

070432-EI

REDACTED

II. AUDIT FINDINGS

AUDIT FINDING NO. 1

SUBJECT: TERMINATION FEE

AUDIT ANALYSIS: FPL entered into a contractual agreement with [REDACTED] for the Glades Power Park for the total cost of [REDACTED].

[REDACTED] As the result of the Commission's rejection of FPL's request for the construction of the coal-fired generation units, FPL terminated its contract with [REDACTED].

[REDACTED] Through negotiations to reduce the full termination fee, the following terms were agreed upon. First, [REDACTED] agreed to reduce the termination fee from [REDACTED] (decrease of \$2,000,000) if FPL agreed to increase the contract price of the [REDACTED] by \$1,750,000 or an actual decrease of \$250,000. Second, [REDACTED] agreed to adjust the cash flow of payments for [REDACTED] resulting in an approximate \$500,000 reduction in Allowance for Fund Used During Construction (AFUDC). Third, [REDACTED] agreed to credit FPL [REDACTED] by December 31, 2012, if [REDACTED] is selected as the winning bidder in future competitive solicitation by any company in FPL Group Company, not just the utility. Even if an affiliate [REDACTED] the utility would receive [REDACTED].

- CMP _____ The settlement of the contract price for [REDACTED] yielded a saving benefit of \$250,000;
 - COM _____ however, it also posed an inconsistency of accounting methodology as based on the re-
 - CTR _____ negotiation, the termination fee would decrease the deferred loss and increase the
 - ECR _____ [REDACTED] costs capitalized as a plant addition. This would result in a longer period of
 - GCL _____ writing off the \$1,750,000 since the plant addition is depreciated over a longer period
 - OPC _____ than the deferred loss would be amortized.
 - RCA L Although the negotiation was to transfer the \$1,750,000 between projects, FPL
 - SGA _____ adjusted its books after the filing was made to follow Generally Accepted Accounting
 - SEC _____ Principals and to only record the actual reduction of \$250,000 to the Glades Power
 - OTH _____ Project to account 182.3-Other Regulatory Assets. Therefore, the costs booked are
- actually \$34,287,477, which includes the reduction of \$250,000.
- FPL will rely on the Commission authorization to determine whether the costs of the Glades Power Park project should be reduced and the new construction for [REDACTED] be

DOCUMENT NUMBER-DATE
 10995 DEC 17 8
 FPSC-COMMISSION CLERK

increased. If the Commission decides the \$1,750,000 should be removed from the deferred loss for the recovery of the Glades Power Park project Account 182.3 – Other Regulatory Assets, then less cost would be amortized over a period of five years. If this is done, the \$1,750,000 would be an addition to the [REDACTED] and be depreciated for a period of twenty-five years instead of five years if left in the deferred loss account.

The Commission must also take into consideration the effect of the \$500,000 reduction in Allowance for Funds Used During Construction (AFUDC) due to the change in payments for [REDACTED] as a result of this re-negotiation on the Glades [REDACTED] contract. The \$500,000 reduction in AFUDC helps to mitigate the increase in costs if the \$1,750,000 is increased in [REDACTED]. Since this is a result of the re-negotiation, the Commission should determine if the Glades project should receive any benefit from the change in the payment schedule for an unrelated project?

In addition, the Commission needs to determine whether the future credit of [REDACTED] [REDACTED] should reduce the deferred account or [REDACTED] costs. There is no guarantee that there will be any credits because [REDACTED] would have to win in a competitive bid process so any adjustment to the account would probably occur after the decision is made on FPL's recording of the loss.

EFFECT ON LEDGER: This finding is for informational purpose only.

EFFECT ON THE FILING: This finding is for informational purpose only.

AUDIT FINDING NO. 2

SUBJECT: PAYROLL AND RELOCATION COSTS

AUDIT ANALYSIS: Included in the \$34.5 million of the Glades Power Park Project was \$1,858,346.29 of Florida Power & Light payroll and \$126,314.83 of relocation costs for the hiring of two new employees, Richard Blanchette and Thuy Le. The costs are as follows:

Description	Payroll
Engineering/Construction - Power Plant	892,737.66
Engineering/Construction - Transmission	28,677.57
	921,415.23
Site Certification/Permitting - Corp. Communications	166,512.58
Site Certification/Permitting - Environmental	142,487.50
Site Certification/Permitting - Legal	39,559.07
Site Certification/Permitting - Other	151,260.18
Site Certification/Permitting -Transmission	150,537.03
Site Certification/Permitting - E&C Proj. Management	286,574.70
Site Certification/Permitting - Engineering Support	-
	936,931.06
Total	1,858,346.29
Relocation - Richard Blanchette	52,029.40
Relocation - Richard Blanchette	14,059.50
Relocation - Richard Blanchette	5,992.96
Relocation - Richard Blanchette	12,000.00
Relocation - Thuy Le	27,168.12
Relocation - Thuy Le	15,064.85
	126,314.83
Vice President of Engineer Travel Expense	
The primary vendor for the advanced technology considered at the FGPP project are located in Japan. The trip to Japan was taken by Vice-president of Engineering & Construction to solicit competitive, favorable equipment pricing for three major pieces of equipment: the boiler, steam turbine & pollution control equipment.	4,148.14
Total	4,148.14

These employees were hired to work on the Glades Power Park Project, thus the majority of the relocation costs were allocated to this particular project. Richard Blanchette was the project construction director. Thuy Le was the project construction manager. Although the Glades Power Park Project did not materialize, these employees are still on the company's payroll, which indicates that they are currently

working other construction projects. Therefore, all or part of the relocation costs should be allocated to the project they are currently working on.

EFFECT ON LEDGER: This finding is for informational purpose only.

EFFECT ON THE FILING: This finding is for informational purpose only.

AUDIT FINDING NO. 3

SUBJECT: LEGAL SERVICES, LOBBYING, COMMUNITY OUTREACH, & PUBLIC RELATION

AUDIT ANALYSIS: Florida Power & Light incurred legal services, lobbying, community outreach, & public relation costs for the Glades Power Park Project.

Lobbying - [REDACTED]	TOTAL	<u>71,015.67</u>
Customer Survey [REDACTED]	TOTAL	<u>41,673.00</u>
Outreach [REDACTED]	TOTAL	<u>57,649.43</u>
Outreach & Community Coordinator - [REDACTED]	TOTAL	<u>1,369,536.14</u>
Copy of Educational Materials for Community Outreach	TOTAL	<u>12,396.00</u>
Legal Services - FPL ENERGY	TOTAL	<u>194,435.00</u>

EFFECT ON LEDGER: This finding is for informational purpose only.

EFFECT ON THE FILING: This finding is for informational purpose only.

III. EXHIBITS

APPENDIX A

FPL Glades Power Park Project Cost Analysis (in millions of dollars)

Land and Right of Way Option Payments	1.7
Site Certification and Permitting	7.6
Major Equipment Contracts	
Turbine contracted termination cost	12.7
Air Quality Control System contracted termination cost	<u>4.8</u>
Subtotal Major Equipment Contracts	17.5
Preliminary Engineering and Project Management	5.3
Engineering, Procurement, Construction Contract	
Contracted termination cost	<u>2.4</u>
Total Project Cost	34.5

II. AUDIT FINDINGS

43-3/3-6

AUDIT FINDING NO. 1

SUBJECT: TERMINATION FEE

AUDIT ANALYSIS: FPL entered into a contractual agreement with [REDACTED] for the Glades Power Park for the total cost of [REDACTED]. As the result of the Commission's rejection of FPL's request for the construction of the coal-fired generation units, FPL terminated its contract with [REDACTED].

[REDACTED] Through negotiations to reduce the full termination fee, the following terms were agreed upon. First, [REDACTED] agreed to reduce the termination fee from [REDACTED] (decrease of \$2,000,000) if FPL agreed to increase the contract price of the [REDACTED] by \$1,750,000 or an actual decrease of \$250,000. Second, [REDACTED] agreed to adjust the cash flow of payments for [REDACTED] resulting in an approximate \$500,000 reduction in Allowance for Fund Used During Construction (AFUDC) for [REDACTED]. Third, [REDACTED] agreed to credit FPL [REDACTED] by December 31, 2012, if [REDACTED] is selected as the winning bidder in future competitive solicitation by any company in FPL Group Company, not just the utility. Even if an affiliate [REDACTED] the utility would receive [REDACTED].

The settlement of the contract price for [REDACTED] yielded a saving benefit of \$250,000; however, it also posed an inconsistency of accounting methodology as based on the re-negotiation, the termination fee would decrease the deferred loss and increase the [REDACTED] costs capitalized as a plant addition. This would result in a longer period of writing off the \$1,750,000 since the plant addition is depreciated over a longer period than the deferred loss would be amortized.

Although the negotiation was to transfer the \$1,750,000 between projects, FPL adjusted its books after the filing was made to follow Generally Accepted Accounting Principals and to only record the actual reduction of \$250,000 to the Glades Power Project to account 182.3-Other Regulatory Assets. Therefore, the costs booked are actually \$34,287,477, which includes the reduction of \$250,000.

FPL will rely on the Commission authorization to determine whether the costs of the

increased. If the Commission decides the \$1,750,000 should be removed from the deferred loss for the recovery of the Glades Power Park project Account 182.3 – Other Regulatory Assets, then less cost would be amortized over a period of five years. If this is done, the \$1,750,000 would be an addition to the [REDACTED] and be depreciated for a period of twenty-five years instead of five years if left in the deferred loss account.

The Commission must also take into consideration the effect of the \$500,000 reduction in Allowance for Funds Used During Construction (AFUDC) due to the change in payments for the [REDACTED] as a result of this re-negotiation on the Glades [REDACTED] contract. The \$500,000 reduction in AFUDC helps to mitigate the increase in costs if the \$1,750,000 is increased in [REDACTED]. Since this is a result of the re-negotiation, the Commission should determine if the Glades project should receive any benefit from the change in the payment schedule for an unrelated project?

In addition, the Commission needs to determine whether the future credit of [REDACTED] [REDACTED] should reduce the deferred account or the [REDACTED] costs. There is no guarantee that there will be any credits because [REDACTED] would have to win in a competitive bid process so any adjustment to the account would probably occur after the decision is made on FPL's recording of the loss.

EFFECT ON LEDGER: This finding is for informational purpose only.

EFFECT ON THE FILING: This finding is for informational purpose only.

AUDIT FINDING NO. 2

43-3/21

SUBJECT: PAYROLL AND RELOCATION COSTS

AUDIT ANALYSIS: Included in the \$34.5 million of the Glades Power Park Project was \$1,858,346.29 of Florida Power & Light payroll and \$126,314.83 of relocation costs for the hiring of two new employees, Richard Blanchette and Thuy Le. The costs are as follows:

Description	Payroll
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Engineering/Construction - Transmission	28,677.57
	<u>921,415.23</u>
Site Certification/Permitting - Corp. Communications	166,512.58
Site Certification/Permitting - Environmental	142,487.50
Site Certification/Permitting - Legal	39,559.07
Site Certification/Permitting - Other	151,260.18
Site Certification/Permitting -Transmission	150,537.03
Site Certification/Permitting - E&C Proj. Management	286,574.70
Site Certification/Permitting - Engineering Support	-
	<u>936,931.06</u>
Total	<u>1,858,346.29</u>
Relocation - Richard Blanchette	52,029.40
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Relocation - Richard Blanchette	12,000.00
Relocation - Thuy Le	27,168.12
Relocation - Thuy Le	15,064.85
	<u>126,314.83</u>
Vice President of Engineer Travel Expense	
The primary vendor for the advanced technology considered at the FGPP project are located in Japan. The trip to Japan was taken by Vice-president of Engineering & Construction to solicit competitive, favorable equipment pricing for three major pieces of equipment: the boiler, steam turbine & pollution control equipment.	4,148.14
Total	<u>4,148.14</u>

These employees were hired to work on the Glades Power Park Project, thus the majority of the relocation costs were allocated to this particular project. Richard Blanchette was the project construction director. Thuy Le was the project construction manager. Although the Glades Power Park Project did not materialize these

working other construction projects. Therefore, all or part of the relocation costs should be allocated to the project they are currently working on.

EFFECT ON LEDGER: This finding is for informational purpose only.

EFFECT ON THE FILING: This finding is for informational purpose only.

AUDIT FINDING NO. 3

43-3/22

SUBJECT: LEGAL SERVICES, LOBBYING, COMMUNITY OUTREACH, & PUBLIC RELATION

AUDIT ANALYSIS: Florida Power & Light incurred legal services, lobbying, community outreach, & public relation costs for the Glades Power Park Project.

Lobbying	[REDACTED]	
	TOTAL	<u>71,015.67</u>
Customer Survey	[REDACTED]	
	TOTAL	<u>41,673.00</u>
Outreach-	[REDACTED]	
	TOTAL	<u>57,649.43</u>
Outreach & Community Coordinator	[REDACTED]	
	TOTAL	<u>1,369,536.14</u>
Copy of Educational Materials for Community Outreach		
	TOTAL	<u>12,396.00</u>
Legal Services - FPL ENERGY		
	TOTAL	<u>194,435.00</u>

EFFECT ON LEDGER: This finding is for informational purpose only.

EFFECT ON THE FILING: This finding is for informational purpose only.

III. EXHIBITS

**FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT**

TO: Bert Gonzalez UTILITY: Florida Power & Light
 AUDIT MANAGER: Yen Ngo PREPARED BY: _____
 REQUEST NUMBER: 5 DATE OF REQUEST: September 10, 2007
 REQUEST THAT THE FOLLOWING ITEMS BE PROVIDED BY: September 13, 2007
 AUDIT PURPOSE Glades Power Park Project

REFERENCE RULE 25.22.006, F.A.C., THIS REQUEST IS MADE: INCIDENT TO INQUIRY OUTSIDE OF AN INQUIRY

ITEM DESCRIPTION:
 Please provide support documentation for the following (see attachment):

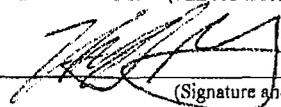
DESCRIPTION	CONFIDENTIAL
1	Need job description and percentage of allocation of Glades Project for employee [REDACTED]
2	Not provided.
3	Not provided.
4	Not provided.
5	Need job description and percentage of allocation of Glades Project for employee [REDACTED] Veronica Swanson.
6	Not provided.
7	Not provided.
8	Not provided.
9	Need the description of the work performed and name of employees that the payroll was charged to.
14	What does SCA stand for?
23	Description of work perform.
24	Description of work perform.
25	Job description & all invoices related to the allocation.
26	How was this amount traced to the invoice?
27	How was this amount traced to the invoice?
28	Need invoices & explanation of C&A.
32	Description of the service provided and invoices.
33	Description of the service provided.
40	Need PO.
41	Need Ashley Pinnock's, Pamela Rauch's, & Alex Rubio's job descriptions & work performed for Glades Project, hourly rate.
42	Need the same information as item #41 for Pamela Rauch & Alex Rubio.
43	Need the same information as item #41 for Barbara J. Washington, Pamela Rauch, Charles S. Schultz, France B. Drainville, Alex Rubio, Ashley F. Pinnock, William F. Brannen, Pamela A. Penta, Todd, J. Lester.
50	Reconcile the dollar amount from the invoice to the sample item.

TO : AUDIT MANAGER

DATE: 9-14-2007

THE REQUESTED RECORD OR DOCUMENTATION:

- 23, 25, 26, 27, 32-41, 43, 50*
- 1) HAS BEEN PROVIDED TODAY
 - 2) CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY: _____
 - 3) AND IN MY OPINION, ITEM(S) 2-7, 6, 8 IS (ARE) PROPRIETARY AND CONFIDENTIAL BUSINESS INFORMATION AS DEFINED IN 364.183, 366.093, OR 367.156, F.S. TO MAINTAIN CONTINUED CONFIDENTIAL HANDLING OF THIS MATERIAL THE UTILITY OR OTHER PERSON MUST, WITHIN 21 DAYS AFTER THE AUDIT EXIT CONFERENCE, FILE A REQUEST FOR CONFIDENTIAL CLASSIFICATION WITH THE DIVISION OF RECORDS AND REPORTING. REFER TO RULE 25-22.006, F.A.C. OF RECORDS AND REPORTING. REFER TO RULE 25-22.006, F.A.C.
 - 4) THE ITEM WILL NOT BE PROVIDED. (SEE ATTACHED MEMORANDUM)



 (Signature and title of respondent)

Distribution: Original: Utility (for completion and return to Auditor)
 Copy: Audit File

P. 8

FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT

TO: Bert Gonzalez UTILITY: Florida Power & Light
AUDIT MANAGER: Yen Ngo PREPARED BY:
REQUEST NUMBER: 5 DATE OF REQUEST: September 10, 2007
REQUEST THAT THE FOLLOWING ITEMS BE PROVIDED BY: September 13, 2007
AUDIT PURPOSE Glades Power Park Project

REFERENCE RULE 25.22.006, F.A.C., THIS REQUEST IS MADE: INCIDENT TO INQUIRY OUTSIDE OF AN INQUIRY

ITEM DESCRIPTION:

Please provide support documentation for the following (see attachment):

- | | DESCRIPTION |
|----|---|
| 1 | Need job description and percentage of allocation of Glades Project for employee [redacted] |
| 2 | Not provided. |
| 3 | Not provided. |
| 4 | Not provided. |
| 5 | Need job description and percentage of allocation of Glades Project for employee [redacted] Veronica Swanson. |
| 6 | Not provided. |
| 7 | Not provided. |
| 8 | Not provided. |
| 9 | Need the description of the work performed and name of employees that the payroll was charged to. |
| 14 | What does SCA stand for? |
| 23 | Description of work perform. |
| 24 | Description of work perform. |
| 25 | Job description & all invoices related to the allocation. |
| 26 | How was this amount traced to the invoice? |
| 27 | How was this amount traced to the invoice? |
| 28 | Need invoices & explanation of C&A. |
| 32 | Description of the service provided and invoices. |
| 33 | Description of the service provided. |
| 40 | Need PO. |
| 41 | Need Ashley Pinnock's, Pamela Rauch's, & Alex Rubio's job descriptions & work performed for Glades Project, hourly rate.. |
| 42 | Need the same information as item #41 for Pamela Rauch & Alex Rubio. |
| 43 | Need the same information as item #41 for Barbara J. Washington, Pamela Rauch, Charles S. Schultz, France B. Drainville, Alex Rubio, Ashley F. Pinnock, William F. Brannen, Pamela A. Penta, Todd, J. Lester. |
| 50 | Reconcile the dollar amount from the invoice to the sample item. |

*Provided Today:
Job descriptions
ONLY*

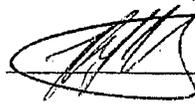
CONFIDENTIAL

TO : AUDIT MANAGER

DATE: 9-19-2007

THE REQUESTED RECORD OR DOCUMENTATION:

- 1) HAS BEEN PROVIDED TODAY
- 2) CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY: _____
- 3) AND IN MY OPINION, ITEM(S) _____ IS (ARE) PROPRIETARY AND CONFIDENTIAL BUSINESS INFORMATION AS DEFINED IN 364.183, 366.093, OR 367.156, F.S. TO MAINTAIN CONTINUED CONFIDENTIAL HANDLING OF THIS MATERIAL THE UTILITY OR OTHER PERSON MUST, WITHIN 21 DAYS AFTER THE AUDIT EXIT CONFERENCE, FILE A REQUEST FOR CONFIDENTIAL CLASSIFICATION WITH THE DIVISION OF RECORDS AND REPORTING. REFER TO RULE 25-22.006, F.A.C.
- 4) THE ITEM WILL NOT BE PROVIDED. (SEE ATTACHED MEMORANDUM)



(Signature and title of respondent)

Distribution: Original: Utility (for completion and return to Auditor)
Copy: Audit File

P-9

**FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT**

TO: Bert Gonzalez UTILITY: Florida Power & Light
 AUDIT MANAGER: Yen Ngo PREPARED BY: _____
 REQUEST NUMBER: 6 DATE OF REQUEST: September 11, 2007
 REQUEST THAT THE FOLLOWING ITEMS BE PROVIDED BY: September 17, 2007
 AUDIT PURPOSE Glades Power Park Project

REFERENCE RULE 25.22.006, F.A.C., THIS REQUEST IS MADE: INCIDENT TO INQUIRY OUTSIDE OF AN INQUIRY

ITEM DESCRIPTION:

Please provide support documentation for the following:

Item #	DESCRIPTION
57	Job description & all invoices for the relocation cost.
58	Job description & all invoices for the relocation cost.
59	What was the legal ad for? Also, need copy of the ad.
69	Job description of Kathy Salvador & allocation (if applicable)
79	Description of service provided.
86	Why was this amount credited twice?
87	Why was this amount credited twice?
89	What were the color copies for?
90	What were the collateral copies for?
92	What were the color copies for?
93	Explanation of trip to Japan.
94	What were the collateral copies for?
95	Provide [redacted] invoice.
96	[redacted] invoice & allocation of \$357,382.47.
97	Show support documentation when this amount was offset.

CONFIDENTIAL

46 pages

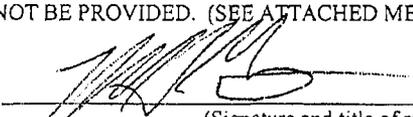
95, 96, 97

TO: AUDIT MANAGER

DATE: 9-19-2007

THE REQUESTED RECORD OR DOCUMENTATION:

- 1) HAS BEEN PROVIDED TODAY EXCEPT ITEMS 57 & 58.
- 2) CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY: _____
- 3) AND IN MY OPINION, ITEM(S) 57, 58, 79, 95, 96, 97 (ARE) PROPRIETARY AND CONFIDENTIAL BUSINESS INFORMATION AS DEFINED IN 364.183, 366.093, OR 367.156, F.S. TO MAINTAIN CONTINUED CONFIDENTIAL HANDLING OF THIS MATERIAL, THE UTILITY OR OTHER PERSON MUST, WITHIN 21 DAYS AFTER THE AUDIT EXIT CONFERENCE, FILE A REQUEST FOR CONFIDENTIAL CLASSIFICATION WITH THE DIVISION OF RECORDS AND REPORTING. REFER TO RULE 25-22.006, F.A.C. OF RECORDS AND REPORTING.
- 4) THE ITEM WILL NOT BE PROVIDED. (SEE ATTACHED MEMORANDUM)



 (Signature and title of respondent)

Distribution: Original: Utility (for completion and return to Auditor)
 Copy: Audit File

P-11

**FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT**

TO: Bert Gonzalez UTILITY: Florida Power & Light
 AUDIT MANAGER: Yen Ngo PREPARED BY: _____
 REQUEST NUMBER: 6 DATE OF REQUEST: September 11, 2007
 REQUEST THAT THE FOLLOWING ITEMS BE PROVIDED BY: September 17, 2007
 AUDIT PURPOSE Glades Power Park Project

REFERENCE RULE 25.22.006, F.A.C., THIS REQUEST IS MADE: INCIDENT TO INQUIRY OUTSIDE OF AN INQUIRY

ITEM DESCRIPTION:

Please provide support documentation for the following:

- | Item # | DESCRIPTION |
|--------|--|
| 57 | Job description & all invoices for the relocation cost. |
| 58 | Job description & all invoices for the relocation cost. |
| 59 | What was the legal ad for? Also, need copy of the ad. |
| 69 | Job description of Kathy Salvador & allocation (if applicable) |
| 79 | Description of service provided. |
| 86 | Why was this amount credited twice? |
| 87 | Why was this amount credited twice? |
| 89 | What were the color copies for? |
| 90 | What were the collateral copies for? |
| 92 | What were the color copies for? |
| 93 | Explanation of trip to Japan. |
| 94 | What were the collateral copies for? |
| 95 | Provide _____ invoice. |
| 96 | _____ invoice & allocation of \$357,382.47. |
| 97 | Show support documentation when this amount was offset. |

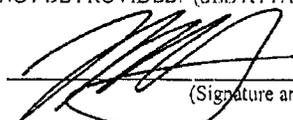
Provided Today
Invoices + Breakdown of relocation cost by function for Richard Blanchette + They be CONFIDENTIAL

TO: AUDIT MANAGER

DATE: 9-24-2007

THE REQUESTED RECORD OR DOCUMENTATION:

- 1) HAS BEEN PROVIDED TODAY
- 2) CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY: _____
- 3) AND IN MY OPINION, ITEM(S) Described Above IS(ARE) PROPRIETARY AND CONFIDENTIAL BUSINESS INFORMATION AS DEFINED IN 364.183, 366.093, OR 367.156, F.S. TO MAINTAIN CONTINUED CONFIDENTIAL HANDLING OF THIS MATERIAL. THE UTILITY OR OTHER PERSON MUST, WITHIN 21 DAYS AFTER THE AUDIT EXIT CONFERENCE, FILE A REQUEST FOR CONFIDENTIAL CLASSIFICATION WITH THE DIVISION OF RECORDS AND REPORTING. REFER TO RULE 25-22.006, F.A.C. OF RECORDS AND REPORTING. REFER TO RULE 25-22.006, F.A.C.
- 4) THE ITEM WILL NOT BE PROVIDED. (SEE ATTACHED MEMORANDUM)



 (Signature and title of respondent)

Distribution: Original: Utility (for completion and return to Auditor)
 Copy: Audit File

A-10

**FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT**

TO: Bert Gonzalez UTILITY: Florida Power & Light
AUDIT MANAGER: Yen Ngo PREPARED BY: _____
REQUEST NUMBER: 7 DATE OF REQUEST: September 13, 2007
REQUEST THAT THE FOLLOWING ITEMS BE PROVIDED BY: September 19, 2007
AUDIT PURPOSE Glades Power Park Project

REFERENCE RULE 25.22.006, F.A.C., THIS REQUEST IS MADE: INCIDENT TO INQUIRY OUTSIDE OF AN INQUIRY

ITEM DESCRIPTION:

1. Please provide the calculation of the termination fee paid to [REDACTED]
2. Please provide an explanation of why [REDACTED] PO stated that the total price was \$923,500 while the total cost from the provided CD exceeded that amount.
3. Please provide an explanation of why [REDACTED] PO stated that the total price was \$1,331,784 while the total cost from the provided CD exceeded that amount.

CONFIDENTIAL

14 pages

TO: AUDIT MANAGER

DATE: 9-19-2007

THE REQUESTED RECORD OR DOCUMENTATION:

- 1) HAS BEEN PROVIDED TODAY
- 2) CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY: _____
- 3) AND IN MY OPINION, ITEM(S) 1,2,3 IS (ARE) PROPRIETARY AND CONFIDENTIAL BUSINESS INFORMATION AS DEFINED IN 364.183, 366.093, OR 367.156, F.S. TO MAINTAIN CONTINUED CONFIDENTIAL HANDLING OF THIS MATERIAL. THE UTILITY OR OTHER PERSON MUST, WITHIN 21 DAYS AFTER THE AUDIT EXIT CONFERENCE, FILE A REQUEST FOR CONFIDENTIAL CLASSIFICATION WITH THE DIVISION OF RECORDS AND REPORTING. REFER TO RULE 25-22.006, F.A.C. OF RECORDS AND REPORTING.
- 4) THE ITEM WILL NOT BE PROVIDED. (SEE ATTACHED MEMORANDUM)



(Signature and title of respondent)

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p.12

**FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT**

TO: Bert Gonzalez UTILITY: Florida Power & Light
AUDIT MANAGER: Yen Ngo PREPARED BY: _____
REQUEST NUMBER: 8 DATE OF REQUEST: September 18, 2007
REQUEST THAT THE FOLLOWING ITEMS BE PROVIDED BY: September 21, 2007
AUDIT PURPOSE Glades Power Park Project

REFERENCE RULE 25.22.006, F.A.C., THIS REQUEST IS MADE: INCIDENT TO INQUIRY OUTSIDE OF AN INQUIRY

ITEM DESCRIPTION:

Please provide the journal entries for the [REDACTED] termination fee *for the \$250,000 reduction.*

4 pages

TO : AUDIT MANAGER

DATE: 9-21-2007

THE REQUESTED RECORD OR DOCUMENTATION:

- 1) HAS BEEN PROVIDED TODAY
- 2) CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY: _____
- 3) AND IN MY OPINION, ITEM(S) 1 IS (ARE) PROPRIETARY AND CONFIDENTIAL BUSINESS INFORMATION AS DEFINED IN 364.183, 366.093, OR 367.156, F.S. TO MAINTAIN CONTINUED CONFIDENTIAL HANDLING OF THIS MATERIAL. THE UTILITY OR OTHER PERSON MUST, WITHIN 21 DAYS AFTER THE AUDIT EXIT CONFERENCE, FILE A REQUEST FOR CONFIDENTIAL CLASSIFICATION WITH THE DIVISION OF RECORDS AND REPORTING. REFER TO RULE 25-22.006, F.A.C. OF RECORDS AND REPORTING.
- 4) THE ITEM WILL NOT BE PROVIDED. (SEE ATTACHED MEMORANDUM)



(Signature and title of respondent)

Distribution: Original: Utility (for completion and return to Auditor)
Copy: Audit File

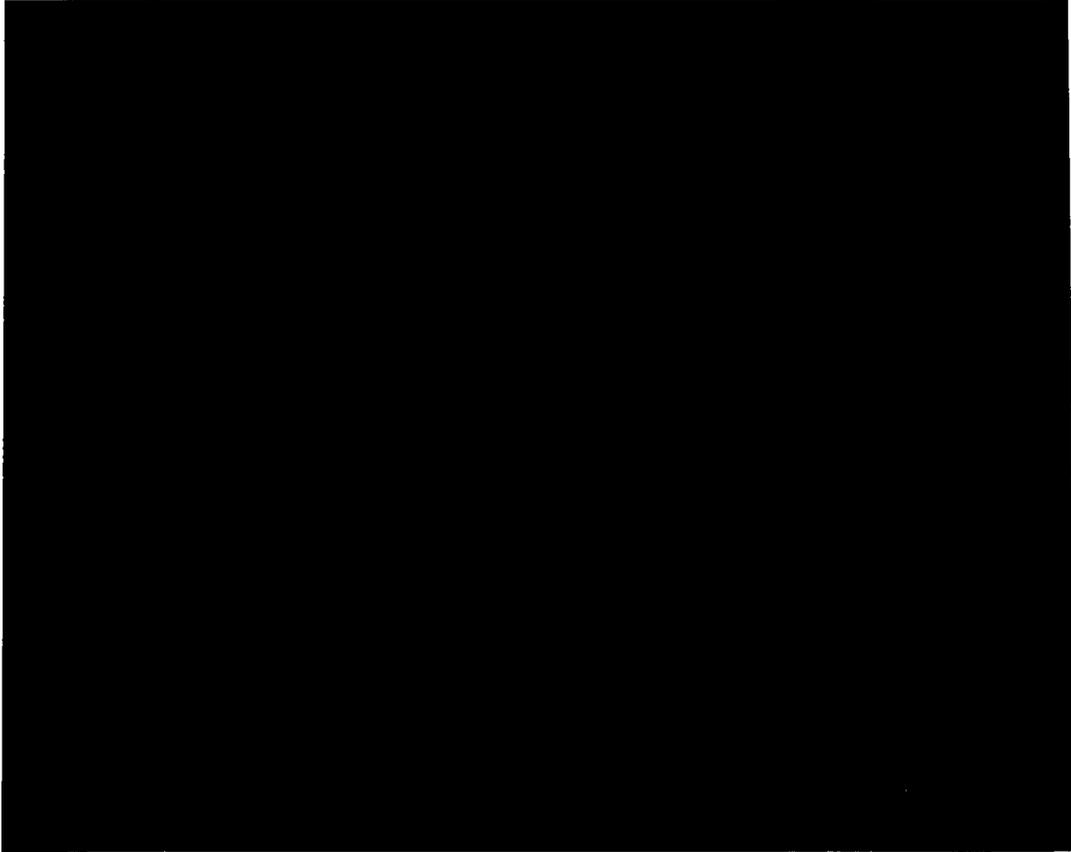
P.7

Florida Power & Light
Glades Power Park Project
RCA #07-221-4-1 Dkt #070432-EI
TYE 6/30/07

Title: Summary of Land

KW
9/28/07

WJ
9/25/07

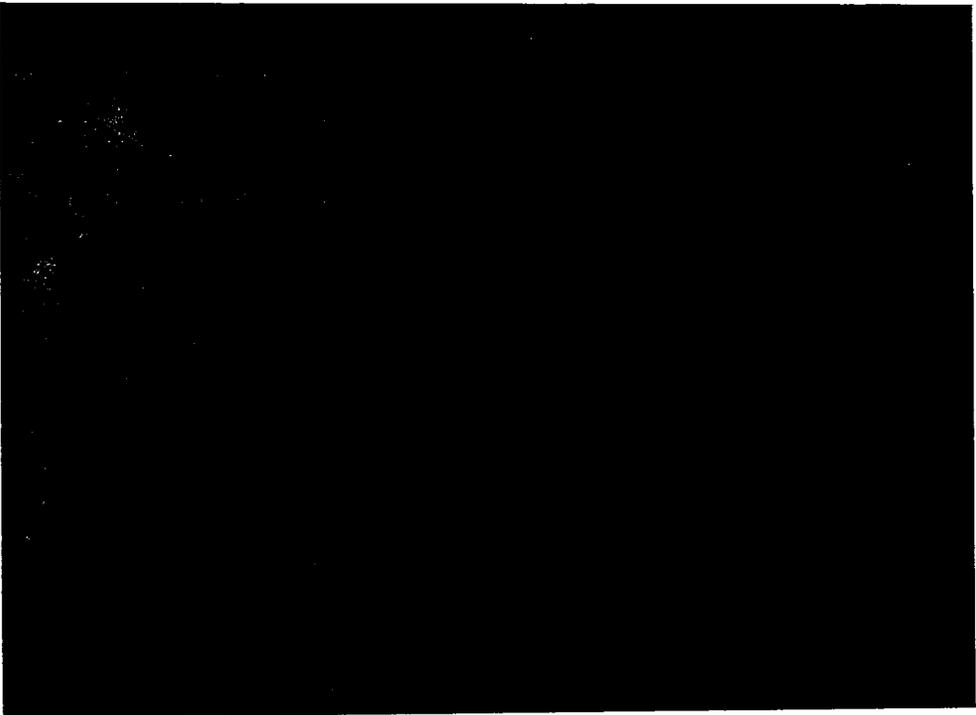


LOCATION 404
ACCOUNT 183.1
JUNE 2007

MOBEPYR	DESCRIPTION	AMOUNT	REMARKS	ACCOUNT DISTRIBUTION
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183.1 Balance in Location 404 0.00

LOCATION 404
ACCOUNT 186.5
JUNE 2007



YD
8/16/07

PBC

SOURCE DR #1

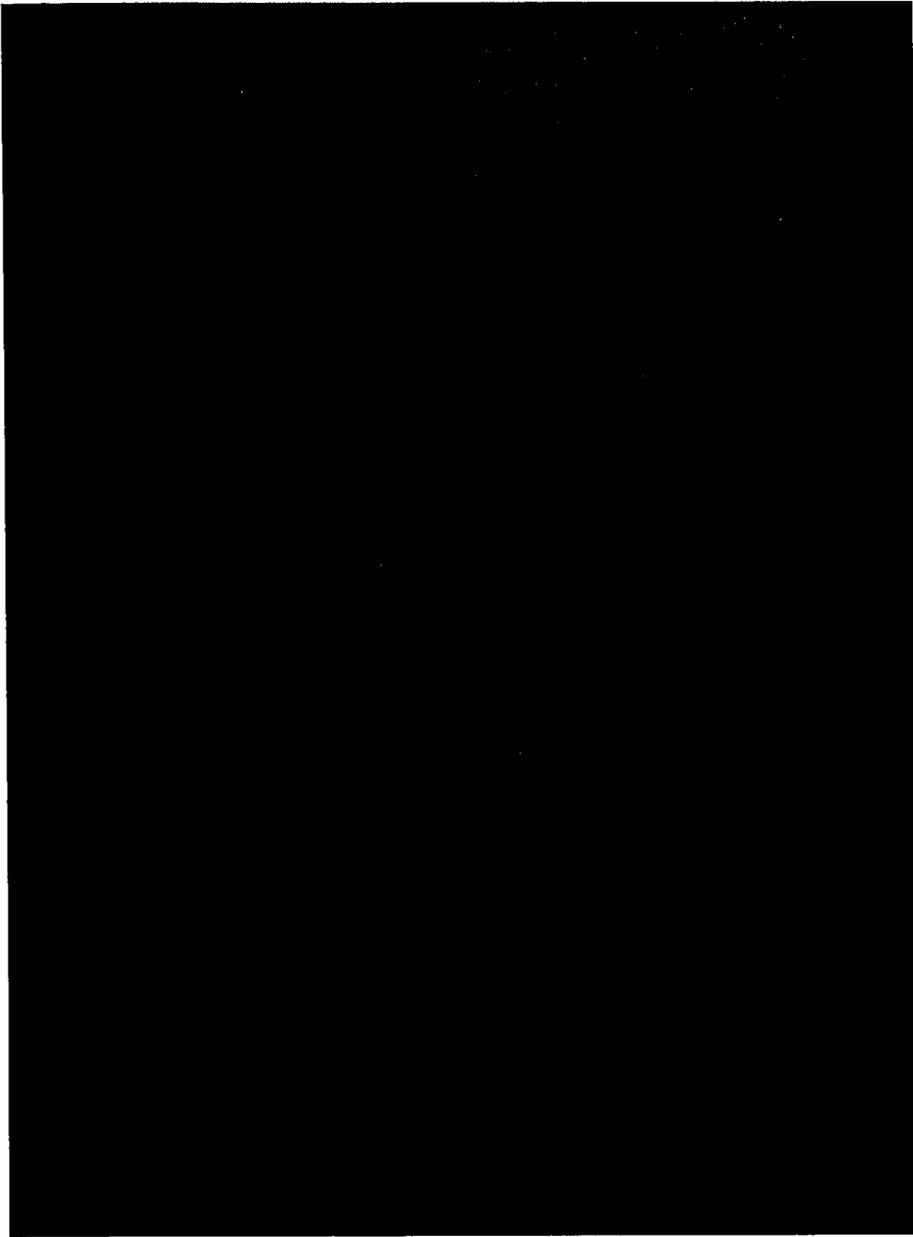
CONFIDENTIAL

CONFIDENTIAL 1

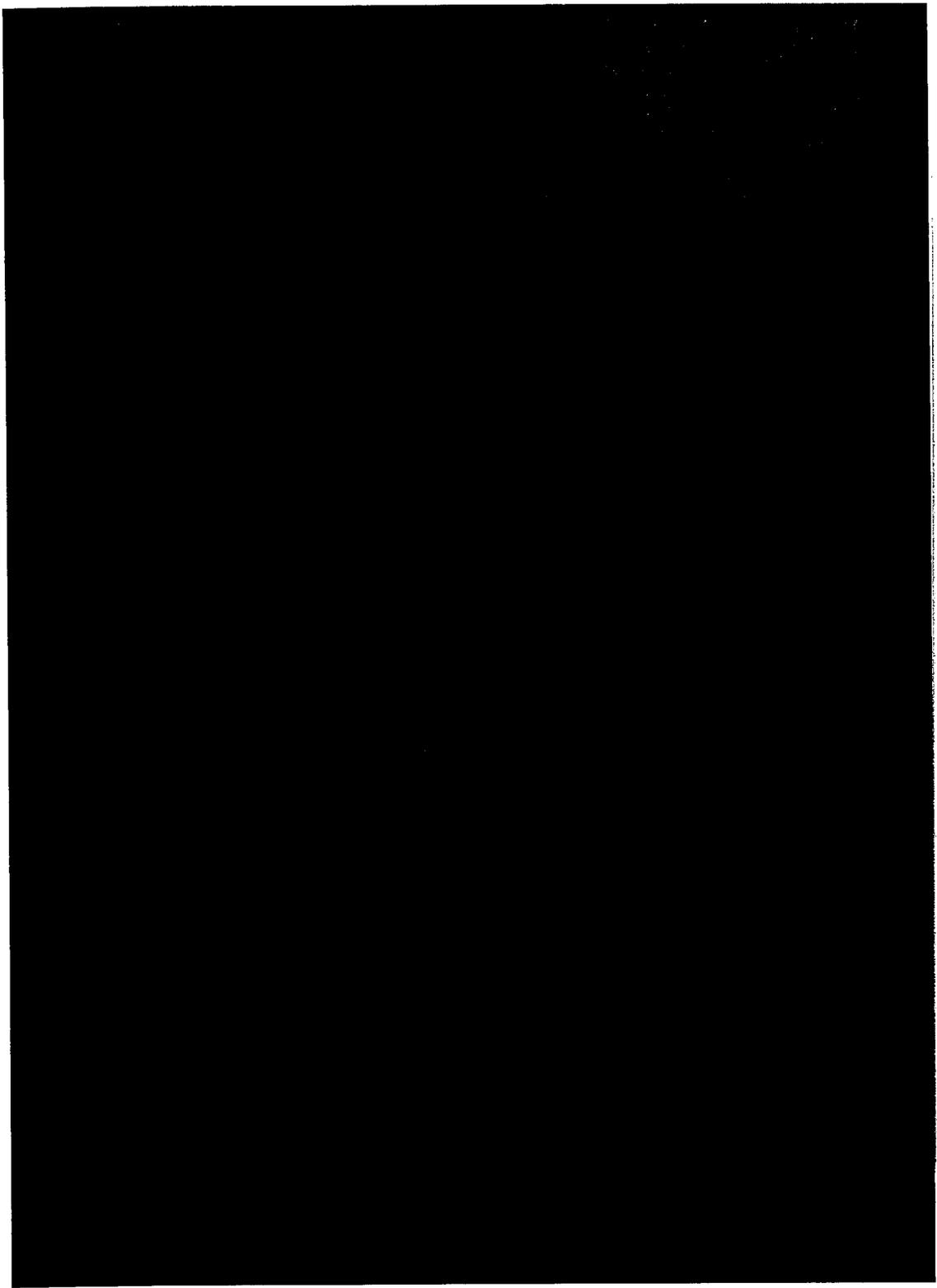
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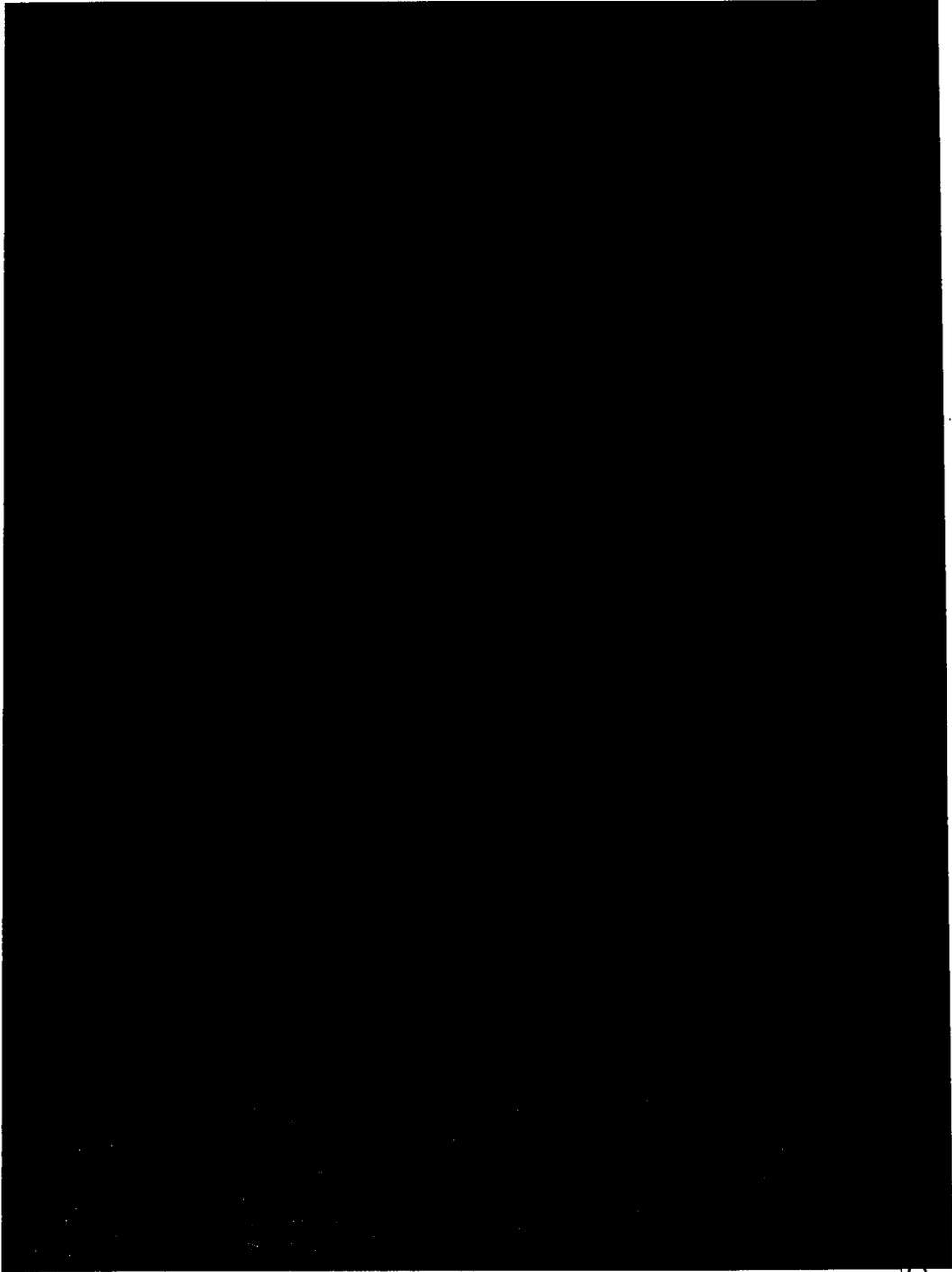
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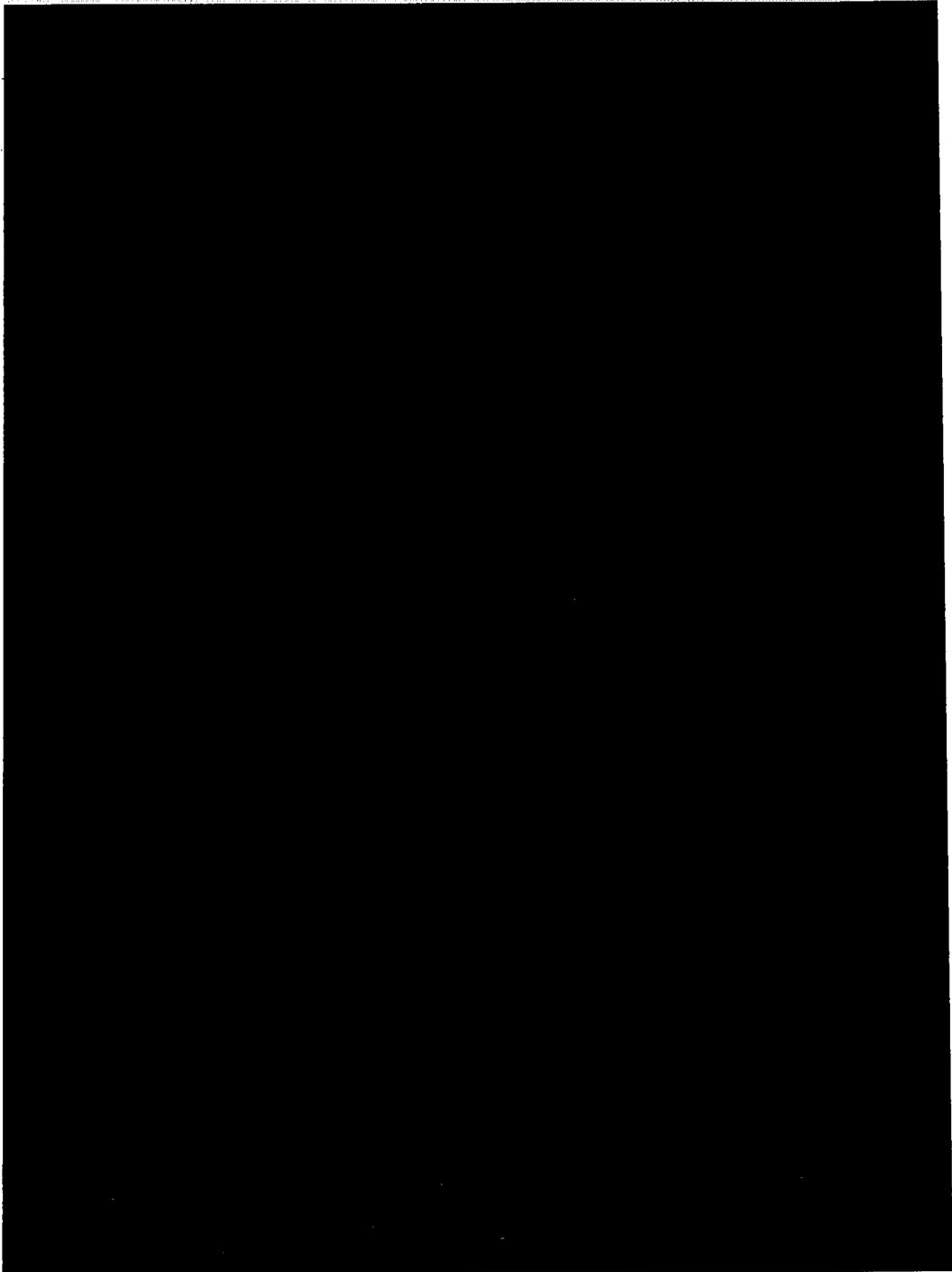


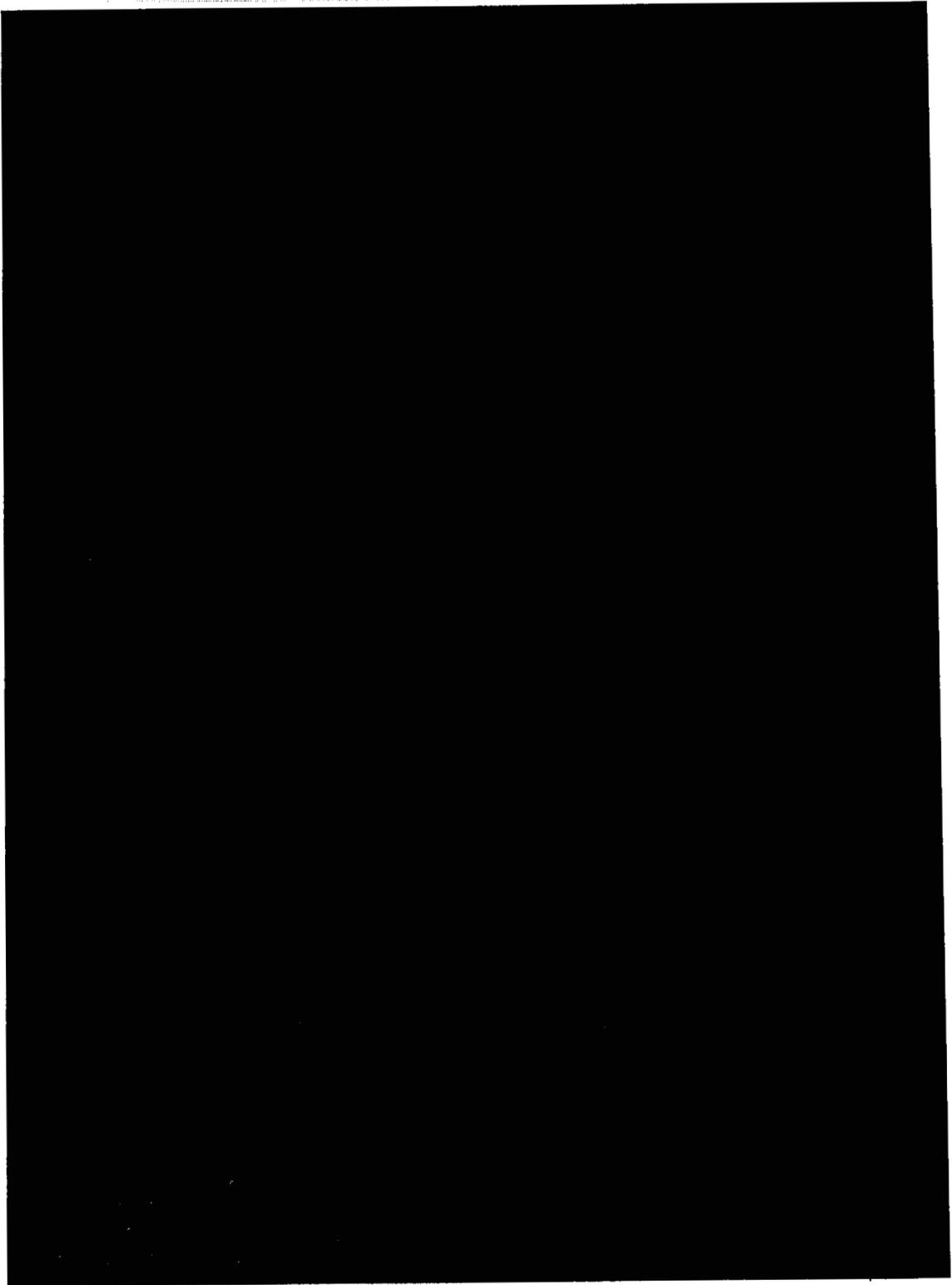
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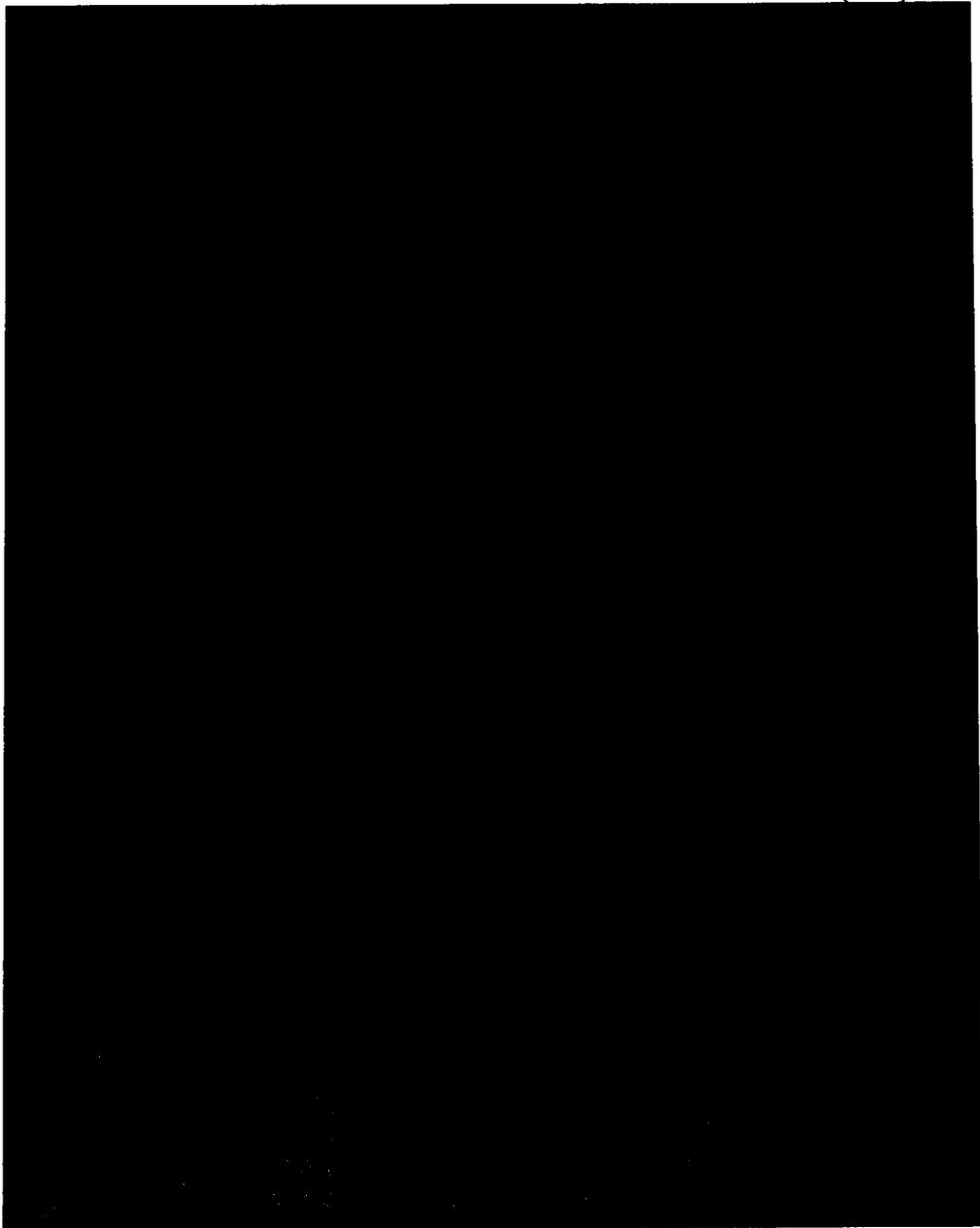


21





PBC



100
9/27/07

Title: Summary of Expenses

Company: FPL
Title: Summary of Expenses
Period: TYE ended 6/30/07
Auditor: YN
Date: September 22, 2007
Workpaper #43

CONFIDENTIAL

Florida Power and Light incurred \$34.5 million preconstruction costs associated with development of its coal project. Below is the summary of the costs (43-1):

Land	\$ 1,700,000.00
Permit & Site Certification	\$ 7,600,000.00
Progress Payment & Cancellation Costs for Procurement	\$ 17,500,000.00
Preliminary Engineering & Project Management	\$ 5,300,000.00
Engineering, Procurement, & Construction	\$ 2,400,000.00
Total	<u>\$ 34,500,000.00</u>

Since the Commission did not approve the project, the company ^{is} seek^{ing} to recover the incurred costs as a regulatory asset by recording them to Account 183.3 – Other Regulatory Asset, until the next rate proceeding with amortization over a five-year period beginning when new rates are implemented (WP 2).

The company provided the detail of the project costs of \$34,287,476.59 (43-3). See WP 43-3/3-6 for Audit Finding One for the settlement and the recording of the [REDACTED] Termination Fee.

The total of the engineering/Construction and the Site Certification/Permitting costs were reconciled to the company's summary, which was estimated. The company's schedule was understated by a total of \$17,092.73 or 0.1323%. Also, included in these costs was \$1,858,346.29 of payroll (43-2/1). However, the net costs are \$37,476.59 over the estimate.

There were several contracts associated with this project. They were [REDACTED] for the purchase of [REDACTED] for the purchase of Air Quality Control Systems, [REDACTED] for the purchase of [REDACTED] and [REDACTED] for the construction of the generation facilities. The termination fee for the [REDACTED] were recalculated from Appendix B of the contracts (43-3/1 & 2) and agreed to the sample testing (WP 43-3). Part of the [REDACTED] termination fee was also agreed to the sample testing (43-3/3-6). See WP 43-3/3-6 for the remainder settlement of the [REDACTED] termination fee. The termination fees for [REDACTED] were also traced from WP 43-3 to the contracts (43-3/4-1 & 43-3/6-1/1).

The sample testing (43-3) indicated that the \$34.5 million were comprised of:

1. Preliminary engineering for the installation of steam turbine generators
2. Siting and permitting
3. Termination fees
4. Consultant services for permit application and fuel professional services for reviewing contracts and environmental issues.
5. Coal plant study and mercury analysis
6. Land survey
7. Rail transportation study

Title: Summary of Expenses

8. Performance Excellence Reward Plan for the project
9. Meal catering
10. Printing materials for the project
11. Legal services, community outreach, customer survey, and lobbying
12. Payroll, relocation costs, and travel expense to solicit competitive steam generator equipment.

The selected sample items were traced to purchase orders, contract change orders, invoices, employee job descriptions, and other appropriate support documentation (43-3). See audit finding two for the discussion of item #11 and audit finding three for the discussion of item #12.

43-3/3-6

II. AUDIT FINDINGS

CONFIDENTIAL

AUDIT FINDING NO. 1

SUBJECT: [REDACTED] TERMINATION FEE

AUDIT ANALYSIS: FPL entered into a contractual agreement with [REDACTED] for the Glades Power Park for the total cost of [REDACTED]

[REDACTED] As the result of the Commission's rejection of FPL's request for the construction of the coal-fired generation units, FPL terminated its contract with [REDACTED]

[REDACTED] Through negotiations to reduce the full termination fee, the following terms were agreed upon. First, [REDACTED] agreed to reduce the termination fee from [REDACTED] which would decrease the contracted termination fee by \$2,000,000 if FPL agreed to increase the contract price of the [REDACTED] turbines to be used at its [REDACTED] or an actual decrease of \$250,000. Second, [REDACTED] agreed to adjust the cash flow of payments for the [REDACTED] construction resulting in an approximate \$500,000 reduction in Allowance for Fund Used During Construction (AFUDC) for [REDACTED]. Third, [REDACTED] agreed to credit FPL [REDACTED] by December 31, 2012, if [REDACTED] is selected as the winning bidder in future competitive solicitation by any company in FPL Group Company, not just the utility. Even if an affiliate [REDACTED] the utility would receive [REDACTED]

The settlement of the contract price for [REDACTED] yielded a saving benefit of \$250,000; however, it also posed an inconsistency of accounting methodology as based on the re-negotiation, the termination fee would decrease the deferred loss and increase the [REDACTED] costs capitalized as a plant addition. This would result in a longer period of writing off the \$1,750,000 since the plant addition is depreciated over a longer period than the deferred loss would be amortized.

Although the negotiation was to transfer the \$1,750,000 between projects, FPL adjusted their books after the filing was made to follow Generally Accepted Accounting Principals and to only record the actual reduction of \$250,000 to the Glades Power Project to account 182.3-Other Regulatory Assets. Therefore, the costs booked are actually \$34,287,477, which includes the reduction of \$250,000.

FPL will rely on the Commission authorization to determine whether the costs of the Glades Power Park project should be reduced and the new construction for [REDACTED] be

increased. If the Commission decided the \$1,750,000 should be removed from the deferred loss for the recovery of the Glades Power Park project Account 182.3 – Other Regulatory Assets, then less cost would be amortized over a period of five years. If this is done, the \$1,750,000 would be an addition to the [REDACTED] and be depreciated for a period of twenty-five years instead of five years if left in the deferred loss account.

The Commission must also take into consideration the effect of the \$500,000 reduction in Allowance for Funds Used During Construction (AFUDC) due to the change in payments for [REDACTED] as a result of this re-negotiation on the Glades [REDACTED] contract. The \$500,000 reduction in AFUDC helps to mitigate the increase in costs if the \$1,750,000 is increased in the [REDACTED]. Since this is a result of the re-negotiation, should the Glades project receive any benefit from the change in the payment schedule for an unrelated project?

In addition, the Commission needs to determine whether the future credit of [REDACTED] should reduce the deferred account or the [REDACTED] costs. There is no guarantee that there will be any credits because [REDACTED] would have to win in a competitive bid process so any adjustment to the account would probably occur after the decision is made on FPL's recording of the loss.

EFFECT ON LEDGER: This finding is for informational purpose only.

EFFECT ON THE FILING: This finding is for informational purpose only.

DRAFT

H3-3/21

AUDIT FINDING NO. 2

SUBJECT: PAYROLL AND RELOCATION COSTS

AUDIT ANALYSIS: Including in the \$34.5 million of the Glades Power Park Project was \$1,858,346.29 of Florida Power & Light payroll and \$126,314.83 of relocation costs for the hiring of two new employees, Richard Blanchette and Thuy Le. The costs are as follows:

Description	Payroll
Engineering/Construction - Power Plant	892,737.86
Engineering/Construction - Transmission	28,677.57
	<u>921,415.23</u>
Site Certification/Permitting - Corp. Communications	166,512.58
Site Certification/Permitting - Environmental	142,487.50
Site Certification/Permitting - Legal	99,559.07
Site Certification/Permitting - Other	151,260.18
Site Certification/Permitting - Transmission	150,537.03
Site Certification/Permitting - E&C Proj. Management	286,574.70
Site Certification/Permitting - Engineering Support	7
	<u>936,931.06</u>
Total	<u>1,858,346.29</u>
Relocation - Richard Blanchette	52,029.40
Relocation - Richard Blanchette	14,059.50
Relocation - Richard Blanchette	5,992.96
Relocation - Richard Blanchette	12,000.00
Relocation - Thuy Le	27,168.12
Relocation - Thuy Le	15,064.85
	<u>126,314.83</u>
Total	<u>126,314.83</u>
Vice President of Engineer Travel Expense	
The primary vendor for the advanced technology considered at the FGPP project are located in Japan. The trip to Japan was taken by Vice-president of Engineering & Construction to solicit competitive, favorable equipment pricing for three major pieces of equipment: the boiler, steam turbine & pollution control equipment.	4,148.14
Total	<u>4,148.14</u>

These employees were hired to work mainly on the Glades Power Park Project, thus the majority of the relocation costs were allocated to this particular project. Richard Blanchette was the project construction director. Thuy Le was the project construction manager. Although the Glades Power Park Project did not materialize, these employees are still on the company's payroll, which indicates that they are currently

P-5

working other construction projects. Therefore, all or part of the relocation costs should be allocated to the project they are currently working on.

EFFECT ON LEDGER: This finding is for informational purpose only.

EFFECT ON THE FILING: This finding is for informational purpose only.

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43-3/92

AUDIT FINDING NO. 3

SUBJECT: LEGAL SERVICES, LOBBYING, COMMUNITY OUTREACH, & PUBLIC RELATION

AUDIT ANALYSIS: Florida Power & Light incurred legal services, lobbying, community outreach, & public relation for the Glades Power Park Project.

Description	Amount
Lobbying - Strat Comm Report [REDACTED]	
TOTAL	174,337.09
Customer Survey - [REDACTED]	
TOTAL	83,346.00
Outreach - [REDACTED]	
TOTAL	57,649.43
Outreach & Community Coordinator [REDACTED]	
TOTAL	1,369,536.14
Copy of Educational Materials for Community Outreach	
TOTAL	12,396.00
Legal Services - Fplc chg back	
TOTAL	404,867.20

Community outreach and customer surveys are image enhancing. Lobbying has not been allowed by the Commission in prior rate cases.

EFFECT ON LEDGER: This finding is for informational purpose only.

EFFECT ON THE FILING: This finding is for informational purpose only.

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Florida Power & Light
Glades Power Park Project
RCA #07-221-4-1 Dkt #070432-EI
TYE 6/30/07

Title: Glades Power
Park Costs

YN
9/24/07

(13) Glades Power Park Project

	<u>Estimate</u>	<u>Actual</u>	<u>Difference</u>	<u>Reference</u>
Land	\$ 1,700,000.00	1,684,278.00	15,722.00	17-1
Permit & Site Certification	\$ 7,600,000.00	7,629,666.00	(29,666.00)	43-2
Preliminary Engineering & Project Management	\$ 5,300,000.00	5,288,494.00	11,506.00	43-2
Progress Payment & Cancellation Costs for Procurement (A)	\$ 17,500,000.00	19,685,038.59	214,961.41	43-3
Engineering, Procurement, & Construction	\$ 2,400,000.00			43-4
Total	\$ 34,500,000.00	34,287,476.59	212,523.41	

(A) The difference of Cancellation costs was due to the settlement of the [redacted] termination fee of \$250,000.
See WP 43-3/3 for the negotiation.

Net actual over Co. estimate by \$ 31,476.59

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SOURCE Petition P-445 (WP2)

43-1

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8/16/07

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Primary	Secondary	Tertiary	Work Order	Work Order Description	Total
Engineering/Construction	Engineering/Project Management	Power Plant }	0872-98-620	Preliminary Engineering	2,730,782 •
			1436-98-620	Preliminary Engineering	169,847 •
			0982-98-620	Project Manager	357,057 •
			0983-98-620	Home Office Support	1,004,370 •
			1493-98-620	Other Engineering	821,359 •
			1495-98-606	E&C Juno Support	13,627 •
			1655-98-620	ISC Contract Development Support	1,949 •
		Power Plant Total			5,098,992
		Transmission 2	1645-98-620	Queue Transmission Line Study 95-L1	175,331 •
			1651-98-620	Queue Transmission Line Study 96-L2	14,171 •
		Transmission Total			189,502 •
	Engineering/Project Management Total				5,288,494 (43-1)
					<i>Company's estimate of \$5.3 million a difference of \$11,506 →</i>
Site Certification/Permitting	Site Certification/Permitting	Corp. Communications 3	1473-98-606	Corporate Communication Support	53,436 •
			1473-98-620	Corporate Communication Support	1,771,874 •
			1637-98-620	Corporate Communication Support - TLine Siting	102,845 •
		Corp. Communications Total			1,928,154 • (43-2/1)
		Environmental 4	0835-98-620	Generic Solid Fuel Alternative Analysis	90,690 •
			1476-98-606	Internal JES Support - [REDACTED]	4,106 •
			1476-98-620	Internal JES Support - [REDACTED]	280,552 •
			1482-98-606	JES SCA Contractor	10,330 •
			1482-98-620	JES SCA Contractor	947,214 •
			1486-98-620	Permitting and License Fee	208,250 •
			1488-98-606	Other JES Contractors	10,788 •
			1488-98-620	Other JES Contractors	136,920 •
			1605-98-606	Internal JES Support [REDACTED]	3,926 •
			1605-98-620	Internal JES Support [REDACTED]	1,169 •
			1611-98-606	JES SCA Contractor [REDACTED]	10,330 •
			1611-98-620	JES SCA Contractor [REDACTED]	109,786 •
			1612-98-620	Permitting and License Fee [REDACTED]	-
			1613-98-606	Other JES Contractors [REDACTED]	4,658 •
			1613-98-620	Other JES Contractors [REDACTED]	34,514 •
			1614-98-620	Other Engineering [REDACTED]	18,916 •
		Environmental Total			1,872,149 • (43-2/1)
		Legal 5	1475-98-606	Legal Support	1,506,907 •
		Legal Total			1,506,907 •
		Other 6	0854-98-620	Engineering and Site Investigation	375,226 •
			1570-98-620	Rail Contracts [REDACTED]	206,660 •
			1616-98-620	Service Contract - [REDACTED]	45,502 •
			1654-98-620	Utility Development Support of Glades Site	177,048 •
		Other Total			804,436 • (43-2/1)

SOURCE DR#1

PBC

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P.1

GLADES POWER PARK PROJECT SAMPLE TESTING

Attribute 1: Proper Amount
Attribute 2: Proper Period
Attribute 3: Proper Support Documentation

Item #	Date	SRC	SA	From ER	From WO	From LOC	To LOC	UC	ET	Amount	Quantity	W_NEW_G L	Vendor	Description	1	2	3
1	200701	30000	ECJUNO	98	983	620	606	0	M	2,326.67	0	183675		Project Engineer provides overall plant design engineering assistance including contract review & negotiation assistance on the FGPP project. Allocated 76.5% in 2006 & 69.6% through 6/07 for this project.	X	X	X
2	200703	36000	JESDEV	98	1476	620	620	0	M	3,285.13	56	183675		Barbara Linkiewicz, Environmental Director (43-3/20 p.17)	X	X	X
3	200703	36000	JESDEV	98	1476	620	620	0	M	3,672.78	80	183675		Kathryn Salvador, Principal Specialist Environmental responsible for permit application. (43-3/20 p. 9)	X	X	X
4	200704	36000	ECJUNO	98	983	620	606	0	M	4,423.08	80	183675		Eric Heidorn, Construction Manager for the Glades Project (43-3/20 p. 8)	X	X	X
5	200702	30000	CCDEVX	98	1473	620	620	0	M	9,224.87	0	183675		Senior Communications Advisor provided media relations support by answering media inquiries & preparing news releases, & attended community outreach activities to inform & educate the public.	X	X	X
6	200705	36000	CCDEVX	98	1473	620	620	0	M	16,925.91	0	183675		Rachel Scott, Senior Manager Communications.	X	X	X
7	200604	36000	ECJUNO	98	982	606	606	0	M	20,000.00	0	183520		Richard Blanchette - Director Construction of the Glades project.	X	X	X
8	200512	36000	ECJUNO	98	982	606	606	0	M	40,000.00	0	183520		Richard Blanchette - Director Construction of the Glades project.	X	X	X
9	200703	30000	ECJUNO	98	1492	606	620	0	M	66,438.00	0	183675		Performance Excellence Rewards Plan (PERP) for the 2006 performance. 24.14% of PERP was charged to this project. The percentage was based on the allocation of the 2006 salaries charged to the project. This reward was for the engineering & construction personnel.	X	X	X
10	200703	30000	ECJUNO	98	1492	606	620	0	M	68,733.00	0	183675		Performance Excellence Rewards Plan (PERP) for the 2006 performance. 24.14% of PERP was charged to this project. The percentage was based on the allocation of the 2006 salaries charged to the project. This reward was for the project development personnel.	X	X	X
11	200612	52450	ECDENG	98	1493	620	620	0	M	74,555.00	1	183675		Fuel consultancy services & expenses relative to the proposed power plant (mining & geological consultants. (43-3/13)	X	X	X
12	200706	52450	LAWDEV	98	1475	606	620	0	M	34,170.86	0	183675		Consulting services for application of SCA permit to Federal Dept. of Environmental Protection. (43-3/11)	X	X	X
13	200612	52450	LAWDEV	98	1475	606	620	0	M	12,560.00	0	183675		Professional services for review contract & research property tax classification of coal & petcoke, & review terminal services agreement.	X	X	X

Payroll

See #5 for job description.



Title: *Sample Testing*

Florida Power & Light
Glades Power Park Project
RCA #07-221-4-1 Dkt #070432-EI
TYE 6/30/07

*4/11
9/25/07*

SOURCE DR #154

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GLADES POWER PARK PROJECT SAMPLE TESTING

Attribute 1: Proper Amount

Attribute 2: Proper Period

Attribute 3: Proper Support Documentation

Item #	Date	SRC	SA	From ER	From WO	From LOC	To LOC	UC	ET	Amount	Quantity	W_NEW_G	Vendor	Description	1	2	3
14	200611	52450	LAWDEV	98	1475	606	620	0	M	18,644.72	1	183675	[REDACTED]	Review Glades Coal Project & potential sites, research on federal transmission line siting under Energy Policy Act of 2005, review design & licensing of Glades Project, analyzing BACT, IGCC & mercury issues regarding coal project, providing research & advice on rail permitting issues on ATPC site, & review schedule & preparation of Site Certification Application (SCA), and travel expenses. (43-3/12)	X	X	X
15	200704	52450	LAWDEV	98	1475	606	620	0	M	88,154.98	1	183675	[REDACTED]	Consulting services land use easement issue, site certification, transmission line, PSD permit application, NPDES stormwater permitting issues, analyze mercury issues, review project status, schedule & strategy, meeting w/Glades attorney & Hendry County Commissioner & staffs on airport issues, review FDEP completeness issues, & travel expenses. (43-3/12)	X	X	X
16	200707	52450	LAWDEV	98	1475	606	620	0	M	160,755.36	1	183675	[REDACTED]	Prepared deposition, testimony, & mock hearing for the Circuit Court & DOAH cases, review PSD permit issues, transmission licensing issues, participating in land use & zoning issues, proposed order, & travel expenses. (43-3/12)	X	X	X
17	200706	52450	LAWDEV	98	1475	606	620	0	M	117,706.95	1	183675	[REDACTED]	Reviewed, negotiated, & revised FGPP contracts. (43-3/11)			
18	200612	52450	ECDENG	98	1493	620	620	0	M	107,285.00	1	183675	[REDACTED]	Fuel consultancy services & expenses relative to the proposed power plant (mining & geological consultants. (43-3/13)	X	X	X
19	200706	51450	PSDEVX	98	1632	620	620	0	M	13,650.00	1	183675	[REDACTED]	Boundary & topographic survey	X	X	X
20	200610	52450	ECJUNO	98	983	606	606	0	M	2,632.30	0	183520	[REDACTED]	Air fare expenses for coal meeting w/Zachry from Juno to Texas, Colorado, & Maryland.	X	X	X
21	200609	51450	ECDENG	98	1493	620	620	0	M	25,891.00	1	183675	[REDACTED]	Subsurface soil exploration & geographical engineering evaluation.	X	X	X
22	200703	50000	ECDENG	98	1493	620	620	0	M	185,383.63	0	183675	[REDACTED]	Professional surveying & mapping services of the [REDACTED] parcel in Glades County	X	X	X
23	200701	50000	JESDEV	98	835	620	620	0	M	30,000.00	0	183675	[REDACTED]	To provide an independent project clean coal alternative study (43-3/17). The work was completed w/in 2 mons. of the release of the PO (43-3/17-1 p.3)	X	X	X
24	200706	51450	ECDENG	98	1493	620	620	0	M	15,710.00	1	183675	[REDACTED]	To provide an independent project clean coal alternative study (43-3/17). The work was completed w/in 2 mons. of the release of the PO (43-3/17-1 p.3)	X	X	X
25	200604	50000	ECJUNO	98	982	606	606	0	M	52,029.40	0	183520	11-BLANCHETTE RELOCATION	Relocation costs - house hunting, purchasing home, & temporary living. See audit finding (43-3/21).	X	X	X
26	200611	52459	ECJUNO	98	983	606	606	0	M	3,376.10	0	183520	[REDACTED]	External contractor for technology consultant.	X	X	X
27	200611	52459	ECJUNO	98	983	606	606	0	M	3,154.14	0	183520	[REDACTED]	External contractor for performance engineer.	X	X	X
28	200707	50000	CCDEVX	98	1473	620	620	0	M	(113,321.42)	0	183675	[REDACTED]	FPL is not seeking recovery for this amount (43-3/7)	X	X	X

GLADES POWER PARK PROJECT SAMPLE TESTING

Attribute 1: Proper Amount

Attribute 2: Proper Period

Attribute 3: Proper Support Documentation

Item #	Date	SRC	SA	From ER	From WO	From LOC	To LOC	UC	ET	Amount	Quantity	W_NEW_G L	Description	1	2	3
29	200603	51450	JESDEV	98	835	606	606	0	M	56,380.00	1	183520	Professional engineering services including hurricane wind study, emergency spillway evaluation, canal evaluation, monitoring reqm'ts., broad cycling evaluation off-site groundwater levels, spillway channel evaluation	X	X	X
30	200610	51450	CCDEVX	98	1473	620	620	0	M	80,644.50	1	183675	Professional services for polling/develop communications plan, project management support, outreach, community coordinators, develop outreach collaterals, design/maintain web. (43-3/16)	X	X	X
31	200703	51450	CCDEVX	98	1473	620	620	0	M	124,221.35	1	183675	Services for project management support, outreach, community coordinators, design/maintain web, media relation. (43-3/16)	X	X	X
32	200701	51450	ECDENG	98	1493	620	620	0	M	101,315.02	1	183675	Provided the study of demand and supply of coal, transportation, mercury analysis. (43-3/8)			
33	200706	51450	CCDEVX	98	1473	620	620	0	M	45,000.00	1	183675	Strategic communications & media management advice for FGPP project (43-3/18)	X	X	X
34	200702	51450	ECDENG	98	1493	620	620	0	M	34,111.65	1	183675	Engineering services: develop information spreadsheet & document reviews, database review, work plan development & research, review commercial & pricing doc's., investigations, initial report draft, final report preparation, cost evaluations, coal meeting w/Zachry, & cost analysis.	X	X	X
35	200612	51450	ECDENG	98	1493	620	620	0	M	77,127.82	1	183675	Advanced coal fleet & carbon storage & capture program.	X	X	X
36	200706	51450	JESDEV	98	1488	620	620	0	M	18,762.14	1	183675	Preparation of environmental assessment (EA) Statement of Findings (SOF) for the Glades Proj.	X	X	X
37	200703	51450	PSDEVX	98	1632	620	620	0	M	25,576.31	1	183675	Held transmission team meeting, outreach temetings w/individual landowners, draft responses to agency completeness questions. (43-3/9)	X	X	X
38	200706	51450	PSDEVX	98	1632	620	620	0	M	62,450.94	1	183675	Labor & expenses & engineering subcontractor from PowerComm Engineering, Inc. for environmental permitting of Glades wetlands permitting. (43-3/9)	X	X	X
39	200702	51450	TLPERM	98	1652	620	620	0	M	92,853.04	1	183675	Labor & expenses for Glades Power Park Transmssion lines & subcontractors	X	X	X
40	200703	51450	CCDEVX	98	1473	620	620	0	M	46,368.00	1	183675	Customer survey to response to various public arguments to support coal plant project. (43-3/19)	X	X	X
41	200706	52450	LAWDEV	98	1475	606	620	0	M	23,883.40	0	183675	23 Fple chg back Apr 07FPL ENERGY Legal services regarding land acquisition, site certification, local & zoning approvals, negotiation of engineering, procurment & construction agreements for the steam turbines, boilers & air quality control system for the Glades project. The total hours were 146. See job descriptions of Pinnock, Rauch, & Rubio on (43-3/20).	X	X	X
42	200703	52450	LAWDEV	98	1475	606	620	0	M	23,375.22	0	183675	Fple chg back Feb 07FPL ENERGY Legal services regarding land acquisition, site certification, local & zoning approvals, negotiation of engineering, procurment & construction agreements for the steam turbines, boilers & air quality control system for the Glades project. The total hours were 147.5. See job descriptions of Rauch, & Rubio on (43-3/20).	X	X	X

GLADES POWER PARK PROJECT SAMPLE TESTING

Attribute 1: Proper Amount
Attribute 2: Proper Period
Attribute 3: Proper Support Documentation

Item #	Date	SRC	SA	From ER	From WO	From LOC	To LOC	UC	ET	Amount	Quantity	W_NEW_G L	Vendor	Description	1	2	3
43	200707	52450	LAWDEV	98	1475	606	620	0	M	43,080.85	0	183675	Fple chg back May 07FPL ENERGY	Legal & administrative services regarding reviewing & analyzing Engineering Procurement Contracts, & preliminary engineering design & negotiations of the major equipm't. & EPC contracts for the Glades project. The total hours 201.5.	X	X	X
44	200704	51450	SVC011	98	1474	620	620	0	M	300,000.00	1	183675	[REDACTED]	Progress payment for the installation of the electric generation facility. The contract was terminated on 6/13/07. See WP43-3/4 & 43-3/4-1.	X	X	X
45	200706	51450	EPCB01	98	1688	606	606	0	M	300,000.00	1	183675	[REDACTED]	Progress payment for the installation of the electric generation facility. The contract was terminated on 6/13/07. See WP43-3/4 & 43-3/4-1.	X	X	X
46	200702	51450	SVC011	98	1474	620	620	0	M	315,000.00	1	183675	[REDACTED]	Progress payment for the installation of the electric generation facility. The contract was terminated on 6/13/07. See WP43-3/4 & 43-3/4-1.	X	X	X
47	200706	51450	EPCB01	98	1688	606	606	0	M	515,934.00	1	183675	[REDACTED]	Termination Fee, see WP43-3/4-1.	X	X	X
48	200706	51450	EPCB01	98	1688	606	606	0	M	1,000,000.00	1	183675	[REDACTED]	Progress payment for the installation of the electric generation facility. The contract was terminated on 6/13/07. See WP43-3/4 & 43-3/4-1.	X	X	X
49	200611	51450	CCDEVX	98	1473	620	620	0	M	164,509.80	1	183675	[REDACTED]	Polling /communications plan; project management support w/participation in weekly team meetings; & conference calls, SCA calls, & transmission team teleconferences & meetings, & other internal conferences; updating outreach plan & project timeline & meetings, brainstorming conferences; coordinating universal changes to collaterals re: adverse impacts to regional water source, Tri-Fold Brochure, PowerPoint presentation, press kits, evaluation form, advertising, web site, & mercury brochure.	X	X	X
50	200704	51450	CCDEVX	98	1473	620	620	0	M	10,916.25	1	183675	GLADES POWER PARK VIDEO FRAGA PHOTO	This amount was incorrect. Only \$1,608.76 belong to the SCA. The adjustment to remove \$9,307.49 was made on 5/29/07. Since the amount was \$1,608.76 at the end of the schedule.	X	X	X
51	200612	51450	JESDEV	98	1482	620	620	0	M	110,011.72	1	183675	[REDACTED]	Environmental permitting & licensing support for coal project sites 1 & 2: mgmt & contingency, final SCA, public outreach, air impact, water/groundwater impact, storm water, aquafer impact, water supply, ecology impact, & land use. (43-3/10)	X	X	X
52	200612	51450	JESDEV	98	1476	620	620	0	M	111,233.50	1	183675	[REDACTED]	Environmental permitting & licensing support for coal project sites 1 & 2: mgmt & contingency, final SCA, public outreach, air impact, water/groundwater impact, storm water, aquafer impact, water supply, ecology impact, mercury analysis & land use. (43-3/10)	X	X	X

GLADES POWER PARK PROJECT SAMPLE TESTING

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Item #	Date	SRC	SA	From ER	From WO	From LOC	To LOC	UC	ET	Amount	Quantity	W_NEW_G	Vendor	Description	1	2	3
53	200702	51450	JESDEV	98	1482	620	620	0	M	135,451.98	1	183675	[REDACTED]	Environmental permitting & licensing support for coal project sites 1 & 2: mgmt & contingency, initial draft, SCA reviews, public outreach, air-baseline, air-impacts, water/groundwtr-impacts, -SCA reviews, -storm wtr., -aquafer, -alt. wtr supply analysis, ecological-baseline, -impacts,-alt analysis, & land use. (43-3/10)	X	X	X
54	200705	51450	JESDEV	98	1482	620	620	0	M	151,019.54	1	183675	[REDACTED]	Environmental permitting & licensing support for coal project sites 1 & 2: mgmt sufficiency, air-sufficiency, water/groundwtr, ecology-sufficiency, & land use. (43-3/10)	X	X	X
55	200706	51450	JESDEV	98	1482	620	620	0	M	228,144.08	1	183675	[REDACTED]	Environmental permitting & licensing support for coal project sites 1 & 2: mgmt sufficiency, air-sufficiency, water/groundwtr, ecology-sufficiency, & land use-sufficiency, -SCA hearing/support, -field reconnaissance. (43-3/10)	X	X	X
56	200704	51450	CCDEVX	98	1473	620	620	0	M	9,707.35	1	183675	27 HAZARDOUS SUBSTANCE HAZARDOUS	Conduct research, meeting, & presentation of effect of sulfate/sulfide on methylmercury foamation in Everglades, and Hg deposition to Everglades & Fisheating Creek.	X	X	X
57	200604	50000	ECJUNO	98	983	606	606	0	M	27,168.12	0	183520	28 LE RELOCATION	Relocation cost - costs associated w/selling of home from Phoenix, AZ. This was allocated 74.6% to Coal Project. See audit finding (43-3/21).	X	X	X
58	200512	50000	ECJUNO	98	983	606	606	0	M	15,064.85	0	183520	LE, THUY RELOCATION	Relocation cost - costs associated loan processing for purchase a home in West Palm Bch, FL. See audit finding (43-3/21).	X	X	X
59	200706	51450	CCDEVX	98	1473	620	620	0	M	11,462.26	1	183675	[REDACTED]	Ad for Notice of Commission Hearing & Prehearing; (4/16-17/2007) placed in several newspaper, bulletin, Sunday News.	X	X	X
60	200411	51450	ECDENG	98	854	606	606	0	M	11,096.57	1	183520	[REDACTED]	Coal Plant Study - preliminary engineering & conceptual design services. (43-3/15-1)	X	X	X
61	200408	51450	ECDEVX	98	824	606	606	0	M	36,767.59	1	183520	[REDACTED]	Coal Plant Study - preliminary engineering & conceptual design services. (43-3/15-1)	X	X	X
62	200707	51450	PSDEVX	98	1632	620	620	0	M	49,161.16	1	183675	[REDACTED]	Performed aerial survey services to support corridor mapping for the Glades Power Park proposed transmission line. (43-3/14)	X	X	X
63	200706	51450	JESDEV	98	1488	620	620	0	M	15,433.35	1	183675	[REDACTED]	Refined & conducted T&E species ecological risk assessment scope.	X	X	X
64	200702	51450	ECDENG	98	1493	620	620	0	M	51,518.50	1	183675	[REDACTED]	Rail transportation study.	X	X	X
65	200707	51450	CCDEVX	98	1473	620	620	0	M	172,208.81	1	183675	[REDACTED]	Team meetings/conference calls, maintenance & team updates, coordinated participation & sponsorships for festivals & parades, public outreach presentations, coalition activities, & media relations. (WP 43-3/5)	X	X	X
66	200707	51450	CCDEVX	98	1473	620	620	0	M	56,524.12	1	183675	[REDACTED]	Outreach: POWER coalition activities, PSC decision, Glades County Land use hearing, coalition BBQ; Media Relation: conference w/south & central newspaper; & project management support.	X	X	X
67	200612	51450	CCDEVX	98	1637	620	620	0	M	21,500.00	1	183675	[REDACTED]	Public opinion research. (43-3/16)	X	X	X

GLADES POWER PARK PROJECT SAMPLE TESTING

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Item #	Date	SRC	SA	From ER	From WO	From LOC	To LOC	UC	ET	Amount	Quantity	W_NEW_G L	Vendor	Description	1	2	3
68	200704	51450	CCDEVX	98	1473	620	620	0	M	24,075.33	1	183675	[REDACTED]	Daily media review & strategy call; & researched, drafted, & incorporated lobbying issues. (43-3/7)	X	X	X
69	200705	52450	JESDEV	98	1476	620	620	0	M	1,795.00	0	183675	[REDACTED]	Principal specialist environmental, see job description on 43-3/20 p.9. Salvador was responsible for coordinating all licensing & permitting activities for the 1960MW coal plant. Job allocation was 67% in 2006 & 39% in 2007.	X	X	X
70	200501	51450	ECDENG	98	854	606	606	0	M	24,475.58	1	183520	[REDACTED]	Coal Plant Study - preliminary engineering & conceptual design services. (43-3/15-1)	X	X	X
71	200410	51450	ECDEV	98	824	606	606	0	M	39,897.56	1	183520	[REDACTED]	Coal Plant Study - preliminary engineering & conceptual design services. (43-3/15-1)	X	X	X
72	200609	52450	FULEMT	98	1570	606	606	0	M	42,638.75	0	183520	[REDACTED]	Drafted & revised contracts & terminal services agreement for railroad transportation w/CSXT & SCFE.	X	X	X
73	200612	52450	JESDEV	98	1486	620	620	0	M	200,000.00	0	183675	STATE OF FLORIDA STATE OF F	SCA application check.	X	X	X
74	200703	51450	CCDEVX	98	1473	620	620	0	M	36,978.00	1	183675	[REDACTED]	Customer survey to response to various public arguments to support coal plant project. (43-3/19)	X	X	X
75	200706	51450	CCDEVX	98	1473	620	620	0	M	38,217.37	1	183675	[REDACTED]	Daily media review & strategy call; & researched, drafted, & incorporated lobbying issues. (43-3/7)	X	X	X
76	200706	51450	CCDEVX	98	1473	620	620	0	M	25,925.00	1	183675	[REDACTED]	Daily media review & strategy call; & researched, drafted, & incorporated lobbying issues. (43-3/7)	X	X	X
77	200607	52450	ECJUNO	98	983	606	606	0	M	840.00	0	183520	44 Training Conference LE T	Attending Energy Research Center Annual Meeting (ERC): Improving Competitiveness of Coal-Fired Power Plants in Bethlehem, PA.	X	X	X
78	200612	52450	CCDEVX	98	1637	620	620	0	M	3,616.56	0	183675	[REDACTED]	Advanced coal technology plant: transmission facilities outreach.	X	X	X
79	200612	51450	JESDEV	98	1613	620	620	0	M	8,771.14	1	183675	[REDACTED]	Phase I Environmental Site Assessment: identify areas of potential environmental impacts, regulatory inquiry, prior site ownership & land uses, preliminary survey of regional geology, & summarize the results of each task.	X	X	X
80	200604	51450	SVC011	98	872	606	606	0	M	142,634.58	1	183520	[REDACTED]	Professional engineering services, design, procurement & optional construction management services, the design, engineering, equipping, construction, installation, start-up & testing of a solid fuel fired generation facility. (WP 43-3/6)	X	X	X
81	200602	51450	SVC011	98	872	606	606	0	M	142,777.83	1	183520	[REDACTED]	Professional engineering services, design, procurement & optional construction management services, the design, engineering, equipping, construction, installation, start-up & testing of a solid fuel fired generation facility. (WP 43-3/6)	X	X	X
82	200606	51450	SVC011	98	872	606	606	0	M	167,094.77	1	183520	[REDACTED]	Professional engineering services, design, procurement & optional construction management services, the design, engineering, equipping, construction, installation, start-up & testing of a solid fuel fired generation facility. (WP 43-3/6)	X	X	X

GLADES POWER PARK PROJECT SAMPLE TESTING

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Item #	Date	SRC	SA	From ER	From WO	From LOC	To LOC	UC	ET	Amount	Quantity	W_NEW_G L	Vendor	Description	1	2	3
83	200601	51450	SVC011	98	872	606	606 0	M		172,043.49	1	183520	[REDACTED]	Professional engineering services, design, procurement & optional construction management services, the design, engineering, equipping, construction, installation, start-up & testing of a solid fuel fired generation facility. (WP 43-3/6) Termination fee (WP 43-3/6-1/1)	X	X	X
84	200705	51450	ECDENG	98	872	620	606 0	M		982,023.44	1	183675	[REDACTED]	Review & draft railroad contract for delivery service.		X	X
85	200606	50000	FULEMT	98	1570	606	606 0	M		25,242.29	0	183520	48 [REDACTED]		X	X	X
86	200706	65030	BLRX01	98	1686	606	606 0	M		(3,434,735.00)	0	183675	742949 01400		X	X	X
87	200706	65030	BLRX02	98	1687	606	606 0	M		(2,925,885.00)	0	183675	743141 01400		X	X	X
88	200512	65000	JESDEV	98	835	606	606 0	M		(10,690.00)	0	183520	MARTIN SH USE STUDY PH1&2	South Fla. Water Mgmt. Dept. has compensated FPL for Phase II effort prior to FPL payment of invoice to contractor performing study.	X	X	X
89	200703	60000	CCDEVX	98	1473	620	620 0	M		1,792.00	0	183675	COLOR COPIES-K DEPP	This cost was charged by the internal copy center for the printing of education materials for community outreach initiatives to share information and answer questions about the proposed Glades Power Park.	X	X	X
90	200702	60000	CCDEVX	98	1473	620	620 0	M		2,300.00	0	183675	GLADES COLLATERAL COPIES	This cost was charged by the internal copy center for the printing of education materials for community outreach initiatives to share information and answer questions about the proposed Glades Power Park.	X	X	X
91	200708	65000	UTDEVP	98	1654	620	620 0	M		2,370.70	0	183675	LEIGHTON EXP REPORT JULY	Coal project support meal for 20 people.	X	X	X
92	200705	60000	CCDEVX	98	1473	620	620 0	M		3,404.00	0	183675	COLOR COPIES-M BLANCO	This cost was charged by the internal copy center for the printing of education materials for community outreach initiatives to share information and answer questions about the proposed Glades Power Park.	X	X	X
93	200610	65000	ECJUNO	98	1492	606	620 0	M		4,148.14	0	183675	VISA-YEAGER	The primary vendor for the advanced technology considered at the FGPP project are located in Japan. The trip to Japan was taken by Vice-president of Engineering & Construction to solicit competitive, favorable equipment pricing for three major pieces of equipment: the boiler, steam turbine & pollution control equipment.	X	X	X
94	200704	60000	CCDEVX	98	1473	620	620 0	M		4,900.00	0	183675	[REDACTED]	This cost was charged by the internal copy center for the printing of education materials for community outreach initiatives to share information and answer questions about the proposed Glades Power Park.	X	X	X
95	200512	65000	ECDENG	98	854	606	606 0	M		183,346.91	0	183520	[REDACTED]	Coal Plant Study - technology assessment, site selection, water studies, & emission permit support.	X	X	X
96	200512	65000	SVC011	98	872	606	606 0	M		357,382.47	0	183520	[REDACTED]	Contract for preliminary engineering including review & evaluation conceptual design, engineering studies, design drawing & diagram, boiler, steam turbine generator, permit/license support, & management activities.	X	X	X

GLADES POWER PARK PROJECT SAMPLE TESTING

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Item #	Date	SRC	SA	From ER	From WO	From LOC	To LOC	UC	ET	Amount	Quantity	W_NEW_G L	Vendor	Description	1	2	3	
				98	1673/1674					7,045,810.00			Steam Turbine					
				98	983					9,423,042.16								
Less: error in Items #5 \$9,407.5																		
										(9,707.50)	-0.103%	Error in percentag						
										9,413,334.66								
200704	51450	BLRX02	98	1687	606	606	0	M		2,925,885.00	1	183675		have contract (43-3/1)				
200704	51450	BLRX01	98	1686	606	606	0	M		3,434,735.00	1	183675		have contract (43-3/1)				
200705	51450	AQCS02	98	1678	606	606	0	M		340,000.00	1	183675		per contract (43-3/2)				
200705	51450	AQCS01	98	1677	606	606	0	M		372,500.00	1	183675		per contract (43-3/2)				
200707	51450	AQCS01	98	1677	606	606	0	M		4,060,650.00	1	183675		per contract (43-3/2)				
200703	51450	STXX02	98	1674	606	606	0	M		1,188,300.00	1	183675		see contract				
200703	51450	STXX01	98	1673	606	606	0	M		1,212,100.00	1	183675		see contract				
200704	51450	STXX01	98	1673	606	606	0	M		1,267,440.00	1	183675		see contract				
										(1,750,000.00)		43-3/3-2		TERMINATION FEE				
										(250,000.00)		43-3/3-2		TERMINATION FEE				
										7,045,810.00				TERMINATION FEE				
										19,847,420.00				TOTAL CONTRACT				
										29,260,754.66								
										1,684,275.00		Land						
										30,945,029.66				AMOUNT TESTED				
										34,287,476.59				TOTAL COSTS				
										90.25%				% TESTED				

43-3
1-1 P. 2

43-3
2

43-3 PA

43-3 PA

TERMINATION FEE
TERMINATION FEE
TERMINATION FEE EXCEL FILE

TOTAL FILE

TOSHIBA TERMINATION FEE

43-3 P8

Date	SRG	EAG	From: ER	From: WG	Amount	Quantity	SD SEC V NEW G	DESCRIPTION
200702	65000	0662	98	1673	1,212,100.00	0:0	183675	TIC U1 STG INV SFI3439
200702	65000	0662	98	1674	1,188,300.00	0:0	183675	TIC U2 STG INV SFI3440
200703	65000	0662	98	1673	(1,212,100.00)	0:0	183675	AC-REV TIC U1 STG INV SFI3439
200703	51450	0662	98	1673	1,212,100.00	1:0	183675	
200703	65000	0662	98	1674	(1,188,300.00)	0:0	183675	AC-REV TIC U2 STG INV SFI3440
200703	51450	0662	98	1674	1,188,300.00	1:0	183675	
200704	51450	0662	98	1673	1,267,440.00	1:0	183675	
		Total			3,667,840.00			
200706	65000	0662	98	1673	7,097,660.00	0:0	183675	
200706	65000	0662	98	1674	1,944,600.00	0:0	183675	
200707	65000	0662	98	1673	(7,097,660.00)	0:0	183675	
200707	65000	0662	98	1674	(1,944,600.00)	0:0	183675	
200708	60000	0662	98	1673	1,382,500.00	0:0	183675	
200708	60000	0662	98	1674	367,500.00	0:0	183675	

Ⓡ 1,750,000.00

43-3 P8

43-3/3-2

7,045,810.00
 12,463,650.00
 250,000.00
 12,713,650.00

Negotiation 43-3/3-1
 43-3/3-2

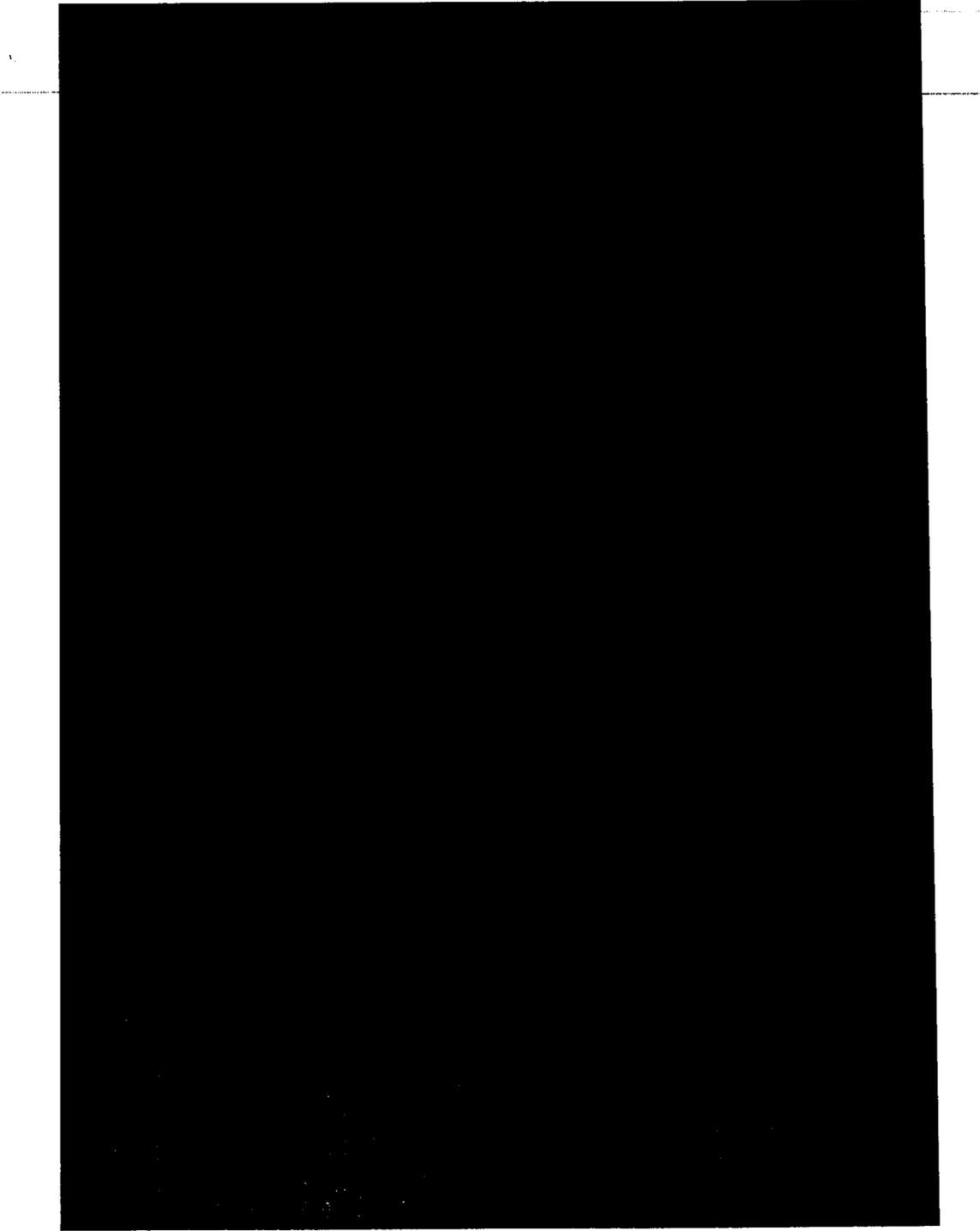
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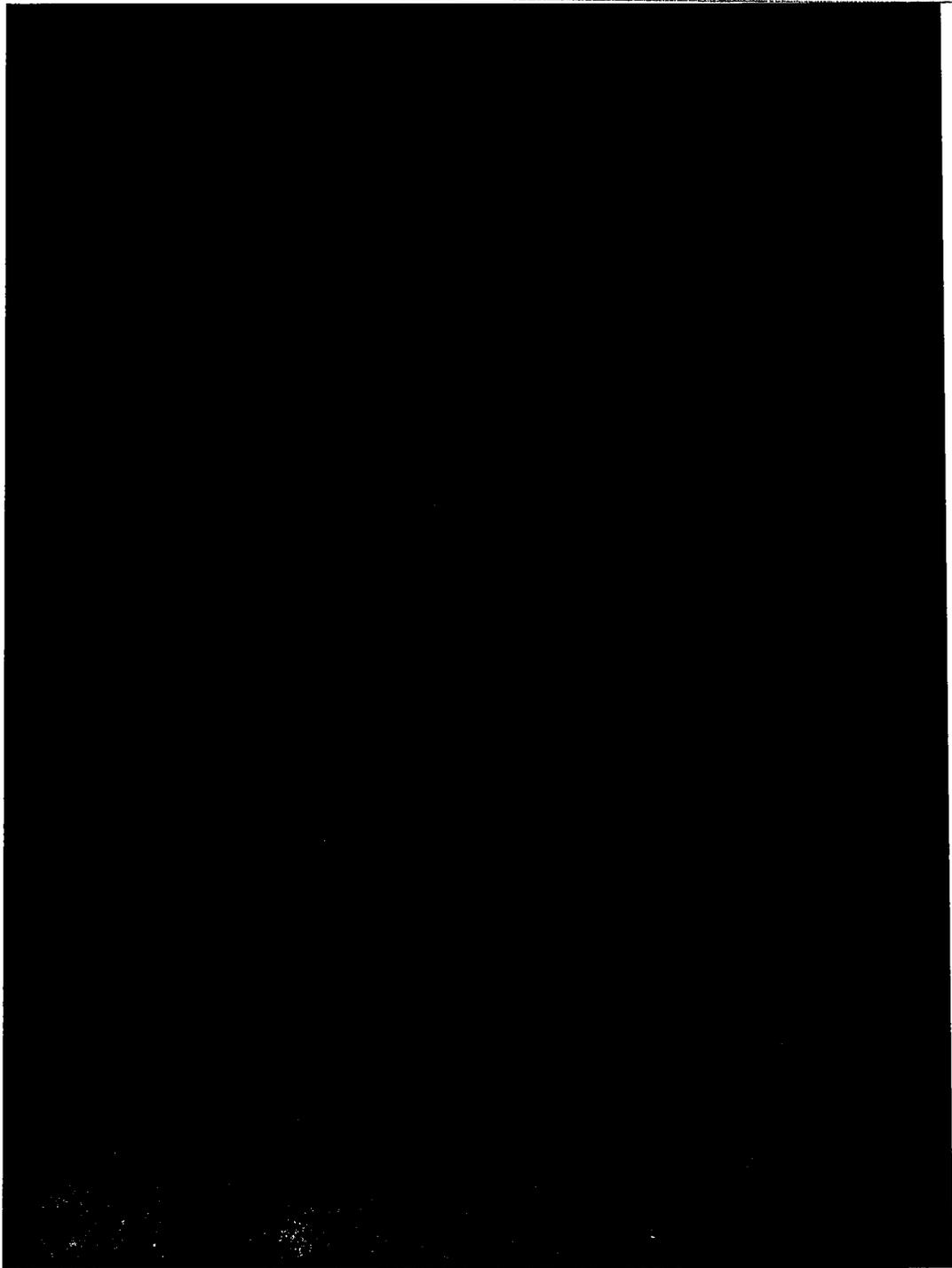
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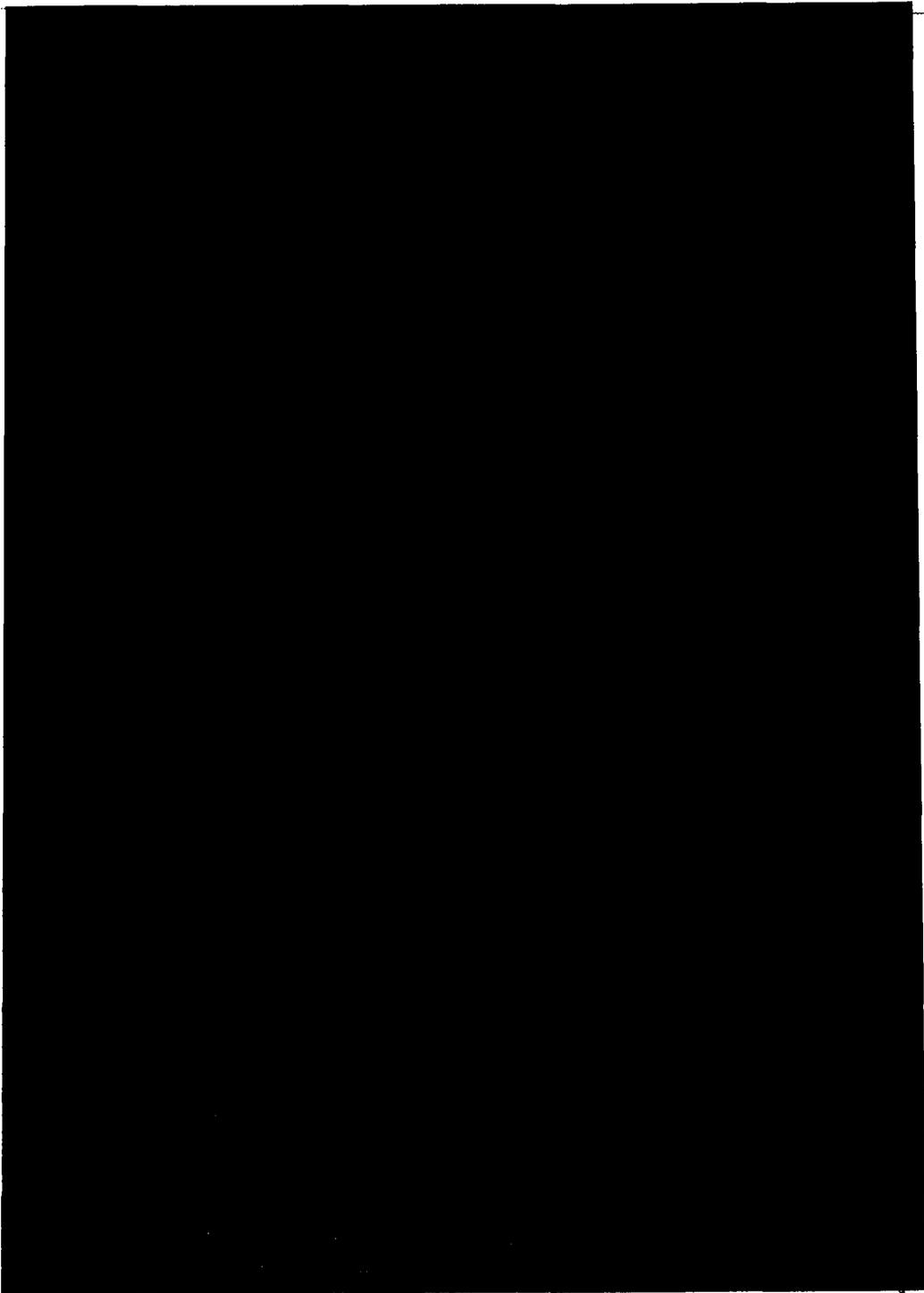
43-3/3-2

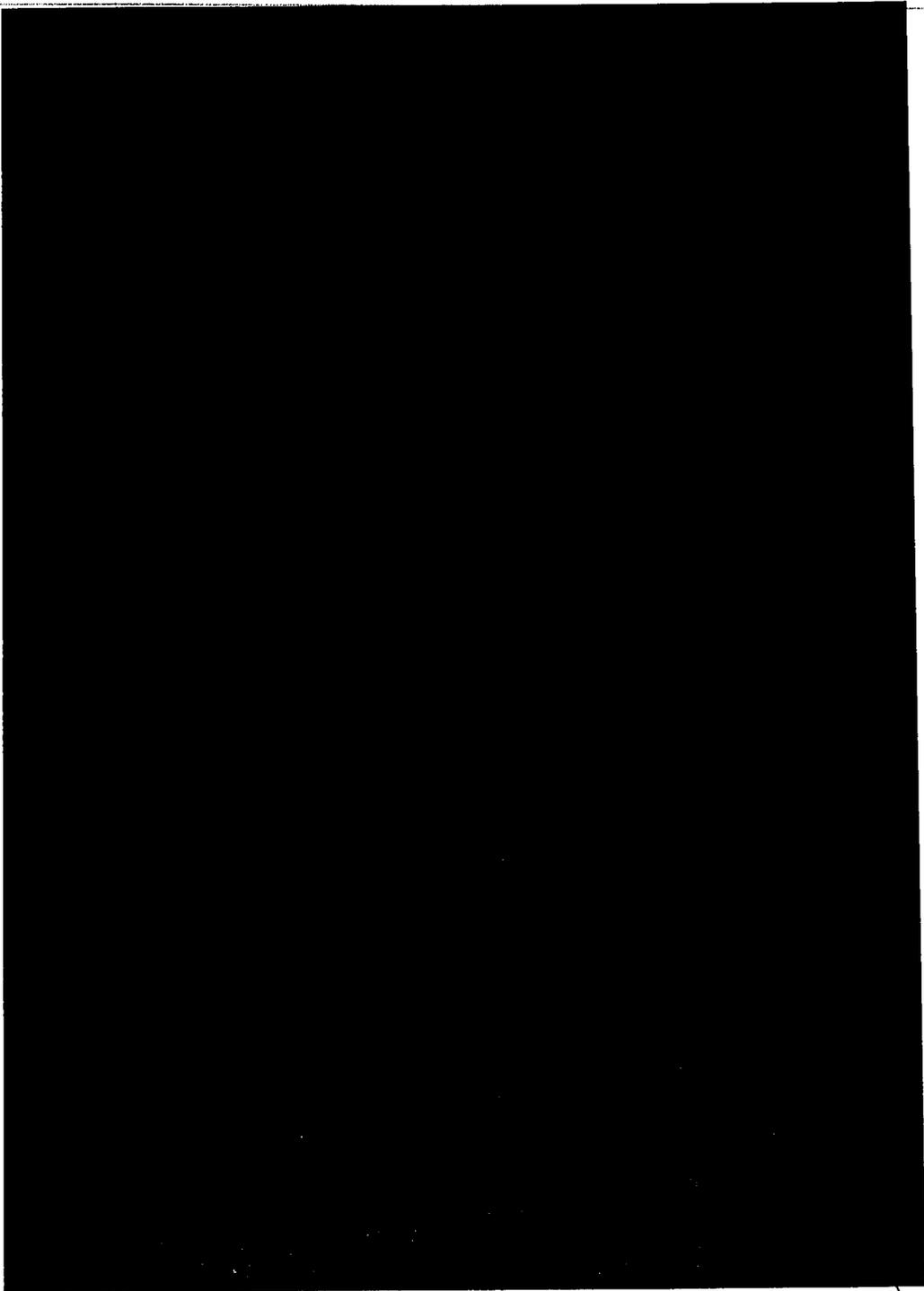
WP 43-3 P9

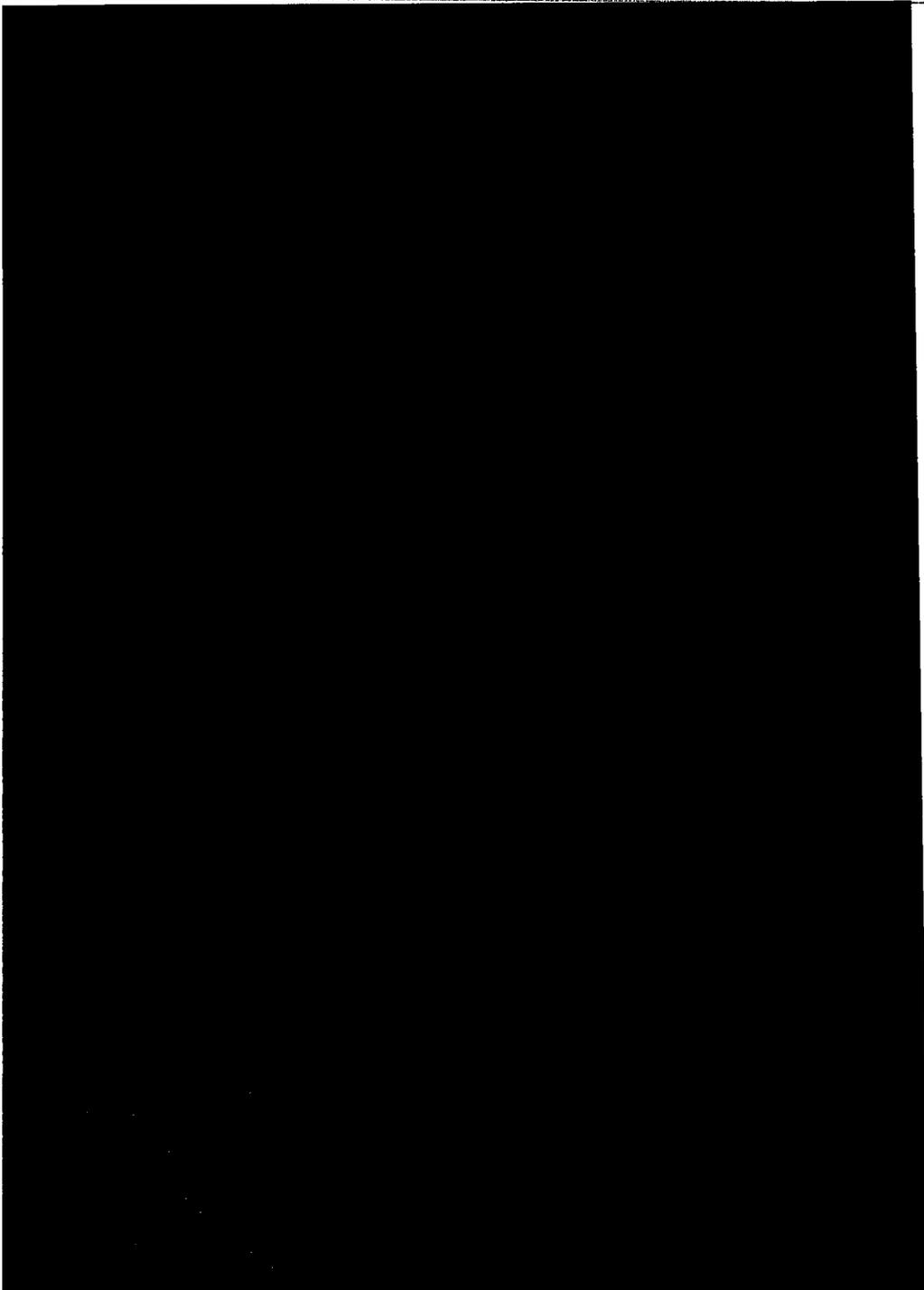
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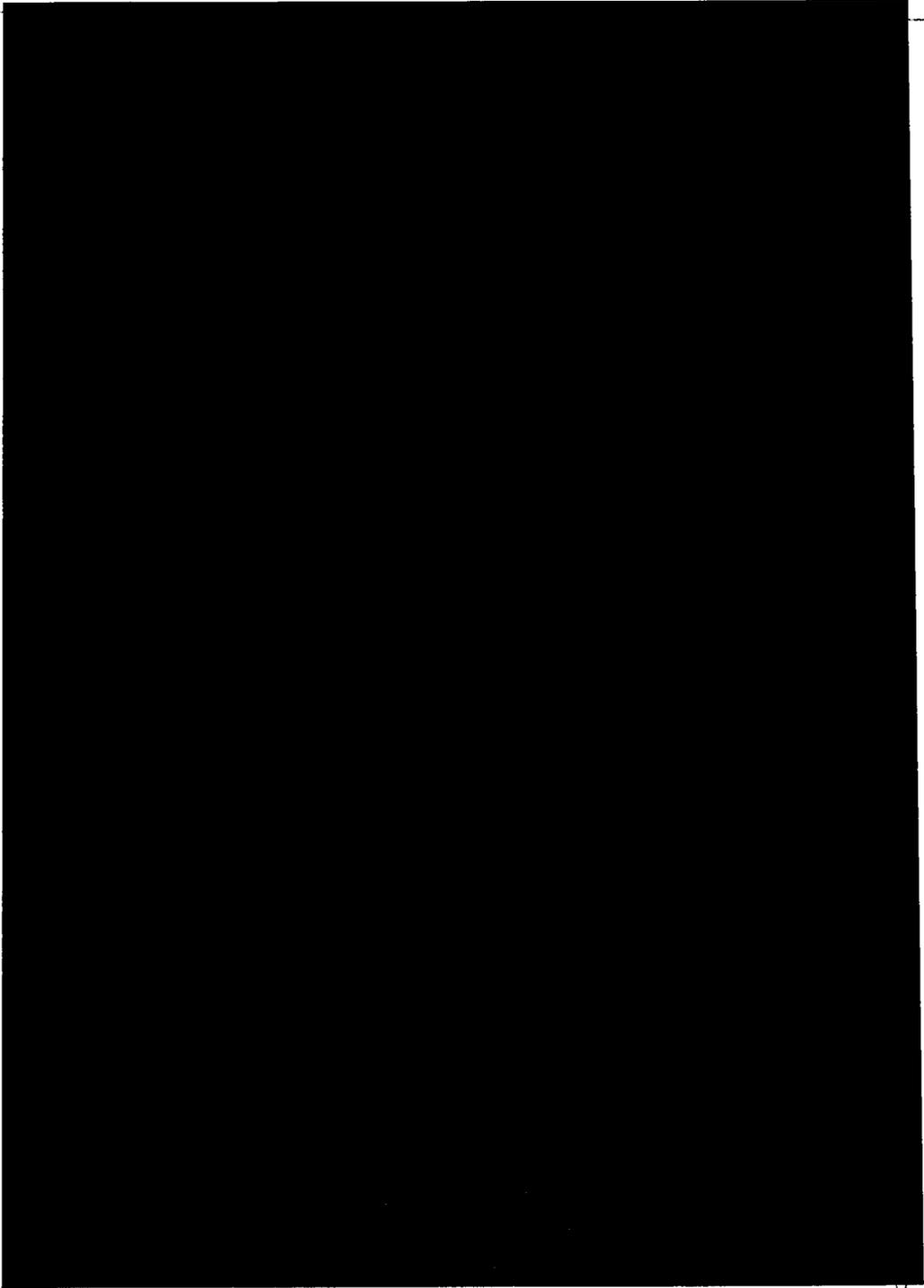




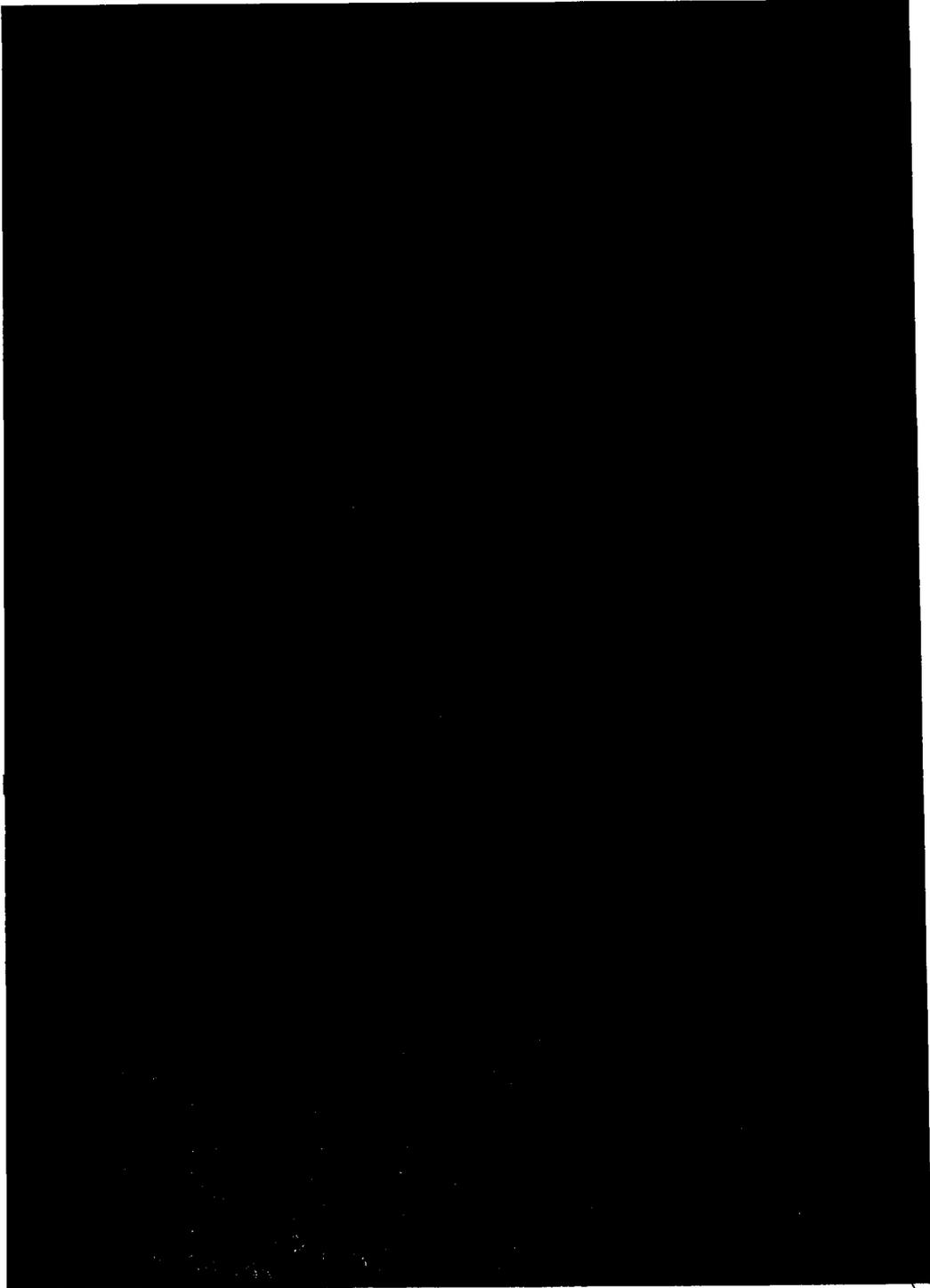


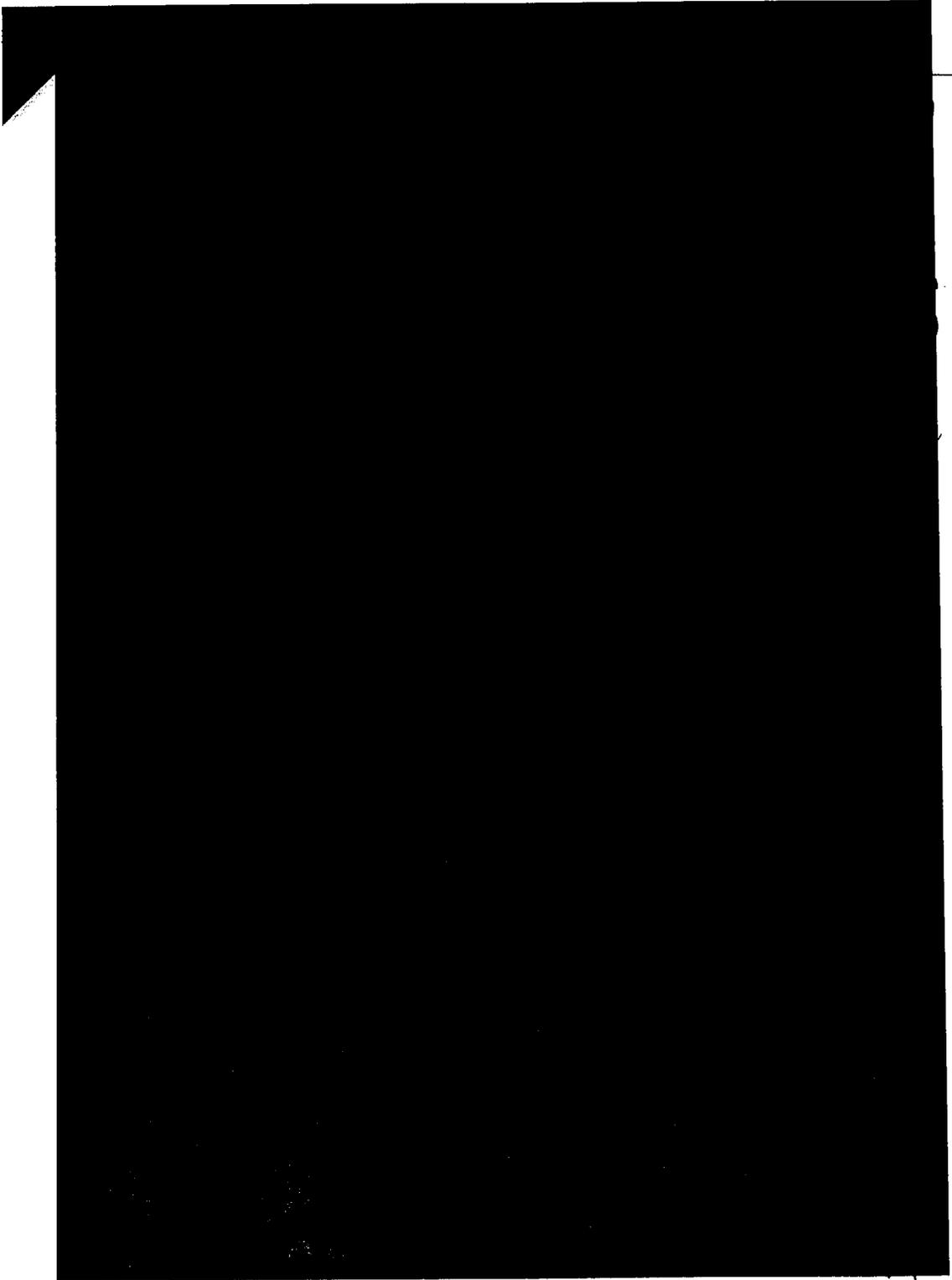


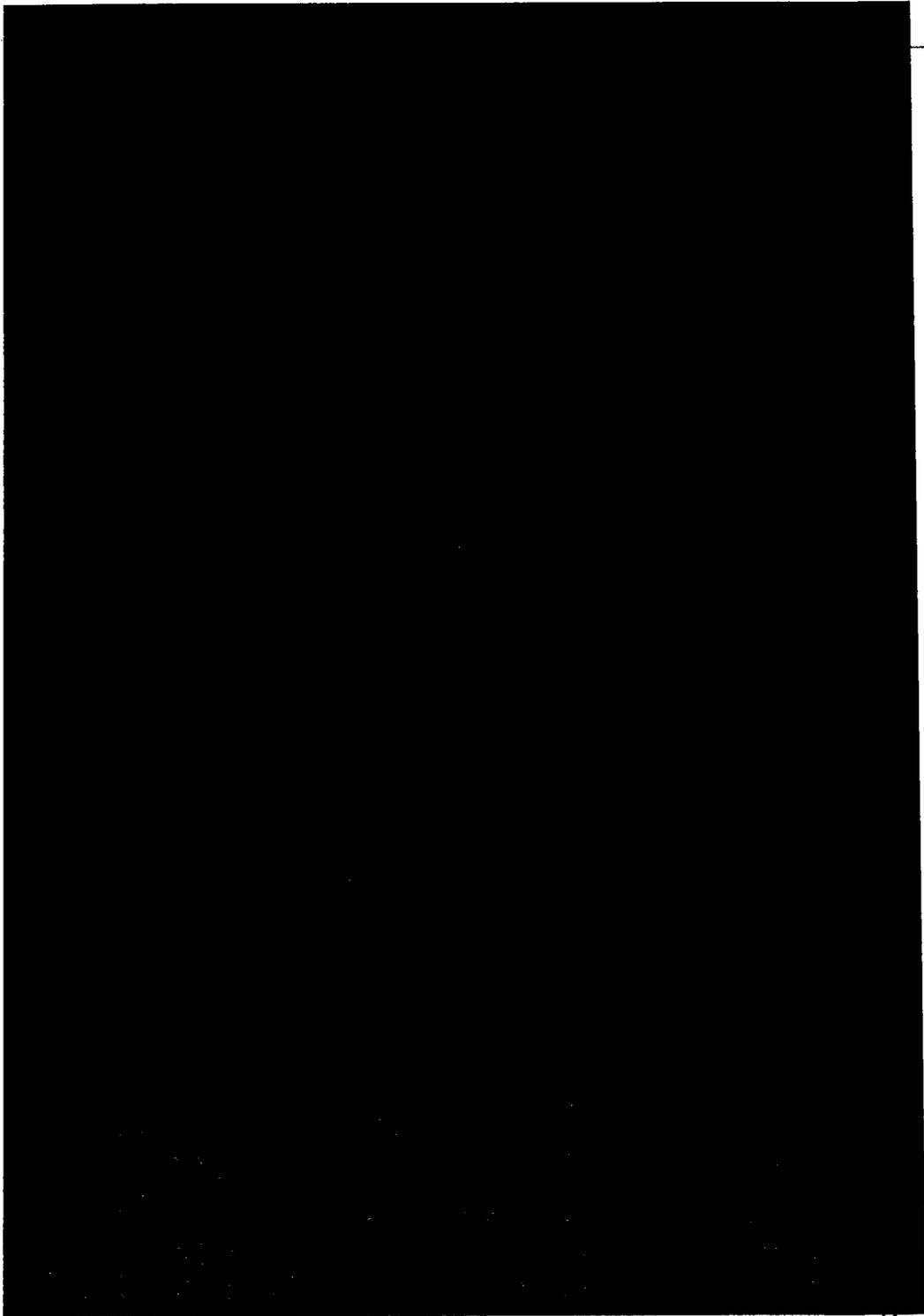


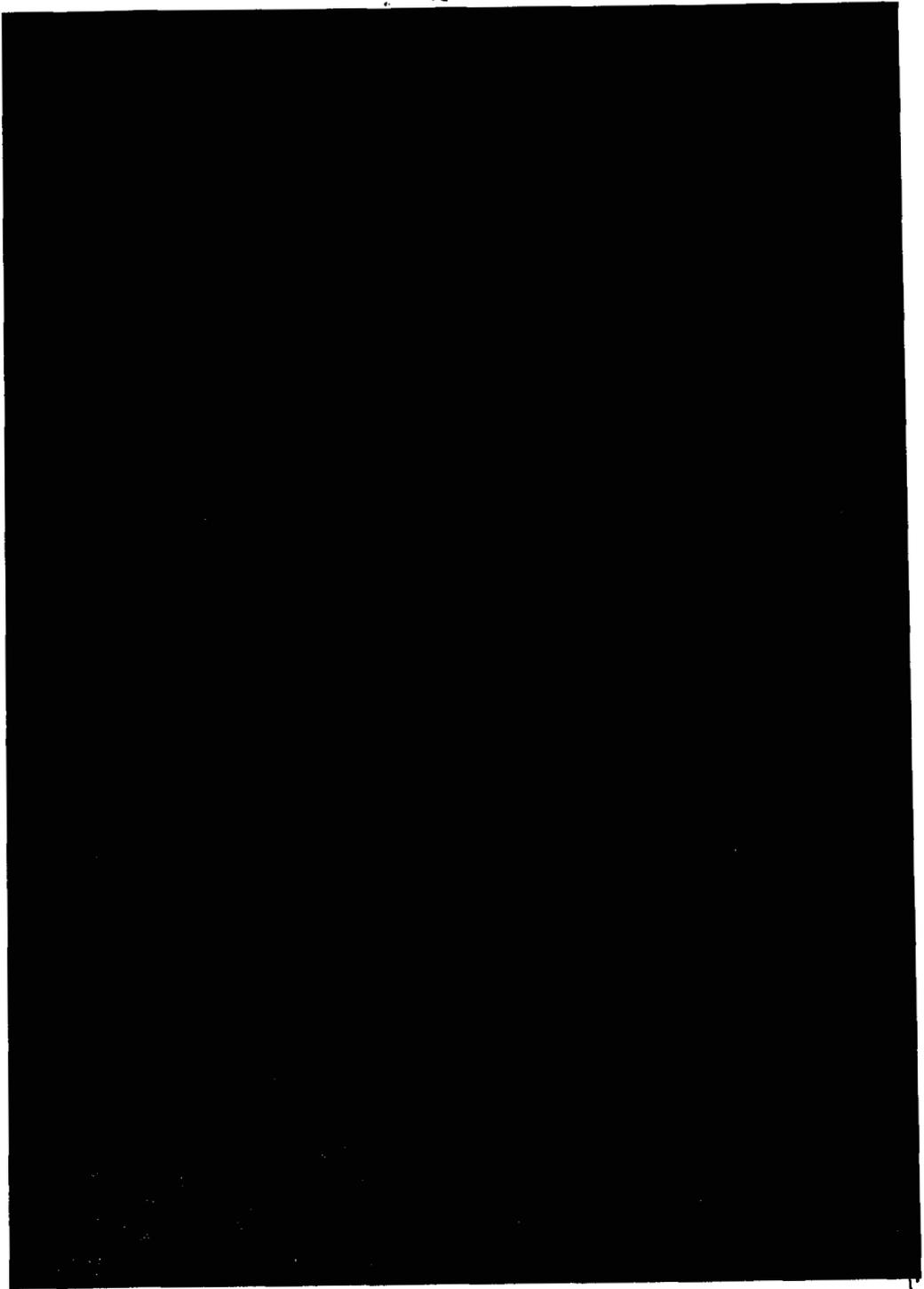


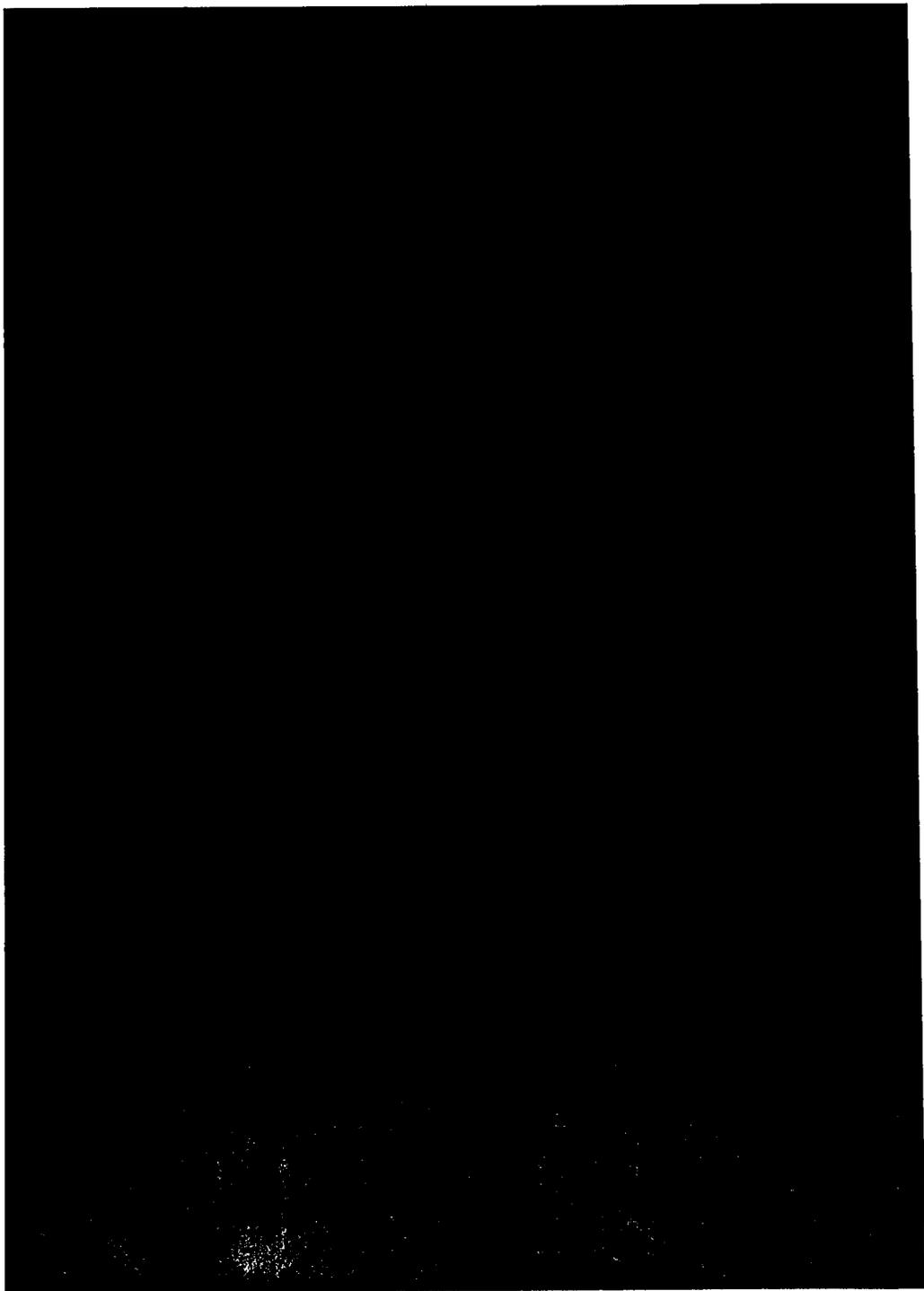
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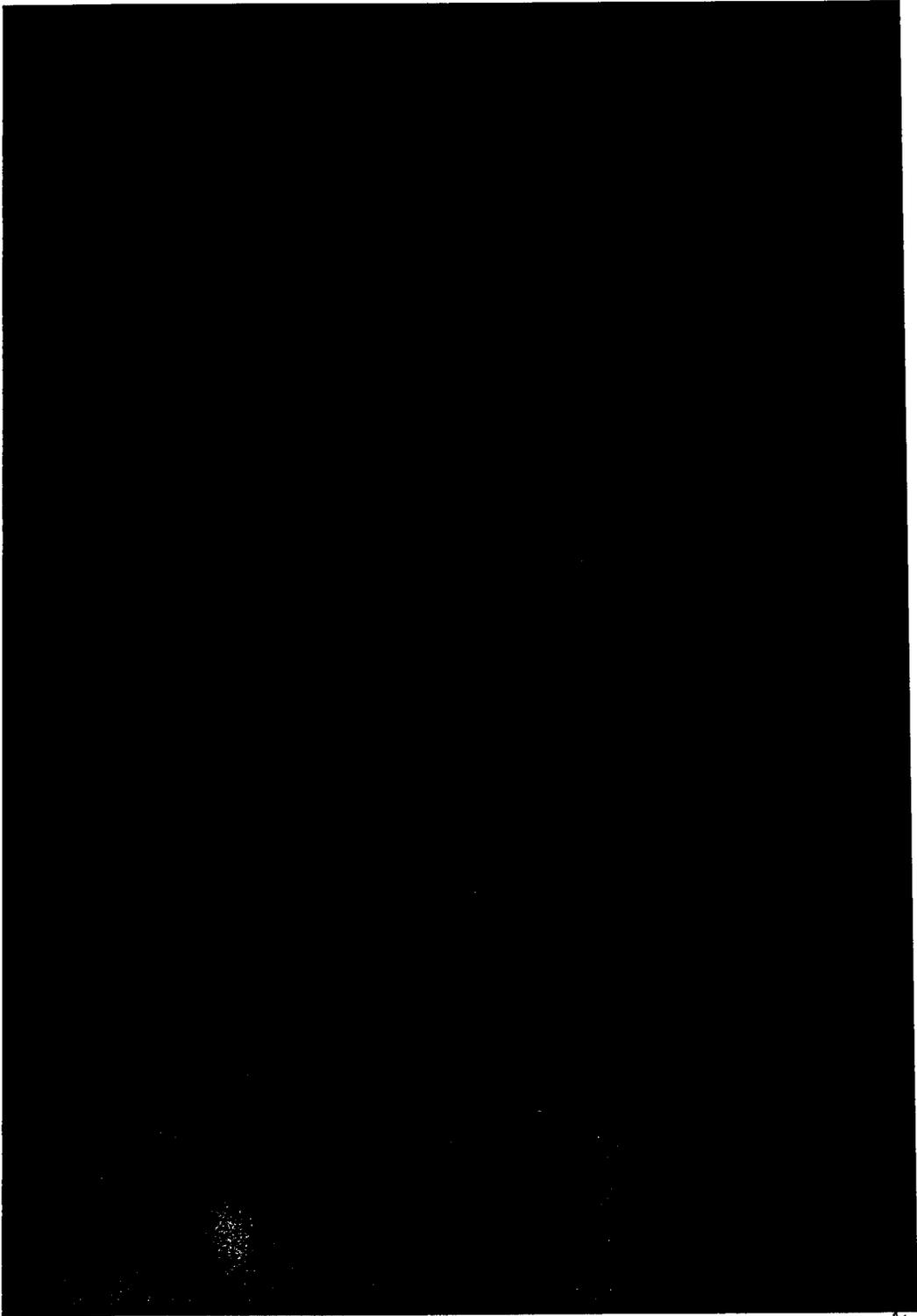


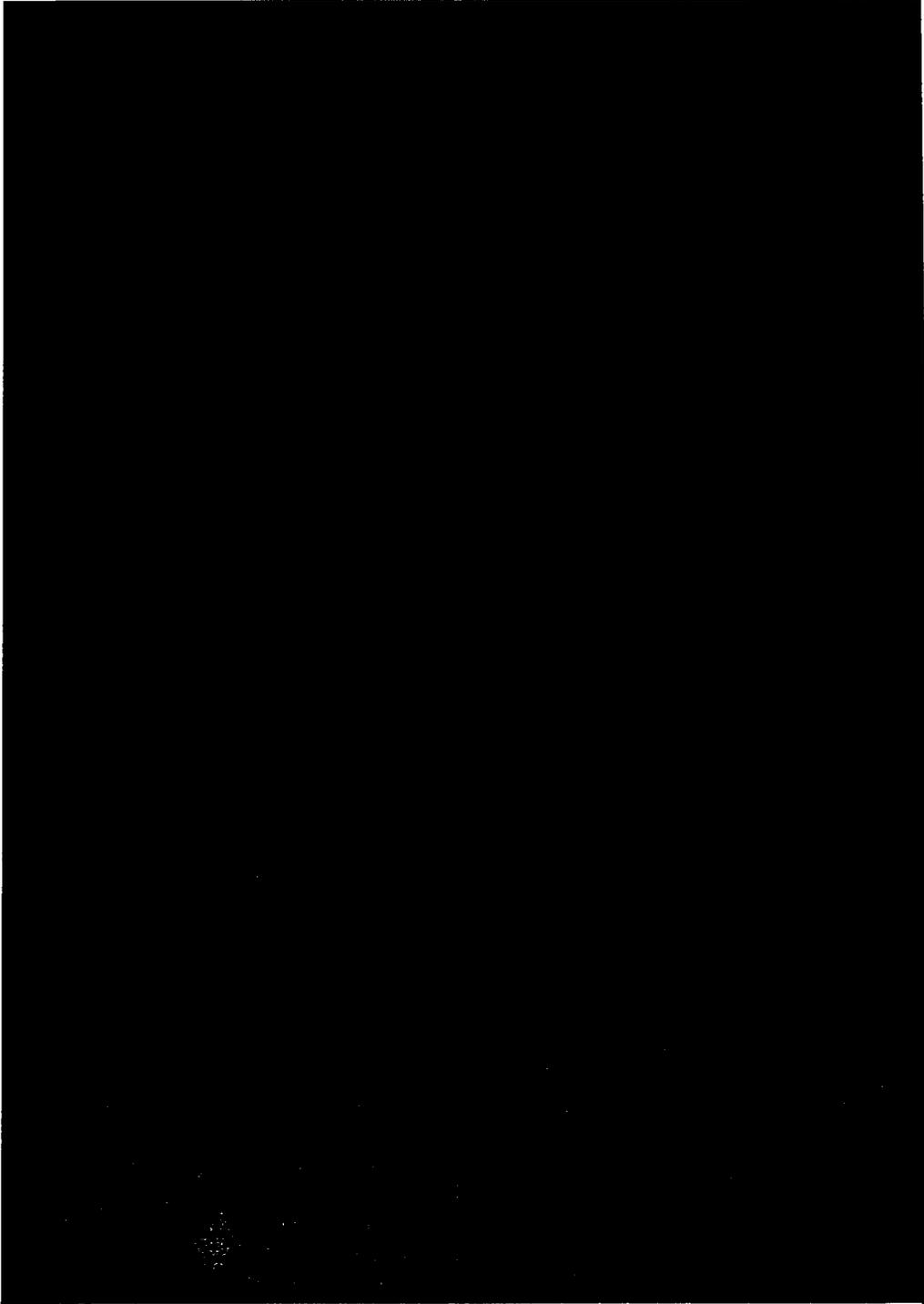


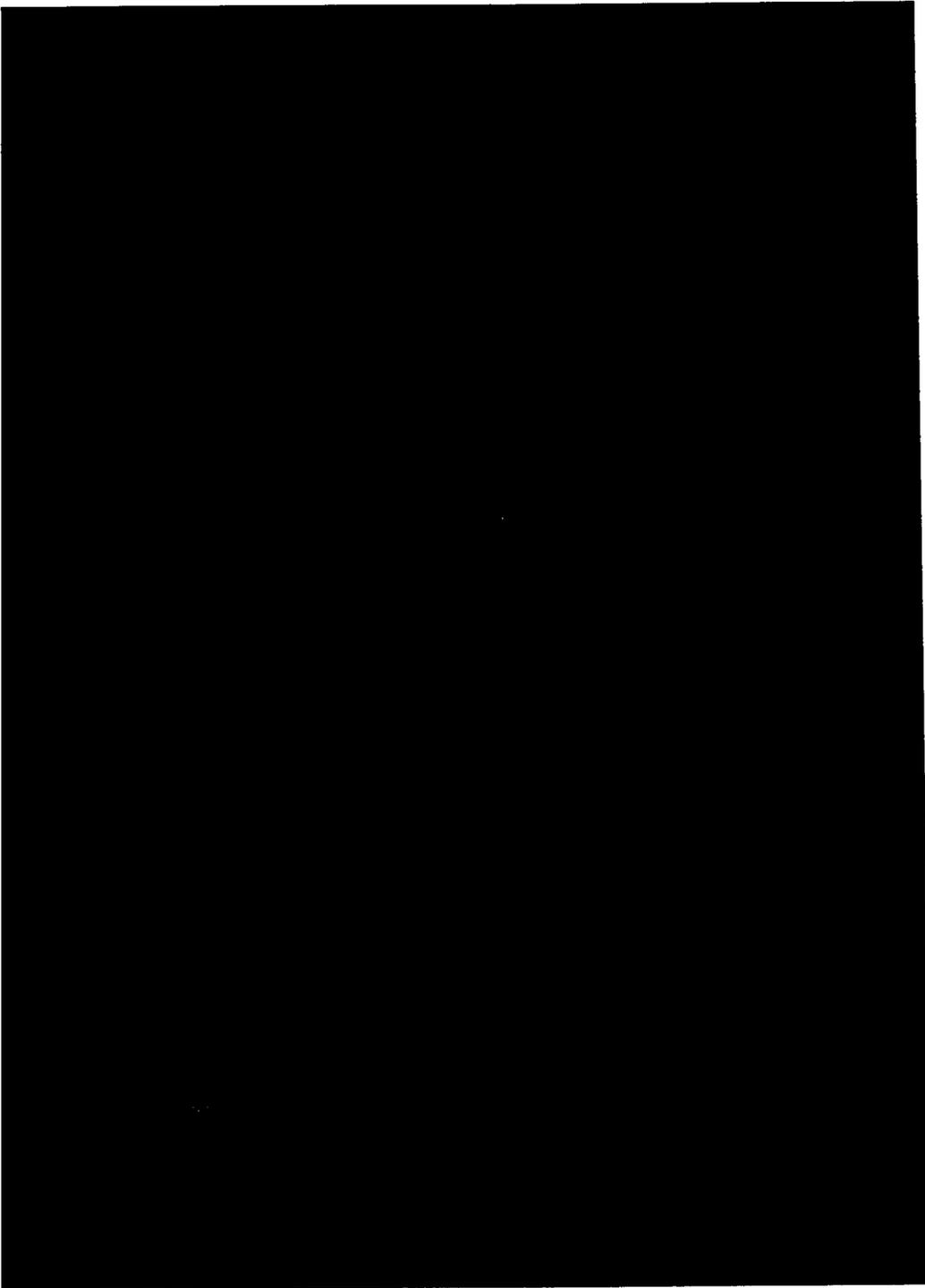




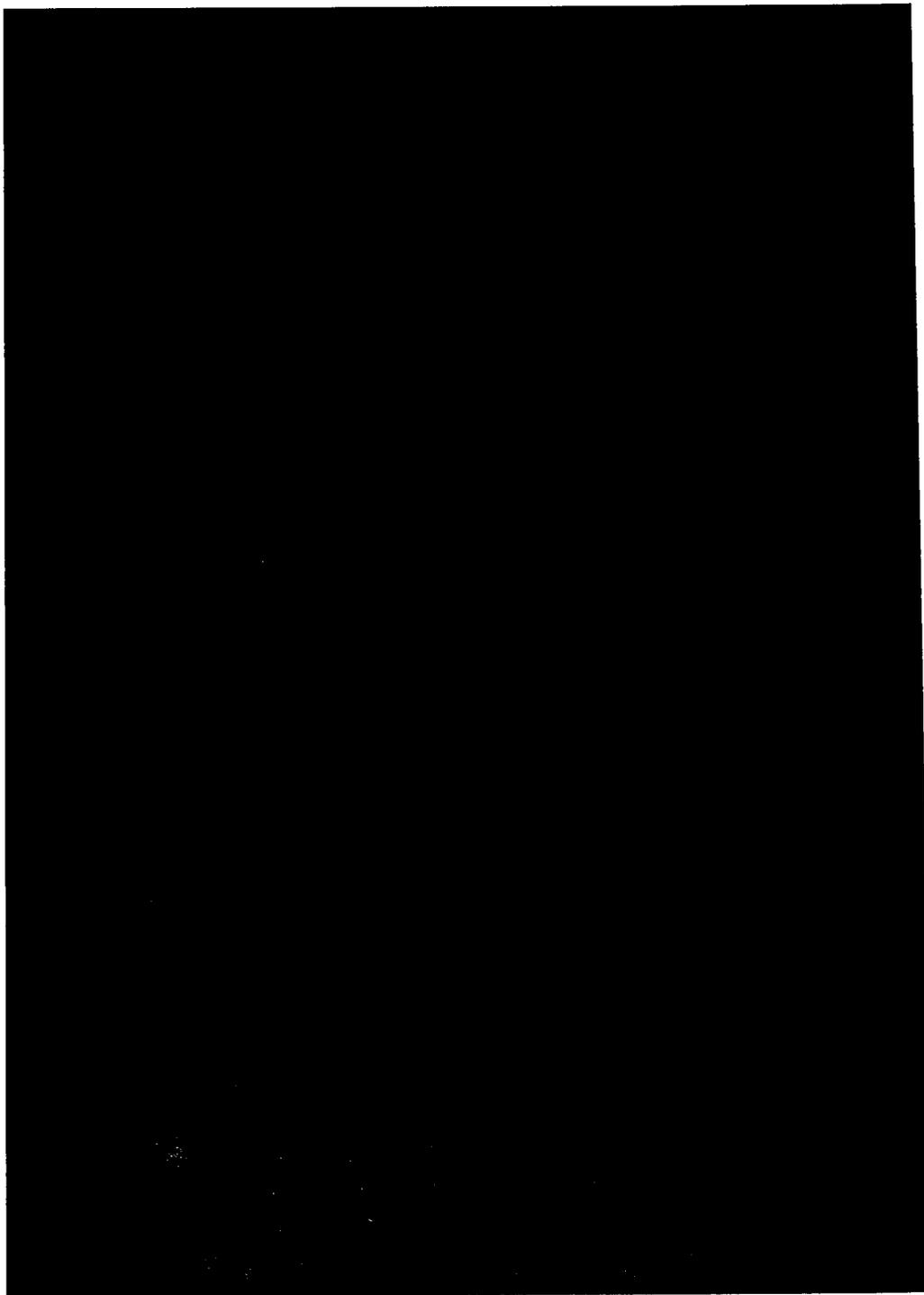




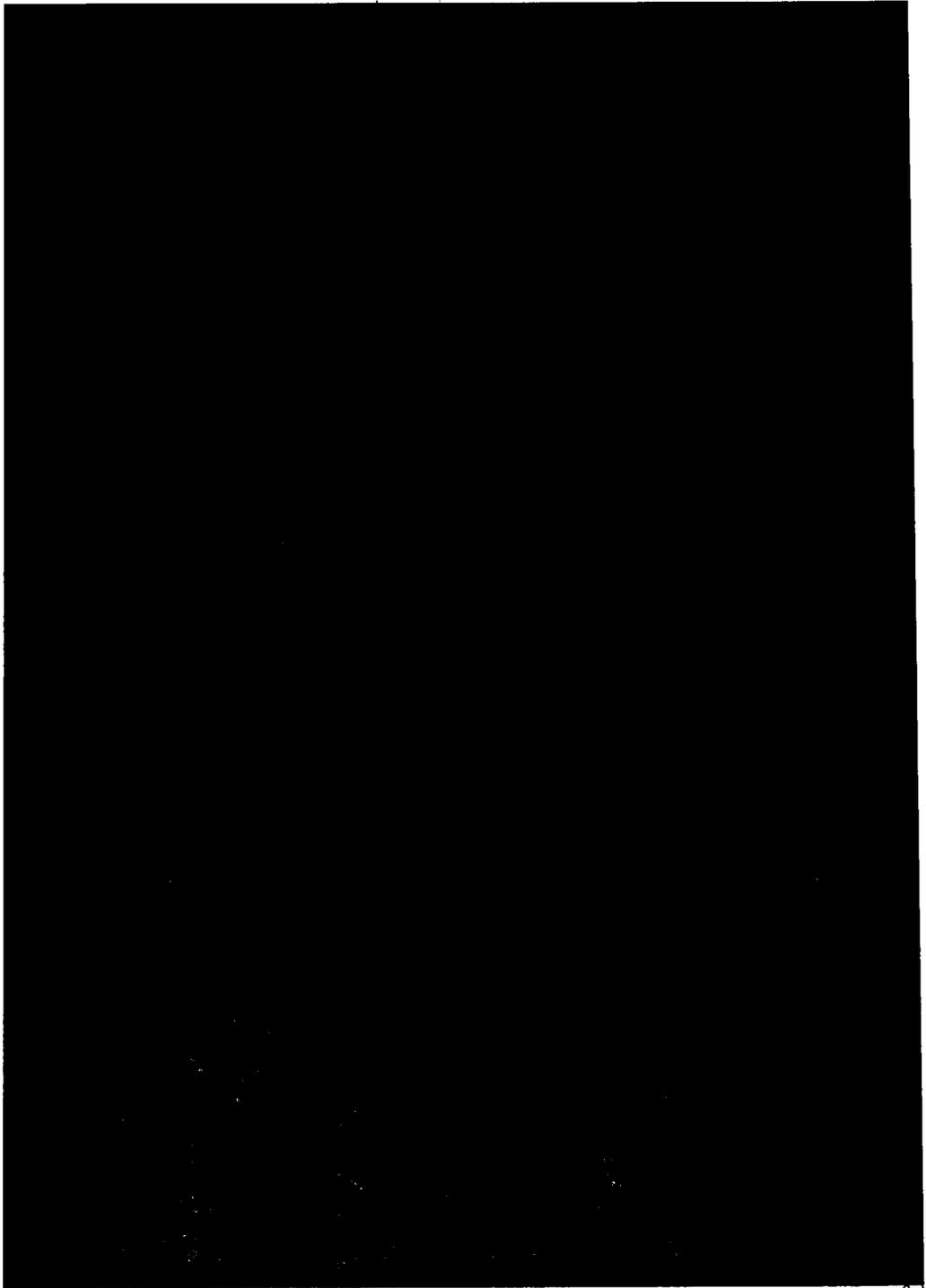


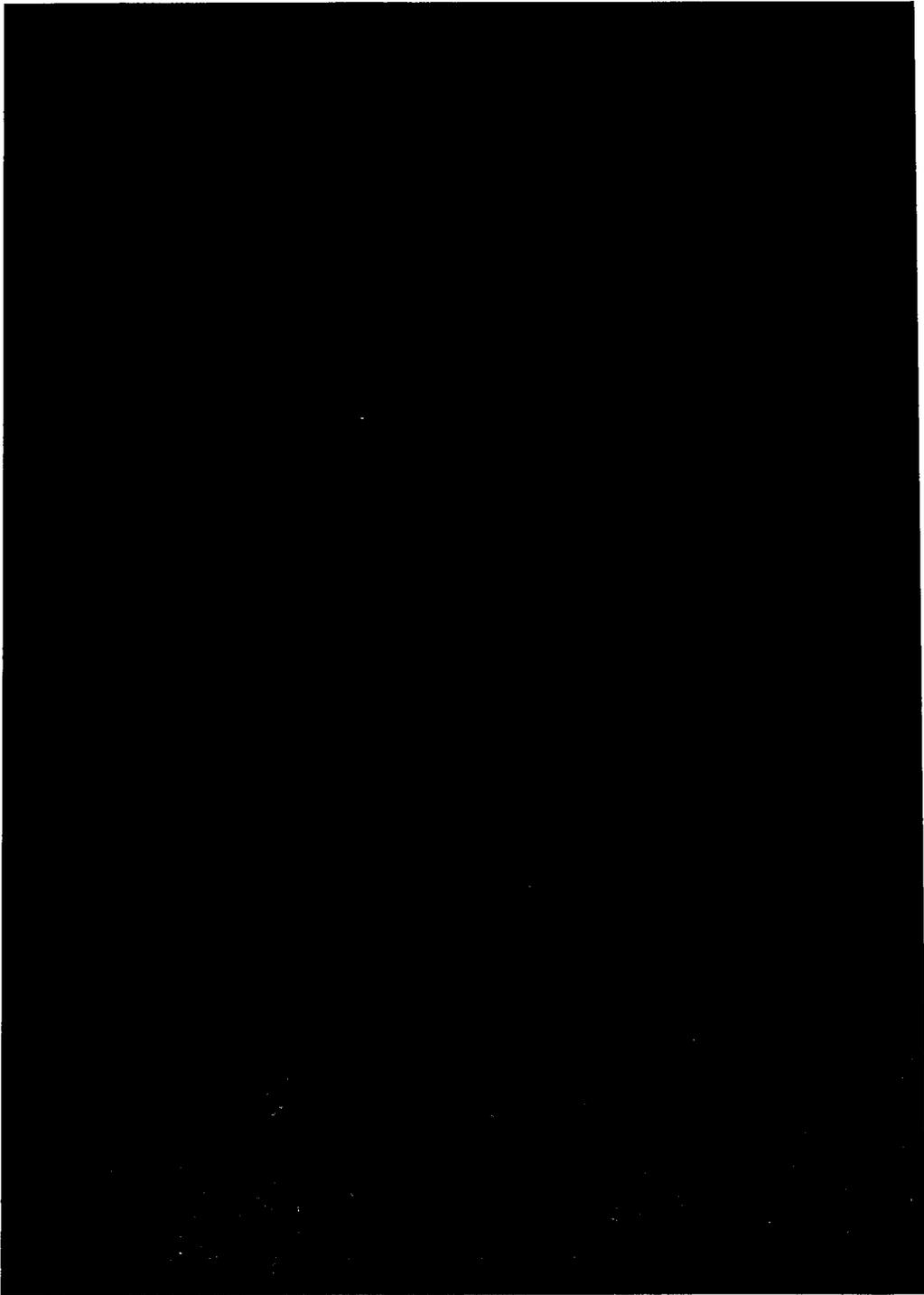


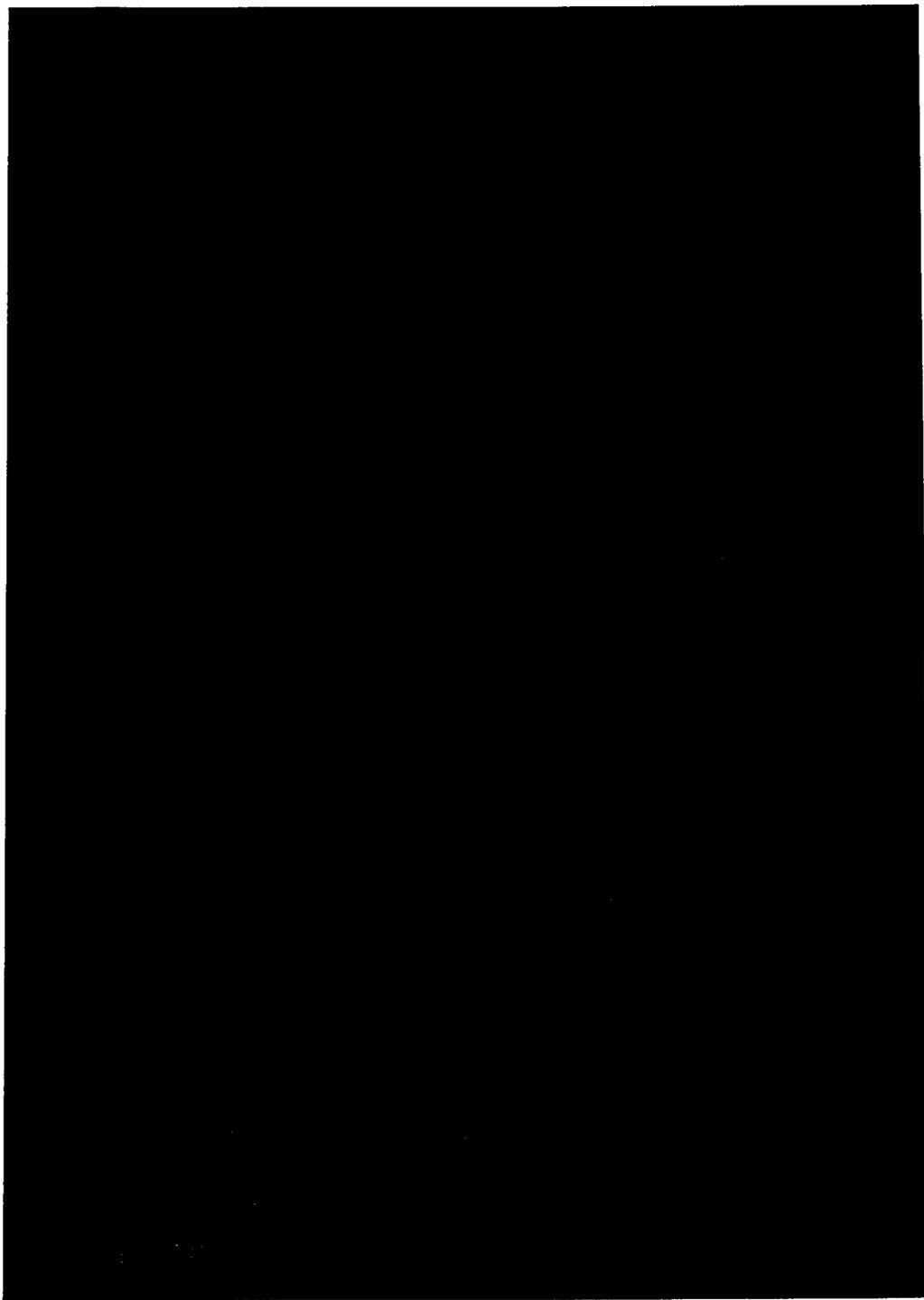
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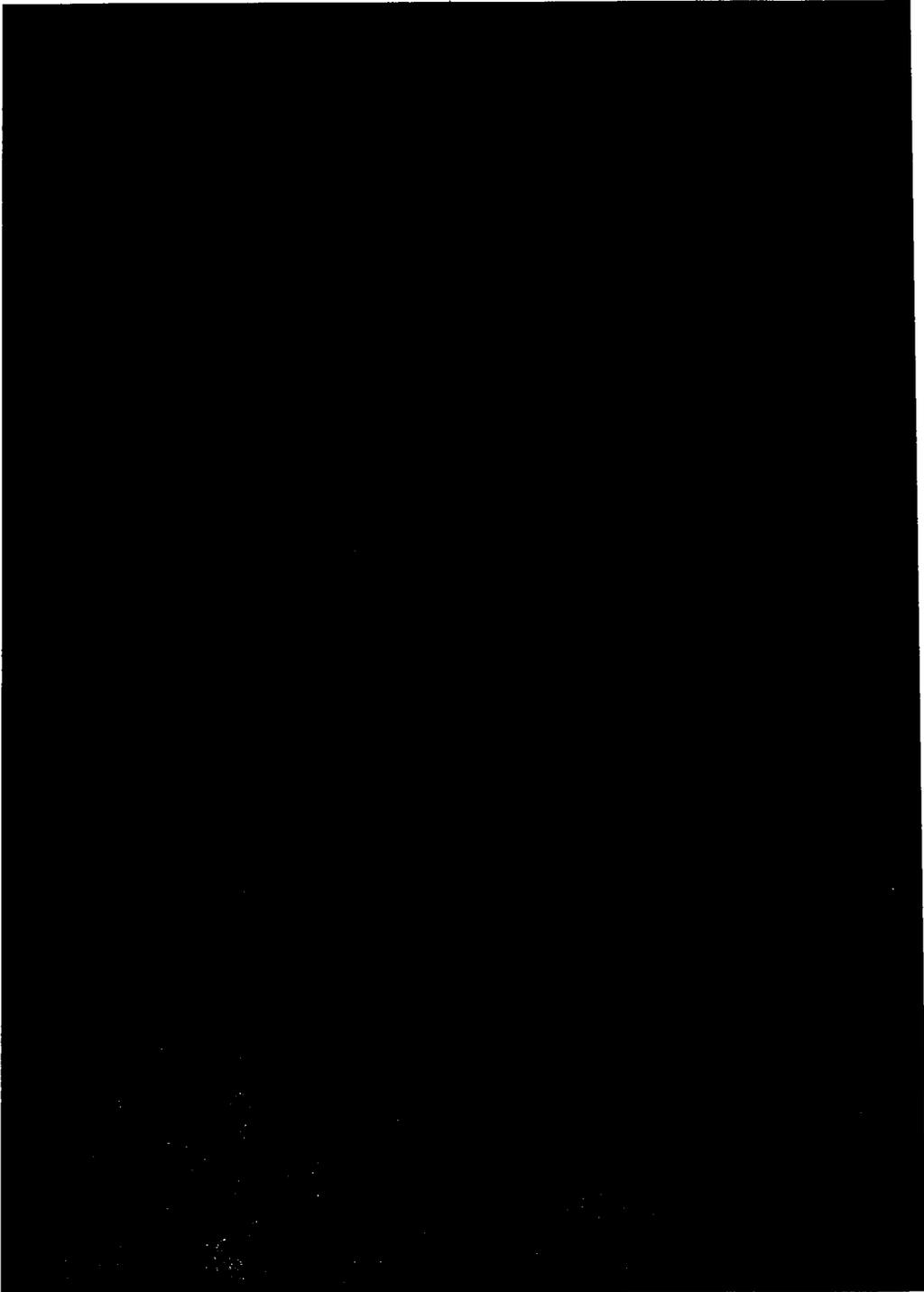
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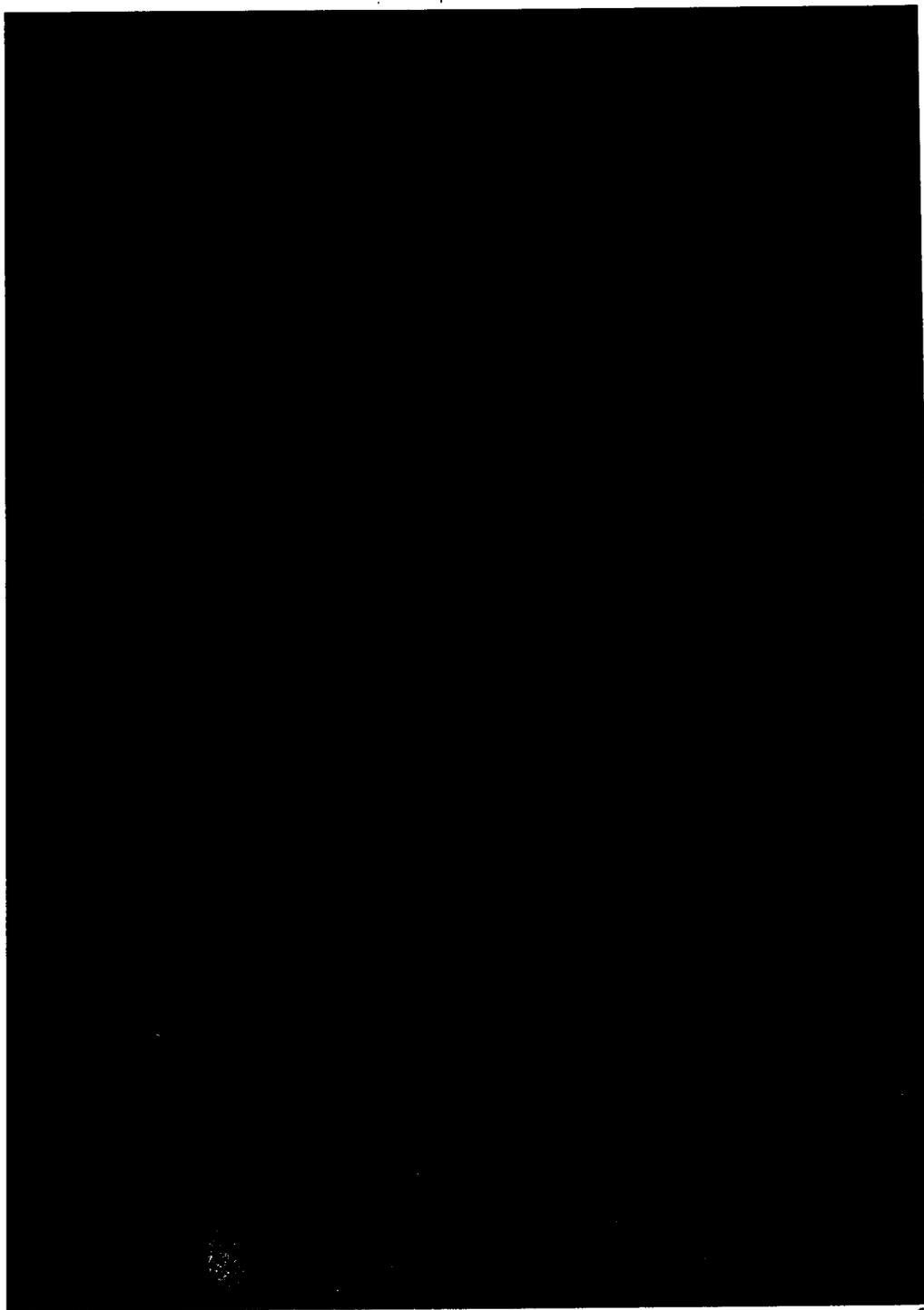


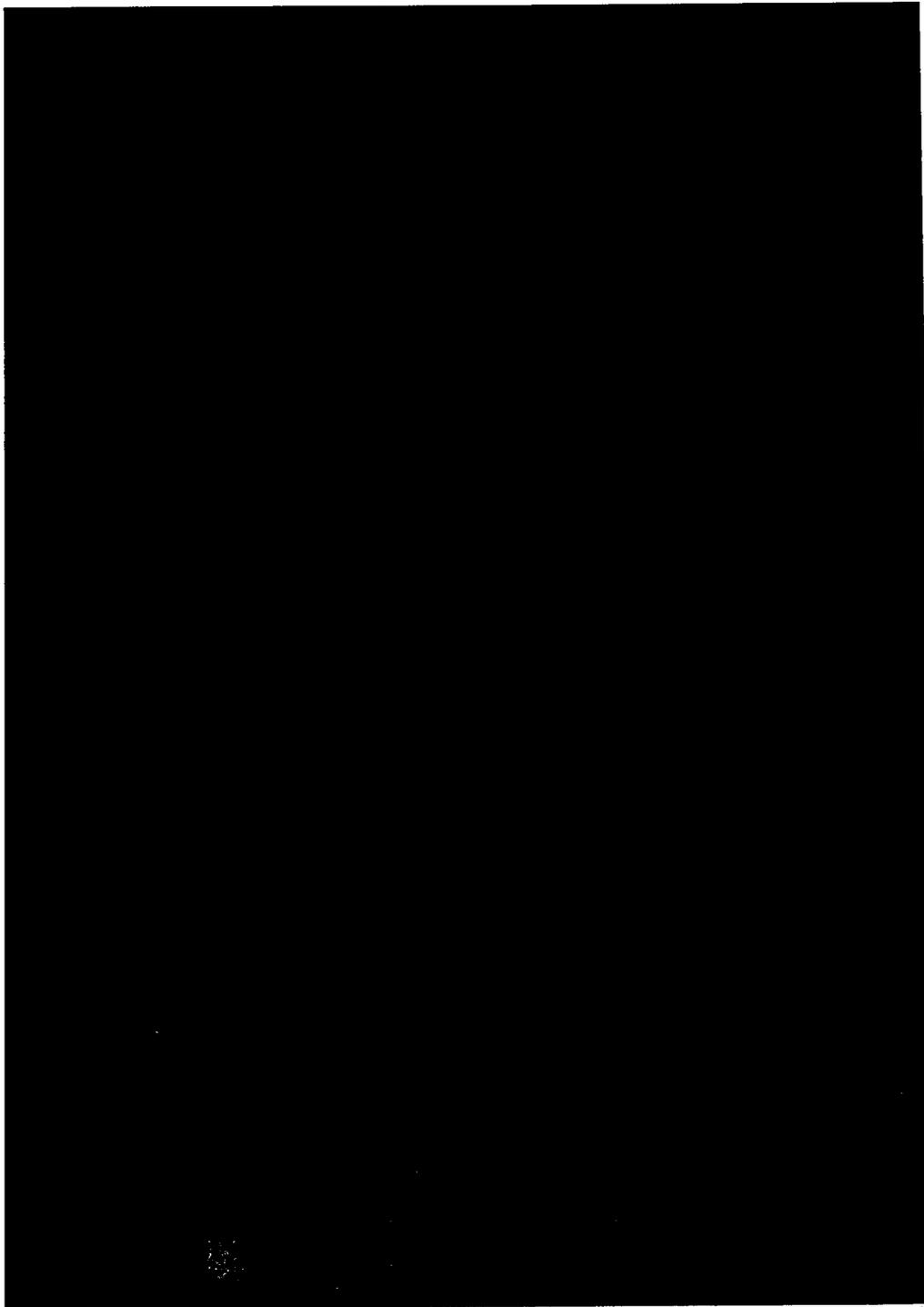


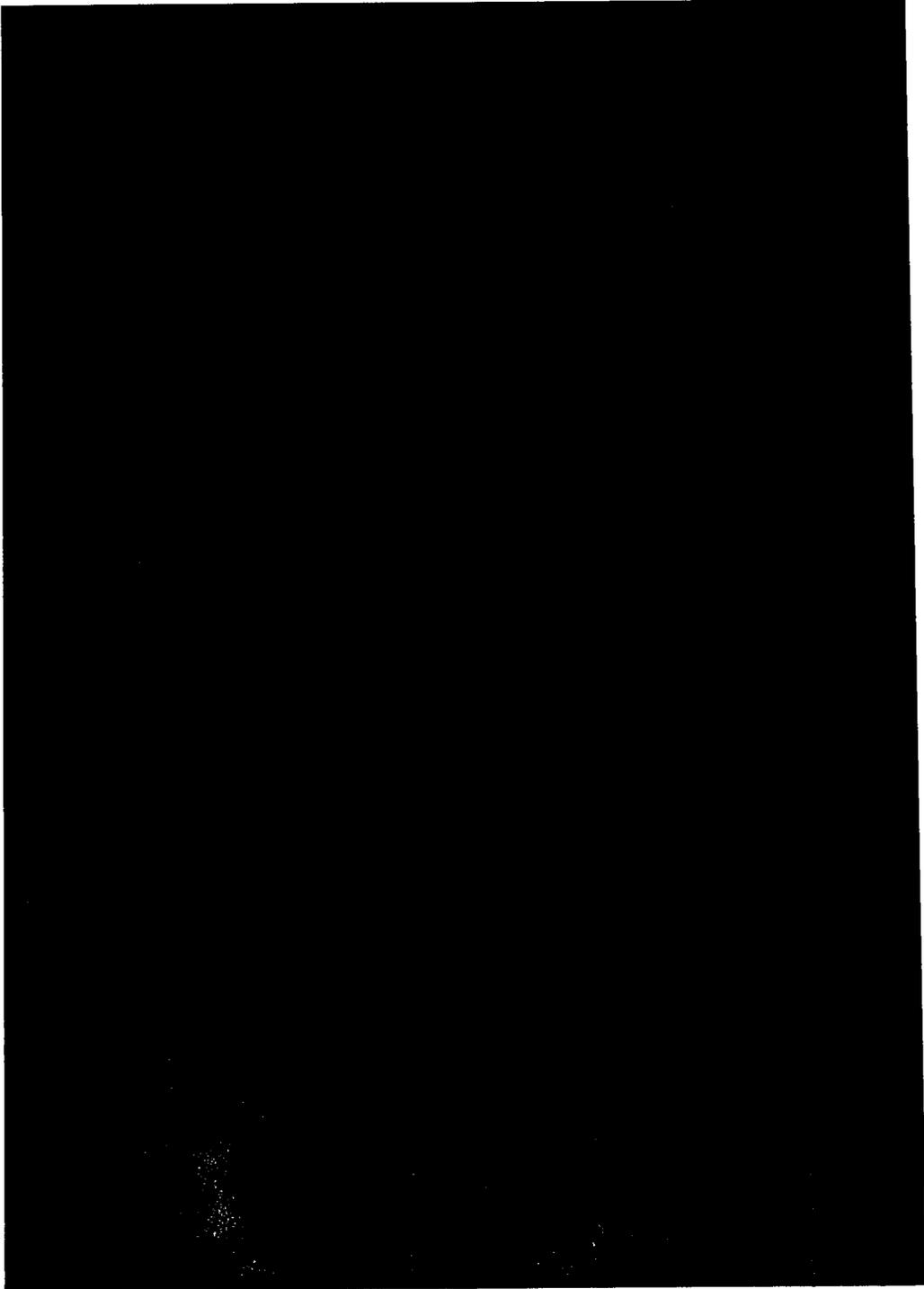
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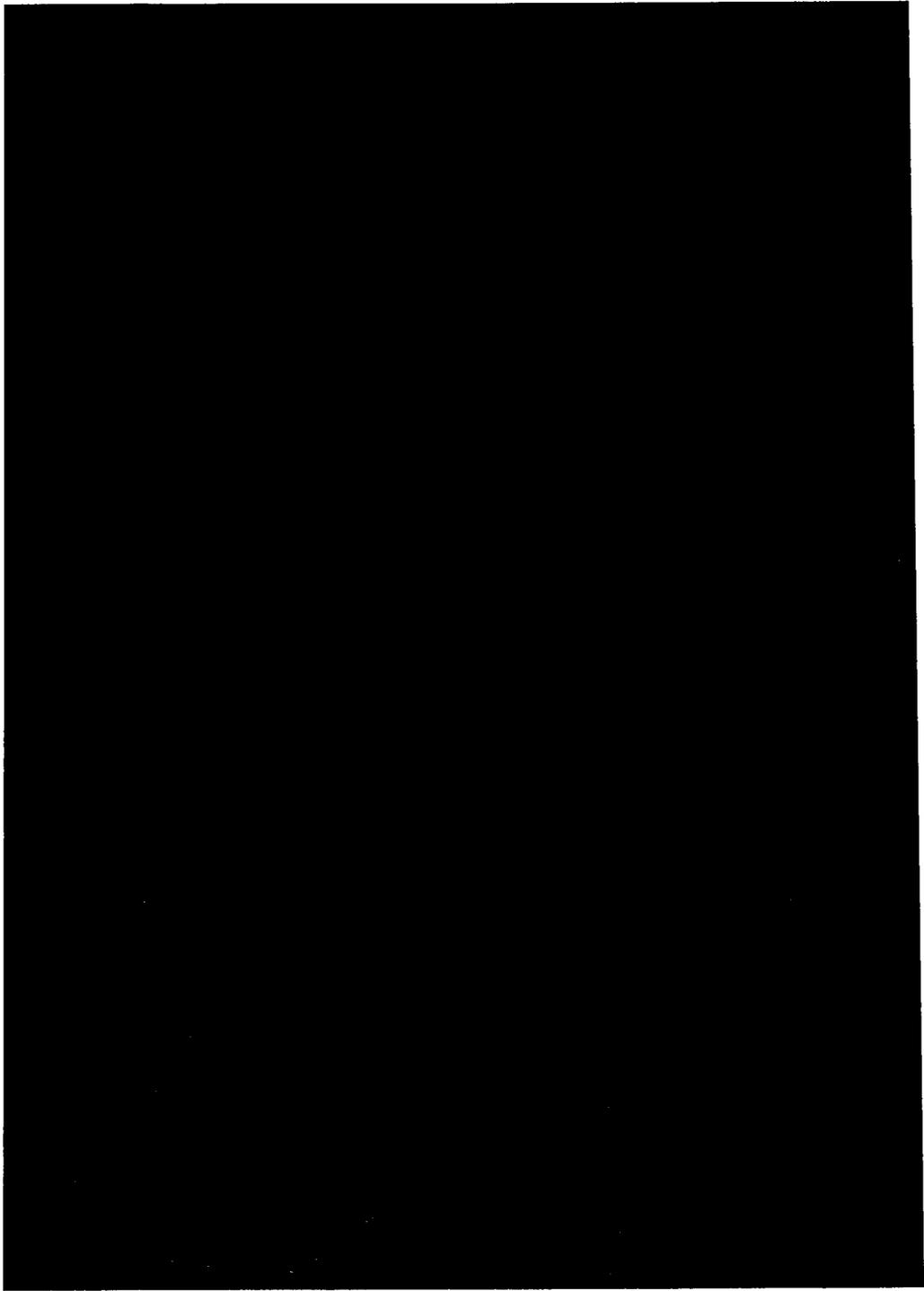


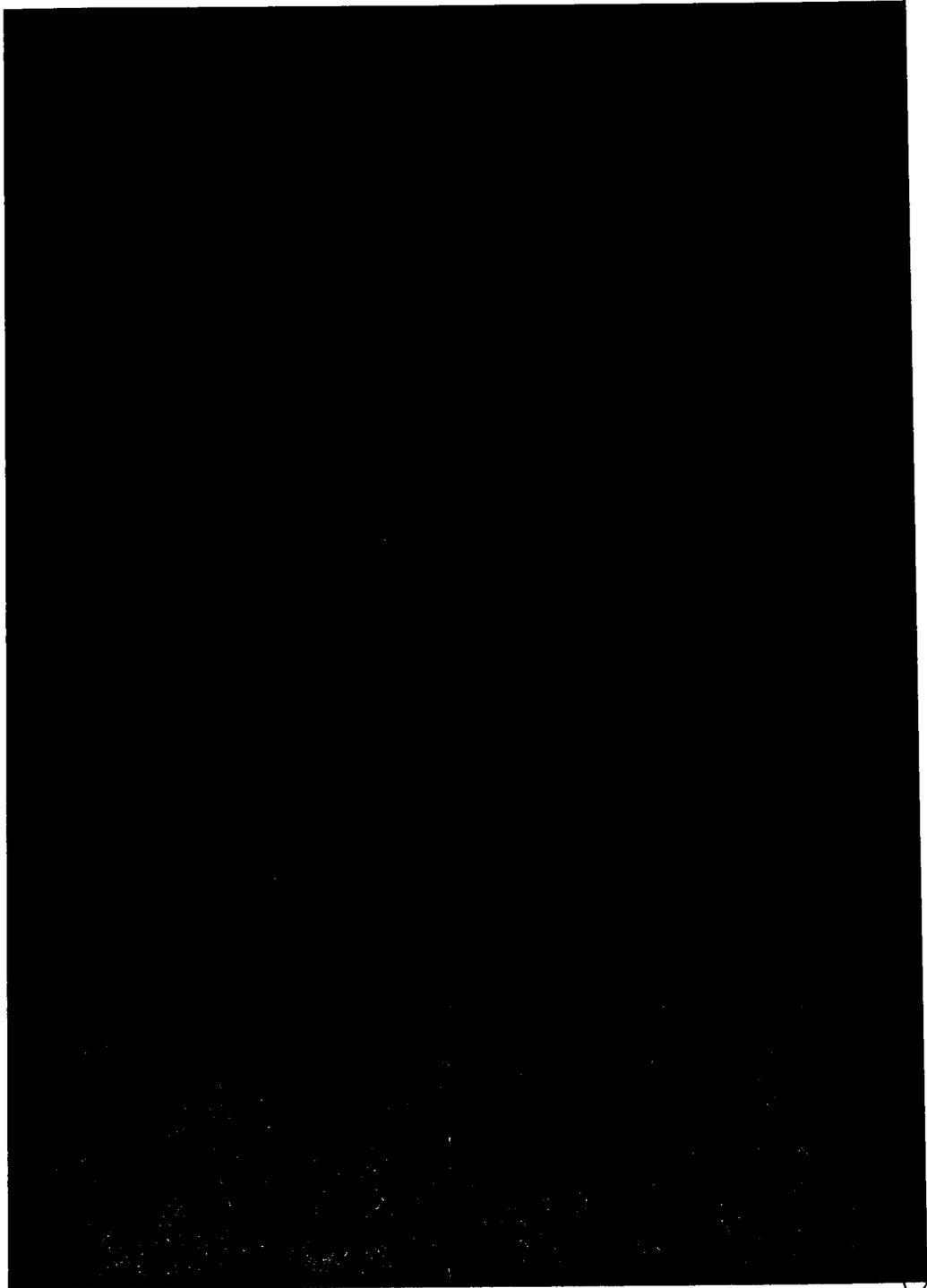
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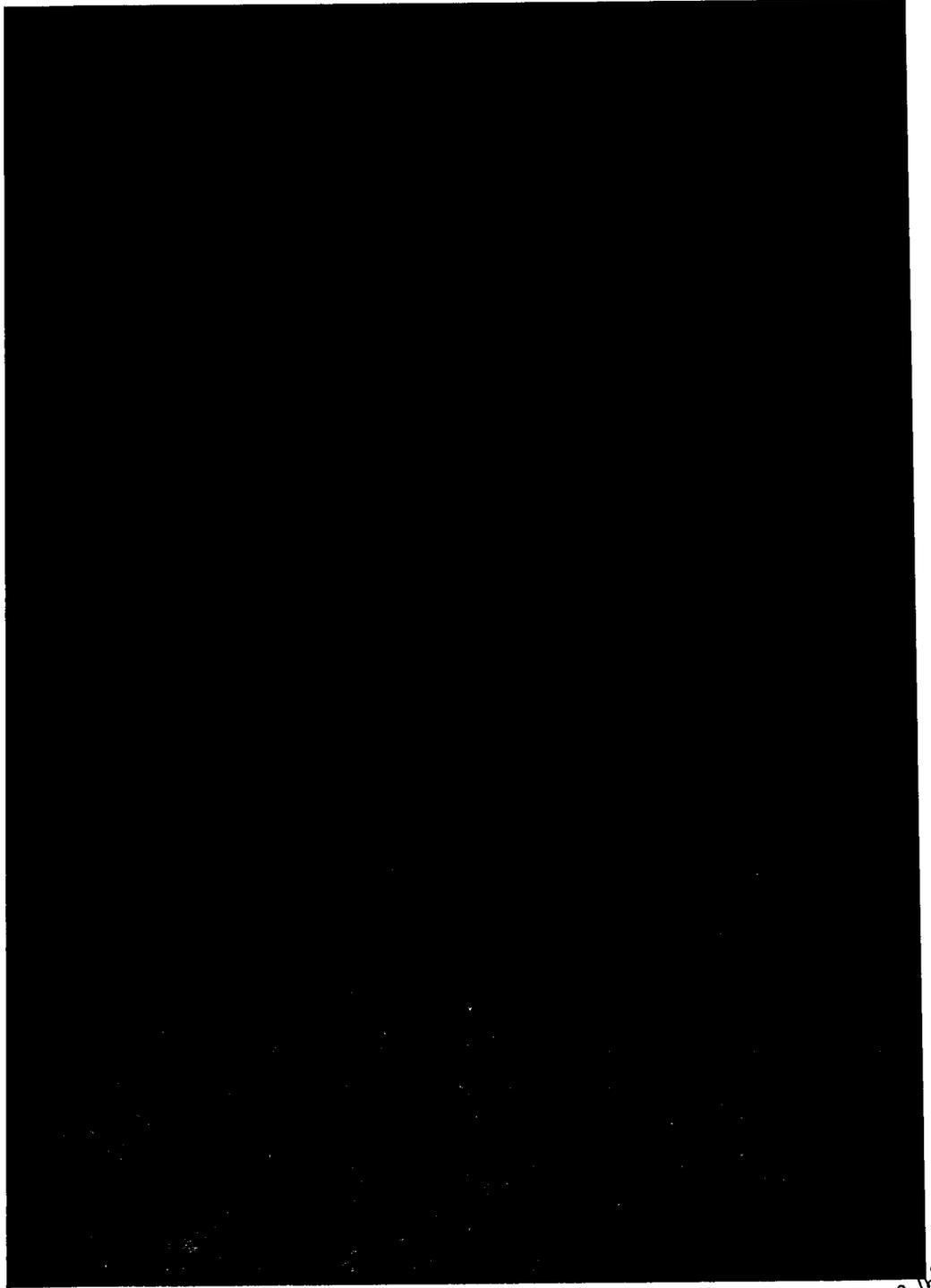




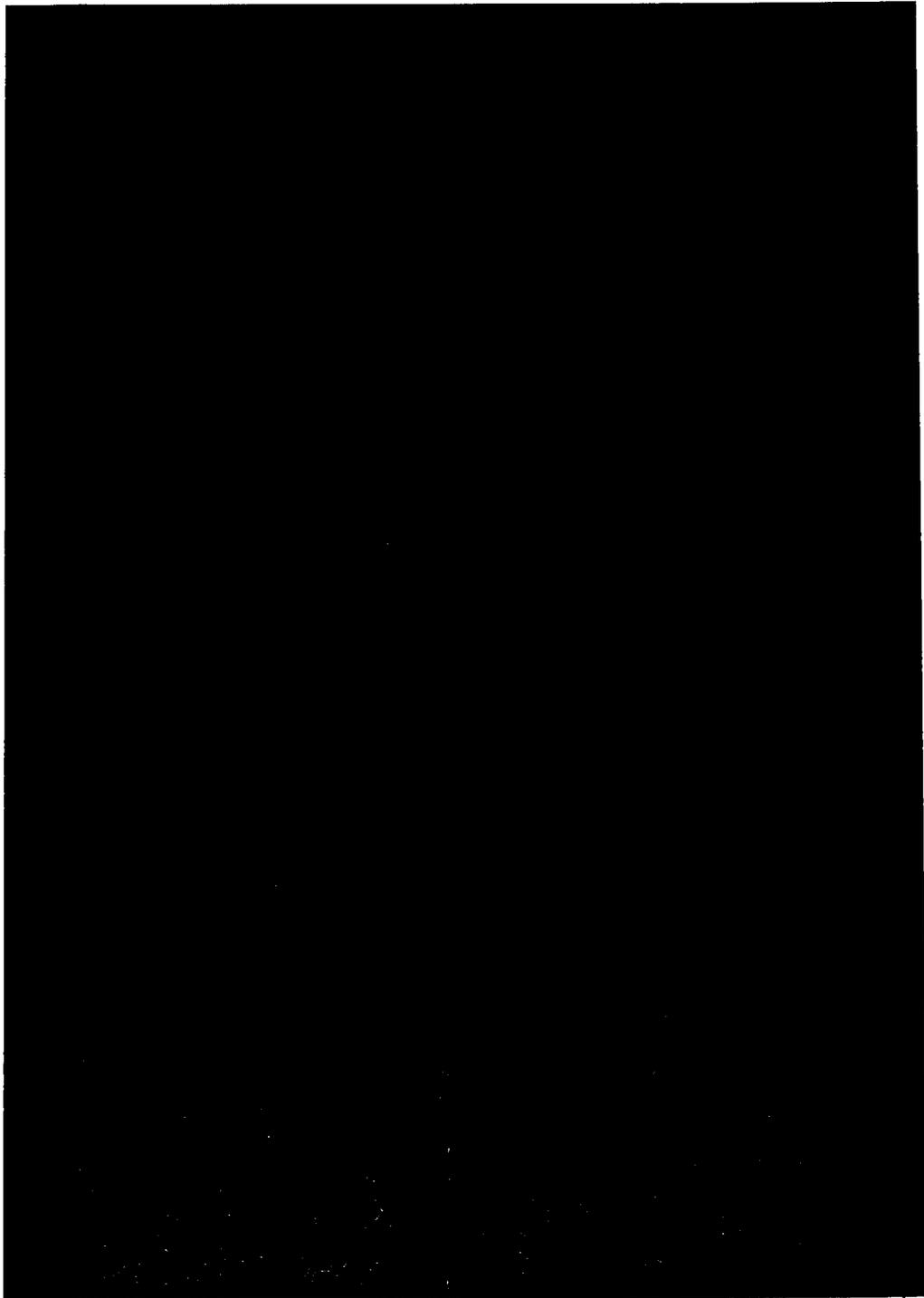


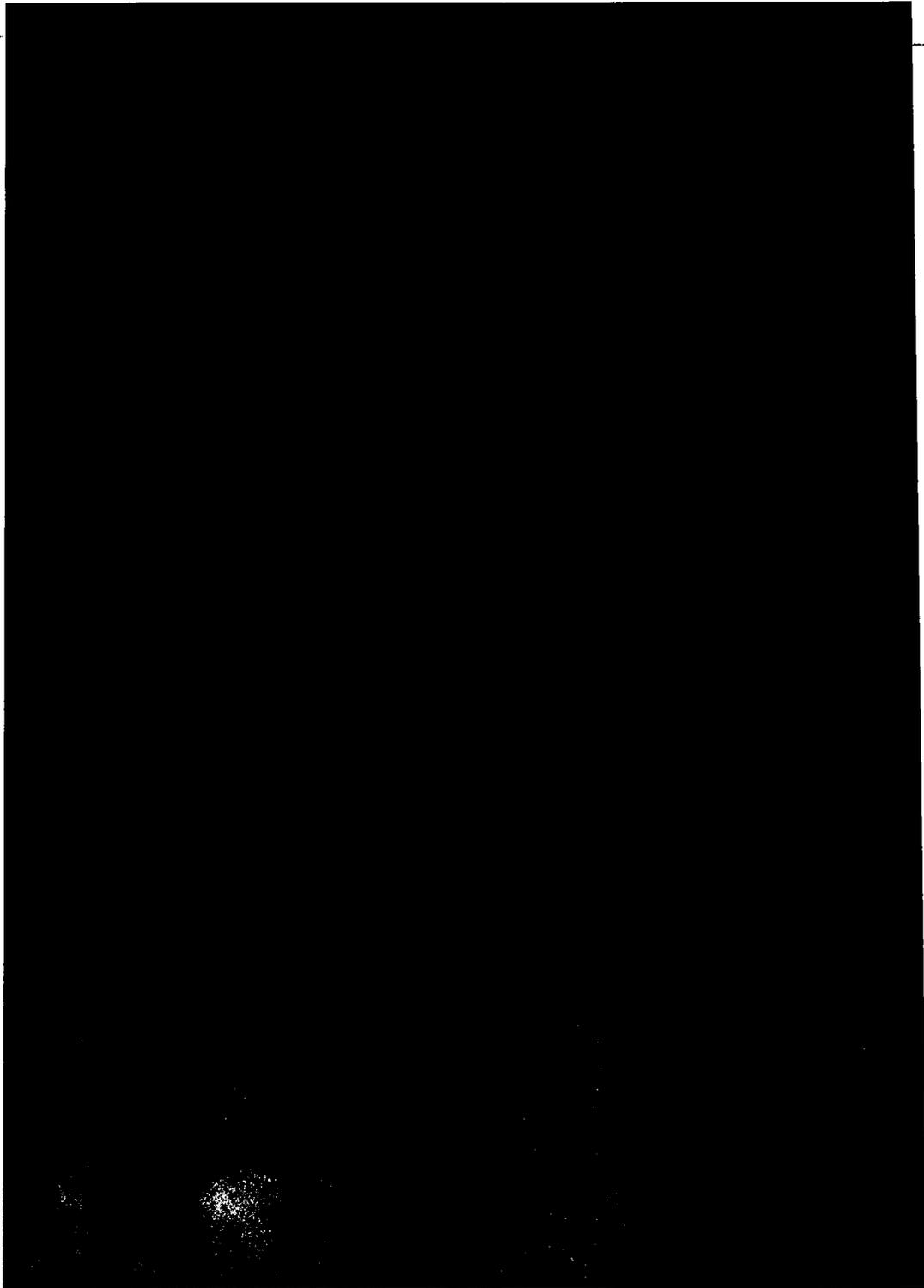


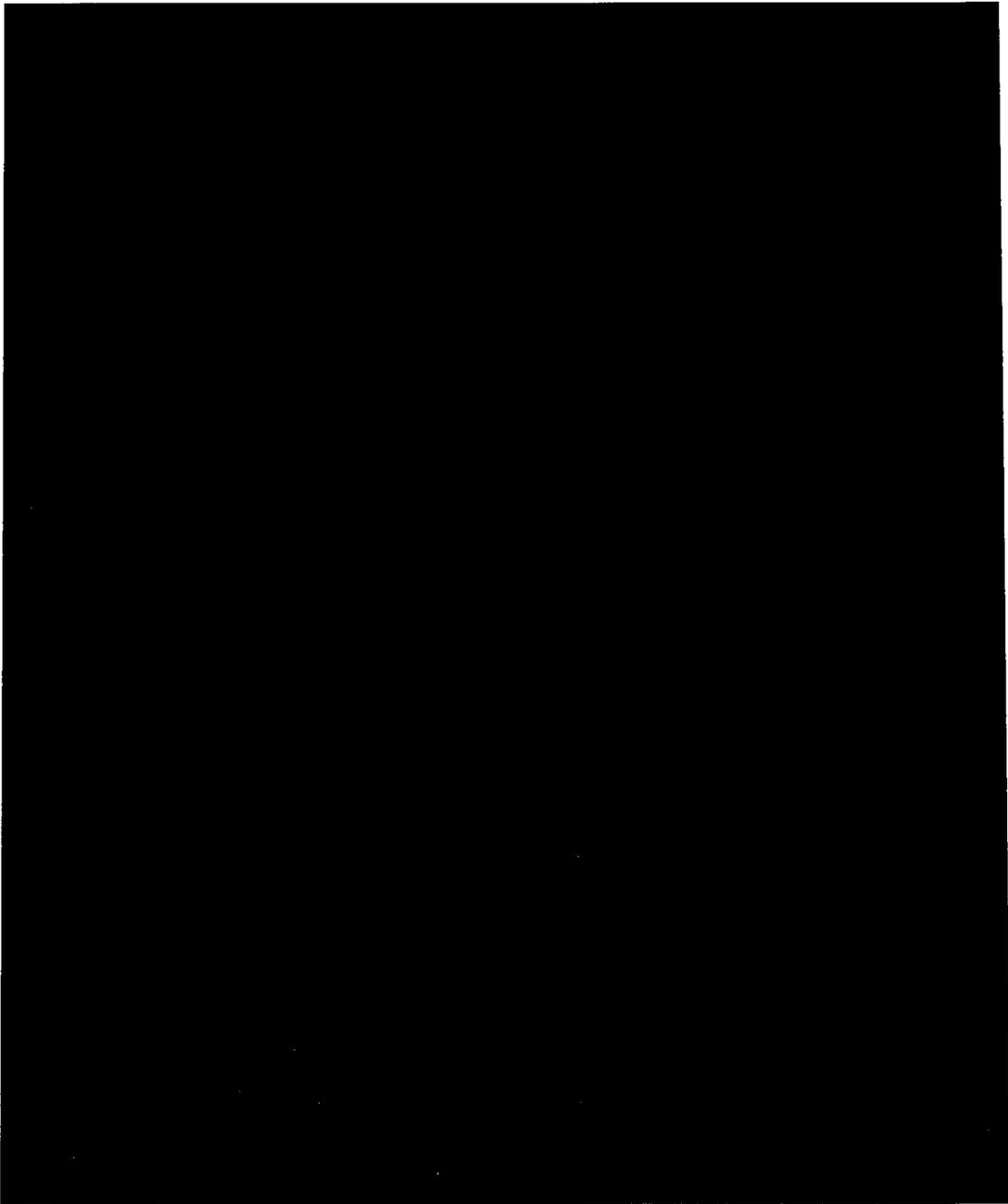




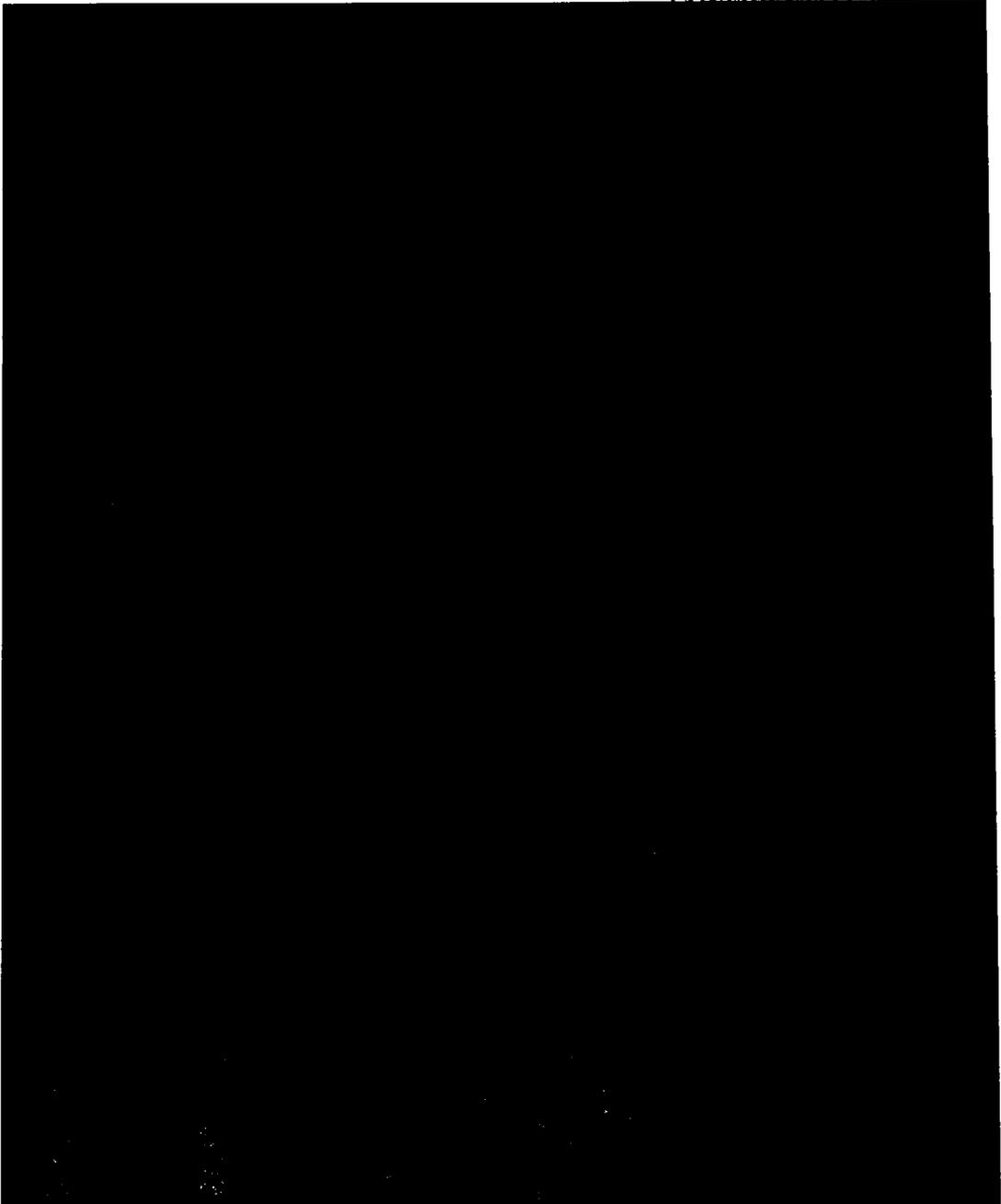
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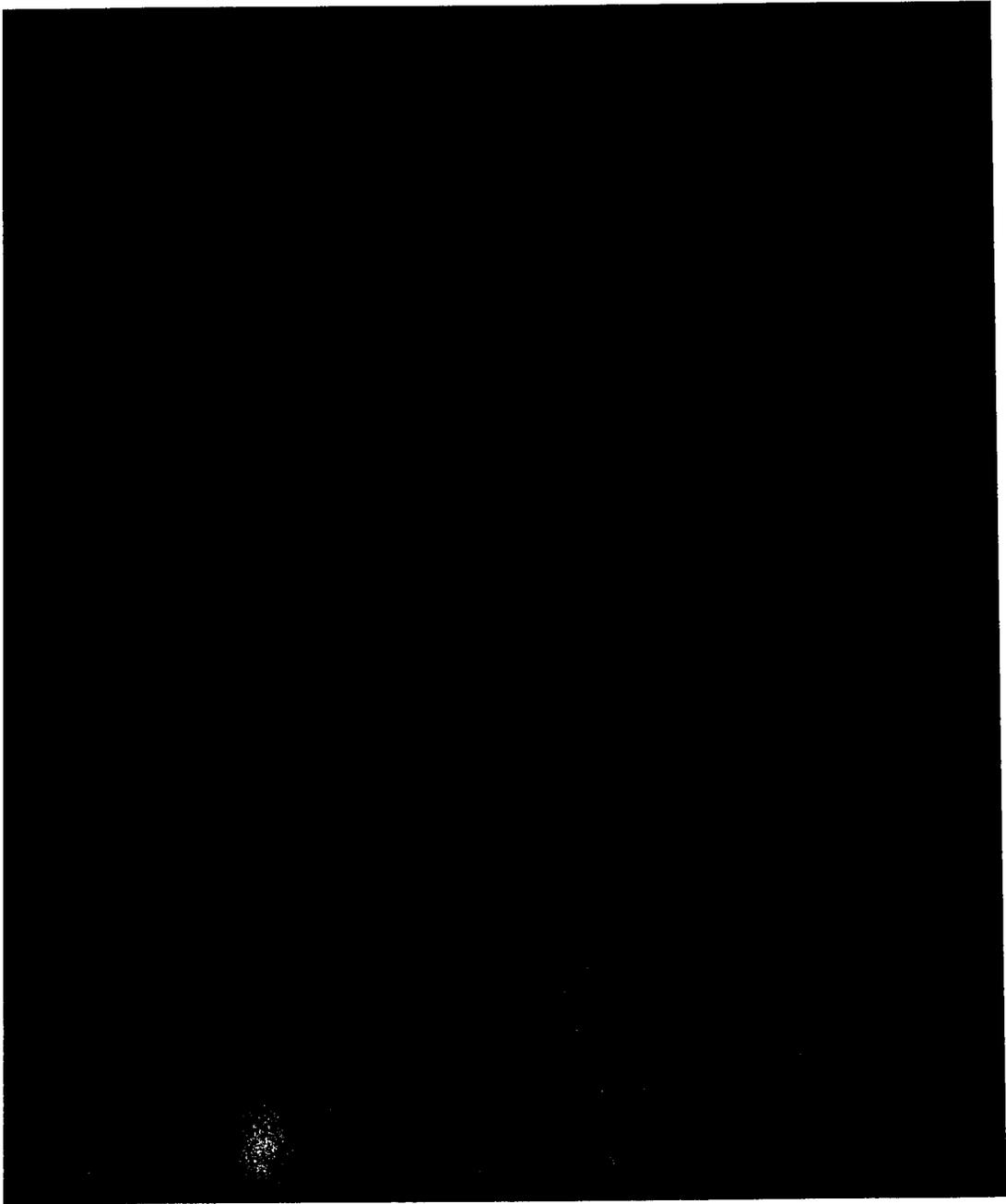




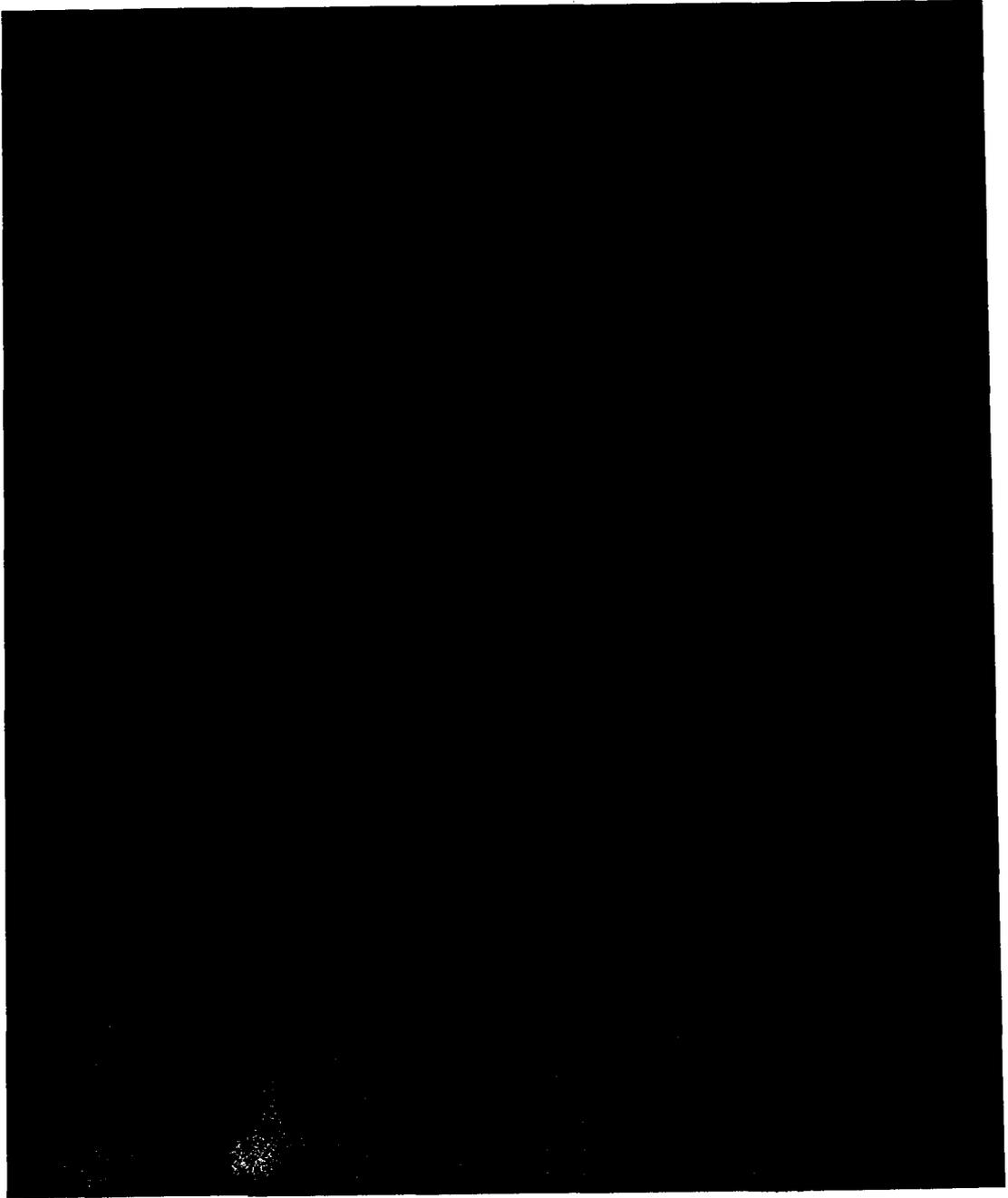


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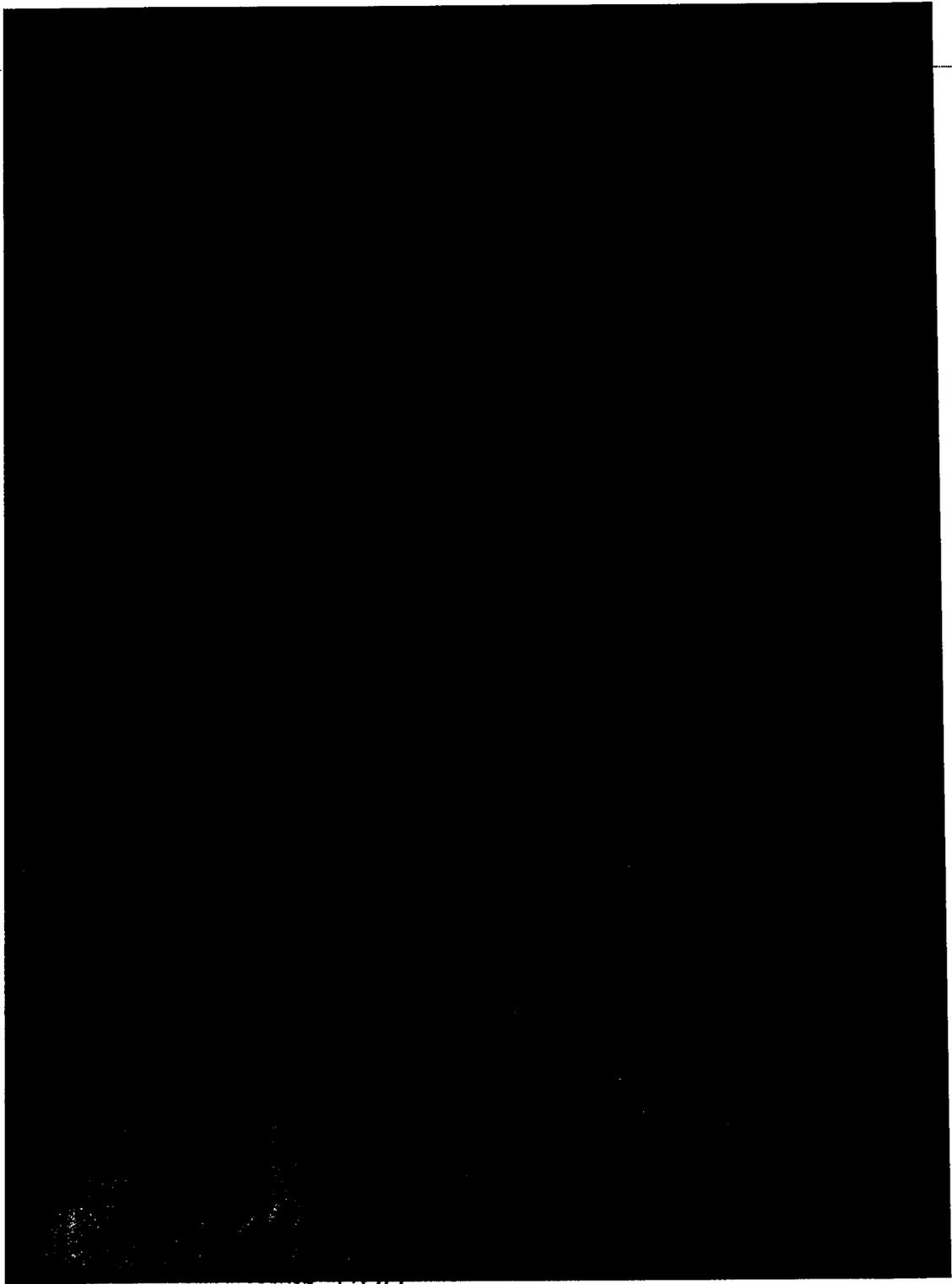


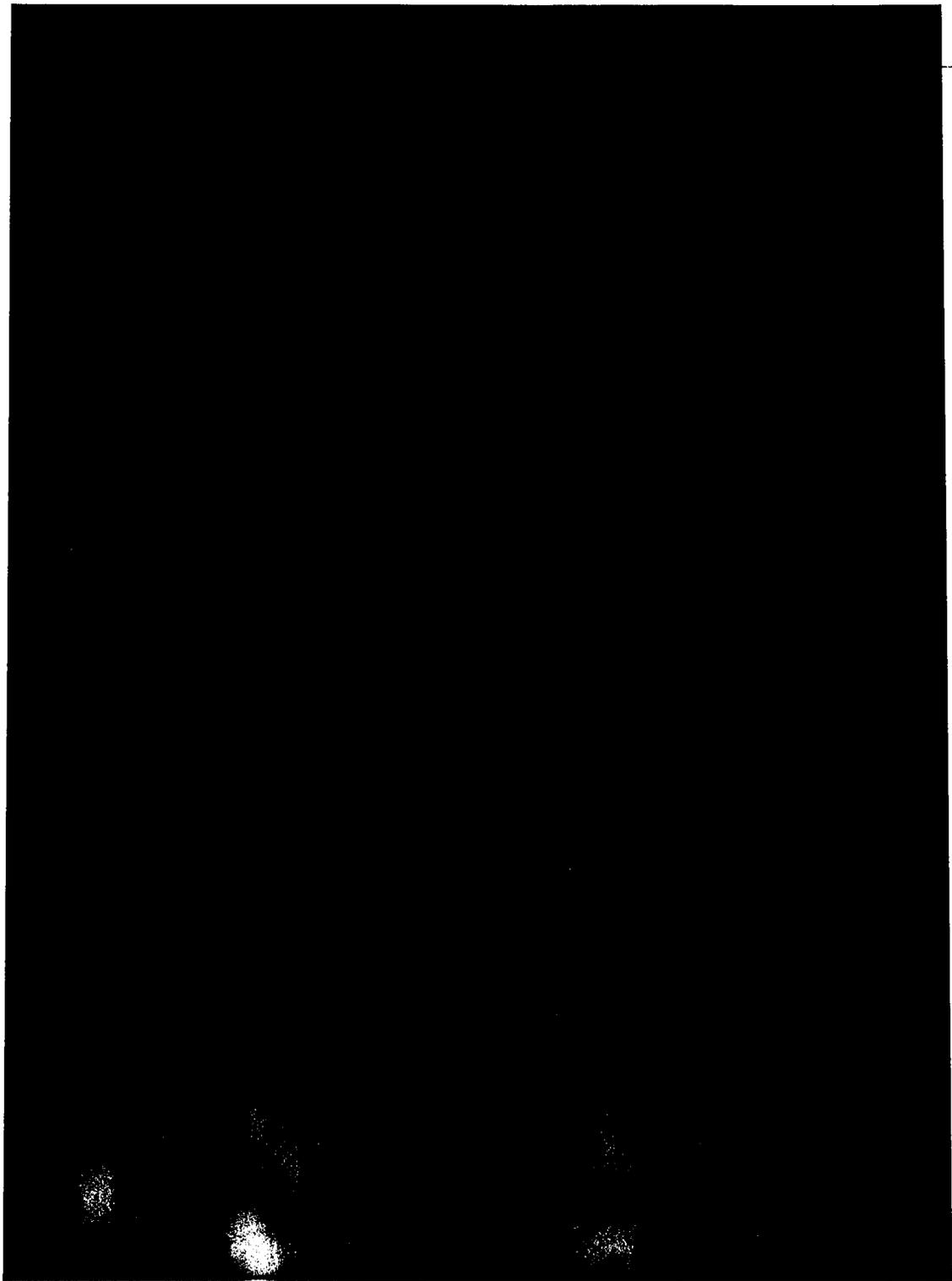


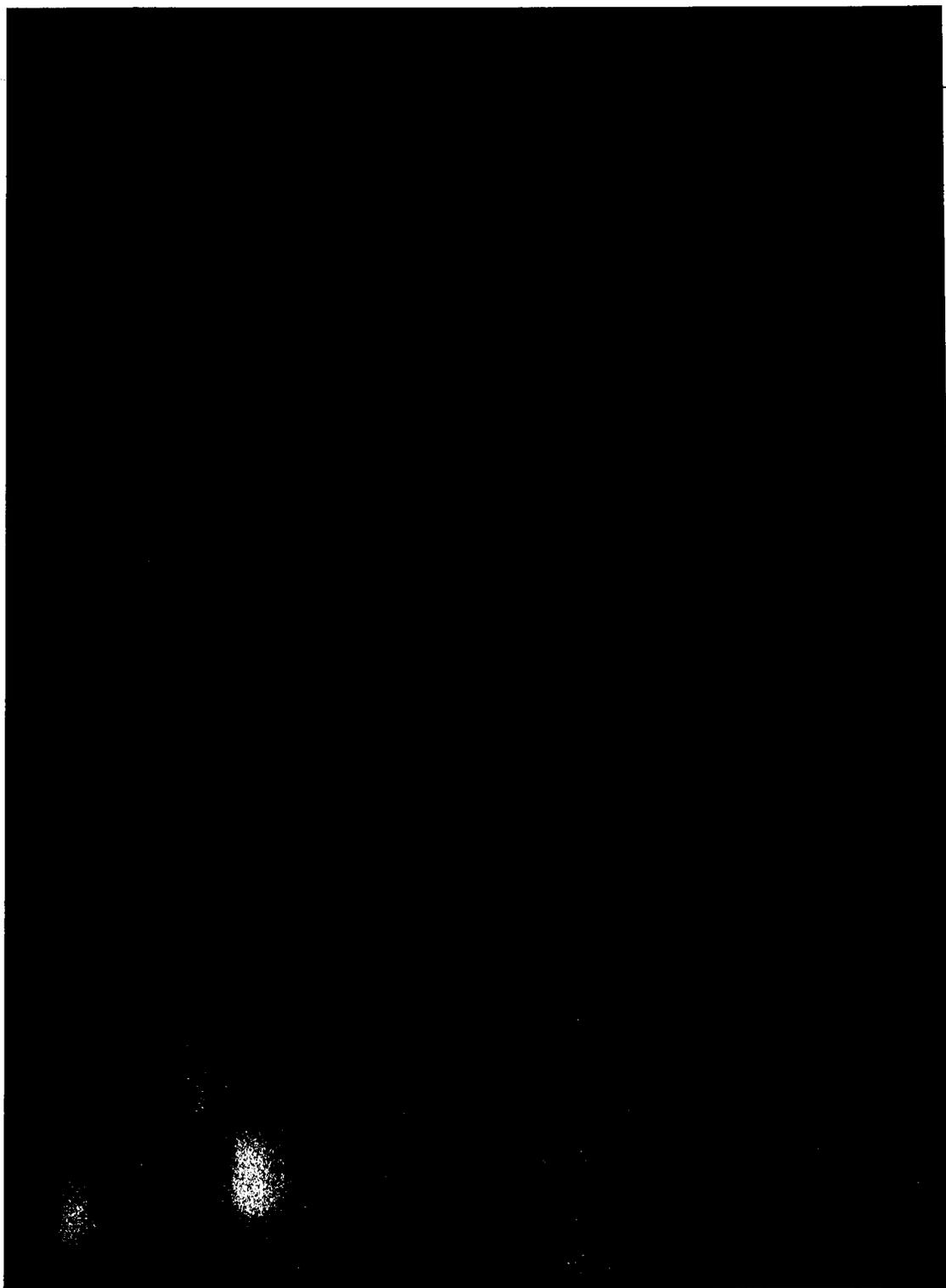
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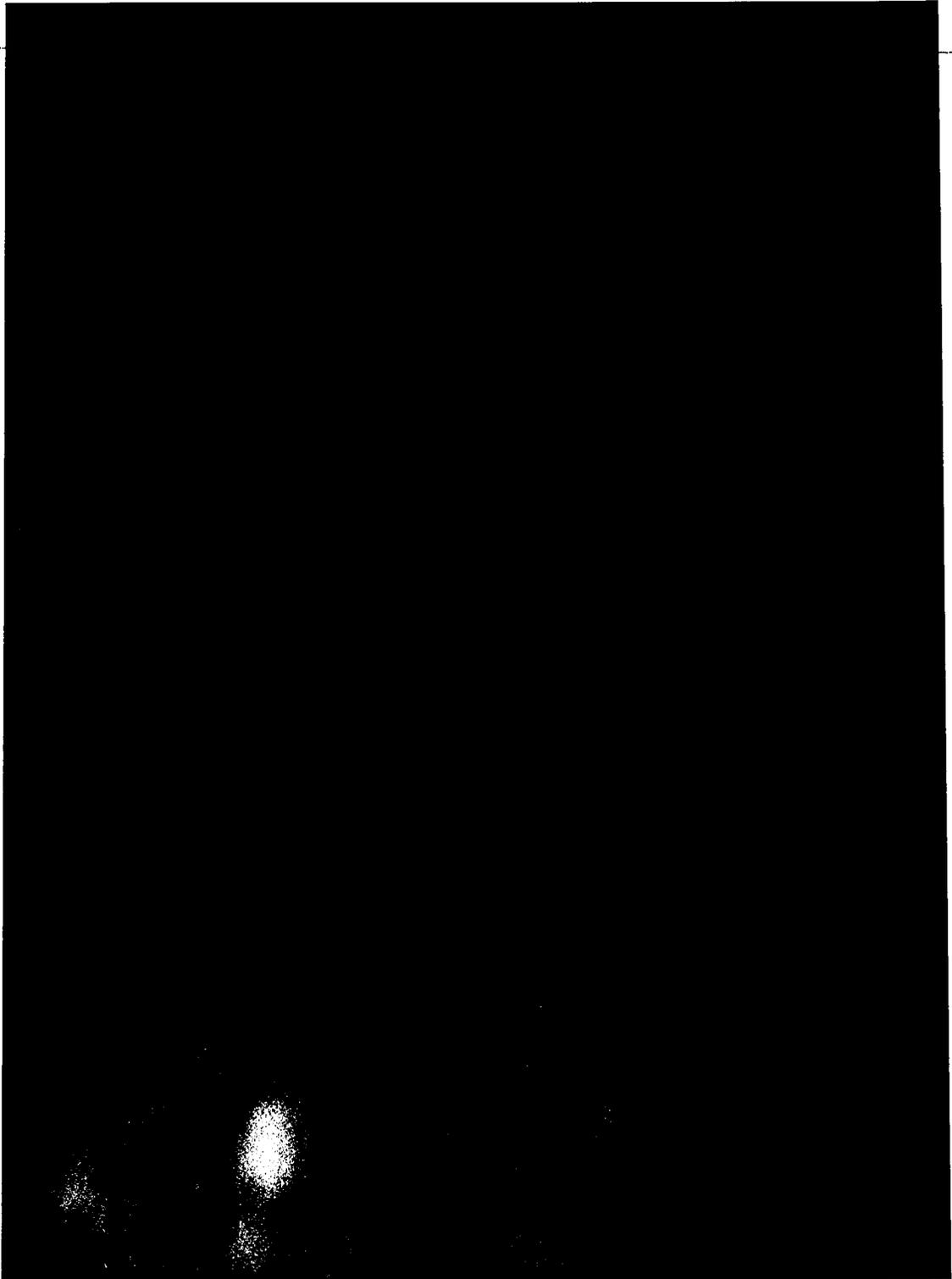


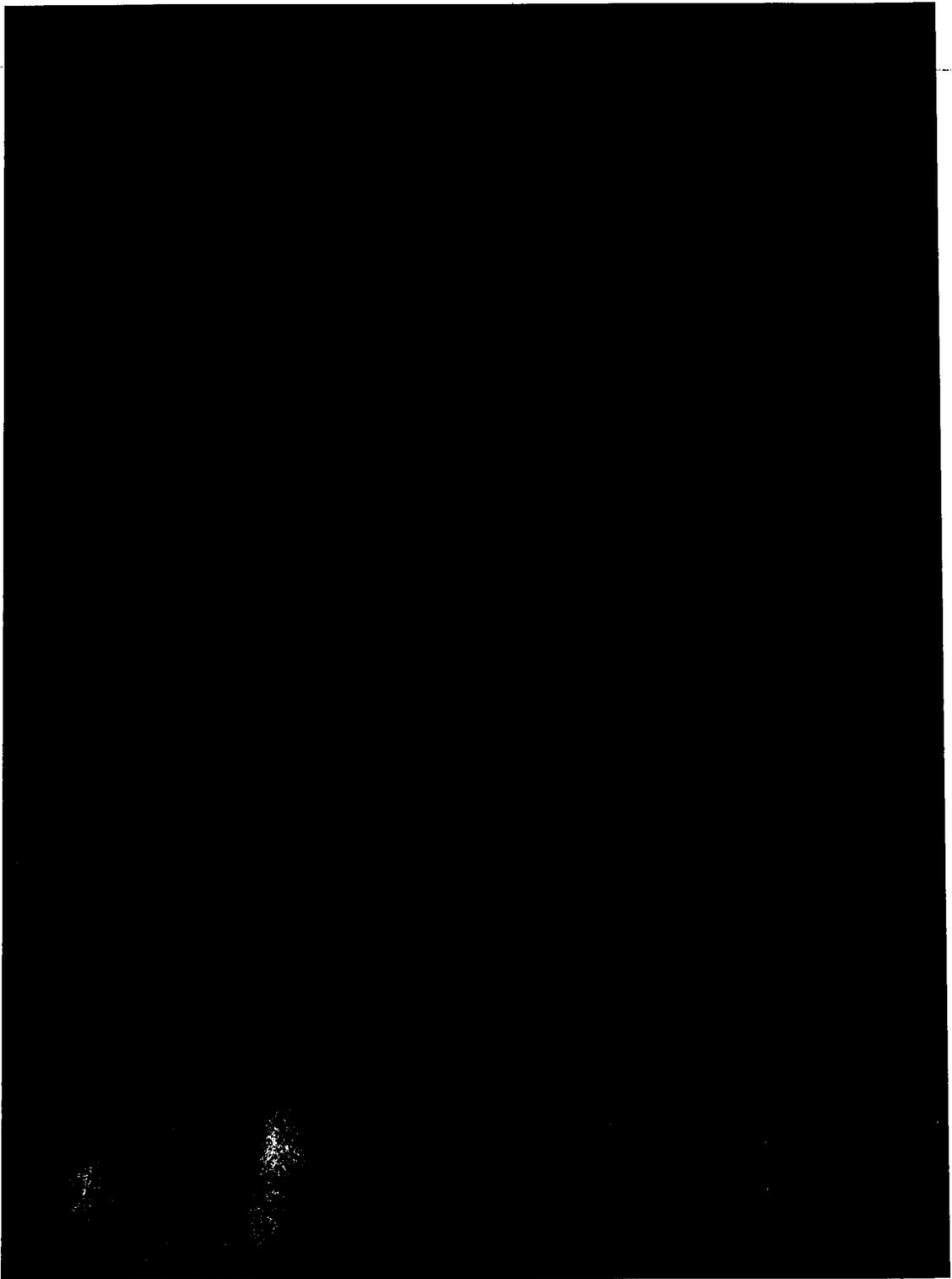
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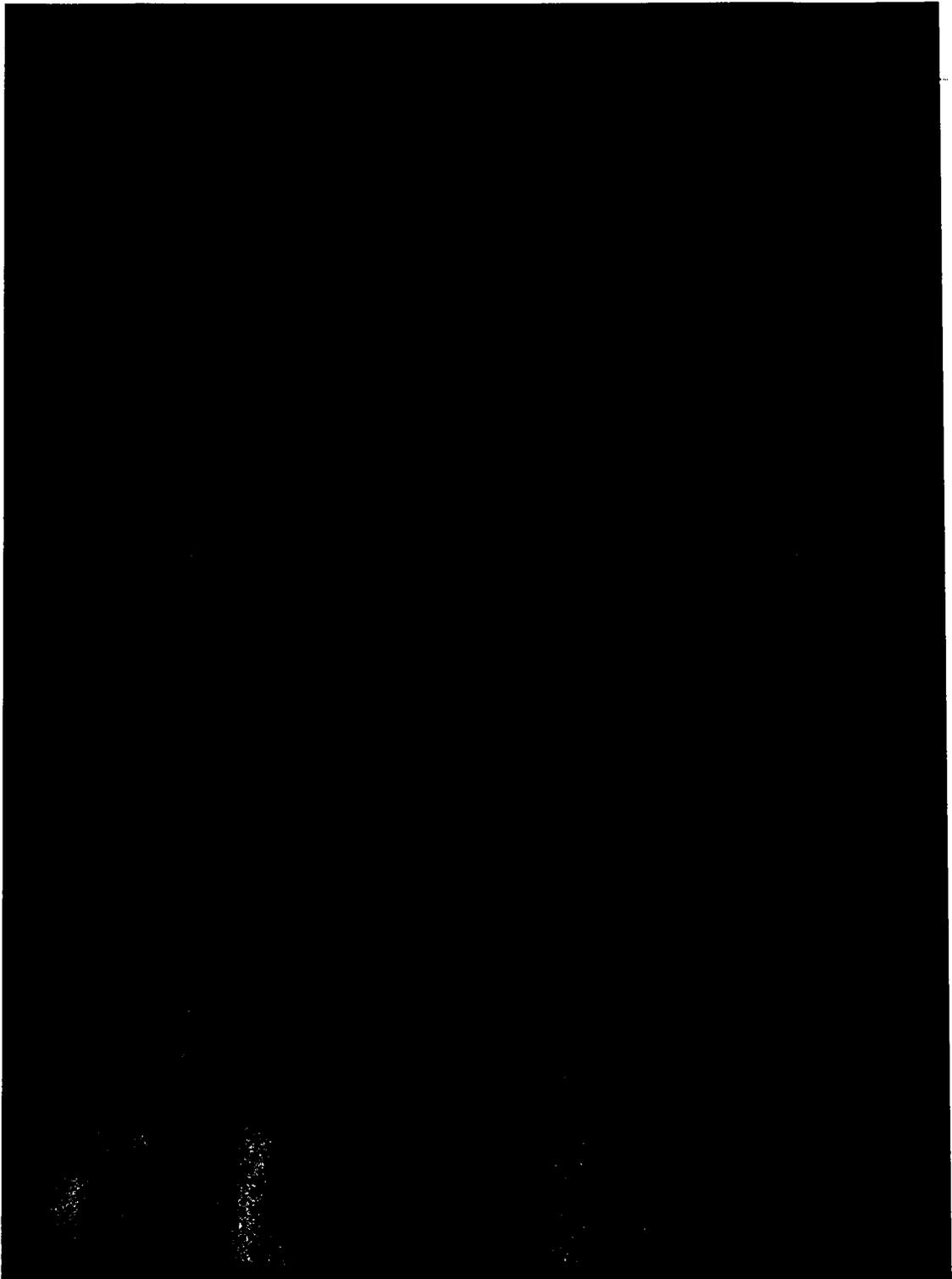


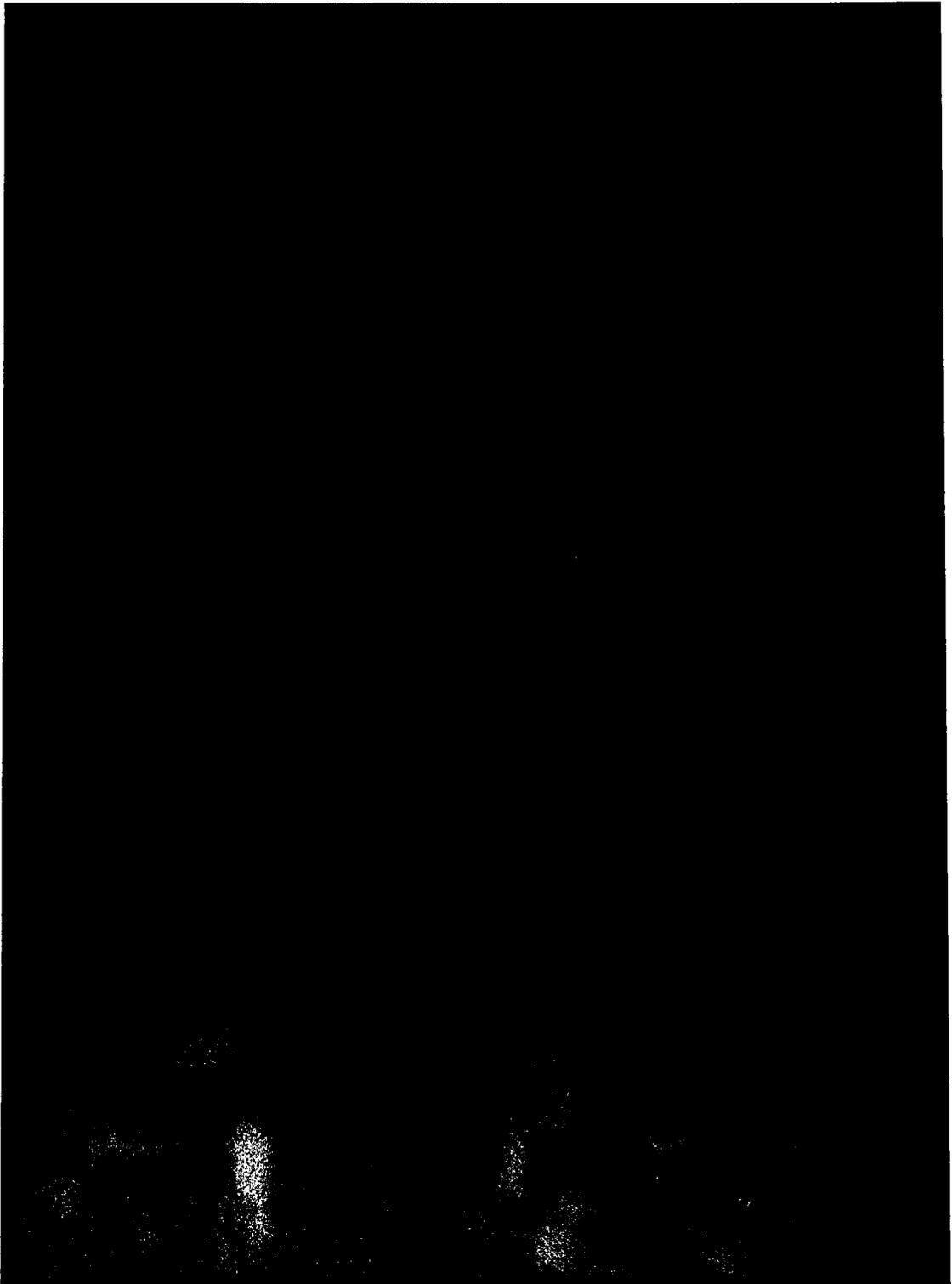


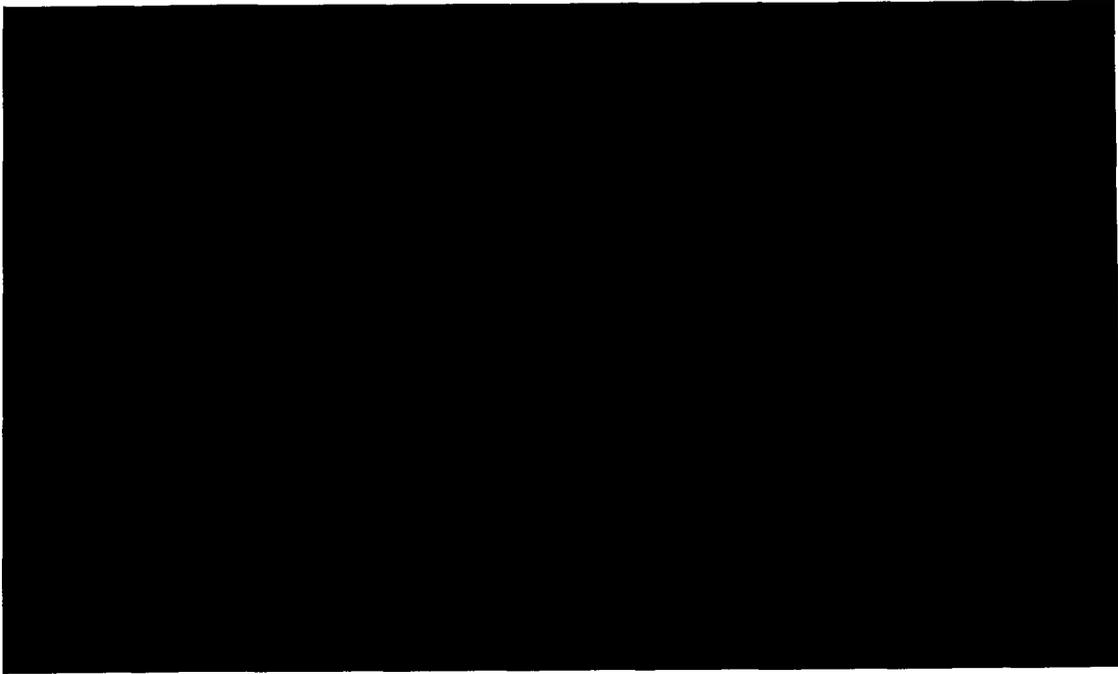


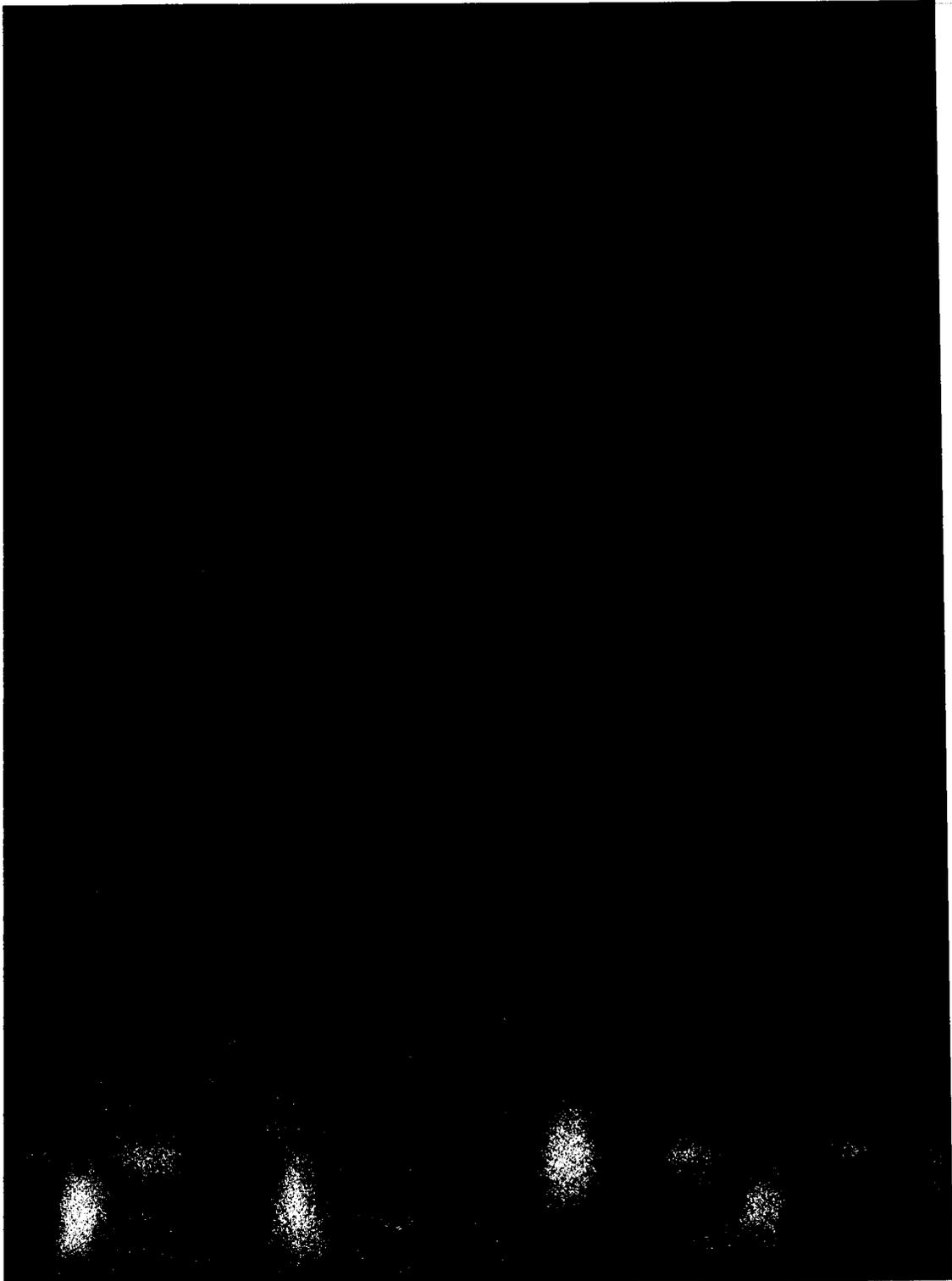












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II. AUDIT FINDINGS

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AUDIT FINDING NO. 1

SUBJECT: [REDACTED] TERMINATION FEE

AUDIT ANALYSIS: FPL entered into a contractual agreement with [REDACTED] for the Glades Power Park for the total cost of [REDACTED]

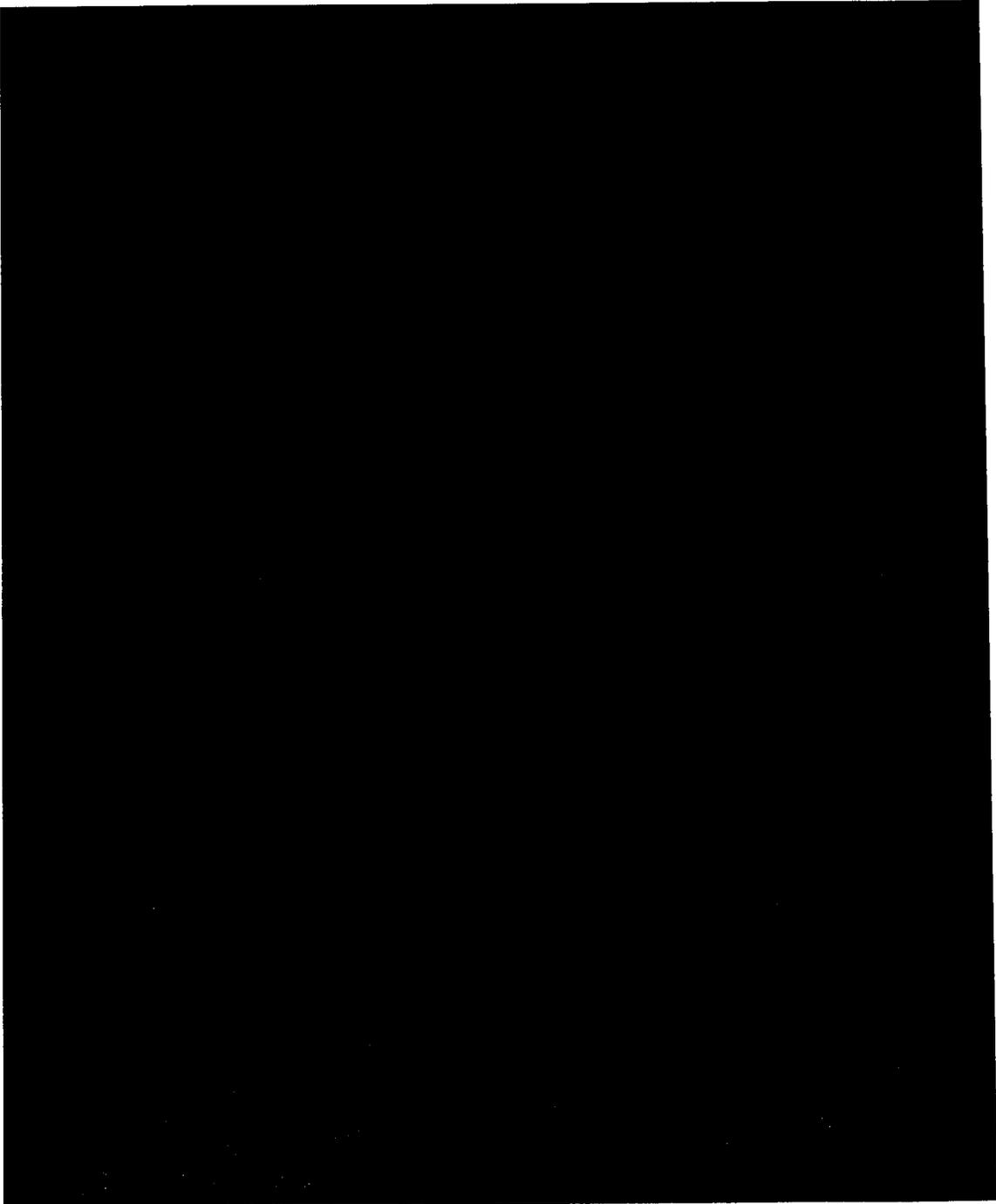
[REDACTED] As the result of the Commission's rejection of FPL's request for the construction of the coal-fired generation units, FPL terminated its contract with [REDACTED]

[REDACTED] Through negotiations to reduce the full termination fee, the following terms were agreed upon. First, [REDACTED] agreed to reduce the termination fee from [REDACTED] which would decrease the contracted termination fee by \$2,000,000 if FPL agreed to increase the contract price of the [REDACTED] by \$1,750,000 or an actual decrease of \$250,000. Second, [REDACTED] agreed to adjust the cash flow of payments for [REDACTED] resulting in an approximate \$500,000 reduction in Allowance for Fund Used During Construction (AFUDC) for the [REDACTED]. Third, [REDACTED] agreed to credit FPL [REDACTED] by December 31, 2012, if [REDACTED] is selected as the winning bidder in future competitive solicitation by any company in FPL Group (company, not just the utility. Even if an affiliate [REDACTED] the utility would receive [REDACTED]

The settlement of the contract price for [REDACTED] yielded a saving benefit of \$250,000; however, it also posed an inconsistency of accounting methodology as based on the re-negotiation, the termination fee would decrease the deferred loss and increase the [REDACTED] costs capitalized as a plant addition. This would result in a longer period of writing off the \$1,750,000 since the plant addition is depreciated over a longer period than the deferred loss would be amortized.

Although the negotiation was to transfer the \$1,750,000 between projects, FPL adjusted their books after the filing was made to follow Generally Accepted Accounting Principals and to only record the actual reduction of \$250,000 to the Glades Power Project to account 182.3-Other Regulatory Assets. Therefore, the costs booked are actually \$34,287,477, which includes the reduction of \$250,000.

FPL will rely on the Commission authorization to determine whether the costs of the Glades Power Park project should be reduced and the new construction for [REDACTED] be



SOURCE DR #6

P1

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Accounting Research Request Form

AR 2007-037
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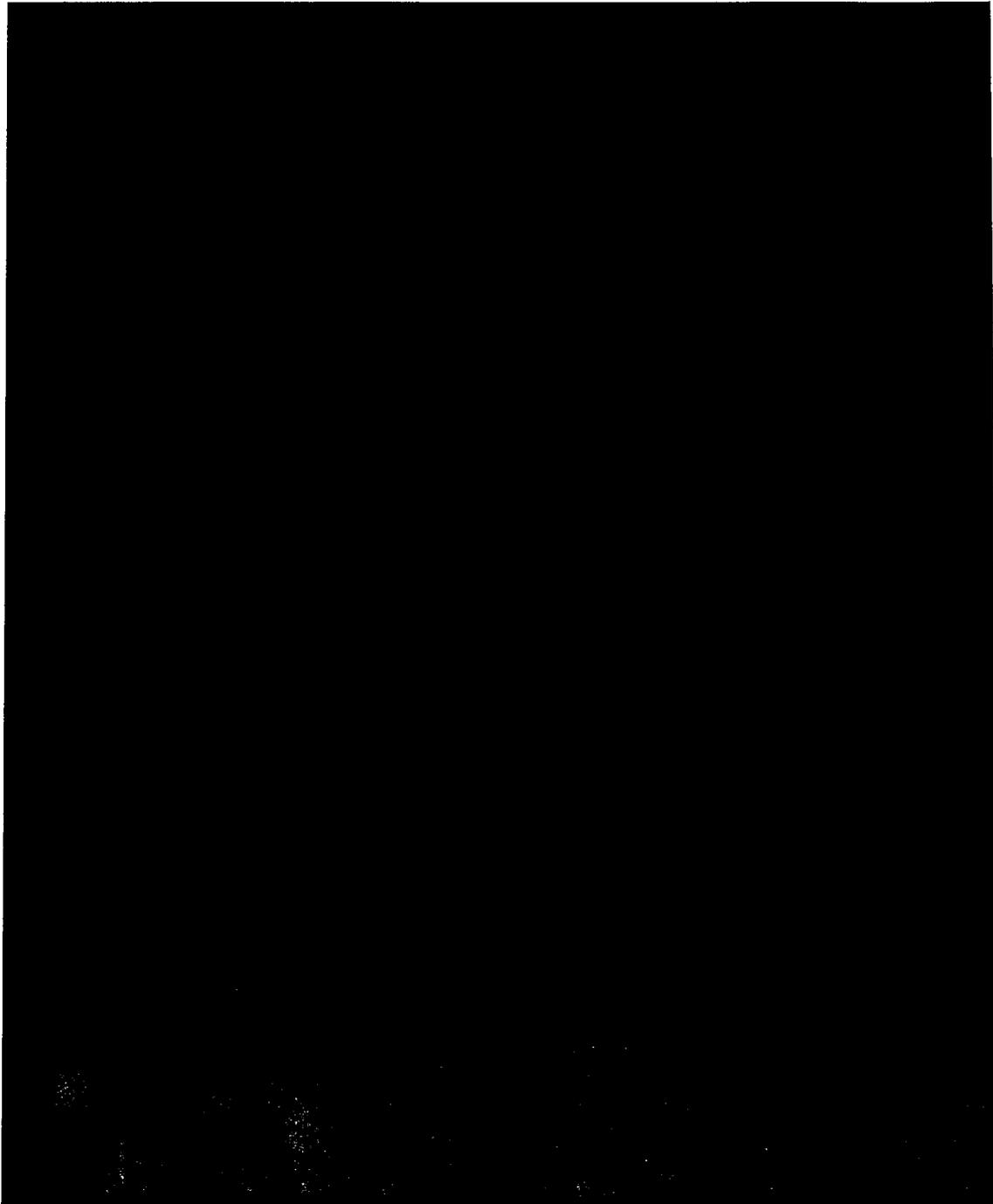
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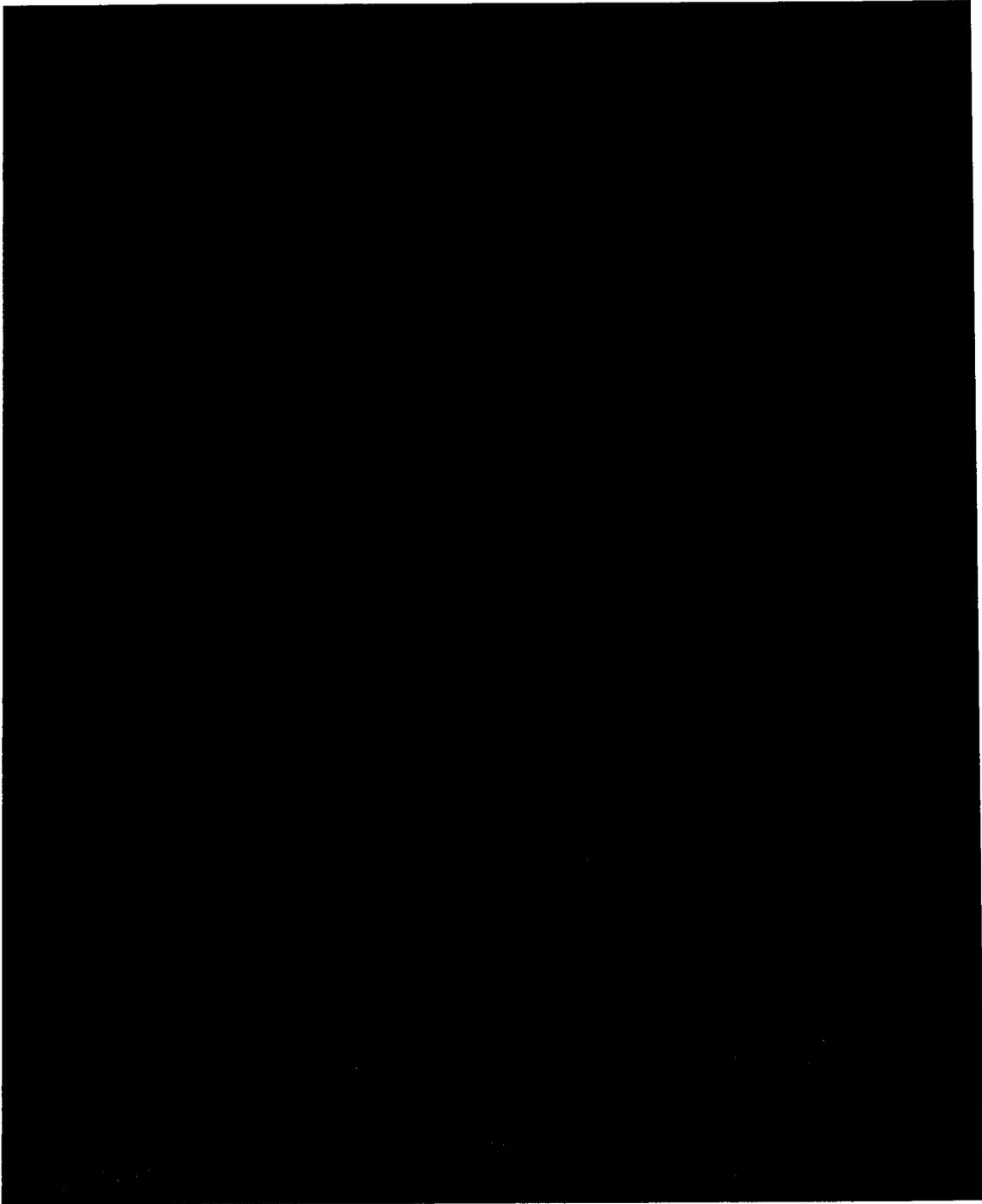
Issue description:	Accounting for coal plant termination fee with concurrent adjustment of another contract	
Accounting Research Topic:	Contract Restructuring	
Requested from:	K.M. Davis	
Requester's contact number:	694-6250	
Company relates to:	FPL	Other:
Date of request:	7/12/07	
Date reviewed with Beth Farr:	7/19/07	<i>Mary Beth Farr</i>
Date of response:	Tony Cuba 7/25; K.M. Davis 8/2/07	
Prepared By:	Peaches Libkie <i>PL</i>	
Relevant GAAP:	FAS 71, <i>Accounting for Effects of Certain Types of Regulation</i> EITF 00-21, <i>Revenue Arrangements with Multiple Deliverables</i> (43-4)	
Corporate policy amendment/addition?	no	

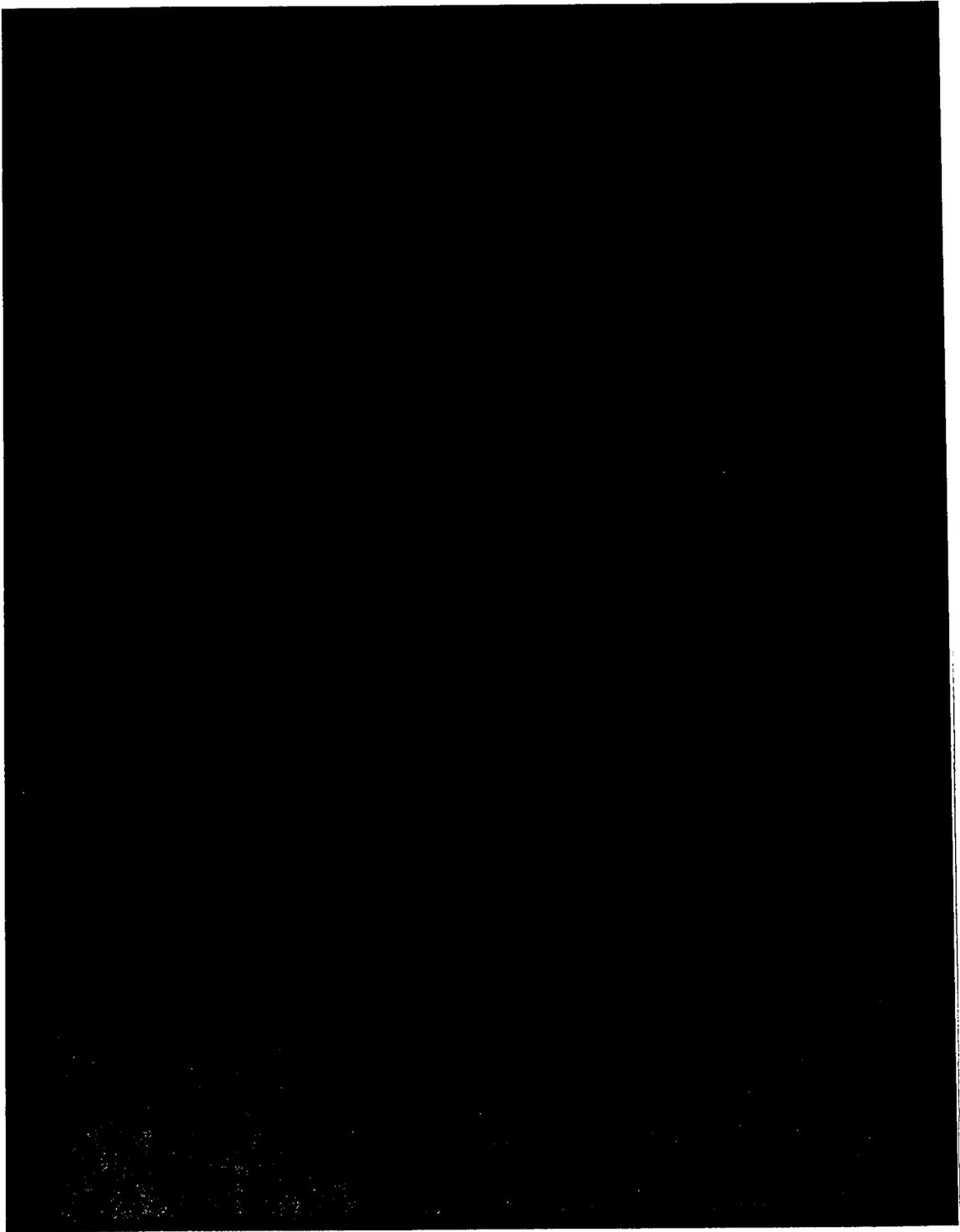
Description of Issue:

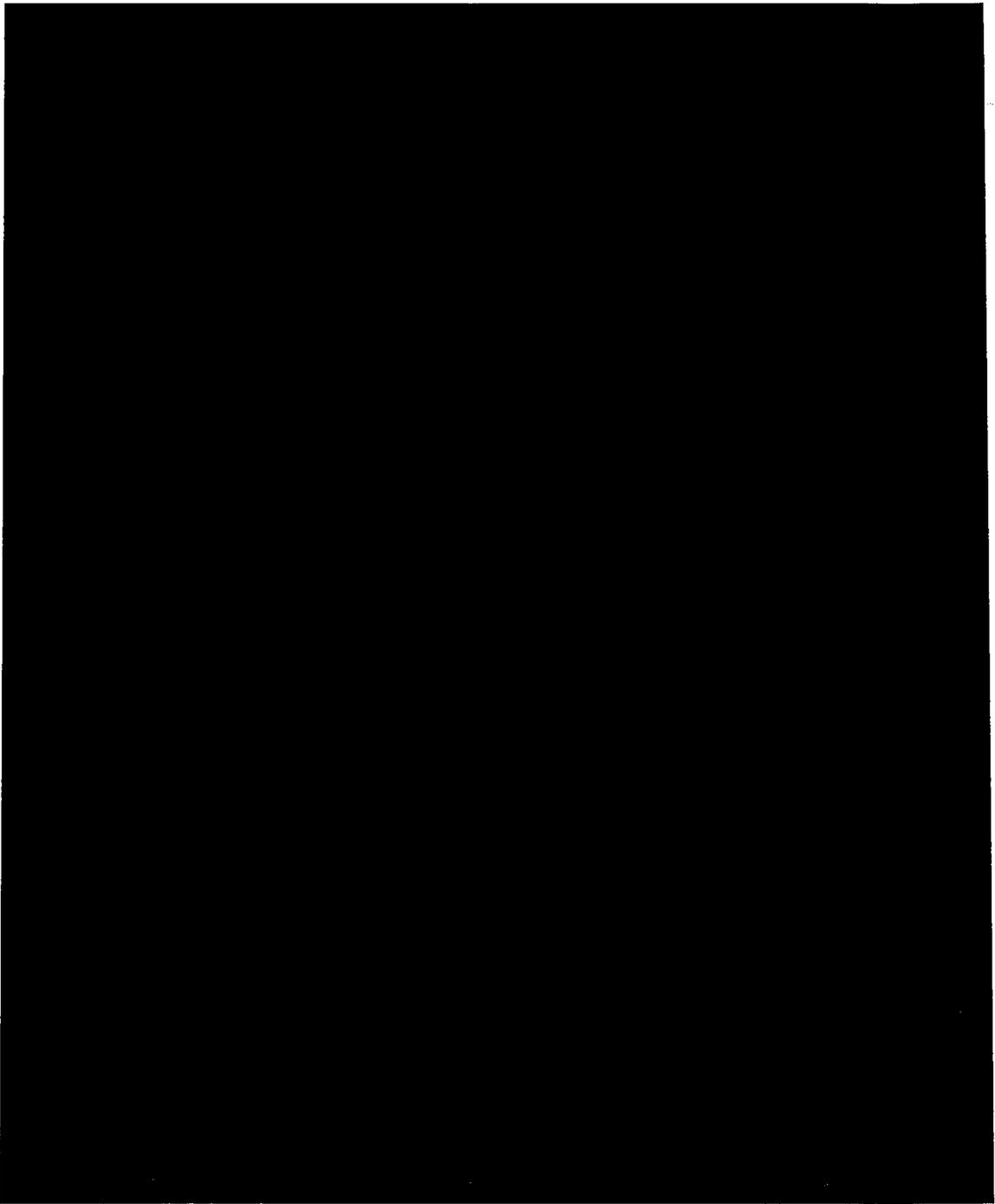
FPL has accumulated approximately \$34.5 million of costs which have been deferred related to a proposed \$5.7 billion coal-fired power plant in Glades County. In June 2007, the Florida Public Service Commission (FPSC) denied FPL's need petition for the plant stating that the proposal was not the most cost-effective alternative. The accumulated costs include accrued termination fees on major equipment contracts. FPL is negotiating to reduce these termination fees from the contracted amounts.

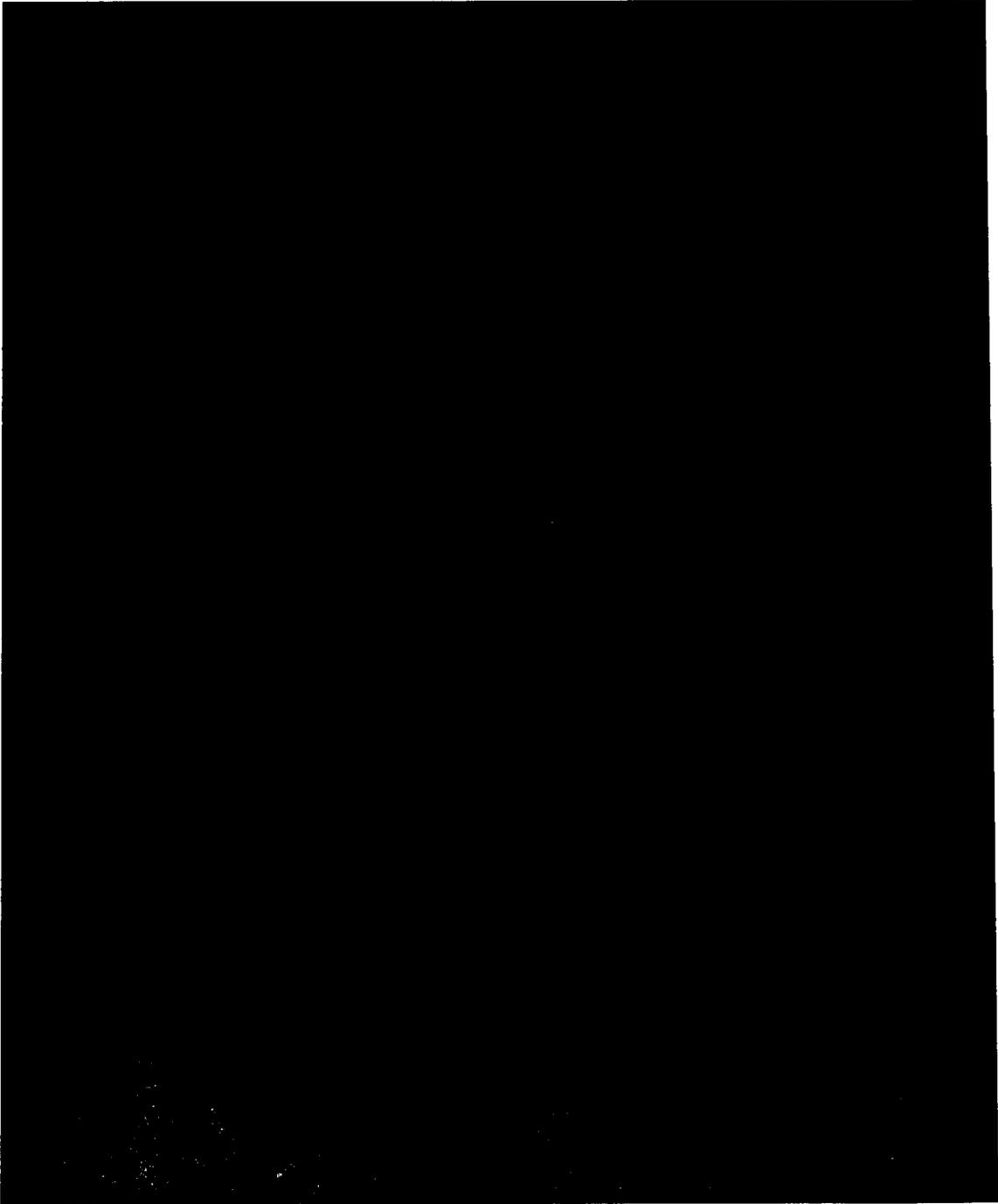




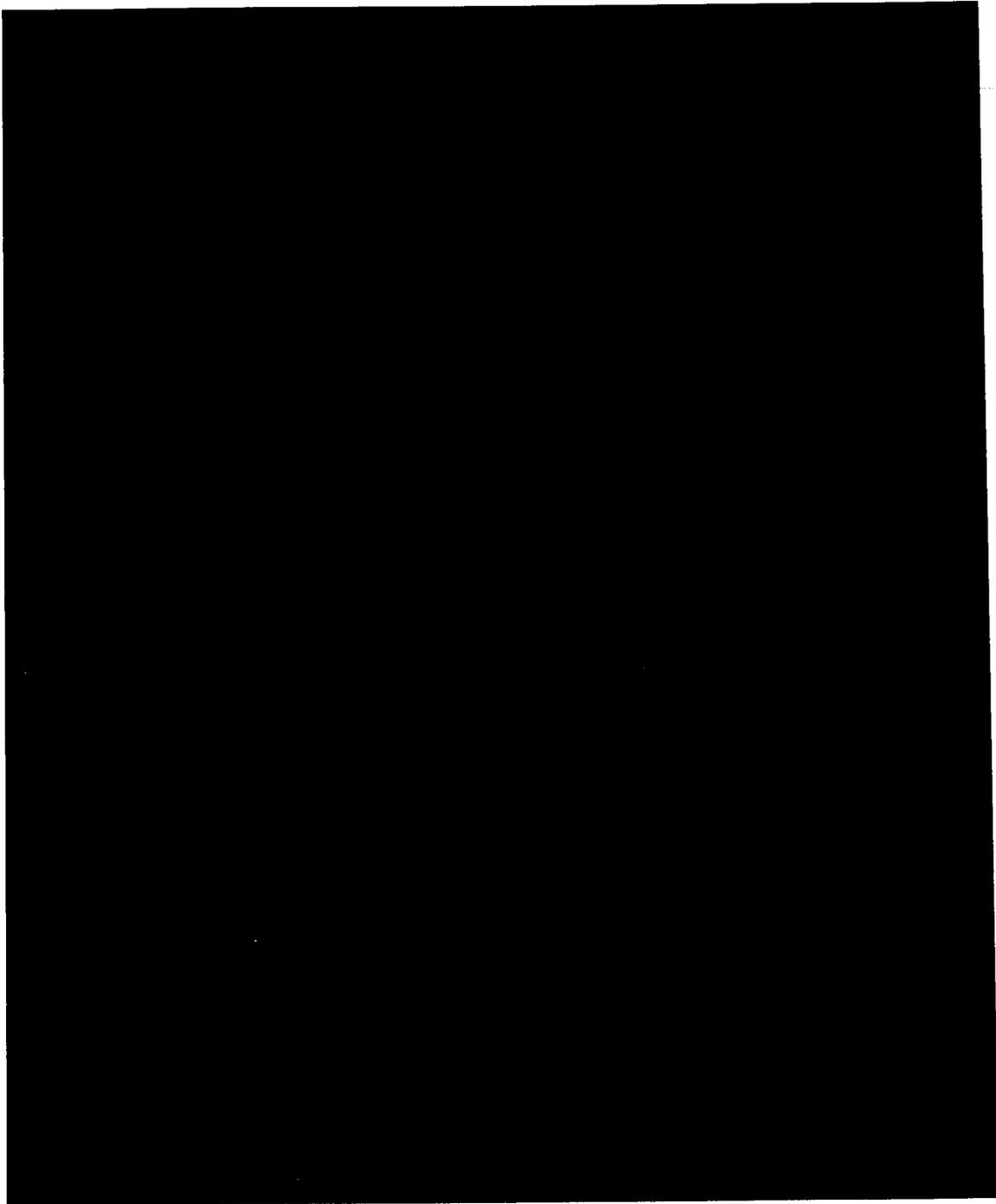






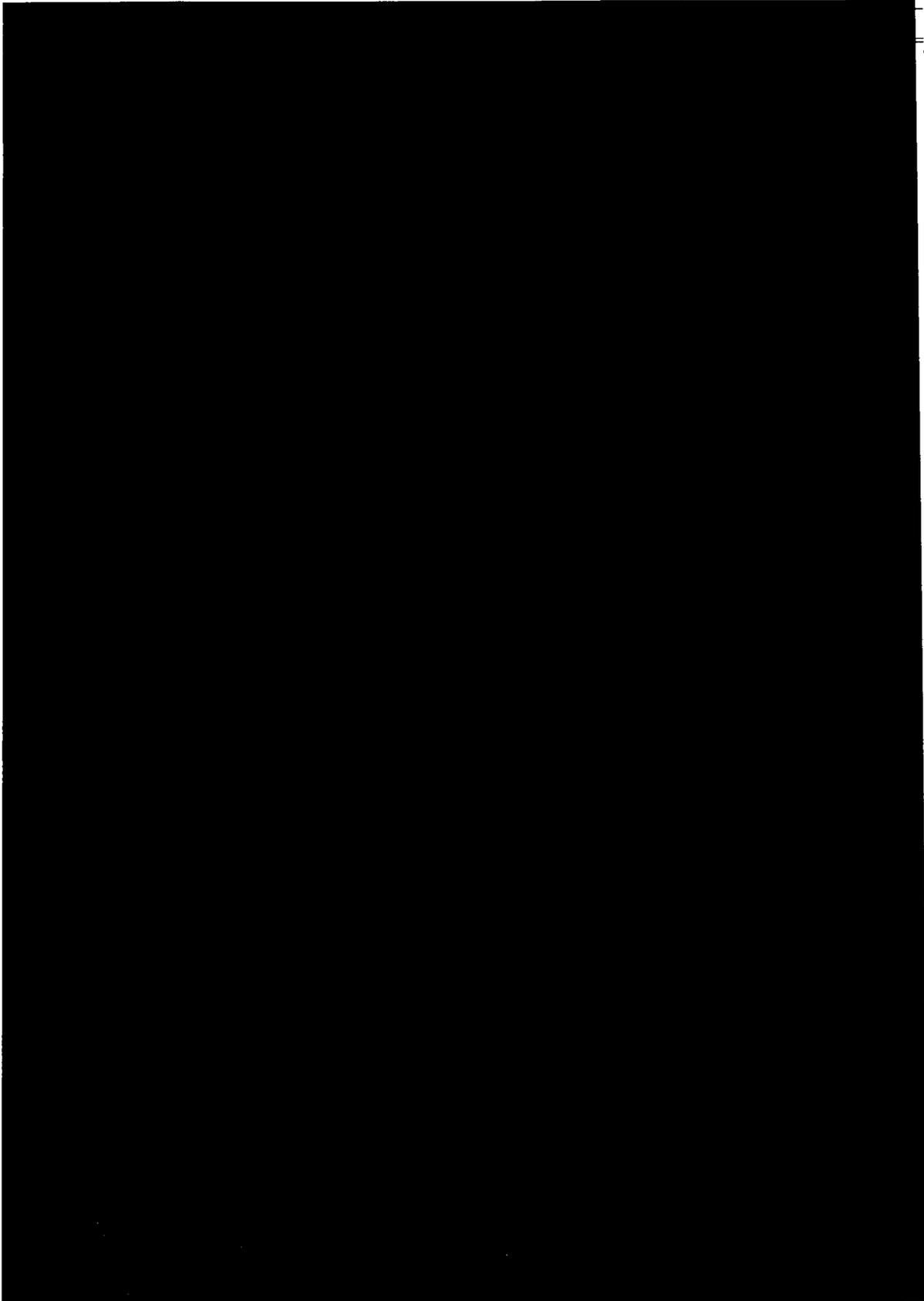


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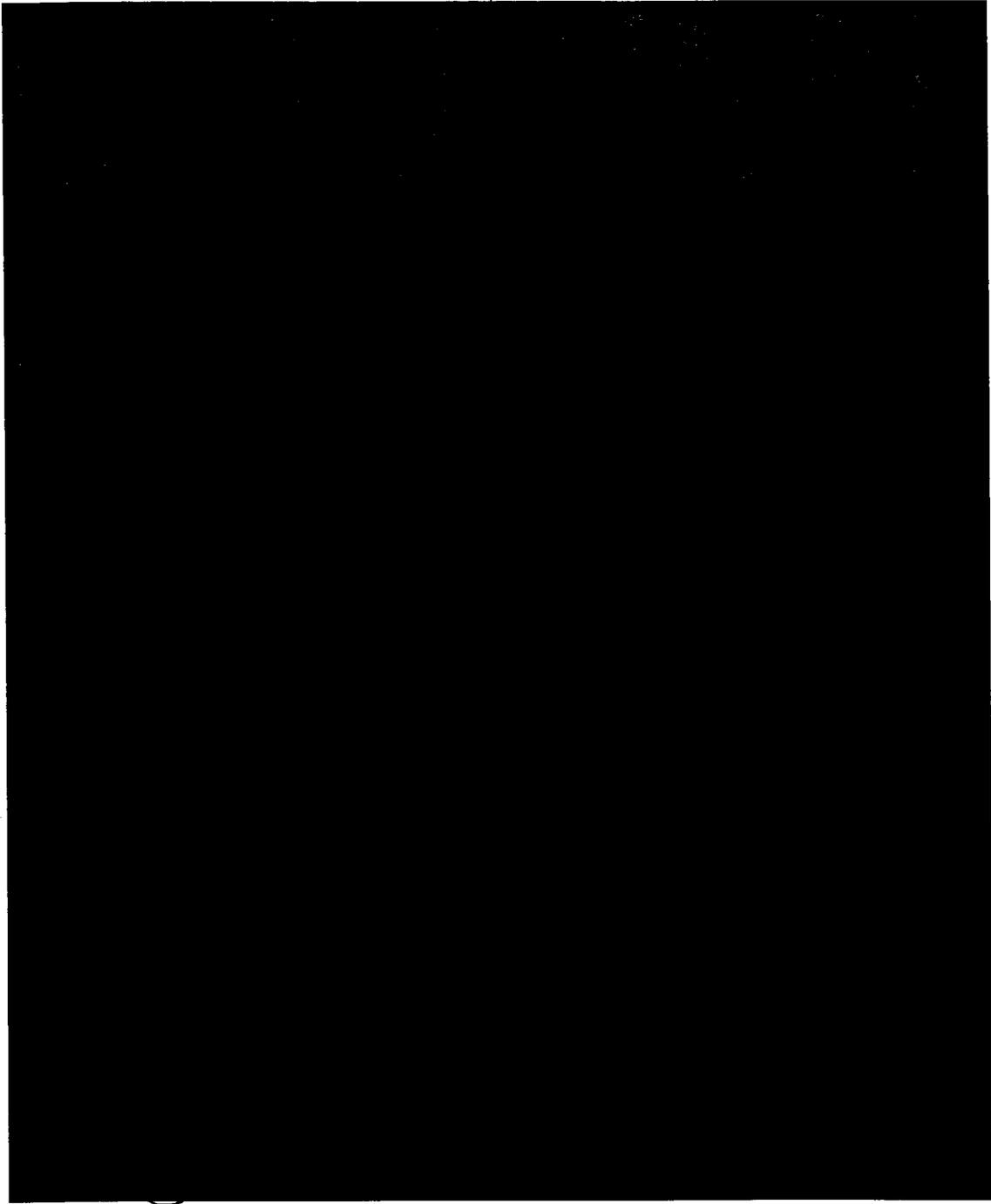
Florida Power & Light
Glades Power Park Project
RCA #07-221-4-1 Dkt #070432-EI
TYE 6/30/07

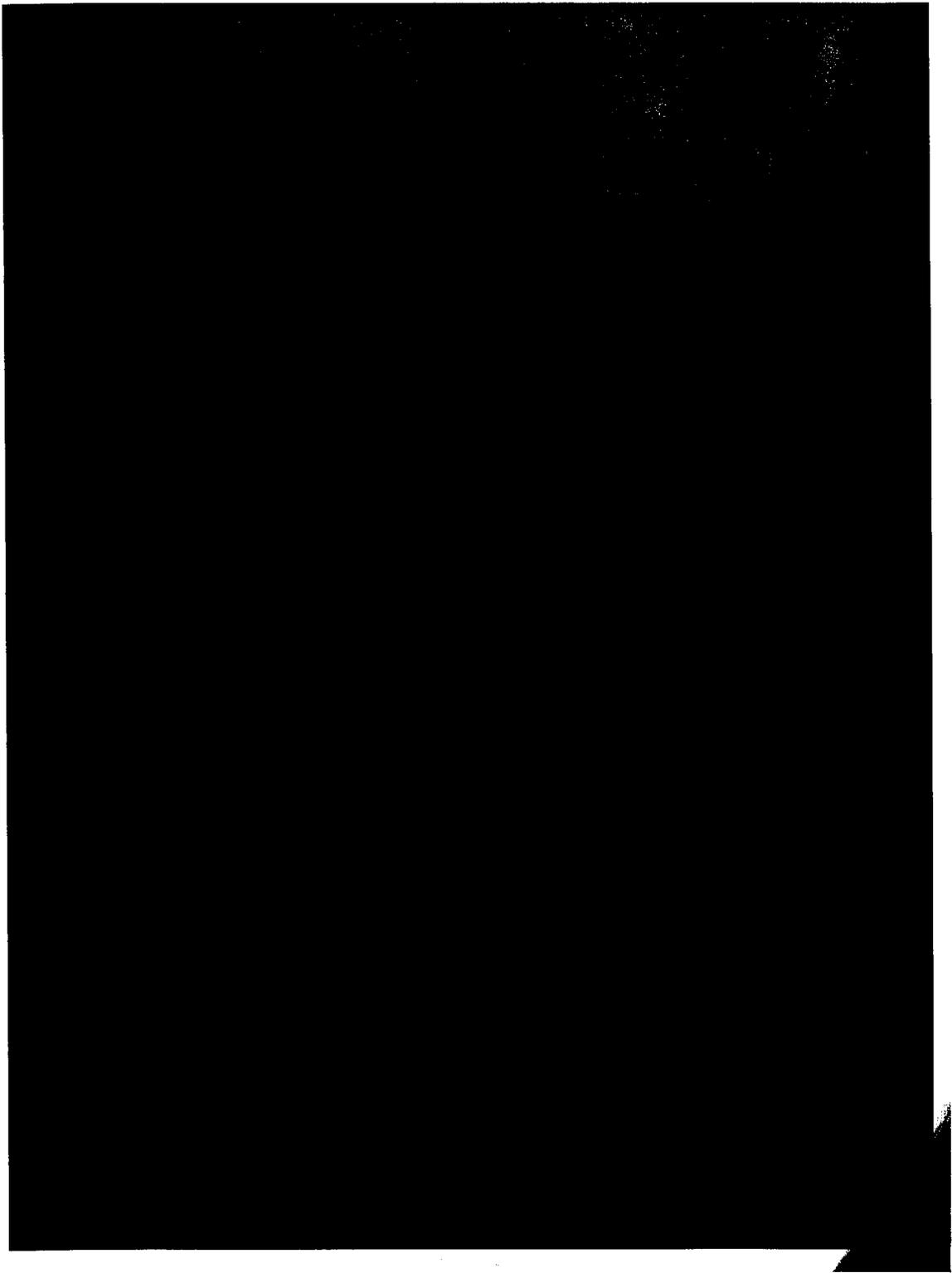
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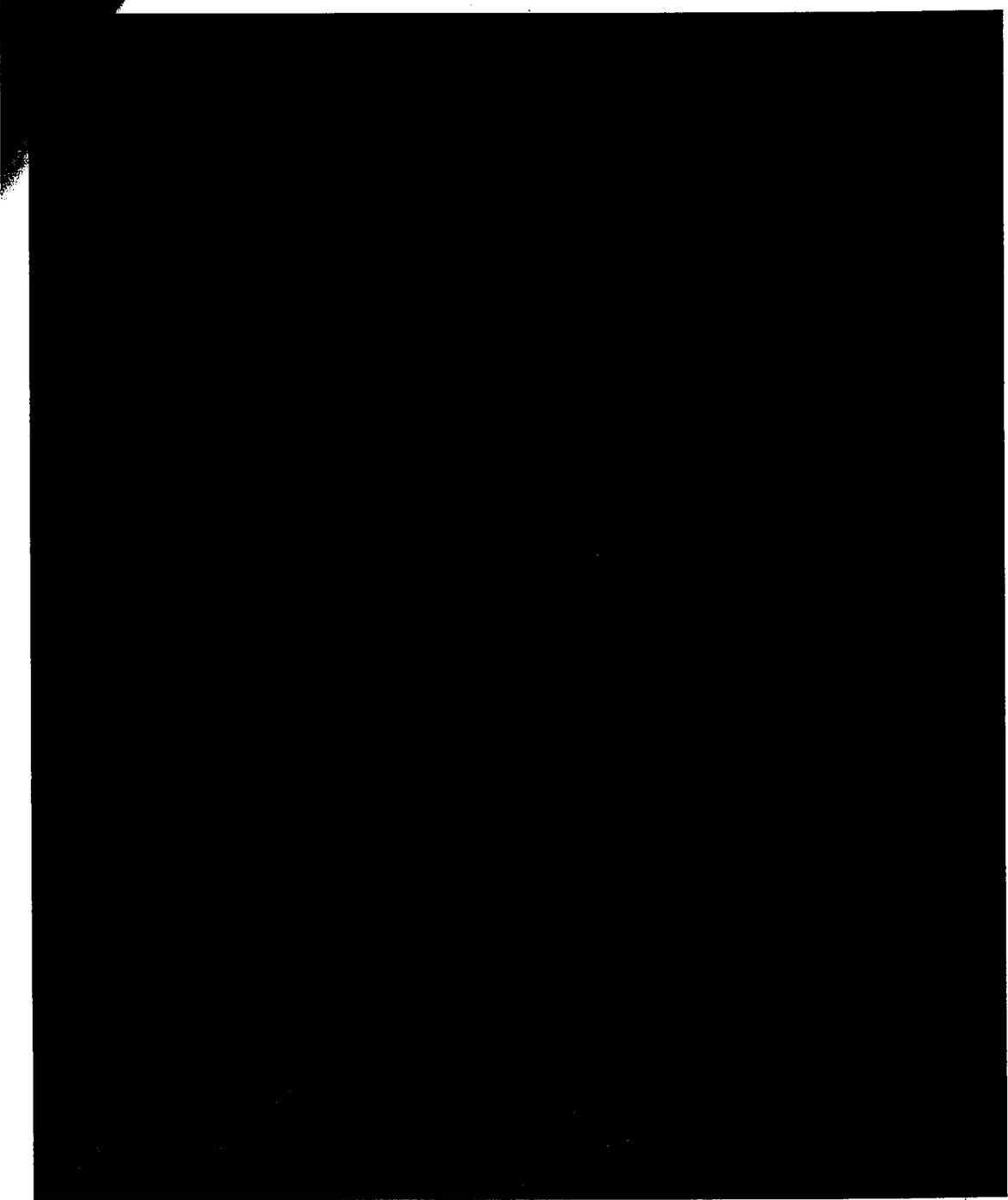


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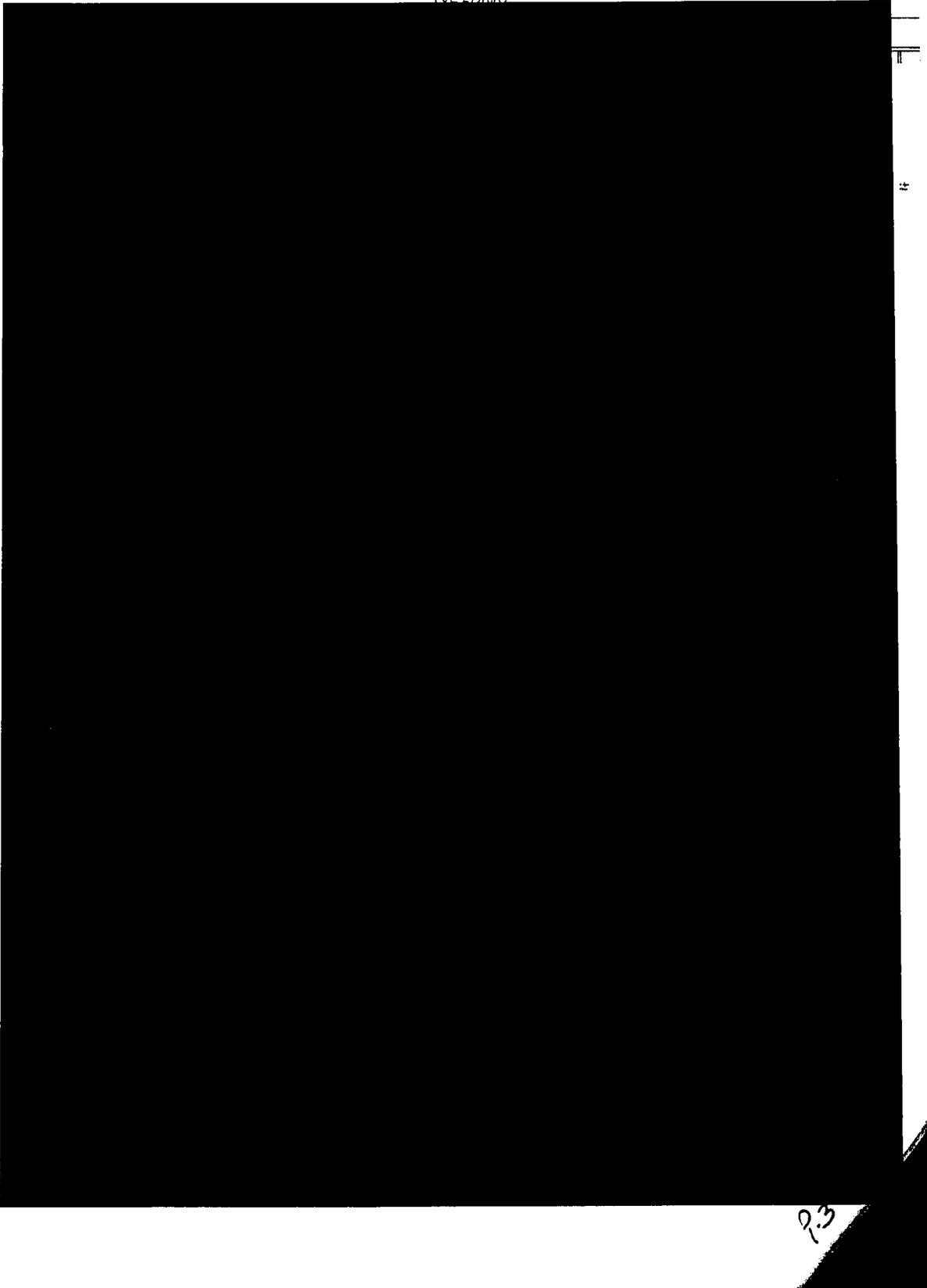






Florida Power & Light
Glades Power Park Project
RCA #07-221-4-1 Dkt #070432-EI
TXE 8/20/07

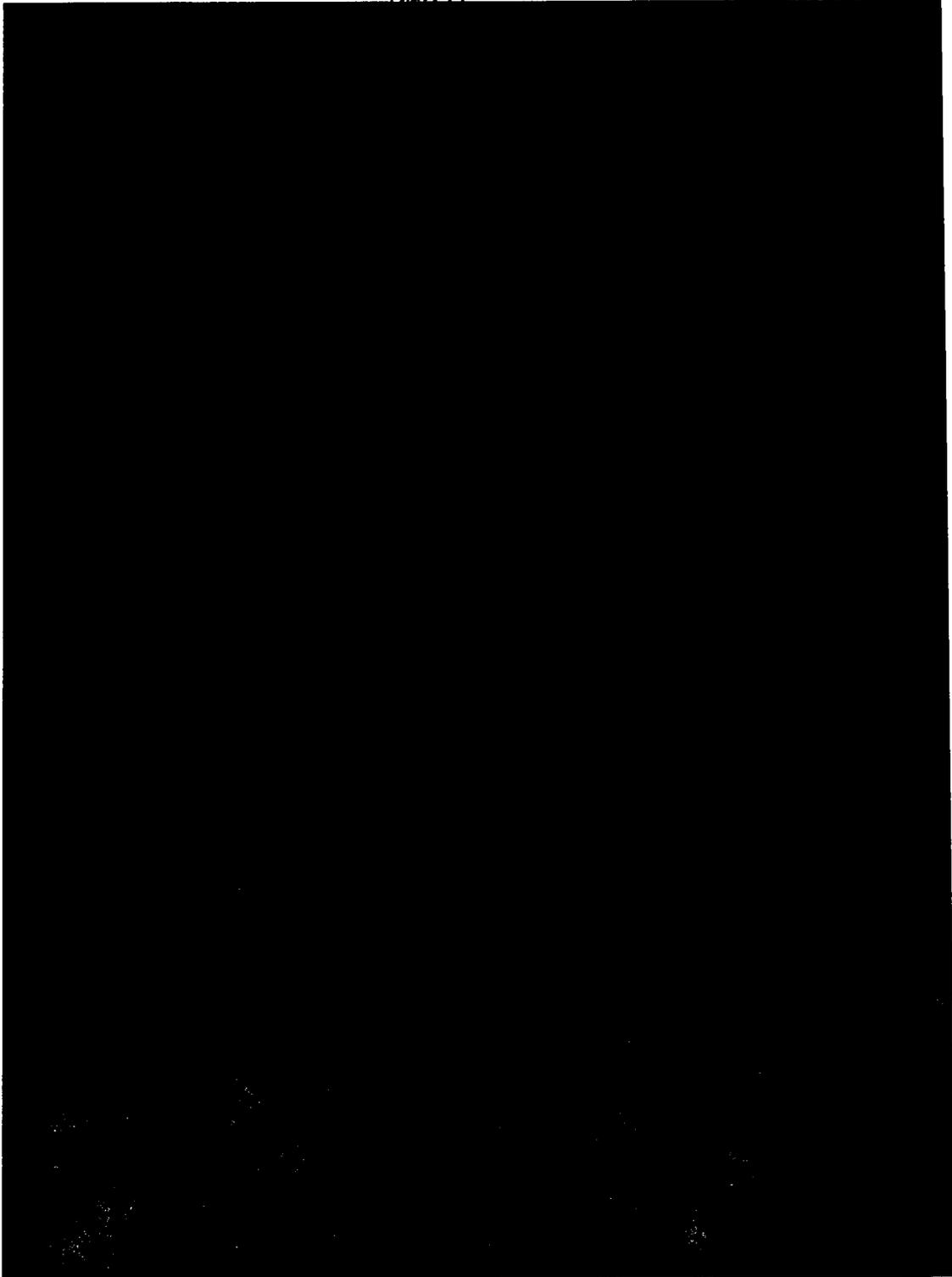
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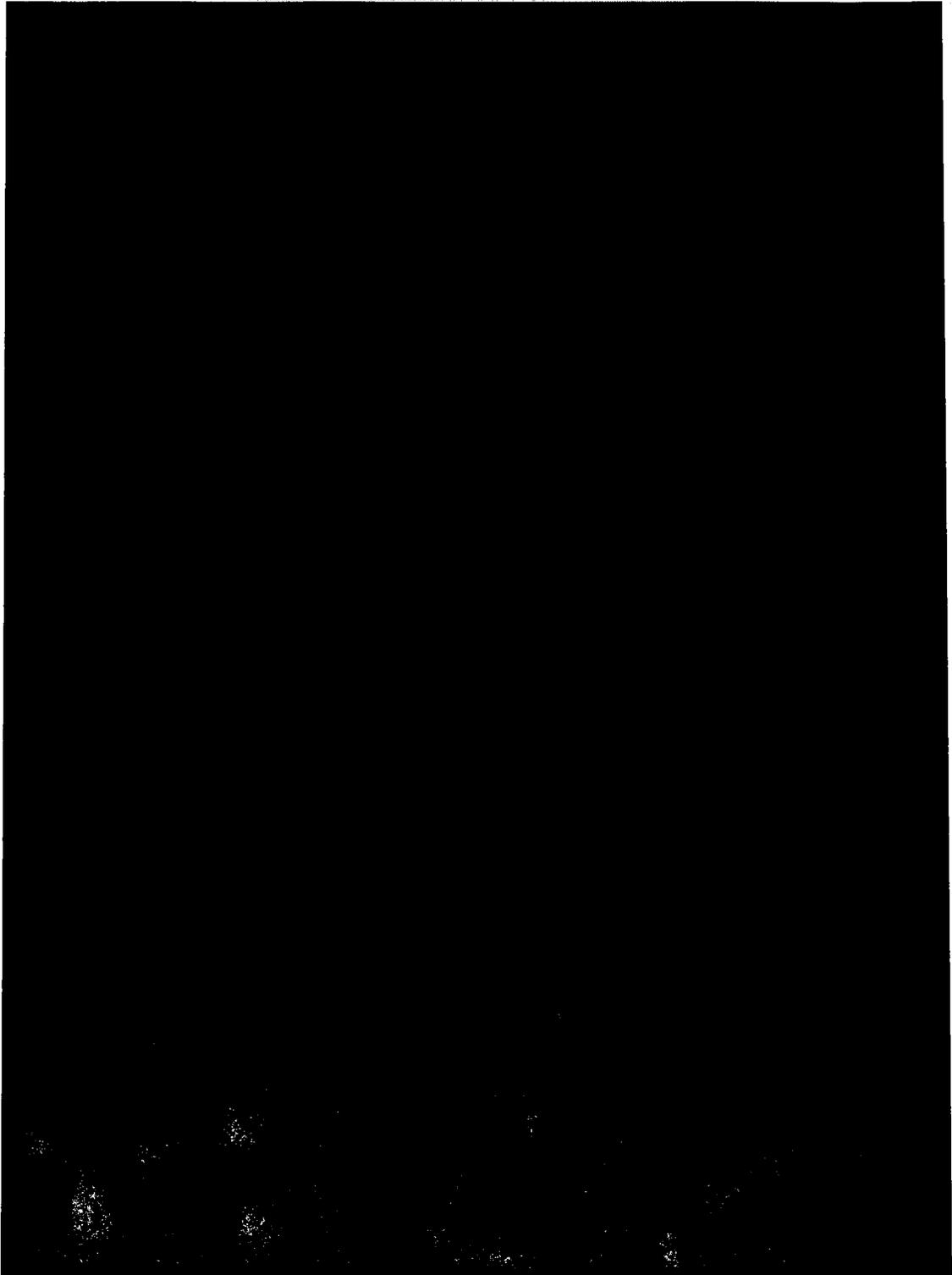


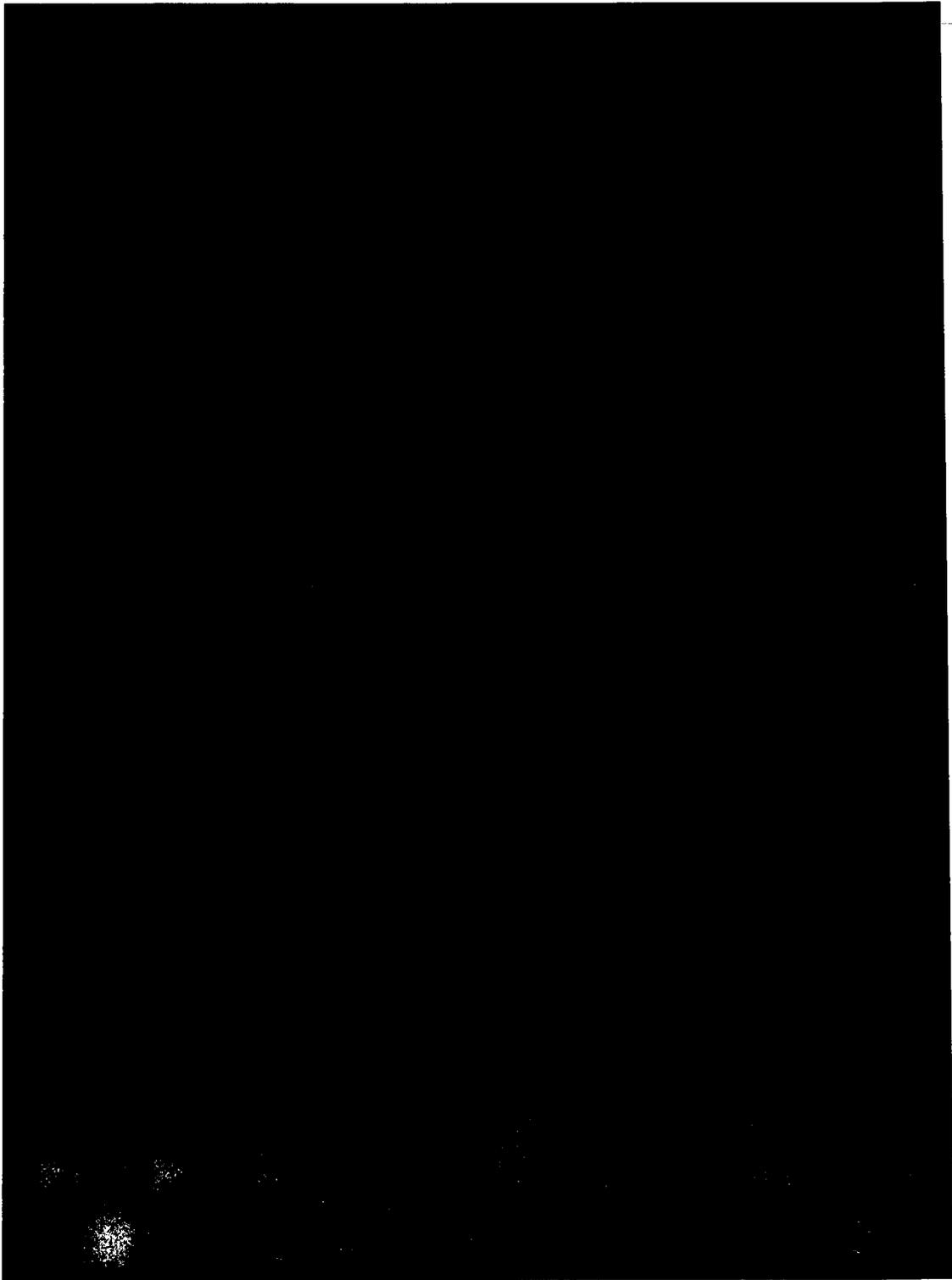
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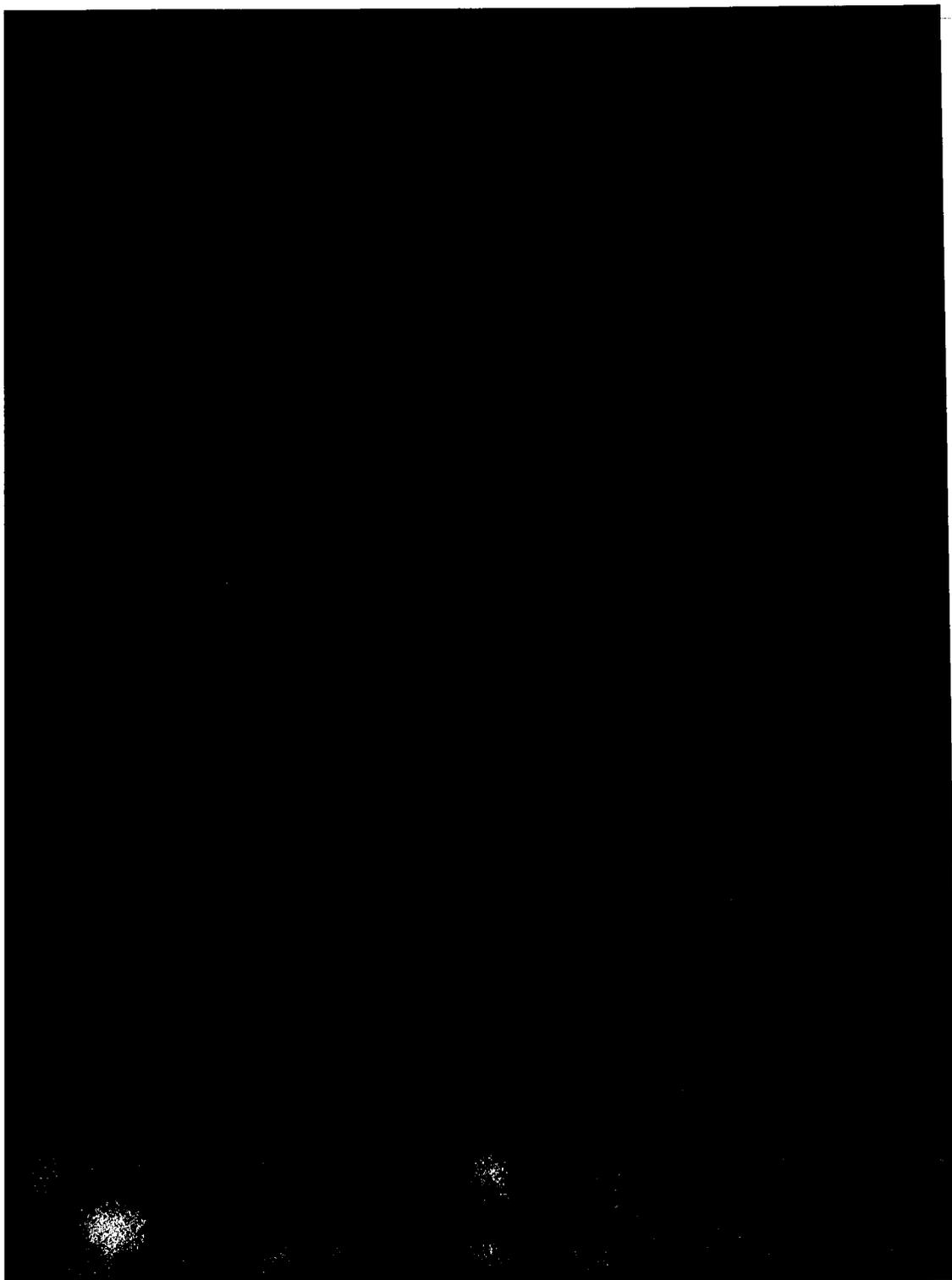
See	<u>WP 43-3/4-1</u>	for termination fee.	$\frac{43-3}{4}$
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Unit 1

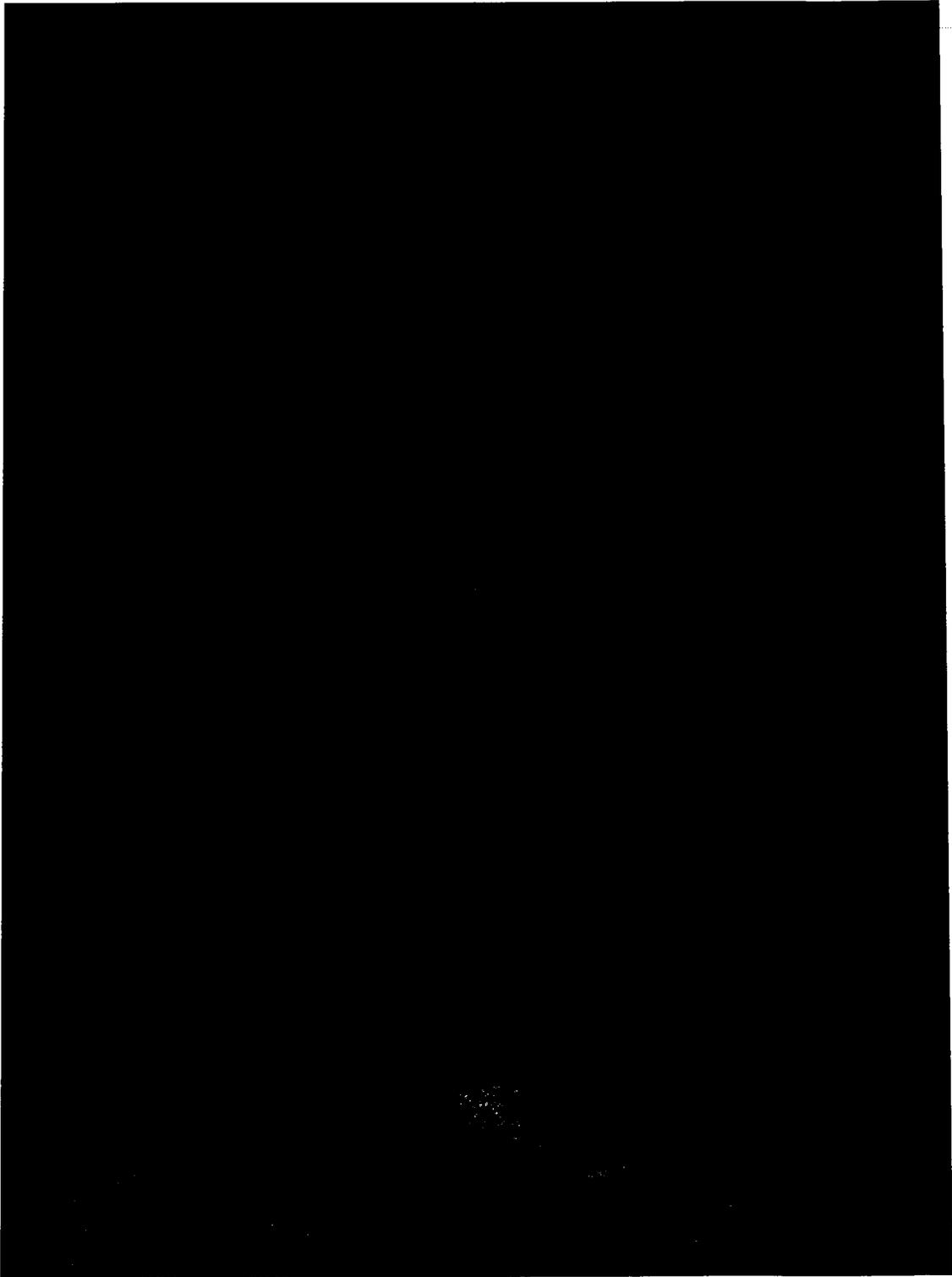


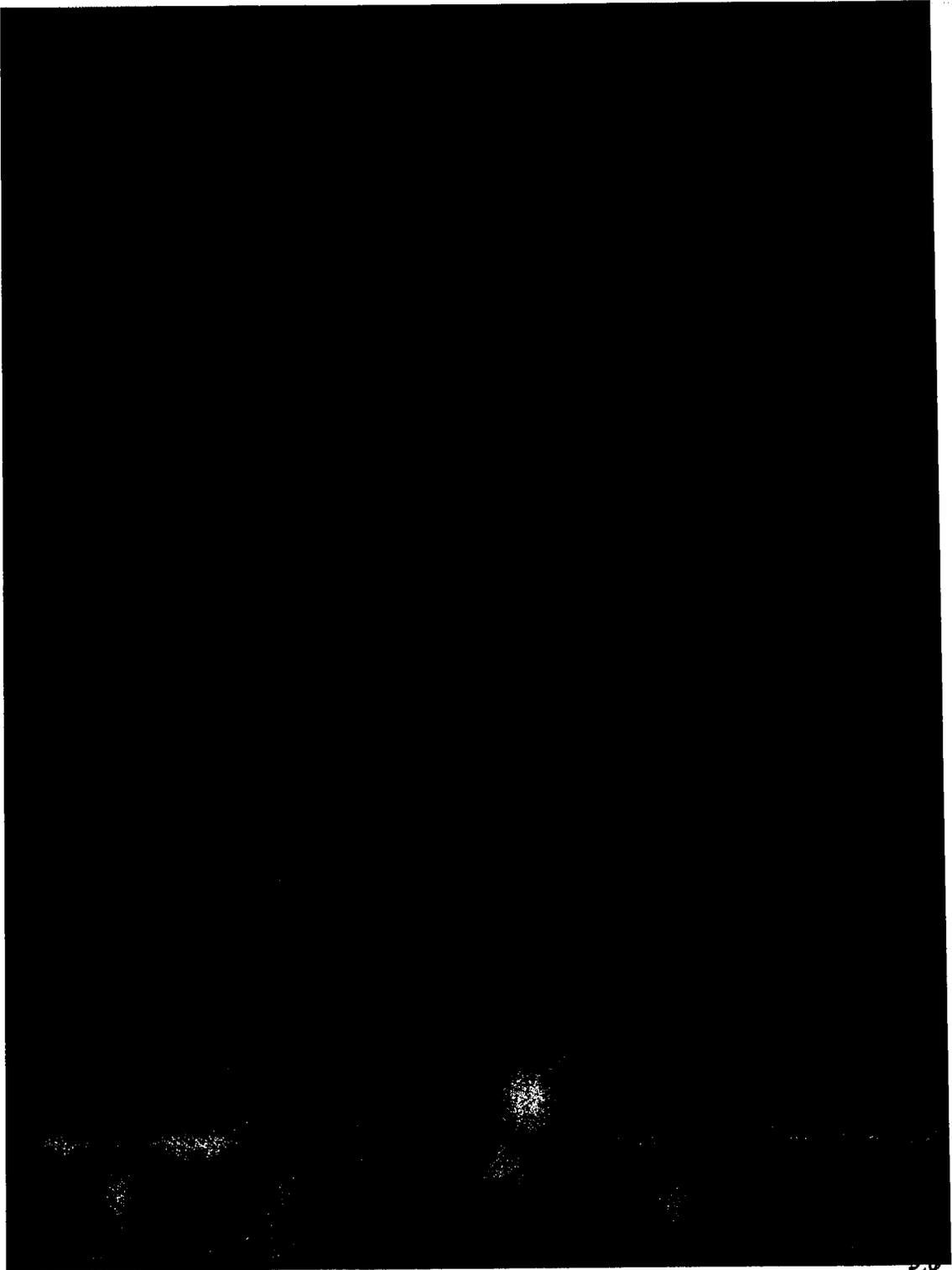


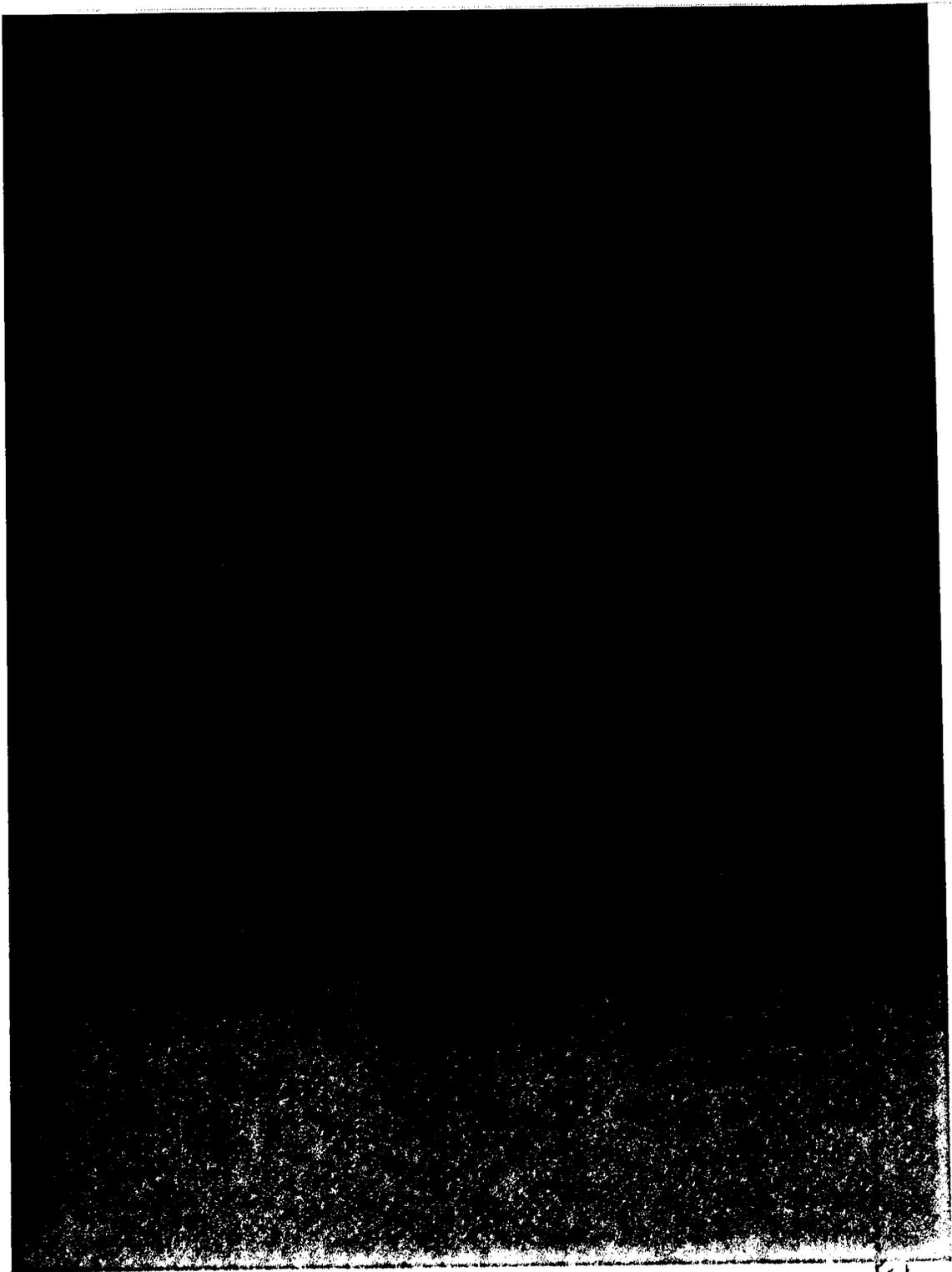


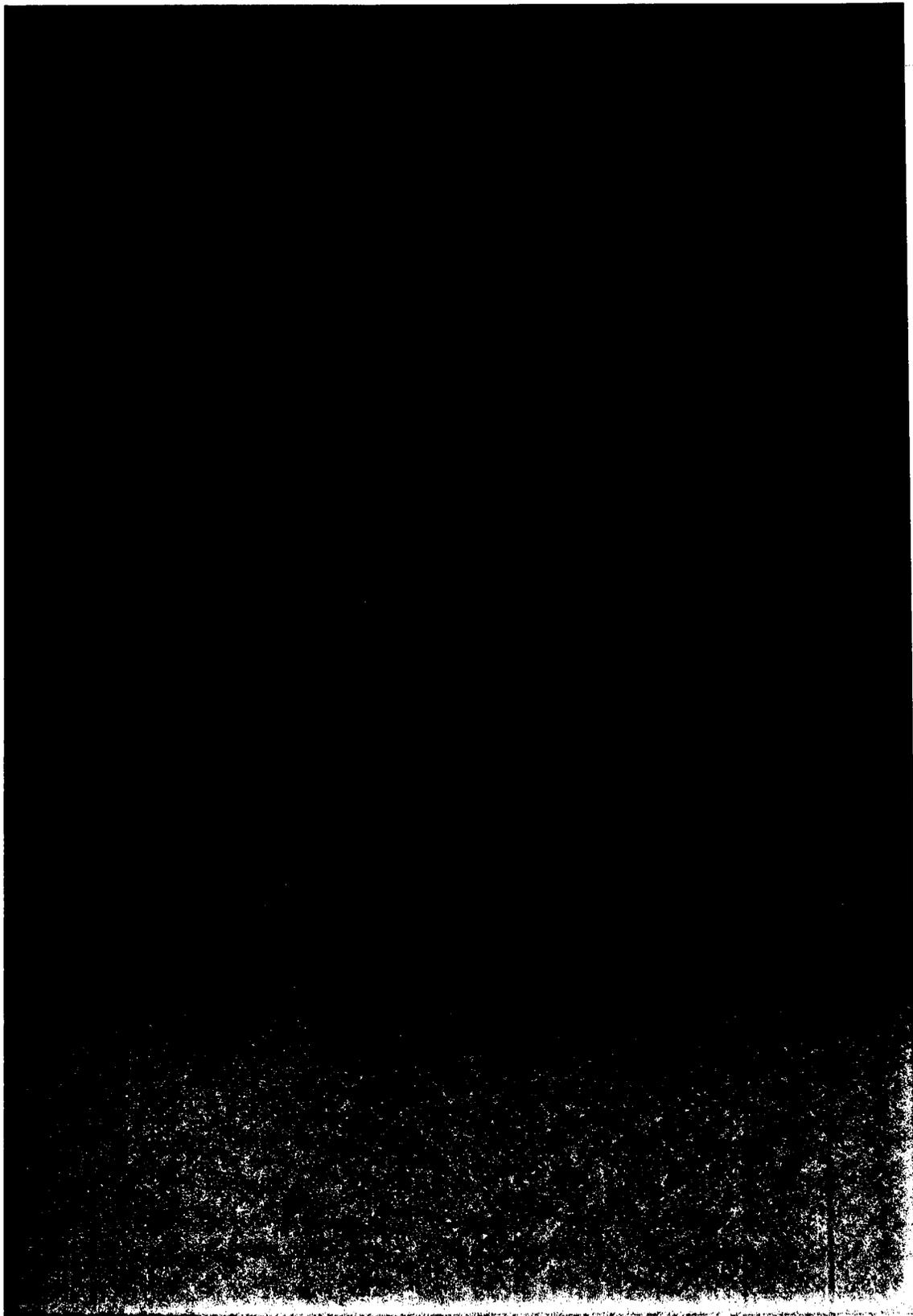


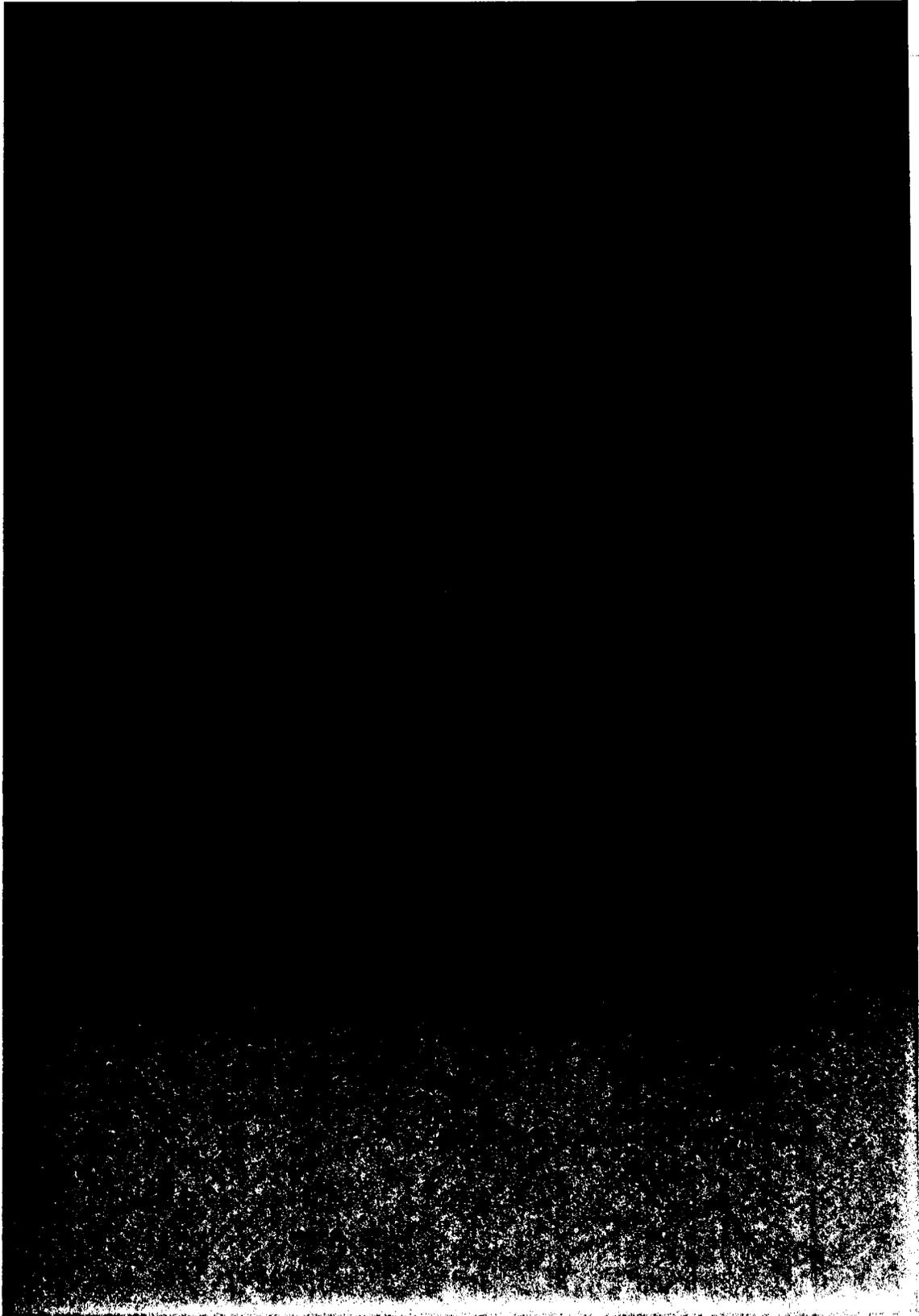
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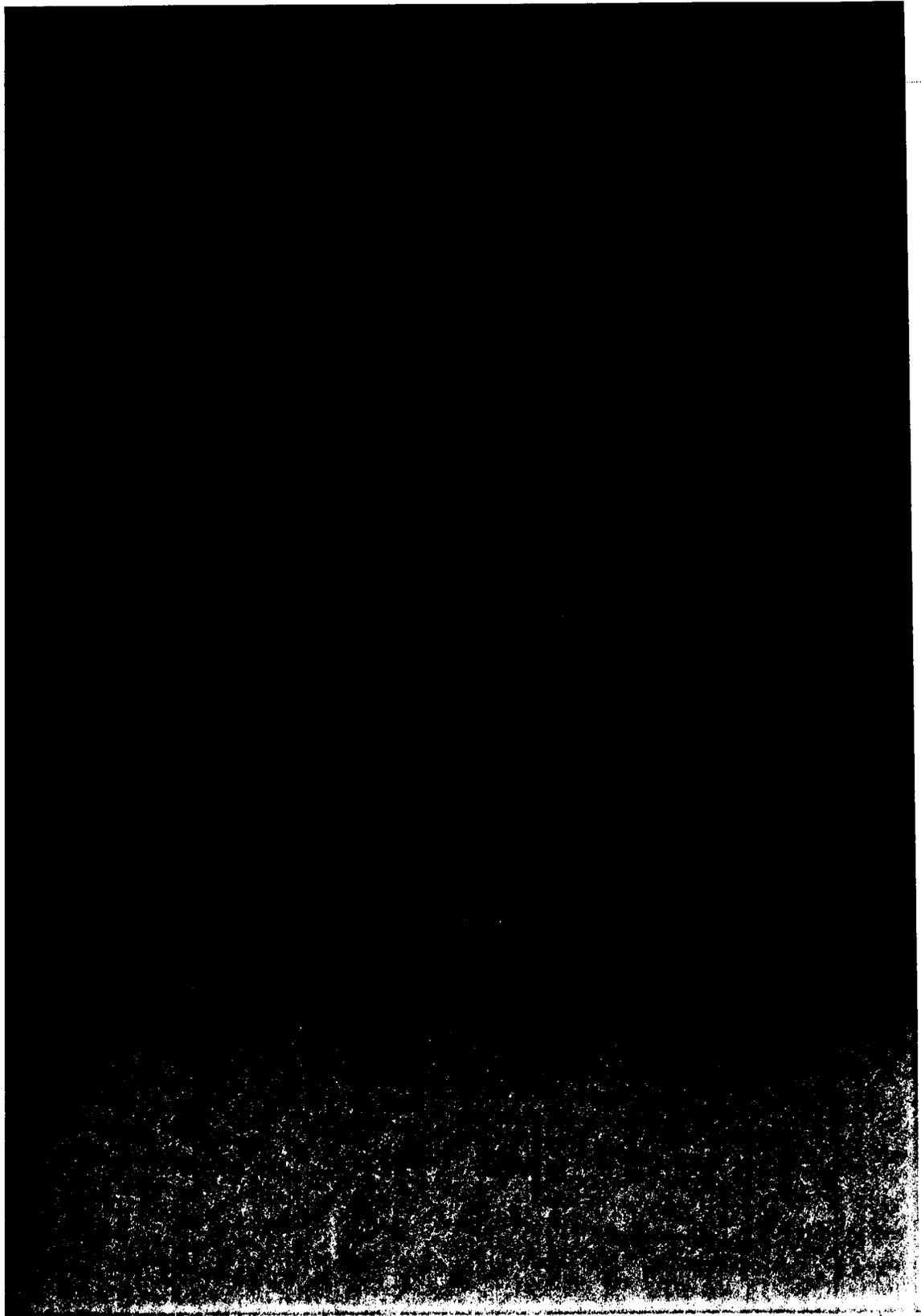


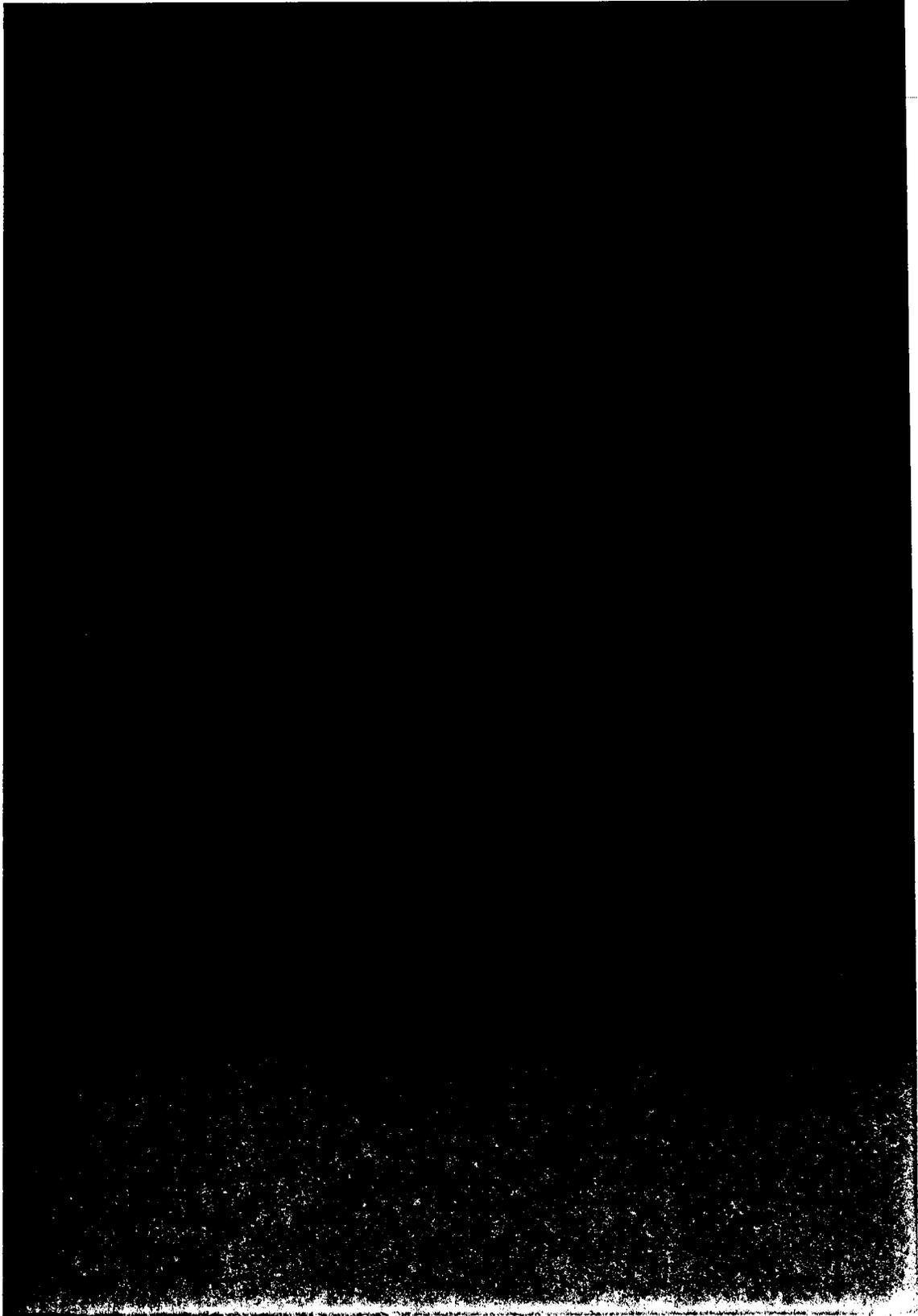






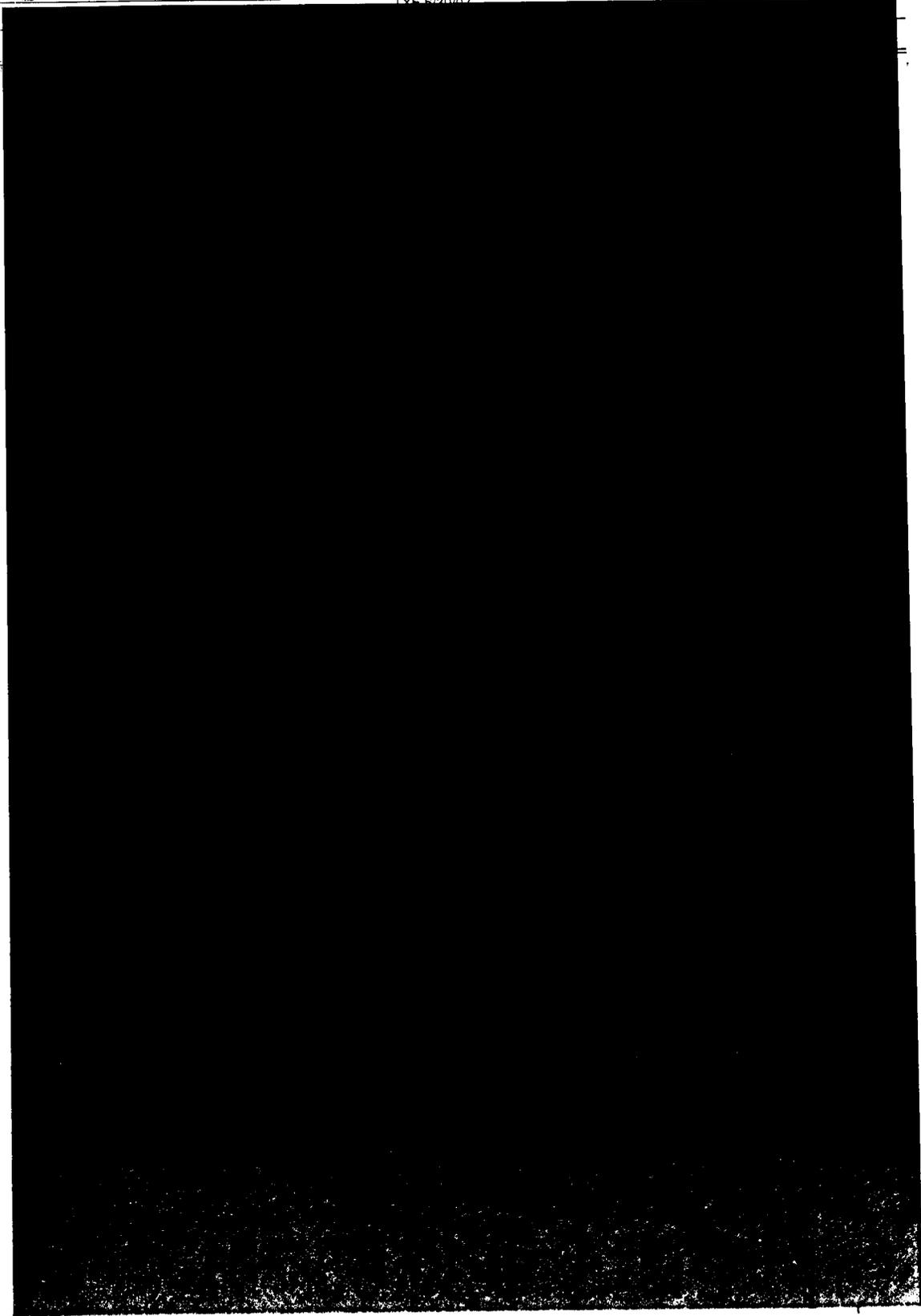






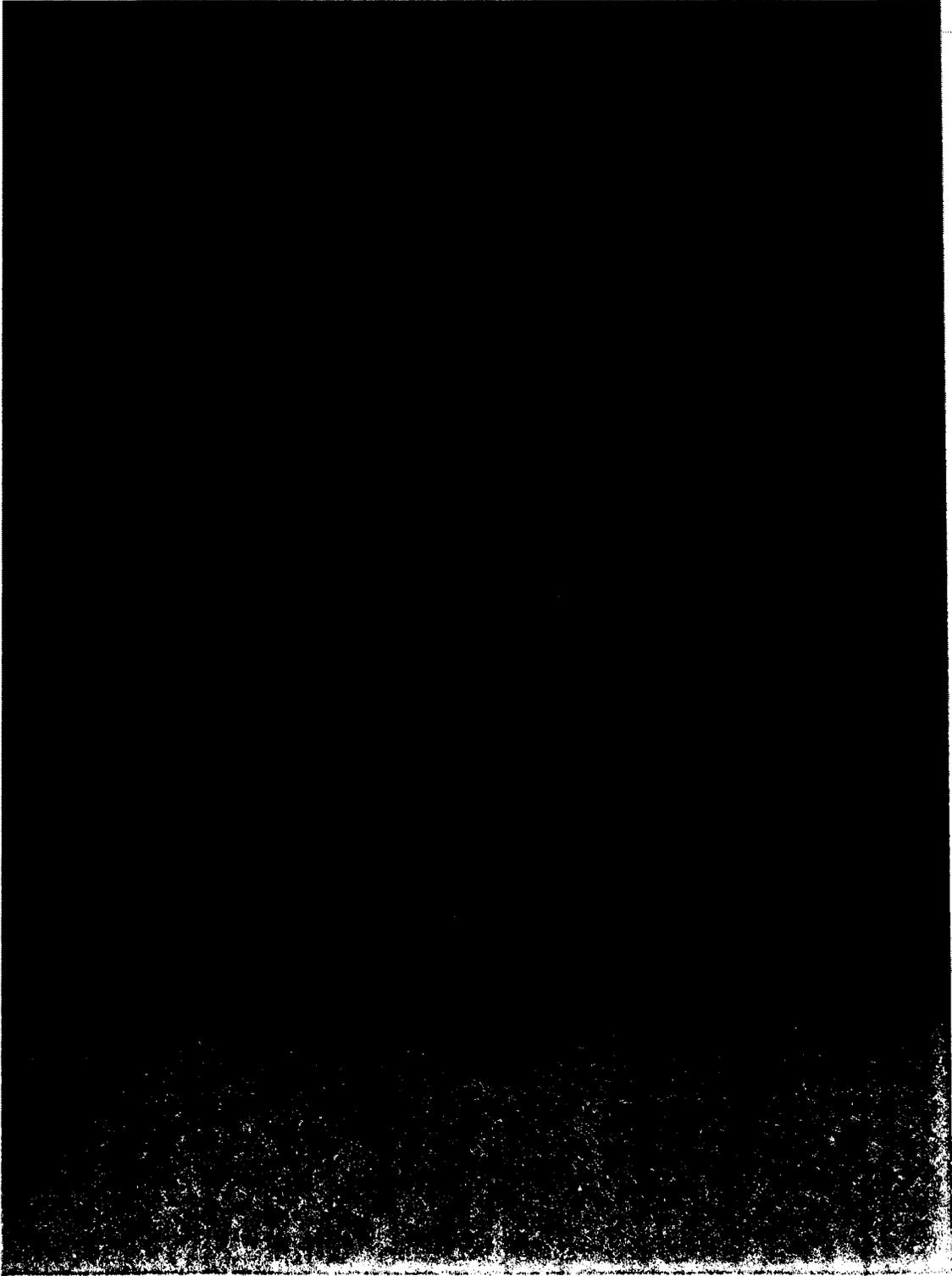
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Glades Power Park Project
RCA #07-221-4-1 Dkt #070432-EI
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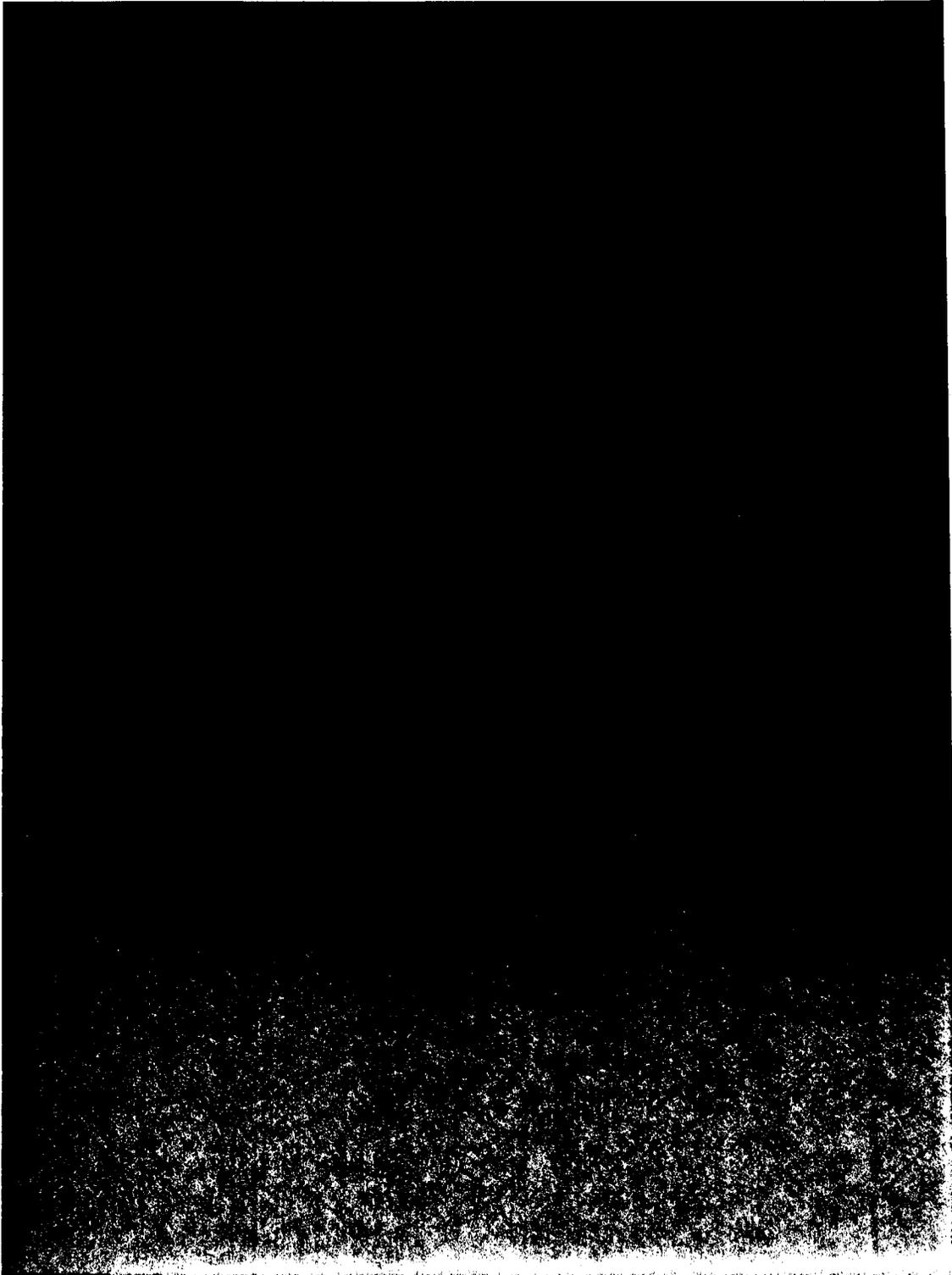
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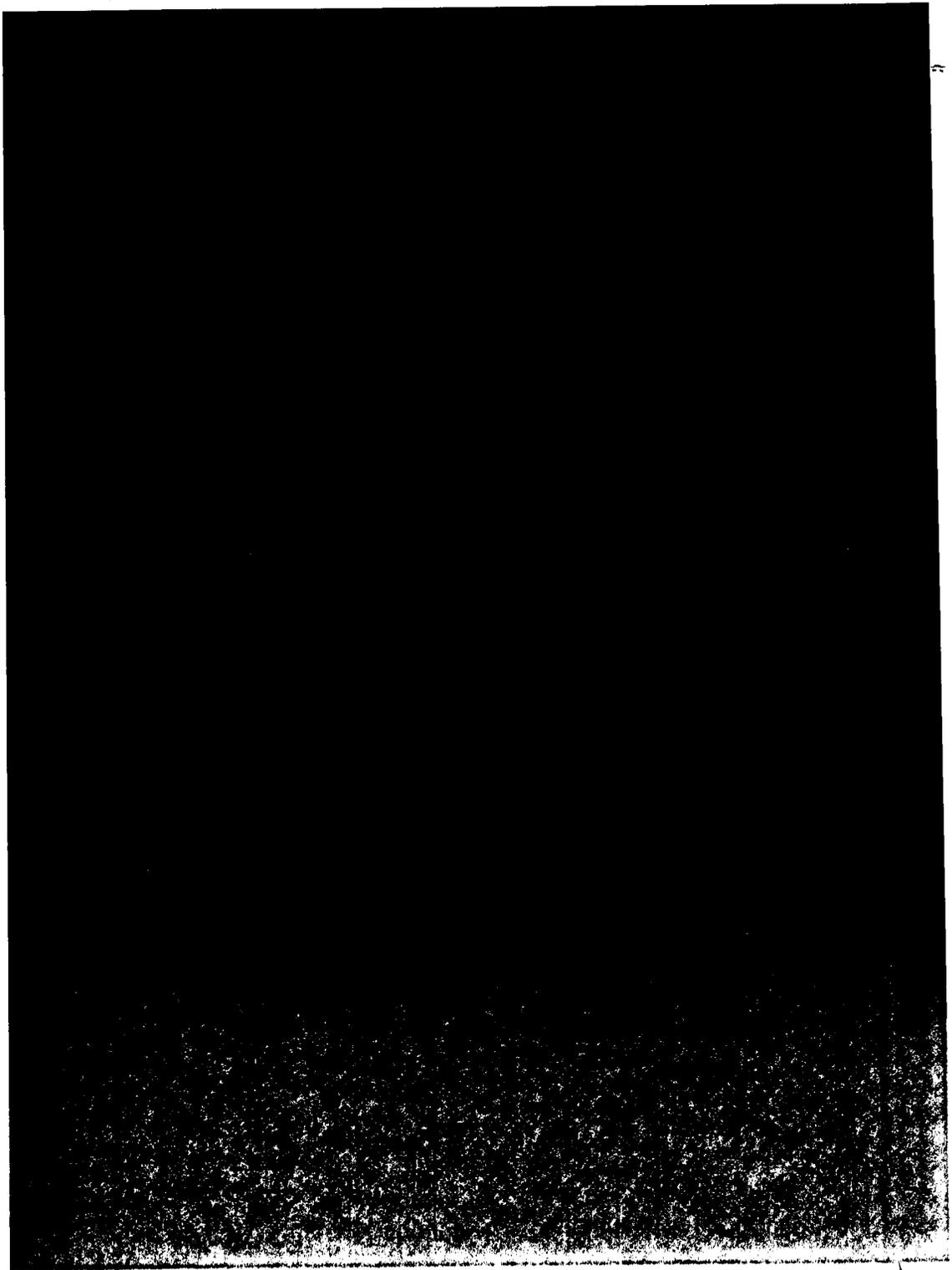


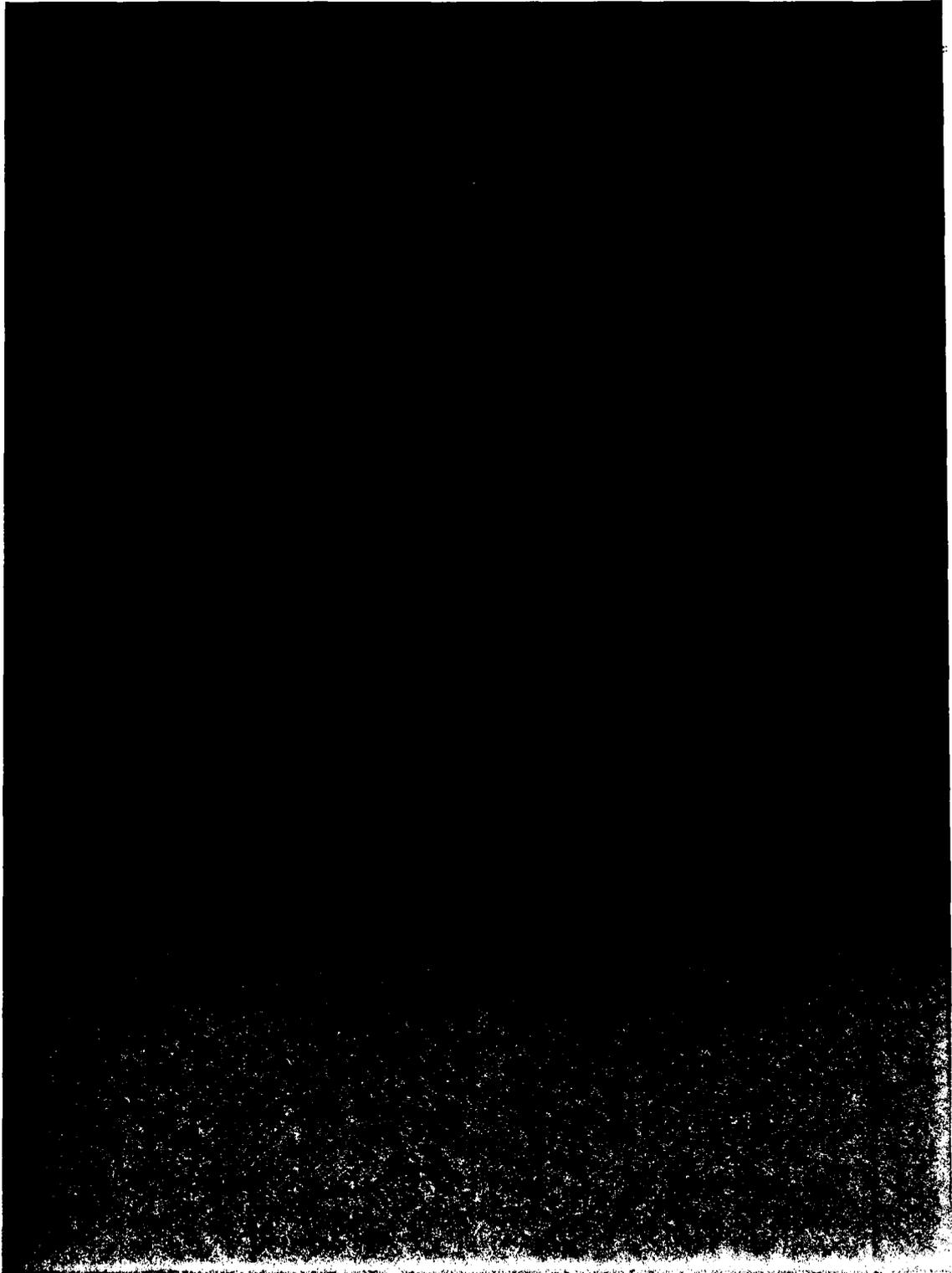
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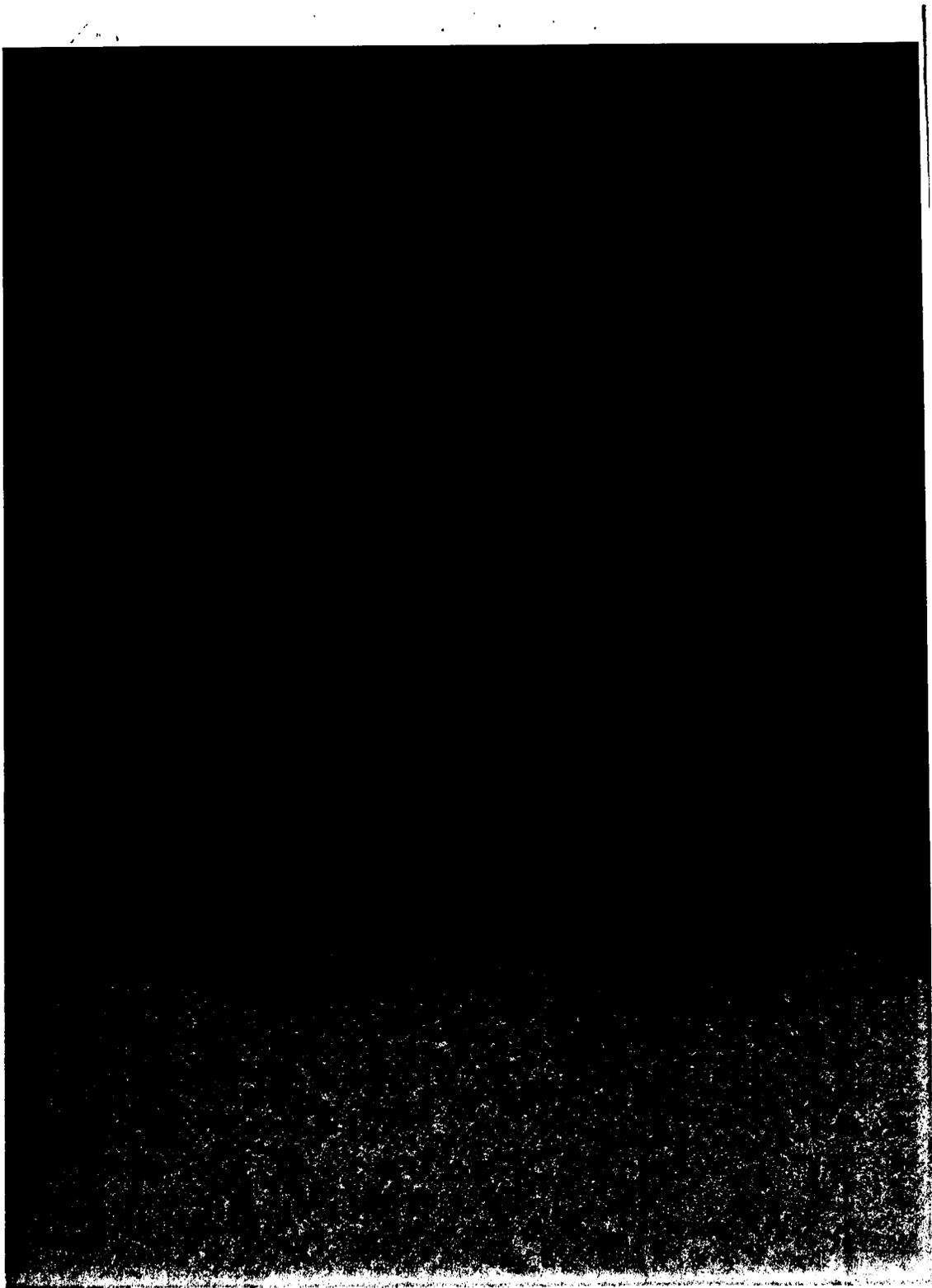
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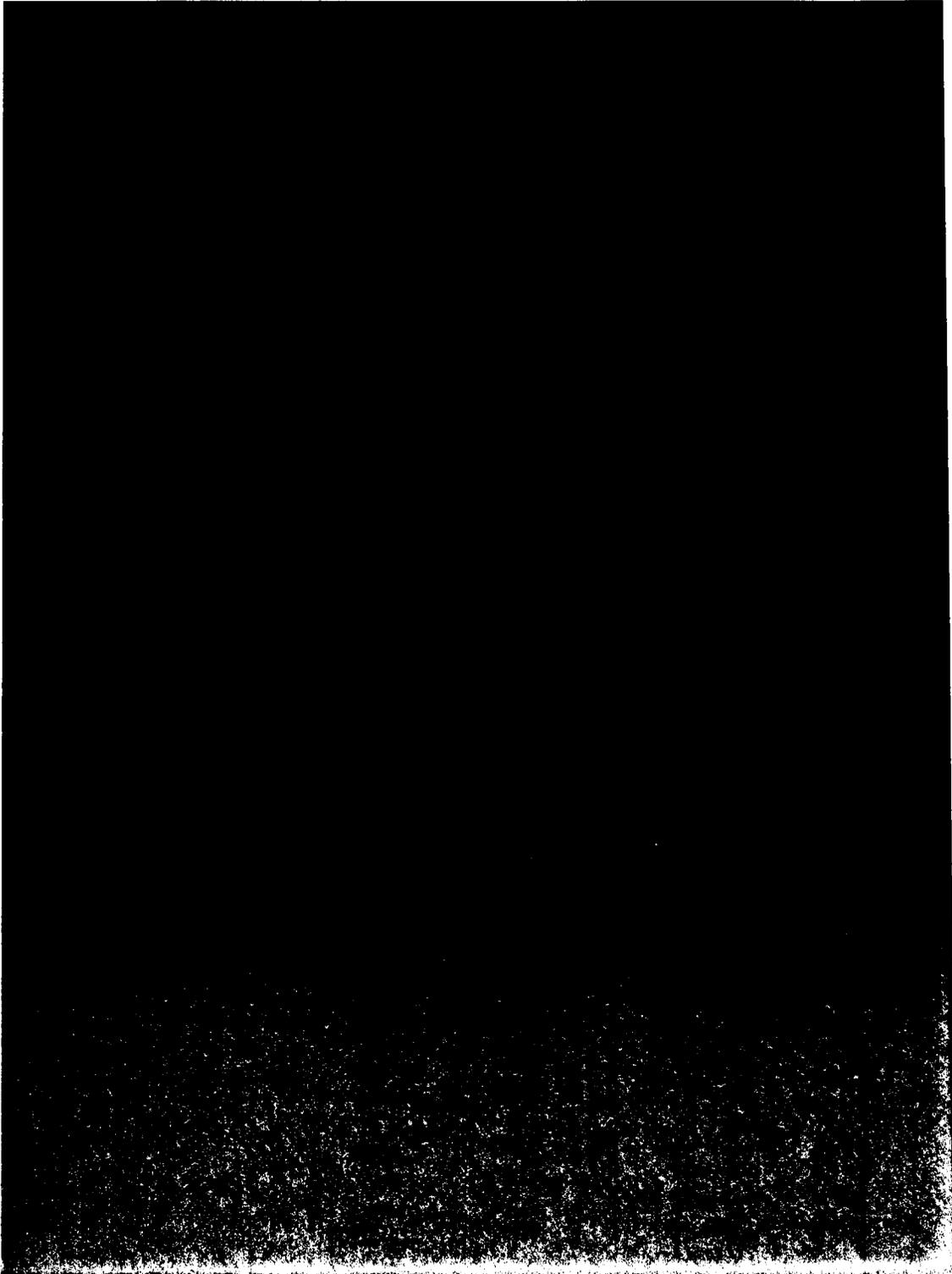


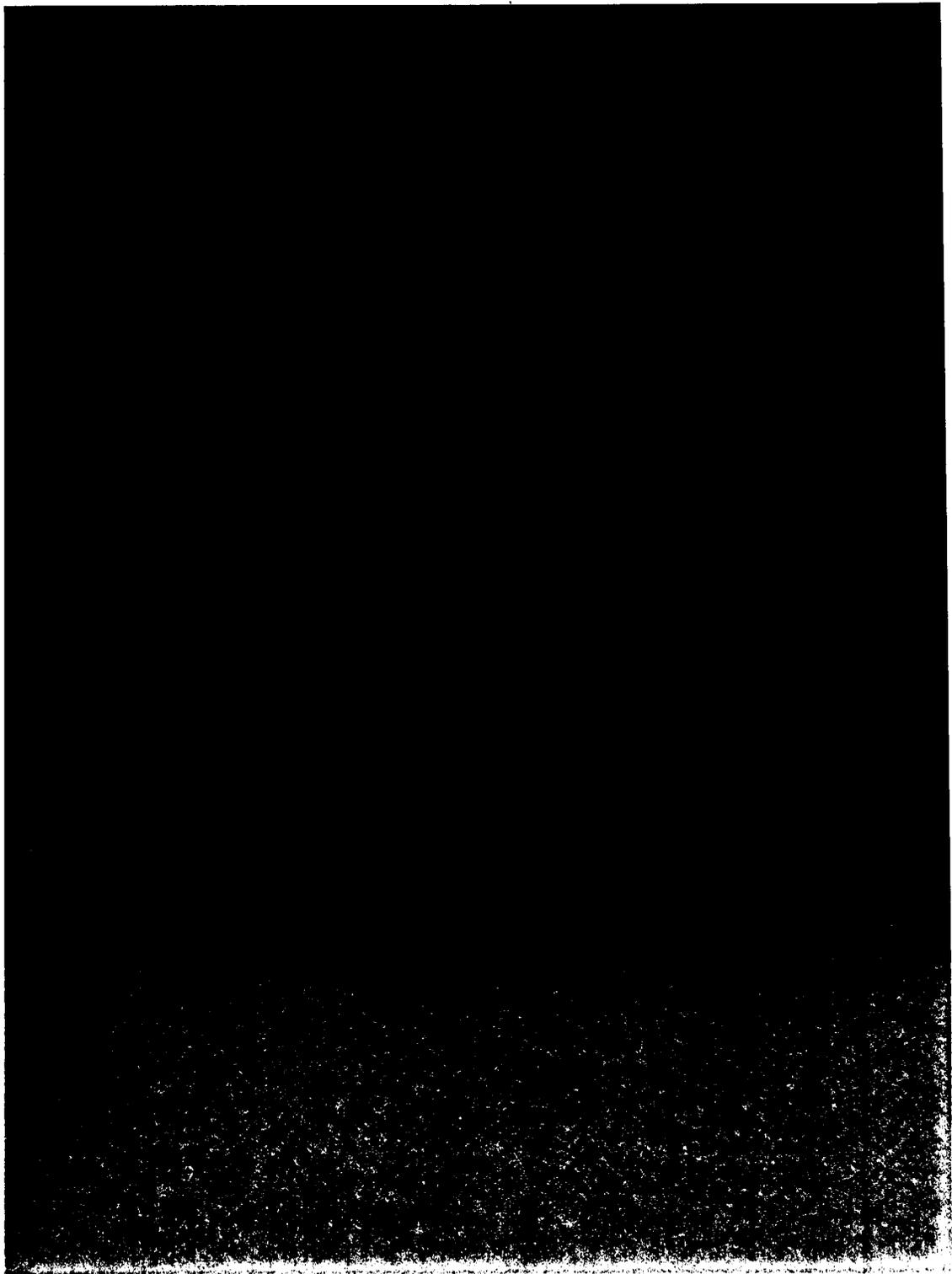


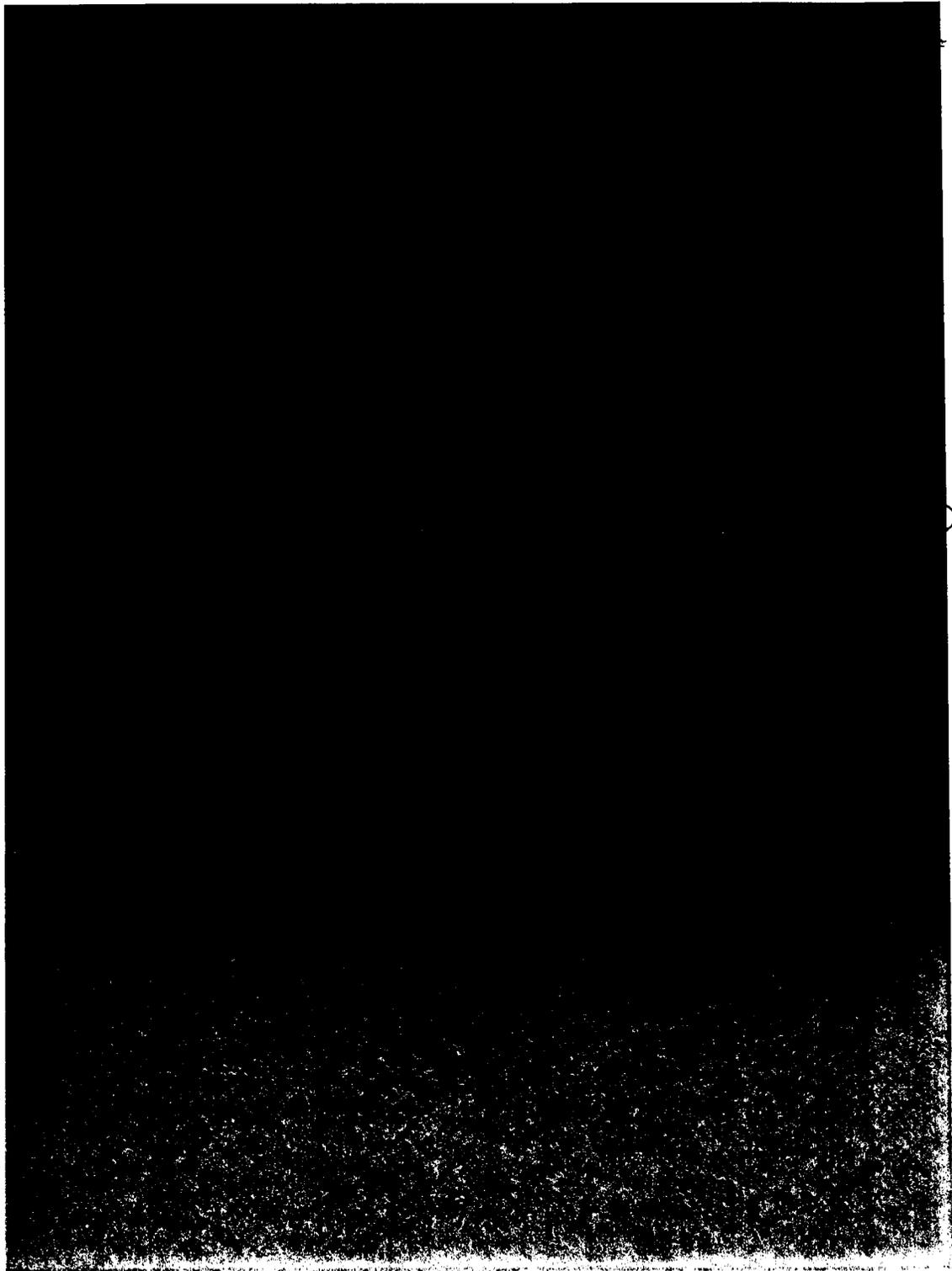


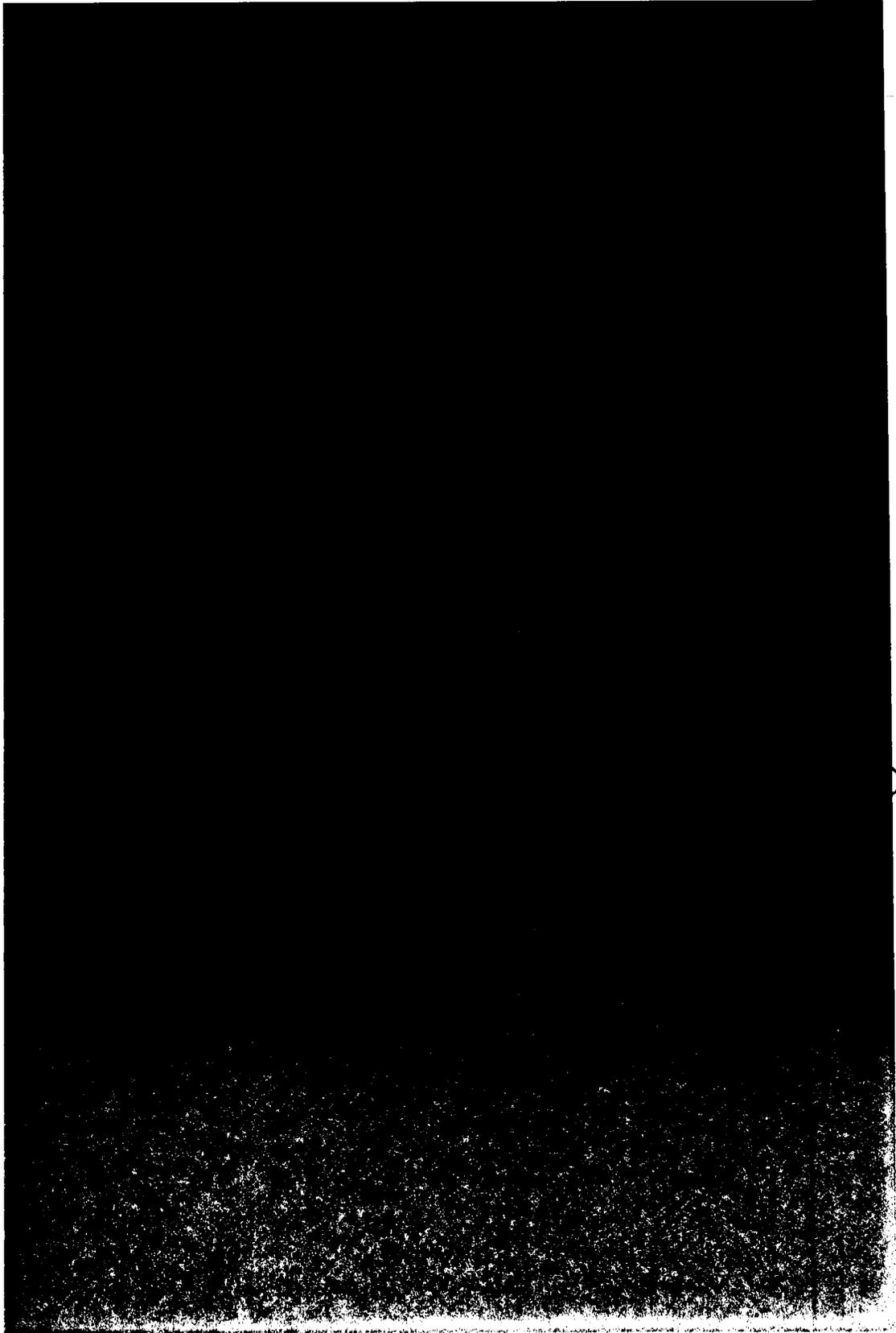


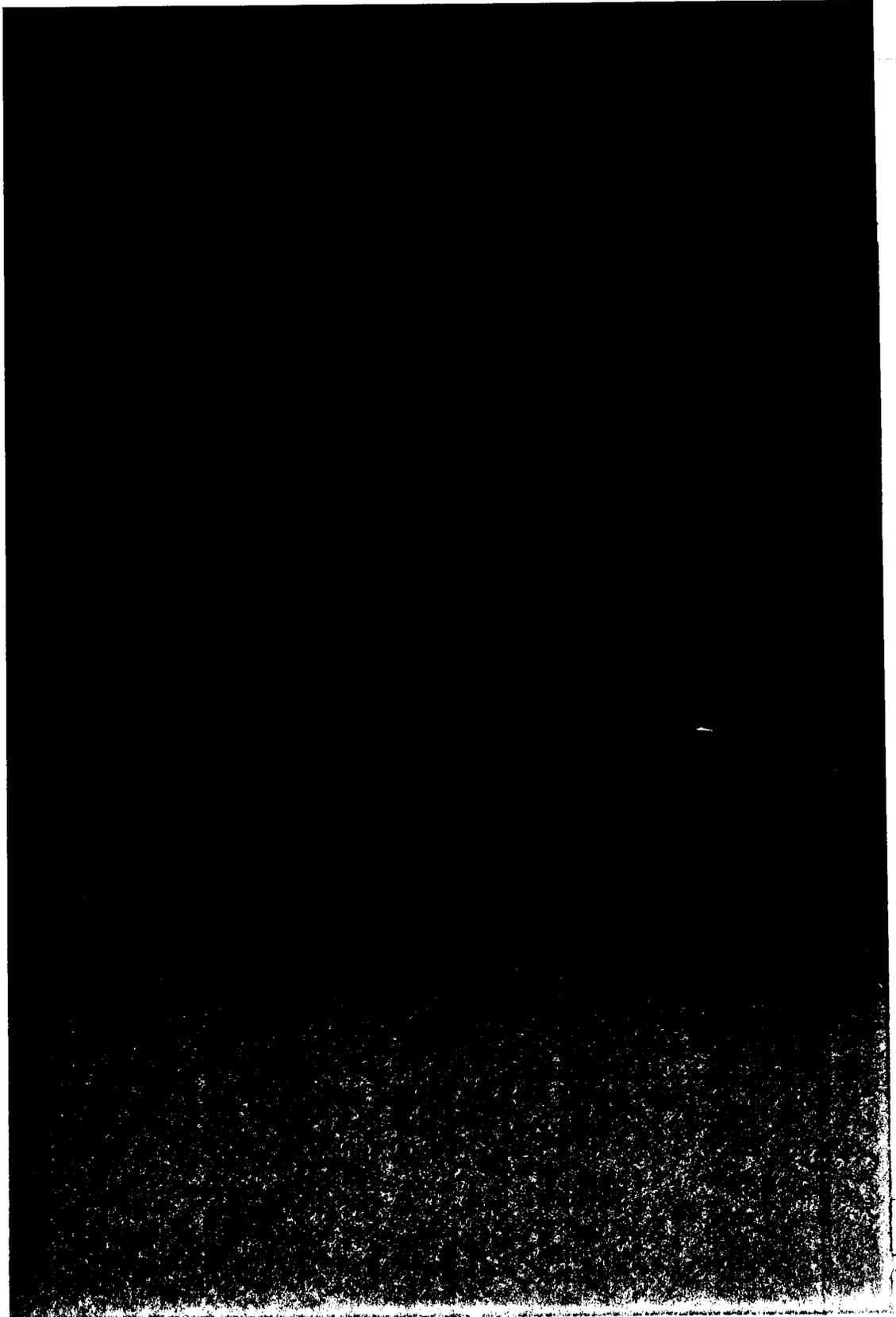


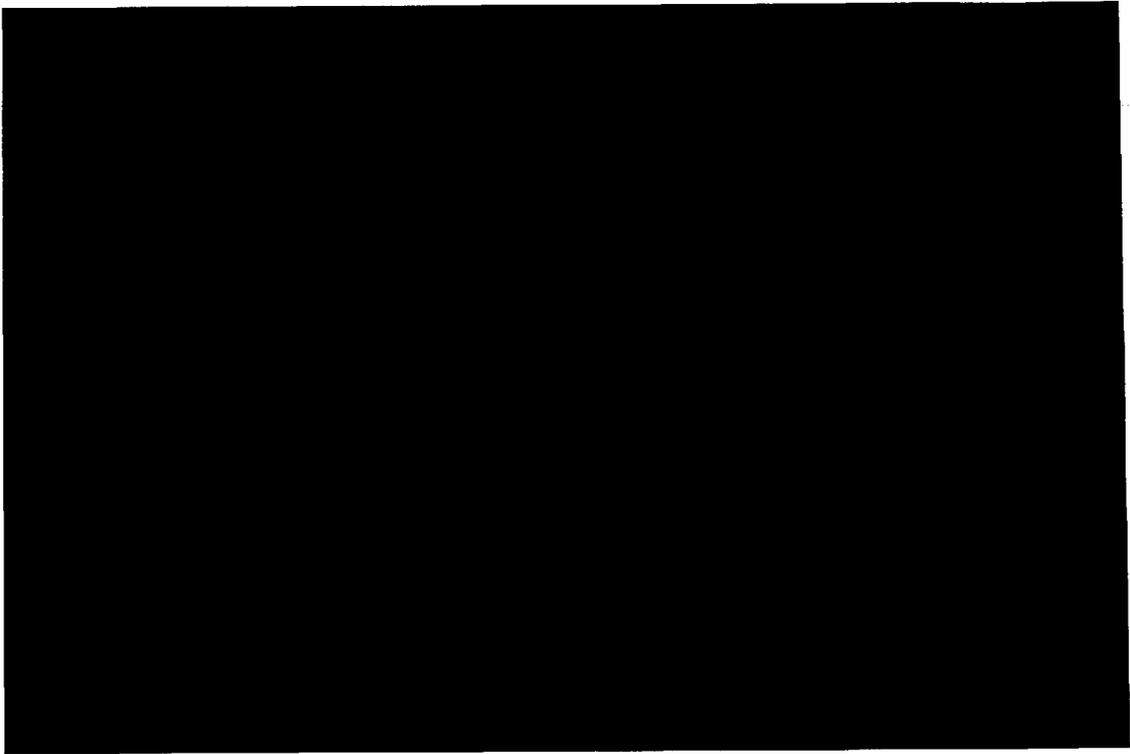


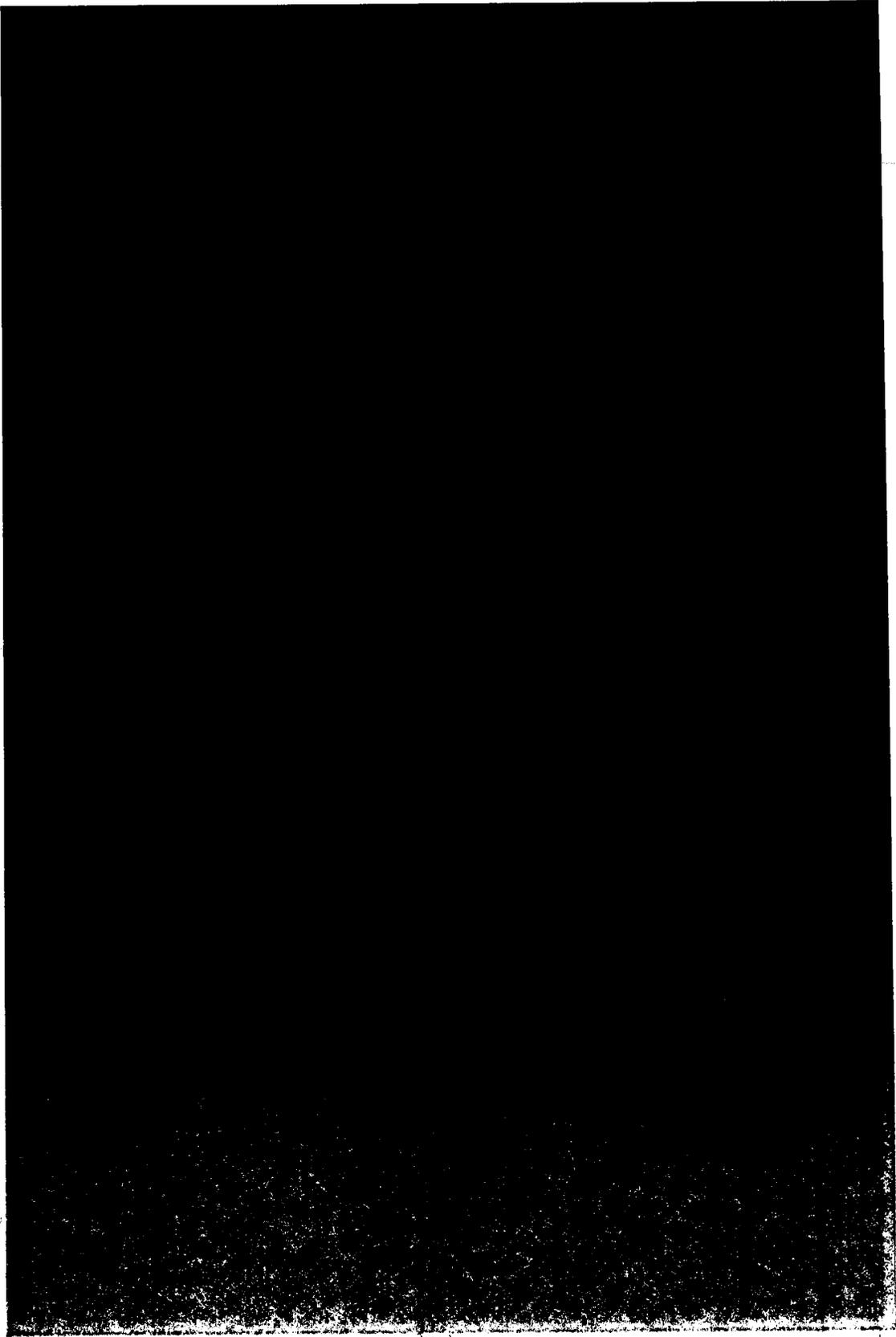




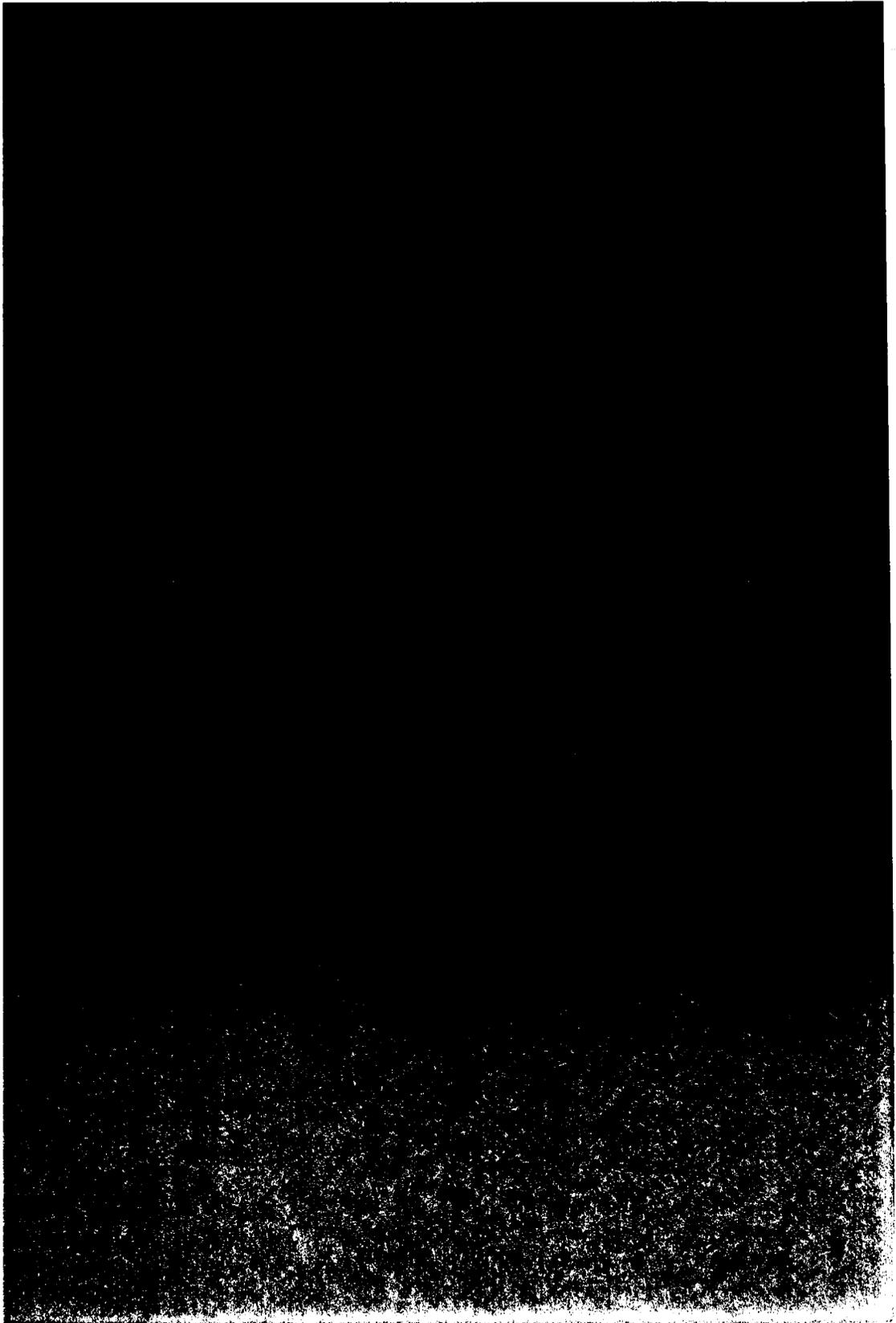


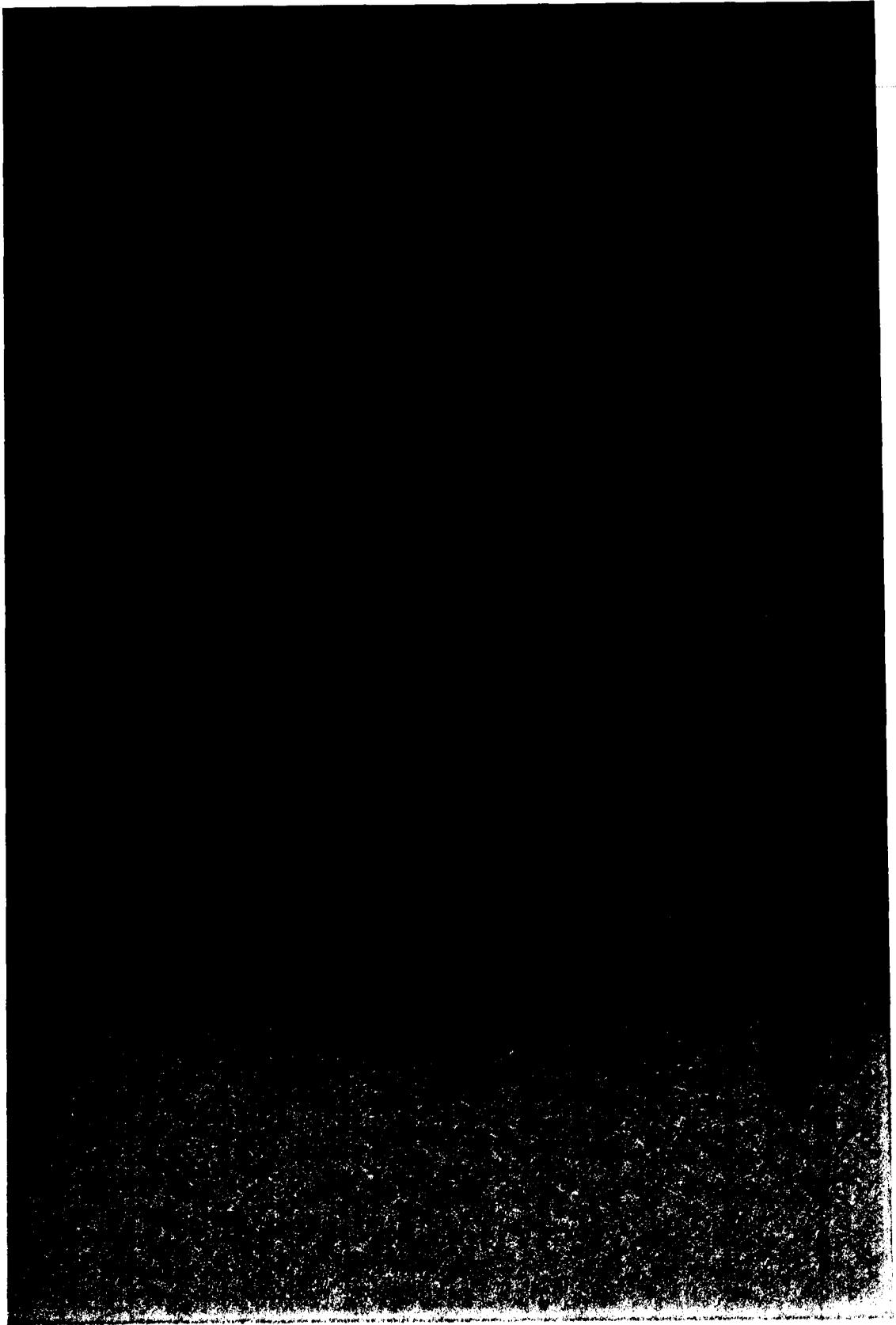


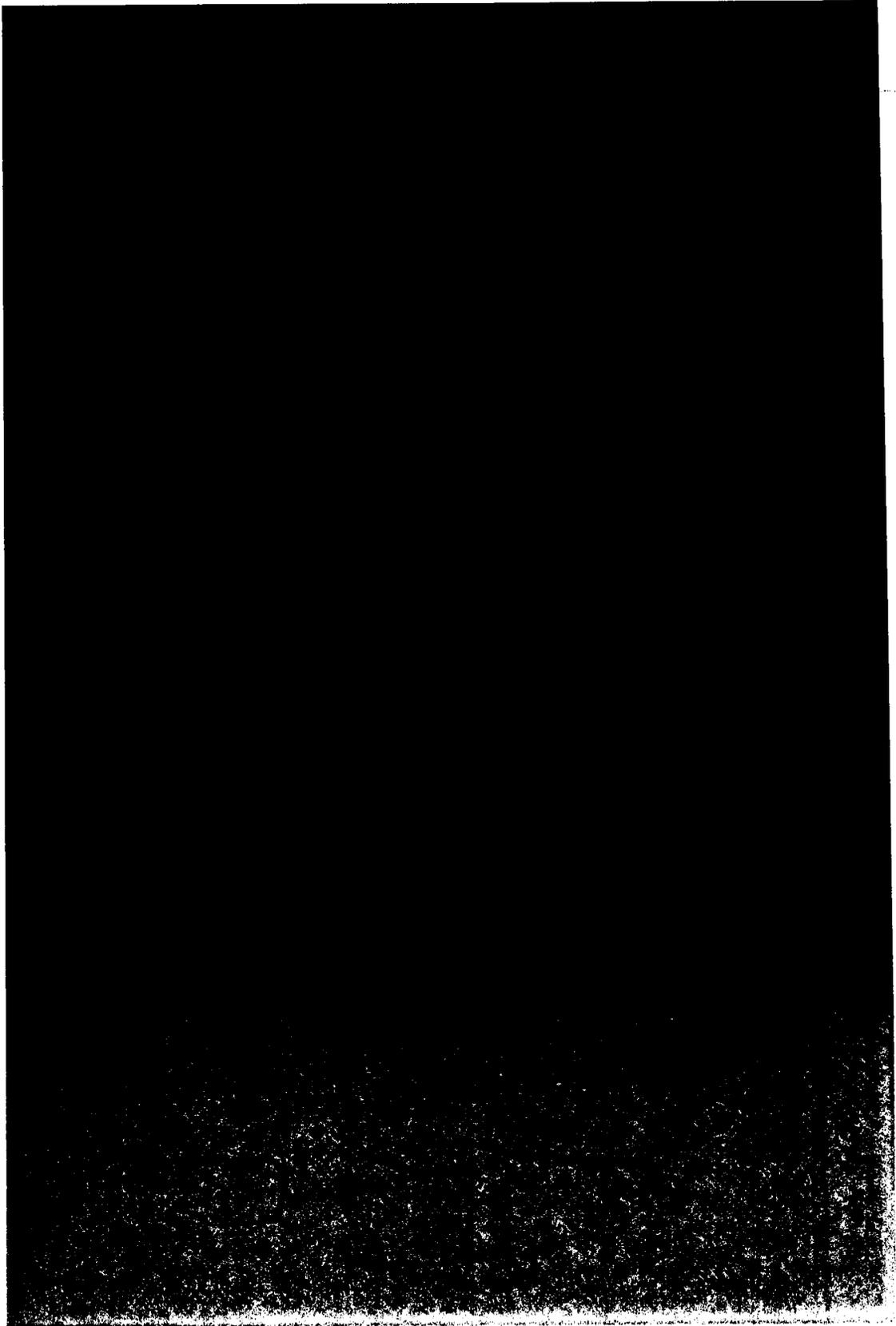


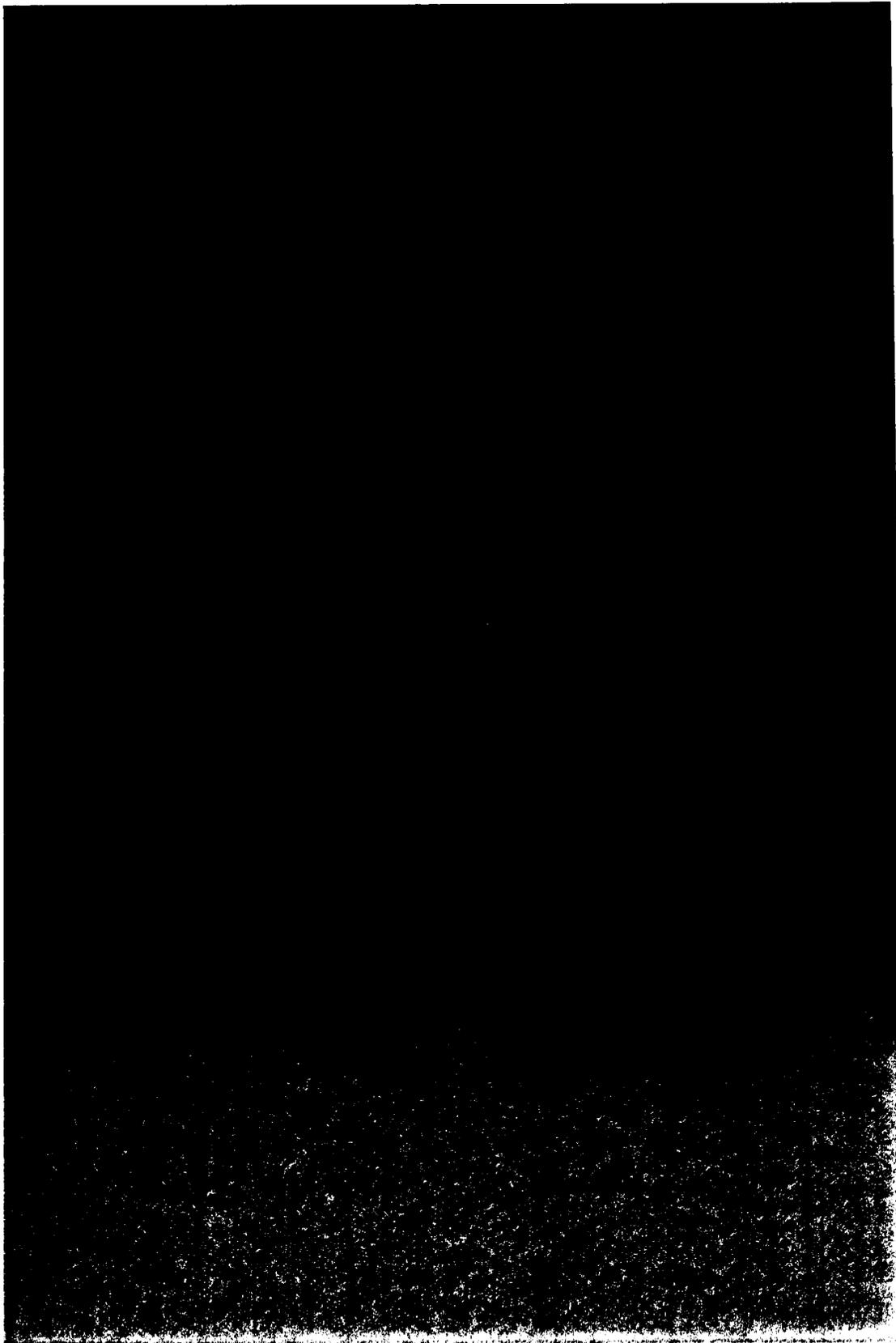


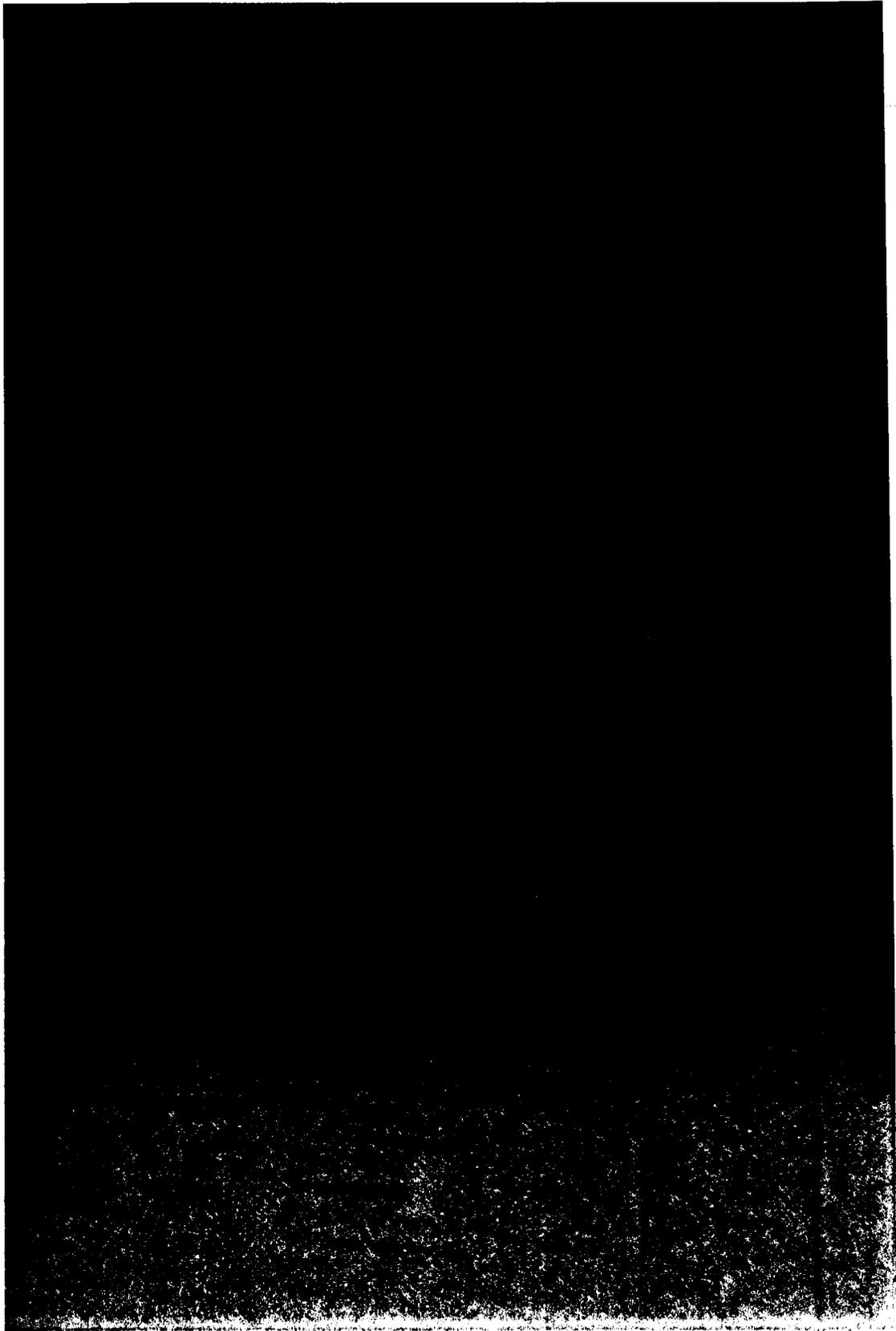
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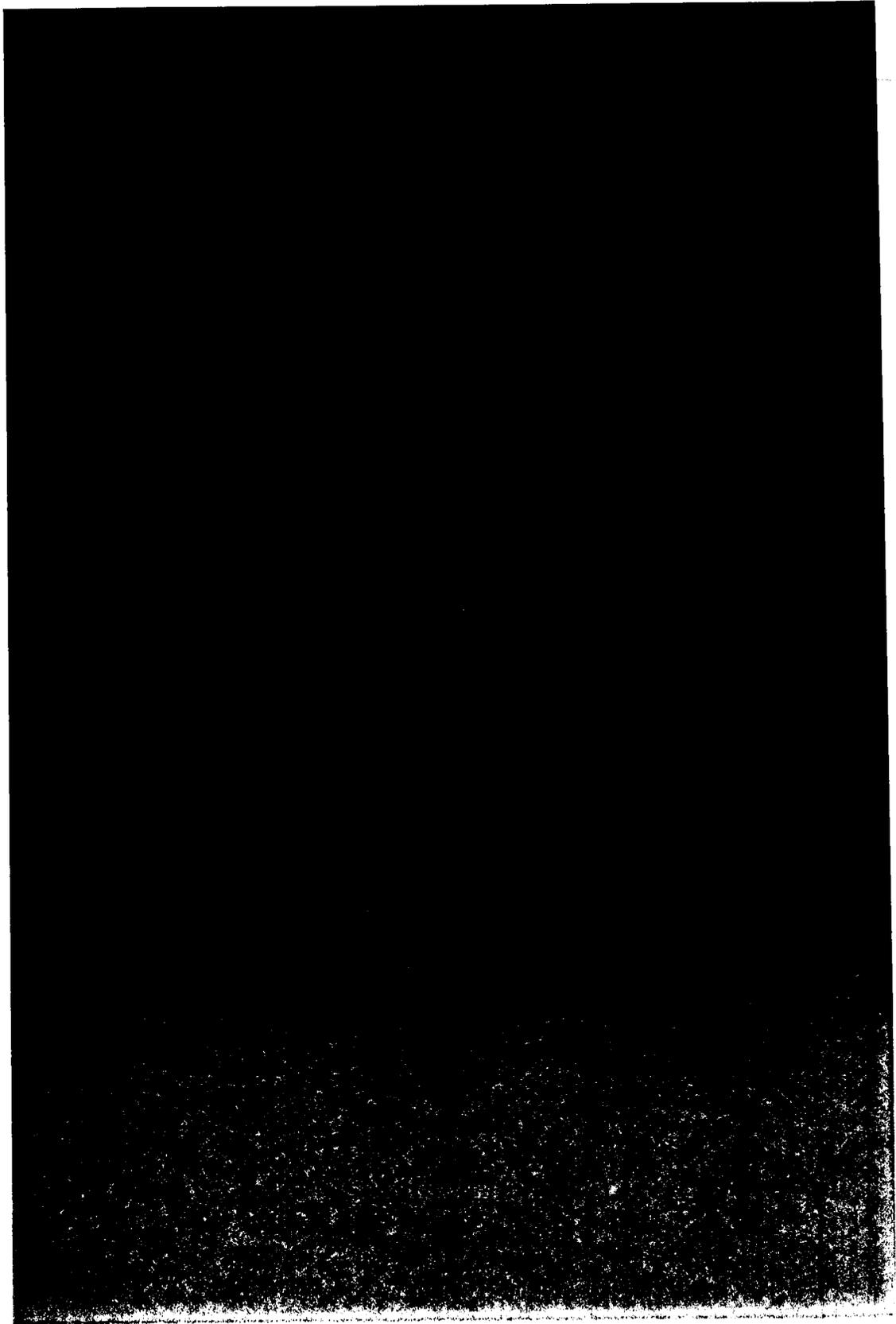


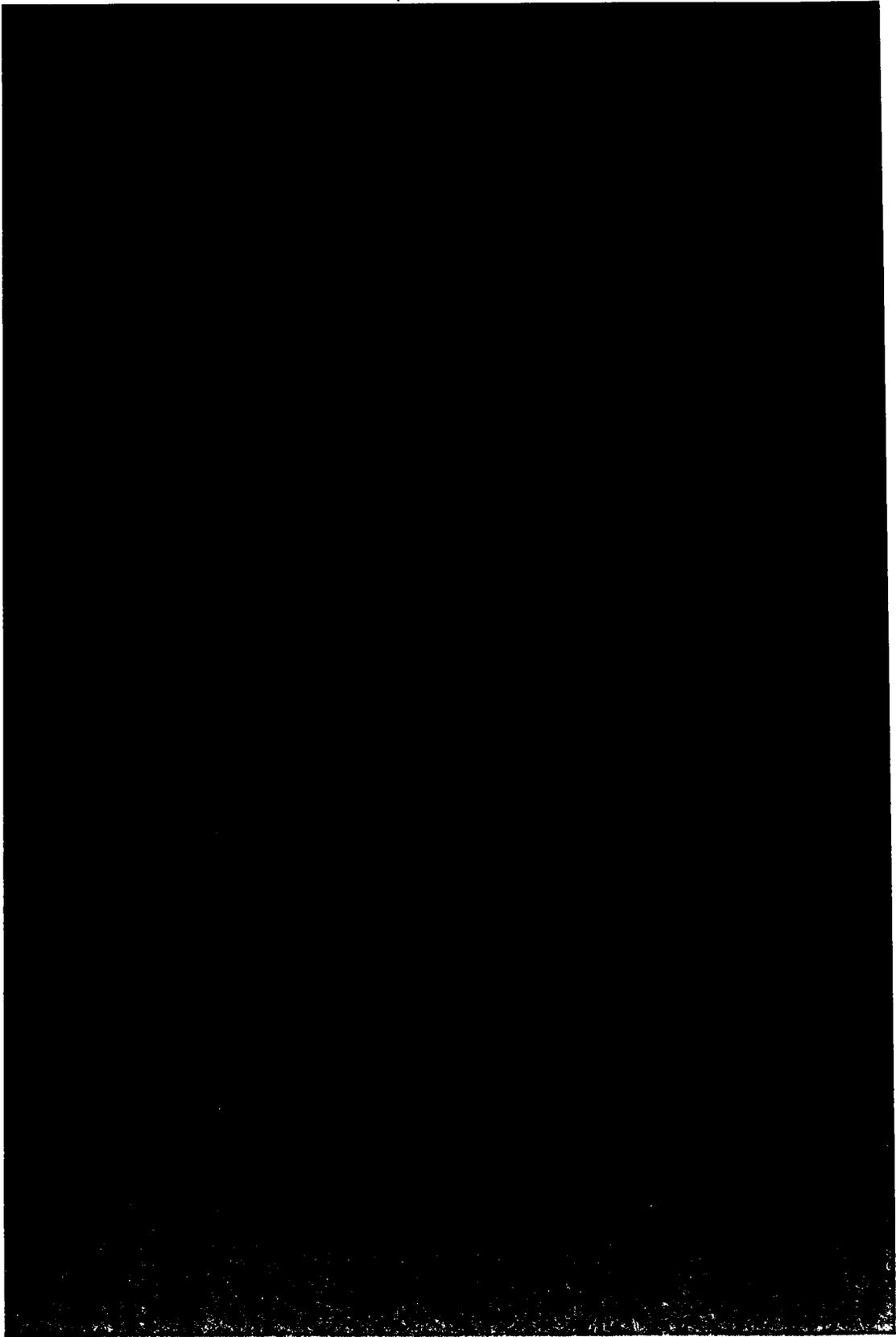


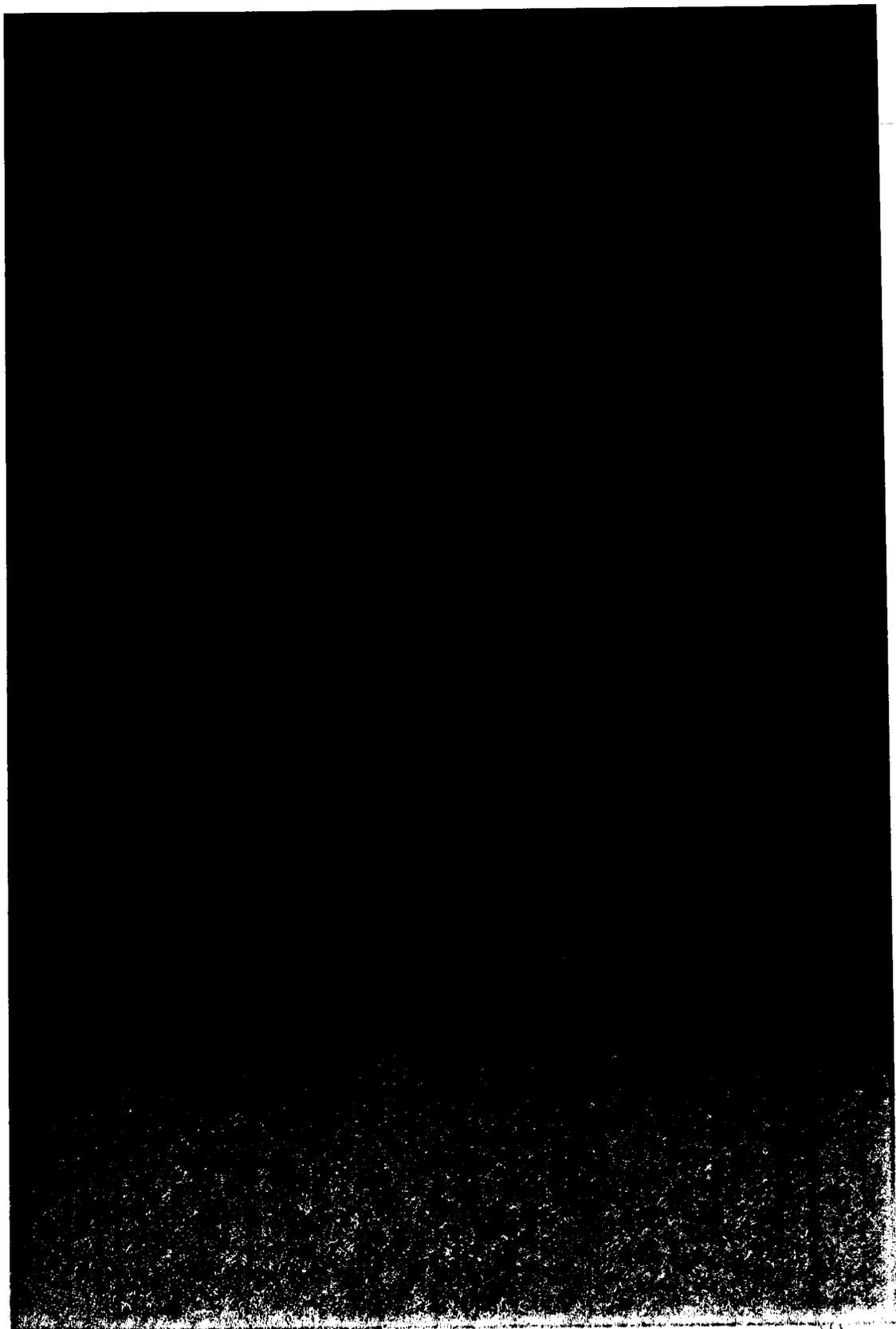




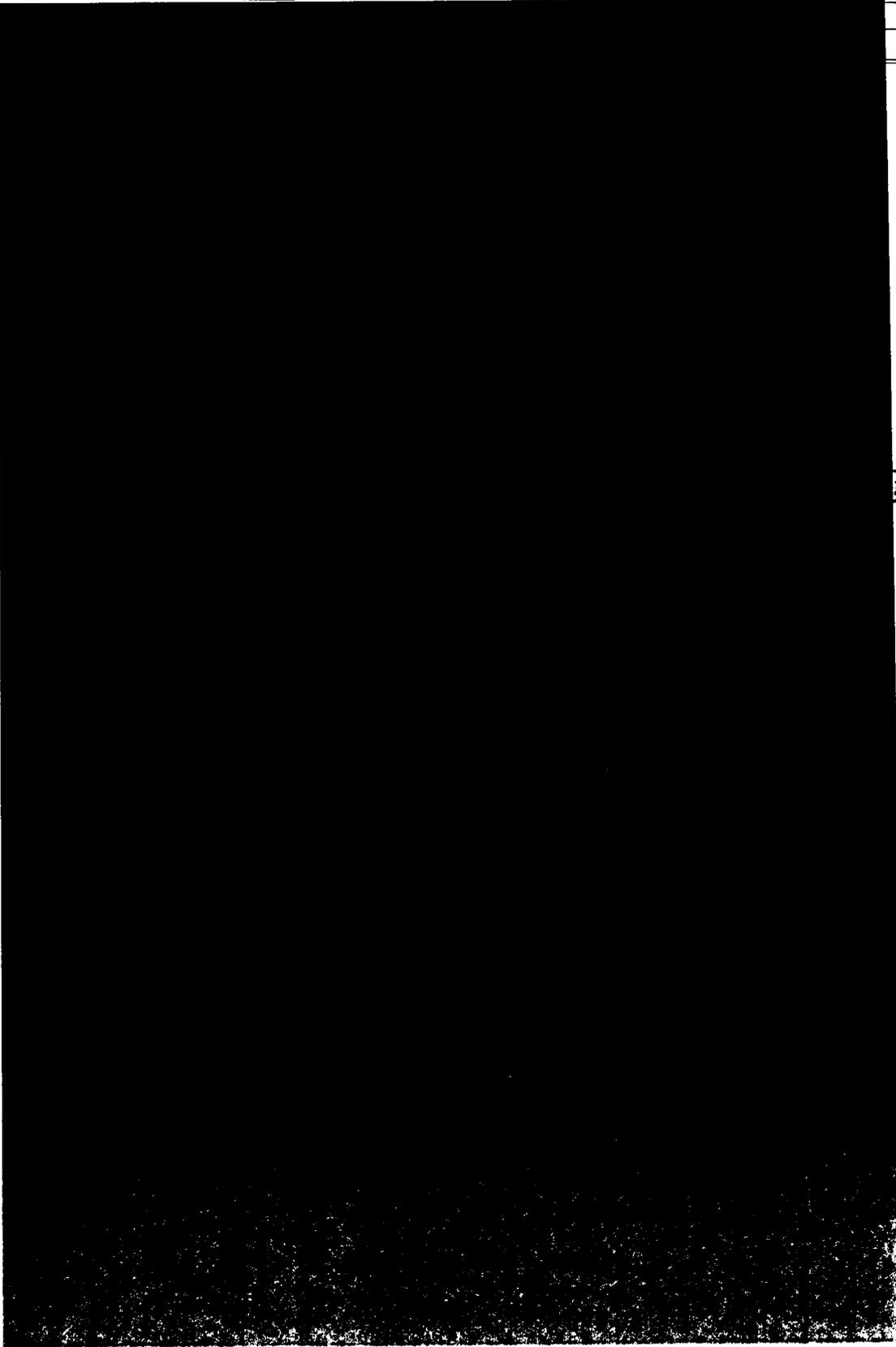








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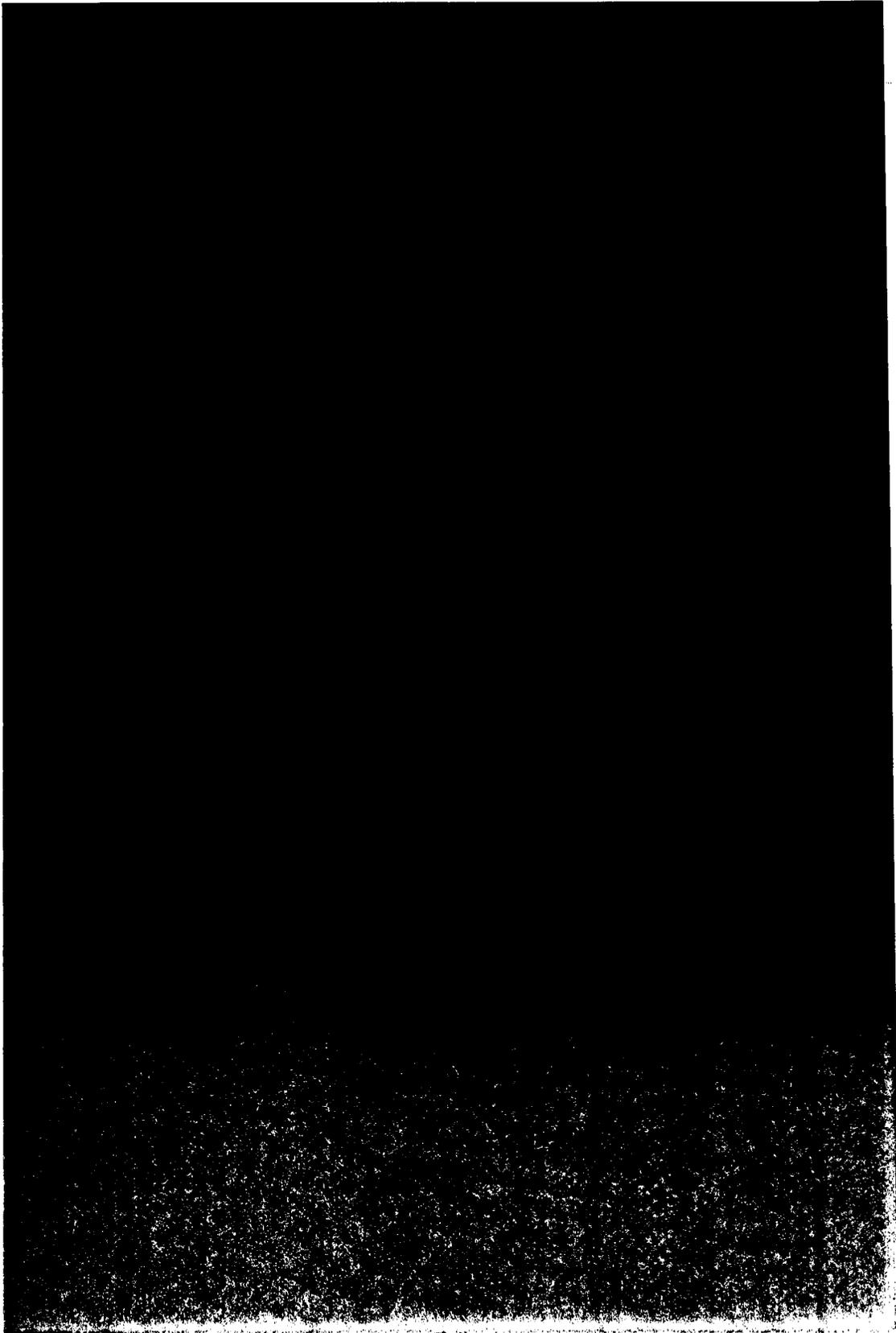


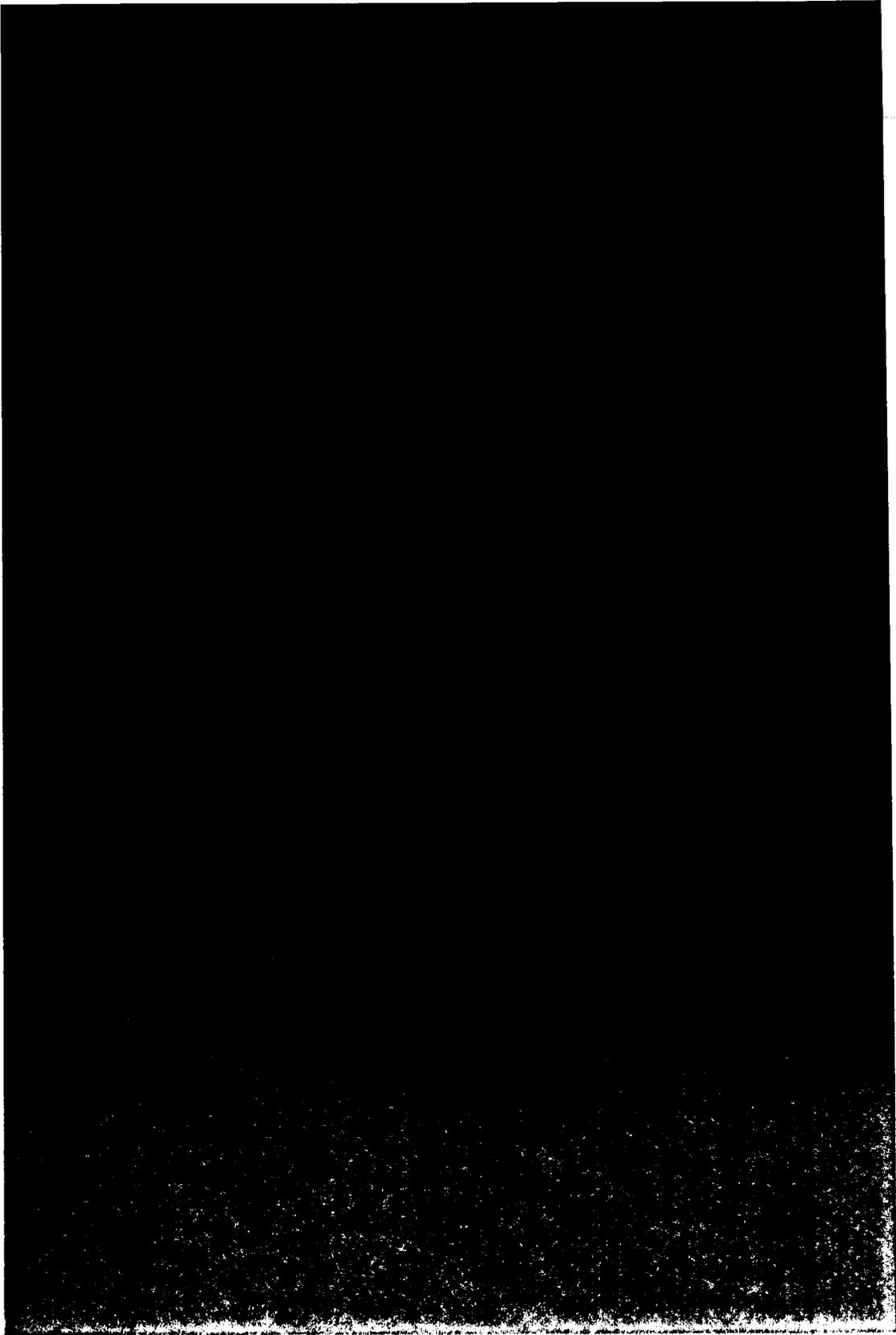
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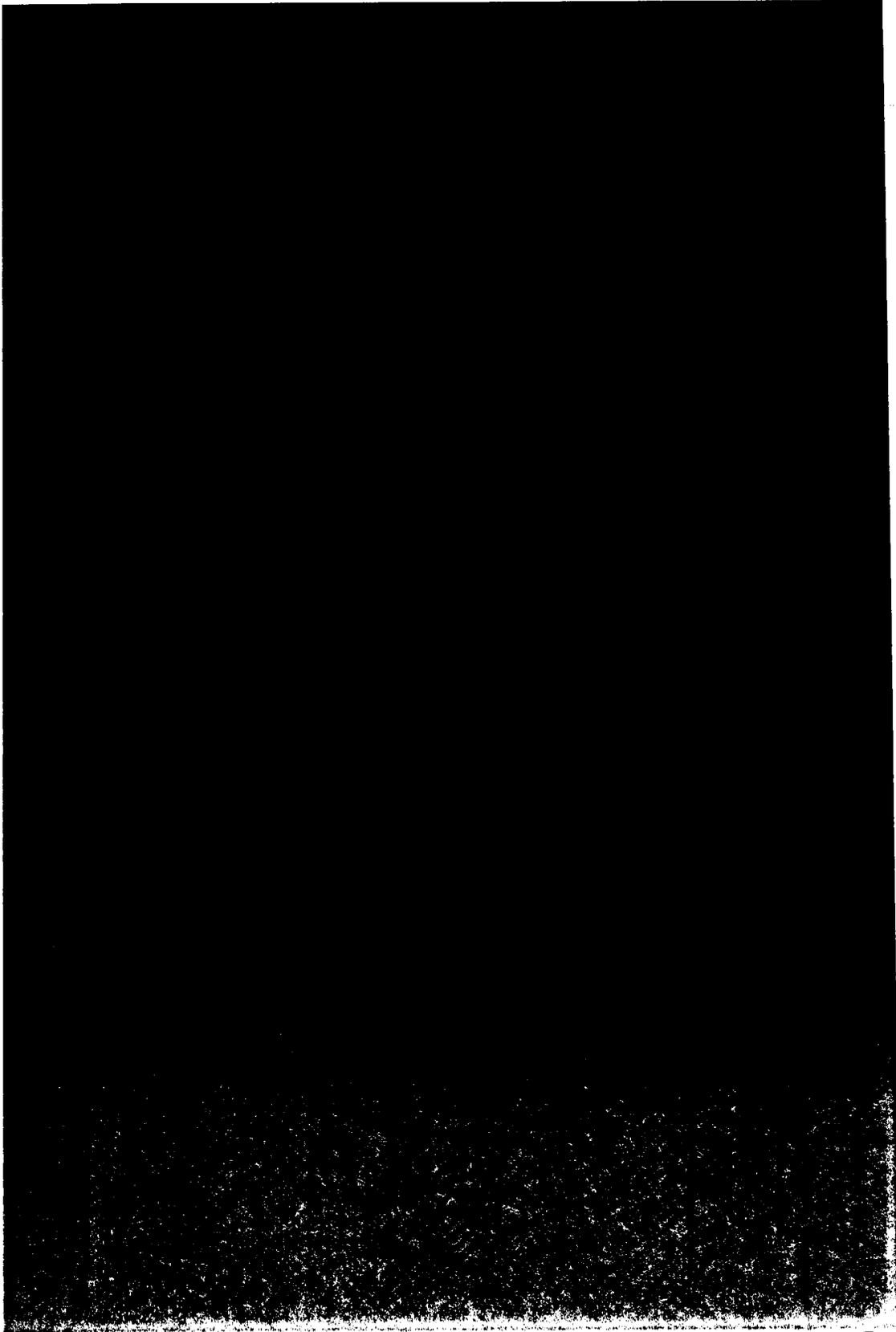
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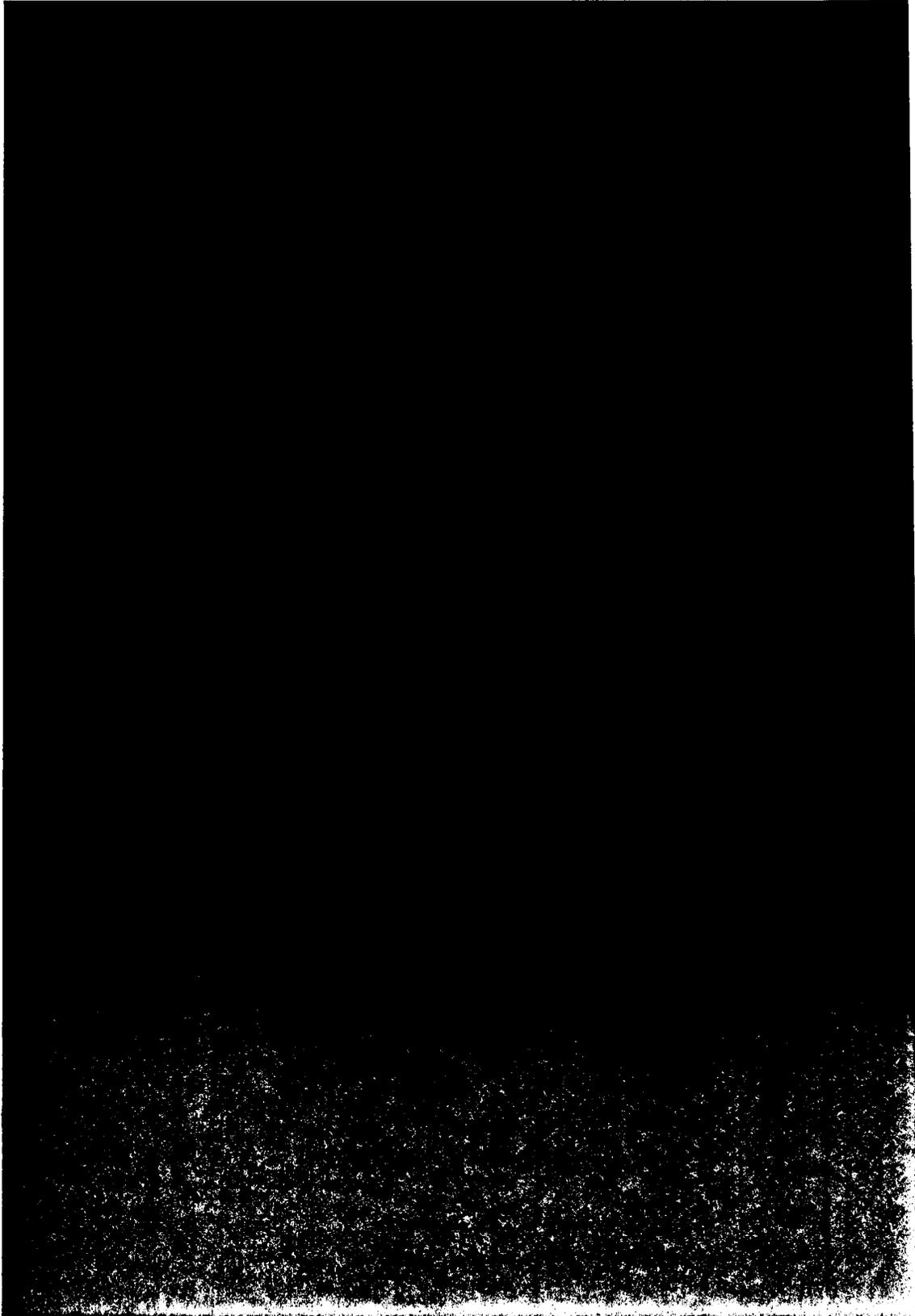
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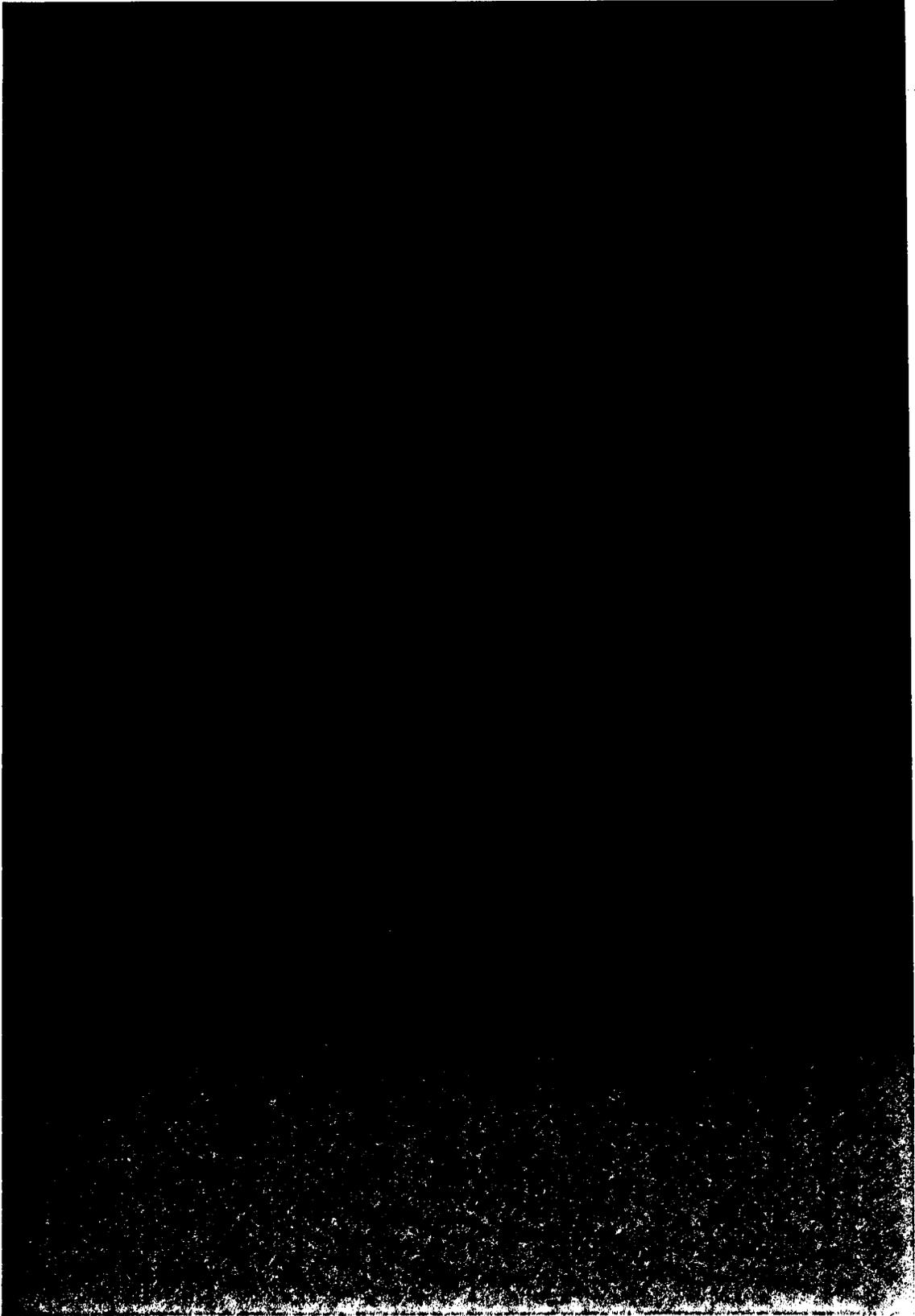
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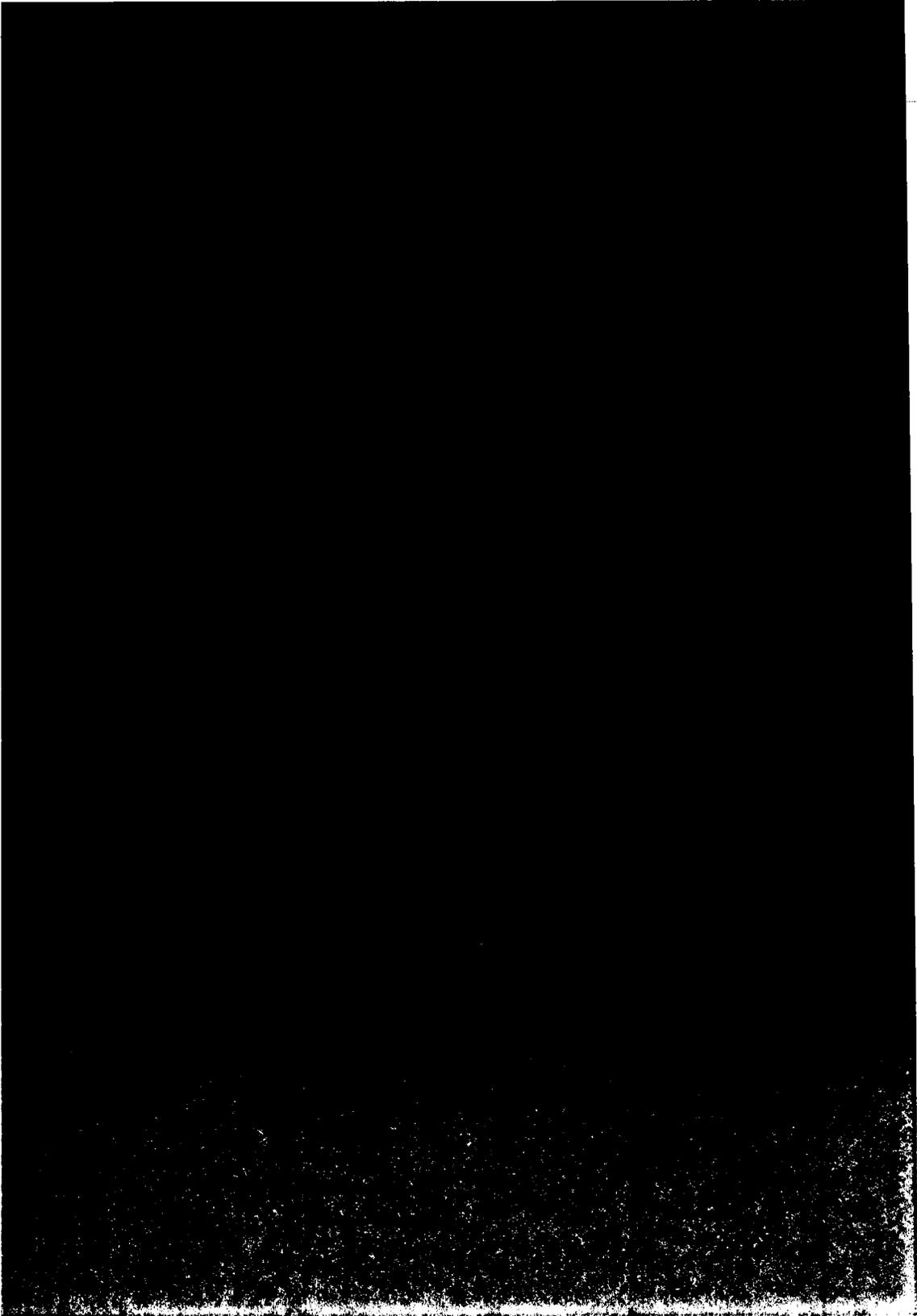


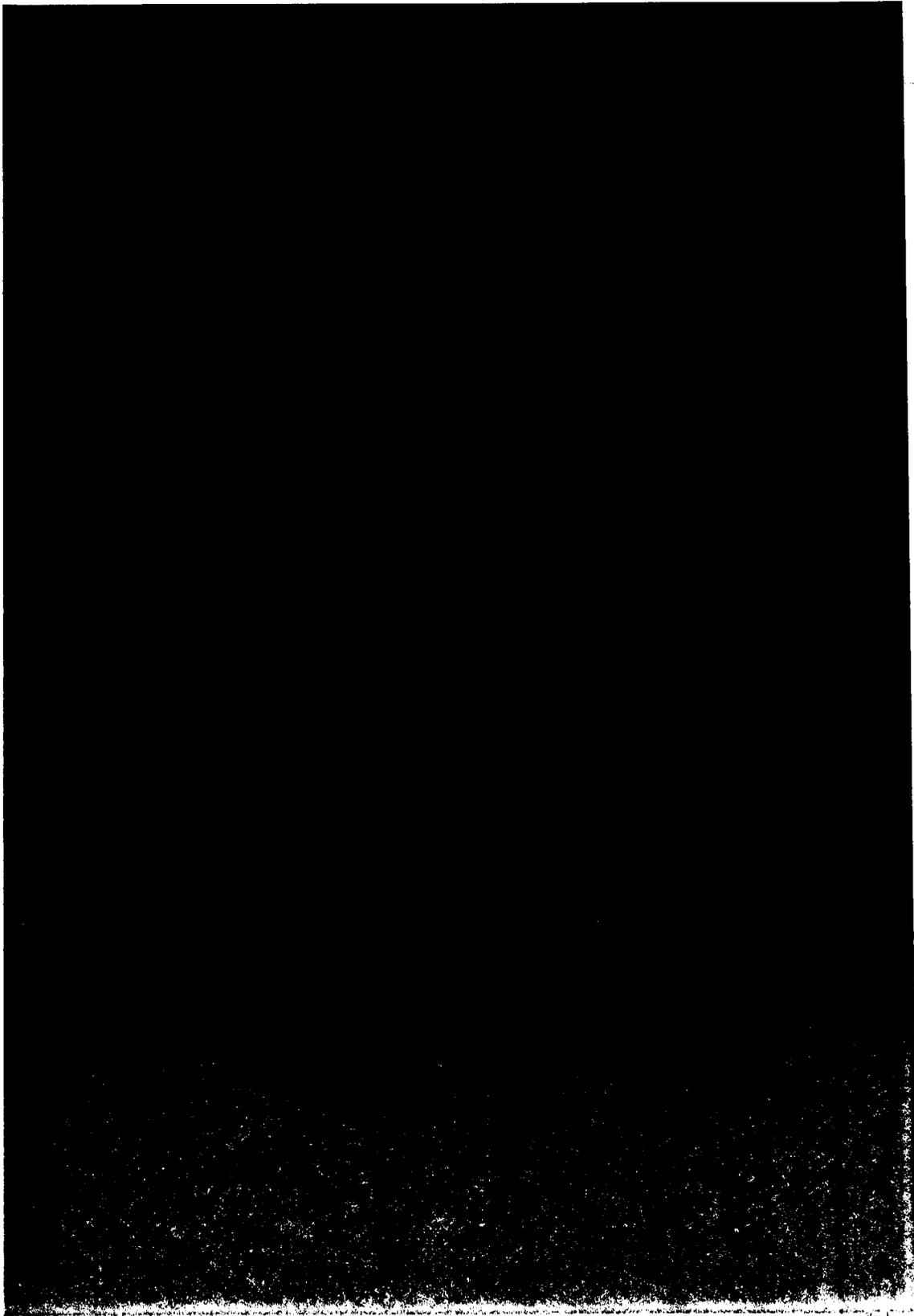


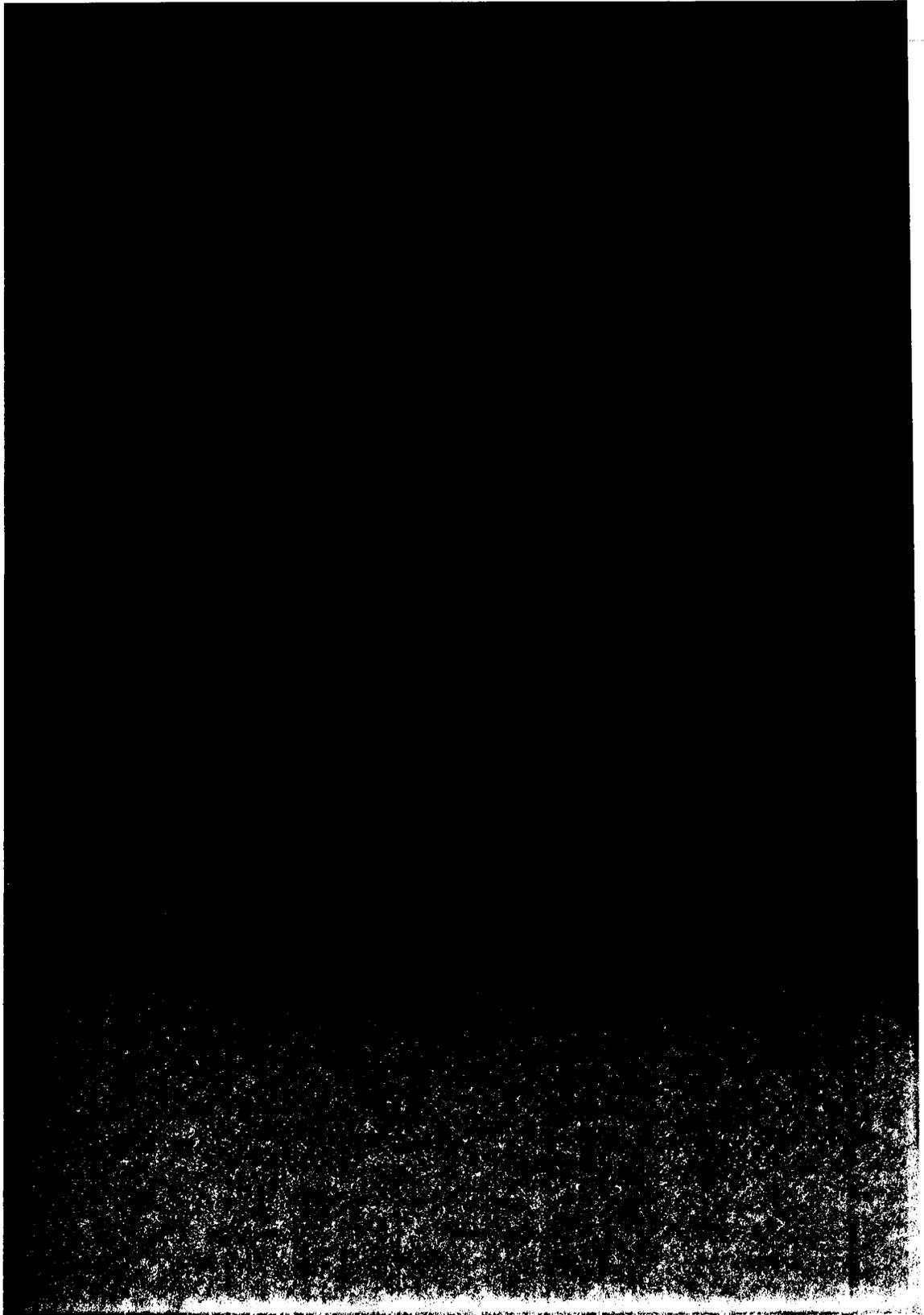


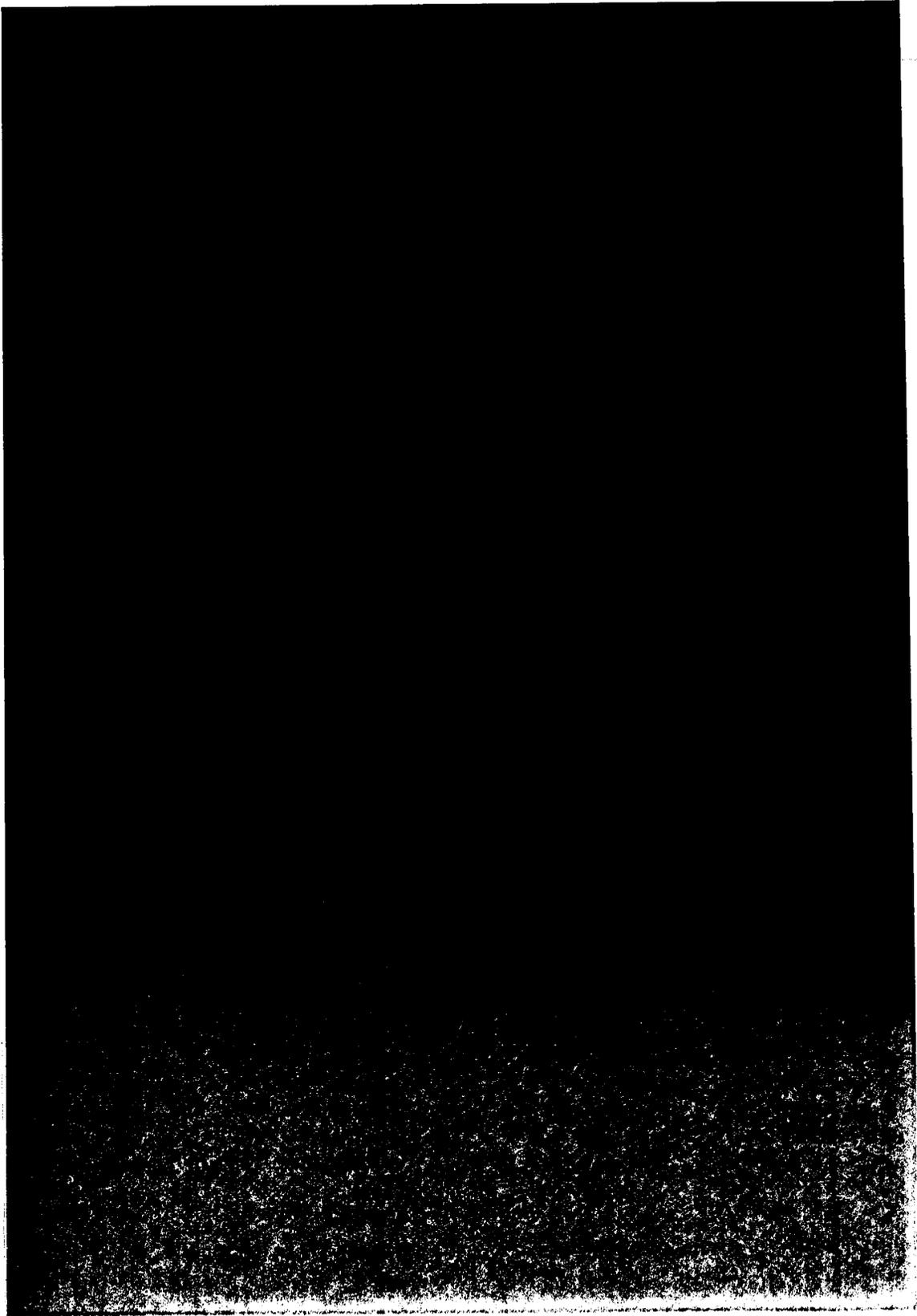


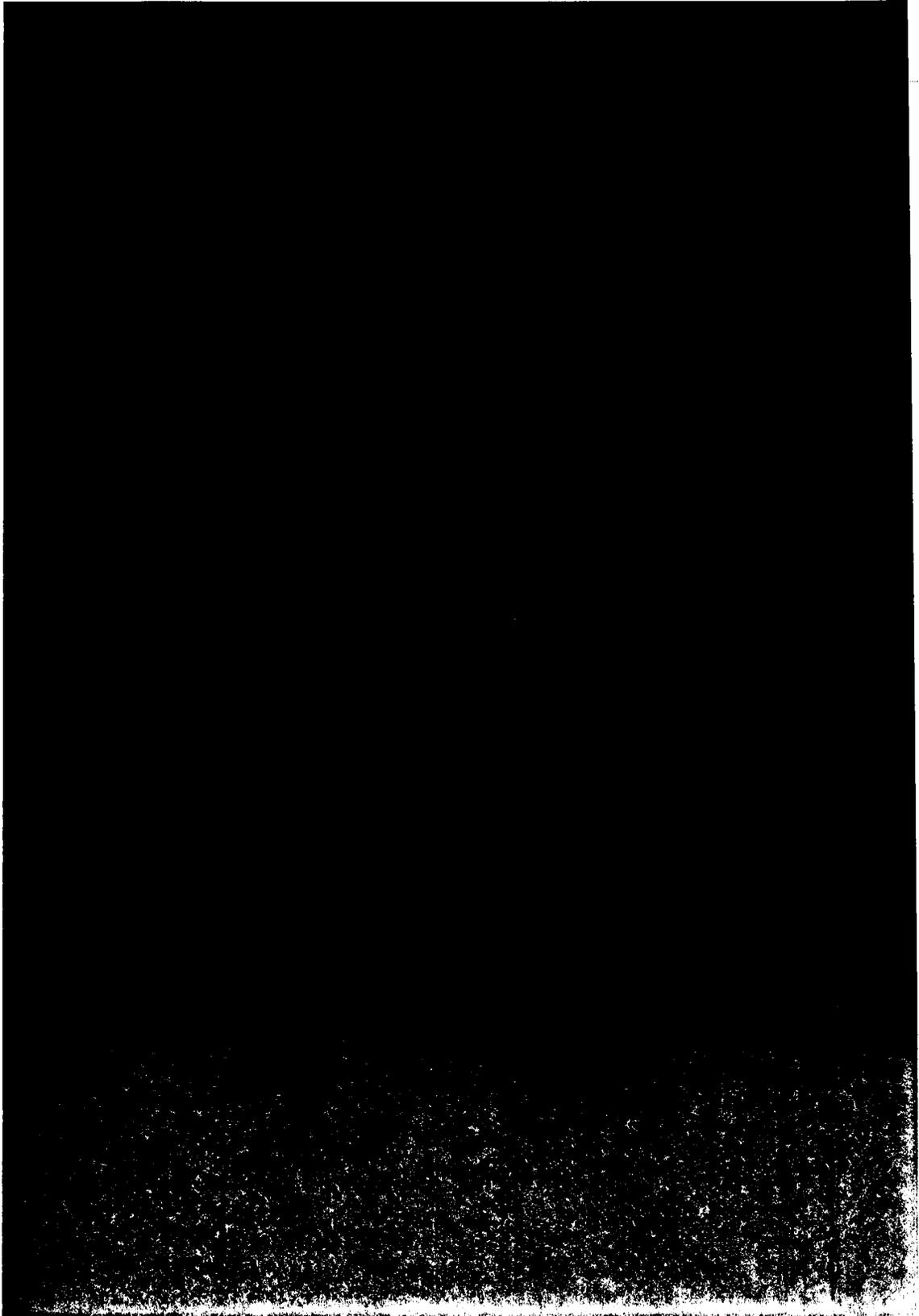
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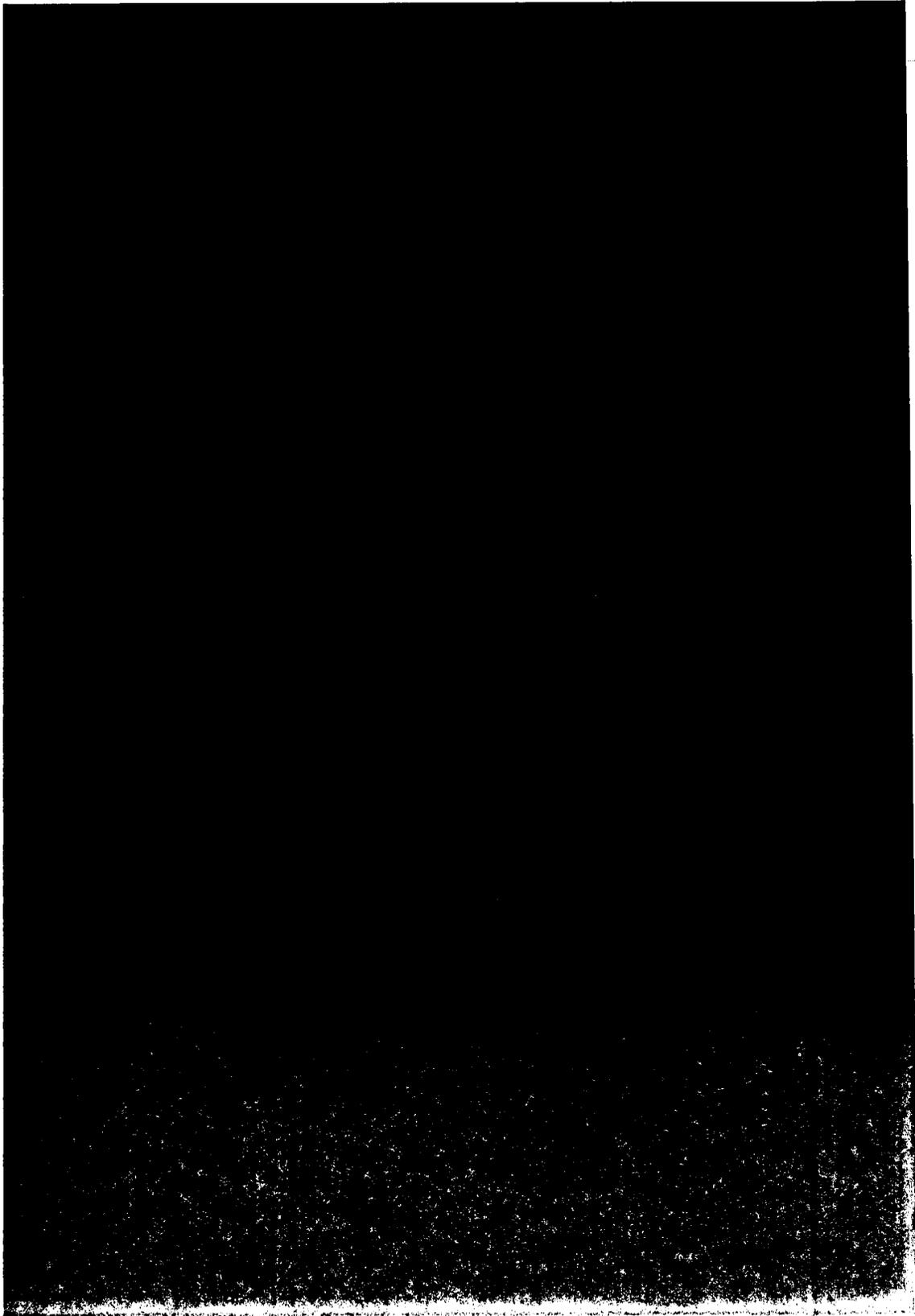


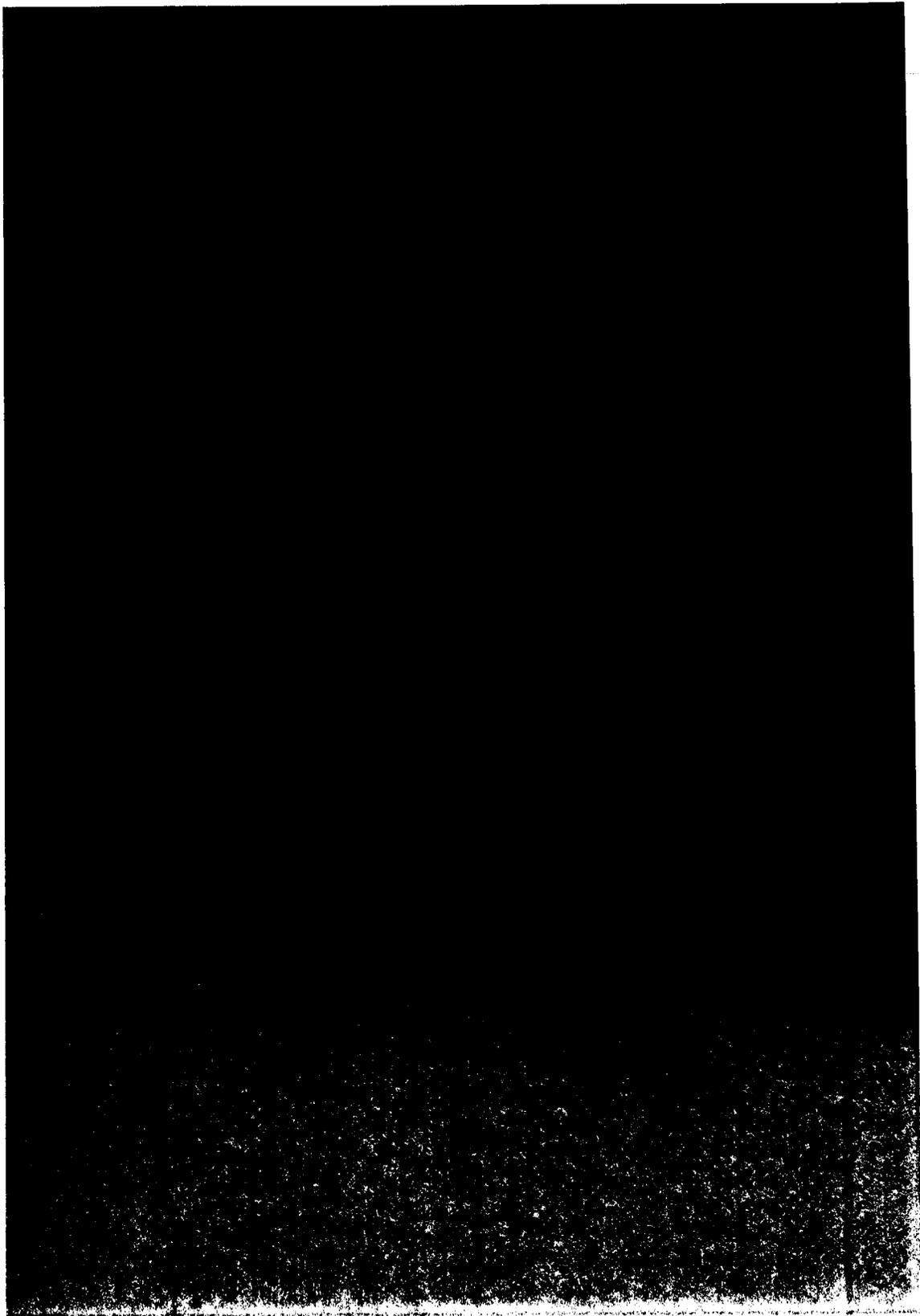






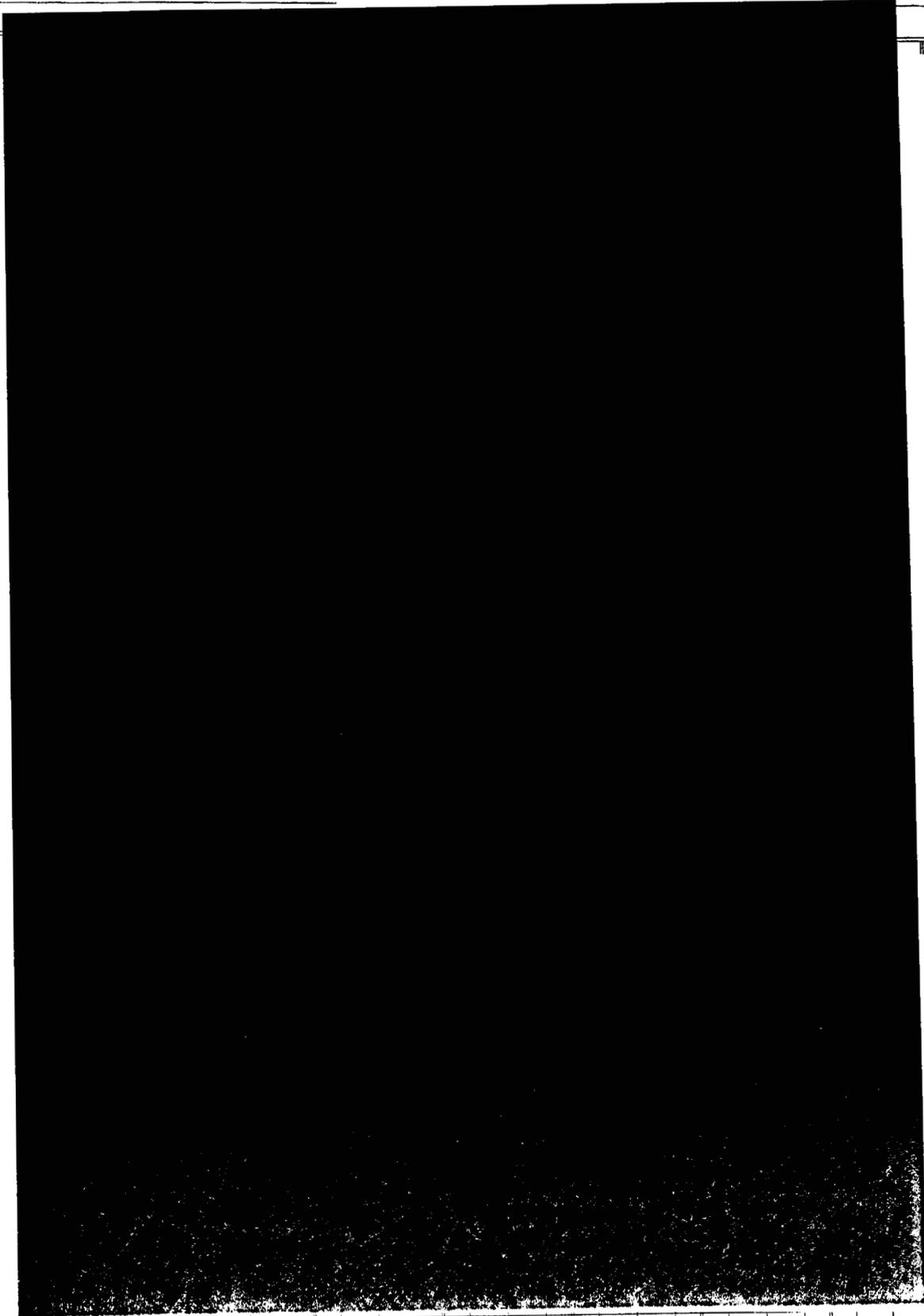




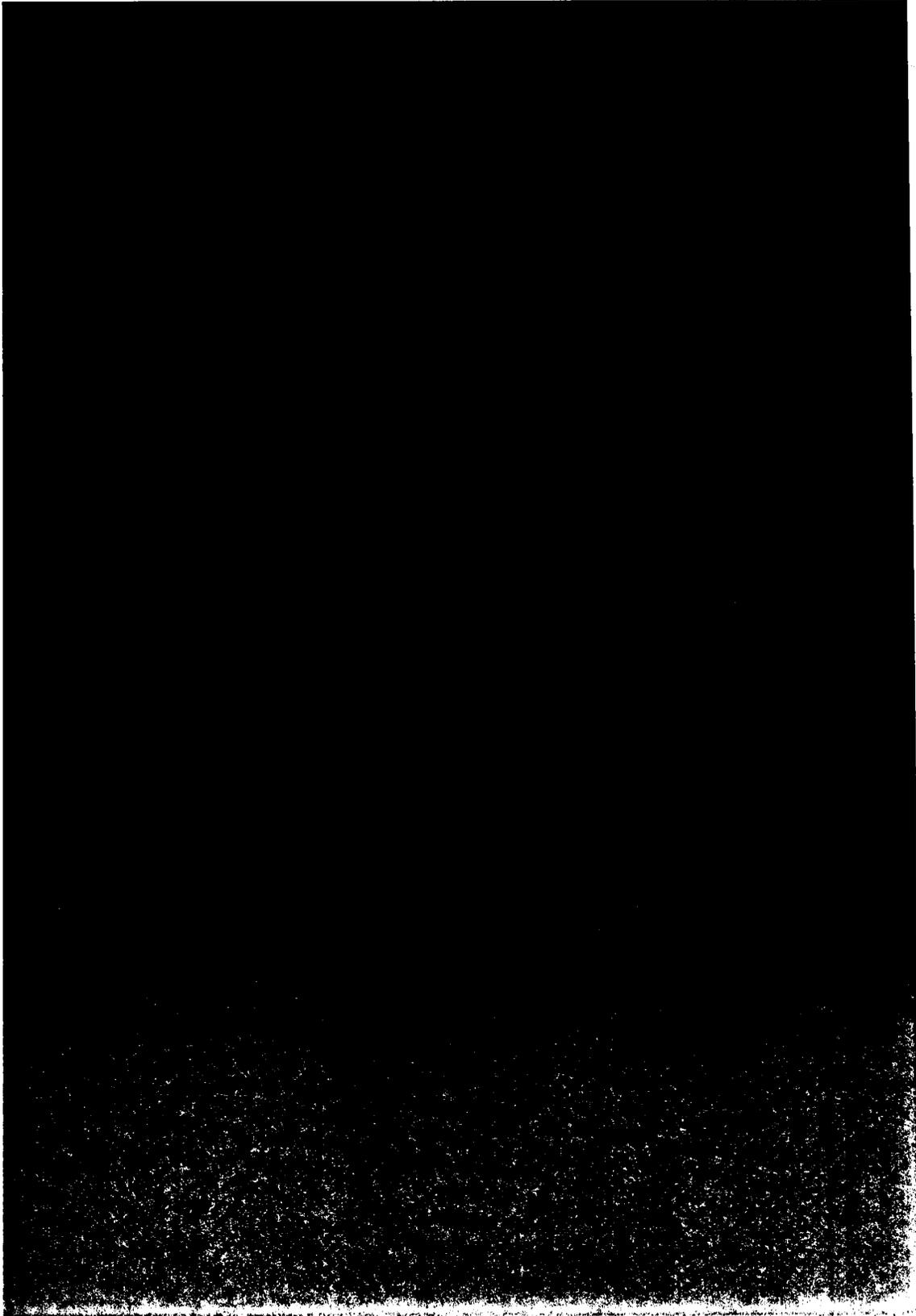


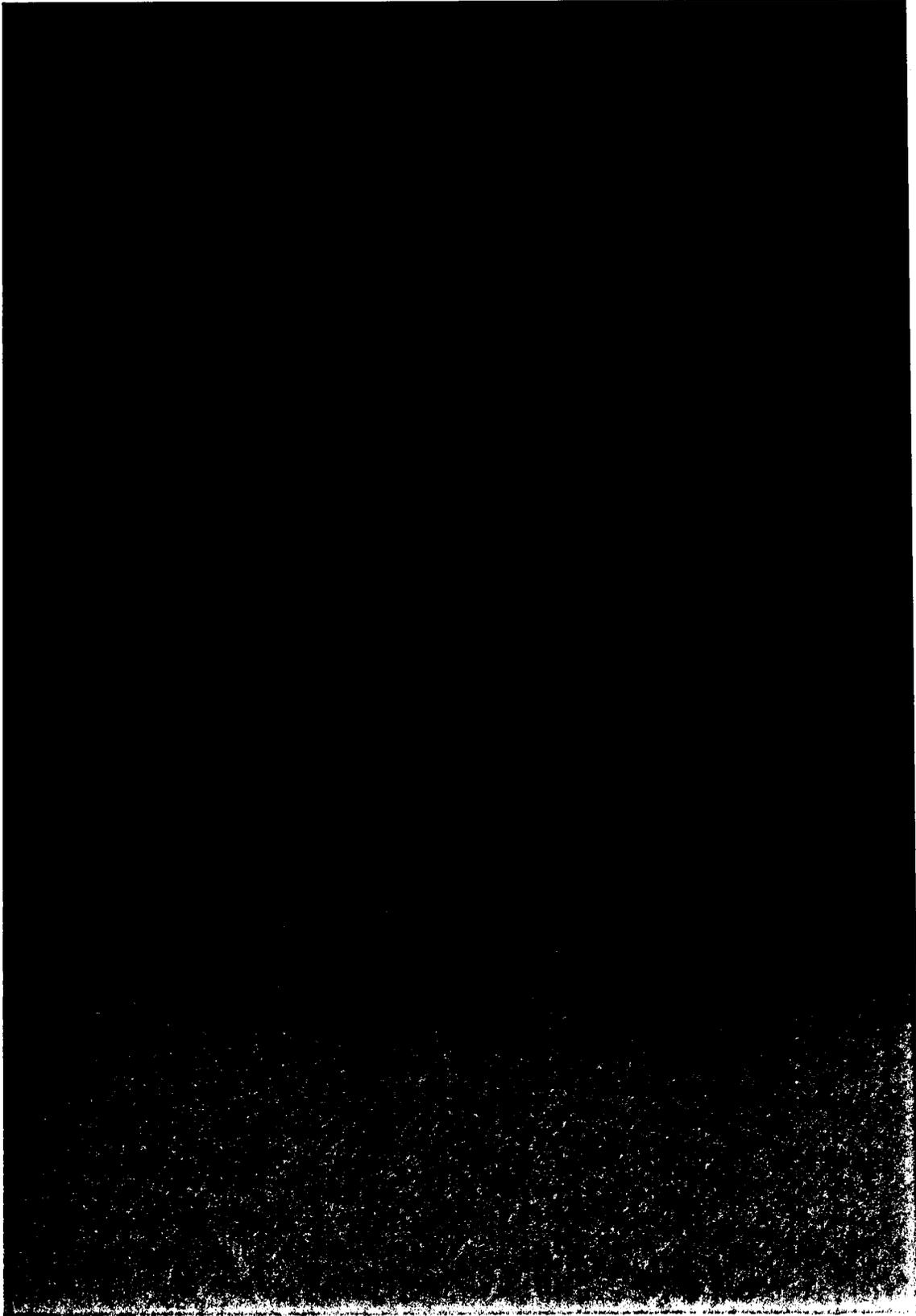
Florida Power & Light
Glades Power Park Project
RCA #07-221-4-1 Dkt #070432-E1
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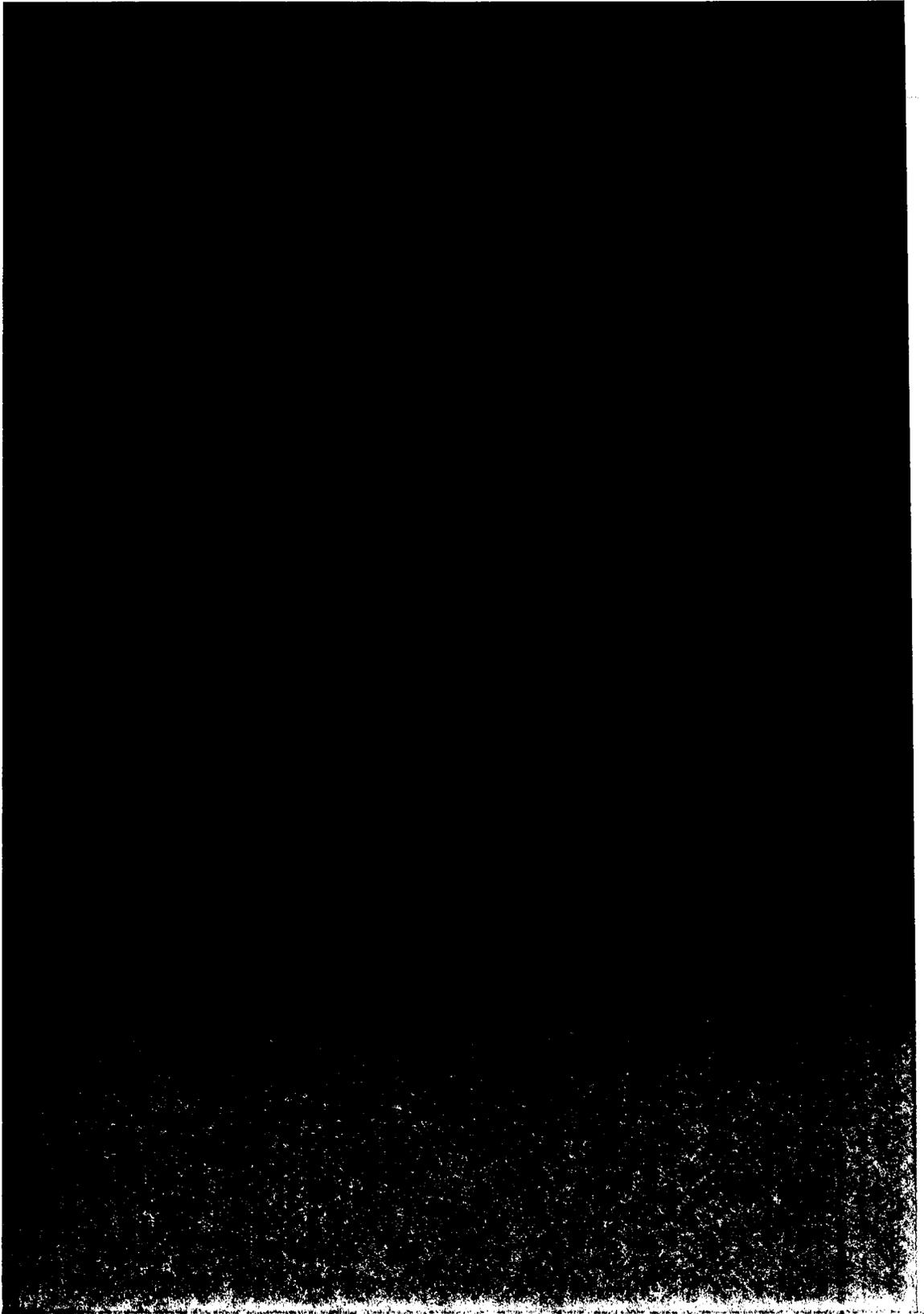
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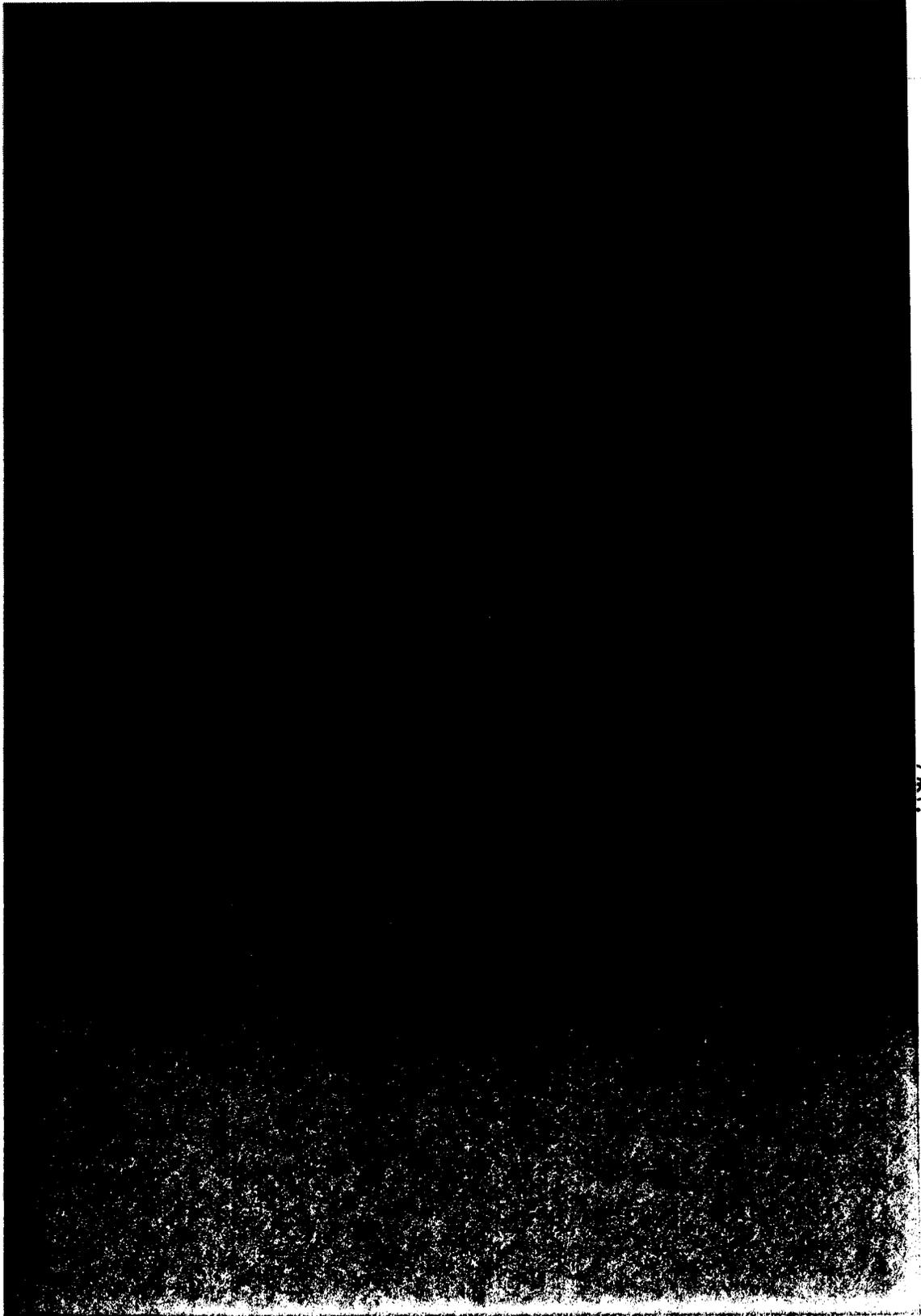


43-3
9











9/12/07 PBC

Writer's Direct Dial
561-691-7085

August 11, 2006

Sample # 14, 15, 16



CONFIDENTIAL

Re: *Glades County (SFSFP)*
Matter # 053970

Dear Peter:

While we do not wish to be overly formal in our engagement of outside counsel, we want to inform you and [redacted] of our policies concerning the engagement of the Firm, fees and billing arrangements, and to otherwise confirm our understanding as to the terms and conditions under which the Firm will provide legal services, as requested, for Florida Power & Light Company, ("FPL") relating to the above matter.

As a condition to its engagement by FPL, the Firm agrees to perform the requested legal services in accordance with the FPL Policies and Procedures for Outside Counsel (as of May 1, 2006) and attached hereto as Exhibit A (the "Policies and Procedures") and as the same may be revised and issued periodically in the future. Charges for all professional services, including representation initiated in prior years, will be based on the new Policies and Procedures as of its effective date. The undersigned has been designated as FPL's "responsible legal staff member" for purposes of supervising your Firm's engagement and assuring the Firm's compliance with the Policies and Procedures.

Please complete the Firm's Proposed Rate Schedule (using the form attached hereto as Exhibit B) listing the attorneys and paralegals who you propose will work on this matter and indicating their respective proposed hourly rates. No other attorneys or paralegals shall work on this matter without approval of the undersigned. Our expectation is that your quoted rates are for the duration of the matter assigned. Any request for permission to change hourly rates or billing structure prior to the conclusion of a matter must be made in writing to me along with a revised Proposed Rate Schedule. [For new outside counsel only: Also, a Form XV-9 is attached for your completion and return to me.]

All services should be billed on a monthly basis and the bills sent to the following address:

Jack Leon, Senior Attorney
Florida Power & Light Company
P.O. Box 029100
Miami, FL 33102-9100

SOURCE JR #1

P1

[REDACTED]

August 11, 2006
Page 2

Bills should provide a concise description of services for which time is billed, the lawyer or other professional at your Firm performing the services (initials and a key is sufficient), and the time expended on that task, all in accordance with the attached Policies and Procedures. Also, all invoices must show the above-referenced matter name and Project or Cost Center number. Please do not use a general matter number to lump together matters that are for different affiliate entities. If you have more than one mailer representing FPL and/or its affiliates, please submit separate invoices for each matter and for each company.

We also request you provide within one week a monthly budget of your expected fees and expenses to be incurred during your engagement in this matter. We will also be requesting, on a quarterly basis, that you provide us with a listing of any outstanding invoices as of the close of any calendar quarter.

If you have any questions regarding the terms of your engagement, please call me. We will appreciate your signing and returning a copy of this letter and the Proposed Rate Schedule at your earliest convenience.

We are pleased to establish this relationship with the Firm and look forward to working with you.

Very truly yours,



Harris Rosen

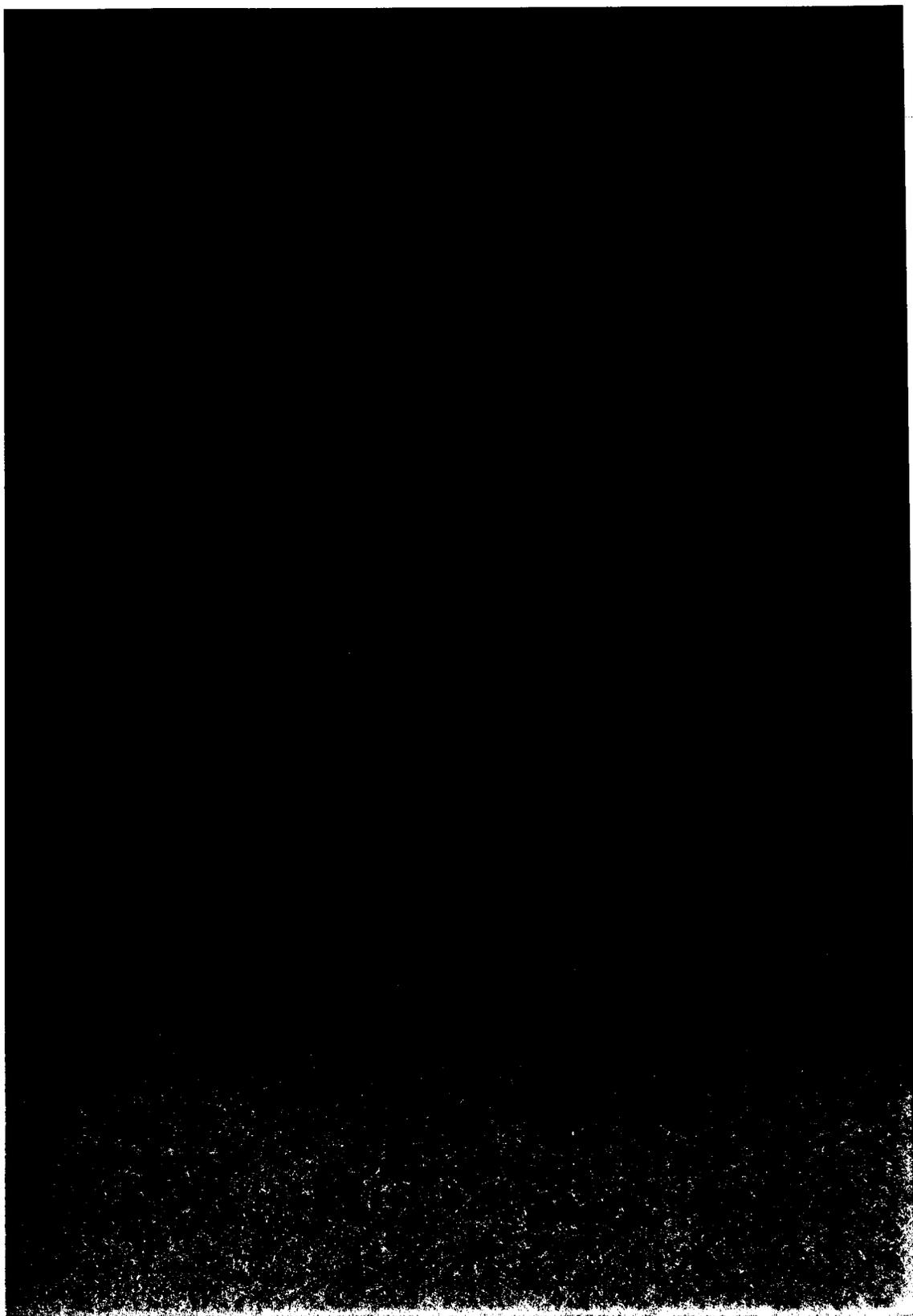
AGRBED and ACCEPTED by:

[REDACTED]

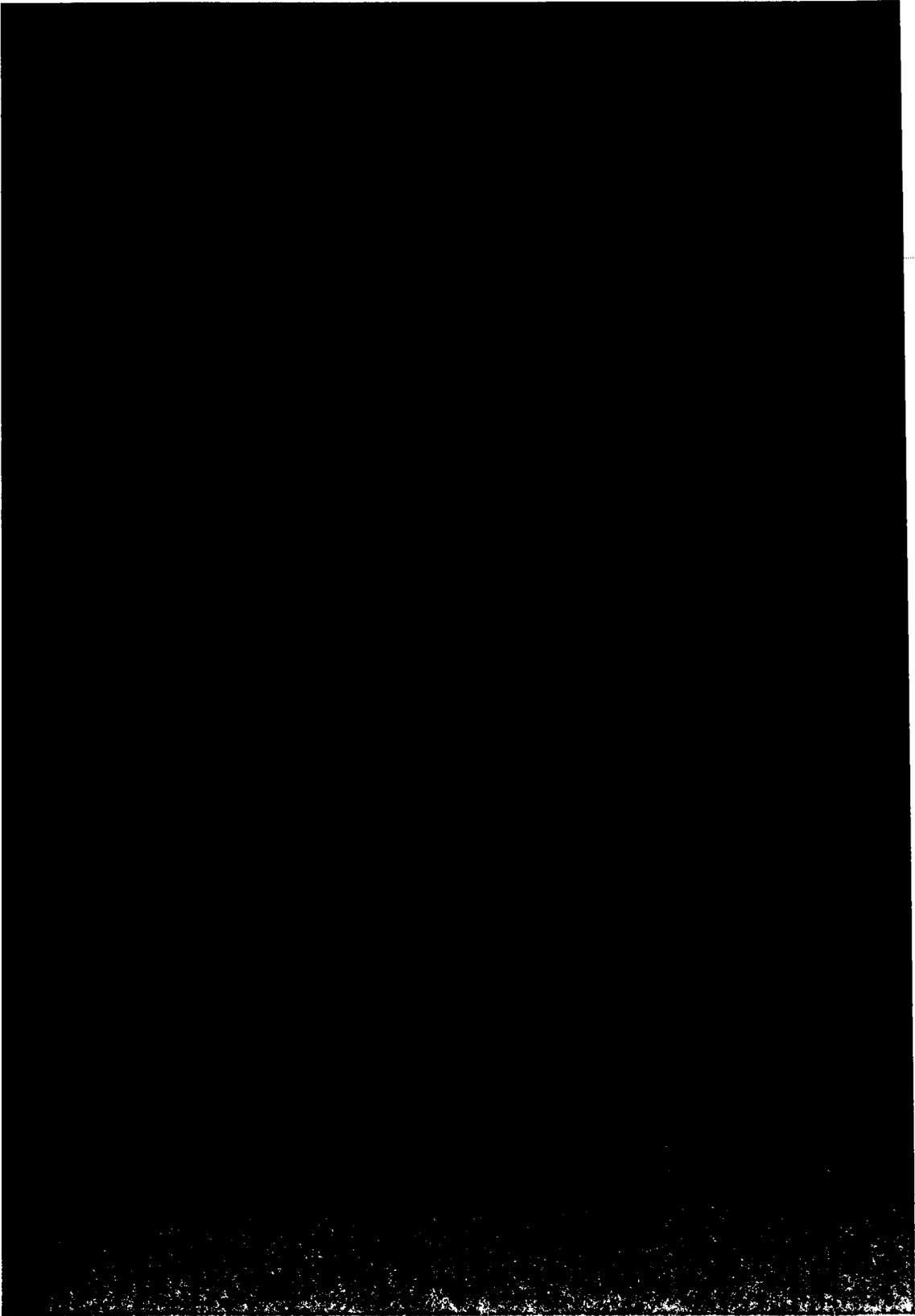
Attachments

FPL - ENGAGEMENT LETTER FOR OUTSIDE COUNSEL

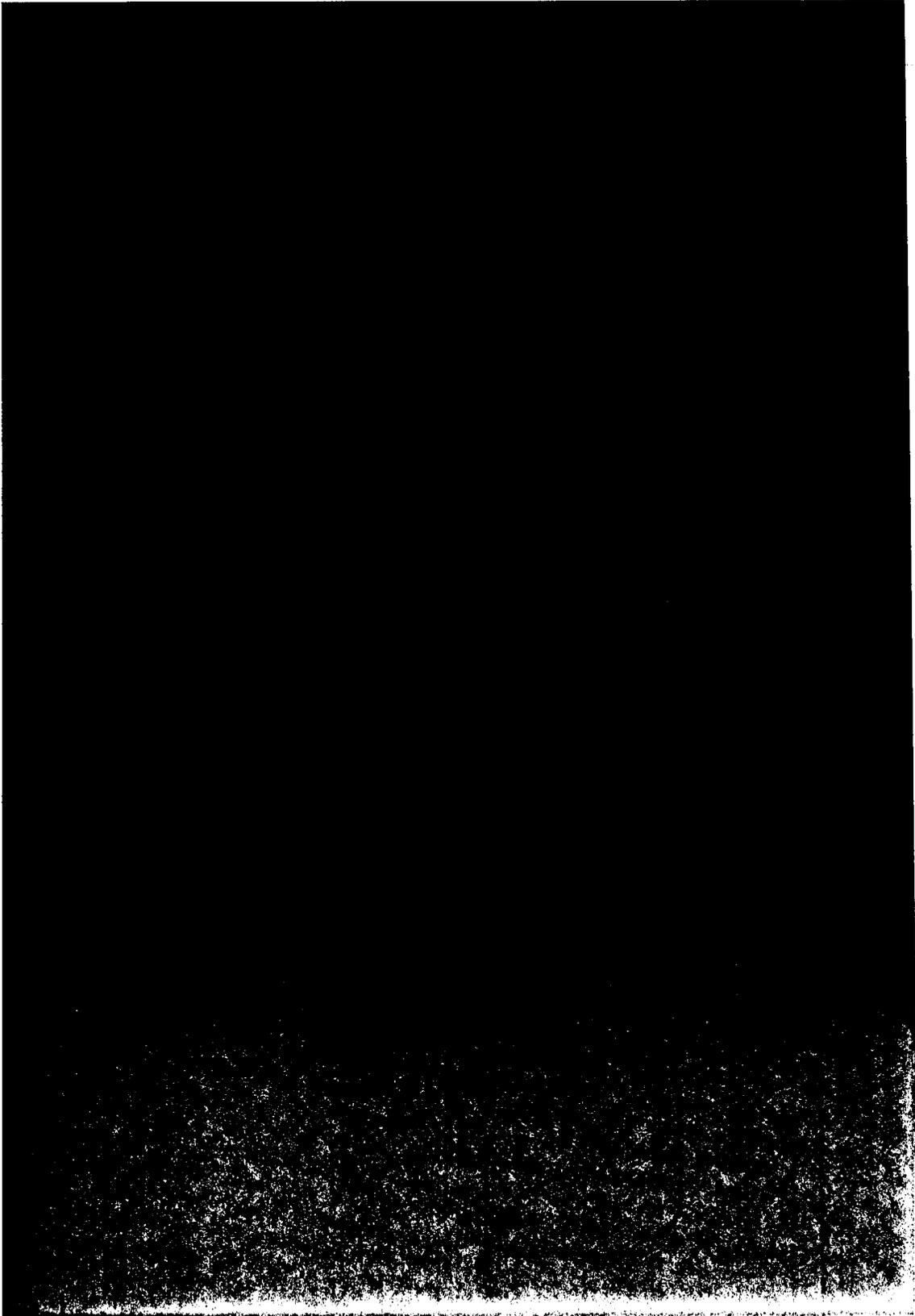
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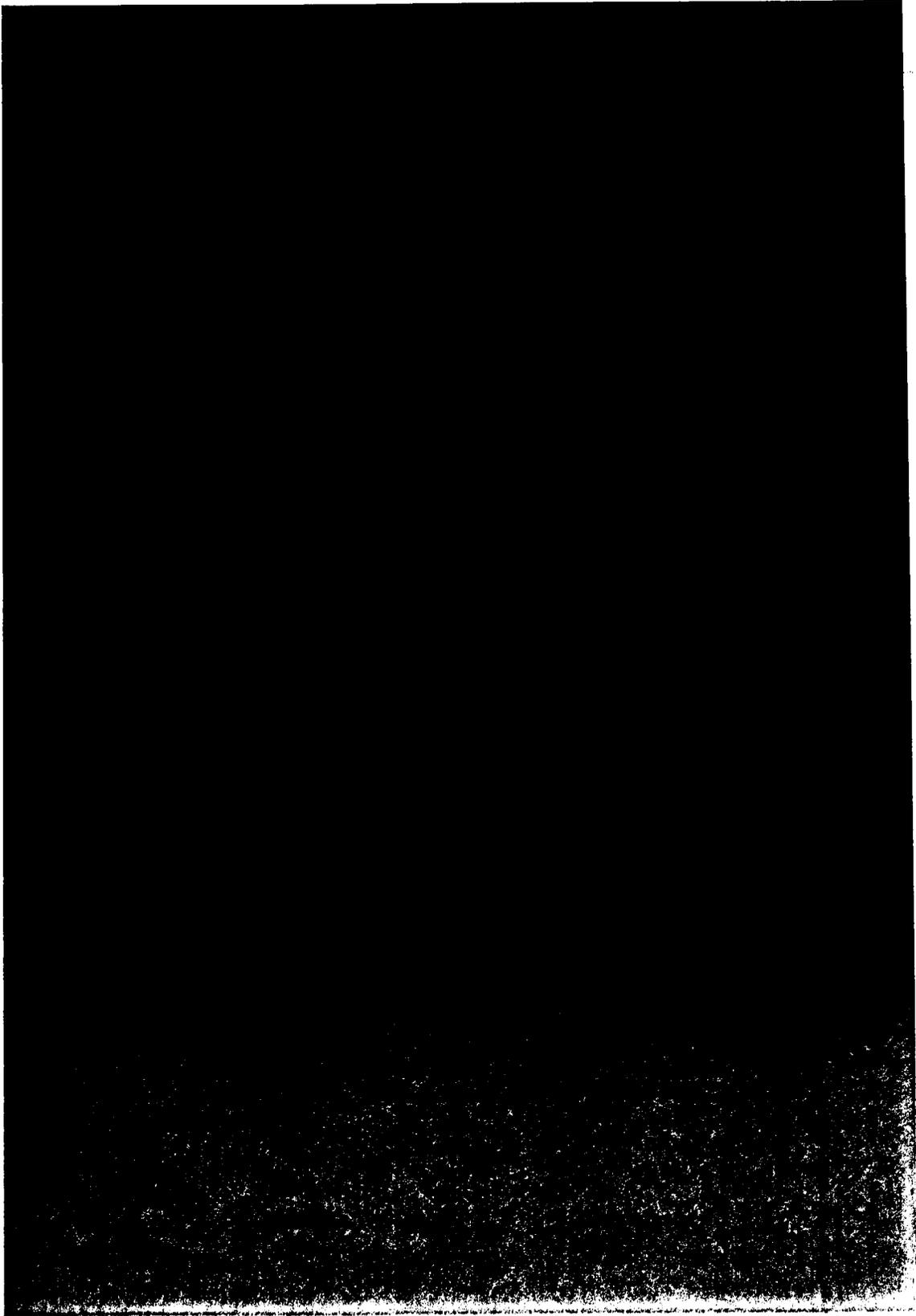


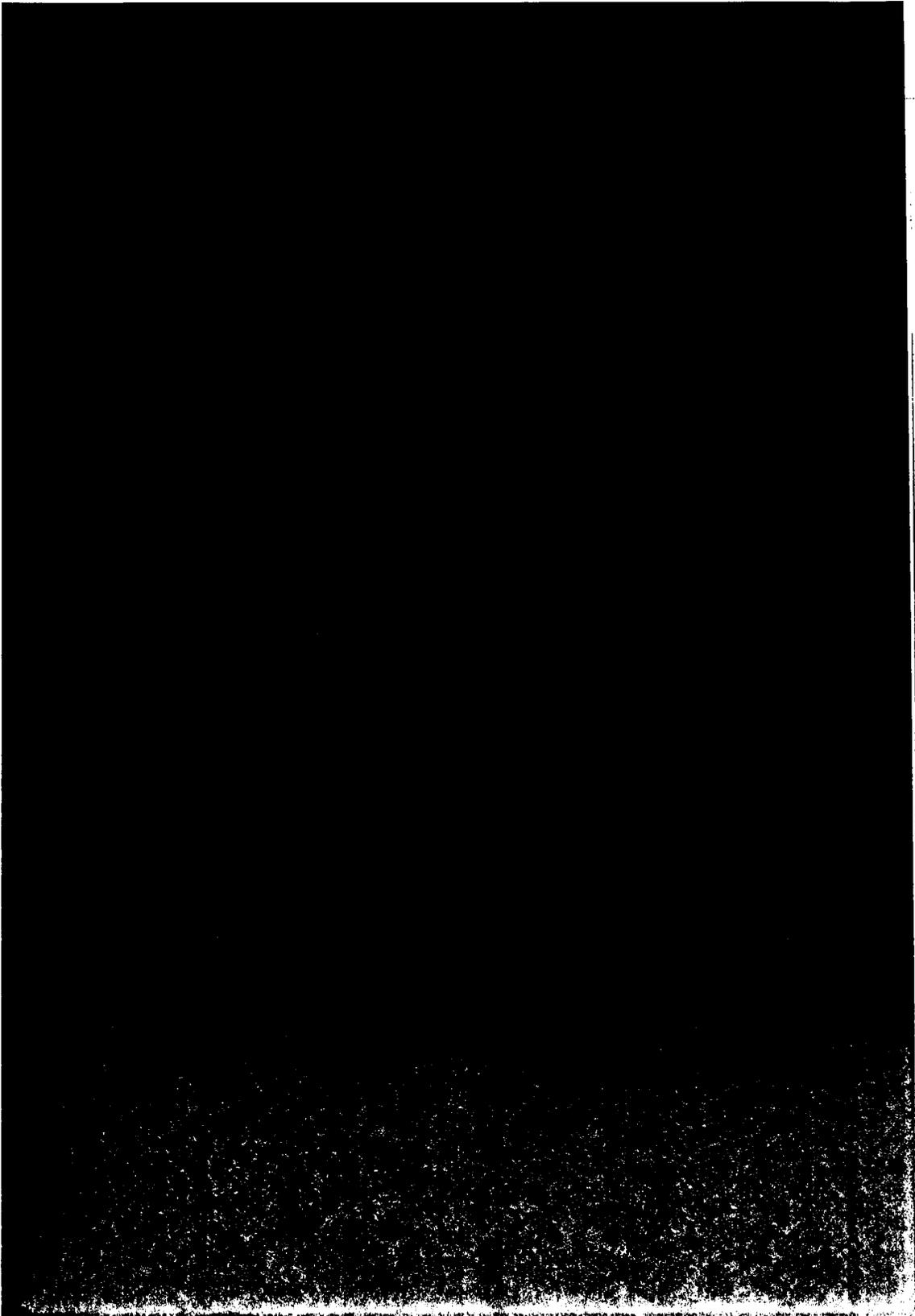
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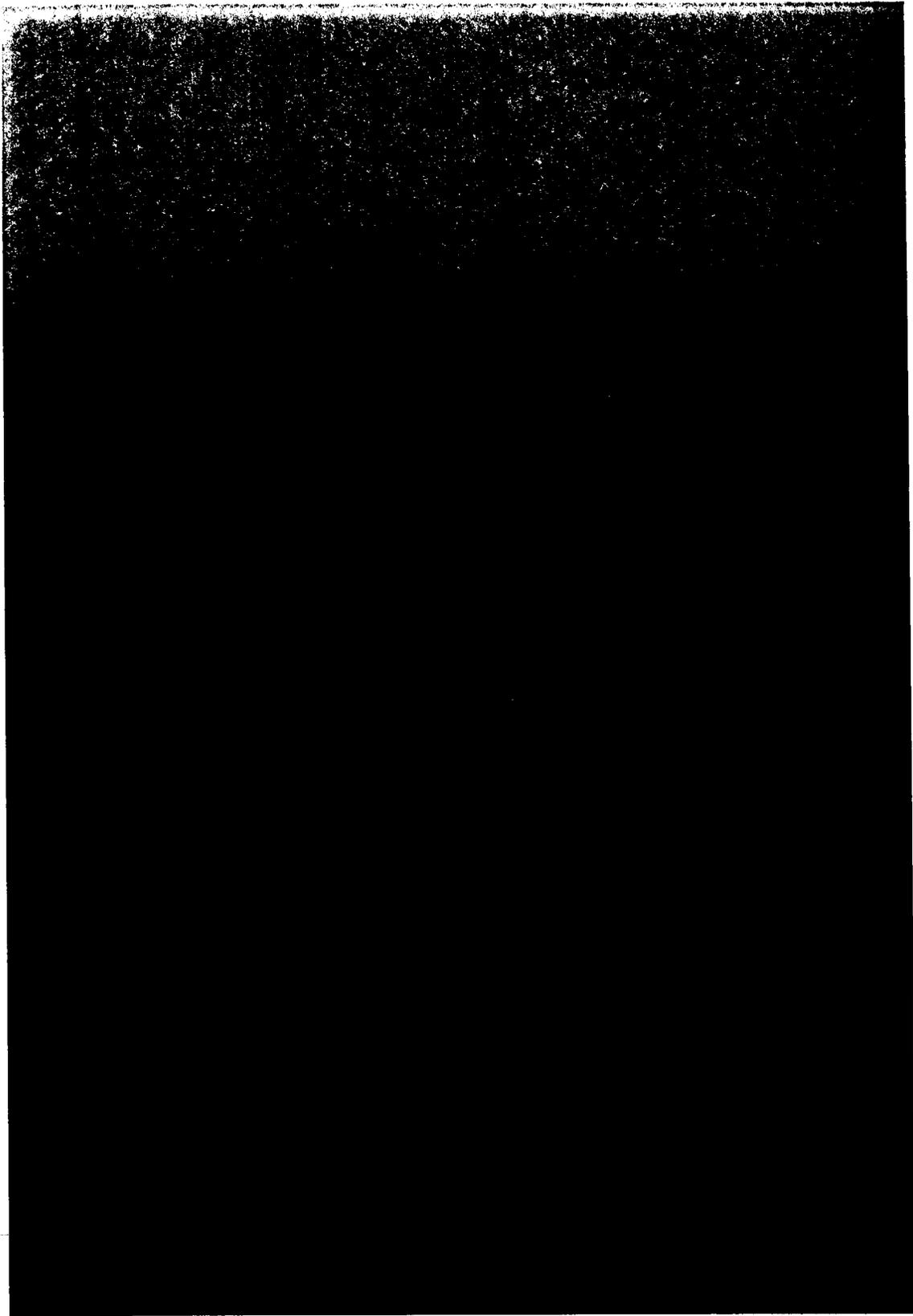


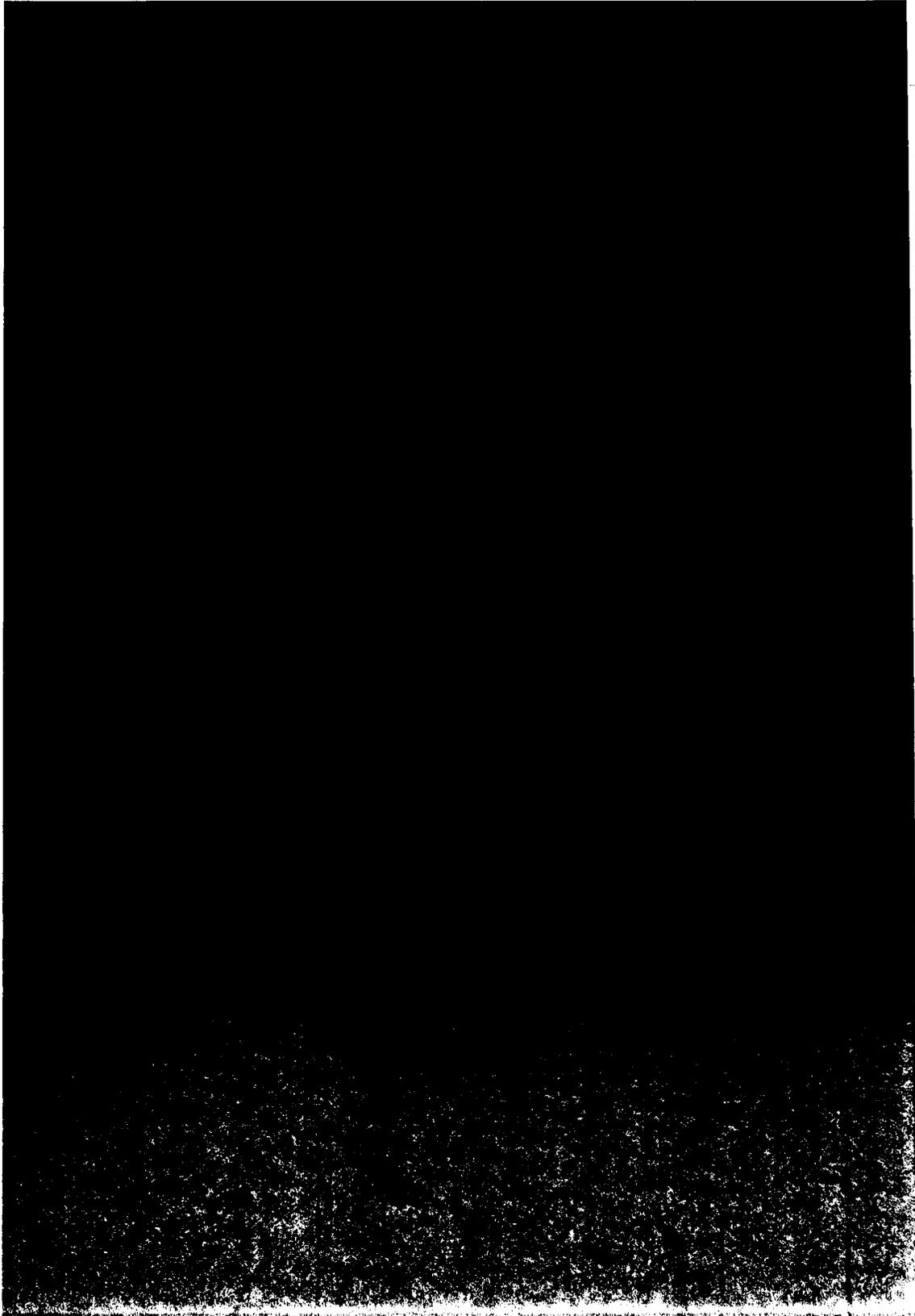
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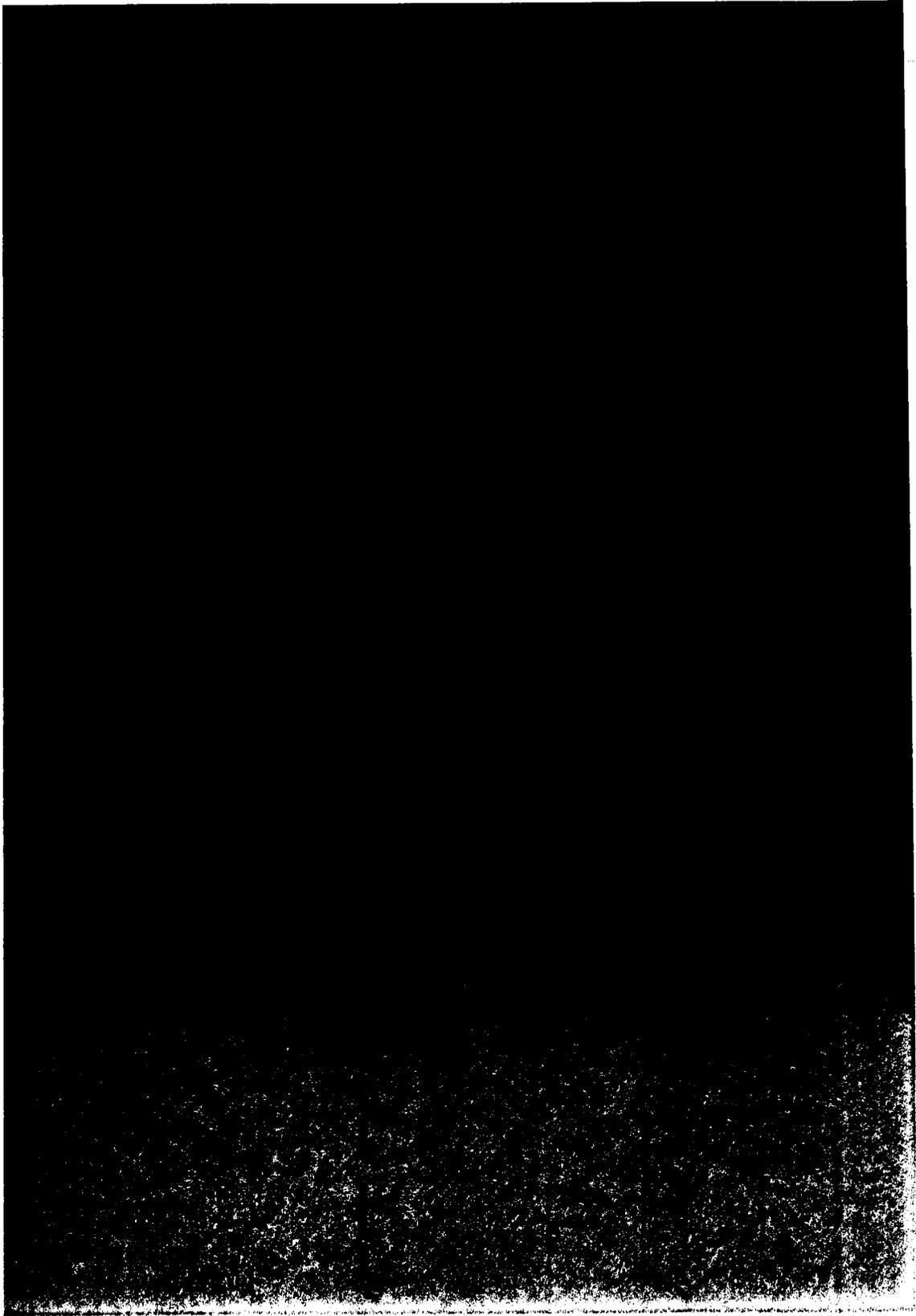


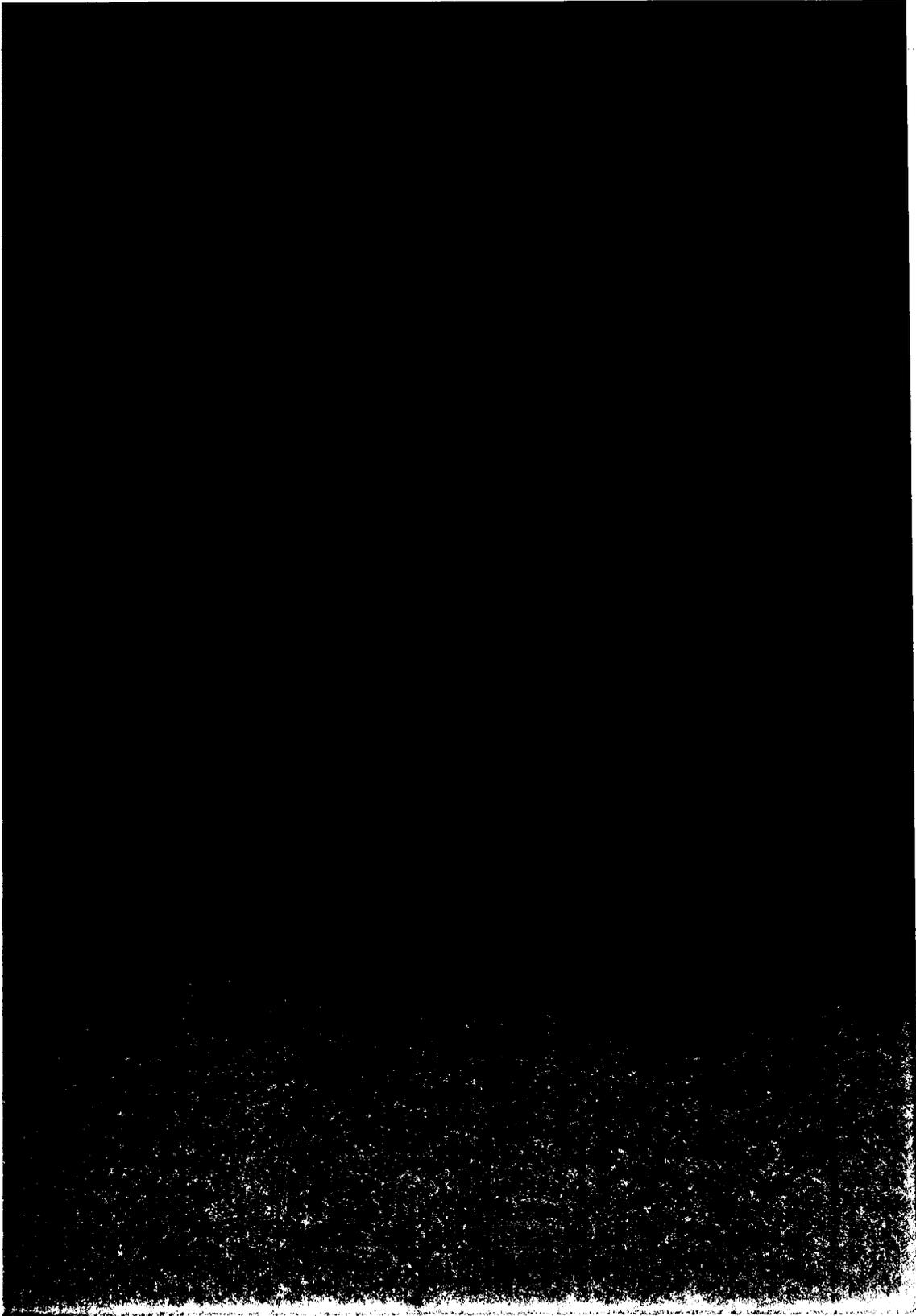


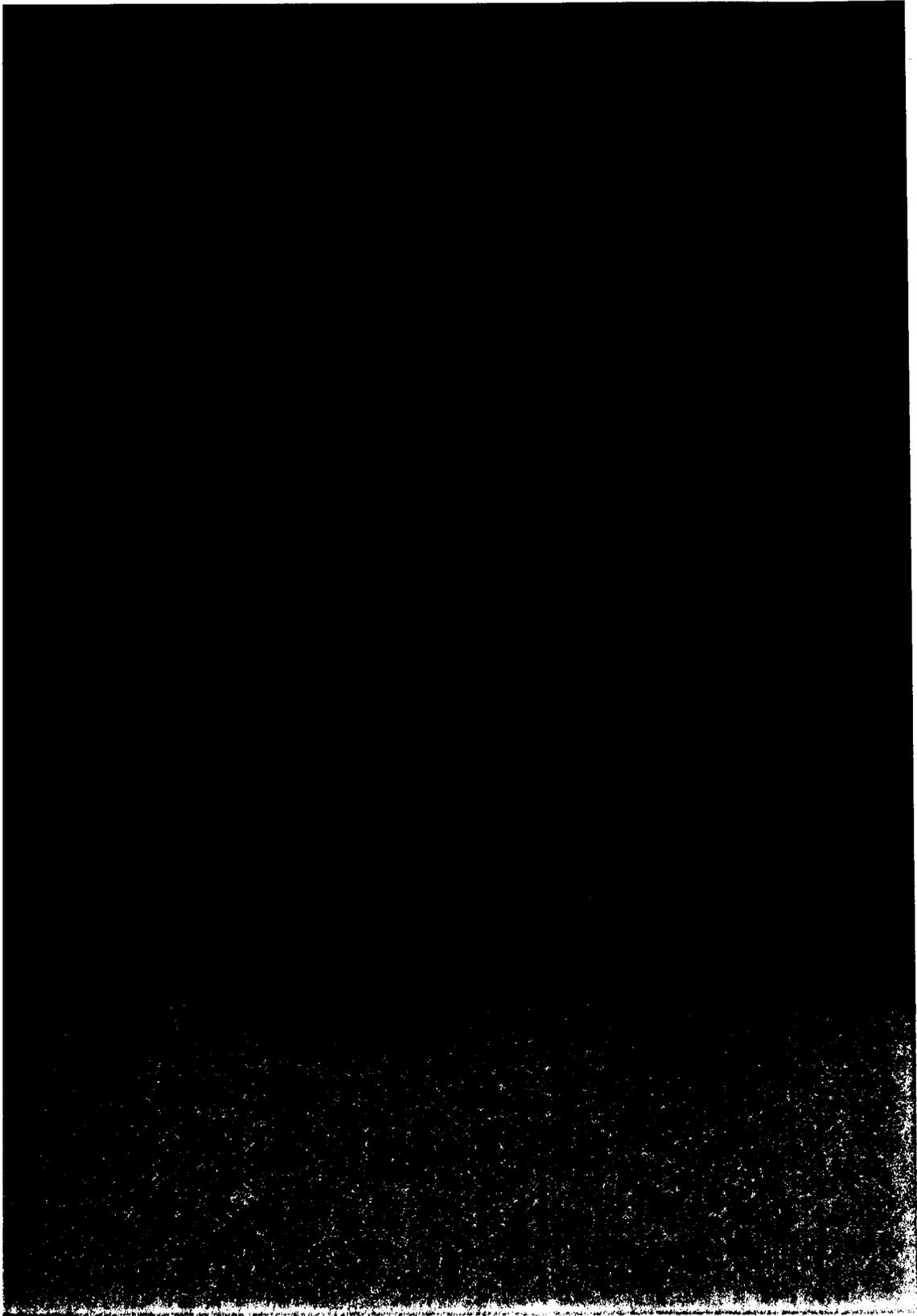


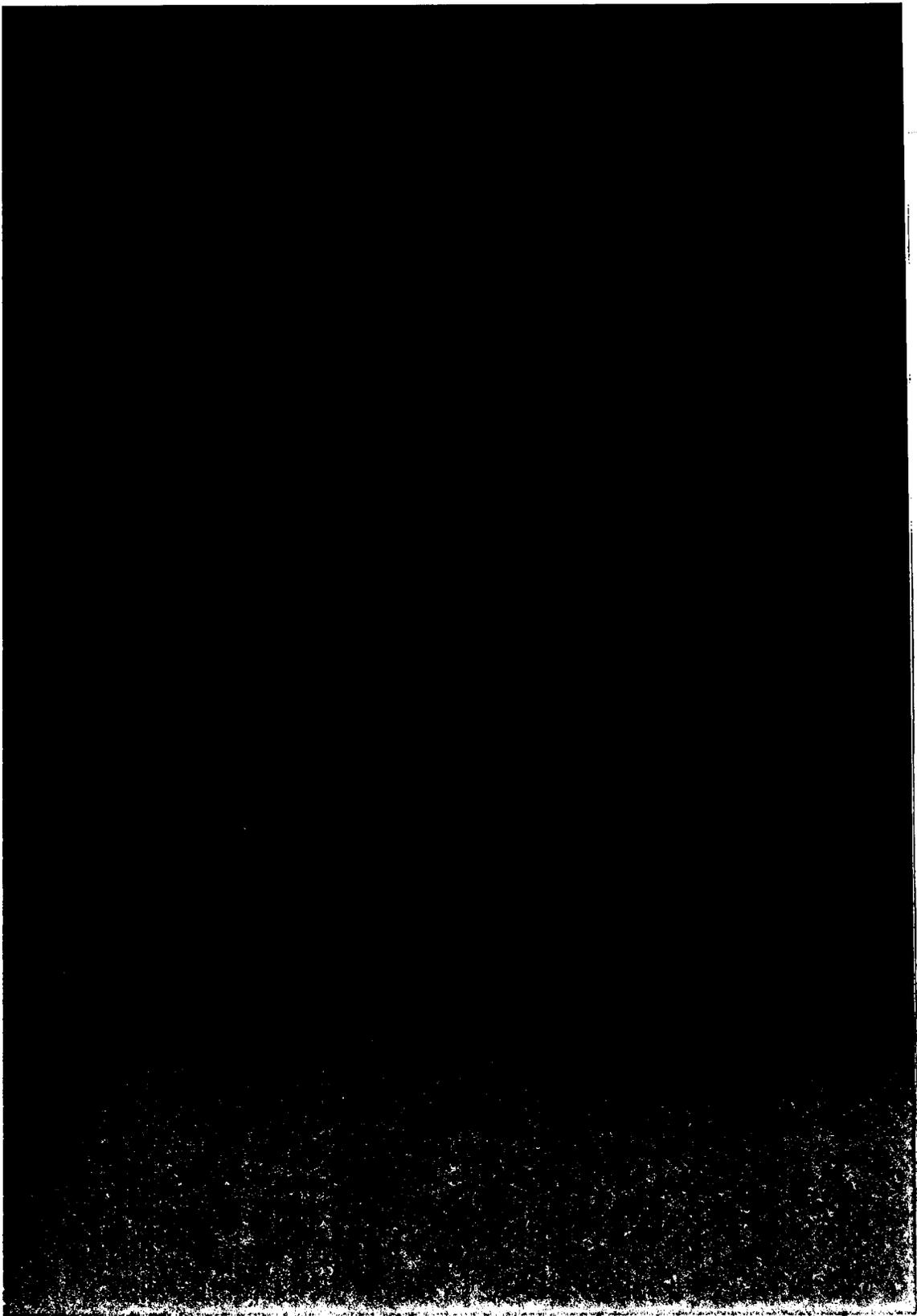


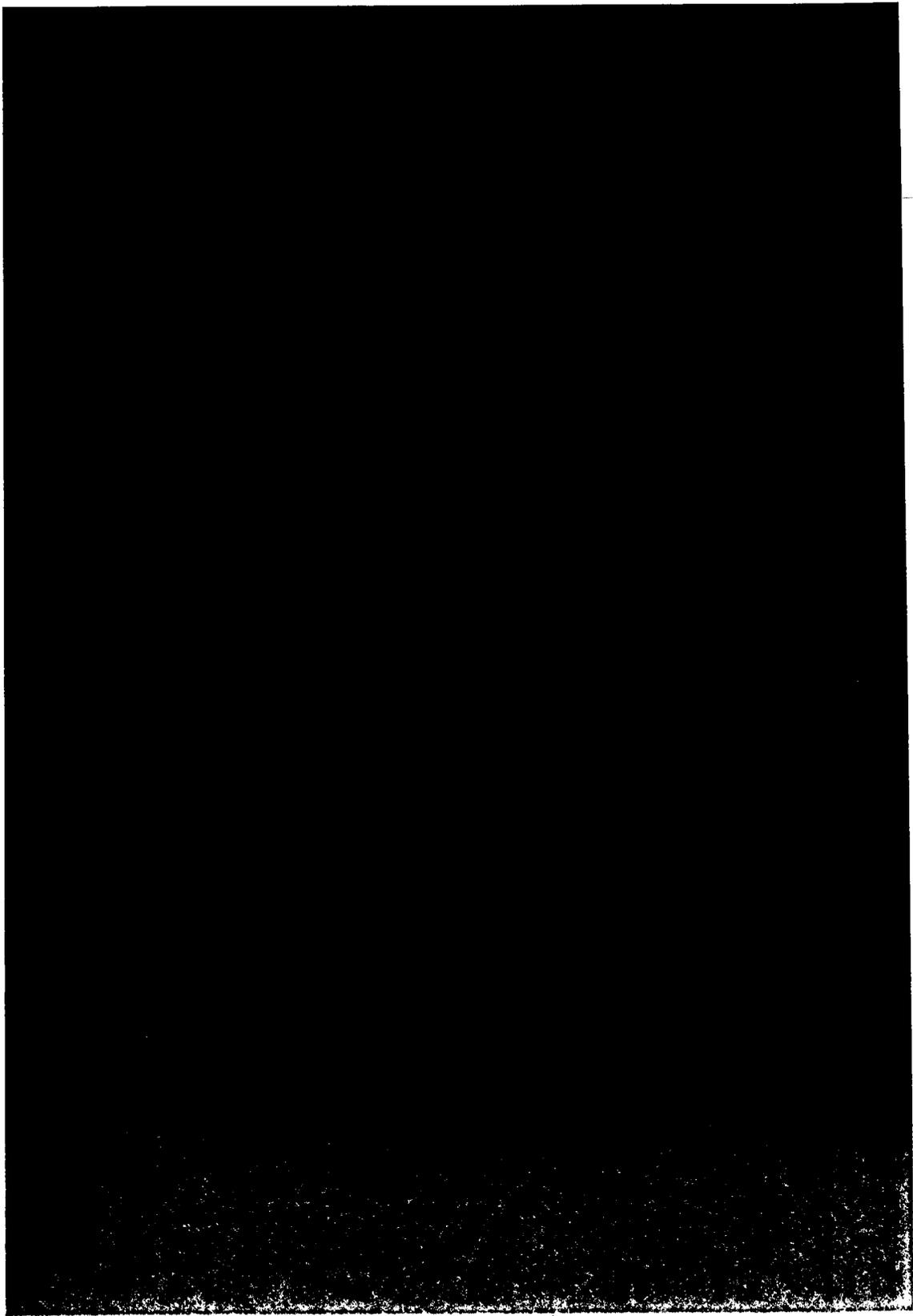


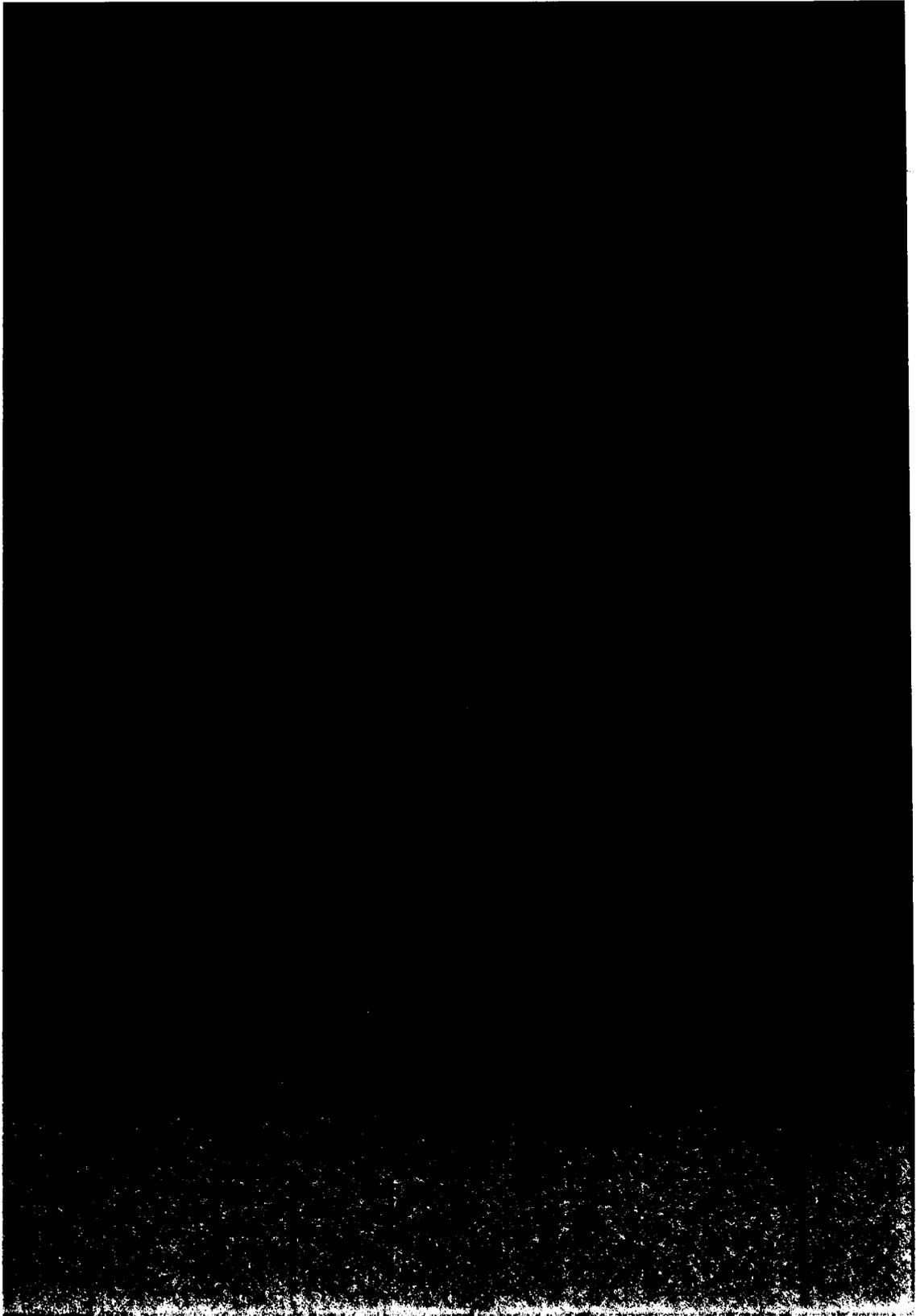


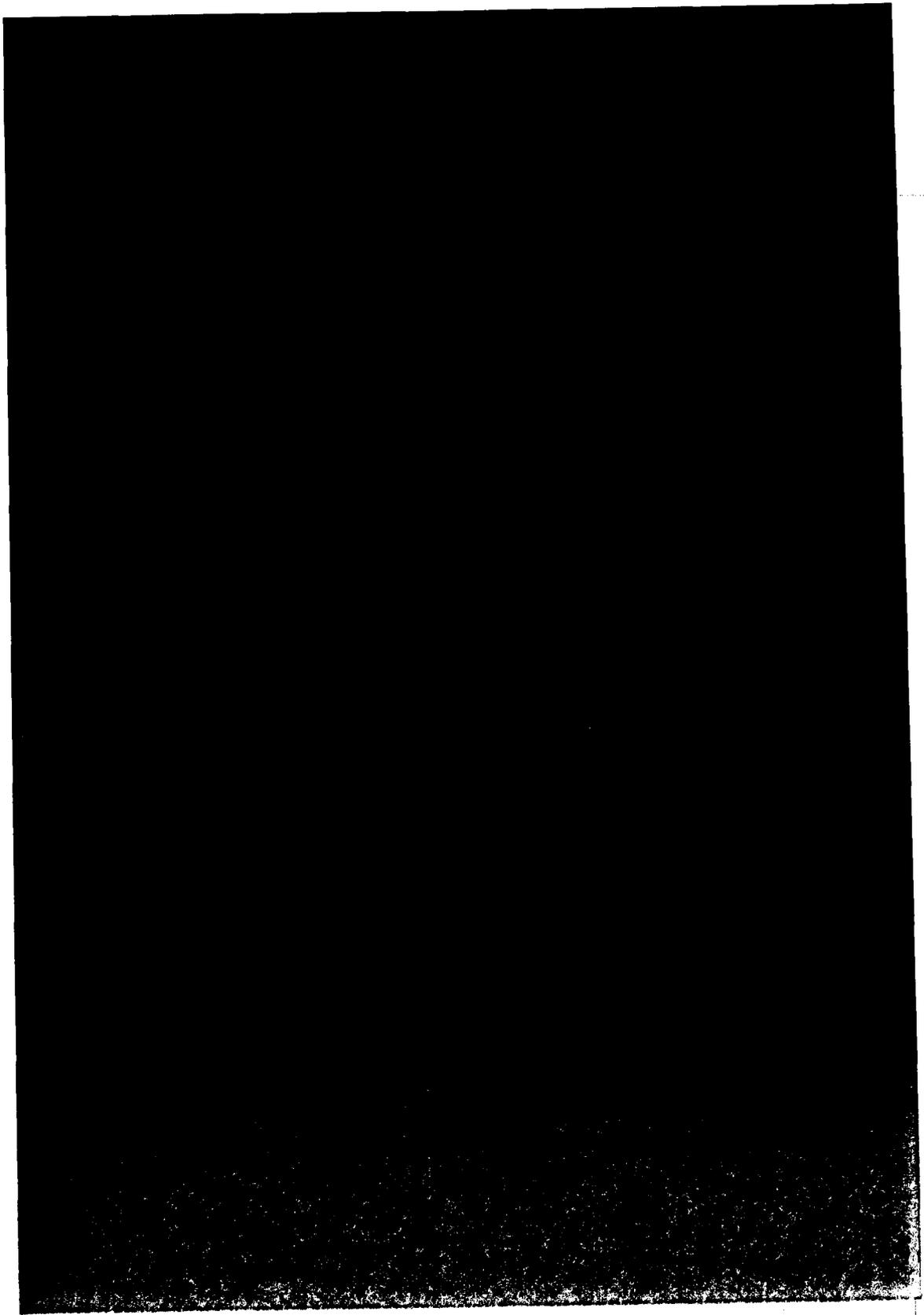






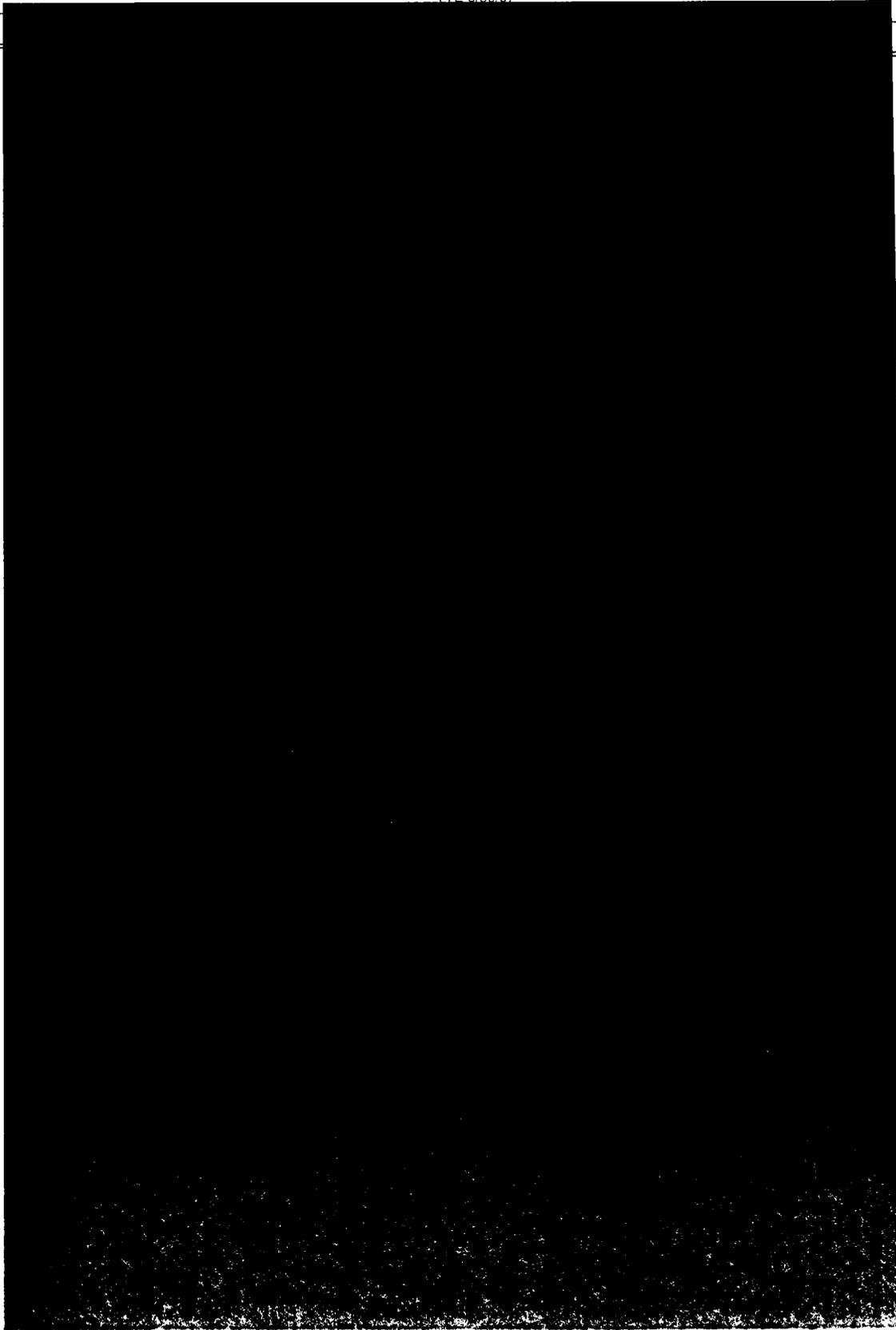




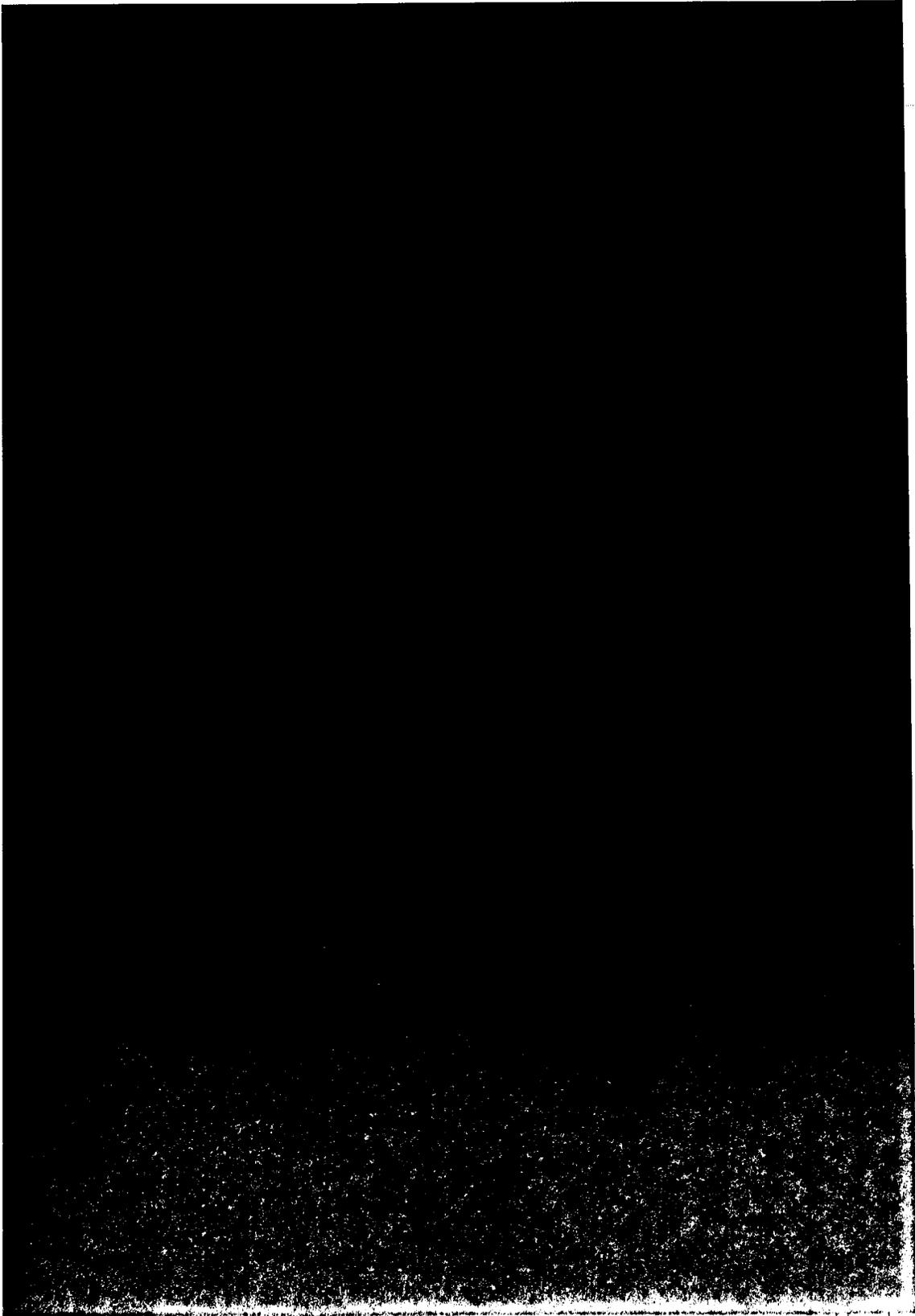


Florida Power & Light
Glades Power Park Project
RCA #07-221-4-1 Dkt #070432-EI
TYE 6/30/07

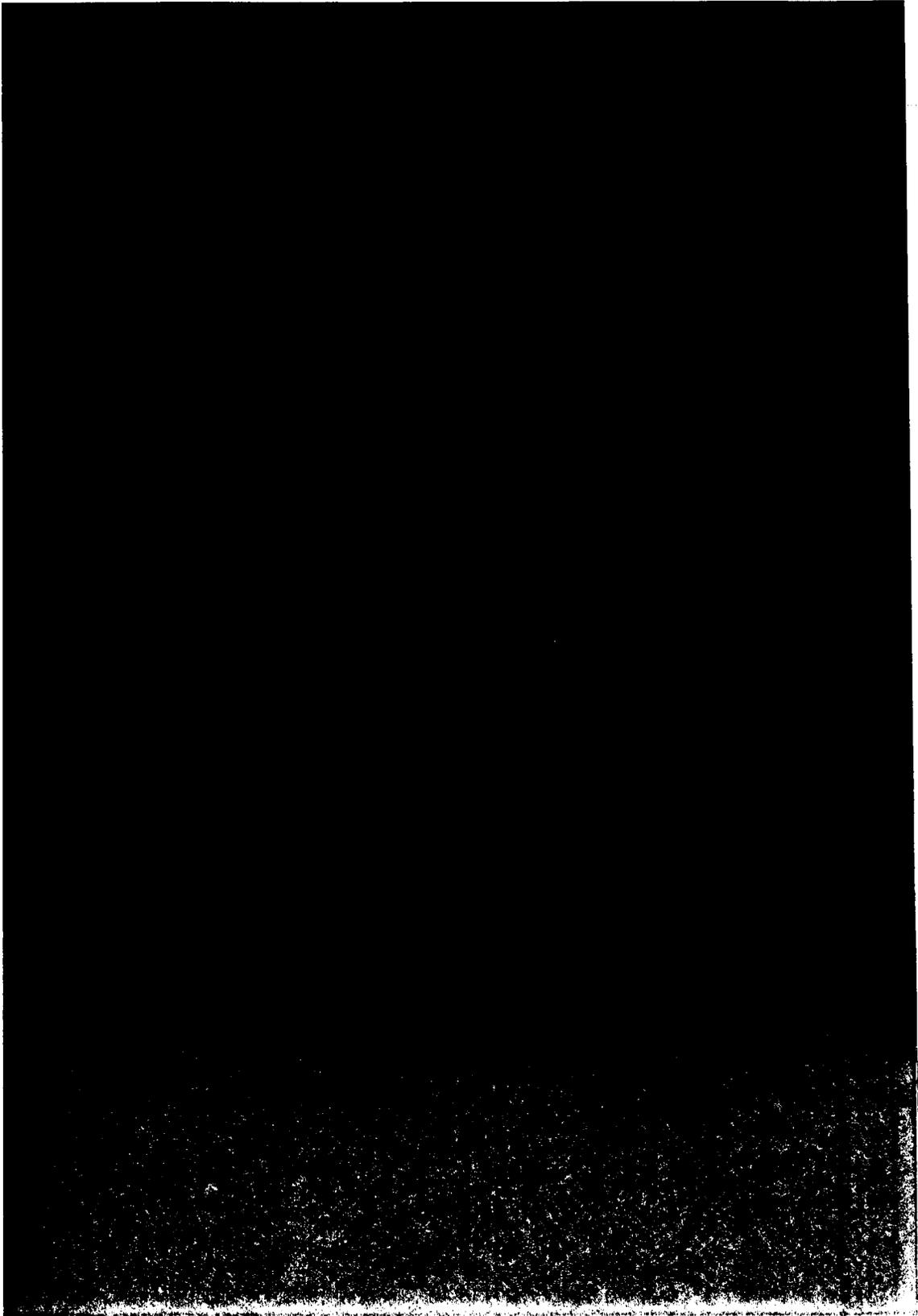
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9/12/07

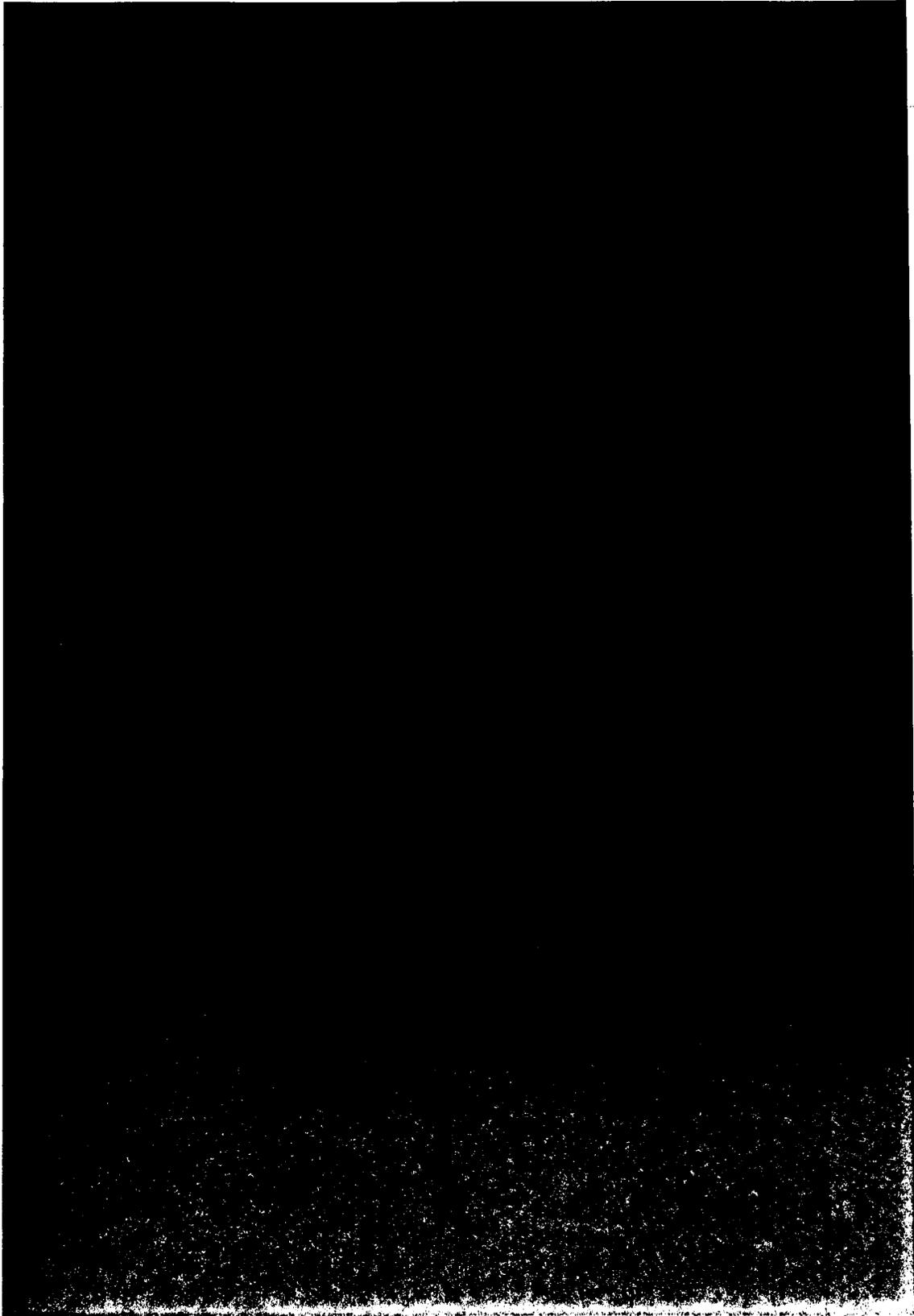


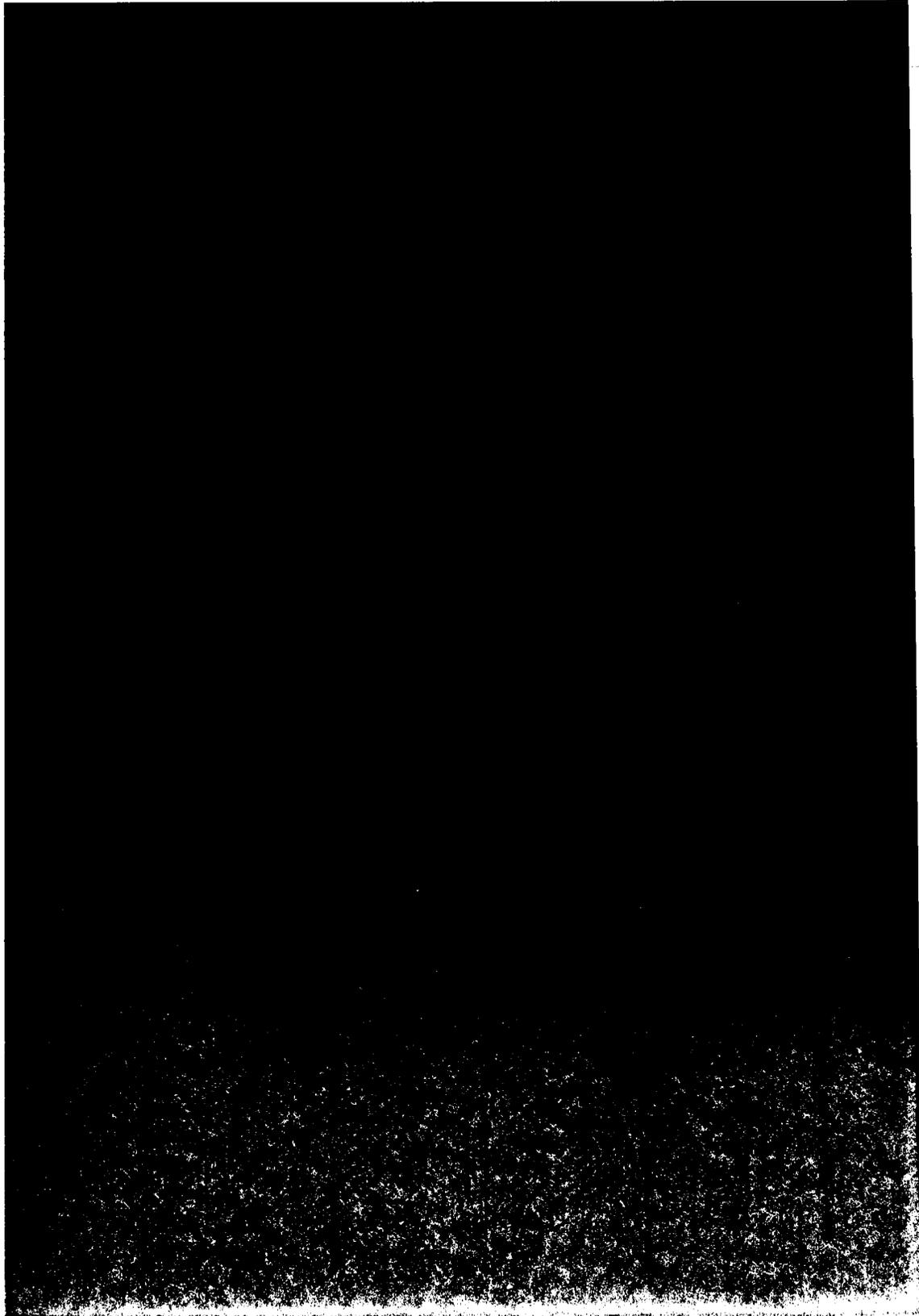
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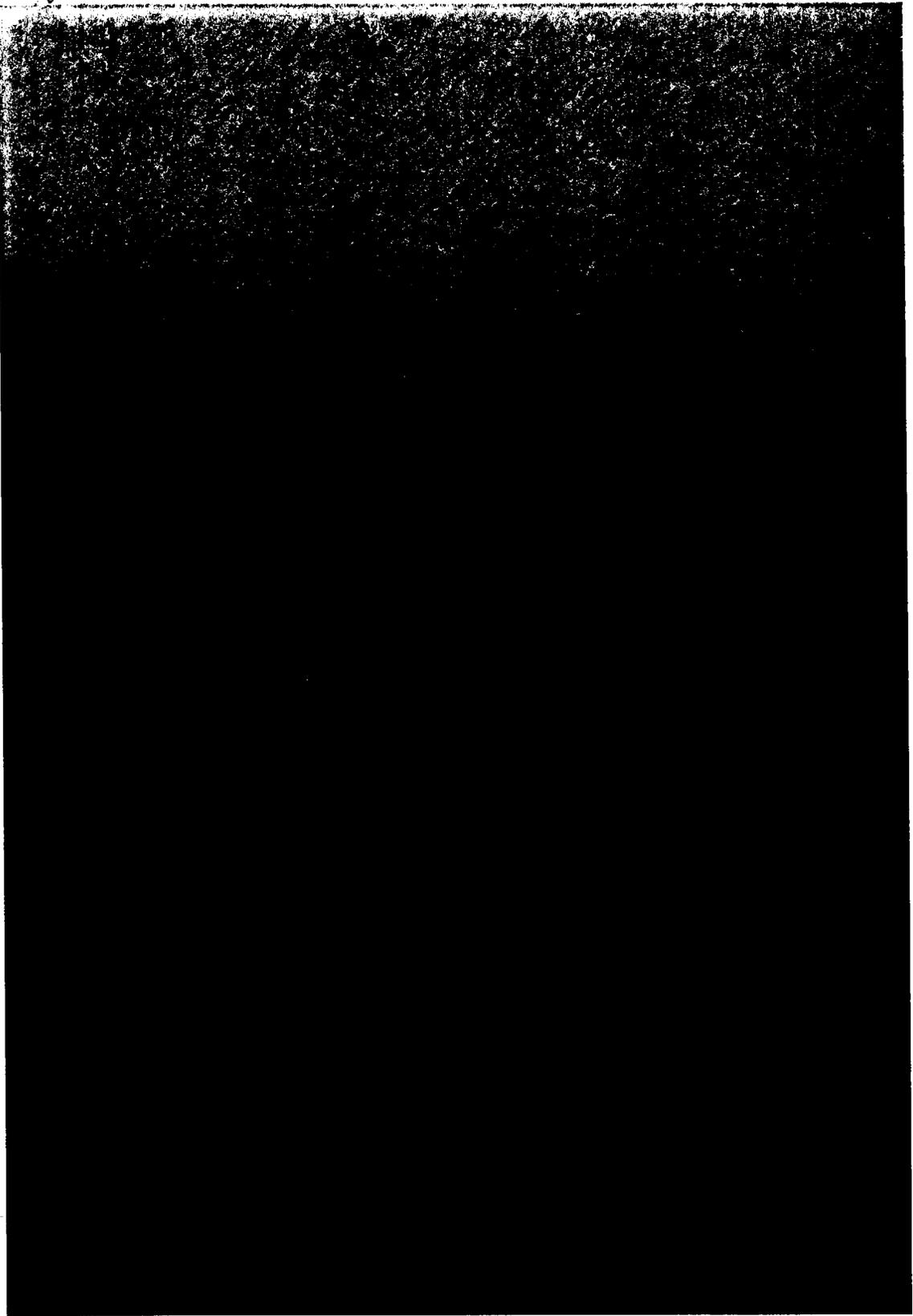
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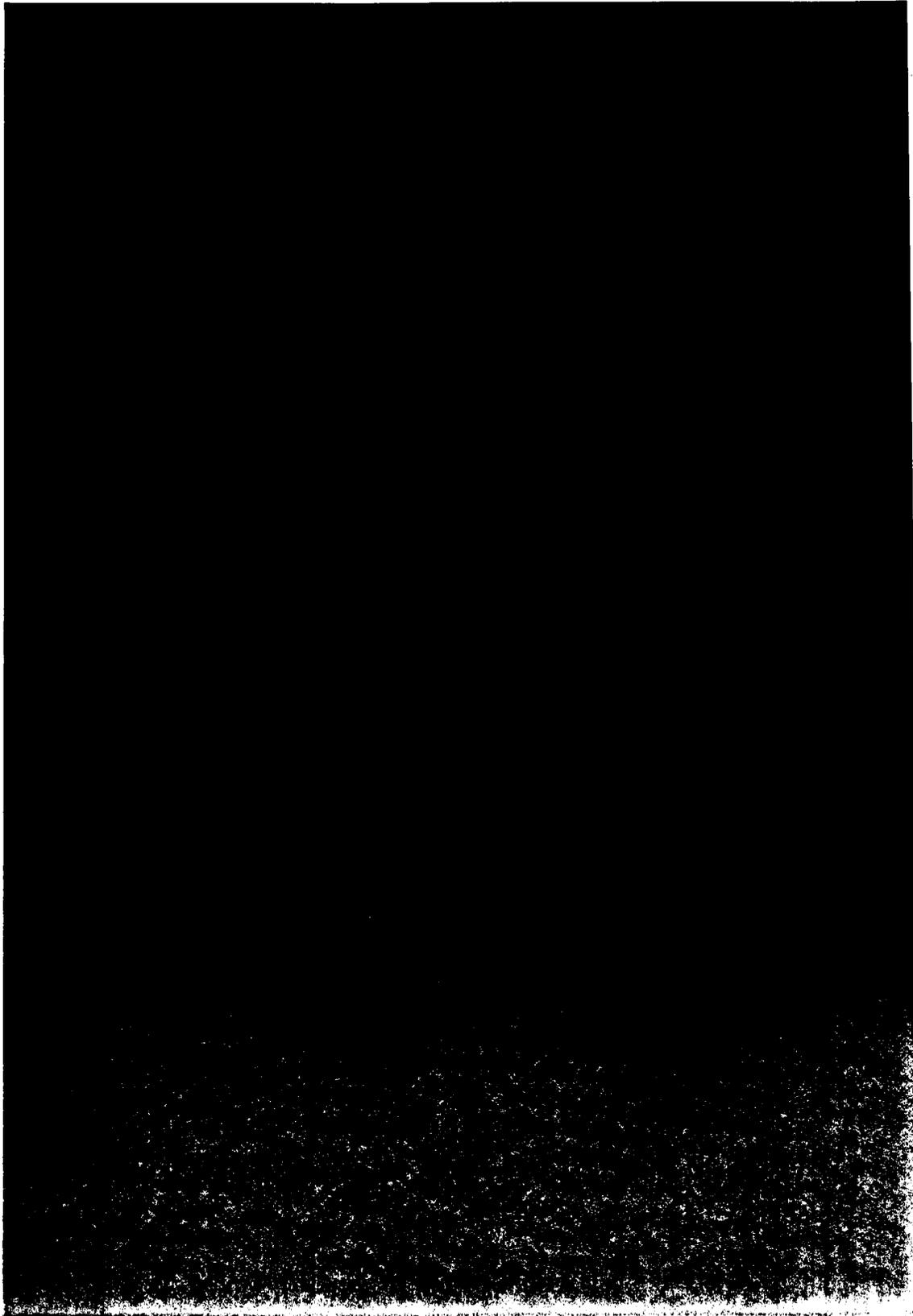






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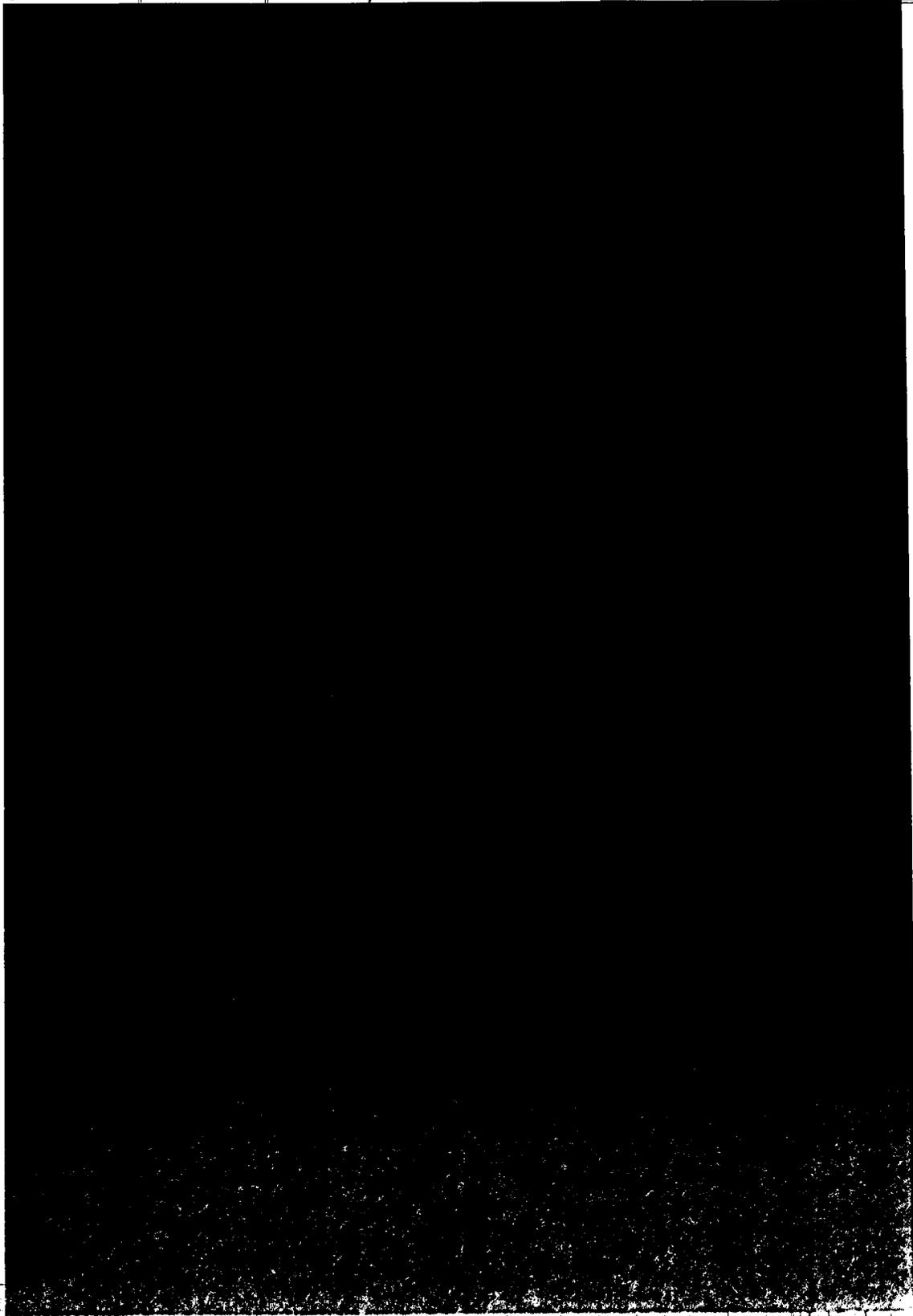




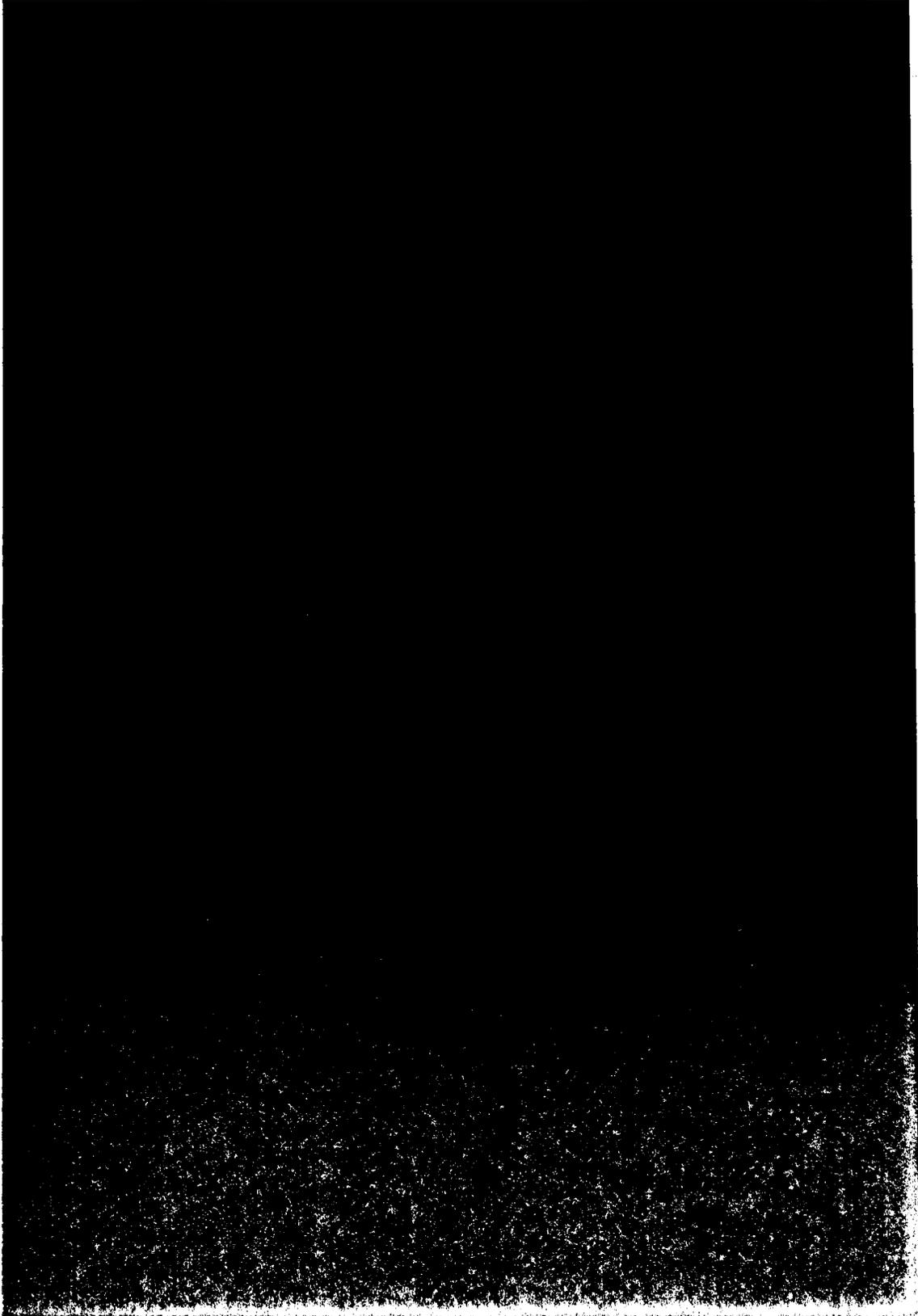
Florida Power & Light
Glades Power Park Project
RCA #07-221-4-1 Dkt #070432-EI
TYE 6/30/07

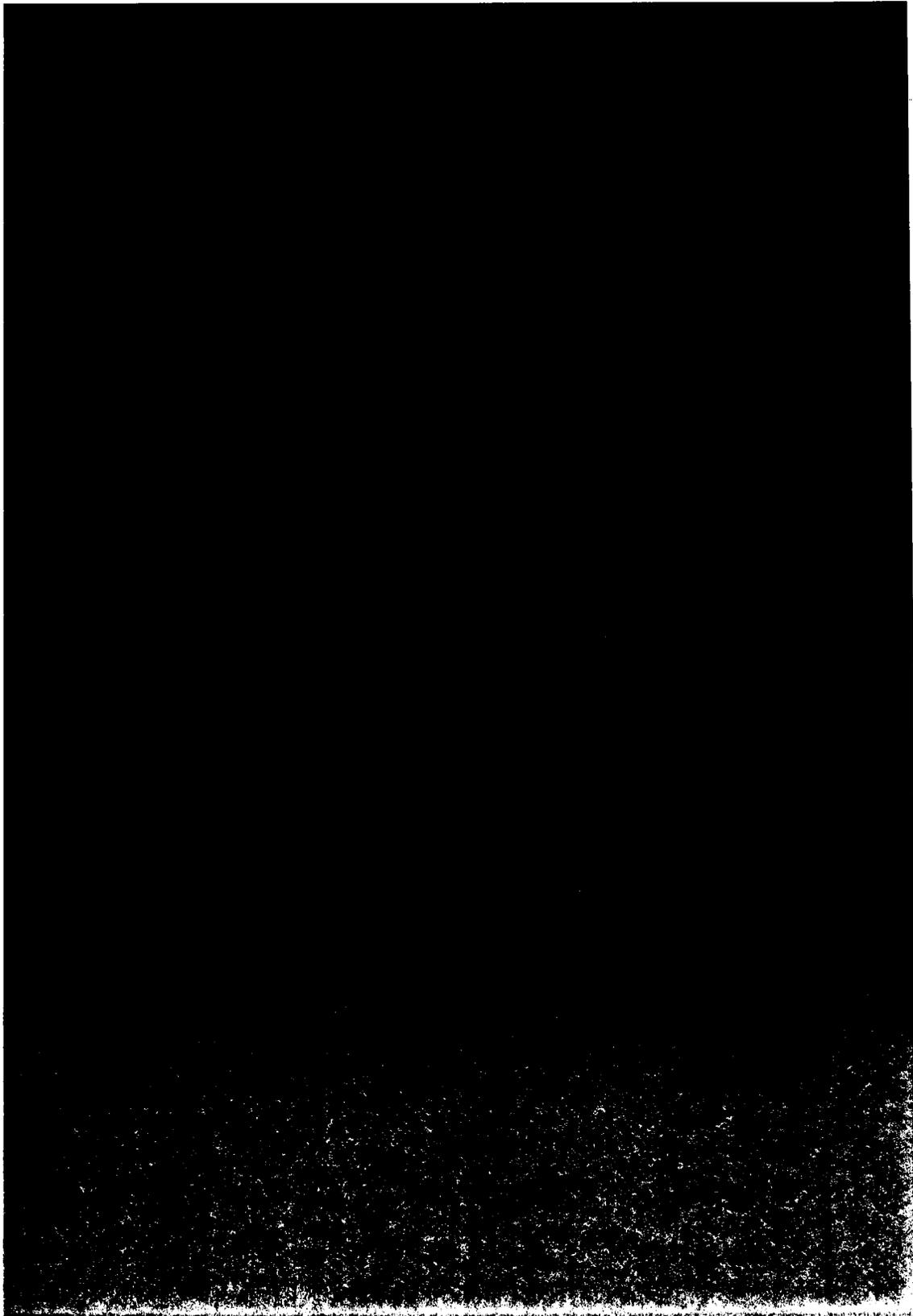
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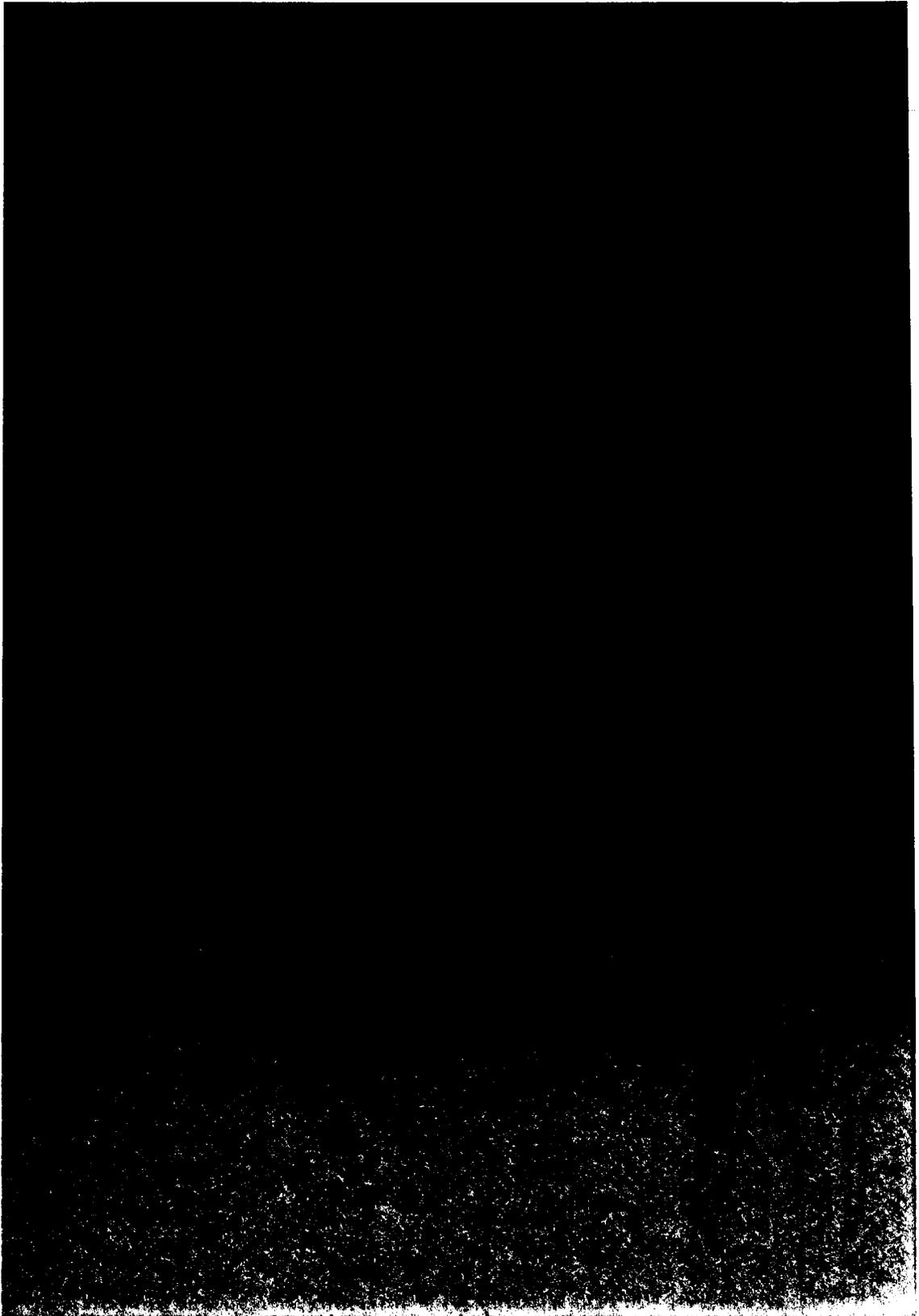
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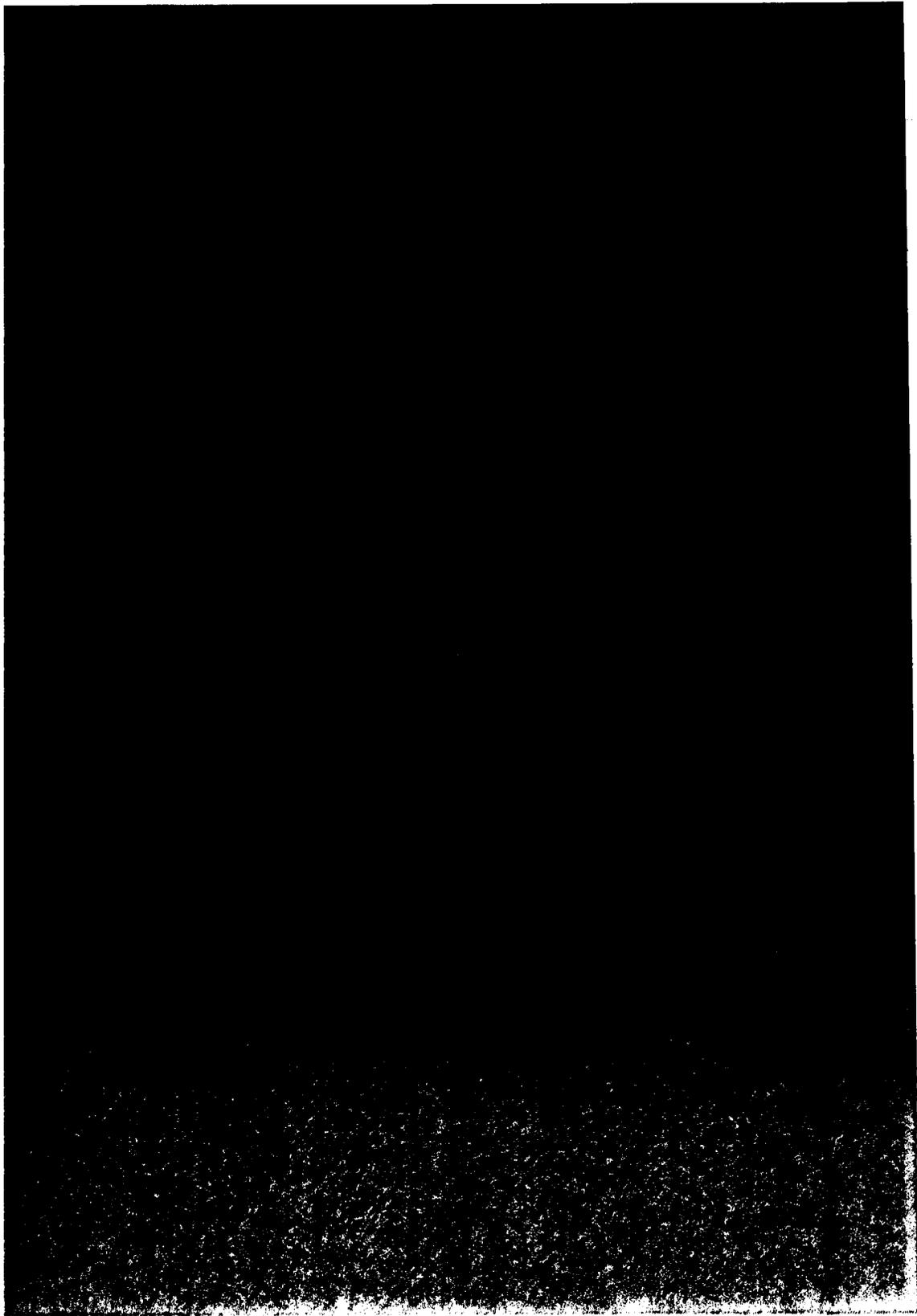


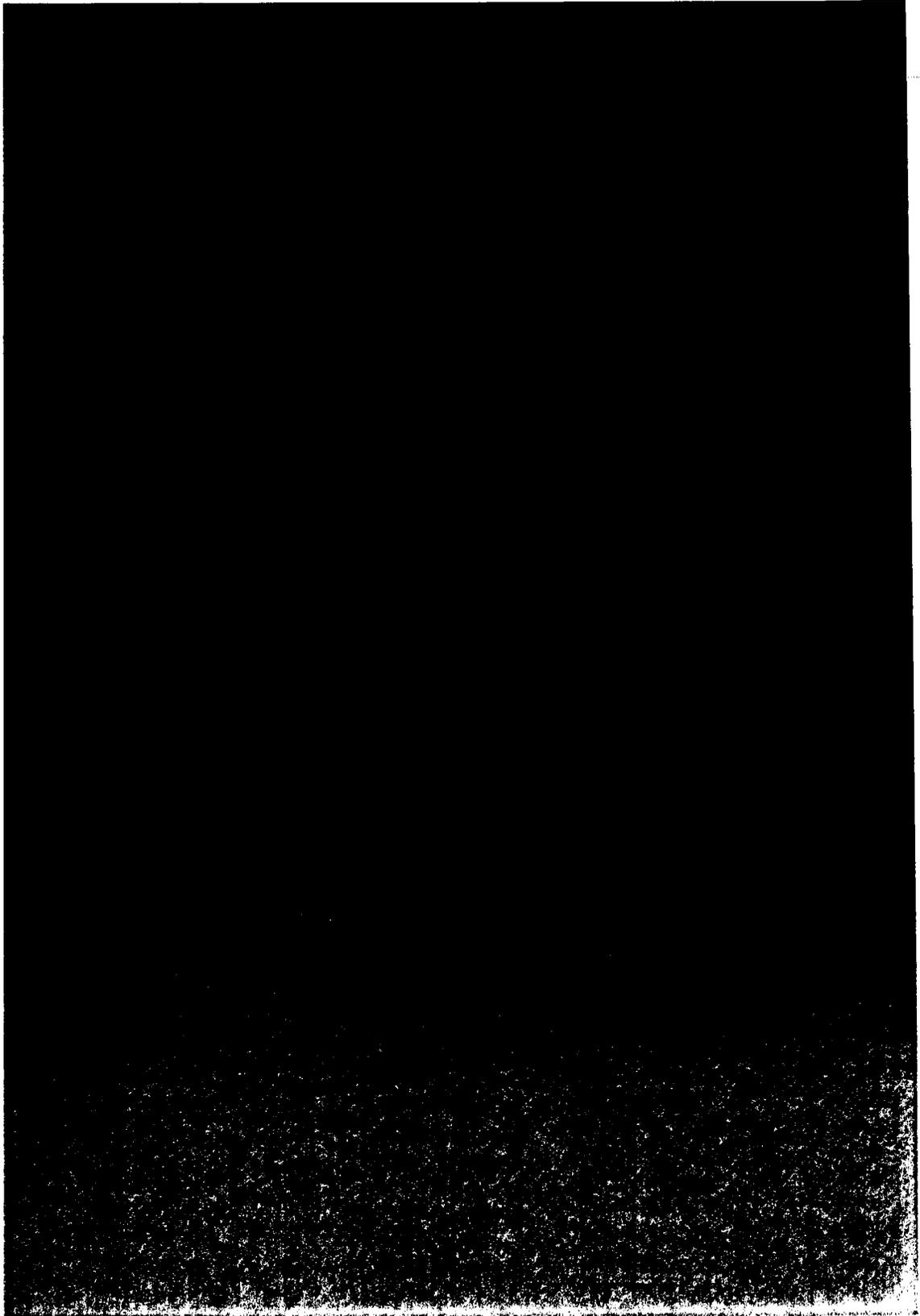
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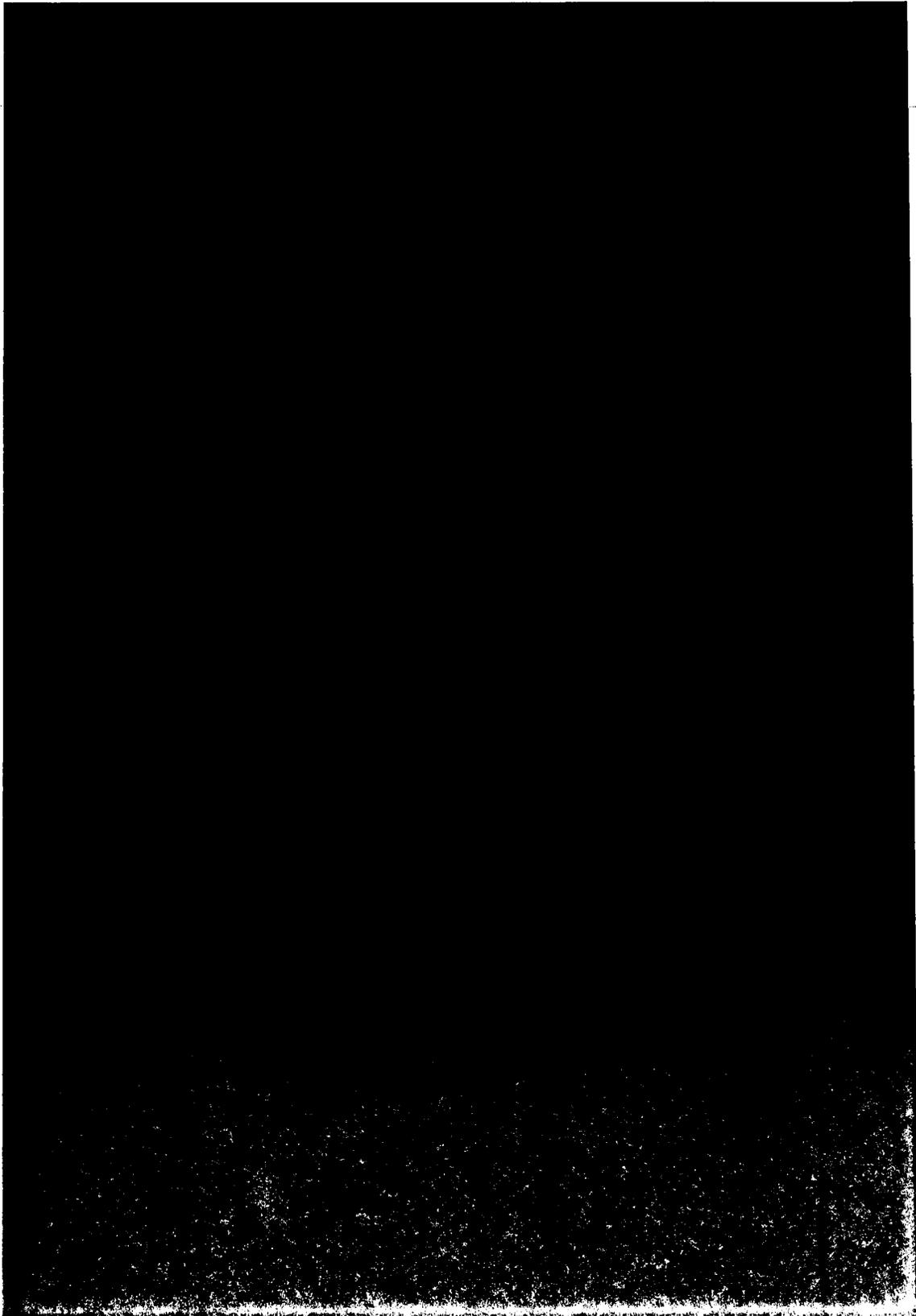


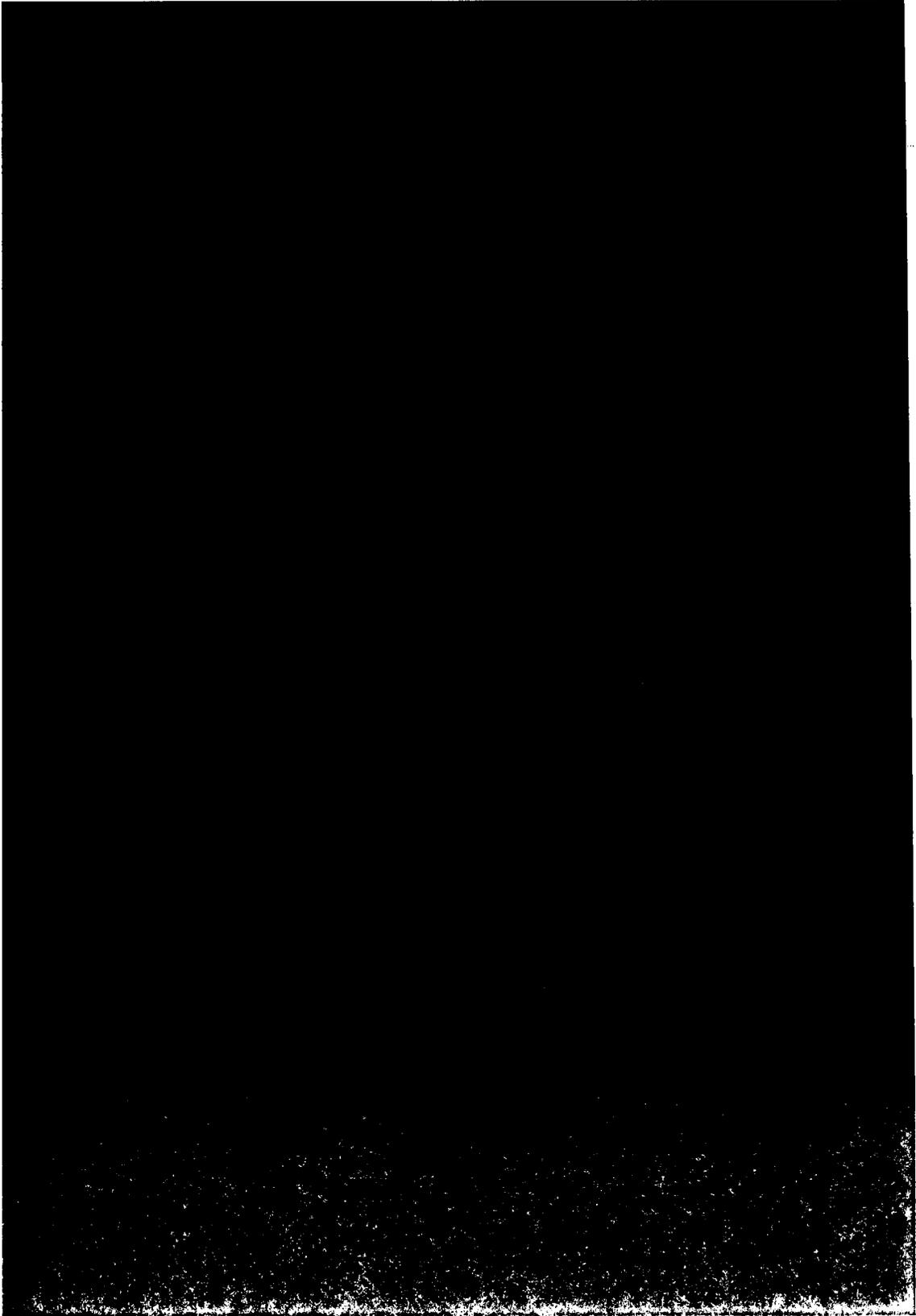


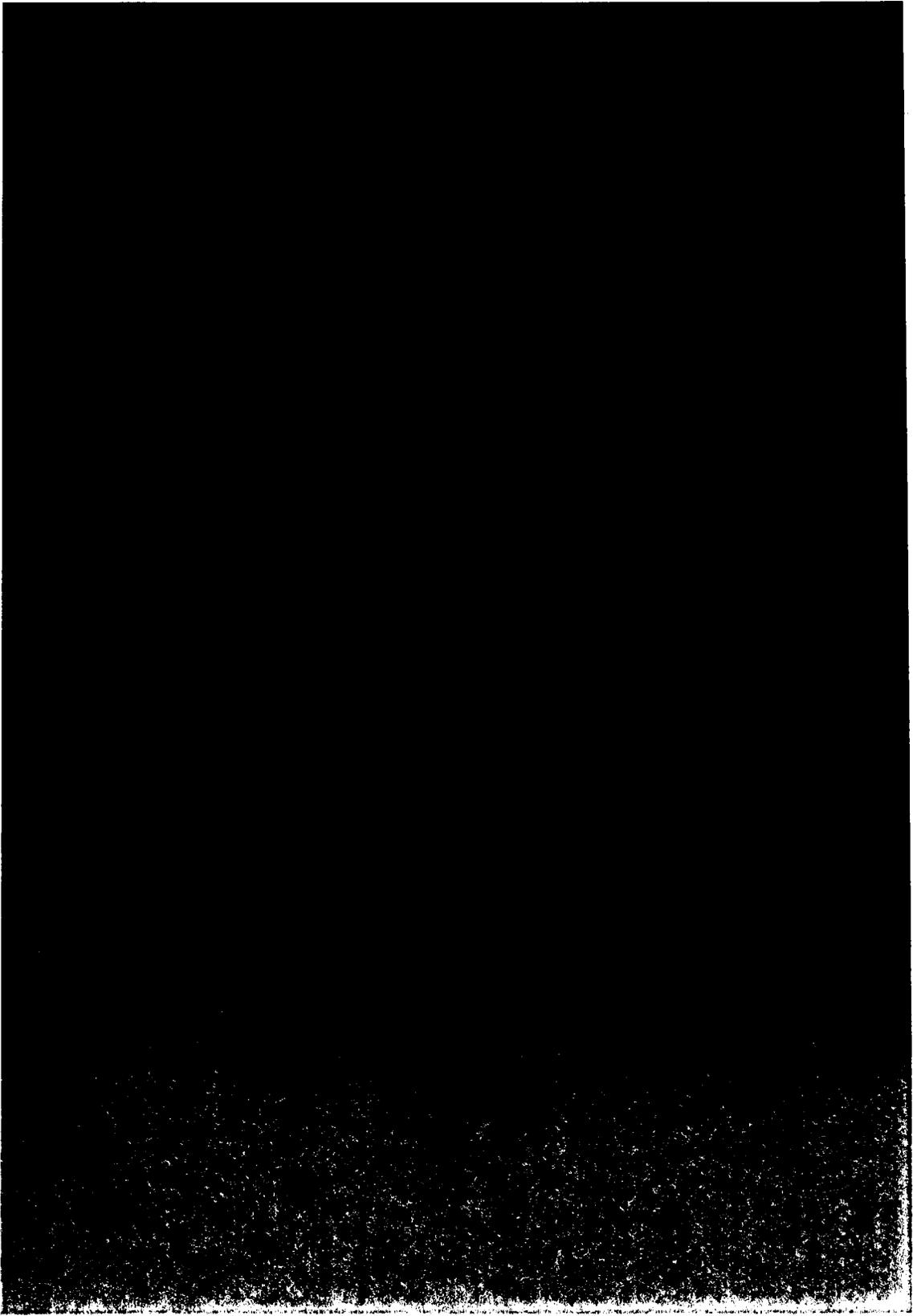


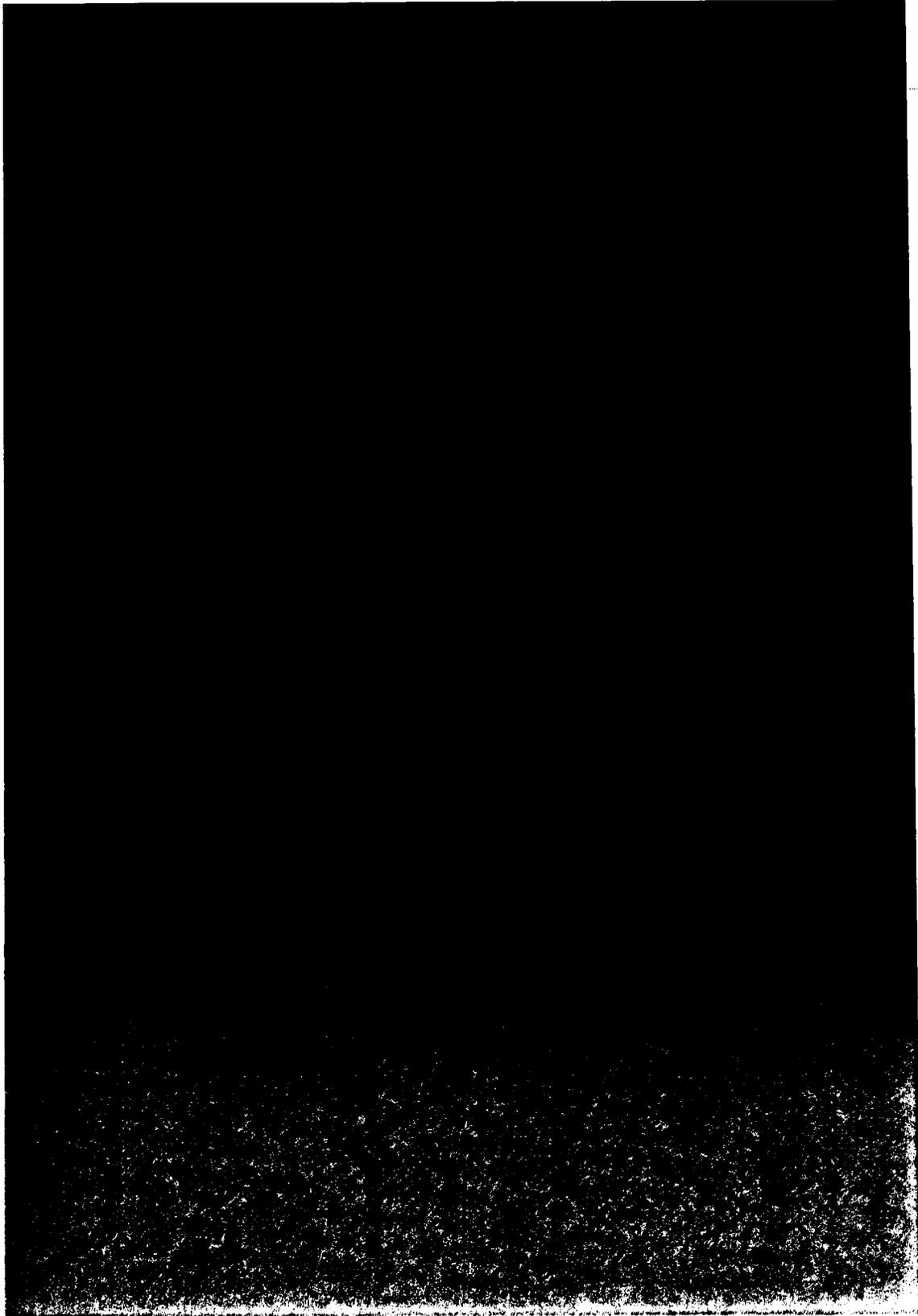


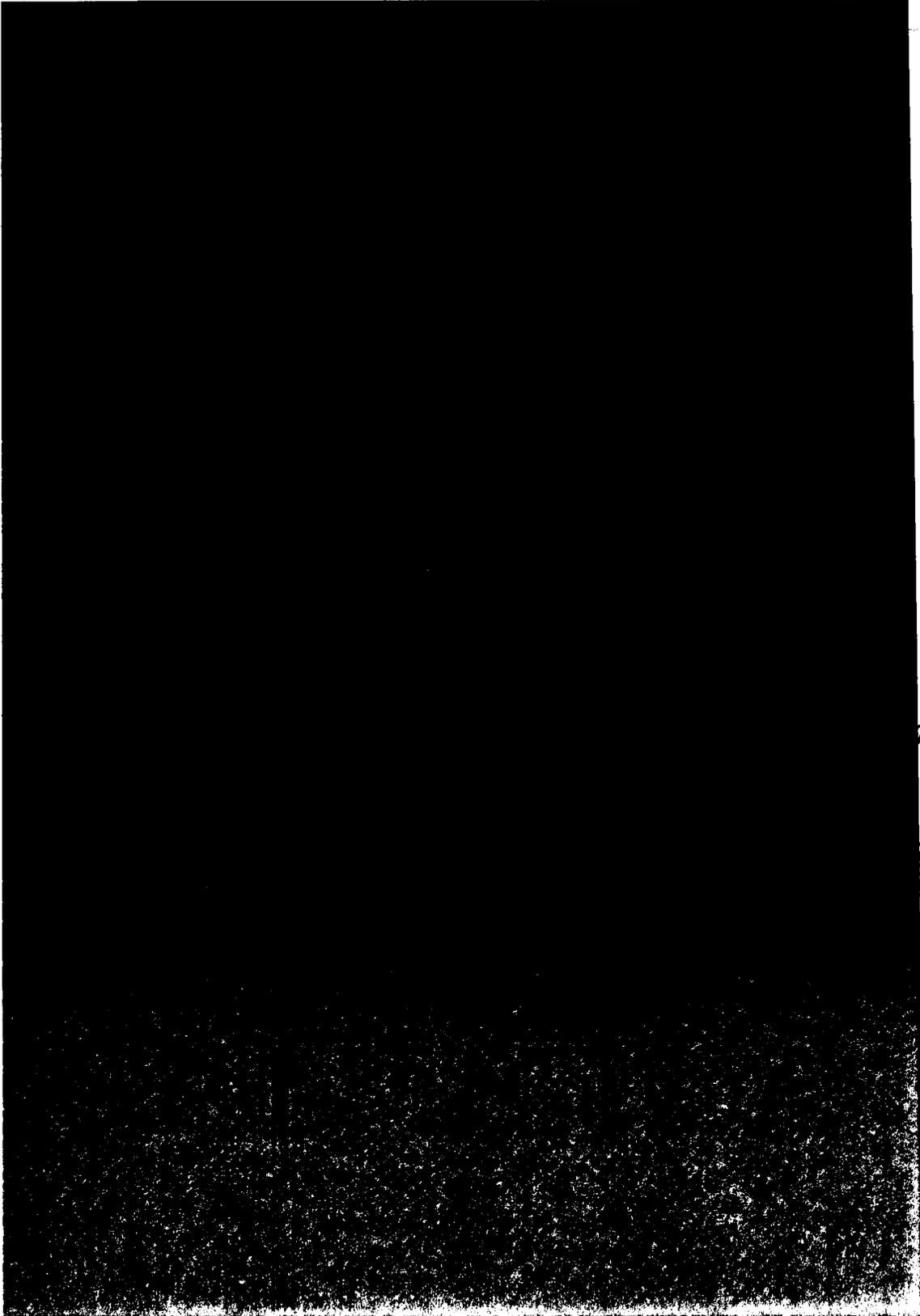






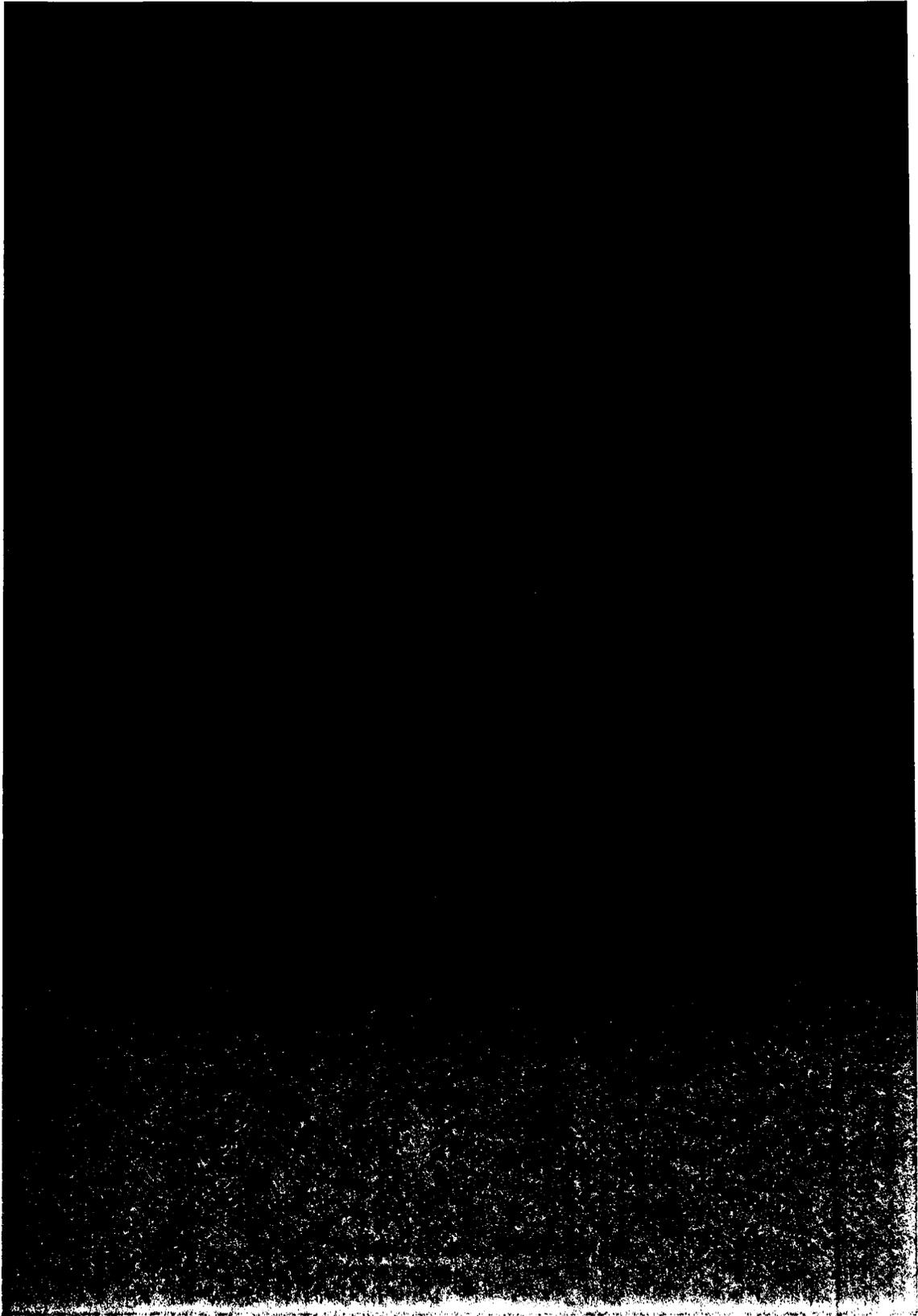


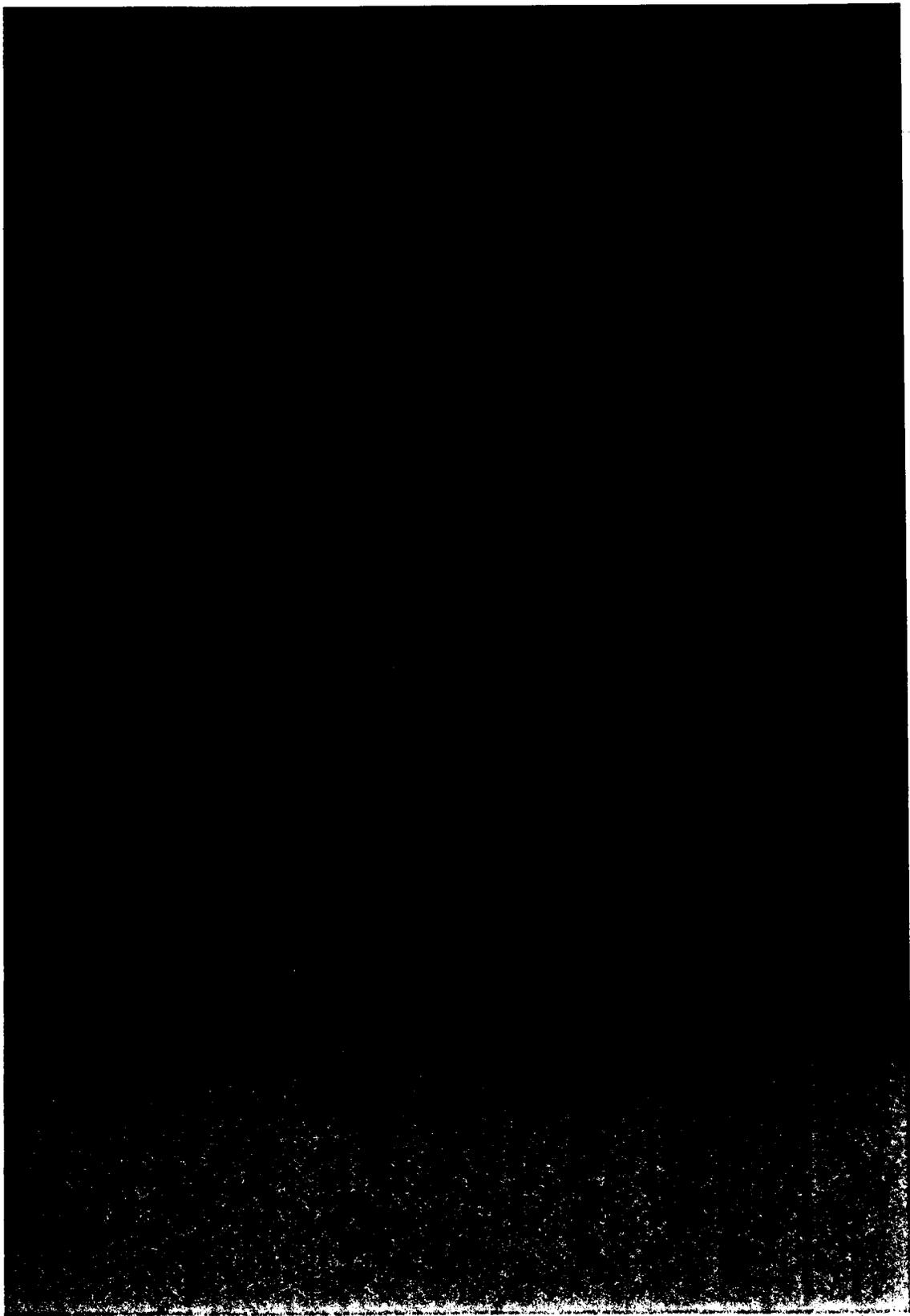




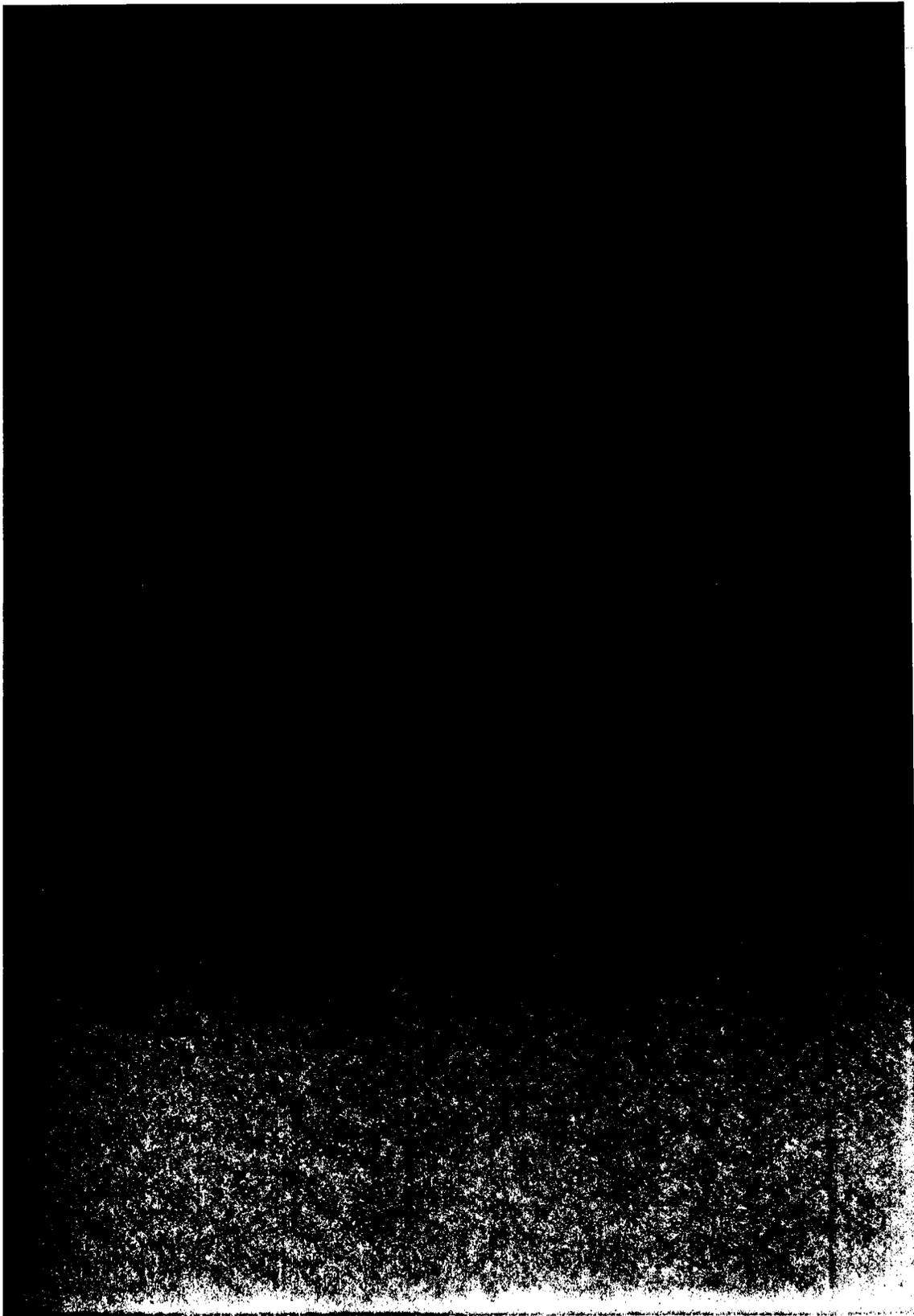
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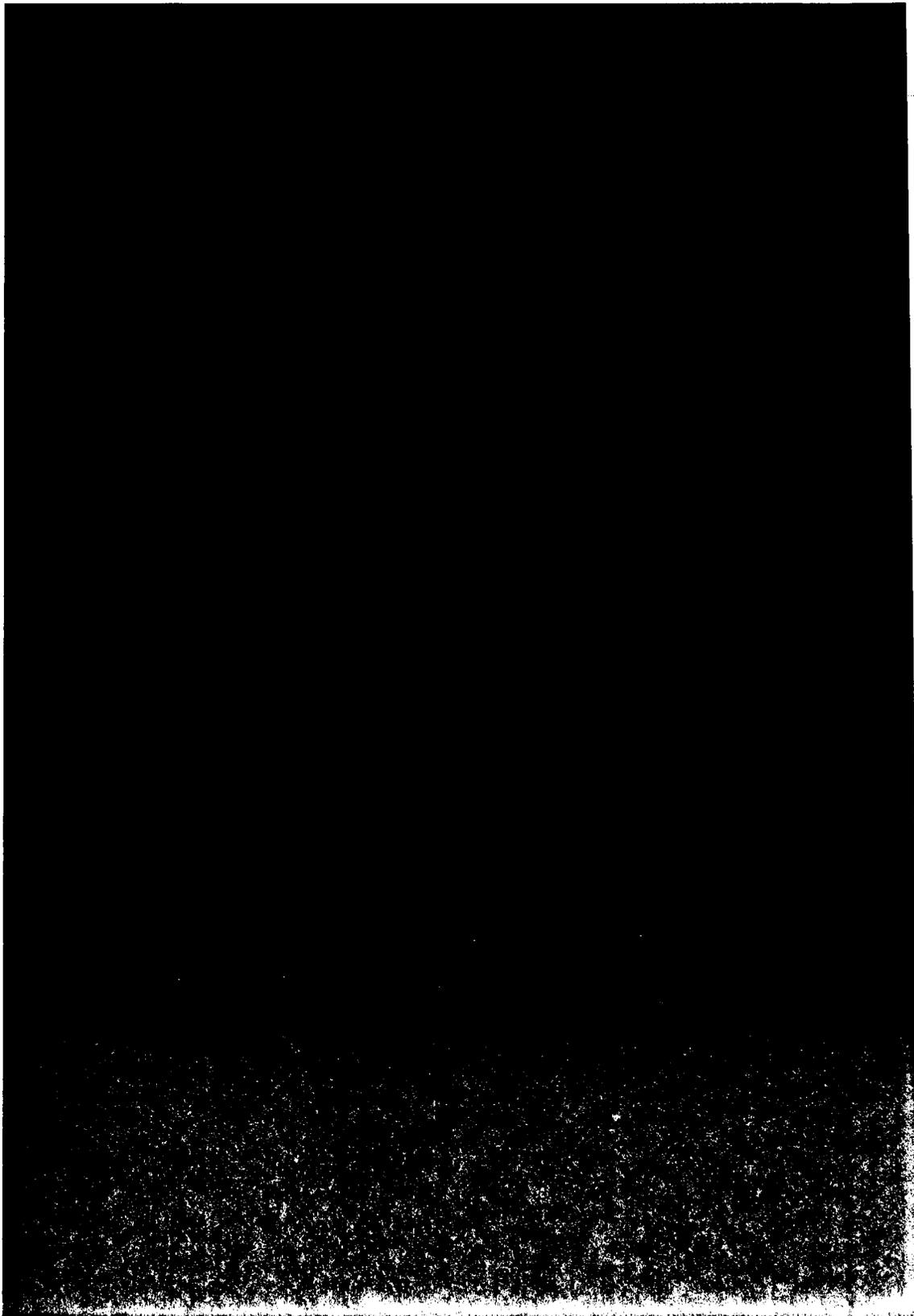
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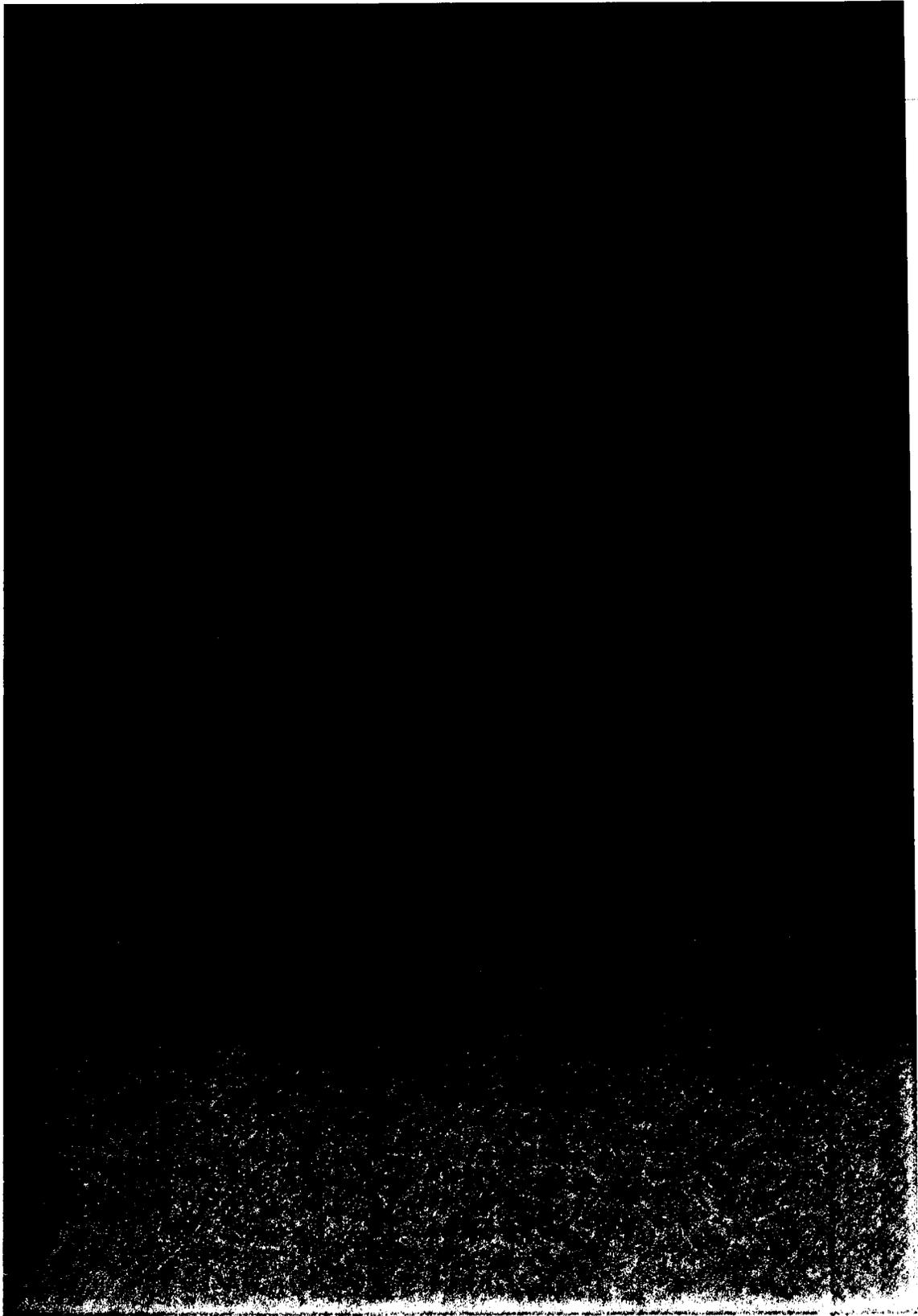


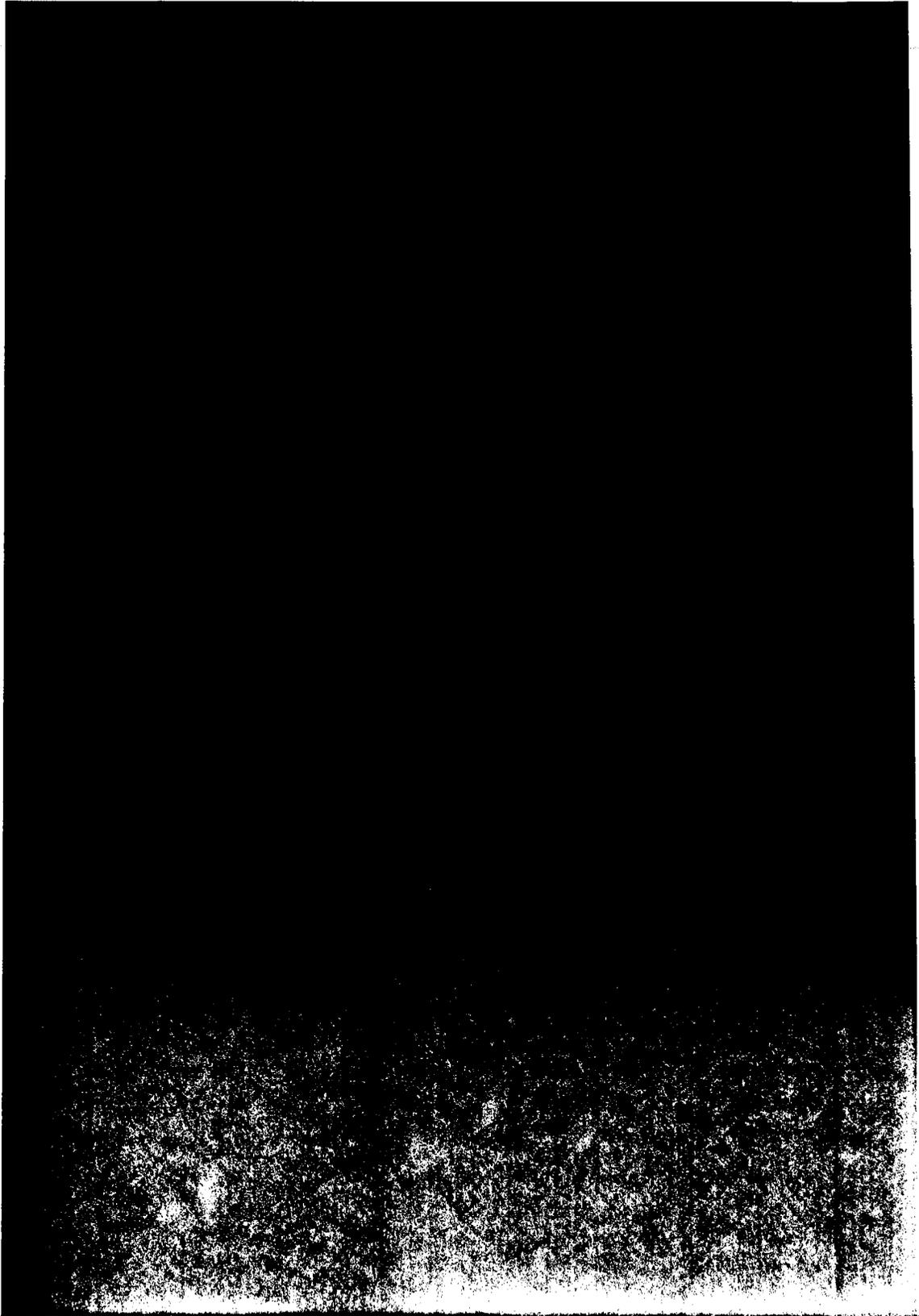


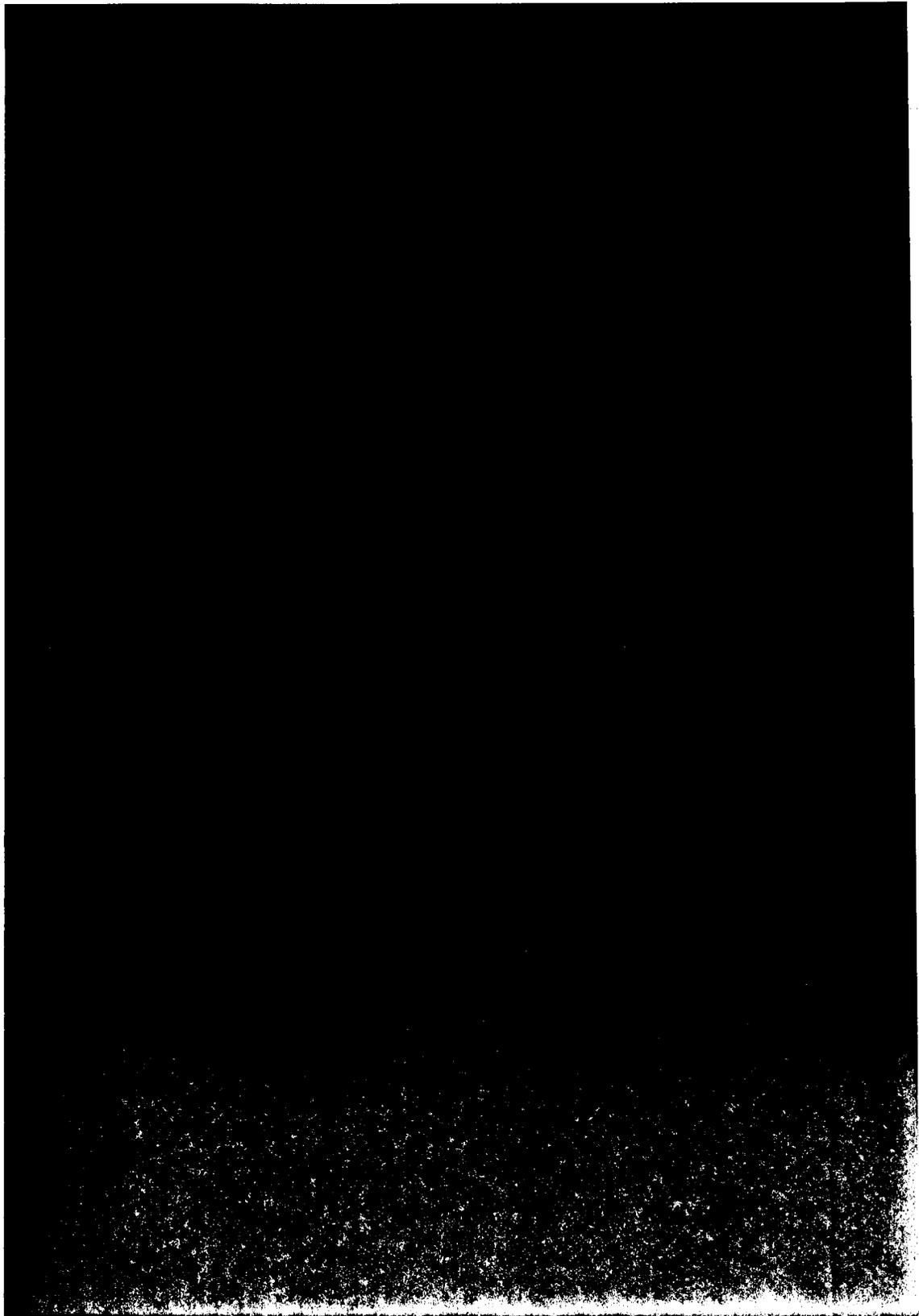










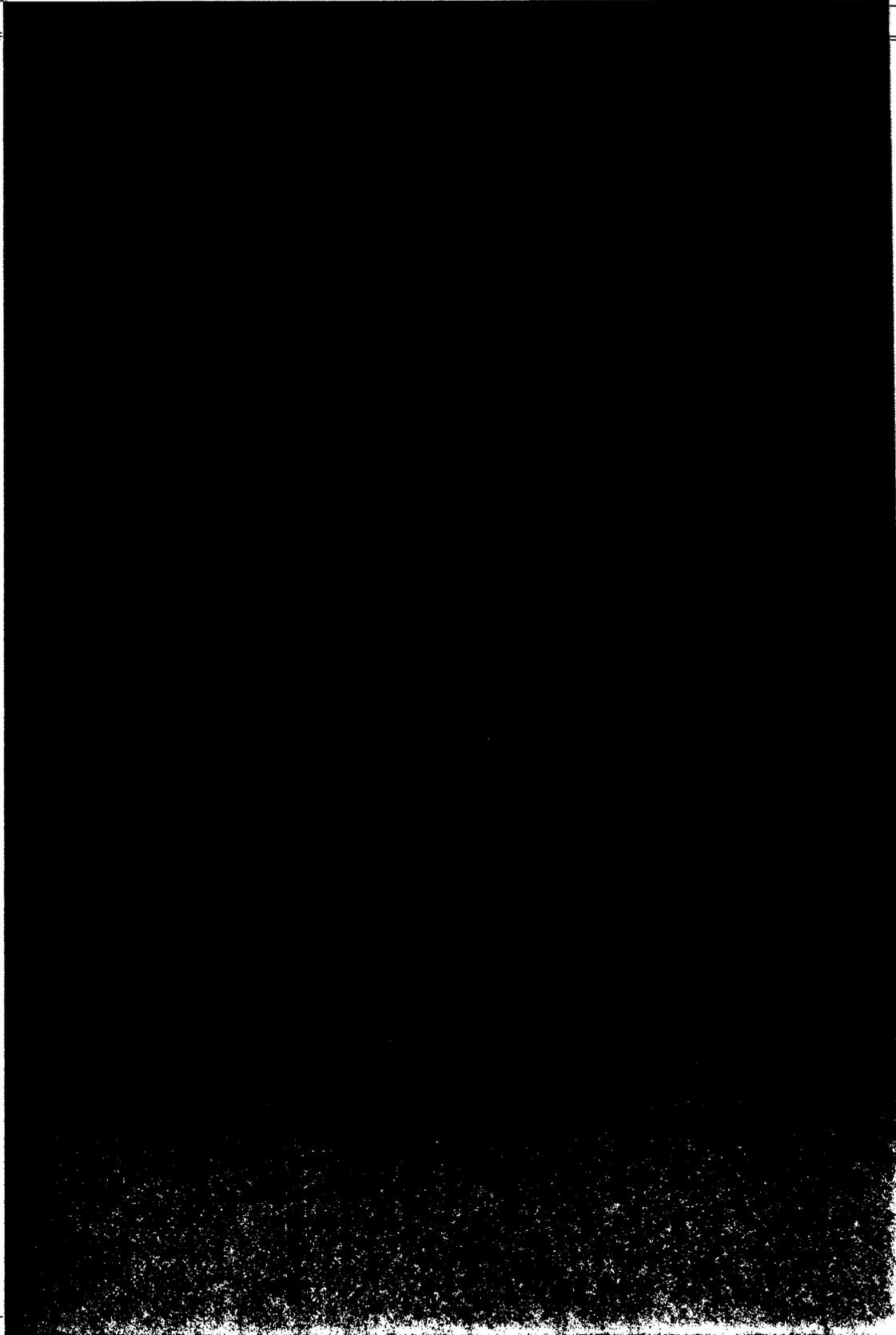


P. 2



Florida Power & Light
Glades Power Park Project
RCA #07-221-4-1 Dkt #070432-EI
TYE 6/30/07

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43-5
19

WJ
 9/27/07

Title: Audit Finding

43P.1

AUDIT FINDING NO. 3

CONFIDENTIAL

SUBJECT: LEGAL SERVICES, LOBBYING, COMMUNITY OUTREACH, & PUBLIC RELATION

AUDIT ANALYSIS: Florida Power & Light incurred legal services, lobbying, community outreach, & public relation for the Glades Power Park Project.

Description	Amount
Lobbying - Strat Comm Report [REDACTED]	
TOTAL	174,337.09
Customer Survey - [REDACTED]	
TOTAL	83,346.00
Outreach - [REDACTED]	
TOTAL	57,649.43
Outreach & Community Coordinator - [REDACTED]	
TOTAL	1,369,536.14
Copy of Educational Materials for Community Outreach	
TOTAL	12,396.00
Legal Services - Fplc chg back	
TOTAL	404,867.20

43-3
 99-1

Community outreach and customer surveys are image enhancing. Lobbying has not been allowed by the Commission in prior rate cases.

EFFECT ON LEDGER: This finding is for informational purpose only.

EFFECT ON THE FILING: This finding is for informational purpose only.

JW
 9/26/07

Title: Audit Finding

CONFIDENTIAL

43-3

Item #	Description	Amount
25	Blanchett Relocation	52,029.40
CD	Blanchett Relocation	14,059.50
CD	Blanchett Relocation	12,000.00
CD	Blanchett Relocation	5,992.96
57	Thuy Le Relocation	27,168.12
58	Thuy Le Relocation	15,064.85
TOTAL		126,314.83

43-2/1

43-3 43-3/29-3

Item #	Description	Amount
93	The primary vendor for the advanced technology considered at the FGPP project are located in Japan. The trip to Japan was taken by Vice-president of	4,148.14
94	Engineering & Construction to solicit competitive, favorable equipment pricing for three major pieces of equipment: the boiler, steam turbine & pollution control equipment.	4,900.00
TOTAL		9,048.14

43-3

43-4

See Audit Finding # 43-3/21

Outreach, Public Relations, & Lobbying

Item #	Description	Amount	Ref
Lobbying			
68	[REDACTED]	24,075.33	43-3/7
75	[REDACTED]	38,217.37	43-3/7
76	[REDACTED]	25,925.00	43-3/8
CD	[REDACTED]	10,000.00	
CD	[REDACTED]	5,000.00	
CD	[REDACTED]	15,126.66	
CD	[REDACTED]	23,116.84	
CD	[REDACTED]	12,785.22	
CD	[REDACTED]	10,090.67	
CD	[REDACTED]	10,000.00	
TOTAL		174,337.09	43-3/22-2

Customer Survey

32	[REDACTED]	101,312.02	43-3/8
TOTAL		101,312.02	43-3/22-2

Customer Survey

40	[REDACTED]	46,368.00	43-3/19
74	[REDACTED]	36,978.00	43-3/19
TOTAL		83,346.00	43-3/22-2

Outreach

78	[REDACTED]	3,616.56	
CD	[REDACTED]	26,599.50	
CD	[REDACTED]	5,511.29	
CD	[REDACTED]	4,698.57	
CD	[REDACTED]	840.00	
CD	[REDACTED]	8,363.10	
CD	[REDACTED]	6,340.41	
CD	[REDACTED]	1,680.00	
TOTAL		57,649.43	43-3/22-2

SOURCE DR #1: 43-3

Outreach & Community Coordinator

30	[REDACTED]	80,644.50	43-3/6
31	[REDACTED]	124,221.35	43-3/6
32	[REDACTED]	11,462.26	43-3/6

See audit finding # 3 43-3/22

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22-1
 P. 1

Outreach & Community Coordinator

30		80,644.50	43-3/6
31		124,221.35	43-3/6
59		11,462.26	43-3/6
65		172,208.81	43-3/6
66		56,524.12	43-3/6
67		21,500.00	43-3/6
CD		138,841.14	
CD		150,468.93	
CD		122,776.47	
CD		53,322.27	
CD		101,814.24	
CD		82,253.71	
CD		73,121.98	
49		164,509.80	
CD		3,616.56	
CD		12,250.00	
	TOTAL	<u>(B) 1,369,536.14</u>	43-3/22-2

Copy of Educational Materials for Community Outreach

89	Color Copies-K DEPP	1,792.00	43-3 p.7
90	Glades Collateral Copies	2,300.00	43-3 p.7
92	Color Copies-K DEPP	3,404.00	43-3 p.7
94	Glades Collateral Copies	4,900.00	43-3 p.7
	TOTAL	<u>(B) 12,396.00</u>	

Legal Services,

41	Legal Services	23,883.40	43-3/20
42	Legal Services	23,375.22	43-3/20
43	Legal Services	43,080.85	43-3/20
CD	Fple chg back Jan 06FPL ENERGY	2,811.02	
CD	Fple chg back Mar 06FPL ENERGY	3,490.37	
CD	Fple chg back Aug 06FPL ENERGY	3,492.25	
CD	Fple chg back Jun 06FPL ENERGY	4,050.77	
CD	Fple chg back Sep 06FPL ENERGY	4,237.55	
CD	Fple chg back Jan 07FPL ENERGY	4,505.19	
CD	Fple chg back Oct 06FPL ENERGY	5,239.65	
CD	Fple chg back June 0FPL ENERGY	5,406.34	
CD	Fple chg back Feb 07FPL ENERGY	5,412.31	
CD	Fple chg back May 07FPL ENERGY	5,723.78	
CD	Fple chg back Apr 06FPL ENERGY	6,308.03	
CD	Fple chg back Aug 06FPL ENERGY	6,980.56	
CD	Fple chg back Apr 07FPL ENERGY	7,072.40	
CD	Fple chg back Feb 06FPL ENERGY	7,223.43	
CD	Fple chg back Mar 07FPL ENERGY	7,992.38	
CD	FPLE CHG BACK ACCRUAL	8,599.54	
CD	Fple chg back Apr 07FPL ENERGY	8,679.57	
CD	Fple chg back Jul 06FPL ENERGY	9,175.95	
CD	Fple chg back Dec 06FPL ENERGY	9,966.28	
CD	Fple chg back Mar 06FPL ENERGY	10,274.40	
CD	Fple chg back Jan 07FPL ENERGY	10,389.00	
CD	Fple chg back Nov 06FPL ENERGY	11,025.11	
CD	Fple chg back Mar 07FPL ENERGY	11,348.77	
CD	Fple chg back Jun 06FPL ENERGY	12,111.00	
CD	Fple chg back June 0FPL ENERGY	12,149.62	
CD	Fple chg back Sep 06FPL ENERGY	12,985.00	
CD	Fple chg back Feb 07FPL ENERGY	13,063.57	
CD	Fple chg back Nov 06FPL ENERGY	13,171.10	
CD	Fple chg back Jul 06FPL ENERGY	14,012.17	
CD	Fple chg back Mar 07FPL ENERGY	14,502.95	

43-3
927
P. 2

CD	Fple chg back June 06FPL ENERGY	17,250.00	
CD	Fple chg back Dec 06FPL ENERGY	20,321.94	
CD	Fple chg back May 07FPL ENERGY	25,555.73	
	TOTAL	<u>(B) 404,867.20</u>	43-3/22-2

43-3
22-1

CONFIDENTIAL

Florida Power & Light
 Glades Power Park Project
 RCA #07-221-4-1 Dkt #070432-EI
 TYE 6/30/07

YN
 9/25/07

Title: Audit Finding

Date	SRC	SA	BA	EAC	From ER	From WO	From LOG	To ER	To WO	To LOC	UC	ET	Amount	Quantity	SD	SEC	N	NEW	G	DESCRIPTION	FEEDER	W	BRC	REF		
230610	51450	CCDEVX	00148	0692	98	1473	620	0	0	620 0	M		80,644.50	1.0							SA01	062000				
230608	51450	CCDEVX	00148	0692	98	1473	606	0	0	606 0	M		53,322.27	1.0							SA01	060600				
200703	51450	CCDEVX	00148	0692	98	1473	620	0	0	620 0	M		124,221.35	1.0							SA01	062000				
200706	51450	CCDEVX	00148	0692	98	1473	620	0	0	620 0	M		11,462.26	1.0							SA01	062000				
200612	51450	CCDEVX	00148	0692	98	1473	620	0	0	620 0	M		101,814.24	1.0							SA01	062000				
200702	51450	CCDEVX	00148	0692	98	1473	620	0	0	620 0	M		82,253.71	1.0							SA01	062000				
200703	51450	CCDEVX	00148	0692	98	1473	620	0	0	620 0	M		73,121.98	1.0							SA01	062000				
200511	51450	CCDEVX	00148	0692	98	1473	620	0	0	620 0	M		164,509.80	1.0							SA01	062000				
200610	52450	CCDEVX	00148	0692	98	1637	620	0	0	620 0	M		3,616.56	0.0							SA01	062000				
200707	51450	CCDEVX	00148	0692	98	1473	620	0	0	620 0	M		138,841.14	1.0							SA01	062000				
200707	51450	CCDEVX	00148	0692	98	1473	620	0	0	620 0	M		172,208.81	1.0							SA01	062000				
200707	51450	CCDEVX	00148	0692	98	1473	620	0	0	620 0	M		150,468.93	1.0							SA01	062000				
200707	51450	CCDEVX	00148	0692	98	1473	620	0	0	620 0	M		122,776.47	1.0							SA01	062000				
200707	51450	CCDEVX	00148	0692	98	1473	620	0	0	620 0	M		56,524.12	1.0							SA01	062000				
200612	51450	CCDEVX	00148	0692	98	1473	620	0	0	620 0	M		12,250.00	1.0							SA01	062000				
200612	51450	CCDEVX	00148	0692	98	1637	620	0	0	620 0	M		21,500.00	1.0							SA01	062000				
TOTAL													1,369,536.14													
43-3/22-1																										
STRAT COMM REPORT BRACEWELL																										
200704	51450	CCDEVX	00148	0692	98	1473	620	0	0	620 0	M		24,075.33	1.0							SA01	062000				
200704	51450	CCDEVX	00148	0692	98	1473	620	0	0	620 0	M		10,000.00	1.0							SA01	062000				
200704	51450	CCDEVX	00148	0692	98	1473	620	0	0	620 0	M		5,000.00	1.0							SA01	062000				
200706	51450	CCDEVX	00148	0692	98	1473	620	0	0	620 0	M		38,217.37	1.0							SA01	062000				
200706	51450	CCDEVX	00148	0692	98	1473	620	0	0	620 0	M		15,126.66	1.0							SA01	062000				
200706	51450	CCDEVX	00148	0692	98	1473	620	0	0	620 0	M		23,116.84	1.0							SA01	062000				
200706	51450	CCDEVX	00148	0692	98	1473	620	0	0	620 0	M		12,785.22	1.0							SA01	062000				
200706	51450	CCDEVX	00148	0692	98	1473	620	0	0	620 0	M		25,925.00	1.0							SA01	062000				
200706	51450	CCDEVX	00148	0692	98	1473	620	0	0	620 0	M		10,090.87	1.0							SA01	062000				
200706	51450	CCDEVX	00148	0692	98	1473	620	0	0	620 0	M		10,000.00	1.0							SA01	062000				
TOTAL													174,337.09													
43-3/22-1																										
200610	65000	FCJUNO	00148	0903	98	1492	606	0	0	620 0	M		4,148.14								83675					
43-3/22-1																										
STATEWIDE SURVEY MCLAUGHLIN																										
200703	51450	CCDEVX	00148	0692	98	1473	620	0	0	620 0	M		46,368.00	1.0							SA01	062000				
200703	51450	CCDEVX	00148	0692	98	1473	620	0	0	620 0	M		36,978.00	1.0							SA01	062000				
TOTAL													83,346.00													
43-3/22-1																										
200704	51450	CCDEVX	00148	0692	98	1637	620	0	0	620 0	M		26,599.50	1.0						CON	SA01	062000				
200706	51450	CCDEVX	00148	0692	98	1473	620	0	0	620 0	M		5,511.29	1.0						CON	SA01	062000				
200704	51450	CCDEVX	00148	0692	98	1637	620	0	0	620 0	M		4,698.57	1.0						CON	SA01	062000				
200706	51450	CCDEVX	00148	0692	98	1473	620	0	0	620 0	M		840.00	1.0						CON	SA01	062000				

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SOURCE DR #1, 143-3

Date	SBC	SA	BA	EAC	From ER	From WO	From LOC	To ER	To WO	To LOC	UG	ET	Amount	Quantity	SD SEC	NEW	DESCRIPTION	FEEDER	W BRG	REF 1
200704	51450	CCDEVX	00148	0692	98	1637	620	0	0	620	0	M	8,363.10	1	0	183675		SA01	062000	
200612	65900	CCDEVX	00148	0692	98	1637	620	0	0	620	0	M	6,340.41	0	0	183675		CA01	062000	000
200704	51450	CCDEVX	00148	0692	98	1637	620	0	0	620	0	M	1,680.00	1	0	183675	CON	SA01	062000	
200612	52450	CCDEVX	00148	0692	98	1637	620	0	0	620	0	M	3,616.56	0	0	183675	CON	SA01	062000	
TOTAL													57,648.43							

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Fple chg back FPL ENERGY

200602	52450	ECJUNO	00898	0831	98	983	606	0	0	606	0	M	2,811.02	0	0	183520	Fple chg back Jan 06FPL ENERGY	SA01	060600	FPL ENERGY LLC
200604	52450	ECJUNO	00898	0831	98	983	606	0	0	606	0	M	3,490.37	0	0	183520	Fple chg back Mar 06FPL ENERGY	SA01	060600	FPL ENERGY LLC
200609	52450	ECJUNO	00898	0831	98	983	606	0	0	606	0	M	3,482.25	0	0	183520	Fple chg back Aug 06FPL ENERGY	SA01	060600	FPL ENERGY LLC
200607	52450	ECJUNO	00898	0831	98	983	606	0	0	606	0	M	4,050.77	0	0	183520	Fple chg back Jun 06FPL ENERGY	SA01	060600	FPL ENERGY LLC
200610	52450	ECJUNO	00898	0831	98	983	606	0	0	606	0	M	4,237.55	0	0	183520	Fple chg back Sep 06FPL ENERGY	SA01	060600	FPL ENERGY LLC
200703	52450	LAWDEV	00148	0831	98	1475	606	0	0	620	0	M	4,505.19	0	0	183675	Fple chg back Jan 07FPL ENERGY	SA01	062000	FPL ENERGY LLC
200611	52450	LAWDEV	00148	0831	98	1475	606	0	0	620	0	M	5,239.65	0	0	183675	Fple chg back Oct 06FPL ENERGY	SA01	062000	FPL ENERGY LLC
200707	52450	ECJUNO	00148	0831	98	1492	606	0	0	620	0	M	5,406.34	0	0	183675	Fple chg back June 07FPL ENERGY	SA01	062000	FPL ENERGY LLC
200703	52450	ECJUNO	00148	0831	98	983	620	0	0	606	0	M	5,412.31	0	0	183675	Fple chg back Feb 07FPL ENERGY	SA01	062000	FPL ENERGY LLC
200707	52450	ECJUNO	00148	0831	98	983	620	0	0	606	0	M	5,723.78	0	0	183675	Fple chg back May 07FPL ENERGY	SA01	062000	FPL ENERGY LLC
200606	52450	ECJUNO	00898	0831	98	983	606	0	0	606	0	M	6,308.03	0	0	183520	Fple chg back Apr 06FPL ENERGY	SA01	060600	FPL ENERGY LLC
200609	52450	LAWDEV	00148	0831	98	1475	606	0	0	620	0	M	6,980.56	0	0	183675	Fple chg back Aug 06FPL ENERGY	SA01	062000	FPL ENERGY LLC
200706	52450	ECJUNO	00148	0831	98	1492	606	0	0	620	0	M	7,072.40	0	0	183675	Fple chg back Apr 07FPL ENERGY	SA01	062000	FPL ENERGY LLC
200604	52450	ECJUNO	00898	0831	98	983	606	0	0	606	0	M	7,223.43	0	0	183520	Fple chg back Feb 06FPL ENERGY	SA01	060600	FPL ENERGY LLC
200704	52450	ECJUNO	00148	0831	98	983	620	0	0	606	0	M	7,992.38	0	0	183675	Fple chg back Mar 07FPL ENERGY	SA01	062000	FPL ENERGY LLC
200704	65000	ECJUNO	00148	0831	98	983	620	0	0	606	0	M	8,599.54	0	0	183675	FPLE CHG BACK ACCRUAL	CA01	062000	000
200705	52450	ECJUNO	00148	0831	98	983	620	0	0	606	0	M	8,679.57	0	0	183675	Fple chg back Apr 07FPL ENERGY	SA01	062000	FPL ENERGY LLC
200608	52450	ECJUNO	00898	0831	98	983	606	0	0	606	0	M	9,175.95	0	0	183520	Fple chg back Jul 06FPL ENERGY	SA01	060600	FPL ENERGY LLC
200701	52450	LAWDEV	00148	0831	98	1475	606	0	0	620	0	M	9,966.28	0	0	183675	Fple chg back Dec 06FPL ENERGY	SA01	062000	FPL ENERGY LLC
200604	52450	ECJUNO	00898	0684	98	983	606	0	0	606	0	M	10,274.40	0	0	183520	Fple chg back Mar 06FPL ENERGY	SA01	060600	FPL ENERGY LLC
200703	52450	ECJUNO	00148	0831	98	1492	606	0	0	620	0	M	10,389.00	0	0	183675	Fple chg back Jan 07FPL ENERGY	SA01	062000	FPL ENERGY LLC
200612	52450	LAWDEV	00148	0831	98	1475	606	0	0	620	0	M	11,025.11	0	0	183675	Fple chg back Nov 06FPL ENERGY	SA01	062000	FPL ENERGY LLC
200704	52450	ECJUNO	00148	0831	98	1492	606	0	0	620	0	M	11,348.77	0	0	183675	Fple chg back Mar 07FPL ENERGY	SA01	062000	FPL ENERGY LLC
200607	52450	LAWDEV	00148	0831	98	1475	606	0	0	606	0	M	12,111.00	0	0	183675	Fple chg back Jun 06FPL ENERGY	SA01	060600	FPL ENERGY LLC
200707	52450	LAWDEV	00148	0831	98	1475	606	0	0	620	0	M	12,149.62	0	0	183675	Fple chg back June 07FPL ENERGY	SA01	062000	FPL ENERGY LLC
200610	52450	LAWDEV	00148	0831	98	1475	606	0	0	620	0	M	12,985.00	0	0	183675	Fple chg back Sep 06FPL ENERGY	SA01	062000	FPL ENERGY LLC
200703	52450	ECJUNO	00148	0831	98	1492	606	0	0	620	0	M	13,063.57	0	0	183675	Fple chg back Feb 07FPL ENERGY	SA01	062000	FPL ENERGY LLC
200612	52450	ECJUNO	00148	0831	98	1492	606	0	0	620	0	M	13,171.10	0	0	183675	Fple chg back Nov 06FPL ENERGY	SA01	062000	FPL ENERGY LLC
200608	52450	LAWDEV	00148	0831	98	1475	606	0	0	606	0	M	14,012.17	0	0	183675	Fple chg back Jul 06FPL ENERGY	SA01	060600	FPL ENERGY LLC
200704	52450	LAWDEV	00148	0831	98	1475	606	0	0	620	0	M	14,502.95	0	0	183675	Fple chg back Mar 07FPL ENERGY	SA01	062000	FPL ENERGY LLC
200707	52450	ECJUNO	00148	0831	98	983	620	0	0	606	0	M	17,250.00	0	0	183675	Fple chg back June 07FPL ENERGY	SA01	062000	FPL ENERGY LLC
200701	52450	ECJUNO	00148	0831	98	1492	606	0	0	620	0	M	20,321.94	0	0	183675	Fple chg back Dec 06FPL ENERGY	SA01	062000	FPL ENERGY LLC
200703	52450	LAWDEV	00148	0831	98	1475	606	0	0	620	0	M	23,375.22	0	0	183675	Fple chg back Feb 07FPL ENERGY	SA01	062000	FPL ENERGY LLC
200706	52450	LAWDEV	00148	0831	98	1475	606	0	0	620	0	M	23,883.40	0	0	183675	Fple chg back Apr 07FPL ENERGY	SA01	062000	FPL ENERGY LLC
200707	52450	ECJUNO	00148	0831	98	1492	606	0	0	620	0	M	25,555.73	0	0	183675	Fple chg back May 07FPL ENERGY	SA01	062000	FPL ENERGY LLC

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2/2/13

Date	SRC	SA	BA	EAC	From ER	From WG	From LOC	To ER	To WG	To LOC	UC	ET	Amount	Quantity	SP	SEC	NEW	WG	DESCRIPTION	FEEDER	W-BRG	REF
200707	52450	LAWDEV	00148	C831	98	1475	608	0	0	620	0	M	43,080.85	0.0	183675			Fple chg back May 07	FPL ENERGY	SA01	062000	FPL ENERGY LLC
TOTAL													404,867.20		<u>43-3/22-1</u>							

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