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October 18, 2010

VIA HAND DELIVERY

Ms. Ann Cole
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard, Room 110
Tallahassee, FL 32399-0850

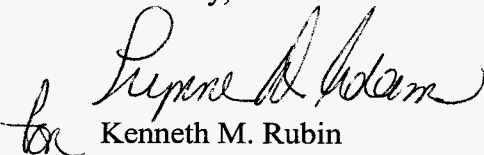
RE: Docket No. 100405-EI

Dear Ms. Cole:

Enclosed for filing on behalf of Florida Power & Light Company are the original and five (5) copies of FPL's responses to Staff's Corrected Data Request (No. 1) dated October 11, 2010, and responses to Staff's First Data Request (Nos. 2-7) dated October 8, 2010.

Please contact me if you or your Staff should have any questions regarding this filing.

Sincerely,


for Kenneth M. Rubin

COM _____ Enclosure
APA _____
ECR 4 Cc: Katherine Fleming
GCL 1
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SSC _____
ADM _____
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an FPL Group company

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DATE: OCT 18 2010

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FPL's Response to Staff's First Data Request Dated October 8, 2010

Docket No. 100405-EI - Application for Authority to Issue and Sell Securities During Calendar Year 2011 Pursuant to Section 366.04, F.S., and Chapter 25-8, F.A.C., by Florida Power & Light Company

QUESTION 1:

Regarding the following quote which begins at the bottom of page 3: “[m]oreover, FPL may enter into installment purchase and security agreements, loan agreements, or other arrangements with political subdivisions of the States of Florida, Georgia, New Hampshire, or other states, if any, where FPL becomes qualified to do business, or pledge debt securities or issue guarantees in connection with such political subdivisions’ issuance...” Please respond to the following:

Question 1.A:

Please explain whether it is acceptable to FPL to strike the words, “Georgia, New Hampshire, or other states, if any, where FPL becomes qualified to do business.” If not, please explain

FPL's Response:

The specific Application text noted in the Florida Public Service Commission (“FPSC”) Staff Question 1, which seeks authority for FPL to engage in financings in states other than Florida where FPL becomes qualified to do business, reflects the fact that FPL does from time to time maintain some ownership and operational activity in electric utility facilities located outside Florida. For instance, FPL currently holds an approximately 76% undivided ownership interest in a coal-fired electric generating unit at the “Scherer Plant” located in Monroe County, Georgia (*see* p. 25 of the Annual Report on Form 10-K for the fiscal year ended December 31, 2009, included in Exhibit A(6) to the Application). FPL delivers its share of the production capacity from this plant into FPL’s service territory in Florida for the benefit of FPL’s customers.

The relevant text in FPL’s Application reflects the fact that FPL must arrange financing from time to time in order to maintain and support its investments in such out-of-state facilities, and recognizes that FPL’s ability to use various financing mechanisms (such as tax-exempt bonds) which might be available from sources outside Florida maximizes FPL’s ability to meet its financing needs in a flexible and effective manner for FPL and its customers. Accordingly, it is important for FPL and advantageous to its customers that the language which is the focus of FPSC Staff Question 1 be retained.

However, as referenced in footnote one on page 2 of the Application, FPL executed an Asset Transfer and Assignment of Rights Agreement transferring the assets of FPL-NED and its interest in the assets of FPL-NED to New Hampshire Transmission, LLC. The

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transfer was approved by the New Hampshire Public Utilities Commission on May 26, 2010 effective June 1, 2010. Therefore, FPL no longer holds an ownership or operating interest in any assets located in New Hampshire and thus it is acceptable to FPL that the reference to New Hampshire be deleted from the text covered by FPSC Staff Question 1.

Question 1.B:

Please explain or describe what relevance does broadening FPL's authorization to issue securities for purposes in Georgia, New Hampshire, or other states have to do with the regulated operations in Florida?

FPL's Response:

The Application text covered by FPSC Staff Question 1 does not seek to broaden FPL's financing authority. Rather, as noted in FPL Response 1.A above, that text concerning the possibility of financings with entities located outside Florida simply recognizes the fact that FPL does from time to time hold ownership and/or operational interests in non-Florida electric utility facilities for the benefit of its Florida customers. (However, as noted in FPL Response 1.A above, FPL is willing to delete references to New Hampshire from this portion of the Application.)

Question 1.C:

Please specify the benefits and risk to FPL's regulated operations and the ratepayers of the State of Florida from FPL's business arrangements outside of this state

FPL's Response:

Authorizing FPL to undertake financing transactions that may involve relevant non-Florida sources maximizes FPL's ability to meet its financing needs in a flexible and effective manner for FPL and its customers.

For example, as noted in FPL's Response 1.A. above, FPL holds an ownership interest in a coal-fired generating unit in Georgia, and FPL's 646mw share of the production capacity from this plant is used to serve FPL customers in Florida. Any plant-specific financing for that facility of the type covered by the Application text noted in FPSC Staff Question 1 would necessarily involve financing-related activity outside the State of Florida. Conversely, if FPL were precluded from participating in financings based outside Florida, such a restriction could limit FPL's access to favorable financing arrangements, to the detriment of FPL and its customers.

Question 1.D:

Please explain whether it is appropriate for the Florida Public Service Commission (FPSC) to grant approval of a security application for the purposes not under the jurisdiction of the Florida Commission?

FPL's Response:

The fact that FPL might utilize financing mechanisms based outside Florida (for instance, if FPL has an opportunity to execute a favorable plant-specific financing for the Scherer facility in Georgia which required participation by a local governmental bond authority) does not mean that such activity would be undertaken for "purposes not under the jurisdiction of the Florida Commission". As explained in FPL Responses 1.A, B and C above, notwithstanding where a particular finance transaction is based or whether certain transaction participants are subject to the FPSC's jurisdiction, FPL's participation in such transaction would be for purposes of supporting FPL's service to its customers in Florida. For this reason, it is entirely appropriate to authorize FPL to utilize these types of financing mechanisms which can enhance FPL's financing flexibility and efficiency.

QUESTION 2:

Regarding the statement on page 5: "[a]dditionally, debt securities may be issued by FPL or its affiliates or subsidiaries in connection with one of more facilities secured by accounts or involving the sale of accounts receivable or interests therein." Please explain whether FPL would object to amending that sentence to include, "...to be used solely for the benefit of FPL's regulated Florida utility operations."

FPL's Response:

FPL does not object to amending the sentence to include the phrase, "...to be used solely for the benefit of FPL's regulated Florida utility operations."

In fact, FPL has historically confirmed, and hereby reconfirms, that any capital raised pursuant to the Application would be used in connection with the activities of FPL and not the unregulated activities of its affiliates.

QUESTION 3:

Regarding the last paragraph on page 5, please respond to the following:

Question 3.A:

Please provide a detailed description of the nature and structure of the proposed financings.

FPL's Response:

No standard structure or template exists for the type of financing described in the last paragraph on page 5 of the Application. Rather, the structure employed for such financings depends upon market conditions and the appetite of investors at the time any particular transaction is undertaken. However, the following example illustrates one basic structure that has been utilized by companies other than FPL in connection with financings of the type described in the last paragraph on page 5 of the Application (note that FPL itself has not previously undertaken any such financings).

- FPL would create a statutory trust.
- The trust would be empowered to issue the following securities: (1) common securities (that would be acquired by FPL) and (2) preferred securities or debt securities (that would be sold to the public).
- The trust would use the proceeds received from its issuance of those securities to purchase debt securities issued by FPL.
- The trust subsequently would use payments which it would receive under the FPL debt securities to make payments on any securities that have been issued by the trust.

In order to have flexibility needed to structure these financings in a manner that best meets shifting market conditions and investor demand, FPL has requested, among other things, that (1) the issuing entity could (rather than being established as a statutory trust) be established by FPL as, and FPL's equity investment could be made in, a special purpose limited partnership, limited liability company or other entity, and (2) FPL would be able to guarantee, among other things, distributions payable to the holders of the preferred securities or debt securities issued by such entity. The specific nature of the equity investment, the preferred securities and the debt securities would depend in part on the nature of the entity created by FPL for purposes of this type of financing.

Question 3.B:

Please explain whether the proposed financings would include tax equity or equity unit transactions to finance certain projects. If so, what projects, and what Finance structure would be used to facilitate such transactions.

FPL's Response:

The proposed financing structure would not include tax equity or equity unit transactions to finance certain projects.

Question 3.C:

Please specify the benefits and risks to FPL's regulated operations and the ratepayers of the State of Florida from these activities.

FPL's Response:

Retaining FPL's authority to undertake financings of the type described in the last paragraph on page 5 of the Application (consistent with the authorization that has been granted to FPL in connection with its prior Applications) assures that FPL will maintain the flexibility to issue this type of security if and when shifting market conditions and investor demand would make such financing advantageous. FPL has no reason to expect that this type of financing would pose any risks to FPL's regulated operations and FPL's customers different from the types of risks inherent in FPL's other authorized financing activities.

Question 3.D:

Please identify what special purpose limited partnerships, limited liability companies, statutory trusts or other entities FPL is planning to establish.

FPL's Response:

Consistent with the FPSC's orders in previous years granting approval for authority to issue and sell securities and in order to be in a position to issue such securities when there is investor demand, FPL has previously created Florida Power & Light Company Trust I and Florida Power & Light Company Trust II (although as noted in the FPL Response to FPSC Staff Question 3.A above, those trust entities have not undertaken any financings to date). Those trusts have registered preferred securities, and FPL has registered related guarantees, with the Securities and Exchange Commission. If there is investor demand for a similar security issued by a special purpose limited partnership, limited liability company, other statutory trust or other entity, FPL is requesting the flexibility to establish such an entity(ies) for purposes of such financings, with corresponding changes to the type of common securities, preferred securities and debt securities that would be issued by such an entity.

QUESTION 4:

Please refer to the second full paragraph on page 7. Please respond to the following:

Question 4.A:

Please specify the benefits and risks to FPL's regulated operations and the ratepayers of the State of Florida from these activities?

FPL's Response:

The Application paragraph in question is intended to allow FPL, its subsidiaries, its affiliates and non-affiliates to undertake the described financing activities, in each case for the benefit of FPL or FPL's subsidiaries.

Any issuance of guaranties, debt/securities or letters of credit, regardless of who the issuer might be, would be undertaken for the ultimate benefit of FPL and its customers. The paragraph in question confirms that, by stating "[to] the extent that FPL issues instruments of guaranty, collateralizes debt or other obligations, issues other securities or arranges for the issuance of letters of credit or guarantees by or on behalf of FPL or by or on behalf of one or more of its subsidiaries, affiliates or non-affiliates to benefit its utility operations, FPL will clearly demonstrate such benefits."

FPL has no reason to expect that the type of financing activities described in the second full paragraph on page 7 of the Application would pose any risks to FPL's regulated operations and FPL's customers which are different from the types of risks inherent in FPL's other commercial and operational activities.

Question 4.B:

Does this paragraph refer to FPL Energy Services, Inc. as a subsidiary of NextEra Energy, Inc. and an affiliate of Florida Power & Light Company? If not, please identify what entity and services to which it pertains.

FPL's Response:

The Application paragraph in question does not pertain to FPL Energy Services, Inc., but rather pertains to the limited liability company FPL Services, LLC ("FPLS LLC"), which is an indirect, wholly-owned subsidiary of FPL. FPLS LLC operates in the State of Florida and provides energy efficiency services to FPL's customers' facilities located within FPL's service territory.

On the other hand, the corporation FPL Energy Services, Inc. ("FPLES Inc.", which is the company referred to in FPSC Staff Question 4.B) is a separate entity that is a subsidiary of NextEra Energy, Inc. but is not a subsidiary of FPL. FPLES Inc. does not provide energy efficiency services for FPL's customers' facilities located within FPL's service territory. FPL has no plans to issue guaranties, debt or other securities or obtain letters of credit for the benefit of FPLES Inc.

Question 4.C:

Please state whether FPL would agree to remove the language that references any subsidiary, affiliate, and non-affiliate that is not regulated under the jurisdiction of the FPSC? If not, please explain.

FPL's Response:

The references to “subsidiaries, affiliates, and non-affiliates” in the Application paragraph in question identify entities that could engage in the financing activities described (1) for the benefit of FPL’s utility operations, (2) in connection with FPL customers’ installations of energy efficiency measures, and/or (3) in connection with other financings by FPL or on its behalf. As noted in the FPL Response to FPSC Staff Question 4.B, FPL’s subsidiary FPLS LLC provides energy efficiency services to FPL customers’ facilities located within FPL’s service territory; therefore, the references to “subsidiaries” should remain in the Application paragraph in question.

FPL does not anticipate that any “affiliate” which is not a subsidiary of FPL will undertake the described financing activities for the benefit of FPL. FPL is, therefore, willing to remove the reference to “or affiliates” in clauses (i) and (iii) of the Application paragraph in question and remove the reference to “affiliates” from the last sentence of the Application paragraph in question.

“Non-affiliates” would include, for example, a bank issuing a letter of credit for the benefit of FPL; therefore, the references to “non-affiliates” should remain in the paragraph in question.

Question 4.D:

What assurance will the Commission have that funds generated through this provision will not be used to support any non-regulated, non-jurisdictional activities?

FPL's Response:

FPL will not use any funds that may be raised through the financing activities provided for in the paragraph in question to support non-regulated, non-jurisdictional activities.

The last sentence of the Application paragraph in question confirms that, by stating “[to] the extent that FPL issues instruments of guaranty, collateralizes debt or other obligations, issues other securities or arranges for the issuance of letters of credit or guarantees by or on behalf of FPL or by or on behalf of one or more of its subsidiaries, affiliates or non-affiliates to benefit its utility operations, FPL will clearly demonstrate such benefits.”

Furthermore, FPL has historically confirmed, and hereby reconfirms, that any capital raised pursuant to the Application would be used in connection with the activities of FPL and not the unregulated activities of its affiliates. Accordingly, the FPSC's Order No. PSC-09-0838-FOF-EI issued December 21, 2009, provided that "In connection with this application, FPL confirms that the capital raised pursuant to the application will be used in connection with the activities of FPL and not the unregulated activities of its affiliates."

QUESTION 5:

Please refer to the next to the last paragraph on page 10. Please respond to the following:

Question 5.A:

Please specify the benefits to FPL's regulated operations and the ratepayers of the State of Florida from these activities.

FPL's Response:

FPL's subsidiary FPLS LLC provides energy efficiency services to FPL's customers' facilities located within FPL's service territory. The benefits of these energy efficiency measures include facilitating energy conservation and helping reduce overall energy costs for FPL customers that undertake such energy efficiency measures.

Question 5.B:

Does this paragraph refer to FPL Energy Services, Inc. as a subsidiary of NextEra Energy, Inc. and an affiliate of Florida Power & Light? If not, please identify what entities and services to which it pertains.

FPL's Response:

As noted in FPL's response to FPSC Staff Question 4.B above, the Application paragraph in question does not pertain to FPL Energy Services, Inc., but rather pertains to FPL's indirect, wholly-owned subsidiary FPLS LLC. That subsidiary operates in the State of Florida and provides energy efficiency services to FPL's customers' facilities located within FPL's service territory.

On the other hand, FPLES Inc. (*i.e.*, the company referred to in FPSC Staff Question 5.B) is a separate entity which is a subsidiary of NextEra Energy, Inc. but is not a subsidiary of FPL. That separate entity does not engage in the installation of energy efficiency measures for FPL's customers' facilities located within FPL's service territory.

Question 5.C:

Please state whether FPL would agree to remove the language that references any subsidiary, affiliate, and non-affiliate that is not regulated under the jurisdiction of the FPSC. If not, please explain.

FPL's Response:

As noted in the response to FPSC Staff Question 5.B above, FPL's subsidiary FPLS LLC provides energy efficiency services to FPL customers' facilities located within FPL's service territory; therefore, the references to "subsidiaries" in the last sentence of the Application paragraph in question should remain.

FPL is willing to change the reference to "an affiliate" in the first sentence of the Application paragraph in question to "a subsidiary." FPL is also willing to delete the reference to "or affiliates" in the last sentence of the paragraph in question. There is no reference to "non-affiliate" in the paragraph in question.

Question 5.D:

What assurance will the Commission have that funds generated through this provision will not be used to support any non-regulated, non-jurisdictional activities?

FPL's Response:

As noted in the FPL Response to FPSC Staff Question 4.B above, FPL's subsidiary FPLS LLC only provides energy efficiency services to FPL's customers' facilities located within FPL's service territory.

Furthermore, FPL has historically confirmed, and hereby reconfirms, that any capital raised pursuant to the Application would be used in connection with the activities of FPL and not the unregulated activities of its affiliates. Accordingly, the FPSC's Order No. PSC-09-0838-FOF-EI issued December 21, 2009, provided that "In connection with this application, FPL confirms that the capital raised pursuant to the application will be used in connection with the activities of FPL and not the unregulated activities of its affiliates."

QUESTION 6:

Please state whether FPL will attest that all capital raised pursuant to this security application will be used solely for the provision of the regulated utility service in Florida.

FPL's Response:

As discussed in the FPL Response to FPSC Staff Question 2, FPL has historically confirmed, and hereby reconfirms, that any capital raised pursuant to the Application would be used in connection with the activities of FPL and not the unregulated activities of its affiliates.

QUESTION 7:

Please state whether FPL will agree to limit its security application to entities that are regulated under the jurisdiction of the FPSC. If not, please explain.

FPL's Response:

FPL believes the scope of financing authority requested in its Application conforms to the requirements that pertain under Florida law (*see* Rule 25-8.002(7), F.A.C.). Those requirements permit financing transactions or securities issuances for which FPSC approval is requested to be undertaken in order to achieve objectives within the lawful corporate purposes of the applicant, and in a manner reasonably necessary or appropriate for such purposes.

On the other hand, FPL does not believe that restricting the financing authority sought from the FPSC to transactions that only involve entities subject to the FPSC's regulatory jurisdiction (as appears to be suggested by FPSC Staff Question 7) would be consistent with either the specific requirements of the applicable FPSC rules, the objectives of those rules, or the best interest of FPL's customers. Indeed, when implementing the authority granted under the Application, it is quite possible that a financing arrangement involving one or more entities that are not regulated under the jurisdiction of the FPSC (such as a non-Florida lender or governmental entity) would provide an optimal structure by which FPL could meet its financing requirements and thereby best serve its customers needs.

The following hypothetical example helps illustrate this point: As noted above, FPL holds an undivided ownership interest in the Scherer coal-fired generating plant in Georgia and uses its share of that facility's capacity to serve FPL customers in Florida. FPL might determine through its financial due diligence that project-based financing could provide an advantageous means for financing pollution control improvements required at that plant. Such a financing could require participation in the financing by the plant's joint owner JEA, which is not regulated under the jurisdiction of the FPSC. Conversely, restricting FPL's access to any particular financing method or transaction simply because entities that are not subject to FPSC jurisdiction might also be involved could preclude FPL's ability to utilize the most efficient financing available in a particular circumstance.

For the foregoing reasons, FPL does not believe that limiting its security application to entities that are regulated under the jurisdiction of the FPSC (as queried in FPSC Staff Question 7) is either consistent with applicable FPSC rules or would serve the best interest of FPL's customers.

Finally, as FPL has confirmed in connection with prior Applications at the request of the FPSC, FPL reconfirms with respect to the current Application that the capital raised pursuant to FPL's Application will be used in connection with the activities of FPL and not the unregulated activities of its affiliates.