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January 7, 2002

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

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COMMISSION
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Re: Docket No. 001148-EI

Dear Ms. Bayo:

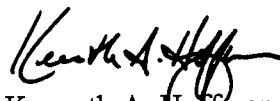
Enclosed herewith for filing in the above-referenced docket on behalf of Florida Power & Light Company ("FPL") are the original and fifteen copies of the following documents:

1. FPL's Objections to and Requests for Clarification of the Commission Staff's Seventh Set of Interrogatories and Request for Production of Documents; and
2. A disk containing a copy of the document in Word Perfect 6.0.

Please acknowledge receipt of these documents by stamping the extra copy of this letter "filed" and returning the copy to me.

Thank you for your assistance with this filing.

Sincerely,


Kenneth A. Hoffman

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

Docket No. 001148-EI
Dated: January 7, 2002

**FLORIDA POWER & LIGHT COMPANY'S
OBJECTIONS TO AND REQUESTS FOR CLARIFICATION OF
THE COMMISSION STAFF'S SEVENTH SET OF INTERROGATORIES
AND REQUEST FOR PRODUCTION OF DOCUMENTS**

Florida Power & Light Company ("FPL") hereby submits the following objections to and requests for clarification of the Commission Staff's Seventh Set of Interrogatories and Request for Production of Documents (the "Staff's Seventh Request").

I. Preliminary Nature of These Objections

The objections stated herein are preliminary in nature and are made at this time in compliance with the requirement of Order No. PSC-01-2111-PCO-EI that objections be served within ten days of receipt of discovery requests. Should additional grounds for objection be discovered as FPL develops its response, FPL reserves the right to supplement or modify its objections up to the time it serves its responses. Should FPL determine that a protective order is necessary regarding any of the requested information, FPL reserves the right to file a motion with the Commission seeking such an order at the time its response is due.

II. General Objections

1. FPL objects to each and every one of the interrogatories and requests for documents that calls for information protected by the attorney-client privilege, the work product doctrine, the accountant-client privilege, the trade secret privilege, or any other applicable privilege or protection afforded by law, whether such privilege or protection appears at the time response is first made or

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is later determined to be applicable for any reason. FPL in no way intends to waive such privilege or protection.

2. FPL objects to providing information that is proprietary, confidential business information without provisions in place to protect the confidentiality of the information. FPL has not had sufficient time to determine whether the discovery requests call for the disclosure of confidential information. However, if it so determines, it will either file a motion for protective order requesting confidential classification and procedures for protection or take other actions to protect the confidential information requested. FPL in no way intends to waive claims of confidentiality.

3. FPL is a large corporation with employees located in many different locations. In the course of its business, FPL creates numerous documents that are not subject to Commission's or other governmental record retention requirements. These documents are kept in numerous locations and frequently are moved from site to site as employees change jobs or as business is reorganized. Therefore, it is possible that not every relevant document may have been consulted in developing FPL's response. Rather, FPL's responses will provide all the information that FPL obtained after a reasonable and diligent search conducted in connection with this discovery request. To the extent that the discovery requests propose to require more, FPL objects on the grounds that compliance would impose an undue burden or expense on FPL.

4. FPL objects to each Interrogatory and Request that seeks information about, or in the custody of, FPL's affiliates to the extent that such discovery requests exceed the proper scope of the Commission's inquiry about utility affiliates and/or the proper scope of discovery. As noted in FPL's objections to the South Florida Hospital and Healthcare Association's First Set of

Interrogatories and Request for Documents, the jurisdiction of the Commission concerning the parent and affiliates of a utility is limited. *See* §§366.05(9) and 366.093(1), Fla. Stat. (2000). Moreover, the scope of discovery from a party is limited to documents within the possession, custody or control of that party. *See, e.g., Southern Bell Telephone and Telegraph Co. v. Deason*, 632 So.2d 1377 (Fla. 1994).

5. FPL objects to each Interrogatory and Request to the extent that it seeks information that is not relevant to the subject matter of this docket and is not reasonably calculated to lead to the discovery of admissible evidence.

6. FPL objects to the instructions and to each Interrogatory and Request to the extent that they purport to impose upon FPL obligations that FPL does not have under the law or applicable rules of procedure.

7. FPL objects to the request that responsive documents be produced at the Commission's Tallahassee offices. FPL is required only to produce documents at a reasonable time, place, and manner.

8. FPL objects to the Interrogatories and Requests to the extent that they require FPL to create documents not already in existence.

III. Specific Objections and Requests for Clarification

Request for Documents No. 38. For purposes of clarification, the documents responsive to this request include confidential information concerning affiliated entities. The information in the subject Operating Reports concerning these affiliated entities (other than FPL Group, Inc.) is not relevant to the issues preliminarily raised in this proceeding and is outside the scope of discovery under Rule 1.280(b), Florida Rules of Civil Procedure. Accordingly, and consistent with the manner

in which these same documents have previously been provided to the Office of Public Counsel (“OPC”), FPL will redact the information in these documents that is not related to FPL and FPL Group, Inc. (and that is related to other affiliated entities) in providing these documents to Staff.

Request for Documents No. 39. This request for documents requests “all workpapers in your possession, custody, or control underlying all B and C MFR schedules and all documents in your possession, custody or control commenting on, analyzing, or evaluating any of these schedules.” For purposes of clarification, and consistent with FPL’s response to a similar request for production, OPC Document Request No. 13, FPL will construe this request for documents as seeking the direct, underlying workpapers providing immediate backup for and supporting all B and C MFR schedules. In addition, FPL’s response will include documents that contain proprietary, confidential business information and such confidential documents and information will be provided pursuant to the applicable procedures set forth in Rule 25-22.006, Florida Administrative Code.

Request for Documents No. 40. This request for documents seeks:

[E]ach document in your possession, custody, or control showing, analyzing, discussing or evaluating projected revenues, expenses, income, budgets, or plant additions for FPL during all or part of the years 1999, 2000, 2001, and 2002. This request also includes all documents showing, analyzing, discussing, or evaluating any assumptions underlying projected data.

FPL objects to this request to the extent that Staff interprets this request literally to require every document within the Company analyzing projected revenues, expenses, income, budgets or plant additions for 1999 through 2002. Such a request is a massive request that is clearly burdensome, unreasonable and oppressive. FPL will construe this document request and intends to respond by providing all responsive documents provided to or in possession of the head of an FPL business unit

or an individual at a higher level, consistent with the manner in which FPL intends to respond to OPC Document Request No. 14 which seeks similar documents.

Request for Documents No. 43. This request seeks “copies of all short-range and long-range strategic plans and reports pertaining to the years 1999, 2000, 2001, and 2002.” FPL seeks clarification as to whether Staff is referring to the year a specific plan or report was issued or whether Staff seeks documents where the years 1999, 2000, 2001 and/or 2002 are the subject of the plan or report.

Interrogatory No. 264. FPL objects to this interrogatory to the extent it requests FPL to derive an administrative and general benchmark, based on CPI and customer growth, at a specific expense (*i.e.*, pension expense) level. The Commission and FPL have historically calculated and applied the Commission approved CPI plus customer growth benchmark calculation as evidence of the prudence and reasonableness of expense, on the broader, functional level. FPL objects to undertaking additional analysis of individual expense benchmark calculations beyond the functional levels traditionally utilized by the Commission to evaluate the prudence and reasonableness of electric utility expenses.

Interrogatory Nos. 284, 294-300 and 302. FPL construes the reference to Schedule B-13 in each of these interrogatories to be a specific reference to MFR Schedule B-13 (B) and intends to respond to each of these interrogatories consistent therewith unless further explanation or clarification is provided by Staff.

Interrogatory No. 273. This interrogatory requests FPL to refile MFR Schedule B-8a for the historic test year (2000), the prior year (2001), and the projected test year (2002) consistent with instructions in the MFR schedule that state that the plant balances are to be provided for each

account or sub-account to which an individual depreciation rate is applied. FPL objects to this interrogatory on the grounds that it is inconsistent with Order No. PSC-01-1535-PCO-EI issued July 24, 2001 (“MFR Order”) which sets forth the content of the MFRs and accompanying instructions to be filed in this proceeding and because it requests FPL to derive and produce information which currently does not exist. The original instructions in MFR Schedule B-8a and the MFR Order required only the provision of the requested plant balances for the projected test year. Staff requested and FPL agreed to provide the same information for the historic test year because the information was already available and in fact had already been provided to the Commission Staff as part of FPL’s year 2000 Annual Status Report. Information concerning year 2001 is not currently available and FPL objects to the production of such information. FPL notes that the requested information for year 2001 will be analyzed and filed as part of its year 2001 Annual Status Report in April 30, 2002.

Interrogatory No. 275. FPL objects to Staff Interrogatory No. 275 on the same grounds as those set forth in FPL objections to Staff Interrogatory No. 273 which are fully adopted and incorporated herein by reference.

Interrogatory No. 283. This interrogatory requests “the 13-month average for each adjustment to the 2002 Company Capital Forecast shown on Attachment 1, page 3, in the November 9, 2001 revision.” FPL objects to this interrogatory on the basis that the adjustments shown on Attachment 1, page 3, in the November 9, 2001 revision are adjustments to the 2002 Company Capital Expenditures Forecast, not actual adjustments to the 2002 Company Plant in Service forecast. Thirteen month averages can be calculated for balance sheet accounts, but not for the cash flow of capital expenditures.

Interrogatory No. 288. FPL objects to Staff Interrogatory No. 288 on the same grounds as set forth in FPL's objections to Staff Interrogatory No. 273 which are fully adopted and incorporated herein by reference.

Interrogatory No. 291. FPL objects to this interrogatory on the grounds that it seeks information which is not readily available to FPL. This interrogatory seeks forecasted and budgeted information in a manner and format which is not developed by FPL. Although FPL voluntarily complied with Staff's informal request for MFR Schedule C-9 functional allocations for the year 2000, because that information was available, the requested information for the years 2001 and 2002 is not available and FPL is under no obligation under the MFR Order to expend the resources and time to develop such forecasted functional allocations.

Interrogatory No. 292. FPL objects to Staff Interrogatory No. 292 on the same grounds as those set forth in response to Staff Interrogatory No. 291 which are fully adopted and incorporated herein by reference.

Interrogatory No. 320. FPL objects to Staff Interrogatory No. 320 on the basis that the request for "the revenue requirements needed to support FPL's retail transmission service, including a discussion of all assumptions used" is vague and ambiguous. FPL requests clarification as to the period of time contemplated by Staff Interrogatory No. 320.

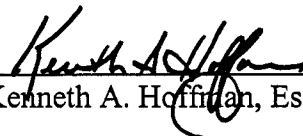
Respectfully submitted,

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- - and - -

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Attorneys for Florida Power & Light Company

By: 
Kenneth A. Hoffman, Esq.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of Florida Power & Light Company's Objections to and Request for Clarification of the Commission Staff's Seventh Set of Interrogatories and Request for Production of Documents has been furnished by United States Mail this 7th day of January, 2002, to the following:

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McWhirter Reeves
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Tampa, FL 33601-3350

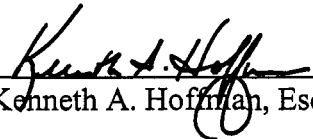
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