

Eric Fryson

120040-E1

From: Bruce H. Kaplan [brucehkaplan@gmail.com]
Sent: Monday, February 13, 2012 12:59 PM
To: Filings@psc.state.fl.us
Subject: Wellington A Homeowners Assoc. Inc. v. FPL
Attachments: Well.FPL.w.exs.pdf

Please see attached complaint and exhibits comprised of 64 pages.

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DOCUMENT NUMBER - DATE

00827 FEB 13 2012

FPSC-COMMISSION CLERK

2/13/2012

STATE OF FLORIDA
PUBLIC SERVICE COMMISSION

WELLINGTON A HOMEOWNERS ASSOC. INC., a
Florida Not-For-Profit Corporation, on behalf of the
STATE OF FLORIDA,

COMPLAINT

Complainant,

v.

FLORIDA POWER & LIGHT CO. ("FP&L")

Respondent.

_____ /

Complainant, WELLINGTON A HOMEOWNERS ASSOC. INC., a Florida Not-For-Profit Corporation, hereby files this Complaint against Respondent, FLORIDA POWER & LIGHT CO., and alleges as follows:

Introduction/Parties

1. Complainant, WELLINGTON A HOMEOWNERS ASSOC. INC. ("Wellington A"), a Florida Not-For-Profit Corporation, owns and maintains the common condominium elements for the condominium complex, the principal place of business of which is known as and located at Wellington A, Wellington Circle, Century Village, West Palm Beach, Florida ("Premises").

2. Respondent, FLORIDA POWER & LIGHT ("FPL") is a Florida public utility corporation with its principal place of business located at 700 Universe Boulevard, Juno Beach, FL 33408, and is the principal subsidiary of FPL Group, Inc.

3. Wellington A and its constituent homeowners are FPL customers who by means of this proceeding, seek: (i) a PSC determination of the substantial interests in connection

therewith of Wellington A and its constituent homeowners pursuant to Fla. Stat. § 120.569(2); (ii) mediation pursuant to Fla. Stat. § 120.573; and, (iii) an adjudication, pursuant to 25-6.004 F.A.C, of the PSC's Orders, *infra*, in connection with alleged violations thereof by FPL.

Statutory Authority

4. This is a complaint pursuant to 25-22.036 Florida Administrative Code, ("F.A.C.") complaining of an act or omission by a person subject to Florida Public Service Commission ("PSC" or "Commission") jurisdiction which affects the complainant's substantial interests and which is in violation of a statute enforced by the Commission, or of any Commission rule or order.

5. Section 366.05 FS grants to the PSC "power to prescribe fair and reasonable rates and charges, classifications, standards of quality and measurements, and service rules and regulations to be observed by each public utility," and further authorizes the PSC to promulgate rules to implement and enforce these powers. The PSC has promulgated a set of rules in Part I of Chapter 25-17 F.A.C. entitled, "Conservation Goals and Related Matters" that are pertinent to this complaint and are resolvable by the Commission within its jurisdiction, subject to review by the Supreme Court. Enforcement of complainant's substantial interests under the PSC Orders, *infra*, does not lie within the jurisdiction of the Circuit Courts. *State ex rel. McKenzie v. Willis*, 310 So. 2d 1, 3 (Fla. 1975). *See also*, 25-6.004 F.A.C.

6. Further, the PSC is responsible for implementing and administering the functions of the state in connection with conservation measures. Fla. Stat. § 366.82(b)(12), and may authorize financial penalties for those utilities that fail to meet their goals of distribution cost savings associated with conservation pursuant to Fla. Stat. § 366.82(b)(8). Also, Fla. Stat. § 366.095 authorizes the Commission to impose a penalty upon any entity subject to its

jurisdiction is found to have refused to comply with or to have willfully violated any lawful rule or order.

7. Pursuant to the Florida Energy Efficiency and Conservation Act, Fla. Stat. §366.82, and Rule 25-17.001 F.A.C, *et seq.*, FPL was required to file a Demand Side Management (“DSM”) Plan for approval by the Florida Public Service Commission (“PSC”). The PSC approved FPL's "Demand Side Management Plan for the 2000's" pursuant to PSC Order No. PSC-99-1942-FOF-EG, issued October 1, 1999, Docket No. 971004-EG, In Re: Adoption of Numeric Conservation Goals by Florida Power & Light Company, and as revised and further set forth in PSC Order No. PSC-03-1339-PAA-EG issued September 24, 2003, and PSC-06-0740-TRF-EI issued September 1, 2006 (collectively, “PSC Orders”).

8. Pursuant to the PSC Orders and its DSM Plan, FPL & L implemented its Roof Savings Program (“RSP”), under its FP & L’s C/I Building Envelope [Conservation] Program, so as to offset a portion of the cost of building improvement; \$.50/sq. ft. in the case of reflective roof coating.

9. Here, FP & L failed to provide inspections or supervision in connection with the installation of a reflective roof coating under FP & L’s RSP Program on the roof of complainant’s real property located in Palm Beach County, which inspection would have revealed the inappropriateness of the coating used and avoided the loss of all demand conservation benefits anticipated to be derived in connection therewith, as well as the need to replace such roof.

10. Nonetheless, FP & L provided an incentive to the installer for such defective installation in the amount of \$8,750 under FP & L’s C/I Building Envelope [Conservation] Program, which sum presumably has been, or will be, recovered by FP & L by

means of its Energy Conservation Cost Recovery (“ECCR”) clause in rate filings before the Commission.

**FPL Building Envelope Conservation
Program Approved By PSC**

11. FPL's Demand Side Management Plan contains 21 programs, including six research and development (R&D) programs. One of the R&D elements approved by the PSC is the Conservation Research and Development Program (“CRD Program”). The CRD Program is intended to serve as an umbrella program for the research and development of promising technologies.

12. FPL's activities under the CRD Program include the C/I Building Envelope [Conservation] Program which encourages FPL customers to install retrofit measures such as qualifying window treatments, roof/ceiling insulation, or reflective roof coating. FPL's Roof Savings Program (“RSP”) thereunder provides business incentives to offset a portion of the cost of building improvement; \$.50/sq. ft. in the case of reflective roof coating.

13. By press releases dated August 15, 2006 and November 6, 2006 (**Ex. 1**), FPL announced the availability of “significantly increased incentives . . . approved today by the Florida Public Service Commission” as “demonstrat[ing] the company’s commitment **to partner with customers** during this time of rising fuel costs.” (Emphasis added).

14. The press releases further provide in part as follows:

“**We are committed to partner with our customers** any way we can to help them control their electric bills,” said Marlene Santos, vice president of customer service for FPL. “We want to give customers every tool possible to make their homes and businesses more energy efficient.”

(Emphasis added).

FPL Approval of Reflective Roofing Installations

15. FPL's RSP website provides in part as follows:

Here is an overview of our roof savings program:

- Installations must be approved in advance in order to qualify for incentives. We may pre- and/or post-inspect.
- Improvements must be installed by a Participating Independent Contractors (PICs).
- Customers receive their incentive rebate from the Participating Independent Contractors (PICs). Government entities are eligible for payment directly from FPL.

16. Among the Reflective Roofing Approved Products on the "FPL Approved Product List" s Kool Seal Premium White Elastomeric Roof Coating 63-600 ("Kool Seal 63-600") manufactured by KST Coatings, a unit of Sherwin-Williams, Inc. **(Ex.2)**. See, https://app.fpl.com/Approved_Products/getSearchFields.do?method=getSearchFields&progId=2003&label=Roof%20Replacement.

FPL's Residential Building Envelope Trade Ally Standards

17. In addition, a FPL Approved Product must be installed by a Participating Independent Contractor ("PIC"), who participates in the RSP pursuant to FPL's Residential Building Envelope Trade Ally Standards ("TAS"), a copy of which is annexed hereto. **(Ex. 3)**.

18. The TAS states in part at p. 1 as follows:

Program Objective

The objective of the Residential Building Envelope Program is to reduce electrical demand and energy usage from air conditioning equipment by encouraging energy conservation through the installation of qualifying measures.

Customer Eligibility

The Program shall be available to all FPL residential customers who install qualifying measures such as ceiling and roof insulation or reflective roof measures in their eligible dwellings.

19. The TAS also provides at p. 2 that a contractor must sign and comply with FPL's Demand Side Management Program Contract, and “will qualify customers at the point of sale and issue the incentive.”

20. The TAS provides at p. 3 that FPL approval of an installation of a conservation measure is required, stating in part that:

FPL will be the final judge of whether the requirements of the Residential Building Envelope Program have been met. Payment will not be rendered on any Incentive Certificate [issued by a PIC on behalf of FPL] where the installation of a Program measure is unacceptable to FPL. (Emphasis added).

21. The TAS also provides in part at p. 4 as follows:

Reflective Roof Measures:

For membranes and coatings:

▪ PIC must allow FPL to perform a pre-installation inspection (if deemed necessary).

22. The TAS further provides at p. 5 regarding “Incentive processing that:

When the installation is completed, the customer or customer’s designee signs the Incentive Certificate and gives it to the FPL PIC as partial payment for the installation.

23. Further, to receive an incentive payment reimbursement from FPL, a PIC must complete and sign the incentive certificate and forward it to FPL for processing. TAS p. 5.

24. Lastly, the TAS requires certain reporting in connection with its cost recovery filings before the PSC as follows:

Reporting Requirements

All program charges such as Payroll & Benefits, Material and Supplies, Outside Services, Advertising, Vehicles, Other, **and Incentives Costs** shall be reported in the Energy Conservation Cost Recovery True-Up and Projection Filings, specifically

through Schedules CT-2 and C-2 respectively.

(Emphasis added).

25. FPL is, pursuant to, *inter alia*, PSC Order No. PSC-03-1339-PAA-EG issued November 24, 2003, allowed to recover reasonable and prudent expenditures through the Energy Conservation Cost Recovery Clause of its Demand Side Management Plan, and is required to report cost effectiveness in accordance therewith to the PSC pursuant to 25-17.008, F.A.C.

**FP & L's Failure To Inspect One Call Property Service, Inc.'s
Negligent Installation of Kool-Seal 63-600.**

26. ROBERT C. AMBROSIUS d/b/a ONE CALL PROPERTY SERVICE, INC. ("ONE CALL") is a Florida resident with his principal place of business located at 2602 SE Willoughby Blvd, Stuart FL 34994, is engaged in the business, *inter alia*, of installing, removing and repairing of roofs, and does extensive business in Palm Beach County under Florida Certified General Contractor # CGC1519002.

27. ONE CALL is an approved PIP Contractor under FP & L's RSP Program.

28. Prior to May 2009, ONE CALL did engage in a series of meetings with the officers and agents of Wellington A in an attempt to sell Complainant the materials and labor for a proposed repair of the Premises' flat, mineral surfaced modified bitumen roof, and to apply a non-leaking Elastomeric, or rubber-like acrylic, roof coating thereto under FP & L's RSP energy-conservation program.

29. Copies of some of ONE CALL's promotional materials are annexed (**Ex. 4**), and provide in relevant part as follows:

What Types Of Roofs Can Be Coated?

Coatings can be applied to nearly any roofing surface. They are commonly applied to sprayed polyurethane roofs to provide waterproofing. They can also be applied to metal roofs, single-ply

rubber roofs, modified bitumen roofs and concrete tile roofs. They can even be applied to certain kinds of asphalt roofs. It is important to establish compatibility between the coating and the underlying roof membrane.

...

Does anyone inspect the roof other than the "Contractor"?

Before, during and after the roof is coated, the manufacturer's representative as well as an FPL representative will exam the roof to make certain the roof is: 1) Compatible for the roof coating. 2) That the roof is prepped correctly prior to painting. 3) That the roof coating is applied according to manufacturer's specifications. . . .

FPL REBATE INFORMATION

This Sounds Too Good To Be True, Why Would FPL Pay Me To Have This Done?

Florida Power & Light really wants you to save energy. Through various agreements with the government, they are incentivised to offer programs like this to reduce the overall impact that the increased creation of energy has on our global environment. . . .

One Call Property Services works with Florida Power & Light to save you the most money possible with this special heat reflective roof coating incentive program.

Your Next Step:

Obtain your FPL Approval, *One Call Property Services* will do this for you!

- 1) We'll inspect your roof, take measurements and determine the type of roof material with your "OK".
- 2) Once we know that your roof complies, we'll forward a copy of our agreement for your authorization. We'll need this for FPL to process your approval.
- 3) Once FPL approves your job, we will start your job ... weather permitting.
- 4) When the job is done, there's nothing for you to do except enjoy the benefits & tell a friend!

(Emphasis added).

30. ONE CALL, through the foregoing materials and its authorized representative, represented that it was a competent and experienced company as well as a

Certified General Contractor, and was competent and experienced in installing Elastomeric roof products and systems on roofs such as that of the Complainant, and that it would warrant or guarantee its installation for a period of seven (7) years.

31. In reliance upon ONE CALL's promotional materials and representations, *inter alia*, that the program was authorized by FP &L, Complainant accepted ONE CALL's Bid Proposal dated February 27, 2009 (Ex.5) ("Contract") whereby ONE CALL was to repair the Premises' roof and apply to it a non-leaking coat, utilizing Kool Seal Premium White Elastomeric Roof Coating 63-600 ("Kool Seal 63-600") manufactured by KST Coatings, a unit of Sherwin-Williams, Inc., and which reflective roofing technology had been approved by FPL (Ex. 6).

32. The Contract further provided as follows:

This proposal is contingent upon FPL's approval of the-outlined-incentive amount. Product to be applied according to Manufacturer's Specifications. Comes with a 7 year warranty from Sherwin Williams/KST-Kool Seal.

33. The Kool Seal 63-600 was selected to be utilized on the roof of the Premises by ONE CALL.

34. Thereafter, ONE CALL commenced and completed the roof project utilizing Kool Seal 63-600, and submitted application for payment thereof, which was paid by Wellington A to ONE CALL on or about May 23, 2009 (Ex. 7).

35. In addition, ONE CALL submitted all C/I Building Envelope Program requirements, and received payment from FPL of the incentive available thereunder.

36. At no time, either prior to, or following the installation, did FP & L inspect the roof at the Premises to determine that it was flat and thus unsuitable for the utilization of Kool Seal 63-600 as a conservation measure thereon,

37. Further, there is no record in the Palm Beach County Department of Planning, Zoning & Building of a required permit being pulled by ONE CALL.

38. The Contract provided for a seven (7) year manufacturers' material warranty and a seven (7) year warranty on workmanship (**Ex. 8**)("Warranties"). In addition, Complainant accepted ONE CALL's Bid Proposal dated February 1, 2010 (**Ex. 9**) to perform maintenance, including "to patch as necessary all areas that are peeling back - areas that are open and deteriorating. . . ."

39. Commencing in early 2010 and for a period continuing to the present, the roof installation project did, from time to time, experience deterioration and Complainant did, at its own expense, cause ONE CALL to perform maintenance and repairs to the roof, and ONE CALL did lead Complainant to believe the roof deterioration was a minor problem that the repairs would remedy.

40. After several visits and repair attempts, ONE CALL refused to provide any additional services, in violation, *inter alia*, of the Warranties. The repairs were continued until the present when the continued deterioration of the roof was causing major leaks and resultant damage which ONE CALL was unable to correct.

41. Complainant retained the services of Roof Leak Detection Company, Inc. ("RLDC"), an independent licensed and certified testing laboratory and consulting firm, to inspect Complainant's 2009 roofing installation, perform a roof moisture survey, and to advise Complainant accordingly. RLDC did so, and provided Complainant with its report dated July 6, 2011 (**Ex. 10**).

42. The RLDC Report states in relevant part as follows:

ROOF COATING: The coating applied to this roof has completely failed. Furthermore the coating, as it deteriorated, pulled

most of the granules from the modified bitumen membrane. The roofing membrane in its present condition does not have any UV protection. This is causing the roofing system to deteriorate very rapidly.

43. The RLDC Report included the following photographs of the Premises' failed roof:



44. The RLDC Report continues in relevant part as follows:

ESTIMATED SERVICE LIFE: This roofing system left in its present condition will in our opinion be un-repairable in less than a year. The coating applied to this roofing system has severely diminished the life cycle of this roofing system.

IN CONCLUSION: Who's Responsible for the Failure of this coating? Obviously most of the blame falls on the unprofessional Contractor. They certainly knew that a water based product applied on a poorly sloped roof would fail. Their failure to remedy the problem should be reported to local building code authorities. Furthermore the manufacturer of the coating product should be contacted to see if any warranties exist. FPL: They do not perform any due diligent [sic] on roofs they approve for rebates, they simply ask for the existing "R" value and issue rebates on the premise that the Building is somehow more energy efficient. Does this roofing system look energy efficient?

45. It is clear that the Kool Seal 63-600 applied to the Premises' roof has failed, causing the loss of all demand conservation benefits anticipated to be derived in connection therewith, as well as causing blistering and alligating (cracking), and is lifting the granulated surface off the modified bitumen roof system.

46. Further, the Manufacturer's specification for Kool Seal 63-600 (**Ex. 2**) specifically states, "**DO NOT USE ON FLAT ROOFS WITH A SLOPE OF ½ INCH OR LESS PER FOOT**". (Emphasis in original).

47. The Florida Building Code: Existing Building §611.1.1 provides:

Not more than 25 percent of the total roof area or roof section of any existing building or structure shall be repaired, replaced or recovered in any 12 month period unless the entire roofing system or roof section conforms to requirements of this code.

48. The damage to the Premises' roof exceeds 25% of its total area.

49. The Premises' roof will have to be replaced in its entirety due to its destruction by the application of Kool Seal 63-600.

50. Complainant has received estimates for the repair of the Premises' roof from Veteran Roofing Inc. (**Ex. 11**) in the amounts of \$135,474.00 and \$98,325.

FP & L's Response

51. In early 2011, Complainant submitted a complaint to FPL's West Palm Beach area representative, Steven Pryor, Contract Sale Specialist, steven_pryor@fpl.com, *see*, http://www.fpl.com/doingbusiness/contractors/energy_efficiency/contact.shtml, who by letter dated March 15, 2011 (**Ex. 12**) replied in part as follows:

As to your residence and the application of the reflective roof coating by One Call Property Services, One Call Property Services was acting as an independent contractor and was not and is not an agent, partner, joint venture or employee of FPL. Consequently, One Call Property Services and its employees/agents were acting solely on their own behalf and were not working under the direction and/or control of FPL. **FPL had absolutely no involvement in One Call Property Service's selection of the reflective roof coating** and in the application of the reflective roof coating. One Call Property Services was and remains the sole entity responsible for any problems you claim are associated with the application of the reflective roof coating.

On behalf of FPL, I am sorry that FPL cannot be of any further assistance to you on this matter.

(Emphasis added).

52. The instant proceeding ensued.

RELIEF REQUESTED

53. FP & L has a duty under PSC approved incentive programs to conduct pre-and-post installation inspections to determine the eligibility of conservation measures such as reflective roof coatings if it is allowed to recover expenditures through the Energy Conservation Cost Recovery Clause of its Demand Side Management Plan.

54. By its own admission, "FPL had absolutely no involvement in One Call Property Service's selection of the reflective roof coating", yet provided an incentive for it in the amount of \$8,750 under FP & L's C/I Building Envelope [Conservation] Program, which amount presumably was, or will be, be included in rate filings before the Commission.

55. Because of defendant FP & L's failure to properly supervise defendant ONE CALL and to inspect the work to be, and performed, on the Premises' flat roof, which inspection(s) would have revealed the inappropriateness of the coating used, has caused the loss of all demand conservation benefits anticipated to be derived in connection therewith,

and necessitated the roof's total replacement.

WHEREFORE, Complainant hereby requests the PSC to:

A. exercise jurisdiction over this action and the parties thereto;

B. impose upon F P & L any fine, forfeiture, penalty, or other remedy

provided by statute; and

C. award such other and supplemental relief as may be just and necessary under the circumstances.

Dated this 11 day of January 2012

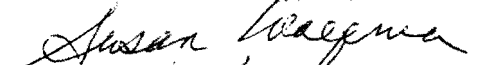
**WELLINGTON A. HOMEOWNERS
ASSOC. INC., Complainant**

By: 

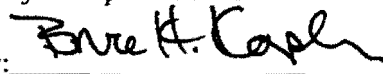
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SUSAN WOLFMAN
MY COMMISSION # EE 117061
EXPIRES: August 1, 2015
Bonded thru Budget Notary Services


1/11/2012
EXPIRE 8/2015

**BRUCE H. KAPLAN, ESQ.
Qualified Representative**

By: 

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TO:

Florida Power & Light Company
700 Universe Boulevard
Juno Beach, FL 33408

Office of Attorney General
State of Florida
The Capitol PL-01
Tallahassee, FL 32399-1050

VERIFICATION

Under penalty of perjury, I, Edward R. Grossman, declare that I have read the foregoing Verified Complaint, and that based on my personal knowledge, the facts stated in it are true and correct.

WELLINGTON A HOMEOWNERS ASSOC.

By: *Edward R. Grossman*
Edward R. Grossman, President

STATE OF FLORIDA)
)
COUNTY OF PALM BEACH)

SWORN AND SUBSCRIBED before me this 11 day of January 2012 by Edward R. Grossman, President of Complainant Wellington A Homeowners Association, who is personally known to me or who produced IN PERSON as identification.

FL. DL. LICENSE

Susan Wolfman
Notary Public

SUSAN WOLFMAN
Print Name

8-2015
My Commission Expires:



SUSAN WOLFMAN
MY COMMISSION # EE 117661
EXPIRES: August 1, 2015
Bonded Thru Budget Notary Services

EXHIBIT 1

August 15, 2006

FPL increases incentives for installing energy efficient equipment, adds new energy conservation programs for customers

Incentives help customers cut cost of energy efficient equipment upgrades, conserve energy, control costs

Juno Beach, Fla. --- In an effort to help customers conserve energy and control electric bills, Florida Power & Light Company will soon offer additional programs and significantly increased incentives.

FPL's new plan, approved today by the Florida Public Service Commission, demonstrates the company's commitment to partner with customers during this time of rising fuel costs.

Fuel costs, combined with increased summer usage, largely attributed to air conditioning, have caused many customers to experience increases in electric bills, that have been especially noticeable this season. The company plans to begin implementing the new initiatives before the end of the year.

"We are committed to partner with our customers any way we can to help them control their electric bills," said Marlene Santos, vice president of customer service for FPL. "We want to give customers every tool possible to make their homes and businesses more energy efficient."

The significant changes and additional programs are as follows:

- **Residential Building Envelope** --- An increase in the maximum incentive for ceiling insulation will more than double from \$131 to \$352. An increase in the maximum incentive for reflective roofs increases more than 50 percent --- from \$240 to \$367 per participant. In addition, FPL adds an incentive for light-colored roof membranes and reflective roof coatings with a maximum of \$1,200 per participant.
- **Residential Low Income Weatherization** --- There is an increase to the maximum incentive for air conditioning maintenance from \$35 to \$45 per participant. In addition, there is now an increase in the maximum incentive for weather stripping and caulking from \$10 to \$60. An additional \$25 per participant was added for replacing room air conditioners with higher efficient units, further increasing incentives for this program.
- **Residential Heating Ventilation and Air Conditioning (HVAC)** --- Earlier this summer the PSC approved an increase in the incentive per participant for upgrading air conditioning units to more energy efficient equipment that will increase the average incentive more than 50 percent --- from \$260 to \$400. This change takes place Sept. 1.
- **Business Building Envelope** --- The program now offers window-related technologies such as energy-saving window tinting as part of the business envelope program. Increased incentives for ceiling insulation (\$185/kW max); roof insulation (\$219/kW max); reflective roofs (\$579/kW max); and window treatments (\$429/kW max) add extra value for business customers.
- **Business Efficient Lighting** --- Changing to more energy efficient lighting will soon pay more. There is an increase in this business energy program incentive from \$101/kW to \$132/kW.
- **Business Water Heating program** --- This new energy conservation program applies to the

installation of qualifying heat recovery units or heat pump water heater equipment. The maximum incentive is \$881/kW.

- **Business Refrigeration** --- Refrigeration can be one of the largest users of electricity for a business customer. That's why FPL will offer this new program that pays a maximum of \$80/kW for the installation of qualifying controls and equipment that reduces electric strip heater usage in refrigeration equipment.
- **Business HVAC** --- Approved earlier this year, this program will soon offer updated minimum qualifying energy efficiency standards to reflect newer guidelines used by the U.S. Department of Energy Standards as well as raised and added incentives on qualifying HVAC systems. Business incentive programs such as the Direct Expansion (DX), chillers, energy recovery ventilators, thermal storage and more will offer large increases in incentives that will as much as double. The new guidelines take effect Sept. 1.

In addition to these newly-added or improved programs, FPL continues to offer residential duct system testing and repair, the BuildSmart[®] program for new homes built with energy efficient features and equipment, and residential energy conservation services such as online home energy surveys. Business customers are encouraged to continue to take advantage of business custom incentives, commercial demand reduction, and business energy evaluations.

For the past 25 years, Florida Power & Light Company and its customers have implemented one of the most successful conservation and energy management programs in the country. In 2005, the company invested more than \$100 million on conservation programs and energy management incentives. According to the latest US Department of Energy (DOE) report on conservation programs, FPL was rate number one among utilities nationwide. FPL estimates that the electricity saved through these programs that were approved today would supply 188,000 homes with electricity during the summer peak usage period

The rising cost of fuel used to make electricity at power plants has caused the fuel portion of customers' electric bills to rise 19 to 28 percent. The cost of fuel is a pass-through cost on which FPL does not make a profit. The base rate portion of the electric bill is the non-fuel cost of producing and delivering electricity. This has been reduced by 15 percent since 1999.

Customers are encouraged to learn all they can about conserving energy, installing energy efficient equipment in their homes and businesses and FPL's incentive programs by visiting www.FPL.com.

Florida Power & Light Company is the principal subsidiary of FPL Group, Inc. (NYSE: FPL), nationally known as a high quality, efficient and customer-driven organization focused on energy-related products and services. With annual revenues of more than \$10 billion and a growing presence in 26 states, FPL Group is widely recognized as one of the country's premier power companies. Florida Power & Light Company serves 4.3 million customer accounts in Florida. FPL Energy, LLC, FPL Group's wholesale electricity generating subsidiary, is a leader in producing electricity from clean and renewable fuels. Additional information is available on the Internet at www.FPL.com, www.FPLGroup.com and www.FPLEnergy.com.

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November 6, 2006

FPL customers urged to take advantage of increased energy conservation incentives, new programs starting this month

JUNO BEACH, Fla. -- Florida Power & Light Company (FPL) urged customers today to take advantage of significantly increased incentives and new programs that go into effect this month. The energy conservation initiatives are aimed at helping control energy use and costs. FPL's increased energy incentive plan approved by the Public Service Commission (PSC) demonstrates the company's commitment to partner with customers in energy conservation and cost control.

"We are committed to partner with our customers any way we can to help them control their electric bills," said Marlene Santos, vice president of customer service for FPL. "We want to give customers every tool possible to make their homes and businesses more energy efficient."

Programs with increased incentives and new programs available starting Nov. 1 are as follows:

- **Residential Building Envelope** -- An increase in the maximum incentive for ceiling insulation will more than double from \$131 to \$352. The maximum incentive for reflective roofs increases more than 50 percent --- from \$240 to \$367 per participant. In addition, FPL added an incentive for light-colored roof membranes and reflective roof coatings with a maximum of \$1,200 per participant.
- **Residential Low Income Weatherization** -- There is an increase to the maximum incentive for air conditioning maintenance from \$35 to \$45 per participant. In addition, there is now an increase in the maximum incentive for weather stripping and caulking from \$10 to \$60. An additional \$25 per participant was added for replacing room air conditioners with higher efficient units, further increasing incentives for this program.
- **Business Building Envelope** -- The program now offers window-related technologies such as energy-saving window tinting as part of the business envelope program. Increased incentives for ceiling insulation (\$185/kW max); roof insulation (\$219/kW max); reflective roofs \$(579/kW max); and window treatments (\$429/kW max) add extra value for business customers.
- **Business Efficient Lighting** -- Your company can become more energy efficient while improving light quality and output. When you upgrade your lighting, FPL will pay 65¢ to \$2 for linear fluorescent lamps.

In addition to the programs now available, these new programs will be offered starting Feb. 1, 2007:

- **Business Water Heating program** -- This new energy conservation program applies to the installation of qualifying heat recovery units or heat pump water heater equipment. The maximum incentive is \$881/kW.
- **Business Refrigeration** -- Refrigeration can be one of the largest users of electricity for a business customer. That's why FPL will offer this new program that pays a maximum of \$80/kW for the installation of qualifying controls and equipment that reduces electric strip heater usage in refrigeration equipment.

Programs that have been available or increased in incentive dollars since Sept. 1 are as follows:

- **Residential Heating Ventilation and Air Conditioning (HVAC)** -- Earlier this summer the PSC approved an increase in the incentive per participant for upgrading air conditioning units to more energy efficient equipment that will increase the average incentive more than 50 percent -- from \$260 to \$400.
- **Business HVAC** -- Approved earlier this year, this program added incentives on new air conditioning technologies such as Demand Control Ventilation. Incentives for Direct Expansion (DX) air conditioners, chillers, energy recovery ventilators, thermal storage and more will offer large increases in incentives that will as much as double.

FPL continues to offer residential duct system testing and repair, the BuildSmart® program for new homes built with energy efficient features and equipment, and residential energy conservation services such as online home energy surveys. Business customers are encouraged to continue to take advantage of FPL's free business energy evaluations.

In addition to increased incentives and new programs customers will soon benefit from lower fuel costs. FPL has recently revised its 2007 fuel cost forecast with the PSC to reflect a drop in natural gas and oil prices in 2006 and 2007. Even so, the company still urges customers to take control of their energy use as a measure to control the bill.

"As we head into cooler weather, many customers will feel the need for heating during Florida's winter cold snaps. So, it's still important to be aware of your energy use during the cooler months to avoid higher electric bills," said Santos.

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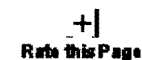


EXHIBIT 2

KOOL SEAL®

REFLECTIVE ROOF COATINGS

KS.112 KOOL SEAL® PREMIUM ELASTOMERIC ROOF COATING

PRODUCT DESCRIPTION

Kool Seal® Premium White Elastomeric Roof Coating (63-600) is formulated with 100% acrylic elastomeric resin. The coating forms a thick rubber-like blanket of protection that expands and contracts with roofs. It remains flexible from -30°F to 160°F for long-lasting protection and provides superior reflectivity to lower interior temperatures and save energy. **Kool Seal® Premium White Elastomeric Roof Coat** adheres to aged galvanized and prepainted metal, urethane and polystyrene, aged aluminum coating, precast concrete, flat and barrel cement tiles. For use on built-up roofs, modified bitumen, bonded tar & gravel, most other asphaltic surfaces and in ponding water situations, **Kool Seal® Kool-Lastik™ Primer (34-600)** is required. Do not use on roofing shingles. In general, roof coatings, when applied to a structurally sound roof, will extend its life expectancy by protecting the roof from the elements. However, when roofs are badly deteriorated, they may require complete roof replacement instead of coating. If you're not sure, ask a qualified roofing contractor for an evaluation.

FEATURES AND BENEFITS

- Energy saving up to 35%.
- Reflects 90%+ of the sun's rays.
- Designed to be durable in any climate.
- Higher solids for better coverage.
- Forms a thick rubber-like blanket of protection.
- Expands and contracts – clings to your roof in all temperatures.
- Protects against moisture.
- Cured elastomeric film is mildew and algae resistant.
- Helps to absorb sound.
- Environmentally compliant.
- Soap and water cleanup - while wet.

Recommended uses:

- Metal
- Concrete
- Foam
- Brick
- Flat Cement Tile
- Unglazed Barrel Cement Tile
- Aged Aluminum Coatings
- Existing Elastomeric Roof Coatings

When used with Kool-Lastik™ Primer, recommended for:

- Ponding Water Conditions
- Rolled Roofing
- Built-up Roofs
- Modified Bitumen
- Bonded Tar & Gravel
- Most Asphaltic Surfaces

CHARACTERISTICS

Color	White
Vehicle	100% Acrylic
Volume Solids	44% ±2%
Weight Solids	58% ±2%
VOC:	16g/l

Drying Time:

To Touch	4-6 hours
Recoat:	24 hours
2 coat application	

Coverage per gallon:

(Apply two coats at the rates shown.)
 Metal (corrugated) 80 sq.ft.
 Metal (smooth) 100 sq.ft.
 Foam / Mod. Bit. 50 sq.ft.
 Concrete (depends on porosity) 50 sq.ft.
 Bonded Tar & Gravel / BUR 50 sq.ft.

SURFACE PREPARATION

WARNING! Removal of old paint by sanding, scraping or other means may generate dust or fumes that contain lead. Exposure to lead dust or fumes may cause brain damage or other adverse health effects, especially in children or pregnant women. Controlling exposure to lead or other hazardous substances requires the use of proper protective equipment, such as a properly fitted respirator (NIOSH approved) and proper containment and cleanup. For more information, call the National Lead Information Center at 1-800-424-LEAD (In US) or contact your local health authority.

Testing: Due to the wide variety of substrates, preparation methods, application methods and environments, the customer should test the product in an inconspicuous spot for adhesion and compatibility prior to full scale application.

Remove all previous coating that is loose by scraping or wire brushing. Then, scrub the roof with a water and detergent solution to remove all dirt, oil and grease. Mildewed areas must be treated with 1 part chlorine bleach, 3 parts water, then washed with detergent. Rinse surface thoroughly and let dry. Simply sweeping a roof surface to remove dirt is ineffective. **NOTE:** Areas collecting ponding water lasting 2-3 days must be repaired using roof drains or other corrective measures. For less severe ponding areas or to be used on rolled roofing, built-up roofs, modified bitumen, bonded tar & gravel or most other asphaltic surfaces (excluding roofing shingles) you must first prime with **Kool Seal® Kool-Lastik™ Primer**.



Kool Seal® PREMIUM ELASTOMERIC ROOF COATING

SURFACE PREPARATION	SURFACE PREPARATION	APPLICATION
<p>Kool-Lastik™ Primer is not required or recommended for metal, coated metal, concrete, flat or barrel cement tile, brick or urethane foam. (See specific instructions listed below). Proceed to prime (if needed), then repair seams, cracks, and flashing as well as around skylights, vents, stacks, and other protrusions with Kool Seal® Acrylic Patching Cement (61-220) and Kool Flaxx® Reinforcing Grid (20-840).</p> <p>METAL: Remove rust and treat these areas with a quality metal primer. Tighten or totally replace loose fasteners. Then, top coat with Kool Seal® Premium White Elastomeric Roof Coating.</p> <p>CONCRETE: Repair cracks and any weakened sections of concrete with a good quality masonry cement before coating. Remove all salts of efflorescence (white crystal deposits) with a very mild water and muriatic acid solution. Then top coat with Kool Seal® Premium White Elastomeric Roof Coating. Over a period of time these deposits may again work their way through the coating. Should this occur, wash the coating with the mild muriatic acid solution to restore the coating's color.</p> <p>URETHANE FOAM: Repair cracks, holes, and indentations where water will collect with Kool Seal® Acrylic Patching Cement. Apply enough patching cement in several layers to indentations to allow water to drain. Then top coat with Kool Seal® Premium White Elastomeric Roof Coating.</p>	<p>BONDED TAR & GRAVEL: Remove all loose stones and scrub the roof with a water and detergent solution to remove all dirt, oil, and grease. Prime the surface with two coats of Kool-Lastik™ Primer completely sealing all of the gravel to prevent moisture from seeping under the coating. Then, top coat with Kool Seal® Premium White Elastomeric Roof Coating.</p> <p>ROLLED ROOFING & MOD. BITUMEN: Scrub the roof with a water and detergent solution to remove all dirt, oil, and grease. Prime the surface with two coats of Kool-Lastik™ Primer. Then, top coat with Kool Seal® Premium White Elastomeric Roof Coating.</p> <p style="text-align: center;">APPLICATION</p> <p>Do not apply when temperature is below 50°F or if the temperature is expected to drop below 50°F before the coating has completely dried. Drying time will take four to six hours in temperatures above 70°F with low humidity. Drying time will increase as temperature decreases or humidity is high. Humidity of 85% or more will drastically increase drying time. In areas where dew accumulates in early evening, it is best to coat in the morning. NOTE: Stop coating by early afternoon (3 p.m.) to prevent wash off, which will occur if dew, fog, or rain arrive before coating dries. For best results apply with a soft brush, 3/4" heavy nap roller, or airless sprayer. Avoid excessive brushing. Spread uniformly. Cover any previous coating. Always apply two coats in different directions. Apply the first coat in a north-south direction; the second in an east-west direction.</p>	<p>For spray application, an airless pump is recommended. Pump one gallon per minute with at least 2,000 PSI fluid pressure. Suggested tip sizes are .021 with a 10" pattern or .025 with a 12" pattern. This product has excellent suspension and requires minimal stirring to assure uniformity. If roof is hot, spray with water to prevent coating from drying too fast. May be applied over damp, not wet, surface. DO NOT USE ON RUBBER ROOFS. DO NOT USE ON FLAT ROOFS WITH A SLOPE OF 1/8 INCH OR LESS PER FOOT. For troublesome roofs and small shallow Ponding water situations, to include modified bitumen, rolled roofing, bonded tar and gravel, built-up roofs and most asphaltic SURFACES (excluding roofing shingles), you must apply two coats of Kool-Lastik™ Primer then top coat with Kool Seal® Premium White Elastomeric Roof Coating. COVERAGE: Apply two coats to all surfaces at the rate shown. DO NOT DILUTE THIS PRODUCT.</p>

EXHIBIT 3



Residential Building Envelope

Trade Ally Program Standards

Effective: November 1, 2006

**Florida Power & Light Company
Residential Building Envelope
Program Standards**

Table of Contents

Program Objective	1
Customer Eligibility	1
Trade Ally Eligibility	2
Product Eligibility	3
Participation Requirements	4
Incentive Processing	5
Reporting Requirements	5

Appendix

- A. Incentive Payment Schedule

Program Objective

The objective of the Residential Building Envelope Program is to reduce electrical demand and energy usage from air conditioning equipment by encouraging energy conservation through the installation of qualifying measures.

Customer Eligibility

The Program shall be available to all FPL residential customers who install qualifying measures such as ceiling and roof insulation or reflective roof measures in their eligible dwellings.

- The FPL residential customer's dwelling must be one year or older to qualify.
- The Program applies to retrofit applications only.
- Eligible dwellings must have whole house electric heating or air conditioning. Whole house heating/air conditioning is defined as either a central system(s) or sufficient window/wall units to provide heating/cooling to the majority of the living space in the house.
- The Program measures must be installed by an FPL Participating Independent Contractor (PIC) in accordance with the manufacturer's recommendations and specifications. However, governmental entities including local, state and federal agencies may, at FPL's discretion, install the program measure themselves provided all other program standards are followed.
- Installations required by federal, state or local building or energy codes when additions and/or renovations are made to existing buildings are not eligible for incentives offered by this program.
- Installations must be accessible for verification by FPL.
- Do-it-yourself installations do not qualify for an incentive.

Ceiling and Roof Insulation Measures

- FPL incentives can be issued either by a PIC or an FPL representative. To

become eligible for an FPL issued insulation Incentive Certificate, the customer must have a visual home inspection, as defined by FPL, prior to the installation of the qualifying Residential Building Envelope Program measure. For incentives issued by the PIC, a home inspection prior to installation prior to installation, is not required.

- In single family dwellings and in multifamily buildings which do not have standardized types of dwelling units, each dwelling will be surveyed separately. In multifamily buildings where there are standardized types of dwelling units, a representative sample of each type of unit will be surveyed. In cases of multiple installations, FPL, not the PIC, must qualify the defined community or complex for program eligibility.

Reflective Roof Measures

- PIC's will qualify customers at the point of sale and issue the incentive.

Trade Ally Eligibility

For the purposes of the Program, a trade ally is defined as a FPL PIC who installs building envelope measures. To be eligible as an FPL PIC, a contractor must sign and comply with FPL's Demand Side Management Program Contract. In performing the installation of qualifying Residential Building Envelope Program measures, a PIC must:

- resolve prior to the installation any differences with the customer about recommendations made in the Incentive Certificate
- leave with the customer a contractor invoice that will indicate FPL's rebate for customer verification
- make a product specification sheet available to FPL
- correct any deficiency in the conservation product or mechanics of installation found by the FPL representative within 30 calendar days of notification
- comply with all local, state, and national rules, permits and codes pertaining to the installation of the Residential Building Envelope Program measure

FPL reserves the right to verify each installation for which an Incentive Certificate has been issued.

FPL will be the final judge of whether the requirements of the Residential Building Envelope Program have been met. Payment will not be rendered on any Incentive Certificate where the installation of a Program measure is unacceptable to FPL.

FPL reserves the right to modify or terminate the Residential Building Envelope Program Standards at any time with ten (10) days written notice to the PIC's.

Product Eligibility

All qualifying Residential Building Envelope Program products must be installed according to the manufacturer's recommendations and specifications. Additionally, all qualifying products must have thermal properties, solar reflectance and performance characteristics independently tested using the American Society of Testing and Materials (ASTM), American Society of Heating, Refrigeration and Air Conditioning Engineers (ASHRAE), Energy Star, Cool Roof Rating Council (CRRC) or other FPL-approved calculations and test methods, where appropriate.

Ceiling Insulation Measures

Qualifying ceiling insulation measures are blown-in (loose fill), batt, and blanket types.

Roof Insulation Measures

- Roof insulation will be considered as any qualifying material placed under the roof.
- Qualifying roof insulation measures include, but are not limited to, sprayed foam, or fiber insulation types.

Reflective Roof Measures

- Eligible measures include roofs made of metal, cement tile or ceramic tile, thermoplastic roof membranes and reflective roof coatings.
- The reflective roof material must have an ASTM measured solar reflectance minimum of 73% for tile, membranes and coatings, and 65% for metal.
- For thermoplastic roof membranes and reflective roof coatings, the overall effective thermal resistance of the existing insulation may not exceed R-19. The

existing roof solar reflectance shall be less than 40% to qualify. Tables published by Lawrence Berkeley National Laboratory under the Cool Roofing Materials Database will be used to determine the solar reflectance value of the existing roof.

Participation Requirements

Ceiling Insulation must:

- be installed as a direct application over the ceiling in an unconditioned area (ie, attic) over the conditioned space.
- be installed uniformly with the additional insulation equal to or greater than R-19 throughout the entire area, including scuttle hole.
- not cover soffit or any other type of attic ventilation system.
- have minimum clearance around all recessed lighting, and gas fired appliances as stipulated in state, county, and local codes.

Space limited or flat roof installations are not eligible.

Roof Insulation must:

- be installed under the roof.
- be installed uniformly with the additional insulation equal to or greater than R-19 throughout the entire area.

Reflective Roof Measures:

For tile or metal roof replacement, partial installations are not eligible.

For membranes and coatings:

- partial installations must have a minimum of 1000 square feet of reflective roof measure installed per incentive application. If the total qualifying area is less than these limits, the installation must cover the total qualifying area.
- PIC must allow FPL to perform a pre-installation inspection (if deemed necessary).

Incentive Processing

Before installation begins, an Incentive Certificate must be issued to the customer. Incentive payments for qualifying Residential Building Envelope Program measure(s) will be calculated using Incentive Payment Schedule (see appendix A). Incentive payments will be limited to the face value of the Incentive Certificate.

The incentive amount must be deducted from the sales contract prior to installation. An Incentive Certificate cannot be exchanged for a cash payment.

When the installation is completed, the customer or customer's designee signs the Incentive Certificate and gives it to the FPL PIC as partial payment for the installation.

To receive an incentive payment reimbursement from FPL, the PIC must:

- fill in the PAYEE section of the Incentive Certificate including the name of the Company or Contractor, phone number, contractor number, mailing address, and installation date.
- sign the Incentive Certificate.
- complete the applicable section(s) of the Incentive Certificate for Residential Building Envelope Program measures.
- forward the Incentive Certificate with the appropriate attachments to the local FPL office for processing.

For tile or metal roof replacement, PIC may qualify for an additional marketing reimbursement which will be paid to the PIC for each qualifying home.

Reporting Requirements

All program charges such as Payroll & Benefits, Material and Supplies, Outside Services, Advertising, Vehicles, Other, and Incentives Costs shall be reported in the Energy Conservation Cost Recovery True-Up and Projection Filings, specifically through Schedules CT-2 and C-2 respectively.

Appendix A
Incentive Payment Schedule

EXHIBIT 4



Premium White Elastomeric Roof Coating 63-600

Features and Benefits:

- Energy Saving up to 35%
- Reflects 90% + of the sun's rays
- Designed to be durable in any climate
- Higher solids for better coverage
- Forms a thick rubber-like blanket of protection
- Expands and contracts – clings to your roof in all temperatures
- Protects against moisture
- Cured elastomeric film is mildew and algae resistant
- Helps to absorb sound
- Environmentally compliant
- Soap and water cleanup – while wet



Warranty

- 7 years

Recommended for:

- Metal
- Concrete
- Foam
- Brick
- Flat Cement Tile
- Aged Aluminum Coatings



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(772) 223-8400

Some Recently Completed Projects



*Palm Aire Condos FPL Roof Coating,
8 Buildings - Pompano Beach, FL*



American Stor All Storage, Port St Lucie, FL



Boys and Girls Club, Broward County, FL



Tarpon Bay Condos, Port St Lucie, FL



Vero-Stow-Away, Vero Beach, FL



Ramada Inn, Stuart, FL



Boys and Girls Club, Broward County, FL

PROFILE OF SUCCESS
ENERGY STAR® Labeled Roof Products Case Study



A highly reflective elastomeric coating was applied to a gray modified bitumen roof, yielding increased occupant comfort, longer roof life, and substantial savings in a region of the country with low electric costs.

Our Savior's Elementary School Cocoa Beach, Florida White Elastomeric Coating from Kool Seal Corporation		
Project Manager:	Dan Fiore	
Facility Type:	Elementary School	
Total Roof Area:	12,000 ft ²	
Project Costs	Total Expenditures	\$6,000
	Dollars Per Square Foot	\$0.50
Cost Savings	Annual Dollar Savings (not including value of increased roof life)	\$850
	Dollar Savings Per Square Foot	\$0.07
	Simple Payback Period	7 years
Energy Savings	Annual Energy Savings	13,000 kWh
Pollution Prevention	Annual CO ₂ Emissions	22,300 lbs.

Our Savior's Elementary School (OSES), a small private school built in the 1960s, is a single-story building in Cocoa Beach, Florida. Local temperatures often rise to a humid 95°F during the summer and drop to near freezing in the winter. Upgrading the school's 12,000-ft² roof by applying a reflective coating not only lowered the school's electric bills substantially, but also helped maintain comfortable indoor temperatures more easily.

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In 1982, OSES' original roof was replaced with a gray modified bitumen roof. The dropped ceilings in the classrooms were insulated with R-19 fiberglass batts. The building also used an electric chiller to cool the air circulated throughout the building instead of a more typical but less efficient "direct-expansion" air-conditioning unit. Several characteristics influenced the building's energy performance and economics. First, although the building was unoccupied for two of the summer months, the building's owners provided air-conditioning year round to protect the books and furnishings from mold and mildew. Second, the building's electricity was not submetered, and quantifying the school's actual energy consumption had been difficult. Finally, the non air-conditioned hallway between the classrooms had a vaulted uninsulated ceiling that frequently reached temperatures exceeding 90°F. To keep the hallway cool, classroom doors into the hallway were frequently left open. The school recognized the comfort issue, but upgrading this already energy-efficient building had proved difficult to justify based on energy cost reductions alone.

The Florida Solar Energy Center (FSEC) approached Marianne Brown, Principal, to learn if OSES would participate in FSEC's study on the efficacy of highly reflective roof coatings. Recognizing an opportunity to improve her school and also support energy research, she encouraged the FSEC project team to proceed, and assigned Dan Fiore, OSES Facility Administrator, to work with them on the project.

"It made a tremendous difference, especially in the hallway. It used to be like a greenhouse in there from May through October."

— Marianne Brown

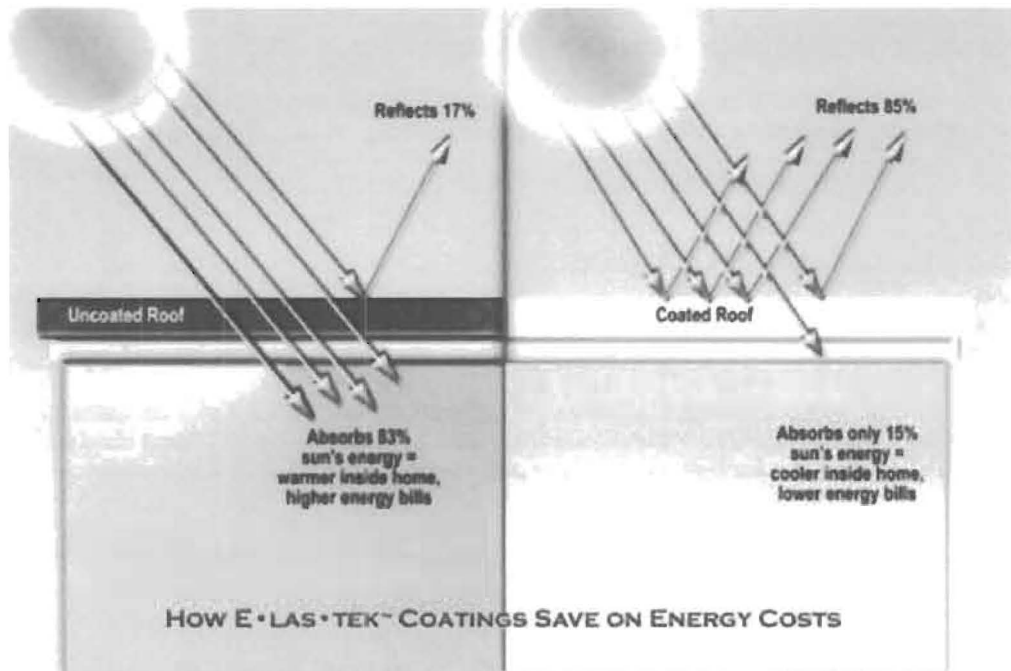
To establish a baseline for measuring energy savings and temperature reductions, FSEC began in May 1994 to record air-conditioning energy use and roof, plenum, and classroom temperatures for one year. When a simple white acrylic coating manufactured by Kool Seal Corporation was applied to the roof in May 1995, the reflectivity of the roof increased from 23 percent to 68 percent. FSEC then monitored the building for one year after the upgrade. They found that because of the reduced amount of heat entering the building, OSES' chiller's annual energy consumption had declined by an estimated 13,000 kWh, and its annual average electric power demand was reduced by 10 percent. Even more impressive was that during the period when electric power rates were highest (summer weekdays), peak electric power demand had fallen by 5.6 kW, or 35 percent. In total, OSES' roof coating was saving the school \$850 per year.

The school experienced these savings even though it was already using an efficient air-conditioning chiller and the prevailing electric rates were low. Not reflected in the net benefits, however, is the value of the increased student and faculty comfort because of lower classroom and hallway temperatures. "It made a tremendous difference, especially in the hallway. It used to be like a greenhouse in there from May through October," Brown remarked on the improved classroom conditions, "We also wanted them to coat the roof because we believed it would reduce roof maintenance and lengthen the life of the existing roof."

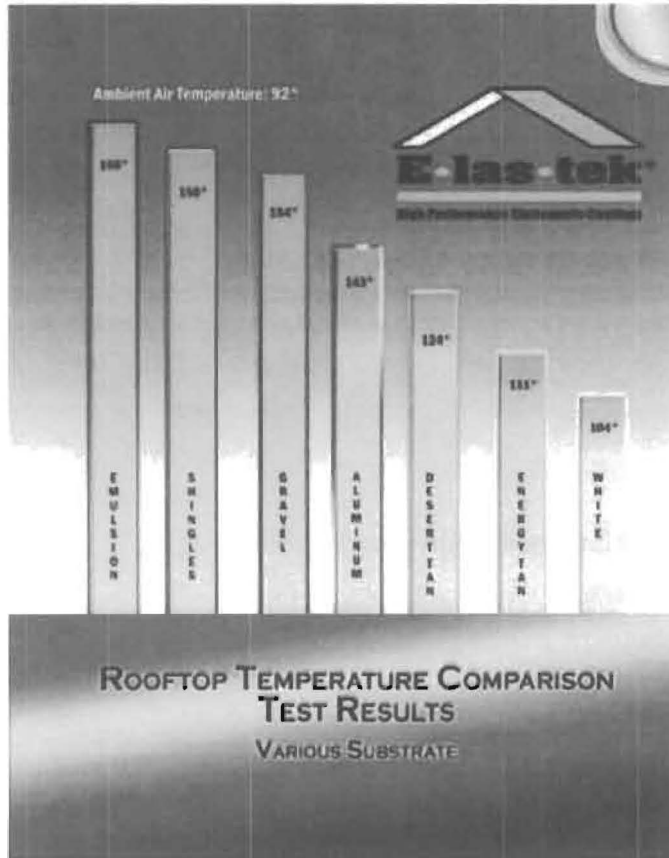
Fiore remarked on OSES' experience with energy-saving roofing products: "Our experience has been good with the roof coating. Thirteen years ago, I had an earlier opportunity to try out a reflective coating on our church, and the results were excellent. I would recommend to those considering a change in their roofing that they strongly consider reflective roof products, based on their low maintenance and strong performance."

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THE BENEFITS OF HAVING A ROOF COATED AND THE AMOUNT OF HEAT DEFLECTED:



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FPL Roof Coating Rebate Program

Frequently Asked Questions

What Are Energy Saving Roof Coatings?

Coatings are elastomeric, acrylic coatings specially formulated with bright white reflective qualities. Roof coatings provide many benefits:

- 1) Reflects solar radiation. This lowers air conditioning costs dramatically.
- 2) Protects roof surfaces against excessive temperatures and UV radiation by reflecting visible light and ultraviolet radiation. This is very important as constant expansion & contraction of the roof leads to drying out, cracking and pre-mature failure of the surface.
- 3) Reduces air conditioning equipment repair & maintenance expenses by reducing excess use.

What Types Of Roofs Can Be Coated?

Coatings can be applied to nearly any roofing surface. They are commonly applied to sprayed polyurethane roofs to provide waterproofing. They can also be applied to metal roofs, single-ply rubber roofs, modified bitumen roofs and concrete tile roofs. They can even be applied to certain kinds of asphalt roofs. It is important to establish compatibility between the coating and the underlying roof membrane.

Is Primer Necessary?

Correct surface preparation is vital on roofing substrates to assure good adhesion it's best to consult your contractor for details on roof primers used in conjunction with specific substrates. Primers are typically used to enhance adhesion, prevent bleed through of substrate contaminants and to inhibit or convert rusted surfaces on certain surfaces. Your contractor will know when a primer should be used.

How is It Applied?

Application of white roof coatings is typically applied with a commercial hydraulic airless sprayer and back rolled to give the most optimum/even coverage.

Does anyone inspect the roof other than the "Contractor"?

Before, during and after the roof is coated, the manufacturer's representative as well as an FPL representative will exam the roof to make certain the roof is: 1) Compatible for the roof coating. 2) That the roof is prepped correctly prior to painting. 3) That the roof coating is applied according to manufacturer's specifications.

Should You Coat a New Roof?

All compatible new roofs have the option of applying a white roof coating in order to reduce heat loads to roof surfaces that are not reflective as well protecting the newly applied roof which will extend its service life. Some roof membrane manufacturers extend the roof membrane warranty when a reflective roof coating is applied over the newly installed product.

FPL REBATE INFORMATION

This Sounds Too Good To Be True, Why Would FPL Pay Me To Have This Done?

Florida Power & Light really wants you to save energy. Through various agreements with the government, they are incentivised to offer programs like this to reduce the overall impact that the increased creation of energy has on our global environment

How Much Will I Save On My Electric Bill?

This depends on a lot of variables such as how you use you're A/C, what kind of A/C equipment you have, what time of year it is and how energy efficient your structure is to begin with.

Bottom Line; FPL wouldn't offer this program if it didn't work!

How Long Will It Last?

With a light annual cleaning, there's little reason the coating shouldn't last at least five years.

What Do I Have To Do To Get My Roof Coated?

You will first need to give your representative authorization to inspect your roof to see if it is damaged in any way or too deteriorated to coat. Some flat roofs for instance have excessive "ponding" of water which may need to be corrected prior to coating.

How Much Do I Pay?

FPL requires that it's customers pay the difference of the rebate and the contractor's price for the coating material & labor. FPL does not give a rebate to coat non air-conditioned areas of your roof, these areas are your responsibility. Bottom Line; Energy saving roof coatings typically pay for themselves in savings over time and continue to save money one the initial investment is returned.

Contact Your *One Call Property Services* Representative For Addition Details (772) 223-8400

FPL Roof Coating Program

Who doesn't want to lower their cooling costs?

One Call Property Services works with *Florida Power & Light* to save you the most money possible with this special heat reflective roof coating incentive program.



By allowing us to give you a free inspection of your roof (residential or commercial), we can determine if your roof meets the latest energy efficient standards and if it qualifies for a roof coating incentive. Not only will FPL help pay for the roof coating, there is a potential for thousands of dollars in savings in your energy bills.

Call today for a free evaluation and we'll explain in more detail the incentive program offered by Florida Power and Light (FPL).

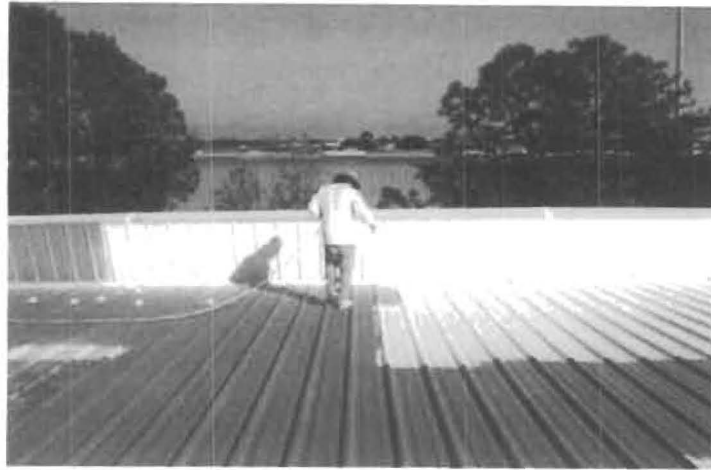
Call Today! (772) 223-8400

Kool-Seal saves energy dollars which equals year round savings and less burning of oil to produce electricity. All this is good for the environment by reducing greenhouse gases into our atmosphere.

... A Kool-Seal Investment Is Typically Recaptured Through Savings Within 1-3 Years

After 1-3 years, your **Kool-Seal** investment pays the equivalent of a yearly dividend income (savings realized over time) That's a lot better return percentage than most any stock, mutual fund or real estate investment ... and without the risk!





Get Added Savings for Only a Fraction of The Actual Price!

Kool-Seal's thick waterproof, heat reflective membrane shields your roof from rapid deterioration and reduces the chance of leaks. Bottom Line? More money saved over the life of your roof.

Kool-Seal lets your cooling equipment run less to do the same job. How much will you save through the years with less repairs & replacements of your cooling equipment?

While it's hard to put an exact monetary value on these benefits due to many variables, it's clear that the benefits far out-way the costs.

Your Next Step:

Obtain your FPL Approval, **One Call Property Services** will do this for you!

- 1) We'll inspect your roof, take measurements and determine the type of roof material with your "OK".
- 2) Once we know that your roof complies, we'll forward a copy of our agreement for your authorization. We'll need this for FPL to process your approval.
- 3) Once FPL approves your job, we will start your job . . . weather permitting.
- 4) When the job is done, there's nothing for you to do except enjoy the benefits & tell a friend!

One Call Property Services Inc
License CCC057246 and Insured

Outlets

Overview



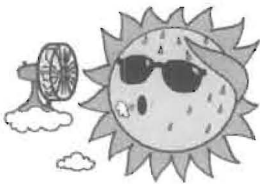
- **Stop Roof Leaks**

2/3 of roof replacements are performed because of roof leaks. Break the roof repair cycle with elastomeric coatings.

OPEN
for business

- **Stay Open**

Roof coatings can be installed in about half the time of re-roofing, with little or no disruption to your operations.



- **Keep the Heat Out**

Reflect up to 85% of the heat by installing the elastomeric roof coatings. Dark roofs absorb and store heat and release it at night.



- **It's Payback Time**

A roof coating job can pay for itself through reduced energy bills, and FPL could pay up to 80% of the installation.



- **White is the new Green**

10% of landfill waste is attributed to roofing materials. Help save the earth by keeping your roof in service years longer.

Roof Coating Specialists



FPL Roof Coating & Rebate Program



A Licensed Roofing and General Contractor

One Call Property Services Inc

7190 SE Federal Hwy #4 Stuart, FL 34997

(772) 223-8400 phone (772) 409-8620 fax



Licensed and Insured CGC045379, CCC057246



EXHIBIT 5



One Call Property Services

'One Call Does it All'

BID PROPOSAL



One Call Property Services

'One Call Does it All'

7190 SE Federal Hwy., Suite 4
Stuart, FL 34997

Office...772.223.8400

Fax.....772.409.8620

Owner's Name: Century Village HOA		Owner's Address: Building A - 313 Wellington		CCC057246	
Owner's City: West Palm Beach	Owner's Zip Code: 33417	Owner's Home Phone: (561) 689-0008	Owner's Work Phone:		
Project Address: Building A - 313 Wellington		Project City: West Palm Beach	Project Zip Code: 33417	Project Phone: (561) 689-0008	Date: 2-27-09

a. Scope of Work: One Call Property Services & Team Paint hereby submits the following specifications and estimates:

Roof Coatings

Prep as necessary and paint roofs using FPL approved Elastomeric Roof Coating
KOOL SEAL #63-600
(Solar Reflective Paint)

Total Roof Area: 17,500 square feet

Total Cost of Project: \$13,500.00

Roof Area Under Air Conditioning qualifying for FPL Rebate 17,000 sq ft
(FPL Rebate based on \$.50 cents per foot): \$ 8,750.00

Balance due by: Century Village HOA \$ 4,750.00

*Deducting the FPL Rebate of \$8,750.00
Non-Air Conditioned Area of 500 sq ft (not covered by FPL)*

OPTIONAL

Approx. 1,800 square feet of overhang on the other side of the \$ 1,353.00
parapet wall directly over walk way. Coat optional area, applying
the same material and in the same manner as the rest of the roof.

**This proposal is contingent upon FPL's approval of the outlined incentive amount.
Product to be applied according to Manufacturer's Specifications
Comes with a 7 year warranty from Sherwin Williams/KST-Kool Seal**

b. Not Included: This proposal does not include

c. WE PROPOSE to furnish material, equipment and labor in accordance with the above specifications for the sum of:

\$4,750.00/\$1,353.00 Option dollars

NOTE: This proposal may be withdrawn if not accepted within

30 days from 2-27-2009
date

Respectfully submitted by:

Company Representative

d. WE ACCEPT the prices, specifications, and terms as stated in this bid proposal are approved. We authorize you to draw up all necessary contract documents so work can begin.

approved and accepted (owner or owner's authorized agent)

date

approved and accepted (second owner - if any)

date



EXHIBIT 6



Building Envelope Reflective Roofing Approved Technologies

5 records found.
Records 1 to 5 displayed.

Measure Type	Mfg Name	Model #	Product Name	Installed Solar Reflectance	Comments
COATING	KST COATINGS MANUFACTURING, INC.	SNOW ROOF	ACRYLIC	0.85	TRANSFER FROM DUPLICATE ENTRY
COATING	KST COATINGS MANUFACTURING, INC.	63-300	ELASTOMERIC COATING	0.86	KOOL WHITE ELASTOMERIC
COATING	KST COATINGS MANUFACTURING, INC.	63-450	COATING ACRYLIC	0.85	
COATING	KST COATINGS MANUFACTURING, INC.	63-600	WHITE COATING	0.87	KOOL SEAL PREMIUM WHITE
COATING	KST COATINGS MANUFACTURING, INC.	63-705	ELASTOMERIC COATING	0.86	KOOL SEAL DURALITE WHITE

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EXHIBIT 7

One Call Property Services Inc.

5955 SE Federal Hwy #405
Stuart, FL 34997

Invoice

Date	Invoice #
5/1/2009	986

Bill To
Century Village HOA 301-314 Wellington A West Palm Beach, FL 33417

Phone #	Fax #
772-223-8400	772-409-8620

Project
Roof Coating

Description	Amount
ROOF COATINGS	
Prep as necessary and paint roofs using FPL approved Elastomeric Roof Coating APPLYING KOOL SEAL #63-600 (Solar Reflective Paint)	13,500.00
Total Roof Area: 17,500 square feet	
FPL Incentive to pay for space under air conditioning only based on \$.50 cents per square foot. Roof Area Under Air Conditioning qualifying for FPL Rebate 17,000 sq ft	-8,750.00
Included is the overhang on the other side of the parapet wall directly over walk way. Applying the same material and in the same manner as the rest of the roof.	
Thank you for your business.	
Total	\$4,750.00
Payments/Credits	\$0.00
Balance Due	\$4,750.00

*PAID
CHK DATED 5/1/09
DELIVERED 5/23/09
ONE CALL*

EXHIBIT 8



LIMITED WARRANTY

KST COATINGS, a business unit of The Sherwin-Williams Company ("KST Coatings") warrants its Kool Seal 7-Year Elastomeric Roof Coating against proven product failure for a period of Seven (7) Years from date of application.

Should Proven Product Failure occur in any way during the warranty period, a quantity of replacement product sufficient to re-coat the affected areas will be furnished free of charge by KST COATINGS upon presentation of this warranty certificate.

KST COATINGS does not warrant and shall not be liable for damages arising out of failure to apply the roof coating in accordance with our instructions, disasters such as fire, flood, wind, lightning, structural defects, including ponding water, dry rot, or termites, penetration of the surface by foreign objects, acts of vandalism, riots or terrorism, or acts or causes beyond our control, including the negligence of any person, and any other abuse or misuse of the Product. .

KST COATINGS DISCLAIMS ALL EXPRESS WARRANTIES EXCEPT THOSE THAT APPEAR ABOVE. FURTHER, SELLER DISCLAIMS ANY IMPLIED WARRANTY OF MERCHANTABILITY OF THE GOODS OR OF THE FITNESS OF THE GOODS FOR ANY PURPOSE. TO THE EXTENT ALLOWED BY LAW, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS APPLICABLE TO THIS ROOF COATING IS LIMITED TO THE DURATION OF THE EXPRESS WARRANTY ABOVE AND IS SUBJECT TO ALL THE TERMS AND CONDITIONS OF THIS LIMITED WARRANTY. SOME STATES DO NOT ALLOW LIMITATIONS ON HOW LONG AN IMPLIED WARRANTY LASTS, SO THIS LIMITATION MAY NOT APPLY TO YOU. THIS WARRANTY GIVE YOU SPECIFIC LEGAL RIGHTS AND YOU MAY ALSO HAVE OTHER RIGHTS WHICH VARY FROM STATE TO STATE.

**** THIS WARRANTY IS TRANSFERABLE TO THE OWNER OF THE PREMISES UPON WHICH THE PRODUCT IS APPLIED.****

By: Justin Brazie
Title: Product Manger

KST COATINGS

ISSUED TO:	Century Village	
ADDRESS:	313 Wellington - A - West Palm Beach, FL 33417	
JOB SITE ADDRESS:	Same as above	
INSTALLED BY:	One Call Property Services	
COMPLETION DATE:	May 2, 2009	EXPIRATION DATE: 5/2/2016
FPL CMO JOB #	2220359	Total A/C Sq footage : 17,500

callie

*Ref # 10419-12/3/10
Phone 561-321-5665
Doris*



**ONE CALL PROPERTY SERVICES INC
ROOF REPAIRS
SEVEN YEAR LABOR WARRANTY**

One Call Property Services Inc

LICENSED AND INSURED CERTIFIED ROOFING CONTRACTOR
OFFICE# (772) 223-8400 FAX# (772) 409-8620
LICENSE# CCC057246

LABOR LIMITED WARRANTY

ONE CALL PROPERTY SERVICES INC. WILL BE RESPONSIBLE FOR ANY DEFECTS IN THE ROOF DUE TO FAULTS IN LABOR INSTALLATION, WHICH ARISE OR COME TO BE DISCOVERED FOR A PERIOD OF 7 (SEVEN) YEARS UPON FINAL COMPLETION OF THE WORK PERFORMED FOR THE FOLLOWING PROJECT: **ROOF COATING**

**Century Village HOA
313 Wellington - BUILDING A
West Palm Beach, FL 33417**

ONE CALL PROPERTY SERVICES SHALL HAVE NO LIABILITY UNDER THIS WARRANTY FOR:

1. WORK PERFORMED BY OTHERS.
2. DAMAGED CAUSED BY TRAFFIC UPON, OF STORAGE OF MATERIALS UPON THE ROOF.
3. DAMAGED CAUSED BY ANY SEVERE WEATHER, INCLUDING BUT NOT LIMITED TO LIGHTNING, TORNADOS, HAIL, FLOOD, EARTHQUAKE, OR WINDS IN EXCESS OF 70 MPH.
4. DAMAGE CAUSED BY FIRE, EXPLOSION, CHEMICALS, SOLID OBJECTS FALLING ON THE ROOF, RADIATION, OR ANY OTHER CAUSE EXCEPT ORDINARY WEAR AND TEAR OF THE ELEMENTS.
5. DEFECTS, DAMAGE TO, OR FAILURE OF FLASHING, METAL WORK OR OTHER MATERIAL FURNISHED BY OTHERS.
6. ONE CALL PROPERTY SERVICES INC SPECIALISTS IS NOT RESPONSIBLE FOR ANY INTERIOR DAMAGES OR REPAIRS.
7. THIS WARRANTY IS NOT TRANSFERABLE.

THE WARRANTY WILL BE VOIDED IF ITEMS 1-5 OCCUR.
THE WARRANTY DATE FOR THIS WARRANTY IS AS FOLLOWS AND WILL
BE VALID FOR A PERIOD OF 7 YEARS.

DATE WARRANTY IS EFFECTIVE: May 2, 2009



ONE CALL PROPERTY SERVICES INC.

**7190 SE Federal Highway #4 - Stuart, FL 34997 (772) 223-8400 Phone (772) 409-8620 Fax
Licensed and Insured CGC045379 CCC057246**

EXHIBIT 9

One Call Property Services

One Call Does it All

BID PROPOSAL



One Call Property Services

One Call Does it All

7190 SE Federal Hwy., Suite 4
Stuart, FL 34997

Office ..772.223.8400

Fax.....772.409.8620

Owner's Name: LENN M. ...		Owner's Address: Building # ...			
Owner's City: West Palm Beach	Owner's Zip Code: 33411	Owner's Home Phone: (561) 881-2111	Owner's Work Phone:		
Project Address: 7190 SE Federal Hwy., Suite 4		Project City: Stuart, FL 34997	Project Zip Code: 34997	Project Phone: (561) 881-2111	Date: 1/11/10

a. Scope of Work: One Call Property Services & Team Paint hereby submits the following specifications and estimates:

REPAIR AND RESEAL ROOF FLASHING

Remove any and all debris as necessary.

Fill Cracked and open sealant in pitch pans.

Open all areas holding water and reseal as necessary .

Patch as necessary all areas that are peeling back - areas that are open and deteriorating built-up base flashing with lap open, Scattered primarily around perimeter.

Total including labor and materials:

\$1,250.00

b. Not Included: This proposal does not include

c. WE PROPOSE to furnish material, equipment and labor in accordance with the above specifications for the sum of:

\$1,250.00 dollars

NOTE: This proposal may be withdrawn if not accepted within 10 days from 2-1-2010 date

Respectfully submitted by: _____
Company Representative

d. WE ACCEPT the prices, specifications, and terms as stated in this bid proposal are approved. We authorize you to draw up all necessary contract documents so work can begin.

approved and accepted (owner or owner's authorized agent)

date

approved and accepted (second owner - if any)

date

EXHIBIT 10

Roof Leak Detection Company, Inc.

LICENSED: STATE OF FLORIDA 07-0606.07
CERTIFIED: Troxler Electronic Laboratories
CERTIFIED: Infrared Thermographer
INSURED: General Liability
HAAG: Certified Roof Inspector

7588 Oakboro Drive
Lake Worth, FL 33467
Telephone (561) 439-0684
(800)330-0684
Fax (561) 439-3073

July 6, 2011

Mr. Edward R. Grossman
Wellington A @ Century Village
West Palm Beach, Fl.

Re: Roof Survey

Dear Edward,

A Roof Survey was completed on Wellington A Condominium @ Century Village located in West Palm Beach, Florida.

PURPOSE: The purpose of the survey, through visual and isotopic inspection data, is to provide a non-destructive means to detect moisture by determining the amount of hydrogen within the layers of the roof using a nuclear (isotopic) Roof Moisture Gauge. The gauge penetrated up to eight inches of roof and its coatings and the readings are of 7.5 seconds duration.

VISUAL INSPECTION: A visual inspection was completed with the findings noted. The visual inspection is an important part of the complete roof survey to:

1. Identify signs of roof membrane degradation such as cracks, blister, flashing failures, blocked drains, ponding of water, settlement, debris, erosion or displacement of the aggregate covering, neglected areas, if any, etc. - all factors which contribute to the aging and failure of a roof system.
2. Establish the extent of repairs required and recommend preventive maintenance procedures to be followed to maximize the roof life at minimum cost to prevent further moisture damage and deterioration of the existing system and thereby minimize the heat energy loss through the roof.

METHOD: Hydrogen readings were taken at ten foot intervals or less and the data recorded on the corresponding grid drawing. 297 primary readings were taken for the building. Additional secondary readings are taken, as needed.

**Roof Survey Report
Wellington A
West Palm Beach, Fl.
July 6, 2011**

LIMITING CONDITION TO INSPECTION: *THIS IS A ROOFTOP SURVEY ONLY.*

Core samples to determine composition, condition of the roofing membrane and insulation were made on this roofing system.

ROOF GRAPH: The enclosed computerized graph was prepared from the data collected and a mathematically-formulated histogram divides through frequency distribution of the hydrogen readings recorded by the survey into four "level" in relation to the "norm" established during the inspection as outlined in the "Legend". The areas identified in yellow and green on the graph are an indication of moisture entering the roofing system in these areas. These areas are easily identifiable on the roof. A grid was laid out on the roof to match this graph.

ROOF COMPOSITION: The building has a modified bitumen roofing system. The type of insulation is Fiberboard.

ROOF SUBSTRATE: Concrete

PITCH PANS: The pitch pans were properly filled at the time of our inspection. No work other than routine maintenance is needed at this time. Pitch pans left unattended are one of the leading causes of moisture intrusion into the building.

ROOF DRAINAGE: The overall rapid exhaustion of storm water from this roofing system is poor. We observed numerous areas where ponding water is prevalent. The constant accumulation of water has caused the coating to deteriorate.

ROOF COATING: The coating applied to this roof is has completely failed. Furthermore the coating, as it deteriorated, pulled most of the granules from the modified bitumen membrane. The roofing membrane in its present condition does not have any UV protection. This is causing the roofing system to deteriorate very rapidly.



**Roof Survey Report
Wellington A
West Palm Beach, FL
July 6, 2011**

WET ROOFING MATERIAL: All wet material must be removed, these areas are identified in green and red on the attached roof moisture survey graph. The wet material should be replaced using the same type of material as in the original construction.

ESTIMATED SERVICE LIFE: This roofing system left in its present condition will in our opinion be un-repairable in less than a year. The coating applied to this roofing system has severely diminished the life cycle of this roofing system.

REPAIR RECOMMENDATIONS:

Option 2. Prep, Prime roof with 2 part epoxy and coat with Gaco Western S2000 (silicone) 1.75 gal/sq. This system is warranted under ponding conditions.
Estimated Cost \$68,000.00

IN CONCLUSION: Who's Responsible for the Failure of this coating? Obviously most of the blame falls on the unprofessional Contractor. They certainly knew that a water based product applied on a poorly sloped roof would fail. Their failure to remedy the problem should be reported to local building code authorities. Furthermore the manufacturer of the coating product should be contacted to see if any warranties exist. FPL: They do not perform any due diligent on roofs they approve for rebates, they simply ask for the existing "R" value and issue rebates on the premise that the Building is somehow more energy efficient. Does this roofing system look energy efficient?

ANNUAL INSPECTIONS: The inspection will also serve as documentation of existing conditions for this roof. This is an important function of the inspection. If a **HURRICANE** occurs and your roof is damaged you will have proof of the condition of your roof prior to the storm. Without documentation you will have to prove that your roof was damaged in the storm. This can be very costly and settlements in most cases will likely take several years to resolve.

The inspection will also serve as documentation of conditions if a contractor is performing work on the building and roof traffic is necessary to complete their work, painters, balcony repair and air conditioner mechanics, etc. If the roof is damaged then you have documentation of the conditions prior to their work commencing. Without documentation, it is very difficult to prove who has culpability for the damage that has occurred.

Sincerely,

*Steven M. Thomas HCRI, CIT 4875
President
Certified Roofing Inspector*

LEGEND for Century Village - Wellington, A
 40 - 100 Highest Hydrogen Readings
 35 - 39 Moderate Hydrogen Readings
 20 - 34 Light Hydrogen Readings
 0 - 29 No Work Needed Unless Indicated in Report

Roof Leak Detection Company Inc.
 Century Village - Wellington A - June 24, 2011
 West Palm Beach, FL

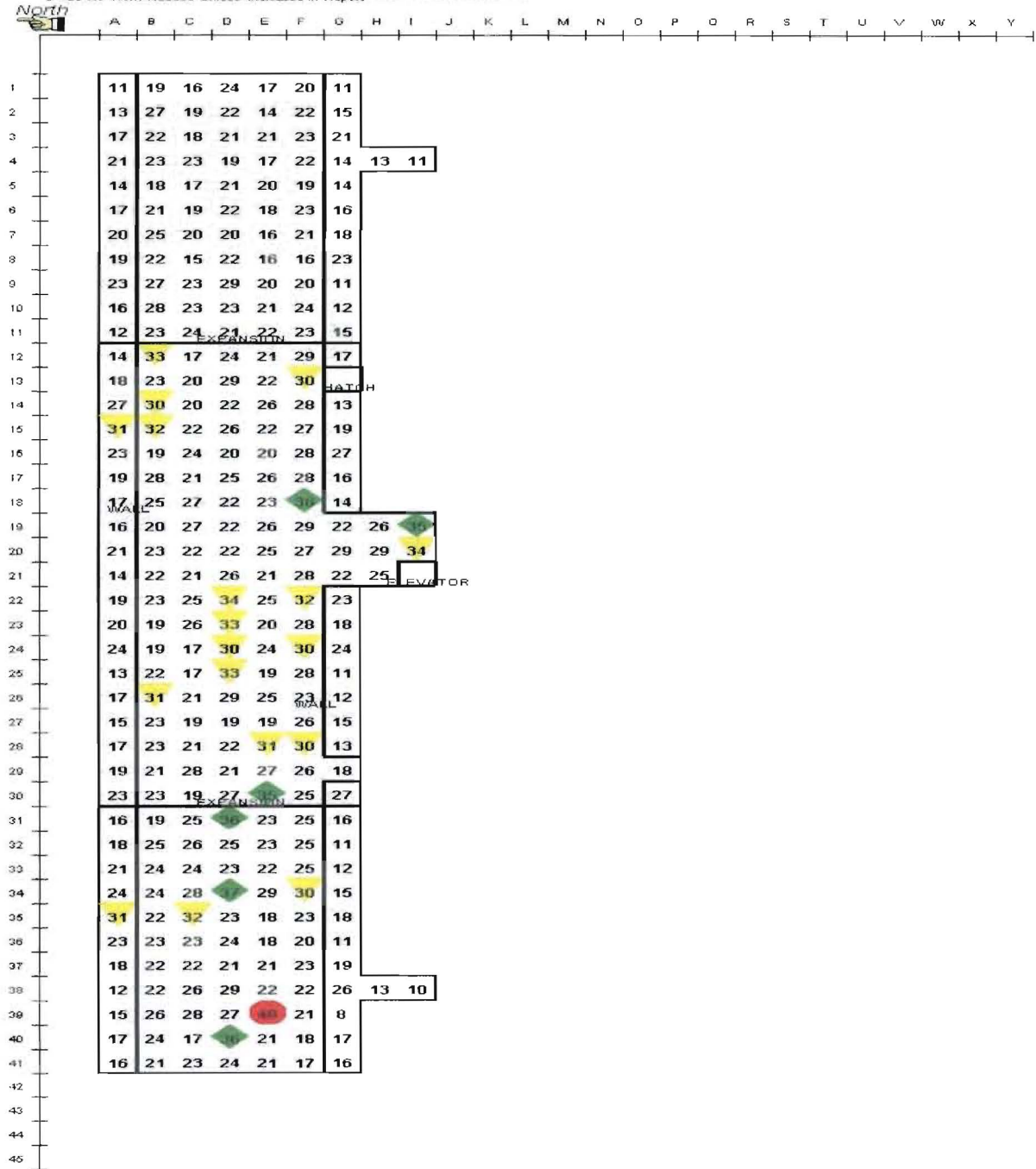


EXHIBIT 11



4800 NW 8TH Terrace ♦ Suite 2 ♦ Oakland Park, FL 33309
Office: 954-202-2888 ♦ Fax: 954-202-2889
License #: CCC1326817
www.VetRoof.com

June 21, 2011

Project Name: Wellington A – Century Village
Attn: Ed Grossman

TPO flat roofing proposal

General Scope:

1. Assemble any required engineering or paperwork required for permitting.
2. All Roofing Systems supplied and installed according to Miami/Dade Product Approval, GAF specification, and Florida Building Code.
3. Manage all required inspections.
4. Maintain General Liability, Workers Compensation, and Commercial Auto Insurance throughout project. (All employees covered under Veteran Insurance)
5. Remove debris from jobsite at regular intervals.
6. Protect property and manage materials in a safe manner.
7. Supply Contractor Warranty for 7 years.

System A Scope: 60 mil TPO over Tapered Lightweight Insulating Concrete

1. Remove and dispose of existing roofing material down to concrete deck.
2. Install asphaltic membrane and seal around penetrations to insure roof is water tight during Tapered Lightweight Insulating Concrete installation. Inside parapet wall section only.
3. Install ¼":12" Tapered Lightweight Insulating Concrete, EPS insulation boards, Crickets as required, allow to cure for 5-7 days. Inside parapet wall section only.
4. Fully Adhere 60 mil TPO Fleece Back over Lightweight Concrete with Bonding Adhesive to all flat roof areas.
5. Install preformed TPO flashings or field formed flashings to all TPO penetrations as required.
6. Heat weld all seams for a permanent bond.
7. Terminate minimum 8 inches up parapet walls Termination Bar/Waterblock/Flex Seal Caulk.
8. Install TPO Coated Clad Metal scuppers where located on drawing.
9. Install typical/stock Bilco Roof Hatch.
10. Eyebrow roof section to be TPO only terminated with edge metal.

Total Cost System A: \$135,474.00

*Not included in price: Additional insulations besides Lightweight Concrete, Walkpads, TPO over entire wall, Coping, GAF 20 year ND, AC disconnect, plumbing not part of Scope A. Pricing of these options available upon request.

**Payment Schedule must accompany this document.

_____/____



4800 NW 8TH Terrace + Suite 2 + Oakland Park, FL 33309
Office: 954-202-2888 + Fax: 954-202-2889
License #: CCC1326817
www.VetRoof.com

June 21, 2011

Project Name: Wellington A ~ Century Village
Attn: Ed Grossman

TPO flat roofing proposal

System B scope: 60 MII TPO roof over existing flat concrete deck

1. Remove and dispose of existing roofing material down to concrete deck.
2. Fully Adhere 60 mil TPO Fleece Back over concrete deck with Bonding Adhesive to all flat roof areas.
3. Install preformed TPO flashings or field formed flashings to all TPO penetrations as required.
4. Heat weld all seams for a permanent bond.
5. Terminate minimum 8 inches up parapet walls Termination Bar/Waterblock/Flex Seal Caulk.\
6. Terminate Eyebrow roofs with edge metal.
7. Install TPO Coated Clad Metal scuppers where located on drawing.
8. Install typical/stock Bilco Roof Hatch.

Total Cost System A: \$98,325.00

*Not included in price: Additional insulations, Walkpads, TPO over entire wall, Coping, GAF 20 year ND, AC disconnect, plumbing not part of Scope A. Pricing of these options available upon request.

**Payment Schedule must accompany this document.

Keith Robinson (President)

Veteran Roofing, Inc.

6/21/2011

Owner/Agent

Date

_____ / _____

EXHIBIT 12

3/15/2011

Via U.S. Mail and Email Transmittal

Mr. Paul Karp
313 Wellington A
West Palm Beach, FL 33417

Subject: Complaint re application of reflective roof product to residence by One Call Property Services Inc. ("One Call Property Services")

FPL Account #: 301 thru 314 Wellington A, WPB

Dear Mr. Karp

We have received your correspondence asserting that your residence is experiencing roof damages(s) as a result of a reflective roof coating that was applied by One Call Property Services. In addressing your concerns, please be advised as follows:

There are numerous products and energy efficient cost saving measures listed on FPL's website that are recognized in the industry for conserving energy. It is up to the customer and the independent contractor that the customer hires to determine what energy saving improvements are appropriate, as well as the manner and method for which the specific application of the product is made. Should the customer have any issue regarding workmanship and/or the suitability of a specific product, he/she must deal with the licensed contractor hired by the customer that performed the work. As part of its incentive payment for energy efficient saving measures, FPL does not provide any guarantees or warranties as to the work performed by any of the independent contractors that the customer has chosen.

As to your residence and the application of the reflective roof coating by One Call Property Services, One Call Property Services was acting as an independent contractor and was not and is not an agent, partner, joint venture or employee of FPL. Consequently, One Call Property Services and its employees/agents were acting solely on their own behalf and were not working under the direction and/or control of FPL. FPL had absolutely no involvement in One Call Property Service's selection of the reflective roof coating and in the application of the reflective roof coating. One Call Property Services was and remains the sole entity responsible for any problems you claim are associated with the application of the reflective roof coating.

On behalf of FPL, I am sorry that FPL cannot be of any further assistance to you on this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Steven Pryor", written in a cursive style.

Steven Pryor
Contractor Sales Specialist