ORIGINAL

RUTLEDGE, ECENIA, PURNELL & HOFFMAN

PROFESSIONAL ASSOCIATION
ATTORNEYS AND COUNSELORS AT LAW

STEPHEN A. ECENIA
RICHARD M. ELLIS
KENNETH A. HOFFMAN
LORENA A. HOLLEY
MICHAEL G. MAIDA
MARTIN P. McDONNELL
J. STEPHEN MENTON

POST OFFICE BOX 551, 32302-0551 215 SOUTH MONROE STREET, SUITE 420 TALLAHASSEE, FLORIDA 32301-1841

> TELEPHONE (850) 681-6788 TELECOPIER (850) 681-6515

September 8, 2004

R. DAVID PRESCOTT HAROLD F. X. PURNELL MARSHA E. RULE GARY R. RUTLEDGE MAGGIE M. SCHULTZ

GOVERNMENTAL CONSULTANTS
MARGARET A. MENDUNI
M. LANE STEPHENS

VIA HAND DELIVERY

Ms. Blanca S. Bayó, Director Division of the Commission Clerk and Administrative Services Florida Public Service Commission Betty Easley Conference Center 2540 Shumard Oak Boulevard, Room 110 Tallahassee, FL 32399-0850

Re: Docket No. 030623-EI

Dear Ms. Bayó:

Enclosed for filing in the above-referenced docket on behalf of Florida Power & Light Company ("FPL") are the original and fifteen copies of FPL's Response to Customers' Cross-Motion for Partial Summary Final Order Regarding How Interest Should be Calculated on Refunds Due.

Please acknowledge receipt of these documents by stamping the extra copy of this letter "filed" and returning the copy to me. Please contact me if you have questions regarding this filing.

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CMP	5 17	·
сом 3		Sincerely,
CTR		Kut Mu
ECR		Kenneth A. Hoffman
GCL		Keimeth A. Hoffman
OPC		
MMSKAH/rl		
RCA Enclosures		
SCR	RECEIVED & FILED	
SEC	(g)	
OTH	FPSC-BUREAU OF RE	CORDS

DOCUMENT NUMBER-DATE

FPSC-COMMISSION CLER

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Complaints by Southeastern Utility Services,) Inc. on behalf of various customers, against) Florida Power & Light Company concerning)

Docket No. 030623-EI

thermal demand meter error

Filed: September 8, 2004

FLORIDA POWER & LIGHT COMPANY'S
RESPONSE TO CUSTOMERS' CROSS-MOTION
FOR PARTIAL SUMMARY FINAL ORDER
REGARDING HOW INTEREST SHOULD BE
CALCULATED ON REFUNDS DUE

Florida Power & Light Company ("FPL"), by and through its undersigned counsel, hereby files the following Response to the Cross-Motion for Partial Summary Final Order Regarding How Interest Should be Calculated on Refunds Due filed by Ocean Properties, Ltd., J. C. Penney Corp., Dillard's Department Stores, Inc. and Target Stores, Inc. (collectively referred to as "Customers"), and states as follows:

- 1. The Customers' Cross-Motion for a Partial Summary Final Order on the interest rate issue confirms that there is no dispute between the parties that this issue is appropriate for summary final order. FPL would add that Staff's Prehearing Statement supports FPL's position that interest on any refunds ordered by the Commission should be calculated and added to such refunds in accordance with Rule 25-6.109(4), Florida Administrative Code.
- 2. FPL adopts and incorporates by reference its Motion for Partial Summary Final Order filed August 23, 2004 setting forth the legal grounds, arguments and authorities supporting a final order determining that interest on any refunds ordered by the Commission should be calculated and added to such refunds in accordance with Rule 25-6.109(4), Florida Administrative Code.

DOCUMENT NUMBER-DATE

- 3. Customers' Cross-Motion offers no substantive legal argument in support of Customers' position that the <u>Kissimmee Utility</u> decision applies in this proceeding. In <u>Kissimmee Utility</u>, the Supreme Court of Florida upheld the right of a customer properly suing a municipal electric utility in circuit court to prejudgment interest under the precedent established in the <u>Argonaunt</u> decision. The <u>Kissimmee Utility</u> decision did not address whether Rule 25-6.109, a rule not at issue in that case, applied to a refund ordered by the Florida Public Service Commission (not a circuit court) for payment by an electric utility like FPL that is subject to rate regulation by the Commission.
- 4. The Commission, of course, resolved any doubt about that issue in the <u>Kelly Tractor</u> Order³ discussed in FPL's Motion for Partial Summary Final Order. <u>Kelly Tractor</u> confirmed that the Commission's interest rate rules apply when the Commission orders an investor-owned utility subject to Commission rate regulation to provide a refund to a customer of such utility. Customers offer no substantive response to the <u>Kelly Tractor</u> order- just a plea that <u>Kissimmee Utility</u> be followed.

WHEREFORE, FPL respectfully requests that the Commission deny Customers' Cross-Motion for Partial Summary Final Order Regarding How Interest Should be Calculated on Refunds Due and grant FPL's Motion for Partial Summary Final Order filed August 23, 2004.

¹Kissimmee Utility Authority v. Better Plastics, Inc., 526 So.2d 46 (Fla. 1988).

²Argonaunt Insurance Co. v. May Plumbing Co., 474 So.2d 212 (Fla. 1985).

³Order No. 20474 issued December 20, 1988.

Respectfully submitted,

Kenneth A. Hoffman, Esq.

J. Stephen Menton, Esq.

Rutledge, Ecenia, Purnell & Hoffman, P.A.

P. O. Box 551

Tallahassee, Florida 32302 Telephone: 850-681-6788

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Natalie Smith, Esq. Law Department Florida Power & Light Company 700 Universe Boulevard Juno Beach, Florida 33408-0420 Telephone: 561-691-7101

Attorneys for Florida Power & Light Company

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of Florida Power & Light Company's Response to Customers' Cross-Motion For Partial Summary Final Order Regarding How Interest Should Be Calculated on Refunds Due has been furnished by United States Mail this 8th day of September, 2004, to the following:

Cochran Keating, Esq.
Division of Legal Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Room 370
Tallahassee, Florida 32399-0850

Jon C. Moyle, Jr., Esq.
William Hollimon, Esq.
Moyle, Flanigan, Katz, Raymond & Sheehan, P.A.
The Perkins House
118 North Gadsden Street
Tallahassee, FL 32301

By: Kenneth A. Hoffman, Esq.

FPL\cross-motionresponse