

ORIGINAL

070098-E1

# Exhibit A

DOCUMENT NUMBER-DATE

03331 APR 19 5

FPSC-COMMISSION CLERK

EXHIBIT A

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21 rate.  
22 Q. Okay.  
23 A. That's what our discussion believed was  
24 appropriate back -- I think the first time we actually

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1 had forecasts in this paper were about a year ago,  
2 little over a year ago.  
3 Q. What was the basis for using that  
4 particular discount rate?  
5 A. I don't recall, to tell you the truth.  
6 Q. Okay.  
7 A. Others at Synapse, I think Mr. Biewald,  
8 Dr. White, probably Dr. White spoke most authoritatively  
9 about what was a reasonable long-term rate to use.  
10 Q. Going back to -- I asked you about the  
11 discount rate; I appreciate that. What was the period  
12 over which you leveled the cost?  
13 A. 1010 to 2040.  
14 Q. A 30-year period?  
15 A. Yes.  
16 Q. What did you assume with respect to cost  
17 in the intermediate years, for example, in the mid case  
18 between 2010 and 2015?  
19 A. I think it was linear. It was linear  
20 between like -- you mean 2011, 2012, 13, 14?  
21 Q. Yes.  
22 A. We assume linear.  
23 Q. You assumed linear, okay.  
24 MR. LITCHFIELD: Okay. I would like to

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1 have attached as a late filed exhibit the  
2 composition that produced the levelized values  
3 shown in table 6.4.

4 THE WITNESS: I can ask Dr. White if he  
5 has them, but they may not have been kept.

6 MR. LITCHFIELD: Then I'll recast the  
7 request as a late filed exhibit, either the  
8 compositions that underlie, including the data  
9 that underlies the Table 6.4, or an indication  
10 that the paperwork no longer exists.

11 THE WITNESS: Okay, that one will take me  
12 a little bit longer because I do have to talk to  
13 Dr. White. Computations underlying the levelized  
14 price, prices shown on table 6.4, okay.

15 MR. LITCHFIELD: Right.

16 BY MR. LITCHFIELD?

17 Q. Now, when you assumed your mid, high and  
18 low case scenarios, Mr. Schlisse, did you make any  
19 assumptions in any of those cases with respect to  
20 whether it would be a cap and trade program or not?

21 A. I don't remember whether we assumed it  
22 would be cap and trade. We probably did, but I can't  
23 picture a conversation, but it's my firm belief that in  
24 fact we did assume a cap and trade.

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1 Q. Did you assume any allocation mechanism?

2 A. No, we didn't assume any allocation  
3 mechanism.

4 Q. Why not?

5 A. Because there was still a cost to the --

24 forecasting. We thought it was -- at the time we

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1 produced the forecast that you see in Figure 1, we  
2 thought that it was really speculative to predict after  
3 2040, but that we -- it was really speculative to  
4 predict after 2040, therefore we cut off our forecast at  
5 2030.

6 And in fact, not many of the bills that  
7 were in effect or in play when we did our forecast a  
8 year ago really talked about 2050 much. The targets  
9 that far out is generally -- there may have been a  
10 specific bill, I'm not saying that there weren't, but  
11 generally it's a positive change in the current bills.  
12 So we levelized it over 20 years here. In the paper, we  
13 levelized it over 40 years assuming it was flat after  
14 2040. We obviously -- I mean, we just did it over  
15 different periods and different places.

16 MR. LITCHFIELD: Okay, I would like to ask  
17 for the same exhibit as a late filed No. 2 with  
18 respect to Table 4 on page 21 of your direct  
19 testimony, same computations as you going to give  
20 us in Exhibit 1 for 6.4.

21 THE WITNESS: Okay sure.

22 MR. GROSS: Which table are you referring  
23 to?

24 MR. LITCHFIELD: Table 4 on page 21 of the  
105

1 direct.

2 MR. GROSS: Okay.

3 THE WITNESS: Okay.  
Page 86

# Exhibit B



Wade Litchfield

04/11/2007 11:55 AM

To: "Michael Gross" <mgross@earthjustice.org>  
Subject: RE: [REDACTED]

michael, we are looking, but haven't found item 3 in the materials. please resend via email. also, i haven't seen any mention of item 2; pls send that one via email as well. item 1 was received. thanks.  
wade

"Michael Gross" <mgross@earthjustice.org>



"Michael Gross"  
<mgross@earthjustice.org>

04/09/2007 06:43 PM

To: Wade\_Litchfield@fpl.com  
cc:  
Subject: RE:

Wade:

I believe we included the document referred to in your item 3 with our discovery response we just overnighted. I will get with David Schlissel to obtain a response to the other items.

Michael

-----Original Message-----

From: Wade\_Litchfield@fpl.com [mailto:Wade\_Litchfield@fpl.com]  
Sent: Monday, April 09, 2007 6:19 PM  
To: Michael Gross  
Cc: jbrubake@psc.state.fl.us; beck.charles@leg.state.fl.us;  
KEFLEMINE@PSC.STATE.FL.US; LHolley@PSC.STATE.FL.US; jessica\_cano@fpl.com;  
natalie\_smith@fpl.com  
Subject:

Michael,

FPL has yet to receive all of the deposition exhibits Mr. Schlissel promised to provide during his deposition on March 21, 2007.

The following exhibits were requested: 1) the pre-corrected version of Figure 6.3 of pre-filed direct exhibit DAS-3 (see deposition transcript pp. 67-68); 2) documentation of the computation that produced the leveled values shown in Table 6.4 of DAS-3 or a statement that such documentation no longer exists (see deposition transcript pp. 93-34); and 3) documentation of the computation that produced the leveled values shown in Table 4 of Mr. Schlissel's direct testimony or a statement that such documentation no longer exists (see deposition transcript p. 105). These deposition transcript pages refer to the court reporter's pagination.

Let me know where these stand.

Wade

# Exhibit C



"Michael Gross"  
<mgross@earthjustice.org>

04/09/2007 04:07 PM

To: Natalie\_Smith@fpl.com  
cc: "Laura Ewan" <lewan@earthjustice.org>, "Kristen M. Standridge" <kstandridge@earthjustice.org>  
Subject: FPL Glades Need No. 070098 confid. agmt

Natalie:

Please sign and fax back with signature, and we'll overnight our Response to FPL's 2nd Set of Interr. and Request for Production, as well as a late filed exh. to David Schlissel's depo.

Michael

<<Intervenor's CONFIDENTIALITY AGREEMENT.doc>>

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*Because the earth needs a good lawyer*

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Intervenor's CONFIDENTIALITY AGREEMENT.doc



# Exhibit D

# ORIGINAL

BEFORE THE PUBLIC SERVICE COMMISSION

In re: Florida Power & Light Company's  
Petition to Determine Need for FPL Glades  
Power Park Units 1 and 2 Electrical Power  
Plant


DOCKET NO.: 07-0098-EI

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**THE SIERRA CLUB, INC., SAVE OUR CREEKS, FLORIDA WILDLIFE  
FEDERATION, ENVIRONMENTAL CONFEDERATION OF SOUTHWEST  
FLORIDA, AND ELLEN PETERSON'S (INTERVENORS) NOTICE OF INTENT  
TO REQUEST CONFIDENTIAL CLASSIFICATION**

Pursuant to Florida Administrative Code Rule 25-22.006(3)(a), Intervenors file this Notice of Intent to Request Confidential Classification with respect to their Late Filed Exhibit "Synapse CO2 Price Scenarios - 5/18/06" to Deposition of David A. Schlissel conducted on March 21, 2007. Intervenors, pursuant to Rule 25-22.006(3)(a), request confidential handling of the answers to interrogatories and documents produced as enclosed in the attached envelope labeled "CONFIDENTIAL." The confidential answers and documents contain or constitute the confidential and proprietary business information of Synapse Energy Economics, Inc., the employer of Intervenors' expert witness, David A. Schlissel.

Respectfully submitted this 11<sup>th</sup> day of April 2007.



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Michael A. Gross  
Earthjustice  
111 S. Martin Luther King Jr. Blvd.  
(850) 681-0031  
FL Bar ID. 0199461  
Attorney for Intervenors

DOCUMENT NUMBER-DATE

03094 APR 11 5

FPSC-COMMISSION CLERK

# Exhibit E



"Michael Gross"  
<mgross@earthjustice  
.org>

To: Wade\_Litchfield@fpl.com, "Natalie Smith"  
<Natalie\_Smith@fpl.com>, "Bryan Anderson"  
<bryan\_anderson@fpl.com>

04/13/2007 12:39 PM

cc:  
Subject: FW: confidential workpapers

### CONFIDENTIAL EXHIBITS

Wade and Natalie:

Attached are Excel files representing exhibits to Sierra Club, et al.'s response to FPL's 2nd set of discovery and the late filed exhibit to Schlissel's depo on 3-21-07. It occurred to us that the printed copies do not provide access to the calculations and other information that you need. These are confidential work papers of Synapse Energy and are provided under FPL's Confidentiality Agreement with Sierra Club, et al. and the Notices of Intent filed covering these documents.

Please call me if you wish to discuss.

Michael



Synapse Response to FPL Interrogatory Set 2.xls CO2 Price Forecast Levilized Prices 04.09.07.xls