

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Review of the retail
rates of Florida Power & Light
Company

DOCKET NO. 001148-EI
ORDER NO. PSC-02-0102-PCO-EI
ISSUED: January 16, 2002

ORDER IDENTIFYING ISSUES

On January 7, 2002, a status conference was held before this Prehearing Officer to address identification of issues in this docket. Upon consideration of the parties' comments provided at the status conference, the list of issues attached hereto as Attachment A is approved for consideration in this docket. Parties and staff are not precluded from raising and addressing additional issues that may arise through the course of this proceeding.

The attached issue list includes numerous issues concerning Florida Power & Light Company's (FPL) 2002 test year projections that are necessarily stated broadly at this time. Those broad issues are needed to provide structure to the Commission's ultimate decision in this docket. The parties are working cooperatively to identify specific concerns with respect to those issues. Where no specific concern has been identified, it is anticipated that FPL will address the issue in its direct testimony by sponsorship and general explanation of its MFRs, with the understanding that all parties may raise specific concerns about any of the issues in their testimony and FPL will have an opportunity to respond to those specific concerns in its rebuttal testimony.

This Order is issued pursuant to the authority granted by Rule 28-106.211, Florida Administrative Code, which provides that the presiding officer before whom a case is pending may issue any orders necessary to effectuate discovery, prevent delay, and promote the just, speedy, and inexpensive determination of all aspects of the case.

It is therefore,

ORDERED by Commissioner Braulio L. Baez, as Prehearing Officer, that the list of issues attached hereto as Attachment A is approved for consideration in this docket, unless modified by the Commission.

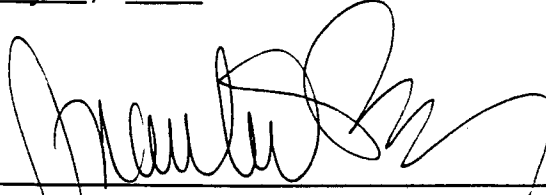
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By ORDER of Commissioner Braulio L. Baez, as Prehearing Officer, this 16th day of January, 2002.



BRAULIO L. BAEZ
Commissioner and Prehearing Officer

(S E A L)

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

Any party adversely affected by this order, which is preliminary, procedural, or intermediate in nature, may request: (1) reconsideration within 10 days pursuant to Rule 25-22.0376, Florida Administrative Code, if issued by a Prehearing Officer; (2) reconsideration within 15 days pursuant to Rule 25-22.060, Florida Administrative Code, if issued by the Commission; or (3) judicial review by the Florida Supreme Court, in the case of an electric, gas or telephone utility, or the First District Court of Appeal, in

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the case of a water or wastewater utility. A motion for reconsideration shall be filed with the Director, Division of the Commission Clerk and Administrative Services, in the form prescribed by Rule 25-22.060, Florida Administrative Code. Judicial review of a preliminary, procedural or intermediate ruling or order is available if review of the final action will not provide an adequate remedy. Such review may be requested from the appropriate court, as described above, pursuant to Rule 9.100, Florida Rules of Appellate Procedure.

ISSUE LIST FOR DOCKET NO. 001148-EI

FORECASTING

- Issue 1:** Are FPL's forecasts of customers and KWH by revenue class, and system KW for the 2002 projected test year reasonable?
- Issue 2:** Is FPL's forecast of inflation rates appropriate?
- Issue 3:** To what extent, if any, should FPL's forecasted financial statements and resulting retail rates for the 2002 test year be adjusted to remove the effects of short term economic conditions?

QUALITY OF SERVICE

- Issue 4:** Is the number of customer bills which have to be estimated each month appropriate for FPL?
- Issue 5:** Is the quality of electric service provided by FPL adequate?
- Issue 6:** Is FPL's customer complaint resolution process adequate?
- Issue 7:** Should FPL be required to provide a refund to retail customers incurring frequent outages?
- Issue 8:** What level of over-recovery results from demand meters that are not reset and/or resealed after reading?

RATE BASE

- Issue 9:** Is FPL's level of Plant in Service in the amount of \$18,901,692,000 (\$19,004,488,000 system) for the 2002 projected test year appropriate?
- Issue 10:** Is FPL's level of Accumulated Provision for Depreciation and Amortization in the amount of \$10,028,613,000 (\$10,089,240,000 system) for the 2002 projected test year appropriate?

- Issue 11:** Is FPL's level of Construction Work in Progress in the amount of \$903,823,000 (\$912,691,000 system) for the 2002 projected test year appropriate?
- Issue 12:** Is FPL appropriately accruing AFUDC on CWIP for the 2002 projected test year for the following projects: (1) Project 181 - Unit 5 Martin; (2) Project 710 - Ft. Myers Peaking Combustion Turbine and Transmission Interconnection; (3) Project 715 - Martin Conversion and Interconnection; (4) Project 716 - Ft. Myers Conversion and Interconnection; and (5) Project 717 - Midway Combined Cycle?
- Issue 13:** Is FPL's level of Property Held for Future Use in the amount of \$68,266,000 (\$68,611,000 system) for the 2002 projected test year appropriate?
- Issue 14:** Is FPL's level of Working Capital in the amount of \$63,687,000 (\$191,390,000 system) for the 2002 projected test year appropriate?
- Issue 15:** Does working capital appropriately reflect assets and liabilities that should be included in rate base?
- Issue 16:** Is FPL's level of Account 151 - Fuel Stock - in the amount of \$93,372,000 (\$94,526,000 system) for the 2002 projected test year appropriate?
- Issue 17:** Should the net overrecovery/underrecovery of fuel, capacity, conservation, and environmental cost recovery clause expenses for the test year be included in the calculation of working capital allowance for FPL?
- Issue 18:** Has FPL removed the appropriate amount of Regulatory Asset - Special Deferred Fuel out of 2002 projected test year working capital?
- Issue 19:** Has FPL removed the appropriate amount of Regulatory Asset - Okeelanta Settlement out of 2002 projected test year working capital?

- Issue 20:** Should working capital for the 2002 projected test year be adjusted for interest on tax deficiencies?
- Issue 21:** Is \$500 million an appropriate reserve goal for Account 228.1 - Accum. Provision for Property Insurance - Storm Damage? (FPL Issue 7; Publix Issue 118)
- Issue 22:** Should the capitalized items currently approved for recovery through the Environmental Cost Recovery Clause be included in rate base?
- Issue 23:** What are the appropriate adjustments that should be made to FPL's test year rate base to account for the additional security measures implemented in response to the increased threat of terrorist attacks since September 11, 2001?
- Issue 24:** Should the investment in corporate aircraft be removed from 2002 projected test year?
- Issue 25:** What adjustment, if any, should be made to projected test year rate base to reflect the Commission's decision in Docket No. 991931-EG, concerning the last core of nuclear fuel?
- Issue 26:** What adjustment, if any, should be made to projected test year rate base to reflect the Commission's decision in Docket No. 981246-EI, concerning nuclear decommissioning?
- Issue 27:** What adjustment, if any, should be made to projected test year rate base to reflect the Commission's decision in Docket No. 990324-EI, concerning the disposition of FPL's accumulated nuclear amortization?
- Issue 28:** What adjustments, if any, should be made to projected test year rate base to recognize implementation of Statement of Financial Accounting Standards Nos. (FAS) 133/137, Accounting for Derivative Instruments and Hedging Activities?

- Issue 29:** What adjustments, if any, should be made to projected test year rate base to recognize implementation of FAS 143, Accounting for Asset Retirement Obligations?
- Issue 30:** What adjustments, if any, should be made to projected test year rate base to recognize implementation of the AcSEC Statement of Position regarding accounting for certain costs and activities related to property, plant, and equipment?
- Issue 31:** Is FPL's rate base of \$9,908,855,000 (\$10,088,964,000 system) for the 2002 projected test year appropriate? (This is a fallout issue.)

COST OF CAPITAL

- Issue 32:** What is the appropriate cost of common equity capital for FPL? (Publix Issue 159)
- Issue 33:** In setting FPL's ROE midpoint and range, should the Commission make an adjustment to reflect FPL's performance?
- Issue 34:** What is the appropriate common equity ratio for ratemaking purposes for FPL?
- Issue 35:** What is the appropriate amount of accumulated deferred taxes to include in FPL's capital structure?
- Issue 36:** Does FPL's capital structure appropriately reflect accumulated deferred income taxes?
- Issue 37:** What is the appropriate amount and cost rate of unamortized investment tax credits to include in FPL's capital structure?
- Issue 38:** Have FPL's rate base and capital structure been reconciled appropriately?
- Issue 39:** What is the appropriate weighted average cost of capital including the proper components, amounts and

cost rates associated with the capital structure for FPL for the projected test year? (This is a fallout issue.)

NET OPERATING INCOME

- Issue 40:** Is FPL's level of Total Operating Revenues in the amount of \$3,649,342 (\$3,703,679 system) for the 2002 projected test year appropriate?
- Issue 41:** Has FPL made the appropriate adjustments to remove the capacity cost revenues and related expenses recoverable through the Capacity Cost Recovery Clause?
- Issue 42:** Has FPL made the appropriate adjustments to remove fuel revenues and fuel expenses recoverable through the Fuel Adjustment Clause?
- Issue 43:** Has FPL made the appropriate adjustments to remove the environmental revenues and related expenses recoverable through the Environmental Cost Recovery Clause?
- Issue 44:** Has FPL made the appropriate adjustments to remove the conservation revenues and related expenses recoverable through the Conservation Cost Recovery Clause?
- Issue 45:** Is FPL's level of Account 513 - Maintenance of Electric Plant (Major Only) expense in the amount of \$17,241,000 (\$17,454,000 system) for the 2002 projected test year appropriate?
- Issue 46:** Is FPL's level of Total Steam Power Generation O&M (Accounts 500-514) in the amount of \$129,196,000 (\$130,835,000 system) for the 2002 projected test year appropriate?
- Issue 47:** With respect to steam power generation O&M expenses, is the \$15.6 million increase (13.6%) in non-fuel expenses from 2000 to 2002 justified and reasonable?

- Issue 48:** Is FPL's level of Account 517 - Operation Supervision and Major Engineering expense in the amount of \$71,662,000 (\$71,858,000 system) for the 2002 projected test year appropriate?
- Issue 49:** Is FPL's level of Account 519 - Coolants and Water expense in the amount of \$6,445,000 (\$6,462,000 system) for the 2002 projected test year appropriate?
- Issue 50:** Is FPL's level of Account 520 - Steam expense in the amount of \$23,360,000 (\$23,424,000 system) for the 2002 projected test year appropriate?
- Issue 51:** Is FPL's level of Account 523 - Electric expense in the amount of \$269,000 (\$270,000 system) for the 2002 projected test year appropriate?
- Issue 52:** Is FPL's level of Account 524 - Miscellaneous Nuclear Power expense in the amount of \$37,862,000 (\$37,965,000 system) for the 2002 projected test year appropriate?
- Issue 53:** Is FPL's level of Total Nuclear Power Generation Operation expense (Accounts 517-525) in the amount of \$139,598,000 (\$139,979,000 system) for the 2002 projected test year appropriate?
- Issue 54:** Is FPL's level of Total Nuclear Power Generation Maintenance expense (Accounts 528-532) in the amount of \$119,011,000 (\$119,264,000 system) for the 2002 projected test year appropriate?
- Issue 55:** With respect to nuclear power generation O&M expenses, is the \$17.9 million increase in non-fuel expenses from 2000 to 2002 justified and reasonable?
- Issue 56:** Is the annual accrual to the Nuclear Maintenance reserve reasonable?
- Issue 57:** Is FPL's level of Account 546 - Operation Supervision and Engineering expense in the amount of \$3,489,000

(\$3,535,000 system) for the 2002 projected test year appropriate?

- Issue 58:** Is FPL's level of Account 548 - Generation expense in the amount of \$2,930,000 (\$2,968,000 system) for the 2002 projected test year appropriate?
- Issue 59:** Is FPL's level of Account 549 - Miscellaneous Other Power Generation expense in the amount of \$8,713,000 (\$8,826,000 system) for the 2002 projected test year appropriate?
- Issue 60:** Is FPL's level of Other Power Generating Maintenance expense (Accounts 551-554) in the amount of \$21,126,000 (\$21,399,000 system) for the 2002 projected test year appropriate?
- Issue 61:** With respect to Other Power Production Expenses, is the \$6.2 million increase (20%) in non-fuel expenses from 2000 to 2002 justified and reasonable?
- Issue 62:** Is FPL's level of Account 565 - Transmission of Electricity by Others expense in the amount of \$10,329,000 (\$10,440,000 system) for the 2002 projected test year appropriate?
- Issue 63:** Is the \$308 million increase in Other Power Supply Expenses, exclusive of Account 555, from 1999 to 2002, justified and reasonable? Is the \$883 million increase from 2000 to 2002 reasonable based on the credit in Account 557 in 2000?
- Issue 64:** Is FPL's level of Account 566 - Miscellaneous Transmission expense in the amount of \$4,183,000 (\$4,228,000 system) for the 2002 projected test year appropriate?
- Issue 65:** Is FPL's level of Account 571 - Maintenance of Overhead Transmission Lines, which includes tree-trimming expenses, in the amount of \$9,590,000 (\$9,693,000 system) for the 2002 projected test year appropriate?

- Issue 66:** Is the \$7.8 million (15.2%) increase in transmission expenses from 2000 to 2002 justified and reasonable?
- Issue 67:** With respect to the transmission allocations, does the revenue credit methodology employed by FPL provide a reasonable allocation of the costs of providing transmission service?
- Issue 68:** Is FPL's level of Account 588 - Miscellaneous Distribution Operating Expenses in the amount of \$27,776,000 (\$27,776,000 system) for the 2002 projected test year appropriate?
- Issue 69:** Is FPL's level of Total Distribution Operation expense (Accounts 580-589) in the amount of \$93,308,000 (\$93,322,000 system) for the 2002 projected test year appropriate?
- Issue 70:** Is FPL's level of Account 593 - Maintenance of Overhead Lines, which includes tree trimming expenses, in the amount of \$85,843,000 (\$85,843,000 system) for the 2002 test year appropriate?
- Issue 71:** Is FPL's level of Total Distribution Maintenance expense (Accounts 590-599) in the amount of \$167,892,000 (\$167,895,000 system) for the 2002 projected test year appropriate?
- Issue 72:** Is FPL's level of Account 904 - Uncollectible Accounts expense in the amount of \$10,283,000 (\$10,283,000 system) for the 2002 projected test year appropriate?
- Issue 73:** Is FPL's level of Total Customer Accounts Expense (Accounts 901-905) in the amount of \$105,888,000 (\$106,019,000 system) for the 2002 projected test year appropriate?
- Issue 74:** Is FPL's level of Account 909 - Information and Inst. Advertising expense in the amount of \$2,541,000 (\$2,541,000 system) for the 2002 projected test year appropriate?

- Issue 75:** Is FPL's level of Account 910 - Miscellaneous Customer Service and Information expense in the amount of \$5,451,000 (\$5,451,000 system) for the 2002 projected test year appropriate?
- Issue 76:** Is FPL's level of Total Customer Service and Information Expense (Accounts 907-910) in the amount of \$17,229,000 (\$78,959,000 system) for the 2002 projected test year appropriate?
- Issue 77:** Is FPL's level of Account 911 - Supervision Sales expense in the amount of \$1,051,000 (\$1,051,000 system) for the 2002 projected test year appropriate?
- Issue 78:** Is FPL's level of Account 920 - Administrative and General Salaries expense in the amount of \$132,361,000 (\$132,877,000 system) for the 2002 projected test year appropriate?
- Issue 79:** Are sales expenses appropriately allocated to the retail jurisdiction?
- Issue 80:** Is FPL's level of Account 921 - Office Supplies and Expenses in the amount of \$79,587,000 (\$80,025,000 system) for the 2002 projected test year appropriate?
- Issue 81:** Is FPL's level of Account 923 - Outside Services expense in the amount of \$20,075,000 (\$20,153,000 system) for the 2002 projected test year appropriate?
- Issue 82:** Is FPL's 2002 projected test year accrual of \$50,300,000 for Storm Damage appropriate? (FPL Issue 7; Publix Issue 118)
- Issue 83:** What is the appropriate amount of Other Post Employment Benefits Expense for the projected 2002 test year?
- Issue 84:** What is the appropriate amount of Pension Expense for the projected 2002 test year?

- Issue 85:** Is FPL's 2002 projected test year accrual for medical/life reserve-active employees and retirees appropriate?
- Issue 86:** Is FPL's level of Account 928 - Regulatory Commission Expense in the amount of \$8,803,000 (\$8,803,000 system) appropriate?
- Issue 87:** Are rate case expenses appropriately amortized in the Test Year?
- Issue 88:** Is the \$72.7 million (35.5%) increase in miscellaneous expenses from 2000 (adjusted to remove 2000 merger-related expenses) to 2002 justified and reasonable?
- Issue 89:** Is FPL's amount in Account 935 - Maintenance of General Plant expense in the amount of \$8,222,000 (\$8,254,000 system) appropriate?
- Issue 90:** Is FPL's level of Total Administrative and General Expense (Accounts 920-935) in the amount of \$277,245,000 (\$288,300,000 system) for the 2002 projected test year appropriate?
- Issue 91:** Are lobbying expenses included in the 2002 projected test year and, if so, should an adjustment be made to remove them?
- Issue 92:** Are industry association dues included in the 2002 projected test year and, if so, should an adjustment be made to remove them?
- Issue 93:** Are membership dues included in the projected test year and, if so, should an adjustment be made to remove them?
- Issue 94:** Has FPL budgeted to fund the NEI Utility Waste Management Group, and if so, should an adjustment be made to remove it?
- Issue 95:** Is FPL's assumed growth in salaries and wages appropriate? If not, what adjustment is necessary?

- Issue 96:** Is FPL's level of employees in the 2002 projected test year appropriate?
- Issue 97:** Is FPL's level of Salaries and Employee Benefits for the 2002 projected test year appropriate?
- Issue 98:** What are the appropriate adjustments to FPL's 2002 projected test year operating expenses to account for the additional security measures implemented in response to the increased threat of terrorist attacks since September 11, 2001?
- Issue 99:** Is FPL's level of economic development expenses appropriate?
- Issue 100:** Is FPL's level of Total Operation and Maintenance Expense in the amount of \$1,218,944,000 (\$1,228,113,000 system) for the 2002 projected test year appropriate? (This is a fallout issue.)
- Issue 101:** Is FPL's Depreciation and Amortization Expense of \$801,678,000 (\$825,250,000 system) for the 2002 projected test year appropriate? (This is a fallout issue.)
- Issue 102:** Should the traditional benchmark test be used to determine which O&M expenses FPL must justify on the record?
- Issue 103:** Has FPL provided adequate assurance that repowering its Ft. Myers and Sanford units is prudent?
- Issue 104:** Has FPL implemented a reasonable oversight process for services procured by Black & Veatch on behalf of FPL associated with FPL's Sanford and Ft. Myers repowering projects, and if not, should an adjustment be made?
- Issue 105:** Are FPL's Consumer Price Index factors used in determining 2002 projected test year expenses appropriate?

- Issue 106:** Is FPL's level of Taxes Other Than Income Taxes in the amount of \$273,168,000 (\$273,598,000 system) for the 2002 projected test year appropriate?
- Issue 107:** Should the total amount of Gross Receipts Tax be removed from base rates and shown as a separate line item on the bill?
- Issue 108:** Is FPL's interest on tax deficiencies of \$193,000 (\$194,000 system) for the 2002 projected test year appropriate?
- Issue 109:** Has FPL appropriately reflected Internal Revenue Service Notice 2001-82 in its 2002 projected test year?
- Issue 110:** Are FPL's Income Tax expenses in the amount of \$384,215,000 (\$378,890,000 system) for the 2002 projected test year appropriate? (This is a fallout issue.)
- Issue 111:** Are consolidating tax adjustments appropriate, and if so, what are the appropriate amounts for the 2002 projected test year for FPL?
- Issue 112:** What adjustment, if any, should be made to 2002 projected test year NOI to reflect the Commission's decision in Docket No. 991931-EG, concerning the last core of nuclear fuel?
- Issue 113:** What adjustment, if any, should be made to 2002 projected test year NOI to reflect the Commission's decision in Docket No. 981246-EI, concerning nuclear decommissioning?
- Issue 114:** What adjustment, if any, should be made to 2002 projected test year NOI to reflect the Commission's decision in Docket No. 990324-EI, concerning the disposition of FPL's accumulated nuclear amortization?

- Issue 115:** What is the appropriate level of decommissioning expense for the 2002 projected Test Year?
- Issue 116:** What adjustments, if any, should be made to the projected test year expenses to recognize implementation of FAS 143?
- Issue 117:** What adjustments, if any, should be made to projected test year NOI to recognize implementation of FAS 133/137?
- Issue 118:** What adjustments, if any, should be made to the projected test year expenses to recognize implementation of the AcSEC Statement of Position regarding accounting for certain costs and activities related to property, plant, and equipment?
- Issue 119:** Is FPL's Net Operating Income of \$873,016,000 (\$873,841,000 system) for the 2002 projected test year appropriate? (This is a fallout issue.)

REVENUE REQUIREMENTS

- Issue 120:** What is the appropriate revenue expansion factor and the appropriate net operating income multiplier, including the appropriate elements and rates for FPL?
- Issue 121:** Should FPL's annual operating revenue requirements be adjusted for the 2002 projected test year? (FPL Issue 4)

COST OF SERVICE AND RATE DESIGN

- Issue 122:** Is FPL's separation of costs and revenues between the wholesale and retail jurisdictions appropriate? (Publix Issue 160)
- Issue 123:** Is FPL's method of developing its estimates by rate class of the 12 monthly coincident peak hour demands and the class non-coincident peak hour demands appropriate?

- Issue 124:** What is the appropriate cost of service methodology to be used in designing FPL's rates?
- Issue 125:** Are FPL's estimated revenues from sales of electricity by rate class at present rates for the projected 2002 test year appropriate?
- Issue 126:** If a change in revenue requirements is ordered, how should it be allocated among the customer classes? (FPL Issue 6)
- Issue 127:** What are the appropriate demand charges?
- Issue 128:** What are the appropriate energy charges?
- Issue 129:** What are the appropriate customer charges?
- Issue 130:** What are the appropriate service charges?
- Issue 131:** What are the appropriate lighting rate schedule charges?
- Issue 132:** How should FPL's time-of-use rates be designed?
- Issue 133:** What is the appropriate credit per KW of billing demand for those customers who provide their own transformation?
- Issue 134:** What is the appropriate monthly fixed charge carrying rate to be applied to the installed cost of additional customer-requested distribution equipment for which there are no tariffed charges?
- Issue 135:** What is the appropriate Monthly Rental Factor to be applied to the in-place value of customer-rented distribution substations to determine the monthly rental fee for such facilities?
- Issue 136:** What are the appropriate termination factors to be applied to the in-place value of customer-rented distribution substations to calculate the termination fee?

- Issue 137:** What are the appropriate termination factors to be applied to the total installed cost of premium lighting facilities under rate schedule PL-1 to determine the termination fee?
- Issue 138:** What is the appropriate Present Value Revenue Requirement multiplier to be applied to the installed cost of premium lighting facilities under rate schedule PL-1 to determine the lump sum advance payment amount for such facilities?
- Issue 139:** What is the appropriate level and design of the charges, and terms and conditions, under the Standby and Supplemental Service (SST-1) rate schedule?
- Issue 140:** What is the appropriate level and design of the charges, and terms and conditions, under the Interruptible Standby and Supplemental Service (ISST-1) rate schedule?
- Issue 141:** If the Commission determines that FPL's base rates should be revised, should an attrition allowance be made?
- Issue 142:** Is the design of the FPL Real Time Pricing rate appropriate?
- Issue 143:** Should FPL's billing measurements be modified to include optional totalized billing for customers with multiple facilities?

GRIDFLORIDA ISSUES

- Issue 144:** What are the amounts and components of rate base associated with transmission assets of 69 kV and above?
- Issue 145:** What is the amount of expenses associated with transmission assets of 69 kV and above?
- Issue 146:** How should costs associated with FPL's participation in GridFlorida be recovered?

Issue 147: In the event the Commission determines that GridFlorida transmission charges should be recovered through a cost recovery clause, what is the appropriate adjustment for transmission costs in base rates to ensure that there is no double recovery?

OTHER ISSUES

Issue 148: Should adjustments be made for the rate base effects of FPL's transactions with affiliated companies?

Issue 149: Should adjustments be made for the capital structure effects of FPL's transactions with affiliated companies?

Issue 150: Should adjustments be made for the net operating income effects of FPL's transactions with affiliated companies?

Issue 151: Is an incentive plan appropriate for FPL to promote cost savings and if so, how would it be structured?

Issue 152: What is the appropriate regulatory treatment for sales of natural gas and transportation capacity made by FPL to an affiliated company?

Issue 153: What is the appropriate regulatory treatment for sales of natural gas and transportation capacity made by FPL to an unaffiliated company?

Issue 154: How should FPL allocate the costs associated with its sales of natural gas to FPL Energy Services (FPLES)?

Issue 155: What is the appropriate regulatory treatment of FPL Energy Services' revenues and costs associated with sales by FPLES to customers within FPL's service area?

Issue 156: What is the appropriate regulatory treatment of FPL Energy Services' revenues and costs associated with sales by FPLES to customers outside of FPL's service area?

Issue 157: Should FPL be required to file, within 90 days after the date of the final order in this docket, a description of all entries or adjustments to its annual report to the Florida Public Service Commission, rate of return reports, and books and records which may be required as a result of the Commission's findings in this rate case?

LEGAL ISSUES

Issue 158: Which party(ies) has the burden of proof as to whether or not FPL's base rates should be reduced in this proceeding?