

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and Purchased Power) Docket No: 080001-EI
Cost Recovery Clause with Generating)
Performance Incentive Factor) Date: June 16, 2008

FLORIDA POWER & LIGHT COMPANY'S
NOTICE OF INTENT TO SEEK CONFIDENTIAL CLASSIFICATION

Pursuant to Section 366.093 of the Florida Statutes and Rule 25-22.006 of the Florida Administrative Code, Florida Power & Light Company ("FPL") hereby files its Notice of Intent to Seek Confidential Classification of certain information responsive to the Mid-Course Correction Data Requests that Staff delivered to FPL electronically on June 11, 2008 (the "June 11 Mid-Course Correction Data Requests").

Requests No. 16 and 19 of the June 11 Mid-Course Correction Data Request seek production of confidential, proprietary business information of FPL. A copy of the June 11, Mid-Course Correction Data Requests is attached hereto. Accordingly, FPL hereby gives notice of its intent to seek confidential classification of its responses to Requests No. 16 and 18 pursuant to Rule 25-22.006(3)(a).

Contemporaneously herewith, FPL is serving its responses to Staff's Mid-Course Correction Data Requests.

Respectfully submitted,

R. Wade Litchfield, Esq.
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John T. Butler, Esquire
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Florida Power & Light Company
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By: [Signature]
John T. Butler
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1 copy records

This docketed notice of intent was filed with Confidential Document No. 05113-08 The document has been placed in confidential storage pending timely receipt of a request for confidentiality.

DOCUMENT NUMBER-DATE

05112 JUN 16 08

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Public Service Commission

June 11, 2008

Mr. John T. Butler, Esquire
Florida Power & Light Company
700 Universe Boulevard
Juno Beach, FL 33408

**MID-COURSE CORRECTION
DATA REQUESTS**

Re: DOCKET NO. 080001-EI - Fuel and purchased power cost recovery clause with generating performance incentive factor.

Dear Mr. Butler:

By this letter, the Commission staff requests that Florida Power & Light Company ("FPL" or utility) provide responses to the following data requests.

1. Please refer to Page 5 of K.M. Dubin's March 3, 2008 Direct Testimony in Docket No. 080001-EI in which Witness Dubin discusses the switch from oil to gas that took place in the latter half of 2007. Does FPL burn oil or gas depending upon which one is cheaper to burn on a cents/MMBtu basis for plants that are fuel-switching capable?
2. Please refer to Page 5 of K.M. Dubin's March 3, 2008 Direct Testimony in Docket No. 080001-EI. The math included in the testimony appears to state that:
Heavy Oil Price (projected) = \$9.31 (actual) * 101.1 = \$9.41
Natural Gas Price (projected) = \$9.70 (actual) *.991 = \$9.61
Oil appears to have been cheaper than projected, and natural gas appears to have been more expensive than projected, so FPL switched away from oil to gas. But if oil was cheaper than gas at the time of preparing the projection testimony (i.e. \$9.41 versus \$9.61), why didn't FPL plan to use oil rather than gas at that time?
3. Considering the shortfall in MWH demand compared to FPL's projections for the period August 2007 through December 2009, has FPL found that participation in energy conservation programs has changed during this period? If so, please indicate the changes.
4. A. If the actual capital costs of Turkey Point Unit 5 are lower than expected at the time of the need determination for the unit, can that amount be quantified at this time? If so, please provide.

- B. If the actual costs of Turkey Point 5 are lower than expected at the time of the need determination, when does FPL intend to file for a true-up correction to the Capacity Cost Recovery Clause to reflect a credit for the differential?
5. What actions has FPL taken and what actions does FPL plan to take during the remainder of 2008 which has or will serve to minimize 2008 fuel and purchase power costs?
6. In light of the actual and projected increases in fuel prices, what opportunities exist to modify operations to achieve greater fuel savings (e.g. deferral of planned outages of baseload or intermediate units, etc.) without negative impact on future operations?
7. Please refer to Petition, Appendix A, Page 6, Line B1- This shows that FPL expects jurisdictional sales to be 5.1 percent less than originally forecasted.
- A. What factors have caused this large actual and projected decrease in demand?
 - B. How did FPL model demand for purposes of the mid-course correction filing?
 - C. What assumptions changed compared to FPL's original projections?
 - D. Regarding the decline in actual and projected demand, is this decline more pronounced in some regions of FPL's service area than others? Explain.
8. Please refer to Petition, Page 3A. Among large scale utilities in the US, is FPL the most dependent utility on natural gas generation?
9. Please refer to Petition, Page 3A. In its conclusion that FPL is the most fuel efficient large scale utility in the US, did FPL consider fuel efficiency to be the lowest average heat rate (MMBtu/KWh) for all self generation? Explain.
10. Please refer to Petition, page 5, Section 8. What is the calculation used to derive the percent underrecovery for FPL in its mid-course correction?
11. Please provide Schedules E-1B (based on the proposed levelized cost recovery factor sought in this request for mid-course correction) and Schedules E-6 through E-9.
12. Please refer to Page 6 of the Petition's Appendix A, Lines A2 and A3. Why are power sales projected to decline by 20.2% at the same time that power purchases are projected to decline by only 2 % (Schedule A7) or 5% (Schedule A9) or even increase by .5 % (Schedule A8)?
13. What are the sources of known increases and decreases to 2009 customer fuel and non-fuel rates for FPL relative to the rates for mid-course correction appearing in Schedule E-10? Include in your response the impact of the clauses, GBRA (by plant), nuclear cost recovery, fuel hedging, fuel commodity and transportation, FPL Solar Energy Projects and other ECRC rate impacts, and any other significant drivers. To the extent possible, estimate the relative impact of each source on a typical residential bill.
14. Why FPL is pursuing the mid-course correction at this time by recovering the total costs over a five month period rather than a longer or deferred time period?

15. What are the amounts of underrecovery or overrecovery associated with each fuel type, power sales, purchase power, based upon actual and projected costs and revenues? This analysis should reconcile to the total under-recovery included in the petition.
16. What are the monthly natural gas and residual oil commodity and transportation price forecasts and the projected monthly hedging costs per MMBtu for these fuels underlying the August 2007 actual/estimated filing for 2007, the September 2007 projection filing for 2008, and the June 2008 mid-course filing for 2008? Explain the source of the forecasts and the method for producing them.
17. What are FPL's monthly natural gas and residual oil price forecasts for 2009?
18. If FPL doesn't have a 2009 natural gas or residual oil price forecast per se, what are monthly natural gas and residual oil commodity prices for 2009 expected at this time and what is the source of such information?
19. Please refer to Page 5 of the Petition, footnote 2, in which FPL states that it has mitigated much of the volatility and impact of higher fuel prices through hedging.
 - A. As reflected in FPL's current fuel factor, what percentages and volumes of gas and oil volumes were hedged, both monthly and for the year, for 2008?
 - B. Have those percentages and volumes changed during 2008? Show changes.
 - C. What are the current actual gains and losses associated with hedging gas and oil each month (actual and mark to market)?
 - D. What were the projected hedging gains and losses for 2008 in FPL's 2008 projection filing?
 - E. What percent, if any, of FPL's power purchases are hedged for each month in 2008?
 - F. What are the current and what were the projected actual gains and losses associated with hedging purchased power in 2008?
 - G. What is the amount of FPL's 2008 underrecovery (inclusive of the 2007 final true-up underrecovery) which FPL would project at this time based on the scenario of FPL having no natural gas, residual oil, or purchase power hedge transactions in place for any month in 2008?

Mr. John T. Butler, Esquire

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June 10, 2008

Please file the original and five copies of the requested information which can be made available on an expedited basis by noon Friday, June 13, 2008, and the balance of the responses by Monday, June 16, 2008, with Ms. Ann Cole, Commission Clerk, Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida, 32399-0850. Please feel free to call me at (850) 413-6193, or Bill McNulty at (850) 413-6443 if you have any questions.

Sincerely,

/s/ Jean E. Hartman

Jean E. Hartman
Senior Attorney

JEH:th

cc: Office of Commission Clerk
Division of Economic Regulation (McNulty, et. al)
Docket No. 080001-EI (Parties)

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Public Service Commission

ACKNOWLEDGEMENT

DATE: June 16, 2008

TO: John T. Butler, Esquire/FPL

FROM: Marguerite H. McLean, Office of Commission Clerk

RE: Acknowledgement of Receipt of Confidential Filing

This will acknowledge receipt of a **CONFIDENTIAL DOCUMENT** filed in Docket Number 080001-EI [DN 05113-08] or, if filed in an undocketed matter, concerning certain information responsive to mid-course correction data requests dated 6/11/08 (Nos. 16 and 19), and filed on behalf of Florida Power & Light Company. The document will be maintained in locked storage.

If you have any questions regarding this document, please contact Marguerite McLean, Deputy Clerk, at (850) 413-6770.