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May 26, 2009

Mr. Bob Coleman
Regional Director External Affairs
Florida Power & Light Company
425 N. Williamson Blvd.
Daytona Beach, Florida 32114

Mr. Sandy Sanderson
Manager External Affairs
Florida Power & Light Company
9001 Ellis Road
West Melbourne, FL 32904-1017

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RECEIVED-FPSC
09 MAY 28 AM 8:47
COMMISSION
CLERK

Re: Franchise Terms

Dear Mr. Coleman and Mr. Sanderson,

On September 17, 1981, the City of Cocoa Beach, pursuant to ordinance No. 674, approved a 30 year franchise agreement with Florida Power & Light. This Franchise Agreement will expire in 2011 and the City is interested in negotiating a new Franchise Agreement.

The City believes that it is particularly important to negotiate a new Franchise Agreement while the existing Agreement is still in effect in order to guarantee a seamless transition for the future. The City would like to use the existing Franchise Agreement as a starting from document and then add additional terms as negotiated. The parties should also discuss what part of the original document may remain the same. To that end, the City would like to discuss the following topics;

1. Under-grounding of Utilities in a coastal community.
2. The term of the Franchise.
3. Purchase Option.
4. Most favored Nation clause.

DOCUMENT NUMBER-DATE

05283 MAY 28 09

FPSC-COMMISSION CLERK

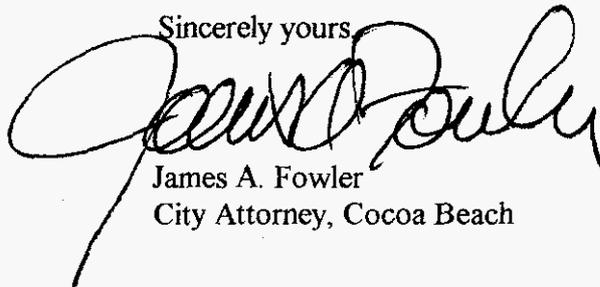
5. Priority as to service restoration.
6. Franchise Fee.
7. Power pole usage.
8. Esthetics and visual blight.
9. Timely Streetlight replacement.
10. Community participation.
11. Green power initiatives.
12. Such other topics that may be appropriate to discuss or may be requested for discussion by FP&L.

The City would like to begin work on the negotiation of a new franchise agreement as quickly as possible and would like to set up the first negotiating session in July at City Hall. This will allow us an opportunity to review the materials which we have requested under separate cover. In these difficult times, the cost of power is of particular interest to residents and also those living on a fixed income. It is important for our residents to understand the process and how the City is working to contain costs if possible. Residents may attend or watch but there will not be any public participation.

At your convenience please designate someone that we may contact to try and schedule this first session.

Thank you in advance for your time and cooperation.

Sincerely yours

A handwritten signature in black ink, appearing to read "James A. Fowler". The signature is fluid and cursive, with a long, sweeping underline that extends to the left and then curves back under the name.

James A. Fowler
City Attorney, Cocoa Beach

cc: Charles J. Billias, City Manager-City of Cocoa Beach
A.J. Hutson, Assistant City Manager-City of Cocoa Beach
Kenneth M. Rubin, Esquire, Senior Attorney FP&L;
Ann Cole, Florida Public Service Commission Clerk.