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07 MAY -1 AM 10: 50

John T. Butler
Senior Attorney
Florida Power & Light Company
700 Universe Boulevard
Juno Beach, FL 33408-0420
(561) 304-5639
(561) 691-7135 (Facsimile)
E-mail: john_butler@fpl.com

April 30, 2007

-VIA OVERNIGHT DELIVERY -

Ms. Ann Cole
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

COMMISSION
CLERK

07 MAY -1 PM 1:38

RECEIVED - FSC

070291-E

Re: Florida Power & Light Company's Petition for Permanent Approval of its Performance Guaranty Agreement, Including Approval of First Revised Tariff Sheet No. 9.946

Dear Ms. Cole:

I am enclosing for filing in the above docket the original and fifteen (15) copies of the above-referenced Florida Power & Light Company Petition for Permanent Approval of its Performance Guaranty Agreement, Including Approval of First Revised Tariff Sheet No. 9.946, together with a diskette containing the electronic version of same. The enclosed diskette is HD density, the operating system is Windows XP, and the word processing software in which the documents appear is Word 2003. I also enclose a duplicate of this letter to be date-stamped and returned to my office.

Please contact me if you have any questions about this transmittal. I appreciate your assistance in this matter.

*Original Tariffs +
Diskette forwarded
to Eck.*

Sincerely,

John T. Butler

Enclosure

RECEIVED & FILED

FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DA1

03685 MAY-1 2

FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Florida Power & Light Company's)
Request for permanent approval of its)
Performance Guaranty Agreement.)

Docket No. 070291-E1

Filed: May 1, 2007

FLORIDA POWER & LIGHT COMPANY'S PETITION FOR PERMANENT APPROVAL OF ITS PERFORMANCE GUARANTY AGREEMENT, INCLUDING APPROVAL OF FIRST REVISED TARIFF SHEET NO. 9.946

Florida Power & Light Company ("FPL") hereby petitions the Commission for permanent approval of FPL's Performance Guaranty Agreement ("PGA"), including approval of First Revised Tariff Sheet No. 9.946. In support of this Petition, FPL states as follows:

1. FPL is a public utility subject to the jurisdiction of the Florida Public Service Commission ("Commission") under Chapter 366, Florida Statutes. FPL's General Offices are located at 9250 West Flagler Street, Miami, FL 33174.

2. Any pleading, motion, notice, order or other document required to be served upon the petitioner or filed by any party to this proceeding should be served upon the following individuals:

William G. Walker, III
Vice President
Florida Power & Light Company
215 South Monroe Street
Suite 810
Tallahassee, FL 32301-1859
(850) 521-3910
(850) 521-3939 (telecopier)

John T. Butler
Senior Attorney
Florida Power & Light Company
700 Universe Boulevard
Juno Beach, Florida 33408-0420
(561) 304-5639
(561) 691-7135 (telecopier)

3. In November, 2003, FPL petitioned the Commission to approve certain changes to its Performance Guaranty Agreement for Incremental Capacity ("PGAIC") and to approve the PGA as a new agreement. By Order No. PSC-04-0406-TRF-EI, issued in Docket No. 031074-EI

on April 19, 2004 (“Order 04-0406”), the Commission approved FPL’s requested changes to the PGAIC on a permanent basis and also approved the PGA, subject to FPL’s commitment that

it would implement the [PGA] tariff for a three-year period and the tariff would expire for new customers at the end of that time. This limitation will allow FPL and the Commission to evaluate the need for the new PGA tariff and the criteria for its application.

Order 04-0406 at page 4.

4. FPL filed Original Tariff Sheet Nos. 9.946, 9.947 and 9.948 to implement the PGA. Consistent with Order 04-0406, Original Tariff Sheet No. 9.946 provided in the introductory paragraph that the PGA is “available to customers signing [a PGA] on or before March 30, 2007.” FPL is by this Petition seeking permanent approval of the PGA for the reasons discussed below. In order to effect permanent approval, FPL is also seeking approval for First Revised Tariff Sheet No. 9.946, which has been revised to delete the foregoing deadline on the PGA’s availability. Attached hereto as composite Exhibit 1 are legislative and final formats of First Revised Tariff Sheet No. 9.946, together with copies of the existing Original Tariff Sheet Nos. 9.947 and 9.948 for convenient reference to the full terms of the PGA. No modifications are proposed to Original Tariff Sheet Nos. 9.947 and 9.948.

5. FPL needs both the PGA and the PGAIC in order to protect its general body of customers against the risk of not recovering the costs of excess and non-standard electric equipment. The PGA meets an important, albeit narrow, need that the PGAIC cannot address.

6. The PGAIC specifically focuses on customers requesting a level of electric capacity per square foot that is not typically required for that type of building or premises. Thus, electric facilities in excess of what is deemed “Baseline Capacity,” i.e., the currently existing electric capacity at a site, or the level of electric capacity that would typically be

required at the site and reasonably estimated based on other historical baselines, are considered incremental and require the posting of a Performance Guaranty.

7. While the PGAIC works well in many situations, such as the refurbishment of an existing site, it cannot be effectively applied in all situations. Sometimes, because of the nature, location, voltage or other characteristics of the requested facilities, the risk of unrecovered investment may extend to the entire projected load associated with the installation of the new facilities and not just an incremental amount. In such cases, the Company is asked to make an investment in special facilities or at unusual locations that are not likely to be useful for any other customers. Specially-sized and/or types of transformers that cannot generally be used by other customers are one such example. Another example would be a system expansion at a previously undeveloped site, where the new facilities are likely to be required by only the requesting customer for a substantial period of time. The PGA is intended to provide cost-recovery protection in these unusual cases where the cost-recovery risk extends to the entire projected load.

8. The Commission imposed a three-year limitation on its initial approval of the PGA in order to “allow FPL and the Commission to evaluate the need for the new PGA tariff and the criteria for its application.” Order 04-0406 at page 4. Pursuant to the Commission’s direction, FPL has submitted three monitoring reports for the PGA, covering the periods April 1, 2004 – March 31, 2005, April 1, 2005 – March 31, 2006, and April 1, 2006 – March 31, 2007. Copies of these monitoring reports are attached hereto as Exhibits 2, 3 and 4, respectively. FPL submits that its experience over the past three years justifies approval of the PGA on a permanent basis.

9. First, there is a need for the PGA distinct from the PGAIC. This is well illustrated by the customer discussed in FPL's third monitoring report, Garden Street Iron and Metal ("GSIM"). GSIM requested 4kV electric service, which would have required FPL to build three dedicated, underground 4kV feeders just to serve that one customer. The 4kV feeders are considered by FPL to be nonstandard and would have been unsuited to serving any other customers, should GSIM's load have failed to materialize.¹ Thus, the full amount of FPL's investment in providing 4 kV feeders for GSIM would have been at risk. Ultimately, GSIM decided to reconfigure its operations to accommodate 13 kV service and thus no PGA was required. This outcome was efficient and equitable for both GSIM and FPL's general body of customers. It is an outcome that likely would not have occurred but for the availability of the PGA.

10. The fact that FPL has only had to invoke the PGA once during the past three years does not suggest that the PGA is unnecessary. To the contrary, the PGA is specifically intended for very unusual circumstances, which by their nature arise only infrequently. When those circumstances arise, it is important to have the PGA available to protect FPL's general body of customers against the full risk of non-recovery.

11. Nor does infrequent use of the PGA suggest that it would be better handled as a special contract, filed on a case-by-case basis as the need arises. Having the PGA as a standard form in the tariff serves the interests of customers to whom it might apply, as well as FPL and its general body of customers. Its presence in the tariff provides advance notice to customers who are considering a request for special facilities or locations that they may be required to post a

¹ In fact, FPL is actively removing and replacing 4 kV equipment throughout its system, because it has moved to a minimum primary voltage of 13 kV for efficiency and reliability reasons. Adding new 4 kV equipment would be completely at odds with this standardization effort.

performance guaranty if they make such a request. Eliminating the potential for surprise benefits those customers and, by the same token, assists FPL in negotiating an appropriate performance guaranty because there already is an approved standard form to use for that purpose.

12. Because the PGA is intended to apply only in very unusual and specialized circumstances, it is not realistic to develop specific criteria for its application. GSIM is a good example of the type of circumstances in which a PGA will be requested, but the next circumstance could look very different yet be equally compelling. The past three years demonstrate that FPL is extremely judicious in its use of the PGA, which should allay any concerns over FPL's exercise of discretion in applying the PGA. Moreover, in the event that a customer could not reach agreement with FPL about the need for a PGA, the customer would be free to use the complaint procedure provided by the Commission under Rule 25-22.032 of the Florida Administrative Code.

13. When the Commission initially approved the PGAIC, it made the following observations about the consistency of the PGAIC with existing Commission rules and with Commission-approved tariff provisions:

The proposed [PGAIC] is appropriate because it provides protection for FPL's general body of ratepayers in the event that the projected loads of customers do not materialize. Such protections are similar to those provided for pursuant to Rule 25-6.064, Florida Administrative Code, which applies to customers who require an extension of the utility's distribution facilities in order to receive service. Such customers are required to pay a contribution in aid of construction (CIAC) to help offset the extension cost.

Such situations are addressed in Section 2.2 of FPL's General Rules and Regulations for Electric Service, entitled *Availability of Service*. This Commission-approved tariff provision allows FPL to require an applicant for service who requires an extension of FPL's facilities to provide a guaranty, a CIAC calculated pursuant to Commission rules, and/or advances for construction when in FPL's opinion the potential revenues do not justify the cost of the extension. It also provides for a contract minimum monthly payment by the customer when there is doubt as to the level or length of use of the facilities. The

underlying purpose of this provision is to ensure that ratepayers are not unduly burdened with the expense of facilities that are not fully utilized.

Order No. PSC-01-0031-TRF-EI, Docket No. 001579-EI, dated January 8, 2001, at pages 3-4.

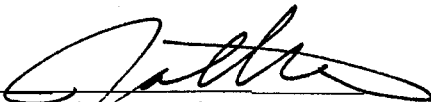
Like the PGAIC, the PGA is fully consistent with this purpose and intent. The PGA should be approved on a permanent basis, so it will remain available to protect the general body of customers in the rare but important circumstances where it applies.

WHEREFORE, Florida Power & Light Company respectfully requests permanent approval of its Performance Guaranty Agreement, including approval of First Revised Tariff Sheet No. 9.946.

Respectfully submitted,

John T. Butler, Esquire
Senior Attorney
Florida Power & Light Company
700 Universe Boulevard
Juno Beach, FL 33408
Telephone: (561) 304-5639
Facsimile: (561) 691-7135

By:



John T. Butler
Fla. Bar No. 283479

**Florida Power & Light Company's
Request for Permanent Approval of its
Performance Guaranty Agreement**

Docket No. _____

Exhibit No. 1

**First Revised Tariff Sheet No. 9.946
Original Tariff Sheet No. 9.947
Original Tariff Sheet No. 9.948**

PERFORMANCE GUARANTY AGREEMENT

This Performance Guaranty Agreement ("Agreement"), made this _____ day of _____ 20____, is by and between _____ (hereinafter "Applicant") and FLORIDA POWER & LIGHT COMPANY, a corporation organized and existing under the laws of the State of Florida, (hereinafter the "Company").

WITNESSETH:

Whereas, in connection with the property located at _____, in _____, Florida (the "Premises"), Applicant has requested that Company install electric infrastructure in order to provide electric service to the Premises;

Whereas, Applicant's estimate of the electric power needs of the Premises will require an expansion of Company's present electric system and, due to their nature, location, voltage, or other characteristics, the requested facilities are not likely to be required by other customers within five years following the requested date for the proposed system expansion;

Whereas, because of the uncertainty that Company will fully recover its investment in such infrastructure expansion should the Customer's projected load not materialize and the need to avoid placing the burden for those costs on Company's other customers; and

Whereas, Applicant is willing to provide assurance that Company will recover its investment in the expansion of Company's electric system based on Applicant's projections in the event that sufficient revenue from service to the Premises is not realized;

Now, therefore, in recognition of the foregoing premises and in consideration of the covenants and promises set forth herein below, Company and Applicant do hereby agree as follows:

ARTICLE I - DEFINITIONS

1.01 "Base Revenue" is the portion of electric revenue received by Company during the Performance Guaranty Period for electric service to the Premises consisting only of applicable base demand charges, base non-fuel energy charges, and facilities rental charges, if applicable. Base Revenue excludes, without limitation, capacity payment, customer, conservation, environmental, and fuel charges, franchise fees, and taxes.

1.02 "Performance Guaranty Period" is the period of time commencing with the day on which the requested level of service is installed and available to Customer, as determined by Company, ("In-Service Date"), and ending on the third anniversary of the In-Service Date ("Expiration Date").

ARTICLE II - PERFORMANCE GUARANTY AMOUNT

2.01 The amount of the Performance Guaranty is the total cost of facilities to be installed to serve the Premises, as estimated by Company, less the amount of Contribution In Aid of Construction paid, if any, by the Applicant pursuant to Company's General Rules and Regulations for Electric Service; multiplied by a factor of 1.51.

(Continued on Sheet No. 9.947)

PERFORMANCE GUARANTY AGREEMENT

This Performance Guaranty Agreement ("Agreement"), available to customers signing an Agreement on or before March 30, 2007, made this _____ day of _____ 20____, is by and between _____ (hereinafter "Applicant") and FLORIDA POWER & LIGHT COMPANY, a corporation organized and existing under the laws of the State of Florida, (hereinafter the "Company").

WITNESSETH:

Whereas, in connection with the property located at _____, in _____, Florida (the "Premises"), Applicant has requested that Company install electric infrastructure in order to provide electric service to the Premises;

Whereas, Applicant's estimate of the electric power needs of the Premises will require an expansion of Company's present electric system and, due to their nature, location, voltage, or other characteristics, the requested facilities are not likely to be required by other customers within five years following the requested date for the proposed system expansion;

Whereas, because of the uncertainty that Company will fully recover its investment in such infrastructure expansion should the Customer's projected load not materialize and the need to avoid placing the burden for those costs on Company's other customers; and

Whereas, Applicant is willing to provide assurance that Company will recover its investment in the expansion of Company's electric system based on Applicant's projections in the event that sufficient revenue from service to the Premises is not realized;

Now, therefore, in recognition of the foregoing premises and in consideration of the covenants and promises set forth herein below, Company and Applicant do hereby agree as follows:

ARTICLE I - DEFINITIONS

1.01 "Base Revenue" is the portion of electric revenue received by Company during the Performance Guaranty Period for electric service to the Premises consisting only of applicable base demand charges, base non-fuel energy charges, and facilities rental charges, if applicable. Base Revenue excludes, without limitation, capacity payment, customer, conservation, environmental, and fuel charges, franchise fees, and taxes.

1.02 "Performance Guaranty Period" is the period of time commencing with the day on which the requested level of service is installed and available to Customer, as determined by Company, ("In-Service Date"), and ending on the third anniversary of the In-Service Date ("Expiration Date").

ARTICLE II - PERFORMANCE GUARANTY AMOUNT

2.01 The amount of the Performance Guaranty is the total cost of facilities to be installed to serve the Premises, as estimated by Company, less the amount of Contribution In Aid of Construction paid, if any, by the Applicant pursuant to Company's General Rules and Regulations for Electric Service; multiplied by a factor of 1.51.

(Continued on Sheet No. 9.947)

(Continued from Sheet No. 9.946)

= \$ _____	Estimated total cost of facilities to be installed to serve the Premises
- \$ _____	Contribution In Aid of Construction (CIAC) paid by Applicant
= \$ _____	Total cost, less CIAC paid by Applicant
x 1.51	Present value factor
= \$ _____	Performance Guaranty

The Applicant shall provide the above-specified Performance Guaranty to Company prior to Company installing the facilities to ensure that the Base Revenue justifies Company's investment.

2.02 This Agreement does not apply in lieu of CIAC. Nothing in this Agreement shall be construed as prohibiting Company from collecting from Applicant a CIAC for underground service, where otherwise applicable.

2.03 The facilities to be installed to serve the Premises, together with their estimated costs, are shown on Exhibit A of this Agreement.

ARTICLE III - PAYMENT AND REFUND

3.01 At Applicant's option, the Performance Guaranty may be posted with Company in cash, or may be secured either by a surety bond or irrevocable bank letter of credit in a form acceptable to Company. At the end of Performance Guaranty Period, or upon termination of service by Applicant, whichever is earlier, if the Base Revenue is less than the Performance Guaranty, Applicant shall pay to Company the Performance Guaranty, less the amount of Base Revenue.

3.02 If, during the Performance Guaranty Period, Base Revenue equals or exceeds the Performance Guaranty and Applicant secured the Performance Guaranty through a surety bond, or irrevocable letter of credit, such bond or letter of credit shall be released or cancelled, or the amount secured by such instrument shall be reduced by the amount of the Performance Guaranty, as applicable.

3.03 If the Applicant elects to post the Performance Guaranty in cash, the Company agrees on a monthly basis to reduce the Performance Guaranty cash balance by the amount of the previous month's Base Revenue charges and credit the same amount to Applicant's previous monthly electric service billing, until such time the Performance Guaranty cash balance is depleted.

3.04 In the event that Company's construction of facilities shown on Exhibit A commences but is not completed due to a change in Applicant's plans or other circumstances related to the Premises that are not within Company's control, or if twelve months following the effective date of this Agreement Company has been unable to complete the requested installation and provide an In-Service Date due to changes or delays in Applicant's schedule or plans, Company shall be immediately entitled to an amount of the Performance Guaranty equal to Company's construction expenditures incurred in connection with this Agreement. Thereafter, Company may elect to terminate this Agreement and the balance, if any, of the Performance Guaranty will be refunded if Applicant posted a cash Performance Guaranty.

ARTICLE IV - TERM OF AGREEMENT

The term of this Agreement shall commence on the date first above written and end on the Expiration Date, or on the date Base Revenue equals the Performance Guaranty, whichever is earlier, unless terminated earlier pursuant to Section 3.04.

(Continued on Sheet No. 9.948)

(Continued from Sheet No. 9.947)

ARTICLE V - FINAL SETTLEMENT

Upon the termination or expiration of this Agreement, any portion of the Performance Guaranty not previously refunded or otherwise eligible for refund under the terms of this Agreement shall be retained by Company, and any remaining balance of the Performance Guaranty that is subject to a letter of credit or surety bond shall become immediately due and payable.

ARTICLE VI - TITLE AND OWNERSHIP

Title to and complete ownership and control over the above-referenced expansion shall at all times remain with Company and Company shall have the right to use the same for the purpose of serving other customers.

ARTICLE VII - ENTIRE AGREEMENT

This Agreement supersedes all previous agreements, or representations, whether written or oral, between Company and Applicant, made with respect to the matters herein contained, and when duly executed constitutes the entire agreement between the parties hereto.

ARTICLE VIII - HEIRS, SUCCESSORS AND ASSIGNS

This Agreement shall inure to the benefit of and be binding upon the respective heirs, legal representatives, successors and assigns of the parties hereto, but Applicant shall not assign this Agreement without first having obtained the written consent of Company, such consent not to be unreasonably withheld.

ARTICLE IX - SUBJECT TO FPSC RULES

This Agreement is subject to the Rules and Orders of the FPSC and to Company's Electric Tariff, including, but not limited to the General Rules and Regulations for Electric Service (collectively "Regulations"), as such Regulations are now written, or as they may be hereafter revised, amended or supplemented. In the event of any conflict between the terms of this Agreement and the Regulations, the provisions of said Regulations shall control, as they are now written, or as they may be hereafter revised, amended or supplemented, and, at Company's request, Customer agrees to conform this Agreement to such provisions, or enter into a new Agreement reflecting such provisions. This Agreement shall not be used in lieu of applicable requirements set forth in the Regulations pertaining to contributions in aid of construction, advances or deposits.

In Witness Whereof, Applicant and Company hereby have caused this Agreement to be executed in triplicate by their duly authorized representatives to be effective as of the day and year first written above.

Charges and Terms Accepted by:

Applicant (Print/Type Name of Organization)

FLORIDA POWER & LIGHT COMPANY

By: _____
Signature (Authorized Representative)

By: _____
Signature (Authorized Representative)

(Print or Type Name)

(Print or Type Name)

Title: _____ Title: _____

**Florida Power & Light Company's
Request for Permanent Approval of its
Performance Guaranty Agreement**

Docket No. _____

Exhibit No. 2

**PGA Monitoring Report
April 1, 2004 – March 31, 2005**

050000



Florida Power & Light Company, 215 S. Monroe St., Suite 810, Tallahassee, FL 32301

ORIGINAL

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05 APR 29 PM 4:40

COMMISSION CLERK

April 29, 2005

Ms. Blanca S. Bayco, Director
Division of the Commission Clerk and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

RE: Docket No. 031074-EI Petition for approval of changes to existing performance guaranty agreement and for approval of a second performance guaranty agreement, by Florida Power & Light Company.

Order No. PSC-04-0406-TRF-EI

Dear Ms. Bayo:

As required by Order PC-04-0406-TRF-EI, the following is FPL's first Performance Guaranty Agreement (PGA) monitoring report; for the period March 31, 2004 - March 31, 2005:

FPL has not executed, or asked any customers to sign, any Performance Guaranty Agreements in the 12 months ending March 31, 2005.

Please don't hesitate to contact me at (850) 521-3900 if you have any questions.

Sincerely,

CMP _____

COM _____

CTR _____

ECR _____

GCL _____

OPC _____

MMS _____

RCA _____

SCR _____

SEC 1

OTH _____

W.H. Feaster
Manager, Regulatory Affairs

cc: Elisabeth Draper

RECEIVED & FILED

FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE

04199 APR 29 05

**Florida Power & Light Company's
Request for Permanent Approval of its
Performance Guaranty Agreement**

Docket No. _____

Exhibit No. 3

**PGA Monitoring Report
April 1, 2005 – March 31, 2006**



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April 28, 2006

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COMMISSION
CLERK

Ms. Blanca S. Bayo, Director
Division of the Commission Clerk and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

RE: Docket No. 031074-EI Petition for approval of changes to existing performance guaranty agreement and for approval of a second performance guaranty agreement, by Florida Power & Light Company.

Order No. PSC-04-0406-TRF-EI

Dear Ms. Bayo:

As required by Order PSC-04-0406-TRF-EI, the following is FPL's second Performance Guaranty Agreement (PGA) monitoring report. The report covers the period April 1, 2005 - March 31, 2006.

FPL has not executed, or asked any customers to sign, any Performance Guaranty Agreements in the 12 months ending March 31, 2006.

Thank you for your assistance.

Sincerely,

CMP _____
COM 5 *W.H. Feaster*
CTR _____
ECHR W.H. Feaster
_____ Manager, Regulatory Affairs
GCL _____
OPC _____ cc: Elisabeth Draper
RCA _____
SCR _____
SGA _____
SEC 1
OTH _____

RECEIVED & FILED
Richard
FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER - DATE
03763 APR 28 06

FPSC-COMMISSION CLERK

**Florida Power & Light Company's
Request for Permanent Approval of its
Performance Guaranty Agreement**

Docket No. _____

Exhibit No. 4

**PGA Monitoring Report
April 1, 2006 – March 31, 2007**



April 30, 2007

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07 APR 30 PM 12:51
COMMISSION
CLERK

Ms. Ann Cole, Director
Division of the Commission Clerk and
Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

RE: Docket No. 031074-EI, Petition for approval of changes to existing performance guaranty agreement and for approval of a second performance guaranty agreement, by Florida Power & Light Company

Dear Ms. Cole:

As required by Order PSC-04-0406-TRF-EI in the above referenced docket, the following is FPL's third, and final, Performance Guaranty Agreement ("PGA") Monitoring Report. This report covers the period April 1, 2006 - March 31, 2007.

Customer Name: Garden Street Iron and Metal

Location: 3350 Metro Parkway, Ft Myers

Why PGA Requested: Customer requested 4kV Service which would have required FPL to build three underground, dedicated 4kV feeders. Because the 4kV feeders are considered by FPL to be nonstandard and would have been unable to serve any other customers should the load fail to materialize, FPL advised a Performance Guaranty Agreement would be required to provide the Customer's desired level of service, prior to building the three feeders. The Customer consequently opted for an FPL standard (13 kV) voltage, which required FPL to build only a single 13 kV overhead feeder which, unlike the 4kV feeder, could be used to serve other customers should this Customer's load fail to materialize. Therefore, a PGA was not required.

Amount of the Performance Guaranty Requested by FPL: N/A. (Note: A \$2 million - \$2.5 million verbal estimate was provided based on preliminary non-detailed construction estimates.)

Total Achieved Base Revenues: N/A.

FPL has previously reported that no PGA's were requested in the periods April 1, 2004 - March 31, 2005 and April 1, 2005 - March 31, 2006. Together, the three reports show that FPL has requested PGA's very infrequently. However, the example above illustrates that the PGA can be an important tool for protecting FPL's general body of customers when appropriate circumstances arise. Given the importance of the continued availability of the PGA, therefore, FPL will be separately filing a petition seeking Commission approval of the PGA on a permanent basis.

Thank you for your assistance.

Sincerely,

W.H. Feaster
Manager, Regulatory Affairs

cc: Elisabeth Draper

RECEIVED & FILED

PSC BUREAU OF RECORDS