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Public Service Commission

April 22, 2010

Mr. Frank Balogh CEM CEP
1639 Llewellyn Drive
Fort Myers, FL 33901

STAFF DATA REQUEST

RECEIVED-FPSC
10 APR 22 AM 10:45
COMMISSIONER
CLERK

Re: Docket No. 100143-EI - Evaluation of study by Florida Power & Light on prepayment billing option for retail customers

Dear Mr. Balogh:

By this letter, the Commission staff requests that the Consultants provide responses to the following data requests.

1. What is the appropriate discount rate to use in the proposed prepay program? Please provide the rationale for your response, including any work papers, spreadsheets, and pro-forma financial data used to determine the discount rate.
2. Is the discount rate in the proposed prepay program the same or similar to the internal rate of return used in capital budgeting that makes the net present value of all cash flows from a particular project equal to zero? In your response, please provide the rationale for your answer.
3. Is it appropriate to use the interest rate on customer deposits described in Rule 25-6.097, Florida Administrative Code, Customer Deposits, as the discount rate in the proposed prepay program? In your response, please provide the rationale for your answer.
4. Identify the financial impact (benefits and detriments) to customers if a prepay program is implemented. Please elaborate on the financial impacts identified and provide any documentation supporting your response.
5. Identify the financial risks to customers if a prepay program is implemented. Please elaborate on the financial risks identified and provide any documentation supporting your response.

DOCUMENT CONTROL
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April 22, 2010

6. In an e-mail dated November 3, 2009, from Mr. Frank Balogh addressed to: Chairman Argenziano, Commissioner Skop, Commissioner Klement, Commissioner Edgar, and Public Counsel JR Kelly (PSC Document No. 01544-09), Mr. Balogh attached a list entitled "PrePay Advantages." One of the advantages listed is, "Third party financing would start at 250 basis points over Libor if required." Please provide a detailed explanation of the third party financing cited. Please include documentation that supports the assumption of 250 basis points over LIBOR, including any commitment letters or letters of credit from the third parties.

Please file the original and five copies of the requested information by Friday, May 21, 2010, 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) 413-6230 if you have any questions.

Sincerely,



Lisa C. Bennett
Senior Attorney

LCB/th

cc: Office of Commission Clerk
Office of Public Counsel (J.R. Kelly)