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Jonathan E. Sjostrom

October 7, 1997

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

RE: DOCKET NO. 970410-EI

Dear Ms. Bayó:

Enclosed for filing please find the original and 10 copies of Florida Power & Light Company's Request for Confidential Classification.

Also enclosed for filing are two copies of the documents for which FPL seeks confidential treatment. On these two copies the specific information for which FPL seeks confidential classification has been redacted pursuant to Commission Rule 25.22.006(4)(a).

Also enclosed, in a separate, sealed envelope, for filing is one additional copy of the documents for which FPL seeks confidential treatment. On this copy the specific information for which FPL seeks confidential classification has been highlighted pursuant to Commission Rule 25.22.006(4)(a). The confidential documents and the envelope containing them have been marked "CONFIDENTIAL" and should be afforded confidential treatment pursuant to Rule 25.22.006(3)(d) pending the Commission's resolution of FPL's Request for Confidential Treatment.

Very truly yours,



Jonathan E. Sjostrom

Enclosures

Miami
305.577.7000
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West Palm Beach
561.650.7200
561.655.1509 Fax

DOCUMENT NUMBER DATE

10283 OCT-7
FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Proposal to extend plan for recording of certain expenses for years 1998 and 1999 for Florida Power & Light Company)
DOCKET NO. 970410-EI)
FILED: October 7, 1997)
/

REQUEST FOR CONFIDENTIAL CLASSIFICATION

Florida Power & Light Company ("FPL") hereby requests confidential classification of certain material which is the subject of a request for production propounded by Staff. This request for confidential classification is filed pursuant to Rule 25-22.006 of the Florida Administrative Code and section 366.093 of the Florida Statutes. The grounds for this request and motion are as follows:

By request for Production dated July 21, 1997, Staff requested the following documents:

1. Copies of all reports or analyses for Florida Power & Light and FPL Group prepared by or for Standard & Poor's for the last two years.
2. Copies of all reports or analyses for Florida Power & Light and FPL Group prepared by or for Moody's Investor Services for the last two years.

There are four documents responsive to Staff's requests 2 and 3, consisting of written presentations by FPL to certain bond rating agencies.

Request for Confidential Treatment

Pursuant to section 366.093, such materials are entitled to confidential treatment and are exempt from the mandatory disclosure

provisions of the public records law. Thus, the Commission is not required to balance the danger of disclosure against the public interest in access.

The following exhibits are attached hereto or are being filed separately, but contemporaneously herewith:

- a. Composite Exhibit A consists of all documents for which FPL seeks confidential treatment. All information contended by FPL to be entitled to confidential treatment has been highlighted in Composite Exhibit A. Composite Exhibit A is being filed separately in a sealed envelope marked "CONFIDENTIAL." Composite Exhibit A also includes a disclosure statement designed to ensure that if the information is inadvertently disclosed, FPL will be protected from liability under the securities laws.
- b. Composite Exhibit B, attached, consists of all documents for which FPL seeks confidential treatment. All information contended by FPL to be entitled to confidential treatment has been redacted in Composite Exhibit B.
- c. Exhibit C, attached, is a line by line and page by page justification matrix including identification of information for which confidential treatment is sought and correlation of the confidential information with the specific justification for the claim of confidentiality.
- d. Exhibit D is the Affidavit of Jose Quesada offered in support of this request.
- e. Exhibit E is a computer diskette containing FPL's justification matrix (Exhibit C).

The material in Exhibit A for which FPL seeks confidential treatment should not be declassified for a period of at least 18 months and should be returned to FPL in accordance with section 366.093(4) of the Florida Statutes as soon as the information is no

longer necessary for the Commission to conduct its business. The materials should remain confidential while at the Commission and should be returned to FPL so that FPL can maintain the confidential nature of the documents.

The information for which FPL seeks confidential treatment is extraordinarily sensitive as is demonstrated in the attached affidavit of Jose G. Quesada, attached hereto as Exhibit D. The information consists of FPL's detailed financial projections based upon its proprietary financial strategy.

If disclosed the information could adversely affect FPL's stock price and its ability to arrange financing on the most competitive terms.

The confidentiality of this information is closely guarded by FPL, as described in the affidavit of Jose G. Quesada, attached hereto as Exhibit D. Within FPL, dissemination of the information is strictly limited to certain senior management and the persons involved with the preparation of the information. All persons with access to the information are made aware that the information is highly sensitive and is not to be disclosed either outside the company or, within the company, outside of such senior management and the persons preparing the information. The information is compiled and provided to the bond rating agencies solely for the purpose of preparing independent ratings for FPL's debt securities issues. The rating agencies are required to and do treat the

information as confidential and, furthermore, dissemination of the information within the bond rating agencies is also limited to those persons who prepare the subject ratings for the energy industry. The bond rating agency personnel with access to the information are treated as corporate insiders of FPL and are not permitted to trade in the stock of any of the energy companies within their ambit of review.

The specific material identified in FPL's justification matrix (Exhibit C) as confidential correlates to either of two justifications:

Justification A

The information identified under Justification A is exempt from disclosure pursuant to section 366.093(3) of the Florida Statutes. This information consists of proprietary confidential business information that FPL intended to be, and treated as, private. Disclosure of this information would cause harm to FPL's business operations and could affect the price of shares of FPL's publicly traded stock. The information consists of highly confidential financial projections for the years 1997 through 1999 involving FPL's net income, capital expenditures, cash flow, depreciation and amortization, returns on equity, and recovery of regulatory and nuclear assets. Dissemination of this information could harm the financial condition of FPL by introducing volatility in the price of its publicly traded shares of stock, by exposing

FPL to liability under the Securities Laws, and by giving an unfair advantage to FPL's competitors and other persons, who will receive unprecedented, unreciprocated access to FPL's future financial strategies.

This type of information has been recognized as clearly within the coverage of Rule 25-22.006. For example, in In re: Petition of Southern Bell Telephone and Telegraph Company for Rate Stabilization and Implementation Orders and Other Relief, 8^o-8 FPSC 93, 93 (August 9, 1988), the Commission considered BellSouth's request for confidential treatment of forecasted financial data, including a detailed breakdown of assets, liabilities and stockholders' equity. Finding the data to be proprietary confidential business information pursuant to Section 364.183 of the Florida Statutes, the Commission stated that "[t]his information directly relates to projections concerning publicly traded stock. This kind of information is very sensitive. I believe that this was exactly the sort of data the Legislature had in mind when adopting Section 364.183, Florida Statutes." Id.

Moreover, access to this information is limited within the company on a need to know basis and employees are specifically instructed to avoid dissemination of such information outside the company. The only persons outside FPL who are permitted access are bond rating agencies. The bond rating agencies are allowed to view this information only upon condition of confidentiality.

Additionally, such rating agency personnel review this information subject to strict confidentiality regulations of the Securities Laws and are treated as corporate insiders of FPL.

Justification B

This information identified under Justification B is exempt from disclosure pursuant to section 366.093(3) of the Florida Statutes. This information consists of proprietary confidential business information that FPL intended to be, and treated as, private. Disclosure of this information would cause harm to FPL's business operations and could affect the costs of retiring its debt and the price of shares of FPL's publicly traded stock. Dissemination of this information could harm the financial condition of FPL by introducing volatility in the price of its publicly traded shares of stock, by exposing FPL to liability under the Securities Laws, and by giving an unfair advantage to FPL's competitors and other persons, who will receive unprecedented, unreciprocated access to FPL's future financial strategies.

The Commission has explicitly determined that this type of information is proprietary confidential business information pursuant to Rule 25-22.006. In In re: Petitions of Southern Bell Telephone and Telegraph Company for Rate Stabilization and Implementation Orders and Other Relief, 88-6 FPSC 360, 361-62 (June 21, 1988), the Commission considered BellSouth's request for confidential treatment of forecasted financial data, including

information about BellSouth's future debt financing plans. Finding this data to be confidential, the Commission agreed with BellSouth that the "if competitors have free access to the information . . . they could use it to the disadvantage of Southern Bell and ultimately to the ratepayers, because disclosure could affect the interest rate at which the company borrows money." Id. at 363; see also In re: Standard Offer Contract for the Purchase of Firm Capacity and Energy from a Qualifying Facility Between Panda-Kathleen, L.P. and Florida Power Corporation, 96 FPSC 5:115, 115-16 (May 7, 1996) (granting confidential classification for documents containing financial data and strategies on bond ratings; finding that release of these documents could affect a corporation's "ability to obtain financing on favorable terms.").

Moreover, access to this information is limited within the company on a need to know basis and employees are specifically instructed to avoid dissemination of such information outside the company. The only persons outside FPL who are permitted access are bond rating agencies. The bond rating agencies are allowed to view this information only upon condition of confidentiality. Additionally, such rating agency personnel review this information subject to strict confidentiality regulations pursuant to the Securities Laws and are treated as corporate insiders of FPL.

CONCLUSION

FPL requests confidential treatment as to the material set out and the time periods described in the attached confidentiality justification matrix (Exhibit C).

Respectfully submitted,

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Charles A. Guyton
Jonathan Sjostrom
Attorneys for Florida Power
& Light Company
215 South Monroe Street, Suite 601
Tallahassee, Florida 32301-1804
(904) 222-2300

By: 

Jonathan Sjostrom

I HEREBY CERTIFY that a true and correct copy of FPL'S REQUEST FOR CONFIDENTIAL CLASSIFICATION has been furnished by Hand Delivery (*), or Overnight Mail this 7th day of October, 1997, to the following:

Robert V. Elias, Esq.*
Division of Legal Services
FPSC
2540 Shumard Oak Blvd.#370
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By: _____


Jonathan Sjöström

EXHIBIT C

Page	Line(s)	Description	Justification
477	1	Capital Expenditures: Generation, 1997-98	A
477	2	Capital Expenditures: Transmission, 1997-98	A
477	3	Capital Expenditures: Distribution, 1997-98	A
477	4	Capital Expenditures: General, 1997-98	A
480	1	Regulatory Assets as Percentage of Equity, 1997- 98	A
480	2	Total Nuclear Investment \$/kw of Capacity, 1997-98	A
481	1	Cash Generated: Net Income Available, 1997-98	A
481	2	Cash Generated: Depreciation, 1997-98	A
481	3	Cash Generated: Other, 1997- 98	A
481	4	Cash Generated: Cash Flow from Operations, 1997-98	A
481	5	Cash Generated: Capital Expenditures, 1997-98	A
481	6	Cash Generated: Net Dividends, 1997-98	A
481	7	Cash Generated: Other, 1997- 98	A
481	8	Total Generated, 1997-98	A
481	9	Financing Plan: First Mortgage Bonds, 1997-98	B

Page	Line(s)	Description	Justification
481	10	Financing Plan: Preferred Stock, 1997-98	B
481	11	Financing Plan: Retirements of Debt and Stock, 1997-98	B
481	12	Financing Plan: Change in Cash/Debt, 1997-98	B
481	13	Financing Plan: Total Financing, 1997-98	B
482	1	Cash Flow Interest Coverage, 1997-98	A
483	1	Net Income Available, 1997-98	A
483	2	SEC Return on Equity, 1997-98	A
483	3	Regulatory Return on Equity, 1997-98	A
483	4	Capitalization Ratios: Debt, 1997-98	B
483	5	Capitalization Ratios: Preferred, 1997-98	A
483	6	Capitalization Ratios: Equity, 1997-98	A
483	7	Pre-Tax Interest Coverage, 1997-98	A
483	8	Cash Flow to Capital Expenditures, 1997-98	A
483	9	Operating Cash Flow per Share, 1997-98	A
483	10	Free Cash Flow per Share, 1997-98	A
483	1	Debt Ratio, 1997-98	B

Page	Line(s)	Description	Justification
483	2	Pre-Tax Interest Coverage, 1997-98	B
484	1	Cash Generated: Net Income, 1997-99	A
484	2	Cash Generated: Depreciation and Amortization, 1997-98	A
484	3	Cash Generated: Other, 1997-98	A
484	4	Cash Flow from Operations, 1997-98	A
484	5	Cash Generated Less Capital Expenditures, 1997-98	A
484	6	Cash Generated Less Dividends Paid, 1997-98	A
484	7	Cash Generated Less Other, 1997-98	A
484	8	Total Generated, 1997-98	A
484	9	Financing Plan: Common Equity, 1997-98	B
484	10	Financing Plan: Debt 1997-98	B
484	11	Financing Plan: Preferred 1997-98	B
484	12	Financing Plan: Retirements of Debt and Stock, 1997-98	B
484	13	Financing Plan: Change in Cash/Debt and Other, 1997-98	B
484	14	Total Financing, 1997-98	B
494	1	Capital Expenditures: Generation, 1997-99	A
494	2	Capital Expenditures: Transmission, 1997-99	A

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494	3	Capital Expenditures: Distribution, 1997-99	A
494	4	Capital Expenditures: General, 1997-99	A
497	1	Regulatory Assets as Percentage of Equity, 1997- 99	A
497	2	Total Nuclear Investment \$/kw of Capacity, 1997-99	A
498	1	Cash Generated: Net Income Available, 1997-99	A
498	2	Cash Generated: Depreciation and Amortization, 1997-99	A
498	3	Cash Generated: Other, 1997- 99	A
498	4	Cash Generated: Cash Flow from Operations, 1997-99	A
498	5	Cash Generated: Capital Expenditures, 1997-99	A
498	6	Cash Generated: Net Dividends, 1997-99	A
498	7	Cash Generated: Other, 1997- 99	A
498	8	Total Generated, 1997-99	A
498	9	Financing Plan: Retirements of Debt and Stock, 1997-99	B
498	10	Financing Plan: Change in Cash/Debt, 1997-99	B
498	11	Financing Plan: Total Financing, 1997-99	B
498	12-13	Decrease in depreciation and amortization	A & B

Page	Line(s)	Description	Justification
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500	1	Net Income Available, 1997-99	A
500	2	SEC Return on Equity, 1997-99	A
500	3	Regulatory Return on Equity, 1997-99	A
500	5	Capitalization Ratios: Debt, 1997-99	B
500	6	Capitalization Ratios: Preferred, 1997-99	A
500	7	Capitalization Ratios: Equity, 1997-99	A
500	8	Pre-Tax Interest Coverage, 1997-99	A
500	9	Cash Flow to Capital Expenditures, 1997-99	A
500	10	Operating Cash Flow per Share, 1997-99	A
500	11	Debt Ratio, 1997-99	B
500	12	Pre-Tax Interest Coverage, 1997-99	B
501	1	Cash Generated: Net Income Available, 1997-99	A
501	2	Cash Generated: Depreciation and Amortization, 1997-99	A
501	3	Cash Generated: Other, 1997-99	A
501	4	Cash Generated: Cash Flow from Operations, 1997-99	A

Page	Line(s)	Description	Justification
501	5	Cash Generated: Capital Expenditures, 1997-99	A
501	6	Cash Generated: Dividends, 1997-99	A
501	7	Cash Generated: Other, 1997-99	A
501	8	Total Generated, 1997-99	A
501	9	Financing Plan: FPL Group Common Equity, 1997-99	A
501	10	Financing Plan: Retirements of Debt and Stock, 1997-99	A
501	11	Financing Plan: Change in Cash/Debt, 1997-99	A
501	12	Financing Plan: Total Financing, 1997-99	A
541	1	Capital Expenditures: Generation, 1997-98	A
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541	3	Capital Expenditures: Distribution, 1997-98	A
541	4	Capital Expenditures: General, 1997-98	A
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544	2	Total Nuclear Investment \$/kw of Capacity, 1997-98	A
545	1	Cash Generated: Net Income Available, 1997-98	A
545	2	Cash Generated: Depreciation, 1997-98	A

Page	Line(s)	Description	Justification
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545	4	Cash Generated: Cash Flow from Operations, 1997-98	A
545	5	Cash Generated: Capital Expenditures, 1997-98	A
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545	9	Financing Plan: First Mortgage Bonds, 1997-98	B
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547	1	Net Income Available, 1997-98	A
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547	3	Regulatory Return on Equity, 1997-98	A
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547	8	Cash Flow to Capital Expenditures, 1997-98	A
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548	7	Cash Generated Less Other, 1997-98	A
548	8	Total Generated, 1997-98	A
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558	1	Capital Expenditures: Generation, 1997-99	A
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561	1	Regulatory Assets as Percentage of Equity, 1997-99	A
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562	3	Cash Generated: Other, 1997-99	A
562	4	Cash Generated: Cash Flow from Operations, 1997-99	A
562	5	Cash Generated: Capital Expenditures, 1997-99	A

Page	Line(s)	Description	Justification
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562	7	Cash Generated: Other, 1997-99	A
562	8	Total Generated, 1997-99	A
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564	6	Capitalization Ratios: Equity, 1997-99	A
564	7	Pre-Tax Interest Coverage, 1997-99	A
564	8	Cash Flow to Capital Expenditures, 1997-99	A

Page	Line(s)	Description	Justification
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564	11	Pre-Tax Interest Coverage, 1997-99	B
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565	7	Cash Generated Less Other, 1997-99	A
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565	10	Financing Plan: Retirements of Debt and Stock, 1997-99	B
565	11	Financing Plan: Change in Cash/Debt and Other, 1997-99	B
565	12	Total Financing, 1997-99	B

EXHIBIT D

AFFIDAVIT OF Jose Quesada

EXHIBIT E
DISK OF MATRIX

TAL/21792-1