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December 6, 2001

Via Federal Express

Ms. Blanca S. Bayo, Director
Division of the Commission Clerk
and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

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Re: Review of Florida Power & Light Company's proposed merger with Entergy Corporation, the formation of a Florida transmission company ("Florida Transco"), and their effects on retail rates, Docket No. 001148-EI

Dear Ms. Bayo:

Enclosed for filing are the original and fifteen (15) copies of the Answer of South Florida Hospital and Healthcare Association, to Florida Power & Light's Motion to Strike Answer of South Florida Hospital and Healthcare Association To Motion for Reconsideration of Order Establishing Procedure in the above referenced docket. Also enclosed is an extra copy of the filing to be date stamped and returned to us in the enclosed self-addressed envelope.

Please do not hesitate to contact the undersigned if you have any questions regarding the above.

Very truly yours,

Mark F. Sundback

Mark F. Sundback
An Attorney For South Florida Hospital &
Healthcare Association and the Hospitals

Enclosures
cc: Parties of record

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**BEFORE THE FLORIDA
PUBLIC SERVICE COMMISSION**

In re: Review of Florida Power & Light	§	
Company's proposed merger with Entergy	§	
Corporation, the formation of a Florida	§	Docket No.: 001148-EI
Transmission company ("Florida	§	Date Filed: December 7, 2001
transco"), And their effect on FPL retail	§	
rates	§	

**ANSWER OF SOUTH FLORIDA HOSPITAL AND HEALTHCARE
ASSOCIATION TO FLORIDA POWER & LIGHT'S MOTION TO
STRIKE ANSWER OF SOUTH FLORIDA HOSPITAL AND
HEALTHCARE ASSOCIATION TO MOTION FOR
RECONSIDERATION OF ORDER ESTABLISHING PROCEDURE**

Pursuant to Rules 25-22.060, 28-106.103, and 28-106.303 of the Florida Administrative Code, the South Florida Hospital and Healthcare Association and supporting members (collectively, the "Hospitals") hereby answer and oppose the "Motion To Strike Answer of South Florida Hospital and Healthcare Association To Motion For Reconsideration of Order Establishing Procedure" filed by Florida Power & Light Company ("FPL") in the captioned proceeding ("FPL Motion"). The Hospitals show as follows:

1. FPL urges that the Commission strike the Hospitals' request for a 75 day period between the filing of utility and intervenor testimonies. Several points bear mentioning. First, FPL fails to note that the Hospitals initially had sought, in discovery requests served October 10, 2001, responses on less than a 30 day deadline. However, FPL rejected a less than 30 day turn-around period for discovery responses. Thereafter, the Hospitals supported the OPC's motion, and urged that sufficient time be incorporated into the modification of the procedural schedule so as to recognize the practical effect on filing prepared testimony given the interval FPL demanded for discovery responses.

2. An alternative, which would leave intact OPC's request for a sixty day period between FPL testimony and intervenor testimony, would be to direct FPL to produce

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discovery responses on a more expeditious basis, for instance within twenty (instead of thirty) days of receipt of the request. In this way, the OPC-requested interval would not need to be changed.

3. Evidently, FPL does not contest many of the underlying facts identified in the Hospitals' original pleading. This is consistent with FPL's apparent strategy of trying to use procedural detours to avoid lower rates.

4. For instance, FPL's Motion does not deny that FPL has demanded a thirty day period in which to respond to discovery requests served upon it. In fact, with respect to many of FPL's responses, the Hospitals did not receive responses until 36 days after the requests were transmitted via facsimile to FPL. In other words, even a nominal 30 day response interval can result in responses not materializing until the beginning of the *sixth* week after they were requested.

5. FPL's Motion also does not deny that for the original six discovery requests of the Hospitals, FPL lodged at least *22 objections* (counting generic objections only once, rather than presuming that each generic objection could apply to multiple discovery requests).

6. FPL's Motion also ignores the fact that with respect to the Hospitals' second set of discovery requests, FPL lodged at least *37 objections* to a total of 21 discovery requests (once again counting generic objections only once, rather than presuming that each generic objection could apply to multiple discovery requests).

7. While the Hospitals are working with FPL to resolve some of FPL's objections, the foregoing data speak for themselves. FPL is engaged in finding reasons to avoid or seriously limit its obligation to provide data in its first full rate case undertaken for the better part of twenty years. Simply working through this series of objections, and countering FPL's efforts to limit or delay discovery responses, takes time.

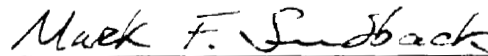
8. Procedural considerations also are affected because at present, FPL's position is unknown and may be a moving target. FPL may concede that current rates are too high, but not offer to reduce rates to the appropriate level. FPL also may attempt to maintain its current rate based upon "ratemaking strategies" that are inconsistent with general ratemaking principles. However, FPL's position will not be known by intervenors until FPL files its direct case. Discovery prior to that point could be of only limited value in attempting to test FPL's position because prior discovery may not reveal which of the many different potential sources of rate reductions might have been relied upon (or ignored) by FPL.

9. It is appropriate for the Commission to consider this information, which serves as the basis for the Hospitals' Answer, because it bears on the propriety of the procedural schedule established by the Commission, as well as on the propriety of the proposed modifications to that schedule that were proposed by the OPC.

10. Further, FPL's Motion fails to comport with the requirements of the Florida Administrative Code, and thus is procedurally infirm and warrants rejection. *See* Rule 28-106.303(2).

WHEREFORE, for the foregoing reasons, the Hospitals oppose FPL's Motion and respectfully request the grant of relief summarized herein and as requested in OPC's November 5, 2001, Motion and in the Hospitals' November 14, 2001 Answer thereto.

Respectfully submitted,



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ATTORNEYS FOR THE HOSPITALS

December 7, 2001

**CERTIFICATE OF SERVICE
DOCKET NO. 001148-EI**

I HERBY CERTIFY that a true and correct copy of the foregoing has been furnished by U.S. Mail to the following parties, this 6th day of December, 2001.


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