

Matthew M. Childs, P.A.

June 25, 2001

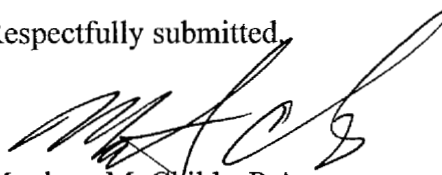
Ms. Blanca S. Bayó, Director
Division of Records and Reporting
Florida Public Service Commission
4075 Esplanade Way, Room 110
Tallahassee, FL 32399

RE: Florida Power & Light Company's Prehearing Statement
Docket No. 010283-EI

Dear Ms. Bayó:

Enclosed for filing is the original and fifteen (15) copies of Florida Power & Light Company's Prehearing Statement in the above referenced docket.

Respectfully submitted,



Matthew M. Childs, P.A.

MMC:acw
Enclosures
CC: All Parties of Record

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Calculation of Gains and)
Appropriate regulatory treatment)
For non-separated wholesale)
Energy sales by investor-owned)
Electric utilities)

DOCKET NO. 010283-EI
FILED: JUNE 25, 2000

**FLORIDA POWER & LIGHT COMPANY'S
PREHEARING STATEMENT**

Pursuant to Order No. PSC-01-0517-PCO-EI, issued March 5, 2001, establishing the prehearing procedure in this docket, Florida Power & Light Company ("FPL") hereby submits its Prehearing Statement.

A. APPEARANCES

Matthew M. Childs, P. A.
Steel Hector & Davis LLP
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Suite 601
Tallahassee, FL 32301

B. WITNESSES

<u>WITNESS</u>	<u>SUBJECT MATTER</u>
K.M. Dubin	Calculation of Gains

C. EXHIBITS

<u>EXHIBITS</u>	<u>WITNESS</u>	<u>DESCRIPTION</u>
Appendix A	K.M. Dubin	Order No. PSC-00-1744-PAA-EI

D. STATEMENT OF BASIC POSITION

FPL believes that the Commission's actions taken in Part III of Order No. PSC-00-1744-PAA-EI regarding the method for calculating gains on non-separated wholesale power sales and the regulatory treatment for revenues and expenses associated with non-separated wholesale power sales are reasonable, appropriate and consistent with historic treatment.

E. STATEMENT OF ISSUES AND POSITIONS

1. How should the Commission implement its decision in Docket No. 991779-EI concerning the application of incentives to wholesale power sales?

FPL: In Order No. PSC-00-1744-PAA-EI the Commission decided to allow the utilities to split (80% to customers and 20% to shareholders) any gains on non-separated wholesale power sales that exceed a threshold based on a three-year average of gains. Consistent with our position presented in the Fuel Docket, FPL believes that the Commission's decision should be implemented by using the methodology proposed by Staff in their memorandum dated September 20, 2000. Staff proposes that the first two and one half years used in the calculation of the average would be the actual gains for those years and the final six months would be estimated. This data is to be supplied with the utilities' fuel projection filings. Later, the threshold of gains on off system sales is to be updated with actual gains for the balance of the third year and filed as part of the fuel true up testimony. Gains on sales are to be measured against this three-year average threshold. FPL believes this approach is appropriate.

F. STATEMENT OF POLICY ISSUES AND POSITIONS

FPL: None at this time.

G. STIPULATED ISSUES

FPL: None at this time.

H. PENDING MOTIONS

FPL is aware of no outstanding motions at this time.

I. PENDING REQUESTS FOR CONFIDENTIALITY

FPL has no outstanding requests for confidentiality at this time.

J. STATEMENT OF COMPLIANCE WITH ORDER ESTABLISHING PROCEDURE

There are no requirements of the Order Establishing Procedure with which FPL can not comply.

Dated this 25th day of June, 2001.

Respectfully submitted,

BY: 

Matthew M. Childs, P.A.
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Attorneys for Florida Power & Light Company

**CERTIFICATE OF SERVICE
DOCKET NO. 010283-EI**

I HEREBY CERTIFY that a true and correct copy of Florida Power & Light Company's Prehearing Statement has been furnished by Hand Delivery (*), or U.S. Mail this 25th day of June, 2001, to the following:

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By: 
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