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REPORTING

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Matthew M. Childs, P.A.

February 12, 1999

Blanca S. Bayó, Director  
Division of Records and Reporting  
Florida Public Service Commission  
4750 Esplanade Way, Room 110  
Tallahassee, FL 32399

RE: DOCKET NO. 981390-EI

Dear Ms. Bayó:

Enclosed for filing please find the original and fifteen (15) copies of Florida Power & Light Company's Notice of Withdrawal in the above-referenced docket.

Very truly yours,

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FPSC-BUREAU OF RECORDS

Matthew M. Childs, P.A.

MMC:ml  
Enclosure  
cc: All Parties of Record

- ACK \_\_\_\_\_
- (AFA) \_\_\_\_\_
- APP \_\_\_\_\_
- CAF \_\_\_\_\_
- CMU \_\_\_\_\_
- CTR \_\_\_\_\_
- EAG 2 \_\_\_\_\_
- LEG 2 \_\_\_\_\_
- LIN 5 \_\_\_\_\_
- OPC \_\_\_\_\_
- RCH \_\_\_\_\_
- SEC 1 \_\_\_\_\_
- WAS \_\_\_\_\_
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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Investigation Into the ) DOCKET NO. 981390-EI  
Equity Ratio and Return on Equity ) DATE: FEBRUARY 12, 1999  
Of Florida Power & Light Company )  
\_\_\_\_\_ )

FLORIDA POWER & LIGHT COMPANY'S  
NOTICE OF WITHDRAWAL

Florida Power & Light Company, ("FPL") hereby withdraws from the proposed settlement as set forth in Order No. PSC-98-1748-FOF-EI. FPL states:

1. After lengthy negotiations between the Commission Staff and FPL, the Commission voted to defer taking further action in this Docket to "allow time...to negotiate a settlement." As a result of these further negotiations, FPL presented a proposed settlement which the Commission found "...provides a reasonable resolution of the issues raised in this docket," and which the Commission approved by Order No. PSC-98-1748-FOF-EI ("the Order"). The Order was issued as Proposed Agency Action and was to be effective absent a petition for formal proceeding. Petitions on Proposed Agency Action were filed on January 12, 1999 or 21 days after the entry of the Order.

2. As urged by the Commission at Agenda, FPL undertook to

negotiate a settlement with the Staff, and, sincerely and in good faith. At the direct request of the Staff in those negotiations of a settlement, FPL proposed action in three areas that are of continuing significance here and which are against its interests. Thus, for example, despite the fact that FPL's authorized range of return on equity was approved by final order of the Commission and despite the fact that this range of return on equity is legally valid until changed after hearing and is presumptively valid, FPL volunteered as part of the settlement to reduce its authorized equity return for all regulatory purposes.

FPL was committed to this settlement even though it fully expected the possibility that the Commission's "PAA" Order approving the settlement would be protested and that hearings could be held to address material matters called for by the Administrative Procedure Act. FPL did not, however, expect that its proposed settlement and the Commission's proposed approval of it would result in a procedural morass. That, however, is the effective result of the procedures being followed now. FPL would be left with the obligation to defend itself on unknown issues in a impossibly short time period. Under the circumstances FPL has no alternative but to withdraw.

WHEREFORE, FPL hereby withdraws from the proposed settlement

set forth in Order No. PSC-98-1748-FOF-EI.

Respectfully submitted,

STEEL HECTOR & DAVIS LLP  
Suite 601  
215 South Monroe Street  
Tallahassee, FL 32301  
Attorneys for Florida Power  
& Light Company

By:   
Matthew M. Childs. P.A.

CERTIFICATE OF SERVICE  
DOCKET NO. 981390-EI

I HEREBY CERTIFY that a true and correct copy of Florida Power & Light Company's Notice of Withdrawal has been furnished by Hand Delivery (\*), or U.S. Mail this 12<sup>th</sup> day of February, 1999, to the following:

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