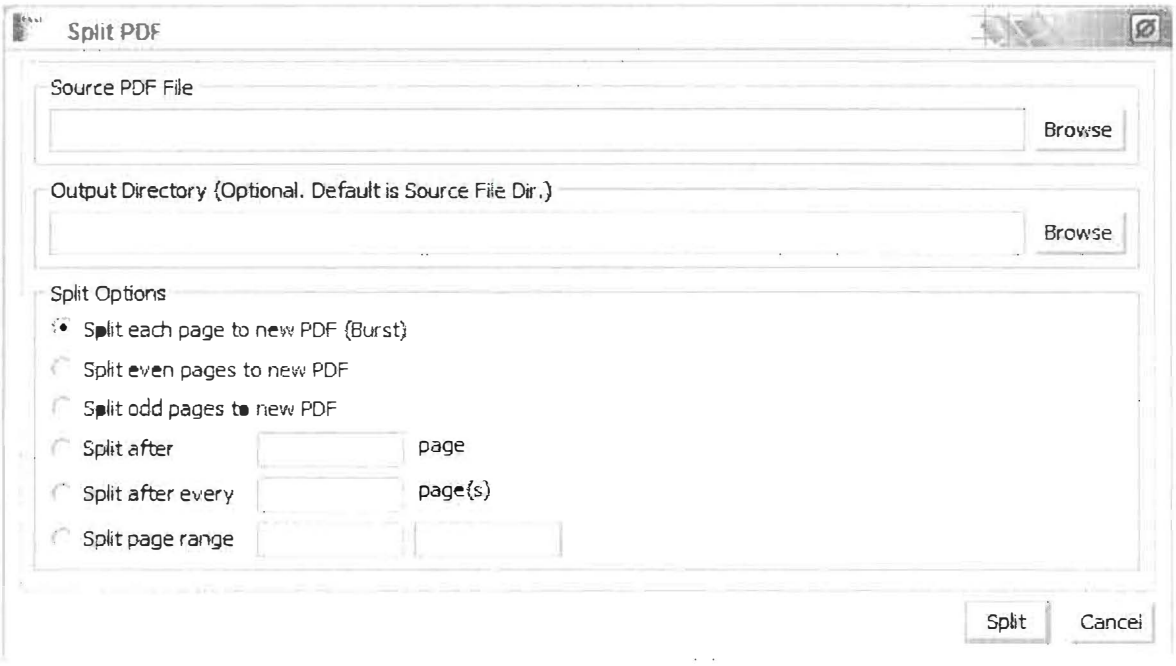
- **Encrypt PDF :**
  This option allows you to password protect any PDF file. Also, you can specify additional features for protected PDF.
  Note: Some of the features are only available if you select 128 bit encryption.



- **Decrypt PDF :**
  This option allows you to create a protection-free version of a encrypted PDF file.

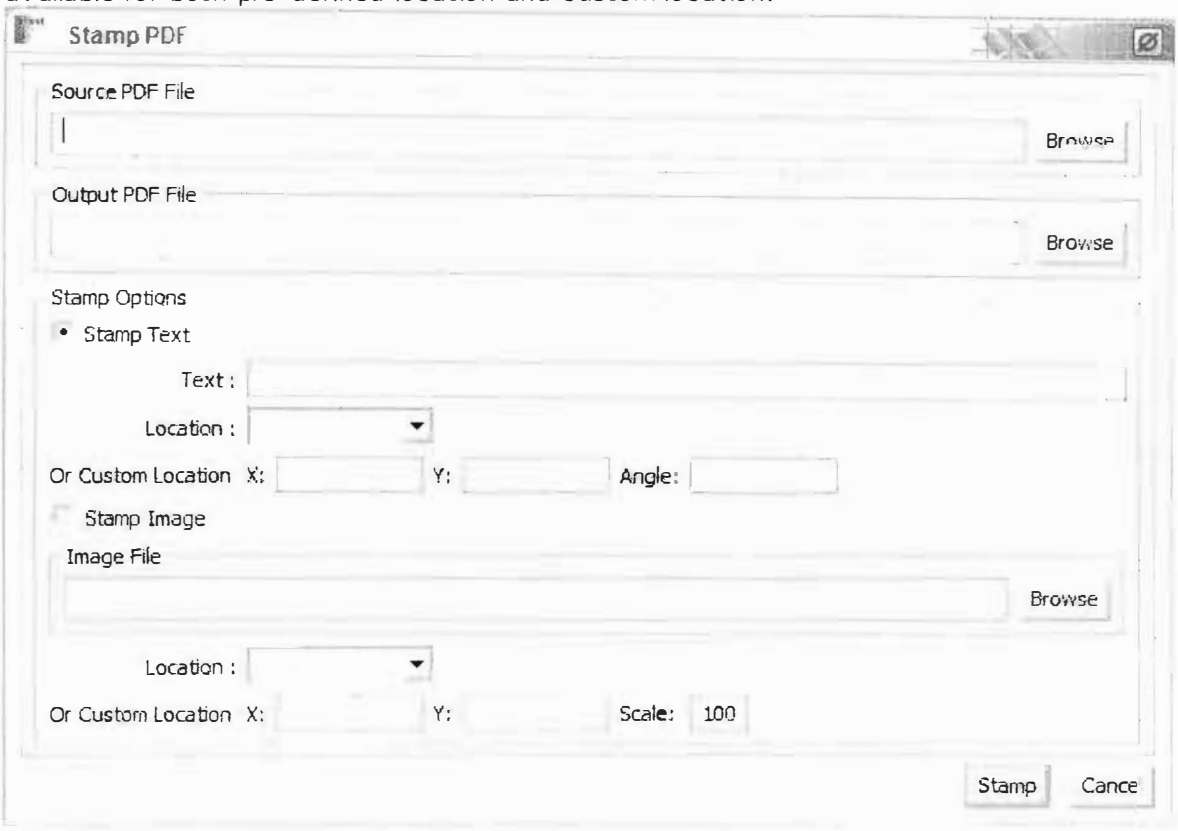
- **Join PDFs :**
  This option allows you to create a PDF file by joining multiple PDF files.

- **Split PDF :**
  This option allows you to split a PDF file in multiple ways. You can split each page to new PDF, split even pages to new PDF, split odd pages to new PDF, split after given page number, split at every given page count or split a range of pages to new PDF file.

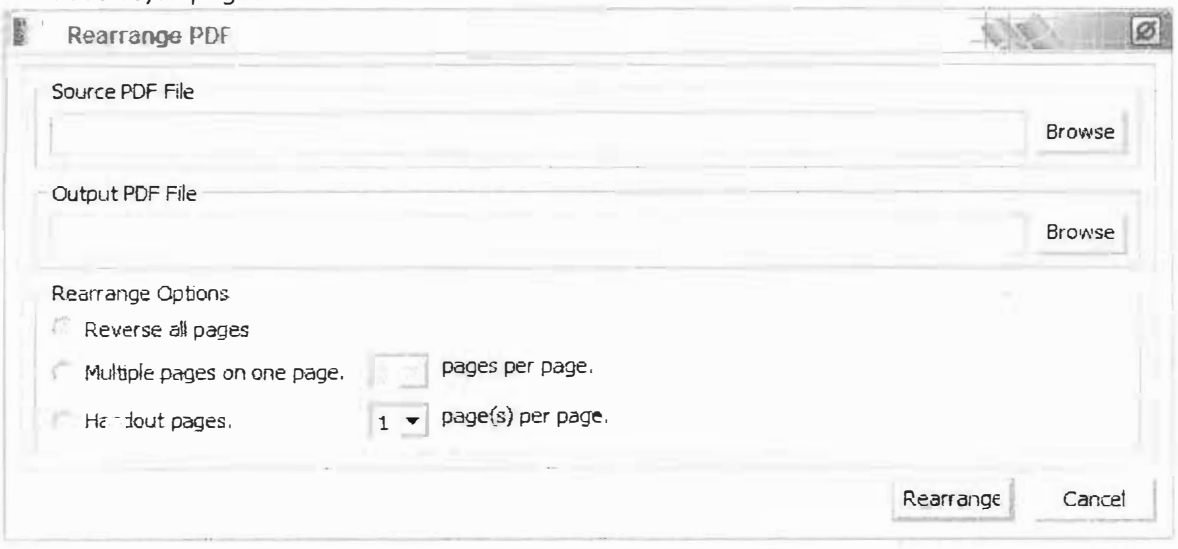


- **Stamp PDF :**
  This option allows you to overlay (or stamp) a Text or Image over a PDF file.

You can overlay Text/Image at pre-defined location in pages or at any custom location by giving its X and Y position.
For text, in custom position you can define angle (in Degrees) for text.
For Image, you can define the scaling for image. Scale option is available for both pre-defined location and custom location.



- **Rearrange PDF :**
  This option allows you arrange pages in a PDF file. You can reverse all pages, copy multiple pages on single page or create handout style pages.



- **Create PDF :**

This option allows you create a PDF file from xml file. For more information see PDFTools's XML to PDF guide.

RSmith [rpjrb@yahoo.com]

To:	Marguerite McLean <mmclean@psc.state.fl.us>
Cc:	'Office Of Commissioner Edgar'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Lisa Bennett'; Dorothy Menasco <DMenasco@PSC.STATE.FL.US>
Subject:	FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.
Attachments:	Comissioneremail10142010654PMPrintout.pdf; PDFTools.HomePage - PDFToolsscreenprint10152010.pdf

Dear Ms. Mclean,

There is a free PDF file joiner that would allow you to append these emails directly to the PDF that is posted on line. This will help the Florida Public Service Commission with their process to expedite the appending of the information to the PDF file in the docket.

Here is a sample of the screen print.

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, October 15, 2010 3:25 PM
To: Marguerite McLean <mmclean@psc.state.fl.us>
Cc: 'Office Of Commissioner Edgar'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Lisa Bennett'; 'Dorothy Menasco'
Subject: RE: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Dear Ms. Mclean,

Did you print out the attached PDF file? This would be a hardcopy and you would be able to print it out and then scan with the images intact. I just tried to print out the attached document an it exactly appears just like the email.

Please let me know if you can print out the attached document.

Thanks,

Robert H. Smith

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From: Marguerite McLean [mailto:mmclean@psc.state.fl.us]
Sent: Friday, October 15, 2010 3:20 PM
To: rpjrb@yahoo.com
Cc: Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé; Lisa Bennett; Dorothy Menasco
Subject: RE: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Mr. Smith,

Unfortunately, when your e-mail is printed to a hard copy, not all of the information appears clear/readable. The PDF document has been scanned twice, reviewed and the version online of your e-mail is the best PDF available.

The only thing i can suggest is to file a hard copy of the information through the U. S. mail, with a cover letter identifying the Docket No. and the explanation for the filing. If the Clerk's Office receives a hard copy of a document that is clear/readable, then the PDF version online should be clear/readable.

Thank you,
Marguerite H. McLean
Public Service Commission
Office of Commission Clerk
850-413-6770

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, October 15, 2010 2:42 PM
To: Marguerite McLean
Cc: Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé; Lisa Bennett
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Dear Ms. Mclean,

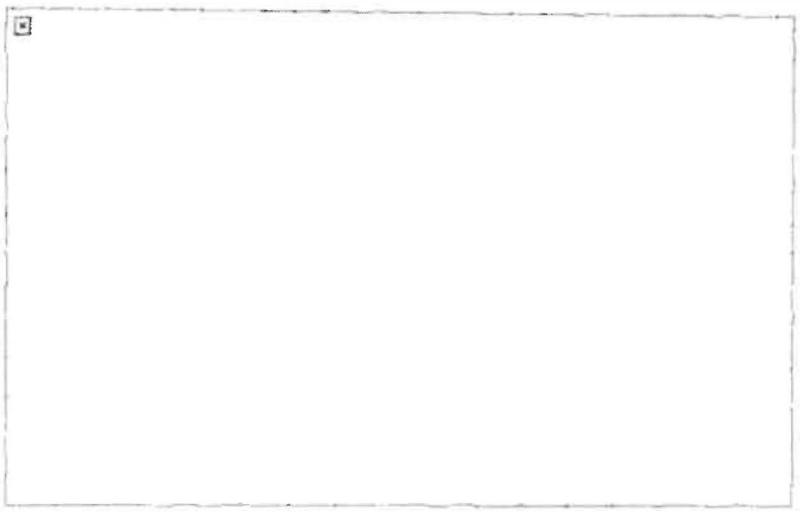
I took a look at the "Docket correspondence - Parties and Interested Persons." in Docket 100410-EI file. I noticed that the images from my email have not been scanned correctly into the file. Do you have any idea why this has happened?

Attached is a PDF file of the email. I do not understand why you were not able to produce the images in the file with the scan. This has happened with a lot of the file correspondence in which there were calculations in the emails.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com.

Thanks,

Robert H. Smith



10/5/2010

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, October 15, 2010 8:54 AM
To: Marguerite McLean <mmclean@psc.state.fl.us>
Cc: 'Office Of Commissioner Edgar'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Lisa Bennett'
Subject: RE: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Dear Ms. Mclean,

Thanks,

Robert H Smith

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From: Marguerite McLean [mailto:mmclean@psc.state.fl.us]
Sent: Friday, October 15, 2010 8:21 AM
To: rpjrb@yahoo.com
Cc: Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé; Lisa Bennett
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Mr. Smith:
Your name has been added as an interested party in Docket 100410-EI.
A copy of this e-mail will be placed in *"Docket correspondence - Parties and Interested Persons."* in Docket 100410-EI.

Marguerite H. McLean
Public Service Commission
Office of Commission Clerk
850-413-6770

From: Ann Cole
Sent: Friday, October 15, 2010 8:00 AM
To: Marguerite McLean
Cc: Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé; Lisa Bennett
Subject: RE: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Good morning, Marguerite,

Please add Robert H. Smith as an interested party in Docket 100410 and respond.

Thank you.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, October 14, 2010 6:54 PM
To: Office Of Commissioner Edgar; Office of Commissioner Argenziano; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé
Cc: Lisa Bennett; Ann Cole
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Dear Commission Staff,

I would like to be added as an interested party in Docket 100410 Review of Florida Power & Light Company's earnings.

My contact information is:

Robert H. Smith
11340 Heron Bay Blvd. #2523
Coral Springs, FL 33076
Email: rpjrb@yahoo.com

Thanks,

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Monday, October 04, 2010 4:23 PM
To: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham <Commissioner.Graham@psc.state.fl.us>'; 'Office of Comissioner Brise <commissioner.Brise@psc.state.fl.us>'
Cc: 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Subject: FW: Will high profit margin for FPL mean refund for customers?

Dear Commissioner's and Ms. Bennett,

This is for your information. Is there an assumption list for the current rate case with regard to debt/equity financing including refinancing assumptions?

I think that all of my email correspondence should probably be made part of the hearing record just like the two other public people who have been entered into the record. Email or verbal correspondence if it is important to this case should be made part of the public record.

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Monday, October 04, 2010 4:13 PM
To: jvpatel@sun-sentinel.com; jpatel@sunsentinel.com; meklas@MiamiHerald.com; susan_salisbury@pbpost.com; dara_kam@pbpost.com; aclough@pbpost.com; tim_Burke@pbpost.com
Subject: FW: Will high profit margin for FPL mean refund for customers?

To all,

I sent this to the nominating council. This is for all of your information as to my background and how involved I was with the preparation of these cases.

I want to make sure that if any of the newspapers uses any of this information in any of their reporting that my email correspondence is referenced as per the disclosures below. This includes all attachments and email correspondence.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or give me a call.

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Monday, October 04, 2010 4:04 PM
To: 'bennett.mike.web@flsenate.gov'; 'atwater.jeff.web@flsenate.gov'; 'larry.cretul@myfloridahouse.gov'; 'tracy.duda-chapman@duda.com'; 'steve.precourt@myfloridahouse.gov'; 'mark.pafford@myfloridahouse.gov'; 'oelrich.steve.web@flsenate.gov'; 'dave.murzin@myfloridahouse.gov'; 'joyner.arthenia.web@flsenate.gov'; 'Bbeaudet@pbcwater.com'; 'scott@lawyers-jacksonville.com'; 'ennis.connie@leg.state.fl.us'
Cc: 'Charlie.Crist@MyFlorida.com'; 'Bill@billnelson.senate.gov'; 'rpjrb@yahoo.com'
Subject: FW: Will high profit margin for FPL mean refund for customers?

Dear Nominating Council,

Here are some of my evaluations with regard to preparing these cases. I was primarily responsible for preparing these cases in detail. I was primarily responsible for full balance sheet, profit & loss and cash flow forecasting.

This included calculations of over earnings, modeling of cost of money financing/refinancing assumptions, calculation of debt/equity ratios for GAAP purposes, work on 10K disclosure issues as it pertained to both GAAP and Ratemaking issues.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or give me a call to discuss.

Balance for all of the interested parties is very important to this process.

Thanks,

Robert H. Smith

PERFORMANCE RATING DEFINITIONS

Use the rating scale below when evaluating the employee's performance objectives:

1. PERFORMANCE SIGNIFICANTLY EXCEEDS ALL JOB STANDARDS IN TERMS OF QUALITY AND QUANTITY. ACHIEVEMENTS ARE EXCEPTIONAL AND CONSISTENTLY EXCEED EXPECTED RESULTS.

2. PERFORMANCE CONSISTENTLY EXCEEDS MOST JOB STANDARDS IN BOTH QUALITY AND QUANTITY. ACHIEVEMENTS EXCEED EXPECTED RESULTS.

3. PERFORMANCE MEETS ALL EXPECTED REQUIREMENTS OF THE POSITION AND IS CLEARLY IN ACCORD WITH JOB DEMANDS.

4. PERFORMANCE MEETS SOME BUT NOT ALL EXPECTED JOB REQUIREMENTS. FURTHER IMPROVEMENT IS REQUIRED.

5. PERFORMANCE DOES NOT MEET BASIC REQUIREMENTS OF THE JOB. IMMEDIATE ATTENTION AND ACTION IS REQUIRED.

ACTUAL RESULTS AND COMMENTS	RATING 5	4	3	2	1
Rob is the department's lead person in maintaining the CFM data base, logic and reports, with some assistance from the section's other financial analyst. CFM is now fully downloaded into the PC environment and was used in the recent Compliance Filing effort.				X	
Rob's PC knowledge is a valuable asset to Financial Planning. However, the need for a department PC coordinator has diminished over time due to the establishment of new procedures such as AMPS. In the future, Rob will no longer be evaluated on this objective, although he will be expected to provide support to department personnel if it is necessary.			X		
Rob's duties include the preparation of the monthly Outlook Forecast. He works independently in gathering and modelling the revised forecast data and performing variance analyses. Rob is creative in his analysis of the data and is often consulted directly by the Company's Chief Financial Officer on such matters. He also did a good job of quickly revising the 1995 earnings plan in July to accurately reflect the impacts of the electric rate decision.				X	
Rob played a major role in the preparation of the electric and gas Compliance Filings in September. He made a good effort in dealing with major assumption changes in the week before the filing and he had good working relationships with other members of this project.				X	
Rob has assisted in performing analyses on miscellaneous topics when requested. His work on OPEB's related to FAS106 was very helpful as part of a project that is critical to the development of strategic plans for LILCO.			X		

ACTUAL RESULTS AND COMMENTS	RATING 5	4	3	2	1
Rob is the department's lead person in maintaining the CFM data base, logic and reports, with some assistance from the section's other financial analyst. CFM is now fully downloaded into the PC environment and was used in the recent Compliance Filing effort.				X	
Rob's PC knowledge is a valuable asset to Financial Planning. However, the need for a department PC coordinator has diminished over time due to the establishment of new procedures such as AMPS. In the future, Rob will no longer be evaluated on this objective, although he will be expected to provide support to department personnel if it is necessary.			X		
Rob's duties include the preparation of the monthly Outlook Forecast. He works independently in gathering and modelling the revised forecast data and performing variance analyses. Rob is creative in his analysis of the data and is often consulted directly by the Company's Chief Financial Officer on such matters. He also did a good job of quickly revising the 1995 earnings plan in July to accurately reflect the impacts of the electric rate decision.				X	
Rob played a major role in the preparation of the electric and gas Compliance Filings in September. He made a good effort in dealing with major assumption changes in the week before the filing and he had good working relationships with other members of this project.				X	
Rob has assisted in performing analyses on miscellaneous topics when requested. His work on OPEB's related to FAS106 was very helpful as part of a project that is critical to the development of strategic plans for LILCO.			X		

ACTUAL RESULTS AND COMMENTS	RATING 5	4	3	2	1
Rob takes the lead role in maintaining the consolidated financial model data base, logic and reports, with assistance from the section's other short range modelling analyst. He has made comparison tests of the mainframe and PC versions of CFM and is providing assistance to the department programmer to resolve the printing problems that exist in the PC version.				X	
Rob's extensive knowledge of the PC environment is highly regarded. He has downloaded the Revenue/Fuel model from the mainframe onto the PC, which will ultimately help Financial Planning's budget by reducing mainframe computer charges.				X	
Rob took the lead role in putting together the 1995 Profit Plan, with some assistance from other members of the section. He did an excellent job, considering the difficulties of forecasting the 1995 rate year without benefit of a final Opinion and Order. Rob also has the responsibility of preparing the monthly Outlook forecast; loading actuals, gathering and modelling revised forecast data, performing variance analysis, and communicating the results to senior management and the business units.					X
Rob's assistance in the modelling of the September gas compliance filing was helpful to the successful completion of that project.			X		
Currently, there are no plans to have Rob train on the new long range model. However, on his own initiative, Rob cross-trained on the quarterly excess earnings and the monthly RMC and LRPP deferrals.			X		

ACTUAL RESULTS AND COMMENTS	RATING 5	4	3	2	1
Rob has continued to maintain the consolidated financial model data base, logic and reports as expected. Rob shows a real talent for programming and often implements logic changes in order to modify the financial model to satisfy the requirements of senior management.			X		
Rob prepares the monthly outlook forecast for senior management. Rob does a good job of analyzing and explaining variances between actual and forecasted amounts and extrapolating their impact on year-end results.			X		
Rob played a lead role in the preparation of the September electric rate filing ordered by the Public Service Commission. He completed the project on a timely basis under the severe time constraints imposed by the PSC and dealt with internal delays effectively. Rob worked smoothly with the section's other Financial Analyst on this assignment. He has also provided technical assistance to accounting in the preparation of footnotes to the quarterly financial statements with respect to ratemaking issues.				X	
Rob put forward an outstanding effort in the modelling of the long-term Gas Cost of Service Study. This assignment required him to make extensive modifications to CFM in order to run for a five year period. He is currently in the process of updating the study to reflect the latest electric forecasts that will enable him to put together a long-term electric Cost of Service.				X	

K.T.
2/12/97

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Monday, October 04, 2010 3:22 PM
To: 'bennett.mike.web@flsenate.gov'; 'atwater.jeff.web@flsenate.gov'; 'larry.cretul@myfloridahouse.gov'; 'tracy.duda-chapman@duda.com'; 'steve.precourt@myfloridahouse.gov'; 'mark.pafford@myfloridahouse.gov'; 'oelrich.steve.web@flsenate.gov'; 'dave.murzin@myfloridahouse.gov'; 'joyner.arthenia.web@flsenate.gov'; 'Bbeaudet@pbcwater.com'; 'scott@lawyers-jacksonville.com'; 'ennis.connie@leg.state.fl.us'
Subject: FW: Will high profit margin for FPL mean refund for customers?

To the PSC Nominating Council,

This is for your information. This is a very important issue. Balance must be maintained.

I think that all of my email correspondence should probably be made part of the hearing record just like the two other public people who have been entered into the record. Email or verbal correspondence if it is important to this case should be made part of the public record.

Please send a copy of this email to the following people who I do not have an email address for:

Mike Hightower

Gerri McPherson

John Vogt

Do you have these email addresses?

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Monday, October 04, 2010 3:13 PM
To: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham <Commissioner.Graham@psc.state.fl.us>'; 'Office of Comissioner Brise <commissioner.Brise@psc.state.fl.us>'
Cc: 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Subject: FW: Will high profit margin for FPL mean refund for customers?

Dear Commissioner's and Ms. Bennett,

This is for your information. Is there an assumption list for any refinancing assumptions in the rate case? This is why I had the rate of return surveillance reports sent to me a long time ago from the Commission. This would be the measure to calculate any over earnings at the company. It would be interesting to see if there are any refinancing assumptions in the current rate case that model lower interest rates. Do you have this information?

I asked if there was a sharing mechanism for over earnings with my original emails to the Commission. This was last year.

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Monday, October 04, 2010 3:02 PM
To: 'Patel, Julie <jvpatel@sun-sentinel.com>'; 'jpatel@sunsentinel.com'
Cc: 'meklas@MiamiHerald.com'; 'susan_salisbury@pbpost.com'; 'dara_kam@pbpost.com'; 'aclough@pbpost.com'; 'tim_Burke@pbpost.com'
Subject: Will high profit margin for FPL mean refund for customers?

Dear Ms. Patel,

I have brought this issue up over a year ago with my original requests to the Florida Public Service Commission since I was concerned with this type of approach. Usually a Utility has incentive payments based upon approved Public Service

Commission goals. Any over earnings that are derived from Utility Operations should be returned 100% to the customer since these incentive payments are made based upon benchmarks that have been set by the Company/Commission for performance benchmarks. This is why an allowed Return on Equity is set by the Commission.

This is why I brought up all these issues back in April 2009. I specifically asked the Commission Staff about any sharing mechanisms regarding overearnings.

The return on equity that is being set for the Company should be set based upon a balance of the needs of shareholders and ratepayers. This return on equity is set to give a shareholder a return on their investment. Any over earnings should be given back if they are generated by Utility operations.

If they set precedence with regard to keeping over earnings that are being generated by Utility operations then what is going to happen with the asset sales that I have been asking about?

Seabrook Asset Transfer

FPL Fibernet Assets

Any type of asset transfer where there is a gain on sale for both book/tax purposes. These gains might be very large and should be given back to the ratepayers/customers since they financed/paid for the assets through their rates. The shareholder gets a return through their return on equity therefore there would be no need to keep any over earnings.

Any over earnings due to refinancing of their Utility debt would lower their cost of money. If their actual earnings come in higher due to the cash rates being set on a higher cost of service, then any over earnings generated for the reduction of interest cost due to refinancing of debt should be given back to the ratepayer 100%. This would be trued up with an over earnings calculation through a reduced cost of money. I have provided this type of analysis in my prior email regarding the refinancing of the debt. If this is a driver of over earnings, then the Utility ratepayer should benefit by these savings in their cash rates as well. What were the interest rate assumptions in the ratecase? Did they model any refinancing of the Utility debt at lower rates? If they did then this would be reflected in the cost of money as a reduced interest rate for Long term Debt. If they used interest rate assumptions for refinancing that is higher than what they can refinance their debt on the open market then this would cause the cost of money for Long term debt to be higher. This would lead to the Company to ask for more in cash rates. Likewise if the actual refinancing of their debt comes in lower than their model assumptions for the ratecase, the ratepayers should benefit for any interest cost savings.

Again the shareholder receives their return on equity based upon an approved rate of return.

Equity always will cost more than debt.

This is a very important issue to take a look at.

I saw that the Company was pursuing a settlement agreement for a base rate freeze. Would this be a good idea if their cost of service might be reduced due to the economy? Lower borrowing costs etc.

From a Company perspective they would want to keep the cash rates the same. From a ratepayer's perspective they would want to benefit for any reduction of costs due to the Economy. Lower borrowing costs etc.

If the Commission decides to let them keep any earnings over their allowed rate of return and there is an agreement to freeze cash base rates then how would there be balance for the ratepayer/shareholder?

The shareholder might benefit by the overearnings and the ratepayer might not see a cash reduction in rates for over earnings and reductions in costs (interest etc.) by nature of a base rate freeze.

Balance must be maintained between the ratepayers and shareholders.

I received an email from one of the Board of Directors of the Company. I have been told that I will be hearing from Mr. Hay and Mr. Sieving regarding my accounting questions that I would need answered since I am a shareholder of the Company as well. I have not heard back as of today but I received an email from one of the directors.

It will be very interesting to see how the Commission will rule.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or give me a call.

Hopefully there are not typo(s). I will check.

Thanks,

Robert H. Smith

House Keys

Buying, selling, insuring your property

<< **Previous entry:** Are Florida home insurers spending too much on overhead?

Will high profit margin for FPL mean refund for customers?

By Julie Patel October 4, 2010 09:35 AM

Regulators are exploring whether FPL should refund to customers a profit on shareholders' investment this year that may exceed the 11 percent cap approved for the company.

The Public Service Commission staff plans to issue a recommendation today about the issue. In January, the PSC rejected all but 6 percent of Florida Power & Light's proposed $1.27 billion rate hike. As part of the decision, the commission approved a return on equity of 9 percent to 11 percent.

FPL Attorney John Butler wrote last week that a refund is not warranted because the profit margin, as it's measured to set rates, did not exceed 11 percent; the record cold weather in January and hot weather in June led to a spike in electricity sales and utilities shouldn't be rewarded or punished for unusual weather; and the PSC doesn't have the authority order a refund because it would be considered "retroactive ratemaking."

Butler encouraged the PSC to approve the rate freeze agreement FPL, the Attorney General's office and consumer groups "worked long and hard to negotiate" as an alternative to weighing the idea of a refund.

FPL, the state's largest utility, reported a 24 percent increase in net income in the second quarter compared to the year before and a 50 percent increase in net profit in the first quarter.

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, September 22, 2010 1:51 PM
To: 'jpatel@sunsentinel.com'
Subject: FW: Overall Cost of money Caluclations for $400 Million refinance/equity issuance / FW: Preliminary 2008 10K questions 8th Request / Robert H. Smith Investor

Dear Ms. Patel,

Here is the latest that I have sent to the both the Nominating Council and the Commission.

I think that some of my email correspondence should be made part of the hearing record just like the other two people who got to enter their testimony into the record. Balance must be maintained with these cases. I am concerned that new Commissioner's are being appointed. There really is no reason for this as long as there is full accounting transparency to directly debate the issues in both of these cases.

Hopefully I hear back from Florida Power & Light regarding my concerns with the new debt and equity that has been issued.

I want to make sure that if any of the newspapers uses any of this information in any of their reporting that my email correspondence is referenced as per the disclosures below. This includes all attachments and email correspondence.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or give me a call.

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, September 22, 2010 1:38 PM
To: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham <Commissioner.Graham@psc.state.fl.us>'; 'Office of Comissioner Brise <commissioner.Brise@psc.state.fl.us>'
Cc: 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Subject: FW: Overall Cost of money Caluclations for $400 Million refinance/equity issuance / FW: Preliminary 2008 10K questions 8th Request / Robert H. Smith Investor

Dear Commissioner's and Ms. Bennett,

I am sending this to the Commissioner's as well since there was a **typo** that I just had noticed. I have forwarded my email that I had sent to the Nominating Council since I feel that everyone should be kept in the loop regarding these two ratecases. Considering what has been going on I want to make sure that any new Commissioner's receive my email correspondence with regard to the issues and concerns that I have about the balance in these two ratecases.

I have sent an email to two Board members at Florida Power & Light to see if they can facilitate a response from Mr. Hay and Mr. Sieving. I want to see the actual accounting behind the new issuances of debt and equity at the company. In addition, there are other emails that have to be answered as well in which I have not received a response as of today.

Balance must be maintained with these cases and when new Commissioner's are appointed they will have to get up to speed with all the old testimony and public correspondence that is available with these cases.

Once the two new Commissioners come on board I will send my email correspondence to them as well.

I think that all of my email correspondence should probably be made part of the hearing record just like the two other public people who have been entered into the record. Email or verbal correspondence if it is important to this case should be made part of the public record.

Hopefully we have the final Commissioner's for these cases. What has been going on does not appear to be in the best interest of both the ratepayers and the Company.

If all the accounting is made fully transparent then I am sure that these cases can be decided very quickly with balance being maintained for all the interested parties in this case.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com.

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, September 22, 2010 1:17 PM
To: 'bennett.mike.web@flsenate.gov'; 'atwater.jeff.web@flsenate.gov'; 'larry.cretul@myfloridahouse.gov'; 'tracy.duda-chapman@duda.com'; 'steve.precourt@myfloridahouse.gov'; 'mark.pafford@myfloridahouse.gov'; 'oelrich.steve.web@flsenate.gov'; 'dave.murzin@myfloridahouse.gov'; 'joyner.arthenia.web@flsenate.gov'; 'Bbeaudet@pbcwater.com'; 'scott@lawyers-jacksonville.com'; 'ennis.connie@leg.state.fl.us'
Subject: FW: Overall Cost of money Caluclations for $400 Million refinance/equity issuance / FW: Preliminary 2008 10K questions 8th Request / Robert H. Smith Investor

To the PSC Nominating Council,

I fixed a typo with the previous email. I know that Mr. Bennett's office (MACMENOMAY.JENNIFER.S21@flsenate.gov) has picked up the email below. I am resending to everyone to keep everyone in the loop regarding the issues that are very important with the case. The reason why the Nominating Council has to get involved is that it appears that new Commissioner's are being appointed and I want to make sure that all of the remaining and newly appointed Commissioner's receive all the email correspondence that I have sent to the Florida Public Service Commission regarding this case. This information has been made part of the public record but there was not mention of it in the hearings. I do not understand why this was not made part of the record just like the two other people who got to address the Commission. Email and verbal communication to me would be exactly the same thing therefore I would have thought that all my email correspondence would have been made part of the hearings just like the opportunity was afforded to two other people with these proceedings. I contacted the Board of Directors at Florida Power & Light regarding the newly issued debt and common equity since I want to see the actual accounting behind these transactions. This might have an impact on the two ratecase proceedings and this is very important to both the ratepayers and/or shareholders of this company.

Once the new Commissioner's are appointed and put into place I will be sending all my email correspondence to them as well.

Hopefully I hear back from the Audit /Finance and Investment Directors from Florida Power & Light regarding the debt/equity issues as well as my former email correspondence that has not been answered. I have sent numerous emails to Mr. Hay and Mr. Sieving from a shareholders perspective to find out the actual accounting behind the Holding Company structure at the Company. I have not heard back from them so I sent an email to the two directors on the Board to see if they can facilitate a response to my emails.

This is the transparency that is needed to fully and accurately take a look at the issues surrounding both Docket No 080677-EI Petition for increase in rates by Florida Power & Light Company and Docket No 100009 Nuclear cost recovery clause.

I am sending this information to the Nominating Council to make sure that the information that I have been sending to the Commissioner's is being considered with regard to this case.

This email correspondence would serve as a resume for the proper skill set that would be needed to make unbiased and balanced decisions with any ratecase type proceeding.

Please send a copy of this email to the following people who I do not have an email address for:

Mike Hightower

Gerri McPherson

John Vogt

Do you have these email addresses?

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com.

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, September 15, 2010 3:55 PM
To: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham <Commissioner.Graham@psc.state.fl.us>'; 'Office of Comissioner Brise <commissioner.Brise@psc.state.fl.us>'
Cc: 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Subject: Overall Cost of money Caluclations for $400 Million refinance/equity issuance / FW: Preliminary 2008 10K questions 8th Request / Robert H. Smith Investor

To all,

Attached is a preliminary/revised overall cost of money calculation to run scenarios for the issuance of $400 million of equity with a refinancing of $400million of debt at the same rate and at a reduced Long Term Debt rates. Any change in the equity ratio will give rise to increased revenue requirements. The question still has to be asked about a ratings drop based upon the equity ratios at the company? How much of an impact would there be based upon a certain percentage drop in the equity ratio? If it is minimal and it cannot compensate for the increase in revenue requirements as outlined by the assumptions below then it would not make sense to issue equity instead of refinancing the debt. Again the collateral question would come into play for each debt or equity issuance.

I have not heard any testimony about what it would cost in increased Long Term Debt interest for a lower equity ratio. This question should be answered.

Here is the overall cost of money revised for the following assumptions:

Refinance $400 million at the same debt rate / Issuance of $400 million of common equity will cost $11.8 Million in increase revenue requirements. (Cost the Customer more in rates)

Refinance $400 million at $3.50% overall cost of money / Issuance of $400 million of common equity will cost $15.6 Million in increased revenue requirements. (Cost the Customer more in rates)

Once the Equity ratio is changed for the issuance of equity the capital ra**tios** will provide more weight to equity which will increase revenue requirements. (Cost the Customer more in rates)

Equity will always cost more than debt unless interest rates on Long Term Debt rises to make the cost of capital for Long Term Debt to be higher than Common Equity (ROE 10%). This might not occur since a higher ROE (10%) would probably be asked for in a market with higher Long Term Debt Interest rates. If the Long Term Debt rates are less risky than equity then Equity would command a higher rate of return to make the purchasing of common equity attractive.

Hopefully I hear back from Mr. Hay and Mr. Sieving since this balance is critical. This mix might have an impact on the Nuclear Uprates case (100009) as well.

I will review what I had put together and I will let you know if there are any changes. I did this quick to see what the potential impacts can be on the revenue requirements if equity is issued instead of debt.

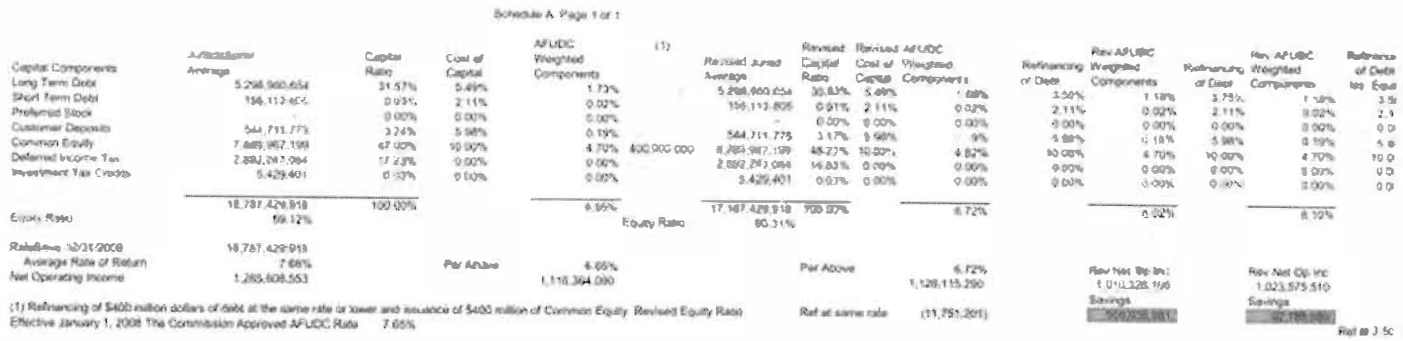
If any of this information is used then I want to make sure that I receive credit for any of my knowledge that I have provided with this case. I want to make sure that balance is maintained for the shareholder's and ratepayers.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com.

Hopefully there are no typo(s).

Thanks,

Robert H. Smith



ORDER NO. PSC-10-0713-FOF-EI
DOCKET NOS. 080677-EI, 090130-EI
PAGE 167

Schedule A Page 1 of 1

Capital Components	Adjusted Balance Average	Capital Ratio	Cost of Capital	AFUDC Weighted Components	(1)	Revised Jured Average	Revised Capital Ratio	Revised Cost of Capital	Revised AFUDC Weighted Components	Refinancing of Debt	Rev AFUDC Weighted Components	Refinancing of Debt	Rev. AFUDC Weighted Components	Refinance of Debt less Equi
Long Term Debt	5,298,960,654	31.57%	5.49%	1.73%		5,298,960,654	30.83%	5.49%	1.69%	3.50%	1.10%	3.75%	1.18%	3.5
Short Term Debt	196,113,805	1.03%	2.11%	0.02%		196,113,805	0.91%	2.11%	0.02%	2.11%	0.02%	2.11%	0.02%	2.1
Preferred Stock	-	0.00%	0.00%	0.00%		-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.0
Customer Deposits	544,711,775	3.24%	5.98%	0.19%		544,711,775	3.17%	5.98%	0.19%	5.98%	0.19%	5.98%	0.19%	5.9
Common Equity	7,889,967,199	47.00%	10.00%	4.70%	400,000,000	8,289,967,199	48.27%	10.00%	4.82%	10.00%	4.70%	10.00%	4.70%	10.0
Deferred Income Tax	2,892,243,084	17.23%	0.00%	0.00%		2,892,243,084	16.83%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.0
Investment Tax Credits	5,429,401	0.03%	0.00%	0.00%		5,429,401	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.0
	16,787,429,918	100.00%		6.65%		17,187,429,918	100.00%		6.72%		6.02%		6.10%	
Equity Ratio	59.12%				Equity Ratio	90.31%								
Rate Base 12/31/2009	16,787,429,918													
Average Rate of Return	7.66%		Per Above	6.65%				Per Above	6.72%		Rev Net Op Inc		Rev Net Op Inc	
Net Operating Income	1,285,608,553			1,116,394,090					1,128,115,290		1,011,328,196		1,023,575,510	
											Savings		Savings	
											[redacted]		[redacted]	
(1) Refinancing of $400 million dollars of debt at the same rate or lower and issuance of $400 million of Common Equity Revised Equity Ratio								Ref at same rate	(11,751,201)					Ref at 3.5c
Effective January 1, 2008 The Commission Approved AFUDC Rate 7.65%														

Prepared by Robert H Smith from 080677-EI Order/Workpapers - Draft

1 of 1

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, September 15, 2010 2:11 PM
To: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham <Commissioner.Graham@psc.state.fl.us>'; 'Office of Comissioner Brise <commissioner.Brise@psc.state.fl.us>'
Cc: 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Subject: FW: Preliminary 2008 10K questions 8th Request / Robert H. Smith Investor

Dear Commissioner's and Ms. Bennett,

I noticed a **typo.**

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, September 15, 2010 2:01 PM
To: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham <Commissioner.Graham@psc.state.fl.us>'; 'Office of Comissioner Brise <commissioner.Brise@psc.state.fl.us>'
Cc: 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Subject: FW: Preliminary 2008 10K questions 8th Request / Robert H. Smith Investor

Dear Commissioner's and Ms. Bennett,

I sent this email to FPL as a shareholder to find out what the exact accounting will be for the issuance of these equity units. I want to make sure that they will not have an impact on the Utility Cost of Service since equity is usually more expensive than debt.

Hopefully I hear back from Mr. Hay and Mr. Sieving since this would be very important to know going forward. Based upon the language it appears that there should be no impact but I want to make sure that this is the case since the Prospectus is very involved.

I also asked about the collateralization of these securities as it relates to this issuance. I would like to know which assets are being used as collateral. Since it appears that they are using the financing company (FPL Group Capital Inc.) I thought that the collateral questions would be a very important issue.

In addition, below when I talked about refinancing the debt at lower rates to create savings, if equity is issued in addition to refinancing the debt the overall cost of money might not be impacted since any issuance of common equity will cost more than a debt issuance. For example:

Issuance of $400 million of debentures that might be used to refinance debt to lower the long term debt rates. If there is a corresponding issuance of equity of $400 million dollars to offset the debt refinancing than just based upon the Cost of Capital of (2.6% Long term debt rate) versus (equity cost of capital of 10%) the overall cost of money might not

change or even go **up.** This might cause in increase in the level of operating income that would be earned at the Utility. (ratebase x overall cost of money (i.e. 6.65%)).

Was any issuance of common equity modeled into the existing ratecase? Docket Nos. 080677-EI.

This would be very important to take a look at.

Thanks,

Robert H. Smith

ORDER NO. PSC-10-0153-FOF-EI
DOCKET NOS. 080677-EI, 090144-EI
PAGE 107

Schedule A Page 1 of 1

Capital Components	Jurisdictional Average	Capital Ratio	Cost of Capital	AFUDC Weighted Components	Refinancing of Debt	Rev AFUDC Weighted Components	Refinancing of Debt	Rev AFUDC Weighted Components
Long Term Debt	5,298,980,654	31.57%	5.49%	1.73%	3.50%	1.10%	3.78%	
Short Term Debt	156,113,805	0.93%	2.11%	0.02%	2.11%	0.02%	2.11%	
Preferred Stock	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
Customer Deposits	544,711,775	3.24%	5.98%	0.19%	5.98%	0.19%	5.98%	
Common Equity	7,889,807,199	47.00%	10.00%	4.70%	10.00%	4.70%	10.00%	
Deferred Income Tax	2,892,247,084	17.23%	0.00%	0.00%	0.00%	0.00%	0.00%	
Investment Tax Credits	5,429,481	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	
	16,787,429,918	100.00%		6.65%		6.02%		
Equity Ratio	59.12%							
RateBase 12/31/2008	16,787,429,918							
Average Rate of Return	7.66%		Per Above	6.65%		Rev Net Op Inc		Rev N
Net Operating Income	1,285,608,553			1,116,364,090		1,010,328,108		1,02
						Savings		Savin
						[redacted]		[redacted]
Effective January 1, 2008 The Commission Approved AFUDC Rate is		7.85%						

Prepared by Robert H Smith from 080677-EI Order/Workpapers - Draft

1 of 1

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, September 15, 2010 1:37 PM
To: 'Lew_Hay@fpl.com'; 'Charles_Sieving@fpl.com'; 'Investors@fpl.com'
Subject: FW: Preliminary 2008 10K questions 8th Request / Robert H. Smith Investor

Dear Mr. Hay and Mr. Sieving,

Thanks in advance for your help.

If you would be so kind I have another question in addition to the previous emails below.

Please provide the accounting for the new issuance of the equity units as per the Prospectus below. This accounting should show the journal entries as per entity on the issuance of these equity units. For example:

Debit Cash $402.5 Million / FPL Group Capital Inc. Is this the proper company?

Credit Common Equity $402.5 Million Will this be put on FPL Group Capital's Inc's books? If not, let me know which company this equity will reside.

What is the collateral that is backing the issuance of these securities?

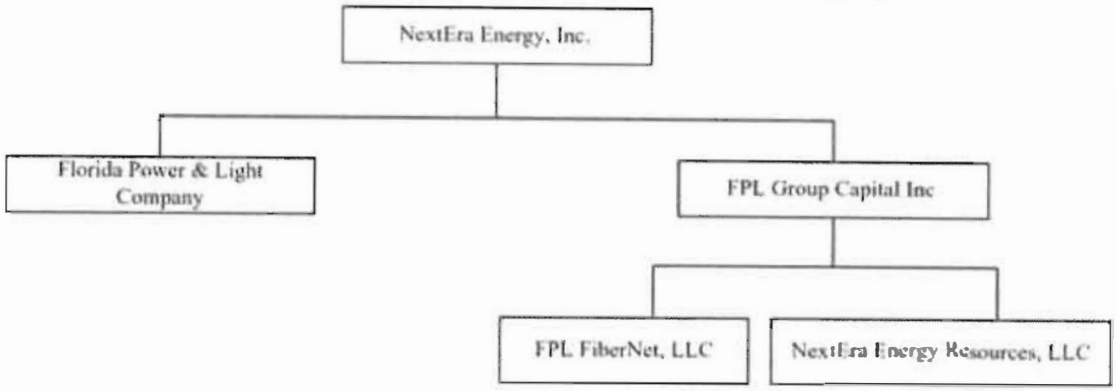
When it talks about a debenture conversion (term sheet 1.90 %?) will these equity units be converted into debentures? If so, then what will the collateral be to back the debentures?

Will any of these entries impact Florida Power & Light Company? I would like to know if the cost of service for the Utility (Common Equity) will be impacted by this issuance.

Thanks,

Robert H. Smith

The organizational structure of NextEra Energy and its principal subsidiaries is shown in the following diagram.



NextEra Energy to raise $403M in equity

NextEra Energy to sell up to $402.5 million in equity units

AP Associated Press Share 0 Email Print

Companies: Gas Natural Inc FPL Group Capital Inc Jr Sub De NextEra Energy, Inc

On Wednesday September 15, 2010, 10:54 am EDT

JUNO BEACH, Fla. (AP) – NextEra Energy Inc., which owns Florida Power & Light Co., said Wednesday it plans to raise up to $402.5 million by selling equity units.

The Juno Beach energy company said proceeds of the sale will go to a general fund that pays for independent power projects and other administrative purposes.

The equity units consist of a contractual right to purchase NextEra Energy common stock in the future and a 5 percent undivided beneficial ownership interest in an FPL Group Capital Inc. debenture due Sept. 1, 2015, in the principal amount of $1,000.

The deal is expected to close Sept. 21.

NextEra shares fell $1.46, nearly 3 percent, to $53.56 in morning trading.

333-160987-02, 333-160987-03,
333-160987-04, 333-160987-05,
333-160987-06, 333-160987-07,
and 333-160987-08

The information in this preliminary prospectus supplement is not complete and may be changed. Neither this preliminary prospectus supplement nor the accompanying prospectus is an offer to sell the securities described herein and neither is soliciting any offer to buy these securities in any jurisdiction where the solicitation, offer or sale is not permitted.

Subject to Completion
Preliminary Prospectus Supplement dated September 14, 2010

PROSPECTUS SUPPLEMENT
(To prospectus dated August 5, 2009)

7,000,000 Equity Units

NEXTera ENERGY

(Initially Consisting of 7,000,000 Corporate Units)

This is an offering of Equity Units by NextEra Energy, Inc. ("NextEra Energy"), formerly known as FPL Group, Inc. Each Equity Unit will have a stated amount of $50 and will consist of (1) a purchase contract issued by NextEra Energy and (2) initially a 1/20, or 5%, undivided beneficial ownership interest in a Series D Debenture due September 1, 2015 issued in the principal amount of $1,000 by FPL Group Capital Inc ("FPL Group Capital"), a wholly-owned subsidiary of NextEra Energy, which is referred to as a Corporate Unit.

- The purchase contract will obligate holders of Equity Units to purchase from NextEra Energy, no later than September 1, 2013, for a price of $50 in cash, the following number of shares of NextEra Energy common stock, subject to anti-dilution adjustments:
  - if the applicable market value of NextEra Energy common stock, which will be determined by reference to average closing prices of NextEra Energy common stock over the 20-trading day period ending on the third trading day prior to September 1, 2013, equals or is greater than the threshold appreciation price of $, shares of NextEra Energy common stock;
  - if the applicable market value is less than the threshold appreciation price of $, but greater than the reference price of $, a number of shares of NextEra Energy common stock having a value, based on the applicable market value, equal to $50; and
  - if the applicable market value is less than or equal to the reference price of $, shares of NextEra Energy common stock.
- The FPL Group Capital debentures will initially bear interest at a rate of % per year, payable quarterly in arrears. NextEra Energy has agreed to absolutely, irrevocably and unconditionally guarantee the payment of principal, interest and premium, if any, on the FPL Group Capital debentures. The FPL Group Capital debentures will be remarketed as described in this prospectus supplement. If this remarketing is successful, the interest rate on the FPL Group Capital debentures will be reset and thereafter interest will be payable semi-annually at the reset rate.
- NextEra Energy will also pay quarterly contract adjustment payments at a rate of % per year on the stated amount of $50 per Corporate Unit, or $ per year, subject to NextEra Energy's right to defer contract adjustment payments, as described in this prospectus supplement.
- The FPL Group Capital debentures will not trade separately from the Corporate Units unless and until substitution is made, the Corporate Units are settled early or the FPL Group Capital debentures are successfully remarketed, all as described in this prospectus supplement.

	commissions
FPL Group Capital Debenture Interest Rate:	1.90%
Contract Adjustment Payment Rate:	5.10% per year of the Stated Amount per Equity Unit, subject to NextEra Energy's right to defer contract adjustment payments, as described in the preliminary prospectus supplement dated September 14, 2010
Deferred Contract Adjustment Payments:	Deferred contract adjustment payments would accrue additional contract adjustment payments at the rate of 7.00% per year until paid, compounded quarterly
Payment Dates on Corporate Units:	March 1, June 1, September 1 and December 1, beginning December 1, 2010, subject to NextEra Energy's right to defer contract adjustment payments, as described in the preliminary prospectus supplement, dated September 14, 2010
Total Corporate Unit Cash Distribution Rate:	7.00% of the Stated Amount per Equity Unit

JUNO BEACH, Fla. (AP) -- Power-plant operator FPL Group Capital Inc. said Friday it sold $400 million in debentures.

The debentures bear interest at 2.6 percent per year and will mature Sept. 1, 2015. The debentures will be guaranteed by FPL Group Capital's parent company, NextEra Energy Inc.

The debentures were offered to the public at 99.967 percent of face value to yield 2.607 percent when held to maturity.

Net proceeds will be added to FPL Group Capital's general funds, which the company expects to use to repay debt.

Shares of FPL Group Capital rose 84 cents to close at $53.89.

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, July 02, 2009 11:58 AM
To: Lew_Hay@fpl.com; Charles_Sieving@fpl.com; Investors@fpl.com
Subject: FW: Preliminary 2008 10K questions 8th Request / Robert H. Smith Investor

Dear Mr. Hay and Mr. Sieving,

This is the 8th request and I am a shareholder. I need the email answered below. I have sent numerous requests and so far I have not heard from anyone.

What is going on? I know that your major shareholders would probably be in contact with FPL and I would think that from a shareholder perspective that I would receive the same treatment and respect with regard to receiving specific answers to my questions in my emails below.

How come there has been no response?

Thanks,

Robert H. Smith

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Tuesday, June 23, 2009 10:17 AM
To: 'Lew_Hay@fpl.com'; 'Charles_Sieving@fpl.com'; 'Investors@fpl.com'
Subject: Preliminary 2008 10K questions 7th Request / Robert H. Smith Investor

Dear Mr. Hay and Mr. Sieving,

What is the status with answering of the email correspondence below?

This is the 7th request.

Thanks,

Robert H. Smith

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Monday, June 15, 2009 10:08 AM
To: 'Lew_Hay@fpl.com'; 'Charles_Sieving@fpl.com'; 'Investors@fpl.com'
Subject: Preliminary 2008 10K questions 6th Request / Robert H. Smith Investor

Dear Mr. Hay and Mr. Sieving,

What is the status with answering of the email correspondence below?

This is the 6th request.

Thanks,

Robert H. Smith

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, June 05, 2009 1:19 PM
To: Lew_Hay@fpl.com; Charles_Sieving@fpl.com; Investors@fpl.com
Subject: FW: Preliminary 2008 10K questions 5th Request / Robert H. Smith Investor

Dear Mr. Hay and Mr. Sieving,

What is the status with the answering of the email correspondence below?

This is the 5th request.

Thanks,

Robert H. Smith

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, June 03, 2009 12:56 PM
To: Lew_Hay@fpl.com; Investors@fpl.com
Cc: Charles_Sieving@fpl.com
Subject: FW: Preliminary 2008 10K questions 4th Request / Robert H. Smith Investor

Dear Mr. Hay,

I sent this fax in order for you to obtain the appropriate information with regard to the email correspondence below.

Your help with this would be greatly appreciated.

Dear Mr. Sieving,

Your help with this matter would be greatly appreciated.

Thanks,

Robert H. Smith

Classic PhoneTools

BVRP software

11340 Heron Bay Blvd #2523
Coral Springs Florida
33076
UNITED STATES

Phone:

Fax:

Message :

Dear Mr. Hay,

What is the status of handling this request? I have not heard back even from investor relations.

I would like to receive this information since the company is in the middle of a rate case. I do not want any of the information to be delayed since the rate case is proceeding forward and I think that the questions that I will be asking will be very easy to answer.

If you have any questions regarding the email below please do not hesitate to call me at (954)-340-4956 or (954)-798-6127.

In addition I can be contacted by email at rpjrb@yahoo.com.

Thanks.

Robert H. Smith

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From:	To: Florida Power & Light Group
Rob Smith	Mr. Lew Hay
Date: 6/3/2009	Page(s): 5

From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Wednesday, June 03, 2009 12:39 PM
To: 'Lew_Hay@fpl.com'; 'Investors@fpl.com'
Subject: FW: Preliminary 2008 10K questions 4th Request

Dear Mr. Hay,

What is the status of handling this request? I have not heard back even from investor relations.

I would like to receive this information since the company is in the middle of a rate case. I do not want any of the information to be delayed since the rate case is proceeding forward and I think that the questions that I will be asking will be very easy to answer.

I will be sending a fax to:

Phone	[illegible]
Fax	561 691-7815
Mailing Address	Shareholder Services FPL Group, Inc 700 Universe Blvd Juno Beach FL 33408

Thanks,

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Wednesday, June 03, 2009 12:39 PM
To: 'Lew_Hay@fpl.com'; 'Investors@fpl.com'
Subject: FW: Preliminary 2008 10K questions 4th Request

Dear Mr. Hay,

What is the status of handling this request? I have not heard back even from investor relations.

I would like to receive this information since the company is in the middle of a rate case. I do not want any of the information to be delayed since the rate case is proceeding forward and I think that the questions that I will be asking will be very easy to answer.

I will be sending a fax to:

Phone	1-800-222-4511
Fax	561-691-7815
Mailing Address	Shareholder Services FPL Group, Inc. 700 Universe Blvd. Juno Beach, FL 33408

Thanks,

Robert H. Smith

Confidentiality Statement

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recipient, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this telecopied information is strictly prohibited, and the documents should be returned. In this regard, if you received this telecopy in error, please contact the sender by reply E-mail and destroy all copies of the original.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Tuesday, June 02, 2009 3:06 PM
To: Lew_Hay@fpl.com; Investors@fpl.com
Subject: Preliminary 2008 10K questions 3rd Request

Dear Mr. Hay,

What is the status of the handling of this request?

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, May 29, 2009 10:55 AM
To: Investors@fpl.com
Cc: Lew_Hay@fpl.com
Subject: FW: Preliminary 2008 10K questions

To whom it may concern:

Please let me know if this information is available. It was indicated that FiberNet is a regulated entity. Please verify that this is the case.

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, May 28, 2009 1:44 PM
To: Investors@fpl.com
Subject: Preliminary 2008 10K questions

To whom it may concern:

I am a shareholder at FPL Group and I was taking a look at the 10K. I am in the process of becoming familiar with the financial statements of FPL Group.

If you could be so kind I would like a couple of preliminary questions answered regarding the 10K.

I would like a break out of the Corporate & Other that is on Page 97 in Section 16. Segment Information. Please describe the revenue inflow and expense outflows with detailed descriptions.

It shows operating revenues of $191 million and operating expenses of $190 million.

Please provide me with a list of regulated and non-regulated entities at FPL Group. Please provide the governing body of each entity. I have put together a preliminary list of what I could determine from the 10K.

Company	Incorporation	Regulated (Yes or No)	Primary Business Descrip.
FPL Group	1984	Parent Comp. Consold.	Regulated Utility/NextEra Energy/FPL Group Capital,FPL Ope
FPL	1925	Yes	Regulated Supplier of Electric Service / Utility
FPL Group Capital	1984	Holding Company	Provides Capital Funding for Subsidiaries including NextEra E
NextEra Energy	1998	No?	Competitive Energy Subsidiary / Clean & Renewable Fuels
FPL Group Operations/FPL FiberNet	2000	No?	FPL Utility Fiber Optic Line Transfer to FPL FiberNet

Does FPL have a schedule of segmented cash flows for each entity?

Does FPL have a schedule of approved vendors? I know that the utility must put these contracts out to competitive bid.

Is FPL utilizing outside placement agencies for temporary personnel? If so, is this part of the competitive bidding process and is this list available?

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or call me at 954-798-6127.

Thanks,

Robert H. Smith

11340 Heron Bay Blvd. #2523

Coral Springs, Florida 33076

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FPSC, CLK - CORRESPONDENCE
Administrative ✓ Parties Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION:

Dorothy Menasco 080677-EI

From: rpjrb@yahoo.com
Sent: Friday, October 22, 2010 3:33 PM
To: Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé
Cc: Lisa Bennett; Dorothy Menasco; Ann Cole
Subject: FW: Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification

Dear Ms. Bennett,

I noticed that you read my email dated October 19th,2010 . I am sending this to add to Docket 080677 correspondence with regard to my concern with the confidential document in which I am waiting for a response to my appeal for this document to be declassified before a ruling is made on the Settlement and Stipulation Agreement.

Here is some information that I researched regarding S-X and S-K disclosure. This should be added to my correspondence as it relates to my concern with the tax payment reconciliation. The declassification of the Forecasted Earnings report should be fully disclosed as it relates to the full cost of service since the rates that will be set by the Settlement and Stipulation agreement would impact the cash collection of all cost of service items which would include taxes.

We have to pay attention to FAS 131 which specifically talks about segmented information. With regard to S-X" in order to show the difference between the amount at which the parent's investment is carried and the underlying book equity of subsidiaries as at the respective dates of acquisition" you would have to see an accurate segmented balance sheet presentation. This balance sheet presentation would require that the cash reporting in each respective balance sheet of the Utility and Subsidiaries are fully complete and accurate. The tax payment testimony that was submitted in the case talks about intercompany entries. With FAS 131 and S-K disclosure it talks about " Situations may arise when information should be disclosed about a segment although the information in quantitative terms may not appear significant to the registrant's business taken as a whole." With regard to the FD disclosure the company has talked about the materiality of the classified documents as it relates to "selective disclosure". Why would it be considered classified before the agreement was approved versus declassified after the agreement was agreed to? Based upon this issue alone a party with a legal interest would not be able to ask potential additional questions as to the forecast assumptions in the classified document until after the cash rates were set if the Stipulation and Settlement agreement was signed with the document being classified. If only the interveners had access to this information then this might be construed as "ex parte" communication since all other parties were not afforded the same opportunity to review the documents.

With regulation S-X and S-K disclosure it is very specific with regard to such disclosure and what the exact disclosure would have to be.

Under FAS 131, it would appear to require segmented reporting in order to meet the criteria as set by the new Energy Policy Act of 2005 or the Public Utility Holding Act of 2005. The requirements under this Federal act would provide the precedence for the proper reporting of each segment which would be a requirement under regulation FD, S-K and S-X. The mere fact that the possibility exists that there might be a possible subsidization of cash flow from a regulated entity to a non-regulated entity would provide for the proper disclosure under FAS 131. An auditor should be able to determine the exposure of this issue based upon segmented cash flow reporting therefore under FAS 131 it would require an auditor to provide segmented information with regard to the cash payments of the income taxes at a Utility.

The reason why I need to see the classified document is to ascertain additional questioning as to any future cost reductions that might have not been forecasted into the Confidential Forecasted Earnings Surveillance Report. If the cash rates are set before I am able to review this document, then what will be the remedy if the actual earned return on these reports is either understated or overstated?

If the cash rates are set to high based upon their forecast assumptions, then the segmented cash flow reporting of the tax payments at the entity is very important as well.

This is to insure that Utility regulated money is not being used to subsidize non-regulated entities. This includes the tax payments.

Regulation FD, S-X and S-K are equally important to these proceedings since when we talk about cash rates any requirements under the Energy Policy Act of 2005 or the Public Utility Holding Act of 2005 would preempt any non-disclosure issues to protect Utility ratepayers. See Energy Policy Act of 2005 42 USC 15801 SEC 1261 to SEC 1270. This is a very critical piece of this case and this is why I am appealing for full transparency and the release of a document that might impact the ruling on the Settlement and Stipulation Agreement.

If I am not afforded the same due process as other interested parties in this case this would be one sided and should be construed as "ex parte" communications. I have asked for all of my email correspondence to be made part of the public record. It appears that in Docket 100009 and Docket 1004101 the tax payment information has been put into the record. I have not noticed the information in Docket 080677. There are still whited/redacted out email images in this Docket (080677). I was told that the hardcopy email dated October 21st, 2010 that my all my hardcopy email correspondence will be add to Dockets 080677-EI, 100009-EI and 100410-EI respectively. I think that the tax payment email is very important to this case.

Please let me know if this is the case to confirm.

I trust you understand my concerns with regard to the segmented cash reporting of the tax payments at the Utility.

I am looking forward to both the Utility and your response to my appeal.

Thanks for your patience in this matter. Hopefully there are no typo(s).

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com.

Thanks,

Robert H. Smith

Energy Policy Act

of 2005.

42 USC 15801

SEC. 1261. SHORT TITLE.

This subtitle may be cited as the "Public Utility Holding Company Act of 2005".

SEC. 1267. AFFILIATE TRANSACTIONS.

(a) COMMISSION AUTHORITY UNAFFECTED.—Nothing in this sub-

title shall limit the authority of the Commission under the Federal

Power Act (16 U.S.C. 791a et seq.) to require that jurisdictional

rates are just and reasonable, including the ability to deny or

approve the pass through of costs, the prevention of cross-subsidiza-

tion, and the issuance of such rules and regulations as are necessary or appropriate for the protection of utility consumers.

(b) RECOVERY OF COSTS.—Nothing in this subtitle shall preclude the Commission or a State commission from exercising its jurisdiction under otherwise applicable law to determine whether a public-utility company, public utility, or natural gas company may recover in rates any costs of an activity performed by an associate company, or any costs of goods or services acquired by such public-utility company from an associate company.

As per FAS 131 / Accounting Principles and Allocations

84. **The Board decided not to require that segment information be provided in accordance with the same generally accepted accounting principles used to prepare the consolidated financial statements for several reasons. Preparing segment information in accordance with the generally accepted accounting principles used at the consolidated level would be difficult because some generally accepted accounting principles are not intended to apply at a segment level.** Examples include allocation of the cost of an acquisition to individual assets and liabilities of a subsidiary using the purchase method of accounting, accounting for the cost of enterprise-wide employee benefit plans, **accounting for income taxes in an enterprise that files a consolidated income tax return**, and accounting for inventory on a last-in, first-out basis if the pools include items in more than one segment. **In addition, there are no generally accepted accounting principles for allocating joint costs, jointly used assets, or jointly incurred liabilities to segments or for pricing intersegment transfers. As a consequence, it generally is not feasible to present segment profitability in accordance with generally accepted accounting principles.**

87. The Board believes that the information required by this Statement meets the objective of reliability of which both representational faithfulness and verifiability are components. An auditor can determine whether the information reported in the notes to the financial statements came from the required source by reviewing management reports or minutes from meetings of the board of directors. **The information is not required to be provided on a specified basis, but the enterprise is required to explain the basis on which it is provided and to reconcile the segment information to consolidated enterprise totals. Adequate explanation and an appropriate reconciliation will enable a user to understand the information and its limitations in the context of the enterprise's financial statements. The auditor can test both the explanation of segment amounts and the reconciliations to consolidated totals. Furthermore, because management uses that information in its decision-making processes, that information is likely to be highly reliable.** The information provided to comply with Statement 14 was more difficult to verify in many situations and was less reliable. Because it was prepared solely for external reporting purposes, it required allocations that may have been arbitrary, and it was based on accounting principles that may have been difficult to apply at the segment level.

Title 17: Commodity and Securities Exchanges

Browse Previous | Browse Next

PART 210—FORM AND CONTENT OF AND REQUIREMENTS FOR FINANCIAL STATEMENTS, SECURITIES ACT OF 1933, SECURITIES EXCHANGE ACT OF 1934, PUBLIC UTILITY HOLDING COMPANY ACT OF 1935, INVESTMENT COMPANY ACT OF 1940, INVESTMENT ADVISERS ACT OF 1940, AND ENERGY POLICY AND CONSERVATION ACT OF 1975

Regulation S-X

Special Requirements as to Public Utility Holding Companies

Reg. § 210.3A-05.

There shall be shown in the consolidated balance sheet of a public utility holding company the difference between the amount at which the parent's investment is carried and the underlying book equity of subsidiaries as at the respective dates of acquisition.

Regulation S-K

§ 229.10 (Item 10) General.

Instructions to Item 101.

1. In determining what information about the segments is material to any understanding of the registrant's business taken as a whole and therefore required to be disclosed pursuant to paragraph (c) of this Item, the registrant should take into account both quantitative and qualitative factors such as the significance of the matter to the registrant (e.g., whether a matter with a relatively minor impact on the registrant's business is represented by management to be important to its future profitability), the pervasiveness of the matter (e.g., whether it affects or may affect numerous items in the segment information), and the impact of the matter (e.g., whether it distorts the trends reflected in the segment information). Situations may arise when information should be disclosed about a segment although the information in quantitative terms may not appear significant to the registrant's business taken as a whole.
2. Base the determination of whether information about segments is required for a particular year upon an evaluation of interperiod comparability. For instance, interperiod comparability would require a registrant to report segment information in the current period even if not material under the criteria for reportability of SFAS No. 131 if a segment has been significant in the immediately preceding period and the registrant expects it to be significant in the future.
3. The Commission, upon written request of the registrant and where consistent with the protection of investors, may permit the omission of any of the information required by this Item or the furnishing in substitution thereof of appropriate information of comparable character.

Confidentiality Statement

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From: Lisa Bennett [mailto:LBENNETT@PSC.STATE.FL.US]
Sent: Friday, October 22, 2010 12:03 PM
To: rpjrb@yahoo.com
Subject: Read: FW: Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification

Your message

To: Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé
Cc: Lisa Bennett
Subject: FW: Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification
Sent: Tue, 19 Oct 2010 13:25:50 -0400

was read on Fri, 22 Oct 2010 12:03:19 -0400

From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Tuesday, October 19, 2010 1:26 PM
To: 'Office Of Commissioner Edgar'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'
Cc: 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Subject: FW: Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification

Dear Commissioner's and Ms. Bennett,

Sorry for the **typo.**

Both Regulation FD and SX would impact information that should be made available to the public. If this forecast contains material information to its shareholders then there would be no reason for the company to seek classification of the surveillance report based upon Regulation FD and Based upon Regulation SX they would be required to report segmented information when the need for this information is warranted.

Thanks,

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Tuesday, October 19, 2010 12:54 PM
To: 'Office Of Commissioner Edgar'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'
Cc: 'Lisa Bennett'
Subject: Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification

Dear Commissioner's and Ms. Bennett,

According to this classification there is another part of Regulation **FD/SX** that would require this information to be not classified as confidential since this would "Situations may arise when information should be disclosed about a segment although the information in quantitative terms may not appear significant to the registrant's business taken as a whole."

This is why from both a shareholder and ratepayer perspective this is a critical piece of information when deciding both the issues in a ratecase as well for an investor to understand the regulatory impacts on the earnings of the company.

With item number 5 below, why would the company after a determination in the case declassify the documents? This may be construed as "ex parte" communication. Will the interveners have access to this information? If so, then as a ratepayer under 350.042 of the Florida Statutes and as per the SEC requirements below as a shareholder there should be no reason why the Company would classify this before the decision and declassify it after there is an agreement on the Stipulation and Settlement

agreement. You have to remember that the over earnings of the company is also to test the rates that would be required therefore if the forecasted surveillance reports show that the company is over earning all interested parties should have access to this information in order to have the ability to ask any other pertinent questions that might impact a decision on agreeing to the Stipulation and Settlement agreement.

I would be very careful here since any lack of transparency from both the ratepayer and shareholder perspective might give rise to an impartial process which the Company has gone on the record that they are very concerned about. It has to be a two way street therefore I do not see the point of why they would want to classify this document as confidential when all the other actual surveillance reports have been made public?

This type of reporting is used to determine if the cash rates are ample enough to support the cost of service of the company. Without this type of disclosure in a ratecase proceeding, this might be construed as "ex parte" communication under section 350.042 of the Florida Statutes. Another issue to take a look at is any potential issues with "ex parte" communication under Title 5 Administrative Procedures Act USC 551 to USC 559. This is at the Federal level. Any Federal would preempt any of the State Statutes and any State Statute would preempt any PSC administrative procedure.

This makes no sense since the original cost of service as filed in the case was made public therefore why would this surveillance report be made confidential when this type of information has been published in the past?

If you take a look at a typical surveillance report you will notice that none of the schedules would include confidential and proprietary information since this is the type of accounting schedule that is primarily used in a ratecase proceeding to set rates. Take a look at the final order that was issued by the Public Service Commission. You will notice that earned returns on equity are made available to the public therefore it does not make sense that they feel that this is a forecasted surveillance report that would require confidential classification. If this is considered classified then how would this not be considered "ex parte" communication since only certain interested parties are being able to see this information?

I know that from a shareholders perspective as well as a ratepayers perspective I would need this information to be able to determine what my rates are going to be as a customer and what any future stock price impacts would be on my ownership of common stock.

This lack of transparency might be considered "ex parte" communications under Title 5 of the Administrative Procedures act since this might be construed as "one sided" transparency.

How could only certain parties with a legal interest be allowed to see this information and other are not?

I am waiting to hear from Mr. Hay and Mr. Sieving regarding my shareholder questions that based upon the SEC regulations below would be in their purview to answer a shareholder.

If I cannot rely on the transparency of information from a ratecase proceeding to see how the Stipulation and Settlement agreement will impact my rates as a customer then how is the ratecase process protecting the customers from a ratepayer perspective?

If I do not receive the appropriate information from Mr. Hay and Mr. Sieving regarding segmented cash flows from a shareholder perspective then how can I have assurance based upon the SEC regulation below that this ratecase will not have an impact on my future value of my stock.

Full transparency should be afforded with this case. Are any of the interveners in the case going to have access to the Forecasted Earnings Surveillance Reports? If so, then any party with a legal interest should be able to see this information as well.

Did staff publish my whited/redacted out information that was missing from my emails? I have provided hardcopy through a PDF file for them to append to the Public Service Commission file.

If you need a hardcopy of this email so when this email is added to the consumer file it is put into the public record with all of its

images intact. I have no problem with providing this information.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com.

Thanks for your patience in this matter.

Robert H. Smith

FEDERAL ENERGY REGULATORY COMMISSION EX PARTE REGULATIONS AND PRACTICES

Title 5 Administrative Procedures Act

Title 17: Commodity and Securities Exchanges

Browse Previous | Browse Next

PART 210—FORM AND CONTENT OF AND REQUIREMENTS FOR FINANCIAL STATEMENTS, SECURITIES ACT OF 1933, SECURITIES EXCHANGE ACT OF 1934, PUBLIC UTILITY HOLDING COMPANY ACT OF 1935, INVESTMENT COMPANY ACT OF 1940, INVESTMENT ADVISERS ACT OF 1940, AND ENERGY POLICY AND CONSERVATION ACT OF 1975

Special Requirements as to Public Utility Holding Companies

Reg. § 210.3A-05.

There shall be shown in the consolidated balance sheet of a public utility holding company the difference between the amount at which the parent's investment is carried and the underlying book equity of subsidiaries as at the respective dates of acquisition.

§ 229.10 (Item 10) General.

Instructions to Item 101.

1. In determining what information about the segments is material to any understanding of the registrant's business taken as a whole and therefore required to be disclosed pursuant to paragraph (c) of this Item, the registrant should take into account both quantitative and qualitative factors such as the significance of the matter to the registrant (e.g., whether a matter with a relatively minor impact on the registrant's business is represented by management to be important to its future profitability), the pervasiveness of the matter (e.g., whether it affects or may affect numerous items in the segment information), and the impact of the matter (e.g., whether it distorts the trends reflected in the segment information). Situations may arise when information should be disclosed about a segment although the information in quantitative terms may not appear significant to the registrant's business taken as a whole.
2. Base the determination of whether information about segments is required for a particular year upon an evaluation of interperiod comparability. For instance, interperiod comparability would require a registrant to report segment information in the current period even if not material under the criteria for reportability of SFAS No. 131 if a segment has been significant in the immediately preceding period and the registrant expects it to be significant in the future.

3. The Commission, upon written request of the registrant and where consistent with the protection of investors, may permit the omission of any of the information required by this Item or the furnishing in substitution thereof of appropriate information of comparable character.

4. As the affidavit included in Exhibit D indicates, the information provided by FPL contains material, non-public financial forecast information, which unless kept confidential, would require disclosure to investors under United States Securities and Exchange Commission Regulation FD. Regulation FD is an issuer disclosure rule intended to avoid selective disclosure of material financial information by publicly traded companies such as FPL's parent, NextEra Energy, Inc. Since the information contained in the Report is provisional, and presents only one view of FPL's forecasted financial results for 2010, it is inappropriate to disclose this information to the investment community at the present time and such disclosure would adversely affect FPL's competitive interests in financial markets.[1] Such information is proprietary confidential business information under Section 366.093, including subsection (3)(e) thereof.

5. Upon a finding by the Commission that the information highlighted in Exhibit A, and referenced in Exhibit C, is proprietary confidential business information, the information should not be declassified until FPL files its final Forecasted Earnings Surveillance Report, which FPL has committed to filing within 30 days of the Commission's approval of the Stipulation and Settlement that FPL and the major intervenors filed on August 20, 2010 or, if the settlement agreement is not approved, the Commission's decision on pending motions for reconsideration. Additionally, the Report should be returned to FPL as soon as the information is no longer necessary for the Commission to conduct its business. *See* § 366.093(4), F.S.

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, October 15, 2010 5:32 PM
To: 'Samantha Cibula <SCibula@PSC.STATE.FL.US>'
Cc: 'Lisa Bennett'; 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Mary Anne Helton <MHelton@PSC.STATE.FL.US>'; 'Curt Kiser <CKiser@PSC.STATE.FL.US>'; 'Cindy Miller <CMiller@PSC.STATE.FL.US>'
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Dear Ms. Cibula,

This is for your information regarding some of my email correspondence being whited/redacted out and not being added to the public record.

The fact that some of my images in my emails are not being made part of the record might be considered "ex parte" communications in that some of the people at the commission are receiving technical accounting that might have an impact on the decision's made in a rate case. My technical accounting and any correspondence questioning any of the testimony in the case should be made fully transparent to all parties of a rate proceeding.

This information should be being fully shared in the public record since other people (other parties with a legal interest in a rate proceeding) might be able to benefit from my email communications and give rise to additional questioning with regard to any rate

proceeding.

This is why full transparency/full disclosure should be a requirement for any rate proceeding. This would provide full due process/discovery with any proceeding.

Without this approach the possibility exists that "ex parte" communication might exist. This might lead to the possibility of an impartial proceeding and/or lack of due process to protect the interests of both the ratepayers and/or shareholders of the Utility in the proceeding. This might also create an "ex parte" communication situation for other parties with a legal interest in a rate proceeding as well. If they are not afforded the same type of discovery as members of the Commission staff and/or Commissioner's this might lead to an impartial proceeding.

I understand that the company is concerned with impartiality with these proceedings. If it is a concern for the Company, then the same concerns for impartiality should also be a concern for ratepayers and/or shareholders of the company as well as any other party that might have a legal interest in any rate proceeding.

I know that based upon 350.042 of the Florida Statutes I have this right as a ratepayer and based upon my rights as a shareholder I would have the right to ask these questions as well.

Full transparency/discovery should be afforded.

Just a thought on making sure that the new administrative procedure provides for full due process and transparency and meets the test of compliance with the Florida Statutes since preemption would provide that any administrative procedure has to meet the State Statutes in order for it to meet compliance with current Florida State Laws.

This is a very important issue since the Company has made it very clear that they are concerned with partiality in the proceeding. This has to be a two way street.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or give me a call.

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, October 14, 2010 12:39 PM
To: Samantha Cibula <SCibula@PSC.STATE.FL.US>
Cc: 'Lisa Bennett'; 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; Mary Anne Helton <MHelton@PSC.STATE.FL.US>; Curt Kiser

<CKiser@PSC.STATE.FL.US>; Cindy Miller <CMiller@PSC.STATE.FL.US>
Subject: RE: Communication Between Commission Employees and Parties

Dear Ms. Cibula,

Thank you for the information and I am looking forward to receiving a copy of the transcript from the workshop on rule 25-22.033. I noticed that during the workshop there was limited discussion on to how the proposed legislation was derived. Most outside people (ratepayers and/or shareholders) would need clear and concise language as to what would be acceptable communication with the Commission. I noticed that a ratepayer is still allowed to communicate with the Commissioner's under section 350.042 of the Florida Statutes. Here are some comments but I will continue to take a look at the rule.

Section (1) of 25-22.033 reads "Legal interest in the proceeding"?

What does this mean in plain language? Any ratepayer of any regulated entity would have a legal interest in a proceeding therefore they would be in a position to have communications with Commission staff and/or the Commissioner's based upon 350.042. A shareholder would also have a legal interest in a proceeding with regard to any ratemaking matters that might have an impact on the earnings of the Utility therefore they would also be in a position to have communications with Commission staff and/or the Commissioner's just like the Senior Management of the Utility. Since both a ratepayer and/or shareholder would have a legal interest in a rate case proceeding then any communication between Commission staff and/or the Commissioner's should be fully made part of the public record and available to all parties and interested parties. There should be no exception(s) as to what communications are being made part of the public record or not.

This would provide for full transparency which would be a requirement under 350.042. How come all of my correspondence with the Commission has not been fully made part of the public record? This is a very critical issue since if some of the communication is made part of the record and some is excluded it might lead to an "ex parte" communication in that some of the communication was made part of the public record and some was not. If you look at some of my communication that has not been made part of the public record you will notice that only certain emails have not been made part of the public record. If some are excluded and some are included then the person must be notified by the Commission as to why some of the communication (written and/or oral) was excluded from the public record.

I also noticed that an interested person's communication is made part of a Docket correspondence - Parties and Interested Persons. This file is often kept in the same chronological spot as the previous communications that have been populated in this file. A lot of the communications that I have sent had a chronological importance with regard to the testimony that was made by the Utility and/or Expert Witnesses. In order for there to be full transparency the communications or the file should be moved to most recent date of information that is placed into these files or the parties and/or interested parties might not be made fully aware of this information that might be pertinent to the rate case proceeding. This is very important since some of my email correspondence provided technical accounting responses to direct testimony. Some of it was excluded from these files and some was included. In order for there to be no "ex parte" communications all information has to be made part of the public record so that all parties and/or interested parties would have access to the information. Since these files are not being moved to the top Docket index the average party and/or interested party might not know where this pertinent information resides therefore they might not be made aware of an issue that might be pertinent to the rate case that they should have been made aware of.

How come some of my communications was made part of the public record and some was not?

Section (2)(c) of 25-22.033 reads:

(c) "Impermissible Communication" means any communication with a party or interested person, if written, is not served on all parties, or, if oral, is made without notice to all parties or interested persons.

Rob Smith Comments

Under this rule all written communications from an interested party has to be made available to all parties or interested parties. Correct? If the information received is made part of the public record then it would be permissible communication. If a Commissioner received written or oral Communication then this information should be made part of the public record so that all parties or interested parties have been made aware of the Communication. What happens if a Commissioner receives a written or oral communication and it is not shared with all parties? Does it become "impermissible Communication"? This should not happen since this might lead to information that might be pertinent to the rate case proceeding. I know that some of my email correspondence has been made part of the public record and some as of today has not been made part of the public record. Some of the email correspondence is very pertinent to some of the technical aspects of the Holding company concept at the Utility as it pertains to the Public Utility Holding Company Act of 1935 (PUHCA) or Public Utility Holding Company Act of 2005 ("PUHCA 2005"). This act is governed under FERC (Federal Energy Regulatory Commission). In order for there to be full transparency and to make sure that all parties and/or interested parties are provided full notice, all written and/or oral communication should be fully made part of the record. There should be no instance in which certain information would be excluded as part of the public record or not. Since some of my email correspondence has not been made part of the public record, what would be the Commission rule as to why some was made part of the public record and some was not? This in itself might lead to "ex parte" communication since all of my information has not been made part of the public record.

I am going to continue to look at the rule but I think that all communications should be made part of the public record and if not the Commission should provide a response as to why certain information was excluded. This would be needed to make sure that there was no "ex parte" communications. If some information was excluded then some of the Commission staff and/or Commissioner's might be exposed to an "ex parte" communications issue since the information was not made fully transparent and disclosed. All parties, interested parties and any other party that has a "legal interest" in any rate case proceeding should have full access to all information that was made available to both the Commission staff and/or Commissioner's in any rate proceeding that is being administered by the Florida Public Service Commission. Without this approach the possibility exists that "ex parte" communication might exist. This might lead to the possibility of an impartial proceeding and/or lack of due process to protect the interests of both the ratepayers and/or shareholders of the Utility in the proceeding.

Please let me know if the information that I have provided that has not been made part of the public record is going to be part of the public record. If it is not going to be made part of the public record please let me know why it has not been made part of the public record. Please provide me with the rule that would support why some of the information was not made part of the public record. If you need copies of the emails that I have sent with regard to what is currently missing from the public record please do not hesitate to ask.

I will continue to look at the proposed rule.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or give me a call.

As per SB 1034 of the Florida Statutes with regard to communication with a ratepayer:

---

4 **SB 1034**
Fasano
(Identical H 565)

Section 350.042, F. S., provides for ex parte communications. The term "ex parte" is not defined in the statute but according to *Black's Law Dictionary* means "on one side only, by or for one party, done for, in behalf of, or on the application of, one party only." According to the *American Heritage Dictionary*, the term means "from or on one side only; one sided, partisan." Subsection (1) provides that a commissioner should accord to every person who is legally interested in a proceeding full right to be heard according to law, and except as authorized by law, shall neither initiate nor consider ex parte communications concerning the merits, threat, or offer of reward in any proceeding other than a proceeding under s. 120.54, F. S., (rulemaking) or 120.565, F.S., (declaratory statements by agencies), workshops, or internal affairs meetings. No individual shall discuss ex parte with a commissioner the merits of any issue that he or she knows will be filed with the commission within 90 days. The subsection does not apply to commission staff.

Individual residential ratepayers are allowed to communicate with a commissioner, provided that the ratepayer is representing only himself or herself, without compensation. In addition, the section does not apply to oral communications or discussions in scheduled and noticed open public meetings of educational programs of a conference or other meeting of an association of regulatory agencies.

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FPSC, CLK - CORRESPONDENCE
Administrative ✓ Parties Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION:

Dorothy Menasco 080677-EI

From: Dorothy Menasco
Sent: Thursday, October 21, 2010 11:05 AM
To: 'rpjrb@yahoo.com'
Cc: Lisa Bennett; Ann Cole
Subject: RE: Past emails sent to the Commission, Governor and Office of Public Council

Mr. Smith:

Thank you for your response. Your e-mail and attachments will be placed in Docket Correspondence - Parties and Interested Persons for Dockets 080677-EI, 100009-EI, and 100410-EI, respectively.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

Please note: Florida has a very broad public records law. Most written communications to or from state officials regarding state business are public records available to the public and media upon request. Your e-mail communications may therefore be subject to public disclosure.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, October 21, 2010 10:56 AM
To: Dorothy Menasco
Cc: Lisa Bennett; Ann Cole
Subject: FW: Past emails sent to the Commission, Governor and Office of Public Council

Dear Ms. Menasco,

Is this email going to be put into all three records as well? I have attached the hardcopy PDF to the attached list.

Thanks for your response.

The emails should be put into the following Dockets, 080677, 100009, 100410. The first one is the main FPL case with the proposed Stipulation and Settlement Agreement, The second one is related to the Nuclear Uprates Case and the third case is related to the Excess earnings case.

I thought that all of these cases should have been combined since some of the issues would overlap and/or might impact the other.

The Dockets are listed in the previous email. This email should probably be added to the other links for:

Under http://www.floridapsc.com/dockets/cms/ShowDocket.aspx?docket=H:\LIBRARY\FILINGS\10\08332-10 Docket 100410 This is the consumer file correct?

Under http://www.floridapsc.com/dockets/cms/ShowDocket.aspx?docket=H:\LIBRARY\FILINGS\08\10741-08 Docket 080677

Under http://www.floridapsc.com/dockets/cms/ShowDocket.aspx?docket=H:\LIBRARY\FILINGS\10\00774-10 Docket 100009

Is this were the information was placed?

Under http://www.floridapsc.com/dockets/cms/ShowDocket.aspx?docket=H:\LIBRARY\FILINGS\10\08633-10 Docket 100410

These are the Docket correspondence - Parties and Interested Persons. Correct?

Please let me know if you need any additional information.

Thanks,

Robert H. Smith

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From: Dorothy Menasco [mailto:DMenasco@PSC.STATE.FL.US]
Sent: Thursday, October 21, 2010 10:22 AM
To: rpjrb@yahoo.com
Cc: Lisa Bennett; Ann Cole
Subject: FW: Past emails sent to the Commission, Governor and Office of Public Council

Mr. Smith:

Please confirm which dockets you would like the attachments placed in, and they will be added accordingly.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, October 21, 2010 10:02 AM
To: Dorothy Menasco
Cc: Ann Cole; Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé; Lisa Bennett
Subject: Past emails sent to the Commission, Governor and Office of Public Council

Dear Ms. Menasco,

10/21/2010

Thanks for your help with updating the public docket files.

Attached you will find hardcopy copies of the emails in PDF format that I have sent to the Commission in the past. In addition, I have attached hardcopies of emails in a PDF format to make sure that these emails get added to the public files since I feel that these are pertinent to the case as well. There is one based upon a conversation with the Governor's office as well as the Office of Public Council. These emails were back in 2009.

I resent an email about the May 11th, 2010 in which I was told that it was a staff meeting and that since I was an interested party and not an intervener that my questioning might not be appropriate.

I sent an email indicating that based upon section 350.042 (1) that I would have the legal right to do so. You have to understand that as a shareholder I am legally interested in a proceeding and as a ratepayer I am not prohibited as an individual residential ratepayer from communicating with a commissioner as well.

350.042 Ex parte communications.--

(1) A commissioner should accord to every person who is legally interested in a proceeding, or the person's lawyer, full right to be heard according to law, and, except as authorized by law, shall neither initiate nor consider ex parte communications concerning the merits, threat, or offer of reward in any proceeding other than a proceeding under s. 120.54 or s. 120.565, workshops, or internal affairs meetings. No individual shall discuss ex parte with a commissioner the merits of any issue that he or she knows will be filed with the commission within 90 days. The provisions of this subsection shall not apply to commission staff.

(2) The provisions of this section shall not prohibit an individual residential ratepayer from communicating with a commissioner, provided that the ratepayer is representing only himself or herself, without compensation.

Some of the attached emails when printed had images that might have been whited out /redacted. This might have just been related to the ability to print images but I have resent these to make sure that the attached emails were added in hardcopy. These are issues that are very pertinent to the case.

I have sent an appeal email for the release of the Forecasted Earnings Surveillance Report. I did not see that this email has been scanned and put on the public record. I am extremely concerned that if some of the interveners have access to this report and other parties with a legal interest does not have access to the same information that this might be construed as "ex parte" communications since only certain parties with a legal interest in the proceeding would have seen this information. This might be a one sided approach which I feel might be covered under both Federal/State law.

Under 350.042 above it supports that there should be no "ex parte" communications. If other parties with a legal interest have seen the Forecasted Earnings Surveillance report then I know that based upon my legal interest as a shareholder/ratepayer I should be afforded the same privilege. This is why full discovery should be afforded with this proceeding to make sure that the accounting behind any case is supporting any decisions/rulings in any rate case proceeding.

You will notice that my concerns about this case were brought up back in April 2009.

This email should probably be added to the other links for:

Under http://www.floridapsc.com/dockets/cms/ShowDocket.aspx?docket=H:\LIBRARY\FILINGS\10\08332-10 Docket 100410 This is the consumer file correct?

Under http://www.floridapsc.com/dockets/cms/ShowDocket.aspx?docket=H:\LIBRARY\FILINGS\08\10741-08 Docket 080677

Under http://www.floridapsc.com/dockets/cms/ShowDocket.aspx?docket=H:\LIBRARY\FILINGS\10\00774-10 Docket 100009

Is this were the information was placed?

Under http://www.floridapsc.com/dockets/cms/ShowDocket.aspx?docket=H:\LIBRARY\FILINGS\10\08633-10 Docket 100410

These are the Docket correspondence - Parties and Interested Persons. Correct?

If there are any other emails I will resend to check with you if they have been added.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com.

Thanks,

Robert H. Smith

Confidentiality Statement

The documents accompanying this telecopy transmission contain information which is confidential and/or legally privileged. The information is intended only for the use of the individual or entity named on this transmission sheet. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this telecopied information is strictly prohibited, and the documents should be returned. In this regard, if you received this telecopy in error, please contact the sender by reply E-mail and destroy all copies of the original.

Utility Regulated/Non-Regulated Company's - Tax Entries - Cash Reconciliation Summary - Draft

FERC Acct	Account	Regulated Ratepayer Funds / Utility (1)	Amount	Non-Regulated Holdco Holding Company (2) Acct	Amount	Non-Regulated Financing Company (2) Amount	Non-Regulated Subsidiary /Subsidiary (*) (2) Amount	(3) Total
236	DR Taxes Accrued Fed Inc Tax	Payment of Curr Fed Inc Tx	0	?	0	0	0	0
131	CR Cash	Cash Account	0	?	0	0	0	0
409	DR Inc Taxes Utility Operations	Inc Tx Expense	0	?	0	0	0	0
236	CR Taxes Accrued	Taxes Accrued	0	?	0	0	0	0
410	Prov for Def Inc Tx Util Operations	Prov for Def Inc Taxes	0	?	0	0	0	0
411	Prov for Def Inc Tx Credit Util Op.	Prov for Def Inc Taxes	0					
190	Accum. Deferred Inc Tax	Accum Def Inc Tax	0	?	0	0	0	0
281	Accum. Deferred Inc Tax	Accum Def Inc Tax	0					
282	Accum. Deferred Inc Tax	Accum Def Inc Tax	0					
283	Accum. Deferred Inc Tax	Accum Def Inc Tax	0					
		Total - Should be zero	0		0	0	0	0

(1) Cash From Ratepayers Regulated by FERC/PSC - Full Current/Deferred Taxes Collected in Rates - 10K filed on Consolidated Basis. No separation of Cash Accounts. If current Taxes paid is less than the Full tax provision then surplus cash should be maintained as a balance in the Utility FERC 131 Account.

(2) Tax Accounts do not have to follow FERC Account Numbers. There will still be Current/Deferred Taxes Payments for Current Taxes must be paid out of the individual Non Reg. Company and not paid from Utility Operations (FERC Account 131 Account). Deferred Tax Account numbers do not have to meet FERC account guidelines

(3) This is the total Current/Deferred Tax Provision filed with the Consolidated Tax Return for FPL Group. The Total Current Tax Provision (Cash) should have cash entries in each respective company to make sure that the cash disbursements are being made out of each Regulated and Non Regulated separately.

Since most companies are set up as independent companies accountability must be controlled by the Public Service Commission since the Commission is responsible for the accountability of the ratepayer funds. All Management Agreement Negotiations should be over seen by the Public Service Commission to keep Control of the Regulated/Non-Regulated Cash Flow. Segmented Cash Flows would be required for a full Accounting. The journal entries above are on a cash basis only. There may be accrual entries that would be recorded per Generally Accepted Accounting Principles. There may also be regulatory Accounting Journal Entries as required by FERC/PSC Accounting.

* All Non-Regulated Subsidiaries/Subsidiaries should generate enough cash flow to support the operations of the company. If there is Goodwill Acquisition Indebtedness, then it should be fully funded by the operations of the Non-Regulated Subsidiary.

Regulated Utility / Holding Company Cash Flow Issues:

1) Segmented Cash Flows would have to be prepared to properly account for Regulated versus Non-Regulated Cash Movement.
Public Utility Holding Company Act (PUHCA) (1935) Regulated by State Public Service Commissions/Federal Energy Regulatory Commission

2) Full Accounting for the funding of dividends/executive compensation plans at the Holding Company Level.
This should include the back up Cash Flow Accounting to support the level of dividends paid out.

3) Separate Cash Accounts (i.e. Utility cash account is 131 account)
This has to be done to make sure that there is a separation of Regulated Cash from Non-Regulated Cash.

4) How is the company accounting for the intercompany cash transactions?
Assets transfers? Are these being made at historical cost or at market value?
If Financed by the Utility, is the ratepayer receiving a fair return on capital? What rate of return are they earning?

5) Separate billing systems Is the only billing system that is being maintained for the Utility?
If not, then are there separate billing systems for non-regulated subsidiaries/subsidiaries?

6) Separate work order systems
This is very critical since the work order system is probably used for capital expenditures/expenses. Usually there is utility coding for the type of capital expenditure that clears to the ledgers or utility accounts. These can be Plant, CWIP etc.

7) Separate Accounting Systems for each Entity
Is there a separate system for each entity? If not, what type of internal controls has been put into place to ensure that all capital expenditures/expenses are being cleared to the appropriate company accounts?

Prepared by Robert H Smith 3/12/2010 5:43 PM

Utility Regulated/Non-Regulated Company's - Tax Entries- Cash Reconciliation - Draft

FERC Acct	Account	Regulated Ratepayer Funds / Utility	Amount	Account	Non-Regulated Holdco Holding Company Description	Amount	Account	Non-Regulated Financing Company	Amount	Account	Non-Regulated Subsidiary /Subsidiary (*)	Amount	Total
236	DR Taxes Accrued Fed Inc Tax	Pmt of Curr Fed Inc Tx	0	DR Taxes Accrued Fed Inc Tax	Pmt of Curr Fed Inc Tx - Non Reg Holdco	0	DR Taxes Accrued Fed Inc Tax	Pmt of Curr Fed Inc Tx Non Reg Fin.	0	DR Taxes Accrued Fed Inc Tax	Pmt of Curr Fed Inc Tx Non Reg Sub	0	0
131	CR Cash	Cash Account	0	CR Cash Separate Non-reg account	Cash Account - Non Reg Cash Acct	0	CR Cash Separate Non-Reg Acct	Cash Account - Non Reg Cash Acct	0	CR Cash Separate Non-Reg Acct	Cash Account - Non Reg Cash Acct	0	0
409	DR Inc Taxes Utility Operations	Inc Tx Utility Operations	0	DR Inc Taxes -Non Reg Holdco	Inc Tax Non-Reg Co Holdco	0	DR Inc Taxes Non Reg Fin Co	Inc Tax Non-Regulated Fin Company	0	DR Inc Taxes Non Reg Subsidiary	Inc Tax Non-Regulated Subsidiary	0	0
236	CR Taxes Accrued	Taxes Accrued Util Oper	0	CR Taxes Accrued - Non Reg Holdco	Taxes Accrued - Non Reg Holdco	0	CR Taxes Accrued Non Reg Fin Co	Taxes Accrd - Non-Regulated Fin Co	0	CR Taxes Accrued Non Reg Sub	Taxes Accrued - Non-Regulated Sub	0	0
410	Prov for Def Inc Tx Util Oper.	Prov for Def Inc Taxes	0	Prov for Def Inc Tx Non Reg Holdco	Prov for Def Inc Tx Non-Reg Co. Holdco	0	Prov for Def Inc Tx Non Reg Fin Co	Prov for Def Inc Tx Non-Reg - Fin Co	0	Prov for Def Inc Tx Non Reg Sub	Prov for Def Inc Tx Non-Reg Sub	0	0
411	Prov for Def Inc Tx Credit Util Op.	Prov for Def Inc Taxes	0										
190	Accum. Deferred Inc Tax	Accum Def Inc Tax	0	Accum. Def Inc Tax Non Reg Holdco	Accum Def Inc Tax - Non Reg Holco	0	Accum. Deferred Inc Tax Non Reg Fin	Accum Def Inc Tax Non Reg Fin Co	0	Accum. Deferred Inc Tax Non Reg Sub	Accum Def Inc Tax Non Reg Sub	0	0
281	Accum. Deferred Inc Tax	Accum Def Inc Tax	0										0
282	Accum. Deferred Inc Tax	Accum Def Inc Tax	0										0
283	Accum. Deferred Inc Tax	Accum Def Inc Tax	0										0
		Total - Should be zero	0		Total - Should be zero	0		Total - Should be zero	0		Total - Should be zero	0	0
		Cash from Ratepayers Regulated by FERC/PSC			Tax Accounts do not have to follow FERC Account numbers. There will still be Current/Deferred Taxes			Tax Accounts do not have to follow FERC Account numbers. There will still be Current/Deferred Taxes			Tax Accounts do not have to follow FERC Account numbers. There will still be Current/Deferred Taxes		

Since most companies are set up as independent companies accountability must be controlled by the Public Service Commission since the Commission is responsible for the accountability of the ratepayer funds. All Management Agreement Negotiations should be over seen by the Public Service Commission to keep Control of the Regulated/Non-Regulated Cash Flow. Segmented Cash Flows would be required for a full Accounting. The journal entries above are on a cash basis only. There may be accrual entries that would be recorded per Generally Accepted Accounting Principles. There may also be regulatory Accounting Journal Entries as required by FERC/PSC Accounting.

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   Public Utility Holding Company Act (PUHCA) (1935) Regulated by State Public Service Commissions/Federal Energy Regulatory Commission

2) Full Accounting for the funding of dividends/executive compensation plans at the Holding Company Level.
   This should include the back up Cash Flow Accounting to support the level of dividends paid out.

3) Separate Cash Accounts (i.e. Utility cash account is 131 account)
   This has to be done to make sure that there is a separation of Regulated Cash from Non-Regulated Cash.

4) How is the company accounting for the intercompany cash transactions?
   Assets transfers? Are these being made at historical cost or at market value?
   If Financed by the Utility, is the ratepayer receiving a fair return on capital? What rate of return are they earning?

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   This is very critical since the work order system is probably used for capital expenditures/expenses. Usually there is utility coding for the type of capital expenditure that clears to the ledgers or utility accounts. These can be Plant, CWIP etc.

7) Separate Accounting Systems for each Entity
   Is there a separate system for each entity? If not, what type of internal controls has been put into place to ensure that all capital expenditures/expenses are being cleared to the appropriate company accounts?

Prepared by: Robert H. Smith

3/12/20108:13 PM

Utility Regulated/Non-Regulated Company's - Tax Entries- Cash Reconciliation - Draft

FERC Acct	Account	Regulated Ratepayer Funds / Utility	Amount	Account	Non Regulated Holdco Holding Company Description	Amount	Account	Non-Regulated Financing Company	Amount	Account	Non-Regulated Subsidiary /Subsidiary (*)	Amount	Total
236	DR Taxes Accrued Fed Inc Tax	Pmt of Curr Fed Inc Tx	0	DR Taxes Accrued Fed Inc Tax	Pmt of Curr Fed Inc Tx - Non Reg Holdco	0	DR Taxes Accrued Fed Inc Tax	Pmt of Curr Fed Inc Tx Non Reg Fin.	0	DR Taxes Accrued Fed Inc Tax	Pmt of Curr Fed Inc Tx Non Reg Sub	0	0
131	CR Cash	Cash Account	0	CR Cash Separate Non-reg account	Cash Account - Non Reg Cash Acct	0	CR Cash Separate Non-Reg Acct	Cash Account - Non Reg Cash Acct	0	CR Cash Separate Non-Reg Acct	Cash Account - Non Reg Cash Acct	0	0
409	DR Inc Taxes Utility Operations	Inc Tx Utility Operations	0	DR Inc Taxes -Non Reg Holdco	Inc Tax Non-Reg Co Holdco	0	DR Inc Taxes Non Reg Fin Co	Inc Tax Non-Regulated Fin Company	0	DR Inc Taxes Non Reg Subsidiary	Inc Tax Non-Regulated Subsidiary	0	0
236	CR Taxes Accrued	Taxes Accrued Util Oper	0	CR Taxes Accrued - Non Reg Holdco	Taxes Accrued - Non-Reg Holdco	0	CR Taxes Accrued Non Reg Fin Co	Taxes Accrd - Non-Regulated Fin Co	0	CR Taxes Accrued Non Reg Sub	Taxes Accrued - Non-Regulated Sub	0	0
410	Prov for Def Inc Tx Util Oper.	Prov for Def Inc Taxes	0	Prov for Def Inc Tx Non Reg Holdco	Prov for Def Inc Tx Non-Reg Co. Holdco	0	Prov for Def Inc Tx Non Reg Fin Co	Prov for Def Inc Tx Non-Reg - Fin Co	0	Prov for Def Inc Tx Non Reg Sub	Prov for Def Inc Tx Non-Reg Sub	0	0
411	Prov for Def Inc Tx Credit Util Op.	Prov for Def Inc Taxes	0										
190	Accum. Deferred Inc Tax	Accum Def Inc Tax	0	Accum. Def Inc Tax Non Reg Holdco	Accum Def Inc Tax - Non Reg Holco	0	Accum. Deferred Inc Tax Non Reg Fin	Accum Def Inc Tax Non Reg Fin Co	0	Accum. Deferred Inc Tax Non Reg Sub	Accum Def Inc Tax Non Reg Sub	0	0
281	Accum. Deferred Inc Tax	Accum Def Inc Tax	0										0
282	Accum. Deferred Inc Tax	Accum Def Inc Tax	0										0
283	Accum. Deferred Inc Tax	Accum Def Inc Tax	0										0
		Total - Should be zero	0		Total - Should be zero	0		Total - Should be zero	0		Total - Should be zero	0	0
		Cash from Ratepayers Regulated by FERC/PSC			Tax Accounts do not have to follow FERC Account numbers. There will still be Current/Deferred Taxes			Tax Accounts do not have to follow FERC Account numbers. There will still be Current/Deferred Taxes			Tax Accounts do not have to follow FERC Account numbers. There will still be Current/Deferred Taxes		

Since most companies are set up as independent companies accountability must be controlled by the Public Service Commission since the Commission is responsible for the accountability of the ratepayer funds.
All Management Agreement Negotiations should be over seen by the Public Service Commission to keep Control of the Regulated/Non-Regulated Cash Flow. Segmented Cash Flows would be required for a full Accounting.
The journal entries above are on a cash basis only. There may be accrual entries that would be recorded per Generally Accepted Accounting Principles. There may also be regulatory Accounting Journal Entries as required by FERC/PSC Accounting.

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Prepared by: Robert H. Smith

3/12/20108:22 PM

RSmith [rpjrb@yahoo.com]

From: RSmith [rpjrb@yahoo.com] [rpjrb@yahoo.com]
Sent: Thursday, April 01, 2010 10:28 PM
To: 'Lisa Bennett'; 'Ann Cole'; 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office of Commissioner Klement'; 'Office of Commissioner Stevens'; 'Marshall Willis'; 'Cheryl Bulecza-Banks'; 'Andrew Maurey'; 'Tim Devlin'
Subject: RE: Docket No. 080677-E1 / responses to Staffs Data Request No. 2 dated March 4,2010

Dear Commissioner's,

Here is some question that I have for these answers. Please see my reconciliation to support my questions below. Did anyone use my reconciliation? Did FPL fill out the reconciliation to help with this process? Did they prepare a segmented cash flow statement for the tax payments? Did we get copies of the cancelled checks? I think that this is a very good idea.

Florida Power & Light Company
Response to Staff 3/4/10 Data Request No. 2

Re: Docket No. 080677-EI – Petition for increase in rates by Florida Power & Light Company.

1. For the years 2007, 2008, and 2009, provide a detailed description of FPL's accounting treatment for the excess tax benefits received by FPL Group. By excess tax benefits staff means the dollar difference between actual tax payments made on behalf of FPL by FPL Group and the tax amounts for which the ratepayers would have been charged under the "stand-alone" method.

Response: There are no 'excess tax benefits' under the definition provided in this request. FPL Group makes a consolidated tax filing, in which it pays a single, consolidated tax liability. FPL Group does not make separate tax payments "on behalf of" FPL or any other subsidiary. The tax liability recorded by FPL is calculated on a stand-alone or "separate return" method. Under that method, the tax liability that FPL records, and charges to customers, is the same regardless of whether or not FPL is filing as part of a consolidated tax return. In other words, if FPL were not

one of the consolidated FPL Group businesses, its tax liabilities would be exactly the same as they are recorded now.

As FPL's Vice President of Accounting and Chief Accounting Officer pointed out in his January 5, 2010 letter to the Commissioners on this topic, Florida utilities and the overwhelming majority of electric utilities around the country use the stand-alone basis to calculate income taxes for ratemaking purposes. This approach ensures that the income taxes for which an electric utility's customers are responsible through electric rates are determined only on the basis of electric utility operations, not on the basis of other, unrelated business activities in which unregulated affiliates may be engaged. To do otherwise would expose customers to constant shifts in the utility's tax obligations for reasons that would have nothing to do with providing electric service. This would be unfair, confusing and counterproductive to the Commission's goal of avoiding subsidies between utility and affiliate operations.

Rob Smith Questions/Response:

"The tax liability recorded by FPL is calculated on a stand-alone or "separate return" method. Under that method, the tax liability that FPL records, and charges to customers, is the same regardless of whether or not FPL is filing as part of a consolidated tax return. In other words, if FPL were not one of the consolidated FPL Group businesses, its tax liabilities would be exactly the same as they are recorded now".

"Florida utilities and the overwhelming majority of electric utilities around the country use the stand-alone basis to calculate income taxes for ratemaking purposes. This approach ensures that the income taxes for which an electric utility's customers are responsible through electric rates are determined only on the basis of electric utility operations, not on the basis of other, unrelated business activities in which unregulated affiliates may be engaged. To do otherwise would expose customers to constant shifts in the utility's tax obligations for reasons that would have nothing to do with providing electric service. This would be unfair, confusing and counterproductive to the Commission's goal of avoiding subsidies between utility and affiliate operations."

Based upon the response above it is only talking about the tax liability on an individual basis. This makes total sense since it would be correct that all tax liabilities should be recorded separately. If you take a look at my previous email you will notice that I have laid out each individual company which would show the current/deferred tax provisions. This would backup up by the FPL response that the tax liabilities are recorded separately. What it talks about is the fact that the tax liabilities are recorded separately. What it does not talk about is the segmented cash flow aspect of the actual payments that are being made.

We now have to switch to the cash aspect of the payments of these liabilities:

"FPL Group makes a consolidated tax filing, in which it pays a single, consolidated tax liability. FPL

Group does not make separate tax payments "on behalf of" FPL or any other subsidiary."

By the nature of this statement it does not talk about the segmented cash flow aspect of the "consolidated tax filing, in which it pays a single, consolidated tax liability.

FPL Group does not make separate tax payments" on behalf of" FPL or any other subsidiary. By nature of paying a "single , consolidated tax liability" segmented cash flows would have to be provided to make sure that there was ample cash flow in each entity to cover their individual tax liability. FPL Group would have to show cancelled checks to support that there was ample cash flow in each entity to support each entities tax liability. This is supported by the reconciliation that I have sent in my previous email asking for a breakout of the tax liability by entity and supporting cancelled check to support that there is ample cash flow in each subsidiary to cover each entities liability. If there is not ample cash flow in each subsidiary then the possibility exists that there might be a subsidization by an entity that has ample cash flow to cover the tax liability.

Where is the actual check cut from? Is it an FPL Group cash account or does this come from a regulated subsidiary cash account (131)? We have to be careful that we look at the actual cash transactions and not just intercompany transactions.

When it pays its consolidated tax liability and does not make separate payments how does it make sure that the cash payment with regard to each entities tax liability is being charged to "FPL or any other subsidiary"?

In order to determine if there is ample cash flow in each entity, a segmented cash flow reconciliation would have to be completed to see if there was ample cash in FPL and its subsidiaries to cover each individual tax liability. There should be cancelled check from each individual entity to backup their respective tax liability. Based upon their response above it appears that they are only cutting one check as FPL Group. Where is the cash coming from?

Please see my email below/my reconciliation that I have sent previously.

2. For the years 2007, 2008, and 2009, provide a detailed description of the accounting treatment for the excess tax benefits that were derived from filing a consolidated tax return by FPL Group versus each subsidiary filing a separate tax return.

Response: As explained above, there are no "excess tax benefits" as Staff has defined that term. The tax liability for each subsidiary, including FPL, is calculated based on the separate return method. Tax benefits, if any, that could not be used by a subsidiary on a separate return basis, but are used on the consolidated tax return, are recorded by the subsidiary that generated the tax benefits.

Rob Smith Questions/Response:

Based upon the response above it is only talking about the tax liability on an individual basis. This makes total sense since it would be correct that all tax liabilities should be recorded separately.

Again, this response does not talk about cash payments by each subsidiary since there is an individual tax liability. There can be no subsidization of cash payments between regulated and non-regulated entities. No exceptions! My reconciliation would be able to show this detail to support each entities individual tax liability and each entities separate tax payments.

Just because FPL Group "pays a single, consolidated tax liability. FPL Group does not make separate tax payments "on behalf of" FPL or any other subsidiary." This does not eliminate the requirement that each entity would be responsible to cover its own tax payments from a cash flow perspective. No exceptions!

The response above does not provide enough information to make sure that there is no subsidization of regulated to non-regulated payments and non-regulated to regulated payments. This would work both ways and can only be determined by segmented cash flows. No exceptions!

This is why there are issues with the holding company concept. There is no talk of segmented cash flows to make sure that the recorded individual tax liabilities are supported by individual tax payments.

3. For the years 2007, 2008, 2009, and 2010, provide a copy of FPL Group's tax-sharing agreement with its subsidiaries.

Response: Please see Attachment 1.

Rob Smith Questions/Response:

"Pay" or "Payment" means the physical transfer of cash, cash equivalents, or an equivalent intercompany book entry.

Be careful here! An intercompany book entry can just be a book entry and if it does not have a corresponding cash entry it might not show that the individual subsidiary had ample cash to support its individual tax liability.

The only way that this can be determined is by a segmented cash flow statement to show that the intercompany book entry had a corresponding cash impact in the individual entity. If not, then there might be room for subsidization between the entities. This cannot happen. This agreement might have to be revised.

There should be no room to share any NOL's to be allocated. Each individual entity should stand on its own. If an entity generates an NOL only the entity in which the NOL was generated should be able to use the NOL to use to offset its taxable income. There should be NO ALLOCATION's of NOL's.

For example:

The utility generates a large NOL for the abandonment of a plant. This would possibly create an NOL carry forward that might be used for a long time to shelter taxable income for the utility and to minimize its tax liability. No non-regulated subsidiary should benefit by the utilization of this NOL if it was generated by a regulated subsidiary. This is from both a liability perspective as well as a cash flow perspective. No exceptions!

If there was any allocation then the ratepayer would have to be made whole since if there was any type of allocation the possibility exists that a regulated subsidiary would have subsidized a non-regulated subsidiary. This would work in the same way if a non-regulated subsidiary generated an NOL if it went out of business at a loss.

There should be no allocations from a true tax perspective. Any allocation would give rise to a possible subsidization and this should not happen.

Segmented cash flows would be able to provide the proper details to make sure that this does not happen. There is no reason for any allocation methodology since if an entity filed its own tax return it would be required to keep all NOL's and tax credits individually. There should be no reason why this cannot be done with a FPL Group filing since as long as the tax liabilities and cash payments are being accounted for on an individual basis there really should be no issue.

Any allocation might lead to a subsidization issue which might require the ratepayer and/or subsidiary to be made whole.

When I was up North we had an issue with a large NOL due to a closure of a Nuclear Power Plant. This NOL' provides for minimum tax payments for the Electric business for at about 10 years (if I remember but it was a long time). Since we had a regulated gas entity with ample cash flow to pay its own tax liability from a consolidated basis the use of the NOL was OK. We tracked this NOL on the electric side of the business only. We did not provide for any allocation. If there was no ample cash flow in the Gas business to cover its individual tax liability and there was an allocation of NOL's this would have not been fair to the electric ratepayer since the Electric ratepayer had to absorb the loss on the closure of the plant therefore it should not lose the use of an NOL for its own tax liability due to some type of allocation.

This agreement should be amended to make sure that there are no allocations. Period!

4. For the years 2007, 2008, and 2009, would FPL Group have been able to take full

advantage (each year without regard to tax carryforward or carryback) of the wind related production tax credits without the benefit of FPL regulated utility taxable income?

Response: FPL Group has not been able to take full advantage of the wind related production tax credits with, or without, the inclusion of the FPL regulated utility taxable income in the FPL Group consolidated tax return for the years 2007,2008 or 2009.

Rob Smith Questions/Response:

When will these credits be taken and what is holding up the use of these credits?

Is this an indication where these credits are available there is not ample taxable income to use these credits? If so, then this might make sense but there is not enough information in this response to determine whether or not the wind related production tax credits can be utilized.

We know that each entity should be entitled to its own tax credits as generated on an individual basis. What we do not know by this response is why they cannot currently use these credits. The answer might be that there is not enough taxable income/liability in the subsidiary in which generated these credits. I am sure that if there was taxable income in a subsidiary the entity if it had wind related production tax credits and it was able to take it as a tax credit to minimize its liability it would. There has to be another reason why they are not using these credits where they have been earned.

It would make sense that you cannot utilize these if you included FPL regulated utility taxable income. Each entity generates its own tax credits. They can only utilize these credits for the respective individual tax liabilities only.

What I am concerned with is the cash implications of the utilization of these wind related production tax credits if they were generated by the regulated utility or a non-regulated subsidiary.

The cash flow impact is that the credit should be utilized against the cash payment by each individual entities tax liability only. There should be no benefit to any regulated entity for a tax credit generated by a non-regulated subsidiary and no benefit for a non-regulated subsidiary for a tax credit as generated by a regulated entity.

This can only be determined by a segmented cash flow breakout of the payments to match each entities individual tax liability. Any single payment will not provide enough information to determine if there is no subsidization between a regulated entity and non-regulated entity.

If my reconciliation was used to show cancelled checks to support each entities individual tax liability you would be able to determine if any entity (regulated/non-regulated) was subsidized.

I am going to send this out as a draft tonight to send what I have observed by the responses. I will be taking a look at this tomorrow. If I have any changes I will follow up since it is late and I am tired.

Hand is acting up a little. I want to make sure can take a look at the attachment a little longer since I am tired. Hopefully there are no typo(s). I will check.

Thanks for your patience in this matter.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or call me at 954-340-4956.

Thanks,

Robert H. Smith

Confidentiality Statement

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, March 12, 2010 8:45 PM
To: 'Records Clerk'
Cc: 'Lisa Bennett'; 'Ann Cole'; 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office of Commissioner Klement'; 'Office of Commissioner Stevens'; 'Marshall Willis'; 'Cheryl Bulecza-Banks'; 'Andrew Maurey'; 'Tim Devlin'; 'Dorothy Menasco'
Subject: FW: FPL is accused of not sharing its tax break

Dear Ms. Menasco on behalf of the records clerk,

Here we go with the excel document embedded into the email.

Hopefully this works in conjunction with the file. Please let me know if you can print out the PDF to put on the record. The second page has been put on Legal paper and would have to be printed out of the PDF for backup and scan. There is a portrait version of the second page as well.

Thanks for all of your patience. This issue is a very important issue and I hope that this helps with the analysis.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com.

Thanks,

Robert H. Smith

Utility Regulated/Non-Regulated Company's - Tax Entries - Cash Reconciliation S

FERC Acct	Account	Regulated Ratepayer Funds / Utility (1)	Amount	Acct	Non-Regulated Holdco Holding Company (2) Amount	Non-Regulat Financing Compa Am
236	DR Taxes Accrued Fed Inc Tax	Payment of Curr Fed Inc Tx	0	?	0	
131	CR Cash	Cash Account	0	?	0	
409	DR Inc Taxes Utility Operations	Inc Tx Expense	0	?	0	
236	CR Taxes Accrued	Taxes Accrued	0	?	0	
410	Prov for Def Inc Tx Util Operations	Prov for Def Inc Taxes	0	?	0	
411	Prov for Def Inc Tx Credit Util Op.	Prov for Def Inc Taxes	0			
190	Accum. Deferred Inc Tax	Accum Def Inc Tax	0	?	0	
281	Accum. Deferred Inc Tax	Accum Def Inc Tax	0			
282	Accum. Deferred Inc Tax	Accum Def Inc Tax	0			
283	Accum. Deferred Inc Tax	Accum Def Inc Tax	0			
		Total - Should be zero	0		0	

(1) Cash From Ratepayers Regulated by FERC/PSC - Full Current/Deferred Taxes Collected in Rates - 10K filed on Consolidated Basis. Nc
If current Taxes paid is less than the Full tax provision then surplus cash should be maintained as a balance in the Utility FERC 131 A

(2) Tax Accounts do not have to follow FERC Account Numbers. There will still be Current/Deferred Taxes Payments for Current Taxes must be paid out of the individual Non Reg. Company and not paid from Utility Operations (FERC Account 131 Account).
Deferred Tax Account numbers do not have to meet FERC account guidelines

(3) This is the total Current/Deferred Tax Provision filed with the Consolidated Tax Return for FPL Group. The Total Current Tax Provisi
have cash entries in each respective company to make sure that the cash disbursements are being made out of each Regulated and

Since most companies are set up as independent companies accountability must be controlled by the Public Service Commission since the Commission is re

the ratepayer funds. All Management Agreement Negotiations should be over seen by the Public Service Commission to keep Control of the Regulated/No
Flows would be required for a full Accounting. The journal entries above are on a cash basis only. There may be accrual entries that would be recorded pe
There may also be regulatory Accounting Journal Entries as required by FERC/PSC Accounting.

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by the operations of the Non-Regulated Subsidiary.

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Utility Regulated/Non-Regulated Company's - Tax Entries - Cash Reconciliation Summary - Draft

FERC Acct	Account	Regulated Ratepayer Funds / Utility (1)	Amount	Non-Regulated Holdco Holding Company (2) Acct	Amount	Non-Regulated Financing Company (2) Amount	Non-Regulated Subsidiary /Subsidiary (*) (2) Amount	(3) Total
236	DR Taxes Accrued Fed Inc Tax	Payment of Curr Fed Inc Tx	0	?	0	0	0	0
131	CR Cash	Cash Account	0	?	0	0	0	0
409	DR Inc Taxes Utility Operations	Inc Tx Expense	0	?	0	0	0	0
236	CR Taxes Accrued	Taxes Accrued	0	?	0	0	0	0
410	Prov for Def Inc Tx Util Operations	Prov for Def Inc Taxes	0	?	0	0	0	0
411	Prov for Def Inc Tx Credit Util Op.	Prov for Def Inc Taxes	0					
190	Accum. Deferred Inc Tax	Accum Def Inc Tax	0	?	0	0	0	0
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283	Accum. Deferred Inc Tax	Accum Def Inc Tax	0					
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Since most companies are set up as independent companies accountability must be controlled by the Public Service Commission since the Commission is responsible for the accountability of the ratepayer funds. All Management Agreement Negotiations should be over seen by the Public Service Commission to keep Control of the Regulated/Non-Regulated Cash Flow. Segmented Cash Flows would be required for a full Accounting. The Journal entries above are on a cash basis only. There may be accrual entries that would be recorded per Generally Accepted Accounting Principles. There may also be regulatory Accounting Journal Entries as required by FERC/PSC Accounting.

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131	CR Cash	Cash Account	0	CR Cash Separate Non-reg account	Cash Account - Non Reg Cash Acct	0	CR Cash Separate Non-Reg Acct	Cash Account - Non Reg Cash Acct	0	CR Cash Separate Non-Reg Acct	Cash Account - Non Reg Cash Acct	0	0
409	DR Inc Taxes Utility Operations	Inc Tx Utility Operations	0	DR Inc Taxes -Non Reg Holdco	Inc Tax Non-Reg Co Holdco	0	DR Inc Taxes Non Reg Fin Co	Inc Tax Non-Regulated Fin Company	0	DR Inc Taxes Non Reg Subsidiary	Inc Tax Non-Regulated Subsidiary	0	0
236	CR Taxes Accrued	Taxes Accrued Util Oper	0	CR Taxes Accrued - Non Reg Holdco	Taxes Accrued - Non-Reg Holdco	0	CR Taxes Accrued Non Reg Fin Co	Taxes Accrd - Non-Regulated Fin Co	0	CR Taxes Accrued Non Reg Sub	Taxes Accrued - Non Regulated Sub	0	0
410	Prov for Def Inc Tx Util Oper.	Prov for Def Inc Taxes	0	Prov for Def Inc Tx Non Reg Holdco	Prov for Def Inc Tx Non-Reg Co. Holdco	0	Prov for Def Inc Tx Non Reg Fin Co	Prov for Def Inc Tx Non-Reg - Fin Co	0	Prov for Def Inc Tx Non Reg Sub	Prov for Def Inc Tx Non-Reg Sub	0	0
411	Prov for Def Inc Tx Credit Util Op.	Prov for Def Inc Taxes	0										
190	Accum. Deferred Inc Tax	Accum Def Inc Tax	0	Accum. Def Inc Tax Non Reg. Holdco	Accum Def Inc Tax - Non Reg Holco	0	Accum. Deferred Inc Tax Non Reg Fin	Accum Def Inc Tax Non Reg Fin Co	0	Accum. Deferred Inc Tax Non Reg Sub	Accum Def Inc Tax Non Reg Sub	0	0
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282	Accum. Deferred Inc Tax	Accum Def Inc Tax	0										0
283	Accum. Deferred Inc Tax	Accum Def Inc Tax	0										0
		Total - Should be zero	0		Total - Should be zero	0		Total - Should be zero	0		Total - Should be zero	0	0
		Cash from Ratepayers Regulated by FERC/PSC			Tax Accounts do not have to follow FERC Account numbers. There will still be Current/Deferred Taxes			Tax Accounts do not have to follow FERC Account numbers. There will still be Current/Deferred Taxes			Tax Accounts do not have to follow FERC Account numbers. There will still be Current/Deferred Taxes		

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409	DR Inc Taxes Utility Operations	Inc Tx Utility Operations	0	DR Inc Taxes -Non Reg Holdco	Inc Tax Non-Reg Co Holdco	0	DR Inc Taxes Non Reg Fin Co	Inc Tax Non-Regulated Fin Company	0	DR Inc Taxes Non Reg Subsidiary	Inc Tax Non-Regulated Subsidiary	0	0
236	CR Taxes Accrued	Taxes Accrued Util Oper	0	CR Taxes Accrued - Non Reg Holdco	Taxes Accrued - Non-Reg Holdco	0	CR Taxes Accrued Non Reg Fin Co	Taxes Accrd - Non-Regulated Fin Co	0	CR Taxes Accrued Non Reg Sub	Taxes Accrued - Non-Regulated Sub	0	0
410	Prov for Def Inc Tx Util Oper.	Prov for Def Inc Taxes	0	Prov for Def Inc Tx Non Reg Holdco	Prov for Def Inc Tx Non-Reg Co. Holdco	0	Prov for Def Inc Tx Non Reg Fin Co	Prov for Def Inc Tx Non-Reg - Fin Co	0	Prov for Def Inc Tx Non Reg Sub	Prov for Def Inc Tx Non-Reg Sub	0	0
411	Prov for Def Inc Tx Credit Util Op.	Prov for Def Inc Taxes	0										
190	Accum. Deferred Inc Tax	Accum Def Inc Tax	0	Accum. Def Inc Tax Non Reg Holdco	Accum Def Inc Tax - Non Reg Holco	0	Accum. Deferred Inc Tax Non Reg Fin	Accum Def Inc Tax Non Reg Fin Co	0	Accum. Deferred Inc Tax Non Reg Sub	Accum Def Inc Tax Non Reg Sub	0	0
281	Accum. Deferred Inc Tax	Accum Def Inc Tax	0										0
282	Accum. Deferred Inc Tax	Accum Def Inc Tax	0										0
283	Accum. Deferred Inc Tax	Accum Def Inc Tax	0										0
		Total - Should be zero	0		Total - Should be zero	0		Total - Should be zero	0		Total - Should be zero	0	0
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Prepared by: Robert H. Smith

3/12/20108:22 PM

RSmith [rpjrb@yahoo.com]

From: rpjrb@yahoo.com
Sent: Friday, May 14, 2010 5:50 PM
To: 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Cc: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'
Subject: FW: Docket No. 080677, FPL Reconsideration Request
Attachments: OrderSummarywithNCRCrevreq05142010.pdf

Dear Ms. Bennett,

Attached you will find my Summary that I have put together from the 08-0677-EI standard order as the source of information. I have added the calculation of the revenue requirements for the Nuclear Uprates as if they were being transferred out of ledger 3 and into the Nuclear Cost Recovery accounts. Of course if all these costs are going to be offset against the surplus depreciation then the net assets (rate base) should be zero with no revenue impact. The only issue I have is if the assets still exist and new costs will be put into this clause. If there are new costs that have to be recovered in this clause then I would like to know if the carrying charges are going to be trued up for the new overall cost of money.

I was taking a look at the specifics of the Nuclear Cost Recovery Clause. I notice that it talks about the carrying charges that would be recorded. It indicates that the pretax AFUDC rate in effect at June 12th, 2007 will be used for the carrying charges associated with the removal of these plant assets from rate base. Is the current rate 7.41 (effective 1/1/09 as per Docket No. 090009-EI)? Based upon the new case and the new approved ROE of 10.00% (12.50% Company as filed versus 10.00% as approved) the overall cost of money decreases from the as filed 8.0% to 6.65% respectively. If the carrying charges on the Nuclear Cost Recovery Clause is not reduced to the new overall cost of money or AFUDC rate then the customer would pay more in revenue requirements. Since this amount was offset by the depreciation surplus will this not trued up since it will be considered fully recovered?

If these assets are still in existence then the customer might lose the benefit for the reduction in the overall cost of money.

Here is the revised calculation that I have put together based upon the Schedules from the order. Based upon this calculation it would yield an approximate $2.1 million dollar additional revenue requirement to the customers if the carrying charges are not trued up for the reduction in the ROE or if these assets still exist.

How come this agreement is not being looked at? Can the terms of this agreement be changed for the reduced overall cost of money? It appears that the agreement as it stands would not provide for this true up. Is this correct? Unless these assets are going to be considered fully recovered since they were offset against the depreciation surplus.

It has been a while since I have put together cost of money calculations and revenue requirements. Please let me know if there will be a true up or if these assets are going to be considered fully recovered.

If these assets still exist then they should probably remain in ledger 3 and have an offset for the application of some of the reserve surplus to yield a net rate base of zero. This way this would cover the true up issue. What will be the impact going forward for any new costs that are put into the Nuclear Cost Recovery Clause? Will the carrying charges be accrued at the old rate or will they be trued up at the new overall cost of money/AFUDC rate?

Thanks,

Robert H. Smith

000017

Florida Power & Light Company
Docket No. 08-0677-EI
December 2010 Projected Test Year
Operating Revenue Increase Calculation

Line No.		As Filed	Commission Adjusted	Nuclear Uprates
1.	Rate Base	17,063,586,000	16,787,429,918	168,234,9
2.	Overall Rate of Return	8.00%	6.65%	7.4
3.	Required Net Operating Income (1)x(2)	1,364,748,000	1,116,364,090	12,469,4
4.	Achieved Net Operating Income	725,883,000	1,070,179,348	-
5.	Net Operating Income Deficiency (3) - (4)	638,865,000	46,184,742	12,469,4
6.	Net Operating Income Multiplier	1.63342	1.63411	1.634
7.	Operating Revenue Increase (5)x(6)	1,043,535,000	75,470,948	20,376,3

7.41% as per January 1, 2009 Approved AFUDC rate. Matches the December, 2008 Rate of Return Report
6.65% as per calculated overall cost of money as per 08-0677-EI

Nuclear Uprates

In Order No. PSC-09-0783-FOF-EI, issued on November 19, 2009, we approved FPL's Nuclear Cost Recovery Clause amounts for 2010.[107] All costs that FPL removed from its base rate revenue requirements were allowed in the NCRC for 2010. We approve FPL's proposal to transfer revenue, expenses and investments associated with nuclear uprates from base rates to the NCRC for the 2010 projected test year.

establishing a carrying cost rate to be applied to the nuclear projects, and this carrying cost shall be recovered pursuant to Rule 25-6.0423(2), F.A.C., no more and no less.

Moreover, since the enactment of Section 366.93, F.S., we have consistently distinguished the carrying cost associated with the nuclear projects (e.g., TP67 project) from the carrying cost associated with all other utility projects. By Order No. PSC-08-0265-PAA-EI, issued April 28, 2008, in Docket No. 080088-EI, In re: Request for approval of change in rate used to capitalize allowance for funds used during construction (AFUDC) from 7.42% to 7.65%, effective January 1, 2008, by Florida Power & Light Company, we specifically held that the revised AFUDC rate shall be effective as of January 1, 2008, for all purposes except for Rule 25-6.0423, F.A.C. Similarly, in Order No. 09-0377-PAA-EI, issued May 28, 2009, in Docket No. 090108-EI, In re: Request for approval of change in rate used to capitalize allowance for funds used during construction (AFUDC) from 7.65% to 7.41%, effective January 1, 2009, by Florida Power & Light Company, we held that the revised AFUDC rate shall be effective as of January 1, 2009, for all purposes except for Rule 25-6.0423, F.A.C. This emphasizes the point that Section 366.93(2)(b), F.S., establishes a fixed project carrying cost to be applied to all nuclear construction projects with need petitions filed prior to December 31, 2010. We find that any other interpretation of Section 366.93(2)(b), F.S., is incorrect.

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, May 13, 2010 12:20 PM
To: Lisa Bennett <LBENNETT@PSC.STATE.FL.US>
Cc: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'
Subject: FW: Docket No. 080677, FPL Reconsideration Request

Dear Ms. Bennett,

I noticed that the change in expenses formula for OPC is incorrect as well. This should probably be OPC estimated expense – current rate expense.

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, May 13, 2010 11:22 AM
To: LBENNETT@PSC.STATE.FL.US
Cc: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'
Subject: FW: Docket No. 080677, FPL Reconsideration Request

Dear Ms. Bennett,

Last week I was working on Financial Regulatory reform accounting issues. This is why I had asked for some information last week. I have been working on various aspects of Healthcare/Financial regulatory reform from an Accounting perspective with regard to holding company structures. This is similar to of the issues with the tax payments. I have been working on all of these issues for the past 1 ½ year's full time. I have been working on holding company concepts from an accounting perspective for over 10 years on a full/part time basis.

Normally I would have gone through the whole order, but I have been balancing all of the initiatives and at times there can be a lot of information to digest.

I appreciate that you have sent me the information. This was very useful and let me know if you have the updated schedules that were fixed.

Please feel free to share this information with FPL as well.

I noticed a quick **typo(s).**

Thanks,

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Thursday, May 13, 2010 10:33 AM
To: Lisa Bennett <LBENNETT@PSC.STATE.FL.US>
Cc: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'
Subject: FW: Docket No. 080677, FPL Reconsideration Request

Dear Ms. Bennett,

Please forward this information to all interested parties if they have the schedules that do not reflect the proper calculations for OPC. Maybe this is just the file that I was sent but let me know. Feel free to share this with everyone that was at the last meeting if it would be useful.

Attached you will find a summary that I have put together to gain an understanding of the order. I have not had a lot of time to take a look at the full order since I felt that when the standard order was released for a $75 million dollar increase that this was the final decision of the Florida Public Service Commission. Since I saw that there is a **date** for another standard order I wanted to be kept in the loop from both a ratepayer perspective as well as a shareholder perspective. If the potential exists that there is a possibility that the recovery of ledger 3 assets are going to be recovered outside of normal ledger 3 depreciation, then I am concerned to the future/current disposition of these assets from book gain and tax gain perspective. If they are removed then the ratepayer has to be made whole if there are any sales of these assets in the future.

I see that there is accelerated recovery with taking the $314.2 million against the surplus reserve. I am still reviewing this. I think that we still have to maintain any of these assets on ledger 3 since there are vintage year assets that would need to be tracked. Are these going to be removed? If so, then how is the commission going to track any potential proceeds from the sale of these assets?

If they are not maintained in ledger 3 and there is a sale then this might have an impact on the gain on sale calculation with regard to any sale. We would need to track the vintage year data to carve out any potential sales of these plant assets. If there is a theoretical reserves versus any remaining net book values this might have an impact on the book gain on sale. If you are taking the position that all these assets are fully recovered from a regulatory perspective then any gain on the sale of these assets would have to be fully refunded to the ratepayer. The vintage year issue might have an impact on the tax depreciation side of the house since what is depreciated for tax purposes is different than what is recorded for book purposes. This will impact any calculated gain on sale for tax purposes since the tax basis might be different than the book basis. This will also be an issue with the removal of the Nuclear Uprates. If these are removed from base rates and being treated similar to a fuel adjustment clause the vintage year data must be maintained if these assets are sold in the future. This would be for similar reasons just like the Cape & Riviera Site.

I noticed that the OPC Recommended Rate Formulas to calculate the estimated expenses have to be divided by 100 to calculate the proper estimated expense amount for OPC. This is probably a result of typing in the staff rate as a number and not a percentage. The rates to the left of the estimated expenses are incorrect as well. I will be fixing these on my end as I continue to look at what has been sent to me.

For example:

You will notice below that the Estimated Expenses of $10,155,632 should be divided by 100 to get the same amount as the Staff Recommended rates of $101,556.
The rate percentages are incorrect as well due to this calculation error. They should be estimated expenses/by estimated investment to yield the same 1.7% as the Staff rate column or estimated investment x OPC rates (if they are the same as staff's) or the OPC rates would have to be updated in the spreadsheet.

I do not know if this is important on your end but I am changing these calculations on a copy of the worksheet that you have sent to me so that I can summarize each recommendation to tie into the summary schedule that I have put together. I am going through the formulas and fixing these. Please let me know if there is a corrected version. Are the OPC rates that same as Staff's or do these have to change in both D Need and D Need(2).

This is why I put the summary together. I wanted to compare the old approved rates versus OPC and Staff recommendation to see how the full depreciation accrual has changed. The summary below compares each of the scenarios so I was trying to tie in D Need to my summary to make sure that it matches what has been completed.

000021

Please let me know if you have an updated file.

PSC Working File

ACCOUNT	12/31/09 EST. INVESMENT	12/31/09 EST. RESERVE	OPC RECOMMENDED RATES RATE (%)	OPC RECOMMENDED RATES ESTIMATED EXPENSES ($)	CHANGE IN EXPENSES ($)	STAFF RECO RATE (%)
STEAM PRODUCTION						
CAPE CANAVERAL PLANT						
CUTLER PLANT						
Cutler Common						
311.0 Structures & Improvements	$5,973,901	$6,074,928	-0.12%	10,155,632	4,181,731	1.7
312.0 Boiler Plant Equipment	817,291	692,141	1.78%	1,784,697	967,406	2.2
314.0 Turbogenerator Units	1,234,614	1,356,414	-1.14%	2,743,587	1,508,973	2.2
315.0 Accessory Electric Equipment	1,058,634	1,023,308	0.66%	2,003,843	945,209	1.9
316.0 Misc. Power Plant Equipment	627,886	671,750	-0.60%	1,184,691	556,805	1.9
Total Cutler Common	$9,712,326	$9,818,541		17,872,450	8,160,124	

Thanks for the information. Attached is a summary that I am working on to fully understand what has been sent to me.

FPSC Information Received / Wednesday May 12, 2010
Comparison of Approved Rates/Recommended Rates/Staff Recommended Rat
DRAFT

Plant Decscription	Plant Balance	Approved Rates (1)	Composite Rate	Recommended Rates	Composite Rate	Staff Rates (2)	Composite Rate	Dif vs
Steam Production	3,036.6	78.9	2.6%	99.5	3.3%	74.2	2.4%	
Nuclear Production	3,970.5	53.8	1.4%	93.7	2.4%	76.6	1.9%	
Other Production	4,332.1	216.5	5.0%	214.2	4.9%	178.7	4.1%	
Transmission	3,122.5	93.1	3.0%	94.2	3.0%	85.3	2.7%	
Distribution	10,050.6	355.6	3.5%	337.6	3.4%	308.4	3.1%	
General Plant	672.1	38.8	5.8%	15.0	2.2%	24.2	3.6%	
Total Plant	25,184.4	836.7	3.3%	854.2	3.4%	747.4	3.0%	
Steam Amort.	3.6	0.6	15.8%	0.6	15.8%	0.6	15.8%	
Nuclear Amort	36.6	5.6	15.2%	5.6	15.2%	5.6	15.2%	
Other Prod. Amort	3.0	0.5	16.3%	0.5	16.3%	0.5	16.3%	
Distr. Amort	81.5	11.3	13.9%	11.3	13.9%	11.3	13.9%	
General Amort	345.4	77.0	22.3%	77.0	22.3%	57.8	16.7%	
Total Amort	470.1	94.9	20.2%	94.9	20.2%	75.7	16.1%	

Steam Production	3,040.2	79.5	2.6%	100.1	3.3%	74.7	2.5%
Nuclear Production	4,007.1	59.4	1.5%	99.3	2.5%	82.2	2.1%
Other Production	4,335.1	217.0	5.0%	214.7	5.0%	179.2	4.1%
Transmission	3,122.5	93.1	3.0%	94.2	3.0%	85.3	2.7%
Distribution	10,132.1	366.9	3.6%	348.9	3.4%	319.7	3.2%
General Plant	1,017.5	115.8	11.4%	92.0	9.0%	82.0	8.1%
Total Plt/Amort	25,654.5	931.6	3.6%	949.1	3.7%	823.1	3.2%

(1) Approved in Docket 050300-EI (Order No: PSC-05-0821-PAA-EI)
(2) Per PSC Working File Staff Recommended Rates

Preliminary Summary Prepared by: Robert H Smith Based upon FPSC Workpapers

FPL Composite Rate Check		
Steam	3,040.2	74.7
Nuclear	4,007.1	82.2
Other Production	4,335.1	179.2
Transmission	3,122.5	85.3
Distribution	10,132.1	319.7
General	1,017.5	82.0
	25,654.5	823.1
	0.0	0.0

Here are some initial observations that I noticed:

Cape & Riviera Site

$44.9 million

Sites to Recovery Sched.	Plant in Service	Reserve Balance	Rem Plant
Cape Canaveral Site	187.5	(152.2)	35.3
Riviera Site	103.7	(94.1)	9.6
	291.2	(246.3)	44.9

Are these going to be added to the new repowered generating units? If so then, then how is the new cost going to take into account the old book costs for ledger 3 purposes? Since they have been fully recovered by the surplus reserve are the new ledger 3 amounts only going to reflect the new costs only? How are the vintage year issues being addressed for the old costs? If it will reflect only the new costs then all old ledger 3 amounts will be removed? This might not follow GAAP since from a strict asset perspective these assets might still exist with the new repowered generating units. How will the going forward depreciation reflect this vintage year issue?

Nuclear Uprates

$168.2 million

Removed from Base Rates. Recovered through Nuclear Cost Recovery Clause. Removed from RateBase? Calculated Carrying Charges? Will the cash recovery in Base rates equal the new recovery in cash rates based upon the new Nuclear Cost Recovery Clause? Is this a break even for cash recovery or has the amount of time to recover these costs changed?

Obsolete Meters

$101.1 million

Retired. Is there any salvage money that can be recovered for the scrap sale or sale of these meters? Will there be any cost of removal or are these being left in place? If they are being left in place then and they will be considered fully recovered will ledger 10 be adjusted to match ledger 3 to keep track of these assets? Ledger 3 plant should match ledger 10 accumulated depreciation reserves. These should be kept on the books until they are removed/sold or scrapped. Any money should be credited to the ratepayers.

Based upon the above reduction of the Depreciation Surplus/Over Recovery it appears that the Recovery Schedule items are being reduced against surplus refund immediately. What is going to be done with these plant assets? Are they being retired or sold? If they are going to be sold then if there is any gain on the sale of the plants then this would have to be refunded to the ratepayer. If these plants are not sold, what would be the new recovery period for these plants since it appears that they are being moved out of the normal depreciation recovery? Are they going to remain in Ledger 3 for book purposes since the normal depreciation recovery will be stopped?

Surplus Amort	1,208.8	
Less: Recov. Sch	(314.2)	
	894.6	
Less Credits	(500.0)	Amortize at $125 m over 4 yrs
	394.6	Amortize at $17.9 m over 22 yrs

Sites to Recovery Sched.	Plant in Service	Reserve Balance	Rem Plant
Cape Canaveral Site	187.5	(152.2)	35.3
Riviera Site	103.7	(94.1)	9.6
	291.2	(246.3)	44.9

Recovery Schedule

As per Above	314.2	
Cape & Riviera Site	44.9	Are these going to be added to the new repowered generating units? If so then, then how the old book costs for ledger 3 purposes? Since they have been fully recovered by the su to reflect the new costs only? How are the vintage year issues being addressed for the ol

		of the old ledger 3 amounts be removed? This might not follow GAAP since from a strict a new repowered generating units. How will the going forward depreciation reflect this vinta
Nuclear Uprates	168.2	Removed from Base Rates. Recovered through Nuclear Cost Recovery Clause. Removec Will the cash recovery in Base rates equal the new recovery in cash rates based upon the for cash recovery or has the amount of time to recover these costs changed?
Obsolete Meters	101.1	Retired. Is there any salvage money that can be recovered for the scrap sale or sale of th these being left in place? If they are being left in place then and they will be considered ful ledger 3 to keep track of these assets? Ledger 3 plant should match ledger 10 accumulat books until they are removed/sold or scrapped. Any money should be credited to the ratep
	314.2	

Thanks for sending me this information this has been very helpful. I wish that I would have seen this information before the meeting to be informed. A lot of the issues that I have been submitting in my email correspondence were similar with regard to some of the outcome(s) of this case. I am going to fix the spreadsheets that have been sent and I will follow up with any other questions.

Thanks again for the information. It is greatly appreciated.

Thanks,

Robert H. Smith

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From: Lisa Bennett [mailto:LBENNETT@PSC.STATE.FL.US]
Sent: Wednesday, May 12, 2010 9:02 AM
To: rpjrb@yahoo.com
Subject: FW: Docket No. 080677, FPL Reconsideration Request

Attached are staff's workpapers.

Lisa C. Bennett
Office of the General Counsel
2540 Shumard Oak Boulevard
Tallahassee, FL
850-413-6230

From: Lisa Bennett
Sent: Wednesday, May 05, 2010 3:31 PM
To: Barry Richard; Brian P. Armstrong Esq. ; Cecilia Bradley Esq.; J. R. Kelly ; J. Spina; Jack Leon ; John LaVia; John McWhirter; John T. Butler ; Jon C. Moyle Jr.; Joseph Mcglothlin, Esq.; Joseph W. Yarbrough (jyarbrough@southdaytona.org); K. Wiseman; L. Purdy; Lino Mendiola; Marcus Braswell

(mbraswell@sugarmansusskind.com); Mark F. Sundback; Mary Smallwood; Meghan Griffiths; Mitchell S. Ross (Mitch.Ross@fpl.com); Natlie Smith; Rick Melson; Robert A. Sugarman; Schef Wright ; Scott E. Simpson; Shayla McNeill; Stephanie Alexander (sda@trippscott.com); Stephen Stewart; Susan Clark; Tamela I. Perdue (TPerdue@aif.com); Vicki Gordon Kaufman ; Wade_Litchfield
Cc: Pat Lee; Betty Gardner
Subject: Docket No. 080677, FPL Reconsideration Request

Attached are staff's workpapers as we discussed in today's meeting.

Lisa C. Bennett
Office of the General Counsel
2540 Shumard Oak Boulevard
Tallahassee, FL
850-413-6230

Florida Power & Light Company
and Subsidiaries
Basis For the Requested AFUDC Rate
FPSC Adjusted Basis
December, 2008

Schedule A: Page 1 of 1

Capital Components	Jurisdictional Average	Capital Ratio	Cost of Capital	AFUDC Weighted Components
Long Term Debt	4,407,092,709	29.83%	5.40%	1.61%
Short Term Debt	323,363,439	2.19%	2.52%	0.06%
Preferred Stock	-	0.00%	0.00%	0.00%
Customer Deposits	506,921,098	3.43%	5.91%	0.20%
Common Equity	6,968,461,581	47.17%	11.75%	5.54%
Deferred Income Tax	2,545,041,042	17.23%	0.00%	0.00%
Investment Tax Credits	21,115,507	0.14%	0.00%	0.00%
	14,771,995,376	100.00%		7.41%
Equity Ratio	59.57%			
RateBase 12/31/2008	15,046,960,115			
Average Rate of Return	7.66%		Per Above	7.41%
Net Operating Income	1,152,320,559			1,115,265,140

Effective January 1, 2008 The Commission Approved AFUDC Rate is 7.65%

Source: February 12, 2009 Rate Return Report

Schedule A: Page 1 of 1

Capital Components	Jurisdictional Average	Capital Ratio	Cost of Capital	AFUDC Weighted Components
Long Term Debt	5,298,960,654	31.57%	5.49%	1.73%
Short Term Debt	156,113,805	0.93%	2.11%	0.02%
Preferred Stock	-	0.00%	0.00%	0.00%
Customer Deposits	544,711,775	3.24%	5.98%	0.19%
Common Equity	7,889,967,199	47.00%	10.00%	4.70%
Deferred Income Tax	2,892,247,084	17.23%	0.00%	0.00%
Investment Tax Credits	5,429,401	0.03%	0.00%	0.00%
	16,787,429,918	100.00%		6.65%
Equity Ratio	59.12%			
RateBase 12/31/2008	16,787,429,918			
Average Rate of Return	7.66%		Per Above	6.65%
Net Operating Income	1,285,608,553			1,116,364,090

Effective January 1, 2008 The Commission Approved AFUDC Rate is 7.65%

Florida Power & Light Company
Docket No. 08-0677-EI
December 2010 Projected Test Year
Operating Revenue Increase Calculation

Line No.		As Filed	Commission Adjusted	Nuclear Uprates	Nuclear Uprates	Diff
1.	Rate Base	17,063,586,000	16,787,429,918	168,234,989	168,234,989	-
2.	Overall Rate of Return	8.00%	6.65%	7.41%	6.65%	-0.76%
3.	Required Net Operating Income (1)x(2)	1,364,748,000	1,116,364,090	12,469,404	11,187,627	(1,281,777)
4.	Achieved Net Operating Income	725,883,000	1,070,179,348	-	-	-
5.	Net Operating Income Deficiency (3) - (4)	638,865,000	46,184,742	12,469,404	11,187,627	(1,281,777)
6.	Net Operating Income Multiplier	1.63342	1.63411	1.63411	1.63411	1.63411
7.	Operating Revenue Increase (5)x(6)	1,043,535,000	75,470,948	20,376,377	18,281,813	(2,094,564)

7.41% as per January 1, 2009 Approved AFUDC rate. Matches the December, 2008 Rate of Return Report
6.65% as per calculated overall cost of money as per 08-0677-EI

Florida Power & Light Company
Docket No. 080677-EI
13-Month Average Capital Structure
December 2010 Test Year

Company As Filed

Schedule A: Page 1 of 1

Capital Components	Jurisdictional Average	Capital Ratio	Cost of Capital	AFUDC Weighted Components
Long Term Debt	5,377,787,000	31.52%	5.55%	1.75%
Short Term Debt	161,857,000	0.95%	2.96%	0.03%
Preferred Stock	-	0.00%	0.00%	0.00%
Customer Deposits	564,652,000	3.31%	5.98%	0.20%
Common Equity	8,178,980,000	47.93%	12.50%	5.99%
Deferred Income Tax	2,723,327,000	15.96%	0.00%	0.00%
Investment Tax Credits	56,983,000	0.33%	9.74%	0.03%
	17,063,586,000	100.00%		8.00%
Equity Ratio	59.62%			
RateBase 12/31/2008	17,063,586,000			
Average Rate of Return	7.66%		Per Above	8.00%
Net Operating Income	1,306,757,033			1,364,748,000

Effective January 1, 2008 The Commission Approved AFUDC Rate is 7.65%

Florida Power & Light Company
Docket No. 080677-EI
December 2010 Test Year
Net Operating Income Multiplier

Line No.		(%) As Filed	(%) Commission Adjusted		
1.	Revenue Requirement	100.000	100.000		
2.	Gross Receipts Tax	0.000	0.000		
3.	Regulatory Assessment Fee	(0.072)	(0.072)		
4.	Bad Debt Rate	(0.260)	(0.302)		
5.	Net Before Income Taxes	99.668	99.626		
6.	Income Taxes (Line 5 x 38.575%)	38.447	38.431	Current Tax Rate	38.575%
7.	Revenue Expansion Factor	61.221	61.195		
8.	Net Operating Income Multiplier (100%/Line7)	1.63342	1.63411		

RSmith [rpjrb@yahoo.com]

From: RSmith [rpjrb@yahoo.com] [rpjrb@yahoo.com]
Sent: Wednesday, July 22, 2009 11:52 AM
To: 'Charlie.Crist@MyFlorida.com'
Subject: Phone Call from Jennifer

Categories: Blue Category

Dear Mr. Crist,

I spoke to Jennifer from your office today. I have indicated to Jennifer that I am concerned for the Florida ratepayers/taxpayers and the shareholders of FPL with regard to the proposed 30% rate increase. I have indicated to Jennifer that I have not received a response from FPL with regard to my questions regarding the proposed rate increase. I told her that I was extremely concerned that my communication with regard to these matters might have an impact on me being gainfully employed in the future and the well being of my family.

I have told Jennifer that I have been in contact with US Federal Agencies with regard to this matter from a shareholder perspective and Public Utility Holding Act. So far I received some letters from the Florida Senators but I have not received any response from my local legislators with regard to specific email correspondence that I have forwarded to them regarding multiple issues.

I have been told from the SEC that my shareholder rights issue is a State issue therefore I need to make sure that the Financial Regulation department at the State makes sure that the Senior Executives at FPL honors my shareholder's rights with regard to my email questions that I have sent to them as a shareholder. There is no reason why there is no transparency from both the Florida Public Service Commission perspective as well as the Senior Executives of FPL. I know that this would be my ratepayer/taxpayer right as well as my shareholder right.

Jennifer asked me why I have been emailing this information to your office. There are a couple of reasons for this:

1. I think that a 30% rate increase during this time might cause a problem in the business sector and for taxpayers. If the cost to business increases this might lead to additional unemployment. In addition, this might lead to businesses relocating out of the State.

2. Back in 2005 as the Attorney General you signed off on the FPL rate agreement. I felt that I needed to keep you in the loop regarding some questions that should be asked before any rate increase is granted to FPL under the new rate case. I was concerned with the rate making design that was in the old signed off order.

3. I kept you in the loop regarding my FPL rate increase questions since I know that I have started this back in April/May of 2009. Since the Office of Public Counsel went out that they feel that there should be a rate decrease for some of the questions that I have raised I wanted to make sure that if my questioning gave rise to minimizing the rate increase to help both the ratepayers/taxpayers that I receive some recognition for my efforts. In addition, I want to make sure that from a shareholder perspective that if there is any exposure to liability with regarding to the current/proposed rate design at the company that if my questioning gave rise to safeguard some of this exposure that I receive some recognition for my efforts.

4. I have brought up the issue indirectly to Jennifer that I was concerned that all my correspondence might be related to an alleged speed camera infraction in the Town of Juno Beach. This is where FPL is located, and I thought that the Town would be able to fully support the allegation immediately with the appropriate backup. I did not indicate to Jennifer that this was related to a speed camera issue since I did not feel this was an issue for her to take a look at. I have sent numerous emails regarding this issue that I know that you have picked up. I know that there are a lot of State regulation issues with regard to the use of these cameras. I want to make sure that if the Town of Juno Beach can support the notice of infraction that they would send me the appropriate information so that I can minimize my cost with regard to this matter. In addition, as I have indicated in my email correspondence that sometimes a medical condition in my elbow acts up that prevents me from traveling alone. I have sent all my appropriate correspondence to the Town of Juno Beach and so far I have not heard back regarding these matters.

If you have any questions regarding this email in addition to the clarification of my conversation with Jennifer, please contact me through email at rpirb@yahoo.com or call me at 954-340-4956. I know that the White House and other Federal Agencies that I have been communicating with about these matters has no problem with communicating through email. I have received direct email communication from the White House with regard to some of these issues. There are very important issues that are at the Federal Level as well as the State Level that must be addressed to make sure that during these tuff economic times that we balance the needs of our Businesses, ratepayers/taxpayers and shareholders.

I am here to help. I am unemployed and I feel that my accounting expertise/ industry experience can be put to good use to help out during these tuff economic times.

Please thank Jennifer for her time. I did not get Jennifer's last name.

I hope that there is no typo(s) since my lower two right fingers sometimes numb up. I will check later to see if there is any typo(s).

I will continue to keep your office in the loop regarding these matters. I will contact the Financial Regulation department to forward my concerns about my shareholder rights.

Feel free to contact me if you need my help.

Thanks,

Robert H. Smith

Confidentiality Statement

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RSmith [rpjrb@yahoo.com]

From: RSmith [rpjrb@yahoo.com] [rpjrb@yahoo.com]
Sent: Monday, July 20, 2009 2:54 PM
To: 'KELLY.JR'
Cc: 'Cindy Muir'
Subject: RE: OPC Web Site - Unresolved Utilities Complaint Filed with PSC

Dear Mr. Kelly,

I think that the email below was the second email (7/16/2009) that I have posted to the OPC web site. I have been keeping the Governor, Chairman of the FPSC and the Staff at the PSC in the loop since April and May of 2009. I have sent my May 7th, 2009 FOIA request and my May 6th, 2009 FPSC email to the SEC on 6/15/2009 since I am extremely concerned that I have not received a response from FPL Executives regarding a request for information to take a look at their holding company structure. This might be a violation of my shareholders rights. I am still waiting for a response from Mr. Lew Hay and Mr. Sieving. The email that you have answered below was not the original email that has been sent (see below dated 7/7/2009). I have been keeping everyone in the loop from inception and I was concerned that my email correspondence triggered the questioning that I have seen in the newspaper regarding a potential request for a rate decrease. In my SEC correspondence I have indicated that I am extremely concerned with the impact on the ratepayers/taxpayer/shareholders of FPL since a delicate balance must be maintained in order to meet the Public Utility Holding Act requirements. My emails are quite specific and now that I have a direct email address you can take a look at the email below. I have over 10 years experience with the preparation of rate cases and rate case testimony interrogatory responses.

I am extremely concerned for my future employment prospects and the well being of my family but I feel that my questioning is very important to be entered into the current rate case.

Please see the original email that I have sent to the FPSC as a FOIA request as well as questions to the FPSC regarding the 2005 agreement with FPL.

The Governor and Chairman of the FPSC have been kept in the loop from the inception of my questioning . I will not accept that if my questioning has given rise to this questioning that it is going to be deflected to the PSC since my questioning is very specific and very important.

My questioning to the SEC is very specific with regard to the Public Utility Holding Act. I am extremely concerned that there is a multitude of non-regulated subsidiaries at FPL. We have to take a look at the holding company setup of this company to ensure that the proper balance is being maintained for all interested parties.

I have sent an email to the Chairman as well to be delivered to the General Counsel at the FPSC since I think that there are a lot of questions that have to be answered before a rate increase is granted. See email below as well.

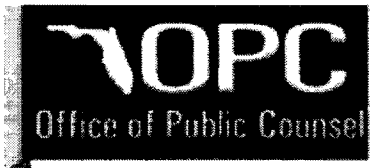
I have been dealing with these issues for a decade.

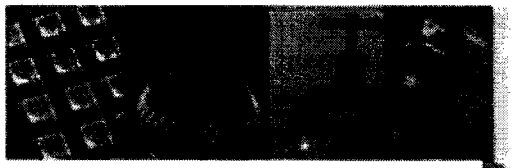
There are a lot of other issues with this situation that I cannot get into right now but I wanted to put on the record that I have started this email chain and I wanted to make sure that for the record that any of this correspondence is not causing me to not be gainfully employed or impacted my family's well being.

All Federal Agencies have been kept in the loop with regard to my concerns.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or call me at 954-340-4956.

Thanks,





Contact the Office of Public Counsel

Complaints about regulated utilities can be filed online with the Florida Public Service Commission. Lifeline information and applications are available on this site.

Type of Message

complaint

Contact Information

We use the information below only to respond to your message.

First Name: Robert H
Last Name: Smith
Street Address: 11340 Heron Bay Blvd. #2523
City: Coral Springs
State: Florida
Zip Code: 33076
Daytime Telephone Number: 954-340-4956 / 954-798-6127
Email Address: rpjrb@yahoo.com

Under Florida law, e-mail addresses are public records. If you do not want your e-mail address released in response to a public-records request, do not send electronic mail to this entity. Instead, contact this office by phone or in writing.

Message

Please type your message below. If your message is regarding a complaint filed with the PSC, please include the complaint number in your message.

To whom it may concern:

I have sent this email correspondence to the PPSC regarding the pending Florida Power & Light rate increase. I received a response from Mr. Patrick L. Wooter IMHOF. What is very important is that the ratepayers of Florida are a very significant contributor to the cash flow of Florida Power & Light therefore there are questions that are very important to be answered before any rate increase is granted. The Florida Public Service Commission has indicated in their letter that all the appropriate information has been provided. The problem with FOIA requests is that there is no ability for the ratepayers to be able to ask appropriate questions in order to ensure that the current/future ratemaking design with regard to the ratepayers rates is warranted. This is very important and since the ratepayers have very limited resources the only way this can be

Submit

Please click on the submit button only once. Send Message

Office of Public Counsel
111 West Madison Street
Room 812
Tallahassee, Florida 32399-1400

Lifeline: 1-800-340-7039
Office: 850-488-9330
Office: 1-800-342-0222
Office Hours: 8am-5pm

Member of NASUCA

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From: KELLY.JR [mailto:KELLY.JR@leg.state.fl.us]
Sent: Monday, July 20, 2009 1:57 PM
To: rpjrb@yahoo.com
Cc: Cindy Muir
Subject: FW: OPC Web Site - Unresolved Utilities Complaint Filed with PSC

Mr. Smith – We have not received a copy of any FOIA request that you submitted to the Florida Public Service Commission (FPSC); however, please note that our Office of Public Counsel is not a part of that agency. In order to determine the status of your public records request, I recommend you contact Ms. Cindy Muir, Director of the Office of Public Information, with the FPSC. Her telephone number and email are 850-413-6482 and cmuir@psc.state.fl.us.

JR

J.R. Kelly
Office of Public Counsel
111 West Madison Street
Room 812
Tallahassee, FL 32399-1400
850-488-9330
850-487-6419 Fax

From: STEFFENS.LISA
Sent: Friday, July 17, 2009 7:24 AM
To: KELLY.JR
Subject: FW: OPC Web Site - Unresolved Utilities Complaint Filed with PSC

From: webform@floridaopc.gov [mailto:webform@floridaopc.gov]
Sent: Thursday, July 16, 2009 10:56 AM
To: PUBLIC COUNSEL WEBSITE
Subject: OPC Web Site - Unresolved Utilities Complaint Filed with PSC

First Name:	Robert H
Last Name:	Smith
Street Address:	11340 Heron Bay Blvd. #2523

City:	Coral Springs
State:	Florida
Zip Code:	33076-1629
Daytime Telephone Number:	954-340-4956
Email Address:	rpjrb@yahoo.com
Message:	I have sent a copy of a FOIA request that I have sent to the Florida Public Service Commission as well as an email requesting information from FPL since I am a shareholder. I have not heard back from your office with regard to this correpondence and I have followed up with the Sun-Sentinel regarding the correpondence that I have sent to the Florida Public Service Commission as well as your office. I noticed that there was an article in the paper today regarding a proposal

for a rate decrease at the company. I am extremely concerned with the un-regulated subsidiaries as it relates to the Public Utility Holding Act. I have been asking these questions for approximately tens years. It is very important for a balance to be maintained from both a ratepayers/taxpayers and shareholder perspective. Please let me know if my email correpondence was received or give me an email contact address in order to follow up on the status of the information that I have sent to this office.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or call me at 954-340-4956.

Thanks,

Robert H. Smith

From: Office Of Commissioner Edgar [mailto:Commissioner.Edgar@PSC.STATE.FL.US]
Sent: Friday, July 10, 2009 8:18 AM

To: rpjrb@yahoo.com
Subject: Read: Letter Received by General Counsel Patrick L. "Booter" IMHOF

Your message

To: Office Of Commissioner Edgar; Charlie.Crist@MyFlorida.com
Subject: Letter Received by General Counsel Patrick L. "Booter" IMHOF
Sent: Tue, 7 Jul 2009 10:36:29 -0400

was read on Fri, 10 Jul 2009 08:18:23 -0400

From: Governor Charlie Crist [mailto:Charlie.Crist@eog.myflorida.com]
Sent: Tuesday, July 07, 2009 11:51 AM
To: rpjrb@yahoo.com
Subject: Read: Letter Received by General Counsel Patrick L. "Booter" IMHOF

Your message

To: Commissioner.Edgar@psc.state.fl.us; Governor Charlie Crist
Subject: Letter Received by General Counsel Patrick L. "Booter" IMHOF
Sent: Tue, 7 Jul 2009 10:36:29 -0400

was read on Tue, 7 Jul 2009 11:51:20 -0400

From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Tuesday, July 07, 2009 10:36 AM
To: 'Commissioner.Edgar@psc.state.fl.us'; 'Charlie.Crist@MyFlorida.com'
Subject: Letter Received by General Counsel Patrick L. "Booter" IMHOF

Dear Ms. Edgar and Mr. Crist,

Please forward this email to Mr. Patrick L. "Booter" Imhof. I do not have his email address.

I have received the letter dated July 2nd, 2009 from Patrick L. "Booter" Imhof on July 6th, 2009. What is very alarming is that the Florida Public Service Commission is indicating that the Freedom of Information act request is only a request for public records and that the questions that are being asked in the request do not constitute a public records request.

What is very important here is that whether or not a person becomes an intervener in this proceeding, all pertinent questions should be reviewed in their entirety before any rate increase is granted.

The shear fact that the Florida Public Service Commission is indicating that they can only provide public records may give rise to the possibility that information might be omitted from the proceeding that might give rise to better questioning with regard to the pending rate increase.

Yes, individual parties often do not have the financial resources to intervene in some proceedings but they might have the knowledge with regard to these matters to ask the appropriate questions before any rate increase is granted. If the questions that I have asked in my original FOIA request have not been answered, then how can the public have assurance that the Florida Public Service Commission has asked the appropriate questions of Florida Power & Light with regard to it pending rate increase filing?

All the questions that I have asked in the original FOIA request and as well with the follow up email correspondence would be very pertinent with regard to the pending rate increase request. These questions should have already been asked by the Florida Public Service Commission in order to determine if the accounting at the Utility is accurately supporting the existing and future utility rates that the company is charging its ratepayers. The possibility exists that the shareholder's of the company could have exposure as well.

I have sent an email to the Office of Public Counsel as per the letter in order to shed some light on the additional questions that should be answered before a final decision is made by the commission staff. All the questions are in the original FOIA request that I have submitted to the Florida Public Service Commission in addition to the email correspondence.

The questions are very specific in nature and in order for the Commission to complete its audit procedures of Florida Power & Light it should have in its possession public information that would be able to answer all the questions appropriately in a clear and concise manner.

The Florida Public Service Commission is being supported by the taxpayers/ratepayers of Florida, therefore all of the questioning in the FOIA request and email correspondence should have been answered by the Florida Power & Light and already be available to be released through the Freedom of Information request.

What I do not understand is how this information is not available under the normal due diligence that the Florida Public Service Commission would have to complete to ensure compliance with the Public Utility Holding Act's laws and regulations.

I am waiting for a response from the Office of Public Counsel but I think that all my questions should be presented in this case to make sure that every question is answered before any rate increase is granted. The Freedom of Information Act should bring the transparency needed to ensure that the ratepayers/shareholders best interests are being protected.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or call me at 954-340-4956 / 954-798-6127.

What do you think?

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Monday, June 15, 2009 2:39 PM
To: 'chairmanoffice@sec.gov'; 'SEC Help'; 'oiea@sec.gov'; 'AskDOJ@usdoj.gov'
Subject: FW: Questions to consider in the New Case being filed for a $1 billion Base Rate Increase

To whom it may concern:

I am resending this email since I am trying to obtain information regarding holding company accounting. I have sent to FPL a request for information regarding the breakout of regulated and non-regulated entities. In addition, I have asked for segmented cash flow in order to determine the impacts of an old rate case agreement that was approved back in 2005. I am a ratepayer and a shareholder of FPL Group. I have asked a couple of times for a request of information regarding my concerns and I have not even received a response or acknowledgment that the email was received.

I just received a read receipt for a previous email and I was wondering if this email was received as well.

This is extremely important due to the proposed 30% pending rate increase that FPL has pending. I need to know from my shareholder rights that all my specific questions are being answered by the company.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or call me at 954-798-6127 / 954-340-4956.

Thanks,

Robert H. Smith

Work For A Purpose!

From: CHAIRMANOFFICE [mailto:CHAIRMANOFFICE@SEC.GOV]
Sent: Monday, June 15, 2009 11:56 AM
To: rpjrb@yahoo.com
Subject: Read: FW: Preliminary 2008 10K questions 6th Request / Robert H. Smith Investor

Your message

To: CHAIRMANOFFICE; AskDOJ@usdoj.gov
Subject: FW: Preliminary 2008 10K questions 6th Request / Robert H. Smith Investor
Sent: Mon, 15 Jun 2009 10:45:38 -0400

was read on Mon, 15 Jun 2009 11:56:17 -0400

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Monday, June 15, 2009 10:36 AM
To: 'chairmanoffice@sec.gov'; 'SEC Help'; 'oiea@sec.gov'; 'AskDOJ@usdoj.gov'
Subject: FW: Questions to consider in the New Case being filed for a $1 billion Base Rate Increase

To whom it may concern:

I am forwarding this email since I have not heard back from FPL with regard to my request for information as an investor. I have sent 6 emails for a request for information and I have not heard back from the investor email address as well as Mr. Lew Hay and Mr. Sieving.

This information is very important as well since it will deal with the third party issues with regard to the holding company concept as it relates to regulated versus un-regulated entities at the Utility.

I hope that there is no defamation of character issues with regard to all of this correspondence. I am continuing to seek employment that matches my experience as outlined on my resume.

There should be at least an acknowledgement for the request for information.

I need a response with regard to this correspondence.

Thanks,

Robert H. Smith

Work For A Purpose!

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Saturday, May 23, 2009 11:59 AM
To: 'Kimberley Pena'; 'Ann Cole'
Cc: 'Tim Devlin'; 'Andrew Maurey'; 'Shari Cornelius'
Subject: FW: Questions to consider in the New Case being filed for a $1 billion Base Rate Increase

Dear Ms. Cole,

Has my FOIA request been submitted based upon the email below? I went to the Shareholders meeting yesterday and I wanted to ask about the annualized rates for Excess earnings. The forum at the shareholders meeting for this type of questioning is not conducive since some of these questions would need specific answers from the executives at FPL.

I feel at this point that the shareholders forum is not the place to ask this type of questioning and I would like to enter my questions into the rate case as an intervener. In addition I will be putting together a company list for FPL Group. With this I would like to know which companies the PSC regulates versus the non-regulated entities. I saw a presentation at the shareholder's meeting yesterday that showed a breakout of the Utility revenues versus NextEra Energy resources. I will be trying to put together a full entity list for FPL Group so that I can breakout the companies by regulated and non-regulated entities. I will be drafting an email to FPL executives regarding these breakouts. It appears that from 2007 to 2008 the mix of contributed earnings from Florida Power & Light versus NextEra Resources has changed. In 2008 NextEra Energy Resources earnings per share is larger than Florida Power & Light's. Do we know why this mix has changed? Of course I know that if the FPSC does not regulate the NextEra Energy Resources business

entities that it would not be able to explain these issues but what I really need to know is that since the earnings contributions has changed from 2007 to 2008 I would need to see a segmented cash flow showing the cash coming into the regulated entities and then being utilized by the regulated entities. I know from past experience that since the Florida Power & Light business entity would be regulated for the Florida ratepayer that the accounting for these cash transactions would be very important. When the FOIA request is answered this would shed some light on the accounting for regulated versus non-regulated monies.

If need be I would like to schedule a meeting with FPL executives regarding some of these issues once I get up to speed on the entity relationships (i.e. regulated versus non-regulated entities).

Please let me know the status of the FOIA request.

I received the surveillance reports and I am taking a look at these. What I do not see on the surveillance reports is the full P&L to support the operating income on the reports. In addition, I do not see the over/under earnings calculations as I have asked for in my previous emails. I was very specific with regard to my questions and I feel that these can be answered specifically in a question and answer format.

My concern is the cash flow coming into the company. Regulated versus Non-regulated cash flows are very important when talking about revenue sharing mechanisms. If need be once I get up to speed I can do a lot of the work on my own. I would only need access to various ledgers at the company. I know that from a shareholder perspective that this information should be available. As I analyze the information I will put together an information request for the FPL executives. I did not think that the shareholder's meeting forum was the place to ask these specific questions since there was only a 2 minute time frame to speak. There was talk at the meeting regarding executive compensation. I need to see the cash transactions between the holding company and the regulated versus non-regulated entities to identify the major contributor of cash flow to the company.

I am going to be upfront with my concern that I hope that nothing being discussed through my FOIA request is having an impact on my current job search since I am unemployed. In addition, I want to make sure that this does not have any impact on my family.

I hope that there is no typo(s). If I find any I will fix them and resend the email.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or call me at 954-798-6127.

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, May 07, 2009 11:49 AM
To: 'Andrew Maurey'
Cc: 'Lisa Edgar'; 'Tim Devlin'; 'Ann Cole'
Subject: FW: Questions to consider in the New Case being filed for a $1 billion Base Rate Increase

Dear Mr. Maurey,

Sorry for the **typo(s)**.

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, May 07, 2009 10:11 AM
To: 'Andrew Maurey'
Cc: 'Lisa Edgar'; 'Tim Devlin'; 'Ann Cole'
Subject: RE: Questions to consider in the New Case being filed for a $1 billion Base Rate Increase

Dear Mr. Maurey,

Please send **me a**ll twelve months of the Rateyear surveillance reports at .05 x 20 pages or $1 per report. This should be no more than $15. Since this is in the best interest of the ratepayers there should be no charge for the copies of this information since I am paying for this in my taxes and my utility rates. If there is a need to charge me for this information then please let me know where to mail the payment. I am currently unemployed therefore I would like to keep the cost of this correspondence to the minimum. Electronic production of these documents would keep both the cost to ratepayers and me to a minimum from a postage/labor perspective. Email would also save a lot of money with the turnaround of this information. When I worked on these types of proceedings in the past we used electronic documents to both answer and email interrogatory responses. This included using spreadsheets when the source information was prepared in a spreadsheet format. If the surveillance reports are being prepared this way then forwarding this information would be the least cost approach since no work would be required to provide me with this information. Since there is an indication that there is limited resources this would be a way to keep both the labor/cost down.

Do you agree?

Please see comments below. In the event specifics answers to the questions below cannot be answered let this email serve as a FOIA request.

Thanks,

Robert H. Smith

May 7, 2009

Director, Office of Commission Clerk
ATTN: Ann Cole

Re: Request for specific answers to the questions below including the impact of traditional ratemaking versus revenue sharing plans

To whom it may concern:

Pursuant to the Freedom of Information Law, I request a copy of all accounting information related to the specific answers to all questions below.

Please provide all accounting journal entries based upon Generally Accepted Accounting Principles. This should include a chronological record of accounting journal entries for the recording of all journal entries related to any regulated ratemaking assumptions below.

All accounting entries should be able to support any revenue sharing mechanisms.

Please provide a cash flow statement to show the changes in cash balances as a result of these transactions. This should be completed on a segmented cash flow basis to potentially show the movement of cash to holding/affiliated companies of FPL. These cash flows should lay out how dividends are being paid out of the holding company of FPL. They should include the accounting for the funding of the dividends/executive compensation plans at the holding company level. If there is an accrual at the holding company level for executive compensation then please provide the source funding of this compensation as it relates to regulated versus non-regulated monies.

In the event that this FOIA request is not going to yield specific answers to the questions below then I would propose to include the questioning below in an interrogatory format for the new proposed rate case that FPL is filing. In this forum all specific questions would have to be answered. I understand that the resources at the commission is limited but since I have extensive experience with these type of proceedings as long as the specific information is provided I would be able calculate the appropriate studies on my own which would not require help from the commission staff. Since I am both a ratepayer and a shareholder there should be no problem with the release of all specific information in order for me to complete my own analysis. This will ensure from both a ratepayer and shareholder perspective I am receiving the best possible rates and return on my investment.

Please provide a reconciliation of the PSC annual report to the FPL 10K reported numbers. The capitalization does not match and I was wondering why.

On March 19th, 2009, The Office of the Attorney General has issued a memorandum regarding the release of information under The Freedom of Information Act (FOIA), 5 U.S.C. § 552.

This indicates "The Freedom of Information Act should be administered with clear presumption: In the case of doubt, openness prevails".

"This memorandum is meant to underscore that commitment and to ensure that it is realized in practice"

Due to the new nature of this program a need to clarify some of the underlying assumptions under this request might be required.

Due to the delicate nature of this information I would like to make sure that this correspondence request/communication does not have any impact on my current/future employment. I can only hope that this request is viewed as a public service request for the ratepayers of the Florida Power & Light and does not have any impact on my family's well being.

Please respect my family and myself in that this needs to be kept confidential since I do not need any more defamation to occur. I do not want to be out of work any longer or subject to these issues anymore. I try to do the best job possible and bring up issues that I think might be important to the ratepayer's of Florida Power & Light Company.

Please forward this information to the following address:

Robert H. Smith
11340 Heron Bay Blvd.
Coral Springs, Florida 33076

Or email this information to rpjrb@yahoo.com.

If you have any questions about this request please do not hesitate to ask.

Thank you for your consideration and cooperation.

Very truly yours,

Robert H. Smith

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From: Andrew Maurey [mailto:AMaurey@PSC.STATE.FL.US]
Sent: Wednesday, May 06, 2009 5:14 PM
To: rpjrb@yahoo.com
Cc: Lisa Edgar; Tim Devlin; Ann Cole
Subject: RE: Questions to consider in the New Case being filed for a $1 billion Base Rate Increase

Mr. Smith:

You have requested several documents. FPL's annual report can be found on our website. The depreciation study is available on-line via the PSC's docket system, Docket No. 090130, and the document numbers for the depreciation study are 02279-09 through 02282-09. Finally, we do not maintain earnings surveillance reports in an electronic format. We can provide any of those reports at $.05 a page. A typical surveillance report is about 20 pages.

In addition, the following responses relate to your latest email and various questions:

1-We only maintain earnings surveillance reports as hard copies and we can fax you the 2008 reports.

> Rob Smith response: Please provide all rateyear surveillance earnings cost at $.05 per page no more than $15. Please provide the annualized 30 day commercial rates that have been used in the past for each month provided.

2-We have not conducted a study of the difference between revenue sharing and traditional regulation.

Rob Smith response: Please provide this analysis as it relates to making sure that in the best interest of the ratepayers that the revenue sharing mechanism is not costing the ratepayers more money than under a traditional ratemaking plan.

3-The fuel adjustment clause is a separate process from base rate cases and we conduct annual fuel proceedings with hearings each November.

Rob Smith response: The only issue with this is when they are filing for a base rate increase they will be using test year data in which there might be an adjustment in base rate fuel. Are you indicating that all fuel is being excluded from base rates? If not, then the fuel adjustment clause should not be considered separately when the fuel costs that might be included in the test year data for the RateCase might be higher and not reflect the reduction in fuel costs.
Is any fuel adjustment clause fuel charges are going to be rolled into base rates?

4-Revenue sharing only involves regulated revenue from FPL, not any of FPL's affiliates or parent company. Incremental revenue from non-regulated sources are not included.

Rob Smith response: Again please support the position that no regulated cash is being used to finance any of the non-regulated sources of incremental revenue.

If there is subsidization then the ratepayer might have recourse to revenue sharing if they have not been paid an adequate return for financing these initiatives.

5-Ratepayers are not charged for any cost associated with revenue sharing.

Rob Smith response: This is understood but how are you making sure that the ratepayer is not being charged for costs associated with the production of these revenues? If there is base rate recovery for costs and some of the base rate recovery is for O&M, Fuel etc. then any revenue sharing should take into account that the possibility exists that the cost might exceed the revenue generation which would lead to the potential that the sharing of revenues might have needed to be maintained to potential costs that exceed the revenue generation. From a traditional ratemaking perspective this would automatically accounted for by using an operating income approach. This takes into account revenue's less expenses which translates to operating income at the utility.

6-In 2005, the PSC conducted a full rate case which resulted in the current Stipulation.

Rob Smith response: Please provide all interrogatory responses with regard to accepting the current stipulation.

7-In the event there is a refund under revenue sharing, interest would be applied at the 30-day commercial paper rate.

Rob Smith response: Please provide the annualized 30 day commercial paper rate for the rateyear. These rates should be for the same period of the surveillance reports.

8-The Commission looks at storm repair costs in any storm recovery proceedings to ensure the costs are reasonable, relate to storms, and are not recovered in base rates. Any storm cost recovery is independent of revenue sharing.

Rob Smith response: Is there any base rate recovery of storm recovery currently in base rates? If so is FPL recording a regulatory receivable for the recovery of these monies in base rates? Remember if the company was under traditional ratemaking before the revenue sharing then I am sure that there was a base rate recovery of these costs prior to the change. This is very important from a cash flow perspective. If there is an amount collected in base rates for previous storm recoveries where is this cash being utilized currently? You would not

be able to indicate that the company is not collecting in base rates cash related to storm costs if prior to the change there was a base rate recovery for storm costs.

9-The S&P methodology considers Purchase Power Agreements as a debt equivalent in the evaluation of capital structure. Recognizing that equity costs more than debt, the Commission ensures equity in the capital structure is not overstated.

Rob Smith response: Based upon the response above in which there was an indication that there was no study conducted to compare a traditional ratemaking plan versus the revenue sharing plan how the commission ensure that the capital structure is not being overstated. If under traditional ratemaking the overall cost of money is lower than the current revenue sharing mechanism this might translate to higher rates to the ratepayers. Unless a comparison is made and an overall cost of money is being maintained by the commission/company I would need a detail response to support that the current revenue sharing plan if converted to a traditional ratemaking plan would not be costing the customer more in their rates.

How are you determining that the capital structure is not being overstated lacking the study?

10-The 11.75% ROE was agreed to by the parties as part of the Stipulation approved in 2005. Recently, in 2009, as the result of a full evidentiary hearing the Commission authorized an ROE of 11.25% for Tampa Electric Company.

Rob Smith response: The ROE is only one side of the story since the revenue sharing is not under a traditional ratemaking methodology. It appears that the ROE under the current financial market scenarios is too high. If the traditional ratemaking methodology supports a lower overall cost of money and we are in agreement that debt is usually cheaper than equity then a study to compare the current revenue sharing mechanism versus a traditional ratemaking would be warranted. This would more evident if the traditional ratemaking plan translates to higher over earnings as compared to the current revenue sharing mechanism.

11-Both revenue sharing and the concept of a Generation Base Rate Adjustment were part of the Stipulation agreed to by the Office of Public Counsel and the Attorney General. The Stipulation terminates at the end of 2009 and we are currently involved in a full rate case. The schedule for this case can be accessed from our website.

Rob Smith response: Since there is a full rate case then a study should be conducted to compare the two types of ratemaking design. I think that this study should be included in the new rate case to compare the overall cost of money under a traditional ratemaking plan versus the current revenue sharing plan. If it is in the best interest of the ratepayers then this would be a fiduciary duty of the PSC to ensure that the proposed rate design in the new rate case yield's the best cost savings to the ratepayers of Florida.

The current rate case workload at the Commission is extensive, perhaps the highest level ever, and we have limited staff resources. Any future requests for documents should be directed to Ms. Ann Cole as a public records request. Her contact information is as follows:

Ann Cole
Director, Office of Commission Clerk
ph: (850) 413-6744
e-mail: acole@psc.state.fl.us

regards,

Andrew Maurey

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Tuesday, April 28, 2009 2:39 PM
To: Andrew Maurey; Tim Devlin
Subject: Questions to consider in the New Case being filed for a $1 billion Base Rate Increase

Dear Mr. Maurey and Mr. Devlin,

I took a look at the 2005 Petition for rate increase by Florida Power & Light Company. Please let me know if you can send me the PDF files for the surveillance reports.

Is this an option? If no, what would be the reason for this? I would like to keep the cost/time to a minimum with these requests so that I can review quickly.

I am still reviewing this agreement but I understand that this is what is currently in place. I would like to answer these questions for the new case that is being presented to staff.

Has any studies being conducted for the revenue sharing plan as stipulated below versus the traditional ratemaking excess earnings test? I would be curious to see if FPL is maintaining the money cost of money reports based upon its current capitalization at the company. If so, I would like to see these studies to see the cost/benefit impacts to the ratepayers for this type of revenue sharing plan.

Does the FPSC complete a FCA (fuel cost adjustment) reconciliation? If so, is this available? It would be very interesting to see what the proposal for FPL is to move some of these costs into base rate recoveries. I think that there is an existing rate increase in the fuel adjustment clause that is being currently collected in rates. I think that this might be the first 8% etc. If the fuel costs have gone down are we now giving this benefit back to the customer? Why would we want to roll the existing rate increases into base rates to find out the cost of fuel as gone down? We should be very careful here since this case is being done when the fuel costs were high. This might be reflected in the test year data for the RateCase. Is this true?

I am still reviewing some of the information. If I have any additional questions I will send an email.

If you have any questions please do not hesitate to ask.

Thanks,

Robert H. Smith

I have a couple of questions:

How can the Revenue Sharing Incentive Plan exclude incremental revenues attributed to a business combination or acquisition involving FPL, its parent, or its affiliates whether inside or outside the state of Florida?

We would have to take a look at the holding company structure in which some of these incremental revenues might have been financed with ratepayer money. The primary contributor of cash flow to a utility is the ratepayer therefore it would be very possible that the customer might have subsidized these incremental revenues therefore the customer should share in the benefits of some of these incremental revenue if there is proof that they have financed/subsidized the costs associated with the generation of the incremental revenues.

Years ago when I worked up north for a major utility there was incremental revenues generated at our utility and the commission would review how these revenues were generated or financed. If the ratepayer financed/subsidized any of the costs the commission would determine a sharing mechanism for the ratepayer to share in the revenues generated.

Another issue here is that since the revenue sharing mechanism is only looking retail base revenues another question comes into play with regard to cost:

What if the ratepayer is being charged for costs associated with these incremental revenues? FPL would share in the revenue aspect of the incremental revenues and the ratepayer might be paying for extra costs associated with the generation of these revenues.

Again when I was up North we had to take a look at the definition of Utility revenues versus non-utility revenues. We have to remember that from a cash flow perspective most of the cash flow is generated by the ratepayers of Florida. If they are Financing/Subsidizing the costs to generate these incremental revenues then FPL should not exclude the costs associated with the generation of these incremental revenues.

Up North we usually did a full blown ROE excess earnings test to make sure that the commission had the opportunity to exclude items from RateBase to calculate the overall ROE if they deemed that the costs were not a benefit to the customers.

If the costs associated with the generation of these incremental revenues are being Financed/Subsidized by the ratepayer, is the ratepayer receiving a rate of return to make them whole? The first answer to this would be that if there is a holding company structure at FPL and most of the cash is generated by the ratepayer then the probability that the ratepayer is Financing/Subsidizing the generation of the incremental revenue is very high.

c. Revenue exclusions - The Revenue Sharing Incentive Plan and the corresponding revenue sharing thresholds and revenue caps are intended to relate only to retail base rate revenues of FPL based on its current structure and regulatory framework. Thus, for example, incremental revenues attributable to a business combination or acquisition involving FPL, its parent, or its affiliates, whether inside or outside the state of Florida, or revenues from any clause, surcharge or other recovery mechanism other than retail base rates, shall be excluded in determining retail base rate revenues for purposes of revenue sharing under this Stipulation and Settlement.

Please explain what the overall rate of return is for the cost of money versus the commercial paper rate to retail customers of record. If the commercial rate of interest is lower than the overall rate of return why should the customer not receive credit at the overall cost of money?

Remember the ratepayers have an overall cost of money associated with paying for the cost of service for the company.

Up North we used to calculate carrying charges on the excess earnings on a monthly basis to increase the deferred credit (253 FERC Account) that was being returned to the customer. This made the ratepayer/customer whole since they were paying for the overall cost of money in their rates.

7. All revenue-sharing refunds will be paid with interest at the 30-day commercial paper rate to retail customers of record during the last three months of each applicable refund period based on their proportionate share of base rate revenues for the refund period. For purposes of calculating interest only, it will be assumed that revenues to be refunded were collected evenly throughout the preceding refund period. All refunds with interest will be in the form of a credit on the customers' bills beginning with the first day of the first billing cycle of the second month after the end of the applicable refund period (or, in the case of a partial calendar year refund, after the end of that calendar year). Refunds to former customers will be completed as expeditiously as reasonably possible.

How is the commission taking a look at this account for work order costs associated with property insurance costs? Is this account capturing the costs associated with Hurricane repairs? What is interesting below if that "no revenues contemplated by this Section 10 shall be included in the computation of retail base rate revenues for purposes of revenue sharing under this Stipulation and Settlement", this would appear to be making sure that we are looking at cost less recoveries as total costs. This is a contradiction of the Revenue Incentive Sharing Plan in which the costs are not even being considered.

10. No Party to this Stipulation and Settlement shall appeal the FPSC's Final Order in Docket No. 041291-EI. Further, Parties agree to the following provisions relative to the target level and funding of Account No. 228.1 and recovery of any deficits in such Account:

228.1 Accumulated provision for property insurance.

c. No revenues contemplated by this Section 10 shall be included in the computation of retail base rate revenues for purposes of revenue sharing under this Stipulation and Settlement.

How does Standard and Poor's methodology compare to using the overall cost of money? Why would you cap the equity ratio when this can be adjusted or recomputed based upon the borrowing of the company?

Up North we recalculated the overall cost of capital (cost of money) every month to compute our monthly excess earnings. We found that at times debt was cheaper than equity which if the debt/equity ratio changed we would true up the excess earnings calculation based upon this monthly change. Remember FPL is retiring and issuing new bonds

which if issued at a lower rate than equity could cause a reduction in the overall cost of money. In most rate proceedings we found that it was cheaper for the ratepayer when we issued debt therefore we used to recalculate the overall debt to equity ratio to benefit the ratepayer if the overall cost of money was declining as a result of the retiring of debt and issuing new debt at a lower cost (interest rate).

15. For surveillance reporting requirements and all regulatory purposes, FPL's ROE will be calculated based upon an adjusted equity ratio as follows. FPL's adjusted equity ratio will be capped at 55.83% as included in FPL's projected 1998 Rate of Return Report for surveillance purposes. The adjusted equity ratio equals common equity divided by the sum of common equity, preferred equity, debt and off-balance sheet obligations. The amount used for off-balance sheet obligations will be calculated per the Standard & Poor's methodology.

How does the ROE of 11.75% compare to other company returns excluding utilities? I know that FPL is paying a dividend therefore what is the overall return a shareholder is earning with dividends and a ROE of 11.75%?

I am sure that in this business environment it is quite high? Is this correct?

16. Effective on the Implementation Date, FPL will continue to operate without an authorized Return on Equity (ROE) range for the purpose of addressing earnings levels, and the revenue sharing mechanism herein described will be the appropriate and exclusive mechanism to address earnings levels, but an ROE of 11.75% shall be used for all other regulatory purposes.

How come these are not included in Ratebase with an earned return? Remember if the costs associated with the new plant exceed the base rate recovery and the Revenue incentive sharing plan only takes a look at the revenues excluding the costs associated with the operation of the new plant the ratepayer might be sharing in too much revenue which might be needed to pay for the new plant that has been placed in service.

Up North we calculated AFUDC until the plant was placed into service. Then all associated plant in service costs were placed into Ratebase and costs of maintaining the plant (payroll, taxes etc.) were included in the cost of service. This methodology was then applied to the excess earnings test which was:

RateBase x Allowed rate of return (overall cost of money) = Earned level of operating income

If the actual earnings exceeded the earned level of operating income then the excess earnings were deferred in a 253 account and given back to the customer in the following year. A carry charge was calculated on these amounts at the

overall cost of money. This way both revenues and costs associated with placing the plant in service were captured. How come the traditional approach is not being used to calculate the revenue sharing at the company?

This included RateBase and Cost of Service accounting to make sure that both revenue from the operations of the plant and costs associated with the operations of the plant were captured. Of course you would also have to look at depreciation reserves related to the life studies of the plant in service. At times cost of removal became an issue with the under/over recovery of depreciation in rates.

17. For any power plant that is approved pursuant to the Florida Power Plant Siting Act (PPSA) and achieves commercial operation within the term of this Stipulation and Settlement, the costs of which are not recovered fully through a clause or clauses, FPL's base rates will be increased by the annualized base revenue requirement for the first 12 months of operation, reflecting the costs upon which the cumulative present value revenue requirements (CPVRR) were or are predicated, and pursuant to which a need determination was granted by the FPSC, such adjustment to be reflected on FPL's customer bills by increasing base charges, and non-clause recoverable credits, by an equal percentage. FPL will begin applying the incremental base rate charges required by this Stipulation and Settlement to meter readings made on and after the commercial in service date of any such power plant. Such adjustment shall be referred to as a Generation Base Rate Adjustment (GBRA). The GBRA will be calculated using an 11.75% ROE and the capital structure as per Section 15 above. FPL will calculate and submit for

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Monday, April 27, 2009 10:49 AM
To: 'Andrew Maurey'
Cc: 'Tim Devlin'
Subject: RE: FPL request

Mr. Maurey,

I have left a voicemail at your office on Friday to respond to this email quickly.

I will have to make arrangements for a fax time for you to send this information. I do not however understand why you cannot print the documents to a PDF file. Sometimes you cannot use the information from a fax in an electronic format since OCR software may have a difficulty with recognizing the document. Most of the correspondence on the FPSC site is in a PDF format therefore I do not understand why this would be a problem. If this is the only way I will have to make some time for you to call so that I can receive this information.

I will let you know schedule permitting when we can move this forward.

My fax number is my phone number (954) 340-4956 and I will have to make sure that my fax machine is on to receive this information.

How can you send the previous information in a PDF format and not this new information? Is there any reason why this cannot happen?

I will send you an email to set up a time.

Thanks,

Robert H. Smith

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From: Andrew Maurey [mailto:AMaurey@PSC.STATE.FL.US]
Sent: Friday, April 24, 2009 11:12 AM
To: rpjrb@yahoo.com
Cc: Tim Devlin
Subject: RE: FPL request

Mr. Smith

Will you be available this afternoon at 3:00 to discuss the tax issues? If not, what would be a good time for you?

We would prefer to fax the surveillance reports rather than scan and send as a pdf file. What is your fax number and when would be a good time to send you this information?

Florida has a very broad open records law. An FIA request would not affect the availability of information that is already available to you through your present inquiry.

Thank you for your interest in the FPL case.

regards,

Andrew

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, April 24, 2009 10:53 AM
To: Andrew Maurey
Cc: Tim Devlin
Subject: RE: FPL request

Andrew,

Are the Earnings Surveillance reports in an excel format or word format? If so, you can print these to a PDF file and email. This will save time and money. If you need to fax this information to me I would have to be at home to receive the fax. It is very simple to scan or print to a PDF file and email. Please let me know if this is an option.

I will take a look at the FPL's 2005 Stipulation and let you know if I have any questions.

I am looking forward to hearing from the depreciation person.

Did you contact the tax person to see if I can speak to them regarding the current/deferred tax issues with regard to ratemaking versus GAAP accounting?
I would like to speak to someone regarding this issue as well.

I will be working on looking at all the correspondence and put together an email to send so that I can receive direct answers to my questions.

If you would like I can send a formal Freedom of Information Act request if this is much easier but I thought that an email would work.

Thanks for your time yesterday.

Robert H. Smith

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From: Andrew Maurey [mailto:AMaurey@PSC.STATE.FL.US]
Sent: Friday, April 24, 2009 9:56 AM
To: rpjrb@yahoo.com
Cc: Tim Devlin
Subject: FPL request

Mr. Smith

Please find attached the file containing the Commission Order that approved FPL's 2005 Stipulation.

The Earnings Surveillance Reports you requested are not available in electronic format. Please send me your fax number and we will transmit that information as well.

The analyst you will need to speak with regarding your questions concerning FPL's depreciation study is out of the office this week. I have forwarded your contact information to her and she'll contact you the first part of next week.

regards,

Andrew

Andrew L. Maurey
Division of Economic Regulation
Florida Public Service Commission
2540 Shumard Oak Blvd
Tallahassee, FL 32399-0850
Telephone: (850) 413-6465
Fax: (850) 413-6466
amaurey@psc.state.fl.us

000059

RSmith [rpjrb@yahoo.com]

From: rpjrb@yahoo.com
Sent: Tuesday, April 28, 2009 3:01 PM
To: 'Commissioner.Edgar@psc.state.fl.us'; 'Charlie.Crist@MyFlorida.com'
Subject: FW: Questions to consider in the New Case being filed for a $1 billion Base Rate Increase

Categories: Blue Category

Dear Commissioner Edgar and Mr. Crist,

FYI

I have sent these questions to staff so that I can gain a better understanding of the current ratemaking policies at FPL. Since there is a new RateCase pending, I thought that I would familiarize myself with the current and proposed ratemaking issues that the ratepayers might face with this new case. I am looking for some PDF files with regard to the surveillance reports. I thought that this would be the easiest way in terms of cost for me to obtain this information. Since all other documents are being published on the FPSC site using this method and the cost of a PDF writer to print the documents to PDF is free or inexpensive I thought that this would be the easiest method for me to receive any of my information requests. I am unemployed and I want to keep my cost to a minimum.

Mr. Crist,

Did you sign the order below?

Thanks,

Robert H. Smith

000060

20. This Stipulation and Settlement dated as of August 22, 2005 may be executed in counterpart originals, and a facsimile of an original signature shall be deemed an original.

In Witness Whereof, the Parties evidence their acceptance and agreement with the provisions of this Stipulation and Settlement by their signature.

Florida Power & Light Company
700 Universe Boulevard
Juno Beach, FL 33408

By: _____
W. G. Walker, III

Charles J. Crist, Jr., Attorney General
Office of the Attorney General
The Capitol-PL01
Tallahassee, FL 32399-1050

By: _____
Charles J. Crist, Jr., Esq.

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

By: _____
Harold A. McLean, Esq.

Florida Industrial Power Users Group

McWhirter, Reeves P.A.
400 North Tampa Street
Suite 2450
Tampa, FL 33602

By: _____
John W. McWhirter, Esq.

South Florida Hospital & Healthcare Assoc.

Andrews Kurth LLP
1701 Pennsylvania Avenue, NW
Suite 300
Washington, DC 20006

By: _____
Kenneth L. Wiseman, Esq.

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If the costs associated with the generation of these incremental revenues are being Financed/Subsidized by the ratepayer, is the ratepayer receiving a rate of return to make them whole? The first answer to this would be that if there is a holding company structure at FPL and most of the cash is generated by the ratepayer then the probability that the ratepayer is Financing/Subsidizing the generation of the incremental revenue is very high.

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228.1 Accumulated provision for property insurance.

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How does Standard and Poor's methodology compare to using the overall cost of money? Why would you cap the equity ratio when this can be adjusted or recomputed based upon the borrowing of the company?

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I am sure that in this business environment it is quite high? Is this correct?

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RateBase x Allowed rate of return (overall cost of money) = Earned level of operating income

If the actual earnings exceeded the earned level of operating income then the excess earnings were deferred in a 253 account and given back to the customer in the following year. A carry charge was calculated on these amounts at the overall cost of money. This way both revenues and costs associated with placing the plant in service were captured. How come the traditional approach is not being used to calculate the revenue sharing at the company?

This included RateBase and Cost of Service accounting to make sure that both revenue from the operations of the plant and costs associated with the operations of the plant were captured. Of course you would also have to look at depreciation reserves related to the life studies of the plant in service. At times cost of removal became an issue with the under/over recovery of depreciation in rates.

17. For any power plant that is approved pursuant to the Florida Power Plant Siting Act (PPSA) and achieves commercial operation within the term of this Stipulation and Settlement, the costs of which are not recovered fully through a clause or clauses, FPL's base rates will be increased by the annualized base revenue requirement for the first 12 months of operation, reflecting the costs upon which the cumulative present value revenue requirements (CPVRR) were or are predicated, and pursuant to which a need determination was granted by the FPSC, such adjustment to be reflected on FPL's customer bills by increasing base charges, and non-clause recoverable credits, by an equal percentage. FPL will begin applying the incremental base rate charges required by this Stipulation and Settlement to meter readings made on and after the commercial in service date of any such power plant. Such adjustment shall be referred to as a Generation Base Rate Adjustment (GBRA). The GBRA will be calculated using an 11.75% ROE and the capital structure as per Section 15 above. FPL will calculate and submit for

Confidentiality Statement

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Monday, April 27, 2009 10:49 AM
To: 'Andrew Maurey'
Cc: 'Tim Devlin'
Subject: RE: FPL request

Mr. Maurey,

I have left a voicemail at your office on Friday to respond to this email quickly.

I will have to make arrangements for a fax time for you to send this information. I do not however understand why you cannot print the documents to a PDF file. Sometimes you cannot use the information from a fax in an electronic format since OCR software may have a difficulty with recognizing the document. Most of the correspondence on the FPSC site is in a PDF format therefore I do not understand why this would be a problem. If this is the only way I will have to make some time for you to call so that I can receive this information.

I will let you know schedule permitting when we can move this forward.

My fax number is my phone number (954) 340-4956 and I will have to make sure that my fax machine is on to receive this information.

How can you send the previous information in a PDF format and not this new information? Is there any reason why this cannot happen?

I will send you an email to set up a time.

Thanks,

Robert H. Smith

Confidentiality Statement

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From: Andrew Maurey [mailto:AMaurey@PSC.STATE.FL.US]
Sent: Friday, April 24, 2009 11:12 AM
To: rpjrb@yahoo.com
Cc: Tim Devlin
Subject: RE: FPL request

Mr. Smith

Will you be available this afternoon at 3:00 to discuss the tax issues? If not, what would be a good time for you?

We would prefer to fax the surveillance reports rather than scan and send as a pdf file. What is your fax number and when would be a good time to send you this information?

Florida has a very broad open records law. An FIA request would not affect the availability of information that is already available to you through your present inquiry.

Thank you for your interest in the FPL case.

regards,

Andrew

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, April 24, 2009 10:53 AM
To: Andrew Maurey
Cc: Tim Devlin
Subject: RE: FPL request

Andrew,

Are the Earnings Surveillance reports in an excel format or word format? If so, you can print these to a PDF file and email. This will save time and money. If you need to fax this information to me I would have to be at home to receive the fax. It is very simple to scan or print to a PDF file and email. Please let me know if this is an option.

I will take a look at the FPL's 2005 Stipulation and let you know if I have any questions.

I am looking forward to hearing from the depreciation person.

Did you contact the tax person to see if I can speak to them regarding the current/deferred tax issues with regard to ratemaking versus GAAP accounting?
I would like to speak to someone regarding this issue as well.

I will be working on looking at all the correspondence and put together an email to send so that I can receive direct answers to my questions.

If you would like I can send a formal Freedom of Information Act request if this is much easier but I thought that an email would work.

Thanks for your time yesterday.

Robert H. Smith

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From: Andrew Maurey [mailto:AMaurey@PSC.STATE.FL.US]
Sent: Friday, April 24, 2009 9:56 AM
To: rpjrb@yahoo.com
Cc: Tim Devlin
Subject: FPL request

Mr. Smith

Please find attached the file containing the Commission Order that approved FPL's 2005 Stipulation.

The Earnings Surveillance Reports you requested are not available in electronic format. Please send me your fax number and we will transmit that information as well.

The analyst you will need to speak with regarding your questions concerning FPL's depreciation study is out of the office this week. I have forwarded your contact information to her and she'll contact you the first part of next week.

regards,

Andrew

Andrew L. Maurey
Division of Economic Regulation
Florida Public Service Commission
2540 Shumard Oak Blvd
Tallahassee, FL 32399-0850
Telephone: (850) 413-6465
Fax: (850) 413-6466
amaurey@psc.state.fl.us

RSmith [rpjrb@yahoo.com]

From: Dorothy Menasco [DMenasco@PSC.STATE.FL.US]
Sent: Tuesday, November 03, 2009 12:45 PM
To: rpjrb@yahoo.com
Cc: Ann Cole; Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of Commissioner Skop; Office of Commissioner Klement; Commissioner.Stevens@psc.state.fl.us; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin
Subject: RE: Reply from the Commission Clerk Regarding: Web Cast Archives

Mr. Smith,

Everyone has access to the information on the website. It's a public record.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Tuesday, November 03, 2009 12:34 PM
To: Dorothy Menasco
Cc: Ann Cole; Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of Commissioner Skop; Office of Commissioner Klement; Commissioner.Stevens@psc.state.fl.us; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin
Subject: RE: Reply from the Commission Clerk Regarding: Web Cast Archives

Dear Ms. Menasco,

Thanks for your response. I know that my emails were delivered to Mr. Klement and I will follow through with getting the email correspondence to Mr. Stevens when his email address is set up at the Commission.

Do all the parties of record and interested parties have access to this information and are they aware that the 11/18/2008 correspondence file exists?

Thanks,

Robert H. Smith

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From: Dorothy Menasco [mailto:DMenasco@PSC.STATE.FL.US]
Sent: Tuesday, November 03, 2009 12:28 PM
To: rpjrb@yahoo.com
Cc: Ann Cole; Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of Commissioner Skop; Office of Commissioner Klement; Commissioner.Stevens@psc.state.fl.us; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin
Subject: RE: Reply from the Commission Clerk Regarding: Web Cast Archives

Mr. Smith:

I can not confirm whether or not Commissioner Klement or Commissioner Stevens have reviewed the correspondence. I am in the Clerk's office and only deal with document filings.

Docket 080677 was opened in 2008. The correspondence file was documented on 11/18/08. All correspondence is appened to existing correspondence files. When the correspondence files are opened, the most recent entries are closest to the top of the document.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Tuesday, November 03, 2009 11:47 AM
To: Dorothy Menasco
Cc: Ann Cole; Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of Commissioner Skop; Office of Commissioner Klement; Commissioner.Stevens@psc.state.fl.us; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin
Subject: RE: Reply from the Commission Clerk Regarding: Web Cast Archives

Dear Ms. Menasco,

Thanks for your response.

Did Mr. Klement receive the correspondence as well and when will Mr. Stevens be able to review this email correspondence or when will I be able to forward this correspondence to Mr. Stevens? I would like to know that they have received this information as well since this is a very important aspect of this case.

Is there a reason why the record is being recorded as 11/18/2008 and not as a 2009? It appears that this docket is at the bottom of the document index as filed as a 2008 item.

Thanks in advance and again thanks for your help.

Robert H. Smith

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From: Dorothy Menasco [mailto:DMenasco@PSC.STATE.FL.US]
Sent: Tuesday, November 03, 2009 11:28 AM
To: rpjrb@yahoo.com
Cc: Ann Cole; Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of Commissioner Skop; Office of Commissioner Klement; Commissioner.Stevens@psc.state.fl.us; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin
Subject: FW: Reply from the Commission Clerk Regarding: Web Cast Archives

Mr. Smith:

All correspondence received by you will be located at the following link. You can search for Robert and all your information can be located. Please give all correspondence at least 24 hours to be processed and made available on-line. Thank you.

http://www.psc.state.fl.us/dockets/cms/ShowDocket.aspx?docket=H:\LIBRARY\FILINGS\08\10741-08

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Tuesday, November 03, 2009 10:33 AM
To: Ann Cole
Cc: Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of Commissioner Skop; Office of Commissioner Klement; Commissioner.Stevens@psc.state.fl.us; Ann Cole; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin; Dorothy Menasco
Subject: FW: Reply from the Commission Clerk Regarding: Web Cast Archives

Dear Ms. Cole,

What about the October 23rd 1:25PM email? Has this been added to the public record? I sent this when I had to take my son for an MRI and I wanted to make sure that this was made part of the public record as well. This email was a summary of what I thought the issues were with regard to any surplus the company might have from over recoveries. The follow up email October 29th, 2009 was the details to back up the October 23rd 1:25PM email. I sent the October

000072

23rd email to for a heads up with regard to the cash flow issues with over recoveries at the company. My October 29th email went through the detailed testimony to backup the October 23rd email.

Will this be added to the public record?

Thanks,

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Monday, October 26, 2009 7:09 PM
To: 'Ann Cole'
Cc: 'Kimberley Pena'
Subject: RE: Reply from the Commission Clerk Regarding: Web Cast Archives

Dear Ms. Cole,

Thanks for the information. I am glad that this information has been made as part of the archives. This is useful information.

What about this email? I sent the email below on October 23rd.

Thanks,

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Friday, October 23, 2009 1:25 PM
To: 'Lisa Bennett'; 'Office of Commissioner Carter'; 'Office Of Commissioner Edgar'; 'Office of Commissioner McMurrian';

'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Ann Cole'; 'Marshall Willis'; 'Cheryl Bulecza-Banks'; 'Andrew Maurey'; 'Tim Devlin'; 'Dorothy Menasco'
Cc: 'chairmanoffice@sec.gov'; 'SEC Help'; 'rpjrb@yahoo.com'; 'Cathy.Flanagan@usdoj.gov'; 'AskDOJ@usdoj.gov'; 'Drayne, Karen'; 'Bill@billnelson.senate.gov'; 'Shelby, Senator (Shelby)'; 'senator_bingaman@bingaman.senate.gov'; 'senator@dorgan.senate.gov'; 'senator_leahy@leahy.senate.gov'; 'senator_lugar@lugar.senate.gov'; 'gpoaccess@gpo.gov'; 'comments@whitehouse.gov'; 'vice_president@whitehouse.gov'; 'Charlie.Crist@MyFlorida.com'; 'rpjrb@yahoo.com'
Subject: Depreciation Recovery

Dear Commissioner's,

K Michael Davis – Depreciation Testimony

Where is the over collection of the depreciation money? Is this still residing in the company's cash account (131 Account) or where has this money been spent? The fact is that this money was collected in cash rates therefore if the cash is not available then where did the money go? How come there were no proactive adjustments to compensate over time the return of these over collections? How many depreciation studies were conducted from the 2005 case versus the current case to see how these over recoveries grew over time?

This is very important since all cost of service items have the possibility for an over collection mode. It is very important to account for these over collections since this is real cash money being collected from the customer. If there was an under recovery in rates it would be very natural for the company to make the expenditures out of the cash reserves. Conversely the money that is over collected should be accumulated in the company's cash account (131).

If there is significant over recoveries then it is very important to know the magnitude of the surplus cash that the company has or should have.

If the money has not been accumulated then where did it go? Did it go to regulated entities or does the possibility exist that it went to non-regulated subsidiaries?

This is a very important concept in this case from both the shareholders perspective and ratepayer perspective.

The shareholders would want to know this information from an investment perspective as well as for due diligence/compliance for ratepayer.

The possibility exists that there might be exposure for the accounting of this cash.

Who is the primary contributor to the cash flow of the company? If it is the ratepayers, then this type of review is very important.

If the company had this money in surplus in the 131 account then the current rate increase request might be able to be minimized for a period of time. What is the annual over collection amount for this over recovery? This annual over recovery might be able to be given back as a reduction to minimize some of the requested rate increase.

All recoveries have to be looked this way and this is what I have been concerned about with the initial FOIA request and my request for information from the Senior Executives of the Company.

Again I have not heard back from the Senior Executives as of today.

The answers to these questions from a cash perspective should be very easy to answer from an accounting perspective. They should be able to show the flow of cash for the over recovery to where the money has been spent.

Thanks,

Robert H. Smith

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From: Ann Cole [mailto:ACOLE@PSC.STATE.FL.US]
Sent: Monday, October 26, 2009 3:24 PM
To: rpjrb@yahoo.com
Cc: Kimberley Pena
Subject: FW: Reply from the Commission Clerk Regarding: Web Cast Archives

The video is now viewable from the Web site by selecting "Agendas and Hearing," "Audio and Video Coverage," and "Archives of PSC Audio/Video Events." I hope you find this information helpful.

The transcript of the hearing will be available from the docket upon filing as are the exhibits that were entered into evidence.

I am showing that your October 21, 2009, correspondence is in the docket file.

If I can be of any other assistance, please feel free to contact me.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Monday, October 26, 2009 2:48 PM
To: Ann Cole
Cc: Charlie.Crist@MyFlorida.com; Kimberley Pena; Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of Commissioner Skop; Marshall

Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin; Dorothy Menasco
Subject: RE: Reply from the Commission Clerk Regarding: Web Cast Archives

Dear Ms. Cole,

Thanks for the information. I would think that this information would be available as a download like all other correspondence on the Docket.

I just received an email from the SEC with regard to archived web cast files as it relates to SEC matters. Apparently they make all web casts available as a download from their web site at no cost.

Initially I would like to purchase the video of the 23rd hearing.

I have to go through my correspondence to see if this would be enough.

I will let you know.

I would think that all interested parties in this matter would want to have this information made available on the web site. This should be a no cost option that the commission provides for interested parties that need to review testimony. Will the testimony be made available on the docket?

Do you know off hand if my last email regarding the over recoveries has been place in the docket just like my other correspondence?

Thanks,

Robert H. Smith

From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Friday, October 23, 2009 1:25 PM
To: 'Lisa Bennett'; 'Office of Commissioner Carter'; 'Office Of Commissioner Edgar'; 'Office of Commissioner McMurrian'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Ann Cole'; 'Marshall Willis'; 'Cheryl Bulecza-Banks'; 'Andrew Maurey'; 'Tim Devlin'; 'Dorothy Menasco'
Cc: 'chairmanoffice@sec.gov'; 'SEC Help'; 'rpjrb@yahoo.com'; 'Cathy.Flanagan@usdoj.gov'; 'AskDOJ@usdoj.gov'; 'Drayne, Karen'; 'Bill@billnelson.senate.gov'; 'Shelby, Senator (Shelby)'; 'senator_bingaman@bingaman.senate.gov'; 'senator@dorgan.senate.gov'; 'senator_leahy@leahy.senate.gov'; 'senator_lugar@lugar.senate.gov'; 'gpoaccess@gpo.gov'; 'comments@whitehouse.gov'; 'vice_president@whitehouse.gov'; 'Charlie.Crist@MyFlorida.com'; 'rpjrb@yahoo.com'
Subject: Depreciation Recovery

-----Original Message-----
From: SEC Help [mailto:help@sec.gov]
Sent: Monday, October 26, 2009 12:14 PM
To: Smith, Robert
Subject: SEC Response - File HO1351870

Dear Mr. Smith,

Thank you for contacting the SEC.

You can find SEC Webcasts (as well as those that have been archived) at http://www.sec.gov/news/otherwebcasts.shtml.

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Friday, October 23, 2009 1:25 PM
To: 'Lisa Bennett'; 'Office of Commissioner Carter'; 'Office Of Commissioner Edgar'; 'Office of Commissioner McMurrian'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Ann Cole'; 'Marshall Willis'; 'Cheryl Bulecza-Banks'; 'Andrew Maurey'; 'Tim Devlin'; 'Dorothy Menasco'
Cc: 'chairmanoffice@sec.gov'; 'SEC Help'; 'rpjrb@yahoo.com'; 'Cathy.Flanagan@usdoj.gov'; 'AskDOJ@usdoj.gov'; 'Drayne, Karen'; 'Bill@billnelson.senate.gov'; 'Shelby, Senator (Shelby)'; 'senator_bingaman@bingaman.senate.gov'; 'senator@dorgan.senate.gov'; 'senator_leahy@leahy.senate.gov'; 'senator_lugar@lugar.senate.gov'; 'gpoaccess@gpo.gov'; 'comments@whitehouse.gov'; 'vice_president@whitehouse.gov'; 'Charlie.Crist@MyFlorida.com'; 'rpjrb@yahoo.com'
Subject: Depreciation Recovery

Dear Commissioner's,

K Michael Davis – Depreciation Testimony

Where is the over collection of the depreciation money? Is this still residing in the company's cash account (131 Account) or where has this money been spent? The fact is that this money was collected in cash rates therefore if the cash is not available then where did the money go? How come there were no proactive adjustments to compensate over time the return of these over collections? How many depreciation studies were conducted from the 2005 case versus the current case to see how these over recoveries grew over time?

This is very important since all cost of service items have the possibility for an over collection mode. It is very important to account for these over collections since this is real cash money being collected from the customer. If there was an under recovery in rates it would be very natural for the company to make the expenditures out of the cash reserves. Conversely the money that is over collected should be accumulated in the company's cash account (131).

If there is significant over recoveries then it is very important to know the magnitude of the surplus cash that the company has or should have.

If the money has not been accumulated then where did it go? Did it go to regulated entities or does the possibility exist that it went to non-regulated subsidiaries?

This is a very important concept in this case from both the shareholders perspective and ratepayer perspective.

The shareholders would want to know this information from an investment perspective as well as for due diligence/compliance for ratepayer.

The possibility exists that there might be exposure for the accounting of this cash.

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If the company had this money in surplus in the 131 account then the current rate increase request might be able to be minimized for a period of time. What is the annual over collection amount for this over recovery? This annual over recovery might be able to be given back as a reduction to minimize some of the requested rate increase.

All recoveries have to be looked this way and this is what I have been concerned about with the initial FOIA request and my request for information from the Senior Executives of the Company.

Again I have not heard back from the Senior Executives as of today.

The answers to these questions from a cash perspective should be very easy to answer from an accounting perspective. They should be able to show the flow of cash for the over recovery to where the money has been spent.

Thanks,

Robert H. Smith

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From: Ann Cole [mailto:ACOLE@PSC.STATE.FL.US]
Sent: Monday, October 26, 2009 1:40 PM
To: rpjrb@yahoo.com
Cc: Charlie.Crist@MyFlorida.com; Kimberley Pena
Subject: Reply from the Commission Clerk Regarding: Web Cast Archives

I am in receipt of you emails dated October 23, 2009.

The video file of the October 23, 2009, hearing will be available in approximately one week. The cost for video files on DVD is $5.00 each. The audio files of this hearing are available now at a cost of $1.00 per CD.

Please note that persons are invoiced for duplication services and that payment must be received before copies can be released. Please confirm your order (video and/or audio) and the Office of Commission Clerk will send you an electronic Invoice.

I hope you find this information helpful. Please feel free to contact me if you have any questions.

Ann Cole, Commission Clerk
Office of Commission Clerk

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, October 23, 2009 6:35 PM
To: Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of Commissioner Skop; Ann Cole; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin; Dorothy Menasco
Cc: Charlie.Crist@MyFlorida.com; rpjrb@yahoo.com
Subject: FW: Web Cast Archives

Dear Commissioners,

Is this a possibility?

Sorry for the typo(s).

Thanks,

Robert H. Smith

Confidentiality Statement

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Friday, October 23, 2009 1:42 PM
To: 'Lisa Bennett'; 'Office of Commissioner Carter'; 'Office Of Commissioner Edgar'; 'Office of Commissioner McMurrian'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Ann Cole'; 'Marshall Willis'; 'Cheryl Bulecza-Banks'; 'Andrew Maurey'; 'Tim Devlin'; 'Dorothy Menasco'
Cc: 'chairmanoffice@sec.gov'; 'SEC Help'; 'rpjrb@yahoo.com'; 'Cathy.Flanagan@usdoj.gov'; 'AskDOJ@usdoj.gov';

'Drayne, Karen'; 'Bill@billnelson.senate.gov'; 'Shelby, Senator (Shelby)'; 'senator_bingaman@bingaman.senate.gov'; 'senator@dorgan.senate.gov'; 'senator_leahy@leahy.senate.gov'; 'senator_lugar@lugar.senate.gov'; 'gpoaccess@gpo.gov'; 'comments@whitehouse.gov'; 'vice_president@whitehouse.gov'; 'Charlie.Crist@MyFlorida.com'; 'rpjrb@yahoo.com'
Subject: Web Cast Archives

Dear Commissioners,

Is there a way to get a copy of the Web Cast **Arc**hives? I have to take my son for an MRI today and do not want to miss some of today's testimony. In addition, I would like to be able take a look at the old testimony as well. I know that CSPAN shows the web cast live as well as providing the ability to see an archived version of **the** web cast.

Does the web cast company record the web cast for the FPSC?

This way I will be able to take a look at the testimony that I might miss.

Thanks in advance.

Robert H. Smith

Confidentiality Statement

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RSmith [rpjrb@yahoo.com]

From:	RSmith [rpjrb@yahoo.com] [rpjrb@yahoo.com]
Sent:	Tuesday, May 11, 2010 7:15 PM
To:	'Lisa Bennett'
Cc:	'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'
Subject:	FW: Telephone call today / Tuesday May 11th Meeting at 10:00AM

Dear Ms. Bennett,

Thanks for your patience in this matter.

Based upon section 350.042(1) and 350.042(2), I would think that all of my questions would be allowed to be asked. Is this the case? I would also think that based upon the public announcement of the hearing and the ability for the public to hear the meeting that this would not be considered an informal conference call. I thought that moving the communications into a public forum would make sure that all communications between the Utility and the Florida Public Service Commission would be open to the public. Is this the case?

I would also think that based upon 350.042 (1) and (2) that I would not be considered a non-party. I am a residential ratepayer and a shareholder of the company as well. I would think that based upon my ratepayer rights I would be afforded to ask the Commissioner's/Commission Staff any type of question regarding this rate proceeding. In addition, as a shareholder of FPL I should be able to ask any of FPL's staff any type of question regarding this rate proceeding. Based upon the Statutes below as well as my legal rights as a shareholder I should be covered from both perspectives.

I am sending this since I am confused to as to why I would not be able to ask a question in a public meeting that was made available to the public. Please clarify this based upon the Florida Statutes. I know that FPL staff would have to be able to explain why I would not be able to ask these questions from a shareholder's perspective as well since it would be my legal right to do so. I have asked these same questions of Mr. Lew Hay and Mr. Sieving and I have not heard back from them regarding some of the same type of questioning. Since I have not heard back this would be a good forum to ask them the same type of questions.

Please let me know if I can send another Freedom of Information request requesting the backup to the $78 million and the accounting treatment of this adjustment. This is why I have asked this question. I do not understand why I would not be able based upon 350.042 (1) and (2) from a ratepayer perspective.

I have tried to ask the questions in the meeting since I thought that this would be the forum to do so. Please let me know why 350.042 (1) and (2) would not cover my type of questioning.

Thanks in advance for your help.

Thanks,

Robert H. Smith

CHAPTER 350

FLORIDA PUBLIC SERVICE COMMISSION

C00081

350.042 Ex parte communications.--

(1) A commissioner should accord to every person who is legally interested in a proceeding, or the person's lawyer, full right to be heard according to law, and, except as authorized by law, shall neither initiate nor consider ex parte communications concerning the merits, threat, or offer of reward in any proceeding other than a proceeding under s. 120.54 or s. 120.565, workshops, or internal affairs meetings. No individual shall discuss ex parte with a commissioner the merits of any issue that he or she knows will be filed with the commission within 90 days. The provisions of this subsection shall not apply to commission staff.

(2) The provisions of this section shall not prohibit an individual residential ratepayer from communicating with a commissioner, provided that the ratepayer is representing only himself or herself, without compensation.

(3) This section shall not apply to oral communications or discussions in scheduled and noticed open public meetings of educational programs or of a conference or other meeting of an association of regulatory agencies.

(4) If a commissioner knowingly receives an ex parte communication relative to a proceeding other than as set forth in subsection (1), to which he or she is assigned, he or she must place on the record of the proceeding copies of all written communications received, all written responses to the communications, and a memorandum stating the substance of all oral communications received and all oral responses made, and shall give written notice to all parties to the communication that such matters have been placed on the record. Any party who desires to respond to an ex parte communication may do so. The response must be received by the commission within 10 days after receiving notice that the ex parte communication has been placed on the record. The commissioner may, if he or she deems it necessary to eliminate the effect of an ex parte communication received by him or her, withdraw from the proceeding, in which case the chair shall substitute another commissioner for the proceeding.

(5) Any individual who makes an ex parte communication shall submit to the commission a written statement describing the nature of such communication, to include the name of the person making the communication, the name of the commissioner or commissioners receiving the communication, copies of all written communications made, all written responses to such communications, and a memorandum stating the substance of all oral communications received and all oral responses made. The commission shall place on the record of a proceeding all such communications.

(6) Any commissioner who knowingly fails to place on the record any such communications, in violation of the section, within 15 days of the date of such communication is subject to removal and may be assessed a civil penalty not to exceed $5,000.

(7)(a) It shall be the duty of the Commission on Ethics to receive and investigate sworn complaints of violations of this section pursuant to the procedures contained in ss. 112.322-112.3241.

(b) If the Commission on Ethics finds that there has been a violation of this section by a public service commissioner, it shall provide the Governor and the Florida Public Service Commission Nominating Council with a report of its findings and recommendations. The Governor is authorized to enforce the findings and recommendations of the Commission on Ethics, pursuant to part III of chapter 112.

(c) If a commissioner fails or refuses to pay the Commission on Ethics any civil penalties assessed pursuant to the provisions of this section, the Commission on Ethics may bring an action in any circuit court to enforce such penalty.

(d) If, during the course of an investigation by the Commission on Ethics into an alleged violation of this section, allegations are made as to the identity of the person who participated in the ex parte communication, that person must be given notice and an opportunity to participate in the investigation and relevant proceedings to present a defense. If the Commission on Ethics determines that the person participated in the ex parte communication, the person may not appear before the commission or otherwise represent anyone before the commission for a period of 2 years.

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Tuesday, May 11, 2010 5:29 PM
To: 'Lisa Bennett'
Cc: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'
Subject: RE: Telephone call today / Tuesday May 11th Meeting at 10:00AM

Dear Ms. Bennett,

I thought that some of my correspondence was made part of the public record. If this is the case, then it would be part of the record. Is this correct?

I know that a lot of my information has been made part of record and there were similar questions that I have asked with the email correspondence that was sent.

Please let me know if my information was not made part of the public record.

Here is the link with my updated information. I know that my last correspondence related to the tax payments were not made part of this record as of today.

http://www.floridapsc.com/dockets/cms/ShowDocket.aspx?docket=H:\LIBRARY\FILINGS\08\10741-08

Please let me know if only the party's of record information is made part of the public record/evidentiary record.

Does the interested party have access to my public information? If so, then it would make sense for any pertinent information to made part of the evidentiary record if it might be pertinent to the case.

I would think that all relevant information should be made part of the record if it can have an impact on the case. This is what transparency is about.

Thanks,

Robert H. Smith

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recipient, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this telecopied information is strictly prohibited, and the documents should be returned. In this regard, if you received this telecopy in error, please contact the sender by reply E-mail and destroy all copies of the original.

From: Lisa Bennett [mailto:LBENNETT@PSC.STATE.FL.US]
Sent: Tuesday, May 11, 2010 5:18 PM
To: rpjrb@yahoo.com
Subject: RE: Telephone call today / Tuesday May 11th Meeting at 10:00AM

Mr. Smith,

Because of the legal posture of this proceeding, today's informal conference call was a very limited discussion between Commission staff, parties who have been granted intervention by the prehearing officer, and FPL regarding FPL's Motion for Clarification. Only the mathematical computation of evidence from the hearing record was discussed. While an intervenor of record might have participated, it would not be appropriate for you or any other non-party to participate and ask questions because of the risk of including information outside of the evidentiary record.

Lisa C. Bennett
Office of the General Counsel
2540 Shumard Oak Boulevard
Tallahassee, FL
850-413-6230

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Tuesday, May 11, 2010 12:04 PM
To: Lisa Bennett
Cc: Office Of Commissioner Edgar; Office of Commissioner Argenziano; Office of Commissioner Skop
Subject: FW: Telephone call today / Tuesday May 11th Meeting at 10:00AM

Dear Ms. Bennett,

Thanks for affording me with the opportunity to participate in the meeting.

Here are some follow up questions that were not answered in the meeting since it was indicated in the meeting was to discuss the reconciliation of the order and not the specific questions below.

Is there any information available regarding the nature of the early retirements/additional capital recovery items that are in the $78 million? Usually early retirements are completed based upon the FERC accounting below. Is there any cost of removal/salvage costs associated with the additional capital recovery amounts as indicated in the meeting? If there are early retirements, what type of plant has been early retired and why was it retired early?

As per the meeting I think that they are taking this as an offset to the surplus. Is this correct?

Would this have a current cash impact on rates? Based upon the offset to the amortization it appears that it might. I was wondering if they recorded the retirements as per the FERC accounting below if there would be no cash impact related to the transaction versus going against the surplus. Usually these types of impacts are looked at in a theoretical study to determine if there is a need for a change in the composite depreciation rates (including cost of removal and salvage rates). If the composite rates for depreciation is staying the same and the over recover is being given back through an

amortization then does the possibility exist that the existing cash composite depreciation rates would cover any early retirements of plant in service?

This is why I asked if the information that was going to be discussed in the meeting would be available to take a look at before the meeting. I would have asked this question directly before the meeting for clarification.

These meetings are good as long as there is information available for discussion for all the interested parties.

The $78 million might be a small adjustment but I was interested in the nature of the dollars and not so much on the amount of the dollars.

I would appreciate if someone could get back to me with regard to my question(s) that were not answered in the meeting.

Thanks in advance.

I am looking forward to participating in these types of meetings in the future.

Thanks,

Robert H. Smith

PART 101—UNIFORM SYSTEM OF ACCOUNTS PRESCRIBED FOR PUBLIC UTILITIES AND LICENSEES SUBJECT TO THE PROVISIONS OF THE FEDERAL POWER ACT

109 [Reserved]110 Accumulated provision for depreciation and amortization of electric utility plant (Nonmajor only).

A. This account shall be credited with the following:

(1) Amounts charged to account 403 Depreciation Expense, to account 404 Amortization of Limited-Term Electric Plant, to account 405, Amortization of Other Electric Plant, to account 413, Expenses of Electric Plant Leased to Others, to account 416, Costs and Expenses of Merchandising, Jobbing and Contract Work, or to clearing accounts for currently accruing depreciation and amortization.

(2) Amounts charged to account 403.1, Depreciation expense for asset retirement costs, in electric utility plant in service in a separate subaccount.

(3) Amounts of depreciation applicable to electric properties acquired as operating units or systems. (See electric plant instruction 4.)

(4) Amounts chargeable to account 182, Extraordinary Property Losses, when authorized by the Commission.

(5) Amounts of depreciation applicable to electric plant donated to the utility.

B. At the time of retirement of electric plant, this account shall be charged with the book cost of the property retired and the cost of removal, and shall be credited with the salvage value and any other amounts recovered, such as insurance. When retirements, cost of removal and salvage are entered originally in retirement work orders, the net total of such work orders may be included in a separate subaccount hereunder. Upon completion of the work order, the proper distribution to subdivisions of this account shall be made as provided in the following paragraph.

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Wednesday, May 05, 2010 12:07 PM
To: 'Lisa Bennett'
Subject: Telephone call today

Lisa,

I listened to the call since I was working on something else while the meeting was in progress.

Is there any information that was discussed at the meeting that will be published in the record?

Based upon what I have heard it appears that both FPL and the FPSC have to go back and review some of the documents that were discussed in the meeting. This is to reconcile depreciation rate impacts?

I understand that the discussion was only about depreciation. Is there going to be any impact on the 3/17/2010 Standard order that was released due to these reconciliations?

Will there be a discussion on the tax payments with one of these meetings?

Will there be a new meeting on Tuesday at 10:00AM as discussed?

If some of the information was made part of the public record prior to the meeting this would be useful for people who want to listen to the meeting and maybe contribute. For the theory issues I am very well versed. If there are specific discussions about details then it would be very useful to have the actual information available prior to the meeting to review to ask questions.

000086

Is this a possibility?

Thanks,

Robert H. Smith

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RSmith [rpjrb@yahoo.com]

From: RSmith [rpjrb@yahoo.com] [rpjrb@yahoo.com]
Sent: Wednesday, August 04, 2010 9:22 AM
To: 'Office Of Commissioner Graham <Commissioner.Graham@psc.state.fl.us>'; 'Office of Comissioner Brise <commissioner.Brise@psc.state.fl.us>'
Cc: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Subject: FW: RE: Docket No. 080677-E1 / responses to Staffs Data Request No. 2 dated March 4,2010 / Tax Payments

Dear Mr. Graham and Mr. Brise,

Here is my correspondence with regard to the tax payments. This is a very important issue. This information should be made part of the public record. I do not think that this has been made part of the public record at this time.

Thanks,

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Thursday, April 01, 2010 10:28 PM
To: 'Lisa Bennett'; 'Ann Cole'; 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office of Commissioner Klement'; 'Office of Commissioner Stevens'; 'Marshall Willis'; 'Cheryl Bulecza-Banks'; 'Andrew Maurey'; 'Tim Devlin'
Subject: RE: Docket No. 080677-E1 / responses to Staffs Data Request No. 2 dated March 4,2010

Dear Commissioner's,

Here is some question that I have for these answers. Please see my reconciliation to support my questions below. Did anyone use my reconciliation? Did FPL fill out the reconciliation to help with this process? Did they prepare a segmented cash flow statement for the tax payments? Did we get copies of the cancelled checks? I think that this is a very good idea.

Florida Power & Light Company
Response to Staff 3/4/10 Data Request No. 2

Re: Docket No. 080677-EI – Petition for increase in rates by Florida Power & Light Company.

1. For the years 2007, 2008, and 2009, provide a detailed description of FPL's accounting treatment for the excess tax benefits received by FPL Group. By excess tax benefits staff means the dollar difference between actual tax payments made on behalf of FPL by FPL Group and the tax amounts for which the ratepayers would have been charged under the "stand-alone" method.

Response: There are no 'excess tax benefits' under the definition provided in this request. FPL Group makes a consolidated tax filing, in which it pays a single, consolidated tax liability. FPL Group does not make separate tax payments "on behalf of" FPL or any other subsidiary. The tax liability recorded by FPL is calculated on a stand-alone or "separate return" method. Under that method, the tax liability that FPL records, and charges to customers, is the same regardless of whether or not FPL is filing as part of a consolidated tax return. In other words, if FPL were not one of the consolidated FPL Group businesses, its tax liabilities would be exactly the same as they are recorded now.

As FPL's Vice President of Accounting and Chief Accounting Officer pointed out in his January 5, 2010 letter to the Commissioners on this topic, Florida utilities and the overwhelming majority of electric utilities around the country use the stand-alone basis to calculate income taxes for ratemaking purposes. This approach ensures that the income taxes for which an electric utility's customers are responsible through electric rates are determined only on the basis of electric utility operations, not on the basis of other, unrelated business activities in which unregulated affiliates

may be engaged. To do otherwise would expose customers to constant shifts in the utility's tax obligations for reasons that would have nothing to do with providing electric service. This would be unfair, confusing and counterproductive to the Commission's goal of avoiding subsidies between utility and affiliate operations.

Rob Smith Questions/Response:

"The tax liability recorded by FPL is calculated on a stand-alone or "separate return" method. Under that method, the tax liability that FPL records, and charges to customers, is the same regardless of whether or not FPL is filing as part of a consolidated tax return. In other words, if FPL were not one of the consolidated FPL Group businesses, its tax liabilities would be exactly the same as they are recorded now".

"Florida utilities and the overwhelming majority of electric utilities around the country use the stand-alone basis to calculate income taxes for ratemaking purposes. This approach ensures that the income taxes for which an electric utility's customers are responsible through electric rates are determined only on the basis of electric utility operations, not on the basis of other, unrelated business activities in which unregulated affiliates may be engaged. To do otherwise would expose customers to constant shifts in the utility's tax obligations for reasons that would have nothing to do with providing electric service. This would be unfair, confusing and counterproductive to the Commission's goal of avoiding subsidies between utility and affiliate operations."

Based upon the response above it is only talking about the tax liability on an individual basis. This makes total sense since it would be correct that all tax liabilities should be recorded separately. If you take a look at my previous email you will notice that I have laid out each individual company which would show the current/deferred tax provisions. This would backup up by the FPL response that the tax liabilities are recorded separately. What it talks about is the fact that the tax liabilities are recorded separately. What it does not talk about is the segmented cash flow aspect of the actual payments that are being made.

We now have to switch to the cash aspect of the payments of these liabilities:

"FPL Group makes a consolidated tax filing, in which it pays a single, consolidated tax liability. FPL

Group does not make separate tax payments "on behalf of" FPL or any other subsidiary."

By the nature of this statement it does not talk about the segmented cash flow aspect of the "consolidated tax filing, in which it pays a single, consolidated tax liability.

FPL Group does not make separate tax payments" on behalf of" FPL or any other subsidiary. By nature of paying a "single , consolidated tax liability" segmented cash flows would have to be provided to make sure that there was ample cash flow in each entity to cover their individual tax liability. FPL Group would have to show cancelled checks to support that there was ample cash flow in each entity to support each entities tax liability. This is supported by the reconciliation that I have sent in my previous email asking for a breakout of the tax liability by entity and supporting cancelled check to support that there is ample cash flow in each subsidiary to cover each entities liability. If there is not ample cash flow in each subsidiary then the possibility exists that there might be a subsidization by an entity that has ample cash flow to cover the tax liability.

Where is the actual check cut from? Is it an FPL Group cash account or does this come from a regulated subsidiary cash account (131)? We have to be careful that we look at the actual cash transactions and not just intercompany transactions.

When it pays its consolidated tax liability and does not make separate payments how does it make sure that the cash payment with regard to each entities tax liability is being charged to "FPL or any other subsidiary"?

In order to determine if there is ample cash flow in each entity, a segmented cash flow reconciliation would have to be completed to see if there was ample cash in FPL and its subsidiaries to cover each individual tax liability. There should be cancelled check from each individual entity to backup their respective tax liability. Based upon their response above it appears that they are only cutting one check as FPL Group. Where is the cash coming from?

Please see my email below/my reconciliation that I have sent previously.

2. For the years 2007, 2008, and 2009, provide a detailed description of the accounting

treatment for the excess tax benefits that were derived from filing a consolidated tax return

by FPL Group versus each subsidiary filing a separate tax return.

Response: As explained above, there are no "excess tax benefits" as Staff has defined that term.

The tax liability for each subsidiary, including FPL, is calculated based on the separate return method. Tax benefits, if any, that could not be used by a subsidiary on a separate return basis, but are used on the consolidated tax return, are recorded by the subsidiary that generated the tax benefits.

Rob Smith Questions/Response:

Based upon the response above it is only talking about the tax liability on an individual basis. This makes total sense since it would be correct that all tax liabilities should be recorded separately.

Again, this response does not talk about cash payments by each subsidiary since there is an individual tax liability. There can be no subsidization of cash payments between regulated and non-regulated entities. No exceptions! My reconciliation would be able to show this detail to support each entities individual tax liability and each entities separate tax payments.

Just because FPL Group "pays a single, consolidated tax liability. FPL Group does not make separate tax payments "on behalf of" FPL or any other subsidiary." This does not eliminate the requirement that each entity would be responsible to cover its own tax payments from a cash flow perspective. No exceptions!

The response above does not provide enough information to make sure that there is no subsidization of regulated to non-regulated payments and non-regulated to regulated payments. This would work both ways and can only be determined by segmented cash flows. No exceptions!

This is why there are issues with the holding company concept. There is no talk of segmented cash flows to make sure that the recorded individual tax liabilities are supported by individual tax payments.

3. For the years 2007, 2008, 2009, and 2010, provide a copy of FPL Group's tax-sharing agreement with its subsidiaries.

Response: Please see Attachment 1.

Rob Smith Questions/Response:

"Pay" or "Payment" means the physical transfer of cash, cash equivalents, or an

equivalent intercompany book entry.

Be careful here! An intercompany book entry can just be a book entry and if it does not have a corresponding cash entry it might not show that the individual subsidiary had ample cash to support its individual tax liability.

The only way that this can be determined is by a segmented cash flow statement to show that the intercompany book entry had a corresponding cash impact in the individual entity. If not, then there might be room for subsidization between the entities. This cannot happen. This agreement might have to be revised.

There should be no room to share any NOL's to be allocated. Each individual entity should stand on its own. If an entity generates an NOL only the entity in which the NOL was generated should be able to use the NOL to use to offset its taxable income. There should be NO ALLOCATION's of NOL's.

For example:

The utility generates a large NOL for the abandonment of a plant. This would possibly create an NOL carry forward that might be used for a long time to shelter taxable income for the utility and to minimize its tax liability. No non-regulated subsidiary should benefit by the utilization of this NOL if it was generated by a regulated subsidiary. This is from both a liability perspective as well as a cash flow perspective. No exceptions!

If there was any allocation then the ratepayer would have to be made whole since if there was any type of allocation the possibility exists that a regulated subsidiary would have subsidized a non-regulated subsidiary. This would work in the same way if a non-regulated subsidiary generated an NOL if it went out of business at a loss.

There should be no allocations from a true tax perspective. Any allocation would give rise to a possible subsidization and this should not happen.

Segmented cash flows would be able to provide the proper details to make sure that this does not happen. There is no reason for any allocation methodology since if an entity filed its own tax return it would be required to keep all NOL's and tax credits individually. There should be no reason why this cannot be done with a FPL Group filing since as long as the tax liabilities and cash payments are being accounted for on an individual basis there really should be no issue.

Any allocation might lead to a subsidization issue which might require the ratepayer and/or subsidiary to be made whole.

When I was up North we had an issue with a large NOL due to a closure of a Nuclear Power Plant. This NOL' provides for minimum tax payments for the Electric business for at about 10 years (if I remember but it was a long time). Since we had a regulated gas entity with ample cash flow to pay its own tax liability from a consolidated basis the use of the NOL was OK. We tracked this NOL on the electric side of the business only. We did not provide for any allocation. If there was no ample cash flow in the Gas business to cover its individual tax liability and there was an allocation of NOL's this would have not been fair to the electric ratepayer since the Electric ratepayer had to absorb the loss on the closure of the plant therefore it should not lose the use of an NOL for its own tax liability due to some type of allocation.

This agreement should be amended to make sure that there are no allocations. Period!

4. For the years 2007, 2008, and 2009, would FPL Group have been able to take full advantage (each year without regard to tax carryforward or carryback) of the wind related production tax credits without the benefit of FPL regulated utility taxable income?

Response: FPL Group has not been able to take full advantage of the wind related production tax credits with, or without, the inclusion of the FPL regulated utility taxable income in the FPL Group consolidated tax return for the years 2007,2008 or 2009.

<u>Rob Smith Questions/Response:</u>

When will these credits be taken and what is holding up the use of these credits?

Is this an indication where these credits are available there is not ample taxable income to use these credits? If so, then this might make sense but there is not enough information in this response to determine whether or not the wind related production tax credits can be utilized.

We know that each entity should be entitled to its own tax credits as generated on an individual basis. What we do not know by this response is why they cannot currently use these credits. The answer might be that there is not enough taxable income/liability in the subsidiary in which generated these credits. I am sure that if there was taxable income in a subsidiary the entity if it had wind related production tax credits and it was able to take it as a tax credit to minimize its liability it would. There has to be another reason why they are not using these credits where they have been earned.

It would make sense that you cannot utilize these if you included FPL regulated utility taxable income. Each entity generates its own tax credits. They can only utilize these credits for the respective individual tax liabilities only.

What I am concerned with is the cash implications of the utilization of these wind related production tax credits if they were generated by the regulated utility or a non-regulated subsidiary.

The cash flow impact is that the credit should be utilized against the cash payment by each individual entities tax liability only. There should be no benefit to any regulated entity for a tax credit generated by a non-regulated subsidiary and no benefit for a non-regulated subsidiary for a tax credit as generated by a regulated entity.

This can only be determined by a segmented cash flow breakout of the payments to match each entities individual tax liability. Any single payment will not provide enough information to determine if there is no subsidization between a regulated entity and non-regulated entity.

If my reconciliation was used to show cancelled checks to support each entities individual tax liability you would be able to determine if any entity (regulated/non-regulated) was subsidized.

I am going to send this out as a draft tonight to send what I have observed by the responses. I will be taking a look at this tomorrow. If I have any changes I will follow up since it is late and I am tired.

Hand is acting up a little. I want to make sure can take a look at the attachment a little longer since I am tired. Hopefully there are no typo(s). I will check.

Thanks for your patience in this matter.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or call me at 954-340-4956.

Thanks,

Robert H. Smith

Confidentiality Statement

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, March 12, 2010 8:45 PM
To: 'Records Clerk'
Cc: 'Lisa Bennett'; 'Ann Cole'; 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office of Commissioner Klement'; 'Office of Commissioner Stevens'; 'Marshall Willis'; 'Cheryl Bulecza-Banks'; 'Andrew Maurey'; 'Tim Devlin'; 'Dorothy Menasco'
Subject: FW: FPL is accused of not sharing its tax break

Dear Ms. Menasco on behalf of the records clerk,

Here we go with the excel document embedded into the email.

Hopefully this works in conjunction with the file. Please let me know if you can print out the PDF to put on the record. The second page has been put on Legal paper and would have to be printed out of the PDF for backup and scan. There is a portrait version of the second page as well.

Thanks for all of your patience. This issue is a very important issue and I hope that this helps with the analysis.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com.

Thanks,

Robert H. Smith

Utility Regulated/Non-Regulated Company's - Tax Entries - Cash Reconciliation S

		Regulated			Non-Regulated Holdco	Non-Regulat
FERC		Ratepayer Funds / Utility (1)			Holding Company (2)	Financing Compa
Acct	Account		Amount	Acct	Amount	A
236	DR Taxes Accrued Fed Inc Tax	Payment of Curr Fed Inc Tx	0	?	0	

000096

131	CR Cash	Cash Account	0	?	0
409	DR Inc Taxes Utility Operations	Inc Tx Expense	0	?	0
236	CR Taxes Accrued	Taxes Accrued	0	?	0
410	Prov for Def Inc Tx Util Operations	Prov for Def Inc Taxes	0	?	0
411	Prov for Def Inc Tx Credit Util Op.	Prov for Def Inc Taxes	0		
190	Accum. Deferred Inc Tax	Accum Def Inc Tax	0	?	0
281	Accum. Deferred Inc Tax	Accum Def Inc Tax	0		
282	Accum. Deferred Inc Tax	Accum Def Inc Tax	0		
283	Accum. Deferred Inc Tax	Accum Def Inc Tax	0		
		Total - Should be zero	0		0

(1) Cash From Ratepayers Regulated by FERC/PSC - Full Current/Deferred Taxes Collected in Rates - 10K filed on Consolidated Basis. Nc
If current Taxes paid is less than the Full tax provision then surplus cash should be maintained as a balance in the Utility FERC 131 A

(2) Tax Accounts do not have to follow FERC Account Numbers. There will still be Current/Deferred Taxes Payments for Current Taxes must be paid out of the individual Non Reg. Company and not paid from Utility Operations (FERC Account 131 Account). Deferred Tax Account numbers do not have to meet FERC account guidelines

(3) This is the total Current/Deferred Tax Provision filed with the Consolidated Tax Return for FPL Group. The Total Current Tax Provisi have cash entries in each respective company to make sure that the cash disbursements are being made out of each Regulated and

Since most companies are set up as independent companies accountability must be controlled by the Public Service Commission since the Commission is r the ratepayer funds. All Management Agreement Negotiations should be over seen by the Public Service Commission to keep Control of the Regulated/No Flows would be required for a full Accounting. The journal entries above are on a cash basis only. There may be accrual entries that would be recorded pe There may also be regulatory Accounting Journal Entries as required by FERC/PSC Accounting.

* All Non-Regulated Subsidiaries/Subsidiaries should generate enough cash flow to support the operations of the company. If there is Goodwill Acquisitio by the operations of the Non-Regulated Subsidiary.

Regulated Utility / Holding Company Cash Flow Issues:

1) Segmented Cash Flows would have to be prepared to properly account for Regulated versus Non-Regulated Cash Movement.
Public Utility Holding Company Act (PUHCA) (1935) Regulated by State Public Service Commissions/Federal Energy Regulatory Commissi

2) Full Accounting for the funding of dividends/executive compensation plans at the Holding Company Level.
This should include the back up Cash Flow Accounting to support the level of dividends paid out.

3) Separate Cash Accounts (i.e. Utility cash account is 131 account)
This has to be done to make sure that there is a separation of Regulated Cash from Non-Regulated Cash.

4) How is the company accounting for the intercompany cash transactions?

Assets transfers? Are these being made at historical cost or at market value?
If Financed by the Utility, is the ratepayer receiving a fair return on capital? What rate of return are they earning?

5) Separate billing systems/ Is the only billing system that is being maintained for the Utility?
If not, then are there separate billing systems for non-regulated subsidiaries/subsidiaries?

6) Separate work order systems
This is very critical since the work order system is probably used for capital expenditures/expenses. Usually there is utility coding for the type of capital expenditure that clears to the ledgers or utility accounts. These can be Plant, CWIP etc.

7) Separate Accounting Systems for each Entity
Is there a separate system for each entity? If not, what type of internal controls has been put into place to ensure that all capital expenditures/expenses are being cleared to the appropriate company accounts?

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RSmith [rpjrb@yahoo.com]

From: RSmith [rpjrb@yahoo.com] [rpjrb@yahoo.com]
Sent: Wednesday, August 04, 2010 9:21 AM
To: 'Office Of Commissioner Graham <Commissioner.Graham@psc.state.fl.us>'; 'Office of Comissioner Brise <commissioner.Brise@psc.state.fl.us>'
Cc: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Subject: FW: Seabrook Asset Transfer

Dear Mr. Graham and Mr. Brise,

Here is what I have forwarded regarding the Seabrook Asset Transfer. I do not know if the previous email as well as this email has been made of the public record. I think that it should.

Thanks,

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Wednesday, May 19, 2010 5:58 PM
To: 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'; 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'
Subject: Seabrook Asset Transfer

Dear Ms. Bennett and Commissioner's,

I noticed that the journal entries below are at book cost.

I think that the following questions have to be answered for this sale:

What is the market value/appraisal of these assets? This can have a very significant impact on the gain on sale to the customer. The Florida ratepayer should be able to receive the current market value on the sale of these assets.

What is the Net Book Value of these assets? This must include any over/under recoveries of Theoretical Depreciation. This will have an impact on the book gain for ratemaking purposes since if these assets are over recovered then the book gain would be larger therefore creating a larger benefit to the ratepayer. (Market Value – Net Book Value (including Theoretical analysis) = Gain on Sale for ratemaking purposes.

How much tax basis is remaining on this plant? If these are fully depreciated for tax purposes, then there would be a full gain on sale for tax purposes since all the tax benefits associated with this plant have already been deducted. This will create a large tax gain on sale for tax purposes (Market Price – Remaining tax basis = Gain on Sale for tax purposes). There should be depreciation recapture for any amounts that have been deducted for tax purposes that exceed the depreciation recovery for book purposes.

I save the old PDF file from April 2nd, 2010.

These issues are very important to take into consideration with any sale. I wanted to write a quick email regarding this pending sale. If something, else comes up or needs to be changed I will let you know.

When I worked at LILCO/KeySpan Energy this became a very important issue when we transfer the Shoreham Nuclear Power Plant/Distribution Plants to the Long Island Power Authority.

Market Value, Remaining Book Value (Rate Making Book Value) and remaining tax basis is very important with any sale of any asset at the company.

Did anyone audit the work orders for any of the plant additions that FPL was charged for this plant?

We have to be very careful with these sales. If need be I will send another FOIA request for information to take a look of how this sale is being completed.

I have personally prepared these calculations from both a book perspective as well as a tax perspective including working on the Shoreham Nuclear Plant Asset /Distribution Asset transfers to the Long Island Power Authority. This is a very important issue for both FPL and the ratepayers.

I know that the FERC form 1 reports do not disclose the net book values of specific plants but only the net book values based upon the normal book depreciation recovery that is being recorded. A theoretical study would have to be calculated to look at the over/under recovery of depreciation on the sale of these plants. Maybe some of the reserve surplus has some of this plant as over recovered.

This information is being sent to help out. Will this email be made part of the public record? I would like this to be made part of the public record since this is a very significant process for the ratepayers of Florida.

I wanted to send a quick email but I will follow up if I can think of something else.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or call me at 954-340-4956/954-798-6127.

Thanks,

Robert H. Smith

Section 33.5 - Proposed Accounting Entries

FPL and NHT are or will be required to maintain their books of account in accordance with the Commission's Uniform System of Accounts in 18 C.F.R. Part 101. The proposed accounting entries that FPL and NHT will use to account for the proposed Transaction in accordance with the Commission's Uniform System of Accounts are provided below. Upon purchase, the plant assets acquired by NHT will be recorded at original cost in Account 102, Electric Plant Purchased or Sold, and all other accounts will be recorded at book value in the same accounts as recorded by FPL. These proposed entries, estimated as of May 31, 2010, represent FPL's 88.22889% undivided interest in the Seabrook Substation facilities. Actual amounts recorded will be based on book values at the acquisition date.

FPL Entries to Transfer Plant Assets to Account 102

FERC Acct	Account Description	Debit	Credit
102	Electric Plant Purchase/Sold	$ 66,269,816	
101	Plant in Service (Plant Account 353)		$ 66,269,816
108	Accumulated Provision For Depreciation	$ 11,365,447	
102	Electric Plant Purchase/Sold		$ 11,365,447
102	Electric Plant Purchase/Sold	$ 16,212,125	
107	Construction Work In Progress (CWIP)		$ 16,212,125

FPL Entries to Record the Sale

FERC Acct	Account Description	Debit	Credit
102	Electric Plant Purchase/Sold		$ 71,116,494
143	A/R Co owners-(3rd Party)		$ 2,960,461
173	Accrued Revenue		$ 1,153,468
233	Notes Payable	$ 35,601,317	
234	Accounts Payable to Associated Companies	$ 909,960	
236	Accrued Property Taxes	$ 369,361	
242	Misc Accrued Liab	$ 135,962	
131	Cash	$ 38,213,823	

NHT Entries to Record the Purchase

FERC Acct	Account Description	Debit	Credit
102	Electric Plant Purchase/Sold	$ 71,116,494	
143	A/R Co owners-(3rd Party)	$ 2,960,461	
173	Accrued Revenue	$ 1,153,468	
233	Notes Payable		$ 35,601,317
234	Accounts Payable to Associated Companies		$ 909,960
236	Accrued Property Taxes		$ 369,361
242	Misc Accrued Liab		$ 135,962
131	Cash		$ 38,213,823

NHT Entries to Clear Account 102

FERC Acct	Account Description	Debit	Credit
101	Plant in Service (Plant Account 353)	$ 66,269,816	
108	Accumulated Provision For Depreciation		$ 11,385,447
107	Construction Work in Progress (CWIP)	$ 16,212,125	
102	Electric Plant Purchase/Sold		$ 71,116,494

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RSmith [rpjrb@yahoo.com]

From: RSmith [rpjrb@yahoo.com] [rpjrb@yahoo.com]
Sent: Tuesday, August 10, 2010 9:28 PM
To: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham <Commissioner.Graham@psc.state.fl.us>'; 'Office of Comissioner Brise <commissioner.Brise@psc.state.fl.us>'
Cc: 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Subject: FW: Issue 46 / Adjustment to the Working Capital item to increase ratebase/revenue requirements.

To all,

I noticed a **typo**.

Thanks,

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Tuesday, August 10, 2010 4:49 PM
To: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham <Commissioner.Graham@psc.state.fl.us>'; 'Office of Comissioner Brise <commissioner.Brise@psc.state.fl.us>'
Cc: 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Subject: Issue 46 / Adjustment to the Working Capital item to increase ratebase/revenue requirements.

Dear Commissioner's and Ms. Bennett,

I took a look at this very quickly. I have brought this concern up with a prior email with regard to fuel reconciliation filings in a prior email dated April 28th, 2009. See email below.

I was taking a look at the schedule below. I noticed that there was an increase in revenue requirements due to taking a 13 month average based upon a ratable refund versus the full refund in January 2010.

What actually happened? Was this refund returned in January 2010? If so, then how will the actual refund be reflected in the case? I understand that based upon a prior order and the fuel recovery mechanism that refunds are ratably given back. Here is where I see a problem. If the full refund was actually returned in January 2010, then the base rate

increase related to this item will be reflecting a permanent rate increase (earned return) in base rates for an item that should be adjusted based upon the fuel adjustment clause. The true up for what actually happened would only yield an earned return based upon the interest provision calculation as per below versus the overall cost of money (earned return) that was used to true up the revenue requirements based upon the refund being given back ratably. Why should the base rate increase (permanent) be based upon an earned return that is much higher than the give back through the fuel adjustment clause?

The fuel adjustment over recovery is being removed from ratebase due to eliminating a double return on the deferred 186 account (under collection)/253 account (over collection). This is supported by the testimony in the case. Is the interest calculation on the excel spreadsheet based upon the interest provision calculation below?

If this adjustment stands then the earned return might be overstated in base rates, which is a permanent rate increase. The customer would only receive a cash refund based upon the interest provision calculation below which is much lower than the earned return that is being calculated in base rates.

What is the annual rate that is being used for the interest calculation that is being done on the excel spreadsheet? The annual return that is being used for the base rate revenue requirements is the 6.65%. The rate below for the interest provision is much lower. Do we have an explanation as to why the interest provision rate is much lower than the base rate revenue requirement rate?

Is there a compliance filing for the company after the base rates are set? If the actual over recovery was given back in January 2010, then how will the customer get back the difference in the earned return?

We have to remember once base rates are set then usually **they** are not refunded unless there is a reconciliation/compliance filing. Are these being completed?

Thanks,

Robert H. Smith

D		Interest Provision	
	1	Beginning True-up Amount (Lines C9 + C9a)	$ (415,508,192)
	2	Ending True-up Amount Before Int. (C7+C9+C9a+C10)	$ (255,321,696)
	3	Total of Beginning & Ending True-up Amount	$ (670,829,888)
	4	Average True-up Amount (50% of Line D3)	$ (335,414,944)
	5	Interest Rate - First Day Reporting Business Month	1.49000 %
	6	Interest Rate - First Day Subsequent Business Month	0.54000 %
	7	Total (Line D5 + Line D6)	2.03000 %
	8	Average Interest Rate (50% of Line D7)	1.01500 %
	9	Monthly Average Interest Rate (Line D8 / 12)	0.08458 %
	10	Interest Provision (Line D4 x Line D9)	$ (283,694)

SCH

FLORIDA POWER & LIGHT COMPANY
DOCKET NO. 080677-EI
13-MONTH AVERAGE RATE BASE
DECEMBER 2010 TEST YEAR

Issue No.		Plant in Service	Accumulated Depreciation	Net Plant in Service	CWIP	Plant Held for Future Use	Nuclear Fuel - Net AFUDC (Net)	Net Plant	Working Capital	
	Adjusted per Company	28,288,080,000	(12,590,521,000)	15,697,559,000	707,530,000	74,502,000	374,733,000	16,854,324,000	209,262,000	17
	Commission Adjustments:									
14	WCEC 3 - No GBRA	0	0	0	0	0	0	0	0	
15	Transmission Investments and Costs	(386,896,000)	144,299,000	(242,597,000)	(18,623,000)	(4,200,000)	0	(265,420,000)	3,700,000	
16	Jurisdictional Separation	0	0	0	0	0	0	0	0	
42	Fossil Dismantlement Accrual	0	(1,320,284)	(1,320,284)	0	0	0	(1,320,284)	0	
46	Cost Recovery Clause Over-Recovery	0	0	0	0	0	0	0	(101,971,000)	
47	Advanced Metering Infrastructure	0	0	0	0	0	0	0	0	
50	Plant in Service Level	(785,187,189)	460,387,189	(324,800,000)	0	0	0	(324,800,000)	0	
51	Accumulated Depreciation	0	469,416,500	469,416,500	0	0	0	469,416,500	0	
52	Florida EnergySecure Line	0	0	0	0	0	0	0	0	
53-S	ECRC Capital Items	0	0	0	0	0	0	0	0	
55	Construction Work in Progress	0	0	0	(1,264,000)	0	0	(1,264,000)	0	
56	Property Held for Future Use	0	0	0	0	0	0	0	0	
57-S	Fuel Inventories	0	0	0	0	0	0	0	0	
58	Nuclear End of Life and Last Core	0	0	0	0	0	0	0	0	
59	Nuclear Fuel in Rate Base	0	0	0	0	0	0	0	0	
60	Nuclear Fuel Level	0	0	0	0	0	(3,771,000)	(3,771,000)	0	
61	Glades Power Park Amortization	0	0	0	0	0	0	0	0	
62	Working Capital Level	0	0	0	0	0	0	0	4,078,000	
63	Total Rate Base	0	0	0	0	0	0	0	0	
83	SJRPP Transfer to CCRC	0	0	0	0	0	0	0	0	
94	Aviation Costs	(53,268,205)	27,853,907	(25,414,298)	0	0	0	(25,414,298)	0	
108	Department of Energy Settlement	(25,868,000)	252,000	(25,614,000)	(828,000)	0	0	(26,442,000)	0	
120	Storm Damage Reserve	0	0	0	0	0	0	0	0	
122	Rate Case Expense	0	0	0	0	0	0	0	(2,948,000)	
173	Nuclear Uprates	0	0	0	0	0	0	0	0	
---	Total Commission Adjustments	(1,251,217,394)	1,100,888,312	(150,329,082)	(20,715,000)	(4,200,000)	(3,771,000)	(179,015,082)	(97,141,000)	
63	Commission Adjusted Rate Base	27,036,862,606	(11,489,632,688)	15,547,229,918	686,815,000	70,302,000	370,962,000	16,675,308,918	112,121,000	16

DATE: August 6, 2010

TO: Ann Cole, Commission Clerk, Office of Commission Clerk

FROM: Lisa Bennett, Senior Attorney, Office of the General Counsel LCB

RE: Docket No. 080677-EI, Petition for increase in rates by Florida Power & Light Company; Motion for Reconsideration

Please place the attached correspondence and Excel document in the docket file.

LCB

Appendix I

Issue 46: Should the net over-recovery/under-recovery of fuel, capacity, conservation, and environmental cost recovery clause expenses be included in the calculation of working capital allowance for FPL?

Commission Order: The net over-recovery of fuel, capacity, conservation, and environmental cost recovery clause expenses should be included in the calculation of FPL's working capital allowance.

Implementation error: The Commission's order on this issue ignored a recent Commission decision in the 2009 fuel adjustment proceeding (*Docket No. 090001-EI*) that substantially overstates the impact on test year working capital of the projected 2010 fuel cost over-recovery. In Order No. PSC-09-0795-FOF-EI, Docket No. 090001-EI, dated December 2, 2009, at 20, the Commission directed FPL to refund the entire amount of its 2009 net true-up over-recovery as a one-time credit in January 2010. The Commission's direction was contrary to established fuel adjustment practice and inconsistent with FPL's test year projections.

($000)

	Dec 2009	Jan 2010	Feb 2010	Mar 2010	Apr 2010	May 2010	Jun 2010	Jul 2010	Aug 2010	Sep 2010	Oct 2010	Nov 2010	Dec 2010
(Over)/Under Recovered Fuel Exp - FPSC - As Filed (1)	(66,404)	(136,483)	(178,508)	(193,460)	(194,301)	(153,381)	(136,396)	(89,917)	(47,491)	(46,710)	16,709	(1,733)	
Timing difference in 2009 over-recovered fuel balance refunded (2)	-	60,879	55,337	49,803	44,269	38,736	33,202	27,668	22,135	16,601	11,067	5,534	-
Difference in interest on (over)/under recovered balance (3)	-	52	100	91	82	73	65	56	47	38	27	17	
(Over)/Under Recovered Fuel Exp - FPSC with January Full Refund	(66,404)	(75,540)	(123,071)	(143,566)	(149,950)	(114,572)	(103,128)	(62,193)	(25,308)	(30,071)	27,799	3,818	

2010	
$ (66,317)	Net Fuel Over-recovery working capital allowance with entire 12/2009 over-recovery balance refunded in January 2010
(64,451)	Net Fuel Over-recovery working capital allowance in MFR B-6 with 12/2009 over-recovery balance refunded ratably over 2010
$ 26,144	Increase to test year working capital allowance requirements
6.65%	2010 Commission adjusted Overall Rate of Return per Schedule 5, Order No. PSC-10-0153-FOF-EI
$ 1,872	Required Net Operating Income
(211)	Less Interest Synchronization
$ 1,661	Net Operating Income Change
1.63411	Net Operating Income Multiplier per Schedule 4, Order No. PSC-10-0153-FOF-EI
$ 2,714	Increase to 2010 Revenue Requirements

(1) The 2010 Test Year 13-month average net over-recovery of $(94,461) is comprised of a 13-month average fuel under-recovery of $1,285 (refer to 2010 Test Year MFR B-6, page 9 of 12, line 11) and a 13-month average fuel over-recovery of $(95,746) (refer to 2010 Test Year MFR B-6, page 12 of 12, line 10)

(2) Difference between refunding entire 12/31/2009 fuel over-recovery in January 2010 as is the treatment in Order No. PSC-09-0795-FOF-EI, Docket No. 090001-EI, and the year-to-date 2010 ratable refund of the 12/31/2009 fuel over-recovery as was projected and included in FPL's Test Year 2010 MFR B-6 amounts detailed in note (1) above.

(3) Difference in interest on (over)/under recovered fuel balance between refunding entire 12/31/2009 fuel over-recovery in January 2010 and a ratable refund of the 12/31/2009 fuel over-recovery during 2010 as was the treatment in FPL's MFR projections which was based on established fuel adjustment clause practice.

Company: Florida Power & Light Company
Month of: December 2008

LINE NO			CURRENT MONTH ACTUAL	REV EST/ ACTUAL (b)	DIFFERENCE AMOUNT	DIFFERENCE %
C		**True-up Calculation**				
	1	Jurisdictional Fuel Revenues (Net of Revenue Taxes)	$ 481,992,385	$ 527,156,101	$ (45,163,716)	(8.6) % $
		Fuel Adjustment Revenues Not Applicable to Period				
	2 a	Prior Period True-up (Collected)/Refunded This Period	(6,610,188)	(6,610,188)	0	0.0 %
	b	GPIF, Net of Revenue Taxes (a)	(749,568)	(749,568)	0	0.0 %
	c	Prior Period True-up (Collected)/Refunded This Period	(24,207,221)	(24,207,221)	0	0.0 %
	3	Jurisdictional Fuel Revenues Applicable to Period	$ 450,425,408	$ 495,589,123	$ (45,163,715)	(9.1) % $
	4 a	Adjusted Total Fuel Costs & Net Power Transactions (Line A-7)	$ 320,870,039	$ 330,597,200	$ (9,727,161)	(2.9) % $
	b	Nuclear Fuel Expense - 100% Retail	0	0	0	N/A
	c	RTP incremental Fuel -100% Retail	0	0	0	N/A
	d	D&D Fund Payments -100% Retail	0	0	0	N/A
	e	Adj. Total Fuel Costs & Net Power Transactions - Excluding 100% Retail Items (C4a-C4b-C4c-C4d)	320,870,039	330,597,200	(9,727,161)	(2.9) %
	5	Jurisdictional Sales % of Total kWh Sales (Line B-6)	99.99306 %	99.99378 %	(0.00072) %	0.0 %
	6	Jurisdictional Total Fuel Costs & Net Power Transactions (Line C4e x C5 x 1.00065(b)) +(Lines C4b,c,d)	$321,056,321	$330,791,513	$ (9,735,192)	(2.9) % $
	7	True-up Provision for the Month - Over/(Under) Recovery (Line C3 - Line C6)	$ 129,369,087	$ 164,797,610	$ (35,428,523)	(21.5) % $
	8	Interest Provision for the Month (Line D10)	(283,694)	(672,148)	388,454	(57.8) %
	9	True-up & Interest Provision Beg of Period-Over/(Under) Recovery	(294,472,086)	(250,191,144)	(44,280,942)	N/A
	a	Deferred True-up Beginning of Period - Over/(Under) Recovery	(121,036,106)	(121,036,106)	0	0.0 %
	10 a	Prior Period True-up Collected/(Refunded) This Period	6,610,188	6,610,188	(0)	0.0 %
	b	Prior Period True-up Collected/(Refunded) This Period	24,207,221	24,207,221	(0)	0.0 %
	11	End of Period Net True-up Amount Over/(Under) Recovery (Lines C7 through C10)	$ (255,605,390)	$ (176,284,378)	$ (79,321,012)	45.0 % $
D		**Interest Provision**				
	1	Beginning True-up Amount (Lines C9 + C9a)	$ (415,508,192)	N/A	N/A	N/A
	2	Ending True-up Amount Before Int. (C7+C9+C9a+C10)	$ (255,321,696)	N/A	N/A	N/A
	3	Total of Beginning & Ending True-up Amount	$ (670,829,888)	N/A	N/A	N/A
	4	Average True-up Amount (50% of Line D3)	$ (335,414,944)	N/A	N/A	N/A
	5	Interest Rate - First Day Reporting Business Month	1.49000 %	N/A	N/A	N/A
	6	Interest Rate - First Day Subsequent Business Month	0.54000 %	N/A	N/A	N/A
	7	Total (Line D5 + Line D6)	2.03000 %	N/A	N/A	N/A
	8	Average Interest Rate (50% of Line D7)	1.01500 %	N/A	N/A	N/A
	9	Monthly Average Interest Rate (Line D8 / 12)	0.08458 %	N/A	N/A	N/A
	10	Interest Provision (Line D4 x Line D9)	$ (283,694)	N/A	N/A	N/A

NOTES

(a) Generation Performance Incentive Factor is ((9,081,380) x 99.9268%) - See Order No. PSC-08-0830-FOF-EI.

(b) Per Revised Estimates from Mid-course correction filed on 11/17/08 and approved on 12/2/08 Agenda Conference

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Tuesday, April 28, 2009 2:39 PM
To: 'Andrew Maurey'; 'Tim Devlin'
Subject: Questions to consider in the New Case being filed for a $1 billion Base Rate Increase

Dear Mr. Maurey and Mr. Devlin,

I took a look at the 2005 Petition for rate increase by Florida Power & Light Company. Please let me know if you can send me the PDF files for the surveillance reports.

Is this an option? If no, what would be the reason for this? I would like to keep the cost/time to a minimum with these requests so that I can review quickly.

I am still reviewing this agreement but I understand that this is what is currently in place. I would like to answer these questions for the new case that is being presented to staff.

Has any studies being conducted for the revenue sharing plan as stipulated below versus the traditional ratemaking excess earnings test? I would be curious to see if FPL is maintaining the money cost of money reports based upon its current capitalization at the company. If so, I would like to see these studies to see the cost/benefit impacts to the ratepayers for this type of revenue sharing plan.

Does the FPSC complete a FCA (fuel cost adjustment) reconciliation? If so, is this available? It would be very interesting to see what the proposal for FPL is to move some of these costs into base rate recoveries. I think that there is an existing rate increase in the fuel adjustment clause that is being currently collected in rates. I think that this might be the first 8% etc. If the fuel costs have gone down are we now giving this benefit back to the customer? Why would we want to roll the existing rate increases into base rates to find out the cost of fuel as gone down? We should be very careful here since this case is being done when the fuel costs were high. This might be reflected in the test year data for the RateCase. Is this true?

I am still reviewing some of the information. If I have any additional questions I will send an email.

If you have any questions please do not hesitate to ask.

Thanks,

Robert H. Smith

I have a couple of questions:

How can the Revenue Sharing Incentive Plan exclude incremental revenues attributed to a business combination or acquisition involving FPL, its parent, or its affiliates whether inside or outside the state of Florida?

We would have to take a look at the holding company structure in which some of these incremental revenues might have been financed with ratepayer money. The primary contributor of cash flow to a utility is the ratepayer therefore it would be very possible that the customer might have subsidized these incremental revenues therefore the customer should share in the benefits of some of these incremental revenue if there is proof that they have financed/subsidized the costs associated with the generation of the incremental revenues.

Years ago when I worked up north for a major utility there was incremental revenues generated at our utility and the commission would review how these revenues were generated or financed. If the ratepayer financed/subsidized any of the costs the commission would determine a sharing mechanism for the ratepayer to share in the revenues generated. Another issue here is that since the revenue sharing mechanism is only looking retail base revenues another question comes into play with regard to cost:

What if the ratepayer is being charged for costs associated with these incremental revenues? FPL would share in the revenue aspect of the incremental revenues and the ratepayer might be paying for extra costs associated with the generation of these revenues.

Again when I was up North we had to take a look at the definition of Utility revenues versus non-utility revenues. We have to remember that from a cash flow perspective most of the cash flow is generated by the ratepayers of Florida. If they are Financing/Subsidizing the costs to generate these incremental revenues then FPL should not exclude the costs associated with the generation of these incremental revenues.

Up North we usually did a full blown ROE excess earnings test to make sure that the commission had the opportunity to exclude items from RateBase to calculate the overall ROE if they deemed that the costs were not a benefit to the customers.

If the costs associated with the generation of these incremental revenues are being Financed/Subsidized by the ratepayer, is the ratepayer receiving a rate of return to make them whole? The first answer to this would be that if there is a holding company structure at FPL and most of the cash is generated by the ratepayer then the probability that the ratepayer is Financing/Subsidizing the generation of the incremental revenue is very high.

c. Revenue exclusions - The Revenue Sharing Incentive Plan and the corresponding revenue sharing thresholds and revenue caps are intended to relate only to retail base rate revenues of FPL based on its current structure and regulatory framework. Thus, for example, incremental revenues attributable to a business combination or acquisition involving FPL, its parent, or its affiliates, whether inside or outside the state of Florida, or revenues from any clause, surcharge or other recovery mechanism other than retail base rates, shall be excluded in determining retail base rate revenues for purposes of revenue sharing under this Stipulation and Settlement.

Please explain what the overall rate of return is for the cost of money versus the commercial paper rate to retail customers of record. If the commercial rate of interest is lower than the overall rate of return why should the customer not receive credit at the overall cost of money?

Remember the ratepayers have an overall cost of money associated with paying for the cost of service for the company.

Up North we used to calculate carrying charges on the excess earnings on a monthly basis to increase the deferred credit (253 FERC Account) that was being returned to the customer. This made the ratepayer/customer whole since they were paying for the overall cost of money in their rates.

7. All revenue-sharing refunds will be paid with interest at the 30-day commercial paper rate to retail customers of record during the last three months of each applicable refund period based on their proportionate share of base rate revenues for the refund period. For purposes of calculating interest only, it will be assumed that revenues to be refunded were collected evenly throughout the preceding refund period. All refunds with interest will be in the form of a credit on the customers' bills beginning with the first day of the first billing cycle of the second month after the end of the applicable refund period (or, in the case of a partial calendar year refund, after the end of that calendar year). Refunds to former customers will be completed as expeditiously as reasonably possible.

How is the commission taking a look at this account for work order costs associated with property insurance costs? Is this account capturing the costs associated with Hurricane repairs? What is interesting below if that "no revenues contemplated by this Section 10 shall be included in the computation of retail base rate revenues for purposes of revenue sharing under this Stipulation and Settlement", this would appear to be making sure that we are looking at cost less recoveries as total costs. This is a contradiction of the Revenue Incentive Sharing Plan in which the costs are not even being considered.

10. No Party to this Stipulation and Settlement shall appeal the FPSC's Final Order in Docket No. 041291-EI. Further, Parties agree to the following provisions relative to the target level and funding of Account No. 228.1 and recovery of any deficits in such Account:

228.1 Accumulated provision for property insurance.

c. No revenues contemplated by this Section 10 shall be included in the computation of retail base rate revenues for purposes of revenue sharing under this Stipulation and Settlement.

How does Standard and Poor's methodology compare to using the overall cost of money? Why would you cap the equity ratio when this can be adjusted or recomputed based upon the borrowing of the company?

Up North we recalculated the overall cost of capital (cost of money) every month to compute our monthly excess earnings. We found that at times debt was cheaper than equity which if the debt/equity ratio changed we would true up the excess earnings calculation based upon this monthly change. Remember FPL is retiring and issuing new bonds which if issued at a lower rate than equity could cause a reduction in the overall cost of money. In most rate proceedings we found that it was cheaper for the ratepayer when we issued debt therefore we used to recalculate the overall debt to equity ratio to benefit the ratepayer if the overall cost of money was declining as a result of the retiring of debt and issuing new debt at a lower cost (interest rate).

15. For surveillance reporting requirements and all regulatory purposes, FPL's ROE will be calculated based upon an adjusted equity ratio as follows. FPL's adjusted equity ratio will be capped at 55.83% as included in FPL's projected 1998 Rate of Return Report for surveillance purposes. The adjusted equity ratio equals common equity divided by the sum of common equity, preferred equity, debt and off-balance sheet obligations. The amount used for off-balance sheet obligations will be calculated per the Standard & Poor's methodology.

How does the ROE of 11.75% compare to other company returns excluding utilities? I know that FPL is paying a dividend therefore what is the overall return a shareholder is earning with dividends and a ROE of 11.75%?

I am sure that in this business environment it is quite high? Is this correct?

16. Effective on the Implementation Date, FPL will continue to operate without an authorized Return on Equity (ROE) range for the purpose of addressing earnings levels, and the revenue sharing mechanism herein described will be the appropriate and exclusive mechanism to address earnings levels, but an ROE of 11.75% shall be used for all other regulatory purposes.

How come these are not included in Ratebase with an earned return? Remember if the costs associated with the new plant exceed the base rate recovery and the Revenue incentive sharing plan only takes a look at the revenues excluding the costs associated with the operation of the new plant the ratepayer might be sharing in too much revenue which might be needed to pay for the new plant that has been placed in service.

Up North we calculated AFUDC until the plant was placed into service. Then all associated plant in service costs were placed into Ratebase and costs of maintaining the plant (payroll, taxes etc.) were included in the cost of service. This methodology was then applied to the excess earnings test which was:

RateBase x Allowed rate of return (overall cost of money) = Earned level of operating income

If the actual earnings exceeded the earned level of operating income then the excess earnings were deferred in a 253 account and given back to the customer in the following year. A carry charge was calculated on these amounts at the overall cost of money. This way both revenues and costs associated with placing the plant in service were captured. How come the traditional approach is not being used to calculate the revenue sharing at the company?

This included RateBase and Cost of Service accounting to make sure that both revenue from the operations of the plant and costs associated with the operations of the plant were captured. Of course you would also have to look at depreciation reserves related to the life studies of the plant in service. At times cost of removal became an issue with the under/over recovery of depreciation in rates.

17. For any power plant that is approved pursuant to the Florida Power Plant Siting Act (PPSA) and achieves commercial operation within the term of this Stipulation and Settlement, the costs of which are not recovered fully through a clause or clauses, FPL's base rates will be increased by the annualized base revenue requirement for the first 12 months of operation, reflecting the costs upon which the cumulative present value revenue requirements (CPVRR) were or are predicated, and pursuant to which a need determination was granted by the FPSC, such adjustment to be reflected on FPL's customer bills by increasing base charges, and non-clause recoverable credits, by an equal percentage. FPL will begin applying the incremental base rate charges required by this Stipulation and Settlement to meter readings made on and after the commercial in service date of any such power plant. Such adjustment shall be referred to as a Generation Base Rate Adjustment (GBRA). The GBRA will be calculated using an 11.75% ROE and the capital structure as per Section 15 above. FPL will calculate and submit for

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RSmith [rpjrb@yahoo.com]

From: RSmith [rpjrb@yahoo.com] [rpjrb@yahoo.com]
Sent: Friday, September 10, 2010 9:48 AM
To: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham <Commissioner.Graham@psc.state.fl.us>'; 'Office of Comissioner Brise <commissioner.Brise@psc.state.fl.us>'; 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Subject: FW: Seabrook Asset Transfer / FPL Sun-Sentinel Article

Dear Commissioner's and Ms. Bennett,

This is for your information

Hopefully we can get back to the real issues at hand and resolve these issues based upon the merits of the accounting data and cost/economic analysis of what is being presented to the Commission.

I think that my email correspondence should be made part of the public record. This would be just like the courtesy that was provided to the public speakers at the September 7th hearing. There is no difference between email correspondence and public speaking correspondence. Remember all briefs and testimony is summarized in writing therefore my email correspondence can be made part of the public record as well. All testimony from interrogatories is made in writing and the testimony that is being heard at the rate case proceedings are being put together in writing prior to the actual hearings. This testimony is being worked on through electronic correspondence therefore email from an interested party would be no different than the Commission allowing two public speakers to speak at a hearing.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com.

Thanks,

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Friday, September 10, 2010 9:38 AM
To: 'jpatel@sunsentinel.com'; 'meklas@MiamiHerald.com'; 'susan_salisbury@pbpost.com'; 'dara_kam@pbpost.com'; 'aclough@pbpost.com'; 'tim_Burke@pbpost.com'; 'Gyllenhaal, Anders - MH'
Subject: FW: Seabrook Asset Transfer / FPL Sun-Sentinel Article

To all,

I saw the papers regarding the appeal hearing regarding the disqualification. It talked about the comments made by both the commissioner's regarding the campaign money that was being paid to lawmakers. We have to remember that if the money is coming from the Utility we have to identify where the money is really coming from. Nextera (formerly FPL Group) is the holding company and it probably gets paid fees from the Utility from a management services agreement. It would have to determine whether or not the ratepayer or the company is the primary contributor of cash flow to both Nextera and the FPL Utility. Remember the company only files an annual report on a consolidated basis therefore to really see the flow of cash at the company one would have to take a look at segmented cash flows at the company not a consolidated cash flow that is in the 10K. With the consolidated cash flow statements there are elimination entries. These elimination entries might not give the proper transparency to determine who the primary cash flow contributors to the company.

The issue with campaign contributions is a very large issue and this has come up with the Citizens case at the Supreme Court level. There are real impacts with this case and it was evident with the Presidential address a while back in which a Supreme Court justice reacted to a comment made by the President.

There should be no political influence with any decision made in this case as I have indicated in numerous emails that I have been sending to the Press and the Commission for a long time. I have always approached this from a neutral and balanced perspective. I do not know what has been talked about off the record regarding my email correspondence but it might be apparent that there might be a reason why my correspondence is being kept off the record. Why were two public speakers allowed to address the Commission and my email correspondence was not entered into the public record as well? There really is no reason why since emails or public speaking would be acceptable communications. As a matter of fact the Commissioner's at times have been allowed through a phone connection to be present at the hearings if they could not physically make it to the hearings. I know that my communications if very important to both cases and there is no reason why my communications have not been made part of the public record. I was correct with regard to the debt/equity issues and other issues that I am still waiting to hear about with regard to segmented cash flow reporting.

If the possibility exists that the appearance that campaign money is going to influence a decision made by a Commission, then this is just not good for the both the ratepayers and/or shareholders of this company.

Let full transparency be the guide as to the decisions that are being made in this case. If one determines that it is the ratepayers that are the primary contributors to the cash flow of this company then let the ratepayers decide to contribute campaign money just like Nextera (holding company) to keep the contributions balanced so that a government body that is appointing commissioner's is not influenced by politics. The merits of any ratecase proceeding should just be based upon the facts in the case.

If it requires full discovery then it should be so.

If it requires that you have to scrutinize the full accounting to understand why the prior forecasts were incorrect then let it be so.

If it requires that you submit into testimony that would be bring transparency to the ratecase proceedings then let it be so.

The only question that has to be answered in any of these proceedings is the proposed rate increase the most cost/economic way of providing electric service to the customer while maintaining some balance to the shareholders of the company.

The only way that this will happen is if there is full transparency. If there is and the perception of bias is removed then I am sure that a lot of these proceedings can be resolved very quickly with the balancing the interests of all the interested parties.

Without it the argument of impartiality might always exist.

I know that this is the way I have approached all my email correspondence that was sent to the Commission.

How come I was not afforded the same public courtesy for my email correspondence to be made part of the public record? I know that I have the same or higher level of experience to talk about these matters with the Commission. I have put these cases together for over a decade therefore I would think that I would be able to provide very good insight to what the Commission should be looking for with any of the matters that have been brought up.

If there is nothing to hide then let my email correspondence be made part of the record.

It is a shame that it appears that time is being wasted on these matters when the real objective of the Commission is to ensure that any decision made on these cases are in the best interest of the public (ratepayers).

There is no difference if there is a party of record or a party of interest. Both can give insight to issues that are being raised with these proceedings. If the answer comes from a person who has put these cases together then there should be no reason for the information not to be made part of the public record through email correspondence just like they allowed the testimony from the two public speakers.

If there is nothing to hide then it would have been done.

I will continue to chime in on all of these issues. I know that my knowledge can be applied to all the Utilities in the State and/or any other regulated type of entity that the Commission hears to make decisions on rate increases. My accounting knowledge in this arena would apply to all types of regulated entities and not just Florida Power & Light.

To keep on changing the Commissioner's with the perception that they are being impartial would give rise to specific questioning to the why's they are being considered impartial and to the specific examples of the cause and effect of impartiality. What is really going on when the Commission goes off the record during a hearing? Are these conversations documented?

Maybe this is why there is so much trouble?

I know that I have approached this from in impartial manner. If they feel I have not I am willing to openly discuss this with both the Commission and any of the Utilities Executive management since this is what I have done when I prepared the cases for over a decade.

What gives?

Hopefully there are no typo(s).

If you have any question please do not hesitate to email me at rpjrb@yahoo.com.

Thanks,

Robert H. Smith

000119

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Friday, September 03, 2010 1:17 PM
To: 'jpatel@sunsentinel.com'; 'meklas@MiamiHerald.com'; 'susan_salisbury@pbpost.com'; 'dara_kam@pbpost.com'; 'aclough@pbpost.com'; 'tim_Burke@pbpost.com'
Subject: FW: Seabrook Asset Transfer

To all,

Sorry for the **typo.**

Thanks,

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Friday, September 03, 2010 10:35 AM
To: 'jpatel@sunsentinel.com'; 'meklas@MiamiHerald.com'; 'susan_salisbury@pbpost.com'; 'dara_kam@pbpost.com'; 'aclough@pbpost.com'; 'tim_Burke@pbpost.com'
Subject: FW: Seabrook Asset Transfer

To all,

I cannot believe what is going on.

I want to make sure that if any of the newspapers uses any of this information in any of their reporting that my email correspondence is referenced as per the disclosures below. This includes all attachments and email correspondence.

Thanks,

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Friday, September 03, 2010 10:32 AM
To: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham <Commissioner.Graham@psc.state.fl.us>'; 'Office of Comissioner Brise <commissioner.Brise@psc.state.fl.us>'
Cc: 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Subject: FW: Seabrook Asset Transfer

Dear Commissioner's and Ms. Bennett,

I saw the FPL filing with regard to asking for a disqualification of a Florida Public Service Commissioner. I cannot believe what is going on. It is amazing how a person could work for the company, they are let go for Company-wide staff reduction, then they are rehired for a Public Commissioner position and now they may be disqualified for reasons of impartiality.

Let's define impartiality:

not partial or biased; fair; just: an impartial judge.

The only way you can achieve this level of impartiality is to have full transparency with this case. I have been providing technical accounting with the issues below.

I have approached this case from a ratepayer, shareholder and Utility perspective.

If there was full transparency there really would be no issue with making a quick decision with this case. As long as the costs are prudent, and the recovery periods and rate of returns are providing the customers and the shareholders a fair return there really should be no issue with any of the questioning that is being asked.

What is very troubling is that since a lot of the information is being made confidential or whited/redacted information, is this causing some of the issues with Florida Power & Light and the Commission? If there is nothing to hide then all information/people(s) testimony would be available for this proceeding. Any reluctance to provide full transparency

and/or testimony of Florida Power & Light personnel who are responsible for the operations of the Utility might also be an indication of impartiality. We have to be careful here.

There should be no issue and the accounting facts should present the case as to the merits of all the concerns of all parties. What I am concerned with is that since a lot of the information is being classified as confidential/whited/redacted information this might be causing the issues that are currently surfacing. As I watched the hearings regarding the Nuclear Uprates filing I could not believe that all the exhibits and testimony that was being talked about was being referenced with confidentiality. The average ratepayer/shareholder watching the proceedings would not be able to follow the issues **without full transparency**. It is understood that some of the information as it relates to employee information might be subject to confidentiality but when it comes to the actual accounting information with regard to cost prudency, recovery periods and rates of return there should be no classification of confidentiality since this information would be needed to balance the needs of all the interested parties in this case.

When I worked up North full transparency was afforded by the Commission to ensure that all the checks and balances were being met to provide the proper balance of all the interested parties. There was no excuse for lack of transparency since the Company just went through a major public perception that some of the costs associated with a Nuclear Power Plant were imprudent. The Nuclear Plant was closed and the litigation regarding the prudency of these costs went on for years until a settlement agreement was reached. We have to be very careful here. If the prudency of the costs is not fully scrutinized up front the possibility exists that this might cause a cost/prudency issue down the road. This is why I feel that these assets should keep their identity with regular Utility accounting to make sure that the assets are being maintained in ledger 3 of the Utility. If they are going to be recovered through a Nuclear recovery clause then we have to make sure that the reimbursement of these costs if they are accelerated does not become an issue down the road if there is a finding that some of the costs were not prudently incurred. The only way that this can happen is if there is full transparency with regard to all the accounting issues as it pertains to any issue that might impact the rates of the Utility to recover cost. We have to remember that the primary job of the Commission is to ensure that any rate increase granted to a Utility has to be in the best economic interest of the ratepayer. It is understood that there is a shareholder component to these cases and the concerns of the shareholders would have to be met as well, but we have to remember that this is a delicate balance, therefore transparency is of utmost importance.

This is why I have contacted Florida Power & Light from a shareholder perspective as well since I needed information from the Companies Executive Management to clarify some of the 10K disclosures as it would pertain to the interests of the shareholders. I have not heard back from Mr. Lew Hay and Mr. Sieving as of today. I have sent you a previous email regarding my concern with this issue in that I have asked specific questions last year that I thought might have an impact on this case. This appears to be lack of transparency.

Why would all of a sudden the Utility trying to disqualify a person who at one time worked for the company and is now in the capacity of a Commissioner indicating that they are not impartial. Did this person complete their job in a prudent/ethical manner while working at the Utility? If so, then there should be no reason why this would all of a sudden surface unless it is really about the issues of the scrutiny of the costs and the reason why the original estimates were not accurate. We all know that forecasts might not be correct all the time but unless we scrutinize the reasons as to the why's they were not accurate with full transparency there is no sure way from a checks and balance stand point to provide for better forecasting in the future. If you take a look at all my email correspondence I have always talked about the cash impacts of any of the accounting issues. This would require full transparency and would require that any information regarding the prudency of costs, recovery periods and rates of returns to be fully disclosed. There should be no reason to hide any information. Full transparency would provide for the proper checks and balance to make sure that interests of all parties in this case are being protected and balanced.

Here it is from a Utility perspective I have been indicating all along that debt will be cheaper than equity therefore based upon the $400 Million dollar issuance below FPL Utility should be able to reduce it interest costs. If they continue to refinance their debt then I know there will be additional savings at the company.

This is very concerning that this late in this proceeding this is going on. I know that my email correspondence has not been talked about in any of the proceedings. Some of my email information regarding the technical accounting issues in this case has been made part of the public record yet no one has talked about the straight accounting transparency that would be required to maintain the balance to protect all of the party's interests in this case. Feel free to reference my emails in the proceedings since I feel that my approach from a true accounting/economic approach would be the best approach at this point in these proceedings.

I can only hope that my email correspondence has helped. I know that based upon the fact that FPL issued debt at a much cheaper rate that my email correspondence would help with these proceedings.

Maybe my email correspondence should be made part of the public record in the proceedings to ensure that we remain on track of the ultimate goal of protecting all of the party's interests.

Until this occurs that there will always be an argument of impartiality from both sides. Let the Accounting speak for itself. The only way this can occur is if there is full transparency. All whited/redacted information if it pertains to accounting information should be disclosed since this is what would be needed to be scrutinized to make a proper decision with all of these cases.

It was apparent that the NPV analysis as it related to the increase of $300 Million of cost would have impacted the cost/benefit analysis of the Nuclear Uprates program. What would be interesting to take a look at is the impact of this NPV analysis if the rate of returns does not take into account any benefits of a reduced cost of money by the refinancing of the company's debt. This is my primary concern with not keeping the assets as part of regular rate base accounting.

This is why I have indicated in my Nuclear Uprates email that the issues that I am concerned with is the period of recovery and rate of returns on the recovery of the Nuclear Uprates assets.

The Prudency of the costs is always understood by any Utility rate proceeding therefore full transparency should be warranted. If there is a concern that the original estimates are a concern then the costs have to be fully scrutinized to make sure that any future forecasts going forward are accurate.

Of course issues may arise that might be out of control of the company but we have to remember that full transparency would provide the proper checks and balances to cover all of the party's interests. If not, then impartiality would be argued from both perspectives.

Let full transparency be the guide to resolve all the issues in these cases. This could eliminate all the current issues that are going on.

Until the full transparency is afforded the possibility exists that there will be always an argument that someone is not impartial.

What is there to hide?

I know from my previous experience with the accounting for a former Nuclear Power Plant up North that unless there is full transparency issues might arise later on that might have a significant impact on the shareholders/ratepayers and the Company. Take a look at my email correspondence to see some of the potential issues that can surface if there is a lack of full transparency.

Hopefully there are no typo(s).

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com.

Thanks,

000123

Robert H. Smith

Here is from a Utility/Company/Shareholder/ratepayer perspective.

I have been providing technical accounting with regard to the issues below. This is from an accounting approach to take a look at the costs, recovery periods and rate of returns on these issues.

I have provided insight in the original rate of return testimony with regard to the debt to equity issues. I am sure that you are aware that the company has just issued the debentures below.

JUNO BEACH, Fla. (AP) -- Power-plant operator FPL Group Capital Inc. said Friday it sold $400 million in debentures.

The debentures bear interest at 2.6 percent per year and will mature Sept. 1, 2015. The debentures will be guaranteed by FPL Group Capital's parent company, NextEra Energy Inc.

The debentures were offered to the public at 99.967 percent of face value to yield 2.607 percent when held to maturity.

Net proceeds will be added to FPL Group Capital's general funds, which the company expects to use to repay debt.

Shares of FPL Group Capital rose 84 cents to close at $53.89.

The following technical accounting has been sent regarding the case with regard to:

Here it is from a Utility/Ratepayer/Shareholder perspective

FW: Seabrook Asset Transfer / This one there is very specific accounting that must be followed. If this is made part of the public record you can take a look at the technical accounting that I have talked about with regard to this potential sale/transfer.

Here it is from a Utility/Ratepayer/Shareholder perspective.

FW: Docket No. 080677, FPL Reconsideration Request Nuclear Uprates / Docket 100009 Nuclear cost recovery clause I have been added as an interested party in this new case.

Here it is from a Utility/Ratepayer/Shareholder perpsective

Cost of Debt versus Equity issues / See email below. If they make this information part of the public record then you will see the cost of service updates with the potential savings that might be realized under two different potential scenarios. The savings can change based upon the mix of what they do but if you look at some of my email correspondence with regard to my discussion of the Cost of money issue you will notice that there might be potential savings that might be significant to the ratecase. Based upon my original concern with the return on Common Equity this will validate my approach with these types of cost of capital issues.

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Wednesday, August 25, 2010 10:27 AM
To: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham <Commissioner.Graham@psc.state.fl.us>'; 'Office of Comissioner Brise <commissioner.Brise@psc.state.fl.us>'
Cc: 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Subject: FW: Seabrook Asset Transfer

Dear Commissioner's and Ms. Bennett,

The need for full transparency with any of these transactions is of the utmost importance. If you recall I have asked about the spin-off of the Fiber Net Business in my original emails. What happened to this valuation when they moved the assets? Were these moved from the Utility to FPL FiberNet? Was the market values disclosed on these assets on the transfer if they came from the Utility?

Transparency should be fully afforded since if there are very large gains with the market values of these assets then they should be disclosed.

I will send the email that I have sent to the newspapers in a separate email since these emails have been appended below the emails that I have sent to Mr. Lew Hay and Mr. Sieving.

Here is the email below that I have sent to Mr. Lew Hay and Mr. Sieving back in May and June 2009.

Company	Incorporation	Regulated (Yes or No)	Primary Business Descrip.
FPL Group	1984	Parent Corp. Consold.	Regulated Utility/NextEra Energy/FPL Group Capital,FPL Ope
FPL	1925	Yes	Regulated Supplier of Electric Service / Utility
FPL Group Capital	1984	Holding Company	Provides Capital Funding for Subsidiaries including NextEra E
NextEra Energy	1998	No?	Competitive Energy Subsidiary / Clean & Renewable Fuels
FPL Group Operations/FPL FiberNet	2000	No?	FPL Utility Fiber Optic Line Transfer to FPL FiberNet

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Wednesday, June 03, 2009 12:56 PM
To: 'Lew_Hay@fpl.com'; 'Investors@fpl.com'
Cc: 'Charles_Sieving@fpl.com'
Subject: FW: Preliminary 2008 10K questions 4th Request / Robert H. Smith Investor

Dear Mr. Hay,

I sent this fax in order for you to obtain the appropriate information with regard to the email correspondence below.

Your help with this would be greatly appreciated.

Dear Mr. Sieving,

Your help with this matter would be greatly appreciated.

Thanks,

Robert H. Smith

000126

Classic PhoneTools

BVRP software

11340 Heron Bay Blvd #2523
Coral Springs Florida
33076
UNITED STATES

Phone:

Fax:

Message :

Dear Mr. Hay,

What is the status of handling this request? I have not heard back even from investor relations.

I would like to receive this information since the company is in the middle of a rate case. I do not want any of the information to be delayed since the rate case is proceeding forward and I think that the questions that I will be asking will be very easy to answer.

If you have any questions regarding the email below please do not hesitate to call me at (954)-340-4956 or (954)-798-6127.

In addition I can be contacted by email at rpjrb@yahoo.com.

Thanks,

Robert H. Smith

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From: Rob Smith	**To:** Florida Power & Light Group Mr. Lew Hay
Date: 6/3/2009	**Page(s):** 5

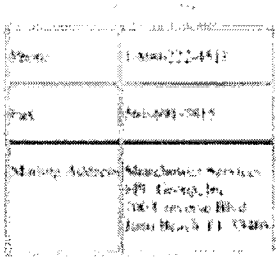
From: RSmith [rprb@yahoo.com] [mailto:rprb@yahoo.com]
Sent: Wednesday, June 03, 2009 12:39 PM
To: 'Lew_Hay@fpl.com'; 'Investors@fpl.com'
Subject: FW: Preliminary 2008 10K questions 4th Request

Dear Mr. Hay,

What is the status of handling this request? I have not heard back even from investor relations.

I would like to receive this information since the company is in the middle of a rate case. I do not want any of the information to be delayed since the rate case is proceeding forward and I think that the questions that I will be asking will be very easy to answer.

I will be sending a fax to:



Thanks,

Robert H. Smith

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recipient, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this telecopied information is strictly prohibited, and the documents should be returned. In this regard, if you received this telecopy in error, please contact the sender by reply E-mail and destroy all copies of the original.

From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Wednesday, June 03, 2009 12:39 PM
To: 'Lew_Hay@fpl.com'; 'Investors@fpl.com'
Subject: FW: Preliminary 2008 10K questions 4th Request

Dear Mr. Hay,

What is the status of handling this request? I have not heard back even from investor relations.

I would like to receive this information since the company is in the middle of a rate case. I do not want any of the information to be delayed since the rate case is proceeding forward and I think that the questions that I will be asking will be very easy to answer.

I will be sending a fax to:

Phone	1-800-222-4511
Fax	561-691-7815
Mailing Address	Shareholder Services FPL Group, Inc. 700 Universe Blvd. Juno Beach, FL 33408

Thanks,

Robert H. Smith

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this telecopied information is strictly prohibited, and the documents should be returned. In this regard, if you received this telecopy in error, please contact the sender by reply E-mail and destroy all copies of the original.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Tuesday, June 02, 2009 3:06 PM
To: Lew_Hay@fpl.com; Investors@fpl.com
Subject: Preliminary 2008 10K questions 3rd Request

Dear Mr. Hay,

What is the status of the handling of this request?

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, May 29, 2009 10:55 AM
To: Investors@fpl.com
Cc: Lew_Hay@fpl.com
Subject: FW: Preliminary 2008 10K questions

To whom it may concern:

Please let me know if this information is available. It was indicated that FiberNet is a regulated entity. Please verify that this is the case.

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, May 28, 2009 1:44 PM
To: Investors@fpl.com
Subject: Preliminary 2008 10K questions

To whom it may concern:

I am a shareholder at FPL Group and I was taking a look at the 10K. I am in the process of becoming familiar with the financial statements of FPL Group.

If you could be so kind I would like a couple of preliminary questions answered regarding the 10K.

I would like a break out of the Corporate & Other that is on Page 97 in Section 16. Segment Information. Please describe the revenue inflow and expense outflows with detailed descriptions.

It shows operating revenues of $191 million and operating expenses of $190 million.

Please provide me with a list of regulated and non-regulated entities at FPL Group. Please provide the governing body of each entity. I have put together a preliminary list of what I could determine from the 10K.

Company	Incorporation	Regulated (Yes or No)	Primary Business Descrip.
FPL Group	1984	Parent Corp. Consolid.	Regulated Utility/NextEra Energy/FPL Group Capital,FPL Ope
FPL	1925	Yes	Regulated Supplier of Electric Service / Utility
FPL Group Capital	1984	Holding Company	Provides Capital Funding for Subsidiaries including NextEra E
NextEra Energy	1998	No?	Competitive Energy Subsidiary / Clean & Renewable Fuels
FPL Group Operations/FPL FiberNet	2000	No?	FPL Utility Fiber Optic Line Transfer to FPL FiberNet

Does FPL have a schedule of segmented cash flows for each entity?

Does FPL have a schedule of approved vendors? I know that the utility must put these contracts out to competitive bid.

Is FPL utilizing outside placement agencies for temporary personnel? If so, is this part of the competitive bidding process and is this list available?

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or call me at 954-798-6127.

Thanks,

Robert H. Smith

11340 Heron Bay Blvd. #2523

Coral Springs, Florida 33076

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Wednesday, August 25, 2010 10:15 AM
To: 'jpatel@sunsentinel.com'; 'meklas@MiamiHerald.com'; 'susan_salisbury@pbpost.com'; 'dara_kam@pbpost.com'; 'aclough@pbpost.com'; 'tim_Burke@pbpost.com'
Subject: FW: Seabrook Asset Transfer

To all,

Here is the latest post. Let's see the market values that get published. The total market values of these assets should not be classified as confidential. There is a need for transparency of the calculation of the Gain on sale for both book/tax purposes.

How would the customer receive the transparency with regard to how much they should benefit from the sale of these assets if the market value exceeds its net book value? There should be no confidential treatment for this since any gain on Utility asset sales should be owed to the ratepayers.

This is for your information. I am sharing this information since this is a very important issue for both the ratepayers and shareholders of this company.

Transparency is very important as well considering what has been going on with this case. There is no reason why this type of information should be confidential since once the sale is completed this would have to be disclosed to both the ratepayers and shareholders (i.e. 10K).

I want to make sure that if any of the newspapers uses any of this information in any of their reporting that my email correspondence is referenced as per the disclosures below. This includes all attachments and email correspondence.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or contact me at 954-340-4956.

Thanks,

Robert H. Smith

Thanks,

Robert H. Smith

Document	Date	Description
07041-10	08/24/2010	FPL (Kaufer) - Affidavit of Kim Ousdahl, Exh D [to request for confidential classification of the Price appraisal report (DN 07038-10)].
07040-10	08/24/2010	FPL (Kaufer) - Justification table, Exh C [to request for confidential classification of the Pricewaterh report (DN 07038-10)].
07039-10	08/24/2010	FPL (Kaufer) - (CONFIDENTIAL) Estimate of the fair market value of the Seabrook NED substation, Report), prepared by PricewaterhouseCoopers LLP.
07038-10	08/24/2010	FPL (Kaufer) - Request for confidential classification of the PricewaterhouseCoopers LLP appraisal attached Exh B.

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Friday, August 06, 2010 10:17 AM
To: 'jpatel@sunsentinel.com'; 'meklas@MiamiHerald.com'; 'susan_salisbury@pbpost.com'; 'dara_kam@pbpost.com'; 'aclough@pbpost.com'; 'tim_Burke@pbpost.com'
Subject: FW: Seabrook Asset Transfer

To all,

I do not know if this information was made part of the public record. Hopefully it will, so I am sending this information in advance. If it made available you will see it in the same docket.

Hope this helps and fell free to call me if anyone has any questions.

If you have any question please do not hesitate to email me at rpjrb@yahoo.com or call me at 954-340-4956.

Here is the link with my updated information.

http://www.floridapsc.com/dockets/cms/ShowDocket.aspx?docket=H:\LIBRARY\FILINGS\08\10741-08

Thanks,

000133

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Wednesday, August 04, 2010 9:21 AM
To: 'Office Of Commissioner Graham <Commissioner.Graham@psc.state.fl.us>'; 'Office of Comissioner Brise <commissioner.Brise@psc.state.fl.us>'
Cc: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Subject: FW: Seabrook Asset Transfer

Dear Mr. Graham and Mr. Brise,

Here is what I have forwarded regarding the Seabrook Asset Transfer. I do not know if the previous email as well as this email has been made of the public record. I think that it should.

Thanks,

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Wednesday, May 19, 2010 5:58 PM
To: 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'; 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'
Subject: Seabrook Asset Transfer

Dear Ms. Bennett and Commissioner's,

I noticed that the journal entries below are at book cost.

I think that the following questions have to be answered for this sale:

What is the market value/appraisal of these assets? This can have a very significant impact on the gain on sale to the customer. The Florida ratepayer should be able to receive the current market value on the sale of these assets.

What is the Net Book Value of these assets? This must include any over/under recoveries of Theoretical Depreciation. This will have an impact on the book gain for ratemaking purposes since if these assets are over recovered then the book gain would be larger therefore creating a larger benefit to the ratepayer. (Market Value – Net Book Value (including Theoretical analysis) = Gain on Sale for ratemaking purposes.

How much tax basis is remaining on this plant? If these are fully depreciated for tax purposes, then there would be a full gain on sale for tax purposes since all the tax benefits associated with this plant have already been deducted. This will create a large tax gain on sale for tax purposes (Market Price – Remaining tax basis = Gain on Sale for tax purposes). There should be depreciation recapture for any amounts that have been deducted for tax purposes that exceed the depreciation recovery for book purposes.

I s**aved** the old PDF file from April 2nd, 2010.

These issues are very important to take into consideration with any sale. I wanted to write a quick email regarding this pending sale. If something, else comes up or needs to be changed I will let you know.

When I worked at LILCO/KeySpan Energy this became a very important issue when we transfer the Shoreham Nuclear Power Plant/Distribution Plants to the Long Island Power Authority.

Market Value, Remaining Book Value (Rate Making Book Value) and remaining tax basis is very important with any sale of any asset at the company.

Did anyone audit the work orders for any of the plant additions that FPL was charged for this plant?

We have to be very careful with these sales. If need be I will send another FOIA request for information to take a look of how this sale is being completed.

I have personally prepared these calculations from both a book perspective as well as a tax perspective including working on the Shoreham Nuclear Plant Asset /Distribution Asset transfers to the Long Island Power Authority. This is a very important issue for both FPL and the ratepayers.

I know that the FERC form 1 reports do not disclose the net book values of specific plants but only the net book values based upon the normal book depreciation recovery that is being recorded. A theoretical study would have to be calculated to look at the over/under recovery of depreciation on the sale of these plants. Maybe some of the reserve surplus has some of this plant as over recovered.

This information is being sent to help out. Will this email be made part of the public record? I would like this to be made part of the public record since this is a very significant process for the ratepayers of Florida.

I wanted to send a quick email but I will follow up if I can think of something else.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or call me at 954-340-4956/954-798-6127.

Thanks,

Section 33.5 - Proposed Accounting Entries

FPL and NHT are or will be required to maintain their books of account in accordance with the Commission's Uniform System of Accounts in 18 C.F.R. Part 101. The proposed accounting entries that FPL and NHT will use to account for the proposed Transaction in accordance with the Commission's Uniform System of Accounts are provided below. Upon purchase, the plant assets acquired by NHT will be recorded at original cost in Account 102, Electric Plant Purchased or Sold, and all other accounts will be recorded at book value in the same accounts as recorded by FPL. These proposed entries, estimated as of May 31, 2010, represent FPL's 88.22889% undivided interest in the Seabrook Substation facilities. Actual amounts recorded will be based on book values at the acquisition date.

FPL Entries to Transfer Plant Assets to Account 102

FERC Acct	Account Description	Debit	Credit
102	Electric Plant Purchase/Sold	$ 66,269,816	
101	Plant in Service (Plant Account 353)		$ 66,269,816
108	Accumulated Provision For Depreciation	$ 11,365,447	
102	Electric Plant Purchase/Sold		$ 11,365,447
102	Electric Plant Purchase/Sold	$ 16,212,125	
107	Construction Work In Progress (CWIP)		$ 16,212,125

FPL Entries to Record the Sale

FERC Acct	Account Description	Debit	Credit
102	Electric Plant Purchase/Sold		$ 71,116,494
143	A/R Co owners-(3rd Party)		$ 2,960,461
173	Accrued Revenue		$ 1,153,468
233	Notes Payable	$ 35,601,317	
234	Accounts Payable to Associated Companies	$ 909,960	
236	Accrued Property Taxes	$ 369,361	
242	Misc Accrued Liab	$ 135,962	
131	Cash	$ 38,213,823	

NHT Entries to Record the Purchase

FERC Acct	Account Description	Debit	Credit
102	Electric Plant Purchase/Sold	$ 71,116,494	
143	A/R Co owners-(3rd Party)	$ 2,960,461	
173	Accrued Revenue	$ 1,153,468	
233	Notes Payable		$ 35,601,317
234	Accounts Payable to Associated Companies		$ 909,960
236	Accrued Property Taxes		$ 369,361
242	Misc Accrued Liab		$ 135,962
131	Cash		$ 38,213,823

NHT Entries to Clear Account 102

FERC Acct	Account Description	Debit	Credit
101	Plant in Service (Plant Account 353)	$ 66,269,816	
108	Accumulated Provision For Depreciation		$ 11,365,447
107	Construction Work in Progress (CWIP)	$ 16,212,125	
102	Electric Plant Purchase/Sold		$ 71,116,494

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RSmith [rpjrb@yahoo.com]

From: RSmith [rpjrb@yahoo.com] [rpjrb@yahoo.com]
Sent: Thursday, October 29, 2009 7:34 PM
To: 'Lisa Bennett'; 'Office of Commissioner Carter'; 'Office Of Commissioner Edgar'; 'Office of Commissioner McMurrian'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office of Commissioner Klement <Commissioner.Klement@psc.state.fl.us>'; 'Office of Commissioner Stevens <Commissioner.Stevens@psc.state.fl.us>'; 'Ann Cole'; 'Marshall Willis'; 'Cheryl Bulecza-Banks'; 'Andrew Maurey'; 'Tim Devlin'; 'Dorothy Menasco'
Cc: 'chairmanoffice@sec.gov'; 'SEC Help'; 'Cathy.Flanagan@usdoj.gov'; 'AskDOJ@usdoj.gov'; 'Drayne, Karen'; 'Bill@billnelson.senate.gov'; 'Shelby, Senator (Shelby)'; 'senator_bingaman@bingaman.senate.gov'; 'senator@dorgan.senate.gov'; 'senator_leahy@leahy.senate.gov'; 'senator_lugar@lugar.senate.gov'; 'gpoaccess@gpo.gov'; 'comments@whitehouse.gov'; 'vice_president@whitehouse.gov'; 'Charlie.Crist@MyFlorida.com'; 'rpjrb@yahoo.com'
Subject: FW: Depreciation Testimony / Theoretical Depreciation Reserve

Categories: Blue Category

Dear Commissioners,

Sorry I noticed a **typo.**

Thanks,

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Thursday, October 29, 2009 3:38 PM
To: 'Lisa Bennett'; 'Office of Commissioner Carter'; 'Office Of Commissioner Edgar'; 'Office of Commissioner McMurrian'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office of Commissioner Klement <Commissioner.Klement@psc.state.fl.us>'; 'Office of Commissioner Stevens <Commissioner.Stevens@psc.state.fl.us>'; 'Ann Cole'; 'Marshall Willis'; 'Cheryl Bulecza-Banks'; 'Andrew Maurey'; 'Tim Devlin'; 'Dorothy Menasco'
Subject: Depreciation Testimony / Theoretical Depreciation Reserve

Dear Commissioner's,

K Michael Davis indicates that Depreciation is not a cash account in which money can be disbursed but what about the over collection of the money in the 131 cash account? This is a contradictory statement since it is OK for the Cash to be collected in rates (131 cash account) yet not returned due to the over collection in the company's reserve. The depreciation expense account in the cost of service is directly an offset of the revenue line on the cost of service. Remember under traditional ratemaking design RateBase X Allowed Rate of Return = Level of Operating income allowed

by the cost of money. All things being equal if we were zero based at the operating income level the level of depreciation expense should equal the cash collection in rates except for the return on investment component.

The cost of service at the operating income line includes both revenues and depreciation expense therefore Mr. Davis's response that the depreciation reserve is not an account in which cash money can be disbursed is true from a literal aspect but not from a buildup of a cash reserve in the cash account (131 Account). The reason for this is that if cash rates are an indication of the revenues in the cost of service and the depreciation expense is the level of expense for recovery of the cash in the revenue line then how can he indicate that the reserve is not an account that there is a inherent cash buildup if we are in agreement that there is an over recovery in the reserve?

If you reverse out the reserve this would translate to a reduction in depreciation expense which might cause an over earning at the company. Yes the actual reserve account is a balance sheet account that unless it is reversed out it would be an accumulated account in which the over collected dollars would be collected in this reserve account which Mr. Davis has indicated is a direct reduction to ratebase. A reduction of ratebase translates to a reduction of the revenue requirements for the return on investment under traditional ratemaking design. The fact that the accumulated depreciation account has a surplus would have to have a corresponding debit account from Generally Accepted Accounting Principles. If the company is over collecting in its rates then the corresponding debit account would be the Cash account (131) for the over collection of the money.

Very simple:

Journal Entry #1

Debit Cash (Depreciation Recovery) / 131 Account

Credit Revenue (Sales Revenue for Depreciation) 400 account

To record the cash receipts from our customers as it pertains to depreciation. **There is a real cash impact with this entry.** This is a net entry in which Customer Accounts receivable (regulatory asset) 142 account would be accrued and reversed based upon cash collections.

Journal Entry #2

Debit Depreciation Expense 403 account

Credit Accumulated Depreciation 108 account

To record Depreciation Expense for the period X. This is a normal accrual entry based upon the depreciation rates (cash rates) as established by the prior rate case. This would not be a cash entry for GAAP but there is an inherent assumption of cash collection in this entry based upon the old cost of service as filed to support the rates that were established with the 2005 case

P&L Impact

Revenue / This is from Journal Entry #1 / This translates to cash recovery based upon the depreciation rates that have been set with the old rate case

Depreciation Expense / This is from Journal Entry #2 / This entry can be adjusted by ledger 3 additions and retirements of plant.

If there is no over recover or under recovery then both of these would be exactly the same amount to be revenue neutral to the cost of service for the cash collection of depreciation in rates. This assumes that there are no additions

and retirements. There might be a difference for the return on ratebase (return on investment/equity) from a traditional ratemaking perspective but the concept of the recovery of the depreciation in rates should match if the cash rates have been set properly.

If the revenue above is greater than the required depreciation based upon the theoretical study if the depreciation expense entry is not reduced the accumulated depreciation will show a greater reduction to rate base and accumulate in this account until the company corrects for the return of the over recovery. It might be very simple to ignore the over collection of cash that should be available as a surplus.

According to Mr. Davis a snap shot is a starting point for the measurement of over/under recovery of depreciation. This might be correct from at looking at the theoretical versus the actual reserve in total but it appears that there is no mention that they are automatically collecting in cash rates an amount in excess of the annual recovery that would be needed to match the depreciation expense if it was adjusted to match the new remaining lives. If there was an adjustment then there would be a direct reduction to depreciation expense which might cause over earnings. If there is a sharing mechanism for over earnings then the customer would be penalized through cash rates since the over collection is being currently collected in rates.

The remaining life methodology would work if the surplus cash was remaining in the 131 cash account. This is what is the real problem is. The company has over collected the cash in its rates and until there is an accounting of where the surplus cash is the potential exists for the company to ask for another rate increase in the future if they need more cash. This is probably why Mr. Davis wants to make sure that the over collection is not returned quickly. What happens if the company uses the money for other items (regulatory/potential non-regulatory (so far there has been no discussion of this issue)? The possibility exists that there would be a quick cash revenue requirement if the surplus cash is no longer available for future plant additions.

Again where is the surplus cash and how was this spent? It is very important to gain an understanding on where the surplus cash was spent. This is very important from a regulatory and non-regulatory approach. Remember there was a swing in earnings for NextEra (non-regulated) entities. The change in earnings from a P&L aspect would not be an issue but we have to take a look at the cash financing of these entities and to see if any cash flow has been used to support any of the capital spending to put these plants into service. The only way that this can be determined is if we take a look at the segmented cash flows of the company as it relates to its holding company concept.

Since Mr. Davis is indicating that the remaining lives are greater than the existing lives due to the plant in service lasting longer then are these assumptions being used in their new ratecase to show a reduction to depreciation expense in their current cost of service for the rate case? This would show that the revenue requirements should be going down.

I know that this might not show up since they are always adding new plant in service. We must make sure that the new plant additions are using the new extended lives for book depreciation if Mr. Davis's argument is that the existing plant remaining lives are greater than the existing lives due to the plant in service lasting longer. If FPL is using the old plant service lives for forecasting purposes on new plant in service this might cause the same issue with regard to creating another surplus for the new additions in the case. Is this the case?

Mr. Davis indicates that the benefit of a Steam unit now is lower than the benefit that it produced in the earlier years even thought the lives of the units have been extended. I would think that it would be up to FPL to complete economic analysis to determine if the extended lives of the existing steam units outweigh the benefits of putting in new units that are much more efficient and provide a better benefit to the ratepayer. Does FPL model for their new Steam production plant in service for the new ratecase a life that is in line with the current Steam unit lives that have been extended? You would have to take a look at the capital forecast that FPL put together for the rate case to determine what type of lives are being used for new Steam generation. I would think that we do not want to model shorter lives in this case if in fact the theoretical reserve is indicating that the remaining lives are being extended. This methodology should be used for all new plant in service that the theoretical lives have been extended. If the forecast does not take this into account then

there will always be an over recovery since the models might be using shorter lives than the theoretical studies suggest in which the lives have been extended.

Where is there talk of cost of removal costs with regard to charges to the accumulated depreciation reserves (108 accounts)? Have these costs been looked at as they related to charges that are being recorded to ledger 10? How much of these costs reduced the amount of over funding and has an audit been performed with regard to the audit of these costs?

If FPL is going to potentially complete a depreciation study every 4 years then it would probably make sense to return a majority of the over recovery over 4 years and revisit the over/under recovery in a 4 year timeframe. There should be no problem with this approach since this will monitor the over/under recovery to make sure that the surplus does not continue to climb. What about letting the company complete a study every year to monitor this issue? I would think that this should not be a problem. I know that at times up North we prepared the theoretical studies every year/six months to watch for both over/under recoveries as well as cost of removal costs that were being charged to the depreciation reserves.

The argument with regard GAAP versus Regulatory perspective of recording the return of the $125 million per year is a very simple thing to address. If there is an over recover of the money in rates you can record a regulatory asset/liability (not an asset for the over recovery of the money). Mr. Davis has indicated that with the reversal of the depreciation expense that the ratebase will go up for this adjustment. The argument to give back the depreciation over recovery over the remaining life might be OK as long as the surplus cash is still in the 131 Cash Account. If not, then where did this money go? Where is the GAAP aspect of the cash reserve and if the money still exists for the over recovery? If they are over collecting for the depreciation yet the amount of expense required is less then this money should be accumulated as a cash surplus as per GAAP and Regulatory purposes. So far there has been no talk of cash flow.

Debit Cash 131 account

Credit Deferred Credits 253 account

To record over recovery of money from the ratepayers for depreciation expense.

The theoretical reserve can then be isolated for ratemaking purposes and as I have indicated above we can make sure that we see the pure number of over collection excluding cost of removal/salvage adjustments to the depreciation reserve accounts. If you revisit the theoretical reserve on an annual/six month basis then you can then adjust the regulatory asset/liability to adjust for the new theoretically study. This would make the most sense since it would allow for a quicker adjustment to compensate for these over/under recoveries. This is no different than the Fuel Adjustment Clause. This clause is being adjusted as the fuel costs are going up or down allowing for a smoother rate design. If fuel costs are higher than the recovery it would create a regulatory asset (186 account) if the recovery is higher than the actual fuel costs it would create a regulatory liability (253 account). During these economic times this would probably make the most sense.

You do not want to go down the road and find out that the possibility exists that there is not adequate cash reserves for a large item such as depreciation. If the cash surplus related to these over recoveries are not being maintained as a surplus and the company needs the cash for plant maintenance of existing/future plant then the company would have to either ask for another rate increase or finance the cost of maintenance in the future. This is why it is very important to know where the cash surplus of this money has been spent or if it is being maintained in the cash 131 account.

I can only hope that we do not see that this surplus cash reserve has been spent and this is really the reason why they are asking for the return of the surplus over the remaining lives. There would be no harm in creating a cash give back to the customer and revisiting and monitoring this surplus every six months to a year. I think that yearly would be appropriate to tighten the cash flow related to this item to make sure that the surplus cash is being maintained by the company to mitigate some of the requested rate increase by the company.

This is why we have to take a look at the segmented cash flows of the money in and out of the 131 cash account at the Utility. Is there separate cash accounts being maintained at each subsidiary company? If yes, then we should be able to trace the trail of the movement of the cash. If not, then we need to know if there is separate billing/work order systems being maintained by the company to make sure that the ratepayers cash surplus is being kept intact. Where is the talk about the cash flow of the company in the testimony?

Listening to Mr. Deason's testimony with regard to making the argument that the surplus cash should be given back over the remaining useful lives versus a 4 year period is a very interesting. His testimony might be valid as long as there can be quantification of the surplus cash and that this cash is being maintained in the Utility 131 account. We have to remember that Generally Accepted Accounting Principles indicates that there are Debit's and Credits to a journal entry and that in order for the them to balance in this case there would have to be surplus cash (131) (Debit) to match the Accumulated Depreciation Reserves (108) (Credit). There has been no talk about the surplus cash existing in the 131 account. If the cash does not exist then the possibility exists that the Credit (Accumulated Depreciation 108) is a lot larger than the Debit (Cash 131). Where is the cash going to come from to potentially give the customer a refund if the cash is not being maintained in the Cash 131 Account? How come there was no talk about this cash surplus?

Mr. Deason indicates that he feels that the company probably did not under earn during the years 2002 to 2005 and might have either over earned or earned its allowed rate of return. If there was a sharing mechanism there is no reason why the company should benefit from a surplus of depreciation as a contribution to over earnings. This would be considered an over collection due to extending the asset lives therefore the customer should receive full benefit for this type of surplus. There should be no sharing of this surplus if it resulted in over earnings. We have to be very careful here especially from a cash flow perspective.

Please make sure that all the new capital forecasts and assumptions are accounting for extended live of the assets that are creating this surplus. This should be the assumption in the new case and if it is not, you can be assured that the surplus will continue to grow for the same reasons that the company now has a surplus. This should not be a one way street. If FPL feels that the extended lives have contributed to this surplus then from a GAAP and Regulatory perspective their estimate for useful lives in their forecasting methodology should account for these extended lives to mitigate this type of surplus in the future. If the case is approved with the forecast using the same useful lives that has generated the surplus then the surplus will continue therefore a temporary surplus give back might be warranted. It is very easy to indicate that since there is an over recovery of cash that you want to give it back over the remaining useful lives but conversely it would be just as important to make sure that the forecast methodology is addressing the surplus issues in their new estimates for setting depreciation rates in the new ratecase.

Mr. Deason has indicated that if you reverse out the over collection that you would be adding to ratebase plant that would have to be re-recovered. From a GAAP perspective this makes sense since the useful lives of existing plant have been extended. There is no indication that the customer would not pay for recovery of the added assets to ratebase. It is only that the customer has paid for the asset recovery in advance (Prepaid) from a Cash/GAAP perspective. There really should be no problem with this since the company will receive recovery based upon the calculated extended lives of the assets that have caused the over recovery. Conversely, the ratepayer/customer has already prepaid for the recovery of this asset and there should be a surplus in the Cash 131 account. There has been no talk about this issue.

There really would be no harm to mitigate some of the rate increase with giving back some of this surplus and monitoring this on an annual basis. Why not give back some of the surplus in year 1 and monitor the surplus every year to determine how much should be given back each year? This should not be a problem since I think that the Fuel Cost Adjustment has this type of accounting in place. I am sure that if fuel costs go up significantly that the company would want to increase their cash rates very quickly. Why not for the give back of the Depreciation Surplus? During these tough economic times the Commission should use every avenue to make sure that this is a two way street. If the full rate increase is approved and FPL's argument is that the customer's bill will be going down after the fuel cost adjustments what happens if the fuel costs go up? I am sure that FPL would be adjusting the fuel adjustment clause to recover the cash very quickly for this issue. So if the fuel costs go up after the decision in this case, the ratepayers of Florida are not only going to see a cash increase for base rates but an immediate increase in their rates for an increase of

fuel costs. Why is it OK to immediately adjust rates for fuel but not give back some of the depreciation surplus currently to mitigate some of the increase to help the ratepayers during these economic times?

Unless the cash surplus related to depreciation does not exist?

Where is the testimony regarding the cash surplus related to depreciation at the company? If it does not exist then where did it go? These are the real questions.

With today's technology it should be very easy for the company to automate the calculation of the depreciation studies. I know that I have prepared these myself including net book value calculations for plant by location. When I was up North this became a very important issue since we had a concurrent merger and a transfer of assets to a State entity. When it came down to transferring these assets we had to determine our Net Book Values from a book perspective versus a tax perspective since this could have an impact on any gain on sale transactions. I personally prepared the book depreciation studies/entries for the company as well as work on the tax issues related to tax depreciation issues.

I started in financial planning preparing all these forecasts (5 year plans) including interrogatory responses and then when we worked on the concurrent merger and transfer of assets they utilized my computer/accounting expertise to work on the automation of the depreciation process and studies. I automated this process with 3 months in the Fixed Asset department and then I went to the tax department to work on the tax depreciation aspect of this process. Since I was able to come up with the automation of this process we were then able to complete calculations of net book values of plant and complete gain on sale analysis from a tax perspective. I know that the company through its FERC filings does not disclose these numbers for competitive reasons but in the future when these plants are sold this will become a very large issue for the company in terms of the gains that are calculated on the potential sale of the assets.

I know that I can help with this initiative if the company indicates that it cannot complete these theoretical studies on a timely basis. There really is no excuse since there is a huge surplus and the ratepayers need to hold the line on rates during these tough times.

I appreciate the opportunity to hear the testimony and that it was made available on line to review. There is a lot of material and I can only hope that I have contributed to this case.

People in the State of Florida are hurting and I think that we really have **to do whatever** is necessary to balance both the needs of the ratepayers and shareholders during these tough economic times.

If I can be of assistance please do not hesitate to ask. Please let me know if the previous email and this one will be included in the testimony and available on the public site.

Thanks,

Robert H. Smith

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Florida Power & Light Company
and Subsidiaries
Basis For the Requested AFUDC Rate
FPSC Adjusted Basis
December, 2008

Schedule A: Page 1 of 1

Capital Components	Jurisdictional Average	Capital Ratio	Cost of Capital	AFUDC Weighted Components
Long Term Debt	4,407,092,709	29.83%	5.40%	1.61%
Short Term Debt	323,363,439	2.19%	2.52%	0.06%
Preferred Stock	-	0.00%	0.00%	0.00%
Customer Deposits	506,921,098	3.43%	5.91%	0.20%
Common Equity	6,968,461,581	47.17%	11.75%	5.54%
Deferred Income Tax	2,545,041,042	17.23%	0.00%	0.00%
Investment Tax Credits	21,115,507	0.14%	0.00%	0.00%
	14,771,995,376	100.00%		7.41%
Equity Ratio	59.57%			
RateBase 12/31/2008	15,046,960,115			
Average Rate of Return	7.66%		Per Above	7.41%
Net Operating Income	1,152,320,559			1,115,265,140

Effective January 1, 2008 The Commission Approved AFUDC Rate is 7.65%

Source: February 12, 2009 Rate Return Report

000146

Schedule A: Page 1 of 1

Capital Components	Jurisdictional Average	Capital Ratio	Cost of Capital	AFUDC Weighted Components
Long Term Debt	5,298,960,654	31.57%	5.49%	1.73%
Short Term Debt	156,113,805	0.93%	2.11%	0.02%
Preferred Stock	-	0.00%	0.00%	0.00%
Customer Deposits	544,711,775	3.24%	5.98%	0.19%
Common Equity	7,889,967,199	47.00%	10.00%	4.70%
Deferred Income Tax	2,892,247,084	17.23%	0.00%	0.00%
Investment Tax Credits	5,429,401	0.03%	0.00%	0.00%
	16,787,429,918	100.00%		6.65%
Equity Ratio	59.12%			
RateBase 12/31/2008	16,787,429,918			
Average Rate of Return	7.66%		Per Above	6.65%
Net Operating Income	1,285,608,553			1,116,364,090

Effective January 1, 2008 The Commission Approved AFUDC Rate is 7.65%

Florida Power & Light Company
Docket No. 08-0677-EI
December 2010 Projected Test Year
Operating Revenue Increase Calculation

Line No.		As Filed	Commission Adjusted	Nuclear Uprates	Nuclear Uprates	Diff
1.	Rate Base	17,063,586,000	16,787,429,918	168,234,989	168,234,989	-
2.	Overall Rate of Return	8.00%	6.65%	7.41%	6.65%	-0.76%
3.	Required Net Operating Income (1)x(2)	1,364,748,000	1,116,364,090	12,469,404	11,187,627	(1,281,777)
4.	Achieved Net Operating Income	725,883,000	1,070,179,348	-	-	-
5.	Net Operating Income Deficiency (3) - (4)	638,865,000	46,184,742	12,469,404	11,187,627	(1,281,777)
6.	Net Operating Income Multiplier	1.63342	1.63411	1.63411	1.63411	1.63411
7.	Operating Revenue Increase (5)x(6)	1,043,535,000	75,470,948	20,376,377	18,281,813	(2,094,564)

7.41% as per January 1, 2009 Approved AFUDC rate. Matches the December, 2008 Rate of Return Report
6.65% as per calculated overall cost of money as per 08-0677-EI

Florida Power & Light Company
Docket No. 080677-EI
13-Month Average Capital Structure
December 2010 Test Year

Company As Filed

Schedule A: Page 1 of 1

Capital Components	Jurisdictional Average	Capital Ratio	Cost of Capital	AFUDC Weighted Components
Long Term Debt	5,377,787,000	31.52%	5.55%	1.75%
Short Term Debt	161,857,000	0.95%	2.96%	0.03%
Preferred Stock	-	0.00%	0.00%	0.00%
Customer Deposits	564,652,000	3.31%	5.98%	0.20%
Common Equity	8,178,980,000	47.93%	12.50%	5.99%
Deferred Income Tax	2,723,327,000	15.96%	0.00%	0.00%
Investment Tax Credits	56,983,000	0.33%	9.74%	0.03%
	17,063,586,000	100.00%		8.00%
Equity Ratio	59.62%			
RateBase 12/31/2008	17,063,586,000			
Average Rate of Return	7.66%		Per Above	8.00%
Net Operating Income	1,306,757,033			1,364,748,000

Effective January 1, 2008 The Commission Approved AFUDC Rate is 7.65%

000149

Florida Power & Light Company
Docket No. 080677-EI
December 2010 Test Year
Net Operating Income Multiplier

Line No.		(%) As Filed	(%) Commission Adjusted		
1.	Revenue Requirement	100.000	100.000		
2.	Gross Receipts Tax	0.000	0.000		
3.	Regulatory Assessment Fee	(0.072)	(0.072)		
4.	Bad Debt Rate	(0.260)	(0.302)		
5.	Net Before Income Taxes	99.668	99.626		
6.	Income Taxes (Line 5 x 38.575%)	38.447	38.431	Current Tax Rate	38.575%
7.	Revenue Expansion Factor	61.221	61.195		
8.	Net Operating Income Multiplier (100%/Line7)	1.63342	1.63411		

Dorothy Menasco 080677-EI

FPSC, CLK - CORRESPONDENCE
Administrative ✓ Parties Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION: _____

From: Dorothy Menasco
Sent: Wednesday, October 20, 2010 3:41 PM
To: 'rpjrb@yahoo.com'
Cc: Ann Cole
Subject: FW: Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification

Mr. Smith:

If you correctly sent the e-mail to clerk@psc.state.fl.us, and advised which docket(s) the information was to be placed in, then you will find it in the correspondence file(s) for the associated docket(s).

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

Please note: Florida has a very broad public records law. Most written communications to or from state officials regarding state business are public records available to the public and media upon request. Your e-mail communications may therefore be subject to public disclosure.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, October 20, 2010 3:38 PM
To: Dorothy Menasco
Cc: Kimberley Pena; Ann Cole; Lisa Bennett; Jennifer Crawford
Subject: RE: Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification

Dear Ms. Menasco,

Thanks. I have sent an appeal email regarding the release of the confidential Docket Number 08713-10. Has this been added to all files as well?

What about the other correspondence regarding the tax payments as well as the email asking questions about the depreciation surplus testimony?

Thanks,

Robert H. Smith

Confidentiality Statement

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From: Dorothy Menasco [mailto:DMenasco@PSC.STATE.FL.US]
Sent: Wednesday, October 20, 2010 3:28 PM
To: rpjrb@yahoo.com
Cc: Kimberley Pena; Ann Cole; Lisa Bennett; Jennifer Crawford
Subject: FW: Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification

Mr. Smith:

This e-mail will be printed and placed in Docket Correspondence - Parties and Interested Persons for Dockets 100410-EI, 100009-EI, and 080677-EI.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

Please note: Florida has a very broad public records law. Most written communications to or from state officials regarding state business are public records available to the public and media upon request. Your e-mail communications may therefore be subject to public disclosure.

From: Kimberley Pena
Sent: Wednesday, October 20, 2010 1:46 PM
To: Dorothy Menasco
Cc: Ann Cole
Subject: FW: Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification

Dorothy, I forgot to include you in my previous e-mail to him. I'm forwarding for a response regarding correspondence files.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, October 20, 2010 1:21 PM
To: Kimberley Pena
Cc: Lisa Bennett; Ann Cole; Jennifer Crawford
Subject: RE: Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification

Dear Ms. Pena,

I think that there are emails that have been fully excluded as well. I heard back from Ms. Menasco regarding the Docket 100140-EI but I have not heard back about the two other Dockets.

Docket 100009 and Docket 080677. I know that my information would be pertinent to all of the Dockets and I was concerned that just like the commission was providing for docket correspondence being posted into any docket that the information was pertinent to that my information would be posted to all three dockets as well.

All of the three dockets are related to the ratemaking at Florida Power & Light. Each docket would benefit from my information that has been posted in each docket since my email correspondence has always addressed the regulated Utility as a whole. When I worked up North we did not separate Dockets for specific issues if the impacts of one might impact another. I am sure that my email correspondence with regard to the technical accounting aspects of ratecase proceedings can be used in all of the dockets.

I do not understand why the commission would post all the information that would be pertinent to all three dockets but would not do the same for my email correspondence that has information that would be related from a technical accounting perspective.

I found it strange that two more dockets were created when the issues are related.

Thanks for your help.

Robert H. Smith

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From: Kimberley Pena [mailto:KPena@PSC.STATE.FL.US]
Sent: Wednesday, October 20, 2010 1:03 PM
To: rpjrb@yahoo.com
Cc: Lisa Bennett; Ann Cole; Jennifer Crawford
Subject: RE: Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification

I am forwarding your question regarding correspondence placed in other dockets to Dorothy Menasco for response.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, October 20, 2010 11:48 AM
To: Kimberley Pena
Cc: Lisa Bennett; Ann Cole; Jennifer Crawford
Subject: RE: Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification

Dear Ms. Pena,

When I talked about the whited/redacted out information I was talking about my email correspondence in which the images that are in the public Docket file are whited/redacted out so that they cannot be seen in the Docket file. This was related to all the cases in which I sent my email correspondence to be made part of the record. I was wondering if the Commission has accepted the PDF as hardcopy files that I have sent in my previous email (s)to incorporate into the public docket so that the images are not whited/redacted?

The document that you are talking about below appears to be the document that FPL has asked to be classified as confidential. Is this correct? There are two different questions with my email below. I have been waiting for an answer that my hard copy PDF files will be used to be scanned into the public docket file. This is related to all of the cases involved since the Commission has decided to breakout some of the issues into other Dockets. A lot of the email correspondence that I have submitted would address multiple dockets therefore I wanted to make sure that all my email correspondence has been made part of the public docket

without being whited/redacted.

Do you know if this is the case?

Thanks,

Robert H. Smith

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From: Kimberley Pena [mailto:KPena@PSC.STATE.FL.US]
Sent: Wednesday, October 20, 2010 11:24 AM
To: rpjrb@yahoo.com
Cc: Lisa Bennett; Ann Cole; Jennifer Crawford
Subject: RE: Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification

Mr. Smith, Florida Power & Light has not provided redacted (public) versions of Document Numbers 08713-10 and 08743-10 (provisional electric forecasted earning surveillance report). DN 08743-10 appears to be a duplicate of DN 08713-10.

This e-mail will be placed in the Docket Correspondence-Parties and Interested Persons, in Docket 080677-EI, today.

Kimberley M. Peña
Records Management Assistant
Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850
(850) 413-6393

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Tuesday, October 19, 2010 5:52 PM
To: Lisa Bennett
Cc: Kimberley Pena
Subject: RE: Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification

Dear Ms. Bennett,

Thanks for the information. I will take a look at the attached regulations. If (7)(a) works I will ask for an appeal for the declassification of this information based upon making sure that both the Florida and PSC regulations are in compliance with the Federal regulation as I have indicated in my previous email. There really is no reason for the making a normal accounting report

confidential when the final order would have to disclose this information anyway. The only difference here is that it is confidential for the decision making process and then not confidential after the agreement has been signed. This has the appearance of "ex parte" communications based upon the Federal regulation as outlined below.

It just seems strange that normal accounting reports that are used in final orders and normal business is being made confidential when it appears that this type of information has been made public in the past.

Do you know off hand if the whited/redacted out email correspondence has been made part of the public docket for all the cases that I am an interested party?

I will get back to the Commission tomorrow once I am able to review the two files that you have sent.

As part of the appeal I would want the commission to rule on the compliance perspective with the Federal law as indicated in the emails below.

Again, thanks for the information.

Thanks,

Robert H. Smith

Confidentiality Statement

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From: Lisa Bennett [mailto:LBENNETT@PSC.STATE.FL.US]
Sent: Tuesday, October 19, 2010 5:10 PM
To: rpjrb@yahoo.com
Cc: Kimberley Pena
Subject: RE: Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification

Mr. Smith,

Florida Power & Light Company has filed a Request for Confidential Classification of its Provisional Electric Forecasted Earnings Surveillance Report, Document Number 08713-10, filed in Docket No. 080677-EI. As you are aware, all documents filed with public agencies are public records pursuant to Section 119.07, Florida Statutes, unless the legislature provides an exemption for those records. The legislature did provide for confidential classification of certain documents filed with the Public Service Commission. The process for requesting confidential classification is found in Section 366.093, Florida Statutes. I am attaching a copy of that statute for your review. In compliance with Chapter 120 Florida Statutes, and Section 366.093, Florida Statutes, the Public Service Commission adopted a rule for handling confidential documents, Rule 25-22.006, Florida Administrative Code. I am attaching a copy of that rule for your reference. Paragraph (3)(d) of the rule exempts the document from disclosure pending a ruling by the Commission. Currently, the

document in question is pending review at the Commission and therefore is confidential.

You may wish to pay particular attention to paragraph (7)(a) of the rule as it provides you with an avenue to request inspection of the document in question.

Lisa C. Bennett
Office of the General Counsel
2540 Shumard Oak Boulevard
Tallahassee, FL
850-413-6230

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Tuesday, October 19, 2010 3:14 PM
To: Kimberley Pena
Cc: Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé; Lisa Bennett
Subject: FW: Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification

Dear Ms. Pena,

I would respectively request a copy of the forecasted provisional Electric Forecasted Earnings Surveillance Report. I feel that as an interested party with a legal interest in these proceedings from both a ratepayer and shareholder perspective that I would have legal basis to be afforded full transparency with the release of this document.

This document is a document that would be no different than prior Surveillance reports that have been issued in the past (made part of the public record) and/or any final orders in which the Commission has provided full disclosure of the calculated returns on equity based upon an adjudicated level of rate relief.

Since this information would normally be provided with a final order before the case is closed there would be no reason to classify this document before agreeing to the Stipulation and Settlement agreement and then declassify the document after the Stipulation and Settlement agreement is signed. This would not allow for the full transparency that would be afforded to any party with a legal interest in this proceeding.

Base upon the Federal Law Title 5 Administrative Procedures Act USC 551 to USC 559 and 350.042 of the Florida Statutes this might be "ex parte" communications since the document might be furnished to specific interested parties in this case and not furnished to other parties with a legal interest in these proceedings. If these documents are being utilized by Commission personnel I am sure that the interveners in this case would potentially consider this "ex parte" communications and ask for the immediate release of this information if it might have an impact on their fiduciary duty to protect their legal interests in this case. This might also be considered "ex parte" communications since this type of information would be information that would normally made available in all rate case proceedings.

In the past I have requested through a FOIA request the historic Surveillance Reports. This request was granted.

In the past the Commission issued a final order before closing the case with the same type of disclosures that would be furnished in the Forecasted Earnings Surveillance Report.

What has changed?

If your response is to deny my request please support your answer on how this would **not** be a violation of Federal law Title 5 USC 551 to 559 of the Administrative Procedures Act and Section 350.042 of the Florida Statutes. The Federal law might preempt the Florida State Law. Before the Commission rules on this issue I think that a full legal review of compliance with both Federal/State

laws is warranted.

Please let me know if you need a hard copy of this email so that when this is added to the public docket all the images will be made part of the public record.

An expedited answer would be very important considering that these issues might be taken up on 10/26/2010.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com.

Thanks,

Robert H. Smith

State of Florida

Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

John T. Burnett
700 Universe Blvd
Juno Beach FL 33408

Re: Acknowledgement of Confidential Filing in Docket No. 080677-EI

This will acknowledge receipt by the Florida Public Service Commission, Office of Commission Clerk, of a CONFIDENTIAL DOCUMENT filed on October 18, 2010, **in the above-referenced docket.**

Document Number 08713-10 has been assigned to this filing, which will be maintained in locked storage.

If you have any questions regarding this document, please contact Kim Peña, Records Management Assistant, at (850) 413-6393.

Confidentiality Statement

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Tuesday, October 19, 2010 2:21 PM
To: 'Office Of Commissioner Edgar'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'
Cc: 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Subject: FW: Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification

Dear Commissioner's and Ms. Bennett,

Are the whited out/redacted emails going to be made part of the public record? Do you need a copy of the hardcopies of my emails?

Noticed a couple of **typo(s).** Sorry.

Thanks,

Robert H. Smith

Confidentiality Statement

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Tuesday, October 19, 2010 1:26 PM
To: 'Office Of Commissioner Edgar'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'
Cc: 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Subject: FW: Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification

Dear Commissioner's and Ms. Bennett,

Sorry for the **typo.**

Both Regulation FD and SX would impact information that should be made available to the public. If this forecast contains material

information to its shareholders then there would be no reason for the company to seek classification of the surveillance report based upon Regulation FD and Based upon Regulation SX they would be required to report segmented information when the need for this information is warranted.

Thanks,

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Tuesday, October 19, 2010 12:54 PM
To: 'Office Of Commissioner Edgar'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'
Cc: 'Lisa Bennett'
Subject: Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification

Dear Commissioner's and Ms. Bennett,

According to this classification there is another part of Regulation **FD/SX** that would require this information to be not classified as confidential since this would "Situations may arise when information should be disclosed about a segment although the information in quantitative terms may not appear significant to the registrant's business taken as a whole."

This is why from both a shareholder and ratepayer perspective this is a critical piece of information when deciding both the issues in a ratecase as well for an investor to understand the regulatory impacts on the earnings of the company.

With item number 5 below, why would the company after a determination in the case declassify the documents? This may be construed as "ex parte" communication. Will the interveners have access to this information? If so, then as a ratepayer under 350.042 of the Florida Statutes and as per the SEC requirements below as a shareholder there should be no reason why the Company would classify this before the decision and declassify it after there is an agreement on the Stipulation and Settlement agreement. You have to remember that the over earnings of the company is also to test the rates that would be required therefore if the forecasted surveillance reports show that the company is over earning all interested parties should have access to this information in order to have the ability to ask any other pertinent questions that might impact a decision on agreeing to the Stipulation and Settlement agreement.

I would be very careful here since any lack of transparency from both the ratepayer and shareholder perspective might give rise to an impartial process which the Company has gone on the record that they are very concerned about. It has to be a two way street therefore I do not see the point of why they would want to classify this document as confidential when all the other actual surveillance reports have been made public?

This type of reporting is used to determine if the cash rates are ample enough to support the cost of service of the company. Without this type of disclosure in a ratecase proceeding, this might be construed as "ex parte" communication under section 350.042 of the Florida Statutes. Another issue to take a look at is any potential issues with "ex parte" communication under Title 5

Administrative Procedures Act USC 551 to USC 559. This is at the Federal level. Any Federal **law** would preempt any of the State Statutes and any State Statute would preempt any PSC administrative procedure.

This makes no sense since the original cost of service as filed in the case was made public therefore why would this surveillance report be made confidential when this type of information has been published in the past?

If you take a look at a typical surveillance report you will notice that none of the schedules would include confidential and proprietary information since this is the type of accounting schedule that is primarily used in a ratecase proceeding to set rates. Take a look at the final order that was issued by the Public Service Commission. You will notice that earned returns on equity are made available to the public therefore it does not make sense that they feel that this is a forecasted surveillance report that would require confidential classification. If this is considered classified then how would this not be considered "ex parte" communication since only certain interested parties are being able to see this information?

I know that from a shareholders perspective as well as a ratepayers perspective I would need this information to be able to determine what my rates are going to be as a customer and what any future stock price impacts would be on my ownership of common stock.

This lack of transparency might be considered "ex parte" communications under Title 5 of the Administrative Procedures act since this might be construed as "one sided" transparency.

How could only certain parties with a legal interest be allowed to see this information and **others** are not?

I am waiting to hear from Mr. Hay and Mr. Sieving regarding my shareholder questions that based upon the SEC regulations below would be in their purview to answer a shareholder.

If I cannot rely on the transparency of information from a ratecase proceeding to see how the Stipulation and Settlement agreement will impact my rates as a customer then how is the ratecase process protecting the customers from a ratepayer perspective?

If I do not receive the appropriate information from Mr. Hay and Mr. Sieving regarding segmented cash flows from a shareholder perspective then how can I have assurance based upon the SEC regulation below that this ratecase will not have an impact on my future value of my stock.

Full transparency should be afforded with this case. Are any of the interveners in the case going to have access to the Forecasted Earnings Surveillance Reports? If so, then any party with a legal interest should be able to see this information as well.

Did staff publish my whited/redacted out information that was missing from my emails? I have provided hardcopy through a PDF file for them to append to the Public Service Commission file.

If you need a hardcopy of this email so when this email is added to the consumer file it is put into the public record with all of its images intact. I have no problem with providing this information.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com.

Thanks for your patience in this matter.

Robert H. Smith

FEDERAL ENERGY REGULATORY COMMISSION
EX PARTE REGULATIONS AND PRACTICES

10/20/2010

Title 17: Commodity and Securities Exchanges

Browse Previous | Browse Next

PART 210—FORM AND CONTENT OF AND REQUIREMENTS FOR FINANCIAL STATEMENTS, SECURITIES ACT OF 1933, SECURITIES EXCHANGE ACT OF 1934, PUBLIC UTILITY HOLDING COMPANY ACT OF 1935, INVESTMENT COMPANY ACT OF 1940, INVESTMENT ADVISERS ACT OF 1940, AND ENERGY POLICY AND CONSERVATION ACT OF 1975

Special Requirements as to Public Utility Holding Companies

Reg. § 210.3A-05.

There shall be shown in the consolidated balance sheet of a public utility holding company the difference between the amount at which the parent's investment is carried and the underlying book equity of subsidiaries as at the respective dates of acquisition.

§ 229.10 (Item 10) General.

Instructions to Item 101.

1. In determining what information about the segments is material to any understanding of the registrant's business taken as a whole and therefore required to be disclosed pursuant to paragraph (c) of this Item, the registrant should take into account both quantitative and qualitative factors such as the significance of the matter to the registrant (e.g., whether a matter with a relatively minor impact on the registrant's business is represented by management to be important to its future profitability), the pervasiveness of the matter (e.g., whether it affects or may affect numerous items in the segment information), and the impact of the matter (e.g., whether it distorts the trends reflected in the segment information). Situations may arise when information should be disclosed about a segment although the information in quantitative terms may not appear significant to the registrant's business taken as a whole.
2. Base the determination of whether information about segments is required for a particular year upon an evaluation of interperiod comparability. For instance, interperiod comparability would require a registrant to report segment information in the current period even if not material under the criteria for reportability of SFAS No. 131 if a segment has been significant in the immediately preceding period and the registrant expects it to be significant in the future.
3. The Commission, upon written request of the registrant and where consistent with the protection of investors, may permit the omission of any of the information required by this Item or the furnishing in substitution thereof of appropriate information of comparable character.

4. As the affidavit included in Exhibit D indicates, the information provided by FPL contains material, non-public financial forecast information, which unless kept confidential, would require disclosure to investors under United States Securities and Exchange Commission Regulation FD. Regulation FD is an issuer disclosure rule intended to avoid selective disclosure of material financial information by publicly traded companies such as FPL's parent, NextEra Energy, Inc. Since the information contained in the Report is provisional, and presents only one view of FPL's forecasted financial results for 2010, it is inappropriate to disclose this information to the investment community at the present time and such disclosure would adversely affect FPL's competitive interests in financial markets.[1] Such information is proprietary confidential business information under Section 366.093, including subsection (3)(e) thereof.

5. Upon a finding by the Commission that the information highlighted in Exhibit A, and referenced in Exhibit C, is proprietary confidential business information, the information should not be declassified until FPL files its final Forecasted Earnings Surveillance Report, which FPL has committed to filing within 30 days of the Commission's approval of the Stipulation and Settlement that FPL and the major intervenors filed on August 20, 2010 or, if the settlement agreement is not approved, the Commission's decision on pending motions for reconsideration. Additionally, the Report should be returned to FPL as soon as the information is no longer necessary for the Commission to conduct its business. *See* § 366.093(4), F.S.

Confidentiality Statement

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mail and destroy all copies of the original.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, October 15, 2010 5:32 PM
To: 'Samantha Cibula <SCibula@PSC.STATE.FL.US>'
Cc: 'Lisa Bennett'; 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Mary Anne Helton <MHelton@PSC.STATE.FL.US>'; 'Curt Kiser <CKiser@PSC.STATE.FL.US>'; 'Cindy Miller <CMiller@PSC.STATE.FL.US>'
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Dear Ms. Cibula,

This is for your information regarding some of my email correspondence being whited/redacted out and not being added to the public record.

The fact that some of my images in my emails are not being made part of the record might be considered "ex parte" communications in that some of the people at the commission are receiving technical accounting that might have an impact on the decision's made in a rate case. My technical accounting and any correspondence questioning any of the testimony in the case should be made fully transparent to all parties of a rate proceeding.

This information should be being fully shared in the public record since other people (other parties with a legal interest in a rate proceeding) might be able to benefit from my email communications and give rise to additional questioning with regard to any rate proceeding.

This is why full transparency/full disclosure should be a requirement for any rate proceeding. This would provide full due process/discovery with any proceeding.

Without this approach the possibility exists that "ex parte" communication might exist. This might lead to the possibility of an impartial proceeding and/or lack of due process to protect the interests of both the ratepayers and/or shareholders of the Utility in the proceeding. This might also create an "ex parte" communication situation for other parties with a legal interest in a rate proceeding as well. If they are not afforded the same type of discovery as members of the Commission staff and/or Commissioner's this might lead to an impartial proceeding.

I understand that the company is concerned with impartiality with these proceedings. If it is a concern for the Company, then the same concerns for impartiality should also be a concern for ratepayers and/or shareholders of the company as well as any other party that might have a legal interest in any rate proceeding.

I know that based upon 350.042 of the Florida Statutes I have this right as a ratepayer and based upon my rights as a shareholder I would have the right to ask these questions as well.

Full transparency/discovery should be afforded.

Just a thought on making sure that the new administrative procedure provides for full due process and transparency and meets the test of compliance with the Florida Statutes since preemption would provide that any administrative procedure has to meet the State Statutes in order for it to meet compliance with current Florida State Laws.

This is a very important issue since the Company has made it very clear that they are concerned with partiality in the proceeding. This has to be a two way street.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or give me a call.

Thanks,

Robert H. Smith

Confidentiality Statement

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, October 14, 2010 12:39 PM
To: Samantha Cibula <SCibula@PSC.STATE.FL.US>
Cc: 'Lisa Bennett'; 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; Mary Anne Helton <MHelton@PSC.STATE.FL.US>; Curt Kiser <CKiser@PSC.STATE.FL.US>; Cindy Miller <CMiller@PSC.STATE.FL.US>
Subject: RE: Communication Between Commission Employees and Parties

Dear Ms. Cibula,

Thank you for the information and I am looking forward to receiving a copy of the transcript from the workshop on rule 25-22.033. I noticed that during the workshop there was limited discussion on to how the proposed legislation was derived. Most outside people (ratepayers and/or shareholders) would need clear and concise language as to what would be acceptable communication with the Commission. I noticed that a ratepayer is still allowed to communicate with the Commissioner's under section 350.042 of the Florida Statutes. Here are some comments but I will continue to take a look at the rule.

Section (1) of 25-22.033 reads "Legal interest in the proceeding"?

What does this mean in plain language? Any ratepayer of any regulated entity would have a legal interest in a proceeding therefore they would be in a position to have communications with Commission staff and/or the Commissioner's based upon 350.042. A shareholder would also have a legal interest in a proceeding with regard to any ratemaking matters that might have an impact on the earnings of the Utility therefore they would also be in a position to have communications with Commission staff and/or the Commissioner's just like the Senior Management of the Utility. Since both a ratepayer and/or shareholder would have a legal interest in a rate case proceeding then any communication between Commission staff and/or the Commissioner's should be fully made part of the public record and available to all parties and interested parties. There should be no exception(s) as to what communications are being made part of the public record or not.

This would provide for full transparency which would be a requirement under 350.042. How come all of my correspondence with the Commission has not been fully made part of the public record? This is a very critical issue since if some of the communication is made part of the record and some is excluded it might lead to an "ex parte" communication in that some of the communication

was made part of the public record and some was not. If you look at some of my communication that has not been made part of the public record you will notice that only certain emails have not been made part of the public record. If some are excluded and some are included then the person must be notified by the Commission as to why some of the communication (written and/or oral) was excluded from the public record.

I also noticed that an interested person's communication is made part of a Docket correspondence - Parties and Interested Persons. This file is often kept in the same chronological spot as the previous communications that have been populated in this file. A lot of the communications that I have sent had a chronological importance with regard to the testimony that was made by the Utility and/or Expert Witnesses. In order for there to be full transparency the communications or the file should be moved to most recent date of information that is placed into these files or the parties and/or interested parties might not be made fully aware of this information that might be pertinent to the rate case proceeding. This is very important since some of my email correspondence provided technical accounting responses to direct testimony. Some of it was excluded from these files and some was included. In order for there to be no "ex parte" communications all information has to be made part of the public record so that all parties and/or interested parties would have access to the information. Since these files are not being moved to the top Docket index the average party and/or interested party might not know where this pertinent information resides therefore they might not be made aware of an issue that might be pertinent to the rate case that they should have been made aware of.

How come some of my communications was made part of the public record and some was not?

Section (2)(c) of 25-22.033 reads:

> (c) "Impermissible Communication" means any communication with a party or interested person, if written, is not served on all parties, or, if oral, is made without notice to all parties or interested persons.

Rob Smith Comments

Under this rule all written communications from an interested party has to be made available to all parties or interested parties. Correct? If the information received is made part of the public record then it would be permissible communication. If a Commissioner received written or oral Communication then this information should be made part of the public record so that all parties or interested parties have been made aware of the Communication. What happens if a Commissioner receives a written or oral communication and it is not shared with all parties? Does it become "impermissible Communication"? This should not happen since this might lead to information that might be pertinent to the rate case proceeding. I know that some of my email correspondence has been made part of the public record and some as of today has not been made part of the public record. Some of the email correspondence is very pertinent to some of the technical aspects of the Holding company concept at the Utility as it pertains to the Public Utility Holding Company Act of 1935 (PUHCA) or Public Utility Holding Company Act of 2005 ("PUHCA 2005"). This act is governed under FERC (Federal Energy Regulatory Commission). In order for there to be full transparency and to make sure that all parties and/or interested parties are provided full notice, all written and/or oral communication should be fully made part of the record. There should be no instance in which certain information would be excluded as part of the public record or not. Since some of my email correspondence has not been made part of the public record, what would be the Commission rule as to why some was made part of the public record and some was not? This in itself might lead to "ex parte" communication since all of my information has not been made part of the public record.

I am going to continue to look at the rule but I think that all communications should be made part of the public record and if not the Commission should provide a response as to why certain information was excluded. This would be needed to make sure that there was no "ex parte" communications. If some information was excluded then some of the Commission staff and/or Commissioner's might be exposed to an "ex parte" communications issue since the information was not made fully transparent and disclosed. All parties, interested parties and any other party that has a "legal interest" in any rate case proceeding should have full

access to all information that was made available to both the Commission staff and/or Commissioner's in any rate proceeding that is being administered by the Florida Public Service Commission. Without this approach the possibility exists that "ex parte" communication might exist. This might lead to the possibility of an impartial proceeding and/or lack of due process to protect the interests of both the ratepayers and/or shareholders of the Utility in the proceeding.

Please let me know if the information that I have provided that has not been made part of the public record is going to be part of the public record. If it is not going to be made part of the public record please let me know why it has not been made part of the public record. Please provide me with the rule that would support why some of the information was not made part of the public record. If you need copies of the emails that I have sent with regard to what is currently missing from the public record please do not hesitate to ask.

I will continue to look at the proposed rule.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or give me a call.

As per SB 1034 of the Florida Statutes with regard to communication with a ratepayer:

---

4 **SB 1034**
Fasano
(Identical H 565)

Section 350.042, F. S., provides for ex parte communications. The term "ex parte" is not defined in the statute but according to *Black's Law Dictionary* means "on one side only, by or for one party, done for, in behalf of, or on the application of, one party only." According to the *American Heritage Dictionary*, the term means "from or on one side only; one sided, partisan." Subsection (1) provides that a commissioner should accord to every person who is legally interested in a proceeding full right to be heard according to law, and except as authorized by law, shall neither initiate nor consider ex parte communications concerning the merits, threat, or offer of reward in any proceeding other than a proceeding under s. 120.54, F. S., (rulemaking) or 120.565, F.S., (declaratory statements by agencies), workshops, or internal affairs meetings. No individual shall discuss ex parte with a commissioner the merits of any issue that he or she knows will be filed with the commission within 90 days. The subsection does not apply to commission staff.

Individual residential ratepayers are allowed to communicate with a commissioner, provided that the ratepayer is representing only himself or herself, without compensation. In addition, the section does not apply to oral communications or discussions in scheduled and noticed open public meetings of educational programs of a conference or other meeting of an association of regulatory agencies.

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prohibited, and the documents should be returned. In this regard, if you received this telecopy in error, please contact the sender by reply E-mail and destroy all copies of the original.

FPSC, CLK - CORRESPONDENCE
Administrative ✓ Parties Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION:

Dorothy Menasco 080677-EI

From: Dorothy Menasco
Sent: Wednesday, October 20, 2010 3:28 PM
To: 'rpjrb@yahoo.com'
Cc: Kimberley Pena; Ann Cole; Lisa Bennett; Jennifer Crawford
Subject: FW: Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification

Mr. Smith:

This e-mail will be printed and placed in Docket Correspondence - Parties and Interested Persons for Dockets 100410-EI, 100009-EI, and 080677-EI.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

Please note: Florida has a very broad public records law. Most written communications to or from state officials regarding state business are public records available to the public and media upon request. Your e-mail communications may therefore be subject to public disclosure.

From: Kimberley Pena
Sent: Wednesday, October 20, 2010 1:46 PM
To: Dorothy Menasco
Cc: Ann Cole
Subject: FW: Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification

Dorothy, I forgot to include you in my previous e-mail to him. I'm forwarding for a response regarding correspondence files.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, October 20, 2010 1:21 PM
To: Kimberley Pena
Cc: Lisa Bennett; Ann Cole; Jennifer Crawford
Subject: RE: Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification

Dear Ms. Pena,

I think that there are emails that have been fully excluded as well. I heard back from Ms. Menasco regarding the Docket 100140-EI but I have not heard back about the two other Dockets.

Docket 100009 and Docket 080677. I know that my information would be pertinent to all of the Dockets and I was concerned that just like the commission was providing for docket correspondence being posted into any docket that the information was pertinent to that my information would be posted to all three dockets as well.

All of the three dockets are related to the ratemaking at Florida Power & Light. Each docket would benefit from my information that has been posted in each docket since my email correspondence has always addressed the regulated Utility as a whole. When I worked up North we did not separate Dockets for specific issues if the impacts of one might impact another. I am sure that my email correspondence with regard to the technical accounting aspects of ratecase proceedings can be used in all of the dockets.

I do not understand why the commission would post all the information that would be pertinent to all three dockets but would not do the same for my email correspondence that has information that would be related from a technical accounting perspective.

I found it strange that two more dockets were created when the issues are related.

Thanks for your help.

Robert H. Smith

Confidentiality Statement

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From: Kimberley Pena [mailto:KPena@PSC.STATE.FL.US]
Sent: Wednesday, October 20, 2010 1:03 PM
To: rpjrb@yahoo.com
Cc: Lisa Bennett; Ann Cole; Jennifer Crawford
Subject: RE: Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification

I am forwarding your question regarding correspondence placed in other dockets to Dorothy Menasco for response.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, October 20, 2010 11:48 AM
To: Kimberley Pena
Cc: Lisa Bennett; Ann Cole; Jennifer Crawford
Subject: RE: Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification

Dear Ms. Pena,

When I talked about the whited/redacted out information I was talking about my email correspondence in which the images that are in the public Docket file are whited/redacted out so that they cannot be seen in the Docket file. This was related to all the cases in which I sent my email correspondence to be made part of the record. I was wondering if the Commission has accepted the PDF as hardcopy files that I have sent in my previous email (s)to incorporate into the public docket so that the images are not whited/redacted?

The document that you are talking about below appears to be the document that FPL has asked to be classified as confidential. Is this correct? There are two different questions with my email below. I have been waiting for an answer that my hard copy PDF files will be used to be scanned into the public docket file. This is related to all of the cases involved since the Commission has decided to breakout some of the issues into other Dockets. A lot of the email correspondence that I have submitted would address multiple dockets therefore I wanted to make sure that all my email correspondence has been made part of the public docket

without being whited/redacted.

Do you know if this is the case?

Thanks,

Robert H. Smith

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From: Kimberley Pena [mailto:KPena@PSC.STATE.FL.US]
Sent: Wednesday, October 20, 2010 11:24 AM
To: rpjrb@yahoo.com
Cc: Lisa Bennett; Ann Cole; Jennifer Crawford
Subject: RE: Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification

Mr. Smith, Florida Power & Light has not provided redacted (public) versions of Document Numbers 08713-10 and 08743-10 (provisional electric forecasted earning surveillance report). DN 08743-10 appears to be a duplicate of DN 08713-10.

This e-mail will be placed in the Docket Correspondence-Parties and Interested Persons, in Docket 080677-EI, today.

Kimberley M. Peña
Records Management Assistant
Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850
(850) 413-6393

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Tuesday, October 19, 2010 5:52 PM
To: Lisa Bennett
Cc: Kimberley Pena
Subject: RE: Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification

Dear Ms. Bennett,

Thanks for the information. I will take a look at the attached regulations. If (7)(a) works I will ask for an appeal for the declassification of this information based upon making sure that both the Florida and PSC regulations are in compliance with the Federal regulation as I have indicated in my previous email. There really is no reason for the making a normal accounting report

confidential when the final order would have to disclose this information anyway. The only difference here is that it is confidential for the decision making process and then not confidential after the agreement has been signed. This has the appearance of "ex parte" communications based upon the Federal regulation as outlined below.

It just seems strange that normal accounting reports that are used in final orders and normal business is being made confidential when it appears that this type of information has been made public in the past.

Do you know off hand if the whited/redacted out email correspondence has been made part of the public docket for all the cases that I am an interested party?

I will get back to the Commission tomorrow once I am able to review the two files that you have sent.

As part of the appeal I would want the commission to rule on the compliance perspective with the Federal law as indicated in the emails below.

Again, thanks for the information.

Thanks,

Robert H. Smith

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From: Lisa Bennett [mailto:LBENNETT@PSC.STATE.FL.US]
Sent: Tuesday, October 19, 2010 5:10 PM
To: rpjrb@yahoo.com
Cc: Kimberley Pena
Subject: RE: Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification

Mr. Smith,

Florida Power & Light Company has filed a Request for Confidential Classification of its Provisional Electric Forecasted Earnings Surveillance Report, Document Number 08713-10, filed in Docket No. 080677-EI. As you are aware, all documents filed with public agencies are public records pursuant to Section 119.07, Florida Statutes, unless the legislature provides an exemption for those records. The legislature did provide for confidential classification of certain documents filed with the Public Service Commission. The process for requesting confidential classification is found in Section 366.093, Florida Statutes. I am attaching a copy of that statute for your review. In compliance with Chapter 120 Florida Statutes, and Section 366.093, Florida Statutes, the Public Service Commission adopted a rule for handling confidential documents, Rule 25-22.006, Florida Administrative Code. I am attaching a copy of that rule for your reference. Paragraph (3)(d) of the rule exempts the document from disclosure pending a ruling by the Commission. Currently, the

document in question is pending review at the Commission and therefore is confidential.

You may wish to pay particular attention to paragraph (7)(a) of the rule as it provides you with an avenue to request inspection of the document in question.

Lisa C. Bennett
Office of the General Counsel
2540 Shumard Oak Boulevard
Tallahassee, FL
850-413-6230

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Tuesday, October 19, 2010 3:14 PM
To: Kimberley Pena
Cc: Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé; Lisa Bennett
Subject: FW: Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification

Dear Ms. Pena,

I would respectively request a copy of the forecasted provisional Electric Forecasted Earnings Surveillance Report. I feel that as an interested party with a legal interest in these proceedings from both a ratepayer and shareholder perspective that I would have legal basis to be afforded full transparency with the release of this document.

This document is a document that would be no different than prior Surveillance reports that have been issued in the past (made part of the public record) and/or any final orders in which the Commission has provided full disclosure of the calculated returns on equity based upon an adjudicated level of rate relief.

Since this information would normally be provided with a final order before the case is closed there would be no reason to classify this document before agreeing to the Stipulation and Settlement agreement and then declassify the document after the Stipulation and Settlement agreement is signed. This would not allow for the full transparency that would be afforded to any party with a legal interest in this proceeding.

Base upon the Federal Law Title 5 Administrative Procedures Act USC 551 to USC 559 and 350.042 of the Florida Statutes this might be "ex parte" communications since the document might be furnished to specific interested parties in this case and not furnished to other parties with a legal interest in these proceedings. If these documents are being utilized by Commission personnel I am sure that the interveners in this case would potentially consider this "ex parte" communications and ask for the immediate release of this information if it might have an impact on their fiduciary duty to protect their legal interests in this case. This might also be considered "ex parte" communications since this type of information would be information that would normally made available in all rate case proceedings.

In the past I have requested through a FOIA request the historic Surveillance Reports. This request was granted.

In the past the Commission issued a final order before closing the case with the same type of disclosures that would be furnished in the Forecasted Earnings Surveillance Report.

What has changed?

If your response is to deny my request please support your answer on how this would **not** be a violation of Federal law Title 5 USC 551 to 559 of the Administrative Procedures Act and Section 350.042 of the Florida Statutes. The Federal law might preempt the Florida State Law. Before the Commission rules on this issue I think that a full legal review of compliance with both Federal/State

laws is warranted.

Please let me know if you need a hard copy of this email so that when this is added to the public docket all the images will be made part of the public record.

An expedited answer would be very important considering that these issues might be taken up on 10/26/2010.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com.

Thanks,

Robert H. Smith

State of Florida

Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

John T. Burnett
700 Universe Blvd
Juno Beach FL 33408

Re: Acknowledgement of Confidential Filing in Docket No. 080677-EI

This will acknowledge receipt by the Florida Public Service Commission, Office of Commission Clerk, of a CONFIDENTIAL DOCUMENT filed on October 18, 2010, **in the above-referenced docket.**

Document Number 08713-10 has been assigned to this filing, which will be maintained in locked storage.

If you have any questions regarding this document, please contact Kim Peña, Records Management Assistant, at (850) 413-6393.

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Tuesday, October 19, 2010 2:21 PM
To: 'Office Of Commissioner Edgar'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'
Cc: 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Subject: FW: Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification

Dear Commissioner's and Ms. Bennett,

Are the whited out/redacted emails going to be made part of the public record? Do you need a copy of the hardcopies of my emails?

Noticed a couple of **typo(s).** Sorry.

Thanks,

Robert H. Smith

Confidentiality Statement

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Tuesday, October 19, 2010 1:26 PM
To: 'Office Of Commissioner Edgar'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'
Cc: 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Subject: FW: Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification

Dear Commissioner's and Ms. Bennett,

Sorry for the **typo.**

Both Regulation FD and SX would impact information that should be made available to the public. If this forecast contains material

information to its shareholders then there would be no reason for the company to seek classification of the surveillance report based upon Regulation FD and Based upon Regulation SX they would be required to report segmented information when the need for this information is warranted.

Thanks,

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Tuesday, October 19, 2010 12:54 PM
To: 'Office Of Commissioner Edgar'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'
Cc: 'Lisa Bennett'
Subject: Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification

Dear Commissioner's and Ms. Bennett,

According to this classification there is another part of Regulation **FD/SX** that would require this information to be not classified as confidential since this would "Situations may arise when information should be disclosed about a segment although the information in quantitative terms may not appear significant to the registrant's business taken as a whole."

This is why from both a shareholder and ratepayer perspective this is a critical piece of information when deciding both the issues in a ratecase as well for an investor to understand the regulatory impacts on the earnings of the company.

With item number 5 below, why would the company after a determination in the case declassify the documents? This may be construed as "ex parte" communication. Will the interveners have access to this information? If so, then as a ratepayer under 350.042 of the Florida Statutes and as per the SEC requirements below as a shareholder there should be no reason why the Company would classify this before the decision and declassify it after there is an agreement on the Stipulation and Settlement agreement. You have to remember that the over earnings of the company is also to test the rates that would be required therefore if the forecasted surveillance reports show that the company is over earning all interested parties should have access to this information in order to have the ability to ask any other pertinent questions that might impact a decision on agreeing to the Stipulation and Settlement agreement.

I would be very careful here since any lack of transparency from both the ratepayer and shareholder perspective might give rise to an impartial process which the Company has gone on the record that they are very concerned about. It has to be a two way street therefore I do not see the point of why they would want to classify this document as confidential when all the other actual surveillance reports have been made public?

This type of reporting is used to determine if the cash rates are ample enough to support the cost of service of the company. Without this type of disclosure in a ratecase proceeding, this might be construed as "ex parte" communication under section 350.042 of the Florida Statutes. Another issue to take a look at is any potential issues with "ex parte" communication under Title 5

Administrative Procedures Act USC 551 to USC 559. This is at the Federal level. Any Federal **law** would preempt any of the State Statutes and any State Statute would preempt any PSC administrative procedure.

This makes no sense since the original cost of service as filed in the case was made public therefore why would this surveillance report be made confidential when this type of information has been published in the past?

If you take a look at a typical surveillance report you will notice that none of the schedules would include confidential and proprietary information since this is the type of accounting schedule that is primarily used in a ratecase proceeding to set rates. Take a look at the final order that was issued by the Public Service Commission. You will notice that earned returns on equity are made available to the public therefore it does not make sense that they feel that this is a forecasted surveillance report that would require confidential classification. If this is considered classified then how would this not be considered "ex parte" communication since only certain interested parties are being able to see this information?

I know that from a shareholders perspective as well as a ratepayers perspective I would need this information to be able to determine what my rates are going to be as a customer and what any future stock price impacts would be on my ownership of common stock.

This lack of transparency might be considered "ex parte" communications under Title 5 of the Administrative Procedures act since this might be construed as "one sided" transparency.

How could only certain parties with a legal interest be allowed to see this information and **others** are not?

I am waiting to hear from Mr. Hay and Mr. Sieving regarding my shareholder questions that based upon the SEC regulations below would be in their purview to answer a shareholder.

If I cannot rely on the transparency of information from a ratecase proceeding to see how the Stipulation and Settlement agreement will impact my rates as a customer then how is the ratecase process protecting the customers from a ratepayer perspective?

If I do not receive the appropriate information from Mr. Hay and Mr. Sieving regarding segmented cash flows from a shareholder perspective then how can I have assurance based upon the SEC regulation below that this ratecase will not have an impact on my future value of my stock.

Full transparency should be afforded with this case. Are any of the interveners in the case going to have access to the Forecasted Earnings Surveillance Reports? If so, then any party with a legal interest should be able to see this information as well.

Did staff publish my whited/redacted out information that was missing from my emails? I have provided hardcopy through a PDF file for them to append to the Public Service Commission file.

If you need a hardcopy of this email so when this email is added to the consumer file it is put into the public record with all of its images intact. I have no problem with providing this information.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com.

Thanks for your patience in this matter.

Robert H. Smith

FEDERAL ENERGY REGULATORY COMMISSION
EX PARTE REGULATIONS AND PRACTICES

10/20/2010

Title 17: Commodity and Securities Exchanges

Browse Previous | Browse Next

PART 210—FORM AND CONTENT OF AND REQUIREMENTS FOR FINANCIAL STATEMENTS, SECURITIES ACT OF 1933, SECURITIES EXCHANGE ACT OF 1934, PUBLIC UTILITY HOLDING COMPANY ACT OF 1935, INVESTMENT COMPANY ACT OF 1940, INVESTMENT ADVISERS ACT OF 1940, AND ENERGY POLICY AND CONSERVATION ACT OF 1975

Special Requirements as to Public Utility Holding Companies

Reg. § 210.3A-05.

There shall be shown in the consolidated balance sheet of a public utility holding company the difference between the amount at which the parent's investment is carried and the underlying book equity of subsidiaries as at the respective dates of acquisition.

§ 229.10 (Item 10) General.

Instructions to Item 101.

1. In determining what information about the segments is material to any understanding of the registrant's business taken as a whole and therefore required to be disclosed pursuant to paragraph (c) of this Item, the registrant should take into account both quantitative and qualitative factors such as the significance of the matter to the registrant (e.g., whether a matter with a relatively minor impact on the registrant's business is represented by management to be important to its future profitability), the pervasiveness of the matter (e.g., whether it affects or may affect numerous items in the segment information), and the impact of the matter (e.g., whether it distorts the trends reflected in the segment information). Situations may arise when information should be disclosed about a segment although the information in quantitative terms may not appear significant to the registrant's business taken as a whole.
2. Base the determination of whether information about segments is required for a particular year upon an evaluation of interperiod comparability. For instance, interperiod comparability would require a registrant to report segment information in the current period even if not material under the criteria for reportability of SFAS No. 131 if a segment has been significant in the immediately preceding period and the registrant expects it to be significant in the future.
3. The Commission, upon written request of the registrant and where consistent with the protection of investors, may permit the omission of any of the information required by this Item or the furnishing in substitution thereof of appropriate information of comparable character.

4. As the affidavit included in Exhibit D indicates, the information provided by FPL contains material, non-public financial forecast information, which unless kept confidential, would require disclosure to investors under United States Securities and Exchange Commission Regulation FD. Regulation FD is an issuer disclosure rule intended to avoid selective disclosure of material financial information by publicly traded companies such as FPL's parent, NextEra Energy, Inc. Since the information contained in the Report is provisional, and presents only one view of FPL's forecasted financial results for 2010, it is inappropriate to disclose this information to the investment community at the present time and such disclosure would adversely affect FPL's competitive interests in financial markets.[1] Such information is proprietary confidential business information under Section 366.093, including subsection (3)(e) thereof.

5. Upon a finding by the Commission that the information highlighted in Exhibit A, and referenced in Exhibit C, is proprietary confidential business information, the information should not be declassified until FPL files its final Forecasted Earnings Surveillance Report, which FPL has committed to filing within 30 days of the Commission's approval of the Stipulation and Settlement that FPL and the major intervenors filed on August 20, 2010 or, if the settlement agreement is not approved, the Commission's decision on pending motions for reconsideration. Additionally, the Report should be returned to FPL as soon as the information is no longer necessary for the Commission to conduct its business. *See* § 366.093(4), F.S.

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mail and destroy all copies of the original.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, October 15, 2010 5:32 PM
To: 'Samantha Cibula <SCibula@PSC.STATE.FL.US>'
Cc: 'Lisa Bennett'; 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Mary Anne Helton <MHelton@PSC.STATE.FL.US>'; 'Curt Kiser <CKiser@PSC.STATE.FL.US>'; 'Cindy Miller <CMiller@PSC.STATE.FL.US>'
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Dear Ms. Cibula,

This is for your information regarding some of my email correspondence being whited/redacted out and not being added to the public record.

The fact that some of my images in my emails are not being made part of the record might be considered "ex parte" communications in that some of the people at the commission are receiving technical accounting that might have an impact on the decision's made in a rate case. My technical accounting and any correspondence questioning any of the testimony in the case should be made fully transparent to all parties of a rate proceeding.

This information should be being fully shared in the public record since other people (other parties with a legal interest in a rate proceeding) might be able to benefit from my email communications and give rise to additional questioning with regard to any rate proceeding.

This is why full transparency/full disclosure should be a requirement for any rate proceeding. This would provide full due process/discovery with any proceeding.

Without this approach the possibility exists that "ex parte" communication might exist. This might lead to the possibility of an impartial proceeding and/or lack of due process to protect the interests of both the ratepayers and/or shareholders of the Utility in the proceeding. This might also create an "ex parte" communication situation for other parties with a legal interest in a rate proceeding as well. If they are not afforded the same type of discovery as members of the Commission staff and/or Commissioner's this might lead to an impartial proceeding.

I understand that the company is concerned with impartiality with these proceedings. If it is a concern for the Company, then the same concerns for impartiality should also be a concern for ratepayers and/or shareholders of the company as well as any other party that might have a legal interest in any rate proceeding.

I know that based upon 350.042 of the Florida Statutes I have this right as a ratepayer and based upon my rights as a shareholder I would have the right to ask these questions as well.

Full transparency/discovery should be afforded.

Just a thought on making sure that the new administrative procedure provides for full due process and transparency and meets the test of compliance with the Florida Statutes since preemption would provide that any administrative procedure has to meet the State Statutes in order for it to meet compliance with current Florida State Laws.

This is a very important issue since the Company has made it very clear that they are concerned with partiality in the proceeding. This has to be a two way street.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or give me a call.

Thanks,

Robert H. Smith

Confidentiality Statement

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, October 14, 2010 12:39 PM
To: Samantha Cibula <SCibula@PSC.STATE.FL.US>
Cc: 'Lisa Bennett'; 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; Mary Anne Helton <MHelton@PSC.STATE.FL.US>; Curt Kiser <CKiser@PSC.STATE.FL.US>; Cindy Miller <CMiller@PSC.STATE.FL.US>
Subject: RE: Communication Between Commission Employees and Parties

Dear Ms. Cibula,

Thank you for the information and I am looking forward to receiving a copy of the transcript from the workshop on rule 25-22.033. I noticed that during the workshop there was limited discussion on to how the proposed legislation was derived. Most outside people (ratepayers and/or shareholders) would need clear and concise language as to what would be acceptable communication with the Commission. I noticed that a ratepayer is still allowed to communicate with the Commissioner's under section 350.042 of the Florida Statutes. Here are some comments but I will continue to take a look at the rule.

Section (1) of 25-22.033 reads "Legal interest in the proceeding"?

What does this mean in plain language? Any ratepayer of any regulated entity would have a legal interest in a proceeding therefore they would be in a position to have communications with Commission staff and/or the Commissioner's based upon 350.042. A shareholder would also have a legal interest in a proceeding with regard to any ratemaking matters that might have an impact on the earnings of the Utility therefore they would also be in a position to have communications with Commission staff and/or the Commissioner's just like the Senior Management of the Utility. Since both a ratepayer and/or shareholder would have a legal interest in a rate case proceeding then any communication between Commission staff and/or the Commissioner's should be fully made part of the public record and available to all parties and interested parties. There should be no exception(s) as to what communications are being made part of the public record or not.

This would provide for full transparency which would be a requirement under 350.042. How come all of my correspondence with the Commission has not been fully made part of the public record? This is a very critical issue since if some of the communication is made part of the record and some is excluded it might lead to an "ex parte" communication in that some of the communication

was made part of the public record and some was not. If you look at some of my communication that has not been made part of the public record you will notice that only certain emails have not been made part of the public record. If some are excluded and some are included then the person must be notified by the Commission as to why some of the communication (written and/or oral) was excluded from the public record.

I also noticed that an interested person's communication is made part of a Docket correspondence - Parties and Interested Persons. This file is often kept in the same chronological spot as the previous communications that have been populated in this file. A lot of the communications that I have sent had a chronological importance with regard to the testimony that was made by the Utility and/or Expert Witnesses. In order for there to be full transparency the communications or the file should be moved to most recent date of information that is placed into these files or the parties and/or interested parties might not be made fully aware of this information that might be pertinent to the rate case proceeding. This is very important since some of my email correspondence provided technical accounting responses to direct testimony. Some of it was excluded from these files and some was included. In order for there to be no "ex parte" communications all information has to be made part of the public record so that all parties and/or interested parties would have access to the information. Since these files are not being moved to the top Docket index the average party and/or interested party might not know where this pertinent information resides therefore they might not be made aware of an issue that might be pertinent to the rate case that they should have been made aware of.

How come some of my communications was made part of the public record and some was not?

Section (2)(c) of 25-22.033 reads:

> (c) "Impermissible Communication" means any communication with a party or interested person, if written, is not served on all parties, or, if oral, is made without notice to all parties or interested persons.

Rob Smith Comments

Under this rule all written communications from an interested party has to be made available to all parties or interested parties. Correct? If the information received is made part of the public record then it would be permissible communication. If a Commissioner received written or oral Communication then this information should be made part of the public record so that all parties or interested parties have been made aware of the Communication. What happens if a Commissioner receives a written or oral communication and it is not shared with all parties? Does it become "impermissible Communication"? This should not happen since this might lead to information that might be pertinent to the rate case proceeding. I know that some of my email correspondence has been made part of the public record and some as of today has not been made part of the public record. Some of the email correspondence is very pertinent to some of the technical aspects of the Holding company concept at the Utility as it pertains to the Public Utility Holding Company Act of 1935 (PUHCA) or Public Utility Holding Company Act of 2005 ("PUHCA 2005"). This act is governed under FERC (Federal Energy Regulatory Commission). In order for there to be full transparency and to make sure that all parties and/or interested parties are provided full notice, all written and/or oral communication should be fully made part of the record. There should be no instance in which certain information would be excluded as part of the public record or not. Since some of my email correspondence has not been made part of the public record, what would be the Commission rule as to why some was made part of the public record and some was not? This in itself might lead to "ex parte" communication since all of my information has not been made part of the public record.

I am going to continue to look at the rule but I think that all communications should be made part of the public record and if not the Commission should provide a response as to why certain information was excluded. This would be needed to make sure that there was no "ex parte" communications. If some information was excluded then some of the Commission staff and/or Commissioner's might be exposed to an "ex parte" communications issue since the information was not made fully transparent and disclosed. All parties, interested parties and any other party that has a "legal interest" in any rate case proceeding should have full

access to all information that was made available to both the Commission staff and/or Commissioner's in any rate proceeding that is being administered by the Florida Public Service Commission. Without this approach the possibility exists that "ex parte" communication might exist. This might lead to the possibility of an impartial proceeding and/or lack of due process to protect the interests of both the ratepayers and/or shareholders of the Utility in the proceeding.

Please let me know if the information that I have provided that has not been made part of the public record is going to be part of the public record. If it is not going to be made part of the public record please let me know why it has not been made part of the public record. Please provide me with the rule that would support why some of the information was not made part of the public record. If you need copies of the emails that I have sent with regard to what is currently missing from the public record please do not hesitate to ask.

I will continue to look at the proposed rule.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or give me a call.

As per SB 1034 of the Florida Statutes with regard to communication with a ratepayer:

---

4 **SB 1034**
Fasano
(Identical H 565)

Section 350.042, F. S., provides for ex parte communications. The term "ex parte" is not defined in the statute but according to *Black's Law Dictionary* means "on one side only, by or for one party, done for, in behalf of, or on the application of, one party only." According to the *American Heritage Dictionary*, the term means "from or on one side only; one sided, partisan." Subsection (1) provides that a commissioner should accord to every person who is legally interested in a proceeding full right to be heard according to law, and except as authorized by law, shall neither initiate nor consider ex parte communications concerning the merits, threat, or offer of reward in any proceeding other than a proceeding under s. 120.54, F. S., (rulemaking) or 120.565, F.S., (declaratory statements by agencies), workshops, or internal affairs meetings. No individual shall discuss ex parte with a commissioner the merits of any issue that he or she knows will be filed with the commission within 90 days. The subsection does not apply to commission staff.

Individual residential ratepayers are allowed to communicate with a commissioner, provided that the ratepayer is representing only himself or herself, without compensation. In addition, the section does not apply to oral communications or discussions in scheduled and noticed open public meetings of educational programs of a conference or other meeting of an association of regulatory agencies.

Confidentiality Statement

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prohibited, and the documents should be returned. In this regard, if you received this telecopy in error, please contact the sender by reply E-mail and destroy all copies of the original.

Kimberley Pena

FPSC, CLK - CORRESPONDENCE
Administrative ☑ Parties ☐ Commission
DOCUMENT NO. 10741-08
DISTRIBUTION:

From: Kimberley Pena
Sent: Wednesday, October 20, 2010 11:25 AM
To: 'rpjrb@yahoo.com'
Cc: Lisa Bennett; Ann Cole; Jennifer Crawford
Subject: RE: Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification

Mr. Smith, Florida Power & Light has not provided redacted (public) versions of Document Numbers 08713-10 and 08743-10 (provisional electric forecasted earning surveillance report). DN 08743-10 appears to be a duplicate of DN 08713-10.

This e-mail will be placed in the Docket Correspondence-Parties and Interested Persons, in Docket 080677-EI, today.

Kimberley M. Peña
Records Management Assistant
Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850
(850) 413-6393

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Tuesday, October 19, 2010 5:52 PM
To: Lisa Bennett
Cc: Kimberley Pena
Subject: RE: Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification

Dear Ms. Bennett,

Thanks for the information. I will take a look at the attached regulations. If (7)(a) works I will ask for an appeal for the declassification of this information based upon making sure that both the Florida and PSC regulations are in compliance with the Federal regulation as I have indicated in my previous email. There really is no reason for the making a normal accounting report confidential when the final order would have to disclose this information anyway. The only difference here is that it is confidential for the decision making process and then not confidential after the agreement has been signed. This has the appearance of "ex parte" communications based upon the Federal regulation as outlined below.

It just seems strange that normal accounting reports that are used in final orders and normal business is being made confidential when it appears that this type of information has been made public in the past.

Do you know off hand if the whited/redacted out email correspondence has been made part of the public docket for all the cases that I am an interested party?

I will get back to the Commission tomorrow once I am able to review the two files that you have sent.

As part of the appeal I would want the commission to rule on the compliance perspective with the Federal law as indicated in the emails below.

Again, thanks for the information.

Thanks,

Robert H. Smith

Confidentiality Statement

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From: Lisa Bennett [mailto:LBENNETT@PSC.STATE.FL.US]
Sent: Tuesday, October 19, 2010 5:10 PM
To: rpjrb@yahoo.com
Cc: Kimberley Pena
Subject: RE: Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification

Mr. Smith,

Florida Power & Light Company has filed a Request for Confidential Classification of its Provisional Electric Forecasted Earnings Surveillance Report, Document Number 08713-10, filed in Docket No. 080677-EI. As you are aware, all documents filed with public agencies are public records pursuant to Section 119.07, Florida Statutes, unless the legislature provides an exemption for those records. The legislature did provide for confidential classification of certain documents filed with the Public Service Commission. The process for requesting confidential classification is found in Section 366.093, Florida Statutes. I am attaching a copy of that statute for your review. In compliance with Chapter 120 Florida Statutes, and Section 366.093, Florida Statutes, the Public Service Commission adopted a rule for handling confidential documents, Rule 25-22.006, Florida Administrative Code. I am attaching a copy of that rule for your reference. Paragraph (3)(d) of the rule exempts the document from disclosure pending a ruling by the Commission. Currently, the document in question is pending review at the Commission and therefore is confidential.

You may wish to pay particular attention to paragraph (7)(a) of the rule as it provides you with an avenue to request inspection of the document in question.

Lisa C. Bennett
Office of the General Counsel
2540 Shumard Oak Boulevard
Tallahassee, FL
850-413-6230

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Tuesday, October 19, 2010 3:14 PM
To: Kimberley Pena
Cc: Office Of Commissioner Edgar; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé; Lisa Bennett

10/20/2010

Subject: FW: Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification

Dear Ms. Pena,

I would respectively request a copy of the forecasted provisional Electric Forecasted Earnings Surveillance Report. I feel that as an interested party with a legal interest in these proceedings from both a ratepayer and shareholder perspective that I would have legal basis to be afforded full transparency with the release of this document.

This document is a document that would be no different than prior Surveillance reports that have been issued in the past (made part of the public record) and/or any final orders in which the Commission has provided full disclosure of the calculated returns on equity based upon an adjudicated level of rate relief.

Since this information would normally be provided with a final order before the case is closed there would be no reason to classify this document before agreeing to the Stipulation and Settlement agreement and then declassify the document after the Stipulation and Settlement agreement is signed. This would not allow for the full transparency that would be afforded to any party with a legal interest in this proceeding.

Base upon the Federal Law Title 5 Administrative Procedures Act USC 551 to USC 559 and 350.042 of the Florida Statutes this might be "ex parte" communications since the document might be furnished to specific interested parties in this case and not furnished to other parties with a legal interest in these proceedings. If these documents are being utilized by Commission personnel I am sure that the interveners in this case would potentially consider this "ex parte" communications and ask for the immediate release of this information if it might have an impact on their fiduciary duty to protect their legal interests in this case. This might also be considered "ex parte" communications since this type of information would be information that would normally made available in all rate case proceedings.

In the past I have requested through a FOIA request the historic Surveillance Reports. This request was granted.

In the past the Commission issued a final order before closing the case with the same type of disclosures that would be furnished in the Forecasted Earnings Surveillance Report.

What has changed?

If your response is to deny my request please support your answer on how this would **not** be a violation of Federal law Title 5 USC 551 to 559 of the Administrative Procedures Act and Section 350.042 of the Florida Statutes. The Federal law might preempt the Florida State Law. Before the Commission rules on this issue I think that a full legal review of compliance with both Federal/State laws is warranted.

Please let me know if you need a hard copy of this email so that when this is added to the public docket all the images will be made part of the public record.

An expedited answer would be very important considering that these issues might be taken up on 10/26/2010.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com.

Thanks,

Robert H. Smith

State of Florida

Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

John T. Burnett
700 Universe Blvd
Juno Beach FL 33408

Re: Acknowledgement of Confidential Filing in Docket No. 080677-EI

This will acknowledge receipt by the Florida Public Service Commission, Office of Commission Clerk, of a CONFIDENTIAL DOCUMENT filed on October 18, 2010, in the above-referenced docket.

Document Number 08713-10 has been assigned to this filing, which will be maintained in locked storage.

If you have any questions regarding this document, please contact Kim Peña, Records Management Assistant, at (850) 413-6393.

The documents accompanying this telecopy transmission contain information which is confidential and/or legally privileged. The information is intended only for the use of the individual or entity named on this transmission sheet. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this telecopied information is strictly prohibited, and the documents should be returned. In this regard, if you received this telecopy in error, please contact the sender by reply E-mail and destroy all copies of the original.

From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Tuesday, October 19, 2010 2:21 PM
To: 'Office Of Commissioner Edgar'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'
Cc: 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Subject: FW: Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification

Dear Commissioner's and Ms. Bennett,

Are the whited out/redacted emails going to be made part of the public record? Do you need a copy of the hardcopies of my emails?

Noticed a couple of **typo(s).** Sorry.

Thanks,

Robert H. Smith

Confidentiality Statement

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Tuesday, October 19, 2010 1:26 PM
To: 'Office Of Commissioner Edgar'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'
Cc: 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Subject: FW: Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification

Dear Commissioner's and Ms. Bennett,

Sorry for the **typo.**

Both Regulation FD and SX would impact information that should be made available to the public. If this forecast contains material information to its shareholders then there would be no reason for the company to seek classification of the

surveillance report based upon Regulation FD and Based upon Regulation SX they would be required to report segmented information when the need for this information is warranted.

Thanks,

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Tuesday, October 19, 2010 12:54 PM
To: 'Office Of Commissioner Edgar'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'
Cc: 'Lisa Bennett'
Subject: Provisional Electric Forecasted Earnings Surveillance Report ("Report") / Classification

Dear Commissioner's and Ms. Bennett,

According to this classification there is another part of Regulation **FD/SX** that would require this information to be not classified as confidential since this would "Situations may arise when information should be disclosed about a segment although the information in quantitative terms may not appear significant to the registrant's business taken as a whole."

This is why from both a shareholder and ratepayer perspective this is a critical piece of information when deciding both the issues in a ratecase as well for an investor to understand the regulatory impacts on the earnings of the company.

With item number 5 below, why would the company after a determination in the case declassify the documents? This may be construed as "ex parte" communication. Will the interveners have access to this information? If so, then as a ratepayer under 350.042 of the Florida Statutes and as per the SEC requirements below as a shareholder there should be no reason why the Company would classify this before the decision and declassify it after there is an agreement on the Stipulation and Settlement agreement. You have to remember that the over earnings of the company is also to test the rates that would be required therefore if the forecasted surveillance reports show that the company is over earning all interested parties should have access to this information in order to have the ability to ask any other pertinent questions that might impact a decision on agreeing to the Stipulation and Settlement agreement.

I would be very careful here since any lack of transparency from both the ratepayer and shareholder perspective might give rise to an impartial process which the Company has gone on the record that they are very concerned about. It has to be a two way street therefore I do not see the point of why they would want to classify this document as confidential when all the other actual surveillance reports have been made public?

This type of reporting is used to determine if the cash rates are ample enough to support the cost of service of the company. Without this type of disclosure in a ratecase proceeding, this might be construed as "ex parte" communication under section 350.042 of the Florida Statutes. Another issue to take a look at is any potential issues with "ex parte"

communication under Title 5 Administrative Procedures Act USC 551 to USC 559. This is at the Federal level. Any Federal **law** would preempt any of the State Statutes and any State Statute would preempt any PSC administrative procedure.

This makes no sense since the original cost of service as filed in the case was made public therefore why would this surveillance report be made confidential when this type of information has been published in the past?

If you take a look at a typical surveillance report you will notice that none of the schedules would include confidential and proprietary information since this is the type of accounting schedule that is primarily used in a ratecase proceeding to set rates. Take a look at the final order that was issued by the Public Service Commission. You will notice that earned returns on equity are made available to the public therefore it does not make sense that they feel that this is a forecasted surveillance report that would require confidential classification. If this is considered classified then how would this not be considered "ex parte" communication since only certain interested parties are being able to see this information?

I know that from a shareholders perspective as well as a ratepayers perspective I would need this information to be able to determine what my rates are going to be as a customer and what any future stock price impacts would be on my ownership of common stock.

This lack of transparency might be considered "ex parte" communications under Title 5 of the Administrative Procedures act since this might be construed as "one sided" transparency.

How could only certain parties with a legal interest be allowed to see this information and **others** are not?

I am waiting to hear from Mr. Hay and Mr. Sieving regarding my shareholder questions that based upon the SEC regulations below would be in their purview to answer a shareholder.

If I cannot rely on the transparency of information from a ratecase proceeding to see how the Stipulation and Settlement agreement will impact my rates as a customer then how is the ratecase process protecting the customers from a ratepayer perspective?

If I do not receive the appropriate information from Mr. Hay and Mr. Sieving regarding segmented cash flows from a shareholder perspective then how can I have assurance based upon the SEC regulation below that this ratecase will not have an impact on my future value of my stock.

Full transparency should be afforded with this case. Are any of the interveners in the case going to have access to the Forecasted Earnings Surveillance Reports? If so, then any party with a legal interest should be able to see this information as well.

Did staff publish my whited/redacted out information that was missing from my emails? I have provided hardcopy through a PDF file for them to append to the Public Service Commission file.

If you need a hardcopy of this email so when this email is added to the consumer file it is put into the public record with all of its images intact. I have no problem with providing this information.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com.

Thanks for your patience in this matter.

Robert H. Smith

FEDERAL ENERGY REGULATORY COMMISSION EX PARTE REGULATIONS AND PRACTICES

Title 5 Administrative Procedures Act

Title 17: Commodity and Securities Exchanges

Browse Previous | Browse Next

PART 210—FORM AND CONTENT OF AND REQUIREMENTS FOR FINANCIAL STATEMENTS, SECURITIES ACT OF 1933, SECURITIES EXCHANGE ACT OF 1934, PUBLIC UTILITY HOLDING COMPANY ACT OF 1935, INVESTMENT COMPANY ACT OF 1940, INVESTMENT ADVISERS ACT OF 1940, AND ENERGY POLICY AND CONSERVATION ACT OF 1975

Special Requirements as to Public Utility Holding Companies

Reg. § 210.3A-05.

There shall be shown in the consolidated balance sheet of a public utility holding company the difference between the amount at which the parent's investment is carried and the underlying book equity of subsidiaries as at the respective dates of acquisition.

§ 229.10 (Item 10) General.

Instructions to Item 101.

1. In determining what information about the segments is material to any understanding of the registrant's business taken as a whole and therefore required to be disclosed pursuant to paragraph (c) of this Item, the registrant should take into account both quantitative and qualitative factors such as the significance of the matter to the registrant (e.g., whether a matter with a relatively minor impact on the registrant's business is represented by management to be important to its future profitability), the pervasiveness of the matter (e.g., whether it affects or may affect numerous items in the segment information), and the impact of the matter (e.g., whether it distorts the trends reflected in the segment information). Situations may arise when information should be disclosed about a segment although the information in quantitative terms may not appear significant to the registrant's business taken as a whole.
2. Base the determination of whether information about segments is required for a particular year upon an evaluation of interperiod comparability. For instance, interperiod comparability would require a registrant to report segment information in the current period even if not material under the criteria for reportability of SFAS No. 131 if a segment has been significant in the immediately preceding period and the registrant expects it to be significant in the future.
3. The Commission, upon written request of the registrant and where consistent with the protection of investors, may permit the omission of any of the information required by this Item or the furnishing in substitution thereof of appropriate information of comparable character.

4. As the affidavit included in Exhibit D indicates, the information provided by FPL contains material, non-public financial forecast information, which unless kept confidential, would require disclosure to investors under United States Securities and Exchange Commission Regulation FD. Regulation FD is an issuer disclosure rule intended to avoid selective disclosure of material financial information by publicly traded companies such as FPL's parent, NextEra Energy, Inc. Since the information contained in the Report is provisional, and presents only one view of FPL's forecasted financial results for 2010, it is inappropriate to disclose this information to the investment community at the present time and such disclosure would adversely affect FPL's competitive interests in financial markets.[1] Such information is proprietary confidential business information under Section 366.093, including subsection (3)(e) thereof.

5. Upon a finding by the Commission that the information highlighted in Exhibit A, and referenced in Exhibit C, is proprietary confidential business information, the information should not be declassified until FPL files its final Forecasted Earnings Surveillance Report, which FPL has committed to filing within 30 days of the Commission's approval of the Stipulation and Settlement that FPL and the major intervenors filed on August 20, 2010 or, if the settlement agreement is not approved, the Commission's decision on pending motions for reconsideration. Additionally, the Report should be returned to FPL as soon as the information is no longer necessary for the Commission to conduct its business. *See* § 366.093(4), F.S.

Confidentiality Statement

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, October 15, 2010 5:32 PM
To: 'Samantha Cibula <SCibula@PSC.STATE.FL.US>'
Cc: 'Lisa Bennett'; 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; 'Mary Anne Helton <MHelton@PSC.STATE.FL.US>'; 'Curt Kiser <CKiser@PSC.STATE.FL.US>'; 'Cindy Miller <CMiller@PSC.STATE.FL.US>'
Subject: FW: Will high profit margin for FPL mean refund for customers? / Docket 100410 Review of Florida Power & Light Company's earnings.

Dear Ms. Cibula,

This is for your information regarding some of my email correspondence being whited/redacted out and not being added to the public record.

The fact that some of my images in my emails are not being made part of the record might be considered "ex parte" communications in that some of the people at the commission are receiving technical accounting that might have an impact on the decision's made in a rate case. My technical accounting and any correspondence questioning any of the testimony in the case should be made fully transparent to all parties of a rate proceeding.

This information should be being fully shared in the public record since other people (other parties with a legal interest in a rate proceeding) might be able to benefit from my email communications and give rise to additional questioning with regard to any rate proceeding.

This is why full transparency/full disclosure should be a requirement for any rate proceeding. This would provide full due process/discovery with any proceeding.

Without this approach the possibility exists that "ex parte" communication might exist. This might lead to the possibility of an impartial proceeding and/or lack of due process to protect the interests of both the ratepayers and/or shareholders of the Utility in the proceeding. This might also create an "ex parte" communication situation for other parties with a legal interest in a rate proceeding as well. If they are not afforded the same type of discovery as members of the Commission staff and/or Commissioner's this might lead to an impartial proceeding.

I understand that the company is concerned with impartiality with these proceedings. If it is a concern for the Company, then the same concerns for impartiality should also be a concern for ratepayers and/or shareholders of the company as well as any other party that might have a legal interest in any rate proceeding.

I know that based upon 350.042 of the Florida Statutes I have this right as a ratepayer and based upon my rights as a shareholder I would have the right to ask these questions as well.

Full transparency/discovery should be afforded.

Just a thought on making sure that the new administrative procedure provides for full due process and transparency and meets the test of compliance with the Florida Statutes since preemption would provide that any administrative procedure has to meet the State Statutes in order for it to meet compliance with current Florida State Laws.

This is a very important issue since the Company has made it very clear that they are concerned with partiality in the proceeding. This has to be a two way street.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or give me a call.

Thanks,

Robert H. Smith

Confidentiality Statement

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, October 14, 2010 12:39 PM
To: Samantha Cibula <SCibula@PSC.STATE.FL.US>
Cc: 'Lisa Bennett'; 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham'; 'Office of Commissioner Brisé'; Mary Anne Helton <MHelton@PSC.STATE.FL.US>; Curt Kiser <CKiser@PSC.STATE.FL.US>; Cindy Miller <CMiller@PSC.STATE.FL.US>
Subject: RE: Communication Between Commission Employees and Parties

Dear Ms. Cibula,

Thank you for the information and I am looking forward to receiving a copy of the transcript from the workshop on rule 25-22.033. I noticed that during the workshop there was limited discussion on to how the proposed legislation was derived. Most outside people (ratepayers and/or shareholders) would need clear and concise language as to what would be acceptable communication with the Commission. I noticed that a ratepayer is still allowed to communicate with the Commissioner's under section 350.042 of the Florida Statutes. Here are some comments but I will continue to take a look at the rule.

Section (1) of 25-22.033 reads "Legal interest in the proceeding"?

What does this mean in plain language? Any ratepayer of any regulated entity would have a legal interest in a proceeding therefore they would be in a position to have communications with Commission staff and/or the Commissioner's based upon 350.042. A shareholder would also have a legal interest in a proceeding with regard to any ratemaking matters that might have an impact on the earnings of the Utility therefore they would also be in a position to have communications with Commission staff and/or the Commissioner's just like the Senior Management of the Utility. Since both a ratepayer and/or shareholder would have a legal interest in a rate case proceeding then any communication between Commission staff and/or the Commissioner's should be fully made part of the public record and available to all parties and interested

parties. There should be no exception(s) as to what communications are being made part of the public record or not.

This would provide for full transparency which would be a requirement under 350.042. How come all of my correspondence with the Commission has not been fully made part of the public record? This is a very critical issue since if some of the communication is made part of the record and some is excluded it might lead to an "ex parte" communication in that some of the communication was made part of the public record and some was not. If you look at some of my communication that has not been made part of the public record you will notice that only certain emails have not been made part of the public record. If some are excluded and some are included then the person must be notified by the Commission as to why some of the communication (written and/or oral) was excluded from the public record.

I also noticed that an interested person's communication is made part of a Docket correspondence - Parties and Interested Persons. This file is often kept in the same chronological spot as the previous communications that have been populated in this file. A lot of the communications that I have sent had a chronological importance with regard to the testimony that was made by the Utility and/or Expert Witnesses. In order for there to be full transparency the communications or the file should be moved to most recent date of information that is placed into these files or the parties and/or interested parties might not be made fully aware of this information that might be pertinent to the rate case proceeding. This is very important since some of my email correspondence provided technical accounting responses to direct testimony. Some of it was excluded from these files and some was included. In order for there to be no "ex parte" communications all information has to be made part of the public record so that all parties and/or interested parties would have access to the information. Since these files are not being moved to the top Docket index the average party and/or interested party might not know where this pertinent information resides therefore they might not be made aware of an issue that might be pertinent to the rate case that they should have been made aware of.

How come some of my communications was made part of the public record and some was not?

Section (2)(c) of 25-22.033 reads:

> (c) "Impermissible Communication" means any communication with a party or interested person, if written, is not served on all parties, or, if oral, is made without notice to all parties or interested persons.

Rob Smith Comments

Under this rule all written communications from an interested party has to be made available to all parties or interested parties. Correct? If the information received is made part of the public record then it would be permissible communication. If a Commissioner received written or oral Communication then this information should be made part of the public record so that all parties or interested parties have been made aware of the Communication. What happens if a Commissioner receives a written or oral communication and it is not shared with all parties? Does it become "impermissible Communication"? This should not happen since this might lead to information that might be pertinent to the rate case proceeding. I know that some of my email correspondence has been made part of the public record and some as of today has not been made part of the public record. Some of the email correspondence is very pertinent to some of the technical aspects of the Holding company concept at the Utility as it pertains to the Public Utility Holding Company Act of 1935 (PUHCA) or Public Utility Holding Company Act of 2005 ("PUHCA 2005"). This act is governed under FERC (Federal Energy Regulatory Commission). In order for there to be full transparency and to make sure that all parties and/or interested parties are provided full notice, all written and/or oral communication should be fully made part of the record. There should be no instance in which certain information would be excluded as part of the public record or not. Since some of my email correspondence has not been made part of the public record, what would be the Commission rule as to why some was made part of the public record and some was not? This in itself might lead to "ex parte" communication since all of my information has not been made part of the public record.

I am going to continue to look at the rule but I think that all communications should be made part of the public record and if not the Commission should provide a response as to why certain information was excluded. This would be needed to make sure that there was no "ex parte" communications. If some information was excluded then some of the Commission staff and/or Commissioner's might be exposed to an "ex parte" communications issue since the information was not made fully transparent and disclosed. All parties, interested parties and any other party that has a "legal interest" in any rate case proceeding should have full access to all information that was made available to both the Commission staff and/or Commissioner's in any rate proceeding that is being administered by the Florida Public Service Commission. Without this approach the possibility exists that "ex parte" communication might exist. This might lead to the possibility of an impartial proceeding and/or lack of due process to protect the interests of both the ratepayers and/or shareholders of the Utility in the proceeding.

Please let me know if the information that I have provided that has not been made part of the public record is going to be part of the public record. If it is not going to be made part of the public record please let me know why it has not been made part of the public record. Please provide me with the rule that would support why some of the information was not made part of the public record. If you need copies of the emails that I have sent with regard to what is currently missing from the public record please do not hesitate to ask.

I will continue to look at the proposed rule.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or give me a call.

As per SB 1034 of the Florida Statutes with regard to communication with a ratepayer:

---

4 **SB 1034**
Fasano
(Identical H 565)

Section 350.042, F. S., provides for ex parte communications. The term "ex parte" is not defined in the statute but according to *Black's Law Dictionary* means "on one side only, by or for one party, done for, in behalf of, or on the application of, one party only." According to the *American Heritage Dictionary*, the term means "from or on one side only; one sided, partisan." Subsection (1) provides that a commissioner should accord to every person who is legally interested in a proceeding full right to be heard according to law, and except as authorized by law, shall neither initiate nor consider ex parte communications concerning the merits, threat, or offer of reward in any proceeding other than a proceeding under s. 120.54, F. S., (rulemaking) or 120.565, F.S., (declaratory statements by agencies), workshops, or internal affairs meetings. No individual shall discuss ex parte with a commissioner the merits of any issue that he or she knows will be filed with the commission within 90 days. The subsection does not apply to commission staff.

Individual residential ratepayers are allowed to communicate with a commissioner, provided that the ratepayer is representing only himself or herself, without compensation. In addition, the section does not apply to oral communications or discussions in scheduled and noticed open public meetings of educational programs of a conference or other meeting of an association of regulatory agencies.

Confidentiality Statement

The documents accompanying this telecopy transmission contain information which is confidential and/or legally privileged. The information is intended only for the use of the individual or entity named on this transmission sheet. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this telecopied information is strictly prohibited, and the documents should be returned. In this regard, if you received this telecopy in error, please contact the sender by reply E-mail and destroy all copies of the original.

25-22.006 Confidential Information.

(1) Definitions.

(a) "Confidential information" means material that has been determined, pursuant to this rule, to be proprietary confidential business information under Section 350.121, 364.183, 366.093 or 367.156, Florida Statutes.

(b) "Formal proceeding" means a proceeding docketed in the Commission's Office of Commission Clerk.

(c) "Inquiry" means an investigation pursuant to Section 350.121, Florida Statutes. An inquiry is set in motion by the Commission Chairman, the Executive Director, or the General Counsel to evaluate a complaint, allegation, or develop information as a basis to initiate action on or dispose of any matter within the Commission's jurisdiction.

(d) "Material" means all documents, papers, letters, maps, books, tapes, photographs, films, sound recordings, or other recorded information regardless of physical form or characteristics.

(e) "Obtaining material" means receiving material pursuant to filing or taking physical control of material by removing the original material or a copy of it from the utility's or other person's premises. Obtaining material also means the extraction of data from material for inclusion in working papers or memoranda.

(2) Material obtained during an inquiry.

(a) All material obtained incident to an inquiry by the Commission, its staff, or any consultant employed by the Commission is exempt from the public access requirements of Section 119.07(1), Florida Statutes, and will be accorded stringent procedural safeguards against public disclosure during the pendency of the inquiry. When the Commission or its staff is requesting information incident to an inquiry, the source shall be informed in writing that the request is made incident to an inquiry.

(b) An inquiry will terminate 40 days after the transmittal of a notice of termination by the Office of Commission Clerk. This notice will be sent to all sources from whom material was obtained during the inquiry and will include a list of all materials obtained from the source during the inquiry and any portions of staff work papers, analyses, and reports containing materials obtained from the source during the inquiry. The notice will indicate whether the Commission intends to retain, destroy, or return the materials listed. A source may, within 30 days after issuance of the notice, file with the Office of Commission Clerk a written request that the material the Commission intends to retain be classified as confidential and exempt from Section 119.07(1), Florida Statutes. Requests filed in response to the notice of termination shall meet the same criteria and be processed in the same manner as other requests for confidential classification under subsection (4) of this rule. If no timely request for confidential classification is filed, confidentiality is waived and the material becomes subject to inspection and examination pursuant to Section 119.01(7), Florida Statutes.

(3) Material obtained outside of an inquiry. Material obtained by the Commission or its staff outside of an inquiry shall be subject to inspection and examination pursuant to Section 119.07(1), Florida Statutes, unless the utility or other person requests that it be classified as confidential information.

(a)1. If the utility or other person believes information requested by staff is confidential, the utility or other person may require that the staff request be in writing. Prior to the staff obtaining any material, a utility or other person may receive temporary exemption from Section 119.07(1), Florida Statutes, by filing a notice of intent to request confidential classification. The notice of intent to request confidential classification shall be filed with the Office of Commission Clerk and shall have appended thereto a copy of any written request for the material to which it relates. A copy of the notice shall be provided to the division requesting the material. To maintain continued confidential handling of the material the utility or other person must, within 21 days after the staff has obtained the material, file a request for confidential classification with the Office of Commission Clerk. Absent good cause shown, failure to file such a request within 21 days shall constitute a waiver of confidentiality.

2. In the case of material obtained by the Commission's auditors, the utility shall indicate on the document request Form PSC/RCP 6 (2/95) whether the information is believed by the utility to be confidential. To maintain continued confidential handling of the material, the utility must, within 21 days after the audit exit conference or, if waived, the date the audit exit conference would have taken place, file a request for confidential classification with the Office of Commission Clerk. Absent good cause shown, failure to file such a request within 21 days shall constitute a waiver of confidentiality.

(b) When the material is obtained incident to a formal proceeding, the utility or other person requesting confidential classification shall also serve a copy or summary of its request on all parties of record and on Public Counsel. The summary shall describe the material in sufficient detail so as to reasonably inform the reader of the nature of the material. Any party to a formal proceeding may file an objection to the request for confidential classification within 14 days after service of the copy or summary.

(c) Requests for confidential classification, including motions for protective orders under paragraph (6)(a), and any objections

filed in response thereto shall be ruled on expeditiously by the prehearing officer assigned to the docket. The Commission panel assigned to the case will hear any motion for reconsideration filed regarding the prehearing officer's ruling. If a request is received outside a docketed proceeding, the request itself will be docketed.

(d) All material that has been classified as confidential, for which a ruling on confidentiality is pending, is subject to a notice of intent to request confidential classification, or is subject to a claim of confidentiality as provided for in Section 364.183(1), Florida Statutes, shall be exempt from Section 119.07(1), Florida Statutes, and will be accorded stringent internal procedural safeguards against public disclosure. Any staff or consultant reports or work products containing confidential information extracted from material having been classified as confidential, or which has been claimed to be confidential or for which a ruling on confidentiality is pending, shall be handled in the same manner as the material so classified. The Commission shall have discretion to retain any confidential material in its possession. Upon the consent of the Department of State, the Commission may return or, after consulting with the source, destroy any material that is no longer needed.

(4) Requests for confidential classification.

(a) A request for confidential classification of material shall be filed in writing with the Office of Commission Clerk. All such requests, including motions for protective orders based on confidentiality, shall be styled to clearly indicate on their face that confidentiality is being requested. The utility or other person shall file with the request one copy of the material for which confidential treatment is requested. On this copy, the specific information asserted to be confidential shall be highlighted. Along with the highlighted copy, the utility or other person shall file two or more edited copies as required by the type of proceeding, which will be made available for public inspection. In the edited copies, the specific information asserted to be confidential shall be blocked out by the use of an opaque marker or other masking device. The utility or other person shall identify the page and line at which the confidential material is found and shall correlate the page and line identified with the specific justification proffered in support of the classification of such material.

(b) In the case of electronically stored material, one unedited version shall be submitted along with a written identification of the specific data fields for which confidential classification is requested along with a field-by-field justification for the confidential classification.

(c) In the line-by-line or field-by-field justification for confidential classification, the utility or other person must demonstrate how the information asserted to be confidential qualifies as one of the statutory examples listed in Section 364.183(3), 366.093(3) or 367.156(3), Florida Statutes. If no statutory example is applicable, then the utility or other person shall include a statement explaining how the ratepayers or the person's or utility's business operations will be harmed by disclosure.

(d) The request shall include an affirmative statement that the material for which confidential classification is sought is intended to be and is treated by the utility or other person as private and has not been disclosed.

(e) The burden of proof shall be on the utility or other person to show that the material in question contains bona fide proprietary confidential business information. A request for confidential classification that fails to identify the material for which confidential classification is sought in sufficient detail to permit a reasoned analysis or which fails to provide the required justification for classification may be denied as insufficient on its face.

(f) The Office of Commission Clerk shall make available for public inspection a listing of daily filings with the Commission requesting confidentiality.

(g) The Commission shall have the discretion to modify the requirements of this subsection in order to alleviate the financial burden of entities qualifying as small businesses under Section 288.702, Florida Statutes.

(h) A utility may petition the Commission for a waiver of the justification for particular sections of certain routinized for filings. The Commission may require conditions to be met by the utility that may include, but not be limited to:

1. Filings which are routine, filed periodically, and which have been filed for a minimum of six months;

2. Information which has regularly been classified as confidential in the past; and

3. While the utility must identify material to be classified by line-by-line reference, the utility may cite to a previous order for justification. If the waiver is approved, the Commission will issue an order referencing the appropriate previous order stating the relevant justification. No party will be denied the opportunity to object to a request for confidentiality made pursuant to this subparagraph.

(5) Claim of confidential treatment pursuant to Section 364.183(1), Florida Statutes.

(a) Telecommunications companies or other persons claiming confidential treatment for materials pursuant to Section 364.183(1), Florida Statutes, shall file with the Office of Commission Clerk one copy of all such materials and include a cover letter

stating that confidentiality is being claimed. The telecommunications company or other person also shall file one copy of the material on which the specific information claimed as confidential shall be highlighted. Along with the highlighted copy, the telecommunications company or other person shall file two edited copies which will be made available for public inspection. In the edited copies, the specific information claimed to be confidential shall be blocked out by the use of an opaque marker or other masking device.

(b) In the case of electronically stored material, one unedited version shall be submitted along with a written identification of the specific data fields for which confidentiality is claimed, along with a field-by-field justification for the confidential classification.

(c)1. The materials claimed to be confidential shall be kept confidential until returned to the provider pursuant to paragraph (6)(d) of this rule, unless the materials will be used in a Commission proceeding or are the subject of a request pursuant to Section 119.07(1), Florida Statutes.

2. Any person may file a petition to inspect and examine any material which has been claimed confidential pursuant to Section 364.183(1), Florida Statutes. A copy of the petition must be served on the affected telecommunications company or person which shall have 10 days to file a response as to why the material should remain exempt. The petitioner shall have 7 days to file a reply to the filed response. The Commission may set the matter for hearing or issue a ruling on the pleadings.

(6) Discovery.

(a) In any formal proceeding before the Commission, any utility or other person may request a protective order protecting proprietary confidential business information from discovery. Upon a showing by a utility or other person and a finding by the Commission that the material is entitled to protection, the Commission shall enter a protective order limiting discovery in the manner provided for in Rule 1.280, Florida Rules of Civil Procedure. The protective order shall specify how the confidential information is to be handled during the course of the proceeding and prescribe measures for protecting the information from disclosure outside the proceeding.

(b) The Commission's protective orders shall exempt proprietary confidential business information from Section 119.07(1), Florida Statutes. While a request for a protective order is pending, the information asserted to be confidential shall also be exempt from Section 119.07(1), Florida Statutes. Such exemption shall apply whether the information is in the possession of an entity, individual, or state agency, including the Office of Public Counsel.

(c) When a utility or other person agrees to allow Public Counsel to inspect or take possession of utility information for the purpose of determining what information is to be used in a proceeding before the Commission, the utility may request a temporary protective order exempting the information from Section 119.07(1), Florida Statutes. If the information is to be used in a proceeding before the Commission, then the utility must file a specific request for a protective order under paragraph (a) above. If the information is not to be used in a proceeding before the Commission, then Public Counsel shall return the information to the utility in accordance with the record retention requirements of the Department of State.

(d) Confidential information which has not been entered into the official record of the proceeding shall be returned to the utility or person who provided the information no later than 60 days after the final order, unless the final order is appealed. If the final order is appealed, the confidential information which has not been made a part of the record shall be returned no later than 30 days after the decision on appeal.

(7)(a) Any person may file a petition to inspect and examine any material which the Commission has ruled exempt from Section 119.07(1), Florida Statutes, or which is exempted under paragraph (3)(d) pending the Commission's ruling or as the result of the filing of a notice of intent to request confidentiality. A copy of the petition must be served on the affected utility or person which shall have 10 days to file a response as to why the material should remain exempt. The petitioner shall have 7 days to file a reply to the filed response. The Commission may set the matter for hearing or issue a ruling on the pleadings. Material obtained by the Commission in connection with an inquiry shall not be subject to requests for inspection and examination until after the inquiry is terminated.

(b) A finding of confidentiality notwithstanding, a source may consent to inspection or examination by any person. Such consent shall not constitute a waiver of confidentiality and only the person specified in the consent may inspect or examine the material. The Commission may be requested to issue a protective order to recognize the terms and conditions of the consent. All persons are urged to seek mutual agreement regarding access prior to bringing a controversy to the Commission.

(8) Use of confidential information during formal proceedings.

(a) The Commission may rely upon confidential information during a formal proceeding and such information, if otherwise admissible, will be received in evidence. In such event, reasonable precautions will be taken to segregate confidential information in

the record and otherwise protect its integrity.

(b) When information subject to a claim of confidentiality pursuant to Section 364.183(1), Florida Statutes, or a request is admitted into the evidentiary record of a hearing, if such information is not otherwise subject to a request for confidentiality filed with the Commission, the parties to the case and the Commission shall treat the information as confidential pending a ruling on the confidentiality of the information. To maintain continued confidentiality, the party to whom the information belongs shall file a request for confidential classification within 21 days of the conclusion of the hearing.

(c) When information subject to a claim of confidentiality pursuant to Section 364.183(1), Florida Statutes, or a request is contained in a party's brief or other post hearing filing filed with the Commission, the party filing such information shall notify the owner of the information at least three working days prior to the date that the filing will be made. To maintain continued confidential treatment, the party to whom the information belongs shall file, on the same date the brief or other post-hearing filing is filed, either a notice of intent to request confidentiality treatment pursuant to paragraph (b) of this subsection, a request for confidential treatment, or a statement that the information is already subject to a request for confidentiality that has been filed with the Commission and the date that the request was filed.

(9) Duration of Confidential Classification.

(a) Orders of the Commission granting confidential classification shall limit the duration of such classification to a period not exceeding 18 months. The Commission may approve a longer period if it finds, for good cause, that such longer period is necessary to protect the ratepayers or the business operations of the utility or affected person.

(b) When confidential information is no longer needed for the Commission to conduct its business, the Commission shall order all persons holding such information to return it to the utility or person providing the information.

(c) Confidential information not returned at the conclusion of the period established under paragraph (a) of this subsection, shall no longer be exempt from Section 119.07(1), Florida Statutes, unless the utility or affected person shows, and the Commission finds, that the information continues to be confidential. Upon such finding, the duration of confidential classification may be extended for a period of up to 18 months, or for a longer period if the Commission finds, for good cause, that such longer period is necessary to protect the business operations of the utility or affected person. While the Commission is considering an extension under this paragraph, the information in question shall remain exempt from Section 119.07(1), Florida Statutes.

(10) Judicial Review. When the Commission denies a request for confidential classification, the material will be kept confidential until the time for filing an appeal has expired. The utility or other person may request continued confidential treatment until judicial review is complete. The request shall be in writing and filed with the Office of Commission Clerk. The material will thereafter receive confidential treatment through completion of judicial review.

Specific Authority 350.127 FS. Law Implemented 350.121, 364.183, 366.093, 367.156 FS. History–New 7-1-85, Formerly 25-22.06, Amended 4-26-90, 4-21-96.

366.093 Public utility records; confidentiality.

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(1)The commission shall continue to have reasonable access to all public utility records and records of the utility's affiliated companies, including its parent company, regarding transactions or cost allocations among the utility and such affiliated companies, and such records necessary to ensure that a utility's ratepayers do not subsidize nonutility activities. Upon request of the public utility or other person, any records received by the commission which are shown and found by the commission to be proprietary confidential business information shall be kept confidential and shall be exempt from s. 119.07(1).

(2)Discovery in any docket or proceeding before the commission shall be in the manner provided for in Rule 1.280 of the Florida Rules of Civil Procedure. Information which affects a utility's rates or cost of service shall be considered relevant for purposes of discovery in any docket or proceeding where the utility's rates or cost of service are at issue. The commission shall determine whether information requested in discovery affects a utility's rates or cost of service. Upon a showing by a utility or other person and a finding by the commission that discovery will require the disclosure of proprietary confidential business information, the commission shall issue appropriate protective orders designating the manner for handling such information during the course of the proceeding and for protecting such information from disclosure outside the proceeding. Such proprietary confidential business information shall be exempt from s. 119.07(1). Any records provided pursuant to a discovery request for which proprietary confidential business information status is requested shall be treated by the commission and the office of the Public Counsel and any other party subject to the public records law as confidential and shall be exempt from s. 119.07(1), pending a formal ruling on such request by the commission or the return of the records to the person providing the records. Any record which has been determined to be proprietary confidential business information and is not entered into the official record of the proceeding must be returned to the person providing the record within 60 days after the final order, unless the final order is appealed. If the final order is appealed, any such record must be returned within 30 days after the decision on appeal. The commission shall adopt the necessary rules to implement this provision.

(3)Proprietary confidential business information means information, regardless of form or characteristics, which is owned or controlled by the person or company, is intended to be and is treated by the person or company as private in that the disclosure of the information would cause harm to the ratepayers or the person's or company's business operations, and has not been disclosed unless disclosed pursuant to a statutory provision, an order of a court or administrative body, or private agreement that provides that the information will not be released to the public. Proprietary confidential business information includes, but is not limited to:

(a)Trade secrets.

(b)Internal auditing controls and reports of internal auditors.

(c)Security measures, systems, or procedures.

(d)Information concerning bids or other contractual data, the disclosure of which would impair the efforts of the public utility or its affiliates to contract for goods or services on favorable terms.

(e)Information relating to competitive interests, the disclosure of which would impair the competitive business of the provider of the information.

(f)Employee personnel information unrelated to compensation, duties, qualifications, or responsibilities.

(4)Any finding by the commission that records contain proprietary confidential business information is effective for a period set by the commission not to exceed 18 months, unless the commission finds, for good cause, that the protection from disclosure shall be for a specified longer period. The commission shall order the return of records containing proprietary confidential business information when such records are no longer necessary for the commission to conduct its business. At that time, the commission shall order any other person holding such records to return them to the person providing the records. Records containing proprietary confidential business information which have not been returned at the conclusion of the period set pursuant to this subsection shall no longer be exempt from s. 119.07(1) unless the public utility or affected person shows, and the commission finds, that the records continue to contain proprietary confidential business information. Upon such finding, the commission may extend the period for confidential treatment for a period not to exceed 18 months unless the commission finds, for good cause, that the protection from disclosure shall be for a specified longer period. During commission consideration of an extension, the records in question will remain exempt from s. 119.07(1). The commission shall adopt rules to implement this provision which shall include notice to the public utility or affected person regarding the expiration of confidential treatment.

History.—ss. 2, 15, ch. 82-25; ss. 11, 20, 22, ch. 89-292; s. 4, ch. 91-429.

080677-EI

FPSC, CLK - CORRESPONDENCE
Administrative Parties Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION:

Marguerite McLean

From: Filings@psc.state.fl.us
Sent: Wednesday, September 08, 2010 10:18 AM
To: 'WOODS.MONICA@leg.state.fl.us'
Subject: FW: d. INTERVENOR PARTIES' RESPONSES TO STAFF'S DATA REQUESTS 11 pages

The Clerk's Office will accept your e-filing received 8:23 p.m. on 9/8/10, with the attached pleading listed below, in lieu of your e-filing received at 5:05 p.m. on Wednesday, 9/7/10, which did not include the attachment.

From: WOODS.MONICA [mailto:WOODS.MONICA@leg.state.fl.us]
Sent: Tuesday, September 07, 2010 5:05 PM
To: Filings@psc.state.fl.us
Subject: d. INTERVENOR PARTIES' RESPONSES TO STAFF'S DATA REQUESTS 11 pages

Joseph A. McGlothlin
111 W. Madison Street, Rm 812
Tallahassee, FL 32399
Office of Public Counsel

a. Docket No. 080677
In re: Petition for rate increase by Florida Power & Light Company.

b. Office of Public Counsel

c. 11 Pages.

d. **INTERVENOR PARTIES' RESPONSES TO STAFF'S DATA REQUESTS 11 pages**

Monica R. Woods
Administrative Assistant
Office of Public Counsel
Phone #: 488-9330
Fax# :487-6419

Ann Cole 080677-EI

From: Ann Cole
Sent: Friday, September 03, 2010 11:29 AM
To: Bill McNulty
Cc: Cristina Slaton; Commissioners Advisors; Administrative Assistants - Commission Suite
Subject: RE: To Docket No. 100001-EI, 100002-EG, 100007-EI, 100009-EI, 080677-EI, 090130-EI, 100077-EI, 100155-EG, 080203-EI, 080245-EI, 080246-EI, 090494-EI, 060038-EI.

Thank you for this information, which will be placed in Docket Correspondence - Parties and Interested Persons, in Docket Nos. 100001-EI, 100002-EG, 100007-EI, 100009-EI, 080677-EI, 090130-EI, 100077-EI, 100155-EG, 080203-EI, 080245-EI, 080246-EI, 090494-EI, 060038-EI.

-----Original Message-----
From: Bill McNulty
Sent: Friday, September 03, 2010 11:14 AM
To: Ann Cole
Cc: Cristina Slaton
Subject: To Docket No. 100001-EI, 100002-EG, 100007-EI, 100009-EI, 080677-EI, 090130-EI, 100077-EI, 100155-EG, 080203-EI, 080245-EI, 080246-EI, 090494-EI, 060038-EI.

Ann,

I received a phone call at approximately 1:45 PM yesterday (Thursday, September 2, 2010), from Attorney Ken Hoffman of FPL. Mr. Hoffman informed me that the information to be conveyed in his call was procedural in nature. He stated that FPL had, earlier that day, made filings in all dockets in which FPL was a party and to which Commissioner Skop was assigned requesting Commissioner Skop's disqualification from further participation in all such dockets. Please place this e-mail in the correspondence side of each of the respective dockets.

Thank You,
Bill McNulty
Chief Advisor to Commissioner Skop

FPSC, CLK - CORRESPONDENCE
☐ Administrative ☒ Parties ☐ Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION: _____

Ann Cole

From: Ann Cole
Sent: Monday, August 30, 2010 1:55 PM
To: Office Of Commissioner Graham
Cc: Commissioners Advisors; Administrative Assistants - Commission Suite
Subject: RE: Seabrook Asset Transfer

Tracking:

Recipient	Read
Office Of Commissioner Graham	
Commissioners Advisors	
Administrative Assistants - Commission Suite	
Ryan West	Read: 8/30/2010 1:55 PM

FPSC, CLK - CORRESPONDENCE
☐ Administrative ☒ Parties ☐ Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION: _____

Thanks, Linda. This information will also be placed in *Docket Correspondence - Parties and Interested Persons*, in Docket Nos. 080677-EI and 100009-EI.

From: Linda Duggar **On Behalf Of** Office Of Commissioner Graham
Sent: Monday, August 30, 2010 1:35 PM
To: Ann Cole
Subject: FW: Seabrook Asset Transfer

I guess this one goes in there too! Thanks.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, August 25, 2010 10:27 AM
To: Office Of Commissioner Edgar; Office of Commissioner Argenziano; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé
Cc: Lisa Bennett
Subject: FW: Seabrook Asset Transfer

Dear Commissioner's and Ms. Bennett,

The need for full transparency with any of these transactions is of the utmost importance. If you recall I have asked about the spin-off of the Fiber Net Business in my original emails. What happened to this valuation when they moved the assets? Were these moved from the Utility to FPL FiberNet? Was the market values disclosed on these assets on the transfer if they came from the Utility?

Transparency should be fully afforded since if there are very large gains with the market values of these assets then they should be disclosed.

I will send the email that I have sent to the newspapers in a separate email since these emails have been appended below the emails that I have sent to Mr. Lew Hay and Mr. Sieving.

Here is the email below that I have sent to Mr. Lew Hay and Mr. Sieving back in May and June 2009.

cid:image002.png@01C9DF9A.686AD800

Confidentiality Statement

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Wednesday, June 03, 2009 12:56 PM
To: 'Lew_Hay@fpl.com'; 'Investors@fpl.com'

Cc: 'Charles_Sieving@fpl.com'
Subject: FW: Preliminary 2008 10K questions 4th Request / Robert H. Smith Investor

Dear Mr. Hay,

I sent this fax in order for you to obtain the appropriate information with regard to the email correspondence below.

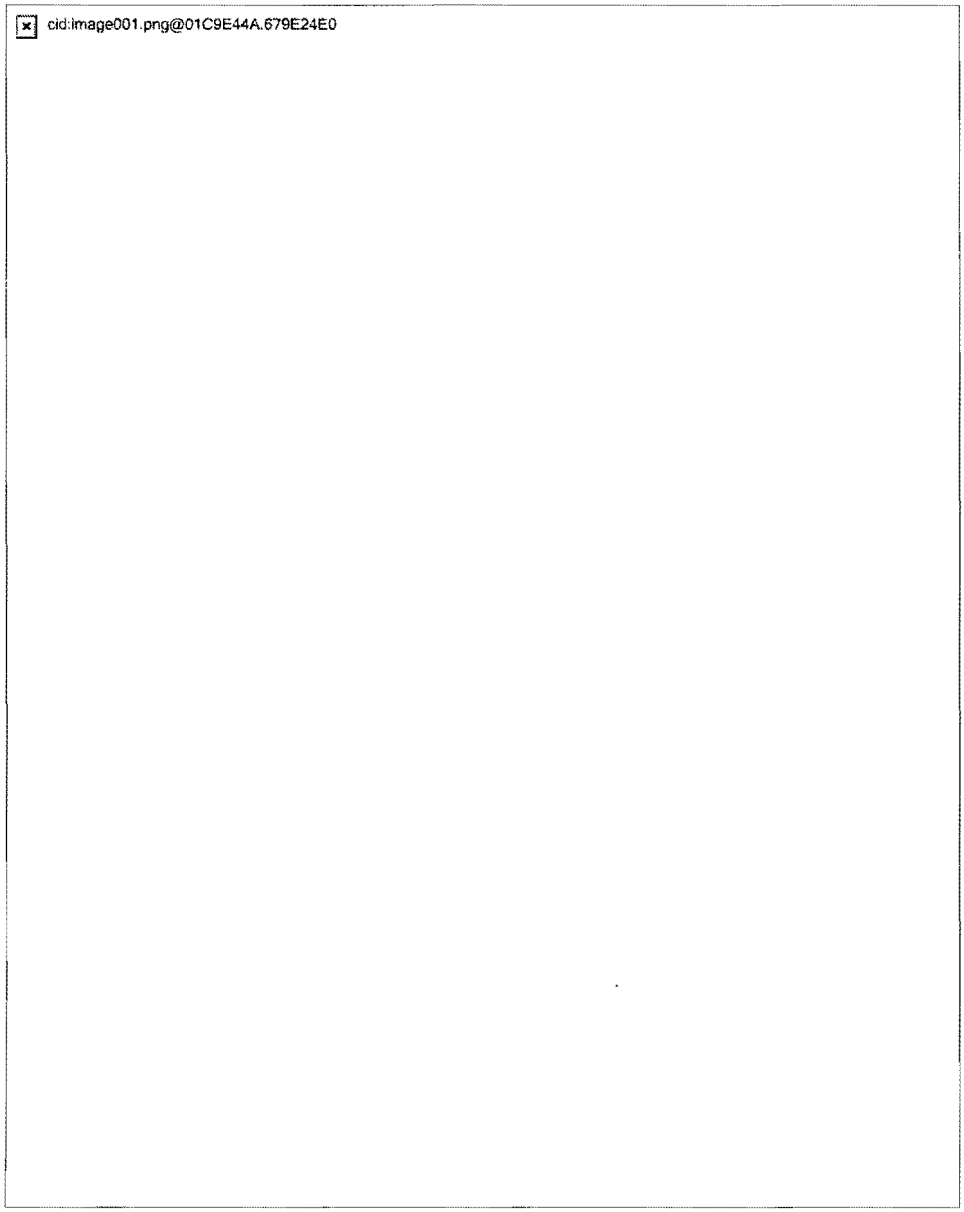
Your help with this would be greatly appreciated.

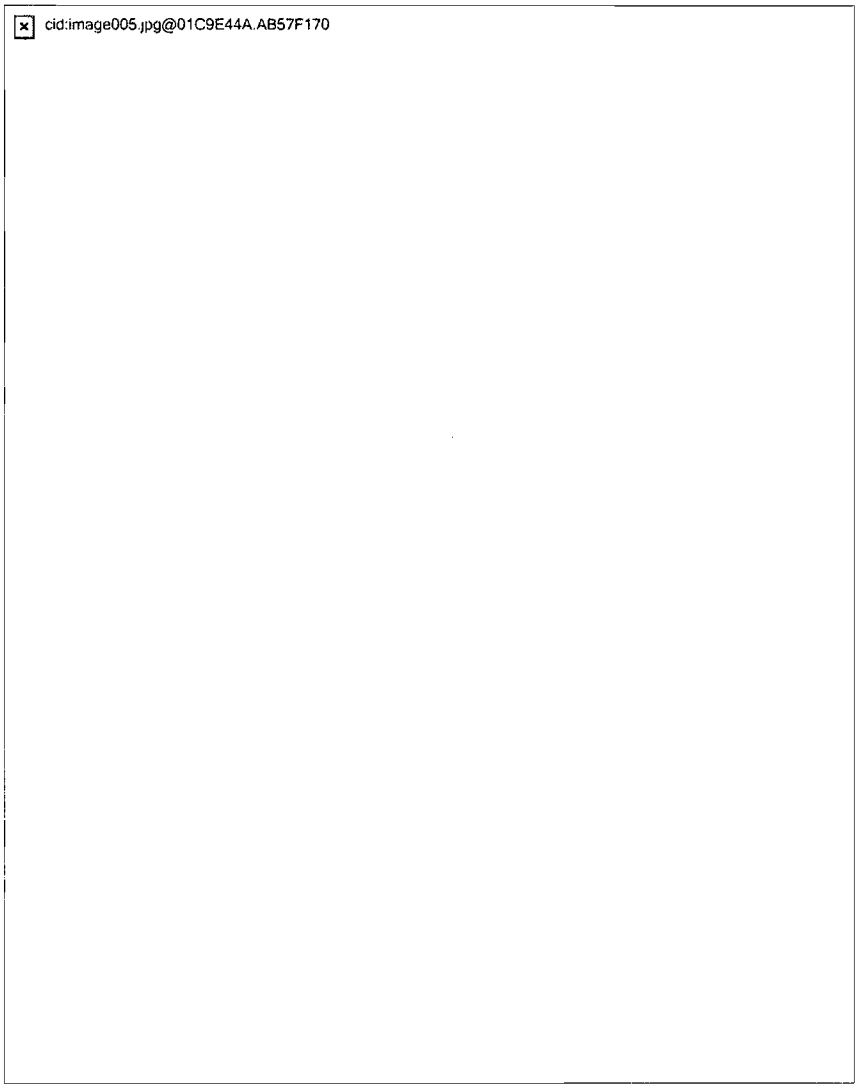
Dear Mr. Sieving,

Your help with this matter would be greatly appreciated.

Thanks,

Robert H. Smith





Confidentiality Statement

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Wednesday, June 03, 2009 12:39 PM
To: 'Lew_Hay@fpl.com'; 'Investors@fpl.com'
Subject: FW: Preliminary 2008 10K questions 4th Request

Dear Mr. Hay,

What is the status of handling this request? I have not heard back even from investor relations.

I would like to receive this information since the company is in the middle of a rate case. I do not want any of the information to be delayed since the rate case is proceeding forward and I think that the questions that I will be asking will be very easy to answer.

I will be sending a fax to:

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Tuesday, June 02, 2009 3:06 PM
To: Lew_Hay@fpl.com; Investors@fpl.com
Subject: Preliminary 2008 10K questions 3rd Request

Dear Mr. Hay,

What is the status of the handling of this request?

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, May 29, 2009 10:55 AM
To: Investors@fpl.com
Cc: Lew_Hay@fpl.com

Subject: FW: Preliminary 2008 10K questions

To whom it may concern:

Please let me know if this information is available. It was indicated that FiberNet is a regulated entity. Please verify that this is the case.

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, May 28, 2009 1:44 PM
To: Investors@fpl.com
Subject: Preliminary 2008 10K questions

To whom it may concern:

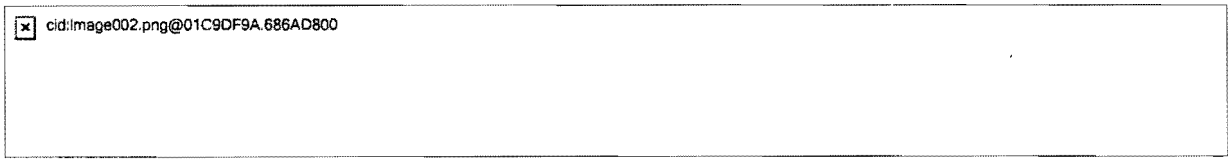
I am a shareholder at FPL Group and I was taking a look at the 10K. I am in the process of becoming familiar with the financial statements of FPL Group.

If you could be so kind I would like a couple of preliminary questions answered regarding the 10K.

I would like a break out of the Corporate & Other that is on Page 97 in Section 16. Segment Information. Please describe the revenue inflow and expense outflows with detailed descriptions.

It shows operating revenues of $191 million and operating expenses of $190 million.

Please provide me with a list of regulated and non-regulated entities at FPL Group. Please provide the governing body of each entity. I have put together a preliminary list of what I could determine from the 10K.



Does FPL have a schedule of segmented cash flows for each entity?

Does FPL have a schedule of approved vendors? I know that the utility must put these contracts out to competitive bid.

Is FPL utilizing outside placement agencies for temporary personnel? If so, is this part of the competitive bidding process and is this list available?

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or call me at 954-798-6127.

Thanks,

Robert H. Smith

11340 Heron Bay Blvd. #2523

Coral Springs, Florida 33076

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Wednesday, August 25, 2010 10:15 AM
To: 'jpatel@sunsentinel.com'; 'meklas@MiamiHerald.com'; 'susan_salisbury@pbpost.com'; 'dara_kam@pbpost.com'; 'aclough@pbpost.com'; 'tim_Burke@pbpost.com'
Subject: FW: Seabrook Asset Transfer

To all,

Here is the latest post. Let's see the market values that get published. The total market values of these assets should not be classified as confidential. There is a need for transparency of the calculation of the Gain on sale for both book/tax purposes.

How would the customer receive the transparency with regard to how much they should benefit from the sale of these assets if the market value exceeds its net book value? There should be no confidential treatment for this since any gain on Utility asset sales should be owed to the ratepayers.

This is for your information. I am sharing this information since this is a very important issue for both the ratepayers and shareholders of this company.

Transparency is very important as well considering what has been going on with this case. There is no reason why this type of information should be confidential since once the sale is completed this would have to be disclosed to both the ratepayers and shareholders (i.e. 10K).

I want to make sure that if any of the newspapers uses any of this information in any of their reporting that my email correspondence is referenced as per the disclosures below. This includes all attachments and email correspondence.

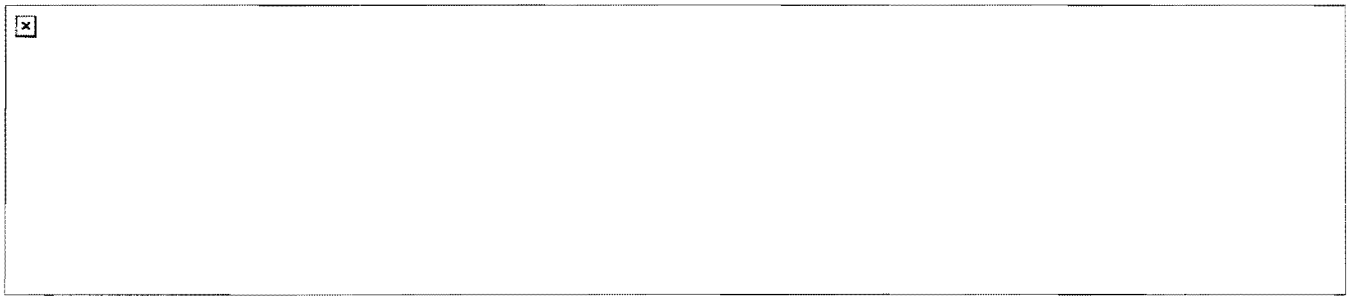
If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or contact me at 954-340-4956.

Thanks,

Robert H. Smith

Thanks,

Robert H. Smith



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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Friday, August 06, 2010 10:17 AM
To: 'jpatel@sunsentinel.com'; 'meklas@MiamiHerald.com'; 'susan_salisbury@pbpost.com'; 'dara_kam@pbpost.com'; 'aclough@pbpost.com'; 'tim_Burke@pbpost.com'
Subject: FW: Seabrook Asset Transfer

To all,

I do not know if this information was made part of the public record. Hopefully it will, so I am sending this information in advance. If it made available you will see it in the same docket.

Hope this helps and fell free to call me if anyone has any questions.

If you have any question please do not hesitate to email me at rpjrb@yahoo.com or call me at 954-340-4956.

Here is the link with my updated information.

http://www.floridapsc.com/dockets/cms/ShowDocket.aspx?docket=H:\LIBRARY\FILINGS\08\10741-08

Thanks,

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Wednesday, August 04, 2010 9:21 AM
To: 'Office Of Commissioner Graham <Commissioner.Graham@psc.state.fl.us>'; 'Office of Comissioner Brise <commissioner.Brise@psc.state.fl.us>'
Cc: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Subject: FW: Seabrook Asset Transfer

Dear Mr. Graham and Mr. Brise,

Here is what I have forwarded regarding the Seabrook Asset Transfer. I do not know if the previous email as well as this email has been made of the public record. I think that it should.

Thanks,

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Wednesday, May 19, 2010 5:58 PM
To: 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'; 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'
Subject: Seabrook Asset Transfer

Dear Ms. Bennett and Commissioner's,

I noticed that the journal entries below are at book cost.

I think that the following questions have to be answered for this sale:

What is the market value/appraisal of these assets? This can have a very significant impact on the gain on sale to the customer. The Florida ratepayer should be able to receive the current market value on the sale of these assets.

What is the Net Book Value of these assets? This must include any over/under recoveries of Theoretical Depreciation. This will have an impact on the book gain for ratemaking purposes since if these assets are over recovered then the book gain would be larger therefore creating a larger benefit to the ratepayer. (Market Value – Net Book Value (including Theoretical analysis) = Gain on Sale for ratemaking purposes.

How much tax basis is remaining on this plant? If these are fully depreciated for tax purposes, then there would be a full gain on sale for tax purposes since all the tax benefits associated with this plant have already been deducted. This will create a large tax gain on sale for tax purposes (Market Price – Remaining tax basis = Gain on Sale for tax purposes). There should be depreciation recapture for any amounts that have been deducted for tax purposes that exceed the depreciation recovery for book purposes.

I saved the old PDF file from April 2nd, 2010.

These issues are very important to take into consideration with any sale. I wanted to write a quick email regarding this pending sale. If something, else comes up or needs to be changed I will let you know.

When I worked at LILCO/KeySpan Energy this became a very important issue when we transfer the Shoreham Nuclear Power Plant/Distribution Plants to the Long Island Power Authority.

Market Value, Remaining Book Value (Rate Making Book Value) and remaining tax basis is very important with any sale of any asset at the company.

Did anyone audit the work orders for any of the plant additions that FPL was charged for this plant?

We have to be very careful with these sales. If need be I will send another FOIA request for information to take a look of how this sale is being completed.

I have personally prepared these calculations from both a book perspective as well as a tax perspective including working on the Shoreham Nuclear Plant Asset /Distribution Asset transfers to the Long Island Power Authority. This is a very important issue for both FPL and the ratepayers.

I know that the FERC form 1 reports do not disclose the net book values of specific plants but only the net book values based upon the normal book depreciation recovery that is being recorded. A theoretical study would have to be calculated to look at the over/under recovery of depreciation on the sale of these plants. Maybe some of the reserve surplus has some of this plant as over recovered.

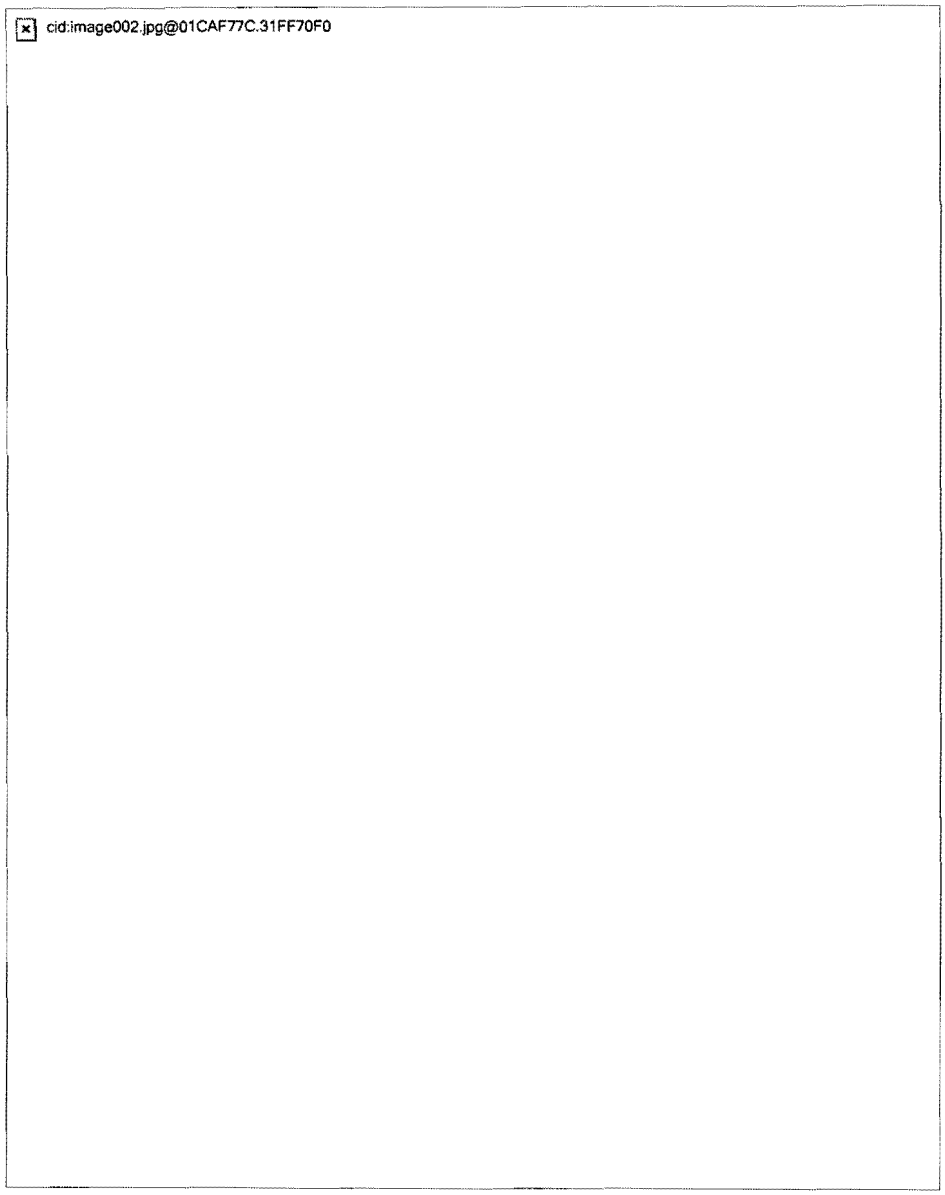
This information is being sent to help out. Will this email be made part of the public record? I would like this to be made part of the public record since this is a very significant process for the ratepayers of Florida.

I wanted to send a quick email but I will follow up if I can think of something else.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or call me at 954-340-4956/954-798-6127.

Thanks,

Robert H. Smith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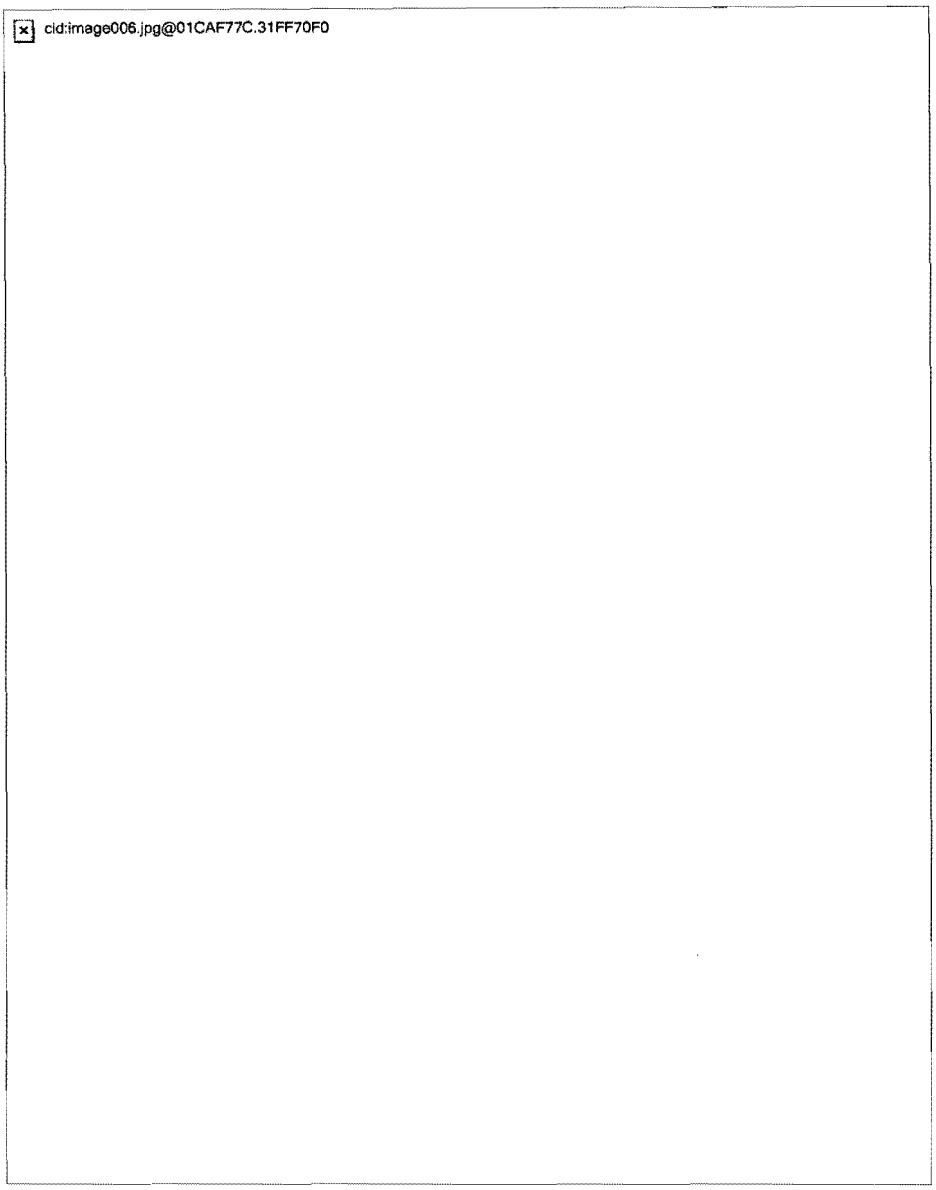

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Ann Cole

From: Ann Cole
Sent: Monday, August 30, 2010 1:54 PM
To: Office Of Commissioner Graham
Cc: Commissioners Advisors; Administrative Assistants - Commission Suite
Subject: RE: Seabrook Asset Transfer

Tracking:

Recipient	Read
Office Of Commissioner Graham	
Commissioners Advisors	
Administrative Assistants - Commission Suite	
Ryan West	Read: 8/30/2010 1:55 PM

FPSC, CLK - CORRESPONDENCE
☐ Administrative ☒ Parties ☐ Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION: _____

Thanks, Linda. This information will be placed in *Docket Correspondence - Parties and Interested Persons*, in Docket Nos. 080677-EI and 100009-EI.

From: Linda Duggar **On Behalf Of** Office Of Commissioner Graham
Sent: Monday, August 30, 2010 1:34 PM
To: Ann Cole
Subject: FW: Seabrook Asset Transfer

Thanks, Ann.

From: Mark Long
Sent: Monday, August 30, 2010 1:30 PM
To: Office Of Commissioner Graham
Subject: RE: Seabrook Asset Transfer

yes

From: Linda Duggar **On Behalf Of** Office Of Commissioner Graham
Sent: Monday, August 30, 2010 1:24 PM
To: Mark Long
Subject: FW: Seabrook Asset Transfer

The other emails from Mr. Smith have been placed in *Docket Correspondence - Parties and Interested Person*, in Docket Nos. 080677-EI and 100009-EI. Should this one be also?

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, August 25, 2010 10:34 AM
To: Office Of Commissioner Edgar; Office of Commissioner Argenziano; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé
Cc: Lisa Bennett
Subject: FW: Seabrook Asset Transfer

Dear Commissioner's and Ms. Bennett,

Here is the email that I have sent to the newspapers. I do not recall if the asset sales and tax payment emails have been made part of the public record. Were these emails made part of the public record?

Transparency should be fully afforded since if there are very large gains with the market values of these assets then they should be disclosed.

Thanks,

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Wednesday, August 25, 2010 10:15 AM
To: 'jpatel@sunsentinel.com'; 'meklas@MiamiHerald.com'; 'susan_salisbury@pbpost.com'; 'dara_kam@pbpost.com'; 'aclough@pbpost.com'; 'tim_Burke@pbpost.com'
Subject: FW: Seabrook Asset Transfer

To all,

Here is the latest post. Let's see the market values that get published. The total market values of these assets should not be classified as confidential. There is a need for transparency of the calculation of the Gain on sale for both book/tax purposes.

How would the customer receive the transparency with regard to how much they should benefit from the sale of these assets if the market value exceeds its net book value? There should be no confidential treatment for this since any gain on Utility asset sales should be owed to the ratepayers.

This is for your information. I am sharing this information since this is a very important issue for both the ratepayers and shareholders of this company.

Transparency is very important as well considering what has been going on with this case. There is no reason why this type of information should be confidential since once the sale is completed this would have to be disclosed to both the ratepayers and shareholders (i.e. 10K).

I want to make sure that if any of the newspapers uses any of this information in any of their reporting that my email correspondence is referenced as per the disclosures below. This includes all attachments and email correspondence.

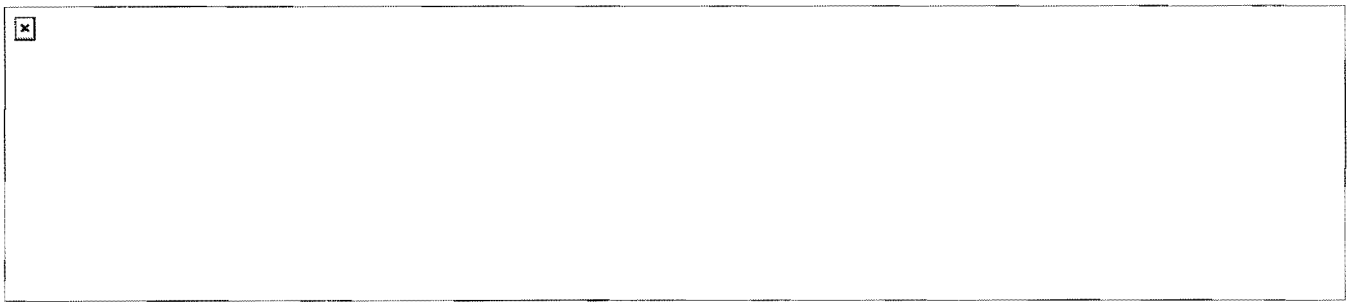
If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or contact me at 954-340-4956.

Thanks,

Robert H. Smith

Thanks,

Robert H. Smith



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To all,

I do not know if this information was made part of the public record. Hopefully it will, so I am sending this information in advance. If it made available you will see it in the same docket.

Hope this helps and fell free to call me if anyone has any questions.

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Here is the link with my updated information.

http://www.floridapsc.com/dockets/cms/ShowDocket.aspx?docket=H:\LIBRARY\FILINGS\08\10741-08

Thanks,

Robert H. Smith

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Cc: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
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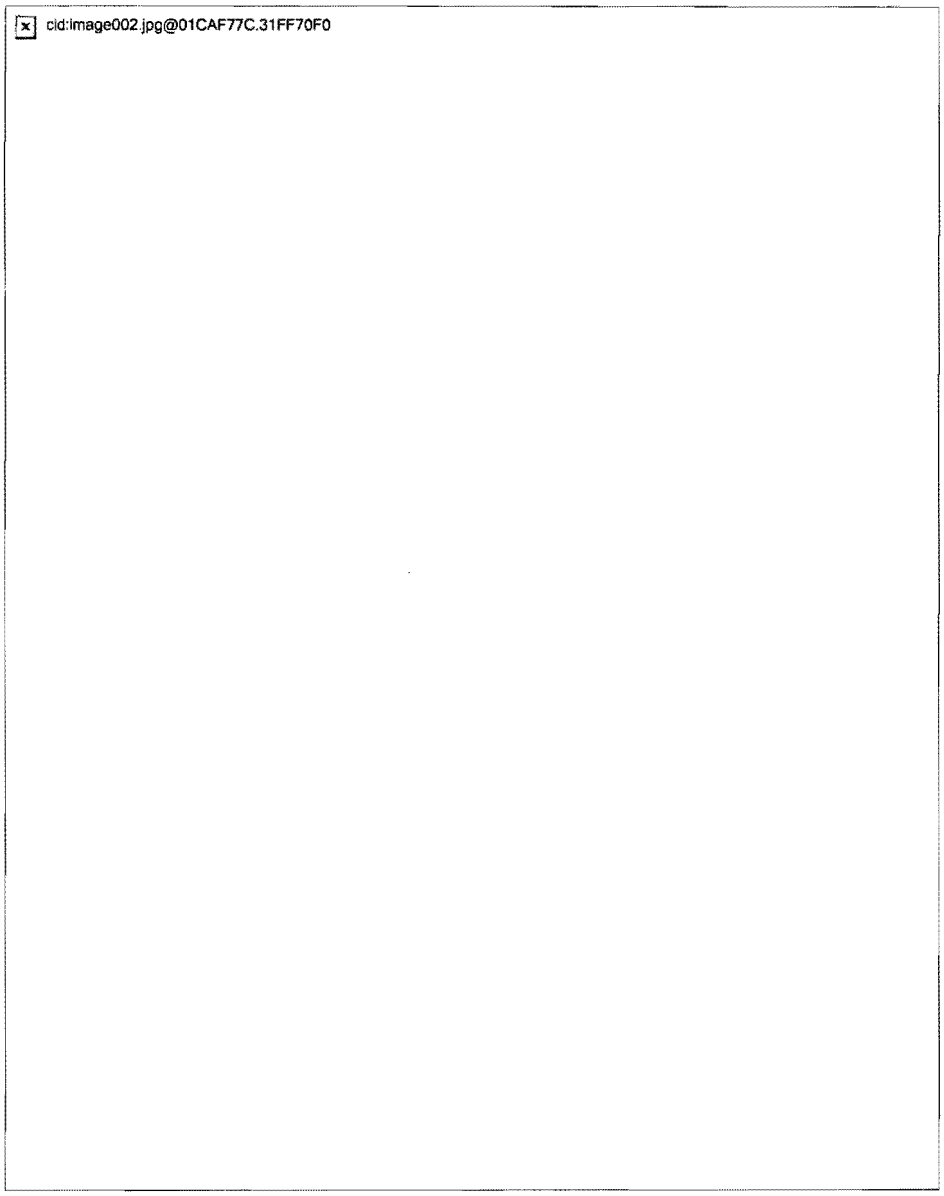
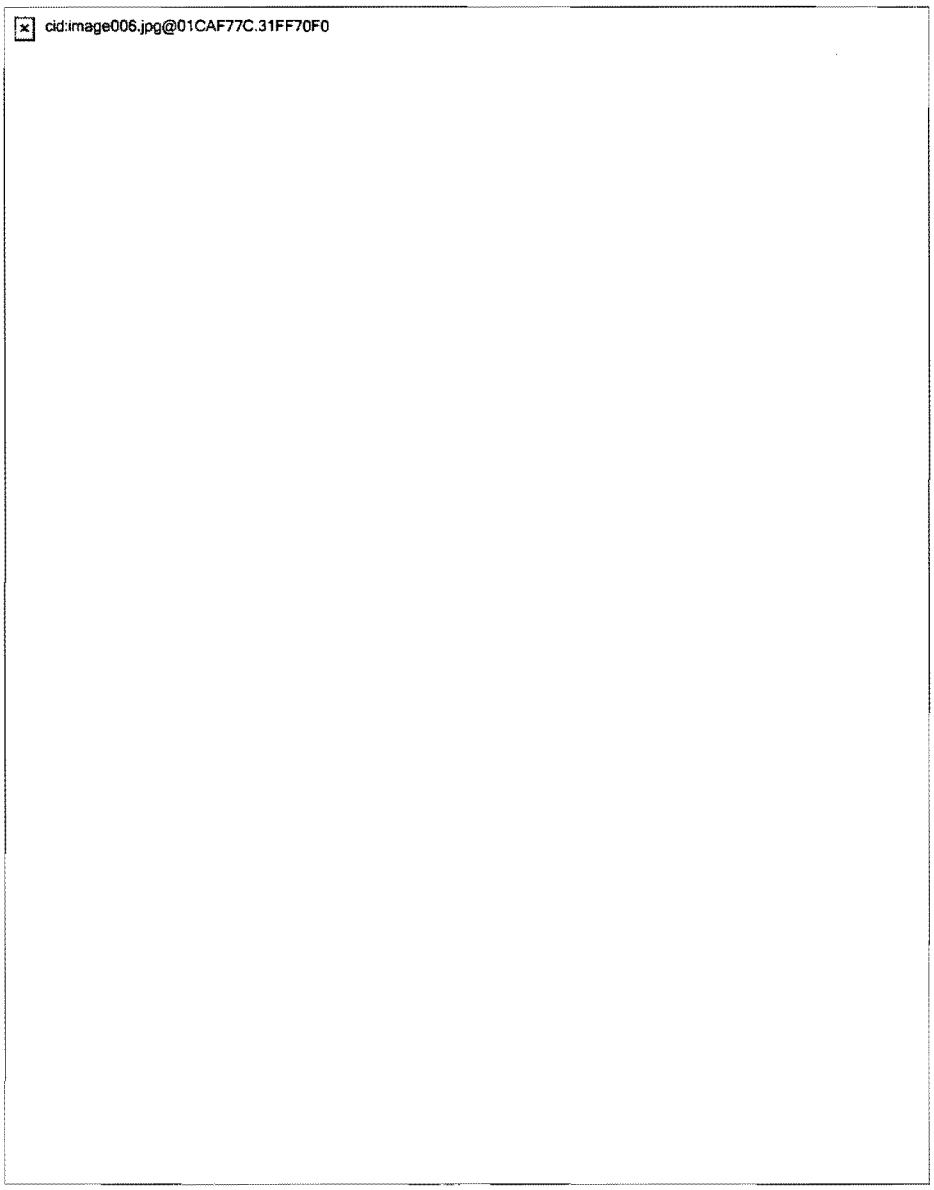
I wanted to send a quick email but I will follow up if I can think of something else.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or call me at 954-340-4956/954-798-6127.

Thanks,

Robert H. Smith


cid:image002.jpg@01CAF77C.31FF70F0



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Dorothy Menasco 080677-EI

From: Filings@psc.state.fl.us
Sent: Wednesday, August 25, 2010 4:55 PM
To: 'saporito3@gmail.com'
Subject: FW: FPL Rate Case No. 080677-EI
Attachments: PSC Filing.pdf

FPSC, CLK - CORRESPONDENCE
__Administrative ✓ Parties __Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION: _____

Mr. Saporito:

We are in receipt of your attached e-filing. While everything else is filed perfectly, please note that, per the Commission's e-filing requirements, documents are to include an official signature. Your document will need to be revised and resubmitted to be considered filed.

Manner of Electronic Transmission:

- Documents shall be signed by typing "s/" followed by the signatory:

  s/ First M. Last

- The acknowledgment indicates the document has been received, but does not confirm the document meets the requirements for electronic filing.

A link to the Commission's e-filing requirements is included for your convenience:
http://www.floridapsc.com/dockets/e-filings/

Please call our office if you have any questions.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

Please note: Florida has a very broad public records law. Most written communications to or from state officials regarding state business are public records available to the public and media upon request. Your e-mail communications may therefore be subject to public disclosure.

From: Thomas Saporito [mailto:saporito3@gmail.com]
Sent: Wednesday, August 25, 2010 2:29 PM
To: Filings@psc.state.fl.us
Subject: FPL Rate Case No. 080677-EI

Notice of Electronic Filing:

a. Person responsible for this electronic filing:

Thomas Saporito

Post Office Box 8413

8/25/2010

Jupiter, Florida 33468-8413

Phone: (561) 972-8363

Email: saporito3@gmail.com

b. Docket No. 080677-EI

In re: Petition for rate increase by Florida Power and Light Company.

c. Document being filed on behalf of Thomas Saporito.

d. There are a total of 2 pages.

e. The document attached for electronic filing is "Request for Grand Jury Investigation of the Florida Power & Light Company".

Thank you for your timely attention and cooperation to this request.

--

Thomas Saporito, Executive Director
EndangeredPlanetEarth.blogspot.com
Post Office Box 8413, Jupiter, FL 33468
Phone: 561-972-8363 Fax: (561) 247-6404
Electronic Mail: saporito3@gmail.com

Advocate of Greenpeace USA - Think Before Printing and Save a Tree

FPSC, CLK - CORRESPONDENCE
DOCUMENT NO. 10741-08
DATE RECEIVED:

Ann Cole

From: Ann Cole
Sent: Wednesday, August 18, 2010 1:22 PM
To: Office Of Commissioner Graham; Linda Duggar
Cc: Commissioners Advisors; Administrative Assistants - Commission Suite
Subject: RE: Docket No. 080677, FPL Reconsideration Request Nuclear Uprates / Docket 100009 Nuclear cost recovery clause / Debt refinancing / Fuel Adjustment Clause / Tax payments

Thanks, Linda. This information will be placed in *Docket Correspondence - Parties and Interested Person*, in Docket Nos. 080677-EI and 100009-EI

From: Linda Duggar **On Behalf Of** Office Of Commissioner Graham
Sent: Wednesday, August 18, 2010 1:11 PM
To: Ann Cole
Subject: FW: Docket No. 080677, FPL Reconsideration Request Nuclear Uprates / Docket 100009 Nuclear cost recovery clause / Debt refinancing / Fuel Adjustment Clause / Tax payments

Here's another one.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, August 18, 2010 12:51 PM
To: Office Of Commissioner Edgar; Office of Commissioner Argenziano; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé
Cc: Lisa Bennett
Subject: FW: Docket No. 080677, FPL Reconsideration Request Nuclear Uprates / Docket 100009 Nuclear cost recovery clause / Debt refinancing / Fuel Adjustment Clause / Tax payments

Dear Commissioner's and Ms. Bennett,

I listened to the prehearing and I have followed up with the Sun-Sentinel regarding some of the issues that are related to both Docket 080677 and Docket 100009.

I am sharing this information in order to make sure that there is full transparency with this case.

Since I am both a ratepayer and shareholder I think that balance is very important with this case.

I have not heard back from Mr. Hay or Mr. Sieving with regard to my email correspondence from a shareholders perspective that I have sent at this time.

I know that when I prepared these detailed cases / testimony back up North that full transparency was afforded with regard to any of the information coming out of these types of proceedings.

All the newspapers were kept in the loop in order to provide the public with feedback and/or transparency.

Thanks,

Robert H. Smith

Confidentiality Statement

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, August 18, 2010 12:32 PM
To: 'meklas@MiamiHerald.com'; 'susan_salisbury@pbpost.com'; 'dara_kam@pbpost.com'; 'aclough@pbpost.com'; 'tim_Burke@pbpost.com'; 'Gyllenhaal, Anders - MH'
Subject: FW: Docket No. 080677, FPL Reconsideration Request Nuclear Uprates / Docket 100009 Nuclear cost recovery clause / Debt refinancing / Fuel Adjustment Clause / Tax payments

To all,

This is for your information. I am sharing this information since this is a very important issue for both the ratepayers and shareholders of this company.

Transparency is very important as well considering what has been going on with this case.

I want to make sure that if any of the newspapers uses any of this information in any of their reporting that my email correspondence is referenced as per the disclosures below. This includes all attachments and email correspondence.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or contact me at 954-340-4956.

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, August 18, 2010 12:27 PM
To: 'jpatel@sunsentinel.com'
Subject: FW: Docket No. 080677, FPL Reconsideration Request Nuclear Uprates / Docket 100009 Nuclear cost recovery clause / Debt refinancing / Fuel Adjustment Clause / Tax payments

Julie,

I listened to the prehearing. As I have indicated they talked about the confidentiality issues. What was more interesting is that it appears that the other utilities might retract the confidentiality of their documents. There really should be no confidentiality for the rate of return and period of recovery. We need to know where the physical assets are going to be maintained and if they are treating the recovery of this as an offset to the depreciation surplus as per their recovery schedule. If they are and the assets still exist then this might create an issue since if they are fully being offset against the surplus reserve then these would have been fully refunded (see the summary below which they have put together).

There should be no double counting of the recovery. If these assets still exist and they are being fully refunded then the assets should be fully depreciated in the ledgers. This is where the problem lies. If the physical assets still exist then they should be maintained on the ledgers since they will still have an economic life. They should then record the surplus against the depreciation reserve accounts to indicate that this portion has been fully recovered. If there is a certain economic life of these assets then they should be recovered over their economic life. This is why these assets would be maintained on the ledgers and depreciated. This would set the cash recovery over their estimated useful lives. If they use a nuclear recovery clause and shorten the life then this would expedite the recovery of the assets which might not meet the typical recovery period as set by the economic life of these assets. We have to remember that the large surplus was created by the recovery of the depreciable assets over a shorter time period which did not match the actual economic life of the assets. Since the depreciation study supported longer lives and they have set the rates based upon the shorter lives there was a very large over recovery. This large over recovery should be refunded quickly since the study supports that the economic lives are longer than the recovery of these assets in cash rates. They received the money in advance of the assets economic useful life.

This would support my theory that the Nuclear uprates should be recovered based upon their economic useful lives. If they are shortening the period of recovery they should be maintained on the ledgers and earning the same return as if they were in base rates.

If they are going to move these out of base rates then the rate of return and recovery period are important. The reason for this is that they should be recovering these assets in the most economic way for the customer. If they move it to a nuclear recovery clause and the recovery period is shorter than the economic depreciable lives then this would expedite the cash recovery of the assets. In addition, the earned return on the recovery of these assets would come into play if they do not use the same rate of return on the recovery clause as they would with the treatment in base rates.

There really should be no confidentiality with the rate of return and recovery period. This would have to be disclosed by the Commission and they would have to make sure that they choose the best mechanism to minimize the cost to the customer. If it does not minimize the cost to the customer then it should not be done. If there is cash need to fund (accelerated funding) these assets from a safety perspective then they can accelerate the recovery but still make sure that the assets are being maintained in the ledgers and the customer finances these assets in the most economic way.

If you take a look at the emails that I have sent to all the Newspaper's you will notice that I have indicated that they should be refinancing their debt to reduce their interest costs. If they use a different rate of return or recovery period then the cost of the recovery of these assets might be impacted if they refinance the debt to lower their interest Costs. This is why when they testified about their required rate of returns I indicated that debt will be cheaper than equity. If they can reduce their interest costs, then the customer should benefit for the reduced interest costs. Take a look at my previous email regarding the refinancing of the debt.

I am still waiting to see if they put my technical accounting with regard to their current tax payment agreement that they have. I have sent this one to all the papers as well since I know that the cash aspects of recovery of all these items are very important.

I have sent another one regarding the Fuel Adjustment Clause. Take a look at this one since it talks about rate of return recovery as well.

Transparency is very important to these cases. Remember it is a ratepayer dollar that is paying for the cost of service for the Utility therefore they should reserve the right to know how they are paying for their electric service. From a shareholder perspective transparency is just as important since a shareholder would need to know what the impacts will be on the earnings of the company.

Since I am both a ratepayer and shareholder there should be full transparency to make sure that the proper balance is being maintained. I have not received a response from Mr. Hay or Mr. Sieving with regard to my previous emails.

We will see when the hearings start on 8/20/2010. All I need to know is about the rate of return and recovery period.

If there are any additions to this email I will follow up.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or call me at 954-340-4956.

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, August 11, 2010 6:02 PM
To: 'Patel, Julie'
Subject: RE: Docket No. 080677, FPL Reconsideration Request Nuclear Uprates / Docket 100009 Nuclear cost recovery clause

Dear Ms. Patel,

I was out during the time of the prehearing. I have a copy of some of the prehearing material and I took a quick glance at some of the documents that have been submitted for the meeting. I have on my calendar the August 20th hearing. What I am concerned about with this issue is the rate of return on the potential Nuclear recovery clause as well as the recovery period.

The request that I have made with regard to this issue I have sent in one of the emails that I have sent to the Sun-sentinel.

There were three major emails.
The following technical accounting has been sent regarding the case with regard to:
FW: Seabrook Asset Transfer This one there is very specific accounting that must be followed. If this is made part of the public record you can take a look at the technical accounting that I have talked about with regard to this potential sale/transfer.
FW: Docket No. 080677, FPL Reconsideration Request Nuclear Uprates / Docket 100009 Nuclear cost recovery clause. I have been added as an interested party in this new case.
Cost of Debt versus Equity issues / See email below. If they make this information part of the public record then you will see the cost of service updates with the potential savings that

might be realized under two different potential scenarios. The savings can change based upon the mix of what they do but if you look at some of my email correspondence with regard to my discussion of the Cost of money issue you will notice that there might be potential savings that might be significant to the ratecase. Based upon my original concern with the return on Common Equity this will validate my approach with these types of cost of capital issues.
I will take a look at the testimony but I do not think that there should be confidential classification of the rate of return and/or period of recovery. The dollars related to this if they are plant assets should be recovered just like any other plant assets. I sent another email regarding the Fuel Adjustment Clause adjustment in the 080677 case. This one is interesting as well. I do not know if this will be made part of the public record.

Be on the lookout for an additional tax payment email that I have sent regarding a response to the Florida Power & Light submitted document regarding their tax payments. There are some of my emails that have not been made part of the public record. I have sent these in advance to the Sun-Sentinel, the Miami-Herald and the Palm Beach Post.

Did I miss something at the hearing? I will see if they have an archived version to listen to the hearing since I was not around for this hearing.

By quick glance I noticed that there was talk of confidential classification. There should be no confidential classification for a rate of return agreement or period of recovery. This has to be made readily available to make sure that this recovery mechanism provides for cost savings to the customer or does not cost the customer more money.

I will speak to you tomorrow. I would take a look at all of my emails since these are very important to the case.

Thanks,

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Wednesday, August 04, 2010 9:53 AM
To: 'jpatel@sunsentinel.com'; 'meklas@MiamiHerald.com'; 'susan_salisbury@pbpost.com'; 'dara_kam@pbpost.com'; 'aclough@pbpost.com'; 'tim_Burke@pbpost.com'
Subject: FW: FPL is accused of not sharing its tax break

To all,
I am sending this since I have provided additional technical accounting information to the Commission regarding the following topics. I do not think that these have been made part of the public record as of today. Be on the lookout for the following technical accounting information regarding this case.
The following technical accounting has been sent regarding the case with regard to:
FW: Seabrook Asset Transfer This one there is very specific accounting that must be followed. If this is made part of the public record you can take a look at the technical accounting that I have talked about with regard to this potential sale/transfer.
FW: Docket No. 080677, FPL Reconsideration Request Nuclear Uprates / Docket 100009 Nuclear cost recovery clause I have been added as an interested party in this new case.
Cost of Debt versus Equity issues / See email below. If they make this information part of the public record then you will see the cost of service updates with the potential savings that might be realized under two different potential scenarios. The savings can change based upon the mix of what they do but if you look at some of my email correspondence with regard to my discussion of the Cost of money issue you will notice that there might be potential savings that might be significant to the ratecase. Based upon my original concern with the return on Common Equity this will validate my approach with these types of cost of capital issues.
I have sent emails regarding the above issues to the Florida Public Service Commission.
These are very important issues for this case.
If you have any questions please do not hesitate to give me a call or email me.
Thanks,
Robert H. Smith

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From: Patel, Julie [mailto:jvpatel@sun-sentinel.com]
Sent: Wednesday, August 11, 2010 5:03 PM
To: 'rpjrb@yahoo.com'
Subject: RE: Docket No. 080677, FPL Reconsideration Request Nuclear Uprates / Docket 100009 Nuclear cost recovery clause

Hi Robert. Thanks for all the information. Did you listen to the prehearing on nuclear costs today?

Julie

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, August 06, 2010 10:24 AM
To: Patel, Julie; meklas@MiamiHerald.com; susan_salisbury@pbpost.com; dara_kam@pbpost.com; aclough@pbpost.com; tim_Burke@pbpost.com
Cc: 'Gyllenhaal, Anders - MH'
Subject: FW: Docket No. 080677, FPL Reconsideration Request Nuclear Uprates / Docket 100009 Nuclear cost recovery clause

To all,
I do not know if this information was made part of the public record. Hopefully it will, so I am sending this information in advance. If it made available you will see it in the same docket.
Hope this helps and fell free to call me if anyone has any questions.
If you have any question please do not hesitate to email me at rpjrb@yahoo.com or call me at 954-340-4956.
Here is the link with my updated information.
http://www.floridapsc.com/dockets/cms/ShowDocket.aspx?docket=H:\LIBRARY\FILINGS\08\10741-08
Thanks,
Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, July 30, 2010 1:14 PM
To: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham <Commissioner.Graham@psc.state.fl.us>'; 'Office of Comissioner Brise <commissioner.Brise@psc.state.fl.us>'; 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Subject: FW: Docket No. 080677, FPL Reconsideration Request Nuclear Uprates / Docket 100009 Nuclear cost recovery clause

Dear Commissioner's,

Is FPL taking advantage of the low corporate bond rates for refinancing? According to the previous cost of money it indicates that the overall cost of Long Term Debt is 5.49%. I would think that if FPL can take advantage of these savings that this can help with a further reduction in rates. I know that they might have to pay costs to refinance (early retirement costs/closing costs) their debt but this is definitely worth the look. I have brought this up in my previous email correspondence with the commission in which I indicated that debt is cheaper than equity. If this can be done and they can lock in rates that might be in the 3.5% to 3.75% range this should help.

Please let me know if this is in the pipeline with FPL since I know that when we worked up North we were always looking to refinance our bonds at much lower rates. I know that I have talked about this in great length with regard to the cost of money testimony with FPL.

This is part of the reason why I would like an answer to my email with regard to the Nuclear Uprates. If the overall cost of money would be reduced as a result of refinancing the debt then I know that it would be more cost effective to keep the Nuclear Uprates in ratebase so that the customer would see a benefit for a reduction in the overall cost of money.

This is why I have asked the Commission to ask about what the impact would be if they issued debt instead of equity. Based upon the Wall Street Journal Article below, I have asked a very good question when the testimony was going on. As you move the overall cost of Long Term Debt down this can amount to significant savings in interest costs for the ratepayer.

Based upon moving the overall cost of Long Term Debt to the 3.5% to 3.75% range you could realize significant savings.

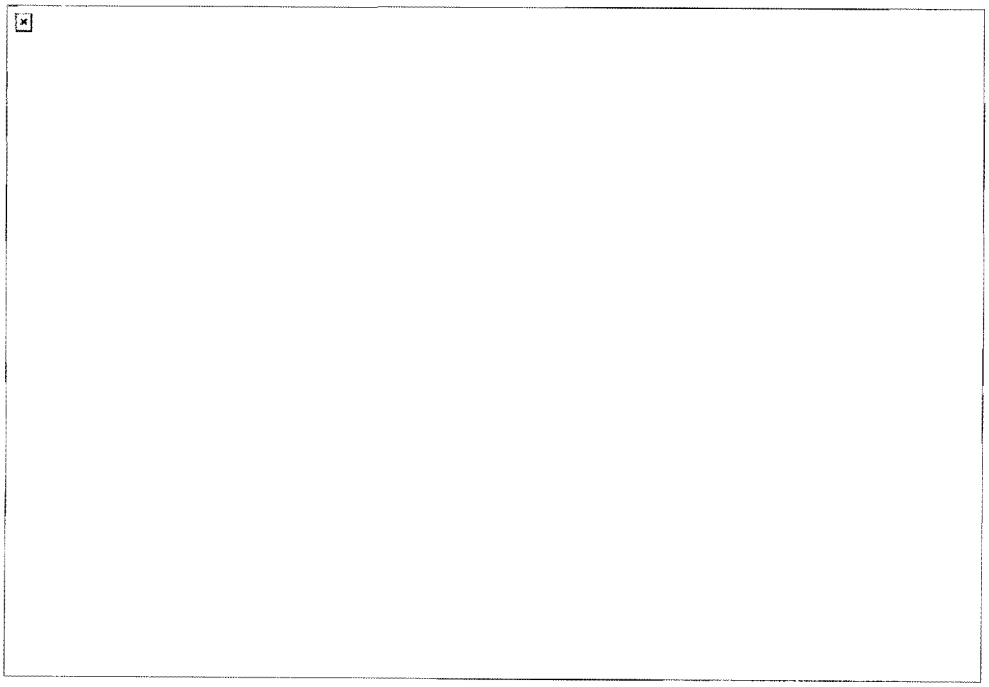
See revised cost of money below for a change in the Long Term Debt rate.

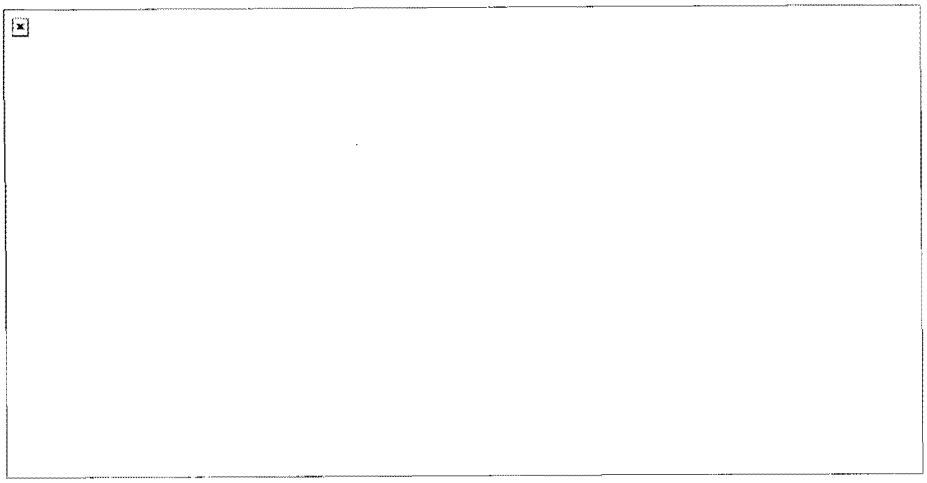
Please let me know if this is under consideration. If you lock in the Nuclear uprates at a fixed return then the customer would not only pay more under the current debt/equity structure but they might not realize the savings if FPL refinances its debt.

Duke Energy is doing this so I am wondering what FPL has in mind for this. If there is no sharing of excess earnings then the ratepayer would realize all the savings.

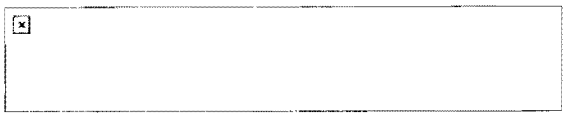
Thanks,

Robert H. Smith





Article in the Wall Street Journal:



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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Tuesday, July 27, 2010 12:38 PM
To: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham <Commissioner.Graham@psc.state.fl.us>'; 'Office of Comissioner Brise <commissioner.Brise@psc.state.fl.us>'; 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Subject: FW: Docket No. 080677, FPL Reconsideration Request Nuclear Uprates / Docket 100009 Nuclear cost recovery clause

Dear Commissioner's,

Does this information have to be made part of the public record on the FPL case 080677? In addition, I have noticed the following docket. Docket 100009 Nuclear cost recovery clause. I was taking a look at some of the correspondence and noticed that it was talking about the FPL Nuclear Uprates. I noticed that some of the information has been classified as confidential but I was wondering how the current ratepayer will be impacted by the analysis that I have sent. This talks about the revenue requirements and earned returns as it would relate to moving the assets out of base rates and recovering these through a nuclear recovery clause. This is very important since the earned returns have to be identical to the FPL ratepayers no matter how these are being recovered from a return stand point as well as the recovery periods if these are fixed asset amounts.

I did not see any of this information being made part of the public docket. I am concerned since this issue as well as the Seabrook issue is very important with regard to the transfers of these assets.

I will forward this information to all parties that are interested but I am concerned that now that it appears that the Nuclear Uprates issue is been moved to Docket 100009 that my information might not be entered into the public record in this docket.

I think that this information is very important to both 080677 as well as Docket 100009. There is no reason why the recovery of these assets is not being recovered over their estimated useful lives.

This includes the earned returns on these assets.

I understand that some of the information can be made confidential but any information related to the term of the recovery of these assets as well as the earned returns on these assets should be made part of the public record. Any type of recovery clause would have to meet the requirement of cost savings to existing/future ratepayers. It should not cost the customer more for earned returns or the recovery of the costs should not be expedited. If the useful lives of the assets require a longer recovery period based upon their useful lives there is no reason for cash rate recovery to be accelerated.

I have not heard back from anyone in a while if my emails are going to be made part of the public record. Do I need to be added as an interested party in Docket 100009?

I will try to send the other recent emails that have not been added to the public docket to the other Commissioner's since these issues are very important to Docket 080677 and now to Docket 100009.

I would like to be added as an interested party in Docket 100009:

My contact information is:

Robert H. Smith
11340 Heron Bay Blvd. #2523
Coral Springs, FL 33076
Email: rpjrb@yahoo.com

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, May 14, 2010 5:50 PM
To: 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Cc: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'
Subject: FW: Docket No. 080677, FPL Reconsideration Request

Dear Ms. Bennett,

Attached you will find my Summary that I have put together from the 08-0677-EI standard order as the source of information. I have added the calculation of the revenue requirements for the Nuclear Uprates as if they were being transferred out of ledger 3 and into the Nuclear Cost Recovery accounts. Of course if all these costs are going to be offset against the surplus depreciation then the net assets (rate base) should be zero with no revenue impact. The only issue I have is if the assets still exist and new costs will be put into this clause. If there are new costs that have to be recovered in this clause then I would like to know if the carrying charges are going to be trued up for the new overall cost of money.

I was taking a look at the specifics of the Nuclear Cost Recovery Clause. I notice that it talks about the carrying charges that would be recorded. It indicates that the pretax AFUDC rate in effect at June 12th, 2007 will be used for the carrying charges associated with the removal of these plant assets from rate base. Is the current rate 7.41 (effective 1/1/09 as per Docket No. 090009-EI)? Based upon the new case and the new approved ROE of 10.00% (12.50% Company as filed versus 10.00% as approved) the overall cost of money decreases from the as filed 8.0% to 6.65% respectively. If the carrying charges on the Nuclear Cost Recovery Clause is not reduced to the new overall cost of money or AFUDC rate then the customer would pay more in revenue requirements. Since this amount was offset by the depreciation surplus will this not trued up since it will be considered fully recovered?

If these assets are still in existence then the customer might lose the benefit for the reduction in the overall cost of money.

Here is the revised calculation that I have put together based upon the Schedules from the order. Based upon this calculation it would yield an approximate $2.1 million dollar additional revenue requirement to the customers if the carrying charges are not trued up for the reduction in the ROE or if these assets still exist.

How come this agreement is not being looked at? Can the terms of this agreement be changed for the reduced overall cost of money? It appears that the agreement as it stands would not provide for this true up. Is this correct? Unless these assets are going to be considered fully recovered since they were offset against the depreciation surplus.

It has been a while since I have put together cost of money calculations and revenue requirements. Please let me know if there will be a true up or if these assets are going to be considered fully recovered.

If these assets still exist then they should probably remain in ledger 3 and have an offset for the application of some of the reserve surplus to yield a net rate base of zero. This way this would cover the true up issue. What will be the impact going forward for any new costs that are put into the Nuclear Cost Recovery Clause? Will the carrying charges be accrued at the old rate or will they be trued up at the new overall cost of money/AFUDC rate?

Thanks,

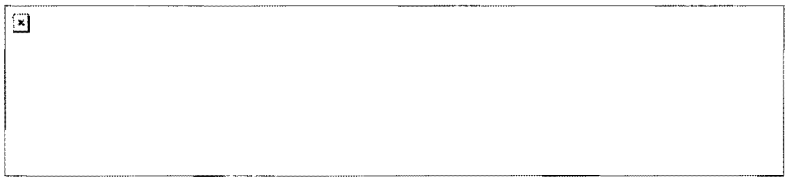
Robert H. Smith

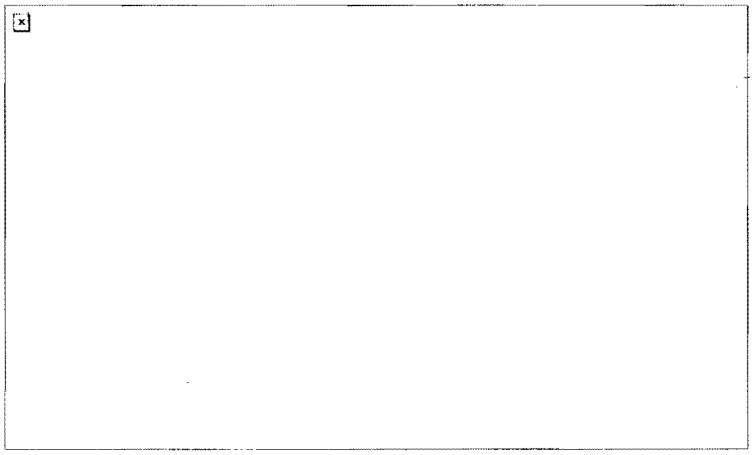
Florida Power & Light Company
Docket No. 08-0677-EI
December 2010 Projected Test Year
Operating Revenue Increase Calculation

Line No.		As Filed	Commission Adjusted	Nuclear Uprates	Nuclear Uprates	Diff
1.	Rate Base	17,063,586,000	16,787,429,918	168,234,989	168,234,989	-
2.	Overall Rate of Return	8.00%	6.65%	7.41%	6.65%	-0.76%
3.	Required Net Operating Income (1)x(2)	1,364,748,000	1,116,364,090	12,469,404	11,187,627	(1,281,777)
4.	Achieved Net Operating Income	725,883,000	1,070,179,348	-	-	-
5.	Net Operating Income Deficiency (3) - (4)	638,865,000	46,184,742	12,469,404	11,187,627	(1,281,777)
6.	Net Operating Income Multiplier	1.63342	1.63411	1.63411	1.63411	1.63411

7. Operating Revenue Increase (5)x(6)	1,043,535,000	75,470,948	20,376,377	18,281,813	(2,094,564)

7.41% as per January 1, 2009 Approved AFUDC rate. Matches the December, 2008 Rate of Return Report
6.65% as per calculated overall cost of money as per 08-0677-EI





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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, May 13, 2010 12:20 PM
To: Lisa Bennett <LBENNETT@PSC.STATE.FL.US>
Cc: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'
Subject: FW: Docket No. 080677, FPL Reconsideration Request

Dear Ms. Bennett,

I noticed that the change in expenses formula for OPC is incorrect as well. This should probably be OPC estimated expense – current rate expense.

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, May 13, 2010 11:22 AM
To: LBENNETT@PSC.STATE.FL.US
Cc: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'
Subject: FW: Docket No. 080677, FPL Reconsideration Request

Dear Ms. Bennett,

Last week I was working on Financial Regulatory reform accounting issues. This is why I had asked for some information last week. I have been working on various aspects of Healthcare/Financial regulatory reform from an Accounting perspective with regard to holding company structures. This is similar to of the issues with the tax payments. I have been working on all of these issues for the past 1 ½ year's full time. I have been working on holding company concepts from an accounting perspective for over 10 years on a full/part time basis.

Normally I would have gone through the whole order, but I have been balancing all of the initiatives and at times there can be a lot of information to digest.

I appreciate that you have sent me the information. This was very useful and let me know if you have the updated schedules that were fixed.

Please feel free to share this information with FPL as well.

I noticed a quick **typo(s).**

Thanks,

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Thursday, May 13, 2010 10:33 AM
To: Lisa Bennett <LBENNETT@PSC.STATE.FL.US>
Cc: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'
Subject: FW: Docket No. 080677, FPL Reconsideration Request

Dear Ms. Bennett,

Please forward this information to all interested parties if they have the schedules that do not reflect the proper calculations for OPC. Maybe this is just the file that I was sent but let me know. Feel free to share this with everyone that was at the last meeting if it would be useful.

Attached you will find a summary that I have put together to gain an understanding of the order. I have not had a lot of time to take a look at the full order since I felt that when the standard order was released for a $75 million dollar increase that this was the final decision of the Florida Public Service Commission. Since I saw that there is a **date** for another standard order I wanted to be kept in the loop from both a ratepayer perspective as well as a shareholder perspective. If the potential exists that there is a possibility that the recovery of ledger 3 assets are going to be recovered outside of normal ledger 3 depreciation, then I am concerned to the future/current disposition of these assets from book gain and tax gain perspective. If they are removed then the ratepayer has to be made whole if there are any sales of these assets in the future.

I see that there is accelerated recovery with taking the $314.2 million against the surplus reserve. I am still reviewing this. I think that we still have to maintain any of these assets on ledger 3 since there are vintage year assets that would need to be tracked. Are these going to be removed? If so, then how is the commission going to track any potential proceeds from the sale of these assets?

If they are not maintained in ledger 3 and there is a sale then this might have an impact on the gain on sale calculation with regard to any sale. We would need to track the vintage year data to carve out any potential sales of these plant assets. If there is a theoretical reserves versus any remaining net book values this might have an impact on the book gain on sale. If you are taking the position that all these assets are fully recovered from a regulatory perspective then any gain on the sale of these assets would have to be fully refunded to the ratepayer. The vintage year issue might have an impact on the tax depreciation side of the house since what is depreciated for tax purposes is different than what is recorded for book purposes. This will impact any calculated gain on sale for tax purposes since the tax basis might be different than the book basis. This will also be an issue with the removal of the Nuclear Uprates. If these are removed from base rates and being treated similar to a fuel adjustment clause the vintage year data must be maintained if these assets are sold in the future. This would be for similar reasons just like the Cape & Riviera Site.

I noticed that the OPC Recommended Rate Formulas to calculate the estimated expenses have to be divided by 100 to calculate the proper estimated expense amount for OPC. This is probably a result of typing in the staff rate as a number and not a percentage. The rates to the left of the estimated expenses are incorrect as well. I will be fixing these on my end as I continue to look at what has been sent to me.

For example:

You will notice below that the Estimated Expenses of $10,155,632 should be divided by 100 to get the same amount as the Staff Recommended rates of $101,556.
The rate percentages are incorrect as well due to this calculation error. They should be estimated expenses/by estimated investment to yield the same 1.7% as the Staff rate column or estimated investment x OPC rates (if they are the same as staff's) or the OPC rates would have to be updated in the spreadsheet.

I do not know if this is important on your end but I am changing these calculations on a copy of the worksheet that you have sent to me so that I can summarize each recommendation to tie into the summary schedule that I have put together. I am going through the formulas and fixing these. Please let me know if there is a corrected version. Are the OPC rates that same as Staff's or do these have to change in both D Need and D Need(2).

This is why I put the summary together. I wanted to compare the old approved rates versus OPC and Staff recommendation to see how the full depreciation accrual has changed. The summary below compares each of the scenarios so I was trying to tie in D Need to my summary to make sure that it matches what has been completed.

Please let me know if you have an updated file.

PSC Working File

ACCOUNT	12/31/09 EST. INVESMENT	12/31/09 EST. RESERVE	OPC RECOMMENDED RATES RATE (%)	OPC RECOMMENDED RATES ESTIMATED EXPENSES ($)	CHANGE IN EXPENSES ($)	STAFF RECOMMENDED RATES RATE (%)	STAFF RECOMMENDED RATES ESTIMATED EXPENSES ($)	CHANGE IN EXPENSES ($)
STEAM PRODUCTION								
CAPE CANAVERAL PLANT								

CUTLER PLANT

Cutler Common								
311.0 Structures & Improvements	$5,973,901	$6,074,928	-0.12%	10,155,632	4,181,731	1.7	101,556	113,504
312.0 Boiler Plant Equipment	817,291	692,141	1.78%	1,784,697	967,406	2.2	17,847	13,761
314.0 Turbogenerator Units	1,234,614	1,356,414	-1.14%	2,743,587	1,508,973	2.2	27,436	65,709
315.0 Accessory Electric Equipment	1,058,634	1,023,308	0.66%	2,003,843	945,209	1.9	20,038	14,745
316.0 Misc. Power Plant Equipment	627,886	671,750	-0.60%	1,184,691	556,805	1.9	11,847	23,777
Total Cutler Common	$9,712,326	$9,818,541		17,872,450	8,160,124		178,725	231,497

Thanks for the information. Attached is a summary that I am working on to fully understand what has been sent to me.

FPSC Information Received / Wednesday May 12, 2010
Comparison of Approved Rates/Recommended Rates/Staff Recommended Rates
DRAFT

Plant Description	Plant Balance	Approved Rates (1)	Composite Rate	Recommended Rates	Composite Rate	Staff Rates (2)	Composite Rate	Diff Rec vs App	Composite Rate	Diff Staff vs App	Composite Rate
Steam Production	3,036.6	78.9	2.6%	99.5	3.3%	74.2	2.4%	20.6	0.7%	(4.7)	(0.2%)
Nuclear Production	3,970.5	53.8	1.4%	93.7	2.4%	76.6	1.9%	39.9	1.0%	22.8	0.6%
Other Production	4,332.1	216.5	5.0%	214.2	4.9%	178.7	4.1%	(2.3)	(0.1%)	(37.8)	(0.9%)
Transmission	3,122.5	93.1	3.0%	94.2	3.0%	85.3	2.7%	1.1	0.0%	(7.8)	(0.2%)
Distribution	10,050.6	355.6	3.5%	337.6	3.4%	308.4	3.1%	(18.0)	(0.2%)	(47.2)	(0.5%)
General Plant	672.1	38.8	5.8%	15.0	2.2%	24.2	3.6%	(23.8)	(3.5%)	(14.6)	(2.2%)
Total Plant	25,184.4	836.7	3.3%	854.2	3.4%	747.4	3.0%	17.5	0.1%	(89.3)	(0.4%)
Steam Amort.	3.6	0.6	15.8%	0.6	15.8%	0.6	15.8%	-	0.0%	-	0.0%
Nuclear Amort	36.6	5.6	15.2%	5.6	15.2%	5.6	15.2%	-	0.0%	-	0.0%
Other Prod. Amort	3.0	0.5	16.3%	0.5	16.3%	0.5	16.3%	-	0.0%	-	0.0%
Distr. Amort	81.5	11.3	13.9%	11.3	13.9%	11.3	13.9%	-	0.0%	-	0.0%
General Amort	345.4	77.0	22.3%	77.0	22.3%	57.8	16.7%	-	0.0%	(19.2)	(5.6%)
Total Amort	470.1	94.9	20.2%	94.9	20.2%	75.7	16.1%	-	0.0%	(19.2)	(4.1%)
Steam Production	3,040.2	79.5	2.6%	100.1	3.3%	74.7	2.5%	20.6	0.7%	(4.7)	(0.2%)
Nuclear Production	4,007.1	59.4	1.5%	99.3	2.5%	82.2	2.1%	39.9	1.0%	22.8	0.6%
Other Production	4,335.1	217.0	5.0%	214.7	5.0%	179.2	4.1%	(2.3)	(0.1%)	(37.8)	(0.9%)
Transmission	3,122.5	93.1	3.0%	94.2	3.0%	85.3	2.7%	1.1	0.0%	(7.8)	(0.2%)
Distribution	10,132.1	366.9	3.6%	348.9	3.4%	319.7	3.2%	(18.0)	(0.2%)	(47.2)	(0.5%)
General Plant	1,017.5	115.8	11.4%	92.0	9.0%	82.0	8.1%	(23.8)	(2.3%)	(33.8)	(3.3%)
Total Plt/Amort	25,654.5	931.6	3.6%	949.1	3.7%	823.1	3.2%	17.5	0.1%	(108.5)	(0.4%)

(1) Approved in Docket 050300-El (Order No: PSC-05-0821-PAA-EI)
(2) Per PSC Working File Staff Recommended Rates

Preliminary Summary Prepared by: Robert H Smith Based upon FPSC Workpapers

FPL Composite Rate Check		
Steam	3,040.2	74.7
Nuclear	4,007.1	82.2
Other Production	4,335.1	179.2
Transmission	3,122.5	85.3
Distribution	10,132.1	319.7
General	1,017.5	82.0
	25,654.5	823.1
	0.0	0.0

Here are some initial observations that I noticed:

Cape & Riviera Site

$44.9 million

Sites to Recovery Sched.	Plant in Service	Reserve Balance	Rem Plant
Cape Canaveral Site	187.5	(152.2)	35.3
Riviera Site	103.7	(94.1)	9.6
	291.2	(246.3)	44.9

Are these going to be added to the new repowered generating units? If so then, then how is the new cost going to take into account the old book costs for ledger 3 purposes? Since they have been fully recovered by the surplus reserve are the new ledger 3 amounts only going to reflect the new costs only? How are the vintage year issues being addressed for the old costs? If it will reflect only the new costs then all old ledger 3 amounts will be removed? This might not follow GAAP since from a strict asset perspective these assets might still exist with the new repowered generating units. How will the going forward depreciation reflect this vintage year issue?

Nuclear Uprates

$168.2 million

Removed from Base Rates. Recovered through Nuclear Cost Recovery Clause. Removed from RateBase? Calculated Carrying Charges? Will the cash recovery in Base rates equal the new recovery in cash rates based upon the new Nuclear Cost Recovery Clause? Is this a break even for cash recovery or has the amount of time to recover these costs changed?

Obsolete Meters

$101.1 million

Retired. Is there any salvage money that can be recovered for the scrap sale or sale of these meters? Will there be any cost of removal or are these being left in place? If they are being left in place then and they will be considered fully recovered will ledger 10 be adjusted to match ledger 3 to keep track of these assets? Ledger 3 plant should match ledger 10 accumulated depreciation reserves. These should be kept on the books until they are removed/sold or scrapped. Any money should be credited to the ratepayers.

Based upon the above reduction of the Depreciation Surplus/Over Recovery it appears that the Recovery Schedule items are being reduced against surplus refund immediately. What is going to be done with these plant assets? Are they being retired or sold? If they are going to be sold then if there is any gain on the sale of the plants then this would have to be refunded to the ratepayer. If these plants are not sold, what would be the new recovery period for these plants since it appears that they are being moved out of the normal depreciation recovery? Are they going to remain in Ledger 3 for book purposes since the normal depreciation recovery will be stopped?

Surplus Amort	1,208.8	
Less: Recov. Sch	(314.2)	
	894.6	
Less Credits	(500.0)	Amortize at $125 m over 4 yrs
	394.6	Amortize at $17.9 m over 22 yrs

Sites to Recovery Sched.	Plant in Service	Reserve Balance	Rem Plant
Cape Canaveral Site	187.5	(152.2)	35.3
Riviera Site	103.7	(94.1)	9.6
	291.2	(246.3)	44.9

Recovery Schedule		
As per Above	314.2	
Cape & Riviera Site	44.9	Are these going to be added to the new repowered generating units? If so then, then how is the new cost going to take into account the old book costs for ledger 3 purposes? Since they have been fully recovered by the surplus reserve Is the new ledger 3 amounts only going to reflect the new costs only? How are the vintage year issues being addressed for the old costs? If it will reflect only the new costs then will all of the old ledger 3 amounts be removed? This might not follow GAAP since from a strict asset perspective these assets might still exist with the new repowered generating units. How will the going forward depreciation reflect this vintage year issue?
Nuclear Uprates	168.2	Removed from Base Rates. Recovered through Nuclear Cost Recovery Clause. Removed from RateBase? Calculated Carrying Charges? Will the cash recovery in Base rates equal the new recovery in cash rates based upon the new Nuclear Cost Recovery Clause? Is this a break even for cash recovery or has the amount of time to recover these costs changed?
Obsolete Meters	101.1	Retired. Is there any salvage money that can be recovered for the scrap sale or sale of these meters? Will there be any cost of removal or are these being left in place? If they are being left in place then and they will be considered fully recovered will ledger 10 be adjusted to match ledger 3 to keep track of these assets? Ledger 3 plant should match ledger 10 accumulated depreciation reserves. These should be kept on the books until they are removed/sold or scrapped. Any money should be credited to the ratepayers.
	314.2	

Thanks for sending me this information this has been very helpful. I wish that I would have seen this information before the meeting to be informed. A lot of the issues that I have been submitting in my email correspondence were similar with regard to some of the outcome(s) of this case. I am going to fix the spreadsheets that have been sent and I will follow up with any other questions.

Thanks again for the information. It is greatly appreciated.

Thanks,

Robert H. Smith

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From: Lisa Bennett [mailto:LBENNETT@PSC.STATE.FL.US]
Sent: Wednesday, May 12, 2010 9:02 AM
To: rpjrb@yahoo.com
Subject: FW: Docket No. 080677, FPL Reconsideration Request

Attached are staff's workpapers.

Lisa C. Bennett
Office of the General Counsel
2540 Shumard Oak Boulevard
Tallahassee, FL
850-413-6230

From: Lisa Bennett
Sent: Wednesday, May 05, 2010 3:31 PM
To: Barry Richard; Brian P. Armstrong Esq. ; Cecilia Bradley Esq.; J. R. Kelly ; J. Spina; Jack Leon ; John LaVia; John McWhirter; John T. Butler ; Jon C. Moyle Jr.; Joseph Mcglothlin, Esq.; Joseph W. Yarbrough (jyarbrough@southdaytona.org); K. Wiseman; L. Purdy; Lino Mendiola; Marcus Braswell (mbraswell@sugarmansusskind.com); Mark F. Sundback; Mary Smallwood; Meghan Griffiths; Mitchell S. Ross (Mitch.Ross@fpl.com); Natlie Smith; Rick Melson; Robert A. Sugarman; Schef Wright ; Scott E. Simpson; Shayla McNeill; Stephanie Alexander (sda@trippscott.com); Stephen Stewart; Susan Clark; Tamela I. Perdue (TPerdue@aif.com); Vicki Gordon Kaufman ; Wade_Litchfield
Cc: Pat Lee; Betty Gardner
Subject: Docket No. 080677, FPL Reconsideration Request

Attached are staff's workpapers as we discussed in today's meeting.

Lisa C. Bennett
Office of the General Counsel
2540 Shumard Oak Boulevard
Tallahassee, FL
850-413-6230

080677-EI

FPSC, CLK - CORRESPONDENCE
Administrative [X] Parties [ ] Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION:

Ann Cole

From: Ann Cole
Sent: Wednesday, August 11, 2010 1:23 PM
To: Office Of Commissioner Graham
Cc: Commissioners Advisors; Administrative Assistants - Commission Suite
Subject: RE: Issue 46 / Adjustment to the Working Capital item to increase ratebase/revenue requirements.

Thank you for this information, which will also be placed in *Docket Correspondence - Parties and Interested Persons*, in Docket Nos. 080677-EI and 090130-EI.

From: Linda Duggar **On Behalf Of** Office Of Commissioner Graham
Sent: Wednesday, August 11, 2010 9:52 AM
To: Ann Cole
Subject: FW: Issue 46 / Adjustment to the Working Capital item to increase ratebase/revenue requirements.

Another one.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Tuesday, August 10, 2010 9:28 PM
To: Office Of Commissioner Edgar; Office of Commissioner Argenziano; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé
Cc: Lisa Bennett
Subject: FW: Issue 46 / Adjustment to the Working Capital item to increase ratebase/revenue requirements.

To all,

I noticed a typo.

Thanks,

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Tuesday, August 10, 2010 4:49 PM
To: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham <Commissioner.Graham@psc.state.fl.us>'; 'Office of Comissioner Brise <commissioner.Brise@psc.state.fl.us>'
Cc: 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Subject: Issue 46 / Adjustment to the Working Capital item to increase ratebase/revenue requirements.

Dear Commissioner's and Ms. Bennett,

I took a look at this very quickly. I have brought this concern up with a prior email with regard to fuel reconciliation filings in a prior email dated April 28th, 2009. See email below.

I was taking a look at the schedule below. I noticed that there was an increase in revenue requirements due to taking a 13 month average based upon a ratable refund versus the full refund in January 2010.

What actually happened? Was this refund returned in January 2010? If so, then how will the actual refund be reflected in the case? I understand that based upon a prior order and the fuel recovery mechanism that refunds are ratably given back. Here is where I see a problem. If the full refund was actually returned in January 2010, then the base rate increase related to this item will be reflecting a permanent rate increase (earned return) in base rates for an item that should be adjusted based upon the fuel adjustment clause. The true up for what actually happened would only yield an earned return based upon the interest provision calculation as per below versus the overall cost of money (earned return) that was used to true up the revenue requirements based upon the refund being given back ratably. Why should the base rate increase (permanent) be based upon an earned return that is much higher than the give back through the fuel adjustment clause?

The fuel adjustment over recovery is being removed from ratebase due to eliminating a double return on the deferred 186 account (under collection)/253 account (over collection). This is supported by the testimony in the case. Is the interest calculation on the excel spreadsheet based upon the interest provision calculation below?

If this adjustment stands then the earned return might be overstated in base rates, which is a permanent rate increase. The customer would only receive a cash refund based upon the interest provision calculation below which is much lower than the earned return that is being calculated in base rates.

What is the annual rate that is being used for the interest calculation that is being done on the excel spreadsheet? The annual return that is being used for the base rate revenue requirements is the 6.65%. The rate below for the interest provision is much lower. Do we have an explanation as to why the interest provision rate is much lower than the base rate revenue requirement rate?

Is there a compliance filing for the company after the base rates are set? If the actual over recovery was given back in January 2010, then how will the customer get back the

difference in the earned return?

We have to remember once base rates are set then usually they are not refunded unless there is a reconciliation/compliance filing. Are these being completed?

Thanks,

Robert H. Smith

10	Interest Provision (Line 34 x Line 39)	$	(283,693)

LCB

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Tuesday, April 28, 2009 2:39 PM
To: 'Andrew Maurey'; 'Tim Devlin'
Subject: Questions to consider in the New Case being filed for a $1 billion Base Rate Increase

Dear Mr. Maurey and Mr. Devlin,

I took a look at the 2005 Petition for rate increase by Florida Power & Light Company. Please let me know if you can send me the PDF files for the surveillance reports.

Is this an option? If no, what would be the reason for this? I would like to keep the cost/time to a minimum with these requests so that I can review quickly.

I am still reviewing this agreement but I understand that this is what is currently in place. I would like to answer these questions for the new case that is being presented to staff.

Has any studies being conducted for the revenue sharing plan as stipulated below versus the traditional ratemaking excess earnings test? I would be curious to see if FPL is maintaining the money cost of money reports based upon its current capitalization at the company. If so, I would like to see these studies to see the cost/benefit impacts to the ratepayers for this type of revenue sharing plan.

Does the FPSC complete a FCA (fuel cost adjustment) reconciliation? If so, is this available? It would be very interesting to see what the proposal for FPL is to move some of these costs into base rate recoveries. I think that there is an existing rate increase in the fuel adjustment clause that is being currently collected in rates. I think that this might be the first 8% etc. If the fuel costs have gone down are we now giving this benefit back to the customer? Why would we want to roll the existing rate increases into base rates to find out the cost of fuel as gone down? We should be very careful here since this case is being done when the fuel costs were high. This might be reflected in the test year data for the RateCase. Is this true?

I am still reviewing some of the information. If I have any additional questions I will send an email.

If you have any questions please do not hesitate to ask.

Thanks,

Robert H. Smith

I have a couple of questions:

How can the Revenue Sharing Incentive Plan exclude incremental revenues attributed to a business combination or acquisition involving FPL, its parent, or its affiliates whether inside or outside the state of Florida?

We would have to take a look at the holding company structure in which some of these incremental revenues might have been financed with ratepayer money. The primary contributor of cash flow to a utility is the ratepayer therefore it would be very possible that the customer might have subsidized these incremental revenues therefore the customer should share in the benefits of some of these incremental revenue if there is proof that they have financed/subsidized the costs associated with the generation of the incremental revenues.

Years ago when I worked up north for a major utility there was incremental revenues generated at our utility and the commission would review how these revenues were generated or financed. If the ratepayer financed/subsidized any of the costs the commission would determine a sharing mechanism for the ratepayer to share in the revenues generated. Another issue here is that since the revenue sharing mechanism is only looking retail base revenues another question comes into play with regard to cost:

What if the ratepayer is being charged for costs associated with these incremental revenues? FPL would share in the revenue aspect of the incremental revenues and the ratepayer might be paying for extra costs associated with the generation of these revenues.

Again when I was up North we had to take a look at the definition of Utility revenues versus non-utility revenues. We have to remember that from a cash flow perspective most of the cash flow is generated by the ratepayers of Florida. If they are Financing/Subsidizing the costs to generate these incremental revenues then FPL should not exclude the costs associated with the generation of these incremental revenues.

Up North we usually did a full blown ROE excess earnings test to make sure that the commission had the opportunity to exclude items from RateBase to calculate the overall ROE

if they deemed that the costs were not a benefit to the customers.

If the costs associated with the generation of these incremental revenues are being Financed/Subsidized by the ratepayer, is the ratepayer receiving a rate of return to make them whole? The first answer to this would be that if there is a holding company structure at FPL and most of the cash is generated by the ratepayer then the probability that the ratepayer is Financing/Subsidizing the generation of the incremental revenue is very high.

purposes of revenue sharing under this Stipulation and Settlement.

Please explain what the overall rate of return is for the cost of money versus the commercial paper rate to retail customers of record. If the commercial rate of interest is lower than the overall rate of return why should the customer not receive credit at the overall cost of money?

Remember the ratepayers have an overall cost of money associated with paying for the cost of service for the company.

Up North we used to calculate carrying charges on the excess earnings on a monthly basis to increase the deferred credit (253 FERC Account) that was being returned to the customer. This made the ratepayer/customer whole since they were paying for the overall cost of money in their rates.

expeditiously as reasonably possible.

How is the commission taking a look at this account for work order costs associated with property insurance costs? Is this account capturing the costs associated with Hurricane repairs? What is interesting below if that "no revenues contemplated by this Section 10 shall be included in the computation of retail base rate revenues for purposes of revenue sharing under this Stipulation and Settlement", this would appear to be making sure that we are looking at cost less recoveries as total costs. This is a contradiction of the

Revenue Incentive Sharing Plan in which the costs are not even being considered.

level and funding of Account No. 228.1 and recovery of any deficits in such Account.

228.1 Accumulated provision for property insurance.

How does Standard and Poor's methodology compare to using the overall cost of money? Why would you cap the equity ratio when this can be adjusted or recomputed based upon the borrowing of the company?

Up North we recalculated the overall cost of capital (cost of money) every month to compute our monthly excess earnings. We found that at times debt was cheaper than equity which if the debt/equity ratio changed we would true up the excess earnings calculation based upon this monthly change. Remember FPL is retiring and issuing new bonds which if issued at a lower rate than equity could cause a reduction in the overall cost of money. In most rate proceedings we found that it was cheaper for the ratepayer when we issued debt therefore we used to recalculate the overall debt to equity ratio to benefit the ratepayer if the overall cost of money was declining as a result of the retiring of debt and issuing new debt at a lower cost (interest rate).

sheet obligations will be calculated per the Standard & Poor's methodology.

How does the ROE of 11.75% compare to other company returns excluding utilities? I know that FPL is paying a dividend therefore what is the overall return a shareholder is earning with dividends and a ROE of 11.75%?

I am sure that in this business environment it is quite high? Is this correct?

address earnings levels, but an ROE of [illegible]% shall be used for all other regulatory purposes.

How come these are not included in Ratebase with an earned return? Remember if the costs associated with the new plant exceed the base rate recovery and the Revenue incentive sharing plan only takes a look at the revenues excluding the costs associated with the operation of the new plant the ratepayer might be sharing in too much revenue which might be needed to pay for the new plant that has been placed in service.

Up North we calculated AFUDC until the plant was placed into service. Then all associated plant in service costs were placed into Ratebase and costs of maintaining the plant (payroll, taxes etc.) were included in the cost of service. This methodology was then applied to the excess earnings test which was:

RateBase x Allowed rate of return (overall cost of money) = Earned level of operating income

If the actual earnings exceeded the earned level of operating income then the excess earnings were deferred in a 253 account and given back to the customer in the following year. A carry charge was calculated on these amounts at the overall cost of money. This way both revenues and costs associated with placing the plant in service were captured. How come the traditional approach is not being used to calculate the revenue sharing at the company?

This included RateBase and Cost of Service accounting to make sure that both revenue from the operations of the plant and costs associated with the operations of the plant were captured. Of course you would also have to look at depreciation reserves related to the life studies of the plant in service. At times cost of removal became an issue with the under/over recovery of depreciation in rates.

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080677-EI

Ann Cole

From: Ann Cole
Sent: Wednesday, August 11, 2010 1:22 PM
To: Office Of Commissioner Graham
Cc: Commissioners Advisors; Administrative Assistants - Commission Suite
Subject: RE: Issue 46 / Adjustment to the Working Capital item to increase ratebase/revenue requirements.

Thank you for this information, unless otherwise instructed, this will be placed in *Docket Correspondence - Parties and Interested Persons*, in Docket Nos. 080677-EI and 090130-EI.

From: Linda Duggar **On Behalf Of** Office Of Commissioner Graham
Sent: Wednesday, August 11, 2010 9:52 AM
To: Ann Cole
Subject: FW: Issue 46 / Adjustment to the Working Capital item to increase ratebase/revenue requirements.

I believe this should be forwarded to you. If not, please let me know what do in the future.

I'm filling in for Betty for the next 4 weeks or so.

Thanks,
Linda

FPSC, CLK - CORRESPONDENCE
Administrative [X] Parties [ ] Consumer
DOCUMENT NO. 10741-08
DESCRIPTION:

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Tuesday, August 10, 2010 4:49 PM
To: Office Of Commissioner Edgar; Office of Commissioner Argenziano; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé
Cc: Lisa Bennett
Subject: Issue 46 / Adjustment to the Working Capital item to increase ratebase/revenue requirements.

Dear Commissioner's and Ms. Bennett,

I took a look at this very quickly. I have brought this concern up with a prior email with regard to fuel reconciliation filings in a prior email dated April 28th, 2009. See email below.

I was taking a look at the schedule below. I noticed that there was an increase in revenue requirements due to taking a 13 month average based upon a ratable refund versus the full refund in January 2010.

What actually happened? Was this refund returned in January 2010? If so, then how will the actual refund be reflected in the case? I understand that based upon a prior order and the fuel recovery mechanism that refunds are ratably given back. Here is where I see a problem. If the full refund was actually returned in January 2010, then the base rate increase related to this item will be reflecting a permanent rate increase (earned return) in base rates for an item that should be adjusted based upon the fuel adjustment clause. The true up for what actually happened would only yield an earned return based upon the interest provision calculation as per below versus the overall cost of money (earned return) that was used to true up the revenue requirements based upon the refund being given back ratably. Why should the base rate increase (permanent) be based upon an earned return that is much higher than the give back through the fuel adjustment clause?

The fuel adjustment over recovery is being removed from ratebase due to eliminating a double return on the deferred 186 account (under collection)/253 account (over collection). This is supported by the testimony in the case. Is the interest calculation on the excel spreadsheet based upon the interest provision calculation below?

If this adjustment stands then the earned return might be overstated in base rates, which is a permanent rate increase. The customer would only receive a cash refund based upon the interest provision calculation below which is much lower than the earned return that is being calculated in base rates.

What is the annual rate that is being used for the interest calculation that is being done on the excel spreadsheet? The annual return that is being used for the base rate revenue requirements is the 6.65%. The rate below for the interest provision is much lower. Do we have an explanation as to why the interest provision rate is much lower than the base rate revenue requirement rate?

Is there a compliance filing for the company after the base rates are set? If the actual over recovery was given back in January 2010, then how will the customer get back the difference in the earned return?

We have to remember once base rates are set then usually are not refunded unless there is a reconciliation/compliance filing. Are these being completed?

Thanks,

Robert H. Smith

10	Interest Provision (Line 24 x Line 39)	$	(283,694)

LCB

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Tuesday, April 28, 2009 2:39 PM
To: 'Andrew Maurey'; 'Tim Devlin'
Subject: Questions to consider in the New Case being filed for a $1 billion Base Rate Increase

Dear Mr. Maurey and Mr. Devlin,

I took a look at the 2005 Petition for rate increase by Florida Power & Light Company. Please let me know if you can send me the PDF files for the surveillance reports.

Is this an option? If no, what would be the reason for this? I would like to keep the cost/time to a minimum with these requests so that I can review quickly.

I am still reviewing this agreement but I understand that this is what is currently in place. I would like to answer these questions for the new case that is being presented to staff.

Has any studies being conducted for the revenue sharing plan as stipulated below versus the traditional ratemaking excess earnings test? I would be curious to see if FPL is maintaining the money cost of money reports based upon its current capitalization at the company. If so, I would like to see these studies to see the cost/benefit impacts to the ratepayers for this type of revenue sharing plan.

Does the FPSC complete a FCA (fuel cost adjustment) reconciliation? If so, is this available? It would be very interesting to see what the proposal for FPL is to move some of these costs into base rate recoveries. I think that there is an existing rate increase in the fuel adjustment clause that is being currently collected in rates. I think that this might be the first 8% etc. If the fuel costs have gone down are we now giving this benefit back to the customer? Why would we want to roll the existing rate increases into base rates to find out the cost of fuel as gone down? We should be very careful here since this case is being done when the fuel costs were high. This might be reflected in the test year data for the RateCase. Is this true?

I am still reviewing some of the information. If I have any additional questions I will send an email.

If you have any questions please do not hesitate to ask.

Thanks,

Robert H. Smith

I have a couple of questions:

How can the Revenue Sharing Incentive Plan exclude incremental revenues attributed to a business combination or acquisition involving FPL, its parent, or its affiliates whether inside or outside the state of Florida?

We would have to take a look at the holding company structure in which some of these incremental revenues might have been financed with ratepayer money. The primary contributor of cash flow to a utility is the ratepayer therefore it would be very possible that the customer might have subsidized these incremental revenues therefore the customer should share in the benefits of some of these incremental revenue if there is proof that they have financed/subsidized the costs associated with the generation of the incremental revenues.

Years ago when I worked up north for a major utility there was incremental revenues generated at our utility and the commission would review how these revenues were generated or financed. If the ratepayer financed/subsidized any of the costs the commission would determine a sharing mechanism for the ratepayer to share in the revenues generated. Another issue here is that since the revenue sharing mechanism is only looking retail base revenues another question comes into play with regard to cost:

What if the ratepayer is being charged for costs associated with these incremental revenues? FPL would share in the revenue aspect of the incremental revenues and the ratepayer might be paying for extra costs associated with the generation of these revenues.

Again when I was up North we had to take a look at the definition of Utility revenues versus non-utility revenues. We have to remember that from a cash flow perspective most of the cash flow is generated by the ratepayers of Florida. If they are Financing/Subsidizing the costs to generate these incremental revenues then FPL should not exclude the costs associated with the generation of these incremental revenues.

Up North we usually did a full blown ROE excess earnings test to make sure that the commission had the opportunity to exclude items from RateBase to calculate the overall ROE

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I am sure that in this business environment it is quite high? Is this correct?

address earnings levels, but an ROE of 11.25% shall be used for all other regulatory purposes.

How come these are not included in Ratebase with an earned return? Remember if the costs associated with the new plant exceed the base rate recovery and the Revenue incentive sharing plan only takes a look at the revenues excluding the costs associated with the operation of the new plant the ratepayer might be sharing in too much revenue which might be needed to pay for the new plant that has been placed in service.

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080677-EI

FPSC, CLK - CORRESPONDENCE
☐ Administrative ☒ Parties ☒ Consumers
DOCUMENT NO. 01644-09
DISTRIBUTION: 10741-08
Parties & Interested Persons
- ac

Ann Cole

From: Ann Cole
Sent: Monday, August 02, 2010 8:15 AM
To: Office of Commissioner Skop
Cc: Commissioners Advisors; Administrative Assistants - Commission Suite
Subject: FW: Docket No. 080677, FPL Reconsideration Request Nuclear Uprates / Docket 100009 Nuclear cost recovery clause
Attachments: OrderSummarywithNCRCrevreq05142010.pdf; staff composite rateswithrobsummary07302010withrefinance.pdf

Thank you for this information. The two attachments have been printed and will be placed in *Docket Correspondence - ~~Consumers and their Representatives~~*, in Docket Nos. 080677-EI and 10009-EI.

From: Office of Commissioner Skop
Sent: Friday, July 30, 2010 5:19 PM
To: Ann Cole
Cc: Cristina Slaton
Subject: FW: Docket No. 080677, FPL Reconsideration Request Nuclear Uprates / Docket 100009 Nuclear cost recovery clause

Ann,

Please place a copy of the e-mail appearing below and the associated attached files in the correspondence side of Docket Nos. 080677-EI and 100009-EI.

Thank you,
Bill

Bill McNulty
Chief Advisor to Commissioner Skop
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0855
(850) 413-6028 (office)
(850) 413-6029 (fax)
bmcnulty@psc.state.fl.us

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, July 30, 2010 1:14 PM
To: Office Of Commissioner Edgar; Office of Commissioner Argenziano; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé; Lisa Bennett
Subject: FW: Docket No. 080677, FPL Reconsideration Request Nuclear Uprates / Docket 100009 Nuclear cost recovery clause

Dear Commissioner's,

Is FPL taking advantage of the low corporate bond rates for refinancing? According to the previous cost of money it indicates that the overall cost of Long Term Debt is 5.49%. I would think that if FPL can take advantage of these savings that this can help with a further reduction in rates. I know that they might have to pay costs to refinance (early retirement costs/closing costs) their debt but this is definitely worth the look. I have brought this up in my previous email correspondence with the commission in which I indicated that debt is cheaper than equity. If this can be done and they can lock in rates that might be in the 3.5% to 3.75% range this should help.

Please let me know if this is in the pipeline with FPL since I know that when we worked up North we were always looking to refinance our bonds at much lower rates. I know that I have talked about this in great length with regard to the cost of money testimony with FPL.

This is part of the reason why I would like an answer to my email with regard to the Nuclear Uprates. If the overall cost of money would be reduced as a result of refinancing the debt then I know that it would be more cost effective to keep the Nuclear Uprates in ratebase so that the customer would see a benefit for a reduction in the overall cost of money.

This is why I have asked the Commission to ask about what the impact would be if they issued debt instead of equity. Based upon the Wall Street Journal Article below, I have asked a very good question when the testimony was going on. As you move the overall cost of Long Term Debt down this can amount to significant savings in interest costs for the ratepayer.

Based upon moving the overall cost of Long Term Debt to the 3.5% to 3.75% range you could realize significant savings.

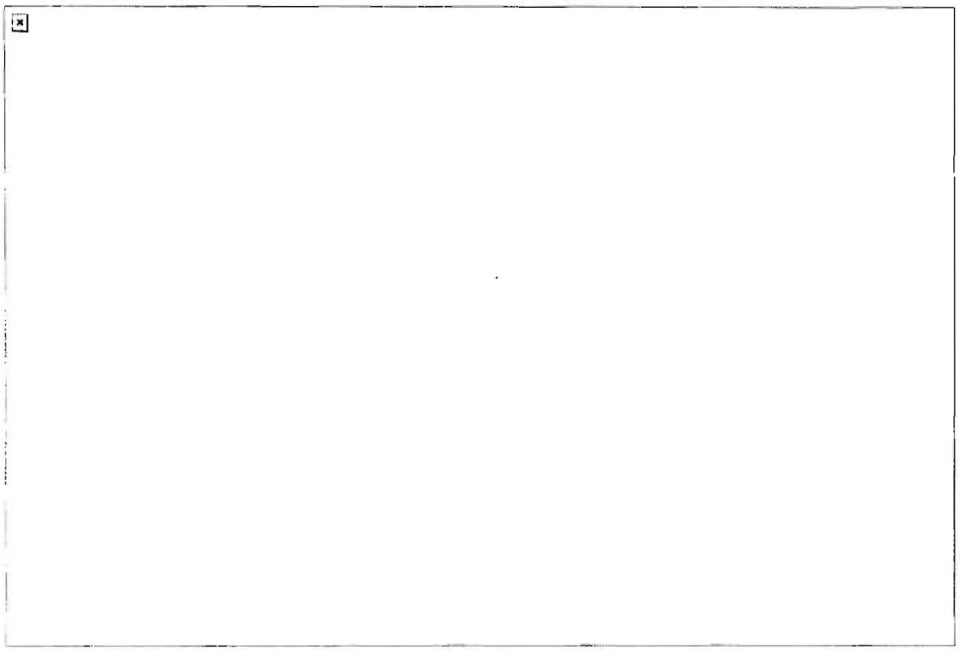
See revised cost of money below for a change in the Long Term Debt rate.

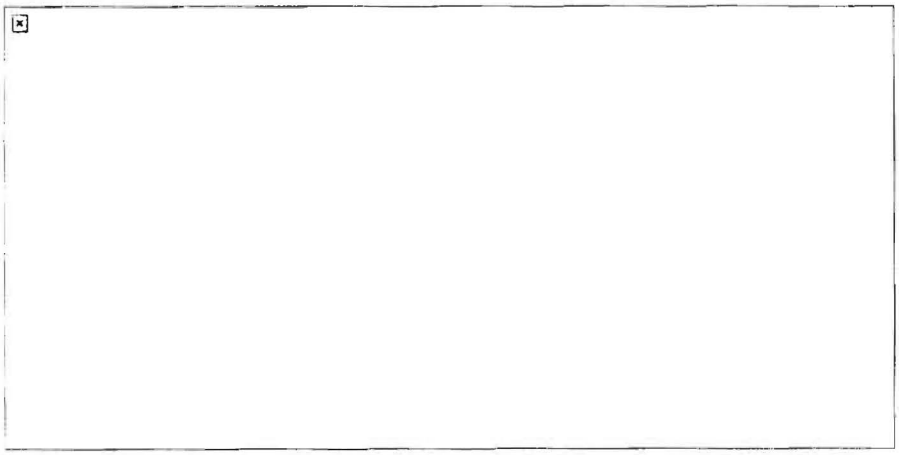
Please let me know if this is under consideration. If you lock in the Nuclear uprates at a fixed return then the customer would not only pay more under the current debt/equity structure but they might not realize the savings if FPL refinances its debt.

Duke Energy is doing this so I am wondering what FPL has in mind for this. If there is no sharing of excess earnings then the ratepayer would realize all the savings.

Thanks,

Robert H. Smith





Article in the Wall Street Journal:

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Tuesday, July 27, 2010 12:38 PM
To: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office Of Commissioner Graham <Commissioner.Graham@psc.state.fl.us>'; 'Office of Comissioner Brise <commissioner.Brise@psc.state.fl.us>'; 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Subject: FW: Docket No. 080677, FPL Reconsideration Request Nuclear Uprates / Docket 100009 Nuclear cost recovery clause

Dear Commissioner's,

Does this information have to be made part of the public record on the FPL case 080677? In addition, I have noticed the following docket. Docket 100009 Nuclear cost recovery clause. I was taking a look at some of the correspondence and noticed that it was talking about the FPL Nuclear Uprates. I noticed that some of the information has been classified as confidential but I was wondering how the current ratepayer will be impacted by the analysis that I have sent. This talks about the revenue requirements and earned returns as it would relate to moving the assets out of base rates and recovering these through a nuclear recovery clause. This is very important since the earned returns have to be identical to the FPL ratepayers no matter how these are being recovered from a return stand point as well as the recovery periods if these are fixed asset amounts.

I did not see any of this information being made part of the public docket. I am concerned since this issue as well as the Seabrook issue is very important with regard to the transfers of these assets.

I will forward this information to all parties that are interested but I am concerned that now that it appears that the Nuclear Uprates issue is been moved to Docket 100009 that my information might not be entered into the public record in this docket.

I think that this information is very important to both 080677 as well as Docket 100009. There is no reason why the recovery of these assets is not being recovered over their estimated useful lives.

This includes the earned returns on these assets.

I understand that some of the information can be made confidential but any information related to the term of the recovery of these assets as well as the earned returns on these assets should be made part of the public record. Any type of recovery clause would have to meet the requirement of cost savings to existing/future ratepayers. It should not cost the customer more for earned returns or the recovery of the costs should not be expedited. If the useful lives of the assets require a longer recovery period based upon their useful lives there is no reason for cash rate recovery to be accelerated.

I have not heard back from anyone in a while if my emails are going to be made part of the public record. Do I need to be added as an interested party in Docket 100009?

I will try to send the other recent emails that have not been added to the public docket to the other Commissioner's since these issues are very important to Docket 080677 and now to Docket 100009.

I would like to be added as an interested party in Docket 100009:

My contact information is:

Robert H. Smith
11340 Heron Bay Blvd. #2523
Coral Springs, FL 33076
Email: rpjrb@yahoo.com

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, May 14, 2010 5:50 PM
To: 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Cc: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'
Subject: FW: Docket No. 080677, FPL Reconsideration Request

Dear Ms. Bennett,

Attached you will find my Summary that I have put together from the 08-0677-EI standard order as the source of information. I have added the calculation of the revenue requirements for the Nuclear Uprates as if they were being transferred out of ledger 3 and into the Nuclear Cost Recovery accounts. Of course if all these costs are going to be offset against the surplus depreciation then the net assets (rate base) should be zero with no revenue impact. The only issue I have is if the assets still exist and new costs will be put into this clause. If there are new costs that have to be recovered in this clause then I would like to know if the carrying charges are going to be trued up for the new overall cost of money.

I was taking a look at the specifics of the Nuclear Cost Recovery Clause. I notice that it talks about the carrying charges that would be recorded. It indicates that the pretax AFUDC rate in effect at June 12th, 2007 will be used for the carrying charges associated with the removal of these plant assets from rate base. Is the current rate 7.41 (effective 1/1/09 as per Docket No. 090009-EI)? Based upon the new case and the new approved ROE of 10.00% (12.50% Company as filed versus 10.00% as approved) the overall cost of money decreases from the as filed 8.0% to 6.65% respectively. If the carrying charges on the Nuclear Cost Recovery Clause is not reduced to the new overall cost of money or AFUDC rate then the customer would pay more

in revenue requirements. Since this amount was offset by the depreciation surplus will this not trued up since it will be considered fully recovered?

If these assets are still in existence then the customer might lose the benefit for the reduction in the overall cost of money.

Here is the revised calculation that I have put together based upon the Schedules from the order. Based upon this calculation it would yield an approximate $2.1 million dollar additional revenue requirement to the customers if the carrying charges are not trued up for the reduction in the ROE or if these assets still exist.

How come this agreement is not being looked at? Can the terms of this agreement be changed for the reduced overall cost of money? It appears that the agreement as it stands would not provide for this true up. Is this correct? Unless these assets are going to be considered fully recovered since they were offset against the depreciation surplus.

It has been a while since I have put together cost of money calculations and revenue requirements. Please let me know if there will be a true up or if these assets are going to be considered fully recovered.

If these assets still exist then they should probably remain in ledger 3 and have an offset for the application of some of the reserve surplus to yield a net rate base of zero. This way this would cover the true up issue. What will be the impact going forward for any new costs that are put into the Nuclear Cost Recovery Clause? Will the carrying charges be accrued at the old rate or will they be trued up at the new overall cost of money/AFUDC rate?

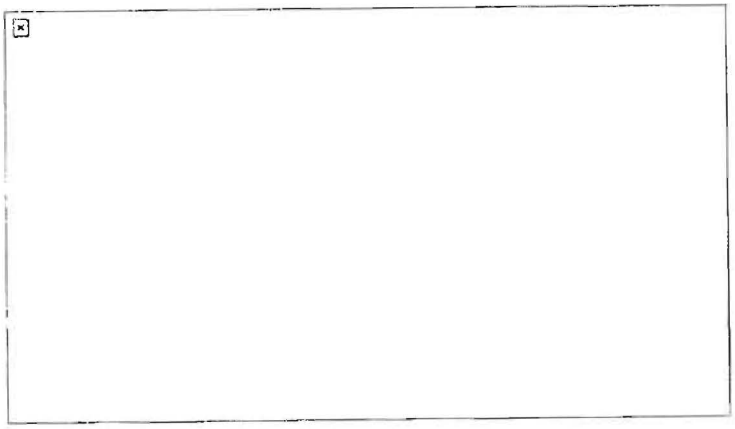
Thanks,

Robert H. Smith

Florida Power & Light Company
Docket No. 08-0677-EI
December 2010 Projected Test Year
Operating Revenue Increase Calculation

Line No.		As Filed	Commission Adjusted	Nuclear Uprates	Nuclear Uprates	Diff
1	Rate Base	17,063,586,000	16,787,429,918	168,234,989	168,234,989	-
2.	Overall Rate of Return	8.00%	6.65%	7.41%	6.65%	-0.76%
3.	Required Net Operating Income (1)x(2)	1,364,748,000	1,116,364,090	12,469,404	11,187,627	(1,281,777)
4.	Achieved Net Operating Income	725,883,000	1,070,179,348	-	-	-
5.	Net Operating Income Deficiency (3) - (4)	638,865,000	46,184,742	12,469,404	11,187,627	(1,281,777)
6.	Net Operating Income Multiplier	1.63342	1.63411	1.63411	1.63411	1.63411
7.	Operating Revenue Increase (5)x(8)	1,043,535,000	75,470,948	20,376,377	18,281,813	(2,094,564)

7.41% as per January 1, 2009 Approved AFUDC rate. Matches the December, 2008 Rate of Return Report
6.65% as per calculated overall cost of money as per 08-0677-EI



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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, May 13, 2010 12:20 PM
To: Lisa Bennett <LBENNETT@PSC.STATE.FL.US>
Cc: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'
Subject: FW: Docket No. 080677, FPL Reconsideration Request

Dear Ms. Bennett,

I noticed that the change in expenses formula for OPC is incorrect as well. This should probably be OPC estimated expense – current rate expense.

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, May 13, 2010 11:22 AM
To: LBENNETT@PSC.STATE.FL.US
Cc: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'
Subject: FW: Docket No. 080677, FPL Reconsideration Request

Dear Ms. Bennett,

Last week I was working on Financial Regulatory reform accounting issues. This is why I had asked for some information last week. I have been working on various aspects of Healthcare/Financial regulatory reform from an Accounting perspective with regard to holding company structures. This is similar to of the issues with the tax payments. I have been working on all of these issues for the past 1 ½ year's full time. I have been working on holding company concepts from an accounting perspective for over 10 years on a full/part time basis.

Normally I would have gone through the whole order, but I have been balancing all of the initiatives and at times there can be a lot of information to digest.

I appreciate that you have sent me the information. This was very useful and let me know if you have the updated schedules that were fixed.

Please feel free to share this information with FPL as well.

I noticed a quick typo(s).

Thanks,

Robert H Smith

Confidentiality Statement

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Thursday, May 13, 2010 10:33 AM
To: Lisa Bennett <LBENNETT@PSC.STATE.FL.US>
Cc: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'
Subject: FW: Docket No. 080677, FPL Reconsideration Request

Dear Ms. Bennett,

Please forward this information to all interested parties if they have the schedules that do not reflect the proper calculations for OPC. Maybe this is just the file that I was sent but let me know. Feel free to share this with everyone that was at the last meeting if it would be useful.

Attached you will find a summary that I have put together to gain an understanding of the order. I have not had a lot of time to take a look at the full order since I felt that when the standard order was released for a $75 million dollar increase that this was the final decision of the Florida Public Service Commission. Since I saw that there is a date for another standard order I wanted to be kept in the loop from both a ratepayer perspective as well as a shareholder perspective. If the potential exists that there is a possibility that the recovery of ledger 3 assets are going to be recovered outside of normal ledger 3 depreciation, then I am concerned to the future/current disposition of these assets from book gain and tax gain perspective. If they are removed then the ratepayer has to be made whole if there are any sales of these assets in the future.

I see that there is accelerated recovery with taking the $314.2 million against the surplus reserve. I am still reviewing this. I think that we still have to maintain any of these assets on ledger 3 since there are vintage year assets that would need to be tracked. Are these going to be removed? If so, then how is the commission going to track any potential proceeds from the sale of these assets?

If they are not maintained in ledger 3 and there is a sale then this might have an impact on the gain on sale calculation with regard to any sale. We would need to track the vintage year data to carve out any potential sales of these plant assets. If there is a theoretical reserves versus any remaining net book values this might have an impact on the book gain on sale. If you are taking the position that all these assets are fully recovered from a regulatory perspective then any gain on the sale of these assets would have to be fully refunded to the ratepayer. The vintage year issue might have an impact on the tax depreciation side of the house since what is depreciated for tax purposes is different than what is recorded for book purposes. This will impact any calculated gain on sale for tax purposes since the tax basis might be different than the book basis. This will also be an issue with the removal of the Nuclear Uprates. If these are removed from base rates and being treated similar to a fuel adjustment clause the vintage year data must be maintained if these assets are sold in the future. This would be for similar reasons just like the Cape & Riviera Site.

I noticed that the OPC Recommended Rate Formulas to calculate the estimated expenses have to be divided by 100 to calculate the proper estimated expense amount for OPC. This is probably a result of typing in the staff rate as a number and not a percentage. The rates to the left of the estimated expenses are incorrect as well. I will be fixing these on my end as I continue to look at what has been sent to me.

For example:

You will notice below that the Estimated Expenses of $10,155,632 should be divided by 100 to get the same amount as the Staff Recommended rates of $101,556.
The rate percentages are incorrect as well due to this calculation error. They should be estimated expenses/by estimated investment to yield the same 1.7% as the Staff rate column or estimated investment x OPC rates (if they are the same as staff's) or the OPC rates would have to be updated in the spreadsheet.

I do not know if this is important on your end but I am changing these calculations on a copy of the worksheet that you have sent to me so that I can summarize each recommendation to tie into the summary schedule that I have put together. I am going through the formulas and fixing these. Please let me know if there is a corrected version. Are the OPC rates that same as Staff's or do these have to change in both D Need and D Need(2).

This is why I put the summary together. I wanted to compare the old approved rates versus OPC and Staff recommendation to see how the full depreciation accrual has changed. The summary below compares each of the scenarios so I was trying to tie in D Need to my summary to make sure that it matches what has been completed.

Please let me know if you have an updated file.

PSC Working File

ACCOUNT	12/31/09 EST. INVESMENT	12/31/09 EST. RESERVE	OPC RECOMMENDED RATES RATE (%)	OPC RECOMMENDED RATES ESTIMATED EXPENSES ($)	CHANGE IN EXPENSES ($)	STAFF RECOMMENDED RATES RATE (%)	STAFF RECOMMENDED RATES ESTIMATED EXPENSES ($)	CHANGE IN EXPENSES ($)
STEAM PRODUCTION								
CAPE CANAVERAL PLANT								
CUTLER PLANT								
Cutler Common								
311.0 Structures & Improvements	$5,973,901	$6,074,928	-0.12%	10,155,632	4,181,731	1.7	101,556	113,504
312.0 Boiler Plant Equipment	817,291	692,141	1.78%	1,784,697	967,406	2.2	17,847	13,761
314.0 Turbogenerator Units	1,234,614	1,356,414	-1.14%	2,743,587	1,508,973	2.2	27,436	65,709
315.0 Accessory Electric Equipment	1,058,634	1,023,308	0.66%	2,003,843	945,209	1.9	20,038	14,745
316.0 Misc. Power Plant Equipment	627,586	671,750	-0.60%	1,184,691	556,805	1.9	11,847	23,777
Total Cutler Common	$9,712,326	$9,818,541		17,872,450	8,160,124		178,725	231,497

Thanks for the information. Attached is a summary that I am working on to fully understand what has been sent to me.

FPSC Information Received / Wednesday May 12, 2010
Comparison of Approved Rates/Recommended Rates/Staff Recommended Rates
DRAFT

Plant Description	Plant Balance	Approved Rates (1)	Composite Rate	Recommended Rates	Composite Rate	Staff Rates (2)	Composite Rate	Diff Rec vs App	Composite Rate	Diff Staff vs App	Composite Rate
Steam Production	3,036.6	78.9	2.6%	99.5	3.3%	74.2	2.4%	20.6	0.7%	(4.7)	(0.2%)
Nuclear Production	3,970.5	53.8	1.4%	93.7	2.4%	76.6	1.9%	39.9	1.0%	22.8	0.6%
Other Production	4,332.1	216.5	5.0%	214.2	4.9%	178.7	4.1%	(2.3)	(0.1%)	(37.8)	(0.9%)
Transmission	3,122.5	93.1	3.0%	94.2	3.0%	85.3	2.7%	1.1	0.0%	(7.8)	(0.2%)
Distribution	10,050.6	355.6	3.5%	337.6	3.4%	308.4	3.1%	(18.0)	(0.2%)	(47.2)	(0.5%)
General Plant	672.1	38.8	5.8%	15.0	2.2%	24.2	3.6%	(23.8)	(3.5%)	(14.6)	(2.2%)
Total Plant	25,184.4	836.7	3.3%	854.2	3.4%	747.4	3.0%	17.5	0.1%	(89.3)	(0.4%)
Steam Amort.	3.6	0.6	15.8%	0.6	15.8%	0.6	15.8%	-	0.0%	-	0.0%
Nuclear Amort	36.6	5.6	15.2%	5.6	15.2%	5.6	15.2%	-	0.0%	-	0.0%
Other Prod. Amort	3.0	0.5	16.3%	0.5	16.3%	0.5	16.3%	-	0.0%	-	0.0%
Distr. Amort	81.5	11.3	13.9%	11.3	13.9%	11.3	13.9%	-	0.0%	-	0.0%
General Amort	345.4	77.0	22.3%	77.0	22.3%	57.8	16.7%	-	0.0%	(19.2)	(5.6%)
Total Amort	470.1	94.9	20.2%	94.9	20.2%	75.7	16.1%	-	0.0%	(19.2)	(4.1%)
Steam Production	3,040.2	79.5	2.6%	100.1	3.3%	74.7	2.5%	20.6	0.7%	(4.7)	(0.2%)
Nuclear Production	4,007.1	59.4	1.5%	99.3	2.5%	82.2	2.1%	39.9	1.0%	22.8	0.6%
Other Production	4,335.1	217.0	5.0%	214.7	5.0%	179.2	4.1%	(2.3)	(0.1%)	(37.8)	(0.9%)
Transmission	3,122.5	93.1	3.0%	94.2	3.0%	85.3	2.7%	1.1	0.0%	(7.8)	(0.2%)
Distribution	10,132.1	366.9	3.6%	348.9	3.4%	319.7	3.2%	(18.0)	(0.2%)	(47.2)	(0.5%)
General Plant	1,017.5	115.8	11.4%	92.0	9.0%	82.0	8.1%	(23.8)	(2.3%)	(33.8)	(3.3%)

Total Plt/Amort	25,654.5	931.6	3.6%	949.1	3.7%	823.1	3.2%	17.5	0.1%	(108.5) (0.4%)

(1) Approved in Docket 050300-EI (Order No: PSC-05-0821-PAA-EI)
(2) Per PSC Working File Staff Recommended Rates

Preliminary Summary Prepared by: Robert H Smith Based upon FPSC Workpapers

FPL Composite Rate Check		
Steam	3,040.2	74.7
Nuclear	4,007.1	82.2
Other Production	4,335.1	179.2
Transmission	3,122.5	85.3
Distribution	10,132.1	319.7
General	1,017.5	82.0
	25,654.5	823.1
	0.0	0.0

Here are some initial observations that I noticed:

Cape & Riviera Site

$44.9 million

Sites to Recovery Sched.	Plant in Service	Reserve Balance	Rem Plant
Cape Canaveral Site	187.5	(152.2)	35.3
Riviera Site	103.7	(94.1)	9.6
	291.2	(246.3)	44.9

Are these going to be added to the new repowered generating units? If so then, then how is the new cost going to take into account the old book costs for ledger 3 purposes? Since they have been fully recovered by the surplus reserve are the new ledger 3 amounts only going to reflect the new costs only? How are the vintage year issues being addressed for the old costs? If it will reflect only the new costs then all old ledger 3 amounts will be removed? This might not follow GAAP since from a strict asset perspective these assets might still exist with the new repowered generating units. How will the going forward depreciation reflect this vintage year issue?

Nuclear Uprates

$168.2 million

Removed from Base Rates. Recovered through Nuclear Cost Recovery Clause. Removed from RateBase? Calculated Carrying Charges? Will the cash recovery in Base rates equal the new recovery in cash rates based upon the new Nuclear Cost Recovery Clause? Is this a break even for cash recovery or has the amount of time to recover these costs changed?

Obsolete Meters

$101.1 million

Retired. Is there any salvage money that can be recovered for the scrap sale or sale of these meters? Will there be any cost of removal or are these being left in place? If they are being left in place then and they will be considered fully recovered will ledger 10 be adjusted to match ledger 3 to keep track of these assets? Ledger 3 plant should match ledger 10 accumulated depreciation reserves. These should be kept on the books until they are removed/sold or scrapped. Any money should be credited to the ratepayers.

Based upon the above reduction of the Depreciation Surplus/Over Recovery it appears that the Recovery Schedule items are being reduced against surplus refund immediately. What is going to be done with these plant assets? Are they being retired or sold? If they are going to be sold then if there is any gain on the sale of the plants then this would have to be refunded to the ratepayer. If these plants are not sold, what would be the new recovery period for these plants since it appears that they are being moved out of the normal depreciation recovery? Are they going to remain in Ledger 3 for book purposes since the normal depreciation recovery will be stopped?

Surplus Amort	1,206.8	
Less: Recov. Sch	(314.2)	
	894.6	
Less Credits	(500.0)	Amortize at $125 m over 4 yrs
	394.6	Amortize at $17.9 m over 22 yrs

Sites to Recovery Sched.	Plant in Service	Reserve Balance	Rem Plant
Cape Canaveral Site	187.5	(152.2)	35.3
Riviera Site	103.7	(94.1)	9.6
	291.2	(246.3)	44.9

Recovery Schedule

As per Above 314.2

Cape & Riviera Site	44.9	Are these going to be added to the new repowered generating units? If so then, then how is the new cost going to take into account the old book costs for ledger 3 purposes? Since they have been fully recovered by the surplus reserve is the new ledger 3 amounts only going to reflect the new costs only? How are the vintage year issues being addressed for the old costs? If it will reflect only the new costs then will all of the old ledger 3 amounts be removed? This might not follow GAAP since from a strict asset perspective these assets might still exist with the new repowered generating units. How will the going forward depreciation reflect this vintage year issue?
Nuclear Uprates	168.2	Removed from Base Rates. Recovered through Nuclear Cost Recovery Clause. Removed from RateBase? Calculated Carrying Charges? Will the cash recovery in Base rates equal the new recovery in cash rates based upon the new Nuclear Cost Recovery Clause? Is this a break even for cash recovery or has the amount of time to recover these costs changed?
Obsolete Meters	101.1	Retired. Is there any salvage money that can be recovered for the scrap sale or sale of these meters? Will there be any cost of removal or are these being left in place? If they are being left in place then and they will be considered fully recovered will ledger 10 be adjusted to match ledger 3 to keep track of these assets? Ledger 3 plant should match ledger 10 accumulated depreciation reserves. These should be kept on the books until they are removed/sold or scrapped. Any money should be credited to the ratepayers.
	314.2	

Thanks for sending me this information this has been very helpful. I wish that I would have seen this information before the meeting to be informed. A lot of the issues that I have been submitting in my email correspondence were similar with regard to some of the outcome(s) of this case. I am going to fix the spreadsheets that have been sent and I will follow up with any other questions.

Thanks again for the information. It is greatly appreciated.

Thanks,

Robert H. Smith

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From: Lisa Bennett [mailto:LBENNETT@PSC.STATE.FL.US]
Sent: Wednesday, May 12, 2010 9:02 AM
To: rpjrb@yahoo.com
Subject: FW: Docket No. 080677, FPL Reconsideration Request

Attached are staff's workpapers.

Lisa C. Bennett
Office of the General Counsel
2540 Shumard Oak Boulevard
Tallahassee, FL
850-413-6230

From: Lisa Bennett
Sent: Wednesday, May 05, 2010 3:31 PM
To: Barry Richard; Brian P. Armstrong Esq. ; Cecilia Bradley Esq.; J. R. Kelly ; J. Spina; Jack Leon ; John LaVia; John McWhirter; John T. Butler ; Jon C. Moyle Jr.; Joseph Mcglothlin, Esq.; Joseph W. Yarbrough (jyarbrough@southdaytona.org); K. Wiseman; L. Purdy; Lino Mendiola; Marcus Braswell (mbraswell@sugarmansusskind.com); Mark F. Sundback; Mary Smallwood; Meghan Griffiths; Mitchell S. Ross (Mitch.Ross@fpl.com); Natlie Smith; Rick Melson; Robert A. Sugarman; Schef Wright ; Scott E. Simpson; Shayla McNeill; Stephanie Alexander (sda@trippscott.com); Stephen Stewart; Susan Clark; Tamela I. Perdue (TPerdue@aif.com); Vicki Gordon Kaufman ; Wade_Litchfield
Cc: Pat Lee; Betty Gardner
Subject: Docket No. 080677, FPL Reconsideration Request

Attached are staff's workpapers as we discussed in today's meeting.

Lisa C. Bennett
Office of the General Counsel
2540 Shumard Oak Boulevard
Tallahassee, FL
850-413-6230

Schedule A: Page 1 of 1

Capital Components	Jurisdictional Average	Capital Ratio	Cost of Capital	AFUDC Weighted Components	Refinancing of Debt	Rev AFUDC Weighted Components	Refinancing of Debt	Rev AFUDC Weighted Components
Long Term Debt	5,298,960,654	31.57%	5.49%	1.73%	3.50%	1.10%	3.75%	1.18%
Short Term Debt	156,113,805	0.93%	2.11%	0.02%	2.11%	0.02%	2.11%	0.02%
Preferred Stock	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Customer Deposits	544,711,775	3.24%	5.98%	0.19%	5.98%	0.19%	5.98%	0.19%
Common Equity	7,889,967,199	47.00%	10.00%	4.70%	10.00%	4.70%	10.00%	4.70%
Deferred Income Tax	2,892,247,084	17.23%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Investment Tax Credits	5,429,401	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	16,787,429,918	100.00%		6.65%		6.02%		6.10%
Equity Ratio	59.12%							
RateBase 12/31/2008	16,787,429,918							
Average Rate of Return	7.66%		Per Above	6.65%		Rev Net Op Inc		Rev Net Op Inc
Net Operating Income	1,285,608,553			1,116,364,090		1,010,328,108		1,023,575,510
						Savings		Savings

Effective January 1, 2008 The Commission Approved AFUDC Rate is 7.65%

Florida Power & Light Company
and Subsidiaries
Basis For the Requested AFUDC Rate
FPSC Adjusted Basis
December, 2008

Schedule A: Page 1 of 1

Capital Components	Jurisdictional Average	Capital Ratio	Cost of Capital	AFUDC Weighted Components
Long Term Debt	4,407,092,709	29.83%	5.40%	1.61%
Short Term Debt	323,363,439	2.19%	2.52%	0.06%
Preferred Stock	-	0.00%	0.00%	0.00%
Customer Deposits	506,921,098	3.43%	5.91%	0.20%
Common Equity	6,968,461,581	47.17%	11.75%	5.54%
Deferred Income Tax	2,545,041,042	17.23%	0.00%	0.00%
Investment Tax Credits	21,115,507	0.14%	0.00%	0.00%
	14,771,995,376	100.00%		7.41%
Equity Ratio	59.57%			
RateBase 12/31/2008	15,046,960,115			
Average Rate of Return	7.66%		Per Above	7.41%
Net Operating Income	1,152,320,559			1,115,265,140

Effective January 1, 2008 The Commission Approved AFUDC Rate is 7.65%

Source: February 12, 2009 Rate Return Report

Schedule A: Page 1 of 1

Capital Components	Jurisdictional Average	Capital Ratio	Cost of Capital	AFUDC Weighted Components
Long Term Debt	5,298,960,654	31.57%	5.49%	1.73%
Short Term Debt	156,113,805	0.93%	2.11%	0.02%
Preferred Stock	-	0.00%	0.00%	0.00%
Customer Deposits	544,711,775	3.24%	5.98%	0.19%
Common Equity	7,889,967,199	47.00%	10.00%	4.70%
Deferred Income Tax	2,892,247,084	17.23%	0.00%	0.00%
Investment Tax Credits	5,429,401	0.03%	0.00%	0.00%
	16,787,429,918	100.00%		6.65%
Equity Ratio	59.12%			
RateBase 12/31/2008	16,787,429,918			
Average Rate of Return	7.66%		Per Above	6.65%
Net Operating Income	1,285,608,553			1,116,364,090

Effective January 1, 2008 The Commission Approved AFUDC Rate is 7.65%

Florida Power & Light Company
Docket No. 08-0677-EI
December 2010 Projected Test Year
Operating Revenue Increase Calculation

Line No.		As Filed	Commission Adjusted	Nuclear Uprates	Nuclear Uprates	Diff
1.	Rate Base	17,063,586,000	16,787,429,918	168,234,989	168,234,989	-
2.	Overall Rate of Return	8.00%	6.65%	7.41%	6.65%	-0.76%
3.	Required Net Operating Income (1)x(2)	1,364,748,000	1,116,364,090	12,469,404	11,187,627	(1,281,777)
4.	Achieved Net Operating Income	725,883,000	1,070,179,348	-	-	-
5.	Net Operating Income Deficiency (3) - (4)	638,865,000	46,184,742	12,469,404	11,187,627	(1,281,777)
6.	Net Operating Income Multiplier	1.63342	1.63411	1.63411	1.63411	1.63411
7.	Operating Revenue Increase (5)x(6)	1,043,535,000	75,470,948	20,376,377	18,281,813	(2,094,564)

7.41% as per January 1, 2009 Approved AFUDC rate. Matches the December, 2008 Rate of Return Report
6.65% as per calculated overall cost of money as per 08-0677-EI

Florida Power & Light Company
Docket No. 080677-EI
13-Month Average Capital Structure
December 2010 Test Year

Company As Filed

Schedule A: Page 1 of 1

Capital Components	Jurisdictional Average	Capital Ratio	Cost of Capital	AFUDC Weighted Components
Long Term Debt	5,377,787,000	31.52%	5.55%	1.75%
Short Term Debt	161,857,000	0.95%	2.96%	0.03%
Preferred Stock	-	0.00%	0.00%	0.00%
Customer Deposits	564,652,000	3.31%	5.98%	0.20%
Common Equity	8,178,980,000	47.93%	12.50%	5.99%
Deferred Income Tax	2,723,327,000	15.96%	0.00%	0.00%
Investment Tax Credits	56,983,000	0.33%	9.74%	0.03%
	17,063,586,000	100.00%		8.00%
Equity Ratio	59.62%			
RateBase 12/31/2008	17,063,586,000			
Average Rate of Return	7.66%		Per Above	8.00%
Net Operating Income	1,306,757,033			1,364,748,000

Effective January 1, 2008 The Commission Approved AFUDC Rate is 7.65%

Florida Power & Light Company
Docket No. 080677-EI
December 2010 Test Year
Net Operating Income Multiplier

Line No.		(%) As Filed	(%) Commission Adjusted		
1.	Revenue Requirement	100.000	100.000		
2.	Gross Receipts Tax	0.000	0.000		
3.	Regulatory Assessment Fee	(0.072)	(0.072)		
4.	Bad Debt Rate	(0.260)	(0.302)		
5.	Net Before Income Taxes	99.668	99.626		
6.	Income Taxes (Line 5 x 38.575%)	38.447	38.431	Current Tax Rate	38.575%
7.	Revenue Expansion Factor	61.221	61.195		
8.	Net Operating Income Multiplier (100%/Line7)	1.63342	1.63411		

FPSC, CLK - CORRESPONDENCE
☐ Administrative ☒ Parties ☐ Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION: _____

Ann Cole

From: Ann Cole
Sent: Thursday, July 29, 2010 8:01 AM
To: Office of Commissioner Argenziano
Cc: Commissioners Advisors; Administrative Assistants - Commission Suite
Subject: FW: Docket No. 080677, FPL Reconsideration Request Nuclear Uprates / Docket 100009 Nuclear cost recovery clause
Attachments: OrderSummarywithNCRCrevreq05142010.pdf

Thank you. The attachment has been printed and will be placed in *Docket Correspondence - Parties and Interested Persons* in Docket Nos. 080677-EI and 100009-EI.

From: Office of Commissioner Argenziano
Sent: Wednesday, July 28, 2010 4:15 PM
To: Ann Cole
Subject: FW: Docket No. 080677, FPL Reconsideration Request Nuclear Uprates / Docket 100009 Nuclear cost recovery clause

Please place this email in *Docket Correspondence - Parties and Interested Persons* in Docket Nos. 080677-EI and 100009-EI.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Tuesday, July 27, 2010 12:38 PM
To: Office Of Commissioner Edgar; Office of Commissioner Argenziano; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé; Lisa Bennett
Subject: FW: Docket No. 080677, FPL Reconsideration Request Nuclear Uprates / Docket 100009 Nuclear cost recovery clause

Dear Commissioner's,

Does this information have to be made part of the public record on the FPL case 080677? In addition, I have noticed the following docket. Docket 100009 Nuclear cost recovery clause. I was taking a look at some of the correspondence and noticed that it was talking about the FPL Nuclear Uprates. I noticed that some of the information has been classified as confidential but I was wondering how the current ratepayer will be impacted by the analysis that I have sent. This talks about the revenue requirements and earned returns as it would relate to moving the assets out of base rates and recovering these through a nuclear recovery clause. This is very important since the earned returns have to be identical to the FPL ratepayers no matter how these are being recovered from a return stand point as well as the recovery periods if these are fixed asset amounts.

I did not see any of this information being made part of the public docket. I am concerned since this issue as well as the Seabrook issue is very important with regard to the transfers of these assets.

I will forward this information to all parties that are interested but I am concerned that now that it appears that the Nuclear Uprates issue is been moved to Docket 100009 that my information might not be entered into the public record in this docket.

I think that this information is very important to both 080677 as well as Docket 100009. There is no reason why the recovery of these assets is not being recovered over their estimated useful lives.

This includes the earned returns on these assets.

I understand that some of the information can be made confidential but any information related to the term of the recovery of these assets as well as the earned returns on these assets should be made part of the public record. Any type of recovery clause would have to meet the requirement of cost savings to existing/future ratepayers. It should not cost the customer more for earned returns or the recovery of the costs should not be expedited. If the useful lives of the assets require a longer recovery period based upon their useful lives there is no reason for cash rate recovery to be accelerated.

I have not heard back from anyone in a while if my emails are going to be made part of the public record. Do I need to be added as an interested party in Docket 100009?

I will try to send the other recent emails that have not been added to the public docket to the other Commissioner's since these issues are very important to Docket 080677 and now to Docket 100009.

I would like to be added as an interested party in Docket 100009:

My contact information is:

Robert H. Smith
11340 Heron Bay Blvd. #2523
Coral Springs, FL 33076
Email: rpjrb@yahoo.com

Thanks,

Robert H. Smith

Confidentiality Statement

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, May 14, 2010 5:50 PM
To: 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Cc: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'
Subject: FW: Docket No. 080677, FPL Reconsideration Request

Dear Ms. Bennett,

Attached you will find my Summary that I have put together from the 08-0677-EI standard order as the source of information. I have added the calculation of the revenue requirements for the Nuclear Uprates as if they were being transferred out of ledger 3 and into the Nuclear Cost Recovery accounts. Of course if all these costs are going to be offset against the surplus depreciation then the net assets (rate base) should be zero with no revenue impact. The only issue I have is if the assets still exist and new costs will be put into this clause. If there are new costs that have to be recovered in this clause then I would like to know if the carrying charges are going to be trued up for the new overall cost of money.

I was taking a look at the specifics of the Nuclear Cost Recovery Clause. I notice that it talks about the carrying charges that would be recorded. It indicates that the pretax AFUDC rate in effect at June 12th, 2007 will be used for the carrying charges associated with the removal of these plant assets from rate base. Is the current rate 7.41 (effective 1/1/09 as per Docket No. 090009-EI)? Based upon the new case and the new approved ROE of 10.00% (12.50% Company as filed versus 10.00% as approved) the overall cost of money decreases from the as filed 8.0% to 6.65% respectively. If the carrying charges on the Nuclear Cost Recovery Clause is not reduced to the new overall cost of money or AFUDC rate then the customer would pay more in revenue requirements. Since this amount was offset by the depreciation surplus will this not trued up since it will be considered fully recovered?

If these assets are still in existence then the customer might lose the benefit for the reduction in the overall cost of money.

Here is the revised calculation that I have put together based upon the Schedules from the order. Based upon this calculation it would yield an approximate $2.1 million dollar additional revenue requirement to the customers if the carrying charges are not trued up for the reduction in the ROE or if these assets still exist.

How come this agreement is not being looked at? Can the terms of this agreement be changed for the reduced overall cost of money? It appears that the agreement as it stands would not provide for this true up. Is this correct? Unless these assets are going to be considered fully recovered since they were offset against the depreciation surplus.

It has been a while since I have put together cost of money calculations and revenue requirements. Please let me know if there will be a true up or if these assets are going to be considered fully recovered.

If these assets still exist then they should probably remain in ledger 3 and have an offset for the application of some of the reserve surplus to yield a net rate base of zero. This way this would cover the true up issue. What will be the impact going forward for any new costs that are put into the Nuclear Cost Recovery Clause? Will the carrying charges be accrued at the old rate or will they be trued up at the new overall cost of money/AFUDC rate?

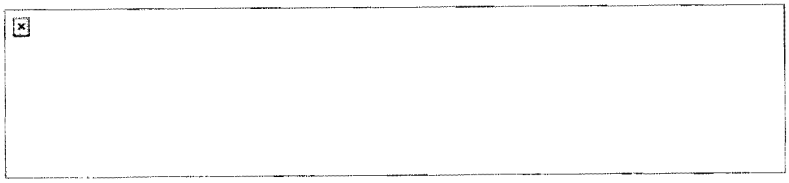
Thanks,

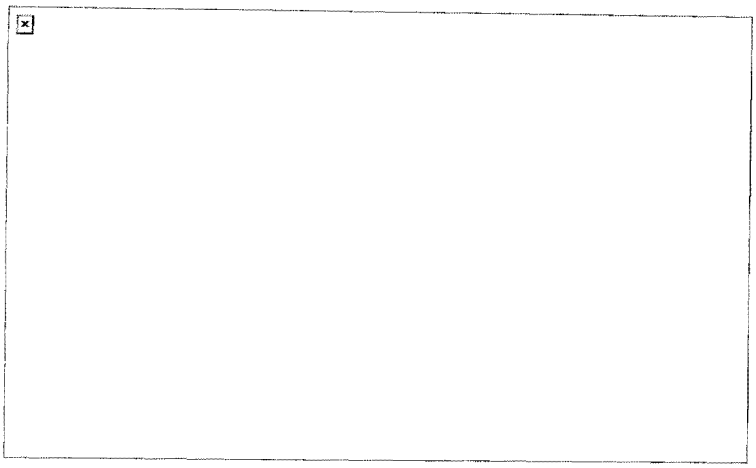
Robert H. Smith

Florida Power & Light Company
Docket No. 08-0677-EI
December 2010 Projected Test Year
Operating Revenue Increase Calculation

Line No.		As Filed	Commission Adjusted	Nuclear Uprates	Nuclear Uprates	Diff
1.	Rate Base	17,063,586,000	16,787,429,918	168,234,989	168,234,989	-
2.	Overall Rate of Return	8.00%	6.65%	7.41%	6.65%	-0.76%
3.	Required Net Operating Income (1)x(2)	1,364,748,000	1,116,364,090	12,469,404	11,187,627	(1,281,777)
4.	Achieved Net Operating Income	725,883,000	1,070,179,348	-	-	-
5.	Net Operating Income Deficiency (3) - (4)	638,865,000	46,184,742	12,469,404	11,187,627	(1,281,777)
6.	Net Operating Income Multiplier	1.63342	1.63411	1.63411	1.63411	1.63411
7.	Operating Revenue Increase (5)x(6)	1,043,535,000	75,470,948	20,376,377	18,281,813	(2,094,564)

7.41% as per January 1, 2009 Approved AFUDC rate. Matches the December, 2008 Rate of Return Report
6.65% as per calculated overall cost of money as per 08-0677-EI





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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, May 13, 2010 12:20 PM
To: Lisa Bennett <LBENNETT@PSC.STATE.FL.US>
Cc: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'
Subject: FW: Docket No. 080677, FPL Reconsideration Request

Dear Ms. Bennett,

I noticed that the change in expenses formula for OPC is incorrect as well. This should probably be OPC estimated expense – current rate expense.

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, May 13, 2010 11:22 AM
To: LBENNETT@PSC.STATE.FL.US
Cc: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'
Subject: FW: Docket No. 080677, FPL Reconsideration Request

Dear Ms. Bennett,

Last week I was working on Financial Regulatory reform accounting issues. This is why I had asked for some information last week. I have been working on various aspects of Healthcare/Financial regulatory reform from an Accounting perspective with regard to holding company structures. This is similar to of the issues with the tax payments. I have been working on all of these issues for the past 1 ½ year's full time. I have been working on holding company concepts from an accounting perspective for over 10 years on a full/part time basis.

Normally I would have gone through the whole order, but I have been balancing all of the initiatives and at times there can be a lot of information to digest.

I appreciate that you have sent me the information. This was very useful and let me know if you have the updated schedules that were fixed.

Please feel free to share this information with FPL as well.

I noticed a quick **typo(s).**

Thanks,

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Thursday, May 13, 2010 10:33 AM
To: Lisa Bennett <LBENNETT@PSC.STATE.FL.US>
Cc: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'
Subject: FW: Docket No. 080677, FPL Reconsideration Request

Dear Ms. Bennett,

Please forward this information to all interested parties if they have the schedules that do not reflect the proper calculations for OPC. Maybe this is just the file that I was sent but let me know. Feel free to share this with everyone that was at the last meeting if it would be useful.

Attached you will find a summary that I have put together to gain an understanding of the order. I have not had a lot of time to take a look at the full order since I felt that when the standard order was released for a $75 million dollar increase that this was the final decision of the Florida Public Service Commission. Since I saw that there is a **date** for another standard order I wanted to be kept in the loop from both a ratepayer perspective as well as a shareholder perspective. If the potential exists that there is a possibility that the recovery of ledger 3 assets are going to be recovered outside of normal ledger 3 depreciation, then I am concerned to the future/current disposition of these assets from book gain and tax gain perspective. If they are removed then the ratepayer has to be made whole if there are any sales of these assets in the future.

I see that there is accelerated recovery with taking the $314.2 million against the surplus reserve. I am still reviewing this. I think that we still have to maintain any of these assets on ledger 3 since there are vintage year assets that would need to be tracked. Are these going to be removed? If so, then how is the commission going to track any potential proceeds from the sale of these assets?

If they are not maintained in ledger 3 and there is a sale then this might have an impact on the gain on sale calculation with regard to any sale. We would need to track the vintage year data to carve out any potential sales of these plant assets. If there is a theoretical reserves versus any remaining net book values this might have an impact on the book gain on sale. If you are taking the position that all these assets are fully recovered from a regulatory perspective then any gain on the sale of these assets would have to be fully refunded to the ratepayer. The vintage year issue might have an impact on the tax depreciation side of the house since what is depreciated for tax purposes is different than what is recorded for book purposes. This will impact any calculated gain on sale for tax purposes since the tax basis might be different than the book basis. This will also be an issue with the removal of the Nuclear Uprates. If these are removed from base rates and being treated similar to a fuel adjustment clause the vintage year data must be maintained if these assets are sold in the future. This would be for similar reasons just like the Cape & Riviera Site.

I noticed that the OPC Recommended Rate Formulas to calculate the estimated expenses have to be divided by 100 to calculate the proper estimated expense amount for OPC. This is probably a result of typing in the staff rate as a number and not a percentage. The rates to the left of the estimated expenses are incorrect as well. I will be fixing these on my end as I continue to look at what has been sent to me.

For example:

You will notice below that the Estimated Expenses of $10,155,632 should be divided by 100 to get the same amount as the Staff Recommended rates of $101,556.
The rate percentages are incorrect as well due to this calculation error. They should be estimated expenses/by estimated investment to yield the same 1.7% as the Staff rate column or estimated investment x OPC rates (if they are the same as staff's) or the OPC rates would have to be updated in the spreadsheet.

I do not know if this is important on your end but I am changing these calculations on a copy of the worksheet that you have sent to me so that I can summarize each recommendation to tie into the summary schedule that I have put together. I am going through the formulas and fixing these. Please let me know if there is a corrected version. Are the OPC rates that same as Staff's or do these have to change in both D Need and D Need(2).

This is why I put the summary together. I wanted to compare the old approved rates versus OPC and Staff recommendation to see how the full depreciation accrual has changed. The summary below compares each of the scenarios so I was trying to tie in D Need to my summary to make sure that it matches what has been completed.

Please let me know if you have an updated file.

PSC Working File

ACCOUNT	12/31/09 EST. INVESMENT	12/31/09 EST. RESERVE	OPC RECOMMENDED RATES RATE (%)	OPC RECOMMENDED RATES ESTIMATED EXPENSES ($)	CHANGE IN EXPENSES ($)	STAFF RECOMMENDED RATES RATE (%)	STAFF RECOMMENDED RATES ESTIMATED EXPENSES ($)	CHANGE IN EXPENSES ($)
STEAM PRODUCTION								
CAPE CANAVERAL PLANT								
CUTLER PLANT								
Cutler Common								
311.0 Structures & Improvements	$5,973,901	$6,074,928	-0.12%	10,155,632	4,181,731	1.7	101,556	113,504
312.0 Boiler Plant Equipment	817,291	692,141	1.78%	1,784,697	967,406	2.2	17,847	13,761
314.0 Turbogenerator Units	1,234,614	1,356,414	-1.14%	2,743,587	1,508,973	2.2	27,436	65,709
315.0 Accessory Electric Equipment	1,058,634	1,023,308	0.66%	2,003,843	945,209	1.9	20,038	14,745
316.0 Misc. Power Plant Equipmem	627,886	671,750	-0.60%	1,184,691	556,805	1.9	11,847	23,777
Total Cutler Common	$9,712,326	$9,818,541		17,872,450	8,160,124		178,725	231,497

Thanks for the information. Attached is a summary that I am working on to fully understand what has been sent to me.

FPSC Information Received / Wednesday May 12, 2010
Comparison of Approved Rates/Recommended Rates/Staff Recommended Rates
DRAFT

Plant Decscription	Plant Balance	Approved Rates (1)	Composite Rate	Recommended Rates	Composite Rate	Staff Rates (2)	Composite Rate	Diff Rec vs App	Composite Rate	Diff Staff vs App	Composite Rate
Steam Production	3,036.6	78.9	2.6%	99.5	3.3%	74.2	2.4%	20.6	0.7%	(4.7)	(0.2%)
Nuclear Production	3,970.5	53.8	1.4%	93.7	2.4%	76.6	1.9%	39.9	1.0%	22.8	0.6%

Other Production	4,332.1	216.5	5.0%	214.2	4.9%	178.7	4.1%	(2.3)	(0.1%)	(37.8)	(0.9%)
Transmission	3,122.5	93.1	3.0%	94.2	3.0%	85.3	2.7%	1.1	0.0%	(7.8)	(0.2%)
Distribution	10,050.6	355.6	3.5%	337.6	3.4%	308.4	3.1%	(18.0)	(0.2%)	(47.2)	(0.5%)
General Plant	672.1	38.8	5.8%	15.0	2.2%	24.2	3.6%	(23.8)	(3.5%)	(14.6)	(2.2%)
Total Plant	25,184.4	836.7	3.3%	854.2	3.4%	747.4	3.0%	17.5	0.1%	(89.3)	(0.4%)
Steam Amort.	3.6	0.6	15.8%	0.6	15.8%	0.6	15.8%	-	0.0%	-	0.0%
Nuclear Amort	36.6	5.6	15.2%	5.6	15.2%	5.6	15.2%	-	0.0%	-	0.0%
Other Prod. Amort	3.0	0.5	16.3%	0.5	16.3%	0.5	16.3%	-	0.0%	-	0.0%
Distr. Amort	81.5	11.3	13.9%	11.3	13.9%	11.3	13.9%	-	0.0%	-	0.0%
General Amort	345.4	77.0	22.3%	77.0	22.3%	57.8	16.7%	-	0.0%	(19.2)	(5.6%)
Total Amort	470.1	94.9	20.2%	94.9	20.2%	75.7	16.1%	-	0.0%	(19.2)	(4.1%)
Steam Production	3,040.2	79.5	2.6%	100.1	3.3%	74.7	2.5%	20.6	0.7%	(4.7)	(0.2%)
Nuclear Production	4,007.1	59.4	1.5%	99.3	2.5%	82.2	2.1%	39.9	1.0%	22.8	0.6%
Other Production	4,335.1	217.0	5.0%	214.7	5.0%	179.2	4.1%	(2.3)	(0.1%)	(37.8)	(0.9%)
Transmission	3,122.5	93.1	3.0%	94.2	3.0%	85.3	2.7%	1.1	0.0%	(7.8)	(0.2%)
Distribution	10,132.1	366.9	3.6%	348.9	3.4%	319.7	3.2%	(18.0)	(0.2%)	(47.2)	(0.5%)
General Plant	1,017.5	115.8	11.4%	92.0	9.0%	82.0	8.1%	(23.8)	(2.3%)	(33.8)	(3.3%)
Total Plt/Amort	25,654.5	931.6	3.6%	949.1	3.7%	823.1	3.2%	17.5	0.1%	(108.5)	(0.4%)

(1) Approved in Docket 050300-EI (Order No: PSC-05-0821-PAA-EI)
(2) Per PSC Working File Staff Recommended Rates

Preliminary Summary Prepared by: Robert H Smith Based upon FPSC Workpapers

FPL Composite Rate Check		
Steam	3,040.2	74.7
Nuclear	4,007.1	82.2
Other Production	4,335.1	179.2
Transmission	3,122.5	85.3
Distribution	10,132.1	319.7
General	1,017.5	82.0
	25,654.5	823.1
	0.0	0.0

Here are some initial observations that I noticed:

Cape & Riviera Site

$44.9 million

Sites to Recovery Sched.	Plant in Service	Reserve Balance	Rem Plant
Cape Canaveral Site	187.5	(152.2)	35.3
Riviera Site	103.7	(94.1)	9.6
	291.2	(246.3)	44.9

Are these going to be added to the new repowered generating units? If so then, then how is the new cost going to take into account the old book costs for ledger 3 purposes? Since they have been fully recovered by the surplus reserve are the new ledger 3 amounts only going to reflect the new costs only? How are the vintage year issues being addressed for the old costs? If it will reflect only the new costs then all old ledger 3 amounts will be removed? This might not follow GAAP since from a strict asset perspective these assets might still exist with the new repowered generating units. How will the going forward depreciation reflect this vintage year issue?

Nuclear Uprates

$168.2 million

Removed from Base Rates. Recovered through Nuclear Cost Recovery Clause. Removed from RateBase? Calculated Carrying Charges? Will the cash recovery in Base rates equal the new recovery in cash rates based upon the new Nuclear Cost Recovery Clause? Is this a break even for cash recovery or has the amount of time to recover these costs changed?

Obsolete Meters

$101.1 million

Retired. Is there any salvage money that can be recovered for the scrap sale or sale of these meters? Will there be any cost of removal or are these being left in place? If they are being left in place then and they will be considered fully recovered will ledger 10 be adjusted to match ledger 3 to keep track of these assets? Ledger 3 plant should match ledger 10 accumulated depreciation reserves. These should be kept on the books until they are removed/sold or scrapped. Any money should be credited to the ratepayers.

Based upon the above reduction of the Depreciation Surplus/Over Recovery it appears that the Recovery Schedule items are being reduced against surplus refund immediately. What is going to be done with these plant assets? Are they being retired or sold? If they are going to be sold then if there is any gain on the sale of the plants then this would have to be refunded to the ratepayer. If these plants are not sold, what would be the new recovery period for these plants since it appears that they are being moved out of the normal depreciation recovery?

Are they going to remain in Ledger 3 for book purposes since the normal depreciation recovery will be stopped?

Surplus Amort	1,208.8	
Less: Recov. Sch	(314.2)	
	894.6	
Less Credits	(500.0)	Amortize at $125 m over 4 yrs
	394.6	Amortize at $17.9 m over 22 yrs

Sites to Recovery Sched.	Plant in Service	Reserve Balance	Rem Plant
Cape Canaveral Site	187.5	(152.2)	35.3
Riviera Site	103.7	(94.1)	9.6
	291.2	(246.3)	44.9

Recovery Schedule		
As per Above	314.2	
Cape & Riviera Site	44.9	Are these going to be added to the new repowered generating units? If so then, then how is the new cost going to take into account the old book costs for ledger 3 purposes? Since they have been fully recovered by the surplus reserve is the new ledger 3 amounts only going to reflect the new costs only? How are the vintage year issues being addressed for the old costs? If it will reflect only the new costs then will all of the old ledger 3 amounts be removed? This might not follow GAAP since from a strict asset perspective these assets might still exist with the new repowered generating units. How will the going forward depreciation reflect this vintage year issue?
Nuclear Uprates	168.2	Removed from Base Rates. Recovered through Nuclear Cost Recovery Clause. Removed from RateBase? Calculated Carrying Charges? Will the cash recovery in Base rates equal the new recovery in cash rates based upon the new Nuclear Cost Recovery Clause? Is this a break even for cash recovery or has the amount of time to recover these costs changed?
Obsolete Meters	101.1	Retired. Is there any salvage money that can be recovered for the scrap sale or sale of these meters? Will there be any cost of removal or are these being left in place? If they are being left in place then and they will be considered fully recovered will ledgar 10 be adjusted to match ledger 3 to keep track of these assets? Ledger 3 plant should match ledger 10 accumulated depreciation reserves. These should be kept on the books until they are removed/sold or scrapped. Any money should be credited to the ratepayers.
	314.2	

Thanks for sending me this information this has been very helpful. I wish that I would have seen this information before the meeting to be informed. A lot of the issues that I have been submitting in my email correspondence were similar with regard to some of the outcome(s) of this case. I am going to fix the spreadsheets that have been sent and I will follow up with any other questions.

Thanks again for the information. It is greatly appreciated.

Thanks,

Robert H. Smith

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From: Lisa Bennett [mailto:LBENNETT@PSC.STATE.FL.US]
Sent: Wednesday, May 12, 2010 9:02 AM
To: rpjrb@yahoo.com
Subject: FW: Docket No. 080677, FPL Reconsideration Request

Attached are staff's workpapers.

Lisa C. Bennett
Office of the General Counsel
2540 Shumard Oak Boulevard
Tallahassee, FL
850-413-6230

From: Lisa Bennett
Sent: Wednesday, May 05, 2010 3:31 PM
To: Barry Richard; Brian P. Armstrong Esq. ; Cecilia Bradley Esq.; J. R. Kelly ; J. Spina; Jack Leon ; John LaVia; John McWhirter; John T. Butler ; Jon C. Moyle Jr.; Joseph Mcglothlin, Esq.; Joseph W. Yarbrough (jyarbrough@southdaytona.org); K. Wiseman; L. Purdy; Lino Mendiola; Marcus Braswell (mbraswell@sugarmansusskind.com); Mark F. Sundback; Mary Smallwood; Meghan Griffiths; Mitchell S. Ross (Mitch.Ross@fpl.com); Natlie Smith; Rick Melson; Robert A. Sugarman; Schef Wright ; Scott E. Simpson; Shayla McNeill; Stephanie Alexander (sda@trippscott.com); Stephen Stewart; Susan Clark; Tamela I. Perdue (TPerdue@aif.com); Vicki Gordon Kaufman ; Wade_Litchfield
Cc: Pat Lee; Betty Gardner
Subject: Docket No. 080677, FPL Reconsideration Request

Attached are staff's workpapers as we discussed in today's meeting.

Lisa C. Bennett
Office of the General Counsel
2540 Shumard Oak Boulevard
Tallahassee, FL
850-413-6230

Florida Power & Light Company
and Subsidiaries
Basis For the Requested AFUDC Rate
FPSC Adjusted Basis
December, 2008

Schedule A: Page 1 of 1

Capital Components	Jurisdictional Average	Capital Ratio	Cost of Capital	AFUDC Weighted Components
Long Term Debt	4,407,092,709	29.83%	5.40%	1.61%
Short Term Debt	323,363,439	2.19%	2.52%	0.06%
Preferred Stock	-	0.00%	0.00%	0.00%
Customer Deposits	506,921,098	3.43%	5.91%	0.20%
Common Equity	6,968,461,581	47.17%	11.75%	5.54%
Deferred Income Tax	2,545,041,042	17.23%	0.00%	0.00%
Investment Tax Credits	21,115,507	0.14%	0.00%	0.00%
	14,771,995,376	100.00%		7.41%
Equity Ratio	59.57%			
RateBase 12/31/2008	15,046,960,115			
Average Rate of Return	7.66%		Per Above	7.41%
Net Operating Income	1,152,320,559			1,115,265,140

Effective January 1, 2008 The Commission Approved AFUDC Rate is 7.65%

Source: February 12, 2009 Rate Return Report

Schedule A: Page 1 of 1

Capital Components	Jurisdictional Average	Capital Ratio	Cost of Capital	AFUDC Weighted Components
Long Term Debt	5,298,960,654	31.57%	5.49%	1.73%
Short Term Debt	156,113,805	0.93%	2.11%	0.02%
Preferred Stock	-	0.00%	0.00%	0.00%
Customer Deposits	544,711,775	3.24%	5.98%	0.19%
Common Equity	7,889,967,199	47.00%	10.00%	4.70%
Deferred Income Tax	2,892,247,084	17.23%	0.00%	0.00%
Investment Tax Credits	5,429,401	0.03%	0.00%	0.00%
	16,787,429,918	100.00%		6.65%
Equity Ratio	59.12%			
RateBase 12/31/2008	16,787,429,918			
Average Rate of Return	7.66%		Per Above	6.65%
Net Operating Income	1,285,608,553			1,116,364,090

Effective January 1, 2008 The Commission Approved AFUDC Rate is 7.65%

Florida Power & Light Company
Docket No. 08-0677-EI
December 2010 Projected Test Year
Operating Revenue Increase Calculation

Line No.		As Filed	Commission Adjusted	Nuclear Uprates	Nuclear Uprates	Diff
1.	Rate Base	17,063,586,000	16,787,429,918	168,234,989	168,234,989	-
2.	Overall Rate of Return	8.00%	6.65%	7.41%	6.65%	-0.76%
3.	Required Net Operating Income (1)x(2)	1,364,748,000	1,116,364,090	12,469,404	11,187,627	(1,281,777)
4.	Achieved Net Operating Income	725,883,000	1,070,179,348	-	-	-
5.	Net Operating Income Deficiency (3) - (4)	638,865,000	46,184,742	12,469,404	11,187,627	(1,281,777)
6.	Net Operating Income Multiplier	1.63342	1.63411	1.63411	1.63411	1.63411
7.	Operating Revenue Increase (5)x(6)	1,043,535,000	75,470,948	20,376,377	18,281,813	(2,094,564)

7.41% as per January 1, 2009 Approved AFUDC rate. Matches the December, 2008 Rate of Return Report
6.65% as per calculated overall cost of money as per 08-0677-EI

Florida Power & Light Company
Docket No. 080677-EI
13-Month Average Capital Structure
December 2010 Test Year

Company As Filed

Schedule A: Page 1 of 1

Capital Components	Jurisdictional Average	Capital Ratio	Cost of Capital	AFUDC Weighted Components
Long Term Debt	5,377,787,000	31.52%	5.55%	1.75%
Short Term Debt	161,857,000	0.95%	2.96%	0.03%
Preferred Stock	-	0.00%	0.00%	0.00%
Customer Deposits	564,652,000	3.31%	5.98%	0.20%
Common Equity	8,178,980,000	47.93%	12.50%	5.99%
Deferred Income Tax	2,723,327,000	15.96%	0.00%	0.00%
Investment Tax Credits	56,983,000	0.33%	9.74%	0.03%
	17,063,586,000	100.00%		8.00%
Equity Ratio	59.62%			
RateBase 12/31/2008	17,063,586,000			
Average Rate of Return	7.66%		Per Above	8.00%
Net Operating Income	1,306,757,033			1,364,748,000

Effective January 1, 2008 The Commission Approved AFUDC Rate is 7.65%

Florida Power & Light Company
Docket No. 080677-EI
December 2010 Test Year
Net Operating Income Multiplier

Line No.		(%) As Filed	(%) Commission Adjusted		
1.	Revenue Requirement	100.000	100.000		
2.	Gross Receipts Tax	0.000	0.000		
3.	Regulatory Assessment Fee	(0.072)	(0.072)		
4.	Bad Debt Rate	(0.260)	(0.302)		
5.	Net Before Income Taxes	99.668	99.626		
6.	Income Taxes (Line 5 x 38.575%)	38.447	38.431	Current Tax Rate	38.575%
7.	Revenue Expansion Factor	61.221	61.195		
8.	Net Operating Income Multiplier (100%/Line7)	1.63342	1.63411		

FPSC, CLK - CORRESPONDENCE
☐ Administrative ☒ Parties ☐ Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION:

Ann Cole

From: Ann Cole
Sent: Tuesday, July 27, 2010 1:47 PM
To: Office Of Commissioner Edgar
Cc: Commissioners Advisors; Administrative Assistants - Commission Suite; Dorothy Menasco
Subject: FW: Docket No. 080677, FPL Reconsideration Request Nuclear Uprates / Docket 100009 Nuclear cost recovery clause
Attachments: OrderSummarywithNCRCrevreq05142010.pdf

Correction. This information will be placed in *Docket Correspondence - Parties and Interested Persons (not Consumers and their Representatives)* in Docket Nos. 080677-EI and 100009-EI. Also, per this e-mail, Mr. Smith will be added as an interested person in Docket No. 100009-EI.

From: Ann Cole
Sent: Tuesday, July 27, 2010 12:55 PM
To: Office Of Commissioner Edgar
Cc: Commissioners Advisors; Administrative Assistants - Commission Suite
Subject: FW: Docket No. 080677, FPL Reconsideration Request Nuclear Uprates / Docket 100009 Nuclear cost recovery clause

Thanks, Roberta. The attachment has been printed and will be placed in *Docket Correspondence - Consumers and their Representatives*, in Docket Nos. 080677-EI and 100009-EI.

From: Office Of Commissioner Edgar
Sent: Tuesday, July 27, 2010 12:39 PM
To: Ann Cole
Subject: FW: Docket No. 080677, FPL Reconsideration Request Nuclear Uprates / Docket 100009 Nuclear cost recovery clause

Please place this correspondence in Parties and Interested Persons in Docket Nos. 080677-EI and 100009-EI. Thank you.

Roberta

Roberta S. Bass
Chief Advisor to Commissioner Edgar
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399
(850) 413-6016 (Office)
(850) 413-6017 (Facsimile)
(850) 559-7291 (Mobile)
roberta.bass@psc.state.fl.us

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Tuesday, July 27, 2010 12:38 PM
To: Office Of Commissioner Edgar; Office of Commissioner Argenziano; Office of Commissioner Skop; Office Of Commissioner Graham; Office of Commissioner Brisé; Lisa Bennett
Subject: FW: Docket No. 080677, FPL Reconsideration Request Nuclear Uprates / Docket 100009 Nuclear cost recovery clause

Dear Commissioner's,

Does this information have to be made part of the public record on the FPL case 0806777 In addition, I have noticed the following docket. Docket 100009 Nuclear cost recovery clause. I was taking a look at some of the correspondence and noticed that it was talking about the FPL Nuclear Uprates. I noticed that some of the information has been classified as confidential but I was wondering how the current ratepayer will be impacted by the analysis that I have sent. This talks about the revenue requirements and earned returns as it would relate to moving the assets out of base rates and recovering these through a nuclear recovery clause. This is very important since the earned returns have to be identical to the FPL ratepayers no matter how these are being recovered from a return stand point as well as the recovery periods if these are fixed asset amounts.

I did not see any of this information being made part of the public docket. I am concerned since this issue as well as the Seabrook issue is very important with regard to the transfers of these assets.

I will forward this information to all parties that are interested but I am concerned that now that it appears that the Nuclear Uprates issue is been moved to Docket 100009 that my information might not be entered into the public record in this docket.

I think that this information is very important to both 080677 as well as Docket 100009. There is no reason why the recovery of these assets is not being recovered over their estimated useful lives.

This includes the earned returns on these assets.

I understand that some of the information can be made confidential but any information related to the term of the recovery of these assets as well as the earned returns on these assets should be made part of the public record. Any type of recovery clause would have to meet the requirement of cost savings to existing/future ratepayers. It should not cost the customer more for earned returns or the recovery of the costs should not be expedited. If the useful lives of the assets require a longer recovery period based upon their useful lives there is no reason for cash rate recovery to be accelerated.

I have not heard back from anyone in a while if my emails are going to be made part of the public record. Do I need to be added as an interested party in Docket 100009?

I will try to send the other recent emails that have not been added to the public docket to the other Commissioner's since these issues are very important to Docket 080677 and now to Docket 100009.

I would like to be added as an interested party in Docket 100009:

My contact information is:

Robert H. Smith
11340 Heron Bay Blvd. #2523
Coral Springs, FL 33076
Email: rpjrb@yahoo.com

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, May 14, 2010 5:50 PM
To: 'Lisa Bennett <LBENNETT@PSC.STATE.FL.US>'
Cc: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'
Subject: FW: Docket No. 080677, FPL Reconsideration Request

Dear Ms. Bennett,

Attached you will find my Summary that I have put together from the 08-0677-EI standard order as the source of information. I have added the calculation of the revenue requirements for the Nuclear Uprates as if they were being transferred out of ledger 3 and into the Nuclear Cost Recovery accounts. Of course if all these costs are going to be offset against the surplus depreciation then the net assets (rate base) should be zero with no revenue impact. The only issue I have is if the assets still exist and new costs will be put into this clause. If there are new costs that have to be recovered in this clause then I would like to know if the carrying charges are going to be trued up for the new overall cost of money.

I was taking a look at the specifics of the Nuclear Cost Recovery Clause. I notice that it talks about the carrying charges that would be recorded. It indicates that the pretax AFUDC rate in effect at June 12th, 2007 will be used for the carrying charges associated with the removal of these plant assets from rate base. Is the current rate 7.41 (effective 1/1/09 as per Docket No. 090009-EI)? Based upon the new case and the new approved ROE of 10.00% (12.50% Company as filed versus 10.00% as approved) the overall cost of money decreases from the as filed 8.0% to 6.65% respectively. If the carrying charges on the Nuclear Cost Recovery Clause is not reduced to the new overall cost of money or AFUDC rate then the customer would pay more in revenue requirements. Since this amount was offset by the depreciation surplus will this not trued up since it will be considered fully recovered?

If these assets are still in existence then the customer might lose the benefit for the reduction in the overall cost of money.

Here is the revised calculation that I have put together based upon the Schedules from the order. Based upon this calculation it would yield an approximate $2.1 million dollar additional revenue requirement to the customers if the carrying charges are not trued up for the reduction in the ROE or if these assets still exist.

How come this agreement is not being looked at? Can the terms of this agreement be changed for the reduced overall cost of money? It appears that the agreement as it stands would not provide for this true up. Is this correct? Unless these assets are going to be considered fully recovered since they were offset against the depreciation surplus.

It has been a while since I have put together cost of money calculations and revenue requirements. Please let me know if there will be a true up or if these assets are going to be considered fully recovered.

If these assets still exist then they should probably remain in ledger 3 and have an offset for the application of some of the reserve surplus to yield a net rate base of zero. This way this would cover the true up issue. What will be the impact going forward for any new costs that are put into the Nuclear Cost Recovery Clause? Will the carrying charges be accrued at the old rate or will they be trued up at the new overall cost of money/AFUDC rate?

Thanks,

Robert H. Smith

Florida Power & Light Company
Docket No. 08-0677-EI
December 2010 Projected Test Year
Operating Revenue Increase Calculation

Line No.		As Filed	Commission Adjusted	Nuclear Uprates	Nuclear Uprates	Diff
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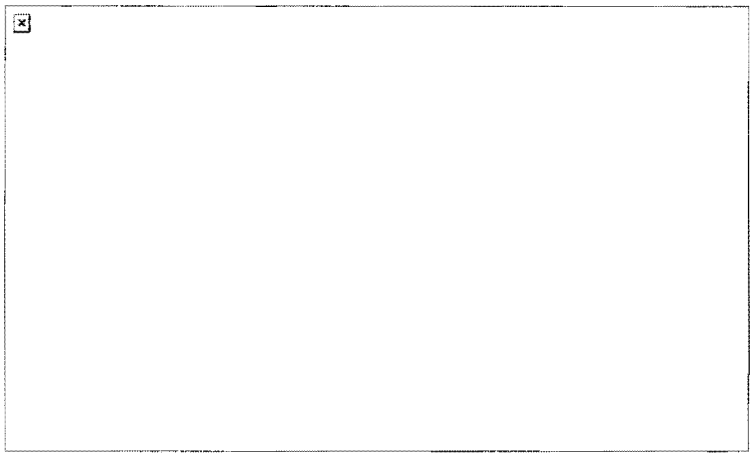
4.	Achieved Net Operating Income	725,883,000	1,070,179,348	-	-	-
5.	Net Operating Income Deficiency (3) - (4)	638,865,000	46,184,742	12,469,404	11,187,627	(1,281,777)
6.	Net Operating Income Multiplier	1.63342	1.63411	1.63411	1.63411	1.63411
7.	Operating Revenue Increase (5)x(6)	1,043,535,000	75,470,948	20,376,377	18,281,813	(2,094,564)

7.41% as per January 1, 2009 Approved AFUDC rate. Matches the December, 2008 Rate of Return Report
6.65% as per calculated overall cost of money as per 08-0677-EI



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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, May 13, 2010 12:20 PM
To: Lisa Bennett <LBENNETT@PSC.STATE.FL.US>
Cc: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'
Subject: FW: Docket No. 080677, FPL Reconsideration Request

Dear Ms. Bennett,

I noticed that the change in expenses formula for OPC is incorrect as well. This should probably be OPC estimated expense – current rate expense.

Thanks,

Robert H. Smith

Confidentiality Statement

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, May 13, 2010 11:22 AM
To: LBENNETT@PSC.STATE.FL.US
Cc: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'
Subject: FW: Docket No. 080677, FPL Reconsideration Request

Dear Ms. Bennett,

Last week I was working on Financial Regulatory reform accounting issues. This is why I had asked for some information last week. I have been working on various aspects of Healthcare/Financial regulatory reform from an Accounting perspective with regard to holding company structures. This is similar to of the issues with the tax payments. I have been working on all of these issues for the past 1 ½ year's full time. I have been working on holding company concepts from an accounting perspective for over 10 years on a full/part time basis.

Normally I would have gone through the whole order, but I have been balancing all of the initiatives and at times there can be a lot of information to digest.

I appreciate that you have sent me the information. This was very useful and let me know if you have the updated schedules that were fixed.

Please feel free to share this information with FPL as well.

I noticed a quick **typo(s).**

Thanks,

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Thursday, May 13, 2010 10:33 AM
To: Lisa Bennett <LBENNETT@PSC.STATE.FL.US>
Cc: 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'
Subject: FW: Docket No. 080677, FPL Reconsideration Request

Dear Ms. Bennett,

Please forward this information to all interested parties if they have the schedules that do not reflect the proper calculations for OPC. Maybe this is just the file that I was sent but let me know. Feel free to share this with everyone that was at the last meeting if it would be useful.

Attached you will find a summary that I have put together to gain an understanding of the order. I have not had a lot of time to take a look at the full order since I felt that when the standard order was released for a $75 million dollar increase that this was the final decision of the Florida Public Service Commission. Since I saw that there is a date for another standard order I wanted to be kept in the loop from both a ratepayer perspective as well as a shareholder perspective. If the potential exists that there is a possibility that the recovery of ledger 3 assets are going to be recovered outside of normal ledger 3 depreciation, then I am concerned to the future/current disposition of these assets from book gain and tax gain perspective. If they are removed then the ratepayer has to be made whole if there are any sales of these assets in the future.

I see that there is accelerated recovery with taking the $314.2 million against the surplus reserve. I am still reviewing this. I think that we still have to maintain any of these assets on ledger 3 since there are vintage year assets that would need to be tracked. Are these going to be removed? If so, then how is the commission going to track any potential proceeds from the sale of these assets?

If they are not maintained in ledger 3 and there is a sale then this might have an impact on the gain on sale calculation with regard to any sale. We would need to track the vintage year data to carve out any potential sales of these plant assets. If there is a theoretical reserves versus any remaining net book values this might have an impact on the book gain on sale. If you are taking the position that all these assets are fully recovered from a regulatory perspective then any gain on the sale of these assets would have to be fully refunded to the ratepayer. The vintage year issue might have an impact on the tax depreciation side of the house since what is depreciated for tax purposes is different than what is recorded for book purposes. This will impact any calculated gain on sale for tax purposes since the tax basis might be different than the book basis. This will also be an issue with the removal of the Nuclear Uprates. If these are removed from base rates and being treated similar to a fuel adjustment clause the vintage year data must be maintained if these assets are sold in the future. This would be for similar reasons just like the Cape & Riviera Site.

I noticed that the OPC Recommended Rate Formulas to calculate the estimated expenses have to be divided by 100 to calculate the proper estimated expense amount for OPC. This is probably a result of typing in the staff rate as a number and not a percentage. The rates to the left of the estimated expenses are incorrect as well. I will be fixing these on my end as I continue to look at what has been sent to me.

For example:

You will notice below that the Estimated Expenses of $10,155,632 should be divided by 100 to get the same amount as the Staff Recommended rates of $101,556.
The rate percentages are incorrect as well due to this calculation error. They should be estimated expenses/by estimated investment to yield the same 1.7% as the Staff rate column or estimated investment x OPC rates (if they are the same as staff's) or the OPC rates would have to be updated in the spreadsheet.

I do not know if this is important on your end but I am changing these calculations on a copy of the worksheet that you have sent to me so that I can summarize each recommendation to tie into the summary schedule that I have put together. I am going through the formulas and fixing these. Please let me know if there is a corrected version. Are the OPC rates that same as Staff's or do these have to change in both D Need and D Need(2).

This is why I put the summary together. I wanted to compare the old approved rates versus OPC and Staff recommendation to see how the full depreciation accrual has changed. The summary below compares each of the scenarios so I was trying to tie in D Need to my summary to make sure that it matches what has been completed.

Please let me know if you have an updated file.

PSC Working File

ACCOUNT	12/31/09 EST. INVESMENT	12/31/09 EST. RESERVE	OPC RECOMMENDED RATES RATE (%)	OPC RECOMMENDED RATES ESTIMATED EXPENSES ($)	CHANGE IN EXPENSES ($)	STAFF RECOMMENDED RATES RATE (%)	STAFF RECOMMENDED RATES ESTIMATED EXPENSES ($)	CHANGE IN EXPENSES ($)
STEAM PRODUCTION								
CAPE CANAVERAL PLANT								
CUTLER PLANT								
Cutler Common								
311.0 Structures & Improvements	$5,973,901	$6,074,928	-0.12%	10,155,632	4,181,731	1.7	101,556	113,504
312.0 Boiler Plant Equipment	817,291	692,141	1.78%	1,784,697	967,406	2.2	17,847	13,761
314.0 Turbogenerator Units	1,234,614	1,356,414	-1.14%	2,743,587	1,508,973	2.2	27,436	65,709
315.0 Accessory Electric Equipment	1,058,634	1,023,308	0.66%	2,003,843	945,209	1.9	20,038	14,745
316.0 Misc. Power Plant Equipment	627,886	671,750	-0.60%	1,184,691	556,805	1.9	11,847	23,777
Total Cutler Common	$9,712,326	$9,818,541		17,872,450	8,160,124		178,725	231,497

Thanks for the information. Attached is a summary that I am working on to fully understand what has been sent to me.

FPSC Information Received / Wednesday May 12, 2010
Comparison of Approved Rates/Recommended Rates/Staff Recommended Rates
DRAFT

Plant Description	Plant Balance	Approved Rates (1)	Composite Rate	Recommended Rates	Composite Rate	Staff Rates (2)	Composite Rate	Diff Rec vs App	Composite Rate	Diff Staff vs App	Composite Rate
Steam Production	3,036.6	78.9	2.6%	99.5	3.3%	74.2	2.4%	20.6	0.7%	(4.7)	(0.2%)
Nuclear Production	3,970.5	53.8	1.4%	93.7	2.4%	76.6	1.9%	39.9	1.0%	22.8	0.6%
Other Production	4,332.1	216.5	5.0%	214.2	4.9%	178.7	4.1%	(2.3)	(0.1%)	(37.8)	(0.9%)
Transmission	3,122.5	93.1	3.0%	94.2	3.0%	85.3	2.7%	1.1	0.0%	(7.8)	(0.2%)
Distribution	10,050.6	355.6	3.5%	337.6	3.4%	308.4	3.1%	(18.0)	(0.2%)	(47.2)	(0.5%)
General Plant	672.1	38.8	5.8%	15.0	2.2%	24.2	3.6%	(23.8)	(3.5%)	(14.6)	(2.2%)
Total Plant	25,184.4	836.7	3.3%	854.2	3.4%	747.4	3.0%	17.5	0.1%	(89.3)	(0.4%)
Steam Amort.	3.6	0.6	15.8%	0.6	15.8%	0.6	15.8%	-	0.0%	-	0.0%
Nuclear Amort	36.6	5.6	15.2%	5.6	15.2%	5.6	15.2%	-	0.0%	-	0.0%
Other Prod. Amort	3.0	0.5	16.3%	0.5	16.3%	0.5	16.3%	-	0.0%	-	0.0%
Distr. Amort	81.5	11.3	13.9%	11.3	13.9%	11.3	13.9%	-	0.0%	-	0.0%
General Amort	345.4	77.0	22.3%	77.0	22.3%	57.8	16.7%	-	0.0%	(19.2)	(5.6%)
Total Amort	470.1	94.9	20.2%	94.9	20.2%	75.7	16.1%	-	0.0%	(19.2)	(4.1%)
Steam Production	3,040.2	79.5	2.6%	100.1	3.3%	74.7	2.5%	20.6	0.7%	(4.7)	(0.2%)
Nuclear Production	4,007.1	59.4	1.5%	99.3	2.5%	82.2	2.1%	39.9	1.0%	22.8	0.6%
Other Production	4,335.1	217.0	5.0%	214.7	5.0%	179.2	4.1%	(2.3)	(0.1%)	(37.8)	(0.9%)
Transmission	3,122.5	93.1	3.0%	94.2	3.0%	85.3	2.7%	1.1	0.0%	(7.8)	(0.2%)
Distribution	10,132.1	366.9	3.6%	348.9	3.4%	319.7	3.2%	(18.0)	(0.2%)	(47.2)	(0.5%)
General Plant	1,017.5	115.8	11.4%	92.0	9.0%	82.0	8.1%	(23.8)	(2.3%)	(33.8)	(3.3%)
Total Plt/Amort	25,654.5	931.6	3.6%	949.1	3.7%	823.1	3.2%	17.5	0.1%	(108.5)	(0.4%)

(1) Approved in Docket 050300-EI (Order No: PSC-05-0821-PAA-EI)
(2) Per PSC Working File Staff Recommended Rates

Preliminary Summary Prepared by: Robert H Smith Based upon FPSC Workpapers

FPL Composite Rate Check		
Steam	3,040.2	74.7
Nuclear	4,007.1	82.2
Other Production	4,335.1	179.2
Transmission	3,122.5	85.3
Distribution	10,132.1	319.7
General	1,017.5	82.0
	25,654.5	823.1
	0.0	0.0

Here are some initial observations that I noticed:

Cape & Riviera Site

$44.9 million

Sites to Recovery Sched.	Plant in Service	Reserve Balance	Rem Plant
Cape Canaveral Site	187.5	(152.2)	35.3
Riviera Site	103.7	(94.1)	9.6
	291.2	(246.3)	44.9

Are these going to be added to the new repowered generating units? If so then, then how is the new cost going to take into account the old book costs for ledger 3 purposes? Since they have been fully recovered by the surplus reserve are the new ledger 3 amounts only going to reflect the new costs only? How are the vintage year issues being addressed for the old costs? If it will reflect only the new costs then all old ledger 3 amounts will be removed? This might not follow GAAP since from a strict asset perspective these assets might still exist with the new repowered generating units. How will the going forward depreciation reflect this vintage year issue?

Nuclear Uprates

$168.2 million

Removed from Base Rates. Recovered through Nuclear Cost Recovery Clause. Removed from RateBase? Calculated Carrying Charges? Will the cash recovery in Base rates equal the new recovery in cash rates based upon the new Nuclear Cost Recovery Clause? Is this a break even for cash recovery or has the amount of time to recover these costs changed?

Obsolete Meters

$101.1 million

Retired. Is there any salvage money that can be recovered for the scrap sale or sale of these meters? Will there be any cost of removal or are these being left in place? If they are being left in place then and they will be considered fully recovered will ledger 10 be adjusted to match ledger 3 to keep track of these assets? Ledger 3 plant should match ledger 10 accumulated depreciation reserves. These should be kept on the books until they are removed/sold or scrapped. Any money should be credited to the ratepayers.

Based upon the above reduction of the Depreciation Surplus/Over Recovery it appears that the Recovery Schedule items are being reduced against surplus refund immediately. What is going to be done with these plant assets? Are they being retired or sold? If they are going to be sold then if there is any gain on the sale of the plants then this would have to be refunded to the ratepayer. If these plants are not sold, what would be the new recovery period for these plants since it appears that they are being moved out of the normal depreciation recovery? Are they going to remain in Ledger 3 for book purposes since the normal depreciation recovery will be stopped?

Surplus Amort	1,208.8	
Less: Recov. Sch	(314.2)	
	894.6	
Less Credits	(500.0)	Amortize at $125 m over 4 yrs
	394.6	Amortize at $17.9 m over 22 yrs

Sites to Recovery Sched.	Plant in Service	Reserve Balance	Rem Plant
Cape Canaveral Site	187.5	(152.2)	35.3
Riviera Site	103.7	(94.1)	9.6
	291.2	(246.3)	44.9

Recovery Schedule		
As per Above	314.2	
Cape & Riviera Site	44.9	Are these going to be edded to the new repowered generating units? If so then, then how is the new cost going to take into account the old book costs for ledger 3 purposes? Since they have been fully recovered by the surplus reserve Is the new ledger 3 amounts only going to reflect the new costs only? How are the vintage year issues being addressed for the old costs? If it will reflect only the new costs then will all of the old ledger 3 amounts be removed? This might not follow GAAP since from a strict asset perspective these assets might still exist with the new repowered generating units. How will the going forward depreciation reflect this vintage year issue?
Nuclear Uprates	168.2	Removed from Base Rates. Recovered through Nuclear Cost Recovery Clause. Removed from RateBase? Calculated Carrying Charges? Will the cash recovery in Base rates equal the new recovery in cash rates based upon the new Nuclear Cost Recovery Clause? Is this a break even for cash recovery or has the amount of time to recover these costs changed?
Obsolete Meters	101.1	Retired. Is there any salvage money that can be recovered for the scrap sale or sale of these meters? Will there be any cost of removal or are these being left in place? If they are being left in place then and they will be considered fully recovered will ledger 10 be adjusted to match ledger 3 to keep track of these assets? Ledger 3 plant should match ledger 10 accumulated depreciation reserves. These should be kept on the books until they are removed/sold or scrapped. Any money should be credited to the ratepayers.
	314.2	

Thanks for sending me this information this has been very helpful. I wish that I would have seen this information before the meeting to be informed. A lot of the issues that I have been submitting in my email correspondence were similar with regard to some of the outcome(s) of this case. I am going to fix the spreadsheets that have been sent and I will follow up with any other questions.

Thanks again for the information. It is greatly appreciated.

Thanks,

Robert H. Smith

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From: Lisa Bennett [mailto:LBENNETT@PSC.STATE.FL.US]
Sent: Wednesday, May 12, 2010 9:02 AM
To: rpjrb@yahoo.com
Subject: FW: Docket No. 080677, FPL Reconsideration Request

Attached are staff's workpapers.

Lisa C. Bennett
Office of the General Counsel
2540 Shumard Oak Boulevard
Tallahassee, FL
850-413-6230

From: Lisa Bennett
Sent: Wednesday, May 05, 2010 3:31 PM
To: Barry Richard; Brian P. Armstrong Esq. ; Cecilia Bradley Esq.; J. R. Kelly ; J. Spina; Jack Leon ; John LaVia; John McWhirter; John T. Butler ; Jon C. Moyle Jr.; Joseph Mcglothlin, Esq.; Joseph W. Yarbrough (jyarbrough@southdaytona.org); K. Wiseman; L. Purdy; Lino Mendiola; Marcus Braswell (mbraswell@sugarmansusskind.com); Mark F. Sundback; Mary Smallwood;

Meghan Griffiths; Mitchell S. Ross (Mitch.Ross@fpl.com); Natlie Smith; Rick Melson; Robert A. Sugarman; Schef Wright ; Scott E. Simpson; Shayla McNeill; Stephanie Alexander (sda@trippscott.com); Stephen Stewart; Susan Clark; Tamela I. Perdue (TPerdue@aif.com); Vicki Gordon Kaufman ; Wade_Litchfield
Cc: Pat Lee; Betty Gardner
Subject: Docket No. 080677, FPL Reconsideration Request

Attached are staff's workpapers as we discussed in today's meeting.

Lisa C. Bennett
Office of the General Counsel
2540 Shumard Oak Boulevard
Tallahassee, FL
850-413-6230

Florida Power & Light Company
and Subsidiaries
Basis For the Requested AFUDC Rate
FPSC Adjusted Basis
December, 2008

Schedule A: Page 1 of 1

Capital Components	Jurisdictional Average	Capital Ratio	Cost of Capital	AFUDC Weighted Components
Long Term Debt	4,407,092,709	29.83%	5.40%	1.61%
Short Term Debt	323,363,439	2.19%	2.52%	0.06%
Preferred Stock	-	0.00%	0.00%	0.00%
Customer Deposits	506,921,098	3.43%	5.91%	0.20%
Common Equity	6,968,461,581	47.17%	11.75%	5.54%
Deferred Income Tax	2,545,041,042	17.23%	0.00%	0.00%
Investment Tax Credits	21,115,507	0.14%	0.00%	0.00%
	14,771,995,376	100.00%		7.41%
Equity Ratio	59.57%			
RateBase 12/31/2008	15,046,960,115			
Average Rate of Return	7.66%		Per Above	7.41%
Net Operating Income	1,152,320,559			1,115,265,140

Effective January 1, 2008 The Commission Approved AFUDC Rate is 7.65%

Source: February 12, 2009 Rate Return Report

Schedule A: Page 1 of 1

Capital Components	Jurisdictional Average	Capital Ratio	Cost of Capital	AFUDC Weighted Components
Long Term Debt	5,298,960,654	31.57%	5.49%	1.73%
Short Term Debt	156,113,805	0.93%	2.11%	0.02%
Preferred Stock	-	0.00%	0.00%	0.00%
Customer Deposits	544,711,775	3.24%	5.98%	0.19%
Common Equity	7,889,967,199	47.00%	10.00%	4.70%
Deferred Income Tax	2,892,247,084	17.23%	0.00%	0.00%
Investment Tax Credits	5,429,401	0.03%	0.00%	0.00%
	16,787,429,918	100.00%		6.65%
Equity Ratio	59.12%			
RateBase 12/31/2008	16,787,429,918			
Average Rate of Return	7.66%		Per Above	6.65%
Net Operating Income	1,285,608,553			1,116,364,090

Effective January 1, 2008 The Commission Approved AFUDC Rate is 7.65%

Florida Power & Light Company
Docket No. 08-0677-EI
December 2010 Projected Test Year
Operating Revenue Increase Calculation

Line No.		As Filed	Commission Adjusted	Nuclear Uprates	Nuclear Uprates	Diff
1.	Rate Base	17,063,586,000	16,787,429,918	168,234,989	168,234,989	-
2.	Overall Rate of Return	8.00%	6.65%	7.41%	6.65%	-0.76%
3.	Required Net Operating Income (1)x(2)	1,364,748,000	1,116,364,090	12,469,404	11,187,627	(1,281,777)
4.	Achieved Net Operating Income	725,883,000	1,070,179,348	-	-	-
5.	Net Operating Income Deficiency (3) - (4)	638,865,000	46,184,742	12,469,404	11,187,627	(1,281,777)
6.	Net Operating Income Multiplier	1.63342	1.63411	1.63411	1.63411	1.63411
7.	Operating Revenue Increase (5)x(6)	1,043,535,000	75,470,948	20,376,377	18,281,813	(2,094,564)

7.41% as per January 1, 2009 Approved AFUDC rate. Matches the December, 2008 Rate of Return Report
6.65% as per calculated overall cost of money as per 08-0677-EI

Florida Power & Light Company
Docket No. 080677-EI
13-Month Average Capital Structure
December 2010 Test Year

Company As Filed

Schedule A: Page 1 of 1

Capital Components	Jurisdictional Average	Capital Ratio	Cost of Capital	AFUDC Weighted Components
Long Term Debt	5,377,787,000	31.52%	5.55%	1.75%
Short Term Debt	161,857,000	0.95%	2.96%	0.03%
Preferred Stock	-	0.00%	0.00%	0.00%
Customer Deposits	564,652,000	3.31%	5.98%	0.20%
Common Equity	8,178,980,000	47.93%	12.50%	5.99%
Deferred Income Tax	2,723,327,000	15.96%	0.00%	0.00%
Investment Tax Credits	56,983,000	0.33%	9.74%	0.03%
	17,063,586,000	100.00%		8.00%
Equity Ratio	59.62%			
RateBase 12/31/2008	17,063,586,000			
Average Rate of Return	7.66%		Per Above	8.00%
Net Operating Income	1,306,757,033			1,364,748,000

Effective January 1, 2008 The Commission Approved AFUDC Rate is 7.65%

Florida Power & Light Company
Docket No. 080677-EI
December 2010 Test Year
Net Operating Income Multiplier

Line No.		(%) As Filed	(%) Commission Adjusted		
1.	Revenue Requirement	100.000	100.000		
2.	Gross Receipts Tax	0.000	0.000		
3.	Regulatory Assessment Fee	(0.072)	(0.072)		
4.	Bad Debt Rate	(0.260)	(0.302)		
5.	Net Before Income Taxes	99.668	99.626		
6.	Income Taxes (Line 5 x 38.575%)	38.447	38.431	Current Tax Rate	38.575%
7.	Revenue Expansion Factor	61.221	61.195		
8.	Net Operating Income Multiplier (100%/Line7)	1.63342	1.63411		

Dorothy Menasco 080677-

From: Dorothy Menasco on behalf of Records Clerk
Sent: Tuesday, July 06, 2010 6:12 PM
To: 'maggie.freedman@ruden.com'
Cc: Matilda Sanders; Cindy Miller; Jessica Miller; JoAnn Chase
Subject: FW: Docket No. 080677 - Petition for increase in rates by Florida Power & Light Company.

FPSC, CLK - CORRESPONDENCE
__Administrative ✓ Parties __Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION: _____

Ms. Freedman:

This e-mail serves as notification that the contact information for Ruden McClosky has been updated to reflect Margaret-Ray Kemper per your request below. Please call our office if you have any questions.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

Please note: Florida has a very broad public records law. Most written communications to or from state officials regarding state business are public records available to the public and media upon request. Your e-mail communications may therefore be subject to public disclosure.

From: Freedman, Maggie [mailto:Maggie.Freedman@ruden.com]
Sent: Thursday, July 01, 2010 8:55 AM
To: Records Clerk
Subject: Docket No. 080677 - Petition for increase in rates by Florida Power & Light Company.

Please change the name and contact information of the attorney listed for Ruden McClosky, as a party of record, to:

Margaret-Ray Kemper
Ruden McClosky
215 S. Monroe Street, Suite 815
Tallahassee, FL 32301
(850) 412-2000
(850) 412-1302
Margaret-Ray.Kemper@ruden.com

Thank you for your attention to this matter.

Maggie Freedman
Legal Secretary

Ruden McClosky

215 South Monroe Street
Suite 815
Tallahassee, FL 32301
Direct 850-412-2021 | Fax 850-412-1321
Maggie.Freedman@ruden.com | www.ruden.com

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Dorothy Menasco 080677

From: FLASHER110@aol.com
Sent: Monday, March 29, 2010 6:13 PM
To: Dorothy Menasco
Subject: Re: Docket 080677

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Administrative √ Parties Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION:

Thank You Very Much.

In a message dated 3/29/2010 4:38:38 P.M. Eastern Daylight Time, DMenasco@PSC.STATE.FL.US writes:

> Mr. Ungar:
>
> Per our telephone conversation today, I have updated your contact information to reflect:
>
> Richard Ungar
> 1742 Dawn Street
> Sarasota, FL 34231
> e-mail: Flasher110@aol.com
>
> If there are any further changes to this information, please forward that information to clerk@psc.state.fl.us.
>
> Please call our office if you have any questions.
>
> Thank you for your help.
>
> *Dorothy Menasco*
> *Chief Deputy Commission Clerk*
> *Florida Public Service Commission*
> *Office of Commission Clerk*
> *850-413-6770*

080677

Dorothy Menasco

From: Dorothy Menasco
Sent: Thursday, March 18, 2010 2:48 PM
To: 'rpjrb@yahoo.com'
Cc: Lisa Bennett; Ann Cole; Office Of Commissioner Edgar; Office of Commissioner Argenziano; Office of Commissioner Skop; Office of Commissioner Klement; Office of Commissioner Stevens; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin
Subject: RE: Standard Order date of completion

Mr. Smith:

The completion date is 3/17/10. I have been advised that the incorrect date of 2/17/10 has been corrected to reflect 3/17/10. Please check the website for the update.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

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__Administrative ✓ Parties __Consumer
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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, March 18, 2010 1:03 PM
To: Records Clerk
Cc: Lisa Bennett; Ann Cole; Office Of Commissioner Edgar; Office of Commissioner Argenziano; Office of Commissioner Skop; Office of Commissioner Klement; Office of Commissioner Stevens; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin; Dorothy Menasco
Subject: Standard Order date of completion

Dear Records Clerk,

Is the completed date of the standard order 03/17/2010 or 02/17/2010?

Thanks,

Robert H. Smith

Description	Previous Due Date	Due Date	Completed Date
Standard Order	12/04/2009	02/18/2010	02/17/2010
Close Docket or Revise CASR	02/12/2010	02/25/2010	none

Document	Date	Description
01885-10	03/17/2010	Order PSC-10-0153-FOF-EI denying in part, and granting in part, FPL's request for a permanent rate increase and setting depreciation and dismantleme rates and schedules; dockets to be closed on expiration of period for appeal.

File Name	File Size	Download 56	Download DSL
* 01885-10.pdf	14.5 MB	36 min 11 sec	43 sec
10-0153.ord.doc	1.4 MB	3 min 28 sec	7 sec

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for increase in rates by Florida Power & Light Company.	DOCKET NO. 080677-EI
In re: 2009 depreciation and dismantlement study by Florida Power & Light Company.	DOCKET NO. 090130-EI ORDER NO. PSC-10-0153-FOF-EI ISSUED: March 17, 2010

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Dorothy Menasco 080677

From: Dorothy Menasco
Sent: Thursday, March 18, 2010 12:38 PM
To: 'Marcus Braswell'
Subject: RE: Docket Nos.: 080677EI & 090130-EI and Order PSC-10-0153-FOF-EI - No Faxes request

Great! Thank you.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

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☐ Administrative ☑ Parties ☐ Consumer
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From: Marcus Braswell [mailto:MBraswell@sugarmansusskind.com]
Sent: Thursday, March 18, 2010 12:36 PM
To: Dorothy Menasco
Subject: RE: Docket Nos.: 080677EI & 090130-EI and Order PSC-10-0153-FOF-EI - No Faxes request

Yes that is clear and what we wanted. Have a good weekend too.

D. Marcus Braswell, Jr., Esq.
Sugarman & Susskind, P.A.
100 Miracle Mile, Suite 300
Coral Gables, FL 33134
Tel. (305) 529-2801
Fax. (305) 447-8115

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Thank you for your consideration and anticipated cooperation.

From: Dorothy Menasco [mailto:DMenasco@PSC.STATE.FL.US]
Sent: Thursday, March 18, 2010 12:35 PM
To: Marcus Braswell
Subject: RE: Docket Nos.: 080677EI & 090130-EI and Order PSC-10-0153-FOF-EI - No Faxes request

Thank you for your response. We have already removed your fax number from our contact list. I also want to make sure it's clear that you will not receive documents by U.S. Mail "unless" there is a problem delivering it to the e-mail address on file.

Have a good afternoon, Mr. Braswell.

Dorothy Menasco
Chief Deputy Commission Clerk

3/18/2010

Florida Public Service Commission
Office of Commission Clerk
850-413-6770

From: Marcus Braswell [mailto:MBraswell@sugarmansusskind.com]
Sent: Thursday, March 18, 2010 12:31 PM
To: Dorothy Menasco
Subject: RE: Docket Nos.: 080677EI & 090130-EI and Order PSC-10-0153-FOF-EI - No Faxes request

I do not want to be removed from the e-notice list. Just no faxes.

D. Marcus Braswell, Jr., Esq.
Sugarman & Susskind, P.A.
100 Miracle Mile, Suite 300
Coral Gables, FL 33134
Tel. (305) 529-2801
Fax. (305) 447-8115

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Thank you for your consideration and anticipated cooperation.

From: Dorothy Menasco [mailto:DMenasco@PSC.STATE.FL.US]
Sent: Thursday, March 18, 2010 12:30 PM
To: Marcus Braswell
Subject: RE: Docket Nos.: 080677EI & 090130-EI and Order PSC-10-0153-FOF-EI - No Faxes request

Thank you for confirming the fax number removal. We will do so per your request below.

You also advised that you will accept service by U.S. Mail. Please confirm that you would also like for us to remove your e-mail address from our contact list well. By doing so, you will only receive issued notices and orders by U.S. Mail.

Thank you for your help.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

From: Marcus Braswell [mailto:MBraswell@sugarmansusskind.com]
Sent: Thursday, March 18, 2010 12:23 PM
To: Dorothy Menasco
Subject: RE: Docket Nos.: 080677EI & 090130-EI and Order PSC-10-0153-FOF-EI - No Faxes request

Yes, please remove the fax number permanently for these cases. I will accept service by US Mail and will

check the commission website to download things electronically.

D. Marcus Braswell, Jr., Esq.
Sugarman & Susskind, P.A.
100 Miracle Mile, Suite 300
Coral Gables, FL 33134
Tel. (305) 529-2801
Fax. (305) 447-8115

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Thank you for your consideration and anticipated cooperation.

From: Dorothy Menasco [mailto:DMenasco@PSC.STATE.FL.US]
Sent: Thursday, March 18, 2010 12:11 PM
To: Marcus Braswell
Subject: RE: Docket Nos.: 080677EI & 090130-EI and Order PSC-10-0153-FOF-EI - No Faxes request

Mr. Braswell,

We will be glad to remove your fax number from our contacts list. However, if we do so, please note that you will not receive any faxes regardless of their size. When orders and faxes are issued, they are sent automatically, and electronically from our Case Management System, and not from a fax machine. Our standard practice is that orders and notices are sent to e-mail addresses first. If they do not go through for any reason, the system automatically attempts to send it to a fax number. If the fax number is unavailable, the document is then via U.S. Mail. If you received the order via facsimile, it was because there was a problem delivering the order to the e-mail address on file.

Please confirm that the e-mail address that you would like to receive issued documents to is MBraswell@sugarmansusskind.com.

Also, please confirm whether or not you would like the fax number removed from our contact list.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

From: Marcus Braswell [mailto:MBraswell@sugarmansusskind.com]
Sent: Thursday, March 18, 2010 11:54 AM
To: Records Clerk
Subject: Docket Nos.: 080677EI & 090130-EI and Order PSC-10-0153-FOF-EI - No Faxes request

Please do not fax any documents to the below fax number that exceed 20 pages regarding the above-referenced cases & order. In particular, please do not fax final orders being issued by the commission, which I understand are 143 and 236 pages respectively.

Yours truly,

3/18/2010

D. Marcus Braswell, Jr., Esq.
Sugarman & Susskind, P.A.
100 Miracle Mile, Suite 300
Coral Gables, FL 33134
Tel. (305) 529-2801
Fax. (305) 447-8115

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Thank you for your consideration and anticipated cooperation.

Dorothy Menasco 080677

From: rpjrb@yahoo.com
Sent: Friday, March 12, 2010 8:51 PM
To: Records Clerk
Cc: Lisa Bennett; Ann Cole; Office Of Commissioner Edgar; Office of Commissioner Argenziano; Office of Commissioner Skop; Office of Commissioner Klement; Office of Commissioner Stevens; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin; Dorothy Menasco
Subject: FW: FPL is accused of not sharing its tax break
Attachments: UtilRegvsNonRegtxpmtsrec03122010portlegalnew.pdf

Dear Ms. Menasco on behalf of the records clerk,

I forgot to attach the document. It has been a very long day and I am tired.

Thanks for your patience in this matter.

Robert H. Smith

FPSC, CLK - CORRESPONDENCE
Administrative ✓ Parties Consumer
DOCUMENT NO. 10741-08
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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, March 12, 2010 8:45 PM
To: 'Records Clerk'
Cc: 'Lisa Bennett'; 'Ann Cole'; 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office of Commissioner Klement'; 'Office of Commissioner Stevens'; 'Marshall Willis'; 'Cheryl Bulecza-Banks'; 'Andrew Maurey'; 'Tim Devlin'; 'Dorothy Menasco'
Subject: FW: FPL is accused of not sharing its tax break

Dear Ms. Menasco on behalf of the records clerk,

Here we go with the excel document embedded into the email.

Hopefully this works in conjunction with the file. Please let me know if you can print out the PDF to put on the record. The second page has been put on Legal paper and would have to be printed out of the PDF for backup and scan. There is a portrait version of the second page as well.

Thanks for all of your patience. This issue is a very important issue and I hope that this helps with the analysis.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com.

Thanks,

Robert H. Smith

Utility Regulated/Non-Regulated Company's - Tax Entries - Cash Reconciliation Summary - Draft

FERC Acct	Account	Regulated Ratepayer Funds / Utility (1)	Amount	Non-Regulated Holdco Holding Company (2) Acct	Amount	Non-Regulated Financing Company (2) Amount	Non-Regulated Subsidiary /Subsidiary (*) (2) Amount	(3) Total
236	DR Taxes Accrued Fed Inc Tax	Payment of Curr Fed Inc Tx	0	?	0	0	0	0
131	CR Cash	Cash Account	0	?	0	0	0	0
409	DR Inc Taxes Utility Operations	Inc Tx Expense	0	?	0	0	0	0
236	CR Taxes Accrued	Taxes Accrued	0	?	0	0	0	0
410	Prov for Def Inc Tx Util Operations	Prov for Def Inc Taxes	0	?	0	0	0	0
411	Prov for Def Inc Tx Credit Util Op.	Prov for Def Inc Taxes	0					
190	Accum. Deferred Inc Tax	Accum Def Inc Tax	0	?	0	0	0	0
281	Accum. Deferred Inc Tax	Accum Def Inc Tax	0					
282	Accum. Deferred Inc Tax	Accum Def Inc Tax	0					
283	Accum. Deferred Inc Tax	Accum Def Inc Tax	0					
		Total - Should be zero	0		0	0	0	0

(1) Cash From Ratepayers Regulated by FERC/PSC - Full Current/Deferred Taxes Collected in Rates - 10K filed on Consolidated Basis. No separation of Cash Accounts. If current Taxes paid is less than the Full tax provision then surplus cash should be maintained as a balance in the Utility FERC 131 Account.

(2) Tax Accounts do not have to follow FERC Account Numbers. There will still be Current/Deferred Taxes Payments for Current Taxes must be paid out of the Individual Non Reg. Company and not paid from Utility Operations (FERC Account 131 Account).

Deferred Tax Account numbers do not have to meet FERC account guidelines

(3) This is the total Current/Deferred Tax Provision filed with the Consolidated Tax Return for FPL Group. The Total Current Tax Provision (Cash) should have cash entries in each respective company to make sure that the cash disbursements are being made out of each Regulated and Non Regulated separately.

Since most companies are set up as independent companies accountability must be controlled by the Public Service Commission since the Commission is responsible for the accountability of the ratepayer funds. All Management Agreement Negotiations should be over seen by the Public Service Commission to keep Control of the Regulated/Non-Regulated Cash Flow. Segmented Cash Flows would be required for a full Accounting. The journal entries above are on a cash basis only. There may be accrual entries that would be recorded per Generally Accepted Accounting Principles. There may also be regulatory Accounting Journal Entries as required by FERC/PSC Accounting.

* All Non-Regulated Subsidiaries/Subsidiaries should generate enough cash flow to support the operations of the company. If there is Goodwill Acquisition Indebtedness, then it should be fully funded by the operations of the Non-Regulated Subsidiary.

Regulated Utility / Holding Company Cash Flow Issues:

1) Segmented Cash Flows would have to be prepared to properly account for Regulated versus Non-Regulated Cash Movement.
Public Utility Holding Company Act (PUHCA) (1935) Regulated by State Public Service Commissions/Federal Energy Regulatory Commission

2) Full Accounting for the funding of dividends/executive compensation plans at the Holding Company Level.
This should include the back up Cash Flow Accounting to support the level of dividends paid out.

3) Separate Cash Accounts (i.e. Utility cash account is 131 account)
This has to be done to make sure that there is a separation of Regulated Cash from Non-Regulated Cash.

4) How is the company accounting for the intercompany cash transactions?
Assets transfers? Are these being made at historical cost or at market value?
If financed by the Utility, is the ratepayer receiving a fair return on capital? What rate of return are they earning?

5) Separate billing systems/ Is the only billing system that is being maintained for the Utility?
If not, then are there separate billing systems for non-regulated subsidiaries/subsidiaries?

6) Separate work order systems
This is very critical since the work order system is probably used for capital expenditures/expenses. Usually there is utility coding for the type of capital expenditure that clears to the ledgers or utility accounts. These can be Plant, CWIP etc.

7) Separate Accounting Systems for each Entity
Is there a separate system for each entity? If not, what type of internal controls has been put into place to ensure that all capital expenditures/expenses are being cleared to the appropriate company accounts?

Confidentiality Statement

The documents accompanying this telecopy transmission contain information which is confidential and/or legally privileged. The information is intended only for the use of the individual or entity named on this transmission sheet. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this telecopied information is strictly prohibited, and the documents should be returned. In this regard, if you received this telecopy in error, please contact the sender by reply E-mail and destroy all copies of the original.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, March 12, 2010 5:20 PM
To: 'Records Clerk'
Cc: 'Lisa Bennett'; 'Ann Cole'; 'Office Of Commissioner Edgar'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office of Commissioner Klement'; 'Office of Commissioner Stevens'; 'Marshall Willis'; 'Cheryl Bulecza-Banks'; 'Andrew Maurey'; 'Tim Devlin'
Subject: RE: FPL is accused of not sharing its tax break

Dear Ms. Menasco,

The original email had the PDF file attached to be printed for a clean copy.

I know that you have received the PDF file. Is there an issue? Did you receive the file?

It is very important for the pages to be clean and printed out. I know that all the interested parties are submitting information this way.

Here is the file again. I do not think that this request is unreasonable.

Let me know if they are readable and or I will blow them up if I can.

Thanks,

Robert H. Smith

Attached file screen prints should be printed out from attached PDF file UtilRegvsNonregtxpmtsrec03122010.pdf

Utility Regulated/Non-Regulated Company's - Tax Entries - Cash Reconciliation Summary - Draft

FERC Acct	Account	Regulated Ratepayer Funds / Utility (1) Amount	Non-Regulated Holdco Holding Company (2) Acct	Amount	Non-Regulated Financing Company (2) Amount	Non-Regulated Subsidiary /Subsidiary I* (2) Amount	(3) Total
236	DR Taxes Accrued Fed Inc Tx	Payment of Curr Fed Inc Tx	0	?	0	0	0	0
131	CR Cash	Cash Account	0	?	0	0	0	0
409	DR Inc Taxes Utility Operations	Inc Tx Expense	0	?	0	0	0	0
236	CR Taxes Accrued	Taxes Accrued	0	?	0	0	0	0
410	Prov for Def Inc Tx Util Operations	Prov for Def Inc Taxes	0	?	0	0	0	0
411	Prov for Def Inc Tx Credit Util Op	Prov for Def Inc Taxes	0					
190	Accum. Deferred Inc Tax	Accum Def Inc Tax	0	?	0	0	0	0
281	Accum. Deferred Inc Tax	Accum Def Inc Tax	0					
282	Accum. Deferred Inc Tax	Accum Def Inc Tax	0					
283	Accum. Deferred Inc Tax	Accum Def Inc Tax	0					
		Total - Should be zero	0		0	0	0	0

(1) Cash from Ratepayers Regulated by FERC/PSC - Full Current/Deferred Taxes Collected in Rates - IDK Filed on Consolidated Basis. No separation of Cash Accounts. If current Taxes paid is less than the full tax provision then surplus cash should be maintained as a balance in the Utility FERC 131 Account.

(2) Tax Accounts do not have to follow FERC Account Numbers. There will still be Current/Deferred Taxable Payments for Current Taxes must be paid out of the individual Non Reg. Company and **not paid from Utility Operations (FERC Account 131 Account).** Deferred Tax Account numbers do not have to meet FERC account guidelines

(3) This is the total Current/Deferred Tax Provision filed with the Consolidated Tax Return for FPL Group. The Total Current Tax Provision (Cash) should have cash entries in each respective company to make sure that the cash disbursements are being made out of each Regulated and Non Regulated separately.

Since these companies are set up as consolidated companies accountability must be controlled by the Public Service Commission since the Commission is responsible for the reasonability of the ratepayer funds. All Management Agreement negotiations should be over-seen by the Public Service Commission to look General at the Regulated/Non Regulated Cash Flow. Segmented Cash Flows would be required for a full accounting. The journal entries above are on a cash basis only. There may be accrual entries that would be recorded per Generally Accepted Accounting Principles. There may also be regulatory accounting journal entries as required by FERC/PSC Accounting.

* All Non-Regulated Subsidiaries/Subsidiaries should generate enough cash flow to support the operations of the company. If there is Goodwill Acquisition indebtedness, then it should be fully funded by the operations of the Non-Regulated Subsidiary.

Regulated Utility / Holding Company Cash Flow Issues:

1) Segmented Cash Flows would have to be prepared to properly account for Regulated versus Non-Regulated Cash Movements.
Public Utility Holding Company Act (PUHCA) (1935) Regulated by State Public Service Commissions/Federal Energy Regulatory Commission

2) Full Accounting for the funding of dividends/executive compensation plans at the Holding Company Level.
This should include the back up Cash Flow Accounting to support the level of dividends paid out.

3) Separate Cash Accounts (i.e. Utility cash account is 131 account)
This has to be done to make sure that there is a separation of Regulated Cash from Non-Regulated Cash.

4) How is the company accounting for the intercompany cash transactions?
Assets transfers? Are these being made at historical cost or at market value?
If financed by the Utility, is the ratepayer receiving a fair return on capital? What rate of return are they earning?

5) Separate billing systems - is the only billing system that is being maintained for the Utility?
If not, then are there separate billing systems for non-regulated subsidiaries/subsidiaries?

6) Separate work order systems
This is very critical since the work order system is probably used for capital expenditures/expenses. Usually there is utility coding for the type of capital expenditure that clears to the ledgers or utility accounts. These can be Plant, CWIP etc.

7) Separate Accounting Systems for each Entity
Is there a separate system for each entity? If not, what type of internal controls has been put into place to ensure that all capital expenditures/expenses are being cleared to the appropriate company accounts?

Prepared by Robert H Smith 3/12/2010 10:59 AM

Utility Regulated/Non-Regulated Company's - Tax Entries- Cash Reconciliation - Draft

FERC Acct Account	Regulated Ratepayer Funds / Utility	Amount	Account	Non-Regulated Holding Company Description	Amount	Account	Non-Regulated Regulated Company	Amount	Account	Non-Regulated Subsidiary (Subsidiary 1*)	Amount?	Total
236 DR Taxes Accrued Fed Inc Tax	Fed Inc Curr Fed Inc Tx		CR Taxes Accrued Fed Inc Tax	Fed Inc Curr Fed Inc Tx - Non Reg Holdco		DR Taxes Accrued Fed Inc Tax	Fed Inc Curr Fed Inc Tx Non Reg Co		CR Taxes Accrued Federal Inc Tax	Fed Inc Curr Fed Inc Tx Non Reg Sub		0
131 DR Cash	Cash Account		CR Cash Separate Non-reg account	Cash Account - Non Reg Debt Acct		CR Cash Separate Non-Reg Acct	Cash Account - Non Reg Cash Acct		CR Cash Separate Non-Reg Acct	Cash Account - Non Reg Cash Acct		0
4??? DR Inc Taxes Utility Operations	Inc Tx Utility Operations		DR Inc Taxes - Non Reg Holdco	Inc Tax Non-Reg Co Holdco		DR Inc Taxes Non Reg Co	Inc Tax Non-Regulated Co Company		DR Inc Taxes Non Reg Subsidiary	Inc Tax Non-Regulated Subsidiary		0
236 DR Taxes Accrued	Taxes Accrued Util/ Oper		CR Taxes Accrued - Non Reg Holdco	Taxes Accrued - Non-Reg Holdco		CR Taxes Accrued Non Reg Co	Taxes Accrd - Non Regulated Fin Co		CR Taxes Accrued Non Reg Subs	Taxes Accrued - Non-Regulated Sub		0
410 Prov for Def Inc Tx Util Oper	Prov for Def Inc Taxes		Prov for Def Inc Tx Non Reg Holdco	Prov for Def Inc Tx Non Reg Co - Holdco		Prov for Def Inc Tx Non Reg Fin Co	Prov for Def Inc Tx Non Reg - Fin Co		Prov for Def Inc Tx Non Reg Sub	Prov for Def Inc Tx Non Reg Sub		0
411 Prov for Def Inc Tx Credit Utility	Prov for Def Inc Taxes											
190 Accum Deferred Inc Tax	Accum Def Inc Tax		Accum Def Inc Tax Non Reg Holdco	Accum Def Inc Tax - Non Reg Holdco		Accum. Deferred Inc Tax Non Reg Fin	Accum Def Inc Tax Non Reg Fin Co		Accum. Deferred Inc Tax Non Reg Sub	Accum Def Inc Tax Non Reg Sub		0
281 Accum. Deferred Inc Tax	Accum Def Inc Tax											
282 Accum. Deferred Inc Tax	Accum Def Inc Tax											
283 Accum. Deferred Inc Tax	Accum Def Inc Tax											
	Total - Should be zero			Total - Should be zero			Total - Should be zero			Total - Should be zero		
	Cash from Ratepayers Regulated by FERC/PSC			Tax Accounts do not have to follow FERC Account numbers. There will still be Current/Deferred Taxes			Tax Accounts do not have to follow FERC Accounting numbers. There will still be Current/Deferred Taxes			Tax Accounts do not have to follow FERC Accounting numbers. There will still be Current/Deferred Taxes		

Since most companies are set up as independent companies accountability must be controlled by the Public Service Commission since the Commission is responsible for the accountability of the ratepayer funds. All Management Agreement Negotiations should be over seen by the Public Service Commission to keep Control of the Regulated/Non-Regulated Cash Flow. Segmented Cash Flows would be required for a full Accounting. The journal entries above are on a cash basis only. There may be accrual entries that would be recorded per Generally Accepted Accounting Principles. There may also be regulatory Accounting Journal Entries as required by FERC/PSC Accounting.

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2) Full Accounting for the funding of dividends/executive compensation plans at the Holding Company (true).
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7) Separate Accounting Systems for each Entity
Is there a separate system for each entity? If not, what type of internal controls has been put into place to ensure that all capital expenditures/expenses are being cleared to the appropriate company accounts?

Prepared by: Robert H. Smith 3/12/2010 10:50 AM

Confidentiality Statement

The documents accompanying this telecopy transmission contain information which is confidential and/or legally privileged. The information is intended only for the use of the individual or entity named on this transmission sheet. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this telecopied information is strictly prohibited, and the documents should be returned. In this regard, if you received this telecopy in error, please contact the sender by reply E-mail and destroy all copies of the original.

From: Dorothy Menasco [mailto:DMenasco@PSC.STATE.FL.US] **On Behalf Of** Records Clerk
Sent: Friday, March 12, 2010 5:12 PM
To: rpjrb@yahoo.com; Records Clerk
Cc: Lisa Bennett; Ann Cole; Office Of Commissioner Edgar; Office of Commissioner Argenziano; Office of Commissioner Skop; Office of Commissioner Klement; Office of Commissioner Stevens; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin
Subject: RE: FPL is accused of not sharing its tax break

Mr. Smith:

There were no attachments included with your message below. If there are attachments, please include them in your e-mails to clerk@psc.state.fl.us and they will be printed and included. Thank you for your assistance.

Florida Public Service Commission
Office of Commission Clerk
850-413-6770

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, March 12, 2010 4:54 PM
To: Records Clerk
Cc: Lisa Bennett; Ann Cole; Office Of Commissioner Edgar; Office of Commissioner Argenziano; Office of Commissioner Skop; Office of Commissioner Klement; Office of Commissioner Stevens; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin
Subject: RE: FPL is accused of not sharing its tax break

Dear Ms. Menasco on behalf of the records clerk,

Where the attachment's scanned to be added with the email correspondence?

Was this files correspondence added?

UtilRegvsNonRegtxpmtsrec03122010.pdf

Thanks,

Robert H. Smith

Confidentiality Statement

The documents accompanying this telecopy transmission contain information which is confidential and/or legally privileged. The information is intended only for the use of the individual or entity named on this transmission sheet. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this telecopied information is strictly prohibited, and the documents should be returned. In this regard, if you received this telecopy in error, please contact the sender by reply E-mail and destroy all copies of the original.

From: Dorothy Menasco [mailto:DMenasco@PSC.STATE.FL.US] **On Behalf Of** Records Clerk
Sent: Friday, March 12, 2010 4:45 PM
To: rpjrb@yahoo.com; Records Clerk
Cc: Lisa Bennett; Ann Cole; Office Of Commissioner Edgar; Office of Commissioner Argenziano; Office of Commissioner Skop; Office of Commissioner Klement; Office of Commissioner Stevens; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin
Subject: RE: FPL is accused of not sharing its tax break

Mr. Smith:

Per your request, this e-mail is being placed in *Docket correspondence - Parties and Interested Persons* (DN 10741-08).

Florida Public Service Commission
Office of Commission Clerk
850-413-6770

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, March 12, 2010 4:07 PM
To: Dorothy Menasco; Records Clerk
Cc: Lisa Bennett; Ann Cole; Office Of Commissioner Edgar; Office of Commissioner Argenziano; Office of Commissioner Skop; Office of Commissioner Klement; Office of Commissioner Stevens; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin
Subject: RE: FPL is accused of not sharing its tax break

Dear Ms. Menasco,

Please place these documents in the Dockets correspondence – Parties and Interested Parties as per below. If these documents need to be placed anywhere else then I guess this will be determined by the Commissioner's and Staff.

I have attached the file so that the PDF images can be scanned and combined with the email correspondence below to be put into DN 10741-08 as per your instruction. The attached file UtilRegvsNonRegtxpmtsrec03122010.pdf is the file name that has to be attached.

I have provided the instructions below. What is confusing is that the department that you work in is the Office of Commission Clerk. How come you do not want to use a direct email address?

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk

This makes no sense but the instructions to the records clerk is below.

Any way thank for your help.

Thanks,

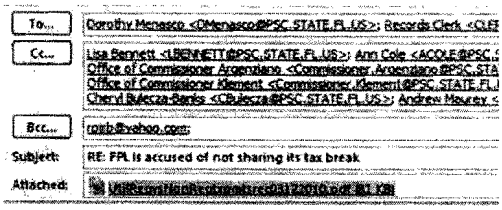
Robert H. Smith

To the Records Clerk,

Please let me know when the Attached file and email correspondence below will be placed into DN 10741-08 below. Hopefully all interested parties and intervener's are made aware of this correspondence.

I have attached the file so that the PDF images can be scanned and combined with the email correspondence below to be put into DN 10741-08 as per Ms. Menasco's instructions. The attached file UtilRegvsNonRegtxpmtsrec03122010.pdf is the file name that has to be attached.

If you have any questions please do not hesitate to ask.



Thanks,

Robert H. Smith

Confidentiality Statement

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From: Dorothy Menasco [mailto:DMenasco@PSC.STATE.FL.US]
Sent: Friday, March 12, 2010 2:59 PM
To: rpjrb@yahoo.com
Cc: Lisa Bennett; Ann Cole; Office Of Commissioner Edgar; Office of Commissioner Argenziano; Office of Commissioner Skop; Office of Commissioner Klement; Office of Commissioner Stevens; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin
Subject: RE: FPL is accused of not sharing its tax break

Mr. Smith:

Thank you for your reply. I'm not sure how I came to be on the distrubution list directly. If you wish for these types of documents to be placed directly in *Docket correspondence - Parties and Interested Persons* (DN 10741-08), please forward them to the following e-mail address: clerk@psc.state.fl.us. That is our standard procedure.

As mentioned in our 11/3/09 and 1/9/10 correspondence, all of your correspondence in Docket 080677, that is forwarded to our office, is placed in *Docket correspondence - Parties and Interested Persons.* Document No. 10741-08 can accessed on the PSC website utilizing any of the following links:

http://www.floridapsc.com/dockets/cms/ShowDocket.aspx?docket=H:\LIBRARY\FILINGS\08\10741-08

http://www.floridapsc.com/dockets/cms/docketdetails.aspx?docket=080677

http://www.psc.state.fl.us/dockets/cms/

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, March 12, 2010 1:53 PM
To: Dorothy Menasco
Cc: Lisa Bennett; Ann Cole; Office Of Commissioner Edgar; Office of Commissioner Argenziano; Office of Commissioner Skop; Office of Commissioner Klement; Office of Commissioner Stevens; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin
Subject: RE: FPL is accused of not sharing its tax break

Dear Ms. Menasco,

I have kept you on the distribution list since in the past you have always been kept on the list and have been receiving all the correspondence.

I would be following up with the request anyway to make sure that it is put into the public record just like all the other correspondence that I have sent. This way I already know that the Clerk's office has already received the information. I have been doing this from inception with the case. I will remove you but I will be following up anyway since I know that they will be forwarding this information to you to enter into the public record. Makes sense to keep everyone in the loop. When the information is forwarded to you please make sure that the attachment is included in the public record as well. I will be following up in a couple of days to see if this information has been entered into the record. I probably would be following up

with you anyway to find out the link to the information.

Why the change?

Thanks,

Robert H. Smith

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From: Dorothy Menasco [mailto:DMenasco@PSC.STATE.FL.US]
Sent: Friday, March 12, 2010 1:22 PM
To: rpjrb@yahoo.com
Cc: Lisa Bennett; Ann Cole; Office Of Commissioner Edgar; Office of Commissioner Argenziano; Office of Commissioner Skop; Office of Commissioner Klement; Office of Commissioner Stevens; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin
Subject: RE: FPL is accused of not sharing its tax break

Mr. Smith:

Please remove me from your distribution list for these types of e-mails. If the information you provide to the Commisioners. attorneys, and staff members is to be included in correspondence, it will be properly forwarded to the Office of the Commission Clerk with instructions to do so. Thank you for your help in this matter.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, March 12, 2010 12:42 PM
To: Lisa Bennett; 'Office of Commissioner Carter'; Office Of Commissioner Edgar; 'Office of Commissioner McMurrian'; Office of Commissioner Argenziano; Office of Commissioner Skop; Office of Commissioner Klement; Office of Commissioner Stevens; Ann Cole; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin; Dorothy Menasco
Cc: chairmanoffice@sec.gov; 'SEC Help'; Cathy.Flanagan@usdoj.gov; AskDOJ@usdoj.gov; 'Drayne, Karen'; Bill@billnelson.senate.gov; 'Shelby, Senator (Shelby)'; senator_bingaman@bingaman.senate.gov; senator@dorgan.senate.gov; senator_leahy@leahy.senate.gov; senator_lugar@lugar.senate.gov; gpoaccess@gpo.gov; comments@whitehouse.gov; vice_president@whitehouse.gov; Charlie.Crist@MyFlorida.com; rpjrb@yahoo.com
Subject: FW: FPL is accused of not sharing its tax break

Dear Commissioner's,

Attached you will find a tax payment reconciliation that I have put together with regard to my prior correspondence. I have sent a similar reconciliation/email correspondence to the Securities Exchange Commission (SEC) with regard to Utility Holding Company concept as it related to segmented cash flow reporting. My concern for over a decade was with regard to the Public Utility Holding Company Act (PUHCA) which came out of the last depression in 1935. This has been moved to the Federal Energy Regulatory Commission (FERC) under the Public Utility Holding Company Act of 2005 (PUHCA 2005). There has been a lot of correspondence that I have sent to the Securities Exchange Commission for over a decade with regard to my concern with segmented cash flow issues at Utilities. This concept can be used for multiple issues at a Utility. As you can see with the reconciliation of the tax payments the need for segmented cash flow reporting is needed to make sure that the Utility is in compliance with the Public Utility Holding Company Act.

I know that I made an information request to FPL regarding segmented cash flows between regulated/non-regulated subsidiaries. This would take into account the issues with tax payments between regulated/non-regulated entities. Another issue that should be looked at is some of the local taxes that are being paid for each subsidiary (regulated/non-regulated) as well. (I.E. Property/Tangible taxes, local taxes (could be out of state etc.).

My attached reconciliation lays out both the regulated Utility Company as well as the non-regulated subsidiaries at the company. I have sent numerous requests to both Mr. Hay and Mr. Sieving asking for segmented cash flows by entity. This was also a request as per my Freedom of Information Request back on May 7th, 2009. My initial request for the tax information was in an email dated April 24th, 2009. My first email to the company (Investor relations) with a cc to Mr. Hay was on May 29th, 2009. I then sent the email repeatedly to investor relations and both Mr. Hay and Mr. Sieving on June 3rd, 2009. I have not heard back from investor relations, Mr. Hay or Mr. Sieving. I am a shareholder at the company as well as a ratepayer.

As per the summary, if FPL fills in the actual cash payments by entity and shows a cancelled check from each entity to support the actual cash disbursements this should help with the reconciliation of the tax payments from each entity. If they only produce a check from the Regulated Utility FERC 131 cash account then there may be an issue. All tax provisions/tax payments should be able to be made with an electronic intercompany transfer to make sure that each respective cash account at each company (regulated/non-regulated) is being charged for their individual tax liability.

With the Utility the company is collecting the full tax provision in rates. If the current tax provision is lower than the current/deferred provision, all surplus cash should be accumulated in the Utility 131 FERC account.

The best accounting policy would be to make sure that each company (regulated/non-regulated) cuts their own check out of their own operating account to pay for their own tax liability.

We have to be very careful with intercompany cash transfers since we have to make sure that there is enough cash in each regulated/non-regulated company to pay its own tax liability.

My summary if supported by cancelled checks should be very easy to match up to the company's consolidated tax return to match the IRS payment that has been paid. If the possibility exists that there is not ample cash in a non-regulated subsidiary to cover its individual tax liability then the possibility exists that there might be a subsidization problem and the ratepayer must be made whole.

The Utilized Investment tax credits would be taken as a credit to the current tax provision and would be reflected in the current expense/payable for each respective company (regulated DR Acct 409 / CR Acct 236) (Non-Regulated DR – current tax expense CR – Taxes Accrued Federal Income taxes). Since the non-regulated subsidiaries might not follow FERC accounting if they are private entities the account numbers might be different but the account descriptions from an accounting perspective would be fine to support the concept to prove out the tax payment reconciliations.

I am going to continue to look at what I have put together but if I find something else I will follow up.

Segmented Cash flow reporting is very important with the Utility industry. This was very evident back in 1935 when they created the Public Utility Holding Company Act (PUHCA).

There are other industries that are having similar accounting issues that I have been working on with the Securities Exchange Commission (SEC) as well.

The holding company concept is a very important concept. These issues have been very important to me for over a decade.

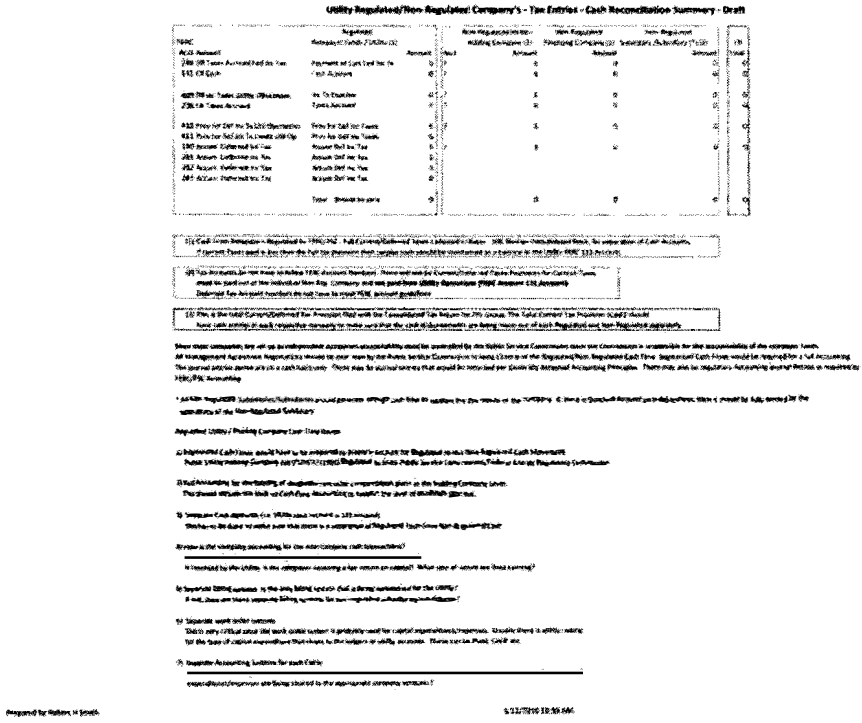
If you have any questions please do not hesitate to email me at rpjrb@yahoo.com.

I follow up if there are any changes with the reconciliations.

Thanks,

Robert H. Smith

Here is the summary page that I have put together that is part of the PDF file.



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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, January 06, 2010 1:04 PM
To: 'Lisa Bennett'; 'Office of Commissioner Carter'; 'Office Of Commissioner Edgar'; 'Office of Commissioner McMurrian'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; Commissioner.Klement@psc.state.fl.us; Commissioner.Stevens@psc.state.fl.us; 'Ann Cole'; 'Marshall Willis'; 'Cheryl Bulecza-Banks'; 'Andrew Maurey'; 'Tim Devlin'; 'Dorothy Menasco'
Cc: chairmanoffice@sec.gov; 'SEC Help'; Cathy.Flanagan@usdoj.gov; AskDOJ@usdoj.gov; 'Drayne, Karen'; Bill@billnelson.senate.gov; 'Shelby, Senator (Shelby)'; senator_bingaman@bingaman.senate.gov; senator@dorgan.senate.gov; senator_leahy@leahy.senate.gov; senator_lugar@lugar.senate.gov; gpoaccess@gpo.gov;

comments@whitehouse.gov; vice_president@whitehouse.gov; Charlie.Crist@MyFlorida.com; rpjrb@yahoo.com
Subject: FW: FPL is accused of not sharing its tax break

Dear Commissioner's

I had sent this breakout of my prior experience with regard to the ratecase process. I am sending this to keep everyone in the loop.

I hope that balance is maintained.

Thanks,

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Wednesday, January 06, 2010 12:38 PM
To: 'Patel, Julie'
Subject: RE: FPL is accused of not sharing its tax break

Dear Ms. Patel,

It was nice speaking to you today regarding the Florida Power & Light Ratecase. I hope that my email correspondence has contributed to this ratecase process.

Here is the summary and detailed resume of my 10 years experience. Feel free to contact me with any other questions.

Thanks,

Robert H. Smith

Here you go:

KEYSPAN ENERGY, Hicksville, New York, 1990 – 2000
Senior Financial/Economic Analyst/Senior Tax Advisor

Preparation of the Company's Short Range and Long Range Financial Forecasts/Rate Case Filings including the preparation of the Company's official corporate budget for Senior Management. Direct consultation with the Company's Chief Financial Officer on interpreting actual versus forecast results in order to prepare forecasts of year-end earnings per share. Performed cost/benefit analysis on the impact of facility plans and changes in ratemaking and rate design philosophy on the financial condition and long term growth of the company. Prepared SEC related reports: Annual reports, 10 K's, shareholder reports, 10 Q's. Preparation of Corporate Tax filings. Calculation of Net Book Values of company assets which includes tax depreciation calculations related to company assets for deferred tax purposes. Assist in answering interrogatories from various interveners (i.e. Public Service Commission, Consumer Protection Board, various rating agencies).

KEYSPAN ENERGY, Hicksville, New York, 1990 – 2000
Senior Financial/Economic Analyst/Senior Tax Advisor

Preparation of the Company's Short Range and Long Range Financial Forecasts/Rate Case Filings including the preparation of the Company's official corporate budget for Senior Management. Direct consultation with the Company's Chief Financial Officer on interpreting actual versus forecast results in order to prepare forecasts of year-end earnings per share.

- Reviewed and conducted financial and economic analysis of all aspects of corporate operations in order to evaluate and seek solutions, which improve corporate performance.
- Analyzed alternative methods of financing present/proposed operations and corporate expansion programs.
- Performed cost/benefit analysis on the impact of facility plans and changes in ratemaking and rate design philosophy on the financial condition and long term growth of the company.
- Prepared short range and long range financial forecasts by line of business for Senior Management.
- Communicated forecast results to senior management and the business units.
- All aspects of analyzing and explaining variances between actual and forecast amounts and extrapolating their impact on year-end-results.
- Consulted with the Company's Chief Financial Officer on interpreting actual versus forecast results for the forecast of year-end earnings per share.
- Expert on the analysis of the Company's theoretical depreciation reserves versus the books depreciation reserves including depreciation recovered through the company's rates.
- Analysis of property plant additions (i.e. for property tax purposes), retirements and cost of removal.
- Calculation of Net Book values of company assets which includes tax depreciation calculations related to company assets for deferred tax purposes.
- Coordinated and maintained consolidated financial models (PC Based, Network server based and mainframe based), data base, Logic and reports (Profit & Loss. Balance Sheets) for all aspects of financial forecasts and implement logic changes in order to satisfy the requirements of senior management.
- Expert on EXCEL, POWER POINT, WORD, LOTUS, WORDPERFECT, HARVARD GRAPHICS, ACCESS and MONARCH.

- Increased productivity levels by providing key contributions toward automation of account reconciliation processes.

Financial Analyst

- Assist in the Maintenance of the Consolidation Model data base, logic and reports,

ensuring an up-to-date status with current financial and regulatory requirements.
- Assist in updating the financial forecasts and exhibits included in the Company's pending Gas Rate Case and Compliance filing proceedings as required by the Public Service Commission.
- Assist in the preparation of the Company's official corporate budget for Senior Management including high level variance analysis of the companies cost of service for rate making purposes and the company's earnings for GAAP/SEC purposes.
- Provide monthly income statements/variance analysis for Senior Management of the Operations and Regulatory support departments.
- Provide quarterly income statements/variance analysis for the Tax department for revising the Company's estimated tax payments.
- Prepared SEC related reports: Annual reports, 10K's, shareholder reports, 10Q's
- Prepared Corporate tax filings
- Assist in answering interrogatories from various interveners (i.e. Public Service Commission, Consumer Protection Board, various rating agencies)
- Liaison between Financial Planning and Accounting, Tax, Budget departments.
- Department's expert on personal computers.
- Knowledge of TSO, CICS mainframe operating systems and GPOS7 (Database) language.

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From: Patel, Julie [mailto:jvpatel@sun-sentinel.com]
Sent: Wednesday, January 06, 2010 11:52 AM
To: rpjrb@yahoo.com
Subject: RE: FPL is accused of not sharing its tax break

Thank you for this analysis! It is very helpful. I'd like to add some of it to our Web piece on the subject. Can you remind me which utility you used to work for and what your position was? Thanks.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, January 06, 2010 11:38 AM
To: 'Klas, Mary Ellen - Miami'; Patel, Julie
Subject: FPL is accused of not sharing its tax break

Dear Ms. Klas and Ms. Patel,

I received the letter from the PSC on Monday the 4th. When I read this I had mixed feelings on this. I wanted to share my thoughts on this with everyone. Remember balance is very important in this case from both a ratepayer and shareholder perspective.

This should be very easy to determine.

First off if the tax credits (ITC (Investment tax credits)) were derived from the non-regulated entity and the project was financed without the use of regulated monies then from a strict subsidiary perspective this would be OK. All Tax credits for the subsidiary should be only related to the project directly and financed on its own without the use of ratepayer money. Each tax provision for each entity should be maintained separately. This should include both current and deferred tax provisions. I know that the Utility might file its tax return on a consolidated basis. If there is a tax liability from a consolidated return perspective we must make sure that when the taxes are paid that they are being paid by each individual entity (regulated/non-regulated) entity. This must be looked at from a cash flow perspective as well since when they file the return they might be paying for the taxes as FPL group. From a Federal tax perspective the Fed's just want to capture the full tax liability for the entire company (FPL Group). The cash perspective of any tax liability at the subsidiary level is very important to take a look at. Each regulated/non-regulated entity should be able to pay its own tax liability. This should be paid from each individual entities cash account.

On the other hand if the possibility exists that any regulated monies financed any of these projects then there might be another problem. The possibility exists that the utility ratepayer might have financed a project to generate these tax credits. The ratepayer has to be made whole if this is the case.

Another issue that might surface is if the consolidated tax liability that is being paid by FPL is being paid together. The accounting for the cash and tax provisions must be maintained separately by regulated/non-regulated entity. Again if the possibility exists that the tax liabilities are being financed or paid by the ratepayers then it would be very important that the ratepayer be made whole.

The only way to accomplish this would be to make sure that each tax provision for each entity is maintained separately. Any cash payments made on a consolidated basis has to be broken out by regulated/non-regulated entity so that each regulated/non-regulated subsidiary is paying for its share of it current/deferred tax provision.

If you take a look at the emails that I have been sending I have repeatedly asked for a breakout of the cash flows by regulated/non-regulated entities. I have sent multiple requests to Mr. Lew Hay and Mr. Sieving from a shareholder perspective asking for segmented cash flows by entity. Again, I have not heard back from them as of today.

Based upon the segmented cash flow approach this issue can be addressed very easily.

Up North I personally worked on the consolidated tax return for a major utility (when I worked in the tax department after financial planning). I used to prepare the detailed tax provisions for both the Electric and Gas lines of business for each ratecase filing. This included the modeling of all current and deferred tax provisions which included ITC's (Investment Tax Credits). The tax department interfaced with our financial planning area in which we would model the full detailed tax provision. All temporary/permanent differences as well the utilization of ITC's were modeled in our rate case in each separate Electric/Gas Cost of Service. Each tax provision from a current/deferred tax perspective was kept separately. All ITC (Investment Tax Credits) were maintained as per FERC accounting in a separate Electric/Gas account. Yes the tax return was filed together but we still maintained the tax provisions separately. We were also able to determine the current/deferred tax breakout which translated to the cash payment by line of business. This was filed with our ratecase proceeding as two separate tax provisions. Up North we were in an NOL position for a long time. These NOL's limited the tax liability to the company for a long time. This impacted the current tax paid with the consolidated tax return. Since each provision was maintained separately it was easily to determine the Electric/Gas breakout of its current/deferred tax provisions.

Since the Electric/Gas customer were both ratepayer entities the filing of the consolidated return was OK since both were regulated entities and for the most part all the customers were part of the regulated groups. The only issue that might have surfaced was if there was a non-regulated entity. It would be very important to maintain each tax provision separately from a current/deferred tax perspective to make sure that each entity is paying for its own tax liability. FERC accounting provides for the breakouts out of Utility/Non-Utility accounting. If there is a non-regulated entity then it would be the PSC's responsibility to make sure that these entities are paying for their share of the consolidated tax liability on their own. There should be no subsidization of any tax payments between regulated and non-regulated subsidiaries.

The only way to determine this information is to look at the segmented cash flows by entity (regulated/non-regulated). This should show a line for cash tax payments to tie into the current portion of the entities tax provision. This reconciliation should clear up this issue very easily.

This is why I had mixed feelings on this one. I know that the questions that I have sent as a FOIA request to the FPSC (Florida Public Service Commission) as well as my shareholder request to Mr. Lew Hay and Mr. Sieving would have explained all of the issues that are being discussed in this case. This type of questioning if answered would provide the answers needed to resolve a lot of the questions that are surfacing in this ratecase.

Mr. Davis would be correct as long as both the financing of the projects and the payment of the taxes related to each entity is being made by each entity on its own. There should be no subsidization of any non-regulated entity by any regulated entity.

Please see all my email correspondence that has been made part of the public record to help with some of the technical aspects of these issues.

I have spent over 10 years on these types of issues and I have received phone calls from the New York State Public Service Commission/New York State Comptroller's office regarding similar issues when I first came down to Florida 6 years ago. I worked in the Financial Planning Department for approx. 5 to 6 years and then moved from department to department (Fixed Assets, Tax department, Budget Department) to use my expertise to deal with a concurrent merger and a transfer of assets to a State entity. I worked on not only the preparation of the ratecase cost of services but the consolidated tax return in the tax department as well.

Please let me know if you would like to discuss this issue or any other matters related to the technical aspects of this ratecase. Hopefully there are no typo(s). I will review to see if there is anything else that might be important to this issue.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or call me at 954-340-4956.

Thanks,

Robert H. Smith

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Utility Regulated/Non-Regulated Company's - Tax Entries - Cash Reconciliation Summary - Draft

FERC Acct	Account	Regulated Ratepayer Funds / Utility (1)	Amount	Non-Regulated Holdco Holding Company (2) Acct	Amount	Non-Regulated Financing Company (2) Amount	Non-Regulated Subsidiary /Subsidiary (*) (2) Amount	(3) Total
236	DR Taxes Accrued Fed Inc Tax	Payment of Curr Fed Inc Tx	0	?	0	0	0	0
131	CR Cash	Cash Account	0	?	0	0	0	0
409	DR Inc Taxes Utility Operations	Inc Tx Expense	0	?	0	0	0	0
236	CR Taxes Accrued	Taxes Accrued	0	?	0	0	0	0
410	Prov for Def Inc Tx Util Operations	Prov for Def Inc Taxes	0	?	0	0	0	0
411	Prov for Def Inc Tx Credit Util Op.	Prov for Def Inc Taxes	0					
190	Accum. Deferred Inc Tax	Accum Def Inc Tax	0	?	0	0	0	0
281	Accum. Deferred Inc Tax	Accum Def Inc Tax	0					
282	Accum. Deferred Inc Tax	Accum Def Inc Tax	0					
283	Accum. Deferred Inc Tax	Accum Def Inc Tax	0					
		Total - Should be zero	0		0	0	0	0

(1) Cash From Ratepayers Regulated by FERC/PSC - Full Current/Deferred Taxes Collected in Rates - 10K filed on Consolidated Basis. No separation of Cash Accounts. If current Taxes paid is less than the Full tax provision then surplus cash should be maintained as a balance in the Utility FERC 131 Account.

(2) Tax Accounts do not have to follow FERC Account Numbers. There will still be Current/Deferred Taxes Payments for Current Taxes must be paid out of the individual Non Reg. Company and not paid from Utility Operations (FERC Aecount 131 Account). Deferred Tax Account numbers do not have to meet FERC account guidelines

(3) This is the total Current/Oeferred Tax Provision filed with the Consolidated Tax Return for FPL Group. The Total Current Tax Provision (Cash) should have cash entries in each respective company to make sure that the cash disbursements are being made out of each Regulated and Non Regulated separately.

Since most companies are set up as independent companies accountability must be controlled by the Public Service Commission since the Commission is responsible for the accountability of the ratepayer funds. All Management Agreement Negotiations should be over seen by the Public Service Commission to keep Control of the Regulated/Non-Regulated Cash Flow. Segmented Cash Flows would be required for a full Accounting. The journal entries above are on a cash basis only. There may be accrual entries that would be recorded per Generally Accepted Accounting Principles. There may also be regulatory Accounting Journal Entries as required by FERC/PSC Accounting.

* All Non-Regulated Subsidiaries/Subsidiaries should generate enough cash flow to support the operations of the company. If there is Goodwill Acquisition Indebtedness, then it should be fully funded by the operations of the Non-Regulated Subsidiary.

Regulated Utility / Holding Company Cash Flow Issues:

1) Segmented Cash Flows would have to be prepared to properly account for Regulated versus Non-Regulated Cash Movement.
Public Utility Holding Company Act (PUHCA) (1935) Regulated by State Public Service Commissions/Federal Energy Regulatory Commission

2) Full Accounting for the funding of dividends/executive compensation plans at the Holding Company Level.
This should include the back up Cash Flow Accounting to support the level of dividends paid out.

3) Separate Cash Accounts (i.e. Utility cash account is 131 account)
This has to be done to make sure that there is a separation of Regulated Cash from Non-Regulated Cash.

4) How is the company accounting for the intercompany cash transactions?
Assets transfers? Are these being made at historical cost or at market value?
If Financed by the Utility, is the ratepayer receiving a fair return on capital? What rate of return are they earning?

5) Separate billing systems Is the only billing system that is being maintained for the Utility?
If not, then are there separate billing systems for non-regulated subsidiaries/subsidiaries?

6) Separate work order systems
This is very critical since the work order system is probably used for capital expenditures/expenses. Usually there is utility coding for the type of capital expenditure that clears to the ledgers or utility accounts. These can be Plant, CWIP etc.

7) Separate Accounting Systems for each Entity
Is there a separate system for each entity? If not, what type of internal controls has been put into place to ensure that all capital expenditures/expenses are being cleared to the appropriate company accounts?

Utility Regulated/Non-Regulated Company's - Tax Entries- Cash Reconciliation - Draft

FERC Acct	Account	Regulated Ratepayer Funds / Utility	Amount	Account	Non-Regulated Holdco Holding Company Description	Amount	Account	Non-Regulated Financing Company	Amount	Account	Non-Regulated Subsidiary /Subsidiary (*)	Amount	Total
236	DR Taxes Accrued Fed Inc Tax	Pmt of Curr Fed Inc Tx	0	DR Taxes Accrued Fed Inc Tax	Pmt of Curr Fed Inc Tx - Non Reg Holdco	0	DR Taxes Accrued Fed Inc Tax	Pmt of Curr Fed Inc Tx Non Reg Fin.	0	DR Taxes Accrued Fed Inc Tax	Pmt of Curr Fed Inc Tx Non Reg Sub	0	0
131	CR Cash	Cash Account	0	CR Cash Separate Non-reg account	Cash Account - Non Reg Cash Acct	0	CR Cash Separate Non-Reg Acct	Cash Account - Non Reg Cash Acct	0	CR Cash Separate Non-Reg Acct	Cash Account - Non Reg Cash Acct	0	0
409	DR Inc Taxes Utility Operations	Inc Tx Utility Operations	0	DR Inc Taxes -Non Reg Holdco	Inc Tax Non-Reg Co Holdco	0	DR Inc Taxes Non Reg Fin Co	Inc Tax Non-Regulated Fin Company	0	DR Inc Taxes Non Reg Subsidiary	Inc Tax Non-Regulated Subsidiary	0	0
236	CR Taxes Accrued	Taxes Accrued Util Oper	0	CR Taxes Accrued - Non Reg Holdco	Taxes Accrued - Non-Reg Holdco	0	CR Taxes Accrued Non Reg Fin Co	Taxes Accrd - Non-Regulated Fin Co	0	CR Taxes Accrued Non Reg Sub	Taxes Accrued - Non-Regulated Sub	0	0
410	Prov for Def Inc Tx Util Oper.	Prov for Def Inc Taxes	0	Prov for Def Inc Tx Non Reg Holdco	Prov for Def Inc Tx Non-Reg Co. Holdco	0	Prov for Def Inc Tx Non Reg Fin Co	Prov for Def Inc Tx Non-Reg - Fin Co	0	Prov for Def Inc Tx Non Reg Sub	Prov for Def Inc Tx Non-Reg Sub	0	0
411	Prov for Def Inc Tx Credit Util Op.	Prov for Def Inc Taxes	0										
190	Accum. Deferred Inc Tax	Accum Def Inc Tax	0	Accum. Def Inc Tax Non Reg Holdco	Accum Def Inc Tax - Non Reg Holco	0	Accum. Deferred Inc Tax Non Reg Fin	Accum Def Inc Tax Non Reg Fin Co	0	Accum. Deferred Inc Tax Non Reg Sub	Accum Def Inc Tax Non Reg Sub	0	0
281	Accum. Deferred Inc Tax	Accum Def Inc Tax	0										0
282	Accum. Deferred Inc Tax	Accum Def Inc Tax	0										0
283	Accum. Deferred Inc Tax	Accum Def Inc Tax	0										0
		Total - Should be zero	0		Total - Should be zero	0		Total - Should be zero	0		Total - Should be zero	0	0
		Cash from Ratepayers Regulated by FERC/PSC			Tax Accounts do not have to follow FERC Account numbers. There will still be Current/Deferred Taxes			Tax Accounts do not have to follow FERC Account numbers. There will still be Current/Deferred Taxes			Tax Accounts do not have to follow FERC Account numbers. There will still be Current/Deferred Taxes		

Since most companies are set up as independent companies accountability must be controlled by the Public Service Commission since the Commission is responsible for the accountability of the ratepayer funds. All Management Agreement Negotiations should be over seen by the Public Service Commission to keep Control of the Regulated/Non-Regulated Cash Flow. Segmented Cash Flows would be required for a full Accounting. The journal entries above are on a cash basis only. There may be accrual entries that would be recorded per Generally Accepted Accounting Principles. There may also be regulatory Accounting Journal Entries as required by FERC/PSC Accounting.

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131	CR Cash	Cash Account	0	CR Cash Separate Non-reg account	Cash Account - Non Reg Cash Acct	0	CR Cash Separate Non-Reg Acct	Cash Account - Non Reg Cash Acct	0	CR Cash Separate Non-Reg Acct	Cash Account - Non Reg Cash Acct	0	0
409	DR Inc Taxes Utility Operations	Inc Tx Utility Operations	0	DR Inc Taxes Non Reg Holdco	Inc Tax Non-Reg Co Holdco	0	DR Inc Taxes Non Reg Fin Co	Inc Tax Non-Regulated Fin Company	0	DR Inc Taxes Non Reg Subsidiary	Inc Tax Non-Regulated Subsidiary	0	0
236	CR Taxes Accrued	Taxes Accrued Util Oper	0	CR Taxes Accrued - Non Reg Holdco	Taxes Accrued - Non-Reg Holdco	0	CR Taxes Accrued Non Reg Fin Co	Taxes Accrd - Non-Regulated Fin Co	0	CR Taxes Accrued Non Reg Sub	Taxes Accrued - Non-Regulated Sub	0	0
410	Prov for Def Inc Tx Util Oper.	Prov for Def Inc Taxes	0	Prov for Def Inc Tx Non Reg Holdco	Prov for Def Inc Tx Non-Reg Co. Holdco	0	Prov for Def Inc Tx Non Reg Fin Co	Prov for Def Inc Tx Non-Reg - Fin Co	0	Prov for Def Inc Tx Non Reg Sub	Prov for Def Inc Tx Non-Reg Sub	0	0
411	Prov for Def Inc Tx Credit Util Op.	Prov for Def Inc Taxes	0										
190	Accum. Deferred Inc Tax	Accum Def Inc Tax	0	Accum. Def Inc Tax Non Reg Holdco	Accum Def Inc Tax - Non Reg Holco	0	Accum. Deferred Inc Tax Non Reg Fin	Accum Def Inc Tax Non Reg Fin Co	0	Accum. Deferred Inc Tax Non Reg Sub	Accum Def Inc Tax Non Reg Sub	0	0
281	Accum. Deferred Inc Tax	Accum Def Inc Tax	0										0
282	Accum. Deferred Inc Tax	Accum Def Inc Tax	0										0
283	Accum. Deferred Inc Tax	Accum Def Inc Tax	0										0
		Total - Should be zero	0		Total - Should be zero	0		Total - Should be zero	0		Total - Should be zero	0	0
		Cash from Ratepayers Regulated by FERC/PSC			Tax Accounts do not have to follow FERC Account numbers. There will still be Current/Deferred Taxes			Tax Accounts do not have to follow FERC Account numbers. There will still be Current/Deferred Taxes			Tax Accounts do not have to follow FERC Account numbers. There will still be Current/Deferred Taxes		

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If not, then are there separate billing systems for non-regulated subsidiaries/subsidiaries?

6) Separate work order systems
This is very critical since the work order system is probably used for capital expenditures/expenses. Usually there is utility coding for the type of capital expenditure that clears to the ledgers or utility accounts. These can be Plant, CWIP etc.

7) Separate Accounting Systems for each Entity
Is there a separate system for each entity? If not, what type of internal controls has been put into place to ensure that all capital expenditures/expenses are being cleared to the appropriate company accounts?

Prepared by: Robert H. Smith

3/12/20108:22 PM

Dorothy Menasco 080677

From: rpjrb@yahoo.com
Sent: Friday, March 12, 2010 5:20 PM
To: Records Clerk
Cc: Lisa Bennett; Ann Cole; Office Of Commissioner Edgar; Office of Commissioner Argenziano; Office of Commissioner Skop; Office of Commissioner Klement; Office of Commissioner Stevens; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin
Subject: RE: FPL is accused of not sharing its tax break
Attachments: UtilRegvsNonRegtxpmtsrec03122010.pdf

Dear Ms. Menasco,

The original email had the PDF file attached to be printed for a clean copy.

I know that you have received the PDF file. Is there an issue? Did you receive the file?

It is very important for the pages to be clean and printed out. I know that all the interested parties are submitting information this way.

Here is the file again. I do not think that this request is unreasonable.

Let me know if they are readable and or I will blow them up if I can.

Thanks,

Robert H. Smith

FPSC, CLK - CORRESPONDENCE
___Administrative ✓Parties__Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION: _____

Attached file screen prints should be printed out from attached PDF file UtilRegvsNonregtxpmtsrec03122010.pdf

Utility Regulated/Non-Regulated Company's - Tax Entries - Cash Reconciliation Summary - Draft

FERC Acct	Account	Regulated Ratepayer Funds / Utility (1) Amount		Non-Regulated Holdco Holding Company (2) Acct	Amount	Non Regulated Financing Company (2) Amount	Non Regulated Subsidiary /Subsidiary 1^) (2) Amount	(3) Total
236 DR Taxes Accrued Fed Inc Tax	Payment of Curr Fed Inc Tx	0	?	0		0	0	0
131 CR Cash	Cash Account	0	?	0		0	0	0
409 DR Inc Taxes Utility Operations	Inc Tx Expense	0	?	0		0	0	0
236 CR Taxes Accrued	Taxes Accrued	0	?	0		0	0	0
410 Prov for Def Inc Tx Util Operations	Prov for Def Inc Taxes	0	?	0		0	0	0
411 Prov for Def Inc Tx Credit Util Op	Prov for Def Inc Taxes	0						
190 Accum. Deferred Inc Tax	Accum Def Inc Tax	0	?	0		0	0	0
281 Accum. Deferred Inc Tax	Accum Def Inc Tax	0						
282 Accum. Deferred Inc Tax	Accum Def Inc Tax	0						
283 Accum. Deferred Inc Tax	Accum Def Inc Tax	0						
	Total - Should be zero	0		0		0	0	0

(1) Cash From Ratepayers Regulated by FERC/PSC - Full Current/Deferred Taxes Collected in Rates - 10K Filed on Consolidated Basis. No separation of Cash Accounts.
If current Taxes paid is less than the full tax provision then surplus cash should be maintained as a balance in the Utility FERC 131 Account.

(2) Tax Accounts do not have to follow FERC Account Numbers. There will still be Current/Deferred Taxes Payments for Current Taxes must be paid out of the individual Non Reg. Company and not paid from Utility Operations (FERC Account 131 Account).
Deferred Tax Accounts numbers do not have to meet FERC account guidelines

(3) This is the total Current/Deferred Tax Provision filed with the Consolidated Tax Return for FPL Group. The Total Current Tax Provision (Cash) should have cash entries in each respective company to make sure that the cash disbursements are being made out of each Regulated and Non Regulated separately.

Since most companies are set up as independent companies accountability must be controlled by the Public Service Commission since the Commission is responsible for the accountability of the ratepayer funds.
All Management Agreement Negotiations should be overseen by the Public Service Commission to keep Control of the Regulated/Non-Regulated Cash Flow. Segmented Cash Flows would be required for a full Accounting.
The journal entries above are on a cash basis only. There may be accrual entries that would be recorded per Generally Accepted Accounting Principles. There may also be regulatory Accounting journal entries required by FERC/PSC Accounting.

* All Non-Regulated Subsidiaries/Subsidiaries should generate enough cash flow to support the operations of the company. If there is Goodwill Acquisition maintenance, then it should be fully funded by the operations of the Non-Regulated Subsidiary.

Regulated Utility / Holding Company Cash Flow Issues:

1) Segmented Cash Flows would have to be prepared to properly account for Regulated versus Non-Regulated Cash Movement.
Public Utility Holding Company Act (PUHCA) (1935) Regulated by State Public Service Commissions/Federal Energy Regulatory Commission

2) Full Accounting for the funding of dividends/executive compensation if any at the Holding Company Level.
This should include the back up Cash Flow Accounting to support the level of dividends paid out.

3) Separate Cash Accounts (i.e. Utility cash Account is 131 account)
This has to be done to make sure that there is a separation of Regulated Cash from Non-Regulated Cash.

4) How is the company accounting for the intercompany cash transactions?
Assets transfers? Are these being made at historical cost or at market value?
If financed by the Utility, is the ratepayer receiving a fair return on Capital? What rate of return are they earning?

5) Separate billing systems is the only billing system that is being maintained for the Utility?
If not, then are there separate billing systems for non-regulated subsidiaries/subsidiaries?

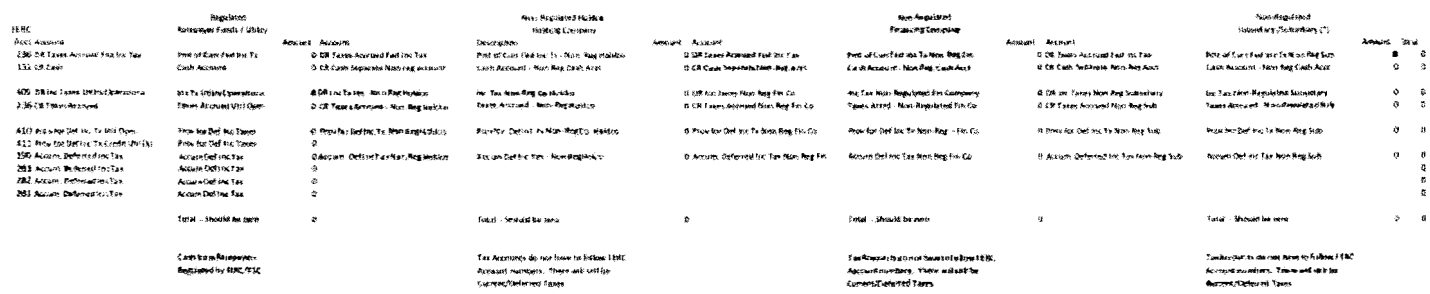
6) Separate work order systems
This is very critical since the work or the system is probably used for capital expenditures/expenses. Usually there is utility coding for the type of capital expenditures that clear to the ledgers or utility accounts. These can be Plant, CWIP etc.

7) Separate Accounting Systems for each Entity
Is there a Separate system for each entity? If not, what type of internal controls have been put into place to ensure that all capital expenditures/expenses are being cleared to the appropriate company accounts?

Prepared by Robert H Smith

3/12/2010 10:58 AM

Utility Regulated/Non-Regulated Company's - Tax Entries- Cash Reconciliation - Draft



Since most companies are set up as investment companies accountability must be controlled by the Public Service Commission since the Commission is responsible for the accountability of the ratepayer funds.
A Management Agreement between entities should be overseen by the Public Service Commission to keep Control of the Regulated/Non-Regulated Cash Flow. Segmented Cash Flows would be required for a full Accounting.
The journal entries above are on a cash basis only. There may be accrual entries that would be recorded per Generally Accepted Accounting Principles. There may also be regulatory Accounting Journal Entries as required by FERC/PSC Accounting.

* All Non-Regulated Subsidiaries/Subsidiaries should generate enough cash flow to support the operations of the company. If there is Goodwill Acquisition Indebtedness, then it should be fully funded by the operations of the Non-Regulated Subsidiary.

Regulated Utility / Holding Company Cash Flow Issues:

1) Segmented Cash Flows would have to be prepared to properly account for Regulated versus Non-Regulated Cash Movement.
Public Utility Holding Company Act (PUHCA) (1935) Regulated by State Public Service Commissions/Federal Energy Regulatory Commission

2) Full Accounting for the funding of dividends/executive compensation plans at the Holding Company Level.
This should include the back up Cash Flow Accounting to support the level of dividends paid out.

3) Separate Cash Accounts (i.e. Utility cash account a 123 account)
This has to be done to make sure that there is a separation of Regulated Cash from Non-Regulated Cash.

4) How is the company accounting for the intercompany cash transactions?
Assets transfers? Are these being made at historical cost or at market value?
If Financed by the Utility, is the ratepayer receiving a fair return on capital? What rate of return are they earning?

5) Separate billing systems: is the only billing system that is being maintained for the Utility?
If not, then are there separate billing systems for non-regulated subsidiaries/subsidiaries?

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This is very significant since the work order system is probably used for capital expenditures/expenses. Usually there is utility coding for this type of capital expenditure that clears to the ledgers or utility accounts. These can be Plant, CWIP etc.

7) Separate Accounting Systems for each Entity
Is there a separate system for each entity? If not, what type of internal controls has been put into place to ensure that all capital expenditures/expenses are being cleared to the appropriate company accounts?

Prepared by: Robert H. Smith 3/12/2010 10:50 AM

Confidentiality Statement

information is strictly prohibited, and the documents should be returned. In this regard, if you received this telecopy in error, please contact the sender by reply E-mail and destroy all copies of the original.

From: Dorothy Menasco [mailto:DMenasco@PSC.STATE.FL.US] **On Behalf Of** Records Clerk
Sent: Friday, March 12, 2010 5:12 PM
To: rpjrb@yahoo.com; Records Clerk
Cc: Lisa Bennett; Ann Cole; Office Of Commissioner Edgar; Office of Commissioner Argenziano; Office of Commissioner Skop; Office of Commissioner Klement; Office of Commissioner Stevens; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin
Subject: RE: FPL is accused of not sharing its tax break

Mr. Smith:

There were no attachments included with your message below. If there are attachments, please include them in your e-mails to clerk@psc.state.fl.us and they will be printed and included. Thank you for your assistance.

Florida Public Service Commission
Office of Commission Clerk
850-413-6770

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, March 12, 2010 4:54 PM
To: Records Clerk
Cc: Lisa Bennett; Ann Cole; Office Of Commissioner Edgar; Office of Commissioner Argenziano; Office of Commissioner Skop; Office of Commissioner Klement; Office of Commissioner Stevens; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin
Subject: RE: FPL is accused of not sharing its tax break

Dear Ms. Menasco on behalf of the records clerk,

Where the attachment's scanned to be added with the email correspondence?

Was this files correspondence added?

UtilRegvsNonRegtxpmtsrec03122010.pdf

Thanks,

Robert H. Smith

Confidentiality Statement

The documents accompanying this telecopy transmission contain information which is confidential and/or legally privileged. The information is intended only for the use of the individual or entity named on this transmission sheet. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this telecopied information is strictly prohibited, and the documents should be returned. In this regard, if you received this telecopy in error, please contact the sender by reply E-mail and destroy all copies of the original.

From: Dorothy Menasco [mailto:DMenasco@PSC.STATE.FL.US] **On Behalf Of** Records Clerk
Sent: Friday, March 12, 2010 4:45 PM
To: rpjrb@yahoo.com; Records Clerk
Cc: Lisa Bennett; Ann Cole; Office Of Commissioner Edgar; Office of Commissioner Argenziano; Office of Commissioner Skop; Office of Commissioner Klement; Office of Commissioner Stevens; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin
Subject: RE: FPL is accused of not sharing its tax break

Mr. Smith:

Per your request, this e-mail is being placed in *Docket correspondence - Parties and Interested Persons* (DN 10741-08).

Florida Public Service Commission
Office of Commission Clerk
850-413-6770

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, March 12, 2010 4:07 PM
To: Dorothy Menasco; Records Clerk
Cc: Lisa Bennett; Ann Cole; Office Of Commissioner Edgar; Office of Commissioner Argenziano; Office of Commissioner Skop; Office of Commissioner Klement; Office of Commissioner Stevens; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin
Subject: RE: FPL is accused of not sharing its tax break

Dear Ms. Menasco,

Please place these documents in the Dockets correspondence – Parties and Interested Parties as per below. If these documents need to be placed anywhere else then I guess this will be determined by the Commissioner's and Staff.

I have attached the file so that the PDF images can be scanned and combined with the email correspondence below to be put into DN 10741-08 as per your instruction. The attached file UtilRegvsNonRegtxpmtsrec03122010.pdf is the file name that has to be attached.

I have provided the instructions below. What is confusing is that the department that you work in is the Office of Commission Clerk. How come you do not want to use a direct email address?

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk

This makes no sense but the instructions to the records clerk is below.

Any way thank for your help.

Thanks,

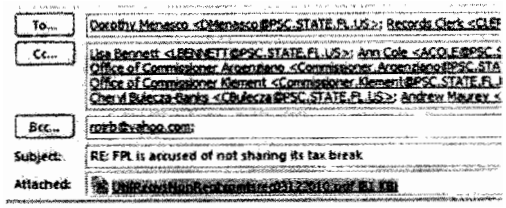
Robert H. Smith

To the Records Clerk,

Please let me know when the Attached file and email correspondence below will be placed into DN 10741-08 below. Hopefully all interested parties and intervener's are made aware of this correspondence.

I have attached the file so that the PDF images can be scanned and combined with the email correspondence below to be put into DN 10741-08 as per Ms. Menasco's instructions. The attached file UtilRegvsNonRegtxpmtsrec03122010.pdf is the file name that has to be attached.

If you have any questions please do not hesitate to ask.



Thanks,

Robert H. Smith

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From: Dorothy Menasco [mailto:DMenasco@PSC.STATE.FL.US]
Sent: Friday, March 12, 2010 2:59 PM
To: rpjrb@yahoo.com
Cc: Lisa Bennett; Ann Cole; Office Of Commissioner Edgar; Office of Commissioner Argenziano; Office of Commissioner Skop; Office of Commissioner Klement; Office of Commissioner Stevens; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin
Subject: RE: FPL is accused of not sharing its tax break

Mr. Smith:

Thank you for your reply. I'm not sure how I came to be on the distrubution list directly. If you wish for these types of documents to be placed directly in *Docket correspondence - Parties and Interested Persons* (DN 10741-08), please forward them to the following e-mail address: clerk@psc.state.fl.us. That is our standard procedure.

As mentioned in our 11/3/09 and 1/9/10 correspondence, all of your correspondence in Docket 080677, that is forwarded to our office, is placed in *Docket correspondence - Parties and Interested Persons*. Document No. 10741-08 can accessed on the PSC website utilizing any of the following links:

http://www.floridapsc.com/dockets/cms/ShowDocket.aspx?docket=H:\LIBRARY\FILINGS\08\10741-08

http://www.floridapsc.com/dockets/cms/docketdetails.aspx?docket=080677

http://www.psc.state.fl.us/dockets/cms/

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, March 12, 2010 1:53 PM
To: Dorothy Menasco
Cc: Lisa Bennett; Ann Cole; Office Of Commissioner Edgar; Office of Commissioner Argenziano; Office of Commissioner Skop; Office of Commissioner Klement; Office of Commissioner Stevens; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin
Subject: RE: FPL is accused of not sharing its tax break

Dear Ms. Menasco,

I have kept you on the distribution list since in the past you have always been kept on the list and have been receiving all the correspondence.

I would be following up with the request anyway to make sure that it is put into the public record just like all the other correspondence that I have sent. This way I already know that the Clerk's office has already received the information. I have been doing this from inception with the case. I will remove you but I will be following up anyway since I know that they will be forwarding this information to you to enter into the public record. Makes sense to keep everyone in the loop. When the information is forwarded to you please make sure that the attachment is included in the public record as well. I will be following up in a couple of days to see if this information has been entered into the record. I probably would be following up

My summary if supported by cancelled checks should be very easy to match up to the company's consolidated tax return to match the IRS payment that has been paid. If the possibility exists that there is not ample cash in a non-regulated subsidiary to cover its individual tax liability then the possibility exists that there might be a subsidization problem and the ratepayer must be made whole.

The Utilized Investment tax credits would be taken as a credit to the current tax provision and would be reflected in the current expense/payable for each respective company (regulated DR Acct 409 / CR Acct 236) (Non-Regulated DR – current tax expense CR – Taxes Accrued Federal Income taxes). Since the non-regulated subsidiaries might not follow FERC accounting if they are private entities the account numbers might be different but the account descriptions from an accounting perspective would be fine to support the concept to prove out the tax payment reconciliations.

I am going to continue to look at what I have put together but if I find something else I will follow up.

Segmented Cash flow reporting is very important with the Utility industry. This was very evident back in 1935 when they created the Public Utility Holding Company Act (PUHCA).

There are other industries that are having similar accounting issues that I have been working on with the Securities Exchange Commission (SEC) as well.

The holding company concept is a very important concept. These issues have been very important to me for over a decade.

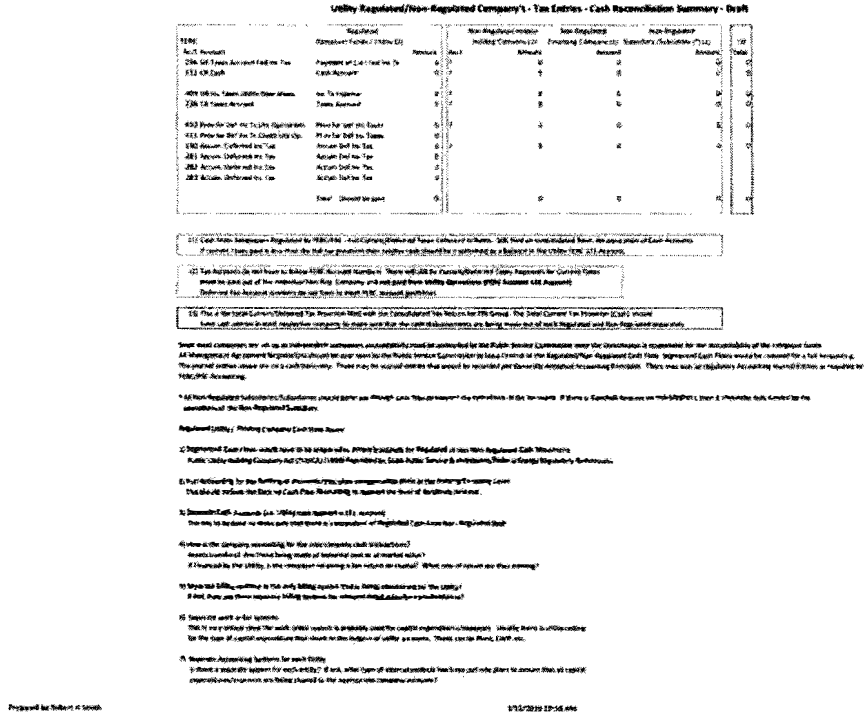
If you have any questions please do not hesitate to email me at rpjrb@yahoo.com.

I follow up if there are any changes with the reconciliations.

Thanks,

Robert H. Smith

Here is the summary page that I have put together that is part of the PDF file.



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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, January 06, 2010 1:04 PM
To: 'Lisa Bennett'; 'Office of Commissioner Carter'; 'Office Of Commissioner Edgar'; 'Office of Commissioner McMurrian'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; Commissioner.Klement@psc.state.fl.us; Commissioner.Stevens@psc.state.fl.us; 'Ann Cole'; 'Marshall Willis'; 'Cheryl Bulecza-Banks'; 'Andrew Maurey'; 'Tim Devlin'; 'Dorothy Menasco'
Cc: chairmanoffice@sec.gov; 'SEC Help'; Cathy.Flanagan@usdoj.gov; AskDOJ@usdoj.gov; 'Drayne, Karen'; Bill@billnelson.senate.gov; 'Shelby, Senator (Shelby)'; senator_bingaman@bingaman.senate.gov; senator@dorgan.senate.gov; senator_leahy@leahy.senate.gov; senator_lugar@lugar.senate.gov; gpoaccess@gpo.gov;

comments@whitehouse.gov; vice_president@whitehouse.gov; Charlie.Crist@MyFlorida.com; rpjrb@yahoo.com
Subject: FW: FPL is accused of not sharing its tax break

Dear Commissioner's

I had sent this breakout of my prior experience with regard to the ratecase process. I am sending this to keep everyone in the loop.

I hope that balance is maintained.

Thanks,

Robert H. Smith

Confidentiality Statement

The documents accompanying this telecopy transmission contain information which is confidential and/or legally privileged. The information is intended only for the use of the individual or entity named on this transmission sheet. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this telecopied information is strictly prohibited, and the documents should be returned. In this regard, if you received this telecopy in error, please contact the sender by reply E-mail and destroy all copies of the original.

From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Wednesday, January 06, 2010 12:38 PM
To: 'Patel, Julie'
Subject: RE: FPL is accused of not sharing its tax break

Dear Ms. Patel,

It was nice speaking to you today regarding the Florida Power & Light Ratecase. I hope that my email correspondence has contributed to this ratecase process.

Here is the summary and detailed resume of my 10 years experience. Feel free to contact me with any other questions.

Thanks,

Robert H. Smith

Here you go:

KEYSPAN ENERGY, Hicksville, New York, 1990 – 2000
Senior Financial/Economic Analyst/Senior Tax Advisor
Preparation of the Company's Short Range and Long Range Financial Forecasts/Rate Case Filings including the preparation of the Company's official corporate budget for Senior Management. Direct consultation with the Company's Chief Financial Officer on interpreting actual versus forecast results in order to prepare forecasts of year-end earnings per share. Performed cost/benefit analysis on the impact of facility plans and changes in ratemaking and rate design philosophy on the financial condition and long term growth of the company. Prepared SEC related reports: Annual reports, 10 K's, shareholder reports, 10 Q's. Preparation of Corporate Tax filings. Calculation of Net Book Values of company assets which includes tax depreciation calculations related to company assets for deferred tax purposes. Assist in answering interrogatories from various interveners (i.e. Public Service Commission. Consumer Protection Board. various rating agencies).

KEYSPAN ENERGY, Hicksville, New York, 1990 – 2000
Senior Financial/Economic Analyst/Senior Tax Advisor
Preparation of the Company's Short Range and Long Range Financial Forecasts/Rate Case Filings including the preparation of the Company's official corporate budget for Senior Management. Direct consultation with the Company's Chief Financial Officer on interpreting actual versus forecast results in order to prepare forecasts of year-end earnings per share.

- Reviewed and conducted financial and economic analysis of all aspects of corporate operations in order to evaluate and seek solutions, which improve corporate performance.
- Analyzed alternative methods of financing present/proposed operations and corporate expansion programs.
- Performed cost/benefit analysis on the impact of facility plans and changes in ratemaking and rate design philosophy on the financial condition and long term growth of the company.
- Prepared short range and long range financial forecasts by line of business for Senior Management.
- Communicated forecast results to senior management and the business units.
- All aspects of analyzing and explaining variances between actual and forecast amounts and extrapolating their impact on year-end-results.
- Consulted with the Company's Chief Financial Officer on interpreting actual versus forecast results for the forecast of year-end earnings per share.
- Expert on the analysis of the Company's theoretical depreciation reserves versus the books depreciation reserves including depreciation recovered through the company's rates.
- Analysis of property plant additions (i.e. for property tax purposes), retirements and cost of removal.
- Calculation of Net Book values of company assets which includes tax depreciation calculations related to company assets for deferred tax purposes.
- Coordinated and maintained consolidated financial models (PC Based, Network server based and mainframe based), data base, Logic and reports (Profit & Loss. Balance Sheets) for all aspects of financial forecasts and implement logic changes in order to satisfy the requirements of senior management.
- Expert on EXCEL, POWER POINT, WORD, LOTUS, WORDPERFECT, HARVARD GRAPHICS, ACCESS and MONARCH.

- Increased productivity levels by providing key contributions toward automation of account reconciliation processes.

Financial Analyst

- Assist in the Maintenance of the Consolidation Model data base, logic and reports,

ensuring an up-to-date status with current financial and regulatory requirements.
- Assist in updating the financial forecasts and exhibits included in the Company's pending Gas Rate Case and Compliance filing proceedings as required by the Public Service Commission.
- Assist in the preparation of the Company's official corporate budget for Senior Management including high level variance analysis of the companies cost of service for rate making purposes and the company's earnings for GAAP/SEC purposes.
- Provide monthly income statements/variance analysis for Senior Management of the Operations and Regulatory support departments.
- Provide quarterly income statements/variance analysis for the Tax department for revising the Company's estimated tax payments.
- Prepared SEC related reports: Annual reports, 10K's, shareholder reports, 10Q's
- Prepared Corporate tax Filings
- Assist in answering interrogatories from various interveners (i.e. Public Service Commission, Consumer Protection Board, various rating agencies)
- Liaison between Financial Planning and Accounting, Tax, Budget departments.
- Department's expert on personal computers.
- Knowledge of TSO, CICS mainframe operating systems and GPOS7 (Database) language.

Confidentiality Statement

The documents accompanying this telecopy transmission contain information which is confidential and/or legally privileged. The information is intended only for the use of the individual or entity named on this transmission sheet. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this telecopied information is strictly prohibited, and the documents should be returned. In this regard, if you received this telecopy in error, please contact the sender by reply E-mail and destroy all copies of the original.

From: Patel, Julie [mailto:jvpatel@sun-sentinel.com]
Sent: Wednesday, January 06, 2010 11:52 AM
To: rpjrb@yahoo.com
Subject: RE: FPL is accused of not sharing its tax break

Thank you for this analysis! It is very helpful. I'd like to add some of it to our Web piece on the subject. Can you remind me which utility you used to work for and what your position was? Thanks.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, January 06, 2010 11:38 AM
To: 'Klas, Mary Ellen - Miami'; Patel, Julie
Subject: FPL is accused of not sharing its tax break

Dear Ms. Klas and Ms. Patel,

I received the letter from the PSC on Monday the 4th. When I read this I had mixed feelings on this. I wanted to share my thoughts on this with everyone. Remember balance is very important in this case from both a ratepayer and shareholder perspective.

This should be very easy to determine.

First off if the tax credits (ITC (Investment tax credits)) were derived from the non-regulated entity and the project was financed without the use of regulated monies then from a strict subsidiary perspective this would be OK. All Tax credits for the subsidiary should be only related to the project directly and financed on its own without the use of ratepayer money. Each tax provision for each entity should be maintained separately. This should include both current and deferred tax provisions. I know that the Utility might file its tax return on a consolidated basis. If there is a tax liability from a consolidated return perspective we must make sure that when the taxes are paid that they are being paid by each individual entity (regulated/non-regulated) entity. This must be looked at from a cash flow perspective as well since when they file the return they might be paying for the taxes as FPL group. From a Federal tax perspective the Fed's just want to capture the full tax liability for the entire company (FPL Group). The cash perspective of any tax liability at the subsidiary level is very important to take a look at. Each regulated/non-regulated entity should be able to pay its own tax liability. This should be paid from each individual entities cash account.

On the other hand if the possibility exists that any regulated monies financed any of these projects then there might be another problem. The possibility exists that the utility ratepayer might have financed a project to generate these tax credits. The ratepayer has to be made whole if this is the case.

Another issue that might surface is if the consolidated tax liability that is being paid by FPL is being paid together. The accounting for the cash and tax provisions must be maintained separately by regulated/non-regulated entity. Again if the possibility exists that the tax liabilities are being financed or paid by the ratepayers then it would be very important that the ratepayer be made whole.

The only way to accomplish this would be to make sure that each tax provision for each entity is maintained separately. Any cash payments made on a consolidated basis has to be broken out by regulated/non-regulated entity so that each regulated/non-regulated subsidiary is paying for its share of it current/deferred tax provision.

If you take a look at the emails that I have been sending I have repeatedly asked for a breakout of the cash flows by regulated/non-regulated entities. I have sent multiple requests to Mr. Lew Hay and Mr. Sieving from a shareholder perspective asking for segmented cash flows by entity. Again, I have not heard back from them as of today.

Based upon the segmented cash flow approach this issue can be addressed very easily.

Up North I personally worked on the consolidated tax return for a major utility (when I worked in the tax department after financial planning). I used to prepare the detailed tax provisions for both the Electric and Gas lines of business for each ratecase filing. This included the modeling of all current and deferred tax provisions which included ITC's (Investment Tax Credits). The tax department interfaced with our financial planning area in which we would model the full detailed tax provision. All temporary/permanent differences as well the utilization of ITC's were modeled in our rate case in each separate Electric/Gas Cost of Service. Each tax provision from a current/deferred tax perspective was kept separately. All ITC (Investment Tax Credits) were maintained as per FERC accounting in a separate Electric/Gas account. Yes the tax return was filed together but we still maintained the tax provisions separately. We were also able to determine the current/deferred tax breakout which translated to the cash payment by line of business. This was filed with our ratecase proceeding as two separate tax provisions. Up North we were in an NOL position for a long time. These NOL's limited the tax liability to the company for a long time. This impacted the current tax paid with the consolidated tax return. Since each provision was maintained separately it was easily to determine the Electric/Gas breakout of its current/deferred tax provisions.

Since the Electric/Gas customer were both ratepayer entities the filing of the consolidated return was OK since both were regulated entities and for the most part all the customers were part of the regulated groups. The only issue that might have surfaced was if there was a non-regulated entity. It would be very important to maintain each tax provision separately from a current/deferred tax perspective to make sure that each entity is paying for its own tax liability. FERC accounting provides for the breakouts out of Utility/Non-Utility accounting. If there is a non-regulated entity then it would be the PSC's responsibility to make sure that these entities are paying for their share of the consolidated tax liability on their own. There should be no subsidization of any tax payments between regulated and non-regulated subsidiaries.

The only way to determine this information is to look at the segmented cash flows by entity (regulated/non-regulated). This should show a line for cash tax payments to tie into the current portion of the entities tax provision. This reconciliation should clear up this issue very easily.

This is why I had mixed feelings on this one. I know that the questions that I have sent as a FOIA request to the FPSC (Florida Public Service Commission) as well as my shareholder request to Mr. Lew Hay and Mr. Sieving would have explained all of the issues that are being discussed in this case. This type of questioning if answered would provide the answers needed to resolve a lot of the questions that are surfacing in this ratecase.

Mr. Davis would be correct as long as both the financing of the projects and the payment of the taxes related to each entity is being made by each entity on its own. There should be no subsidization of any non-regulated entity by any regulated entity.

Please see all my email correspondence that has been made part of the public record to help with some of the technical aspects of these issues.

I have spent over 10 years on these types of issues and I have received phone calls from the New York State Public Service Commission/New York State Comptroller's office regarding similar issues when I first came down to Florida 6 years ago. I worked in the Financial Planning Department for approx. 5 to 6 years and then moved from department to department (Fixed Assets, Tax department, Budget Department) to use my expertise to deal with a concurrent merger and a transfer of assets to a State entity. I worked on not only the preparation of the ratecase cost of services but the consolidated tax return in the tax department as well.

Please let me know if you would like to discuss this issue or any other matters related to the technical aspects of this ratecase. Hopefully there are no typo(s). I will review to see if there is anything else that might be important to this issue.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or call me at 954-340-4956.

Thanks,

Robert H. Smith

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Utility Regulated/Non-Regulated Company's - Tax Entries - Cash Reconciliation Summary - Draft

FERC Acct	Account	Regulated Ratepayer Funds / Utility (1)	Amount	Non-Regulated Holdco Holding Company (2) Acct	Amount	Non-Regulated Financing Company (2) Amount	Non-Regulated Subsidiary /Subsidiary (*) (2) Amount	(3) Total
236	DR Taxes Accrued Fed Inc Tax	Payment of Curr Fed Inc Tx	0	?	0	0	0	0
131	CR Cash	Cash Account	0	?	0	0	0	0
409	DR Inc Taxes Utility Operations	Inc Tx Expense	0	?	0	0	0	0
236	CR Taxes Accrued	Taxes Accrued	0	?	0	0	0	0
410	Prov for Oef Inc Tx Util Operations	Prov for Def Inc Taxes	0	?	0	0	0	0
411	Prov for Def Inc Tx Credit Util Op.	Prov for Def Inc Taxes	0					
190	Accum. Deferred Inc Tax	Accum Def Inc Tax	0	?	0	0	0	0
281	Accum. Deferred Inc Tax	Accum Def Inc Tax	0					
282	Accum. Deferred Inc Tax	Accum Def Inc Tax	0					
283	Accum. Deferred Inc Tax	Accum Def Inc Tax	0					
		Total - Should be zero	0		0	0	0	0

(1) Cash From Ratepayers Regulated by FERC/PSC - Full Current/Deferred Taxes Collected in Rates - 10K filed on Consolidated Basis. No separation of Cash Accounts.
If current Taxes paid is less than the Full tax provision then surplus cash should be maintained as a balance in the Utility FERC 131 Account.

(2) Tax Accounts do not have to follow FERC Account Numbers. There will still be Current/Deferred Taxes Payments for Current Taxes **must** be paid out of the individual Non Reg. Company and not **paid from Utility Operations (FERC Account 131 Account)**.
Deferred Tax Account numbers do not have to meet FERC account guidelines

(3) This is the total Current/Deferred Tax Provision filed with the Consolidated Tax Return for FPL Group. The Total Current Tax Provision (Cash) should have cash entries in each respective company to make sure that the cash disbursements are being made out of each Regulated and Non Regulated separately.

Since most companies are set up as independent companies accountability must be controlled by the Public Service Commission since the Commission is responsible for the accountability of the ratepayer funds. All Management Agreement Negotiations should be over seen by the Public Service Commission to keep Control of the Regulated/Non-Regulated Cash Flow. Segmented Cash Flows would be required for a full Accounting. The journal entries above are on a cash basis only. There may be accrual entries that would be recorded per Generally Accepted Accounting Principles. There may also be regulatory Accounting Journal Entries as required by FERC/PSC Accounting.

* All Non-Regulated Subsidiaries/Subsidiaries should generate enough cash flow to support the operations of the company. If there is Goodwill Acquisition Indebtedness, then it should be fully funded by the operations of the Non-Regulated Subsidiary.

Regulated Utility / Holding Company Cash Flow issues;

1) Segmented Cash Flows would have to be prepared to properly account for Regulated versus Non-Regulated Cash Movement.
Public Utility Holding Company Act (PUHCA) (1935) Regulated by State Public Service Commissions/Federal Energy Regulatory Commission

2) Full Accounting for the funding of dividends/executive compensation plans at the Holding Company Level.
This should include the back up Cash Flow Accounting to support the level of dividends paid out.

3) Separate Cash Accounts (i.e. Utility cash account is 131 account)
This has to be done to make sure that there is a separation of Regulated Cash from Non-Regulated Cash.

4) How is the company accounting for the intercompany cash transactions?
Assets transfers? Are these being made at historical cost or at market value?
If Financed by the Utility, is the ratepayer receiving a fair return on capital? What rate of return are they earning?

5) Separate billing systems Is the only billing system that is being maintained for the Utility?
If not, then are there separate billing systems for non-regulated subsidiaries/subsidiaries?

6) Separate work order systems
This is very critical since the work order system is probably used for capital expenditures/expenses. Usually there is utility coding for the type of capital expenditure that clears to the ledgers or utility accounts. These can be Plant, CWIP etc.

7) Separate Accounting Systems for each Entity
Is there a separate system for each entity? If not, what type of internal controls has been put into place to ensure that all capital expenditures/expenses are being cleared to the appropriate company accounts?

Utility Regulated/Non-Regulated Company's - Tax Entries- Cash Reconciliation - Draft

FERC Acct	Account	Regulated Ratepayer Funds / Utility	Amount	Account	Non-Regulated Holdco Holding Company Description	Amount	Account	Non-Regulated Financing Company	Amount	Account	Non-Regulated Subsidiary /Subsidiary (*)	Amount	Total
236	DR Taxes Accrued Fed Inc Tax	Pmt of Curr Fed Inc Tx	0	DR Taxes Accrued Fed Inc Tax	Pmt of Curr Fed Inc Tx - Non RegHoldco	0	DR Taxes Accrued Fed Inc Tax	Pmt of Curr Fed Inc Tx Non Reg Fin.	0	DR Taxes Accrued Fed Inc Tax	Pmt of Curr Fed Inc Tx Non Reg Sub	0	0
131	CR Cash	Cash Account	0	CR Cash Separate Non-reg account	Cash Account - Non Reg Cash Acct	0	CR Cash Separate Non-Reg Acct	Cash Account - Non Reg Cash Acct	0	CR Cash Separate Non-Reg Acct	Cash Account - Non Reg Cash Acct	0	0
409	DR Inc Taxes UtilityOperations	Inc Tx Utility Operations	0	DR Inc Taxes -Non Reg Holdco	Inc Tax Non-Reg Co Holdco	0	DR Inc Taxes Non Reg Fin Co	Inc Tax Non-Regulated Fin Company	0	DR Inc Taxes Non Reg Subsidiary	Inc Tax Non-Regulated Subsidiary	0	0
236	CR Taxes Accrued	Taxes Accrued Util Oper	0	CR Taxes Accrued - Non Reg Holdco	Taxes Accrued - Non-Reg Holdco	0	CR Taxes Accrued Non Reg Fin Co	Taxes Accrd - Non-Regulated Fin Co	0	CR Taxes Accrued Non Reg Sub	Taxes Accrued - Non-Regulated Sub	0	0
410	Prov for Def Inc Tx Util Oper.	Prov for Def Inc Taxes	0	Prov for Def Inc Tx Non Reg Holdco	Prov for Def Inc Tx Non-Reg Co. Holdco	0	Prov for Def Inc Tx Non Reg Fin Co	Prov for Def Inc Tx Non-Reg - Fin Co	0	Prov for Def Inc Tx Non Reg Sub	Prov for Def Inc Tx Non-Reg Sub	0	0
411	Provfor Def Inc Tx Credit UtilOp.	Prov for Def Inc Taxes	0										
190	Accum. Deferred Inc Tax	Accum Def Inc Tax	0	Accum. Def Inc Tax Non Reg Holdco	Accum Def Inc Tax - Non Reg Holco	0	Accum. Deferred Inc Tax Non Reg Fin	Accum Def Inc Tax Non Reg Fin Co	0	Accum. Deferred Inc Tax Non Reg Sub	Accum Def Inc Tax Non Reg Sub	0	0
281	Accum. Deferred Inc Tax	Accum Def Inc Tax	0										0
282	Accum. Deferred Inc Tax	Accum Def Inc Tax	0										0
283	Accum. Deferred Inc Tax	Accum Def Inc Tax	0										0
		Total - Should be zero	0		Total - Should be zero	0		Total - Should be zero	0		Total - Should be zero	0	0
		Cash from Ratepayers Regulated by FERC/PSC			Tax Accounts do not have to follow FERC Account numbers. There will still be Current/Deferred Taxes			Tax Accounts do not have to follow FERC Account numbers. There will still be Current/Deferred Taxes			Tax Accounts do not have to follow FERC Account numbers. There will still be Current/Deferred Taxes		

Since most companies are set up as independent companies accountability must be controlled by the Public Service Commission since the Commission is responsible for the accountability of the ratepayer funds.
All Management Agreement Negotiations should be over seen by the Public Service Commission to keep Control of the Regulated/Non-Regulated Cash Flow. Segmented Cash Flows would be required for a full Accounting.
The journal entries above are on a cash basis only. There may be accrual entries that would be recorded per Generally Accepted Accounting Principles. There may also be regulatory Accounting Journal Entries as required by FERC/PSC Accounting.

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Regulated Utility / Holding Company Cash Flow Issues:

1) Segmented Cash Flows would have to be prepared to properly account for Regulated versus Non-Regulated Cash Movement.
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This should include the back up Cash Flow Accounting to support the level of dividends paid out.

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7) Separate Accounting Systems for each Entity
Is there a separate system for each entity? If not, what type of internal controls has been put into place to ensure that all capital expenditures/expenses are being cleared to the appropriate company accounts?

Dorothy Menasco 080677

From: Dorothy Menasco
Sent: Thursday, February 18, 2010 12:34 PM
To: 'rpjrb@yahoo.com'
Subject: Contact Information Update

FPSC, CLK - CORRESPONDENCE
__Administrative _Parties__Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION: _____

Mr. Smith:

As a follow-up to your request below, your address has been added to the interested persons list for Docket 080677.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, February 18, 2010 9:50 AM
To: Records Clerk
Cc: Lisa Bennett; 'Office of Commissioner Carter'; Office Of Commissioner Edgar; 'Office of Commissioner McMurrian'; Office of Commissioner Argenziano; Office of Commissioner Skop; Office of Commissioner Klement; Office of Commissioner Stevens; Ann Cole; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin; Ann Cole
Subject: RE: 2/17/10 documents request (Invoice No. 11015)

Dear Ms. Menasco,

Thanks you.

You should be receiving a check or money order in the next couple of days.

My address is:

Robert H. Smith
11340 Heron Bay Blvd. #2523
Coral Springs, Florida 33076

I guess you can update the address information on the interested party list as well.

Thanks for your help.

Robert H. Smith

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Ann Cole 080677-EI

From: Ann Cole
Sent: Tuesday, February 16, 2010 2:10 PM
To: Andrew Lutostanski
Cc: Commissioners Advisors; Administrative Assistants - Commission Suite
Subject: FW: FPL
Attachments: FPL Case.Docket No.080667.pdf

Thank you for this information. The attachment has been printed and, unless otherwise instructed, will be placed in *Correspondence - Parties and Interested Persons*, in Docket No. 080677-EI.

From: Andrew Lutostanski
Sent: Tuesday, February 16, 2010 1:51 PM
To: Ann Cole
Subject: FW: FPL

Please add to the correspondence file for Docket No. 080677.

FPSC, CLK - CORRESPONDENCE
__Administrative_✓Parties__Consumer
DOCUMENT NO. 10741-08
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From: Carolyn Cannon
Sent: Tuesday, February 16, 2010 9:00 AM
To: Andrew Lutostanski
Subject: FPL

Ann Cole 080677-EI

FPSC, CLK - CORRESPONDENCE
~~Administrative~~ ~~Parties~~ ~~Consumer~~
DOCUMENT NO. 01544-09 10741-08
DISTRIBUTION: _____

From: Ann Cole
Sent: Wednesday, February 10, 2010 11:29 AM
To: Office of Commissioner Klement
Cc: Commissioners Advisors; Administrative Assistants - Commission Suite
Subject: RE: Claims of misconduct at FPL prompt Miami Herald / FPL Group launches investigation of complaints Sun Sentinel

Thank you for this information. Unless otherwise instructed, it will be placed in Correspondence - Parties and Interested Persons -ac ~~Correspondence - Consumers and their Representatives~~, in Docket No. 080677-EI.

From: Office of Commissioner Klement
Sent: Wednesday, February 10, 2010 9:08 AM
To: Ann Cole
Subject: FW: Claims of misconduct at FPL prompt Miami Herald / FPL Group launches investigation of complaints Sun Sentinel

Please place this in docket #080677.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Tuesday, February 09, 2010 2:50 PM
To: Lisa Bennett; 'Office of Commissioner Carter'; Office Of Commissioner Edgar; 'Office of Commissioner McMurrian'; Office of Commissioner Argenziano; Office of Commissioner Skop; Office of Commissioner Klement; Office of Commissioner Stevens; Ann Cole; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin; Ann Cole
Subject: FW: Claims of misconduct at FPL prompt Miami Herald / FPL Group launches investigation of complaints Sun Sentinel

Dear Commissioner's

I have sent this to the Sun-Sentinel and the Miami Herald since I received a call today regarding some of the recent press releases that have been coming out with regard to this case.

Balance must be maintained for all interested parties in this case.

Thanks,

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Tuesday, February 09, 2010 2:39 PM
To: 'Klas, Mary Ellen - Miami'
Cc: 'Patel, Julie'
Subject: FW: Claims of misconduct at FPL prompt Miami Herald / FPL Group launches investigation of complaints Sun Sentinel

Mary,

It was nice speaking to you today. Please take a look at all my email correspondence that the Florida Public Service Commission has published to hopefully help.

If I can be of any additional help please do not hesitate to email me or give me a call.

Again it was nice speaking to you for a while today.

Thanks,

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Tuesday, February 09, 2010 2:31 PM
To: 'Patel, Julie'
Subject: RE: Claims of misconduct at FPL prompt Miami Herald / FPL Group launches investigation of complaints Sun Sentinel

Julie,

If you take a look at some of my emails correspondence that was made part of the record you will notice that I have asked questions regarding the type of work order systems that are being used at the company. The O&M expenses that they might be talking about, is the level of expense put into their forecast assumptions. If they overstate expense there is a greater need for additional revenue which would trigger a larger rate increase.

A compliance filing should be able to be completed to reconcile any forecast assumptions versus the actual on the company's books. This is the process in which the Florida Public Service Commission would compare any

variances from actual versus forecasts. It is at this point that the Commission could recommend a rate adjustment if they find that the expense were inflated.

A lot of times the Public Service Commission requires an excess earnings test to make sure that if the company is over earning that the money is returned to the customer to make them whole (sounds familiar?). No different than the tax payments.

The only issue that the Public Service Commission would have to make sure about is that they do not set the Return on Equity too high if they realize that the expenses might be inflated. If the expenses are inflated then the need for more rate relief would be needed and if the forecast is showing that FPL is not earning as much as the Utility needs this might influence the Commission's decision when its sets the Return on Equity to set ratemaking earnings.

Segmented cash flow would show the real cash expenditures that would be needed for the full operation of the company by subsidiary.

Cash is the real deal.

GAAP earnings (Generally Accepted Accounting Principles) must translate to cash income and cash expenditures. If they have inflated their expenses and there is no real cash need then yes there would be a cause of concern with the inflation of O&M expenses.

Remember a RateCase is a best guess forecast. They had an over recovery of depreciation in which their forecasted capital requirements and depreciation assumptions generated an over recovery of cash. This was based upon the prior ratecase forecast assumptions. Any inflation of Capital/Expense Expenditures that is not real will translate to an increase in revenue requirements, a lower earned ROE and the need for a larger rate increase.

Remember forecasts are just a set of assumptions at the time, but it is very important for the Florida Public Service Commission to fully understand if the forecasted numbers are real.

They would have to audit to see if the expenses are at the right level. They should compare an actual project to a forecast project to make sure that the level of expenses in the forecast are in line with the actual costs incurred in the past to build another similar project. This is why segmented cash flow reporting should help. Major projects would stand out and if they are similar in the forecasting methodology they should be able to determine a proper comfort level.

A compliance filing should give the Commission the coverage it needs no matter what allegations are being made. The only concern is the segmented cash flow issue in which you want to make sure that the ratepayers are not subsidizing non-regulated entities. Only a segmented cash flow would be able to provide this detail since the 10K is issued on a consolidated basis.

Just like the tax payments there should be no subsidization of regulated monies to non-regulated entities.

Hopefully I did not make any typo(s). I will read through again. If there are any changes I will let you know.

If you have any questions please do not hesitate to email me or give me a call.

Thanks,

Robert H. Smith

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From: Patel, Julie [mailto:jvpatel@sunsentinel.com]
Sent: Tuesday, February 09, 2010 1:54 PM
To: rpjrb@yahoo.com
Subject: RE: Claims of misconduct at FPL prompt Miami Herald / FPL Group launches investigation of complaints Sun Sentinel

Hi Robert. The letters raised a question of whether O&M expenses are inflated. Is that what you're referring to?

Thanks,

Julie

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Tuesday, February 09, 2010 12:22 PM
To: 'Klas, Mary Ellen - Miami'; Patel, Julie
Subject: Claims of misconduct at FPL prompt Miami Herald / FPL Group launches investigation of complaints Sun Sentinel

Dear Ms. Klas,

This would be very easy to trouble shoot based upon the questions that I have asked in the Rate Case as an interested party as well as my faxed/email request to Mr. Hay and Mr. Sieving from FPL. I also had a Freedom of Information Act request with regard to segmented cash flow items as well.

So far I have not received a response from the company as a concerned shareholder. I would not jump to conclusions but my request(s) in which I am asking for segmented cash flow reporting would help with any of the issues that have been brought up.

If you have any questions please do not hesitate to email me or give me a call.

Thanks,

Robert H. Smith

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From the Desk of Thomas Saporito

Post Office Box 8413, Jupiter, Florida 33468
Voice: 561-972-8363 Fax: 561-952-4810
Electronic Mail: saporito3@gmail.com

10 FEB 2010

Hon. Nancy Argenziano, Chairman
Hon. Ben A. Stevens III, Commissioner
Hon. Lisa Polack Edgar, Commissioner
Hon. Nathan A. Skop, Commissioner
Hon. David E. Klement, Commissioner

In re: Docket 080667-EI, Florida Power and Light Company Rate Case

Dear Chairman Argenziano and Commissioners:

Enclosed herewith, please find a CD containing two video files which can be viewed on a Microsoft Windows based computer system.

In the alternative, these same two video files can be viewed on the Internet with any computer system at the following ULR's:

Video #1: **http://www.youtube.com/watch?v=6T1qTvq4X48**

Video #2: **http://www.youtube.com/watch?v=KoRoE76esOY**

This material is being provided to the Florida Public Service Commission to make certain that the "Commission" is fully aware and informed about the apparent misconduct and behavior of an elected city official who received unsolicited funds from individuals associated with the Florida Power and Light Company (FPL) and testified before the Commission as a representative of the people who the elected official served about matters related to FPL.

To the extent that the former Mayor of South Miami Florida may have provided the Commission with false testimony as apparently reflected in Video #1, the undersigned respectfully requests that the Commission formally request that the Florida Attorney General conduct an investigation.

To the extent that one or more FPL executives and/or employees from FPL's Juno Beach office may have given money to the former South Florida Mayor in an attempt to influence [his] testimony before the Commission as related to FPL, the undersigned respectfully requests that the Commission make inquiry of FPL accordingly.

Respectfully submitted,

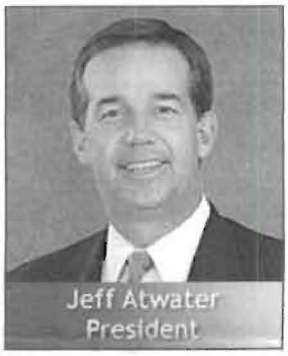
Thomas Saporito

CLK note: The video is available by Contacting the Office of Commission Clerk.

From the Desk of Thomas Saporito 08077

Post Office Box 8413, Jupiter, Florida 33468
Voice: 561-972-8363 Fax: 561-952-4810
Electronic Mail: saporito3@gmail.com

08 FEB 2010



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DOCUMENT NO. 10741-08
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10 FEB -8 AM 8:07
DISTRIBUTION CENTER

Hon. Jeff Atwater
312 Senate Office Building
404 South Monroe Street
Tallahassee, Florida 32399-1100

In re: Public Counsel J.R. Kelly

Dear Senator Atwater:

This letter follows a recent newspaper article published in the St. Petersburg Times on February 4, 2010 which states in relevant part that, *". . . In an unprecedented move, the Legislature has reopened interviews for Kelly's job while he still holds it. Make no mistake -- this is a new trick. Never, under the state's venerable old public counsel, Jack Shreve, did the Legislature dare such a thing. Laughably, the Legislature claims this is just a sudden burst of good government. . . "* See, Feb. 4, 2010 St. Petersburg Times article ensclosed herewith.

To the extent that you are the current president with leadership over the Florida Legislature, I strenuously urge you cease and desist in your apparent efforts to derail the ongoing operations and development of the Office of Public Counsel (OPC). Clearly, the residents of the great State of Florida (which you were elected to serve) have significantly benefited from the tireless efforts of Mr. J.R. Kelly and the entire staff of the OPC since Mr. Kelly's appointment. Notably, the OPC and especially Mr. Kelly, have been extremely effective in limiting recent rate cases proposed by Progress Energy (PE) and by the Florida Power and Light Company (FPL) which resulted in a zero increase in electric rates for rate-payers of PE and a limited rate increase of $75-million dollars for FPL rate-payers for which FPL was requesting $1.3-billion dollars.

It is extremely discerning that your recent apparent efforts to replace Mr. Kelly come on the heals of the recent decisions by the Florida Public Service Commission (PSC) as described above and strongly suggest that you may have improper personal ties to PE and to

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FPL or to both utilities. Thus, further inquiry is required to ascertain whether a more formal investigation is warranted with respect to your recent actions related to Mr. Kelly. Perhaps the Federal Bureau of Investigation (FBI) should open an independent investigation into your actions and conduct?

In the interest of the rate-payers of PE and FPL, the undersigned respectfully requests your cooperation in providing written responses (under affirmation) to the following questions no later than February 26, 2010:

1. Do you have any type of relationship with Progress Energy? If so, please describe your relationship in detail.

2. Do you have any type of relationship with Florida Power and Light Company? If so, please describe your relationship in detail.

3. Have you ever accepted campaign contributions from Progress Energy? If so, please state the amount of contributions and the date of each contribution.

4. Have you ever accepted campaign contributions from Florida Power and Light Company? If so, please state the amount of contributions and the date of each contribution.

5. Have you ever shared communications with anyone employed at Progress Energy, including blackberry communications? If so, please state the date and context of all such communications.

6. Have you ever shared communications with anyone employed at the Florida Power and Light Company, including blackberry communications? If so, please state the date and context of all such communications.

7. Were you invited to the wedding of Lewis Hay, the CEO for FPL Group?

The undersigned expects your full cooperation in providing a written response to each of the above questions under affirmation by the date requested. Upon review of your responses, a determination will be made as to whether further inquiry is required by the FBI related to your specific conduct and behavior regarding Mr. Kelly and the OPC in general.

Respectfully submitted,

Thomas Saporito

RECEIV
FEB 08
Florida Public Ser
Divisio

A copy of the foregoing document was provided to:

J.R. Kelly, Esquire
Office of Public Counsel
c/o The Florida Legislature
111 West Madison Street, Room 812
Tallahassee, Florida 32399-1400

Governor Charlie Crist
Office of the Governor
The Capitol
400 S. Monroe St.
Tallahassee, Florida 32399-0001

Howard Troxler, Columnist
St. Petersburg Times
PO Box 1121
St. Petersburg, FL 33731-1121

Director Robert S. Mueller, III
FBI Headquarters in Washington, D.C.
Federal Bureau of Investigation
J. Edgar Hoover Building
935 Pennsylvania Avenue,
NW Washington, D.C. 20535-0001

Ms. Ann Cole
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850

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St. Petersburg Times

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St. Petersburg Mayor Bill Foster cuts park rangers and reduces hours at Boyd Hill Nature Preserve

Tampa Ba... Lightning's ... Lundin went ...om mi...s to ...HL st...tdown d...renseman

Tarpon Springs issues refunds on tickets from fake 'no parking' signs

...State employ...es fou...nt Las ...as ...ho... ... $400,000 st... ...from taxpay...s, FDLE says

Politics: Legis...e

...

...Sansom ...atches, House ...panel votes to put ...him on trial

C...'s budget saves care programs for elderly

Floridians should rise up against Legislature's attack on public counsel

By Howard Troxler, Times Columnist
In Print: Thursday, February 4, 2010

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C...mm to Democrats: We ...st Lead

Gay Vet ...Don't Ask Don't Tell" Should En...

Pentag...o ...look at ...ow to End 'Don't Ask,'

As you might recall, the public just won historic victories against Florida's two biggest electric companies.

Progress Energy Florida and Florida Power & Light came in asking for something like $1.5 billion in annual rate increases. They lost.

Now, amazingly, here is the reaction of the Florida Legislature:

The Legislature is threatening the job of the public's lawyer who won the rate cases, Public Counsel J.R. Kelly.

In an unprecedented move, the Legislature has reopened interviews for Kelly's job *while he still holds it.*

Make no mistake — this is a new trick. Never, under the state's *venerable old* public counsel, Jack Shreve, did the Legislature dare such a thing.

Laughably, the Legislature claims this is just a sudden burst of good government.

I have a two-syllable reply, and the first syllable refers to the male version of a cow.

At the least, this is a thuggish attempt to warn Kelly not to fight so hard for the public.

At the worst, they really mean to fire him. All it would take is a flick of a wrist from an obscure committee.

The control of this committee alternates between the Senate and the House. This is the Senate's year.

The president of the Senate, Jeff Atwater, is in charge. This is his doing.

Atwater is running to be Florida's chief financial officer. Is *this* his platform? Threaten the public's lawyer for being too effective against the electric companies?

I see that the utilities' surrogates are pounding the blogs and the Internet with anonymous attacks on Kelly, calling him a "hack" and so forth.

In the first place, he just helped stop $1.5 billion in rate increases. Hard to call him a hack.

In the second place, I know Kelly a little and believe him to be dedicated, smart and competent. Best of all, he has kept a talented staff.

In the third place, everybody in and out of Tallahassee whom I ask for an honest opinion says exactly the same thing that I just said. But if you disagree and are not too gutless to use your real name, then I am all ears.

The people of Florida should not let the Legislature get away with this.

You should not let the Legislature get away with this.

We should make all 40 members of the Senate, and all 120 members of the House, personally responsible.

We should demand that every member of the Legislature stand up and protest to their leaders in the Senate and House, even if it hurts their standing with their Tallahassee buddy-buddies.

People often ask: What can *I* do? Here's the answer. Don't waste your time this morning writing *me* to complain. Do this right now: Get your legislator's e-mail address or office telephone number from the phone book, or off the Legislature's Web sites:

flsenate.gov.

myfloridahouse.com.

...E-mail Newsletters

...ial delivery of the St... ...sburg ...s.

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And tell them to stop it.

Your legislator, or his or her staff, will try to deny responsibility. The Republicans, who are in charge of the Legislature, will say they can't do anything because they are not on the committee. The Democrats will say they can't do anything because the Republicans are in charge.

See? That is how they have set it up — they can do dirty deeds and deny responsibility.

But you know better. Tell them that every one of them, Republican and Democrat, had better rise up against their leaders in Tallahassee, lest the people back home rise up against *them*.

[Last modified: Feb 03, 2010 06:45 PM]

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wrote:

Good stuff, Howard, as always. These jerks in the legislature should notice that the Massachusetts Massacre was a reaction to politics as usual BY EITHER PARTY. And the tea partiers are not above criticizing Republicans if they think they represent business as usual. Thanks.

wrote:

Hit that nail on the head one more time, won't you Howard? ALL of us who pay *utility bills owe Mr. Kelly a debt - and not just one of gratitude. He and his staff* have performed a thankless, often futile job trying to protect the public interest in front of the PSC and have done it very well - many times in spite of some ethics challenged PSC members and staff. That Mr. Atwater and company have decided his reward for a job well done should be to have that job threatened is really just too much, particularly since Mr. Atwater has his sights set on higher office. I guess we've come to a place now where our elected representatives don't even TRY to pretend about who their real masters are. Pressuring them to lay off Mr. Kelly is just about the only route left for us and I hope everyone will take the time to do it. The money Mr. Kelly saves could be OUR OWN!
Oh wait... There is one OTHER thing we could do... Go to *www.fairdistrictsflorida.org/home.php and sign the petition today!!!*

Feb 3rd,

Times

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Florida Public Service Commission
Division of SSC

Thomas Saporito
Post Office Box 8413
Jupiter, Florida 33468-8413

WEST PALM BCH FL 334

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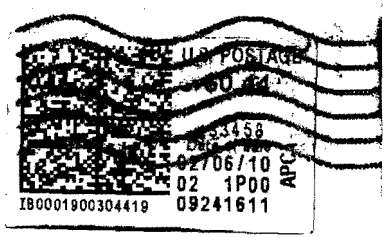

Ms. Ann Cole
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850

32399+0850

Dorothy Menasco 080677-EI

From: Anna Williams
Sent: Tuesday, February 02, 2010 12:04 PM
To: Dorothy Menasco
Subject: RE: Docket No. 080677

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I would go ahead and leave him on as an interested party.

Thanks!
Anna

From: Dorothy Menasco
Sent: Tuesday, February 02, 2010 11:33 AM
To: Anna Williams
Cc: Ann Cole
Subject: RE: Docket No. 080677

Good morning, Anna,

Per this request, Mr. Saporito has been removed from Docket 080677 as a party of record. For clarification, should he remain on the docket as an interested person or be removed completely?

Thank you for your help.

From: Kimberley Pena
Sent: Tuesday, February 02, 2010 10:12 AM
To: Dorothy Menasco
Cc: Ann Cole; Anna Williams
Subject: FW: Docket No. 080677

Please see below request.

From: Anna Williams
Sent: Tuesday, February 02, 2010 10:08 AM
To: Ruth Nettles; Kimberley Pena
Subject: Docket No. 080677

Morning ladies!

I need to have a party removed from the docket in Docket No. 080677. Thomas Saporito requested to withdraw from the case on August 13, 2009, and his request was granted by Order No. PSC-09-0573-PHO-EI, issued on August 21, 2009. His Motion Withdrawing Prior Motion to Withdraw was denied on October 14, 2009, by Order No. PSC-09-0687-PCO-EI. Accordingly, he is no longer a party to this docket.

To whom do I need to speak to get his name removed from the parties list?

Thanks!

Anna R. Williams, Esq.

2/9/2010

Office of the General Counsel
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850
T: (850) 413-6076
F: (850) 413-6077

Dorothy Menasco 080677

From: Dorothy Menasco on behalf of Records Clerk
Sent: Tuesday, February 02, 2010 10:33 AM
To: 'saporito3@gmail.com'
Cc: 'john.butler@fpl.com'
Subject: FW: Docket No. 080677-EI

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Mr. Saporito:

This e-mail will be placed in parties correspondence without further action.

The Commission accepts documents for filing by electronic transmission ("electronic filing" or "e-filing") provided the following requirements are met. Documents that fail to meet these requirements will not be accepted for electronic filing.

Manner of Electronic Transmission

- Filings submitted by electronic transmission must be attached to an e-mail sent to **filings@psc.state.fl.us**. Documents sent to any other Commission e-mail address will not be considered filed.

A link to the Commission's electronic filing requirements is being included for your convenience.

http://www.psc.state.fl.us/dockets/e-filings/

Please call our office if you have any questions.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

From: Thomas Saporito [mailto:saporito3@gmail.com]
Sent: Tuesday, February 02, 2010 12:32 AM
To: John.Butler@fpl.com
Cc: Records Clerk
Subject: Docket No. 080677-EI

Mr. Butler:

Please be advised that I did not receive a copy of FPL's recent response to the PSC Staff's 16th set of interrogatories. Could you please provide me with a copy at your earliest opportunity and please place my contact information on your future service sheets in this matter as required under the rules of practice and proceedure.

--
Kind regards,

Thomas Saporito, Exec. Director
www.RenewableElectricSystems.com

2/2/2010

Post Office Box 8413, Jupiter, FL 33468
Phone: 561-972-8363 FAX: 561-952-4810
Email: saporito3@gmail.com
Greenpeace USA - Advocate

2/2/2010

Katie Ely

080677-EI

From: Katie Ely
Sent: Thursday, January 21, 2010 9:40 AM
To: Ruth Nettles
Subject: RE: Docket No. 080677-EI

I will placed this in Docket Correspondence - Parties and Interested Persons for Docket No. 080677-EI

Katie Ely
Staff Assistant - Office of Commission Clerk
Florida Public Service Commission
850-413-6304

Please note: Florida has a very broad public records law. Most written communications to or from state officials regarding state business are considered to be public records and will be made available to the public and the media upon request. Therefore, your e-mail message may be subject to public disclosure.

From: Ruth Nettles
Sent: Thursday, January 21, 2010 9:39 AM
To: Katie Ely
Cc: Dorothy Menasco
Subject: RE: Docket No. 080677-EI

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Thanks, Katie. This has been done.

Ruth

From: Katie Ely **On Behalf Of** Records Clerk
Sent: Thursday, January 21, 2010 8:09 AM
To: Ruth Nettles
Cc: Dorothy Menasco
Subject: FW: Docket No. 080677-EI

Change in Parties/Interested Persons.

Katie Ely
Staff Assistant - Office of Commission Clerk
Florida Public Service Commission
850-413-6304

Please note: Florida has a very broad public records law. Most written communications to or from state officials regarding state business are considered to be public records and will be made available to the public and the media upon request. Therefore, your e-mail message may be subject to public disclosure.

From: Thomas Saporito [mailto:saporito3@gmail.com]
Sent: Thursday, January 21, 2010 6:26 AM
To: Records Clerk
Subject: Docket No. 080677-EI

To Whom It May Concern:

Please correct the mailing address shown on the PSC website under docket 080677-EI to properly reflect my address zip-code as **33468-8413.**

In addition, please remove **"Saporito Energy Consultants"** from the list of interested parties to this matter.

Kind regards,

--
Thomas Saporito
Green Peace Advocate
Post Office Box 8413
Jupiter, Florida 33468-8413
Phone: 561-972-8363
Email: saporito3@gmail.com

Katie Ely 080677-EI

From: Katie Ely
Sent: Wednesday, January 20, 2010 11:51 AM
To: Dorothy Menasco
Subject: FW: FPL Conference Call

Thank you for this information. This attachment has been printed and will be placed in Docket Correspondence - Parties and Interested Persons, in Docket 080677-EI

Katie Ely
Staff Assistant - Office of Commission Clerk
Florida Public Service Commission
850-413-6304

Please note: Florida has a very broad public records law. Most written communications to or from state officials regarding state business are considered to be public records and will be made available to the public and the media upon request. Therefore, your e-mail message may be subject to public disclosure.

From: Dorothy Menasco
Sent: Wednesday, January 20, 2010 10:57 AM
To: Lisa Bennett
Cc: Katie Ely
Subject: FW: FPL Conference Call

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Lisa, unless instructed otherwise, this will be placed in the parties correspondence since Mr. Smith is an interested person in the docket.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

From: Lisa Bennett
Sent: Wednesday, January 20, 2010 10:35 AM
To: Ruth Nettles; Ann Cole; Dorothy Menasco
Subject: FW: FPL Conference Call

Would you place in the correspondence side of the docket file in Docket No. 080677? Thank you.

Lisa C. Bennett
Office of the General Counsel
2540 Shumard Oak Boulevard
Tallahassee, FL
850-413-6230

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, January 20, 2010 9:50 AM
To: Terry Holdnak; Lisa Bennett
Cc: Office of Commissioner Carter; Office Of Commissioner Edgar; 'Office of Commissioner McMurrian'; Office of Commissioner Argenziano; Office of Commissioner Skop; Office of Commissioner Klement; Office of Commissioner Stevens; Ann Cole; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin; Ann Cole
Subject: FPL Conference Call

Dear Ms. Holdnak and Ms. Bennett,

I listened to the 45 minute conference call. I am a little under the weather and I have a bad cold. Here is what I have heard and I was wondering if the increases are being spread over normalized sales or billed/unbilled revenue calculations? This is important since cash collection assumptions might have an impact on the spread of any increase. Cash collection assumptions should not have an impact on an increase spread since these are timing issues and a pure rate increase should be spread by rate class based on their normalized sales forecasts.

Has this been looked into?

Thanks,

Robert H. Smith

DATE: January 19, 2010

TO: All Parties of Record & Interested Persons

FROM: Lisa Bennett, Senior Attorney, Office of the General Counsel

RE: Docket No. 080677-EI - Petition for increase in rates by Florida Power & Light Company Wednesday, January 20, 2010, 9:00 a.m. – 11:00 AM

Rene

Revenue Neutrality Calculation –

Equalized Rate of Return Calculation – To show that the unit increase should be and what your unit costs should be. Maximum allowed of 1.2%. Distribute the increases over the 1.2% to the classes that are under 1.2% to make sure that there are equalized rates.

What is done to keep subsidization under control?

Is this the procedure to make sure that this does not happen? Shift $800K to residential. They keep reallocating to make sure that there is an equalized rate of return across the board to keep it at the 1.2% increase across the board. It appears that the residential rates might absorb the fall out due to it being a bigger base. Is this correct?

Negative Unbilled revenue- Unbilled Sales was provided. This is calculated based upon Sales Volumes. This is calculated based upon accrued/collected sales revenues. This represents the change in total unbilled revenues which is based upon the accrued revenue and the collection assumption for the unbilled revenue. This might yield net-negative unbilled revenue. This is representative of a net A/R receivable change. What about normalized revenues? Any rate increase in base rates should be distributed based upon clean/normalized sales. Timing issues that are related to cash collection should not have an impact on the spread of an increase since these assumptions can change based upon cash collection assumptions. This is really a function of cash collection and it really should have no impact on how an increase is spread. We should try to keep swings for cash collections outside how an increase would be spread since these are really timing issues which should be kept out of the base revenue increases. Normalized sales would be the way to complete this calculation. This is what I remember but I am not sure on what all their forecast assumptions are.

What would be the impact of the spread of the increase based upon normalized sales versus billed/unbilled revenues? How would the distribution change?

TOU revenues – 5.3 at full parity..... It had to redistribute to bring to 1.2%. Which rate class is the overage primarily being distributed to? I would think that the possibility exists that it would go to the higher base revenues. Is this correct? Would this be the residential rate class which would probably have a larger base then the others?

Confidentiality Statement

The documents accompanying this telecopy transmission contain information which is confidential and/or legally privileged. The information is intended only for the use of the individual or entity named on this transmission sheet. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this telecopied information is strictly prohibited, and the documents should be returned. In this regard, if you received this telecopy in error, please contact the sender by reply E-mail and destroy all copies of the original.

Ann Cole

080677-EI

From: Ann Cole
Sent: Wednesday, January 20, 2010 10:46 AM
To: Lois Graham
Cc: Commissioners Advisors; Administrative Assistants - Commission Suite
Subject: FW: Docket No. 080677-EI
Attachments: FPL Conference Call

KL
Parties : Interested Persons

Thanks, Lois. The attachment has been printed and will be placed in *Correspondence - ~~Consumers and their Representatives,~~* in Docket No. 080677-EI.

From: Lois Graham
Sent: Wednesday, January 20, 2010 10:14 AM
To: Ann Cole
Subject: Docket No. 080677-EI

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Ann,

Please place the attached e-mail in Docket Correspondence - Consumers and their Representatives, in Docket No. 080677-EI. Thanks

Ann Cole

From: rpjrb@yahoo.com
Sent: Wednesday, January 20, 2010 9:50 AM
To: Terry Holdnak; Lisa Bennett
Cc: Office of Commissioner Carter; Office Of Commissioner Edgar; 'Office of Commissioner McMurrian'; Office of Commissioner Argenziano; Office of Commissioner Skop; Office of Commissioner Klement; Office of Commissioner Stevens; Ann Cole; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin; Ann Cole
Subject: FPL Conference Call

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Has this been looked into?

Thanks,

Robert H. Smith

DATE: January 19, 2010

TO: All Parties of Record & Interested Persons

FROM: Lisa Bennett, Senior Attorney, Office of the General Counsel

RE: Docket No. 080677-EI - Petition for increase in rates by Florida Power & Light Company Wednesday, January 20, 2010, 9:00 a.m. – 11:00 AM

Rene

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have a larger base then the others?

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Ruth Nettles 080677-EI

From: Lisa Bennett

Sent: Tuesday, January 19, 2010 4:35 PM

To: 'saporito3@gmail.com'; Barry Richard; Brian P. Armstrong Esq. ; Cecilia Bradley Esq.; J. R. Kelly ; J. Spina; Jack Leon ; John LaVia; John McWhirter; John T. Butler ; Jon C. Moyle Jr.; Joseph Mcglothlin, Esq.; Joseph W. Yarbrough (jyarbrough@southdaytona.org); K. Wiseman; L. Purdy; Lino Mendiola; Marcus Braswell (mbraswell@sugarmansusskind.com); Mark F. Sundback; Mary Smallwood; Meghan Griffiths; Mitchell S. Ross (Mitch.Ross@fpl.com); Natlie Smith; Rick Melson; Robert A. Sugarman; Schef Wright ; Scott E. Simpson; Shayla McNeill; Stephanie Alexander (sda@trippscott.com); Stephen Stewart; Susan Clark; Tamela I. Perdue (TPerdue@aif.com); Thomas Saporito (support@saporitoenergyconsultants.com); Vicki Gordon Kaufman ; Wade_Litchfield

Cc: Ruth Nettles; Mary Anne Helton; Jennifer Brubaker

Subject: FW: Petition for the Conduct of a General Rate Case and Request for Hearing and Leave to Intervene of Thomas Saporito

Attachments: 2010-01-16 Petition for Rate Case.pdf

Mr. Saporito,

Your petition for a new General Rate Case for Florida Power & Light Company has been placed in Docket No. 080677-EI (FPL's current rate case) because that docket remains open. I am forwarding your petition to the parties to that docket as I see that you did not include a certificate of service with your petition. Of course, the parties will be permitted an opportunity to respond before the Public Service Commission addresses your petition.

Lisa C. Bennett
Office of the General Counsel
2540 Shumard Oak Boulevard
Tallahassee, FL
850-413-6230

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Ruth Nettles 080677-EI

From: Filings@psc.state.fl.us
Sent: Wednesday, January 13, 2010 11:17 AM
To: 'jmoyle@kagmlaw.com'
Cc: Dorothy Menasco; Marguerite McLean
Subject: FW: Electronic Filing / Docket No. 080677-EI / FPL's 1/12/2010 letter transmitting Fitch Negative Ratings Watch (FPL)

Dear Mr. Moyle:

This message was delivered to the electronic filings in-box. This message will be placed in correspondence without further action.

A link to the Commission's e-filing requirements is included for your convenience:
http://www.psc.state.fl.us/dockets/e-filings/

Please call our office if you have any questions.

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Ruth Nettles
Commission Deputy Clerk II
Office of Commission Clerk
850-413-6770

From: Jon Moyle [mailto:jmoyle@kagmlaw.com]
Sent: Tuesday, January 12, 2010 10:20 PM
To: Butler, John; Filings@psc.state.fl.us
Cc: Lisa Bennett; Anna Williams; Martha Brown; Jean Hartman; Kelly.jr@leg.state.fl.us; mcglothlin.joseph@leg.state.fl.us; jess@sugarmansusskind.com; sugarman@sugarmansusskind.com; mbraswell@sugarmansusskind.com; msundback@andrewskurth.com; kwiseman@andrewskurth.com; jspina@andrewskurth.com; lisapurdy@andrewskurth.com; linomendiola@andrewskurth.com; meghangriffiths@andrewskurth.com; swright@yvlaw.net; jlavia@yvlaw.net; Vicki Gordon Kaufman; jmcwhirter@mac-law.com; barmstrong@ngnlaw.com; cecilia.bradley@myfloridalegal.com; sda@trippscott.com; tperdue@aif.com; shayla.mcneill@tyndall.af.mil; Mary.Smallwood@Ruden.com; richardb@gtlaw.com
Subject: RE: Electronic Filing / Docket No. 080677-EI / FPL's 1/12/2010 letter transmitting Fitch Negative Ratings Watch (FPL)

John: In reviewing your letter to the Commission Clerk affixed to the e-mail below, you referenced a filing you made earlier today regarding Fitch's reaction to the decision in the Progress Energy rate case. I reviewed my e-mails and apparently did not receive a copy of what you filed regarding Progress. Would you please either send it or resend it? Thanks. Jon

---

From: Butler, John [mailto:John.Butler@fpl.com]
Sent: Tuesday, January 12, 2010 5:36 PM
To: 'filings@psc.state.fl.us'
Cc: 'LBENNETT@PSC.STATE.FL.US'; 'ANWILLIA@PSC.STATE.FL.US'; 'mbrown@psc.state.fl.us'; 'JHARTMAN@PSC.STATE.FL.US'; 'Kelly.jr@leg.state.fl.us'; 'mcglothlin.joseph@leg.state.fl.us'; 'jess@sugarmansusskind.com'; 'sugarman@sugarmansusskind.com'; 'mbraswell@sugarmansusskind.com'; 'msundback@andrewskurth.com'; 'kwiseman@andrewskurth.com'; 'jspina@andrewskurth.com'; 'lisapurdy@andrewskurth.com'; 'linomendiola@andrewskurth.com'; 'meghangriffiths@andrewskurth.com'; 'swright@yvlaw.net'; 'jlavia@yvlaw.net'; Jon Moyle; Vicki Gordon Kaufman; 'jmcwhirter@mac-law.com'; 'barmstrong@ngnlaw.com'; 'cecilia.bradley@myfloridalegal.com'; 'sda@trippscott.com'; 'tperdue@aif.com'; 'shayla.mcneill@tyndall.af.mil'; 'Mary.Smallwood@Ruden.com'; 'richardb@gtlaw.com'
Subject: Electronic Filing / Docket No. 080677-EI / FPL's 1/12/2010 letter transmitting Fitch Negative Ratings Watch (FPL)

Electronic Filing

1/13/2010

a. Person responsible for this electronic filing:

John T. Butler, Esq.
700 Universe Boulevard
Juno Beach, FL 33408
561-304-5639
John.Butler@fpl.com

b. Docket No. 080677-EI
In Re: Application for Increase in Rates by Florida Power & Light Company

c. The Document is being filed on behalf of Florida Power & Light Company.

d. There are a total of 3 pages

e. The document attached for electronic filing is Florida Power & Light Company's FPL's 1/12/2010 letter transmitting Fitch Negative Ratings Watch (FPL)

John T. Butler
Managing Attorney
Florida Power & Light Company
(561) 304-5639
(561) 691-7135 Fax
John.Butler@fpl.com

Ann Cole Parties + Interested Persons 080677-EI

From: Ann Cole -PM
Sent: Tuesday, January 12, 2010 4:22 PM
To: Lois Graham
Cc: Commissioners Advisors; Administrative Assistants - Commission Suite
Subject: FW: Docket No. 080677-EI
Attachments: FW: FPL is accused of not sharing its tax break; FW: FPL is accused of not sharing its tax break

Thank you for this information. The two attachments have been printed and will be placed in *Correspondence - Consumers and their Representatives*, in Docket No. 080677-EI.

From: Lois Graham
Sent: Tuesday, January 12, 2010 4:07 PM
To: Ann Cole
Subject: Docket No. 080677-EI
Ann,

Please place the attached e-mails in Docket correspondence - Docket No. 080677-EI. Thanks

FPSC, CLK - CORRESPONDENCE
Administrative X Parties Consumer
DOCUMENT NO. 10741/08
DISTRIBUTION:

Ann Cole

From: rpjrb@yahoo.com

Sent: Wednesday, January 06, 2010 11:43 AM

To: Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; 'Office of Commissioner McMurrian'; Office of Commissioner Argenziano; Office of Commissioner Skop; Office of Commissioner Klement; Office of Commissioner Stevens; Ann Cole; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin; Dorothy Menasco

Cc: chairmanoffice@sec.gov; 'SEC Help'; Cathy.Flanagan@usdoj.gov; AskDOJ@usdoj.gov; 'Drayne, Karen'; Bill@billnelson.senate.gov; 'Shelby, Senator (Shelby)'; senator_bingaman@bingaman.senate.gov; senator@dorgan.senate.gov; senator_leahy@leahy.senate.gov; senator_lugar@lugar.senate.gov; gpoaccess@gpo.gov; comments@whitehouse.gov; vice_president@whitehouse.gov; Charlie.Crist@MyFlorida.com; rpjrb@yahoo.com

Subject: FW: FPL is accused of not sharing its tax break

Dear Commissioners,

FYI.

Balance must be maintained.

Thanks,

Robert H. Smith

Confidentiality Statement

The documents accompanying this telecopy transmission contain information which is confidential and/or legally privileged. The information is intended only for the use of the individual or entity named on this transmission sheet. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this telecopied information is strictly prohibited, and the documents should be returned. In this regard, if you received this telecopy in error, please contact the sender by reply E-mail and destroy all copies of the original.

From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Wednesday, January 06, 2010 11:38 AM
To: 'Klas, Mary Ellen - Miami'; 'Patel, Julie'
Subject: FPL is accused of not sharing its tax break

Dear Ms. Klas and Ms. Patel,

I received the letter from the PSC on Monday the 4th. When I read this I had mixed feelings on this. I wanted to share my thoughts on this with everyone. Remember balance is very important in this case from both a ratepayer and shareholder perspective.

This should be very easy to determine.

First off if the tax credits (ITC (Investment tax credits)) were derived from the non-regulated entity and the project was financed without the use of regulated monies then from a strict subsidiary perspective this would be OK. All Tax credits for the subsidiary should be only related to the project directly and financed on its own without the use of ratepayer money. Each tax provision for each entity should be maintained separately. This should include both current and deferred tax provisions. I know that the Utility might file its tax return on a consolidated basis. If there is a tax liability from a consolidated return perspective we must make sure that when the taxes are paid that they are being paid by each individual entity (regulated/non-regulated) entity. This must be looked at from a cash flow perspective as well since when they file the return they might be paying for the taxes as FPL group. From a Federal tax perspective the Fed's just want to capture the full tax liability for the entire company (FPL Group). The cash perspective of any tax liability at the subsidiary level is very important to take a look at. Each regulated/non-regulated entity should be able to pay its own tax liability. This should be paid from each individual entities cash account.

On the other hand if the possibility exists that any regulated monies financed any of these projects then there might be another problem. The possibility exists that the utility ratepayer might have financed a project to generate these tax credits. The ratepayer has to be made whole if this is the case.

Another issue that might surface is if the consolidated tax liability that is being paid by FPL is being paid together. The accounting for the cash and tax provisions must be maintained separately by regulated/non-regulated entity. Again if the possibility exists that the tax liabilities are being financed or paid by the ratepayers then it would be very important that the ratepayer be made whole.

The only way to accomplish this would be to make sure that each tax provision for each entity is maintained separately. Any cash payments made on a consolidated basis has to be broken out by regulated/non-regulated entity so that each regulated/non-regulated subsidiary is paying for its share of it current/deferred tax provision.

If you take a look at the emails that I have been sending I have repeatedly asked for a breakout of the cash flows by regulated/non-regulated entities. I have sent multiple requests to Mr. Lew Hay and Mr. Sieving from a shareholder perspective asking for segmented cash flows by entity. Again, I have not heard back from them as of today.

Based upon the segmented cash flow approach this issue can be addressed very easily.

Up North I personally worked on the consolidated tax return for a major utility (when I worked in the tax department after financial planning). I used to prepare the detailed tax provisions for both the Electric and Gas lines of business for each ratecase filing. This included the modeling of all current and deferred tax provisions which included ITC's (Investment Tax Credits). The tax department interfaced with our financial planning area in which we would model the full detailed tax provision. All temporary/permanent differences as well the utilization of ITC's were modeled in our rate case in each separate Electric/Gas Cost of Service. Each tax provision from a current/deferred tax perspective was kept separately. All ITC (Investment Tax Credits) were maintained as per FERC accounting in a separate Electric/Gas account. Yes the tax return was filed together but we still maintained the tax provisions separately. We were also able to determine the current/deferred tax breakout which translated to the cash payment by line of business. This was filed with our ratecase proceeding as two separate tax provisions. Up North we were in an NOL position for a long time. These NOL's limited the tax liability to the company for a long time. This impacted the current tax paid with the consolidated tax return. Since each provision was maintained separately it was easily to determine the Electric/Gas breakout of its current/deferred tax provisions.

Since the Electric/Gas customer were both ratepayer entities the filing of the consolidated return was OK since both were regulated entities and for the most part all the customers were part of the regulated groups. The only issue that might have surfaced was if there was a non-regulated entity. It would be very important to maintain each tax provision separately from a current/deferred tax perspective to make sure that each entity is paying for its own tax liability. FERC accounting provides for the breakouts out of Utility/Non-Utility accounting. If there is a non-regulated entity then it would be the PSC's responsibility to make sure that these entities are paying for their share of the consolidated tax liability on their own. There should be no subsidization of any tax payments between regulated and non-regulated subsidiaries.

The only way to determine this information is to look at the segmented cash flows by entity (regulated/non-regulated). This should show a line for cash tax payments to tie into the current portion of the entities tax provision. This reconciliation should clear up this issue very easily.

This is why I had mixed feelings on this one. I know that the questions that I have sent as a FOIA request to the FPSC (Florida Public Service Commission) as well as my shareholder request to Mr. Lew Hay and Mr. Sieving would have explained all of the issues that are being discussed in this case. This type of questioning if answered would provide the answers needed to resolve a lot of the questions that are surfacing in this ratecase.

Mr. Davis would be correct as long as both the financing of the projects and the payment of the taxes related to each entity is being made by each entity on its own. There should be no subsidization of any non-regulated entity by any regulated entity.

Please see all my email correspondence that has been made part of the public record to help with some of the technical aspects of these issues.

I have spent over 10 years on these types of issues and I have received phone calls from the New York State Public Service Commission/New York State Comptroller's office regarding similar issues when I first came down to Florida 6 years ago. I worked in the Financial Planning Department for approx. 5 to 6 years and then moved from department to department (Fixed Assets, Tax department, Budget Department) to use my expertise to deal with a concurrent merger and a transfer of assets to a State entity. I worked on not only the preparation of the ratecase cost of services but the consolidated tax return in the tax department as well.

Please let me know if you would like to discuss this issue or any other matters related to the technical aspects of this ratecase. Hopefully there are no typo(s). I will review to see if there is anything else that might be important to this issue.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or call me at 954-340-4956.

Thanks,

Robert H. Smith

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Ann Cole

From: rpjrb@yahoo.com

Sent: Wednesday, January 06, 2010 1:04 PM

To: Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; 'Office of Commissioner McMurrian'; Office of Commissioner Argenziano; Office of Commissioner Skop; Office of Commissioner Klement; Office of Commissioner Stevens; Ann Cole; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin; Dorothy Menasco

Cc: chairmanoffice@sec.gov; 'SEC Help'; Cathy.Flanagan@usdoj.gov; AskDOJ@usdoj.gov; 'Drayne, Karen'; Bill@billnelson.senate.gov; 'Shelby, Senator (Shelby)'; senator_bingaman@bingaman.senate.gov; senator@dorgan.senate.gov; senator_leahy@leahy.senate.gov; senator_lugar@lugar.senate.gov; gpoaccess@gpo.gov; comments@whitehouse.gov; vice_president@whitehouse.gov; Charlie.Crist@MyFlorida.com; rpjrb@yahoo.com

Subject: FW: FPL is accused of not sharing its tax break

Dear Commissioner's

I had sent this breakout of my prior experience with regard to the ratecase process. I am sending this to keep everyone in the loop.

I hope that balance is maintained.

Thanks,

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Wednesday, January 06, 2010 12:38 PM
To: 'Patel, Julie'
Subject: RE: FPL is accused of not sharing its tax break

Dear Ms. Patel,

It was nice speaking to you today regarding the Florida Power & Light Ratecase. I hope that my email correspondence has contributed to this ratecase process.

Here is the summary and detailed resume of my 10 years experience. Feel free to contact me with any other questions.

Thanks,

Robert H. Smith

Here you go:

KEYSPAN ENERGY, Hicksville, New York, 1990 – 2000
Senior Financial/Economic Analyst/Senior Tax Advisor

Preparation of the Company's Short Range and Long Range Financial Forecasts/Rate Case Filings including the preparation of the Company's official corporate budget for Senior Management. Direct consultation with the Company's Chief Financial Officer on interpreting actual versus forecast results in order to prepare forecasts of year-end earnings per share. Performed cost/benefit analysis on the impact of facility plans and changes in ratemaking and rate design philosophy on the financial condition and long term growth of the company. Prepared SEC related reports: Annual reports, 10 K's, shareholder reports, 10 Q's. Preparation of Corporate Tax filings. Calculation of Net Book Values of company assets which includes tax depreciation calculations related to company assets for deferred tax purposes. Assist in answering interrogatories from various interveners (i.e. Public Service Commission, Consumer Protection Board, various rating agencies).

KEYSPAN ENERGY, Hicksville, New York, 1990 – 2000
Senior Financial/Economic Analyst/Senior Tax Advisor

Preparation of the Company's Short Range and Long Range Financial Forecasts/Rate Case Filings including the preparation of the Company's official corporate budget for Senior Management. Direct consultation with the Company's Chief Financial Officer on interpreting actual versus forecast results in order to prepare forecasts of year-end earnings per share.

- Reviewed and conducted financial and economic analysis of all aspects of corporate operations in order to evaluate and seek solutions, which improve corporate performance.
- Analyzed alternative methods of financing present/proposed operations and corporate expansion programs.
- Performed cost/benefit analysis on the impact of facility plans and changes in ratemaking and rate design philosophy on the financial condition and long term growth of the company.
- Prepared short range and long range financial forecasts by line of business for Senior Management.
- Communicated forecast results to senior management and the business units.
- All aspects of analyzing and explaining variances between actual and forecast amounts and extrapolating their impact on year-end-results.
- Consulted with the Company's Chief Financial Officer on interpreting actual versus forecast results for the forecast of year-end earnings per share.
- Expert on the analysis of the Company's theoretical depreciation reserves versus the books depreciation reserves including depreciation recovered through the company's rates.
- Analysis of property plant additions (i.e. for property tax purposes), retirements and cost of removal.
- Calculation of Net Book values of company assets which includes tax depreciation calculations related to company assets for deferred tax purposes.
- Coordinated and maintained consolidated financial models (PC Based, Network server based and mainframe based), data base, Logic and reports (Profit & Loss, Balance Sheets) for all aspects of financial forecasts and implement logic changes in order to satisfy the requirements of senior management.

- Expert on EXCEL, POWER POINT, WORD, LOTUS, WORDPERFECT, HARVARD GRAPHICS, ACCESS and MONARCH.

- Increased productivity levels by providing key contributions toward automation of account reconciliation processes.

Financial Analyst

- Assist in the Maintenance of the Consolidation Model data base, logic and reports, ensuring an up-to-date status with current financial and regulatory requirements.
- Assist in updating the financial forecasts and exhibits included in the Company's pending Gas Rate Case and Compliance filing proceedings as required by the Public Service Commission.
- Assist in the preparation of the Company's official corporate budget for Senior Management including high level variance analysis of the companies cost of service for rate making purposes and the company's earnings for GAAP/SEC purposes.
- Provide monthly income statements/variance analysis for Senior Management of the Operations and Regulatory support departments.
- Provide quarterly income statements/variance analysis for the Tax department for revising the Company's estimated tax payments.
- Prepared SEC related reports: Annual reports, 10K's, shareholder reports, 10Q's
- Prepared Corporate tax filings
- Assist in answering interrogatories from various interveners (i.e. Public Service Commission, Consumer Protection Board, various rating agencies)
- Liaison between Financial Planning and Accounting, Tax, Budget departments.
- Department's expert on personal computers.
- Knowledge of TSO, CICS mainframe operating systems and GPOS7 (Database) language.

Confidentiality Statement

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From: Patel, Julie [mailto:jvpatel@sun-sentinel.com]
Sent: Wednesday, January 06, 2010 11:52 AM
To: rpjrb@yahoo.com
Subject: RE: FPL is accused of not sharing its tax break

Thank you for this analysis! It is very helpful. I'd like to add some of it to our Web piece on the subject. Can you remind me which utility you used to work for and what your position was? Thanks.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, January 06, 2010 11:38 AM
To: 'Klas, Mary Ellen - Miami'; Patel, Julie
Subject: FPL is accused of not sharing its tax break

Dear Ms. Klas and Ms. Patel,

I received the letter from the PSC on Monday the 4th. When I read this I had mixed feelings on this. I wanted to share my thoughts on this with everyone. Remember balance is very important in this case from both a ratepayer and shareholder perspective.

This should be very easy to determine.

First off if the tax credits (ITC (Investment tax credits)) were derived from the non-regulated entity and the project was financed without the use of regulated monies then from a strict subsidiary perspective this would be OK. All Tax credits for the subsidiary should be only related to the project directly and financed on its own without the use of ratepayer money. Each tax provision for each entity should be maintained separately. This should include both current and deferred tax provisions. I know that the Utility might file its tax return on a consolidated basis. If there is a tax liability from a consolidated return perspective we must make sure that when the taxes are paid that they are being paid by each individual entity (regulated/non-regulated) entity. This must be looked at from a cash flow perspective as well since when they file the return they might be paying for the taxes as FPL group. From a Federal tax perspective the Fed's just want to capture the full tax liability for the entire company (FPL Group). The cash perspective of any tax liability at the subsidiary level is very important to take a look at. Each regulated/non-regulated entity should be able to pay its own tax liability. This should be paid from each individual entities cash account.

On the other hand if the possibility exists that any regulated monies financed any of these projects then there might be another problem. The possibility exists that the utility ratepayer might have financed a project to generate these tax credits. The ratepayer has to be made whole if this is the case.

Another issue that might surface is if the consolidated tax liability that is being paid by FPL is being paid together. The accounting for the cash and tax provisions must be maintained separately by regulated/non-regulated entity. Again if the possibility exists that the tax liabilities are being financed or paid by the ratepayers then it would be very important that the ratepayer be made whole.

The only way to accomplish this would be to make sure that each tax provision for each entity is maintained

separately. Any cash payments made on a consolidated basis has to be broken out by regulated/non-regulated entity so that each regulated/non-regulated subsidiary is paying for its share of it current/deferred tax provision.

If you take a look at the emails that I have been sending I have repeatedly asked for a breakout of the cash flows by regulated/non-regulated entities. I have sent multiple requests to Mr. Lew Hay and Mr. Sieving from a shareholder perspective asking for segmented cash flows by entity. Again, I have not heard back from them as of today.

Based upon the segmented cash flow approach this issue can be addressed very easily.

Up North I personally worked on the consolidated tax return for a major utility (when I worked in the tax department after financial planning). I used to prepare the detailed tax provisions for both the Electric and Gas lines of business for each ratecase filing. This included the modeling of all current and deferred tax provisions which included ITC's (Investment Tax Credits). The tax department interfaced with our financial planning area in which we would model the full detailed tax provision. All temporary/permanent differences as well the utilization of ITC's were modeled in our rate case in each separate Electric/Gas Cost of Service. Each tax provision from a current/deferred tax perspective was kept separately. All ITC (Investment Tax Credits) were maintained as per FERC accounting in a separate Electric/Gas account. Yes the tax return was filed together but we still maintained the tax provisions separately. We were also able to determine the current/deferred tax breakout which translated to the cash payment by line of business. This was filed with our ratecase proceeding as two separate tax provisions. Up North we were in an NOL position for a long time. These NOL's limited the tax liability to the company for a long time. This impacted the current tax paid with the consolidated tax return. Since each provision was maintained separately it was easily to determine the Electric/Gas breakout of its current/deferred tax provisions.

Since the Electric/Gas customer were both ratepayer entities the filing of the consolidated return was OK since both were regulated entities and for the most part all the customers were part of the regulated groups. The only issue that might have surfaced was if there was a non-regulated entity. It would be very important to maintain each tax provision separately from a current/deferred tax perspective to make sure that each entity is paying for its own tax liability. FERC accounting provides for the breakouts out of Utility/Non-Utility accounting. If there is a non-regulated entity then it would be the PSC's responsibility to make sure that these entities are paying for their share of the consolidated tax liability on their own. There should be no subsidization of any tax payments between regulated and non-regulated subsidiaries.

The only way to determine this information is to look at the segmented cash flows by entity (regulated/non-regulated). This should show a line for cash tax payments to tie into the current portion of the entities tax provision. This reconciliation should clear up this issue very easily.

This is why I had mixed feelings on this one. I know that the questions that I have sent as a FOIA request to the FPSC (Florida Public Service Commission) as well as my shareholder request to Mr. Lew Hay and Mr. Sieving would have explained all of the issues that are being discussed in this case. This type of questioning if answered would provide the answers needed to resolve a lot of the questions that are surfacing in this ratecase.

Mr. Davis would be correct as long as both the financing of the projects and the payment of the taxes related to each entity is being made by each entity on its own. There should be no subsidization of any non-regulated entity by any regulated entity.

Please see all my email correspondence that has been made part of the public record to help with some of the technical aspects of these issues.

I have spent over 10 years on these types of issues and I have received phone calls from the New York State Public Service Commission/New York State Comptroller's office regarding similar issues when I first came down to Florida 6 years ago. I worked in the Financial Planning Department for approx. 5 to 6 years and then moved from department to department (Fixed Assets, Tax department, Budget Department) to use my expertise to deal with a concurrent merger and a transfer of assets to a State entity. I worked on not only the preparation of the ratecase cost of services but the consolidated tax return in the tax department as well.

Please let me know if you would like to discuss this issue or any other matters related to the technical aspects of this ratecase. Hopefully there are no typo(s). I will review to see if there is anything else that might be important to this issue.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or call me at 954-340-4956.

Thanks,

Robert H. Smith

Confidentiality Statement

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Dorothy Menasco

080677-EI

From: Lisa Bennett
Sent: Wednesday, January 13, 2010 9:11 AM
To: 'rpjrb@yahoo.com'
Cc: Dorothy Menasco; Mary Anne Helton; Jennifer Brubaker; Ann Cole
Subject: RE: FPL is accused of not sharing its tax break

Dear Mr. Smith,

Ms. Menasco of the Commission Clerk's office asked that I respond to you on whether your correspondence was made part of the hearing record. As Ms. Menasco noted, all of your emails, including the one to Commissioner Edgar and Governor Crist, have been included in the Docket Correspondence portion of the FPL Rate Case Docket Nos. 080677-EI and 090130-EI. You may view the document in Docket Correspondence - Parties and Interested Persons found in Document No. 10741-08 of that docket.

While your document is in the docket file and is available for all to see, it is not referred to as a "hearing exhibit." Hearing exhibits as we use the term, refers to documents entered into the record during the technical hearings.

Thank you for your continued interest and communications,

Lisa C. Bennett
Office of the General Counsel
2540 Shumard Oak Boulevard
Tallahassee, FL
850-413-6230

FPSC, CLK - CORRESPONDENCE
_Administrative X Parties_Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION: _____

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Saturday, January 09, 2010 9:37 AM
To: Dorothy Menasco
Cc: Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; 'Office of Commissioner McMurrian'; Office of Commissioner Argenziano; Office of Commissioner Skop; Office of Commissioner Klement; Office of Commissioner Stevens; Ann Cole; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin; Ann Cole
Subject: RE: FPL is accused of not sharing its tax break

Dear Ms. Menasco,

Thank you for your response.

Is the email below going to be made part of the *Docket correspondence - Parties and Interested Persons.* Document No. 10741-08 as you have indicated below?

There is an email that I have sent to Commissioner Edgar with a CC to Governor Crist regarding the letter that I have received from Mr. Patrick L. Booter. This appears to be missing from the public record.

Was this made part of the hearing record?

From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Tuesday, July 07, 2009 10:36 AM
To: 'Commissioner.Edgar@psc.state.fl.us'; 'Charlie.Crist@MyFlorida.com'
Subject: Letter Received by General Counsel Patrick L. "Booter" IMHOF

Since the hearing is going to be heard on January 13th, 2010 when do I expect to receive a response from the General Counsel's Office? I want to make sure that all the email correspondence that I have submitted is being maintained in either the Docket

correspondence – Parties or Interested Persons or the hearing docket if applicable.

Since there is only 3 days until the hearing I think that it is very important to make sure that all correspondence has been made part of the appropriate record.

I attached the email as per above below with the full email.

Thanks,

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Tuesday, July 07, 2009 10:36 AM
To: 'Commissioner.Edgar@psc.state.fl.us'; 'Charlie.Crist@MyFlorida.com'
Subject: Letter Received by General Counsel Patrick L. "Booter" IMHOF

Dear Ms. Edgar and Mr. Crist,

Please forward this email to Mr. Patrick L. "Booter" Imhof. I do not have his email address.

I have received the letter dated July 2nd, 2009 from Patrick L. "Booter" Imhof on July 6th, 2009. What is very alarming is that the Florida Public Service Commission is indicating that the Freedom of Information act request is only a request for public records and that the questions that are being asked in the request do not constitute a public records request.

What is very important here is that whether or not a person becomes an intervener in this proceeding, all pertinent questions should be reviewed in their entirety before any rate increase is granted.

The shear fact that the Florida Public Service Commission is indicating that they can only provide public records may give rise to the possibility that information might be omitted from the proceeding that might give rise to better questioning with regard to the pending rate increase.

Yes, individual parties often do not have the financial resources to intervene in some proceedings but they might have the knowledge with regard to these matters to ask the appropriate questions before any rate increase is granted. If the questions that I have asked in my original FOIA request have not been answered, then how can the public have assurance that the Florida Public Service Commission has asked the appropriate questions of Florida Power & Light with regard to it pending rate increase filing?

All the questions that I have asked in the original FOIA request and as well with the follow up email correspondence would be very pertinent with regard to the pending rate increase request. These questions should have already been asked by the Florida

Public Service Commission in order to determine if the accounting at the Utility is accurately supporting the existing and future utility rates that the company is charging its ratepayers. The possibility exists that the shareholder's of the company could have exposure as well.

I have sent an email to the Office of Public Counsel as per the letter in order to shed some light on the additional questions that should be answered before a final decision is made by the commission staff. All the questions are in the original FOIA request that I have submitted to the Florida Public Service Commission in addition to the email correspondence.

The questions are very specific in nature and in order for the Commission to complete its audit procedures of Florida Power & Light it should have in its possession public information that would be able to answer all the questions appropriately in a clear and concise manner.

The Florida Public Service Commission is being supported by the taxpayers/ratepayers of Florida, therefore all of the questioning in the FOIA request and email correspondence should have been answered by the Florida Power & Light and already be available to be released through the Freedom of Information request.

What I do not understand is how this information is not available under the normal due diligence that the Florida Public Service Commission would have to complete to ensure compliance with the Public Utility Holding Act's laws and regulations.

I am waiting for a response from the Office of Public Counsel but I think that all my questions should be presented in this case to make sure that every question is answered before any rate increase is granted. The Freedom of Information Act should bring the transparency needed to ensure that the ratepayers/shareholders best interests are being protected.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or call me at 954-340-4956 / 954-798-6127.

What do you think?

Thanks,

Robert H. Smith

Confidentiality Statement

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From: Dorothy Menasco [mailto:DMenasco@PSC.STATE.FL.US]
Sent: Friday, January 08, 2010 8:14 PM
To: rpjrb@yahoo.com
Cc: Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of Commissioner Skop; Office of Commissioner Klement; Office of Commissioner Stevens; Ann Cole; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin; Ann Cole
Subject: RE: FPL is accused of not sharing its tax break

Mr. Smith:

As mentioned in our 11/3/09 correspondence, all of your correspondence in Docket 080677, that is forwarded to our office, is placed in *Docket correspondence - Parties and Interested Persons.* Document No. 10741-08 can accessed on the PSC website utilizing any of the following links:

http://www.floridapsc.com/dockets/cms/ShowDocket.aspx?docket=H:\LIBRARY\FILINGS\08\10741-08

http://www.floridapsc.com/dockets/cms/docketdetails.aspx?docket=080677

http://www.psc.state.fl.us/dockets/cms/

The General Counsel's Office will be following-up with you in reference to your questions regarding hearing exhibits.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, January 07, 2010 1:20 PM
To: Ann Cole; Dorothy Menasco
Cc: Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; 'Office of Commissioner McMurrian'; Office of Commissioner Argenziano; Office of Commissioner Skop; Office of Commissioner Klement; Office of Commissioner Stevens; Ann Cole; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin
Subject: FW: FPL is accused of not sharing its tax break

Dear Ms. Cole and/or Ms. Menasco,

Does your area handle this request?

Please let me know if everything has been moved to the hearing docket or if not why?

Thanks,

Robert H. Smith

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To: rpjrb@yahoo.com
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Dear Mr. Smith:

Thank you for your email.

I forward all customer correspondence with respect to docket matters directly to the Florida Public Service Commission's Office of Commission Clerk. You may contact their office at 850-413-6770 to determine the status/receipt of your correspondence/comments.

I hope this information is helpful.

Sincerely,

Ellen Plendl

Regulatory Specialist

Florida Public Service Commission

Division of Service, Safety, & Consumer Assistance

1-800-342-3552 (phone)

1-800-511-0809 (fax)

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Sent: Thursday, January 07, 2010 12:23 PM
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Subject: RE: FPL is accused of not sharing its tax break

Dear Ms. Plendl,

Thanks for your response and I hope that these emails have helped. Hopefully I will hear back from the Senior Executives at the Utility about their holding company structure as it relates to segmented cash flows. As of today I have not heard back from them regarding my specific questions.

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Are these going to be made part of the Hearing Exhibits?

There is an email that I have sent to Commissioner Edgar with a CC to Governor Crist regarding the letter that I have received from Mr. Patrick L. Booter. This appears to be missing from the public record.

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Sent: Tuesday, July 07, 2009 10:36 AM
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Subject: Letter Received by General Counsel Patrick L. "Booter" IMHOF

My email correspondence started back as per as early as 4/21/2009 with the original FOIA request dated 5/7/2009. I know that this correspondence has been made of other filings as per below:

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0154-09 This one has my ROE emails and one of the depreciation emails with regard to the depreciation testimony.

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12241-091229 2009ROB	267,112 KB	P. 12/30/2009 8:02 PM
10741-08ROBTestimony	6,697 KB	P. 11/3/2009 11:37 AM
10741-08ROB	5,389 KB	P. 10/22/2009 8:10 AM
01544-09rob	209,141 KB	P. 10/7/2009 5:16 PM

This is the hearing record with an email to the Sun-Sentinel only. All the other emails have not been made part of the hearing exhibits.

12241-09	12/29/2009	Hearing Exhibit 35, Part 4, Item 82 of 9/2/09 hearing held in Tallahassee. **File Name** **File Size** **Download 56** **Download DSL**

		* 12241-09.pdf 260.9 MB 10 hr 51 min 18 sec 12 min 12 sec

Are the following emails going to be added to the record? Please let me know where in the record these emails will be added:

The email below talks about Nuclear Decommissioning Accounting with regard to safety issues as well as cash flow reconciliations.

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To: 'Lisa Bennett'; 'Office of Commissioner Carter'; 'Office Of Commissioner Edgar'; 'Office of Commissioner McMurrian'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office of Commissioner Klement <Commissioner.Klement@psc.state.fl.us>'; 'Office of Commissioner Stevens <Commissioner.Stevens@psc.state.fl.us>'; 'Ann Cole'; 'Marshall Willis'; 'Cheryl Bulecza-Banks'; 'Andrew Maurey'; 'Tim Devlin'; 'Dorothy Menasco'
Cc: 'chairmanoffice@sec.gov'; 'SEC Help'; 'Cathy.Flanagan@usdoj.gov'; 'AskDOJ@usdoj.gov'; 'Drayne, Karen'; 'Bill@billnelson.senate.gov'; 'Shelby, Senator (Shelby)'; 'senator_bingaman@bingaman.senate.gov'; 'senator@dorgan.senate.gov'; 'senator_leahy@leahy.senate.gov'; 'senator_lugar@lugar.senate.gov'; 'gpoaccess@gpo.gov'; 'comments@whitehouse.gov'; 'vice_president@whitehouse.gov'; 'Charlie.Crist@MyFlorida.com'; 'rpjrb@yahoo.com'
Subject: FW: Entergy units short of money to close nuke plants

From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Wednesday, January 06, 2010 1:04 PM
To: 'Lisa Bennett'; 'Office of Commissioner Carter'; 'Office Of Commissioner Edgar'; 'Office of Commissioner McMurrian'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office of Commissioner Klement <Commissioner.Klement@psc.state.fl.us>'; 'Office of Commissioner Stevens <Commissioner.Stevens@psc.state.fl.us>'; 'Ann Cole'; 'Marshall Willis'; 'Cheryl Bulecza-Banks'; 'Andrew Maurey'; 'Tim Devlin'; 'Dorothy Menasco'
Cc: 'chairmanoffice@sec.gov'; 'SEC Help'; 'Cathy.Flanagan@usdoj.gov'; 'AskDOJ@usdoj.gov'; 'Drayne, Karen'; 'Bill@billnelson.senate.gov'; 'Shelby, Senator (Shelby)'; 'senator_bingaman@bingaman.senate.gov'; 'senator@dorgan.senate.gov'; 'senator_leahy@leahy.senate.gov'; 'senator_lugar@lugar.senate.gov'; 'gpoaccess@gpo.gov'; 'comments@whitehouse.gov'; 'vice_president@whitehouse.gov'; 'Charlie.Crist@MyFlorida.com'; 'rpjrb@yahoo.com'
Subject: FW: FPL is accused of not sharing its tax break

Dear Commissioner's

I had sent this breakout of my prior experience with regard to the ratecase process. I am sending this to keep everyone in the loop.

I hope that balance is maintained.

Thanks,

Robert H. Smith

The email below is a detailed email that talks about cash flow and tax payments by subsidiary.

From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Wednesday, January 06, 2010 11:43 AM
To: 'Lisa Bennett'; 'Office of Commissioner Carter'; 'Office Of Commissioner Edgar'; 'Office of Commissioner McMurrian'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office of Commissioner Klement <Commissioner.Klement@psc.state.fl.us>'; 'Office of Commissioner Stevens <Commissioner.Stevens@psc.state.fl.us>'; 'Ann Cole'; 'Marshall Willis'; 'Cheryl Bulecza-Banks'; 'Andrew Maurey'; 'Tim Devlin'; 'Dorothy Menasco'
Cc: 'chairmanoffice@sec.gov'; 'SEC Help'; 'Cathy.Flanagan@usdoj.gov'; 'AskDOJ@usdoj.gov'; 'Drayne, Karen'; 'Bill@billnelson.senate.gov'; 'Shelby, Senator (Shelby)'; 'senator_bingaman@bingaman.senate.gov'; 'senator@dorgan.senate.gov'; 'senator_leahy@leahy.senate.gov'; 'senator_lugar@lugar.senate.gov'; 'gpoaccess@gpo.gov'; 'comments@whitehouse.gov';

'vice_president@whitehouse.gov'; 'Charlie.Crist@MyFlorida.com'; 'rpjrb@yahoo.com'
Subject: FW: FPL is accused of not sharing its tax break

Thanks,

Robert H. Smith

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-----Original Message-----
From: Ellen Plendl [mailto:EPlendl@PSC.STATE.FL.US]
Sent: Thursday, January 07, 2010 11:17 AM
To: rpjrb@yahoo.com
Subject: RE: FPL is accused of not sharing its tax break

Mr. Robert H. Smith

rpjrb@yahoo.com

Dear Mr. Smith:

This is in response to your E-mails to Florida Public Service Commissioner David Klement regarding Florida Power & Light Company (FPL). Given the nature of your concerns, Commissioner Klement feels it would be appropriate for specialized staff of the Division of Service, Safety and Consumer Assistance to respond directly to you.

You expressed a concern about FPL's petition for an increase in base rates. We appreciate your comments regarding the petition and will add your correspondence to Docket No. 080677-EI.

If you have any questions or concerns please contact me at

1-800-342-3552 or by fax at 1-800-511-0809.

Sincerely,

Ellen Plendl

Regulatory Specialist

Florida Public Service Commission

Division of Service, Safety, & Consumer Assistance

1-800-342-3552 (phone)

1-800-511-0809 (fax)

Dorothy Menasco 080677

FPSC, CLK - CORRESPONDENCE
Administrative ✓ Parties Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION:

From: Dorothy Menasco
Sent: Tuesday, January 12, 2010 8:46 AM
To: 'rpjrb@yahoo.com'
Cc: Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; 'Office of Commissioner McMurrian'; Office of Commissioner Argenziano; Office of Commissioner Skop; Office of Commissioner Klement; Office of Commissioner Stevens; Ann Cole; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin
Subject: RE: FPL is accused of not sharing its tax break

Mr. Smith:

All of your correspondence in Docket 080677, that has been forwarded to our office to date, has been placed in *Docket correspondence - Parties and Interested Persons.* Document No. 10741-08 can accessed on the PSC website utilizing any of the following links:

http://www.floridapsc.com/dockets/cms/ShowDocket.aspx?docket=H:\LIBRARY\FILINGS\08\10741-08

http://www.floridapsc.com/dockets/cms/docketdetails.aspx?docket=080677

http://www.psc.state.fl.us/dockets/cms/

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Saturday, January 09, 2010 9:37 AM
To: Dorothy Menasco
Cc: Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; 'Office of Commissioner McMurrian'; Office of Commissioner Argenziano; Office of Commissioner Skop; Office of Commissioner Klement; Office of Commissioner Stevens; Ann Cole; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin; Ann Cole
Subject: RE: FPL is accused of not sharing its tax break

Dear Ms. Menasco,

Thank you for your response.

Is the email below going to be made part of the *Docket correspondence - Parties and Interested Persons.* Document No. 10741-08 as you have indicated below?

There is an email that I have sent to Commissioner Edgar with a CC to Governor Crist regarding the letter that I have received from Mr. Patrick L. Booter. This appears to be missing from the public record.

Was this made part of the hearing record?

From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]

Sent: Tuesday, July 07, 2009 10:36 AM
To: 'Commissioner.Edgar@psc.state.fl.us'; 'Charlie.Crist@MyFlorida.com'
Subject: Letter Received by General Counsel Patrick L. "Booter" IMHOF

Since the hearing is going to be heard on January 13th, 2010 when do I expect to receive a response from the General Counsel's Office? I want to make sure that all the email correspondence that I have submitted is being maintained in either the Docket correspondence – Parties or Interested Persons or the hearing docket if applicable.

Since there is only 3 days until the hearing I think that it is very important to make sure that all correspondence has been made part of the appropriate record.

I attached the email as per above below with the full email.

Thanks,

Robert H. Smith

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Sent: Tuesday, July 07, 2009 10:36 AM
To: 'Commissioner.Edgar@psc.state.fl.us'; 'Charlie.Crist@MyFlorida.com'
Subject: Letter Received by General Counsel Patrick L. "Booter" IMHOF

Dear Ms. Edgar and Mr. Crist,

Please forward this email to Mr. Patrick L. "Booter" Imhof. I do not have his email address.

I have received the letter dated July 2nd, 2009 from Patrick L. "Booter" Imhof on July 6th, 2009. What is very alarming is that the Florida Public Service Commission is indicating that the Freedom of Information act request is only a request for public records and that the questions that are being asked in the request do not constitute a public records request.

What is very important here is that whether or not a person becomes an intervener in this proceeding, all pertinent questions should be reviewed in their entirety before any rate increase is granted.

The shear fact that the Florida Public Service Commission is indicating that they can only provide public records may give rise to the possibility that information might be omitted from the proceeding that might give rise to better questioning with regard to the pending rate increase.

Yes, individual parties often do not have the financial resources to intervene in some proceedings but they might have the knowledge with regard to these matters to ask the appropriate questions before any rate increase is granted. If the questions that I have asked in my original FOIA request have not been answered, then how can the public have assurance that the Florida

Public Service Commission has asked the appropriate questions of Florida Power & Light with regard to it pending rate increase filing?

All the questions that I have asked in the original FOIA request and as well with the follow up email correspondence would be very pertinent with regard to the pending rate increase request. These questions should have already been asked by the Florida Public Service Commission in order to determine if the accounting at the Utility is accurately supporting the existing and future utility rates that the company is charging its ratepayers. The possibility exists that the shareholder's of the company could have exposure as well.

I have sent an email to the Office of Public Counsel as per the letter in order to shed some light on the additional questions that should be answered before a final decision is made by the commission staff. All the questions are in the original FOIA request that I have submitted to the Florida Public Service Commission in addition to the email correspondence.

The questions are very specific in nature and in order for the Commission to complete its audit procedures of Florida Power & Light it should have in its possession public information that would be able to answer all the questions appropriately in a clear and concise manner.

The Florida Public Service Commission is being supported by the taxpayers/ratepayers of Florida, therefore all of the questioning in the FOIA request and email correspondence should have been answered by the Florida Power & Light and already be available to be released through the Freedom of Information request.

What I do not understand is how this information is not available under the normal due diligence that the Florida Public Service Commission would have to complete to ensure compliance with the Public Utility Holding Act's laws and regulations.

I am waiting for a response from the Office of Public Counsel but I think that all my questions should be presented in this case to make sure that every question is answered before any rate increase is granted. The Freedom of Information Act should bring the transparency needed to ensure that the ratepayers/shareholders best interests are being protected.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or call me at 954-340-4956 / 954-798-6127.

What do you think?

Thanks,

Robert H. Smith

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Subject: RE: FPL is accused of not sharing its tax break

Mr. Smith:

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The General Counsel's Office will be following-up with you in reference to your questions regarding hearing exhibits.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
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Dear Ms. Cole and/or Ms. Menasco,

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Please let me know if everything has been moved to the hearing docket or if not why?

Thanks,

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Regulatory Specialist

Florida Public Service Commission

Division of Service, Safety, & Consumer Assistance

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12241-09	12/29/2009	Hearing Exhibit 35, Part 4, Item 82 of 9/2/09 hearing held in Tallahassee. **File Name** **File Size** **Download 56** **Download DSL** * 12241-09.pdf 260.9 MB 10 hr 51 min 18 sec 12 min 12 sec

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Cc: 'chairmanoffice@sec.gov'; 'SEC Help'; 'Cathy.Flanagan@usdoj.gov'; 'AskDOJ@usdoj.gov'; 'Drayne, Karen'; 'Bill@billnelson.senate.gov'; 'Shelby, Senator (Shelby)'; 'senator_bingaman@bingaman.senate.gov'; 'senator@dorgan.senate.gov'; 'senator_leahy@leahy.senate.gov'; 'senator_lugar@lugar.senate.gov'; 'gpoaccess@gpo.gov'; 'comments@whitehouse.gov'; 'vice_president@whitehouse.gov'; 'Charlie.Crist@MyFlorida.com'; 'rpjrb@yahoo.com'
Subject: FW: Entergy units short of money to close nuke plants

From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Wednesday, January 06, 2010 1:04 PM
To: 'Lisa Bennett'; 'Office of Commissioner Carter'; 'Office Of Commissioner Edgar'; 'Office of Commissioner McMurrian'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office of Commissioner Klement <Commissioner.Klement@psc.state.fl.us>'; 'Office of Commissioner Stevens <Commissioner.Stevens@psc.state.fl.us>'; 'Ann Cole'; 'Marshall Willis'; 'Cheryl Bulecza-Banks'; 'Andrew Maurey'; 'Tim Devlin'; 'Dorothy Menasco'
Cc: 'chairmanoffice@sec.gov'; 'SEC Help'; 'Cathy.Flanagan@usdoj.gov'; 'AskDOJ@usdoj.gov'; 'Drayne, Karen'; 'Bill@billnelson.senate.gov'; 'Shelby, Senator (Shelby)'; 'senator_bingaman@bingaman.senate.gov'; 'senator@dorgan.senate.gov'; 'senator_leahy@leahy.senate.gov'; 'senator_lugar@lugar.senate.gov'; 'gpoaccess@gpo.gov'; 'comments@whitehouse.gov'; 'vice_president@whitehouse.gov'; 'Charlie.Crist@MyFlorida.com'; 'rpjrb@yahoo.com'
Subject: FW: FPL is accused of not sharing its tax break

Dear Commissioner's

I had sent this breakout of my prior experience with regard to the ratecase process. I am sending this to keep everyone in the loop.

I hope that balance is maintained.

Thanks,

Robert H. Smith

The email below is a detailed email that talks about cash flow and tax payments by subsidiary.

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Sent: Wednesday, January 06, 2010 11:43 AM
To: 'Lisa Bennett'; 'Office of Commissioner Carter'; 'Office Of Commissioner Edgar'; 'Office of Commissioner McMurrian'; 'Office of

Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office of Commissioner Klement <Commissioner.Klement@psc.state.fl.us>'; 'Office of Commissioner Stevens <Commissioner.Stevens@psc.state.fl.us>'; 'Ann Cole'; 'Marshall Willis'; 'Cheryl Bulecza-Banks'; 'Andrew Maurey'; 'Tim Devlin'; 'Dorothy Menasco'
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Subject: FW: FPL is accused of not sharing its tax break

Thanks,

Robert H. Smith

Confidentiality Statement

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-----Original Message-----
From: Ellen Plendl [mailto:EPlendl@PSC.STATE.FL.US]
Sent: Thursday, January 07, 2010 11:17 AM
To: rpjrb@yahoo.com
Subject: RE: FPL is accused of not sharing its tax break

Mr. Robert H. Smith

rpjrb@yahoo.com

Dear Mr. Smith:

This is in response to your E-mails to Florida Public Service Commissioner David Klement regarding Florida Power & Light Company (FPL). Given the nature of your concerns, Commissioner Klement feels it would be appropriate for specialized staff of the Division of Service, Safety and Consumer Assistance to respond directly to you.

You expressed a concern about FPL's petition for an increase in base rates. We appreciate your comments regarding the petition and will add

your correspondence to Docket No. 080677-EI.

If you have any questions or concerns please contact me at 1-800-342-3552 or by fax at 1-800-511-0809.

Sincerely,

Ellen Plendl

Regulatory Specialist

Florida Public Service Commission

Division of Service, Safety, & Consumer Assistance

1-800-342-3552 (phone)

1-800-511-0809 (fax)

Ruth Nettles 080677-EI

From: Katie Ely on behalf of Records Clerk
Sent: Monday, January 11, 2010 8:08 AM
To: Ruth Nettles
Cc: Dorothy Menasco
Subject: FW: Change of Contact Information

FPSC, CLK - CORRESPONDENCE
_Administrative X Parties_Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION: _____

Changes to Parties/Interested Persons.

Katie Ely
Staff Assistant - Office of Commission Clerk
Florida Public Service Commission
850-413-6304

Please note: Florida has a very broad public records law. Most written communications to or from state officials regarding state business are considered to be public records and will be made available to the public and the media upon request. Therefore, your e-mail message may be subject to public disclosure.

From: Thomas Saporito [mailto:saporito3@gmail.com]
Sent: Monday, January 11, 2010 7:43 AM
To: Records Clerk
Subject: Change of Contact Information

To Whom It May Concern:

For all matters before the Cornmission involving or related to Thomas Saporito, please change the contact information to:

Thomas Saporito
Post Office Box 8413
Jupiter, Florida 33468-8413
Phone: 561-972-8363
Email: saporito3@gmail.com

Kind regards,

--
Thomas Saporito
Post Office Box 8143
Jupiter, Florida 33468-8413
Tel: 561-972-8363

Done 1/11/10 RVN

Katie Ely 080677-EI

From: Katie Ely
Sent: Monday, January 11, 2010 9:25 AM
To: Ellen Plendl
Subject: FW: Emails

Attachments: RE: FPL is accused of not sharing its tax break; RE: FPL is accused of not sharing its tax break

RE: FPL is accused of not shar...

RE: FPL is accused of not shar...

Correction: These attachments will be placed in Parties Correspondence for Docket No. 080677-EI, as Robert Smith is a party to the docket.

FPSC, CLK - CORRESPONDENCE
__Administrative X Parties __Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION: _____

Thank you,

Katie Ely
Staff Assistant - Office of Commission Clerk Florida Public Service Commission
850-413-6304

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From: Katie Ely
Sent: Monday, January 11, 2010 8:44 AM
To: Ellen Plendl
Subject: FW: Emails

Thank you for this information. These attachments have been printed and will be placed in Docket Correspondence - Consumers and their Representatives, in Docket 080677-EI

Katie Ely
Staff Assistant - Office of Commission Clerk Florida Public Service Commission
850-413-6304

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-----Original Message-----
From: Ellen Plendl
Sent: Thursday, January 07, 2010 12:48 PM
To: Katie Ely
Cc: Dorothy Menasco; Ann Cole
Subject: Emails

Docket 080677-EI

Email received and response sent.

Katie Ely

From: rpjrb@yahoo.com
Sent: Thursday, January 07, 2010 12:23 PM
To: Ellen Plendl
Cc: Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; 'Office of Commissioner McMurrian'; Office of Commissioner Argenziano; Office of Commissioner Skop; Office of Commissioner Klement; Office of Commissioner Stevens; Ann Cole; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin; Dorothy Menasco
Subject: RE: FPL is accused of not sharing its tax break

Dear Ms. Plendl,

Thanks for your response and I hope that these emails have helped. Hopefully I will hear back from the Senior Executives at the Utility about their holding company structure as it relates to segmented cash flows. As of today I have not heard back from them regarding my specific questions.

If you have any questions about the summary below please contact me at rpjrb@yahoo.com or 954-340-4956.

I also noticed that with the 12/29/2009 hearing exhibits that only one of my emails has been made part of the hearing exhibits that were filed on 12/29/2009. There are a lot of other email correspondence that I have sent to all the Commissioners at the Florida Public Service Commission that are very technical in nature as it relates to similar cash flow issues with over recoveries. (I.E. depreciation over recoveries etc.)

Are these going to be made part of the Hearing Exhibits?

There is an email that I have sent to Commissioner Edgar with a CC to Governor Crist regarding the letter that I have received from Mr. Patrick L. Booter. This appears to be missing from the public record.

Was this made part of the hearing record?

From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Tuesday, July 07, 2009 10:36 AM
To: 'Commissioner.Edgar@psc.state.fl.us'; 'Charlie.Crist@MyFlorida.com'
Subject: Letter Received by General Counsel Patrick L. "Booter" IMHOF

My email correspondence started back as per as early as 4/21/2009 with the original FOIA request dated 5/7/2009. I know that this correspondence has been made of other filings as per below:

12241-09 This one has been entered into the hearing exhibit.

10741-08 This one is not part of the hearing exhibits. I think that this file is just like the one below that has been updated but I wanted to make sure that all the emails have been made part of the record.

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0154-09 This one has my ROE emails and one of the depreciation emails with regard to the depreciation testimony.

Name	Size		Date Modified
12241-091229 2009ROB	267,112 KB	P.	12/30/2009 8:02 PM
10741-08ROBTestmony	6,697 KB	P.	11/3/2009 11:37 AM
10741-08ROB	5,389 KB	P.	10/22/2009 8:10 AM
01544-09rob	209,141 KB	P.	10/7/2009 5:16 PM

This is the hearing record with an email to the Sun-Sentinel only. All the other emails have not been made part of the hearing exhibits.

12241-09	12/29/2009	Hearing Exhibit 35, Part 4, Item 82 of 9/2/09 hearing held in Tallahassee. **File Name** **File Size** **Download 56** **Download DSL** * 12241-09.pdf 260.9 MB 10 hr 51 min 18 sec 12 min 12 sec

Are the following emails going to be added to the record? Please let me know where in the record these emails will be added:

The email below talks about Nuclear Decommissioning Accounting with regard to safety issues as well as cash flow reconciliations.

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Dear Commissioner's

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I hope that balance is maintained.

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Sincerely,

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Regulatory Specialist
Florida Public Service Commission
Division of Service, Safety, & Consumer Assistance
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Subject: RE: FPL is accused of not sharing its tax break

Dear Mr. Smith:

Thank you for your email.

I forward all customer correspondence with respect to docket matters directly to the Florida Public Service Commission's Office of Commission Clerk. You may contact their office at 850-413-6770 to determine the status/receipt of your correspondence/comments.

I hope this information is helpful.

Sincerely,

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Regulatory Specialist
Florida Public Service Commission
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12241-09

12/29/2009

Hearing Exhibit 35, Part 4, Item 82 of 9/2/09 hearing held in Tallahassee.

File Name

File Size

Download 56

Download DSL

* 12241-09.pdf <http://www.floridapsc.com/library/filings/09/12241-09/12241-09.pdf>

260.9 MB

10 hr 51 min 18 sec

12 min 12 sec

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Thanks,

Robert H. Smith

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(FPL). Given the nature of your concerns, Commissioner Klement feels it

would be appropriate for specialized staff of the Division of Service,

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You expressed a concern about FPL's petition for an increase in base rates. We appreciate your comments regarding the petition and will add your correspondence to Docket No. 080677-EI.

If you have any questions or concerns please contact me at 1-800-342-3552 or by fax at 1-800-511-0809.

Sincerely,

Ellen Plendl

Regulatory Specialist

Florida Public Service Commission

Division of Service, Safety, & Consumer Assistance

1-800-342-3552 (phone)

1-800-511-0809 (fax)

Katie Ely

080677-EI

From: Katie Ely
Sent: Monday, January 11, 2010 9:21 AM
To: Ellen Plendl
Subject: FW: Emails

Attachments: FW: FPL is accused of not sharing its tax break; FW: FPL is accused of not sharing its tax break; FW: fpl rate hike; RE: fpl rate hike; RE: FPL is accused of not sharing its tax break

FW: FPL is accused of not shar...

FW: FPL is accused of not shar...

FW: fpl rate hike

RE: fpl rate hike

RE: FPL is accused of not shar...

Correction: the first, second and fifth attachement are going to be placed in Parties Correspondence for Docket No. 080677-EI, as Robert Smith is a party to the docket.

The third and fourth attachment will be placed in Consumer Correspondence in Docket No. 080677-EI.

Thank you,

Katie Ely
Staff Assistant - Office of Commission Clerk Florida Public Service Commission
850-413-6304

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FPSC, CLK - CORRESPONDENCE
Administrative X Parties Consum
DOCUMENT NO. 10741-08
DISTRIBUTION:

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To: Ellen Plendl
Subject: FW: Emails

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Katie Ely
Staff Assistant - Office of Commission Clerk Florida Public Service Commission
850-413-6304

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Cc: Dorothy Menasco; Ann Cole
Subject: Emails

Docket 080677-EI

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Subject: FW: FPL is accused of not sharing its tax break

Ellen, please handle.

Betty

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Sent: Wednesday, January 06, 2010 11:43 AM
To: Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; 'Office of Commissioner McMurrian'; Office of Commissioner Argenziano; Office of Commissioner Skop; Office of Commissioner Klement; Office of Commissioner Stevens; Ann Cole; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin; Dorothy Menasco
Cc: chairmanoffice@sec.gov; 'SEC Help'; Cathy.Flanagan@usdoj.gov; AskDOJ@usdoj.gov; 'Drayne, Karen'; Bill@billnelson.senate.gov; 'Shelby, Senator (Shelby)'; senator_bingaman@bingaman.senate.gov; senator@dorgan.senate.gov; senator_leahy@leahy.senate.gov; senator_lugar@lugar.senate.gov; gpoaccess@gpo.gov; comments@whitehouse.gov; vice_president@whitehouse.gov; Charlie.Crist@MyFlorida.com; rpjrb@yahoo.com
Subject: FW: FPL is accused of not sharing its tax break

Dear Commissioners,

FYI.

Balance must be maintained.

Thanks,

Robert H. Smith

Confidentiality Statement

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Wednesday, January 06, 2010 11:38 AM
To: 'Klas, Mary Ellen - Miami'; 'Patel, Julie'

Subject: FPL is accused of not sharing its tax break

Dear Ms. Klas and Ms. Patel,

I received the letter from the PSC on Monday the 4th. When I read this I had mixed feelings on this. I wanted to share my thoughts on this with everyone. Remember balance is very important in this case from both a ratepayer and shareholder perspective.

This should be very easy to determine.

First off if the tax credits (ITC (Investment tax credits)) were derived from the non-regulated entity and the project was financed without the use of regulated monies then from a strict subsidiary perspective this would be OK. All Tax credits for the subsidiary should be only related to the project directly and financed on its own without the use of ratepayer money. Each tax provision for each entity should be maintained separately. This should include both current and deferred tax provisions. I know that the Utility might file its tax return on a consolidated basis. If there is a tax liability from a consolidated return perspective we must make sure that when the taxes are paid that they are being paid by each individual entity (regulated/non-regulated) entity. This must be looked at from a cash flow perspective as well since when they file the return they might be paying for the taxes as FPL group. From a Federal tax perspective the Fed's just want to capture the full tax liability for the entire company (FPL Group). The cash perspective of any tax liability at the subsidiary level is very important to take a look at. Each regulated/non-regulated entity should be able to pay its own tax liability. This should be paid from each individual entities cash account.

On the other hand if the possibility exists that any regulated monies financed any of these projects then there might be another problem. The possibility exists that the utility ratepayer might have financed a project to generate these tax credits. The ratepayer has to be made whole if this is the case.

Another issue that might surface is if the consolidated tax liability that is being paid by FPL is being paid together. The accounting for the cash and tax provisions must be maintained separately by regulated/non-regulated entity. Again if the possibility exists that the tax liabilities are being financed or paid by the ratepayers then it would be very important that the ratepayer be made whole.

The only way to accomplish this would be to make sure that each tax provision for each entity is maintained separately. Any cash payments made on a consolidated basis has to be broken out by regulated/non-regulated entity so that each regulated/non-regulated subsidiary is paying for its share of it current/deferred tax provision.

If you take a look at the emails that I have been sending I have repeatedly asked for a breakout of the cash flows by regulated/non-regulated entities. I have sent multiple requests to Mr. Lew Hay and Mr. Sieving from a shareholder perspective asking for segmented cash flows by entity. Again, I have not heard back from them as of today.

Based upon the segmented cash flow approach this issue can be addressed very easily.

Up North I personally worked on the consolidated tax return for a major utility (when I worked in the tax department after financial planning). I used to prepare the detailed tax provisions for both the Electric and Gas lines of business for each ratecase filing. This included the modeling of all current and deferred tax provisions which included ITC's (Investment Tax Credits). The tax department interfaced with our financial planning area in which we would model the full detailed tax provision. All temporary/permanent differences as well the

utilization of ITC's were modeled in our rate case in each separate Electric/Gas Cost of Service. Each tax provision from a current/deferred tax perspective was kept separately. All ITC (Investment Tax Credits) were maintained as per FERC accounting in a separate Electric/Gas account. Yes the tax return was filed together but we still maintained the tax provisions separately. We were also able to determine the current/deferred tax breakout which translated to the cash payment by line of business. This was filed with our ratecase proceeding as two separate tax provisions. Up North we were in an NOL position for a long time. These NOL's limited the tax liability to the company for a long time. This impacted the current tax paid with the consolidated tax return. Since each provision was maintained separately it was easily to determine the Electric/Gas breakout of its current/deferred tax provisions.

Since the Electric/Gas customer were both ratepayer entities the filing of the consolidated return was OK since both were regulated entities and for the most part all the customers were part of the regulated groups. The only issue that might have surfaced was if there was a non-regulated entity. It would be very important to maintain each tax provision separately from a current/deferred tax perspective to make sure that each entity is paying for its own tax liability. FERC accounting provides for the breakouts out of Utility/Non-Utility accounting. If there is a non-regulated entity then it would be the PSC's responsibility to make sure that these entities are paying for their share of the consolidated tax liability on their own. There should be no subsidization of any tax payments between regulated and non-regulated subsidiaries.

The only way to determine this information is to look at the segmented cash flows by entity (regulated/non-regulated). This should show a line for cash tax payments to tie into the current portion of the entities tax provision. This reconciliation should clear up this issue very easily.

This is why I had mixed feelings on this one. I know that the questions that I have sent as a FOIA request to the FPSC (Florida Public Service Commission) as well as my shareholder request to Mr. Lew Hay and Mr. Sieving would have explained all of the issues that are being discussed in this case. This type of questioning if answered would provide the answers needed to resolve a lot of the questions that are surfacing in this ratecase.

Mr. Davis would be correct as long as both the financing of the projects and the payment of the taxes related to each entity is being made by each entity on its own. There should be no subsidization of any non-regulated entity by any regulated entity.

Please see all my email correspondence that has been made part of the public record to help with some of the technical aspects of these issues.

I have spent over 10 years on these types of issues and I have received phone calls from the New York State Public Service Commission/New York State Comptroller's office regarding similar issues when I first came down to Florida 6 years ago. I worked in the Financial Planning Department for approx. 5 to 6 years and then moved from department to department (Fixed Assets, Tax department, Budget Department) to use my expertise to deal with a concurrent merger and a transfer of assets to a State entity. I worked on not only the preparation of the ratecase cost of services but the consolidated tax return in the tax department as well.

Please let me know if you would like to discuss this issue or any other matters related to the technical aspects of this ratecase. Hopefully there are no typo(s). I will review to see if there is anything else that might be important to this issue.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or call me at 954-340-4956.

Thanks,

Robert H. Smith

Confidentiality Statement

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Katie Ely

From: Office of Commissioner Klement
Sent: Thursday, January 07, 2010 10:37 AM
To: Ellen Plendl
Subject: FW: FPL is accused of not sharing its tax break

Please handle.

Betty

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, January 06, 2010 1:04 PM
To: Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; 'Office of Commissioner McMurrian'; Office of Commissioner Argenziano; Office of Commissioner Skop; Office of Commissioner Klement; Office of Commissioner Stevens; Ann Cole; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin; Dorothy Menasco
Cc: chairmanoffice@sec.gov; 'SEC Help'; Cathy.Flanagan@usdoj.gov; AskDOJ@usdoj.gov; 'Drayne, Karen'; Bill@billnelson.senate.gov; 'Shelby, Senator (Shelby)'; senator_bingaman@bingaman.senate.gov; senator@dorgan.senate.gov; senator_leahy@leahy.senate.gov; senator_lugar@lugar.senate.gov; gpoaccess@gpo.gov; comments@whitehouse.gov; vice_president@whitehouse.gov; Charlie.Crist@MyFlorida.com; rpjrb@yahoo.com
Subject: FW: FPL is accused of not sharing its tax break

Dear Commissioner's

I had sent this breakout of my prior experience with regard to the ratecase process. I am sending this to keep everyone in the loop.

I hope that balance is maintained.

Thanks,

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Wednesday, January 06, 2010 12:38 PM

To: 'Patel, Julie'
Subject: RE: FPL is accused of not sharing its tax break

Dear Ms. Patel,

It was nice speaking to you today regarding the Florida Power & Light Ratecase. I hope that my email correspondence has contributed to this ratecase process.

Here is the summary and detailed resume of my 10 years experience. Feel free to contact me with any other questions.

Thanks,

Robert H. Smith

Here you go:

KEYSPAN ENERGY, Hicksville, New York, 1990 – 2000
Senior Financial/Economic Analyst/Senior Tax Advisor

Preparation of the Company's Short Range and Long Range Financial Forecasts/Rate Case Filings including the preparation of the Company's official corporate budget for Senior Management. Direct consultation with the Company's Chief Financial Officer on interpreting actual versus forecast results in order to prepare forecasts of year-end earnings per share. Performed cost/benefit analysis on the impact of facility plans and changes in ratemaking and rate design philosophy on the financial condition and long term growth of the company. Prepared SEC related reports: Annual reports, 10 K's, shareholder reports, 10 Q's. Preparation of Corporate Tax filings. Calculation of Net Book Values of company assets which includes tax depreciation calculations related to company assets for deferred tax purposes. Assist in answering interrogatories from various interveners (i.e. Public Service Commission, Consumer Protection Board, various rating agencies).

KEYSPAN ENERGY, Hicksville, New York, 1990 – 2000
Senior Financial/Economic Analyst/Senior Tax Advisor

Preparation of the Company's Short Range and Long Range Financial Forecasts/Rate Case Filings including the preparation of the Company's official corporate budget for Senior Management. Direct consultation with the Company's Chief Financial Officer on interpreting actual versus forecast results in order to prepare forecasts of year-end earnings per share.

- Reviewed and conducted financial and economic analysis of all aspects of corporate operations in order to evaluate and seek solutions, which improve corporate performance.
- Analyzed alternative methods of financing present/proposed operations and corporate expansion programs.
- Performed cost/benefit analysis on the impact of facility plans and changes in ratemaking and rate design philosophy on the financial condition and long term growth of the company.
- Prepared short range and long range financial forecasts by line of business for Senior Management.
- Communicated forecast results to senior management and the business units.
- All aspects of analyzing and explaining variances between actual and forecast amounts and extrapolating their impact on year-end-results.
- Consulted with the Company's Chief Financial Officer on interpreting actual versus forecast results for the forecast of year-end earnings per share.

- Expert on the analysis of the Company's theoretical depreciation reserves versus the books depreciation reserves including depreciation recovered through the company's rates.
- Analysis of property plant additions (i.e. for property tax purposes), retirements and cost of removal.
- Calculation of Net Book values of company assets which includes tax depreciation calculations related to company assets for deferred tax purposes.
- Coordinated and maintained consolidated financial models (PC Based, Network server based and mainframe based), data base, Logic and reports (Profit & Loss, Balance Sheets) for all aspects of financial forecasts and implement logic changes in order to satisfy the requirements of senior management.
- Expert on EXCEL, POWER POINT, WORD, LOTUS, WORDPERFECT, HARVARD GRAPHICS, ACCESS and MONARCH.

- Increased productivity levels by providing key contributions toward automation of account reconciliation processes.

Financial Analyst

- Assist in the Maintenance of the Consolidation Model data base, logic and reports, ensuring an up-to-date status with current financial and regulatory requirements.
- Assist in updating the financial forecasts and exhibits included in the Company's pending Gas Rate Case and Compliance filing proceedings as required by the Public Service Commission.
- Assist in the preparation of the Company's official corporate budget for Senior Management including high level variance analysis of the companies cost of service for rate making purposes and the company's earnings for GAAP/SEC purposes.
- Provide monthly income statements/variance analysis for Senior Management of the Operations and Regulatory support departments.
- Provide quarterly income statements/variance analysis for the Tax department for revising the Company's estimated tax payments.
- Prepared SEC related reports: Annual reports, 10K's, shareholder reports, 10Q's
- Prepared Corporate tax filings
- Assist in answering interrogatories from various interveners (i.e. Public Service Commission, Consumer Protection Board, various rating agencies)
- Liaison between Financial Planning and Accounting, Tax, Budget departments.
- Department's expert on personal computers.
- Knowledge of TSO, CICS mainframe operating systems and GPOS7 (Database) language.

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From: Patel, Julie [mailto:jvpatel@sun-sentinel.com]
Sent: Wednesday, January 06, 2010 11:52 AM
To: rpjrb@yahoo.com
Subject: RE: FPL is accused of not sharing its tax break

Thank you for this analysis! It is very helpful. I'd like to add some of it to our Web piece on the subject. Can you remind me which utility you used to work for and what your position was? Thanks.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, January 06, 2010 11:38 AM
To: 'Klas, Mary Ellen - Miami'; Patel, Julie
Subject: FPL is accused of not sharing its tax break

Dear Ms. Klas and Ms. Patel,

I received the letter from the PSC on Monday the 4th. When I read this I had mixed feelings on this. I wanted to share my thoughts on this with everyone. Remember balance is very important in this case from both a ratepayer and shareholder perspective.

This should be very easy to determine.

First off if the tax credits (ITC (Investment tax credits)) were derived from the non-regulated entity and the project was financed without the use of regulated monies then from a strict subsidiary perspective this would be OK. All Tax credits for the subsidiary should be only related to the project directly and financed on its own without the use of ratepayer money. Each tax provision for each entity should be maintained separately. This should include both current and deferred tax provisions. I know that the Utility might file its tax return on a consolidated basis. If there is a tax liability from a consolidated return perspective we must make sure that when the taxes are paid that they are being paid by each individual entity (regulated/non-regulated) entity. This must be looked at from a cash flow perspective as well since when they file the return they might be paying for the taxes as FPL group. From a Federal tax perspective the Fed's just want to capture the full tax liability for the entire company (FPL Group). The cash perspective of any tax liability at the subsidiary level is very important to take a look at. Each regulated/non-regulated entity should be able to pay its own tax liability. This should be paid from each individual entities cash account.

On the other hand if the possibility exists that any regulated monies financed any of these projects then there might be another problem. The possibility exists that the utility ratepayer might have financed a project to generate these tax credits. The ratepayer has to be made whole if this is the case.

Another issue that might surface is if the consolidated tax liability that is being paid by FPL is being paid together. The accounting for the cash and tax provisions must be maintained separately by regulated/non-regulated entity. Again if the possibility exists that the tax liabilities are being financed or paid by the ratepayers then it would be very important that the ratepayer be made whole.

The only way to accomplish this would be to make sure that each tax provision for each entity is maintained separately. Any cash payments made on a consolidated basis has to be broken out by regulated/non-regulated entity so that each regulated/non-regulated subsidiary is paying for its share of it current/deferred tax provision.

If you take a look at the emails that I have been sending I have repeatedly asked for a breakout of the cash flows by regulated/non-regulated entities. I have sent multiple requests to Mr. Lew Hay and Mr. Sieving from a shareholder perspective asking for segmented cash flows by entity. Again, I have not heard back from them as of today.

Based upon the segmented cash flow approach this issue can be addressed very easily.

Up North I personally worked on the consolidated tax return for a major utility (when I worked in the tax department after financial planning). I used to prepare the detailed tax provisions for both the Electric and Gas lines of business for each ratecase filing. This included the modeling of all current and deferred tax provisions which included ITC's (Investment Tax Credits). The tax department interfaced with our financial planning area in which we would model the full detailed tax provision. All temporary/permanent differences as well the utilization of ITC's were modeled in our rate case in each separate Electric/Gas Cost of Service. Each tax provision from a current/deferred tax perspective was kept separately. All ITC (Investment Tax Credits) were maintained as per FERC accounting in a separate Electric/Gas account. Yes the tax return was filed together but we still maintained the tax provisions separately. We were also able to determine the current/deferred tax breakout which translated to the cash payment by line of business. This was filed with our ratecase proceeding as two separate tax provisions. Up North we were in an NOL position for a long time. These NOL's limited the tax liability to the company for a long time. This impacted the current tax paid with the consolidated tax return. Since each provision was maintained separately it was easily to determine the Electric/Gas breakout of its current/deferred tax provisions.

Since the Electric/Gas customer were both ratepayer entities the filing of the consolidated return was OK since both were regulated entities and for the most part all the customers were part of the regulated groups. The only issue that might have surfaced was if there was a non-regulated entity. It would be very important to maintain each tax provision separately from a current/deferred tax perspective to make sure that each entity is paying for its own tax liability. FERC accounting provides for the breakouts out of Utility/Non-Utility accounting. If there is a non-regulated entity then it would be the PSC's responsibility to make sure that these entities are paying for their share of the consolidated tax liability on their own. There should be no subsidization of any tax payments between regulated and non-regulated subsidiaries.

The only way to determine this information is to look at the segmented cash flows by entity (regulated/non-regulated). This should show a line for cash tax payments to tie into the current portion of the entities tax provision. This reconciliation should clear up this issue very easily.

This is why I had mixed feelings on this one. I know that the questions that I have sent as a FOIA request to the FPSC (Florida Public Service Commission) as well as my shareholder request to Mr. Lew Hay and Mr. Sieving

would have explained all of the issues that are being discussed in this case. This type of questioning if answered would provide the answers needed to resolve a lot of the questions that are surfacing in this ratecase.

Mr. Davis would be correct as long as both the financing of the projects and the payment of the taxes related to each entity is being made by each entity on its own. There should be no subsidization of any non-regulated entity by any regulated entity.

Please see all my email correspondence that has been made part of the public record to help with some of the technical aspects of these issues.

I have spent over 10 years on these types of issues and I have received phone calls from the New York State Public Service Commission/New York State Comptroller's office regarding similar issues when I first came down to Florida 6 years ago. I worked in the Financial Planning Department for approx. 5 to 6 years and then moved from department to department (Fixed Assets, Tax department, Budget Department) to use my expertise to deal with a concurrent merger and a transfer of assets to a State entity. I worked on not only the preparation of the ratecase cost of services but the consolidated tax return in the tax department as well.

Please let me know if you would like to discuss this issue or any other matters related to the technical aspects of this ratecase. Hopefully there are no typo(s). I will review to see if there is anything else that might be important to this issue.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or call me at 954-340-4956.

Thanks,

Robert H. Smith

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Katie Ely

From: Ellen Plendl
Sent: Thursday, January 07, 2010 11:17 AM
To: 'rpjrb@yahoo.com'
Subject: RE: FPL is accused of not sharing its tax break

Mr. Robert H. Smith
rpjrb@yahoo.com

Dear Mr. Smith:

This is in response to your E-mails to Florida Public Service Commissioner David Klement regarding Florida Power & Light Company (FPL). Given the nature of your concerns, Commissioner Klement feels it would be appropriate for specialized staff of the Division of Service, Safety and Consumer Assistance to respond directly to you.

You expressed a concern about FPL's petition for an increase in base rates. We appreciate your comments regarding the petition and will add your correspondence to Docket No. 080677-EI.

If you have any questions or concerns please contact me at 1-800-342-3552 or by fax at 1-800-511-0809.

Sincerely,

Ellen Plendl
Regulatory Specialist
Florida Public Service Commission
Division of Service, Safety, & Consumer Assistance
1-800-342-3552 (phone)
1-800-511-0809 (fax)

Dorothy Menasco 080677EI

From: Dorothy Menasco
Sent: Friday, January 08, 2010 8:14 PM
To: 'rpjrb@yahoo.com'
Cc: Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; 'Office of Commissioner McMurrian'; Office of Commissioner Argenziano; Office of Commissioner Skop; Office of Commissioner Klement; Office of Commissioner Stevens; Ann Cole; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin; Ann Cole
Subject: RE: FPL is accused of not sharing its tax break

Mr. Smith:

As mentioned in our 11/3/09 correspondence, all of your correspondence in Docket 080677, that is forwarded to our office, is placed in *Docket correspondence - Parties and Interested Persons.* Document No. 10741-08 can accessed on the PSC website utilizing any of the following links:

http://www.floridapsc.com/dockets/cms/ShowDocket.aspx?docket=H:\LIBRARY\FILINGS\08\10741-08

http://www.floridapsc.com/dockets/cms/docketdetails.aspx?docket=080677

http://www.psc.state.fl.us/dockets/cms/

The General Counsel's Office will be following-up with you in reference to your questions regarding hearing exhibits.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

FPSC, CLK - CORRESPONDENCE
_Administrative X Parties _Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION: _____

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, January 07, 2010 1:20 PM
To: Ann Cole; Dorothy Menasco
Cc: Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; 'Office of Commissioner McMurrian'; Office of Commissioner Argenziano; Office of Commissioner Skop; Office of Commissioner Klement; Office of Commissioner Stevens; Ann Cole; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin
Subject: FW: FPL is accused of not sharing its tax break

Dear Ms. Cole and/or Ms. Menasco,

Does your area handle this request?

Please let me know if everything has been moved to the hearing docket or if not why?

Thanks,

Robert H. Smith

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-----Original Message-----
From: Ellen Plendl [mailto:EPlendl@PSC.STATE.FL.US]
Sent: Thursday, January 07, 2010 12:48 PM
To: rpjrb@yahoo.com
Subject: RE: FPL is accused of not sharing its tax break

Dear Mr. Smith:

Thank you for your email.

I forward all customer correspondence with respect to docket matters directly to the Florida Public Service Commission's Office of Commission Clerk. You may contact their office at 850-413-6770 to determine the status/receipt of your correspondence/comments.

I hope this information is helpful.

Sincerely,

Ellen Plendl
Regulatory Specialist
Florida Public Service Commission
Division of Service, Safety, & Consumer Assistance
1-800-342-3552 (phone)
1-800-511-0809 (fax)

From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Thursday, January 07, 2010 12:23 PM
To: Ellen Plendl <EPlendl@PSC.STATE.FL.US>
Cc: 'Lisa Bennett'; 'Office of Commissioner Carter'; 'Office Of Commissioner Edgar'; 'Office of Commissioner McMurrian'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office of Commissioner Klement <Commissioner.Klement@psc.state.fl.us>'; 'Office of Commissioner Stevens <Commissioner.Stevens@psc.state.fl.us>'; 'Ann Cole'; 'Marshall Willis'; 'Cheryl Bulecza-Banks'; 'Andrew Maurey'; 'Tim Devlin'; 'Dorothy Menasco'
Subject: RE: FPL is accused of not sharing its tax break

Dear Ms. Plendl,

Thanks for your response and I hope that these emails have helped. Hopefully I will hear back from the Senior Executives at the Utility about their holding company structure as it relates to segmented cash flows. As of today I have not heard back from them regarding my specific questions.

If you have any questions about the summary below please contact me at rpjrb@yahoo.com or 954-340-4956.

I also noticed that with the 12/29/2009 hearing exhibits that only one of my emails has been made part of the hearing exhibits that were filed on 12/29/2009. There are a lot of other email correspondence that I have sent to all the Commissioners at the Florida Public Service Commission that are very technical in nature as it relates to similar cash flow issues with over recoveries. (I.E. depreciation over recoveries etc.)

Are these going to be made part of the Hearing Exhibits?

There is an email that I have sent to Commissioner Edgar with a CC to Governor Crist regarding the letter that I have received from Mr. Patrick L. Booter. This appears to be missing from the public record.

Was this made part of the hearing record?

From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Tuesday, July 07, 2009 10:36 AM
To: 'Commissioner.Edgar@psc.state.fl.us'; 'Charlie.Crist@MyFlorida.com'
Subject: Letter Received by General Counsel Patrick L. "Booter" IMHOF

My email correspondence started back as per as early as 4/21/2009 with the original FOIA request dated 5/7/2009. I know that this correspondence has been made of other filings as per below:

12241-09 This one has been entered into the hearing exhibit.

10741-08 This one is not part of the hearing exhibits. I think that this file is just like the one below that has been updated but I wanted to make sure that all the emails have been made part of the record.

10741-08 This one is not part of the hearing exhibits. I think that this file is similar to the above file and was updated. This one has the email regarding the earnings increase for the non-regulated subs as well.

0154-09 This one has my ROE emails and one of the depreciation emails with regard to the depreciation testimony.

Name	Size	Date Modified
12241-091229 2009ROB	267,112 KB	P. 12/30/2009 8:02 PM
10741-08ROBTestimony	6,697 KB	P. 11/3/2009 11:37 AM
10741-08ROB	5,389 KB	P. 10/22/2009 8:10 AM
01544-09rob	209,141 KB	P. 10/7/2009 5:16 PM

This is the hearing record with an email to the Sun-Sentinel only. All the other emails have not been made part of the hearing exhibits.

12241-09	12/29/2009	Hearing Exhibit 35, Part 4, Item 82 of 9/2/09 hearing held in Tallahassee. **File Name** **File Size** **Download 56** **Download DSL** * 12241-09.pdf 260.9 MB 10 hr 51 min 18 sec 12 min 12 sec

Are the following emails going to be added to the record? Please let me know where in the record these emails will be added:

The email below talks about Nuclear Decommissioning Accounting with regard to safety issues as well as cash flow reconciliations.

From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Wednesday, January 06, 2010 4:59 PM
To: 'Lisa Bennett'; 'Office of Commissioner Carter'; 'Office Of Commissioner Edgar'; 'Office of Commissioner McMurrian'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office of Commissioner Klement <Commissioner.Klement@psc.state.fl.us>'; 'Office of Commissioner Stevens <Commissioner.Stevens@psc.state.fl.us>'; 'Ann Cole'; 'Marshall Willis'; 'Cheryl Bulecza-Banks'; 'Andrew Maurey'; 'Tim Devlin'; 'Dorothy Menasco'
Cc: 'chairmanoffice@sec.gov'; 'SEC Help'; 'Cathy.Flanagan@usdoj.gov'; 'AskDOJ@usdoj.gov'; 'Drayne, Karen'; 'Bill@billnelson.senate.gov'; 'Shelby, Senator (Shelby)'; 'senator_bingaman@bingaman.senate.gov'; 'senator@dorgan.senate.gov'; 'senator_leahy@leahy.senate.gov'; 'senator_lugar@lugar.senate.gov'; 'gpoaccess@gpo.gov'; 'comments@whitehouse.gov'; 'vice_president@whitehouse.gov'; 'Charlie.Crist@MyFlorida.com'; 'rpjrb@yahoo.com'
Subject: FW: Entergy units short of money to close nuke plants

From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Wednesday, January 06, 2010 1:04 PM
To: 'Lisa Bennett'; 'Office of Commissioner Carter'; 'Office Of Commissioner Edgar'; 'Office of Commissioner McMurrian'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office of Commissioner Klement <Commissioner.Klement@psc.state.fl.us>'; 'Office of Commissioner Stevens <Commissioner.Stevens@psc.state.fl.us>'; 'Ann Cole'; 'Marshall Willis'; 'Cheryl Bulecza-Banks'; 'Andrew Maurey'; 'Tim Devlin'; 'Dorothy Menasco'
Cc: 'chairmanoffice@sec.gov'; 'SEC Help'; 'Cathy.Flanagan@usdoj.gov'; 'AskDOJ@usdoj.gov'; 'Drayne, Karen'; 'Bill@billnelson.senate.gov'; 'Shelby, Senator (Shelby)'; 'senator_bingaman@bingaman.senate.gov'; 'senator@dorgan.senate.gov'; 'senator_leahy@leahy.senate.gov'; 'senator_lugar@lugar.senate.gov'; 'gpoaccess@gpo.gov'; 'comments@whitehouse.gov'; 'vice_president@whitehouse.gov'; 'Charlie.Crist@MyFlorida.com'; 'rpjrb@yahoo.com'
Subject: FW: FPL is accused of not sharing its tax break

Dear Commissioner's

I had sent this breakout of my prior experience with regard to the ratecase process. I am sending this to keep everyone in the loop.

I hope that balance is maintained.

Thanks,

Robert H. Smith

The email below is a detailed email that talks about cash flow and tax payments by subsidiary.

From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Wednesday, January 06, 2010 11:43 AM
To: 'Lisa Bennett'; 'Office of Commissioner Carter'; 'Office Of Commissioner Edgar'; 'Office of Commissioner McMurrian'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office of Commissioner Klement <Commissioner.Klement@psc.state.fl.us>'; 'Office of Commissioner Stevens <Commissioner.Stevens@psc.state.fl.us>'; 'Ann Cole'; 'Marshall Willis'; 'Cheryl Bulecza-Banks'; 'Andrew Maurey'; 'Tim Devlin'; 'Dorothy Menasco'
Cc: 'chairmanoffice@sec.gov'; 'SEC Help'; 'Cathy.Flanagan@usdoj.gov'; 'AskDOJ@usdoj.gov'; 'Drayne, Karen'; 'Bill@billnelson.senate.gov'; 'Shelby, Senator (Shelby)'; 'senator_bingaman@bingaman.senate.gov'; 'senator@dorgan.senate.gov'; 'senator_leahy@leahy.senate.gov'; 'senator_lugar@lugar.senate.gov'; 'gpoaccess@gpo.gov'; 'comments@whitehouse.gov'; 'vice_president@whitehouse.gov'; 'Charlie.Crist@MyFlorida.com'; 'rpjrb@yahoo.com'
Subject: FW: FPL is accused of not sharing its tax break

Thanks,

Robert H. Smith

Confidentiality Statement

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-----Original Message-----
From: Ellen Plendl [mailto:EPlendl@PSC.STATE.FL.US]
Sent: Thursday, January 07, 2010 11:17 AM
To: rpjrb@yahoo.com
Subject: RE: FPL is accused of not sharing its tax break

Mr. Robert H. Smith

rpjrb@yahoo.com

Dear Mr. Smith:

This is in response to your E-mails to Florida Public Service Commissioner David Klement regarding Florida Power & Light Company (FPL). Given the nature of your concerns, Commissioner Klement feels it would be appropriate for specialized staff of the Division of Service, Safety and Consumer Assistance to respond directly to you.

You expressed a concern about FPL's petition for an increase in base rates. We appreciate your comments regarding the petition and will add your correspondence to Docket No. 080677-EI.

If you have any questions or concerns please contact me at 1-800-342-3552 or by fax at 1-800-511-0809.

Sincerely,

Ellen Plendl
Regulatory Specialist
Florida Public Service Commission
Division of Service, Safety, & Consumer Assistance
1-800-342-3552 (phone)
1-800-511-0809 (fax)

RECEIVED-FPSC
10 JAN -8 PM 2:27
COMMISSION CLERK

FPSC, CLK - CORRESPONDENCE
Administrative X Parties Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION:

Ann Cole

From: Ann Cole
Sent: Friday, January 08, 2010 2:03 PM
To: Cristina Slaton
Cc: Commissioners Advisors; Administrative Assistants - Commission Suite
Subject: FW: Docket Correspondence
Attachments: Fwd: FP & L 1/6/10 The Miami Herald Article; FW: FPL is accused of not sharing its tax break; FW: Entergy units short of money to close nuke plants

Thank you for this information. The three attachments have been printed and will be placed in *Correspondence - Consumers and their Representatives*, in Docket No. 080677-EI.

From: Cristina Slaton
Sent: Friday, January 08, 2010 1:50 PM
To: Ann Cole
Cc: Bill McNulty
Subject: Docket Correspondence

Hi Ann,

Please place the attached e-mails in Docket Correspondence - Consumers and their Representatives, in Docket No. 080677-EI.

Thank you,
Cristina

Ann Cole

From: rpjrb@yahoo.com

Sent: Wednesday, January 06, 2010 4:59 PM

To: Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; 'Office of Commissioner McMurrian'; Office of Commissioner Argenziano; Office of Commissioner Skop; Office of Commissioner Klement; Office of Commissioner Stevens; Ann Cole; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin; Dorothy Menasco

Cc: chairmanoffice@sec.gov; 'SEC Help'; Cathy.Flanagan@usdoj.gov; AskDOJ@usdoj.gov; 'Drayne, Karen'; Bill@billnelson.senate.gov; 'Shelby, Senator (Shelby)'; senator_bingaman@bingaman.senate.gov; senator@dorgan.senate.gov; senator_leahy@leahy.senate.gov; senator_lugar@lugar.senate.gov; gpoaccess@gpo.gov; comments@whitehouse.gov; vice_president@whitehouse.gov; Charlie.Crist@MyFlorida.com; rpjrb@yahoo.com

Subject: FW: Entergy units short of money to close nuke plants

Dear Commissioner's,

For your information.

Thanks,

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Wednesday, January 06, 2010 4:55 PM
To: 'Patel, Julie'; 'Klas, Mary Ellen - Miami'
Subject: Entergy units short of money to close nuke plants

Dear Ms. Patel and Ms. Klas,

It's all about the cash flow. As per our discussion these types of issues are very important. If the utility collected decommissioning costs in rates as they should have, one has to determine where the cash is for the collection of these monies in rates. If there is a need for additional money then it would be very important to collect these additional monies for the proper decommissioning of the plant. A full reconciliation of the cash collected in rates that should have been set aside for the decommissioning should be completed to determine if

more money is needed to decommission the plant.

Balancing the need for the proper rate relief as well as the accountability of the cash collected for this decommissioning is very important. This is to ensure that both safety issues as well as adequate funding levels are being maintained. This would be in the best interest of both the ratepayers and shareholders of these utilities.

Get the picture?

I used to forecast Nuclear GAAP/Ratemaking accounting in the preparation of our ratecases up North. All this accounting was completed with our Electric Rate Case filings. This type of accounting would be similar for Turkey Point. This was the article that was published in the Sun-Sentinel that we have talked about.

Another issue that you have brought up in another article was for a Pension issue. When I prepared the ratecases up North I forecasted the Pension GAAP/Ratemaking Accounting in both our Electric/Gas Ratecases as well.

Thanks,

Robert H. Smith

BY ALAN SAYRE

AP BUSINESS WRITER

NEW ORLEANS -- Two Louisiana power utilities owned by Entergy Corp. are short $235.5 million for the projected costs of eventually closing two nuclear generating plants - and the power provider wants slight increases in customer rates to close the gap.

According to a Tuesday filing with the Louisiana Public Service Commission, Entergy Louisiana said it needs an additional $68.2 million to meet the federal Nuclear Regulatory Commission's demand for a $400.2 million decommissioning fund for the Waterford 3 plant at Taft.

Court records reveal trouble at Turkey Point nuclear plant

FPL plant workers angry at performance, work records

By John Dorschner, The Miami Herald
January 4, 2010

When Coleen Ware walked into Turkey Point, she was shocked to see that the indicators showing control rod positions looked like something out of an early '70s sci-fi movie.

On special assignment from the Institute of Nuclear Power Operations to teach managers of the south Miami-Dade County plant about safety, she was surprised by the aged indicators, which show the position of the rods in the reactor core -- a central measure about how the core is functioning.

Retired FPL lineman: The utility overpaid me

Pension package made him question company's procedures

By Julie Patel, Sun Sentinel
January 5, 2010

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Ann Cole

From: rpjrb@yahoo.com

Sent: Wednesday, January 06, 2010 1:04 PM

To: Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; 'Office of Commissioner McMurrian'; Office of Commissioner Argenziano; Office of Commissioner Skop; Office of Commissioner Klement; Office of Commissioner Stevens; Ann Cole; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin; Dorothy Menasco

Cc: chairmanoffice@sec.gov; 'SEC Help'; Cathy.Flanagan@usdoj.gov; AskDOJ@usdoj.gov; 'Drayne, Karen'; Bill@billnelson.senate.gov; 'Shelby, Senator (Shelby)'; senator_bingaman@bingaman.senate.gov; senator@dorgan.senate.gov; senator_leahy@leahy.senate.gov; senator_lugar@lugar.senate.gov; gpoaccess@gpo.gov; comments@whitehouse.gov; vice_president@whitehouse.gov; Charlie.Crist@MyFlorida.com; rpjrb@yahoo.com

Subject: FW: FPL is accused of not sharing its tax break

Dear Commissioner's

I had sent this breakout of my prior experience with regard to the ratecase process. I am sending this to keep everyone in the loop.

I hope that balance is maintained.

Thanks,

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Wednesday, January 06, 2010 12:38 PM
To: 'Patel, Julie'
Subject: RE: FPL is accused of not sharing its tax break

Dear Ms. Patel,

It was nice speaking to you today regarding the Florida Power & Light Ratecase. I hope that my email correspondence has contributed to this ratecase process.

Here is the summary and detailed resume of my 10 years experience. Feel free to contact me with any other questions.

Thanks,

Robert H. Smith

Here you go:

KEYSPAN ENERGY, Hicksville, New York, 1990 – 2000
Senior Financial/Economic Analyst/Senior Tax Advisor

Preparation of the Company's Short Range and Long Range Financial Forecasts/Rate Case Filings including the preparation of the Company's official corporate budget for Senior Management. Direct consultation with the Company's Chief Financial Officer on interpreting actual versus forecast results in order to prepare forecasts of year-end earnings per share. Performed cost/benefit analysis on the impact of facility plans and changes in ratemaking and rate design philosophy on the financial condition and long term growth of the company. Prepared SEC related reports: Annual reports, 10 K's, shareholder reports, 10 Q's. Preparation of Corporate Tax filings. Calculation of Net Book Values of company assets which includes tax depreciation calculations related to company assets for deferred tax purposes. Assist in answering interrogatories from various interveners (i.e. Public Service Commission, Consumer Protection Board, various rating agencies).

KEYSPAN ENERGY, Hicksville, New York, 1990 – 2000
Senior Financial/Economic Analyst/Senior Tax Advisor

Preparation of the Company's Short Range and Long Range Financial Forecasts/Rate Case Filings including the preparation of the Company's official corporate budget for Senior Management. Direct consultation with the Company's Chief Financial Officer on interpreting actual versus forecast results in order to prepare forecasts of year-end earnings per share.

- Reviewed and conducted financial and economic analysis of all aspects of corporate operations in order to evaluate and seek solutions, which improve corporate performance.
- Analyzed alternative methods of financing present/proposed operations and corporate expansion programs.
- Performed cost/benefit analysis on the impact of facility plans and changes in ratemaking and rate design philosophy on the financial condition and long term growth of the company.
- Prepared short range and long range financial forecasts by line of business for Senior Management.
- Communicated forecast results to senior management and the business units.
- All aspects of analyzing and explaining variances between actual and forecast amounts and extrapolating their impact on year-end-results.
- Consulted with the Company's Chief Financial Officer on interpreting actual versus forecast results for the forecast of year-end earnings per share.
- Expert on the analysis of the Company's theoretical depreciation reserves versus the books depreciation reserves including depreciation recovered through the company's rates.
- Analysis of property plant additions (i.e. for property tax purposes), retirements and cost of removal.
- Calculation of Net Book values of company assets which includes tax depreciation calculations related to company assets for deferred tax purposes.
- Coordinated and maintained consolidated financial models (PC Based, Network server based and mainframe based), data base, Logic and reports (Profit & Loss, Balance Sheets) for all aspects of financial forecasts and implement logic changes in order to satisfy the requirements of senior management.

- Expert on EXCEL, POWER POINT, WORD, LOTUS, WORDPERFECT, HARVARD GRAPHICS, ACCESS and MONARCH.

- Increased productivity levels by providing key contributions toward automation of account reconciliation processes.

Financial Analyst

- Assist in the Maintenance of the Consolidation Model data base, logic and reports, ensuring an up-to-date status with current financial and regulatory requirements.
- Assist in updating the financial forecasts and exhibits included in the Company's pending Gas Rate Case and Compliance filing proceedings as required by the Public Service Commission.
- Assist in the preparation of the Company's official corporate budget for Senior Management including high level variance analysis of the companies cost of service for rate making purposes and the company's earnings for GAAP/SEC purposes.
- Provide monthly income statements/variance analysis for Senior Management of the Operations and Regulatory support departments.
- Provide quarterly income statements/variance analysis for the Tax department for revising the Company's estimated tax payments.
- Prepared SEC related reports: Annual reports, 10K's, shareholder reports, 10Q's
- Prepared Corporate tax filings
- Assist in answering interrogatories from various interveners (i.e. Public Service Commission, Consumer Protection Board, various rating agencies)
- Liaison between Financial Planning and Accounting, Tax, Budget departments.
- Department's expert on personal computers.
- Knowledge of TSO, CICS mainframe operating systems and GPOS7 (Database) language.

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From: Patel, Julie [mailto:jvpatel@sun-sentinel.com]
Sent: Wednesday, January 06, 2010 11:52 AM
To: rpjrb@yahoo.com
Subject: RE: FPL is accused of not sharing its tax break

Thank you for this analysis! It is very helpful. I'd like to add some of it to our Web piece on the subject. Can you remind me which utility you used to work for and what your position was? Thanks.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, January 06, 2010 11:38 AM
To: 'Klas, Mary Ellen - Miami'; Patel, Julie
Subject: FPL is accused of not sharing its tax break

Dear Ms. Klas and Ms. Patel,

I received the letter from the PSC on Monday the 4th. When I read this I had mixed feelings on this. I wanted to share my thoughts on this with everyone. Remember balance is very important in this case from both a ratepayer and shareholder perspective.

This should be very easy to determine.

First off if the tax credits (ITC (Investment tax credits)) were derived from the non-regulated entity and the project was financed without the use of regulated monies then from a strict subsidiary perspective this would be OK. All Tax credits for the subsidiary should be only related to the project directly and financed on its own without the use of ratepayer money. Each tax provision for each entity should be maintained separately. This should include both current and deferred tax provisions. I know that the Utility might file its tax return on a consolidated basis. If there is a tax liability from a consolidated return perspective we must make sure that when the taxes are paid that they are being paid by each individual entity (regulated/non-regulated) entity. This must be looked at from a cash flow perspective as well since when they file the return they might be paying for the taxes as FPL group. From a Federal tax perspective the Fed's just want to capture the full tax liability for the entire company (FPL Group). The cash perspective of any tax liability at the subsidiary level is very important to take a look at. Each regulated/non-regulated entity should be able to pay its own tax liability. This should be paid from each individual entities cash account.

On the other hand if the possibility exists that any regulated monies financed any of these projects then there might be another problem. The possibility exists that the utility ratepayer might have financed a project to generate these tax credits. The ratepayer has to be made whole if this is the case.

Another issue that might surface is if the consolidated tax liability that is being paid by FPL is being paid together. The accounting for the cash and tax provisions must be maintained separately by regulated/non-regulated entity. Again if the possibility exists that the tax liabilities are being financed or paid by the ratepayers then it would be very important that the ratepayer be made whole.

The only way to accomplish this would be to make sure that each tax provision for each entity is maintained

separately. Any cash payments made on a consolidated basis has to be broken out by regulated/non-regulated entity so that each regulated/non-regulated subsidiary is paying for its share of it current/deferred tax provision.

If you take a look at the emails that I have been sending I have repeatedly asked for a breakout of the cash flows by regulated/non-regulated entities. I have sent multiple requests to Mr. Lew Hay and Mr. Sieving from a shareholder perspective asking for segmented cash flows by entity. Again, I have not heard back from them as of today.

Based upon the segmented cash flow approach this issue can be addressed very easily.

Up North I personally worked on the consolidated tax return for a major utility (when I worked in the tax department after financial planning). I used to prepare the detailed tax provisions for both the Electric and Gas lines of business for each ratecase filing. This included the modeling of all current and deferred tax provisions which included ITC's (Investment Tax Credits). The tax department interfaced with our financial planning area in which we would model the full detailed tax provision. All temporary/permanent differences as well the utilization of ITC's were modeled in our rate case in each separate Electric/Gas Cost of Service. Each tax provision from a current/deferred tax perspective was kept separately. All ITC (Investment Tax Credits) were maintained as per FERC accounting in a separate Electric/Gas account. Yes the tax return was filed together but we still maintained the tax provisions separately. We were also able to determine the current/deferred tax breakout which translated to the cash payment by line of business. This was filed with our ratecase proceeding as two separate tax provisions. Up North we were in an NOL position for a long time. These NOL's limited the tax liability to the company for a long time. This impacted the current tax paid with the consolidated tax return. Since each provision was maintained separately it was easily to determine the Electric/Gas breakout of its current/deferred tax provisions.

Since the Electric/Gas customer were both ratepayer entities the filing of the consolidated return was OK since both were regulated entities and for the most part all the customers were part of the regulated groups. The only issue that might have surfaced was if there was a non-regulated entity. It would be very important to maintain each tax provision separately from a current/deferred tax perspective to make sure that each entity is paying for its own tax liability. FERC accounting provides for the breakouts out of Utility/Non-Utility accounting. If there is a non-regulated entity then it would be the PSC's responsibility to make sure that these entities are paying for their share of the consolidated tax liability on their own. There should be no subsidization of any tax payments between regulated and non-regulated subsidiaries.

The only way to determine this information is to look at the segmented cash flows by entity (regulated/non-regulated). This should show a line for cash tax payments to tie into the current portion of the entities tax provision. This reconciliation should clear up this issue very easily.

This is why I had mixed feelings on this one. I know that the questions that I have sent as a FOIA request to the FPSC (Florida Public Service Commission) as well as my shareholder request to Mr. Lew Hay and Mr. Sieving would have explained all of the issues that are being discussed in this case. This type of questioning if answered would provide the answers needed to resolve a lot of the questions that are surfacing in this ratecase.

Mr. Davis would be correct as long as both the financing of the projects and the payment of the taxes related to each entity is being made by each entity on its own. There should be no subsidization of any non-regulated entity by any regulated entity.

Please see all my email correspondence that has been made part of the public record to help with some of the technical aspects of these issues.

I have spent over 10 years on these types of issues and I have received phone calls from the New York State Public Service Commission/New York State Comptroller's office regarding similar issues when I first came down to Florida 6 years ago. I worked in the Financial Planning Department for approx. 5 to 6 years and then moved from department to department (Fixed Assets, Tax department, Budget Department) to use my expertise to deal with a concurrent merger and a transfer of assets to a State entity. I worked on not only the preparation of the ratecase cost of services but the consolidated tax return in the tax department as well.

Please let me know if you would like to discuss this issue or any other matters related to the technical aspects of this ratecase. Hopefully there are no typo(s). I will review to see if there is anything else that might be important to this issue.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or call me at 954-340-4956.

Thanks,

Robert H. Smith

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Ann Cole

From: Bob Maland [rcmala@gmail.com]
Sent: Wednesday, January 06, 2010 8:36 AM
To: Curt Kiser; meklas@miamiherald.com
Cc: Office of Commissioner Stevens; Office Of Commissioner Edgar; Office of Commissioner Argenziano; Office of Commissioner Skop; Office of Commissioner Klement
Subject: Fwd: FP & L 1/6/10 The Miami Herald Article

Ms. Klas & Mr. Kiser

I just read the article in this morning's Miami Herald titled " FPL is accused of not sharing its tax break" and I am writing to furnish you additional information that I feel should be the subject of further investigation and consideration by both the PSC & The Miami Herald.

On March 15, 2006 The NY Times published an article titled "Many Utilities Collect for Taxes They Never Pay." It was written by David Cay Johnston. Below is the link to the article.

Open the multimedia graphic in the article by clicking on the words "Pocketing taxes" and you will see that FPL Group is cited as one of the worst offenders. It was reported that FLP Group collected $482. 5 million in taxes from FP & L utility customers through its billings and received a tax refund of $323 million (in that year) that was never passed back to the utility customers from whom the taxes were collected.

I ask the following questions:

1) Before the PSC even considers giving a rate hike to FP & L, shouldn't any tax breaks &/or refunds be considered by the PSC?

In other words, if Group puts any tax refunds into infrastructure improvements for FP & L, is a rate increase really needed or justified?

2) Shouldn't the utility customers of FP & L (the ones who paid the money in the 1st place as part of their monthly FP & L bill) get rate relief as a result of the huge tax breaks &/or refunds, in any event.

I am one of the attorneys who handled the 2006 case in Miami that I think was the case mentioned by by Mike Davis, FP& L's vice president of accounting in Ms. Klas' article. Mr. Davis mentioned that the case was dismissed. He is correct. However, the primary reason it was dismissed by the trial court was because the trial court ruled it did not have jurisdiction, as the claims involved rate issues and that it is the PSC that has jurisdiction as to the claims against the regulated utility, FP & L.

The appeals court reasoned that since the customers who paid the money were customers of the regulated utility (FP & L) and had no direct business relationship with the parent company (FPL GROUP) that they technically could not sue GROUP for unjust enrichment.

A legal procedural Catch 22 in favor of GROUP where the "merits" were never addressed or resolved.

The case is titled Extraordinary Title v. FP & L & FPL Group. I will be happy to make briefs available, if requested.

I sincerely hope that The Miami Herald will look into this further and report on it because (in my opinion) it is a situation that needs to be changed in favor of Florida consumers, who are getting the short end all the way around.

In that regard, I hope that Mr.Kiser will bring this matter to the attention of the PSC forthwith as it should be known to the PSC before they vote on the requested rate increase request. I note that I went to the public forum held by the PSC at the Miami Science Museum and gave a copy of our legal briefs to an attorney from the attorney general's office and requested that they be shared with counsel for the PSC, but I never heard back from anyone on that.

If you have any further questions, please feel free to call me.

http://www.nytimes.com/2006/03/15/business/15utility.html?_r=1&scp=13&sq=Johnston%20&%20utilities&st=cse

Best Regards,

Bob Maland
305.670.4900

--
Best Regards,

Bob Maland

FPSC, CLK - CORRESPONDENCE
__Administrative ✓ Parties __Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION: _____

Ann Cole

From: Ann Cole
Sent: Thursday, January 07, 2010 2:43 PM
To: Office Of Commissioner Edgar
Cc: Commissioners Advisors; Administrative Assistants - Commission Suite; Dorothy Menasco
Subject: RE: Letter Received by General Counsel Patrick L. "Booter" IMHOF

Thank you for this information, which will be placed in *Docket Correspondence - Parties and Interested Persons*, in Docket No. 080677-EI.

From: Office Of Commissioner Edgar
Sent: Thursday, January 07, 2010 1:44 PM
To: Ann Cole
Cc: Dorothy Menasco
Subject: FW: Letter Received by General Counsel Patrick L. "Booter" IMHOF

Please place the following correspondence in the Parties and Interested Persons file in Docket No. 080677-EI. Thank you.

Roberta

Roberta S. Bass
Chief Advisor to Commissioner Edgar
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399
(850) 413-6016 (Office)
(850) 413-6017 (Facsimile)
(850) 559-7291 (Mobile)
roberta.bass@psc.state.fl.us

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Tuesday, July 07, 2009 10:36 AM
To: Office Of Commissioner Edgar; Charlie.Crist@MyFlorida.com
Subject: Letter Received by General Counsel Patrick L. "Booter" IMHOF

Dear Ms. Edgar and Mr. Crist,

Please forward this email to Mr. Patrick L. "Booter" Imhof. I do not have his email address.

I have received the letter dated July 2nd, 2009 from Patrick L. "Booter" Imhof on July 6th, 2009. What is very alarming is that the Florida Public Service Commission is indicating that the Freedom of Information act request is only a request for public records and that the questions that are being asked in the request do not constitute a public records request.

What is very important here is that whether or not a person becomes an intervener in this proceeding, all pertinent questions should be reviewed in their entirety before any rate increase is granted.

The shear fact that the Florida Public Service Commission is indicating that they can only provide public records may give rise to the possibility that information might be omitted from the proceeding that might give rise to better questioning with regard to the pending rate increase.

Yes, individual parties often do not have the financial resources to intervene in some proceedings but they might have the knowledge with regard to these matters to ask the appropriate questions before any rate increase is granted. If the questions that I have asked in my original FOIA request have not been answered, then how can the public have assurance that the Florida Public Service Commission has asked the appropriate questions of Florida Power & Light with regard to it pending rate increase filing?

All the questions that I have asked in the original FOIA request and as well with the follow up email correspondence would be very pertinent with regard to the pending rate increase request. These questions should have already been asked by the Florida Public Service Commission in order to determine if the accounting at the Utility is accurately supporting the existing and future utility rates that the company is charging its ratepayers. The possibility exists that the shareholder's of the company could have exposure as well.

I have sent an email to the Office of Public Counsel as per the letter in order to shed some light on the additional questions that should be answered before a final decision is made by the commission staff. All the questions are in the original FOIA request that I have submitted to the Florida Public Service Commission in addition to the email correspondence.

The questions are very specific in nature and in order for the Commission to complete its audit procedures of Florida Power & Light it should have in its possession public information that would be able to answer all the questions appropriately in a clear and concise manner.

The Florida Public Service Commission is being supported by the taxpayers/ratepayers of Florida, therefore all of the questioning in the FOIA request and email correspondence should have been answered by the Florida Power & Light and already be available to be released through the Freedom of Information request.

What I do not understand is how this information is not available under the normal due diligence that the Florida Public Service Commission would have to complete to ensure compliance with the Public Utility Holding Act's laws and regulations.

I am waiting for a response from the Office of Public Counsel but I think that all my questions should be presented in this case to make sure that every question is answered before any rate increase is granted. The Freedom of Information Act should bring the transparency needed to ensure that the ratepayers/shareholders best interests are being protected.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or call me at 954-340-4956 / 954-798-6127.

What do you think?

Thanks,

Robert H. Smith

Confidentiality Statement

The documents accompanying this telecopy transmission contain information which is confidential and/or legally privileged. The information is intended only for the use of the individual or entity named on this transmission sheet. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this telecopied information is strictly prohibited, and the documents should be returned. In this regard, if you received this telecopy in error, please contact the sender by reply E-mail and destroy all copies of the original.

Dorothy Menasco 080677

FPSC, CLK - CORRESPONDENCE
__Administrative ✓ Parties __Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION: _____

From: Dorothy Menasco
Sent: Wednesday, January 06, 2010 12:19 PM
To: 'Gauna, Roxanne'
Cc: Lisa Bennett; Martha Brown; Lisa Harvey; Tom Ballinger; Rhonda Hicks; John Slemkewicz; Cheryl Bulecza-Banks
Subject: RE: FW: Request for Records Update

Ms. Gauna,

Per your request below, we have added City of Sunrise to the interested persons mailing list for Docket 090130 which has been consolidated with Docket 080677 per Order PSC-09-0311-PCO-EI.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

From: Gauna, Roxanne [mailto:RGauna@cityofsunrise.org]
Sent: Wednesday, January 06, 2010 10:17 AM
To: Dorothy Menasco
Subject: RE: FW: Request for Records Update

Please also include us on the mailing list for Docket No. 090130-EI. Thank you.

Roxanne Gauna, Legal Secretary
City of Sunrise
City Attorney's Office
10770 W. Oakland Park Boulevard
Sunrise, FL 33351
(954) 746-3302 - phone
(954) 746-3307 - fax

Please note that Florida has a broad public records law, and that all correspondence to me via email may be subject to disclosure.
This message, together with any attachments, is intended only for the addressee. It may contain information that is legally privileged, confidential and exempt from disclosure. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution, use, or any action or reliance on this communication is strictly prohibited. If you have received this e-mail in error, please notify the sender immediately by return e-mail and delete the message, along with any attachments.

Gauna, Roxanne
City of Sunrise
Email: RGauna@cityofsunrise.org
Website: http://www.cityofsunrise.org

From: RGauna@cityofsunrise.org [mailto:RGauna@cityofsunrise.org]
Sent: Wednesday, January 06, 2010 10:16 AM
To: Gauna, Roxanne
Cc: Gauna, Roxanne
Subject: FW: FW: Request for Records Update

-----Original Message-----
From: Dorothy Menasco [mailto:DMenasco@PSC.STATE.FL.US];
Sent: 1/4/2010 5:29:32 PM
To: Gauna, Roxanne [mailto:RGauna@cityofsunrise.org];
CC: Katie Ely [mailto:kely@PSC.STATE.FL.US]; Nonnye Grant [mailto:NGrant@PSC.STATE.FL.US];

Subject: FW: Request for Records Update

Ms. Gauna,

Per your request below, we have made a change to the contact information for City of Sunrise in Docket 080677. Please advise if there are any other current dockets that you are receiving mailings for, and we will update them as well. Thank you for your help.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

From: Nonnye Grant
Sent: Monday, January 04, 2010 2:42 PM
To: Dorothy Menasco
Subject: FW: Request for Records Update

Dorothy, Katie forward this to me, but the City Attorney is not listed in MCD, so I think that this maybe for the party of records mailing list. I will let you check in out also. Thanks, N

From: Katie Ely **On Behalf Of** Records Clerk
Sent: Monday, January 04, 2010 2:36 PM
To: Nonnye Grant
Subject: FW: Request for Records Update

Changes for MCD.

Katie Ely
Staff Assistant - Office of Commission Clerk
Florida Public Service Commission
850-413-6304

Please note: Florida has a very broad public records law. Most written communications to or from state officials regarding state business are considered to be public records and will be made available to the public and the media upon request. Therefore, your e-mail message may be subject to public disclosure.

From: Gauna, Roxanne [mailto:RGauna@cityofsunrise.org]
Sent: Monday, January 04, 2010 2:34 PM
To: Records Clerk
Subject: Request for Records Update

Please update the following for the City Attorney for the City of Sunrise, Florida

Stuart R. Michelson, Esq., City Attorney
City of Sunrise
10770 W. Oakland Park Boulevard
Sunrise, Florida 33351
(954) 746-3300 – voice
(954) 746-3307 – fax

Thank you,

Roxanne Gauna, Legal Secretary
City of Sunrise
City Attorney's Office
10770 W. Oakland Park Boulevard
Sunrise, FL 33351
(954) 746-3302 - phone
(954) 746-3307 - fax

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This message, together with any attachments, is intended only for the addressee. It may contain information that is legally privileged, confidential and exempt from disclosure. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution, use, or any action or reliance on this communication is strictly prohibited. If you have received this e-mail in error, please notify the sender immediately by return e-mail and delete the message, along with any attachments.

Gauna, Roxanne
City of Sunrise
Email: RGauna@cityofsunrise.org
Website: http://www.cityofsunrise.org

Ann Cole

080677

From: Ann Cole
Sent: Wednesday, January 06, 2010 8:59 AM
To: Roberta Bass
Cc: Commissioners Advisors; Administrative Assistants - Commission Suite
Subject: FW: Docket # 080677
Attachments: Davis response to December 2009 FINAL.pdf

Thanks, Roberta. The attachment has been printed and will be placed in *Docket Correspondence - Parties and Interested Person*, in Docket No. 080677-EI.

From: Roberta Bass
Sent: Tuesday, January 05, 2010 5:20 PM
To: Ann Cole
Subject: FW: Docket # 080677

Please place the attached document in Docket No. 080677-EI. Thank you.

Roberta

Roberta S. Bass
Chief Advisor to Commissioner Edgar
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399
(850) 413-6016 (Office)
(850) 413-6017 (Facsimile)
(850) 559-7291 (Mobile)
roberta.bass@psc.state.fl.us

FPSC, CLK - CORRESPONDENCE
__Administrative X Parties__Consumer
DOCUMENT NO. 10741.08
DISTRIBUTION: _____

From: Lisa Edgar
Sent: Tuesday, January 05, 2010 5:15 PM
To: Roberta Bass
Subject: FW: Docket # 080677

From: LOWE, AMY [mailto:Amy.Lowe@fpl.com]
Sent: Tuesday, January 05, 2010 3:36 PM
To: Lisa Edgar; NASKOP@PSC.STATE.FL.US; Steve A. Stevens
Subject: FW: Docket # 080677

From: LOWE, AMY
Sent: Tuesday, January 05, 2010 3:31 PM
To: 'EDGAR@PSC.STATE.FL.US'; 'SKOP@PSC.STATE.FL.US'; 'ARGENZIANO@PSC.STATE.FL.US';

'STEVENS@PSC.STATE.FL.US'; 'KLEMENT@PSC.STATE.FL.US'
Cc: 'filings@psc.state.fl.us'; 'Charlie.Crist@MyFlorida.com'; 'LBENNETT@PSC.STATE.FL.US'; 'ANWILLIA@PSC.STATE.FL.US'; 'mbrown@psc.state.fl.us'; 'JHARTMAN@PSC.STATE.FL.US'; 'sugarman@sugarmansusskind.com'; 'mbraswell@sugarmansusskind.com'; 'Kelly.jr@leg.state.fl.us'; 'mcglothlin.joseph@leg.state.fl.us'; 'swright@yvlaw.net'; 'jlavia@yvlaw.net'; 'kwiseman@andrewskurth.com'; 'msundback@andrewskurth.com'; 'jspina@andrewskurth.com'; 'lisapurdy@andrewskurth.com'; 'linomendiola@andrewskurth.com'; 'meghangriffiths@andrewskurth.com'; 'jmoyle@kagmlaw.com'; 'vkaufman@kagmlaw.com'; 'jmcwhirter@mac-law.com'; 'Brian Armstrong'; 'tips@fpscreports.com'; 'cecilia.bradley@myfloridalegal.com'; 'sda@trippscott.com'; 'Tamela Perdue'; 'Captain Shayla McNeill '; 'richardb@gtlaw.com'; 'Mary.Smallwood@Ruden.com'; Butler, John; Litchfield, Wade
Subject: Docket # 080677

Electronic Filing

a. Person responsible for this electronic filing:

John T. Butler, Esq.
Florida Power & Light Company
700 Universe Boulevard
Juno Beach, FL 33408
(561) 691-5639
John.Butler@fpl.com

b. Docket No. 080677

IN RE: Petition for increase in rates by Florida Power & Light Company.

c. The documents are being filed on behalf of Florida Power & Light Company.

d. There are a total of three (3) pages.

e. The document attached for electronic filing is:

January 5, 2009 letter from K. Michael Davis in response to December 2009 Letter
(See attached file(s): Davis response to December 2009 final.pdf)

Regards,
Amy Lowe, CLA
Certified Legal Assistant
Senior Legal Assistant to
Bryan Anderson, Senior Attorney
Florida Power & Light Company
Office: (561) 304-5608 Fax: (561) 691-7135
Email: amy.lowe@fpl.com

January 5, 2010

VIA ELECTRONIC DELIVERY

Chairman Nancy Argenziano
Commissioner Ben A. Stevens, III
Commissioner Lisa Polak Edgar
Commissioner Nathan A. Skop
Commissioner David E. Klement

Re: Docket No. 080677-EI; Petition for increase in rates by Florida Power & Light Company

Dear Commissioners:

I am writing on behalf of Florida Power & Light Company ("FPL") to respond to the letter dated December 2009 that appears on the Commission website as Document No. 00006-10 (the "December 2009 Letter").

The December 2009 Letter purports to be written by three "senior level management employees of NextEra Energy Resources," an affiliate of FPL. As an initial point, I strongly doubt that this letter in fact was authored by anyone at NextEra. It contains so many misstatements and fundamental misunderstandings of NextEra's and FPL's businesses, and the tax laws and regulations applicable to those businesses, that it is hard to believe anyone working at NextEra – senior management or not – could be so misinformed. Based on the fact that the letter's underlying inflammatory claim has been raised and dismissed multiple times in prior years, I suspect that the true intent of the author or authors is not to bring a serious issue to the attention of the Commission. Rather, it appears to be yet another effort to deceptively incite negative media coverage in order to distract from the facts of FPL's base rate proceeding.

In any event, I want to assure the Commission that FPL complies conscientiously, consistently and comprehensively with all applicable laws, regulations and the Commission's rules and policies concerning regulatory accounting for income taxes and affiliate transactions. The letter's accusations to the contrary are as unfounded as they are outrageous.

Stripped of its inflammatory, even libelous language, the December 2009 Letter appears to argue that a utility's income tax obligations should not be calculated on a stand-alone basis for purposes of Commission rate regulation. Florida utilities and the overwhelming majority of the electric utilities in the country use the stand-alone basis to calculate income tax liabilities for ratemaking purposes. This approach ensures that the income taxes for which an electric utility's customers are responsible through electric rates are determined *only* on the basis of electric utility operations, not on the basis of other, unrelated business activities in which unregulated affiliates may be engaged. To do otherwise would expose customers to constant shifts in the utility's tax obligations for reasons that would have nothing to do with providing electric service. This would be unfair, confusing and contrary to the Commission's goal of avoiding subsidies between utility and affiliate operations.

In 2006, I testified on this specific issue in FPL's 2005 storm cost recovery and securitization proceeding. At the time, I was cross-examined about whether FPL's income taxes should be calculated on the basis of the statutory tax rates applicable to FPL or at the effective tax rate paid by FPL Group, which was lower in large part because of renewable energy production tax credits generated by NextEra (then known as FPL Energy). I explained that the renewable energy production tax credits were associated with wind energy produced by NextEra wind farms and are part of the federal government's inducement to build those wind farms as a valuable form of renewable energy. The Commission Staff agreed with my position and rejected the argument that FPL's income taxes should be calculated on the basis of FPL Group's lower effective tax rate, noting that using the statutory tax rate has been the Commission's practice. *See* Staff Recommendation, Docket No. 060038-EI, dated May 8, 2006, at page 158-159. While there was no specific discussion of this topic in the Commission's final order approving FPL's 2005 storm cost recovery, the order was consistent with Staff's recommendation. *See* Order No. PSC-06-0464-FOF-EI, Docket No. 060038-EI, dated May 30, 2006.

This issue was raised again later in 2006, in a frivolous lawsuit filed against FPL and FPL Group. The lawsuit was dismissed, appealed and dismissed again. *See Extraordinary Title Services, LLC, v. Florida Power & Light Company and FPL Group, Inc.*, 1 So.3d 400 (Fla. 3rd DCA 2009).

The simple fact of the matter is that the December 2009 Letter is asking the Commission to impute NextEra tax benefits to FPL, for investments that FPL did not make and that relate to assets which play no role in serving FPL's customers. There is no logic or merit to this position, and certainly no one would want to see it applied the other way around: that tax benefits resulting from FPL investments would be transferred to NextEra rather than used to reduce costs for FPL customers. FPL has carefully and properly calculated its income tax liabilities in its historical financial statements on the basis of the stand-alone method reflecting applicable statutory tax rates and all tax credits available to FPL. That same approach was taken in FPL's calculation of income tax liabilities in this rate

case proceeding, a position with which no party disagreed and Staff recommends. The Commission should not let this ridiculous, undocumented letter obscure or detract from this fact or the importance and merits of our rate proceeding.

Sincerely,

s/ K. Michael Davis

K. Michael Davis
Vice President of Accounting
and Chief Accounting Officer

cc: Commission Clerk
Governor Charlie Crist
Attorney General Bill McCollum (sent to Cecilia Bradley, Sr. Asst. Attorney General)
Counsel for Parties of Record

Dorothy Menasco 080677

FPSC, CLK - CORRESPONDENCE
Administrative ✓ Parties Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION:

From: Filings@psc.state.fl.us
Sent: Tuesday, January 05, 2010 4:47 PM
To: 'amy.lowe@fpl.com'
Cc: Charlie.Crist@MyFlorida.com; Lisa Bennett; Anna Williams; Martha Brown; Jean Hartman; sugarman@sugarmansusskind.com; mbraswell@sugarmansusskind.com; Kelly.jr@leg.state.fl.us; mcglothlin.joseph@leg.state.fl.us; swright@yvlaw.net; jlavia@yvlaw.net; kwiseman@andrewskurth.com; msundback@andrewskurth.com; jspina@andrewskurth.com; lisapurdy@andrewskurth.com; linomendiola@andrewskurth.com; meghangriffiths@andrewskurth.com; jmoyle@kagmlaw.com; vkaufman@kagmlaw.com; jmcwhirter@mac-law.com; Brian Armstrong; tips@fpscreports.com; cecilia.bradley@myfloridalegal.com; sda@trippscott.com; Tamela Perdue; Captain Shayla McNeill ; richardb@gtlaw.com; Mary.Smallwood@Ruden.com; Butler, John; Litchfield, Wade; EDGAR@PSC.STATE.FL.US; SKOP@PSC.STATE.FL.US; ARGENZIANO@PSC.STATE.FL.US; STEVENS@PSC.STATE.FL.US; KLEMENT@PSC.STATE.FL.US; Ruth Nettles; Marguerite McLean
Subject: FW: Docket # 080677
Attachments: Davis response to December 2009 FINAL.pdf

Ms. Lowe:

This document will be placed in *Docket correspondence - Parties and Interested Persons* without further action.

The Commission accepts documents for filing by electronic transmission ("electronic filing" or "e-filing") provided the following requirements are met. Documents that fail to meet these requirements will not be accepted for electronic filing.

Manner of Electronic Transmission

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A link to the Commission's electronic filing requirements is being included for your convenience.

http://www.psc.state.fl.us/dockets/e-filings/

Please call our office if you have any questions regarding the filing process.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

From: LOWE, AMY [mailto:Amy.Lowe@fpl.com]
Sent: Tuesday, January 05, 2010 3:31 PM
To: EDGAR@PSC.STATE.FL.US; SKOP@PSC.STATE.FL.US; ARGENZIANO@PSC.STATE.FL.US; STEVENS@PSC.STATE.FL.US; KLEMENT@PSC.STATE.FL.US
Cc: Filings@psc.state.fl.us; Charlie.Crist@MyFlorida.com; Lisa Bennett; Anna Williams; Martha Brown; Jean Hartman; sugarman@sugarmansusskind.com; mbraswell@sugarmansusskind.com; Kelly.jr@leg.state.fl.us; mcglothlin.joseph@leg.state.fl.us; swright@yvlaw.net; jlavia@yvlaw.net; kwiseman@andrewskurth.com; msundback@andrewskurth.com; jspina@andrewskurth.com; lisapurdy@andrewskurth.com; linomendiola@andrewskurth.com; meghangriffiths@andrewskurth.com; jmoyle@kagmlaw.com; vkaufman@kagmlaw.com; jmcwhirter@mac-law.com; Brian Armstrong; tips@fpscreports.com; cecilia.bradley@myfloridalegal.com; sda@trippscott.com; Tamela Perdue; Captain Shayla

McNeill ; richardb@gtlaw.com; Mary.Smallwood@Ruden.com; Butler, John; Litchfield, Wade
Subject: Docket # 080677

Electronic Filing

a. Person responsible for this electronic filing:

John T. Butler, Esq.
Florida Power & Light Company
700 Universe Boulevard
Juno Beach, FL 33408
(561) 691-5639
John.Butler@fpl.com

b. Docket No. 080677

IN RE: Petition for increase in rates by Florida Power & Light Company.

c. The documents are being filed on behalf of Florida Power & Light Company.

d. There are a total of three (3) pages.

e. The document attached for electronic filing is:

January 5, 2009 letter from K. Michael Davis in response to December 2009 Letter
(See attached file(s): Davis response to December 2009 final.pdf)

Regards,
Amy Lowe, CLA
Certified Legal Assistant
Senior Legal Assistant to
Bryan Anderson, Senior Attorney
Florida Power & Light Company
Office: (561) 304-5608 Fax: (561) 691-7135
Email: amy.lowe@fpl.com

Dorothy Menasco 080677

From: Dorothy Menasco
Sent: Monday, January 04, 2010 5:30 PM
To: 'rgauna@cityofsunrise.org'
Cc: Katie Ely; Nonnye Grant
Subject: FW: Request for Records Update

FPSC, CLK - CORRESPONDENCE
__Administrative ✓ Parties __Consumer
DOCUMENT NO. 10741-09
DISTRIBUTION: _____

Ms. Gauna,

Per your request below, we have made a change to the contact information for City of Sunrise in Docket 080677. Please advise if there are any other current dockets that you are receiving mailings for, and we will update them as well. Thank you for your help.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

From: Nonnye Grant
Sent: Monday, January 04, 2010 2:42 PM
To: Dorothy Menasco
Subject: FW: Request for Records Update

Dorothy, Katie forward this to me, but the City Attorney is not listed in MCD, so I think that this maybe for the party of records mailing list. I will let you check in out also. Thanks, N

From: Katie Ely **On Behalf Of** Records Clerk
Sent: Monday, January 04, 2010 2:36 PM
To: Nonnye Grant
Subject: FW: Request for Records Update

Changes for MCD.

Katie Ely
Staff Assistant - Office of Commission Clerk
Florida Public Service Commission
850-413-6304

Please note: Florida has a very broad public records law. Most written communications to or from state officials regarding state business are considered to be public records and will be made available to the public and the media upon request. Therefore, your e-mail message may be subject to public disclosure.

From: Gauna, Roxanne [mailto:RGauna@cityofsunrise.org]
Sent: Monday, January 04, 2010 2:34 PM
To: Records Clerk
Subject: Request for Records Update

Please update the following for the City Attorney for the City of Sunrise, Florida

Stuart R. Michelson, Esq., City Attorney
City of Sunrise
10770 W. Oakland Park Boulevard
Sunrise, Florida 33351
(954) 746-3300 – voice
(954) 746-3307 – fax

Thank you,

Roxanne Gauna, Legal Secretary
City of Sunrise
City Attorney's Office
10770 W. Oakland Park Boulevard
Sunrise, FL 33351
(954) 746-3302 - phone
(954) 746-3307 - fax

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Gauna, Roxanne
City of Sunrise
Email: RGauna@cityofsunrise.org
Website: http://www.cityofsunrise.org

Ruth Nettles 080677

From: Filings@psc.state.fl.us
Sent: Tuesday, November 17, 2009 12:39 PM
To: 'agreene@ngn-tally.com'
Cc: Dorothy Menasco; Marguerite McLean; Ruth Nettles
Subject: FW: Docket Nos. 080677-EI and 090130-EI
Attachments: Appendix B.pdf

Dear Ms. Green:

We are in receipt of your filing below. Per the Commission's e-filing requirements, the e-mail message transmitting the document(s) to be filed is not itself considered a filing. Therefore, documents contained within the text of an e-mail transmission will not be considered filed.

Please note that any cover letter or certificate of service must be included in the electronic document to which it relates, and shall not be submitted as a separate attachment to the e-mail.

The link to the Commission's e-filing requirements is included for your convenience:

http://www.psc.state.fl.us/dockets/e-filings/

Your filing will need to be revised and resubmitted in order to be officially accepted for filing.

Please feel free to call our office if you have any questions.

Sincerely,

Ruth Nettles
Office of Commission Clerk
850-413-6770

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☐ Administrative ☒ Parties ☐ Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION: _____

From: Greene, Angela [mailto:agreene@ngn-tally.com]
Sent: Monday, November 16, 2009 6:32 PM
To: Filings@psc.state.fl.us
Subject: Docket Nos. 080677-EI and 090130-EI

Attached is Appendix B to our filing, Letter dated November 16, 2009 for acceptance in lieu of a formal brief from the City of South Daytona, which was filed today. The Appendix was inadvertently left off of the document. Thank you.

Angela Greene
Legal Assistant for Brian Armstrong
Nabors, Giblin & Nickerson, P.A.
1500 Mahan Drive, Suite 200
Tallahassee, FL 32308
Phone: (850) 224-4070
Fax: (850) 224-4073
agreene@ngnlaw.com

Docket Nos.: 080677-EI and 090130-EI

In Re: Petition for Rate Increase by Florida Power & Light Company

In Re: 2009 Depreciation Study by Florida Power & Light Company

Name of Document: Appendix B to letter dated November 16, 2009 for acceptance in lieu of a formal brief from the City of South Daytona

No. of Pages: 1

Party: City of South Daytona

Dorothy Menasco 080677

From: rpjrb@yahoo.com
Sent: Tuesday, November 03, 2009 1:40 PM
To: Dorothy Menasco
Cc: Ann Cole; Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of Commissioner Skop; Office of Commissioner Klement; Commissioner.Stevens@psc.state.fl.us; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin
Subject: RE: Reply from the Commission Clerk Regarding: Web Cast Archives

Mr. Menasco,

Thanks for your help.

Robert H. Smith

FPSC, CLK - CORRESPONDENCE
☐ Administrative ☒ Parties ☐ Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION: _____

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From: Dorothy Menasco [mailto:DMenasco@PSC.STATE.FL.US]
Sent: Tuesday, November 03, 2009 12:45 PM
To: rpjrb@yahoo.com
Cc: Ann Cole; Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of Commissioner Skop; Office of Commissioner Klement; Commissioner.Stevens@psc.state.fl.us; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin
Subject: RE: Reply from the Commission Clerk Regarding: Web Cast Archives

Mr. Smith,

Everyone has access to the information on the website. It's a public record.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Tuesday, November 03, 2009 12:34 PM
To: Dorothy Menasco
Cc: Ann Cole; Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of Commissioner Skop; Office of Commissioner Klement;

Commissioner.Stevens@psc.state.fl.us; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin
Subject: RE: Reply from the Commission Clerk Regarding: Web Cast Archives

Dear Ms. Menasco,

Thanks for your response. I know that my emails were delivered to Mr. Klement and I will follow through with getting the email correspondence to Mr. Stevens when his email address is set up at the Commission.

Do all the parties of record and interested parties have access to this information and are they aware that the 11/18/2008 correspondence file exists?

Thanks,

Robert H. Smith

Confidentiality Statement

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From: Dorothy Menasco [mailto:DMenasco@PSC.STATE.FL.US]
Sent: Tuesday, November 03, 2009 12:28 PM
To: rpjrb@yahoo.com
Cc: Ann Cole; Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of Commissioner Skop; Office of Commissioner Klement; Commissioner.Stevens@psc.state.fl.us; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin
Subject: RE: Reply from the Commission Clerk Regarding: Web Cast Archives

Mr. Smith:

I can not confirm whether or not Commissioner Klement or Commissioner Stevens have reviewed the correspondence. I am in the Clerk's office and only deal with document filings.

Docket 080677 was opened in 2008. The correspondence file was documented on 11/18/08. All correspondence is appened to existing correspondence files. When the correspondence files are opened, the most recent entries are closest to the top of the document.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Tuesday, November 03, 2009 11:47 AM
To: Dorothy Menasco
Cc: Ann Cole; Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of Commissioner Skop; Office of Commissioner Klement; Commissioner.Stevens@psc.state.fl.us; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin
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Dear Ms. Menasco,

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Did Mr. Klement receive the correspondence as well and when will Mr. Stevens be able to review this email correspondence or when will I be able to forward this correspondence to Mr. Stevens? I would like to know that they have received this information as well since this is a very important aspect of this case.

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Thanks in advance and again thanks for your help.

Robert H. Smith

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Subject: FW: Reply from the Commission Clerk Regarding: Web Cast Archives

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All correspondence received by you will be located at the following link. You can search for Robert and all your information can be located. Please give all correspondence at least 24 hours to be processed and made available on-line. Thank you.

http://www.psc.state.fl.us/dockets/cms/ShowDocket.aspx?docket=H:\LIBRARY\FILINGS\08\10741-08

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

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Cc: Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of Commissioner Skop; Office of Commissioner Klement; Commissioner.Stevens@psc.state.fl.us; Ann Cole; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin; Dorothy Menasco
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Dear Ms. Cole,

What about the October 23rd 1:25PM email? Has this been added to the public record? I sent this when I had to take my son for an MRI and I wanted to make sure that this was made part of the public record as well. This email was a summary of what I thought the issues were with regard to any surplus the company might have from over recoveries. The follow up email October 29th, 2009 was the details to back up the October 23rd 1:25PM email. I sent the October 23rd email to for a heads up with regard to the cash flow issues with over recoveries at the company. My October 29th email went through the detailed testimony to backup the October 23rd email.

Will this be added to the public record?

Thanks,

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Monday, October 26, 2009 7:09 PM
To: 'Ann Cole'
Cc: 'Kimberley Pena'
Subject: RE: Reply from the Commission Clerk Regarding: Web Cast Archives

Dear Ms. Cole,

Thanks for the information. I am glad that this information has been made as part of the archives. This is useful information.

What about this email? I sent the email below on October 23rd.

Thanks,

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Friday, October 23, 2009 1:25 PM
To: 'Lisa Bennett'; 'Office of Commissioner Carter'; 'Office Of Commissioner Edgar'; 'Office of Commissioner McMurrian'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Ann Cole'; 'Marshall Willis'; 'Cheryl Bulecza-Banks'; 'Andrew Maurey'; 'Tim Devlin'; 'Dorothy Menasco'
Cc: 'chairmanoffice@sec.gov'; 'SEC Help'; 'rpjrb@yahoo.com'; 'Cathy.Flanagan@usdoj.gov'; 'AskDOJ@usdoj.gov'; 'Drayne, Karen'; 'Bill@billnelson.senate.gov'; 'Shelby, Senator (Shelby)'; 'senator_bingaman@bingaman.senate.gov'; 'senator@dorgan.senate.gov'; 'senator_leahy@leahy.senate.gov'; 'senator_lugar@lugar.senate.gov'; 'gpoaccess@gpo.gov'; 'comments@whitehouse.gov'; 'vice_president@whitehouse.gov'; 'Charlie.Crist@MyFlorida.com'; 'rpjrb@yahoo.com'
Subject: Depreciation Recovery

Dear Commissioner's,

K Michael Davis – Depreciation Testimony

Where is the over collection of the depreciation money? Is this still residing in the company's cash account (131 Account) or where has this money been spent? The fact is that this money was collected in cash rates therefore if the cash is not available then where did the money go? How come there were no proactive adjustments to compensate over time the return of these over collections? How many depreciation studies were conducted from the 2005 case versus the current case to see how these over recoveries grew over time?

This is very important since all cost of service items have the possibility for an over collection mode. It is very important to account for these over collections since this is real cash money being collected from the customer. If there was an under recovery in rates it would be very natural for the company to make the expenditures out of the cash reserves. Conversely the money that is over collected should be accumulated in the company's cash account (131).

If there is significant over recoveries then it is very important to know the magnitude of the surplus cash that the company has or should have.

If the money has not been accumulated then where did it go? Did it go to regulated entities or does the possibility exist that it went to non-regulated subsidiaries?

This is a very important concept in this case from both the shareholders perspective and ratepayer perspective.

The shareholders would want to know this information from an investment perspective as well as for due diligence/compliance for ratepayer.

The possibility exists that there might be exposure for the accounting of this cash.

Who is the primary contributor to the cash flow of the company? If it is the ratepayers, then this type of review is very important.

If the company had this money in surplus in the 131 account then the current rate increase request might be able to be minimized for a period of time. What is the annual over collection amount for this over recovery? This annual over recovery might be able to be given back as a reduction to minimize some of the requested rate increase.

All recoveries have to be looked this way and this is what I have been concerned about with the initial FOIA request and my request for information from the Senior Executives of the Company.

Again I have not heard back from the Senior Executives as of today.

The answers to these questions from a cash perspective should be very easy to answer from an accounting perspective. They should be able to show the flow of cash for the over recovery to where the money has been spent.

Thanks,

Robert H. Smith

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From: Ann Cole [mailto:ACOLE@PSC.STATE.FL.US]
Sent: Monday, October 26, 2009 3:24 PM
To: rpjrb@yahoo.com
Cc: Kimberley Pena
Subject: FW: Reply from the Commission Clerk Regarding: Web Cast Archives

The video is now viewable from the Web site by selecting "Agendas and Hearing," "Audio and Video Coverage," and "Archives of PSC Audio/Video Events." I hope you find this information helpful.

The transcript of the hearing will be available from the docket upon filing as are the exhibits that were entered into evidence.

I am showing that your October 21, 2009, correspondence is in the docket file.

If I can be of any other assistance, please feel free to contact me.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Monday, October 26, 2009 2:48 PM
To: Ann Cole
Cc: Charlie.Crist@MyFlorida.com; Kimberley Pena; Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of Commissioner Skop; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin; Dorothy Menasco
Subject: RE: Reply from the Commission Clerk Regarding: Web Cast Archives

Dear Ms. Cole,

Thanks for the information. I would think that this information would be available as a download like all other correspondence on the Docket.

I just received an email from the SEC with regard to archived web cast files as it relates to SEC matters. Apparently they make all web casts available as a download from their web site at no cost.

Initially I would like to purchase the video of the 23rd hearing.

I have to go through my correspondence to see if this would be enough.

I will let you know.

I would think that all interested parties in this matter would want to have this information made available on the web site. This should be a no cost option that the commission provides for interested parties that need to review testimony. Will the testimony be made available on the docket?

Do you know off hand if my last email regarding the over recoveries has been place in the docket just like my other correspondence?

Thanks,

Robert H. Smith

From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Friday, October 23, 2009 1:25 PM
To: 'Lisa Bennett'; 'Office of Commissioner Carter'; 'Office Of Commissioner Edgar'; 'Office of Commissioner McMurrian'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Ann Cole'; 'Marshall Willis'; 'Cheryl Bulecza-Banks'; 'Andrew Maurey'; 'Tim Devlin'; 'Dorothy Menasco'
Cc: 'chairmanoffice@sec.gov'; 'SEC Help'; 'rpjrb@yahoo.com'; 'Cathy.Flanagan@usdoj.gov'; 'AskDOJ@usdoj.gov'; 'Drayne, Karen';

'Bill@billnelson.senate.gov'; 'Shelby, Senator (Shelby)'; 'senator_bingaman@bingaman.senate.gov'; 'senator@dorgan.senate.gov'; 'senator_leahy@leahy.senate.gov'; 'senator_lugar@lugar.senate.gov'; 'gpoaccess@gpo.gov'; 'comments@whitehouse.gov'; 'vice_president@whitehouse.gov'; 'Charlie.Crist@MyFlorida.com'; 'rpjrb@yahoo.com'
Subject: Depreciation Recovery

-----Original Message-----
From: SEC Help [mailto:help@sec.gov]
Sent: Monday, October 26, 2009 12:14 PM
To: Smith, Robert
Subject: SEC Response - File HO1351870

Dear Mr. Smith,

Thank you for contacting the SEC.

You can find SEC Webcasts (as well as those that have been archived) at http://www.sec.gov/news/otherwebcasts.shtml.

Confidentiality Statement

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Cc: 'chairmanoffice@sec.gov'; 'SEC Help'; 'rpjrb@yahoo.com'; 'Cathy.Flanagan@usdoj.gov'; 'AskDOJ@usdoj.gov'; 'Drayne, Karen'; 'Bill@billnelson.senate.gov'; 'Shelby, Senator (Shelby)'; 'senator_bingaman@bingaman.senate.gov'; 'senator@dorgan.senate.gov'; 'senator_leahy@leahy.senate.gov'; 'senator_lugar@lugar.senate.gov'; 'gpoaccess@gpo.gov'; 'comments@whitehouse.gov'; 'vice_president@whitehouse.gov'; 'Charlie.Crist@MyFlorida.com'; 'rpjrb@yahoo.com'
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Thanks,

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From: Ann Cole [mailto:ACOLE@PSC.STATE.FL.US]
Sent: Monday, October 26, 2009 1:40 PM
To: rpjrb@yahoo.com
Cc: Charlie.Crist@MyFlorida.com; Kimberley Pena
Subject: Reply from the Commission Clerk Regarding: Web Cast Archives

I am in receipt of you emails dated October 23, 2009.

The video file of the October 23, 2009, hearing will be available in approximately one week. The cost for video files on DVD is $5.00 each. The audio files of this hearing are available now at a cost of $1.00 per CD.

Please note that persons are invoiced for duplication services and that payment must be received before copies can be released. Please confirm your order (video and/or audio) and the Office of Commission Clerk will send you an electronic Invoice.

I hope you find this information helpful. Please feel free to contact me if you have any questions.

Ann Cole, Commission Clerk
Office of Commission Clerk

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, October 23, 2009 6:35 PM
To: Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of Commissioner Skop; Ann Cole; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin; Dorothy Menasco
Cc: Charlie.Crist@MyFlorida.com; rpjrb@yahoo.com
Subject: FW: Web Cast Archives

Dear Commissioners,

Is this a possibility?

Sorry for the typo(s).

Thanks,

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Friday, October 23, 2009 1:42 PM
To: 'Lisa Bennett'; 'Office of Commissioner Carter'; 'Office Of Commissioner Edgar'; 'Office of Commissioner McMurrian'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Ann Cole'; 'Marshall Willis'; 'Cheryl Bulecza-Banks'; 'Andrew Maurey'; 'Tim Devlin'; 'Dorothy Menasco'
Cc: 'chairmanoffice@sec.gov'; 'SEC Help'; 'rpjrb@yahoo.com'; 'Cathy.Flanagan@usdoj.gov'; 'AskDOJ@usdoj.gov'; 'Drayne, Karen'; 'Bill@billnelson.senate.gov'; 'Shelby, Senator (Shelby)'; 'senator_bingaman@bingaman.senate.gov'; 'senator@dorgan.senate.gov'; 'senator_leahy@leahy.senate.gov'; 'senator_lugar@lugar.senate.gov'; 'gpoaccess@gpo.gov'; 'comments@whitehouse.gov'; 'vice_president@whitehouse.gov'; 'Charlie.Crist@MyFlorida.com'; 'rpjrb@yahoo.com'
Subject: Web Cast Archives

Dear Commissioners,

Is there a way to get a copy of the Web Cast **Arc**hives? I have to take my son for an MRI today and do not want to miss some of today's testimony. In addition, I would like to be able take a look at the old testimony as well. I know that CSPAN shows the web cast live as well as providing the ability to see an archived version of **the** web cast.

Does the web cast company record the web cast for the FPSC?

This way I will be able to take a look at the testimony that I might miss.

Thanks in advance.

Robert H. Smith

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Dorothy Menasco 080677

From: Dorothy Menasco
Sent: Tuesday, November 03, 2009 12:45 PM
To: 'rpjrb@yahoo.com'
Cc: Ann Cole; Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of Commissioner Skop; Office of Commissioner Klement; Commissioner.Stevens@psc.state.fl.us; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin
Subject: RE: Reply from the Commission Clerk Regarding: Web Cast Archives

Mr. Smith,

Everyone has access to the information on the website. It's a public record.

FPSC, CLK - CORRESPONDENCE
__Administrative ✓ Parties __Consumer
DOCUMENT NO. 10741-09
DISTRIBUTION: _____

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Tuesday, November 03, 2009 12:34 PM
To: Dorothy Menasco
Cc: Ann Cole; Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of Commissioner Skop; Office of Commissioner Klement; Commissioner.Stevens@psc.state.fl.us; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin
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Dear Ms. Menasco,

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Do all the parties of record and interested parties have access to this information and are they aware that the 11/18/2008 correspondence file exists?

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From: Dorothy Menasco [mailto:DMenasco@PSC.STATE.FL.US]
Sent: Tuesday, November 03, 2009 12:28 PM
To: rpjrb@yahoo.com
Cc: Ann Cole; Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of Commissioner Skop; Office of Commissioner Klement; Commissioner.Stevens@psc.state.fl.us; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin
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I can not confirm whether or not Commissioner Klement or Commissioner Stevens have reviewed the correspondence. I am in the Clerk's office and only deal with document filings.

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Florida Public Service Commission
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Thanks in advance and again thanks for your help.

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http://www.psc.state.fl.us/dockets/cms/ShowDocket.aspx?docket=H:\LIBRARY\FILINGS\08\10741-08

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Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

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Thanks,

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Sent: Monday, October 26, 2009 7:09 PM
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Cc: 'Kimberley Pena'
Subject: RE: Reply from the Commission Clerk Regarding: Web Cast Archives

Dear Ms. Cole,

Thanks for the information. I am glad that this information has been made as part of the archives. This is useful information.

What about this email? I sent the email below on October 23rd.

Thanks,

Robert H. Smith

Confidentiality Statement

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Friday, October 23, 2009 1:25 PM
To: 'Lisa Bennett'; 'Office of Commissioner Carter'; 'Office Of Commissioner Edgar'; 'Office of Commissioner McMurrian'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Ann Cole'; 'Marshall Willis'; 'Cheryl Bulecza-Banks'; 'Andrew Maurey'; 'Tim Devlin'; 'Dorothy Menasco'
Cc: 'chairmanoffice@sec.gov'; 'SEC Help'; 'rpjrb@yahoo.com'; 'Cathy.Flanagan@usdoj.gov'; 'AskDOJ@usdoj.gov'; 'Drayne, Karen'; 'Bill@billnelson.senate.gov'; 'Shelby, Senator (Shelby)'; 'senator_bingaman@bingaman.senate.gov'; 'senator@dorgan.senate.gov'; 'senator_leahy@leahy.senate.gov'; 'senator_lugar@lugar.senate.gov'; 'gpoaccess@gpo.gov'; 'comments@whitehouse.gov'; 'vice_president@whitehouse.gov'; 'Charlie.Crist@MyFlorida.com'; 'rpjrb@yahoo.com'

Subject: Depreciation Recovery

Dear Commissioner's,

K Michael Davis – Depreciation Testimony

Where is the over collection of the depreciation money? Is this still residing in the company's cash account (131 Account) or where has this money been spent? The fact is that this money was collected in cash rates therefore if the cash is not available then where did the money go? How come there were no proactive adjustments to compensate over time the return of these over collections? How many depreciation studies were conducted from the 2005 case versus the current case to see how these over recoveries grew over time?

This is very important since all cost of service items have the possibility for an over collection mode. It is very important to account for these over collections since this is real cash money being collected from the customer. If there was an under recovery in rates it would be very natural for the company to make the expenditures out of the cash reserves. Conversely the money that is over collected should be accumulated in the company's cash account (131).

If there is significant over recoveries then it is very important to know the magnitude of the surplus cash that the company has or should have.

If the money has not been accumulated then where did it go? Did it go to regulated entities or does the possibility exist that it went to non-regulated subsidiaries?

This is a very important concept in this case from both the shareholders perspective and ratepayer perspective.

The shareholders would want to know this information from an investment perspective as well as for due diligence/compliance for ratepayer.

The possibility exists that there might be exposure for the accounting of this cash.

Who is the primary contributor to the cash flow of the company? If it is the ratepayers, then this type of review is very important.

If the company had this money in surplus in the 131 account then the current rate increase request might be able to be minimized for a period of time. What is the annual over collection amount for this over recovery? This annual over recovery might be able to be given back as a reduction to minimize some of the requested rate increase.

All recoveries have to be looked this way and this is what I have been concerned about with the initial FOIA request and my request for information from the Senior Executives of the Company.

Again I have not heard back from the Senior Executives as of today.

The answers to these questions from a cash perspective should be very easy to answer from an accounting perspective. They should be able to show the flow of cash for the over recovery to where the money has been spent.

Thanks,

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From: Ann Cole [mailto:ACOLE@PSC.STATE.FL.US]
Sent: Monday, October 26, 2009 3:24 PM
To: rpjrb@yahoo.com
Cc: Kimberley Pena
Subject: FW: Reply from the Commission Clerk Regarding: Web Cast Archives

The video is now viewable from the Web site by selecting "Agendas and Hearing," "Audio and Video Coverage," and "Archives of PSC Audio/Video Events." I hope you find this information helpful.

The transcript of the hearing will be available from the docket upon filing as are the exhibits that were entered into evidence.

I am showing that your October 21, 2009, correspondence is in the docket file.

If I can be of any other assistance, please feel free to contact me.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Monday, October 26, 2009 2:48 PM
To: Ann Cole
Cc: Charlie.Crist@MyFlorida.com; Kimberley Pena; Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of Commissioner Skop; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin; Dorothy Menasco
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Initially I would like to purchase the video of the 23rd hearing.

I have to go through my correspondence to see if this would be enough.

I will let you know.

I would think that all interested parties in this matter would want to have this information made available on the web site. This should be a no cost option that the commission provides for interested parties that need to review testimony. Will the testimony be made available on the docket?

Do you know off hand if my last email regarding the over recoveries has been place in the docket just like my other correspondence?

Thanks,

Robert H. Smith

From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Friday, October 23, 2009 1:25 PM
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Subject: Depreciation Recovery

-----Original Message-----
From: SEC Help [mailto:help@sec.gov]
Sent: Monday, October 26, 2009 12:14 PM
To: Smith, Robert
Subject: SEC Response - File HO1351870

Dear Mr. Smith,

Thank you for contacting the SEC.

You can find SEC Webcasts (as well as those that have been archived) at http://www.sec.gov/news/otherwebcasts.shtml.

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Robert H. Smith

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From: Ann Cole [mailto:ACOLE@PSC.STATE.FL.US]
Sent: Monday, October 26, 2009 1:40 PM
To: rpjrb@yahoo.com
Cc: Charlie.Crist@MyFlorida.com; Kimberley Pena
Subject: Reply from the Commission Clerk Regarding: Web Cast Archives

I am in receipt of you emails dated October 23, 2009.

The video file of the October 23, 2009, hearing will be available in approximately one week. The cost for video files on DVD is $5.00 each. The audio files of this hearing are available now at a cost of $1.00 per CD.

Please note that persons are invoiced for duplication services and that payment must be received before copies can be released. Please confirm your order (video and/or audio) and the Office of Commission Clerk will send you an electronic Invoice.

I hope you find this information helpful. Please feel free to contact me if you have any questions.

Ann Cole, Commission Clerk
Office of Commission Clerk

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, October 23, 2009 6:35 PM
To: Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of Commissioner Skop; Ann Cole; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin; Dorothy Menasco
Cc: Charlie.Crist@MyFlorida.com; rpjrb@yahoo.com
Subject: FW: Web Cast Archives

Dear Commissioners,

Is this a possibility?

Sorry for the typo(s).

Thanks,

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Friday, October 23, 2009 1:42 PM
To: 'Lisa Bennett'; 'Office of Commissioner Carter'; 'Office Of Commissioner Edgar'; 'Office of Commissioner McMurrian'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Ann Cole'; 'Marshall Willis'; 'Cheryl Bulecza-Banks'; 'Andrew Maurey'; 'Tim Devlin'; 'Dorothy Menasco'
Cc: 'chairmanoffice@sec.gov'; 'SEC Help'; 'rpjrb@yahoo.com'; 'Cathy.Flanagan@usdoj.gov'; 'AskDOJ@usdoj.gov'; 'Drayne, Karen'; 'Bill@billnelson.senate.gov'; 'Shelby, Senator (Shelby)'; 'senator_bingaman@bingaman.senate.gov'; 'senator@dorgan.senate.gov'; 'senator_leahy@leahy.senate.gov'; 'senator_lugar@lugar.senate.gov'; 'gpoaccess@gpo.gov'; 'comments@whitehouse.gov'; 'vice_president@whitehouse.gov'; 'Charlie.Crist@MyFlorida.com'; 'rpjrb@yahoo.com'
Subject: Web Cast Archives

Dear Commissioners,

Is there a way to get a copy of the Web Cast **Archives**? I have to take my son for an MRI today and do not want to miss some of today's testimony. In addition, I would like to be able take a look at the old testimony as well. I know that CSPAN shows the web cast live as well as providing the ability to see an archived version of **the** web cast.

Does the web cast company record the web cast for the FPSC?

This way I will be able to take a look at the testimony that I might miss.

Thanks in advance.

Robert H. Smith

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Dorothy Menasco 080677

From: Dorothy Menasco
Sent: Tuesday, November 03, 2009 11:28 AM
To: 'rpjrb@yahoo.com'
Cc: Ann Cole; Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of Commissioner Skop; Office of Commissioner Klement; 'Commissioner.Stevens@psc.state.fl.us'; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin
Subject: FW: Reply from the Commission Clerk Regarding: Web Cast Archives

Mr. Smith:

All correspondence received by you will be located at the following link. You can search for Robert and all your information can be located. Please give all correspondence at least 24 hours to be processed and made available on-line. Thank you.

http://www.psc.state.fl.us/dockets/cms/ShowDocket.aspx?docket=H:\LIBRARY\FILINGS\08\10741-08

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

FPSC, CLK - CORRESPONDENCE
Administrative ✓ Parties Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION:

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Tuesday, November 03, 2009 10:33 AM
To: Ann Cole
Cc: Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of Commissioner Skop; Office of Commissioner Klement; Commissioner.Stevens@psc.state.fl.us; Ann Cole; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin; Dorothy Menasco
Subject: FW: Reply from the Commission Clerk Regarding: Web Cast Archives

Dear Ms. Cole,

What about the October 23rd 1:25PM email? Has this been added to the public record? I sent this when I had to take my son for an MRI and I wanted to make sure that this was made part of the public record as well. This email was a summary of what I thought the issues were with regard to any surplus the company might have from over recoveries. The follow up email October 29th, 2009 was the details to back up the October 23rd 1:25PM email. I sent the October 23rd email to for a heads up with regard to the cash flow issues with over recoveries at the company. My October 29th email went through the detailed testimony to backup the October 23rd email.

Will this be added to the public record?

Thanks,

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Monday, October 26, 2009 7:09 PM
To: 'Ann Cole'
Cc: 'Kimberley Pena'
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Subject: Depreciation Recovery

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Subject: SEC Response - File HO1351870

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Cc: 'chairmanoffice@sec.gov'; 'SEC Help'; 'rpjrb@yahoo.com'; 'Cathy.Flanagan@usdoj.gov'; 'AskDOJ@usdoj.gov'; 'Drayne, Karen'; 'Bill@billnelson.senate.gov'; 'Shelby, Senator (Shelby)'; 'senator_bingaman@bingaman.senate.gov'; 'senator@dorgan.senate.gov'; 'senator_leahy@leahy.senate.gov'; 'senator_lugar@lugar.senate.gov'; 'gpoaccess@gpo.gov'; 'comments@whitehouse.gov'; 'vice_president@whitehouse.gov'; 'Charlie.Crist@MyFlorida.com'; 'rpjrb@yahoo.com'
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This is a very important concept in this case from both the shareholders perspective and ratepayer perspective.

The shareholders would want to know this information from an investment perspective as well as for due diligence/compliance for ratepayer.

The possibility exists that there might be exposure for the accounting of this cash.

Who is the primary contributor to the cash flow of the company? If it is the ratepayers, then this type of review is very important.

If the company had this money in surplus in the 131 account then the current rate increase request might be able to be minimized for a period of time. What is the annual over collection amount for this over recovery? This annual over recovery might be able to be given back as a reduction to minimize some of the requested rate increase.

All recoveries have to be looked this way and this is what I have been concerned about with the initial FOIA request and my request for information from the Senior Executives of the Company.

Again I have not heard back from the Senior Executives as of today.

The answers to these questions from a cash perspective should be very easy to answer from an accounting perspective. They should be able to show the flow of cash for the over recovery to where the money has been spent.

Thanks,

Robert H. Smith

Confidentiality Statement

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From: Ann Cole [mailto:ACOLE@PSC.STATE.FL.US]
Sent: Monday, October 26, 2009 1:40 PM
To: rpjrb@yahoo.com
Cc: Charlie.Crist@MyFlorida.com; Kimberley Pena
Subject: Reply from the Commission Clerk Regarding: Web Cast Archives

I am in receipt of you emails dated October 23, 2009.

The video file of the October 23, 2009, hearing will be available in approximately one week. The cost for video files on DVD is $5.00 each. The audio files of this hearing are available now at a cost of $1.00 per CD.

Please note that persons are invoiced for duplication services and that payment must be received before copies can be released. Please confirm your order (video and/or audio) and the Office of Commission Clerk will send you an electronic Invoice.

I hope you find this information helpful. Please feel free to contact me if you have any questions.

Ann Cole, Commission Clerk
Office of Commission Clerk

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, October 23, 2009 6:35 PM
To: Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of Commissioner Skop; Ann Cole; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin; Dorothy Menasco

Cc: Charlie.Crist@MyFlorida.com; rpjrb@yahoo.com
Subject: FW: Web Cast Archives

Dear Commissioners,

Is this a possibility?

Sorry for the typo(s).

Thanks,

Robert H. Smith

Confidentiality Statement

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Friday, October 23, 2009 1:42 PM
To: 'Lisa Bennett'; 'Office of Commissioner Carter'; 'Office Of Commissioner Edgar'; 'Office of Commissioner McMurrian'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Ann Cole'; 'Marshall Willis'; 'Cheryl Bulecza-Banks'; 'Andrew Maurey'; 'Tim Devlin'; 'Dorothy Menasco'
Cc: 'chairmanoffice@sec.gov'; 'SEC Help'; 'rpjrb@yahoo.com'; 'Cathy.Flanagan@usdoj.gov'; 'AskDOJ@usdoj.gov'; 'Drayne, Karen'; 'Bill@billnelson.senate.gov'; 'Shelby, Senator (Shelby)'; 'senator_bingaman@bingaman.senate.gov'; 'senator@dorgan.senate.gov'; 'senator_leahy@leahy.senate.gov'; 'senator_lugar@lugar.senate.gov'; 'gpoaccess@gpo.gov'; 'comments@whitehouse.gov'; 'vice_president@whitehouse.gov'; 'Charlie.Crist@MyFlorida.com'; 'rpjrb@yahoo.com'
Subject: Web Cast Archives

Dear Commissioners,

Is there a way to get a copy of the Web Cast Archives? I have to take my son for an MRI today and do not want to miss some of today's testimony. In addition, I would like to be able take a look at the old testimony as well. I know that CSPAN shows the web cast live as well as providing the ability to see an archived version of the web cast.

Does the web cast company record the web cast for the FPSC?

This way I will be able to take a look at the testimony that I might miss.

Thanks in advance.

Robert H. Smith

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Ann Cole 080677

From: Ann Cole
Sent: Tuesday, November 03, 2009 9:40 AM
To: Commissioners Advisors; Administrative Assistants - Commission Suite
Subject: FW: Depreciation Testimony / Theoretical Depreciation Reserve

This email has been acknowledged and will be placed in *Docket Correspondence - Parties and Interested Persons*, in Docket No. 080677-EI.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, October 29, 2009 7:34 PM
To: Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of Commissioner Skop; Office of Commissioner Klement; Commissioner.Stevens@psc.state.fl.us; Ann Cole; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin; Dorothy Menasco
Cc: chairmanoffice@sec.gov; 'SEC Help'; Cathy.Flanagan@usdoj.gov; AskDOJ@usdoj.gov; 'Drayne, Karen'; Bill@billnelson.senate.gov; 'Shelby, Senator (Shelby)'; senator_bingaman@bingaman.senate.gov; senator@dorgan.senate.gov; senator_leahy@leahy.senate.gov; senator_lugar@lugar.senate.gov; gpoaccess@gpo.gov; comments@whitehouse.gov; vice_president@whitehouse.gov; Charlie.Crist@MyFlorida.com; rpjrb@yahoo.com
Subject: FW: Depreciation Testimony / Theoretical Depreciation Reserve

Dear Commissioners,

Sorry I noticed a **typo.**

Thanks,

Robert H. Smith

FPSC, CLK - CORRESPONDENCE
☐ Administrative ☑ Parties ☐ Consumer
DOCUMENT NO. 10741-08
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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Thursday, October 29, 2009 3:38 PM
To: 'Lisa Bennett'; 'Office of Commissioner Carter'; 'Office Of Commissioner Edgar'; 'Office of Commissioner McMurrian'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Office of Commissioner Klement <Commissioner.Klement@psc.state.fl.us>'; 'Office of Commissioner Stevens <Commissioner.Stevens@psc.state.fl.us>'; 'Ann Cole'; 'Marshall Willis'; 'Cheryl Bulecza-Banks'; 'Andrew Maurey'; 'Tim Devlin'; 'Dorothy Menasco'
Subject: Depreciation Testimony / Theoretical Depreciation Reserve

Dear Commissioner's,

K Michael Davis indicates that Depreciation is not a cash account in which money can be disbursed but what about the over collection of the money in the 131 cash account? This is a contradictory statement since it is OK for the Cash to be collected in rates (131 cash account) yet not returned due to the over collection in the company's reserve. The depreciation expense account in the cost of service is directly an offset of the revenue line on the cost of service. Remember under traditional ratemaking design RateBase X Allowed Rate of Return = Level of Operating income allowed by the cost of money. All things being equal if we were zero based at the operating income level the level of depreciation expense should equal the cash collection in rates except for the return on investment component.

The cost of service at the operating income line includes both revenues and depreciation expense therefore Mr. Davis's response that the depreciation reserve is not an account in which cash money can be disbursed is true from a literal aspect but not from a buildup of a cash reserve in the cash account (131 Account). The reason for this is that if cash rates are an indication of the revenues in the cost of service and the depreciation expense is the level of expense for recovery of the cash in the revenue line then how can he indicate that the reserve is not an account that there is a inherent cash buildup if we are in agreement that there is an over recovery in the reserve?

If you reverse out the reserve this would translate to a reduction in depreciation expense which might cause an over earning at the company. Yes the actual reserve account is a balance sheet account that unless it is reversed out it would be an accumulated account in which the over collected dollars would be collected in this reserve account which Mr. Davis has indicated is a direct reduction to ratebase. A reduction of ratebase translates to a reduction of the revenue requirements for the return on investment under traditional ratemaking design. The fact that the accumulated depreciation account has a surplus would have to have a corresponding debit account from Generally Accepted Accounting Principles. If the company is over collecting in its rates then the corresponding debit account would be the Cash account (131) for the over collection of the money.

Very simple:

Journal Entry #1

Debit Cash (Depreciation Recovery) / 131 Account

Credit Revenue (Sales Revenue for Depreciation) 400 account

To record the cash receipts from our customers as it pertains to depreciation. **There is a real cash impact with this entry.** This is a net entry in which Customer Accounts receivable (regulatory asset) 142 account would be accrued and reversed based upon cash collections.

Journal Entry #2

Debit Depreciation Expense 403 account

Credit Accumulated Depreciation 108 account

To record Depreciation Expense for the period X. This is a normal accrual entry based upon the depreciation rates (cash rates) as established by the prior rate case. This would not be a cash entry for GAAP but there is an

inherent assumption of cash collection in this entry based upon the old cost of service as filed to support the rates that were established with the 2005 case

P&L Impact

Revenue / This is from Journal Entry #1 / This translates to cash recovery based upon the depreciation rates that have been set with the old rate case

Depreciation Expense / This is from Journal Entry #2 / This entry can be adjusted by ledger 3 additions and retirements of plant.

If there is no over recover or under recovery then both of these would be exactly the same amount to be revenue neutral to the cost of service for the cash collection of depreciation in rates. This assumes that there are no additions and retirements. There might be a difference for the return on ratebase (return on investment/equity) from a traditional ratemaking perspective but the concept of the recovery of the depreciation in rates should match if the cash rates have been set properly.

If the revenue above is greater than the required depreciation based upon the theoretical study if the depreciation expense entry is not reduced the accumulated depreciation will show a greater reduction to rate base and accumulate in this account until the company corrects for the return of the over recovery. It might be very simple to ignore the over collection of cash that should be available as a surplus.

According to Mr. Davis a snap shot is a starting point for the measurement of over/under recovery of depreciation. This might be correct from at looking at the theoretical versus the actual reserve in total but it appears that there is no mention that they are automatically collecting in cash rates an amount in excess of the annual recovery that would be needed to match the depreciation expense if it was adjusted to match the new remaining lives. If there was an adjustment then there would be a direct reduction to depreciation expense which might cause over earnings. If there is a sharing mechanism for over earnings then the customer would be penalized through cash rates since the over collection is being currently collected in rates.

The remaining life methodology would work if the surplus cash was remaining in the 131 cash account. This is what is the real problem is. The company has over collected the cash in its rates and until there is an accounting of where the surplus cash is the potential exists for the company to ask for another rate increase in the future if they need more cash. This is probably why Mr. Davis wants to make sure that the over collection is not returned quickly. What happens if the company uses the money for other items (regulatory/potential non-regulatory (so far there has been no discussion of this issue)? The possibility exists that there would be a quick cash revenue requirement if the surplus cash is no longer available for future plant additions.

Again where is the surplus cash and how was this spent? It is very important to gain an understanding on where the surplus cash was spent. This is very important from a regulatory and non-regulatory approach. Remember there was a swing in earnings for NextEra (non-regulated) entities. The change in earnings from a P&L aspect would not be an issue but we have to take a look at the cash financing of these entities and to see if any cash flow has been used to support any of the capital spending to put these plants into service. The only way that this can be determined is if we take a look at the segmented cash flows of the company as it relates to its holding company concept.

Since Mr. Davis is indicating that the remaining lives are greater than the existing lives due to the plant in service lasting longer then are these assumptions being used in their new ratecase to show a reduction to depreciation expense in their current cost of service for the rate case? This would show that the revenue requirements should be going down.

I know that this might not show up since they are always adding new plant in service. We must make sure that the new plant additions are using the new extended lives for book depreciation if Mr. Davis's argument is that the existing plant remaining lives are greater than the existing lives due to the plant in service lasting longer. If FPL is using the old plant service lives for forecasting purposes on new plant in service this might cause the same issue with regard to creating another surplus for the new additions in the case. Is this the case?

Mr. Davis indicates that the benefit of a Steam unit now is lower than the benefit that it produced in the earlier years even thought the lives of the units have been extended. I would think that it would be up to FPL to complete economic analysis to determine if the extended lives of the existing steam units outweigh the benefits of putting in new units that are much more efficient and provide a better benefit to the ratepayer. Does FPL model for their new Steam production plant in service for the new ratecase a life that is in line with the current Steam unit lives that have been extended? You would have to take a look at the capital forecast that FPL put together for the rate case to determine what type of lives are being used for new Steam generation. I would think that we do not want to model shorter lives in this case if in fact the theoretical reserve is indicating that the remaining lives are being extended. This methodology should be used for all new plant in service that the theoretical lives have been extended. If the forecast does not take this into account then there will always be an over recovery since the models might be using shorter lives than the theoretical studies suggest in which the lives have been extended.

Where is there talk of cost of removal costs with regard to charges to the accumulated depreciation reserves (108 accounts)? Have these costs been looked at as they related to charges that are being recorded to ledger 10? How much of these costs reduced the amount of over funding and has an audit been performed with regard to the audit of these costs?

If FPL is going to potentially complete a depreciation study every 4 years then it would probably make sense to return a majority of the over recovery over 4 years and revisit the over/under recovery in a 4 year timeframe. There should be no problem with this approach since this will monitor the over/under recovery to make sure that the surplus does not continue to climb. What about letting the company complete a study every year to monitor this issue? I would think that this should not be a problem. I know that at times up North we prepared the theoretical studies every year/six months to watch for both over/under recoveries as well as cost of removal costs that were being charged to the depreciation reserves.

The argument with regard GAAP versus Regulatory perspective of recording the return of the $125 million per year is a very simple thing to address. If there is an over recover of the money in rates you can record a regulatory asset/liability (not an asset for the over recovery of the money). Mr. Davis has indicated that with the reversal of the depreciation expense that the ratebase will go up for this adjustment. The argument to give back the depreciation over recovery over the remaining life might be OK as long as the surplus cash is still in the 131 Cash Account. If not, then where did this money go? Where is the GAAP aspect of the cash reserve and if the money still exists for the over recovery? If they are over collecting for the depreciation yet the amount of expense required is less then this money should be accumulated as a cash surplus as per GAAP and Regulatory purposes. So far there has been no talk of cash flow.

Debit Cash 131 account

Credit Deferred Credits 253 account

To record over recovery of money from the ratepayers for depreciation expense.

The theoretical reserve can then be isolated for ratemaking purposes and as I have indicated above we can make sure that we see the pure number of over collection excluding cost of removal/salvage adjustments to the

depreciation reserve accounts. If you revisit the theoretical reserve on an annual/six month basis then you can then adjust the regulatory asset/liability to adjust for the new theoretically study. This would make the most sense since it would allow for a quicker adjustment to compensate for these over/under recoveries. This is no different than the Fuel Adjustment Clause. This clause is being adjusted as the fuel costs are going up or down allowing for a smoother rate design. If fuel costs are higher than the recovery it would create a regulatory asset (186 account) if the recovery is higher than the actual fuel costs it would create a regulatory liability (253 account). During these economic times this would probably make the most sense.

You do not want to go down the road and find out that the possibility exists that there is not adequate cash reserves for a large item such as depreciation. If the cash surplus related to these over recoveries are not being maintained as a surplus and the company needs the cash for plant maintenance of existing/future plant then the company would have to either ask for another rate increase or finance the cost of maintenance in the future. This is why it is very important to know where the cash surplus of this money has been spent or if it is being maintained in the cash 131 account.

I can only hope that we do not see that this surplus cash reserve has been spent and this is really the reason why they are asking for the return of the surplus over the remaining lives. There would be no harm in creating a cash give back to the customer and revisiting and monitoring this surplus every six months to a year. I think that yearly would be appropriate to tighten the cash flow related to this item to make sure that the surplus cash is being maintained by the company to mitigate some of the requested rate increase by the company.

This is why we have to take a look at the segmented cash flows of the money in and out of the 131 cash account at the Utility. Is there separate cash accounts being maintained at each subsidiary company? If yes, then we should be able to trace the trail of the movement of the cash. If not, then we need to know if there is separate billing/work order systems being maintained by the company to make sure that the ratepayers cash surplus is being kept intact. Where is the talk about the cash flow of the company in the testimony?

Listening to Mr. Deason's testimony with regard to making the argument that the surplus cash should be given back over the remaining useful lives versus a 4 year period is a very interesting. His testimony might be valid as long as there can be quantification of the surplus cash and that this cash is being maintained in the Utility 131 account. We have to remember that Generally Accepted Accounting Principles indicates that there are Debit's and Credits to a journal entry and that in order for the them to balance in this case there would have to be surplus cash (131) (Debit) to match the Accumulated Depreciation Reserves (108) (Credit). There has been no talk about the surplus cash existing in the 131 account. If the cash does not exist then the possibility exists that the Credit (Accumulated Depreciation 108) is a lot larger than the Debit (Cash 131). Where is the cash going to come from to potentially give the customer a refund if the cash is not being maintained in the Cash 131 Account? How come there was no talk about this cash surplus?

Mr. Deason indicates that he feels that the company probably did not under earn during the years 2002 to 2005 and might have either over earned or earned its allowed rate of return. If there was a sharing mechanism there is no reason why the company should benefit from a surplus of depreciation as a contribution to over earnings. This would be considered an over collection due to extending the asset lives therefore the customer should receive full benefit for this type of surplus. There should be no sharing of this surplus if it resulted in over earnings. We have to be very careful here especially from a cash flow perspective.

Please make sure that all the new capital forecasts and assumptions are accounting for extended live of the assets that are creating this surplus. This should be the assumption in the new case and if it is not, you can be assured that the surplus will continue to grow for the same reasons that the company now has a surplus. This should not be a one way street. If FPL feels that the extended lives have contributed to this surplus then from a GAAP and Regulatory perspective their estimate for useful lives in their forecasting methodology should account

for these extended lives to mitigate this type of surplus in the future. If the case is approved with the forecast using the same useful lives that has generated the surplus then the surplus will continue therefore a temporary surplus give back might be warranted. It is very easy to indicate that since there is an over recovery of cash that you want to give it back over the remaining useful lives but conversely it would be just as important to make sure that the forecast methodology is addressing the surplus issues in their new estimates for setting depreciation rates in the new ratecase.

Mr. Deason has indicated that if you reverse out the over collection that you would be adding to ratebase plant that would have to be re-recovered. From a GAAP perspective this makes sense since the useful lives of existing plant have been extended. There is no indication that the customer would not pay for recovery of the added assets to ratebase. It is only that the customer has paid for the asset recovery in advance (Prepaid) from a Cash/GAAP perspective. There really should be no problem with this since the company will receive recovery based upon the calculated extended lives of the assets that have caused the over recovery. Conversely, the ratepayer/customer has already prepaid for the recovery of this asset and there should be a surplus in the Cash 131 account. There has been no talk about this issue.

There really would be no harm to mitigate some of the rate increase with giving back some of this surplus and monitoring this on an annual basis. Why not give back some of the surplus in year 1 and monitor the surplus every year to determine how much should be given back each year? This should not be a problem since I think that the Fuel Cost Adjustment has this type of accounting in place. I am sure that if fuel costs go up significantly that the company would want to increase their cash rates very quickly. Why not for the give back of the Depreciation Surplus? During these tough economic times the Commission should use every avenue to make sure that this is a two way street. If the full rate increase is approved and FPL's argument is that the customer's bill will be going down after the fuel cost adjustments what happens if the fuel costs go up? I am sure that FPL would be adjusting the fuel adjustment clause to recover the cash very quickly for this issue. So if the fuel costs go up after the decision in this case, the ratepayers of Florida are not only going to see a cash increase for base rates but an immediate increase in their rates for an increase of fuel costs. Why is it OK to immediately adjust rates for fuel but not give back some of the depreciation surplus currently to mitigate some of the increase to help the ratepayers during these economic times?

Unless the cash surplus related to depreciation does not exist?

Where is the testimony regarding the cash surplus related to depreciation at the company? If it does not exist then where did it go? These are the real questions.

With today's technology it should be very easy for the company to automate the calculation of the depreciation studies. I know that I have prepared these myself including net book value calculations for plant by location. When I was up North this became a very important issue since we had a concurrent merger and a transfer of assets to a State entity. When it came down to transferring these assets we had to determine our Net Book Values from a book perspective versus a tax perspective since this could have an impact on any gain on sale transactions. I personally prepared the book depreciation studies/entries for the company as well as work on the tax issues related to tax depreciation issues.

I started in financial planning preparing all these forecasts (5 year plans) including interrogatory responses and then when we worked on the concurrent merger and transfer of assets they utilized my computer/accounting expertise to work on the automation of the depreciation process and studies. I automated this process with 3 months in the Fixed Asset department and then I went to the tax department to work on the tax depreciation aspect of this process. Since I was able to come up with the automation of this process we were then able to complete calculations of net book values of plant and complete gain on sale analysis from a tax perspective. I know that the company through its FERC filings does not disclose these numbers for competitive reasons but in

the future when these plants are sold this will become a very large issue for the company in terms of the gains that are calculated on the potential sale of the assets.

I know that I can help with this initiative if the company indicates that it cannot complete these theoretical studies on a timely basis. There really is no excuse since there is a huge surplus and the ratepayers need to hold the line on rates during these tough times.

I appreciate the opportunity to hear the testimony and that it was made available on line to review. There is a lot of material and I can only hope that I have contributed to this case.

People in the State of Florida are hurting and I think that we really have **to do whatever** is necessary to balance both the needs of the ratepayers and shareholders during these tough economic times.

If I can be of assistance please do not hesitate to ask. Please let me know if the previous email and this one will be included in the testimony and available on the public site.

Thanks,

Robert H. Smith

Confidentiality Statement

The documents accompanying this telecopy transmission contain information which is confidential and/or legally privileged. The information is intended only for the use of the individual or entity named on this transmission sheet. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this telecopied information is strictly prohibited, and the documents should be returned. In this regard, if you received this telecopy in error, please contact the sender by reply E-mail and destroy all copies of the original.

Carol Purvis 080677

From: rpjrb@yahoo.com

Sent: Thursday, October 29, 2009 3:38 PM

To: Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of Commissioner Skop; Office of Commissioner Klement; Commissioner.Stevens@psc.state.fl.us; Ann Cole; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin; Dorothy Menasco

Subject: Depreciation Testimony / Theoretical Depreciation Reserve

Dear Commissioner's,

K Michael Davis indicates that Depreciation is not a cash account in which money can be disbursed but what about the over collection of the money in the 131 cash account? This is a contradictory statement since it is OK for the Cash to be collected in rates (131 cash account) yet not returned due to the over collection in the company's reserve. The depreciation expense account in the cost of service is directly an offset of the revenue line on the cost of service. Remember under traditional ratemaking design RateBase X Allowed Rate of Return = Level of Operating income allowed by the cost of money. All things being equal if we were zero based at the operating income level the level of depreciation expense should equal the cash collection in rates except for the return on investment component.

The cost of service at the operating income line includes both revenues and depreciation expense therefore Mr. Davis's response that the depreciation reserve is not an account in which cash money can be disbursed is true from a literal aspect but not from a buildup of a cash reserve in the cash account (131 Account). The reason for this is that if cash rates are an indication of the revenues in the cost of service and the depreciation expense is the level of expense for recovery of the cash in the revenue line then how can he indicate that the reserve is not an account that there is a inherent cash buildup if we are in agreement that there is an over recovery in the reserve?

If you reverse out the reserve this would translate to a reduction in depreciation expense which might cause an over earning at the company. Yes the actual reserve account is a balance sheet account that unless it is reversed out it would be an accumulated account in which the over collected dollars would be collected in this reserve account which Mr. Davis has indicated is a direct reduction to ratebase. A reduction of ratebase translates to a reduction of the revenue requirements for the return on investment under traditional ratemaking design. The fact that the accumulated depreciation account has a surplus would have to have a corresponding debit account from Generally Accepted Accounting Principles. If the company is over collecting in its rates then the corresponding debit account would be the Cash account (131) for the over collection of the money.

Very simple:

FPSC, CLK - CORRESPONDENCE
☐ Administrative ☒ Parties ☐ Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION: _____

Journal Entry #1

Debit Cash (Depreciation Recovery) / 131 Account

Credit Revenue (Sales Revenue for Depreciation) 400 account

To record the cash receipts from our customers as it pertains to depreciation. **There is a real cash impact with this entry.** This is a net entry in which Customer Accounts receivable (regulatory asset) 142 account would be accrued and reversed based upon cash collections.

Journal Entry #2

Debit Depreciation Expense 403 account

Credit Accumulated Depreciation 108 account

To record Depreciation Expense for the period X. This is a normal accrual entry based upon the depreciation rates (cash rates) as established by the prior rate case. This would not be a cash entry for GAAP but there is an inherent assumption of cash collection in this entry based upon the old cost of service as filed to support the rates that were established with the 2005 case

P&L Impact

Revenue / This is from Journal Entry #1 / This translates to cash recovery based upon the depreciation rates that have been set with the old rate case

Depreciation Expense / This is from Journal Entry #2 / This entry can be adjusted by ledger 3 additions and retirements of plant.

If there is no over recover or under recovery then both of these would be exactly the same amount to be revenue neutral to the cost of service for the cash collection of depreciation in rates. This assumes that there are no additions and retirements. There might be a difference for the return on ratebase (return on investment/equity) from a traditional ratemaking perspective but the concept of the recovery of the depreciation in rates should match if the cash rates have been set properly.

If the revenue above is greater than the required depreciation based upon the theoretical study if the depreciation expense entry is not reduced the accumulated depreciation will show a greater reduction to rate base and accumulate in this account until the company corrects for the return of the over recovery. It might be very simple to ignore the over collection of cash that should be available as a surplus.

According to Mr. Davis a snap shot is a starting point for the measurement of over/under recovery of depreciation. This might be correct from at looking at the theoretical versus the actual reserve in total but it appears that there is no mention that they are automatically collecting in cash rates an amount in excess of the annual recovery that would be needed to match the depreciation expense if it was adjusted to match the new remaining lives. If there was an adjustment then there would be a direct reduction to depreciation expense which might cause over earnings. If there is a sharing mechanism for over earnings then the customer would be penalized through cash rates since the over collection is being currently collected in rates.

The remaining life methodology would work if the surplus cash was remaining in the 131 cash account. This is what is the real problem is. The company has over collected the cash in its rates and until there is an accounting of where the surplus cash is the potential exists for the company to ask for another rate increase in the future if they need more cash. This is probably why Mr. Davis wants to make sure that the over collection is not returned quickly. What happens if the company uses the money for other items (regulatory/potential non-regulatory (so far there has been no discussion of this issue)? The possibility exists that there would be a quick cash revenue requirement if the surplus cash is no longer available for future plant additions.

Again where is the surplus cash and how was this spent? It is very important to gain an understanding on where the surplus cash was spent. This is very important from a regulatory and non-regulatory approach. Remember there was a swing in earnings for NextEra (non-regulated) entities. The change in earnings from a P&L aspect would not be an issue but we have to take a look at the cash financing of these entities and to see if any cash

flow has been used to support any of the capital spending to put these plants into service. The only way that this can be determined is if we take a look at the segmented cash flows of the company as it relates to its holding company concept.

Since Mr. Davis is indicating that the remaining lives are greater than the existing lives due to the plant in service lasting longer then are these assumptions being used in their new ratecase to show a reduction to depreciation expense in their current cost of service for the rate case? This would show that the revenue requirements should be going down.

I know that this might not show up since they are always adding new plant in service. We must make sure that the new plant additions are using the new extended lives for book depreciation if Mr. Davis's argument is that the existing plant remaining lives are greater than the existing lives due to the plant in service lasting longer. If FPL is using the old plant service lives for forecasting purposes on new plant in service this might cause the same issue with regard to creating another surplus for the new additions in the case. Is this the case?

Mr. Davis indicates that the benefit of a Steam unit now is lower than the benefit that it produced in the earlier years even thought the lives of the units have been extended. I would think that it would be up to FPL to complete economic analysis to determine if the extended lives of the existing steam units outweigh the benefits of putting in new units that are much more efficient and provide a better benefit to the ratepayer. Does FPL model for their new Steam production plant in service for the new ratecase a life that is in line with the current Steam unit lives that have been extended? You would have to take a look at the capital forecast that FPL put together for the rate case to determine what type of lives are being used for new Steam generation. I would think that we do not want to model shorter lives in this case if in fact the theoretical reserve is indicating that the remaining lives are being extended. This methodology should be used for all new plant in service that the theoretical lives have been extended. If the forecast does not take this into account then there will always be an over recovery since the models might be using shorter lives than the theoretical studies suggest in which the lives have been extended.

Where is there talk of cost of removal costs with regard to charges to the accumulated depreciation reserves (108 accounts)? Have these costs been looked at as they related to charges that are being recorded to ledger 10? How much of these costs reduced the amount of over funding and has an audit been performed with regard to the audit of these costs?

If FPL is going to potentially complete a depreciation study every 4 years then it would probably make sense to return a majority of the over recovery over 4 years and revisit the over/under recovery in a 4 year timeframe. There should be no problem with this approach since this will monitor the over/under recovery to make sure that the surplus does not continue to climb. What about letting the company complete a study every year to monitor this issue? I would think that this should not be a problem. I know that at times up North we prepared the theoretical studies every year/six months to watch for both over/under recoveries as well as cost of removal costs that were being charged to the depreciation reserves.

The argument with regard GAAP versus Regulatory perspective of recording the return of the $125 million per year is a very simple thing to address. If there is an over recover of the money in rates you can record a regulatory asset/liability (not an asset for the over recovery of the money). Mr. Davis has indicated that with the reversal of the depreciation expense that the ratebase will go up for this adjustment. The argument to give back the depreciation over recovery over the remaining life might be OK as long as the surplus cash is still in the 131 Cash Account. If not, then where did this money go? Where is the GAAP aspect of the cash reserve and if the money still exists for the over recovery? If they are over collecting for the depreciation yet the amount of expense required is less then this money should be accumulated as a cash surplus as per GAAP and Regulatory purposes. So far there has been no talk of cash flow.

Debit Cash 131 account

Credit Deferred Credits 253 account

To record over recovery of money from the ratepayers for depreciation expense.

The theoretical reserve can then be isolated for ratemaking purposes and as I have indicated above we can make sure that we see the pure number of over collection excluding cost of removal/salvage adjustments to the depreciation reserve accounts. If you revisit the theoretical reserve on an annual/six month basis then you can then adjust the regulatory asset/liability to adjust for the new theoretically study. This would make the most sense since it would allow for a quicker adjustment to compensate for these over/under recoveries. This is no different than the Fuel Adjustment Clause. This clause is being adjusted as the fuel costs are going up or down allowing for a smoother rate design. If fuel costs are higher than the recovery it would create a regulatory asset (186 account) if the recovery is higher than the actual fuel costs it would create a regulatory liability (253 account). During these economic times this would probably make the most sense.

You do not want to go down the road and find out that the possibility exists that there is not adequate cash reserves for a large item such as depreciation. If the cash surplus related to these over recoveries are not being maintained as a surplus and the company needs the cash for plant maintenance of existing/future plant then the company would have to either ask for another rate increase or finance the cost of maintenance in the future. This is why it is very important to know where the cash surplus of this money has been spent or if it is being maintained in the cash 131 account.

I can only hope that we do not see that this surplus cash reserve has been spent and this is really the reason why they are asking for the return of the surplus over the remaining lives. There would be no harm in creating a cash give back to the customer and revisiting and monitoring this surplus every six months to a year. I think that yearly would be appropriate to tighten the cash flow related to this item to make sure that the surplus cash is being maintained by the company to mitigate some of the requested rate increase by the company.

This is why we have to take a look at the segmented cash flows of the money in and out of the 131 cash account at the Utility. Is there separate cash accounts being maintained at each subsidiary company? If yes, then we should be able to trace the trail of the movement of the cash. If not, then we need to know if there is separate billing/work order systems being maintained by the company to make sure that the ratepayers cash surplus is being kept intact. Where is the talk about the cash flow of the company in the testimony?

Listening to Mr. Deason's testimony with regard to making the argument that the surplus cash should be given back over the remaining useful lives versus a 4 year period is a very interesting. His testimony might be valid as long as there can be quantification of the surplus cash and that this cash is being maintained in the Utility 131 account. We have to remember that Generally Accepted Accounting Principles indicates that there are Debit's and Credits to a journal entry and that in order for the them to balance in this case there would have to be surplus cash (131) (Debit) to match the Accumulated Depreciation Reserves (108) (Credit). There has been no talk about the surplus cash existing in the 131 account. If the cash does not exist then the possibility exists that the Credit (Accumulated Depreciation 108) is a lot larger than the Debit (Cash 131). Where is the cash going to come from to potentially give the customer a refund if the cash is not being maintained in the Cash 131 Account? How come there was no talk about this cash surplus?

Mr. Deason indicates that he feels that the company probably did not under earn during the years 2002 to 2005 and might have either over earned or earned its allowed rate of return. If there was a sharing mechanism there is no reason why the company should benefit from a surplus of depreciation as a contribution to over earnings. This would be considered an over collection due to extending the asset lives therefore the customer should

receive full benefit for this type of surplus. There should be no sharing of this surplus if it resulted in over earnings. We have to be very careful here especially from a cash flow perspective.

Please make sure that all the new capital forecasts and assumptions are accounting for extended live of the assets that are creating this surplus. This should be the assumption in the new case and if it is not, you can be assured that the surplus will continue to grow for the same reasons that the company now has a surplus. This should not be a one way street. If FPL feels that the extended lives have contributed to this surplus then from a GAAP and Regulatory perspective their estimate for useful lives in their forecasting methodology should account for these extended lives to mitigate this type of surplus in the future. If the case is approved with the forecast using the same useful lives that has generated the surplus then the surplus will continue therefore a temporary surplus give back might be warranted. It is very easy to indicate that since there is an over recovery of cash that you want to give it back over the remaining useful lives but conversely it would be just as important to make sure that the forecast methodology is addressing the surplus issues in their new estimates for setting depreciation rates in the new ratecase.

Mr. Deason has indicated that if you reverse out the over collection that you would be adding to ratebase plant that would have to be re-recovered. From a GAAP perspective this makes sense since the useful lives of existing plant have been extended. There is no indication that the customer would not pay for recovery of the added assets to ratebase. It is only that the customer has paid for the asset recovery in advance (Prepaid) from a Cash/GAAP perspective. There really should be no problem with this since the company will receive recovery based upon the calculated extended lives of the assets that have caused the over recovery. Conversely, the ratepayer/customer has already prepaid for the recovery of this asset and there should be a surplus in the Cash 131 account. There has been no talk about this issue.

There really would be no harm to mitigate some of the rate increase with giving back some of this surplus and monitoring this on an annual basis. Why not give back some of the surplus in year 1 and monitor the surplus every year to determine how much should be given back each year? This should not be a problem since I think that the Fuel Cost Adjustment has this type of accounting in place. I am sure that if fuel costs go up significantly that the company would want to increase their cash rates very quickly. Why not for the give back of the Depreciation Surplus? During these tough economic times the Commission should use every avenue to make sure that this is a two way street. If the full rate increase is approved and FPL's argument is that the customer's bill will be going down after the fuel cost adjustments what happens if the fuel costs go up? I am sure that FPL would be adjusting the fuel adjustment clause to recover the cash very quickly for this issue. So if the fuel costs go up after the decision in this case, the ratepayers of Florida are not only going to see a cash increase for base rates but an immediate increase in their rates for an increase of fuel costs. Why is it OK to immediately adjust rates for fuel but not give back some of the depreciation surplus currently to mitigate some of the increase to help the ratepayers during these economic times?

Unless the cash surplus related to depreciation does not exist?

Where is the testimony regarding the cash surplus related to depreciation at the company? If it does not exist then where did it go? These are the real questions.

With today's technology it should be very easy for the company to automate the calculation of the depreciation studies. I know that I have prepared these myself including net book value calculations for plant by location. When I was up North this became a very important issue since we had a concurrent merger and a transfer of assets to a State entity. When it came down to transferring these assets we had to determine our Net Book Values from a book perspective versus a tax perspective since this could have an impact on any gain on sale transactions. I personally prepared the book depreciation studies/entries for the company as well as work on the tax issues related to tax depreciation issues.

I started in financial planning preparing all these forecasts (5 year plans) including interrogatory responses and then when we worked on the concurrent merger and transfer of assets they utilized my computer/accounting expertise to work on the automation of the depreciation process and studies. I automated this process with 3 months in the Fixed Asset department and then I went to the tax department to work on the tax depreciation aspect of this process. Since I was able to come up with the automation of this process we were then able to complete calculations of net book values of plant and complete gain on sale analysis from a tax perspective. I know that the company through its FERC filings does not disclose these numbers for competitive reasons but in the future when these plants are sold this will become a very large issue for the company in terms of the gains that are calculated on the potential sale of the assets.

I know that I can help with this initiative if the company indicates that it cannot complete these theoretical studies on a timely basis. There really is no excuse since there is a huge surplus and the ratepayers need to hold the line on rates during these tough times.

I appreciate the opportunity to hear the testimony and that it was made available on line to review. There is a lot of material and I can only hope that I have contributed to this case.

People in the State of Florida are hurting and I think that we really have to do what every is necessary to balance both the needs of the ratepayers and shareholders during these tough economic times.

If I can be of assistance please do not hesitate to ask. Please let me know if the previous email and this one will be included in the testimony and available on the public site.

Thanks,

Robert H. Smith

Confidentiality Statement

The documents accompanying this telecopy transmission contain information which is confidential and/or legally privileged. The information is intended only for the use of the individual or entity named on this transmission sheet. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this telecopied information is strictly prohibited, and the documents should be returned. In this regard, if you received this telecopy in error, please contact the sender by reply E-mail and destroy all copies of the original.

Katie Ely

080677

From: Carol Purvis on behalf of Ann Cole
Sent: Tuesday, October 27, 2009 1:26 PM
To: Dorothy Menasco
Cc: Katie Ely
Subject: RE: Reply from the Commission Clerk Regarding: Web Cast Archives

FPSC, CLK - CORRESPONDENCE
☐ Administrative ☒ Parties ☒ Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION:

If he is party, please move all incorrect letters from consumer correspondence to the correct correspondence file for parties and interested persons and reply. Thank you.

From: Dorothy Menasco
Sent: Tuesday, October 27, 2009 11:38 AM
To: Ann Cole
Cc: Katie Ely
Subject: RE: Reply from the Commission Clerk Regarding: Web Cast Archives

This would have been one you forwarded to Katie if the Commissioners had forwarded it to you. I didn't see it in the correspondence for parties and interested persons, so I checked in the consumer correspondence. It is there with about 4 other letters that Cristina grouped together and requested that they be placed in correspondence. You forwarded it to Katie and advised that it would be placed in consumer correspondence. We will need directive to move this one out of that group and be placed in parties correspondence.

From: Ann Cole
Sent: Tuesday, October 27, 2009 8:35 AM
To: Dorothy Menasco
Subject: FW: Reply from the Commission Clerk Regarding: Web Cast Archives

Please see if this has made it to the correspondence folder and respond. thank you.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Monday, October 26, 2009 7:09 PM
To: Ann Cole
Cc: Kimberley Pena
Subject: RE: Reply from the Commission Clerk Regarding: Web Cast Archives

Dear Ms. Cole,

Thanks for the information. I am glad that this information has been made as part of the archives. This is useful information.

What about this email? I sent the email below on October 23rd.

Thanks,

Robert H. Smith

Confidentiality Statement

The documents accompanying this telecopy transmission contain information which is confidential and/or legally privileged. The information is intended only for the use of the individual or entity named on this transmission sheet. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this telecopied information is strictly prohibited, and the documents should be returned. In this regard, if you received this telecopy in error, please contact the sender by reply E-mail and destroy all copies of the original.

From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Friday, October 23, 2009 1:25 PM
To: 'Lisa Bennett'; 'Office of Commissioner Carter'; 'Office Of Commissioner Edgar'; 'Office of Commissioner McMurrian'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Ann Cole'; 'Marshall Willis'; 'Cheryl Bulecza-Banks'; 'Andrew Maurey'; 'Tim Devlin'; 'Dorothy Menasco'
Cc: 'chairmanoffice@sec.gov'; 'SEC Help'; 'rpjrb@yahoo.com'; 'Cathy.Flanagan@usdoj.gov'; 'AskDOJ@usdoj.gov'; 'Drayne, Karen'; 'Bill@billnelson.senate.gov'; 'Shelby, Senator (Shelby)'; 'senator_bingaman@bingaman.senate.gov'; 'senator@dorgan.senate.gov'; 'senator_leahy@leahy.senate.gov'; 'senator_lugar@lugar.senate.gov'; 'gpoaccess@gpo.gov'; 'comments@whitehouse.gov'; 'vice_president@whitehouse.gov'; 'Charlie.Crist@MyFlorida.com'; 'rpjrb@yahoo.com'
Subject: Depreciation Recovery

Dear Commissioner's,

K Michael Davis – Depreciation Testimony

Where is the over collection of the depreciation money? Is this still residing in the company's cash account (131 Account) or where has this money been spent? The fact is that this money was collected in cash rates therefore if the cash is not available then where did the money go? How come there were no proactive adjustments to compensate over time the return of these over collections? How many depreciation studies were conducted from the 2005 case versus the current case to see how these over recoveries grew over time?

This is very important since all cost of service items have the possibility for an over collection mode. It is very important to account for these over collections since this is real cash money being collected from the customer. If there was an under recovery in rates it would be very natural for the company to make the expenditures out of the cash reserves. Conversely the money that is over collected should be accumulated in the company's cash account (131).

If there is significant over recoveries then it is very important to know the magnitude of the surplus cash that the company has or should have.

If the money has not been accumulated then where did it go? Did it go to regulated entities or does the possibility exist that it went to non-regulated subsidiaries?

This is a very important concept in this case from both the shareholders perspective and ratepayer perspective.

The shareholders would want to know this information from an investment perspective as well as for due diligence/compliance for ratepayer.

The possibility exists that there might be exposure for the accounting of this cash.

Who is the primary contributor to the cash flow of the company? If it is the ratepayers, then this type of review

is very important.

If the company had this money in surplus in the 131 account then the current rate increase request might be able to be minimized for a period of time. What is the annual over collection amount for this over recovery? This annual over recovery might be able to be given back as a reduction to minimize some of the requested rate increase.

All recoveries have to be looked this way and this is what I have been concerned about with the initial FOIA request and my request for information from the Senior Executives of the Company.

Again I have not heard back from the Senior Executives as of today.

The answers to these questions from a cash perspective should be very easy to answer from an accounting perspective. They should be able to show the flow of cash for the over recovery to where the money has been spent.

Thanks,

Robert H. Smith

Confidentiality Statement

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From: Ann Cole [mailto:ACOLE@PSC.STATE.FL.US]
Sent: Monday, October 26, 2009 3:24 PM
To: rpjrb@yahoo.com
Cc: Kimberley Pena
Subject: FW: Reply from the Commission Clerk Regarding: Web Cast Archives

The video is now viewable from the Web site by selecting "Agendas and Hearing," "Audio and Video Coverage,"

and "Archives of PSC Audio/Video Events." I hope you find this information helpful.

The transcript of the hearing will be available from the docket upon filing as are the exhibits that were entered into evidence.

I am showing that your October 21, 2009, correspondence is in the docket file.

If I can be of any other assistance, please feel free to contact me.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Monday, October 26, 2009 2:48 PM
To: Ann Cole
Cc: Charlie.Crist@MyFlorida.com; Kimberley Pena; Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of Commissioner Skop; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin; Dorothy Menasco
Subject: RE: Reply from the Commission Clerk Regarding: Web Cast Archives

Dear Ms. Cole,

Thanks for the information. I would think that this information would be available as a download like all other correspondence on the Docket.

I just received an email from the SEC with regard to archived web cast files as it relates to SEC matters. Apparently they make all web casts available as a download from their web site at no cost.

Initially I would like to purchase the video of the 23rd hearing.

I have to go through my correspondence to see if this would be enough.

I will let you know.

I would think that all interested parties in this matter would want to have this information made available on the web site. This should be a no cost option that the commission provides for interested parties that need to review testimony. Will the testimony be made available on the docket?

Do you know off hand if my last email regarding the over recoveries has been place in the docket just like my other correspondence?

Thanks,

Robert H. Smith

From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Friday, October 23, 2009 1:25 PM
To: 'Lisa Bennett'; 'Office of Commissioner Carter'; 'Office Of Commissioner Edgar'; 'Office of Commissioner McMurrian'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Ann Cole'; 'Marshall Willis'; 'Cheryl Bulecza-Banks'; 'Andrew Maurey'; 'Tim Devlin'; 'Dorothy Menasco'

Cc: 'chairmanoffice@sec.gov'; 'SEC Help'; 'rpjrb@yahoo.com'; 'Cathy.Flanagan@usdoj.gov'; 'AskDOJ@usdoj.gov'; 'Drayne, Karen'; 'Bill@billnelson.senate.gov'; 'Shelby, Senator (Shelby)'; 'senator_bingaman@bingaman.senate.gov'; 'senator@dorgan.senate.gov'; 'senator_leahy@leahy.senate.gov'; 'senator_lugar@lugar.senate.gov'; 'gpoaccess@gpo.gov'; 'comments@whitehouse.gov'; 'vice_president@whitehouse.gov'; 'Charlie.Crist@MyFlorida.com'; 'rpjrb@yahoo.com'
Subject: Depreciation Recovery

-----Original Message-----
From: SEC Help [mailto:help@sec.gov]
Sent: Monday, October 26, 2009 12:14 PM
To: Smith, Robert
Subject: SEC Response - File HO1351870

Dear Mr. Smith,

Thank you for contacting the SEC.

You can find SEC Webcasts (as well as those that have been archived) at http://www.sec.gov/news/otherwebcasts.shtml.

Confidentiality Statement

The documents accompanying this telecopy transmission contain information which is confidential and/or legally privileged. The information is intended only for the use of the individual or entity named on this transmission sheet. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this telecopied information is strictly prohibited, and the documents should be returned. In this regard, if you received this telecopy in error, please contact the sender by reply E-mail and destroy all copies of the original.

From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Friday, October 23, 2009 1:25 PM
To: 'Lisa Bennett'; 'Office of Commissioner Carter'; 'Office Of Commissioner Edgar'; 'Office of Commissioner McMurrian'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Ann Cole'; 'Marshall Willis'; 'Cheryl Bulecza-Banks'; 'Andrew Maurey'; 'Tim Devlin'; 'Dorothy Menasco'
Cc: 'chairmanoffice@sec.gov'; 'SEC Help'; 'rpjrb@yahoo.com'; 'Cathy.Flanagan@usdoj.gov'; 'AskDOJ@usdoj.gov'; 'Drayne, Karen'; 'Bill@billnelson.senate.gov'; 'Shelby, Senator (Shelby)'; 'senator_bingaman@bingaman.senate.gov'; 'senator@dorgan.senate.gov'; 'senator_leahy@leahy.senate.gov'; 'senator_lugar@lugar.senate.gov'; 'gpoaccess@gpo.gov'; 'comments@whitehouse.gov'; 'vice_president@whitehouse.gov'; 'Charlie.Crist@MyFlorida.com'; 'rpjrb@yahoo.com'
Subject: Depreciation Recovery

Dear Commissioner's,

K Michael Davis – Depreciation Testimony

Where is the over collection of the depreciation money? Is this still residing in the company's cash account (131 Account) or where has this money been spent? The fact is that this money was collected in cash rates therefore if the cash is not available then where did the money go? How come there were no proactive adjustments to compensate over time the return of these over collections? How many depreciation studies were conducted from the 2005 case versus the current case to see how these over recoveries grew over time?

This is very important since all cost of service items have the possibility for an over collection mode. It is very important to account for these over collections since this is real cash money being collected from the customer. If there was an under recovery in rates it would be very natural for the company to make the expenditures out of the cash reserves. Conversely the money that is over collected should be accumulated in the company's cash account (131).

If there is significant over recoveries then it is very important to know the magnitude of the surplus cash that the company has or should have.

If the money has not been accumulated then where did it go? Did it go to regulated entities or does the possibility exist that it went to non-regulated subsidiaries?

This is a very important concept in this case from both the shareholders perspective and ratepayer perspective.

The shareholders would want to know this information from an investment perspective as well as for due diligence/compliance for ratepayer.

The possibility exists that there might be exposure for the accounting of this cash.

Who is the primary contributor to the cash flow of the company? If it is the ratepayers, then this type of review is very important.

If the company had this money in surplus in the 131 account then the current rate increase request might be able to be minimized for a period of time. What is the annual over collection amount for this over recovery? This annual over recovery might be able to be given back as a reduction to minimize some of the requested rate increase.

All recoveries have to be looked this way and this is what I have been concerned about with the initial FOIA request and my request for information from the Senior Executives of the Company.

Again I have not heard back from the Senior Executives as of today.

The answers to these questions from a cash perspective should be very easy to answer from an accounting perspective. They should be able to show the flow of cash for the over recovery to where the money has been spent.

Thanks,

Robert H. Smith

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From: Ann Cole [mailto:ACOLE@PSC.STATE.FL.US]
Sent: Monday, October 26, 2009 1:40 PM
To: rpjrb@yahoo.com
Cc: Charlie.Crist@MyFlorida.com; Kimberley Pena
Subject: Reply from the Commission Clerk Regarding: Web Cast Archives

I am in receipt of you emails dated October 23, 2009.

The video file of the October 23, 2009, hearing will be available in approximately one week. The cost for video files on DVD is $5.00 each. The audio files of this hearing are available now at a cost of $1.00 per CD.

Please note that persons are invoiced for duplication services and that payment must be received before copies can be released. Please confirm your order (video and/or audio) and the Office of Commission Clerk will send you an electronic Invoice.

I hope you find this information helpful. Please feel free to contact me if you have any questions.

Ann Cole, Commission Clerk
Office of Commission Clerk

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, October 23, 2009 6:35 PM
To: Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of Commissioner Skop; Ann Cole; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin; Dorothy Menasco
Cc: Charlie.Crist@MyFlorida.com; rpjrb@yahoo.com
Subject: FW: Web Cast Archives

Dear Commissioners,

Is this a possibility?

Sorry for the typo(s).

Thanks,

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Friday, October 23, 2009 1:42 PM
To: 'Lisa Bennett'; 'Office of Commissioner Carter'; 'Office Of Commissioner Edgar'; 'Office of Commissioner McMurrian'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Ann Cole'; 'Marshall Willis'; 'Cheryl Bulecza-Banks'; 'Andrew Maurey'; 'Tim Devlin'; 'Dorothy Menasco'
Cc: 'chairmanoffice@sec.gov'; 'SEC Help'; 'rpjrb@yahoo.com'; 'Cathy.Flanagan@usdoj.gov'; 'AskDOJ@usdoj.gov'; 'Drayne, Karen'; 'Bill@billnelson.senate.gov'; 'Shelby, Senator (Shelby)'; 'senator_bingaman@bingaman.senate.gov'; 'senator@dorgan.senate.gov'; 'senator_leahy@leahy.senate.gov'; 'senator_lugar@lugar.senate.gov'; 'gpoaccess@gpo.gov'; 'comments@whitehouse.gov'; 'vice_president@whitehouse.gov'; 'Charlie.Crist@MyFlorida.com'; 'rpjrb@yahoo.com'
Subject: Web Cast Archives

Dear Commissioners,

Is there a way to get a copy of the Web Cast **Archives**? I have to take my son for an MRI today and do not want to miss some of today's testimony. In addition, I would like to be able take a look at the old testimony as well. I know that CSPAN shows the web cast live as well as providing the ability to see an archived version of **the** web cast.

Does the web cast company record the web cast for the FPSC?

This way I will be able to take a look at the testimony that I might miss.

Thanks in advance.

Robert H. Smith

Confidentiality Statement

The documents accompanying this telecopy transmission contain information which is confidential and/or legally privileged. The information is intended only for the use of the individual or entity named on this transmission sheet. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this telecopied information is strictly prohibited, and the documents should be returned. In this regard, if you received this telecopy in error, please contact the sender by reply E-mail and destroy all copies of the original.

Ann Cole

From: rpjrb@yahoo.com

Sent: Friday, October 23, 2009 1:25 PM

To: Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of Commissioner Skop; Ann Cole; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin; Dorothy Menasco

Cc: chairmanoffice@sec.gov; 'SEC Help'; rpjrb@yahoo.com; Cathy.Flanagan@usdoj.gov; AskDOJ@usdoj.gov; 'Drayne, Karen'; Bill@billnelson.senate.gov; 'Shelby, Senator (Shelby)'; senator_bingaman@bingaman.senate.gov; senator@dorgan.senate.gov; senator_leahy@leahy.senate.gov; senator_lugar@lugar.senate.gov; gpoaccess@gpo.gov; comments@whitehouse.gov; vice_president@whitehouse.gov; Charlie.Crist@MyFlorida.com; rpjrb@yahoo.com

Subject: Depreciation Recovery

Dear Commissioner's,

K Michael Davis – Depreciation Testimony

Where is the over collection of the depreciation money? Is this still residing in the company's cash account (131 Account) or where has this money been spent? The fact is that this money was collected in cash rates therefore if the cash is not available then where did the money go? How come there were no proactive adjustments to compensate over time the return of these over collections? How many depreciation studies were conducted from the 2005 case versus the current case to see how these over recoveries grew over time?

This is very important since all cost of service items have the possibility for an over collection mode. It is very important to account for these over collections since this is real cash money being collected from the customer. If there was an under recovery in rates it would be very natural for the company to make the expenditures out of the cash reserves. Conversely the money that is over collected should be accumulated in the company's cash account (131).

If there is significant over recoveries then it is very important to know the magnitude of the surplus cash that the company has or should have.

If the money has not been accumulated then where did it go? Did it go to regulated entities or does the possibility exist that it went to non-regulated subsidiaries?

This is a very important concept in this case from both the shareholders perspective and ratepayer perspective.

The shareholders would want to know this information from an investment perspective as well as for due diligence/compliance for ratepayer.

The possibility exists that there might be exposure for the accounting of this cash.

Who is the primary contributor to the cash flow of the company? If it is the ratepayers, then this type of review is very important.

If the company had this money in surplus in the 131 account then the current rate increase request might be able to be minimized for a period of time. What is the annual over collection amount for this over recovery?

This annual over recovery might be able to be given back as a reduction to minimize some of the requested rate increase.

All recoveries have to be looked this way and this is what I have been concerned about with the initial FOIA request and my request for information from the Senior Executives of the Company.

Again I have not heard back from the Senior Executives as of today.

The answers to these questions from a cash perspective should be very easy to answer from an accounting perspective. They should be able to show the flow of cash for the over recovery to where the money has been spent.

Thanks,

Robert H. Smith

Confidentiality Statement

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Dorothy Menasco 080677

From: rpjrb@yahoo.com

Sent: Friday, October 23, 2009 1:25 PM

To: Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of Commissioner Skop; Ann Cole; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin; Dorothy Menasco

Cc: chairmanoffice@sec.gov; 'SEC Help'; rpjrb@yahoo.com; Cathy.Flanagan@usdoj.gov; AskDOJ@usdoj.gov; 'Drayne, Karen'; Bill@billnelson.senate.gov; 'Shelby, Senator (Shelby)'; senator_bingaman@bingaman.senate.gov; senator@dorgan.senate.gov; senator_leahy@leahy.senate.gov; senator_lugar@lugar.senate.gov; gpoaccess@gpo.gov; comments@whitehouse.gov; vice_president@whitehouse.gov; Charlie.Crist@MyFlorida.com; rpjrb@yahoo.com

Subject: Depreciation Recovery

FPSC, CLK - CORRESPONDENCE
__Administrative V Parties__Consumer
DOCUMENT NO. 10741-09
DISTRIBUTION: _____

Dear Commissioner's,

K Michael Davis – Depreciation Testimony

Where is the over collection of the depreciation money? Is this still residing in the company's cash account (131 Account) or where has this money been spent? The fact is that this money was collected in cash rates therefore if the cash is not available then where did the money go? How come there were no proactive adjustments to compensate over time the return of these over collections? How many depreciation studies were conducted from the 2005 case versus the current case to see how these over recoveries grew over time?

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If there is significant over recoveries then it is very important to know the magnitude of the surplus cash that the company has or should have.

If the money has not been accumulated then where did it go? Did it go to regulated entities or does the possibility exist that it went to non-regulated subsidiaries?

This is a very important concept in this case from both the shareholders perspective and ratepayer perspective.

The shareholders would want to know this information from an investment perspective as well as for due diligence/compliance for ratepayer.

The possibility exists that there might be exposure for the accounting of this cash.

Who is the primary contributor to the cash flow of the company? If it is the ratepayers, then this type of review is very important.

If the company had this money in surplus in the 131 account then the current rate increase request might be able to be minimized for a period of time. What is the annual over collection amount for this over recovery? This annual over recovery might be able to be given back as a reduction to minimize some of the requested rate increase.

All recoveries have to be looked this way and this is what I have been concerned about with the initial FOIA request and my request for information from the Senior Executives of the Company.

Again I have not heard back from the Senior Executives as of today.

The answers to these questions from a cash perspective should be very easy to answer from an accounting perspective. They should be able to show the flow of cash for the over recovery to where the money has been spent.

Thanks,

Robert H. Smith

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Dorothy Menasco 080677

From: Dorothy Menasco
Sent: Thursday, October 22, 2009 9:41 AM
To: 'rpjrb@yahoo.com'
Cc: Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of Commissioner Skop; Ann Cole; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin
Subject: RE: ROE impact on earnings / Ratings

You're welcome, Mr. Smith.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

FPSC, CLK - CORRESPONDENCE
__Administrative ✓ Parties __Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION: _____

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, October 22, 2009 9:38 AM
To: Dorothy Menasco
Cc: Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of Commissioner Skop; Ann Cole; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin
Subject: RE: ROE impact on earnings / Ratings

Dear Ms. Menasco,

Thank you for moving the correspondence to the Correspondence – Parties and Interested Persons DN 10741-08. Hopefully this helps out with the current case. I can only hope that all of the questions that I have asked in my email correspondence are going to be addressed in the testimony going forward.

During these economic times there is a delicate balance that must be maintained between the shareholders and ratepayers. I do not understand why the Executives of FPL have ignored my email request for information has a shareholder. This has me very concerned since this is the type of transparency that is needed during these tough economic times.

I am looking forward to hearing the rest of the testimony.

Again thanks for your help,

Robert H. Smith

01544-09	02/25/2009	Docket correspondence - Consumers and their representatives. [CLK note: Subsequent correspondence from consumers will be appended to this document.] **File Name** **File Size** **Download 56** **Download DSL** * 01544-09.pdf 208.6 MB 8 hr 40 min 50 sec 9 min 46 sec

From: Dorothy Menasco [mailto:DMenasco@PSC.STATE.FL.US]
Sent: Thursday, October 22, 2009 8:48 AM
To: rpjrb@yahoo.com
Cc: Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of Commissioner Skop; Ann Cole; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin
Subject: RE: ROE impact on earnings / Ratings

Mr. Smith:

I apologize for the delay in responding to your message below. I was out of the office, unexpectedly, for a couple days. All of your correspondence has

been moved from *Docket Correspondence - Consumers and their representatives* (DN 01544-09) to *Correspondence - Parties and Interested Persons* (DN 10741-08). A link to that document, on the PSC website, has been included for your convenience.

http://www.psc.state.fl.us/dockets/cms/ShowDocket.aspx?docket=H:\LIBRARY\FILINGS\08\10741-08

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Tuesday, October 20, 2009 8:10 AM
To: Dorothy Menasco
Cc: Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of Commissioner Skop; Ann Cole; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin
Subject: RE: ROE impact on earnings / Ratings

Dear Ms. Menasco,

Where are we with this information being made part of the public record? I have not heard back and I am following up.

Thanks,

Robert H. Smith

From: Dorothy Menasco [mailto:DMenasco@PSC.STATE.FL.US]
Sent: Thursday, October 08, 2009 3:03 PM
To: rpjrb@yahoo.com
Cc: Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of Commissioner Skop; Ann Cole; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin
Subject: RE: ROE impact on earnings / Ratings

Mr. Smith:

On review of the correspondence files for Docket 080677, some of your correspondence was placed in correspondence for parties and interested persons, and other correspondence was placed in correspondence for consumers and their representatives. On 5/26/09 you were added to the mailing list as an interested person in the docket. I have confirmed with staff that your correspondence should be moved to the correspondence file for parties and interested persons (DN 10741-08). Like the consumer correspondence file, you will be able to view the correspondence for parties and interested persons on-line. I will follow-up with you when those files have been updated.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, October 08, 2009 11:27 AM
To: Dorothy Menasco
Cc: Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of Commissioner Skop; Ann Cole; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey
Subject: RE: ROE impact on earnings / Ratings

Dear Ms. Menasco,

Thanks for the information regarding the posting of some of my emails.

A while back I sent email correspondence with regard to the 2005 agreement. There were specific questions regarding traditional ratemaking versus the 2005 ratemaking agreement and separation of work order systems, separate cash accounts etc. I do not think that all my email correspondence has been put on the public site. I can forward this email correspondence or do you know off hand that this information has been made part of the public record? This information was sent back in April.

I did not see this information in the link below.

Thanks,

Robert H. Smith

Confidentiality Statement

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From: Dorothy Menasco [mailto:DMenasco@PSC.STATE.FL.US]
Sent: Wednesday, October 07, 2009 5:08 PM
To: rpjrb@yahoo.com
Cc: Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of Commissioner Skop; Ann Cole; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey
Subject: RE: ROE impact on earnings / Ratings

Mr. Smith:

All documents that are filed with the Office of Commission Clerk are either filed in the docket file or in the correspondence file for same. All information for both types of files are available public viewing on the PSC website.

If you would like to file something with the Office of Commission Clerk, you may do so by U.S. mail, hand delivery, or electronic filing at filings@psc.state.fl.us. A link to the Commission's e-filing requirements is being included for your convenience:

http://www.floridapsc.com/dockets/e-filings/

If I understand your question correctly, the reason Mr. Penn's correspondence was placed in the docket file was because it was unclear whether or not the communication fell within the exception to the ex parte statute. It was document numbered in an abundance of caution.

Your correspondence was not determined to be ex parte and the staff member who responded to your e-mail forwarded it to us and requested it be placed in consumer correspondence. This document (DN 01544-09) can be found at the following link:

http://www.psc.state.fl.us/dockets/cms/ShowDocket.aspx?docket=H:\LIBRARY\FILINGS\09\01544-09

Document	Date	Description
01544-09	2/25/2009	Docket correspondence - Consumers and their representatives. [CLK note: Subsequent correspondence from consumers will be appended to this document.]

File Name	File Size	Download (56K)	Download (Broadband)
* 01544-09.pdf	204.2 MB	8 hr 29 min 57 sec	9 min 34 sec

To date, if you search for "Smith" in that document, your e-mail is the first document that is found.

If you have further questions regarding the ex parte statute, you may speak with the attorney(s) assigned to the docket. The General Counsel's number is 850-0413-6199.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, October 07, 2009 4:11 PM
To: Dorothy Menasco
Cc: Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of Commissioner Skop; Ann Cole; Lisa Bennett; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey
Subject: RE: ROE impact on earnings / Ratings

Dear Ms. Menasco,

I am asking why my documents are not being logged just like the link and image below. I understand where this document is.

What about my documents or emails that have been sent?

My email correspondence is no different than the email correspondence below.

Thanks,

Robert H. Smith

From: Dorothy Menasco [mailto:DMenasco@PSC.STATE.FL.US]
Sent: Wednesday, October 07, 2009 4:05 PM
To: rpjrb@yahoo.com
Cc: Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of Commissioner Skop; Ann Cole; Lisa Bennett; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey
Subject: FW: ROE impact on earnings / Ratings

Mr. Smith:

The document you are searching for below was entered as an official document on 9/28/09, DN 09956-09, in Docket 080677. This document can be located on-line at the following link:

http://www.floridapsc.com/dockets/cms/ShowDocket.aspx?docket=H:\LIBRARY\FILINGS\09\09956-09

09956-09	09/28/2009	COM/Posey - Memo dated 9/25/09 to CLK/Cole with attached 9/17/09 letter from Our Town Sarasota/Penn to Commissioner McMurrian to be placed in docket file and disseminated to all parties. **File Name File Size Download 56 Download DSL** * 09956-09.pdf 72 KB 14 sec 3 sec

Please call our office if you have any questions regarding this document.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, October 07, 2009 1:55 PM
To: Tim Devlin
Cc: Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; 'Office of Commissioner McMurrian'; Office of Commissioner Argenziano; Office of Commissioner Skop; Ann Cole; Lisa Bennett; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey
Subject: RE: ROE impact on earnings / Ratings

Dear Mr. Devlin,

Is the information available on this page? This is the public access page on the web site. I know that the other letter was put onto this page as public information.

I cannot seem to locate this information on the docket below. I thought that the information would be made part of the record below so that everyone can have access. Just like the email correspondence below.

Please let me know if is available on the document detail below so that the public can have access to this information. If not, please explain why it is not available on the public web site.

Thanks,

Robert H. Smith

Document Detail for Docket Number: 080677 (828 documents found)

Document	Date	Description
10344-09	10/07/2009	FPL (Goorland) - Response to Thomas Saporito's motion withdrawing prior motion to withdraw.
10273-09	10/06/2009	GCL/Helton - Copy of letter dated 10/6/09 to Governor Crist acknowledging 10/2/09 letter and providing a respo in the pending rate cases for FPL and Progress. **File Name** **File Size** **Download 56** **Download DSL** * 10273-09.pdf 90 KB 16 sec 3 sec
10231-09	10/05/2009	Thomas Saporito - Motion to postpone final decision on pending hearing until after new Commissioners take offi **File Name** **File Size** **Download 56** **Download DSL** * 10231-09.pdf 238 KB 38 sec 4 sec
10223-09	10/02/2009	Thomas Saporito - Motion withdrawing prior motion to withdraw. **File Name** **File Size** **Download 56** **Download DSL**

From: Tim Devlin [mailto:TDevlin@PSC.STATE.FL.US]
Sent: Wednesday, October 07, 2009 1:30 PM
To: rpjrb@yahoo.com
Cc: Lisa Bennett
Subject: RE: ROE impact on earnings / Ratings

Yes, your emails were made part of the docket file and the new commissioners will have access to those files.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, October 02, 2009 8:06 AM
To: Office of Commissioner Carter; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of Commissioner Skop; Ann Cole; Lisa Bennett; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin
Subject: FW: ROE impact on earnings / Ratings

Dear Commissioners,

Will my email correspondence be made part of the record just like the email correspondence below?

Please forward all my email information to the new Commissioners Mr. David Klement and Benjamin ``Steve'' Stevens.

Thanks,

Robert H. Smith

Confidentiality Statement

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Tuesday, September 29, 2009 7:58 AM
To: 'Tim Devlin'
Cc: 'Office of Commissioner Carter'; 'Office Of Commissioner Edgar'; 'Office of Commissioner McMurrian'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Ann Cole'; 'Lisa Bennett'; 'Marshall Willis'; 'Cheryl Bulecza-Banks'; 'Andrew Maurey'
Subject: RE: ROE impact on earnings / Ratings

Dear Mr. Devlin,

Thanks for your response.

When you indicate that the email will be placed in the correspondence side of the docket file, does this mean that it will be entered into the testimony just like the email below?

I think that if it is it would be made of the public record correct?

Thanks,

Robert H. Smith

State of Florida

RECEIVED-FPSC
09 SEP 28 AM 10:27
COMMISSION CLERK

Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

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

DATE: September 25, 2009
TO: Ann Cole, Commission Clerk - PSC, Office of Commission Clerk
FROM: Kay E. Posey, Executive Secretary to Commissioner McMurrian KP
RE: Communication Received in Docket No. 080677-EI

Commissioner McMurrian has received and viewed the attached e-mail from Mr. Michael Penn, Publisher, Our Town Sarasota, in the above noted docket. It is unclear whether Mr. Penn's communication falls within the exception to the ex parte statute which allows an individual residential ratepayer representing himself without compensation to communicate with the Commission on any matter. Therefore, in an abundance of caution, the Commissioner has asked that the e-mail be placed in the record and disseminated to all parties in the docket pursuant to the provisions of Section 350.042, Florida Statutes.

Thank you.

Attachment

Kay Posey

From: publisher@ourtownsarasota.com
Sent: Thursday, September 17, 2009 10:05 AM
To: Office of Commissioner Argenziano; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of the Chairman; Office of Commissioner Skop
Subject: FPL rate hike
Importance: High

Dear Florida PSC Commissioners,

We do not endorse the proposed 30% FPL rate hike. That rate or any other that is not closely tied into the current rate of inflation we find horrendous. FPL should have read the writing on the wall a long time ago regarding cutting back on oil producing facilities and making other accommodations.

FPL has more sunlight available to it then most states and they have dragged their feet and continue to do so.

Respectfully,

Michael Penn - Publisher
www.ourtownsarasota.com

From: Tim Devlin [mailto:TDevlin@PSC.STATE.FL.US]
Sent: Monday, September 28, 2009 2:25 PM
To: rpjrb@yahoo.com
Cc: Office of Commissioner Carter; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of Commissioner Skop; Ann Cole; Lisa Bennett; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey
Subject: FW: ROE impact on earnings / Ratings

Dear Mr. Smith:

Your email was referred to me for a response. Your concerns regarding ROE, capital structure and flight logs are currently being fully addressed by the Commission. Hearings will continue in October and a decision is expected in December. It would be inappropriate for Commission personnel to express an opinion on these matters at this point. Your email will be placed in the correspondence side of the docket file (Docket No. 080677-EI). Thank you.

Tim Devlin
Director of the Division of Economic Regulation

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, September 17, 2009 1:06 PM
To: Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of the Chairman; Office of Commissioner Skop; Lisa Edgar
Subject: ROE impact on earnings / Ratings

Dear Commissioners,

The impact on the ROE on the earnings of the company might cause a lower rating but what about this question? We all know that debt is usually cheaper than equity.

Even if the debt rates increase as a result of a reduced rating would the overall cost of money be higher with debt issued at higher rates or would it be higher with a higher ROE(increase in the equity rate)?

Usually equity costs more than debt to the ratepayer, therefore even though the customer would benefit by keeping its existing rating would debt still be cheaper than equity if the interest costs increase as a result of a reduced credit rating?

I think that from an overall cost of money aspect debt by nature is usually cheaper than equity. I would think during these tight credit markets FPL would be able to negotiate better debt terms since the associated risk might be lower. This is very important to the decision. If FPL might have the ability to negotiate reduced rates with the investment market as a result of showing the investment market that they are a solid company backed by a very large customer base maybe their interest rates do not have to increase as much due to a potential rating decline.

Equity will always cost more than debt. Unless the debt rate exceeds the equity rate it would be inevitable that the rates would be higher with a higher ROE than with an increase in interest rates with issued debt.

This of course would have to be looked at from a traditional ratemaking perspective. Ratebase x Overall Cost of Money = Operating Income for Utility Earnings above the line.

Is this correct?

Has anyone looked into the missing documents on the published flight logs?

Thanks,

Robert H. Smith

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Ann Cole 080477

From: Ann Cole
Sent: Wednesday, October 21, 2009 3:08 PM
To: Roberta Bass
Cc: Commissioners Advisors; Administrative Assistants - Commission Suite
Subject: RE: Todays Hearing 10/21/2009 / ROE issues

Please note this correction also: the information below will be placed in *Docket Correspondence - Parties and Interested Persons,* in Docket No. 080677-EI.

From: Ann Cole
Sent: Wednesday, October 21, 2009 2:45 PM
To: Roberta Bass
Cc: Commissioners Advisors; Administrative Assistants - Commission Suite
Subject: RE: Todays Hearing 10/21/2009 / ROE issues

Unless otherwise instructed, this corrected information will also be placed in *Docket Correspondence - Consumers and their Representatives*, in Docket No. 080677-EI.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, October 21, 2009 1:23 PM
To: Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of Commissioner Skop; Ann Cole; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin; Dorothy Menasco
Subject: FW: Todays Hearing 10/21/2009 / ROE issues

Dear Commissioners,

Sorry for the typo. I hope I got all of them.

Thanks,

Robert H. Smith

FPSC, CLK - CORRESPONDENCE
☐ Administrative ☒ Parties ☐ Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION: _____

Confidentiality Statement

The documents accompanying this telecopy transmission contain information which is confidential and/or legally privileged. The information is intended only for the use of the individual or entity named on this transmission sheet. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this telecopied information is strictly prohibited, and the documents should be returned. In this regard, if you received this telecopy in error, please contact the sender by reply E-mail and destroy all copies of the original.

From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]

Sent: Wednesday, October 21, 2009 12:43 PM
To: 'Lisa Bennett'; 'Office of Commissioner Carter'; 'Office Of Commissioner Edgar'; 'Office of Commissioner McMurrian'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Ann Cole'; 'Marshall Willis'; 'Cheryl Bulecza-Banks'; 'Andrew Maurey'; 'Tim Devlin'; 'Dorothy Menasco'
Subject: Todays Hearing 10/21/2009 / ROE issues

Dear Commissioner's,

It might be apparent that Mr. Pimentel has indicated that the company could survive at the 9.3% or 10% rate of return but Mr. Pimentel was in disagreement that they would still require a larger return. Why?

ROE lower than 10% or 9.3%. Mr. Pimentel has indicated that the economic issues are causing the need for the rate increase. What happened to the over recovery of cash for the depreciation/other items to weather this issue and to keep the rates lower based upon the cheaper debt versus equity structure?

It is known that the lower cost of money as a result of the issuance of debt versus equity would keep the rates lower therefore reducing the amount of rate increase needed.

If this is a cash flow need than the ratepayers should not be penalized for the use of the over recovered money unless the money was spent for ratepayer items. So far I have not received a response from both the companies Executives from a shareholder perspective and with the FOIA request (ratepayer's perspective) with regard to this type of accounting for the cash flow of the company.

This is why we need to take a look at the holding structure of the company. Who is the primary contributor to the cash flow of the company? I would think that the ratepayers are the major contributor to the cash flow at the company.

Did anyone check into the sources and uses of funds from the holding company level to the subsidiaries/regulated and non-regulated companies? I have asked this specific question with regard to the swing in earnings from Utility (regulated) versus NextEra (non-regulated) entities. I wanted to know how the non-regulated entities are being financed and whether or not there was sufficient cash flow in the non-regulated subsidiaries to drive the change in earnings. Do we know if this is the case? I have not received a direct answer to this question.

Strong Financial Position / Strong Credit rating but debt is usually cheaper than equity therefore the rates would be able to hold steady to the 9.3% to 10% return. When Mr. Pimentel is asked about the impact of the lower rate of return on equity he usually does not give a definitive answer as to what the actual increase in borrowing cost would be. If the ratepayers are the primary contributor of cash flow then guess what? It would not matter if FPL earns a lower return under these economic conditions since if they use up the cash flow again they will be asking for another rate increase in the future. This is evident since I have not heard about where the cash for any over recovery has been spent.

How about a Rate Moderation Component (RMC) in which they book income to a certain level of rates but defer on cash collection to be determine at a later date? This would give both the company and the ratepayers what they need from an earnings perspective. I know that Mr. Pimentel might argue that the rating agencies would perceive this as non-cash earnings and therefore they might be subject to the lower rating as a result of structuring the ratecase this way. How come it is OK for the rating agencies to potentially account for this in their ratings but not OK for the ratepayers to minimize the cash impact of the rate increase with having a lower

equity rate (ROE) versus debt rate and the over recoveries of cash with depreciation etc.? We all know that the cash impact on the rates with issuing debt in all cases would be cheaper than equity.

I think that there should be a definitive answer with regard to the actual impact of the rating agencies if FPL is very concerned. What would be the actual increase in borrowing costs if they did not receive their asked ROE? Again I have indicated that the customer base should be good enough for the rating agencies to keep the reduction in rating to a minimum considering the strong customer base. Where is this questioning?

They must testify to the actual cost of the increase in the interest costs if their rating is reduced. How come this was not asked in the case?

I am sending this early since I feel that if everything is answered in a question and answer format with actual facts then this would bring continuity to substantiate any decision that **is finally** made.

As a shareholder or ratepayer I would like to be able to have public access to this type of information to substantiate the ratecase. There should be full transparency and this would be a very good way to eliminate the current public perceptions and as a way to backup the final decision.

I am looking forward to hearing the rest of the testimony. I really would like to see a discussion of segmented cash flows at the company be entered into the testimony with regard to the holding company concept (regulated versus non-regulated subsidiaries).

Thanks,

Robert H. Smith

Confidentiality Statement

The documents accompanying this telecopy transmission contain information which is confidential and/or legally privileged. The information is intended only for the use of the individual or entity named on this transmission sheet. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this telecopied information is strictly prohibited, and the documents should be returned. In this regard, if you received this telecopy in error, please contact the sender by reply E-mail and destroy all copies of the original.

Ann Cole 080677

From: Ann Cole
Sent: Wednesday, October 21, 2009 3:06 PM
To: Roberta Bass
Cc: Commissioners Advisors; Administrative Assistants - Commission Suite
Subject: FW: Todays Hearing 10/21/2009 / ROE issues

Please note this correction to my prior e-mail: the information below will be placed in *Docket Correspondence - Parties and Interested Persons,* in Docket No. 080677-EI.

From: Ann Cole
Sent: Wednesday, October 21, 2009 2:22 PM
To: Office Of Commissioner Edgar
Cc: William C. Garner; Lois Graham; Kay Posey; Bill McNulty; Cristina Slaton; Steve Larson
Subject: RE: Todays Hearing 10/21/2009 / ROE issues

Thanks, Roberta. This information will be placed in *Docket Correspondence - Consumers and their Representatives*, in Docket No. 080677-EI.

From: Office Of Commissioner Edgar
Sent: Wednesday, October 21, 2009 12:56 PM
To: Ann Cole
Cc: William C. Garner; Lois Graham; Kay Posey; Bill McNulty; Cristina Slaton; Steve Larson
Subject: FW: Todays Hearing 10/21/2009 / ROE issues

Please place the following e-mail in the Parties and Interested Parties correspondence file of Docket No. 080677-EI. Thank you.

Roberta

Roberta S. Bass
Chief Advisor to Commissioner Edgar
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399
(850) 413-6016 (Office)
(850) 413-6017 (Facsimile)
(850) 559-7291 (Mobile)
roberta.bass@psc.state.fl.us

FPSC, CLK - CORRESPONDENCE
☐ Administrative ☒ Parties ☐ Consumer
DOCUMENT NO. 10741-09
DISTRIBUTION: _____

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, October 21, 2009 12:43 PM
To: Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of Commissioner Skop; Ann Cole; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin; Dorothy Menasco
Subject: Todays Hearing 10/21/2009 / ROE issues

Dear Commissioner's,

It might be apparent that Mr. Pimentel has indicated that the company could survive at the 9.3% or 10% rate of return but Mr. Pimentel was in disagreement that they would still require a larger return. Why?

ROE lower than 10% or 9.3%. Mr. Pimentel has indicated that the economic issues are causing the need for the rate increase. What happened to the over recovery of cash for the depreciation/other items to weather this issue and to keep the rates lower based upon the cheaper debt versus equity structure?

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This is why we need to take a look at the holding structure of the company. Who is the primary contributor to the cash flow of the company? I would think that the ratepayers are the major contributor to the cash flow at the company.

Did anyone check into the sources and uses of funds from the holding company level to the subsidiaries/regulated and non-regulated companies? I have asked this specific question with regard to the swing in earnings from Utility (regulated) versus NextEra (non-regulated) entities. I wanted to know how the non-regulated entities are being financed and whether or not there was sufficient cash flow in the non-regulated subsidiaries to drive the change in earnings. Do we know if this is the case? I have not received a direct answer to this question.

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Thanks,

Robert H. Smith

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FPSC, CLK - CORRESPONDENCE
☐ Administrative ☑ Parties ☐ Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION:

Ann Cole

From: rpjrb@yahoo.com
Sent: Wednesday, October 21, 2009 1:23 PM
To: Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of Commissioner Skop; Ann Cole; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin; Dorothy Menasco
Subject: FW: Todays Hearing 10/21/2009 / ROE issues

Dear Commissioners,

Sorry for the typo. I hope I got all of them.

Thanks,

Robert H. Smith

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Wednesday, October 21, 2009 12:43 PM
To: 'Lisa Bennett'; 'Office of Commissioner Carter'; 'Office Of Commissioner Edgar'; 'Office of Commissioner McMurrian'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Ann Cole'; 'Marshall Willis'; 'Cheryl Bulecza-Banks'; 'Andrew Maurey'; 'Tim Devlin'; 'Dorothy Menasco'
Subject: Todays Hearing 10/21/2009 / ROE issues

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(regulated versus non-regulated subsidiaries).

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Robert H. Smith

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Ruth Nettles 080677

From: Filings@psc.state.fl.us
Sent: Monday, October 19, 2009 11:24 AM
To: 'saporito3@gmail.com'
Cc: Dorothy Menasco; Ruth Nettles
Subject: FW: <<< Notice of Electronic Filing in Docket No. 080677-EI
Attachments: 2009-10-13 Transforming Clean-Energy I...pdf

Dear Mr. Saporito:

We are in receipt of your attached e-filing. However, this document is not eligible for electronic filing, and will need to be revised and resubmitted in order to be officially accepted for filing.

Please note that, per the Commission's e-filing requirements, documents are to include an official signature.

Manner of Electronic Transmission:

- Documents shall be signed by typing "s/" followed by the signatory:

  s/ First M. Last

A link to the Commission's e-filings requirements is included for your convenience:
http://www.psc.state.fl.us/dockets/e-filings/

Please call us if you have any questions.

Sincerely,

Ruth Nettles
Office of Commission Clerk
850-413-6770

FPSC, CLK - CORRESPONDENCE
☐ Administrative ☒ Parties ☐ Consumer
DOCUMENT NO. 10741.08
DISTRIBUTION: _____

From: Thomas Saporito [mailto:saporito3@gmail.com]
Sent: Saturday, October 17, 2009 12:58 PM
To: Filings@psc.state.fl.us
Subject: <<< Notice of Electronic Filing in Docket No. 080677-EI

Electronic Filing on this 17th day of October, 2009.

a. Person responsible for this electronic filing:

Thomas Saporito
Post Office Box 8413
Jupiter, Florida 33468-8413
Tel: 561-247-6404

b. Docket No. 080677-EI

c. In the Matter of: FPL $1.3-billion dollar rate case.

d. Document being filed on behalf of Thomas Saporito.

e. There is a total of 2 pages.

f. The document attached for electronic filing – Washington Post – Transforming Clean-Energy Industry Into a Local One

Thank you for your attention and cooperation to this request.

Thomas Saporito
Post Office Box 8413
Jupiter, Florida 33468-8413
Tel: 561-247-6404

10/12/2009 3:50 PM

Office of Commission Clerk Official Filing

Ruth Nettles 080677

From: Filings@psc.state.fl.us
Sent: Monday, October 12, 2009 3:49 PM
To: 'Cecilia.Bradley@myfloridalegal.com'
Cc: Dorothy Menasco; Ruth Nettles; Marguerite McLean
Subject: FW: FPL Rate and PEF Rate Cases, Docket Nos. 080677 and 090079 Attorney General's brief

Attachments: AG's brief-final.doc

FPSC, CLK - CORRESPONDENCE
☐ Administrative ☒ Parties ☐ Consumer
DOCUMENT NO. 10741-09
DISTRIBUTION:

AG's
ef-final.doc (49 I

Ms. Bradley:

Thank you very much for your telephone call. Per your request, the filing submitted at 2:54 p.m. will be replaced with the filing received at 3:46 p.m.

Please call if you have any questions.

Sincerely,

Ruth Nettles
Office of Commission Clerk
850-413-6770

-----Original Message-----
From: Cecilia Bradley [mailto:Cecilia.Bradley@myfloridalegal.com]
Sent: Monday, October 12, 2009 2:54 PM
To: Filings@psc.state.fl.us
Cc: Barry Richard; Brian P. Armstrong Esq. ; J. R. Kelly ; J. Spina; Jack Leon ; John LaVia; John McWhirter; John T. Butler ; Jon C. Moyle Jr.; Joseph Mcglothlin, Esq.; jyarbrough@southdaytona.org; K. Wiseman; L. Purdy; Lino Mendiola; mbraswell@sugarmansusskind.com; Mark F. Sundback; Mary Smallwood; Meghan Griffiths; Mitch.Ross@fpl.com; Natlie Smith; Rick Melson; Robert A. Sugarman; Schef Wright ; Scott E. Simpson; Shayla McNeill; sda@trippscott.com; Stephen Stewart; Susan Clark; TPerdue@aif.com; support@saporitoenergyconsultants.com; Vicki Gordon Kaufman ; Wade_Litchfield; Alex Glenn; Audrey Van Dyke; Charles Beck; Charles Rehwinkel; Dan Moore; Dianne Triplett; F. Alvin Taylor; J. Michael Walls ; James Brew; Jim Selecky; John T. Burnett; Kay Davoodi; Lisa Stright ; Paul Lewis; Mary Anne Helton; Ann Cole; Jennifer Brubaker; Lisa Bennett; Katherine Fleming; Tim Devlin; Marshall Willis
Subject: FPL Rate and PEF Rate Cases, Docket Nos. 080677 and 090079 Attorney General's brief

Attached is the Attorney General's brief for tiling in the above-referenced cases. Thank you for your consideration of this matter.

(See attached file: AG's brief-final.doc)

Please note that Florida has a broad public records law, and that all correspondence to me via email may be subject to disclosure.

Katie Ely 080677

From: Dorothy Menasco
Sent: Thursday, October 08, 2009 3:41 PM
To: Katie Ely
Cc: Ann Cole
Subject: RE: ROE impact on earnings / Ratings

Please leave that letter in Consumer Correspondence, as it is part of an attachment which included several letters. However, please print a copy of that letter and append it to this e-mail for inclusion in Parties Correspondence. Let me know if you have any questions regarding same.

Thank you for your help!

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

FPSC, CLK - CORRESPONDENCE
☐ Administrative ☒ Parties ☐ Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION: _____

From: Katie Ely
Sent: Thursday, October 08, 2009 3:33 PM
To: Dorothy Menasco
Subject: RE: ROE impact on earnings / Ratings

Dorothy,

There are 2 emails that were sent down from Commissioner Skop's office from Robert Smith that are included in a bundle of emails from 4 other individuals. How would you like me to process these for inclusion in Parties Correspondence for 080677?

Katie Ely
Staff Assistant - Office of Commission Clerk
Florida Public Service Commission
850-413-6304

Please note: Florida has a very broad public records law. Most written communications to or from state officials regarding state business are considered to be public records and will be made available to the public and the media upon request. Therefore, your e-mail message may be subject to public disclosure.

From: Dorothy Menasco
Sent: Thursday, October 08, 2009 2:47 PM
To: Cheryl Bulecza-Banks; Tim Devlin
Cc: Ann Cole; Lisa Bennett; Marshall Willis; Katie Ely
Subject: RE: ROE impact on earnings / Ratings

Thank you, Cheryl.

Tim, I will make sure all documents from Robert H. Smith are moved from *Docket*

correspondence - Consumers and their representatives(DN 01544-09) to *Docket correspondence - Parties and Interested Persons* (DN 10741-08) per these instructions.

Katie, please let me know when this has been completed. Let me know if you have any questions.

Thank you all for your help.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

From: Cheryl Bulecza-Banks
Sent: Thursday, October 08, 2009 2:26 PM
To: Dorothy Menasco; Tim Devlin
Cc: Ann Cole; Lisa Bennett; Marshall Willis
Subject: RE: ROE impact on earnings / Ratings

I concur.

From: Dorothy Menasco
Sent: Thursday, October 08, 2009 12:49 PM
To: Tim Devlin
Cc: Ann Cole; Lisa Bennett; Cheryl Bulecza-Banks
Subject: RE: ROE impact on earnings / Ratings

Thank you, Tim. We will wait to hear from Lisa and Cheryl, and will do accordingly.

From: Tim Devlin
Sent: Thursday, October 08, 2009 12:43 PM
To: Dorothy Menasco
Cc: Ann Cole; Lisa Bennett; Cheryl Bulecza-Banks
Subject: RE: ROE impact on earnings / Ratings

Hi Dorothy,

I think the answer is yes since, if memory serves properly, all of his inquiries relate to the FPL rate case. Lisa and Cheryl, do you concur?

Thank you for your good work with this matter.

From: Dorothy Menasco
Sent: Thursday, October 08, 2009 12:20 PM
To: Tim Devlin
Cc: Ann Cole
Subject: FW: ROE impact on earnings / Ratings

Good afternoon, Tim.

In reviewing Mr. Smith's question below, I did some research in the correspondence files for Docket 080677.

On May 26, 2009 there is an e-mail, from CLK/Pena to Mr. Smith, advising that he has been added as an ***interested person*** in Docket 080677. That e-mail was placed in correspondence for parties and interested persons (DN 10741-08).

On July 2, 2009, GCL/Imhof sent a letter to Mr. Smith respnding to multiple requests for documents and addressing intervenor status. That letter was document numbered (DN 06674-09).

On July 16, 2009, COM/Bass forwarded an e-mail from Mr. Smith for correspondence. CKL/Pena advised that the e-mail would be placed in consumer correspondence (DN 01544-09).

It looks like all further correspondence from Mr. Smith has been placed in consumer correspondence since July. Should all of Mr. Smith's e-mails be moved from consumer correspondence to parties and interested persons correspondence?

Thank you for your help.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, October 08, 2009 11:27 AM
To: Dorothy Menasco
Cc: Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of Commissioner Skop; Ann Cole; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey
Subject: RE: ROE impact on earnings / Ratings

Dear Ms. Menasco,

Thanks for the information regarding the posting of some of my emails.

A while back I sent email correspondence with regard to the 2005 agreement. There were specific questions regarding traditional ratemaking versus the 2005 ratemaking agreement and separation of work order systems, separate cash accounts etc. I do not think that all my email correspondence has been put on the public site. I can forward this email correspondence or do you know off hand that this information has been made part of the public record? This information was sent back in April.

I did not see this information in the link below.

Thanks,

Robert H. Smith

Ann Cole

From: rpjrb@yahoo.com
Sent: Thursday, September 17, 2009 9:18 AM
To: Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of the Chairman; Office of Commissioner Skop
Subject: Passenger Manifest Logs / Depreciation Over Recovery

Dear Commissioners,

I sent this email last night during the hearing. I was wondering if some of the missing pages or scanned pages that did not show up in the public record can be rescanned or republished on the FPSC's web site. I have also asked some questions regarding the cash flows at the company since I did not hear a lot of testimony regarding this type of questions.

I wanted to forward this email to everyone at the commission.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or call me at 954-340-4956.

Thanks in advance.

Robert H. Smith

Confidentiality Statement

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From: RSmith [rpjrb@yahoo.com] [mailto:rpjrb@yahoo.com]
Sent: Wednesday, September 16, 2009 9:17 PM
To: 'Commissioner.Edgar@psc.state.fl.us'; 'Charlie.Crist@MyFlorida.com'
Subject: Passenger Manifest Logs / Depreciation Over Recovery

Dear Ms. Edgar and Mr. Crist,

Can someone provide page FPL 161134? It appears to be missing from the PDF that was posted to the document list on the web site. Are there any other pages missing? Some of the pages have not imaged fully. Can these be updated? This might be time consuming to redo. Please let me know.

I was following some of this testimony regarding the FPL Fixed-Wing Flight Log and Passenger Manifest for Fixed-Wing Aircraft, 2006 – Present. Someone should look into having this log automated.

This can be done by handheld device or computer system. If this log is filled out at the plane then a handheld device can be used to track this same information.

The way that this can be completed is as follows:

Have a system to track this information in an electronic format with the ability to print out the form and have a sign off feature. This way a List can be created for the FPL people by entity. This will allow for the automation of breaking out the list by entity and

making sure that the allocations are being charged to the appropriate company. In addition, if a person is classified as a guest then they can run a report for all guests by company to make sure that an audit can be completed to make sure the FPL and its affiliates recover the money that would be owed to the company.

Since this document is over 1500 pages it takes a lot of time to review these manual allocations. An automated system would facilitate checking these charges and quickly sorted reports would be able to filter these types of issues/queries very quickly.

In addition, where are the costs associated with this report?

What I am concerned with here is the fact that the only talk that is being discussed is the Profit & Loss allocation of these costs but there is no talk about the cash flow of these charges. How come no one has asked where the cash accounts are located at the company and how these intercompany allocations are being accounted from a cash perspective? I understand that the total charges might not be material overall but the nature of the accounting of the cash is very important in this case.

The Flight charges appear to be a small item in comparison to other charges at the company.

This is why I have been asking about the separate work order systems, separate billing systems and separate cash accounts by company. These transactions have to be looked at in an automated fashion due to the volume of transactions that are at the company. If there was separate systems then charges would be able to be recorded directly reducing the allocated charges. This might help from an audit perspective. In addition, I am concerned with a charge being recorded to an entity without the associate reduction in cash. This can also be looked at in reverse if a company is owed money from an outside company for reimbursement of cost.

Cash Flow accounting is so important here. I have not heard about cash flows so far in the hearings over the past two days. If I recall correctly I think that there was mention of a pooling of cash method.

If this is creating a lot of questioning then what about the large plant costs that is being charged for regulated versus non-regulated entities?

FERC cash account 131 is the primary cash account at the Utility. Does each entity have a separate cash account?

On the depreciation side of the house there was a discussion with regard to giving back the over recovery of the depreciation in the cash rates over the remaining lives. I understand the argument with regard to the increase in ratebase if the overfunding is reversed out of the depreciation reserves.

What concerns me is that with all this over recovery where is the cash associated with these recoveries?

Were these monies used on something else? When I worked up North we were in an NOL position for a long time and this minimized our tax liability at our company significantly for a period of time. The cash available as a result of the recovery of the company's full tax provision was a lot larger than the actual payments made for Federal Income Tax purposes. This gave rise to the question, where is the money (cash) for the over recovery of Federal Income taxes in our rates if we were in an Alternative Minimum Tax position? This is no different than any over/under recovery at the company. If there is a significant over recovery the cash associated with these recoveries should be in the 131 account for future use or an accurate accounting should be available to account for the use of these monies.

How come there is an immediate true up for fuel costs? In addition, if there is Fuel Clause adjustment giveback this is usually given back the following year. Is this correct? Usually these over recoveries are deferred in a 253 deferred credit account. A carrying charge is recorded at the overall cost of money and accrued to the 253 account. This is how we handled up North.

This is why segmented cash flows by entity are very important in all of these decisions.

Just a thought.....

If you have any questions please do not hesitate to ask.

Thanks,

Robert H. Smith

Fixed-Wing Aircraft, 2000 – Present

Confidentiality Statement

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Ann Cole

From: rpjrb@yahoo.com
Sent: Thursday, September 17, 2009 1:06 PM
To: Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of the Chairman; Office of Commissioner Skop; Lisa Edgar
Subject: ROE impact on earnings / Ratings

Dear Commissioners,

The impact on the ROE on the earnings of the company might cause a lower rating but what about this question? We all know that debt is usually cheaper than equity.

Even if the debt rates increase as a result of a reduced rating would the overall cost of money be higher with debt issued at higher rates or would it be higher with a higher ROE(increase in the equity rate)?

Usually equity costs more than debt to the ratepayer, therefore even though the customer would benefit by keeping its existing rating would debt still be cheaper than equity if the interest costs increase as a result of a reduced credit rating?

I think that from an overall cost of money aspect debt by nature is usually cheaper than equity. I would think during these tight credit markets FPL would be able to negotiate better debt terms since the associated risk might be lower. This is very important to the decision. If FPL might have the ability to negotiate reduced rates with the investment market as a result of showing the investment market that they are a solid company backed by a very large customer base maybe their interest rates do not have to increase as much due to a potential rating decline.

Equity will always cost more than debt. Unless the debt rate exceeds the equity rate it would be inevitable that the rates would be higher with a higher ROE than with an increase in interest rates with issued debt.

This of course would have to be looked at from a traditional ratemaking perspective. Ratebase x Overall Cost of Money = Operating Income for Utility Earnings above the line.

Is this correct?

Has anyone looked into the missing documents on the published flight logs?

Thanks,

Robert H. Smith

Confidentiality Statement

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Dorothy Menasco 080677

FPSC, CLK - CORRESPONDENCE
Administrative ✓ Parties Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION: _____

From: Dorothy Menasco
Sent: Wednesday, October 07, 2009 5:18 PM
To: 'billn@fcan.org'
Cc: Lisa Bennett; John Slemkewicz; Jerry Hallenstein; Rhonda Hicks; Tom Ballinger; Cheryl Bulecza-Banks
Subject: FW: interested party list

Mr. Newton:

Per your request below, we have added you to the mailing list as an interested person in Dockets 080677 and 090079, with an e-mail address of: billn@fcan.org.

As an interested person you will receive all notices for hearing, prehearing, proposed agency action orders, final orders, and notices of agenda conferences via e-mail.

If you are interested in receiving more documents than those, for example, procedural orders, you will need to contact staff counsel for instructions on becoming a party of record.

If you have any changes or wish to have your information removed, you should forward those requests to clerk@psc.state.fl.us, to ensure that the information is handled efficiently and accurately.

Should you have any questions regarding your contact information, you may call our office at 850-413-6770.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

From: Bill Newton [mailto:billn@fcan.org]
Sent: Tuesday, October 06, 2009 7:06 PM
To: Records Clerk
Subject: interested party list

PSC Clerk,

Please add Florida Consumer Action Network to the interested party list for the Progress Energy rate case, docket 090079 and the FPL rate case, docket 080677-ei. FCAN is a statewide consumer organization with 30,000 members. Our members are affected by these rate increases.

Thank you,

Bill Newton
Executive Director
Florida Consumer Action Network
3006 W Kennedy Blvd Ste B
Tampa, FL 33609
813-877-6712
813-490-0270 Direct
813-877-6651 Fax
billn@fcan.org
www.fcan.org

Dorothy Menasco 080677

From: Dorothy Menasco
Sent: Thursday, October 08, 2009 3:03 PM
To: 'rpjrb@yahoo.com'
Cc: Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of Commissioner Skop; Ann Cole; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin
Subject: RE: ROE impact on earnings / Ratings

Mr. Smith:

On review of the correspondence files for Docket 080677, some of your correspondence was placed in correspondence for parties and interested persons, and other correspondence was placed in correspondence for consumers and their representatives. On 5/26/09 you were added to the mailing list as an interested person in the docket. I have confirmed with staff that your correspondence should be moved to the correspondence file for parties and interested persons (DN 10741-08). Like the consumer correspondence file, you will be able to view the correspondence for parties and interested persons on-line. I will follow-up with you when those files have been updated.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

FPSC, CLK - CORRESPONDENCE
__Administrative √ Parties __Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION: _____

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, October 08, 2009 11:27 AM
To: Dorothy Menasco
Cc: Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of Commissioner Skop; Ann Cole; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey
Subject: RE: ROE impact on earnings / Ratings

Dear Ms. Menasco,

Thanks for the information regarding the posting of some of my emails.

A while back I sent email correspondence with regard to the 2005 agreement. There were specific questions regarding traditional ratemaking versus the 2005 ratemaking agreement and separation of work order systems, separate cash accounts etc. I do not think that all my email correspondence has been put on the public site. I can forward this email correspondence or do you know off hand that this information has been made part of the public record? This information was sent back in April.

I did not see this information in the link below.

Thanks,

Robert H. Smith

Confidentiality Statement

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From: Dorothy Menasco [mailto:DMenasco@PSC.STATE.FL.US]
Sent: Wednesday, October 07, 2009 5:08 PM
To: rpjrb@yahoo.com
Cc: Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of Commissioner Skop; Ann Cole; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey
Subject: RE: ROE impact on earnings / Ratings

Mr. Smith:

All documents that are filed with the Office of Commission Clerk are either filed in the docket file or in the correspondence file for same. All information for both types of files are available public viewing on the PSC website.

If you would like to file something with the Office of Commission Clerk, you may do so by U.S. mail, hand delivery, or electronic filing at filings@psc.state.fl.us. A link to the Commission's e-filing requirements is being included for your convenience:

http://www.floridapsc.com/dockets/e-filings/

If I understand your question correctly, the reason Mr. Penn's correspondence was placed in the docket file was because it was unclear whether or not the communication fell within the exception to the ex parte statute. It was document numbered in an abundance of caution.

Your correspondence was not determined to be ex parte and the staff member who responded to your e-mail forwarded it to us and requested it be placed in consumer correspondence. This document (DN 01544-09) can be found at the following link:

http://www.psc.state.fl.us/dockets/cms/ShowDocket.aspx?docket=H:\LIBRARY\FILINGS\09\01544-09

Document	Date	Description
01544-09	2/25/2009	Docket correspondence - Consumers and their representatives. [CLK note: Subsequent correspondence from consumers will be appended to this document.]

File Name	File Size	Download (56K)	Download (Broadband)
* 01544-09.pdf	204.2 MB	8 hr 29 min 57 sec	9 min 34 sec

To date, if you search for "Smith" in that document, your e-mail is the first document that is found.

If you have further questions regarding the ex parte statute, you may speak with the attorney(s) assigned to the docket. The General Counsel's number is 850-0413-6199.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, October 07, 2009 4:11 PM
To: Dorothy Menasco
Cc: Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of Commissioner Skop; Ann Cole; Lisa Bennett; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey
Subject: RE: ROE impact on earnings / Ratings

Dear Ms. Menasco,

I am asking why my documents are not being logged just like the link and image below. I understand where this document is.

What about my documents or emails that have been sent?

My email correspondence is no different than the email correspondence below.

Thanks,

Robert H. Smith

From: Dorothy Menasco [mailto:DMenasco@PSC.STATE.FL.US]
Sent: Wednesday, October 07, 2009 4:05 PM
To: rpjrb@yahoo.com

Cc: Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of Commissioner Skop; Ann Cole; Lisa Bennett; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey
Subject: FW: ROE impact on earnings / Ratings

Mr. Smith:

The document you are searching for below was entered as an official document on 9/28/09. DN 09956-09, in Docket 080677. This document can be located on-line at the following link:

http://www.floridapsc.com/dockets/cms/ShowDocket.aspx?docket=H:\LIBRARY\FILINGS\09\09956-09

09956-09	09/28/2009	COM/Posey - Memo dated 9/25/09 to CLK/Cole with attached 9/17/09 letter from Our Town Sarasota/Penn to Commissioner McMurrian to be placed in docket file and disseminated to all parties. **File Name File Size Download 56 Download DSL** * 09956-09.pdf 72 KB 14 sec 3 sec

Please call our office if you have any questions regarding this document.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Wednesday, October 07, 2009 1:55 PM
To: Tim Devlin
Cc: Lisa Bennett; Office of Commissioner Carter; Office Of Commissioner Edgar; 'Office of Commissioner McMurrian'; Office of Commissioner Argenziano; Office of Commissioner Skop; Ann Cole; Lisa Bennett; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey
Subject: RE: ROE impact on earnings / Ratings

Dear Mr. Devlin,

Is the information available on this page? This is the public access page on the web site. I know that the other letter was put onto this page as public information.

I cannot seem to locate this information on the docket below. I thought that the information would be made part of the record below so that everyone can have access. Just like the email correspondence below.

Please let me know if is available on the document detail below so that the public can have access to this information. If not, please explain why it is not available on the public web site.

Thanks,

Robert H. Smith

Document Detail for Docket Number: 080677 (828 documents found)

Document	Date	Description
10344-09	10/07/2009	FPL (Goorland) - Response to Thomas Saporito's motion withdrawing prior motion to withdraw.
10273-09	10/06/2009	GCL/Helton - Copy of letter dated 10/6/09 to Governor Crist acknowledging 10/2/09 letter and providing a respo in the pending rate cases for FPL and Progress. File Name File Size Download 56 Download DSL * 10273-09.pdf 90 KB 16 sec 3 sec
10231-09	10/05/2009	Thomas Saporito - Motion to postpone final decision on pending hearing until after new Commissioners take offi File Name File Size Download 56 Download DSL * 10231-09.pdf 238 KB 38 sec 4 sec
10223-09	10/02/2009	Thomas Saporito - Motion withdrawing prior motion to withdraw. File Name File Size Download 56 Download DSL

From: Tim Devlin [mailto:TDevlin@PSC.STATE.FL.US]
Sent: Wednesday, October 07, 2009 1:30 PM
To: rpjrb@yahoo.com
Cc: Lisa Bennett
Subject: RE: ROE impact on earnings / Ratings

Yes, your emails were made part of the docket file and the new commissioners will have access to those files.

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, October 02, 2009 8:06 AM
To: Office of Commissioner Carter; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of Commissioner Skop; Ann Cole; Lisa Bennett; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey; Tim Devlin
Subject: FW: ROE impact on earnings / Ratings

Dear Commissioners,

Will my email correspondence be made part of the record just like the email correspondence below?

Please forward all my email information to the new Commissioners Mr. David Klement and Benjamin ``Steve'' Stevens.

Thanks,

Robert H. Smith

Confidentiality Statement

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Tuesday, September 29, 2009 7:58 AM
To: 'Tim Devlin'
Cc: 'Office of Commissioner Carter'; 'Office Of Commissioner Edgar'; 'Office of Commissioner McMurrian'; 'Office of Commissioner Argenziano'; 'Office of Commissioner Skop'; 'Ann Cole'; 'Lisa Bennett'; 'Marshall Willis'; 'Cheryl Bulecza-Banks'; 'Andrew Maurey'
Subject: RE: ROE impact on earnings / Ratings

Dear Mr. Devlin,

Thanks for your response.

When you indicate that the email will be placed in the correspondence side of the docket file, does this mean that it will be entered into the testimony just like the email below?

I think that if it is it would be made of the public record correct?

Thanks,

Robert H. Smith

State of Florida

RECEIVED-FPSC
09 SEP 28 AM 10:27
COMMISSION CLERK

Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

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

DATE: September 25, 2009

TO: Ann Cole, Commission Clerk - PSC, Office of Commission Clerk

FROM: Kay E. Posey, Executive Secretary to Commissioner McMurrian KP

RE: Communication Received in Docket No. 080677-EI

Commissioner McMurrian has received and viewed the attached e-mail from Mr. Michael Penn, Publisher, Our Town Sarasota, in the above noted docket. It is unclear whether Mr. Penn's communication falls within the exception to the ex parte statute which allows an individual residential ratepayer representing himself without compensation to communicate with the Commission on any matter. Therefore, in an abundance of caution, the Commissioner has asked that the e-mail be placed in the record and disseminated to all parties in the docket pursuant to the provisions of Section 350.042, Florida Statutes.

Thank you.

Attachment

Kay Posey

From: publisher@ourtownsarasota.com
Sent: Thursday, September 17, 2009 10:05 AM
To: Office of Commissioner Argenziano; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of the Chairman; Office of Commissioner Skop
Subject: FPL rate hike
Importance: High

Dear Florida PSC Commissioners,

We do not endorse the proposed 30% FPL rate hike. That rate or any other that is not closely tied into the current rate of inflation we find horrendous. FPL should have read the writing on the wall a long time ago regarding cutting back on oil producing facilities and making other accommodations.

FPL has more sunlight available to it then most states and they have dragged their feet and continue to do so.

Respectfully,

Michael Penn - Publisher
www.ourtownsarasota.com

From: Tim Devlin [mailto:TDevlin@PSC.STATE.FL.US]
Sent: Monday, September 28, 2009 2:25 PM
To: rpjrb@yahoo.com
Cc: Office of Commissioner Carter; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of Commissioner Skop; Ann Cole; Lisa Bennett; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey
Subject: FW: ROE impact on earnings / Ratings

Dear Mr. Smith:

Your email was referred to me for a response. Your concerns regarding ROE, capital structure and flight logs are currently being fully addressed by the Commission. Hearings will continue in October and a decision is expected in December. It would be inappropriate for Commission personnel to express an opinion on these matters at this point. Your email will be placed in the correspondence side of the docket file (Docket No. 080677-EI) . Thank you.

Tim Devlin
Director of the Division of Economic Regulation

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, September 17, 2009 1:06 PM
To: Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of the Chairman; Office of Commissioner Skop; Lisa Edgar
Subject: ROE impact on earnings / Ratings

Dear Commissioners,

The impact on the ROE on the earnings of the company might cause a lower rating but what about this question? We all know that debt is usually cheaper than equity.

Even if the debt rates increase as a result of a reduced rating would the overall cost of money be higher with debt issued at higher rates or would it be higher with a higher ROE(increase in the equity rate)?

Usually equity costs more than debt to the ratepayer, therefore even though the customer would benefit by keeping its existing rating would debt still be cheaper than equity if the interest costs increase as a result of a reduced credit rating?

I think that from an overall cost of money aspect debt by nature is usually cheaper than equity. I would think during these tight credit markets FPL would be able to negotiate better debt terms since the associated risk might be lower. This is very important to the decision. If FPL might have the ability to negotiate reduced rates with the investment market as a result of showing the investment market that they are a solid company backed by a very large customer base maybe their interest rates do not have to increase as much due to a potential rating decline.

Equity will always cost more than debt. Unless the debt rate exceeds the equity rate it would be inevitable that the rates would be higher with a higher ROE than with an increase in interest rates with issued debt.

This of course would have to be looked at from a traditional ratemaking perspective. Ratebase x Overall Cost of Money = Operating Income for Utility Earnings above the line.

Is this correct?

Has anyone looked into the missing documents on the published flight logs?

Thanks,

Robert H. Smith

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Dorothy Menasco 080677

From: Dorothy Menasco
Sent: Wednesday, October 07, 2009 3:01 PM
To: 'Adams, Lynne'
Subject: RE: Protest complaint - Wentworth

FPSC, CLK - CORRESPONDENCE
__Administrative ✓Parties __Consumer
DOCUMENT NO. 10741-09
DISTRIBUTION: _____

You're welcome!

From: Adams, Lynne [mailto:Lynne.Adams@fpl.com]
Sent: Wednesday, October 07, 2009 2:57 PM
To: Dorothy Menasco
Subject: Re: Protest complaint - Wentworth

Thanks Dorothy. I appreciate your follow-up.

Lynne

From: Dorothy Menasco <DMenasco@PSC.STATE.FL.US>
To: Adams, Lynne
Cc: Ann Cole <ACOLE@PSC.STATE.FL.US>; Lisa Bennett <LBENNETT@PSC.STATE.FL.US>; Cheryl Bulecza-Banks <CBulecza@PSC.STATE.FL.US>; Steve Larson <SLARSON@PSC.STATE.FL.US>
Sent: Wed Oct 07 14:47:29 2009
Subject: FW: Protest complaint - Wentworth

Good afternoon, Lynne.

Please see Mr. Larson's response below regarding the correspondence you mentioned on 10/6/09. Feel free to contact our office if you have any further questions.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

From: Steve Larson
Sent: Wednesday, October 07, 2009 2:26 PM
To: Dorothy Menasco
Subject: RE: Protest complaint - Wentworth

Hello, I requested this letter be placed in the docket file because it specifically references the FPL base rate case (in addition to the PEF case). I have discussed this with the PSC General Counsel's office and the Clerk and confirmed that this is appropriate.
Thanks,
Steve

From: Dorothy Menasco
Sent: Tuesday, October 06, 2009 3:01 PM
To: 'Adams, Lynne'
Cc: Steve Larson; Lisa Bennett; Cheryl Bulecza-Banks

10/7/2009

Subject: FW: Protest complaint - Wentworth

Good afternoon, Lynne.

The correspondence you mentioned below was placed in both Dockets 090079-EI and 080677-EI per Steve Larson's request dated September 22, 2009. I will check with Mr. Larson via this e-mail to see if it should be removed from Docket 080677 or placed in any other dockets.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

From: Adams, Lynne [mailto:Lynne.Adams@fpl.com]
Sent: Tuesday, October 06, 2009 9:02 AM
To: Dorothy Menasco
Subject: Protest complaint - Wentworth

Hi Dorothy,
The attached protest is in the FPL Rate Case Docket, 080677, however the not an FPL customer.

Thank you,

Lynne Adams

Ann Cole 080677

From: Ann Cole
Sent: Monday, September 28, 2009 4:08 PM
To: Tim Devlin
Cc: Office of Commissioner Carter; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of Commissioner Skop; Lisa Bennett; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey
Subject: RE: ROE impact on earnings / Ratings

Thank you for this information, which will be placed in *Docket Correspondence - Consumers and their Representatives*, in Docket No. 080677-EI.

From: Tim Devlin
Sent: Monday, September 28, 2009 2:25 PM
To: 'rpjrb@yahoo.com'
Cc: Office of Commissioner Carter; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of Commissioner Skop; Ann Cole; Lisa Bennett; Marshall Willis; Cheryl Bulecza-Banks; Andrew Maurey
Subject: FW: ROE impact on earnings / Ratings

Dear Mr. Smith:

Your email was referred to me for a response. Your concerns regarding ROE, capital structure and flight logs are currently being fully addressed by the Commission. Hearings will continue in October and a decision is expected in December. It would be inappropriate for Commission personnel to express an opinion on these matters at this point. Your email will be placed in the correspondence side of the docket file (Docket No. 080677-EI) . Thank you.

Tim Devlin
Director of the Division of Economic Regulation

- CORRESPONDENCE
Administrative Parties Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION:

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, September 17, 2009 1:06 PM
To: Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of the Chairman; Office of Commissioner Skop; Lisa Edgar
Subject: ROE impact on earnings / Ratings

Dear Commissioners,

The impact on the ROE on the earnings of the company might cause a lower rating but what about this question? We all know that debt is usually cheaper than equity.

Even if the debt rates increase as a result of a reduced rating would the overall cost of money be higher with debt issued at higher rates or would it be higher with a higher ROE(increase in the equity rate)?

Usually equity costs more than debt to the ratepayer, therefore even though the customer would benefit by keeping its existing rating would debt still be cheaper than equity if the interest costs increase as a result of a

reduced credit rating?

I think that from an overall cost of money aspect debt by nature is usually cheaper than equity. I would think during these tight credit markets FPL would be able to negotiate better debt terms since the associated risk might be lower. This is very important to the decision. If FPL might have the ability to negotiate reduced rates with the investment market as a result of showing the investment market that they are a solid company backed by a very large customer base maybe their interest rates do not have to increase as much due to a potential rating decline.

Equity will always cost more than debt. Unless the debt rate exceeds the equity rate it would be inevitable that the rates would be higher with a higher ROE than with an increase in interest rates with issued debt.

This of course would have to be looked at from a traditional ratemaking perspective. Ratebase x Overall Cost of Money = Operating Income for Utility Earnings above the line.

Is this correct?

Has anyone looked into the missing documents on the published flight logs?

Thanks,

Robert H. Smith

Confidentiality Statement

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Ann Cole 080477

From: Ann Cole
Sent: Monday, September 21, 2009 1:16 PM
To: Office of Commissioner McMurrian
Cc: Commissioners Advisors; Administrative Assistants - Commission Suite; Cheryl Bulecza-Banks
Subject: RE: ROE impact on earnings / Ratings

Tracking:

Recipient	Read
Office of Commissioner McMurrian	
Commissioners Advisors	
Administrative Assistants - Commission Suite	
Cheryl Bulecza-Banks	
Roberta Bass	Read: 9/21/2009 1:16 PM

FPSC, CLK - CORRESPONDENCE
☐ Administrative ☒ Parties ☐ Consumer
DOCUMENT NO 10741-09
DISTRIBUTION:

Thank you for this information, which will be placed in *Docket Correspondence - Consumers and their Representatives*, in Docket No. 080677-EI.

From: Office of Commissioner McMurrian
Sent: Monday, September 21, 2009 1:13 PM
To: 'rpjrb@yahoo.com'
Cc: Ann Cole; Cheryl Bulecza-Banks
Subject: RE: ROE impact on earnings / Ratings

Dear Mr. Smith,

Thank you for taking time to express your concerns about Florida Power & Light Company's base rate request. I received your note and have placed it in the case docket file (Docket #080677-EI).

Additionally, I am asking Commission staff to respond to your specific concerns, so you should be receiving follow-up information from them in the near future. I hope you will find it helpful.

I appreciate your input in this matter before the Commission.

Best regards,

Katrina

Katrina J. McMurrian
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

*For a complete list of tips on how to conserve energy and use energy more efficiently in your home, please see: http://www.floridapsc.com/consumers/house/FullInformation.aspx

*Eligible low-income households in Florida can get help paying energy bills through the Low-

Income Home Energy Assistance Program (LIHEAP). For more information, please see: http://www.floridacommunitydevelopment.org/liheap/index.cfm

*Need discounted phone service? Eligible low-income residents will receive a 50% rebate in the telephone hook-up charge (up to $30.00) through the Link-Up Florida program as well as a $13.50 credit per month on local phone bills through the Lifeline Assistance program. For more information or to apply, please see: http://www.floridapsc.com/utilities/telecomm/lifeline/engbrochure.aspx

*In addition to information about the PSC's services, *Where to Find Help* offers information about various social service agencies that can assist consumers. Please see: http://www.floridapsc.com/publications/consumer/brochure/wheretofindhelp.pdf

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, September 17, 2009 1:06 PM
To: Office of Commissioner McMurrian; Office of Commissioner Argenziano; Office of the Chairman; Office of Commissioner Skop; Lisa Edgar
Subject: ROE impact on earnings / Ratings

Dear Commissioners,

The impact on the ROE on the earnings of the company might cause a lower rating but what about this question? We all know that debt is usually cheaper than equity.

Even if the debt rates increase as a result of a reduced rating would the overall cost of money be higher with debt issued at higher rates or would it be higher with a higher ROE(increase in the equity rate)?

Usually equity costs more than debt to the ratepayer, therefore even though the customer would benefit by keeping its existing rating would debt still be cheaper than equity if the interest costs increase as a result of a reduced credit rating?

I think that from an overall cost of money aspect debt by nature is usually cheaper than equity. I would think during these tight credit markets FPL would be able to negotiate better debt terms since the associated risk might be lower. This is very important to the decision. If FPL might have the ability to negotiate reduced rates with the investment market as a result of showing the investment market that they are a solid company backed by a very large customer base maybe their interest rates do not have to increase as much due to a potential rating decline.

Equity will always cost more than debt. Unless the debt rate exceeds the equity rate it would be inevitable that the rates would be higher with a higher ROE than with an increase in interest rates with issued debt.

This of course would have to be looked at from a traditional ratemaking perspective. Ratebase x Overall Cost of Money = Operating Income for Utility Earnings above the line.

Is this correct?

Has anyone looked into the missing documents on the published flight logs?

Thanks,

Robert H. Smith

Confidentiality Statement

The documents accompanying this telecopy transmission contain information which is confidential and/or legally privileged. The information is intended only for the use of the individual or entity named on this transmission sheet. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this telecopied information is strictly prohibited, and the documents should be returned. In this regard, if you received this telecopy in error, please contact the sender by reply E-mail and destroy all copies of the original.

Dorothy Menasco 080677

From: Filings@psc.state.fl.us
Sent: Wednesday, September 16, 2009 10:49 AM
To: 'Schef Wright'
Cc: Ruth Nettles
Subject: RE: PSC electronic filing

FPSC, CLK - CORRESPONDENCE
☐ Administrative ☑ Parties ☐ Consumer
DOCUMENT NO. 10741-09
DISTRIBUTION: _____

Mr. Wright:

Thank you for your follow-up e-mail regarding the e-filing received on 9/15/06, at 6:42 p.m. Per this e-mail, the e-filing received on 9/15/06 at 6:42 p.m. will not be accepted as an official filing. We will place that e-mail, and this e-mail, received 6/15/09 at 6:50 p.m., in the parties correspondence side of docket file only.

Please call our office if you have any questions.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

-----Original Message-----
From: Schef Wright [mailto:swright@yvlaw.net]
Sent: Tuesday, September 15, 2009 6:56 PM
To: Filings@psc.state.fl.us
Subject: Re: PSC electronic filing

Dear Friends at the PSC -

Please disregard my e-mail transmission from a few minutes ago, which obviously did not include a filing. I inadvertently did a "reply all"
to a broadcast e-mail that included the "Filings@psc" address in it.

I apologize for the inconvenience.

All the best, Schef Wright

>>> "Filings@psc.state.fl.us" <Filings@PSC.STATE.FL.US> 09/15/09 6:41
PM >>>
Your electronic filing has been received by the Florida Public Service Commission, Office of Commission Clerk.

The filing date for an electronically transmitted document is the date that the Office of Commission Clerk receives the complete document.
If
the document is received on a non-business day, or after 5:00 p.m.
(EST)
on a business day, it will be considered filed as of 8:00 a.m. on the following business day.

E-filings are accepted in accordance with the Commission's Electronic Filing Requirements, which can be accessed on the Commission's Web Site at http://www.floridapsc.com/dockets/e-filings/ or by contacting the Office of Commission Clerk at (850) 413-6770 during normal business hours. By electing to file electronically, you agree to abide by and accept the electronic filing requirements posted on the PSC's Web site.

Questions should be directed to the Office of Commission Clerk, Clerk@psc.state.fl.us, or call (850) 413-6770.

Dorothy Menasco

From: Schef Wright [swright@yvlaw.net]
Sent: Tuesday, September 15, 2009 6:47 PM
To: John Butler; KATHY WELLS; Filings@psc.state.fl.us
Cc: tperdue@aif.com; jspina@andrewskurth.com; kwiseman@andrewskurth.com; linomendiola@andrewskurth.com; lisapurdy@andrewskurth.com; meghangriffiths@andrewskurth.com; msundback@andrewskurth.com; richardb@gtlaw.com; jmoyle@kagmlaw.com; vkaufman@kagmlaw.com; Kelly.jr@leg.state.fl.us; mcglothlin.joseph@leg.state.fl.us; jmcwhirter@mac-law.com; cecilia.bradley@myfloridalegal.com; barmstrong@ngnlaw.com; Anna Williams; Jean Hartman; Lisa Bennett; Martha Brown; Mary.Smallwood@Ruden.com; jess@sugarmansusskind.com; mbraswell@sugarmansusskind.com; sugarman@sugarmansusskind.com; sda@trippscott.com; shayla.mcneill@tyndall.af.mil; Jay LaVia
Subject: Re: Electronic Filing / Docket 080677-EI / FPL's Request forOfficial Recognition

Dear John & All -

I thought that the practice rule was/is that the Commission will take official notice of its own orders, period, and that accordingly, that a party doesn't have to make that request. Accordingly, the FRF doesn't object to the Florida PSC taking official notice of its own orders as requested by FPL.

As it happens, I also intend to ask the Commission to take official notice of some of its own orders, including the historical FPL rate case orders that you've listed and some other FPL rate orders issued during the same time period, i.e., 1981-present.

If you disagree as to my understanding of the Commission's taking official notice of its own orders, please advise and I'll prepare a similar list and request for recognition.

At this time, I'm less clear about the purpose of citing to other commissions' orders, so I don't know how to respond: if it's citing for legal authority, I don't think you need "permission" but if it's intended to support your witnesses' testimony, it might be untimely exhibit-type evidence. I'd welcome the opportunity to discuss this with you.

All the best, Schef

>>> "WELLS, KATHY" <Kathy.Wells@fpl.com> 09/15/09 4:36 PM >>>
Electronic Filing

a. Person responsible for this electronic filing:

John T. Butler, Esq.

700 Universe Boulevard

Juno Beach, FL 33408

561-304-5639

John.Butler@fpl.com<mailto:John.Butler@fpl.com>

b. Docket No. 080677-EI

In Re: Application for Increase in Rates by Florida Power & Light Company

c. The Document is being filed on behalf of Florida Power & Light Company.

d. There are a total of 11 pages, including exhibits.

e. The document attached for electronic filing is Florida Power & Light Company's Request for Official Recognition, with attachments. Complete attachments are contained within the PDF version.

John T. Butler

Managing Attorney

Florida Power & Light Company

(561) 304-5639

(561) 691-7135 Fax

John.Butler@fpl.com<mailto:John.Butler@fpl.com>

Ruth Nettles 080677

From: Hayes, Annisha [AnnishaHayes@andrewskurth.com]
Sent: Friday, August 14, 2009 4:31 PM
To: Filings@psc.state.fl.us
Cc: Dorothy Menasco; Ruth Nettles; Marguerite McLean
Subject: RE: Docket No. 080677-EI and 090130-EI- SFHHA Response to FPL Motion to Compel Deposition of L. Quick

That is correct, I have resubmitted the correct filing. Thank you for your attention in this matter.

From: Filings@psc.state.fl.us [mailto:Filings@PSC.STATE.FL.US]
Sent: Friday, August 14, 2009 4:29 PM
To: Hayes, Annisha
Cc: Dorothy Menasco; Ruth Nettles; Marguerite McLean
Subject: FW: Docket No. 080677-EI and 090130-EI- SFHHA Response to FPL Motion to Compel Deposition of L. Quick

Dear Ms. Hayes,

Per our telephone conversion, the electronic filing received at 3:25 p.m. will be resubmitted. The attached electronic filing will not be processed for official filing.

Please call me if you have any questions.

Sincerely,

Ruth Nettles
Office of Commission Clerk

FPSC, CLK - CORRESPONDENCE
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DOCUMENT NO. 10741-08
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From: Hayes, Annisha [mailto:AnnishaHayes@andrewskurth.com]
Sent: Friday, August 14, 2009 3:25 PM
To: Filings@psc.state.fl.us
Cc: Anna Williams; Bethany Burgess; Brian Armstrong; Cecilia Bradley; Dan Moore; Griffiths, Meghan; Jack Leon; Jean Hartman; John McWhirter; John T. Butler; Jon Moyle; Joseph McGlothlin; Lisa Bennett; Marcus Braswell; Martha Brown; Mary Smallwood; Mendiola, Lino; Natalie Smith; Purdy, Lisa M.; Robert Scheffel Wright; Robert Sugarman; Shayla M. McNeill; Spina, Jennifer; Sundback, Mark F.; Tamela Perdue; Thomas Saporito; Vicki Kaufman; Wade Litchfield; Wiseman, Kenneth L.
Subject: Docket No. 080677-EI and 090130-EI- SFHHA Response to FPL Motion to Compel Deposition of L. Quick

Electronic Filing

a. Person responsible for this electronic filing:

Kenneth L. Wiseman
Andrews Kurth LLP
1350 I Street, NW
Suite 1100
Washington, DC 20005
202-662-2715 (phone)
202-662-2739 (fax)

b. Docket No. 080677-EI and 090130-EI.

c. Document being filed on behalf of South Florida Hospital and Healthcare Association (SFHHA).

d. There is a total of 26 pages.

e. The document attached for electronic filing is: South Florida Hospital and Healthcare Association's Response to Florida Power & Light Motion to Compel Deposition of L. Quick, Motion to Quash and Motion for Protective Order.

(*See* attached SFHHA Response to FPL Motion to Compel.pdf)

Thank you for your attention and cooperation to this request.

Regards.
Annisha Hayes
AndrewsKurth, LLP
1350 I Street, NW
Suite 1100
Washington, DC 20005
202-662-2783
202-662-2739 (fax)
ahayes@andrewskurth.com
www.andrewskurth.com

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Any tax advice in this e-mail (including any attachment) is not intended or written to be used, and cannot be used, by any person, for the purpose of avoiding penalties that may be imposed on the person. If this e-mail is used or referred to in connection with the promoting or marketing of any transaction(s) or matter(s), it should be construed as written to support the promoting or marketing of the transaction(s) or matter(s), and the taxpayer should seek advice based on the taxpayer's particular circumstances from an independent tax advisor.

Any tax advice in this e-mail (including any attachment) is not intended or written to be used, and cannot be used, by any person, for the purpose of avoiding penalties that may be imposed on the person. If this e-mail is used or referred to in connection with the promoting or marketing of any transaction(s) or matter(s), it should be construed as written to support the promoting or marketing of the transaction(s) or matter(s), and the taxpayer should seek advice based on the taxpayer's particular circumstances from an independent tax advisor.

Ruth Nettles 080677

From: Filings@psc.state.fl.us
Sent: Wednesday, August 12, 2009 11:27 AM
To: 'abbuhlc@gtlaw.com'
Cc: Dorothy Menasco; Ruth Nettles; Marguerite McLean
Subject: FW: Filing in Docket No. 080677-EI and Docket No. 090130-EI
Attachments: Blank Bkgrd.gif; 090812 - Transmittal letter regarding filing of correct Exhibit A to docket entry 08355-09.pdf; 090812 - Correct Exhibit A to docket entry 08355-09, filed 8-11-09.pdf

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DOCUMENT NO. 10741-09
DISTRIBUTION: _____

Dear Mr. Richard:

We have received the attachments referenced in your e-filing below. Please note that per Commission efiling requirements, any cover letter or certificate of service must be included in the electronic document to which it relates, and shall not be submitted as a separate attachment to the email.

A link to the Commission's efiling requirements is included for your convenience:
http://www.psc.state.fl.us/dockets/e-filings/

Your filing will need to be revised and resubmitted in order to be eligible for electronic filing.

Please feel free to call our office if you have any questions.

Sincerely,

Ruth Nettles
Office of Commission Clerk
850-413-6770

From: abbuhlc@gtlaw.com [mailto:abbuhlc@gtlaw.com]
Sent: Wednesday, August 12, 2009 9:42 AM
To: Filings@psc.state.fl.us
Subject: Filing in Docket No. 080677-EI and Docket No. 090130-EI

A. **BARRY RICHARD**
Florida Bar No. 105599
GREENBERG TRAURIG, P.A.
101 East College Avenue
Tallahassee, FL 32301
Telephone (850) 222-6891
Facsimile (850) 681-0207
richardb@gtlaw.com

B. Docket Number 080677-EI
In Re: Petition for increase in rates by Florida Power & Light Company

AND

Docket Number 090130-EI
In Re: 2009 depreciation and dismantlement study by Florida Power & Light Company

C/D. 12 pages (Florida Power & Light Company and Intervenors' CORRECT EXHIBIT A to Revised Supplemental Response in Opposition to Staff's Motion to Compel)

Christine Abbuhl
Assistant to Barry Richard and Glenn T. Burhans, Jr.
Greenberg Traurig, P.A. | 101 East College Avenue | Tallahassee, FL 32301
Tel 850.222.6891 | Fax 850.681.0207
abbuhlc@gtlaw.com | www.gtlaw.com

GT GreenbergTraurig

USA LAW FIRM OF THE YEAR, CHAMBERS GLOBAL AWARDS 2007

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PLEASE CONSIDER THE ENVIRONMENT BEFORE PRINTING THIS EMAIL

Tax Advice Disclosure: To ensure compliance with requirements imposed by the IRS under Circular 230, we inform you that any U.S. federal tax advice contained in this communication (including any attachments), unless otherwise specifically stated, was not intended or written to be used, and cannot be used, for the purpose of (1) avoiding penalties under the Internal Revenue Code or (2) promoting, marketing or recommending to another party any matters addressed herein.

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Ruth Nettles 080677

From: Filings@psc.state.fl.us
Sent: Tuesday, August 11, 2009 1:46 PM
To: 'ROBERTS.BRENDA@leg.state.fl.us'
Cc: Dorothy Menasco; Ruth Nettles; Marguerite McLean
Subject: FW: e-filing (Dkt. Nos. 080677-EI & 090130-EI)
Attachments: 080677.cross-notice deposition.slattery.santos.morley.sversion.doc

Dear Ms. Roberts:

We are in receipt of your attached e-filing. However, this document is not eligible for electronic filing, and will need to be revised and resubmitted in order to be officially accepted for filing.

Please note that, per the Commission's e-filing requirements, documents are to include an official signature.

Manner of Electronic Transmission:

- Documents shall be signed by typing "s/" followed by the signatory:

  s/ First M. Last

A link to the Commission's e-filings requirements is included for your convenience:
http://www.psc.state.fl.us/dockets/e-filings/

Please call our office if you have any questions.

Sincerely,

Ruth Nettles
Office of Commission Clerk
850-413-6770

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DOCUMENT NO. 10741-09
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From: ROBERTS.BRENDA [mailto:ROBERTS.BRENDA@leg.state.fl.us]
Sent: Tuesday, August 11, 2009 12:09 PM
To: Filings@psc.state.fl.us
Cc: Anna Williams; Barry Richard; Brian Armstrong; Bryan Anderson; cecilia_bradley@oag.state.fl.us; D. Marcus Braswell ; Jack Leon; Jean Hartman; Jennifer L. Spina; John McWhirter; John Moyle; John_Butler@fpl.com; John T. LaVia; Ken Hoffman; Kenneth L. Wiseman; Lisa Bennett; Lisa M. Purdy; Mark F. Sundback; Marlene Stern; Martha Brown; Natalie F. Smith (Natlie_Smith@fpl.com); Schef Wright; Scott E. Simpson; Shayla L. McNeil; Stephanie Alexander; Tamela Ivey Perdue; support@saporitoenergyconsultants.com; vkaufman@kagmlaw.com; Wade Litchfield
Subject: e-filing (Dkt. Nos. 080677-EI & 090130-EI)

Electronic Filing

a. Person responsible for this electronic filing:

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

8/11/2009

(850) 488-9330
mcglothlin.joseph@leg.state.fl.us

b. Docket Nos. 080677-EI and 090130-EI

In re: Petition for rate increase by Florida Power & Light Company.

In re: 2009 depreciation and dismantlement study by Florida Power & Light Company.

c. Document being filed on behalf of Office of Public Counsel

d. There are a total of 5 pages.

e. The document attached for electronic filing is Citizen's Cross-Notice of Telephonic Depositions.

(See attached file: 080677.cross-notice depositon.slattery.santos.morley.sversion.doc)

Thank you for your attention and cooperation to this request.

Brenda S. Roberts
Office of Public Counsel
Telephone: (850) 488-9330
Fax: (850) 488-4491

Brenda S. Roberts
Office of Public Counsel
850-488-9330

Dorothy Menasco

080677

From: Filings@psc.state.fl.us
Sent: Tuesday, August 11, 2009 8:54 AM
To: 'saporito3@gmail.com'
Cc: Ruth Nettles; Lisa Bennett
Subject: FW: <<< NEWS FOR IMMEDIATE RELEASE >>>

FPSC, CLK - CORRESPONDENCE
___Administrative /__Parties___Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION: _____

Mr. Saporito:

We are in receipt of your filing below. However, this filing is not eligible for electronic filing. Please see e-filing requirements on the PSC webpage at: http://www.psc.state.fl.us/dockets/e-filings/ Specifically:

E-Mail Transmitting an Electronically Filed Document

- The e-mail message transmitting the document(s) to be filed is not itself considered a filing. Therefore, documents contained within the text of an e-mail transmission will not be considered filed.

Your filing will need to be revised and resubmitted in order to be officially accepted for filing.

Please feel free to call our office if you have any questions.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

From: Thomas Saporito [mailto:saporito3@gmail.com]
Sent: Monday, August 10, 2009 5:32 PM
To: Thomas Saporito
Subject: <<< NEWS FOR IMMEDIATE RELEASE >>>

http://renewableelectricsystems.com/

Please click on the link shown above - this link clearly provides numerous reasons for the Florida Public Service Commission to reject and DENY Florida Power and Light Company's petition to increase electric rates for its customers by $12.40 per kwh this January.

Clearly the Florida Public Service Commission should **ORDER** FPL to lower its base-rates by $1.3 billion dollars and further require FPL to provide lease-to-own renewable solar and wind generating systems which are widely available across the United States.

It is time for the State of Florida to wake up and lead our nation in the renewable energy revolution taking place across our country. The Florida Public Service Commission must now act to protect all Florida residents by rejecting and DENYING FPL's and Progessive Energy's applications to construct more nuclear power plants in our state. Installation of renewable energy systems like solar and wind will significantly decrease the base-load electrical demand on FPL's and PE's electric grids resulting in NO NEED for additional nuclear power plants or infrastructure build-out.

Contact Information:
Thomas Saporito
Tel: 561-972-1452
Email: saporito3@gmail.com

8/11/2009

Dorothy Menasco 080677

From: Dorothy Menasco
Sent: Monday, July 27, 2009 8:55 AM
To: 'Robert Cademartori'
Cc: Ruth McHargue; Lisa Bennett; Martha Brown; John Slemkewicz; Ruth Nettles
Subject: RE: My contact

Mr. Cademartori:

Your questions and comments are very important to us. For future reference, please direct comments to clerk@psc.state.fl.us. If you file attached documents to be placed in a specific docket file, you may file them at filings@psc.state.fl.us. This e-mail will be placed in correspondence without further action.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

FPSC, CLK - CORRESPONDENCE
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DOCUMENT NO. 10741-09
DISTRIBUTION: _____

-----Original Message-----
From: Robert Cademartori [mailto:rcademar@comcast.net]
Sent: Saturday, July 25, 2009 8:40 AM
To: Dorothy Menasco
Cc: Ruth McHargue; Lisa Bennett; Martha Brown; John Slemkewicz; Ruth Nettles
Subject: Re: My contact

Ms Menasco,

Thank you for your belated response to my request for an appearance at the hearing. Since the hearing in Ft.Lauderdale has long since taken place, I am not sure how it helps. I sent the request before the Ft Lauderdale public hearing. I will however watch the material that you have allocated to me and see if there is any other opportunity to contribute my opinion (s).

Thank you,

Robert Cademartori

----- Original Message -----
From: "Dorothy Menasco" <DMenasco@PSC.STATE.FL.US>
To: <rcademar@comcast.net>
Cc: "Ruth McHargue" <RMcHargu@PSC.STATE.FL.US>; "Lisa Bennett" <LBENNETT@PSC.STATE.FL.US>; "Martha Brown" <MBrown@PSC.STATE.FL.US>; "John Slemkewicz" <JSlemkew@PSC.STATE.FL.US>; "Ruth Nettles" <RNettles@PSC.STATE.FL.US>
Sent: Thursday, July 23, 2009 3:03 PM
Subject: FW: My contact

Mr. Cademartori:

Per your request below, we have added you to the mailing list as an interested person in Docket 080677, with an e-mail address of:
rcademar@comcast.net.

As an interested person you will get all notices for hearing, prehearing, proposed agency action orders, final orders, and notices of agenda conferences via e-mail.

If you are interested in receiving more documents than those, for example, procedural orders, you will need to contact staff counsel for instructions on becoming a party of record.

If you have any changes or wish to have your information removed, you should forward those requests to clerk@psc.state.fl.us. That will ensure that the information is handled efficiently and accurately.

Your message has also been forwarded to our General Counsel's Office
(GCL) in order to respond to your question regarding speaking at the hearing. The phone number for GCL is 850-413-6199.

Should you have any questions regarding your contact information, you may call our office at 850-413-6770 .

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

-----Original Message-----
From: Ruth McHargue
Sent: Thursday, July 23, 2009 1:44 PM
To: Dorothy Menasco
Subject: FW: My contact

Hi Dorothy,
I located this e-mail in in my inbox and I cannot tell if it was forwarded to the Clerk's office. So am I forwarding it to your for your review.
Thanks,
Ruth
-----Original Message-----
From: Consumer Contact
Sent: Thursday, June 18, 2009 2:58 PM
To: Ruth McHargue
Subject: FW: My contact

Please advise.

-----Original Message-----
From: Webmaster
Sent: Thursday, June 18, 2009 1:24 PM
To: Consumer Contact
Subject: FW: My contact

-----Original Message-----
From: contact@psc.state.fl.us [mailto:contact@psc.state.fl.us]
Sent: Thursday, June 18, 2009 1:00 PM
To: Webmaster
Cc: rcademar@comcast.net
Subject: My contact

Contact from a Web user

Contact Information:
Name: Robert Cademartori
Company:
Primary Phone: 954-682-7212
Secondary Phone:
Email: rcademar@comcast.net

Response requested? Yes
CC Sent? Yes

Comments:
I would like to be included as an interested party at the psc hearing in Ft lauderdale...docket 080677. Is this possible and if not can anyone at the hearing make comments or pose questions?

Ruth Nettles 080677

From: Filings@psc.state.fl.us
Sent: Friday, July 24, 2009 1:09 PM
To: 'tlambert@ngn-tally.com'
Cc: Dorothy Menasco; Ruth Nettles
Subject: FW: Docket 080677-EI
Attachments: City's Second Interoggatories (18-23) to FPL.pdf

FPSC, CLK - CORRESPONDENCE
☐ Administrative ☒ Parties ☐ Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION:

Dear Ms. Lambert:

We are in receipt of the attached document. Please note that discovery should not be filed with the Office of the Commission Clerk. Those types of documents should be mailed or hand-delivered directly to the attorney in the docket. The only thing that should be filed with our office is the notice of service or a letter advising of service of the discovery. Your filing will need to be revised and resubmitted.

A link to the PSC e-filing requirements is being provided for your convenience:

http://www.psc.state.fl.us/dockets/e-filings/

Thank you for your help in this matter.

Please feel free to call me if you have any questions.

Ruth Nettles
Office of Commission Clerk
850-413-6770

From: Lambert, Tammie [mailto:tlambert@ngn-tally.com]
Sent: Friday, July 24, 2009 12:34 PM
To: Filings@psc.state.fl.us
Subject: Docket 080677-EI

The e-mail message to which the document is attached shall include the following information, in the order listed:

a. Brain P. Armstrong: barmstrong@ngnlaw.com
b. Docket no. 080677-EI
c. City of South Daytona
d. 7 pages
e. City of South Daytona's Second Set of Interrogatories (18-23) to FPL

Tammie Lambert
tlambert@ngnlaw.com
Legal Assistant to
Heath R. Stokley, Esq. &
Carly Schrader, Esq.

Nabors
Giblin &
Nickerson
1500 Mahan Drive, Suite 200

Tallahassee, FL 32308
850.224.4070
850.224.4073 fax

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FPSC, CLK - CORRESPONDENCE
Administrative ✓ Parties Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION:

Dorothy Menasco 080677-EI

From: Dorothy Menasco
Sent: Thursday, July 23, 2009 3:03 PM
To: 'rcademar@comcast.net'
Cc: Ruth McHargue; Lisa Bennett; Martha Brown; John Slemkewicz; Ruth Nettles
Subject: FW: My contact

Mr. Cademartori:

Per your request below, we have added you to the mailing list as an interested person in Docket 080677, with an e-mail address of: rcademar@comcast.net.

As an interested person you will get all notices for hearing, prehearing, proposed agency action orders, final orders, and notices of agenda conferences via e-mail.

If you are interested in receiving more documents than those, for example, procedural orders, you will need to contact staff counsel for instructions on becoming a party of record.

If you have any changes or wish to have your information removed, you should forward those requests to clerk@psc.state.fl.us. That will ensure that the information is handled efficiently and accurately.

Your message has also been forwarded to our General Counsel's Office (GCL) in order to respond to your question regarding speaking at the hearing. The phone number for GCL is 850-413-6199.

Should you have any questions regarding your contact information, you may call our office at 850-413-6770 .

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

-----Original Message-----
From: Ruth McHargue
Sent: Thursday, July 23, 2009 1:44 PM
To: Dorothy Menasco
Subject: FW: My contact

Hi Dorothy,
I located this e-mail in in my inbox and I cannot tell if it was forwarded to the Clerk's office. So am I forwarding it to your for your review.
Thanks,
Ruth
-----Original Message-----
From: Consumer Contact
Sent: Thursday, June 18, 2009 2:58 PM
To: Ruth McHargue
Subject: FW: My contact

Please advise.

-----Original Message-----
From: Webmaster
Sent: Thursday, June 18, 2009 1:24 PM
To: Consumer Contact
Subject: FW: My contact

-----Original Message-----
From: contact@psc.state.fl.us [mailto:contact@psc.state.fl.us]
Sent: Thursday, June 18, 2009 1:00 PM
To: Webmaster
Cc: rcademar@comcast.net
Subject: My contact

Contact from a Web user

Contact Information:
Name: Robert Cademartori
Company:
Primary Phone: 954-682-7212
Secondary Phone:
Email: rcademar@comcast.net

Response requested? Yes
CC Sent? Yes

Comments:
I would like to be included as an interested party at the psc hearing in Ft lauderdale...docket 080677. Is this possible and if not can anyone at the hearing make comments or pose questions?

Ruth Nettles 080677

From: Filings@psc.state.fl.us
Sent: Wednesday, July 22, 2009 12:44 PM
To: 'tlambert@ngn-tally.com'
Cc: Dorothy Menasco; Ruth Nettles
Subject: FW: Docket No. 080677 - EI
Attachments: City's NOS Responses to FPL's First RFP.pdf

Dear Ms. Lambert:

The attached e-filing appears to be a duplicate of an e-filing received from you at 11:59 a.m. today. It appears that the only change is being made on the transmittal cover page. Please note that per the PSC e-filing requirements the e-mail message transmitting the document(s) to be filed is not itself considered a filing. Therefore, documents contained within the text of an e-mail transmission will not be considered filed. As such, the filing received at 12:00 p.m. will not be considered an official filing.

A link to the PSC e-filing requirements is being provided for your convenience:

http://www.psc.state.fl.us/dockets/e-filings/

Please call our office if you have any questions.

Sincerely,

FPSC, CLK - CORRESPONDENCE
☐ Administrative ☒ Parties ☐ Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION: _____

Ruth Nettles
Office of Commission Clerk
850-413-6770

From: Lambert, Tammie [mailto:tlambert@ngn-tally.com]
Sent: Wednesday, July 22, 2009 11:57 AM
To: Filings@psc.state.fl.us
Subject: FW: Docket No. 080677 - EI

Resent with [EI] added to docket # in subject line.

a. Brain P. Armstrong: barmstrong@ngnlaw.
b. Docket no. 080677-EI
c. City of South Daytona
d. 2 pages
e. Notice of Serving City of South Daytona's Response to FPL's First RFP (1-8)

Tammie Lambert
tlambert@ngnlaw.com
Legal Assistant to
Heath R. Stokley, Esq. &
Carly Schrader, Esq.

Nabors
Giblin &
Nickerson
1500 Mahan Drive, Suite 200
Tallahassee, FL 32308
850.224.4070
850.224.4073 fax

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From: Lambert, Tammie
Sent: Wednesday, July 22, 2009 11:55 AM
To: 'filings@psc.state.fl.us'
Subject: Docket No. 080677

The e-mail message to which the document is attached shall include the following information, in the order listed:

a. Brain P. Armstrong: barmstrong@ngnlaw.
b. Docket no. 080677-EI
c. City of South Daytona
d. 2 pages
e. Notice of Serving City of South Daytona's Response to FPL's First RFP (1-8)

Tammie Lambert
tlambert@ngnlaw.com
Legal Assistant to
Heath R. Stokley, Esq. &
Carly Schrader, Esq.

Nabors
Giblin &
Nickerson
1500 Mahan Drive, Suite 200
Tallahassee, FL 32308
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Kimberley Pena 080677

From: Kimberley Pena
Sent: Friday, July 17, 2009 9:03 AM
To: Office Of Commissioner Edgar
Cc: Ann Cole; Commissioners Advisors; Administrative Assistants - Commission Suite
Subject: Agency Wants FPL Rate Cuts

Thank you. This information will be placed in the Docket Correspondence - Consumers and their Representatives, in Docket 080677-EI, today.

From: Office Of Commissioner Edgar
Sent: Thursday, July 16, 2009 1:25 PM
To: Ann Cole
Subject: FW: Agency Wants FPL Rate Cuts

Please place this correspondence in Docket No. 080677-EI. Thank you.

Roberta

Roberta S. Bass
Chief Advisor to Commissioner Edgar
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399
(850) 413-6016 (Office)
(850) 413-6017 (Facsimile)
(850) 559-7291 (Mobile)
roberta.bass@psc.state.fl.us

FPSC, CLK - CORRESPONDENCE
☐ Administrative ☐ Parties ☐ Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION:

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, July 16, 2009 10:35 AM
To: Office Of Commissioner Edgar; Charlie.Crist@MyFlorida.com
Subject: FW: Agency Wants FPL Rate Cuts

FYI,

I just saw the article in the Sun-Sentinel regarding the proposed rate decrease. I sent an email to the Sentinel since I am extremely concerned for my future employment prospects and the well being of my family.

Go figure I am an interested party in the case, I send an email to the Office of Public Counsel and now there is the possibility to take a look at a rate reduction?

I can only hope that I can be gainfully employed in the future and this does not impact my family's well being.

The reason why these issues are important is to maintain a balance between the ratepayer/taxpayers and shareholder's interests.

What I do not understand is that Mr. Hay and Mr. Sieving and FPL has not answered any of my questions from a shareholder perspective. I am sure that they are communicating with their institutional investors on a daily basis with regard to these matters. How come my shareholder's rights are not being honored?

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or call me at 954-340-4956.

Thanks,

Robert H. Smith

Confidentiality Statement

The documents accompanying this telecopy transmission contain information which is confidential and/or legally privileged. The information is intended only for the use of the individual or entity named on this transmission sheet. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this telecopied information is strictly prohibited, and the documents should be returned. In this regard, if you received this telecopy in error, please contact the sender by reply E-mail and destroy all copies of the original.

From: Patel, Julie [mailto:jvpatel@sun-sentinel.com]
Sent: Thursday, July 16, 2009 10:19 AM
To: rpjrb@yahoo.com
Subject: RE: Agency Wants FPL Rate Cuts

Hi Robert.

Great, thanks for letting me know.

Any information you can pass along would be helpful, especially anything you receive from the Public Service Commission in response to your request. I have a pending public records act request to the agency as well.

In light of the recommendation that is due out today, I hope to do a story today comparing FPL's profit margin to other electric utilities and perhaps other similarly regulated industries or even other types of utilities (water/railroad?). Given your background, if you have any suggestions or thoughts about the issue, please let me know.

Julie

Julie Patel
Insurance, FPL and Telecommunications Reporter
Sun Sentinel
200 E. Las Olas Blvd.
Fort Lauderdale, FL 33301
Office: 954-356-4667
Fax: 954-356-4680
Mobile: 650-906-7818
jpatel@sunsentinel.com
Our real estate and property insurance blog: www.sun-sentinel.com/housekeys
My twitter page: http://twitter.com/juliepatel
Florida property insurance coverage: www.sunsentinel.com/insurance

---

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, July 16, 2009 10:12 AM

To: Patel, Julie
Subject: FW: Agency Wants FPL Rate Cuts

Dear Ms. Patel,

I saw today's paper with regard to the Office of Public Counsel plans to recommend a rate reduction for FPL.

I wanted to write you since I have sent a FOIA request to the Florida Public Service Commission regarding these matters a while ago. In addition, I have sent an email to the Office of Public Counsel a copy of my email correspondence concerning all the issues that were outlined in today's paper. The email that I have sent to the Office of Public Counsel was dated July 7th, 2009 and the original FOIA request was dated May 7th, 2009.

I wanted to send this to you since I am currently unemployed and I do not have the money that might be needed to assist me with bringing these issues to the surface.

My email correspondence was very specific and I have even sent FPL's Senior Management asking very similar questions as well. I am a shareholder and I have not heard back from FPL as of today.

I have over 10 years of Utility experience and when I heard about the proposed increase I felt that I would like to make sure that the right balance between the shareholders and ratepayers are being maintained at the Utility.

There are a lot of other issues with this situation that I cannot get into right now but I wanted to put on the record that I have started this email chain and I wanted to make sure that for the record that any of this correspondence is not causing me to not be gainfully employed or impacted my family's well being.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or call me at 954-340-4956.

Thanks,

Robert H. Smith

Confidentiality Statement

The documents accompanying this telecopy transmission contain information which is confidential and/or legally privileged. The information is intended only for the use of the individual or entity named on this transmission sheet. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this telecopied information is strictly prohibited, and the documents should be returned. In this regard, if you received this telecopy in error, please contact the sender by reply E-mail and destroy all copies of the original.

Dorothy Menasco 080677

FPSC, CLK - CORRESPONDENCE
Administrative / Parties Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION: _____

From: Filings@psc.state.fl.us
Sent: Thursday, July 16, 2009 5:43 PM
To: 'tperdue@aif.com'
Cc: Ruth Nettles; Marguerite McLean; Anna Williams; Jean Hartman; Lisa Bennett; Martha Brown
Subject: FW: Associated Industries of Florida Petition to Intervene
Attachments: AIF petition to intervene.pdf

Ms. Perdue,

We are in receipt of your attached e-filing. Please note that, per the Commission's e-filing requirements, documents are to include an official signature. Your document will need to be revised and resubmitted to be considered an official filing. The signature on the attached filing is shown as "/s/_____." However, the official signature needs to be reflected as "s/and your name," as indicated below:

Manner of Electronic Transmission:

- Documents shall be signed by typing "s/" followed by the signatory:

  s/ First M. Last

- The acknowledgment indicates the document has been received, but does not confirm the document meets the requirements for electronic filing.

A link to the Commission's e-filing requirements is included for your convenience:
http://www.psc.state.fl.us/dockets/e-filings/

Please call our office if you have any questions.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

From: Tamela I. Perdue [mailto:TPerdue@aif.com]
Sent: Thursday, July 16, 2009 11:58 AM
To: Filings@psc.state.fl.us
Cc: vkaufman@kagmlaw.com; Anna Williams; barmstrong@ngnlaw.com; bryan.anderson@hcahealthcare.com.readnotify.com; cecilia.bradley@myfloridalegal.com; mbraswell@sugarmansusskind.com; Kelly.jr@leg.state.fl.us; Jean Hartman; jspina@andrewskurth.com; John.Butler@fpl.com; jlavia@yvlaw.net; jmcwhirter@mac-law.com; jmoyle@kagmlaw.com; mcglothlin.joseph@leg.state.fl.us; kwiseman@andrewskurth.com; Lisa Bennett; lisapurdy@andrewskurth.com; msundback@andrewskurth.com; mstern@ngnlaw.com; Martha Brown; sugarman@sugarmansusskind.com; swright@yvlaw.net; Shayla L. McNeill; support@SaporitoEnergyConsultants.com; Wade_Litchfield@fpl.com; yang.y.song@credit-suisse.com
Subject: Associated Industries of Florida Petition to Intervene

Attached please find fop filing the Petition to Intervene from Associated Industries of Florida in the FPL Rate Case, PSC Docket 08677 and PSC Docket 090130.

Thank you for your time and attention.

ASSOCIATED INDUSTRIES OF FLORIDA
The Voice of Florida Business Since 1920

Tamela I. Perdue, Esq.
General Counsel
Associated Industries of Florida
516 North Adams Street
Tallahassee, FL 32301
Office: 850.224.7173
Fax: 850.577.5255
Email: TPerdue@aif.com
Web: www.aif.com

Dorothy Menasco 080677-EI

From: Dorothy Menasco
Sent: Wednesday, July 01, 2009 11:29 AM
To: 'support@saporitoenergyconsultants.com'
Cc: Lisa Bennett
Subject: FW: <<< FPL RATE CASE 080677-EI >>>
Attachments: 2009-06-30 SEC's Request for Investigation of FPL..pdf

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DOCUMENT NO. 10741-08
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Mr. Saporito:

The Commission accepts documents for filing by electronic transmission ("electronic filing" or "e-filing") provided the following requirements are met. Documents that fail to meet these requirements will not be accepted for electronic filing.

Manner of Electronic Transmission

- Filings submitted by electronic transmission must be attached to an e-mail sent to **filings@psc.state.fl.us**. Documents sent to any other Commission e-mail address will not be considered filed.

A link to the Commission's electronic filing requirements is included for your convenience: http://www.psc.state.fl.us/dockets/e-filings/

Your filing will need to be revised and resubmitted to the appropriate e-mail address in order to be considered an official filing.

Please call our office if you have any questions.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

From: Commission Clerk
Sent: Wednesday, July 01, 2009 8:10 AM
To: Dorothy Menasco
Subject: FW: <<< FPL RATE CASE 080677-EI >>>

I think this was mistakenly sent to the clerk's box.

Katie

From: Thomas Saporito [mailto:support@saporitoenergyconsultants.com]
Sent: Tuesday, June 30, 2009 5:37 PM
To: Commission Clerk
Subject: <<< FPL RATE CASE 080677-EI >>>

Please place the attached PDF document in the FPL rate case Docket No. 080677-EI.

Best regards,

7/1/2009

Thomas Saporito, President
Saporito Energy Consultants
Post Office Box 8413
Jupiter, Florida 33468-8413
Voice: (561) 283-0613
Fax: (561) 952-4810
Email: Support@SaporitoEnergyConsultants.com
Web: http://SaporitoEnergyConsultants.com

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Dorothy Menasco 080677

From: Dorothy Menasco
Sent: Tuesday, June 30, 2009 8:44 AM
To: 'Burgess, Bethany'
Cc: Katie Ely; Stern, Marlene; Lambert, Tammie
Subject: RE: Docket 080677-EI

FPSC, CLK - CORRESPONDENCE
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DOCUMENT NO. 10741-08
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Thank you for the clarification, Ms. Burgess. We have made the change to Docket 080677 as requested. Please call our office if you have any questions or concerns.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

From: Burgess, Bethany [mailto:bburgess@ngn-tally.com]
Sent: Monday, June 29, 2009 6:42 PM
To: Dorothy Menasco; Lambert, Tammie
Cc: Katie Ely; Stern, Marlene
Subject: RE: Docket 080677-EI

Ms. Menasco,

I am not sure why the duplicate email was sent, but my contact information should be added in place of Marlene K. Stern's in Docket 080677-EI. If you have any further questions, please do not hesitate to contact me.

Thank you,

Bethany A. Burgess, Esq.
Nabors, Giblin & Nickerson, P.A.
1500 Mahan Drive, Suite 200
Tallahassee, Florida 32308
Telephone: (850) 224-4070
Facsimile: (850) 224-4073
bburgess@ngnlaw.com

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From: Dorothy Menasco [mailto:DMenasco@PSC.STATE.FL.US]
Sent: Monday, June 29, 2009 6:08 PM
To: Lambert, Tammie
Cc: Katie Ely; Stern, Marlene; Burgess, Bethany
Subject: RE: Docket 080677-EI

My appologies, Ms. Lambert. I indicated that the e-mails below were received today at 8:09 a.m. and 8:10 a.m. We actually received the requests on Monday, 6/26/09, at 3:28 p.m. and 3:30 p.m. The same question applies though. Thank you for your help!

Dorothy Menasco

6/30/2009

Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

From: Dorothy Menasco
Sent: Monday, June 29, 2009 5:53 PM
To: 'tlambert@ngn-tally.com'
Cc: Katie Ely; 'mstern@ngnlaw.com'; 'bburgess@ngnlaw.com'
Subject: RE: Docket 080677-EI

Ms. Lambert,

Bethany Burgess/Brian Armstrong has been added to the contact information in place of Marlene K. Stern/Brian Armstrong, in Docket 080677-EI, as requested below. Please note that we received two similar requests for the same docket today. One was received at 8:09 a.m. and the other was received at 8:10 a.m. ***Please advise if the duplicate e-mail was sent in error, or if there is another docket to be updated.*** Thank you for your help.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

From: Katie Ely
Sent: Monday, June 29, 2009 8:09 AM
To: Dorothy Menasco
Subject: FW: Docket 080677-EI

Katie Ely
Staff Assistant - Office of Commission Clerk
Florida Public Service Commission
850-413-6304

Please note: Florida has a very broad public records law. Most written communications to or from state officials regarding state business are considered to be public records and will be made available to the public and the media upon request. Therefore, your e-mail message may be subject to public disclosure.

From: Lambert, Tammie [mailto:tlambert@ngn-tally.com]
Sent: Friday, June 26, 2009 3:30 PM
To: Records Clerk
Subject: Docket 080677-EI

Please update the contact information for City of South Daytona in the referenced docket as follows:

Please replace Marlene K. Stern as attorney of record for Bethany Burgess along with Brian Armstrong.
Change email recipient from Marlene Stern mstern@ngnlaw.com to Bethany Burgess at bburgess@ngnlaw.com

6/30/2009

If you need additional information, please contact me as below. Thank you.

Tammie Lambert
tlambert@ngnlaw.com
Legal Assistant to
Heath R. Stokley, Esq.
Marlene K. Stern, Esq. &
Carly Schrader, Esq.

Nabors Giblin & Nickerson
1500 Mahan Drive, Suite 200
Tallahassee, FL 32308
850.224.4070
850.224.4073 fax

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Dorothy Menasco 080677

From: Lambert, Tammie [tlambert@ngn-tally.com]
Sent: Tuesday, June 30, 2009 8:15 AM
To: Dorothy Menasco
Subject: RE: Docket 080677-EI

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__Administrative__Parties__Consumer
DOCUMENT NO. 10741-08
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Thank you for the information.

Tammie Lambert
tlambert@ngnlaw.com
Legal Assistant to
Heath R. Stokley, Esq.
Marlene K. Stern, Esq. &
Carly Schrader, Esq.

Nabors Giblin & Nickerson P.A.
1500 Mahan Drive, Suite 200
Tallahassee, FL 32308
850.224.4070
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From: Dorothy Menasco [mailto:DMenasco@PSC.STATE.FL.US]
Sent: Monday, June 29, 2009 5:53 PM
To: Lambert, Tammie
Cc: Katie Ely; Stern, Marlene; Burgess, Bethany
Subject: RE: Docket 080677-EI

Ms. Lambert,

Bethany Burgess/Brian Armstrong has been added to the contact information in place of Marlene K. Stern/Brian Armstrong, in Docket 080677-EI, as requested below. Please note that we received two similar requests for the same docket today. One was received at 8:09 a.m. and the other was received at 8:10 a.m. Please advise if the duplicate e-mail was sent in error, or if there is another docket to be updated. Thank you for your help.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

From: Katie Ely
Sent: Monday, June 29, 2009 8:09 AM
To: Dorothy Menasco
Subject: FW: Docket 080677-EI

6/30/2009

Katie Fly
Staff Assistant - Office of Commission Clerk
Florida Public Service Commission
850-413-6304

Please note: Florida has a very broad public records law. Most written communications to or from state officials regarding state business are considered to be public records and will be made available to the public and the media upon request. Therefore, your e-mail message may be subject to public disclosure.

From: Lambert, Tammie [mailto:tlambert@ngn-tally.com]
Sent: Friday, June 26, 2009 3:30 PM
To: Records Clerk
Subject: Docket 080677-EI

Please update the contact information for City of South Daytona in the referenced docket as follows:

Please replace Marlene K. Stern as attorney of record for Bethany Burgess along with Brian Armstrong.
Change email recipient from Marlene Stern mstern@ngnlaw.com to Bethany Burgess at bburgess@ngnlaw.com

If you need additional information, please contact me as below. Thank you.

Tammie Lambert
tlambert@ngnlaw.com
Legal Assistant to
Heath R. Stokley, Esq.
Marlene K. Stern, Esq. &
Carly Schrader, Esq.

Nabors Giblin & Nickerson
1500 Mahan Drive, Suite 200
Tallahassee, FL 32308
850.224.4070
850.224.4073 fax

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Dorothy Menasco 080677-EI

From: Dorothy Menasco
Sent: Monday, June 29, 2009 6:08 PM
To: 'tlambert@ngn-tally.com'
Cc: Katie Ely; 'mstern@ngnlaw.com'; 'bburgess@ngnlaw.com'
Subject: RE: Docket 080677-EI

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My appologies, Ms. Lambert. I indicated that the e-mails below were received today at 8:09 a.m. and 8:10 a.m. We actually received the requests on Monday, 6/26/09, at 3:28 p.m. and 3:30 p.m. The same question applies though. Thank you for your help!

6/29/09 Done -am

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

From: Dorothy Menasco
Sent: Monday, June 29, 2009 5:53 PM
To: 'tlambert@ngn-tally.com'
Cc: Katie Ely; 'mstern@ngnlaw.com'; 'bburgess@ngnlaw.com'
Subject: RE: Docket 080677-EI

Ms. Lambert,

Bethany Burgess/Brian Armstrong has been added to the contact information in place of Marlene K. Stern/Brian Armstrong, in Docket 080677-EI, as requested below. Please note that we received two similar requests for the same docket today. One was received at 8:09 a.m. and the other was received at 8:10 a.m. ***Please advise if the duplicate e-mail was sent in error, or if there is another docket to be updated.*** Thank you for your help.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

From: Katie Ely
Sent: Monday, June 29, 2009 8:09 AM
To: Dorothy Menasco
Subject: FW: Docket 080677-EI

Katie Ely
Staff Assistant - Office of Commission Clerk
Florida Public Service Commission
850-413-6304

Please note: Florida has a very broad public records law. Most written communications to or from state officials regarding state business are

considered to be public records and will be made available to the public and the media upon request. Therefore, your e-mail message may be subject to public disclosure.

From: Lambert, Tammie [mailto:tlambert@ngn-tally.com]
Sent: Friday, June 26, 2009 3:30 PM
To: Records Clerk
Subject: Docket 080677-EI

Please update the contact information for City of South Daytona in the referenced docket as follows:

Please replace Marlene K. Stern as attorney of record for Bethany Burgess along with Brian Armstrong.
Change email recipient from Marlene Stern mstern@ngnlaw.com to Bethany Burgess at bburgess@ngnlaw.com

If you need additional information, please contact me as below. Thank you.

Tammie Lambert
tlambert@ngnlaw.com
Legal Assistant to
Heath R. Stokley, Esq.
Marlene K. Stern, Esq. &
Carly Schrader, Esq.

Nabors Giblin & Nickerson
1500 Mahan Drive, Suite 200
Tallahassee, FL 32308
850.224.4070
850.224.4073 fax

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Dorothy Menasco 080677-EI

From: Katie Ely
Sent: Monday, June 29, 2009 8:10 AM
To: Dorothy Menasco
Subject: FW: Docket No. 080677

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6/29/09 Done -EM

Katie Ely
Staff Assistant - Office of Commission Clerk
Florida Public Service Commission
850-413-6304

Please note: Florida has a very broad public records law. Most written communications to or from state officials regarding state business are considered to be public records and will be made available to the public and the media upon request. Therefore, your e-mail message may be subject to public disclosure.

From: Lambert, Tammie [mailto:tlambert@ngn-tally.com]
Sent: Friday, June 26, 2009 3:28 PM
To: Records Clerk
Subject: Docket No. 080677

Please change email recipient from mstern@ngnlaw.com to bburgess@ngnlaw.com on the above referenced docket. If you need additional information, please contact me. Thank you.

Tammie Lambert
tlambert@ngnlaw.com
Legal Assistant to
Heath R. Stokley, Esq.
Marlene K. Stern, Esq. &
Carly Schrader, Esq.

Nabors Giblin & Nickerson P.A.
1500 Mahan Drive, Suite 200
Tallahassee, FL 32308
850.224.4070
850.224.4073 fax

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Dorothy Menasco 080677

From: Dorothy Menasco
Sent: Tuesday, June 02, 2009 12:25 PM
To: 'marshmaid@gmail.com'
Cc: Katie Ely
Subject: FW: Docket #080677-EI

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Ms. Roff:

Per your request below, we have added you to the mailing list as an interested person in Docket 080677, with an e-mail address of: marshmaid@gmail.com.

As an interested person you will get all notices for hearing, prehearing, proposed agency action orders, final orders, and notices of agenda conferences.

If you are interested in receiving more documents than those, for example, procedural orders, you will need to contact staff counsel for instructions on becoming a party of record.

You are welcome to contact our office if you should have any questions.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

-----Original Message-----
From: Katie Ely
Sent: Tuesday, June 02, 2009 11:34 AM
To: Dorothy Menasco
Subject: FW: Docket #080677-EI

-----Original Message-----
From: Rhonda Roff [mailto:marshmaid@gmail.com]
Sent: Tuesday, June 02, 2009 10:51 AM
To: Records Clerk
Subject: Docket #080677-EI

Dear Commission Clerk,

Please add me to the Interested Parties mailing list for Docket #
080677-EI: Petition for increase in rates by Florida Power & Light Company.
Email notices will suffice as opposed to hard copy mailings. Thank you in advance for your assistance with this request. If you have any questions at all, please do not hesitate to ask.

Sincerely,

Rhonda

--
Rhonda Roff, President
Save It Now, Glades!
PO Box 1953
Clewiston, FL
33440

Dorothy Menasco

FPSC, CLK - CORRESPONDENCE
Administrative / Parties Consumer
DOCUMENT NO. 10741-09
DISTRIBUTION:

From: Filings@psc.state.fl.us
Sent: Monday, June 01, 2009 8:28 AM
To: 'support@saporitoenergyconsultants.com'
Cc: Ruth Nettles
Subject: FW: <<< Intervener's First Set of Interrogatories to Florida Power and Light Company >>>
Attachments: 2009-05-30 Intervener's First Set of Interrogatories to FP..pdf

Mr. Saporito:

We are in receipt of the attached responses to your attached interrogatories indicated below. Please be advised that discovery should not be filed with the Office of the Commission Clerk. It should be sent directly to the PSC attorney. We require only a certificate of service or a notice of service for the docket file.

Your filing will need to be revised and resubmitted to be eligible for electronic filing.

For further information on what documents are eligible for e-filing, please see e-filing requirements on the PSC website: http://www.floridapsc.com/dockets/e-filings/

Please call our office if you have any questions.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

From: Thomas Saporito [mailto:support@saporitoenergyconsultants.com]
Sent: Saturday, May 30, 2009 8:17 PM
To: Filings@psc.state.fl.us
Cc: 'Wade Litchfield'; Anna Williams; 'Brian P. Armstrong, Esq.'; 'Cecilia Bardley'; 'D. Marcus Braswell, Jr., Esq.'; 'J.R. Kelly, Esq.'; Jean Hartman; 'Jennifer L. Spina, Esq.'; 'John T. Butler'; 'John T. LaVia, III, Esq.'; 'John W. McWhirter, Jr., Esq.'; 'Jon C. Moyle, Jr.'; 'Joseph A. McGlothlin, Esq.'; 'Kenneth L. Wiseman, Esq.'; Lisa Bennett; 'Lisa M. Purdy, Esq.'; 'Mark F. Sundback, Esq.'; 'Marlene K. Stern, Esq.'; Martha Brown; 'Robert A. Sugarman, Esq.'; 'Robert Scheffel Wright, Esq.'; 'Vicki Gordon Kaufam'
Subject: <<< Intervener's First Set of Interrogatories to Florida Power and Light Company >>>

ELECTRONIC FILING

a. Person responsible for this electronic filing:
Thomas Saporito
Saporito Energy Consultants, Inc.
Post Office Box 8413
Jupiter, Florida 33468-8413
support@saporitoenergyconsultants.com

b. Docket No. 080677-EI; In re: Petition for rate increase by Florida Power & Light Company
Docket No. 090130-EI; In re: 2009 Depreciation and Dismantlement Study by Florida Power & Light Company

c. Document is being filed on behalf of Intervener, pro se, Thomas Saporito.

d. There are a total of 13 pages in the attached document.

e. The document attached for electronic filing is **Intervener's First Set of Interrogatories to Florida Power and Light Company (Nos. 1-5)**

Best regards,

Thomas Saporito, President
Saporito Energy Consultants
Post Office Box 8413
Jupiter, Florida 33468-8413
Voice: (561) 283-0613
Fax: (561) 952-4810
Email: Support@SaporitoEnergyConsultants.com
Web: http://SaporitoEnergyConsultants.com

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Kimberley Pena 080677

From: Anna Williams
Sent: Friday, May 29, 2009 10:50 AM
To: 'rpjrb@yahoo.com'
Cc: Ann Cole; Kimberley Pena; Jennifer Brubaker; Lisa Bennett
Subject: Re: Docket No. 080677-EI – Petition for increase in rates by Florida Power & Light Company.
Attachments: Letter to Robert Smith Re Intervening in Docket No 080677-EI.doc

Dear Mr. Smith,

Please see attached letter.

Thank you,

Anna R. Williams, Esq.
Office of the General Counsel
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850
T: (850) 413-6076
F: (850) 413-6077

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STATE OF FLORIDA

GENERAL COUNSEL
PATRICK L. "BOOTER" IMHOF
(850) 413-6199

Public Service Commission

May 29, 2009

Re: Docket No. 080677-EI – Petition for increase in rates by Florida Power & Light Company.

Dear Mr. Smith,

I am writing in response to your email dated May 23, 2009, regarding Florida Power & Light Company's petition for a rate increase in Docket No. 080677-EI. Please note that your email is insufficient to establish you as an intervening party in this proceeding. Intervention requires that you file a petition to which parties have an opportunity to respond prior to the pre-hearing officer issuing an order granting or denying your petition to intervene.

Pursuant to Rule 25-22.039, Florida Administrative Code (F.A.C.), persons, other than the original parties to a pending proceeding, who have a substantial interest in the proceeding, and who desire to become parties may petition for leave to intervene. Petitions for leave to intervene must be filed at least five (5) days before the final hearing, conform with Rule 28-106.201(2), F.A.C., and include allegations sufficient to demonstrate that the intervenor is entitled to participate in the proceeding as a matter of constitutional or statutory right or pursuant to Commission rule, or that the substantial interests of the intervenor are subject to determination or will be affected through the proceeding. Furthermore, intervenors take the case as they find it.

An intervenor is also required to satisfy the two-prong standing test set forth in Agrico Chemical Company v. Department of Environmental Regulation, 406 So. 2d 478, 482 (Fla. 2nd DCA 1981). In order to do so, the intervenor must show that (1) he will suffer injury in fact which is of sufficient immediacy to entitle him to a Section 120.57, F.S., hearing, and (2) this substantial injury is of a type or nature which the proceeding is designed to protect. The first aspect of the test deals with the degree of injury. The second deals with the nature of the injury. The "injury in fact" must be both real and immediate and not speculative or conjectural.

For your convenience, I have enclosed a copy of Rules 25-22.039 and 28-106.201(2), F.A.C. Please do not hesitate to contact me if you require additional information.

Sincerely,

Anna R. Williams, Esq.
Office of the General Counsel

25-22.039 Intervention.

Persons, other than the original parties to a pending proceeding, who have a substantial interest in the proceeding, and who desire to become parties may petition the presiding officer for leave to intervene. Petitions for leave to intervene must be filed at least five (5) days before the final hearing, must conform with Uniform subsection 28-106.201(2), F.A.C., and must include allegations sufficient to demonstrate that the intervenor is entitled to participate in the proceeding as a matter of constitutional or statutory right or pursuant to Commission rule, or that the substantial interests of the intervenor are subject to determination or will be affected through the proceeding. Intervenors take the case as they find it.

Specific Authority 350.01(7), 350.127(2) FS. Law Implemented 120.569, 120.57 FS. History–Formerly 25-2.34, Amended 12-21-81, Formerly 25-22.39.

28-106.201 Initiation of Proceedings.

(1) Unless otherwise provided by statute, and except for agency enforcement and disciplinary actions that shall be initiated under Rule 28-106.2015, F.A.C., initiation of proceedings shall be made by written petition to the agency responsible for rendering final agency action. The term "petition" includes any document that requests an evidentiary proceeding and asserts the existence of a disputed issue of material fact. Each petition shall be legible and on 8 1/2 by 11 inch white paper. Unless printed, the impression shall be on one side of the paper only and lines shall be double-spaced.

(2) All petitions filed under these rules shall contain:

(a) The name and address of each agency affected and each agency's file or identification number, if known;

(b) The name, address, and telephone number of the petitioner; the name, address, and telephone number of the petitioner's representative, if any, which shall be the address for service purposes during the course of the proceeding; and an explanation of how the petitioner's substantial interests will be affected by the agency determination;

(c) A statement of when and how the petitioner received notice of the agency decision;

(d) A statement of all disputed issues of material fact. If there are none, the petition must so indicate;

(e) A concise statement of the ultimate facts alleged, including the specific facts the petitioner contends warrant reversal or modification of the agency's proposed action;

(f) A statement of the specific rules or statutes the petitioner contends require reversal or modification of the agency's proposed action, including an explanation of how the alleged facts relate to the specific rules or statutes; and

(g) A statement of the relief sought by the petitioner, stating precisely the action petitioner wishes the agency to take with respect to the agency's proposed action.

(3) Upon receipt of a petition involving disputed issues of material fact, the agency shall grant or deny the petition, and if granted shall, unless otherwise provided by law, refer the matter to the Division of Administrative Hearings with a request that an administrative law judge be assigned to conduct the hearing. The request shall be accompanied by a copy of the petition and a copy of the notice of agency action.

Specific Authority 120.54(3), (5) FS. Law Implemented 120.54(5), 120.569, 120.57 FS. History–New 4-1-97, Amended 9-17-98, 1-15-07.

Kimberley Pena 080677

From: Kimberley Pena
Sent: Tuesday, May 26, 2009 11:29 AM
To: 'rpjrb@yahoo.com'
Cc: Tim Devlin; Andrew Maurey; Lisa Bennett; Ann Cole; Dorothy Menasco
Subject: RE: Questions to consider in the New Case being filed for a $1 billion Base Rate Increase

Mr. Smith, we have added you as an interested person in docket 080677-EI. A member of the Office of the General Counsel will get in touch with you to discuss the correct procedure to become an intervenor in the docket.

Kimberley M. Peña
Records Management Assistant
Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850
(850) 413-6770

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Saturday, May 23, 2009 11:59 AM
To: Kimberley Pena; Ann Cole
Cc: Tim Devlin; Andrew Maurey; Shari Cornelius
Subject: FW: Questions to consider in the New Case being filed for a $1 billion Base Rate Increase

Dear Ms. Cole,

Has my FOIA request been submitted based upon the email below? I went to the Shareholders meeting yesterday and I wanted to ask about the annualized rates for Excess earnings. The forum at the shareholders meeting for this type of questioning is not conducive since some of these questions would need specific answers from the executives at FPL.

I feel at this point that the shareholders forum is not the place to ask this type of questioning and I would like to enter my questions into the rate case as an intervener. In addition I will be putting together a company list for FPL Group. With this I would like to know which companies the PSC regulates versus the non-regulated entities. I saw a presentation at the shareholder's meeting yesterday that showed a breakout of the Utility revenues versus NextEra Energy resources. I will be trying to put together a full entity list for FPL Group so that I can breakout the companies by regulated and non-regulated entities. I will be drafting an email to FPL executives regarding these breakouts. It appears that from 2007 to 2008 the mix of contributed earnings from Florida Power & Light versus NextEra Resources has changed. In 2008 NextEra Energy Resources earnings per share is larger than Florida Power & Light's. Do we know why this mix has changed? Of course I know that if the FPSC does not regulate the NextEra Energy Resources business entities that it would not be able to explain these issues but what I really need to know is that since the earnings contributions has changed from 2007 to 2008 I would need to see a segmented cash flow showing the cash coming into the regulated entities and then being utilized by the regulated entities. I know from past experience that since the Florida Power & Light business entity would be regulated for the Florida ratepayer that the accounting for these cash transactions would be very important. When the FOIA request is answered this would shed some light on the accounting for regulated versus non-regulated monies.

If need be I would like to schedule a meeting with FPL executives regarding some of these issues once I get up to speed on the entity relationships (i.e. regulated versus non-regulated entities).

Please let me know the status of the FOIA request.

I received the surveillance reports and I am taking a look at these. What I do not see on the surveillance reports is the full P&L to support the operating income on the reports. In addition, I do not see the over/under earnings calculations as I have asked for in my previous emails. I was very specific with regard to my questions and I feel that these can be answered specifically in a question and answer format.

My concern is the cash flow coming into the company. Regulated versus Non-regulated cash flows are very important when talking about revenue sharing mechanisms. If need be once I get up to speed I can do a lot of the work on my own. I would only need access to various ledgers at the company. I know that from a shareholder perspective that this information should be available. As I analyze the information I will put together an information request for the FPL executives. I did not think that the shareholder's meeting forum was the place to ask these specific questions since there was only a 2 minute time frame to speak. There was talk at the meeting regarding executive compensation. I need to see the cash transactions between the holding company and the regulated versus non-regulated entities to identify the major contributor of cash flow to the company.

I am going to be upfront with my concern that I hope that nothing being discussed through my FOIA request is having an impact on my current job search since I am unemployed. In addition, I want to make sure that this does not have any impact on my family.

I hope that there is no typo(s). If I find any I will fix them and resend the email.

If you have any questions please do not hesitate to email me at rpjrb@yahoo.com or call me at 954-798-6127.

Thanks,

Robert H. Smith

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Thursday, May 07, 2009 11:49 AM
To: 'Andrew Maurey'
Cc: 'Lisa Edgar'; 'Tim Devlin'; 'Ann Cole'
Subject: FW: Questions to consider in the New Case being filed for a $1 billion Base Rate Increase

Dear Mr. Maurey,

Sorry for the **typo(s)**.

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]

Sent: Thursday, May 07, 2009 10:11 AM
To: 'Andrew Maurey'
Cc: 'Lisa Edgar'; 'Tim Devlin'; 'Ann Cole'
Subject: RE: Questions to consider in the New Case being filed for a $1 billion Base Rate Increase

Dear Mr. Maurey,

Please send **me** all twelve months of the Rateyear surveillance reports at .05 x 20 pages or $1 per report. This should be no more than $15. Since this is in the best interest of the ratepayers there should be no charge for the copies of this information since I am paying for this in my taxes and my utility rates. If there is a need to charge me for this information then please let me know where to mail the payment. I am currently unemployed therefore I would like to keep the cost of this correspondence to the minimum. Electronic production of these documents would keep both the cost to ratepayers and me to a minimum from a postage/labor perspective. Email would also save a lot of money with the turnaround of this information. When I worked on these types of proceedings in the past we used electronic documents to both answer and email interrogatory responses. This included using spreadsheets when the source information was prepared in a spreadsheet format. If the surveillance reports are being prepared this way then forwarding this information would be the least cost approach since no work would be required to provide me with this information. Since there is an indication that there is limited resources this would be a way to keep both the labor/cost down.

Do you agree?

Please see comments below. In the event specifics answers to the questions below cannot be answered let this email serve as a FOIA request.

Thanks,

Robert H. Smith

May 7, 2009

Director, Office of Commission Clerk
ATTN: Ann Cole

Re: Request for specific answers to the questions below including the impact of traditional ratemaking versus revenue sharing plans

To whom it may concern:

Pursuant to the Freedom of Information Law, I request a copy of all accounting information related to the specific answers to all questions below.

Please provide all accounting journal entries based upon Generally Accepted Accounting Principles. This should include a chronological record of accounting journal entries for the recording of all journal entries related to any regulated ratemaking assumptions below.

All accounting entries should be able to support any revenue sharing mechanisms.

Please provide a cash flow statement to show the changes in cash balances as a result of these transactions. This should be completed on a segmented cash flow basis to potentially show the movement of cash to holding/affiliated

companies of FPL. These cash flows should lay out how dividends are being paid out of the holding company of FPL. They should include the accounting for the funding of the dividends/executive compensation plans at the holding company level. If there is an accrual at the holding company level for executive compensation then please provide the source funding of this compensation as it relates to regulated versus non-regulated monies.

In the event that this FOIA request is not going to yield specific answers to the questions below then I would propose to include the questioning below in an interrogatory format for the new proposed rate case that FPL is filing. In this forum all specific questions would have to be answered. I understand that the resources at the commission is limited but since I have extensive experience with these type of proceedings as long as the specific information is provided I would be able calculate the appropriate studies on my own which would not require help from the commission staff. Since I am both a ratepayer and a shareholder there should be no problem with the release of all specific information in order for me to complete my own analysis. This will ensure from both a ratepayer and shareholder perspective I am receiving the best possible rates and return on my investment.

Please provide a reconciliation of the PSC annual report to the FPL 10K reported numbers. The capitalization does not match and I was wondering why.

On March 19th, 2009, The Office of the Attorney General has issued a memorandum regarding the release of information under The Freedom of Information Act (FOIA), 5 U.S.C. § 552.

This indicates "The Freedom of Information Act should be administered with clear presumption: In the case of doubt, openness prevails".

"This memorandum is meant to underscore that commitment and to ensure that it is realized in practice"

Due to the new nature of this program a need to clarify some of the underlying assumptions under this request might be required.

Due to the delicate nature of this information I would like to make sure that this correspondence request/communication does not have any impact on my current/future employment. I can only hope that this request is viewed as a public service request for the ratepayers of the Florida Power & Light and does not have any impact on my family's well being.

Please respect my family and myself in that this needs to be kept confidential since I do not need any more defamation to occur. I do not want to be out of work any longer or subject to these issues anymore. I try to do the best job possible and bring up issues that I think might be important to the ratepayer's of Florida Power & Light Company.

Please forward this information to the following address:

Robert H. Smith
11340 Heron Bay Blvd.
Coral Springs, Florida 33076

Or email this information to rpjrb@yahoo.com.

If you have any questions about this request please do not hesitate to ask.

Thank you for your consideration and cooperation.

Very truly yours,

Robert H. Smith

5/26/2009

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From: Andrew Maurey [mailto:AMaurey@PSC.STATE.FL.US]
Sent: Wednesday, May 06, 2009 5:14 PM
To: rpjrb@yahoo.com
Cc: Lisa Edgar; Tim Devlin; Ann Cole
Subject: RE: Questions to consider in the New Case being filed for a $1 billion Base Rate Increase

Mr. Smith:

You have requested several documents. FPL's annual report can be found on our website. The depreciation study is available on-line via the PSC's docket system, Docket No. 090130, and the document numbers for the depreciation study are 02279-09 through 02282-09. Finally, we do not maintain earnings surveillance reports in an electronic format. We can provide any of those reports at $.05 a page. A typical surveillance report is about 20 pages.

In addition, the following responses relate to your latest email and various questions:

1-We only maintain earnings surveillance reports as hard copies and we can fax you the 2008 reports.

> Rob Smith response: Please provide all rateyear surveillance earnings cost at $.05 per page no more than $15. Please provide the annualized 30 day commercial rates that have been used in the past for each month provided.

2-We have not conducted a study of the difference between revenue sharing and traditional regulation.

> Rob Smith response: Please provide this analysis as it relates to making sure that in the best interest of the ratepayers that the revenue sharing mechanism is not costing the ratepayers more money than under a traditional ratemaking plan.

3-The fuel adjustment clause is a separate process from base rate cases and we conduct annual fuel proceedings with hearings each November.

> Rob Smith response: The only issue with this is when they are filing for a base rate increase they will be using test year data in which there might be an adjustment in base rate fuel. Are you indicating that all fuel is being excluded from base rates? If not, then the fuel adjustment clause should not be considered separately when the fuel costs that might be included in the test year data for the RateCase might be higher and not reflect the reduction in fuel costs.
> Is any fuel adjustment clause fuel charges are going to be rolled into base rates?

4-Revenue sharing only involves regulated revenue from FPL, not any of FPL's affiliates or parent company. Incremental revenue from non-regulated sources are not included.

Rob Smith response: Again please support the position that no regulated cash is being used to finance any of the non-regulated sources of incremental revenue.

If there is subsidization then the ratepayer might have recourse to revenue sharing if they have not been paid

an adequate return for financing these initiatives.

5-Ratepayers are not charged for any cost associated with revenue sharing.

Rob Smith response: This is understood but how are you making sure that the ratepayer is not being charged for costs associated with the production of these revenues? If there is base rate recovery for costs and some of the base rate recovery is for O&M, Fuel etc. then any revenue sharing should take into account that the possibility exists that the cost might exceed the revenue generation which would lead to the potential that the sharing of revenues might have needed to be maintained to potential costs that exceed the revenue generation. From a traditional ratemaking perspective this would automatically accounted for by using an operating income approach. This takes into account revenue's less expenses which translates to operating income at the utility.

6-In 2005, the PSC conducted a full rate case which resulted in the current Stipulation.

Rob Smith response: Please provide all interrogatory responses with regard to accepting the current stipulation.

7-In the event there is a refund under revenue sharing, interest would be applied at the 30-day commercial paper rate.

Rob Smith response: Please provide the annualized 30 day commercial paper rate for the rateyear. These rates should be for the same period of the surveillance reports.

8-The Commission looks at storm repair costs in any storm recovery proceedings to ensure the costs are reasonable, relate to storms, and are not recovered in base rates. Any storm cost recovery is independent of revenue sharing.

Rob Smith response: Is there any base rate recovery of storm recovery currently in base rates? If so is FPL recording a regulatory receivable for the recovery of these monies in base rates? Remember if the company was under traditional ratemaking before the revenue sharing then I am sure that there was a base rate recovery of these costs prior to the change. This is very important from a cash flow perspective. If there is an amount collected in base rates for previous storm recoveries where is this cash being utilized currently? You would not be able to indicate that the company is not collecting in base rates cash related to storm costs if prior to the change there was a base rate recovery for storm costs.

9-The S&P methodology considers Purchase Power Agreements as a debt equivalent in the evaluation of capital structure. Recognizing that equity costs more than debt, the Commission ensures equity in the capital structure is not overstated.

Rob Smith response: Based upon the response above in which there was an indication that there was no study conducted to compare a traditional ratemaking plan versus the revenue sharing plan how the commission ensure that the capital structure is not being overstated. If under traditional ratemaking the overall cost of money is lower than the current revenue sharing mechanism this might translate to higher rates to the ratepayers. Unless a comparison is made and an overall cost of money is being maintained by the commission/company I would need a detail response to support that the current revenue sharing plan if converted to a traditional ratemaking plan would not be costing the customer more in their rates.

How are you determining that the capital structure is not being overstated lacking the study?

10-The 11.75% ROE was agreed to by the parties as part of the Stipulation approved in 2005. Recently, in 2009, as the result of a full evidentiary hearing the Commission authorized an ROE of 11.25% for Tampa Electric Company.

Rob Smith response: The ROE is only one side of the story since the revenue sharing is not under a traditional ratemaking methodology. It appears that the ROE under the current financial market scenarios is too high. If the traditional ratemaking methodology supports a lower overall cost of money and we are in agreement that debt is usually cheaper than equity then a study to compare the current revenue sharing mechanism versus a traditional ratemaking would be warranted. This would more evident if the traditional ratemaking plan

translates to higher over earnings as compared to the current revenue sharing mechanism.

11-Both revenue sharing and the concept of a Generation Base Rate Adjustment were part of the Stipulation agreed to by the Office of Public Counsel and the Attorney General. The Stipulation terminates at the end of 2009 and we are currently involved in a full rate case. The schedule for this case can be accessed from our website.

Rob Smith response: Since there is a full rate case then a study should be conducted to compare the two types of ratemaking design. I think that this study should be included in the new rate case to compare the overall cost of money under a traditional ratemaking plan versus the current revenue sharing plan. If it is in the best interest of the ratepayers then this would be a fiduciary duty of the PSC to ensure that the proposed rate design in the new rate case yield's the best cost savings to the ratepayers of Florida.

The current rate case workload at the Commission is extensive, perhaps the highest level ever, and we have limited staff resources. Any future requests for documents should be directed to Ms. Ann Cole as a public records request. Her contact information is as follows:

Ann Cole
Director, Office of Commission Clerk
ph: (850) 413-6744
e-mail: acole@psc.state.fl.us

regards,

Andrew Maurey

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Tuesday, April 28, 2009 2:39 PM
To: Andrew Maurey; Tim Devlin
Subject: Questions to consider in the New Case being filed for a $1 billion Base Rate Increase

Dear Mr. Maurey and Mr. Devlin,

I took a look at the 2005 Petition for rate increase by Florida Power & Light Company. Please let me know if you can send me the PDF files for the surveillance reports.

Is this an option? If no, what would be the reason for this? I would like to keep the cost/time to a minimum with these requests so that I can review quickly.

I am still reviewing this agreement but I understand that this is what is currently in place. I would like to answer these questions for the new case that is being presented to staff.

Has any studies being conducted for the revenue sharing plan as stipulated below versus the traditional ratemaking excess earnings test? I would be curious to see if FPL is maintaining the money cost of money reports based upon its current capitalization at the company. If so, I would like to see these studies to see the cost/benefit impacts to the ratepayers for this type of revenue sharing plan.

Does the FPSC complete a FCA (fuel cost adjustment) reconciliation? If so, is this available? It would be very interesting to see what the proposal for FPL is to move some of these costs into base rate recoveries. I think that there is an existing rate increase in the fuel adjustment clause that is being currently collected in rates. I think that this might be the first 8% etc. If the fuel costs have gone down are we now giving this benefit back to the customer? Why would we want to roll the existing rate increases into base rates to find out the cost of fuel as gone down? We should be very careful here since this case is being done when the fuel costs were high. This might be reflected in the test year data for

the RateCase. Is this true?

I am still reviewing some of the information. If I have any additional questions I will send an email.

If you have any questions please do not hesitate to ask.

Thanks,

Robert H. Smith

I have a couple of questions:

How can the Revenue Sharing Incentive Plan exclude incremental revenues attributed to a business combination or acquisition involving FPL, its parent, or its affiliates whether inside or outside the state of Florida?

We would have to take a look at the holding company structure in which some of these incremental revenues might have been financed with ratepayer money. The primary contributor of cash flow to a utility is the ratepayer therefore it would be very possible that the customer might have subsidized these incremental revenues therefore the customer should share in the benefits of some of these incremental revenue if there is proof that they have financed/subsidized the costs associated with the generation of the incremental revenues.

Years ago when I worked up north for a major utility there was incremental revenues generated at our utility and the commission would review how these revenues were generated or financed. If the ratepayer financed/subsidized any of the costs the commission would determine a sharing mechanism for the ratepayer to share in the revenues generated. Another issue here is that since the revenue sharing mechanism is only looking retail base revenues another question comes into play with regard to cost:

What if the ratepayer is being charged for costs associated with these incremental revenues? FPL would share in the revenue aspect of the incremental revenues and the ratepayer might be paying for extra costs associated with the generation of these revenues.

Again when I was up North we had to take a look at the definition of Utility revenues versus non-utility revenues. We have to remember that from a cash flow perspective most of the cash flow is generated by the ratepayers of Florida. If they are Financing/Subsidizing the costs to generate these incremental revenues then FPL should not exclude the costs associated with the generation of these incremental revenues.

Up North we usually did a full blown ROE excess earnings test to make sure that the commission had the opportunity to exclude items from RateBase to calculate the overall ROE if they deemed that the costs were not a benefit to the customers.

If the costs associated with the generation of these incremental revenues are being Financed/Subsidized by the ratepayer, is the ratepayer receiving a rate of return to make them whole? The first answer to this would be that if there is a holding company structure at FPL and most of the cash is generated by the ratepayer then the probability that the ratepayer is Financing/Subsidizing the generation of the incremental revenue is very high.

c. Revenue exclusions - The Revenue Sharing Incentive Plan and the corresponding revenue sharing thresholds and revenue caps are intended to relate only to retail base rate revenues of FPL based on its current structure and regulatory framework. Thus, for example, incremental revenues attributable to a business combination or acquisition involving FPL, its parent, or its affiliates, whether inside or outside the state of Florida, or revenues from any clause, surcharge or other recovery mechanism other than retail base rates, shall be excluded in determining retail base rate revenues for purposes of revenue sharing under this Stipulation and Settlement.

Please explain what the overall rate of return is for the cost of money versus the commercial paper rate to retail customers of record. If the commercial rate of interest is lower than the overall rate of return why should the customer not receive credit at the overall cost of money?

Remember the ratepayers have an overall cost of money associated with paying for the cost of service for the company.

Up North we used to calculate carrying charges on the excess earnings on a monthly basis to increase the deferred credit (253 FERC Account) that was being returned to the customer. This made the ratepayer/customer whole since they were paying for the overall cost of money in their rates.

7. All revenue-sharing refunds will be paid with interest at the 30-day commercial paper rate to retail customers of record during the last three months of each applicable refund period based on their proportionate share of base rate revenues for the refund period. For purposes of calculating interest only, it will be assumed that revenues to be refunded were collected evenly throughout the preceding refund period. All refunds with interest will be in the form of a credit on the customers' bills beginning with the first day of the first billing cycle of the second month after the end of the applicable refund period (or, in the case of a partial calendar year refund, after the end of that calendar year). Refunds to former customers will be completed as expeditiously as reasonably possible.

How is the commission taking a look at this account for work order costs associated with property insurance costs? Is this account capturing the costs associated with Hurricane repairs? What is interesting below if that "no revenues contemplated by this Section 10 shall be included in the computation of retail base rate revenues for purposes of revenue sharing under this Stipulation and Settlement", this would appear to be making sure that we are looking at cost

less recoveries as total costs. This is a contradiction of the Revenue Incentive Sharing Plan in which the costs are not even being considered.

10. No Party to this Stipulation and Settlement shall appeal the FPSC's Final Order in Docket No. 041291-EI. Further, Parties agree to the following provisions relative to the target level and funding of Account No. 228.1 and recovery of any deficits in such Account:

228.1 Accumulated provision for property insurance.

c. No revenues contemplated by this Section 10 shall be included in the computation of retail base rate revenues for purposes of revenue sharing under this Stipulation and Settlement.

How does Standard and Poor's methodology compare to using the overall cost of money? Why would you cap the equity ratio when this can be adjusted or recomputed based upon the borrowing of the company?

Up North we recalculated the overall cost of capital (cost of money) every month to compute our monthly excess earnings. We found that at times debt was cheaper than equity which if the debt/equity ratio changed we would true up the excess earnings calculation based upon this monthly change. Remember FPL is retiring and issuing new bonds which if issued at a lower rate than equity could cause a reduction in the overall cost of money. In most rate proceedings we found that it was cheaper for the ratepayer when we issued debt therefore we used to recalculate the overall debt to equity ratio to benefit the ratepayer if the overall cost of money was declining as a result of the retiring of debt and issuing new debt at a lower cost (interest rate).

15. For surveillance reporting requirements and all regulatory purposes, FPL's ROE will be calculated based upon an adjusted equity ratio as follows. FPL's adjusted equity ratio will be capped at 55.83% as included in FPL's projected 1998 Rate of Return Report for surveillance purposes. The adjusted equity ratio equals common equity divided by the sum of common equity, preferred equity, debt and off-balance sheet obligations. The amount used for off-balance sheet obligations will be calculated per the Standard & Poor's methodology.

How does the ROE of 11.75% compare to other company returns excluding utilities? I know that FPL is paying a dividend therefore what is the overall return a shareholder is earning with dividends and a ROE of 11.75%?

I am sure that in this business environment it is quite high? Is this correct?

16. **Effective on the Implementation Date, FPL will continue to operate without an authorized Return on Equity (ROE) range for the purpose of addressing earnings levels, and the revenue sharing mechanism herein described will be the appropriate and exclusive mechanism to address earnings levels, but an ROE of 11.75% shall be used for all other regulatory purposes.**

How come these are not included in Ratebase with an earned return? Remember if the costs associated with the new plant exceed the base rate recovery and the Revenue incentive sharing plan only takes a look at the revenues excluding the costs associated with the operation of the new plant the ratepayer might be sharing in too much revenue which might be needed to pay for the new plant that has been placed in service.

Up North we calculated AFUDC until the plant was placed into service. Then all associated plant in service costs were placed into Ratebase and costs of maintaining the plant (payroll, taxes etc.) were included in the cost of service. This methodology was then applied to the excess earnings test which was:

RateBase x Allowed rate of return (overall cost of money) = Earned level of operating income

If the actual earnings exceeded the earned level of operating income then the excess earnings were deferred in a 253 account and given back to the customer in the following year. A carry charge was calculated on these amounts at the overall cost of money. This way both revenues and costs associated with placing the plant in service were captured. How come the traditional approach is not being used to calculate the revenue sharing at the company?

This included RateBase and Cost of Service accounting to make sure that both revenue from the operations of the plant and costs associated with the operations of the plant were captured. Of course you would also have to look at depreciation reserves related to the life studies of the plant in service. At times cost of removal became an issue with the under/over recovery of depreciation in rates.

17. For any power plant that is approved pursuant to the Florida Power Plant Siting Act (PPSA) and achieves commercial operation within the term of this Stipulation and Settlement, the costs of which are not recovered fully through a clause or clauses, FPL's base rates will be increased by the annualized base revenue requirement for the first 12 months of operation, reflecting the costs upon which the cumulative present value revenue requirements (CPVRR) were or are predicated, and pursuant to which a need determination was granted by the FPSC, such adjustment to be reflected on FPL's customer bills by increasing base charges, and non-clause recoverable credits, by an equal percentage. FPL will begin applying the incremental base rate charges required by this Stipulation and Settlement to meter readings made on and after the commercial in service date of any such power plant. Such adjustment shall be referred to as a Generation Base Rate Adjustment (GBRA). The GBRA will be calculated using an 11.75% ROE and the capital structure as per Section 15 above. FPL will calculate and submit for

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From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Monday, April 27, 2009 10:49 AM
To: 'Andrew Maurey'
Cc: 'Tim Devlin'
Subject: RE: FPL request

Mr. Maurey,

I have left a voicemail at your office on Friday to respond to this email quickly.

I will have to make arrangements for a fax time for you to send this information. I do not however understand why you cannot print the documents to a PDF file. Sometimes you cannot use the information from a fax in an electronic format since OCR software may have a difficulty with recognizing the document. Most of the correspondence on the FPSC site is in a PDF format therefore I do not understand why this would be a problem. If this is the only way I will have to make some time for you to call so that I can receive this information.

I will let you know schedule permitting when we can move this forward.

My fax number is my phone number (954) 340-4956 and I will have to make sure that my fax machine is on to receive

this information.

How can you send the previous information in a PDF format and not this new information? Is there any reason why this cannot happen?

I will send you an email to set up a time.

Thanks,

Robert H. Smith

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From: Andrew Maurey [mailto:AMaurey@PSC.STATE.FL.US]
Sent: Friday, April 24, 2009 11:12 AM
To: rpjrb@yahoo.com
Cc: Tim Devlin
Subject: RE: FPL request

Mr. Smith

Will you be available this afternoon at 3:00 to discuss the tax issues? If not, what would be a good time for you?

We would prefer to fax the surveillance reports rather than scan and send as a pdf file. What is your fax number and when would be a good time to send you this information?

Florida has a very broad open records law. An FIA request would not affect the availability of information that is already available to you through your present inquiry.

Thank you for your interest in the FPL case.

regards,

Andrew

From: rpjrb@yahoo.com [mailto:rpjrb@yahoo.com]
Sent: Friday, April 24, 2009 10:53 AM
To: Andrew Maurey
Cc: Tim Devlin
Subject: RE: FPL request

Andrew,

Are the Earnings Surveillance reports in an excel format or word format? If so, you can print these to a PDF file and email. This will save time and money. If you need to fax this information to me I would have to be at home to receive the fax. It is very simple to scan or print to a PDF file and email. Please let me know if this is an option.

I will take a look at the FPL's 2005 Stipulation and let you know if I have any questions.

I am looking forward to hearing from the depreciation person.

Did you contact the tax person to see if I can speak to them regarding the current/deferred tax issues with regard to ratemaking versus GAAP accounting?
I would like to speak to someone regarding this issue as well.

I will be working on looking at all the correspondence and put together an email to send so that I can receive direct answers to my questions.

If you would like I can send a formal Freedom of Information Act request if this is much easier but I thought that an email would work.

Thanks for your time yesterday.

Robert H. Smith

Confidentiality Statement

The documents accompanying this telecopy transmission contain information which is confidential and/or legally privileged. The information is intended only for the use of the individual or entity named on this transmission sheet. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this telecopied information is strictly prohibited, and the documents should be returned. In this regard, if you received this telecopy in error, please contact the sender by reply E-mail and destroy all copies of the original.

From: Andrew Maurey [mailto:AMaurey@PSC.STATE.FL.US]
Sent: Friday, April 24, 2009 9:56 AM
To: rpjrb@yahoo.com
Cc: Tim Devlin
Subject: FPL request

Mr. Smith

Please find attached the file containing the Commission Order that approved FPL's 2005 Stipulation.

The Earnings Surveillance Reports you requested are not available in electronic format. Please send me your fax number and we will transmit that information as well.

The analyst you will need to speak with regarding your questions concerning FPL's depreciation study is out of the office this week. I have forwarded your contact information to her and she'll contact you the first part of next week.

regards,

Andrew

Andrew L. Maurey
Division of Economic Regulation
Florida Public Service Commission
2540 Shumard Oak Blvd
Tallahassee, FL 32399-0850
Telephone: (850) 413-6465
Fax: (850) 413-6466
amaurey@psc.state.fl.us

Dorothy Menasco

From: Stern, Marlene [mstern@ngn-tally.com]
Sent: Thursday, May 21, 2009 11:47 AM
To: Dorothy Menasco
Subject: RE: Docket 080677-EI; party information update

Hi Dorothy – Thanks for your help! I hope all is going well. Marlene

FPSC, CLK - CORRESPONDENCE
Administrative ✓ Parties Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION:

From: Dorothy Menasco [mailto:DMenasco@PSC.STATE.FL.US]
Sent: Thursday, May 21, 2009 11:18 AM
To: Stern, Marlene
Cc: Armstrong, Brian
Subject: Docket 080677-EI; party information update

Good afternoon Marlene,

I spoke with Tammy from your office today. She requested that Mr. Armstrong's e-mail address be replaced with Ms. Stern's. As a follow-up, we have made the requested change. Thank you for helping us to keep the parties mailing list accurate. Please advise if there are any other changes to be made.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

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Cathi Lindsley

From: Cathi Lindsley
Sent: Wednesday, May 20, 2009 10:22 AM
To: 'dmayes@cityofhawthorne.net'
Subject: FW: Order or Notice issued by the Public Service Commission (Email ID = 642980)
Attachments: 04939-09.pdf; 04940-09.pdf

Ms. Mayes,
Please find attached the Notices that were sent May 19, 2009. These documents were scanned in using Adobe 9. If you find you are still having problems opening these documents, please check to see that you have the Adobe 9 reader, if not it can be downloaded for free at www.adobe.com . Thank you, please feel free to contact me if you have any questions.

Thanks,
C. Lindsley
Office of Commission Clerk
Florida Public Service Commission

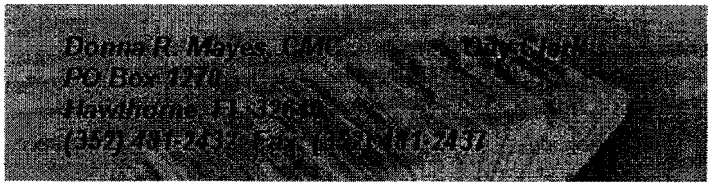
Please note: Florida has a very broad public records law. Most written communications to or from state officials regarding state business are considered to be public records and will be made available to the public and the media upon request. Therefore, your e-mail message may be subject to public disclosure.

From: Katie Ely
Sent: Wednesday, May 20, 2009 8:09 AM
To: Cathi Lindsley
Subject: FW: Order or Notice issued by the Public Service Commission (Email ID = 642980)

this was in the clerks inbox.

From: Donna Mayes [mailto:dmayes@cityofhawthorne.net]
Sent: Tuesday, May 19, 2009 4:50 PM
To: Records Clerk
Subject: RE: Order or Notice issued by the Public Service Commission (Email ID = 642980)

Cannot pick up file, says it is damaged.



From: Commission Clerk [mailto:CommissionClerk@psc.state.fl.us]
Sent: Tuesday, May 19, 2009 2:57 PM
Subject: Order or Notice issued by the Public Service Commission (Email ID = 642980)

The attached order or notice has been issued by the Public Service Commission.

If you have any problems opening this attachment, please contact the Office of Commission Clerk by reply email or at 850-413-6770.

When replying, please do not alter the subject line; as it is used to process your reply.

Thank you.

Get your FREE personalized email signature at My Mail Signature!

Dorothy Menasco 080677

From: Filings@psc.state.fl.us
Sent: Thursday, May 14, 2009 5:26 PM
To: 'cecilia.bradley@myfloridalegal.com'
Cc: Lisa Bennett; Martha Brown; Jean Hartman; Anna Williams; Ruth Nettles; Marguerite McLean
Subject: FW: Attorney General's Notice of Service of his first set of Interrogatories in Docket No. 00080677-EI

Attachments: NOS.doc

NOS.doc (34 KB)

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__Administrative ✓ Parties __Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION: _____

Ms. Bradley:

The attached e-filing appears to be a duplicate of an e-filing received from you at 4:54 p.m. today. As such, the filing received at 4:58 p.m. will not be accepted as an official filing.

A link to the PSC e-filing requirements is being provided for your convenience:

http://www.psc.state.fl.us/dockets/e-filings/

Please call our office if you have any questions.

Dorothy Menasco
Chief Deputy Commission Clerk
Florida Public Service Commission
Office of Commission Clerk
850-413-6770

-----Original Message-----
From: Cecilia Bradley [mailto:Cecilia.Bradley@myfloridalegal.com]
Sent: Thursday, May 14, 2009 4:58 PM
To: Filings@psc.state.fl.us
Cc: Lisa Bennett; Martha Brown; Jean Hartman; Jean Hartman; Anna Williams; J R Kelly; McGLOTHLIN.JOSEPH; John_Butler@fpl.com; jlavia@yvlaw.net; Wade_Litchfield@fpl.com; swright@yvlaw.net; barmstrong@ngnlaw.com; bryan_anderson@fpl.com; mbraswell@sugarmansusskind.com; jack_leon@fpl.com; jspina@andrewskurth.com; kwiseman@andrewskurth.com; lisapurdy@andrewskurth.com; msundback@andrewskurth.com; mstern@ngnlaw.com; Natalie_Smith@fpl.com; simpson66@bellsouth.net; ken_hoffman@fpl.com
Subject: Attorney General's Notice of Service of his first set of Interrogatories in Docket No. 00080677-EI

(See attached file: NOS.doc) Attached is the Attorney General's Notice of Service of His First Set of Interrogatories for filing in Docket NO 080677-EI. Thank you for your cooperation in this matter.

Cecilia Bradley
Senior Assistant Attorney General
General Civil/Tort Litigation

Office of the Attorney General
Tel.: (850) 414-3300
Fax: (850) 488-4872

E-mail:cecilia.bradley@myfloridalegal.com

Please note that Florida has a broad public records law, and that all correspondence to me via email may be subject to disclosure.

Ruth Nettles 080677

From: on behalf of Filings@psc.state.fl.us
To: support@saporitoenergyconsultants.com
Cc: Dorothy Menasco; Ruth Nettles
Subject: FW: Docket: 080677-EI FPL Rate Case

Dear Mr. Saporito,

I am in receipt of your request in regards to the correction of the email address for Thomas Saporito. For future reference, please forward these types of request to clerk@psc.state.fl.us.

The correction in the email address has been made in Docket 080677.

Please feel free to call me if you have any questions.

Ruth Nettles
Office of Commission Clerk
850-413-6770

From: Thomas Saporito [mailto:support@saporitoenergyconsultants.com]
Sent: Tuesday, May 05, 2009 7:21 PM
To: Filings@psc.state.fl.us
Subject: Docket: 080677-EI FPL Rate Case

FPSC, CLK - CORRESPONDENCE
_Administrative X Parties _Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION: _____

TO:
Dorothy Menasco
FPSC
Office of Commission Clerk
850-413-6770

Please correct the email address for Thomas Saporito, a party in the above-reference proceeding to the email address shown below:

Support@SaporitoEnergyConsultants.com

Best regards<

Thomas Saporito, President
Saporito Energy Consultants
Post Office Box 8413
Jupiter, Florida 33468-8413
Voice: (561) 283-0613
Fax: (561) 952-4810
Email: Support@SaporitoEnergyConsultants.com
Web: http://SaporitoEnergyConsultants.com

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080677

Ruth Nettles

From: Filings@psc.state.fl.us
Sent: Tuesday, May 05, 2009 4:44 PM
To: 'AnnishaHayes@andrewskurth.com'
Cc: Dorothy Menasco; Ruth Nettles
Subject: FW: 080677-EI Notice of Service of SFHHA Seventh Set of Document Request (No. 89) to FPL
Attachments: SFHHA Seventh DR to FPL.pdf

Dear Ms. Hayes,

I am in receipt of your electronic filing received at 4:21 p.m. Per our telephone conversation, and per your request on the electronic filing received at 4:26 p.m., we will not be processing the filing below. Thank you for your clarifications.

Please feel free to call me if you have any questions.

Ruth Nettles
Office of Commission Clerk
850-413-6770

From: Hayes, Annisha [mailto:AnnishaHayes@andrewskurth.com]
Sent: Tuesday, May 05, 2009 4:21 PM
To: Filings@psc.state.fl.us
Subject: 080677-EI Notice of Service of SFHHA Seventh Set of Document Request (No. 89) to FPL

Electronic Filing

a. Person responsible for this electronic filing:
Kenneth L. Wiseman
Andrews Kurth LLP
1350 I Street, NW
Suite 1100
Washington, DC 20005
202-662-2715 (phone)
202-662-2739 (fax)

FPSC, CLK - CORRESPONDENCE
Administrative X Parties Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION:

b. Docket No. 080677-EI.

c. Document being filed on behalf of South Florida Hospital and Healthcare Association (SFHHA).

d. There is a total of 2 pages.

e. The document attached for electronic filing is SFHHA Notice of Service of Seventh Set of Document Request to FPL.

(See attached SFHHA Seventh DR to FPL.pdf)

Thank you for your attention and cooperation to this request.

Regards.
Annisha Hayes
AndrewsKurth, LLP

5/5/2009

1350 I Street, NW
Suite 1100
Washington, DC 20005
202-662-2783
202-662-2739 (fax)
ahayes@andrewskurth.com
www.andrewskurth.com

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Treasury Circular 230 Disclosure - To comply with requirements imposed by the Internal Revenue Service, we inform you that any tax advice contained in this written communication (including any attachment) is not intended or written to be used, and cannot be used, by any person for the purpose of avoiding tax penalties that may be imposed on the person. If this written communication contains any tax advice that is used or referred to in connection with the promoting, marketing or recommending of any transaction(s) or matter(s), this written communication should be construed as written to support the promoting, marketing or recommending of the transaction(s) or matter(s) addressed by this written communication, and the taxpayer should seek advice based on the taxpayer's particular circumstances from an independent tax advisor. No limitation has been imposed by Andrews Kurth LLP on disclosure of the tax treatment or tax structure of the transaction(s) or matter(s).

Ruth Nettles 080677

From: Filings@psc.state.fl.us
Sent: Monday, May 04, 2009 1:27 PM
To: 'agreene@ngn-tally.com'
Cc: Dorothy Menasco; Ruth Nettles
Subject: FW: Docket No. 080677-EI
Attachments: NOS First Interrogatories to FPL (1-17).pdf; First Interrogatories to FPL (1-17).pdf; NOS First Req. for Prod. to FPL (1-9).pdf; First RFP to FPL (1-9).pdf

Dear Ms. Green,

We are in receipt of the attached documents. Please note that discovery should not be filed with the Office of the Commission Clerk. Those types of documents should be mailed or hand-delivered directly to the attorney in the docket. The only thing that should be filed with our office is the notice of service or a letter advising of service of the discovery. Your filing will need to be revised and resubmitted.

Thank you for your help in this matter.

Please feel free to call me if you have any questions.

Ruth Nettles
Office of Commission Clerk
850-413-6770

FPSC, CLK - CORRESPONDENCE
_Administrative X Parties _Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION: _____

From: Greene, Angela [mailto:agreene@ngn-tally.com]
Sent: Monday, May 04, 2009 11:36 AM
To: Filings@psc.state.fl.us
Subject: Docket No. 080677-EI

Angela Greene
Legal Assistant
Nabors, Giblin & Nickerson, P.A.
1500 Mahan Drive, Suite 200
Tallahassee, FL 32308
Phone: (850) 224-4070
Fax: (850) 224-4073
agreene@ngnlaw.com

Docket No.: 080677-EI

In Re: Petition for Increase in Rates by Florida Power & Light Company

Party: City of South Daytona

No. of Pages: 24

Name of Documents:

1. Notice of Service of the City of South Daytona's First Set of Interrogatories (Nos. 1-17) to Florida Power & Light Company

5/4/2009

2. The City of South Dayton's First Set of Interrogatories (Nos. 1-17) to Florida Power & Light Company
3. Notice of Service of the City of South Daytona's First Request for Production of Documents (Nos. 1-9) to Florida Power & Light Company
4. The City of South Daytona's First Request for Production of Documents (Nos. 1-9) to Florida Power & Light Company

Dorothy Menasco 080677

From: Filings@psc.state.fl.us
Sent: Monday, March 23, 2009 5:25 PM
To: 'saporitoenergyconsultants@gmail.com'; 'support@saporitoenergyconsultants.com'
Cc: Ruth Nettles
Subject: FW: <<< Notice of Change in Email Address >>>

FPSC, CLK - CORRESPONDENCE
__Administrative ✓ Parties __Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION: _____

Mr. Saporito:

Your contact information has been updated per this request. For future reference, please direct comments to clerk@psc.state.fl.us. If you file attached documents to be placed in a specific docket file, you may file them at filings@psc.state.fl.us.

Please feel free to contact our office if you have any questions. Thank you for your help.

Dorothy Menasco
FPSC
Office of Commission Clerk
850-413-6770

From: Thomas Saporito [mailto:support@saporitoenergyconsultants.com]
Sent: Sunday, March 22, 2009 4:32 PM
To: Filings@psc.state.fl.us
Cc: 'Robert A. Sugarman'; Anna Williams; 'Credit Suisse'; 'J.R. Kelly'; 'Jennifer L. Spina'; 'John T. Butler'; 'Kenneth L. Wiseman'; 'Lisa M. Purdy'; 'Mark F. Sundback'; 'R.Wade Litchfield'
Subject: <<< Notice of Change in Email Address >>>

To the Clerk of the Commission:

Please change the email address shown for our company on the PSC website to:

support@saporitoenergyconsultants.com

This would be for the FPL rate case Docket No. 080677-EI. ✓

Done 3/23/09 -DM

Thank you!

Thomas Saporito, President
Saporito Energy Consultants
Post Office Box 8413
Jupiter, Florida 33468-8413
Voice: (561) 283-0613
Fax: (561) 952-4810
Email: SaporitoEnergyConsultants@gmail.com
Web: http://SaporitoEnergyConsultants.com

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Dorothy Menasco

FPSC, CLK - CORRESPONDENCE
__Administrative V Parties__Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION: _____

From: Filings@psc.state.fl.us
Sent: Monday, March 23, 2009 5:09 PM
To: 'saporitoenergyconsultants@gmail.com'
Cc: Ruth Nettles; John Slemkewicz; Denise Vandiver; Rhonda Hicks; Tom Ballinger; Lisa Bennett
Subject: FW: FPL Rate Case, Docket: 080677-EI
Attachments: 2009-03-22 ERA Complaint.pdf; 2009-03-16 FPL PSC Pleading.pdf

Mr. Saporito:

We are in receipt of the attached documents. However, they do not appear to be filings with the Florida Public Service Commission (FPSC), but rather to OSHA, with an attached copy of a filing by FPL to the Commission. If this filing is intended to be included in the the docket file for 080677, please include a cover letter and combine the cover letter, the OSHA complaint, and the FPL filing in one PDF file, or include a cover letter in each individual filing. This filing will need to be revised and resubmitted to the FPSC to be included in the docket file.

Please see the Commission's electronic filing requirements at: http://www.psc.state.fl.us/dockets/e-filings/

Dorothy Menasco
FPSC
Office of Commission Clerk
850-413-6770

From: Thomas Saporito [mailto:support@saporitoenergyconsultants.com]
Sent: Monday, March 23, 2009 4:51 PM
To: Filings@psc.state.fl.us
Cc: 'Robert A. Sugarman'; Anna Williams; 'Credit Suisse'; 'J.R. Kelly'; 'Jennifer L. Spina'; 'John T. Butler'; 'Kenneth L. Wiseman'; 'Lisa M. Purdy'; 'Mark F. Sundback'; 'R.Wade Litchfield'
Subject: FPL Rate Case, Docket: 080677-EI

Re-submitta for inclusion in the FPL rate case - Docket 080677-EI

Electronic Filing:

a. Person responsible for this electronic filing:

Thomas Saporito, President
Saporito Energy Consultants, Inc.
Post Office Box 8413
Jupiter, Florida 33468-8413
Tel: 561-283-0613
Support@Saporitoenergyconsultants.com
http://saporitoenergyconsultants.com

b. Docket No. 080677-EI

In re: Petition for rate increase by Florida Power and Light Company.

c. Document being filed on behalf of Saporito Energy Consultants, Inc.

d. There are a total of 19-pages.

e. The documents attached for electronic filing are:

- Complainant's Complaint of Retaliation Against the Florida Power and Light Company dated 22-MAR-2009 (8-pages)
- Florida Power & Light Company's Response in Opposition to Petition to Intervene of Thomas Saporito and Saporito Energy Consultants (11-pages)

Thank you for your timely attention to this matter.

Thomas Saporito, President
Saporito Energy Consultants
Post Office Box 8413
Jupiter, Florida 33468-8413
Voice: (561) 283-0613
Fax: (561) 952-4810
Email: Support@SaporitoEnergyConsultants.com
Web: http://SaporitoEnergyConsultants.com

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Dorothy Menasco 080677

From: Saporito Energy Consultants [saporitoenergyconsultants@gmail.com]
Sent: Monday, March 23, 2009 4:40 PM
To: Filings@psc.state.fl.us
Subject: RE: FPL Rate Case 080677-EI

FPSC, CLK - CORRESPONDENCE
Administrative ✓ Parties Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION: _____

Yes, the attachment would be our reply to the FPL Opposition to our petition for intervention in the FPL rate case, Docket: 080677-EI.

Thank you!

Thomas Saporito, President
Saporito Energy Consultants
Post Office Box 8413
Jupiter, Florida 33468-8413
Voice: (561) 283-0613
Fax: (561) 952-4810
Email: support@saporitoenergyconsultants.com
Web: http://SaporitoEnergyConsultants.com

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-----Original Message-----
From: Filings@psc.state.fl.us [mailto:Filings@PSC.STATE.FL.US]
Sent: March 23, 2009 3:41 PM
To: saporitoenergyconsultants@gmail.com
Cc: Ruth Nettles
Subject: FW: FPL Rate Case 080677-EI

Mr. Saporito:

We received the e-filing cover page below on Saturday, 3/21/09, at 3:56 p.m., however there was no attachment included.

We also received the same e-filing cover page with an attachment on Saturday, 3/21/09, at 3:57 p.m.

Please advise if the filing received at 3:57 p.m. was sent again to include the attachment that was not attached to the filing received at 3:56 p.m.; or if the filing received at 3:56 p.m. should have included a separate filing. Thank you for your assistance.

Dorothy Menasco
FPSC
Office of Commission Clerk
850-413-6770

From: Saporito Energy Consultants [mailto:saporitoenergyconsultants@gmail.com]

Sent: Saturday, March 21, 2009 3:54 PM
To: Filings@psc.state.fl.us
Cc: 'Robert A. Sugarman'; 'Credit Suisse'; 'D.Marcus Braswell, Jr.'; 'J.R. Kelly'; 'Jennifer Brubaker'; 'Jennifer L. Spina'; 'John T. Butler'; 'Kenneth L. Wiseman'; 'Lisa M. Purdy'; 'Mark F. Sundback'; 'R.Wade Litchfield'
Subject: FPL Rate Case 080677-EI

Electronic Filing:

a. Person responsible for this electronic filing:

Thomas Saporito, President
Saporito Energy Consultants, Inc.
Post Office Box 8413
Jupiter, Florida 33468-8413
Tel: 561-283-0613
saporitoenergyconsultants@gmail.com
http://saporitoenergyconsultants.com

b. Docket No. 080677-EI

In re: Petition for rate increase by Florida Power and Light Company.

c. Document being filed on behalf of Saporito Energy Consultants, Inc.

d. There are a total of 10-pages.

e. The document attached for electronic filing is Saporito Energy Consultants' reply to Florida Power & Light Company's response in Opposition to Petition to Intervene of Thomas Saporito and Saporito Energy Consultants.

Thank you for your timely attention to this matter.

Thomas Saporito, President
Saporito Energy Consultants
Post Office Box 8413
Jupiter, Florida 33468-8413
Voice: (561) 283-0613
Fax: (561) 952-4810
Email: SaporitoEnergyConsultants@gmail.com
Web: http://SaporitoEnergyConsultants.com

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Dorothy Menasco

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DOCUMENT NO. 10741-08
DISTRIBUTION: _____

From: Filings@psc.state.fl.us
Sent: Monday, March 23, 2009 3:56 PM
To: 'saporitoenergyconsultants@gmail.com'
Cc: Ruth Nettles; John Slemkewicz; Denise Vandiver; Rhonda Hicks; Tom Ballinger; Lisa Bennett
Subject: FW: <<< COMPLAINT OF RETALIATION AGAINST FPL >>>
Attachments: 2009-03-22 ERA Complaint.pdf; 2009-03-16 FPL PSC Pleading.pdf

Mr. Saporito:

We are in receipt of the attached documents. However, they do not appear to be documents being filed with the Florida Public Service Commission (FPSC), but rather to OSHA, with an attached copy of a filing by FPL to the Commission. This filing will need to be revised and resubmitted to the FPSC to be included in a docket file.

Please see the Commission's electronic filing requirements at: http://www.psc.state.fl.us/dockets/e-filings/

Dorothy Menasco
FPSC
Office of Commission Clerk
850-413-6770

From: Saporito Energy Consultants [mailto:saporitoenergyconsultants@gmail.com]
Sent: Sunday, March 22, 2009 1:01 PM
To: Perez-Vargas, Evelyn - OSHA; Kugler, Clarence - OSHA
Cc: Filings@psc.state.fl.us; Tracy Orf; Jason Paige; Melanie Checkle; Oscar.DeMiranda@nrc.gov; R2ORA_EICSMailCenter.Resource@nrc.gov
Subject: <<< COMPLAINT OF RETALIATION AGAINST FPL >>>

Ms. Vargas

Attached hereto, please find two PDF document related to a Complaint of Retaliation filed by Saporito Energy Consultants, Inc. and Thomas Saporito against the Florida Power and Light Company.

The Occupational Safety and Health Administration is hereby requested to immediately conduct an investigation into this complaint as required under 10 C.F.R. Part 24 and under the Energy Reorganization Act of 1974, as amended, 42 U.S.C.A. 5851.

Best regards,

Thomas Saporito, President
Saporito Energy Consultants
Post Office Box 8413
Jupiter, Florida 33468-8413
Voice: (561) 283-0613
Fax: (561) 952-4810
Email: SaporitoEnergyConsultants@gmail.com
Web: http://SaporitoEnergyConsultants.com

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080677

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Administrative ✓ Parties ___ Consumer
DOCUMENT NO. 10741-08
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Ruth Nettles

From: Thomas Saporito [support@saporitoenergyconsultants.com]
Sent: Sunday, March 22, 2009 4:32 PM
To: Filings@psc.state.fl.us
Cc: 'Robert A. Sugarman'; Anna Williams; 'Credit Suisse'; 'J.R. Kelly'; 'Jennifer L. Spina'; 'John T. Butler'; 'Kenneth L. Wiseman'; 'Lisa M. Purdy'; 'Mark F. Sundback'; 'R.Wade Litchfield'
Subject: <<< Notice of Change in Email Address >>>

To the Clerk of the Commission:

Please change the email address shown for our company on the PSC website to:

support@saporitoenergyconsultants.com

This would be for the FPL rate case Docket No. 080677-EI. ✓

Thank you!

Thomas Saporito, President
Saporito Energy Consultants
Post Office Box 8413
Jupiter, Florida 33468-8413
Voice: (561) 283-0613
Fax: (561) 952-4810
Email: SaporitoEnergyConsultants@gmail.com
Web: http://SaporitoEnergyConsultants.com

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Done
3/23/09
-BM

Dorothy Menasco

From: Filings@psc.state.fl.us
Sent: Monday, March 09, 2009 6:13 PM
To: 'saporitoenergyconsultants@gmail.com'
Cc: Ruth Nettles; Jennifer Brubaker
Subject: FW: Docket No. 080677-EI FPL rate Case

FPSC, CLK - CORRESPONDENCE
__Administrative ✓Parties__Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION: _____

Mr. Saporito:

We received the e-filing cover page below, however there was no attachment included. The e-filing cover sheet indicates that it was a petition for leave to intervene in Docket 080677. If filing would have been a duplicate of the filing received at 11:13 a.m. on 3/7/09 (DN 01883-09), this would be considered a duplicate and would not need to be resubmitted. If it was to be considered a seperate filing or a filing in another document, please resubmit the information, with attachment(s), to be considered an official filing. Thank you for your assistance.

Dorothy Menasco
FPSC
Office of Commission Clerk
850-413-6770

From: Saporito Energy Consultants [mailto:saporitoenergyconsultants@gmail.com]
Sent: Saturday, March 07, 2009 11:15 AM
To: Filings@psc.state.fl.us
Cc: Jennifer Brubaker; wade_litchfield@fpl.com; john_butler@fpl.com; rehwinkle.charles@leg.state.fl.us; yang.y.song@credit-suisse.com; sugarman@sugarmansusskind.com
Subject: Docket No. 080677-EI FPL rate Case

a. Person responsible for this filing:

Thomas Saporito, President
Saporito Energy Consultants
Post Office Box 8413
Jupiter, Florida 33468-8413
Phone: 561-283-0613
Email: SaporitoEnergyConsultants@gmail.com

b. Docket No. 080677-EI, In re: FPL rate case

c. Document filed on behalf of Saporito Energy Consultants

d. There are a total of xxx pages

e. The document attached for electronic filing is (4) four pages:

Saporito Energy Consultants Petition for Leave to Intervene in Docket No. 080677-EI, FPL Rate Case

Thomas Saporito, President
Saporito Energy Consultants
Post Office Box 8413
Jupiter, Florida 33468-8413
Voice: (561) 283-0613
Fax: (561) 952-4810
Email: SaporitoEnergyConsultants@gmail.com

3/9/2009

Web: http://SaporitoEnergyConsultants.com

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Dorothy Menasco

From: Filings@psc.state.fl.us
Sent: Monday, March 09, 2009 6:09 PM
To: 'saporito3@gmail.com'
Cc: Ruth Nettles; Jennifer Brubaker
Subject: FW: Docket No.080677-EI FPL Rate Case
Attachments: 2009-03-07 Petition for Leave to Intervene.pdf

FPSC, CLK - CORRESPONDENCE
__Administrative_✓_Parties__Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION: _____

Mr. Saporito:

The attached e-filing appears to be a duplicate of an e-filing received from you at 11:13 a.m. on 3/7/09 (DN 01883-09). As such, the attached filing, received at 11:19 a.m. on 3/7/09 will not be accepted as an official filing. A link to the PSC e-filing requirements is being provided for your convenience:

http://www.psc.state.fl.us/dockets/e-filings/

Please call our office if you have any questions.

Dorothy Menasco
FPSC
Office of Commission Clerk
850-413-6770

From: Thomas Saporito [mailto:saporito3@gmail.com]
Sent: Saturday, March 07, 2009 11:18 AM
To: Filings@psc.state.fl.us
Cc: Jennifer Brubaker; wade_litchfield@fpl.com; john_butler@fpl.com; rehwinkle.charles@leg.state.fl.us; yang.y.song@credit-suisse.com; sugarman@sugarmansusskind.com
Subject: Docket No.080677-EI FPL Rate Case

Resend with attachment.

a. Person responsible for this filing:

Thomas Saporito, President
Saporito Energy Consultants
Post Office Box 8413
Jupiter, Florida 33468-8413
Phone: 561-283-0613
Email: SaporitoEnergyConsultants@gmail.com

b. Docket No. 080677-EI, In re: FPL rate case

c. Document filed on behalf of Saporito Energy Consultants

d. There are a total of xxx pages

e. The document attached for electronic filing is (4) four pages:

Saporito Energy Consultants Petition for Leave to Intervene in Docket No. 080677-EI, FPL Rate Case

Thomas Saporito, President

3/9/2009

Saporito Energy Consultants
Post Office Box 8413
Jupiter, Florida 33468-8413
Voice: (561) 283-0613
Fax: (561) 952-4810
Email: SaporitoEnergyConsultants@gmail.com
Web: http://SaporitoEnergyConsultants.com

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Kimberley Pena 080677

From: Kimberley Pena
Sent: Thursday, February 26, 2009 10:10 AM
To: Mary Anne Helton
Cc: Ann Cole
Subject: RE: Docket No. 090009-EI

FPSC, CLK - CORRESPONDENCE
_Administrative X Parties_Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION: _____

Done.

From: Mary Anne Helton
Sent: Thursday, February 26, 2009 10:07 AM
To: Kimberley Pena
Subject: RE: Docket No. 090009-EI

Yes.

From: Kimberley Pena
Sent: Thursday, February 26, 2009 9:44 AM
To: Mary Anne Helton; Ann Cole
Subject: RE: Docket No. 090009-EI

Please confirm that the dockets you have concerns with are 090009, 080677, and 090079.

From: Mary Anne Helton
Sent: Thursday, February 26, 2009 8:59 AM
To: Kimberley Pena; Ann Cole
Subject: RE: Docket No. 090009-EI

The FPL and PEF rate cases as mentioned below.

From: Kimberley Pena
Sent: Thursday, February 26, 2009 8:58 AM
To: Mary Anne Helton; Ann Cole
Subject: RE: Docket No. 090009-EI

No ma'am. I was given instructions to check 090009. Please let me know which are the other two dockets you need checked.

From: Mary Anne Helton
Sent: Thursday, February 26, 2009 8:52 AM
To: Ann Cole; Kimberley Pena
Subject: RE: Docket No. 090009-EI

For all three dockets?

From: Ann Cole
Sent: Thursday, February 26, 2009 8:51 AM
To: Kimberley Pena

Cc: Mary Anne Helton
Subject: RE: Docket No. 090009-EI

Thanks, Kim.

Mary Anne, fyi.

From: Kimberley Pena
Sent: Thursday, February 26, 2009 8:40 AM
To: Ann Cole
Subject: RE: Docket No. 090009-EI

Parties' list has been checked and updated. It is ready to go.

From: Ann Cole
Sent: Thursday, February 26, 2009 7:09 AM
To: Kimberley Pena
Subject: FW: Docket No. 090009-EI

Please see me on this. Thanks.

From: Mary Anne Helton
Sent: Wednesday, February 25, 2009 6:48 PM
To: Ann Cole
Subject: Re: Docket No. 090009-EI

Thanks Ann.

I really need an accurate party list for the nuclear docket, FPL rate case, and PEF rate case to send out a meeting notice that needs to go out first thing tomorrow morning. I'm scheduling the meeting pursuant to the Chairman's request. Any help you can give would be appreciated.

Thanks, MA

From: Ann Cole
To: Mary Anne Helton
Cc: Keino Young; Lisa Bennett; Jennifer Brubaker; Kimberley Pena
Sent: Wed Feb 25 17:01:32 2009
Subject: RE: Docket No. 090009-EI

Thanks for letting me know. We'll check on this and get back with you tomorrow.

From: Mary Anne Helton
Sent: Wednesday, February 25, 2009 4:11 PM
To: Ann Cole
Cc: Keino Young; Lisa Bennett; Jennifer Brubaker
Subject: Docket No. 090009-EI

I am trying to determine who the parties are for Docket No. 090009-EI. I thought you should know that the CMS list of parties is not at all representative of who the parties are for this docket.

Mary Anne

2/26/2009

Ruth Nettles 080677

FPSC, CLK - CORRESPONDENCE
☐ Administrative ☑ Parties ☐ Consumer
DOCUMENT NO. 10741-08
DISTRIBUTION: _____

From: Filings@psc.state.fl.us
Sent: Monday, December 22, 2008 9:13 AM
To: 'KATHY.WELLS@fpl.com'; Kimberley Pena
Subject: FW: Electronic Filing: Docket 080677-EI / FPL's Letter responding to OPC re: 2010 test year
Attachments: Letter responding to OPC re 2010 test year v4.doc; Letter responding to OPC re 2010 test year v4.pdf; Supplemental 2009 MFRs.pdf

Dear Ms. Wells,

We are in receipt of your filing. However, this filing is not eligible for electronic filing. Please see e-filing requirements on PSC webpage at: http://www.psc.state.fl.us/dockets/e-filings/

E-Mail Transmitting an Electronically Filed Document

- The e-mail message transmitting the document(s) to be filed is not itself considered a filing. Therefore, documents contained within the text of an e-mail transmission will not be considered filed.
- Multiple documents may be attached to the same e-mail transmittal. **However, any cover letter or certificate of service must be included in the electronic document to which it relates, and shall not be submitted as a separate attachment to the e-mail.**

Your filing will need to be revised and resubmitted in order to be officially accepted for filing.
Please feel free to call our office if you have any questions.

Ruth Nettles
FPSC
Office of Commission Clerk
850-413-6770

From: WELLS, KATHY [mailto:KATHY.WELLS@fpl.com] **On Behalf Of** Butler, John
Sent: Friday, December 19, 2008 4:34 PM
To: Filings@psc.state.fl.us
Cc: Office of the Chairman; Office of Commissioner Argenziano; Office Of Commissioner Edgar; Office of Commissioner McMurrian; Office of Commissioner Skop; Mary Bane; Mary Anne Helton; Tim Devlin; Marshall Willis; 'Kelly.jr@leg.state.fl.us'; 'mcglothlin.joseph@leg.state.fl.us'; Charles Beck
Subject: Electronic Filing: Docket 080677-EI / FPL's Letter responding to OPC re: 2010 test year

Electronic Filing

a. Person responsible for this electronic filing:

John T. Butler, Esq.
700 Universe Boulevard
Juno Beach, FL 33408
561-304-5639
John.Butler@fpl.com

b. Docket No. 080677-EI
In Re: Application for increase in rates by Florida Power & Light Company

c. The Document is being filed on behalf of Florida Power & Light Company.

d. There are a total of 6 pages

e. The document attached for electronic filing is Florida Power & Light Company's Letter Responding to OPS re: 2010 Test Year

John T. Butler
Managing Attorney
Florida Power & Light Company
(561) 304-5639
(561) 691-7135 Fax
John.Butler@fpl.com

****CLK OFFICIAL DOCUMENT...****

PARTIES

Kimberley Pena 080677

From: Kimberley Pena
Sent: Tuesday, November 18, 2008 1:31 PM
To: 'Song, Yang.Y'; Records Clerk
Subject: RE: Become an Interested Party

Per this email, you have been added as an interested person in Dockets 080677 and 080317.

Thank you for contacting the Florida Public Service Commission.

Kimberley M. Peña
Chief Deputy Commission Clerk
Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850
(850) 413-6770

Done 11/18/08 kmp

-----Original Message-----
From: Song, Yang.Y [mailto:yang.y.song@credit-suisse.com]
Sent: Monday, November 17, 2008 4:53 PM
To: Records Clerk
Subject: Become an Interested Party

Hi

Can I become an interested party for case "080677" and D-080317-EI.
Below is my contact info:

Yang Song
Equity Research
Credit Suisse
Phone: 212.538.4318
Fax: 212.322.9294
yang.y.song@credit-suisse.com

Thank you

Yang

Please access the attached hyperlink for an important electronic communications disclaimer:

http://www.credit-suisse.com/legal/en/disclaimer_email_ib.html

Tracking: **Recipient** **Delivery**

1

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Recipient	Delivery
'Song, Yang.Y'	
Records Clerk	Delivered: 11/18/2008 1:31 PM